

HORIZONS SPECIALIZED SERVICES
Statement of Financial Position
For the Six Months Ending Sunday, December 31, 2017

1

ASSETS

Current Assets	
Cash	\$2,418,130.78
Accounts Receivable	406,695.74
Prepaid Expenses	<u>70,865.77</u>
Total Current Assets	2,895,692.29
Other Assets	
Restricted Cash	108,651.16
Deferred Loan Cost, Net	<u>8,493.12</u>
Total Other Assets	117,144.28
Fixed Assets, Net	<u>2,131,037.87</u>
TOTAL ASSETS	<u>\$5,143,874.44</u>

LIABILITIES AND EQUITY

Current Liabilities	
Accounts Payable	\$71,107.55
Accrued Payroll and Employee Benefits	249,411.76
Deferred Revenue	3,250.00
Current Portion of Long Term Debt	<u>30,183.63</u>
Total Current Liabilities	353,952.94
Long-term Debt	
Notes Payable	<u>487,068.42</u>
Total Long-term Debt	487,068.42
Net Assets	
Board Designated	2,064,586.00
Undesignated	<u>2,189,188.75</u>
Total Net Assets	4,253,774.75
Net Surplus (Deficit)	<u>49,078.33</u>
Total Equity	<u>4,302,853.08</u>
TOTAL LIABILITIES AND EQUITY	<u>\$5,143,874.44</u>

HORIZONS SPECIALIZED SERVICES
NOTES TO FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2017

BALANCE SHEET:

Cash:

1,396,050	Certificates of Deposit and Savings Accounts
<u>1,022,081</u>	Checking & Money Market Accounts
2,418,131	

Accounts Receivable:

281,864	Balances due from ACS for Medicaid Waiver billings (90% of this is current)
66,196	Balances due from the State. This also includes Part C.
2,030	Work Crew billings and miscellaneous A/R
21,080	Balance of Mill Levy funds due from Calendar Year 2017
<u>35,525</u>	A/R from SCA Inc.
406,696	

Prepaid Expenses:

9,769	Various maintenance and service contracts, Jan 2018 - Jan 2019
50,059	Insurance (Health, Building, Liability, Workers Comp, D&O)
<u>11,038</u>	Security Deposits paid on behalf of clients moving into new apts and office spaces
70,866	

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
<u>(66,139)</u>	Assets purchased through 12/31/17
83,861	Balance of Asset Budget in FY 2017-2018

Accrued Payroll and Employee Benefits:

101,271	Accrued payroll for last ten days of the month
146,112	Accrued paid time off (PTO)
<u>2,029</u>	Other accrued employee benefits & taxes
249,412	

Deferred Revenue:

3,250	Security Deposits on 8th Street apartments
<u>-</u>	Mill Levy funds received in excess of amounts recognized as revenue
3,250	

Fund Balance:

<u>1,960,800</u>	Unrestricted Fund Balance @ 6/30/12
<u>187,615</u>	Surplus Through 6/30/13
<u>2,148,415</u>	Unrestricted Fund Balance @ 6/30/13
<u>(297,727)</u>	Deficit Through 6/30/14
<u>1,850,688</u>	Unrestricted Fund Balance @ 6/30/14
<u>(63,618)</u>	Deficit Through 6/30/15
<u>1,787,070</u>	Unrestricted Fund Balance @ 6/30/15
<u>(2,696)</u>	Deficit Through 6/30/16
<u>1,784,374</u>	Unrestricted Fund Balance @ 6/30/16
<u>97,167</u>	Surplus Through 6/30/17
<u>1,881,540</u>	Unrestricted Fund Balance @ 6/30/17
<u>49,078</u>	Surplus Through 12/31/17
1,997,286	Unrestricted Fund Balance @ 12/31/17

8 : 1 Working Capital Ratio [Current Assets/Current Liabilities]

HORIZONS SPECIALIZED SERVICES
Statement of Activity
For the Six Months Ending Sunday, December 31, 2017

	Actual	Budget	Variance	Notes
Revenue				
Day Program	\$269,679.95	\$303,000.00	(\$33,320.05)	1
Early Intervention	160,924.24	211,792.56	(50,868.32)	2
Case Management	133,706.84	162,026.18	(28,319.34)	3
Administration	28,236.52	24,972.96	3,263.56	
Homes	1,180,388.35	1,190,842.22	(10,453.87)	1
Supported Living Services	220,564.19	212,528.81	8,035.38	4
Vocational Rehabilitation	1,675.00	2,250.00	(575.00)	
Work Crews	3,737.40	3,625.02	112.38	
Private Pay	27.00	0.00	27.00	
CES	13,231.83	20,740.00	(7,508.17)	5
Room & Board	155,570.00	155,868.97	(298.97)	
Other Income	34,208.07	26,784.00	7,424.07	7
Gov't Grant Support/HUD, etc	43,613.00	29,113.00	14,500.00	6
Gov't Grant Support/Part C	37,480.71	42,147.00	(4,666.29)	
Individual Pledges and Donations	18,758.30	10,000.02	8,758.28	
Foundation Grants/Support	26,055.00	49,999.98	(23,944.98)	
Cities and Counties - Grants/Support	9,250.00	8,749.98	500.02	
County Mill Levy	559,253.06	554,400.00	4,853.06	7
Fundraisers	5,995.00	14,500.02	(8,505.02)	
United Way - Grants/Support	14,260.00	12,499.98	1,760.02	
Total Revenue	\$2,916,614.46	\$3,035,840.70	(\$119,226.24)	
Expenses				
Salaries, P/R Taxes & Benefits	\$1,964,018.06	\$2,065,211.60	(\$101,193.54)	8
Vehicle Expenses	28,422.68	31,349.70	(2,927.02)	
Purchased & Medical Services	103,498.36	99,687.03	3,811.33	
Depreciation & Amortization	98,226.50	104,188.68	(5,962.18)	
Telephone	18,555.42	17,948.82	606.60	
Utilities	29,327.18	28,860.42	466.76	
Insurance	294,952.50	306,837.00	(11,884.50)	9
Interest	12,242.79	11,865.30	377.49	
Bank Charges	1,109.70	1,412.52	(302.82)	
Dues, Subscriptions & Fees	11,622.69	9,895.46	1,727.23	
Supplies	75,817.37	70,523.88	5,293.49	10
Fundraising Expense	9,815.19	4,000.02	5,815.17	
Professional Fees	8,803.15	23,132.52	(14,329.37)	11
Food (net of stamps)	40,154.14	44,527.08	(4,372.94)	
Postage & Express	3,015.73	3,364.92	(349.19)	
Repair & Maintenance	54,521.18	47,049.96	7,471.22	12
Building Lease	73,181.95	75,870.18	(2,688.23)	
Property Tax	0.00	1,750.02	(1,750.02)	
Staff Development & Recognition	11,169.58	7,898.31	3,271.27	
Meetings, Conferences & Training	6,355.89	11,749.98	(5,394.09)	

HORIZONS SPECIALIZED SERVICES
Statement of Activity
For the Six Months Ending Sunday, December 31, 2017

Promotional Expense	5,612.32	4,025.04	1,587.28
Travel	(672.31)	914.88	(1,587.19)
Mileage Reimbursement	7,712.77	11,565.12	(3,852.35)
Client Assistance	8,246.26	25,762.26	(17,516.00)
In-kind	1,827.03	1,200.00	627.03
	<hr/>		
Total Expenses	2,867,536.13	3,010,590.70	(143,054.57)
	<hr/>		
Net Surplus (Deficit)	\$49,078.33	\$25,250.00	\$23,828.33
	<hr/>		

13

To Reconcile to "Cash" Activity:			
Add Back: Depreciation and Amortization	98,226.50	104,188.68	(5,962.18)
Less: Principal Loan Payments	(29,426.37)	(29,426.37)	0.00
Less: Fixed Asset Acquisitions	(66,138.56)	(66,138.56)	0.00
	<hr/>		
Net "Cash" Activity for this Period	\$51,739.90	\$33,873.75	\$17,866.15
	<hr/>		

**HORIZONS SPECIALIZED SERVICES
NOTES TO FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2017**

INCOME STATEMENT:

VARIANCE REPORT - OVER (UNDER) BUDGET:

Amount %

REVENUE:

Day Program & Homes

- | | | | |
|----|----------------------|-------------------|---|
| 1. | (33,320)
(10,454) | (11.0%)
(0.9%) | Day Program revenue is under budget in Routt County by \$11.8k and in Moffat County by \$21.5k. The majority of this is in Moffat Specialized Hab and Community Connection reimbursements (\$18k). Supported Employee reimbursements are slightly below budget across the two counties, and Transportation is \$6.4k unfavorable between the two. Overall, Day Program revenue is roughly \$7k below FY17 levels, or 2.5%. This can be partially explained by the delay of the approval of the Prior Authorization Requests (PAR) for two individuals in Craig. This is due to an issue with the Bridge (the system used by the State to approve PARs). This has not affected service delivery to the clients, simply a delay in payment. Revenue in the Homes is unfavorable to budget due to higher than expected absences. |
|----|----------------------|-------------------|---|

Early Intervention

- | | | | |
|----|----------|---------|---|
| 2. | (50,868) | (24.0%) | Early Intervention revenue is under budget partly due to the often discussed spread of the State General Fund portion of the budget over the first nine months of the year, and partly due to less than expected reimbursements against our State funds. In addition, payments from the Trust and Medicaid were delayed due to the Holidays. Of note, our contract with the state was decreased by \$75k recently, so expect this variance to remain throughout the year. |
|----|----------|---------|---|

Case Management

- | | | | |
|----|----------|---------|---|
| 3. | (28,319) | (17.5%) | TCM revenue in Routt County is under budget by \$13k and in Moffat County by \$8.5k. These reimbursements are dependent upon the timing of the use of each individual's 240 units throughout the fiscal year. |
|----|----------|---------|---|

Supported Living Services

- | | | | |
|----|-------|------|--|
| 4. | 8,035 | 3.8% | SLS reimbursements continue to trend above budget driven by strong revenue in Moffat county, which is \$18k favorable to budget. Routt County reimbursements are \$10.1k under budget; Grand \$4.8k under budget; and Rio Blanco \$5k over budget. State SLS and Family Support are at budget and we anticipate fully utilizing those funds. |
|----|-------|------|--|

CES

- | | | | |
|----|---------|---------|--|
| 5. | (7,508) | (36.2%) | CES revenue is unfavorable in Moffat by \$4.6k and Grand by \$2.2k. In the case of Moffat, reimbursements have been low due to staffing issues; in Grand the kiddo moved out of state and did not receive any services. Routt County is now about \$600 unfavorable, again due to staffing issues. |
|----|---------|---------|--|

Gov't Grant Support/HUD, etc.

- | | | | |
|----|--------|-------|--|
| 6. | 14,500 | 49.8% | This category is favorable due to high amounts of Child Find evaluations (\$4k in Routt/\$10k in Moffat). Also the USDA grant revenue for our Rio Blanco vehicle is in this variance (\$8k). |
|----|--------|-------|--|

Other Income & County Mill Levy

- | | | | |
|----|----------------|---------------|--|
| 7. | 7,424
4,853 | 27.7%
0.9% | Other Income is favorable due to the increase in value of our Gift Annuity Fund through December 31st. Other line items in this category include rent from the 8th Street Apartments, Interest Income, and In-Kind Donations. The County Mill Levy line represents the final variance between what was budgeted by the County for CY17 and what was actually received. I am awaiting the CY18 County Budget to see how it compares to our budgeted increase of 1%. It appears that the increase will actually be 5%, which represents a \$20k potential windfall to budget for FY18. |
|----|----------------|---------------|--|

EXPENSES:

Salaries, P/R Taxes and Benefits.

- | | | | |
|----|-----------|--------|--|
| 8. | (101,194) | (4.9%) | Salaries remain essentially unchanged compared to November. I would expect this variance to start shrinking over the next few months as monthly payroll has increased as we fill open positions and use overtime to fill any gaps. Salary expense continues to be about \$8k less than FY17. |
|----|-----------|--------|--|

Insurance

- | | | | |
|----|----------|--------|--|
| 9. | (11,885) | (3.9%) | Health Insurance is \$8.7k favorable partially due to the timing and amount of HRA reimbursements and otherwise due to staffing changes. Work Comp Insurance is \$2.8k favorable due to fewer than budgeted claims through December. Vehicle, Building and Liability Insurance are at budgeted levels. |
|----|----------|--------|--|

Supplies

- | | | | |
|-----|-------|------|---|
| 10. | 5,293 | 7.5% | Supplies are over budget by 7.5% due to the timing of the STARS ski program payments, use of Resource Development designated grant funds and the purchases of appliances at Soda Creek Apartments (washer/dryer units - completed). |
|-----|-------|------|---|

Professional Fees

- | | | | |
|-----|----------|---------|--|
| 11. | (14,329) | (61.9%) | Professional Fees are \$14k under budget due to the timing of the audit (invoiced in June) and the payment associated with the use of Therap (billed in February). |
|-----|----------|---------|--|

Repair & Maintenance

- | | | | |
|-----|-------|-------|--|
| 12. | 7,471 | 15.9% | Repair and Maintenance at the Craig Day Program site is \$7k over budget due to fence work and tree trimming, in addition to drain services and mechanical work. |
|-----|-------|-------|--|

Client Assistance

- | | | | |
|-----|----------|---------|---|
| 13. | (17,516) | (68.0%) | Client Assistance expense are under budget due to type of Family Support reimbursement requests we have received thus far in FY17. It is offset above in Purchased and Medical Services, which would be further over budget if not for the movement of two Host Home clients this year. |
|-----|----------|---------|---|

HORIZONS SPECIALIZED SERVICES
 NOTES TO FINANCIAL STATEMENTS
 FOR THE SIX MONTHS ENDED DECEMBER 31, 2017

RESOURCE DEVELOPMENT ANALYSIS

		FY 2018	FY 2017
Received to date:			
Individuals	18,758		
Total		18,758	71,376
Grand County	5,000		3,750
Moffat County HRC			
Rio Blanco County	4,250		4,250
Total Counties		9,250	8,000
Cigna Health	5,000		
Colorado Group Realty	710		
Daniels Fund (PCT)			
Grand Angels Trinity Church			
Grand Foundation	5,000		4,954
Knights of Columbus			2,000
Kroger Cares Program			
Lions Club of Fraser Valley	1,500		1,436
Meeker HRC			500
Meeker Lions Club	2,000		
Moffat County High School Key Club (RB United Way)			
Mountain Valley Bank			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	2,845		4,000
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			2,000
Yampa Valley Community Foundation - Anonymous Fund			1,000
Yampa Valley Electric Caring Consumers	1,500		1,000
Total Foundations, etc		26,055	27,890
Moffat County United Way	13,000		12,000
United Way - Other	1,260		600
Total United Way		14,260	12,600
Meeker Holiday Home Tour	950		2,805
Little Points of Light	5,045		11,120
Pick a Dish			
Meeker Events			
Other			
Total Fundraisers		5,995	13,925
Sub-Total		74,318	133,791
Less: Resource Development Salary and Payroll expenses		25,661	23,777
Other Direct Costs		14,597	9,638
Net "Gain" (Loss) in Resource Development for 2018, 2017		34,061	100,376