

HORIZONS SPECIALIZED SERVICES
Statement of Financial Position
For the Ten Months Ending Sunday, April 30, 2017

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ASSETS

Current Assets	
Cash	\$2,373,131.68
Accounts Receivable	528,535.78
Prepaid Expenses	<u>50,919.52</u>
Total Current Assets	<u>2,952,586.98</u>
Other Assets	
Restricted Cash	92,457.05
Deferred Loan Cost, Net	<u>8,493.12</u>
Total Other Assets	100,950.17
Fixed Assets, Net	<u>2,175,638.47</u>
TOTAL ASSETS	<u><u>\$5,229,175.62</u></u>

LIABILITIES AND EQUITY

Current Liabilities	
Accounts Payable	\$48,303.68
Accrued Payroll and Employee Benefits	249,611.47
Deferred Revenue	158,868.69
Current Portion of Long Term Debt	<u>9,684.85</u>
Total Current Liabilities	<u>466,468.69</u>
Long-term Debt	
Notes Payable	<u>546,657.46</u>
Total Long-term Debt	546,657.46
Net Assets	
Board Designated	2,064,586.00
Undesignated	<u>2,092,021.90</u>
Total Net Assets	4,156,607.90
Net Surplus (Deficit)	<u>59,441.57</u>
Total Equity	<u>4,216,049.47</u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$5,229,175.62</u></u>

**HORIZONS SPECIALIZED SERVICES
NOTES TO FINANCIAL STATEMENTS
FOR THE TEN MONTHS ENDED APRIL 30, 2017.**

BALANCE SHEET:

Cash:

1,220,764	Certificates of Deposit and Savings Accounts
1,152,368	Checking & Money Market Accounts
<u>2,373,132</u>	

Accounts Receivable:

318,526	Balances due from ACS for Medicaid Waiver billings (80% of this is current)
81,912	Balances due from the State. This also includes Part C.
18,971	Work Crew billings and miscellaneous A/R - this is mainly billing/payment errors due to new Medicaid Portal
73,016	Accrued interest on CD's
36,111	A/R from SCA Inc.
<u>528,536</u>	

Prepaid Expenses:

979	Various maintenance and service contracts May 2017 - May, 2018
25,267	Insurance (Health, Building, Liability, Workers Comp, D&O)
14,091	Expenses paid in Apr for May or later
10,583	Security Deposits paid on behalf of clients moving into new apts and office spaces
<u>50,920</u>	

Restricted Cash

92,457 Gift Annuity Fund This is the market value as of the end of June, 2015.

Year to Date Asset Summary:

100,000	Total FY 2016-2017 Asset Budget
(43,226)	Assets purchased through 4/30/17
<u>56,774</u>	Balance of Asset Budget in FY 2016-2017

Accrued Payroll and Employee Benefits:

101,290	Accrued payroll for last ten days of the month
148,494	Accrued paid time off (PTO)
(173)	Other accrued employee benefits & taxes
<u>249,611</u>	

Deferred Revenue:

2,525	Security Deposits on 8th Street apartments
107,030	Mill Levy funds received in excess of those recognized as revenue through April
49,313	Waitlist Management/On-boarding funds received in January
<u>158,869</u>	

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>59,442</u>	Surplus Through 4/30/17
<u>1,843,815</u>	Unrestricted Fund Balance @ 4/30/17

HORIZONS SPECIALIZED SERVICES
Statement of Activity
For the Ten Months Ending Sunday, April 30, 2017

	Actual	Budget	Variance	
Revenue				
Day Program	\$470,504.54	\$495,833.40	(\$25,328.86)	1
Early Intervention	280,044.40	289,578.50	(9,534.10)	2
Case Management	217,415.67	236,098.54	(18,682.87)	3
Administration	43,385.53	31,618.60	11,766.93	
Homes	1,920,995.34	1,913,643.22	7,352.12	1
Supported Living Services	323,200.36	394,644.68	(71,444.32)	4
Vocational Rehabilitation	2,237.50	3,750.00	(1,512.50)	
Work Crews	5,748.14	6,041.70	(293.56)	
Private Pay	998.50	0.00	998.50	
CES	33,194.67	46,283.40	(13,088.73)	5
Room & Board	254,469.87	252,120.00	2,349.87	
Other Income	50,478.71	53,502.90	(3,024.19)	
Gov't Grant Support/HUD, etc	47,241.45	49,244.00	(2,002.55)	6
Gov't Grant Support/Part C	55,141.18	18,930.40	36,210.78	7
Individual Pledges and Donations	74,444.83	56,666.70	17,778.13	8
Foundation Grants/Support	56,636.59	56,545.00	91.59	8
Cities and Counties - Grants/Support	17,250.00	15,416.70	1,833.30	8
County Mill Levy	918,396.89	917,150.00	1,246.89	
Fundraisers	25,356.40	25,000.00	356.40	8
United Way - Grants/Support	26,600.00	20,833.30	5,766.70	8
Total Revenue	\$4,823,740.57	\$4,882,901.04	(\$59,160.47)	
Expenses				
Salaries, P/R Taxes & Benefits	\$3,282,097.38	\$3,347,808.14	(\$65,710.76)	9
Vehicle Expenses	46,378.50	55,416.00	(9,037.50)	
Purchased & Medical Services	155,538.86	130,041.94	25,496.92	10
Depreciation & Amortization	159,491.45	171,475.80	(11,984.35)	
Telephone	34,247.66	31,896.00	2,351.66	11
Utilities	45,776.72	47,695.70	(1,918.98)	
Insurance	511,004.86	518,760.65	(7,755.79)	
Interest	22,154.45	21,653.40	501.05	
Bank Charges	2,064.88	2,354.20	(289.32)	
Dues, Subscriptions & Fees	15,641.76	13,641.80	1,999.96	
Supplies	93,599.98	106,185.60	(12,585.62)	12
Fundraising Expense	6,229.36	8,333.30	(2,103.94)	
Professional Fees	24,074.36	34,137.60	(10,063.24)	13
Food (net of stamps)	70,012.75	71,206.60	(1,193.85)	
Postage & Express	5,207.99	5,854.00	(646.01)	
Repair & Maintenance	70,111.04	92,570.30	(22,459.26)	
Building Lease	116,854.54	115,533.30	1,321.24	
Property Tax	3,226.32	2,708.40	517.92	
Staff Development & Recognition	9,768.86	19,891.70	(10,122.84)	
Meetings, Conferences & Training	10,048.21	20,070.60	(10,022.39)	
Promotional Expense	6,298.46	9,625.00	(3,326.54)	

HORIZONS SPECIALIZED SERVICES
Statement of Activity
For the Ten Months Ending Sunday, April 30, 2017

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Travel	6,794.48	8,487.30	(1,692.82)
Mileage Reimbursement	17,414.54	23,991.40	(6,576.86)
Client Assistance	48,805.38	45,146.70	3,658.68
In-kind	1,456.21	2,000.00	(543.79)
Total Expenses	4,764,299.00	4,906,485.43	(142,186.43)
Net Surplus (Deficit)	\$59,441.57	(\$23,584.39)	\$83,025.96
To Reconcile to "Cash" Activity:			
Add Back: Depreciation and Amortization	159,491.45	171,475.80	(11,984.35)
Less: Principal Loan Payments	(47,294.15)	(47,294.15)	0.00
Less: Fixed Asset Acquisitions	(43,226.45)	(43,226.45)	0.00
Net "Cash" Activity for this Period	\$128,412.42	\$57,370.81	\$71,041.61

HORIZONS SPECIALIZED SERVICES
 NOTES TO FINANCIAL STATEMENTS
 FOR THE TEN MONTHS ENDED APRIL 30, 2017

INCOME STATEMENT:

VARIANCE REPORT - OVER (UNDER) BUDGET:

Amount %

REVENUE:

- | | | |
|---|--|----------------|
| Day Program & Homes | | |
| 1. | (25,329)
7,352 | (5.1%)
0.4% |
| | Day Program revenue is under budget by \$17.9k (Routt above budget by \$7k and Moffat under by \$24.9k). Supported Employment revenue is under budget by \$1.7k and Transportation reimbursements are down \$5.6k to budget. Overall, Day Program revenue is less than FY16 levels by \$13.4k mainly due to lower Specialized Hab utilization in Moffat County. Revenue in the Homes is favorable to budget for the year by \$7.3k. Despite the many changes we have had in Residential, revenue is within \$7k of FY16 levels. | |
| Early Intervention | | |
| 2. | (9,534) | (3.3%) |
| | Early Intervention revenue is \$9.5k unfavorable to budget, however after May's financials are completed this variance will be favorable. The EI budget is spread in this line from July-March and in the line for Gov't Grant Support/HUD, etc. for the last three months of the year. Overall, Trust Fund reimbursements and Medicaid reimbursements have been higher than budgeted by \$13.7k and \$2.1k, respectively. | |
| Case Management | | |
| 3. | (18,683) | (7.9%) |
| | Case Management revenue is \$18.6k unfavorable due to continued issues with EI TCM billing. We are hopeful that we have a potential solution in place, however it will not be fully resolved until the 2018 Fiscal Year. | |
| SLS | | |
| 4. | (71,444) | (18.1%) |
| | SLS revenues are unfavorable in the following counties: Routt - \$23.8k; Moffat \$28.8k; Grand \$12.3k; Rio Blanco \$6.3k. Medicaid SLS services are down \$31k to FY16. State SLS and Family Support are on pace to utilize the full contract amount. Overall, this variance will decrease as we recognize the WL Management and On-Boarding funds, and the incentive payment. | |
| CES | | |
| 5. | (13,089) | (28.3%) |
| | CES revenue is under budget by \$10k in Moffat County (one individual) due to staffing issues. Grand County CES revenue is \$3.6k unfavorable to budget. Overall CES reimbursements are down \$12.7k from FY16 (fewer kids). | |
| Gov't Grant Support/HUD, etc. | | |
| 6. | (2,003) | (4.1%) |
| | This is where EI revenue is budgeted for Q4. Since we have not exhausted our allocation from the State General Fund, the revenue is booked under Early Intervention. I would anticipate some of these funds being used in June, but the unfavorable variance to persist through the end of FY17. | |
| Gov't Grant Support/Part C | | |
| 7. | 36,211 | 191.3% |
| | Favorable \$36.2k on timing of State payments for Part C Service Coordination and Management Fee. | |
| Individual Donations, Foundation Grants/Cities/Counties, Fundraisers, United Way | | |
| 8. | 17,778 | 31.4% |
| | 92 | 0.2% |
| | 1,833 | 11.9% |
| | 356 | 1.4% |
| | <u>5,767</u> | 27.7% |
| | 25,826 | |
| | Individual Donations are favorable by \$17.7k and will be favorable for FY17. The Little Points of Light campaign has performed roughly similar to last year. Other grants are usually impacted by timing as we receive quarterly payments from certain grantors. We received a \$15k donation from Steamboat Ski and Resort Corporation in February that was unbudgeted. The annual Pick-a-Dish event in Craig was a huge success. This revenue will be reflected in April. Furthermore, we recently received another \$15,000 Individual Donation. | |

EXPENSES:

- | | | |
|--|--|---------|
| Salaries, P/R Taxes and Benefits. | | |
| 9. | (65,711) | (2.0%) |
| | Salaries are favorable by \$65.7k to budget through April. Compared to this time last year, salaries have increased by \$74.5k or 2.3%. This variance remained fairly flat to last month's variance; I don't foresee any issue with outperforming budget for FY17. | |
| Purchased & Medical Services | | |
| 10. | 25,497 | 19.6% |
| | Host Home payments are unfavorable by \$17.9k due to the addition of an unbudgeted Host Home in Routt County. Due to client movement, Host Home payments in FY17 are \$20k less than FY16. Another significant portion of this variance is a contracted agreement with Grand Beginnings to provide behavioral services to children in Grand County (\$3k). | |
| Telephone | | |
| 11. | 2,352 | 7.4% |
| | Telephone (including internet) costs have risen as we recently switched to a new provider in Routt County with initial set up costs, however this will save money in the long and provide faster service to our group homes. | |
| Supplies | | |
| 12. | (12,586) | (11.9%) |
| | Savings to budget in Program Supplies at our day program sites (\$4.2k); savings at our group homes in Household Supplies (\$8.3k). We have spent \$5.3k less in Supplies compared to last fiscal year. | |
| Professional Fees | | |
| 13. | (10,063) | (29.5%) |
| | This variance will disappear at year end with the payment of the FY16 audit (about \$16k). In addition, this line is where the annual payment to Therap is expensed (about \$10k). | |
| Mileage Reimbursement | | |
| 14. | (6,577) | (27.4%) |
| | Mileage Reimbursements continue to come in under budget, specifically for Grand County SLS (\$1k - a combination of fewer clients and the utilization of our Horizons' vehicle in Granby) and Rio Blanco SLS (\$3.3k - staffing change). Overall, our mileage reimbursements have decreased \$4.3k, or 20% compared to last year. | |

**HORIZONS SPECIALIZED SERVICES
NOTES TO FINANCIAL STATEMENTS
FOR THE TEN MONTHS ENDED APRIL 30, 2017
RESOURCE DEVELOPMENT ANALYSIS**

		FY 2017	FY 2016
Received to date:			
Individuals	74,445	74,445	36,431
Grand County	3,750		
Moffat County HRC	5,000		5,000
Rio Blanco County	8,500		8,500
Total Counties		17,250	13,500
Bank of America			1,000
Caring Consumers	1,000		1,000
CDOT Grant			75,112
Energy Outreach Colorado	10,000		
Grand Foundation	4,954		2,500
Knights of Columbus	2,000		2,228
Kroger Cares Program			28
Lions Club of Fraser Valley	1,436		433
Litterman Family Foundation (Summit Foundation)	5,000		
Meeker Lions Club	500		
Moffat County High School Key Club (RB United Way)			
Mountain Valley Bank	4,000		
Push America			500
Rocky Mountain Health Plans			5,000
Yampa Valley Community Foundation - Women's Giving Circle	7,747		(1,750)
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 Sustainability Council			100
Total Foundations, etc		56,637	86,151
Moffat County United Way	24,500		24,750
United Way - Other	2,100		2,000
Total United Way		26,600	26,750
Meeker Holiday Home Tour	2,805		3,325
Little Points of Light	14,150		17,115
Pick a Dish	7,901		4,191
Meeker Events			1,000
Other	500		448
Total Fundraisers		25,356	26,079
Sub-Total		200,288	188,911
<i>Less: Resource Development Salary and Payroll expenses</i>		<i>40,992</i>	<i>35,694</i>
<i>Other Direct Costs</i>		<i>11,158</i>	<i>16,294</i>
Net "Gain" (Loss) in Resource Development for 2017, 2016		148,138	136,923