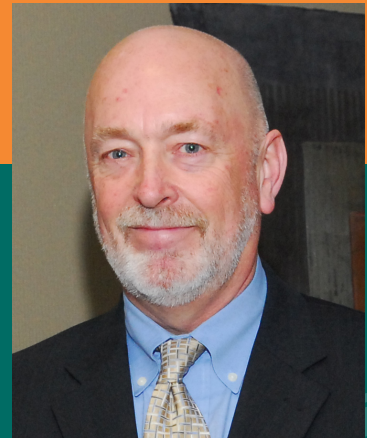




HEARTH ANNUAL REPORT 2008

MISSION STATEMENT Hearth is a non-profit organization dedicated to the elimination of homelessness among the elderly. This mission is accomplished through a unique blend of prevention, placement, and housing programs all designed to help elders find and succeed in homes of their own. To this end, all housing operated by Hearth provides a creative array of supportive services that assist residents to age with dignity, regardless of their special medical, mental health, or social needs. Hearth believes these goals are best accomplished through respect for elders and staff, with the desire to see both achieve their highest degree of potential.



BOARD OF DIRECTORS

- Mary S. Parker, *Chair*
- Kevin McCall, *Vice Chair*
- Ellen Feingold, *Founder & Treasurer*
- Myrna Putziger, *Clerk*
- Pamela Jones-Sampson, *Assistant Clerk*
- Mark D. Hinderlie, *President and CEO*
- Alan Abrams, M.D.
- Greg Ansin
- Anna M. Bissonnette, *Founder*
- Jennifer D. Carey
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- Gene Miller
- Rebecca Ridley Nazareth
- Karyn Scheier
- Irma M. Schretter
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- Tabor Mohns
- Judi Mullen
- Mamadou Ndiaye
- Michael Neel
- Ellen Nolan Gard
- Christina Nordstrom
- Carmen Panacopoulos
- Ann Raider
- Erica Raine
- Deidre Robinson
- Linda Roemer
- Ruth Schwartz
- Johanna Smith
- Sue Straley*
- Bruce Taylor
- Shirley Thorne
- Sara Tribe
- Jim Wayman
- Gretchen Woodruff

*deceased

Dear Friends This has been an exciting year for Hearth in many ways. *The Boston Business Journal* named May Shields a Champion in Healthcare. The Massachusetts Association of Registered Nurses named Anna Bissonnette a Living Legend in Nursing. These awards brought recognition to their extraordinary individual efforts and to the unique and effective supportive housing operated at Hearth. We have made significant progress on assembling the financing for Hearth at Olmsted Green, and we hope to break ground on our 66-unit project as early as September 2009. We are also much closer to the completion of Hearth's research project, supported in large part by a grant from the Boston Foundation, which will help demonstrate the cost effectiveness of the Hearth Model of supported housing.

In the spring we recognized the invaluable contributions of the hundreds of individual and group volunteers. For the first time we specially thanked Hearth's own residents who play an active role in their communities. Two residents in particular, Freda and Dottie of Bishop Street, really go above and beyond, even volunteering at other sites. We also thanked the Physical Therapy students of Northeastern University who have been leading exercise classes for our elders since 2001.

This summer, artist Peter Phelps captured the hearts of many with his story of survival and extraordinary generosity. When Hearth got him out of the shelter and into his own permanent home, he expressed his gratitude to Hearth by giving over 75 beautiful paintings to be sold on Hearth's behalf. It is humbling for all of us when someone with seemingly so little gives so much.

Fall brought with it challenging times, perhaps more difficult than any of us have seen before. Elder homelessness is increasing and the demand for our housing and outreach services is growing with it. However, it is during the most challenging circumstances that we come together to support one another in the most generous ways. We have received significant state funding cuts, but at the same time friends are coming forward and offering what they can, like Board Member Myrna Putziger offering a generous challenge to match new and increased gifts from individuals.

No one knows for sure what the coming year will bring, but we can say for certain that more elders will need our help, and they will receive it – **thanks to your support.**

Sincerely,

Mary A. Parker
Mary Parker
Hearth Board Chair

Mark D. Hinderlie
Mark Hinderlie
Hearth President & CEO

It is humbling
for all of us
when someone with
seemingly so little
gives so much.



Hearth LEGENDS AND CHAMPIONS

Hearth Honorees Two of Hearth's nurses were honored with special recognition during this past year. In April, founder and board member Anna Bissonnette, RN was named a "Living Legend" by the Massachusetts Association of Registered Nurses and Chief Operating Officer May Shields was chosen as a Nursing Champion by the *Boston Business Journal*.

Anna Bissonnette It was through her work as a public health nurse in the 1980s that Anna became aware of the growing crisis of elder homelessness. Along with six other women, Anna began the committee now known as Hearth. She chaired the organization for 15 years before stepping down.

Anna still plays a vital role at Hearth as our most vocal ambassador. And every fall she brings the mobile flu clinic she runs to Hearth, giving vaccines to staff and residents while training medical students.

"It's sort of been the story of my life identifying problems and trying to find solutions. You just can't walk away."

Anna Bissonnette

May Shields May Shields RN MSN oversees Hearth's daily operations as Chief Operating Officer, and was named one of two "Nursing Champions" by the *Boston Business Journal*. May's unending energy comes from working with Hearth clients.

"Hearth offers a truly multidisciplinary approach and I find it both rewarding and refreshing."

May Shields, RN MSN



Hearth founder and board member, Anna Bissonnette



May Shields with her husband Peter at the awards breakfast.

"I am amazed by the life stories of the people we serve. They provide incentive to find people homes." Before stepping into the role of COO, May was Hearth's Director of Health Services, overseeing a staff of in house nurses and working with outside healthcare providers.

Now as Chief Operating Officer, May works harder than ever to coordinate care with various city and state agencies to keep Hearth running smoothly and get elders housed as quickly as possible. Because, as May said when accepting her award, "There's no place like home."

Hearth at Olmsted Green will be a beautiful new 66 unit residential building that will provide critically needed, permanent supportive housing for one of the most challenging, and often overlooked populations in Greater Boston: homeless elders. *Hearth at Olmsted Green* is slated to open in December of 2009 contingent upon *Hearth* receiving all the necessary funding.

This project will significantly improve the strength and reach of *Hearth* in our mission to end elder homelessness. This project will not only increase the number of units of *Hearth's* award winning supportive housing for homeless elders by 50%, but will enable *Hearth* to recognize important economies of scale in management and resident service delivery, thereby strengthening the organizational viability of *Hearth* for generations to come. Building *Hearth at Olmsted Green* is a unique opportunity, bringing us closer to eliminating this crisis in Boston, and serving as a national prototype of *Hearth's* effective model to end elder homelessness.

"I am familiar with this group's work because my mother, Elsie Frank, was a founding member of the Committee....I can think of no better way to continue my mother's legacy than the creation of good affordable housing for our elders."

Congressman Barney Frank



Located on the site of the former Boston State Hospital, adjacent to Franklin Park.



1. The Audubon Partnership: A Nature Focus
2. Green Housing for Boston's working families
3. The Gateway at Olmsted Green
4. Urban Farm & Training facility
- 5. *Hearth at Olmsted Green***
6. Vinfen Nursing and Mental Health/Rehab
7. Heritage House
8. Lena Park CDC
 - Training & Education and Job Advancement Center
 - Health & Fitness Center

What is Outreach? Helping 80-year-old Peter get out of the shelters and into his own place, with his own shower – and room to paint ■ Getting a grandmother off the streets and into a home so her grandchildren can come and visit her ■ Providing companionship, hope, compassion, and empathy – and someone to count on ■ Taking “Ralph” shopping for his new apartment, where he buys a light bulb for the first time ■ **Seeing each client as an individual human being.**

Photo credit: 2008 PMD



ABH Resident Rosemarie with her granddaughter Asia, playing bingo in the Shapiro Room

There are many services Outreach provides to homeless elders. The process starts with the formulation of an individualized plan that details all the steps needed to achieve success.

These steps may include:

- obtaining documents like birth certificates and social security cards
- connecting with health services
- straightening out finances with help budgeting and managing debt
- assisting with housing applications and locating housing opportunities
- accompanying clients to housing interviews
- accessing mainstream resources such as social security, food stamps, emergency assistance

- accessing mental health care and substance abuse treatment
- assisting with the move into new housing

Once housed, Outreach case managers provide stabilization services to their clients for 6 months to a year. The transition from homelessness into housing can be difficult, and Hearth provides support to help ensure success.

More than a home...

Peter Phelps, a retired school teacher, moved to Boston at the age of 79 after doctors in Springfield suggested he enroll in a medical study to treat his lung cancer. However, Phelps had no place to stay in Boston.

He stayed in a number of shelters around Boston for over year, and then he met a Hearth Outreach case manager. For Phelps, homelessness not only rid him of privacy – sharing space with dozens of other men – but it also kept him from painting, his number one passion. “Something inside me tells me to pick up the brush,” he explained. With no room of his own, however, painting was next to impossible.

“I love living here. It makes me feel like a person.”
Ruggles resident Bob Wright, who lived on the streets for 12 years before moving into Hearth housing.

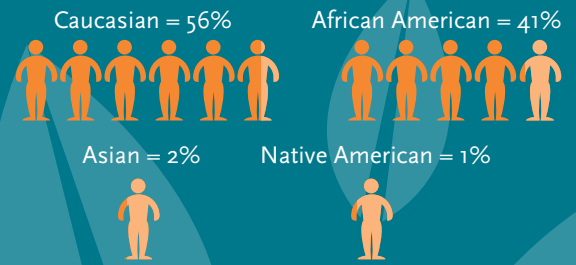
Thanks to Hearth, Phelps found a cozy one bedroom apartment in Roxbury – with his own shower and plenty of space to paint. Phelps felt strongly that he needed to pay Hearth back. “They helped me get out of a shelter and get into this apartment, which gave me the ability to paint again,” Phelps said. “It’s important to me to give back.”

Phelps is a very prolific painter, and he generously donated over 75 paintings to Hearth; 15 of them were on display over the summer at Boston City Hall. “This is my 15 minutes of fame,” he told one reporter gleefully. Following the show at City Hall, Phelps’s works were sold at the annual South End Open Studios weekend. Anna Bissonnette House turned into an art gallery for the weekend, and several residents volunteered at the art sale. Phelps paintings raised over \$6000 and helped spread the word about Hearth’s mission. Best of all, at the end of the weekend, Phelps, tired but happy, could go home.



2008 Mike Adaskaveg and The Boston Herald

RACE



ETHNICITY



VETERAN STATUS



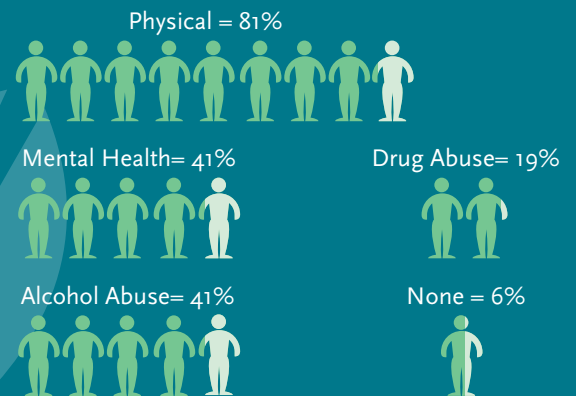
AGE - IN YEARS



GENDER



DISABILITIES



CHRONICALLY HOMELESS = 55%



(HUD defines the chronically homeless as individuals with disabling conditions who have been homeless for a year or more or have had 4 episodes of homelessness in 3 years.)

Hearth VOLUNTEERS

Invaluable Volunteers Hearth volunteers fill all kinds of needs. The individuals and groups who so generously donate their time are as varied as the activities and as diverse as they residents they meet.



Kaylie and her owner Noreen were recognized as "Invaluable Volunteers" at the 2008 Volunteer Reception.

Some individuals provide pro-bono professional services like Board Members Greg Ansin and Bob Halloran, and Board of Visitor Member Michael Neel, who provide media and public relations advice. Their project this year for Hearth: putting together a short video about Hearth and elder homelessness.

Other volunteers are graduate student interns from area universities who gain valuable experience while giving their time and talents. Says one past intern from Boston University's School of Social Work, "My internship at Hearth was an amazing experience that provided me with valuable clinical skills I will continue to use throughout my career."

Hearth and its residents have benefited for years from the healthful partnership with Northeastern University's Physical Therapy program. Since 2001, students visit the residents and lead the elders through low-impact exercises, organize walking clubs, and discuss healthy living tips. One student, Mary Ballway, has continued on volunteering. For over two years she has been visiting the residents at Uphams Corner ElderHouse. "I love them," says Mary. "They're so much fun."

Residents at all our sites, like Mr. Harris of ABH, love playing bingo with volunteers.

Kaylie is Hearth's most unique volunteer. The residents at Ruggles Assisted Living Community look forward to her wagging tail and sloppy kisses every week. Kaylie, a border collie, and her owner Noreen Glynn volunteer through Match-Up Interfaith's Pet Pal Program.

In addition to these dedicated volunteers are the dozens of groups from schools, businesses, churches, and temples who give their time by serving a meal, leading bingo, raking leaves, or any number of activities.

Hearth's volunteers are invaluable members of the Hearth community. We are also thankful for the many volunteers who prepare and serve meals, entertain our residents with their arts and talents, and provide socialization opportunities which are enjoyed by elders and volunteers alike.



Photo credit: 008 PMND

Volunteer Groups:

Alpha Phi Omega – MIT
Boston College Graduate School
Boston University Academy
Center for Collaborative Education
City School
Codman Academy
Delta Gamma Sorority -
Harvard University
Emerson College
Grant AME Church
Harvard Pilgrim Health Care -
Customer Service Department
Harvard MINHUETS
People Making a Difference
Project Ezra
Jubilee Christian Church
Junior League of Boston
Lucy Stone School
MIT City Days
MIT Graduate Students
New Testament Church of God
Northeastern University

Roxbury Latin School
Solomon Schechter School
Service in the City
St. Katherine Drexel Parish
St. Mary's Parish in Dedham
Temple Beth Avodah
Temple Sinai
Tokyo University of
Social Welfare
Tufts FOCUS
Youth Build Boston



Employees from Harvard Pilgrim Health Care partnered with Hearth on several volunteer projects during the year.



Hearth residents Dottie and Freda were recognized for their volunteer efforts, shown here with their award plaques and their site director, Bob Jordan.



Staff from the Center for Collaborative Education spruced up the yard at Burroughs Street. The project was organized by Board of Visitors member Bob Frank (far right).



Hearth's work has been recognized frequently in the media this year. The following are excerpts from just a few of the stories.

The Boston Globe

September 8, 2008

Submitted by Mark Hinderlie

Ending elder homelessness, one case at a time

Homeless and at-risk seniors face unique challenges not fully addressed by solutions to family homelessness, which tend to focus on job skills and asset development. Since its 1991 inception, Hearth has found permanent homes for 1300 homeless elders ... and has become a model to like-minded organizations in Los Angeles and Minneapolis.

August 31, 2008

by Neil Munshi

Geriatric program doctors pay calls at elderly residence

"Before I came here, I had one stroke and two heart attacks, and here I've been OK," Bland says a few minutes later, talking about the care she has received since moving to the Ruggles Affordable Assisted Living Community in Roxbury last October. "I had five doctors I had to see before, and I find this better – you don't have to get ready for them and sit in the waiting room: they're ready for you."

May 25, 2008

by Christine Legere

Formerly homeless, man finds a room of his own

Wright, who calculates his age at about 58, became homeless in 1995 when he was burned out of a rooming house in Framingham. More than 12 years of battling to survive on the streets followed. ... "You're in another world when you come here. You have to have lived it to know what it's like. I'm not in combat anymore. It's hard to get used to, but I love it. It makes me feel like a person."

Boston Business Journal

August 15-21, 2008

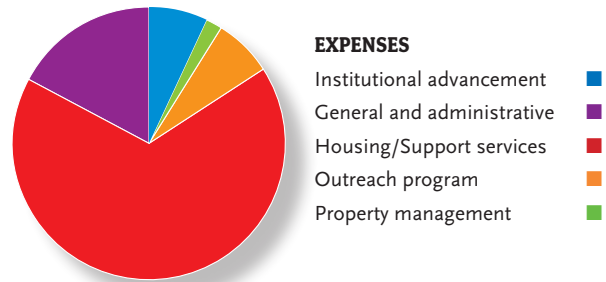
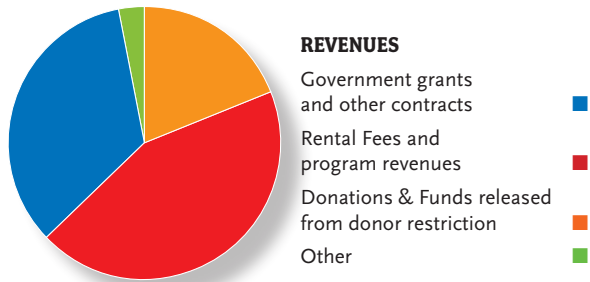
by Marley Schneier

Shields pursues passion in finding homes for the elderly

When it comes to going about her daily work, May Shields likes to steal a phrase from the Wizard of Oz: There's no place like home.

HEARTH FINANCIALS

January - December 2007



STATEMENT OF ACTIVITIES

STATEMENT OF FINANCIAL POSITION

Revenues		% of Total
Government grants and other contracts	1,218,674	34%
Rental Fees and program revenues	1,544,137	44%
Donations & Funds released from donor restriction	683,364	19%
Other	107,122	3%
Total Revenues	3,553,297	100%
Expenses		
*Institutional Advancement	211,691	7%
General and Administrative	536,380	17%
Housing/Support Services	2,115,146	67%
Outreach Program	240,696	7%
Property Management	72,637	2%
Total Expenses (before depreciation)	3,176,550	100%
Depreciation/amortization	114,476	
Total Expenses	3,291,026	
Net Surplus (Deficit)	262,271	

* Institutional Advancement expenses include: newsletters & publications, volunteer management, public relations, and fundraising.

Assets	
Current Assets:	
Cash and Equivalent	568,465
Receivables	258,845
Funds Held in Trust	49,992
Prepaid Expenses and Deposits	74,034
Total Current Assets	951,336
Property and Equipment	3,121,491
Other Assets	1,209,154
Total Assets	5,281,981
Liabilities and Net Assets	
Current Liabilities	
Long-term debt, deferred interest and payables	1,896,809
Net Assets	3,022,002
Total Liabilities and Net Assets	5,281,981

COMBINED STATEMENT OF ACTIVITIES AND OPERATIONS

HEARTH, Inc. partly owns and fully operates two for profits: the Ruggles Assisted Living Limited Partnership facility and the East Concord Street Limited Partnership supported living facility. The combined activity fully represents the financial condition of Hearth, Inc. and related parties.

HEARTH, Inc. Net Surplus (Deficit)	262,271
Ruggles Assisted Living Limited Partnership Net Income (Loss)	(399,100)
East Concord Street Limited Partnership Net Income (Loss)	(254,086)
Combined Net Surplus (Deficit)	(390,915)