

HORIZONS SPECIALIZED SERVICES
Statement of Financial Position
For the Ten Months Ending Monday, April 30, 2018

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ASSETS

Current Assets	
Cash	\$2,591,356.65
Accounts Receivable	396,538.84
Prepaid Expenses	44,144.23
Total Current Assets	<u>3,032,039.72</u>
Other Assets	
Restricted Cash	108,651.16
Deferred Loan Cost, Net	8,493.12
Total Other Assets	<u>117,144.28</u>
Fixed Assets, Net	<u>2,098,499.13</u>
TOTAL ASSETS	<u>\$5,247,683.13</u>

LIABILITIES AND EQUITY

Current Liabilities	
Accounts Payable	\$72,449.68
Accrued Payroll and Employee Benefits	258,243.02
Deferred Revenue	88,642.78
Current Portion of Long Term Debt	10,135.07
Total Current Liabilities	<u>429,470.55</u>
Long-term Debt	
Notes Payable	487,068.42
Total Long-term Debt	<u>487,068.42</u>
Net Assets	
Board Designated	2,064,586.00
Undesignated	2,189,188.75
Total Net Assets	<u>4,253,774.75</u>
Net Surplus (Deficit)	<u>77,369.41</u>
Total Equity	<u>4,331,144.16</u>
TOTAL LIABILITIES AND EQUITY	<u>\$5,247,683.13</u>

**HORIZONS SPECIALIZED SERVICES
NOTES TO FINANCIAL STATEMENTS
FOR THE TEN MONTHS ENDED APRIL 30, 2018**

BALANCE SHEET:

Cash:

1,396,067 Certificates of Deposit and Savings Accounts
1,195,289 Checking & Money Market Accounts
2,591,357

Accounts Receivable:

301,150 Balances due from ACS for Medicaid Waiver billings (89% of this is current)
85,302 Balances due from the State. This also includes Part C.
2,067 Work Crew billings and miscellaneous A/R
8,020 A/R from SCA Inc.
396,539

Prepaid Expenses:

1,114 Various maintenance and service contracts, May 2018 - May 2019
28,437 Insurance (Health, Building, Liability, Workers Comp, D&O)
14,593 Security Deposits paid on behalf of clients moving into new apts and office spaces
44,144

Restricted Cash

108,651 Gift Annuity Fund This is the market value as of December 31, 2017.

Year to Date Asset Summary:

150,000 Total FY 2017-2018 Asset Budget
(102,882) Assets purchased through 4/30/18
47,118 Balance of Asset Budget in FY 2017-2018

Accrued Payroll and Employee Benefits:

101,435 Accrued payroll for last ten days of the month
156,061 Accrued paid time off (PTO)
747 Other accrued employee benefits & taxes
258,243

Deferred Revenue:

3,250 Security Deposits on 8th Street apartments
85,393 Mill Levy funds received in excess of amounts recognized as revenue
88,643

Fund Balance:

1,960,800 Unrestricted Fund Balance @ 6/30/12
187,615 Surplus Through 6/30/13
2,148,415 Unrestricted Fund Balance @ 6/30/13
(297,727) Deficit Through 6/30/14
1,850,688 Unrestricted Fund Balance @ 6/30/14
(63,618) Deficit Through 6/30/15
1,787,070 Unrestricted Fund Balance @ 6/30/15
(2,696) Deficit Through 6/30/16
1,784,374 Unrestricted Fund Balance @ 6/30/16
97,167 Surplus Through 6/30/17
1,881,540 Unrestricted Fund Balance @ 6/30/17
77,369 Surplus Through 4/30/18
1,997,286 Unrestricted Fund Balance @ 4/30/18

7 : 1 Working Capital Ratio [Current Assets/Current Liabilities]

HORIZONS SPECIALIZED SERVICES
Statement of Activity
For the Ten Months Ending Monday, April 30, 2018

	Actual	Budget	Variance	Notes
Revenue				
Day Program	\$458,265.25	\$505,000.00	(\$46,734.75)	1
Early Intervention	275,588.54	328,445.44	(52,856.90)	2
Case Management	202,780.73	254,456.71	(51,675.98)	
Administration	44,250.20	41,723.64	2,526.56	3
Homes	1,947,433.99	1,973,960.60	(26,526.61)	1
Supported Living Services	339,956.03	330,176.21	9,779.82	4
Vocational Rehabilitation	3,376.94	3,750.00	(373.06)	
Work Crews	6,555.30	6,041.70	513.60	
Private Pay	184.50	0.00	184.50	
CES	18,124.72	33,060.00	(14,935.28)	
Room & Board	259,151.00	259,140.97	10.03	
Other Income	52,631.78	45,140.00	7,491.78	5
Gov't Grant Support/HUD, etc	96,256.00	55,931.20	40,324.80	
Gov't Grant Support/Part C	57,821.80	70,245.00	(12,423.20)	6
Individual Pledges and Donations	32,563.92	16,666.70	15,897.22	7
Foundation Grants/Support	42,520.00	83,333.30	(40,813.30)	7
Cities and Counties - Grants/Support	24,800.00	14,583.30	10,216.70	7
County Mill Levy	947,473.06	927,696.00	19,777.06	
Fundraisers	23,575.50	24,166.70	(591.20)	7
United Way - Grants/Support	20,760.00	20,833.30	(73.30)	7
Total Revenue	\$4,854,069.26	\$4,994,350.77	(\$140,281.51)	
Expenses				
Salaries, P/R Taxes & Benefits	\$3,321,226.99	\$3,442,428.44	(\$121,201.45)	8
Vehicle Expenses	40,321.40	52,249.50	(11,928.10)	9
Purchased & Medical Services	142,540.82	165,330.41	(22,789.59)	
Depreciation & Amortization	167,508.54	173,647.80	(6,139.26)	10
Telephone	30,649.47	29,914.70	734.77	
Utilities	51,397.04	48,100.70	3,296.34	
Insurance	484,082.14	505,931.04	(21,848.90)	
Interest	19,973.67	19,775.50	198.17	
Bank Charges	1,815.73	2,354.20	(538.47)	
Dues, Subscriptions & Fees	18,126.86	16,485.50	1,641.36	
Supplies	118,698.94	117,539.80	1,159.14	
Fundraising Expense	12,135.60	6,666.70	5,468.90	11
Professional Fees	25,515.57	38,554.20	(13,038.63)	
Food (net of stamps)	67,266.84	74,211.80	(6,944.96)	
Postage & Express	3,763.15	5,608.20	(1,845.05)	
Repair & Maintenance	74,913.74	78,416.60	(3,502.86)	
Building Lease	122,993.01	126,450.30	(3,457.29)	12
Property Tax	3,750.90	2,916.70	834.20	
Staff Development & Recognition	18,770.02	13,149.95	5,620.07	
Meetings, Conferences & Training	10,517.30	19,583.30	(9,066.00)	13

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Promotional Expense	6,461.60	6,708.40	(246.80)
Travel	(655.68)	1,524.80	(2,180.48)
Mileage Reimbursement	13,798.61	19,275.20	(5,476.59)
Client Assistance	18,468.24	42,937.10	(24,468.86)
In-kind	2,659.35	2,000.00	659.35
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Total Expenses	4,776,699.85	5,011,760.84	(235,060.99)
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Net Surplus (Deficit)	\$77,369.41	(\$17,410.07)	\$94,779.48
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To Reconcile to "Cash" Activity:			
Add Back: Depreciation and Amortization	167,508.54	173,647.80	(6,139.26)
Less: Principal Loan Payments	(49,474.93)	(49,474.93)	0.00
Less: Fixed Asset Acquisitions	(102,881.86)	(102,881.86)	0.00
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Net "Cash" Activity for this Period	\$92,521.16	\$3,880.94	\$88,640.22
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HORIZONS SPECIALIZED SERVICES
 NOTES TO FINANCIAL STATEMENTS
 FOR THE TEN MONTHS ENDED APRIL 30, 2018

INCOME STATEMENT:

VARIANCE REPORT - OVER (UNDER) BUDGET:

#	Amount	%	
REVENUE:			
Day Program & Homes			
1.	(46,735)	(9.3%)	Day Program revenue continues to trend under budget in Routt County by \$8k and in Moffat County by \$32k. Compared to last year, Routt Day Program revenue is down \$2k and Moffat \$11k. Moffat has declined mainly due to the loss of a client in our Rainbow group home and the changing medical condition of another client who in the past went to day program consistently, however cannot attend much, if at all, currently. An increased number of absences in Routt County compared to last year driven the revenue variance at Day Program and in the Homes. Supported Employment revenue is steady compared to budget while Transportation is about \$6k below budget and \$3k below last year in Moffat County, again due to client specific circumstances.
	(26,527)	(1.3%)	
Early Intervention			
2.	(52,857)	(16.1%)	Early Intervention revenue gained back about \$22k compared to last month. This is because we spread the contracted amount of State General Funds over the first nine months of the fiscal year assuming that we will use those funds by March, and Part C funds over the final three months of the year. This variance will continue to decrease over the next two months. This budgeting philosophy will change next fiscal year with the process that El Colorado has introduced for budgeting and billing. We continue the back and forth with the State regarding our contract for FY19, but we have no concerns regarding our allocation of funds. It will create an increased workload for all of us, however.
Administration			
3.	2,527	6.1%	Administration revenue is up \$2.5k or 6.1% to budget due to more services provided to El Kiddos through the Trust. Horizons is reimbursed a percentage of the direct service rate to cover our overhead, unlike with Medicaid El direct services where we are only reimbursed for the fee for service rate.
Supported Living Services			
4.	9,780	3.0%	SLS reimbursements continue to trend above budget driven by strong revenue in Moffat county, which is \$29k favorable to budget. Routt County reimbursements are \$17.8k under budget; Grand \$7.9k under budget; and Rio Blanco \$6.3k over budget. We have recently had additional enrollments in both Moffat and Rio Blanco counties, which will continue to drive revenue higher than budget. On the other hand, we continue to have difficulties with hiring in Grand County which impacts the amount of service we can provide.
Other Income			
5.	7,492	16.6%	Other income is favorable to budget due to an increase in the value of the gift annuity that is listed under 'Restricted Cash' on the balance sheet. Other line items in this department include rent from our 8th Street Apartments, HUD Administration fees, Interest Income, Soda Creek Management fees, and In-Kind donations. These revenue sources are all at budgeted levels.
Gov't Grant Support/Part C			
6.	(12,423)	(17.7%)	This category represents the service coordination and management fees provided from El Colorado. We receive a percentage of the dollar amount of direct services billed for management fees and a predetermined rate (which was adjusted downward with the mid-year \$75k adjustment) for service coordination.
Individual Pledges & Donations, Foundations, Cities & Counties, Fundraisers, United Way			
7.	15,897	95.4%	Timing variances are common within this grouping as revenue is received sporadically depending on grant funding cycles, fundraising campaigns and the quarterly payments from United Way.
	(40,813)	(49.0%)	
	10,217	70.1%	
	(591)	(2.4%)	
	(73)	(0.4%)	
	(15,364)		
EXPENSES:			
Salaries, P/R Taxes and Benefits.			
8.	(121,201)	(3.5%)	The variance in salaries remains essentially unchanged from last month. We continue to have many unfilled positions that have driven this variance to 3.5% favorable to budget. We look forward to seeing if the potential wage increases from HB18-1407 assist us in recruiting and retaining staff to help provide services to our clients.
Vehicle Expenses			
9.	(11,928)	(22.8%)	Horizons has various savings in vehicle maintenance and fuel costs this fiscal year. Expect this variance to decrease by year end as we had several significant vehicle maintenance bills in recent months.
Depreciation & Amortization			
10.	(6,139)	(3.5%)	Depreciation & Amortization expense is dependent upon the timing of fixed asset acquisitions throughout the fiscal year. While we will use our entire (and more) capital budget for FY18, many of the acquisitions occurred later in the fiscal year, and thus less depreciation booked compared to budget.
Fundraising Expense			
11.	5,469	82.0%	Fundraising Expense is \$5.5k over budget due to a high volume of payments to Wilco Life Insurance to ensure that the life insurance endowments did not expire. The other main cost in this line item is for the annual newsletter.
Building Lease			
12.	(3,457)	(2.7%)	Typically we receive a true-up (rate increase) from our landlord at Park Avenue where we have Milestones Day Program and a variety of office space. We build this in to the budget, however that true-up has yet to occur.
Meetings, Conferences & Training			
13.	(9,066)	(46.3%)	We budgeted for a large increase in this category, however we have spent about the same amount of money as last fiscal year. This will continue to be an area of focus in order to provide our employees the training and knowledge they desire.

HORIZONS SPECIALIZED SERVICES
 NOTES TO FINANCIAL STATEMENTS
 FOR THE TEN MONTHS ENDED APRIL 30, 2018

<u>RESOURCE DEVELOPMENT ANALYSIS</u>		FY 2018	FY 2017
Received to date:			
Individuals	32,564	32,564	74,445
Total			
Grand County	9,800		3,750
Moffat County HRC	6,500		5,000
Rio Blanco County	8,500		8,500
Total Counties		24,800	17,250
Bright Funds	500		
Cigna Health	5,000		
Colorado Garden Association	6,000		
Colorado Group Realty	710		
Daniels Fund (PCT)			
Energy Outreach Colorado	4,000		10,000
Grand Foundation	5,000		4,954
Knights of Columbus			2,000
Kroger Cares Program			
Lions Club of Fraser Valley	1,865		1,436
Meeker HRC			
Meeker Lions Club	2,000		500
Moffat County High School Key Club (RB United Way)			
Mountain Valley Bank	5,000		4,000
Push America			
Safeway (FS)	2,500		
Seivert Family Foundation			
Sprout Foundation			
Summit Foundation			5,000
United Jewish			
WEH2 Foundation	5,000		
Wells Fargo			
Yampa Valley Community Foundation - Women's Giving Circle	3,445		7,747
Yampa Valley Community Foundation - Lufkin Family Foundation			
Yampa Valley Community Foundation - Gloria Gossard Memorial			1,082
Yampa Valley Community Foundation - Community Grant Endowment			918
Yampa Valley Community Foundation - Ski Corp Charitable Fund			17,000
Yampa Valley Community Foundation - Anonymous Fund			1,000
Yampa Valley Electric Caring Consumers	1,500		1,000
Total Foundations, etc		42,520	56,637
Moffat County United Way	19,500		24,500
United Way - Other	1,260		2,100
Total United Way		20,760	26,600
Meeker Holiday Home Tour	1,550		2,805
Little Points of Light	14,470		14,150
Pick a Dish	7,556		7,901
Meeker Events			
Other			500
Total Fundraisers		23,576	25,356
Sub-Total		144,219	200,288
<i>Less: Resource Development Salary and Payroll expenses</i>		<i>42,654</i>	<i>40,992</i>
<i>Other Direct Costs</i>		<i>17,615</i>	<i>11,158</i>
Net "Gain" (Loss) in Resource Development for 2018, 2017		83,951	148,138