



TOWN OF EXETER, NEW HAMPSHIRE
HUMAN SERVICES
FY 2020

Town Manager's Office

JUL 29 2020

Received

Organization's Name: ONE SKY COMMUNITY SERVICES Year Founded: 198
Address: 755 BANFIELD ROAD, PORTSMOUTH, NH 03801
Executive Director/ Board Chair: MATT CORDARO Tax ID Number: 02-0368955
Applicant Contact: BILLIE TOOLEY
Email Address: B.TOOLEY@ONESKYSERVICES.ORG Phone: 603-770-0347 (cell)

Organization's Mission Statement:

* See attached

Statement of Grant Purpose; e.g. This grant will be used...:

* See attached

% of overall services that goes to Exeter residents: —

of Exeter residents served: 95

List all geographic area(s) served by organization: * See attached

Brief Detailed description of how the money will be specifically utilized for Exeter residents:

* See attached

Amount received from the Town of Exeter (by year) for the last 3 (three) years:

2017 - — 2018 - \$1,625 2019 - \$1,625

Total Municipal Contributions in 2019: \$16,225

List each town that contributes and the amount received: * See attached

Organization's total projected budget for FY 2020: \$32,863,350 Amount Requested: \$1,800

Additional Information Required:

Please supply the following items for a complete application to be considered:

- ✓ • Provide a narrative, not to exceed two pages in size 12 font
 - Organization's overview
 - Program's impact on Exeter residents
 - Program changes and/ or highlights from the past year
- ✓ • Complete financial statements (Please note: the organization's 990 may be requested)
 - Operating budget
 - Balance sheet
- ✓ • Board of Directors List
- ✓ • 2019 Funding recipients must submit an Annual Report prior to consideration of 2020 application

I certify to the best of my knowledge that the information in this proposal reflects accurate data concerning need and estimates of planned/delivered services. The proposal was considered and approved for submission by the agency Board of Directors on 7/29/20 (date).

By signing this application the undersigned offers and agrees, if the proposal is accepted, to furnish items or services that is quoted. This agreement is subject to final negotiation and acceptance by the Board of Selectmen and the Budget Review Committee and subsequent contract award.

Director's (or Designee) Signature: Billie Tooley Date: 7/29/20

Submit no later than July 31, 2019:

Town of Exeter
Town Manager
10 Front Street
Exeter, NH 03833



Organization's Mission Statement:

We assist individuals and families with developmental disabilities or acquired brain disorders, to live as valued and contributing members in their communities.

Honoring the inherent value of each person, we are committed to:

- Helping individuals make choices for themselves about where they live, work and spend time
- Using existing resources when possible, but also creating and maintaining supports and services, which are flexible and responsive to the circumstances of that individual
- Assisting families in ways that they view as supportive
- Promoting community understanding, acceptance and support of individuals with disabilities
- Fostering inclusion of individuals in community affairs and relationships
- Working in cooperation with local citizens and professionals to realize this mission
- Providing services without regard to race, sex, religion, national origin or political belief

Statement of Grant Purpose:

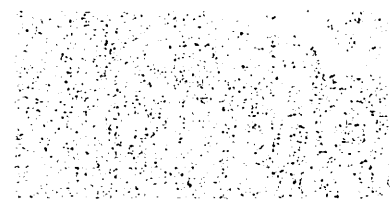
This grant will be used to provide those we serve and who reside in the Town Of Exeter with additional financial assistance to pay for those crucial and essential needs and requirements that their allocated budgets can no longer cover in total, such as extensive dental care, medical supplies, food, clothing, rent, repairs and home modifications, special equipment, transportation, emergency situations and in some cases, temporary housing.

List of all geographic areas served by the organization:

One Sky serves 24 communities within Rockingham County: Northwood, Deerfield, Nottingham, Raymond, Epping, Fremont, Brentwood, Kingston, East Kingston, Exeter, Newfields, Newmarket, Kensington, Hampton Falls, Hampton, Seabrook, Stratham, Greenland, North Hampton, Rye, Portsmouth, New Castle, Newington, South Hampton

Brief Detailed description of how the money will be specifically utilized for Exeter residents:

Please see the above response



Organization's Vision Statement

We assist individuals and families with developmental disabilities or acquired brain disorders to live as valued and contributing members in their communities.

Honoring the inherent value of each person, we are committed to:

- Helping individuals make choices for themselves about where they live, work and spend time
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Statement of Grant Purpose

This grant will be used to provide those we serve and who reside in the Town of Exeter with additional financial assistance to pay for those crucial and essential needs and requirements that their allocated budgets can no longer cover in total, such as extensive dental care, medical supplies, food, clothing, and repairs and home modifications, special equipment, transportation, emergency situations and in some cases, temporary housing.

List of all geographic areas served by the organization:

One Sky serves 14 communities within Rockingham County: Northwood, Dechfield, Northham, Raymond, Epping, Fremont, Greenwood, Kingston, East Kingston, Exeter, Newfields, Newmarket, Kensington, Hanover Falls, Hampton, Seabrook, Stratford, Greenland, North Hampton, Rye, Portsmouth, New Castle, Newington, South Hampton

Other detailed description of how the money will be specifically utilized for Exeter residents:

Please see the above response

Total Municipal contributions in 2019: \$16,225

Fremont	\$2,800	Exeter	\$1,625
New Castle	\$200	Newington	\$300
Hampton	\$5100	Kingston	\$3,100
Portsmouth	\$2500	Newfields	\$600

Organization's total projected budget for FY 2019-20: \$32,863,350

The One Sky Readiness Fund was formally established as an entity of the organization by the Board of Directors with its own Funding and Disbursement Policy regulations and an official Request Form to be used by service coordinators.

Its main focus and mission as the last financial lifeline for those we serve has not changed.

Since its creation, One Sky has worked very hard to "fill the coffers" of the Fund. We knew once word spread through our service coordinators to our clients that the demand for assistance would only grow. This past year over 38 requests were approved, which is more than double from what we received the prior year. We disbursed well over \$36,603 which is a clear indication that the need for this Fund is growing based on the challenging financial and service delivery environment we are currently in. Clients' budgets are stretched very thin because of the rising costs of the services and supports that they need. All of this is placing a significant strain on all the resources they might have at their disposal: hence the major role that the One Sky Readiness Fund now plays for the organization.

As the last financial lifeline for individuals and families, the Fund offers financial assistance with a myriad of essential medical and personal requirements and needs. There is a growing need for extensive dental work, home modifications and repairs, food, clothing, rent, medical supplies, transportation repairs, temporary housing, beds and more.

This year's breakdown of where the dollars went:

Emergency assistance requests -	\$12,500.00
Dental requests -	\$15,159.00
Medical supplies and equipment -	\$ 8,944.00

Total Municipal contributions in 2019:	
Portsmouth	\$2500
Hampton	\$2100
New Castle	\$200
Trenton	\$2300

	\$16,222

Organization's total projected budget for FY 2019-20:	
Newfields	\$600
Kingston	\$3,100
Newington	\$300
Exeter	\$1,222

	\$32,883,320

The One Sky Readiness Fund was formally established as an entity of the organization by the Board of Directors with its own Funding and Disbursement Policy regulations and an official Request Form to be used by service coordinators.

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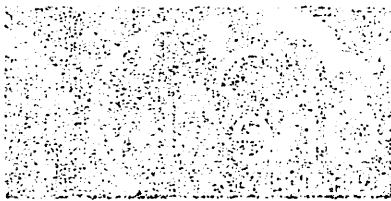
This year's breakdown of where the dollars went:

Medical supplies and equipment -	\$ 2,244.00
Dental requests -	\$12,122.00
Emergency assistance requests -	\$12,500.00



**Statements of Financial Position
As of June 30, 2018 and 2017**

ASSETS	2018	2017
<u>Current assets</u>		
Cash/cash equivalent	\$1,740,253	\$943,243
Client funds held	369,333	367,938
Accounts receivable/net	1,994,666	3,211,473
Prepaid expenses	89,932	48,770
 Total current assets	 <u>\$4,194,184</u>	 <u>\$4,571,424</u>
<u>Property and equipment</u>		
Land	\$253,200	\$253,200
Buildings	860,505	860,505
Leasehold Improvements	717,329	596,638
Vehicles	91,213	91,213
Equipment	417,220	417,220
Construction in progress	24,500	26,121
	\$2,363,967	\$2,244,897
Less Accumulated Depreciation	(1,391,239)	(1,299,937)
Property and equipment, net	\$972,728	\$944,960
Other assets	\$58,307	\$54,932
Total assets	<u>\$5,225,219</u>	<u>\$5,571,316</u>
 LIABILITIES AND NET ASSETS		
<u>Current liabilities</u>		
Accounts Payable	\$2,532,758	\$2,618,059
Accrued expenses and other Current Liabilities	317,056	372,723
Deferred revenue	21,045	211,637
Client funds held	369,333	367,938
Technical assistance loan	-	- 23,961
Total current liabilities	<u>\$3,240,192</u>	<u>\$3,594,318</u>
<u>Net assets</u>		
Unrestricted	<u>\$1,925,215</u>	<u>\$1,976,998</u>
Temporarily restricted	59,812	-
Total net assets	<u>\$1,985,027</u>	<u>\$1,976,998</u>
Total liabilities and net assets	<u>\$5,225,219</u>	<u>\$5,571,316</u>

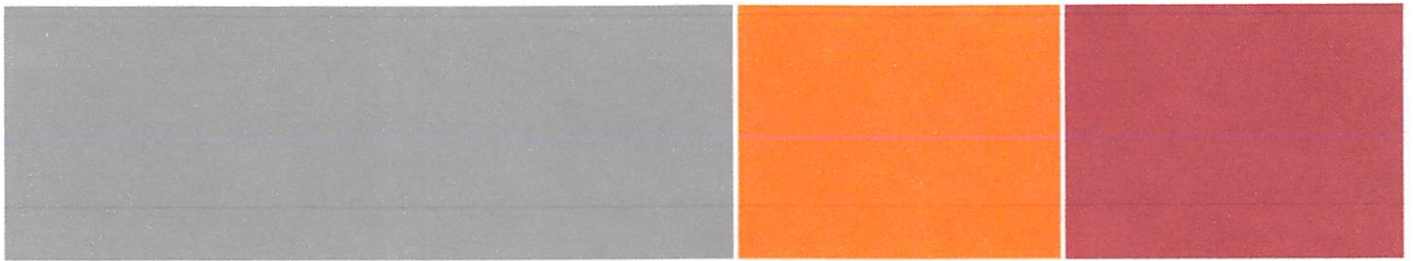


Statements of Financial Position
As of June 30, 2018 and 2017

2018	2017	ASSETS
\$1,140,358	\$843,248	Current assets
369,388	367,958	Construction equipment
1,064,666	871,178	Client funds held
89,982	42,112	Accounts receivable
		Prepaid expenses
\$4,194,784	\$4,271,454	Total current assets
228,808	208,300	Property and equipment
880,808	880,808	Land
773,318	208,688	Buildings
28,218	47,218	Leasehold improvements
417,250	417,250	Vehicles
24,200	20,720	Equipment
		Construction in progress
\$2,983,967	\$2,983,967	Less accumulated depreciation
(1,780,987)		
\$247,780	\$247,780	Property and equipment, net
224,912	224,912	Other assets
\$2,522,719	\$2,522,719	Total assets
LIABILITIES AND NET ASSETS		
\$2,983,967	\$2,983,967	Current liabilities
317,088	317,088	Accounts payable
		Accrued expenses and
		other current liabilities
21,042	21,042	Deferred revenue
299,988	299,988	Client funds held
-	-	Technical assistance loan
\$2,540,103	\$2,540,103	Total current liabilities
		Net assets
\$1,982,719	\$1,982,719	Unrestricted
		Temporarily restricted
\$1,982,719	\$1,982,719	Total net assets
\$2,522,719	\$2,522,719	Total liabilities and net assets

One Ski Community Services		
Operating Plan	FY20 Plan	
FY 2020	Total	% of Total
REVENUES		
Residential Fees	\$ 176,128	0.54%
Rep Payee Revenues	\$ 47,988	0.15%
Medicaid (CCW)	\$ 28,198,728	85.81%
Medicaid (ABD)	\$ 1,113,037	3.39%
Medicaid (NCCW)	\$ 201,852	0.61%
Medicaid (El Bundled Services)	\$ 337,318	1.03%
Medicaid (IHS)	\$ 813,144	2.47%
Client Resources - COC	\$ 61,501	0.19%
HUD Subsidy	\$ 21,166	0.06%
Contributions	\$ 100,000	0.30%
Town & Country Grants	\$ 20,000	0.06%
Rental Income	\$ 37,800	0.12%
Bureau of Developmental Services	\$ 1,432,251	4.36%
Part C	\$ 84,643	0.26%
Other Revenues	\$ 217,794	0.66%
Total Revenue	\$ 32,863,350	100.00%
EXPENSES		
Salaries and Wages	\$ 1,982,723	
Overtime	\$ 42,978	
FICA	\$ 154,973	
Unemployment Insurance	\$ 10,140	
Workers Comp	\$ 38,233	
Life Insurance	\$ 5,735	
AD&D Insurance	\$ 948	
LTD	\$ 9,360	
STD	\$ 7,956	
Medical	\$ 344,088	
Dental	\$ 15,636	
Family Hired Staffing	\$ 1,628,076	
Family Hired FICA	\$ 150,552	
Family Hired Unemployment Insurance	\$ -	
Family Hired Workers Comp	\$ -	
Family Hired Medical	\$ 167,184	
Clerical Contracted Staff	\$ 96,400	
Direct Care Contracted Staff PDMS/HIS as budgetted	\$ 44,856	
Home Provider Res Stipends	\$ 2,263,008	
Home Provider Day Stipends	\$ -	
Respite Care - Medicaid	\$ 198,840	
Respite - Non-Medicaid	\$ 93,000	
Nursing Care	\$ 840	
Other Therapies	\$ 347,556	
Client Evaluations, SSL	\$ 200,748	
Payroll Fees	\$ 32,400	
Tax & Audit Fees	\$ 30,000	
Legal Fees - HR - Jackson Lewis	\$ 24,000	
Legal Fees - Compliance - McIntosh	\$ 12,000	
Legal Fees - General - Coliander and Brown	\$ 12,000	
Other Professional Fees and Consultants East Coast	\$ 74,250	
Other Professional Fees and Consultants CSNI Dues and Asses	\$ 80,741	
Other Professional Fees and Consultants - GSIL	\$ 9,000	
Other Professional Fees and Consultants - Karen Kelly Advoca	\$ 4,320	
Other Professional Fees and Consultants HRST Case Managem	\$ 38,184	
Other Professional Fees and Consultants	\$ 264	
Subcontractors	\$ 22,615,990	
CDS Vendor Expenses	\$ 1,076,588	
Conferences and Conventions	\$ 900	
Other Staff Development	\$ 26,346	
Rent	\$ 206,450	
Rent CIS Sublet, confirm monthly amount	\$ (71,559)	
Mortgage Payments	\$ 5,232	
Mortgage Payments	\$ 2,544	
Utilities - Gas/Electric	\$ 96,444	
Utilities Allocation	\$ 33,356	
Building Maint and Repairs allocation	\$ 72,000	
Office Supplies & Expense	\$ 30,000	
Office Cleaning	\$ 30,000	
Building/Household	\$ 3,708	
Client Consumables	\$ 25,200	
Computer Rental and Maintenance SE Lease amount	\$ 45,000	

One Ski Community Services		
Operating Plan	FY20 Plan	
FY 2020	Total	% of Total
Equipment Maintenance SE monthly maint	\$ 71,226	
Equipment Maintenance Why	\$ 1,380	
Advertising	\$ 2,268	
Telephone/Communications	\$ 33,600	
Telephone/Communications	\$ 2,880	
Postage/Shipping	\$ 12,000	
Staff Travel/Transportation-Agency	\$ 15,844	
Staff Travel/Transportation-Family Hired	\$ 161,160	
Vehicle Maintenance	\$ 11,300	
Travel to Conferences/Training	\$ 4,560	
Assistance to Individuals	\$ 64,752	
ATI - Camp/Vacation	\$ 28,368	
Insurance Expense, General Liability, Homes, Auto Data Bread	\$ 47,868	
Service Coordination	\$ 15,684	
Sub Total Expenses	\$ 32,792,077	
Depreciation/Use Allowance	\$ 71,196	
Total Expenses	\$ 32,863,273	
Surplus/Deficit	\$ 77	
Surplus / Deficit % of Expenses	0.0%	
	\$ 77	



FINANCIAL STATEMENTS

June 30, 2019 and 2018

With Independent Auditor's Report





INDEPENDENT AUDITOR'S REPORT

Board of Directors
One Sky Community Services, Inc.

We have audited the accompanying financial statements of One Sky Community Services, Inc. (the Organization), which comprise the statements of financial position as of June 30, 2019 and 2018, the related statements of activities, functional expenses and cash flows for the years 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 U.S. generally accepted accounting principles; 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

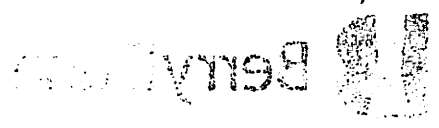
Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.



INDEPENDENT AUDITOR'S REPORT

Board of Directors
One Sky Community Services, Inc.

We have audited the accompanying financial statements of One Sky Community Services, Inc. (the Organization), which comprise the statements of financial position as of June 30, 2019 and 2018, the related statements of activities, functional expenses and cash flows for the years 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 U.S. generally accepted accounting principles; 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 the financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Other Matters

Change in Accounting Principles

As discussed in Note 1 to the financial statements, in 2019 the Organization adopted Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958). Our opinion is not modified with respect to this matter.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
December 10, 2019

ONE SKY COMMUNITY SERVICES, INC.

Statements of Financial Position

June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,611,065	\$ 1,740,253
Client funds held	393,797	369,333
Accounts receivable, net	2,352,076	1,994,666
Prepaid expenses	<u>7,707</u>	<u>32,750</u>
Total current assets	<u>4,364,645</u>	<u>4,137,002</u>
Property and equipment		
Land	253,200	253,200
Buildings	860,505	860,505
Leasehold improvements	717,329	717,329
Vehicles	91,213	91,213
Equipment	449,670	417,220
Construction in progress	<u>-</u>	<u>24,500</u>
	2,371,917	2,363,967
Less accumulated depreciation	<u>(1,472,992)</u>	<u>(1,391,239)</u>
Property and equipment, net	<u>898,925</u>	<u>972,728</u>
Other assets	<u>60,716</u>	<u>58,307</u>
Total assets	<u>\$ 5,324,286</u>	<u>\$ 5,168,037</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 3,824,495	\$ 2,475,576
Accrued expenses and other current liabilities	273,663	317,056
Deferred revenue	3,047	21,045
Client funds held	<u>393,797</u>	<u>369,333</u>
Total current liabilities and total liabilities	<u>4,495,002</u>	<u>3,183,010</u>
Net assets		
Without donor restrictions	741,566	1,925,215
With donor restrictions	<u>87,718</u>	<u>59,812</u>
Total net assets	<u>829,284</u>	<u>1,985,027</u>
Total liabilities and net assets	<u>\$ 5,324,286</u>	<u>\$ 5,168,037</u>

The accompanying notes are an integral part of these financial statements.

ONE SKY COMMUNITY SERVICES, INC.

Statements of Financial Position

June 30, 2019 and 2018

	2019	2018
ASSETS		
Current assets		
Cash and cash equivalents	2,161,168	2,174,022
Client funds held	383,757	386,888
Accounts receivable, net	2,882,076	1,884,886
Prepaid expenses	1,701	32,786
Total current assets	<u>4,994,892</u>	<u>4,497,002</u>
Property and equipment		
Land	383,300	383,300
Buildings	860,608	860,608
Leasehold improvements	717,329	717,329
Vehicles	97,219	97,219
Equipment	448,870	417,230
Construction in progress	-	24,800
Less accumulated depreciation	<u>(1,472,982)</u>	<u>(1,387,987)</u>
Property and equipment, net	<u>897,898</u>	<u>917,139</u>
Other assets	<u>60,716</u>	<u>28,301</u>
Total assets	<u>\$ 5,953,506</u>	<u>\$ 5,498,032</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	2,824,488	2,479,876
Accrued expenses and other current liabilities	278,663	317,083
Deferred revenue	3,047	31,048
Client funds held	<u>383,757</u>	<u>386,888</u>
Total current liabilities and total liabilities	<u>3,490,005</u>	<u>3,193,010</u>
Net assets		
Without donor restrictions	2,463,501	2,305,022
With donor restrictions	<u>87,118</u>	<u>89,912</u>
Total net assets	<u>2,550,619</u>	<u>2,394,934</u>
Total liabilities and net assets	<u>\$ 5,953,506</u>	<u>\$ 5,498,032</u>

The accompanying notes are an integral part of these financial statements.

ONE SKY COMMUNITY SERVICES, INC.

Statements of Activities

Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Changes in net assets without donor restrictions		
Public support and revenue		
Medicaid revenue	\$25,779,028	\$24,311,091
Bureau of Developmental Services	1,452,729	1,519,487
Contributions	15,270	66,454
Interest	434	464
Other revenue	558,574	614,583
Net assets released from restriction for operating purposes	<u>43,396</u>	<u>41,854</u>
Total public support and revenue	<u>27,849,431</u>	<u>26,553,933</u>
Expenses		
Program services		
Service coordination	1,301,902	1,131,440
Combined residential and day services	13,600,032	13,469,001
Participant directed and managed/in-home supports	4,676,993	4,663,722
Early intervention	1,251,718	1,236,398
Family support	246,265	290,837
Respite care	99,628	86,016
Independent living	163,851	267,206
Day services	4,839,184	3,238,443
Clinical supports	273,079	227,033
School services	<u>27,190</u>	<u>103,752</u>
Total program services	<u>26,479,842</u>	<u>24,713,848</u>
Supporting services		
General management	<u>2,553,238</u>	<u>1,891,868</u>
Total expenses	<u>29,033,080</u>	<u>26,605,716</u>
Change in net assets without donor restrictions	<u>(1,183,649)</u>	<u>(51,783)</u>
Changes in net assets with donor restrictions		
Contributions	71,302	101,666
Net assets released from restriction for operating purposes	<u>(43,396)</u>	<u>(41,854)</u>
Change in net assets with donor restrictions	<u>27,906</u>	<u>59,812</u>
Change in net assets	<u>(1,155,743)</u>	8,029
Net assets, beginning of year	<u>1,985,027</u>	<u>1,976,998</u>
Net assets, end of year	<u>\$ 829,284</u>	<u>\$ 1,985,027</u>

The accompanying notes are an integral part of these financial statements.

ONE SKY COMMUNITY SERVICES, INC.

Statements of Activities

Years Ended June 30, 2019 and 2018

	2019	2018
Net assets, end of year	\$ 1,935,484	\$ 1,975,308
Net assets, beginning of year	1,988,957	1,975,308
Change in net assets	(43,473)	8,076
Change in net assets with donor restrictions	25,609	38,815
Net assets released from restriction for operating purposes	(43,866)	(41,854)
Contributions	71,302	101,098
Changes in net assets without donor restrictions	(1,138,848)	(51,130)
Total expenses	38,032,080	32,882,719
General management	2,583,380	1,981,888
Supporting services	3,448,700	2,718,948
School services	27,180	108,752
Clinical support	273,078	325,083
Day services	4,838,184	3,238,448
Independent living	188,881	287,208
Respite care	88,828	88,018
Family support	246,288	230,837
Early intervention	1,281,718	1,288,288
Participant directed and managed-in-home programs	4,878,880	4,683,722
Combined residential and day services	12,800,032	12,489,001
Service coordination	1,201,602	1,131,440
Program services	27,848,451	26,622,883
Total public support and revenue	37,848,451	36,622,883
Net assets released from restriction for operating purposes	43,288	41,884
Other revenue	888,874	814,283
Interest	124	484
Contributions	18,270	88,484
Bureau of Developmental Services	1,422,729	1,219,487
Medical revenue	828,779,028	824,311,091
Public support and revenue	830,170,854	825,811,091
Changes in net assets without donor restrictions	25,609	38,815

The accompanying notes are an integral part of these financial statements.

ONE SKY COMMUNITY SERVICES, INC.

Statement of Functional Expenses

Year Ended June 30, 2019

	<u>Service Coordination</u>	<u>Combined Residential / Day Services</u>	<u>Participant Directed and Managed / In-Home Supports</u>	<u>Early Intervention</u>	<u>Family Support</u>	<u>Respite Care</u>	<u>Independent Living</u>	<u>Day Services</u>	<u>Clinical Supports</u>	<u>School Services</u>	<u>General Management</u>	<u>Total</u>
Personnel costs												
Salary and wages	\$ 771,808	\$ 219,874	\$ 1,040,560	\$ -	\$ 117,017	\$ -	\$ 5,476	\$ 277,493	\$ 90,778	\$ 10,141	\$ 964,507	\$ 3,497,454
Employee benefits	186,371	60,340	234,457	-	20,279	-	949	52,570	20,206	944	266,817	842,933
Payroll taxes	62,420	19,975	81,544	-	9,728	-	408	18,232	6,993	761	74,107	274,168
Professional fees and consultants												
Client treatment and services	19,891	1,195,574	2,258,938	34,725	-	98,500	-	142,918	140,031	-	120	3,880,697
Accounting and auditing	-	-	-	-	-	-	-	-	-	-	31,075	31,075
Legal	2,804	-	-	-	-	-	-	-	-	-	42,571	45,375
Payroll preparation	11,234	3,550	14,879	-	1,295	-	50	3,308	1,506	53	116,222	152,097
Other	70,224	83	25,795	-	-	-	-	111	-	-	138,080	234,293
Conferences and conventions	1,460	-	-	-	100	90	-	-	-	-	12,109	13,759
Occupancy costs												
Rent	28,161	12,275	92,853	-	12,184	-	7,773	9,508	2,941	12,868	52,931	231,484
Electricity and other utilities	10,108	39,845	1,193	-	794	-	-	3,451	596	-	39,286	95,273
Maintenance and repairs	-	69,682	-	-	-	-	-	-	-	-	2,777	72,459
Consumable supplies												
Client consumables	561	28,900	-	-	-	-	-	-	-	-	28,887	58,348
Office	2,847	-	-	-	-	-	-	-	-	-	34,611	37,458
Equipment maintenance	57,100	2,046	7,338	-	4,117	-	-	17,824	3,082	-	55,367	146,874
Advertising	-	-	391	-	-	-	-	-	-	-	4,899	5,290
Printing	-	-	-	-	-	-	-	-	-	-	6,083	6,083
Telephone	9,541	1,629	1,288	-	858	-	-	3,725	644	-	15,452	33,137
Postage	115	-	-	-	-	-	-	-	-	-	16,939	17,054
Transportation	23,482	11,870	121,150	-	1,416	-	-	19,150	5,704	1,365	5,016	189,153
Assistance to individuals	(592)	32,520	62,740	-	74,261	-	-	785	330	251	1,263	171,458
Insurance	3,763	1,812	12,093	-	1,615	-	1,076	1,076	268	807	17,278	39,588
Members' dues	-	-	-	-	-	-	-	-	-	-	7,207	7,207
Other expenditures	23,503	1,647	-	13,470	-	-	-	6,584	-	-	320,492	367,696
Subcontractor	-	11,842,590	721,774	1,203,523	-	-	148,119	4,280,449	-	-	294,459	18,490,914
Total expenses before depreciation and amortization	1,284,491	13,544,012	4,676,993	1,251,718	243,664	98,590	163,851	4,839,184	273,079	27,190	2,548,555	28,951,327
Depreciation and amortization	17,411	56,020	-	-	2,601	1,038	-	-	-	-	4,683	81,753
Total program expenses	\$ 1,301,902	\$ 13,600,032	\$ 4,676,993	\$ 1,251,718	\$ 246,265	\$ 99,628	\$ 163,851	\$ 4,839,184	\$ 273,079	\$ 27,190	\$ 2,553,238	\$ 29,033,080

The accompanying notes are an integral part of these financial statements.

ONE SKY COMMUNITY SERVICES, INC.

Statement of Functional Expenses

Year Ended June 30, 2018

	<u>Service Coordination</u>	<u>Combined Residential / Day Services</u>	<u>Participant Directed and Managed / In-Home Supports</u>	<u>Early Intervention</u>	<u>Family Support</u>	<u>Respite Care</u>	<u>Independent Living</u>	<u>Day Services</u>	<u>Clinical Supports</u>	<u>School Services</u>	<u>General Management</u>	<u>Total</u>
Personnel costs												
Salary and wages	\$ 774,825	\$ 366,904	\$ 1,328,918	\$ (1,346)	\$ 112,239	\$ -	\$ 90,703	\$ 144,672	\$ 90,547	\$ 45,441	\$ 858,597	\$ 3,811,500
Employee benefits	103,799	47,952	356,305	-	47,589	-	31,738	31,709	7,961	23,803	184,841	835,697
Payroll taxes	58,662	27,697	102,726	(98)	8,981	-	7,156	11,114	6,778	3,875	65,130	292,021
Professional fees and consultants												
Client treatment and services	39,311	904,098	1,814,246	44,141	-	84,522	12	118,429	110,064	36	12,073	3,126,932
Accounting and auditing	-	-	-	-	-	-	-	-	-	-	24,086	24,086
Legal	-	-	-	-	-	-	-	-	-	-	19,694	19,694
Payroll preparation	6,127	2,631	19,694	-	6,793	-	1,751	1,751	438	1,313	131,887	172,385
Other	18,094	21,140	41,325	-	-	-	17	929	-	98	182,457	264,060
Conferences and conventions	5,088	416	2,808	-	366	-	244	494	61	183	4,381	14,041
Occupancy costs												
Rent	22,064	9,621	72,777	-	9,550	-	6,092	7,452	2,305	10,086	41,487	181,434
Electricity and other utilities	4,432	34,839	12,099	-	1,592	-	1,015	1,543	385	1,843	16,073	73,821
Maintenance and repairs	-	65,140	-	-	-	-	-	815	-	815	7,296	74,066
Other occupancy costs	-	14,639	-	-	-	-	-	-	-	-	-	14,639
Consumable supplies												
Client consumables	3,617	31,071	5,331	-	700	-	506	434	169	627	10,080	52,535
Office	8,611	3,303	9,755	-	1,405	-	817	776	309	1,130	19,873	45,979
Equipment maintenance	12,031	5,008	42,437	-	5,187	-	3,308	3,275	1,251	4,706	18,143	95,346
Advertising	328	26	567	-	-	-	-	-	-	25	2,116	3,062
Printing	-	-	-	-	49	-	-	-	-	-	2,331	2,380
Telephone	5,366	1,921	9,710	-	1,269	-	810	825	307	1,195	6,793	28,196
Postage	3,240	1,304	9,778	-	1,304	-	869	869	217	652	4,389	22,622
Transportation	33,192	10,115	117,725	-	1,915	-	10,105	15,752	6,010	6,273	9,834	210,921
Assistance to individuals	924	1,992	15,256	-	85,227	-	9	195	-	956	9,671	114,230
Insurance	3,240	1,388	10,411	-	1,390	-	926	926	231	695	14,876	34,083
Members' dues	-	55	-	-	-	-	-	-	-	-	3,700	3,755
Other expenditures	16,511	468	(22)	-	1,537	-	4,095	361	-	-	75,611	98,561
Subcontractor	-	11,849,927	691,876	1,193,701	-	-	107,033	2,896,122	-	-	159,709	16,898,368
Total expenses before depreciation and amortization	1,119,462	13,401,655	4,663,722	1,236,398	287,093	84,522	267,206	3,238,443	227,033	103,752	1,885,128	26,514,414
Depreciation and amortization	11,978	67,346	-	-	3,744	1,494	-	-	-	-	6,740	91,302
Total program expenses	\$ 1,131,440	\$ 13,469,001	\$ 4,663,722	\$ 1,236,398	\$ 290,837	\$ 86,016	\$ 267,206	\$ 3,238,443	\$ 227,033	\$ 103,752	\$ 1,891,868	\$ 26,605,716

The accompanying notes are an integral part of these financial statements.

ONE SKY COMMUNITY SERVICES, INC.

Statements of Cash Flows

Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Change in net assets	\$ (1,155,743)	\$ 8,029
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities		
Depreciation	81,753	91,302
Forgiveness of debt	-	(23,961)
Provision for bad debts	259,174	15,896
Changes in operating assets and liabilities		
Accounts receivable, net	(616,584)	1,200,911
Prepaid expenses	25,043	(41,162)
Accounts payable	1,348,919	(85,301)
Accrued expenses and other current liabilities	(43,393)	(55,667)
Deferred revenue	<u>(17,998)</u>	<u>(190,592)</u>
Net cash (used) provided by operating activities	<u>(118,829)</u>	<u>919,455</u>
Cash flows from investing activities		
Purchases of property and equipment	(7,950)	(119,070)
Change in other assets	<u>(2,409)</u>	<u>(3,375)</u>
Net cash used by investing activities	<u>(10,359)</u>	<u>(122,445)</u>
Net (decrease) increase in cash and cash equivalents	(129,188)	797,010
Cash and cash equivalents, beginning of year	<u>1,740,253</u>	<u>943,243</u>
Cash and cash equivalents, end of year	\$ <u>1,611,065</u>	\$ <u>1,740,253</u>
Supplementary Information:		
Forgiveness of technical assistance loan	\$ <u> -</u>	\$ <u>23,961</u>

The accompanying notes are an integral part of these financial statements.

ONE SKY COMMUNITY SERVICES, INC.

Statement of Cash Flows

Years Ended June 30, 2019 and 2018

	2019	2018
Provision of technical assistance from governmental organizations	\$ 23,851	\$ -
Cash and cash equivalents end of year	<u>\$ 1,740,228</u>	<u>\$ 1,740,228</u>
Cash and cash equivalents beginning of year	<u>1,740,228</u>	<u>1,740,228</u>
Net (decrease) increase in cash and cash equivalents	(28,100)	(10,383)
Net cash used by investing activities	<u>(10,383)</u>	<u>(10,383)</u>
Changes in other assets	(2,400)	(7,980)
Cash flows from investing activities	<u>(12,783)</u>	<u>(18,363)</u>
Deferred revenue	117,898	110,598
Accrued expenses and other current liabilities	(63,399)	(52,607)
Accounts payable	1,262,819	(62,301)
Prepaid expenses	28,043	(41,183)
Accounts receivable, net	(818,884)	1,200,811
Changes in operating assets and liabilities	<u>262,174</u>	<u>18,999</u>
Provision for bad debts	-	-
Provision of debt	84,783	91,305
Depreciation	-	-
(used) provided by operating activities	<u>262,174</u>	<u>91,305</u>
Adjustments to reconcile change in net assets to net cash	<u>\$ (1,155,743)</u>	<u>\$ 8,039</u>
Cash flows from operating activities	<u>\$ (1,155,743)</u>	<u>\$ 8,039</u>

The accompanying notes are an integral part of these financial statements.

ONE SKY COMMUNITY SERVICES, INC.

Notes to Financial Statements

June 30, 2019 and 2018

Nature of Activities

One Sky Community Services, Inc. (the Organization) is a New Hampshire nonprofit corporation providing a wide range of community-based services. It contracts with the New Hampshire Department of Health and Human Services to provide community-based services and support for those with developmental disabilities and acquired brain disorders in Rockingham County. The majority of its funding is from federal and state government programs.

1. Summary of Significant Accounting Policies

Newly Adopted Accounting Principle

In 2019, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), which makes targeted changes to the not-for-profit financial reporting model. The new ASU marks the completion of the first phase of a larger project aimed at improving not-for-profit financial reporting. Under the new ASU, net asset reporting is streamlined and clarified. The existing three category classification of net assets is replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions." New disclosures highlight restrictions on the use of resources that make otherwise liquid assets unavailable for meeting near term financial requirements. The ASU also imposes several new requirements related to reporting expenses.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified as follows based on the existence or absence of donor-imposed restrictions in accordance with FASB Accounting Standards Codification Topic 958, *Not-for-Profit Entities*:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. At June 30, 2019 and 2018, net assets with donor restrictions consisted of funds temporary in nature with general operations purpose restrictions.

Notes to Financial Statements

One Six Community Services, Inc. (the Organization) is a New Hampshire nonprofit corporation providing a wide range of community-based services. It contracts with the New Hampshire Department of Health and Human Services to provide community-based services and support for those with developmental disabilities and acquired brain disorders in Rockingham County. The majority of its funding is from federal and state government programs.

4. Summary of Significant Accounting Policies

Newly Adopted Accounting Principles

In 2019, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2018-14, Presentation of Financial Statements of Not-for-Profit Entities (Topic 950) which makes targeted changes to the not-for-profit financial reporting model. The new ASU marks the completion of the first phase of a larger project aimed at improving not-for-profit financial reporting. Under the new ASU, net asset reporting is streamlined and clarified. The existing three category classification of net assets is replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions." New disclosure requirements on the use of resources that make otherwise net assets unavailable for meeting near-term financial requirements. The ASU also imposes several new requirements related to reporting expenses

Classification of Restrictions

Net assets and revenues, expenses, gains and losses are classified as follows based on the existence or absence of donor-imposed restrictions in accordance with FASB Accounting Standards Codification Topic 958, Not-for-Profit Entities:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in pursuing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; these restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has established the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. At June 30, 2019 and 2018, net assets with donor restrictions consisted of funds temporary in nature with general operations purposes restrictions.

ONE SKY COMMUNITY SERVICES, INC.

Notes to Financial Statements

June 30, 2019 and 2018

Contributions

Contributions are considered to be available for use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for a specific purpose are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as support without donor restrictions in the year of the gift. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in subsequent years are reported at the present value of their expected future cash flows, using risk-free interest rates applicable to the years in which the promises are to be received.

Contributions of Property and Services

Contributions of donated non-cash assets are recorded at their fair value in the period received. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, which are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity date of less than three months to be cash equivalents.

The Organization maintains its cash, including client funds held, in bank deposit accounts which, at times, may exceed federally-insured limits. It has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk on cash and cash equivalents.

ONE SKY COMMUNITY SERVICES, INC.

Notes to Financial Statements

June 30, 2019 and 2018

Contributions

Contributions are considered to be available for use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for a specific purpose are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as support without donor restrictions in the year of the gift. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Conditionally promised gifts are reported in subsequent years as reported in the present value of their expected future cash flows, using fair-value interest rates applicable to the years in which the promises are to be received.

Contributions of Property and Services

Contributions of donated non-cash assets are recorded at their fair value in the period received. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions as that time. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, which are provided by individuals possessing those skills, and would typically have been purchased if not provided by donation, are recorded at their fair values in the period received.

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The Organization considers all highly liquid investments with an original maturity date of less than three months to be cash equivalents.

The Organization maintains its cash, including client funds held in bank deposit accounts where, at times, may exceed federally-insured limits. It has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk on cash and cash equivalents.

ONE SKY COMMUNITY SERVICES, INC.

Notes to Financial Statements

June 30, 2019 and 2018

Allowance for Uncollectible Accounts

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts by analyzing its past history and identification of trends for all funding sources in the aggregate. Management regularly reviews data about revenue in evaluating the sufficiency of the allowance for doubtful accounts. Amounts not collected after all reasonable collection efforts have been exhausted are applied against the allowance for uncollectible accounts. As of June 30, 2019, an allowance was recorded in the amount of \$25,428. There was no allowance recorded at June 30, 2018.

Property, Equipment and Depreciation

Purchased property and equipment are recorded at cost. Expenditures for repairs and maintenance are charged against operations. Renewals and betterments which materially extend the life of the assets are capitalized. Depreciation is provided on the straight-line method in amounts designed to amortize the costs of the assets over their estimated lives as follows:

Buildings and improvements	10-40 years
Equipment	3-10 years
Vehicles	5 years

Income Taxes

The Organization is a public charity under Section 501(c)(3) of the Internal Revenue Code. As a public charity, the Organization is exempt from state and federal income taxes on income earned in accordance with its tax-exempt purpose. Unrelated business income is subject to state and federal income tax. Management has evaluated the Organization's tax positions and concluded that the Organization has no unrelated business income or uncertain tax positions that require adjustment to the financial statements.

Functional Allocation of Expenses

The costs of providing various programs and activities are summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated based on time spent between locations and functions among the programs and supporting services benefited.

Subsequent Events

For purposes of the preparation of these financial statements in conformity with U.S. GAAP, management has considered transactions or events occurring through December 10, 2019, which is the date that the financial statements were available to be issued.

ONE SKY COMMUNITY SERVICES, INC.

Notes to Financial Statements

June 30, 2019 and 2018

Allowance for Uncollectible Accounts

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts by analyzing its past history and identification of trends for all funding sources in the aggregate. Management regularly reviews data about revenue in evaluating the sufficiency of the allowance for doubtful accounts. Amounts not collected after all reasonable collection efforts have been exhausted are applied against the allowance for uncollectible accounts. As of June 30, 2019, an allowance was recorded in the amount of \$25,420. There was no allowance recorded at June 30, 2018.

Property, Equipment and Depreciation

Impressed property and equipment are recorded at cost. Expenditures for repairs and maintenance are charged against operations. Renewals and betterments which materially extend the life of the assets are capitalized. Depreciation is provided on the straight-line method in amounts designed to amortize the costs of the assets over their estimated lives as follows:

Buildings and improvements	10-40 years
Equipment	3-10 years
Vehicles	5 years

Income Taxes

The Organization is a public charity under Section 501(c)(3) of the Internal Revenue Code. As a public charity, the Organization is exempt from state and federal income taxes on income earned in accordance with its tax-exempt purpose. Unrelated business income is subject to state and federal income tax. Management has evaluated the Organization's tax positions and concluded that the Organization has no unrelated business income or uncertain tax positions that require adjustment to the financial statements.

Functional Allocation of Expenses

The costs of providing various programs and activities are summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated based on time spent between locations and functions among the programs and supporting services rendered.

Subsequent Events

For purposes of the preparation of these financial statements in conformity with U.S. GAAP, management has considered transactions or events occurring through December 31, 2019, which is the date that the financial statements were available to be issued.

ONE SKY COMMUNITY SERVICES, INC.

Notes to Financial Statements

June 30, 2019 and 2018

2. Availability and Liquidity of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to optimize its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and a line of credit as disclosed in Note 3.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing operating activities as well as the conduct of services undertaken to support those operating activities.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover expenditures not covered by donor-restricted resources or, where appropriate, borrowings. Refer to the statements of cash flows, which identifies the sources and uses of the Organization's cash and cash equivalents.

The following financial assets are expected to be available within one year of the statement of financial position date to meet general expenditures as of June 30:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents available for operations	\$ 1,523,347	\$ 1,680,441
Accounts receivable, net	<u>2,352,076</u>	<u>1,994,666</u>
Financial assets available to meet general expenditures within one year	<u>\$ 3,875,423</u>	<u>\$ 3,675,107</u>

Cash and cash equivalents in the statement of financial position includes amounts that are part of net assets with donor restrictions, and thus are excluded from the above table.

3. Line of Credit

The Organization has a revolving line of credit agreement with a bank amounting to \$1,500,000, collateralized by a security interest in substantially all business assets. Monthly interest payments on any unpaid principal balance are required at a variable rate, which was 6.25% at June 30, 2019. At June 30, 2019 and 2018, there was no outstanding balance on the line of credit.

4. Commitments and Contingencies

Operating Lease

The Organization leases its primary facility pursuant to the terms of a lease that expires in May 2027. The initial rent of \$16,413 per month increases 2% on each anniversary, with tiered increases in the annual percentage beginning in the third year of the lease term. At June 30, 2019, an operating lease payable of \$21,580 has been recognized related to the annual rent increase and is reported in accounts payable. The lessee is responsible for all utilities, repairs and maintenance and insurance and a prorata share of the real estate taxes and common area costs over a base. Rent expense was \$231,484 and \$181,434 for the years ended June 30, 2019 and 2018, respectively.

ONE SKY COMMUNITY SERVICES, INC.

Notes to Financial Statements

June 30, 2019 and 2018

3. Availability and Liquidity of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to optimize its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and a line of credit as disclosed in Note 3.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing operating activities as well as the cost of services undertaken to support those operating activities.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover expenditures not covered by donor-restricted resources or where appropriate, borrowings. Refer to the statements of cash flows, which detail the sources and uses of the Organization's cash and cash equivalents.

The following financial assets are expected to be available within one year of the statement of financial position date to meet general expenditures as of June 30:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents available for operations	\$ 1,623,047	\$ 1,650,441
Accounts receivable, net	<u>1,394,078</u>	<u>1,394,078</u>
Financial assets available to meet general expenditures within one year	\$ <u>3,017,125</u>	\$ <u>3,044,519</u>

Cash and cash equivalents in the statement of financial position include amounts that are part of net assets with donor restrictions, and thus are excluded from the above table.

3. Line of Credit

The Organization has a revolving line of credit agreement with a bank amounting to \$1,000,000, collateralized by a security interest in substantially all business assets. Monthly interest payments on any unpaid principal balance are required at a variable rate, which was 0.25% at June 30, 2019. As of June 30, 2019 and 2018, there was no outstanding balance on the line of credit.

4. Commitments and Contingencies

Contract Leases

The Organization leases its primary facility pursuant to the terms of a lease that expires in May 2027. The initial rent of \$16,413 per month increases 2% on each anniversary with further increases in the annual percentages beginning in the third year of the lease term. At June 30, 2019, an operating lease payable of \$51,500 has been recognized related to the annual rent increase and is reported in accounts payable. The lessee is responsible for all utilities, repairs and maintenance and insurance and a pro-rata share of the real estate taxes and common area costs over the lease term. Expense was \$281,484 and \$181,484 for the years ended June 30, 2019 and 2018, respectively.

ONE SKY COMMUNITY SERVICES, INC.

Notes to Financial Statements

June 30, 2019 and 2018

Future minimum operating lease payments are as follows:

	<u>Total</u>
2020	\$ 205,938
2021	212,116
2022	218,479
2023	225,780
2024	236,285
Thereafter	<u>708,141</u>
	<u>1,806,739</u>

Self-Insurance Program

The Organization self-insures a portion of its employee health benefits. Stop loss insurance is in effect which limits the Organization's exposure to loss on an individual basis of \$30,000 and an annual aggregate basis of \$1,000,000. In 2019 and 2018, total claims for health benefits were \$733,591 and \$684,046, respectively. As of June 30, 2019 and 2018, the Organization accrued a liability for claims that have been incurred, but not yet reported of \$68,336 and \$39,850, respectively.

Litigation

The Organization is involved in litigation arising in the normal course of business. After consultation with legal counsel, management estimates these matters will be resolved without a material adverse effect on the Organization's future financial position or results of operations.

5. Concentration of Revenues and Risk

For the years ended June 30, 2019 and 2018, approximately 93% and 92%, respectively, of the support and revenue of the Organization was derived from Medicaid. Accounts receivable from Medicaid totaled \$2,324,286 and \$1,811,381 at June 30, 2019 and 2018, respectively. The future existence of the Organization is dependent upon continued support from Medicaid.

6. Financial Improvement Plan

Every five years the Organization is reviewed and approved by the State of New Hampshire Bureau of Developmental Services (BDS), as a designated provider for developmentally disabled individuals in Rockingham County in New Hampshire. In 2019, the Organization underwent its re-designation review by the BDS. As a result of the review, BDS issued a report that identified several programmatic and financial findings that prevented BDS from providing re-designation to the Organization. Effective July 1, 2019, BDS granted a conditional re-designation for 180 days. BDS indicated its intent, through a corrective action plan, to work with the Organization to demonstrate an acceptable level of confidence to grant permanent re-designation for the next five years. BDS indicated it expects to monitor the Organization until satisfactory outcomes are achieved.

ONE SKY COMMUNITY SERVICES, INC.

Notes to Financial Statements

June 30, 2019 and 2018

Future minimum operating lease payments are as follows:

Total	
2020	\$ 203,938
2021	212,118
2022	218,479
2023	222,780
2024	222,288
Thereafter	708,741
	<u>1,806,789</u>

Self-Insurance Retentions

The Organization self-insures a portion of its employee health benefits. Stop loss insurance is in effect which limits the Organization's exposure to loss on an individual basis of \$30,000 and an annual aggregate basis of \$1,000,000. In 2019 and 2018, total claims for health benefits were \$73,591 and \$88,046, respectively. As of June 30, 2019 and 2018, the Organization accrued a liability for claims that have been incurred, but not yet reported of \$28,336 and \$39,850, respectively.

Litigation

The Organization is involved in litigation arising in the normal course of business. After consultation with legal counsel, management estimates these matters will be resolved without a material adverse effect on the Organization's future financial position or results of operations.

Concentration of Revenues and Risk

For the years ended June 30, 2019 and 2018, approximately 83% and 82%, respectively, of net support and revenue of the Organization was derived from Medicaid. Accounts receivable from Medicaid totaled \$234,288 and \$1,811,881 at June 30, 2019 and 2018, respectively. The future existence of the Organization is dependent upon continued support from Medicaid.

Financial Management Plan

Every five years the Organization is reviewed and approved by the State of New Hampshire Bureau of Developmental Services (BDS) as a designated provider for developmentally disabled individuals in Rockingham County in New Hampshire. In 2019, the Organization underwent its re-designation review by the BDS. As a result of the review, BDS issued a report that identified several programmatic and financial findings that prevented BDS from providing re-designation to the Organization. Effective July 1, 2019, BDS granted a conditional re-designation for 180 days. BDS indicated its intent, through a corrective action plan, to work with the Organization to demonstrate an acceptable level of confidence to grant permanent re-designation for the next five years. BDS indicated it expects to monitor the Organization until satisfactory outcomes are achieved.

ONE SKY COMMUNITY SERVICES, INC.

Notes to Financial Statements

June 30, 2019 and 2018

The corrective action plan put into place by the Organization submitted to BDS represents the following:

Management has been evaluating the services currently provided to assess the viability of all programs. As a result, the Board of Directors and management approved the discontinuation of One Sky Future's services. The Organization has also implemented cost cutting measures by realigning programs offered, evaluating all subcontract relationships, information technology support contracts, billing support contracts and leases for possible renegotiation to more favorable terms. The Organization plans to delay some planned expenditures and is evaluating the need to fill some open positions. Management believes it is now adequately staffed to allow timely follow up of outstanding accounts receivable to reduce or eliminate bad debt write offs and improve cash flow. The Organization believes all of these actions combined will result in improved cash flow and operational results.

The Organization has worked diligently with the State to address the findings identified and meeting the tasks included its corrective action plan. Effective November 27, 2019, BDS granted the Organization redesignation, with reservation, through September 2023.

ONE SKY COMMUNITY SERVICES, INC.

Notes to Financial Statements

June 30, 2018 and 2017

The corrective action plan put into place by the Organization submitted to BDC represents the following:

Management has been evaluating the services currently provided to assess the viability of all programs. As a result, the Board of Directors and management approved the discontinuation of One Sky Future's services. The Organization has also implemented cost cutting measures by resigning programs offered, evaluating all subcontract relationships, information technology support contracts, billing support contracts and leases for possible renegotiation to more favorable terms. The Organization plans to delay some planned expenditures and is evaluating the need to fill some open positions. Management believes it is now adequately staffed to allow timely follow up of outstanding accounts receivables to reduce or eliminate bad debt write offs and improve cash flow. The Organization believes all of these actions combined will result in improved cash flow and operational results.

The Organization has worked diligently with the State to address the findings identified and meeting the tasks included in corrective action plan. Effective November 27, 2018, BDC granted the Organization resignation, with reservation, through September 2022.

**BOARD OF DIRECTORS - REGION VIII
ONE SKY COMMUNITY SERVICES, INC.
07/13/2020**

	<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>	<u>TERM ENDS</u>
1.	Brown, David, Esq. dbrown@cfbpa.com Secretary	Colliander & Brown, PA 126 Daniel Street Portsmouth NH 03801	(W) 433-9997	Sep.. 2020
2.	*Clayburgh, Nancy nancyclayburgh@comcast.net	405 F.W. Hartford Drive Portsmouth, NH 03801	(H) 475-3037 (M) 475-3037	Sep. 2020
3.	Hodgson, Meggan megganhodgson@gmail.com Vice President	11 Autumn Lane Stratham, NH 03885	(M) 418-5983	Mar. 2023
4.	*Kuchtey, Walter Walt4sea@comcast.net	80 T.J. Gamester Ave Portsmouth, NH 03801	(M) 785 9102	May 2023
5.	Moynihan, Francis J. (Chip) Chip.moynahan@gmail.com	75 Presidential Circle Hampton, NH 03842	(H) 926-3084 (M) 926-9191	June 2021
6.	Pearl, Vanessa v.pearl@impaxam.com	45 Central Street Rye, NH 03870	(M) 502-7210	May 2023
7.	*Sullivan, Jacqueline rsullivan2319@comcast.net	35 Northrup Drive Brentwood, NH 03833	(H) 580-5992 (M) 617 413-9629	July 2023
8.	*Sullivan, Ron rsullivan.codman@me.com President	35 Northrup Drive Brentwood, NH 03833	(M) 617-413-9631	Mar. 2023
9.	Trinward, Kyle Treasurer kyle.trinward@gmail.com	5 Carriage Lane Kennebunk, ME 04043	(H) 207-204-0920 (M) 207-337-8817	July 2022

* indicates consumer representative



**ONE SKY COMMUNITY SERVICES
BOARD OF DIRECTORS**

Richard Bagley
President

Kyle Trinward
Vice President

Gabrielle Grossman
Secretary

Robert Brown
Treasurer

David Brown

Nancy Clayburgh

Mark Connolly

Robert Madison

Chip Moynahan

Walter Kuchtey

Vivian Winham

*This is our latest
Annual Report*

Senior Leadership Team

Chris Muns

Rocco Van der Merwe

Lenore Scuito

Tina Holmes

John Ford

Graham Bunce

Billie Tooley

Chief Executive Officer

Chief Financial Officer

Director of Integrated Services

Director of Human Resource and
Administrative Services

Director of Organizational Development

Director of One Sky Futures

Director of Outreach and Development

Director of Operations and Development
Director of One Sky Finance
Director of Organizational Development
Administrative Services

Director of Human Resources and
Director of Integrated Services
Chief Financial Officer
Chief Executive Officer

Director of Operations and Development
Director of One Sky Finance
Director of Organizational Development
Administrative Services
Director of Human Resources and
Director of Integrated Services
Chief Financial Officer
Chief Executive Officer

BOARD OF DIRECTORS

Michael J. ...

Michael J. ...

Michael J. ...

Michael J. ...

Michael J. ...

Michael J. ...

Michael J. ...

Michael J. ...

Michael J. ...

Michael J. ...

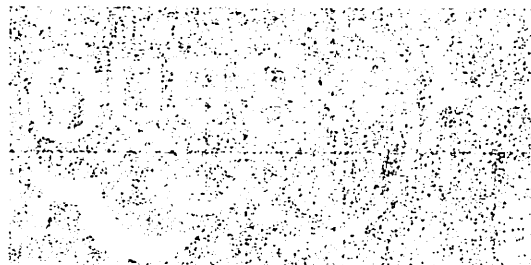
Michael J. ...

Michael J. ...

Michael J. ...

Michael J. ...

BOARD OF DIRECTORS
ONE SKY COMMUNICATIONS SERVICES



CEO'S REPORT

Chris Muns..... Chief Executive Officer

For 35 years One Sky Community Services has been an important and vital part of the community. Today, we serve nearly 1200 individuals and families with Developmental Disabilities and Acquired Brain Disorders in 24 cities and towns in Rockingham County.

Balancing the requirements of the public-private partnership we operate within, with the needs of those we are committed to serve, has always been a challenge, but it is one we have consistently risen to.

Our diligent work this past year has yielded a number of accomplishments for One Sky Community Services:

- Working closely with the NH Bureau of Developmental Services (BDS) we were able to obtain additional funding of \$2,740,692 million dollars for 39 new individuals in need of services and 18 individuals whose need for services significantly increased.
- Working with our service provider partners, we were able to re-align our costs and improve our overall profitability.
- We continued to focus on our discretionary operating costs; cutting costs when possible, but also investing in those areas that will benefit us in the long run, such as a cloud-based case management system and voice-over internet phone system
- We fully divested ourselves from our program management responsibilities at two of the homes we own and restructured One Sky Futures to focus on Enhanced Family Care and Employment Services. As a result of these actions, One Sky Futures is now positioned to break even in FY19.
- Major funding for One Sky Futures' Employment Initiative came from \$75,000 in NH Tax Credits awarded to us by the NH Community Development Finance Authority (CDFA) program that we were able to successfully market to local businesses.
- Our outreach and development efforts continued to increase, as evidenced by the \$94,000 we were able to raise for the One Sky Readiness Fund
- All of the above actions generated a small surplus for FY18 of \$8,030.

In addition, we updated our Five-Year Strategic Plan (2018-2022). The focus of our efforts will be on leadership and staff development; re-defining our Family-Directed Service offering; strengthening and improving

Chief Executive Officer

For 22 years One Sky Community Services has been an important and vital part of the community. Today we serve nearly 1300 individuals and families with developmental disabilities and Acquired Brain Disorder in 24 cities and towns in Rockingham County.

Balancing the requirements of the public-private partnership we operate within with the needs of those we are committed to serve has always been a challenge, but it is one we have consistently risen to.

Our diligent work this past year has yielded a number of accomplishments for One Sky Community Services:

- Working closely with the NH Bureau of Developmental Services (BDS) we were able to obtain additional funding of \$2,740,000 million dollars for 29 new individuals in need of services and 18 individuals whose need for services significantly increased.
- Working with our service provider partners we were able to re-align our costs and improve our overall profitability.
- We continued to focus on our discretionary operating costs cutting costs when possible, but also investing in those areas that will benefit us in the long run such as a cloud-based case management system and voice-over internet phone system.
- We fully divested ourselves from our program management responsibilities at two of the homes we own and restricted One Sky's focus to focus on Enhanced Family Care and Employment Services. As a result of these actions One Sky's focus is now positioned to break even in FY19.
- A major funding for One Sky's Future Employment Initiative came from \$75,000 in NH Tax Credits awarded to us by the NH Community Development Finance Authority (CDFA) program that we were able to successfully market to local businesses.
- Our outreach and development efforts continued to increase as evidenced by the \$94,000 we were able to raise for the One Sky Rockingham Fund.
- All of the above actions generated a small surplus for FY18 of \$8,000.

In addition we updated our five-year Strategic Plan (2018-2023). The focus of our efforts will be on leadership and staff development; re-defining our Family-Directed Service offering; strengthening and improving

stakeholder engagement and collaboration; significantly improving and enhancing employment opportunities for those we serve; upgrading our transaction and information systems; and securing additional financial resources to place all property holdings on a more secure and sustainable financial footing.

Leading the agency as we move forward is both exciting and humbling. We have a great and very dedicated group of employees; each of whom wants to be able to do the “right thing” for the people we serve.

We have made great progress but we still have much to do. The upcoming fiscal year will not be without its challenges.

- In October, 2018 we provided BDS with our initial plan for compliance with the Contractor Action Plan (CAP) that New Hampshire is currently under for its 1915© Home and Community-based Services (HCBS) Waivers for the provision of Developmental Disabilities, Acquired Brain Disorders and Children’s In-home Services. Our goal is to become the leading provider of integrated service coordination to the individuals we serve.
- Ensuring that the individuals we serve and support receive their fair share of the next two year state budget will be a major priority of ours particularly during the early months of calendar year 2019.
- Absent of any real and concrete action, the workforce challenges we and other organizations in the human services industry in New Hampshire currently face, will not only continue but will accelerate. The failure of individual budgets to keep pace with inflation has resulted in significant staffing shortages and as a result many of our service provider partners are unwilling to take on new clients. In addition, we continue to experience high turnover among service coordinators which is having an adverse impact on our clients and their families.
- Another significant challenge in this upcoming year will be finding safe, secure and productive living arrangements for those clients who have the greatest need. Because of the continuing lack of programs and resources in New Hampshire it is becoming increasingly difficult to offer them any opportunity in their own community.
- Finally, One Sky owns four homes which offer a place to live for 13 individuals. Unless we are able to identify additional funding sources to help pay for maintenance and upgrades as needed the issues will become more and more problematic

stakeholder engagement and collaboration significantly improving and enhancing employment opportunities for those we serve; upgrading our transition and information systems and securing additional financial resources to place all priority holdings on a more secure and sustainable financial footing.

Leading the agency as we move forward is both exciting and humbling. We have a great and very dedicated group of employees, each of whom wants to be able to do the "right thing" for the people we serve.

We have made great progress, but we still have much to do. The upcoming fiscal year will not be without its challenges.

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- Another significant challenge in this upcoming year will be finding safe, secure and productive living arrangements for those clients who have the greatest need. Because of the continuing lack of programs and resources in New Hampshire it is becoming increasingly difficult to offer them any opportunity in their own community.

- Finally, One Sky owns four homes which offer a place to live for 13 individuals. Unless we are able to identify additional funding sources to help pay for maintenance and upgrades as needed the issue will become more and more problematic.

I am confident that if all of us – the Board of Directors, staff, the individuals we serve and their families, our service provider partners and our legislative delegation – work collaboratively, we can do that much more good for our communities. Many people are counting on us to do just that, they expect us to be there when they need us, and they trust that we will do our best to help them.

All of us at One Sky are committed and dedicated to doing just that.

We extend our deepest gratitude to the supporters of One Sky Community Services and to those who contribute to our important work.



**CEO
One Sky Community Services**



Photograph by Nathan Gray

Watercolor by
Michelle Schladenhauffen



MARKETING AND DEVELOPMENT REPORT:

By Billie Tooley.....Director of Outreach and Development

It continues to be strategically important for us to not only build awareness for our organization, but to keep building new relationships and collaborations throughout our service area. It is critical to our ability to raise funds for the One Sky Readiness Fund, as well as fostering a better integration into the community by opening more doors of opportunities for our clients. Some of our accomplishments this past year:

- Participated again in **Market Square Day**, with a booth, displaying the artwork of many of our clients who all sold work
- Again chosen by **Provident Bank** to participate in their annual online fundraising event during the month of May. We received over \$1,400 for the Readiness Fund
- Our collaboration with **Seacoast Media Group** continues: One Sky publishes monthly articles in all the seacoast newspapers highlighting a different client each month; following up with interviews on the article with SMG's EDGE radio program
- Held a fundraiser at **Community Oven** restaurant in downtown Hampton, NH
- Increased **Facebook** participation by actively posting information and pictures on every One Sky event and activity
- One Sky has continued membership with **Hampton, Exeter, Raymond and Portsmouth Chambers of Commerce**
- **Portsmouth Rotary Club** again donated winter coats to many of our clients
- Began a collaboration with the **New Hampshire Art Association**, for the first art exhibition by One Sky clients at the NHAA State Street gallery in downtown Portsmouth
- Established the first dance event for One Sky clients, held at the Exeter Town Hall in February
- Published an Op-Ed article published in the NH Business Review
- One Sky presentation at **Riverwoods** in the spring
- Participated a number of times in the "Don't Dis My Ability" program at **PMMTV**
- Began the process of seeking town funding support for the Readiness Fund within the 24 communities we serve
- Participant in the **NH Gaming and Charitable Commission** – charitable fundraising at Aces and Eights in Hampton Beach, NH

Last year, we were able to raise close to \$94,000 for the Readiness Fund.

ANNUAL REPORT AND DEVELOPMENT REPORT

by the Director of Outreach and Development

It continues to be strategically important for us to not only build awareness for our organization, but to keep building new relationships and collaborations throughout our service area. It is critical to our ability to raise funds for the One Sky Business Fund, as well as fostering a better integration into the community by opening more doors of opportunities for our clients. Some of our accomplishments this past year:

- Participated again in Market Square Day, with a booth displaying the artwork of many of our clients who all sold work.
- Again chosen by President Frank to participate in their annual online fundraising event during the month of May. We received over \$1,400 for the Business Fund.
- Our collaboration with Beacon Media Group continues. One Sky publishes monthly articles in all the Beacon newspapers highlighting a different client each month, following up with interviews on the article with SMG's EDGE radio program.
- Held a fundraiser at community Over restaurant in downtown Hampton Hill.
- Increased Facebook participation by actively posting information and pictures on a regular basis (one Sky event and activity).
- One Sky has continued membership with Hampton Theater, Government and Community in Chambers of Commerce.
- Beaumont Library Club again donated winter coats to many of our clients.
- Began a collaboration with the New Hampshire Art Association, for the first an exhibition by One Sky clients at the NHAA State Street gallery in downtown Portsmouth.
- Sponsoring the first dance event for One Sky clients, held at the Baxter Town Hall in February.
- Published an Op-Ed article published in the NH Business Review.
- One Sky presentation at SXI awards in the spring.
- Participated a number of times in the "Don't Dis My Ability" program at BMMV.
- Began the process of seeking town funding support for the Business Fund within the 24 communities we serve.
- Participated in the NH Gaming and Charitable Commission - charitable fundraising at Aces and Eights in Hampton Beach, NH.

Last year we were able to raise close to \$94,000 for the Business Fund.



**ARTIST TOM OWENS LEARNED TO PAINT WITH A BRUSH ATTACHED TO HIS BASEBALL CAP
AND BUILT A REPUTATION FOR HIS WORK ON THE SEACOAST
His story was published in April 2018**



**MICHAEL PARSONS WITH THE ASSISTANT STORE MANAGER AT HOME DEPOT
Michael was our first story in the seacoast newspapers, March 2017**





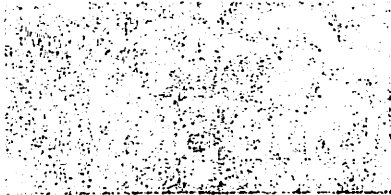
ONE SKY READINESS FUND

Since its inception, the **ONE SKY READINESS FUND** has grown to become a valuable and important asset to One Sky Community Services, quickly being viewed as the last lifeline for individuals and families needing financial assistance with a myriad of essential medical and personal requirements and needs. While the number of requests for items such as medical supplies, clothing, food, dental care, home modifications and emergency assistance continues to increase, we are now seeing a growing need for personal transportation repairs and housing solutions as well as, an increase in the amounts requested. All of which places more pressure on our on-going efforts to find more resources of funding.

What has not changed is the age of the individuals we support; it is consistently growing and so have their needs. More and more children are being diagnosed with conditions that qualify for One Sky services. Combined with the growing workforce and budgetary constraints and limitations facing New Hampshire we are still in the midst of a highly challenging financial and service delivery environment. Clients' budgets are stretched very thin because of the increasing costs of the services and supports they need. All of this is placing quite a significant strain on all the resources they might have at their disposal: hence the major role that the Fund now plays for the organization.

Last year, we gained some major boosts in funding through grants and an anonymous donor, but as our service coordinators continue to view and use the Fund as a last resource for their clients it has become quite apparent that we must expand our efforts to uncovering more foundations, companies and private donors and thinking out of the box in finding new fundraising ideas, in order to meet the demand.

For FY18 One Sky raised close to \$94,000 and processed over 30 requests for assistance for a total that was over \$38,500. Last year, the Fund was formally accepted by the Board of Directors as an established entity of One Sky Community Services with written guidelines and procedures. All requests are reviewed by a Vetting Committee and signed off by both the CEO and the CFO.



ONE SKY HEALTHCARE FUND

Since its inception the ONE SKY HEALTHCARE FUND has grown to become a valuable and important asset to One Sky Community Services. It has been used as the last line of defense for individuals and families needing financial assistance with a myriad of essential medical and personal requirements and needs. While the number of requests for items such as medical supplies, clothing, food, dental care, home modifications and emergency assistance continues to increase, we are now seeing a growing need for personal transportation repairs and housing solutions as well as an increase in the amount requested. All of which places more pressure on our on-going efforts to find more resources of funding.

When has not changed is the age of the individuals we support. It is consistently growing and so have their needs. More and more children are being diagnosed with conditions that qualify for One Sky services. Combined with the growing workforce and budgetary constraints and limitations facing New Hampshire we are still in the midst of a highly challenging financial and service delivery environment. Client budgets are stretched very thin because of the increasing costs of the services and supports they need. All of this is placing quite a significant strain on all the resources they might have at their disposal. Hence the major role that the fund now plays for the organization.

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For FY18 One Sky raised close to \$94,000 and processed over 30 requests for assistance for a total that was over \$38,500. Last year the fund was formally accepted by the Board of Directors as an established entity of One Sky Community Services with written guidelines and procedures. All requests are reviewed by a Vetting Committee and signed off by both the CEO and the CFO.



Statements of Activities
Years Ended June 30, 2018 and 2017

Changes in unrestricted net assets	<u>2018</u>	<u>2017</u>
Public support and revenue		
Medicaid	\$24,311,091	\$23,430,606
Division of Developmental Services	1,519,487	1,447,700
Contributions	66,454	26,749
Interest	464	485
Other revenue	614,583	669,325
New assets released from restriction For operating purposes	41,854	-
Total public support and revenue	<u>\$26,553,933</u>	<u>\$25,574,865</u>
Expenses		
Program Services		
Service Coordination	\$1,131,440	\$1,011,732
Residential Services	7,406,462	3,650,797
Participant directed/Managed/In-home	4,663,722	4,333,762
Early Intervention	1,236,398	1,097,377
Family Support	290,837	496,931
Respite Care	86,016	185,258
Combined Residential/Day Services	6,062,539	9,339,090
Independent Living	267,206	347,425
Day Services	3,238,443	3,262,626
Clinical Support	227,033	245,007
School Services	<u>103,752</u>	<u>173,524</u>
Total program services	\$24,713,848	\$24,143,529
Supporting Services		
General Management	<u>\$1,891,868</u>	<u>\$1,973,339</u>
Total expenses	\$26,605,716	\$26,116,868
Change in Unrestricted Net Assets	\$ (51,783)	\$(542,003)
Changes in temporarily restricted Net assets		
Contributions	\$101,666	\$ -
Net assets released from restriction for Operating purposes	(41,854)	-
Change in temporarily restricted net assets	<u>\$59,812</u>	<u>\$ -</u>
Change in net assets	<u>\$8,029</u>	<u>\$(542,003)</u>

Statements of Financial Position
As of June 30, 2018 and 2017

	ASSETS	2018	2017
Current assets			
Cash/cash equivalent		\$1,740,253	\$943,243
Client funds held		369,333	367,938
Accounts receivable/net		1,994,666	3,211,473
Prepaid expenses		89,932	48,770
		<hr/>	<hr/>
Total current assets		\$4,194,184	\$4,571,424
Property and equipment			
Land		\$253,200	\$253,200
Buildings		860,505	860,505
Leasehold Improvements		717,329	596,638
Vehicles		91,213	91,213
Equipment		417,220	417,220
Construction in progress		24,500	26,121
		<hr/>	<hr/>
		\$2,363,967	\$2,244,897
Less Accumulated Depreciation		<u>(1,391,239)</u>	<u>(1,299,937)</u>
		<hr/>	<hr/>
Property and equipment, net		<u>\$972,728</u>	<u>\$944,960</u>
Other assets		<u>\$58,307</u>	<u>\$54,932</u>
		<hr/>	<hr/>
Total assets		<u>\$5,225,219</u>	<u>\$5,571,316</u>

LIABILITIES AND NET ASSETS

Current liabilities			
Accounts Payable		\$2,532,758	\$2,618,059
Accrued expenses and other Current Liabilities		317,056	372,723
Deferred revenue		21,045	211,637
Client funds held		369,333	367,938
Technical assistance loan		<u>-</u>	<u>23,961</u>
		<hr/>	<hr/>
Total current liabilities		\$3,240,192	\$3,594,318
Net assets			
Unrestricted		<u>\$1,925,215</u>	<u>\$1,976,998</u>
Temporarily restricted		59,812	-
		<hr/>	<hr/>
Total net assets		<u>\$1,985,027</u>	<u>\$1,976,998</u>
Total liabilities and net assets		<u>\$5,225,219</u>	<u>\$5,571,316</u>

Statements of Financial Position
As of June 30, 2018 and 2017

2018	2017	ASSETS
		Current assets
\$2,740,288	\$2,443,248	Cash and equivalents
389,333	387,208	Client funds held
1,994,666	3,211,473	Accounts receivable/net
89,932	48,720	Prepaid expenses
<u>\$4,154,284</u>	<u>\$4,271,424</u>	Total current assets
		Property and equipment
\$253,300	\$253,300	Land
89,602	89,602	Buildings
717,329	717,329	Leasehold improvements
91,213	91,213	Vehicles
417,220	417,220	Equipment
<u>\$4,702</u>	<u>\$4,702</u>	Construction in progress
\$2,889,647	\$2,889,647	
<u>(1,309,937)</u>	<u>(1,309,937)</u>	Less Accumulated Depreciation
<u>\$2,579,710</u>	<u>\$2,579,710</u>	Property and equipment, net
		Other assets
\$28,307	\$28,307	
<u>\$2,579,710</u>	<u>\$2,579,710</u>	Total assets
LIABILITIES AND NET ASSETS		
		Current liabilities
\$2,522,258	\$2,522,258	Accounts payable
317,029	317,029	Accrued expenses and
		Other Current Liabilities
\$1,042	\$1,042	Deferred revenue
387,338	387,338	Client funds held
<u>38,901</u>	<u>38,901</u>	Technical assistance loan
\$3,240,138	\$3,240,138	Total current liabilities
		Net assets
\$1,982,027	\$1,982,027	Unrestricted
58,713	58,713	Temporarily restricted
<u>\$1,982,027</u>	<u>\$1,982,027</u>	Total net assets
<u>\$2,579,710</u>	<u>\$2,579,710</u>	Total liabilities and net assets

ONE SKY FUTURES UPDATE:

Graham Bunce.....Director, One Sky Futures

In 2017 One Sky Community Services restructured the agency's vendor service, known as One Sky Futures to grow its business value but also increase its comprehensiveness as an employment service. This was done in response to the need to create a separation plan under the CAP NH, which it is currently under for its HCBS waiver requirement that required a focused service provider model that could be self-sustaining.

NH Tax Credits were obtained to begin the development process. A new business model was created focusing on two main areas of service provision: extended family care (EFC) and employment services. Existing functions were reconfigured to better implement the new organizational structure, along with some services being offered to other vendors.

Futures has successfully incorporated businesses, communities, vendors, area agencies and families into this process and continues to develop new relationships, including family-directed programs to offer customized job development services along with a new core group of experienced job development and coaching staff members.

All "day programs" have been converted into vocational opportunities with some individual clients working 10-20+ hours per week and others participating through business volunteering and working in internships. Reorganizing and expanding the EFC (Home Provider) network has afforded us the opportunity to work collaboratively with other agencies and redesign 'whole life' programs to include employment opportunities.

We currently have more than 50 jobs available from participating businesses and are actively working with vendors and agencies to find potential candidates. Futures' is currently collaborating with Alliance for Community Transportation (ACT) and NH Auto Dealers Association (NHADA) to design a solution for transportation to and from work sites.

Futures has not only achieved but exceeded its goals that were determined it needed to meet through the help of the grant. The grant allowed the continuation of an important service to the DD & ABD population that we serve, while allowing the organization to create new employment opportunities for our clients, providing new intern and job shadowing opportunities to new clients and actively engaging other vendors and agencies in the creation of a standardized employment and care model.

COMMUNITY SERVICES UPDATE

Community Services Update - 11/15/2017

In 2017 One City Community Services restructured the agency's vendor services known as One City Partners to grow its business value but also increase its operational costs as an employment service. This was done in response to the need to create a separation plan under the CARE Act which is currently under for its HCRS vendor requirement that required a focused service provider model that could be self-sustaining.

NIH's Credits were obtained to begin the development process. A new business model was created focusing on two main areas of service provision: extended family care (EFC) and employment services. Existing functions were reorganized to better implement the new organizational structure along with some services being offered to other vendors.

Partners has successfully incorporated businesses, communities, vendors, area agencies and families into this process and continues to develop new relationships, including family-directed programs to offer customized job development services along with a new core group of experienced job development and coaching staff members.

All "day programs" have been converted into vocational opportunities with some individual clients working 10-20+ hours per week and others participating through business volunteering and working in internships. Reorganizing and expanding the EFC (Home Provider) network has afforded us the opportunity to work collaboratively with other agencies and redesign "whole life" programs to include employment opportunities.

We currently have more than 50 jobs available from participating businesses and are actively working with vendors and agencies to find potential candidates. Partners is currently collaborating with Alliance for Community Transition (ACT) and NI Auto Dealers Association (NADA) to design a solution for transportation to and from work sites.

Partners has not only achieved but exceeded its goals that were determined it needed to meet through the help of the grant. The grant allowed the continuation of an important service to the DD & ABG population that we serve while allowing the organization to create new employment opportunities for our clients, providing new intern and job shadowing opportunities to new clients and actively engaging other vendors and agencies in the creation of a standardized employment and care model.

Futures now represents a sustainable and scalable business model that is especially important as new CMS rules focus on more employment for Medicaid recipients which area agencies are required to eliminate direct service provision from their revenue stream.



One Sky Community Services staff during their retreat in September of 2017, which took place at the Alnoba Center in Kensington, NH

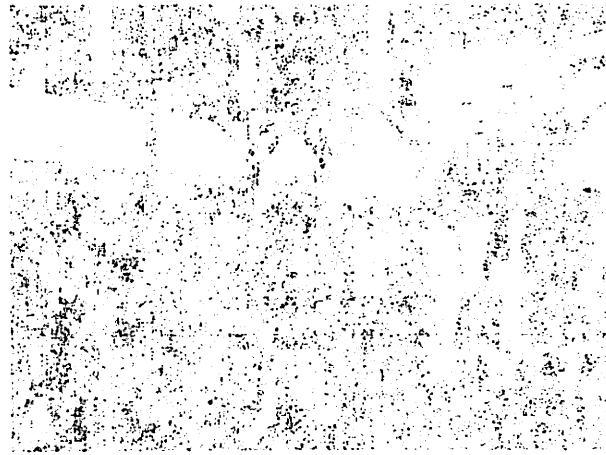
**MARCH IS NATIONAL DEVELOPMENTAL DISABILITIES
AWARENESS MONTH**

**Governor Sununu proclaimed March as Developmental Disabilities
Awareness Month in New Hampshire on March 19, 2018
The reception was held in the Executive Council Room
in the State House in Concord, NH**



Our own Michelle Schladenhauffen with Governor Sununu

It is not possible to determine the exact date when the
company began its operations as the records are not available.
The company is a private corporation and its affairs are
conducted in a confidential manner.

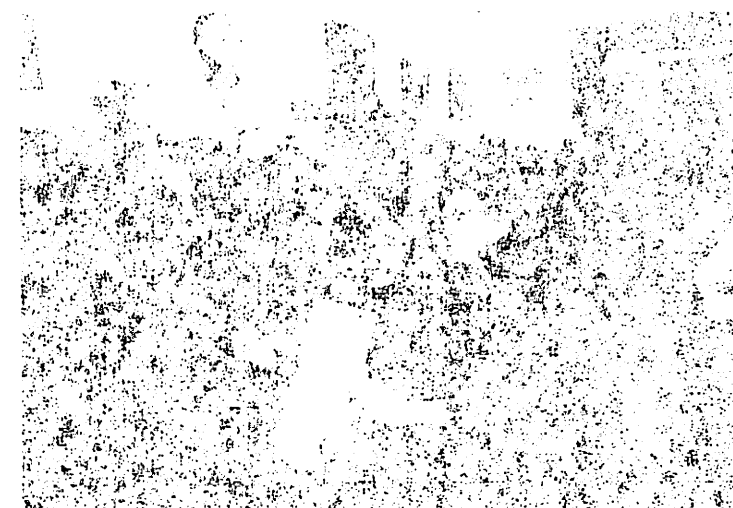


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conducted in a confidential manner.

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The company is a private corporation and its affairs are
conducted in a confidential manner.

35th Anniversary “Move To Include” Celebration
was held on November 8th at the Abeniqui Country
Club in Rye NH

This event is our new tradition to encourage and foster a more enlightened understanding of the role those with Alternate Abilities can play in our community. We recognize 3 groups of individuals and organizations – who in their own way- have demonstrated through their actions what, can be accomplished when we really do include everyone in our community.

This Year’s Honorees were:

One Sky Client Honorees

One Sky has selected three One Sky clients who have made noticeable progress in their journey to fulfillment.



Christopher Chiampa



Kyle Fowler



Sarah Portrie

One Sky Community Services Employees

Honored for achieving a service milestone in their commitment and dedication to One Sky’s clients

Kathleen McGowen – 15 years

Joyce McDonald – 5 years

Circle of Caring 2018 Inductee

Seacoast Media Group

The Anniversary Dinner to Honour Oshana
 will be held on the 15th of the month of
 2014 at the M.I.

This event is not a new tradition to encourage and foster a more
 enlightened understanding of the role that Oshana can
 play in our community. We recognize & groups of individuals and
 organizations - who in their own way have demonstrated through
 their actions what can be accomplished when we really do include
 everyone in our community.

This Year's honorees were:

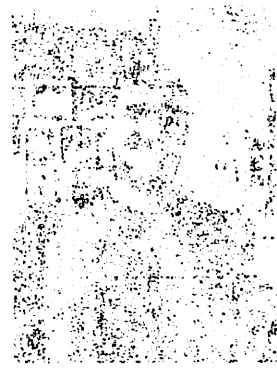
Oshana Sky & her family
 Oshana Sky has selected three Oshana clients who have made noticeable
 progress in their journey to Oshana.



Sarah Poirier



Lily Fowler



Christopher Christian

The Oshana team is proud to have
 honored for achieving a goal for their commitment and
 dedication to our Oshana clients.

Kathleen MacGowan - 15 years
 Joyce MacDonald - 5 years

Oshana Group
 Oshana Group

SPONSORS and DONORS:

Thank you again for your wonderful support!

The Provident Bank	Clark and Lavey	Eversource
NH Healthy Families	Banfield Realty	Well Sense
Exeter Hospital	Bob's Clam Hut	Northwood Oil Company
Coca Cola Bottling NNE	PCG	The Kane Company
Portsmouth Yacht Club	Systems Engineering	Chinburg Builders
Give With Liberty	Ocean Properties	Portsmouth Rotary Club
Community Oven Restaurant	New Hampshire Art Association	
Exeter Unitarian Church	UNH Institute of Developmental Disabilities	
Seacoast Homebuilders & Remodelers Association	Network for Good	
One Sky Family Support Advisory Council		

Richard Bagley	David Brown	Robert Brown
Vivian Winham	Walter Kuchtey	Bob/Cathy Herold
Gabrielle Grossman	Gerald Kotkowski	Chris Muns
Nancy Clayburgh	Kyle Trinward	Robert Madison
David/Billie Tooley	Paul/Sandra Montrone	Renee Estey
Kevin Cushing	William Scott	Tom/Patience Chamberlin
Patricia Chase	Clara Hauenstein	Barbara Briggs
Mary & Tom McCarthy	M/M Carl Gabel	Toni & Jim Trotzer
Joyce Breault	Joan Jacobs	Lularoe Amy Westerlind
The Desmond Family	Tina Bartnett	Dr. Robert Chaikin
Victoria Keir	Norman Noyes	M/M Gary Richardson
Joan Hutchins	Norma Richardson	Richard & Sally Coleman
Andrew Breen	Ingeborg Locke	Wilberta Veale
Eric Fachon	Susan Powell	Susan Bentley
Kirsten Collins	Nancy Sylvester	Phyllis & Vincent Bane
Pauline Friedrichs	Marilyn Liota	Amy & Bradford Robinson
Susan Babb	Ellen Smith	Margery & Gregory Prazar
Heather Crowley	Karen & Herb Moyer	Yoma & William Ingraham
Alan Gehrke	Gail & Bill Nostrom	Helen & Richard Kruppa
Ann & Tom Palma	Lynn Berggren	E. Ronka & D. Krystak
Lee Vandermark	Mary Lou McElwain	Mary Griffin
Judy & Frank Breen	Gail Licciardello	Natalie Hassold
Gail Gilchrest	Barbara Broderick	Patricia & Glenn McKenzie
M/M Terence McDonald		

and other numerous cash and anonymous donations

Town Support Funding: Hampton, Newington, Epping, Brentwood, East Kingston, Exeter, Newfields, Hampton Falls

Exeter, Newfields, Hampton Falls
 Exeter Support Funding: Hampton, Newington, Epping, Brentwood, East Kingston,

and other numerous cash and anonymous donations
 M/M Terence McDonald

Gail Gilchrist	Barbara Broderick	Clark and Levy	EverSource
Judy & Frank Green	Gail Licciardi	Bankfield Realty	Well Sense
Lee Vandemark	Mary Lou McEwain	Bob's Claim Hur	Northwood Oil Company
Ann & Tom Patena	Lynn Bergren	PCG	The Kane Company
Alan Gertrude	Gail & Bill Norman	Systems Engineering	Chilburg Builders
Heather Conway	Karen & Herb Moyer	Ocean Properties	Portsmouth Rotary Club
Susan Bobb	Ellen Smith	New Hampshire Art Association	Portsmouth Rotary Club
Pauline Friedrichs	Marilyn Lora	UNH Institute of Developmental Disabilities	Network for Good
Eric Faxon	Susan Powell	Seacoast Homebuilders & Remodelers Association	One Sky Family Support Advisory Council
Andrew Birn	Logeberg Locke	Richard Bagley	
Joan Hutches	Norma Richardson	Vivian Winham	
Victoria Keir	Norman Hayes	Gabrielle Grossman	
The Leonard Family	Tina Barnett	Nancy Czynbarg	
Joyce Brault	Joan Jacobs	David Billie Jolley	
Mary & Tom McCann	M/M Carl Gabel	Kevin Gunning	
Patricia Chase	Cara Hauenstein	Patricia Chase	
Tom & Jim Foster	William Scott	Kevin Gunning	
Barbara Briggs	Paul/Sandra Martone	Kevin Gunning	
Tom/Patricia Chamberlin	Renee Estey	Kevin Gunning	
Robert Madison	Chris Muns	Kevin Gunning	
Robert Madison	Chris Muns	Kevin Gunning	
Bob/Cathy Herold	David Brown	Kevin Gunning	
Robert Brown	David Brown	Kevin Gunning	

Thank you again for your wonderful support!
 SPONSORS and DONORS

IN-KIND DONATIONS:

Townsquare Media
Bob's Clam Hut

The Beach Plum
Nessit LLC

Portsmouth Rotary Club

FOUNDATIONS/CHARITABLE ORGANIZATIONS:

Northeast Delta Dental Foundation
Meredith Valley Savings Bank Foundation
NH Racing & Charitable Commission/Aces & Eights in Hampton

Stinchfield Trust
Womensaid



Market Square Day June 2018

One Sky artists included:

Tom Owens

Nathan Gray

Michelle Schladenhauffen

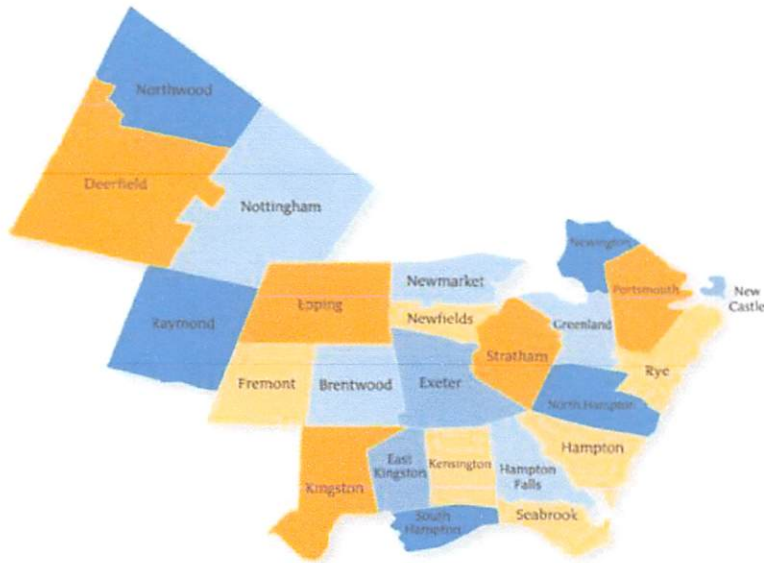
Christin Davies



**Looking Beyond Disability
January 2018**

Art exhibition by some of One Sky's clients, done in collaboration with the New Hampshire Art Association at their gallery on State Street in Portsmouth





At One Sky Community Services the sky's the limit! We believe in the communities we serve and the ability of everyone to make a difference. At One Sky we challenge ourselves to think outside the box so that we can do the best job possible. Our mission is to ensure that individuals with Alternate Abilities or Acquired Brain Disorders have the same opportunities to be successful and live a happy and fulfilling life just like everyone else in our community.

After all, we are ALL in this together.....under ONE SKY!



**755 Banfield Road
Portsmouth, NH 03801
603-436-6111**