

HORIZONS SPECIALIZED SERVICES
Statement of Financial Position
For the Nine Months Ending Saturday, March 31, 2018

ASSETS

Current Assets	
Cash	\$2,229,937.68
Accounts Receivable	640,689.44
Prepaid Expenses	<u>55,687.21</u>
Total Current Assets	2,926,314.33
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>2,115,926.97</u>
TOTAL ASSETS	<u><u>\$5,159,385.58</u></u>

LIABILITIES AND EQUITY

Current Liabilities	
Accounts Payable	\$47,765.12
Accrued Payroll and Employee Benefits	260,003.06
Deferred Revenue	3,250.00
Current Portion of Long Term Debt	<u>15,125.09</u>
Total Current Liabilities	326,143.27
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>92,399.14</u>
Total Equity	<u>4,346,173.89</u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$5,159,385.58</u></u>

**HORIZONS SPECIALIZED SERVICES
NOTES TO FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2018**

BALANCE SHEET:

Cash:

1,396,067	Certificates of Deposit and Savings Accounts
833,870	Checking & Money Market Accounts
<u>2,229,938</u>	

Accounts Receivable:

324,510	Balances due from ACS for Medicaid Waiver billings (90% of this is current)
80,960	Balances due from the State. This also includes Part C.
4,596	Work Crew billings and miscellaneous A/R
223,217	Calendar Year 2018 Mill Levy Funds due to Horizons
7,406	A/R from SCA Inc.
<u>640,689</u>	

Prepaid Expenses:

1,134	Various maintenance and service contracts, Apr 2018 - Apr 2019
42,360	Insurance (Health, Building, Liability, Workers Comp, D&O)
12,193	Security Deposits paid on behalf of clients moving into new apts and office spaces
<u>55,687</u>	

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>(102,882)</u>	Assets purchased through 3/31/18
<u>47,118</u>	Balance of Asset Budget in FY 2017-2018

Accrued Payroll and Employee Benefits:

101,524	Accrued payroll for last ten days of the month
157,839	Accrued paid time off (PTO)
640	Other accrued employee benefits & taxes
<u>260,003</u>	

Deferred Revenue:

3,250	Security Deposits on 8th Street apartments
-	Mill Levy funds received in excess of amounts recognized as revenue
<u>3,250</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>97,167</u>	Surplus Through 6/30/17
<u>1,881,540</u>	Unrestricted Fund Balance @ 6/30/17
<u>92,399</u>	Surplus Through 3/31/18
<u>1,997,286</u>	Unrestricted Fund Balance @ 3/31/18

HORIZONS SPECIALIZED SERVICES
Statement of Activity
For the Nine Months Ending Saturday, March 31, 2018

	Actual	Budget	Variance	Notes
Revenue				
Day Program	\$411,391.15	\$454,500.00	(\$43,108.85)	1
Early Intervention	242,915.34	317,688.84	(74,773.50)	2
Case Management	187,196.47	231,328.75	(44,132.28)	3
Administration	40,041.51	37,535.97	2,505.54	
Homes	1,756,030.61	1,778,257.09	(22,226.48)	1
Supported Living Services	310,708.63	300,764.36	9,944.27	4
Vocational Rehabilitation	2,993.25	3,375.00	(381.75)	
Work Crews	5,797.20	5,437.53	359.67	
Private Pay	184.50	0.00	184.50	
CES	18,124.72	29,980.00	(11,855.28)	5
Room & Board	233,425.00	233,322.97	102.03	
Other Income	47,977.80	40,551.00	7,426.80	
Gov't Grant Support/HUD, etc	95,138.00	41,170.00	53,968.00	6
Gov't Grant Support/Part C	52,903.24	63,220.50	(10,317.26)	
Individual Pledges and Donations	32,511.67	15,000.03	17,511.64	7
Foundation Grants/Support	42,520.00	74,999.97	(32,479.97)	7
Cities and Counties - Grants/Support	18,300.00	13,124.97	5,175.03	7
County Mill Levy	850,418.06	834,372.00	16,046.06	
Fundraisers	19,770.00	21,750.03	(1,980.03)	7
United Way - Grants/Support	20,760.00	18,749.97	2,010.03	7
Total Revenue	\$4,389,107.15	\$4,515,128.98	(\$126,021.83)	
Expenses				
Salaries, P/R Taxes & Benefits	\$2,977,419.21	\$3,098,124.23	(\$120,705.02)	8
Vehicle Expenses	39,531.64	47,024.55	(7,492.91)	
Purchased & Medical Services	134,269.78	148,919.56	(14,649.78)	9
Depreciation & Amortization	150,080.70	156,283.02	(6,202.32)	
Telephone	27,127.28	26,923.23	204.05	
Utilities	44,848.28	43,290.63	1,557.65	
Insurance	435,049.98	456,157.53	(21,107.55)	10
Interest	18,018.83	17,797.95	220.88	
Bank Charges	1,734.07	2,118.78	(384.71)	
Dues, Subscriptions & Fees	14,760.40	14,837.99	(77.59)	
Supplies	110,760.98	105,785.82	4,975.16	
Fundraising Expense	11,459.08	6,000.03	5,459.05	
Professional Fees	24,316.18	34,698.78	(10,382.60)	
Food (net of stamps)	58,855.18	66,790.62	(7,935.44)	
Postage & Express	3,753.15	5,047.38	(1,294.23)	
Repair & Maintenance	69,147.93	70,574.94	(1,427.01)	
Building Lease	110,453.37	113,805.27	(3,351.90)	
Property Tax	3,750.90	2,625.03	1,125.87	
Staff Development & Recognition	16,708.84	11,837.04	4,871.80	11
Meetings, Conferences & Training	9,158.65	17,624.97	(8,466.32)	

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Promotional Expense	6,426.08	6,037.56	388.52	
Travel	(655.68)	1,372.32	(2,028.00)	
Mileage Reimbursement	11,785.59	17,347.68	(5,562.09)	12
Client Assistance	15,507.12	38,643.39	(23,136.27)	13
In-kind	2,440.47	1,800.00	640.47	
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Total Expenses	4,296,708.01	4,511,468.30	(214,760.29)	
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Net Surplus (Deficit)	\$92,399.14	\$3,660.68	\$88,738.46	
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To Reconcile to "Cash" Activity:				
Add Back: Depreciation and Amortization	150,080.70	156,283.02	(6,202.32)	
Less: Principal Loan Payments	(44,484.91)	(44,484.91)	0.00	
Less: Fixed Asset Acquisitions	(102,881.86)	(102,881.86)	0.00	
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Net "Cash" Activity for this Period	\$95,113.07	\$12,576.93	\$82,536.14	
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HORIZONS SPECIALIZED SERVICES
 NOTES TO FINANCIAL STATEMENTS
 FOR THE NINE MONTHS ENDED MARCH 31, 2018

INCOME STATEMENT:

VARIANCE REPORT - OVER (UNDER) BUDGET:

Amount %

REVENUE:

Day Program & Homes

1. (43,109) (9.5%)
 (22,226) (1.2%)
 Combined Day Program revenue (which includes Specialized Hab, Community Connection, Supported Employment and Transportation) is \$43k under budget and Residential revenue is \$22k under budget. While we had hoped that Moffat Day Program reimbursements would increase with the emphasis we have placed on utilization, they have not. This is partially due to the fact that one of our Craig clients passed away in January. This fact is also partially the reason for the \$22k variance in the Homes. The remainder of this variance is due to higher than budgeted absences in Routt County. Through March, there have been 260 days of absences (compared to 32 in Moffat) in Routt County. Last fiscal year there were 193 days of absences through March, or an increase of 35% year over year.

Early Intervention

2. (74,774) (23.5%)
 Early Intervention revenue is \$75k, or 23.5% below budget. This is precisely why our contract amount was amended down by \$75k. Caseloads change often in Early Intervention due to the fact that children age out of our program at 3 years old. We simply use the contract allocation that the State comes up with as the basis for our budget. This will change next fiscal year as we will be reimbursed for our salaries, benefits, travel and operating expenses rather than for a hourly rate of direct service, plus a predetermined case management and indirect cost allocation. Trust and Medicaid reimbursements remain strong compared to budget and the reimbursement methodology will not change next year.

Case Management

3. (44,132) (19.1%)
 TCM revenue in Routt County is under budget by \$18.8k and in Moffat County by \$16.7k. These reimbursements are dependent upon the timing of the use of each individual's 240 units throughout the fiscal year. Case Management revenue has also decreased by \$14k compared to FY17, due to less TCM unit utilization and fewer additional state funds.

Supported Living Services

4. 9,944 3.3%
 SLS reimbursements continue to trend above budget driven by strong revenue in Moffat county, which is \$26k favorable to budget. Routt County reimbursements are \$15.7k under budget; Grand \$6.6k under budget; and Rio Blanco \$6.2k over budget. We have recently had additional enrollments in both Moffat and Rio Blanco counties, which will continue to drive revenue higher than budget.

CES

5. (11,855) (39.5%)
 CES revenue is unfavorable in Moffat by \$7.3k 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 \$2.2k unfavorable, again due to staffing issues. Our CES client in Moffat will no longer be eligible for service beginning thus reducing our CES caseload to 1.

Gov't Grant Support/HUD, etc.

6. 53,968 131.1%
 This category is favorable due to high amounts of Child Find evaluations (\$4k in Routt/\$14.3k in Moffat/\$3.1k in Rio Blanco). Also the USDA grant revenue for our Rio Blanco vehicle is in this variance (\$8k), as well as the CDOT grant (\$32k) for our new Maple Street wheelchair van, which was budgeted down below in Resource Development.

Individual Pledges & Donations, Foundations, Cities & Counties, Fundraisers, United Way

7. 17,512 116.7%
 (32,480) (43.3%)
 5,175 39.4%
 (1,980) (9.1%)
 2,010 10.7%
 (9,763)
 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.

EXPENSES:

Salaries, P/R Taxes and Benefits.

8. (120,705) (3.9%)
 The favorable variance in Salaries has increased by over \$20k since our last financial report. Part of this has to do with the fact that February is a short month, and thus has fewer hours. Additionally, Program reports that in Routt County we have about 4 unfilled positions, including the House Coordinator position at Westside (which has since been filled). Staffing in Grand County also continues to be an issue, which then leads to decreased utilization in SLS.

Purchased & Medical Services

9. (14,650) (9.8%)
 Purchased Services are favorable due to the movement of two Host Home Clients into Group Homes. While that saves Horizons about \$4k per month per person in this category, there are increased costs (Supplies, Food, Salaries, etc.) in other categories.

Insurance

10. (21,108) (4.6%)
 This variance has increased considerably since January due to the Pinnacle refund we received for our Work Comp performance (\$9k). Health Insurance continues to also trend below budget.

Staff Development & Recognition

11. 4,872 41.2%
 There are two factors that lead to this variance: the \$25 holiday gift cards given to all staff and the increased need to place advertisements in local newspapers to fill our open positions.

Mileage Reimbursement

12. (5,562) (32.1%)
 Mileage Reimbursements continue to trend below budget as we add to our vehicle fleet. This expense has decreased by about \$6k compared to last year and \$8k compared to FY16.

Client Assistance

13. (23,136) (59.9%)
 Client Assistance expense is under budget due to type of Family Support reimbursement requests we have received thus far in FY18. In addition, we budget \$15k annually in this category for Mill Levy Family Support requests, and those usually occur in June.

HORIZONS SPECIALIZED SERVICES
NOTES TO FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2018

<u>RESOURCE DEVELOPMENT ANALYSIS</u>		FY 2018	FY 2017
Received to date:			
Individuals	32,512		
Total		32,512	74,313
Grand County		9,800	3,750
Moffat County HRC			
Rio Blanco County		8,500	8,500
Total Counties		18,300	12,250
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			500
Meeker Lions Club		2,000	
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	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			17,000
Yampa Valley Community Foundation - Anonymous Fund			1,000
Yampa Valley Electric Caring Consumers		1,500	1,000
Total Foundations, etc		42,520	52,890
Moffat County United Way		19,500	18,000
United Way - Other		1,260	600
Total United Way		20,760	18,600
Meeker Holiday Home Tour		1,550	2,805
Little Points of Light		14,470	14,150
Pick a Dish		3,750	2,627
Meeker Events			
Other			500
Total Fundraisers		19,770	20,082
Sub-Total		133,862	178,135
<i>Less: Resource Development Salary and Payroll expenses</i>		<i>38,126</i>	<i>36,570</i>
<i>Other Direct Costs</i>		<i>16,938</i>	<i>10,802</i>
Net "Gain" (Loss) in Resource Development for 2018, 2017		78,797	130,763