

**FUNDING AGREEMENT BETWEEN THE CITY OF FRANKLIN AND
WILLIAMSON COUNTY CHAMBER OF COMMERCE**

COF Contract No. 2019-0201

This Funding Agreement is effective on July 1, 2019, between and among the City of Franklin, Tennessee, a political subdivision of the State of Tennessee (the "City") **WILLIAMSON COUNTY CHAMBER OF COMMERCE** (the "Agency"), a Tennessee nonprofit corporation.

RECITALS

WHEREAS, Tennessee Code Annotated ("TCA") Section 6-54-111, as amended, authorizes a municipality's governing body to appropriate funds for the financial aid of any nonprofit charitable organization that provides year-round services benefiting the general welfare of the residents of the municipality or any nonprofit civic organization working to maintain and increase employment opportunities in the municipality; and

WHEREAS, the TCA also provides for the Comptroller of the Treasury to establish standard procedures to assist the municipal governing body in the disposition of funds so appropriated; and

WHEREAS, the municipality wishes to comply with the following laws and rules:

1. A municipality may appropriate funds for only those nonprofit charitable organizations that provide year-round services benefiting the general welfare of the residents of the municipality, or any nonprofit civic organization classified under Sections 501(c)(4) or (6) of the Internal Revenue Code working to maintain and increase employment opportunities in the municipality.

2. The governing body of each municipality shall adopt an adequate agreement stating the purpose for which the funds are being appropriated, for each nonprofit organization that is to receive municipal funds.

3. The budget document of the municipality shall include the name of each nonprofit organization and the specific amount appropriated for each organization.

4. Municipal payments to nonprofit organizations shall be limited to the amounts appropriated for such purposes and in keeping with the municipality's guidelines for how the appropriated funds may be spent.

5. Pursuant to Tennessee Code Annotated §6-54-111(c), the Agency shall file with the City a copy of the annual report of its business affairs and transactions that includes, but is not limited to:

- (a) Either a copy of the Agency's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury (a blank copy of which is attached as Exhibit A) and certified by the chief financial officer of the Agency;
- (b) A description of the program that serves the residents of the municipality (a blank copy of which is attached as Exhibit B); and
- (c) The proposed use of the municipal assistance (a blank copy of which is attached as Exhibit C).

The report filed shall be open for public inspections during regular business hours of the City.

6. For appropriations to nonprofit civic organizations, notices shall be published in a newspaper of general circulation in the municipality of the intent to make an appropriation, specifying the intended amount and purpose; and

WHEREAS, the City and the Agency intend to enter into this agreement for the purpose of defining the Agency's use of the monies received from the City in fiscal year 2019-2020.

NOW, THEREFORE, in consideration of the mutual covenants and promises, the parties agree as follows:

1. TERM

This agreement shall be effective from and after the effective date and shall extend through June 30, 2020, unless otherwise terminated in accordance herewith.

2. OBLIGATIONS OF CITY OF FRANKLIN

2.1 In accordance with City guidelines after all administrative costs are deducted therefrom, the City will contribute to the Agency the amount of THIRTY THOUSAND and 00/100 DOLLARS (\$30,000.00) for Tourism.

2.2 Payments will be made in quarterly installments, payable at or near the beginning of each quarter and will begin only after this Agreement has been executed.

3. OBLIGATIONS OF THE AGENCY

3.1 Use of Funds. The Agency shall use the City funds for the sole and limited purpose of community and economic development of the City of Franklin according to the Statement of Work and Program Objectives provided in Exhibit B, a copy of which is attached hereto and incorporated by reference herein.

3.2 Work Plan. In order to accomplish the objective(s) set forth in paragraph 3.1, the agency shall submit to the City a Work Plan that describes, in detail, the efforts to be undertaken by the Agency to accomplish the performance objectives set forth in Exhibit B, a copy of which is attached hereto as Exhibit C and incorporated by reference herein. At a

minimum, the Work Plan shall include that information required by Exhibit B. The Agency shall coordinate its performance under this Agreement with the City. The Agency shall advise and consult with the City Administrator or his/her designee, with respect to its performance under this Agreement.

3.3 Annual Budget. The Agency shall submit an annual budget in a form and on a schedule acceptable to the City. The annual budget shall contain a detailed analysis of the project administrative expenses for operations and reasonable estimates of the projected amounts to be spent for the services to be provided and Work Plan to be implemented for the calendar year. The budget shall be submitted to the City with this agreement.

3.4 Reporting. Pursuant to Tennessee Code Annotated §6-54-111(c), the Agency shall file with the City a copy of the annual report of its business affairs and transactions that includes, but is not limited to:

- (a) Either a copy of the Agency's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury (a blank copy of which is attached as Exhibit A) and certified by the chief financial officer of the Agency;
- (b) A description of the program that serves the residents of the municipality; and
- (c) The proposed use of the municipal assistance.

The report filed shall be open for public inspections during regular business hours of the City.

3.5 Insurance. The Agency shall maintain professional liability and general liability insurance coverages as are reasonably necessary to cover any liability arising out of the acts or omissions of the Agency and its employees. The Agency shall maintain workers' compensation insurance as required by the laws of the State of Tennessee.

The Agency shall require all third parties utilized by the Agency ("Contractors") to maintain professional liability and general liability insurance coverages as are reasonably necessary to cover any liability arising out of the acts or omissions of the Contractors and its employees. The Agency shall require contractors to maintain workers' compensation as required by the State of Tennessee. The contractor's general liability insurance shall be of sufficient limits to provide defense and settlement expenses for Agency that result from the contractor liability. To the extent permissible, the Agency shall require each Contractor to endorse the Agency as an additional insured on the Contractor's general liability policies.

To the extent permitted by law, the Agency shall require such Contractor to indemnify and hold the Agency harmless against any liability caused by acts or omissions of the Contractor and its employees.

Insurance information will be provided to the City upon request. The Agency shall notify the City immediately of incidents that could lead to a major claim against the Agency.

4. RESTRICTION ON USE OF FUNDS

The Agency does hereby warrant and represent that the City Funds shall not be utilized by either the Agency or any of its Contractors for the following purposes:

4.1 Any claim or litigation against the City or any department or division of the City.

4.2 Any political or levy campaigning purposes.

5. RECORDS AND AUDITS

5.1 Accounting. The Agency shall maintain full, accurate and complete financial and accounting books, records and reports ("Records") of all direct and indirect uses and expenditures of the City Funds consistent with generally accepted accounting principles (GAAP).

5.2 Maintenance of Records. The Agency shall keep records relating to all uses and expenditures of the City Funds received pursuant to this Agreement. The Agency shall maintain a system of bookkeeping adequate for its operations hereunder and shall submit reports from such system to the City and the Agency on an annual basis for review and approval. The Agency shall keep and preserve for at least five (5) years following each calendar year all sales slips, rental agreements, purchase orders, sales books, cash register tapes, credit card invoices, payroll records, duplicate deposit tapes and invoices, bank accounts, cash receipts and cash disbursements, bank books and other evidence of receipts and expenditures for such period.

5.3 Audit. The City or the City's designated representative, at the City's cost and expense, shall have the right to audit the Agency's Records at any time but shall not unreasonably interfere with the Agency's business or operations in connection with any such audit. The Agency acknowledges that this Agreement may be subject to audit by the Auditor of the State of Tennessee.

5.4 Repayment. If an audit discloses the Agency has received or retained City Funds in error or in excess of those to which the Agency is entitled under this Agreement or has used the City Funds for a purpose not authorized by this Agreement, the Agency agrees to promptly repay to the City the full amount of such City Funds, with interest thereon at the rate equal to the 90-day U.S. Treasury Note at the time. In the event the Agency fails to promptly repay to the City the full amount of such City Funds, the City may elect to withhold said City Funds from any future payments to the Agency.

5.5 Additional Remedies. In addition to the repayment remedy set forth in paragraph 5.4 herein, the City may elect to terminate this Agreement as set forth in section 6, herein with a minimum of 30 days written notice to the Agency's President and Chair of the Board with opportunity to cure any breach.

6. TERMINATION

If either party hereto breaches any term, condition, representation, warranty or covenant contained in this Agreement, or if the Agency engages in any malfeasance or misfeasance with respect to the City Funds, the non-breaching party may elect to terminate this Agreement with a minimum of 30 days written notice to the other party with opportunity to cure any breach.

7. MISCELLANEOUS PROVISIONS

7.1 The Agency and the City agree that, as a condition to this Agreement, they shall not discriminate against any employee on the basis of race, color, sex, religion, natural origin, handicap, or any other factor specified in Title VI of the Civil Rights Act of 1964, the Rehabilitation Act of 1973, the Americans with Disabilities Act, and subsequent amendments thereto, and all other federal and state laws regarding such discrimination.

7.2 The Agreement may be amended at any time, or any provision hereof may be waived, by written consent of all parties hereto.

7.3 This Agreement shall be governed by and construed under the laws of the State of Tennessee.

7.4 The Agency and the City shall conform to the requirements of all applicable laws and regulations of the State of Tennessee governing the execution of their respective duties under this Agreement.

(Signatures on next page)

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS Agreement as of
this 8th day of July, 2019 by

WILLIAMSON COUNTY CHAMBER OF COMMERCE

By: 

Name: Bryan Doleshel

Title: Chief Community Development Officer

Date: 7/8/19

CITY OF FRANKLIN

By : 
Eric S. Stuckey, City Administrator

Date: 7-17-19

Approved as to form:


By: 
Shauna R. Billingsley, City Attorney

EXHIBIT A

Annual Reporting Form for Nonprofit Organizations

Seeking Financial Assistance from Local Governments

Williamson County Chamber of Commerce

Name of Nonprofit Organization

5005 Meridian, Ste 150 Franklin Williamson TN 37067

Street Address

City

County

State

Zip

Annual Financial Report of Cash Receipts, Disbursements, and Balances

For the Fiscal Year from 1/1/18 through 12/31/18

Report Required by Title 5, Chapter 9, Part 1,

And Title 6, Chapter 54, Part 1, Tennessee Code Annotated

Receipts

Federal Grants

\$ See attached

State Grants

Financial Assistance from Local Governments

Donations and Gifts from Citizens

Membership Dues

Fees/Charges for Services

Fundraising Events

Sale of Assets

Loans-Borrowed Funds

Investment Income

Other Receipts

Total Receipts

\$ (A)

Disbursements

Grants and Other Assistance Paid to Other Organizations and Individuals	\$ _____	
Salaries and Wages	_____	
Employee Benefits	_____	
Payroll Taxes	_____	
Fees for Services (non-employee)	_____	
Advertising and Promotion	_____	
Office Expenses	_____	
Leases/Rentals	_____	
Maintenance and Repairs	_____	
Supplies	_____	
Travel	_____	
Utilities	_____	
Insurance	_____	
Conferences, Conventions and Meetings	_____	
Interest	_____	
Purchase of Capital Assets – Vehicles and Equipment	_____	
Purchase of capital Assets – Property and Buildings	_____	
Loan Payments	_____	
Other	_____	
Total Disbursements		\$ _____ (B)
Cash Receipts Less Disbursements for the fiscal Year (A-B=C)		\$ _____ (C)
Cash Balance - at the beginning of the fiscal year		\$ _____ (D)
Cash Balance - at the end of the fiscal year (C+D=E)		\$ _____ (E)

Details of Cash Balance - at the end of the fiscal year

Cash on Hand	\$ _____
Cash in Bank – Checking	_____
Cash in Bank – Savings Accounts	_____

Cash in Bank – Certificates of Deposits _____
Other Cash _____
Total Cash - at the end of the fiscal year \$ _____(E)

Please Explain Proposed Use of the Financial Assistance from Local Governments.

I certify that this report accurately presents the cash receipts, disbursements, and balances of the
_____ **for the fiscal year noted above.**

Name of Nonprofit Organization

Person Preparing Report _____
Printed Name Signature

Phone Number _____ **Email Address** _____ **Date** _____

WILLIAMSON COUNTY CHAMBER OF COMMERCE

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORTS**

DECEMBER 31, 2018

WILLIAMSON COUNTY CHAMBER OF COMMERCE

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BELLENFANT

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

Professional Accounting & Consulting Services

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Williamson County Chamber of Commerce
5005 Meridian Boulevard, Suite 150
Franklin, Tennessee 37067

We have audited the accompanying financial statements of Williamson County Chamber of Commerce, which comprise the statement of financial position as of December 31, 2018 and 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Williamson County Chamber of Commerce as of December 31, 2018 and 2017, 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.

Bellenfant PLLC

April 5, 2019

WILLIAMSON COUNTY CHAMBER OF COMMERCE

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2018 AND 2017

	<u>ASSETS</u>	
	<u>2018</u>	<u>2017</u>
Current Assets		
Cash	\$ 814,028	\$ 867,157
Accounts Receivable	260,250	200,386
Other Assets	1,753	2,487
Prepaid Expenses	43,606	26,115
Government Allocation Receivable	<u>100,000</u>	<u>73,750</u>
Total Current Assets	<u>1,219,637</u>	<u>1,169,895</u>
Furniture, Technology, and Improvements		
Furniture	75,029	75,029
Technology	19,533	19,533
Improvements	<u>26,601</u>	<u>26,601</u>
	121,163	121,163
Less: Accumulated Depreciation	<u>(111,606)</u>	<u>(94,347)</u>
Furniture, Technology, and		
Improvements - Net	<u>9,557</u>	<u>26,816</u>
Total Assets	<u>\$ 1,229,194</u>	<u>\$ 1,196,711</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities		
Accounts Payable	\$ 30,121	\$ 45,177
Other Current Liabilities	<u>165,664</u>	<u>89,417</u>
Total Current Liabilities	195,785	134,594
Net Assets Without Donor Restrictions	<u>1,033,409</u>	<u>1,062,117</u>
Total Liabilities and Net Assets	<u>\$ 1,229,194</u>	<u>\$ 1,196,711</u>

The accompanying notes are an integral part of this statement.

WILLIAMSON COUNTY CHAMBER OF COMMERCE

STATEMENTS OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2018 AND 2017

REVENUE	<u>2018</u>	<u>2017</u>
Membership Dues	\$ 641,966	\$ 630,519
Advertising	17,617	33,594
Member Events	331,937	367,933
Affinity Programs	25,343	25,338
Civic Partnerships	35,000	35,000
Member Services	16,351	28,800
Programs and Meetings	222,106	189,662
Government Allocation	375,000	315,000
Capital Campaign	660,578	608,200
Other	4,779	4,104
Total Revenue	<u>2,330,677</u>	<u>2,238,150</u>
EXPENSES		
Personnel		
Salaries	1,252,029	1,052,453
Employee Benefits	89,567	63,926
Payroll Taxes	83,551	73,124
Payroll Fees	17,553	16,598
Total Personnel	<u>1,442,700</u>	<u>1,206,101</u>
Member Relations and Initiatives		
Member Events	180,869	183,893
Programs and Meetings	76,121	72,954
Business Initiatives	106,674	227,055
Boards and Committees	8,395	4,250
Total Member Relations and Initiatives	<u>\$ 372,059</u>	<u>\$ 488,152</u>

The accompanying notes are an integral part of this statement.

WILLIAMSON COUNTY CHAMBER OF COMMERCE

STATEMENTS OF ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2018 AND 2017

EXPENSES - Continued

	<u>2018</u>	<u>2017</u>
Operations		
Advertising and Promotion	\$ 1,230	\$ 19,827
Licenses and Taxes	22,184	22,036
Facilities	11,226	11,362
Office Rent	136,264	145,508
Credit Card Fees	15,413	11,694
Depreciation	17,259	21,161
Equipment Leases	3,163	8,478
Dues and Subscriptions	5,617	4,218
Contracted Services	130,004	62,072
Insurance	9,271	8,487
Supplies	13,821	12,962
Postage and Printing	24,275	16,629
Telephone	14,140	21,376
Technology	48,159	53,627
Miscellaneous	156	6,020
Staff Travel, Meetings, and Education	77,444	78,289
Contribution to Foundation	<u>15,000</u>	<u>15,000</u>
Total Operations	<u>544,626</u>	<u>518,746</u>
Total Expenses	<u>2,359,385</u>	<u>2,212,999</u>
Change in Unrestricted Assets	(28,708)	25,151
Net Assets Without Donor Restrictions, Beginning of the Year	<u>1,062,117</u>	<u>1,036,966</u>
Net Assets Without Donor Restrictions, End of the Year	<u><u>\$ 1,033,409</u></u>	<u><u>\$ 1,062,117</u></u>

The accompanying notes are an integral part of this statement.

WILLIAMSON COUNTY CHAMBER OF COMMERCE

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2018 AND 2017

CASH FLOWS FROM OPERATING ACTIVITIES	<u>2018</u>	<u>2017</u>
Change in Net Assets	\$ (28,708)	\$ 25,151
Adjustments to reconcile change in net assets to net cash provided by operations:		
Depreciation	17,259	21,161
(Increase) Decrease in:		
Accounts Receivable	(59,864)	(64,676)
Other Assets	734	(2,487)
Prepaid Expenses	(17,491)	(26,115)
Government Allocation Receivable	(26,250)	-
 Increase (Decrease) in:		
Accounts Payable	(15,056)	19,622
Other Current Liabilities	<u>76,247</u>	<u>84,403</u>
 Net Cash Provided (Used) by Operating Activities	<u>(53,129)</u>	<u>57,059</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	<u>-</u>	<u>(17,474)</u>
 Net Cash Provided (Used) by Investing Activities	<u>-</u>	<u>(17,474)</u>
 Net Increase in Cash	(53,129)	39,585
 Cash balance, beginning of year	<u>867,157</u>	<u>827,572</u>
 Cash balance, end of year	<u><u>\$ 814,028</u></u>	<u><u>\$ 867,157</u></u>

The accompanying notes are an integral part of this statement.

WILLIAMSON COUNTY CHAMBER OF COMMERCE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Organization and Purpose:

The Williamson County Chamber of Commerce (the "Chamber") is a nonprofit organization created December 16, 2011 under the laws of the State of Tennessee. The Chamber serves the geographic area of Williamson County as a result of the consolidation of the Williamson County and Franklin Chamber of Commerce, Brentwood and Cool Springs Chamber of Commerce, and Cool Springs Chamber of Commerce. The Chamber promotes and protects the county's business climate through a wide variety of efforts.

Basis of Presentation:

The Chamber prepares its financial statements on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recognized when incurred.

Financial statement presentation follows the requirements of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic related to Presentation of Financial Statements of Not-for-Profit Organizations. Under the FASB Accounting Standards Codification, the Chamber 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 - These are net assets that are not subject to donor-imposed stipulations. The Chamber had \$1,033,409 and \$1,062,117 of net assets without donor restrictions as of December 31, 2018 and 2017, respectively.

Net assets with donor restrictions - These are net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Chamber and/or the passage of time. This classification also includes net assets subject to donor-imposed stipulations that may be maintained permanently by the Chamber. Generally, donors of these assets permit the Chamber to use all or part of the income earned for general or specific purposes. The Chamber had no net assets with donor restrictions as of December 31, 2018 and 2017, respectively.

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 amounts could differ from those estimates.

WILLIAMSON COUNTY CHAMBER OF COMMERCE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES - Continued

Cash and Cash Equivalents:

The Chamber considers all highly liquid investments with a maturity of twelve months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude restricted cash and cash equivalents. The Chamber has no cash equivalents as of December 31, 2018.

Accounts Receivable:

Management periodically reviews these accounts to determine whether such amounts will be collectible in future periods.

Furniture, Technology, and Improvements:

Furniture, technology, and improvements are capitalized at cost in excess of \$1,500 and are depreciated over their estimated useful lives ranging from three to five years using the straight-line method. Leasehold improvements are depreciated over ten years using the straight-line method.

Revenue Recognition:

Membership in the Chamber is on a voluntary basis. The Chamber generally recognizes dues and pledges on an accrual basis.

Donated Services:

The Board of Directors and other members of the Chamber have assisted the Chamber in the accomplishment of its goals and objectives by the donation of their time and services. No amounts have been reflected in the accompanying statement of activities because the criteria for recognition of such volunteer efforts under the FASB Codification have not been satisfied.

Income Taxes:

The Chamber has tax-exempt status under Section 501(c)(6) of the Internal Revenue Code. Accordingly, the Chamber is only subject to pay federal taxes on certain income determined to be unrelated to the Chamber's exempt activities and on excess lobbying expenses.

The Chamber has evaluated its tax positions in accordance with the Codification Standard relating to Accounting for Uncertainty in Income Taxes. The Chamber believes that it has taken no uncertain tax positions.

The Chamber files a U.S. Federal Form 990-Return of Organization Exempt from Income Tax. The Chamber's returns for the years prior to calendar year 2015 are no longer open for examination.

WILLIAMSON COUNTY CHAMBER OF COMMERCE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES - Continued

Advertising Costs:

All costs of public relations, advertising and promotion are expensed as incurred. Public relations, advertising and promotion expenses totaled \$1,230 and \$19,827 for 2018 and 2017, respectively.

2. PENSION PLAN

The Chamber maintains a SIMPLE IRA (Savings Incentive Match Plan for Employees) with LBMC Employment Partners, LLC. The Chamber matches 100% of employee contributions up to 3% of the employee's salary, and an additional 50% of employee contributions between 3-5% of the employee's salary. Employees are eligible to participate if they have been employed by the Chamber for at least one year. The Chamber's pension cost was \$35,196 and \$21,628 during 2018 and 2017, respectively.

3. FAIR VALUES OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used by the Chamber in estimating its fair value disclosures for financial instruments.

Cash, cash equivalents, receivables, and payables: The carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

4. LEASE COMMITMENTS

The Chamber leases office space under an operating lease that expires June 30, 2019. The lease provides for annual increases in the monthly rent.

Future minimum rental payments required are as follows:

<u>Year ending December 31</u>	<u>Office Space</u>	<u>Total</u>
2019	<u>64,538</u>	<u>64,538</u>
Total	<u>\$ 64,538</u>	<u>\$ 64,538</u>

Rent expenses for office and equipment was \$136,264 and \$145,508 for the years ended December 31, 2018 and 2017, respectively.

WILLIAMSON COUNTY CHAMBER OF COMMERCE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2018

5. GOVERNMENT ALLOCATION

The Chamber receives a quarterly allocation from the Williamson County government. The total received from the county was \$375,000 and \$315,000 for 2018 and 2017, respectively.

6. RELATED PARTY

The Chamber provides support to the Williamson County Chamber Foundation, Inc. related to overhead for the Foundation activities at no cost. The Chamber contributed \$15,000 to the Foundation in 2018 and 2017.

7. AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Chamber's financial assets as of December 31, 2018, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date:

Financial assets, at year-end	\$ 814,028
Less: assets unavailable for general expenditures within one year, due to donor-imposed restrictions	<u>-</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 814,028</u></u>

There is an adequate amount of financial assets available as of December 31, 2018. The Chamber effectively manages its liquid available resources to meet cash needs for general expenditures within one year of the balance sheet date.

8. SUBSEQUENT EVENTS

Subsequent events have been evaluated through April 5, 2019 which is the date the financial statements were available to be issued.

EXHIBIT B

STATEMENT OF WORK AND PROGRAM OBJECTIVES

The Agency 2019-2020 Statement of Work and Program Objectives

The Williamson County Chamber of Commerce provides unparalleled access to education, leadership development, relationship-building and up-to-the-minute information about doing business in one of the country's fastest growing counties. We strive to invest into the business and education sectors of the county to increase growth and retain talent for the nearly 6000 active businesses in the county.

The Williamson County Chamber of Commerce is the leading business organization in Franklin/Williamson County and committed to the following:

A Force in the Region	WCC will be a leader in regionalism. The chamber will be a key regional partner and a conveyor of issues impacting Williamson County and the region. We have over 1400 members (National Average + 5%)
Connecting People Information and Ideas	WCC will engage and support all of our members from the top employers to small companies and start-ups. It will be the place for new business professional to engage. We will ensure that all members feel welcome, supported and encouraged to participate to grow and strengthen their businesses. WCC will be the "go-to" source for critical business information and a top resource for business growth. We will be the first call companies and organizations make to grow and strengthen their business
Partnering for an Educated Workforce	Knowing that an educated workforce is the most critical factor in the success of our members and our community, WCC will build an action plan for workforce development, provide needed educational program or connect members with others who can provide specific training. We will be known as a place who cultivates talent and leadership.
Developing Strong Leaders in the Community	WCC will be known for its professional staff and board. We will have strong member

	retention and will earn the respect of our peers. Our board will be high powered, influential and diverse.
An Influential Business Advocate	WCC will be the resource for governmental affairs on business issues. We will be an effective advocate for our business community and will provide relevant information on legislative affairs to our members.
Top Tier Economic Development	WCC will connect C-suite executives for economic growth and relocation. We will be in the top 5 in economic development in the state and will be a catalyst for economic vitality.

EXHIBIT C

WORK PLAN

The Agency 2018-2019 Annual Work Plan shall include:

The Williamson County Chamber of Commerce will use the funds to support growth of new and existing businesses throughout the City of Franklin and greater Williamson County. The Chamber offers professional development opportunities, networking and business development oriented programs to support small, medium and large companies. Support from the City of Franklin assists in the Chamber's efforts to grow the local economy driving business growth and tourism to the City.

Williamson County Chamber of Commerce
Profit & Loss Budget Overview

Exhibit D
Chamber activity only

	January through December 2019												TOTAL
	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan - Dec 19
Income													
Membership Revenue													
Corporate Memberships	30,000.00	7,500.00	32,500.00	17,500.00	17,500.00	5,000.00	5,000.00	17,500.00	17,500.00	30,000.00	10,000.00	10,000.00	200,000.00
Member Renewals	38,000.00	30,000.00	27,000.00	28,000.00	26,000.00	33,000.00	43,000.00	43,000.00	35,000.00	40,000.00	27,000.00	19,019.00	389,019.00
New Memberships	14,000.00	10,500.00	10,500.00	10,500.00	12,500.00	12,500.00	9,500.00	10,500.00	9,500.00	9,500.00	8,000.00	7,500.00	125,000.00
Total Membership Revenue	82,000.00	48,000.00	70,000.00	56,000.00	56,000.00	50,500.00	57,500.00	71,000.00	62,000.00	79,500.00	45,000.00	36,519.00	714,019.00
Non-Dues Income													
Advertising Income													
Hot Deals	350.00	25.00	75.00	0.00	100.00	200.00	175.00	125.00	75.00	100.00	100.00	100.00	1,425.00
Newsletter & Media	75.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	275.00
Total Advertising Income	425.00	25.00	75.00	200.00	100.00	200.00	175.00	125.00	75.00	100.00	100.00	100.00	1,700.00
Event Revenue													
Annual Meeting	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	45,750.00	0.00	45,750.00
Business Expo	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43,500.00	0.00	0.00	43,500.00
Mixers	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	5,000.00
Outlook Williamson	0.00	0.00	0.00	50,460.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50,460.00
Williamson Forward	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Event Revenue	0.00	0.00	2,500.00	50,460.00	0.00	0.00	0.00	2,500.00	0.00	43,500.00	45,750.00	0.00	144,710.00
Investment Partners													
Affinity Partnerships	10,003.24	6,259.06	1,771.52	0.00	699.87	10,218.00	1,167.18	872.94	0.00	839.48	1,100.00	1,100.00	34,031.29
Civic Partnerships	0.00	0.00	6,250.00	0.00	0.00	6,250.00	10,000.00	0.00	6,250.00	0.00	0.00	6,250.00	35,000.00
Total Investment Partners	10,003.24	6,259.06	8,021.52	0.00	699.87	16,468.00	11,167.18	872.94	6,250.00	839.48	1,100.00	7,350.00	69,031.29
Member Services													
Mailing Labels	0.00	0.00	0.00	0.00	250.00	0.00	0.00	300.00	0.00	50.00	50.00	50.00	700.00
Name Tags	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Ribbon Cuttings	0.00	425.00	450.00	850.00	450.00	1,250.00	725.00	2,000.00	425.00	1,000.00	1,000.00	1,000.00	9,575.00
Room Rental Income	310.00	735.00	525.00	925.00	485.00	125.00	125.00	725.00	575.00	500.00	500.00	500.00	6,030.00
Total Member Services	360.00	1,210.00	1,025.00	1,825.00	1,235.00	1,425.00	900.00	3,075.00	1,050.00	1,600.00	1,600.00	1,600.00	16,905.00
Other	69.33	62.66	319.41	67.20	69.48	67.28	76.23	83.40	80.75	75.00	75.00	75.00	1,120.74
Programs & Meetings Revenue													
Business Luncheon	0.00	7,975.00	0.00	0.00	0.00	27,375.00	36,175.00	0.00	28,600.00	0.00	0.00	0.00	100,125.00
Chamber 101	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
First Friday	0.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	0.00	10,000.00
Legislative Update	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.33	208.37	2,500.00

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January through December 2019													TOTAL
	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan - Dec 19
Member Connect	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nolensville	0.00	1,900.00	0.00	0.00	1,900.00	0.00	0.00	1,900.00	0.00	0.00	1,400.00	0.00	7,100.00
Non-Profit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Women In Business	6,600.00	0.00	6,600.00	0.00	5,950.00	0.00	0.00	15,200.00	0.00	6,600.00	0.00	5,950.00	46,900.00
Young Professionals	0.00	3,400.00	2,500.00	3,400.00	2,500.00	3,400.00	2,500.00	0.00	3,400.00	0.00	3,400.00	0.00	24,500.00
Total Programs & Meetings Revenue	6,808.33	14,483.33	10,308.33	4,608.33	11,558.33	31,983.33	39,883.33	18,308.33	33,208.33	7,808.33	6,008.33	6,158.37	191,125.00
Total Non-Dues Income	17,665.90	22,040.05	22,249.26	57,160.53	13,662.68	50,143.61	52,201.74	24,964.67	40,664.08	53,922.81	54,633.33	15,283.37	424,592.03
Total Income	99,665.90	70,040.05	92,249.26	113,160.53	69,662.68	100,643.61	109,701.74	95,964.67	102,664.08	133,422.81	99,633.33	51,802.37	1,138,611.03
Gross Profit	99,665.90	70,040.05	92,249.26	113,160.53	69,662.68	100,643.61	109,701.74	95,964.67	102,664.08	133,422.81	99,633.33	51,802.37	1,138,611.03
Expense													
Committee Costs													
Board of Directors Meetings	3,000.00	0.00	200.00	0.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	200.00	3,600.00
Gifts and Awards	75.00	0.00	75.00	0.00	0.00	75.00	0.00	75.00	0.00	0.00	0.00	0.00	300.00
Membership Committee	0.00	200.00	0.00	200.00	0.00	200.00	0.00	0.00	0.00	0.00	200.00	0.00	800.00
Total Committee Costs	3,075.00	200.00	275.00	200.00	0.00	275.00	200.00	75.00	0.00	0.00	200.00	200.00	4,700.00
Event Expense													
Annual Meeting	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24,751.00	0.00	24,751.00
Business Expo	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,500.00	0.00	0.00	12,500.00
Mixers	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	2,000.00
Outlook Williamson	0.00	0.00	0.00	20,290.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,290.00
Williamson Forward	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Event Expense	0.00	0.00	1,000.00	20,290.00	0.00	0.00	0.00	1,000.00	0.00	12,500.00	24,751.00	0.00	59,541.00
Operations													
Advertising	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6,000.00
Contract Services													
Accounting Fees	3,750.00	3,750.00	10,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	52,000.00
Legal Fees	0.00	0.00	0.00	0.00	0.00	240.00	0.00	0.00	0.00	0.00	0.00	0.00	240.00
Outside Contract Services	0.00	150.00	0.00	0.00	150.00	0.00	0.00	150.00	0.00	0.00	150.00	0.00	600.00
Total Contract Services	3,750.00	3,900.00	10,750.00	3,750.00	3,900.00	3,990.00	3,750.00	3,900.00	3,750.00	3,750.00	3,900.00	3,750.00	52,840.00
Credit Card Processing Fees	641.59	905.97	2,865.90	1,102.19	1,027.31	1,321.95	2,023.86	2,023.86	1,538.88	1,100.00	1,100.00	1,100.00	16,751.51
Depreciation Expense	414.44	414.44	414.44	414.44	414.44	414.44	414.44	414.44	414.44	414.44	414.44	414.44	4,973.28
Dues and Subscriptions	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	4,200.00
Facilities and Equipment	1,590.00	1,090.00	890.00	890.00	790.00	890.00	1,090.00	890.00	890.00	890.00	890.00	1,090.00	11,880.00
Insurance													

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January through December 2019													TOTAL
	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan - Dec 19
Directors and Officers	249.58	249.58	249.58	249.58	249.58	249.58	249.58	249.58	249.62	249.58	249.58	249.58	2,995.00
Events Liability	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
General Liability	332.00	97.00	97.00	97.00	97.00	97.00	97.00	97.00	97.00	97.00	97.00	97.00	1,399.00
Workers Comp	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	3,000.00
Total Insurance	831.58	596.58	596.58	596.58	596.58	596.58	596.58	596.58	596.62	596.58	596.58	596.58	7,394.00
Miscellaneous	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	3,600.00
Office Rent	11,904.25	11,904.25	16,904.25	11,904.25	11,904.25	11,904.25	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	166,425.50
Office Supplies & Services	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	7,200.00
Postage, Delivery and Mailings	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	3,600.00
Printing	600.00	6,200.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	12,800.00
Shared Services Ops Credit	-10,192.00	-10,192.00	-10,192.00	-10,192.00	-10,192.00	-10,192.00	-10,701.00	-10,701.00	-10,701.00	-10,701.00	-10,701.00	-10,701.00	-125,358.00
Technology													
Hardware and Software	2,465.00	2,465.00	2,465.00	2,465.00	2,465.00	2,465.00	2,465.00	2,465.00	2,465.00	2,465.00	2,465.00	2,465.00	29,580.00
System Maintenance and Repair	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Website Hosting and Maintenance	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	9,600.00
Total Technology	3,265.00	3,265.00	3,265.00	3,265.00	3,265.00	3,265.00	3,265.00	3,265.00	3,265.00	3,265.00	3,265.00	3,265.00	39,180.00
Telephone													
Cell Phone & iPad	572.00	572.00	572.00	572.00	572.00	572.00	572.00	572.00	572.00	572.00	572.00	572.00	6,864.00
Office Telephone	655.00	655.00	655.00	655.00	655.00	655.00	655.00	655.00	655.00	655.00	655.00	655.00	7,860.00
Total Telephone	1,227.00	1,227.00	1,227.00	1,227.00	1,227.00	1,227.00	1,227.00	1,227.00	1,227.00	1,227.00	1,227.00	1,227.00	14,724.00
Total Operations	16,081.86	21,361.24	29,371.17	15,607.46	15,582.58	16,067.22	19,315.88	19,265.88	18,630.94	18,192.02	18,342.02	18,392.02	226,210.29
Payroll Expenses													
Bonus/Commissions	7,708.00	7,708.00	7,708.00	7,708.00	7,708.00	7,708.00	7,708.00	7,708.00	7,708.00	7,708.00	7,708.00	7,708.00	92,496.00
Employee Benefits	5,100.00	5,100.00	5,100.00	5,100.00	5,100.00	5,100.00	5,100.00	5,100.00	5,100.00	5,100.00	5,100.00	5,100.00	61,200.00
Payroll Fees	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	12,000.00
Payroll Taxes	5,227.55	5,227.55	5,227.55	5,227.55	5,227.55	5,227.55	5,227.55	5,227.55	5,227.55	5,227.55	5,227.55	5,227.55	62,730.60
Salaries and Wages	60,626.00	60,626.00	60,626.00	60,626.00	60,626.00	60,626.00	60,626.00	60,626.00	60,626.00	60,626.00	60,626.00	60,626.00	727,512.00
Shared Services Payroll Credit	-18,683.00	-18,683.00	-18,683.00	-18,683.00	-18,683.00	-18,683.00	-18,683.00	-18,683.00	-18,683.00	-18,683.00	-18,683.00	-18,683.00	-224,196.00
Total Payroll Expenses	60,978.55	60,978.55	60,978.55	60,978.55	60,978.55	60,978.55	60,978.55	60,978.55	60,978.55	60,978.55	60,978.55	60,978.55	731,742.60
Programs & Meetings Expense													
Business Luncheon	0.00	3,675.00	0.00	0.00	0.00	10,375.00	16,175.00	0.00	7,600.00	0.00	0.00	0.00	37,825.00
First Friday	0.00	445.45	445.45	445.45	445.45	445.45	445.45	445.45	445.45	445.45	445.45	45.50	4,500.00
Legislative Update	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	360.00
Nolensville	0.00	945.00	0.00	0.00	945.00	0.00	0.00	945.00	0.00	0.00	535.00	0.00	3,370.00

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Non-Profit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Women In Business	3,500.00	0.00	3,500.00	0.00	3,200.00	0.00	0.00	5,200.00	0.00	3,500.00	0.00	2,800.00	21,700.00
Young Professionals	0.00	1,000.00	700.00	1,000.00	700.00	1,000.00	700.00	1,000.00	0.00	0.00	1,000.00	0.00	7,100.00
Total Programs & Meetings Expense	3,530.00	6,095.45	4,675.45	1,475.45	5,320.45	11,850.45	17,350.45	7,620.45	8,075.45	3,975.45	2,010.45	2,875.50	74,855.00
Travel and Meetings													
Conference, Convention, Meeting	0.00	1,000.00	0.00	0.00	0.00	1,000.00	0.00	0.00	1,000.00	0.00	0.00	1,000.00	4,000.00
Meals & Entertainment	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	7,200.00
Staff Training and Education	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6,000.00
Travel and Mileage	400.00	517.02	417.86	552.39	513.38	593.27	613.92	734.99	574.66	750.00	750.00	750.00	7,167.49
Total Travel and Meetings	1,500.00	2,617.02	1,517.86	1,652.39	1,613.38	2,693.27	1,713.92	1,834.99	2,674.66	1,850.00	1,850.00	2,850.00	24,367.49
WCC Foundation Support	0.00	0.00	0.00	0.00	7,500.00	0.00	0.00	0.00	0.00	0.00	7,500.00	0.00	15,000.00
Total Expense	85,165.41	91,252.26	97,818.03	100,203.85	90,994.96	91,864.49	99,558.80	90,774.87	90,359.60	97,496.02	115,632.02	85,296.07	1,136,416.38
Net Income	14,500.49	-21,212.21	-5,568.77	12,956.68	-21,332.28	8,779.12	10,142.94	5,189.80	12,304.48	35,926.79	-15,998.69	-33,493.70	2,194.65