Consolidated Financial Statements
September 30, 2020 and 2019

One Vision

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Independent Auditor's Report

The Board of Directors
One Vision
Clear Lake, Iowa

Report on the Financial Statements
We have audited the accompanying consolidated financial statements of One Vision (Organization), which comprise the consolidated statements of financial position as of September 30, 2020 and 2019, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

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

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of One Vision as of September 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Notes 1 and 15 to the financial statements, the Organization has adopted the provisions of Financial Accounting Standards Board Accounting Standards Update No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. Accordingly, the statement of cash flows for the year ended September 30, 2019 has been restated to adopt this standard. Our opinion is not modified with respect to this matter.

Eide Bailly LLP

Dubuque, Iowa
April 9, 2021

	2020	2019
Assets		
Cash and cash equivalents	$ 1,754,465	$ 231,738
Operating investments	7,883,254	6,071,461
Accounts receivable, net	2,275,480	2,890,724
Promises to give, net	87,503	118,524
Prepaid expenses and other assets	156,727	628,785
Funds held pursuant to HUD requirements		
Reserve for replacements	34,756	26,018
Residual receipts	13,235	13,217
Investments under indenture agreement	1,254,545	2,545,134
Property and equipment, net	23,442,947	20,336,973
Assets held for sale	1,516,973	1,440,018
Deferred compensation investments	45,924	30,958
Land held for investment	2,595,250	2,595,250
Cash value of life insurance	313,336	297,844
Beneficial interest in perpetual trust	980,651	949,344
Endowment investments	6,942,821	9,538,749
Total assets	$ 49,297,867	$ 47,714,737

	2020	2019
Liabilities and Net Assets		
Accounts payable		
Trade	$ 1,088,947	$ 637,443
Estimated health claims	302,099	757,167
Construction	110,527	1,922,629
Interest	262,455	257,713
Accrued expenses		
Salaries and wages	504,581	391,029
Deferred compensation	45,477	30,729
Vacation	687,705	625,776
Payroll taxes and other	198,419	204,778
Long-term debt, net of unamortized bond issuance costs and premium on bonds	15,249,804	11,009,040
Gift annuity obligation	2,181	2,861
Total liabilities	18,452,195	15,839,165
Net Assets		
Without donor restrictions		
Undesignated	22,757,008	21,189,521
Designated by the Board for endowment	6,000,000	8,595,928
Total net assets without donor restrictions	28,757,008	29,785,449
With donor restrictions		
Purpose restrictions	121,712	127,619
Time-restricted for future periods	43,480	70,339
Perpetual in nature	1,923,472	1,892,165
Total net assets with donor restrictions	2,088,664	2,090,123
Total net assets	30,845,672	31,875,572
Total liabilities and net assets	$ 49,297,867	$ 47,714,737

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Client services	$ 19,953,912	$ -	$ 19,953,912
Residential rental income	324,496	-	324,496
Vocational contracts	356,766	-	356,766
Contributions	819,974	49,977	869,951
Provider Relief Funds	376,331	-	376,331
Thrift store and green house sales	1,697,353	-	1,697,353
Less cost of goods sold	(471,440)	-	(471,440)
Net thrift store and green house sales	1,225,913	-	1,225,913
Net investment return	1,616,909	31,307	1,648,216
Rental income from senior living	130,353	-	130,353
Rental income from investment property	68,904	-	68,904
Other revenue	374,325	-	374,325
Net assets released from restrictions	82,743	(82,743)	-
Total revenue, support, and gains	25,330,626	(1,459)	25,329,167
Expenses and Losses			
Program services expense			
Residential	15,635,782	-	15,635,782
Day/employment	1,675,063	-	1,675,063
Behavioral health	349,365	-	349,365
Business enterprises	1,977,638	-	1,977,638
Other	931,718	-	931,718
Total program services expense	20,569,566	-	20,569,566
Supporting services expense			
Management and general	5,448,904	-	5,448,904
Fundraising and development	269,823	-	269,823
Total supporting services expense	5,718,727	-	5,718,727
Impairment loss on building (cottages)	70,974	-	70,974
Gain on sale of property and equipment	(200)	-	(200)
Total expenses and net losses	26,359,067	-	26,359,067
Change in Net Assets	(1,028,441)	(1,459)	(1,029,900)
Net Assets, Beginning of Year	29,785,449	2,090,123	31,875,572
Net Assets, End of Year	$ 28,757,008	$ 2,088,664	$ 30,845,672

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Client services	$ 21,141,680	$ -	$ 21,141,680
Residential rental income	295,563	-	295,563
Vocational contracts	575,271	-	575,271
Contributions	357,862	3,333	361,195
Thrift store and green house sales	2,048,418	-	2,048,418
Less cost of goods sold	(511,698)	-	(511,698)
Net thrift store and green house sales	1,536,720	-	1,536,720
Restaurant sales	-	-	-
Less cost of goods sold	(13,645)	-	(13,645)
Net restaurant sales	(13,645)	-	(13,645)
Net investment return	609,671	38,284	647,955
Rental income from senior living	3,000	-	3,000
Rental income from investment property	68,904	-	68,904
Other revenue	450,206	-	450,206
Net assets released from restrictions	237,501	(237,501)	-
Total revenue, support, and gains	25,262,733	(195,884)	25,066,849
Expenses and Losses			
Program services expense			
Residential	15,002,363	-	15,002,363
Day/employment	2,227,237	-	2,227,237
Behavioral health	562,108	-	562,108
Business enterprises	1,557,126	-	1,557,126
Other	1,070,100	-	1,070,100
Total program services expense	20,418,934	-	20,418,934
Supporting services expense			
Management and general	4,943,361	-	4,943,361
Fundraising and development	408,788	-	408,788
Total supporting services expense	5,352,149	-	5,352,149
Loss on sale of property and equipment	36,474	-	36,474
Total expenses and losses	25,807,557	-	25,807,557
Change in Net Assets	(544,824)	(195,884)	(740,708)
Net Assets, Beginning of Year	30,330,273	2,286,007	32,616,280
Net Assets, End of Year	$ 29,785,449	$ 2,090,123	$ 31,875,572

One Vision

Consolidated Statement of Functional Expenses

Year Ended September 30, 2020

	Program Services						Supporting Services			
	Residential	Day/ Employment	Behavioral Health	Business Enterprises	Other	Total	Management and General	Fundraising and Development	Total	Total Expenses
Salaries and Wages	$ 11,268,712	$ 1,192,956	$ 213,883	$ 854,750	$ 210,045	$ 13,740,346	$ 2,626,513	$ 151,346	$ 2,777,859	$ 16,518,205
Employee Benefits	1,549,657	210,048	55,022	64,149	41,334	1,920,210	496,892	12,889	509,781	2,429,991
Payroll Taxes	1,079,991	111,539	21,312	83,096	20,284	1,316,222	237,799	15,177	252,976	1,569,198
Food	294,727	-	574	1,518	-	296,819	8,153	4,006	12,159	308,978
Supplies	229,856	8,902	6,059	85,265	8,275	338,357	186,504	26,594	213,098	551,455
Utilities and Telephone	225,754	12,509	8,050	148,831	99,624	494,768	156,141	5,038	161,179	655,947
Repairs and Maintenance	201,351	47,424	15,340	80,293	59,846	404,254	288,753	4,512	293,265	697,519
Transportation	60,310	42,356	4,164	17,308	138,749	262,887	27,913	766	28,679	291,566
Education Conferences	11,141	383	5,206	3,931	10	20,671	60,981	2,196	63,177	83,848
Resident Payroll	-	7,327	-	8,073	-	15,400	-	-	-	15,400
Postage	669	-	39	5,234	-	5,942	11,645	14,600	26,245	32,187
Printing	-	-	-	15,970	-	15,970	13,922	13,097	27,019	42,989
Professional Fees	519,811	1,593	919	74,018	3,665	600,006	638,228	1,751	639,979	1,239,985
Insurance	7,381	-	914	27,143	40,959	76,397	110,261	356	110,617	187,014
Interest	1,327	-	-	128,562	-	129,889	61,909	-	61,909	191,798
Dues and Subscriptions	6,269	-	-	809	17,312	24,390	22,580	8,190	30,770	55,160
Other Taxes	2,333	-	-	11,586	-	13,919	11,987	-	11,987	25,906
Cost of Goods Sold	-	-	-	471,440	-	471,440	-	-	-	471,440
Depreciation and Amortization	158,381	38,137	16,597	239,200	291,565	743,880	309,475	-	309,475	1,053,355
Other	18,112	1,889	1,286	127,902	50	149,239	66,483	9,430	75,913	225,152
Bad Debts (Recoveries)	-	-	-	-	-	-	112,765	(125)	112,640	112,640
Total Expenses by Function	15,635,782	1,675,063	349,365	2,449,078	931,718	21,041,006	5,448,904	269,823	5,718,727	26,759,733
Less Expenses Included with Revenues on the Statement of Activities										
Cost of goods sold										
Thrift store and green house	-	-	-	(471,440)	-	(471,440)	-	-	-	(471,440)
Total Expenses Included in the Expense Section on the Statement of Activities	$ 15,635,782	$ 1,675,063	$ 349,365	$ 1,977,638	$ 931,718	$ 20,569,566	$ 5,448,904	$ 269,823	$ 5,718,727	$ 26,288,293

	Program Services						Supporting Services			
	Residential	Day/ Employment	Behavioral Health	Business Enterprises	Other	Total	Management and General	Fundraising and Development	Total	Total Expenses
Salaries and Wages	$ 10,662,312	$ 1,483,403	$ 355,045	$ 808,648	$ 230,754	$ 13,540,162	$ 2,136,132	$ 207,660	$ 2,343,792	$ 15,883,954
Employee Benefits	1,939,482	336,890	60,830	84,581	47,151	2,468,934	858,110	38,884	896,994	3,365,928
Payroll Taxes	1,080,638	143,842	34,325	83,208	24,543	1,366,556	226,034	21,544	247,578	1,614,134
Food	292,521	-	1,886	2,397	-	296,804	10,609	5,852	16,461	313,265
Supplies	199,238	27,447	20,850	127,833	7,277	382,645	196,479	37,139	233,618	616,263
Utilities and Telephone	221,213	41,978	8,932	97,571	89,631	459,325	113,694	4,972	118,666	577,991
Repairs and Maintenance	168,704	71,523	22,399	75,862	47,870	386,358	214,817	8,089	222,906	609,264
Transportation	101,664	56,036	10,998	3,531	204,737	376,966	39,975	3,035	43,010	419,976
Education Conferences	24,227	7,688	8,626	6,660	58	47,259	75,893	7,575	83,468	130,727
Resident Payroll	-	15,666	-	12,896	-	28,562	-	-	-	28,562
Postage	558	21	71	66	33	749	9,489	13,494	22,983	23,732
Printing	-	-	420	-	-	420	597	28,268	28,865	29,285
Professional Fees	140,621	435	13,650	40,791	3,630	199,127	550,868	2,660	553,528	752,655
Insurance	4,977	77	539	6,577	24,506	36,676	120,353	227	120,580	157,256
Interest	2,017	-	-	-	-	2,017	-	-	-	2,017
Dues and Subscriptions	2,704	-	129	-	15,251	18,084	21,919	10,798	32,717	50,801
Other Taxes	-	-	-	48,064	-	48,064	13,339	-	13,339	61,403
Cost of Goods Sold	-	-	-	525,343	-	525,343	-	-	-	525,343
Depreciation and Amortization	142,766	34,893	16,982	110,942	374,539	680,122	223,518	3,606	227,124	907,246
Other	18,721	7,338	6,426	47,499	120	80,104	76,723	15,811	92,534	172,638
Bad Debts (Recoveries)	-	-	-	-	-	-	54,812	(826)	53,986	53,986
Total Expenses by Function	15,002,363	2,227,237	562,108	2,082,469	1,070,100	20,944,277	4,943,361	408,788	5,352,149	26,296,426
Less Expenses Included with Revenues on the Statement of Activities										
Cost of goods sold										
Thrift store and green house	-	-	-	(511,698)	-	(511,698)	-	-	-	(511,698)
Restaurant	-	-	-	(13,645)	-	(13,645)	-	-	-	(13,645)
Total Expenses Included in the Expense Section on the Statement of Activities	$ 15,002,363	$ 2,227,237	$ 562,108	$ 1,557,126	$ 1,070,100	$ 20,418,934	$ 4,943,361	$ 408,788	$ 5,352,149	$ 25,771,083

	2020	2019 (Restated)
Operating Activities		
Change in net assets	$ (1,029,900)	$ (740,708)
Adjustments to reconcile change in net assets to net cash from (used for) operating activities		
Depreciation	1,041,894	907,246
Amortization of debt issuance costs	11,461	-
Realized and unrealized gain on operating investments	(635,144)	(95,484)
Contribution of property and equipment	(149,500)	-
Change in value of split-interest agreements	(680)	(680)
Contributions restricted to endowment	-	(1,100)
Change in beneficial interests held by others	(31,307)	(38,284)
Endowment net investment return	(867,468)	(341,518)
Impairment loss on building (cottages)	70,974	-
(Gain) loss on sale of property and equipment	(200)	36,474
Changes in operating assets and liabilities		
Accounts receivable, net	615,244	(485,979)
Promises to give, net	31,021	205,346
Restaurant inventory	-	13,859
Prepaid expenses and other assets	472,058	(430,609)
Accounts payable	1,178	785,596
Accrued expenses	183,870	(117,019)
Net Cash from (used for) Operating Activities	(286,499)	(302,860)
Investing Activities		
Purchases of operating investments	(8,716,762)	(13,712,558)
Proceeds from sales of operating investments	8,229,042	15,419,939
Addition to assets held for sale	(76,955)	(707,925)
(Addition to) withdrawal from deferred compensation investments	(14,966)	208,897
Withdrawal from endowment, net	2,750,219	261,848
Purchases of property and equipment	(5,881,444)	(10,275,965)
Proceeds from sales of property and equipment	200	24,572
Change in investments held under indenture agreement	1,200,960	(1,200,960)
Net Cash from (used for) Investing Activities	(2,509,706)	(9,982,152)

	2020	2019 (Restated)
Financing Activities		
Collections of contributions restricted to endowment	$ -	$ 1,100
Proceeds from issuance of long-term debt	4,249,200	11,050,800
Principal payments on long-term debt	(19,897)	(24,003)
Payment of debt issuance costs	-	(171,512)
Net Cash from (used for) Financing Activities	4,229,303	10,856,385
Net Change in Cash, Cash Equivalents, and Restricted Cash	1,433,098	571,373
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	1,575,912	1,004,539
Cash, Cash Equivalents, and Restricted Cash, End of Year	$ 3,009,010	$ 1,575,912
Cash and Cash equivalents	$ 1,754,465	$ 231,738
Cash and Money Market Funds Under Indenture Agreement	1,254,545	1,344,174
Total cash, cash equivalents, and restricted cash	$ 3,009,010	$ 1,575,912
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest, including amounts paid for capitalized interest	$ 714,989	$ 183,645
Supplemental Disclosure of Non-cash Investing Activity		
Contribution of property and equipment	$ 149,500	$ -
Accounts payable for construction	$ 110,527	$ 1,922,629

Note 1 - Principal Activity and Significant Accounting Policies

Organization

One Vision (the "Organization") is a nonprofit organization established to provide residential homes, activity centers, and other services for those individuals having physical or mental disabilities which necessitate special help and supervision in their daily lives. The Organization additionally fulfills its mission by focusing its efforts in the following primary service areas:

Residential

The Organization helps individuals with disabilities to find affordable, safe, and comfortable homes in Iowa communities of their choice. One Vision staff support each person to live as independently as possible, while providing appropriate assistance based on individual needs.

Day/Employment

The Organization supports individuals with disabilities to achieve success at work. It starts with discovery. The Organization gets to know a person outside of work, look at their home environment, find out when and where they are at their best, and assess skills and interests. Then they offer training to improve skills and the opportunity to learn about different types of work by visiting businesses or trying out a job for ten days. The Organization supports individuals with disabilities to achieve success in the communities where they live and the wider world. Success for some might mean volunteering at a local community kitchen or at a state park picking up trash. For another, it may mean going to the grocery store like everyone else in town, to choose favorite items and pay for them.

Behavioral Health

The One Vision Children's Autism Center in Clear Lake, Iowa, offers hope for families overwhelmed by the challenges of raising a child on the autism spectrum. Direct services including assessment, positive behavior supports, and skill building activities to improve the lives of children with autism.

Business Enterprises

The Organization operates various businesses, such as a thrift store, which offer work-related opportunities for those individuals it serves. These businesses are operated in conjunction with the other program services previously mentioned.

Other

The Organization provides safe, courteous, and prompt transportation to meet the transportation needs of staff, persons supported, and transit service customers.

Principles of Consolidation

The consolidated financial statements include the accounts of One Vision (which includes Eagle Grove Group Home), Elm Street Home, Inc., Northwoods Living, Inc, One Vision Charitable Foundation, and TimberCrest Apartments LLC because One Vision has both control and an economic interest in Elm Street Home, Inc., Northwoods Living, Inc., the One Vision Charitable Foundation, and TimberCrest Apartments LLC. All significant intercompany accounts and transactions have been eliminated in consolidation. Unless otherwise noted, these consolidated entities are hereinafter referred to as the Organization.

Cash and Cash Equivalents

The Organization consider all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to the building project (held under indenture agreements), endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Restricted Cash

Restricted cash on the consolidated statements of financial position represents amounts pledged as collateral for long-term financing arrangements as contractually required by a lender. The restriction will lapse when the related long-term debt is repaid.

Receivables and Credit Policies

Accounts receivable consist primarily of noninterest-bearing amounts due for client services. The Organization determines the allowance for uncollectible accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectible. At September 30, 2020 and 2019, the allowance was $64,449 and $32,800, respectively.

Promises to Give

The Organization records unconditional contributions expected to be collected within one year at net realizable value. Unconditional contributions expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the consolidated statements of activities. The Organization determines the allowance for uncollectible contributions receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions receivable are written off when deemed uncollectible. At September 30, 2020 and 2019, the allowance was $1,400 and $16,000, respectively.

U.S. Department of Housing and Urban Development (HUD) Regulations

The operations of the Elm Street Home, Inc. and Eagle Grove Group Home are subject to certain HUD regulations and requirements as follows:

Reserve for Replacements

Pursuant to the terms of the HUD regulatory agreement, Elm Street Home, Inc. and Eagle Grove Group Home are required to maintain a replacement reserve account. The replacement reserve is to be used to fund improvements and replacements. Withdrawals from these accounts are subject to HUD approval.

Residual Receipts

Use of residual receipts accounts are contingent upon HUD's written approval.

Tenant Security Deposits

Pursuant to management policy, Elm Street Home, Inc. and Eagle Grove Group Home have set aside funds to repay tenant security deposits after lease termination in accordance with requirements established by the HUD regulatory agreement.

Rent Increases

Under the regulatory agreement, Elm Street Home, Inc. and Eagle Grove Group Home may not increase rents charged to tenants without HUD approval.

Distributions

Regulatory agreements with HUD stipulate among other things, that Elm Street Home, Inc. and Eagle Grove Group Home will not make distributions of assets or income to any of its officers or directors.

Security Deposits

The Organization holds security deposits for the tenants of the apartments. These funds are included in prepaid expenses and other assets on the consolidated statements of financial position. Security deposits totaled $24,454 and $20,597 at September 30, 2020 and 2019. A corresponding liability is also included in accrued expenses related to these amounts.

Property and Equipment

The Organization records property and equipment additions over $5,000 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from three to thirty years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the consolidated statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently. Interest expense incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. Asset impairment loss for the year ended September 30, 2020 totaled $70,974. No assets were deemed impaired during the year ended September 30, 2019.

Debt Issuance Costs

Debt issuance costs are amortized over the period the related obligation is outstanding using the effective interest method. Debt issuance costs are included within long-term debt on the consolidated statement of financial position. Amortization of debt issuance costs will be included in interest and amortization expense in the accompanying consolidated financial statements when incurred.

Assets Held for Sale

The Organization is converting several of the buildings on its campus into 3-unit condos. The assets are classified as assets held for sale on the consolidated statements of financial position. The Organization has recorded these assets at their carrying value. The Organization will review the carrying value of the assets held for sale for impairment whenever they are sold.

Beneficial Interest in Perpetual Trust

The Organization has been named as an irrevocable beneficiary of a trust administered by a bank. Perpetual trusts provide for the distribution of the net income of the trust to the Organization. At the date the Organization receives notice of a beneficial interest, a contribution with donor restrictions of a perpetual nature is recorded in the consolidated statements of activities, and a beneficial interest in perpetual trust is recorded in the consolidated statements of financial position at the fair value of the underlying trust assets. Thereafter, beneficial interests in the trusts are reported at the fair value of the trusts' assets in the consolidated statements of financial position, with trust distributions and changes in fair value recognized in the consolidated statements of activities.

Investments

The Organization records investment purchases at cost, or the fair value on the date of donation. Thereafter, investments are reported at their fair values in the consolidated statements of financial position. Net investment return/(loss) is reported in the consolidated statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external investment expenses.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions 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 statements of activities as net assets released from restrictions. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue and Revenue Recognition

Client service revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing client care. These amounts are due from residents, third-party payors (including health insurers and government programs) and others. Generally, the Organization bills after the services are performed, or twice per month if the client receives services on a regular basis. Revenue is recognized as performance obligations are satisfied.

Thrift store income and cost of goods sold are recorded as the donated goods are sold. Green house and restaurant income are recorded at the selling price at the time of the sale.

The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been met.

Donated Services and In-Kind Contributions

The Organization pays for most services requiring specific expertise, however individual volunteers contribute time to the Organization's specific programs, various committee assignments, and fundraising and development activities; however, the consolidated financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods for resale requires the addition of program-related expenses/processes before it reaches its point of sale and are recorded as contributions at their estimated fair value at time of sale. For the years ended September 30, 2020 and 2019, the Organization recognized contributed merchandise with a fair value of $435,328 and $432,031 as contributed revenue, which is included in thrift store and green house sales on the consolidated statements of activities.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include utilities and telephone, and insurance which are allocated based on square footage, as well as transportation, which is allocated based on average miles and size of vehicle, and repairs and maintenance which is allocated based on average time worked in areas. All other expenses are allocated on the basis of estimates of time and effort.

Advertising Costs

Advertising costs are expensed as incurred, and approximated $37,000 and $42,000 during the years ended September 30, 2020 and 2019.

Income Taxes

One Vision, Elm Street Home, Inc., One Vision Charitable Foundation, and Northwoods Living, Inc. are organized as Iowa nonprofit corporations and have been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). One Vision, Elm Street Home, Inc., and One Vision Charitable Foundation qualify for the charitable contribution deduction and have been determined not to be private foundations. Northwoods Living, Inc. has been determined to be a private foundation. Each entity is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the entities are subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes.

One Vision files an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS to report its unrelated business taxable income. The Organization has determined that the other entities are not subject to unrelated business income tax and none of the other entities have filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

The Organization believes that each entity has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the consolidated financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Investment in Tax Credit Project

Included within the consolidated financial statements of the Organization is Northwoods Living, Inc., which is a non-profit organization controlled by the Organization. Northwoods Living, Inc. is a general partner in Northwoods Limited Partnership #1, which was organized to acquire, finance, construct, own, maintain, improve, operate, and if appropriate or desirable, sell or otherwise dispose of an apartment complex in Fort Dodge, Iowa.

As a general partner in the tax credit project, Northwoods Living Inc. manages the day to day operations of the project; however, any significant changes to the operations must be approved by the limited partners. In addition, the partnership agreement defines the rights and obligations of the limited partners and the general partners.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Organization to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Financial Instruments and Credit Risk

The Organization manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the organization has not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates. Investments are made by diversified investment managers whose performance is monitored by management and the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management believes that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets. At September 30, 2019, a liability was recorded for estimated workers' compensation claims and professional liability claims, along with a corresponding estimated insurance receivable related to these items. These amounts are no longer recorded at gross on the consolidated statement of financial position and are now netted together going forward.

Change in Accounting Policy

As of October 1, 2019, the Organization adopted the provisions of Accounting Standards Update (ASU) 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. This update requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents, by including amounts generally described as restricted cash and restricted cash equivalents with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. Retrospective application of the amendment is required. The Organization has adopted this standard as management believes this presentation eliminates a diversity in practice in the presentation of restricted cash and restricted cash equivalents in the consolidated statement of cash flows.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2020	2019
Cash and cash equivalents	$ 1,754,465	$ 231,738
Operating investments, less $5,700,000 negative pledge agreement accounting to debt agreement	2,183,254	371,461
Accounts receivable, net	2,275,480	2,890,724
Promises to give, net (amounts expected to be collected within one year)	62,318	93,125
	$ 6,275,517	$ 3,587,048

Endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

A board-designated endowment of $6,000,000 and $8,595,928 at September 30, 2020 and 2019 is maintained for long-term purposes. Although the Organization does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

Operating investments of $5,700,000 are pledged as collateral against One Vision debt (B-bond) issued in December 2018 to support the funding and development of the Clear Lake campus re-use projects.

Investments held under indenture agreement of $1,254,545 and $2,545,134 for September 30, 2020 and 2019 are related to TimberCrest Apartments, LLC's debt (A bonds) issued in December 2018 as tax-exempt public bonds to fund the construction of TimberCrest Apartments, an active independent living facility for seniors. The remaining funds include restricted funds to support bondholders for an operating reserve, debt service reserve, capitalized interest fund, and bond fund.

Additional investments in land held for investment of $2,595,250 for September 30, 2020 and 2019 are maintained as a non-liquid portion of the investment portfolio and the board decision currently is to retain these assets.

As part of a liquidity management plan, cash in excess of daily requirements is invested in short-term investments, certificates of deposit, and money market funds.

Note 3 - Net Client Service Fees and Business Enterprises

Net Client Service Fees

Net client service revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing care. These amounts are due from residents, third-party payors (including health insurers and government programs) and others. Generally, the Organization bills the resident and third-party payors twice per month after the services are performed. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Organization believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to clients receiving residential, day/employment, behavioral health and transportation services from the beginning of the performance period, generally admission or the beginning of the month, to the sooner of completion of services to that client, discharge or the end of the month.

The Organization determines the transaction price based on standard charges for services provided.

The Organization has agreements with third-party payors that provide for payments to the Organization at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

Medicaid

The Medicaid program reimburses the Organization for services as defined in various agreements. The basis for reimbursement under these agreements may include discounts from established charges and prospectively determined rates. The Organization’s Medicaid settlements, if any, have been finalized through the year ended June 30, 2018.

County Funded

Counties reimburse the Organization for services as defined in various agreements. The basis for reimbursement under these agreements may include discounts from established charges and prospectively determined rates.

A summary of revenue from the various payors are as follows:

	2020	2019
Medicaid	95%	98%
County funded	1	1
Private pay	4	1
	100%	100%

The Organization grants credit without collateral to its clients, most of whom are insured under third-party payor agreements. The mix of receivables from third-party payors and clients are as follows:

	2020	2019
Medicaid	93%	95%
Private pay	3	3
County funded	3	1
Other	1	1
	100%	100%

Business Enterprises

The Organization operates a thrift store and receives donated items to sell to the public. They also operate a green house and grow items to sell at various retail outlets. Revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing goods and is recognized at a point in time.

Revenue for performance obligations satisfied at a point in time is recognized when goods or services are provided, and the Organization does not believe it is required to provide additional goods or services to the client.

The composition of net client service revenue (residential, day/employment and behavioral health listed below are included in client services, residential rental income and vocational contracts revenue on the consolidated statement of activities), transportation (included in other revenue on the consolidated statement of activities) and business enterprises are based on the Organization's lines of business, and timing of revenue recognition for the years ended September 30, 2020 and 2019 are as follows:

	2020				
	Residential	Day/ Employment	Behavioral Health	Transportation	Business Enterprises
Timing of Revenue and Recognition					
At time services are rendered	$ -	$ -	$ -	$ -	$ 1,697,353
Services transferred over time	19,408,380	1,152,820	73,974	357,076	-
	$ 19,408,380	$ 1,152,820	$ 73,974	$ 357,076	$ 1,697,353

	2019				
	Residential	Day/ Employment	Behavioral Health	Transportation	Business Enterprises
Timing of Revenue and Recognition					
At time of services are rendered	$ -	$ -	$ -	$ -	$ 2,048,418
Services transferred over time	20,241,651	1,522,045	248,818	406,695	-
	$ 20,241,651	$ 1,522,045	$ 248,818	$ 406,695	$ 2,048,418

Note 4 - Provider Relief Funds

The Organization received $376,331 of Coronavirus Aid, Relief, and Economic Security (CARES) Act Provider Relief Funds allocated from the State of Iowa for mental health and disability services. The funds are subject to terms and conditions imposed by the State of Iowa. Among the terms and conditions is a provision that payments will only be used to prevent, prepare for, and respond to coronavirus and shall reimburse the recipient only for healthcare-related expenses that are attributable to the coronavirus pandemic. Recipients may not use the payments to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse. The State of Iowa currently has a deadline to incur eligible expenses of December 30, 2021. Unspent funds will be expected to be repaid.

These funds are recorded as a refundable advance when received and are recognized as revenues in the accompanying consolidated statements of activities as all terms and conditions are considered met. The terms and conditions are subject to interpretation, changes and future clarification, the most recent of which have been considered through the date that the financial statements were issued. In addition, this program may be subject to oversight, monitoring and audit. Failure by a provider that received a payment from the Provider Relief Fund to comply with any term or condition can subject the provider to recoupment of some or all of the payment.

As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. During the year ended September 30, 2020, the Organization recognized $376,331 as revenue, which is presented separately on the consolidated statement of activities.

Note 5 - Fair Value Measurements and Disclosures

The Organization reports certain assets at fair value in the consolidated financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, the Organization develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk or liquidity profile of the asset or liability.

A significant portion of the Organization's investment assets are classified within Level 1 because they are comprised of equity securities and open-end mutual funds with readily determinable fair values based on daily closing prices or redemption values. The Organization invests in certificates of deposit traded in the financial markets. Those certificates of deposit and fixed income securities are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates and market-rate assumptions, and are classified within Level 2. The fair value of the beneficial interest in perpetual trust is based on the fair value of trust investments as reported by the trustee. This is considered to be a Level 3 measurement.

The Organization's land held in charitable trust and land held for investment purposes are valued based on annual appraisals from real estate agents who have experience in area land transactions. The life interest in real estate is valued based off a sales comparison prepared by a real estate agent. These are classified within Level 3. The fair value of the life insurance policies is determined based on a statement of current policy values provided by the insurance company and is classified as Level 2.

The following table presents assets measured at fair value on a recurring basis, except those measured at cost as identified below, at September 30, 2020:

		Fair Value Measurements at Report Date Using		
Assets	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Operating Investments				
Cash and money market funds (at cost)	$ 180,072	$ -	$ -	$ -
Fixed income	3,010,791	-	3,010,791	-
Equities	3,708,178	3,708,178	-	-
International equities	984,213	984,213	-	-
	$ 7,883,254	$ 4,692,391	$ 3,010,791	$ -
Endowment Investments				
Cash and money market funds (at cost)	$ 158,590	$ -	$ -	$ -
Fixed income	2,651,619	-	2,651,619	-
Equities	3,265,811	3,265,811	-	-
International equities	866,801	866,801	-	-
	$ 6,942,821	$ 4,132,612	$ 2,651,619	$ -
Deferred Compensation Investments				
Equity mutual funds	$ 45,924	$ 45,924	$ -	$ -
Investments under Indenture Agreement				
Cash and money market funds (at cost)	$ 1,254,545	$ -	$ -	$ -
Land Held for Investment	$ 2,595,250	$ -	$ -	$ 2,595,250
Cash Value of Life Insurance	$ 313,336	$ -	$ 313,336	$ -
Beneficial Interest in Perpetual Trust	$ 980,651	$ -	$ -	$ 980,651

The following table presents assets measured at fair value on a recurring basis, except those measured at cost as identified below, at September 30, 2019:

		Fair Value Measurements at Report Date Using		
Assets	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Operating Investments				
Cash and money market funds (at cost)	$ 75,218	$ -	$ -	$ -
Fixed income	2,234,127	-	2,234,127	-
Equities	3,014,332	3,014,332	-	-
International mutual funds	123,097	123,097	-	-
International equities	624,687	624,687	-	-
	$ 6,071,461	$ 3,762,116	$ 2,234,127	$ -
Endowment Investments				
Cash and money market funds (at cost)	$ 118,174	$ -	$ -	$ -
Fixed income	3,509,989	-	3,509,989	-
Equities	4,735,757	4,735,757	-	-
International mutual funds	193,396	193,396	-	-
International equities	981,433	981,433	-	-
	$ 9,538,749	$ 5,910,586	$ 3,509,989	$ -
Deferred Compensation Investments				
Equity mutual funds	$ 30,958	$ 30,958	$ -	$ -
Investments Under Indenture Agreement				
Cash and money market funds (at cost)	$ 1,344,174	$ -	$ -	$ -
Fixed income	1,200,960	-	1,200,960	-
	$ 2,545,134	$ -	$ 1,200,960	$ -
Land Held for Investment	$ 2,595,250	$ -	$ -	$ 2,595,250
Cash Value of Life Insurance	$ 297,844	$ -	$ 297,844	$ -
Beneficial Interest in Perpetual Trust	$ 949,344	$ -	$ -	$ 949,344

Below is a reconciliation of the beginning and ending balance of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended September 30, 2020 and 2019:

	Fair Value Measurements at Report Date Using Significant Unobservable Inputs (Level 3)	
	Beneficial Interest in Perpetual Trust	Land Held for Investment
Year ended September 30, 2020		
Balance at September 30, 2019	$ 949,344	$ 2,595,250
Net realized and unrealized gain (loss)	31,307	-
Balance at September 30, 2020	$ 980,651	$ 2,595,250
Unrealized gain (loss) included in net investment return in the consolidated statement of at September 30, 2020	$ 31,307	$ -
Year ended September 30, 2019		
Balance at September 30, 2018	$ 911,060	$ 2,595,250
Net realized and unrealized gain (loss)	38,284	-
Balance at September 30, 2019	$ 949,344	$ 2,595,250
Unrealized gain (loss) included in net investment return in the consolidated statement of activities relating to assets still held at September 30, 2019	$ 38,284	$ -

Note 6 - Net Investment Return

Net investment return consists of the following:

	2020	2019
Operating Investments		
Interest and dividends	$ 182,277	$ 248,206
Net realized and unrealized gain (loss)	635,144	95,484
Less investment management and custodial fees	(36,673)	(37,253)
	780,748	306,437
Endowment Investments		
Interest and dividends	197,606	313,738
Net realized and unrealized gain (loss)	713,177	79,670
Less investment management and custodial fees	(43,315)	(51,890)
	867,468	341,518
	$ 1,648,216	$ 647,955

Note 7 - Promises to Give

Unconditional promises to give are estimated to be collected as follows:

	2020	2019
Within one year	$ 62,318	$ 93,125
In one to five years	26,585	41,399
	88,903	134,524
Less allowance for uncollectible promises to give	(1,400)	(16,000)
	$ 87,503	$ 118,524

Amounts due in more than one year have not been discounted to present value as the amount of the discount is immaterial to the consolidated financial statements.

Note 8 - Property and Equipment

Property and equipment consists of the following:

	2020	2019
Land and improvements	$ 2,528,971	$ 2,020,694
Buildings and improvements	31,165,283	17,414,243
Equipment and furniture	4,121,663	3,309,028
Construction in progress (not depreciated)	1,116,166	13,232,322
	38,932,083	35,976,287
Less accumulated depreciation and amortization	(15,489,136)	(15,639,314)
	$ 23,442,947	$ 20,336,973

The Organization originally had ten on-campus cottage buildings. Due to changes in State legislature and other variables, eight of these cottages are no longer used for operational purposes, and the current intent is to remodel these unused cottages as triplex condos and sell them. The remaining two cottages continue to be utilized by the Organization. Impairment losses are recognized once the cottages are no longer utilized, reducing the carrying value of all cottage buildings not being utilized to $0. The cost to remodel these condos is included in the consolidated statements of financial position as assets held for sale. As of September 30, 2020, two of the eight cottage buildings have been remodeled.

Construction in progress (CIP) at September 30, 2020, represents costs incurred for two separate projects. The Kinney-Lindstom Center is being remodeled to connect the main building to TimberCrest Apartments and to upgrade shared spaces. Phase 2 estimated total costs are $201,500, of which $74,000 is currently classified as CIP. Completion is anticipated to be by the end of 2021. Site work was necessary due to the changing campus structure. Estimated total costs for the site work are $1,200,000, of which $924,000 is currently classified as CIP. Completion is anticipated to be by the end of 2021. These projects are be financed through operating funds.

	2020	2019
Interest Costs		
Capitalized as part of construction project	$ 527,933	$ 439,341
Recognized as interest expense	191,798	2,017
Total	$ 719,731	$ 441,358

Note 9 - Long-Term Debt

In December 2018, the Organization issued $9,600,000 of Series 2018 A Revenue Bonds (the A-Bonds). The proceeds of the A-Bonds were used for the construction of a senior-focused independent living apartment complex located in Clear Lake, Iowa (TimberCrest Apartments). The A-Bonds are 30-year serial bonds maturing at various times from 2021-2048, with interest rates that vary between 3.85% to 6.00% based on term of the separate maturities. The A-Bonds have two years of interest-only payments followed by principal and interest payments based on a 28-year amortization. Payment of principal and interest on the A-Bonds is guaranteed by a loan agreement which is secured by mortgaged property currently in construction in progress. Interest, and principal, when due, on the A-Bonds are payable semi-annually on April 1 and October 1.

In December 2018, the Organization also issued a $5,700,000 Series 2018 B Revenue Bond (the B-Bond). The proceeds of the B-Bond are being borrowed to support the funding and development of the Clear Lake campus re-use projects. The B-Bond has a 20-year amortization with floating rates based on the 5-year U.S. Treasury rate plus 135 basis points with the first 5 years set at 4.25%. The B-Bond has two years of interest only payments followed by principal and interest payments based on an 18-year amortization. Payment of principal and interest on the B-Bond is guaranteed by a loan agreement which is secured by property held by the Organization and a pledge to keep $5,700,000 in the Organization's investment portfolio. Interest on the Bonds is payable monthly on the 20th of the month.

Long-term debt consists of the following:

	2020	2019
Senior Housing Revenue Bonds, Series 2018 A Bonds, 3.85%-6.00% interest rates, interest payments due semi-annually, final maturity in October 2049, collateralized by real and personal property, net of unamortized debt issuance costs (based upon an average effective interest rate) and unamoritized bond premium		
Principal amount	$ 9,600,000	$ 9,600,000
Less unamortized debt issuance costs	(193,761)	(207,071)
Plus unamortized bond premium	175,170	187,203
	9,581,409	9,580,132
Facility Revenue Bond, Series 2018 B, 4.25% interest rate, interest payments due semi-annually, final maturity in October 2038, collateralized by real and personal property, net of unamortized debt issuance costs (based upon the effective interest rate)		
Principal amount	5,700,000	1,450,800
Less unamortized debt issuance costs	(141,460)	(151,644)
	5,558,540	1,299,156

	2020	2019
Non-interest bearing mortgage note payable to the Iowa Department of Economic Development, due in monthly installments of $317, with final payment in 2044	$ 82,756	$ 87,822
Note payable to a bank, current interest rate is 4.34%, due in monthly installments of $950 through March 2023, secured by real estate	27,099	41,930
Long-term debt, less unamortized debt issuance costs, and unamortized bond premium	$ 15,249,804	$ 11,009,040

Future maturities of debt are as follows:

Years Ending September 30,	Bonds Payable	Notes Payable	Total
2021	$ 108,148	$ 15,591	$ 123,739
2022	395,942	16,012	411,954
2023	410,433	10,697	421,130
2024	430,332	5,067	435,399
2025	445,655	5,067	450,722
Thereafter	13,509,490	57,421	13,566,911
Less unamortized debt issuance costs	(335,221)	-	(335,221)
Plus unamortized bond premium	175,170	-	175,170
	$ 15,139,949	$ 109,855	$ 15,249,804

The Organization is subject to certain covenants under the Bond agreements. The Organization has established certain bond funds (capitalized interest fund, operating fund, reserve bond fund and debt service reserve fund).

The Organization received two forgivable loans from North Iowa Area Council of Governments (NIACOG) Housing Trust Fund for housing assistance to help construct homes for its clients to rent. The Organization was required to match the funds given. 1/60th of the loans were forgiven each month as long as terms for the loan were met. The specifications required that the Organization must use the homes for clients or low-income housing, and they may not sell the homes for five years from the date of the agreements. The Organization entered into one forgivable loan on March 26, 2014, for $96,538 and another forgivable loan on January 22, 2015, for $79,617. As the loans were forgivable and the Organization deemed any non-performance remote, the loans were recorded as contributions upon receipt and were not included in long-term debt. The outstanding balances of both loans were completely forgiven as of September 30, 2020.

Note 10 - Leases

The Organization leases building space in Ft. Dodge for its work activity program under an operating lease expiring in October 2026. However, subsequent to April 26, 2014, the lease may be terminated by either party. The monthly payments are $4,040. There are no future minimum lease payments as of September 30, 2020.

The Organization began leasing space used for restaurant operations in January 2017 under an operating lease expiring December 31, 2020. During the year ended September 30, 2019, the Organization closed the restaurant. The Organization came to a buyout agreement with the lessor to terminate the lease early. The Organization was released from its obligation on October 1, 2019. Lease expense for the years ended September 30, 2020 and 2019 under this lease was $0 and $18,000.

Total rent expense for the years ended September 30, 2020 and 2019 totaled $192,156 and $184,079, respectively.

Note 11 - Endowments

The Organization's endowment (the Endowment) consists of eight individual funds established by donors. The Endowment also includes certain net assets without donor restrictions that have been designated for endowment by the Board of Directors.

The Board of Directors has interpreted the Iowa Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. As of September 30, 2020 and 2019, there were no such donor stipulations. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the Endowment and (b) any accumulations to the Endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA. The following factors are considered in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization

Endowment net asset composition by type of fund is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
September 30, 2020			
Board-Designated Endowment	$ 6,000,000	$ -	$ 6,000,000
Donor-Restricted Endowment (original gift)	-	942,821	942,821
	$ 6,000,000	$ 942,821	$ 6,942,821
September 30, 2019			
Board-Designated Endowment	$ 8,595,928	$ -	$ 8,595,928
Donor-Restricted Endowment (original gift)	-	942,821	942,821
	$ 8,595,928	$ 942,821	$ 9,538,749

Investment and Spending Policies

The Organization has adopted investment policies for the Endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments. The Organization is currently developing a spending policy to align with this methodology as earnings on the endowment have historically been released from restriction annually to use for operations. The Organization would not spend from any funds that would be in an underwater position.

Changes in Endowment net assets are as follows:

Year Ended September 30, 2020	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets, Beginning of Year	$ 8,595,928	$ 942,821	$ 9,538,749
Investment Return			
Investment income, net of fees	174,998	22,608	197,606
Net realized and unrealized gain (loss)	631,583	81,594	713,177
Less investment management and custodial fees	(38,359)	(4,956)	(43,315)
	768,222	99,246	867,468
Contributions	-	-	-
Distributions			
Appropriation of endowment assets pursuant to spending-rate policy	-	(99,246)	(99,246)
Transfer to remove board-designated endowment funds	(3,364,150)	-	(3,364,150)
Endowment Net Assets, End of Year	$ 6,000,000	$ 942,821	$ 6,942,821

Year Ended September 30, 2019	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets, Beginning of Year	$ 8,595,928	$ 941,721	$ 9,537,649
Investment Return			
Investment income, net of fees	282,744	30,994	313,738
Net realized and unrealized gain (loss)	71,799	7,871	79,670
Less investment management and custodial fees	(46,763)	(5,127)	(51,890)
	307,780	33,738	341,518
Contributions	-	1,100	1,100
Distributions			
Appropriation of endowment assets pursuant to spending-rate policy	-	(33,738)	(33,738)
Transfer to remove board-designated endowment funds	(307,780)	-	(307,780)
Endowment Net Assets, End of Year	$ 8,595,928	$ 942,821	$ 9,538,749

Note 12 - Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods:

	2020	2019
Subject to Expenditure for Specified Purpose		
Special needs fund	$ 44,684	$ 65,434
New program development	33,005	14,000
Promises to give, the proceeds from which have been restricted by donors for		
Autism Center	350	6,385
Community Employment	3,673	-
Special projects	40,000	41,800
	121,712	127,619
Subject to the Passage of Time		
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	43,480	70,339
Endowments		
Perpetual in nature, earnings from which are subject to endowment spending policy appropriation		
Available for general use	942,821	942,821
Perpetual in nature, not subject to spending policy or appropriation		
Beneficial interest in perpetual trust	980,651	949,344
	$ 2,088,664	$ 2,090,123

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors:

	2020	2019
Expiration of Time Restrictions	$ 33,808	$ 89,391
Satisfaction of Purpose Restrictions		
New program development	-	32,155
Autism Center	6,385	114,755
Special needs fund	20,750	-
Special projects	21,800	1,200
	$ 82,743	$ 237,501

Note 13 - Employee Benefits

The Organization sponsors a defined contribution pension plan that matches 100% of the first 3% of employee contributions and 50% of the next 2% of employee contributions. During the years ended September 30, 2020 and 2019, contributions to the plan amounted to $289,967 and $298,564, respectively. There is a 457(b) deferred compensation plan that covers members of the leadership team. These assets are held in a separate investment account and as of September 30, 2020 and 2019, the balance of the investment was $45,924 and $30,958, respectively.

Note 14 - Contingencies

General Liability Insurance

General liability insurance coverage is subject to a limit of $1 million per claim and an annual aggregate limit of $5 million.

Self-Insured Health Plan

The Organization self-insures for losses related to employee health benefits. Reinsurance coverage is maintained for specific individual and aggregate liability losses over specified amounts. A provision for estimated health claims outstanding of approximately $302,000 and $757,000 is included in liabilities at September 30, 2020 and 2019. Reinsurance receivables at September 30, 2020 and 2019 of $0 and $412,000 are included in prepaid expenses and other assets on the consolidated statements of financial position.

Worker's Compensation Insurance

The Organization has worker's compensation insurance coverage to provide protection for costs related to employee injuries.

Litigation, Claims, and Disputes

The Organization is subject to the usual contingencies in the normal course of operations and relating to the performance of its tasks under its various programs. Management assesses the ultimate settlement of any litigation, claims, and disputes in process in determining whether a liability should be recorded, or a disclosure should be presented.

One Vision has an outstanding insurance claim relating to a motor vehicle accident involving a transit bus, which was operated by an employee of One Vision. One Vision is deemed to be at fault related to the accident. The claim is being handled by the Organization's insurance company. The transit system owner, on whose behalf One Vision has been operating the vehicle, and which is party to any claim, has insurance coverage as well. At the current time, the ultimate outcome of the claim is unknown. While it is presently anticipated that any claim will be met by the insurance coverage of the transit owner and One Vision, it is uncertain if a settlement could exceed these insurance limits. Because of the uncertainty of the ultimate outcome, and the inability to estimate at this time whether there could be any settlement in excess of insurance limits, no accrual has been recorded on the financial statements as of September 30, 2020.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicaid program, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenues from patient services.

Note 15 - Restatement Resulting from Change in Accounting Policy

As discussed in Note 1 to the financial statements, the Organization has adopted the provisions of Financial Accounting Standards Board Accounting Standards Update No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. Accordingly, the September 30, 2019 statement of cash flows has been restated to adopt this standard. Following is a summary of the effects of the change in accounting policy in the Organization’s September 30, 2019 statement of cash flows.

	As Previously Reported	Adoption of ASU 2016-18	As Adjusted
Change in investments held under indenture agreement	$ (2,545,134)	$ 1,344,174	$ (1,200,960)
Net cash from (used for) investing activities	(11,326,326)	1,344,174	(9,982,152)
Net change in cash, cash equivalents, and restricted cash	(772,801)	1,344,174	571,373
Cash, cash equivalents, and restricted cash, end of year	231,738	1,344,174	1,575,912

Note 16 - Subsequent Events

The Organization has evaluated subsequent events through April 9, 2021, the date the consolidated financial statements were available to be issued.

Subsequent to year-end, the Organization received $430,536 of Coronavirus Aid, Relief, and Economic Security (CARES) Act Provider Relief Funds administered by the Department of Health and Human Services (HHS). The funds are subject to terms and conditions imposed by HHS.

As of the date of issuance of the financial statements, the full impact of the Organization's financial situation as a result of coronavirus-related expenses and lost revenues is not known. The Organization plans to recognize any Cares Act Provider Relief Funds into income in future periods as they meet the terms and conditions of the funds.

As of October 2020, the Organization closed its Greenhouse business.