



Financial Statements and
Independent Auditor's Report

Foothills Gateway, Inc.

June 30, 2013

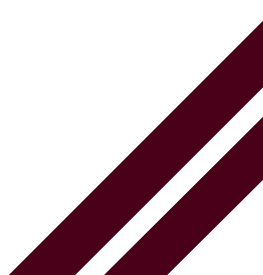
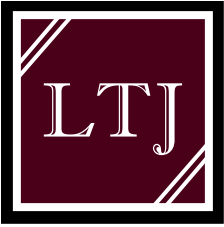


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Logan, Thomas & Johnson, LLC
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Foothills Gateway, Inc.

We have audited the accompanying financial statements of Foothills Gateway, Inc. (the Center), which comprises the statement of financial position as of June 30, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America as established by the Auditing Standards Board of the American Institute of Certified Public Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Foothills Gateway, Inc. as of June 30, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Center's 2012 financial statements, and our report dated September 27, 2012, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matter

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The summary of revenues, support and expenses by program on pages 20 through 23 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information on pages 20 through 23 is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The information on pages 24 through 25 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Logan, Thomas & Johnson, LLC

Broomfield, Colorado
September 27, 2013

Financial Statements

Foothills Gateway, Inc.
STATEMENT OF FINANCIAL POSITION
June 30, 2013
(With summarized financial information as of June 30, 2012)

	2013	2012
ASSETS		
Current assets		
Cash and cash equivalents	\$ 3,166,886	\$ 2,465,154
Certificates of deposit	65,149	64,755
Investments	1,344,068	1,103,033
Accounts receivable		
Fees and grants from governmental agencies	2,077,932	2,227,221
Vocational contracts	31,565	47,182
Other	71,885	67,015
Prepaid expenses and other	178,336	97,765
Total current assets	6,935,821	6,072,125
Investments	2,053,572	2,360,745
Land, building and equipment, net	2,531,414	2,709,236
Total assets	\$ 11,520,807	\$ 11,142,106
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 1,536,894	\$ 1,334,306
Deferred revenue	29,877	64,794
Total current liabilities	1,566,771	1,399,100
Net assets		
Unrestricted		
Designated memorial funds	120,908	115,321
Designated for capital repair and replacements	100,000	100,000
Net investment in land, building and equipment	2,531,414	2,709,236
Undesignated	7,007,790	6,664,113
Total unrestricted net assets	9,760,112	9,588,670
Temporarily restricted	193,924	154,336
Total net assets	9,954,036	9,743,006
Total liabilities and net assets	\$ 11,520,807	\$ 11,142,106

The accompanying notes are an integral part of this statement.

Foothills Gateway, Inc.
STATEMENT OF ACTIVITIES
Year ended June 30, 2013

(With summarized financial information for the year ended June 30, 2012)

	Unrestricted	Temporarily restricted	Total	
			2013	2012
Revenues and support				
Fees and grants from governmental agencies				
Fees for services				
State of Colorado				
State General Fund	\$ 1,693,056	\$ -	\$ 1,693,056	\$ 1,488,754
Medicaid	13,540,783	-	13,540,783	14,417,646
Part C	203,090	-	203,090	361,051
ARRA	-	-	-	1,900
Larimer County	2,974,756	-	2,974,756	2,998,259
Grants and other				
U.S. Department of Housing and Urban Development	96,470	-	96,470	18,493
Other	57,747	-	57,747	45,541
Total fees and grants from governmental agencies	18,565,902	-	18,565,902	19,331,644
Public support				
Contributions	94,581	137,037	231,618	168,445
United Way	9,347	-	9,347	12,188
Residential room and board	107,784	-	107,784	94,179
In-kind contributions	26,385	-	26,385	15,927
Vocational revenue	361,979	-	361,979	386,405
Other revenue	481,719	-	481,719	303,553
Net assets released from restrictions				
Satisfaction of program restrictions	97,449	(97,449)	-	-
Total revenues and support	19,745,146	39,588	19,784,734	20,312,341

(Continued)

The accompanying notes are an integral part of this statement.

Foothills Gateway, Inc.
STATEMENT OF ACTIVITIES (CONTINUED)
Year ended June 30, 2013
(With summarized financial information for the year ended June 30, 2012)

	Unrestricted	Temporarily restricted	Total	
			2013	2012
Expenses				
Program services				
Medicaid comprehensive	\$ 10,473,903	\$ -	\$ 10,473,903	\$ 11,151,958
State adult supported living	615,781	-	615,781	556,780
Medicaid adult supported living	2,199,452	-	2,199,452	2,119,170
Children's extensive support	350,517	-	350,517	308,866
Early intervention	914,105	-	914,105	1,049,365
Family support	195,749	-	195,749	155,709
Case management	2,536,369	-	2,536,369	2,367,641
Other program services	305,963	-	305,963	279,181
Vocational program	313,949	-	313,949	359,058
Total program services	17,905,788	-	17,905,788	18,347,728
Supporting services				
Management and general	1,667,916	-	1,667,916	1,654,612
Total expenses	19,573,704	-	19,573,704	20,002,340
CHANGE IN NET ASSETS	171,442	39,588	211,030	310,001
Net assets, beginning of year	9,588,670	154,336	9,743,006	9,433,005
Net assets, end of year	\$ 9,760,112	\$ 193,924	\$ 9,954,036	\$ 9,743,006

The accompanying notes are an integral part of this statement.

Foothills Gateway, Inc.
STATEMENT OF CASH FLOWS
Year ended June 30, 2013

(With summarized financial information for the year ended June 30, 2012)

	2013	2012
Cash flows from operating activities		
Change in net assets	\$ 211,030	\$ 310,001
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	481,696	500,681
Interest income re-invested in certificates of deposit	(394)	(438)
Realized/unrealized (gain) loss on investments	(6,284)	47,104
Gain on sale of fixed assets	(131,987)	(8,737)
In-kind contribution of land, building and equipment	(4,995)	-
Change in assets and liabilities		
Decrease in accounts receivable	160,036	190,781
Increase in prepaid expenses and other	(80,571)	(43,639)
Increase (decrease) in accounts payable and accrued expenses	202,588	(69,021)
Increase (decrease) in deferred revenue	(34,917)	15,637
Net cash provided by operating activities	796,202	942,369
Cash flows from investing activities		
Purchase of land, building and equipment	(359,147)	(186,772)
Proceeds from sale of fixed assets	192,255	15,640
Purchases of investments	(1,048,468)	(2,131,618)
Proceeds from sale of investments	1,120,890	1,005,790
Net cash used in investing activities	(94,470)	(1,296,960)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	701,732	(354,591)
Cash and cash equivalents, beginning of year	2,465,154	2,819,745
Cash and cash equivalents, end of year	\$ 3,166,886	\$ 2,465,154
Noncash investing and financing activities		
Contributed land, building and equipment	\$ 4,995	\$ -

The accompanying notes are an integral part of this statement.

Foothills Gateway, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This description of Foothills Gateway, Inc.'s (the Center) nature of activities and summary of significant accounting policies is presented to assist in understanding the Center's financial statements.

1. *Summary of Business Activities*

Foothills Gateway, Inc., a Colorado nonprofit corporation, was incorporated under the laws of the State of Colorado in 1968 for the purpose of providing a community center board to coordinate programs through interagency cooperation and local agencies to provide services to persons with developmental disabilities in Larimer County. The Center's revenue comes primarily from the State of Colorado and Larimer County for services provided.

2. *Description of Services Provided*

The major program services or supports and functional activities directly provided or purchased by the Center are:

Program Services or Supports

Comprehensive (Medicaid) refers to residential services, adult day services or supports and transportation activities as specified in the eligible person's Individualized Plan (IP). Included are a number of different types of residential settings, which provide an array of training, learning, experiential and support activities provided in residential living alternatives designed to meet individual needs. Additionally, adult day services provide opportunities for individuals to experience and actively participate in valued roles in the community. These services and supports enable individuals to access and participate in typical community activities such as work, recreation, and senior citizen activities. Finally, transportation activities refer to "Home to Day Program transportation" services relevant to an individual's work schedule as specified in the IP. For these purposes, "work schedule" is defined broadly to include adult and retirement activities such as education, training, community integration and employment.

Adult Supported Living (State and Medicaid) provides individualized living services for persons who are responsible for their own living arrangements in the community.

Children's Extensive Support is a deeming waiver (only the child's income is considered in determining eligibility) intended to provide needed services and supports to eligible children under the age of 18 years in order for the children to remain in or return to the

Foothills Gateway, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. *Description of Services Provided (Continued)*

Program Services or Supports (Continued)

Children's Extensive Support (Continued)

family home. Waiver services are targeted to children having extensive support needs, which require constant line-of-sight supervision due to significantly challenging behaviors and/or coexisting medical conditions. Available services include personal assistance, household modification, specialized medical equipment and supplies, professional services, and community connection services.

Early Intervention is for children from birth through age two which offer infants and toddlers and their families services and supports to enhance child development in the areas of cognition, speech, communication, physical, motor, vision, hearing, social-emotional development, and self help skills; parent-child or family interaction; and early identification, screening and assessment services.

Family Support provides an array of supportive services to the person with a developmental disability and his/her family when the person remains within the family home, thereby preventing or delaying the need for out-of-home placement, which is unwanted by the person or the family.

Case Management is the determination of eligibility for services and supports, service and support coordination, and the monitoring of all services and supports delivered pursuant to the IP, and the evaluation of results identified in the IP.

Other Program Services – In addition to Supported Living Services and residential services in Larimer County, the Resource Coordination and Development Department also administers Section 8 (HUD) housing subsidies. The Section 8 program enables participants to better afford housing in Larimer County by subsidizing their rent with federal funds. The Center has contracts with organizations which are not State or Medicaid funded. These contracts provide community employment opportunities for disabled individuals. The Center provides family respite and supervision services for adults at the Adult Care Services facility.

Vocational Program refers to vocational contracts which are not State or Medicaid funded. These contracts provide community employment opportunities for disabled individuals.

Foothills Gateway, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. *Description of Services Provided (Continued)*

Supporting Services

Management and General includes those activities necessary for planning, coordination and overall direction of the organization, financial administration, general board activities and other related activities indispensable to the Center's corporate existence.

3. *Basis of Accounting*

Financial statements of the Center have been prepared on the accrual basis, whereby support and revenue are recorded when services are performed and expenses are recognized when incurred.

4. *Use of Estimates*

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues, support and expenses during the reporting period. Actual results could differ from those estimates.

5. *Subsequent Events*

The Center has evaluated events and transactions occurring subsequent to the end of the fiscal year for potential recognition or disclosure through September 27, 2013, the date on which the financial statements were issued. The Center did not identify any events or transactions that would have a material impact on the financial statements.

6. *Cash and Cash Equivalents*

For purposes of the statement of cash flows, the Center considers cash to be all cash on hand, cash on deposit, and money market accounts subject to immediate withdrawal; and considers cash equivalents to be certificates of deposit and commercial paper with an original maturity of three months or less.

The Center maintains some of its cash balances at financial institutions located in Fort Collins, Colorado, which at times, may exceed federally insured limits. The Center has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Foothills Gateway, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

7. *Accounts Receivable*

The majority of the Center's accounts receivable are due from the State of Colorado. Accounts receivable are due according to contractual terms and are stated at the amount management expects to collect from outstanding balances. The Center believes all receivables are collectible and that no allowance for doubtful accounts is necessary. The Center writes off accounts receivable to bad debt expense after reasonable collection efforts have been made. Payments subsequently received on such receivables, if any, are recorded as other revenue.

8. *Investments*

The Center records investments in equity and debt securities at fair value in the statement of financial position as determined by quoted market prices. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

9. *Land, Building and Equipment*

Land, building and equipment are reported at cost for purchased assets with a cost of \$3,000 or more, and at estimated fair value, at date of receipt, for donated property. Depreciation is provided on the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and improvements	10-50
Program and administrative equipment	3-10

10. *Revenue Recognition*

Revenues are recognized when services are performed

11. *Accounting for Contributions*

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted for future periods, or are

Foothills Gateway, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

11. *Accounting for Contributions (Continued)*

restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. Unconditional promises to give, which do not state a due date, are presumed to be time-restricted by the donor until received and are reported as temporarily restricted net assets.

A donor restriction expires when a stipulated time restriction ends, when an unconditional promise with an implied time restriction is collected, or when a purpose restriction is accomplished. Upon expiration, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions. Restricted contributions received in the same year in which the restrictions are met are recorded as unrestricted revenue, rather than temporarily restricted revenue.

12. *In-Kind Contributions*

Contributions of property, materials and personal services are known as in-kind contributions and are recorded at estimated fair value at the date of receipt. The amount recorded for these contributions (other than contributions of land, building and equipment) is also included as program costs to properly reflect the total cost of the particular program.

13. *Income Taxes*

The Center is operated as a nonprofit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Center recognizes tax liabilities when, despite the Center's belief that its tax return positions are supportable, the Center believes that certain positions may not be fully sustained upon review by tax authorities. Benefits from tax positions are measured at the largest amount of benefit that is greater than fifty percent likely of being realized upon settlement. The Center has concluded there is no tax liability or benefit required to be recorded as of June 30, 2013. The Center is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. The Center believes it is no longer subject to income tax examinations for the years prior to the year ended June 30, 2010.

Foothills Gateway, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

14. *Fair Value Measurements*

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. A fair value hierarchy has been established under generally accepted accounting principles, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities and mutual funds that are traded in an active exchange market.

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. This category generally includes certain U.S. Government agency debt securities and corporate debt securities. The Center's Level 2 securities are primarily valued using quoted market prices for similar instruments and nonbinding market prices that are corroborated by observable market data.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial asset, including estimates of timing, amount of expected future cash flows, and the credit standing of the issuer. In some cases, the fair value estimates cannot be substantiated by comparison to independent markets. In addition, the disclosed fair value may not be realized in the immediate settlement of the financial asset. The disclosed fair values do not reflect any premium or discount that could result from offering for sale at one time an entire holding of a particular financial asset. Potential taxes and other expenses that would be incurred in an actual sale or settlement are not reflected in amounts disclosed.

Foothills Gateway, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

15. *Prior Year Summarized Information and Reclassifications*

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Center’s financial statements for the year ended June 30, 2012, from which the summarized information was derived. Certain financial information as of and for the year ended June 30, 2012, has been reclassified to conform with the presentation for the current year.

NOTE B – INVESTMENTS

Investments are classified between current and noncurrent based on their maturity dates.

Current investments	\$ 1,344,068
Noncurrent investments	<u>2,053,572</u>
Total investments	\$ <u>3,397,640</u>

The following table presents the Center’s investments and the fair value hierarchy for those assets measured at fair value as of June 30, 2013:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial assets:				
Equity income securities:				
Domestic	\$ 693,590	\$ 693,590	\$ -	\$ -
International	35,539	35,539	-	-
U.S. Government agency securities	714,941	-	714,941	-
Corporate bonds	1,231,676	-	1,231,676	-
Municipal bonds	<u>721,894</u>	<u>-</u>	<u>721,894</u>	<u>-</u>
	\$ <u>3,397,640</u>	\$ <u>729,129</u>	\$ <u>2,668,511</u>	\$ <u>-</u>

Investment return for the year ended June 30, 2013, consists of the following:

Investment income	\$ 121,862
Unrealized loss on investments	(15,972)
Realized gain on investments	<u>22,256</u>
	\$ <u>128,146</u>

Foothills Gateway, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE C – LAND, BUILDING AND EQUIPMENT

Land, building and equipment consist of the following at June 30, 2013:

Buildings and improvements	\$ 6,017,408
Program and administrative equipment	<u>1,994,490</u>
	8,011,898
Less accumulated depreciation	<u>5,616,784</u>
	2,395,114
Land	<u>136,300</u>
	\$ <u>2,531,414</u>

Depreciation expense was \$481,696 for the year ended June 30, 2013.

NOTE D – DEFERRED REVENUE

Deferred revenue of \$29,877 at June 30, 2013 consists of unearned revenue from the U.S. Department of Housing and Urban Development. The revenue is recognized when services are performed.

NOTE E –NET ASSETS

From time to time, the Center's Board of Directors approves designating net assets for future use for a specific purpose. Net investment in land, building and equipment is comprised of net land, building and equipment. Temporarily restricted net assets are restricted for the following as of June 30, 2013:

Adult care services (respite house)	\$ 28,110
Adult needs	71,936
Children and family	4,792
Community participation	6,513
FSS council	59,455
Other	<u>23,118</u>
	\$ <u>193,924</u>

NOTE F – RETIREMENT PLAN

The Center has established a defined contribution retirement plan for all employees age 21 and over who have completed one year of service. The Center contributes an amount equal to 5% of the salary of each participant totaling \$260,943 for the year ended June 30, 2013.

Foothills Gateway, Inc.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE G – LEASES

The Center leases office space, transportation and workshop equipment as well as residential facilities under operating lease arrangements in the operation of its programs. The leases expire through fiscal year 2018.

Future minimum rental payments for these leases at June 30, 2013 are as follows:

Year ending June 30,	
2014	\$ 14,439
2015	7,943
2016	5,260
2017	2,595
2018	<u>1,101</u>
	<u>\$ 31,338</u>

The total rent expense for operating leases for the year ended June 30, 2013 was \$49,648.

NOTE H – RELATED PARTY TRANSACTIONS

The Center receives a substantial amount of revenue from the State of Colorado. The amount of receivables the Center has from the State of Colorado is \$1,445,791 at June 30, 2013. These transactions are considered to be transactions with a related party by virtue of the significant management influence exercised by the State of Colorado through contract provisions.

NOTE I – TRUST ACTIVITY

Foothills-Gateway Rehabilitation Center Charitable Foundation Trust (the Trust) was created to provide support to the Center for the Center's work in rehabilitating developmentally disabled individuals in the Larimer County area. The Trust leases houses to developmentally disabled consumers of the Center at below market rates. The Trust did not receive any funds on behalf of the Center for the year ended June 30, 2013. During the year ended June 30, 2013, the Trust contributed \$43,351 to the Center which was restricted for the support of the adult and children special needs in the Adult Supported Living Services, Medicaid Comprehensive and Family Support programs.

Supplementary and Other Information

Foothills Gateway, Inc.
SUMMARY OF REVENUES, SUPPORT AND EXPENSES BY PROGRAM
Year ended June 30, 2013
(With summarized financial information for the year ended June 30, 2012)

	Program Services				
	Non specified	Medicaid comprehen- sive	State adult supported living	Medicaid adult supported living	Children's extensive support
Revenues and support					
Fees and grants from governmental agencies					
Fees for services					
State of Colorado					
State General Fund	\$ -	\$ -	\$ 486,522	\$ -	\$ 1,800
Medicaid	-	9,914,331	-	1,906,320	336,920
Part C	-	-	-	-	-
ARRA	-	-	-	-	-
Larimer County	2,974,756	-	-	-	-
Grants and other					
U.S. Department of Housing and Urban Development	-	-	-	-	-
Other	-	57,747	-	-	-
Total fees and grants from governmental agencies	2,974,756	9,972,078	486,522	1,906,320	338,720
Public support					
Contributions	-	14,921	52	3,406	-
United Way	9,347	-	-	-	-
Residential room and board	-	107,784	-	-	-
In-kind contributions	4,995	1,660	-	-	-
Vocational revenue	-	-	-	-	-
Other revenue	274,532	2,871	50	(870)	-
Total revenues and support	<u>\$ 3,263,630</u>	<u>\$ 10,099,314</u>	<u>\$ 486,624</u>	<u>\$ 1,908,856</u>	<u>\$ 338,720</u>
Expenses					
Salaries					
Direct care	\$ -	\$ 2,697,225	\$ 174,796	\$ 538,203	\$ -
Other	-	127,094	-	-	6,222
Payroll taxes	-	295,496	17,720	57,465	434
Employee benefits	-	599,723	35,580	78,437	1,135
Total personal services	-	3,719,538	228,096	674,105	7,791
Medical professional services					
Physicians	-	-	14,561	-	-
Other	-	276,773	14,641	69,898	13,270

Program Services

Early interven- tion	Family support	Case manage- ment	Other program services	Vocational program	Management and general	Allocation	Total	
							2013	2012
\$ 623,342	\$ 94,784	\$ 274,022	\$ -	\$ -	\$ 212,586	\$ -	\$ 1,693,056	\$ 1,488,754
-	-	1,250,926	-	-	132,286	-	13,540,783	14,417,646
79,354	-	68,366	-	-	55,370	-	203,090	361,051
-	-	-	-	-	-	-	-	1,900
-	-	-	-	-	-	-	2,974,756	2,998,259
-	-	-	96,470	-	-	-	96,470	18,493
-	-	-	-	-	-	-	57,747	45,541
702,696	94,784	1,593,314	96,470	-	400,242	-	18,565,902	19,331,644
1,406	18,191	43,351	9,824	22,736	117,731	-	231,618	168,445
-	-	-	-	-	-	-	9,347	12,188
-	-	-	-	-	-	-	107,784	94,179
-	-	-	84	-	19,646	-	26,385	15,927
-	-	-	-	361,979	-	-	361,979	277,826
74,147	8,000	25,355	66,910	-	30,724	-	481,719	412,132
<u>\$ 778,249</u>	<u>\$ 120,975</u>	<u>\$ 1,662,020</u>	<u>\$ 173,288</u>	<u>\$ 384,715</u>	<u>\$ 568,343</u>	<u>\$ -</u>	<u>\$ 19,784,734</u>	<u>\$ 20,312,341</u>
\$ 2,179	\$ -	\$ -	\$ 181,109	\$ 21,025	\$ -	\$ -	\$ 3,614,537	\$ 3,736,944
92,542	7,931	1,527,918	39,345	229,592	1,237,432	429,471	3,697,547	3,626,484
7,612	553	116,477	23,174	27,325	92,860	(41,514)	597,602	794,172
13,392	1,458	325,455	25,333	6,021	165,341	69,855	1,321,730	1,395,790
115,725	9,942	1,969,850	268,961	283,963	1,495,633	457,812	9,231,416	9,553,390
-	-	-	-	-	-	-	14,561	5,125
755,638	-	12,090	-	-	-	-	1,142,310	1,242,191

(Continued)

Foothills Gateway, Inc.
SUMMARY OF REVENUES, SUPPORT AND EXPENSES BY PROGRAM (CONTINUED)
Year ended June 30, 2013
(With summarized financial information for the year ended June 30, 2012)

	Program Services				
	Non specified	Medicaid comprehen- sive	State adult supported living	Medicaid adult supported living	Children's extensive support
Other professional services	\$ -	\$ 1,234,502	\$ 67,981	\$ 584,064	\$ 152,735
Staff development	-	17,132	3,260	5,437	85
Staff travel	-	6,778	2,410	8,367	56
Vehicles					
Fuel and oil	-	-	-	-	-
Maintenance	-	325,670	28,617	57,714	-
Occupancy					
Rent	-	31,729	-	-	-
Maintenance	-	394,734	31,538	54,355	255
Utilities	-	17,542	-	-	-
Equipment					
Leases	-	-	-	-	-
Maintenance	-	136,010	6,847	20,530	379
Supplies					
Medical and client care supplies	-	41,181	152	3,958	10,753
Pharmacy	-	-	-	-	-
Production materials	-	-	-	-	-
Other	-	50,757	3,877	8,571	157
Telephone	-	14,024	754	1,507	9
Dues and subscriptions	-	1,098	451	2,392	219
Food	-	21,680	-	-	-
Insurance	-	56,433	3,380	6,592	34
Other	-	329,876	20,061	140,976	8,174
In-kind contributions	-	1,660	-	-	-
Total direct program expenses	-	6,677,117	426,626	1,638,466	193,917
Purchased services	-	3,776,800	189,060	560,716	156,570
Expenses before depreciation	-	10,453,917	615,686	2,199,182	350,487
Depreciation	-	19,986	95	270	30
Total expenses	\$ -	\$ 10,473,903	\$ 615,781	\$ 2,199,452	\$ 350,517
Revenue in surplus/(deficit) to expenses	\$ 3,263,630	\$ (374,589)	\$ (129,157)	\$ (290,596)	\$ (11,797)

Program Services

Early intervention	Family support	Case manage- ment	Other program services	Vocational program	Management and general	Allocation	Total	
							2013	2012
\$ 6,938	\$ 755	\$ 2,723	\$ 1,701	\$ -	\$ 56,745	\$ 8,669	\$ 2,116,813	\$ 2,008,975
492	53	11,538	1,905	-	40,640	10,205	90,747	49,253
5,232	-	33,562	3,029	81	11,948	3,005	74,468	58,080
-	-	-	-	-	2,069	118,607	120,676	133,373
-	-	10,528	7,552	17,047	1,623	(371,527)	77,224	91,017
-	-	-	4,373	-	-	-	36,102	31,754
4,683	510	81,653	9,571	6,732	64,330	(425,536)	222,825	129,775
-	-	-	7,167	-	-	93,997	118,706	129,028
-	-	-	-	2,082	-	11,464	13,546	12,526
6,907	752	133,817	15,563	136	(295,480)	54,591	80,052	52,364
-	-	-	401	-	-	2,474	58,919	74,879
-	-	-	-	-	-	-	-	66
-	-	-	-	42,411	-	-	42,411	45,492
3,402	366	42,140	2,777	-	43,746	(39,513)	116,280	116,774
-	-	2,595	4,328	-	5,778	20,642	49,637	50,796
24	3	1,536	46	4,520	112,426	2,025	124,740	123,990
-	-	-	2,286	-	-	-	23,966	19,788
667	68	10,946	1,657	-	17,581	61,355	158,713	156,474
14,089	182,931	214,089	(25,438)	(45,759)	72,359	(447,517)	463,841	435,422
-	-	-	84	-	25,218	(5,572)	21,390	15,927
913,797	195,380	2,527,067	305,963	311,213	1,654,616	(444,819)	14,399,343	14,536,459
308	369	8,842	-	-	-	-	4,692,665	4,965,200
914,105	195,749	2,535,909	305,963	311,213	1,654,616	(444,819)	19,092,008	19,501,659
-	-	460	-	2,736	13,300	444,819	481,696	500,681
<u>\$ 914,105</u>	<u>\$ 195,749</u>	<u>\$ 2,536,369</u>	<u>\$ 305,963</u>	<u>\$ 313,949</u>	<u>\$ 1,667,916</u>	<u>\$ -</u>	<u>\$ 19,573,704</u>	<u>\$ 20,002,340</u>
<u>\$ (135,856)</u>	<u>\$ (74,774)</u>	<u>\$ (874,349)</u>	<u>\$ (132,675)</u>	<u>\$ 70,766</u>	<u>\$ (1,099,573)</u>	<u>\$ -</u>	<u>\$ 211,030</u>	<u>\$ 310,001</u>

Foothills Gateway, Inc.
 STATISTICAL DATA (UNAUDITED)
 Year ended June 30, 2013

	Program Services					
	Medicaid comprehen- sive	State adult supported living	Medicaid adult supported living	Children's extensive support	Early interven- tion	Family support
Total expenses	\$10,473,903	\$ 615,781	\$2,199,452	\$ 350,517	\$ 914,105	\$195,749
Less unallowable expenses	<u>49,627</u>	<u>-</u>	<u>32,417</u>	<u>1,800</u>	<u>2,671</u>	<u>20,780</u>
Total allowable expenses	10,424,276	615,781	2,167,035	348,717	911,434	174,969
Net allocated management and general (note A)	<u>643,190</u>	<u>37,814</u>	<u>135,066</u>	<u>21,525</u>	<u>56,134</u>	<u>12,021</u>
Adjusted total expenses	<u><u>\$11,067,466</u></u>	<u><u>\$ 653,595</u></u>	<u><u>\$2,302,101</u></u>	<u><u>\$ 370,242</u></u>	<u><u>\$ 967,568</u></u>	<u><u>\$186,990</u></u>

Statistical Data

1. Total days in residential used - State, Medicaid, private pay, etc.	41,965					
2. Total days in residential used - State and Medicaid only	41,965					
3. Unduplicated number of individuals	280	70	195	19	526	246
Cost per unit of service						
Adjusted total expense/item 2	\$ 264					
Adjusted total expense/item 3		\$ 9,337	\$ 11,806	\$ 19,486	\$ 1,839	\$ 760

Note A:

Net management and general expenses are allocated to program services based on the individual program's expenses as a percentage to total program expenses.

Program Services

Case manage- ment	Other program services	Vocational program	Management and general	Total
\$2,536,369	\$ 305,963	\$ 313,949	\$ 1,667,916	\$19,573,704
8,202	-	-	-	115,497
2,528,167	305,963	313,949	1,667,916	19,458,207
155,755	18,789	19,279	(1,099,573)	-
<u>\$2,683,922</u>	<u>\$ 324,752</u>	<u>\$ 333,228</u>	<u>\$ 568,343</u>	<u>\$19,458,207</u>

1,645

\$ 1,632