

**LOUISVILLE GAS AND ELECTRIC COMPANY
AND
KENTUCKY UTILITIES COMPANY**

**RESPONSES TO APPENDIX B IN CASE NO. 2019-00366
FOR COMMISSION'S ORDER DATED MAY 4, 2020**

2019 HOME ENERGY ASSISTANCE ANNUAL REPORT

FILED: AUGUST 14, 2020

CASE NO. 2019-00366

Response to Appendix B, No. 1

Provided annually and separated by month:

- a. Total funds collected from ratepayers via a meter-charge.**
- b. Donations collected from ratepayers for the HEA program.**
- c. The total amount of residential customers.**
- d. The amount of shareholder funds allocated for the program.**
- e. The amount of HEA funds distributed to participants.**
- f. The current balance of the HEA account.**
- g. The amount, if any, of “rolled-over” and unspent HEA funds.**

The requested information is provided separately for Louisville Gas and Electric Company and Kentucky Utilities Company in Excel format respectively in tabs “LGE 1” and “KU 1”.

The attachments are
being provided in
separate files in Excel
format.

CASE NO. 2019-00366

Response to Appendix B, No. 2

The total number of slots, total and by county.

The requested information is provided separately for Louisville Gas and Electric Company and Kentucky Utilities Company in Excel format respectively in tabs "LGE 2" and "KU 2".

The attachments are
being provided in
separate files in Excel
format.

CASE NO. 2019-00366

Response to Appendix B, No. 3

The total number of:

- a. Program participants.**
- b. Program applicants.**
- c. Denied applicants.**

The requested information is provided separately for Louisville Gas and Electric Company and Kentucky Utilities Company in Excel format respectively in tabs "LGE 3" and "KU 3".

The attachments are
being provided in
separate files in Excel
format.

CASE NO. 2019-00366

Response to Appendix B, No. 4

Copies of each Monthly HEA Report

See attached.

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02/21/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
January 2019

	Jan 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · LGE Admin payments	16,400.00	16,400.00	0.00	100.0%
4010 · True-up Payment	1,750.00			
Total Income	18,150.00	16,400.00	1,750.00	110.7%
Gross Profit	18,150.00	16,400.00	1,750.00	110.7%
Expense				
6000 · Contracts				
6100 · Accounting				
6102 · Monthly Reporting	312.50	325.00	-12.50	96.2%
Total 6100 · Accounting	312.50	325.00	-12.50	96.2%
6120 · Community Action Kentucky	0.00	500.00	-500.00	0.0%
6140 · Computer Technical Assistance				
6145 · Technology-IT Frontdesk	350.00	320.00	30.00	109.4%
6141 · Database Development and Update	1,750.00			
6142 · Database Support-ED2	0.00	250.00	-250.00	0.0%
6143 · Hard Drive Support-Mirazon	1,248.75	277.00	971.75	450.8%
6144 · Website, Internet Support-GoDad	0.00	35.00	-35.00	0.0%
Total 6140 · Computer Technical Assistance	3,348.75	882.00	2,466.75	379.7%
6160 · Payroll Services	371.45	101.58	269.87	385.7%
Total 6000 · Contracts	4,032.70	1,808.58	2,224.12	223.0%
7000 · General Office				
7800 · Miscellaneous	0.00	100.00	-100.00	0.0%
7700 · Office Supplies				
7720 · Office	79.50	200.00	-120.50	39.8%
7730 · Printed Materials	461.00	0.00	461.00	100.0%
Total 7700 · Office Supplies	540.50	200.00	340.50	270.3%
7800 · PNC Bank Service Charge / Fees	3.00	3.00	0.00	100.0%
7900 · Postage				
7910 · Postage - Bulk Mailing	0.00	225.00	-225.00	0.0%
7920 · Envelopes and Postcards	0.00	9,950.00	-9,950.00	0.0%
Total 7900 · Postage	0.00	10,175.00	-10,175.00	0.0%
8000 · Printing/Copier Expense	379.65	350.00	29.65	108.5%
8100 · Rent/Utilities	550.00	550.00	0.00	100.0%
8200 · Telephone				
8210 · Internet / DSL Service	55.00	55.00	0.00	100.0%
8220 · Phones	591.23	300.00	291.23	197.1%
8230 · Telephone - Director	64.00	64.00	0.00	100.0%
Total 8200 · Telephone	710.23	419.00	291.23	169.5%
Total 7000 · General Office	2,193.38	11,797.00	-9,613.62	18.5%
8300 · Intake Training				
8320 · Invitations	0.00	1,785.50	-1,785.50	0.0%
8340 · Training Supplies	0.00	3,500.00	-3,500.00	0.0%
Total 8300 · Intake Training	0.00	5,285.50	-5,285.50	0.0%
9000 · Personnel				
9500 · Salaries				
9501 · Salary 1	5,322.09	3,843.75	1,478.34	138.5%
9502 · Salary 2	3,608.86	2,599.26	1,009.60	138.8%
9503 · Salary 3	3,020.32	2,168.67	853.65	139.4%
Total 9500 · Salaries	11,951.27	8,609.68	3,341.59	138.8%
9100 · Fringe Benefits				
9110 · Health Insurance				
9111 · Employee 1	813.26	813.26	0.00	100.0%
9112 · Employee 2	338.62	480.72	-142.10	70.4%
9113 · Employee 3	0.00	414.06	-414.06	0.0%
Total 9110 · Health Insurance	1,151.88	1,708.04	-556.16	67.4%

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02/21/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
January 2019

	Jan 19	Budget	\$ Over Budget	% of Budget
9200 · HSA-AEC Contributions				
9201 · HSA-AEC contribution #1	187.50	125.00	62.50	150.0%
9202 · HSA-AEC contribution #2	187.50	125.00	62.50	150.0%
9203 · HSA-AEC Contribution #3	0.00	125.00	-125.00	0.0%
Total 9200 · HSA-AEC Contributions	375.00	375.00	0.00	100.0%
9400 · Retirement				
9401 · Retirement 1	269.08	269.08	0.02	100.0%
9402 · Retirement 2	181.91	186.12	-4.21	97.7%
9403 · Retirement 3	0.00	153.56	-153.56	0.0%
Total 9400 · Retirement	450.99	608.74	-157.75	74.1%
Total 9100 · Fringe Benefits	1,977.87	2,691.78	-713.91	73.5%
9300 · Payroll Taxes	948.78	658.64	290.14	144.1%
Total 9000 · Personnel	14,877.92	11,960.10	2,917.82	124.4%
Total Expense	21,094.00	30,851.18	-9,757.18	68.4%
Net Ordinary Income	-2,944.00	-14,451.18	11,507.18	20.4%
Other Income/Expense				
Other Income				
9900 · Interest Income	0.32	0.35	-0.03	91.4%
Total Other Income	0.32	0.35	-0.03	91.4%
Net Other Income	0.32	0.35	-0.03	91.4%
Net Income	-2,943.68	-14,450.83	11,507.15	20.4%

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03/14/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
February 2019

	Feb 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · LGE Adm'n payments	16,400.00	16,400.00	0.00	100.0%
Total Income	16,400.00	16,400.00	0.00	100.0%
Gross Profit	16,400.00	16,400.00	0.00	100.0%
Expense				
6000 · Contracts				
6100 · Accounting				
6102 · Monthly Reporting	262.50	387.50	-125.00	67.7%
Total 6100 · Accounting	262.50	387.50	-125.00	67.7%
6140 · Computer Technical Assistance				
6145 · Technology-IT Frontdesk	350.00	320.00	30.00	109.4%
6142 · Database Support-ED2	1,450.00	1,010.00	440.00	143.6%
6143 · Hard Drive Support-Mlrazon	270.00	277.00	-7.00	97.5%
6144 · Website, Internet Support-GoDad	0.00	35.00	-35.00	0.0%
Total 6140 · Computer Technical Assistance	2,070.00	1,642.00	428.00	126.1%
6160 · Payroll Services	53.85	286.37	-232.52	18.8%
Total 6000 · Contracts	2,386.35	2,315.87	70.48	103.0%
7000 · General Office				
7300 · Membership/Dues	0.00	125.00	-125.00	0.0%
7400 · Mileage	0.00	195.00	-195.00	0.0%
7800 · Miscellaneous	0.00	50.00	-50.00	0.0%
7700 · Office Supplies				
7710 · Computer	2,708.85			
7720 · Office	79.50	200.00	-120.50	39.8%
Total 7700 · Office Supplies	2,788.35	200.00	2,588.35	1,394.2%
7800 · PNC Bank Service Charge / Fees	3.00	3.00	0.00	100.0%
7900 · Postage				
7920 · Envelopes and Postcards	9,837.55	0.00	9,837.55	100.0%
Total 7900 · Postage	9,837.55	0.00	9,837.55	100.0%
8000 · Printing/Copier Expense	721.40	350.00	371.40	206.1%
8100 · Rent/Utilities	550.00	550.00	0.00	100.0%
8200 · Telephone				
8210 · Internet / DSL Service	55.00	55.00	0.00	100.0%
8220 · Phones	60.00	300.00	-240.00	20.0%
8230 · Telephone - Director	64.00	64.00	0.00	100.0%
Total 8200 · Telephone	179.00	419.00	-240.00	42.7%
Total 7000 · General Office	14,079.30	1,892.00	12,187.30	744.1%
8300 · Intake Training				
8310 · Interpretation Services	635.00	0.00	635.00	100.0%
8320 · Invitations	1,566.25	0.00	1,566.25	100.0%
8340 · Training Supplies	3,073.92	0.00	3,073.92	100.0%
Total 8300 · Intake Training	5,275.17	0.00	5,275.17	100.0%
9000 · Personnel				
9500 · Salaries				
9501 · Salary 1	3,548.06	3,843.75	-295.69	92.3%
9502 · Salary 2	2,542.46	2,664.24	-121.78	95.4%
9503 · Salary 3	2,060.94	2,166.67	-105.73	95.1%
Total 9500 · Salaries	8,151.46	8,674.66	-523.20	94.0%
9100 · Fringe Benefits				
9110 · Health Insurance				
9111 · Employee 1	813.26	813.26	0.00	100.0%
9112 · Employee 2	509.16	480.72	28.43	105.9%
9113 · Employee 3	715.49	414.06	301.43	172.8%
Total 9110 · Health Insurance	2,037.90	1,708.04	329.86	119.3%

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03/14/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
February 2019

	Feb 19	Budget	\$ Over Budget	% of Budget
9200 - HSA-AEC Contributions				
9201 - HSA-AEC contribution #1	125.00	125.00	0.00	100.0%
9202 - HSA-AEC contribution #2	125.00	125.00	0.00	100.0%
9203 - HSA-AEC Contribution #3	0.00	125.00	-125.00	0.0%
Total 9200 - HSA-AEC Contributions	250.00	375.00	-125.00	66.7%
9400 - Retirement				
9401 - Retirement 1	269.08	269.06	0.02	100.0%
9402 - Retirement 2	186.48	186.50	-0.04	100.0%
9403 - Retirement 3	0.00	153.56	-153.56	0.0%
Total 9400 - Retirement	455.54	609.12	-153.58	74.8%
Total 9100 - Fringe Benefits	2,743.44	2,682.16	51.28	101.9%
9300 - Payroll Taxes	862.68	663.61	199.07	130.0%
Total 9000 - Personnel	11,757.58	12,030.43	-272.85	97.7%
Total Expense	33,498.40	16,238.30	17,260.10	206.3%
Net Ordinary Income	-17,098.40	161.70	-17,260.10	-10,574.1%
Other Income/Expense				
Other Income				
9900 - Interest Income	0.29	0.30	-0.01	96.7%
Total Other Income	0.29	0.30	-0.01	96.7%
Net Other Income	0.29	0.30	-0.01	96.7%
Net Income	-17,098.11	162.00	-17,260.11	-10,554.4%

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04/10/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
March 2019

	Mar 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · LGE Admin payments	16,400.00	16,400.00	0.00	100.0%
Total Income	16,400.00	16,400.00	0.00	100.0%
Gross Profit	16,400.00	16,400.00	0.00	100.0%
Expense				
6000 · Contracts				
6100 · Accounting				
6102 · Monthly Reporting	337.50	475.00	-137.50	71.1%
Total 6100 · Accounting	337.50	475.00	-137.50	71.1%
6120 · Community Action Kentucky	500.00	0.00	500.00	100.0%
6140 · Computer Technical Assistance				
6145 · Technology-IT Frontdesk	350.00	320.00	30.00	109.4%
6142 · Database Support-ED2	416.25	250.00	166.25	166.5%
6143 · Hard Drive Support-Mirazon	1,521.25	277.00	1,244.25	549.2%
6144 · Website, Internet Support-GoDad	0.00	35.00	-35.00	0.0%
Total 6140 · Computer Technical Assistance	2,287.50	882.00	1,405.50	259.4%
6160 · Payroll Services	219.43	221.05	-1.62	99.3%
Total 6000 · Contracts	3,344.43	1,578.05	1,766.38	211.9%
7000 · General Office				
7150 · Insurance- BOD/Liability/Tenant	1,211.70	2,500.00	-1,288.30	48.5%
7300 · Membership/Dues	0.00	100.00	-100.00	0.0%
7400 · Mileage	555.98	519.32	36.66	107.1%
7600 · Miscellaneous	67.94	50.00	17.94	135.9%
7700 · Office Supplies				
7720 · Office	500.28	0.00	500.28	100.0%
Total 7700 · Office Supplies	500.28	0.00	500.28	100.0%
7800 · PNC Bank Service Charge / Fees	3.00	3.00	0.00	100.0%
8000 · Printing/Copier Expense	311.56	350.00	-38.44	89.0%
8100 · Rent/Utilities	550.00	550.00	0.00	100.0%
8200 · Telephone				
8210 · Internet / DSL Service	55.00	55.00	0.00	100.0%
8220 · Phones	222.50	300.00	-77.50	74.2%
8230 · Telephone - Director	64.00	64.00	0.00	100.0%
Total 8200 · Telephone	341.50	419.00	-77.50	81.5%
Total 7000 · General Office	3,541.96	4,491.32	-949.36	78.9%
8300 · Intake Training				
8310 · Interpretation Services	610.50	0.00	610.50	100.0%
8320 · Invitations	391.63	400.00	-8.37	97.9%
8350 · Weatherization	1,125.00	825.00	300.00	136.4%
Total 8300 · Intake Training	2,127.13	1,225.00	902.13	173.6%
9000 · Personnel				
9500 · Salaries				
9501 · Salary 1	3,548.06	3,643.75	-295.69	92.3%
9502 · Salary 2	2,464.65	2,664.24	-209.59	92.1%
9503 · Salary 3	2,020.32	2,166.67	-146.35	93.2%
Total 9500 · Salaries	8,023.03	8,674.66	-651.63	92.5%
9100 · Fringe Benefits				
9110 · Health Insurance				
9111 · Employee 1	813.26	813.26	0.00	100.0%
9112 · Employee 2	509.15	480.72	28.43	105.9%
9113 · Employee 3	715.49	414.06	301.43	172.8%
Total 9110 · Health Insurance	2,037.90	1,708.04	329.86	119.3%
9200 · HSA-AEC Contributions				
9201 · HSA-AEC contribution #1	125.00	125.00	0.00	100.0%
9202 · HSA-AEC contribution #2	125.00	125.00	0.00	100.0%
9203 · HSA-AEC Contribution #3	250.00	125.00	125.00	200.0%
Total 9200 · HSA-AEC Contributions	500.00	375.00	125.00	133.3%

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Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
March 2019

	Mar 19	Budget	\$ Over Budget	% of Budget
9400 · Retirement				
9401 · Retirement 1	269.08	269.06	0.02	100.0%
9402 · Retirement 2	186.46	186.50	-0.04	100.0%
9403 · Retirement 3	303.34	153.56	149.78	197.5%
Total 9400 · Retirement	758.88	609.12	149.76	124.6%
Total 9100 · Fringe Benefits	3,296.78	2,692.16	604.62	122.5%
9300 · Payroll Taxes	671.82	663.61	8.21	101.2%
Total 9000 · Personnel	11,991.63	12,030.43	-38.80	99.7%
Total Expense	21,005.15	19,324.80	1,680.35	108.7%
Net Ordinary Income	-4,605.15	-2,924.80	-1,680.35	157.5%
Other Income/Expense				
Other Income				
9900 · Interest Income	0.31	0.31	0.00	100.0%
Total Other Income	0.31	0.31	0.00	100.0%
Net Other Income	0.31	0.31	0.00	100.0%
Net Income	-4,604.84	-2,924.49	-1,680.35	167.5%

12:39 PM
05/08/19
Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
April 2019

	Apr 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · LGE Admin payments	16,400.00	16,400.00	0.00	100.0%
Total Income	16,400.00	16,400.00	0.00	100.0%
Gross Profit	16,400.00	16,400.00	0.00	100.0%
Expense				
6000 · Contracts				
6100 · Accounting				
6102 · Monthly Reporting	375.00	337.50	37.50	111.1%
Total 6100 · Accounting	375.00	337.50	37.50	111.1%
6140 · Computer Technical Assistance				
6145 · Technology-IT Frontdesk	350.00	320.00	30.00	109.4%
6142 · Database Support-ED2	250.00	606.25	-356.25	41.2%
6143 · Hard Drive Support-Mirazon	101.25	277.00	-175.75	36.5%
6144 · Website, Internet Support-GoDad	0.00	35.00	-35.00	0.0%
Total 6140 · Computer Technical Assistance	701.25	1,238.25	-537.00	56.6%
6160 · Payroll Services	170.44	170.44	0.00	100.0%
Total 6000 · Contracts	1,246.69	1,745.19	-498.50	71.4%
7000 · General Office				
7400 · Mileage	0.00	390.31	-390.31	0.0%
7600 · Miscellaneous	0.00	75.00	-75.00	0.0%
7700 · Office Supplies				
7720 · Office	79.50	200.00	-120.50	39.8%
Total 7700 · Office Supplies	79.50	200.00	-120.50	39.8%
7800 · PNC Bank Service Charge / Fees	3.00	3.00	0.00	100.0%
7950 · Training and/ or Conferences	0.00	140.00	-140.00	0.0%
8000 · Printing/Copier Expense	508.88	350.00	158.88	145.4%
8100 · Rent/Utilities	550.00	550.00	0.00	100.0%
8200 · Telephone				
8210 · Internet / DSL Service	55.00	55.00	0.00	100.0%
8220 · Phones	60.00	300.00	-240.00	20.0%
8230 · Telephone - Director	64.00	64.00	0.00	100.0%
Total 8200 · Telephone	179.00	419.00	-240.00	42.7%
Total 7000 · General Office	1,320.38	2,127.31	-806.93	62.1%
8300 · Intake Training				
8310 · Interpretation Services	185.00	0.00	185.00	100.0%
8320 · Invitations	215.00	400.00	-185.00	53.8%
8350 · Weatherization	1,125.00	825.00	300.00	136.4%
Total 8300 · Intake Training	1,535.00	1,225.00	310.00	125.3%
9000 · Personnel				
9500 · Salaries				
9501 · Salary 1	3,548.06	3,643.75	-295.69	92.3%
9502 · Salary 2	2,454.65	2,664.24	-209.59	92.1%
9503 · Salary 3	2,067.51	2,166.67	-79.16	95.3%
Total 9500 · Salaries	8,090.22	8,574.66	-584.44	93.3%
9100 · Fringe Benefits				
9110 · Health Insurance				
9111 · Employee 1	813.26	813.26	0.00	100.0%
9112 · Employee 2	509.15	480.72	28.43	105.9%
9113 · Employee 3	426.25	414.06	12.19	102.9%
Total 9110 · Health Insurance	1,748.66	1,708.04	40.62	102.4%
9200 · HSA-AEC Contributions				
9201 · HSA-AEC contribution #1	125.00	125.00	0.00	100.0%
9202 · HSA-AEC contribution #2	125.00	125.00	0.00	100.0%
9203 · HSA-AEC Contribution #3	125.00	125.00	0.00	100.0%
Total 9200 · HSA-AEC Contributions	375.00	375.00	0.00	100.0%
9400 · Retirement				
9401 · Retirement 1	269.06	269.06	0.00	100.0%
9402 · Retirement 2	186.46	186.50	-0.04	100.0%
9403 · Retirement 3	151.67	153.56	-1.89	98.8%
Total 9400 · Retirement	607.21	609.12	-1.91	99.7%
Total 9100 · Fringe Benefits	2,730.87	2,692.16	38.71	101.4%
9300 · Payroll Taxes	665.35	663.61	1.74	100.3%
Total 9000 · Personnel	11,486.44	12,030.43	-543.99	95.5%
Total Expense	16,588.51	17,128.93	-1,540.42	91.0%
Net Ordinary Income	811.49	-728.93	1,540.42	-111.3%

Attachment 1 to Response to Appendix B No. 4 - LGE 2019 Monthly HEA Reports AEC

12:39 PM

Affordable Energy Corporation

05/08/19

Statement of Revenue and Expenses Budget vs. Actual

Cash Basis

April 2019

	Apr 19	Budget	\$ Over Budget	% of Budget
Other Income/Expense				
Other Income				
9900 - Interest Income	0.33	0.33	0.00	100.0%
Total Other Income	0.33	0.33	0.00	100.0%
Net Other Income	0.33	0.33	0.00	100.0%
Net Income	811.82	-728.60	1,540.42	-111.4%

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08/12/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
May 2019

	May 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Incomes				
4000 - LGE Admin payments	16,400.00	16,400.00	0.00	100.0%
4010 - True-up Payment	41,684.00	23,000.00	18,684.00	181.2%
Total Income	58,084.00	39,400.00	18,684.00	147.4%
Gross Profit	58,084.00	39,400.00	18,684.00	147.4%
Expense				
6000 - Contracts				
6100 - Accounting				
6102 - Monthly Reporting	325.00	400.00	-75.00	81.3%
Total 6100 - Accounting	325.00	400.00	-75.00	81.3%
6120 - Community Action Kentucky	500.00	500.00	0.00	100.0%
6140 - Computer Technical Assistance				
6145 - Technology-IT Frontdesk	350.00	320.00	30.00	109.4%
6141 - Database Development and Update	23,684.00	23,684.00	0.00	100.0%
6142 - Database Support-ED2	0.00	250.00	-250.00	0.0%
6143 - Hard Drive Support-Mirazon	1,386.25	277.00	1,109.25	500.5%
6144 - Website, Internet Support-GoDad	0.00	35.00	-35.00	0.0%
6140 - Computer Technical Assistance - Other	250.00			
Total 6140 - Computer Technical Assistance	25,670.25	24,566.00	1,104.25	104.5%
6160 - Payroll Services	170.44	170.44	0.00	100.0%
Total 6000 - Contracts	28,865.69	25,636.44	1,229.25	104.0%
7000 - General Office				
7300 - Membership/Dues	800.00	8.00	600.00	100.0%
7400 - Mileage	273.51	271.98	1.53	100.6%
7600 - Miscellaneous	25.27	60.00	-34.73	42.1%
7700 - Office Supplies				
7720 - Office	802.25	0.00	802.25	100.0%
Total 7700 - Office Supplies	802.25	0.00	802.25	100.0%
7800 - PNC Bank Service Charge / Fees	3.00	3.00	0.00	100.0%
7950 - Training and/or Conferences	75.00	0.00	75.00	100.0%
8000 - Printing/Copier Expense	419.84	350.00	69.84	120.0%
8100 - Rent/Utilities	550.00	550.00	0.00	100.0%
8200 - Telephone				
8210 - Internet / DSL Service	234.92	55.00	179.92	427.1%
8220 - Phones	60.00	300.00	-240.00	20.0%
8230 - Telephone - Director	64.00	64.00	0.00	100.0%
Total 8200 - Telephone	358.92	419.00	-60.08	85.7%
Total 7000 - General Office	3,107.79	1,653.98	1,453.81	187.9%
8300 - Intake Training				
8310 - Interpretation Services	92.00	88.00	4.00	104.5%
8320 - Invitations	0.00	400.00	-400.00	0.0%
8350 - Weatherization	0.00	825.00	-825.00	0.0%
Total 8300 - Intake Training	92.00	1,313.00	-1,221.00	7.0%
9000 - Personnel				
9500 - Salaries				
9501 - Salary 1	3,548.06	3,643.75	-295.69	92.3%
9502 - Salary 2	2,454.66	2,564.24	-209.58	92.1%
9503 - Salary 3	2,012.50	2,166.67	-154.17	92.9%
Total 9500 - Salaries	8,015.22	8,674.66	-659.44	92.4%
9100 - Fringe Benefits				
9110 - Health Insurance				
9111 - Employee 1	813.26	813.26	0.00	100.0%
9112 - Employee 2	509.15	480.72	28.43	105.9%
9113 - Employee 3	426.25	414.06	12.19	102.9%
Total 9110 - Health Insurance	1,748.66	1,708.04	40.62	102.4%
9200 - HSA-AEC Contributions				
9201 - HSA-AEC contribution #1	125.00	125.00	0.00	100.0%
9202 - HSA-AEC contribution #2	125.00	125.00	0.00	100.0%
9203 - HSA-AEC Contribution #3	125.00	125.00	0.00	100.0%
Total 9200 - HSA-AEC Contributions	375.00	375.00	0.00	100.0%
9400 - Retirement				
9401 - Retirement 1	269.08	269.05	0.02	100.0%
9402 - Retirement 2	186.46	188.50	-0.04	100.0%
9403 - Retirement 3	151.67	153.56	-1.89	98.8%
Total 9400 - Retirement	607.21	611.11	-3.90	99.4%
Total 9100 - Fringe Benefits	2,730.87	2,582.16	38.71	101.4%

10:51 AM

06/12/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
May 2019

	May 19	Budget	\$ Over Budget	% of Budget
9900 - Payroll Taxes	659.62	663.61	-3.99	99.4%
Total 9000 - Personnel	11,405.71	12,030.43	-624.72	94.8%
Total Expense	41,271.19	40,533.85	637.34	101.6%
Net Ordinary Income	16,812.81	-1,233.85	18,046.66	-1,362.6%
Other Income/Expense				
Other Income				
9900 - Interest Income	0.32	0.33	-0.01	97.0%
Total Other Income	0.32	0.33	-0.01	97.0%
Net Other Income	0.32	0.33	-0.01	97.0%
Net Income	16,813.13	-1,233.52	18,046.65	-1,363.0%

11:01 AM

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual

07/10/19

June 2019

Cash Basis

	Jun 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · LGE Admin payments	16,400.00	16,400.00	0.00	100.0%
4010 · True-up Payment	23,684.00	23,000.00	684.00	103.0%
Total Income	40,084.00	39,400.00	684.00	101.7%
Gross Profit	40,084.00	39,400.00	684.00	101.7%
Expenses				
6000 · Contracts				
6100 · Accounting				
6102 · Monthly Reporting	300.00	300.00	0.00	100.0%
Total 6100 · Accounting	300.00	300.00	0.00	100.0%
6140 · Computer Technical Assistance				
6145 · Technology-IT Frontdesk	350.00	320.00	30.00	109.4%
6141 · Database Development and Update	23,684.00	23,684.00	0.00	100.0%
6142 · Database Support-ED2	1,105.00	250.00	855.00	442.0%
6143 · Hard Drive Support-Mirazon	101.25	277.00	-175.75	36.6%
6144 · Website, Internet Support-GoDad	0.00	35.00	-35.00	0.0%
Total 6140 · Computer Technical Assistance	25,240.25	24,566.00	674.25	102.7%
6160 · Payroll Services	173.20	51.98	121.22	333.2%
Total 6000 · Contracts	25,713.45	24,917.98	795.47	103.2%
7000 · General Office				
7400 · Mileage	352.03	546.89	-194.86	64.4%
7600 · Miscellaneous	0.00	30.00	-30.00	0.0%
7700 · Office Supplies				
7720 · Office	79.50	200.00	-120.50	39.8%
Total 7700 · Office Supplies	79.50	200.00	-120.50	39.8%
7800 · PNC Bank Service Charge / Fees	3.00	3.00	0.00	100.0%
8000 · Printing/Copier Expense	354.38	350.00	4.38	101.3%
8100 · Rent/Utilities	550.00	550.00	0.00	100.0%
8200 · Telephone				
8210 · Internet / DSL Service	129.98	55.00	74.98	236.3%
8220 · Phones	230.95	300.00	-69.05	77.0%
8230 · Telephone - Director	128.00	64.00	64.00	200.0%
Total 8200 · Telephone	488.93	419.00	69.93	116.7%
Total 7000 · General Office	1,827.84	2,098.89	-271.05	87.1%
8300 · Intake Training				
8310 · Interpretation Services	150.00	5,518.00	-5,368.00	2.7%
8320 · Invitations	1,325.00	400.00	925.00	331.3%
8350 · Weatherization	975.00	825.00	150.00	118.2%
Total 8300 · Intake Training	2,450.00	6,741.00	-4,291.00	36.3%
9000 · Personnel				
9500 · Salaries				
9501 · Salary 1	3,548.06	3,843.75	-295.69	92.3%
9502 · Salary 2	2,489.01	2,684.24	-175.23	93.4%
9503 · Salary 3	2,229.56	2,166.67	62.89	102.8%
Total 9500 · Salaries	8,266.63	8,674.66	-408.03	95.3%
9100 · Fringe Benefits				
9110 · Health Insurance				
9111 · Employee 1	613.26	613.26	0.00	100.0%
9112 · Employee 2	509.15	480.72	28.43	105.9%
9113 · Employee 3	426.25	414.06	12.19	102.9%
Total 9110 · Health Insurance	1,548.66	1,508.04	40.62	102.4%
9200 · HSA-AEC Contributions				
9201 · HSA-AEC contribution #1	125.00	125.00	0.00	100.0%
9202 · HSA-AEC contribution #2	125.00	125.00	0.00	100.0%
9203 · HSA-AEC Contribution #3	0.00	125.00	-125.00	0.0%
Total 9200 · HSA-AEC Contributions	250.00	375.00	-125.00	66.7%
9400 · Retirement				
9401 · Retirement 1	269.08	269.08	0.00	100.0%
9402 · Retirement 2	189.46	186.50	2.96	100.0%
9403 · Retirement 3	151.67	153.56	-1.89	98.8%
Total 9400 · Retirement	609.21	609.14	0.07	99.7%
Total 9100 · Fringe Benefits	2,605.57	2,682.18	-76.61	96.8%

11:01 AM
07/19/19
Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
June 2019

	Jun 19	Budget	\$ Over Budget	% of Budget
0300 · Payroll Taxes	678.63	663.61	15.02	102.3%
Total 9000 · Personnel	11,548.13	12,030.43	-482.30	96.0%
Total Expense	41,539.42	45,798.30	-4,248.88	90.7%
Net Ordinary Income	-1,455.42	-6,388.30	4,932.88	22.8%
Other Income/Expense				
Other Income				
9900 · Interest Income	0.30	0.30	0.00	100.0%
Total Other Income	0.30	0.30	0.00	100.0%
Net Other Income	0.30	0.30	0.00	100.0%
Net Income	-1,455.12	-6,388.00	4,932.88	22.8%

1:13 PM

08/07/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual

July 2019

	Jul 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 - LGE Admin payments	16,400.00	16,400.00	0.00	100.0%
4010 - True-up Payment	23,684.00	23,000.00	684.00	103.0%
Total Income	<u>40,084.00</u>	<u>39,400.00</u>	<u>684.00</u>	<u>101.7%</u>
Gross Profit	40,084.00	39,400.00	684.00	101.7%
Expense				
6000 - Contracts				
6100 - Accounting				
6101 - Tax and Audit Reporting	0.00	4,725.00	-4,725.00	0.0%
6102 - Monthly Reporting	512.50	350.00	162.50	146.4%
Total 6100 - Accounting	<u>512.50</u>	<u>5,075.00</u>	<u>-4,562.50</u>	<u>10.1%</u>
6140 - Computer Technical Assistance				
6145 - Technology-IT Frontdesk	350.00	320.00	30.00	109.4%
6141 - Database Development and Update	23,684.00	23,684.00	0.00	100.0%
6142 - Database Support-ED2	250.00	725.00	-475.00	34.5%
6143 - Hard Drive Support-Mirazon	78.21	277.00	-197.79	28.6%
6144 - Website, Internet Support-GoDad	0.00	35.00	-35.00	0.0%
Total 6140 - Computer Technical Assistance	<u>24,363.21</u>	<u>25,041.00</u>	<u>-677.79</u>	<u>97.3%</u>
6160 - Payroll Services	189.07	162.96	6.11	103.7%
Total 6000 - Contracts	<u>25,044.78</u>	<u>30,278.96</u>	<u>-5,234.18</u>	<u>82.7%</u>
7000 - General Office				
7400 - Mileage	4.00	12.75	-8.75	31.4%
7600 - Miscellaneous	21.14	225.00	-203.86	9.4%
7700 - Office Supplies				
7720 - Office	181.10	0.00	181.10	100.0%
Total 7700 - Office Supplies	<u>181.10</u>	<u>0.00</u>	<u>181.10</u>	<u>100.0%</u>
7800 - PNC Bank Service Charge / Fees	3.00	3.00	0.00	100.0%
8000 - Printing/Copier Expense	584.61	350.00	214.61	161.3%
8100 - Rent/Utilities	550.00	550.00	0.00	100.0%
8200 - Telephone				
8210 - Internet / DSL Service	23.65	55.00	-31.35	43.0%
8220 - Phones	60.00	300.00	-240.00	20.0%
8230 - Telephone - Director	0.00	84.00	-84.00	0.0%
Total 8200 - Telephone	<u>83.65</u>	<u>419.00</u>	<u>-335.35</u>	<u>20.0%</u>
Total 7000 - General Office	<u>1,417.50</u>	<u>1,559.75</u>	<u>-142.25</u>	<u>90.9%</u>
8300 - Intake Training				
8310 - Training and/or Accomodations	301.55	0.00	301.55	100.0%
8340 - Training Supplies	38.64	0.00	38.64	100.0%
8350 - Weatherization	0.00	825.00	-825.00	0.0%
Total 8300 - Intake Training	<u>340.19</u>	<u>825.00</u>	<u>-484.81</u>	<u>41.2%</u>
9000 - Personnel				
9500 - Salaries				
9501 - Salary 1	3,548.06	3,843.75	-295.69	92.3%
9502 - Salary 2	2,803.36	2,664.24	139.12	105.2%
9503 - Salary 3	1,900.00	2,220.83	-320.83	85.6%
Total 9500 - Salaries	<u>8,251.42</u>	<u>8,728.82</u>	<u>-477.40</u>	<u>94.5%</u>
9100 - Fringe Benefits				
9110 - Health Insurance				
9111 - Employee 1	813.26	813.26	0.00	100.0%
9112 - Employee 2	679.68	480.72	198.96	141.4%
9113 - Employee 3	428.25	414.06	12.19	102.9%
Total 9110 - Health Insurance	<u>1,918.19</u>	<u>1,708.04</u>	<u>211.15</u>	<u>112.4%</u>
9200 - HSA-AEC Contributions				
9201 - HSA-AEC contribution #1	125.00	125.00	0.00	100.0%
9202 - HSA-AEC contribution #2	125.00	125.00	0.00	100.0%
9203 - HSA-AEC Contribution #3	0.00	125.00	-125.00	0.0%
Total 9200 - HSA-AEC Contributions	<u>250.00</u>	<u>375.00</u>	<u>-125.00</u>	<u>66.7%</u>
9400 - Retirement				
9401 - Retirement 1	269.08	269.06	0.02	100.0%
9402 - Retirement 2	186.46	188.50	-0.04	100.0%
9403 - Retirement 3	151.67	155.46	-3.79	97.6%
Total 9400 - Retirement	<u>607.21</u>	<u>611.02</u>	<u>-3.81</u>	<u>98.4%</u>
Total 9100 - Fringe Benefits	<u>2,776.40</u>	<u>2,694.06</u>	<u>82.34</u>	<u>103.1%</u>

1:13 PM

08/07/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
July 2019

	Jul 19	Budget	\$ Over Budget	% of Budget
9300 • Payroll Taxes	651.59	667.75	-16.16	97.6%
Total 9000 • Personnel	11,679.41	12,090.63	-411.22	96.6%
Total Expense	38,481.88	44,754.34	-6,272.46	86.0%
Net Ordinary Income	1,602.12	-5,354.34	6,956.48	-29.9%
Other Income/Expense				
Other Income				
9800 • Interest Income	0.34	0.33	0.01	103.0%
Total Other Income	0.34	0.33	0.01	103.0%
Net Other Income	0.34	0.33	0.01	103.0%
Net Income	1,602.46	-5,354.01	6,956.47	-29.9%

12:12 PM

09/18/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
August 2019

	Aug 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · LGE Admin payments	16,400.00	16,400.00	0.00	100.0%
4010 · True-up Payment	0.00	23,000.00	-23,000.00	0.0%
Total Income	<u>16,400.00</u>	<u>39,400.00</u>	<u>-23,000.00</u>	<u>41.6%</u>
Gross Profit	16,400.00	39,400.00	-23,000.00	41.6%
Expense				
6000 · Contracts				
6100 · Accounting				
6102 · Monthly Reporting	262.50	400.00	-137.50	65.6%
Total 6100 · Accounting	<u>262.50</u>	<u>400.00</u>	<u>-137.50</u>	<u>65.6%</u>
6140 · Computer Technical Assistance				
6145 · Technology-IT Frontdesk	350.00	320.00	30.00	109.4%
6141 · Database Development and Update	0.00	17,762.00	-17,762.00	0.0%
6142 · Database Support-ED2	345.00	250.00	95.00	138.0%
6143 · Hard Drive Support-Mirazon	249.85	277.00	-27.15	90.2%
6144 · Website, Internet Support-GoDad	0.00	35.00	-35.00	0.0%
Total 6140 · Computer Technical Assistance	<u>944.85</u>	<u>18,644.00</u>	<u>-17,699.15</u>	<u>5.1%</u>
6160 · Payroll Services	219.43	166.00	53.43	132.2%
6180 · Temp Services	0.00	800.00	-800.00	0.0%
Total 6000 · Contracts	<u>1,426.78</u>	<u>20,010.00</u>	<u>-18,583.22</u>	<u>7.1%</u>
7000 · General Office				
7400 · Mileage	16.00	12.75	3.25	125.5%
7600 · Miscellaneous	61.13	75.00	-13.87	81.5%
7700 · Office Supplies				
7720 · Office	-243.41	200.00	-443.41	-121.7%
7730 · Printed Materials	886.00	1,500.00	-614.00	59.1%
Total 7700 · Office Supplies	<u>642.59</u>	<u>1,700.00</u>	<u>-1,057.41</u>	<u>37.8%</u>
7800 · PNC Bank Service Charge / Fees	3.00	3.00	0.00	100.0%
7960 · Training and/ or Conferences	50.61	0.00	50.61	100.0%
8000 · Printing/Copier Expense	345.56	350.00	-4.44	98.7%
8100 · Rent/Utilities	0.00	550.00	-550.00	0.0%
8200 · Telephone				
8210 · Internet / DSL Service	74.98	55.00	19.98	136.3%
8220 · Phones	487.98	300.00	187.98	162.7%
8230 · Telephone - Director	128.00	64.00	64.00	200.0%
Total 8200 · Telephone	<u>690.96</u>	<u>419.00</u>	<u>271.96</u>	<u>164.9%</u>
Total 7000 · General Office	<u>1,809.85</u>	<u>3,109.75</u>	<u>-1,299.90</u>	<u>58.2%</u>
8300 · Intake Training				
8330 · Training and/or Accomodations	359.90	0.00	359.90	100.0%
8350 · Weatherization	1,200.00	0.00	1,200.00	100.0%
Total 8300 · Intake Training	<u>1,559.90</u>	<u>0.00</u>	<u>1,559.90</u>	<u>100.0%</u>
9000 · Personnel				
9500 · Salaries				
9501 · Salary 1	5,322.09	3,843.75	1,478.34	138.5%
9502 · Salary 2	3,686.71	2,684.24	1,002.47	137.6%
9503 · Salary 3	3,048.60	2,220.83	828.77	137.3%
Total 9500 · Salaries	<u>12,057.40</u>	<u>8,728.82</u>	<u>3,309.58</u>	<u>137.9%</u>
9100 · Fringe Benefits				
9110 · Health Insurance				
9111 · Employee 1	813.28	813.25	0.00	100.0%
9112 · Employee 2	-527.75	480.72	-1,108.47	-130.6%
9113 · Employee 3	426.25	414.06	12.19	102.9%
Total 9110 · Health Insurance	<u>611.76</u>	<u>1,708.04</u>	<u>-1,096.28</u>	<u>35.8%</u>
9200 · HSA-AEC Contributions				
9201 · HSA-AEC contribution #1	125.00	125.00	0.00	100.0%
9202 · HSA-AEC contribution #2	125.00	125.00	0.00	100.0%
9203 · HSA-AEC Contribution #3	375.00	125.00	250.00	300.0%
Total 9200 · HSA-AEC Contributions	<u>625.00</u>	<u>375.00</u>	<u>250.00</u>	<u>168.7%</u>
9400 · Retirement				
9401 · Retirement 1	269.08	269.08	0.00	100.0%
9402 · Retirement 2	188.46	186.50	-0.04	100.0%
9403 · Retirement 3	155.46	155.46	0.00	100.0%
Total 9400 · Retirement	<u>611.00</u>	<u>611.02</u>	<u>-0.02</u>	<u>100.0%</u>
Total 9100 · Fringe Benefits	<u>1,847.76</u>	<u>2,694.06</u>	<u>-846.30</u>	<u>68.6%</u>

12:12 PM

09/18/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
August 2019

	Aug 19	Budget	\$ Over Budget	% of Budget
9300 - Payroll Taxes	967.69	667.75	299.94	144.9%
Total 9000 - Personnel	14,853.85	12,090.63	2,763.22	122.9%
Total Expense	19,660.38	35,210.38	-15,560.00	55.8%
Net Ordinary Income	-3,250.38	4,189.62	-7,440.00	-77.6%
Other Income/Expense				
Other Income				
9900 - Interest Income	0.31	0.33	-0.02	93.9%
Total Other Income	0.31	0.33	-0.02	93.9%
Net Other Income	0.31	0.33	-0.02	93.9%
Net Income	-3,250.07	4,189.95	-7,440.02	-77.6%

12:25 PM

10/09/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
September 2019

	Sep 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · LGE Admin payments	16,400.00	16,400.00	0.00	100.0%
Total Income	16,400.00	16,400.00	0.00	100.0%
Gross Profit	16,400.00	16,400.00	0.00	100.0%
Expense				
6000 · Contracts				
6100 · Accounting				
6102 · Monthly Reporting	425.00	400.00	25.00	106.3%
6100 · Accounting - Other	4,900.00			
Total 6100 · Accounting	5,325.00	400.00	4,925.00	1,331.3%
6140 · Computer Technical Assistance				
6145 · Technology-IT Frontdesk	350.00	320.00	30.00	109.4%
6141 · Database Development and Update	539.10	3,185.00	-2,645.90	16.9%
6142 · Database Support-ED2	250.00	250.00	0.00	100.0%
6143 · Hard Drive Support-Mirazon	1,082.50	277.00	805.50	390.8%
6144 · Website, Internet Support-GoDad	0.00	35.00	-35.00	0.0%
Total 6140 · Computer Technical Assistance	2,221.60	4,068.00	-1,846.40	54.6%
6160 · Payroll Services	170.44	166.00	4.44	102.7%
Total 6000 · Contracts	7,717.04	4,634.00	3,083.04	166.5%
7000 · General Office				
7400 · Mileage	162.43	12.75	149.68	1,274.0%
7600 · Miscellaneous	28.00	75.00	-47.00	37.3%
7700 · Office Supplies				
7720 · Office	116.37	0.00	116.37	100.0%
Total 7700 · Office Supplies	116.37	0.00	116.37	100.0%
7800 · PNC Bank Service Charge / Fees	3.00	3.00	0.00	100.0%
7900 · Postage				
7910 · Postage - Bulk Mailing	0.00	1,222.00	-1,222.00	0.0%
Total 7900 · Postage	0.00	1,222.00	-1,222.00	0.0%
7950 · Training and/ or Conferences	472.50	0.00	472.50	100.0%
8000 · Printing/Copier Expense	322.19	350.00	-27.81	92.1%
8100 · Rent/Utilities	550.00	550.00	0.00	100.0%
8200 · Telephone				
8210 · Internet / DSL Service	221.97	55.00	166.97	403.6%
8220 · Phones	345.33	300.00	45.33	115.1%
8230 · Telephone - Director	0.00	64.00	-64.00	0.0%
Total 8200 · Telephone	567.30	418.00	149.30	135.4%
Total 7000 · General Office	2,221.79	2,631.75	-409.96	84.4%
9000 · Personnel				
9500 · Salaries				
9501 · Salary 1	3,548.06	3,843.75	-295.69	92.3%
9502 · Salary 2	2,443.20	2,664.24	-221.04	91.7%
9503 · Salary 3	2,056.01	2,220.83	-164.82	92.6%
Total 9500 · Salaries	8,047.27	8,728.82	-681.55	92.2%
9100 · Fringe Benefits				
9110 · Health Insurance				
9111 · Employee 1	813.26	813.26	0.00	100.0%
9112 · Employee 2	480.72	480.72	0.00	100.0%
9113 · Employee 3	426.25	414.06	12.19	102.9%
Total 9110 · Health Insurance	1,720.23	1,708.04	12.19	100.7%
9200 · HSA-AEC Contributions				
9201 · HSA-AEC contribution #1	125.00	125.00	0.00	100.0%
9202 · HSA-AEC contribution #2	125.00	125.00	0.00	100.0%
9203 · HSA-AEC Contribution #3	125.00	125.00	0.00	100.0%
Total 9200 · HSA-AEC Contributions	375.00	375.00	0.00	100.0%
9400 · Retirement				
9401 · Retirement 1	269.08	269.06	0.02	100.0%
9402 · Retirement 2	186.48	188.50	-0.04	100.0%
9403 · Retirement 3	155.45	155.48	-0.03	100.0%
Total 9400 · Retirement	611.00	611.02	-0.02	100.0%
Total 9100 · Fringe Benefits	2,706.23	2,694.06	12.17	100.5%

12:25 PM

10/09/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
September 2019

	Sep 19	Budget	\$ Over Budget	% of Budget
9380 - Payroll Taxes	662.36	667.75	-5.39	99.2%
Total 9000 - Personnel	11,415.86	12,090.63	-674.77	94.4%
Total Expense	21,354.69	19,358.38	1,996.31	110.3%
Net Ordinary Income	-4,954.69	-2,956.38	-1,998.31	167.6%
Other Income/Expense				
Other Income				
9900 - Interest Income	0.33	0.33	0.00	100.0%
Total Other Income	0.33	0.33	0.00	100.0%
Net Other Income	0.33	0.33	0.00	100.0%
Net Income	-4,954.36	-2,955.05	-1,998.31	167.6%

11:01 AM

11/13/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual

October 2019

	Oct 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 - LGE Admin payments	16,400.00	16,400.00	0.00	100.0%
Total Income	16,400.00	16,400.00	0.00	100.0%
Gross Profit	16,400.00	16,400.00	0.00	100.0%
Expense				
6000 - Contracts				
6100 - Accounting				
6102 - Monthly Reporting	350.00	400.00	-50.00	87.5%
Total 6100 - Accounting	350.00	400.00	-50.00	87.5%
6140 - Computer Technical Assistance				
6145 - Technology-IT Frontdesk	350.00	320.00	30.00	109.4%
6142 - Database Support-ED2	250.00	250.00	0.00	100.0%
6143 - Hard Drive Support-Mirazon	406.25	277.00	129.25	146.7%
6144 - Website, Internet Support-GoDad	0.00	35.00	-35.00	0.0%
Total 6140 - Computer Technical Assistance	1,006.25	882.00	124.25	114.1%
6160 - Payroll Services	172.31	166.00	6.31	103.8%
6180 - Temp Services	0.00	2,500.00	-2,500.00	0.0%
Total 6000 - Contracts	1,528.56	3,948.00	-2,419.44	38.7%
7000 - General Office				
7400 - Mileage	6.00	12.75	-6.75	47.1%
7600 - Miscellaneous	235.55	75.00	160.55	314.1%
7700 - Office Supplies				
7720 - Office	451.18	200.00	251.18	225.6%
7730 - Printed Materials	3,341.50	0.00	3,341.50	100.0%
Total 7700 - Office Supplies	3,792.68	200.00	3,592.68	1,896.3%
7800 - PNC Bank Service Charge / Fees	3.00	3.00	0.00	100.0%
7850 - Training and/ or Conferences	0.00	350.00	-350.00	0.0%
8000 - Printing/Copier Expense	273.66	350.00	-76.34	78.2%
8100 - Rent/Utilities	550.00	550.00	0.00	100.0%
8200 - Telephone				
8210 - Internet / DSL Service	114.87	55.00	59.87	209.0%
8220 - Phones	60.00	300.00	-240.00	20.0%
8230 - Telephone - Director	64.00	64.00	0.00	100.0%
Total 8200 - Telephone	238.87	419.00	-180.03	57.0%
Total 7000 - General Office	5,099.86	1,969.75	3,130.11	258.8%
9000 - Personnel				
9500 - Salaries				
9501 - Salary 1	5,499.80	3,939.84	1,560.06	139.6%
9502 - Salary 2	2,718.50	2,664.24	54.26	102.0%
9503 - Salary 3	2,159.68	2,220.83	-61.15	97.0%
Total 9500 - Salaries	10,377.98	8,824.91	1,547.17	117.5%
9100 - Fringe Benefits				
9110 - Health Insurance				
9111 - Employee 1	948.87	813.26	135.61	116.7%
9112 - Employee 2	543.79	480.72	63.07	113.1%
9113 - Employee 3	476.13	414.08	62.07	115.0%
Total 9110 - Health Insurance	1,968.79	1,708.04	260.75	115.3%
9200 - HSA-AEC Contributions				
9201 - HSA-AEC contribution #1	125.00	125.00	0.00	100.0%
9202 - HSA-AEC contribution #2	125.00	125.00	0.00	100.0%
9203 - HSA-AEC Contribution #3	125.00	125.00	0.00	100.0%
Total 9200 - HSA-AEC Contributions	375.00	375.00	0.00	100.0%
9400 - Retirement				
9401 - Retirement 1	289.08	275.79	-5.71	97.8%
9402 - Retirement 2	205.46	186.50	18.96	110.2%
9403 - Retirement 3	155.46	155.46	0.00	100.0%
Total 9400 - Retirement	630.00	617.75	12.25	102.0%
Total 9100 - Fringe Benefits	2,973.79	2,700.79	273.00	110.1%
9300 - Payroll Taxes	641.66	667.75	-173.91	126.0%
Total 9000 - Personnel	14,187.53	12,193.45	1,994.08	116.4%
Total Expense	20,815.95	18,111.20	2,704.75	114.9%
Net Ordinary Income	-4,415.85	-1,711.20	-2,704.75	258.1%

11:01 AM

11/13/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual

October 2019

	Oct 19	Budget	\$ Over Budget	% of Budget
Other Income/Expense				
Other Income				
9900 - Interest Income	0.32	0.33	-0.01	97.0%
Total Other Income	0.32	0.33	-0.01	97.0%
Net Other Income	0.32	0.33	-0.01	97.0%
Net Income	-4,415.63	-1,710.87	-2,704.76	258.1%

11:59 AM
12/10/19
Cash Basis

Affordable Energy Corporation
Statement of Assets, Liabilities and Net Assets
As of November 30, 2019

	Nov 30, 19
ASSETS	
Current Assets	
Checking/Savings	
1000 - Cash - PNC Bank	29,321.02
1010 - Savings Account - PNC Bank	7,618.26
Total Checking/Savings	36,939.28
Total Current Assets	36,939.28
TOTAL ASSETS	36,939.28
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 - Accounts Payable	-6.00
Total Accounts Payable	-6.00
Total Current Liabilities	-6.00
Total Liabilities	-6.00
Equity	
3000 - Opening Balance Unrestricted	7,396.38
3900 - Unrestricted	42,358.09
Net Income	-12,809.19
Total Equity	36,945.28
TOTAL LIABILITIES & EQUITY	36,939.28

11:59 AM

12/10/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
 November 2019

	Nov 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 - LGE Admin payments	16,400.00	16,400.00	0.00	100.0%
Total Income	16,400.00	16,400.00	0.00	100.0%
Gross Profit	16,400.00	16,400.00	0.00	100.0%
Expense				
6000 - Contracts				
6100 - Accounting				
6102 - Monthly Reporting	275.00	400.00	-125.00	68.8%
Total 6100 - Accounting	275.00	400.00	-125.00	68.8%
6140 - Computer Technical Assistance				
6145 - Technology-IT Frontdesk	350.00	320.00	30.00	109.4%
6142 - Database Support-ED2	250.00	250.00	0.00	100.0%
6143 - Hard Drive Support-Mirazon	305.00	277.00	28.00	110.1%
6144 - Website, Internet Support-GoDad	0.00	35.00	-35.00	0.0%
Total 6140 - Computer Technical Assistance	905.00	882.00	23.00	102.6%
6180 - Payroll Services	162.96	188.00	-3.04	88.2%
6180 - Temp Services	0.00	2,500.00	-2,500.00	0.0%
Total 6000 - Contracts	1,342.96	3,948.00	-2,605.04	34.0%
7000 - General Office				
7400 - Mileage	0.00	12.75	-12.75	0.0%
7600 - Miscellaneous	69.75	75.00	14.75	119.7%
7700 - Office Supplies				
7720 - Office	571.53	0.00	571.53	100.0%
Total 7700 - Office Supplies	571.53	0.00	571.53	100.0%
7800 - PNC Bank Service Charge / Fees	3.00	3.00	0.00	100.0%
7800 - Postage				
7920 - Envelopes and Postcards	3.66	0.00	3.66	100.0%
Total 7800 - Postage	3.66	0.00	3.66	100.0%
8000 - Printing/Copier Expense	298.88	350.00	-113.12	87.7%
8100 - Rent/Utilities	550.00	550.00	0.00	100.0%
8200 - Telephone				
8210 - Internet / DSL Service	114.87	65.00	59.87	209.0%
8220 - Phones	60.00	300.00	-240.00	20.0%
8230 - Telephone - Director	0.00	64.00	-64.00	0.0%
Total 8200 - Telephone	174.87	419.00	-244.03	41.8%
Total 7000 - General Office	1,629.79	1,409.75	220.04	115.6%
9000 - Personnel				
9500 - Salaries				
9501 - Salary 1	0.00	3,939.84	-3,939.84	0.0%
9502 - Salary 2	3,020.12	2,664.24	355.88	113.4%
9503 - Salary 3	2,052.81	2,220.83	-168.02	92.4%
Total 9500 - Salaries	5,072.83	8,824.91	-3,751.98	57.6%
9100 - Fringe Benefits				
9110 - Health Insurance				
9111 - Employee 1	-948.87	813.26	-1,762.13	-118.7%
9112 - Employee 2	543.79	490.72	63.07	113.1%
9113 - Employee 3	478.13	414.06	62.07	115.0%
Total 9110 - Health Insurance	71.05	1,708.04	-1,636.99	4.2%
9200 - HSA-AEC Contributions				
9201 - HSA-AEC contribution #1	0.00	125.00	-125.00	0.0%
9202 - HSA-AEC contribution #2	125.00	125.00	0.00	100.0%
9203 - HSA-AEC Contribution #3	125.00	125.00	0.00	100.0%
Total 9200 - HSA-AEC Contributions	250.00	375.00	-125.00	66.7%
9400 - Retirement				
9401 - Retirement 1	0.00	275.78	-275.78	0.0%
9402 - Retirement 2	224.46	186.50	37.96	120.4%
9403 - Retirement 3	155.48	155.46	0.02	100.0%
Total 9400 - Retirement	379.82	617.75	-237.83	61.5%
Total 9100 - Fringe Benefits	700.97	2,700.79	-1,999.82	26.0%
9300 - Payroll Taxes	417.14	675.11	-257.97	61.8%
Total 9000 - Personnel	6,191.04	12,200.81	-6,009.77	50.7%
Total Expense	8,163.79	17,568.56	-9,394.77	52.2%
Net Ordinary Income	7,236.21	-1,158.56	8,394.77	-624.6%

11:59 AM

12/10/19

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
 November 2019

	Nov 19	Budget	\$ Over Budget	% of Budget
Other Income/Expense				
Other Income				
Interest Income	0.30	0.33	-0.03	90.9%
Total Other Income	0.30	0.33	-0.03	90.9%
Net Other Income	0.30	0.33	-0.03	90.9%
Net Income	7,238.61	-1,168.23	8,394.74	624.8%

11:26 AM
 02/02/20
 Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
December 2019

	Dec 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · LGE Admin payments	16,400.00	16,400.00	0.00	100.0%
4010 · True-up Payment	12,857.00	0.00	12,857.00	100.0%
Total Income	<u>29,257.00</u>	<u>16,400.00</u>	<u>12,857.00</u>	<u>178.4%</u>
Gross Profit	29,257.00	16,400.00	12,857.00	178.4%
Expense				
6000 · Contracts				
6100 · Accounting				
6102 · Monthly Reporting	350.00	400.00	-50.00	87.5%
Total 6100 · Accounting	350.00	400.00	-50.00	87.5%
6140 · Computer Technical Assistance				
6145 · Technology-IT Frontdesk	4,850.00	320.00	4,530.00	1,515.6%
6141 · Database Development and Update	8,357.00	0.00	8,357.00	100.0%
6142 · Database Support-ED2	0.00	258.75	-258.75	0.0%
6143 · Hard Drive Support-Mirazon	67.50	277.00	-209.50	24.4%
6144 · Website, Internet Support-GoDad	0.00	35.00	-35.00	0.0%
Total 6140 · Computer Technical Assistance	13,274.50	890.75	12,383.75	1,490.3%
6160 · Payroll Services	162.96	171.18	-8.22	95.2%
6180 · Temp Services	0.00	2,500.00	-2,500.00	0.0%
Total 6000 · Contracts	13,787.46	3,961.93	9,825.53	348.0%
7000 · General Office				
7400 · Mileage	39.23	12.75	26.48	307.7%
7600 · Miscellaneous	0.00	110.00	-110.00	0.0%
7700 · Office Supplies				
7720 · Office	95.07	200.00	-104.93	47.5%
Total 7700 · Office Supplies	95.07	200.00	-104.93	47.5%
7800 · PNC Bank Service Charge / Fees	3.00	3.00	0.00	100.0%
8000 · Printing/Copier Expense	383.23	350.00	33.23	109.5%
8100 · Rent/Utilities	0.00	550.00	-550.00	0.0%
8200 · Telephone				
8210 · Internet / DSL Service	114.97	55.00	59.97	209.0%
8220 · Phones	80.00	300.00	-240.00	20.0%
8230 · Telephone - Director	114.37	64.00	50.37	178.7%
Total 8200 · Telephone	289.34	419.00	-129.66	69.1%
Total 7000 · General Office	809.87	1,644.75	-834.88	49.2%

Attachment 1 to Response to Appendix B No. 4 - LGE 2019 Monthly HEA Reports AEC
 Case No 2019-00366
 Page 24 of 26

11:26 AM
 02/02/20
 Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
December 2019

	Dec 19	Budget	\$ Over Budget	% of Budget
8300 · Intake Training				
8310 · Interpretation Services	0.00	396.00	-396.00	0.0%
8350 · Weatherization	0.00	325.00	-325.00	0.0%
Total 8300 · Intake Training	0.00	721.00	-721.00	0.0%
9000 · Personnel				
9500 · Salaries				
9501 · Salary ED	0.00	3,939.84	-3,939.84	0.0%
9502 · Salary 2nd	3,210.78	2,664.24	546.54	120.5%
9503 · Salary 3rd	2,043.20	2,220.83	-177.63	92.0%
Total 9500 · Salaries	5,253.98	8,824.91	-3,570.93	59.5%
9100 · Fringe Benefits				
9110 · Health Insurance				
9111 · Employee 1	0.00	813.26	-813.26	0.0%
9112 · Employee 2	0.00	480.72	-480.72	0.0%
9113 · Employee 3	0.00	414.06	-414.06	0.0%
Total 9110 · Health Insurance	0.00	1,708.04	-1,708.04	0.0%
9200 · HSA-AEC Contributions				
9201 · HSA-AEC contribution #1	0.00	125.00	-125.00	0.0%
9202 · HSA-AEC contribution #2	125.00	125.00	0.00	100.0%
9203 · HSA-AEC Contribution #3	125.00	125.00	0.00	100.0%
Total 9200 · HSA-AEC Contributions	250.00	375.00	-125.00	66.7%
9400 · Retirement				
9401 · Retirement 1	0.00	275.79	-275.79	0.0%
9402 · Retirement 2	262.50	186.50	78.00	140.8%
9403 · Retirement 3	155.46	155.46	0.00	100.0%
Total 9400 · Retirement	417.96	617.75	-199.79	67.7%
Total 9100 · Fringe Benefits	667.96	2,700.79	-2,032.83	24.7%
9300 · Payroll Taxes	433.90	675.11	-241.21	64.3%
Total 9000 · Personnel	6,355.84	12,200.81	-5,844.97	52.1%
Total Expense	20,953.17	18,528.49	2,424.68	113.1%
Net Ordinary Income	8,303.83	-2,128.49	10,432.32	-390.1%

Attachment 1 to Response to Appendix B No. 4 - LGE 2019 Monthly HEA Reports AEC
 Case No 2019-00366
 Page 25 of 26

11:26 AM

02/02/20

Cash Basis

Affordable Energy Corporation
Statement of Revenue and Expenses Budget vs. Actual
December 2019

	<u>Dec 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Other Income/Expense				
Other Income				
9900 - Interest Income	0.34	0.33	0.01	103.0%
Total Other Income	0.34	0.33	0.01	103.0%
Net Other Income	0.34	0.33	0.01	103.0%
Net Income	<u>8,304.17</u>	<u>-2,128.16</u>	<u>10,432.33</u>	<u>-390.2%</u>

Attachment 1 to Response to Appendix B No. 4 - LGE 2019 Monthly HEA Reports AEC
Case No 2019-00366
Page 26 of 26

Total Benefit Summary YTD	Total Clients	New Clients	#Active	#Inactive	#Hold	#Pending Termination	#Withdrawn	#Terminated
Client Totals (1668 Recert)	0	0	0	0	0	0	0	0
Client Goals (1647 OE)	3500	1832						
Difference	3500	1832						
Allocated Benefits YTD	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CLEAN START TOTAL		\$18.00						
2019 Benefits Goal	\$2,264,200.00	\$1,023,800.00						
Difference	\$2,264,200.00	\$1,023,782.00					Projected unspent allocations (IA, WD, Term):	\$0.00
2019 YTD Projected Surplus Spend Down (minus projected unspent allocations)	\$1,762,200.00	Goal: \$277,000						

Current Month Pay Arrangement	Total Past Due
\$0.00	\$0.00

BENEFIT	#CLIENTS	TOTAL BENEFITS
\$400.00	0	\$0.00
\$600.00	0	\$0.00
\$800.00	0	\$0.00
\$1,000.00	0	\$0.00
		\$0.00

ZIP	COUNT	BEN BY ZIP	ZIP	COUNT	BEN BY ZIP
40006	0	\$0.00	40211	0	\$0.00
40014	0	\$0.00	40212	0	\$0.00
40019	0	\$0.00	40213	0	\$0.00
40023	0	\$0.00	40214	0	\$0.00
40026	0	\$0.00	40215	0	\$0.00
40031	0	\$0.00	40216	0	\$0.00
40047	0	\$0.00	40217	0	\$0.00
40056	0	\$0.00	40218	0	\$0.00
40059	0	\$0.00	40219	0	\$0.00
40077	0	\$0.00	40220	0	\$0.00
40108	0	\$0.00	40222	0	\$0.00
40118	0	\$0.00	40223	0	\$0.00
40150	0	\$0.00	40228	0	\$0.00
40155	0	\$0.00	40229	0	\$0.00
40165	0	\$0.00	40241	0	\$0.00
40177	0	\$0.00	40242	0	\$0.00
40201	0	\$0.00	40243	0	\$0.00
40202	0	\$0.00	40245	0	\$0.00
40203	0	\$0.00	40251	0	\$0.00
40204	0	\$0.00	40256	0	\$0.00
40205	0	\$0.00	40258	0	\$0.00
40206	0	\$0.00	40272	0	\$0.00
40207	0	\$0.00	40280	0	\$0.00
40208	0	\$0.00	40291	0	\$0.00
40209	0	\$0.00	40299	0	\$0.00
40210	0	\$0.00	42748	0	\$0.00

ESL	COUNT	BEN BY ESL
ALBANIAN	0	\$0.00
ARABIC	0	\$0.00
BOSNIAN	0	\$0.00
CHINESE	0	\$0.00
DINKA - S. SUDAN	0	\$0.00
KAREN BURMESE	0	\$0.00
KOREAN	0	\$0.00
NIGERIAN	0	\$0.00
NO ENGLISH	0	\$0.00
PAKISTAN	0	\$0.00
RUSSIAN	0	\$0.00
SOMALI	0	\$0.00
SPANISH	0	\$0.00
VIETNAMESE	0	\$0.00
WEST AFRICAN	0	\$0.00
TOTAL	0	\$0.00

MULTIPLICOUN			
JEFFERSON	RPOSE	TY	CENTRAL
\$0.00	\$0.00	\$0.00	\$0.00

By County Code										
BULLITT	HARDIN	HENRY	JEFFERSON	LARUE	MEADE	OLDHAM	NELSON	SHELBY	SPENCER	TRIMBLE
15	47	52	56	62	82	93	90	106	108	112
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
0	0	0	0	0	0	0	0	0	0	0

ASAP BENEFITS BUDGET ALLOCATION 05.31.2019

Total Benefit Summary YTD	Total Clients	New Clients	#Active	#Inactive	#Hold	#Pending Termination	#Withdrawn	#Terminated	BENEFIT ALLOCATION	#CLIENTS	TOTAL BENEFITS	
Client Totals	2330	661	2123	39	116	13	36	3	\$400.00	444	\$177,600.00	
Client Goals	3500	1832							78	\$600.00	634	\$380,400.00
Difference	1170	1171								\$800.00	492	\$393,600.00
										\$1,000.00	760	\$760,000.00
Allocated Benefits YTD	\$1,711,600.00	\$470,800.00	\$1,562,138.83	\$28,149.74	\$88,747.47	\$10,460.00	\$26,400.00	\$2,400.00	TOTAL	2330	\$1,711,600.00	
Clean Start YTD	\$67,437.01	\$67,437.01										
Total YTD	\$1,779,037.01	\$538,237.01										
2019 Benefits Goal	\$2,255,200.00	\$1,014,800.00					% Unspent:	3.67%	\$34,665.22	TOTAL # ESL	TOT BEN ESL	
Difference	\$483,447.97	\$483,847.97	Approximate Projected unspent allocations (IA, WD, Term):						\$56,949.74		132	\$88,800.00
2019 YTD Projected Surplus Spend Down (minus projected unspent allocations)	\$263,397.71	Goal: \$277,000	NOTES: 1668/2533 Recertified. Only 1647 Qualified for Orientation Invitation from LH Subsidy; 1832 needed to reach goal. Enrollment goal of 3500 is 1000 over program normal capacity. Unspent ASAP Benefit reserve as of December 31st 2018 \$834,331.52. \$10,200 from 13 recert appeals. 84 Crisis recerts@\$50,400. out of bal \$600.						5% Discretionary Budget Balance:		\$31,472.99	

Approx. Break Even	\$1,978,200.00	*does not include IA, WD, Term
2019 Goal	\$2,255,200.00	
Difference	\$277,000.00	
YTD to Break Even	\$206,477.97	
YTD to Goal	\$483,447.97	
Mth Avg to BreakEven	\$164,850.00	
Monthly Avg to Goal	\$187,933.33	
Monthly Avg YTD	\$165,181.03	

ZIP	COUNT	BEN BY ZIP	ZIP	COUNT	BEN BY ZIP
40006	2	\$1,000.00	40211	291	\$216,900.69
40014	14	\$10,940.00	40212	252	\$192,689.23
40019	1	\$600.00	40213	41	\$29,319.54
40023	1	\$1,000.00	40214	124	\$84,411.28
40026	3	\$2,000.00	40215	143	\$102,765.17
40031	3	\$2,000.00	40216	195	\$146,031.42
40047	15	\$11,800.00	40217	25	\$17,800.00
40056	4	\$2,200.00	40218	114	\$77,655.23
40059	2	\$1,000.00	40219	97	\$72,400.00
40077	0	\$0.00	40220	26	\$19,860.00
40108	14	\$9,800.00	40222	8	\$5,600.00
40118	33	\$24,228.53	40223	12	\$9,400.00
40150	1	\$600.00	40228	22	\$15,000.00
40155	6	\$5,000.00	40229	66	\$49,200.00
40165	18	\$14,600.00	40241	13	\$11,160.00
40177	14	\$11,600.00	40242	4	\$2,200.00
40201	4	\$3,000.00	40243	2	\$1,800.00
40202	4	\$3,000.00	40245	9	\$7,400.00
40203	107	\$81,207.85	40251	2	\$1,600.00
40204	29	\$20,400.00	40256	2	\$2,000.00
40205	8	\$5,800.00	40258	89	\$94,945.26
40206	33	\$21,400.00	40272	129	\$94,945.26
40207	10	\$6,367.70	40280	1	\$400.00
40208	57	\$44,580.57	40291	41	\$31,337.59
40209	5	\$4,000.00	40299	24	\$17,200.00
40210	206	\$152,911.32	42748	2	\$1,000.00

BENEFIT MONTH	MON TOTAL ALLOCATED	AMT PAID	Diff
Jan-19	\$266,847.71	\$266,008.23	-\$839.48
Feb-19	\$191,092.71	\$183,396.67	-\$7,696.04
Mar-19	\$157,209.58	\$148,870.20	-\$8,339.38
Apr-19	\$123,907.71	\$114,538.35	-\$9,369.36
May-19	\$126,157.71	\$113,091.69	-\$13,066.02
Jun-19	\$107,814.58		-\$107,814.58
Jul-19	\$107,812.71		-\$107,812.71
Aug-19	\$107,812.71		-\$107,812.71
Sep-19	\$112,669.58		-\$112,669.58
Oct-19	\$128,992.71		-\$128,992.71
Nov-19	\$168,612.71		-\$168,612.71
Dec-19	\$112,669.58		-\$112,669.58
SUB TOTAL	\$1,711,600.00	\$825,905.14	-\$885,694.86
CLEAN START	\$67,437.01	\$67,437.01	\$0.00
TOTAL	\$1,779,037.01	\$893,342.15	-\$885,694.86

\$6,696.04 erroneous clean start

JEFFERSON	MULTIPURPOSE	TRICOUNTY	CENTRAL
\$1,628,956.04	\$43,800.00	\$19,140.00	\$26,400.00

By County Code										
BULLITT	HARDIN	HENRY	JEFFERSON	LARUE	MEADE	OLDHAM	NELSON	SHELBY	SPENCER	TRIMBLE
15	47	52	56	62	82	93	90	106	108	112
\$43,600.00	\$10,600.00	\$1,000.00	\$1,628,556.04	\$1,000.00	\$15,400.00	\$17,140.00	\$0.00	\$0.00	\$0.00	\$1,000.00
56	13	2	2209	2	21	25	0	0	0	2

Total Benefit Summary YTD	Total Clients	New Clients	#Active	#Inactive	#Hold	#Pending Termination	#Withdrawn	#Terminated	BENEFIT ALLOCATION	#CLIENTS	TOTAL BENEFITS
Client Totals	2023	355	1742	16	236	5	22	2	\$400.00	373	\$149,200.00
Client Goals	3500	1832							\$600.00	547	\$328,200.00
Difference	1477	1477							\$800.00	430	\$344,000.00
Allocated Benefits YTD	\$1,494,400.00	\$254,000.00	\$1,286,739.02	\$11,352.64	\$179,373.11	\$3,600.00	\$16,400.00	\$1,600.00	TOTAL	2023	\$1,494,400.00
Clean Start YTD	\$19.00	\$19.00									
Total YTD	\$1,494,419.00	\$254,019.00							Total Past Due	TOTAL # ESL	TOT BEN ESL
2019 Benefits Goal	\$2,255,200.00	\$1,014,800.00							\$55,408.48	112	\$76,000.00
Difference	\$760,781.00	\$760,781.00									

2019 YTD Projected Surplus Spend Down (minus projected unspent allocations)	Approx. Break Even	2019 Goal	Difference	YTD to Break Even	YTD to Goal	Mth Avg to Break Even	Monthly Avg to Goal	Monthly Avg YTD
\$513,133.64	\$1,978,200.00	\$2,255,200.00	\$277,000.00	\$483,781.00	\$760,781.00	\$164,850.00	\$187,933.33	\$43,129.13
Goal: \$277,000								

NOTES: 1668/2533 Recertified. Only 1647 Qualified for Orientation Invitation from LH Subsidy; 1832 needed to reach goal. Enrollment goal of 3500 is 1000 over program normal capacity. Unspent ASAP Benefit reserve as of December 31st 2018 \$834,331.52. \$10,200 from 13 recent appeals.

ZIP	COUNT	BEN BY ZIP	ZIP	COUNT	BEN BY ZIP
40006	2	\$1,000.00	40211	253	\$189,573.60
40014	14	\$10,400.00	40212	222	\$169,515.88
40019	1	\$600.00	40213	31	\$21,800.00
40023	1	\$1,000.00	40214	110	\$75,509.33
40026	3	\$2,000.00	40215	121	\$87,913.18
40031	2	\$1,600.00	40216	173	\$128,546.68
40047	15	\$11,800.00	40217	19	\$14,000.00
40056	4	\$2,200.00	40218	92	\$64,531.81
40059	2	\$1,000.00	40219	76	\$57,800.00
40077	0	\$0.00	40220	23	\$17,460.00
40108	8	\$5,800.00	40222	9	\$6,160.00
40118	0	\$21,828.53	40223	10	\$8,000.00
40150	1	\$600.00	40228	17	\$11,400.00
40155	4	\$3,400.00	40229	53	\$41,000.00
40165	17	\$14,200.00	40241	9	\$8,000.00
40177	13	\$11,200.00	40242	4	\$2,200.00
40201	3	\$2,200.00	40243	2	\$1,800.00
40202	4	\$3,000.00	40245	9	\$7,400.00
40203	99	\$74,218.09	40251	2	\$1,600.00
40204	27	\$18,800.00	40256	2	\$2,000.00
40205	8	\$5,800.00	40258	75	\$80,637.10
40206	31	\$19,800.00	40272	109	\$80,637.10
40207	6	\$3,400.00	40280	1	\$400.00
40208	51	\$40,373.34	40291	37	\$29,486.68
40209	5	\$4,000.00	40299	24	\$17,600.00
40210	187	\$138,525.89	42748	1	\$600.00

BENEFIT MONTH	MON TOTAL ALLOCATED	AMT PAID	Diff
Jan-19	\$232,259.41	\$231,208.61	-\$1,050.80
Feb-19	\$166,539.41	\$160,674.64	-\$5,864.77
Mar-19	\$137,166.18	\$128,429.73	-\$8,736.45
Apr-19	\$108,264.41	\$34,554.78	-\$73,709.63
May-19	\$110,219.41	-\$4,664.77	-\$114,884.18
Jun-19	\$94,411.18	-\$4,664.77	-\$99,075.95
Jul-19	\$94,409.41	-\$4,664.77	-\$99,074.18
Aug-19	\$94,409.41	-\$4,664.77	-\$99,074.18
Sep-19	\$98,516.18	-\$4,664.77	-\$103,180.95
Oct-19	\$112,649.41	-\$4,664.77	-\$117,314.18
Nov-19	\$147,039.41	-\$4,664.77	-\$151,704.18
Dec-19	\$98,516.18	-\$4,664.77	-\$103,180.95
SUB TOTAL	\$1,494,400.00	\$517,549.60	-\$976,850.40
CLEAN START	\$19.00	\$19.00	\$0.00
TOTAL	\$1,494,419.00	\$517,568.60	-\$976,850.40

\$4,664.77 erroneous clean start

JEFFERSON	MULTIPURPOSE	TRICOUNTY	CENTRAL
\$1,417,864.77	\$43,000.00	\$18,200.00	\$20,000.00

By County Code	BULLITT	HARDIN	HENRY	JEFFERSON	LARUE	MEADE	OLDHAM	NELSON	SHELBY	SPENCER	TRIMBLE
15	47	52	56	62	82	93	90	106	108	112	
\$42,800.00	\$10,200.00	\$1,000.00	\$1,417,464.77	\$600.00	\$9,800.00	\$16,200.00	\$0.00	\$0.00	\$0.00	\$1,000.00	
54	12	2	1915	1	13	24	0	0	0	2	

ESL	COUNT	BEN BY ESL
ALBANIAN	2	\$1,000.00
ARABIC	87	\$60,200.00
BOSNIAN	3	\$2,000.00
CHINESE	1	\$600.00
DINKA - S. SUDAN	1	\$1,000.00
KAREN BURMESE	0	\$0.00
KOREAN	2	\$1,000.00
NIGERIAN	1	\$400.00
NO ENGLISH	0	\$0.00
PAKISTAN	0	\$0.00
RUSSIAN	3	\$1,600.00
SOMALI	2	\$1,400.00
SPANISH	8	\$5,400.00
VIETNAMESE	1	\$400.00
WEST AFRICAN	1	\$1,000.00
TOTAL	112	\$76,000.00

Current Month Pay Arrangement
\$1,781,449.24

Total Benefit Summary YTD	Total Clients	New Clients	#Active	#Inactive	#Hold	#Pending Termination	#Withdrawn	#Terminate d	BENEFIT ALLOCATIO N	#CLIENTS	TOTAL BENEFITS
Client Totals	2023	355	1742	16	236	5	22	2	\$400.00	373	\$149,200.00
Client Goals	3500	1832							\$600.00	547	\$328,200.00
Difference	1477	1477							\$800.00	430	\$344,000.00
									\$1,000.00	673	\$673,000.00
Allocated Benefits YTD	\$1,494,400.00	\$254,000.00	\$1,286,739.02	\$11,352.64	\$179,373.11	\$3,600.00	\$16,400.00	\$1,600.00	TOTAL	2023	\$1,494,400.00
Clean Start YTD	\$19.00	\$19.00									
Total YTD	\$1,494,419.00	\$254,019.00							Total Past Due	TOTAL # ESL	TOT BEN ESL
2019 Benefits Goal	\$2,255,200.00	\$1,014,800.00							\$55,408.48	112	\$76,000.00
Difference	\$760,781.00	\$760,781.00					Projected unspent allocations (IA, WD, Term):	\$29,352.64			
2019 YTD Projected Surplus Spend Down (minus projected unspent allocations)	\$513,133.64	Goal: \$277,000	NOTES: 1668/2533 Recertified. Only 1647 Qualified for Orientation Invitation from LH Subsidy; 1832 needed to reach goal. Enrollment goal of 3500 is 1000 over program normal capacity. Unspent ASAP Benefit reserve as of December 31st 2018 \$834,331.52. \$10,200 from 13 recert appeals.								
Approx. Break Even	\$1,978,200.00										
2019 Goal	\$2,255,200.00										
Difference	\$277,000.00										
YTD to Break Even	\$483,781.00										
YTD to Goal	\$760,781.00										
Mth Avg to BreakEven	\$164,850.00										
Monthly Avg to Goal	\$187,933.33										
Monthly Avg YTD	\$43,129.13										

BENEFIT MONTH	MON TOTAL ALLOCATED	AMT PAID	Diff
Jan-19	\$232,259.41	\$231,208.61	-\$1,050.80
Feb-19	\$166,539.41	\$160,674.64	-\$5,864.77
Mar-19	\$137,166.18	\$128,429.73	-\$8,736.45
Apr-19	\$108,264.41	\$34,554.78	-\$73,709.63
May-19	\$110,219.41	-\$4,664.77	-\$114,884.18
Jun-19	\$94,411.18	-\$4,664.77	-\$99,075.95
Jul-19	\$94,409.41	-\$4,664.77	-\$99,074.18
Aug-19	\$94,409.41	-\$4,664.77	-\$99,074.18
Sep-19	\$98,516.18	-\$4,664.77	-\$103,180.95
Oct-19	\$112,649.41	-\$4,664.77	-\$117,314.18
Nov-19	\$147,039.41	-\$4,664.77	-\$151,704.18
Dec-19	\$98,516.18	-\$4,664.77	-\$103,180.95
SUB TOTAL	\$1,494,400.00	\$517,549.60	-\$976,850.40
CLEAN START	\$19.00	\$19.00	\$0.00
TOTAL	\$1,494,419.00	\$517,568.60	-\$976,850.40

\$4,664.77 erroneous clean start

JEFFERSON	MULTIPURPOSE	TRICOUNTY	CENTRAL
\$1,417,864.77	\$43,000.00	\$18,200.00	\$20,000.00

ZIP	COUNT	BEN BY ZIP	ZIP	COUNT	BEN BY ZIP
40006	2	\$1,000.00	40211	253	\$189,573.60
40014	14	\$10,400.00	40212	222	\$169,515.88
40019	1	\$600.00	40213	31	\$21,800.00
40023	1	\$1,000.00	40214	110	\$75,509.33
40026	3	\$2,000.00	40215	121	\$87,913.18
40031	2	\$1,600.00	40216	173	\$128,546.68
40047	15	\$11,800.00	40217	19	\$14,000.00
40056	4	\$2,200.00	40218	92	\$64,531.81
40059	2	\$1,000.00	40219	76	\$57,800.00
40077	0	\$0.00	40220	23	\$17,460.00
40108	8	\$5,800.00	40222	9	\$6,160.00
40118	0	\$21,828.53	40223	10	\$8,000.00
40150	1	\$600.00	40228	17	\$11,400.00
40155	4	\$3,400.00	40229	53	\$41,000.00
40165	17	\$14,200.00	40241	9	\$8,000.00
40177	13	\$11,200.00	40242	4	\$2,200.00
40201	3	\$2,200.00	40243	2	\$1,800.00
40202	4	\$3,000.00	40245	9	\$7,400.00
40203	99	\$74,218.09	40251	2	\$1,600.00
40204	27	\$18,800.00	40256	2	\$2,000.00
40205	8	\$5,800.00	40258	75	\$80,637.10
40206	31	\$19,800.00	40272	109	\$80,637.10
40207	6	\$3,400.00	40280	1	\$400.00
40208	51	\$40,373.34	40291	37	\$29,486.68
40209	5	\$4,000.00	40299	24	\$17,600.00
40210	187	\$138,525.89	42748	1	\$600.00

By County Code	BULLITT	HARDIN	HENRY	JEFFERSON	LARUE	MEADE	OLDHAM	NELSON	SHELBY	SPENCER	TRIMBLE
15	47	52	56	62	82	93	90	106	108	112	
\$42,800.00	\$10,200.00	\$1,000.00	\$1,417,464.77	\$600.00	\$9,800.00	\$16,200.00	\$0.00	\$0.00	\$0.00	\$1,000.00	
54	12	2	1915	1	13	24	0	0	0	2	

ESL	COUNT	BEN BY ESL
ALBANIAN	2	\$1,000.00
ARABIC	87	\$60,200.00
BOSNIAN	3	\$2,000.00
CHINESE	1	\$600.00
DINKA - S. SUDAN	1	\$1,000.00
KAREN BURMESE	0	\$0.00
KOREAN	2	\$1,000.00
NIGERIAN	1	\$400.00
NO ENGLISH	0	\$0.00
PAKISTAN	0	\$0.00
RUSSIAN	3	\$1,600.00
SOMALI	2	\$1,400.00
SPANISH	8	\$5,400.00
VIETNAMESE	1	\$400.00
WEST AFRICAN	1	\$1,000.00
TOTAL	112	\$76,000.00

ASAP BENEFITS BUDGET ALLOCATION 2019

Total Benefit Summary YTD	Total Clients	New Clients	#Active	#Inactive	#Hold	#Pending Termination	#Withdrawn	#Terminated	BENEFIT ALLOCATION	#CLIENTS	TOTAL BENEFITS	
Client Totals	2562	893	2196	103	206	3	37	17	\$400.00	491	\$196,400.00	
Client Goals	3500	1832							157	\$600.00	707	\$424,200.00
Difference	938	939								\$800.00	538	\$430,400.00
										\$1,000.00	825	\$825,000.00
Allocated Benefits YTD	\$1,876,800.03	\$636,400.03	\$1,614,948.85	\$74,723.78	\$157,566.22	\$2,400.00	\$24,527.09	\$11,260.00	TOTAL	2561	\$1,876,000.00	
Clean Start YTD	\$67,437.01	\$67,437.01										
5% Discretionary YTD	\$2,254.30	\$2,254.30										
Total YTD	\$1,946,491.34	\$706,091.34										
2019 Benefits Goal	\$2,255,200.00	\$1,014,800.00					% Unspent:	7.15%	\$56,907.14	TOTAL # ESL	TOT BEN ESL	
Difference	\$310,962.96	\$310,962.96	Approximate Projected unspent allocations (IA, WD, Term):					\$110,510.87		146	\$98,286.53	
2019 YTD Projected Surplus Spend Down (minus projected unspent allocations)	\$144,473.83	Goal: \$277,000	NOTES: 1668/2533 Recertified. Only 1647 Qualified for Orientation Invitation from LH Subsidy; 1832 needed to reach goal. Enrollment goal of 3500 is 1000 over program normal capacity. Unspent ASAP Benefit reserve as of December 31st 2018 \$834,331.52. \$10,200 from 13 recert appeals. 84 Crisis recerts@\$58,400. out of bal \$600. \$400 RECERT ADDED. \$400 recert added. 5-s8recert \$4600						5% Discretionary Budget Balance:		\$29,218.69	

Approx. Break Even	\$1,978,200.00
2019 Goal	\$2,255,200.00
Difference	\$277,000.00
YTD to Break Even	\$33,962.96
YTD to Goal	\$310,962.96
Mth Avg to BreakEven	\$164,850.00
Monthly Avg to Goal	\$187,933.33
Monthly Avg YTD	\$152,308.43

*does not include IA, WD, Term

ZIP	COUNT	BEN BY ZIP	ZIP	COUNT	BEN BY ZIP
40006	2	\$1,000.00	40211	329	\$245,398.08
40014	17	\$13,340.00	40212	269	\$208,044.25
40019	1	\$600.00	40213	46	\$34,090.68
40023	1	\$1,000.00	40214	142	\$98,095.22
40026	3	\$2,000.00	40215	154	\$110,620.92
40031	3	\$2,000.00	40216	210	\$154,988.22
40047	16	\$12,400.00	40217	24	\$16,560.40
40056	4	\$2,200.00	40218	123	\$82,655.23
40059	3	\$2,000.00	40219	103	\$76,127.64
40077	0	\$0.00	40220	27	\$20,260.00
40108	17	\$11,400.00	40222	7	\$4,600.00
40118	38	\$27,628.53	40223	13	\$9,600.00
40150	1	\$600.00	40228	28	\$19,800.00
40155	7	\$5,600.00	40229	73	\$55,464.09
40165	18	\$14,600.00	40241	15	\$12,360.00
40177	15	\$12,400.00	40242	5	\$3,200.00
40201	5	\$3,400.00	40243	2	\$1,800.00
40202	4	\$3,000.00	40245	10	\$8,000.00
40203	114	\$84,993.37	40251	2	\$1,600.00
40204	33	\$23,800.00	40256	2	\$2,000.00
40205	9	\$6,400.00	40258	96	\$107,803.01
40206	36	\$23,400.00	40272	146	\$107,803.01
40207	14	\$9,367.70	40280	0	\$0.00
40208	65	\$49,983.81	40291	48	\$35,062.28
40209	6	\$4,486.53	40299	31	\$22,200.00
40210	218	\$162,311.32	42748	3	\$1,600.00

BENEFIT MONTH	MON TOTAL ALLOCATED	AMT PAID	Diff
Jan-19	\$293,211.06	\$292,466.06	-\$745.00
Feb-19	\$209,756.03	\$200,310.12	-\$9,445.91
Mar-19	\$172,412.94	\$162,423.69	-\$9,989.25
Apr-19	\$135,776.03	\$125,241.80	-\$10,534.23
May-19	\$138,256.03	\$126,966.80	-\$11,289.23
Jun-19	\$117,997.94	\$106,278.67	-\$11,719.27
Jul-19	\$117,996.03	\$105,040.14	-\$12,955.89
Aug-19	\$117,996.03	\$99,740.15	-\$18,255.88
Sep-19	\$123,437.94		-\$123,437.94
Oct-19	\$141,446.03		-\$141,446.03
Nov-19	\$185,076.03		-\$185,076.03
Dec-19	\$123,437.94		-\$123,437.94
SUB TOTAL	\$1,876,800.03	\$1,218,467.43	-\$658,332.60
CLEAN START	\$69,691.31	\$69,691.31	\$0.00
TOTAL	\$1,946,491.34	\$1,288,158.74	-\$658,332.60

\$8,625.91 erroneous clean start

JEFFERSON	MULTIPURPOSE	TRICOUNTY	CENTRAL
\$1,785,685.94	\$47,200.00	\$21,540.00	\$31,000.00

By County Code	HARDIN	HENRY	JEFFERSON	LARUE	MEADE	OLDHAM	NELSON	SHELBY	SPENCER	TRIMBLE
BULLITT	47	52	56	62	82	93	90	106	108	112
\$47,000.00	\$12,400.00	\$1,000.00	\$1,785,285.94	\$1,600.00	\$17,600.00	\$19,540.00	\$0.00	\$0.00	\$0.00	\$1,000.00
60	16	2	2426	3	25	28	0	0	0	2

KU HEA Program			
CAK & Lexington			
Report Period:	<u>1/31/2019</u>		
<u>Description</u>	<u>Previous Month</u>	<u>Current Month</u>	<u>YTD Totals</u>
Revenue	1,054,004.00	10,000.00	1,064,004.00
Personnel	214,643.00	2,665.00	217,308.00
Fringe	71,505.00	1,023.00	72,528.00
Travel	286.00	0.00	286.00
Supplies	7,748.00	0.00	7,748.00
Contracts	602,096.00	2,770.00	604,866.00
Printing/Advertising	45.00	0.00	45.00
Indirect	55,395.00	734.00	56,129.00
Shared	63,023.00	1,212.00	64,235.00
TOTALS	1,014,741.00	8,404.00	1,023,145.00

KU HEA Program							
CAK & Lexington							
Report Period:	10/1/07-1/31/19						
	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	
<u>Description</u>	<u>Lexington</u>	<u>Lexington</u>	<u>Lexington</u>	<u>CAK</u>	<u>CAK</u>	<u>CAK</u>	<u>Totals</u>
Personnel	197,170	13,182	210,352	6,789	167	6,956	217,308
Fringe	64,971	5,011	69,982	2,479	67	2,546	72,528
Travel				286		286	286
Supplies	7,683		7,683	65		65	7,748
Contracts	591,471	13,395	604,866				604,866
Printing/Advertising	40		40	5		5	45
Indirect	52,475	3,654	56,129				56,129
Shared	56,629	6,406	63,035	1,166	34	1,200	64,235
TOTALS	970,439	41,648	1,012,087	10,790	268	11,058	1,023,145

KU HEA Program

CAK & Lexington

Report Period: 2/28/2019

<u>Description</u>	<u>Previous Month</u>	<u>Current Month</u>	<u>YTD Totals</u>
Revenue	1,064,004.00	10,000.00	1,074,004.00
Personnel	217,308.00	2,659.00	219,967.00
Fringe	72,528.00	747.00	73,275.00
Travel	286.00	0.00	286.00
Supplies	7,748.00	0.00	7,748.00
Contracts	604,866.00	2,520.00	607,386.00
Printing/Advertising	45.00	0.00	45.00
Indirect	56,129.00	639.00	56,768.00
Shared	64,235.00	830.00	65,065.00
TOTALS	1,023,145.00	7,395.00	1,030,540.00

KU HEA Program							
CAK & Lexington							
Report Period:	10/1/07-2/28/19						
	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	
<u>Description</u>	<u>Lexington</u>	<u>Lexington</u>	<u>Lexington</u>	<u>CAK</u>	<u>CAK</u>	<u>CAK</u>	<u>Totals</u>
Personnel	197,170	15,802	212,972	6,789	206	6,995	219,967
Fringe	64,971	5,742	70,713	2,479	83	2,562	73,275
Travel				286		286	286
Supplies	7,683		7,683	65		65	7,748
Contracts	591,471	15,915	607,386				607,386
Printing/Advertising	40		40	5		5	45
Indirect	52,475	4,293	56,768				56,768
Shared	56,629	7,224	63,853	1,166	46	1,212	65,065
TOTALS	970,439	48,976	1,019,415	10,790	335	11,125	1,030,540

KU HEA Program			
CAK & Lexington			
Report Period:	<u>3/31/2019</u>		
<u>Description</u>	<u>Previous Month</u>	<u>Current Month</u>	<u>YTD Totals</u>
Revenue	1,074,004.00	10,000.00	1,084,004.00
Personnel	219,967.00	3,665.00	223,632.00
Fringe	73,275.00	1,323.00	74,598.00
Travel	286.00	0.00	286.00
Supplies	7,748.00	0.00	7,748.00
Contracts	607,386.00	3,305.00	610,691.00
Printing/Advertising	45.00	0.00	45.00
Indirect	56,768.00	923.00	57,691.00
Shared	65,065.00	914.00	65,979.00
TOTALS	1,030,540.00	10,130.00	1,040,670.00

KU HEA Program							
CAK & Lexington							
Report Period:	10/1/07-3/31/19						
	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	
<u>Description</u>	<u>Lexington</u>	<u>Lexington</u>	<u>Lexington</u>	<u>CAK</u>	<u>CAK</u>	<u>CAK</u>	<u>Totals</u>
Personnel	197,170	19,429	216,599	6,789	244	7,033	223,632
Fringe	64,971	7,053	72,024	2,479	95	2,574	74,598
Travel				286		286	286
Supplies	7,683		7,683	65		65	7,748
Contracts	591,471	19,220	610,691				610,691
Printing/Advertising	40		40	5		5	45
Indirect	52,475	5,216	57,691				57,691
Shared	56,629	8,134	64,763	1,166	50	1,216	65,979
TOTALS	970,439	59,052	1,029,491	10,790	389	11,179	1,040,670

KU HEA Program			
CAK & Lexington			
Report Period:	<u>4/30/2019</u>		
<u>Description</u>	<u>Previous Month</u>	<u>Current Month</u>	<u>YTD Totals</u>
Revenue	1,084,004.00	10,000.00	1,094,004.00
Personnel	223,632.00	3,459.00	227,091.00
Fringe	74,598.00	1,309.00	75,907.00
Travel	286.00	0.00	286.00
Supplies	7,748.00	0.00	7,748.00
Contracts	610,691.00	26,995.00	637,686.00
Printing/Advertising	45.00	0.00	45.00
Indirect	57,691.00	1,667.00	59,358.00
Shared	65,979.00	1,281.00	67,260.00
TOTALS	1,040,670.00	34,711.00	1,075,381.00

KU HEA Program							
CAK & Lexington							
Report Period:	10/1/07-3/31/19						
	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	
<u>Description</u>	<u>Lexington</u>	<u>Lexington</u>	<u>Lexington</u>	<u>CAK</u>	<u>CAK</u>	<u>CAK</u>	<u>Totals</u>
Personnel	197,170	22,848	220,018	6,789	284	7,073	227,091
Fringe	64,971	8,345	73,316	2,479	112	2,591	75,907
Travel				286		286	286
Supplies	7,683		7,683	65		65	7,748
Contracts	591,471	46,215	637,686				637,686
Printing/Advertising	40		40	5		5	45
Indirect	52,475	6,883	59,358				59,358
Shared	56,629	9,411	66,040	1,166	54	1,220	67,260
TOTALS	970,439	93,702	1,064,141	10,790	450	11,240	1,075,381

KU HEA Program			
CAK & Lexington			
Report Period:	<u>5/31/2019</u>		
<u>Description</u>	<u>Previous Month</u>	<u>Current Month</u>	<u>YTD Totals</u>
Revenue	1,094,004.00	10,000.00	1,104,004.00
Personnel	227,091.00	5,038.00	232,129.00
Fringe	75,907.00	1,933.00	77,840.00
Travel	286.00	0.00	286.00
Supplies	7,748.00	0.00	7,748.00
Contracts	637,686.00	6,975.00	644,661.00
Printing/Advertising	45.00	0.00	45.00
Indirect	59,358.00	1,505.00	60,863.00
Shared	67,260.00	1,993.00	69,253.00
TOTALS	1,075,381.00	17,444.00	1,092,825.00

KU HEA Program							
CAK & Lexington							
Report Period:	10/1/07-5/31/19						
	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	
<u>Description</u>	<u>Lexington</u>	<u>Lexington</u>	<u>Lexington</u>	<u>CAK</u>	<u>CAK</u>	<u>CAK</u>	<u>Totals</u>
Personnel	197,170	27,849	225,019	6,789	321	7,110	232,129
Fringe	64,971	10,263	75,234	2,479	127	2,606	77,840
Travel				286		286	286
Supplies	7,683		7,683	65		65	7,748
Contracts	591,471	53,190	644,661				644,661
Printing/Advertising	40		40	5		5	45
Indirect	52,475	8,388	60,863				60,863
Shared	56,629	11,389	68,018	1,166	69	1,235	69,253
TOTALS	970,439	111,079	1,081,518	10,790	517	11,307	1,092,825

KU HEA Program			
CAK & Lexington			
Report Period:	<u>6/30/2019</u>		
<u>Description</u>	<u>Previous Month</u>	<u>Current Month</u>	<u>YTD Totals</u>
Revenue	1,104,004.00	0.00	1,104,004.00
Personnel	232,129.00	6,002.00	238,131.00
Fringe	77,840.00	1,669.00	79,509.00
Travel	286.00	0.00	286.00
Supplies	7,748.00	0.00	7,748.00
Contracts	644,661.00	3,220.00	647,881.00
Printing/Advertising	45.00	0.00	45.00
Indirect	60,863.00	2,040.00	62,903.00
Shared	69,253.00	1,208.00	70,461.00
TOTALS	1,092,825.00	14,139.00	1,106,964.00

KU HEA Program							
CAK & Lexington							
Report Period:	10/1/07-5/31/19						
	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	
<u>Description</u>	<u>Lexington</u>	<u>Lexington</u>	<u>Lexington</u>	<u>CAK</u>	<u>CAK</u>	<u>CAK</u>	<u>Totals</u>
Personnel	197,170	33,812	230,982	6,789	360	7,149	238,131
Fringe	64,971	11,925	76,896	2,479	134	2,613	79,509
Travel				286		286	286
Supplies	7,683		7,683	65		65	7,748
Contracts	591,471	56,410	647,881				647,881
Printing/Advertising	40		40	5		5	45
Indirect	52,475	10,428	62,903				62,903
Shared	56,629	12,598	69,227	1,166	68	1,234	70,461
TOTALS	970,439	125,173	1,095,612	10,790	562	11,352	1,106,964

KU HEA Program

CAK & Lexington

Report Ending Period: 7/31/19

<u>Description</u>	<u>Previous Month</u>	<u>Current Month</u>	<u>YTD Totals</u>
<u>Revenue</u>	<u>1,104,004.00</u>	<u>20,000.00</u>	<u>1,124,004.00</u>
Personnel	238,131.00	801.00	238,932.00
Fringe	79,509.00	481.00	79,990.00
Travel	286.00	0.00	286.00
Supplies	7,748.00	0.00	7,748.00
Contracts	647,881.00	4,275.00	652,156.00
Printing/Advertising	45.00	0.00	45.00
Indirect	62,903.00	547.00	63,450.00
Shared	70,461.00	892.00	71,353.00
<u>Expenses</u>	<u>1,106,964.00</u>	<u>6,996.00</u>	<u>1,113,960.00</u>
Balance			10,044.00

KU HEA Program							
CAK & Lexington							
Report Period:	10/1/07	through	7/31/19				
	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	
<u>Description</u>	<u>Lexington</u>	<u>Lexington</u>	<u>Lexington</u>	<u>CAK</u>	<u>CAK</u>	<u>CAK</u>	<u>Totals</u>
Personnel	197,170	34,570	231,740	6,789	403	7,192	238,932
Fringe	64,971	12,369	77,340	2,479	171	2,650	79,990
Travel				286		286	286
Supplies	7,683		7,683	65		65	7,748
Contracts	591,471	60,685	652,156				652,156
Printing/Advertising	40		40	5		5	45
Indirect	52,475	10,975	63,450				63,450
Shared	56,629	13,473	70,102	1,166	85	1,251	71,353
TOTALS	970,439	132,072	1,102,511	10,790	659	11,449	1,113,960

KU HEA Program

CAK & Lexington

Report Ending Period: 8/31/19

<u>Description</u>	<u>Previous Month</u>	<u>Current Month</u>	<u>YTD Totals</u>
<u>Revenue</u>	<u>1,124,004.00</u>	<u>10,000.00</u>	<u>1,134,004.00</u>
Personnel	238,932.00	104.00	239,036.00
Fringe	79,990.00	36.00	80,026.00
Travel	286.00	0.00	286.00
Supplies	7,748.00	0.00	7,748.00
Contracts	652,156.00	4,645.00	656,801.00
Printing/Advertising	45.00	0.00	45.00
Indirect	63,450.00	574.00	64,024.00
Shared	71,353.00	933.00	72,286.00
<u>Expenses</u>	<u>1,113,960.00</u>	<u>6,292.00</u>	<u>1,120,252.00</u>
Balance			13,752.00

KU HEA Program							
CAK & Lexington							
Report Period:	10/1/07	through	8/31/19				
	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	
<u>Description</u>	<u>Lexington</u>	<u>Lexington</u>	<u>Lexington</u>	<u>CAK</u>	<u>CAK</u>	<u>CAK</u>	<u>Totals</u>
Personnel	197,170	34,570	231,740	6,789	507	7,296	239,036
Fringe	64,971	12,369	77,340	2,479	207	2,686	80,026
Travel				286		286	286
Supplies	7,683		7,683	65		65	7,748
Contracts	591,471	65,330	656,801				656,801
Printing/Advertising	40		40	5		5	45
Indirect	52,475	11,549	64,024				64,024
Shared	56,629	14,398	71,027	1,166	93	1,259	72,286
TOTALS	970,439	138,216	1,108,655	10,790	807	11,597	1,120,252

KU HEA Program

CAK & Lexington

Report Ending Period: 9/30/19

<u>Description</u>	<u>Previous Month</u>	<u>Current Month</u>	<u>YTD Totals</u>
Revenue	1,134,004.00	10,000.00	1,144,004.00
Personnel	239,036.00	285.00	239,321.00
Fringe	80,026.00	132.00	80,158.00
Travel	286.00	0.00	286.00
Supplies	7,748.00	0.00	7,748.00
Contracts	656,801.00	6,610.00	663,411.00
Printing/Advertising	45.00	0.00	45.00
Indirect	64,024.00	661.00	64,685.00
Shared	72,286.00	1,040.00	73,326.00
Expenses	1,120,252.00	8,728.00	1,128,980.00
Balance			15,024.00

KU HEA Program							
CAK & Lexington							
Report Period:	10/1/07	through	9/30/19				
	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	10/1/07- 9/30/18	10/1/18- 9/30/19	YTD	
<u>Description</u>	<u>Lexington</u>	<u>Lexington</u>	<u>Lexington</u>	<u>CAK</u>	<u>CAK</u>	<u>CAK</u>	<u>Totals</u>
Personnel	197,170	34,570	231,740	6,789	792	7,581	239,321
Fringe	64,971	12,369	77,340	2,479	339	2,818	80,158
Travel				286		286	286
Supplies	7,683		7,683	65		65	7,748
Contracts	591,471	71,940	663,411				663,411
Printing/Advertising	40		40	5		5	45
Indirect	52,475	12,210	64,685				64,685
Shared	56,629	15,398	72,027	1,166	133	1,299	73,326
TOTALS	970,439	146,487	1,116,926	10,790	1,264	12,054	1,128,980

KU HEA Program

CAK & Lexington

Report Ending Period: 10/31/19

<u>Description</u>	<u>Previous Month</u>	<u>Current Month</u>	<u>YTD Totals</u>
<u>Revenue</u>	<u>1,144,004.00</u>	<u>10,000.00</u>	<u>1,154,004.00</u>
Personnel	239,321.00	1,545.00	240,866.00
Fringe	80,158.00	776.00	80,934.00
Travel	286.00	0.00	286.00
Supplies	7,748.00	0.00	7,748.00
Contracts	663,411.00	4,910.00	668,321.00
Printing/Advertising	45.00	0.00	45.00
Other	72,027.00	1,289.00	73,316.00
Indirect	64,685.00	666.00	65,351.00
Shared	1,299.00	82.00	1,381.00
<u>Expenses</u>	<u>1,128,980.00</u>	<u>9,268.00</u>	<u>1,138,248.00</u>
Balance			15,756.00

KU HEA Program							
CAK & Lexington							
Report Period:	10/1/07	through	10/31/19				
	10/1/07- 9/30/19	10/1/19- 9/30/20	YTD	10/1/07- 9/30/19	10/1/19- 9/30/20	YTD	
<u>Description</u>	<u>Lexington</u>	<u>Lexington</u>	<u>Lexington</u>	<u>CAK</u>	<u>CAK</u>	<u>CAK</u>	<u>Totals</u>
Personnel	231,740	896	232,636	7,581	649	8,230	240,866
Fringe	77,340	479	77,819	2,818	297	3,115	80,934
Travel				286		286	286
Supplies	7,683		7,683	65		65	7,748
Contracts	663,411	4,910	668,321				668,321
Printing/Advertising	40		40	5		5	45
Other	72,027	897	72,924	0	392	392	73,316
Indirect	64,685	666	65,351	0		0	65,351
Shared	0		0	1,299	82	1,381	1,381
TOTALS	1,116,926	7,848	1,124,774	12,054	1,420	13,474	1,138,248

KU HEA Program

CAK & Lexington

Report Ending Period: 11/30/19

<u>Description</u>	<u>Previous Month</u>	<u>Current Month</u>	<u>YTD Totals</u>
<u>Revenue</u>	<u>1,144,004.00</u>	<u>20,000.00</u>	<u>1,164,004.00</u>
Personnel	240,866.00	3,819.00	244,685.00
Fringe	80,934.00	1,447.00	82,381.00
Travel	286.00	0.00	286.00
Supplies	7,748.00	0.00	7,748.00
Contracts	668,321.00	5,915.00	674,236.00
Printing/Advertising	45.00	0.00	45.00
Other	73,316.00	1,807.00	75,123.00
Indirect	65,351.00	1,249.00	66,600.00
Shared	1,381.00	106.00	1,487.00
<u>Expenses</u>	<u>1,138,248.00</u>	<u>14,343.00</u>	<u>1,152,591.00</u>
Balance			11,413.00

KU HEA Program							
CAK & Lexington							
Report Period:	10/1/07	through	11/30/19				
	10/1/07- 9/30/19	10/1/19- 9/30/20	YTD	10/1/07- 9/30/19	10/1/19- 9/30/20	YTD	
<u>Description</u>	<u>Lexington</u>	<u>Lexington</u>	<u>Lexington</u>	<u>CAK</u>	<u>CAK</u>	<u>CAK</u>	<u>Totals</u>
Personnel	231,740	4,292	236,032	7,581	1,072	8,653	244,685
Fringe	77,340	1,740	79,080	2,818	483	3,301	82,381
Travel				286		286	286
Supplies	7,683		7,683	65		65	7,748
Contracts	663,411	10,825	674,236				674,236
Printing/Advertising	40		40	5		5	45
Other	72,027	2,008	74,035	0	1,088	1,088	75,123
Indirect	64,685	1,915	66,600	0		0	66,600
Shared	0		0	1,299	188	1,487	1,487
TOTALS	1,116,926	20,780	1,137,706	12,054	2,831	14,885	1,152,591

KU HEA Program

CAK & Lexington

Report Ending Period: 12/31/19

<u>Description</u>	<u>Previous Month</u>	<u>Current Month</u>	<u>YTD Totals</u>
Revenue	1,164,004.00	10,000.00	1,174,004.00
Personnel	244,685.00	4,693.00	249,378.00
Fringe	82,381.00	2,116.00	84,497.00
Travel	286.00	13.00	299.00
Supplies	7,748.00	0.00	7,748.00
Contracts	674,236.00	0.00	674,236.00
Printing/Advertising	45.00	0.00	45.00
Other	75,123.00	1,451.00	76,574.00
Indirect	66,600.00	555.00	67,155.00
Shared	1,487.00	323.00	1,810.00
Expenses	1,152,591.00	9,151.00	1,161,742.00
Balance			12,262.00

KU HEA Program							
CAK & Lexington							
Report Period:	10/1/07	through	12/31/19				
	10/1/07- 9/30/19	10/1/19- 9/30/20	YTD	10/1/07- 9/30/19	10/1/19- 9/30/20	YTD	
<u>Description</u>	<u>Lexington</u>	<u>Lexington</u>	<u>Lexington</u>	<u>CAK</u>	<u>CAK</u>	<u>CAK</u>	<u>Totals</u>
Personnel	231,740	6,733	238,473	7,581	3,324	10,905	249,378
Fringe	77,340	2,844	80,184	2,818	1,495	4,313	84,497
Travel				286	13	299	299
Supplies	7,683		7,683	65		65	7,748
Contracts	663,411	10,825	674,236				674,236
Printing/Advertising	40		40	5		5	45
Other	72,027	2,837	74,864	0	1,710	1,710	76,574
Indirect	64,685	2,470	67,155	0		0	67,155
Shared	0		0	1,299	511	1,810	1,810
TOTALS	1,116,926	25,709	1,142,635	12,054	7,053	19,107	1,161,742

**Attachment 3 to Response to Appendix B No. 4 - KU 2019 Monthly HEA Reports CAC-CAK
CAC for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc**

Sal Rev Exp a - Unposted Transactions Included In Report

5309 - HEA KU

From 1/1/2019 Through 1/31/2019

		<u>Current Period Actual</u>	<u>Current Period Budget</u>	<u>Current Period Budget Variance</u>	<u>Total Budget - CACLex</u>
	Revenue				
4452	CONTRACT REVENUE	8,322.00	9,916.67	<u>(1,594.67)</u>	119,000.00
	Total Revenue	8,322.00	9,916.67	<u>(1,594.67)</u>	119,000.00
	Expense				
6000	SALARY EXPENSE - PERMANENT	2,619.21	2,799.00	179.79	32,641.95
6110	FICA EXPENSE	226.73	231.42	4.69	2,769.10
6120	WORKERS COMPENSATION EXPE	54.74	18.50	(36.24)	260.62
6130	PENSION EXPENSE	244.39	242.00	(2.39)	2,729.11
6140	HEALTH INSURANCE EXPENSE	222.16	224.67	2.51	2,461.00
6150	LIFE INSURANCE EXPENSE	9.29	7.25	(2.04)	240.46
6170	DISABILITY INSURANCE EXPE	11.72	0.92	(10.80)	1,212.62
6190	ACCRUED LEAVE	234.92	225.83	(9.09)	3,555.66
7130	CONTRACTS EXPENSE	1,300.00	2,067.33	767.33	24,808.00
7131	CONTRACT EXPENSE-CAC	1,470.00	2,025.75	555.75	24,309.00
7200	INSURANCE & BONDING EXPEN	32.19	34.50	2.31	414.00
7989	PROGRAM DEVELOPMENT 5% EX...	291.34	335.17	43.83	5,950.00
7990	INDIRECT COST EXPENSE	734.19	851.75	117.56	10,670.59
7993	FACILITIES EXPENSE	401.55	500.00	98.45	5,500.00
7994	COMMUNICATIONS EXPENSE	63.73	63.08	(0.65)	0.00
7995	PERSONNEL EXPENSE	95.54	166.33	70.79	0.00
7996	ITS EXPENSE	310.74	123.17	<u>(187.57)</u>	<u>1,478.00</u>
	Total Expense	8,322.44	9,916.67	1,594.23	119,000.11
	Total Revenue over Expense (Loss)	(0.44)	0.00	(0.44)	(0.11)

**Attachment 3 to Response to Appendix B No. 4 - KU 2019 Monthly HEA Reports CAC-CAK
CAC for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, In**

Sal Rev Exp a - Unposted Transactions Included In Report

5309 - HEA KU

From 2/1/2019 Through 2/28/2019

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Total Budget - CACLex	
Revenue					
4452	CONTRACT REVENUE	7,328.00	9,916.67	(2,588.67)	119,000.00
	Total Revenue	7,328.00	9,916.67	(2,588.67)	119,000.00
Expense					
6000	SALARY EXPENSE - PERMANENT	2,620.03	2,799.00	178.97	33,588.00
6110	FICA EXPENSE	198.37	231.42	33.05	2,777.00
6120	WORKERS COMPENSATION EXPE	29.77	18.50	(11.27)	222.00
6130	PENSION EXPENSE	209.60	242.00	32.40	2,904.00
6140	HEALTH INSURANCE EXPENSE	74.06	224.67	150.61	2,696.00
6150	LIFE INSURANCE EXPENSE	7.95	7.25	(0.70)	87.00
6170	DISABILITY INSURANCE EXPE	9.98	0.92	(9.06)	11.00
6190	ACCRUED LEAVE	201.48	225.83	24.35	2,710.00
7130	CONTRACTS EXPENSE	1,160.00	2,067.33	907.33	24,808.00
7131	CONTRACT EXPENSE-CAC	1,360.00	2,025.75	665.75	24,309.00
7200	INSURANCE & BONDING EXPEN	32.19	34.50	2.31	414.00
7989	PROGRAM DEVELOPMENT 5% EX...	253.75	335.17	81.42	4,022.00
7990	INDIRECT COST EXPENSE	639.46	851.75	212.29	10,221.00
7993	FACILITIES EXPENSE	177.25	500.00	322.75	6,000.00
7994	COMMUNICATIONS EXPENSE	57.82	63.08	5.26	757.00
7995	PERSONNEL EXPENSE	96.08	166.33	70.25	1,996.00
7996	ITS EXPENSE	200.47	123.17	(77.30)	1,478.00
	Total Expense	7,328.26	9,916.67	2,588.41	119,000.00
	Total Revenue over Expense (Loss)	(0.26)	0.00	(0.26)	0.00

**Attachment 3 to Response to Appendix B No. 4 - KU 2019 Monthly HEA Reports CAC-CAK
CAC for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inp**

Sal Rev Exp a - Unposted Transactions Included In Report

5309 - HEA KU

From 3/1/2019 Through 3/31/2019

		<u>Current Period Actual</u>	<u>Current Period Budget</u>	<u>Current Period Budget Variance</u>	<u>Total Budget - CACLex</u>
	Revenue				
4452	CONTRACT REVENUE	10,076.00	9,916.67	159.33	119,000.00
	Total Revenue	10,076.00	9,916.67	159.33	119,000.00
	Expense				
6000	SALARY EXPENSE - PERMANENT	3,627.48	2,799.00	(828.48)	33,588.00
6110	FICA EXPENSE	265.88	231.42	(34.46)	2,777.00
6120	WORKERS COMPENSATION EXPE	80.72	18.50	(62.22)	222.00
6130	PENSION EXPENSE	290.21	242.00	(48.21)	2,904.00
6140	HEALTH INSURANCE EXPENSE	370.28	224.67	(145.61)	2,696.00
6150	LIFE INSURANCE EXPENSE	11.03	7.25	(3.78)	87.00
6170	DISABILITY INSURANCE EXPE	13.98	0.92	(13.06)	11.00
6190	ACCRUED LEAVE	278.96	225.83	(53.13)	2,710.00
7130	CONTRACTS EXPENSE	1,845.00	2,067.33	222.33	24,808.00
7131	CONTRACT EXPENSE-CAC	1,460.00	2,025.75	565.75	24,309.00
7200	INSURANCE & BONDING EXPEN	32.19	34.50	2.31	414.00
7989	PROGRAM DEVELOPMENT 5% EX...	366.27	335.17	(31.10)	4,022.00
7990	INDIRECT COST EXPENSE	922.98	851.75	(71.23)	10,221.00
7993	FACILITIES EXPENSE	207.58	500.00	292.42	6,000.00
7994	COMMUNICATIONS EXPENSE	19.88	63.08	43.20	757.00
7995	PERSONNEL EXPENSE	89.33	166.33	77.00	1,996.00
7996	ITS EXPENSE	192.73	123.17	(69.56)	1,478.00
	Total Expense	10,074.50	9,916.67	(157.83)	119,000.00
	Total Revenue over Expense (Loss)	1.50	0.00	1.50	0.00

**Attachment 3 to Response to Appendix B No. 4 - KU 2019 Monthly HEA Reports CAC-CAK
CAC for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, In**

Sal Rev Exp a - Unposted Transactions Included In Report

5309 - HEA KU

From 4/1/2019 Through 4/30/2019

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Total Budget - CACLex
Revenue				
4452	CONTRACT REVENUE	34,650.00	9,916.67	24,733.33
	Total Revenue	34,650.00	9,916.67	24,733.33
Expense				
6000	SALARY EXPENSE - PERMANENT	3,418.61	2,799.00	(619.61)
6110	FICA EXPENSE	260.03	231.42	(28.61)
6120	WORKERS COMPENSATION EXPE	80.17	18.50	(61.67)
6130	PENSION EXPENSE	284.12	242.00	(42.12)
6140	HEALTH INSURANCE EXPENSE	370.27	224.67	(145.60)
6150	LIFE INSURANCE EXPENSE	10.82	7.25	(3.57)
6170	DISABILITY INSURANCE EXPE	13.68	0.92	(12.76)
6190	ACCRUED LEAVE	273.10	225.83	(47.27)
7130	CONTRACTS EXPENSE	7,905.00	2,067.33	(5,837.67)
7131	CONTRACT EXPENSE-CAC	19,090.00	2,025.75	(17,064.25)
7200	INSURANCE & BONDING EXPEN	32.19	34.50	2.31
7989	PROGRAM DEVELOPMENT 5% EX...	661.54	335.17	(326.37)
7990	INDIRECT COST EXPENSE	1,667.10	851.75	(815.35)
7993	FACILITIES EXPENSE	174.77	500.00	325.23
7994	COMMUNICATIONS EXPENSE	102.64	63.08	(39.56)
7995	PERSONNEL EXPENSE	100.94	166.33	65.39
7996	ITS EXPENSE	204.59	123.17	(81.42)
	Total Expense	34,649.57	9,916.67	(24,732.90)
	Total Revenue over Expense (Loss)	0.43	0.00	0.43

**Attachment 3 to Response to Appendix B No. 4 - KU 2019 Monthly HEA Reports CAC-CAK
CAC for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inq**

Sal Rev Exp a - Unposted Transactions Included In Report

5309 - HEA KU

From 5/1/2019 Through 5/31/2019

		<u>Current Period Actual</u>	<u>Current Period Budget</u>	<u>Current Period Budget Variance</u>	<u>Total Budget - CACLex</u>
	Revenue				
4452	CONTRACT REVENUE	17,377.00	9,916.67	7,460.33	119,000.00
	Total Revenue	17,377.00	9,916.67	7,460.33	119,000.00
	Expense				
6000	SALARY EXPENSE - PERMANENT	5,000.59	2,799.00	(2,201.59)	33,588.00
6110	FICA EXPENSE	387.78	231.42	(156.36)	2,777.00
6120	WORKERS COMPENSATION EXPE	119.98	18.50	(101.48)	222.00
6130	PENSION EXPENSE	423.19	242.00	(181.19)	2,904.00
6140	HEALTH INSURANCE EXPENSE	555.42	224.67	(330.75)	2,696.00
6150	LIFE INSURANCE EXPENSE	10.79	7.25	(3.54)	87.00
6170	DISABILITY INSURANCE EXPE	13.64	0.92	(12.72)	11.00
6190	ACCRUED LEAVE	406.77	225.83	(180.94)	2,710.00
7130	CONTRACTS EXPENSE	3,645.00	2,067.33	(1,577.67)	24,808.00
7131	CONTRACT EXPENSE-CAC	3,330.00	2,025.75	(1,304.25)	24,309.00
7200	INSURANCE & BONDING EXPEN	57.16	34.50	(22.66)	414.00
7989	PROGRAM DEVELOPMENT 5% EX...	597.19	335.17	(262.02)	4,022.00
7990	INDIRECT COST EXPENSE	1,504.91	851.75	(653.16)	10,221.00
7993	FACILITIES EXPENSE	577.63	500.00	(77.63)	6,000.00
7994	COMMUNICATIONS EXPENSE	37.11	63.08	25.97	757.00
7995	PERSONNEL EXPENSE	180.62	166.33	(14.29)	1,996.00
7996	ITS EXPENSE	528.09	123.17	(404.92)	1,478.00
	Total Expense	17,375.87	9,916.67	(7,459.20)	119,000.00
	Total Revenue over Expense (Loss)	1.13	0.00	1.13	0.00

**Attachment 3 to Response to Appendix B No. 4 - KU 2019 Monthly HEA Reports CAC-CAK
CAC for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inq**

Sal Rev Exp a - Unposted Transactions Included In Report

5309 - HEA KU

From 6/1/2019 Through 6/30/2019

	<u>Current Period Actual</u>	<u>Current Period Budget</u>	<u>Current Period Budget Variance</u>	<u>Total Budget - CACLex</u>	
Revenue					
4452	CONTRACT REVENUE	14,093.63	9,916.67	4,176.96	119,000.00
	Total Revenue	14,093.63	9,916.67	4,176.96	119,000.00
Expense					
6000	SALARY EXPENSE - PERMANENT	5,963.31	2,799.00	(3,164.31)	33,588.00
6110	FICA EXPENSE	454.72	231.42	(223.30)	2,777.00
6120	WORKERS COMPENSATION EXPE	(195.88)	18.50	214.38	222.00
6130	PENSION EXPENSE	492.65	242.00	(250.65)	2,904.00
6140	HEALTH INSURANCE EXPENSE	518.38	224.67	(293.71)	2,696.00
6150	LIFE INSURANCE EXPENSE	14.26	7.25	(7.01)	87.00
6170	DISABILITY INSURANCE EXPE	18.06	0.92	(17.14)	11.00
6190	ACCRUED LEAVE	360.16	225.83	(134.33)	2,710.00
7130	CONTRACTS EXPENSE	2,360.00	2,067.33	(292.67)	24,808.00
7131	CONTRACT EXPENSE-CAC	860.00	2,025.75	1,165.75	24,309.00
7200	INSURANCE & BONDING EXPEN	57.16	34.50	(22.66)	414.00
7989	PROGRAM DEVELOPMENT 5% EX...	533.09	335.17	(197.92)	4,022.00
7990	INDIRECT COST EXPENSE	2,041.59	851.75	(1,189.84)	10,221.00
7993	FACILITIES EXPENSE	230.04	500.00	269.96	6,000.00
7994	COMMUNICATIONS EXPENSE	400.43	63.08	(337.35)	757.00
7995	PERSONNEL EXPENSE	(1,207.45)	166.33	1,373.78	1,996.00
7996	ITS EXPENSE	1,195.92	123.17	(1,072.75)	1,478.00
	Total Expense	14,096.44	9,916.67	(4,179.77)	119,000.00
	Total Revenue over Expense (Loss)	(2.81)	0.00	(2.81)	0.00

**Attachment 3 to Response to Appendix B No. 4 - KU 2019 Monthly HEA Reports CAC-CAK
CAC for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.**

Sal Rev Exp a - Unposted Transactions Included In Report

5309 - HEA KU

From 7/1/2019 Through 7/31/2019

		<u>Current Year Actual</u>	<u>Current Period Budget</u>	<u>Current Period Budget Variance</u>	<u>Total Budget - CACLex</u>
Revenue					
1000	REVENUE				
9999	N/A				
4452	CONTRACT REVENUE	6,899.37	9,916.67	(3,017.30)	119,000.00
	Total N/A	6,899.37	9,916.67	(3,017.30)	119,000.00
	Total REVENUE	6,899.37	9,916.67	(3,017.30)	119,000.00
	Total Revenue	6,899.37	9,916.67	(3,017.30)	119,000.00
Expense					
4050	PROGRAM OPS				
9999	N/A				
6000	SALARY EXPENSE - PERMANE...	757.77	2,799.00	2,041.23	33,536.13
6110	FICA EXPENSE	88.31	231.42	143.11	2,772.74
6120	WORKERS COMPENSATION E...	48.37	18.50	(29.87)	221.87
6130	PENSION EXPENSE	95.98	242.00	146.02	2,899.50
6140	HEALTH INSURANCE EXPENSE	111.09	224.67	113.58	2,628.62
6150	LIFE INSURANCE EXPENSE	3.67	7.25	3.58	92.12
6170	DISABILITY INSURANCE EXPE	4.62	0.92	(3.70)	21.37
6180	K125 CAFETERIA PLAN EXPEN	0.00	0.00	0.00	1.87
6190	ACCRUED LEAVE	92.25	225.83	133.58	2,705.76
7120	OFFICE SUPPLIES EXPENSE	0.00	0.00	0.00	12.50
7130	CONTRACTS EXPENSE	3,260.00	2,067.33	(1,192.67)	24,808.00
7131	CONTRACT EXPENSE-CAC	1,015.00	2,025.75	1,010.75	24,431.25
7200	INSURANCE & BONDING EXPEN	38.66	34.50	(4.16)	414.00
7291	TRAINING EXPENSE	0.00	0.00	0.00	14.00
7989	PROGRAM DEVELOPMENT 5...	254.14	335.17	81.03	4,016.87
7990	INDIRECT COST EXPENSE	547.31	851.75	304.44	10,207.87
7993	FACILITIES EXPENSE	321.87	500.00	178.13	6,000.00
7994	COMMUNICATIONS EXPENSE	0.00	63.08	63.08	757.00
7995	PERSONNEL EXPENSE	0.00	166.33	166.33	1,980.75
7996	ITS EXPENSE	260.21	123.17	(137.04)	1,478.00
	Total N/A	6,899.25	9,916.67	3,017.42	119,000.22
	Total PROGRAM OPS	6,899.25	9,916.67	3,017.42	119,000.22
	Total Expense	6,899.25	9,916.67	3,017.42	119,000.22
	Total Revenue over Expense (Loss)	0.12	0.00	0.12	(0.22)

Sal Rev Exp a - Unposted Transactions Included In Report

5309 - HEA KU

From 8/1/2019 Through 8/31/2019

		Current Year Actual	Current Period Budget	Current Period Budget Variance	Total Budget - CACLex
Revenue					
N/A	9999				
REVENUE	1000				
CONTRACT REVENUE	4452	6,145.00	9,916.67	(3,771.67)	119,000.00
Total N/A		6,145.00	9,916.67	(3,771.67)	119,000.00
Total REVENUE		6,145.00	9,916.67	(3,771.67)	119,000.00
Total Revenue		6,145.00	9,916.67	(3,771.67)	119,000.00
Expense					
N/A	9999				
PROGRAM OPS	4050				
SALARY EXPENSE - PERMANE...	6000	0.00	2,799.00	2,799.00	33,588.00
FICA EXPENSE	6110	0.00	231.42	231.42	2,777.00
WORKERS COMPENSATION E...	6120	0.00	18.50	18.50	222.00
PENSION EXPENSE	6130	0.00	242.00	242.00	2,904.00
HEALTH INSURANCE EXPENSE	6140	0.00	224.67	224.67	2,696.00
LIFE INSURANCE EXPENSE	6150	0.00	7.25	7.25	87.00
DISABILITY INSURANCE EXPE	6170	0.00	0.92	0.92	11.00
ACCRUED LEAVE	6190	0.00	225.83	225.83	2,710.00
CONTRACTS EXPENSE	7130	3,595.00	2,067.33	(1,527.67)	24,808.00
CONTRACT EXPENSE-CAC	7131	1,050.00	2,025.75	975.75	24,309.00
INSURANCE & BONDING EXPEN	7200	0.00	34.50	34.50	414.00
PROGRAM DEVELOPMENT 5%...	7989	215.26	335.17	119.91	4,022.00
INDIRECT COST EXPENSE	7990	574.10	851.75	277.65	10,221.00
FACILITIES EXPENSE	7993	76.16	500.00	423.84	6,000.00
COMMUNICATIONS EXPENSE	7994	0.00	63.08	63.08	757.00
PERSONNEL EXPENSE	7995	0.00	166.33	166.33	1,996.00
ITS EXPENSE	7996	634.06	123.17	(510.89)	1,478.00
Total N/A		6,144.58	9,916.67	3,772.09	119,000.00
Total PROGRAM OPS		6,144.58	9,916.67	3,772.09	119,000.00
Total Expense		6,144.58	9,916.67	3,772.09	119,000.00
Total Revenue over Expense (Loss)		0.42	0.00	0.42	0.00

Attachment 3 to Response to Appendix B No. 4 - KU 2019 Monthly HEA Reports CAC-CAK
CAC for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc

Sal Rev Exp a - Unposted Transactions Included In Report

5309 - HEA KU

From 9/1/2019 Through 9/30/2019

		Current Year Actual	Current Period Budget	Current Period Budget Variance	Total Budget - CACLex
	Revenue				
1000	REVENUE				
9999	N/A				
4452	CONTRACT REVENUE	8,270.00	9,916.63	(1,646.63)	119,000.00
	Total Revenue	8,270.00	9,916.63	(1,646.63)	119,000.00
	Expense				
4050	PROGRAM OPS				
9999	N/A				
6000	SALARY EXPENSE - PERMANE...	0.00	2,799.00	2,799.00	32,641.95
6110	FICA EXPENSE	0.00	231.38	231.38	2,769.10
6120	WORKERS COMPENSATION E...	0.00	18.50	18.50	260.62
6130	PENSION EXPENSE	0.00	242.00	242.00	2,729.11
6140	HEALTH INSURANCE EXPENSE	0.00	224.63	224.63	2,461.00
6150	LIFE INSURANCE EXPENSE	0.00	7.25	7.25	240.46
6170	DISABILITY INSURANCE EXPE	0.00	0.88	0.88	1,212.62
6190	ACCRUED LEAVE	0.00	225.87	225.87	3,555.66
7130	CONTRACTS EXPENSE	4,190.00	2,067.37	(2,122.63)	24,808.00
7131	CONTRACT EXPENSE-CAC	2,420.00	2,025.75	(394.25)	24,309.00
7200	INSURANCE & BONDING EXPEN	0.00	34.50	34.50	414.00
7989	PROGRAM DEVELOPMENT 5...	247.16	335.13	87.97	5,950.00
7990	INDIRECT COST EXPENSE	659.18	851.75	192.57	10,670.59
7993	FACILITIES EXPENSE	56.48	500.00	443.52	5,500.00
7994	COMMUNICATIONS EXPENSE	0.00	63.12	63.12	0.00
7995	PERSONNEL EXPENSE	0.00	166.37	166.37	0.00
7996	ITS EXPENSE	696.79	123.13	(573.66)	1,478.00
	Total Expense	8,269.61	9,916.63	1,647.02	119,000.11
	Total Revenue over Expense (Loss)	0.39	0.00	0.39	(0.11)

Sal Rev Exp a - Unposted Transactions Included In Report

5309 - HEA KU

From 10/1/2019 Through 10/31/2019

		Current Year Actual	Current Period Budget	Current Period Budget Variance	Total Budget - CACLex
	Revenue				
1000	REVENUE				
9999	N/A				
4452	CONTRACT REVENUE	7,848.00	9,916.67	(2,068.67)	119,000.00
	Total Revenue	7,848.00	9,916.67	(2,068.67)	119,000.00
	Expense				
4050	PROGRAM OPS				
9999	N/A				
6000	SALARY EXPENSE - PERMANE...	896.42	2,720.15	1,823.73	32,641.95
6110	FICA EXPENSE	100.04	230.76	130.72	2,769.10
6120	WORKERS COMPENSATION E...	28.56	21.72	(6.84)	260.62
6130	PENSION EXPENSE	108.79	227.43	118.64	2,729.11
6140	HEALTH INSURANCE EXPENSE	127.28	205.08	77.80	2,461.00
6150	LIFE INSURANCE EXPENSE	4.13	20.04	15.91	240.46
6170	DISABILITY INSURANCE EXPE	5.23	101.05	95.82	1,212.62
6190	ACCRUED LEAVE	104.55	296.30	191.75	3,555.66
7130	CONTRACTS EXPENSE	2,970.00	2,067.33	(902.67)	24,808.00
7131	CONTRACT EXPENSE-CAC	1,940.00	2,025.75	85.75	24,309.00
7200	INSURANCE & BONDING EXPEN	0.00	34.50	34.50	414.00
7989	PROGRAM DEVELOPMENT 5...	0.00	495.83	495.83	5,950.00
7990	INDIRECT COST EXPENSE	665.78	889.22	223.44	10,670.59
7993	FACILITIES EXPENSE	93.53	458.33	364.80	5,500.00
7996	ITS EXPENSE	554.23	123.17	(431.06)	1,478.00
	Total Expense	7,598.54	9,916.66	2,318.12	119,000.11
	Total Revenue over Expense (Loss)	249.46	0.01	249.45	(0.11)

Sal Rev Exp a - Unposted Transactions Included In Report

5309 - HEA KU

From 11/1/2019 Through 11/30/2019

		Current Year Actual	Current Period Budget	Current Period Budget Variance	Total Budget - CACLex
	Revenue				
1000	REVENUE				
9999	N/A				
4452	CONTRACT REVENUE	12,932.00	9,916.67	3,015.33	119,000.00
	Total Revenue	12,932.00	9,916.67	3,015.33	119,000.00
	Expense				
4050	PROGRAM OPS				
9999	N/A				
6000	SALARY EXPENSE - PERMANE...	3,305.12	2,720.15	(584.97)	32,641.95
6030	SALARY EXPENSE - OVERTIME	90.75	0.00	(90.75)	0.00
6110	FICA EXPENSE	253.47	230.76	(22.71)	2,769.10
6120	WORKERS COMPENSATION E...	78.45	21.72	(56.73)	260.62
6130	PENSION EXPENSE	275.50	227.43	(48.07)	2,729.11
6140	HEALTH INSURANCE EXPENSE	327.64	205.08	(122.56)	2,461.00
6150	LIFE INSURANCE EXPENSE	7.36	20.04	12.68	240.46
6160	UNEMPLOYMENT EXPENSE	53.41	0.00	(53.41)	0.00
6170	DISABILITY INSURANCE EXPE	9.35	101.05	91.70	1,212.62
6190	ACCRUED LEAVE	255.70	296.30	40.60	3,555.66
7130	CONTRACTS EXPENSE	4,070.00	2,067.33	(2,002.67)	24,808.00
7131	CONTRACT EXPENSE-CAC	1,845.00	2,025.75	180.75	24,309.00
7200	INSURANCE & BONDING EXPEN	0.00	34.50	34.50	414.00
7989	PROGRAM DEVELOPMENT 5...	718.12	495.83	(222.29)	5,950.00
7990	INDIRECT COST EXPENSE	1,249.45	889.22	(360.23)	10,670.59
7993	FACILITIES EXPENSE	82.97	458.33	375.36	5,500.00
7996	ITS EXPENSE	559.92	123.17	(436.75)	1,478.00
	Total Expense	13,182.21	9,916.66	(3,265.55)	119,000.11
	Total Revenue over Expense (Loss)	(250.21)	0.01	(250.22)	(0.11)

Sal Rev Exp a - Unposted Transactions Included In Report

5309 - HEA KU

From 12/1/2019 Through 12/31/2019

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Total Budget - CACLex	
Revenue					
4452					
	CONTRACT REVENUE	4,929.00	9,916.67	(4,987.67)	119,000.00
	Total Revenue	4,929.00	9,916.67	(4,987.67)	119,000.00
Expense					
6000					
	SALARY EXPENSE - PERMANENT	2,441.03	2,720.15	279.12	32,641.95
6110					
	FICA EXPENSE	225.29	230.76	5.47	2,769.10
6120					
	WORKERS COMPENSATION EXPE	63.14	21.72	(41.42)	260.62
6130					
	PENSION EXPENSE	242.30	227.43	(14.87)	2,729.11
6140					
	HEALTH INSURANCE EXPENSE	205.11	205.08	(0.03)	2,461.00
6150					
	LIFE INSURANCE EXPENSE	6.68	20.04	13.36	240.46
6160					
	UNEMPLOYMENT EXPENSE	181.71	0.00	(181.71)	0.00
6170					
	DISABILITY INSURANCE EXPE	8.43	101.05	92.62	1,212.62
6190					
	ACCRUED LEAVE	171.59	296.30	124.71	3,555.66
7130					
	CONTRACTS EXPENSE	0.00	2,067.33	2,067.33	24,808.00
7131					
	CONTRACT EXPENSE-CAC	0.00	2,025.75	2,025.75	24,309.00
7200					
	INSURANCE & BONDING EXPEN	0.00	34.50	34.50	414.00
7989					
	PROGRAM DEVELOPMENT 5% EX...	208.28	495.83	287.55	5,950.00
7990					
	INDIRECT COST EXPENSE	555.47	889.22	333.75	10,670.59
7993					
	FACILITIES EXPENSE	92.67	458.33	365.66	5,500.00
7996					
	ITS EXPENSE	527.61	123.17	(404.44)	1,478.00
	Total Expense	4,929.31	9,916.66	4,987.35	119,000.11
	Total Revenue over Expense (Loss)	(0.31)	0.01	(0.32)	(0.11)

CASE NO. 2019-00366

Response to Appendix B, No. 5

Agendas of any meeting between the administrator and utility, including any discussed or proposed program changes.

See attached.

LG&E Home Energy Assistance Program (HEA) Meetings and Discussions

Affordable Energy Corporation has regular Board meetings and LG&E is included on the agenda to discuss LG&E HEA program. In the following documents, Board meeting agendas and when applicable minutes and other pertinent HEA related program information is, also, included.

**AFFORDABLE ENERGY CORPORATION
ASAP: The All Seasons Assurance Plan
BOARD OF DIRECTORS
BI-MONTHLY MEETING AGENDA**



**February 25, 2019 1:30 – 3:00 PM
150 South State Street, Louisville, KY 40206-3169
2nd Floor AEC Office**

1. **Meeting Convened** (Robert Crutcher)
2. **Approval of December Board Meeting Minutes** (Robert Crutcher)
3. **Other Business Needing Approval:** (Lisa Lee Williams)
 - a. RFP for Database Software Development
4. **Report from Metro Dept. of Community Services** (Brandon O'Neal)
 - a. LIHEAP Crisis Update
5. **Report from LG&E Customer Commitment** (Timothy Melton)
 - a. True-Up Funds Update
6. **Report from Assoc. of Community Ministries** (Marlon Cummings)
 - a. ASAP Communication and Referrals
7. **Report from AEC Program Director** (Lisa Lee Williams)
 - a. Financial Update
 - b. Database Update
 - c. Client Status
8. **Next Meeting: Monday, April 15, 2019 at 1:30 p.m., AEC Office**
9. **Adjournment**



AFFORDABLE ENERGY CORPORATION

All Seasons Assurance Plan (ASAP)

150 State Street, Louisville, Kentucky 40206

502-893-7842

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BOARD OF DIRECTORS MEETING

Meeting Minutes

February 25th, 2019

- I. Meeting convened by Mary Bryan, at 1:42 pm.
- II. **Board members in attendance:** Mary Bryan, Cassandra Miller, Tim Melton, Carla Curry, Marlon Cummings, Cathy Hinko, Robert Crutcher (arrived at 2:03) and Lisa Lee Williams,
- III. **Approval of December 2018 Minutes**

Carla moved to approve minutes. Cassandra seconds. Motion carries.

IV. Reports from AEC Program Director – Lisa Lee Williams

RFP- Three responses were received, and our current vendor, EDC, declined to submit a bid. An email approval may be needed since it is very vital that we except a bid and start the build of the new data base.

V. Report from Metro Dept. of Community Services – Brandon O'Neal

Brandon was absent from the meeting; however, Mary was able to give us some insight. Mary informed us that LIHEAP has extra funds and may stay open later than March 31st.

Lisa expressed her concern, that if Crisis remains open later than usual it will delay the information given to us by Community Action Agency. The board has no problem with allowing later enrollment because of this. Some of the concerns discussed: a client having a large credit and if they have that large credit will they know to still sign up for LIHEAP, for recertification with ASAP? Case management will still be done to make sure all participants know to still sign up for Subsidy.

VI. LG&E Customer Commitment -- Tim Melton

Tim reminded the board that the increase has started and went from \$14.5 to \$16.4. A rate increase has been proposed. Lisa would like whatever percentage increase of the meter rate to be automatically increased for clients. Looking at customers data how tiers work per ASAP client and evaluate the tier level.

VII. Community Ministries – Marlon Cummings

Winterhelp is going on. After a customer uses their \$400 with LIHEAP Crisis, they can apply for Winterhelp at their community ministry. They can go to Winterhelp before they go to LIHEAP if they are getting cut off before they could get a LIHEAP appointment or if they are disconnected. On March 21st, we will know if the ministries will be cut or if there will be a tax increase.

VIII. Lisa's Report

At the end of December, we had \$42,133 in account and about \$7,600 and savings. Mary asked about the protocol on purging unused equipment. Is there a conflict of interests?

We are \$25,000 over projected income for the 2019 budget.

Our goal is to have an additional 1,790 participants on the ASAP program in 2019.

Clean start totals that the database totals are wrong, and Lisa had no knowledge that the database was giving incorrect information. With the correct amount being tallied it will help reduce ASAP money.

Lisa will fix the count for counties.

The new computers will be installed at the end of the week. We have had a lot of issues with the paper folder, so it was sent back to Duplicators Sales.

The new ASAP Participant Manual was presented to the board. Our branding is being presented to the community in a more proficient way.

IX. Adjournment

Meeting adjourned at 2:57 p.m.

Next Meeting is Monday April 15th, 2019, 1:30 pm at the AEC Office.

Minutes respectfully submitted by: LaTasha Downs

AFFORDABLE ENERGY CORPORATION
ASAP: The All Seasons Assurance Plan
BOARD OF DIRECTORS
SPECIAL CALL MEETING MINUTES



March 20, 2019 3:00 – 4:00 PM
150 South State Street, Louisville, KY 40206-3169
2nd Floor AEC Office

1. Meeting Convened at 3:06 pm by Mary Bryan

2. Business Needing Approval: (Lisa Lee Williams)

Currently there is an administrative reserve balance of approximately \$128,669. This amount will remain static based on our receiving the full 10% administrative allocation each month starting in 2019. This is the operating budget used to pay for the new database build.

It is recommended that the database build start immediately upon approval to build, test and complete a progressive roll out of the new database by the end of 2019.

Requesting approval to contract with Cloudfit for the new database development with a supplemental contract with Datacalliper to develop the UX Design in partnership with Cloudfit. Reviewed RFP Vendor Rating Sheet.

Cathy moved to accept the recommended RFP contract with Cloudfit under these conditions. Brandon seconds. Motion carries.

3. Report from AEC Program Director (Lisa Lee Williams)

- a. It is time to update the agreement between LG&E and AEC. The current agreement expired in 2012. As part of the new agreement, there are two updates that is requested be included in the new agreement, voted on during the next regular Board of Directors meeting and passed on to the public service agreement for review.
 - i. The board has approved removing subsidized housing as a disqualifier from the program (including those with utility allowance language in their lease). This vote was electronically completed on March 14, 2019. LG&E is reviewing this with their legal department to determine if this change needs to be done with or without a letter to the Public Service Commission.
 - ii. It is also requested that the board vote to begin implementing the full range of the 5% discretionary funds as submitted to the Public Service Commission in 2007 with one change to #4 (see attachment). The 5% Discretionary policy regarding emergency assistance currently only allows assistance for clients with loss of income. It is recommended that item #4 be updated to read as follows:

**AFFORDABLE ENERGY CORPORATION
ASAP: The All Seasons Assurance Plan
BOARD OF DIRECTORS
SPECIAL CALL MEETING MINUTES**



**March 20, 2019 3:00 – 4:00 PM
150 South State Street, Louisville, KY 40206-3169
2nd Floor AEC Office**

“If during the year a client is faced with a disconnection date, AEC will administer emergency funds if the following conditions are met.”

1. The client is pending termination from the ASAP program due to non-payment.
 2. The client has made good faith effort to pay on their LG&E bill personally and/or with assistance from other sources of funds such as community ministries, community action agency, Salvation Army, etc.
 3. Client will only be eligible for emergency assistance based on available discretionary funds one time a year up to \$1000.
 4. Suggested adding appeal review with Executive Board of Directors as part of the process.
 5. Board will come back with discussion and vote during next regular board meeting.
4. **Next Meeting: Monday, April 15, 2019 at 1:30 p.m., AEC Office**
5. **Adjourned at 2:57 p.m.**

Submitted by Dr. Lisa Lee Williams

**AFFORDABLE ENERGY CORPORATION
ASAP: The All Seasons Assurance Plan
BOARD OF DIRECTORS
BI-MONTHLY MEETING AGENDA**



**April 15, 2019 1:30 – 3:00 PM
150 South State Street, Louisville, KY 40206-3169
2nd Floor AEC Office**

- 1. Meeting Convened (Robert Crutcher)**
- 2. Approval of February & Special Call Board Meeting Minutes (Robert Crutcher)**
- 3. Report from AEC Program Director (Lisa Lee Williams)**
 - a. New Database Development Kick Off
 - b. Financial Update
 - c. Client Status
- 4. Other Business Needing Approval: (Lisa Lee Williams)**
 - a. 5% Discretionary Fund Management for Crisis
 - b. Subsidized Housing LG&E Status
- 5. Report from LG&E Customer Commitment (Timothy Melton)**
 - a. AEC-LG&E Contract Update
 - b. True-Up Funds Update
- 6. Report from Metro Dept. of Community Services (Brandon O'Neal)**
 - a. LIHEAP Crisis Update
- 7. Report from Assoc. of Community Ministries (Marlon Cummings)**
 - a. WinterHelp Update
- 8. Next Meeting: Monday, June 17, 2019 at 1:30 p.m., AEC Office**
- 9. Adjournment**

**AFFORDABLE ENERGY CORPORATION
ASAP: The All Seasons Assurance Plan
BOARD OF DIRECTORS
BI-MONTHLY MEETING AGENDA**



**April 15, 2019 1:30 – 3:00 PM
150 South State Street, Louisville, KY 40206-3169
2nd Floor AEC Office**

Program Director Report

Financial Update

- Ending March 2019, AEC had an operating balance of \$17,595.98 and a savings balance of \$7615.71 resulting in total assets of \$25,211.69. Though in March we spent at a rate of 157% of budget (some items came in earlier than anticipated), year to date we are spending at 94% of budget. This supports the idea that as the year progresses, it is anticipated that the budget gap will close as we manage spending throughout the year.
- As reminder, the approved 2019 of \$222,681 is \$25,881 over our projected income from LG&E HEA funding for the year. We are spending in line with projected budget.

ASAP Program Update

- See Report for Client Status

Database and Technology Update

- New Database Kick off has began.



AFFORDABLE ENERGY CORPORATION

All Seasons Assurance Plan (ASAP)

150 State Street, Louisville, Kentucky 40206

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BOARD OF DIRECTORS MEETING

Meeting Minutes

April 15, 2019

- I. Meeting convened by Robert Crutcher, President, at 1:34 pm.
- II. **Board members in attendance:** Mary Bryan, Robert Crutcher, Marlon Cummins, Carla Curry, Cathy Hinko, Tim Melton, Brandon O'Neal, and Lisa Lee Williams.
- III. **Approval of February 2019 Minutes**
 Robert motions to accept Feb minutes. Brandon motioned to approve Cathy seconds. Motion carries.
 Special Call Meeting: Carla motions to accept March 20th special meeting that includes the electronic vote. Mary seconds. Motion carried.

I. LG&E Customer Commitment – Tim Melton

By the end of March, there was a balance of \$913,000. The donation made in January made a significant increase to the total. There are still discussions going on with ASAP on how to get more participants. Administrative expenses, funds were collected when the program started but not shareholders dollar. LG&E went back this last month and included the shareholder dollars and the ten percent, which will help and give more cushion for the database build.

The old contract included a third-party audit and doesn't need to be in the new contract. The customer balancing (who is and is not on HEA) will also be removed from the contract, now that LG&E has it electronically, to see who received HEA benefits.

Subsidized Housing- LG&E representatives met with their legal department on Friday and decided a letter to commissioner will be sent. A question was raised concerning SECTION 8 and if their utilities were in the rent or not? Cathy explained how the rent and utilities worked for the participant. Lisa informed the board that over 8,000 people were rejected from the Subsidy list due to being on Section 8.

Although annual benefits income was spent last year, ASAP has an \$800,000 back log of income. ASAP has also determined that 2,200-2,500 participants can be serviced.

Lisa would like to be notified about the language being used about subsidized housing and it being removed as a requirement. Once ASAP gets to a point of having a waiting list there would then be an option of going back and asking for a meter increase.

II. Report from Metro Dept. of Community Services – Brandon O’Neal

LIHEAP Crisis phase will end April 30th. As of last Monday, April 8th, \$2.9 million had been spent. LIHEAP is seeing new people, but most have exhausted the limit of \$400. Last year Crisis spent \$2.5 -2.6 million.

III. Reports from AEC Program Director – Lisa Lee Williams

ASAP will not have the LIHEAP Crisis list until May 16th. Orientations will continue for the entire month of June. The new database will go live in July, so ASAP will not implement the change of accepting Section 8 until the year 2020.

April 8th, our new database application development started. Four days were spent with Shawn Branham Project Manager from CloudFit. The development of the new database will be done in sprints or modules. During the special call meeting, it was anticipated that AEC would contract with CloudFit and have them sub-contract with DataCaliper for the front end. An agreement could not be made between the two. After some negotiation around travel and UI development, the overall bid from CloudFit was reduced from the original \$89,400 bid to \$88,000.

The old access database and the new web-based client management application will be used in parallel for six months. The team will be using the new application and monitor the current database to make sure everything is reconciled and working properly.

Mary and Tim agreed to act as compliance representatives during the application update meetings.

Lisa request to amend the budget to \$92,000 to accommodate additional hardware needs associated with the new application development. The \$92,000 will show as income under true-up income (general ledger 4010) and will be expensed under database development expenses (general ledger 6141.)

Cathy makes motion to amend 2019 Calendar budget to increase 4010 by \$92,000 and to increase line item 6141 (Expenses) for the database update to 92,000 (which will pay for creating and installing the database). Brandon seconds. Motion carries.

5% Discretionary

There is a better understanding on how clean start works and how it impacts the 5% discretionary fund. A procedure on how the rest of the 5% discretionary benefit can be used needs to be in place.

More understanding/discussion is needed regarding the Discretionary Emergency Assistance Fund Procedures such as items #1-3 of the procedure where it states new and enrolled clients being eligible for this “crisis money.” Numbers 4 and 5 needs more clarification as well.

Almost \$100,000 a year is allocated to the 5% discretionary fund and the majority of that is used for clean start for new incoming ASAP participants. As of today, ASAP has paid over \$46,000 in Clean Start. Lisa would like to recommend that #4 reads as follows:

"If during the year a client is faced with a disconnection date, AEC will administer emergency funds if the following conditions are met."

To clarify the termination process, Lisa directs the board to page 8 in the participant manual of the Termination Policy; page 9 has the Clients Rights; and page 10 Client's Appeal form.

Lisa would like for ASAP to do case management and automatically pay the bill once ASAP sees that the client needs the help rather than the client asking. Cathy recommends that the clients should know in vague terms that they have a chance to get this money and Carla agrees that this information should be included on the appeal form, especially as a protection measure. Carla also recommends, that clients that have a written appeal be considered and eligible for the discretionary funds. Mary suggested that it be made clear that new clients have priority to this funding source.

Of the 5%, priority goes to Clean Start for new clients and anything remaining can be left for other circumstances (pending termination clients, end of year allocation and re-enrolled clean start). Lisa reached out to Julie Stephens, LG&E Customer Commitment, regarding the twelve-month payment arrangement for ASAP clients.

After looking at the fund distribution procedures, it is agreed upon for #2, #3 and the corrections made to #4 be accepted.

Carla motions. Cathy seconds. Motion carries.

Wording is crucial for changes to #1 and #5 and will be discussed at the next meeting.

IV. Adjournment

Meeting adjourned by Carla Curry at 3:32 p.m.

Next Meeting is Monday June 17, 2019 at 1:30 pm at the AEC Office.

Minutes respectfully submitted by: LaTasha Downs



a PPL company

Gwen R. Pinson
Executive Director
Kentucky Public Service Commission
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May 6, 2019

**RE: Louisville Gas and Electric Company's Home Energy
Assistance Program Eligibility Requirements**

Dear Ms. Pinson:

At the recent hearing in March regarding Louisville Gas and Electric Company's ("LG&E") and Kentucky Utilities Company's ("KU") (collectively the "Companies") rate cases,¹ the Commission considered the Companies' Home Energy Assistance ("HEA") programs. The Companies' discussions regarding how to improve the administration of the HEA programs have continued since the hearing. I am writing to advise of a revision to LG&E's HEA program's eligibility requirements to increase the number of qualified applicants.

When the HEA program was first approved in the 2007,² the criteria for eligibility included a provision that applicants may "not live in rent-subsidized housing that includes a utility allowance (e.g., Section 8)."³ The HEA program was later renewed in the 2010⁴ as part of LG&E's commitment to continue its HEA program through 2015, and then made permanent in LG&E's 2014 rate case.⁵

¹ *Electronic Application of Kentucky Utilities Company for an Adjustment of its Electric Rates*, Case No. 2018-00294; *Electronic Application of Louisville Gas and Electric Company for an Adjustment of its Electric and Gas Rates*, Case No. 2018-00295.

² *Joint Application of Louisville Gas and Electric Company, Association of Community Ministries, Inc., People Organized and Working for Energy Reform, and Kentucky Association for Community Action, Inc. for the Establishment of a Home Energy Assistance Program*, Case No. 2007-00337.

³ Case No. 2007-00337, Application at 7 (Ky. PSC July 30, 2007).

⁴ *Joint Application of PPL Corporation, E.ON AG, E.ON US Investments Corp., E.ON U.S. LLC, Louisville Gas and Electric Company, and Kentucky Utilities Company for Approval of Acquisition of Ownership and Control of Utilities*, Case No. 2010-00204 (Ky. PSC Sept. 30, 2010).

⁵ *Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Rates*, Case No. 2014-00372, Final Order (Ky. PSC June 30, 2015).

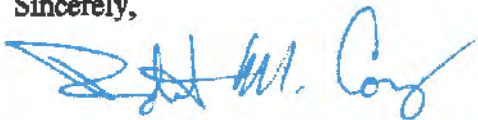
KU's HEA program does not contain such a provision and neither do LG&E's other low-income assistance programs, including LIHEAP, Community Winterhelp, and the Association of Community Ministries Grant.

The Board of Directors of Affordable Energy Corporation ("AEC"), the administrator of LG&E's HEA program, recently discussed this eligibility requirement at its April board meeting. In order to increase the number of eligible applicants and thus further facilitate distribution of available program funds, AEC asked and LG&E agreed that this requirement should be eliminated. LG&E believes that residing in rent-subsidized housing should no longer preclude an applicant from participating in LG&E's HEA program, and assures it will consider the utility allowance received from the subsidized housing program when determining the level of assistance it can extend to the applicant. This revision will increase the number of qualified applicants, allow for further disbursement of available HEA program funds, and more closely align LG&E's HEA program with KU's HEA program and other LG&E low-income assistance programs.

LG&E will make all the necessary updates regarding the change in eligibility requirements in connection with its ongoing work with AEC to execute an updated HEA agreement as soon as reasonably practicable. The updated agreement will reflect the elimination of the rent-subsidized housing criteria disqualification. The updated agreement is expected to be completed this summer and will be filed with your Office. The change will be effective for the 2019-2020 heating season.

If you have any questions, desire additional information or if more formal action is required, please contact me at your first convenience.

Sincerely,



Robert M. Conroy

CC:

Dr. Lisa Lee Williams, Program Director, AEC-ASAP Staff
Robert Crutcher, Board Chair, AEC-ASAP
Kent Chandler, Assistant Attorney General, Office of the Kentucky Attorney General
Allyson K. Sturgeon, Managing Senior Counsel Regulatory and Transactions, LG&E and KU Service Corporation

**AFFORDABLE ENERGY CORPORATION
ASAP: The All Seasons Assurance Plan
BOARD OF DIRECTORS
BI-MONTHLY MEETING AGENDA**



**June 17, 2019 1:30 – 3:00 PM
150 South State Street, Louisville, KY 40206-3169
2nd Floor AEC Office**

- 1. Meeting Convened (Robert Crutcher)**
- 2. Approval of April Board Meeting Minutes (Robert Crutcher)**
- 3. Report from AEC Program Director (Lisa Lee Williams)**
 - a. Financial Update
 - b. New Client Management Application Development (Week 8)
 - c. ASAP Client Update
 - d. AEC Historical Files
 - e. Policy and Procedure Documentation Project
 - f. Staff Training
 - g. Succession Planning
- 4. Other Business Needing Approval: (Lisa Lee Williams)**
 - a. 5% Discretionary Fund Management for Crisis
- 5. Report from LG&E Customer Commitment (Timothy Melton)**
 - a. Letter to Public Service Commission Update
 - b. Subsidized Housing and Utility Allowance Update
 - c. AEC-LG&E Contract Update
 - d. True-Up Funds Update
- 6. Report from Metro Dept. of Community Services**
 - a. LIHEAP Crisis Update
 - b. "Am I Eligible?" tool online www.louisvilleky.gov/RCS or <https://amieligible.louisvilleky.gov>
- 7. Report from Assoc. of Community Ministries (Marlon Cummings)**
 - a. WinterHelp Update
- 8. Next Meeting: COMMUNITY METING, Monday, August 19, 2019 at 1:30 p.m., AEC Office**
- 9. Adjournment**

**AFFORDABLE ENERGY CORPORATION
ASAP: The All Seasons Assurance Plan
BOARD OF DIRECTORS
BI-MONTHLY MEETING AGENDA**



**June 17, 2019 1:30 – 3:00 PM
150 South State Street, Louisville, KY 40206-3169
2nd Floor AEC Office**

Program Director Report

1. Financial Update

- As of May 31, 2019, AEC had \$34,273.52 administrative operating cash and \$7616.36 in saving with a total cash balance of \$41,889.88. \$18,000 in admin fees (10% of the \$180,000 foundation contribution to HEA) was requested and received from LGE to align 2019 admin income budget with future distribution expectations. First payment of \$23,684 for new database development payment was also received.

2. New Client Management Application Development Update – Week 8

Project Status: Behind Schedule

- Based on our velocity of PBIs completed each sprint (Velocity of 3 PBIs) we are projected to miss our 7/19 completion date
- I will be allocating more time to support the development effort and improve the velocity to compensate for the setbacks experienced
- Additional resources identified to help with development as needed

Active Sprint: 5 Of 7

Burndown Detail:

- No blockers, development is running on schedule

Milestones Achieved:

- Completed the implementation of the new case management screen layout
- AEC color scheme has been applied
- Resolved outstanding questions about the rules to populate the files to send to LG&E
- Not types and history logged and ready to develop next sprint
- Began work to import all AEC specific client data

Needs From AEC:

- None

Needs from Shawn:

- Coordinate with Brandon to complete the Prototypes and Mockups for the Orientation screens
- Document scenarios that are covered in the current Managed Monitoring contract – Carry over
- Document support scenarios that would be billed at time and materials – Carry over
- Meet with Monitoring team to define approach to enable application and service monitoring -Carry over

**AFFORDABLE ENERGY CORPORATION
ASAP: The All Seasons Assurance Plan
BOARD OF DIRECTORS
BI-MONTHLY MEETING AGENDA**



**June 17, 2019 1:30 – 3:00 PM
150 South State Street, Louisville, KY 40206-3169
2nd Floor AEC Office**

3. **ASAP Client Status Update (See ASAP Benefit Budget 2019 spreadsheet for detail)**
 - 2453 enrolled
 - 785 new enrolled through orientation or appeal
 - 2247 Active
 - 47 Inactive
 - 103 On hold
 - 13 Pending termination
 - 39 Withdrawn
 - 4 Terminated
 - 4% attrition year to date
4. AEC has a host of old historical files that I am currently going through and purging in-line with our document retention policy. I will create a sort of scrapbook of the AEC journey with sample letters, major milestones, etc. as well.
5. Last outstanding project from the list of items I was asked to address when taking the position in October 2017 was to complete a policy and procedures manual. This is underway and is a 50% completion at the rough draft stage. This will now be a priority to manage and update procedures to be in line with the new Client Management Application development.
6. Succession Planning is an important HR tool that all organizations need to be mindful of, especially in small organizations like AEC. I will be working on a succession plan to be submitted for your approval during the 2018 Community Board of Directors Meeting. If there are any resources, expectations or requirements that you feel should be considered, please submit those to me no later than July 3, 2019.

**AFFORDABLE ENERGY CORPORATION
ASAP: The All Seasons Assurance Plan
BOARD OF DIRECTORS
COMMUNITY MEETING AGENDA**



**August 19, 2019 1:30 – 3: 00 PM
150 South State Street, Louisville, KY 40206**

1. Meeting Convened (Robert Crutcher)
2. Approval of April Board Meeting Minutes (Robert Crutcher)
3. Report from AEC Program Director (Lisa Lee Williams)
4. Report from LG&E Customer Commitment (Timothy Melton)
5. Report from Metro Dept. of Community Services
6. Report from Assoc. of Community Ministries (Marlon Cummings)
7. Next Meeting: Monday, October 21, 2019 at 1:30 p.m., AEC Office
8. Adjournment

**AFFORDABLE ENERGY CORPORATION
ASAP: The All Seasons Assurance Plan
BOARD OF DIRECTORS
COMMUNITY MEETING AGENDA**



**August 19, 2019 1:30 – 3:00 PM
150 South State Street, Louisville, KY 40206**

Program Director Report

1. Financial Update

- As of July 31, 2019, AEC has \$34,420.22 administrative operating cash and \$7617 in saving with a total cash balance of \$42,037.22. At the mid-year mark, we have spent 45.8% of the proposed budget.

2. New Client Management Application Development Update – Week

Project Status: Extended

Current Sprint: 9 of 12

Projected Completion: Week of 9/9

Key Takeaways:

- Fixed and deployed 9 bug fixes observed during user acceptance testing
- Complete location management
- Completed orientation calendar (pending deployment)
- Identified data and functionality dependencies to connect Intake, Orientation, and Client Management
- Validated payment file layout requirements needed by LG&E
- Reconnected with IT Front desk to test the upgraded scheduling software

Needs From AEC:

- Validate the new version of IT Front desk will suffice
- Coordinate meeting between IT front desk and Shawn to discuss API integration vs alternative solutions
- Create AEC account with Power BI and provide credentials for configuring reporting capability

Needs From Shawn:

- Update the backlog with the bugs observed in user acceptance testing
- Reevaluate and rank the criticality of outstanding backlog items (PBIs and Bugs)
- Meet with IT Front desk to continue discovery of API integration opportunities
- Reassess the projected completion date
- Schedule demo of Power BI between Lisa and Cory

3. ASAP Client Status Update (See presentation)

- 2020 Subsidized Housing Restriction Lifted**
- 2020 Projected increase from meter reading up from \$1.97M to \$2.02M**
- New promotional materials available for distribution**



AFFORDABLE ENERGY CORPORATION

All Seasons Assurance Plan (ASAP)

150 State Street, Louisville, Kentucky 40206

502-893-7842

Visit us at facebook.com/Affordable.Energy.ASAP

BOARD OF DIRECTORS MEETING

Meeting Minutes

August 19, 2019

I. Meeting convened by Robert Crutcher, President, at 1:36 pm.

II. **Board members in attendance:** Brandon O'Neal, Mary Bryan, Robert Crutcher, Marlon Cummins, Carla Curry, Tim Melton, and Lisa Lee Williams.

Community members in attendance: Kiffany McAfee, LaTasha Downs, Kendra Farner, and Daeja Brown.

III. Approval of June 2019 Minutes

Carla moves. Mary seconds. Motion carries.

IV. LG&E Customer Commitment – Tim Melton

As a response to the last meeting regarding emergency funds: what is not spent can carry over and would need to be tracked manually. Hopefully, with changes to the ASAP program, it will help to benefit those on the program. No additional information to share on the rate increase.

V. Report from Metro Dept. of Community Services – Brandon O'Neal

LIHEAP is preparing for the 2019 Subsidy phase. Training for the representatives will start in the third week of September. Early registration will start on October 2nd and will end on October 31st. General signups will start on November 4th and will end on December 13th. The appointment system will open a week before the start dates.

VI. Community Ministries – Marlon Cummings

The community ministry, South East Associated Ministries (SEAM) has shut down until further notice. The plan is for the surrounding ministries to help those zip codes 40218 and 40220, that are affected by the shutdown. The restructuring will hopefully take place before doors reopen. Fern Creek; Highlands; Jeffersontown Ministries and St. Williams will assist financially for those in the SEAM area.

VII. Reports from AEC Program Director – Lisa Lee Williams

Finance: As of July 31st, AEC has a total of \$42,037 (\$34,420 in admin operating cash and \$7,617 in savings). As of mid-year, 45.8% of the budget has been spent.

LIHEAP: ASAP participants will be given the deadline of December 6th. The mailers will be sent out the Friday, September 20th, advising the client to call ASAP. The team will schedule the client's appointment and tracking can begin. Clients will also receive an automated call, reminding them to sign up for LIHEAP.

2019 Orientations: There were 82 sessions held. 816 potential clients came to orientation and 790 were enrolled. The biggest issue for weatherization is getting the landlord consent forms returned to the respectful agency, to have the work completed.

Client Management App- The application is still behind schedule. The build is 75% done. Some bugs are being cleaned up along with finishing the Orientation and Enrollment portion. The next projected due date will be September 6th, but very pleased with the development.

Current Program Status: There are 2,562 clients on the program. Currently, there are 126 ESL accounted for. Jefferson, Bullitt, and Oldham are the largest counties being assisted by ASAP.

2020: ASAP's goal for 2020 is to acquire 3,500 clients. Approval from the Public Board Commission to allow Section 8 and subsidized housing tenants to be enrolled in the program will help obtain that number, however, some still will not be eligible. The client will need \$100 monthly income and live in "qualified" housing that can receive the free weatherization from our partners at Project Warm or WeCare.

New promotional material (handbills and posters) will be given to our partners throughout the community.

Some strategies are being worked on to reach those who live out of the county. Some of ASAP's Future goals are a *YouTube presentation with a quiz; locating new facilities for orientation sessions; and getting the community to become familiar with ASAP. *There will be limited access to the online orientation.

Adjournment

Meeting adjourned by Carla Curry at 3:04 p.m.

Next Meeting is Monday, October 21, 2019 at 1:30 pm at the AEC Office.

Minutes respectfully submitted by LaTasha Downs

AFFORDABLE ENERGY CORPORATION
ASAP: The All Seasons Assurance Plan
BOARD OF DIRECTORS
BI-MONTHLY MEETING AGENDA



Program Funding
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October 21, 2019 1:30 – 3:00 PM
150 South State Street, Louisville, KY 40206-3169
2nd Floor AEC Office

Program Director Report prepared by Dr. Lisa Lee Williams

1. Program Director Resignation Effective October 18, 2019

It has been my pleasure to serve the Affordable Energy Corporation as your program Director for the past two years. I am available to assist AEC, her staff and board of directors in anyway necessary to assure the ongoing success of the mission of the organization. Thank you for the opportunity to serve with you.

2. Financial Update

- a. As of September 30, 2019, AEC had \$26,500.76 administrative operating cash and \$7617.64 in saving with a total cash balance of \$34,118.40.
- b. The 2020 Proposed Budget has been drafted and is available for board review and ultimate approval. As presented, it will require \$39,497.84 from the Administrative True-Up funds in order to meet all projected cost. Of course, there are spending categories that are based on operating circumstances which may result in savings, such as Temp Services (\$15,800), Additional Development costs (\$10,000).
- c. Projected cash on hand at the end of 2019 is \$19,504 in administrative operating cash and \$7,614 in savings at a total of \$27,119. This is \$21,880 short of the 3-month reserve AEC desires to have on hand.
- d. **RECOMMENDATION:** Request \$21,800 in true-up dollars from LG&E to restore 3-month administrative operating balance.
- e. The Client Management Application is behind schedule and the final payment of \$17,762 is being held until the complete delivery of the SOW. New projected completion date is 10/31 with a 6-month development support for any bug fixes that may come up.

3. New Client Management System Application Development Update – Week

Sprint Planning meeting held on Wednesday, October 16th, we reviewed the remaining work items, refined our effort estimates and dug deep on actual hour allocations for everything.

The good news is that out of 150 hours allocated over the next two Sprints, we have 70 hours of estimated development work (this includes hours allocated for the existing bugs below). We're going to be pushing hard to complete the bulk of the work here in Sprint 16, which starts Thursday, October 17th so that we can use Sprint 17 to close out any bugs that come up, fit and finish items, etc. This will give us an estimated completion time of October 31st.

AFFORDABLE ENERGY CORPORATION
ASAP: The All Seasons Assurance Plan
BOARD OF DIRECTORS
BI-MONTHLY MEETING AGENDA



Program Funding
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October 21, 2019 1:30 – 3:00 PM
150 South State Street, Louisville, KY 40206-3169
2nd Floor AEC Office

4. ASAP Client Status Update as of 10/18/19

- 2562 enrolled
 - 2281 Active
 - 117 Inactive (most due to moved and waiting on response with new lease)
 - 71 On hold
 - 2 Pending termination
 - 43 Withdrawn
 - 20 Terminated (most due to weatherization noncompliance)
-
- LGE reports that we have applied \$117,310.01 for the month of September and \$1,483,307.68 toward customer accounts as of September 30, 2019.
 - LGE reports that AEC has \$268,294.90 in the administrative true up account as of September 30, 2019.
 - AEC is currently receiving the full 10% monthly administrative allocation of \$16,400 per month.

AFFORDABLE ENERGY CORPORATION
ASAP: The All Seasons Assurance Plan
BOARD OF DIRECTORS
BI-MONTHLY MEETING AGENDA



December 16, 2019 1:30 – 3:00 PM
150 South State Street, Louisville, KY 40206-3169
2nd Floor AEC Office

1. **Meeting Convened** (Robert Crutcher)
2. **Welcoming of the new Multi-Purpose Director** (Laura Perdue)
3. **Approval of August and October Board Meeting Minutes** (Robert Crutcher)
4. **Other Business Needing Approval:** (Tasha Downs)
 - a. Voting on new board member Kiffany McAfee
 - b. Dove Printing Solutions, for the new copier
 - c. 2020 Budget
 - d. AEC Program Director
5. **Report from Metro Dept. of Community Services** (Brandon O'Neal)
 - a. LIHEAP Clients Served
 - b. LIHEAP Crisis Start date and Budget
6. **Report from LG&E Customer Commitment** (Timothy Melton)
 - a. PSC Update
 - b. True Up Recommendation from October
7. **Report from Assoc. of Community Ministries** (Marlon Cummings)
 - a. JAM registration of LIHEAP Clients
 - b. SEAM update
 - c. Winterhelp
8. **Report from AEC Lead Administrator** (Tasha Downs)
 - a. Financial Update
 - b. LIHEAP & LOA's
 - c. ASAP Business
 - d. Wage Subsidy Program (Power of Work)
9. **Next Meeting:** Monday, February 17, 2020 at 1:30 p.m., AEC Office
10. **Adjournment**

**AFFORDABLE ENERGY CORPORATION
ASAP: The All Seasons Assurance Plan
BOARD OF DIRECTORS
BI-MONTHLY MEETING AGENDA**



**December 16, 2019 1:30 – 3:00 PM
150 South State Street, Louisville, KY 40206-3169
2nd Floor AEC Office**

Lead Administrator Report

- **Financial Update**

Ending November 2019 AEC has \$29,321.02 in the PNC operating account and \$7,618.26 in savings, resulting in total assets of \$36,939.28.

- **LIHEAP & LOA's**

All active participants on the program have received one – two automated calls. They also received a remainder call and/or postcard from us, in-house, if we did not see a pledge in their account on the low-income website. We continue to receive the Letter of Appreciations (LOA's), and as of today we have received 920.

- **ASAP Business**

2019 HEA Crisis Funds

As of December 13th, we have been able to help 12 participants with the emergency funding, totaling \$5,502.44. Participants have been able to stay on the ASAP Program and continue receiving assistance. Only one has been issued another Termination letter and is due to be Terminated this week if her account is not cleared up.

New Copier

Dove Printing Solutions will have the new copier delivered tomorrow and installation will happen on Wednesday.

Payments

Last day of payments for ASAP participants will be this Thursday, December 19th.

Client Status

As of today, we have 168 clients on Hold; 8 with a Warning Letter; 12 Pending Termination due to a past due on the account for over 30 days. 2,139 are Active and have no past due.

35 Terminated (death, nursing homes, past due, refusal of weatherization)

42 Withdrawn (temp. housing, weatherization in progress)

157 Inactive (Moved and waiting on a response from the client, or disconnected account)

- **New Client Management App Update**

**AFFORDABLE ENERGY CORPORATION
 ASAP: The All Seasons Assurance Plan
 BOARD OF DIRECTORS
 BI-MONTHLY MEETING AGENDA**



**December 16, 2019 1:30 – 3:00 PM
 150 South State Street, Louisville, KY 40206-3169
 2nd Floor AEC Office**

We went LIVE, last week, with the fix of the last known bugs. Everything is working smoothly for the last week. We are looking forward to the recertification process, to see how everything goes next month.

- **Wage Subsidy Program**

AEC has a unique opportunity to be involved with Power to Works, Wage Subsidy Program. It is a six-month subsidy program that will pay 75% of wages for the first four months, through CHFS (Cabinet for Health and Family Services). AEC will be responsible for 25%, during the first four months. The last two months will be split 50/50 between AEC and CHFS. With this program we are guaranteeing at least 30 hours a week and the pay rate will be decided by AEC.

\$12.50 x 30 hours = \$375 weekly

CHFS 4 months at 75%	\$281.25 wk x 16 weeks	\$4,500
AEC 4 months at 25%	\$93.75 wk x 16weeks	\$1,500
CHFS two months at 50%	\$187.50 x 8 wks.	\$1,500
AEC two months at 50%	\$187.50 x 8 wks	\$1,500

During the six-month program, AEC would pay \$3,000. After the program is over, \$9,750 in wages would be paid to the Power of Work participant, from AEC, to keep the participant employed for the last six months of the year. **The total amount AEC would pay, for the first year, would be \$12,750.** If the participant is still employed by AEC for a second year the pay would be \$19,500, without any increase in pay.

We would use this partnership, to help staff the office. To increase the numbers during the orientation season we need a person on the phones with the ability to look at the low-income website to show that we are a real program that can access their LG&E account.

KU Home Energy Assistance Program (KHEA) Meetings and Discussions

Note: For the KU HEA program, meetings and discussions are held with CAK and/or CAC on a periodic or as needed basis.

Date: February 28, 2019

Method: Phone Call with Lexington CAC

Topics: KHEA Program Surplus Funds & Number of Program Slots

Program Changes: Increased number of available slots from 2,700 to 3,100.

Date: June 27, 2019

Method: Meeting with Lexington CAC

Topics: KHEA Program Contract

Program Changes: Bridget Rice, Interim Executive Director signed new service contract.

Date: July 11, 2019

Method: Meeting with Community Action Kentucky (CAK)

Topics: KHEA Program Contract

Program Changes: Roger McCann, Executive Director signed new service contract.

Date: July 16, 2019

Method: Phone Call with Lexington CAC

Topics: KHEA Program Surplus Funds & Number of Program Slots

Program Changes: Temporarily increased number of available slots from 3,100 to 3,500.

Date: November 11, 2019

Method: Meeting with Lexington CAC

Topics: Introduction of new CAC Executive Sharon Price & KHEA Program Overview

Program Changes: N/A

Melton, Timothy

From: Melissa Tibbs [REDACTED]
Sent: Friday, March 01, 2019 12:02 PM
To: Melton, Timothy
Subject: RE: HEA

EXTERNAL email. STOP and THINK before responding, clicking on links, or opening attachments.

Hi Tim,

Just following up from yesterday—we were able to move forward with enrolling 400 slots from our waiting list, using the current slot allocation practice.

Thanks for your assistance and partnership, Tim.

Melissa

Melissa Tibbs, M.Ed, CCAP, NCRT
Director of Planning, Communications and Advancement
Community Action Council
[REDACTED]

From: Melissa Tibbs
Sent: Thursday, February 28, 2019 3:35 PM
To: 'Melton, Timothy' [REDACTED]
Subject: RE: HEA

Tim,

Thank you for the email and for our earlier phone conversation. Our calculations match so we will move forward immediately and enroll an additional 400 households from our wait list of 1342 (as of this morning). This will bring our total enrollment, annually, to 3100 households.

We look forward to continuing our work together on this program. Please let me know if there is any additional information you need from us when determining how to allocate the carryover balance.

Thanks again, Tim.

Melissa

Melissa Tibbs, M.Ed, CCAP, NCRT
Director of Planning, Communications and Advancement
Community Action Council
[REDACTED]

From: Melton, Timothy [REDACTED]
Sent: Thursday, February 28, 2019 2:30 PM
To: Melissa Tibbs [REDACTED]
Cc: Melton, Timothy [REDACTED]
Subject: HEA

Melissa,

Looking at 2018 numbers

\$1,920,665 was available counting ratepayer expense, KU contribution, administrative expense.

7 months at \$88 = \$616

When you divide the available (\$1,920,665) per participant (\$616) equals approximately 3117.

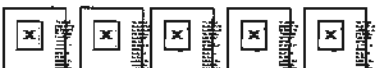
Yes, you can increase to 3100 participants and be within annual budget.

After I have discussions with Legal and Regulatory, I will follow up with you on how to spend the carryover balance.

If you have any questions, please contact me.

Timothy A. Melton
Manager | Customer Commitment | LG&E and KU
820 West Broadway Street, Louisville, KY 40202
[REDACTED]

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Helping People, Changing Lives.

Melton, Timothy

Subject: HEA agreement discussion
Location: Admin - Room 102

Start: Thu 6/27/2019 2:00 PM
End: Thu 6/27/2019 3:00 PM
Show Time As: Tentative

Recurrence: (none)

Organizer: Melissa Tibbs

EXTERNAL email. STOP and THINK before responding, clicking on links, or opening attachments.

Tim, we see you at 2:00PM. Thanks!

Join us on Friday, August 23rd to celebrate the Council's fourth annual signature fundraiser, A Summer Soirée, at the Grand Reserve! **Click this link to purchase Early Bird Tickets at a discounted rate, now through July 12!**

For more information, please contact [REDACTED] We hope to see you there!



Helping People, Changing Lives.

*Agenda
- KU HSA Program Agreement*

Melton, Timothy

From: Melton, Timothy
Sent: Tuesday, July 16, 2019 4:44 PM
To: Melissa Tibbs [REDACTED] Falconbury, David (CommAction);
'Patricia Shobe'
Cc: Melton, Timothy; [REDACTED]
Subject: KU Home Energy Assistance Program Participants

Everyone,

Per our discussion today (7/16/19) and with the surplus funds available, the KU Home Energy Assistance Program can immediately increase from 3100 slots to 3500 slots for participants . With the scenarios using meter charge revenue and shareholder contributions, KU and CAC will monitor the number of participants along with the surplus funds and will make future available slot adjustments according to available funds.

If you have any questions, please contact me

thanks

Timothy A. Melton

Manager | Customer Commitment | LG&E and KU
820 West Broadway Street, Louisville, KY 40202

[REDACTED]

Melton, Timothy

Subject: Meet with CAC - Sharon Price & Melissa Tibbs
Location: CAC Office - High Street, Lexington
Start: Mon 11/11/2019 10:30 AM
End: Mon 11/11/2019 12:00 PM
Show Time As: Out of Office
Recurrence: (none)
Organizer: Melton, Timothy

Meeting time – 10:45 a.m.

Agenda

- KU HSA Program
- Introduction of New Executive Director - Sharon Price

CASE NO. 2019-00366

Response to Appendix B, No. 6

The following information for all residential customers, annually and by month:

- a. Average balance amount.**
- b. Average monthly bill amount.**
- c. Average monthly payment amount.**
- d. Average monthly usage (Gas and Electric separate, where applicable).**
- e. Termination notices issued.**
- f. Service terminations.**
- g. Amount of unique customers receiving a termination notice for nonpayment (i.e., if a customer receives one or more termination notices, this customer would only be counted as one).**
- h. Amount of unique customers with service terminated for nonpayment (i.e., if a customer has service terminated once, this customer would only be counted as one).**

The requested information is provided separately for Louisville Gas and Electric Company and Kentucky Utilities Company in Excel format respectively in tabs "LGE 6" and "KU 6".

The attachments are
being provided in
separate files in Excel
format.

CASE NO. 2019-00366

Response to Appendix B, No. 7

The information set forth in Item 6 for HEA program participants, annually and by month.

The requested information is provided separately for Louisville Gas and Electric Company and Kentucky Utilities Company in Excel format respectively in tabs "LGE 7" and "KU 7".

The attachments are
being provided in
separate files in Excel
format.

CASE NO. 2019-00366

Response to Appendix B, No. 8

The information set forth in Item 6 for HEA program participants, annually and by month.

The requested information is provided separately for Louisville Gas and Electric Company and Kentucky Utilities Company in Excel format respectively in tabs "LGE 8" and "KU 8".

The attachments are
being provided in
separate files in Excel
format.

CASE NO. 2019-00366

Response to Appendix B, No. 9

Copies of any outside independent audit conducted during the program year.

See attached.



August 3, 2020

To the Board of Directors
Affordable Energy Corporation

In planning and performing our audit of the financial statements of Affordable Energy Corporation as of and for the year ended December 31, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered Affordable Energy Corporation's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore there can be no assurance that all such deficiencies have been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiencies in Affordable Energy Corporation's internal control to be material weaknesses:

Financial Statement Preparation

As part of the audit, management requested us to prepare a draft of the financial statements, including the related notes to financial statements. Management reviewed, approved and accepted responsibility for those financial statements prior to their issuance; however, management does not have the ability to evaluate the completeness of financial statement disclosures. The absence of this control procedure is considered a significant deficiency because the potential exists that a more than inconsequential but less than material misstatement of the financial statements could occur and not be prevented or detected by the organization's internal control.

A significant deficiency is a deficiency, or combination of deficiencies, in internal controls that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

This communication is intended solely for the information and use of management, the board of directors, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Baldwin CPAs, PLLC



August 3, 2020

To the Board of Directors
Affordable Energy Corporation

We have audited the financial statements of Affordable Energy Corporation for the year ended December 31, 2019 and have issued our report thereon dated August 3, 2020. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated May 21, 2020, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with the cash basis of accounting. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Affordable Energy Corporation are described in Note 1 to the financial statements. We want to emphasize one accounting policy:

The financial statements of Affordable Energy Corporation have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

We also would like to emphasize one accounting policy adopted:

As described in Note 1, the Organization changed accounting policies related to revenue from contracts with customers and recognition of contributions received by adopting FASB Accounting Standards Updates (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)* and No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)*, during the year ended December 31, 2019. Accordingly, the accounting change has been retrospectively applied to prior periods presented as if the policy had always been used.

We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. A schedule of these audit adjustments is attached.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 3, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the finance committee, board of directors, and management of Affordable Energy Corporation and is not intended to be and should not be used by anyone other than these specified parties.

Baldwin CPAs, PLLC



Affordable Energy Corporation

Independent Auditors' Report

And Financial Statements

For the Years Ended

December 31, 2019 and 2018

Table of Contents

	Page
Independent Auditors' Report	1
Statements of Assets and Net Assets – Cash Basis	3
Statements of Revenues, Expenses and Changes in Net Assets – Cash Basis	4
Statements of Functional Expenses – Cash Basis	5
Notes to Financial Statements	6



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Independent Auditors' Report

The Board of Directors
Affordable Energy Corporation

We have audited the accompanying financial statements of Affordable Energy Corporation, (a nonprofit organization) which comprise the statements of assets and net assets - cash basis as of December 31, 2019 and 2018, and the related statements of revenues, expenses, and changes in net assets and functional expenses - cash basis for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and net assets – cash basis of Affordable Energy Corporation as of December 31, 2019 and 2018, and the revenues, expenses, and changes in net assets and the statements of functional expenses – cash basis for the years then ended in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Baldwin CPAs, PLLC

Louisville, Kentucky
August 3, 2020

Affordable Energy Corporation
 Statements of Assets and Net Assets – Cash Basis
 December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Assets		
Cash - checking	\$ 35,656	\$ 42,134
Cash - savings	<u>7,619</u>	<u>7,615</u>
Total Assets	<u>\$ 43,275</u>	<u>\$ 49,749</u>
Net Assets		
Net assets without donor restrictions	<u>\$ 43,275</u>	<u>\$ 49,749</u>
Total Net Assets	<u>\$ 43,275</u>	<u>\$ 49,749</u>

Affordable Energy Corporation
 Statements of Revenues, Expenses and
 Changes in Net Assets – Cash Basis
 For the Years Ended December 31, 2019 and 2018

	2019 Without Donor Restrictions	2018 Without Donor Restrictions
Revenue and Support:		
Administrative fee	\$ 287,602	\$ 174,000
Interest income	4	4
Total Revenue and Support	<u>287,606</u>	<u>174,004</u>
Expenses:		
Program services	256,583	196,160
Management and general	37,497	30,934
Total Expense	<u>294,080</u>	<u>227,094</u>
Change in Net Assets	(6,474)	(53,090)
Net Assets, Beginning of Year	<u>49,749</u>	<u>102,839</u>
Net Assets, End of Year	<u>\$ 43,275</u>	<u>\$ 49,749</u>

Affordable Energy Corporation
 Statements of Functional Expenses – Cash Basis
 For the Years Ended December 31, 2019 and 2018

	2019			2018		
	Total	Program Services	Management and General	Total	Program Services	Management and General
Wages	\$ 101,532	\$ 91,379	\$ 10,153	\$ 94,670	\$ 85,203	\$ 9,467
Payroll taxes	8,461	7,615	846	8,176	7,358	818
Employee benefits	29,313	26,382	2,931	24,545	22,091	2,454
Professional Fees	11,636	10,472	1,164	16,536	14,882	1,654
Accounting	8,988	-	8,988	9,138	-	9,138
Occupancy	5,500	4,950	550	6,600	5,940	660
Postage	9,841	8,857	984	12,297	11,067	1,230
Contracts	3,012	2,711	301	3,054	2,749	305
Information technology	86,322	77,690	8,632	17,692	15,923	1,769
Telephone	3,082	2,774	308	7,503	6,753	750
Office expenses	4,996	4,496	500	6,143	5,528	615
Insurance	2,356	2,120	236	2,371	2,134	237
Training	13,752	12,377	1,375	14,492	13,043	1,449
Membership dues	600	540	60	226	203	23
Advertising	4,689	4,220	469	3,651	3,286	365
Total Expenses	\$ 294,080	\$ 256,583	\$ 37,497	\$ 227,094	\$ 196,160	\$ 30,934

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

Affordable Energy Corporation
Notes to Financial Statements
December 31, 2019 and 2018

Note 1 – Summary of Significant Accounting Policies

Nature of Activities

Affordable Energy Corporation (the Organization) was organized in 1992 to provide financial and other forms of assistance to low-income households in order to ensure that their basic energy needs are met, that the crisis of disconnection is avoided and that energy is conserved whenever possible. Affordable Energy Corporation works to gather and create the resources to accomplish these goals and works cooperatively with government, utility and social service agencies where appropriate. The Organization serves customers in the Louisville Gas & Electric Company service area that includes Louisville, KY and the surrounding counties.

The Organization is paid an administrative fee by Louisville Gas & Electric to administer the program. The financial statements of the Organization report only the administrative expenses of the program. The utility assistance payments are made directly by Louisville Gas & Electric Company.

Basis of Accounting

The financial statements of the Organization have been prepared on the cash basis of accounting. Under this basis, revenue is recorded when collected rather than when earned and expenditures are recorded when paid rather than when incurred. Consequently, these financial statements are not intended to present financial position or the results of operations in conformity with accounting principles generally accepted in the United States of America.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) with regards to financial statements of Not-for-Profit Organizations. Under this guidance, the Organization is required to report information regarding its consolidated financial position and activities according to two classes of net assets. A description of the net assets categories follows:

Net assets without donor restrictions: expendable funds that are not subject to donor-imposed stipulations or invested in land, building and equipment.

Net assets with donor restrictions: stipulated by donors for specific operating purposes or are restricted by time. These include donor restrictions requiring that the corpus to be invested in perpetuity and only the income be made available for operations in accordance with donor restrictions.

Advertising Expense

The Organization expenses advertising costs as incurred. Advertising expense for the years ended December 31, 2019 and 2018 was \$4,689 and \$3,651, respectively.

Expense Allocation

The costs of providing the various programs and supporting activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, costs have been allocated among the program and supporting services benefited. Expenses are allocated on the basis of estimates of time and effort.

Affordable Energy Corporation
Notes to Financial Statements (Continued)
December 31, 2019 and 2018

Note 1 – Summary of Significant Accounting Policies (Continued)

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization qualified for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Management has concluded that any tax positions that would not meet the more-likely-than-not criterion of FASB ASC 740-10 would be immaterial to the financial statements taken as a whole. Accordingly, the accompanying financial statements do not include any provision for uncertain tax positions.

Contributions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the same period in which the contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires because the contributed resources are spent in accordance with the donor's instructions or because of passage of time, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restriction. In the absence of donor restrictions to the contrary, restrictions on contributions of property or equipment or on assets restricted to acquiring property or equipment expire when the property or equipment is placed in service.

Revenue Recognition

Administrative fee revenue is recognized when the cash is received.

Recently Issued Accounting Standards

For the year ended December 31, 2019, the Organization adopted the following Financial Accounting Standards Board's Accounting Standards Updates:

FASB Accounting Standards Codification Topic 606, Revenue from Contracts with Customers, as amended, supersedes or replaces nearly all GAAP revenue recognition guidance. These standards establish a new contract and control-based revenue recognition model, change the basis for deciding when revenue is recognized over time or at a point in time, and expand disclosures about revenue. We have implemented Topic 606 and have adjusted the presentation in these consolidated financial statements accordingly. The amendments have been applied retrospectively to all periods presented, with no effect on net assets.

In June 2018, FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. We have implemented the provisions of ASU 2018-08 applicable to both contributions received and to contributions made in the accompanying consolidated financial statements under a modified prospective basis. Accordingly, there is no effect on net assets in connection with our implementation of ASU 2018-08.

Affordable Energy Corporation
Notes to Financial Statements (Continued)
December 31, 2019 and 2018

Note 2 – Concentration of Credit Risk

The Organization receives 100% of its total program revenues from Louisville Gas & Electric by contractual agreement. Reductions in funding of this program by Louisville Gas & Electric could have an adverse effect on the operations of the Organization.

Note 3 – Lease

The Organization receives donated office space in Louisville, Kentucky. The Organization pays an unspecified amount each month to help cover utility costs and classifies the costs as rent expense.

The rent expense for the years ended December 31, 2019 and 2018 was \$5,500 and \$6,600, respectively.

Note 4 – Liquidity and Availability of Financial Assets

The following table reflects the Organization's financial assets as of December 31, 2019 available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year.

Financial Assets	
Cash - checking	\$ 35,656
Cash - savings	<u>7,619</u>
Total financial assets available	<u>\$ 43,275</u>

In addition to financial assets available to meet general expenditures over the year, the Organization anticipates covering its general expenditures by collecting sufficient program revenues.

Note 5 – Subsequent Events

In early 2020, the global coronavirus outbreak hit the United States of America. The Organization's overall business could be negatively impacted by the coronavirus outbreak, but the significance and the duration of the impact cannot be determined at this time.

Management has evaluated subsequent events for recognition or disclosure in the financial statements through August 3, 2020, which was the date at which the financial statements were available to be issued.

**Community Action Council for
Lexington-Fayette, Bourbon, Harrison,
and Nicholas Counties, Inc. and Affiliates**

Lexington, Kentucky

Consolidated Financial Statements and
Supplementary Information
Year Ended June 30, 2019

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Consolidated Financial Statements and Supplementary Information
Year Ended June 30, 2019

Table of Contents

Independent Auditor's Report	1
Consolidated Financial Statements	
Consolidated Statement of Financial Position.....	3
Consolidated Statement of Activities	4
Consolidated Statement of Functional Expenses	5
Consolidated Statement of Cash Flows.....	6
Notes to Consolidated Financial Statements	7
Supplementary Information	
Schedule of Expenditures of Federal Awards	20
Consolidating Statement of Financial Position	23
Consolidating Statement of Activities.....	24
LIHEAP Supplemental Schedules.....	25
Weatherization Supplemental Schedules	28
LFUCG Supplemental Schedules.....	30
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters.....	35
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance	37
Schedule of Findings and Questioned Costs	39



Independent Auditor's Report

Board of Directors
Community Action Council for Lexington-Fayette, Bourbon,
Harrison, and Nicholas Counties, Inc.
Lexington, Kentucky

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates, which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities, functional expenses and cash flows for the year 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; 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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. The financial statements of WinterCare Energy Fund, Inc. and CAC Holdings, Inc., were not audited in accordance with *Government Auditing Standards* as they did not receive any federal funding. Shepherd Place, Inc. had a separate audit completed that was in accordance with *Government Auditing Standards*.

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 Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates as of June 30, 2019, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

Emphasis of Matter

As discussed in Note 1 to the financial statements, Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates adopted the amendments in Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities – Presentation of Financial Statements for Not-for-Profit Entities*, as of and for the year ended June 30, 2019.

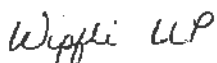
Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedules on pages 23 to 34 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2019, on our consideration of Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s internal control over financial reporting and compliance.



Wipfli LLP

November 25, 2019
Madison, Wisconsin

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Consolidated Statement of Financial Position

June 30, 2019

<i>Assets</i>	
Current assets:	
Cash	\$ 861,632
Restricted deposits	48,772
Certificates of deposit	501,944
Investments	3,580,335
Grants receivable	2,066,371
Accounts receivable	259,883
Other assets	31,121
Total current assets	7,350,058
Long-term assets:	
Beneficial interest in assets held by others	109,299
Other assets	107,987
Total long-term assets	217,286
Property and equipment, net	6,159,000
TOTAL ASSETS	\$ 13,726,344
<i>Liabilities and Net Assets</i>	
Current liabilities:	
Current portion of notes payable	\$ 228,795
Accounts payable	316,697
Accrued payroll and related expenses	1,252,153
Grant funds received in advance	44,959
Total current liabilities	1,842,604
Long-term liabilities:	
Notes payable	830,031
Fair value of interest rate swap agreement	50,635
Tenant security deposits	5,599
Capital advance - HUD	1,061,800
Total long-term liabilities	1,948,065
Total liabilities	3,790,669
Net assets:	
Without donor restrictions:	
Undesignated	4,085,104
Board designated	2,006,901
Board designated for endowment	88,307
Total net assets without donor restrictions	6,180,312
With donor restrictions	3,755,363
Total net assets	9,935,675
TOTAL LIABILITIES AND NET ASSETS	\$ 13,726,344

See accompanying notes to consolidated financial statements.

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Consolidated Statement of Activities

Year Ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:			
Grant revenue	\$ 25,475,587	\$ 499,530	\$ 25,975,117
Investment income	208,405	33,235	241,640
Other income	3,053,445	3,212	3,056,657
Donation of property and equipment	629,209	0	629,209
In-kind contributions	354,158	0	354,158
Net assets released from restriction	66,353	(66,353)	0
Total revenue	29,787,157	469,624	30,256,781
Expenses:			
Program activities:			
Child education	19,528,327	0	19,528,327
Community services	2,936,243	0	2,936,243
Weatherization services	3,376,696	0	3,376,696
Senior programs	241,702	0	241,702
Total program activities	26,082,968	0	26,082,968
Fund-raising	72,906	0	72,906
Management and general expenses	2,523,492	0	2,523,492
Total expenses	28,679,366	0	28,679,366
Change in net assets	1,107,791	469,624	1,577,415
Net assets - Beginning of year	5,072,521	3,285,739	8,358,260
Net assets - End of year	\$ 6,180,312	\$ 3,755,363	\$ 9,935,675

See accompanying notes to consolidated financial statements.

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Consolidated Statement of Functional Expenses
Year Ended June 30, 2019

	<u>Child Education</u>	<u>Community Services</u>	<u>Weatherization Services</u>	<u>Senior Programs</u>	<u>Total Program Activities</u>	<u>Management and General Expenses</u>	<u>Fund-raising</u>	<u>Total Expenses</u>
EXPENSES								
Salaries	\$ 8,112,765	\$ 924,618	\$ 333,132	\$ 67,028	\$ 9,437,543	\$ 1,312,532	\$ 25,619	\$ 10,775,694
Fringe benefits	3,311,637	468,717	142,445	32,140	3,954,939	371,304	11,635	4,337,878
Consultant/contractual	4,084,812	117,464	562,480	0	4,764,756	220,829	22,975	5,008,560
Space	994,260	154,226	38,054	51,615	1,238,155	312,563	5,926	1,556,644
Supplies	1,338,485	39,308	54,468	3,481	1,435,742	27,512	2,516	1,465,770
Travel	287,479	96,997	1,394	18,086	403,956	42,763	473	447,192
Communications and IT	281,134	57,696	12,681	1,465	352,976	135,488	1,367	489,831
Beneficiary assistance	57,892	1,057,815	2,231,645	12,654	3,360,006	0	200	3,360,206
Other	718,739	7,109	397	54,492	780,737	100,501	2,195	883,433
In-kind expenses	341,124	12,293	0	741	354,158	0	0	354,158
TOTAL EXPENSES	\$ 19,528,327	\$ 2,936,243	\$ 3,376,696	\$ 241,702	\$ 26,082,968	\$ 2,523,492	\$ 72,906	\$ 28,679,366

See accompanying notes to consolidated financial statements.

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Consolidated Statement of Cash Flows

Year Ended June 30, 2019

Increase (decrease) in cash:	
Cash flows from operating activities:	
Change in net assets	\$ 1,577,415
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	416,214
Donated property and equipment	(629,209)
Loss on disposal of equipment	57,672
Net realized and unrealized gain on investments	(171,653)
Net realized and unrealized gain on beneficial interest in assets held by others	(6,658)
Change in fair value of interest rate swap agreement	577
Changes in operating assets and liabilities:	
Restricted deposits	(7,404)
Grants receivable	(806,028)
Accounts receivable	28,808
Other assets	139,393
Accounts payable	(32,745)
Accrued payroll and related expenses	283,188
Grant funds received in advance	(98,096)
Tenant security deposits	165
Net cash provided by operating activities	751,639
Cash flows from investing activities:	
Purchase of investments	(366,542)
Purchase of certificates of deposit	(501,944)
Distribution from beneficial interest in assets held by others	529
Purchase of property and equipment	(367,762)
Net cash used in investing activities	(1,235,719)
Cash flows from financing activities:	
Payments on notes payable	(338,928)
Net cash used in financing activities	(338,928)
Change in cash	(823,008)
Cash - Beginning of year	1,684,640
Cash - End of year	\$ 861,632
Supplemental schedule of operating activities:	
Interest paid and expensed	\$ 71,152

See accompanying notes to consolidated financial statements.

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Operations

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. (CAC), a nonprofit organization, was established in 1965. CAC studies the causes and effects of poverty and, in turn, creates opportunities for individuals and families, which enable them to become self-sufficient members of the community. Approximately 77% of CAC's grant funding is received under its federal Head Start grants.

Shepherd Place, Inc. (the "Project") is a 20-unit apartment facility for the elderly and handicapped located in Carlisle, Kentucky. It is operated under Section 202 of the National Housing Act and regulated by the U.S. Department of Housing and Urban Development (HUD) with respect to rental charges and operating methods. The Project also receives Section 8 Housing Assistance payments from HUD. A significant portion of the Project's rental income is received from HUD.

WinterCare Energy Fund, Inc. ("WinterCare") was formed in 1983 to provide energy assistance to individuals demonstrating need in Kentucky. Program funding is by donations from individuals and utility companies.

CAC Holdings, Inc. is a wholly owned subsidiary of CAC formed in 2018. CAC Holdings, Inc. had no assets as of June 30, 2019, or any activity during the fiscal year ended to June 30, 2019.

Basis of Presentation

The consolidated financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Principles of Consolidation

These financial statements are consolidated and include the accounts of Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc., Shepherd Place, Inc., WinterCare Energy Fund, Inc., and CAC Holdings, Inc. (the "Organizations"). CAC Holdings, Inc. is wholly owned by CAC. The other Organizations are nonprofits that share some common board members with CAC and are operated by the management team of CAC. All material intercompany transactions and accounts are eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Classification of Net Assets

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

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Classification of Net Assets (Continued)

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations or where donor-imposed stipulations are met in the year of the contribution. The governing board has designated, from net assets without donor restrictions, a board-designated endowment and a board-designated reserve to be used for future operations.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations that may or may not be met, either by actions of the Organizations and/or the passage of time. Other donor-imposed stipulations are perpetual in nature, where the donor stipulates the resources be maintained in perpetuity. When a restriction expires, net assets with donor restrictions are transferred to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Currently, the Organizations do not have any net assets that are perpetual in nature.

Revenue Recognition

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are 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 as net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restriction. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Grants are recorded as either contributions or exchange transactions based on criteria contained in the grant award.

A. Grant Awards That Are Contributions

Grants that qualify as contributions are recorded as invoiced to the funding sources. Revenue is recognized in the accounting period when the related expenses are incurred. Amounts received in excess of expenses are reflected as grant funds received in advance.

B. Grant Awards That Are Exchange Transactions

Exchange transactions reimburse based on a predetermined rate for services performed. The revenue is recognized in the period the service is performed. Amounts received in excess of those earned are reflected as deferred revenue.

Other income primarily consists of daycare revenue, and amounts received from individuals, companies, and governmental sources in conjunction with grant activities and are reported as revenue when earned.

Investments

Investments are recorded at fair value as determined in an active market. Realized and unrealized gains and losses are recognized as investment income in the consolidated statement of activities. Investment fees, if any, are netted with return.

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Accounts Receivable

Accounts receivable consist primarily of various amounts due from other entities. Receivables are reviewed for collectability by management, and an allowance for doubtful accounts is recorded as needed based on collection history and customer attributes. Management considers these receivables to be collectible; therefore, no allowance for uncollectible amounts has been recorded.

Property and Equipment

Property and equipment are capitalized at cost and depreciated over their estimated useful life using the straight-line method. Leasehold improvements are depreciated over the lesser of the lease term or the economic useful life of the improvement using the straight-line method. The Organizations consider property and equipment to be items with a cost of \$5,000 or more and a useful life of over one year. During the year ended June 30, 2019, CAC also recorded a donation of property of \$629,209 for buildings and equipment received as part of the new Head Start grant award for 8 new counties in Kentucky. The former recipient of the Head Start program in those counties transferred certain property that they had purchased with Head Start funding. The donation was recorded at fair value.

Property and equipment purchased with grant funds are owned by the Organizations while used in the program for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the property and equipment purchased with grant funds. Its disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations. Property and equipment purchased with grant funds, net of depreciation, was \$5,598,375 at June 30, 2019.

Income Taxes

CAC, Shepherd Place and Wintercare are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and are also exempt from Kentucky state income tax. CAC Holdings, Inc. is a wholly owned LLC and for tax purposes is treated as a disregarded entity and is included on CAC's tax return.

The Organizations are required to assess whether it is more likely than not that a tax position will be sustained upon examination on the technical merits of the position assuming the taxing authority has full knowledge of all information. If the tax position does not meet the more likely than not recognition threshold, the benefit of that position is not recognized in the consolidated financial statements. The Organizations have determined there are no amounts to record as assets or liabilities related to uncertain tax positions.

Derivative Instrument

CAC holds a derivative financial instrument to manage risk related to interest rate movements. The interest rate swap contract, designated and qualifying as a cash flow hedge, is reported at fair value. The gain or loss on the effective portion of the hedge is included in the consolidated statement of activities. CAC documents its risk management strategy and hedge effectiveness at the inception of and during the term of each hedge.

CAC's interest rate risk management strategy is to stabilize cash flow requirements by maintaining an interest rate swap contract to convert variable-rate debt to a fixed rate.

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

In-Kind Contributions

CAC has recorded in-kind contributions for space, supplies, and professional services in the consolidated statement of activities in accordance with generally accepted accounting principles (GAAP). Those standards require that only contributions of service received which create or enhance a nonfinancial asset or require specialized skill by the individual possessing those skills and would typically need to be purchased if not provided by donation be recorded. The requirements of GAAP are different than the in-kind requirements of several of CAC's grant awards. CAC received in-kind contributions from partner agencies for teaching staff, space, transportation, and other operating costs that were not reimbursed by CAC. CAC also received in-kind contributions for nonprofessional volunteers, food, and clothing during the year with a value of approximately \$3,500,000, primarily for its Head Start, Senior Services, Community Service Block Grant, and Housing programs, which is not recorded in the consolidated statement of activities.

Functional Allocation of Costs

The cost of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities and consolidated statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Personnel costs are allocated based on time and effort reporting. Space and related costs are allocated based on square footage. Communications and IT costs are allocated based on devices by program and by location.

Change in Accounting Policy

In 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities* (Topic 958). This ASU provides certain improvements in financial reporting for not-for-profit organizations and requires changes to net asset classification, enhancements to liquidity presentation and disclosures, presentation of an analysis of expenses by function and by nature, netting of investment expenses with return, among other changes. The guidance was adopted effective July 1, 2018.

New Accounting Pronouncements

In 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* (Topic 606). This ASU, as amended, provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures. The new standard replaces the current revenue recognition requirements and most industry-specific guidance. When adopted, the amendments in this ASU must be applied using one of two retrospective methods. ASU No. 2014-09 is effective for nonpublic entities for annual periods beginning after December 15, 2018. CAC is currently evaluating the impact of the provisions of ASU Topic 606.

On June 21, 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this update will assist entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements (Continued)

transactions) or as exchange (reciprocal) transactions and determining whether a transaction is conditional. The amendments for transactions in which the entity serves as the resource recipient are applicable to annual periods beginning after December 15, 2018, and the amendments for transactions in which the entity serves as resource provider are applicable to annual periods beginning after December 15, 2019. CAC is currently evaluating the impact of the provisions of ASU Topic 958.

Note 2: Concentration of Credit Risk

The Organizations maintain cash balances at several financial institutions. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. During the year, balances at one bank exceeded FDIC coverage. Management believes this financial institution has a strong credit rating and credit risk related to these deposits is minimal. In addition, CAC's certificates of deposit are in different financial institutions with each certificate of deposit covered by FDIC.

Note 3: Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions or designations limiting their use, within twelve months of the consolidated statement of financial position date, comprise the following as of June 30, 2019:

Cash	\$ 687,236
Certificates of deposit	501,944
Grants receivable	2,066,372
Accounts receivable	259,883
Subtotal financial assets	3,515,435
Less: Liabilities to be paid with available financial assets	(1,378,348)
Less: Grant funds received in advance	(44,959)
Less: Restricted program contributions included in cash	(82,038)
Less: Board designated operating reserves	(1,976,901)
<u>Total</u>	<u>\$ 33,189</u>

CAC does not have a formal liquidity policy. However, the board has designated \$2,006,901 of reserves which approximate one month of operating expenses. The board can approve the use of these designated reserves if they are needed. The Board of Directors for CAC has given authority to the Executive Director and CFO, acting jointly, to access \$30,000 of the board designated reserve for situations that may arise which are outside the course of normal operations and traditional funding parameters. CAC has the ability to rely on a lower cash balance as they are primarily funded with cost reimbursement grants. Under cost reimbursement grants, once expenses are incurred, an organization can request reimbursement from the funding source. Their grants have varying renewal dates. CAC has grant commitments for future expenses over \$15,000,000. In addition, CAC has one line of credit available for cash flow needs up to \$750,000 as further described in Note 10.

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 4: Restricted Deposits

Under the terms of the Regulatory Agreement the Project has with HUD, the Project is required to set aside specified amounts for the replacement of property and other project expenditures as approved by HUD. Restricted funds at June 30, 2019, are composed of the following:

Escrow fund	\$ 4,895
Reserve for replacement	38,231
Residual receipts	47
Tenant security deposits	5,599
<hr/>	
Total	\$ 48,772

Note 5: Grants Receivable

The grants receivable balance represents amounts due as of June 30, 2019, as follows:

Direct federal programs	\$ 1,094,176
State and local programs	972,195
<hr/>	
Total	\$ 2,066,371

Note 6: Investments

CAC has a health insurance trust for self-funded health insurance costs of CAC. The allocation of investments in the trust at June 30, 2019, was less than 1% in a money market fund, 59% fixed income, 2% in a real estate investment trust, and 39% in equities. The health insurance trust investments of \$2,156,521 are carried at fair value.

CAC also participates in an investment pool with seven other nonprofits to self-fund unemployment insurance claims. The fair value of CAC's portion of the investment pool at June 30, 2019, was \$1,423,814 and represents approximately 17% of the pooled investment total. The fair value of the investment pool at June 30, 2019, was \$8,626,406. The allocation of the investments in the pool at June 30, 2019, was less than 1% in a money market fund, 6% in a real estate investment trust, 40% fixed income, and 54% equities.

Investment income for the year ended June 30, 2019, included interest and dividends of \$56,493 and a net realized and unrealized gain of \$171,653 for these investments and \$6,658 of unrealized gain related to the endowments disclosed in Note 7. In addition, interest income on cash and certificates of deposit was \$6,836 for the year ended June 30, 2019.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 7: Beneficial Interest in Assets Held by Others

When assets are held by an unrelated, not-for-profit organization solely for the benefit of another not-for-profit (beneficiary) organization, an asset is recorded on the beneficiary not-for-profit organization's financial statements. The Blue Grass Community Foundation holds assets for the benefit of CAC. CAC has recorded these assets on the consolidated statement of financial position as a long-term asset with a corresponding net asset with donor restrictions for the Community Action Council RSVP balance and net asset without donor restrictions for the Community Action Council balance. Any change in the net asset value during the fiscal period is to be recorded in the consolidated statement of activities as an increase or decrease in net assets.

The balance at June 30, 2019, consists of the following:

Community Action Council RSVP	\$	20,992
Community Action Council		88,307
<u>Total</u>	<u>\$</u>	<u>109,299</u>

Note 8: Endowments

The Board of Directors follows the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as it is the relevant state law governing its endowment funds. The Board of Directors has interpreted UPMIFA as allowing the appropriation for expenditures for the purposes for which the endowment was established, the net appreciation, realized and unrealized, in the fair value of the endowment fund over the historic dollar value of the fund. The Board of Directors believes this is prudent under ordinary business care considering the facts and considers circumstances prevailing at the time action is taken.

The RSVP endowment fund was established by a previous RSVP volunteer. This endowment is for the benefit of the grantee of the RSVP grant. CAC transferred \$55,000 to Blue Grass Community Foundation (BGCF) to establish the second fund, with the anticipation that other donations received by BGCF would be added to this fund. CAC's agreement with BGCF states that BGCF is responsible for the investment and administration of the funds. Each January, 5% of the rolling 12-month average is placed in liquid funds that may be withdrawn or reinvested.

Changes in endowment funds were as follows:

	Board-Designated (Without Donor Restriction)	Donor-Designated (With Donor Restriction)	Total
Endowments at July 1, 2018	\$ 82,669	\$ 20,501	\$ 103,170
Distributions	(427)	(102)	(529)
Net appreciation	6,065	593	6,658
<u>Endowments at June 30, 2019</u>	<u>\$ 88,307</u>	<u>\$ 20,992</u>	<u>\$ 109,299</u>

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 9: Property and Equipment

A summary of property and equipment is as follows:

Land	\$ 636,250
Land improvements	160,443
Building and improvements	8,012,402
Equipment	1,422,027
Subtotal	10,231,122
Accumulated depreciation	(4,072,122)
Total	\$ 6,159,000

Note 10: Line of Credit

CAC has an available line of credit in the amount of \$750,000 with Central Bank & Trust Co. with a maturity date of December 25, 2019. The interest rate on the line of credit is variable at the prime rate with a floor of 5%. The rate was 5.25% at June 30, 2019. There was no outstanding balance on the line of credit as of June 30, 2019. The line of credit is secured by three properties.

Note 11: Capital Advance - HUD

The Project was financed principally by a HUD capital advance mortgage note ("Note") in the amount of \$1,061,800, payable to HUD. The Note bears no interest and repayment is not required so long as the housing remains available for very low-income elderly persons in accordance with the regulatory agreements and regulations.

The Note may not be prepaid prior to the maturity date without the prior written approval of HUD. Provided that (1) the housing has remained available for occupancy by eligible persons until the maturity date of the Note, and (2) the Note has not otherwise become due and payable by reason of default under the Note, mortgage or regulatory agreement or regulations, the Note will be considered to be paid in full and discharged at maturity, February 1, 2034.

If the Note is considered in default under the terms of the Note, mortgage, the regulatory agreement or the regulations, at the option of the holder of the Note, HUD may take possession of the project, collect all rents and charges in connection of the project, declare the entire principal due and foreclose on the mortgage, apply any court, Federal or State, sanctions, and/or terminate the Project Rental Assistance Contract. The holder of the Note is required to give written notice of such default and the Project has 30 days to correct such default. If the default is not corrected within 30 days, HUD may proceed to correct the violation.

The Note, in its principal amount, is reflected on the consolidated statement of financial position as long-term debt until such time as the HUD capital advance Note expires. Although management currently intends to comply with all Note provisions over the term of the Note, management believes that the possibility that repayment may occur is other than remote; therefore, believes recognition of the Note as long-term debt is the appropriate treatment.

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 12: Derivative Instrument

CAC maintains an interest rate swap agreement with a financial institution. Under the terms of this arrangement; the parties, in effect, pay each other's interest cost on the underlying debt. The arrangement has the effect of controlling CAC's interest rate risk in a rising interest rate environment. At June 30, 2019, the interest rate swap had a notional amount of \$790,000 with interest fixed at 3.74% and expires November 2023.

The interest rate swap was issued at market terms; therefore, had no fair value at inception. The notional amount changes with quarterly payments. The carrying amounts of the interest rate swap has been adjusted to fair value as of June 30, 2019 which, because of changes in forecasted levels of The Bond Market Association, Municipal Swap Index, resulted in reporting a liability for the fair value of the future net payments forecasted under the interest rate swap of \$50,635. Adjustments to the carrying amount of the interest rate swap are reported as other income.

Note 13: Notes Payable

A summary of notes payable at June 30, 2019, is as follows:

Revenue bond payable, fixed at 3.74% through an interest rate swap agreement with interest paid quarterly and principal paid annually, due November 2023. The bond is secured by real estate known as the Administrative and Support Services Center located on High Street in Lexington Kentucky and the Fayette West Center located on Cambridge Drive in Lexington, Kentucky.	\$ 910,000
Note payable at a fixed rate of 4.25%, with monthly principal and interest payments of \$2,004, due September 2022. The note is secured by two school buses.	78,948
Note payable with interest at 0% and monthly payments of \$1,934, due February 2020. The note is secured by phone equipment.	33,648
Note payable at a fixed rate of 3.3% interest, with monthly payments of \$466, due May 2022. The note is secured by a vehicle.	15,531
Note payable at a fixed rate of 3.3% interest, with monthly payments of \$621, due May 2022. The note is secured by a vehicle.	20,699
Total notes payable	1,058,826
Current portion	(228,795)
Long-term notes payable	\$ 830,031

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 13: Notes Payable (Continued)

The future maturities of notes payable at June 30, 2019 are as follows:

2020	\$	228,795
2021		201,581
2022		217,004
2023		186,446
2024		225,000
<u>Total long-term notes payable</u>		<u>\$ 1,058,826</u>

Note 14: Net Assets With Donor Restrictions

Net assets with donor restrictions as of June 30, 2019, consist of the following:

Self-funded health insurance trust	\$	2,224,782
Unemployment insurance trust		1,427,550
Beneficial interest in assets held by others		20,992
Other		82,039
<u>Total net assets with donor restrictions</u>		<u>\$ 3,755,363</u>

These net assets are either restricted by time or purpose. When the restriction is met, the net assets are released from restriction. For the year ended June 30, 2019, \$66,353 was released from restriction with the purpose restrictions were met.

Note 15: Operating Leases

CAC leases various facilities and equipment for the operation of its programs under operating leases. Rent expense for the year ended June 30, 2019, was \$117,063. Future minimum lease payments beyond 2019 are as follows:

2020	\$	98,901
2021		57,551
2022		51,851
2023		43,704
2024		37,056
<u>Thereafter</u>		<u>53,956</u>
<u>Total</u>	<u>\$</u>	<u>343,019</u>

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 16: Retirement

CAC offers its employees a defined contribution retirement plan. The plan is open to all employees. An employee may begin contributions to the plan upon employment. CAC contributes 8% of gross wages to the plan for qualified employees after one year of employment. CAC's contribution vests over a period of five years. CAC's contributions to the plan for the year ended June 30, 2019, were \$648,281.

Note 17: Fair Value Measurements

Financial accounting standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, CAC uses various valuation methods including the market, income, and cost approaches. The assumptions used in the application of these valuation methods are developed from the perspective of market participants pricing the asset or liability. Inputs used in the valuation methods can be either readily observable, market-corroborated, or generally unobservable inputs.

Whenever possible CAC attempts to utilize valuation methods that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation methods, CAC is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Assets and liabilities measured, reported and/or disclosed at fair value will be classified and disclosed in one of the following three categories:

Level 1 - Quoted market prices in active markets for identical assets or liabilities.

Level 2 - Observable, market-based inputs or unobservable inputs that are corroborated by market data.

Level 3 - Unobservable inputs that are not corroborated by market data.

Following is a description of the valuation methodology used for each asset and liability measured at fair value on a recurring basis:

- Money market funds are valued using other market data.
- The interest rate swap was valued using a discounted cash flow model that utilizes observable market data, such as market interest rates and interest rate curves.
- Endowment funds held by Foundation are valued using amounts provided by the Blue Grass Community Foundation.

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 17: Fair Value Measurements (Continued)

Information regarding the fair value of assets measured at fair value on a recurring basis as of June 30, 2019, is as follows:

Assets Measured at Fair Value	Recurring Fair Value Measurements Using			Significant Unobservable Inputs (Level 3)
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)		
CAC share of unemployment investment pool:				
Money market	\$ 9,576	\$ 0	\$ 9,576	\$ 0
Fixed income	566,369	566,369	0	0
REIT	83,679	83,679	0	0
Equities	764,190	764,190	0	0
Investments held by health trust:				
Money market	10,297	0	10,297	0
Fixed income	1,272,804	1,272,804	0	0
REIT	41,779	41,779	0	0
Equities	831,641	831,641	0	0
Total investments	3,580,335	3,560,462	19,873	0
Endowment funds held by Foundation	109,299	0	0	109,299
Total assets	\$ 3,689,634	\$ 3,560,462	\$ 19,873	\$ 109,299
Liability – Interest rate swap	\$ 50,635	\$ 0	\$ 50,635	\$ 0

Changes in the fair value of the investments held by trust endowment funds are recorded as investment income in the consolidated statement of activities. The following is a reconciliation of the beginning and ending balances of CAC's assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during the year ended June 30, 2019:

Endowment funds – Beginning of year	\$ 103,170
Distributions	(529)
Net realized and unrealized gain	6,658
Endowments funds – End of year	\$ 109,299

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Notes to Consolidated Financial Statements

Note 18: Commitments and Contingencies

At June 30, 2019, CAC had commitments under various ongoing grant awards of approximately \$15,000,000. The revenue relating to these grants is not recognized in the accompanying consolidated financial statements because the revenue recognition is conditional on the incurrence of expenditures or the performance of services in the next fiscal year.

CAC is subject to various claims and legal matters arising in the normal course of business. In the opinion of management, all such matters are adequately covered by insurance and, if not so covered, are without merit or would not have a material adverse effect on the financial statements if an unfavorable settlement was reached.

CAC entered into a \$366,550 contract for construction contract administration services at Winburn Drive. As of June 30, 2019, CAC has recorded approximately \$19,125 of expenses relating to the construction contract administration services.

Note 19: Subsequent Events

Subsequent events have been evaluated through November 25, 2019, which is the date the financial statements were available to be issued. The following information summarizes significant events that occurred after June 30, 2019.

In September 2019, CAC entered into a construction contract for renovations at 1169 Winburn Drive. The renovation costs will be paid for with Office of Head Start grant award funds.

Supplementary Information

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.

Schedule A-1

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2019

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Pass-Through Entity Identifying Number	Pass-Through Subrecipients	Federal Expenditures
DEPARTMENT OF AGRICULTURE				
Passed-Through the Kentucky Department of Education				
Child and Adult Care Food Program	10.558	N/A	\$ 0	\$ 534,578
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Funding				
Project Independence	14.267	KY0165L4I021601	0	170,767
Project Independence		KY0165L4I021702	0	165,456
Crisis Housing Support - Youth		KY0182L4I001700	0	5,219
Crisis Housing Support - Rural		KY0212L4I021800	0	9,492
Total Federal Expenditures CFDA #14.267			0	350,934
Passed-Through the Kentucky Housing Corporation				
Continuum of Care/Bourbon County	14.235	KY0008L4I001609	0	46,386
Continuum of Care/Bourbon County		KY0008L4I001710	0	162,115
Samaritan		KY0022L4I001609	0	23,677
Samaritan		KY0022149I001710	0	94,296
Public Housing - Bonus		KY0113L4I001604	0	178,402
Public Housing - Bonus		KY0113L4I001705	0	207,494
Total Federal Expenditures CFDA #14.235			0	712,370
Passed-Through the Kentucky Housing Corporation				
TBRA	14.239	TB18-0553-01	0	43,195
TBRA		TB18-0553-01	0	25,455
Total Federal Expenditures CFDA #14.239			0	68,650
Passed-Through Lexington Fayette Urban County Government				
Emergency Shelter Grant	14.231	ES15-0128-01	0	7,358
Passed-Through the Kentucky Housing Corporation				
Emergency Shelter Grant - Rural		ES17-0128-01	0	11,873
Total Federal Expenditures CFDA #14.231			0	19,231
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			0	1,151,185
DEPARTMENT OF ENERGY				
Passed-Through the Kentucky Housing Corporation				
DOE-Weatherization Assistance	81.042	WX19-0603-02	0	232,641
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed-Through Community Action Kentucky				
Low-Income Home Energy Assistance	93.568	736-1800001946	0	1,627,487
Passed-Through the Kentucky Housing Corporation				
Low-Income Home Weatherization Assistance Program		LH19-0603-02	0	328,325
Total Federal Expenditures CFDA #93.568			0	1,955,812

See Independent Auditor's Report.

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.

Schedule A-2

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2019

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	CFDA Number	Pass-Through Entity Identifying Number	Pass-Through Subrecipients	Federal Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed-Through the Kentucky Cabinet for Health and Family Services				
Community Services Block Grant	93.569	PON2 736 1800001929	0	665,687
Project Life	93.674	PON2 736 1800001787	0	607,296
Direct Funding				
Head Start	93.600	04CH475404	0	1,029,072
Head Start		04CH475405	0	6,898,726
Early Head Start		04CH475404	0	480,785
Early Head Start		04CH475405	0	3,436,419
Migrant Head Start		90CM982003	0	629,040
Migrant Head Start		90CM982004	0	2,455,749
EHS-CCP (Partnering for Excellence)		04HP003003	0	550,164
EHS-CCP (Partnering for Excellence)		04HP003004	0	1,699,220
South Central Head Start		04CH010721	0	1,877,149
South Central Early Head Start		04CH010721	0	826,859
Migrant and Seasonal Head Start Expansion		90HM000012	0	5,161
Total Federal Expenditures CFDA #93.600			0	19,888,344
Direct Funding				
SAMHSA	93.243	17TI080386	0	90,903
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			0	23,208,042
CORPORATION FOR NATIONAL & COMMUNITY SERVICE				
Direct Funding				
Retired Senior Volunteer Program 2018	94.002	17RSKY001	0	54,734
Retired Senior Volunteer Program 2019		17RSKY001	0	19,837
Total Federal Expenditures CFDA #94.002			0	74,571
Direct Funding				
Foster Grandparent/Senior Companion Cluster				
Foster Grandparents Program 2018	94.011	17SFSKY001	0	91,898
Foster Grandparents Program 2019		17SFSKY001	0	33,122
Total Federal Expenditures CFDA #94.011, 94.016			0	125,020
TOTAL CORPORATION FOR NATIONAL & COMMUNITY SERVICE			0	199,591
TOTAL FEDERAL EXPENDITURES			\$ 0	\$ 25,326,037

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.

Schedule A-3
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

Notes to Schedule of Expenditures of Federal Awards

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3 - Indirect Cost Rate

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance. Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. has an indirect rate that has been approved by the U.S. Department of Health and Human Services (DHHS).

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Schedule B

Consolidating Statement of Financial Position

June 30, 2019

	Community Action Council	Shepherd Place	WinterCare Energy Fund	Eliminations	Consolidated Balance
Current assets:					
Cash	\$ 770,006	\$ 17,067	\$ 74,559	\$ 0	\$ 861,632
Restricted deposits	0	48,772	0	0	48,772
Certificates of deposit	501,944	0	0	0	501,944
Investments	3,580,335	0	0	0	3,580,335
Grants receivable	2,066,371	0	0	0	2,066,371
Accounts receivable	151,245	0	110,295	(1,657)	259,883
Other assets	31,121	0	0	0	31,121
Total current assets	7,101,022	65,839	184,854	(1,657)	7,350,058
Long-term assets:					
Beneficial interest in assets held by others	109,299	0	0	0	109,299
Other assets	107,987	0	0	0	107,987
Total long-term assets	217,286	0	0	0	217,286
Property and equipment, net	5,826,803	332,197	0	0	6,159,000
TOTAL ASSETS	\$ 13,145,111	\$ 398,036	\$ 184,854	(\$ 1,657)	\$ 13,726,344
Current liabilities:					
Current portion of notes payable	\$ 228,795	\$ 0	\$ 0	\$ 0	\$ 228,795
Accounts payable	276,658	18,723	22,973	(1,657)	316,697
Accrued payroll and related expenses	1,252,153	0	0	0	1,252,153
Grant funds received in advance	44,959	0	0	0	44,959
Total current liabilities	1,802,565	18,723	22,973	(1,657)	1,842,604
Long-term liabilities:					
Notes payable	830,031	0	0	0	830,031
Fair value of interest rate swap agreement	50,635	0	0	0	50,635
Tenant security deposits	0	5,599	0	0	5,599
Capital advance - HUD	0	1,061,800	0	0	1,061,800
Total long-term liabilities	880,666	1,067,399	0	0	1,948,065
Total liabilities	2,683,231	1,086,122	22,973	(1,657)	3,790,669
Net assets:					
Without donor restrictions (deficit)	6,706,517	(688,086)	161,881	0	6,180,312
With donor restriction	3,755,363	0	0	0	3,755,363
Total net assets (deficit)	10,461,880	(688,086)	161,881	0	9,935,675
TOTAL LIABILITIES AND NET ASSETS	\$ 13,145,111	\$ 398,036	\$ 184,854	(\$ 1,657)	\$ 13,726,344

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Schedule C

Consolidating Statement of Activities

Year Ended June 30, 2019

	Community Action Council	Shepherd Place	Wintercare Energy Fund	Eliminations	Consolidated Balance
Revenue:					
Grant revenue	\$ 25,975,117	\$ 0	\$ 0	\$ 0	\$ 25,975,117
Investment income	241,556	84	0	0	241,640
Other income	2,767,701	109,998	325,808	(146,850)	3,056,657
Donation of property and equipment	629,209	0	0	0	629,209
In-kind contributions	354,158	0	0	0	354,158
Total revenue	29,967,741	110,082	325,808	(146,850)	30,256,781
Expenses:					
Salaries	10,775,694	0	0	0	10,775,694
Fringe benefits	4,337,878	0	0	0	4,337,878
Consultants/contractual	5,008,560	0	0	0	5,008,560
Space	1,508,041	48,603	0	0	1,556,644
Supplies	1,465,770	0	0	0	1,465,770
Travel	447,192	0	0	0	447,192
Communications and IT	489,831	0	0	0	489,831
Beneficiary assistance	3,215,888	0	230,782	(86,464)	3,360,206
Other	849,131	71,652	23,036	(60,386)	883,433
In-kind expenses	354,158	0	0	0	354,158
Total expenses	28,452,143	120,255	253,818	(146,850)	28,679,366
Change in net assets	1,515,598	(10,173)	71,990	0	1,577,415
Net assets (deficit) - Beginning of year	8,946,282	(677,913)	89,891	0	8,358,260
Net assets (deficit) - End of year	\$ 10,461,880	(\$ 688,086)	\$ 161,881	\$ 0	\$ 9,935,675

**Community Action Council for Lexington-Fayette
Bourbon, Harrison & Nicholas Counties, Inc.**

Low Income Housing Energy Assistance Program (LIHEAP)

Contract # 736 1800001946

Sub Contract # LIHEAP-013

CFDA # 93.568

Schedule of Budget and Actual Expenses

For the Year Ended June 30, 2019

Cost Category	Budget	Actual	(Over) Under Budget
ADMINISTRATIVE			
Indirect cost allocation	\$ 291,830	\$ 143,068	\$ 148,762
BENEFITS			
Subsidy	355,352	355,352	-
Crisis	2,563,253	1,129,067	1,434,186
TOTAL	<u>\$ 3,210,435</u>	<u>\$ 1,627,487</u>	<u>\$ 1,582,948</u>

**Community Action Council for Lexington-Fayette
Bourbon, Harrison & Nicholas Counties, Inc.**

Low Income Housing Energy Assistance Program (LIHEAP)

Contract # 736 1800001946

Sub Contract # LIHEAP-013

CFDA # 93.568

Schedule of Program Expenses

For the Year Ended June 30, 2019

Cost Category	Amount
ADMINISTRATIVE	
Indirect cost allocation	\$ 143,068
BENEFITS	
Subsidy	355,352
Crisis	
Benefits	1,075,314
Energy counseling	53,753
	<hr/>
TOTAL EXPENSES	1,627,487
LESS QUESTIONED COSTS	<hr/> -
TOTAL ALLOWABLE COSTS	1,627,487
CONTRACT PAYMENT RECEIVED as of JUNE 30, 2019	<hr/> 1,627,487
UNDER/(OVER) PAYMENT	<hr/> <hr/> \$ -

**Community Action Council for Lexington-Fayette
Bourbon, Harrison & Nicholas Counties, Inc.**

Low Income Housing Energy Assistance Program (LIHEAP)

Contract # 736 1800001946

Sub Contract # LIHEAP-013

CFDA # 93.568

Schedule of Questioned Costs

For the Year Ended June 30, 2019

Cost Category	Actual Expenses	Questioned Costs	Allowable Costs
ADMINISTRATIVE			
Indirect cost allocation	\$ 143,068	\$ -	\$ 143,068
BENEFITS			
Subsidy	355,352	-	355,352
Crisis	1,129,067	-	1,129,067
TOTAL	<u>\$ 1,627,487</u>	<u>\$ -</u>	<u>\$ 1,627,487</u>

**Community Action Council for Lexington-Fayette
Bourbon, Harrison & Nicholas Counties, Inc.**

**LIHEAP Weatherization
Contract # LH19-0603-02
Sub Contract # LHWX-013
CFDA # 93.568**

Schedule of Budget and Actual Expenses

For the Year Ended June 30, 2019

Cost Category	Budget	Actual	(Over) Under Budget
Administration	\$ 38,329	\$ 31,198	\$ 7,131
Wx materials	125,000	31,606	93,394
Wx program support	180,000	143,133	36,867
Wx labor	178,595	33,669	144,926
H&S materials	80,000	40,378	39,622
H&S labor	109,728	52,765	56,963
Liability insurance	3,076	-	3,076
TOTAL	\$ 714,728	\$ 332,749	\$ 381,979
Refund Due to LIHEAP Wx at 06/30/2019		4,424	
Invoiced and Paid at 06/30/2019		<u>\$ 328,325</u>	

**Community Action Council for Lexington-Fayette
Bourbon, Harrison & Nicholas Counties, Inc.**

Department of Energy Weatherization

Contract # WX19-0603-02

Sub Contract # DOEWX-013

CFDA # 81.042

Schedule of Budget and Actual Expenses

For the Year Ended June 30, 2019

Cost Category	Budget	Actual	(Over) Under Budget
Administration	\$ 28,810	\$ 28,346	\$ 464
Wx materials	63,000	59,231	3,769
Wx program support	70,000	66,343	3,657
Wx labor	65,911	64,840	1,071
H&S materials	9,250	7,112	2,138
H&S labor	10,750	9,010	1,740
T&TA	23,131	1,616	21,515
TOTAL	\$ 270,852	\$ 236,498	\$ 34,354
Refund Due to LIHEAP Wx at 06/30/2019		3,857	
Invoiced and Paid at 06/30/2019		<u>\$ 232,641</u>	

**Community Action Council for Lexington-Fayette
Bourbon, Harrison & Nicholas Counties, Inc.**

**Healthy Meals on a Budget
Fund 4400**

**Through Contract with LFUCG
Schedule of Budget and Actual Expenses**

For the Year Ended June 30, 2019

Cost Category	Budget	Actual	(Over) Under Budget
Carryover from Prior Year	\$ 8,528	\$ -	\$ 8,528
Salaries & fringe	2,547	6,348	(3,801)
Occupancy costs	478	337	141
Program supplies	7,700	12,526	(4,826)
Other expenses	315	357	(42)
TOTAL	\$ 19,568	\$ 19,568	\$ -

**Community Action Council for Lexington-Fayette
Bourbon, Harrison & Nicholas Counties, Inc.**

ECCO Plus

Fund 4358

Through Contract with LFUCG

Schedule of Budget and Actual Expenses

For the Year Ended June 30, 2019

Cost Category	Budget	Actual	(Over) Under Budget
Salaries & fringe	\$ 4,585	\$ 2,998	\$ 1,587
Travel	6,000	4,510	1,490
Program supplies	155	288	(133)
Client benefits	3,060	2,578	482
Insurance & bonding	50	-	50
Training expenses	11,920	15,626	(3,706)
Other costs	230	-	230
TOTAL	\$ 26,000	\$ 26,000	\$ -

**Community Action Council for Lexington-Fayette
Bourbon, Harrison & Nicholas Counties, Inc.**

Housing Navigator

Fund 4350

Through Contract with LFUCG

Schedule of Budget and Actual Expenses

For the Year Ended June 30, 2019

Cost Category	Budget	Actual	(Over) Under Budget
Salaries & fringe	\$ 119,446	\$ 80,336	\$ 39,110
Travel	2,616	1,992	624
Program supplies	5,400	471	4,929
Contracts	6,500	6,935	(435)
Client benefits	4,050	2,057	1,993
Insurance & bonding	1,466	-	1,466
Training expenses	1,000	-	1,000
Indirect costs	19,014	13,356	5,658
Other costs	16,667	13,196	3,471
TOTAL	\$ 176,159	\$ 118,343	\$ 57,816

**Community Action Council for Lexington-Fayette
Bourbon, Harrison & Nicholas Counties, Inc.**

**LFUCG Emergency Family Housing Grant
Fund 4360**

**Through Contract with LFUCG
Schedule of Budget and Actual Expenses**

For the Year Ended June 30, 2019

Cost Category	Budget	Actual	(Over) Under Budget
Prior Year Carryover of Funds	\$ 35,724	\$ -	\$ 35,724
Salaries & Fringe	16,954	23,638	(6,684)
Travel	650	1,203	(553)
Program supplies	2,650	1,230	1,420
Client benefits	48,525	69,058	(20,533)
Insurance & bonding	286	518	(232)
Training expenses	2,835	1,800	1,035
Indirect costs	14,084	16,306	(2,222)
Other costs	6,016	13,971	(7,955)
TOTAL	\$ 127,724	\$ 127,724	\$ -

**Community Action Council for Lexington-Fayette
Bourbon, Harrison & Nicholas Counties, Inc.**

**Emergency Shelter Grant
ES15-0128-01
FUND 2351 - Year 1 of a 2 Year Award
CFDA 14.231
Through Contract with LFUCG
Schedule of Budget and Actual Expenses**

For the Year Ended June 30, 2019

Cost Category	Budget	Actual	(Over) Under Budget
Salaries & Fringe	\$ 21,774	\$ 1,925	\$ 19,849
Client benefits	36,183	4,604	31,579
Insurance & bonding	409	-	409
Indirect costs	7,162	829	6,333
Other costs	2,339	-	2,339
TOTAL	\$ 67,867	\$ 7,358	\$ 60,509



Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Board of Directors
Community Action Council for Lexington-Fayette, Bourbon,
Harrison, and Nicholas Counties, Inc.
Lexington, Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities, functional expenses and cash flows for the year ended June 30, 2019, and the related notes to the consolidated financial statements, and have issued our report thereon dated November 25, 2019. The financial statements of WinterCare Energy Fund, Inc. and CAC Holdings, Inc. were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with those entities.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wipfli LLP

Wipfli LLP

November 25, 2019
Madison, Wisconsin



Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance

Board of Directors
Community Action Council for Lexington-Fayette, Bourbon,
Harrison, and Nicholas Counties, Inc.
Lexington, Kentucky

Report on Compliance for Each Major Federal Program

We have audited Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019. Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s consolidated financial statements include Shepherd Place, Inc., a related entity, which had expenditures greater than \$750,000 in federal awards during the year ended June 30, 2019, and has a separate single audit, which is not included in this single audit. Therefore, our audit, described below, did not include the operations of Shepherd Place, Inc.

Management's Responsibility for Compliance

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide legal determination on Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s compliance.

Opinion

In our opinion, Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

Management of Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance; such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Wipfli LLP

November 25, 2019
Madison, Wisconsin

Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. and Affiliates

Schedule of Findings and Questioned Costs
 Year Ended June 30, 2019

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency identified?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over federal programs:	
Material weakness identified?	No
Significant deficiency identified?	No
Type of auditor's report issued on compliance for major program	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance [2 CFR 200.516(a)]?	No

Identification of major federal programs:

<u>Name of Federal Major Program</u>	<u>CFDA No.</u>
Low-Income Home Energy Assistance	93.568
Head Start	93.600

Dollar threshold used to distinguish between Type A and Type B programs	\$759,781
Auditee qualified as low-risk auditee?	Yes

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Section IV - Prior Year Findings

None

Community Action, Kentucky, Inc.

Independent Auditor's Report
with
Audited Financial Statements
and
Supplementary Information

For the Year Ended June 30, 2019

Community Action, Kentucky Inc.
 Table of Contents
 June 30, 2019

Independent Auditor’s Report..... 1-2

Financial Statements:

Statement of Financial Position 3
 Statement of Activities..... 4
 Statement of Cash Flows..... 5
 Statement of Functional Expenses 6
 Notes to the Financial Statements.....7-20

Independent Auditor’s Report on Internal Control over Financial Reporting and on
 Compliance and Other Matters Based on an Audit of Financial Statements
 Performed in Accordance with Government Auditing Standards 21-22

Single Audit:

Report on Compliance with Requirements Applicable to Each Major Program and
 Internal Control Over Compliance Required by the Uniform Guidance 23-24

Supplementary Information

Schedule of Expenditures of Federal Awards 25
 Schedule of Subrecipient Expenditures 26
 Notes to the Schedule of Expenditures of Federal Awards..... 27
 Schedule of Findings & Questioned Costs 28

Other Supplementary Schedules 29-37



Charles T. Mitchell Company, PLLC
ctmcpa.com

Independent Auditor's Report

Board of Directors

Community Action, Kentucky, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Community Action, Kentucky Inc., (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Action, Kentucky Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America

Other Matters*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 29 to 37 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is also not a required part of the financial statements. The accompanying supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2019, on our consideration of Community Action, Kentucky Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Action, Kentucky Inc.'s internal control over financial reporting and compliance.

Charles T. Mitchell Co.

Frankfort, Kentucky
November 1, 2019

Assets	
Current Assets	
Cash & Cash Equivalents	\$ 259,251
Reimbursable Costs	1,591,861
Due from Sub-recipients	23,496
Current Portion of Notes Receivable	5,191
Prepaid Expenses	230
Total Current Assets	1,880,029
Other Assets	
Investments	985,587
Property and Equipment	
Property and Equipment Net of Accumulated Depreciation	1,545,226
Total Assets	\$ 4,410,842
Liabilities and Net Assets	
Current Liabilities	
Accounts Payable	\$ 1,531,746
Accrued Compensation	109,167
Deferred Revenue	138,183
Total Current Liabilities	1,779,096
Total Liabilities	1,779,096
Net Assets	
Without Donor Restrictions	2,631,746
Total Net Assets	2,631,746
Total Liabilities and Net Assets	\$ 4,410,842

See accompanying notes.

Revenue and Support:	
Grants/Contracts	\$ 46,338,570
Commissions	115,511
Dues	19,253
Rental Income	22,800
Investment Income	26,521
Other	402,409
Total Revenue and Support	46,925,064
Expenses:	
Programs	
RCAP	575,456
LIHEAP	41,294,799
WX	116,645
CSBG	200,000
OCS	397,068
Kynect	3,539,671
Other	207,952
Supporting Services	457,647
Total Expenses	46,789,238
Change in Net Assets	135,826
Net Assets Beginning of the Year	2,495,920
Net Assets End of Year	\$ 2,631,746

See accompanying notes.

Cash Flows From Operating Activities:	
Change in Net Assets	\$ 135,826
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	96,305
Unrealized Loss on Investments	38,454
Changes in Operating Assets and Liabilities:	
Increase in Reimbursable Costs	(662,845)
Increase in Sub-recipient Receivables	(23,496)
Decrease in Prepaid Expenses	3,279
Increase in Accounts Payable	790,023
Decrease in Deferred Revenue	(20,297)
Increase in Accrued Expenses	9,911
Total Adjustments	231,334
Net Cash Provided by Operating Activities	367,160
Cash Flows From Investing Activities:	
Collections of Notes Receivable	3,011
Cash proceeds from Investments	12,326
Purchases of Investments	(67,172)
Purchases of Property and Equipment	(780,663)
Net Cash Flows (Used) in Investing Activities	(832,498)
Cash flows From Financing Activities:	
Payments on Debt	-
Cash Flows (Used) In Financing Activities	-
Net Decrease in Cash	(465,338)
Cash and Cash Equivalents at Beginning of Year	724,589
Cash and Cash Equivalents at End of Year	\$ 259,251

See accompanying notes.

Attachment 3 to Response to Appendix B No. 9 - KU 2019 Outside Independent Audit CAK

Community Action, Kentucky Inc.
 Statement of Functional Expenses
 For the Year Ended June 30, 2019

	RCAP	LIHEAP	WX	CSBG	OCS	Kynect	Other	Treasury	Totals
Salaries	\$ 248,962	\$ 162,398	\$ 10,632	\$ 106,635	\$ 61,254	\$ 76,355	\$ 7,316	\$ 33,068	\$ 706,620
Fringe Benefits	100,391	64,009	4,233	42,038	25,665	30,069	2,881	7,820	277,106
Professional Services	673	-	-	73	-	-	8,445	67,081	76,272
Consultants / Contracts	-	-	5,890	2,882	271,417	-	-	42,875	323,064
Education	6,125	2,996	-	2,340	2,798	-	-	1,210	15,469
Travel In State	29,789	5,098	192	8,954	18,893	410	-	23,201	86,537
Travel Out of State	10,447	-	-	-	-	-	-	-	10,447
Meeting	-	-	-	-	-	-	-	57,319	57,319
Telephone	269	-	-	-	29	-	-	13	311
Postage	-	-	-	-	-	-	1	25	26
Office Exp & Supplies	6,379	-	-	-	206	-	-	4,481	11,066
Publications	-	-	-	-	714	-	-	180	894
Dues/Fees	1,363	-	-	-	-	-	-	16,884	18,247
Insurance	-	-	-	-	-	-	-	204	204
Pollution Insurance	-	-	64,260	-	-	-	-	-	64,260
Printing	1,354	2,474	-	31	-	-	-	1	3,860
Marketing/Advertising	969	-	1,436	-	-	541	-	28,294	31,240
Utilities	-	-	1	-	-	-	-	-	1
Repairs & Maintenance	-	-	1	-	-	-	-	18,304	18,305
IT Repairs & Maintenance	1,836	131,836	28,262	14,199	-	-	326	57,601	234,060
Depreciation	-	1	-	-	2	-	-	76,543	76,546
Equipment	5,752	-	-	-	-	-	-	-	5,752
Interest	-	-	-	-	-	-	-	-	-
Other	91,398	-	-	-	-	-	-	15,382	106,780
Indirect	69,749	34,570	1,738	22,848	16,090	16,805	254	4,175	166,229
Loan Write-Off	-	-	-	-	-	-	-	2,986	2,986
Subrecipients	-	40,891,417	-	-	-	3,415,491	188,729	-	44,495,637
Total Expenses	\$ 575,456	\$ 41,294,799	\$ 116,645	\$ 200,000	\$ 397,068	\$ 3,539,671	\$ 207,952	\$ 457,647	\$ 46,789,238

See accompanying notes.

Note 1 – Organization and Nature of the Operations

Community Action, Kentucky, Inc. (a Kentucky nonprofit organization) is a multi-funded association of twenty-three (23) Community Action Agencies (CAA) in Kentucky. Each of these twenty-three CAA's has an Executive Director, or its equivalent, who serve as board members for Community Action Kentucky, Inc. The CAA's are the predominate recipients of pass through funds from Community Action Kentucky, Inc. and thus related parties (See Note 12 of this report for further details). CAK was formed in 1968 to provide a link between the CAA's to better accomplish mutual goals and objectives. The responsibilities of CAK include the development and administration of grants and contracts providing services in areas such as housing, water, wastewater management, crisis intervention, and low-income home improvements.

In prior years, the organization conducted its activities as Kentucky Association for Community Action, Inc. (KACA). In October 2007, the board approved and the state granted a change of name to Community Action, Kentucky, Inc. (CAK).

The primary sources for flow through of funds are Cabinet for Health and Family Services and Kentucky Housing Corporation, State of Kentucky and W.S.O.S. Community Action Commission.

The following programs are administered by CAK:

Low Income Home Energy Assistance (LIHEAP)

The LIHEAP Grant is provided by the Kentucky Cabinet for Health and Family Services, Department of Social Insurance to provide energy services including assistance with payment of utility bills, limited repairs of heating systems and provision of fuel, heaters, blankets and certain other commodities. CAK serves as a pass-through agency with the program services being provided by 23 sub-recipient organizations.

Water and Wastewater Program (RCAP)

The RCAP Grant is funded by an award from the U.S. Department of Health and Human Services, Office of Community Services. The WSOS Community Action, Inc., sponsor for the Great Lakes Rural Network, Inc., has contracted with Community Action, Kentucky, Inc. to assist low-income families, small communities, and local officials to deal with water and wastewater problems affecting the poor. The water and wastewater program has activities in Illinois, Indiana, Kentucky, Michigan, Ohio, West Virginia, and Wisconsin.

Housing Program

The Housing Program is funded by a loan from the Kentucky Housing Corporation to make and disburse mortgage loans to eligible persons and families of lower income, for single-family dwellings to provide safe, decent, and sanitary family dwellings in the Commonwealth of Kentucky.

KU Energy Assistance Program

CAK, in conjunction with Community Action Council, operates an energy assistance program that helps households with a subsidy benefit during the year.

American Electric Power

CAK, in conjunction with five Community Action Agencies in Eastern Kentucky, operates an energy assistance program that helps households with subsidy benefits during the year.

Weatherization

The Weatherization program is funded by the federal Department of Energy (DOE) and, upon approval by CHFS, by a 15% transfer from the Low-Income Home Energy Assistance Program (LIHEAP) to Weatherization. The program is administered by the Kentucky Housing Corporation.

Note 2 – Summary of Significant Accounting Principles

Basis of Presentation – The financial statements are prepared using the accrual basis of accounting. Revenues and the related assets are recognized when earned rather than when received. Expense and the related liabilities are recognized when incurred rather than when the disbursements are made.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reported period. Actual events and results could differ from those assumptions and estimates.

Expenses – Expenses are reported using the accrual basis of accounting.

Revenue Recognition – Program service revenue is considered available for CAK's general programs unless specifically restricted by donors or grantors. Interest income related to housing notes is recorded when received. Accrued interest on such notes is considered immaterial and is not disclosed. Grant and contract revenue under cost reimbursement grants or contracts is recorded when an expense is incurred for specific grant or contract supported programs or projects in a manner defined by applicable grants or contracts. Grant or contract funding received that does not meet the criteria for revenue recognition described above are deferred using the deposit method. Under the deposit method, cash received from grants or contracts is classified as deferred revenue (a refundable deposit) in the liability section of the statements of financial position, and revenue recognition is deferred until the requirements detailed above are met.

Cash and Cash Equivalents – For the purposes of the statement of cash flows, highly liquid investments with an initial maturity of three months or less are considered to be cash equivalents.

Accounts and Notes Receivable – Accounts and notes receivable are stated at their outstanding principal. Both accounts and notes receivable are considered by management to be fully collectible and, accordingly, no allowance for doubtful accounts is considered necessary. In making that determination, management evaluated the financial condition of the borrowers, the estimated value of the any underlying collateral and current economic conditions. Based on management's assessment of the credit history and current, CAK, believes realization of losses, if any, will be immaterial.

Accrued Compensation – It is the policy of CAK that annual leave time is accrued and payable on termination of employment and sick leave is not accrued since it is not paid upon termination of employment. As of June 30, 2019, CAK had unpaid annual leave and salary of \$108,377 and \$790 of withheld employee flexible savings.

Functional Expenses – Directly identified expenses are charged to programs and support services. CAK adheres to the AICPA Industry Audit Guide in reporting expenses by their functional classification. Accordingly, salaries, fringe benefits, professional fees, supplies and other expenses have been allocated to functional classifications based on various factors.

Investments – Investments are presented at their fair value as determined by reference to quoted market prices. Related realized and unrealized gains and losses are reflected in the statement of activities.

Property & Equipment – Property and equipment acquired with unrestricted revenues are stated at cost, if purchased or at fair value at the date of gift, if donated, less accumulated depreciation. Additions with a cost of fair value of less than \$500 are expensed.

Note 2 – Summary of Significant Accounting Principles (continued)

Change in Accounting Principal – CAK implemented FASB ASU No. 2016-14 in the current year, applying the changes retrospectively. The new standards changed the following aspects for the financial statements:

The unrestricted net asset class has been renamed net assets without donor restrictions.

The financial statements include a disclosure on liquidity and availability of resources (Note 13).

The changes have the following effect on net assets as of July 1, 2018:

<u>Net Asset Class</u>	<u>As Originally Presented</u>	<u>After Adoption</u>
Net Assets Unrestricted	\$ 2,495,920	
Net Assets Without Donor Restrictions		\$ 2,495,920

Note 3 – Concentrations of Credit Risk

In the current year, a significant amount of funding was provided by a few major contributors. It is always considered reasonably possible that grantors might be lost or funding could be reallocated in the near term. Approximately 99% of CAK's revenue was earned under various contracts (grants), approximately 91% from US Department of Health and Human Services. CAK's market is concentrated in the geographic area of Kentucky.

During the fiscal year, at each month's end, CAK had on deposit with a local bank an amount in excess of FDIC insurance limits. As of June 30, 2019 CAK exceeded FDIC insurance limits in the amount of \$42,964.

Note 4 – Income Taxes

CAK is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue code, except from income derived from unrelated business activities. At June 30, 2019, CAK has no estimated liability on unrelated business activities. CAK believes that it has appropriate support for any tax position taken, and as such, does not have any uncertain tax positions that are material to the financial statements. CAK's federal Exempt Organization Business Income Tax Return (Form 990) for 2017, 2016, and 2015 are subject to examination by the IRS, generally for three years after they were filed.

Note 5 – Investments

Community Action, Kentucky Inc. determines fair value based on the price that would be received to see the asset or paid to transfer the liability to a market participant. Investments consisted of the following at June 30, 2019:

	Cost	Fair Value
Bond Funds	\$ 133,847	\$ 133,883
Equity Funds	840,499	851,704
	<u>\$ 974,346</u>	<u>\$ 985,587</u>
Bond Funds by Fund Type:		
RUSSELL INVT (RFCTX)	\$ 133,847	\$ 133,883
RUSSELL INVT CO (RMYSX)	100,359	100,346
RUSSELL INVT CO (RGISX)	24,029	24,430
RUSSELL INVT CO (RCCSX)	28,964	26,816
RUSSELL INVT CO (RMGSX)	181,067	180,213
RUSSELL INVT (REMSX)	70,210	78,828
RUSSELL INVT (RLESX)	92,902	90,434
RUSSELL INVT (RINTX)	116,231	122,409
RUSSELL INVT (RFATX)	62,247	63,218
RUSSELL INVT CO (RSESX)	164,490	165,010
Total	<u>\$ 974,346</u>	<u>\$ 985,587</u>

A three-tier fair value hierarchy prioritizes the inputs used in measuring fair value. These tiers include the following categories:

- Level 1: Quoted market prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which the transaction for the asset or liability occurs with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data, such as quoted prices for similar assets or liabilities or model-derived valuations.
- Level 3: Unobservable inputs that are not corroborated by market data. These inputs reflect an Organization's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The standard requires certain valuation methodologies be used for instruments measured at fair value on a recurring basis and recognized in the Organization's statement of financial position, as well as the general classification of such instruments pursuant to the above valuation hierarchy. All investments are Level 1 investments.

At June 30, 2019, the Organization's trading securities had a fair value of \$985,587, of which, all was determined based on quoted prices in active markets for identical assets (Level 1).

Note 5 – Investments (continued)

Realized and unrealized gains and losses included in the change in net assets for the year ended June 30, 2019 are reported in the accompanying statement of activities as follow:

Interest & Dividend Income	\$ 64,800
Realized Gains(Losses)	175
Unrealized Gains(Losses)	(38,454)
Total Investment Income	<u>\$ 26,521</u>

Note 6 – Notes Receivable

The unpaid notes receivable balances were comprised of 2 revolving loans totaling \$5,191 and management considers these to be noncurrent. During the fiscal year CAK charged off one revolving loan.

Note 7 – Property and Equipment

Property and equipment consisted of the following at June 30, 2019:

Land	\$ 105,287
Office Equipment	1,158,789
Building	<u>780,540</u>
Total Depreciable Assets	2,044,616
Less: Accumulated Depreciation	<u>(499,390)</u>
Net Property, Plant & Equipment	<u>\$ 1,545,226</u>

Depreciation is computed using the straight-line method over the estimated useful life of the respective asset. Depreciation expense amounted to \$96,305 of which \$76,546 was direct and \$19,759 was included in indirect expenses for the year ended June 30, 2019.

Note 8 – Retirement Plan and Other Post-Employment Benefits and ContingenciesPlan DescriptionCounty Employees' Retirement System (CERS)

Community Action, Kentucky Inc. (CAK) is a participating employer of the County Employees' Retirement System. Under the provisions of Kentucky Revised Statute 61.645, the Board of Trustees of Kentucky Retirement Systems administers the CERS. The plan issues publicly available financial statements, which may be downloaded from the Kentucky Retirement Systems website.

Plan Description – CERS is a cost-sharing multiple-employer defined benefit pension plan that covers substantially all regular full-time members employed in positions of each participating county, city, and school board, and any additional eligible local agencies electing to participate in the System. The plan provides for retirement, disability, and death benefits to plan members. Retirement benefits may be extended to beneficiaries of plan members under certain circumstances. Cost-of-living adjustments (COLA) are provided at the discretion of state legislature.

Contributions – For the year ended June 30, 2019 plan members were required to contribute 5.00% of wages for non-hazardous job classifications. Employees hired after September 1, 2008 are required to contribute an

Note 8 – Retirement Plan and Other Post-Employment Benefits and Contingencies (Continued)

additional 1% to cover the cost of medical insurance that is provided through CERS. Participating employers were required to contribute an actuarially determined rate. Per Kentucky Revised Statute Section 78.545(33), normal contribution and past service contribution rates shall be determined by the Board based on an annual valuation last proceeding the July 1 of a new biennium, if it is determined based on a subsequent actuarial valuation that amended contribution rates are necessary to satisfy requirements determined in accordance with actuarial basis adopted by the Board. For the year ended June 30, 2019, participating employers contributed 21.48% of each employee's wages, which is equal to the actuarial determined rate set by the Board. Administrative costs of Kentucky Retirement System are financed through employer contributions and investment earnings.

Plan members who began participating on, or after, January 1, 2014, were required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members in the plan contribute a set percentage of their salary each month to their own account. Plan members contribute 5.00% of wages to their own account and 1% to the health insurance fund. The employer contribution rate is set annually by the Board based on an actuarial valuation. The employer contributes a set percentage of each member's salary. Each month, when employer contributions are received, an employer pay credit is deposited to the member's account. For non-hazardous members, their account is credited with a 4% employer pay credit. The employer pay credit represents a portion of the employer contribution.

The CAK contributed \$149,062 for the year ended June 30, 2019, or 100% of the required contribution.

Benefits – CERS provides retirement, health insurance, death and disability benefits to Plan employees and beneficiaries. Employees are vested in the plan after five years' service. For retirement purposes, employees are grouped into three tiers based on hire date:

Tier 1 Participation date	Before September 1, 2008
Unreduced retirement	27 years' service or 65 years old
Reduced Retirement	At least 5 years' service and 55 years old 25 years' service and any age
Tier 2 Participation date	September 1, 2008 - December 31, 2013
Unreduced retirement	At least 5 years' service and 65 years old or age 57+ with sum of service years plus age equal 87+
	At least 10 years' service and 60 years old
Tier 3 Participation date	After December 31, 2013
Unreduced retirement	At least 5 years' service and 65 years old or age 57+ with sum of service years plus age equal 87+
Reduced Retirement	Not available

Cost of living adjustments are provided at the discretion of the General Assembly of the State of Kentucky. Retirement is based on a factor of the number of years' service and hire date multiplied by the average of the highest five years' earnings. Reduced benefits are based on factors of both of these components. Participating employees become eligible to receive the health insurance benefit after at least 180 months of service. Death benefits are provided for both death after retirement and death prior to retirement. Death benefits after retirement are \$5,000 in lump sum. Five years' service is required for death benefits prior to retirement and the employee must have suffered a duty-related death.

Note 8 – Retirement Plan and Other Post-Employment Benefits and Contingencies (Continued)

The decedent's beneficiary will receive the higher of the normal death benefit and \$10,000 plus 25% of the decedent's monthly final rate of pay and any dependent child will receive 10% of the decedent's monthly final rate of pay up to 40% for all dependent children. Five years' service is required for nonservice-related disability benefits.

Pension Liabilities

CAK does not report under report under Governmental Accounting Standards Board (GASB). Because of the reporting standards under Financial Accounting Standards Board, as June 30, 2019, CAK did not report a liability of \$1,392,609 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. CAK's proportion of the net pension liability was based on a projection of CAK's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2018 CAK's proportion was .0022866% percent. CAK also did not report Deferred Inflows and Outflows of Resources as required by GASB.

Actuarial Methods and Assumptions

For financial reporting, the actuarial valuation as of June 30, 2018, was performed by Gabriel Roeder Smith (GRS). The total pension liability, net pension liability, and sensitivity information as of June 30, 2018 were based on an actuarial valuation date of June 30, 2016. The total pension liability was rolled-forward from the valuation date (June 30, 2016) to the plan's fiscal year ending June 30, 2018, using generally accepted actuarial principles. GRS did not perform the actuarial valuation as of June 30, 2016 but did replicate the prior actuary's valuation results on the same assumption, methods, and data, as of that date. The roll-forward is based on the results of the GRS' replication.

The following actuarial methods and assumptions were used to determine the actuarially determined contributions effective for fiscal year ending June 30, 2018:

Valuation Date	June 30, 2016
Experience Study	July 1, 2008 - June 30, 2013
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay
Remaining Amortization Period	27 Years, Closed
Asset Valuation Method	20% of the difference between the market value of assets and the expected actuarial value of assets is recognized
Inflation	3.25%
Salary Increase	4.0%, average, including inflation
Investment Rate of Return	7.50%, net of pension plan investment expense, including inflation

The mortality table used for active members is RP-2000 Combined Mortality Table projected with Scale BB to 2013 (multiplied by 50% for males and 30% for females). For healthy retired members and beneficiaries, the mortality table used is the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (set back 1 year for females). For disabled members, the RP-2000 Combined Disabled Mortality Table projected with Scale BB to 2013 (set back 4 years for males) is used for the period after disability retirement.

Note 8 – Retirement Plan and Other Post-Employment Benefits and Contingencies (Continued)

Long Term Rate of Return: The long term expected return on plan assets is reviewed as part of the regular experience studies prepared every five year for the System. The most recent analysis, performed for the period covering fiscal years 2008 through 2013 is outlined in a report dated December 3, 2015. Several factors are considered in evaluating the long-term rate of return assumption including long term historical data, estimates inherent in current market data, and a log normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target allocation and best estimates or arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
US Equity	17.50%	
US Large Cap	5.00%	4.50%
US Mid Cap	6.00%	4.50%
US Small Cap	6.50%	5.50%
Non US Equity	17.50%	
International Developed	12.50%	6.50%
Emerging Markets	5.00%	7.25%
Global Bonds	4.00%	3.00%
Credit Fixed	24.00%	
Global IG Credit	2.00%	3.75%
High Yield	7.00%	5.50%
EMD	5.00%	6.00%
Illiquid Private	10.00%	8.50%
Private Equity	10.00%	6.50%
Real Estate	5.00%	9.00%
Absolute Return	10.00%	5.00%
Real Return	10.00%	7.00%
Cash	2.00%	1.50%
Total	100.00%	6.09%

Discount Rate

The discount rate used to measure the total pension liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that local employers would contribute the actuarially determined

Note 8 – Retirement Plan and Other Post-Employment Benefits and Contingencies (continued)

contribution rate of projected compensation over the remaining 25-year amortization period of the unfunded actuarial accrued liability. The discount rate determination does not use a municipal bond rate.

Sensitivity of the Association's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents CAK's proportionate share of the net pension liability calculated using the discount rate of 6.25 percent, as well as what the Association's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25 percent) or 1-percentage-point higher (7.25 percent) than the current rate:

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Nonhazardous	\$ 1,753,150	\$ 1,392,609	\$ 1,090,538
CERS's net pension liability	\$ 1,753,150	\$ 1,392,609	\$ 1,090,538

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the Kentucky Retirement Systems.

The schedule of CAK's proportionate share of the net pension liability is presented below. CAK is presenting on the prior four years only; as 2016 was the implementation year for GASB 68 and will add to the presentation, to show ten years of information, as it becomes available.

	2017-2018	2016-2017	2015-2016	2014-2015
CAK's proportion of the net pension liability	0.0022866%	0.0022452%	0.0027740%	0.2840500%
CAK's proportionate share of the net pension liability	\$ 1,392,609	\$ 1,314,185	\$ 1,365,666	\$ 1,221,289
CAK's covered-employee payroll	\$ 713,593	\$ 667,971	\$ 613,715	\$ 725,999
CAK's proportionate share of the net pension liability as a percentage of its covered-employee payroll	195%	197%	223%	168%
Plan Fiduciary net position as a percentage of the total pension liability	53.54%	53.30%	55.50%	66.75%

Note 8 – Retirement Plan and Other Post-Employment Benefits and Contingencies (continued)

The Schedule of CAK's contribution is presented below. CAK is presenting on the prior four years only; as 2016 was the implementation year for GASB 68 and will add to the presentation, to show ten years of information, as it becomes available.

	2018-2019	2017-2018	2016-2017	2015-2016
Contractually required contribution	\$ 149,062	\$ 127,027	\$ 141,921	\$ 123,856
Contribution in relation to the contractually required contribution	\$ 149,062	\$ 127,027	141,921	123,856
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
CAK's covered-employee payroll	\$ 713,593	\$ 667,971	\$ 613,715	\$ 725,999
Contributions as a percentage of covered-employee payroll	21.48%	19.18%	18.68%	17.06%

The contribution as a % includes the % for insurance.

Note 9 – Post-Employment Benefits Other Than Pensions (OPEB)*Plan Description*

Retired employees of CAK are provided hospital and medical insurance through the Kentucky Retirement Systems' Insurance Fund (Insurance Fund), a cost-sharing multiple-employer defined benefit OPEB plan. The KRS was created by state statute under Kentucky Revised Statute Section 61.645. The KRS Board of Trustees is responsible for the proper operation and administration of the KRS. The KRS issues a publicly available financial report that can be obtained by writing to Kentucky Retirement System, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky 40601, or by telephone at (502) 564-4646.

Benefits Provided

The Insurance Fund pays a prescribed contribution for whole or partial payment of required premiums to purchase hospital and medical insurance. Because of House Bill 290 (2004 Kentucky General Assembly), medical insurance benefits are calculated differently for members who began participating on, or after July 1, 2003. Once members reach a minimum vesting period of 10 years, nonhazardous employees whose participation began on, or after, July 1, 2003, earn \$10 per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount.

Contributions

Contribution requirements of the participating employers are established and may be amended by the KRS Board of Trustees. CAK has contractually required contribution rate for the year ended June 30, 2019 was 4.70% of covered payroll. Contributions to the Insurance Fund from the Association were \$26,637 for the year ended June 30, 2019. Employees that entered the plan prior to September 1, 2008 are not required to contribute to the Insurance Fund. Employees that entered the plan after September 1, 2008 are required to contribute 1% of their annual creditable compensation which is deposited to an account created for the payment of health insurance benefits under 26 USC Section 401(h) in the Pension Fund (see Kentucky Administrative Regulation 105 KAR 1:420E).

Net OPEB Liability

For financial reporting, the actuarial valuation as of June 30, 2018 was performed by Mike Harmon, Kentucky Auditor or Public Accounts. The total OPEB liability, net OPEB liability, and sensitivity information as of June 30, 2018 were based on an actuarial valuation date of June 30, 2017. The total OPEB liability was rolled

Note 9 – Post-Employment Benefits Other Than Pensions (OPEB) (Continued)

forward from the valuation date (June 30, 2016) to the plan's fiscal year ending June 30, 2018, using generally accepted actuarial principles. Mike Harmon did not perform the actuarial valuation as of June 30, 2016 but did replicate the prior actuary's valuations results on the same assumption, methods, and data, as of that date. The roll forward is based on the results of Mike Harmons' replication.

The following actuarial methods and assumptions were used to determine the actuarially determined contributions effective for fiscal year ending June 30, 2018:

Valuation Date	June 30, 2016
Payroll Growth Rate	2.0% for CERS Non-hazardous
Salary Increase	3.05%, average
Investment Rate of Return	6.25%
Healthcare Trend Rates	Initial trend starting at 7.00% at January 1, 2020, and gradually decreasing to an ultimate trend rate of
Pre-65	4.05% over a period of 12 years
Post-65	Initial trend starting at 5.00% at January 1, 2020, and gradually decreasing to an ultimate trend rate of
	4.05% over a period of 10 years

Mortality rates were based on the RP-2000 Combined Mortality Table projected to 2013 with Scale BB (setback 1 year for females).

Discount Rate

The projection of cash flows used to determine the discount rate of 5.85% for CERS Non-hazardous assumed that local employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 25 years (closed) amortization period of the unfunded actuarial accrued liability. The discount rate determination used an expected rate of return of 6.25%, and a municipal bond rate of 3.62%, as reported in Fidelity Index's "20 – Year Municipal GO AA Index" as of June 30, 2018. However, the cost associated with the implicit employer subsidy was not included in the calculation of the System's actuarial determined contributions, and any cost association with the implicit subsidy will not be paid out of the System's trusts. Therefore, the municipal bond rate was applied to future expected benefit payments associated with the implicit subsidy.

The long-term expected rate of return on plan assets is reviewed as part of the regular experience study prepared every five years for KRS. The most recent analysis, performed for the period covering fiscal years 2008 through 2013, is outlined in a report dated April 30, 2014. Several factors are considered in evaluating the long-term rate of return assumption including long term historical data, estimates inherent in current market data, and a long-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) were developed by the investment consultant for each major asset class (see chart below). These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target allocation percentage and then adding expected inflation. The capital market assumption developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans, which covers a longer timeframe. The assumptions are intended to be long-term assumptions and are not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future year.

Note 9 – Post-Employment Benefits Other Than Pensions (OPEB) (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
US Equity	17.50%	
US Large Cap	5.00%	4.50%
US Mid Cap	6.00%	4.50%
US Small Cap	6.50%	5.50%
Non US Equity	17.50%	
International Developed	12.50%	6.50%
Emerging Markets	5.00%	7.25%
Global Bonds	4.00%	3.00%
Credit Fixed	24.00%	
Global IG Credit	2.00%	3.75%
High Yield	7.00%	5.50%
EMD	5.00%	6.00%
Illiquid Private	10.00%	8.50%
Private Equity	10.00%	6.50%
Real Estate	5.00%	9.00%
Absolute Return	10.00%	5.00%
Real Return	10.00%	7.00%
Cash	2.00%	1.50%
Total	100.00%	6.09%

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The Net OPEB liability of CAK, as well as what the CAK's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (4.85%) or one percentage point higher (6.85%) follows:

	1% Decrease (4.85%)	Current Discount Rate (5.85%)	1% Increase (6.85%)
Nonhazardous	\$ 527,282	\$ 405,964	\$ 302,623
	<u>\$ 527,282</u>	<u>\$ 405,964</u>	<u>\$ 302,623</u>

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The net OPEB liability of CAK, as well as what CAK's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (4.85%) or one percentage point higher (6.85%) that the current healthcare cost trend rates follows:

	1% Decrease (4.85%)	Current Discount Rate (5.85%)	1% Increase (6.85%)
Nonhazardous	\$ 302,244	\$ 405,964	\$ 528,219
	<u>\$ 302,244</u>	<u>\$ 405,964</u>	<u>\$ 528,219</u>

Note 9 – Post-Employment Benefits Other Than Pensions (OPEB) (Continued)*Pension Plan Fiduciary Net Position*

The schedule of CAK's proportionate share of the net OPEB liability is presented below. CAK is presenting on the prior two years only; as 2018 was the implementation year for GASB 75 and will add to the presentation, to show ten years of information, as it becomes available.

CAK's proportion of the net pension liability	<u>2018-2019</u>	<u>2017-2018</u>
CAK's proportion of the net pension liability	0.022865%	0.022452%
CAK's proportionate share of the net pension liability	\$405,964	\$451,362
CAK's covered-employee payroll	\$ 713,593	\$ 667,971
CAK's proportionate share of the net pension liability as a percentage of its covered-employee payroll	57%	68%
Plan Fiduciary net position as a percentage of the total pension liability	52.4%	52.4%

The schedule of CAK's contribution is presented below. CAK is presenting on the prior two years only; as 2018 was the implementation year for GASB 75 and will add to the presentation, to show ten years of information, as it becomes available.

	<u>2018-2019</u>	<u>2017-2018</u>
Contractually required contribution	\$26,637	\$25,857
Contribution in relation to the contractually required contribution	(26,637)	(25,857)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
CAK's covered-employee payroll	\$ 713,593	\$ 667,971
Contributions as a percentage of covered- employee payroll	3.73%	3.87%

The previous notes are reported as contingencies for CAK. No liability for the Unfunded Pension Liability and OPEB Liability are reported.

Note 10 – Non-Compliance with Grantor or Donor Restrictions

Financial awards from federal, state, and local governmental entities in the form of grants are subject to specific audit. Such audits could result in claims against CAK for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined. However, management believes that if such audits arise, all steps have been followed to ensure compliance with each grantor or donor restrictions as defined by contractual agreements as of June 30, 2019.

Note 11 – Operating Lease

CAK is the lessee of office equipment under an operating lease during fiscal year end 2019. Lease expense during 2018-2019 totaled \$750.

Note 12 – Related Entities

There are 23 Community Action Agencies that make up 6 congressional districts. Community Action, Kentucky Inc.'s Board of Directors is also the executive director or an authorized agent of one of these 23 community action agencies. CAK provides technical support, lobbying and administrative support and in return receives membership dues totaling \$17,453 for the year ended June 30, 2019. CAK has no ownership or voting interests in these local chapters with limited control over how the local chapters carry out certain activities by means of subcontract agreements. Subcontract expense passed-through to related community action agencies totaled \$44,495,637 for the year ended June 30, 2019.

Note 13 – Liquidity

Financial assets available for general expenditure that is, without donor or other restrictions limiting their use, within one year of June 30, 2019 are:

Financial Assets	
Cash & Cash Equivalents	\$ 259,251
Reimbursable Costs	1,591,861
Due from Sub-recipients	23,496
Current Portion of Notes Receivable	5,191
Prepaid Expenses	230
Investments	985,587
Total Financial Assets	<u>\$ 2,865,616</u>
Less financial assets held to meet donor imposed restrictions	-
Less financial assets not available within one year	-
Less board designated funds	-
Amounts available for general expenses within one year	<u><u>\$ 2,865,616</u></u>

Note 14 – Subsequent Events

Management did not indicate financially impacting information regarding subsequent events. Subsequent events were evaluated through November 1, 2019, which is the date the financial statements were available to be issued. No events were found to be, or have, a material impact regarding the accompanying financial statements of the Community Action, Kentucky Inc. as of and for the year ended June 30, 2019 as listed in the table of contents.



Partners
James E. Clouse, CPA
Greg Miklavcic, CPA
Ryan Moore, CPA

Charles T. Mitchell Company, PLLC
ctmcpa.com

Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Board of Directors
Community Action, Kentucky, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Action, Kentucky Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 1, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Community Action, Kentucky Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action, Kentucky Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Action, Kentucky Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such

an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Charles T. Mitchell Co.

Frankfort, Kentucky

November 1, 2019



Partners
James E. Clouse, CPA
Greg Miklavcic, CPA
Ryan Moore, CPA

Charles T. Mitchell Company, PLLC
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Independent Auditor's Report on Compliance for Each
Major Program and on Internal Control Over Compliance
Required by the Uniform Guidance

Board of Directors
Community Action, Kentucky, Inc.

Report on Compliance for Each Major Federal Program

We have audited Community Action, Kentucky Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Community Action, Kentucky Inc.'s major federal programs for the year ended June 30, 2019. Community Action, Kentucky Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms of and conditions applicable to its federal award programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Community Action, Kentucky Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Action, Kentucky Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Community Action, Kentucky Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Community Action, Kentucky Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of Community Action, Kentucky Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Community Action, Kentucky Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Action, Kentucky Inc.'s internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Charles T. Mitchell Co.

Frankfort, Kentucky
November 1, 2019

Attachment 3 to Response to Appendix B No. 9 - KU 2019 Outside Independent Audit CAK

Community Action, Kentucky, Inc.
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2019

Grant	Pass-Through Grantor	Federal CFDA Number	Pass Through Grant Number	Grant Period Ending	Sub-recipients	Federal Award Expenditures
<i>U.S. Department of Health and Human Services:</i>						
Community Service Block Grant	KY Cabinet for Health & Family Services	93.569	736-1800001946	6/30/19	\$	\$ 200,000
RPIC	Office of Community Services	93.569	90ET0463-03-01	9/29/19		266,200
RPIC	Office of Community Services	93.569	90ET0463-02-01	9/29/18		130,868
				Total 93.569	-	597,068
Low Income Home Energy Assistance Program	KY Cabinet for Health & Family Services	93.568	736-1800001946	6/30/19	40,891,417	41,294,799
LIHEAP-Weatherization	Kentucky Housing Corporation	93.568	LH18-0073-02	6/30/19		59,274
				Total 93.568	40,891,417	41,354,073
HHS-RCAP	W.S.O.S Community Action Comm.	93.570	PY 18/19	9/30/19		112,360
HHS-RCAP	W.S.O.S Community Action Comm.	93.570	PY 17/18	9/30/18		33,830
				Total 93.570	-	146,190
Total Department of Health and Human Services					40,891,417	42,097,331
<i>U.S. Department of Energy:</i>						
Weatherization - DOE	Kentucky Housing Corporation	81.042	WX19-0373-02	6/30/19		57,371
Total Department of Energy					-	57,371
<i>U.S. Department of Agriculture:</i>						
RCDI-RCAP		10.446	PY 16/19	6/14/19		30,621
				Total 10.446	-	30,621
RCAP-Technitrain	W.S.O.S Community Action Comm.	10.761	PY 18/19	8/31/19		115,994
RCAP-Technitrain	W.S.O.S Community Action Comm.	10.761	PY 17/18	8/31/18		42,297
RIAD	W.S.O.S Community Action Comm.	10.761	PY 18/19	6/30/19		24,788
				Total 10.761	-	183,079
Solid Waste 2 - RCAP	W.S.O.S Community Action Comm.	10.762	18/19	9/30/19		32,336
Solid Waste 2 - RCAP	W.S.O.S Community Action Comm.	10.762	17/18	9/30/18		26,575
				Total 10.762	-	58,911
Community Facilities		10.766	PY 17/20	9/21/20		9,488
				Total 10.766	-	9,488
Total Department of Agriculture					-	282,099
<i>Environmental Protection Agency:</i>						
EPA - DW	W.S.O.S Community Action Comm.	66.424	PY 18/21	9/30/21		8,652
EPA - DW	W.S.O.S Community Action Comm.	66.424	PY 17/19	3/31/19		28,904
				Total 66.424	-	37,556
EPA - WW	W.S.O.S Community Action Comm.	66.436	PY 18/21	9/30/21		2,694
EPA - WW	W.S.O.S Community Action Comm.	66.436	PY 17/19	3/31/19		3,917
				Total 66.436	-	6,611
Total Environmental Protection Agency					-	44,167
Total Expenditures of Federal Awards					\$ 40,891,417	\$ 42,480,968

See accompanying notes to the Schedule of Federal Awards.

Attachment 3 to Response to Appendix B No. 9 - KU 2019 Outside Independent Audit CAK

Community Action, Kentucky, Inc.
 Schedule of Subrecipient Expenditures
 For the Year Ended June 30, 2019

	LIHEAP	Non-Federal			Total
	93.568	Kynector	KU	AEP	
Audubon Area	\$ 1,761,978	\$ 421,128	\$ -	\$ -	\$ 2,183,106
Bell-Whitley CAA	1,264,627				1,264,627
Big Sandy CAP	2,851,441			7,581	2,859,022
Blue Grass CAA	1,708,188	252,854			1,961,042
Central Ky CAA	1,736,126				1,736,126
Daniel Boone CAA	2,320,759				2,320,759
Gateway CAA	1,098,414	96,824		829	1,196,067
Harlan Co CAA	618,082				618,082
KCEOC CAP	881,591				881,591
Foothills CAP	1,441,527	183,552			1,625,079
LKLP CAA	2,307,984			19,084	2,327,068
Lake Cumberland CAA	3,016,839	252,977			3,269,816
CAC - Lexington	1,627,487	321,933	151,661		2,101,081
Licking Valley CAP	874,642	81,928			956,570
Louisville Metro	5,150,563				5,150,563
Middle Ky CAP	1,642,672			364	1,643,036
Multi-Purpose CAA	407,869				407,869
Northeast Ky CAA	2,245,550	223,021		9,210	2,477,781
Northern Ky CAC	2,041,436	633,220			2,674,656
Pennyryle Allied	1,718,043	336,812			2,054,855
CAA of Southern Ky	2,306,983	145,881			2,452,864
Tri-County CAA	252,699				252,699
West Ky Allied	1,615,917	465,361			2,081,278
	<u>\$ 40,891,417</u>	<u>\$ 3,415,491</u>	<u>\$ 151,661</u>	<u>\$ 37,068</u>	<u>\$ 44,495,637</u>

See accompanying notes to the Schedule of Federal Awards.

Note 1 – Basis of Presentation – The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Action, Kentucky, Inc. (“CAK”) under programs of the federal government for the year ended June 30, 2019. The information in this schedule and is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Schedule presents only a selected portion of the operations of CAK; it is not intended to and does not present the financial position, changes in net assets and cash flows of CAK. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

Note 2 – Sub-recipient Expenditures – Expenditures reported in the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 – Oversight Agency – In accordance with the Single Audit Act Amendment of 1996 and Uniform Guidance, the U.S. Department of Health and Human Services is the Oversight Agency for CAK. The Single Audit Act provides that the Oversight Agency shall have the following responsibilities

- a. Shall provide technical advice to auditees and auditors as requested
- b. May assume all or some of the responsibilities performed by a cognizant agency for audit which include:
 - i. Provide technical audit advice and liaison to auditees and auditors
 - ii. Consider auditee requests for extension to the report submission due date
 - iii. Obtain or conduct quality control reviews of selected auditees made by non-federal auditors, and provide the results, when appropriate, to other interested organizations
 - iv. Promptly inform other affected federal agencies and appropriate federal law enforcement officials of any direct reporting by the auditee or its auditor of irregularities or illegal acts, as required by generally accepted government auditing standards or laws and regulations
 - v. Advise the auditor and, where appropriate, the auditee of and deficiencies found in the audits when the deficiencies require corrective action by the auditor; when advices of deficiencies, the auditee shall work with the auditor to take corrective action; if not, the cognizant agency for audit shall notify the auditor, the auditee and applicable federal awarding agencies and pass-through entities of the facts and make recommendations for follow up action, major inadequacies or repetitive standard performance by auditors shall be referred to appropriate state licensing agencies and professional bodies for disciplinary action
 - vi. Coordinate, to the extent practical, audits, or reviews made by or for federal agencies that are in addition to the audits made pursuant to this part, so that the additional audits or reviews build upon audits performed in accordance with this part
 - vii. Coordinate a management decision for audit findings that affect the federal programs of more than one agency
 - viii. Coordinate the audit work and reporting responsibilities among auditors to achieve the most cost-effective audit

Note 4 – Indirect Cost Rate—CAK has elected an indirect cost plan which allocates indirect costs based on direct charged payroll. CAK did not elect to use the 10% de minimis indirect cost rate.

Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? _____yes X no
- Significant deficiency identified that are not considered to be material weaknesses _____yes X no

Noncompliance material to financial statements noted? _____yes X no

Federal Awards

Internal control over major programs:

- Material weaknesses identified? _____yes X no
- Significant deficiency identified that are not considered to be material weaknesses _____yes X no

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance _____yes X no

Identification of major programs:

CFDA Number	<i>Name of Federal Program of Cluster</i>
93.568	LIHEAP
93.569	CSBG

Dollar threshold used to distinguish between type A and type B programs \$ 1,274,429

Auditee qualified as low-risk auditee? X yes _____no

Findings Required to be Reported under Generally Accepted Government Auditing Standards

None.

Findings and Questioned Costs for Major Federal Award Programs

None.

Attachment 3 to Response to Appendix B No. 9 - KU 2019 Outside Independent Audit CAK

Community Action, Inc. **Page 31 of 39**

Statement of Activity by Program

For the Year Ended June 30, 2019

Revenues	RCAP	LIHEAP	WX	CSBG	OCS	Kynect	Other	Treasury	Total
Grant Revenue	\$ 575,456	\$ 41,294,799	\$ 116,645	\$ 200,000	\$ 397,068	\$ 3,539,671	\$ 214,931	\$ -	\$ 46,338,570
Rental Income	-	-	-	-	-	-	-	22,800	22,800
Interest Income	-	-	-	-	-	-	-	64,800	64,800
Dues	-	-	-	-	-	-	-	19,253	19,253
Commission	-	-	-	-	-	-	-	115,511	115,511
Realized Gain On Inv	-	-	-	-	-	-	-	175	175
Unrealized Loss On Inv	-	-	-	-	-	-	-	(38,454)	(38,454)
Other Income	-	-	-	-	-	-	-	402,409	402,409
Total Revenues	\$ 575,456	\$ 41,294,799	\$ 116,645	\$ 200,000	\$ 397,068	\$ 3,539,671	\$ 214,931	\$ 586,494	\$ 46,925,064
Expenses									
Salaries	248,962	162,398	10,632	106,635	61,254	76,355	7,316	33,068	706,620
Fringe Benefits	100,391	64,009	4,233	42,038	25,665	30,069	2,881	7,820	277,106
Professional Services	673	-	-	73	-	-	8,445	67,081	76,272
Consultants / Contracts	-	-	5,890	2,882	271,417	-	-	42,875	323,064
Education	6,125	2,996	-	2,340	2,798	-	-	1,210	15,469
Travel In State	29,789	5,098	192	8,954	18,893	410	-	23,201	86,537
Travel Out of State	10,447	-	-	-	-	-	-	-	10,447
Meeting	-	-	-	-	-	-	-	57,319	57,319
Telephone	269	-	-	-	29	-	-	13	311
Postage	-	-	-	-	-	-	1	25	26
Office Exp & Supplies	6,379	-	-	-	206	-	-	4,481	11,066
Publications	-	-	-	-	714	-	-	180	894
Dues/Fees	1,363	-	-	-	-	-	-	16,884	18,247
Insurance	-	-	-	-	-	-	-	204	204
Pollution Insurance	-	-	64,260	-	-	-	-	-	64,260
Printing	1,354	2,474	-	31	-	-	-	1	3,860
Marketing/Advertising	969	-	1,436	-	-	541	-	28,294	31,240
Utilities	-	-	1	-	-	-	-	-	1
Repairs & Maintenance	-	-	1	-	-	-	-	18,304	18,305
IT Repairs & Maintenance	1,836	131,836	28,262	14,199	-	-	326	57,601	234,060
Depreciation	-	1	-	-	2	-	-	76,543	76,546
Equipment	5,752	-	-	-	-	-	-	-	5,752
Interest	-	-	-	-	-	-	-	-	-
Other	91,398	-	-	-	-	-	-	15,382	106,780
Indirect	69,749	34,570	1,738	22,848	16,090	16,805	254	4,175	166,229
Loan Write-Off	-	-	-	-	-	-	-	2,986	2,986
Subrecipients	-	40,891,417	-	-	-	3,415,491	188,729	-	44,495,637
Total Expenses	575,456	41,294,799	116,645	200,000	397,068	3,539,671	207,952	457,647	46,789,238
Change in Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,979	\$ 128,847	\$ 135,826

See Independent Auditor's Report

Attachment 3 to Response to Appendix B No. 9 - KU 2019 Outside Independent Audit CAK

Community Action, Kentucky Inc Page 32 of 39

LIHEAP Grant – CFDA 93.568

Contract #736-1800001946

Statement of Program Expenses

For the Period July 1, 2018 Through June 30, 2019

Payments to Subrecipients		
Agency Subsidy Benefits (CAK records)	\$	10,764,234
Agency Crisis Benefits (CAK records)		25,818,360
Agency Prior Year Adjustments (CAK records)		1,306
Agency Administration (CAK records)		4,307,517
Total Payments To Subrecipients		<u>\$ 40,891,417</u>
CAK Administration		
Salaries		165,019
Fringe Benefits		65,041
Professional Services		4,061
Education		2,996
Travel		5,270
Meeting		717
Telephone		4,647
Postage		94
Supplies		1,192
Dues/Fees		104
Insurance		3,836
Printing		2,549
Utilities		1,763
Repairs & Main		141,983
Depreciation		4,110
Total CAK Administration		<u>403,382</u>
Total Expenditures		<u>41,294,799</u>
Questioned Costs		-
Allowable Cost		41,294,799
Amount Received From CHFS -LIHEAP		40,636,123
Accounts Receivable From Funding Sources		682,086
Accounts Payable to Funding Sources		23,410
Excess (Shortage) Receipts over Expenditures	\$	<u><u>-</u></u>

See Independent Auditor's Report.

Attachment 3 to Response to Appendix B No. 9 - KU 2019 Outside Independent Audit CAK

Community Action, Kentucky Inc Page 33 of 39

LIHEAP Grant – CFDA 93.568

Contract #736-1800001946

Statement of Budget to Actual

For the Period July 1, 2018 Through June 30, 2019

Cost Category	Budget	Actual	(Over)/Under Budget
Administrative Cost			
Subrecipient	\$ 5,204,446	\$ 4,307,517	\$ 896,929
Community Action Kentucky	578,879	403,382	175,497
Total Administrative	5,783,325	4,710,899	1,072,426
Benefits - Direct Assistance			
Direct Assistance	52,049,930	36,582,594	15,467,336
Total Benefits	52,049,930	36,582,594	15,467,336
Other Expenditures			
Prior Year Adjustments	-	1,306	(1,306)
Total Other	-	1,306	(1,306)
Total Contract	\$ 57,833,255	\$ 41,294,799	\$ 16,538,456

See Independent Auditor's Report.

Attachment 3 to Response to Appendix B No. 9 - KU 2019 Outside Independent Audit CAK

Community Action, Kentucky Inc Page 34 of 39

Weatherization Grant

Contract: Kentucky Housing Corporation

Statement of Program Expenses

For the Period July 1, 2018 Through June 30, 2019

CAK Administration		
Salaries	\$	10,765
Fringe Benefits		4,285
Professional Services		204
Consultant/Contract		5,890
Travel		201
Meeting		36
Telephone		234
Postage		5
Supplies		60
Dues/Fees		5
Insurance		193
Pollution Insurance		64,260
Printing		4
Advertising		30
Utilities		89
Repairs & Main		28,772
Marketing		1,406
Depreciation		<u>206</u>
Total Expenditures		116,645
Questioned Costs		<u>-</u>
Allowable Cost		116,645
Amount Received from KHC - DOE		51,185
Amount Received from KHC - LIHEAP		40,584
Accounts Receivable from Funding Sources - DOE		6,186
Accounts Receivable from Funding Sources - LIHEAP		<u>18,690</u>
Excess (Shortage) Receipts over Expenditures	\$	<u><u>-</u></u>

See Independent Auditor's Report.

Cabinet for Health and Family Services

Expenditures

Salaries	\$	108,367	
Fringe Benefits		42,720	
Professional Services		2,759	
Consultant/Contract		2,882	
Education		2,340	
Travel		9,067	
Meeting		474	
Telephone		3,071	
Postage		62	
Supplies		788	
Dues/Fees		68	
Insurance		2,535	
Printing		81	
Utilities		1,165	
Repairs & Main		20,905	
Depreciation		2,716	
Total Expenditures			200,000
Questioned Cost			-
Allowable Cost			200,000
Contract Payment Received From CHFS - CSBG			171,884
Accounts Receivable from Funding Sources			28,116
Accounts Payable to Funding Sources			-
Excess (Shortage) Receipts over Expenditures			\$ -

See Independent Auditor's Report.

Attachment 3 to Response to Appendix B No. 9 - KU 2019 Outside Independent Audit CAK

Community Action, Kentucky Inc
WSOS Community Action Commission, Inc. RCAP Grant

Contract PE 17/18

(For Contracts Ending September 30, 2018)

Statement of Program Expenses

For the Period July 1, 2018 Through June 30, 2019

HHS - CFDA 93.570			\$	128,300
Technitrain - CFDA 10.761				140,000
EPA - CFDA 66.424				62,500
Solid Waste 2 - CFDA 10.762				52,000
Community Facilities - CFDA 10.766				16,317
EPA-WW - CFDA 66.436				20,000
Contract Awards			\$	419,117
	Actual	Actual		Total
Expenditures	2018	2019		
Salaries	\$ 151,130	\$ 68,114	\$	219,244
Fringe Benefits	55,316	30,828		86,144
Professional Services	4,105	2,429		6,534
Education	248	1,678		1,926
Travel	26,301	15,080		41,381
Meeting	699	429		1,128
Telephone	5,139	2,809		7,948
Postage	185	56		241
Supplies	6,919	9,006		15,925
Publications	176	-		176
Dues/Fees	438	521		959
Insurance	4,234	2,294		6,528
Printing	55	1,012		1,067
Utilities	2,218	1,054		3,272
Repairs & Main	12,239	7,243		19,482
Depreciation	4,703	2,459		7,162
Total Expenditures	274,105	145,012		419,117
Questioned Costs	-	-		-
Allowable Costs	274,105	145,012		419,117
Contract Payments Received	185,710	141,244		326,954
Accounts Receivable from Funding Sources	\$ 88,395	\$ 3,768	\$	92,163
Excess (Shortage) Receipts over Expenditures	\$ -	\$ -	\$	-

See Independent Auditor's Report.

Attachment 3 to Response to Appendix B No. 9 - KU 2019 Outside Independent Audit CAK

Community Action, Kentucky Inc
 WSOS Community Action Commission, Inc. RCAP Grant
 Contract PE 18/19
 (For Contracts Ending September 30, 2019)
 Statement of Program Expenses
 For the Period July 1, 2018 through June 30, 2019

HHS-CFDA 93.570		\$	112,360
RIAD - CFDI 10.761			24,788
Technitrain - CFDA 10.761			115,994
EPA-DW - CFDA 66.424			8,652
Solid Waste 2 - CFDA 10.762			32,336
EPA-WW - CFDA 66.436			2,694
Contract Award		\$	<u>296,824</u>
Expenditures			
Salaries	\$	160,802	
Fringe Benefits		62,076	
Professional Services		5,748	
Education		4,447	
Travel		23,944	
Meeting		895	
Telephone		5,911	
Postage		118	
Supplies		5,297	
Dues/Fees		995	
Insurance		4,793	
Printing		481	
Advertising		969	
Utilities		2,203	
Repairs & Main		13,010	
Depreciation		5,135	
Total Expenditures			<u>296,824</u>
Questioned Cost			-
Allowable Cost			<u>296,824</u>
Contract Payment Received			156,625
Accounts Receivable from Funding Source			<u>140,199</u>
Excess (Shortage) Receipts over Expenditures		\$	<u>-</u>

*These funds are temporarily restricted until the contract ends SEPTEMBER 30, 2019.

See Independent Auditor's Report.

Contract #90ET463-02-01
 (For Contracts Ending September 29, 2018)
 For the Period July 1, 2018 Through June 30, 2019

RPIC-CFDA 93.570

Contract Award			\$ 425,715
Expenditures	Actual 2018	Actual 2019	Total
Salaries	\$ 31,670	\$ 23,379	\$ 55,049
Fringe Benefits	11,181	10,749	21,930
Professional Services	599	804	1,403
Consultants	230,880	83,551	314,431
Education	4,339	788	5,127
Travel	11,403	6,078	17,481
Meeting	102	142	244
Telephone	887	949	1,836
Postage	26	19	45
Supplies	416	442	858
Publications	7		7
Dues/Fees	23	21	44
Insurance	618	759	1,377
Printing	8	15	23
Utilities	324	349	673
Repairs & Main	1,678	2,009	3,687
Depreciation	686	814	1,500
Total Expenditures	294,847	130,868	425,715
Questioned Cost	-	-	-
Allowable Cost	294,847	130,868	425,715
Contract Payment Received	294,847	130,868	425,715
Accounts Receivable from Funding Sources	-	-	-
Excess (Shortage) Receipts over Expenditures	\$ -	\$ -	\$ -

See Independent Auditor's Report.

Contract #90ET463-03-01
 (For Contracts Ending September 29, 2019)
 For the Period July 1, 2018 Through June 30, 2019

RPIC-CFDA 93.570		
Contract Award		<u>\$ 266,200</u>
Expenditures		
Salaries	\$ 39,095	
Fringe Benefits	15,396	
Professional Services	1,086	
Consultants/Contracts	187,866	
Education	2,010	
Travel	12,895	
Meeting	192	
Telephone	1,243	
Postage	25	
Supplies	319	
Publications	714	
Dues/Fees	28	
Insurance	1,026	
Printing	20	
Utilities	472	
Repairs & Main	2,714	
Depreciation	<u>1,099</u>	
Total Expenditures		<u>266,200</u>
Questioned Cost		-
Allowable Cost		<u>266,200</u>
Contract Payment Received		259,900
Accounts Receivable from Funding Source		<u>6,300</u>
Excess (Shortage) Receipts over Expenditures		<u>\$ -</u>

*These funds are temporarily restricted until the contract ends SEPTEMBER 29, 2019.

See Independent Auditor's Report.

CASE NO. 2019-00366

Response to Appendix B, No. 10

A brief description of the current shareholder funding levels and any future plans to increase the shareholder contribution amount.

The requested information is provided separately for Louisville Gas and Electric Company and Kentucky Utilities Company in Excel format respectively in tabs "LGE 10" and "KU 10".

The attachments are
being provided in
separate files in Excel
format.