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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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
▶ Information about Form 990 and its instructions is at www.IRS.gov/form990

OMB No 1545-0047

2014

Open to Public Inspection

A For the 2014 calendar year, or tax year beginning 01-01-2014 , and ending 12-31-2014

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

C Name of organization
Tennessee Aquarium

Doing business as

Number and street (or P O box if mail is not delivered to street address) PO Box 11048 | Room/suite

City or town, state or province, country, and ZIP or foreign postal code
Chattanooga, TN 37401

D Employer identification number
58-1837154

E Telephone number
(423) 265-0695

G Gross receipts $ 23,314,569

F Name and address of principal officer
Gordon Stalans
201 Chestnut Street
Chattanooga, TN 37402

H(a) Is this a group return for subordinates? ☐ Yes ☑ No

H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ www tnaqua org

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1989

M State of legal domicile TN

Part I Summary

1 Briefly describe the organization's mission or most significant activities
The Tennessee Aquariums mission is to inspire wonder, appreciation and protection of water and all life that it sustains The Aquarium is a vital link connecting people to freshwater and the ocean beyond Our excellent exhibits and dynamic living collection entertain and inform

2 Check this box ▶☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	18
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	18
5	Total number of individuals employed in calendar year 2014 (Part V, line 2a)	**5**	360
6	Total number of volunteers (estimate if necessary)	**6**	550
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	647,365
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	4,414,272	3,983,168
9	Program service revenue (Part VIII, line 2g)	13,088,472	13,512,405
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	377,553	507,135
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,751,260	2,739,372
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	20,631,557	20,742,080
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)		0
14	Benefits paid to or for members (Part IX, column (A), line 4)		0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	8,795,840	8,607,876
16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶886,163		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	10,666,311	11,463,541
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	19,462,151	20,071,417
19	Revenue less expenses Subtract line 18 from line 12	1,169,406	670,663

		Beginning of Current Year	End of Year
Net Assets or Fund Balances			
20	Total assets (Part X, line 16)	73,276,350	72,836,947
21	Total liabilities (Part X, line 26)	26,670,166	25,824,134
22	Net assets or fund balances Subtract line 21 from line 20	46,606,184	47,012,813

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 — Date: 2015-08-05

Gordon Stalans Director of Finance
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Gordon Stalans	Gordon Stalans	2015-08-05		

Firm's name ▶ | Firm's EIN ▶

Firm's address ▶ | Phone no (423) 785-2054

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

The Tennessee Aquariums mission is to inspire wonder, appreciation and protection of water and all life that it sustains The Aquarium is a vital link connecting people to freshwater and the ocean beyond Our excellent exhibits and dynamic living collection entertain and inform

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 $ 16,688,490 including grants of $) (Revenue $)

Approximately 710,000 people visited the Aquarium, where they were able to observe and interact with a dynamic living collection to learn concepts about conservation and education Included in overall attendance numbers were school children on class trips, home school trips and summer camps Many of these groups learned more about the environment through gallery programs and innovative education presentations Aquarium staff were able to expand its collection of animals including many threatened and endangered species due to the high level and care they are able to provide Through education programs designed to be used with exhibits that focus on the Southeastern United States, the Aquarium continued to empower current and future generations to conserve our natural world Aquarium Education staff take the message outside of Aquarium walls through the Outreach program which provided over 1,000,000 in free education programs and services to schools and communities within a one hundred and fifty mile radius of Chattanooga

4b (Code) (Expenses $ 706,926 including grants of $) (Revenue $)

Throughout the year, the Tennessee Aquarium IMAX Theater provided further enrichment of our conservation and education programs to over 205,000 people In 2014, the theater presented the following conservation and natural science themed films Hubble, Born to be Wild, Great White Shark, Flight of the Butterflies, Galapagos, Journey to the South Pacific, Titans of the Ice Age and Penguins

4c (Code) (Expenses $ 571,182 including grants of $) (Revenue $)

During the year, the Aquarium operated a 70-passenger high-speed catamaran transporting over 25,000 guests into the Tennessee River Gorge During the trip, Naturalists provide information about the protected habitat of the Gorge whole recounting some of the areas rich history and pointing out wildlife along the way

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ 17,966,598

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)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
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? *If "Yes," complete Schedule C, Part II*	4		No
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 Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
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? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
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? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
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? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
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? *If "Yes," complete Schedule D, Part VII*	11b		No
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? *If "Yes," complete Schedule D, Part VIII*	11c		No
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? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
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)? *If "Yes," complete Schedule D, Part X*	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a	Yes	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b		No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
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? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
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? *If "Yes," complete Schedule F, Parts II and IV*	15		No
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? *If "Yes," complete Schedule F, Parts III and IV*	16		No
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? *If "Yes," complete Schedule G, Part I* (see instructions)	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	Yes	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		No
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

Part IV Checklist of Required Schedules *(continued)*

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? *If "Yes," complete Schedule I, Parts I and II*	**21**		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? *If "Yes," complete Schedule I, Parts I and III*	**22**		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? *If "Yes," complete Schedule J*	**23**	Yes	
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? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
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?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
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? *If "Yes," complete Schedule L, Part I*	**25a**		No
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? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		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? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**	Yes	
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)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		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? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	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 . .	1a	8		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c			
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	360		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b			No
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b		Yes	
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)?	4a			No
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? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
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? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
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?	7a		Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
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?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			No
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			No
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?	8			
9a	Did the sponsoring organization make any taxable distributions under section 4966? . . .	9a			
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . .	9b			
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			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a 18		
	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 in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent	1b 18		
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?	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	5		No
6	Did the organization have members or stockholders?	6		No
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?	7a		No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
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*	9		No

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?	10a		No
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?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in 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*	12a	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14	Yes	
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	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line 15a or 15b, describe the process in 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?	16a		No
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?	16b		

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 Form 1023 (or 1024 if applicable), 990, and 990-T (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

▶ Gordon Stalans
201 Chestnut Street
Chattanooga, TN 37402 (423) 785-2054

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 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 and/or Box 7 of Form 1099-MISC) 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

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ 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)	(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			
(1) Ted Alling Trustee	1 00	X						0	0	0
(2) Katherine Currin Trustee	1 00	X						0	0	0
(3) John Foy Trustee	1 00	X						0	0	0
(4) Sheldon Grizzle Trustee	1 00	X						0	0	0
(5) Elizabeth Hammitt Trustee	1 00	X						0	0	0
(6) Barbara Haskew Trustee	1 00	X						0	0	0
(7) Will Martin Trustee	1 00	X						0	0	0
(8) Franklin McCallie Trustee	1 00	X						0	0	0
(9) Phil Oldham Trustee	1 00	X						0	0	0
(10) John Phillips Jr Trustee	1 00	X						0	0	0
(11) Tahnika Rodriguez Trustee	1 00	X						0	0	0
(12) Keith Sanford Trustee	1 00	X						0	0	0
(13) Alice Smith Trustee	1 00	X						0	0	0
(14) Greg Vital Trustee	1 00	X						0	0	0

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) Aaron Webb Trustee	1 00	X						0	0	0
(16) Frank Williamson Trustee, Chair	2 00	X		X				0	0	0
(17) John Giblin Trustee, Chair Elect	2 00	X		X				0	0	0
(18) Ward Davenport Trustee, Treasurer	2 00	X		X				0	0	0
(19) Kim Honeycutt Trustee, Secretary	2 00	X		X				0	0	0
(20) Charles L Arant President	40 00					X		264,053	0	0
(21) Jackson Andrews Director of Husbandry/Ops	40 00					X		137,016	0	0
(22) Gordon Stalans Director of Finance/IT	40 00					X		139,223	0	0
(23) Cynthia Todd Chief Marketing Branding Officer	40 00					X		105,414	0	0

1b	**Sub-Total** . . . . . ▶			
c	**Total from continuation sheets to Part VII, Section A** . . . . ▶			
d	**Total (add lines 1b and 1c)** . . . . . ▶	645,706		

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 ▶ 4

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**3**		No
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? *If "Yes," complete Schedule J for such individual*	**4**	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	**5**		No

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
First Tennessee Bank 601 Market Street Chattanooga, TN 37402	Debt interest	857,920
Counts Company 102 Cedar Lane Chattanooga, TN 37421	Exhibit construction	860,827
Franklin Architects, 142 N Market Street Chattanooga, TN 37405	Architecture fees	208,366
Charles Products Inc, 12290 Wilkins Avenue Rockville, MD 20852	Inventory for gift shop sales	176,053
Chattanooga Visitors Bureau 736 Market Street Chattanooga, TN 37402	Advertising	391,379

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 ▶ 5

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 1,080				
	b	Membership dues	1b 1,921,443				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e 190,335				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 1,870,310				
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f	▶	3,983,168			
Program Service Revenue			Business Code				
	2a	Admissions revenue	713990	12,135,490	12,135,490		
	b	Education program fees	611710	382,500	382,500		
	c	Parking fees	812930	554,837	554,837		
	d	Photography fees	713990	439,578	439,578		
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f	▶	13,512,405			
	3	Investment income (including dividends, interest, and other similar amounts)	▶	281,017			281,017
	4	Income from investment of tax-exempt bond proceeds	▶				
	5	Royalties	▶				
			(i) Real / (ii) Personal				
	6a	Gross rents	454,541				
	b	Less rental expenses	192,038				
	c	Rental income or (loss)	262,503				
	d	Net rental income or (loss)	▶	262,503	262,503		
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	1,338,122				
	b	Less cost or other basis and sales expenses	1,112,004				
	c	Gain or (loss)	226,118				
	d	Net gain or (loss)	▶	226,118			
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a 161,367				
	b	Less direct expenses	b 38,797				
	c	Net income or (loss) from fundraising events	▶	122,570			
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities	▶				
	10a	Gross sales of inventory, less returns and allowances	a 3,159,109				
	b	Less cost of goods sold	b 1,229,650				
	c	Net income or (loss) from sales of inventory	▶	1,929,459	1,447,094	482,365	
		Miscellaneous Revenue	Business Code				
	11a	Sponsorship income	713990	226,164	226,164		
	b	Contract administrative services revenue	541610	165,000		165,000	
	c	Other income	713990	6,248	6,248		
	d	All other revenue		27,428			27,428
	e	**Total.** Add lines 11a–11d	▶	424,840			
	12	**Total revenue.** See Instructions	▶	20,742,080	15,454,414	647,365	308,445

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	0			
2 Grants and other assistance to domestic individuals See Part IV, line 22	0			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	262,508	210,006	26,251	26,251
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	6,704,399	6,126,878	226,985	350,536
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	373,780	337,153	14,972	21,655
9 Other employee benefits	772,815	699,515	30,780	42,520
10 Payroll taxes	494,374	449,073	17,247	28,054
11 Fees for services (non-employees)				
a Management	0			
b Legal	5,456		5,456	
c Accounting	29,338		29,338	
d Lobbying	0			
e Professional fundraising services See Part IV, line 17				
f Investment management fees	21,025		21,025	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	828,280	723,018	55,839	49,423
12 Advertising and promotion	1,057,150	826,967	99,190	130,993
13 Office expenses	1,061,933	948,612	59,304	54,017
14 Information technology	261,070	229,481	24,540	7,049
15 Royalties	303,455	303,455		
16 Occupancy	1,984,917	1,752,115	194,093	38,709
17 Travel	78,504	71,419	3,532	3,553
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	31,677	26,554	1,717	3,406
20 Interest	857,920	686,336	85,792	85,792
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	3,546,904	3,265,606	269,023	12,275
23 Insurance	0			
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 Film print costs	120,340	120,340		
b Repairs Maintenance	528,256	499,970	27,381	905
c Speciman care	304,425	304,425		
d Taxes Licenses	104,286	85,312	9,803	9,171
e All other expenses	338,605	300,363	16,388	21,854
25 **Total functional expenses.** Add lines 1 through 24e	20,071,417	17,966,598	1,218,656	886,163
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 ▶ ☐ 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 X . . . . . ☑

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		1,694,560	1	1,584,925
	2	Savings and temporary cash investments		463,144	2	304,453
	3	Pledges and grants receivable, net		1,136,567	3	2,174,568
	4	Accounts receivable, net		389,280	4	387,138
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		202,147	8	232,771
	9	Prepaid expenses and deferred charges		381,972	9	285,538
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 119,078,532			
	b	Less accumulated depreciation	10b 61,753,330	59,058,634	10c	57,325,202
	11	Investments—publicly traded securities		9,837,533	11	10,427,559
	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		112,513	15	114,793
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		73,276,350	16	72,836,947
Liabilities	17	Accounts payable and accrued expenses		1,705,563	17	1,322,824
	18	Grants payable			18	
	19	Deferred revenue		932,632	19	942,038
	20	Tax-exempt bond liabilities		19,945,021	20	19,365,446
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		3,575,729	23	3,421,700
	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		511,221	25	772,126
	26	**Total liabilities.** Add lines 17 through 25		26,670,166	26	25,824,134
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		44,180,485	27	44,216,573
	28	Temporarily restricted net assets		2,422,567	28	2,793,108
	29	Permanently restricted net assets		3,132	29	3,132
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		46,606,184	33	47,012,813
	34	Total liabilities and net assets/fund balances		73,276,350	34	72,836,947

Part XI Reconcilliation 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	20,742,080
2	Total expenses (must equal Part IX, column (A), line 25)	2	20,071,417
3	Revenue less expenses Subtract line 2 from line 1	3	670,663
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	46,606,184
5	Net unrealized gains (losses) on investments	5	-264,034
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	47,012,813

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 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
	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?	2b	Yes	
	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?	2c	Yes	
	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?	3a		No
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 in Schedule O and describe any steps taken to undergo such audits	3b		

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SCHEDULE A (Form 990 or 990EZ)

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.**

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Tennessee Aquarium

Employer identification number
58-1837154

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 11, 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)

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 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)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ 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 in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g

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- 9 above or IRC section (see instructions))	(iv) Is the organization listed in your governing document? Yes	(iv) No	(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
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 fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	2,351,502	2,406,494	3,074,960	4,414,272	3,983,168	16,230,396
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						
4 **Total.** Add lines 1 through 3	2,351,502	2,406,494	3,074,960	4,414,272	3,983,168	16,230,396
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)						
6 **Public support.** Subtract line 5 from line 4						16,230,396

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
7 Amounts from line 4	2,351,502	2,406,494	3,074,960	4,414,272	3,983,168	16,230,396
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	554,461	131,582	153,060	100,521	281,017	1,220,641
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)	14,594,059	14,266,118	17,653,613	15,013,439	15,454,414	76,981,643
11 **Total support** Add lines 7 through 10						94,432,680

12 Gross receipts from related activities, etc (see instructions) **12**

13 **First five 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

14 Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f))	**14**	17 190 %
15 Public support percentage for 2013 Schedule A, Part II, line 14	**15**	18 760 %

16a **33 1/3% support test—2014.** 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 ▶☐

b **33 1/3% support test—2013.** 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—2014.** 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 ▶☑

b **10%-facts-and-circumstances test—2013.** 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 9 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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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 in 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 five 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 2014 (line 8, column (f) divided by line 13, column (f))	15	0 %
16	Public support percentage from 2013 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2014** (line 10c, column (f) divided by line 13, column (f))	17	0 %
18	Investment income percentage from **2013** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2014.** 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—2013.** 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 11 of Part I If you checked 11a of Part I, complete Sections A and B If you checked 11b of Part I, complete Sections A and C If you checked 11c of Part I, complete Sections A, D, and E If you checked 11d 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.*	1		
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).*	2		
3a	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? *If "Yes," answer (b) and (c) below.*	3a		
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.*	3b		
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.*	3c		
4a	Was any supported organization not organized in the United States ("foreign supported organization")? *If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.*	4a		
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.* . . .	4b		
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.*	4c		
5a	Did the organization add, substitute, or remove any supported organizations during the tax year? *If "Yes," answer (b) and (c) 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).*	5a		
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?	5b		
c	**Substitutions only.** Was the substitution the result of an event beyond the organization's control?	5c		
6	Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations, (b) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (c) 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.***	6		
7	Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? *If "Yes," complete Part I of Schedule L (Form 990) .*	7		
8	Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? *If "Yes," complete Part II of Schedule L (Form 990).*	8		
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.***	9a		
b	Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? *If "Yes," provide detail in* ***Part VI.***	9b		
c	Did a disqualified person (as defined in line 9(a)) 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.***	9c		
10a	Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? *If "Yes," answer b below.*	10a		
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).*	10b		
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 in (b) and (c) below, the governing body of a supported organization?	11a		
b	A family member of a person described in (a) above?	11b		
c	A 35% controlled entity of a person described in (a) or (b) above? *If "Yes" to a, b, or c, provide detail in Part VI.*	11c		

Part IV Supporting Organizations (continued)

Section B. Type I Supporting Organizations

		Yes	No
1	Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's 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 directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.*	1		
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.*	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, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?	1		
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).*	2		
3	By reason of the relationship described in (2), 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.*	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** ☐ The organization satisfied the Activities Test Complete **line 2** below
- **b** ☐ The organization is the parent of each of its supported organizations Complete **line 3** below
- **c** ☐ The organization supported a governmental entity Describe in Part VI how you supported a government entity (see instructions)

			Yes	No
2	Activities Test **Answer (a) and (b) 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? *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.*	2a		
b	Did the activities described in (a) 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.*	2b		
3	Parent of Supported Organizations **Answer (a) and (b) 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? *Provide details in Part VI.*	3a		
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.*	3b		

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 **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 (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 1-1/2% 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 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)			

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 **Total annual distributions.** Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2014 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1 Distributable amount for 2014 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2014 (reasonable cause required--see instructions)			
3 Excess distributions carryover, if any, to 2014			
a From 2009.			
b From 2010.			
c From 2011.			
d From 2012.			
e From 2013.			
f **Total** of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2014 distributable amount			
i Carryover from 2009 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2014 from Section D, line 7 $			
a Applied to underdistributions of prior years			
b Applied to 2014 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2014, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
6 Remaining underdistributions for 2014 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
7 **Excess distributions carryover to 2015.** Add lines 3j and 4c			
8 Breakdown of line 7			
a From 2010.			
b From 2011.			
c From 2012.			
d From 2013.			
e From 2014.			

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
Part II Section D Line 10 Other income is comprised of related or exempt function revenue from page 9, part VIII, column B

Return Reference	Explanation
Part II Section C Line 17a	Organization maintains a development and membership department that solicits funds from the general public, community groups, members, government and other charities Support comes from periodic capital campaigns, government grants and other grants The governing board is diverse and represents the public interest The organization provides facilities that are open daily for the general public to develop an appreciation of the natural world

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.
Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Tennessee Aquarium

Employer identification number
58-1837154

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to 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" to 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 (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 8/17/06, 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, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, 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" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (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 SFAS 116 (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 in 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 SFAS 116 (ASC 958) relating to these items

a Revenue included in 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" to 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" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	b (c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	2,088,650	1,683,428	1,515,512		
b Contributions	3,132			1,515,512	
c Net investment earnings, gains, and losses	-4,341	405,222	167,916		
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	2,087,441	2,088,650	1,683,428	1,515,512	

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

- a Board designated or quasi-endowment ▶ 72 000 %
- b Permanent endowment ▶
- c Temporarily restricted endowment ▶ 28 000 %

The percentages in 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" to 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' to 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		4,484,445		4,484,445
b Buildings		83,818,795	37,401,335	46,417,460
c Leasehold improvements		894,325	894,325	
d Equipment		25,131,879	21,275,053	3,856,826
e Other		4,749,088	2,182,617	2,566,471
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				57,325,202

Part VII **Investments—Other Securities.** Complete if the organization answered 'Yes' to 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) Financial derivatives and other financial products		
(B) Closely-held equity interests		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII **Investments—Program Related.** Complete if the organization answered 'Yes' to 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
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶		

Part IX **Other Assets.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

Part X **Other Liabilities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1 (a) Description of liability	(b) Book value
Federal income taxes	
Federal income taxes	
Interest Rate Swap Liability	772,126
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	772,126

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' to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements			1	22,492,476
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains (losses) on investments	2a	-4,780		
b	Donated services and use of facilities	2b	285,000		
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d	1,491,201		
e	Add lines **2a** through **2d**			2e	1,771,421
3	Subtract line **2e** from line **1**			3	20,721,055
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	21,025		
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	21,025
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	20,742,080

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return. Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements			1	22,109,497
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a	285,000		
b	Prior year adjustments	2b			
c	Other losses	2c	1,774,105		
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	2,059,105
3	Subtract line **2e** from line **1**			3	20,050,392
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	21,025		
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	21,025
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	20,071,417

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
XI 2d	Cost of goods sold 1,229,650, facility rental expenses 192,038, fundraiser direct expenses 38,797, subsidiary revenue 29,065, Gain on sale of fixed assets 1,651
XII 2d	Cost of goods sold 1,229,650, facility rental expenses 192,038, fundraiser direct expenses 38,797, subsidiary expenses 52,715, loss on value of derivative 260,905

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.

▶ **Attach to Form 990 or Form 990-EZ.**

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Tennessee Aquarium

Employer identification number
58-1837154

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities Check all that apply

- **a** ☐ Mail solicitations
- **b** ☐ Internet and email solicitations
- **c** ☐ Phone solicitations
- **d** ☐ In-person solicitations
- **e** ☐ Solicitation of non-government grants
- **f** ☐ Solicitation of government grants
- **g** ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization

	(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	No	**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col **(i)**	**(vi)** Amount paid to (or retained by) organization
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
Total . . . . . ▶							

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing

Part II **Fundraising Events.** Complete if the organization answered "Yes" to 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 Serve Protect (event type)	(b) Event #2 (event type)	(c) Other events (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	161,367			161,367
	2 Less Contributions				
	3 Gross income (line 1 minus line 2)	161,367			161,367
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	38,797			38,797
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(38,797)
	11 Net income summary Subtract line 10 from line 3, column (d) ▶				122,570

Part III **Gaming.** Complete if the organization answered "Yes" to 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 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ____% ☐ No	☐ Yes ____% ☐ No	☐ Yes ____% ☐ 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 activities 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 ▶ .....

15a 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 distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $

Part IV **Supplemental Information.** Provide the explanations 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).

Return Reference	Explanation

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**

▶ **Attach to Form 990.**

▶ **Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Tennessee Aquarium

Employer identification number
58-1837154

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items			
	☐ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax idemnification and gross-up payments	☑ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III			
	☑ Compensation committee	☐ Written employment contract		
	☐ Independent compensation consultant	☑ Compensation survey or study		
	☑ Form 990 of other organizations	☑ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column(B) reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 Charles L Arant, President	(i)	250,000	12,431	1,622	17,968		282,021	
	(ii)							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II
Also complete this part for any additional information

Return Reference	Explanation

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
▶ Attach to Form 990.
▶ Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Tennessee Aquarium

Employer identification number
58-1837154

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	Industrial Development Board of Hamilton County	52-1303489		12-31-2010	21,500,000	Refinance existing bonds		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	21,500,000			
2	Amount of bonds legally defeased				
3	Total proceeds of issue				
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	86,537			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds				
11	Other spent proceeds	21,413,463			
12	Other unspent proceeds				
13	Year of substantial completion				

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X							
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X						
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X						

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?		X						
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		2 000 %						
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶		2 000 %						
6	Total of lines 4 and 5		4 000 %						
7	Does the bond issue meet the private security or payment test?								
8a	Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?	X							

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?	X							
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?								
b	Exception to rebate?								
c	No rebate due?								
	If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?	X							
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	X							
b	Name of provider	First Horizon							
c	Term of hedge	0000000012 000000000000							
d	Was the hedge superintegrated?		X						
e	Was the hedge terminated?		X						

Part IV Arbitrage *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		X						
b	Name of provider								
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6	Were any gross proceeds invested beyond an available temporary period?		X						
7	Has the organization established written procedures to monitor the requirements of section 148?								

Part V Procedures To Undertake Corrective Action

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?								

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K (see instructions).

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**

▶ **Attach to Form 990 or Form 990-EZ.**

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Tennessee Aquarium

Employer identification number
58-1837154

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only)

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	**(a)** Name of disqualified person	**(b)** Relationship between disqualified person and organization	**(c)** Description of transaction	**(d)** Corrected? Yes	No

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958 . . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	**(b)** Relationship with organization	**(c)** Purpose of loan	**(d)** Loan to or from the organization? To	From	**(e)** Original principal amount	**(f)** Balance due	**(g)** In default? Yes	No	**(h)** Approved by board or committee? Yes	No	**(i)** Written agreement? Yes	No

Total ▶ $			

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	**(b)** Relationship between interested person and the organization	**(c)** Amount of assistance	**(d)** Type of assistance	**(e)** Purpose of assistance

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) Blue Cross Blue Shield of Tennessee	Current trustee is CFO	619,755	Health insurance provider payment		No
(2) First Tennessee Bank	Current trustee is City President	857,920	Debt interest payment		No

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L (see instructions)

Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization	Employer identification number
Tennessee Aquarium	58-1837154

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, Line 11	The organization provides a copy of the 990 to the Board of Directors for review
Form 990, Part VI, Section B, Line 12c	The organization requires members of the Board of Directors to read and sign a copy of the conflict of interest policy on an annual basis Members are given the opportunity to disc lose potential conflicts at that time
Form 990, Part VI, Section B, Line 15AB	Salary adjustments for the President are approved by the Executive Committee after reviewing market data and competitive salaries
Form 990, Part VI, Line 19	Governing documents, conflict of interest policy and financial statements are made available to the public upon request

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.
▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
Tennessee Aquarium

Employer identification number
58-1837154

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
(1) Tennessee Aquarium Research Institute One Broad Street Chattanooga, TN 37402 62-1648605	Aquatic research	TN	501c3	170b1avi	Tennessee Aquarium		No

Part III **Identification of Related Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No

Part V **Transactions With Related Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule			
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest, **(ii)** annuities, **(iii)** royalties, or **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c		No
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e		No
f Dividends from related organization(s)	1f		No
g Sale of assets to related organization(s)	1g		No
h Purchase of assets from related organization(s)	1h		No
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j		No
k Lease of facilities, equipment, or other assets from related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations for related organization(s)	1l		No
m Performance of services or membership or fundraising solicitations by related organization(s)	1m		No
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	Yes	
o Sharing of paid employees with related organization(s)	1o	Yes	
p Reimbursement paid to related organization(s) for expenses	1p	Yes	
q Reimbursement paid by related organization(s) for expenses	1q		No
r Other transfer of cash or property to related organization(s)	1r		No
s Other transfer of cash or property from related organization(s)	1s		No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) Tennessee Aquarium Research Institute	p	88,010	

Part VI **Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation

TENNESSEE AQUARIUM AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014

TENNESSEE AQUARIUM AND SUBSIDIARY

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elliott davis decosimo

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Tennessee Aquarium
Chattanooga, Tennessee

Report on the Financial Statements
We have audited the accompanying consolidated financial statements of Tennessee Aquarium and its subsidiary, which comprise the consolidated statement of financial position as of December 31, 2014, and the related consolidated statements of activities and changes in net assets, functional expenses 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Tennessee Aquarium and its subsidiary as of December 31, 2014, and the results of their operations and their cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America

Prior Period Financial Statements

The consolidated financial statements of Tennessee Aquarium and its subsidiary as of and for the year ended December 31, 2013, were audited by Joseph Decosimo and Company, PLLC, who merged with Elliott Davis Decosimo, LLC as of January 1, 2015, and whose report dated June 25, 2014, expressed an unmodified opinion on those statements

Chattanooga, Tennessee
June 30, 2015

TENNESSEE AQUARIUM AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2014 and 2013

	2014	2013
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 1,957,183	$ 2,225,633
Contributions receivable	730,800	422,031
Inventories	232,771	202,147
Accounts receivable	400,557	389,280
Prepaid expenses	285,539	381,972
Total current assets	3,606,850	3,621,063
PROPERTY AND EQUIPMENT		
Land	4,484,445	4,484,445
Buildings	83,818,795	83,818,795
Furniture, fixtures and equipment	30,469,969	28,106,391
Construction in progress	320,490	898,989
	119,093,699	117,308,620
Less accumulated depreciation	61,768,495	58,249,986
Property and equipment, net	57,325,204	59,058,634
OTHER ASSETS		
Contributions receivable, less current portion	1,443,768	714,536
Investments, at fair value	10,427,558	9,837,534
Other assets	101,374	112,514
Total other assets	11,972,700	10,664,584
TOTAL ASSETS	$ 72,904,754	$ 73,344,281
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 683,041	$ 809,455
Accrued expenses	750,220	985,875
Current portion of long-term debt	717,231	688,423
Deferred membership revenue	846,668	879,477
Other deferred revenue	95,372	50,201
Total current liabilities	3,092,532	3,413,431
LONG-TERM DEBT	22,069,971	22,832,383
INTEREST RATE SWAP OBLIGATION	772,126	511,221
NET ASSETS		
Unrestricted -		
Undesignated	42,089,576	42,072,897
Board designated for endowment	2,084,309	2,088,650
Total unrestricted	44,173,885	44,161,547
Temporarily restricted	2,793,108	2,422,567
Permanently restricted	3,132	3,132
Total net assets	46,970,125	46,587,246
TOTAL LIABILITIES AND NET ASSETS	$ 72,904,754	$ 73,344,281

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

TENNESSEE AQUARIUM AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Years Ended December 31, 2014 and 2013

	2014	2013
CHANGE IN UNRESTRICTED NET ASSETS		
Revenues, gains and support -		
Admissions	**$ 12,135,490**	$ 11,764,789
Ancillary sales	**4,159,771**	4,074,662
Membership dues	**1,921,443**	1,788,029
Net investment income	**481,330**	1,028,082
Contributions	**821,791**	1,060,457
Fundraising events	**161,367**	161,828
Other income	**1,257,284**	1,169,370
Change in fair value of interest rate swap obligation	**-**	632,791
Net assets released from restrictions	**1,183,459**	130,710
Total revenues, gains and support	**22,121,935**	21,810,718
Expenses -		
Programming	**9,107,866**	8,702,536
Guest services	**2,087,340**	2,132,458
Management and general	**2,770,849**	2,720,879
Marketing costs	**2,052,916**	1,877,265
Fundraising costs	**201,828**	296,244
Cost of ancillary sales	**1,229,651**	1,145,332
Financing costs	**857,919**	884,938
Depreciation and amortization	**3,540,323**	3,345,161
Change in fair value of interest rate swap obligation	**260,905**	-
Total expenses	**22,109,597**	21,104,813
Change in unrestricted net assets	**12,338**	705,905
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS		
Contributions	**1,554,000**	1,922,567
Net assets released from restrictions	**(1,183,459)**	(130,710)
Change in temporarily restricted net assets	**370,541**	1,791,857
CHANGE IN PERMANENTLY RESTRICTED NET ASSETS		
Contributions	-	3,132
CHANGE IN NET ASSETS	**382,879**	2,500,894
NET ASSETS - beginning of year	**46,587,246**	44,086,352
NET ASSETS - end of year	**$ 46,970,125**	$ 46,587,246

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

TENNESSEE AQUARIUM AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2014

	Programming	Guest Services	Management and General	Marketing Costs	Fundraising	Total
Salaries and benefits	$ 4,525,615	$ 1,898,514	$ 1,319,590	$ 786,819	$ 153,706	$ 8,684,244
Printing, publications and promotions	36,483	-	3,584	1,016,544	1,460	1,058,071
Supplies and marine life acquisition	844,215	36,754	94,930	121,535	10,904	1,108,338
Professional and other contract services	747,937	59,799	376,588	32,509	26,161	1,242,994
Film and projection costs	423,795	-	-	-	-	423,795
Utilities	1,619,399	-	-	-	-	1,619,399
Maintenance	518,885	2,197	147,765	436	-	669,283
Postage and shipping	4,037	55,292	20,133	17,882	1,101	98,445
Lease and rental	17,975	-	326,074	-	-	344,049
Travel and education	39,967	11,968	29,797	10,599	4,677	97,008
Telecommunications	150,238	-	-	-	-	150,238
Other	179,320	22,816	452,388	66,592	3,819	724,935
	$ 9,107,866	$ 2,087,340	$ 2,770,849	$ 2,052,916	$ 201,828	16,220,799
Cost of ancillary sales						1,229,651
Financing costs						857,919
Depreciation and amortization						3,540,323
Change in fair value of interest rate swap						260,905
						$ 22,109,597

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

TENNESSEE AQUARIUM AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2013

	Programming	Guest Services	Management and General	Marketing Costs	Fundraising	Total
Salaries and benefits	$ 4,503,759	$ 1,910,040	$ 1,409,155	$ 816,537	$ 236,913	$ 8,876,404
Printing, publications and promotions	31,169	-	4,717	842,172	10,170	888,228
Supplies and marine life acquisition	838,003	81,598	89,759	88,854	7,124	1,105,338
Professional and other contract services	681,235	56,331	321,251	38,566	34,141	1,131,524
Film and projection costs	351,548	-	-	-	-	351,548
Utilities	1,461,547	-	-	-	-	1,461,547
Maintenance	453,998	1,721	131,570	-	-	587,289
Postage and shipping	3,684	48,663	26,939	27,283	707	107,276
Lease and rental	17,171	-	307,733	-	-	324,904
Travel and education	42,285	7,699	38,081	12,978	5,072	106,115
Telecommunications	153,675	-	-	-	-	153,675
Other	164,462	26,406	391,674	50,875	2,117	635,534
	$ 8,702,536	$ 2,132,458	$ 2,720,879	$ 1,877,265	$ 296,244	15,729,382
Cost of ancillary sales						1,145,332
Financing costs						884,938
Depreciation and amortization						3,345,161
						$ 21,104,813

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

TENNESSEE AQUARIUM AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended December 31, 2014 and 2013

	2014	2013
OPERATING ACTIVITIES		
Change in net assets	$ **382,879**	$ 2,500,894
Adjustments to reconcile change in net assets to net cash flows from operating activities -		
Depreciation	**3,533,281**	3,338,357
Amortization	**7,043**	6,804
Realized and unrealized gain on investments	**(221,337)**	(943,019)
Change in fair value of interest rate swap obligation	**260,905**	(632,791)
Changes in operating assets and liabilities -		
Contributions receivable	**(2,221,460)**	(715,812)
Inventories	**(30,624)**	(6,554)
Accounts receivable	**(11,277)**	124,599
Prepaid expenses	**96,433**	(37,538)
Other noncurrent assets	**4,097**	(2,258)
Accounts payable and accrued expenses	**(362,069)**	670,869
Deferred revenue	**12,362**	56,436
Net cash flows from operating activities	**1,450,233**	4,359,987
INVESTING ACTIVITIES		
Proceeds for sale of investments	**1,992,013**	3,759,173
Purchases of investments	**(2,360,700)**	(5,437,108)
Purchase of property and equipment	**(1,799,851)**	(1,471,027)
Net cash flows from investing activities	**(2,168,538)**	(3,148,962)
FINANCING ACTIVITIES		
Collections and contributions restricted for long-term purposes	**1,183,459**	130,710
Payments of long-term debt	**(733,604)**	(669,240)
Net cash flows from financing activities	**449,855**	(538,530)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(268,450)**	672,495
CASH AND CASH EQUIVALENTS - beginning of year	**2,225,633**	1,553,138
CASH AND CASH EQUIVALENTS - end of year	$ **1,957,183**	$ 2,225,633
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	$ **859,790**	$ 887,963

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and practices followed by the Aquarium are as follows

NATURE OF ACTIVITIES AND ORGANIZATION - Tennessee Aquarium and its subsidiary (the "Aquarium") are nonprofit corporations in the State of Tennessee The Aquarium provides a center for the general public to improve their awareness, understanding, and enjoyment of all forms of aquatic life Principal Aquarium programs include facility and ancillary operations, animal husbandry and care, membership services, education, an eco-tour boat, and an IMAX theater In addition to these programs the Aquarium engages in significant conservation efforts and conservation research initiatives

PRINCIPALS OF CONSOLIDATION - The accompanying consolidated financial statements include the accounts of the Tennessee Aquarium and its wholly-owned subsidiary, the Tennessee Aquarium Conservation Institute. All intercompany transactions and accounts have been eliminated in consolidation

BASIS OF ACCOUNTING - The financial statements of the Aquarium have been prepared on the accrual basis of accounting

FINANCIAL STATEMENT PRESENTATION - The Aquarium is required to report information regarding its financial position and activities according to three classes of net assets

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties

Temporarily restricted net assets - Net assets subject to donor-imposed restrictions on their use that may be met by either actions of the Aquarium or the passage of time When donor restrictions expire, that is, when a time restriction ends or a purpose restriction is fulfilled, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities and changes in net assets as net assets released from restrictions. It is the Aquarium's policy to record temporarily restricted contributions received and expended in the same accounting period in the unrestricted net asset category.

Permanently restricted net assets - Net assets subject to donor-imposed stipulation that they must be maintained permanently by the Aquarium

REVENUE RECOGNITION - Revenue is recognized on admission tickets and ancillary sales at the point of sale

Contributions are recognized as revenue when an unconditional promise to give is made or when a cash contribution is received All contributions are considered to be available for unrestricted use unless specifically restricted by the donor

Income from the sale of annual memberships is deferred and recognized ratably over the period for which the membership is valid

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

CASH AND CASH EQUIVALENTS - The Aquarium considers all highly liquid investments with original maturities of three months or less to be cash and cash equivalents The Aquarium maintains, at various financial institutions, cash accounts which may exceed federally insured amounts and which may at times significantly exceed balance sheet amounts due to outstanding checks As of December 31, 2014 and 2013, the Aquarium had cash balances of $1,542,195 and $1,834,728 in excess of federally insured amounts, respectively

CONTRIBUTIONS RECEIVABLE - Contributions receivable represents unconditional promises to give Unconditional promises to give that are expected to be collected in less than one year are reported at net realizable value Unconditional promises to give that are expected to be collected in more than one year are reported at the present value of expected cash flows at the date of the promise Amortization of the resulting discount is recognized as additional contribution revenue The Aquarium considers all unconditional promises to give to be fully collectible, accordingly, no allowance for doubtful accounts is considered necessary

In 2012, the Aquarium launched a capital campaign to raise $10,000,000 for its Fund for Excellence and $10,000,000 for its Endowment The contributions are payable over periods of less than one year, one to five years or in more than five years The Aquarium had $2,174,568 and $1,136,567 in contributions receivable due from this campaign as of December 31, 2014 and 2013, respectively.

PROPERTY AND EQUIPMENT - Property and equipment are stated at cost or at the estimated fair value at the date of the gift, if donated, less accumulated depreciation Significant additions and improvements that have estimated useful lives in excess of one year are capitalized Other expenditures for repairs and maintenance are expensed in the year incurred Property and equipment placed into service is depreciated using the straight-line method over estimated useful lives, ranging from 3 to 40 years Depreciation expense totaled $3,533,281 and $3,338,357 for the years ended December 31, 2014 and 2013, respectively As of December 31, 2014, the Aquarium had a construction commitment of approximately $250,000 related to an exhibit upgrade

INVENTORIES - The cost incurred with respect to the purchase or capture of specimens, food, and other supplies not held for sale are expensed as incurred

The gift shop inventory is valued at the lower of first-in, first-out (FIFO) cost or market

INVESTMENTS - Investments in marketable securities with readily determinable fair values, shares in mutual funds, and all investments in debt securities are reported at fair value in the consolidated statements of financial position. Realized and unrealized gains and losses are included in investment income in the consolidated statements of activities and changes in net assets Interest income is recognized as earned and dividends are recognized on the ex-dividend date It is the Aquarium's policy to record temporarily restricted investment income received and expended in the same accounting period in the unrestricted net asset category

FAIR VALUE MEASUREMENTS - Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date Generally accepted accounting principles establish a fair value hierarchy as described below

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly through corroboration with observable market data

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Level 3 - Inputs that are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability These inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy In such cases, the level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and consideration of factors specific to the asset or liability

DERIVATIVES - The basic type of risk associated with the Aquarium's interest rate swap obligation (derivative) is market risk (that the value of the derivative will be adversely impacted by changes in the market, primarily the change in interest rates) The market risk of the derivative should generally offset the market risk associated with the hedged liability The agreements involve payments of fixed-rate amounts in exchange for the receipt of variable rate interest payments over the life of the agreements without an exchange of the underlying principal amounts The Aquarium records the derivative at fair value and changes in fair value are included in the accompanying consolidated statements of activities and changes in net assets

FUNCTIONAL ALLOCATION OF EXPENSES - The Aquarium classifies expenses as programming expenses or support expenses Programming expenses are the activities that fulfill the Aquarium's mission and include its husbandry, facility operations, education and research expenses

Support expenses are all activities other than programming and include guest services, retail, marketing costs, human resources, and management and general expenses Support expenses for the Aquarium include all guest services, management and general, marketing costs, and cost of ancillary sales included in the accompanying consolidated statements of activities and changes in net assets All fundraising costs are classified as support expenses.

ADVERTISING COSTS - The Aquarium expenses advertising costs as incurred Advertising expense for the years ended December 31, 2014 and 2013, was $958,470 and $782,671, respectively.

INCOME TAX STATUS - The Aquarium qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c)(3) and, accordingly, is exempt from federal and state income taxes The Aquarium's federal exempt income tax returns are subject to examination by the Internal Revenue Service, generally for three years after they are filed

ESTIMATES AND UNCERTAINTIES - 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates

RECLASSIFICATIONS - Certain reclassifications have been made to the prior year consolidated financial statements in order to conform to the current year presentation

SUBSEQUENT EVENTS - The Aquarium has evaluated subsequent events for potential recognition and disclosure through June 30, 2015, the date the consolidated financial statements were available to be issued

NOTE 2 - DONATED SERVICES

The Aquarium received contributed services valued at approximately $285,000 and $269,000 in 2014 and 2013, respectively, from participants in its Volunteer Diver program. Such contributed services have been recognized as unrestricted contributions and as programming expenses as individuals possessing specialized skills are required and would otherwise need to be purchased if not provided by donation.

The Aquarium also received contributed services in its other volunteer programs. These contributed services have not been recorded because no specialized skills are required.

NOTE 3 - CONTRIBUTIONS RECEIVABLE

Contributions receivable as of December 31, 2014 and 2013, are expected to be collected in the following periods:

	2014	2013
Less than one year	$ 730,800	$ 422,031
One to five years	1,508,999	761,500
	2,239,799	1,183,531
Unamortized discount (at 4%)	(65,231)	(46,964)
	$ 2,174,568	$ 1,136,567

As of December 31, 2014, there were three pledges totaling $1,900,000 representing 85% of unconditional promises to give. As of December 31, 2013, there were three pledges totaling $900,000 representing 76% of unconditional promises to give.

NOTE 4 - INVESTMENTS

Investments as of December 31, 2014 and 2013, consist of the following:

	2014		
	Fair Value	Cost	Net Unrealized Gain (Loss)
Mutual funds	$ 6,456,546	$ 5,643,241	$ 813,305
Corporate bonds	461,125	452,788	8,337
Federal agency bonds	695,867	679,177	16,690
Other government agency bonds	78,140	76,199	1,941
Certificates of deposit	2,735,880	2,749,343	(13,463)
	$ 10,427,558	$ 9,600,748	$ 826,810

NOTE 4 - INVESTMENTS - continued

	2013		
	Fair Value	Cost	Net Unrealized Gain (Loss)
Mutual funds	$ 6,835,790	$ 5,926,159	$ 909,631
Corporate bonds	453,437	452,788	649
Federal agency bonds	673,981	679,177	(5,196)
Other government agency bonds	75,139	76,199	(1,060)
Common stock	50,196	49,353	843
Certificates of deposit	1,748,991	1,750,000	(1,009)
	$ 9,837,534	$ 8,933,676	$ 903,858

The net change in unrealized gain (loss) on investments is included in net investment income in the accompanying consolidated statements of activities and changes in net assets and is included in the realized and unrealized gain on the accompanying consolidated statements of cash flows Investment income is presented net of investment expense. Investment expense for the years ended December 31, 2014 and 2013, was $21,025 and $15,458, respectively

Investments that have been in a continuous unrealized loss position for greater than 12 months as of December 31, 2014 and 2013, are as follows.

	2014		
	Fair Value	**Cost**	**Net Unrealized Loss**
Corporate bonds	**$ 50,106**	**$ 50,275**	**$ (169)**
Mutual funds	**485,046**	**492,673**	**(7,627)**
	$ 535,152	**$ 542,948**	**$ (7,796)**

	2013		
	Fair Value	Cost	Net Unrealized Loss
Mutual funds	$ 181,204	$ 195,473	$ (14,269)

NOTE 4 - INVESTMENTS - continued

The Aquarium's investments in financial assets and liabilities have been classified based upon the fair value hierarchy as follows

	December 31, 2014			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Mutual funds	**$ 6,456,546**	**$ -**	**$ -**	**$ 6,456,546**
Corporate bonds	**-**	**461,125**	**-**	**461,125**
Federal agency bonds	**-**	**695,867**	**-**	**695,867**
Other government agency bonds	**-**	**78,140**	**-**	**78,140**
Certificates of deposit	**2,735,880**	**-**	**-**	**2,735,880**
	$ 9,192,426	**$ 1,235,132**	**$ -**	**$ 10,427,558**
Liabilities				
Interest rate swap	**$ -**	**$ 772,126**	**$ -**	**$ 772,126**

	December 31, 2013			
	Level 1	Level 2	Level 3	Total
Assets				
Mutual funds	$ 6,835,790	$ -	$ -	$ 6,835,790
Corporate bonds	-	453,437	-	453,437
Federal agency bonds	-	673,981	-	673,981
Other government agency bonds	-	75,139	-	75,139
Common stock	50,196	-	-	50,196
Certificates of deposit	1,748,991	-	-	1,748,991
	$ 8,634,977	$ 1,202,557	$ -	$ 9,837,534
Liabilities				
Interest rate swap	$ -	$ 511,221	$ -	$ 511,221

Net investment income for the years ended December 31, 2014 and 2013, consists of the following

	2014	2013
Interest and dividend income	**$ 259,992**	$ 85,063
Realized gains	**226,118**	277,031
Change in unrealized gains	**(4,780)**	665,988
	$ 481,330	$ 1,028,082

NOTE 5 - LONG-TERM DEBT

The Industrial Development Board of the County of Hamilton, Tennessee, issued $30,000,000 of Industrial Development Revenue Bonds Series 1991 (the Series 1991 Bonds) on July 11, 1991 The entire proceeds of the Series 1991 Bonds were loaned to the Aquarium pursuant to a loan agreement dated July 1, 1991, which had terms substantially identical to terms of the Series 1991 Bonds During June of 1993, the Aquarium repaid $24,500,000 of the Series 1991 Bonds and refinanced the remaining $5,500,000 of bonds with a new lender The refinanced $5,500,000 Series 1991 Bonds were to mature in their entirety on July 1, 2021, but were paid off on January 3, 2011

During 1996, the Aquarium completed construction of the Tennessee Aquarium Imax Center, including an IMAX® 3D theater, an environmental learning lab and office space for Aquarium personnel The total cost of the project was approximately $14,000,000 and the project was completed in July of 1996 On January 26, 1995, the Board of Trustees approved the decision to finance the project with tax-exempt bonds The Industrial Development Board of the County of Hamilton, Tennessee, issued $14,000,000 of industrial Development Revenue Bonds Series 1995 (the Series 1995 Bonds) on March 24,1995 The entire proceeds of the Series 1995 Bonds were loaned to the Aquarium pursuant to a loan agreement dated March 1, 1995, which had terms substantially identical to terms of the Series 1995 Bonds The Series 1995 Bonds were to mature on March 1, 2015, but were paid off on January 3, 2011

During 2005, the Aquarium completed construction of the Tennessee Aquarium Ocean Journey building The total cost of the project was approximately $33,200,000 and the project was completed in April of 2005 On January 22, 2004, the Board of Trustees approved the decision to partially finance the project with tax-exempt bonds On April 29, 2004, the Industrial Development Board of the City of Chattanooga, Tennessee, issued $15,000,000 of Industrial Development Revenue Bonds Series 2004 (the Series 2004 Bonds) The entire proceeds of the Series 2004 Bonds were loaned to the Aquarium pursuant to a loan agreement dated April 1, 2004, which had terms substantially identical to the terms of the Series 2004 Bonds The 2004 Series Bonds were to mature in their entirety on April 1, 2024, but were paid off on January 3, 2011

Interest on all of the aforementioned bond series was at a variable rate determined weekly and payable monthly. During 2010, all three bond series were secured by a mortgage on the Aquarium's property and direct pay letters of credit expiring on April 29, 2011 All letters of credit may have terminated sooner than their expressed expiration dates upon the occurrence of certain conditions

In October of 2010, the Board of Trustees approved the decision to restructure the Aquarium's bond debt by paying off $13,000,000 of the existing bond debt and refinancing the remaining balance with bank-qualified tax-exempt bonds On December 30, 2010, the Industrial Development Board of the County of Hamilton, Tennessee, issued $21,500,000 of Revenue Refunding Bonds Series 2010 (the Series 2010 Bonds) The Series 2010 Bonds mature on December 30, 2035

The Series 2010 Bonds were purchased in their entirety by the Aquarium's lender and the proceeds were loaned to the Aquarium pursuant to a loan agreement dated December 30, 2010 The proceeds of the December 30, 2010, loan of $21,500,000 plus $13,220,907 of proceeds from the sale of Aquarium investments were deposited in an account with the Aquarium's lender to be used to payoff the Series 1991 Bonds, Series 1995 Bonds, and Series 2004 Bonds plus outstanding interest, letter of credit fees, and legal fees on January 3, 2011

NOTE 5 - LONG-TERM DEBT - continued

Under the terms of the December 30, 2010, loan agreement, the Aquarium is to make monthly principal and interest payments based on a 25-year amortization Interest on $11,500,000 of the Series 2010 Bonds is at a fixed rate of 4 12% Interest on the balance of $10,000,000 of the Series 2010 Bonds is at a variable rate determined weekly and payable monthly During 2014, the variable interest rate ranged from 1 52% to 1 54% As of December 31, 2014 and 2013, the balance of the Series 2010 bonds was $19,365,447 and $19,945,021, respectively The variable rate portion of the Series 2010 Bond is subject to an interest rate swap agreement disclosed below The Series 2010 Bonds are secured by a springing lien on the Aquarium's property The loan agreement matures on December 30, 2022

The Aquarium is required to meet profitability, liquidity, and leverage financial covenants and is limited as to the amount of additional debt that can be incurred, the purchase and disposition of assets, and other business activities under the terms of the various financing documents As of December 31, 2014 and 2013, the Aquarium was in compliance with all of the financial covenants of the loan agreements

In May of 2007, the Aquarium entered into a vessel building agreement to have a 70-passenger, high-speed catamaran constructed to take visitors on ecotours into the Tennessee River Gorge The vessel was put into operation in June, 2008 The total purchase price of the vessel was $2,885,600 In connection with the Company entering into the Vessel Building Agreement, the Aquarium also executed promissory notes to the Community Foundation of Greater Chattanooga to fund $2,860,200 of the purchase price The notes bear interest at 0% and are nonrecourse, such that repayment is required only to the extent the vessel's operations generate revenues in excess of the related expenses The Aquarium repaid $45,826 and $9,043 of the loans in 2014 and 2013, respectively As of December 31, 2014 and 2013, the balance of the promissory notes was $2,401,813 and $2,447,639, respectively The loans are secured by the value of the vessel and are subordinate to the Aquarium's other debt

In October of 2012, the Aquarium entered into a purchase and sale agreement to acquire the office space which it had formerly leased The total purchase price of the space was $1,250,000 In order to purchase the space the Aquarium executed a promissory note to First Tennessee Bank to fund all of the purchase price Under the terms of the loan agreement the Aquarium is to make monthly principal and interest payments of $12,709 based on a 10-year amortization Interest is at a fixed rate of 4.05% As of December 31, 2014 and 2013, the balance of the promissory note was $1,019,942 and $1,128,146, respectively This note is cross-collateralized with the Aquarium's Series 2010 Bonds The loan agreement matures on October 1, 2022

Aggregate maturities of long-term debt for the years subsequent to December 31, 2014, are as follows.

Year ending	
December 31, 2015	$ 717,231
December 31, 2016	745,074
December 31, 2017	778,422
December 31, 2018	810,996
December 31, 2019	844,933
Thereafter	18,890,546
	$ 22,787,202

The fair value of the Aquarium's debt does not significantly differ from its carrying value

NOTE 5 - LONG-TERM DEBT - continued

The Aquarium entered into an interest rate swap agreement on December 21, 2010, with a financial institution, whereby, at specified intervals, the difference between fixed and variable rate interest amounts are calculated in reference to agreed upon notional amounts, which are amortized with the variable rate portion of the Series 2010 Bond disclosed above Under the agreement the Aquarium receives interest payments at rates equal to 68% of 1-Month LIBOR (0 1635% at December 31, 2014) plus 1 42% and pays interest at a fixed rate of 3 99% As of December 31, 2014 and 2013, the fair value of the interest rate swap agreement resulted in a liability of $772,126 and $511,221, respectively For the years ended December 31, 2014 and 2013, the unrealized gain (loss) incurred from the change in fair value of the interest rate swap agreement is included in the consolidated statements of activities and changes in net assets in the amount of ($260,905) and $632,791, respectively

NOTE 6 - RESTRICTED NET ASSETS

Restricted net assets for the years ended December 31, 2014 and 2013, consist of the following

	2014	2013
Temporarily restricted		
Donor restrictions	**$ 2,289,308**	$ 1,544,500
Time restrictions	**503,800**	878,067
	$ 2,793,108	$ 2,422,567
Permanently restricted		
Donor restrictions	**$ 3,132**	$ 3,132

NOTE 7 - BOARD DESIGNATED ENDOWMENT

As of December 31, 2014 and 2013, the Board of Trustees had designated $2,084,309 and $2,088,650, respectively, of unrestricted net assets as a general endowment fund to support the mission of the Aquarium Since that amount resulted from an internal designation and is not donor-restricted, it is classified and reported as unrestricted net assets

As part of the spending policy for the board designated endowment, no spending from the endowment will be allowed until the endowment reaches $5,000,000, plus any approved spending allocation Annually, the board may or may not approve spending from the endowment, calculated as an amount between 0% and 6% of the endowment's total asset value based upon the average of the trailing twelve quarters ending each December 31 In establishing this policy, the Aquarium considered the long-term expected investment return on its endowment Accordingly, over the long term, the Aquarium expects the current spending policy to allow its general endowment fund to grow at an average of 7% annually This is consistent with the Aquarium's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return

NOTE 7 - BOARD DESIGNATED ENDOWMENT - continued

To achieve that objective, the Aquarium has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk Endowment assets are invested in a well diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 5%, while growing the fund Accordingly, the Aquarium expects its endowment assets, over time, to produce an average rate of return of approximately 7% annually Actual returns in any given year may vary from this amount Investment risk is measured in terms of the total endowment fund, investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk

Composition of and changes in board designated endowment net assets for the year ended December 31, 2014, were as follows.

	2014	2013
Endowment net assets - beginning of year	**$ 2,088,650**	$ 1,683,428
Investment income	**234,642**	193,839
Net appreciation (depreciation)	**(120,095)**	211,383
Reclassification of restrictions	**(118,888)**	-
Endowment net assets - end of year	**$ 2,084,309**	$ 2,088,650

NOTE 8 - LEASE COMMITMENTS

The Aquarium leases equipment and office space pursuant to noncancelable operating lease agreements that expire from 2015 to 2019 Future minimum rental payments under the lease agreements are as follows

Year ending	
December 31, 2015	$ 311,983
December 31, 2016	226,385
December 31, 2017	81,020
December 31, 2018	27,889
December 31, 2019	12,783
	$ 660,060

The Aquarium's total rent expense for the years ended December 31, 2014 and 2013, was $344,049 and $324,904, respectively

NOTE 9 - BENEFIT PLAN

The Aquarium adopted a 403(b) defined-contribution retirement plan on January 1, 1996, covering substantially all full-service employees Employer contributions under the plan are based upon a defined percentage of eligible participant compensation plus a defined matching percentage of any voluntary employee contributions to the plan Benefit plan expense for the years ended December 31, 2014 and 2013, was approximately $373,017 and $376,859, respectively

NOTE 10 - LITIGATION

The Aquarium is a defendant in a lawsuit that arose from claims by an individual for an event that occurred in November of 2013 The suit was filed in November of 2014 A visitor to the Aquarium was injured when tripping over a parking bumper that extended into a handicapped loading zone The suit is seeking damages totaling $350,000 As of December 31, 2014, the Aquarium's consolidated financial statements do not include a provision for this matter as management intends to vigorously defend its position Management believes that the payment of the aforementioned amount is not probable Management has determined that any liability that the Aquarium may incur would not have a material adverse effect on its consolidated financial statements Furthermore, management believes that the ultimate settlement of claims for any loss will not exceed its insurance coverage

In addition to the aforementioned lawsuit, the Aquarium, in the course of its normal operations, is subject to other investigations, claims, disputes and lawsuits In management's opinion, any such outstanding matters of which the Aquarium has knowledge have been reflected in the consolidated financial statements or would not have a material adverse effect on the Aquarium's consolidated financial position and results of operations

NOTE 11 - COMMITMENTS

On January 1, 2014, the Aquarium entered into a construction and lease agreement with a private school in Chattanooga Tennessee Under the agreement, the Aquarium leases 4 9 acres of land from the school for a term of 50 years Also, under the agreement, the Aquarium commits to construct a two-story research facility of at least 13,000 square feet in the aggregate Construction is required to commence within 72 months of the lease date As of December 31, 2014, the Aquarium was undergoing an inspection process needed to receive its building permit.