

HORIZONS SPECIALIZED SERVICES
Statement of Financial Position
For the Nine Months Ending Friday, March 31, 2017

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ASSETS

Current Assets	
Cash	\$2,276,398.93
Accounts Receivable	517,480.26
Prepaid Expenses	<u>63,357.97</u>
Total Current Assets	<u>2,857,237.16</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>2,187,521.52</u>
TOTAL ASSETS	<u><u>\$5,145,708.85</u></u>

LIABILITIES AND EQUITY

Current Liabilities	
Accounts Payable	\$44,090.26
Accrued Payroll and Employee Benefits	248,940.06
Deferred Revenue	51,838.31
Current Portion of Long Term Debt	<u>14,450.99</u>
Total Current Liabilities	<u>359,319.62</u>
Long-term Debt	
Notes Payable	<u>546,657.46</u>
Total Long-term Debt	<u>546,657.46</u>
Net Assets	
Board Designated	2,064,586.00
Undesignated	<u>2,092,021.90</u>
Total Net Assets	<u>4,156,607.90</u>
Net Surplus (Deficit)	<u>83,123.87</u>
Total Equity	<u><u>4,239,731.77</u></u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$5,145,708.85</u></u>

**HORIZONS SPECIALIZED SERVICES
NOTES TO FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2017**

BALANCE SHEET:

Cash:

1,220,764 Certificates of Deposit and Savings Accounts
1,055,635 Checking & Money Market Accounts
2,276,399

Accounts Receivable:

319,844 Balances due from ACS for Medicaid Waiver billings (84% of this is current)
66,981 Balances due from the State. This also includes Part C.
22,142 Work Crew billings and miscellaneous A/R - \$19,646 is due from Routt County for Mill Levy payments
73,016 Accrued interest on CD's
35,497 A/R from SCA Inc.
517,480

Prepaid Expenses:

1,325 Various maintenance and service contracts Apr, 2017 - Apr, 2018
37,603 Insurance (Health, Building, Liability, Workers Comp, D&O)
13,847 Expenses paid in Mar for Apr or later
10,583 Security Deposits paid on behalf of clients moving into new apts and office spaces
63,358

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
(38,993) Assets purchased through 3/31/17
61,007 Balance of Asset Budget in FY 2016-2017

Accrued Payroll and Employee Benefits:

101,372 Accrued payroll for last ten days of the month
147,867 Accrued paid time off (PTO)
(298) Other accrued employee benefits & taxes
248,940

Deferred Revenue:

2,525 Security Deposits on 8th Street apartments
49,313 Waitlist Management/On-boarding funds received in January
51,838

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
83,124 Surplus Through 3/31/17
1,867,497 Unrestricted Fund Balance @ 3/31/17

HORIZONS SPECIALIZED SERVICES
Statement of Activity
For the Nine Months Ending Friday, March 31, 2017

	Actual	Budget	Variance	Notes
Revenue				
Day Program	\$422,672.25	\$446,250.06	(\$23,577.81)	1
Early Intervention	257,103.75	280,537.65	(23,433.90)	2
Case Management	200,762.81	213,428.13	(12,665.32)	
Administration	39,402.01	28,456.74	10,945.27	3
Homes	1,731,529.39	1,723,776.85	7,752.54	1
Supported Living Services	296,745.54	357,786.14	(61,040.60)	4
Vocational Rehabilitation	2,062.50	3,375.00	(1,312.50)	
Work Crews	5,228.54	5,437.53	(208.99)	
Private Pay	998.50	0.00	998.50	
CES	31,455.91	41,655.06	(10,199.15)	5
Room & Board	229,313.87	227,040.00	2,273.87	
Other Income	46,355.44	48,115.11	(1,759.67)	
Gov't Grant Support/HUD, etc	39,416.00	32,463.00	6,953.00	6
Gov't Grant Support/Part C	48,881.67	17,037.36	31,844.31	7
Individual Pledges and Donations	74,312.58	51,000.03	23,312.55	8
Foundation Grants/Support	52,890.00	50,890.50	1,999.50	8
Cities and Counties - Grants/Support	12,250.00	13,875.03	(1,625.03)	8
County Mill Levy	825,996.89	825,435.00	561.89	
Fundraisers	20,082.12	22,500.00	(2,417.88)	8
United Way - Grants/Support	18,600.00	18,749.97	(149.97)	8
Total Revenue	\$4,356,059.77	\$4,407,809.16	(\$51,749.39)	
Expenses				
Salaries, P/R Taxes & Benefits	\$2,946,833.80	\$3,013,570.26	(\$66,736.46)	9
Vehicle Expenses	43,303.21	49,874.40	(6,571.19)	
Purchased & Medical Services	138,777.86	118,208.18	20,569.68	10
Depreciation & Amortization	143,375.22	154,328.22	(10,953.00)	11
Telephone	31,101.09	28,706.40	2,394.69	
Utilities	40,702.70	42,926.13	(2,223.43)	
Insurance	457,042.76	465,027.55	(7,984.79)	
Interest	19,975.73	19,488.06	487.67	
Bank Charges	1,888.23	2,118.78	(230.55)	
Dues, Subscriptions & Fees	13,676.21	12,277.62	1,398.59	
Supplies	84,080.49	95,567.04	(11,486.55)	12
Fundraising Expense	5,873.56	7,499.97	(1,626.41)	
Professional Fees	22,972.33	30,723.84	(7,751.51)	13
Food (net of stamps)	62,315.85	64,085.94	(1,770.09)	
Postage & Express	4,518.64	5,268.60	(749.96)	
Repair & Maintenance	66,110.58	83,313.27	(17,202.69)	14
Building Lease	104,970.90	103,979.97	990.93	
Property Tax	3,226.32	2,437.56	788.76	
Staff Development & Recognition	7,885.69	17,902.53	(10,016.84)	
Meetings, Conferences & Training	8,284.90	18,063.54	(9,778.64)	
Promotional Expense	6,282.14	8,662.50	(2,380.36)	
Travel	5,961.66	7,638.57	(1,676.91)	

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Mileage Reimbursement	16,007.41	21,592.26	(5,584.85)
Client Assistance	36,331.49	40,632.03	(4,300.54)
In-kind	1,437.13	1,800.00	(362.87)
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Total Expenses	4,272,935.90	4,415,693.22	(142,757.32)
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Net Surplus (Deficit)	\$83,123.87	(\$7,884.06)	\$91,007.93
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To Reconcile to "Cash" Activity:			
Add Back: Depreciation and Amortization	143,375.22	154,328.22	(10,953.00)
Less: Principal Loan Payments	(42,528.01)	(42,528.01)	0.00
Less: Fixed Asset Acquisitions	(38,993.27)	(38,993.27)	0.00
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Net "Cash" Activity for this Period	\$144,977.81	\$64,922.88	\$80,054.93
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HORIZONS SPECIALIZED SERVICES
 NOTES TO FINANCIAL STATEMENTS
 FOR THE NINE MONTHS ENDED MARCH 31, 2017

INCOME STATEMENT:

VARIANCE REPORT - OVER (UNDER) BUDGET:

#	Amount	%	
<u>REVENUE:</u>			
<u>Day Program & Homes</u>			
1.	(23,578)	(5.3%)	Day Program revenue is under budget by \$17.4k (Routt above budget by \$6.2k and Moffat under by \$23.6k). Supported Employment revenue is under budget by \$1.5k and Transportation reimbursements are down \$4.6k to budget.
	7,753	0.4%	Overall, Day Program revenue is less than FY16 levels by \$14k mainly due to lower Specialized Hab utilization in Moffat County. Revenue in the Homes is favorable to budget for the year by \$7.7k. Despite the many changes we have had in Residential, revenue is within \$3.5k of FY16 levels.
<u>Early Intervention</u>			
2.	(23,434)	(8.4%)	Early Intervention revenue is \$23k 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. Overall, this variance should decrease in the next three months as the budget changes from State General Funds to Part C Funds.
<u>Administration</u>			
3.	10,945	38.5%	Administration revenue is \$11k favorable due to increased Broker Fees from Trust (EI) reimbursements and higher than budgeted management fees from the State SLS and Family Support programs.
<u>SLS</u>			
4.	(61,041)	(17.1%)	SLS revenues are unfavorable in the following counties: Routt - \$20.7k; Moffat \$25k; Grand \$10k; Rio Blanco \$5.1k. Medicaid SLS services are down \$24k 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.
<u>CES</u>			
5.	(10,199)	(24.5%)	CES revenue is under budget by \$9.5k in Moffat County (one individual) due to staffing issues. Overall, CES revenue is down \$11.2k to FY16.
<u>Gov't Grant Support/HUD, etc.</u>			
6.	6,953	21.4%	This category is favorable by \$6.5k in Routt due to the receipt of payments from BOCES for Child Find.
<u>Gov't Grant Support/Part C</u>			
7.	31,844	186.9%	Favorable \$31.8k 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.
<u>Individual Donations, Foundation Grants/Cities/Counties, Fundraisers, United Way</u>			
8.	23,313	45.7%	Individual Donations are favorable by \$23k 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.
	2,000	3.9%	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.
	(1,625)	(11.7%)	
	(2,418)	(10.7%)	
	(150)	(0.8%)	
	21,119		
<u>EXPENSES:</u>			
<u>Salaries, PIR Taxes and Benefits.</u>			
9.	(66,736)	(2.2%)	Salaries are favorable by \$66.7k to budget through March. Compared to this time last year, salaries have increased by \$62.4k or 2.2%. This variance grew by almost \$30k compared to last month, as this payroll cycle has fewer days than the other 11 months. It appears that we will be under budget for FY17, a good sign that we accurately and conservatively estimated the impacts of our many changes we made to our pay structure.
<u>Purchased & Medical Services</u>			
10.	20,570	17.4%	Host Home payments are unfavorable by \$15.7k due to the addition of an unbudgeted Host Home in Routt County. Due to client movement, Host Home payments in FY17 are \$17k 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.
<u>Depreciation</u>			
11.	(10,953)	(7.1%)	Depreciation is \$10.9k 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.
<u>Supplies</u>			
12.	(11,487)	(12.0%)	Household Supplies in the group homes are favorable by \$7.5k. This variance has decreased from February with the purchase of new washer/dryer units at SCA (\$3.1k over budget). Compared to last year, we have spent \$5k less in Supplies.
<u>Professional Fees</u>			
13.	(7,752)	(25.2%)	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).
<u>Repair and Maintenance</u>			
14.	(17,203)	(20.6%)	Repair and Maintenance is \$17k favorable to both budget and FY16. Notable variances exists at the 8th Street Apartments (\$5.1k favorable); Maple Street (\$4.6k favorable); Park Place (\$5.8k favorable); Rose Street (\$4.5k unfavorable); Rainbow (\$2.6k favorable); Villa (\$1.7k favorable).

HORIZONS SPECIALIZED SERVICES
NOTES TO FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2017

RESOURCE DEVELOPMENT ANALYSIS

		FY 2017	FY 2016
Received to date:			
Individuals	74,313	74,313	25,977
Grand County	3,750		
Moffat County HRC			
Rio Blanco County	8,500		8,500
Total Counties		12,250	8,500
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	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	17,000		
Yampa Valley Community Foundation - Anonymous Fund	1,000		
Yampa Valley Sustainability Council			100
Total Foundations, etc		52,890	86,151
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	14,150		17,115
Pick a Dish	2,627		250
Meeker Events			1,000
Other	500		448
Total Fundraisers		20,082	22,138
Sub-Total		178,135	161,516
<i>Less: Resource Development Salary and Payroll expenses</i>		36,570	32,486
<i>Other Direct Costs</i>		10,802	14,196
Net "Gain" (Loss) in Resource Development for 2017, 2016		130,763	114,834