

State of Connecticut  
Department of Social Services

**Nursing Facility Narrative Summary of Expenditures**  
To be Filed with the Annual Report of Long Term Care Facility

Per LCO No. 8976, beginning with the cost report year ending on September 30, 2023, and annually thereafter, each nursing facility, as defined in section 19a-490 of the general statutes, shall submit to the Commissioner of Social Services narrative summaries of expenditures in addition to the cost reports required pursuant to section 17b-340 of the general statutes, as amended by this act. The summaries shall include profit and loss statements for the preceding three cost report years, total revenues, total expenditures, total assets, total liabilities, short-term debt, long-term debt and cash flows from investing, operating and financing activities.

**You must submit this summary (data requested below) along with a written narrative explaining the data and profit and loss statements for the preceding three cost years.**

**Facility Name** Harbor Hill Care Center, Inc. d/b/a Water's Edge Center for Health & Wellness

**Facility Address** 111 Church Street  
Middletown, CT 06457

**Provider Number** 75381

**Individual Completing this Summary** Benjamin Goodman  
**Email Address** [bgoodman@nathealthcare.com](mailto:bgoodman@nathealthcare.com)

	9/30/2023	9/30/2022	9/30/2021
Total Expenditures	19,107,368	16,973,654	14,966,568
Total Revenue	19,242,454	17,400,932	15,821,934
Total Assets	6,491,891	5,840,516	5,726,745
Total Liabilities	4,560,250	3,618,120	3,931,627
Short-term debt	24,407	23,129	21,918
Long-term debt	1,771,716	1,566,240	1,618,128
Cash Flows from Investing	(165,408)	(124,752)	(125,309)
Cash Flows from Operating	3,403,954	(277,820)	(491,404)
Cash Flows from Financing	(2,771,908)	(133,025)	(130,277)

**Water's Edge**

The combination of the following influenced significant changes in the facility's balance sheet, profit and loss as well as cash flows between the 2021 and 2023 operating years. An accounting change resulted in balance sheet changes between 2022 and 2023 because of the facility's adoption of FASB ASC 841 which resulted in the recognition of a right of use asset of and an operating lease liability of \$1,270,722 as of October 1, 2022 (impacting both asset and liabilities).

During the Pandemic, there were CARES Act Provider Relief Funds recognized by the facility (\$831,075 in 2021, \$67,050 in 2022), the facility recognized \$2,653,580 as part of the Employee Retention Tax Credit which was listed under other receivables until such time as funds were received, impacting balance sheet and revenues during the 2022/2023 periods.

In addition to the increased cost of labor during the 2021-2023 period, resulting in higher operating expenses each year, the facility implemented an enhanced health benefits package that resulted in increase in employee health expense of \$554,187 from 2022 to 2023 (increased cost and participation) as well as having implemented a 10% defined contribution plan on July 1, 2022 for its staff, resulting in increased retirement expense from \$20,220 in 2021 to \$424,016 in 2023.

ursing home  
ative  
as amended  
ue, total  
l financing

**profit and**

& Rehabilitati

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_