



NEW HAMPSHIRE
COUNCIL ON
DEVELOPMENTAL DISABILITIES

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MLC


January 28, 2022

His Excellency, Governor Christopher T. Sununu
And the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

Authorize the New Hampshire Council on Developmental Disabilities (Council) to enter into a contract with Healthy at Home, 77 Northeastern Blvd, Nashua, NH 03062, vendor number 162319 in the amount of \$20,000.00, to build capacity and deliver COVID – 19 vaccinations at home to qualifying community members, effective upon Governor and Council approval for the period of February 16, 2022, through September 30, 2022. **100% Federal Funds**

Funding to support this request is available in the following account for State Fiscal Years 2022, with the authority to adjust encumbrances between fiscal years within the price limitation through the Budget Office, if needed and justified:

01-97-97-970010-19800000 – Developmental Disabilities Council	
Class 072-500575, Grants Federal	
FY2022	\$20,000.00

EXPLANATION

The New Hampshire Council on Developmental Disabilities was established in 1971, pursuant to the federal Developmental Disabilities Act (DD Act) of 1970. Councils are located in every State and Territory and represent a Federal-State partnership to expand opportunities and improve the quality of life of people with developmental disabilities and their families. Council members are appointed by the Governor, and represent people with developmental disabilities, parents and guardians and representatives of agencies that support people with developmental disabilities as specified in federal and state law. Councils are charged by Federal law to identify the most pressing needs of people with developmental disabilities in their State or Territory and to develop innovative and cost-effective strategies to meet those needs. Councils work to promote the independence and productivity of people with developmental disabilities and promote systems change that will eliminate obvious inequities in areas such as employment, education, and access to healthcare.

This contract provides funding to help build capacity and deliver vaccinations in homes to qualifying community members. Importantly, we can draw resources and serve clients from across our programs. First, within our health center, we intend to purchase the necessary equipment to safely store vaccines, including a vaccine refrigeration unit as well as cooling bags to ensure “cold chain” compliance.

Once equipped with vaccines, our qualified home care staff may visit homes (with proper PPE) and administer vaccinations to disabled and elderly clients across our programs.

Delivering vaccines at home sidesteps many of the barriers faced by vulnerable populations. Individuals do not need to secure transportation nor attempt ambulation, and since home care staff has more expansive hours, households may schedule vaccinations around their own lives. Indeed, in many cases, vaccinations can be delivered during regularly scheduled visits. In addition, our initiative serves caregivers and families, who, when vaccinated, are just as important to stopping the spread of coronavirus to disabled and elderly individuals. Home care staff may bring extra vaccines for the entire household. With funding, Healthy at Home can deliver vaccines to individuals across its network—including current home care clients, residents of our housing programs, and at-risk individuals identified by our clinic staff (particularly those who interact with clinicians in a remote capacity). In addition, Healthy at Home will work with existing partners—such as the Plus Company, YMCA, Greater Nashua Public Health, Harbor Care and the Continuum of Care—to access at-risk individuals outside of the agency. Note while other at home vaccination programs exist in NH, backlogs are long; moreover, clients within our network will feel less hesitant with vaccinations delivered by Healthy at Home, with whom they have an existing connection.

Funding will help cover 300 hours of staff time for vaccinations. This includes transportation time and vaccination. In this time, we conservatively estimate the delivering vaccines to 100 individuals who are elderly, living with disability, or providing care.

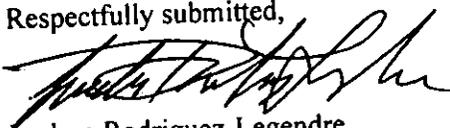
Healthy at Home will contribute 25% of the overall cost of the program in accordance with federal guidelines.

The geographic area served by this project agreement is statewide. The source of funds is 100% federal funds. In the event that federal funds become no longer available, general funds will not be used to support this contract.

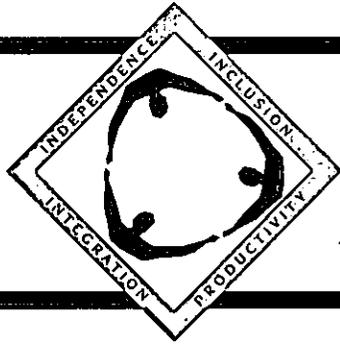
The Council published a request for proposal (RFP) soliciting qualified individuals or organizations that could create a project that provides critical services to help communities combat COVID-19. The RFP was posted to the NHCDD website: <https://www.nhcdd.nh.gov/> for four (4) consecutive weeks and the Council notified all stakeholder, sent out a press release, and posted on all social media channels. As a result of the issuance of the RFP, two (2) potential vendors responded by submitting a proposal. The Council selected a qualified vendor to meet the Council's goal in address the need to build and deliver the Covid-19 vaccination in homes to qualifying community members. In accordance with the terms and conditions of the RFP, Healthy at Home was selected to receive the contract in the amount of \$20,000.00.

This RFP was scored utilizing a consensus methodology by a three (3) person evaluation committee. The evaluation committee consisted of the following NHCDD employees: Isadora Rodriguez-Legendre, Executive Director, Ronnieann Rakoski, Policy and Planning Director, Vanessa Blais, Project Manager.

Respectfully submitted,



Isadora Rodriguez-Legendre
Executive Director



NEW HAMPSHIRE COUNCIL ON
DEVELOPMENTAL DISABILITIES

RFP 2022-0001

The New Hampshire Council on Developmental Disabilities demonstration grant project.

Area of Emphasis: COVID

Goal: Increase Vaccination

Applicant:

___ Pathways _____

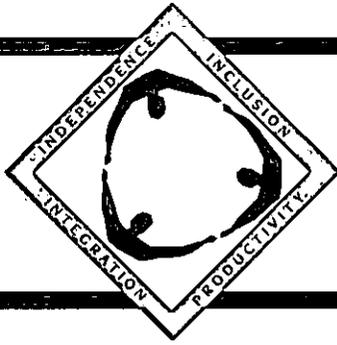
RFP Rating Work Sheet

Criteria	Received	Points	Score	Comments
Does the project align with the Council's 5-year plan?		15	13	Strengths: Vax sites Incentives Information campaign Targets rural areas of: Lebanon, Hanover, Canaan, Enfield, Orford, Lyme, Grantham, Plainfield



NEW HAMPSHIRE COUNCIL ON
DEVELOPMENTAL DISABILITIES

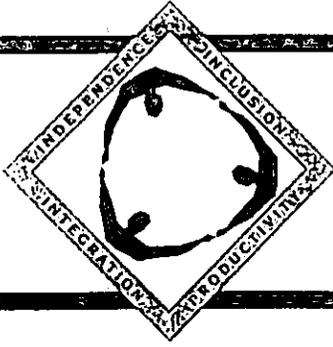
<p>Is organization capable of delivering service?</p>		<p>10</p>	<p>8</p>	<p>Strengths: Good Outreach plan Education included</p> <p>Weaknesses:</p>
<p>Is there a management plan and program design?</p>		<p>10</p>	<p>6</p>	<p>Strengths: Experienced staff</p> <p>Weaknesses: Not a lot of details on actions</p>
<p>Does organization have a plan for assessing statewide regional network(s) service needs?</p>		<p>10</p>	<p>5</p>	<p>Strengths: Proposal identifies many partners and needs specific to the hesitant community.</p> <p>Weaknesses: It is unclear whether their plan will lead to increased vaccination among hesitant ind.</p>



NEW HAMPSHIRE COUNCIL ON DEVELOPMENTAL DISABILITIES

Does organization have documentation of coordination and collaboration w/other agencies?		10	6	<p>Strengths: Plan includes community partners</p> <p>Weaknesses: Less focus on older adults Could be more clear</p>
Does the project align with the Council's mission of dignity, full rights of citizenship, cultural diversity, equal opportunity, and full participation in inclusive communities and activities?		15	12	<p>Strengths: Serves people with disabilities</p> <p>Weaknesses: Does not identify targets for culturally diverse communities</p>
Is a detailed budget presented?		10	8	<p>Strengths: Non-federal match included</p> <p>Weaknesses: Only requesting \$2,015.1</p>
Is the proposed budget narrative within the funding limits of the RFP?		10	10	<p>Strengths: Well below the limit</p>

Total: 90 _____ 68 _____



NEW HAMPSHIRE COUNCIL ON
DEVELOPMENTAL DISABILITIES

RFP 2022-0002

The New Hampshire Council on Developmental Disabilities demonstration grant project.

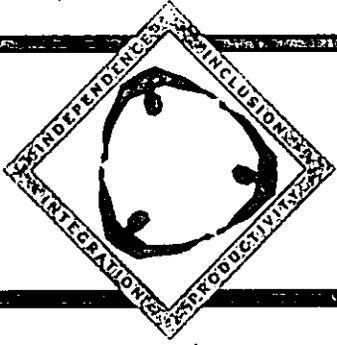
Area of Emphasis: COVID

Goal: increase vaccination

Applicant: Harbor Care

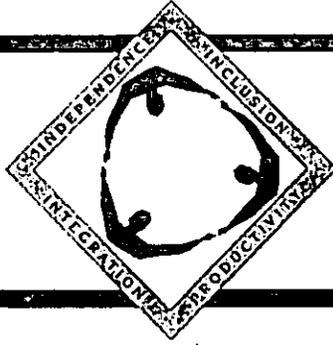
RFP Rating Work Sheet

Criteria	Received	Points	Score	Comments
Does the project align with the Council's 5-year plan?		15	12	Strengths: Targets home vaccination for vulnerable population Weakness: Area limited to Nashua



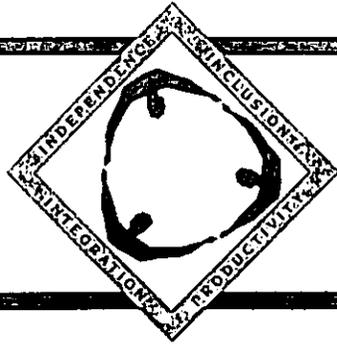
NEW HAMPSHIRE COUNCIL ON DEVELOPMENTAL DISABILITIES

Does organization have documentation of coordination and collaboration w/other agencies?		10	8	<p>Strengths: Plan includes collaborating with partners</p> <p>Weaknesses:</p>
Does the project align with the Council's mission of dignity, full rights of citizenship, cultural diversity, equal opportunity, and full participation in inclusive communities and activities?		15	12	<p>Strengths: Serving people with disabilities, low-income</p> <p>Weaknesses: Does not identify targets for culturally diverse communities</p>
Is a detailed budget presented?		10	9	<p>Strengths: Identifies non-federal match, budget details</p> <p>Weaknesses:</p>



NEW HAMPSHIRE COUNCIL ON DEVELOPMENTAL DISABILITIES

Does organization have documentation of coordination and collaboration w/other agencies?		10	8	<p>Strengths: Plan includes collaborating with partners</p> <p>Weaknesses:</p>
Does the project align with the Council's mission of dignity, full rights of citizenship, cultural diversity, equal opportunity, and full participation in inclusive communities and activities?		15	12	<p>Strengths: Serving people with disabilities, low-income</p> <p>Weaknesses: Does not identify targets for culturally diverse communities</p>
Is a detailed budget presented?		10	9	<p>Strengths: Identifies non-federal match, budget details</p> <p>Weaknesses:</p>



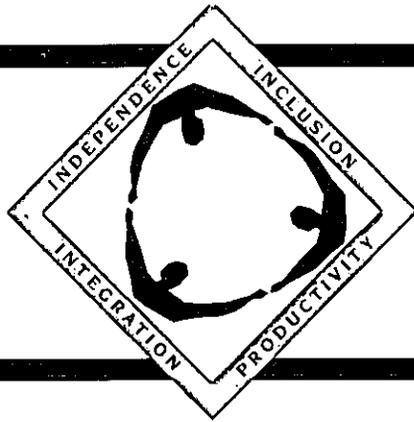
NEW HAMPSHIRE COUNCIL ON
DEVELOPMENTAL DISABILITIES

Is the proposed budget narrative within the funding limits of the RFP?		10	10	Strengths: Weaknesses:
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Total: 90 76

Comments:

Questions:



NEW HAMPSHIRE COUNCIL ON DEVELOPMENTAL DISABILITIES

RFP 2022-0002 COVID-19 Vaccination RFP

Date of Release: December 1, 2021

Due Date: All submissions must be received by 4:00 pm (EDT) December 30, 2021

Notification of Winning Proposal Results: January 17, 2022

Contact: All questions related to this RFP shall be sent via email by to: December 28, 2021

Isadora Rodriguez-Legendre,
NH Council on Developmental Disabilities
2 ½ Beacon Street, Concord NH 03301
Isadora.Rodriguez-Legendre@ddc.nh.gov

QUESTIONS ARE TO BE SUBMITTED IN WRITTEN FORMAT ONLY. THIS IS A LEGAL PROCESS AND WE CANNOT ANSWER QUESTIONS VERBALLY.

Applicable Laws and Regulations: All applicable Federal and State laws, county and municipal ordinances, orders, rules and regulations of all authorities having jurisdiction over the services to be provided shall apply to the bid/proposal throughout, and they will be deemed to be included in the contract the same as though they were written in full therein.

Funds Available: The New Hampshire Council on Developmental Disabilities Council has set aside a maximum of \$20,000 federal funds for fiscal support of this proposal for FFY 2021.

Funding Source: 100% federal funds. This grant award (#2101NHSCCS-00) is issued under Section 301 of the Public Health Service Act and Division M, Consolidated Appropriations Act, 2021 Funds are issued to organizations established under Title I, Subtitle B of Developmental Disabilities Assistance and Bill of Rights (DD) Act of 2000.

Ineligible Entities: Federal regulations limit and restrict the ability of individuals or entities debarred or suspended by a Federal Agency from doing business with, or contracting for the use of federal funds with, through the New Hampshire Council on Developmental Disabilities. See 29 CFR, Part 98; 45 CFR, Part 76.

Evaluation of Award: All proposals received by the due date and time will be evaluated by the Council. An offeror that meets the qualifications and price will be considered by the selection committee for an award. No work shall begin until a contract is executed by the Council. The Council reserves the right to reject any or all proposals.

Project Contract Type: Cost reimbursement consultant agreement based on review of deliverables that demonstrates a satisfactory level of performance and expenditures.

Project Contract Period: All work shall be completed within the agreed contract period, unless amended by agreement of both parties.

Background and Purpose of Proposal

About The New Hampshire Council on Developmental Disabilities (Council):

The Council, authorized by NH RSA 19-J:2, serves as the "state designated agency" to administer funds under Part B of the Developmental Disabilities Assistance and Bill of Rights Act. These funds are made available to states to be used for improving the quality, extent, and scope of the broad range of community services needed by persons with developmental disabilities. Priority is given to improving needs that are not otherwise met under the Individuals with Disabilities Education Act, the Rehabilitation Act of 1973, or other health, education, or welfare programs.

The Council administers demonstration grants to community-based organizations to fund new and innovative projects. All projects are intended to implement the Council's five year plan's goals and objectives and improve and enhance services for New Hampshire (NH) citizens with developmental disabilities and their families. Moreover, demonstration grants provide funding for new approaches to serving NH citizens with developmental disabilities that are part of an overall strategy for systemic change.

Demonstration grants are an important vehicle used by the Council to meet both the federal and state mandates. These projects are the primary method of directly providing the resources needed to initiate new and innovative programs/services for NH citizens with developmental disabilities and their families.

Project Scope

The Council is seeking proposals from Individuals or agencies to provide critical services to help communities combat COVID-19. A leading priority of this joint effort is to ensure vaccines are equally accessible to individuals with developmental disabilities. Priority will be given to proposals which directly increase vaccination rates among people with disabilities and older adults, as well as family members and direct support staff of people with disabilities and older adults. The specific project scope may include:

1. Funds used for Incentives
 - a. To raise awareness and encourage participation in this program and services incentives may be used as long the use of the incentive increases the success of the program. Examples include, gift cards, gift items, and giveaways.
 - b. All of the cost of the incentive program must meet Federal Cost Principles, i.e., that they are reasonable, allowable, and necessary to meet program objectives.

- c. The program must adhere to all Uniform Administrative Requirements, Cost Principles, and Audit requirements for HHS Awards found at 45 CFR 75 and other applicable federal laws and regulations.
- d. The use of federal funds to pay cash incentives are not allowable with funding under the CARES ACT and from the CDC Vaccine funding.

2. Education about the importance of receiving a vaccine

- a. Number of people with disabilities reached by your education activities.
- b. Number of all other people reached by your education activities.
- c. Describe the type of education activities conducted (e.g., one on one assistance, brochures/pamphlets/ fliers, social media postings, social stories)
- d. Describe the most successful/effective education activities implemented
- e. Describe challenges that limited your ability to educate others about the importance of the vaccine.

3. Identifying people unable to independently travel to a vaccination site

- a. List the number of people unable to independently travel to a site.
- b. The strategy to identify people unable to independently travel to a vaccination site.
- c. The most commonly cited reasons for why they couldn't travel to the site Describe successes achieved as a result of identifying people unable to independently travel to a site (e.g., were such individuals able to get vaccinated at an alternative site.
- d. Describe challenges that limited your ability to identify people unable to independently travel to a site.

4. Providing technical assistance (TA) to local health departments or other entities on vaccine accessibility.

- a. List the number of local health departments or other entities assisted with TA on vaccine accessibility.
- b. Describe the type of strategies/TA activities to assist local health departments or other entities on vaccine accessibility.
- c. Describe successes achieved as a result of TA activities provided to local health departments.
- d. Describe challenges that limited your ability to provide technical assistance to local health departments or other entities on vaccine accessibility.

5. Helping with scheduling a vaccine appointment

- a. List the number of people helped in scheduling vaccine appointments.
- b. Describe the type of activities used to assist people in scheduling vaccines.
- c. Describe successes achieved as a result of assistance provided to help schedule vaccine appointments.
- d. Describe challenges that limited your ability to help with scheduling a vaccine appointment.

6. Arranging or providing accessible transportation.

- a. List the number of people assisted with accessible transportation to a vaccination site.
- b. Describe the type of activities used to assist people with accessible transportation to a vaccination site.
- c. Describe successes achieved as a result of accessible transportation activities.
- d. Describe challenges that limited your ability to arrange or provide accessible transportation.

7. Providing companion/personal support.

- a. List the number of people assisted with companion/personal support to receive vaccines.

- b. Describe the type of activities to provide companion/personal support services for people to receive vaccines.
- c. Describe successes achieved as a result of providing companion/personal support services for people to receive vaccines.
- d. Describe challenges that limited your ability to provide companion/personal support.

8. Reminding people of their second vaccination appointment if needed.

- a. List the number of people who needed and received a reminder of their second vaccination appointment.
- b. Describe the type of activities to provide people with reminders on their second vaccination appointment.
- c. Describe successes achieved as a result of providing reminders to people on their second vaccination appointment.
- d. Describe challenges that limited your ability to provide people reminders on their second vaccination appointment.

Qualifications:

Describe your organization's qualifications to implement the proposed project, including your experience working with people with developmental disabilities.

Sections for Offeror to Complete

Section 1: Offeror Contact Information

Include the following contact information: Name of organization replying to invitation for proposal address (including city, state, and zip code); phone number; contact person's name, title, and email address; and an original signature of the person authorized to submit the proposal.

Section 2: Describe the organizational capacity of the offeror to meet the specified qualifications, address the need/purpose of this project, and complete the scope of work and services. (Please include examples of engagement strategies through virtual meeting platforms, as well as approaches used to engaging groups of people with varying disabilities and learning styles)

Section 3: Provide the name of key staff who will work on the project, conveying specific roles in correlation to the required key elements, including educational background, length of time with the organization, and current title. Attach current resume or curriculum vitae (CV) of each team member to be involved in the project.

Section 4: Provide an all-inclusive cost to conduct work and a brief budget narrative. Administrative/Indirect cost cannot exceed ten percent (10%) of total salary and fringe benefits unless the entity has an approved federally recognized negotiated indirect cost rate in accordance with Uniform Guidance. The budget shall also include 25% non-federal match.

Calculate total hours to complete work and provide an hourly rate and total of hours for each team member involved. The budget narrative should explain and demonstrate that each entry on the line item budget is allowable, reasonable, and necessary. **The funds requested from Council must remain within the identified range of available funding.** The budget and budget narrative must present a cost-effective funding level for achieving the purpose of the project. **Costs must be in accordance with 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance)**

<https://www.gpo.gov/fdsys/pkg/CFR2017-title2-vol1/xml/CFR-2017-title2-vol1-part200-subpartE.xml>. All proposed budget items and amounts are subject to final approval.

Section 5: Provide a list of references for all relevant and related work performed over the past five years, including a contact name, phone number, and email address for each reference. The references should describe the type of work conducted and when it was undertaken and completed. At a minimum, two (2) references may be contacted to obtain recommendations of the offeror's performance.

Format for Submission

Offeror shall submit a written narrative answering each section in the "Sections for Offeror to Complete" (all five sections must be completed with section headings in the order listed above). Please clearly mark your submission with the RFP #2022-0002.

Due Date: All submissions must be received by 4:00 pm (EDT) December 30, 2021

Submit proposal to: Isadora Rodriguez-Legendre, NH Council on Developmental Disabilities
2 ½ Beacon Street, Concord NH 03301
grants@nhcdd.us

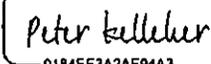
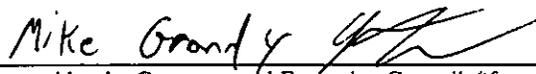
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name New Hampshire Council on Developmental Disabilities		1.2 State Agency Address 2 ½ Beacon Street, Concord NH 03301	
1.3 Contractor Name Healthy at Home		1.4 Contractor Address 77 Northeastern Blvd Nashua, NH 03062	
1.5 Contractor Phone Number 603-882-3616	1.6 Account Number 91800000/500575	1.7 Completion Date September 30, 2022	1.8 Price Limitation \$20,000.00
1.9 Contracting Officer for State Agency Isadora Rodriguez-Legendre, Executive Director		1.10 State Agency Telephone Number 603-271-1157	
1.11 Contractor Signature <small>DocuSigned by:</small>  <small>0184EE3A2AE94A3...</small>		1.12 Name and Title of Contractor Signatory Peter Kesticher, President and CEO	
1.13 State Agency Signature  Date: 1/27/22		1.14 Name and Title of State Agency Signatory Isadora Rodriguez-Legendre, Executive Director	
1.15 Approval by the N.H. Department of Administration, Division of Personnel <i>(if applicable)</i> By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) <i>(if applicable)</i> By:  On: 1/31/2022			
1.17 Approval by the Governor and Executive Council <i>(if applicable)</i> G&C Item number: _____ G&C Meeting Date: _____			

2. SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete

compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

8.3. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and

submit to the State a Transition Plan for services under the Agreement.

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

10.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulac, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

10.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

10.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. INDEMNIFICATION. Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omissions of the

Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

17. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. CHOICE OF LAW AND FORUM. This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

19. CONFLICTING TERMS. In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and/or attachments and amendment thereof, the terms of the P-37 (as modified in EXHIBIT A) shall control.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

Exhibit A

No special provisions added.

Exhibit B

**STATE OF NEW HAMPSHIRE
New Hampshire Council for Developmental Disabilities
2 ½ Beacon Street
Concord, New Hampshire 03301**

Date: January 25, 2022

Contractor Agreement

Contract No.: 2022-0002

**Vendor: Healthy at Home
77 Northeastern Blvd
Nashua, NH 03062**

**Contact Person(s): Isadora Rodriguez-Legendre, MSW
Executive Director
New Hampshire Council on Developmental Disabilities
2 ½ Beacon Street, Ste. 10
Concord, NH 03301-4447**

Effective From: February 16, 2022, Through: September 30, 2022

Scope of Work:

With this funding, Healthy at Home will work to build capacity and deliver vaccinations at home to qualifying community members. They will draw resources and serve clients from across their programs. They will purchase the necessary equipment to safely store vaccinations, including a vaccine refrigeration unit as well as cooling bags to ensure “cold chain” compliance. Once equipped with vaccines, they will use their home care staff (specifically Licensed Practical Nurses and/or qualified staff) to make home visit (with proper PPE) and administer vaccinations to disabled and elderly clients across their programs. Their intended service area is Greater Nashua, which routinely has some of the highest levels of COVID-19 in the state.

Delivering vaccines at home sidesteps many of the barriers faced by vulnerable populations. Individuals do not need to secure transportation nor attempt ambulation, and since home care staff has more expansive hours, households may schedule vaccinations around their own lives. Indeed, in many cases, vaccinations

Contractor Initials pk
Date 1/27/2022 | 2:01

can be delivered during regularly scheduled visits. In addition, their initiative serves caregivers and families, who, when vaccinated, are just as important to stopping the spread of coronavirus to disabled and elderly individuals. Home care staff may bring extra vaccines for the entire household. With funding, Healthy at Home can deliver vaccines to individuals across its network—including current home care clients, residents of local low-income and homeless/disabled housing programs, and at-risk individuals identified by our staff (particularly those who interact with clinicians in a remote capacity). In addition, Healthy at Home will work with existing partners—such as the Plus Company, YMCA, Greater Nashua Public Health, Harbor Care, and the Continuum of Care—to access at-risk individuals outside of the agency. Note while other at home vaccination programs exist in NH, backlogs are long; moreover, clients within our network will feel less hesitant with vaccinations delivered by Healthy at Home, with whom they have an existing connection.

Funding will help cover 300 hours of staff time for vaccinations. This includes transportation time and vaccination. At this time, they conservatively estimate the delivering vaccines to 100 individuals who are elderly, living with disability, or to whom they otherwise are providing care.

Council Support:

The Council will serve as a resource to support Healthy at Home. Healthy at Home may receive calls from the Council staff about outcome and performance measures, public policy issues that relate to this project, products and outreach materials developed with this funding, and project events.

Disclaimer

Healthy at Home is required to add the following disclaimer on the first page or preface of all documents and webpages produced, all or in part, with Council (ACL) funding.

This project was supported, in part with funding provided by the NH Council on Developmental Disabilities under grant number 2101NHSCC5-00, from the U.S. Administration for Community Living, Department of Health and Human Services, Washington, D.C. 20201. Grantees undertaking projects with government sponsorship are encouraged to express freely their findings and conclusions. Points of view or opinions do not, therefore, necessarily represent official ACL policy.

Exhibit C

**Healthy at Home
Payment Terms**

Payment Terms:

This is a one-year contract for \$20,000, with the potential for renewal for additionally years if funds are available and as agreed on by both parties. The funds will be distributed to Healthy at Home in one lump sum at the beginning of the project period, subject to Healthy at Home's compliance with the terms and conditions of this agreement. Please see attached budget.

An invoice must be completed, signed, and returned to the Developmental Disabilities Council in order to initiate payment. Please mail the invoice to:

Isadora Rodriguez-Legendre, MSW
Executive Director
NH Council on Developmental Disabilities
2 ½ Beacon Street, Ste. 10
Concord, NH 03301-4447

**Harbor Care
At-Home Vaccination Budget
FY2022 (July 1, 2021 - June 30, 2022)**

REVENUE	Funding Request	Match	Total Budget	Budget Narrative
NHDDC Funding	\$ 20,000	\$ -	\$ 20,000	
Harbor Care In-Kind Match	\$ -	\$ 5,908	\$ 5,908	
TOTAL	\$ 20,000	\$ 5,908	\$ 25,908	
EXPENSES				
Salaries & Wages	\$ 9,600	\$ -	\$ 9,600	<i>LPN staff - Total of 300 hours @ \$32/hr.</i>
Fringe	\$ 2,400	\$ -	\$ 2,400	<i>Total fringe benefits including taxes at 25% of total personnel cost - agency's running rate</i>
Supplies	\$ 8,000	\$ -	\$ 8,000	<i>Supplies to carry out activities proposed - 1 refrigerator @ \$4,800 ea. to store vaccines, 4 cooling kits @ \$800 ea. = \$3,200 to be used to transport vaccines to client's home, and other locations.</i>
Travel	\$ -	\$ 336	\$ 336	<i>Mileage Reimbursement for staff transportation - 600 miles X \$0.56 a mile</i>
Indirect Expenses	\$ -	\$ 5,572	\$ 5,572	<i>46.43% of total direct salaries and fringe per federally approved indirect rate agreement</i>
TOTAL	\$ 20,000	\$ 5,908	\$ 25,908	



HARBHOM-01

SKARAM

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
1/27/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # AGR8150 Clark Insurance One Sundial Ave Suite 302N Manchester, NH 03103	CONTACT NAME: PHONE (A/C, No, Ext): (603) 622-2855 FAX (A/C, No): (603) 622-2854 E-MAIL ADDRESS: info@clarkinsurance.com													
	<table border="1"> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: Philadelphia Indemnity Ins Co</td> <td>18058</td> </tr> <tr> <td>INSURER B: A.I.M. Mutual Insurance Companies</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Philadelphia Indemnity Ins Co	18058	INSURER B: A.I.M. Mutual Insurance Companies		INSURER C:		INSURER D:		INSURER E:		INSURER F:
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INSURER C:														
INSURER D:														
INSURER E:														
INSURER F:														
INSURED Healthy at Home, Inc. & Harbor Care, Inc. 77 Northeastern Blvd Nashua, NH 03062-3128														

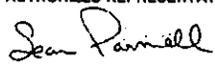
COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADOL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Social Service Profe GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			PHPK2296442	7/1/2021	7/1/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK2296446	7/1/2021	7/1/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHUB775796	7/1/2021	7/1/2022	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below.		N/A	WMZ-800-8007953-2021	11/26/2021	11/26/2022	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Medical Prof Liab: Excludes Coverage included under the Federal Tort Claims Act (FTCA)

CERTIFICATE HOLDER **CANCELLATION**

New Hampshire Council on Development Disabilities 2 1/2 Beacon St, Suite 10 Concord, NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
---	---

CERTIFICATE OF AUTHORITY

I, Joel Jaffe, Secretary, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Healthy at Home
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on January 26, 2022, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Peter Kelleher, President and CEO (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Healthy at Home to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 1/27/2022

DocuSigned by:
Joel Jaffe
Signature of Elected Officer
Name: Joel Jaffe
Title: Secretary

State of New Hampshire

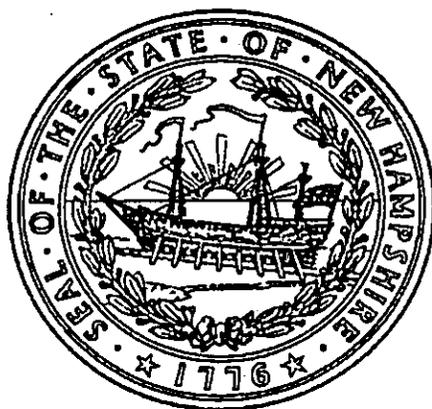
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that HEALTHY AT HOME, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on March 27, 1997. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 270149

Certificate Number: 0005367815

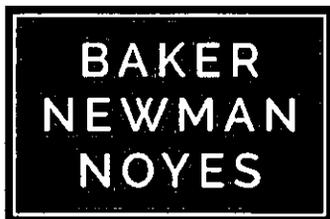


IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 14th day of May A.D. 2021.

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State



**Harbor Homes, Inc. and
Affiliates d/b/a Harbor Care**

**Audited Consolidated Financial Statements
and Supplementary Information**

*Year Ended June 30, 2021
With Independent Auditors' Report*

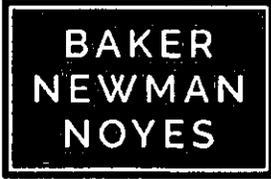
HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

Year Ended June 30, 2021

TABLE OF CONTENTS

Independent Auditors' Report	1
Audited Consolidated Financial Statement:	
Consolidated Statement of Financial Position	3
Consolidated Statement of Activities and Changes in Net Assets	5
Consolidated Statement of Functional Expenses	7
Consolidated Statement of Cash Flows	9
Notes to Consolidated Financial Statements	10
Supplementary Information:	
Consolidating Statement of Financial Position	30
Consolidating Statement of Activities and Changes in Net Assets	31
Statement of Financial Position – Harbor Homes, Inc.	32
Statement of Activities – Harbor Homes, Inc.	33
Statement of Functional Expenses – Harbor Homes, Inc.	34
Statement of Functional Expenses – Greater Nashua Council on Alcoholism, Inc.	36



Baker Newman & Noyes LLC
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800.244.7444 | www.bnn CPA.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Harbor Homes, Inc. and Affiliates d/b/a Harbor Care

We have audited the accompanying consolidated financial statements of Harbor Homes, Inc. and Affiliates d/b/a Harbor Care (the Organization), which comprise the consolidated statement of financial position as of June 30, 2021, 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 consolidated 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.

Auditors' 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 auditors' 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.

To the Board of Directors
Harbor Homes, Inc. and Affiliates d/b/a Harbor Care

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2021, and the results of its operations, changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the consolidated financial statements, the Organization has restated previously issued financial statements for accounting corrections.

Other Matter—Report on Supplementary Information

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

Baker Newman & Noyes LLC

Manchester, New Hampshire
November 10, 2021

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

June 30, 2021

ASSETS

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Current assets:			
Cash and cash equivalents	\$ 5,024,232	\$250,223	\$ 5,274,455
Restricted cash	756,358	-	756,358
Other accounts receivable, net	2,840,330	-	2,840,330
Patient receivables (FQHC)	293,114	-	293,114
Due from related organizations	47,318	-	47,318
Inventory	84,719	-	84,719
Other assets	<u>17,788</u>	<u>-</u>	<u>17,788</u>
Total current assets	9,063,859	250,223	9,314,082
Property and equipment, net	26,199,392	-	26,199,392
Other assets:			
Investments	88,306	-	88,306
Beneficial interest in assets held by others	-	235,208	235,208
Other assets	<u>181,513</u>	<u>-</u>	<u>181,513</u>
Total noncurrent assets	269,819	235,208	505,027
<hr style="border: 0.5px solid black;"/>			
Total assets	<u>\$35,533,070</u>	<u>\$485,431</u>	<u>\$36,018,501</u>

LIABILITIES AND NET ASSETS

	Without Donor Restrictions	With Donor Restrictions	Total
Current liabilities:			
Lines of credit	\$ 225,120	\$ -	\$ 225,120
Current portion of notes payable	655,636	-	655,636
Current portion of loan payable	3,338	-	3,338
Accounts payable	893,578	-	893,578
Accrued payroll, vacation and related expenses	1,051,815	-	1,051,815
Other liabilities	<u>310,204</u>	<u>-</u>	<u>310,204</u>
Total current liabilities	3,139,691	-	3,139,691
Long-term liabilities:			
Accrued payroll, vacation and related expenses	534,058	-	534,058
Notes payable, net of current portion	14,012,878	-	14,012,878
Notes payable, tax credits	455,463	-	455,463
Notes payable, deferred	7,568,496	-	7,568,496
Loan payable, net of current portion	146,562	-	146,562
Other liabilities	<u>443,181</u>	<u>-</u>	<u>443,181</u>
Total long-term liabilities	<u>23,160,638</u>	<u>-</u>	<u>23,160,638</u>
 Total liabilities	 26,300,329	 -	 26,300,329
Net assets:			
Without donor restrictions:			
Undesignated	9,232,741	-	9,232,741
With donor restrictions	<u>-</u>	<u>485,431</u>	<u>485,431</u>
Total net assets	<u>9,232,741</u>	<u>485,431</u>	<u>9,718,172</u>
 Total liabilities and net assets	 <u>\$35,533,070</u>	 <u>\$485,431</u>	 <u>\$36,018,501</u>

See accompanying notes.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

**CONSOLIDATED STATEMENT OF ACTIVITIES
AND CHANGES IN NET ASSETS**

For the Year Ended June 30, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and revenues:			
Support:			
Grants:			
Federal	\$10,263,203	\$ —	\$10,263,203
State	8,012,492	—	8,012,492
Contributions	1,120,052	518,862	1,638,914
CARES Act funding	1,184,588	—	1,184,588
Special events, net	24,718	—	24,718
Net assets released from restrictions – operations	<u>55,135</u>	<u>(55,135)</u>	<u>—</u>
Total support	20,660,188	463,727	21,123,915
Revenues:			
Patient service revenues (FQHC)	5,794,398	—	5,794,398
Patient service revenues (other)	5,886,925	—	5,886,925
Veterans Administration programs	3,135,408	—	3,135,408
Rental income:			
Resident payments	978,834	—	978,834
Other	326,166	—	326,166
Developer fees	16,003	—	16,003
Contracted services	901,680	—	901,680
Management fees	53,508	—	53,508
Other income	<u>100,609</u>	<u>—</u>	<u>100,609</u>
Total revenues	<u>17,193,531</u>	<u>—</u>	<u>17,193,531</u>
Total support and revenues	37,853,719	463,727	38,317,446
Operating expenses:			
Program services	30,963,416	—	30,963,416
Management and general	5,413,000	—	5,413,000
Fundraising and development	<u>289,276</u>	<u>—</u>	<u>289,276</u>
Total operating expenses before depreciation	36,665,692	—	36,665,692
Depreciation expense	<u>1,491,813</u>	<u>—</u>	<u>1,491,813</u>
Total operating expenses	<u>38,157,505</u>	<u>—</u>	<u>38,157,505</u>
(Loss) income from operations	(303,786)	463,727	159,941

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

**CONSOLIDATED STATEMENT OF ACTIVITIES
AND CHANGES IN NET ASSETS (CONTINUED)**

For the Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Nonoperating revenue:			
Investment return, net	\$ <u>34,286</u>	\$ <u>59,696</u>	\$ <u>93,982</u>
Total nonoperating revenue	<u>34,286</u>	<u>59,696</u>	<u>93,982</u>
(Deficiency) excess of revenues over expenses	(269,500)	523,423	253,923
Net assets released from restrictions – capital acquisitions	<u>271,571</u>	<u>(271,571)</u>	<u>–</u>
Change in net assets	2,071	251,852	253,923
Net assets, beginning of year (as restated, see note 2)	<u>9,230,670</u>	<u>233,579</u>	<u>9,464,249</u>
Net assets, end of year	<u>\$ 9,232,741</u>	<u>\$ 485,431</u>	<u>\$ 9,718,172</u>

See accompanying notes.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2021

	Program Services	Management and General	Fundraising and Development	Total
Personnel expenses:				
Salaries and wages	\$13,544,475	\$ 3,335,365	\$197,893	\$17,077,733
Payroll taxes	1,024,439	259,447	14,601	1,298,487
Employee benefits	2,089,719	678,579	29,364	2,797,662
Contract/professional services	859,526	196,273	4,295	1,060,094
Supplies:				
Office	127,591	45,563	1,944	175,098
Medical/dental	213,355	786	6	214,147
Building and household	117,856	3,917	42	121,815
Client services:				
Rental assistance	3,368,568	-	-	3,368,568
Rental application fee	811	-	-	811
Security deposit assistance	105,219	-	-	105,219
Utility rebate	63,488	-	-	63,488
Emergency housing	517,761	-	-	517,761
Treatment and supportive services	20,839	-	-	20,839
Training and employment assistance	12,155	-	-	12,155
Supportive services assistance	373,788	-	-	373,788
Activities, supplies and other assistance	54,003	-	-	54,003
Food, meals and nutritional assistance	201,099	-	-	201,099
Rent: office space	52,614	-	-	52,614
Condo association fees	17,343	-	-	17,343
Building:				
Maintenance and repairs	517,842	27,856	299	545,997
Utilities	521,975	33,884	363	556,222
Interest:				
Mortgage	655,395	99,677	888	755,960
Other	2,055	23,892	-	25,947
Conference and conventions	8,181	760	-	8,941
Professional services	43,596	25,000	-	68,596
Accounting and audit services	18,019	126,610	-	144,629
Legal fees	18,667	60,115	-	78,782
Insurance:				
Property and liability	77,543	17,591	47	95,181
Professional	39,661	390	-	40,051
Other	-	71,900	-	71,900
Vehicle and transportation expenses	75,638	-	-	75,638
Staff:				
Transportation	57,295	2,382	257	59,934
Education and training	98,318	41,396	79	139,793
Hiring and recruiting	63,929	7,376	295	71,600
Uniforms	1,529	-	-	1,529

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

For the Year Ended June 30, 2021

	Program Services	Management and General	Fundraising and Development	Total
Operations:				
Communication	\$ 163,472	\$ 44,935	\$ 1,157	\$ 209,564
Cable	11,818	217	2	12,037
Postage	14,019	21,752	1,213	36,984
Membership and subscriptions	48,315	24,440	5,138	77,893
Equipment lease and maintenance	56,460	8,523	551	65,534
Software licenses, maintenance and fees	680,860	214,425	275	895,560
Subrecipient and subcontracts	4,022,258	-	-	4,022,258
Property taxes	52,464	1,003	-	53,467
Direct program marketing and advertising	15,041	224	2,148	17,413
Marketing	1,918	6,338	11,878	20,134
Fundraising publications	-	773	13,098	13,871
Service charges and fees	11,639	28,797	3,443	43,879
Fines and penalties	694	699	-	1,393
Staff and board expenses	2,767	112	-	2,879
Loss on disposal of fixed assets	-	2,003	-	2,003
Cost of goods sold	<u>917,399</u>	<u>-</u>	<u>-</u>	<u>917,399</u>
Total functional expenses				
before depreciation expense	30,963,416	5,413,000	289,276	36,665,692
Depreciation expense	<u>1,442,652</u>	<u>48,824</u>	<u>337</u>	<u>1,491,813</u>
Total functional expenses	<u>\$32,406,068</u>	<u>\$ 5,461,824</u>	<u>\$289,613</u>	<u>\$38,157,505</u>

See accompanying notes.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2021

Cash flows from operating activities:	
Change in net assets	\$ 253,923
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Restricted contributions	(518,862)
Depreciation	1,491,813
Amortization of notes payable issuance costs	2,854
Amortization of tax credit liability	(72,090)
Unrealized gain on investments	(37,659)
Change in beneficial interest in assets held by others	(59,696)
Loss on disposal of fixed assets	2,003
Changes in operating assets and liabilities:	
Other accounts receivables, net	362,817
Patient accounts receivables	129,617
Due from related organizations	(25,944)
Inventory	39,562
Other assets	60,406
Accounts payable	(270,100)
Accrued payroll, vacation and related expenses	134,989
Other liabilities	(7,196)
Refundable advance	<u>(1,265,459)</u>
Net cash provided by operating activities	220,978
Cash flows from investing activities:	
Purchase of property and equipment	<u>(366,151)</u>
Net cash used by investing activities	(366,151)
Cash flows from financing activities:	
Net payments on line of credit	(396,652)
Proceeds from tax credits	40,000
Payments on notes and loans payable	(568,659)
Restricted contributions	<u>518,862</u>
Net cash used by financing activities	<u>(406,449)</u>
Net change in cash, cash equivalents and restricted cash	(551,622)
Cash, cash equivalents and restricted cash, beginning of year	<u>6,582,435</u>
Cash, cash equivalents and restricted cash, end of year	<u>\$ 6,030,813</u>
Reconciliation of the statement of cash flow to the statement of financial position:	
Cash and cash equivalents	\$ 5,274,455
Restricted cash	<u>756,358</u>
Total cash, cash equivalents and restricted cash	<u>\$ 6,030,813</u>
Supplemental disclosures of cash flow information:	
Cash paid during the year for interest	<u>\$ 780,724</u>
Property acquired through the issuance of a notes payable	<u>\$ 551,000</u>

See accompany notes.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

1. Description of Organization and Summary of Significant Accounting Policies

Harbor Homes, Inc. (d/b/a Harbor Care) (Harbor Homes) is the largest entity included in a collaboration of independent nonprofit organizations, sharing a common volunteer Board of Directors, President/CEO, and management team, that creates an innovative network to help New Hampshire families and individuals solve many of life's most challenging issues. Known collectively as "Harbor Care", the collaboration is an efficient and innovative approach to providing services to New Hampshire community members each year. This holistic approach recognizes that individuality, dignity, good health and wellness, self-respect, and a safe place to live are key to a person's ability to contribute to society.

While each nonprofit organization in the collaboration is a separate legal entity with its own 501(c)(3) public charity status, mission, budget, and staff, they share administrative resources whenever it is efficient to do so, and collaborate on service delivery when it leads to better client outcomes.

Most importantly, by sharing resources and working as one, the collaboration is able to coordinate and better deliver a comprehensive array of interventions designed to empower individuals and families and ultimately build a stronger community. Outcomes are enhanced through this model.

The members of the collaboration, and organizations included in these consolidated financial statements, include the following entities:

- *Harbor Homes* consists of Harbor Homes, Inc. and Harbor Homes Plymouth, LLC (HH Plymouth). Today known as "Harbor Care", Harbor Homes provides housing, health care, behavioral health care and services that address social determinants of health to individuals and families who are experiencing or at risk of homelessness. With specialized programs for veterans, people with chronic behavioral health disorders and other disabilities, and other vulnerable populations, the agency serves approximately 5,000 individuals each year in its housing and/or Federally Qualified Health Center (FQHC) programming. Outcomes include leading Greater Nashua's achievement of an effective end to veteran homelessness, effectively ending homelessness among those living with HIV/AIDS in Nashua, and substantially reducing chronic homelessness in the Greater Nashua region to the lowest level since data was first tracked more than a decade ago.

HH Plymouth is a single-member New Hampshire Limited Liability Company that supported the development of Boulder Point, LLC (Boulder Point), a veterans housing project in Plymouth, NH. HH Plymouth is a 0.01% investor member for Boulder Point and it is managed by Harbor Homes, Inc. The entity does not directly serve clients.

Harbor Homes I, Inc. (HUD 1) and *Harbor Homes VI, Inc.* (HUD VI) – These two nonprofits provide residential services to low-income individuals experiencing chronic behavioral issues or disability.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

1. Description of Organization and Summary of Significant Accounting Policies (Continued)

- *Welcoming Light, Inc.*(WLI), *Harbor Homes II, Inc.*(HH II), *Harbor Homes III, Inc.* (HH III) and *HH Ownership, Inc.* (HHO) – These four nonprofits provide residential services to the elderly and/or low-income individuals experiencing chronic behavioral issues or disability, and were created as separate entities by Harbor Homes, Inc.'s Board of Directors in response to federal regulations.
- *Greater Nashua Council on Alcoholism d/b/a Keystone Hall* (GNCA) is Greater Nashua's only comprehensive substance use disorder treatment center. Every year, it catalyzes change in hundreds of individuals, including those experiencing homelessness, those without adequate insurance, and pregnant and parenting women. No one is denied treatment due to an inability to pay. While in residential treatment, clients have all basic needs met, including food, transportation, clothing, and integrated healthcare through Harbor Care. Substance use disorder treatment services are evidence-based, gender-specific, and culturally competent, and include residential (with a specific program for pregnant and parenting women and their children), outpatient, intensive outpatient, and drug court services. During fiscal year 2021, the programs and employees of GNCA were transitioned to Harbor Homes.
- *Healthy at Home, Inc.* (HAH) provides in-home health care services and is a Medicare-certified home health agency. HAH helps clients address physical and behavioral health challenges to live full, happy lives at home by providing consistent, compassionate care and daily-living assistance. Ultimately, services keep clients in their own homes, and out of hospitals, institutions, or nursing homes. Staff provide skilled nursing, physical therapy, occupational therapy, homemaking services, respite care, and Alzheimer's care and dementia care.
- *SARC (Salem Association for Retarded Citizens) Housing Needs Board, Inc.* (SARC) operates a permanent supportive housing facility (Woodview Commons) in Salem, New Hampshire and provides affordable, income based housing for individuals with disabilities. SARC serves eight individuals annually.
- *Southern New Hampshire HIV/Aids Task Force, Inc. (the Task Force)* provides HIV/AIDS services and is a leader in HIV/AIDS services in New Hampshire that provides quality, holistic services to those with HIV/AIDS. All 200 plus clients are low-income, and they may face homelessness, mental illness, and substance use disorder. Outcomes are exemplary. Whereas viral suppression rate among individuals with HIV/AIDS is 45% nationally, more than 90% of the Task Force's clients are routinely virally suppressed. In partnership with its Harbor Care affiliates, the Task Force ensures that no individual with HIV or AIDS lives in homelessness in Greater Nashua or Keene. The Task Force is the State of New Hampshire's sole contractor among AIDS Service Organizations for supportive services, subcontracting to other New Hampshire AIDS Service Organizations statewide. During fiscal year 2021, the programs and employees of the Task Force were transitioned to Harbor Homes.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

1. **Description of Organization and Summary of Significant Accounting Policies (Continued)**

Basis of Accounting and Principles of Consolidation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting. The consolidated financial statements include the accounts of Harbor Homes, HH Plymouth, HUD I, HUD VI, WLI, HH II, HH III, HHO, GNCA, HAH, SARC and the Task Force, collectively referred to as the Organization. All significant intercompany transactions and accounts have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) 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.

Cash and Cash Equivalents

All cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents. The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk on these accounts.

Restricted Cash

Restricted cash consists primarily of cash received by the Organization for tenant deposits and certain reserves as required by the United States Department of Housing and Urban Development (HUD) and New Hampshire Housing Finance Authority (NHHFA). The Organization maintains its restricted cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced losses in such accounts and believes it is not exposed to any significant risks on these accounts.

Accounts Receivable

Accounts receivable consist primarily of noninterest-bearing amounts due for services and programs. The allowance for uncollectible accounts receivable is based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectible. Accounts receivable are reflected within the accompanying consolidated statement of financial position within other accounts receivable. The allowance for uncollectible accounts receivable was not significant at June 30, 2021.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

1. Description of Organization and Summary of Significant Accounting Policies (Continued)

Contributions Receivable

Unconditional contributions that are expected to be collected within one year are recorded at net realizable value. Unconditional contributions that are expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the consolidated statement of activities. The allowance for uncollectible contributions is based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions are written off when deemed uncollectible. Management has determined that no allowance is necessary. Contributions receivable are reflected within the accompanying consolidated statement of financial position within other accounts receivable.

Grants Receivable

Grants receivable, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Amounts recorded as grants receivable represent cost-reimbursable federal and state contracts and grants, for which the incurrence of allowable qualifying expenses and/or the performance of certain requirements have been met or performed. The allowance for uncollectible grants receivable is based on historical experience and a review of subsequent collections. Management has determined that no allowance is necessary. Grants receivable are reflected within the accompanying consolidated statement of financial position within other accounts receivable.

Patient Receivables

Patient receivables relate to health care services provided by the Organization's FQHC and other billable services. For patient accounts receivable, when an unconditional right to payment exists, subject only to the passage of time, the right is treated as a receivable. Patient accounts receivable for which the unconditional right to payment exists are receivables if the right to consideration is unconditional and only the passage of time is required before payment of that consideration is due. The estimated uncollectible amounts are generally considered implicit price concessions that are a direct reduction to accounts receivable and relate primarily to amounts due directly from patients. Estimated implicit price concessions are recorded for all uninsured accounts, regardless of the aging of those accounts. Accounts are written off when all reasonable internal and external collection efforts have been performed. The estimates for implicit price concessions are based upon management's assessment of historical writeoffs and expected net collections, business and economic conditions, and other collection indicators. Management relies on the results of detailed reviews of historical write-offs and collections as a primary source of information in estimating the collectability of its accounts receivable. Management believes its regular updates to the implicit price concession amounts provide reasonable estimates of revenues and valuations of accounts receivable. These routine, regular changes in estimates have not resulted in material adjustments to the valuations of accounts receivable or period-to-period comparisons of operations.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

1. Description of Organization and Summary of Significant Accounting Policies (Continued)

Inventory

Inventory is comprised primarily of pharmacy items, and is stated at the lower of cost or net realizable value determined by the first-in, first-out method. No allowance has been provided as management believes none of the inventory is obsolete.

Investments

Investments are carried at fair value in the accompanying consolidated statement of financial position. See Note 6 for fair value measurement disclosures for investments. The Organization classifies its investments as trading securities. Net investment return (including realized and unrealized gains and losses on investments, interest and dividends) is reported as nonoperating revenues.

The Organization is the beneficiary of a certain trust held and administered by others. The interest in the trust is recorded at fair value and such amount is included in net assets with donor restrictions, with any resulting gains or losses reported as donor restricted investment income.

Property and Equipment

Property and equipment additions over \$10,000 for Harbor Homes and GNCA and \$5,000 for all other entities are recorded at cost, if purchased, and at fair value at the date of donation, if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 40 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation is removed, and any resulting gain or loss is included in the consolidated statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment in fiscal year 2021.

Notes Payable Issuance Costs

Costs associated with the issuance of notes payable are initially capitalized and amortized to interest expense over the respective life of the related obligation. The unamortized portion of debt issuance costs is presented as a component of long-term notes payable.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

1. Description of Organization and Summary of Significant Accounting Policies (Continued)

Net Assets

In accordance with GAAP, the Organization is required to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization records restricted contributions whose restrictions are met in the same reporting period within net assets without donor restrictions. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization, or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

When a donor restriction expires (when a stipulated time restriction ends or purpose restriction is accomplished), restricted net assets are reclassified as net assets without donor restrictions and reported in the statement of activities as either net assets released from restrictions for operations (for noncapital-related items) or net assets released from restrictions for capital-related items.

Revenue and Revenue Recognition

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

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue (within other liabilities) in the consolidated statement of financial position.

Revenue: The performance obligation of delivering patient services is simultaneously received and consumed by patients when services are provided, therefore the Organization recognizes patient service revenues when the services are provided. Patient service revenues are reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing patient care. The Organization provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Since the Organization does not pursue collection of amounts determined to qualify as charity care, these amounts are not reported as revenue.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

1. Description of Organization and Summary of Significant Accounting Policies (Continued)

The contractual relationships with patients, in most cases, also involve a third-party payor (Medicaid, Medicare, and commercial insurance companies) and the transaction prices for the services provided are dependent upon the terms provided by Medicaid, Medicare, and commercial insurance companies, the third-party payors. The payment arrangements with third-party payors for the services provided to related patients typically specify payments at amounts less than standard charges. The Organization receives reimbursement from Medicare, Medicaid and insurance companies at defined rates for services to clients covered by such third-party payor programs. Management continually reviews the revenue recognition process to consider and incorporate updates to laws and regulations and the frequent changes in managed care contractual terms resulting from contract renegotiations and renewals.

Settlements with third-party payors are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Organization's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known.

The Organization recognizes revenue from Veterans Administration programs based on units of service as services are provided. Revenue related to rental income, including rental vouchers, resident payments, and other related costs, is recognized when the performance obligation of providing the space and related costs is satisfied. Revenues derived from providing contracted services are recognized as the services are provided to the recipients. All revenue paid in advance is deferred to the period to which it relates or when the underlying event or rental takes place.

Donated Services

Volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, no amounts have been reflected in the accompanying consolidated financial statements for such donated services, as no objective basis is available to measure the value.

Advertising Costs

Advertising costs are expensed as incurred and totaled \$20,134 for the year ended June 30, 2021.

Retirement Benefits

The Organization maintains a safe harbor contributory defined contribution retirement plan which covers substantially all employees of Harbor Homes. Eligible employees may contribute up to maximum limitations (set annually by the Internal Revenue Service) of their annual salary. After six months of employment, the employee's contributions are matched by Harbor Homes. The employer match was \$585,822 for the year ended June 30, 2021.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

1. Description of Organization and Summary of Significant Accounting Policies (Continued)

The Organization has other deferred compensation agreements with certain executives and highly compensated employees. The amounts ultimately due to the employees are to be paid upon the employees attaining certain criteria, including age. At June 30, 2021, the plans have assets and liabilities that are consolidated, but not significant to these consolidated financial statements. Total plan expense was insignificant for the year.

Employee Fringe Benefits

The Organization has an "earned time" plan. Under this plan, each employee "earns" paid leave for each period worked. These hours of paid leave may be used for vacations, holidays and sick time. Hours earned but not used are vested with the employee and only vacation hours incurred are paid to the employee upon termination. The Organization accrues a liability for such paid leave as it is earned.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statement of activities. The consolidated statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Performance Indicator

Excess of revenues over expenses is comprised of operating revenues and expenses and nonoperating revenues and expenses. For purposes of display, transactions deemed by management to be ongoing, major or central to the Organization's programs and services are reported as operating revenue and expenses. Peripheral or incidental transactions are reported as nonoperating revenues or expenses, which includes net investment return.

Income Taxes

The Organization consists of not-for-profit entities, with the exception of HH Plymouth, as described in Section 501(c)(3) of the Internal Revenue Code (the Code), and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. The Organization believes that it has appropriate support for the income tax positions taken and to be taken, and that its accruals for tax liabilities are adequate for all open tax years based on an assessment of many factors including experience and interpretations of tax laws applied to the facts of each matter. Management evaluated the Organization's tax positions and concluded the Organization has maintained its tax-exempt status, does not have any significant unrelated business income, has taken no significant uncertain tax positions that require disclosure in the accompanying consolidated financial statements and has no material liability for unrecognized tax benefits.

HH Plymouth is a single-member, New Hampshire Limited Liability Company, with Harbor Homes as its sole member. HH Plymouth has elected to be treated as a corporation.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

1. **Description of Organization and Summary of Significant Accounting Policies (Continued)**

New Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, which requires that lease arrangements longer than twelve months result in an entity recognizing an asset and liability. The pronouncement is effective for the Organization on July 1, 2022. Early adoption is permitted and the guidance may be adopted retrospectively. Management is currently evaluating the impact this guidance will have on the Organization's consolidated financial statements.

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 enhances the presentation of disclosure requirements for contributed nonfinancial assets. ASU 2020-07 requires entities to present contributed nonfinancial assets as a separate line item in the statement of activities and disclose the amount of contributed nonfinancial assets recognized within the statement of operations by category that depicts the type of contributed nonfinancial assets, as well as a description of any donor-imposed restrictions associated with the contributed nonfinancial assets and the valuation techniques used to arrive at a fair value measure at initial recognition. ASU 2020-07 is effective for the Organization for transactions in which they serve as the resource recipient beginning July 1, 2021, with early adoption permitted. The Organization is currently evaluating the impact of the pending adoption of ASU 2020-07 on the Organization's consolidated financial statements.

Risks and Uncertainties

On March 11, 2020, the World Health Organization declared the outbreak of COVID-19, a disease caused by the novel coronavirus, a pandemic. The COVID-19 pandemic has significantly affected communities and business operations, as well as the U.S. economy and financial markets. As the COVID-19 crisis continues to evolve, the full extent to which the COVID-19 outbreak will impact business, results of operations, financial condition and liquidity will depend on future developments that are highly uncertain and cannot be accurately predicted. For example, it is not possible to predict or control the severity or duration of the pandemic, including whether there will be additional periods of increases in the number of COVID-19 cases in areas in which the Organization operates, the timing and availability of effective medical treatments and vaccines or the efficacy of public health controls.

Subsequent Events

Events occurring after the consolidated statement of financial position date are evaluated by management to determine whether such events should be recognized or disclosed in the consolidated financial statements. Management has evaluated subsequent events through November 10, 2021, which is the date the consolidated financial statements were available to be issued.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

2. Accounting Corrections

Consolidation of Related Organization: Boulder Point is a housing project development and HH Plymouth is the "Company Manager" member, a 0.01% member. In reviewing the accounting treatment of Boulder Point, the Organization determined that this entity did not qualify for consolidation within the Harbor Care consolidated financial statements as historically presented. The Organization, while acting as Company Manager, also provides a limited guaranty to fund operating deficits (as further discussed in Note 15). In addition, there is a Sponsor Loan between Boulder Point (obligor) and HH Plymouth (lender) in the amount of \$1,271,105 (also as further discussed in Note 15). The Organization determined that at the present time, the likelihood of repayment of this loan is low, there is a present value discount to the loan that should be factored into its value, and that collectability is not reasonably assured. Therefore, the note receivable as historically recognized by HH Plymouth should have been fully discounted/reserved for. As a result of the deconsolidation of Boulder Point and applying a discount/reserve against the note receivable from Boulder Point, beginning net assets at July 1, 2020 decreased by \$2,836,985.

Beneficial Interest in Trust: An agency fund was established by the New Hampshire Charitable Foundation (NHCF) in 2006 to support the mission of Harbor Homes and was historically recorded as net assets without donor restrictions. In reviewing the accounting treatment of this fund, the Organization determined that this fund should be classified as net assets with donor restrictions. As a result of this correction, \$175,512 was reclassified from net assets without donor restrictions to net assets with donor restrictions at July 1, 2020. There was no impact to total net assets at July 1, 2020.

3. Liquidity and Availability

Financial assets available for general expenditure within one year of the date of the consolidated statement of financial position consists of the following at June 30, 2021:

Cash and cash equivalents	\$ 5,024,232
Receivables	<u>3,133,444</u>
Financial assets available to meet general expenditures over the next year	<u>\$ 8,157,676</u>

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. In addition to financial assets available to meet general expenditures over the next year, the Organization operates with a balanced budget and anticipates sufficient revenue to cover general expenditures not covered by donor-restricted resources. As part of its liquidity management plan, the Organization also has revolving credit lines available to meet cash flow needs.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

4. Restricted Cash

Restricted cash consists of the following at June 30, 2021:

Operating reserves (required by HUD and NHHFA)	\$ 74,666
Reserve for replacements (required by HUD and NHHFA)	575,923
Residual receipt deposits (required by HUD and NHHFA)	54,577
Security deposits	27,065
Other	<u>24,127</u>
	<u>\$756,358</u>

5. Patient Accounts and Other Accounts Receivables

Other accounts receivable consist of the following at June 30, 2021:

Grants	\$2,186,674
Medicaid/Medicare	337,753
Residents and patients	220,980
Other	<u>94,923</u>
	<u>\$2,840,330</u>

Patient receivables, related to the Organization's FQHC, consist of the following at June 30, 2021:

Medicaid/Medicare	\$188,930
Other	<u>104,184</u>
	<u>\$293,114</u>

6. Investments and Fair Value Measurements

The Organization presents investments at fair value in compliance with the FASB in ASC Topic 820, *Fair Value Measurements and Disclosures*. ASC Topic 820 establishes a framework for measuring fair value and requires assets and liabilities measured at fair value be segregated into the following three categories: (1) Level 1, fair values obtained from quoted prices in active markets for identical assets and liabilities; (2) Level 2, fair values obtained from significant other observable inputs, such as quoted prices for similar assets and liabilities in active markets; and (3) Level 3, fair values obtained from significant unobservable inputs. All of the Organization's investments measured at fair value are measured using Level 1 inputs.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

6. Investments and Fair Value Measurements (Continued)

In December 2006, the Organization transferred funds to the New Hampshire Charitable Foundation (NHCF) to establish an endowment fund with the Organization named as beneficiary. Under terms of the agreement, distributions from the fund can be made at the discretion of the NHCF Board of Directors at such times and in such amounts and for such charitable purposes, as they deem appropriate, in keeping with the purposes of the fund. The Organization elected for all distributions to be reinvested into the fund. At the time of the transfer, the Organization granted variance power to NHCF. That power gives NHCF the right to distribute the investment income to another not-for-profit organization of its choice if the Organization ceases to exist or if the governing board of NHCF votes that support of the Organization (a) is no longer necessary, (b) is incapable of fulfillment, or (c) is inconsistent with the needs of the community. At June 30, 2021, the endowment fund has a value of \$235,208, which is reported in the consolidated statement of financial position as a beneficial interest in assets held by others. The Organization's legal interest is in its pro rata portion of the trust and not the trust's underlying assets. The Organization's interest is valued based upon its pro rata ownership of the total trust. As the actual assets are not readily available to the Organization, the asset is considered to be level 3.

Investments consist of the following at June 30, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2021</u>				
Equities	\$ 46,235	\$ -	\$ -	\$ 46,235
Exchange traded funds	24,970	-	-	24,970
Mutual funds	17,101	-	-	17,101
Beneficial interest in assets held by others	<u>-</u>	<u>-</u>	<u>235,208</u>	<u>235,208</u>
	<u>\$ 88,306</u>	<u>\$ -</u>	<u>\$235,208</u>	<u>\$323,514</u>

The table below presents information about the changes in the beneficial interest in assets held by others for the year ended June 30, 2021:

Beginning balance	\$175,512
Investment return, net of fees	<u>59,696</u>
Ending balance	<u>\$235,208</u>

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

7. **Property and Equipment**

Property and equipment consists of the following at June 30, 2021:

Land and land improvements	\$ 4,480,228
Buildings and building improvements	33,662,915
Software	516,919
Vehicles	438,497
Furniture, fixtures and equipment	<u>366,585</u>
	39,465,144
Less accumulated depreciation	<u>(13,265,752)</u>
	<u>\$ 26,199,392</u>

Depreciation expense totaled \$1,491,813 for the year ended June 30, 2021.

8. **Lines of Credit**

At June 30, 2021, the Organization had the following lines of credit available:

Harbor Homes: \$1,600,000 of credit available from TD Bank, N.A. due February 28, 2022, secured by all business assets. The Organization is required, at a minimum, to make monthly interest payments at the Wall Street Journal Prime Rate plus 1.00% (4.25% at June 30, 2021). As of June 30, 2021, the credit line had an outstanding balance of \$225,120. Harbor Homes was in compliance with its debt covenant requirements for 2021.

GNCA: \$750,000 line of credit available from Merrimack County Savings Bank, due on demand, and secured by all business assets. The Organization is required, at a minimum, to make monthly interest payments at the Wall Street Journal Prime Rate plus 1.00% (4.25% at June 30, 2021). There was no outstanding balance on the line of credit at June 30, 2021. GNCA was in compliance with its debt covenant requirements for 2021.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

9. **Payroll Protection Program Loans**

In April 2020, the Organization received \$3,820,397 under the U.S. Small Business Administration (SBA) Paycheck Protection Program (PPP). The PPP, established as part of the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act), which was enacted March 27, 2020, provided for loans to qualifying organizations for amounts up to 2.5 times the average monthly payroll expenses. The loans and accrued interest had original terms that were forgivable after a specified period as long as the borrower used the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness would be reduced if the borrower terminated employees or reduced salaries during the period. Certain modifications to PPP loan terms were signed into law in June 2020 that changed the forgiveness, covered period and forgiveness periods. When the proceeds were received, the Organization accounted for the PPP loan as a refundable advance. Any unforgiven portion of the PPP loan is payable over two years at an interest rate of 1% with deferral of payments for the first ten months. The Organization believed that at June 30, 2020 a majority of the proceeds had been used for purposes consistent with the PPP requirements and recognized \$2,554,938 of the PPP loan as revenue as a result of qualifying expenses incurred in fiscal year 2020. The remaining balance of the PPP loan in the amount of \$1,265,459 was reflected as a refundable advance in the consolidated statement of financial position at June 30, 2020 as it was expected that the remaining proceeds would be used for purposes consistent with PPP requirements in fiscal year 2021.

During fiscal year 2021, the Organization received notification of forgiveness for the full PPP loan amounts. Upon such notification, the Organization recognized \$1,184,588 as revenue in fiscal year 2021.

10. **Loan Payable**

In June 2020, Harbor Homes entered into an Economic Injury Disaster Loan (EIDL) with the SBA in the amount of \$149,900. Proceeds were used to alleviate economic injury caused by the COVID-19 pandemic. Monthly payments of \$641, including principal and interest at 2.75%, began in June 2021.

Aggregate principal payments on the loan payable due within the next five years and thereafter are as follows for the year ending June 30:

2022	\$ 3,338
2023	3,182
2024	3,282
2025	3,386
2026	3,492
Thereafter	<u>133,220</u>
	<u>\$149,900</u>

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

11. Notes Payable

Notes Payable

Notes payable consisted of the following as of June 30, 2021:

<u>Property/Security</u>	<u>Monthly Payment Amount</u>	<u>Interest Rate</u>	<u>Interest Type</u>	<u>Maturity Date</u>	<u>Principal Balance</u>
615 Amherst Street, Nashua, NH	\$ 19,631	4.00%	Adjustable	September 2042	\$ 3,384,225
75-77 Northeastern Boulevard, Nashua, NH	18,772	4.38%	Adjustable	October 2029	3,269,898
75-77 Northeastern Boulevard, Nashua, NH	6,177	5.00%	Fixed	September 2029	1,201,443
335 Somerville Street, Manchester, NH	7,879	6.77%	Adjustable	December 2033	1,090,917
335 Somerville Street Manchester, NH	6,193	4.57%	Fixed	December 2033	1,044,580
59 Factory Street, Nashua, NH	7,768	7.05%	Adjustable	October 2040	976,141
59 Factory Street, Nashua, NH	2,692	4.75%	Adjustable	October 2040	407,321
59 Factory Street, Nashua, NH	310	4.39%	Adjustable	October 2035	39,547
46 Spring Street, Nashua, NH	5,126	6.97%	Adjustable	December 2036	572,952
46 Spring Street, Nashua, NH	3,996	4.75%	Fixed	December 2036	519,848
45 High Street, Nashua, NH	5,324	4.38%	Fixed	August 2030	479,587
12 Auburn Street, Nashua, NH	2,863	3.85%	Adjustable	December 2045	544,375
30 Allds Street, Nashua, NH	5,276	9.25%*	Fixed	December 2026	275,276
156 Chestnut Street, Nashua, NH	3,369	9.25%*	Fixed	January 2028	198,794
156 Chestnut Street, Nashua, NH	1,425	4.75%	Adjustable	April 2042	225,990
7 Trinity Street, Claremont, NH	1,731	7.00%*	Fixed	September 2036	195,562
7 North Main Street, Antrim, NH	3,184	9.25%*	Fixed	May 2025	128,781
2 Freedom Drive, Salem, NH	2,543	9.25%*	Fixed	April 2023	52,316
3 Winter Street, Nashua, NH	2,385	9.25%*	Fixed	August 2022	31,537
Mobile van and pharmacy inventory	3,419	1.00%	Fixed	April 2022	47,625
Software	3,419	1.00%	Fixed	June 2022	42,457
					<u>14,729,172</u>
Notes payable issuance costs					(60,658)
Current portion					<u>(655,636)</u>
					<u>\$14,012,878</u>

* HUD issued and backed

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

11. Notes Payable (Continued)

Aggregate principal payments on the notes payable due within the next five years and thereafter are as follows for the years ending June 30:

2022	\$ 655,636
2023	564,938
2024	556,417
2025	589,077
2026	586,317
Thereafter	<u>11,776,787</u>
	<u>\$14,729,172</u>

Certain of the above notes payable contain various financial and nonfinancial covenants. Management asserts all debt covenant requirements have been met for 2021. The adjustable rate notes payable adjust at various times during the life of the respective note and are primarily based off the Federal Home Loan Bank of Boston Amortizing Advance Rate, plus basis points ranging from 200 to 300 basis points.

Notes Payable, Tax Credits

Notes payable, tax credits consist of notes held by the Community Development Finance Authority through the Community Development Investment Program, through the sale of tax credits to donor organizations. At June 30, 2021, these tax credits totaled \$455,463. The tax credits self-amortize over the term of the notes, which is generally 10 years.

Notes Payable, Deferred

The Organization has deferred notes outstanding, secured by real property. These loans are interest free, and are not required to be repaid unless the Organization is in default with the terms of the loan agreements or, for certain loans, if an operating surplus occurs within that program. The deferred loans are subordinate to any nondeferred loan on the related property. Management asserts all debt covenant requirements have been met for 2021.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

11. Notes Payable (Continued)

Deferred notes payable are as follows at June 30, 2021:

City of Manchester:	
Somerville Street property	\$ 300,000
City of Nashua:	
Factory Street property	580,000
Spring Street property	491,000
Strawberry Bank condominium	80,000
High Street fire system	<u>65,000</u>
Total City of Nashua	1,216,000
HUD:	
Strawberry Bank condominium	436,400
Federal Home Loan Bank (FHLB):	
Factory Street property	400,000
Somerville Street property	400,000
Spring Street property	398,747
Amherst Street property	<u>385,000</u>
Total FHLB	1,583,747 ⁽¹⁾
New Hampshire Housing Finance Authority (NHHFA):	
Amherst Street property	1,500,000
Factory Street property	982,349
Spring Street property	550,000
Somerville Street property	<u>1,000,000</u>
Total NHHFA	<u>4,032,349⁽²⁾</u>
	<u>\$7,568,496</u>

(1) Will be automatically forgiven at the end of the term

(2) Nonrecourse

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

12. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following at June 30, 2021:

Purpose:

Capital improvements	\$218,429
Veterans programs	13,375
Miscellaneous	16,486
Special events	<u>1,933</u>
	250,223

Perpetuity:

Beneficial interest in assets held by others	<u>235,208</u>
--	----------------

\$485,431

13. Patient Service Revenues

The Organization recognizes patient service revenue associated with services provided through its FQHC to patients who have Medicaid, Medicare, third-party payor, and managed care plans coverage on the basis of contractual rates for services rendered. For uninsured self-pay patients that do not qualify for charity care, the Organization recognizes revenue on the basis of its standard rates for services provided or on the basis of discounted rates if negotiated or provided by the Organization's policy. The Organization accepts patients regardless of their ability to pay. A patient is classified as a charity patient by reference to certain established policies, which define charity services as those costs for which no payment is anticipated. The Organization uses federally established poverty guidelines to assess the level of discount provided to the patient. The Organization is required to provide a full discount to patients with annual incomes at or below 100% of the poverty guidelines, but may charge a nominal fee. If the patient is unable to pay the nominal fee, the amount is written off to charity care. All patients are charged in accordance with a sliding fee discount program based on household size and household income. No discounts may be provided to patients with incomes over 200% of federal poverty guidelines.

Patient service revenues (FQHC) consists of the following for the year ended June 30, 2021:

Medicaid	\$3,734,104
Medicare	1,323,310
Third party	549,453
Sliding fee/free care	50,486
Self-pay	<u>137,045</u>
	<u>\$5,794,398</u>

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

13. **Patient Service Revenues (Continued)**

Other patient service revenues consists of the following for the year ended June 30, 2021:

Medicaid	\$5,453,707
Medicare	247,305
Third party	107,091
Self-pay	<u>78,822</u>
	<u>\$5,886,925</u>

14. **Functional Expenses**

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, those expenses require allocation on a reasonable basis that is consistently applied. The majority of expenses are direct costs that are charged to the applicable cost center, program, grant, and/or function. Costs that are not directly related to a cost center, program, grant, and/or function, or allocated as noted below, are accumulated into an indirect cost pool and charged using direct salaries, wages, and benefits as the allocation base. Certain individual cost elements are charged on a direct allocation basis, as follows:

Salaries, Wages and Benefits

Except for certain key members of management, employees charge their time directly to specific grants, contracts, or other activities. Charges are supported by labor distribution reports and timesheet records, which reflect the actual activities under each. Fringe benefits include unemployment insurance, workers' compensation, FICA, health insurance, dental insurance, short-term and long-term disability, and matching retirement contributions. Benefits are also directly charged, using a methodology similar to that used for salaries and wages.

Occupancy Costs

Occupancy costs are allocated as follows:

- Interest on debt-financed property is allocated based on the purpose/use of the property.
- Rent is allocated based on square footage.
- Utilities are charged based on the purpose/use of the property.
- Depreciation is allocated based on the purpose/use of the property.

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended June 30, 2021

15. Related Party Transactions

As discussed in Note 2, Boulder Point is a related party to the Organization. The following is a summary of transactions between the Organization and Boulder Point:

- Boulder Point and Harbor Homes entered into a ground lease agreement in 2018. The lease called for a one-time payment of \$285,000 at inception of the lease. The lease terminates in June 2116 with optional one-year renewals. At June 30, 2021, Harbor Homes has recorded \$276,275 in deferred rent revenue, which is reflected within other long-term liabilities in the accompanying consolidated statement of financial position.
- Harbor Homes has an amount due from Boulder Point for project developer fees. At the end of each fiscal year, Boulder Point repays Harbor Homes to the extent the project produces sufficient cash flow. At June 30, 2021, Harbor Homes has recorded \$157,504 related to developer fees receivable, which is reflected within other long-term assets in the accompanying consolidated statement of financial position.
- Harbor Homes recognized approximately \$47,000 in management fee revenue from Boulder Point for the year ended June 30, 2021, which is also reflected as due from related organizations in the accompanying consolidated statement of financial position a June 30, 2021.
- As discussed in Note 2, Harbor Homes provides a guaranty of operating deficits of the Boulder Point project in the amount of \$275,000. Accordingly, in the event the project were to experience financial distress, Harbor Homes would have a contingent liability for operating deficits up to \$275,000. This risk has been mitigated in part through the establishment of an operating reserve.
- As discussed in Note 2, there is a loan between HH Plymouth and Boulder Point totaling \$1,271,105. The loan is due to HH Plymouth in a balloon payment in 2039 and is the last priority of note payable. The Organization determined that the likelihood of repayment of this loan is low and collectability is not reasonably assured and therefore, the note receivable is fully reserved for by HH Plymouth as of June 30, 2021.

Supplementary Information

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

June 30, 2021

	Harbor Homes*	Harbor Homes II, Inc.	Harbor Homes III Inc.	HH Ownership, Inc.	Greater Nashua Council on Alcoholism	Healthy at Home, Inc.	Welcoming Light, Inc.	SARC Housing Needs Board, Inc.	Southern NH HIV/AIDS Task Force, Inc.	Eliminations	Total
Assets											
Current assets:											
Cash and cash equivalents	\$ 2,918,209	\$ 3,039	\$ 8,905	\$ 7,197	\$ 1,975,910	\$ 17,959	\$ 14,685	\$ 42,500	\$ 286,051	\$ -	\$ 5,274,455
Restricted cash	455,283	33,072	33,168	22,664	62,743	-	46,328	103,100	-	-	756,358
Other accounts receivable, net	2,632,531	2,749	599	10	83,975	113,720	6,333	413	-	-	2,840,330
Patient accounts receivables	293,114	-	-	-	-	-	-	-	-	-	293,114
Due from related organizations	3,137,052	-	-	-	80,100	-	-	-	1,288	(3,171,122)	47,318
Inventory	84,719	-	-	-	-	-	-	-	-	-	84,719
Other assets	12,059	-	-	-	-	-	5,729	-	-	-	17,788
Total current assets	9,532,967	38,860	42,672	29,871	2,202,728	131,679	73,075	146,013	287,339	(3,171,122)	9,314,082
Property and equipment, net	19,764,924	255,741	199,230	268,758	4,841,580	2,042	781,136	85,981	-	-	26,199,392
Other assets:											
Investments	88,306	-	-	-	-	-	-	-	-	-	88,306
Beneficial interest in assets held by others	235,208	-	-	-	-	-	-	-	-	-	235,208
Other assets	180,913	-	-	-	-	-	-	-	600	-	181,513
Total other assets	504,427	-	-	-	-	-	-	-	600	-	505,027
Total assets	\$29,802,318	\$ 294,601	\$ 241,902	\$ 298,629	\$ 7,044,308	\$ 133,721	\$ 854,211	\$ 231,994	\$ 287,939	\$(3,171,122)	\$36,018,501
Liabilities and Net Assets											
Current liabilities:											
Lines of credit	\$ 225,120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 225,120
Current portion of notes payable	359,559	43,309	22,998	-	141,184	-	61,795	26,791	-	-	655,636
Current portion of loan payable	3,338	-	-	-	-	-	-	-	-	-	3,338
Due to related organizations	2,601,967	196,227	8,523	9,020	-	41,228	312,582	1,575	-	(3,171,122)	-
Accounts payable	882,505	1,502	625	981	-	3,602	1,783	2,580	-	-	893,578
Accrued payroll, vacation and related expenses	1,008,217	-	-	-	-	43,566	-	-	32	-	1,051,815
Other liabilities	127,096	2,328	1,532	1,901	168,318	6,526	2,100	403	-	-	310,204
Total current liabilities	5,207,802	243,366	33,678	11,902	309,502	94,922	378,260	31,349	32	(3,171,122)	3,139,691
Long-term liabilities:											
Accrued payroll, vacation and related expenses	518,643	-	-	-	-	15,415	-	-	-	-	534,058
Notes payable, net of current portion	9,743,389	231,967	175,796	-	3,224,840	-	611,361	25,525	-	-	14,012,878
Notes payable, tax credits	455,463	-	-	-	-	-	-	-	-	-	455,463
Notes payable, deferred	5,167,096	-	-	516,400	1,885,000	-	-	-	-	-	7,568,496
Loan payable	146,562	-	-	-	-	-	-	-	-	-	146,562
Other liabilities	347,858	3,798	2,330	1,284	-	-	5,013	2,028	80,870	-	443,181
Total long-term liabilities	16,379,011	235,765	178,126	517,684	5,109,840	15,415	616,374	27,553	80,870	-	23,160,638
Total liabilities	21,586,813	479,131	211,804	529,586	5,419,342	110,337	994,634	58,902	80,902	\$(3,171,122)	26,300,329
Net assets (deficit):											
Without donor restrictions	7,730,074	(184,530)	30,098	(230,957)	1,624,966	23,384	(140,423)	173,092	207,037	-	9,232,741
With donor restrictions	485,431	-	-	-	-	-	-	-	-	-	485,431
Total net assets (deficit)	8,215,505	(184,530)	30,098	(230,957)	1,624,966	23,384	(140,423)	173,092	207,037	-	9,718,172
Total liabilities and net assets	\$29,802,318	\$ 294,601	\$ 241,902	\$ 298,629	\$ 7,044,308	\$ 133,721	\$ 854,211	\$ 231,994	\$ 287,939	\$(3,171,122)	\$36,018,501

* Consists of Harbor Homes, Inc., HH Plymouth, HUD I and HUD VI

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended June 30, 2021

	Harbor Homes*	Harbor Homes II, Inc.	Harbor Homes III Inc.	HH Owaership, Inc.	Greater Nashua Council on Alcoholism	Healthy at Home, Inc.	Welcoming Light, Inc.	SARC Housing Needs Board, Inc.	Southern NH HIV/AIDS Task Force, Inc.	Eliminations	Total
Support and Revenues											
Support:											
Grants:											
Federal	\$ 9,521,998	\$ 127,859	\$ 111,269	\$ 32,091	\$ 88,340	\$ 19,336	\$ 128,371	\$ 100,155	\$ 133,784	\$ -	\$ 10,263,203
State	6,722,643	-	-	-	744,191	67,800	-	-	477,858	-	8,012,492
Contributions	1,513,460	-	-	-	26,960	33,344	3,233	-	61,917	-	1,638,914
CARES Act funding	1,181,727	-	-	-	-	-	-	-	2,861	-	1,184,588
Special events, net	24,718	-	-	-	-	-	-	-	-	-	24,718
Total support	18,964,546	127,859	111,269	32,091	859,491	120,480	131,604	100,155	676,420	-	21,123,915
Revenues:											
Patient service revenues (FQHC)	5,820,872	-	-	-	-	-	-	-	-	(26,474)	5,794,398
Patient service revenues (other)	3,913,535	-	-	-	584,848	1,388,542	-	-	-	-	5,886,925
Veterans Administration programs	3,135,408	-	-	-	-	-	-	-	-	-	3,135,408
Rental income:											
Resident payments	762,428	45,731	35,122	25,485	-	-	81,614	28,454	-	-	978,834
Other income	375,082	-	-	-	228,995	-	-	-	-	(277,911)	326,166
Developer fees	16,003	-	-	-	-	-	-	-	-	-	16,003
Contracted services	610,287	-	-	-	34,681	206,093	-	-	50,619	-	901,680
Management fees	110,597	-	-	-	-	-	-	-	-	(57,089)	53,508
Other income	84,991	-	-	-	-	202	-	15,416	-	-	100,609
Total revenues	14,829,203	45,731	35,122	25,485	848,524	1,594,837	81,614	43,870	50,619	(361,474)	17,193,531
Total support and revenues	33,793,749	173,590	146,391	57,576	1,708,015	1,715,317	213,218	144,025	727,039	(361,474)	38,317,446
Operating expenses:											
Program services	27,332,599	115,135	74,933	38,187	1,237,849	1,613,924	110,378	49,783	668,353	(277,725)	30,963,416
Management and general	5,065,309	27,073	21,830	17,401	217,920	55,606	50,780	18,683	22,147	(83,749)	5,413,000
Fundraising and development	284,017	-	-	-	9	5,000	-	-	250	-	289,276
Total operating expenses before depreciation expense	32,681,925	142,208	96,763	55,588	1,455,778	1,674,530	161,158	68,466	690,750	(361,474)	36,665,692
Depreciation expense	1,091,724	24,442	24,534	14,349	298,137	2,970	26,217	7,555	1,885	-	1,491,813
Total operating expenses	33,773,649	166,650	121,297	69,937	1,753,915	1,677,500	187,375	76,021	692,635	(361,474)	38,157,505
Income (loss) from operations	20,100	6,940	25,094	(12,361)	(45,900)	37,817	25,843	68,004	34,404	-	159,941
Nonoperating revenue:											
Investment return, net	88,483	11	14	7	5,201	-	9	148	109	-	93,982
Total nonoperating revenue, net	88,483	11	14	7	5,201	-	9	148	109	-	93,982
Change in net assets	108,583	6,951	25,108	(12,354)	(40,699)	37,817	25,852	68,152	34,513	-	253,923
Net assets (deficit), beginning of year	8,106,922	(191,481)	4,990	(218,603)	1,665,665	(14,433)	(166,275)	104,940	172,524	-	9,464,249
Net assets (deficit), end of year	\$ 8,215,505	\$ (184,530)	\$ 30,098	\$ (230,957)	\$ 1,624,966	\$ 23,384	\$ (140,423)	\$ 173,092	\$ 207,037	\$ -	\$ 9,718,172

* Consists of Harbor Homes, Inc., HH Plymouth, HUD I and HUD VI

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

STATEMENT OF FINANCIAL POSITION – HARBOR HOMES, INC.

	June 30, 2021				
	Harbor Homes, Inc.	HUD I, Inc.	HUD VI, Inc.	HH Plymouth, LLC	Total
Assets					
Current assets:					
Cash and cash equivalents	\$ 2,899,346	\$ 16,507	\$ 2,356	\$ –	\$ 2,918,209
Restricted cash	308,900	68,509	77,874	–	455,283
Other accounts receivable, net	2,629,353	1,063	2,115	–	2,632,531
Patient accounts receivables	293,114	–	–	–	293,114
Due from related organizations	3,137,052	–	–	–	3,137,052
Inventory	84,719	–	–	–	84,719
Other assets	12,059	–	–	–	12,059
Total current assets	9,364,543	86,079	82,345	–	9,532,967
Property and equipment, net	19,408,665	77,914	278,345	–	19,764,924
Other assets:					
Investments	88,306	–	–	–	88,306
Beneficial interest in assets held by others	235,208	–	–	–	235,208
Other assets	180,913	–	–	–	180,913
Total other assets	504,427	–	–	–	504,427
Total assets	\$ 29,277,635	\$ 163,993	\$ 360,690	\$ –	\$ 29,802,318
Liabilities and Net Assets					
Current liabilities:					
Lines of credit	\$ 225,120	\$ –	\$ –	\$ –	\$ 225,120
Current portion of notes payable	327,485	24,755	7,319	–	359,559
Current portion of loan payable	3,338	–	–	–	3,338
Due to related organizations	1,201,233	2,473	127,156	1,271,105	2,601,967
Accounts payable	881,617	736	152	–	882,505
Accrued payroll, vacation and related expenses	1,008,217	–	–	–	1,008,217
Other liabilities	125,060	888	1,148	–	127,096
Total current liabilities	3,772,070	28,852	135,775	1,271,105	5,207,802
Long-term liabilities:					
Accrued payroll and related expenses	518,643	–	–	–	518,643
Notes payable, net of current portion	9,548,364	6,782	188,243	–	9,743,389
Notes payable, tax credits	455,463	–	–	–	455,463
Notes payable, deferred	5,167,096	–	–	–	5,167,096
Loan payable, net of current portion	146,562	–	–	–	146,562
Other liabilities	344,227	2,616	1,015	–	347,858
Total long-term liabilities	16,180,355	9,398	189,258	–	16,379,011
Total liabilities	19,952,425	38,250	325,033	1,271,105	21,586,813
Net assets (deficit):					
Without donor restrictions	8,839,779	125,743	35,657	(1,271,105)	7,730,074
With donor restrictions	485,431	–	–	–	485,431
Total net assets (deficit)	9,325,210	125,743	35,657	(1,271,105)	8,215,505
Total liabilities and net assets (deficit)	\$ 29,277,635	\$ 163,993	\$ 360,690	\$ –	\$ 29,802,318

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

STATEMENT OF ACTIVITIES – HARBOR HOMES, INC.

June 30, 2021

	Harbor Homes, Inc.	HUD I, Inc.	HUD VI, Inc.	HH Plymouth, LLC	Total
Support and Revenues					
Support:					
Grants:					
Federal	\$ 9,356,335	\$ 94,481	\$ 71,182	\$ –	\$ 9,521,998
State	6,722,643	–	–	–	6,722,643
Contributions	1,513,460	–	–	–	1,513,460
CARES Act funding	1,181,727	–	–	–	1,181,727
Special events, net	24,718	–	–	–	24,718
Total support	18,798,883	94,481	71,182	–	18,964,546
Revenues:					
Patient service revenues (FQHC)	5,820,872	–	–	–	5,820,872
Patient service revenues (other)	3,913,535	–	–	–	3,913,535
Veterans Administration programs	3,135,408	–	–	–	3,135,408
Rental income:					
Resident payments	707,849	38,283	16,296	–	762,428
Other	375,082	–	–	–	375,082
Developer fees	16,003	–	–	–	16,003
Contracted services	610,287	–	–	–	610,287
Management fees	110,597	–	–	–	110,597
Other income	84,991	–	–	–	84,991
Total revenues	14,774,624	38,283	16,296	–	14,829,203
Total support and revenues	33,573,507	132,764	87,478	–	33,793,749
Operating expenses:					
Program services	27,213,905	62,524	56,170	–	27,332,599
Management and general	5,026,164	20,414	18,731	–	5,065,309
Fundraising and development	284,017	–	–	–	284,017
Total operating expenses before depreciation expense	32,524,086	82,938	74,901	–	32,681,925
Depreciation expense	1,071,522	5,809	14,393	–	1,091,724
Total operating expenses	33,595,608	88,747	89,294	–	33,773,649
(Loss) income from operations	(22,101)	44,017	(1,816)	–	20,100
Nonoperating revenue:					
Investment return, net	88,446	30	7	–	88,483
Total nonoperating revenue, net	88,446	30	7	–	88,483
Change in net assets	66,345	44,047	(1,809)	–	108,583
Net assets (deficit), beginning of year	9,258,865	81,696	37,466	(1,271,105)	8,106,922
Net assets (deficit), end of year	\$ 9,325,210	\$ 125,743	\$ 35,657	\$ (1,271,105)	\$ 8,215,505

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

STATEMENT OF FUNCTIONAL EXPENSES – HARBOR HOMES, INC.

For the Year Ended June 30, 2021

	Program Services	Management and General	Fundraising and Development	Total
Personal expenses:				
Salaries and wages	\$ 11,584,048	\$ 3,120,412	\$ 197,893	\$ 14,902,353
Payroll taxes	866,061	233,113	14,601	1,113,775
Employee benefits	1,852,451	644,681	29,364	2,526,496
Contract/professional services	491,170	193,055	4,295	688,520
Supplies:				
Office	108,994	41,483	1,944	152,421
Medical/dental	182,977	786	6	183,769
Building and household	99,056	3,806	42	102,904
Client services:				
Rental assistance	3,322,715	–	–	3,322,715
Rental application fee	811	–	–	811
Security deposit assistance	105,219	–	–	105,219
Utility rebate	61,805	–	–	61,805
Emergency housing	517,761	–	–	517,761
Treatment and supportive services	20,759	–	–	20,759
Training and employment assistance	12,355	–	–	12,355
Supportive services assistance	100,181	–	–	100,181
Activities, supplies and other assistance	46,781	–	–	46,781
Food, meals and nutritional assistance	163,945	–	–	163,945
Rent: office space	272,447	–	–	272,447
Building:				
Maintenance and repairs	413,801	26,415	299	440,515
Utilities	425,708	33,685	363	459,756
Interest:				
Mortgage	436,217	99,677	888	536,782
Other	560	23,891	–	24,451
Conference and conventions	8,181	759	–	8,940
Professional services	36,707	25,000	–	61,707
Accounting and audit services	17,743	81,319	–	99,062
Legal fees	18,667	60,038	–	78,705
Insurance:				
Property and liability	60,999	17,576	47	78,622
Professional	35,749	390	–	36,139
Other	–	68,407	–	68,407
Vehicle and transportation expenses	71,469	–	–	71,469
Staff:				
Transportation	36,223	2,380	257	38,860
Education and training	94,172	40,486	79	134,737
Hiring and recruiting	63,579	5,343	295	69,217
Uniforms	1,529	–	–	1,529

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

STATEMENT OF FUNCTIONAL EXPENSES – HARBOR HOMES, INC. (CONTINUED)

For the Year Ended June 30, 2021

	Program Services	Management and General	Fundraising and Development	Total
Operations:				
Communication	\$ 134,263	\$ 43,654	\$ 1,157	\$ 179,074
Cable	8,938	216	2	9,156
Postage	10,762	21,701	1,213	33,676
Membership and subscriptions	42,630	24,260	5,138	72,028
Equipment lease and maintenance	43,969	8,350	551	52,870
Software licenses, maintenance and fees	625,001	200,243	275	825,519
Subrecipient and subcontracts	3,939,424	-	-	3,939,424
Property taxes	49,464	990	-	50,454
Direct program marketing and advertising	14,959	211	2,148	17,318
Marketing	1,770	5,181	11,878	18,829
Fundraising publications	-	773	7,848	8,621
Management and administrative fees	-	15,292	-	15,292
Service charges and fees	9,902	24,803	3,434	38,139
Fines and penalties	580	571	-	1,151
Staff and board expenses	2,698	-	-	2,698
Cost of goods sold	917,399	-	-	917,399
Allocation:				
Building and occupancy	-	(3,638)	-	(3,638)
Total functional expense before depreciation expense	27,332,599	5,065,309	284,017	32,681,925
Depreciation expense	1,044,175	47,212	337	1,091,724
Total functional expenses	<u>\$ 28,376,774</u>	<u>\$ 5,112,521</u>	<u>\$ 284,354</u>	<u>\$ 33,773,649</u>

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

STATEMENT OF FUNCTIONAL EXPENSES – GREATER NASHUA COUNCIL ON ALCOHOLISM, INC.

For the Year Ended June 30, 2021

	Program Services	Management and General	Fundraising and Development	Total
Personal expenses:				
Salaries and wages	\$ 534,843	\$ 146,361	\$ –	\$ 681,204
Payroll taxes	38,403	19,869	–	58,272
Employee benefits	76,910	23,848	–	100,758
Contract/professional services	292,004	1,711	–	293,715
Supplies:				
Office	6,171	3,262	–	9,433
Medical/dental	11,209	–	–	11,209
Building and household	8,491	–	–	8,491
Client services:				
Rental assistance	1,765	–	–	1,765
Supportive services assistance	980	–	–	980
Activities, supplies and other assistance	4,892	–	–	4,892
Food, meals and nutritional assistance	30,411	–	–	30,411
Rent: office space	12,665	–	–	12,665
Building:				
Maintenance and repairs	9,488	1,329	–	10,817
Utilities	16,693	–	–	16,693
Interest:				
Mortgage	142,059	–	–	142,059
Other	1,579	–	–	1,579
Professional services	6,384	–	–	6,384
Accounting and audit services	276	3,288	–	3,564
Legal fees	–	77	–	77
Insurance:				
Property and liability	3,238	–	–	3,238
Professional	1,172	–	–	1,172
Other	–	2,493	–	2,493
Vehicle and transportation expenses	3,141	–	–	3,141
Staff:				
Transportation	1,393	–	–	1,393
Education and training	3,851	509	–	4,360
Hiring and recruiting	346	706	–	1,052
Operations:				
Communication	6,123	706	–	6,829
Cable	67	–	–	67
Postage	178	13	–	191
Membership and subscriptions	588	32	–	620
Equipment lease and maintenance	4,926	101	–	5,027

HARBOR HOMES, INC. AND AFFILIATES d/b/a HARBOR CARE

STATEMENT OF FUNCTIONAL EXPENSES – GREATER NASHUA COUNCIL ON ALCOHOLISM, INC. (CONTINUED)

For the Year Ended June 30, 2021

	Program Services	Management and General	Fundraising and Development	Total
Software licenses, maintenance and fees	\$ 16,212	\$ 9,906	\$ –	\$ 26,118
Direct program marketing/advertising	–	9	–	9
Marketing	148	–	–	148
Service charges and fees	1,204	952	9	2,165
Fines and penalties	39	128	–	167
Support services - nonclinical	–	2,620	–	2,620
Total functional expense before depreciation expense	1,237,849	217,920	9	1,455,778
Depreciation expense	298,137	–	–	298,137
Total functional expenses	\$ 1,535,986	\$ 217,920	\$ 9	\$ 1,753,915