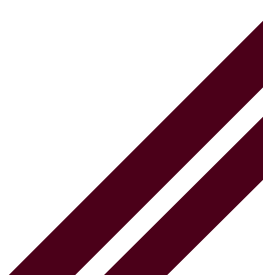




Financial Statements and  
Independent Auditor's Report

**Foothills Gateway, Inc.**

June 30, 2015



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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 comprise the statement of financial position as of June 30, 2015, 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, 2015, 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 2014 financial statements, and our report dated October 9, 2014, 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, 2014, 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

October 19, 2015

## *Financial Statements*

Foothills Gateway, Inc.  
STATEMENT OF FINANCIAL POSITION  
June 30, 2015  
(With summarized financial information as of June 30, 2014)

	2015	2014
ASSETS		
Current assets		
Cash and cash equivalents	\$ 3,006,980	\$ 2,698,846
Certificates of deposit	65,867	65,507
Investments	1,801,297	1,827,898
Accounts receivable		
Fees and grants from governmental agencies	2,684,892	2,301,679
Vocational contracts	37,378	33,406
Other	75,626	94,038
Prepaid expenses and other	54,707	63,637
Total current assets	7,726,747	7,085,011
Investments	2,469,408	2,590,227
Land, building and equipment, net	2,041,967	2,262,226
Total assets	\$ 12,238,122	\$ 11,937,464
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 1,789,675	\$ 1,642,679
Deferred revenue	93,915	201,392
Total current liabilities	1,883,590	1,844,071
Net assets		
Unrestricted		
Designated memorial funds	157,120	129,424
Designated for capital repair and replacements	100,000	100,000
Net investment in land, building and equipment	2,041,967	2,262,226
Undesignated	7,925,295	7,404,336
Total unrestricted net assets	10,224,382	9,895,986
Temporarily restricted	130,150	197,407
Total net assets	10,354,532	10,093,393
Total liabilities and net assets	\$ 12,238,122	\$ 11,937,464

The accompanying notes are an integral part of this statement.

Foothills Gateway, Inc.  
STATEMENT OF ACTIVITIES  
Year ended June 30, 2015

(With summarized financial information for the year ended June 30, 2014)

	Unrestricted	Temporarily restricted	Total	
			2015	2014
Revenues and support				
Fees and grants from governmental agencies				
Fees for services				
State of Colorado				
State General Fund	\$ 2,800,763	\$ -	\$ 2,800,763	\$ 2,109,537
Medicaid	15,635,215	-	15,635,215	14,334,352
Larimer County	3,071,759	-	3,071,759	3,042,869
Grants and other				
Part C	174,130	-	174,130	320,718
U.S. Department of Housing and Urban Development	63,101	-	63,101	61,905
Other	49,963	-	49,963	86,934
Total fees and grants from governmental agencies	21,794,931	-	21,794,931	19,956,315
Public support				
Contributions	144,366	149,067	293,433	278,009
United Way	5,172	-	5,172	7,875
Residential room and board	86,957	-	86,957	99,934
In-kind contributions	25,365	-	25,365	16,947
Vocational revenue	386,784	-	386,784	348,965
Other revenue	433,371	-	433,371	581,038
Net assets released from restrictions				
Satisfaction of program restrictions	216,324	(216,324)	-	-
Total revenues and support	23,093,270	(67,257)	23,026,013	21,289,083

(Continued)

The accompanying notes are an integral part of this statement.

Foothills Gateway, Inc.  
STATEMENT OF ACTIVITIES (CONTINUED)  
Year ended June 30, 2015  
(With summarized financial information for the year ended June 30, 2014)

	Unrestricted	Temporarily restricted	Total	
			2015	2014
Expenses				
Program services				
Medicaid comprehensive	\$ 11,746,924	\$ -	\$ 11,746,924	\$ 11,258,792
State adult supported living	657,338	-	657,338	636,829
Medicaid adult supported living	2,626,673	-	2,626,673	2,272,603
Children's extensive support	550,399	-	550,399	438,852
Early intervention	1,220,472	-	1,220,472	1,122,999
Family support	429,618	-	429,618	288,998
Case management	3,024,586	-	3,024,586	2,725,395
Other program services	249,094	-	249,094	308,125
Vocational program	347,091	-	347,091	301,867
Total program services	20,852,195	-	20,852,195	19,354,460
Supporting services				
Management and general	1,912,679	-	1,912,679	1,795,266
Total expenses	22,764,874	-	22,764,874	21,149,726
CHANGE IN NET ASSETS	328,396	(67,257)	261,139	139,357
Net assets, beginning of year	9,895,986	197,407	10,093,393	9,954,036
Net assets, end of year	\$ 10,224,382	\$ 130,150	\$ 10,354,532	\$ 10,093,393

The accompanying notes are an integral part of this statement.



Foothills Gateway, Inc.  
STATEMENT OF CASH FLOWS  
Year ended June 30, 2015

(With summarized financial information for the year ended June 30, 2014)

	2015	2014
Cash flows from operating activities		
Change in net assets	\$ 261,139	\$ 139,357
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	470,730	491,928
Interest income re-invested in certificates of deposit	(360)	(358)
Realized/unrealized (gain) loss on investments	57,822	(98,007)
Gain on sale of fixed assets	(19,273)	(10,227)
Change in assets and liabilities		
Increase in accounts receivable	(368,773)	(247,741)
Decrease in prepaid expenses and other	8,930	114,699
Increase in accounts payable and accrued expenses	146,996	105,785
Increase (decrease) in deferred revenue	(107,477)	171,515
Net cash provided by operating activities	449,734	666,951
Cash flows from investing activities		
Purchase of land, building and equipment	(266,856)	(223,404)
Proceeds from sale of fixed assets	35,658	10,891
Purchases of investments	(924,642)	(1,830,560)
Proceeds from sale of investments	1,014,240	908,082
Net cash used in investing activities	(141,600)	(1,134,991)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	308,134	(468,040)
Cash and cash equivalents, beginning of year	2,698,846	3,166,886
Cash and cash equivalents, end of year	\$ 3,006,980	\$ 2,698,846

The accompanying notes are an integral part of this statement.

Foothills Gateway, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

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, 2015

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, 2015

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 revenue is 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 October 19, 2015, 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, 2015

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. *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 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.

Foothills Gateway, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

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

10. *Accounting for Contributions (Continued)*

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.

11. *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.

12. *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, 2015. 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, 2012.

13. *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.

Foothills Gateway, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

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

13. *Fair Value Measurements (Continued)*

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.

14. *Prior Year Summarized Information*

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, 2014, from which the summarized information was derived

Foothills Gateway, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

NOTE B – INVESTMENTS

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

Current investments	\$ 1,801,297
Noncurrent investments	<u>2,469,408</u>
Total investments	\$ <u>4,270,705</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, 2015:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial assets:				
Equity income securities:				
Domestic	\$ 1,258,762	\$ 1,258,762	\$ -	\$ -
International	33,075	33,075	-	-
U.S. Government agency securities	1,323,342	-	1,323,342	-
Corporate bonds	1,356,767	-	1,356,767	-
Municipal bonds	<u>298,759</u>	<u>-</u>	<u>298,759</u>	<u>-</u>
	\$ <u>4,270,705</u>	\$ <u>1,291,837</u>	\$ <u>2,978,868</u>	\$ <u>-</u>

Investment return for the year ended June 30, 2015, consists of the following:

Investment income	\$ 134,497
Unrealized loss on investments	(12,572)
Realized loss on investments	<u>(45,250)</u>
	\$ <u>76,675</u>

NOTE C – LAND, BUILDING AND EQUIPMENT

Land, building and equipment consist of the following at June 30, 2015:

Buildings and improvements	\$ 6,100,060
Program and administrative equipment	<u>2,070,189</u>
	8,170,249
Less accumulated depreciation	<u>6,264,582</u>
	1,905,667
Land	<u>136,300</u>
	\$ <u>2,041,967</u>

Depreciation expense was \$470,730 for the year ended June 30, 2015.



Foothills Gateway, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

NOTE D – DEFERRED REVENUE

Deferred revenue of \$93,915 at June 30, 2015 consists of unearned revenue of \$33,946 from the U.S. Department of Housing and Urban Development and \$59,969 from the State of Colorado. 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, 2015:

Adult care services (respite house)	\$ 30,158
Adult needs	21,394
Children and family	9,562
FSS council	42,709
Other	<u>26,327</u>
	\$ <u>130,150</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 \$268,899 for the year ended June 30, 2015.

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 total rent expense for operating leases for the year ended June 30, 2015 was \$49,419.

Future minimum rental payments for these leases at June 30, 2015 are as follows:

Year ending June 30,	
2016	\$ 20,968
2017	18,997
2018	17,503
2019	16,402
2020	7,507
Thereafter	<u>100</u>
	\$ <u>81,477</u>

Foothills Gateway, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

NOTE H – RELATED PARTY TRANSACTIONS

The Center receives a substantial amount of revenue from the State of Colorado. The amount of receivables and deferred revenue the Center has from the State of Colorado are \$2,061,910 and \$59,969, respectively, at June 30, 2015. 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, 2015. During the year ended June 30, 2015, the Trust contributed \$67,687 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, 2015  
(With summarized financial information for the year ended June 30, 2014)

	<b>Program Services</b>				
	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	\$ -	\$ -	\$ 533,384	\$ -	\$ -
Medicaid	-	10,999,374	-	2,273,664	511,696
Larimer County	3,071,759	-	-	-	-
Grants and other					
Part C	-	-	-	-	-
U.S. Department of Housing and Urban Development	-	-	-	-	-
Other	-	44,691	-	-	-
Total fees and grants from governmental agencies	3,071,759	11,044,065	533,384	2,273,664	511,696
Public support					
Contributions	-	46,092	124	2,097	-
United Way	5,172	-	-	-	-
Residential room and board	-	86,957	-	-	-
In-kind contributions	-	674	-	-	-
Vocational revenue	-	-	-	-	-
Other revenue	115,148	16,760	-	(357)	-
Total revenues and support	<u>\$ 3,192,079</u>	<u>\$ 11,194,548</u>	<u>\$ 533,508</u>	<u>\$ 2,275,404</u>	<u>\$ 511,696</u>
Expenses					
Salaries					
Direct care	\$ -	\$ 2,542,288	\$ 151,722	\$ 526,446	\$ 59,253
Other	-	328,082	4,331	21,038	6,775
Payroll taxes	-	332,175	17,235	60,635	7,297
Employee benefits	-	653,126	32,557	92,266	5,738
Total personal services	-	3,855,671	205,845	700,385	79,063
Medical professional services					
Physicians	-	-	4,416	-	-
Other	-	287,519	28,040	86,787	65,477

**Program Services**

Early interven- tion	Family support	Case manage- ment	Other program services	Vocational program	Management and general	Allocation	Total	
							2015	2014
\$ 914,466	\$ 342,148	\$ 553,253	\$ -	\$ -	\$ 457,512	\$ -	\$ 2,800,763	\$ 2,109,537
-	-	1,678,907	-	-	171,574	-	15,635,215	14,334,352
-	-	-	-	-	-	-	3,071,759	3,042,869
83,660	-	38,746	-	-	51,724	-	174,130	320,718
-	-	-	63,101	-	-	-	63,101	61,905
-	-	5,272	-	-	-	-	49,963	86,934
998,126	342,148	2,276,178	63,101	-	680,810	-	21,794,931	19,956,315
-	17,054	49,462	11,486	15,799	151,319	-	293,433	278,009
-	-	-	-	-	-	-	5,172	7,875
-	-	-	-	-	-	-	86,957	99,934
-	-	33	-	-	24,658	-	25,365	16,947
-	-	-	-	386,784	-	-	386,784	348,965
109,693	13,000	38,918	107,718	-	32,491	-	433,371	581,038
<u>\$ 1,107,819</u>	<u>\$ 372,202</u>	<u>\$ 2,364,591</u>	<u>\$ 182,305</u>	<u>\$ 402,583</u>	<u>\$ 889,278</u>	<u>\$ -</u>	<u>\$ 23,026,013</u>	<u>\$ 21,289,083</u>
\$ 38,337	\$ -	\$ -	\$ 161,449	\$ 38,359	\$ -	\$ -	\$ 3,517,854	\$ 3,666,180
69,368	21,423	1,878,225	42,879	262,178	1,406,009	446,680	4,486,988	3,859,848
9,671	1,632	155,713	22,989	35,287	109,439	38,810	790,883	695,849
19,425	5,993	379,542	27,827	12,671	194,446	76,706	1,500,297	1,421,200
136,801	29,048	2,413,480	255,144	348,495	1,709,894	562,196	10,296,022	9,643,077
-	-	-	-	-	-	-	4,416	15,684
1,024,035	-	18,654	-	-	-	-	1,510,512	1,387,179

(Continued)

Foothills Gateway, Inc.  
SUMMARY OF REVENUES, SUPPORT AND EXPENSES BY PROGRAM (CONTINUED)  
Year ended June 30, 2015  
(With summarized financial information for the year ended June 30, 2014)

	<b>Program Services</b>				
	Non specified	Medicaid comprehen- sive	State adult supported living	Medicaid adult supported living	Children's extensive support
Other professional services	\$ -	\$ 1,321,680	\$ 30,125	\$ 45,169	\$ 2,003
Staff development	-	9,609	1,794	2,935	149
Staff travel	-	4,604	2,976	8,775	191
Vehicles					
Fuel and oil	-	-	-	-	-
Maintenance	-	313,752	23,722	56,151	-
Occupancy					
Rent	-	31,729	-	-	-
Maintenance	-	377,910	23,359	48,451	229
Utilities	-	11,412	-	-	-
Equipment					
Leases	-	21	27	106	14
Maintenance	-	154,752	6,135	20,607	403
Supplies					
Medical and client care supplies	-	48,090	1,525	52,554	23,694
Production materials	-	-	-	-	-
Other	-	53,228	3,512	9,253	173
Telephone	-	14,383	589	1,433	10
Dues and subscriptions	-	1,860	603	2,094	234
Food	-	11,835	-	-	-
Insurance	-	64,644	3,256	7,510	275
Other	-	402,292	22,201	195,391	45,623
In-kind contributions	-	674	-	-	-
Total direct program expenses	-	6,965,665	358,125	1,237,601	217,538
Purchased services	-	4,766,974	298,878	1,387,737	332,680
Expenses before depreciation	-	11,732,639	657,003	2,625,338	550,218
Depreciation	-	14,285	335	1,335	181
Total expenses	\$ -	\$ 11,746,924	\$ 657,338	\$ 2,626,673	\$ 550,399
Revenue in surplus/(deficit) to expenses	\$ 3,192,079	\$ (552,376)	\$ (123,830)	\$ (351,269)	\$ (38,703)

**Program Services**

Early interven- tion	Family support	Case manage- ment	Other program services	Vocational program	Management and general	Allocation	Total	
							2015	2014
\$ -	\$ -	\$ 2,208	\$ -	\$ 4,550	\$ 93,794	\$ 9,403	\$ 1,508,932	\$ 2,011,294
201	57	13,137	1,955	60	43,953	9,057	82,907	104,194
8,271	18	43,616	1,993	-	16,508	3,051	90,003	78,479
-	-	-	-	-	1,219	92,894	94,113	116,352
186	57	8,147	4,275	15,533	331	(345,434)	76,720	70,893
-	-	-	25	-	-	-	31,754	31,880
3,307	1,021	80,737	8,890	8,657	60,425	(463,904)	149,082	225,810
-	-	-	7,662	-	-	90,306	109,380	118,872
-	-	-	-	2,131	1,805	13,561	17,665	14,907
5,800	1,792	153,752	17,007	2,595	(330,995)	56,833	88,681	80,870
14,931	-	-	1,481	-	-	5,383	147,658	113,826
-	-	-	-	39,495	-	-	39,495	35,986
3,002	901	52,739	2,708	-	46,835	(45,167)	127,184	127,937
-	-	2,913	4,506	425	7,373	21,104	52,736	52,066
156	-	4,010	32	-	106,705	4,693	120,387	132,918
-	-	-	233	-	-	-	12,068	17,436
721	195	14,670	1,679	186	19,357	70,640	183,133	170,607
18,755	395,772	207,379	(58,496)	(75,036)	90,620	(519,013)	725,488	612,261
-	-	33	-	-	24,658	-	25,365	16,947
1,216,166	428,861	3,015,475	249,094	347,091	1,892,482	(434,397)	15,493,701	15,179,475
4,306	757	9,111	-	-	-	-	6,800,443	5,478,323
1,220,472	429,618	3,024,586	249,094	347,091	1,892,482	(434,397)	22,294,144	20,657,798
-	-	-	-	-	20,197	434,397	470,730	491,928
<u>\$ 1,220,472</u>	<u>\$ 429,618</u>	<u>\$ 3,024,586</u>	<u>\$ 249,094</u>	<u>\$ 347,091</u>	<u>\$ 1,912,679</u>	<u>\$ -</u>	<u>\$ 22,764,874</u>	<u>\$ 21,149,726</u>
<u>\$ (112,653)</u>	<u>\$ (57,416)</u>	<u>\$ (659,995)</u>	<u>\$ (66,789)</u>	<u>\$ 55,492</u>	<u>\$ (1,023,401)</u>	<u>\$ -</u>	<u>\$ 261,139</u>	<u>\$ 139,357</u>

Foothills Gateway, Inc.  
 STATISTICAL DATA (UNAUDITED)  
 Year ended June 30, 2015

	<b>Program Services</b>					
	Medicaid comprehen- sive	State adult supported living	Medicaid adult supported living	Children's extensive support	Early interven- tion	
Total expenses	\$11,746,924	\$ 657,338	\$2,626,673	\$ 550,399	\$1,220,472	\$429,618
Less unallowable expenses	<u>54,978</u>	<u>-</u>	<u>35,289</u>	<u>1,434</u>	<u>804</u>	<u>19,836</u>
Total allowable expenses	11,691,946	657,338	2,591,384	548,965	1,219,668	409,782
Net allocated management and general (note A)	<u>576,526</u>	<u>32,261</u>	<u>128,914</u>	<u>27,013</u>	<u>59,899</u>	<u>21,085</u>
Adjusted total expenses	<u><u>\$12,268,472</u></u>	<u><u>\$ 689,599</u></u>	<u><u>\$2,720,298</u></u>	<u><u>\$ 575,978</u></u>	<u><u>\$1,279,567</u></u>	<u><u>\$430,867</u></u>

Statistical Data

1. Total days in residential used - State, Medicaid, private pay, etc.	42,862					
2. Total days in residential used - State and Medicaid only	42,862					
3. Unduplicated number of individuals	299	63	245	65	663	318
Cost per unit of service						
Adjusted total expense/item 2	\$ 286					
Adjusted total expense/item 3		\$ 10,946	\$ 11,103	\$ 8,861	\$ 1,930	\$ 1,355

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
\$3,024,586	\$ 249,094	\$ 347,091	\$ 1,912,679	\$22,764,874
<u>9,923</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>122,264</u>
3,014,663	249,094	347,091	1,912,679	22,642,610
<u>148,443</u>	<u>12,225</u>	<u>17,035</u>	<u>(1,023,401)</u>	<u>-</u>
<u><u>\$3,163,106</u></u>	<u><u>\$ 261,319</u></u>	<u><u>\$ 364,126</u></u>	<u><u>\$ 889,278</u></u>	<u><u>\$22,642,610</u></u>

1,976

\$ 1,601