

Hamilton County, TN

Budget Hearings

FY 2027

Humane Educational Society

	<i>Adopted Budget FY 2025</i>	<i>Adopted Budget FY 2026</i>	Requested FY 2027	Inc. (Dec.) FY27 vs. FY26
OPERATING BUDGET				
1015270-Humane Educational Society	842,974	900,000	1,250,000	350,000
1015610-Animal Control Services	-	500,000	-	(500,000)
Total HES/Animal Control Services	842,974	1,400,000	1,250,000	(150,000)

Key Items to Address with County Commission:

1. What are you investing in?
2. Where are you maintaining/holding the line?
3. What is the reason for the funding increase - additional services, improved efficiencies, other?

Hamilton County, Tennessee
HUMANE EDUCATIONAL / ANIMAL CONTROL Budget Year 2027 (Requested)

1015270-HUMANE EDUCATIONAL SOCIETY		Prior Year Actuals	FY 2026 Budget			FY 2027 Budget	
DESCRIPTION		2025	Adopted	Amended	YTD Thru 1/31/2026	Requested	Change from PY Adopted
56003	APPROPRIATION	1,106,896	900,000	900,000	900,000	1,250,000	350,000
	<i>Operating Expenditures Totals:</i>	<u>1,106,896</u>	<u>900,000</u>	<u>900,000</u>	<u>900,000</u>	<u>1,250,000</u>	<u>350,000</u>
1015270-HUMANE EDUCATIONAL SOCIETY Totals:		1,106,896	900,000	900,000	900,000	1,250,000	350,000



Interim Executive Director
Dr. Tai Federico

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January 29, 2026

Mayor Weston Wamp
Hamilton County Commissioners
Hamilton County Courthouse
625 Georgia Avenue
Chattanooga, TN 37402

Dear Mayor Wamp and Commissioners:

We are pleased to submit the attached 2026-27 funding request on behalf of the Humane Educational Society.

As your longstanding contracted vendor providing Hamilton County's mandated animal control services, our staff works diligently to investigate charges of animal cruelty and ensure that stray and nuisance animals are apprehended and sheltered in a safe and humane environment until a permanent rehoming option can be secured.

Please note that the request is significantly less than the total amount of funding received for the current fiscal year, and represents the minimum level of funding required to continue providing the quality of services our Hamilton County residents have come to expect from our organization.

We are grateful for your support through the many years we have served as Hamilton County's animal control vendor, and look forward to continuing a productive relationship in the future.

Sincerely,


Roland Federico, DVM
Interim Executive Director



BUDGET REQUEST APPLICATION
FY 2026-2027

A. Cover Form

Organization Name: Humane Educational Society (HES)

Organization Legal Name: Humane Educational Society of Chattanooga TN

Project Name(s): HES Animal Services

Federal Tax ID#: 62-0478240

Mailing Address: 4155 Randolph Circle, Chattanooga, TN 37406

Hamilton County Address: 4155 Randolph Circle, Chattanooga, TN 37406

Year Established: 1910

Years organization has operated in Hamilton County or served Hamilton County residents: 116

Organization's authorizing official contact: James Cantanzaro, Board President

Organization's application contact person: Tai Federico, DVM, Executive Director

Fiscal year total operating budget: \$3,435,000

Current fiscal year start/end date: July 1, 2025

First time applicant: NO

Requested county funds: \$ 1,250,000

The above and following schedules embodying a request for an allocation from Hamilton County, Tennessee for the fiscal year ending June 30, 2027 (fiscal year 2027) were considered and approved by our Board of Directors on 01/28/2026. In the judgment of our Board, it represents the minimum needs of our organization for this fiscal year.

[Signature]
Signature of President or Board Chair

[Signature]
Signature of Executive Director

THIS ALLOCATION REQUEST IS DUE BY JANUARY 30,2026

B. Grant Application

STATEMENT OF NEED

1. What needs does your program address, and why is it important to the Hamilton County population?

As the longstanding contract vendor providing Hamilton County's mandated animal control program, the Humane Educational Society performs functions that the County Commission has previously identified as comprising "animal control" for the county:

1. Maintaining the animal population in Hamilton County,
2. Addressing and apprehending nuisance animals,
3. Providing a safe haven for captured animals,
4. Minimizing overpopulation,
5. Enforcing the Rabies Control Program,
6. Providing low-cost pet sterilization and pet adoption services,
7. Investigating animal cruelty, and
8. Providing education to the community about the humane treatment of animals.

Without these services provided by HES under agreement with Hamilton County, and the effective enforcement of them, Hamilton County would have animal control issues that would affect the quality of life for taxpayers and residents across the county, from unaddressed stray and nuisance animals to the loss of humane sheltering and adoption services. Without the services of HES, Hamilton County would still bear the responsibility for Animal Control, probably through the Sheriff's Department. This would inevitably include the costs of additional staff with required training and certifications; specially adapted vehicles; creating locations for the housing of said animals; veterinary care for spay, neutering and the care of sick animals; quarantining animals as circumstances dictate; the operational costs of adoptions and educating the public; and, of course, enforcement of the Rabies Control Program. The alternative to providing this care, unfortunately, would be an inevitable increase in the number of euthanized animals.

2. Provide data and statistics that support your organization's needs.

In 2025, HES took in 2,947 animals while realizing a 90.8% live outcome rate, i.e. animals that are either returned to their owner, transported to a community with pet adoption needs, or placed with adoptive families locally. A live outcome rate exceeding 90% earns a shelter the coveted "No-Kill" designation. The allowance for up to 10% loss of life in shelters recognizes that some animals are terminally ill or pose a danger to public safety due to behavioral or health issues and cannot be rehabilitated. The board and staff of HES are extremely proud to have earned designation as a "No-Kill" shelter.

Because shelter space is limited, HES also works with over 370 foster homes that accommodated over 2,000 individual foster animal placements in 2025. HES also coordinates over 175 adult volunteers who provide more than 23,000 hours of animal care service, conservatively saving HES more than \$300,000 in salary expense for paid staff to provide that same level of care. HES spayed or neutered more than 1,800 animals, addressing animal overpopulation at its root cause. In 2025, HES also provided 24/7, 365-day animal control services utilizing a community-centric model that prioritizes providing resources and education to low-income families to prevent the need for prosecution of animal welfare infractions, conserving critical time of court officials and law enforcement.

These programs, many of which would not be possible without the generosity of donors cultivated over many years, include: free dog houses, a pet food pantry accessible by all residents of Hamilton County, low-cost pet vaccinations and animal surrender or seizure when necessary. This combination of daily demand from animal surrender and adoption to the multiple-animal emergencies that occur across Hamilton County requires an animal control contractor that is well-staffed and adequately funded enough to have necessary veterinary staff and equipment, supplies and medicines to handle ongoing and emergent needs of animal hoarding and animal neglect cases, without sacrificing the commitment to operate as a "no-kill" facility.

3. How do you plan to utilize grant money awarded by Hamilton County?

The allocation will be used to partially cover the costs of operating a high-quality, high-performing, animal control operation along with providing necessary shelter services to meet the demands of the unincorporated areas of Hamilton County. Properly maintained and operated, these services cost in excess of \$3.4 million annually, including animal control personnel and vehicles, veterinary equipment and supplies, intake and adoption personnel, foster care coordination, education staff, and all of the costs associated with operating and maintaining a 22,000 square foot state-of-the-art animal shelter, including but not limited to specialized training and certifications, veterinary care, utilities, commercial insurances, fixtures and equipment, etc.

The private support HES raises from animal-lovers across the area, along with corporations and nonprofits whose mission is to support animal well-being, and the proceeds from the Thrift Store operated by HES, reduces the financial burden on Hamilton County taxpayers by 50% to fully fund comparable services through their payment of property and sales taxes. There are also costs associated with raising charitable contributions to help meet bottom-line expenses, but those costs are more than paid for by those donations. Collectively, the revenue we generate goes to meet our mission to provide a safe haven for homeless, abused and neglected animals in our community and advocate on their behalf.

Last year was a difficult year for the Humane Educational Society. Escalating expenses and staffing challenges required the Board of Directors to make some significant changes. New leadership was installed in January 2025; some staff positions were eliminated; spending was carefully monitored; and, a new Spay/Neuter clinic generating much-needed net revenue to fund shelter operations was also opened later in 2025. Six months into the current fiscal year finds the shelter is meeting operational funding needs but is still not operating at 100% capacity.

Funding awarded by Hamilton County will be used for daily operations. Concurrently, however, HES must invest in improvements to shelter operations, including imminent replacement of two trucks, each with mileage around 250,000 miles, equipped specifically for Animal Control services, and replacement of inoperable temperature control equipment in the Dog-Adopt A hallway, which would expand housing capacity by about 25 animals. The additional capacity would require 1-2 additional employees to absorb care requirements of these additional dogs. Full funding of the HES ask of Hamilton County will free up philanthropic funding to cover these much-needed infrastructure investments.

4. What results are you committed to achieving during the grant period? What key performance measures will you use to evaluate and track those results? (750-word suggestion)

First and foremost, HES wants to continue to deliver animal control and care services to the citizens in our coverage area sufficient to maintain live outcomes of no less than 90%. A number of factors feed into that designation, but because pet ownership and the percentage of responsible pet owners are fluid calculations, our performance measures are directly tied to the demands from the HES service area.

Our perennial objectives include prompt response to citizen calls and complaints, and problem resolutions that are satisfactory for the complainants, whether they reside in unincorporated Hamilton County or the municipalities of Collegedale, Signal Mountain, Soddy Daisy, Ridgeside, and Walden. That means having sufficient numbers of animal caregivers as well as volunteers and foster homes to accommodate the inevitable overflow when the shelter is at capacity. It also requires a sufficient complement of trained and licensed animal control officers who respond appropriately to reports of animal cruelty and abuse along with instances of dangerous or nuisance animals.

All of these manpower measures are quantitative and, therefore, measurable. We will maintain a corps of over 550 volunteers, approximately 375 of whom open their homes to foster care animals. We also need to maintain our animal transport program that has proven so valuable in reducing our local rescue population by sending adoptable animals to communities across the country that cannot meet their own adoption demands.

Importantly, we must be able to afford a robust spay/neuter program. Not only are we required to spay/neuter every animal that comes into our care, but we also have to get out in front of the growing feral animal populations. The feral cat population alone is estimated to be between 30,000,000 and 80,000,000 in the US and would be much higher were it not for public spay and neuter programs, return to field (RTF) initiatives and Trap/Neuter/Release (TNR) programs implemented by organizations like HES.

5. What entities do you collaborate with which could also benefit from monies awarded by Hamilton County?

Hamilton County Sheriff's Department (HCSD)

HCSD and HES have a close working relationship. HCSD assists HES on calls where backup is necessary, and answers calls directly from dispatch to respond to incidents involving animals. This includes dangerous animals, investigations involving aggravated cruelty, abandonment, owner incarceration or death, and other priority 1 issues. HES' staffing, equipment, and training in animal services improves our capacity to respond to incidents quickly to provide support to the HCSD.

Hamilton County Health Department (HCHD)

HES carries out vital functions of Tennessee state laws regarding rabies control in close conjunction with the HCHD. HES investigates animal bites, captures dangerous animals, provides rabies vaccination enforcement, and offers kenneling for 10-day mandated bite quarantines. HES provides in-field education regarding the importance of rabies vaccination and enforces mandates for vaccination. These basic functions are a requirement according to TN state law.

TN Department of Agriculture (TN Ag)

As first responders to animal calls received in the Hamilton County area, HES often initiates cases involving livestock animal welfare. HES officers are in regular communication with the regional TN Ag officer and assist in local investigations.

TN Department of Children's Services (DCS) and Adult Protective Service (APS)

There is a well-researched link between animal abuse and the abuse of vulnerable adults and children. HES encounters serious situations in field response work where in addition to animals, both children and adults are living in deplorable conditions. These cases are reported to the appropriate agency in detail by HES. During animal cruelty investigations, our evidence, photos, and witness accounts as first responders can help those in need receive care. Often, HES pays multiple visits to a property to communicate with owners, helping build case files as we observe the people in the home.

Hamilton County Disaster Animal Response Team (DART)

The local chapter of DART exists to assist in large-scale emergencies throughout TN District 3. In the event disaster response is needed, such as during tornado seasons, HES is a critical component of an emergency strategy to meet the needs of animals.

Hamilton County Schools (HCS)

HES collaborates with teachers in the HCS system for humane education programs. Kids love the opportunity to interact with animals and learn to care about them. This type of hands-on engagement builds up children to be kind and community-oriented adults.

Hamilton County Courts

When mandated, we provide sheltering and veterinary care while litigation proceeds through the court system.

6. What is your organization's long-term vision, as it relates to your philanthropy and operations?

Our long-term vision is to enable a community in which each pet has a home where they are respected and cherished, but the hard reality is that there will always be strays and nuisance animals, there will always be animals who are abandoned or surrendered, and there will always be abusive and neglectful owners. Our best hope is to broaden our education efforts so that citizens know how to care for their pets, and how to surrender them to others when they cannot provide the care their animals deserve. As long as Hamilton County remains a popular destination for current and future residents into the long-term, we know that our animal population will grow along with our humans, and a humane animal control provider will be a critical part of county government's essential services.

HES is fortunate to have a loyal base of regular individual donors, corporate sponsors of events and community benefactors. After operating for a year without a Director of Development, HES promoted a long-term employee to fulfill that role. Her primary responsibilities will be enhancing our annual giving platform, the Incredible Journey, and focusing on major gifts. The Board is discussing the formation of new supporting organization, Friends of HES, to accommodate the legacy donations and bequests designated to create long-term sustainability and impact for the nonprofit.

C. Evaluation and Sustainability

7. If you utilize any evidence-based programs, please indicate which state and/or federal websites list the program and the rating given.

HES subscribes to and strives to attain and maintain the outcomes goals of nationally-recognized programs such as Shelter Animals Count and Shelter Pet Data Alliance. The relationship with Shelter Pet Data Alliance allows HES to compare intake and outcome data with more than 7900 shelters and rescues, enabling HES to spot local and national trends and leverage analyzed data in daily decision-making. The HES live outcomes meet or exceed the thresholds to be recognized as a "No-Kill" shelter by the Best Friends Animal Society, and to be eligible for exclusive grant opportunities through foundations targeting impacts in animal rescue.

8. Describe how your organization plans to sustain services financially if Hamilton County funds do not extend past the awarded fiscal year.

Unfortunately, there is no way HES could sustain its current service levels if Hamilton County were to discontinue funding. While some level of compensatory funding could be realized from charitable contributions, it would be impossible to sustain operations from private contributions alone. Moreover, it would be ill-advised for Hamilton County to withhold funding to support services for which they are legally responsible (i.e. the provision of animal control), unless Hamilton County officials are willing and able to invest in the required infrastructure and additional personnel required to take those duties on themselves.

D. Budget, Supporting Financial Documents and Attachments

Submit each of the following and complete the schedules that follow. If a document is not attached to your submission, please select N/A in the appropriate dropdown box:

- Your most recent audit (and previous two audits for organizations with a budget of \$750,000 or more)
Document Attached
- The organization's current operating budget - Schedule I
Document Attached
- A Form 990 from the previous three (3) years
Document Attached
- IRS Letter of Determination
Document Attached
- Current Certificate of Existence with the State of Tennessee
Document Attached
- Demographic information for clients served - Schedule II
Document Attached
- Board & Staff Information - Schedule III
Document Attached
- Grants, Contracts, MOU Table - Schedule IV
Document Attached
- Strategic Plan
Document Attached
- Letters of Support
N/A

PROGRAM BUDGET SUPPORT REVENUE

NAME OF AGENCY BUDGET BY SERVICES FOR	FY 2026 Approved Budget	FY 2027 Proposed Budget	REVENUES	EXPENSES/EXPENDITURES					
			Support/ Revenues	PROGRAM SERVICES			SUPPORT SERVICES		
				Shelter Ops Program 1	Thrift Store Program 2	Total Prog. Servs. Program 3	Mgmt & General	Fund Raising	Total Supp. Serv.
SUPPORT/REVENUE FOR CURRENT OPERATIONS:									
Contributions	975,000	895,000	895,000						
Net Proceeds Special Events Gross Revenues, Exp below	300,000	285,000	285,000						
Designations	0	0							
United Way	0	0							
Fees/Grants from Governmental Agencies	180,000	300,000	300,000						
Membership Dues	0	0							
Program Income Animal Shelter Revenues	110,000	415,000	415,000						
Sales to Public Thrift Store Sales	290,000	290,000	290,000						
Investment Income		0							
Transfers to Operating Budget		0							
Income from Previous Year		0							
Miscellaneous		0							
*Support Requested from Hamilton County	1,400,000	1,250,000	1,250,000						
TOTAL SUPPORT/REVENUES	3,255,000	3,435,000	3,435,000						
EXPENDITURES FOR CURRENT OPERATIONS:									
Salaries Only (No Benefits)	1,847,000	1,705,000		1,705,000			1,705,000		0
Employee Health & Retirement Benefits	180,000	130,000		130,000			130,000		0
Employment Taxes, etc.	180,000	130,000		130,000			130,000		0
Professional Fees/Contract Service Payments	125,000	70,000		70,000			70,000		0
Supplies	10,000	13,000		13,000			13,000		0
Telephone	40,000	43,000		43,000			43,000		0
Postage and Shipping	4,000	2,000		2,000			2,000		0
Occupancy	130,000	136,000		136,000			136,000		0
Equipment Rental and Maintenance	125,000	119,000		119,000			119,000		0
Outside printing, art work, etc.	15,000	16,000		16,000			16,000		0
Local Transportation		0					0		0
Conferences, Conventions, etc.		0					0		0
Special Assistance to Individuals Animal Shelter Operations	300,000	266,000		266,000			266,000		0
Organization Dues	6,000	5,000		5,000			5,000		0
Awards and Grants		0					0		0
Fund Raising/Self-Support Activities	190,000	190,000			90,000		90,000	100,000	100,000
Insurance	125,000	75,000		75,000			75,000		0
Miscellaneous	27,000	48,690		48,690			48,690		0
Depreciation	451,000	486,310		486,310			486,310		0
National Dues/Support Payments		0					0		0
Equipment Purchases		0					0		0
TOTAL EXPENSES/EXPENDITURES	3,755,000	3,435,000		3,245,000	90,000	0	3,335,000	0	100,000
REVENUES OVER (UNDER) EXPENDITURES	(500,000)	0							

Program Beneficiary Statistics

(This should reflect total program count. Copy as needed for each program.)

Humane Educational Society

(Name of Program)

HES is contracted to provide Animal Control for residents of unincorporated Hamilton County and certain municipalities without regard to age, gender, ethnicity or ability to pay.

Program Beneficiary Characteristics Clients/Patients/Recipients/Other		Fiscal 2026 Budget	Fiscal 2026 Projected	Fiscal 2027 Proposed Budget
Program beneficiaries are stated in residents served, rather than nuisance animals provided with care, which is unpredictable from year to year.				
1. Unduplicated Count of Program	TOTAL	110,000	110,000	111,670
Beneficiaries				
a. Total Continuing from Previous Fiscal Year				
b. Total New for the Year		110,000	110,000	111,670
c. Total Terminated During the Year				
Last year's request incorrectly included small municipalities served.				
2. Age Group	TOTAL N/A	0	0	0
a. Infants-Under 5				
b. Between 5 and 12				
c. Between 13 and 17				
d. Between 18 and 29				
e. Between 30 and 64				
f. 65 and over				
g. Not Known				
3. Gender	TOTAL N/A	0	0	0
a. Male				
b. Female				
c. Not Known/Other				
4. Ethnic Background	TOTAL N/A	0	0	0
a. White				
b. Black				
c. Hispanic				
d. Oriental				
e. Other - Ethnic Minority				
f. Not Known				
5. Income Level	TOTAL N/A	0	0	0
a. Below 4,999				
b. 5,000-7,499				
c. 7,500-9,999				
d. 10,000-14,999				
e. 15,000-19,999				
f. 20,000-29,999				
g. 30,000 and Over				
h. Not Known				
6. Location of Residence	TOTAL	110,000	110,000	111,670
a. Hamilton County		110,000	110,000	111,670
b. Outside of Hamilton County				
c. Not Known				

**HAMILTON COUNTY, TENNESSEE
FISCAL YEAR 2027**

Agency Name: Humane Educational Society

1. Are the dollars Hamilton County appropriates to your agency designated for the benefit of a specific geographical segment of the community? **YES**

2. If the answer to question number 1 above is yes, please explain.

The Humane Educational Society is contracted by Hamilton County Government to provide Animal Control Services to residents of unincorporated Hamilton County. Services provided to certain incorporated municipalities are provided under separate contract with those municipalities, which currently includes Collegedale, Ridgeside, Signal Mountain, Soddy Daisy and Walden. Other municipalities either maintain their own animal control services or contract with another shelter.

Services provide outside our contracted service areas typically involve animals adopted from HES by residents outside our areas who are subsequently returned to the shelter for some reason, occasional emergencies and animals needed to fulfill transport partnerships where other communities are willing to accept animals needed to meet their adoption needs.

3. Please estimate the percentage of your services provided to the geographic area listed below:

Unincorporated County	<u>68.0%</u>	
City of Chattanooga	<u>4.0%</u>	Typically returns from adoptions or occasional emergencies
City of East Ridge	<u>1.0%</u>	Transport partnerships, returns from adoptions or occasional emergencies
City of Signal Mountain	<u>2.0%</u>	
City of Red Bank	<u>0.0%</u>	Less than 1%
City of Soddy Daisy	<u>16.0%</u>	
City of Lakesite	<u>0.0%</u>	
City of Walden	<u>1.0%</u>	
City of Collegedale	<u>4.0%</u>	
City of Ridgeside	<u>0.0%</u>	Less than 1%
City of Lookout Mountain	<u>0.0%</u>	
All areas outside of Hamilton County	<u>4.0%</u>	Typically returns from adoptions or occasional emergencies
 Total	 <u><u>100.0%</u></u>	

Schedule of Positions, Salaries & Wages
Confidential (for Hamilton County internal use only)

Humane Educational Society

(Name of Agency)

All HES board positions are unpaid, part-time volunteers.

ALL FINANCIAL INFORMATION ROUNDED TO NEAREST DOLLAR

Board of Directors Title and/or Position	Name(s) Last Name, Initial	Part Time	#Years Emp	Emp. Covered by Retirement (a)	Current FY			Proposed FY		
					# Weeks Employed	Annual Salary	Budgeted Salary	# Weeks Employed	Annual Salary	Budgeted Salary
President	Catanzaro, J	--	0	NO	0	0	0	0	0	0
Vice-President	Hall, C	--	0	NO	0	0	0	0	0	0
Treasurer	Kilbride, M	--	0	NO	0	0	0	0	0	0
Secretary	Haley, M	--	0	NO	0	0	0	0	0	0
Member-At-Large	Adams, J	--	0	NO	0	0	0	0	0	0
Member-At-Large	Collins, S	--	0	NO	0	0	0	0	0	0
Member-At-Large	Coulter, B	--	0	NO	0	0	0	0	0	0
Member-At-Large	Curtis, D	--	0	NO	0	0	0	0	0	0
Member-At-Large	Doak, R	--	0	NO	0	0	0	0	0	0
Member-At-Large	Foy, T	--	0	NO	0	0	0	0	0	0
Member-At-Large	Greene, R	--	0	NO	0	0	0	0	0	0
Member-At-Large	Griscom, T	--	0	NO	0	0	0	0	0	0
Member-At-Large	Gruber, C	--	0	NO	0	0	0	0	0	0
Member-At-Large	Guerry, J	--	0	NO	0	0	0	0	0	0
Member-At-Large	Harris, S	--	0	NO	0	0	0	0	0	0
Member-At-Large	Martinez, C	--	0	NO	0	0	0	0	0	0
Member-At-Large	Miller, R	--	0	NO	0	0	0	0	0	0
Member-At-Large	Rich, A	--	0	NO	0	0	0	0	0	0
Member-At-Large	Schwartz, S	--	0	NO	0	0	0	0	0	0
Member-At-Large	Townsend, C	--	0	NO	0	0	0	0	0	0

* If a position is changed from a part-time to a full-time position, show each as a separate position unit.

List positions in order of responsibility and include all staff and employees of agency in this schedule.

Non-professional employees performing similar services may be reported as a group.

(a.) Check if person is covered by retirement benefits.

Schedule of Positions, Salaries & Wages
Confidential (for Hamilton County internal use only)

Humane Educational Society

(Name of Agency)

ALL FINANCIAL INFORMATION ROUNDED TO NEAREST DOLLAR

Organization Staff Members Title and/or Position	Name(s) Last Name, Initial	Part Time	#Years Emp	Emp. Covered by Retirement (a)	Current FY			Proposed FY		
					# Weeks Employed	Annual Salary	Budgeted Salary	# Weeks Employed	Annual Salary	Budgeted Salary
Executive Director (currently interim)	Federico, R	NO	0	NO	52	0	120,000	52	125,000	125,000
Director, Veterinary Services	Callahan, S	NO	5	YES	52	140,000	110,000	52	140,000	140,000
Director, Operations	Vincent, S	NO	3	YES	52	69,000	70,000	52	69,000	69,000
Director, Donor Development	Cloyd, J	NO	19	YES	52	60,000	75,000	52	53,500	53,500
Manager, Placement & Enrichment	Garrett, C	NO	14	NO	52	53,500	47,000	52	55,000	55,000
Triage & Veterinary Assistant	Bradshaw, H	NO	23	YES	52	49,500	52,000	52	52,000	52,000
Manager, Animal Services (ACO)	Smith, C	NO	2	YES	52	47,000	47,000	52	49,000	49,000
Manager, Volunteer Services	Horner, A	NO	7	YES	52	44,000	43,500	52	46,000	46,000
Manager, Animal Care	Bolchazy, J	NO	2	YES	52	41,600	47,000	52	49,000	49,000
Manager, Medical Procedures	Smith, L	NO	6	YES	52	50,000	43,500	52	50,000	50,000
Manager, Foster	Johnson, E	NO	6	YES	52	40,000	40,000	52	41,500	41,500
Manager, Client Services	Lee, H	NO	3	YES	52	40,000	40,000	52	41,500	41,500
Manager, Thrift Store	Maxwell, C	NO	5	YES	52	38,000	38,000	52	39,500	39,500
ASO & Dispatch	3 FT positions	NO	5	YES	52	130,000	125,000	52	135,000	135,000
Administration	2 FT & 1 PT position	--	4	YES	52	88,000	85,000	52	90,000	90,000
Veterinary Assistants and Techs	2 FT positions	--	4	YES	52	75,000	100,000	52	80,000	80,000
Training, Foster Support & Marketing	3 FT positions	--	9	YES	52	105,000	105,000	52	110,000	110,000
Animal Care Staff	9 FT & 2 PT positions	--	12	YES	52	334,000	365,000	52	340,000	340,000
Client and Customer Svc Staff	2 FT & 1 PT position	--	2	YES	52	77,400	110,000	52	87,000	87,000
Thrift Store Staff	1 FT & 1 PT position	--	4	YES	52	48,000	50,000	52	52,000	52,000

* If a position is changed from a part-time to a full-time position, show each as a separate position unit.

List positions in order of responsibility and include all staff and employees of agency in this schedule.

Non-professional employees performing similar services may be reported as a group.

(a.) Check if person is covered by retirement benefits.

AGENCY: Humane Educational Society

AWARDS AND GRANTS FROM GOVERNMENTAL AGENCIES CITY/COUNTY/STATE/FEDERAL

PROGRAM/PROJECT TITLE	NAME OF SOURCE	FOR HOW LONG?	LAST YEAR	THIS YEAR	*See note below
					NEXT YEAR
1 Animal Control Services	Hamilton County	10+ years	842,974	1,400,000	1,250,000
2 Animal Control Services	Soddy Daisy	10+ years	77,748	77,748	Under Review
3 Animal Control Services	Collegedale	10+ years	50,860	50,860	Under Review
4 Animal Control Services	Walden	10+ years	11,436	11,436	Under Review
5 Animal Control Services	Signal Mountain	10+ years	9,900	9,900	Under Review
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
Total Fees From Governmental Agencies			992,918	1,549,944	1,250,000

*Please note that proposed municipal allocations for FY27 are under review, not yet committed.

ALL FINANCIAL INFORMATION ROUNDED TO NEAREST DOLLAR

**HUMANE EDUCATIONAL SOCIETY OF
CHATTANOOGA, TENNESSEE**

ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2025

**JOHNSON, MURPHEY & WRIGHT, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
CHATTANOOGA, TENNESSEE**

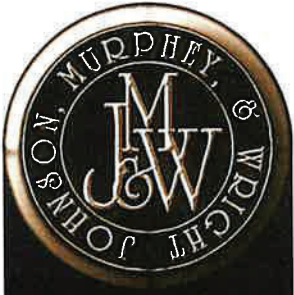
I. INTRODUCTORY SECTION

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
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June 30, 2025

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II. FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT



**Certified Public
Accountants**

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Paul Johnson, III, CPA

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Marianne Hart, CPA

Stuart Johnson, CPA

To the Board of Directors of
Humane Educational Society of Chattanooga, Tennessee

Opinion

We have audited the accompanying financial statements of the Humane Educational Society of Chattanooga, Tennessee, which comprise the Statement of Financial Position as of June 30, 2025, 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 the Humane Educational Society of Chattanooga, Tennessee as of June 30, 2025, 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 the Humane Educational Society of Chattanooga, Tennessee 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 for 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 the Humane Educational Society of Chattanooga, Tennessee's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 the Humane Educational Society of Chattanooga, Tennessee'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Humane Educational Society of Chattanooga, Tennessee'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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Supplementary Information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Johnson, Murphey & Wright, P.C.

Chattanooga, Tennessee
January 15, 2026

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Statement of Financial Position
June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS			
Current assets			
Cash	\$ 459,677	\$ 56,206	\$ 515,883
Investments	552,984	-	552,984
Accounts receivable	825	-	825
Total current assets	1,013,486	56,206	1,069,692
Non-current assets			
Security deposit	4,000	-	4,000
Property and equipment - net	8,731,458	-	8,731,458
Total non-current assets	8,735,458	-	8,735,458
TOTAL ASSETS	\$ 9,748,944	\$ 56,206	\$ 9,805,150
 LIABILITIES AND NET ASSETS			
Liabilities			
Current liabilities			
Accounts payable	\$ 39,324	\$ -	\$ 39,324
Accrued liabilities	61,786	-	61,786
Accrued vacation	36,137	-	36,137
Line of credit	151,072	-	151,072
Total current liabilities	288,319	-	288,319
 Net Assets			
Without donor restrictions:			
Undesignated	9,460,625	-	9,460,625
With donor restrictions	-	56,206	56,206
Total net assets	9,460,625	56,206	9,516,831
TOTAL LIABILITIES AND NET ASSETS	\$ 9,748,944	\$ 56,206	\$ 9,805,150

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

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Statement of Activities
For the Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS AND OTHER SUPPORT			
Government appropriations	\$ 1,527,578	\$ -	\$ 1,527,578
Contributions and grants	988,425	-	988,425
Thrift store sales	254,165	-	254,165
Fundraising events	76,414	-	76,414
Adoption fees	84,546	-	84,546
Other service fees	42,338	-	42,338
Merchandise income	3,008	-	3,008
Investment return, net	85,824	-	85,824
Net assets released from restrictions:			
Satisfaction of program restrictions	273,050	(273,050)	-
Total revenues, gains and other support	3,335,348	(273,050)	3,062,298
EXPENSES			
Program service			
Animal adoption and care	3,168,632	-	3,168,632
Supporting services			
Management and general	373,027	-	373,027
Fundraising	189,753	-	189,753
Total supporting services	562,780	-	562,780
Total expenses	3,731,412	-	3,731,412
Change in net assets	(396,064)	(273,050)	(669,114)
Net assets - beginning	9,856,689	329,256	10,185,945
Net assets - end	\$ 9,460,625	\$ 56,206	\$ 9,516,831

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

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Statement of Functional Expenses
For the Year Ended June 30, 2025

	<u>Program Service</u>	<u>Supporting Services</u>		<u>Total</u>
	<u>Animal Adoption and Care</u>	<u>Management and General</u>	<u>Fundraising</u>	
EXPENSES				
Salaries	\$ 1,300,501	\$ 153,000	\$ 76,500	\$ 1,530,001
Payroll taxes	105,234	12,380	6,190	123,804
Employee benefits	121,721	14,320	7,160	143,201
Animal care	229,605	-	-	229,605
Bank and credit card fees	-	14,724	7,083	21,807
Depreciation	486,308	-	-	486,308
Education and training	11,158	-	-	11,158
Fundraising expenses	-	-	23,551	23,551
Insurance	19,395	71,028	-	90,423
Interest expense	-	18,015	-	18,015
Postage and printing	19,988	-	-	19,988
Professional services	51,555	81,110	-	132,665
Program awareness	3,550	-	-	3,550
Repairs and maintenance	51,868	-	5,696	57,564
Supplies and equipment	8,208	8,450	2,374	19,032
Taxes, licenses and permits	565,100	-	-	565,100
Technology	24,653	-	-	24,653
Telephone and internet	22,239	-	-	22,239
Thrift store rent	-	-	48,000	48,000
Utilities	126,017	-	13,199	139,216
Vehicle expenses	21,532	-	-	21,532
Total expenses	<u>\$ 3,168,632</u>	<u>\$ 373,027</u>	<u>\$ 189,753</u>	<u>\$ 3,731,412</u>

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

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Statement of Cash Flows
For the Year Ended June 30, 2025

Cash Flows from Operating Activities	\$ (669,114)
Change in net assets	
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation	486,308
Net realized and unrealized (gains) losses on investments	(85,798)
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	(825)
Increase (decrease) in accounts payable	(74,802)
Increase (decrease) in accrued liabilities	(20,506)
Increase (decrease) in accrued vacation	<u>(16,438)</u>
Net cash provided (used) by operating activities	<u>(381,175)</u>
 Cash Flows from Investing Activities	
Proceeds from sales of investments	<u>589,739</u>
 Cash Flows from Financing Activities	
Net proceeds (repayment) from line of credit	<u>(48,326)</u>
 Net increase (decrease) in cash	160,238
 Cash - beginning	<u>355,645</u>
 Cash - end	<u>\$ 515,883</u>
 Supplemental Disclosure	
Interest paid	<u>\$ 18,015</u>

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

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Notes to Financial Statements
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

A. Nature of Activities

The Humane Educational Society of Chattanooga, Tennessee (the Entity) is a nonprofit in Chattanooga, Tennessee. Its mission is to provide a safe haven for homeless, abused and neglected animals in the community and advocate on their behalf. The Entity provides adoption services, animal protection, cruelty investigation, pet licenses, and essential care for homeless pets. Government appropriations, contributions, and grants are the Entity's primary revenue sources.

B. Basis of Accounting

The financial statements are prepared on the accrual basis of accounting, in accordance with the AICPA Audit and Accounting Guide, *Not-for-Profit Entities*, and FASB ASC 958-205-05-6.

C. Net Asset Accounting

The Entity follows the recommendations of the Financial Accounting Standards Board (FASB) ASC 958-205-05-6. The Entity is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are available for use in general operations and are not subject to donor or grantor restrictions. The Board of Directors can designate, from net assets without donor restrictions, net assets for a specific purpose. At year-end, the Entity did not have any board-designated net assets.

Net assets with donor restrictions are contributions subject to donor or grantor restrictions. The Entity reports contributions restricted by donors, including property and equipment, as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

D. Revenue Recognition

The Entity follows FASB ASC Topic 606, *Revenue from Contracts with Customers*, which establishes a contract and control-based revenue recognition model, a basis for deciding when revenue is recognized over time or at a point in time and expands disclosures about revenue.

Thrift shop sales and merchandise income are recognized at the time of purchase.

The Entity recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Cash Equivalents

The Entity considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

F. Investments

Investments are carried at fair value, determined based on quoted market prices or estimated values provided by external investment managers or other sources. Donated investments are reflected as contributions at their market value at the date of receipt. Realized and unrealized gains and losses, less investment expenses, are reflected within investment return, net, in the Statement of Activities. In accordance with FASB 958-225-45-6, investment gains and income whose restrictions are met in the same reporting period are reported as support in net assets without donor restrictions.

G. Prepayment of Expenses

Expenses extending over more than one accounting period are allocated between accounting periods and reported as an expense of the period in which they relate. At year-end, the Entity did not have any prepaid expenses.

H. Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue in the Statement of Activities. The allowance for uncollectible promises to give is based on historical experience and an assessment of economic conditions. Promises to give are written off when deemed uncollectible. Conditional promises to give are not included as support until the conditions are substantially met. At year-end, there were no promises to give.

I. Inventory

Supplies are expensed when they are purchased, therefore, no inventory is maintained.

J. Right of Use Leased Assets and Liabilities

Determination if an arrangement is or contains a lease occurs at the arrangement's inception. Leases are included in right of use assets and lease liabilities in the Statement of Financial Position and are initially recorded at the present value of the future minimum lease payments over the lease term. Short-term leases are not reported as right of use assets and lease liabilities. Instead, the lease payments of short-term leases are reported as lease expense on a straight-line basis over the lease term. At year-end, the Entity did not have any right of use leased assets and liabilities to record.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Property and Equipment

Property and equipment are valued at cost, if purchased, or fair value if contributed. The expenses for property and equipment in excess of \$1,000 are capitalized. Minor repairs and maintenance are expensed as incurred and additions and improvements that significantly extend the life of assets are depreciated over the remaining useful lives of the related fixed asset. At the time that assets are retired or disposed of, costs and accumulated depreciation are eliminated from the related accounts and any gain or loss is credited or charged to income. Depreciation is computed on the straight-line method over the estimated useful lives of the assets as follows:

Land improvements	10 years
Buildings and improvements	10-40 years
Equipment	5-15 years
Furniture and fixtures	7 years
Vehicles	5 years

L. Compensated Absences

It is the Entity’s policy to accrue vacation and sick leave for the future benefit of its employees. This accrual is recorded as a liability in the Statement of Financial Position.

M. In-kind Contributions

Contributed nonfinancial assets, including donated professional services, donated equipment, and other in-kind contributions, are recorded at the fair value of the goods or services received. The Entity’s policy is to utilize the assets given to carry out the mission of the Entity. If an asset is provided that does not allow the Entity to utilize it in its normal course of business, the asset will be sold at its fair market value. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program and supporting services; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. No significant contributions of such goods or services were received during the year.

N. Functional Allocation of Expenses

The financial statements report categories of expenses that are attributed to program service activities or supporting activities. The expenses are generally attributable to a functional category with no significant allocations between program service activities and supporting service activities occurring. Expenses that are attributable to more than one program or supporting function require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes, and employee benefits, which are allocated on the basis of estimates of time and effort.

O. Description of Program and Supporting Services

Animal adoption and care

Dedicated to the operation of the adoption center and the care of the animals.

Management and general

Includes the functions necessary to ensure an adequate working environment; provide coordination and articulation of the Entity’s programs; and manage the functioning of the Board of Directors and financial and budgetary responsibilities.

Fundraising

Provides the structure necessary to encourage and secure financial support from outside sources.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Q. Uncertain Tax Position

The Entity accounts for the effect of any uncertain tax position based on a more likely than not threshold of the recognition of the tax position being sustained based on the merits of the position under examination by the applicable taxing authority. If a tax position is deemed to be uncertain, the unrecognized tax benefit is estimated based on a probability assessment. Tax positions include, but are not limited to, the tax-exempt status and determination of whether income is subject to unrelated business income tax. There were no uncertain tax positions requiring recognition in the financial statements at year-end.

R. Taxes

The Entity is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code. It is exempt from federal income taxes on related income pursuant to Section 501 of the Code. No federal excise tax or unrelated business income tax was due for the previous tax year.

S. Events Occurring after Reporting Date

The Entity has evaluated events and transactions that occurred between June 30, 2025, and January 15, 2026, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available within one year of the balance sheet date for general expenditures are as follows:

Cash	\$ 515,883
Investments	552,984
Accounts receivable	<u>825</u>
Total financial assets	1,069,692
Less: net assets with donor restrictions	<u>(56,206)</u>
Total	<u>\$ 1,013,486</u>

As part of the Entity's liquidity management, it has a policy to structure its financial assets to be available for spending as its general expenditures, liabilities, and other obligations come due. Resources are maintained to meet any donor-imposed restrictions, which makes those resources unavailable for general expenditures. To help manage unanticipated liquidity needs, the Entity has a line of credit available to them. The maximum credit limit is \$200,000. At year-end, the Entity has borrowed \$151,072 against this line, leaving \$48,928 available to be borrowed.

The Entity may receive contributions and promises to give that are restricted by donors, and considers contributions restricted for programs that are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Entity manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

NOTE 3 - CONCENTRATIONS OF RISK

Deposit concentration risk

Management places funds in financial institutions believed by the Entity to be creditworthy. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per insured bank. As of year-end, the Entity had \$209,527 in excess of FDIC insurance limits. To date, the Entity has not experienced losses in any of these accounts.

Market risk

Investments are closely monitored by management. Although the fair values of investments are subject to fluctuation, management believes their investment choices are prudent for the long-term welfare of the Entity.

Credit risk

Credit risk associated with accounts receivable is considered to be low due to high historical collection rates and because of the nature of the receivable. The receivable is due from a governmental agency that is supportive of the Entity's mission.

Concentration of contribution revenue

For the year ended June 30, 2025, approximately 28% of the Entity's total revenue came from Hamilton County. A major reduction in these funds could have a significant effect on future operations.

NOTE 4 - CASH

At year-end, cash consisted of the following:

Cash on hand	\$ 150
Bank accounts	<u>515,733</u>
Total	<u>\$ 515,883</u>

NOTE 5 - INVESTMENTS

At year-end, investments consisted of the following:

Cash and money market	\$ 5,165
Small blend	33,555
Intermediate core bond	120,399
Global moderate allocation	48,456
US fund mid-cap blend	38,954
Multisector bond	68,726
Global large-stock growth	29,850
US fund real estate	15,491
US fund foreign large blend	40,933
US fund large blend	57,804
US fund global large-stock blend	34,572
Equity market neutral	15,680
Mutual fund	<u>43,399</u>
Total	<u>\$ 552,984</u>

NOTE 6 - FAIR VALUE MEASUREMENT

Certain assets are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets the Entity can access at the measurement date.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

Level 3 - Unobservable inputs for the asset. Management develops inputs using the best information available in the circumstances.

The Entity's Level 1 investments are comprised of equities, fixed income, and cash and money market funds with readily determinable fair values based on daily redemption values.

The Entity had no Level 2 or Level 3 investments.

The following table presents assets measured at fair value on a recurring basis as of year-end.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments	\$ 552,984	\$ -	\$ -	\$ 552,984

NOTE 7 - PROPERTY AND EQUIPMENT - NET

Property and equipment consist of the following at year-end:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Land	\$ 380,347	\$ -	\$ -	\$ 380,347
Land improvements	141,637	-	-	141,637
Buildings and improvements	9,347,656	-	-	9,347,656
Equipment	692,031	-	-	692,031
Furniture and fixtures	208,948	-	-	208,948
Vehicles	150,291	-	(6,302)	143,989
	10,920,910	-	(6,302)	10,914,608
Accumulated depreciation	<u>(1,703,144)</u>	<u>(486,308)</u>	<u>6,302</u>	<u>(2,183,150)</u>
Total	\$ 9,217,766	\$ (486,308)	\$ -	\$ 8,731,458

NOTE 8 - LINE OF CREDIT

The Entity has a line of credit with Millennium Bank with a maximum credit line of \$200,000. Any amounts due are secured by the facility and equipment. As of year-end, there were borrowings under the line of credit totaling \$151,072. Amounts outstanding under the line of credit are subject to a floating interest rate and such interest is required to be paid monthly. The line of credit is due upon demand. Interest paid on the line of credit for the year totaled \$16,702.

NOTE 9 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are subject to the following purpose restrictions:

Building fund	<u>\$ 56,206</u>
---------------	------------------

NOTE 10 - ADVERTISING

The Entity uses advertising to promote its programs to the public. Advertising costs are expensed as incurred. During the year ended June 30, 2025, advertising costs totaled \$3,550. These expenses are classified as program awareness in the Statement of Functional Expenses.

NOTE 11 - RETIREMENT PLAN

The Entity offers a 401(k) retirement plan covering all full time employees who meet the eligibility requirements under the plan. The Entity matches up to 3% of an employee’s salary. During the year, the Entity’s retirement plan expenses totaled \$16,178.

NOTE 12 - RISK MANAGEMENT

It is the policy of the Entity to purchase commercial insurance for the risks of losses to which it is exposed. These risks include general liability, property and casualty, workers' compensation, and directors and officers liabilities. Any claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 13 - GOVERNMENTAL APPROPRIATIONS/PROPERTY TAXES

During the year ended June 30, 2025, the Entity received an extra appropriation of \$534,929 from the City and the County. These funds were immediately used to pay the City and the County for back property taxes which had been erroneously charged due to an administrative error by the Entity. These are not operating funds.

City taxes	\$ 271,008
County taxes	<u>263,921</u>
Total	<u>\$ 534,929</u>

SUPPLEMENTARY INFORMATION

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Comparative Schedule of Financial Position
June 30, 2025 and 2024

	2025	2024
ASSETS		
Current assets		
Cash	\$ 515,883	\$ 355,645
Investments	552,984	1,056,925
Accounts receivable	825	-
Total current assets	1,069,692	1,412,570
Non-current assets		
Security deposit	4,000	4,000
Property and equipment - net	8,731,458	9,217,766
Total non-current assets	8,735,458	9,221,766
TOTAL ASSETS	\$ 9,805,150	\$ 10,634,336
 LIABILITIES AND NET ASSETS		
Liabilities		
Current liabilities		
Accounts payable	\$ 39,324	\$ 114,126
Accrued liabilities	61,786	82,292
Accrued vacation	36,137	52,575
Line of credit	151,072	199,398
Total current liabilities	288,319	448,391
Net Assets		
Without donor restrictions:		
Undesignated	9,460,625	9,856,689
With donor restrictions	56,206	329,256
Total net assets	9,516,831	10,185,945
TOTAL LIABILITIES AND NET ASSETS	\$ 9,805,150	\$ 10,634,336

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Comparative Schedule of Activities
For the Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
REVENUES, GAINS AND OTHER SUPPORT		
Government appropriations	\$ 1,527,578	\$ 915,648
Contributions and grants	988,425	858,608
Thrift store sales	254,165	250,190
Fundraising events	76,414	275,582
Adoption fees	84,546	59,830
Other service fees	42,338	32,619
Merchandise income	3,008	6,926
Sale of asset	-	44,000
Investment return, net	85,824	125,691
	<u>3,062,298</u>	<u>2,569,094</u>
Total revenues, gains and other support		
EXPENSES		
Program service		
Animal adoption and care	<u>3,168,632</u>	<u>3,014,344</u>
Supporting services		
Management and general	373,027	394,793
Fundraising	<u>189,753</u>	<u>251,008</u>
Total supporting services	<u>562,780</u>	<u>645,801</u>
Total expenses	<u>3,731,412</u>	<u>3,660,145</u>
Change in net assets	(669,114)	(1,091,051)
Net assets - beginning	<u>10,185,945</u>	<u>11,276,996</u>
Net assets - end	<u>\$ 9,516,831</u>	<u>\$ 10,185,945</u>

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Comparative Schedule of Functional Expenses
For the Years Ended June 30, 2025 and 2024

	Program Service	Supporting Services		2025 Total	2024 Total
	Animal Adoption and Care	Management and General	Fundraising		
EXPENSES					
Salaries	\$ 1,300,501	\$ 153,000	\$ 76,500	\$ 1,530,001	\$ 1,838,839
Payroll taxes	105,234	12,380	6,190	123,804	133,981
Employee benefits	121,721	14,320	7,160	143,201	157,427
Animal care	229,605	-	-	229,605	288,499
Bank and credit card fees	-	14,724	7,083	21,807	22,032
Depreciation	486,308	-	-	486,308	479,439
Education and training	11,158	-	-	11,158	28,263
Fundraising expenses	-	-	23,551	23,551	66,664
Insurance	19,395	71,028	-	90,423	99,041
Interest expense	-	18,015	-	18,015	19,104
Postage and printing	19,988	-	-	19,988	19,174
Professional services	51,555	81,110	-	132,665	134,038
Program awareness	3,550	-	-	3,550	5,995
Repairs and maintenance	51,868	-	5,696	57,564	67,460
Supplies and equipment	8,208	8,450	2,374	19,032	31,344
Taxes, licenses and permits	565,100	-	-	565,100	17,936
Technology	24,653	-	-	24,653	22,138
Telephone and internet	22,239	-	-	22,239	24,933
Thrift store rent	-	-	48,000	48,000	48,000
Utilities	126,017	-	13,199	139,216	136,942
Vehicle expenses	21,532	-	-	21,532	18,896
Total expenses	<u>\$ 3,168,632</u>	<u>\$ 373,027</u>	<u>\$ 189,753</u>	<u>\$ 3,731,412</u>	<u>\$ 3,660,145</u>

**HUMANE EDUCATIONAL SOCIETY OF
CHATTANOOGA, TENNESSEE**

ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2024

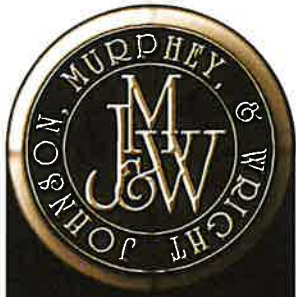
**JOHNSON, MURPHEY & WRIGHT, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
CHATTANOOGA, TENNESSEE**

I. INTRODUCTORY SECTION

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
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June 30, 2024

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II. FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Humane Educational Society of Chattanooga, Tennessee

Opinion

We have audited the accompanying financial statements of the Humane Educational Society of Chattanooga, Tennessee, which comprise the Statement of Financial Position as of June 30, 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 the Humane Educational Society of Chattanooga, Tennessee as of June 30, 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 the Humane Educational Society of Chattanooga, Tennessee 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 for 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 the Humane Educational Society of Chattanooga, Tennessee's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 the Humane Educational Society of Chattanooga, Tennessee'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Humane Educational Society of Chattanooga, Tennessee'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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Supplementary Information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Johnson, Murphree & Wright, P.C.

Chattanooga, Tennessee
March 7, 2025

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Statement of Financial Position
June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS			
Current assets			
Cash	\$ 26,389	\$ 329,256	\$ 355,645
Investments	<u>1,056,925</u>	<u>-</u>	<u>1,056,925</u>
Total current assets	<u>1,083,314</u>	<u>329,256</u>	<u>1,412,570</u>
Non-current assets			
Security deposit	4,000	-	4,000
Property and equipment - net	<u>9,217,766</u>	<u>-</u>	<u>9,217,766</u>
Total non-current assets	<u>9,221,766</u>	<u>-</u>	<u>9,221,766</u>
TOTAL ASSETS	<u>\$ 10,305,080</u>	<u>\$ 329,256</u>	<u>\$ 10,634,336</u>
 LIABILITIES AND NET ASSETS			
Liabilities			
Current liabilities			
Accounts payable	\$ 114,126	\$ -	\$ 114,126
Accrued liabilities	82,292	-	82,292
Accrued vacation	52,575	-	52,575
Line of credit	<u>199,398</u>	<u>-</u>	<u>199,398</u>
Total current liabilities	<u>448,391</u>	<u>-</u>	<u>448,391</u>
 Net Assets			
Without donor restrictions:			
Undesignated	9,856,689	-	9,856,689
With donor restrictions	<u>-</u>	<u>329,256</u>	<u>329,256</u>
Total net assets	<u>9,856,689</u>	<u>329,256</u>	<u>10,185,945</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 10,305,080</u>	<u>\$ 329,256</u>	<u>\$ 10,634,336</u>

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

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Statement of Activities
For the Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT			
Government appropriations	\$ 915,648	\$ -	\$ 915,648
Contributions and grants	858,608	-	858,608
Thrift store sales	250,190	-	250,190
Fundraising events	275,582	-	275,582
Adoption fees	59,830	-	59,830
Other service fees	32,619	-	32,619
Merchandise income	6,926	-	6,926
Sale of asset	44,000	-	44,000
Investment return, net	125,691	-	125,691
Net assets released from restrictions:			
Satisfaction of program restrictions	<u>214,504</u>	<u>(214,504)</u>	<u>-</u>
 Total revenues, gains and other support	 <u>2,783,598</u>	 <u>(214,504)</u>	 <u>2,569,094</u>
EXPENSES			
Program service			
Animal adoption and care	<u>3,014,344</u>	<u>-</u>	<u>3,014,344</u>
Supporting services			
Management and general	394,793	-	394,793
Fundraising	<u>251,008</u>	<u>-</u>	<u>251,008</u>
Total supporting services	<u>645,801</u>	<u>-</u>	<u>645,801</u>
 Total expenses	 <u>3,660,145</u>	 <u>-</u>	 <u>3,660,145</u>
 Change in net assets	 (876,547)	 (214,504)	 (1,091,051)
 Net assets - beginning	 <u>10,733,236</u>	 <u>543,760</u>	 <u>11,276,996</u>
 Net assets - end	 <u>\$ 9,856,689</u>	 <u>\$ 329,256</u>	 <u>\$ 10,185,945</u>

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

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Statement of Functional Expenses
For the Year Ended June 30, 2024

	<u>Program Service</u>	<u>Supporting Services</u>		<u>Total</u>
	<u>Animal Adoption and Care</u>	<u>Management and General</u>	<u>Fundraising</u>	
EXPENSES				
Salaries	\$ 1,563,013	\$ 183,884	\$ 91,942	\$ 1,838,839
Payroll taxes	113,884	13,398	6,699	133,981
Employee benefits	133,813	15,743	7,871	157,427
Animal care	288,499	-	-	288,499
Bank and credit card fees	-	13,829	8,203	22,032
Depreciation	479,439	-	-	479,439
Education and training	28,263	-	-	28,263
Fundraising expenses	-	-	66,664	66,664
Insurance	46,155	52,886	-	99,041
Interest expense	-	19,104	-	19,104
Postage and printing	19,174	-	-	19,174
Professional services	46,459	87,579	-	134,038
Program awareness	5,995	-	-	5,995
Repairs and maintenance	60,873	-	6,587	67,460
Supplies and equipment	19,971	8,370	3,003	31,344
Taxes, licenses and permits	17,936	-	-	17,936
Technology	22,138	-	-	22,138
Telephone and internet	24,933	-	-	24,933
Thrift store rent	-	-	48,000	48,000
Utilities	124,903	-	12,039	136,942
Vehicle expenses	18,896	-	-	18,896
Total expenses	<u>\$ 3,014,344</u>	<u>\$ 394,793</u>	<u>\$ 251,008</u>	<u>\$ 3,660,145</u>

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

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Statement of Cash Flows
For the Year Ended June 30, 2024

Cash Flows from Operating Activities	\$(1,091,051)
Change in net assets	
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation	479,439
Net realized and unrealized (gains) losses on investments	(125,690)
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	51,748
Increase (decrease) in accounts payable	86,472
Increase (decrease) in accrued liabilities	8,008
Increase (decrease) in accrued vacation	52,575
Increase (decrease) in unearned revenue	<u>(825)</u>
Net cash provided (used) by operating activities	<u>(539,324)</u>
 Cash Flows from Investing Activities	
Purchase of equipment	<u>(16,053)</u>
 Cash Flows from Financing Activities	
Repayment of note	(11,796)
Net proceeds (repayment) from line of credit	<u>51,745</u>
Net cash provided (used) by financing activities	<u>39,949</u>
 Net increase (decrease) in cash	(515,428)
 Cash - beginning	<u>871,073</u>
 Cash - end	<u>\$ 355,645</u>
 Supplemental Disclosure	
Interest paid	<u>\$ 19,104</u>

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

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Notes to Financial Statements
June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

A. Nature of Activities

The Humane Educational Society of Chattanooga, Tennessee (the Entity) is a nonprofit in Chattanooga, Tennessee. Its mission is to provide a safe haven for homeless, abused and neglected animals in the community and advocate on their behalf. The Entity provides adoption services, animal protection, cruelty investigation, pet licenses, and essential care for homeless pets. Government appropriations, contributions, and grants are the Entity's primary revenue sources.

B. Basis of Accounting

The financial statements are prepared on the accrual basis of accounting, in accordance with the AICPA Audit and Accounting Guide, Not-for-Profit Entities, and FASB ASC 958-205-05-6.

C. Net Asset Accounting

The Entity follows the recommendations of the Financial Accounting Standards Board (FASB) ASC 958-205-05-6. The Entity is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are available for use in general operations and are not subject to donor or grantor restrictions. The Board of Directors can designate, from net assets without donor restrictions, net assets for a specific purpose. At year-end, the Entity did not have any board-designated net assets.

Net assets with donor restrictions are contributions subject to donor or grantor restrictions. The Entity reports contributions restricted by donors, including property and equipment, as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

D. Revenue Recognition

The Entity follows FASB ASC Topic 606, Revenue from Contracts with Customers, which establishes a contract and control-based revenue recognition model, a basis for deciding when revenue is recognized over time or at a point in time and expands disclosures about revenue.

Thrift shop sales and merchandise income are recognized at the time of purchase.

The Entity recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Cash Equivalents

The Entity considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

F. Investments

Investments are carried at fair value, determined based on quoted market prices or estimated values provided by external investment managers or other sources. Donated investments are reflected as contributions at their market value at the date of receipt. Realized and unrealized gains and losses, less investment expenses, are reflected within investment return, net, in the Statement of Activities. In accordance with FASB 958-225-45-6, investment gains and income whose restrictions are met in the same reporting period are reported as support in net assets without donor restrictions.

G. Prepayment of Expenses

Expenses extending over more than one accounting period are allocated between accounting periods and reported as an expense of the period in which they relate. At year-end, the Entity did not have any prepaid expenses.

H. Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue in the Statement of Activities. The allowance for uncollectible promises to give is based on historical experience and an assessment of economic conditions. Promises to give are written off when deemed uncollectible. Conditional promises to give are not included as support until the conditions are substantially met. At year-end, there were no promises to give.

I. Inventory

Supplies are expensed when they are purchased, therefore, no inventory is maintained.

J. Right of Use Leased Assets and Liabilities

Determination if an arrangement is or contains a lease occurs at the arrangement's inception. Leases are included in right of use assets and lease liabilities in the Statement of Financial Position and are initially recorded at the present value of the future minimum lease payments over the lease term. Short-term leases are not reported as right of use assets and lease liabilities. Instead, the lease payments of short-term leases are reported as lease expense on a straight-line basis over the lease term. At year-end, the Entity did not have any right of use leased assets and liabilities to record.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Property and Equipment

Property and equipment are valued at cost, if purchased, or fair value if contributed. The expenses for property and equipment in excess of \$1,000 are capitalized. Minor repairs and maintenance are expensed as incurred and additions and improvements that significantly extend the life of assets are depreciated over the remaining useful lives of the related fixed asset. At the time that assets are retired or disposed of, costs and accumulated depreciation are eliminated from the related accounts and any gain or loss is credited or charged to income. Depreciation is computed on the straight-line method over the estimated useful lives of the assets as follows:

Land improvements	10 years
Buildings and improvements	15-40 years
Equipment	5-15 years
Furniture and fixtures	7 years
Vehicles	5 years

L. Compensated Absences

It is the Entity's policy to accrue vacation and sick leave for the future benefit of its employees. This accrual is recorded as a liability in the Statement of Financial Position.

M. In-kind Contributions

Contributed nonfinancial assets, including donated professional services, donated equipment, and other in-kind contributions, are recorded at the fair value of the goods or services received. The Entity does not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program and supporting services; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. No significant contributions of such goods or services were received during the year.

N. Functional Allocation of Expenses

The financial statements report categories of expenses that are attributed to program service activities or supporting service activities. The expenses are generally attributable to a functional category with no significant allocations between program service activities and supporting service activities occurring.

Expenses that are attributable to more than one program or supporting function require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes, and employee benefits, which are allocated on the basis of estimates of time and effort.

O. Description of Program and Supporting Services

Animal adoption and care

Dedicated to the operation of the adoption center and the care of the animals.

Management and general

Includes the functions necessary to ensure an adequate working environment; provide coordination and articulation of the Entity's programs; and manage the functioning of the Board of Directors and financial and budgetary responsibilities.

Fundraising

Provides the structure necessary to encourage and secure financial support from outside sources.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Q. Uncertain Tax Position

The Entity accounts for the effect of any uncertain tax position based on a more likely than not threshold of the recognition of the tax position being sustained based on the merits of the position under examination by the applicable taxing authority. If a tax position is deemed to be uncertain, the unrecognized tax benefit is estimated based on a probability assessment. Tax positions include, but are not limited to, the tax-exempt status and determination of whether income is subject to unrelated business income tax. There were no uncertain tax positions requiring recognition in the financial statements at year-end.

R. Taxes

The Entity is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code. It is exempt from federal income taxes on related income pursuant to Section 501 of the Code. No federal excise tax or unrelated business income tax was due for the previous tax year.

S. Events Occurring after Reporting Date

The Entity has evaluated events and transactions that occurred between June 30, 2024, and March 7, 2025, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available within one year of the balance sheet date for general expenditures are as follows:

Cash	\$ 355,645
Investments	<u>1,056,925</u>
Total financial assets	1,412,570
Less: net assets with donor restrictions	<u>(329,256)</u>
Total	<u>\$ 1,083,314</u>

As part of the Entity's liquidity management, it has a policy to structure its financial assets to be available for spending as its general expenditures, liabilities, and other obligations come due. Resources are maintained to meet any donor-imposed restrictions, which makes those resources unavailable for general expenditures. To help manage unanticipated liquidity needs, the Entity has a line of credit available to them. The maximum credit limit is \$200,000. At year-end, the Entity has borrowed \$199,398 against this line, leaving \$602 available to be borrowed.

The Entity may receive contributions and promises to give that are restricted by donors, and considers contributions restricted for programs that are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Entity manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

NOTE 3 - CONCENTRATIONS OF CREDIT RISK

Deposit concentration risk

Deposit concentration risk is managed by placing funds into bank accounts in financial institutions believed by the Entity to be creditworthy. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per insured bank. As of year-end, the Entity had \$79,256 in excess of FDIC insurance limits. To date, the Entity has not experienced losses in any of these accounts.

Market risk

Investments are closely monitored by management. Although the fair values of investments are subject to fluctuation, management believes their investment choices are prudent for the long-term welfare of the Entity.

NOTE 4 - CASH

At year-end, cash consisted of the following:

Cash on hand	\$ 150
Bank accounts	<u>355,495</u>
Total	<u>\$ 355,645</u>

NOTE 5 - INVESTMENTS

At year-end, investments consisted of the following:

Cash and money market	\$ 30,930
Large growth	146,777
Multisector bond	135,906
Small blend	62,578
Intermediate core bond	240,325
Large value	84,157
US fund mid-cap blend	70,935
US fund real estate	29,806
US fund large blend	109,891
US fund global large-stock blend	63,861
Large blend	<u>81,759</u>
Total	<u>\$ 1,056,925</u>

NOTE 6 - FAIR VALUE MEASUREMENT

Certain assets are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets the Entity can access at the measurement date.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

Level 3 - Unobservable inputs for the asset. Management develops inputs using the best information available in the circumstances.

The Entity's Level 1 investments are comprised of equities, fixed income, and cash and money market funds with readily determinable fair values based on daily redemption values.

The Entity had no Level 2 or Level 3 investments.

The following table presents assets measured at fair value on a recurring basis as of year-end.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments	<u>\$ 1,056,925</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,056,925</u>

NOTE 7 - PROPERTY AND EQUIPMENT - NET

Property and equipment consist of the following at year-end:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Land	\$ 380,347	\$ -	\$ -	\$ 380,347
Land improvements	138,778	2,859	-	141,637
Buildings and improvements	9,334,462	13,194	-	9,347,656
Equipment	692,031	-	-	692,031
Furniture and fixtures	208,948	-	-	208,948
Vehicles	<u>261,098</u>	<u>-</u>	<u>(110,807)</u>	<u>150,291</u>
	11,015,664	16,053	(110,807)	10,920,910
Accumulated depreciation	<u>(1,334,512)</u>	<u>(479,439)</u>	<u>110,807</u>	<u>(1,703,144)</u>
Total	<u>\$ 9,681,152</u>	<u>\$ (463,386)</u>	<u>\$ -</u>	<u>\$ 9,217,766</u>

NOTE 8 - LINE OF CREDIT

The Entity has a line of credit with Millennium Bank with a maximum credit line of \$200,000. Any amounts due are secured by the facility and equipment. As of year-end, there were borrowings under the line of credit totaling \$199,398. Amounts outstanding under the line of credit bear interest at 10.6% and such interest is required to be paid monthly. The line of credit is due upon demand. Interest paid on the line of credit for the year totaled \$18,134.

NOTE 9 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are subject to the following purpose restrictions:

Building fund	<u>\$ 329,256</u>
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NOTE 10 - ADVERTISING

Program awareness costs are expensed as incurred and totaled \$5,995 during the year ended June 30, 2024.

NOTE 11 - RETIREMENT PLAN

The Entity offers a 401(k) retirement plan covering all full time employees who meet the eligibility requirements under the plan. The Entity matches up to 3% of an employee's salary. During the year, the Entity's retirement plan expenses totaled \$22,713.

NOTE 12 - RISK MANAGEMENT

It is the policy of the Entity to purchase commercial insurance for the risks of losses to which it is exposed. These risks include general liability, property and casualty, workers' compensation, and directors and officers liabilities. Any claims have not exceeded this commercial coverage in any of the past three fiscal years.

SUPPLEMENTARY INFORMATION

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Comparative Schedule of Financial Position
June 30, 2024 and 2023

	2024	2023
ASSETS		
Current assets		
Cash	\$ 355,645	\$ 871,073
Investments	1,056,925	931,235
Accounts receivable	-	51,748
Total current assets	1,412,570	1,854,056
Non-current assets		
Security deposit	4,000	4,000
Property and equipment - net	9,217,766	9,681,152
Total non-current assets	9,221,766	9,685,152
TOTAL ASSETS	\$ 10,634,336	\$ 11,539,208
 LIABILITIES AND NET ASSETS		
Liabilities		
Current liabilities		
Accounts payable	\$ 114,126	\$ 27,654
Accrued liabilities	82,292	74,284
Accrued vacation	52,575	-
Unearned revenue	-	825
Line of credit	199,398	147,653
Note payable	-	11,796
Total current liabilities	448,391	262,212
Net Assets		
Without donor restrictions:		
Undesignated	9,856,689	10,733,236
With donor restrictions	329,256	543,760
Total net assets	10,185,945	11,276,996
TOTAL LIABILITIES AND NET ASSETS	\$ 10,634,336	\$ 11,539,208

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Comparative Schedule of Activities
For the Years Ended June 30, 2024 and 2023

	2024	2023
REVENUES, GAINS AND OTHER SUPPORT		
Government appropriations	\$ 915,648	\$ 766,405
Contributions and grants	858,608	1,587,090
Thrift store sales	250,190	263,581
Fundraising events	275,582	261,740
Adoption fees	59,830	49,455
Other service fees	32,619	48,594
Merchandise income	6,926	8,063
Sale of asset	44,000	-
Investment return, net	125,691	108,095
Total revenues, gains and other support	2,569,094	3,093,023
EXPENSES		
Program service		
Animal adoption and care	3,014,344	2,764,786
Supporting services		
Management and general	394,793	281,554
Fundraising	251,008	279,513
Total supporting services	645,801	561,067
Total expenses	3,660,145	3,325,853
Change in net assets	(1,091,051)	(232,830)
Net assets - beginning	11,276,996	11,509,826
Net assets - end	\$ 10,185,945	\$ 11,276,996

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Comparative Schedule of Functional Expenses
For the Years Ended June 30, 2024 and 2023

	Program Service	Supporting Services		2024 Total	2023 Total
	Animal Adoption and Care	Management and General	Fundraising		
EXPENSES					
Salaries	\$ 1,563,013	\$ 183,884	\$ 91,942	\$ 1,838,839	\$ 1,532,803
Payroll taxes	113,884	13,398	6,699	133,981	117,515
Employee benefits	133,813	15,743	7,871	157,427	125,334
Animal care	288,499	-	-	288,499	319,707
Bank and credit card fees	-	13,829	8,203	22,032	21,061
Building expense	-	-	-	-	2,950
Depreciation	479,439	-	-	479,439	477,856
Education and training	28,263	-	-	28,263	30,062
Fundraising expenses	-	-	66,664	66,664	107,892
Insurance	46,155	52,886	-	99,041	77,139
Interest expense	-	19,104	-	19,104	15,132
Postage and printing	19,174	-	-	19,174	15,154
Professional services	46,459	87,579	-	134,038	121,008
Program awareness	5,995	-	-	5,995	6,216
Repairs and maintenance	60,873	-	6,587	67,460	42,589
Supplies and equipment	19,971	8,370	3,003	31,344	29,922
Taxes, licenses and permits	17,936	-	-	17,936	19,077
Technology	22,138	-	-	22,138	14,351
Telephone and internet	24,933	-	-	24,933	14,896
Thrift store rent	-	-	48,000	48,000	48,000
Utilities	124,903	-	12,039	136,942	147,854
Vehicle expenses	18,896	-	-	18,896	39,335
Total expenses	\$ 3,014,344	\$ 394,793	\$ 251,008	\$ 3,660,145	\$ 3,325,853

**HUMANE EDUCATIONAL SOCIETY OF
CHATTANOOGA, TENNESSEE**

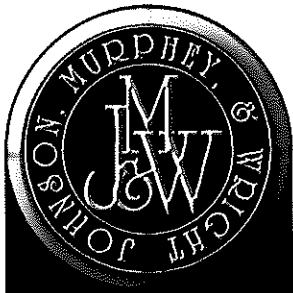
ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2023

**JOHNSON, MURPHEY & WRIGHT, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
CHATTANOOGA, TENNESSEE**

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
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June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Humane Educational Society of Chattanooga, Tennessee

Opinion

We have audited the accompanying financial statements of the Humane Educational Society of Chattanooga, Tennessee, which comprise the Statement of Financial Position as of June 30, 2023, 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 the Humane Educational Society of Chattanooga, Tennessee as of June 30, 2023, 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 the Humane Educational Society of Chattanooga, Tennessee 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 for 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 the Humane Educational Society of Chattanooga, Tennessee's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 the Humane Educational Society of Chattanooga, Tennessee'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Humane Educational Society of Chattanooga, Tennessee'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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Supplemental Information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Johnson, Murpley & Wright, P.C.

Chattanooga, Tennessee
July 22, 2024

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Statement of Financial Position
June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS			
Current assets			
Cash	\$ 327,313	\$ 543,760	\$ 871,073
Investments	931,235	-	931,235
Accounts receivable	51,748	-	51,748
Total current assets	1,310,296	543,760	1,854,056
Non-current assets			
Security deposit	4,000	-	4,000
Property and equipment - net	9,681,152	-	9,681,152
Total non-current assets	9,685,152	-	9,685,152
TOTAL ASSETS	\$ 10,995,448	\$ 543,760	\$ 11,539,208
 LIABILITIES AND NET ASSETS			
Liabilities			
Current liabilities			
Accounts payable	\$ 27,654	\$ -	\$ 27,654
Accrued liabilities	74,284	-	74,284
Unearned revenue	825	-	825
Line of credit	147,653	-	147,653
Note payable	11,796	-	11,796
Total liabilities	262,212	-	262,212
 Net Assets			
Without donor restrictions:			
Undesignated	10,733,236	-	10,733,236
With donor restrictions	-	543,760	543,760
Total net assets	10,733,236	543,760	11,276,996
TOTAL LIABILITIES AND NET ASSETS	\$ 10,995,448	\$ 543,760	\$ 11,539,208

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

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE

Statement of Activities

For the Year Ended June 30, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT			
Government appropriations	\$ 766,405	\$ -	\$ 766,405
Contributions and grants	1,587,090	-	1,587,090
Thrift store sales	263,581	-	263,581
Fundraising events	261,740	-	261,740
Adoption fees	49,455	-	49,455
Other service fees	48,594	-	48,594
Merchandise income	8,063	-	8,063
Investment return, net	108,095	-	108,095
Net assets released from restrictions:			
Satisfaction of program restrictions	<u>138,989</u>	<u>(138,989)</u>	<u>-</u>
 Total revenues, gains and other support	 <u>3,232,012</u>	 <u>(138,989)</u>	 <u>3,093,023</u>
EXPENSES			
Program service			
Animal adoption and care	<u>2,764,786</u>	<u>-</u>	<u>2,764,786</u>
Supporting services			
Management and general	281,554	-	281,554
Fundraising	<u>279,513</u>	<u>-</u>	<u>279,513</u>
Total supporting services	<u>561,067</u>	<u>-</u>	<u>561,067</u>
 Total expenses	 <u>3,325,853</u>	 <u>-</u>	 <u>3,325,853</u>
 Change in net assets	 (93,841)	 (138,989)	 (232,830)
 Net assets - beginning	 <u>10,827,077</u>	 <u>682,749</u>	 <u>11,509,826</u>
 Net assets - end	 <u>\$ 10,733,236</u>	 <u>\$ 543,760</u>	 <u>\$ 11,276,996</u>

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

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Statement of Functional Expenses
For the Year Ended June 30, 2023

	Program Service	Supporting Services		Total
	Animal Adoption and Care	Management and General	Fundraising	
Salaries	\$ 1,302,883	\$ 153,280	\$ 76,640	\$ 1,532,803
Payroll taxes	99,888	11,751	5,876	117,515
Employee benefits	106,534	12,533	6,267	125,334
Animal care	319,707	-	-	319,707
Bank and credit card fees	-	14,616	6,445	21,061
Building expense	2,950	-	-	2,950
Depreciation	477,856	-	-	477,856
Education and training	30,062	-	-	30,062
Fundraising expenses	-	-	107,892	107,892
Insurance	77,139	-	-	77,139
Interest expense	-	15,132	-	15,132
Postage and printing	15,154	-	-	15,154
Professional services	52,955	68,053	-	121,008
Program awareness	4,167	-	2,049	6,216
Repairs and maintenance	39,874	-	2,715	42,589
Supplies and equipment	20,306	6,189	3,427	29,922
Taxes, licenses and permits	11,015	-	8,062	19,077
Technology	14,351	-	-	14,351
Telephone and internet	14,896	-	-	14,896
Thrift store rent	-	-	48,000	48,000
Utilities	135,714	-	12,140	147,854
Vehicle expenses	39,335	-	-	39,335
Total	\$ 2,764,786	\$ 281,554	\$ 279,513	\$ 3,325,853

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

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE

Statement of Cash Flows

For the Year Ended June 30, 2023

Cash Flows From Operating Activities	
Increase (decrease) in net assets	\$ <u>(232,830)</u>
Adjustments to reconcile net income to net cash provided (used) by operating activities	
Depreciation	477,856
Net realized and unrealized (gains) losses on investments	(108,095)
(Increase) decrease in accounts receivable	4,238
Increase (decrease) in accounts payable	(25,992)
Increase (decrease) in accrued liabilities	6,136
Increase (decrease) in unearned revenue	825
Total adjustments	<u>354,968</u>
Net cash provided (used) by operating activities	<u>122,138</u>
 Cash Flows From Investing Activities	
Proceeds from sales of investments	13,403
Purchases of fixed assets	<u>(148,943)</u>
Net cash provided (used) by investing activities	<u>(135,540)</u>
 Cash Flows From Financing Activities	
Borrowings against line of credit	147,690
Repayment of line of credit	(37)
Repayment of loan	<u>(18,926)</u>
Net cash provided (used) by financing activities	<u>128,727</u>
 Net increase (decrease) in cash	115,325
 Cash - beginning	<u>755,748</u>
 Cash - end	<u>\$ 871,073</u>
 Supplemental Disclosure of Cash Flow Information	
Interest paid	<u>\$ 15,132</u>

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

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Notes to Financial Statements
June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

A. Nature of Activities

The Humane Educational Society of Chattanooga, Tennessee (the Entity) is a nonprofit in Chattanooga, Tennessee. Its mission is to provide a safe haven for homeless, abused and neglected animals in the community and advocate on their behalf. The Entity provides adoption services, animal protection, cruelty investigation, pet licenses, and essential care for homeless pets. Government appropriations, contributions, and grants are the Entity's primary revenue sources.

B. Basis of Accounting

The financial statements are prepared on the accrual basis of accounting, in accordance with the AICPA Audit and Accounting Guide, *Not-for-Profit Entities*, and FASB ASC 958-205-05-6.

C. Net Asset Accounting

The Entity follows the recommendations of the Financial Accounting Standards Board (FASB) ASC 958-205-05-6. The Entity is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are available for use in general operations and are not subject to donor or grantor restrictions. The Board of Directors can designate, from net assets without donor restrictions, net assets for a specific purpose. At year-end, the Entity did not have any board-designated net assets.

Net assets with donor restrictions are contributions subject to donor or grantor restrictions. The Entity reports contributions restricted by donors, including property and equipment, as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

D. Revenue Recognition

The Entity follows FASB ASC Topic 606, *Revenue from Contracts with Customers*, which establishes a contract and control-based revenue recognition model, a basis for deciding when revenue is recognized over time or at a point in time and expands disclosures about revenue.

Thrift shop sales and merchandise income are recognized at the time of purchase.

The Entity recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Cash Equivalents

The Entity considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

F. Investments

Investments are carried at fair value, determined based on quoted market prices or estimated values provided by external investment managers or other sources. Donated investments are reflected as contributions at their market value at the date of receipt. Realized and unrealized gains and losses, less investment expenses, are reflected within investment return, net, in the Statement of Activities. In accordance with FASB 958-225-45-6, investment gains and income whose restrictions are met in the same reporting period are reported as support in net assets without donor restrictions.

G. Prepayment of Expenses

Expenses extending over more than one accounting period are allocated between accounting periods and reported as an expense of the period in which they relate. At year-end, the Entity did not have any prepaid expenses.

H. Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue in the Statement of Activities. The allowance for uncollectible promises to give is based on historical experience and an assessment of economic conditions. Promises to give are written off when deemed uncollectible. Conditional promises to give are not included as support until the conditions are substantially met. At year-end, there were no promises to give.

I. Inventory

Supplies are expensed when they are purchased, therefore, no inventory is maintained.

J. Leases

The Entity follows Accounting Standards Update (ASU) No. 2016-02, *Leases*. Determination if an arrangement is or contains a lease occurs at the arrangement's inception. Leases are included in right of use assets and lease liabilities in the Statement of Financial Position and are initially recorded at the present value of the future minimum lease payments over the lease term. Short-term leases are not reported as right of use assets and lease liabilities. Instead, the lease payments of short-term leases are reported as lease expense on a straight-line basis over the lease term. At year-end, the Entity was not a lessee in any operating or finance lease.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Property and Equipment

Property and equipment are valued at cost, if purchased, or fair value if contributed. The expenses for property and equipment in excess of \$1,000 are capitalized. Minor repairs and maintenance are expensed as incurred and additions and improvements that significantly extend the life of assets are depreciated over the remaining useful lives of the related fixed asset. At the time that assets are retired or disposed of, costs and accumulated depreciation are eliminated from the related accounts and any gain or loss is credited or charged to income. Depreciation is computed on the straight-line method over the estimated useful lives of the assets as follows:

Land improvements	10 years
Buildings and improvements	15-40 years
Equipment	5-15 years
Furniture and fixtures	7 years
Vehicles	5 years

L. Compensated Absences

Any unused vacation or sick leave expires at year-end, therefore, there is no accrual of a liability for future benefits.

M. In-kind Contributions

Contributed nonfinancial assets, including donated professional services, donated equipment, and other in-kind contributions, are recorded at the fair value of the goods or services received. The Entity does not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program and supporting services; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. No significant contributions of such goods or services were received during the year.

N. Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes, and employee benefits, which are allocated on the basis of estimates of time and effort.

O. Description of Program and Supporting Services

Animal Adoption and Care

Dedicated to the operation of the adoption center and the care of the animals.

Management and General

Includes the functions necessary to ensure an adequate working environment; provide coordination and articulation of the Entity's programs; and manage the functioning of the Board of Directors and financial and budgetary responsibilities.

Fundraising

Provides the structure necessary to encourage and secure financial support from outside sources.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Q. Uncertain Tax Position

The Entity accounts for the effect of any uncertain tax position based on a more likely than not threshold of the recognition of the tax position being sustained based on the merits of the position under examination by the applicable taxing authority. If a tax position is deemed to be uncertain, the unrecognized tax benefit is estimated based on a probability assessment. Tax positions include, but are not limited to, the tax-exempt status and determination of whether income is subject to unrelated business income tax. There were no uncertain tax positions requiring recognition in the financial statements at year-end.

R. Taxes

The Entity is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code. It is exempt from federal income taxes on related income pursuant to Section 501 of the Code. No federal excise tax or unrelated business income tax was due for the previous tax year.

S. Events Occurring after Reporting Date

The Entity has evaluated events and transactions that occurred between June 30, 2023, and July 22, 2024, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Entity's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Cash	\$ 871,073
Investments	931,235
Accounts receivable	<u>51,748</u>
Total financial assets	1,854,056
Less: net assets with donor restrictions	<u>(543,760)</u>
Total	<u>\$ 1,310,296</u>

As part of the Entity's liquidity management, it has a policy to structure its financial assets to be available for spending as its general expenditures, liabilities, and other obligations come due. Resources are maintained to meet any donor-imposed restrictions, which makes those resources unavailable for general expenditures. To help manage unanticipated liquidity needs, the Entity has a line of credit available to them. The maximum credit limit is \$150,000. At year-end, the Entity has borrowed \$147,653 against this line, leaving \$2,347 available to be borrowed.

The Entity may receive contributions and promises to give that are restricted by donors, and considers contributions restricted for programs that are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Entity manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

NOTE 3 - CONCENTRATIONS OF CREDIT RISK

Deposit concentration risk

Deposit concentration risk is managed by placing cash in financial institutions believed by the Entity to be creditworthy. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per insured bank. As of year-end, the Entity had \$379,887 in excess of FDIC insurance limits. To date, the Entity has not experienced losses in any of these accounts.

Market risk

Investments are closely monitored by management. Although the fair values of investments are subject to fluctuation, management believes their investment choices are prudent for the long-term welfare of the Entity.

Receivables

Credit risk associated with accounts receivable is considered to be low due to high historical collection rates and because of the nature of the receivables. The receivables are due from local governments that are supportive of the Entity's mission.

NOTE 4 - CASH

At year-end, cash consisted of the following:

Cash on hand	\$ 150
Bank accounts	<u>870,923</u>
Total	<u>\$ 871,073</u>

NOTE 5 - INVESTMENTS

At year-end, investments consisted of the following:

Common stock	\$ 11,016
Mutual funds and exchange-traded closed-end funds	854,673
Cash and money market	<u>65,546</u>
Total	<u>\$ 931,235</u>

NOTE 6 - FAIR VALUE MEASUREMENT

Certain assets are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets the Entity can access at the measurement date.

NOTE 6 - FAIR VALUE MEASUREMENT (Continued)

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

Level 3 - Unobservable inputs for the asset. Management develops inputs using the best information available in the circumstances.

The Entity's Level 1 investments are comprised of common stock, mutual funds and exchange-traded closed-end funds, and cash and money market funds with readily determinable fair values based on daily redemption values.

The Entity had no Level 2 or Level 3 investments.

The following table presents assets measured at fair value on a recurring basis as of year-end.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments	<u>\$ 931,235</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 931,235</u>

NOTE 7 - ACCOUNTS RECEIVABLE

Accounts receivable are considered to be collectable within one year and consist of the following:

Hamilton County	<u>\$ 51,748</u>
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Based on subsequent collections and prior accounts receivable collection history, an allowance for uncollectable receivables was not considered necessary.

NOTE 8 - PROPERTY AND EQUIPMENT - NET

Property and equipment consist of the following at year-end:

	<u>Balance</u> <u>6-30-22</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>6-30-23</u>
Land	\$ 380,347	\$ -	\$ -	\$ 380,347
Land improvements	-	138,778	-	138,778
Buildings and improvements	9,324,297	10,165	-	9,334,462
Equipment	692,031	-	-	692,031
Furniture and fixtures	208,948	-	-	208,948
Vehicles	<u>261,098</u>	<u>-</u>	<u>-</u>	<u>261,098</u>
	10,866,721	148,943	-	11,015,664
Accumulated depreciation	<u>(856,656)</u>	<u>(477,856)</u>	<u>-</u>	<u>(1,334,512)</u>
Total	<u>\$ 10,010,065</u>	<u>\$ (328,913)</u>	<u>\$ -</u>	<u>\$ 9,681,152</u>

NOTE 9 - LINE OF CREDIT

The Entity has a line of credit with Millennium Bank with a maximum credit line of \$150,000. Any amounts due are secured by the facility and equipment. As of year-end, there were borrowings under the line of credit totaling \$147,653. Amounts outstanding under the line of credit bear interest at 10.5% and such interest is required to be paid monthly. The line of credit is due upon demand. Interest paid on the line of credit for the year totaled \$4,521.

NOTE 10 - NOTE PAYABLE

The Entity has a note payable to Millenium Bank. The original amount of the note on April 16, 2019 was \$68,000. The note is secured by a vehicle. \$1,334 of principal and interest at 6.5% is payable monthly. The final payment is due April 16, 2024. The entire balance of \$11,796 is due within one year.

Future maturities of this debt, including interest of \$389, are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 11,796	\$ 389	\$ 12,185

During the year ended June 30, 2023, interest paid on the note totaled \$10,611.

NOTE 11 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are subject to the following purpose restrictions:

Building fund	\$ 543,760
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NOTE 12 - ADVERTISING

Program awareness costs are expensed as incurred and totaled \$6,216 during the year ended June 30, 2023.

NOTE 13 - RETIREMENT PLAN

The Entity offers a 401(k) retirement plan covering all full time employees who meet the eligibility requirements under the plan. The Entity matches up to 3% of an employee's salary. During the year, the Entity's retirement plan expenses totaled \$14,449.

NOTE 14 - COMMERCIAL INSURANCE

It is the policy of the Entity to purchase commercial insurance for the risks of losses to which it is exposed. These risks include general liability, property and casualty, workers' compensation, and directors and officers liabilities. Any claims have not exceeded this commercial coverage in any of the past three fiscal years.

SUPPLEMENTAL INFORMATION

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Comparative Schedule of Financial Position
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Current assets		
Cash	\$ 871,073	\$ 755,748
Investments	931,235	836,543
Accounts receivable	<u>51,748</u>	<u>55,986</u>
Total current assets	<u>1,854,056</u>	<u>1,648,277</u>
Non-current assets		
Security deposit	4,000	4,000
Property and equipment - net	<u>9,681,152</u>	<u>10,010,065</u>
Total non-current assets	<u>9,685,152</u>	<u>10,014,065</u>
TOTAL ASSETS	<u>\$ 11,539,208</u>	<u>\$ 11,662,342</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Current liabilities		
Accounts payable	\$ 27,654	\$ 53,646
Accrued liabilities	74,284	68,148
Unearned revenue	825	-
Line of credit	147,653	-
Note payable	<u>11,796</u>	<u>17,774</u>
Total current liabilities	<u>262,212</u>	<u>139,568</u>
Non-current liabilities		
Note payable - due in more than one year	<u>-</u>	<u>12,948</u>
Total liabilities	<u>262,212</u>	<u>152,516</u>
Net Assets		
Without donor restrictions:		
Undesignated	10,733,236	10,827,077
With donor restrictions	<u>543,760</u>	<u>682,749</u>
Total net assets	<u>11,276,996</u>	<u>11,509,826</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 11,539,208</u>	<u>\$ 11,662,342</u>

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Comparative Schedule of Activities
For the Years Ended June 30, 2023 and 2022

	2023	2022
REVENUES, GAINS AND OTHER SUPPORT		
Government appropriations	\$ 766,405	\$ 706,786
Contributions and grants	1,587,090	612,516
Thrift store sales	263,581	215,005
Fundraising events	261,740	202,013
Adoption fees	49,455	81,519
Other service fees	48,594	62,034
Merchandise income	8,063	10,223
Investment return, net	108,095	(93,617)
Total revenues, gains and other support	3,093,023	1,796,479
EXPENSES		
Program service		
Animal adoption and care	2,764,786	2,397,515
Supporting services		
Management and general	281,554	270,949
Fundraising	279,513	191,677
Total supporting services	561,067	462,626
Total expenses	3,325,853	2,860,141
Change in net assets	(232,830)	(1,063,662)
Net assets - beginning	11,509,826	12,573,488
Net assets - end	\$ 11,276,996	\$ 11,509,826

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE
Comparative Schedule of Functional Expenses
For the Years Ended June 30, 2023 and 2022

	Program Service	Supporting Services		2023 Total	2022 Total
	Animal Adoption and Care	Management and General	Fundraising		
Salaries	\$ 1,302,883	\$ 153,280	\$ 76,640	\$ 1,532,803	\$ 1,297,287
Payroll taxes	99,888	11,751	5,876	117,515	89,866
Employee benefits	106,534	12,533	6,267	125,334	119,166
Animal care	319,707	-	-	319,707	256,072
Bank and credit card fees	-	14,616	6,445	21,061	23,841
Building expense	2,950	-	-	2,950	19,728
Depreciation	477,856	-	-	477,856	473,442
Education and training	30,062	-	-	30,062	26,735
Fundraising expenses	-	-	107,892	107,892	33,429
Insurance	77,139	-	-	77,139	70,105
Interest expense	-	15,132	-	15,132	22,029
Postage and printing	15,154	-	-	15,154	19,129
Professional services	52,955	68,053	-	121,008	118,459
Program awareness	4,167	-	2,049	6,216	3,696
Repairs and maintenance	39,874	-	2,715	42,589	46,875
Supplies and equipment	20,306	6,189	3,427	29,922	23,279
Taxes, licenses and permits	11,015	-	8,062	19,077	15,225
Technology	14,351	-	-	14,351	8,323
Telephone and internet	14,896	-	-	14,896	8,854
Thrift store rent	-	-	48,000	48,000	48,000
Utilities	135,714	-	12,140	147,854	132,313
Vehicle expenses	39,335	-	-	39,335	4,288
Total	<u>\$ 2,764,786</u>	<u>\$ 281,554</u>	<u>\$ 279,513</u>	<u>\$ 3,325,853</u>	<u>\$ 2,860,141</u>

The FY2025 (2024) 990 for
Humane Educational Society
has not been completed by our audit team,
Johnson, Murphy & Wright.

HES will submit the 990
As soon as it is available.

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form **990**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2023

Do not enter social security numbers on this form as it may be made public.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Go to www.irs.gov/Form990 for instructions and the latest information.

A For the **2023** calendar year, or tax year beginning **JUL 1, 2023** and ending **JUN 30, 2024**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE, INC. Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite 4155 RANDOLPH CIRCLE City or town, state or province, country, and ZIP or foreign postal code CHATTANOOGA, TN 37406 F Name and address of principal officer: DR. TAI FEDERICO SAME AS C ABOVE	D Employer identification number 62-0478240 E Telephone number (423) 624-5302 G Gross receipts \$ 2,471,257. H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. See instructions H(c) Group exemption number
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)() (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
J Website: WWW.HESCHATT.ORG		
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		
L Year of formation: 1910		M State of legal domicile: TN

Part I Summary

1	Briefly describe the organization's mission or most significant activities: PROVIDE A SAFE HAVEN FOR HOMELESS, ABUSED, & NEGLECTED ANIMALS AND ADVOCATE ON THEIR BEHALF		
2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
3	Number of voting members of the governing body (Part VI, line 1a)	3	19
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	19
5	Total number of individuals employed in calendar year 2023 (Part V, line 2a)	5	86
6	Total number of volunteers (estimate if necessary)	6	425
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
7b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0.
8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
9	Program service revenue (Part VIII, line 2g)	2,276,570.	1,014,887.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	106,111.	1,015,023.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0.	71,854.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	427,959.	224,997.
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	2,810,640.	2,326,761.
14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	1,814,769.	2,130,247.
b	Total fundraising expenses (Part IX, column (D), line 25) 106,512.	0.	0.
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	1,208,784.	1,385,402.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	3,023,553.	3,515,649.
19	Revenue less expenses. Subtract line 18 from line 12	-212,913.	-1,188,888.
20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
21	Total liabilities (Part X, line 26)	11,649,576.	10,634,336.
22	Net assets or fund balances. Subtract line 21 from line 20	176,584.	448,391.
		11,472,992.	10,185,945.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer DR. TAI FEDERICO, INTERIM EXECUTIVE DIRECTOR	Date	
Paid Preparer Use Only	Print/Type preparer's name MARIANNE HART GREENE, CPA	Preparer's signature	Date
	Firm's name JOHNSON, MURPHEY & WRIGHT, P.C.	Check if self-employed <input type="checkbox"/>	PTIN P01217461
	Firm's address 301 NORTH MARKET STREET CHATTANOOGA, TN 37405	Firm's EIN 62-1093134	Phone no. (423) 756-1170

May the IRS discuss this return with the preparer shown above? See instructions Yes No

HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:
HUMANE EDUCATIONAL SOCIETY IS A NONPROFIT ANIMAL SHELTER THAT PROVIDES A SAFE HAVEN FOR HOMELESS, ABUSED, AND NEGLECTED ANIMALS IN OUR COMMUNITY AND ADVOCATES ON THEIR BEHALF.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 3,014,344. including grants of \$) (Revenue \$ 1,015,023.)
OUR ADOPTION PROGRAM IS SUCCESSFUL IN THAT WE ADOPTED OUT, TRANSPORTED, OR REUNITED OVER 2,922 ANIMALS FROM OUR FACILITY. WE HAVE MAINTAINED A LIVE RELEASE RATE OF 92% FOR MULTIPLE YEARS. HES RAISES FUNDS FOR GENERAL OPERATIONS AND FUNDS FOR OUR SPECIAL NEEDS PROGRAM. GENERAL FUNDS ARE USED IN STANDARD CARE FOR ANIMALS INCLUDING SPAY/NEUTER SURGERIES, VACCINATIONS, AND PHYSICAL EXAMS FOR EACH ANIMAL. SPECIAL NEEDS PROVIDES CARE FOR ANIMALS NEEDING HEARTWORM TREATMENT, EMERGENCY SURGERY, OR NON-STANDARD CARE TREATMENTS.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe on Schedule O.)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 3,014,344.

HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1 X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? See instructions	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4	X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	9	X
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	10	X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	11a X	
b Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	11b	X
c Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	11c	X
d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	11e	X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	11f X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	12a X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I.</i> See instructions	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18 X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	20a	X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	X

**HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.**

Form 990 (2023)

62-0478240 Page 4

Part IV Checklist of Required Schedules *(continued)*

		Yes	No
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26	Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i>		X
27	Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28	Was the organization a party to a business transaction with one of the following parties? (See the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>		X
b	A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>		X
c	A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i>		X
29	Did the organization receive more than \$25,000 in noncash contributions? <i>If "Yes," complete Schedule M</i>		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38	Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19?	X	

Note: All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

		Yes	No
1a	Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable		6
b	Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable		0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
		1c	

HUMANE EDUCATIONAL SOCIETY
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Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

		Yes	No
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
	2a 86		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
b	If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note: See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	14b	
15	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see the instructions and file Form 4720, Schedule N.	15	X
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16	X
17	Section 501(c)(21) organizations. Did the trust, or any disqualified or other person engage in any activities that would result in the imposition of an excise tax under section 4951, 4952 or 4953? If "Yes," complete Form 6069.	17	

Part VI Governance, Management, and Disclosure. For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year 1a 19 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
b	Enter the number of voting members included on line 1a, above, who are independent 1b 19		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?		X
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	X	
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	X	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?		X
b	Describe on Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done	X	
13	Did the organization have a written whistleblower policy?		X
14	Did the organization have a written document retention and destruction policy?		X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	X	
b	Other officers or key employees of the organization		X
	If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions.		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed TN
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain on Schedule O)
- 19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records
SMITH & HOWARD/MARKET STREET PARTNERS (BETH JOHNSON) - 423-803-1440
715 MARKET STREET, SUITE 303, CHATTANOOGA, TN 37402

**HUMANE EDUCATIONAL SOCIETY
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Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
 - List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
 - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- See the instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) REBECCA BRYAN EXECUTIVE DIRECTOR (ENDED 1/13/25)	40.00			X				110,790.	0.	8,032.
(2) JIMMY KENNEDY PRESIDENT	1.50	X		X				0.	0.	0.
(3) CYNTHIA HALL VICE PRESIDENT	1.50	X		X				0.	0.	0.
(4) MARY KILBRIDE TREASURER	1.50	X		X				0.	0.	0.
(5) MARGARET ANNE HALEY SECRETARY	1.50	X		X				0.	0.	0.
(6) TAI FEDERICO, DVM INTERIM EXEC. DIR. START 1/13/25;DIR	1.50	X		X				0.	0.	0.
(7) JIMMY ADAMS DIRECTOR	1.50	X						0.	0.	0.
(8) BLAIR CORNMANN, VMD DIRECTOR	1.50	X						0.	0.	0.
(9) BEVERLY COULTER DIRECTOR	1.50	X						0.	0.	0.
(10) DONALD CURTIS DIRECTOR	1.50	X						0.	0.	0.
(11) TRISH FOY DIRECTOR	1.50	X						0.	0.	0.
(12) RHEA GREENE DIRECTOR	1.50	X						0.	0.	0.
(13) CLARE GRUBER DIRECTOR	1.50	X						0.	0.	0.
(14) JULIE GUERRY DIRECTOR	1.50	X						0.	0.	0.
(15) SUSAN HARRIS DIRECTOR	1.50	X						0.	0.	0.
(16) MICHAEL HASKEW DIRECTOR	1.50	X						0.	0.	0.
(17) CHERIE MARTINEZ DIRECTOR	1.50	X						0.	0.	0.

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Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) ANGELA RICH DIRECTOR	1.50	X					0.	0.	0.	
(19) SKIP SCHWARTZ DIRECTOR	1.50	X					0.	0.	0.	
(20) MICHAEL SWAN DIRECTOR	1.50	X					0.	0.	0.	
1b Subtotal							110,790.	0.	8,032.	
c Total from continuation sheets to Part VII, Section A							0.	0.	0.	
d Total (add lines 1b and 1c)							110,790.	0.	8,032.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 1

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
NONE		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 0

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Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c	156,279.			
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	858,608.			
	g	Noncash contributions included in lines 1a-1f	1g	\$ 20,522.			
	h Total. Add lines 1a-1f			1,014,887.			
Program Service Revenue	2 a	GOVERNMENT APPROPRIATI	Business Code 900099	915,648.	915,648.		
	b	ADOPTION FEES	900099	59,830.	59,830.		
	c	SERVICE FEES	900099	32,619.	32,619.		
	d	MERCHANDISE SALES	900099	6,926.	6,926.		
	e						
	f	All other program service revenue					
	g Total. Add lines 2a-2f			1,015,023.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		18,225.		18,225.	
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6 a	Gross rents	6a	(i) Real (ii) Personal			
			6b				
			6c				
	d	Net rental income or (loss)					
	7 a	Gross amount from sales of assets other than inventory	7a	(i) Securities (ii) Other	9,629.	44,000.	
			7b		0.	0.	
			7c		9,629.	44,000.	
	d	Net gain or (loss)		53,629.		53,629.	
	8 a	Gross income from fundraising events (not including \$ 156,279. of contributions reported on line 1c). See Part IV, line 18	8a		119,303.		
			8b		66,664.		
			c	Net income or (loss) from fundraising events		52,639.	
9 a	Gross income from gaming activities. See Part IV, line 19	9a					
		9b					
		c	Net income or (loss) from gaming activities				
10 a	Gross sales of inventory, less returns and allowances	10a		250,190.			
		10b		77,832.			
		c	Net income or (loss) from sales of inventory		172,358.		172,358.
Miscellaneous Revenue	11 a		Business Code				
	b						
	c						
	d	All other revenue					
	e Total. Add lines 11a-11d						
12 Total revenue. See instructions			2,326,761.	1,015,023.	0.	296,851.	

**HUMANE EDUCATIONAL SOCIETY
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Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	109,725.	93,266.	10,973.	5,486.
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	1,729,114.	1,469,747.	172,911.	86,456.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	22,713.	19,306.	2,271.	1,136.
9 Other employee benefits	134,714.	114,507.	13,472.	6,735.
10 Payroll taxes	133,981.	113,884.	13,398.	6,699.
11 Fees for services (nonemployees):				
a Management				
b Legal	6,000.		6,000.	
c Accounting	81,579.		81,579.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	46,459.	46,459.		
12 Advertising and promotion	5,995.	5,995.		
13 Office expenses	53,274.	44,904.	8,370.	
14 Information technology	22,138.	22,138.		
15 Royalties				
16 Occupancy	185,776.	185,776.		
17 Travel	18,896.	18,896.		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	28,263.	28,263.		
20 Interest	19,104.		19,104.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	479,439.	479,439.		
23 Insurance	99,041.	46,155.	52,886.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a SHELTER EXPENSES	288,499.	288,499.		
b TAXES, LICENSES, PERMIT	17,936.	17,936.		
c BANK CHARGES	13,829.		13,829.	
d _____				
e All other expenses _____	19,174.	19,174.		
25 Total functional expenses. Add lines 1 through 24e	3,515,649.	3,014,344.	394,793.	106,512.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

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Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	930,584.	1	355,645.
	2 Savings and temporary cash investments	865,689.	2	30,930.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 10,920,910.		
	b Less: accumulated depreciation	10b 1,703,144.	9,853,303.	10c 9,217,766.
	11 Investments - publicly traded securities		11	610,436.
	12 Investments - other securities. See Part IV, line 11		12	415,559.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		0.	15 4,000.
16 Total assets. Add lines 1 through 15 (must equal line 33)		11,649,576.	16 10,634,336.	
Liabilities	17 Accounts payable and accrued expenses	162,199.	17	248,993.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties	14,385.	23	199,398.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25		176,584.	26 448,391.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	11,200,422.	27	9,856,689.
	28 Net assets with donor restrictions	272,570.	28	329,256.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	11,472,992.	32	10,185,945.
	33 Total liabilities and net assets/fund balances	11,649,576.	33	10,634,336.

Form 990 (2023)

**HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.**

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	2,326,761.
2	Total expenses (must equal Part IX, column (A), line 25)	2	3,515,649.
3	Revenue less expenses. Subtract line 2 from line 1	3	-1,188,888.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	11,472,992.
5	Net unrealized gains (losses) on investments	5	97,837.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	-195,996.
9	Other changes in net assets or fund balances (explain on Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	10,185,945.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b	Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F? _____		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____		

HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	1579749.	2333350.	612,740.	2276570.	1014887.	7817296.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge ...	8,071.	233,203.				241,274.
4 Total. Add lines 1 through 3	1587820.	2566553.	612,740.	2276570.	1014887.	8058570.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						1112518.
6 Public support. Subtract line 5 from line 4.						6946052.

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
7 Amounts from line 4	1587820.	2566553.	612,740.	2276570.	1014887.	8058570.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources ...					18,225.	18,225.
9 Net income from unrelated business activities, whether or not the business is regularly carried on ...						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						8076795.
12 Gross receipts from related activities, etc. (see instructions)					12	3,438,687.
13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2023 (line 6, column (f), divided by line 11, column (f))	14	86.00 %
15 Public support percentage from 2022 Schedule A, Part II, line 14	15	95.56 %
16a 33 1/3% support test - 2023. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input checked="" type="checkbox"/>
b 33 1/3% support test - 2022. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2023. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2022. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2023 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2022 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2023 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2022 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2023. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2022. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?		
b A family member of a person described on line 11a above?		
c A 35% controlled entity of a person described on line 11a or 11b above? If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI .		
11a		
11b		
11c		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		
1		
2		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
1		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
3 By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		
1		
2		
3		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.			
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.			
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a governmental entity (see instructions).			
2 Activities Test. Answer lines 2a and 2b below.		Yes	No
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.			
b Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.			
3 Parent of Supported Organizations. Answer lines 3a and 3b below.			
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? If "Yes" or "No" provide details in Part VI .			
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.			
2a			
2b			
3a			
3b			

HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). See instructions.
All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.

Schedule A (Form 990) 2023

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Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required - provide details in Part VI)	5
6	Other distributions (describe in Part VI). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	8
9	Distributable amount for 2023 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2023	(iii) Distributable Amount for 2023
1	Distributable amount for 2023 from Section C, line 6		
2	Underdistributions, if any, for years prior to 2023 (reasonable cause required - explain in Part VI). See instructions.		
3	Excess distributions carryover, if any, to 2023		
a	From 2018		
b	From 2019		
c	From 2020		
d	From 2021		
e	From 2022		
f	Total of lines 3a through 3e		
g	Applied to underdistributions of prior years		
h	Applied to 2023 distributable amount		
i	Carryover from 2018 not applied (see instructions)		
j	Remainder. Subtract lines 3g, 3h, and 3i from line 3f.		
4	Distributions for 2023 from Section D, line 7: \$		
a	Applied to underdistributions of prior years		
b	Applied to 2023 distributable amount		
c	Remainder. Subtract lines 4a and 4b from line 4.		
5	Remaining underdistributions for years prior to 2023, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.		
6	Remaining underdistributions for 2023. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.		
7	Excess distributions carryover to 2024. Add lines 3j and 4c.		
8	Breakdown of line 7:		
a	Excess from 2019		
b	Excess from 2020		
c	Excess from 2021		
d	Excess from 2022		
e	Excess from 2023		

Schedule A (Form 990) 2023

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2023

Open to Public
Inspection

Name of the organization **HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.** Employer identification number
62-0478240

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
 Preservation of land for public use (for example, recreation or education) Preservation of a historically important land area
 Protection of natural habitat Preservation of a certified historic structure
 Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included on line 2a	2c
d Number of conservation easements included on line 2c acquired after July 25, 2006, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year _____

4 Number of states where property subject to conservation easement is located _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year _____

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year _____

8 Does each conservation easement reported on line 2d above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items.

(i) Revenue included on Form 990, Part VIII, line 1 \$ _____

(ii) Assets included in Form 990, Part X \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1 \$ _____

b Assets included in Form 990, Part X \$ _____

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2023

**HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.**

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

- 3** Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply).
- | | |
|---|--|
| a <input type="checkbox"/> Public exhibition | d <input type="checkbox"/> Loan or exchange program |
| b <input type="checkbox"/> Scholarly research | e <input type="checkbox"/> Other _____ |
| c <input type="checkbox"/> Preservation for future generations | |
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a** Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b** If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|--|-----------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a** Board designated or quasi-endowment _____ %
- b** Permanent endowment _____ %
- c** Term endowment _____ %
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|---|---------------|----|
| (i) Unrelated organizations? | 3a(i) | |
| (ii) Related organizations? | 3a(ii) | |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 4** Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		380,347.		380,347.
b Buildings		9,347,656.	966,931.	8,380,725.
c Leasehold improvements		141,637.	20,960.	120,677.
d Equipment		692,031.	460,488.	231,543.
e Other		359,239.	254,765.	104,474.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, line 10c, column (B))				9,217,766.

**HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.**

Part VII Investments - Other Securities

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, line 12, col. (B))		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, line 13, col. (B))		

Part IX Other Assets

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, line 15, col. (B))	

Part X Other Liabilities

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, line 25, col. (B))	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII...

HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.

Schedule D (Form 990) 2023

62-0478240 Page 4

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	2,569,094.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	2a	97,837.	
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d	2e	97,837.	
3	Subtract line 2e from line 1		3	2,471,257.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b	-144,496.	
c	Add lines 4a and 4b	4c	-144,496.	
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)		5	2,326,761.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	3,660,145.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d	144,496.	
e	Add lines 2a through 2d	2e	144,496.	
3	Subtract line 2e from line 1		3	3,515,649.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b	4c	0.	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)		5	3,515,649.

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X, LINE 2:

THE ENTITY ACCOUNTS FOR THE EFFECT OF ANY UNCERTAIN TAX POSITION BASED ON A MORE LIKELY THAN NOT THRESHOLD OF THE RECOGNITION OF THE TAX POSITION BEING SUSTAINED BASED ON THE MERITS OF THE POSITION UNDER EXAMINATION BY THE APPLICABLE TAXING AUTHORITY. IF A TAX POSITION IS DEEMED TO BE UNCERTAIN, THE UNRECOGNIZED TAX BENEFIT IS ESTIMATED BASED ON A PROBABILITY ASSESSMENT. TAX POSITIONS INCLUDE, BUT ARE NOT LIMITED TO, THE TAX-EXEMPT STATUS AND DETERMINATION OF WHETHER INCOME IS SUBJECT TO UNRELATED BUSINESS INCOME TAX. THERE WERE NO UNCERTAIN TAX POSITIONS REQUIRING RECOGNITION IN THE FINANCIAL STATEMENTS AT YEAR-END.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

Part XIII Supplemental Information (continued)

DIRECT FUNDRAISING	-66,664.
COST OF GOODS SOLD	-77,832.
TOTAL TO SCHEDULE D, PART XI, LINE 4B	-144,496.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

DIRECT FUNDRAISING	66,664.
COST OF GOOD SOLD	77,832.
TOTAL TO SCHEDULE D, PART XII, LINE 2D	144,496.

**HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.**

Part II Fundraising Events. Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))	
		FAUX FUR FEST	DRIVES FOR LIVES	2		
		(event type)	(event type)	(total number)		
Revenue	1	Gross receipts	193,586.	47,452.	34,544.	275,582.
	2	Less: Contributions	104,699.	47,452.	4,128.	156,279.
	3	Gross income (line 1 minus line 2)	88,887.		30,416.	119,303.
Direct Expenses	4	Cash prizes				
	5	Noncash prizes				
	6	Rent/facility costs				
	7	Food and beverages				
	8	Entertainment				
	9	Other direct expenses	38,445.	16,444.	11,775.	66,664.
	10	Direct expense summary. Add lines 4 through 9 in column (d)				66,664.
	11	Net income summary. Subtract line 10 from line 3, column (d)				52,639.

Part III Gaming. Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1	Gross revenue			
Direct Expenses	2	Cash prizes			
	3	Noncash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No
	7	Direct expense summary. Add lines 2 through 5 in column (d)			
	8	Net gaming income summary. Subtract line 7 from line 1, column (d)			

9 Enter the state(s) in which the organization conducts gaming activities: _____
a Is the organization licensed to conduct gaming activities in each of these states? Yes No
b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year? Yes No
b If "Yes," explain: _____

Part IV Supplemental Information *(continued)*

Multiple horizontal lines for supplemental information.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
Attach to Form 990 or Form 990-EZ.
Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2023

Open to Public
Inspection

Name of the organization

HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.

Employer identification number
62-0478240

FORM 990, PART III, LINE 2, NEW PROGRAM SERVICES:

A TNR (TRAP, NEUTER, RETURN) PROGRAM TO MANAGE THE AREA'S FERAL CAT
POPULATION WAS LAUNCHED BUT SUSPENDED DUE TO LACK OF FUNDING.

FORM 990, PART VI, SECTION A, LINE 8B:

THE ORGANIZATION DOES NOT HAVE ANY COMMITTEES WITH AUTHORITY TO ACT ON
BEHALF OF THE GOVERNING BODY.

FORM 990, PART VI, SECTION B, LINE 11B:

IT IS THE RESPONSIBILITY OF THE BOARD TREASURER TO REVIEW THE AUDIT AND
FORM 990 IN DETAIL, ASSISTED BY THE FINANCE COMMITTEE OR EXECUTIVE
COMMITTEE, AS NEEDED.

FORM 990, PART VI, SECTION B, LINE 12C:

THE ORGANIZATION REQUIRES ANNUAL WRITTEN DISCLOSURES OF ANY CONFLICTS OF
INTEREST.

HES EXPECTS ALL EMPLOYEES TO CONDUCT THEMSELVES IN A MANNER THAT REFLECTS
THE HIGHEST STANDARDS OF ETHICAL CONDUCT, IN ACCORDANCE WITH ALL FEDERAL,
STATE, AND LOCAL LAWS AND REGULATIONS, AVOIDING REAL AND POTENTIAL
CONFLICTS OF INTERESTS. THE BOARD POLICY INCLUDES THE DUTY TO DETERMINE
WHETHER A CONFLICT EXISTS, THE DUTY TO DISCLOSE PERTINENT FACTS, AND THE
DUTY TO RECUSE ONESELF FROM VOTING.

FORM 990, PART VI, SECTION B, LINE 15A:

THE BOARD DETERMINES THE COMPENSATION OF THE EXECUTIVE DIRECTOR BASED ON
ATTAINMENT OF GOALS AND BUDGET. DELIBERATIONS ARE KEPT AS PART OF THE BOARD

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990) 2023

LHA 332211 11-14-23

Name of the organization HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE, INC.	Employer identification number 62-0478240
--	---

MINUTES.

FORM 990, PART VI, SECTION C, LINE 19:

ALL GOVERNING DOCUMENTS AND FINANCIAL STATEMENTS ARE MADE AVAILABLE TO THE PUBLIC UPON REQUEST.

FORM 990, PART XII, LINE 2C

THE PROCESS OF SELECTING AN INDEPENDENT AUDITOR AND OVERSEEING THE AUDIT HAS NOT CHANGED FROM THE PRIOR YEAR.

2023 DEPRECIATION AND AMORTIZATION REPORT

FORM 990 PAGE 10

990

Asset No.	Description	Date Acquired	Method	Life	Conv	Line No.	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
	PROGRAM SERVICES														
1	LAND	VARIOUS	L				380,347.				380,347.			0.	
2	BUILDINGS AND IMPROVEMENTS	VARIOUS	SL	15.00		16	9,347,656.				9,347,656.	689,963.		276,966.	966,929.
3	EQUIPMENT	VARIOUS	SL	5.00		16	692,031.				692,031.	329,793.		130,695.	460,488.
4	FURNITURE & FIXTURES	VARIOUS	SL	7.00		16	208,948.				208,948.	74,624.		29,850.	104,474.
5	VEHICLES	VARIOUS	SL	5.00		16	150,291.				150,291.	122,386.		27,907.	150,293.
6	LAND IMPROVEMENTS	VARIOUS	SL	10.00		16	141,637.				141,637.	6,939.		14,021.	20,960.
	* 990 PAGE 10 TOTAL PROGRAM SERVICES						10920910.				10920910.	1,223,705.		479,439.	1,703,144.
	* GRAND TOTAL 990 PAGE 10 DEPR						10920910.				10920910.	1,223,705.		479,439.	1,703,144.

Form **4562**

Depreciation and Amortization
(Including Information on Listed Property) 990

OMB No. 1545-0172

2023

Department of the Treasury
Internal Revenue Service

Attach to your tax return.

Go to www.irs.gov/Form4562 for instructions and the latest information.

Attachment
Sequence No. 179

Name(s) shown on return

Business or activity to which this form relates

Identifying number

**HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.**

FORM 990 PAGE 10

62-0478240

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	1,160,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2,890,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2022 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2024. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	479,439.

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2023	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2023 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property					
b	5-year property					
c	7-year property					
d	10-year property					
e	15-year property					
f	20-year property					
g	25-year property		25 yrs.		S/L	
h	Residential rental property	/	27.5 yrs.	MM	S/L	
		/	27.5 yrs.	MM	S/L	
i	Nonresidential real property	/	39 yrs.	MM	S/L	
		/		MM	S/L	

Section C - Assets Placed in Service During 2023 Tax Year Using the Alternative Depreciation System

20a	Class life				S/L	
b	12-year		12 yrs.		S/L	
c	30-year	/	30 yrs.	MM	S/L	
d	40-year	/	40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	479,439.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

**HUMANE EDUCATIONAL SOCIETY
OF CHATTANOOGA, TENNESSEE, INC.**

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)
Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? <input type="checkbox"/> Yes <input type="checkbox"/> No		24b If "Yes," is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No						
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30 Total business/investment miles driven during the year (don't include commuting miles)	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
31 Total commuting miles driven during the year ...												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?	Yes		No		Yes		No		Yes		No	
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2023 tax year:					
43 Amortization of costs that began before your 2023 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA,
TENNESSEE, INC.
INSTRUCTIONS FOR FILING
FORM 8879-TE
IRS E-FILE SIGNATURE AUTHORIZATION FOR FORM 990
FOR THE YEAR ENDED JUNE 30, 2023

THE ORIGINAL IRS E-FILE SIGNATURE AUTHORIZATION FORM SHOULD BE SIGNED (USE FULL NAME) AND DATED BY AN AUTHORIZED OFFICER OF THE ORGANIZATION.

RETURN YOUR SIGNED IRS E-FILE SIGNATURE AUTHORIZATION FORM 8879-TE TO:

SMITH & HOWARD ADVISORY, LLC
271 17TH STREET, NW SUITE 1600
ATLANTA GA 30363

THERE IS NO TAX DUE WITH THE FILING OF THIS RETURN.

DO NOT SEPARATELY FILE FORM 990 WITH THE INTERNAL REVENUE SERVICE. DOING SO WILL DELAY THE PROCESSING OF YOUR RETURN. WE MUST RECEIVE YOUR SIGNED FORM BEFORE WE CAN ELECTRONICALLY TRANSMIT YOUR RETURN, WHICH IS DUE ON OR BEFORE MAY 15, 2024. WE WOULD APPRECIATE YOU RETURNING THIS FORM AS SOON AS POSSIBLE AS THIS WILL EXPEDITE THE PROCESSING OF YOUR RETURN. THE INTERNAL REVENUE SERVICE WILL NOTIFY US WHEN YOUR RETURN IS ACCEPTED. YOUR RETURN IS NOT CONSIDERED FILED UNTIL THE INTERNAL REVENUE SERVICE CONFIRMS THEIR ACCEPTANCE, WHICH MAY OCCUR AFTER THE DUE DATE OF YOUR RETURN.

**IRS e-file Signature Authorization
for a Tax Exempt Entity**

For calendar year 2022, or fiscal year beginning 07/01/2022 and ending 06/30/2023

2022

Department of the Treasury
Internal Revenue Service

**Do not send to the IRS. Keep for your records.
Go to www.irs.gov/Form8879TE for the latest information.**

Name of filer

EIN or SSN

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA,

62-0478240

Name and title of officer or person subject to tax

REBECCA BRYAN, EXECUTIVE DIRECTOR

Part I Type of Return and Return Information

Check the box for the return for which you are using this Form 8879-TE and enter the applicable amount, if any, from the return. Form 8038-CP and Form 5330 filers may enter dollars and cents. For all other forms, enter whole dollars only. If you check the box on line 1a, 2a, 3a, 4a, 5a, 6a, 7a, 8a, 9a, or 10a below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, 5b, 6b, 7b, 8b, 9b, or 10b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

1a Form 990 check here	<input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b	<u>2,810,640.</u>
2a Form 990-EZ check here	<input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9).	2b	_____
3a Form 1120-POL check here	<input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b	_____
4a Form 990-PF check here	<input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part V, line 5).	4b	_____
5a Form 8868 check here	<input type="checkbox"/>	b Balance due (Form 8868, line 3c)	5b	_____
6a Form 990-T check here	<input type="checkbox"/>	b Total tax (Form 990-T, Part III, line 4)	6b	_____
7a Form 4720 check here	<input type="checkbox"/>	b Total tax (Form 4720, Part III, line 1)	7b	_____
8a Form 5227 check here	<input type="checkbox"/>	b FMV of assets at end of tax year (Form 5227, Item D).	8b	_____
9a Form 5330 check here	<input type="checkbox"/>	b Tax due (Form 5330, Part II, line 19)	9b	_____
10a Form 8038-CP check here	<input type="checkbox"/>	b Amount of credit payment requested (Form 8038CP, Part III, line 22) .	10b	_____

Part II Declaration and Signature Authorization of Officer or Person Subject to Tax

Under penalties of perjury, I declare that I am an officer of the above entity or I am a person subject to tax with respect to (name of entity) _____, (EIN) _____ and that I have examined a copy of the 2022 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the electronic return and, if applicable, the consent to electronic funds withdrawal.

PIN: check one box only

I authorize SMITH & HOWARD ADVISORY, ERO firm name to enter my PIN 34285 as my signature. Enter five numbers, but do not enter all zeros

on the tax year 2022 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer or person subject to tax with respect to the entity, I will enter my PIN as my signature on the tax year 2022 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Signature of officer or person subject to tax

Date 05/15/2024

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

67882792074

Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2022 electronically filed return indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature

Selva Imahan

Date 05/15/2024

**ERO Must Retain This Form - See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So**

For Privacy Act and Paperwork Reduction Act Notice, see back of form.

Form **8879-TE** (2022)

Return of Organization Exempt From Income Tax

Department of the Treasury Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2022 calendar year, or tax year beginning 07/01/2022 and ending 06/30/2023

B Check if applicable: Address change, Name change, Initial return, Final return/terminated, Amended return, Application pending. C Name of organization HUMAN EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE, INC. D Employer identification number 62-0478240 E Telephone number (423) 624-5302 G Gross receipts \$ 2,954,878.

F Name and address of principal officer: REBECCA BRYAN 4155 RANDOLPH CIRCLE, CHATTANOOGA, TN 37406 H(a) Is this a group return for subordinates? Yes No H(b) Are all subordinates included? Yes No

I Tax-exempt status: X 501(c)(3) 501(c) () (insert no.) 4947(a)(1) or 527 J Website: WWW.HESCHATT.ORG H(c) Group exemption number

K Form of organization: X Corporation Trust Association Other L Year of formation: 1910 M State of legal domicile: TN

Part I Summary

1 Briefly describe the organization's mission or most significant activities: TO PROVIDE A SAFE HAVEN FOR HOMELESS, ABUSED, AND NEGLECTED ANIMALS IN OUR COMMUNITY AND ADVOCATE ON THEIR BEHALF. 2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets. 3 Number of voting members of the governing body (Part VI, line 1a) 3 19 4 Number of independent voting members of the governing body (Part VI, line 1b) 4 19 5 Total number of individuals employed in calendar year 2022 (Part V, line 2a) 5 62 6 Total number of volunteers (estimate if necessary) 6 382 7a Total unrelated business revenue from Part VIII, column (C), line 12 7a 7b Net unrelated business taxable income from Form 990-T, Part I, line 11 7b

Revenue table with columns: Revenue, Prior Year, Current Year. Rows 8-12: Contributions and grants, Program service revenue, Investment income, Other revenue, Total revenue.

Expenses table with columns: Expenses, Prior Year, Current Year. Rows 13-19: Grants and similar amounts paid, Benefits paid to or for members, Salaries, other compensation, Professional fundraising fees, Total fundraising expenses, Other expenses, Total expenses, Revenue less expenses.

Net Assets or Fund Balances table with columns: Net Assets or Fund Balances, Beginning of Current Year, End of Year. Rows 20-22: Total assets, Total liabilities, Net assets or fund balances.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here: Signature of officer REBECCA BRYAN, EXECUTIVE DIRECTOR, Date 05/15/2024

Paid Preparer Use Only: Print/Type preparer's name SABRE J LINAHAN, Preparer's signature Sabre Linahan, Date 05/15/2024, Check self-employed, PTIN P01372980, Firm's name SMITH & HOWARD ADVISORY, LLC, Firm's EIN 92-0749631, Firm's address 271 17TH STREET, NW SUITE 1600 ATLANTA, GA 30363, Phone no. 404-874-6244

May the IRS discuss this return with the preparer shown above? See instructions X Yes No

For Paperwork Reduction Act Notice, see the separate instructions. Form 990 (2022)

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:

TO PROVIDE A SAFE HAVEN FOR HOMELESS, ABUSED AND NEGLECTED ANIMALS IN OUR COMMUNITY AND ADVOCATE ON THEIR BEHALF.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 1,906,879. including grants of \$) (Revenue \$ 106,111.)

OUR ADOPTION PROGRAM IS SUCCESSFUL IN THAT WE ADOPTED OUT, TRANSPORTED, OR REUNITED OVER 3,600 ANIMALS FROM OUR FACILITY. WE HAVE MAINTAINED A LIVE RELEASE RATE OF 93% FOR MULTIPLE YEARS. HES RAISES FUNDS FOR GENERAL OPERATIONS AND FUNDS FOR OUR SPECIAL NEEDS PROGRAM. GENERAL FUNDS ARE USED IN STANDARD CARE FOR ANIMALS INCLUDING SPAY/NEUTER SURGERIES, VACCINATIONS, AND PHYSICAL EXAMS FOR EACH ANIMAL. SPECIAL NEEDS PROVIDES CARE FOR ANIMALS NEEDING HEARTWORM TREATMENT, EMERGENCY SURGERY, OR NON-STANDARD CARE TREATMENTS.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 1,906,879.

Part IV Checklist of Required Schedules

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 1 through 21 regarding organizational requirements and reporting.

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question number, Question text, Yes, No. Rows 22-38 covering various organizational requirements.

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V []

Table with 3 columns: Question number, Question text, Yes, No. Rows 1a-1c regarding Form 1096, W-2G forms, and backup withholding rules.

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)		Yes	No
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. 2a 62		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b	If "Yes," has it filed a Form 990-T for this year? <i>If "No" to line 3b, provide an explanation on Schedule O</i>		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
b	If "Yes," enter the name of the foreign country _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year 7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12 10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities 10b		
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders 11a		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year 12b		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? 13a Note: See the instructions for additional information the organization must report on Schedule O.		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans 13b		
c	Enter the amount of reserves on hand 13c		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
b	If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation on Schedule O</i>		
15	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? 15 If "Yes," see the instructions and file Form 4720, Schedule N.		X
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O. 16		X
17	Section 501(c)(21) organizations. Did the trust, or any disqualified or other person engage in any activities that would result in the imposition of an excise tax under section 4951, 4952, or 4953? 17 If "Yes," complete Form 6069.		

Part VI Governance, Management, and Disclosure. For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a (19), 1b (19), 2 (X), 3 (X), 4 (X), 5 (X), 6 (X), 7a (X), 7b (X), 8a (X), 8b (X), 9 (X).

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a (X), 10b (X), 11a (X), 12a (X), 12b (X), 12c (X), 13 (X), 14 (X), 15a (X), 15b (X), 16a (X), 16b (X).

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed TN,
18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c) (3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records

REBECCA BRYAN 4155 RANDOLPH CIRCLE CHATTANOOGA, TN 37406
423-624-5302

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

See the instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) REBECCA BRYAN EXECUTIVE DIRECTOR	40.00 NONE			X				96,823.	NONE	7,040.
(2) JIM KENNEDY PRESIDENT	1.50 NONE	X		X				NONE	NONE	NONE
(3) CINDY HALL VICE PRESIDENT	1.50 NONE	X		X				NONE	NONE	NONE
(4) JOEL SUSMAN TREASURER	1.50 NONE	X		X				NONE	NONE	NONE
(5) MARGARET ANNE HALEY SECRETARY	1.50 NONE	X		X				NONE	NONE	NONE
(6) TAI FEDERICO, DVM IMMEDIATE PAST PRESIDENT	1.50 NONE	X						NONE	NONE	NONE
(7) MIKE SWAN DIRECTOR	1.50 NONE	X						NONE	NONE	NONE
(8) TRISH FOY DIRECTOR	1.50 NONE	X						NONE	NONE	NONE
(9) BEVERLY COULTER DIRECTOR	1.50 NONE	X						NONE	NONE	NONE
(10) BLAIR CORNMAN, VMD DIRECTOR	1.50 NONE	X						NONE	NONE	NONE
(11) CLARE GRUBER DIRECTOR	1.50 NONE	X						NONE	NONE	NONE
(12) CHERIE MARTINEZ DIRECTOR	1.50 NONE	X						NONE	NONE	NONE
(13) JULIE GUERRY DIRECTOR	1.50 NONE	X						NONE	NONE	NONE
(14) ANGELA RICH DIRECTOR	1.50 NONE	X						NONE	NONE	NONE

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) DON CURTIS ----- DIRECTOR	1 . 50 ----- NONE	X						NONE	NONE	NONE
(16) JIMMY ADAMS ----- DIRECTOR	1 . 50 ----- NONE	X						NONE	NONE	NONE
(17) MARY KILBRIDE ----- DIRECTOR	1 . 50 ----- NONE	X						NONE	NONE	NONE
(18) SUSAN HARRIS ----- DIRECTOR	1 . 50 ----- NONE	X						NONE	NONE	NONE
(19) SKIP SCHWARTZ ----- DIRECTOR	1 . 50 ----- NONE	X						NONE	NONE	NONE
(20) MIKE HASKEW ----- DIRECTOR	1 . 50 ----- NONE	X						NONE	NONE	NONE
(21) RHEA GREENE ----- DIRECTOR	1 . 50 ----- NONE	X						NONE	NONE	NONE

1b Sub-total								96,823.	NONE	7,040.
c Total from continuation sheets to Part VII, Section A								NONE	NONE	NONE
d Total (add lines 1b and 1c)								96,823.	NONE	7,040.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ► NONE

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ► NONE

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants, and Other Similar Amounts	1a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions) . .	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above .	1f	2,276,570.				
	g	Noncash contributions included in lines 1a-1f	1g	\$ 69,154.				
	h	Total. Add lines 1a-1f			2,276,570.			
Program Service Revenue	2a	SHELTER REVENUE	Business Code	900099	106,111.	106,111.		
	b							
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f			106,111.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		NONE				
	4	Income from investment of tax-exempt bond proceeds .		NONE				
	5	Royalties		NONE				
	6a	Gross rents	(i) Real	(ii) Personal				
			6a					
			6b					
	b	Less: rental expenses	6b					
	c	Rental income or (loss)	6c	NONE	NONE			
	d	Net rental income or (loss)			NONE			
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			7a					
			7b					
	b	Less: cost or other basis and sales expenses . .	7b					
	c	Gain or (loss)	7c					
	d	Net gain or (loss)			NONE			
8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a	308,616.					
		8b	61,713.					
		c	Net income or (loss) from fundraising events		246,903.		246,903.	
9a	Gross income from gaming activities. See Part IV, line 19	9a	NONE					
		9b	NONE					
		c	Net income or (loss) from gaming activities		NONE			
10a	Gross sales of inventory, less returns and allowances	10a	263,581.					
		10b	82,525.					
		c	Net income or (loss) from sales of inventory		181,056.		181,056.	
Miscellaneous Revenue	11a		Business Code					
	b							
	c							
	d	All other revenue						
	e	Total. Add lines 11a-11d			NONE			
12	Total revenue. See instructions			2,810,640.	106,111.	427,959.		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Table with 5 columns: (A) Total expenses, (B) Program service expenses, (C) Management and general expenses, (D) Fundraising expenses. Rows include categories like Grants, Salaries, Pension, and Total functional expenses.

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

Table with columns for Assets, Liabilities, and Net Assets or Fund Balances. Rows include items like Cash, Accounts receivable, Investments, and Total assets/liabilities. Includes sub-rows 10a and 10b for land and depreciation.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	2,810,640.
2	Total expenses (must equal Part IX, column (A), line 25)	2	3,023,553.
3	Revenue less expenses. Subtract line 2 from line 1	3	-212,913.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	12,262,107.
5	Net unrealized gains (losses) on investments	5	-50,827.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	-525,375.
9	Other changes in net assets or fund balances (explain on Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	11,472,992.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII.

- 1** Accounting method used to prepare the Form 990: Cash Accrual Other _____
 If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?
 If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant?
 If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
 If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits . . .

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

**SCHEDULE A
(Form 990)**

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

Attach to Form 990 or Form 990-EZ.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

**Open to Public
Inspection**

Name of the organization **HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE, INC.**

Employer identification number
62-0478240

Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 An organization that normally receives (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations
 - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990) 2022

JSA
2E1210 1.000

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2018, (b) 2019, (c) 2020, (d) 2021, (e) 2022, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2018, (b) 2019, (c) 2020, (d) 2021, (e) 2022, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources; 9 Net income from unrelated business activities; 10 Other income; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities; 13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 2 columns: Line number, Percentage. Rows include: 14 Public support percentage for 2022 (line 6, column (f), divided by line 11, column (f)) 95.56%; 15 Public support percentage from 2021 Schedule A, Part II, line 14 99.69%; 16a 33 1/3% support test - 2022. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. [X]; 16b 33 1/3% support test - 2021. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. []; 17a 10%-facts-and-circumstances test - 2022. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization. []; 17b 10%-facts-and-circumstances test - 2021. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization. []; 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. []

Part III Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II.
If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2018, (b) 2019, (c) 2020, (d) 2021, (e) 2022, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support.

Section B. Total Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2018, (b) 2019, (c) 2020, (d) 2021, (e) 2022, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included on line 10b; 12 Other income; 13 Total support.

14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, 2022, 2021. Row 15: Public support percentage for 2022 (line 8, column (f), divided by line 13, column (f)). Row 16: Public support percentage from 2021 Schedule A, Part III, line 15.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, 2022, 2021. Row 17: Investment income percentage for 2022 (line 10c, column (f), divided by line 13, column (f)). Row 18: Investment income percentage from 2021 Schedule A, Part III, line 17.

19a 33 1/3% support tests - 2022. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.

19b 33 1/3% support tests - 2021. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions.

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

		Yes	No
11	Has the organization accepted a gift or contribution from any of the following persons?		
a	A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?		
b	A family member of a person described on line 11a above?		
c	A 35% controlled entity of a person described on line 11a or 11b above? <i>If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI.</i>		

Section B. Type I Supporting Organizations

		Yes	No
1	Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>		
2	Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i>		

Section C. Type II Supporting Organizations

		Yes	No
1	Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>		

Section D. All Type III Supporting Organizations

		Yes	No
1	Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2	Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>		
3	By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>		

Section E. Type III Functionally Integrated Supporting Organizations

1	Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
a	<input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b	<input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c	<input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a governmental entity (see instructions).		
2	Activities Test. Answer lines 2a and 2b below.		
a	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>		
b	Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>		
3	Parent of Supported Organizations. Answer lines 3a and 3b below.		
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>If "Yes" or "No," provide details in Part VI.</i>		
b	Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (*explain in Part VI*). See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	

7 Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required - <i>provide details in Part VI</i>)	5
6	Other distributions (<i>describe in Part VI</i>). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (<i>provide details in Part VI</i>). See instructions.	8
9	Distributable amount for 2022 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E - Distribution Allocations (see instructions)		(i) Excess Distributions	(ii) Underdistributions Pre-2022	(iii) Distributable Amount for 2022
1	Distributable amount for 2022 from Section C, line 6			
2	Underdistributions, if any, for years prior to 2022 (reasonable cause required - <i>explain in Part VI</i>). See instructions.			
3	Excess distributions carryover, if any, to 2022			
a	From 2017			
b	From 2018			
c	From 2019			
d	From 2020			
e	From 2021			
f	Total of lines 3a through 3e			
g	Applied to underdistributions of prior years			
h	Applied to 2022 distributable amount			
i	Carryover from 2017 not applied (see instructions)			
j	Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4	Distributions for 2022 from Section D, line 7: \$			
a	Applied to underdistributions of prior years			
b	Applied to 2022 distributable amount			
c	Remainder. Subtract lines 4a and 4b from line 4.			
5	Remaining underdistributions for years prior to 2022, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
6	Remaining underdistributions for 2022. Subtract lines 3h and 4b from line 1. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
7	Excess distributions carryover to 2023. Add lines 3j and 4c.			
8	Breakdown of line 7:			
a	Excess from 2018			
b	Excess from 2019			
c	Excess from 2020			
d	Excess from 2021			
e	Excess from 2022			

Schedule B (Form 990)

Department of the Treasury Internal Revenue Service

Schedule of Contributors

Attach to Form 990 or Form 990-PF. Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2022

Table with 2 columns: Name of the organization (HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE, INC.) and Employer identification number (62-0478240)

Organization type (check one):

Filers of:

Section:

- Form 990 or 990-EZ: [X] 501(c)(3) (enter number) organization, [] 4947(a)(1) nonexempt charitable trust not treated as a private foundation, [] 527 political organization
Form 990-PF: [] 501(c)(3) exempt private foundation, [] 4947(a)(1) nonexempt charitable trust treated as a private foundation, [] 501(c)(3) taxable private foundation

Check if your organization is covered by the General Rule or a Special Rule.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- [] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- [X] For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000; or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.
[] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.
[] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions exclusively for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Don't complete any of the parts unless the General Rule applies to this organization because it received nonexclusively religious, charitable, etc., contributions totaling \$5,000 or more during the year \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990), but it must answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990).

Name of organization HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE, INC.	Employer identification number 62-0478240
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Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	PAMELA BROCK 345 FRAZIER AVE, STE 210 CHATTANOOGA, TN 37405	\$ 345,435.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	JEANNA RICHELSON 35 MUSIC SQUARE EAST, STE 320 NASHVILLE, TN 37203	\$ 112,392.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE, INC.	Employer identification number 62-0478240
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Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____

Name of organization HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE, INC.	Employer identification number 62-0478240
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Part III **Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor.** Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) \$ _____
 Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____ _____ _____		_____ _____ _____	
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____ _____ _____		_____ _____ _____	
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____ _____ _____		_____ _____ _____	
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____ _____ _____		_____ _____ _____	
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____ _____ _____		_____ _____ _____	

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2022

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA, TENNESSEE, INC.

Employer identification number 62-0478240

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 3 columns: Line number, (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4 for aggregate values, 5-6 for donor advisement questions.

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Table with 3 columns: Line number, Description, and Held at the End of the Tax Year. Rows 1-9 for conservation easement details.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Table with 3 columns: Line number, Description, and Amount. Rows 1a-1b for collections, 2 for financial gain.

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2022

JSA 2E1268 1.000

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):
a Public exhibition
b Scholarly research
c Preservation for future generations
d Loan or exchange program
e Other
4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?
b If "Yes," explain the arrangement in Part XIII and complete the following table:
Table with columns: Description, Amount
1c Beginning balance
1d Additions during the year
1e Distributions during the year
1f Ending balance
2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?
b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

Part V Endowment Funds.

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

Table with 6 columns: (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows include: 1a Beginning of year balance, b Contributions, c Net investment earnings, gains, and losses, d Grants or scholarships, e Other expenditures for facilities and programs, f Administrative expenses, g End of year balance.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
a Board designated or quasi-endowment %
b Permanent endowment %
c Term endowment %
The percentages on lines 2a, 2b, and 2c should equal 100%.

- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) Unrelated organizations
(ii) Related organizations

Table with 2 columns: Yes, No. Rows: 3a(i), 3a(ii), 3b

- b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?
4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Table with 5 columns: Description of property, (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows include: 1a Land, b Buildings, c Leasehold improvements, d Equipment, e Other, Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

Table with 3 columns: (a) Description of security or category, (b) Book value, (c) Method of valuation. Rows include (1) Financial derivatives, (2) Closely held equity interests, (3) Other (A-H), and Total.

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

Table with 3 columns: (a) Description of investment, (b) Book value, (c) Method of valuation. Rows include (1) through (9) and Total.

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

Table with 2 columns: (a) Description, (b) Book value. Rows include (1) through (9) and Total.

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

Table with 2 columns: (a) Description of liability, (b) Book value. Row 1 includes (1) Federal income taxes, and rows (2) through (9) and Total.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII. [X]

Part XIII Supplemental Information (continued)

SCHEDULE D, PART X, LINE 2

THE ORGANIZATION IS AN EXEMPT ORGANIZATION FROM FEDERAL AND STATE INCOME TAXES. HOWEVER, IN THE EVENT THAT THE ORGANIZATION PARTAKES IN AN ACTIVITY THAT COULD JEOPARDIZE THIS TAX-EXEMPT STATUS, THE ORGANIZATION WOULD BE SUBJECT TO INCOME TAX.

THE ORGANIZATION FOLLOWS THE GUIDANCE OF FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) ACCOUNTING STANDARDS CODIFICATION (ASC) TOPIC 740, INCOME TAXES, WHICH CLARIFIES THE ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES RECOGNIZED IN AN ENTITY'S FINANCIAL STATEMENTS. THIS TOPIC PRESCRIBED A RECOGNITION THRESHOLD AND MEASUREMENT ATTRIBUTE FOR THE FINANCIAL STATEMENT RECOGNITION AND MEASUREMENT OF A TAX POSITION TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN. IN ADDITION, ASC TOPIC 740 GUIDANCE ON DERECOGNITION, CLASSIFICATION, INTEREST AND PENALTIES, DISCLOSURE AND TRANSITION. THE ORGANIZATION ADOPTED THE PROVISIONS OF ASC TOPIC 740, AND THE PROVISIONS HAD NO IMPACT ON THE FINANCIAL POSITION, RESULTS OF OPERATIONS, AND CASH FLOWS.

BASED ON ITS EVALUATION, THE ORGANIZATION HAS CONCLUDED THAT THERE ARE NO SIGNIFICANT UNCERTAIN TAX POSITIONS REQUIRING RECOGNITION IN ITS FINANCIAL STATEMENTS. THE ORGANIZATION HAS CONCLUDED THAT IT HAS NOT CONDUCTED ANY ACTIVITIES THAT WOULD JEOPARDIZE ITS TAX-EXEMPT STATUS. IN GENERAL, THE ORGANIZATION IS NO LONGER SUBJECT TO TAX EXAMINATIONS FOR TAX YEARS ENDING BEFORE JUNE 30, 2020.

Part XIII Supplemental Information (continued)

SCHEDULE D, PART XI, LINE 2D

110,821	FUNDRAISING EVENT EXPENSES
+ 82,525	COST OF GOODS SOLD

193,346	TOTAL

SCHEDULE D, PART XII, LINE 2D

110,821	FUNDRAISING EVENT EXPENSES
+ 82,525	COST OF GOODS SOLD

193,346	TOTAL

Part II Fundraising Events. Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		DINNER AND SHOW (event type)	(event type)	NONE (total number)	(add col. (a) through col. (c))
Revenue	1	Gross receipts	308,616.		308,616.
	2	Less: Contributions			
	3	Gross income (line 1 minus line 2)	308,616.		308,616.
Direct Expenses	4	Cash prizes			
	5	Noncash prizes			
	6	Rent/facility costs	2,500.		2,500.
	7	Food and beverages	49,059.		49,059.
	8	Entertainment			
	9	Other direct expenses	10,154.		10,154.
	10	Direct expense summary. Add lines 4 through 9 in column (d)			61,713.
11	Net income summary. Subtract line 10 from line 3, column (d)			246,903.	

Part III Gaming. Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1	Gross revenue			
Direct Expenses	2	Cash prizes			
	3	Noncash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No
	7	Direct expense summary. Add lines 2 through 5 in column (d)			
	8	Net gaming income summary. Subtract line 7 from line 1, column (d)			

9 Enter the state(s) in which the organization conducts gaming activities: _____

a Is the organization licensed to conduct gaming activities in each of these states? Yes No

b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year? Yes No

b If "Yes," explain: _____

- 11 Does the organization conduct gaming activities with nonmembers? Yes No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No
- 13 Indicate the percentage of gaming activity conducted in:

a The organization's facility	13a	%
b An outside facility	13b	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____

Address ▶ _____

- 15 a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No
- b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____.
- c If "Yes," enter name and address of the third party:

Name ▶ _____

Address ▶ _____

16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

Director/officer Employee Independent contractor

- 17 Mandatory distributions:
 - a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No
 - b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Supplemental Information. Provide the explanation required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information (see instructions).

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2022

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.

Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization **HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA,
TENNESSEE, INC.**

Employer identification number
62-0478240

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art	X	3	750.	THRIFT VALUE
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods	X		57,142.	THRIFT VALUE
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded				
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies	X	1	200.	RETAIL VALUE
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (<u>PET SUPPLIES</u>)	X	55	10,692.	RETAIL VALUE
26 Other ▶ (<u>GIFT CARDS</u>)	X	4	370.	RETAIL VALUE
27 Other ▶ (_____)				
28 Other ▶ (_____)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part V, Donee Acknowledgement **29**

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which isn't required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any nonstandard contributions?		X
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		X
b If "Yes," describe in Part II.		
33 If the organization didn't report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) 2022

JSA

2E1298 1.000

Part II **Supplemental Information.** Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

SCHEDULE M, PART I, COLUMN (B)

THE AMOUNT IN THIS COLUMN REPRESENTS THE NUMBER OF CONTRIBUTIONS RECEIVED.

**SCHEDULE O
(Form 990 or 990-EZ)**

Supplemental Information to Form 990 or 990-EZ

OMB No. 1545-0047

Department of the Treasury
Internal Revenue Service

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

2022

**Open to Public
Inspection**

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Name of the organization

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA,

Employer identification number

62-0478240

FORM 990, PART VI, SECTION A, LINE 8B

THE ORGANIZATION DOES NOT HAVE ANY COMMITTEES WITH AUTHORITY TO ACT ON
BEHALF OF THE GOVERNING BODY.

FORM 990, PART VI, SECTION B, LINE 11B

THE FORM 990 IS DISTRIBUTED ELECTRONICALLY TO THE BOARD MEMBERS FOR
REVIEW. THE FORM IS DISCUSSED AND APPROVED BY THE GENERAL BOARD BEFORE IT
IS FILED.

FORM 990, PART VI, SECTION B, LINE 12C

THE ORGANIZATION REQUIRES ANNUAL WRITTEN DISCLOSURES OF ANY CONFLICTS OF
INTEREST.

FORM 990, PART VI, SECTION B, LINE 15A

THE COMPENSATION OF THE EXECUTIVE DIRECTOR IS REVIEWED AND APPROVED BY
THE BOARD OF DIRECTORS ANNUALLY.

FORM 990, PART VI, SECTION C, LINE 19

ALL GOVERNING DOCUMENTS AND FINANCIAL STATEMENTS ARE MADE AVAILABLE TO
THE PUBLIC UPON REQUEST.

990

Return of Organization Exempt From Income Tax

OMB No. 1545-

0047 2021

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations) Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form990 for instructions and the latest information.

Form 990 Department of the Treasury Internal Revenue Service

For the 2021 calendar year, or tax year beginning 07-01-2021, and ending 06-30-2022

- B Check if applicable: Address change, Name change, Initial return, Final return/terminated, Amended return, Application pending

C Name of organization: HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA TENNESSEE INC. Doing business as: Number and street (or P.O. box if mail is not delivered to street address): 4155 RANDOLPH CIRCLE. Room/suite: City or town, state or province, country, and ZIP or foreign postal code: CHATTANOOGA, TN 37406

D Employer identification number: 62-0478240. E Telephone number: (423) 624-5302. G Gross receipts \$ 1,955,017

F Name and address of principal officer: JIM KENNEDY, 4155 RANDOLPH CIRCLE, CHATTANOOGA, TN 37406

H(a) Is this a group return for subordinates? No. H(b) Are all subordinates included? No. H(c) Group exemption number

I Tax-exempt status: 501(c)(3)

J Website: WWW.HESCHATT.ORG

K Form of organization: Corporation

L Year of formation: 1910. M State of legal domicile: TN

Part I Summary

1 Briefly describe the organization's mission or most significant activities: TO EDUCATE THE PUBLIC CONCERNING PROPER CARE AND TREATMENT OF ALL COMPANION ANIMALS AND TO UTILIZE ALL OUR AVAILABLE RESOURCES TO EFFECTIVELY REDUCE THE NUMBER OF THOSE ANIMALS FOUND HOMELESS IN OUR COMMUNITY.

Table with 2 columns: Description and Amount. Rows 2-7b: 2 Check this box, 3 Number of voting members (20), 4 Number of independent voting members (20), 5 Total number of individuals employed (66), 6 Total number of volunteers (292), 7a Total unrelated business revenue (0), 7b Net unrelated business taxable income (0).

Table with 3 columns: Description, Prior Year, Current Year. Rows 8-19: 8 Contributions and grants (12,152,587 / 1,609,756), 9 Program service revenue (124,316 / 143,502), 10 Investment income (-418,108 / 0), 11 Other revenue (309,265 / 171,511), 12 Total revenue (12,168,060 / 1,924,769), 13 Grants and similar amounts paid (0 / 0), 14 Benefits paid (0 / 0), 15 Salaries, other compensation (1,429,958 / 1,475,174), 16a Professional fundraising fees (0 / 0), 16b Total fundraising expenses (246,951), 17 Other expenses (900,652 / 760,972), 18 Total expenses (2,330,610 / 2,236,146), 19 Revenue less expenses (9,837,450 / -311,377).

Table with 3 columns: Description, Beginning of Current Year, End of Year. Rows 20-22: 20 Total assets (12,674,781 / 12,624,675), 21 Total liabilities (373,702 / 362,568), 22 Net assets or fund balances (12,301,079 / 12,262,107).

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here: Signature of officer: JOEL SUSMAN BOARD TREASURER. Date: 2023-06-27.

Paid Preparer Use Only: Print/Type preparer's name, Preparer's signature, Date, Check if self-employed, PTIN, Firm's name, Firm's EIN, Firm's address, Phone no.

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:

TO EDUCATE THE PUBLIC CONCERNING PROPER CARE AND TREATMENT OF ALL COMPANION ANIMALS AND TO UTILIZE ALL OUR AVAILABLE RESOURCES TO EFFECTIVELY REDUCE THE NUMBER OF THOSE ANIMALS FOUND HOMELESS IN OUR COMMUNITY.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 1,405,483 including grants of \$) (Revenue \$ 143,502) OUR ADOPTION PROGRAM CONTINUES TO BE SUCCESSFUL. WE ADOPTED, TRANSFERRED OUT OR OWNER RETURNED OVER 3,600 ANIMALS FROM OUR FACILITY. WE DID NOT HAVE TO EUTHANIZE ANY ADOPTABLE ANIMALS AND HAD A LIVE RELEASE RATE OF APPROXIMATELY 93%.HES CONTINUES TO RAISE FUNDS FOR OUR SPECIAL NEEDS PROGRAM AND OUR SAVE A HEART PROGRAM. THE SPECIAL NEEDS FUNDS ARE USED TO PROVIDE EMERGENCY CARE AND LONG-TERM REHABILITATION FOR ABANDONED, ABUSED AND NEGLECTED ANIMALS. FUNDING FOR THE SAVE A HEART PROGRAM PROVIDES TREATMENT FOR HEARTWORM POSITIVE ANIMALS. THESE ANIMALS ARE NOW CONSIDERED AS PART OF TRAINABLE, ADOPTABLE, AND TREATABLE ANIMALS. OVER 1,000 ANIMALS RECEIVED BENEFITS THROUGH THESE FUNDS.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 1,405,483

Part IV Checklist of Required Schedules

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 1 through 21 regarding organizational requirements, such as completing schedules A through H, and reporting on various activities and assets.

Part IV Checklist of Required Schedules (continued)

		Yes	No
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		No
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		No
24b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
24c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
24d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		No
25b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		No
26	Did the organization report any amount on Part X, line 5 or 22 for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons?		No
27	Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		No
28	Was the organization a party to a business transaction with one of the following parties (see the Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
28a	A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>		No
28b	A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>		No
28c	A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i>		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions?		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3?		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		No
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?		No
35b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		No
38	Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

		Yes	No
1a	Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable		
1b	Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

Table with 17 main sections (2a-17) and sub-questions (a-e). Includes questions about employee reporting, federal employment tax returns, unrelated business gross income, foreign accounts, prohibited tax shelter transactions, deductible contributions, and sponsoring organizations. Includes a grid for numerical answers and Yes/No responses.

Part VI Governance, Management, and Disclosure. For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI



Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members... 2 Did any officer, director, trustee, or key employee have a family relationship... 3 Did the organization delegate control over management duties... 4 Did the organization make any significant changes to its governing documents... 5 Did the organization become aware during the year of a significant diversion of the organization's assets... 6 Did the organization have members or stockholders... 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: 8a The governing body? 8b Each committee with authority to act on behalf of the governing body? 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates? 10b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? 11b Describe on Schedule O the process, if any, used by the organization to review this Form 990. 12a Did the organization have a written conflict of interest policy? If "No," go to line 13 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done 13 Did the organization have a written whistleblower policy? 14 Did the organization have a written document retention and destruction policy? 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? 15a The organization's CEO, Executive Director, or top management official 15b Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions. 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 16b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

Table with 2 columns: Question, Answer. Rows include: 17 List the states with which a copy of this Form 990 is required to be filed TN 18 Section 6104 requires an organization to make its Form 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. Own website Another's website Upon request Other (explain in Schedule O) 19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year. 20 State the name, address, and telephone number of the person who possesses the organization's books and records: REBECCA BRYAN 4155 RANDOLPH CIRCLE CHATTANOOGA, TN 37406 (423) 624-5302

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
 - List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
 - List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (box 5 of Form W-2, Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- See the instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) JIM KENNEDY PRESIDENT	0.00	X		X				0	0	0
(2) CINDY HALL VICE PRESIDENT	0.00	X		X				0	0	0
(3) JOEL SUSMAN TREASURER	0.00	X		X				0	0	0
(4) MARGARET ANNE HALEY SECRETARY	0.00	X		X				0	0	0
(5) TAI FEDERICO IMMEDIATE PAST PRESIDENT	0.00	X						0	0	0
(6) JED MESCON DIRECTOR	0.00	X						0	0	0
(7) MEGHAN SCANLON ROACH DIRECTOR	0.00	X						0	0	0
(8) MIKE SWAN DIRECTOR	0.00	X						0	0	0
(9) TRISH FOY DIRECTOR	0.00	X						0	0	0
(10) BEVERLY COULTER DIRECTOR	0.00	X						0	0	0
(11) BLAIR CORNMAN VMD DIRECTOR	0.00	X						0	0	0
(12) CLARE GRUBER DIRECTOR	0.00	X						0	0	0
(13) CHERIE MARTINEZ DIRECTOR	0.00	X						0	0	0
(14) JULIE GUERRY DIRECTOR	0.00	X						0	0	0
(15) ANGELA RICH DIRECTOR	0.00	X						0	0	0
(16) DON CURTIS DIRECTOR	0.00	X						0	0	0
(17) JIMMY ADAMS DIRECTOR	0.00	X						0	0	0

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

	(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants, and Other Amt Similar Amounts				
1a Federated campaigns		1a		
b Membership dues		1b		
c Fundraising events		1c		
d Related organizations		1d		
e Government grants (contributions)		1e		
f All other contributions, gifts, grants, and similar amounts not included above		1f	1,609,756	
g Noncash contributions included in lines 1a - 1f:\$		1g		
h Total. Add lines 1a-1f				1,609,756

Program Service Revenue		Business Code				
			(A)	(B)	(C)	(D)
2a ADOPTION FEES		900099	81,519	81,519		
b BOARDING & PICKUP FEES		900099	48,174	48,174		
c RABIES CLINIC FEES		900099	13,809	13,809		
d						
e						
f All other program service revenue.						
g Total. Add lines 2a-2f.			143,502			

Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)					
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6a Gross rents	(i) Real				
		(ii) Personal				
		6b Less: rental expenses				
		6c Rental income or (loss)				
	d Net rental income or (loss)					
	7a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
		7b Less: cost or other basis and sales expenses				
		7c Gain or (loss)				
	d Net gain or (loss)					
	8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	8a	201,759			
		8b Less: direct expenses	30,248			
	c Net income or (loss) from fundraising events		171,511		171,511	
	9a Gross income from gaming activities. See Part IV, line 19	9a				
		9b Less: direct expenses				
	c Net income or (loss) from gaming activities					
	10a Gross sales of inventory, less returns and allowances	10a				
b Less: cost of goods sold						
c Net income or (loss) from sales of inventory						
Miscellaneous Revenue	Business Code					
11a						
b						
c						
d All other revenue						
e Total. Add lines 11a-11d						
12 Total revenue. See instructions		1,924,769	143,502	0	171,511	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16.				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,252,652	814,224	313,163	125,265
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	10,966	7,129	2,740	1,097
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	120,153	96,122	15,620	8,411
10 Payroll taxes	91,403	59,413	22,850	9,140
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	101,055		101,055	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)				
12 Advertising and promotion	3,696			3,696
13 Office expenses	22,830	7,399	14,197	1,234
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	8,255		8,255	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	65,797	42,768	23,029	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a OTHER EXPENSES	269,096	122,071	48,917	98,108
b ANIMAL CARE SERVICES	246,919	246,919		
c REPAIRS AND MAINTENANCE	23,596	9,438	14,158	
d BUILDING EXPENSE	19,728		19,728	
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	2,236,146	1,405,483	583,712	246,951
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part IX

		(A) Beginning of year		(B) End of year
Assets	1 Cash-non-interest-bearing	1,328,507	1	1,101,760
	2 Savings and temporary cash investments	46,460	2	903,214
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	61,603	4	119,843
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	12,308	9	16,308
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 10,866,722		
	b Less: accumulated depreciation	10b 383,172	10,252,703	10c 10,483,550
	11 Investments—publicly traded securities	973,200	11	
	12 Investments—other securities. See Part IV, line 11		12	
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		15	
16 Total assets: Add lines 1 through 15 (must equal line 33)	12,674,781	16	12,624,675	
Liabilities	17 Accounts payable and accrued expenses	55,300	17	
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties	318,402	23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17 - 24). Complete Part X of Schedule D	0	25	362,568	
26 Total liabilities. Add lines 17 through 25	373,702	26	362,568	
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	12,301,079	27	11,989,992
	28 Net assets with donor restrictions	0	28	272,115
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	12,301,079	32	12,262,107
33 Total liabilities and net assets/fund balances	12,674,781	33	12,624,675	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,924,769
2	Total expenses (must equal Part IX, column (A), line 25)	2	2,236,146
3	Revenue less expenses. Subtract line 2 from line 1	3	-311,377
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	12,301,079
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	272,405
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (A))	10	12,262,107

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
2b	Were the organization's financial statements audited by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
2c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

Additional Data

Return to Form

Software ID:

Software Version:

Form 990, Special Condition Description:

Special Condition Description

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
 Attach to Form 990 or Form 990-EZ.
 Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization
HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA TENNESSEE INC

Employer identification number
62-0478240

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state:

- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An agricultural research organization described in **170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture. See instructions. Enter the name, city, and state of the college or university:
- 10 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations _____
 - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization failed to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Table with 7 columns: (a) 2017, (b) 2018, (c) 2019, (d) 2020, (e) 2021, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total; 5 The portion of total contributions by each person; 6 Public support.

Section B. Total Support

Table with 7 columns: (a) 2017, (b) 2018, (c) 2019, (d) 2020, (e) 2021, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income; 11 Total support.

12 Gross receipts from related activities, etc. (see instructions)
13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

Table with 2 columns: Line number, Percentage. Rows: 14 Public support percentage for 2021 (99.690%), 15 Public support percentage for 2020 Schedule A, Part II, line 14 (82.420%)

16a 33 1/3% support test—2021. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here.
b 33 1/3% support test—2020. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here.
17a 10%-facts-and-circumstances test—2021. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here.
b 10%-facts-and-circumstances test—2020. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here.
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions.

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year.						
c Add lines 7a and 7b. .						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(f) Total
9 Amounts from line 6. . .						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . .						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.						
c Add lines 10a and 10b.						
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on.						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) . .						
13 Total support. (Add lines 9, 10c, 11, and 12.) . .						
14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2021 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2020 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2021 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2020 Schedule A, Part III, line 17	18	

19a 33 1/3% support tests—2021. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization

b 33 1/3% support tests—2020. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked box 12a, of Part I, complete Sections A and B. If you checked box 12b, of Part I, complete Sections A and C. If you checked box 12c, of Part I, complete Sections A, D, and E. If you checked box 12d, of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer lines 3b and 3c below.		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI , including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990) .		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? If "Yes," complete Part I of Schedule L (Form 990).		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .		
b Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .		
c Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer line 10b below.		
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings).		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1** Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (*explain in Part VI*). See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income

(A) Prior Year

(B) Current Year
(optional)

- | | | | |
|---|----------|--|--|
| 1 Net short-term capital gain | 1 | | |
| 2 Recoveries of prior-year distributions | 2 | | |
| 3 Other gross income (see instructions) | 3 | | |
| 4 Add lines 1 through 3 | 4 | | |
| 5 Depreciation and depletion | 5 | | |
| 6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions) | 6 | | |
| 7 Other expenses (see instructions) | 7 | | |
| 8 Adjusted Net Income (subtract lines 5, 6 and 7 from line 4) | 8 | | |

Section B - Minimum Asset Amount

(A) Prior Year

(B) Current Year
(optional)

- | | | | |
|--|-----------|--|--|
| 1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year): | 1 | | |
| a Average monthly value of securities | 1a | | |
| b Average monthly cash balances | 1b | | |
| c Fair market value of other non-exempt-use assets | 1c | | |
| d Total (add lines 1a, 1b, and 1c) | 1d | | |
| e Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>): | | | |
| 2 Acquisition indebtedness applicable to non-exempt use assets | 2 | | |
| 3 Subtract line 2 from line 1d | 3 | | |
| 4 Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions). | 4 | | |
| 5 Net value of non-exempt-use assets (subtract line 4 from line 3) | 5 | | |
| 6 Multiply line 5 by 0.035 | 6 | | |
| 7 Recoveries of prior-year distributions | 7 | | |
| 8 Minimum Asset Amount (add line 7 to line 6) | 8 | | |

Section C - Distributable Amount

Current Year

- | | | |
|--|----------|--|
| 1 Adjusted net income for prior year (from Section A, line 8, Column A) | 1 | |
| 2 Enter 85% of line 1 | 2 | |
| 3 Minimum asset amount for prior year (from Section B, line 8, Column A) | 3 | |
| 4 Enter greater of line 2 or line 3 | 4 | |
| 5 Income tax imposed in prior year | 5 | |
| 6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions) | 6 | |

- 7** Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

(continued)

Section D - Distributions		Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	1	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	3	
4 Amounts paid to acquire exempt-use assets	4	
5 Qualified set-aside amounts (prior IRS approval required - provide details in Part VI)	5	
6 Other distributions (describe in Part VI). See instructions	6	
7 Total annual distributions. Add lines 1 through 6.	7	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions	8	
9 Distributable amount for 2021 from Section C, line 6	9	
10 Line 8 amount divided by Line 9 amount	10	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2021	(iii) Distributable Amount for 2021
1 Distributable amount for 2021 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2021 (reasonable cause required-- explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2021:			
a From 2016.			
b From 2017.			
c From 2018.			
d From 2019.			
e From 2020.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2021 distributable amount			
i Carryover from 2016 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2021 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2021 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2021, if any. Subtract lines 3g and 4a from line 2. If the amount is greater than zero, explain in Part VI . See instructions.			
6 Remaining underdistributions for 2021. Subtract lines 3h and 4b from line 1. If the amount is greater than zero, explain in Part VI . See instructions.			
7 Excess distributions carryover to 2022. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2017.			
b Excess from 2018.			
c Excess from 2019.			
d Excess from 2020.			
e Excess from 2021.			

Part VI Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Return Reference	Explanation

Additional Data

Return to Form

Software ID:

Software Version:

Supplemental Financial Statements

2021

Open to Public Inspection

▶ **Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**

▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

Department of the Treasury
Internal Revenue Service

Name of the organization
HUMANE EDUCATIONAL SOCIETY OF
CHATTANOOGA TENNESSEE INC

Employer identification number
62-0478240

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? **Yes** **No**

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? **Yes** **No**

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of organization conservation easements held by the organization (check all that apply).

Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? **Yes** **No**

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year
▶ _____

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year
▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? **Yes** **No**

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1 ▶ \$ _____

(ii) Assets included in Form 990, Part X ▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1 ▶ \$ _____

b Assets included in Form 990, Part X ▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a** Public exhibition
 - b** Scholarly research
 - c** Preservation for future generations
 - d** Loan or exchange programs
 - e** Other
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . . **Yes** **No**

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? **Yes** **No**
- b** If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|--|-----------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? **Yes** **No**
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds.

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a** Board designated or quasi-endowment ▶
 - b** Permanent endowment ▶
 - c** Term endowment ▶
- The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i)** Unrelated organizations
- (ii)** Related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

- b** If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R?
- 4** Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		380,347		380,347
b Buildings		9,324,298	137,925	9,186,373
c Leasehold improvements				
d Equipment		692,031	67,435	624,596
e Other		470,046	177,812	292,234
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) . . . ▶				10,483,550

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other _____		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.)		

Part VIII Investments - Program Related.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col.(B) line 13.)		

Part IX Other Assets.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col.(B) line 15.)	

Part X Other Liabilities.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col.(B) line 25.)	362,568

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1 :			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)		5	

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5	

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference	Explanation
PART X, LINE 2:	THE ORGANIZATION IS CONSIDERED AN EXEMPT ORGANIZATION FROM FEDERAL AND STATE INCOME TAXES. HOWEVER, IN THE EVENT THAT THE ORGANIZATION PARTAKES IN AN ACTIVITY THAT COULD JEOPARDIZE THIS TAX-EXEMPT STATUS, THE ORGANIZATION WOULD BE SUBJECT TO INCOME TAX. THE ORGANIZATION FOLLOWS THE GUIDANCE OF FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) ACCOUNTING STANDARDS CODIFICATION (ASC) TOPIC 740, INCOME TAXES, WHICH CLARIFIES THE ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES RECOGNIZED IN AN ENTITY'S FINANCIAL STATEMENTS. THIS TOPIC PRESCRIBED A RECOGNITION THRESHOLD AND MEASUREMENT ATTRIBUTE FOR THE FINANCIAL STATEMENT RECOGNITION AND MEASUREMENT OF A TAX POSITION TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN. IN ADDITION, ASC TOPIC 740 PROVIDES GUIDANCE ON DERECOGNITION, CLASSIFICATION, INTEREST AND PENALTIES, DISCLOSURE AND TRANSITION. THE ORGANIZATION ADOPTED THE PROVISIONS OF ASC TOPIC 740, AND THE PROVISIONS HAD NO IMPACT ON THE FINANCIAL POSITION, RESULTS OF OPERATIONS, AND CASH FLOWS. BASED ON ITS EVALUATION, THE ORGANIZATION HAS CONCLUDED THAT THERE ARE NO SIGNIFICANT UNCERTAIN TAX POSITIONS REQUIRING RECOGNITION IN ITS FINANCIAL STATEMENTS. THE ORGANIZATION HAS CONCLUDED THAT IT HAS NOT CONDUCTED ANY ACTIVITIES THAT WOULD JEOPARDIZE ITS TAX EXEMPT STATUS. THE ORGANIZATION'S EVALUATION WAS PERFORMED FOR TAX YEARS ENDED JUNE 30, 2018 THROUGH JUNE 30, 2021 FOR FEDERAL INCOME TAX, THE YEARS THAT REMAIN SUBJECT TO EXAMINATION BY MAJOR TAX JURISDICTIONS AS OF JUNE 30, 2021.

Additional Data

[**Return to Form**](#)

Software ID:

Software Version:

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2021

**Open to Public
Inspection**

Name of the organization
HUMANE EDUCATIONAL SOCIETY OF
CHATTANOOGA TENNESSEE INC

Employer identification number

62-0478240

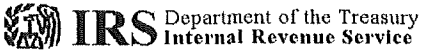
Return Reference	Explanation
FORM 990, PART VI	FORM 990, PART VI, SECTION B, LINE 12C: THE ORGANIZATOIN REQUIRES ANNUAL WRITTEN DISCLOSURES OF ANY CONFLICTS OF INTEREST.
FORM 990, PART VI, SECTION A, LINE 8B	THE ORGANIZATION DOES NOT HAVE ANY COMMITTEES WITH AUTHORITY TO ACT ON BEHALF OF THE GOVERNING BODY.
FORM 990, PART VI, SECTION B, LINE 11B	THE BOARD NORMALLY REVIEWS THE FORM 990 PRIOR TO FILING. SEVERAL CHANGES IN PERSONNEL EXTENDED THE TIME TO COMPLETE THE AUDIT AND FILE THE FORM 990. AN AMENDED FORM 990 WILL BE FILED WHICH WILL BE REVIEWED BY THE BOARD PRIOR TO FILING.
FORM 990, PART VI, SECTION B, LINE 12C	THE ORGANIZATION REQUIRES ANNUAL WRITTEN DISCLOSURES OF ANY CONFLICTS OF INTEREST.
FORM 990, PART VI, SECTION B, LINE 15A	THE COMPENSATION OF THE EXECUTIVE DIRECTOR IS REVIEWED AND APPROVED BY THE BOARD OF DIRECTORS ANNUALLY.
FORM 990, PART VI, SECTION C, LINE 19	ALL GOVERNING DOCUMENTS AND FINANCIAL STATEMENTS ARE MADE AVAILABLE TO THE PUBLIC UPON REQUEST.

Additional Data

Return to Form

Software ID:

Software Version:



Department of the Treasury
Internal Revenue Service

Cincinnati Service Center
CINCINNATI OH 45999-0038

In reply refer to: 0256554074
Aug. 17, 2023 LTR 4167C 0
62-0478240 000000 00

00016304

BODC: TE

HUMANE EDUCATIONAL SOCIETY OF
CHATTANOOGA TENN
4155 RANDOLPH CIR
CHATTANOOGA TN 37406



041301

Employer identification number: 62-0478240
Group exemption number: 3491

Dear Taxpayer:

This is in response to your request dated Aug. 10, 2023, for information about your tax-exempt status.

We issued a determination letter to you on 12/1972, and you're currently exempt under Internal Revenue Code (IRC) Section 501(c)(03).

We also recognize the subordinates on the list you submitted as Exempt from federal income tax under IRC Section 501(c)(03).

For federal income tax purposes, donors can deduct contributions or gifts they make to you if you use the contributions or gifts exclusively for IRC Section 501(c)(3) purposes. If you solicit contributions or gifts for non-501(c)(3) purposes, you must include a statement that the contributions aren't deductible for federal income tax purposes.

Because IRC Section 170(c) describes your subordinate organizations, donors can deduct contributions they make to them.

For information about filing requirements visit www.irs.gov/charities. Specifically, IRC Section 6033(j) provides that if you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

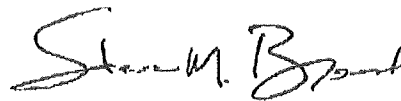
In addition, each subordinate organization is subject to automatic revocation if it doesn't file a required return or notice for three consecutive years. Subordinate organizations can file required returns or notices individually or as part of a group return.

If you have questions, you can call 877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

0256554074
Aug. 17, 2023 LTR 4167C 0
62-0478240 000000 00
00016305

HUMANE EDUCATIONAL SOCIETY OF
CHATTANOOGA TENN
4155 RANDOLPH CIR
CHATTANOOGA TN 37406

Sincerely yours,

A handwritten signature in black ink that reads "Steve M. Brown". The signature is written in a cursive style with a large, prominent "S" at the beginning.

Steve M. Brown, Operations Manager
Operations 3-CIN



Division of Business and Charitable Organizations

Department of State

State of Tennessee
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243
Phone: 615-741-2286
tncab.tnsos.gov/portal/

Tre Hargett
Secretary of State

CHERYL MILLSAPS
4155 RANDOLPH CIRCLE
CHATTANOOGA, TN 37406, USA

01/28/2026

Request Type: Certificate of Existence/Authorization

Issuance Date: 01/28/2026

Request #: C2026009247

Document Receipt

Order Number: C2026009247

Verification #: C19B9D8C

Receipt #: 2026-95024

Filing Fee: \$20.00

Payment: Credit Card - 3914398672

\$20.00

Entity Name:	HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA TENNESSEE (THE)		
SOS Control #:	000076012	Initial Filing Date:	04/04/1910
Entity Type:	Nonprofit Corporation	Formation Locale:	TENNESSEE
Status:	Active	Duration Term:	Perpetual
Fiscal Year Close:	June	Annual Report Due:	10/01/2026
Business County:	HAMILTON		
Benefit Type:	Public Benefit Corporation	Religious Type:	Non-Religious

CERTIFICATE OF EXISTENCE

I, Tre Hargett, Secretary of State of the State of Tennessee, do hereby certify that effective as of the issuance date noted above

HUMANE EDUCATIONAL SOCIETY OF CHATTANOOGA TENNESSEE (THE)

- * is a Corporation duly incorporated under the law of this State with a date of incorporation and duration as given above;
- * has paid all fees, interest, taxes and penalties owed to this State (as reflected in the records of the Secretary of State and the Department of Revenue) which affect the existence/authorization of the business;
- * has filed the most recent annual report required with this office;
- * has appointed a registered agent and registered office in this State;
- * has not filed Articles of Dissolution or Articles of Termination. A decree of judicial dissolution has not been filed.

Tre Hargett
Secretary of State

Verification #: C19B9D8C



Hamilton County Humane Educational Society
Strategic Plan 2024

Adopted April 24, 2024



INTRODUCTION

The Humane Educational Society was incorporated in 1910 by Ethel Hardy who was known for picking up stray cats and dogs while driving her carriage through the streets of Chattanooga. Since then, HES has grown to serve Hamilton County and take in four to five thousand homeless pets each year. We are an open-door facility to residents of our service area, providing adoption services, animal protection, cruelty investigation, pet licenses, and essential care for homeless pets. The Humane Educational Society is committed to finding a loving home for each and every treatable, adoptable, trainable animal in our facility and to making Hamilton County a better place for pets.

For more than a century HES operated out of a building on North Highland Park Avenue, but in 2021, the organization relocated to a new 32,000 square foot facility on Randolph Circle. The new \$13 million shelter was made possible through a \$10 million capital appropriation from the Hamilton County Commission along with private contributions. The facility was named to honor John and Trish Foy, who provided a significant gift.

In 1999, the HES/County partnership was formalized with a contract defining the services HES would provide to the county in return for annual funding support in the amount of \$50,000. Although the terms of the contract have not been reviewed for 25 years, the county did increase funding over time that seemed adequate for the bare-bones operation in Highland Park. After the move to the Foy Center, however, the county appropriation, which had reached \$766,000 in 2023-24, was insufficient to allay the increased cost of veterinary care and building operations.

HES also provides animal control services to the municipalities of Collegedale, Walden, Signal Mountain, and Soddy Daisy, and those contracts have not been adjusted since 2016.

Through the 2020s, HES experienced uneven executive leadership. At the same time, the board of directors lacked fundraising expertise but had no protocols for succession to bring new blood to the board room. Although the county's annual allocation did increase since the initial agreement, there had been no increase since 2016. Consequently, when HES relocated to the much larger and operationally more expensive building, viability came to be dependent on unforeseen estate gifts and operational transfers from the building fund.

The appointment of Rebecca Bryan to Executive Director in 2020 has stabilized the executive leadership. The following year, the HES bylaws were revised in order to promote an orderly succession of volunteer board officers and directors. Collectively, the HES leadership is committed to creating a solid and manageable strategic plan – something HES has not had in anyone's recent memory. The HES board and staff collaborated on this plan in late 2023 and early 2024.



The strategic plan is moored to its vision and mission statements, the former being the ideal future condition that our work should be leading toward, and the latter being the work we undertake each to realize that vision.

VISION STATEMENT

A community in which each pet has a home where they are respected and cherished.

MISSION STATEMENT

To provide a safe haven for homeless, abused and neglected animals in our community and advocate on their behalf.

INSITUTIONAL GOALS

Forward progress for HES will be gauged in part by its ability to meet these benchmarks:

- Relative to HES finances:
 - Achieve county funding equal to 50% of annual expense budget with built-in annual adjustment proportionate to budget increase.
 - Maintain an operating reserve equal to one quarter's expenses.
 - Maintain a building fund to cover unforeseen capital expenditures.
 - Regardless of county outcome, achieve a legitimately balanced budget by FY25/26.
 - Establish a planned giving program no later than FY25/26 to fund an institutional endowment.
 - Achieve clean audits annually.
- Establish sound and efficient vertical integration from the staff and management up through the volunteer committees.
- Re-structure the HES governance with an emphasis on work by committee and less frequent board meetings.
- Establish a spay/neuter program sufficient to meet the county demand from both domesticated and feral animals.
- Continue to operate as a no-kill facility emphasizing individualized care for every animal that enters the shelter.



STRATEGIC INITIATIVES

Strategic initiatives are actions that align directly with the SWOT analysis – steps that will exploit organizational strengths, address weaknesses, align with opportunities and avert threats.

Based on the results of the SWOT analysis, HES strategic initiatives are divided into five categories. The work is predicated on the implementation of the initiatives listed under Governance, so that the oversight of the work can be assigned to new committees and appropriate managers and staff.

I. GOVERNANCE

1. Governance - restructure board meetings and committee structure to emphasize committee work. Committees to include:
 - a. Buildings & Grounds
 - b. Community Outreach (comprising development, education, marketing & public and government relations)
 - c. Executive
 - d. Finance (comprising investment)
2. Build community involvement through committee participation by non-board members.
3. Create an organizational structure that ensures staffing for each board committee.
4. Streamline and simplify budget presentations.
5. Ensure ongoing accounting practices that are efficient and reliable.

II. FUNDING

1. Secure sustainable funding model with Hamilton County.
2. Develop a grant-writing program.
3. Design and implement a planned giving program.
4. Create an annual development calendar that meshes with marketing and public relations planning.

III. MANAGEMENT EFFICIENCY

1. Finalize organization chart, job descriptions, and appropriate reporting structure, and infill accordingly, with particular attention to marketing and bookkeeping.
2. Incorporate study of best practices into ongoing management.
3. Fund and implement professional development.
4. Establish a structured program for employee feedback and management evaluation.

IV. OPERATIONS AND PROGRAMMING

1. Develop and adequately fund and promote a county-wide spay-neuter program.
2. Ensure the quality of the customer experience on-site and off.
3. Explore feasibility of ancillary functions on current property, e.g. day care, spay/neuter, etc.

V. COMMUNITY RELATIONS AND SUPPORT

1. Draft a compelling case statement for support.
2. Implement a sustained government relations program.



3. Maximize social media component of communications program.
4. Ensure that the Education aspect of HES is properly budgeted and staffed to maintain a high level of community interaction and awareness.

Hamilton County, Tennessee
HUMANE EDUCATIONAL / ANIMAL CONTROL Budget Year 2027 (Requested)

1015610-ANIMAL CONTROL SERVICES		<u>Prior Year Actuals</u>	<u>FY 2026 Budget</u>			<u>FY 2027 Budget</u>	
<u>DESCRIPTION</u>		<u>2025</u>	<u>Adopted</u>	<u>Amended</u>	<u>YTD Thru 1/31/2026</u>	<u>Requested</u>	<u>Change from PY Adopted</u>
56003	APPROPRIATION		500,000	500,000	500,000		(500,000)
	<i>Operating Expenditures Totals:</i>		<u>500,000</u>	<u>500,000</u>	<u>500,000</u>		<u>(500,000)</u>
1015610-ANIMAL CONTROL SERVICES Totals:			500,000	500,000	500,000		(500,000)

Hamilton County, TN

Budget Hearings

FY 2027

Volunteer Services

	<i>Adopted Budget FY 2025</i>	<i>Adopted Budget FY 2026</i>	Requested FY 2027	Inc. (Dec.) FY27 vs. FY26
OPERATING BUDGET				
1030480-Hazardous Material Team	82,165	102,165	327,850	225,685
1030490-Tri-Community Volunteer Fire Department	640,979	690,979	1,458,586	767,607
1030500-Dallas Bay Volunteer Fire Department	475,160	535,160	1,008,416	473,256
1030510-Mowbray Volunteer Fire Department	130,884	165,884	386,108	220,224
1030520-Chatt.-Hamilton County Rescue	82,467	102,467	248,011	145,544
1030530-Highway 58 Volunteer Fire Department	532,211	582,211	2,225,996	1,643,785
1030540-Sequoyah Volunteer Fire Department	68,348	68,348	5,463,500	5,395,152
1030550-Walden's Ridge Emergency Service	164,841	199,841	305,000	105,159
1030560-Sale Creek Volunteer Fire Department	237,447	272,447	914,850	642,403
1030580-Hamilton County STARS	103,467	123,467	136,900	13,433
1030590-Flattop Volunteer Fire Department	81,708	91,708	131,649	39,941
TOTAL OPERATING	2,599,677	2,934,677	12,606,866	9,672,189
CAPITAL OUTLAY	300,000	-	-	-

Key Items to Address with County Commission:

1. What are you investing in?
2. Where are you maintaining/holding the line?
3. What is the reason for the funding increase - additional services, improved efficiencies, other?

Hamilton County, Tennessee
VOLUNTEER SERVICES Budget Year 2027 (Requested)

1030480-HAZARDOUS MATERIAL TEAM		Prior Year Actuals	FY 2026 Budget			FY 2027 Budget	
DESCRIPTION	2025	Adopted	Amended	YTD Thru 1/31/2026	Requested	Change from PY Adopted	
53004	REP & MAINT AUTOMOBILES & TRUC	5,395			1,038		
53015	UTILITY SERVICES-ELECTRICITY	4,119			897		
53016	UTILITY SERVICES-WATER	211			148		
53017	UTILITY SERVICES-GAS	1,868			1,333		
53018	CELLULAR SERVICE	340			170		
54018	MOTOR FUEL LUBRICANTS ANTIFREZ	3,480			762		
56003	APPROPRIATION	66,750	102,165	106,386	24,213	327,850	225,685
	<i>Operating Expenditures Totals:</i>	<i>82,163</i>	<i>102,165</i>	<i>106,386</i>	<i>28,561</i>	<i>327,850</i>	<i>225,685</i>
1030480-HAZARDOUS MATERIAL TEAM Totals:		82,163	102,165	106,386	28,561	327,850	225,685

Hamilton County Volunteer Fire Department Budget Request Form FY 2026-27

Department Name	Hamilton County Special Operations Division
Department Address (s)	6247 Dayton Boulevard Hixson, TN 37343
Contact person	C.J. Davis
Phone number	423-680-0716
E-mail address	christopherd@hamiltontn.gov
Previous Year Funding	

General accounting and description of previous year funding allocation

1. Administrative (\$)	\$12,770.00
2. Fleet (\$)	\$12,770.00
3. Facilities and fixtures (\$)	\$12,770.00
4. Clothing/PPE (\$)	\$12,770.00
5. Equipment (\$)	\$12,770.00
6. Training (\$)	\$12,770.00
7. Payroll (\$)	\$12,770.00
8. Additional Requests (\$)	\$12,770.00

Grand Total	\$102,165.00
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2026-2027 Budget Request

1. Administrative	
Office supplies	\$2,000.00
Communications (Radios, Internet, Phones)	\$3,000.00
Dues and subscription	\$2,000.00
Printing, postage and shipping	\$100.00
Insurance	\$7,500.00
Retention and recruitment	\$0.00
Professional fees	\$500.00
Total Administrative Budget	\$15,100.00
2. Fleet	
Fuel Costs	\$8,500.00
Service and repair	\$15,000.00
Total Fleet Budget	\$23,500.00
3. Facilities and fixtures	
Utilities (gas, electric, water, sewer)	6,500.00
Generator maintenance and fuel	1,500.00
Furniture/improvements	1,500.00
Pest control, garbage, septic, well service	250.00
Station repair	5,000.00
Station supplies	1,000.00
Total facilities and fixtures	15,750.00
4. Clothing/PPE	
Turnout gear	\$100,000.00
Uniforms	\$5,000.00
Gear inspection	\$0.00
Rehab supplies	\$1,000.00
Total clothing/PPE	\$106,000.00
5. Equipment	
Fire and rescue	\$5,000.00
Tools	\$5,000.00
Breathing air testing	\$1,000.00
HazMat	\$50,000.00
Compressor maintenance	\$1,000.00
EMS equipment	\$0.00
Firefighting agents and supplies	\$1,000.00
Gas monitor calibration	\$2,500.00
SCBA maintenance & testing	\$2,000.00
Equipment maintenance & repair	\$2,500.00
Total equipment	\$70,000.00
6. Training	
Instructor fees	\$0.00
Course fees	\$2,500.00
Training equipment & supplies	\$15,000.00
Travel and accommodation	\$5,000.00

Total Training	\$22,500.00
7. Payroll	
Full time staff salaries	\$0.00
Part time staff salaries	\$0.00
Volunteer stipends	\$15,000.00
Benefits and insurance	\$0.00
Total payroll budget	\$15,000.00
8. Additional Requests	
Special Projects or Initiatives	\$5,000.00
Emergency Fund Allocation	\$5,000.00
Other (specify)	\$50,000.00
Total additional requests	\$60,000.00
Grand Total	\$327,850.00

Budget Request Justification

1. Administrative

Small increase for supplies. We have 2 offices and a mobile response trailer for on scene command post to keep in service .

2. Fleet

Small fleet increase. We have added 3 hand me down vehicles and a Utility Vehicle over the last year.

3. Facilities and fixtures

Increase in this line for updates to the facility and to make team offices and training areas better.

4. Clothing/PPE

We are requesting the same amount as last year. We are the only stand alone Hazmat Team for the county and Homeland Security District. The team does not currently have PPE to allow them to be in a flammable environment. A majority of Hazmat calls require bunker gear as PPE. To be able to do our teams mission safely and effectively we need this PPE.

5. Equipment

Emergency service equipment we use to make this team function is expensive. We try to maximize on certain grants to cover costs. **We are needing to replace Area Air Monitors that keep events safe (like the county fair).** We need to replace 3 and they are around \$30,000 each. If we can replace 1 a year for the next 3 it would be beneficial so we dont have to find \$100,000 at 1 time. Also, this increase is to support the Type 1 Hazmat Team for our county. We added this specialized team with no extra funding source. This team keeps special events within the county safe and secured..

6. Training

Training had a small increase. We have added response disciplines and personnel over the last year. We can never have enough training when it comes to emergency response.

7. Payroll

Same as last year. We would like money set aside for a pay stipend for volunteers as an incentive.

8. Additional Requests

We currently have 3 frontline emergency response vehicles that carry invaluable equipment to every call we get. **I would like to try and start replacing them annually over the next 3 years. Again, another big expense at 1 time if we keep waiting.**

Signature

Date

Fire Chief	C.J. Davis	1/15/2026
OEM Director		
Chief Operating Officer		

Hamilton County, Tennessee
VOLUNTEER SERVICES Budget Year 2027 (Requested)

1030490-TRI-COMMUNITY VOL FIRE DEPT		Prior Year Actuals	FY 2026 Budget			FY 2027 Budget	
DESCRIPTION		2025	Adopted	Amended	YTD Thru 1/31/2026	Requested	Change from PY Adopted
56003	APPROPRIATION	640,979	690,979	690,979	690,979	1,458,586	767,607
	<i>Operating Expenditures Totals:</i>	<u>640,979</u>	<u>690,979</u>	<u>690,979</u>	<u>690,979</u>	<u>1,458,586</u>	<u>767,607</u>
1030490-TRI-COMMUNITY VOL FIRE DEPT Totals:		640,979	690,979	690,979	690,979	1,458,586	767,607

Hamilton County Volunteer Fire Department Budget Request Form FY 2026-27

Department Name	Tri-Community Fire Department
Department Address (s)	P.O. Box 509, Collegedale, TN 37315
Contact person	Chief Duane R. Pitts
Phone number	423-667-3749
E-mail address	d.pitts@tricomunityfire.com
Previous Year Funding	

General accounting and description of previous year funding allocation

1. Administrative (\$)	\$318,325.00
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Spent from 7-1-25 to 12-31-25

2. Fleet (\$)	\$123,225.00
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Spent from 7-1-25 to 12-31-25

3. Facilities and fixtures (\$)	\$67,435.00
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Spent from 7-1-25 to 12-31-25

4. Clothing/PPE (\$)	\$14,122.00
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Spent from 7-1-25 to 12-31-25

5. Equipment (\$)	\$96,884.00
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Spent from 7-1-25 to 12-31-25

6. Training (\$)	\$35,355.00
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Spent from 7-1-25 to 12-31-25

7. Payroll (\$)	\$56,902.00
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Part Time Paid Drivers Spent 7-1-25 to 12-31-25

8. Additional Requests (\$)	\$0.00
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Grand Total	\$712,248.00
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2026-2027 Budget Request

1. Administrative	
Office supplies	\$117,519.00
Communications (Radios, Internet, Phones)	\$36,785.00
Dues and subscription	\$6,428.00
Printing, postage and shipping	included in office supplies
Insurance	\$125,357.00
Retention and recruitment	included in uniforms
Professional fees	\$34,207.00
Total Administrative Budget	\$320,296.00
2. Fleet	
Fuel Costs	\$154,556.00
Service and repair	included in equipment maintenance & repair
Total Fleet Budget	\$154,556.00
3. Facilities and fixtures	
Utilities (gas, electric, water, sewer)	82,143.00
Generator maintenance and fuel	included in station repair
Furniture/improvements	46,429.00
Pest control, garbage, septic, well service	included in station repair
Station repair	35,714.00
Station supplies	included in station repair
Total facilities and fixtures	164,286.00
4. Clothing/PPE	
Turnout gear	included in equipment - fire and rescue
Uniforms	\$35,714.00
Gear inspection	included in equipment maintenance & repair
Rehab supplies	\$4,320.00
Total clothing/PPE	\$40,034.00
5. Equipment	
Fire and rescue	\$111,429.00
Tools	included in equipment - fire and rescue
Breathing air testing	included in equipment maintenance & repair
HazMat	\$0.00
Compressor maintenance	included in equipment maintenance & repair
EMS equipment	\$35,714.00
Firefighting agents and supplies	included in equipment - fire and rescue
Gas monitor calibration	included in equipment maintenance & repair
SCBA maintenance & testing	included in equipment maintenance & repair
Equipment maintenance & repair	\$210,000.00
Total equipment	\$357,143.00
6. Training	
Instructor fees	included in total training
Course fees	included in total training
Training equipment & supplies	\$78,571.00
Travel and accommodation	included in total training

Total Training	\$78,571.00
7. Payroll	
Full time staff salaries	not paid with County funding
Part time staff salaries	\$113,807.00
Volunteer stipends	\$0.00
Benefits and insurance	not paid with County funding
Total payroll budget	\$113,807.00
8. Additional Requests	
ASHER Equip., Roto-Decon, Attenuator Trailer	\$100,208.00
Emergency Fund Allocation	\$0.00
Safety, IT & Security, Fire Prevention	\$129,685.00
Total additional requests	\$229,893.00
Grand Total	\$1,458,586.00

Budget Request Justification

1. Administrative

Funding for this item will cover the expense of normal day-to-day operations for 5 of our 7 stations and will help replace "end-of-life" items such as hand-held radios, computers, tablets, and cell phones.

2. Fleet

Funding for fuel, tires, vehicle maintenance and repairs for Tri-Community's fleet of 55 vehicles and apparatus.

3. Facilities and fixtures

Funding for this covers the expense of electricity, natural gas, domestic water, and internet to each station. Also included is the annual cost for sprinkler system testing, alarm system testing, and kitchen commercial hood testing.

4. Clothing/PPE

Funding for replacement of "expired" protective gear (10 year life) and self-contained breathing apparatus (15 year life). Also includes new member gear when sizes are not in stock.

5. Equipment

Funding for this would cover replacement of "expired" (i.e.hose) or damaged equipment from normal operations. Equipment purchased to equip additional apparatus added to the total fleet is in this item. Upgrading from gasoline powered to battery operated tools are included along with the standardization of tools and equipment across the department.

6. Training

Funding for instructor fees, travel, training prop expendables along with programs for the Medical, Firefighting, & Rescue members and IT, Office, and Communications staff

7. Payroll

Requested funds will help support the part-time paid drivers that support the volunteer fire, rescue, and medical members that have not reached driver age and live in the station or are otherwise on

duty at the station.

8. Additional Requests

ASHER equipment to allow our trained members to respond to mass shootings (we have 16 schools with 1 being added next year and over 50 churches). Roto-Decon to decontaminate hard gear equipment & SCBA. Attenuator Trailer to provide safety on the Interstate by protecting personnel and million dollar fire trucks. Fotokite pilotless drone to provide fireground safety & visual/infrared detection of hidden fire and occupants. Electronic door locks and security cameras at 2 remaining stations for safety & security.

Signature

Date

Fire Chief	Duane R. Pitts	1/21/2026
OEM Director		
Chief Operating Officer		

Hamilton County, Tennessee
VOLUNTEER SERVICES Budget Year 2027 (Requested)

1030500-DALLAS BAY VOL FIRE		Prior Year Actuals	FY 2026 Budget			FY 2027 Budget	
DESCRIPTION		2025	Adopted	Amended	YTD Thru 1/31/2026	Requested	Change from PY Adopted
56003	APPROPRIATION	475,160	535,160	535,160	535,160	1,008,416	473,256
	<i>Operating Expenditures Totals:</i>	<u>475,160</u>	<u>535,160</u>	<u>535,160</u>	<u>535,160</u>	<u>1,008,416</u>	<u>473,256</u>
1030500-DALLAS BAY VOL FIRE Totals:		475,160	535,160	535,160	535,160	1,008,416	473,256

Hamilton County Volunteer Fire Department Budget Request Form FY 2026-27

Department Name	Dallas Bay Volunteer Fire Rescue Inc
Department Address (s)	Po Box 577 Hixson Tn 37343
Contact person	Markus Fritts
Phone number	423-667-0815
E-mail address	Mfrittsdbfd@gmail.com
Previous Year Funding	

General accounting and description of previous year funding allocation

1. Administrative (\$)	\$181,612.88
2. Fleet (\$)	\$75,450.00
3. Facilities and fixtures (\$)	\$110,173.00
4. Clothing/PPE (\$)	\$25,000.00
5. Equipment (\$)	\$700,000.00
6. Training (\$)	\$100,000.00
7. Payroll (\$)	\$239,369.00
8. Additional Requests (\$)	\$0.00

Grand Total	\$1,431,604.88
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2026-2027 Budget Request

1. Administrative	
Office supplies	See all below
Communications (Radios, Internet, Phones)	See all below
Dues and subscription	See all below
Printing, postage and shipping	See all below
Insurance	See all below
Retention and recruitment	See all below
Professional fees	See all below
Total Administrative Budget	See all below
2. Fleet	
Fuel Costs	See all below
Service and repair	See all below
Total Fleet Budget	See all below
3. Facilities and fixtures	
Utilities (gas, electric, water, sewer)	See all below
Generator maintenance and fuel	See all below
Furniture/improvements	See all below
Pest control, garbage, septic, well service	See all below
Station repair	See all below
Station supplies	See all below
Total facilities and fixtures	See all below
4. Clothing/PPE	
Turnout gear	See all below
Uniforms	See all below
Gear inspection	See all below
Rehab supplies	See all below
Total clothing/PPE	See all below
5. Equipment	
Fire and rescue	See all below
Tools	See all below
Breathing air testing	See all below
HazMat	See all below
Compressor maintenance	See all below
EMS equipment	See all below
Firefighting agents and supplies	See all below
Gas monitor calibration	See all below
SCBA maintenance & testing	See all below
Equipment maintenance & repair	See all below
Total equipment	See all below
6. Training	
Instructor fees	See all below
Course fees	See all below
Training equipment & supplies	See all below
Travel and accommodation	See all below

Total Training	See all below
7. Payroll	See all below
Full time staff salaries	See all below
Part time staff salaries	See all below
Volunteer stipends	See all below
Benefits and insurance	See all below
Total payroll budget	See all below
8. Additional Requests	See all below
Special Projects or Initiatives	See all below
Emergency Fund Allocation	See all below
Other (specify)	See all below
Total additional requests	See all below
Grand Total	See all below

Adman, Miscellaneous		
Billing Subscription Postage	\$20,000.00	
Office Supplies	\$2,000.00	
Mutual Aid Dues	\$100.00	
Copier Lease 1,2,3	\$2,000.00	
Physical Exams	\$15,000.00	
Criminal Background	\$1,800.00	
Chaplains Training, Travel	\$800.00	
It Repairs	\$1,500.00	
Alarm monitoring St-2	\$750.00	
Total		\$43,950.00

Wages		
Administrative Assistant Wages	\$33,250.00	
Chiefs Wages	\$87,000.00	
Chiefs Retirement	\$45,000.00	
EMS Stipend	\$80,000.00	
EMS Chief Part Time	\$22,000.00	
Full Time Person	\$87,000.00	Two full time
Total		\$354,250.00

Software	
ESO EMS, ALS	\$8,000.00
Vector Solutions	\$7,600.00
Quickbooks, Microsoft, Adobe	\$6,000.00
Sign Genius	\$135.23
Paypal	\$2,200.00

Department Web	\$450.00	
Total		\$24,358.00

Insurance		
Accident/Health	\$10,000.00	
Property/Casualty	\$50,488.00	
Workers/Compensation	\$8,700.00	
Total		\$69,188.00

Uniforms		
Chief Uniforms	\$500.00	
Administration Assistant	\$350.00	
Uniforms, Personal	\$3,500.00	
Officers,Chaplains	\$800.00	
Total		\$5,150.00

Empolyee Relations		
Flowers	\$250.00	
Shift work Meals	\$40,000.00	
Total		\$40,250.00

Fire Marshal		
Training	\$6,000.00	
Total		\$6,000.00

EMS,ALS		
EMS Supplies	\$8,250.00	
EMS Training	\$3,000.00	
EMS Licensing	\$2,000.00	
Striker,AED, Yearly Cert.	\$3,200.00	
Total		\$16,450.00

New pagers,Repairs		
New pagers,Repairs	\$4,500.00	
Total		\$6,000.00

Boat Slip Rental		
Boat Slip Rental	Total	\$5,500.00

ISO,NFPA TESTING		
Flow Test, Airpack,Fit Testing	\$6,200.00	
Pump Testing	\$6,200.00	
Hose Testing	\$7,000.00	

Ground, Aerials Ladder Testing	\$5,000.00	
	Total	\$24,400.00

Fire Pervention Education		
Fire Pervention Education	\$3,000.00	\$3,000.00

Firefighting		
Firefighting Supplies	\$55,000.00	
Fire Rehab	\$6,400.00	
	Total	\$61,400.00

Trainig		
Training Meals, Training Travel	\$6,000.00	
Training Supplies	\$8,000.00	
Training Education	\$20,000.00	
	Total	\$34,000.00

Fuel for Truck		
Car-2 1355	\$1,400.00	
Lt-3 1373	\$500.00	
Tower-2 1374	\$2,500.00	
Tanker 2 1340	\$1,500.00	
Eng 1 1345	\$3,000.00	
Eng 2 1344	\$3,000.00	
Eng 3 1346	\$2,000.00	
QRV 1 1354	\$5,000.00	
QRV 2 1351	\$4,000.00	
QRV 3 1352	\$3,000.00	
QRV 4 1383	\$2,000.00	
Lt-1 1370	\$1,500.00	
SQ 2 1385	\$4,500.00	
SQ1 1384	\$4,500.00	
Rehab 1 1386	\$1,500.00	
USAR 1390	\$350.00	
Fire Boat 1 1396	\$2,500.00	
UTV 1399	\$300.00	
Rescue Boat-1 SWR	\$350.00	
Rescue Boat-2 SWR	\$350.00	
Rescue 2 1391	\$2,000.00	
Tanker 3 1350	\$2,000.00	
	Total	\$47,750.00

Fleet Maintenance		
Car-2 1355	\$1,000.00	
Lt-3 1373	\$1,000.00	

Tower-2 1374	\$1,000.00	
Tanker 2 1340	\$1,000.00	
Eng 1 1345	\$3,000.00	
Eng 2 1344	\$3,000.00	
Eng 3 1346	\$1,000.00	
QRV 1 1354	\$1,000.00	
QRV 2 1351	\$1,000.00	
QRV 3 1352	\$1,500.00	
QRV 4 1383	\$1,500.00	
Lt-1 1370	\$1,000.00	
Rehab 1 1386	\$1,000.00	
USAR 1390	\$500.00	
Fire Boat 1 1396	\$1,000.00	
UTV 1399	\$500.00	
Rescue Boat-1 SWR	\$500.00	
Rescue Boat-2 SWR	\$500.00	
Rescue 2	\$1,000.00	
Tanker 3 1350	\$1,000.00	
Box Trailer SWR	\$150.00	
Trailer Brush	\$150.00	
Trailer Rescue Boats	\$150.00	
	Total	\$23,450.00

Electricity		
St-1	\$6,500.00	
St-2	\$18,000.00	
St-3	\$7,000.00	
	Total	\$31,500.00

Natural Gas, Propane		
St-1	\$2,500.00	
ST-2	\$3,500.00	
St-3 Propane	\$4,000.00	
	Total	\$10,000.00

Station Supplies ,Budget, Maintenance		
Station-1	\$20,000.00	
Station-2	\$20,000.00	
Station-3	\$12,000.00	
Pest Control all 3 St	\$2,000.00	
Waste Removal	\$500.00	
landscape St-1,2,3	\$8,000.00	
	Total	\$62,500.00

Water Usage		
St-1	\$300.00	
WWTA St-1	\$100.00	
Sewer St-1	\$350.00	
St-2	\$1,500.00	
St-2 Sprinkler	\$850.00	
St-3	\$300.00	
	Total	\$3,400.00

Telephones		
St-1	\$1,700.00	
St-2	\$2,820.00	
St-3	\$1,700.00	
Wireless Tablets, Phones	\$7,200.00	
	Total	\$13,420.00

Security Camera		
St-1	\$3,000.00	
St-2	\$3,500.00	
St-3	\$3,000.00	
	Total	\$9,500.00

PayRoll Taxes	\$18,000.00	
	Total	\$18,000.00

Water Opp	\$15,000.00	
	Total	\$15,000.00

Emergency Repairs vehicals	\$80,000.00	
	Total	\$80,000.00
	Grand Total	\$1,008,416.00

Capital / 5 Year Plan		
New Ems Truck		\$100,000.00
Special Operation Building		\$250,000.00
	Grand Total	\$350,000.00

Budget Request Justification

1. Administrative

This is a public safety operation valued at over \$100 million, encompassing facilities, apparatus, equipment, training, and personnel. To sustain this operation, we must have personnel available every day to manage the business of the department and respond to emergency calls.

Our call volume has grown to the point where volunteer staffing alone is no longer sufficient. On some days, we respond to 20 or more emergency calls, requiring consistent, trained coverage to ensure timely and effective response.

Our department maintains an ISO Class 2 rating, which provides significant benefits to the citizens we

2. Fleet

During the most recent year, our department responded to 2,664 emergency calls, including boat operations, dive rescue, and swift water rescues. These specialized response capabilities were assumed out of necessity to protect the public, without dedicated funding to support them.

The cost of maintaining this level of service has increased astronomically. Equipment, maintenance, fuel, parts, testing, and compliance costs continue to rise at a pace that far exceeds available funding. As call volume increases, our apparatus and equipment experience significant wear, accelerating

3. Facilities and fixtures

Dallas Bay Volunteer Fire Rescue is generally in good shape regarding facilities and fixtures. Hamilton County has maintained the two county-provided stations; however, Station 3 has had a leaking roof for several years. Maintenance has inspected the issue multiple times and has repeatedly indicated that the roof would be replaced, but to date, the problem remains unresolved.

Station 1 is owned and maintained by Dallas Bay Volunteer Fire Rescue. We continue to question why the department bears full responsibility for ownership and upkeep, as the cost of maintenance is

4. Clothing/PPE

Dallas Bay Volunteer Fire Rescue maintains an established equipment replacement program to ensure firefighter safety and continued compliance with NFPA standards. The department provides uniforms for all members and purchases five complete sets of turnout gear each year. The cost of this program has increased significantly and now totals approximately \$25,000 annually. This investment is

5. Equipment

Dallas Bay Volunteer Fire Rescue maintains an established equipment replacement program to ensure firefighter safety and continued compliance with NFPA standards. The department provides uniforms for all members and purchases five complete sets of turnout gear each year. The cost of this program has increased significantly and now totals approximately \$25,000 annually. This investment is necessary; without it, our gear would exceed NFPA service life limits and could no longer be used for interior firefighting operations.

In addition to turnout gear, the department was required to replace our Self-Contained Breathing Apparatus (SCBA), including masks and two air cylinders per unit, at a total cost of \$650,000. This replacement was essential to maintain firefighter safety and regulatory compliance.

6. Training

Dallas Bay Volunteer Fire Rescue maintains a comprehensive training program that meets all annual requirements necessary to retain our ISO Class 2 rating. The department ensures that all personnel attend and complete required certification courses, including Firefighter I (FF-1), Firefighter II (FF-2), officer development, and other mandated training.

7. Payroll

Payroll remains one of Dallas Bay Volunteer Fire Rescue's most significant challenges. Staffing costs directly impact our ability to fund essential projects and to maintain advanced rescue staffing levels. In recent years, the department has expanded its capability to provide Class A response for specialized

rescue calls. However, these services are currently funded through donated money, which diverts

8. Additional Requests

operations—staffing, equipment replacement, training, and EMS services—can be properly budgeted and sustained. One viable solution available to the Mayor and Commission is the adoption of a resolution mandating participation in the fire protection subscription program for all properties within the district. This approach is legal and enforceable.

Dallas Bay Fire Rescue provides comprehensive fire protection and emergency services for \$70 per year per property, made possible only through precise budgeting and careful long-term planning.

Signature

Date

Fire Chief	Markus Fritts	1/5/2026
OEM Director		
Chief Operating Officer		

Hamilton County, Tennessee
VOLUNTEER SERVICES Budget Year 2027 (Requested)

1030510-MOWBRAY VOLUNTEER FIRE DEPT		Prior Year Actuals	FY 2026 Budget			FY 2027 Budget	
DESCRIPTION		2025	Adopted	Amended	YTD Thru 1/31/2026	Requested	Change from PY Adopted
56003	APPROPRIATION	130,884	165,884	165,884	165,884	386,108	220,224
	<i>Operating Expenditures Totals:</i>	<u>130,884</u>	<u>165,884</u>	<u>165,884</u>	<u>165,884</u>	<u>386,108</u>	<u>220,224</u>
1030510-MOWBRAY VOLUNTEER FIRE DEPT Totals:		130,884	165,884	165,884	165,884	386,108	220,224

Hamilton County Volunteer Fire Department Budget Request Form FY 2026-27

Department Name	Mowbray Volunteer Fire Department
Department Address (s)	1705 Mowbray pike soddy daisy tn 37379
Contact person	chief / chairman chris weddington
Phone number	Office 423-332-9658 Cell 423-667-0913
E-mail address	cweddington1401@mowbrayfiredept.com
Previous Year Funding	

General accounting and description of previous year funding allocation

1. Administrative (\$)	\$43,321.83
2. Fleet (\$)	\$64,183.49
3. Facilities and fixtures (\$)	\$29,224.42
4. Clothing/PPE (\$)	\$38,805.96
5. Equipment (\$)	\$38,230.33
6. Training (\$)	\$8,044.31
7. Payroll (\$)	\$140,599.72
8. Additional Requests (\$)	\$1.00

Grand Total	\$362,411.06
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2026-2027 Budget Request

1. Administrative	
Office supplies	\$2,000.00
Communications (Radios, Internet, Phones)	\$10,000.00
Dues and subscription	\$10,151.00
Printing, postage and shipping	\$3,000.00
Insurance	\$35,000.00
Retention and recruitment	\$5,000.00
Professional fees	\$2,000.00
Total Administrative Budget	\$67,151.00
2. Fleet	
Fuel Costs	\$5,000.00
Service and repair	\$40,000.00
Total Fleet Budget	\$45,000.00
3. Facilities and fixtures	
Utilities (gas, electric, water, sewer)	18,000.00
Generator maintenance and fuel	0.00
Furniture/improvements	0.00
Pest control, garbage, septic, well service	2,500.00
Station repair	3,000.00
Station supplies	10,674.06
Total facilities and fixtures	34,174.06
4. Clothing/PPE	
Turnout gear	\$15,000.00
Uniforms	\$10,000.00
Gear inspection	\$0.00
Rehab supplies	\$0.00
Total clothing/PPE	\$25,000.00
5. Equipment	
Fire and rescue	\$26,368.97
Tools	\$3,000.00
Breathing air testing	\$0.00
HazMat	\$0.00
Compressor maintenance	\$4,500.00
EMS equipment	\$3,000.00
Firefighting agents and supplies	\$0.00
Gas monitor calibration	\$2,000.00
SCBA maintenance & testing	\$3,912.75
Equipment maintenance & repair	\$8,000.00
Total equipment	\$50,781.72
6. Training	
Instructor fees	\$0.00
Course fees	\$5,000.00
Training equipment & supplies	\$5,000.00
Travel and accommodation	\$5,000.00

Total Training	\$15,000.00
7. Payroll	
Full time staff salaries	\$70,000.00
Part time staff salaries	\$1.00
Volunteer stipends	\$72,000.00
Benefits and insurance	\$7,000.00
Total payroll budget	\$149,001.00
8. Additional Requests	
Special Projects or Initiatives	\$0.00
Emergency Fund Allocation	\$0.00
Other (specify)	\$0.00
Total additional requests	\$0.00
Grand Total	\$386,107.78

Budget Request Justification

1. Administrative

Cost-Benefit Analysis: Emphasize the long-term savings that can result from investing in a well-equipped and trained volunteer fire department. Reducing response times and improving service can lead to fewer losses and lower costs in the event of an emergency
Community Growth: If the community served by the fire department is growing, there may be a corresponding increase in call volume, which necessitates more resources to adequately cover the expanded population.
Increased Operational Costs: Fire departments often face rising costs for equipment maintenance, fuel, and supplies. As these costs increase, additional funding may be needed to ensure that the department

2. Fleet

Fleet and Equipment Upgrades: Many volunteer fire departments rely on outdated equipment. An increase in the budget can help facilitate the purchase of new firefighting gear, vehicles, and technology that enhance response capabilities and safety for volunteers.
Community Growth: If the community served by the fire department is growing, there may be a corresponding increase in call volume, which necessitates more resources to adequately cover the expanded population and more wear and tear on the outdated equipment we currently have and have to maintain which is a high cost

3. Facilities and fixtures

Fire departments often face rising costs for facilities and maintenance. Due to the increased use of the facility because of being there more often than before and as these costs increase, additional funding may be needed to ensure that the department can operate effectively
Note our insurance went from \$18000 to \$34000 this past year which put a hurt on our stipend program because we had to use the extra funds for insurance cost

4. Clothing/PPE

Many volunteer fire departments rely on outdated equipment. An increase in the budget can help facilitate the purchase of new firefighting gear, uniforms, and enhance response capabilities and safety for volunteers

5. Equipment

Equipment Upgrades: Many volunteer fire departments rely on outdated equipment. An increase in the budget can help facilitate the purchase of new firefighting gear, equipment that has been worn or broke over the years and replace hand me down equipment from other departments that have larger budgets ,this is safety for volunteers to use no working or broke equipment

6. Training

Training and Certification: Volunteer firefighters require regular training and certification to stay safe and effective. Funding may be necessary to provide training programs and materials, which can be costly but are essential for community safety this also includes the medical side of our job example to send someone to emt program is 1500 per person not including books and testing fees required

7. Payroll

Response to Emergencies: Increased frequency and severity of emergencies (e.g., wildfires, medical, house fires) due to climate change and growth may require additional resources. A budget increase can help prepare and equip the department to handle these challenges more effectively in a timely

response which we have proven with running the stipend program. Recruitment and Retention:

8. Additional Requests

because we had to use the extra funds for insurance cost, So we could sure use the increase in the budget for I had to cut the stipend program back due to noit enough funds to continue doing this however it was making a difference in peoples lives so we would greatly appreciate the funding to be able to continue the stipend program that the mayor was in favor of. You gave us 165,804 and clearly that is not enough to operate effectively however we made adjustments and cut services to sustain the budget. Insurance was where we hurt at if that was compensated in the budget i feel that will help

Signature

Date

Fire Chief	chris weddington	1/5/2026
OEM Director		
Chief Operating Officer		

Budget Increase Justification

Mowbray Volunteer Fire Department Fiscal Year 2026–2027

The Mowbray Volunteer Fire Department respectfully requests a budget increase for the 2026–2027 fiscal year to ensure continued, reliable emergency services and to meet growing operational demands. This increase is necessary due to rising costs, equipment needs, and expanded service responsibilities.

1. Rising Operational Costs

The cost of essential operating expenses has increased significantly, including:

- Fuel and vehicle maintenance

- Utilities and station upkeep

- Insurance and compliance-related fees

These increases directly impact our ability to respond promptly and safely to emergencies.

2. Equipment Maintenance and Replacement

Firefighting and rescue equipment must meet strict safety standards. Several critical items are reaching the end of their service life or require costly maintenance, including:

- Fire apparatus and rescue vehicles

- Personal protective equipment (PPE)

- Fire hoses, tools, and communication equipment

A budget increase will help ensure firefighter safety and reliable emergency response capability.

3. Training and Certification Requirements

Volunteer firefighters are required to complete ongoing training and maintain certifications to comply with state and national standards. Increased funding will support:

- Mandatory training programs

- Certification renewals

- Emergency medical and specialized rescue training

This ensures personnel remain qualified and effective in protecting the community.

4. Increased Call Volume and Community Growth

The department has experienced an increase in emergency calls and continues to serve a growing population. Expanded demand requires additional resources to maintain response times and service quality.

5. Volunteer Recruitment and Retention

Sustaining a volunteer fire department requires investment in:

Recruitment initiatives

Retention incentives

Basic support for volunteers who dedicate their time and skills to public safety
Adequate funding helps ensure the department remains staffed and operational.

Conclusion

The requested budget increase for FY 2026–2027 is essential to maintain safe, effective, and dependable fire and emergency services for the Mowbray community. This investment directly supports public safety, firefighter protection, and the department's ability to meet current and future challenges.

We requested in year 24-25 an increase to what is needed to operate of 385,000 we were given an increase of 50,000 from the previous year bringing us to 165,804 we clearly will need at the minimum 230,000 to operate effectively however it takes about 390,000 to operate thanks chief

Hamilton County, Tennessee
VOLUNTEER SERVICES Budget Year 2027 (Requested)

1030520-CHATT-HAMILTON COUNTY RESCUE		Prior Year Actuals	FY 2026 Budget			FY 2027 Budget	
DESCRIPTION		2025	Adopted	Amended	YTD Thru 1/31/2026	Requested	Change from PY Adopted
56003	APPROPRIATION	82,467	102,467	102,467	102,467	248,011	145,544
	<i>Operating Expenditures Totals:</i>	<u>82,467</u>	<u>102,467</u>	<u>102,467</u>	<u>102,467</u>	<u>248,011</u>	<u>145,544</u>
1030520-CHATT-HAMILTON COUNTY RESCUE Totals:		82,467	102,467	102,467	102,467	248,011	145,544

Hamilton County Volunteer Fire Department Budget Request Form FY 2026-27

Department Name	Chattanooga - Hamilton County Rescue
Department Address (s)	PO Box 8131, Chattanooga, Tennessee 37414 5910 Lee Hwy, Chattanooga, TN 37421
Contact person	Chief Buddy Lane
Phone number	423-240-0516
E-mail address	buddy.lane@chcrs.org
Previous Year Funding	

General accounting and description of previous year funding allocation	
1. Administrative (\$)	\$17,149.00
<ul style="list-style-type: none"> 1. Accounting and audit services 2. Software subscriptions (CalTopo, IAR, Slack, MS Office, Quickbooks) 3. Association Dues (MRA, TARS) 4. Communications (Internet, phone, mail services) 5. Meals (training food, meals for extended calls) 	
2. Fleet (\$)	\$12,048.00
<ul style="list-style-type: none"> 1. Rehab 1 (brakes, service, tires) 2. Support 1 (engine repairs) 3. Cave 1 (tires, service) 4. Cave 2 (service) 5. Cave 3 (service) 	
3. Facilities and fixtures (\$)	\$5,518.00
<ul style="list-style-type: none"> 1. Utilities for HQ 2. Building maintenance 	
4. Clothing/PPE (\$)	\$10,358.00
<ul style="list-style-type: none"> 1. Harnesses and ASAP for High Angle Rope Team 2. Uniform shirts and jackets 3. Consumable PPE items (gloves, masks, eye wear, mylar suits, biohazard supplies, sanitizer, medical supplies) 4. Class A uniforms for Command Staff 	
5. Equipment (\$)	\$0.00
<p>All equipment was purchased with a State grant for Rescue Agencies</p> <ul style="list-style-type: none"> 1. Rope replacement 2. PCD upgrades 3. Swiftwater equipment (PFD and inflatable boat) 4. Replacement litters for Cave 1, Support 1 	
6. Training (\$)	\$21,448.00
<p>Training budget allocations went to training Rescue members in the following areas:</p> <ul style="list-style-type: none"> 1. Annual National Cave Rescue Commission week long training for cave rescuers. 2. MRA training for members involved in Rock, Ice and SAR 3. Wilderness medical training for select Rescue members practicing pre-hospital medicine 4. MRA and ITRS conferences for select members with advanced technical rope rescue 5. Swiftwater training for all members 6. Emergency Vehicle Operations Course and Vanessa K Free training for all members 7. EMR training, CPR and Blood Borne Pathogens training for all members 	

7. Payroll (\$)	\$0.00
All volunteers	
8. Additional Requests (\$)	\$21,372.00
Worker's Comp, Vehicle, Building and Liability Insurance	
Grand Total	\$87,893.00

2026-2027 Budget Request

1. Administrative	
Office supplies	\$900.00
Communications (Radios, Internet, Phones)	\$1,200.00
Dues and subscription	\$8,500.00
Printing, postage and shipping	\$400.00
Insurance	\$25,000.00
Retention and recruitment (Cost of recruit school materials)	\$1,500.00
Professional fees	\$4,000.00
Total Administrative Budget	\$41,500.00
2. Fleet	
Fuel Costs	\$5,000.00
Service and repair	\$14,500.00
Total Fleet Budget	\$19,500.00
3. Facilities and fixtures	
Utilities (gas, electric, water, sewer)	\$4,500.00
Generator maintenance and fuel	\$0.00
Furniture/improvements	\$0.00
Pest control, garbage, septic, well service	\$360.00
Station repair	\$5,500.00
Station supplies	\$500.00
Total facilities and fixtures	\$10,860.00
4. Clothing/PPE	
Harnesses	\$8,000.00
Uniforms	\$4,500.00
Gear inspection	\$0.00
Rehab supplies	\$10,000.00
Total clothing/PPE	\$22,500.00
5. Equipment	
Rescue Gear	\$0.00
Tools	\$0.00
Underground Communications Equipment	\$1,500.00
HazMat	\$400.00
Compressor maintenance	\$0.00
EMS equipment	\$750.00
Firefighting agents and supplies	\$0.00
Gas monitor calibration	\$0.00
SCBA maintenance & testing	\$0.00
Equipment maintenance & repair	\$0.00
Total equipment	\$2,650.00
6. Training	
Instructor fees	\$6,000.00
Course fees	\$24,000.00
Training equipment & supplies	\$0.00
Travel and accommodation	\$0.00

Total Training	\$30,000.00
7. Payroll	
Full time staff salaries	\$0.00
Part time staff salaries	\$0.00
Volunteer stipends	\$0.00
Benefits and insurance	\$0.00
Total payroll budget	\$0.00
8. Additional Requests	
Special Projects or Initiatives	\$121,000.00
Emergency Fund Allocation	\$0.00
Other (specify)	\$0.00
Total additional requests	\$121,000.00
Grand Total	\$248,010.00

Budget Request Justification

1. Administrative

Workers compensation, liability, vehicle and building insurance is projected to be \$25,000 for 2025 fiscal year. MRA and TARS dues are projected to be \$3,500. CalTopo, Field Ops, IAR and services critical to SAR and Cave Rescue operations are projected to be \$5,000. Accounting and audit services to adhere to State of TN requirement for a 501c3 non-profit are projected to be \$4,000.

2. Fleet

The projected expenses for the five (5) vehicles in the fleet are \$14,500. This will cover replacement tires, brakes and rotors on Rehab 1 plus routine service. Additional projected expenses are repairs to Support 1 suspension plus routine services and routine services on Cave 1, Cave 2 and Cave 3 vehicles in the FY. Fuel expenses projected at \$5,000.

3. Facilities and fixtures

Minor roof repairs at Rescue HQ are projected to cost \$5,500. Utilities are projected to cost \$4,500 for the FY. Consumables and pest control now required for on-duty personnel at the station full time to respond to Rehab calls.

4. Clothing/PPE

Harnesses, uniforms and SAR outerwear for the 2026 graduates of the recruit class are projected to cost \$12,500. Rehab supplies projected to cost \$10,000 with an increase in CPD and SWAT calls year-over-year.

5. Equipment

EMS equipment cost is for consumable items used for event standbys. Rescue is providing first aid and standby services for approximately 25 trail races in Hamilton County annually. Other projected costs are upgrades to our antiquated underground communications system used during cave rescues to allow operations in the cave to talk to the IC on the surface.

6. Training

Projected costs for training will cover new recruits and existing personnel in the following disciplines:

1. Annual National Cave Rescue Commission week long training for Cave Rescuers.
2. MRA training for members involved in Rock, Ice and SAR
3. Wilderness medical training for select Rescue members practicing pre-hospital medicine
4. MRA and ITRS conferences for select members with advanced technical rope rescue
5. Swiftwater training for all members
6. Emergency Vehicle Operations Course and Vanessa K Free training for all members
7. EMR training, CPR and Blood Borne Pathogens training for all members

7. Payroll

None. All volunteer.

8. Additional Requests

Requesting a new vehicle for Rehab services. Currently working rehab calls out of the back of a modified pickup truck. We need an updated purpose built rehab truck. The acquisition of a purpose-built rehab truck will significantly benefit Police, Fire, and EMS first responders in Hamilton County and the Tri-State area. By providing a reliable source of nutrition, hydration, and rest, this project directly supports the well-being of on-scene personnel. A dedicated rehab vehicle also enables first responders to remain safely engaged in their critical missions for extended periods

Signature

Date

Chief	William C Lane Jr "Buddy"	7-Jan-26
OEM Director		
Chief Operating Officer		

Hamilton County, Tennessee
VOLUNTEER SERVICES Budget Year 2027 (Requested)

1030530-HIGHWAY 58 VOLUNTEER FIRE DEPT		Prior Year Actuals	FY 2026 Budget			FY 2027 Budget	
DESCRIPTION		2025	Adopted	Amended	YTD Thru 1/31/2026	Requested	Change from PY Adopted
56003	APPROPRIATION	532,211	582,211	582,211	582,211	2,225,996	1,643,785
	<i>Operating Expenditures Totals:</i>	<u>532,211</u>	<u>582,211</u>	<u>582,211</u>	<u>582,211</u>	<u>2,225,996</u>	<u>1,643,785</u>
1030530-HIGHWAY 58 VOLUNTEER FIRE DEPT Totals:		532,211	582,211	582,211	582,211	2,225,996	1,643,785

Hamilton County Volunteer Fire Department Budget Request Form FY 2026-27

Department Name	Highway 58 Volunteer Fire Department
Department Address (s)	5402 TN-58 Chattanooga, TN, 37416
Contact person	Chief Mark Hutchings
Phone number	423-344-5770
E-mail address	m.hutchings@hwy58firedepartment.org
Previous Year Funding	

General accounting and description of previous year funding allocation

1. Administrative (\$)	\$141,700.85
This covers Retention/Recruitment, dues/fees, mailing costs, office/station supplies, communications, General Fleet Insurance, and Information Technology.	
2. Fleet (\$)	\$111,049.44
This covers fuel cost, fleet maintenance, and repair costs	
3. Facilities and fixtures (\$)	\$147,486.32
This covers utility costs(gas, electric, water), building and grounds maintenance/repair, and station funds.	
4. Clothing/PPE (\$)	\$85,000.00
This covers turnout/extrication gear and firefighter uniforms.	
5. Equipment (\$)	\$703,272.61
This covers equipment purchases/maintenance/repairs, communication equipment maintenance/repair, and medical equipment/supplies.	
6. Training (\$)	\$29,328.01
This covers all training expenses including fire prevention and Explorer Program.	
7. Payroll (\$)	\$148,844.40
This covers payroll, stipend program funding, and personnel/workers compensation insurance.	
8. Additional Requests (\$)	\$0.00
This covers our capital truck fund for apparatus acquisition and replacement.	
Grand Total	\$1,366,681.63

2026-2027 Budget Request

1. Administrative	
Office supplies	\$7,000.00
Communications (Radios, Internet, Phones)	\$62,870.00
Dues and subscription	\$30,000.00
Printing, postage and shipping	\$18,800.00
Insurance	\$75,000.00
Retention and recruitment	\$20,000.00
Professional fees	\$5,000.00
Total Administrative Budget	\$218,670.00
2. Fleet	
Fuel Costs	\$41,498.46
Service and repair	\$80,655.82
Total Fleet Budget	\$122,154.28
3. Facilities and fixtures	
Utilities (gas, electric, water, sewer)	60,640.14
Generator maintenance and fuel	0.00
Furniture/improvements	0.00
Pest control, garbage, septic, well service	5,000.00
Station repair	25,000.00
Station supplies	20,472.71
Total facilities and fixtures	111,112.85
4. Clothing/PPE	
Turnout gear	\$75,000.00
Uniforms	\$4,000.00
Gear inspection	\$0.00
Rehab supplies	\$3,500.00
Total clothing/PPE	\$82,500.00
5. Equipment	
Fire and rescue	\$178,458.82
Tools	\$10,000.00
Breathing air testing	\$1,400.00
HazMat	\$0.00
Compressor maintenance	\$800.00
EMS equipment	\$20,000.00
Firefighting agents and supplies	\$2,000.00
Gas monitor calibration	\$400.00
SCBA maintenance & testing	\$4,000.00
Equipment maintenance & repair	\$15,000.00
Total equipment	\$232,058.82
6. Training	
Instructor fees	\$5,000.00
Course fees	\$5,000.00
Training equipment & supplies	\$15,000.00
Travel and accommodation	\$5,000.00

Total Training	\$30,000.00
7. Payroll	
Full time staff salaries	\$123,600.00
Part time staff salaries	\$30,900.00
Volunteer stipends	\$250,000.00
Benefits and insurance	\$25,000.00
Total payroll budget	\$429,500.00
8. Additional Requests	
Special Projects or Initiatives(station renovation	\$500,000.00
Other (Capital Truck Fund acquisition/purchase)	\$500,000.00
Total additional requests	\$1,000,000.00
Grand Total	\$2,225,995.95

Budget Request Justification

1. Administrative

Essential expenses required to provide service to the community. Information Technology expenses are an essential part of our department to reach our community, collect subscription fees, recruitment, and ensure the best real time communication for emergency responders.

2. Fleet

Essential expenses to maintain an aging apparatus fleet and equipment. Service and repair expenses as needed to ensure all apparatus and equipment is dependable and ready to respond, including fuel expenses.

3. Facilities and fixtures

Essential expenses for utilities, grounds maintenance, station repair, and supplies to ensure the fire department and county owned properties are well kept and maintained. The county owned fire stations are in need of renovation and updates due to age.

4. Clothing/PPE

Firefighter turnout gear reaching end of life will continue to be replaced yearly. All extrication coveralls are beyond service life and will continue to be replaced with extrication gear, which was partially replaced by Rescue Squad Grant. We currently do not have any wildland suppression gear which is a threat to the health and safety of members during months of high temperatures and humidity. Recruits graduating rookie school are provided Class B uniforms for use while on duty.

5. Equipment

Replacement cost for total loss of primary attack engine in 2025 in addition to replacing both an aged engine and air supply vehicle. SCBA, equipment, and tools are either at or near end of service life. Yearly funding is required to ensure essential equipment is being replaced with a phased and manageable approach. New equipment to address EV vehicles already on our district roads and in residential garages need to be appropriated and acquired.

6. Training

Compliance with regulatory requirements and personnel safety requires ongoing training. Funding is needed to adapt to changing environmental factors (building material, EV Autos, and severe weather patterns) to ensure preparedness.

7. Payroll


A stipend program to staff emergency responders, due to increased call volume correlated to population growth, is essential to providing adequate emergency response to the 112 square miles of coverage.

8. Additional Requests

The in-service apparatus age is between 13 and 25 years old. A capital truck fund for acquisition and purchase of updated apparatus is essential for continued ability to service the community. All of the Hamilton County owned Fire Stations need renovation and/or replacement to allow for additional bunk room space, truck bay space, and needed building repairs.

Signature

Date

Fire Chief	 Mark Hutchings Chief, Highway 58 Volunteer Fire Department	1/14/2026
OEM Director		
Chief Operating Officer		

Hamilton County, Tennessee
VOLUNTEER SERVICES Budget Year 2027 (Requested)

1030540-SEQUOYAH VOL FIRE DEPT		Prior Year Actuals	FY 2026 Budget			FY 2027 Budget	
DESCRIPTION		2025	Adopted	Amended	YTD Thru 1/31/2026	Requested	Change from PY Adopted
56003	APPROPRIATION	68,348	68,348	68,348	68,348	5,463,500	5,395,152
	<i>Operating Expenditures Totals:</i>	<u>68,348</u>	<u>68,348</u>	<u>68,348</u>	<u>68,348</u>	<u>5,463,500</u>	<u>5,395,152</u>
1030540-SEQUOYAH VOL FIRE DEPT Totals:		68,348	68,348	68,348	68,348	5,463,500	5,395,152

To: Hamilton County Government

From: Sequoyah Volunteer Fire Department (SVFD)

Dear Mayor Wamp and Members of the Hamilton County Commission,

On behalf of the Sequoyah Volunteer Fire Department (SVFD), I respectfully submit this request for \$5.3 million in county funding to support the design and construction of a new fire station that is fully NFPA and OSHA compliant and capable of meeting current and future emergency service demands within the Sequoyah Fire District.

SVFD is committed to being an active financial partner in this project and is prepared to contribute \$300,000 of department funds toward the design and construction costs of the new station. This investment demonstrates our commitment to fiscal responsibility and collaboration with Hamilton County to deliver a modern, sustainable public safety facility.

Community Growth and Increased Demand

The Sequoyah Fire District is entering a period of significant population growth. Within the next 1–5 years, two approved subdivisions and additional planned developments will add more than 830–850 new homes to our response area. This growth will significantly increase emergency call volume, staffing needs, and apparatus requirements.

Without a new facility, SVFD will be unable to safely and effectively serve a rapidly expanding population and protect new residential investments entering the county tax base.

Existing Fire Station Conditions

The current SVFD fire station was constructed in 1985 and measures approximately 80 feet by 40 feet, with only three apparatus bays. The facility is severely undersized, outdated, and functionally obsolete for modern fire service operations.

Due to inadequate space, SVFD has been forced to store fire apparatus outdoors, exposing county-owned equipment to weather-related damage and accelerating equipment deterioration. Additional facility limitations include:

- Very small dayroom and kitchen
- Only one office for all administrative and command functions
- Extremely limited training room
- No sleeping quarters, restricting duty crew staffing
- No dedicated storage areas for PPE or equipment
- Only one entrance and exit, creating life-safety concerns

Maintenance, Structural, and Environmental Issues

The existing station has experienced consistent maintenance problems, including:

- Persistent mold issues
- Roof leaks and water intrusion
- Aging infrastructure with no major capital upgrades
- Temporary repairs rather than permanent solutions

The building has exceeded its functional service life and no longer meets modern operational requirements.

Health, Safety, and Code Compliance Deficiencies

The current station is not compliant with NFPA or OSHA standards and presents serious firefighter safety and health hazards:

- No diesel exhaust capture or ventilation system
- No fire protection or suppression system
- No separation of clean and contaminated areas
- No infrastructure to support firefighter health and wellness
- SCBA fill station located inside the apparatus bay, exposing breathable air systems to diesel exhaust and airborne contaminants

This configuration places firefighters at unnecessary risk and is inconsistent with accepted national safety practices.

County Liability Reduction and Risk Management

Continued operation of the existing facility exposes Hamilton County to increased legal, financial, and operational liability. Known hazards such as mold exposure, lack of exhaust ventilation, inadequate egress, and non-compliance with workplace safety standards increase the risk of:

- Workers' compensation claims
- Occupational illness and exposure litigation
- Regulatory enforcement actions
- Increased insurance and risk management costs

The SCBA fill station located within a contaminated environment presents a particularly significant liability risk should an air quality-related injury or illness occur.

Construction of a modern, compliant facility will allow the county to:

- Demonstrate due diligence in providing a safe workplace
- Reduce preventable firefighter injuries and health claims
- Protect county-owned assets and personnel
- Limit long-term liability exposure
- Align facilities with nationally recognized safety standards

Property Protection, Tax Revenue Impact, and Return on Investment

SVFD currently provides fire protection coverage for more than \$300 million in assessed property value within the Sequoyah Fire District. With the addition of approximately 850 new homes planned over the next five years, the district is expected to add an estimated \$340 million in additional assessed property value.

At present, Hamilton County receives approximately \$1,132,500 annually in property tax revenue from properties within the Sequoyah Fire District. With projected residential growth, this figure is expected to increase by approximately \$1,283,500 annually over the next five years.

Based on current property tax revenue alone, the county's investment in this project could achieve a return on investment within a maximum timeframe of approximately 4.5 years, not including additional revenue generated from future development, permit activity, or indirect economic growth.

This project is not only a public safety investment—it is a revenue protection strategy that safeguards hundreds of millions of dollars in taxable property assets while supporting continued residential growth.

Geographic Coverage and Strategic Station Location

From a geographic and operational standpoint, it is critical that a fire station remain located within the current Sequoyah response area. Relocating the station outside of this coverage zone would negatively impact response times, reduce fire suppression effectiveness, and create service gaps affecting both the Sequoyah Fire District and surrounding county response areas. Regardless of which entity provides fire operations in the future, Hamilton County must maintain a fire station at this location to ensure continuity of service and preserve the county's established fire protection infrastructure. This represents a prudent long-term investment by the county that supports compliance with ISO fire protection standards and NFPA station location recommendations.

Maintaining a station at this location ensures:

- Optimal emergency response coverage
- Improved travel times to high-density residential areas
- Protection of rapidly growing subdivisions
- Continued effectiveness of countywide mutual aid operations
- Preservation of ISO fire protection ratings and coverage benchmarks

The proposed new station is essential to maintaining effective, reliable, and geographically balanced countywide fire protection coverage.

Requested Funding and Project Partnership

SVFD respectfully requests \$5.3 million in county funding, supplemented by \$300,000 in SVFD local funds, to design and construct a new fire station that will:

- Properly house fire apparatus and equipment
- Support increased staffing and response demands
- Meet NFPA and OSHA compliance requirements
- Improve firefighter safety and retention
- Reduce county liability exposure
- Protect hundreds of millions of dollars in taxable property
- Serve the Sequoyah community and Hamilton County for decades

We appreciate Hamilton County's continued commitment to public safety and welcome the opportunity to provide additional documentation, site plans, or presentations in support of this request.

Respectfully submitted,

Kristopher Morrison

Kris Morrison
Fire Chief
Sequoyah Volunteer Fire Department
svfdchief1702@gmail.com
Office: 423-332-5321
Mobile: 423-762-7448

Hamilton County, Tennessee
VOLUNTEER SERVICES Budget Year 2027 (Requested)

1030550-WALDEN'S RIDGE EMERGENCY SERV		Prior Year Actuals	FY 2026 Budget			FY 2027 Budget	
DESCRIPTION		2025	Adopted	Amended	YTD Thru 1/31/2026	Requested	Change from PY Adopted
56003	APPROPRIATION	164,841	199,841	199,841	199,841	305,000	105,159
	<i>Operating Expenditures Totals:</i>	<u>164,841</u>	<u>199,841</u>	<u>199,841</u>	<u>199,841</u>	<u>305,000</u>	<u>105,159</u>
1030550-WALDEN'S RIDGE EMERGENCY SERV Totals:		164,841	199,841	199,841	199,841	305,000	105,159

Hamilton County Volunteer Fire Department Budget Request Form FY 2026-27

Department Name	Walden's Ridge Emergency Services
Department Address (s)	2100 Taft Highway and 7339 Sawyer Pike
Contact person	Scott Pierce, Treasurer
Phone number	423-305-2323
E-mail address	scpierce6@yahoo.com
Previous Year Funding	

General accounting and description of previous year funding allocation

1. Administrative (\$)	\$37,968.79
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For 2025 (YTD through November), we have spent 19% of our funding on Admin. This is primarily driven by the cost of insurance (almost \$23k) for our fleet and volunteers. The second largest expenditure would be supplies for the station, software costs, etc. We also pay about \$1300 in property tax for a parcel of property that was donated to the department.

2. Fleet (\$)	\$89,928.45
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45% of our spending goes to the debt service and maintenance/repair costs of the fleet.

3. Facilities and fixtures (\$)	\$23,980.92
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12% of our spending goes to utility costs for both of our stations. This includes Electric, WiFi, phone service, water, chattanooga gas, fuel and propane, trash service, landscaping, and pest control

4. Clothing/PPE (\$)	\$0.00
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We typically buy clothing and PPE when we receive special grants from the county, state, or federal governments.

5. Equipment (\$)	\$47,961.84
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We spent 24% of our budget on rescue and fire equipment. This consists of equipment to respond to accidents and replacing old fire hose.

6. Training (\$)	\$0.00
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We include training cost in our Administrative budget.

7. Payroll (\$)	\$0.00
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100% of our volunteers are unpaid. There are no paid employees.

8. Additional Requests (\$)	\$1.00
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Grand Total	\$199,841.00
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2026-2027 Budget Request

1. Administrative	
Office supplies	\$5,100.00
Communications (Radios, Internet, Phones)	\$8,500.00
Dues and subscription	\$8,500.00
Printing, postage and shipping	\$4,000.00
Insurance	\$31,000.00
Retention and recruitment	\$19,000.00
Professional fees	\$2,500.00
Total Administrative Budget	\$78,600.00
2. Fleet	
Fuel Costs	\$8,000.00
Service and repair	\$114,800.00
Total Fleet Budget	\$122,800.00
3. Facilities and fixtures	
Utilities (gas, electric, water, sewer)	19,500.00
Generator maintenance and fuel	0.00
Furniture/improvements	0.00
Pest control, garbage, septic, well service	22,300.00
Station repair	0.00
Station supplies	3,500.00
Total facilities and fixtures	45,300.00
4. Clothing/PPE	
Turnout gear	\$15,000.00
Uniforms	\$0.00
Gear inspection	\$0.00
Rehab supplies	\$0.00
Total clothing/PPE	\$15,000.00
5. Equipment	
Fire and rescue	\$20,000.00
Tools	\$0.00
Breathing air testing	\$0.00
HazMat	\$0.00
Compressor maintenance	\$0.00
EMS equipment	\$5,000.00
Firefighting agents and supplies	\$10,000.00
Gas monitor calibration	\$0.00
SCBA maintenance & testing	\$0.00
Equipment maintenance & repair	\$0.00
Total equipment	\$35,000.00
6. Training	
Instructor fees	\$1,000.00
Course fees	\$1,000.00
Training equipment & supplies	\$2,500.00
Travel and accommodation	\$2,500.00

Total Training	\$7,000.00
7. Payroll	
Full time staff salaries	\$0.00
Part time staff salaries	\$0.00
Volunteer stipends	\$0.00
Benefits and insurance	\$0.00
Total payroll budget	\$0.00
8. Additional Requests	
Special Projects or Initiatives	\$0.00
Emergency Fund Allocation	\$0.00
Other (specify)	\$1,300.00
Total additional requests	\$1,300.00
Grand Total	\$305,000.00

Budget Request Justification

1. Administrative

Rising insurance premiums are the second largest cost to maintain the department. Recruitment and retention events are critical to finding volunteers.

2. Fleet

The department has a few more years of debt service on the rescue trucks. This payment is for ~\$85k due each August. Maintaining the fleet of vehicles is also very costly, albeit unpredictable.

3. Facilities and fixtures

Station Utility costs are fairly predictable. We have to spend quite a bit on landscaping - mowing, weeding, leaf blowing, etc. Is this something the county could provide at a more affordable rate?

4. Clothing/PPE

\$15k for turnout gear would provide coverage for about 3 additional volunteers.

5. Equipment

We are replacing our fire hose and buying equipment to respond to vehicle accidents. We

6. Training

We provide weekly and annual training for our new/existing volunteers

7. Payroll

We are 100% volunteer. This provides a huge savings to the county.

8. Additional Requests

We are very appreciative for the county's support. Obviously, the cost of the department are more than the annual appropriation. We have to request the remaining funds the Town of Walen or raise private donations.

Signature

Date

Fire Chief	Jim Hillis	
OEM Director		
Treasurer	Scott Pierce	12/14/2025

Hamilton County, Tennessee
VOLUNTEER SERVICES Budget Year 2027 (Requested)

1030560-SALE CREEK VOLUNTEER FIRE DEPT		Prior Year Actuals	FY 2026 Budget			FY 2027 Budget	
DESCRIPTION		2025	Adopted	Amended	YTD Thru 1/31/2026	Requested	Change from PY Adopted
56003	APPROPRIATION	237,447	272,447	272,447	272,447	914,850	642,403
	<i>Operating Expenditures Totals:</i>	<u>237,447</u>	<u>272,447</u>	<u>272,447</u>	<u>272,447</u>	<u>914,850</u>	<u>642,403</u>
1030560-SALE CREEK VOLUNTEER FIRE DEPT Totals:		237,447	272,447	272,447	272,447	914,850	642,403

Hamilton County Volunteer Fire Department Budget Request Form FY 2026-27

Department Name	Sale Creek Volunteer Fire Department
Department Address (s)	PO Box 415, Sale Creek, TN 37373 14828 Dayton Pike, Sale Creek, TN 37373
Contact person	Adam Gaither, Fire Chief
Phone number	423-280-2968
E-mail address	adamgaither@gmail.com
Previous Year Funding	
County previous year funding	\$272,447.00

General accounting and description of previous year funding allocation

1. Administrative (\$)	\$40,000.00
2. Fleet (\$)	\$97,000.00
3. Facilities and fixtures (\$)	\$55,000.00
4. Clothing/PPE (\$)	\$10,000.00
PPE was covered by grant funding this year	
5. Equipment (\$)	\$55,000.00
6. Training (\$)	\$15,000.00
7. Payroll (\$)	\$0.00
We remain a full volunteer service according to our by-laws.	

8. Additional Requests (\$)	\$0.00
Additional Funding from community donations and grants covered expenses exceeding this county appropriation.	
Grand Total	\$272,000.00

2026-2027 Budget Request

1. Administrative	
Office supplies	\$5,000.00
Communications (Radios, Internet, Phones)	\$15,000.00
Dues and subscription	\$15,000.00
Printing, postage and shipping	\$8,000.00
Insurance	\$40,000.00
Retention and recruitment	\$1,500.00
Professional fees	\$0.00
Total Administrative Budget	\$84,500.00
2. Fleet	
Fuel Costs	\$25,000.00
Service and repair	\$55,000.00
Total Fleet Budget	\$80,000.00
3. Facilities and fixtures	
Utilities (gas, electric, water, sewer)	60,000.00
Generator maintenance and fuel	0.00
Furniture/improvements	2,500.00
Pest control, garbage, septic, well service	4,000.00
Station repair	15,000.00
Station supplies	5,000.00
Total facilities and fixtures	86,500.00
4. Clothing/PPE	
Turnout gear	\$20,000.00
Uniforms	\$2,500.00
Gear inspection	\$0.00
Rehab supplies	\$1,500.00
Total clothing/PPE	\$24,000.00
5. Equipment	
Fire and rescue	\$50,000.00
Tools	\$25,000.00
Breathing air testing	\$5,000.00
HazMat	\$1,500.00
Compressor maintenance	\$1,500.00
EMS equipment	\$10,000.00
Firefighting agents and supplies	\$1,500.00
Gas monitor calibration	\$0.00
SCBA maintenance & testing	\$0.00
Equipment maintenance & repair	\$5,000.00
Total equipment	\$99,500.00
6. Training	
Instructor fees	\$1,500.00
Course fees	\$1,500.00

Training equipment & supplies	\$3,000.00
Travel and accomodation	\$1,000.00
<i>Total Training</i>	\$7,000.00
7. Payroll	
Full time staff salaries	\$0.00
Part time staff salaries	\$0.00
Volunteer stipends	\$0.00
Benefits and insurance	\$28,000.00
<i>Total payroll budget</i>	\$28,000.00
8. Additional Requests	
Squad Truck (All squad trucks are 25+ years old)	\$130,000.00
Station repairs for 2 not maintained by county	\$50,000.00
SCBA Loan Payoff (7 year high interest loan)	\$325,000.00
<i>Total additional requests</i>	\$505,000.00
Grand Total	\$914,500.00

Budget Request Justification

1. Administrative

2. Fleet

3. Facilities and fixtures

4. Clothing/PPE

5. Equipment

6. Training

7. Payroll

8. Additional Requests

This budget justification for the **2026-2027 fiscal year** outlines a total request of **\$914,500.00 Requested by Sale Creek Volunteer Fire Department**. This proposal prioritizes the modernization of aging infrastructure, the elimination of high-interest debt, and the continued safety of our emergency personnel.

1. Administrative (\$84,500.00)

These funds cover the essential "back-office" costs required to keep the department legal, insured, and connected.

- **Insurance (\$40,000.00):** Ensures comprehensive liability and property coverage for all members and assets.
- **Operations & Communications (\$30,000.00):** Divided between mission-critical communication tools (Radios/Internet) and necessary professional dues and subscriptions.
- **Administrative Support (\$14,500.00):** Covers office supplies, postage, and a vital **\$1,500** allocation for **Retention and Recruitment** to maintain volunteer and staff levels.

2. Fleet (\$80,000.00)

As the department's fleet ages, maintenance costs have become a primary concern for response reliability.

- **Service and Repair (\$55,000.00):** A significant portion is dedicated to keeping 25+ year-old vehicles in safe, working order until they can be replaced.
- **Fuel (\$25,000.00):** Based on projected call volume and current market rates for diesel and gasoline.

3. Facilities and Fixtures (\$86,500.00)

This funding ensures our stations remain habitable and operationally ready 24/7.

- **Utilities (\$60,000.00):** Fixed costs for electricity, gas, water, and sewer services.
- **Station Repairs & Maintenance (\$21,500.00):** Includes **\$15,000** for immediate structural/mechanical repairs and \$6,500 for general maintenance (pest control, septic, furniture).

4. Clothing/PPE (\$24,000.00)

Personnel safety is our highest priority and an NFPA requirement.

- **Turnout Gear (\$20,000.00):** Dedicated to the rolling replacement of expired or damaged structural firefighting gear.
- **Uniforms & Rehab (\$4,000.00):** Provides professional attire and necessary hydration/cooling supplies for personnel during extended emergency scenes.

5. Equipment (\$99,500.00)

This request ensures responders have the specialized tools required for diverse emergency scenarios.

- **Fire & Rescue Tools (\$75,000.00):** Major allocation for upgrading and replacing specialized rescue tools and firefighting equipment.
- **Safety & EMS (\$11,500.00):** Includes EMS supplies (\$10k) and critical breathing air testing (\$5k) and compressor maintenance.

6. Training & Payroll (\$35,000.00 Combined)

- **Training (\$7,000.00):** Covers instructor fees, course enrollments, and travel to ensure members meet state and national certification requirements.
- **Payroll/Benefits (\$28,000.00):** Covers essential benefits and insurance for personnel to ensure coverage during duty.

7. Additional Capital & Debt Requests (\$505,000.00)

These items represent the most critical needs for the department's long-term financial and operational health.

- **Squad Truck Replacement (\$130,000.00):** Current squad trucks are over 25 years old. Replacement is vital for reliable response and member safety.
- **Major Station Repairs (\$50,000.00):** Specifically for the two stations not maintained by the county, ensuring they remain structurally sound.
- **SCBA Loan Payoff (\$325,000.00):** A strategic move to pay off a 7-year high-interest loan. Eliminating this debt will free up significant operational funds in future budget cycles.

Budget Summary

Category	Total Requested
Operating Expenses	\$409,500.00
Capital & Debt Payoff	\$505,000.00
GRAND TOTAL	\$914,500.00

Signature

Date

Fire Chief	<i>Adam Gaither</i>	January 17, 2026
OEM Director		
Chief Operating Officer		

Hamilton County, Tennessee
VOLUNTEER SERVICES Budget Year 2027 (Requested)

1030580-HAMILTON COUNTY STARS		Prior Year Actuals	FY 2026 Budget			FY 2027 Budget	
DESCRIPTION		2025	Adopted	Amended	YTD Thru 1/31/2026	Requested	Change from PY Adopted
56003	APPROPRIATION	103,467	123,467	123,467	123,467	136,900	13,433
	<i>Operating Expenditures Totals:</i>	<u>103,467</u>	<u>123,467</u>	<u>123,467</u>	<u>123,467</u>	<u>136,900</u>	<u>13,433</u>
1030580-HAMILTON COUNTY STARS Totals:		103,467	123,467	123,467	123,467	136,900	13,433

Hamilton County Volunteer Fire Department Budget Request Form FY 2026

Department Name	Hamilton County STARS
Department Address (s)	9022 Career Lane, Harrison TN 37341
Contact person	Chief Clay Ingle
Phone number	423-280-5008
E-mail address	hamiltoncountystars@outlook.com
Previous Year Funding	

General accounting and description of previous year funding allocation

1. Administrative (\$)	\$23,800.00
Actual cost	
2. Fleet (\$)	\$35,000.00
We had to replace a SAR truck,	
3. Facilities and fixtures (\$)	\$12,000.00
Actual cost	
4. Clothing/PPE (\$)	\$5,500.00
We pre-purchased our uniforms	
5. Equipment (\$)	\$16,200.00
6. Training (\$)	\$4,967.00
We were upgrading our dive teams training	
7. Payroll (\$)	\$6,000.00
I was paid \$500 a month for grant writhing and paper work, but I have stopped it.	
8. Additional Requests (\$)	\$20,000.00

we purchased a new state of the art rescue boat at no additional cost to the county

Grand Total	\$123,467.00
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2025-2026 Budget Request

1. Administrative	
Office supplies	\$1,200.00
Communications (Radios, Internet, Phones)	\$12,000.00
Dues and subscription	\$100.00
Printing, postage and shipping	\$500.00
Insurance	\$10,500.00
Retention and recruitment	\$2,000.00
Professional fees	\$200.00
Total Administrative Budget	\$26,500.00
2. Fleet	
Fuel Costs	\$25,000.00
Service and repair	\$15,000.00
Total Fleet Budget	\$40,000.00
3. Facilities and fixtures	
Utilities (gas, electric, water, sewer)	6,000.00
Generator maintenance and fuel	600.00
Furniture/improvements	2,000.00
Pest control, garbage, septic, well service	800.00
Station repair	5,000.00
Station supplies	2,000.00
Total facilities and fixtures	16,400.00
4. Clothing/PPE	
Rescue Gear	\$3,500.00
Uniforms	\$1,500.00
Gear inspection	
Rehab supplies	\$2,000.00
Total clothing/PPE	\$7,000.00
5. Equipment	
Sar	\$5,000.00
Dive	\$5,000.00
Swift Water	\$7,500.00
HazMat	
Compressor maintenance	\$1,000.00
EMS equipment	
Firefighting agents and supplies	
Gas monitor calibration	
SCBA maintenance & testing	
Emergency Fund and Vehicle Replacement	\$20,000.00
Total equipment	\$38,500.00
6. Training	
Instructor fees	
Course fees	\$2,500.00
Training equipment & supplies	
Travel and accommodation	

Total Training	\$2,500.00
7. Payroll	
Full time staff salaries	
Part time staff salaries	\$6,000.00
Volunteer stipends	
Benefits and insurance	
Total payroll budget	\$6,000.00
8. Additional Requests	
Special Projects or Initiatives	
Emergency Fund Allocation	
Other (specify)	
Total additional requests	\$0.00
Grand Total	\$136,900.00

Budget Request Justification

1. Administrative

This is based off of last 12 months of our spending

2. Fleet

This is based off of last years spending and projected increase due to rescue boat

3. Facilities and fixtures

This is based off of last years spending and projected improvements we need to make

4. Clothing/PPE

This is based off of last years spending and projected improvements we need to make

5. Equipment

This will allow for constaan improvement of equipment, and replacing out dated equipment on SAR, Dive, and Swiftwater.

6. Training

We are increasing our Dive team training, and Swiftwater and SAR training is free to us.

7. Payroll

Chief Ingle is paid \$500 a month for clerical work and grant writing.

8. Additional Requests

We have moved this and devided among other request

Hamilton County, Tennessee
VOLUNTEER SERVICES Budget Year 2027 (Requested)

1030590-FLATTOP VOLUNTEER FIRE DEPT		Prior Year Actuals	FY 2026 Budget			FY 2027 Budget	
DESCRIPTION		2025	Adopted	Amended	YTD Thru 1/31/2026	Requested	Change from PY Adopted
56003	APPROPRIATION	81,708	91,708	91,708	91,708	131,649	39,941
	<i>Operating Expenditures Totals:</i>	<u>81,708</u>	<u>91,708</u>	<u>91,708</u>	<u>91,708</u>	<u>131,649</u>	<u>39,941</u>
1030590-FLATTOP VOLUNTEER FIRE DEPT Totals:		81,708	91,708	91,708	91,708	131,649	39,941

2026-2027 Budget Request

1. Administrative	
Office supplies	\$600.00
Communications (Radios, Internet, Phones)	\$25,000.00
Dues and subscription	\$3,800.00
Printing, postage and shipping	\$200.00
Insurance	\$10,627.00
Retention and recruitment	
Professional fees	
Total Administrative Budget	\$40,227.00
2. Fleet	
Fuel Costs	\$900.00
Service and repair	\$1,200.00
Total Fleet Budget	\$2,100.00
3. Facilities and fixtures	
Utilities (gas, electric, water, sewer)	6,000.00
Generator maintenance and fuel	850.00
Furniture/improvements	
Pest control, garbage, septic, well service	
Station repair	
Station supplies	3,500.00
Total facilities and fixtures	10,350.00
4. Clothing/PPE	
Turnout gear	\$25,000.00
Uniforms	
Gear inspection	
Rehab supplies	
Total clothing/PPE	\$25,000.00
5. Equipment	
Fire and rescue	
Tools	\$3,000.00
Breathing air testing	\$1.00
HazMat	\$1.00
Compressor maintenance	\$1.00
EMS equipment	\$5,000.00
Firefighting agents and supplies	
Gas monitor calibration	\$1,000.00
SCBA maintenance & testing	\$5,150.00
Equipment maintenance & repair	\$2,815.50
Total equipment	\$16,968.50
6. Training	
Instructor fees	\$1.00
Course fees	\$1.00

Training equipment & supplies	\$2,000.00
Travel and accomodation	\$1.00
Total Training	\$2,003.00
7. Payroll	
Full time staff salaries	
Part time staff salaries	
Volunteer stipends	
Benefits and insurance	
Total payroll budget	\$0.00
8. Additional Requests	
Special Projects or Initiatives	
Emergency Fund Allocation	
96kw generator for new building	35000
Total additional requests	\$35,000.00
Grand Total	\$131,648.50

Flat Top Volunteer Fire Department Justification:

Administrative (\$40,227.00)

This allocation supports the essential business operations and compliance requirements of the department.

- Communications (\$25,000.00): Covers mission-critical infrastructure, including radios, internet, and phone services.
- Insurance (\$10,627.00): Necessary for comprehensive liability and property coverage.
- Operational Support (\$4,600.00): Funds office supplies, dues, and printing/shipping for daily administration.

Fleet (\$2,100.00)

This request ensures the mobility and readiness of department vehicles.

- Fuel Costs (\$900.00): Estimated fuel for emergency response and routine patrol.
- Service and Repair (\$1,200.00): Essential preventative maintenance to prevent costly vehicle breakdowns.

Facilities and Fixtures (\$45,350.00)

This category is significantly expanded to ensure the resilience of the new department infrastructure.

- New Building Generator (\$35,000.00): [NEW REQUEST] Funding for a high-capacity backup generator for the new building. This is a vital life-safety requirement to ensure uninterrupted power for dispatch, communications, and emergency operations during grid failures.
- Utilities & Supplies (\$10,350.00): Covers standard utility costs (\$6,000), station supplies (\$3,500), and existing generator maintenance (\$850).

Clothing/PPE (\$25,000.00)

- Turnout Gear (\$25,000.00): Critical investment for replacing aging or damaged NFPA-compliant personal protective equipment. This is mandatory for personnel safety during structural firefighting.

Equipment (\$16,968.50)

This focuses on specialized tools required for diverse emergency scenarios.

- EMS & SCBA (\$10,150.00): Combined funding for medical supplies (\$5,000) and vital Self-Contained Breathing Apparatus maintenance/testing (\$5,150).
- General Maintenance & Calibration (\$6,818.50): Ensures all existing tools, gas

monitors, and specialized equipment remain in peak working condition and meet safety certifications.

Training (\$2,003.00)

The training budget has been updated to move beyond placeholder values and prioritize personnel development.

- Instructor & Course Fees (\$2,003.00): [UPDATED] This funding supports professional development, ensuring all members maintain required certifications and stay current on the latest emergency response tactics and safety protocols.

Summary of Total Request

The total proposed budget for the 2026-2027 period is \$131,648.50.