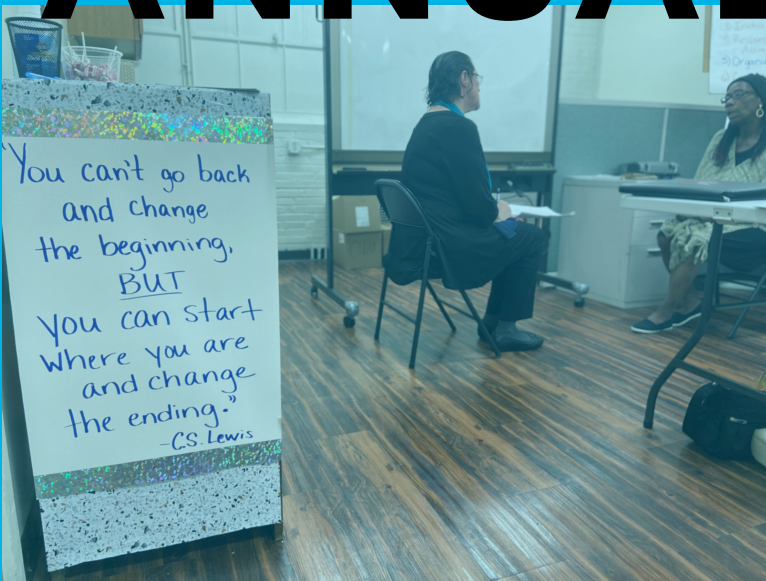




2019

ANNUAL REPORT



Horizon
Goodwill Industries

**Removing Barriers
Creating Opportunities**

horizongoodwill.org

A MESSAGE FROM OUR CEO

Dr. David Shuster, Ed.D.



Friends of Goodwill:

Our mission of helping individuals attain economic sustainability through meaningful employment remains as important and relevant today as when the movement was first founded. 2020 will find Horizon Goodwill Industries at a critical crossroads: we are faced with unprecedented challenges in a rapidly changing social and economic environment, and yet within those challenges lies significant opportunity and hope. In 2019 we focused our efforts on developing a strategic plan that incorporates responses to the challenges we know, as well as a framework that proactively positions HGI to anticipate and address the unknown challenges of the future.

Moving forward, we will expand our commitment to our mission and vision of helping people achieve their full potential primarily through education, training, and employment. Remaining true to our values, we will build hope in our communities by encouraging others to share our belief that tomorrow can be better than today and that each of us has the power to make it so. In doing so, our primary objective remains advancing economic sustainability for individuals, communities, and the organization. Our long-range plan presents five key focus areas:

1. **Mission Integration:** Establish an organizational culture built on caring, inclusivity, growth, and accountability while advancing economic sustainability of our employees.
2. **Mission Expansion:** Expand ease of access, scope and impact of mission programs and services.
3. **Geographic Reach:** Expand mission, retail, and business services presences throughout our territory.
4. **Agency and Brand Communications:** Improve the efficacy and transparency of all communications and ensure broad understanding of our mission impact.
5. **Business Sustainability:** Operate innovative, high-performing, and sustainable social enterprises that support job creation and generate sufficient funds to deliver our mission.

Throughout 2019 we have engaged in foundation-building activities that will allow us to achieve these objectives in 2020 and beyond. As our recent mission and financial metrics indicate, we are making a difference today in the communities we serve while positioning Horizon Goodwill to be a relevant partner moving into the future. With your partnership and support we will realize our #FutureFocused goals.

Yours in hope,
Dave



in 2019...

10,388,000

pounds of donated goods received

made it possible to impact...

553

Get
Onboard! job
training
graduates

62

Young Adult
Solution Center
graduates

420

individuals placed into
employment through Mission
Services & Business Services

83

Developmental
Disabilities
Administration
(DDA) Program
participants

15

people
provided with
housing
assistance

18

people who
received
Heavy Metal
Playground
certification

2019 Award Recipients

Each year, Horizon Goodwill celebrates the achievements of individuals across our organization who overcame tremendous barriers and we recognize the business and community partners who played a vital role in helping us continue to carry out our Mission. Congratulations to the 2019 awardees!

Achiever of the Year: *James Lee*

This award honors an outstanding person with a disability or other special need that has shown great progress and accomplishment in overcoming barriers to employment, while still benefiting from the Goodwill work environment.

"James came to Goodwill looking for assistance finding employment. His barriers included transportation, health challenges, and scheduling conflicts. Since day one, James was all smiles and ready to work. He jumped at the opportunity when a position became available in Horizon Goodwill's warehouse. He loves coming to work and has a contagious joy that spreads to anyone working with him. James transitioned from the warehouse position to Horizon Goodwill's Custodial Crew in the fall of 2019. In this new position, he flourished bringing the same dedication and joy to his workplace. James then went on to excel in an opportunity with the custodial department at the Bowman Business Park as a part time core employee. He has overcome so much to be a part of something bigger than himself. He is a dedicated worker who found something he loves to do with a team of people who look forward to seeing his joyful smile to brighten their days."

– Kenneth Winebrenner, Contracts Case Manager



Bennett S. Rubin Graduate of the Year: *Antonio Lambert*

This award honors an outstanding person with a disability or other employment barriers who completed a Horizon Goodwill program of services and is competitively employed.



"As a graduate of Horizon Goodwill's "Get on Board" job-readiness training and WEX client training programs, Antonio knows the Goodwill Mission first-hand. Antonio is a person who is incredibly reliable. He was instrumental in keeping the Attended Donation Center (ADC) at Horizon's Burhans store organized and clean. When that ADC closed, Antonio came to work at Horizon's Corporate Center as both a dock attendant and an

ADC attendant. He kept the dock in impeccable order and always gave 100 percent on the job. When Horizon opened the Boonsboro ADC, Antonio's was the first name that came to mind as a person who could successfully operate the new location. He is now the Lead ADC Attendant and is responsible for opening and closing the facility. He receives and sorts donations and works with transportation to arrange pickups when the donation flow warrants it. Antonio's friendly demeanor and natural likability make him a perfect fit for this very public facing position." – Chris Kackley, Director of Retail

Chuck S. Robinette Spirit of Goodwill Award: *Kevin Thorn*

The Chuck S. Robinette Spirit of Goodwill Award was established in memory of a former client at the Cumberland Developmental Center's Adult Day Habilitation Program. This award is given to anyone in the Horizon Goodwill Industries organization, who, through their exceptional hard work and perseverance, displays a true Goodwill "spirit" in overcoming or learning to live with a variety of barriers.

"Kevin Thorn has been working for Horizon Goodwill at the Youghiogheny Rest Area since July of 2016. He has been a tremendous help and a hard worker since day one. Kevin works hard to clean all spaces of the Rest Area including the restrooms and will even repair sinks when parts are available. He will do all the heavy lifting and assist the public when they are in need. For example, helping with a flat tire, calling a tow truck for someone and getting keys out of a locked car. Kevin has overcome a lot of personal barriers and has learned how to open up and communicate with his co-workers and public." – Diana Redmond, Project Manager



Massey H. Roe Memorial Service Award: *Ron Bowers*

This award honors an individual or organization that has made a significant contribution to building bridges between groups in order to foster cooperation or collaboration and thereby improve the quality of life for the citizens of their community from January 2019 – December 2019.



"Ron Bowers may be not alone in his life-long commitment to building relationships for the betterment of community, but he is perhaps unique in the tenacity with which he has done so. As a resident of Washington County, MD, his positive influence stretches across decades of public, private, military, and non-profit service. Believing strongly in the words of Ralph Waldo Emerson that "whatever you do, you need courage," he has never shied away from addressing head on the challenges that have stood in the way of community progress. The business and community projects that have been successful due to Ron's involvement are too numerous to list, but a similar refrain of persistence and commitment to collectively tackling the issues echoes throughout his efforts.

Believing strongly in the Goodwill vision of the dignity and stability afforded through the power of work, Ron joined the Board of Directors in 2013, bringing with him the steadfast belief in the organization's work to provide individuals with second chance opportunities to thrive. Throughout his service, Ron demonstrated a natural ability for forming valuable relationships among community partners to foster ideas and find solutions that make potential opportunities a reality. During his six-year tenure, he served as Chairman from 2016-2018, and helped guide the organization successfully through two CEO transitions as well as numerous capital and service projects, including a substantial reinvestment in repairing the exterior of the 200 N. Prospect Street service center in Hagerstown.

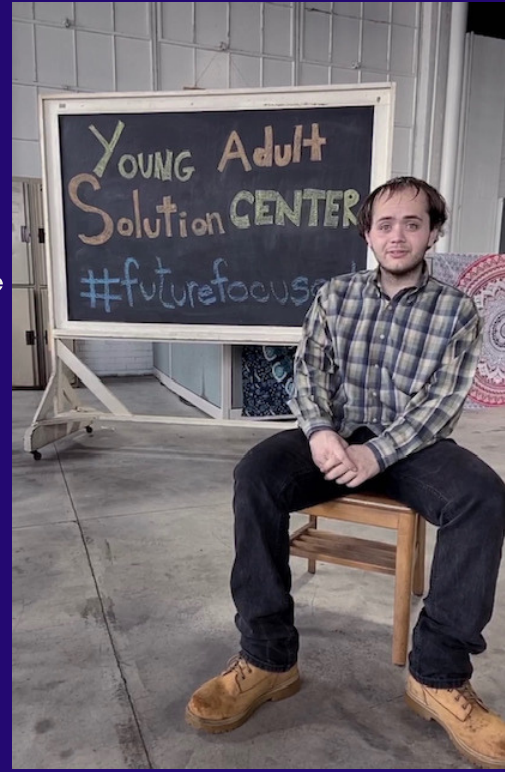
We recognize and celebrate Ron's lifelong commitment to Removing Barriers and Creating Opportunities with the 2019 Horizon Goodwill Industries Massey H. Roe Community Service Award."
– Dr. David Shuster, Ed.D., CEO of Horizon Goodwill

Young Adult of the Year: *Charles Barklow*

This award honors an outstanding young adult age 18-24 who has made significant progress in overcoming employment, education, and/or basic needs barriers while accessing services at Horizon Goodwill's Young Adult Solution Center.

"At the onset of services with the Solution Center Charles was 19 years old living at the Rescue Mission. He was lacking direction and had minimal skills that would translate into employment. Charles came to the Center for help and began working to build his soft skills, he earned and heavy metal certification and began working in the WEX program in central processing. Charles was one time every day and a hard worker. As a result he received an opportunity for a "try out:" at the South End Store he has been working there since this time. Charles helps to take donations from customers at the door and process good. I have received compliments from peers in the community about Charles's demeanor when he take there donations (high five Charles!). With the help of Solution Center staff and the Rapid Rehousing Program at REACH Charles moved into his own apartment in August 2019, he has maintained his place and in on time with monthly bills. Through he is working Charles still makes time for events at the Solution Center and encourages his peers to seek assistance."

– Young Adult Solution Center Team



Mission Partner of the Year:

Washington County Community Action Council

This award is given to a company or organization that provides aid or has otherwise supported Horizon Goodwill in its efforts to assist people with disabilities or other special needs thereby helping Goodwill fulfill its mission on a daily basis from January 2019 – December 2019.

"In 2019, HGI embarked on a new adventure with the opening of the Washington County Young Adult Solution Center. The Center is focused on helping Washington County Young adults (18-24) that are not working or attending school with identifying a path forward as they transition into adulthood. The Washington County CAC was one of the first community partners to sign on to support this project offering for a direct connect to their crisis case managers for Solution Center participants, the CAC is always willing to get creative with their services delivery model to ensure that the client's needs are met. Shortly after opening we were faced with a somewhat unexpected challenge, youth homelessness, we noticed that the majority of the youth that were accessing services were also homeless. Just let when we opened the CAC was there to get creative and partner on a solution. Together we were able to secure additional funding to rapidly house Solution Center youth providing a safe secure place to live which in turn allowed for them to focus on their future and not wonder where they would sleep each night. Through this partnership 10 disconnected youth were placed into permanent housing in 2019."

Brooke Grossman, Horizon Goodwill Chief Mission Officer



Employer of the Year: *Bowman Logistics*

This award is given to the employer who has demonstrated outstanding concern for people with disabilities or other special needs by hiring Horizon Goodwill graduates or otherwise contributing to greater outplacement of our program participants through their partnering with Horizon Goodwill Industries.

"In August of 2019, Horizon Goodwill began a partnership with Bowman Logistics through a temporary labor contact. Bowman needed temporary labor staffing for a large pilot program it was developing for a national brand. All the individuals that Horizon placed on this project were workforce development program graduates and they did a great job. Bowman then ended up being awarded the contract for the national brand project based on our combined efforts on their pilot program. Our partnership with Bowman continued to grow from there. Bowman identified job opportunities for Horizon graduates in their warehouse and they requested that Horizon provide temporary labor for four additional sites so that others in the Bowman Logistics operation could have a reliable source. Rick Schulman, Project Management Consultant with Bowman Logistics, shared the following about the partnership with Horizon Goodwill, "HGI provides something unique... commitment and support to every employee regardless of circumstance. That commitment is not lost on the employee... and continues to translate into positive employment results with the growing number of associates working for us."

- Brandon Marks, Director of Business Services



Business Partner of the Year: *Internal Revenue Service*

This award is given to a company or organization that has partnered with Horizon Goodwill Industries through a contract relationship and shown significant benefit to our clients by providing work opportunities for the individuals we serve.



"The Internal Revenue Service has been committed to renewing our contract, since 1992, therefore providing an opportunity for employees with disabilities to overcome barriers and provide a valuable service to the federal government. They have created work opportunities by providing a secure off-site location for receiving, opening, and inspecting all incoming mail. And by having our employees deliver mail to another off-site IRS building located at Edwin Miller Blvd. in Martinsburg, WV. and delivering mail to the on-site Federal child care facility.

The IRS has specialized security features in place, so our employees are guaranteed a safe working environment. This year we have had a new COR take over our contract, Christy Mitchell. She has been instrumental in working with our employees, while overseeing the mail contract. She is ready and willing to help us with any problems, large or small pertaining to the mailroom. The IRS believes in the vision of Goodwill-by helping our employees realize and achieve their full potential, with dignity and respect, by providing employment with this long-term mail contract."

- Brandon Marks, Director of Business Services

#FutureFocused



At the core of our Mission and Values is instilling hope. Each day, across our organization, we are focused on helping individuals realize that tomorrow can be better than today with a future that holds endless possibilities.

As Horizon Goodwill enters a new decade and our 65th year of operation, we have several key initiatives underway to expand the reach of our Mission throughout our service area and reinforce our Mission-led messaging to continue to reach new donors, customers, community partners, and most especially, the individuals in our communities struggling to overcome barriers and improve their lives. The following is a snapshot of these initiatives:

| PROJECTS | DETAILS | INITIATIVES |
|--|--|---|
| Rebranding | Consistent graphics and signage across our service area featuring Mission-Led messaging. | <ul style="list-style-type: none">• Identifying the vision of our rebranding messaging.• Identifying the initial locations to feature rebranding graphics. |
| Groundwork for employee career development pathways and training | Additional Human Services to support career development and training programs. | <ul style="list-style-type: none">• Forming additional community partnerships to provide support services. |
| New Retail Opportunities | Expansion of retail locations throughout service area. | <ul style="list-style-type: none">• New store in Winchester, Va.• Identifying additional, upgraded store locations in Va. |

BOARD OF DIRECTORS

2019-2020

Laura Lowry (*Chair*)

F. Christian Wright (*Vice Chair*)

Mary Ann Keyser (*Secretary*)

Dustin Watson (*Treasurer*)

Bernard "Butch" Adams

Sila Alegret-Bartel

Sam Cool

Paul Frey

Bill Gaertner

Heather Guessford

Mark Halsey

Sandra Hamilton

Dolores Harmon

Dr. Heather Hurst

Heath Hykes

Dr. John Krowka

Susan Makes

Paul Muldowney

Aaron Peteranecz

Gus Shahrooz

Bonnie Winders

Michael Zampelli

Walter Bell, (*Director Emeritus*)

FY 2019 FINANCIALS

Statement of Financial Position

December 31, 2019

ASSETS

| | |
|--|-----------------------------|
| Cash and cash equivalents - without restrictions | \$ 1,099,891 |
| Investments | - |
| Accounts receivable, net | 1,147,378 |
| Inventory | 40,593 |
| Prepaid expenses | 163,789 |
| Security deposits | 53,637 |
| Land, buildings, vehicles and equipment, net | <u>6,307,591</u> |
| TOTAL ASSETS | \$ <u>10,608,740</u> |

LIABILITIES

| | |
|--------------------------|-------------------------|
| Accounts payable | \$ 366,681 |
| Accrued expenses | 949,893 |
| Deferred revenue | - |
| Notes payable | <u>1,596,958</u> |
| Total Liabilities | <u>2,913,532</u> |

NET ASSETS

| | |
|--|-----------------------------|
| Without donor restrictions | 7,384,342 |
| Undesignated | 310,866 |
| Designated | - |
| With restrictions subject to expenditure for specified purpose | - |
| Total Net Assets | <u>7,695,208</u> |
| TOTAL LIABILITIES AND NET ASSETS | \$ <u>10,608,740</u> |

Statement of Activities
Year Ended December 31, 2019

| | Without Donor Restrictions | With Donor Restrictions | Totals |
|---|-------------------------------|-------------------------------|---------------------|
| PUBLIC SUPPORT AND REVENUE | | | - |
| Contributions | \$ 182,796 | \$ - | \$ 182,796 |
| United Way | 5,048 | - | 5,048 |
| | <u>187,844</u> | - | <u>187,844</u> |
| | | | - |
| FEES AND GRANTS FROM GOVERNMENT AGENCIES | | | |
| | <u>1,363,429</u> | - | <u>1,363,429</u> |
| | | | - |
| PROGRAM SERVICE EARNED REVENUE | | | - |
| Salvage | 550,223 | - | 550,223 |
| Stores | 12,067,673 | - | 12,067,673 |
| Contract | 8,216,857 | - | 8,216,857 |
| | <u>20,834,753</u> | - | <u>20,834,753</u> |
| | | | - |
| OTHER | | | - |
| Interest and dividend income | 35,989 | 4 | 35,993 |
| Net unrealized and realized gains (losses) on investments | 196,005 | - | 196,005 |
| Miscellaneous income (loss) | (25,130) | - | (25,130) |
| Net assets released from restrictions | 75,265 | (75,265) | - |
| | 282,129 | (75,261) | 206,868 |
| | | | |
| Total Revenues | <u>22,668,155</u> | <u>(75,261)</u> | <u>22,592,894</u> |
| EXPENSES | | | |
| Program Services | 20,577,040 | - | 20,577,040 |
| Management and General | 1,689,897 | - | 1,689,897 |
| Fundraising | 75,005 | - | 75,005 |
| Total Expenses | <u>22,341,942</u> | - | <u>22,341,942</u> |
| | | | |
| Change in Net Assets | 326,213 | (75,261) | 250,952 |
| | | | |
| NET ASSETS, BEGINNING OF YEAR | <u>7,368,995</u> | 75,261 | <u>7,444,256</u> |
| | | | |
| NET ASSETS, END OF YEAR | <u>\$ 7,695,208</u> | \$ - | <u>\$ 7,695,208</u> |