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.

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Johanna Smith
Sue Staley*
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 Parker
Hearth Board Chair

Mark Hinderlie
Hearth President & CEO
**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.

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

*May Shields, RN MSN*
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.
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.

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.
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 the residents they meet.

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.”

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.
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.

**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.”

**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

#### REVENUES

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>% of Total</th>
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</thead>
<tbody>
<tr>
<td>Government grants and other contracts</td>
<td>1,218,674</td>
<td>34%</td>
</tr>
<tr>
<td>Rental Fees and program revenues</td>
<td>1,544,137</td>
<td>44%</td>
</tr>
<tr>
<td>Donations &amp; Funds released from donor restriction</td>
<td>683,364</td>
<td>19%</td>
</tr>
<tr>
<td>Other</td>
<td>107,122</td>
<td>3%</td>
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<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>3,553,297</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

#### 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.

### STATEMENT OF ACTIVITIES

**Revenues**

1. Government grants and other contracts: 1,218,674 (34%)
2. Rental Fees and program revenues: 1,544,137 (44%)
3. Donations & Funds released from donor restriction: 683,364 (19%)
4. Other: 107,122 (3%)

**Total Revenues**: 3,553,297 (100%)

**Expenses**

1. Institutional Advancement: 211,691 (7%)
2. General and Administrative: 536,380 (17%)
3. Housing/Support Services: 2,115,146 (67%)
4. Outreach Program: 240,696 (7%)
5. Property Management: 72,637 (2%)

**Total Expenses (before depreciation)**: 3,176,550 (100%)

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**Total Expenses**: 3,291,026

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### STATEMENT OF FINANCIAL POSITION

<table>
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<tr>
<th>Assets</th>
<th>Value</th>
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<tbody>
<tr>
<td><strong>Current Assets</strong>:</td>
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<tr>
<td>Cash and Equivalent</td>
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<td>Receivables</td>
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<td>Funds Held in Trust</td>
<td>49,992</td>
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<tr>
<td>Prepaid Expenses and Deposits</td>
<td>74,094</td>
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<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>951,336</strong></td>
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<tr>
<td><strong>Property and Equipment</strong></td>
<td>3,121,491</td>
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<tr>
<td><strong>Other Assets</strong></td>
<td>1,209,154</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>5,281,981</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Liabilities and Net Assets</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td><strong>Current Liabilities</strong></td>
<td>363,170</td>
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<tr>
<td>Long-term debt, deferred interest and payables</td>
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<tr>
<td><strong>Net Assets</strong></td>
<td><strong>3,022,002</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>5,281,981</strong></td>
</tr>
</tbody>
</table>

### 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)