



T E N N E S S E E  
**Hamblen County**  
SERVICE • COMMUNITY • INDUSTRY  
FINANCE DEPARTMENT

February 20, 2026

Hamblen County Substance Abuse Coalition  
Attn: Lorie Diamond / [hcsac.fiscalmgr@gmail.com](mailto:hcsac.fiscalmgr@gmail.com)  
814 W. Main St.  
Morristown, TN 37814

We have begun the 2026-2027 budget process. In order to be considered for a contribution from Hamblen County, we are requesting certain information from your organization in accordance with Section 5-9-109, *Tennessee Code Annotated (TCA)*.

**This year, we are requesting that your documents be submitted electronically to the Finance Department at the following email addresses:**

Amanda Hale – [ahale@co.hamblen.tn.us](mailto:ahale@co.hamblen.tn.us)  
Dennis Fox – [dfox@co.hamblen.tn.us](mailto:dfox@co.hamblen.tn.us)

Please provide the following items **electronically**:

- 1) proof of 501(c)(3), 501(c)(4), or 501(c)(6) IRS tax status,  
*Please note this is a letter from the IRS, not a letter of sales tax exemption from the Tennessee Department of Revenue*
- 2) your organization's most current audit or annual report detailing all receipts and expenditures, and
- 3) your organization's most current budget.

Please note that in accordance with State law, the above requested information must be submitted and on file. Noncompliance with this request may prevent your organization from receiving funds. Please understand that this letter does not guarantee that you will receive a contribution. Any contribution requires county commission approval. You may be asked to appear before the Budget Committee on **Saturday, May 16, 2026**, to explain your request. The Finance Department will notify you if the Budget Committee wants to hear from you.

Please return a copy of this letter along with the requested information above to the Hamblen County Mayor's office by **Monday, March 23, 2026**. If you have any questions, please feel free to contact me.

Sincerely,

*Amanda Hale*

Amanda Hale  
Hamblen County Finance Director

2025-2026 Contribution:

**\$0**

**Amanda Hale, Finance Director**

511 West Second North Street • Morristown, TN 37814 • *office.* 423.586.1931 • *fax.* 423.585.4699

[www.HamblenCountyTN.gov](http://www.HamblenCountyTN.gov) • *email.* [ahale@co.hamblen.tn.us](mailto:ahale@co.hamblen.tn.us)



February 19, 2026

Hamblen County Budget Committee  
511 West Second North Street  
Morristown, TN 37814

Dear County Mayor and Honorable Commissioners,

On behalf of the Hamblen County Substance Abuse Coalition, I respectfully submit this request for budget consideration in the amount of \$25,000 to support the implementation of the Hyde and Seek Trailer, an innovative adult education tool focused on substance abuse awareness and prevention.

Substance misuse continues to be a significant public health concern in Hamblen County and across Northeast Tennessee. According to the Tennessee Department of Health, Hamblen County experienced 39 drug overdose deaths in 2023, with the majority involving opioids. Of these deaths, 35 involved opioids and 30 involved fentanyl, highlighting the growing impact of highly potent synthetic opioids within our community. Additionally, stimulant involvement was noted in more than half of overdose deaths, reflecting the increasing complexity of substance use trends. Regionally, neighboring counties such as Sullivan, Washington, Greene, and Cocke also report high overdose death numbers, demonstrating that Hamblen County is part of a broader regional substance abuse crisis. Statewide, Tennessee reported over 3,616 overdose deaths in 2023, with opioids accounting for approximately 72 percent of these fatalities. Tennessee's opioid overdose death rate remains significantly higher than the national average, underscoring the urgent need for expanded prevention and education efforts.

The Hyde and Seek Trailer is an interactive educational experience designed to help adults recognize hidden signs of substance misuse in everyday environments. Participants engage in hands-on learning activities that increase awareness of risk factors, promote early intervention, reduce stigma, and encourage healthier decision-making. This program is particularly valuable for parents, employers, caregivers, and community leaders who play a critical role in prevention and response efforts.

Funding from Hamblen County will allow the Coalition to operate and maintain the trailer so it can be utilized at community events, workplaces, civic meetings, and other adult-focused settings throughout the county. This investment will expand access to prevention education,

***Hamblen County Substance Abuse Coalition, Inc.***  
814 West Main Street, Morristown, TN 37814  
(423) 748-7494



strengthen community awareness and support Hamblen County's ongoing commitment to improving public health and safety.

We appreciate your continued partnership and dedication to enhancing the well-being of Hamblen County residents. We would welcome the opportunity to provide additional information or present this initiative in greater detail at your convenience.

Thank you for your thoughtful consideration of this request.

Sincerely,

Lorie Diamond

Fiscal Manager

Hamblen County Substance Abuse Coalition

***Hamblen County Substance Abuse Coalition, Inc.***

814 West Main Street, Morristown, TN 37814

(423) 748-7494

<b>Ordinary Income/Expense</b>	<b>Total</b>
<b>Income</b>	
Individuals & Business Donations	3,500
United way	5,000
Federal Grants	-
State Grants	221,490
Local Government Grants	40,000
Fund Raising	8,000
<b>Total Income</b>	<u><u>277,990</u></u>
<b>Expense</b>	
60920 · Taxes, Fees, Licenses	21
62110 · Accounting Fees	3,225
62150 · Outside Contract Services	3,984
62890 · Rent, Parking, Utilities	3,000
64000 · Repairs & Maintenance	1,500
65030 · Printing and Copying	1,800
65040 · Office Supplies Expense	2,100
65041 · Program Supplies	6,600
65050 · Telephone, Telecommunications	3,000
65180 · Vehicle Expense	1,135
65122 · Insurance - Workmans Comp	660
65120 · Insurance - Liability, D and O - Other	2,575
65150 · Memberships and Dues	950
65161 · Media Campaign	28,650
65170 · Staff Development	4,200
66000 · Payroll Expenses	180,650
66020 - Payroll Taxes	13,820
66025 - Employee Benefits	5,880
68300 · Travel and Meetings	4,585
<b>Total Expense</b>	<u><u>268,335</u></u>
<b>Net Excess</b>	<u><u>9,655</u></u>

HAMBLEN COUNTY SUBSTANCE ABUSE COALITION, INC.

Morristown, Tennessee

AUDIT REPORT

December 31, 2024

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# DUANE CLINE, CPA, LLC

CERTIFIED PUBLIC ACCOUNTANTS  
P.O. BOX 1951, 225 WEST FIRST NORTH STREET, SUITE 104  
MORRISTOWN, TENNESSEE 37816

DUANE CLINE, CPA

Phone (423) 587-9335  
Fax (423) 586-1381  
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MEMBERS:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

TENNESSEE SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

## Independent Auditor's Report

To the Board of Directors  
Hamblen County Substance Abuse Coalition, Inc.  
Morristown, Tennessee 37814

### **Opinion**

We have audited the accompanying financial statements of Hamblen County Substance Abuse Coalition, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hamblen County Substance Abuse Coalition, Inc., as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Hamblen County Substance Abuse Coalition, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management's for the Audit of the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Hamblen County Substance Abuse Coalition, Inc. ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibility***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Hamblen County Substance Abuse Coalition, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Hamblen County Substance Abuse Coalition, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Duane Cline, CPA, LLC

November 22, 2025

HAMBLEN COUNTY SUBSTANCE ABUSE COALITION, INC.

Morristown, Tennessee

STATEMENT OF FINANCIAL POSITION

December 31, 2024

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 1,848	
Prepaid Expenses	1,033	
Accounts Receivable		
Grantors-cost reimbursement	<u>34,577</u>	
Total Current Assets		<u>\$37,458</u>

LIABILITIES AND NET POSITION

Current Liabilities

Accounts Payable	\$ 3,956	
Accrued Payroll Liabilities	<u>4,855</u>	
Total Current Liabilities		\$ 8,811

Net Position

Unrestricted		<u>28,647</u>
Total Liabilities and Net Position		<u>\$37,458</u>

The accompanying notes are an integral part of these financial statements.

HAMBLEN COUNTY SUBSTANCE ABUSE COALITION, INC.

Morristown, Tennessee

STATEMENT OF ACTIVITIES

For the year ended December 31, 2024

SUPPORT AND REVENUE

Grant Awards	\$438,478
Contributions	670
Fundraising Income	2,891
Interest Income	4,154
In-Kind Donations	<u>72,519</u>

Total Support and Revenue \$518,712

EXPENSES

Salaries and Benefits	266,143
Advertising and Media Campaigns	98,978
Outside Services	12,579
Insurance	3,758
Supplies	38,120
Vehicle Expense	4,566
Facilities Expense	16,843
Telephone	4,309
Office Supplies and Printing	3,208
Travel, Conferences, Meals and Meetings	28,238
Maintenance and Repairs	3,600
Other Expenses	1,723
In-Kind Expenditures	<u>72,519</u>

Total Expenses 554,584

INCREASE IN NET POSITION (35,872)

NET POSITION – Beginning 64,519

NET POSITION – Ending \$ 28,647

The accompanying notes are an integral part of these financial statements.

HAMBLEN COUNTY SUBSTANCE ABUSE COALITION, INC.

Morristown, Tennessee

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2024

	<u>Program Service Costs</u>	<u>Management and General</u>	<u>Total</u>
Salaries and Benefits	\$233,248	\$32,895	\$266,143
Advertising and Media Campaigns	98,978	-0-	98,978
Outside Services	12,579	-0-	12,579
Insurance	3,294	464	3,758
Supplies	33,401	4,719	38,120
Vehicle Costs	4,566	-0-	4,566
Facilities Expense	14,761	2,082	16,843
Telephone	3,776	533	4,309
Office Supplies and Printing	2,811	397	3,208
Travel, Conferences, Meals and Meetings	24,748	3,490	28,238
Maintenance and Repairs	-0-	3,600	3,600
Other Expenses	1,510	213	1,723
In-Kind Expenses	<u>72,519</u>	<u>-0-</u>	<u>72,519</u>
Total	<u>\$506,191</u>	<u>\$48,393</u>	<u>\$554,584</u>

The accompanying notes are an integral part of these financial statements.

HAMBLEN COUNTY SUBSTANCE ABUSE COALITION, INC.

Morristown, Tennessee

STATEMENTS OF CASH FLOWS

For the year ended December 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Position	\$(35,872)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
(Increase) Decrease in:	
Accounts Receivable-Grantors	(2,916)
Increase (Decrease) in:	
Accounts Payable	3,771
Accrued Payroll Related Liabilities	<u>417</u>
NET CASH PROVIDED BY (USED BY) OPERATING ACTIVITIES	<u>(34,600)</u>
CASH AND CASH EQUIVALENTS-Beginning	<u>36,448</u>
CASH AND CASH EQUIVALENTS-Ending	<u>\$ 1,848</u>

The accompanying notes are an integral part of these financial statements.

HAMBLEN COUNTY SUBSTANCE ABUSE COALITION, INC.

Morristown, Tennessee

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Hamblen County Substance Abuse Coalition, Inc. (the Coalition) was established to be a sole entity to reach out to the Hamblen County area in prevention efforts to reduce the effects of alcohol, tobacco and drug abuse, misuse, addiction, and the negative effects that these abuses have on the community.

The Coalition is organized as a nonprofit corporation under the laws of the State of Tennessee and a Section 501(c)(3) organization under Internal Revenue Code and is exempt from Federal and State income taxes.

**BASIS OF ACCOUNTING**

The Coalition maintains its financial records on a cash basis throughout the year. At year-end the records are adjusted to utilize the accrual basis of accounting.

**BASIS OF PRESENTATION**

The Coalition's net assets and changes therein are classified as follows:

Unrestricted net position – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met either by actions of the organization and/or the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Center. Generally, the donors of these assets permit all or part of the income earned on related investments be used for general or specific purposes.

Revenues are reported as increases in unrestricted net assets unless the use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

HAMBLEN COUNTY SUBSTANCE ABUSE COALITION, INC.

Morristown, Tennessee

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH AND CASH EQUIVALENTS

The Coalition considers all highly liquid investments of six months or less when purchased to be cash equivalents.

IN KIND DONATED SERVICES, MATERIALS, AND FACILITIES

Donated services are comprised of volunteer time contributed to the Coalition by individuals. Value is assigned based upon the reasonable cost of the particular service provided. The value of donated services for the year ended December 31, 2024 totaled \$31,244, in-kind materials and supplies totaled \$20,775 and total facilities and utilities are valued at \$20,500 for a total value of \$72,519.

ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates.

GRANT AND CONTRACT SUPPORT

The Coalition received grant funds from Drug-Free Communities (DFC) support program in the amount of \$261,736 which represents a grant from December 31, 2021 through December 31, 2024. This grant requires matching local funds. Grant funds were also received from the Tennessee Established Coalition (EC) in the amount of \$176,742 with fiscal years July 1, 2023 to June 30, 2024 and July 1, 2024 to June 30, 2025. These funds are received through cash reimbursement grants. Amounts expended under these grants that have not been received from the grantor agency are reflected as receivable from the grantor in these financial statements.

INCOME TAXES

The Coalition is exempt from federal income taxes under Section 501 (c) (3) of the Internal Revenue Code. In addition, the Coalition has been determined by the Internal Revenue Service not to be a "Private Foundation" within the meaning of Section 509 (a) of the Code.

NOTE B – CONCENTRATIONS

GEOGRAPHICAL

The geographical area in which this organization operates is Morristown and the Hamblen County area.

HAMBLEN COUNTY SUBSTANCE ABUSE COALITION, INC.

Morristown, Tennessee

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

NOTE C – COMMITMENTS AND CONTINGENCIES

LITIGATION

The Coalition is unaware of any litigation, claims or assessments that are required to be disclosed in the financial statements.

FUNDING

The Organization receives a substantial amount of support from various contributors for operations as well as operating grants referred to in Note A. A major reduction of funds by contributors, and grantors should this occur, may have a significant effect on future operations.

NOTE D – CAPITALIZATION POLICY

The Coalition's capitalization policy is \$5,000 per single item of property and equipment. Items below that threshold are expensed in the year of purchase.

NOTE E – MANAGEMENT REVIEW

The Coalition's management evaluated subsequent events through November 22, 2025 the date the financial statements were available to be issued and found no significant events requiring disclosure.

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **FEB 26 2011**

HAMBLEEN COUNTY SUBSTANCE ABUSE  
COALITION INCORPORATED  
C/O PAUL J HYDE JR  
814 W MAIN ST  
MORRISTOWN, TN 37814

Employer Identification Number:  
37-1612932  
DLN:  
17053042410021  
Contact Person:  
RENEE RAILEY NORTON ID# 31172  
Contact Telephone Number:  
(877) 829-5500

Accounting Period Ending:  
December 31  
Public Charity Status:  
170(b)(1)(A)(vi)  
Form 990 Required:  
Yes  
Effective Date of Exemption:  
January 19, 2011  
Contribution Deductibility:  
Yes  
Addendum Applies:  
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)