

HORIZONS SPECIALIZED SERVICES
Statement of Financial Position
For the Seven Months Ending Tuesday, January 31, 2017

ASSETS

Current Assets	
Cash	\$2,152,459.41
Accounts Receivable	639,635.33
Prepaid Expenses	<u>75,001.67</u>
Total Current Assets	2,867,096.41
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>2,206,447.18</u>
TOTAL ASSETS	<u><u>\$5,174,493.76</u></u>

LIABILITIES AND EQUITY

Current Liabilities	
Accounts Payable	\$54,450.64
Accrued Payroll and Employee Benefits	242,311.51
Deferred Revenue	51,838.31
Current Portion of Long Term Debt	<u>24,145.06</u>
Total Current Liabilities	372,745.52
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	4,159,304.25
Net Surplus (Deficit)	<u>98,482.88</u>
Total Equity	<u>4,255,090.78</u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$5,174,493.76</u></u>

HORIZONS SPECIALIZED SERVICES
NOTES TO FINANCIAL STATEMENTS
FOR THE SEVEN MONTHS ENDED JANUARY 31, 2017

BALANCE SHEET:

Cash:

1,220,764	Certificates of Deposit and Savings Accounts
931,695	Checking & Money Market Accounts
<u>2,152,459</u>	

Accounts Receivable:

341,755	Balances due from ACS for Medicaid Waiver billings (81% of this is current)
92,263	Balances due from the State. This also includes Part C.
98,282	Work Crew billings and miscellaneous A/R - \$92,400 is due from Routt County for Mill Levy payments
73,016	Accrued interest on CD's
34,319	A/R from SCA Inc.
<u>639,635</u>	

Prepaid Expenses:

10,770	Various maintenance and service contracts Feb, 2017 - Feb, 2018
40,729	Insurance (Health, Building, Liability, Workers Comp, D&O)
13,040	Expenses paid in Jan for Feb or later
10,463	Security Deposits paid on behalf of clients moving into new apts and office spaces
<u>75,002</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
(25,832)	Assets purchased through 1/31/17
<u>74,168</u>	Balance of Asset Budget in FY 2016-2017

Accrued Payroll and Employee Benefits:

101,321	Accrued payroll for last ten days of the month
141,518	Accrued paid time off (PTO)
(528)	Other accrued employee benefits & taxes
<u>242,312</u>	

Deferred Revenue:

2,525	Security Deposits on 8th Street apartments
49,313	Waitlist Management/On-boarding funds received in January
<u>51,838</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>98,483</u>	Surplus Through 1/31/17
<u>1,882,856</u>	Unrestricted Fund Balance @ 1/31/17

HORIZONS SPECIALIZED SERVICES
Statement of Activity
For the Seven Months Ending Tuesday, January 31, 2017

	Actual	Budget	Variance	Notes
Revenue				
Day Program	\$325,131.83	\$347,083.38	(\$21,951.55)	1
Early Intervention	205,899.31	218,195.95	(12,296.64)	2
Case Management	164,964.89	168,168.62	(3,203.73)	
Administration	31,131.86	22,133.02	8,998.84	3
Homes	1,356,015.07	1,350,946.90	5,068.17	1
Supported Living Services	243,264.17	284,069.06	(40,804.89)	4
Vocational Rehabilitation	1,712.50	2,625.00	(912.50)	
Work Crews	4,079.24	4,229.19	(149.95)	
Private Pay	998.50	0.00	998.50	
CES	27,351.51	32,398.38	(5,046.87)	5
Room & Board	179,001.87	176,880.00	2,121.87	
Other Income	37,437.36	37,339.53	97.83	
Gov't Grant Support/HUD, etc	32,292.00	25,457.00	6,835.00	6
Gov't Grant Support/Part C	36,498.12	13,251.28	23,246.84	7
Individual Pledges and Donations	73,782.48	39,666.69	34,115.79	8
Foundation Grants/Support	37,890.00	39,581.50	(1,691.50)	8
Cities and Counties - Grants/Support	8,000.00	10,791.69	(2,791.69)	8
County Mill Levy	641,196.89	642,005.00	(808.11)	
Fundraisers	16,305.00	17,500.00	(1,195.00)	8
United Way - Grants/Support	18,600.00	14,583.31	4,016.69	8
Total Revenue	\$3,441,552.60	\$3,446,905.50	(\$5,352.90)	
Expenses				
Salaries, P/R Taxes & Benefits	\$2,312,850.34	\$2,345,094.50	(\$32,244.16)	9
Vehicle Expenses	37,270.28	38,791.20	(1,520.92)	
Purchased & Medical Services	107,712.57	94,771.54	12,941.03	10
Depreciation & Amortization	111,288.40	120,033.06	(8,744.66)	11
Telephone	23,988.67	22,327.20	1,661.47	
Utilities	31,602.17	33,386.99	(1,784.82)	
Insurance	344,924.83	357,561.35	(12,636.52)	
Interest	15,780.08	15,157.38	622.70	
Bank Charges	1,495.93	1,647.94	(152.01)	
Dues, Subscriptions & Fees	12,591.39	9,549.26	3,042.13	
Supplies	64,400.77	74,329.92	(9,929.15)	12
Fundraising Expense	5,218.67	5,833.31	(614.64)	
Professional Fees	9,634.79	23,896.32	(14,261.53)	13
Food (net of stamps)	49,007.82	49,844.62	(836.80)	
Postage & Express	3,665.41	4,097.80	(432.39)	
Repair & Maintenance	57,734.34	64,799.21	(7,064.87)	
Building Lease	81,203.62	80,873.31	330.31	
Property Tax	3,226.32	1,895.88	1,330.44	14
Staff Development & Recognition	7,330.17	13,924.19	(6,594.02)	
Meetings, Conferences & Training	6,739.94	14,049.42	(7,309.48)	
Promotional Expense	6,078.00	6,737.50	(659.50)	

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Travel	4,461.66	5,941.11	(1,479.45)
Mileage Reimbursement	13,257.51	16,793.98	(3,536.47)
Client Assistance	30,254.92	31,602.69	(1,347.77)
In-kind	1,351.12	1,400.00	(48.88)
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Total Expenses	3,343,069.72	3,434,339.68	(91,269.96)
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Net Surplus (Deficit)	\$98,482.88	\$12,565.82	\$85,917.06
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To Reconcile to "Cash" Activity:			
Add Back: Depreciation and Amortization	111,288.40	120,033.06	(8,744.66)
Less: Principal Loan Payments	(32,833.94)	(32,833.94)	0.00
Less: Fixed Asset Acquisitions	(25,832.11)	(25,832.11)	0.00
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Net "Cash" Activity for this Period	\$151,105.23	\$73,932.83	\$77,172.40
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**HORIZONS SPECIALIZED SERVICES
NOTES TO FINANCIAL STATEMENTS
FOR THE SEVEN MONTHS ENDED JANUARY 31, 2017**

INCOME STATEMENT:

VARIANCE REPORT - OVER (UNDER) BUDGET:

#	Amount	%
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REVENUE:

Day Program & Homes

1.	(21,952) 5,068	(6.3%) 0.4%	Day Program revenue is under budget by \$18k (Routt above budget by \$2.8k and Moffat under by \$20.8k). Supported Employment revenue is within \$700 of a \$46.7k budget. Transportation reimbursements are under budget by \$3.2k. Overall, Day Program revenue is less than FY16 levels by \$17k mainly due to lower Specialized Hab utilization in Moffat County. Revenue in the Homes is favorable to budget for the year by \$5k. The loss of a client at Rose Street will be offset by the addition of the Host Home client in Routt County and an emergency placement at Rose (potentially May 1st).
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Early Intervention

2.	(12,297)	(5.6%)	Early Intervention revenue is \$12k unfavorable mainly due to the fact that we spread the EI State Contract funds over the first 9 months of the year, while budgeting Part C funds the final three months of the year. In addition, our total contract was adjusted down by \$18k to compensate for another CCB that was over utilizing their contracted amount. I remain hopeful that we will come close to the FY17 EI budget due to favorable variances in the Trust and Medicaid.
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Administration

3.	8,999	40.7%	Administration revenue is \$9k favorable due to increased Broker Fees from Trust (EI) reimbursements and higher than budgeted management fees from the State SLS and Family Support programs.
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SLS

4.	(40,805)	(14.4%)	SLS revenues are unfavorable in the following counties: Routt - \$14.7k; Moffat \$17.3k; Grand \$6.1k; Rio Blanco \$2.6k. State SLS and Family Support are on pace to utilize the full contract amount for FY17.
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CES

5.	(5,047)	(15.6%)	CES revenue is under budget by \$7k in Moffat County (one individual) due to staffing issues.
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Gov't Grant Support/HUD, etc.

6.	6,835	26.8%	This category is favorable by \$6.5k in Routt due to the receipt of payments from BOCES for Child Find.
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Gov't Grant Support/Part C

7.	23,247	175.4%	Favorable \$23k on timing of State payments for Part C Service Coordination and Management Fee. There is upside here due to differences in budgeted vs. actual state contract allocations - we have already exceeded the entire FY17 budget.
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Individual Donations, Foundation Grants/Cities/Counties, Fundraisers, United Way

8.	34,116 (1,692) (2,792) (1,195) <u>4,017</u> 32,454	86.0% (4.3%) (25.9%) (6.8%) 27.5%	Individual Donations are favorable by \$34k 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 \$10k in January from Energy Outreach Colorado to replace windows at our Rainbow group home in Craig.
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EXPENSES:

Salaries, P/R Taxes and Benefits.

9.	(32,244)	(1.4%)	Salaries are favorable by \$32.2k to budget through the first six months of the year. Wages for January were \$6.7k unfavorable to budget. After the first four months of the new base wage increase, we are trending towards using up all of this variance, hitting budget for FY17. Salaries have increased by \$50k compared to FY16, or 2.2%.
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Purchased & Medical Services

10.	12,941	13.7%	Host Home payments are unfavorable by \$9.6k due to the addition of an unbudgeted Host Home in Routt County. Due to client movement, Host Home payments in FY17 are \$11.1k less than FY16. The remainder of this variance is due to the type, amount and timing of PAR reimbursements for Medical Services provided to our clients as well as Family Support reimbursements.
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Depreciation

11.	(8,745)	(7.3%)	Depreciation is \$8.7k favorable to budget due to the timing of the purchase of capital additions. Although this variance will continue to trend favorable for FY17, keep in mind there is no cash flow impact.
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Supplies

12.	(9,929)	(13.4%)	Household Supplies in the group homes are favorable by \$8k. I would expect this variance to decrease as the homes purchase/replace appliances, notably the washers and dryers at Soda Creek.
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Professional Fees

13.	(14,262)	(59.7%)	Professional Fees are favorable by \$14k due to timing for large expenditures such as the audit, which is paid in June each year, and our annual Therap contract, paid in February (\$9.5k).
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Property Tax

14.	1,330	70.2%	Property Tax is unfavorable due to timing, the annual tax amount for the 8th Street Apartments hit during January, but the budget is spread throughout the year.
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**HORIZONS SPECIALIZED SERVICES
NOTES TO FINANCIAL STATEMENTS
FOR THE SEVEN MONTHS ENDED JANUARY 31, 2017**

budget is spread throughout the year.

RESOURCE DEVELOPMENT ANALYSIS

		FY 2017	FY 2016
Received to date:			
Individuals	73,782	73,782	20,133
Grand County	3,750		
Moffat County HRC			
Rio Blanco County	4,250		4,250
Total Counties		8,000	4,250
Bank of America			1,000
Caring Consumers	1,000		1,000
CDOT Grant			75,112
Energy Outreach Colorado	10,000		
Grand Foundation	4,954		
Knights of Columbus	2,000		2,228
Kroger Cares Program			
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	4,000		(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	2,000		
Yampa Valley Community Foundation - Anonymous Fund	1,000		
Yampa Valley Sustainability Council			100
Total Foundations, etc		37,890	83,623
Moffat County United Way	18,000		18,750
United Way - Other	600		
Total United Way		18,600	18,750
Meeker Holiday Home Tour	2,805		3,325
Little Points of Light	13,500		13,115
Pick a Dish			
Meeker Events			1,000
Other			448
Total Fundraisers		16,305	17,888
Sub-Total		154,577	144,644
<i>Less: Resource Development Salary and Payroll expenses</i>		<i>28,035</i>	<i>24,991</i>
<i>Other Direct Costs</i>		<i>10,147</i>	<i>13,677</i>
Net "Gain" (Loss) in Resource Development for 2017, 2016		116,395	105,976