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JAN 28 2026



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION FOR BEHAVIORAL HEALTH

Lori A. Weaver
Commissioner

Katja S. Fox
Director

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9544 1-800-852-3345 Ext. 9544
Fax: 603-271-4332 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

December 31, 2025

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Behavioral Health, to enter into a **Sole Source** amendment to an existing contract with The Mental Health Center for Southern New Hampshire DBA Center for Life Management (VC#174116) Derry, NH to add funding and modify scope for the continued provision of Continuum of Care housing services, by increasing the price limitation by \$129,272 from \$7,533,731 to \$7,663,003 with no change to the contract completion date of June 30, 2029, effective upon Governor and Council approval. 100% Federal Funds.

The original contract was approved by Governor and Council on June 28, 2023, item #38, and amended on September 25, 2024, item #23.

Funds are available in the following accounts for State Fiscal Years 2026 and 2027, and are anticipated to be available in State Fiscal Years 2028 and 2029, upon the availability and continued appropriation of funds in the future operating budget, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

See attached fiscal details.

EXPLANATION

This request is to add funding and modify scope for the continued provision of Continuum of Care housing services as further described below. This request is **Sole Source** because MOP 150 requires all amendments to agreements originally approved as sole source to be identified as sole source. Federal regulations require all procurement efforts for these services to be directed by the U.S. Department of Housing and Urban Development (HUD) through an annual Continuum of Care competitive application process. The Department must contract with the vendor selected as a result of this HUD process.

The purpose of this request is to add funding for the Permanent Supportive Housing and Coordinated Entry projects as awarded by HUD to support the Contractor's continued delivery of Continuum of Care housing services. The additional funding is the result of the Consolidated Appropriations Act, 2024, which authorizes HUD to make reasonable cost of living adjustments to renewal amounts to help afford increasing costs of operations due to inflation. This amendment is also to make minor scope modifications to reflect updated HUD language.

Approximately 65 households will continue to be served at any given time annually through the Permanent Supportive Housing projects. A range of 100-500 will continue to be served through the Coordinated Entry project.

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
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The Contractor will continue to deliver Permanent Supportive Housing services offering long-term rental assistance for participants with a disability, as defined by HUD. Additionally, the Contractor will continue providing participants with quick access to the most appropriate services and housing resources available through Coordinated Entry and provide targeted housing services, supportive services and case management. Overall, the Contractor works to maximize each participant's ability to live more independently by providing connections to community and mainstream services.

The Department will continue to monitor services by reviewing annual reports provided by the Contractor and conducting annual reviews related to compliance with administrative rules and contractual requirements.

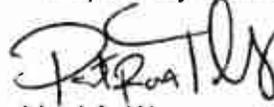
Should the Governor and Council not authorize this request, the Contractor will not receive additional funding, as awarded by HUD, to support cost of living adjustments, and the contract scope will not reflect current HUD language, which may result in fewer permanent housing options and supportive services available, leaving vulnerable individuals and families experiencing homelessness in unsafe situations without needed support. Additionally, the Department will be out of compliance with federal regulations, which could result in a loss of federal funding for these and other types of permanent housing and supportive service programs.

The Department has determined that the Contractor is in good standing with the Secretary of State's Office, has secured the required levels of insurance, and has provided evidence of authority to execute and be bound by the contract. The Contractor is a non-profit organization, and the Department has also confirmed the Contractor is registered and in good standing with the Department of Justice's Charitable Division.

Area served: Statewide.

Source of Federal Funds: Assistance Listing Number #14.267, FAINs NH0003L1T002417, NH0014L1T002417, NH0096L1T002409

Respectfully submitted,



Lori A. Weaver
Commissioner

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
FISCAL DETAILS SHEET**

05-95-42-423010-79270000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: HUMAN SERVICES, HOMELESS & HOUSING, HOUSING – SHELTER PROGRAM

100% Federal Funds

Center for Life Management

Vendor #174116

NH0003 100% FF

State Fiscal Year	Class / Account	Class Title	Job Number	Current Amount	Increase (Decrease)	Revised Amount
2024	074-500589	Grants for Pub Asst and Relief	TBD	\$299,319	\$0	\$299,319
2025	074-500589	Grants for Pub Asst and Relief	42307050	\$329,235	\$0	\$329,235
		Sub Total		\$628,554	\$0	\$628,554

NH0014 100% FF

State Fiscal Year	Class / Account	Class Title	Job Number	Current Amount	Increase (Decrease)	Revised Amount
2024	074-500589	Grants for Pub Asst and Relief	TBD	\$734,022	\$0	\$734,022
2025	074-500589	Grants for Pub Asst and Relief	42307050	\$887,926	\$0	\$887,926
		Sub Total		\$1,621,948	\$0	\$1,621,948

NH0096 100% FF

State Fiscal Year	Class / Account	Class Title	Job Number	Current Amount	Increase (Decrease)	Revised Amount
2024	074-500589	Grants for Pub Asst and Relief	TBD	\$0	\$0	\$0
2025	074-500589	Grants for Pub Asst and Relief	42307050	\$76,577	\$0	\$76,577
		Sub Total		\$76,577	\$0	\$76,577

Subtotal 7927	\$2,327,079	\$0	\$2,327,079
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05-95-92-921510-31700000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: BEHAVIORAL HEALTH DIV; HOMELESS & HOUSING, HOUSING - SHELTER PROGRAM

100% Federal Funds

NH0003 100% FF

State Fiscal Year	Class / Account	Class Title	Job Number	Current Amount	Increase (Decrease)	Revised Amount
2026	072-509073	Grants Federal	92157050	\$329,235	\$44,200	\$373,435
2027	072-509073	Grants Federal	92157050	\$329,235	\$0	\$329,235
2028	072-509073	Grants Federal	92157050	\$329,235	\$0	\$329,235
2029	072-509073	Grants Federal	92157050	\$329,235	\$0	\$329,235
		Sub Total		\$1,316,940	\$44,200	\$1,361,140

NH0014 100% FF

State Fiscal Year	Class / Account	Class Title	Job Number	Current Amount	Increase (Decrease)	Revised Amount
2026	072-509073	Grants Federal	92157050	\$895,851	\$74,107	\$969,958
2027	072-509073	Grants Federal	92157050	\$895,851	\$6,737	\$902,588
2028	072-509073	Grants Federal	92157050	\$895,851	\$0	\$895,851
2029	072-509073	Grants Federal	92157050	\$895,851	\$0	\$895,851
		Sub Total		\$3,583,404	\$80,844	\$3,664,248

NH0096 100% FF

State Fiscal Year	Class / Account	Class Title	Job Number	Current Amount	Increase (Decrease)	Revised Amount
2026	072-509073	Grants Federal	92157058	\$76,577	\$4,228	\$80,805
2027	072-509073	Grants Federal	92157058	\$76,577	\$0	\$76,577
2028	072-509073	Grants Federal	92157058	\$76,577	\$0	\$76,577
2029	072-509073	Grants Federal	92157058	\$76,577	\$0	\$76,577
		Sub Total		\$306,308	\$4,228	\$310,536

Subtotal 3170	\$5,206,652	\$129,272	\$5,335,924
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Overall Total	\$7,533,731	\$129,272	\$7,663,003
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**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the Continuum of Care CLM contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and The Mental Health Center for Southern New Hampshire DBA Center for Life Management ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 28, 2023 (Item #38), as amended on September 25, 2024 (Item #23), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37, General Provisions, Block 1.8., Price Limitation, to read:
\$7,663,003
2. Modify Exhibit A - Revisions to Standard Provisions, by adding Subsection 1.4., to read:
 - 1.4. Paragraph 6, Compliance by Contractor with Laws and Regulations/Equal Employment Opportunity, Subparagraph 6.1., is amended as follows:
 - 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, RSA 151:21 Patients' Bill of Rights, civil rights and equal employment opportunity laws, and the Governor's order on Respect and Civility in the Workplace, Executive Order 2020-01. 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.
3. Modify Exhibit B – Amendment #1, Scope of Services, Section 1.1.2.3.1., to read:
1.1.2.3.1. Reserved.
4. Modify Exhibit B – Amendment #1, Scope of Services, Section 1.1.2.9., to read:
1.1.2.9. The Contractor must ensure that all persons who are fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking have immediate and confidential access to available crisis services within the defined CE System geographic area as described in Section 1.1.2.3. and are referred to the Coordinated Entry Domestic Violence Regional Access Point upon participant request.
5. Modify Exhibit B – Amendment #1, Scope of Services, Sections 1.1.2.10., to read:
 - 1.1.2.10. The Contractor must ensure that all persons served by the CE System are assessed using the approved CoC Coordinated Entry Assessment tools. The Contractor must use these tools to ensure that all persons served are assessed in a consistent manner, using the same process. The Contractor must:
 - 1.1.2.10.1. Ensure that participant assessment information is updated at least once a year if the participant is served by the CE System for more than 12 months

within HMIS or other comparable database as directed by the Department. Staff may update participant records with new information as new or updated information becomes known by staff;

- 1.1.2.10.2. Conduct assessments in accordance with the policies and procedures of the CE System. The assessment process will progressively collect only enough participant information to prioritize and refer participants to available CoC housing and support services; and
 - 1.1.2.10.3. Conduct an annual assessment of the service needs of all program participants and adjust services as necessary, per 24 CFR 578.
6. Modify Exhibit B – Amendment #1, Scope of Services, Sections 1.1.2.12., to read:
- 1.1.2.12. The Contractor must collect accurate and meaningful data on persons served by the CE System, review evaluation results, and offer insights about potential improvements to CE System processes and operations per HMIS Data Standards - HUD requirements.
7. Modify Exhibit B – Amendment #1, Scope of Services, Section 1.1.2., by adding Section 1.1.2.13., to read:
- 1.1.2.13. The Contractor must determine whether the program participants' eligibility was adequately documented in terms of their homeless status upon entry into the program per 24 CFR 578.103.
8. Modify Exhibit B – Amendment #1, Scope of Services, Section 1.2.7.1. lead-in paragraph only, to read:
- 1.2.7.1. Utilization of a service provision model that ensures:
9. Modify Exhibit B – Amendment #1, Scope of Services, Section 1.2.18., to read:
- 1.2.18. The Contractor must utilize the New Hampshire Homeless Management Information System (NH HMIS) as the primary reporting tool for outcomes and activities of shelter and housing programs funded through this contract. The Contractor must:
 - 1.2.18.1. Ensure all programs are licensed to provide client level data into the NH HMIS or into a comparable database, per 24 CFR 578, eCFR :: 24 CFR Part 578 -- Continuum of Care Program; and
 - 1.2.18.2. Follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry. Refer to Exhibit K for Information Security requirements and Exhibit I for Privacy requirements.
10. Modify Exhibit B – Amendment #1, Scope of Services, Section 1.3., by adding Section 1.3.3., to read:
- 1.3.3. Upon request by the Department, the Contractor must participate with the Department in a review, onsite or remotely at the Department's discretion, of the Contractor's participant files and at least one month of financial data to ensure compliance with the contractual objectives.
11. Modify Exhibit B – Amendment #1, Scope of Services, Section 1.4.2., to read:
- 1.4.2. The Contractor must ensure the APR is submitted to electronically as directed by the Department.

12. Modify Exhibit C, Payment Terms; Section 1.1, to read:
 - 1.1. 100% Federal funds, Title XIV Housing Programs under the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act), Subtitle A-Housing Assistance (Public Law 102-550), by the US Dept of Housing and Urban Development, Continuum of Care Program, Assistance Listing # 14.267, as awarded on:
 - 1.1.1. March 28, 2023, FAINs NH0003L1T002215, and NH0014L1T002215.
 - 1.1.2. June 11, 2024, FAINs NH0003L1T002316, and NH0014L1T002316
 - 1.1.3. September 25, 2024, FAIN NH0096L1T002308.
 - 1.1.4. May 27, 2025, FAINs NH0003L1T002417, NH0014L1T002417, and NH0096L1T002409
13. Modify Exhibit C-5, Budget Sheet – Amendment #1, by replacing it in its entirety with Exhibit C-5, Budget Sheet – Amendment #2, which is attached hereto and incorporated by reference herein.
14. Modify Exhibit C-6, Budget Sheet – Amendment #1, by replacing it in its entirety with Exhibit C-6, Budget Sheet – Amendment #2, which is attached hereto and incorporated by reference herein.
15. Modify Exhibit C-7, Budget Sheet – Amendment #1, by replacing it in its entirety with Exhibit C-7, Budget Sheet – Amendment #2, which is attached hereto and incorporated by reference herein.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon Governor and Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

1/8/2026
Date

DocuSigned by:
Katja S. Fox
ED9D65B04C63442
Name: Katja S. Fox
Title: Director

The Mental Health Center for Southern New Hampshire
DBA Center for Life Management

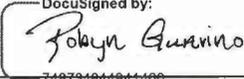
1/8/2026
Date

DocuSigned by:
Vic Topo
D4AA739C36AC46A...
Name: Vic Topo
Title: CEO

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

1/8/2026
Date

DocuSigned by:

748734844941400
Name: Robyn Guarino
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

CLM - FH I

CoC Funds - NH0003L1T002417

SFY2026 - 7/1/25-6/30/26

Activity Name	TOTAL PROGRAM COST			CONTRACTOR SHARE			BHS SHARE		
	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY
Rental Assistance	\$ 304,116	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 304,116	\$ -	\$ -
Supportive Services	\$ 63,032	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,032	\$ -	\$ -
Administration	\$ 6,287	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,287	\$ -	\$ -
25% Required Match	\$ 93,359	\$ -	\$ -	\$ 83,880	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL HUD FUNDS/BALANCE	\$ 466,794	\$ -	\$ -	\$ 83,880	\$ -	\$ -	\$ 373,435	\$ -	\$ -

TOTAL - 7/1/25-6/30/26

Activity Name	TOTAL PROGRAM COST			CONTRACTOR SHARE			BHS SHARE		
	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY
Rental Assistance	\$ 304,116	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 304,116	\$ -	\$ -
Supportive Services	\$ 63,032	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,032	\$ -	\$ -
Administration	\$ 6,287	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,287	\$ -	\$ -
25% Required Match	\$ 93,359	\$ -	\$ -	\$ 83,880	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL HUD FUNDS/BALANCE	\$ 466,794	\$ -	\$ -	\$ 83,880	\$ -	\$ -	\$ 373,435	\$ -	\$ -

Total W/O Match \$ 373,435

CLM - SH I
CoC Funds - NH0014L1T002417

SFY2026 - 8/1/25-6/30/26									
Activity Name	TOTAL PROGRAM COST			CONTRACTOR SHARE			BHS SHARE		
	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY
Rental Assistance	\$ 830,115	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 830,115	\$ -	\$ -
Supportive Services	\$ 43,725	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,725	\$ -	\$ -
Administration	\$ 21,464	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,464	\$ -	\$ -
25% Required Match	\$ 223,826	\$ -	\$ -	\$ 206,820	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL HUD FUNDS/BALANCE	\$ 1,119,130	\$ -	\$ -	\$ 206,820	\$ -	\$ -	\$ 895,304	\$ -	\$ -

SFY2027 - 7/1/26-7/31/26									
Activity Name	TOTAL PROGRAM COST			CONTRACTOR SHARE			BHS SHARE		
	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY
Rental Assistance	\$ 75,465	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,465.0	\$ -	\$ -
Supportive Services	\$ 3,975	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,975	\$ -	\$ -
Administration	\$ 1,951	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,951	\$ -	\$ -
25% Required Match	\$ 20,348	\$ -	\$ -	\$ 18,802	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL HUD FUNDS/BALANCE	\$ 101,739	\$ -	\$ -	\$ 18,802	\$ -	\$ -	\$ 81,391	\$ -	\$ -

TOTAL - 8/1/25-7/31/26									
Activity Name	TOTAL PROGRAM COST			CONTRACTOR SHARE			BHS SHARE		
	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY
Rental Assistance	\$ 905,580	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 905,580.0	\$ -	\$ -
Supportive Services	\$ 47,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,700	\$ -	\$ -
Administration	\$ 23,415	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,415	\$ -	\$ -
25% Required Match	\$ 244,174	\$ -	\$ -	\$ 225,622	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL HUD FUNDS/BALANCE	\$ 1,220,869	\$ -	\$ -	\$ 225,622	\$ -	\$ -	\$ 976,695	\$ -	\$ -

Total W/O Match \$ 976,695

CLM - NH Coordinated Entry Expansion
CoC Funds - NH0096L1T002409

Activity Name	SFY2026 - 7/1/25-6/30/26								
	TOTAL PROGRAM COST			CONTRACTOR SHARE			BHS SHARE		
	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY
Supportive Services	\$ 77,158	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,158	\$ -	\$ -
Administration	\$ 3,647	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,647	\$ -	\$ -
25% Required Match	\$ 20,201	\$ -	\$ -	\$ 20,201	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL HUD FUNDS/BALANCE	\$ 101,006	\$ -	\$ -	\$ 20,201	\$ -	\$ -	\$ 80,805	\$ -	\$ -

Activity Name	TOTAL -7/1/25-6/30/26								
	TOTAL PROGRAM COST			CONTRACTOR SHARE			BHS SHARE		
	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY	BUDGET	YTD	MONTHLY
Supportive Services	\$ 77,158	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,158	\$ -	\$ -
Administration	\$ 3,647	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,647	\$ -	\$ -
25% Required Match	\$ 20,201	\$ -	\$ -	\$ 20,201	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL HUD FUNDS/BALANCE	\$ 101,006	\$ -	\$ -	\$ 20,201	\$ -	\$ -	\$ 80,805	\$ -	\$ -

Total WO Match \$ 80,805

State of New Hampshire

Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on April 17, 1967. 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: 61791

Certificate Number: 0007355452



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 2nd day of January A.D. 2026.

A handwritten signature in black ink, appearing to read "David M. Scanlan".

David M. Scanlan
Secretary of State

State of New Hampshire

Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that CENTER FOR LIFE MANAGEMENT is a New Hampshire Trade Name registered to transact business in New Hampshire on January 30, 2020. 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: 835849

Certificate Number: 0007355467



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 2nd day of January A.D. 2026.

A handwritten signature in black ink, appearing to read "David M. Scanlan", is written over a faint circular outline.

David M. Scanlan
Secretary of State

VCERTIFICATE OF AUTHORITY

Vernon Thomas

I, _____, 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 **The Mental Health Center for Southern NH d/b/a Center for Life Management** _____
(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 2, 2026, at which a quorum of the Directors/shareholders were present and voting.

VOTED: That Vic Topo, President/CEO _____ (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of **The Mental Health Center for Southern NH d/b/a Center for Life Management** _____ 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 was **valid thirty (30) days prior to and 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: January 2, 2026

Signature of Elected Officer
Name: Vernon Thomas
Title: Secretary

NONPROFIT COVER SHEET

A. Entity Name: The Mental Health Center for Southern New Hampshire DBA Center for Life Management

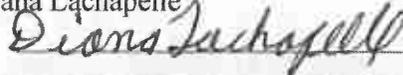
B. Entity's Contact Information:

For Records Requests (e.g., resumes of key personnel; audited financial statements):

Name / Phone / Email: Lynda Silegy / (603) 490-2309 / lsilegy@clmnh.org

Person responsible for Accuracy and Completeness of information provided:

Name: Diana Lachapelle Title: CFO

Signature: 

C. List Board of Directors and Affiliations

<u>Name (Identify any additional role(s) in Parentheses)</u>	<u>Affiliations</u>
Joseph Crawford (Chairperson)	Derry Cooperative School District
Rebecca Sanborn (Vice Chair)	Sanborn Diversity Solutions
Vern Thomas (Secretary)	Derry Police Department
Michael Delahanty (Treasurer)	Retired
Vic Topo (President & CEO)	The Mental Health Center for Southern New Hampshire DBA Center for Life Management
Maria Gudinas	AgeSpan
David Hebert	Retired
Susan Davis	Retired
Adam Burch	DHHS
Ron Lague	Korbey/Lague CPA
Stephanie Savard	Amoskeag Health
Maria Bertolone	Primary Bank
Jared Whalen	Salem Fire Department

D. List Key Personnel (Resumes must be available upon request to the person(s) listed in section B or may be attached):

<u>Name</u>	<u>Role</u>	<u>Annual Salary</u>	<u>Amount Paid From This Contract</u>
Vic Topo	CEO	\$225,334	\$0
Steve Arnault	COO	\$187,000	\$0
Diana Lachapelle	CFO	\$189,388	\$0

DISCLOSURE OF LEGAL ACTIVITIES INVOLVING THE STATE OF NEW HAMPSHIRE OR ANOTHER GOVERNMENT ENTITY

E. Check one of the following:

- The entity is **not currently or has not been** party to any legal proceeding involving the State of New Hampshire (or any agency or subdivision thereof) or any other state/federal government entity before any adjudicative body in any jurisdiction **OR**
 - The entity is or has been party to one or more legal proceedings as set forth above. Identify the jurisdiction, court or other adjudicative body, case number, and briefly describe the nature of the proceeding (Attached extra sheet if necessary).
-
-
-

CHARITABLE TRUSTS UNIT COMPLIANCE CERTIFICATION

F. Check one of the following:

- is registered and in good standing with the New Hampshire Department of Justice Charitable Trusts Unit (** see note below) **or** has submitted a complete application for registration to the Charitable Trusts Unit and is awaiting a registration determination **OR**
- is not required to register with the Charitable Trusts Unit because it is neither tax-exempt under section 501(c)(3) of the Internal Revenue Code nor engages in charitable solicitations in the State of New Hampshire **OR**
- is exempt from registration with the Charitable Trusts Unit because it is a federal or state government, agency, or subdivision or is a religious organization, an integrated auxiliary of a religious organization, or is a convention or association of churches.

** Note: Attached screen shot from the DOJ Registered Charities List found at:

<https://mm.nh.gov/files/uploads/doj/remote-docs/registered-charities.pdf>

1432	Mental Health Center for Southern NH d/b/a Center for Life Manage	10 Tsienneto Road	Derry	NH	03038	G	11/15/2025
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FINANCIAL DISCLOSURES

G. Check one the following:

- [X] The organization hired an outside firm to audit its financial statements or to prepare GAAP-compliant financial statements for its most recently completed fiscal year. If so, please ensure that the financial statements and audit results are available to be requested from the contact listed on Page 1 (audited financials may be attached) **OR**
- [] The above does not apply, but the organization filed an IRS Form 990 or Form 990-EZ for its most recently completed fiscal year. Please attach that IRS Form 990 or Form 990-EZ to the submission. (Form 990 Schedule B is not required) **OR**
- [] ***If neither of the above apply***, complete the Income Statement and Balance Sheet below with the following basic financial information from the organization’s most recently completed fiscal year:

1. INCOME STATEMENT

<u>Revenue</u>		<u>Expenses</u>	
<i>Grants</i>	\$	<i>Compensation of officers, directors, and key personnel</i>	\$
<i>Donations</i>	\$	<i>Other salaries & wages</i>	\$
<i>Program Services Revenue</i>	\$	<i>Payroll taxes & employee benefits</i>	\$
<i>Interest & Dividends</i>	\$	<i>Occupancy, rent, utilities, and insurance</i>	\$
<i>All other Revenue</i>	\$	<i>Printing, publications, postage, office supplies, and IT</i>	\$
<u>Total Revenue</u>	\$	<i>All other expenses</i>	\$
		<u>Total Expenses</u>	\$

2. BALANCE SHEET

<u>Assets</u>		<u>Liabilities</u>	
<i>Cash & Equivalents</i>	\$	<i>Accounts Payable</i>	\$
<i>Investments</i>	\$	<i>Loans Payable</i>	\$
<i>Real Estate (less any depreciation)</i>	\$	<i>All other liabilities</i>	\$
<i>Other Property & Equipment (less any depreciation)</i>	\$	<u>Total Liabilities</u>	\$
<i>Pledges, grants, accounts receivable</i>	\$		
<i>All other assets</i>	\$		
<u>Total Assets</u>	\$		



MISSION STATEMENT

To promote the health and well-being of individuals, families and organizations. We accomplish this through professional, caring and comprehensive behavioral health care services and by partnering with other organizations that share our philosophy.

THE MENTAL HEALTH CENTER FOR
SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE
MANAGEMENT AND AFFILIATE

CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
Years ended June 30, 2025 and 2024

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATE
Years ended June 30, 2025 and 2024

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Independent Auditor's Report

To the Board of Directors of
The Mental Health Center for Southern New Hampshire
d/b/a CLM Center for Life Management and Affiliate

Opinion

We have audited the accompanying consolidated financial statements of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliate (a nonprofit organization), which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliate as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of our report. We are required to be independent of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliate and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated financial statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliate's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance

and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

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

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

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

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 on pages 22-28 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 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2025, on our consideration of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliate's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the

effectiveness of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliate's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and Affiliate's internal control over financial reporting and compliance.

Wisehart, Wimetite & Associates, PA

Essex Junction, Vermont
Registration number VT092.0000684
December 23, 2025

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATE
Consolidated Statements of Financial Position
June 30, 2025 and 2024

<u>ASSETS</u>		
	<u>2025</u>	<u>2024</u>
Current assets:		
Cash and cash equivalents	\$ 9,815,282	\$ 5,743,025
Restricted cash	819,349	472,961
Cash and cash equivalents and restricted cash	<u>10,634,631</u>	<u>6,215,986</u>
Accounts receivable, net	1,241,699	956,942
Other receivables	1,260,653	1,709,790
Prepaid expenses	305,173	229,176
Security deposit	19,787	18,687
Current portion of operating lease right of use asset	<u>27,373</u>	<u>27,373</u>
Total current assets	<u>13,489,316</u>	<u>9,157,954</u>
Property and equipment, net	<u>3,149,837</u>	<u>3,276,152</u>
Other assets		
Marketable securities	3,161,357	2,851,046
Operating lease right of use asset, less current portion	4,562	31,936
Interest rate swap agreement	<u>4,609</u>	<u>42,322</u>
Total assets	<u>\$ 19,809,681</u>	<u>\$ 15,359,410</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Current portion of long term debt	\$ 175,548	\$ 118,570
Current portion of operating lease payable	22,082	20,339
Accounts payable	532,917	114,623
Accrued payroll and payroll liabilities	505,492	408,130
Accrued vacation	672,841	614,829
Accrued expenses	170,631	69,254
Deferred revenue	<u>370,410</u>	<u>199,502</u>
Total current liabilities	<u>2,449,921</u>	<u>1,545,247</u>
Long term liabilities		
Operating lease payable, less current portion	3,860	25,943
Long term debt, less current portion	<u>1,718,772</u>	<u>1,872,329</u>
Total long term liabilities	<u>1,722,632</u>	<u>1,898,272</u>
Total liabilities	<u>4,172,553</u>	<u>3,443,519</u>
Net assets		
Without donor restrictions	14,887,779	11,442,930
With donor restrictions	<u>749,349</u>	<u>472,961</u>
Total net assets	<u>15,637,128</u>	<u>11,915,891</u>
Total liabilities and net assets	<u>\$ 19,809,681</u>	<u>\$ 15,359,410</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATE
Consolidated Statements of Activities
Year ended June 30, 2025

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
<u>Public support and revenues:</u>			
Public support:			
Federal	\$ 1,460,071	\$ -	\$ 1,460,071
State of New Hampshire - BBH	4,194,364	-	4,194,364
State and local funding	5,400	-	5,400
Other public support	127,570	347,312	474,882
Total public support	5,787,405	347,312	6,134,717
Revenues:			
Program service fees, net	28,054,408	-	28,054,408
Other service income	294,630	-	294,630
Rental income	8,595	-	8,595
Other	11,240	-	11,240
Total revenues	28,368,873	-	28,368,873
Total public support and revenues	34,156,278	347,312	34,503,590
Net assets released from restrictions:			
Satisfaction of program restrictions	70,924	(70,924)	-
Total	34,227,202	276,388	34,503,590
<u>Operating expenses:</u>			
BBH funded programs:			
Children	7,623,881	-	7,623,881
Collaborative Care	2,239,520	-	2,239,520
Elders	1,176,837	-	1,176,837
Supportive Employment	399,241	-	399,241
Adults Multi Service	9,069,961	-	9,069,961
Housing / Independent Living	3,814,755	-	3,814,755
Assertive Community Treatment	1,000,337	-	1,000,337
Acute Care	3,425,451	-	3,425,451
Non-BBH funded program services	754,155	-	754,155
Total program expenses	29,504,138	-	29,504,138
Administrative expenses	2,163,937	-	2,163,937
Total expenses	31,668,075	-	31,668,075
Change in net assets from operations	2,559,127	276,388	2,835,515
<u>Non-operating revenue and expenses:</u>			
Realized on sale of investments	362,085	-	362,085
Interest income	251,041	-	251,041
Investment income / (loss)	310,310	-	310,310
Fair value gain on interest rate swap	(37,714)	-	(37,714)
Fraud loss	-	-	-
Change in net assets	3,444,849	276,388	3,721,237
Net assets, beginning of year	11,442,930	472,961	11,915,891
Net assets, end of year	\$ 14,887,779	\$ 749,349	\$ 15,637,128

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATE
Consolidated Statements of Activities
Year ended June 30, 2024

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
<u>Public support and revenues:</u>			
Public support:			
Federal	\$ 1,351,630	\$ -	\$ 1,351,630
State of New Hampshire - BBH	3,117,129	-	3,117,129
State and local funding	28,400	-	28,400
Other public support	<u>-</u>	<u>194,017</u>	<u>194,017</u>
Total public support	4,497,159	194,017	4,691,176
Revenues:			
Program service fees, net	23,616,999	-	23,616,999
Other service income	517,678	-	517,678
Rental income	6,510	-	6,510
Other	<u>50,281</u>	<u>-</u>	<u>50,281</u>
Total revenues	<u>24,191,468</u>	<u>-</u>	<u>24,191,468</u>
Total public support and revenues	28,688,627	194,017	28,882,644
Net assets released from restrictions:			
Satisfaction of program restrictions	<u>111,594</u>	<u>(111,594)</u>	<u>-</u>
Total	28,800,221	82,423	28,882,644
<u>Operating expenses:</u>			
BBH funded programs:			
Children	6,998,091	-	6,998,091
Collaborative Care	1,590,386	-	1,590,386
Elders	1,211,258	-	1,211,258
Vocational	511,810	-	511,810
Multi-Service	7,792,148	-	7,792,148
Acute Care	3,591,130	-	3,591,130
Independent Living	895,172	-	895,172
Assertive Community Treatment	3,043,269	-	3,043,269
Non-BBH funded program services	<u>698,869</u>	<u>-</u>	<u>698,869</u>
Total program expenses	26,332,133	-	26,332,133
Administrative expenses	<u>1,890,611</u>	<u>-</u>	<u>1,890,611</u>
Total expenses	<u>28,222,744</u>	<u>-</u>	<u>28,222,744</u>
Change in net assets from operations	577,477	82,423	659,900
<u>Non-operating expenses:</u>			
Interest income	136,707	-	136,707
Investment income / (loss)	139,208	-	139,208
Fair value gain (loss) on interest rate swap	(30,828)	-	(30,828)
Fraud loss	<u>(43,101)</u>	<u>-</u>	<u>(43,101)</u>
Change in net assets	779,463	82,423	861,886
Net assets, beginning of year	10,841,440	390,538	11,231,978
Prior period adjustment	<u>(177,973)</u>	<u>-</u>	<u>(177,973)</u>
Net assets, beginning of year - restated	<u>10,663,467</u>	<u>390,538</u>	<u>11,054,005</u>
Net assets, end of year	<u>\$ 11,442,930</u>	<u>\$ 472,961</u>	<u>\$ 11,915,891</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATE
Consolidated Statements of Functional Expenses
Years ended June 30, 2025 and 2024

	2025			2024		
	Program Services	Administrative	Total	Program Services	Administrative	Total
Personnel costs:						
Salaries and wages	\$ 19,552,902	\$ 1,249,495	\$ 20,802,397	\$ 17,695,245	\$ 1,085,211	\$ 18,780,456
Employee benefits	3,452,238	251,291	3,703,529	2,873,247	215,074	3,088,321
Payroll taxes	1,429,041	86,575	1,515,616	1,298,200	76,079	1,374,279
Accounting/audit fees	-	56,059	56,059	-	44,086	44,086
Advertising	79,537	37,481	117,018	99,292	17,886	117,178
Conferences, conventions and meetings	39,080	3,202	42,282	135,386	3,949	139,335
Depreciation	356,864	146	357,010	360,009	23,923	383,932
Equipment rental	34,722	466	35,188	41,045	-	41,045
Insurance	4,535	119,567	124,102	4,981	131,164	136,145
Interest expense	124,789	21,221	146,010	132,695	21,989	154,684
Legal fees	17,216	75,906	93,122	33,786	18,470	52,256
Membership dues	16,624	51,262	67,886	4,431	38,756	43,187
Occupancy expenses	2,234,997	294	2,235,291	1,934,311	1,350	1,935,661
Office expenses	377,917	64,263	442,180	393,591	60,330	453,921
Other expenses	82,788	914	83,702	122,144	3,008	125,152
Other professional fees	930,046	129,620	1,059,666	519,465	125,910	645,375
Program supplies	399,779	13,618	413,397	329,398	20,657	350,055
Travel	371,063	2,557	373,620	354,907	2,769	357,676
Total expenses	<u>\$ 29,504,138</u>	<u>\$ 2,163,937</u>	<u>\$ 31,668,075</u>	<u>\$ 26,332,133</u>	<u>\$ 1,890,611</u>	<u>\$ 28,222,744</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATE
Consolidated Statements of Cash Flows
Years ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 3,721,237	\$ 861,886
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	357,010	383,932
Amortization of loan origination fees included in interest expense	40,921	40,919
Investment (income) loss	(310,310)	(139,208)
Fair value (gain) loss on interest rate swap	37,714	30,828
Amortization of right of use asset in lease expense	27,373	27,323
(Increase) decrease in:		
Accounts receivable, net	(284,757)	41,185
Other receivables	449,137	(458,354)
Prepaid expenses	(75,997)	(37,333)
Security deposits	(1,100)	12,262
Increase (decrease) in:		
Accounts payable and accrued expenses	675,045	44,032
Deferred revenue	<u>170,908</u>	<u>(168,638)</u>
Net cash provided by operating activities	4,807,181	638,834
Cash flows from investing activities:		
Transfers to investments	-	(1,500,000)
Purchases of property and equipment	<u>(230,696)</u>	<u>(173,238)</u>
Net cash used by investing activities	<u>(230,696)</u>	<u>(1,673,238)</u>
Cash flows from financing activities:		
Principal payments on lease liability	(20,340)	(18,734)
Net principal payments on long term debt	<u>(137,500)</u>	<u>(132,500)</u>
Net cash used in financing activities	<u>(157,840)</u>	<u>(151,234)</u>
Net increase (decrease) in cash and cash equivalents	4,418,645	(1,185,638)
Cash and cash equivalents and restricted cash, beginning of year	<u>6,215,986</u>	<u>7,401,624</u>
Cash and cash equivalents and restricted cash, end of year	<u>\$ 10,634,631</u>	<u>\$ 6,215,986</u>
<u>Supplemental cash flow disclosures:</u>		
Cash paid during the year for interest	<u>\$ 146,010</u>	<u>\$ 154,684</u>

See notes to financial statements

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATE
Notes to Consolidated Financial Statements
June 30, 2025 and 2024

Note 1. Nature of organization

The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management (the "Organization") is a not-for-profit corporation, organized under New Hampshire law to provide services in the areas of mental health and related non-mental health programs.

During 2006, the Center for Life Management Foundation (the "Foundation") was established to act for the benefit of, to carry out the functions of, and to assist the Organization. It is affiliated with The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management through common board members and management. In addition, the Organization is the sole member.

The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and the Center for Life Management Foundation are collectively referred to the "Organization".

Basis of consolidation

The consolidated financial statements include the accounts of The Mental Health Center for Southern New Hampshire d/b/a CLM Center for Life Management and the Center for Life Management Foundation. All intercompany transactions have been eliminated in consolidation.

Note 2. Basis of accounting and summary of significant accounting policies

General

The significant accounting policies of the Organization are presented to assist in understanding the Organization's consolidated financial statements. The consolidated financial statements and the notes are representations of the Organization's management. The Organization is responsible for the integrity and objectivity of the consolidated financial statements.

Basis of accounting

The consolidated financial statements are prepared on the accrual basis of accounting. Under this basis, revenues, other than contributions, and expenses are reported when incurred, without regard to date of receipt or payment of cash. Contributions are reported in accordance with FASB Accounting Standards Codification ("ASC") *Accounting for Contributions Received and Contributions Made*.

Basis of presentation

The Organization's consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization 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. These net assets may be used at the discretion of the Organization's management and the board of directors.

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATE
Notes to Consolidated Financial Statements
June 30, 2025 and 2024

Note 2. Basis of accounting and summary of significant accounting policies (continued)

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, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

At June 30, 2025 and 2024, the Organization had net assets without donor restrictions of \$14,887,779 and \$11,442,930, respectively and had net assets with donor restrictions of \$749,349 and \$472,961, respectively. See Note 8 for discussion regarding net assets with donor restrictions.

Use of estimates

Management uses estimates and assumptions in preparing these consolidated financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were used.

Cash and cash equivalents

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash and cash equivalents.

Accounts receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management writes off accounts when they are deemed uncollectible and establishes an allowance for doubtful accounts for estimated uncollectible amounts. The Organization had an allowance for doubtful accounts of \$538,892 and \$302,947 as of June 30, 2025 and 2024, respectively. Refer to Note 3 for additional discussion of accounts receivable.

Property

Property is recorded at cost, except for donated assets which are recorded at estimated fair value at the date of donation. Depreciation is computed on the straight line basis over the estimated useful lives of the related assets as follows:

Buildings and improvements	15 – 40 years
Automobiles	3 – 15 years
Equipment	5 – 7 years

All equipment valued at \$5,000 or more is capitalized. Expenditures for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized. Depreciation expense was \$357,010 and \$383,932 for the years ended June 30, 2025 and 2024, respectively.

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Note 2. Basis of accounting and summary of significant accounting policies (continued)

Investments

The Organization follows the Not-For-Profit Entities subtopic of the FASB Accounting Standards Codification with respect to investments. Under this subtopic, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

Finance costs

Financing costs are recorded on the statement of position net of accumulated amortization. In accordance with generally accepted accounting principles, the unamortized financing costs are reported as a reduction in long term debt - see Note 8. The costs are amortized over the term of the respective financing arrangement.

Vacation pay and fringe benefits

Vacation pay is accrued and charged to programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on programs.

Deferred revenue

Amounts included in deferred revenue represent funds received in advance of expenditures incurred under the respective arrangement. The advances are recognized as revenue in the period the expenditure is incurred.

Fair value measurements and financial instruments

The Organization adopted FASB ASC 820, Fair Value Measurements and Disclosures, for assets and liabilities measured at fair value on a recurring basis. The codification established a common definition for fair value to be applied to existing generally accepted accounting principles that requires the use of fair value measurements, establishes a framework for measuring fair value, and expands disclosure about such fair value measurements.

FASB ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, FASB ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized as follows:

- Level 1: Observable market inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Observable market inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs where there is little or no market data, which require the reporting entity to develop its own assumptions.

The Organization's financial instruments consist primarily of cash, accounts receivables, accounts payable and accrued expenses. The carrying amount of the Organization's financial instruments approximates their fair value due to the short-term nature of such instruments. The carrying value of long-term debt approximates fair value due to their bearing interest at rates that approximate current market rates for notes with similar maturities and credit quality.

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Note 2. Basis of accounting and summary of significant accounting policies (continued)

The Organization's interest rate swap agreements are classified as level 2 in the hierarchy, as all significant inputs to the fair value measurement are directly observable, such as the underlying interest rate assumptions.

Third-party contractual arrangements

A significant portion of revenue is derived from services to patients insured by third-party payers. Reimbursements from Medicare, Medicaid, and other commercial payers are at defined service rates for services rendered to patients covered by these programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as an allowance when received. A provision for estimated contractual allowances is provided on outstanding patient receivables at the statement of financial position date.

Advertising expenses

The Organization expenses advertising costs as they are incurred.

Expense allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Interest rate swap

The Organization uses an interest rate swap to effectively convert the variable rate on its State Authority Bond to a fixed rate, as described in Note 9. The change in the fair value of the swap agreement and the payments to or receipts from the counterparty to the swap are netted with the interest expense on the bonds. Cash flows from interest rate swap contracts are classified as a financing activity on the statement of cash flows.

Income taxes

The Organization is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization has also been classified as an entity that is not a private foundation within the meaning of 509(a) and qualifies for deductible contributions.

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Note 2. Basis of accounting and summary of significant accounting policies (continued)

The Foundation is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is an organization that is organized and operated exclusively for the benefit of the Organization.

These consolidated financial statements follow FASB ASC, *Accounting for Uncertain Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return.

Accounting for Uncertain Income Taxes did not have a material impact on these consolidated financial statements as the Organization believes it has taken no uncertain tax positions that could have an effect on its consolidated financial statements.

Federal Form 990 (Return of an Organization Exempt from Income Tax) for fiscal years 2021 through 2023 are subject to examination by the IRS, generally for three years after filing.

Leases

The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent, if applicable. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Subsequent events

The Organization has evaluated all subsequent events through December 23, 2025, the date the consolidated financial statements were available to be issued.

Note 3. Accounts receivable, net

Accounts receivable consist of the following at June 30,:

	2025			2024		
<u>Accounts receivable</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Clients	\$ 600,327	\$ (474,402)	\$ 125,925	\$ 354,851	\$ (264,694)	\$ 90,157
Insurance companies	340,449	(14,283)	326,166	378,855	(19,052)	359,803
Medicaid	613,536	(26,113)	587,423	441,709	(14,511)	427,198
Medicare	226,279	(24,094)	202,185	84,474	(4,690)	79,784
	<u>\$1,780,591</u>	<u>\$ (538,892)</u>	<u>\$ 1,241,699</u>	<u>\$1,259,889</u>	<u>\$ (302,947)</u>	<u>\$ 956,942</u>
				<u>2025</u>		<u>2024</u>
<u>Other receivables</u>						
NH Division of Mental Health			\$ 1,242,337			\$ 1,404,790
Contractual services / other receivables			18,316			305,000
			<u>\$ 1,260,653</u>			<u>\$ 1,709,790</u>

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Notes to Consolidated Financial Statements

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Note 4. Prepays

Prepays consists of the following at June 30:

	<u>2025</u>	<u>2024</u>
Prepaid insurance and subscriptions	\$ 132,358	\$ 61,121
Prepaid rents	<u>172,815</u>	<u>168,055</u>
	<u>\$ 305,173</u>	<u>\$ 229,176</u>

Note 5. Concentrations of credit risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of the following:

	<u>2025</u>	<u>2024</u>
Receivables primarily for services provided to individuals and entities located in southern New Hampshire	<u>\$ 1,241,699</u>	<u>\$ 956,942</u>
Other receivables due from entities located in New Hampshire	<u>\$ 1,260,653</u>	<u>\$ 1,709,790</u>

Bank balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to the prevailing FDIC limit. At June 30, 2025 and 2024, the Organization had approximately \$1,959,000 and \$5,693,000 in uninsured cash balances.

Note 6. Property and equipment

Property and equipment consists of the following at June 30:

	<u>2025</u>	<u>2024</u>
Land	\$ 565,000	\$ 565,000
Buildings and improvements	4,316,119	4,093,344
Automobiles	45,685	45,685
Equipment	<u>1,998,188</u>	<u>2,109,179</u>
	6,924,992	6,813,208
Less: accumulated depreciation	<u>(3,775,155)</u>	<u>(3,537,056)</u>
Property and equipment, net	<u>\$ 3,149,837</u>	<u>\$ 3,276,152</u>

Note 7. Line of credit

As of June 30, 2025 and 2024, the Organization had a demand line of credit with M&T Bank with a borrowing capacity of \$1,000,000. Interest accrued on the outstanding principal balance is payable monthly at the Wall Street Journal Prime, for an effective rate of 7.25% and 8.25% at June 30, 2025 and 2024. The outstanding balance on the line at June 30, 2025 and 2024 was \$0, respectively. The line of credit is secured by all business assets and real estate.

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Note 8. Long term debt

Long term debt consists of the following as of June 30,:

	<u>2025</u>	<u>2024</u>
Series 2015 New Hampshire Health and Education Facilities Bond - Payable through 2036, original principal of \$3,042,730, remarketed and sold to People's United Bank (now M&T) at a variable rate. Secured by land, building, equipment, and certain revenues, revenues. The note was refinanced July 2025 - see Note 20. The Organization has entered into an interest rate swap agreement to effectively fix the interest rate on the note. See Note 9.	\$ 1,897,730	\$ 2,035,230
Less: unamortized finance costs	(3,410)	(44,331)
Long term debt, less unamortized finance costs	1,894,320	1,990,899
Less: current portion of long term debt	(175,548)	(118,570)
Long term debt, less current portion	<u>\$ 1,718,772</u>	<u>\$ 1,872,329</u>

In 2017, the Organization retroactively adopted the requirements of FASB ASC 835-30 to present debt issuance costs as a reduction of the carrying amount of debt rather than as an asset.

Amortization of \$40,921 and \$40,919 is reported as interest expense in the consolidated statement of activities for the years ended June 30, 2025 and 2024, respectively.

Future maturities to long term debt are as follows – refer to Note 21 regarding the future maturities schedule presented below:

	Long Term Debt Principal	Unamortized Finance Costs	Net
<u>Year ending June 30,</u>			
2026	\$ 183,437	\$ (7,889)	\$ 175,548
2027	209,018	(8,606)	200,413
2028	219,165	(8,606)	210,559
2029	229,805	(8,606)	221,199
2030	240,962	(8,606)	232,356
Thereafter	<u>1,417,613</u>	<u>(43,748)</u>	<u>1,373,865</u>
Total	<u>\$ 2,500,000</u>	<u>\$ (86,061)</u>	<u>\$ 2,413,939</u>

Note 9. Interest rate swap

During 2016, the Organization entered into an interest rate swap agreement with M&T Bank that effectively fixes the interest rate on the outstanding principal of the Bank's term note at 3.045%.

Under the arrangement, the notional principal amount is the balance of the note, with the Organization receiving floating payments of one month London InterBank Offered rate ("LIBOR") plus .69% and paying a fixed rate of 3.045%.

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Note 9. Interest rate swap (continued)

The agreement matures August 2025 and has a notional amount of \$1,897,730 and \$2,035,230 at June 30, 2025 and 2024, respectively.

In accordance with generally accepted accounting principles, the interest rate swap agreement is recorded at its fair value as an asset or liability, with the changes in fair value being reported as a component of the change in net assets without donor restrictions. For the years ended June 30, 2025 and 2024, the Organization reported an interest rate swap asset / (liability) of \$4,609 and \$42,322 on the statement of financial position and a fair value gain / (loss) on the interest rate swap of (\$37,714) and (\$30,828) and on the statement of activities, respectively. The fair value gain / (loss) is reported as a non-operating expense of the Organization and is a non-cash transaction. Refer to discussion of note refinancing at Note 20.

Note 10. Net assets with donor restrictions

Net assets with donor restrictions were restricted as to the following areas of support as follows at June 30,:

	<u>2025</u>	<u>2024</u>
Bishop's charitable assistance fund	\$ 25,457	\$ 27,759
Aging population funding	11,032	12,156
Homeless outreach	526,696	360,802
Access to care	33,477	33,987
First Steps funds	4,592	4,082
Collaborative fund	5,729	8,595
Youth and Family Fund	42,683	25,480
DCU Kids summer Camp	10,000	-
Earn While You Learn Fund	35,000	-
Endowment Health Fund	50,000	-
Miscellaneous	4,683	100
	<u>\$ 749,349</u>	<u>\$ 472,961</u>

Note 11. Restricted cash

Restricted cash represents the following at June 30,:

	<u>2025</u>	<u>2024</u>
Restricted net assets – Note 10	\$ 749,349	\$ 472,961
Pass-through grant funds	70,000	-
	<u>\$ 819,349</u>	<u>\$ 472,961</u>

Note 12. Employee benefit plan

Discretionary matching contributions to a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code are contingent upon financial condition. This program covers eligible regular full-time and part-time employees who have successfully completed at least one year of employment and work at least 20 hours per week. Eligible employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. Employer contributions and expenses totaled \$273,280 and \$238,238 for the years ended June 30, 2025 and 2024 respectively.

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Note 13. Concentrations

For the years ended June 30, 2025 and 2024, the Organization received approximately 75% and 74%, respectively, of its total revenue in the form of Medicaid reimbursements. Being a State of New Hampshire designated Community Mental Health Center affords the Organization Medicaid provider status. Annual contracting with New Hampshire Department of Health and Human Services-Bureau of Behavioral Health provides a base allocation of state general funds and Federal funding, which are drawn as related expenses are incurred.

Note 14. Lease commitments

The Organization evaluated current contracts to determine which met the criteria of a lease. The right-of-use (ROU) assets represent the Organization's right to use underlying assets for the lease term, and the lease liabilities represent the Organization's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The Organization has made an accounting policy election to use its incremental borrowing rate to discount future lease payments, which was 8.25% as of the lease commencement date.

The following summarizes the Organization's leasing:

- The Organization leases equipment under a leasing arrangement which expires August 2026. The agreement requires an initial \$30,000 non-refundable deposit and monthly payments of \$1,950 through the term. The lease resulted in a right of use asset and lease liability being recorded in the year of commencement.

The following summarizes amounts in the financial statements associated with the lease during and as of June 30,:

	<u>2025</u>	<u>2024</u>
<i><u>Statement of Financial Position:</u></i>		
Current portion of operating lease right of use asset	\$ 27,373	\$ 27,373
Operating lease right of use asset, less current portion	<u>4,562</u>	<u>31,936</u>
Total operating lease right of use asset	<u>\$ 31,935</u>	<u>\$ 59,309</u>
Current portion of operating lease payable	\$ 22,082	\$ 20,339
Operating lease payable, less current portion	<u>3,860</u>	<u>25,943</u>
Total operating lease payable	<u>\$ 25,942</u>	<u>\$ 46,282</u>

Statement of Functional Expenses:

The components of operating lease expenses that are included in rent costs in the statement of functional expenses were the following for the year ended June 30,:

	<u>2025</u>	<u>2024</u>
Amortization of right to use asset	\$ 27,373	\$ 27,373
Interest paid on operating lease payable	<u>1,318</u>	<u>3,061</u>
Total operating lease expense	<u>\$ 28,691</u>	<u>\$ 30,434</u>

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Notes to Consolidated Financial Statements

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Note 14. Lease commitments (continued)

The maturities of operating lease liabilities are the following:

<u>Year ending June 30,</u>	
2026	\$ 23,400
2027	<u>3,900</u>
Total lease payments	27,300
Less: Present value discount	<u>(1,358)</u>
Total	<u>\$ 25,942</u>

- The Organization leases facilities and equipment under various operating leases which are for periods of twelve months or less. In accordance with lease accounting, short-term leases (leases with a term of 12 months or less) are reported as lease expense on a straight-line basis over the lease term. Rent expense recorded under these arrangements was approximately \$315,000 and \$280,000 for the years ended June 30, 2025 and 2024, respectively.

Note 15. Investments and fair value measurements

The Organization reports its investments at fair value using Level 1 inputs. The following details the fair value at June 30, 2025:

	<u>Cost</u>	<u>Unrealized Gain/(Loss)</u>	<u>Market Value</u>	<u>% of Total</u>
Cash and equivalents	\$ 33,286	\$ -	\$ 33,286	2.5%
Exchange Traded Funds	<u>2,872,306</u>	<u>255,765</u>	<u>3,128,071</u>	97.5%
Total investments	<u>\$ 2,905,592</u>	<u>\$ 255,765</u>	<u>\$ 3,161,357</u>	<u>100%</u>

The Organization reports its investments at fair value using Level 1 inputs. The following details the fair value at June 30, 2024:

	<u>Cost</u>	<u>Unrealized Gain/(Loss)</u>	<u>Market Value</u>	<u>% of Total</u>
Cash and equivalents	\$ 70,272	\$ -	\$ 70,272	2.5%
Exchange Traded Funds	<u>2,737,002</u>	<u>43,772</u>	<u>2,780,774</u>	97.5%
Total investments	<u>\$ 2,807,274</u>	<u>\$ 43,772</u>	<u>\$ 2,851,046</u>	<u>100%</u>

The following schedule summarizes the investment income and its classification in the statement of activities for the years ended June 30,:

	<u>2025</u>	<u>2024</u>
Realized gains/(losses)	\$ 24,909	\$ (18,660)
Unrealized gains/(losses)	211,993	118,915
Interest and dividends	88,175	45,188
Fees and expenses	<u>(14,767)</u>	<u>(6,235)</u>
Investment income/(expense), net	<u>\$ 310,310</u>	<u>\$ 139,208</u>

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Notes to Consolidated Financial Statements
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Note 16. Fraud loss

During the year ending June 30, 2024, the Organization discovered that an employee had charged personal expenditures to the Organization. The total amount identified was \$362,053 and was for expenditures charged during the following years ending June 30,:

Prior Years	\$	178,519
2023		140,433
2024		<u>43,101</u>
Total loss	\$	<u>362,053</u>

The Organization filed a claim with its insurance company to recover the lost funds. During November 2024, the Organization was notified that their claim was approved and they would be reimbursed \$352,085.

During the year ending June 30, 2025, the Organization received \$362,085 in reimbursement for the fraud loss – the \$352,085 from insurance proceeds and \$10,000 from the individual responsible for the loss.

The fraud loss and reimbursement for the years ending June 30, 2025 and 2024 is presented in the respective years Consolidated Statement of Activities in the section Non-operating revenue and expenses

Note 17. Availability and liquidity

The following represents the Organization’s financial assets at June 30,:

	<u>2025</u>	<u>2024</u>
<u>Financial assets at year end:</u>		
Cash and cash equivalents	\$10,634,631	\$6,215,986
Accounts receivable	1,241,699	956,942
Other receivable	1,260,653	1,709,790
Security deposit	<u>19,787</u>	<u>18,687</u>
Total financial assets	13,156770	9,682,136
 <u>Less amounts not available within one year:</u>		
Restricted cash	(819,349)	(472,961)
Security deposit	<u>(19,787)</u>	<u>(18,687)</u>
 Financial assets available to meet general Expenditures over the next twelve months	 <u>\$12,317,634</u>	 <u>\$8,409,757</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.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing mission-related activities, as well as the conduct of service undertaken to support those activities, to be general expenditures.

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Notes to Consolidated Financial Statements
June 30, 2025 and 2024

Note 17. Availability and liquidity (continued)

The Organization's primary source of liquidity is its cash and cash equivalents.

In addition to financial assets available to meet general expenditures within one year, the Organization operates with a budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

Note 18. Deferred revenue

Deferred revenue consists of the following at June 30,:

	<u>2025</u>	<u>2024</u>
MCO close-out funds	\$ 300,410	\$ 199,502
Unspent pass-through grant funds received	<u>70,000</u>	<u>-</u>
	<u>\$ 370,410</u>	<u>\$ 199,502</u>

Note 19. Reclassifications

Certain prior year items have been reclassified to be consistent with the current year presentation.

Note 20. Subsequent event

During July 2025, the Organization refinanced the debt instrument noted in Note 8 and interest rate swap noted in Note 9.

Debt instrument:

The Organization executed a loan and security agreement with M&T Bank to borrow \$2,500,000 in proceeds from the New Hampshire Health and Education Facilities Bonds, Series 2025.

The arrangement is payable through its maturity date of August 1, 2035, requires monthly payments ranging from \$16,676 up to \$25,550 per month, and bears interest at the SOFR Interest Rate until the maturity date or an earlier redemption date. The arrangement is secured by land, building, equipment, and certain revenues, revenues.

SWAP Agreement:

As part of the refinancing, the Organization entered into an interest rate swap agreement with M&T Bank with a notional amount of \$2,500,000 and which effectively fixes the interest rate on the outstanding principal of the Bank's term note at 4.75%.

Under the arrangement, the notional principal amount is the balance of the note, with the Organization receiving floating payments of one month SOFR Interest Rate.

Future maturities:

The future maturities schedule noted in Note 8 reflects the Organization's obligation under the refinancing executed during July 2025.

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Notes to Consolidated Financial Statements

June 30, 2025 and 2024

Note 21. Prior period adjustment

During the refinancing of the debt noted in Note 20, the Organization noted that the amortization period for the closing costs for the original debt instrument were not correct. Accordingly, the financial statements were restated to reflect the correct amortization that should have been reported as part of interest expense.

The following changes were made as part of the prior period adjustment:

	<u>As previously Reported</u>	<u>Change</u>	<u>Restated</u>
<i><u>Statement of Financial Position:</u></i>			
Long-term debt, less current portion	\$ 1,672,367	\$ 199,962	\$ 1,872,329
<i><u>Statement of Activities:</u></i>			
Administrative expenses	\$ 1,868,622	\$ 21,989	\$ 1,890,611
Change in net assets	\$ 883,875	\$ (21,989)	\$ 861,886
Net assets, beginning of year	\$11,231,978	\$ (177,973)	\$11,054,005
Net assets, end of year	\$12,115,853	\$ (199,962)	\$11,915,891
<i><u>Statement of Functional Expenses:</u></i>			
Interest expense	\$ 132,695	\$ 21,989	\$ 154,684
<i><u>Statement of Cash Flows:</u></i>			
Increase (decrease) in net assets	\$ 883,875	\$ (21,989)	\$ 861,886
Amortization of loan origination Fees in interest expense	\$ 18,930	\$ 21,989	\$ 40,919

SUPPLEMENTARY INFORMATION

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
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Consolidating Statement of Financial Position
June 30, 2025

	Center for Life Management	CLM Foundation	Total	Eliminations	Consolidated
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 9,723,174	\$ 92,108	\$ 9,815,282	\$ -	\$ 9,815,282
Restricted cash	70,000	749,349	819,349	-	819,349
Accounts receivable, net	1,241,699	-	1,241,699	-	1,241,699
Other receivables	1,260,653	-	1,260,653	-	1,260,653
Prepaid expenses	305,173	-	305,173	-	305,173
Security deposit	19,787	-	19,787	-	19,787
Current portion of operating lease right of use asset	27,373	-	27,373	-	27,373
Due from affiliate	5,085	-	5,085	(5,085)	-
Total current assets	<u>12,652,944</u>	<u>841,457</u>	<u>13,494,401</u>	<u>(5,085)</u>	<u>13,489,316</u>
Property and equipment, net	3,149,837	-	3,149,837	-	3,149,837
Other assets:					
Marketable securities	3,161,357	-	3,161,357	-	3,161,357
Operating lease right of use asset, less current portion	4,562	-	4,562	-	4,562
Interest rate swap agreement	4,609	-	4,609	-	4,609
Total assets	<u>\$ 18,973,309</u>	<u>\$ 841,457</u>	<u>\$ 19,814,766</u>	<u>\$ (5,085)</u>	<u>\$ 19,809,681</u>
LIABILITIES AND NET ASSETS					
Current liabilities:					
Current portion of long-term debt	\$ 175,548	\$ -	\$ 175,548	\$ -	\$ 175,548
Current portion of operating lease payable	22,082	-	22,082	-	22,082
Accounts payable	531,601	1,316	532,917	-	532,917
Accrued payroll and payroll liabilities	505,492	-	505,492	-	505,492
Accrued vacation	672,841	-	672,841	-	672,841
Accrued expenses	170,631	-	170,631	-	170,631
Deferred revenue	370,410	-	370,410	-	370,410
Due to affiliate	-	5,085	5,085	(5,085)	-
Total current liabilities	<u>2,448,605</u>	<u>6,401</u>	<u>2,455,006</u>	<u>(5,085)</u>	<u>2,449,921</u>
Long term liabilities:					
Operating lease payable, less current portion	3,860	-	3,860	-	3,860
Long-term-debt less current portion	1,718,772	-	1,718,772	-	1,718,772
Total long term liabilities	<u>1,722,632</u>	<u>-</u>	<u>1,722,632</u>	<u>-</u>	<u>1,722,632</u>
Total liabilities	<u>4,171,237</u>	<u>6,401</u>	<u>4,177,638</u>	<u>(5,085)</u>	<u>4,172,553</u>
Net assets:					
Without donor restrictions	14,802,072	85,707	14,887,779	-	14,887,779
With donor restrictions	-	749,349	749,349	-	749,349
Total net assets	<u>14,802,072</u>	<u>835,056</u>	<u>15,637,128</u>	<u>-</u>	<u>15,637,128</u>
Total liabilities and net assets	<u>\$ 18,973,309</u>	<u>\$ 841,457</u>	<u>\$ 19,814,766</u>	<u>\$ (5,085)</u>	<u>\$ 19,809,681</u>

See Independent Auditor's Report

THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATE
Consolidating Statement of Financial Position
June 30, 2024

	Center for Life <u>Management</u>	CLM <u>Foundation</u>	<u>Total</u>	<u>Eliminations</u>	<u>Consolidated</u>
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 5,660,669	\$ 82,356	\$ 5,743,025	\$ -	\$ 5,743,025
Restricted cash	-	472,961	472,961	-	472,961
Accounts receivable, net	956,942	-	956,942	-	956,942
Other receivables	1,709,790	-	1,709,790	-	1,709,790
Prepaid expenses	229,176	-	229,176	-	229,176
Security deposit	18,687	-	18,687	-	18,687
Current portion of operating lease right of use asset	27,373	-	27,373	-	27,373
Due from affiliate	<u>24,508</u>	<u>-</u>	<u>24,508</u>	<u>(24,508)</u>	<u>-</u>
Total current assets	8,627,145	555,317	9,182,462	(24,508)	9,157,954
Property and equipment, net	3,276,152	-	3,276,152	-	3,276,152
Other assets					
Marketable securities	2,851,046	-	2,851,046	-	2,851,046
Operating lease right of use asset, less current portion	31,936	-	31,936	-	31,936
Interest rate swap agreement	<u>42,322</u>	<u>-</u>	<u>42,322</u>	<u>-</u>	<u>42,322</u>
Total assets	<u>\$ 14,828,601</u>	<u>\$ 555,317</u>	<u>\$ 15,383,918</u>	<u>\$ (24,508)</u>	<u>\$ 15,359,410</u>
LIABILITIES AND NET ASSETS					
Current liabilities:					
Current portion of long-term debt	\$ 118,570	\$ -	\$ 118,570	\$ -	\$ 118,570
Current portion of operating lease payable	20,339	-	20,339	-	20,339
Accounts payable	112,261	2,362	114,623	-	114,623
Accrued payroll and payroll liabilities	408,130	-	408,130	-	408,130
Accrued vacation	614,829	-	614,829	-	614,829
Accrued expenses	69,254	-	69,254	-	69,254
Deferred revenue	199,502	-	199,502	-	199,502
Due to affiliate	<u>-</u>	<u>24,508</u>	<u>24,508</u>	<u>(24,508)</u>	<u>-</u>
Total current liabilities	1,542,885	26,870	1,569,755	(24,508)	1,545,247
Long term liabilities					
Operating lease payable, less current portion	25,943	-	25,943	-	25,943
Long-term-debt less current portion	<u>1,872,329</u>	<u>-</u>	<u>1,872,329</u>	<u>-</u>	<u>1,872,329</u>
Total long term liabilities	1,898,272	-	1,898,272	-	1,898,272
Total liabilities	<u>3,441,157</u>	<u>26,870</u>	<u>3,468,027</u>	<u>(24,508)</u>	<u>3,443,519</u>
Net assets:					
Without donor restrictions	11,387,444	55,486	11,442,930	-	11,442,930
With donor restrictions	<u>-</u>	<u>472,961</u>	<u>472,961</u>	<u>-</u>	<u>472,961</u>
Total net assets	11,387,444	528,447	11,915,891	-	11,915,891
Total liabilities and net assets	<u>\$ 14,828,601</u>	<u>\$ 555,317</u>	<u>\$ 15,383,918</u>	<u>\$ (24,508)</u>	<u>\$ 15,359,410</u>

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THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATE
Consolidating Statement of Activities
For the Year Ended June 30, 2025

	CLM Foundation				Total	Eliminations	Consolidated
	Center for Life Management	Without Donor Restrictions	With Donor Restrictions	Total			
Public support and revenues:							
Public support:							
Federal	\$ 1,460,071	\$ -	\$ -	\$ -	\$ 1,460,071	\$ -	\$ 1,460,071
State of New Hampshire - BBH	4,194,364	-	-	-	4,194,364	-	4,194,364
State and local funding	5,400	-	-	-	5,400	-	5,400
Other public support	76,400	64,134	347,312	411,446	487,846	(12,964)	474,882
Total public support	5,736,235	64,134	347,312	411,446	6,147,681	(12,964)	6,134,717
Revenues:							
Program service fees, net	28,054,408	-	-	-	28,054,408	-	28,054,408
Other service income	294,630	-	-	-	294,630	-	294,630
Rental income	8,595	-	-	-	8,595	-	8,595
Other	9,050	2,190	-	2,190	11,240	-	11,240
Total revenues	28,366,683	2,190	-	2,190	28,368,873	-	28,368,873
Total public support and revenues	34,102,918	66,324	347,312	413,636	34,516,554	(12,964)	34,503,590
Net assets released from restrictions:							
Satisfaction of program restrictions	-	70,924	(70,924)	-	-	-	-
Total	34,102,918	137,248	276,388	413,636	34,516,554	(12,964)	34,503,590
Operating expenses:							
BBH funded programs:							
Children	7,623,881	-	-	-	7,623,881	-	7,623,881
Collaborative Care	2,239,520	-	-	-	2,239,520	-	2,239,520
Elders	1,176,837	-	-	-	1,176,837	-	1,176,837
Supportive Employment	399,241	-	-	-	399,241	-	399,241
Adults Multi Service	9,069,961	-	-	-	9,069,961	-	9,069,961
Housing / Independent Living	3,814,755	-	-	-	3,814,755	-	3,814,755
Assertive Community Treatment	1,000,337	-	-	-	1,000,337	-	1,000,337
Acute Care	3,425,451	-	-	-	3,425,451	-	3,425,451
Non-BBH funded program services	652,665	101,490	-	101,490	754,155	-	754,155
Contributions	-	12,964	-	12,964	12,964	(12,964)	-
Total program expenses	29,402,648	114,454	-	114,454	29,517,102	(12,964)	29,504,138
Administrative expenses	2,163,937	-	-	-	2,163,937	-	2,163,937
Total expenses	31,566,585	114,454	-	114,454	31,681,039	(12,964)	31,668,075
Change in net assets from operations	2,536,333	22,794	276,388	299,182	2,835,515	-	2,835,515
Non-operating revenue and expenses:							
Fraud loss recovery	362,085	-	-	-	362,085	-	362,085
Interest income	243,614	7,427	-	7,427	251,041	-	251,041
Investment income / (loss)	310,310	-	-	-	310,310	-	310,310
Fair value gain on interest rate swap	(37,714)	-	-	-	(37,714)	-	(37,714)
Change in net assets	3,414,628	30,221	276,388	306,609	3,721,237	-	3,721,237
Net assets, beginning of year	11,387,444	55,486	472,961	528,447	11,915,891	-	11,915,891
Net assets, end of year	\$ 14,802,072	\$ 85,707	\$ 749,349	\$ 835,056	\$ 15,637,128	\$ -	\$ 15,637,128

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THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATE
Consolidating Statement of Activities
For the Year Ended June 30, 2024

	CLM Foundation				Total	Eliminations	Consolidated
	Center for Life Management	Without Donor Restrictions	With Donor Restrictions	Total			
<u>Public support and revenues:</u>							
Public support:							
Federal	\$ 1,351,630	\$ -	\$ -	\$ -	\$ 1,351,630	\$ -	\$ 1,351,630
State of New Hampshire - BBH	3,117,129	-	-	-	3,117,129	-	3,117,129
State and local funding	28,400	-	-	-	28,400	-	28,400
Other public support	12,964	-	194,017	194,017	206,981	(12,964)	194,017
Total public support	4,510,123	-	194,017	194,017	4,704,140	(12,964)	4,691,176
Revenues:							
Program service fees, net	23,616,999	-	-	-	23,616,999	-	23,616,999
Other service income	517,678	-	-	-	517,678	-	517,678
Rental income	6,510	-	-	-	6,510	-	6,510
Other	41,335	8,946	-	8,946	50,281	-	50,281
Total revenues	24,182,522	8,946	-	8,946	24,191,468	-	24,191,468
Total public support and revenues	28,692,645	8,946	194,017	202,963	28,895,608	(12,964)	28,882,644
Net assets released from restrictions:							
Satisfaction of program restrictions	-	111,594	(111,594)	-	-	-	-
Total	28,692,645	120,540	82,423	202,963	28,895,608	(12,964)	28,882,644
<u>Operating expenses:</u>							
BBH funded programs:							
Children	6,998,091	-	-	-	6,998,091	-	6,998,091
Collaborative Care	1,590,386	-	-	-	1,590,386	-	1,590,386
Elders	1,211,258	-	-	-	1,211,258	-	1,211,258
Supportive Employment	511,810	-	-	-	511,810	-	511,810
Adults Multi Service	7,792,148	-	-	-	7,792,148	-	7,792,148
Housing / Independent Living	3,591,130	-	-	-	3,591,130	-	3,591,130
Assertive Community Treatment	895,172	-	-	-	895,172	-	895,172
Acute Care	3,043,269	-	-	-	3,043,269	-	3,043,269
Non-BBH funded program services	557,297	141,572	-	141,572	698,869	-	698,869
Contributions	-	12,964	-	12,964	12,964	(12,964)	-
Total program expenses	26,190,561	154,536	-	154,536	26,345,097	(12,964)	26,332,133
Administrative expenses	1,890,611	-	-	-	1,890,611	-	1,890,611
Total expenses	28,081,172	154,536	-	154,536	28,235,708	(12,964)	28,222,744
Change in net assets from operations	611,473	(33,996)	82,423	48,427	659,900	-	659,900
<u>Non-operating revenue and expenses:</u>							
Interest income	127,609	9,098	-	9,098	136,707	-	136,707
Investment income / (loss)	139,208	-	-	-	139,208	-	139,208
Fair value gain on interest rate swap	(30,828)	-	-	-	(30,828)	-	(30,828)
Fraud loss	(43,101)	-	-	-	(43,101)	-	(43,101)
Change in net assets	804,361	(24,898)	82,423	57,525	861,886	-	861,886
Net assets, beginning of year	10,761,056	80,384	390,538	470,922	11,231,978	-	11,231,978
Prior period adjustment	(177,973)	-	-	-	(177,973)	-	(177,973)
Net assets, beginning of year - restated	10,583,083	80,384	390,538	470,922	11,054,005	-	11,054,005
Net assets, end of year	<u>\$ 11,387,444</u>	<u>\$ 55,486</u>	<u>\$ 472,961</u>	<u>\$ 528,447</u>	<u>\$ 11,915,891</u>	<u>\$ -</u>	<u>\$ 11,915,891</u>

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THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT AND AFFILIATE
Analysis of Accounts Receivable
For the Year Ended June 30, 2025

	Accounts Receivable Beginning of <u>Year</u>	<u>Gross Fees</u>	Contractual Allowances and Other Discounts <u>Given</u>	<u>Cash Receipts</u>	Change in <u>Allowance</u>	Accounts Receivable End of <u>Year</u>
Clients	\$ 354,851	\$ 1,934,498	\$ (1,472,374)	\$ (216,648)	\$ -	\$ 600,327
Insurance companies	378,855	4,924,486	(2,276,631)	(2,686,261)	-	340,449
Medicaid	441,709	25,713,387	(1,559,024)	(23,982,536)	-	613,536
Medicare	84,474	1,254,344	(464,278)	(648,261)	-	226,279
Allowance	<u>(302,947)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(235,945)</u>	<u>(538,892)</u>
Total	<u>\$ 956,942</u>	<u>\$ 33,826,715</u>	<u>\$ (5,772,307)</u>	<u>\$ (27,533,706)</u>	<u>\$ (235,945)</u>	<u>\$ 1,241,699</u>

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THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT
Schedule of Program Revenues and Expenses
For the Year Ended June 30, 2025

	Children	Collaborative Care	Elders	Supportive Employment	Adults Multi Service	Housing / Independent Living	Assertive Community Treatment	Acute Care	Other Non-BBH	Total Program Services	Admin-istrative	Total Agency
<u>Public support and revenues:</u>												
Public support:												
Federal	\$ 95,300	\$ 43,578	\$ -	\$ -	\$ 38,292	\$ 1,269,005	\$ 6,948	\$ 6,948	\$ -	\$ 1,460,071	\$ -	\$ 1,460,071
State of New Hampshire - BBH	130,242	35,586	885	382	181,277	1,066,175	238,236	2,541,062	519	4,194,364	-	4,194,364
State and local funding	-	-	-	-	5,400	-	-	-	-	5,400	-	5,400
Other public support	8,000	-	-	-	55,000	-	-	-	-	63,000	13,400	76,400
Total public support	233,542	79,164	885	382	279,969	2,335,180	245,184	2,548,010	519	5,722,835	13,400	5,736,235
Revenues:												
Program service fees, net	11,310,932	1,954,266	1,317,619	268,900	9,037,264	1,696,896	913,595	1,034,678	520,258	28,054,408	-	28,054,408
Other service income	129,308	88,582	37,943	-	-	-	-	4,000	34,797	294,630	-	294,630
Rental income	2,922	1,031	344	-	1,805	344	86	859	258	7,649	946	8,595
Other	1,296	387	189	97	1,631	530	178	588	322	5,218	3,832	9,050
Total revenues	11,444,458	2,044,266	1,356,095	268,997	9,040,700	1,697,770	913,859	1,040,125	555,635	28,361,905	4,778	28,366,683
Total public support and revenues	11,678,000	2,123,430	1,356,980	269,379	9,320,669	4,032,950	1,159,043	3,588,135	556,154	34,084,740	18,178	34,102,918
Total expenses	7,623,881	2,239,520	1,176,837	399,241	9,069,961	3,814,755	1,000,337	3,425,451	652,665	29,402,648	2,163,937	31,566,585
Change in net assets from operations	4,054,119	(116,090)	180,143	(129,862)	250,708	218,195	158,706	162,684	\$ (96,511)	4,682,092	(2,145,759)	2,536,333
<u>Non-operating revenue and expenses:</u>												
Fraud loss recovery	-	-	-	-	-	-	-	-	-	-	362,085	362,085
Interest income	-	-	-	-	-	-	-	-	-	-	243,614	243,614
Investment income / (loss)	-	-	-	-	-	-	-	-	-	-	310,310	310,310
Fair value gain on interest rate swap	-	-	-	-	-	-	-	-	-	-	(37,714)	(37,714)
Total non-operating	-	-	-	-	-	-	-	-	-	-	878,295	878,295
Change in net assets	\$ 4,054,119	\$ (116,090)	\$ 180,143	\$ (129,862)	\$ 250,708	\$ 218,195	\$ 158,706	\$ 162,684	\$ (96,511)	\$ 4,682,092	\$ (1,267,464)	\$ 3,414,628

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THE MENTAL HEALTH CENTER FOR SOUTHERN NEW HAMPSHIRE
D/B/A CLM CENTER FOR LIFE MANAGEMENT
Schedule of Program Expenses
For the Year Ended June 30, 2025

	Children	Collaborative Care	Elders	Supportive Employment	Adults Multi Service	Housing/ Independent Living	Assertive Community Treatment	Acute Care	Other Non-BBH	Program Services	Admin- istrative	Total Agency
Personnel costs:												
Salaries and wages	\$ 5,440,066	\$ 1,597,052	\$ 861,618	\$ 302,599	\$ 6,558,709	\$ 1,320,190	\$ 687,533	\$ 2,445,052	\$ 340,083	\$ 19,552,902	\$ 1,249,495	\$ 20,802,397
Employee benefits	964,874	284,639	167,320	31,206	1,192,121	285,458	154,993	328,528	43,099	3,452,238	251,291	3,703,529
Payroll taxes	392,434	115,367	59,500	27,175	466,822	98,684	49,838	195,320	23,901	1,429,041	86,575	1,515,616
Accounting/audit fees	-	-	-	-	-	-	-	-	-	-	56,059	56,059
Advertising	17,919	4,460	1,399	873	19,851	3,108	1,190	16,016	14,721	79,537	37,481	117,018
Conferences, conventions and meetings	17,409	2,520	942	407	11,880	2,340	854	2,188	540	39,080	3,202	42,282
Depreciation	114,441	34,742	13,547	3,104	100,712	28,505	10,258	41,303	10,252	356,864	146	357,010
Equipment rental	9,897	2,903	1,544	578	10,638	3,187	1,145	3,914	916	34,722	466	35,188
Insurance	165	66	66	-	297	-	205	3,703	33	4,535	119,567	124,102
Interest expense	32,081	11,323	3,774	-	30,194	3,774	944	9,435	33,264	124,789	21,221	146,010
Legal fees	3,695	1,414	399	389	6,110	1,745	655	2,419	390	17,216	75,906	93,122
Membership dues	2,604	237	148	75	10,224	755	258	278	2,045	16,624	51,262	67,886
Occupancy expenses	147,588	42,951	14,317	-	90,167	1,879,806	3,812	45,619	10,737	2,234,997	294	2,235,291
Office expenses	101,015	28,895	11,939	7,350	120,465	42,321	13,228	45,425	7,279	377,917	64,263	442,180
Other expenses	908	223	104	33	946	331	61	235	62	2,903	914	3,817
Other professional fees	225,730	71,648	29,587	11,827	254,707	75,909	24,079	211,066	25,493	930,046	129,620	1,059,666
Program supplies	59,617	17,508	6,993	1,771	61,239	26,652	5,047	65,195	139,722	383,744	13,618	397,362
Travel	93,438	<u>23,372</u>	3,640	11,854	134,879	41,990	46,237	9,755	128	365,493	2,557	368,050
Total expenses	<u>\$ 7,623,881</u>	<u>\$ 2,239,520</u>	<u>\$ 1,176,837</u>	<u>\$ 399,241</u>	<u>\$ 9,069,961</u>	<u>\$ 3,814,755</u>	<u>\$ 1,000,337</u>	<u>\$ 3,425,451</u>	<u>\$ 652,665</u>	<u>\$ 29,402,648</u>	<u>\$ 2,163,937</u>	<u>\$ 31,566,585</u>

See Independent Auditor's Report

VICTOR TOPO

President/Chief Executive Officer

Successful 32-year career as clinician, manager and CEO in community mental health organizations located in Ohio and New Hampshire. Proven ability to lead board and staff with a persistent focus on mission and achieving results. Talent for exploring new and innovative approaches to delivering traditional and non-traditional behavioral health care. Possess wide range of knowledge and experience with all service populations, especially vulnerable persons at high risk. Strengths include:

- Operations
- Reorganization and reinvention
- Team building and leadership
- Strategic planning
- Collaboration
- Strategic partnerships
- Strong relationship with funders
- Community building
- Innovation

Professional Experience

Center for Life Management – Derry, NH

1999 – Present

President/Chief Executive Officer

Recruited to manage 501(c) 3 comprehensive community mental health center and its title holding 501(c) 2 corporation, entitled West Rock Endowment Association including two residential facilities.

Key results:

- Restructured senior management increasing direct reports from three to six.
- Revenues increased from 6.5 million to 22 million leading to financial sustainability.
- Established closer connection with surrounding community utilizing aggressive public relations strategy while also rebranding CLM in 2004.
- Guided Board of Directors towards more accountability including higher expectation from management and individual board members.
- Initiated and implemented Corporate Compliance Program, including selection of corporate compliance officer
- Increased year after year number of persons served starting with 3,400 to nearly 6,000.
- Created and implemented strategy to integrate behavioral health care with physician healthcare. Integrated behavioral health services into two Primary Care/Pediatric Practices and two Specialty Practices in Southern New Hampshire.
- Consolidated outpatient offices toward design and construction of new state of the art 26,000 square foot facility in 2007. Received national awards for design and use of new facility.
- Provided leadership and vision to oversee the development and implementation of an Electronic Health Record (EHR) called webAISCE. Software now includes e-prescribing and has begun acquiring Meaningful Use dollars with regular upgrades over course of twenty years.
- Adopted Neurostar Transcranial Magnetic Stimulation (TMS) in 2010 as newest neuro tech treatment for treatment resistant Major Depressive Disorder. First free standing community mental health center in the U.S. to offer it.

Pathways, Inc. – Mentor, OH

1988 - 1999

Chief Executive Officer/Executive Director

Started with managing a small single purpose case management agency with revenues of \$486,000 and over 11 years grew revenues to 4 million by expanding services to chronically mentally ill consumers. Created senior management team and strengthened Board of Directors utilizing shared vision approach.

VICTOR TOPO

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Key results:

- In collaboration with mental health board designed one of Ohio's first 24 hour 7 days a week in-home crisis stabilization program called C.B.S. (Community Based Stabilization).
- Assumed leadership role in transitioning 32 long-term patients back to our community.
- Positioned organization every year to competitively bid on ever/service provided and be awarded the service contract. Expanded wide range of services that include psychiatry, counseling, emergency services and housing.
- Created county's only Atypical Neuroleptic Medication Program (e.g. Clozaril).
- Pathways' first long range strategic plan in 1992.
- Increased Medicaid revenue from \$38,000 in 1989 to \$431,210 in 1997.

Community Counseling Center – Ashtabula, OH

1983-1988

Case Management Supervisor/Case Manager

Provided direct services and supervision for services to severely mentally disabled persons in the community. Partnered with local private hospital as well as state hospital.

Key results:

- Transitioned consumers back into supervised and independent living.
- Recruited, trained and managed staff of five case managers.
- Designed and implemented agency's first case management program.

EDUCATION

Master of Social Work (MSW)

West Virginia University, Morgantown, WV

Bachelor of Arts (BA)

Siena College, Londonville, NY

Associate of Applied Science (AAS)

Fulton-Montgomery Community College, Johnstown, NY

BOARD/LEADERSHIP POSITIONS

Heritage United Way – Board of Directors

Mental Health Commission – Co-Chair

Consumers and Families Work Group

Statewide Evidenced Based Practice Committee – Co-Chair

Greater Salem Chamber of Commerce – Board of Directors

Behavioral Health Network – Board of Directors

Greater Derry/Londonderry Chamber of Commerce – Board of Directors

Greater Derry/Salem Regional Transportation Council (RTC) -

Chairman, Board of Directors, Derry, NH

Greater Salem Leadership Program – Graduate, Class of 2001

Steve Arnault

Objective

To obtain a position where I can maximize my multilayer of management skills, quality assurance, program development, experience as an educator, customer service, and a successful track record in the health care environment.

Professional Experience

Lead Healthcare Systems Align, LLC
Nottingham, NH 1/2010 – Present

[Healthcare Systems Align.com](http://HealthcareSystemsAlign.com)

- Provide consultation to agencies, medical practices and practitioners to establish systems of integrated healthcare that includes practice patterns, billing strategies, quality and compliance strategy, policy development, outcome measurement and supervision.

VP of Quality, Compliance Center for Life Management, Derry, NH 1/2009 - Present
www.centerforlifemanagement.org

- Senior management position in mental health center serving 6000 consumers
Responsibilities include development, implementation and monitoring of strategies and systems to continuously improve the quality of services to consumers. Assure compliance to state and federal regulations.
- Develop and maintain systems to assure fidelity to evidence based practices.
- Continuous development of EMR and associated staff training.
- Establish and maintain outcome measures and their incorporation into QI/UR initiatives
- Develop and implement projects to improve the quality of care.
- Chair of agency Safety Committee.

Director, Behavioral Health Portsmouth Regional Hospital 1/2006 - 12/2009
Services Portsmouth, NH

- Responsible for clinical, administrative and fiscal management of service line which includes 22 bed inpatient psychiatric unit, Psychiatric Assessment and Referral Service and interdepartmental service. Supervision of an Assistant Director and Coordinator, Responsible for 85 staff. Oversee the integration of behavioral health into primary care. Manage annual budget of 10.5 million dollars.
- Chair Directors Operations Meeting. Coordinate monthly meeting of hospital departmental directors.
- Co-chair of Patient Flow Committee. Analysis and development of data systems to monitor patient throughput. Develop and implement strategies to improve the efficiency of care

Steve Arnault

- Assistant Director of Behavioral Health Services Portsmouth Regional Hospital
Portsmouth, NH 4/2005 – 1/2006
- Responsible for the clinical and administrative functioning of the Psychiatric assessment and Referral Service (PARS). Manage annual budget of 600K.
 - Supervision of 22 clinicians who provide psychiatric crisis assessments, admissions, intake and referral 24 hours a day.
 - Supervision, oversight and development of the Interdepartmental Service: 3 clinicians who provide psychiatric assessment, consultation and therapy to patients admitted medically to the hospital.
- Director of Adult Services Community Partners; Dover, NH 11/2001 – 4/2005
- Responsible for the clinical, administrative and financial operations of the Adult Outpatient Therapy, EAP, Admissions, Emergency Services, Geriatric and Acute Service programs (PHP/IOP) serving Strafford County. Supervised 4 managers responsible for 26 staff. Manage annual budget of 3 million dollars.
- Clinical Director of Community Support Prog. Riverbend Community Mental Health Ctr
Concord, NH 9/2000 – 11/2001
- Responsible for the clinical, administrative and fiscal operations of programs serving 554 consumers with severe and persistent mental illness. Directly supervise 5 managers responsible for 60 staff. Development and oversight of annual budget of 4 million dollars.
- Treatment Team Coordinator Riverbend Community Mental Health Ctr
Concord, NH 8/1996 – 9/2000
- Clinical and administrative supervision of a multidisciplinary team of 12 direct care staff. Serving an average of 100 individuals with severe and persistent mental illness.
- Team Leader Strafford Guidance Center; Dover, NH 1/1993 – 8/1996
- Clinical and administrative supervision of 8 direct care staff. Serving an average of 80 individuals with severe and persistent mental illness.
 - Developed the first interagency treatment team to serve individuals with severe and persistent mental illness and developmental disabilities in NH.
- Clinical Case Manager Strafford Guidance Center; Dover, NH 1/1992 – 12/1993
- Provided psychotherapy and case management services to individuals with severe and persistent mental illness and substance abuse issues as part of The Continuous Treatment Team study through Dartmouth College.

Steve Arnault

Teaching & Educational Experience

- | | | |
|--|---|---------------------|
| Assistant Director / Behavioral Specialist | Residential Resources; Keene, NH | 1/1989 – 1/1992 |
| <ul style="list-style-type: none"> ▪ Directed all administrative, fiscal and clinical activities for 5 group homes and 3 supported living arrangements serving people with developmental disabilities. Provide behavioral consultation to individuals with behavioral/functional challenges. | | |
| Behavioral Specialist / Clinical Supervisor | The Center for Humanistic Change
Manchester, NH | 8/1986 – 1/1989 |
| <ul style="list-style-type: none"> ▪ Provide behavioral consultation to individuals facing behavioral/functional challenges in group homes, day programs, vocational and family settings. Supervised 2 clinicians. | | |
| House Manager | Greater Lawrence Psychological Center
Lawrence, MA | 6/1984 – 8/1986 |
| <ul style="list-style-type: none"> ▪ Administrative, clinical and financial management of a group home serving 4 men with severe and persistent mental illness. | | |
| Adjunct Faculty | New England College; Henniker, NH
www.nec.edu | 9/1994 - Present |
| <ul style="list-style-type: none"> ▪ Teach graduate and undergraduate courses in psychology, counseling, program development and evaluation | | |
| Director of Masters Degree Program in Mental Health Counseling | New England College; Henniker, NH | 1/1998 – 3/2002 |
| <ul style="list-style-type: none"> ▪ Developed and implemented curriculum for degree program. ▪ Oversight of curriculum to insure quality, academic standards and student retention. ▪ Development and execution of marketing plan. ▪ Provided academic advising and mentoring to students. ▪ Faculty recruitment, supervision and monitoring of academic quality | | |
| Curriculum Consultant | New England College; Henniker, NH | Fall 2012 - Present |
| <ul style="list-style-type: none"> ▪ Developed curricula for a certificate and C.A.G.S. in the integration of behavioral health into primary medicine. | | |

DIANA LACHAPELLE, CPA

Strategically focused leader with extensive operations, accounting and financial management experience. Possesses keen business acumen and decision making skill. Proven track record of working collaboratively and driving change to optimize profitability.

Core Qualifications

- Strategic Planning
- Revenue Cycle Management
- Financial Reporting & Analysis
- SOX Compliance
- Budgeting & Forecasting
- Contract Negotiations
- Internal Controls
- Audit
- Labor Management

PROFESSIONAL EXPERIENCE

VICE PRESIDENT – CHIEF FINANCIAL OFFICER

The Mental Health Center for Southern New Hampshire d.b.a. Center for Life Management, Derry, NH March 2020 to present

Provide leadership and direction in the areas of finance, revenue cycle and cash management. Develop, implement and evaluate strategic plans to improve operating performance.

CHIEF EXECUTIVE OFFICER

Encompass Health Rehabilitation Hospital (formerly HealthSouth), Concord, NH February 2018 to February 2020

Leader of this for profit, 50-bed, acute care rehabilitation hospital and outpatient treatment center reporting directly to the Regional President. Hospital is part of a publicly traded healthcare system comprised of 133 inpatient rehabilitation hospitals, 245 home health agencies and 82 hospice locations.

Key contributions and results:

- Strategic leadership to achieve discharge growth of 15% year over year for two consecutive years in an industry where 3% growth is the norm.
- Financial leadership to realize EBITDA growth year over year of 24% and 19% for 2018 and 2019, respectively.
- Organizational and change management to improve employee engagement results by 16 basis points.
- Process improvement leadership to improve patient outcomes and satisfaction.

CONTROLLER/CHIEF FINANCIAL OFFICER

Encompass Health Rehabilitation Hospital (formerly HealthSouth), Concord, NH January 2012 to January 2018

Responsible for all financial aspects of the hospital including the development of the annual operating plan, monthly analysis of results and execution of corrective actions as needed to ensure achievement of planned results. Chief liaison between corporate finance and the hospital.

Key contributions and results:

- Implemented cost reduction initiatives to improve profitability by 7%.
- Restructured outpatient operation to create a viable business unit, improving net income by 34%.
- Developed and executed a labor management plan to improve operational efficiency and reduce full time equivalents by 7%.
- Preceptor for newly hired Controllers.

CPA SERVICES

Diana C. Lachapelle, CPA, Bedford, NH 2003-2011

Provided accounting leadership and business solutions to clients including cash management, forecasting, budgeting, financial statement preparation, tax preparation, and development of internal controls.

DIRECTOR OF WORLDWIDE FOOTWEAR COST & FINANCIAL PLANNING

Timberland Corporation, Stratham, NH 1996-1999

- Responsible for all financial aspects of this \$550 million manufacturing and sourcing operation including accounting, forecasting, budgeting, reporting, product costing and audit.
- Partnered with the VP of Operations to achieve key cost reductions, as well as, improved reliability and quality resulting in actual performance exceeding budget by \$6.9 million.

FINANCIAL MANAGER, CONSUMER PRODUCTS GROUP

Nashua Corporation, Nashua, NH 1993-1996

AUDITOR

Ernst & Young, Manchester, NH 1989-1992

EDUCATION & CERTIFICATION

Bachelor of Science in Business Administration, University of New Hampshire, Durham
Certified Public Accountant, State of New Hampshire
Member of the American College of Healthcare Executives and Healthcare Financial Management Association

SYSTEM EXPERIENCE

Oracle Enterprise Performance Management System, Oracle PeopleSoft, Hyperion, Cerner EMR and reporting, E-Time, Attendance Enterprise, Microsoft Office Suite, Ariba Contract Management, Maven, Beacon, Tableau