

ANNUAL REPORT

2020



Greetings! We are again pleased to share with you this expanded version of our Annual Report. Fiscal Year 2005 was filled with a variety of activities and some special opportunities. Two parcels of property (included are three buildings, the largest being 40,000 sq. ft., and are located as adjacent property already owned by OWL on Kennedy Road) came on the market for sale and we were able to complete their purchase. This is a big plus for OWL, to help attract work requiring more space than had been previously available and to provide more flexible options for future growth.

Other highlights of the year include:

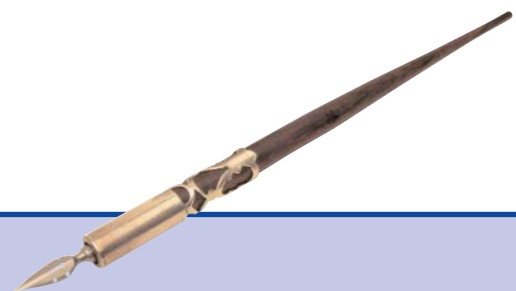
- 102 individuals obtained successful employment
- Maintained ISO 9001:2000 Certification for Quality Management System
- Participated in Habitat Community Build
- Created new position of Director of Program Development
- Home Care Personal Services - added new part time staff position

In the following pages we share more details of a busy year! As we all have learned, not much pause between fiscal years. As we review the past year we look forward to future challenges and opportunities with community partners in order to serve those referred for Vocational Rehabilitation Services.

Best regards,



John Adams, President/CEO



OWL Financial Results as % of Sales:

Cost of Sales:	37.5%
Expenses:	50.4%
Net Operations:	12.1%



Part of the crew . . . Byron Snow, Eric May, Richard Washington, Dawn Collett, Michael VanEtten, Douglas Montfort, Jimmie Deatherage, Sherrian Peyton, Dhruva Sen, Nan Waters, Sally Lynam, James Warner.

No. of Persons on Payroll:

498

Total Sales: \$3,525,245

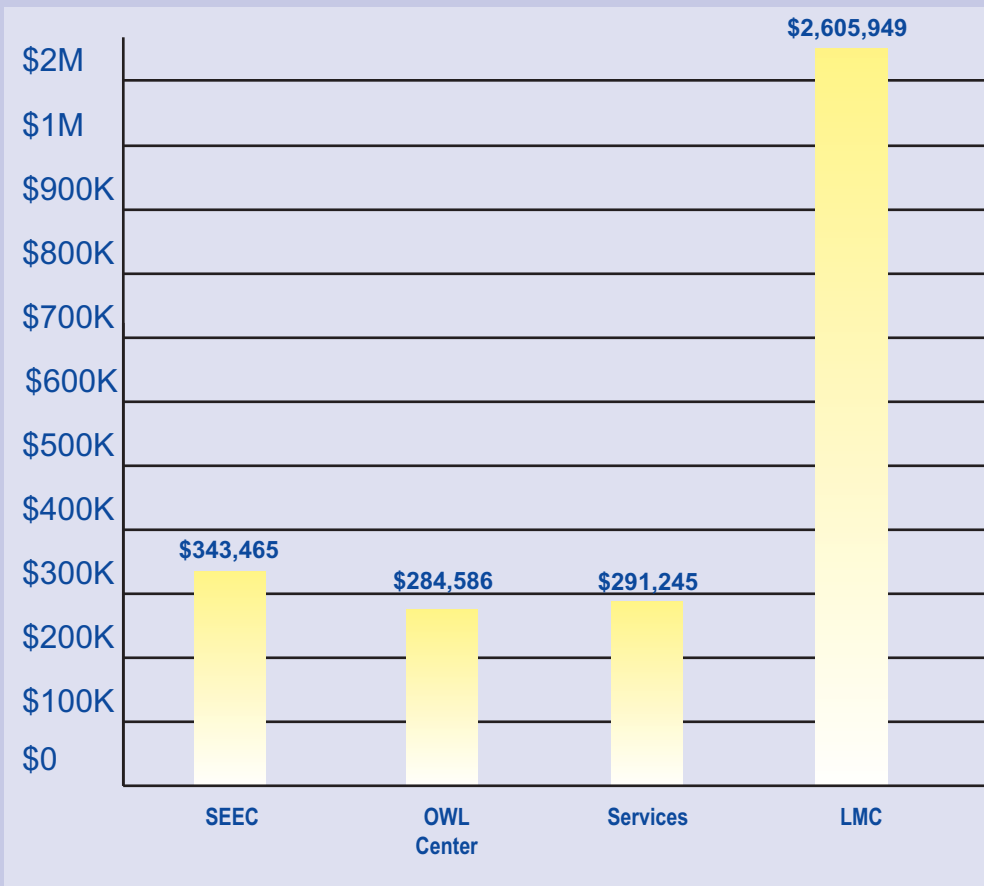
Total Payroll for FY-05: \$1,958,499

Net Worth: \$2,887,147

Customers:

ITW (Ramset); Lexmark International, Inc.; Square-D Company; Trane Corporation; Smuckers; State of KY - Office of Voc. Rehabilitation & Cab. for Health & Family Services

OWL Sources of Income By Departments



This year we continued to provide vocational services for individuals with disabilities, though under a new name. Instead of being the Rehabilitation Department, we are now the Opportunity for Work and Learning Center. We feel that this name highlights and celebrates our emphasis on work and learning.

Our consumers ranged in age from 16 to 60 with education completed from third grade through a bachelor's degree and beyond. 57% were male and 43% female; all had vocational needs as a result of a disability.

Highlights of the Year

- 115 individuals completed a vocational assessment or evaluation to learn more about their interests, aptitudes and work strengths. Individuals entering this program had a 98 percent completion rate and a 95 percent satisfaction rating.
- 38 individuals participated in life skill classes with 87 percent of those individuals demonstrating an increase in skills.
- 12 individuals participated in medical office support training with nine or 75 percent completing with satisfaction rating of 89 percent.
- 216 individuals worked at LMC to either learn or re-establish their work habits and stamina.
- 31 individuals received follow-along and/or replacement services through our Supported Employment Program.
- 53 individuals completed placement services that led to their successful employment in the community, with wages ranging from \$5.15 to \$30.00 per hour. Individuals in this program had an 82 percent satisfaction with the services they received.

Participant Comments

OWL Center helped me:

"by starting me down the road to work by conducting a vocational assessment."

"by testing, you gave me ideas on training. Also how I could get financial help for schooling."

"learn responsibility and time management for work."

"by going the extra mile in helping me realize my full potential in finding a job."

"I learned how to solve problems step-by-step, the importance of teamwork, and how to get along with co-workers."

"I just wanted a chance-you provided it. I had lost all confidence and hope. OWL and Voc. Rehab. (KY Office of Vocational Rehabilitation) gave me the direction and help I needed."



Skill Enhancement & Employment Center (SEEC), located at 535 West Second Street, is an off-site division and community based rehabilitation program of OWL, Inc. In FY05, SEEC's main service areas: Evaluation, Learning Strategy Classes, Employment Services, and TANF Screening Assessments, evidenced an increase in participants. We have continued to concentrate on our primary goal which is to provide quality services for consumers. New positions and pilot programs have been established while the ground work has been laid, through the submission of two proposals for grants, for future developments. All areas have seen growth in response to suggestions from consumers and referral agencies.

With Ms. Miller's support, the Employment program at SEEC grew to such proportions that another staff member was needed. On January 3, 2005, Ms. Lisbet Pfaffenberger, who has her Master's Degree from the Special Education & Rehabilitation Counseling Program at the University of Kentucky (UK), was hired as SEEC's other Employment Counselor. By the end of the year, referrals had doubled in number once again for the Employment area. Meanwhile, the Evaluation program was also experiencing more referrals than in any previous year. At the same time the Evaluators additionally absorbed the task of conducting TANF screening assessments. Therefore it can be seen that the Department, while growing, became even more streamlined and efficient.

On December 13, 2004 the Undersecretary and members of the Cabinet for Health and Family Services came to SEEC to learn more about the screening assessment process for TANF (welfare) recipients. In April 2005, the Cabinet for Health and Family Services notified SEEC that a new position would be added to its current contract. This position, titled Community Liaison Caseworker for SEEC's Transitioning to Independence for People (TIP) Program includes such responsibilities as helping individuals on TANF with disabilities transition to



independence by securing the supportive services needed. Ms. LaWandalyn Lofton, who had just received her degree in social work from the University of Kentucky, was chosen to fill the position effective as of July 6, 2005.

In March, SEEC and Preparing Adults for Competitive Employment (PACE) in Lexington collaborated to initiate a pilot program for community based assessments. PACE is a program of the Office of the Vocational Rehabilitation system. The purpose of the pilot program has been to assist eligible participants with exploring their strengths and weaknesses in terms of employment in actual work situations. It is believed that this on-the-job assessment of work behaviors will help guide counselors and participants in determining better plans for the future.

Ms. Abby Anderson, a graduate student in the Master's Program of Special Education and Rehabilitation Counseling at UK has been working on her practicum at SEEC in the Spring/Summer of 2005 with an area of emphasis on community based assessments.

The past year, FY05 has been truly exciting and rewarding in terms of further expansion and growth and we hope to serve our consumers even better in the year to come!



EXTRA! EXTRA! Services Reach an All-Time High!

- 125 persons with disabilities completed Evaluation Services
- 166 clients participated in Employment Services in FY05
- 49 people successfully completed 90 days on-the-job
- 373 TANF Screening Assessments were conducted in FY 05

Lexington Manufacturing Center, a division of OWL, Inc., continues to serve the community by providing employment and job training opportunities for persons with barriers to employment.

We acknowledge again this year the "community-minded" companies who have partnered with us by providing work for our employees.

The following are a list of our current customers.

- Lexmark (formerly IBM) since 1961 - support for our entire history
- J.M. Smucker (formerly Proctor & Gamble) since 1983
- Barrow Reserve Center since 1987
- VoTech Reserve Center since 1987
- Trane since 1990
- Bendix (formerly Allied Signal) since 1998
- Lexair since 2000
- ITW Ramset/Redhead since 2004
- ARK 2005
- Square D 2005
- Noble's Old Town Gift Shop 2005

The Manufacturing employees of LMC continue to work each day to fulfill our goal of living out the Manufacturing Vision Statement;

"We, the Manufacturing Center at LMC, view ourselves as Professional Manufacturers. We effectively employ the best and latest practices known within the manufacturing community in order to meet customer and quality system requirements. We recognize that this is a never-ending process of continued improvement."

We continue to maintain ISO 9001:2000 certification and passed our first annual audit in October, 2004. Our second annual audit will be conducted in October, 2005.

In an effort to continually improve, the managers and supervisors each received 32 hours of classroom training in the concepts of lean manufacturing this year. The subjects covered were people management, cost management, managing continuing improvement, change management and absolutes & discipline. The managers are developing training packages to use for teaching the subjects to all employees. Our goal is to certify the employees with classroom training and a practical application experience on the manufacturing floor so that they are more place-able in jobs.

Employees are already involved in Lean Manufacturing techniques to achieve the goal of meeting customer requirements. Employee ideas are solicited in weekly team meetings to ensure safety and achieve quality and production goals. Team members have a voice in their work environment through two processes: ideas for improvement and corrective action.

LMC continues to add to the strength of its Manufacturing capability by adding capable staff. We added a full time Quality Manager to our staff in April, 2005. We developed the position of Contract Administrator to attract new business and maintain customer relations in May, 2005.

We have made significant progress this year on our journey to be the "best of breed" in what we do and our five-year strategic plan supports that effort for the future. The major elements of the plan are: balanced revenue from partnering companies; sales growth of 10 percent per year; achieve a living wage for manufacturing employees; continuous improvement of manufacturing operations; maintain 75 percent direct employees with disabilities; achieve "brand name" recognition. We have developed plans to support the achievement of each of these objectives.

LMC is entering into a new venture -- the business of manufacturing "primitive" furniture - a style popular for its simple, functional look and used widely for decorating as well as for more practical applications. We have entered into an agreement with a local retailer of this type of furniture and accessories and initially will be manufacturing products for sale in his two local shops. We plan to eventually increase the marketing venues to include trade shows where the product will be sold to other retailers nationwide, Peddler's Malls, an Internet website and an on-site retail outlet. First shipments of furniture and other items are planned for August, 2005. In addition to primitive furniture, we are also investigating using our woodworking resources to manufacture other products such as wooden toys, other styles of furniture, accessories, etc. This venture should be an excellent fit with our resources and with the skills and abilities that many of our clients have or can learn while with us.

We have purchased a building of approximately 37,500 square feet of manufacturing and warehouse space at 673 Kennedy Road. The space includes two drive-in bays and two loading docks. The building also has approximately 2,250 of office space. We are already utilizing this space for expanded manufacturing and warehousing operations.

We have also purchased two buildings at 698 Kennedy Road. We are currently utilizing one building for warehouse space. We are exercising a business case to evaluate the possibility of opening up a retail storefront for the sale of our primitive furniture in the other building.

LMC is excited about the future and looks forward to serving the community and our customers in the years ahead.



HCPS was established in 2001 as a subsidiary corporation of OWL. Our professional staff consists of the Director of Operations, Operations Manager, and Community Education Liaison who is an R.N. and has her teaching certificate in Allied Health.

The Home Helpers division provides non-medical services to clients from new born to the senior population with that little extra help in managing their everyday life. Our experienced staff offers the caring touch of a friend. We can provide the help needed with the day to day activities in the privacy of their home or provide respite while the client recovers in a facility.

Home Helpers currently employs ten caregivers, five of those have a

certification in Nursing Assistant which is a definite plus. Our goal is to have all caregivers certified.

Last year we provided just under 25,000 hours of service. All indicators are looking positive for the future growth. It is reported in all the investments literature that non-medical health agencies is in the top five investments for the future.

Home Care Personal Services, Inc. is researching ideas for growth in many areas. One possibility that is being explored is establishing a State Registered Nurses' Aide Assistance Program.

Our Direct Link Division, providing an emergency monitoring system, averaged 40 clients for the year.

Home Care Personal Services, Inc Sources of Income:

Home Helpers:	\$349,456 - 96.1%
Direct Link:	\$14,205 - 3.9%

Home Care Financial Results as % of Sales

Cost of Sales:	67.5%
Expenses:	34.4%
Net Operations:	-1.8%



Home Helpers staff: (Left to right) Diana McCann, Sandra Keller, Joyce Leininger.

OFFICERS

Chair: Malachy Bishop, Ph.D., UK Special Ed. and Rehab. Counseling Program

First Vice-Chair: Danita Ross, Hospice of the Bluegrass

Second Vice-Chair: John Leininger, Leininger Cabinet & Woodworking, Inc.

Secretary: Tim Yessin, Fifth Third Bank

Treasurer: Robert Preston, Pike, Preston, & Collins

MEMBERS

R.L. Bandy, Lexmark International, Inc.

John Bies, Bsquared, LLC

Coba Craig, Silvestri, Craig Realtors

Leslie James-Place, Central Kentucky Job Center

Bob Mason, Comprehensive Care Center

Bill Rowe, Lexmark International, Inc.

Laura Williams, Council of State Government

PRESIDENT/CEO

John Adams



OWL, Inc.
650 Kennedy Road
Lexington, KY 40511
(859) 254-0576



Comprehensive Vocational Evaluations
Employee Development Services
Community Employment Services