

**CITY OF NORWICH
 COMMUNITY DEVELOPMENT BLOCK GRANT • APPLICATION FOR FUNDING
 NON-PUBLIC SERVICE**

PROGRAM YEAR 2023 (PY 49) • SEPTEMBER 1, 2023 – AUGUST 31, 2024

DUE: Friday February 10th, 2023 AT 4 PM AT 23 UNION STREET, NORWICH, 2ND FLOOR

Office of Community Development
 23 Union Street, 2nd floor • Tel (860) 823-3770 • Fax (860) 823-3715

E-mail addresses:

sphelps@cityofnorwich.org (Sydney Phelps, Community Development Director)

tcurtis@cityofnorwich.org (Tianne Curtis, Program Assistant)

FEB 10 2023 4:57

PART I: GENERAL INFORMATION

AGENCY: Futures Inc.

LEGAL NAME
 (If different from Agency) _____

ADDRESS: 902 South Quaker Lane, West Hartford, CT 06110

E-MAIL: tobrien@futures-ct.org

EXECUTIVE DIRECTOR: Damion Williams, Executive Director/CFO

CONTACT NAME & TITLE: Tracey O'Brien, Senior Vice President

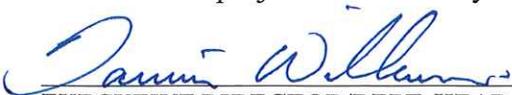
TELEPHONE: 860-347-5099 x 227

AGENCY FISCAL YEAR: 7/1 6/30
 Begin End

PROJECT NAME: Energy Conservation and Improved Air Quality

CDBG REQUEST & AWARD AMOUNTS:	REQUEST	AWARD
UPCOMING FISCAL YEAR (This Request) (September 1, 2023 – August 31, 2024)	\$ <u>26,090.20</u>	\$ _____
CURRENT FISCAL YEAR (Prior Year Award) (September 1, 2022 – August 31, 2023)	\$ <u>26,654.40</u>	\$ <u>0</u>

The information contained herein and attached as exhibits hereto is, to the best of our knowledge and belief, true, correct and complete and that the City of Norwich can rely upon these statements in determining whether to fund this project. We certify that the Agency Board of Directors has approved this application.


 EXECUTIVE DIRECTOR/DEPT. HEAD


 PRESIDENT, BOARD OF DIRECTORS

Damion Williams
 Printed Name

Orv Karan
 Printed Name

2/10/2023
 Date

2/10/2023
 Date

SPECIAL INSTRUCTIONS FOR CONSTRUCTION PROJECTS

If you are applying for construction related funding, **only projects that can begin construction and expend appropriations within the upcoming program year (Sept 2023 thru July 2024)** should be submitted for funding consideration. Funds may be subject to recapture if timelines are not followed.

The following requirements should be taken into consideration in your selection of projects and your preparation of construction budgets for Public Facilities & Improvements and Rehabilitation activities:

- Construction projects are subject to a variety of Federal, State and Municipal laws, statutes, rules and regulations, including City Zoning Ordinances, the State Building and Fire Safety Codes, the Federal Labor Standards/Davis-Bacon Prevailing Wages and the Federal Environmental Review Process.
- Construction budgets should anticipate the following:
 - Davis-Bacon Wages may increase project costs by 30-40%
 - Bonds (Bid, Performance, Labor and Material) are required for projects exceeding \$100,000 and may also be required for smaller projects.
 - Depending upon the scope of the project, the age of the building, and the type of building materials, environmental testing fees and resulting mitigation measures may be necessary
 - Insurance is required for all construction projects
 - City permit fees will not be waived.
- Construction projects are subject to the Federal/OMB procurement requirements.
- Work on the project may not commence without explicit approval of the Office of Community Development.
- Payment is generally on a reimbursement basis provided that an executed funding agreement is in place, and the project is in compliance with all terms/conditions of that agreement. Expenditures incurred prior to the effective date of the HUD allocation will be ineligible for reimbursement.

PART II: PROJECT INFORMATION

Please create a new document answering the following questions. In this new document, please utilize the section headers. For example, when addressing section A2, please write: A2: Brief History, and then provide the response. You must answer all questions. If a question does not apply to your agency, please respond with "not applicable".

A. INTRODUCTION/AGENCY INFORMATION:

1. Brief history of your organization, including its mission
2. What are the hours of operation for your agency?
3. What is the total number of FTEs employed by your agency?
4. If there are 15 or more employees at your agency, please provide the name of the person responsible for compliance with Section 504 of Rehabilitation Act of 1973 - Nondiscrimination under Federal Programs.
5. Do you receive more than \$500,000 of Federal Funding through any means, including grants and loans?

B. STATEMENT OF NEED

1. Define the need to be addressed through your project and how it will address that need of the community. Please comment on how your industry measures success and discuss how you will measure success for this program.

C. PROJECT DESCRIPTION:

1. Provide a general description of the project for which you are requesting funding, including the list/description of the activities to be performed.
2. Explain any temporary or permanent relocation of persons or businesses that may result from this project.
3. Please specify the percentage of requested grant funds that will be used for salaries and the total number of employees hired and/or retained as a result.

D. TARGET POPULATION/AREA OF BENEFIT

1. Identify and describe the target population *or* area of benefit (if it serves a low-income census tract.)

E. IMPLEMENTATION SCHEDULE

1. Please submit the anticipated implementation schedule that includes, but is not limited to, spec completion, bidding, starting, and project completion dates.

F. REDUCED FUNDING QUESTIONS

1. If the CDBG funding that you are requesting will leverage funding from another source, please note the amount and source and use of leveraged funding. Have these additional funds been secured at the time the application is made, if not, what actions are you taking to apply for them?
2. If you do not receive the amount of funds requested from CDBG, how do you propose to administer and/or complete the project in the manner presented?
3. What items would you reduce/eliminate from your budget if the City wanted to (only) partially fund your application?

G. PROJECT FEASIBILITY

1. Have any of the following pre-construction issues been investigated: architectural and engineering, design, environmental assessment and lead-based paint assessment, if applicable? (Lead-based paint assessments are applicable to structures built before 1978). Please provide the investigations, if available.
2. Have you obtained a cost estimate for this project? Please include the cost estimate, with the specification to the estimating entity that the job will require the payment of prevailing (Davis Bacon) wages.
3. Can the project expend funds within 1-year and be fully completed within 1.5 years of receiving this grant?

H. LINKAGE TO CITY PLANS

1. Briefly discuss how your request addresses the City's Plan of Conservation and Development, CDBG's Consolidated Plan priorities, or any other City development plan or formally stated goal.
2. If your project is linked to specific, adopted neighborhood revitalization zone plan or other organized/recognized neighborhood planning or revitalization processes, please explain thoroughly how the project is linked and how it meets or compliments the respective plan's goals.
3. Do you have a letter of support from a City agency or commission? If yes, please attach.

I. SECTION 3 REQUIREMENTS (See Samples on pages 10-14)

The work to be performed under any contract utilizing CDBG funding may be subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assistance projects covered by Section 3, are, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations directed to low- and very-low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very-low income persons.

Please review page 10, “Section 3 Contractor Affidavit” and select the appropriate response. In addition, please note that if funding is approved, your contract may be required to review, implement and report on employment activities relating to Section 3 guidelines.

COMMUNITY DEVELOPMENT NATIONAL OBJECTIVE

Does your project:

Address the needs of low- and/or moderate-income residents?
 (At least 51% of your clients must not exceed the income guidelines below or if your project is not client based it must be located in a census tract that is at least 51% low to moderate income) see chart

OR

Eliminate Slums or Blight?

OR

Improve a Low-Income census tract?

FY 2022 Income Limits Summary									
FY 2022 Income Limit Area	FY 2022 Income Limit Category	Persons in Family							
		1	2	3	4	5	6	7	8
Norwich-New London, CT HUD Metro FMR Area	Very Low (50%) Income Limits (\$)	\$ 39,450	\$ 45,050	\$ 50,700	\$ 56,300	\$ 60,850	\$ 65,350	\$ 69,850	\$ 74,350
	Extremely Low Income Limits (\$)*	\$ 23,700	\$ 27,050	\$ 30,450	\$ 33,800	\$ 36,550	\$ 39,250	\$ 41,950	\$ 46,630
Median Family Income \$102,700	Low (80%) Income Limits (\$)	\$ 62,600	\$ 71,550	\$ 80,500	\$ 89,400	\$ 96,600	\$ 103,750	\$ 110,900	\$ 118,050

PART III: BUDGET INFORMATION

CONSTRUCTION BUDGET

Construction/Clean-up Costs		\$ 29,878.00
Pre-Development Soft Costs:		
Legal	\$ _____	
Architectural & Engineering	\$ _____	
Survey	\$ _____	
Environmental testing	\$ _____	
Estimated total soft costs		\$ 0
Total Development Costs (construction & soft costs)		\$ 29,878.00

Sources of Funds (list all sources of funding for this project including other government funds, agency cash, private funds, CDBG, etc.)

SOURCE	AMOUNT
<u>CDBG – This Request</u>	<u>\$26,090.20</u>

<u>Futures – Agency Funds</u>	<u>\$ 2987.80</u>
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USE	AMOUNT
<u>HVAC System Purchase/Installation</u>	<u>\$ 29,878.00</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____

PART IV: SUPPLEMENTAL INFORMATION: All agencies must submit all of the following documentation with their application whether or not you have previously received CDBG funds through the City of Norwich.

EXHIBIT 1 Financial Statement and Audit

Describe the agency's fiscal management including disbursement methods, financial reporting, record keeping, accounting principles/procedures and audit requirements. Include a copy of the agency's last completed audit.

EXHIBIT 2 Insurance/Bond/Worker's Compensation

- State whether or not the agency has liability insurance coverage, in what amount and with what insuring agency.
- State whether or not the agency pays all payroll taxes and worker's compensation as required by Federal and State Law.
- State whether or not the agency has fidelity bond coverage for principal staff who handle the agency's accounts, in what amount and with what insuring agency.
- Provide a copy of your current insurance certificate, NOT YOUR POLICY.

EXHIBIT 3 Non-profit Determination

Non-profit organizations must submit tax-exemption determination letters from the Federal Internal Revenue Service.

EXHIBIT 4 List of Board of Directors

A list of the current board of directors or other governing body of the agency must be submitted. The list must include the name, telephone number, address, occupation or affiliation of each member; and must identify the principal officers of the governing body.

EXHIBIT 5 Organizational Chart

An organizational chart must be provided which describes the agency's administrative framework and staff positions, which indicates where the proposed project will fit into the organizational structure and which identifies any staff positions of shared responsibility.

EXHIBIT 6 Resumes of Chief Program Administrator and Chief Fiscal Officer

EXHIBIT 7 Conflict of Interest Disclosure
Form attached

**COMMUNITY DEVELOPMENT BLOCK GRANT CITY
OF NORWICH, CONNECTICUT**

**APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE
2023-2024 PROGRAM YEAR**

Federal, State, and City law prohibits employees and public officials of the City of Norwich from participating on behalf of the City in any transaction in which they have a financial interest. This questionnaire must be completed and submitted by each applicant for Community Development Block Grant (CDBG) funding. The purpose of this questionnaire is to determine if the applicant, or any of the applicant's staff, or any of the applicant's Board of Directors would be in conflict of interest.

1. Is there any member(s) of the applicant's staff or any member(s) of the applicant's Board of Directors or governing body who is or has/have been within one year of the date of this questionnaire (a) a City employee or consultant, or (b) a City Council member, or (c) a member of the Community Development Advisory Committee(CDAC) member? ▪ Yes ▪ No

If yes, please list the name(s) and information requested below:

Name of person	Job Title of person	Indicate City employee, consultant, City Council person, or CDAC member

**NORWICH COMMUNITY DEVELOPMENT BLOCK GRANT
 APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE
 2023-2024 PROGRAM YEAR**

2. Will the CDBG funds requested by the applicant be used to award a subcontract to any individual(s) or business affiliate(s) who is/are currently or has/have been within one year of the date of this questionnaire a City employee, consultant, City Council person or Community Development Advisory Committee member?

- Yes
- No

If yes, please list the name(s) and information requested below:

Name of person	Job Title of person	Indicate City employee, consultant, City Council person, or CDAC member

3. Is there any member(s) of the applicant's staff or member(s) of the applicant's Board of Directors or other governing body who are business partners or family members of a City employee, consultant, City Council person, Community Development Advisory Committee member?

- Yes
- No

If yes, please identify below the City employee, consultant, or Council member with whom each individual has family or business ties.

Name of member	Name of City employee, Consultant, City Council member, CDAC member	Indicate type of tie (Family or Business)	If family, indicate relationship

**NORWICH COMMUNITY DEVELOPMENT BLOCK GRANT
APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE
2023-2024 PROGRAM YEAR**

4. Have you read and understood the HUD regulation regarding conflict of interest, 24 CFR 570.611 (attached)?

Name of Applicant: _____ Signature _____
of Applicant's Representative _____
Title _____ Date _____

**HUD REGULATION REGARDING CONFLICT OF INTEREST
(NOT REQUIRED TO BE SUBMITTED WITH APPLICATION)**

§570.611 Conflict of interest.

(a) Applicability

(1) In the procurement of supplies, equipment, construction, and services by recipients and by subrecipients, the conflict of interest provisions in 2 CFR 200.317 and 200.318 shall apply.

(2) In all cases not governed by 2 CFR 200.317 and 200.318, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient or by its subrecipients to individuals, businesses, and other private entities under eligible activities that authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities pursuant to §570.202; or grants, loans, and other assistance to businesses, individuals, and other private entities pursuant to §570.203, 570.204, 570.455, or 570.703(i)).

(b) Conflicts prohibited. The general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. For the UDAG program, the above restrictions shall apply to all activities that are a part of the UDAG project, and shall cover any such financial interest or benefit during, or at any time after, such person's tenure.

(c) Persons covered. The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or of subrecipients that are receiving funds under this part.

(d) Exceptions. Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it has satisfactorily met the threshold requirements of (d)(1) of this section, taking into account the cumulative effects of paragraph (d)(2) of this section.

(1) Threshold requirements. HUD will consider an exception only after the recipient has provided the following documentation:

- (i) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
- (ii) An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.

(2) Factors to be considered for exceptions. In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (d) (1) of this section, HUD shall conclude that such an exception will serve to further the purposes of the Act and the effective and efficient administration of the recipient's program or project, taking into account the cumulative effect of the following factors, as applicable:

- (i) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available;
- (ii) Whether an opportunity was provided for open competitive bidding or negotiation;
- (iii) Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
- (iv) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted activity in question;
- (v) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (b) of this section;
- (vi) Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
- (vii) Any other relevant considerations.

[60 FR 56916, Nov. 9, 1995, as amended at 80 FR 75938, Dec. 7, 2015]

Section 3 Contractor Affidavit (2021 Final Rule)

Section 3 Business Concerns are:

- At least 51 percent of the business is owned and controlled by low or very low-income persons; or
- At least 51 percent of the business is owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing; or
- Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers

This is to certify that _____ (*print Business name*)

_____ Is a Section 3 Business Concern (Please read, review and implement necessary items in document entitled "Section 3 Requirements")

_____ Is **NOT** a Section 3 Business Concern but the contract for work will require my business or sub-contractor to hire, train, or educate a new employee. (Please read, review and implement necessary items in document entitled "Section 3 Requirements")

_____ Is **NOT** a Section 3 Business Concern and the contract for work will **NOT** require my business or sub-contractor to hire, train or educate a new employee. (No further action is necessary unless an employee is hired during the contract period)

Authorized Signer

Date

Print Name

Section 3 Requirements (SAMPLE)

CONTRACTOR'S SECTION 3 PLAN CERTIFICATION

Project _____

Contractor's Name _____

The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assistance projects covered by Section 3, are, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations directed to low- and very-low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very-low income persons.

As representative of the Contractor, I hereby agree:

- To list on Table A all projected workforce needs for all phases of this project by occupation, trade, skill level and number of positions.
- To comply to the greatest extent feasible with the objectives and percentage goals established in the Section 3 Plan for Housing and Community Development Assistance of the City of Norwich.
- That to the greatest extent feasible vacant positions in relation to this project will be filled with Section 3 residents.
- To conduct recruitment activities in a manner consistent with the Section 3 requirements as shown on Table B.
- To include in all contracts with subcontractors in excess of \$100,000 the Section 3 Clause and to require the subcontractor to comply with similar certification requirements.
- To maintain proper records to demonstrate compliance with the Section 3 plan.
- To award to the greatest extent possible, all subcontracts in excess of \$100,000 to eligible Section 3 firms.

Contractor Signature

Date

Title

TABLE A

Contractor/Subcontractor: _____

Project Name: _____

(a) The number of persons currently employed by contractor that will be performing work under this contract:

<u>Job Title</u>	<u>Total Employees</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

(b) The number of employees you intend to hire for contract:

<u>Job Title</u>	<u># Needed</u>
_____	_____
_____	_____

<u>Job Title</u>	<u># Needed</u>
_____	_____
_____	_____
_____	_____
_____	_____

TOTAL: _____

If additional employees are needed, the Contractor will be required to report: his efforts to hire Section 3 Residents, the actual number of residents hired' and the hours the residents worked (see HUD Form No. Hud-60002).

(c) Which of the above positions will be a training position:

<u>Job Title</u>	<u>Estimated Length of Training</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

(d) List type and amount of work to be subcontracted out. (If subcontract equals or exceeds \$ 100,000.00, the subcontractor will be required to fill out this TABLE A.)

<u>Subcontractor</u>	<u>Amount of Subcontract</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

TABLE B

Recruitment Efforts

At a minimum the following tasks must be completed to demonstrate a good faith effort with the requirements of Section 3. The contracting party and each contractor or subcontractor seeking to establish a good faith effort as required should be filling au training positions with persons residing in the target area.

1. Send notices of job availability subcontracting opportunities subject to these requirements to recruitment sources, trade organizations and other community Groups capable of referring eligible Section 3 applicants, including the Department of Labor.
2. Include in all solicitations and advertisements a statement to encourage eligible Section 3 residents to apply.
3. When using a newspaper of major circulation to request bids, quotes or to advertise employment opportunities to also advertise in minority owned newspapers.
4. Maintain a list of all residents from the target area(s) who have applied either on their own or by referral from any service, and employ such persons, if otherwise eligible and if a trainee exists. (If the contractor has no vacancies, the applicant, if otherwise eligible, shall be listed for the first available vacancy). A list of eligible applicants will be maintained for future vacancies.
5. The contractor must certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 75 require employment opportunities to be directed were not filled to circumvent the contractor's obligation under 24 CFR Part 75.

**City of Norwich Community Development Block Grant
Application for Funding - Non-Public Service
Program Year 2023 September 1, 2023 to August 31, 2024**

REQUIRED QUESTIONS

A1: Brief History of Organization

Futures Inc. began in 1989 through a partnership with the University of Connecticut - Center of Excellence. It was the first agency of its kind in Connecticut to develop and implement customized service plans for individuals with disabilities and their families. Today, Futures provides a wide range of services including educational support, mentoring, transition planning, employment, independent living along with recreation and community volunteerism. Our mission is to empower students and individuals with disabilities to pursue life to their fullest and know the satisfaction of personal achievement.

A2: Hours of Operation

Futures Inc. hour of operation are 8:30am to 4:30pm Monday – Friday (Except on Holidays)

A3: Total number of FTEs

Futures has 71.8 FTE's

A4: Person Responsible for Compliance with Section 504 of Rehabilitation Act of 1973

Pamela Don Aroma, CEO/President

A5: Do you receive more that \$500,000 of Federal Funding?

YES

B1. Statement of Need

The HVAC system in our Norwich building is old and inefficient. By replacing our aged HVAC system, our heating and cooling systems will be more effective and operate more efficiently. This will conserve energy, result in a significant savings and make the building more comfortable and accessible to our consumers, staff and visitors throughout the year. Our building, which serves as a program site for over 100 individuals with both intellectual and physical disabilities, was purchased in 2019. It is centrally located in Norwich and in the heart of the town with ready access to community resources and services. This location provides our consumers with almost unlimited opportunities to experience, practice, and learn meaningful

employment, independent living, and social skills within real world community settings. We are located within easy walking distance to numerous activities and businesses. When not in the community our consumers spend time in our building daily. This may be for art, music and technology programs, lunch, respite from being in the community, emotional support and/or for learning employment relevant skills. Several consumers operate their own micro-enterprises out of this location. Also, at times, consumers and their support staff simply need a reprieve from the extreme inclement conditions that are part of New England's fluctuating weather patterns. In addition, the new HVAC system will be outfitted with a U/V lightning upgrade that can be integrated into the system to clean and purify the air. When equipped, the new system will significantly reduce the potential impact and spread of air-borne pollutants to clients, staff, and visitors. Providing a safe, indoor space where the individuals with disabilities we serve can appropriately social distance during ongoing COVID or flu outbreaks is a high priority. Futures also plans to properly insulate the building as funds become available in the coming year.

C1. Provide a general description of the Project for which you are requesting funding.

Because of its age, our current HVAC system has previously been identified as inefficient. In addition, the building lacks proper insulation, which therefore compromises its capabilities at sustaining consistent internal temperatures throughout the year. Other benefits of the project include being able to provide space that is consistently warm in colder months and comfortably cool in the warmer ones. We are wasting energy and thereby much-needed funds as a result of paying higher energy costs that would otherwise be used to support our clients. Our building lacks insulation in the outer walls, the attic, and the basement. In addition, the exterior of the building is covered in old wooden siding that does not provide much resistance to inclement weather. Included in the work to be done through this proposal is: Removal and replacement of our aged HVAC system and add a U/V lightning upgrade that can be integrated into the system to clean and purify the air. In the coming year, Futures plans to fund the installation appropriately rated blow-in insulation into the exterior walls and interior ceilings. By making these improvements we will be able to significantly reduce energy costs, maintain comfortable heating/cooling conditions year round and provide a safe, indoor space where the individuals we serve can appropriately social distance during inclement weather. The funding for the insulation will be provided through current operating funds as well as other potential incentives provided for through the Energize CT program. For purposes of this request the insulation installation should be considered a separate project.

C2: Explain any temporary or permanent relocation of persons or businesses.

We do not anticipate and temporary or permanent relocation being necessary as a result of moving forward with this project. However, to the extent necessary in the event of an emergency or unforeseen event, Futures has the current capacity to temporary relocate our clients and staff to our other offices located through the state.

C3: Please specify the percentage of requested grant funds that will be used for salaries and the total number of employees hired and/or retained as a result.

N/A

D1: Target Population/Area of Benefit

The target population which will benefit from this project will be 100% Low-Income disabled individuals that receive benefit under Title 19.

E1: Implementation Schedule

<u>Dates</u>	<u>Task</u>
September 11-22, 2023	Begin/Complete Removal of HVAC system
October 2-13, 2023	Begin/Complete Installation of new HVAC system

F1: Reduced Funding Questions

Futures intends to leverage the CDBG funds using current operating funds that have been allocated to this project and which are currently available. The total amount of operating funds currently allocated to this project is \$2987.80

F2: If you do not receive the amount of funds requested from CDBG, how do you propose to administer and/or complete the project in the manner presented?

If we do not receive the amount of funds requested from CDBG we will need to make temporary accommodations using safety rated space heating and cooling appliances. We may also be forced to temporarily relocate consumers and staff from the Norwich building to other Futures program locations. This is not an ideal solution as it would disrupt the routines of the individuals with disabilities we support and could potentially have a negative impact on their emotional well-being.

F3: What items would you reduce/eliminate from your budget if the City wanted to (only) partially fund your application?

As mentioned in the previous section, we would make temporary accommodations including the use of safety rated space heating and cooling appliances or if necessary implement a relocation plan.

G1: Have any of the following pre-construction issues been investigated: architectural and engineering, design, environmental assessment and lead-based paint assessment, if applicable? (Lead-based paint assessments are applicable to structures built before 1978). Please provide the investigations, if available.

To our knowledge, to date there has not been any investigation with regard to any architectural, engineering, design, environmental assessment or lead-based paint assessment. We currently do not have any information or reports related to any of the above referenced conditions. However, should such assessments become necessary we are prepared to conduct such assessments as required.

G2: Have you obtained a cost estimate for this project? Please include the cost estimate, with the specification to the estimating entity that the job will require the payment of prevailing (Davis Bacon) wages

Yes, Futures has obtained estimates based on prevailing wages. **See Attached**

G3: Can the project expend funds within 1-year and be fully completed within 1.5 years of receiving this grant?

Yes. Immediately upon approval of grant funds, we will begin the work to install a new HVAC system. Once the information is complete we will promptly pay our vendor and apply for reimbursement in accordance with the terms of the grant.

H1: Briefly discuss how your request addresses the City's Plan of Conservation and Development, CDBG's Consolidated Plan priorities, or any other City development plan or formally stated goal.

Through our Norwich program Futures currently provides services to our disabled, low-income Title 19 clients which seeks to expand economic opportunities and services pursuant to the following City of Norwich stated Five Year 2020-2024 Consolidated Plan and Annual Plan.

H2: If your project is linked to specific, adopted neighborhood revitalization zone plan or other organized/recognized neighborhood planning or revitalization processes, please explain thoroughly how the project is linked and how it meets or compliments the respective plan's goals.

N/A

H3: Do you have a letter of support from a City agency or commission? If yes, please attach.

N/A

COMMUNITY DEVELOPMENT NATIONAL OBJECTIVE

Does your project:

Address the needs of low- and/or moderate-income residents? **YES**

(At least 51% of your clients must not exceed the income guidelines below or if your project is not client based it must be located in a census tract that is at least 51% low to moderate income)
see chart

OR Eliminate Slums or Blight.

OR Improve a Low-Income census tract?

EXHIBIT 2

Norwich CDBG 2022-2023 Futures Inc. Application

Insurance Bond/Worker's Compensation

State whether or not the agency has liability insurance coverage, in what amount and with what insuring agency.

YES, the organization has liability insurance coverage. The amount is (including umbrella) is \$3,000,000. Insurance agent agency is USI Insurance Services.

State whether or not the agency pays all payroll taxes and worker's compensation as required by Federal and State Law.

YES, the organization pays all payroll taxes and worker's compensation as required by Federal and State Law.

State whether or not the agency has fidelity bond coverage for principal staff who handle agency accounts, in what amount and with what insuring agency.

YES, the organization has fidelity coverage for principal staff who handle the agency's accounts. The amount of coverage is \$2,000,000. Insurance agent agency is USI Insurance Services.

Provide a copy of your current insurance certificate. **ATTACHED**

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

2/08/2023

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

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

PRODUCER USI Insurance Services, LLC 300 Meridian Centre Blvd. Suite 100 Rochester, NY 14618	CONTACT NAME: Sharon Gauthier	
	PHONE (A/C, No, Ext): 716 314 2024 FAX (A/C, No): E-MAIL ADDRESS: sharon.gauthier@usi.com	
INSURED Futures Inc See Named Insured List Below 902 Quaker Lane S West Hartford, CT 06110-1458	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Philadelphia Indemnity Insurance Co.	18058
	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	

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

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X	X	PHPK243679	07/01/2022	07/01/2023	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$20,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		X	PHPK243679	07/01/2022	07/01/2023	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$10,000	X		PHUB822688	07/01/2022	07/01/2023	EACH OCCURRENCE \$3,000,000 AGGREGATE \$3,000,000 \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N <input type="checkbox"/> N/A				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Employee Benefits			PHPK243679	07/01/2022	07/01/2023	1,000,000/3,000,000
A	Professional Liab			PHPK243679	07/01/2022	07/01/2023	1,000,000/3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Named Insureds:
 Futures Inc
 Futures Incorporated
 Good Cause Gifts, LLC
 (See Attached Descriptions)

CERTIFICATE HOLDER City of Norwich 100 Broadway Norwich, CT 06360	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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FUTURES, INC.

**Financial Statements with
Independent Auditor's Report**

June 30, 2021 and 2020

FUTURES, INC.

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GUILMARTIN ■ DIPIRO ■ SOKOLOWSKI LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Futures, Inc.:

Report on the Financial Statements

We have audited the accompanying financial statements of Futures, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Futures, Inc. as of June 30, 2021 and 2020, 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2022 on our consideration of Futures, Inc.'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 Futures, Inc.'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 Futures, Inc.'s internal control over financial reporting and compliance.

Guilmodi DiPa + Sokolowski, LLC

Middletown, Connecticut
January 31, 2022

FUTURES, INC.

Statements of Financial Position

June 30, 2021 and 2020

<u>Assets</u>	<u>2021</u>	<u>2020</u>
Current assets:		
Cash and cash equivalents	\$ 2,572,317	\$ 965,849
Investments	744,019	560,625
Accounts receivable, net	357,026	1,215,055
Inventory	213,457	229,593
Prepaid expenses and other current assets	<u>166,263</u>	<u>65,851</u>
Total current assets	<u>4,053,082</u>	<u>3,036,973</u>
Property and equipment, net	<u>3,039,046</u>	<u>2,528,495</u>
Assets held in trust	426,312	324,639
Other assets	<u>53,838</u>	<u>33,761</u>
Total assets	<u>\$ 7,572,278</u>	<u>\$ 5,923,868</u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 576,900	\$ 411,689
Line of credit	251,573	250,000
Current portion of long-term debt	51,517	61,926
Refundable advances	37,174	787,549
Due to State	<u>30,811</u>	<u>-</u>
Total current liabilities	<u>947,975</u>	<u>1,511,164</u>
Long-term liabilities:		
Long-term debt, less current portion	642,111	338,813
Due to officer	<u>426,312</u>	<u>324,639</u>
Total long-term liabilities	<u>1,068,423</u>	<u>663,452</u>
Total liabilities	<u>2,016,398</u>	<u>2,174,616</u>
Net assets:		
Without donor restrictions	5,533,880	3,724,252
With donor restrictions	<u>22,000</u>	<u>25,000</u>
Total net assets	<u>5,555,880</u>	<u>3,749,252</u>
Total liabilities and net assets	<u>\$ 7,572,278</u>	<u>\$ 5,923,868</u>

See accompanying notes to financial statements.

FUTURES, INC.

Statements of Activities

For the years ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<u>Change in Net Assets without Donor Restrictions</u>		
Revenue and other support:		
Service fee revenues	\$ 4,367,277	\$ 4,254,879
Government grants and contracts	1,732,663	1,876,038
Grants	38,000	88,398
Paycheck Protection Program (PPP) revenue	764,800	-
Retail sales	380,107	291,407
Other income	50,885	7,413
Contributions	78,649	84,953
Gain (loss) on sale of property and equipment	14,000	(72,366)
Unrealized gain (loss) on investments	170,005	(9,115)
Realized gain on investments	8,330	5,061
Interest and investment income	9,732	10,605
Net assets released from restrictions	<u>25,000</u>	<u>-</u>
Total revenue and other support	<u>7,639,448</u>	<u>6,537,273</u>
 Program service expenses:		
DDS programs	1,435,847	1,565,882
Futures School	2,216,172	2,208,392
Good Cause Gifts	457,044	368,911
Other programs	<u>607,226</u>	<u>618,866</u>
Total program service expenses	<u>4,716,289</u>	<u>4,762,051</u>
 Supporting service expenses:		
Fundraising	12,021	27,911
Administrative and general	<u>1,101,510</u>	<u>1,116,280</u>
Total supporting service expenses	<u>1,113,531</u>	<u>1,144,191</u>
Total expenses	<u>5,829,820</u>	<u>5,906,242</u>
 Change in net assets without donor restrictions	 1,809,628	 631,031
Net assets without donor restrictions, beginning of year	<u>3,724,252</u>	<u>3,093,221</u>
Net assets without donor restrictions, end of year	<u>\$ 5,533,880</u>	<u>\$ 3,724,252</u>

Changes in Net Assets with Donor Restrictions

Grants	\$ 22,000	\$ 25,000
Net assets released from restrictions	<u>(25,000)</u>	<u>-</u>
Change in net assets with donor restrictions	(3,000)	25,000
 Net assets with donor restrictions, beginning of year	 <u>25,000</u>	 <u>-</u>
Net assets with donor restrictions, end of year	<u>\$ 22,000</u>	<u>\$ 25,000</u>
 Total change in net assets	 <u>\$ 1,806,628</u>	 <u>\$ 656,031</u>

See accompanying notes to financial statements.

FUTURES, INC.

Statement of Functional Expenses

For the year ended June 30, 2021
(with comparative totals for 2020)

	Program Services					Supporting Services				2020 Total
	DDS Programs	Futures School	Good Cause Gifts	Other Programs	Total Program Services	Fundraising	Administrative and General	Total Supporting Services	2021 Total	
Salaries and wages	\$ 1,028,930	\$ 1,364,088	\$ 104,328	\$ 250,940	\$ 2,748,286	\$ 3,717	\$ 636,203	\$ 639,970	\$ 3,388,206	\$ 3,515,173
Fringe benefits/payroll taxes	155,794	206,542	15,797	37,996	416,129	563	96,330	96,893	513,022	660,019
Total salaries and fringe benefits	1,184,724	1,570,630	120,125	288,936	3,164,415	4,280	732,533	736,813	3,901,228	4,175,192
Occupancy	31,157	150,013	60,618	29,037	270,825	-	31,086	31,086	301,911	249,593
Professional fees	8,271	92,578	6,640	21,950	129,439	-	155,296	155,296	284,735	269,052
Depreciation	44,669	69,901	37,421	79,231	231,222	-	42,535	42,535	273,757	246,880
Client expenses	7,468	111,790	14,780	129,559	263,597	1,244	341	1,585	265,182	250,375
Office expenses	11,321	39,534	4,614	9,102	64,571	328	9,315	9,643	74,214	69,290
Cost of goods sold	-	-	149,299	228	149,527	-	-	-	149,527	111,871
Insurance	10,942	32,120	5,452	9,796	58,310	-	11,738	11,738	70,048	63,791
Interest expense	804	3,694	29	-	4,527	-	20,091	20,091	24,618	34,942
Expense reimbursements	37,821	11,606	377	8,839	58,643	19	2,414	2,433	61,076	62,513
Telephone	5,055	8,616	7,393	7,805	28,869	-	11,069	11,069	39,938	37,250
Maintenance and repairs	23,111	66,468	4,590	8,114	102,283	-	9,790	9,790	112,073	113,495
Equipment rental	14,536	28,679	5,131	4,725	53,071	35	11,375	11,410	64,481	52,514
Conferences and meetings	1,075	459	394	40	1,968	40	4,729	4,769	6,737	18,153
Employment training and recruitment	30,273	16,258	62	1,430	48,023	3	17,436	17,439	65,462	39,916
Printing and publications	17,371	5,124	28,219	3,019	53,733	5,871	462	6,333	60,066	34,240
Dues and membership	4,975	1,483	625	797	7,880	-	16,583	16,583	24,463	22,559
Other	2,274	7,219	11,275	4,618	25,386	201	24,717	24,918	50,304	54,616
Total expenses	\$ 1,435,847	\$ 2,216,172	\$ 457,044	\$ 607,226	\$ 4,716,289	\$ 12,021	\$ 1,101,510	\$ 1,113,551	\$ 5,829,820	\$ 5,906,242

See accompanying notes to financial statements.

FUTURES, INC.

Statement of Functional Expenses

For the year ended June 30, 2020

	Program Services					Supporting Services				Total
	DDS Programs	Futures School	Good Cause Gifts	Other Programs	Total Program Services	Fundraising	Administrative and General	Total Supporting Services		
Salaries and wages	\$ 1,162,203	\$ 1,312,459	\$ 108,832	\$ 243,037	\$ 2,826,531	\$ 22,721	\$ 665,921	\$ 688,642	\$ 3,515,173	
Fringe benefits/payroll taxes	218,219	246,422	20,435	45,633	530,709	4,276	125,034	129,310	660,019	
Total salaries and fringe benefits	1,380,422	1,558,881	129,267	288,670	3,357,240	26,997	790,955	817,952	4,175,192	
Occupancy	33,949	145,847	11,747	23,923	215,466	-	34,127	34,127	249,593	
Professional fees	6,460	76,546	4,443	27,480	114,929	-	154,123	154,123	269,052	
Depreciation	6,303	72,140	24,269	130,402	233,114	-	13,766	13,766	246,880	
Client expenses	7,778	127,245	27,242	86,733	248,998	778	599	1,377	250,375	
Office expenses	7,096	41,311	5,045	5,922	59,374	61	9,855	9,916	69,290	
Cost of goods sold	-	-	111,706	99	111,805	66	-	66	111,871	
Insurance	14,947	30,132	4,504	6,987	56,570	-	7,221	7,221	63,791	
Interest expense	1,176	12,564	216	674	14,630	-	20,312	20,312	34,942	
Expense reimbursements	43,527	5,677	307	7,988	57,499	-	5,014	5,014	62,513	
Telephone	7,157	6,794	7,810	5,180	26,941	-	10,309	10,309	37,250	
Maintenance and repairs	30,216	51,762	8,219	15,442	105,639	-	7,856	7,856	113,495	
Equipment rental	9,159	22,416	2,517	7,737	41,829	-	10,685	10,685	52,514	
Conferences and meetings	2,308	2,324	1,505	1,099	7,236	-	10,917	10,917	18,153	
Employment training and recruitment	12,942	22,609	176	1,831	37,558	-	2,358	2,358	39,916	
Printing and publications	1,516	19,547	11,036	1,431	33,530	-	710	710	34,240	
Dues and membership	-	12,597	615	99	13,311	-	9,248	9,248	22,559	
Other	926	-	18,287	7,169	26,382	9	28,225	28,234	54,616	
Total expenses	\$ 1,565,882	\$ 2,208,392	\$ 368,911	\$ 618,866	\$ 4,762,051	\$ 27,911	\$ 1,116,280	\$ 1,144,191	\$ 5,906,242	

See accompanying notes to financial statements.

FUTURES, INC.

Statements of Cash Flows

For the years ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ <u>1,806,628</u>	\$ <u>656,031</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	273,757	246,880
(Gain) loss on sale of property and equipment	(14,000)	72,366
Unrealized (gain) loss on investments	(170,005)	9,115
Realized (gain) on investments	(8,330)	(5,061)
Donations restricted for purchase of capital assets	(24,613)	(160,114)
Decrease (increase) in accounts receivable, net	858,029	(675,698)
Decrease (increase) in inventory	16,136	(64,400)
(Increase) decrease in prepaid expenses and other current assets	(100,412)	13,667
(Increase) in assets held in trust	(101,673)	(36,692)
Increase (decrease) in accounts payable and accrued expenses	165,211	(68,635)
(Decrease) increase in refundable advances	(750,375)	787,549
Increase in due to State	30,811	-
(Decrease) in deferred revenue	-	(25,000)
Increase in due to officer	101,673	36,692
Total adjustments	<u>276,209</u>	<u>130,669</u>
Net cash provided by operating activities	<u>2,082,837</u>	<u>786,700</u>
Cash flows from investing activities:		
Proceeds from sale of investments	-	39,322
Purchase of investments	(5,057)	(130,748)
Purchase of property and equipment	(387,309)	(248,587)
Proceeds from sale of property and equipment	14,000	176,353
Deposits on building and improvements	(45,077)	(25,000)
Net cash (used) by investing activities	<u>(423,443)</u>	<u>(188,660)</u>
Cash flows from financing activities:		
Proceeds from line of credit	251,573	1,523,500
Repayment of line of credit	(250,000)	(1,373,500)
Donations restricted for purchase of capital assets	24,613	160,114
Principal payments on long-term debt	(79,112)	(201,623)
Net cash (used) provided by financing activities	<u>(52,926)</u>	<u>108,491</u>
Net increase in cash and cash equivalents	1,606,468	706,531
Cash and cash equivalents, beginning of year	<u>965,849</u>	<u>259,318</u>
Cash and cash equivalents, end of year	<u>\$ 2,572,317</u>	<u>\$ 965,849</u>
<u>Supplemental disclosures</u>		
Cash paid during the period for:		
Interest expense (net of capitalized interest of \$5,503 and \$0 in 2021 and 2020, respectively)	<u>\$ 24,618</u>	<u>\$ 34,942</u>
Non-cash investing and financing activities:		
Acquisition of property and equipment through debt financing	<u>\$ 372,000</u>	<u>\$ 75,907</u>
Deposits applied to acquisition of property and equipment	<u>\$ 25,000</u>	<u>\$ -</u>

See accompanying notes to financial statements.

FUTURES, INC.

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of organization

Futures, Inc. (the Organization) was organized on May 9, 1997 as a nonprofit, nonstock corporation to improve the quality of life of individuals with disabilities, as well as their families, through community-based services. Effective May 2, 2006, Futures School became an approved special education program by the State of Connecticut Board of Education.

In January 2012, Futures, Inc. became the sole member of Good Cause Gifts, LLC, a nonprofit social enterprise with the primary purpose of creating competitive retail employment and training opportunities for individuals with disabilities to be more involved in their community. This entity operates three retail gift stores located in Berlin, New Britain and West Hartford, Connecticut

In September 2017, Futures, Inc. became the sole member of The Kitchen at Futures, Inc., LLC. The primary purpose of this social enterprise is to provide guidance and training to individuals with disabilities for obtaining competitive employment in the food service industry. This entity sells freshly prepared meals and baked goods at their main kitchen in Middletown, Connecticut and at the Café at the Hospital for Special Care in New Britain, Connecticut.

Summary of significant accounting policies:

Basis of accounting and presentation

The accounts of the Organization are maintained, and the financial statements are prepared in accordance with accounting principles generally accepted in the United States of America on the accrual basis of accounting. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. They are described as follows:

Net assets without donor restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net assets with donor restrictions - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Good Cause Gifts, LLC and The Kitchen at Futures, Inc., LLC are disregarded entities. As such, their revenues, expenses and changes in net assets are included as part of the Organization's financial statements.

Recent accounting pronouncements adopted

In August 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-13, *Fair Value Measurement (Topic 820)*. This accounting standard changes the disclosure requirements for fair value measurement. The Organization adopted the provisions of ASU 2018-13 on July 1, 2020. There is no effect on net assets, or significant disclosures in connection with the implementation of ASU 2018-13.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)* including amendments. This update establishes a comprehensive revenue recognition standard. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Organization implemented this ASU using a modified retrospective method of application as of July 1, 2019.

FUTURES, INC.

Notes to Financial Statements

June 30, 2021 and 2020

Recent accounting pronouncements adopted

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This ASU was issued to standardize how grants and other contracts received and made are classified across the sector, as either an exchange transaction or a contribution. If the transaction is deemed to be a contribution, the guidance provides factors to consider with regard to whether the contribution is conditional or unconditional. For contributions received, if determined to be an unconditional contribution, the determination will then need to be made as to whether the contribution is restricted. The ASU will assist in the determination of the nature of the transaction, which will then govern the revenue and expense recognition methodology and timing of the transaction. This ASU was adopted on July 1, 2019.

The adoption of ASU 2018-13, 2014-09 and 2018-08 standards did not have a material impact on the Organization's financial position or results of operations for any periods presented and a cumulative adjustment was not recorded to the Organization's beginning net asset balance.

Use of estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income taxes

The Organization has received exemption from federal income tax 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 Section 509(a) of the Internal Revenue Code and qualifies for deductible contributions as provided in Section 170(b)(1)(a)(vi).

Management has reviewed the Organization's reporting and believe they have not taken tax positions that are more likely than not to be determined to be incorrect by the Internal Revenue Service and therefore, no adjustments or disclosures are required. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods pending or in progress.

Futures, Inc. is the sole member of Good Cause Gifts, LLC and The Kitchen at Futures, Inc., LLC. Therefore, both entities are disregarded for income tax purposes.

Cash and cash equivalents

The Organization considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents. Cash equivalents are comprised of money market funds with balances of \$851,886 and \$515,974 as of June 30, 2021 and 2020, respectively.

Accounts receivable

The Organization has accounts receivable primarily related to grants, third-party reimbursements and educational services tuition. Based on historical experience, grants are considered fully collectable. Management performs an assessment of collectability related to other receivables and will write off receivables from individuals and other sources after all attempts at collection are exhausted. When appropriate, management maintains an allowance for doubtful accounts, which is based on a review of significant delinquent balances, historical experience, an assessment of economic conditions and a review of subsequent collections. The allowance for doubtful accounts at June 30, 2021 and 2020 was \$23,000.

FUTURES, INC.

Notes to Financial Statements

June 30, 2021 and 2020

Investment valuation and income recognition

Investments are reported at fair value. Fair value is 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.

Purchases and sales of securities are recorded on the trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Unrealized gain (loss) on investments is reported net of related expenses, which totaled \$10,318 and \$6,436 for the years ended June 30, 2021 and 2020, respectively.

Inventories

Inventory consists of retail goods held for sale at Good Cause Gifts, LLC retail sites in Berlin, New Britain and West Hartford, Connecticut. Retail store inventory items are valued at cost using the first in, first out method.

Property and equipment

The Organization follows the practice of capitalizing all property and equipment with a cost exceeding \$2,500 or if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets with a range in lives from 3 to 30 years. When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are charged to expense as incurred.

Realization of long-lived assets

Management evaluates the long-lived assets for impairment using an undiscounted cash flow method whenever events or circumstances indicate the carrying value of an asset may not be recoverable. There were no impairment losses related to long-lived assets as of June 30, 2021 and 2020.

Refundable advances

The Organization presents refundable advances when grant advances and other revenue exceed the eligible costs incurred. Grants require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of funds to grantors.

Due to State

The Organization presents overpayment from grantor for reimbursement of Coronavirus related expenses as a liability. Due to State for the years ended June 30, 2021 and 2020 was \$30,811 and \$0, respectively.

Revenue and revenue recognition

Futures School revenue

The Organization recognizes revenue from student tuition and fees during the year in which the related services are provided to students. Revenues from student tuition and fees were \$4,080,974 and \$3,978,741 for the years ended June 30, 2021 and 2020, respectively. Contracts for tuition and transportation services are in place for each academic year, which are based on the Organization's fiscal year end and are satisfied as of June 30th. Contracts for tuition and transportation services include a fixed annual tuition rate and a fixed daily transportation rate. The Organization bills in advance for tuition and in arrears for transportation and issues monthly invoices to the respective Board of Education for tuition and transportation services provided to students. Payments are due within 30 days of the invoice date. The performance obligation of delivering educational services is simultaneously received and consumed by the students; therefore, the revenue is recognized ratably over the course of the academic year. Tuition and transportation services

FUTURES, INC.

Notes to Financial Statements

June 30, 2021 and 2020

Futures School revenue, continued

are payable unless specified school staff members convene and agree to withdraw the student from Futures School, at which point the contract would terminate. Tuition due to the Organization for services provided represents contract receivables, which are included in accounts receivable on the statements of financial position. Tuition paid in advance represents contract liabilities and is recorded as deferred revenue.

There was no tuition and fees deferred revenue as of June 30, 2021 and 2020.

Because the Organization's performance obligations relate to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a), *Revenue from Contracts with Customers*, and therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. There are no incremental costs of obtaining a contract and no significant financing components.

Contributions

The Organization receives contributions to support operating activities and capital projects. These contributions can be from individuals, foundations, corporations or trusts. The Organization records contributions receivable, net of allowances for estimated uncollectable amounts, when there is sufficient evidence in the form of verifiable documentation that an unconditional promise was received. Conditional gifts with a measurable performance or other barrier and right of return are not recognized until the conditions on which they depend are substantially met or explicitly waived by the donor.

The Organization reports gifts of cash and other assets that are received with donor stipulations limiting the use of the donated assets, as support without donor restrictions if all such donor restrictions are met in the year the award is received. Gifts of cash and other assets that are received with donor stipulations limiting the use of the donated assets are reported as net assets with donor restrictions if such donor stipulations are not fully met in the year the award is received. 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 services are recognized in the financial statements if they enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. General volunteer services do not meet these criteria for recognition. However, many volunteers have donated significant amounts of time in supporting the Organization's mission and fundraising campaign.

Government grant and contracts

The Organization receives grant and contract funding from various federal and state governments which may be considered exchange transactions or contributions. This funding includes the Organization's contract funding from the State of Connecticut Department of Developmental Services and federal funding from the U.S. Small Business Administration and Department of Health and Human Services (Coronavirus relief and provider relief funds under the CARES Act). The funding received is to provide a variety of program services to the public based on certain performance requirements included in the agreement and/or the incurrence of allowable qualifying expenses and other requirements. Grants and contracts considered to be contributions are representative of nonreciprocal transactions and include conditions stipulated by the government agencies and are, therefore, accounted for as conditional contributions. Public support is recognized as revenue when conditions are satisfied, typically when the Organization has incurred expenditures in compliance with specific contract or grant provisions. The Organization recognizes grants and contracts considered to be exchange transactions once the performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided. The revenue recognized would be reported at the amount reflecting the consideration the Organization expects to receive in exchange for the services provided.

FUTURES, INC.

Notes to Financial Statements

June 30, 2021 and 2020

Government grant and contracts, continued

Conditional government grants and contracts not recognized as of June 30, 2021 totaled \$37,174, which relates to the Organization's federal provider relief funding. The Organization's contract with DDS ended on June 30, 2021 and a new contract was executed in June 2021. The new contract is effective from July 1, 2021 through June 30, 2024 and has a maximum contract amount of \$5,957,501.

The Organization received Paycheck Protection Program (PPP) funds from the SBA in April 2020 that is being accounted for as a contribution under ASC 958-605 and is shown as a refundable advance within the statements of financial position as of June 30, 2020. During the fiscal year ended June 30, 2021, the PPP funds were released to revenue as the full amount of the PPP loan was forgiven (See Note 8).

Special events

Special events revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. The Organization recognizes special events revenue equal to the fair value of direct benefits to the donors when the special event takes place. The Organization recognizes the contribution element of special events revenue immediately, unless there is a right of return if the special event does not take place.

Retail sales

Revenues derived from Good Cause Gifts' and The Kitchen at Futures' sales are recognized as goods are delivered to the buyer, which occurs simultaneously with receipt of payment at the point of sale. As such, there are no contract assets or liabilities related to gift shop and kitchen sales.

Cost settlement

The Organization is subject to cost settlement procedures prescribed by various agencies of the State of Connecticut. Management estimates that no cost settlement is due for the years ended June 30, 2021 and 2020.

Advertising expense

The Organization expenses advertising costs as incurred. Advertising expenses totaled \$53,595 and \$29,910 for the years ended June 30, 2021 and 2020, respectively.

Functional allocation of expenses

The costs of providing various program and supporting activities have been summarized on a functional basis in the statements of activities and by nature and function in the statements of functional expenses. The Organization charges direct expenses incurred for a specific function directly to the program or supporting service category. These costs are those that can be specifically identified as being incurred for the activities of that program or supporting service. Other costs incurred that benefit more than one program or supporting service are allocated. Expenses allocated based on square footage include occupancy charges, building operations and depreciation related to buildings that are owned by the Organization. Occupancy charges, building operations and depreciation related to buildings that are rented by the Organization are allocated based on the percentage of a program revenue at the location to the total. Salaries, not directly charged, are allocated on the basis of estimates of time and effort. Employee benefits are allocated based on the program percentage of salary. Administrative and general expenses are allocated based on the percentage of a program revenue to the total. The Organization reevaluates its allocation method each year.

Subsequent events

The Organization has evaluated events and transactions for potential recognition or disclosure through January 31, 2022, which is the date the financial statements were available to be issued.

FUTURES, INC.

Notes to Financial Statements

June 30, 2021 and 2020

Reclassifications

Certain amounts in the 2020 financial statements have been reclassified to conform to the 2021 presentation.

NOTE 2 – LIQUIDITY AND AVAILABILITY

The Organization manages its liquid resources by focusing on collecting receivables timely to maximize the cash collections due to the Organization. The Organization prepares budgets and monitors expenses. The Organization has a revolving line of credit to assist in meeting cash needs if they experience a lag between the receipt of contributions and grants and the payment of costs.

The Organization's financial assets available within one year of the statements of financial position date for general expenditures are as follows:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$2,572,317	\$ 965,849
Accounts receivable, net	357,026	1,215,055
Investments	<u>744,019</u>	<u>560,625</u>
	<u>\$3,673,362</u>	<u>\$2,741,529</u>

NOTE 3 – CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash and cash equivalents with high-credit quality financial institutions. At times, such amounts may exceed federal depository insurance limits. To date, the Organization has not experienced losses in any of these accounts. At June 30, 2021 the cash balance exceeded the federally insured limit by \$1,246,442.

A substantial portion of the Organization's revenue is derived from grant contracts. Since the contracts are evidenced by signed contracts with government and other agencies, management believes there is nominal credit risk associated with any outstanding grants receivable. For the years ended June 30, 2021 and 2020, approximately 22% and 27% of its revenue is from the State of Connecticut Department of Developmental Services (DDS), respectively. Approximately 15% and 9% of its accounts receivable is due from DDS, respectively.

NOTE 4 – FAIR VALUE MEASUREMENT

The Organization reports certain assets and liabilities at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date;

FUTURES, INC.

Notes to Financial Statements

June 30, 2021 and 2020

Fair value measurement, continued

- Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement for the asset or liability. In these situations, the Organization develops inputs using the best information available in the circumstances.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Mutual funds are valued at the daily closing price as reported by the fund.

Exchange traded products: Exchange traded products are priced on a national securities exchange. Their value is derived from the investment instruments held in the funds.

There have been no changes in the methodologies used at June 30, 2021 and 2020.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value at the reporting date.

The following tables present assets and liabilities measured at fair value on a recurring basis as of June 30, 2021 and 2020:

Assets at fair value as of June 30, 2021				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 161,748	\$ -	\$ -	\$ 161,748
Exchange traded products	<u>582,271</u>	<u>-</u>	<u>-</u>	<u>582,271</u>
Total investments	<u>744,019</u>	<u>-</u>	<u>-</u>	<u>744,019</u>
Nonqualified deferred compensation plan assets and liabilities:				
Mutual funds	151,033	-	-	151,033
Exchange traded products	<u>275,279</u>	<u>-</u>	<u>-</u>	<u>275,279</u>
Total nonqualified deferred compensation plan assets and liabilities (see Note 14)	<u>426,312</u>	<u>-</u>	<u>-</u>	<u>426,312</u>
Total assets at fair value	<u>\$1,170,331</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,170,331</u>
Total liabilities at fair value	<u>\$ 426,312</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 426,312</u>

FUTURES, INC.

Notes to Financial Statements

June 30, 2021 and 2020

Fair value measurement, continued

	Assets at fair value as of June 30, 2020			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$140,210	\$ -	\$ -	\$140,210
Exchange traded products	<u>420,415</u>	<u>-</u>	<u>-</u>	<u>420,415</u>
Total investments	<u>560,625</u>	<u>-</u>	<u>-</u>	<u>560,625</u>
Nonqualified deferred compensation plan assets and liabilities:				
Mutual funds	134,781	-	-	134,781
Exchange traded products	<u>189,858</u>	<u>-</u>	<u>-</u>	<u>189,858</u>
Total nonqualified deferred compensation plan assets and liabilities (see Note 14)	<u>324,639</u>	<u>-</u>	<u>-</u>	<u>324,639</u>
Total assets at fair value	<u>\$885,264</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$885,264</u>
Total liabilities at fair value	<u>\$324,639</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$324,639</u>

There were no transfers of investments between levels during the years ended June 30, 2021 and 2020.

NOTE 5 – ACCOUNTS RECEIVABLE/DDS BRIDGE FUNDING ADVANCES

The Organization retains bridge funding advances from DDS to fund the cash flow requirements of the Organization's DDS programs in the amount of \$135,200 as of June 30, 2021 and 2020.

As shown below, these advances are offset against DDS accounts receivable on the accompanying statements of financial position.

	2021	2020
DDS accounts receivable	\$ 187,948	\$ 239,293
Less: DDS advance	<u>(135,200)</u>	<u>(135,200)</u>
Net DDS receivable	52,748	104,093
Futures School accounts receivable	288,093	1,078,275
Other receivables	39,185	55,687
Less: allowance for doubtful accounts	<u>(23,000)</u>	<u>(23,000)</u>
Accounts receivable, net	<u>\$ 357,026</u>	<u>\$1,215,055</u>

As of June 30, 2019 Futures School accounts receivable had a balance of \$403,803. Futures School accounts receivable significantly increased in fiscal year 2020, because the local governments were slower in processing the tuition invoices from the Organization due to the Coronavirus pandemic. These local governments were quicker to pay during fiscal year 2021.

FUTURES, INC.

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of June 30:

	<u>2021</u>	<u>2020</u>
Land	\$ 409,096	\$ 409,096
Building and building improvements	1,963,243	1,918,274
Leasehold improvements	57,963	19,689
Furniture, fixtures and equipment	716,218	611,398
Vehicles	1,021,577	974,217
Construction in progress	<u>516,205</u>	<u>10,740</u>
	4,684,302	3,943,414
Less: accumulated depreciation	<u>(1,645,256)</u>	<u>(1,414,919)</u>
Property and equipment, net	<u>\$ 3,039,046</u>	<u>\$ 2,528,495</u>

Depreciation expense was \$273,757 and \$246,880 for the years ended June 30, 2021 and 2020, respectively.

Construction in progress at June 30, 2021 and 2020 included costs related to the acquisition and development of the property at 121 Tremont Street in Hartford, Connecticut to be the new home for Futures School. Total costs incurred as of June 30, 2020 were \$10,740 and an additional \$505,465 during the fiscal year ended June 30, 2021. The construction in progress, which totaled \$516,205, will be transferred to land, building and building improvements when Futures School opens at this location, which is when the assets will be placed in service and depreciation commences.

NOTE 7 – LINE OF CREDIT

The Organization has a revolving line of credit with Liberty Bank which provides borrowings up to a maximum of \$400,000. Borrowings under the line bear interest at a rate equal to 2.50% above the Wall Street Journal prime rate, presently 5.75%, and are collateralized by all business assets of the Organization. As of June 30, 2021 and 2020 the outstanding balance was \$251,573 and \$0, respectively. The line of credit agreement was entered into on July 10, 2020 and will remain in full effect until such time as all of the Organization's loans from the lender have been paid in full or until such time as the parties may agree in writing to terminate this agreement. The agreement requires the Organization to comply with certain financial and non-financial covenants.

The Organization had a revolving line of credit for \$250,000 with People's United Bank through November 2021, upon which time was not renewed. Borrowings under the line bore interest at a rate equal to 1.50% above the Wall Street Journal Prime Rate, presently 4.75%, and were collateralized by all assets of the Organization. As of June 30, 2021 and 2020 the outstanding balance was \$0 and \$250,000, respectively.

NOTE 8 – REFUNDABLE ADVANCES

Coronavirus Relief Funds

The Organization received federal Coronavirus relief funds for the fiscal years ended June 30, 2021 and 2020. The funds were to be spent on personal protective equipment and related Covid expenditures. For the year ended June 30, 2020, the Organization received \$26,221 of which \$3,472 was spent in fiscal year ended June 30, 2020, and the remaining balance of \$22,749 was recorded as a refundable advance liability as of June 30, 2020. For the year ended June 30, 2021 an additional \$13,271 of federal Coronavirus relief funds were received and the funds spent were \$5,209. The remaining \$30,811 of unspent funds are recorded as a due to state liability as of June 30, 2021.

FUTURES, INC.

Notes to Financial Statements

June 30, 2021 and 2020

Paycheck Protection Program

On April 16, 2020, the Organization received a Paycheck Protection Program (PPP) loan of \$764,800 granted by the U.S. Small Business Administration (the SBA) pursuant to Title 1 of the Coronavirus Aid, Relief and Economic Security Act (the CARES Act). While the Paycheck Protection Program funds are known as a loan, the Organization treated them as a cost-reimbursement grant from the government for accounting purposes. Management considered the PPP loan to be a conditional contribution, with a right-of-return in the form of an obligation to be repaid if barriers to entitlement were not met. These barriers included maintaining payroll levels, and incurring qualifying expenses used to pay for payroll costs, including salaries, commissions and similar compensation, group health care benefits, and paid leaves; rent; utilities; and interest on certain other outstanding debt, in addition to the review of the Organization's application for forgiveness by the lender and the SBA. The PPP loan was subject to be fully forgiven if (1) proceeds were used to pay eligible payroll costs or other eligible costs and (2) full-time employee headcount and salaries were either maintained during the 24-week period following disbursement or restored by December 31, 2020. If not maintained or restored, any forgiveness of the PPP loan would have been reduced in accordance with the regulations that were issued by the SBA. The interest rate on the PPP loan was at a fixed rate of 1% per annum and to the extent that amounts were owed under the PPP loan, or a portion of them, were not forgiven, the Organization would have been required to make principal and interest payments monthly beginning in November 2020. The barriers were determined to not be met during the year ended June 30, 2020 and as such the PPP loan was recorded as a refundable advance as of June 30, 2020.

All the proceeds of the PPP loan were used by the Organization to pay eligible payroll and other costs and the Organization maintained its headcount and otherwise complied with the terms of the PPP loan. During fiscal year 2021, the Organization applied for and received forgiveness for the full amount of the PPP loan. The amount forgiven is recognized as PPP revenue within the statements of activities for the year ended June 30, 2021.

Provider Relief Funds

The Organization received federal conditional contributions for fiscal year ended June 30, 2021 from the Department of Health and Human Services (HHS) for the Provider Relief Fund. The funds were to be spent on healthcare-related expenses attributable to the Coronavirus. The Organization received \$37,174 which had not been spent and are recorded as a refundable advance liability as of June 30, 2021.

NOTE 9 – LONG-TERM DEBT

	<u>2021</u>	<u>2020</u>
4.50% mortgage payable to People's United Bank in equal monthly installments of \$1,750, including principal and interest through October 2022 at which time interest will be calculated at the FHLBB Classic Advance Rate plus 2.50%. The mortgage is collateralized by the property at 902 South Quaker Lane, West Hartford, Connecticut.	\$ 242,189	\$ 251,890
4.02% mortgage payable to Liberty Bank in equal monthly installments of \$2,269, including principal and interest through January 2031 at which time interest will be calculated at the FHLBB Five-Year Classic Advance Rate plus 2.20%. The mortgage is collateralized by the property located at 121 Tremont Street, Hartford, Connecticut and all furniture, fixtures and equipment owned by the Organization. The secured property was under construction through June 30, 2021 at which time the capitalized interest was \$5,503.	367,886	-

FUTURES, INC.

Notes to Financial Statements

June 30, 2021 and 2020

Long-term debt, continued

	<u>2021</u>	<u>2020</u>
Various notes payable to finance companies in equal monthly installments ranging from \$322 to \$749, including principal and interest at rates of 0.00% to 5.79%. The notes are collateralized by vehicles and are due on various dates from October 2020 through September 2025.	<u>\$ 83,553</u>	<u>\$ 148,849</u>
Total long-term debt	693,628	400,739
Less: current portion	<u>(51,517)</u>	<u>(61,926)</u>
	<u>\$ 642,111</u>	<u>\$ 338,813</u>

Future maturities of the long-term debt are as follows:

2022	\$ 51,517
2023	51,010
2024	38,567
2025	38,078
2026	29,275
Thereafter	<u>485,181</u>
Total	<u>\$693,628</u>

Interest expense was \$24,618 and \$34,942 for the years ended June 30, 2021 and 2020, respectively. As of June 30, 2021, capitalized interest was \$5,503.

NOTE 10 – OPERATING LEASES

The Organization has an operating lease agreement with an unrelated party in West Hartford, Connecticut for fifteen years through August 2028. Monthly rent is \$10,180 and escalates annually. The facility is used to operate Futures School. The Organization has the right to terminate the lease effective August 31, 2023 by providing written notice to the landlord on or before February 28, 2023.

The Organization has an operating lease agreement with an unrelated party to rent a store at the Hospital for Special Care in New Britain, Connecticut. The lease is on a month-to-month basis after the term of the lease agreement ended in May 2020. Monthly rent is \$584 and escalates annually by 3%. The space is used to operate a Good Cause Gifts, LLC shop.

In June 2020, the Organization entered into a sublease with Nutmeg State Financial Credit Union to rent a store in West Hartford, Connecticut through October 2023. Monthly rent is \$4,500. The space is used to operate a Good Cause Gifts, LLC shop.

The Organization has an operating lease agreement with an unrelated party in Middletown, Connecticut to rent office space through August 2021, at which time it was extended. Monthly rent is \$400.

Related rent expense for the years ended June 30, 2021 and 2020 was \$176,960 and \$132,052, respectively.

FUTURES, INC.

Notes to Financial Statements

June 30, 2021 and 2020

Operating leases, continued

Future minimum lease payments due under all noncancelable operating leases are as follows:

2022	\$ 188,885
2023	143,293
2024	126,513
2025	128,133
2026	129,753
Thereafter	<u>297,906</u>
Total	<u>\$1,014,483</u>

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS

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

	<u>2021</u>	<u>2020</u>
Virtual services to individuals with disabilities	\$ -	\$25,000
Summer programming Career Exploration and Employment Training	<u>22,000</u>	<u>-</u>
Total net assets with donor restrictions	<u>\$22,000</u>	<u>\$25,000</u>

NOTE 12 – RELATED PARTY TRANSACTIONS

One of the Organization's board members provides psychologist services to the Organization's clients and is paid on a flat retainer basis plus expense reimbursement. The total amount paid under the retainer was \$20,000 for each year ended June 30, 2021 and 2020. Expense reimbursements totaled \$11,359 and \$7,959 for the years ended June 30, 2021 and 2020, respectively.

The Organization hired an employee to perform some repair and maintenance projects. Total payments made to the employee were \$34,290 and \$58,880 for the years ended June 30, 2021 and 2020, respectively.

NOTE 13 – EMPLOYEE BENEFIT PLAN

The Organization maintains a defined contribution pension plan available to all salaried full-time employees. The Organization's contributions to the plan totaled \$75,644 and \$73,447 for the years ended June 30, 2021 and 2020, respectively.

NOTE 14 – NONQUALIFIED DEFERRED COMPENSATION PLAN

Effective January 1, 2007, the Organization established a nonqualified deferred compensation plan for the benefit of the Organization's Executive Director. Benefits under the plan are only available to the Executive Director upon her death, severance from employment or in the case of an unforeseeable emergency. The Organization contributed \$19,500 and \$18,333 to this plan during the fiscal years ended June 30, 2021 and 2020, respectively. At June 30, 2021 and 2020 dividends, interest and market appreciation net of investment fees were \$82,173 and \$12,358, respectively. As of June 30, 2021 and 2020, the value of the funds contributed and earned by the plan was \$426,312 and \$324,639, respectively. The total amount of this plan is referenced as assets held in trust and due to officer liability on the statements of financial position.

FUTURES, INC.

Notes to Financial Statements

June 30, 2021 and 2020

NOTE 15 – RISKS AND UNCERTAINTIES

The outbreak of the novel Coronavirus has adversely impacted global commercial activity and contributed to volatility in employment, inflation and the financial markets. Depending on the severity and length of the outbreak, the novel Coronavirus could present material uncertainty and risk with respect to this entity and its operations and financial results.

Internal Revenue Service

Date: May 31, 2006

FUTURES INCORPORATED
158 BROAD ST.
MIDDLETOWN, CT 06457-3328

Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201

Person to Contact:

Delores Gaskins 31-07428
Customer Service Specialist

Toll Free Telephone Number:
877-829-5500

Federal Identification Number:
06-1484116

Dear Sir or Madam:

This is in response to your request of May 31, 2006, regarding your organization's tax-exempt status.

In July 1998 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under section 509(a)(2) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,

Janna K. Skufca

Janna K. Skufca, Director, TE/GE
Customer Account Services

Futures Inc
902 South Quaker Lane
West Hartford, CT 06110

Phone : 860 347 5099
Fax : 860 519 0273
Website : www.futures-ct.org



Board of Directors Positions and Affiliates: Business and Residence

Orville Karan: President
Psychologist (Co-Founder of Futures)
Residence: 319 New Britain Road #326, Berlin, CT 06037
Email: okaran@aol.com
Years on Board:21

Vice President: Vacant – Currently Recruiting

Cathy Jortner: Secretary, parents of child with disability
Business: Milpacking, 329 Sandbank Road, Cheshire, CT 06410
Residence: 76 Schultz Road, Kensington, CT 06037
Email: cathyjortner@gmail.com
Years on Board:11

Andrew Jortner: DDS/Self Advocate
Business: 384 Main Street, Berlin, CT 06037
Residence: 76 Schultz Road, Kensington, CT 06037
Email: ajortner@futures-ct.org
Years on Board:5

Karina Perry: DDS/Self Advocate
Business: 52 Fieldbrook Road, Middletown, CT 06457
Residence: 52 Fieldbrook Road, Middletown, CT 06457
Email: kperry@futures-ct.org
Years on Board:5

William McDougall: Vice President I Senior Healthcare I Senior Healthcare Business
Banker, PNC Bank
Business: 1224 Mill Street, East Berlin 06023
Residence: 21 Hearthstone Court, Marion, CT 06444
Email: wmcdougall@farmersagent.com
Years on Board: 3

Louis Gonzales: Member
Business: 206 Hamilton Street, Hartford, CT 06106
Residence: 206 Hamilton Street, Hartford, CT 06106
Email: lgonzales@futures-ct.org
Years on Board: New Member – January 2022

Damion Williams
25 Hazel Street
Hartford, CT 06106
(860) 538-9749

EXECUTIVE DIRECTOR/CHIEF FINANCIAL OFFICER

Skilled financial manager with 14 years accounting and payroll experience, devoted to improving daily operations and relationships with customers and vendors.

Professional experience include:

- Debt Analysis
- Team Leadership
- Profit & Loss Analysis
- Debtor Negotiations
- Budgeting
- Operating Budgets
- System Conversions
- Problem Resolution
- Audits
- Financial Reporting
- Collections
- Staff Training

SELECTED ACCOMPLISHMENTS

- Cut financial losses, which were due to the fact that the company was using different accounting methods as our Fiscal Intermediary. Managed the successful transition into a new automated payroll and accounting system.
- Create easy to read spreadsheets for management explaining program operations as well as outstanding receivables, which were vital in our successful collection of 4-year-old receivables.
- Lead successful system conversion which resulted in new integrated Accounting, Payroll, and Billing systems which afforded greater efficiency, reporting capabilities, and cost savings through the elimination of redundant processes.

EDUCATION & TRAINING

WEST END CIVIC ASSOCIATION BOARD MEMBER

Work with existing board members to preserve the integrity of the West End in Hartford

FIVEFROGS – LEADERSHIP DEVELOPMENT ROUNDTABLE

Accepted as a cohort into the FIVEFROGS Leadership Group

AICPA – CPA Certification

Taken (4 of 4) Part Exam/Taking Online CPA Review Courses

Masters in Accounting & Taxation
University of Hartford 2018 – Present

Public Housing Manager Certification
National Association of Housing Redevelopment Officials (N.A.H.R.O) 2005

Bachelor's Degree, Accounting
Central Connecticut State University (2003)

EXPERIENCE SUMMARY

FUTURES, INC
Executive Director/CFO

2021-present

FUTURES, INC
Finance Manager

2008–Present

Recruited to manage the finance department and implement new system conversion and developed new accounting controls and processes to enhance efficiency and expand company reporting capabilities.

Primary Responsibilities:

- Prepare Financial Statements
- Process Payroll for Approximately 200 employees
- Process Monthly Billing
- Manage A/R, A/P
- Supervise Staff

HARTFORD HOUSING AUTHORITY/H.T.R.F
Accountant/Property Manager

1999-2007

Manage 180-unit public housing development and performing accounting functions for monthly federal housing subsidy payment.

Primary Responsibilities:

- Prepare Monthly Financials
- Resolve tenant/unit issues.
- Perform Leasing/Occupancy functions
- Supervisor Staff
- Process Federal Reports
- Oversee REAC Inspections & Repairs

TECHNOLOGY PROFICIENCY

Applications: Excel, Word, PowerPoint, Outlook, and Access

Accounting: Peachtree Accounting, QuickBooks, Sage/MIP Accounting

TRACEY O'BRIEN

103 Buckingham Drive, Glastonbury, CT 06033

860-657-4861

Work Experience:

Futures Inc-Senior VP

2020 - Present

- Effectively communicate policies and procedures of each social enterprise with all representatives at Futures, participate on management team, coordinate agency grants including tracking data, fundraising, marketing, networking, supervision of Adult Services division of agency, work with licensing officials (zoning, Dept. of Consumer Protection, Dept. of Agriculture, Health Departments, SHIPPO)

Assistant to the President

2016-2020

- Ensure the development and implementation of annual program plans including program goals, and measureable outcome consistent with mission of agency. Project management (construction projects with timelines, regulation and requirements both state and federal)

Network for Teaching Entrepreneurship (NFTE) Coordinator 2015-17

- Coordinate three New Haven public high school NFTE programs, collaborate with teachers, students, assist Advisory Board on decision making, oversee grant operation, outreach with National NFTE program, order relevant resources for program, coordinate and run end-of-year NFTE business competition, arrange for transportation to events, catering, printing, obtaining judges, and completing financial statements.

Board of Education, City of New Haven, Career and Technical Education Services

Career and Technical Education Assistant 2011-2015

- Responsible for implementation of Career and Technical Education programs in 5 high schools
- Coordinate and implement internship programs; placements include students at Yale New Haven Hospital, overseeing various programs at schools including Developing Tomorrow's Professionals, as well as NFTE programs (National Foundation for Teaching Entrepreneurship) Coordinate end of year competition
- Work with Director of Guidance on developing and implementing Student Success Plans
- Assist with implementation of Carl D. Perkins Grant for city of New Haven, including editing newsletter on CTE programs in NH public schools
- Collaborate with teachers, administrators, students to improve quality of opportunities for those involved in the New Haven Public School System

TRACEY O'BRIEN

103 Buckingham Drive, Glastonbury, CT 06033

- Work closely with Board of Directors/Advisory Boards
- Scheduled meetings, transcribed meeting minutes, assisted with programming for PD (Professional Development)

Shirley Reaback Early Childhood Center, Glastonbury

(Satellite of the Jewish Community Center, West Hartford) 2004-2011
Kindergarten Teacher

- Responsible for Science and Social Studies material and the integration of specific classroom activities which support the themes foster creative thinking and contribute to a developmentally appropriate environment.
- Integrate approved state standards and competencies into daily lesson plans
- Coordinate, administer, and evaluate assessment activities with teaching staff
- Expertise in adaptive team teaching techniques
- Develop and implement effective teaching strategies
- Communicate daily with parents
- Maintain student records, analyze assessments and prepare appropriate reports
- Epi pen and CPR certified
- Attend professional development workshops and conferences
- Research, prepare, and implement curriculum for weekly themes
- Responsible for overall academic, social and emotional wellbeing of children
- Maintain daily contact with parents as well as prepare for individual conferences

Assistant Executive Director

1990-1997

ARC of Connecticut (formerly The Association for Retarded Citizens) West Hartford

- Coordinated agency lobbying activities at CT State Legislative Office Building
- Coordinated state wide site visits for experts to review case files during litigation
- Attended state commissioner meetings, worked with attorneys on class action litigation issues
- Prepared and conducted parent training workshops
- Main liaison for fifteen local chapters of the ARC and other private providers of services for people with disabilities
- Coordinated all outside consultant services, attended national conferences
- Organized and managed summer camp activities for people with disabilities

TRACEY O'BRIEN

103 Buckingham Drive, Glastonbury, CT 06033

- Assisted in grant writing process ,researched topics, prepared data, for state and agency reports
- Met with local, regional and national representatives to plan strategies for improved care and educational opportunities for people with disabilities
- Conducted workshops for legislators, parents, agencies on the Individuals with Disabilities Education Act (IDEA)
- Developed and implemented eighteen hour training sessions for parents of children with disabilities, known as the APLE Training
- Institute of Professional Practice, New Haven 1986-1990
- Residential Director for dually diagnosed (MR and MH) individuals

Education

Academy of Our Lady of Mercy	1978-1982
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Milford, CT

Springfield College	1982-1986
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Springfield, MA

Bachelors of Science in Rehabilitation

Springfield College, School of Human Services	1988-1990
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Springfield, MA

Masters of Science, Human Service Administration

Professional Organizations:

Completed Greater New Haven Leadership Program, March 2014

Completed Middle Management Cohort, DCF City of Hartford Cohort 2014-2015

Membership in National Association of Professional Women 2014-current

References upon request

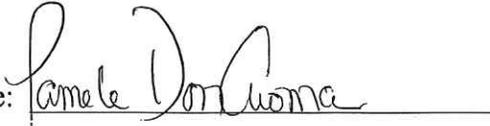
**NORWICH COMMUNITY DEVELOPMENT BLOCK GRANT
APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE**

2023-2024 PROGRAM YEAR

1. Have you read and understood the HUD regulation regarding conflict of interest, 24 CFR 570.611 (attached)?

Name of Applicant: **Pamela DonAroma**

Signature of Applicant's Representative: _____



Title: **CEO/President**

Date: **2/3/2023**

**HUD REGULATION REGARDING CONFLICT OF INTEREST
(NOT REQUIRED TO BE SUBMITTED WITH APPLICATION)**

§570.611 Conflict of interest.

(a) Applicability

(1) In the procurement of supplies, equipment, construction, and services by recipients and by subrecipients, the conflict of interest provisions in 2 CFR 200.317 and 200.318 shall apply.

(2) In all cases not governed by 2 CFR 200.317 and 200.318, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient or by its subrecipients to individuals, businesses, and other private entities under eligible activities that authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities pursuant to §570.202; or grants, loans, and other assistance to businesses, individuals, and other private entities pursuant to §570.203, 570.204, 570.455, or 570.703(i)).

(b) Conflicts prohibited. The general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. For the UDAG program, the above restrictions shall apply to all activities that are a part of the UDAG project, and shall cover any such financial interest or benefit during, or at any time after, such person's tenure.

(c) Persons covered. The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or of subrecipients that are receiving funds under this part.



360 Captain Lewis Drive
Southington CT 06489
(P) 860-953-8888 / (F) 860-953-5877
CT SI-390692 / CT SM1-2010
AA/EOE

Revised 2/17/23

Jo-Ann Flynn
Vice President of Programs and Technology
Futures Inc
902 South Quaker Lane
West Hartford, Ct 06110

Re: Furnace / AC Replacement – 208 Otrobando Avenue - Norwich

Air Temp Mechanical Services Inc. hereby submits an estimate to install (1) New Gas Fired Furnace with New A- Coil and Condense. Taking the place of the existing oil-fired Furnace and Air Conditioning equipment. This is in the basement mechanical room.

- ❖ Furnish and install item listed below:
> (1) RUUD Natural Gas
> (1) RUUD Cased Coil with Line-set
> (1) RUUD Condenser with Pad
> Misc Rectangular Galvanized Ductwork (Supply and Return)
> (3) Zone Dampers Duct Mounted
> New flue material
> Condensate Pump
> Gas Piping from new Meter to Furnace
> Misc Hanging Material
> Oil Tank Removal
> Prevailing Wage

Total Cost including labor and material\$31,920.00 Includes tax.

Notes/Exclusions: Overtime is excluded.

Thank you,
Rich Macierowski

Air Temp Mechanical Services, Inc.
360 Captain Lewis Drive
Southington, CT 06489
860-953-8888 (O)
860-863-8280 (C)



Option #2

Furnace Replacement Heating Only:

- ❖ Furnish and install item listed below:
 - (1) RUUD Natural Gas
 - Misc Rectangular Galvanized Ductwork (Supply and Return)
 - (3) Zone Dampers Duct Mounted
 - New flue material
 - Gas Piping from new Meter to Furnace
 - Misc Hanging Material
 - Oil Tank Removal
 - Prevailing Wage

 - Notes/Exclusions: Overtime and a cased coil is excluded.

Total Cost including labor and material\$28,007.00 Includes tax.

Option #3

Condenser and Coil Replacement Cooling Only:

- ❖ Furnish and install item listed below:
 - (1) RUUD Cased Coil with Line-set
 - (1) RUUD Condenser with Pad
 - Condensate Pump
 - Misc Hanging Material
 - Notes/Exclusions: Overtime and a cased coil is excluded.
 - Prevailing Wages

Total Cost including labor and material\$15,892.00 Includes tax.



January 18, 2023

TO: Futures, Inc.
208 Otrobando Avenue
Norwich, CT 06360

RE: Furnace/AC Replacement

Quote #6835R1

PROPOSAL

Heating, Ventilation and Air Conditioning

Furnish and Install: Prevailing Wage Rates Apply

- Demolition of (1) Existing Oil-Fired Furnace
- (1) New Trane Natural Gas Furnace with AC
- New Gas Piping to Natural Gas Meter from New Furnace
- Reconnect to Existing Galvanized Duct
- (1) New Thermostat
- Condensate Pan/Vibration Isolation Pads
- Condensate Piping
- Disconnect/Reconnect Electrical
- New Line Set (Refrigeration)
- Duct Wrap Where New or Modified Only
- Permit
- Tax as Indicated
- Based Upon All Normal Work Hours

Price:	\$34,786.00
6.35% CST:	<u>\$2,209.00</u>
TOTAL:	✓ \$36,995.00

Add Alternate #1: Remove Existing Oil Tank and Dispose of \$4,250.00

All Exclusions:

- Engineered Drawings
- Replace/Upgrade Electrical
- Chimney Pipe/Liner
- After Hours Work

Trusting this proposal meets with your approval, I remain

Sincerely,
ACCRA-TEMP, INC.



Tyler B. Rickert
Project Manager

TBR/sem



Design | Construct | Maintain
The Power to Master Complexity

110 Mattatuck Heights, Waterbury, CT 06705
Phone: (203) 753-5131 / Fax: (203) 597-0227

February 6, 2023

Futures, Inc.
Jo-Ann Flynn - Tracey O'Brien
Vice President of Programs and Technology
902 South Quaker Lane
West Hartford, CT 06110
O: 860-347-5099 ext.231
M: 860-710-2697
jflynn@futures-ct.org

includes prevailing wages

Re: HVAC Upgrades – Oil to Gas Conversion – Norwich, CT

MJ DALY LLC. is pleased to quote:

- **Heating, Ventilation and AC**
- Furnish and install new system
- Demo of one (1) existing Oil-fired furnace
- Install one (1) new American Standard Natural Gas Furnace with condenser, A coil
- New gas piping to natural gas meter from new furnace
- Reconnect to existing galvanized duct / modifications to existing ductwork
- 1 new thermostat
- Condensate pan/vibration isolation pad.
- Disconnect/reconnect electrical.
- New line set
- Duct Wrap where new or modified only.
- Permit
- Not taxable
- Includes: demo, equipment, materials, electrician, sheet metal

- **Total Package Price** ----- **\$ 29,878.00**

Exclusions:

- Overtime hours.
- Considerations for temporary conditions or work not described above.
- Any bonding or applicable taxes (tax exempt)

(work to be completed Mon-Fri 8am-4:30pm)

Thank you for the opportunity to bid this project. Please call or email me with any questions or concerns.

Thomas Wamester

Service Sales Manager

MJ DALY LLC. – An Arden Building Company

110 Mattatuck Heights

Waterbury, CT 06705

Cell (860)690-8060

Office (203)706-1861

twamester@mjdalylc.com

MJ Daly General Provisions for Service (page 1 of 2)

Services provided under this agreement will be performed during normal working hours. The guarantees and services provided under the scope of this agreement are conditioned upon Customer operating and maintaining systems/equipment. Customer will do so in accordance with industry-accepted practices and in consideration of our recommendations.

MJ Daly warrants labor on all service installations for thirty days after installation or beneficial use of equipment or service. Warranty on all material provided and / or installed shall equal that as provided by the specific individual equipment manufacturer.

Customer will provide and permit reasonable access to all covered equipment. MJ Daly will be allowed to start and stop equipment as necessary to perform its services and be permitted use of existing facilities and building services.

In the unlikely event of failure to perform its obligations, MJ Daly' liability is limited to repair or replacement at its option, and such shall be Customer's sole remedy. Under no circumstances will MJ Daly be responsible for loss of use, loss of profits, increased operating or maintenance expense, claims of Customer's tenants or clients, or any special, indirect or consequential damages.

The agreement does not include responsibility for system design deficiencies, such as, but not limited to poor air distribution, water flow imbalances, etc. It does not include responsibility for system, equipment and component obsolescence, electrical failures, unserviceable equipment, and operating the system(s).

MJ Daly will not be liable for delays or failure to obligate due to fire, flood, strike, lockout, freezing, unavailability of material, riots, acts of God, or any cause beyond reasonable control. MJ Daly is not responsible for the removal or disposal of any hazardous materials including but not limited to asbestos or medical waste or any cost associated with these materials unless otherwise noted in this Agreement.

MJ Daly shall not be required to furnish any items of equipment, labor, or make special tests recommended or required by insurance companies, Federal State Municipal or other authorities except as otherwise included in this Agreement.

In the event either party must commence a legal action in order to enforce any rights under this contract, the successful party shall be entitled to all court costs and reasonable attorney's fees as determined by the court for prosecuting and defending the claim, as the case may be.

MJ Daly shall not be liable for the operation of the equipment nor for injuries to persons or damage to property, except those directly due to the negligent acts or omissions of its employees and in no event shall it be liable for consequential or speculative damages. It shall not be liable for expense incurred in removing, replacing or refinishing any part of the building structure necessary to the execution of this Agreement. It shall not be held liable for any loss by reason of strikes or labor troubles affecting its employees who perform the service called for herein, delays in transportation, delays caused by priority or preference rating, or orders or regulations established by any government, authority, or by unusual delays in procuring supplies or for any other cause beyond its reasonable control.

Only MJ Daly' personnel or agent are authorized to perform the work included in the scope of this Agreement. MJ Daly may, at its option, cancel or waive its obligations under this Agreement should non-authorized individuals perform such work.

MJ Daly General Provisions for Service (page 2 of 2)

This Agreement and all rights hereunder shall not be assignable unless approved by MJ Daly.

In the event of additional freight, labor, or material costs resulting from a Customer's request to avoid delays with respect to equipment warranties, or accelerated delivery of parts and supplies, the Customer agrees to pay these additional costs at MJ Daly' currently established rates.

MJ Daly' scope of work shall not include the identification, detection, abatement, encapsulation or removal of asbestos or products or materials containing asbestos or similar hazardous substances. In the event MJ Daly encounters such material in performing its work, MJ Daly will have the right to discontinue work and remove its employees until the hazard is corrected or its determined no hazard exists. This Agreement contains the entire Contract and the parties hereby agree that this Agreement has been agreed to and the entire Agreement is then accepted and approved by an authorized person for both parties, and no statement, remark, agreement or, understanding, oral or written, not contained herein, will be recognized or enforced.

Maintenance Agreements apply only to the maintainable portions of the system(s). Repair or replacement of nonmaintainable parts such as duct, burners, boiler shells, heat exchanger, sections and/or tubes, cabinets, refractory, main power service and wiring, piping, heating or cooling coils, structural members and supports, oil tanks and other complete units and similar items are excluded.

MJ Daly does not include responsibility for design of a system engineered by others, obsolescence, safety test, removal and reinstallation of valve bodies and dampers, repair or replacement necessitated by freezing weather, power failure, low voltage, main or branch fuses, improper water pressure, vandalism, misuse or abuse of the system(s) negligence of others (including Customer), failure of Customer to properly operate the system(s), requirement of government, regulatory or insurance agencies, or causes beyond MJ Daly's control.