

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2026 Annual Report on Home Energy Assistance
Programs Dated August 14, 2026

DATA REQUEST

KSPC A_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.

RESPONSE

Please see KPCO_R_KPSC_A_1_Attachment1 for the requested information.

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2026 Annual Report on Home Energy Assistance
Programs Dated August 14, 2026

DATA REQUEST

KPSC A_2 The total number of slots, total and by county.

RESPONSE

Please see KPCO_R_KPSC_A_2_Attachment1 for the requested information for the 2026 program year.

The THAW program helps customers who do not require the broader and more sustained help provided by HEART, but who nonetheless are at risk of losing their electric service because of a temporary situation. THAW offers assistance credit of up to a total of \$175.00 per winter heating season (bills rendered January through April) or until allocated benefits are expended to eligible residential customers on a first come, first served basis.

The THAW program does not allocate program slots. Instead, THAW program funds are allocated by county.

In addition, the funds received from Donation HEART enabled the company to allocate 39 additional slots.

Kentucky Power Company
2025-2026 Home Energy Assistance in Reduced Temperatures (HEART)
Available Slots for Counties in KPCO Service Territory*

County	Agency Serving County	No. of Heating Slots	No. of Non-Heating Slots	Total No. of HEART Slots
BOYD	Northeast Kentucky	283	191	474
CARTER	Northeast Kentucky	153	38	191
ELLIOTT	Northeast Kentucky	1	0	1
GREENUP	Northeast Kentucky	188	120	308
LAWRENCE	Northeast Kentucky	121	39	160
	Northeast Kentucky Totals	746	388	1134
ROWAN	Gateway CSO	18	6	24
MORGAN	Gateway CSO	20	5	25
	Gateway CSO Totals	38	11	49
FLOYD	Big Sandy CAP	205	96	301
JOHNSON	Big Sandy CAP	104	39	143
MAGOFFIN	Big Sandy CAP	50	11	61
MARTIN	Big Sandy CAP	70	25	95
PIKE	Big Sandy CAP	575	136	711
	Big Sandy CAP Totals	1004	307	1311
BREATHITT	Middle KY River	80	22	102
OWSLEY	Middle KY River	0	1	1
	Middle KY River Totals	80	23	103
LESLIE	LKLP	102	17	119
KNOTT	LKLP	115	46	161
LETCHER	LKLP	211	36	247
PERRY	LKLP	250	63	313
	LKLP Totals	678	162	840
Totals		2,546	891	3,437

No. of slots available this year	2,546	891	3,437
---	--------------	------------	--------------

* excluding Bell, Clay & Lewis counties

Kentucky Power Company
Temporary Heating Assistance in Winter (THAW)
Available Funds for Counties in KPCO Service Territory*

County	Agency Serving County	Available Funds
BOYD	Northeast Kentucky	\$ 68,482
CARTER	Northeast Kentucky	\$ 24,581
ELLIOTT	Northeast Kentucky	\$ 175
GREENUP	Northeast Kentucky	\$ 44,122
LAWRENCE	Northeast Kentucky	\$ 21,222
	Northeast Kentucky Totals	\$ 158,583
ROWAN	Gateway CSO	\$ 3,222
MORGAN	Gateway CSO	\$ 3,169
	Gateway CSO Totals	\$ 6,391
FLOYD	Big Sandy CAP	\$ 41,585
JOHNSON	Big Sandy CAP	\$ 19,401
MAGOFFIN	Big Sandy CAP	\$ 7,875
MARTIN	Big Sandy CAP	\$ 12,827
PIKE	Big Sandy CAP	\$ 91,168
	Big Sandy CAP Totals	\$ 172,857
BREATHITT	Middle KY River	\$ 13,270
OWSLEY	Middle KY River	\$ 175
	Middle KY River Totals	\$ 13,445
LESLIE	LKLP	\$ 14,803
KNOTT	LKLP	\$ 21,808
LETCHER	LKLP	\$ 30,923
PERRY	LKLP	\$ 40,409
	LKLP Totals	\$ 107,944
Totals		\$ 459,219

THAW Funding Available For This Year: \$ 459,219

*excluding Bell, Clay & Lewis counties

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2026 Annual Report on Home Energy Assistance
Programs Dated August 14, 2026

DATA REQUEST

KPSC A_3 The total number of:

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

RESPONSE

The stated participant numbers below are as of June 30, 2026.

a. Total number of program participants for HEART was 3,501.
Total number of program participants for THAW was 2,652.

b. Total number of program applicants for HEART was 4,970.¹
Total number of program applicants for THAW was 2,686.

c. Total number of denied applicants for HEART was 373.
Total number of denied applicants for THAW was 0.

¹ Includes approved, waitlisted, and denied applications.

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2026 Annual Report on Home Energy Assistance
Programs Dated August 14, 2026

DATA REQUEST

KPSC A_4 Copies of each Monthly HEA Report.

RESPONSE

Please see KPCO_R_KPSC_A_4_Attachment1 for the requested information.



Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601

KY Power
 Attn: Stevi Cobern

Amount Due	\$3,152.72
Invoice #	072025-01
Invoice Date	8/15/25
Invoice Period	July 2025

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$28,118.44	\$1,537.61	\$14,858.68	\$13,259.76
Legal	\$3,514.80	\$0.00	\$0.00	\$3,514.80
IT R&M	\$31,633.25	\$0.00	\$2,672.22	\$28,961.03
Other Expenses	\$7,029.61	\$1,615.11	\$15,789.87	-\$8,760.26
Total	\$70,296.10	\$3,152.72	\$33,320.77	\$36,975.33
CAA Admin - HEART	\$26,651.84	\$0.00	\$190.92	\$26,460.92
CAK Admin - THAW	\$0.00	\$0.00	\$0.00	\$0.00
CAK Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
CAA Admin - THAW	\$45,505.20	\$0.00	\$42,011.82	\$3,493.38
CAA Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
Slot Maintenance Fees @ \$25/slot	\$106,178.80	\$0.00	\$92,300.00	\$13,878.80
Slots Filled	4,247	0	3692	555
Slot Fees Donation @\$25/slot	\$0.00	\$0.00	\$0.00	\$0.00
Slots Filled	0	0	0	-
Total	\$248,631.94	\$3,152.72	\$167,823.51	\$80,808.43

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.



Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601

KY Power
 Attn: Stevi Cobern

Amount Due	\$2,779.70
Invoice #	082025-01
Invoice Date	9/15/25
Invoice Period	August 2025

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$28,118.44	\$1,461.28	\$16,319.96	\$11,798.48
Legal	\$3,514.80	\$0.00	\$0.00	\$3,514.80
IT R&M	\$31,633.25	\$0.00	\$2,672.22	\$28,961.03
Other Expenses	\$7,029.61	\$1,318.42	\$17,108.29	-\$10,078.68
Total	\$70,296.10	\$2,779.70	\$36,100.47	\$34,195.63
CAA Admin - HEART	\$26,651.84	\$0.00	\$190.92	\$26,460.92
CAK Admin - THAW	\$0.00	\$0.00	\$0.00	\$0.00
CAK Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
CAA Admin - THAW	\$45,505.20	\$0.00	\$42,011.82	\$3,493.38
CAA Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
Slot Maintenance Fees @ \$25/slot	\$106,178.80	\$0.00	\$92,300.00	\$13,878.80
Slots Filled	4,247	0	3692	555
Slot Fees Donation @\$25/slot	\$0.00	\$0.00	\$0.00	\$0.00
Slots Filled	0	0	0	-
Total	\$248,631.94	\$2,779.70	\$170,603.21	\$78,028.73

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.



Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601

KY Power
 Attn: Stevi Cobern

Amount Due	\$2,944.16
Invoice #	092025-01
Invoice Date	10/15/25
Invoice Period	September 2025

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$28,118.44	\$1,657.00	\$17,976.96	\$10,141.48
Legal	\$3,514.80	\$0.00	\$0.00	\$3,514.80
IT R&M	\$31,633.25	\$0.00	\$2,672.22	\$28,961.03
Other Expenses	\$7,029.61	\$1,287.16	\$18,395.45	-\$11,365.84
Total	\$70,296.10	\$2,944.16	\$39,044.63	\$31,251.47
CAA Admin - HEART	\$26,651.84	\$0.00	\$190.92	\$26,460.92
CAK Admin - THAW	\$0.00	\$0.00	\$0.00	\$0.00
CAK Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
CAA Admin - THAW	\$45,505.20	\$0.00	\$42,011.82	\$3,493.38
CAA Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
Slot Maintenance Fees @ \$25/slot	\$106,178.80	\$0.00	\$92,300.00	\$13,878.80
Slots Filled	4,247	0	3692	555
Slot Fees Donation @\$25/slot	\$0.00	\$0.00	\$0.00	\$0.00
Slots Filled	0	0	0	-
Total	\$248,631.94	\$2,944.16	\$173,547.37	\$75,084.57

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.



Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601

KY Power
 Attn: Stevi Cobern

Amount Due	\$2,177.79
Invoice #	102025-01
Invoice Date	11/15/25
Invoice Period	October 2025

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$25,490.00	\$1,199.40	\$1,199.40	\$24,290.60
Legal	\$1,416.00	\$0.00	\$0.00	\$1,416.00
IT R&M	\$22,657.00	\$0.00	\$0.00	\$22,657.00
Other Expenses	\$7,080.00	\$978.39	\$978.39	\$6,101.61
Total	\$56,643.00	\$2,177.79	\$2,177.79	\$54,465.21
CAA Admin - HEART	\$21,480.00	\$0.00	\$0.00	\$21,480.00
CAK Admin - THAW	\$0.00	\$0.00	\$0.00	\$0.00
CAK Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
CAA Admin - THAW	\$40,819.16	\$0.00	\$0.00	\$40,819.16
CAA Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
Slot Maintenance Fees @ \$25/slot	\$86,875.00	\$0.00	\$0.00	\$86,875.00
Slots Filled	3,475	0	0	3,475
Slot Fees Donation @\$25/slot	\$0.00	\$0.00	\$0.00	\$0.00
Slots Filled	0	0	0	-
Total	\$205,817.16	\$2,177.79	\$2,177.79	\$203,639.37

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.



KENTUCKY
community
Action
PARTNERSHIPS

[illegible]



Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601

KY Power
 Attn: Stevi Cobern

Amount Due	\$2,309.73
Invoice #	112025-01
Invoice Date	12/15/25
Invoice Period	November 2025

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$25,490.00	\$1,495.65	\$2,695.05	\$22,794.95
Legal	\$1,416.00	\$0.00	\$0.00	\$1,416.00
IT R&M	\$22,657.00	\$0.00	\$0.00	\$22,657.00
Other Expenses	\$7,080.00	\$814.08	\$1,792.47	\$5,287.53
Total	\$56,643.00	\$2,309.73	\$4,487.52	\$52,155.48
CAA Admin - HEART	\$21,480.00	\$0.00	\$0.00	\$21,480.00
CAK Admin - THAW	\$0.00	\$0.00	\$0.00	\$0.00
CAK Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
CAA Admin - THAW	\$40,819.16	\$0.00	\$0.00	\$40,819.16
CAA Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
Slot Maintenance Fees @ \$25/slot	\$86,875.00	\$0.00	\$0.00	\$86,875.00
Slots Filled	3,475	0.00	0	3,475
Slot Fees Donation @\$25/slot	\$0.00	\$0.00	\$0.00	\$0.00
Slots Filled	0	0.00	0	-
Total	\$205,817.16	\$2,309.73	\$4,487.52	\$201,329.64

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

[illegible]

[illegible]



Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601

KY Power
 Attn: Stevi Cobern

Amount Due	\$2,704.30
Invoice #	122024-01
Invoice Date	1/15/26
Invoice Period	December 2025

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$25,490.00	\$1,601.95	\$4,297.00	\$21,193.00
Legal	\$1,416.00	\$0.00	\$0.00	\$1,416.00
IT R&M	\$22,657.00	\$0.00	\$0.00	\$22,657.00
Other Expenses	\$7,080.00	\$1,102.35	\$2,894.82	\$4,185.18
Total	\$56,643.00	\$2,704.30	\$7,191.82	\$49,451.18
CAA Admin - HEART	\$21,480.00	\$0.00	\$0.00	\$21,480.00
CAK Admin - THAW	\$0.00	\$0.00	\$0.00	\$0.00
CAK Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
CAA Admin - THAW	\$40,819.16	\$0.00	\$0.00	\$40,819.16
CAA Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
Slot Maintenance Fees @ \$25/slot	\$86,875.00	\$0.00	\$0.00	\$86,875.00
Slots Filled	3,475	0	0.00	3,475
Slot Fees Donation @\$25/slot	\$0.00	\$0.00	\$0.00	\$0.00
Slots Filled	0	0	0.00	-
Total	\$205,817.16	\$2,704.30	\$7,191.82	\$198,625.34

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

[illegible]



Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601

KY Power
 Attn: Stevi Cobern

Amount Due	\$100,516.51
Invoice #	012026-01
Invoice Date	2/15/26
Invoice Period	January 2026

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$25,490.00	\$1,825.47	\$6,122.47	\$19,367.53
Legal	\$1,416.00	\$0.00	\$0.00	\$1,416.00
IT R&M	\$22,657.00	\$0.00	\$0.00	\$22,657.00
Other Expenses	\$7,080.00	\$1,226.81	\$4,121.63	\$2,958.37
Total	\$56,643.00	\$3,052.28	\$10,244.10	\$46,398.90
CAA Admin - HEART	\$21,480.00	\$0.00	\$0.00	\$21,480.00
CAK Admin - THAW	\$0.00	\$0.00	\$0.00	\$0.00
CAK Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
CAA Admin - THAW	\$40,819.16	\$16,914.23	\$16,914.23	\$23,904.93
CAA Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
Slot Maintenance Fees @ \$25/slot	\$86,875.00	\$80,550.00	\$80,550.00	\$6,325.00
Slots Filled	3,475	3222	3222	253
Slot Fees Donation @\$25/slot	\$0.00	\$0.00	\$0.00	\$0.00
Slots Filled	0	0	0	-
Total	\$205,817.16	\$100,516.51	\$107,708.33	\$98,108.83

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.



KENTUCKY
community
Action
PARTNERSHIPS



Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601

KY Power
 Attn: Stevi Cobern

Amount Due	\$21,768.94
Invoice #	022026-01
Invoice Date	3/15/26
Invoice Period	February 2026

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$25,490.00	\$1,479.36	\$7,601.83	\$17,888.17
Legal	\$1,416.00	\$0.00	\$0.00	\$1,416.00
IT R&M	\$22,657.00	\$0.00	\$0.00	\$22,657.00
Other Expenses	\$7,080.00	\$980.01	\$5,101.64	\$1,978.36
Total	\$56,643.00	\$2,459.37	\$12,703.47	\$43,939.53
CAA Admin - HEART	\$21,480.00	\$0.00	\$0.00	\$21,480.00
CAK Admin - THAW	\$0.00	\$0.00	\$0.00	\$0.00
CAK Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
CAA Admin - THAW	\$40,819.16	\$13,409.57	\$30,323.80	\$10,495.36
CAA Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
Slot Maintenance Fees @ \$25/slot	\$86,875.00	\$5,900.00	\$86,450.00	\$425.00
Slots Filled	3,475	236	3458	17
Slot Fees Donation @\$25/slot	\$0.00	\$0.00	\$0.00	\$0.00
Slots Filled	0	0	0	-
Total	\$205,817.16	\$21,768.94	\$129,477.27	\$76,339.89

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.



Utility Assistance Report - Slots

KY Power Heart

FFY 26 (10/1/2025-9/30/2026)

February 2026 Monthly Report

Summary

Program Participants

Program Applicants

Denied Applicants

Apps (Feb.)

Apps

1,356	3,441
5,296	
179	346

Agency	County	Base-Load				Donation All-Electric				Donation Base-Load				Electric			
		Allocated	Used (Feb.)	Used	Unused	Allocated	Used (Feb.)	Used	Unused	Allocated	Used (Feb.)	Used	Unused	Allocated	Used (Feb.)	Used	Unused
Big Sandy	Floyd	61	1	61	0									205	54	205	0
	Johnson	39	19	39	0									104	81	104	0
	Magoffin	26	26	26	0									50	46	50	0
	Martin	25	7	25	0									70	27	70	0
	Pike	156	113	156	0									575	311	574	1
	Total	307	166	307	0									1004	519	1003	1
Gateway Community Action	Morgan	5	0	0	5									20	0	20	0
	Rowan	6	0	3	3									18	0	18	0
	Total	11	0	3	8									38	0	38	0
LKLP	Knott	36	0	36	0	10	0	0	10	29	0	28	1	76	1	76	0
	Leslie	17	16	17	0									96	24	96	0
	Letcher	36	0	36	0									257	8	257	0
	Perry	73	0	63	10									249	0	249	0
	Total	162	16	152	10	10	0	0	10	29	0	28	1	678	33	678	0
Middle KY	Breathitt	22	0	22	0									80	0	80	0
	Total	22	0	22	0									80	0	80	0
Northeast KY Community Action Agency Inc	Boyd	191	43	191	0									283	99	282	1
	Carter	44	44	44	0									153	103	153	0
	Elliott	0	0	0	0									1	0	1	0
	Greenup	114	45	113	1									188	134	188	0
	Lawrence	39	39	39	0									121	82	119	2
	Total	388	171	387	1									746	418	743	3
Grand Total		890	1	871	19	10	0	0	10	29	0	28	1	2546	970	2542	4

Agency	Benefit Type	County	Available	On Waitlist (Feb.)	On Waitlist	Withdrawn (Feb.)	Withdrawn	Rejected (Feb.)	Rejected	Removed (Feb.)	Removed
Big Sandy	Base-Load	Floyd	0	0	2	0	0	0	9	0	0
		Johnson	0	0	2	0	0	0	3	0	0
		Magoffin	0	0	16	0	0	0	1	0	0
		Martin	0	0	2	0	0	0	2	0	0
		Pike	0	0	36	0	0	0	7	0	2
		Total	0	0	58	0	0	0	22	0	2
	Electric	Floyd	0	0	17	0	0	0	10	0	2
		Johnson	0	0	70	0	0	0	2	2	3
		Magoffin	0	0	41	0	0	0	3	0	1
		Martin	0	0	0	0	0	0	1	1	1
		Pike	1	0	172	0	0	0	24	2	3
		Total	1	0	300	0	0	0	40	5	10
Gateway Community Action	Base-Load	Morgan	5	0	0	0	0	0	0	0	0
		Rowan	3	0	0	0	0	0	0	0	0
		Total	8	0	0	0	0	0	0	0	0
	Electric	Morgan	0	0	42	0	0	0	0	0	1
		Rowan	0	0	9	0	0	0	3	0	1
	Total	0	0	51	0	0	0	0	3	0	2
LKLP	Base-Load	Knott	0	0	3	0	0	0	3	0	0
		Leslie	0	0	20	0	0	0	2	0	0
		Letcher	0	0	209	0	0	0	4	0	0
		Perry	10	0	274	0	0	0	2	0	0
		Total	10	0	506	0	0	0	11	0	0
	Donation All-Electric	Knott	10	0	0	0	0	0	5	0	0
		Leslie	0	0	0	0	0	0	0	0	0
		Letcher	0	0	0	0	0	0	0	0	0
		Total	10	0	0	0	0	0	5	0	0
	Donation Base-Load	Knott	1	0	0	0	0	0	0	0	0
		Leslie	0	0	0	0	0	0	0	0	0
		Letcher	0	0	0	0	0	0	0	1	0
		Total	1	0	0	0	0	0	0	1	0
	Electric	Knott	0	0	0	0	0	0	16	1	0
		Leslie	0	0	0	0	0	0	2	0	0
		Letcher	0	0	248	0	0	0	29	2	0
		Perry	0	0	1	0	0	0	17	0	0
		Total	0	0	249	0	0	0	64	3	0
Middle KY	Base-Load	Breathitt	0	0	55	0	0	0	2	1	0
		Total	0	0	55	0	0	0	2	1	0
	Electric	Breathitt	0	0	116	0	0	0	5	0	0
	Total	0	0	116	0	0	0	0	5	0	0
Northeast KY Community Action Agency Inc	Base-Load	Boyd	0	0	10	0	0	0	22	0	0
		Carter	0	0	61	0	0	0	1	0	0
		Greenup	0	0	0	0	0	0	13	0	1
		Lawrence	1	0	117	0	0	0	8	0	0
		Total	1	0	188	0	0	0	44	0	1
	Electric	Boyd	1	0	56	0	0	0	54	1	3
		Carter	0	0	46	0	0	0	33	1	2

		Elliott	0	0	1	0	0	0	0	0	0
		Greenup	0	0	24	0	0	1	28	3	0
		Lawrence	2	0	205	0	0	0	35	0	3
		Total	3	0	332	0	0	1	150	5	8
Grand Total			34	0	1855	0	0	1	346	15	23



Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601

KY Power
 Attn: Stevi Cobern

Amount Due	\$7,989.32
Invoice #	032026-01
Invoice Date	4/15/26
Invoice Period	March 2026

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$25,490.00	\$1,481.34	\$9,083.17	\$16,406.83
Legal	\$1,416.00	\$0.00	\$0.00	\$1,416.00
IT R&M	\$22,657.00	\$0.00	\$0.00	\$22,657.00
Other Expenses	\$7,080.00	\$829.51	\$5,931.15	\$1,148.85
Total	\$56,643.00	\$2,310.85	\$15,014.32	\$41,628.68
CAA Admin - HEART	\$21,480.00	\$0.00	\$0.00	\$21,480.00
CAK Admin - THAW	\$0.00	\$0.00	\$0.00	\$0.00
CAK Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
CAA Admin - THAW	\$40,819.16	\$5,628.47	\$35,952.27	\$4,866.89
CAA Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
Slot Maintenance Fees @ \$25/slot	\$86,875.00	\$50.00	\$86,500.00	\$375.00
Slots Filled	3,475	2	3460	15
Slot Fees Donation @\$25/slot	\$0.00	\$0.00	\$0.00	\$0.00
Slots Filled	0	0	0	-
Total	\$205,817.16	\$7,989.32	\$137,466.59	\$68,350.57

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

Utility Assistance Monthly Report - March 2026

KY Power HEART

Monthly report for March 2026



Summary	March # Applications	Total # Applications
Program Participants	971	971
Program Applicants	287	1221
Denied Applications	27	106

		Base-Load					Donation Base-Load					Donation Electric					Electric					
Agency	County	February	March	March			February	March	March			February	March	March			February	March	March			
		Allocated	Total	Total	Added	Unused	Allocated	Total	Total	Added	Unused	Allocated	Total	Total	Added	Unused	Allocated	Total	Total	Added	Unused	
Big Sandy	Floyd	61	61	60	-1	1	0	0	0	0	0	0	0	0	0	0	205	205	203	-2	2	
	Johnson	39	39	39	0	0	0	0	0	0	0	0	0	0	0	0	104	104	104	0	0	
	Magoffin	26	26	26	0	0	0	0	0	0	0	0	0	0	0	0	50	50	50	0	0	
	Martin	25	25	25	0	0	0	0	0	0	0	0	0	0	0	0	70	70	68	-2	2	
	Pike	156	156	155	-1	1	0	0	0	0	0	0	0	0	0	0	575	574	573	-1	2	
	Total	307	307	305	-2	2	0	0	0	0	0	0	0	0	0	0	1004	1003	998	-5	6	
Gateway Community Action	Morgan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20	20	20	0	0	
	Rowan	3	3	3	0	0	0	0	0	0	0	0	0	0	0	0	18	18	18	0	0	
	Total	3	3	3	0	0	0	0	0	0	0	0	0	0	0	0	38	38	38	-8	0	
LKLP	Knott	36	36	36	0	0	10	0	0	0	0	10	29	28	28	0	1	76	76	76	0	0
	Leslie	17	17	17	0	0	0	0	0	0	0	0	0	0	0	0	96	96	96	0	0	
	Letcher	36	36	36	0	0	0	0	0	0	0	0	0	0	0	0	257	257	257	0	0	
	Perry	73	63	63	0	10	0	0	0	0	0	0	0	0	0	0	249	249	249	0	0	
	Total	162	152	152	0	10	10	0	0	0	0	10	29	28	28	0	1	678	678	678	-8	0
Middle KY	Breathitt	22	22	22	0	0	0	0	0	0	0	0	0	0	0	0	80	80	79	-1	1	
	Total	22	22	22	0	0	0	0	0	0	0	0	0	0	0	0	80	80	79	-9	1	
Northeast KY Community Action Agency Inc	Boyd	191	191	190	-1	1	0	0	0	0	0	0	0	0	0	0	283	282	281	-1	2	
	Carter	47	44	47	3	0	0	0	0	0	0	0	0	0	0	0	153	153	152	-1	1	
	Elliott	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	0	0	
	Greenup	114	113	111	-2	3	0	0	0	0	0	0	0	0	0	0	188	188	187	-1	1	
	Lawrence	42	39	42	3	0	0	0	0	0	0	0	0	0	0	0	121	119	120	1	1	
	Total	394	387	434	3	4	0	0	0	0	0	0	0	0	0	0	746	743	741	-2	5	
	Grand Total	3434	888	871	872	1	16	10	0	0	0	10	29	28	28	0	1	2546	2542	2534	-32	12

			February Total	March Total*	March Add/ Moved	February Total	March Total*	March Add/ Moved	February Total	March Total	March Rejected	February Total	March Total	March Rejected
Agency	Benefit Type	County	On Waitlist	On Waitlist	Waitlist	Pending	Pending	Pending	Rejected	Rejected	Rejected	Removed	Removed	Removed
Big Sandy	Base-Load	Floyd	2	0	-2	0	0	0	9	11	2	0	0	1
		Johnson	2	2	0	0	0	0	3	3	0	0	0	0
		Magoffin	16	16	0	0	0	0	1	1	0	0	0	0
		Martin	2	2	0	0	0	0	2	2	0	0	0	0
		Pike	36	33	-3	0	1	1	7	8	1	2	4	2
		Total	58	53	-5	0	1	1	22	25	3	2	5	3
	Electric	Floyd	17	11	-6	0	2	2	10	12	2	2	6	4
		Johnson	70	65	-5	0	0	0	2	3	1	3	5	2
		Magoffin	41	41	0	0	0	0	3	3	0	1	1	0
		Martin	0	0	0	0	0	0	1	1	0	1	3	2
		Pike	171	159	-12	1	2	1	24	29	5	3	10	7
		Total	299	276	-23	1	4	3	40	48	8	10	25	15
Gateway Community Action	Base-Load	Morgan	0	0	0	0	0	0	0	0	0	0	0	0
		Rowan	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
	Electric	Morgan	42	42	0	0	0	0	0	0	0	1	1	0
		Rowan	9	9	0	0	0	0	3	3	0	1	1	0
		Total	51	51	0	0	0	0	3	3	0	2	2	0
LKLP	Base-Load	Knott	3	3	0	0	0	0	3	3	0	0	0	0
		Leslie	20	20	0	0	0	0	2	2	0	0	0	0
		Letcher	209	209	0	0	0	0	4	4	0	0	0	0
		Perry	274	273	-1	0	0	0	2	2	0	0	0	0
		Total	506	505	-1	0	0	0	11	11	0	0	0	0
	Donation All- Electric	Knott	0	0	0	0	0	0	5	5	0	0	0	0
		Leslie	0	0	0	0	0	0	0	0	0	0	0	0
		Letcher	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	5	5	0	0	0	0
	Donation Base- Load	Knott	0	0	0	0	0	0	0	0	0	0	0	0
		Leslie	0	0	0	0	0	0	0	0	0	0	0	0
		Letcher	0	0	0	0	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0	0	0	0	0	
Electric	Knott	0	0	0	0	0	0	16	16	0	0	0	0	
	Leslie	0	0	0	0	0	0	2	2	0	0	0	0	
	Letcher	248	248	0	0	0	0	29	29	0	0	0	0	
	Perry	1	1	0	0	0	0	17	17	0	0	0	0	
Total	249	249	0	0	0	0	64	64	0	0	0	0		
Middle KY	Base-Load	Breathitt	55	53	-2	0	0	0	2	3	1	0	1	1
		Total	55	53	-2	0	0	0	2	3	1	0	1	1
	Electric	Breathitt	116	114	-2	0	1	1	5	6	1	0	1	1
		Total	116	114	-2	0	1	1	5	6	1	0	1	1
Northeast KY Community Action Agency Inc	Base-Load	Boyd	10	8	-2	0	1	1	22	23	1	0	1	1
		Carter	61	58	-3	0	0	0	1	1	0	0	0	0
		Greenup	0	0	0	0	0	0	13	13	0	1	3	2
		Lawrence	117	112	-5	0	0	0	8	10	2	0	0	0
	Total	188	178	-10	0	1	1	44	47	3	1	4	3	
	Electric	Boyd	55	42	-13	1	2	1	54	61	7	3	9	6
		Carter	46	44	-2	0	1	1	33	33	0	2	4	2
		Elliott	1	1	0	0	0	0	0	0	0	0	0	0
Total		329	308	-21	3	5	2	150	161	11	8	18	10	
Grand Total		3475	1851	1787	-64	4	12	8	346	373	27	23	56	33



Community Action Kentucky, Inc
 101 Burch Court
 Frankfort, KY 40601

KY Power
 Attn: Stevi Cobern

Amount Due	\$10,047.39
Invoice #	052026-01
Invoice Date	6/15/26
Invoice Period	May 2026

Description	Budget	Current	YTD	Remaining
CAK Admin - HEART				
Staffing	\$25,490.00	\$1,548.84	\$12,222.84	\$13,267.16
Legal	\$1,416.00	\$0.00	\$0.00	\$1,416.00
IT R&M	\$22,657.00	\$0.00	\$0.00	\$22,657.00
Other Expenses	\$7,080.00	\$919.40	\$8,071.82	-\$991.82
Total	\$56,643.00	\$2,468.24	\$20,294.66	\$36,348.34
CAA Admin - HEART	\$21,480.00	\$7,009.59	\$7,009.59	\$14,470.41
CAK Admin - THAW	\$0.00	\$0.00	\$0.00	\$0.00
CAK Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
CAA Admin - THAW	\$40,819.16	\$569.56	\$36,521.83	\$4,297.33
CAA Admin - Donation	\$0.00	\$0.00	\$0.00	\$0.00
Slot Maintenance Fees @ \$25/slot	\$86,875.00	\$0.00	\$86,500.00	\$375.00
Slots Filled	3,475	0	0	3,475
Slot Fees Donation @\$25/slot	\$0.00	\$0.00	\$0.00	\$0.00
Slots Filled	0	0	0	-
Total	\$205,817.16	\$10,047.39	\$150,326.08	\$55,491.08

Please make checks payable to Community Action Kentucky, Inc. and include the Invoice Number.

Utility Assistance Monthly Report - April 2026

KY Power HEART

Monthly report for March 2026



Summary	March # Applications	Total # Applications
Program Participants	971	971
Program Applicants	287	1221
Denied Applications	27	106

		Base-Load					Donation Base-Load					Donation Electric					Electric					
Agency	County	Month					Month					Month					Month					
		Allocated	Month Start	Month End	Invoice	Unused	Allocated	Month Start	Month End	Invoice	Unused	Allocated	Month Start	Month End	Invoice	Unused	Allocated	Month Start	Month End	Invoice	Unused	
Big Sandy	Floyd	61	60	57	-3	4	0	0	0	0	0	0	0	0	0	0	0	205	203	205	-2	0
	Johnson	39	39	38	-1	1	0	0	0	0	0	0	0	0	0	0	0	104	104	104	0	0
	Magoffin	26	26	25	-1	1	0	0	0	0	0	0	0	0	0	0	0	50	50	48	2	2
	Martin	25	25	24	-1	1	0	0	0	0	0	0	0	0	0	0	0	70	68	68	0	2
	Pike	156	155	153	-2	3	0	0	0	0	0	0	0	0	0	0	0	575	573	566	7	9
	Total	307	305	297	-8	10	0	0	0	0	0	0	0	0	0	0	0	1004	998	991	7	13
Gateway Community Action	Morgan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20	20	20	0	0
	Rowan	3	3	3	0	0	0	0	0	0	0	0	0	0	0	0	0	18	18	18	0	0
	Total	3	3	3	0	0	0	0	0	0	0	0	0	0	0	0	0	38	38	38	14	0
LKLP	Knott	36	36	36	0	0	10	0	0	0	0	10	29	28	28	0	1	76	76	76	0	0
	Leslie	17	17	17	0	0	0	0	0	0	0	0	0	0	0	0	96	96	96	0	0	
	Letcher	36	36	36	0	0	0	0	0	0	0	0	0	0	0	0	257	257	257	0	0	
	Perry	73	63	63	0	10	0	0	0	0	0	0	0	0	0	0	0	249	249	248	1	1
	Total	162	152	152	0	10	10	0	0	0	0	10	29	28	28	0	1	678	678	677	15	1
Middle KY	Breathitt	22	22	22	0	0	0	0	0	0	0	0	0	0	0	0	80	79	79	0	1	
	Total	22	22	22	0	0	0	0	0	0	0	0	0	0	0	0	80	79	79	16	3	
Northeast KY Community Action Agency Inc	Boyd	191	190	189	-1	2	0	0	0	0	0	0	0	0	0	0	283	280	282	-2	3	
	Carter	47	47	47	0	0	0	0	0	0	0	0	0	0	0	0	153	152	150	2	1	
	Elliott	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	0	0	
	Greenup	114	111	110	-1	4	0	0	0	0	0	0	0	0	0	0	188	187	186	1	1	
	Lawrence	42	42	42	0	0	0	0	0	0	0	0	0	0	0	0	121	120	120	0	1	
	Total	394	390	388	-2	6	0	0	0	0	0	0	0	0	0	0	746	740	739	1	6	
Grand Total		3434	888	872	862	-10	26	10	0	0	0	0	29	28	28	0	1	2546	2533	2524	53	23

Agency	Benefit Type	County	Monthly total			Monthly total			Monthly total			Monthly total		
			Start	End	On Waitlist	Start	End	On Waitlist	Start	End	On Waitlist	Start	End	On Waitlist
Big Sandy	Base-Load	Floyd	0	0	0	0	0	0	11	11	0	1	1	0
		Johnson	2	0	-2	0	0	0	3	3	0	0	0	0
		Magoffin	16	12	-4	0	1	1	1	1	0	0	0	0
		Martin	2	0	-2	0	1	1	2	2	0	0	0	0
		Pike	33	28	-5	1	3	-2	8	8	0	4	4	0
		Total	53	40	-13	1	5	-4	25	25	0	5	5	0
	Electric	Floyd	13	8	-5	2	0	-2	11	12	1	5	6	1
		Johnson	65	62	-3	0	0	0	3	3	0	5	5	0
		Magoffin	41	39	-2	0	2	2	3	3	0	1	1	0
		Martin	0	0	0	0	0	0	1	1	0	3	3	0
		Pike	159	147	-12	2	7	5	29	29	0	10	10	0
		Total	278	256	-22	4	9	5	47	48	1	24	25	1
Gateway Community Action	Base-Load	Morgan	0	0	0	0	0	0	0	0	0	0	0	0
		Rowan	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
	Electric	Morgan	42	42	0	0	0	0	0	0	0	1	1	0
		Rowan	9	9	0	0	0	0	3	3	0	1	1	0
		Total	51	51	0	0	0	0	3	3	0	2	2	0
LKLP	Base-Load	Knott	3	3	0	0	0	0	3	3	0	0	0	0
		Leslie	20	20	0	0	0	0	2	2	0	0	0	0
		Letcher	209	208	-1	0	0	0	4	4	0	0	0	0
		Perry	273	272	-1	0	0	0	2	2	0	0	0	0
		Total	505	503	-2	0	0	0	11	11	0	0	0	0
	Donation All-Electric	Knott	0	0	0	0	0	0	5	5	0	0	0	0
		Leslie	0	0	0	0	0	0	0	0	0	0	0	0
		Letcher	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	5	5	0	0	0	0
	Donation Base-Load	Knott	0	0	0	0	0	0	0	0	0	0	0	0
		Leslie	0	0	0	0	0	0	0	0	0	0	0	0
		Letcher	0	0	0	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0	0	0	0
	Electric	Knott	0	0	0	0	0	0	16	16	0	0	0	0
		Leslie	0	0	0	0	0	0	2	2	0	0	0	0
		Letcher	248	248	0	0	0	0	29	29	0	0	0	0
		Perry	1	0	-1	0	0	0	17	17	0	0	0	0
	Total	249	248	-1	0	0	0	0	64	64	0	0	0	0
Middle KY	Base-Load	Breathitt	53	52	-1	0	0	0	3	3	0	1	1	0
		Total	53	52	-1	0	0	0	3	3	0	1	1	0
	Electric	Breathitt	114	113	-1	1	1	0	6	6	0	1	1	0
		Total	114	113	-1	1	1	0	6	6	0	1	1	0
Northeast KY Community Action Agency Inc.	Base-Load	Boyd	8	6	-2	1	2	1	23	23	0	1	1	0
		Carter	58	57	-1	0	0	0	1	1	0	0	0	0
		Greenup	0	0	0	0	0	0	13	13	0	3	3	0
		Lawrence	112	110	-2	0	0	0	10	10	0	0	0	0
		Total	178	173	-5	1	2	1	47	47	0	4	4	0
	Electric	Boyd	43	31	-12	3	1	-2	60	61	1	9	9	0
		Carter	44	38	-6	1	3	-2	33	33	0	4	4	0
		Elliott	1	1	0	0	0	0	0	0	0	0	0	0
		Greenup	22	16	-6	1	2	-1	29	30	1	1	1	0
		Lawrence	200	198	-2	1	1	0	37	37	0	4	4	0
	Total	310	284	-26	6	7	1	159	161	2	18	18	0	0
Grand Total		3475	1791	1720	-1	13	24	11	370	373	3	55	56	1

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2026 Annual Report on Home Energy Assistance
Programs Dated August 14, 2026

DATA REQUEST

KPSC A_5 Agendas of any meeting between the administrator and utility, including any discussed or proposed program changes.

RESPONSE

KPCO_R_KPSC_A_5_Attachment1 provides the dates, agendas, and topics discussed at the meetings. Please see KPCO_R_KPSC_A_5_Attachment2 for the 2026-2027 Marketing Plan.



HEART and THAW Pre-Program Year Meeting Agenda

Date: September 23, 2025

Time: 10:30 – 11:30 a.m.

Format: In person at Frenchburg office

Host: Stevi Cobern, Kentucky Power Regulatory Consultant Principal

Invitees: Gateway Community Action

Meeting Objective: Review program guidelines and eligibility requirements for upcoming program year. Discuss programs and answer questions.

Topics:

- | | |
|--------------------|---|
| 10:30 – 10:35 a.m. | Welcome and Introduction |
| 10:35 – 10:40 a.m. | Briefly discuss AML approval |
| 10:40 – 11:05 a.m. | Review program guidelines, eligibility requirements and transmittals |
| 11:05 – 11:10 a.m. | Review billing options and payment plans available to customers and provide contact information |
| 11:10 – 11:15 a.m. | Discuss DSM programs |
| 11:15 – 11:25 a.m. | Emerging issues, questions and answers |
| 11:25 – 11:30 a.m. | Closing |



HEART and THAW Pre-Program Year Meeting Agenda

Date: September 23, 2025

Time: 1:30 – 2:30 p.m.

Format: In person at Jackson office

Host: Stevi Cobern, Kentucky Power Regulatory Consultant Principal

Invitees: Middle Kentucky Community Action Agency

Meeting Objective: Review program guidelines and eligibility requirements for upcoming program year. Discuss programs and answer questions.

Topics:

- | | |
|------------------|---|
| 1:30 – 1:35 p.m. | Welcome and Introduction |
| 1:35 – 1:40 p.m. | Briefly discuss AML approval |
| 1:40 – 2:05 p.m. | Review program guidelines, eligibility requirements and transmittals |
| 2:05 – 2:10 p.m. | Review billing options and payment plans available to customers and provide contact information |
| 2:10 – 2:15 p.m. | Discuss DSM programs |
| 2:15 – 2:25 p.m. | Emerging issues, questions and answers |
| 2:25 – 2:30 p.m. | Closing |



HEART and THAW Pre-Program Year Meeting Agenda

Date: September 24, 2025

Time: 11:00 a.m. – 12:00 p.m.

Format: In person at Central Office in Paintsville

Host: Stevi Cobern, Kentucky Power Regulatory Consultant Principal

Invitees: Big Sandy Community Action Program

Meeting Objective: Review program guidelines and eligibility requirements for upcoming program year. Discuss programs and answer questions.

Topics:

- | | |
|--------------------|---|
| 11:00 – 11:05 a.m. | Welcome and Introduction |
| 11:05 – 11:10 a.m. | Briefly discuss approved increase to REA surcharge |
| 11:10 – 11:35 a.m. | Review program guidelines, eligibility requirements and transmittals |
| 11:35 – 11:40 a.m. | Review billing options and payment plans available to customers and provide contact information |
| 11:40 – 11:45 a.m. | Discuss DSM programs |
| 11:45 – 11:55 a.m. | Emerging issues, questions and answers |
| 11:55 – 12:00 p.m. | Closing |



HEART and THAW Pre-Program Year Meeting Agenda

Date: September 26, 2025

Time: 9:00 – 10:00 a.m.

Format: Microsoft Teams

Host: Stevi Cobern, Kentucky Power Regulatory Consultant Principal

Invitees: LKLP Community Action Council

Meeting Objective: Review program guidelines and eligibility requirements for upcoming program year. Discuss programs and answer questions.

Topics:

- | | |
|-------------------|---|
| 9:00 – 9:05 a.m. | Welcome and Introduction |
| 9:05 – 9:10 a.m. | Briefly discuss AMI approval |
| 9:10 – 9:35 a.m. | Review program guidelines, eligibility requirements and transmittals |
| 9:35 – 9:40 a.m. | Review billing options and payment plans available to customers and provide contact information |
| 9:40 – 9:45 a.m. | Discuss DSM programs |
| 9:45 – 9:55 a.m. | Emerging issues, questions and answers |
| 9:55 – 10:00 a.m. | Closing |



HEART and THAW Pre-Program Year Meeting Agenda

Date: September 26, 2025

Time: 12:00 – 1:00 p.m.

Format: In person at Olive Hill office

Host: Stevi Cobern, Kentucky Power Regulatory Consultant Principal

Invitees: Northeast Community Action Agency

Meeting Objective: Review program guidelines and eligibility requirements for upcoming program year. Discuss programs and answer questions.

Topics:

- | | |
|--------------------|---|
| 12:00 – 12:05 p.m. | Welcome and Introduction |
| 12:05 – 12:10 p.m. | Briefly discuss AMI approval |
| 12:10 – 12:35 p.m. | Review program guidelines, eligibility requirements and transmittal process |
| 12:35 – 12:40 p.m. | Review billing options and payment plans available to customers and provide contact information |
| 12:40 – 12:45 p.m. | Discuss DSM programs |
| 12:45 – 12:55 p.m. | Emerging issues, questions and answers |
| 12:55 – 1:00 p.m. | Closing |



An **AEP** Company

BOUNDLESS ENERGY™

HEART and THAW Pre-Program Year Meeting Agenda

Date: December 8, 2025

Time: 1:30 – 2:00 p.m.

Format: Microsoft Teams

Host: Stevi Cobern, Kentucky Power Regulatory Consultant Principal

Invitees: Margie Meehan, CAK Program Director

Meeting Objective: Discuss HEART and THAW programs

Topics:

- | | |
|------------------|--|
| 1:30 – 1:40 p.m. | Discuss HEART and THAW programs, including applications, reporting, and transmittals |
| 1:40 – 1:50 p.m. | Discuss IT changes and timeline for first transmittal of HEART applications |
| 1:50 – 2:00 p.m. | Roundtable discussion |



An **AEP** Company

BOUNDLESS ENERGY™

HEART Slot Discussion

Meeting Agenda

Date: March 24, 2026

Time: 2:00 – 2:30 p.m.

Format: Microsoft Teams

Host: Stevi Cobern, Kentucky Power Regulatory Consultant Principal

Invitees: Margie Meehan and Laura Ann Torres, CAK

Meeting Objective: Discuss HEART and THAW programs

Topics:

- | | |
|------------------|--|
| 2:00 – 2:10 p.m. | Review most recent report and status of HEART slots used |
| 2:10 – 2:20 p.m. | Discuss THAW funding |
| 2:20 – 2:30 p.m. | Roundtable discussion |



HEART and THAW Post Program Year Meeting Agenda

Date: August 7, 2026

Time: 11:00 – 11:15 a.m.

Format: Phone Call

Host: Stevi Cobern, Kentucky Power Customer Support Manager

Invitees: Northeast Kentucky Community Action Agency

Meeting Objective: Discuss HEART and THAW 2026 program year

Topics:

- | | |
|--------------------|---|
| 11:00 – 11:02 a.m. | Welcome |
| 11:03 – 11:10 a.m. | Discuss HEART and THAW program year including lessons learned, suggestions for improvement, funding split and benefit amounts |
| 11:10 – 11:13 a.m. | Emerging issues |
| 11:13 – 11:15 a.m. | Closing |



An AEP Company

BOUNDLESS ENERGY™

HEART and THAW Post Program Year Meeting Agenda

Date: August 7, 2026

Time: 11:15 – 11:30 a.m.

Format: Phone Call

Host: Stevi Cobern, Kentucky Power Customer Support Manager

Invitees: Middle Kentucky Community Action Partnership

Meeting Objective: Discuss HEART and THAW 2026 program year

Topics:

- | | |
|--------------------|---|
| 11:15 – 11:17 a.m. | Welcome |
| 11:18 – 11:25 a.m. | Discuss HEART and THAW program year including lessons learned, suggestions for improvement, funding split and benefit amounts |
| 11:25 – 11:28 a.m. | Emerging issues |
| 11:28 – 11:30 a.m. | Closing |



An **AEP** Company

BOUNDLESS ENERGY™

HEART and THAW Post Program Year Meeting Agenda

Date: August 7, 2026

Time: 2:00 – 2:15 p.m.

Format: Phone Call

Host: Stevi Cobern, Kentucky Power Customer Support Manager

Invitees: LKLP Community Action Council

Meeting Objective: Discuss HEART and THAW 2026 program year

Topics:

- | | |
|------------------|---|
| 2:00 – 2:02 p.m. | Welcome |
| 2:03 – 2:10 p.m. | Discuss HEART and THAW program year including lessons learned, suggestions for improvement, funding split and benefit amounts |
| 2:10 – 2:13 p.m. | Emerging issues |
| 2:13 – 2:15 p.m. | Closing |



HEART and THAW Post Program Year Meeting Agenda

Date: August 10, 2026

Time: 11:45 a.m. – 12:00 p.m.

Format: Phone Call

Host: Stevi Cobern, Kentucky Power Customer Support Manager

Invitees: Gateway Community Action

Meeting Objective: Discuss HEART and THAW 2026 program year

Topics:

- | | |
|--------------------|---|
| 11:45 – 11:47 a.m. | Welcome |
| 11:48 – 11:55 a.m. | Discuss HEART and THAW program year including lessons learned, suggestions for improvement, funding split and benefit amounts |
| 11:55 – 11:58 a.m. | Emerging issues |
| 11:58 – 12:00 p.m. | Closing |



2026 HEART and THAW Marketing Plan Kentucky Power

GOAL: To ensure eligible Kentucky Power customers and community officials are knowledgeable about the HEART and THAW program being offered through the winter months.

The customer service, external affairs and corporate communications teams hold responsibility for ensuring plan is executed.

September:

External Communications:

- Conduct training for Community Action Agencies (CAA) to review program guidelines, eligibility requirements and communication plan
- Documents discussing optional payment plans such as payment arrangements, Average Monthly Payment (AMP) plan and budget billing are provided to local CAA offices for use while discussing optional programs and as a takeaway for customers (Community Action Agencies (CAA) are responsible for discussing payment plan options with applicants as an eligibility requirement)
- Review HEART and THAW program details for any updates to website at: <https://www.kentuckypower.com/account/bills/assistance/> ; program flyer also linked on website

October:

Internal Communications:

- Provide call center agents and all Kentucky Power employees with updated talking points about programs
- Post internal story about HEART and THAW on employee intranet site.

External Communications:

- News release to news media in territory about HEART program
- Social media posts
- Email to residential customers (that we have email addresses for) providing program information for HEART, including link to website and program flyer
- Outreach (email and/or phone calls) to elected and community officials on HEART program
- Bill insert discussing HEART for all residential customers (Cycle 1 – 8/28/2026 through Cycle 21 – 9/28/2026)

- We will use a variety of ways to circulate flyers and information at high-traffic locations. Information will either be hand delivered, emailed, or mailed. We will ask agency representatives to share information through digital channels and in physical locations if open to public. Targeted agencies could include: county and city buildings, public libraries, Family Resource Centers/local school districts and at the local Department for Community Based Services.

November:

Internal Communications:

- Community palm card provided to field employees in the fall/winter and given to customers as needed to provide information about optional programs

External Communications:

- Social media posts
- Reminder email to residential customers (that we have email addresses for) providing program information for HEART including link to website and program flyer
- Bill message promoting HEART

December:

External Communications:

- News release to news media in territory about THAW program
- Social media posts
- Email to residential customers (that we have email addresses for) providing program information for THAW including link to website and program flyer
- Outreach (email and/or phone calls) to elected and community officials on THAW program
- Bill insert discussing THAW for all residential customers (Cycle 1 – 11/30/2026 through Cycle 21 – 12/30/2026)

January:

External Communications:

- Social media posts
- Reminder email to residential customers (that we have email addresses for) providing program information for THAW including link to website and program flyer
- Bill message promoting THAW

Rev 8/26

For questions or more information, contact Stevi Cobern at sncobern@aep.com

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2026 Annual Report on Home Energy Assistance
Programs Dated August 14, 2026

DATA REQUEST

- KPSC A_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).

RESPONSE

Please see KPCO_R_KPSC_A_6_Attachment1 tab "A_6" for the requested information.

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2026 Annual Report on Home Energy Assistance
Programs Dated August 14, 2026

DATA REQUEST

KPSC A_7 The information set forth in Item 6 for HEA program participants, annually and by month.

RESPONSE

Please see KPCO_R_KPSC_A_6_Attachment1 tab "A_7" for the requested information.

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2026 Annual Report on Home Energy Assistance
Programs Dated August 14, 2026

DATA REQUEST

KPSC A_8 The average monthly benefit provided to participants through the program.

RESPONSE

The HEART program provides a fixed benefit level. Participating low-income residential customers whose primary source of heat is electric are eligible to receive an electric bill credit of \$115.00 a month for bills rendered in January through April. Participating low-income residential customers whose primary source of heat is non-electric are eligible to receive an electric bill credit of \$58.00 a month for bills rendered in January through April.

The THAW program helps customers who do not require the broader and more sustained help provided by HEART, but who nonetheless are at risk of losing their electric service because of a temporary situation. THAW offers assistance credit of up to a total of \$175.00 per winter heating season (bills rendered January through April) or until allocated benefits are expended to eligible residential customers on a first come, first served basis. The average benefit level paid to participants in the THAW program during the 2026 program year was \$169.53.

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2026 Annual Report on Home Energy Assistance
Programs Dated August 14, 2026

DATA REQUEST

KPSC A_9 Copies of any outside independent audit conducted during the program year.

RESPONSE

KPCO_R_KPSC_A_9_Attachment1 is the independent audit provided to Kentucky Power by CAK for the 12 months ended June 30, 2025. The Company anticipates receiving in December 2026 from CAK the independent audit for the 12 months ended June 30, 2026.

Members American Institute of Certified Public Accountants
and Kentucky Society of Certified Public Accountants



March 9, 2026

Board of Directors and Ricky Baker, Executive Director
Community Action Kentucky
101 Burch Court
Frankfort, KY 40601

We are pleased to confirm our understanding of the services we are to provide for Community Action Kentucky, Inc. for the year ended June 30, 2026.

Audit Scope and Objectives

We will audit the financial statements of Community Action Kentucky, Inc., which comprise the statement of financial position as of June 30, 2026, the related statements of activities, functional expenses, and cash flows for the year then ended, and the disclosures (collectively, the "financial statements"). Also, the following supplementary information accompanying the financial statements will be subjected to the auditing procedures applied in our 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 (GAAS), and we will provide an opinion on it in relation to the financial statements as a whole in a separate written report accompanying our auditor's report on the financial statements.

- 1) Schedule of expenditures of federal awards.
- 2) Schedule of subrecipient expenditures

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America, and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditors' Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

A significant risk is an identified assessed risk of material misstatement that in the auditor's professional judgement, requires special audit consideration. Audit planning has not yet concluded; however, we anticipate the following significant risks of material misstatement:

1. Expenditures pose an additional risk of fraud because of the possibility of management override of controls.
2. GAAS presumes that revenue recognition is a significant risk.
3. The accounting and reporting of federal grant revenues and expenses are considered a high-risk area due to the number of grants that are administered by Community Action Kentucky, Inc. and their significance on the procedures performed as part of an audit conducted in accordance with the Uniform Guidance.

If additional significant risk arise during planning of audit procedures, we will communicate those risks to you in a timely manner.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the Organization and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Community Action Kentucky, Inc.'s compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Organization's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on Community Action Kentucky, Inc.'s compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying

significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the Organization from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Organization involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the Organization complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the

supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Other Services

We will prepare the Organization's federal information return for the year ended June 30, 2026 based on information provided by you. We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of Community Action Kentucky, Inc. in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. The other services are limited to the financial statements, schedule of expenditures of federal awards, related notes, and tax services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise management with regard to tax positions taken in the preparation of the information return, but management must make all decisions with regard to those matters.

You agree to assume all management responsibilities for the tax services, financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter the tax services provided and our assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and related notes and that you have evaluated the adequacy of our services and have reviewed and approved the results of the services, the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to the Organization; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of RFH, PLLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to an appropriate grantor or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of RFH, PLLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the grantor agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Tyler Fallin, CPA, CFE is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on a mutually agreed upon date, and issue our reports with sufficient time to submit the audit to the Federal Audit Clearinghouse prior to March 31, 2027, assuming no significant unexpected circumstances are encountered during the audit.

We estimate that our fees for these services will not exceed \$39,000 and is detailed as follows:

- Audit and related services \$36,000
- Preparation of the 990 \$3,000
- (If applicable) Fee if additional major program is required to be audited \$4,000 per program
- (If applicable) If additional work outside the scope of this engagement letter is required, it will be discussed with you and billed at our standard hourly rates of \$90 to \$300 per hour.

The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. Our invoices for these fees will be rendered periodically as work progresses and are payable on presentation.

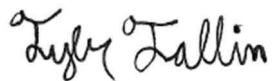
Reporting

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Directors of Community Action Kentucky, Inc. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Sincerely,



Tyler Fallin, CPA, CFE
RFH, PLLC

RESPONSE:

This letter correctly sets forth the understanding of Community Action Kentucky, Inc.

Management signature: _____



Title: Executive Director

Date: 03/09/2026

Governance signature: _____



Brandon Harley M.D. 9/3/2026 09:53:44 CDT

Title: Board Chair

Date: 09/03/2026

CAK Audit Engagement Letter - to be signed

Final Audit Report

2026-03-09

Created:	2026-03-09
By:	Ricky Baker (rick@capky.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAASZljGNx1O3UaXhaO6S54MwZJuPqWM0h3

"CAK Audit Engagement Letter - to be signed" History

-  Document created by Ricky Baker (rick@capky.org)
2026-03-09 - 2:12:57 PM GMT
-  Document emailed to Brandon Harley (bharley@audubon-area.com) for signature
2026-03-09 - 2:13:06 PM GMT
-  Email viewed by Brandon Harley (bharley@audubon-area.com)
2026-03-09 - 2:52:40 PM GMT
-  Document e-signed by Brandon Harley (bharley@audubon-area.com)
Signature Date: 2026-03-09 - 2:53:44 PM GMT - Time Source: server
-  Agreement completed.
2026-03-09 - 2:53:44 PM GMT



Adobe Acrobat Sign

***COMMUNITY ACTION
KENTUCKY, INC.***

FINANCIAL AND COMPLIANCE AUDIT

JUNE 30, 2025

Community Action Kentucky, Inc.

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

For the Year Ended June 30, 2025

Community Action Kentucky, Inc.
Table of Contents
June 30, 2025

Independent Auditor’s Report.....	1-3
-----------------------------------	-----

Financial Statements:

Statement of Financial Position	4
Statement of Activities.....	5
Statement of Functional Expenses	6
Statement of Cash Flows.....	7
Notes to the Financial Statements	8-16

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.....	17-18
---	-------

Independent Auditor’s Report on Compliance for Each Major Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance	19-21
--	-------

Supplementary Information

Schedule of Expenditures of Federal Awards.....	22
Schedule of Subrecipient Expenditures	23
Notes to the Schedule of Expenditures of Federal Awards.....	24-25
Schedule of Findings and Questioned Costs	26

Other Supplementary Schedules	27-30
-------------------------------------	-------



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Community Action Kentucky, Inc.
101 Burch Court
Frankfort, KY 40601

Report on the Audit of the Financial Statements

Opinion

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, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Community Action Kentucky, Inc. as of June 30, 2025, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Community Action Kentucky, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management 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, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Kentucky, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

To the Board of Directors
Community Action Kentucky, Inc.
February 12, 2026
Page 2 of 3

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 Community Action Kentucky, Inc.'s internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Kentucky, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 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* is presented for purposes of additional analysis and is not a required part of the 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 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

To the Board of Directors
Community Action Kentucky, Inc.
February 12, 2026
Page 3 of 3

accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards 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 February 12, 2026, 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 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 Kentucky, 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 Kentucky, Inc.'s internal control over financial reporting and compliance.

Calhoun & Company

Calhoun & Company, PLLC
Hopkinsville, Kentucky
February 12, 2026

Community Action Kentucky, Inc.
Statement of Financial Position
June 30, 2025

Assets

Current Assets

Cash & Cash Equivalents	\$	364,318
Accounts Receivable - General		3,834
Accounts Receivable - Funding Sources		5,375,524
Accounts Receivable - Subrecipients		52,030
Unbilled Grant Receivable		30,479
Prepaid Expenses		48,324
Total Current Assets		5,874,509

Other Assets

Investments		581,655
Total Other Assets		581,655

Property and Equipment

Property and Equipment Net of Accumulated Depreciation		935,776
Total Property and Equipment		935,776

Total Assets

\$ 7,391,940

Liabilities and Net Assets

Current Liabilities

Accounts Payable	\$	5,255,412
Accrued Liabilities		65,886
Deferred Revenue		61,223
Total Current Liabilities		5,382,521

Long Term Liabilities

-

Total Liabilities

5,382,521

Net Assets

Without Donor Restrictions		1,999,129
With Donor Restrictions		10,290
Total Net Assets		2,009,419

Total Liabilities and Net Assets

\$ 7,391,940

Community Action Kentucky, Inc.
Statement of Activities
For the Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Grants/Contracts	\$ -	\$ 69,687,731	\$ 69,687,731
Dues	280,466	-	280,466
Rental Income	15,600	-	15,600
Investment Income	91,592	-	91,592
Other	407,558	-	407,558
Net Assets Released From Restrictions	69,687,731	(69,687,731)	-
Total Revenue and Support	70,482,947	-	70,482,947
Expenses:			
Programs			
RCAP	6,250	-	6,250
LIHEAP	60,760,239	-	60,760,239
WX	57,848	-	57,848
CSBG	164,982	-	164,982
OCS	435,814	-	435,814
Kynect	7,540,386	-	7,540,386
Other	710,722	-	710,722
Supporting Services	1,245,850	-	1,245,850
Total Expenses	70,922,091	-	70,922,091
Increase (Decrease) in Net Assets	(439,144)	-	(439,144)
Net Assets at Beginning of the Year Restated	2,438,273	10,290	2,448,563
Net Assets at End of Year	\$ 1,999,129	\$ 10,290	\$ 2,009,419

Community Action Kentucky, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2025

	RCAP	LIHEAP	WX	CSBG	RPIC	Kynect	Other	Treasury	Totals
Salaries	\$ -	\$ 153,515	\$ 12,640	\$ 31,309	\$ 8,956	\$ 107,108	\$ 36,279	\$ 87,774	\$ 437,581
Fringe Benefits	-	91,450	6,345	14,994	4,180	84,250	23,951	18,755	243,925
Legal Fees	-	-	-	-	-	-	-	21,649	21,649
Professional Services	-	-	-	-	-	-	-	39,400	39,400
Accounting & Payroll	-	-	-	-	-	-	10,982	134,700	145,682
Technology	-	38,232	21,033	-	-	-	16,033	614,420	689,718
Marketing/Advertising	-	300	-	-	-	49,479	146,000	830	196,609
Other Professional Services	6,250	-	-	31,488	63,403	-	-	81,369	182,510
Travel	-	3,593	821	9,156	15,981	1,763	-	10,850	42,164
Meeting Expense	-	508	-	32,852	135	2,720	508	70,581	107,304
Professional Association Fee	-	-	-	-	-	-	-	461	461
Education / Registration	-	-	500	2,960	1,637	-	-	1,308	6,405
Telephone & Utilities	-	91	-	-	-	600	-	7,640	8,331
Postage	-	-	-	-	-	2,174	-	182	2,356
Supplies	-	-	-	1,458	-	35	-	13,889	15,382
Publications / Subscriptions	-	-	-	-	-	-	-	118,810	118,810
Dues & Fees	-	-	-	-	-	-	-	54,238	54,238
Insurance / Bonding	-	-	-	-	-	-	-	105,665	105,665
Printing	-	-	-	388	-	1,964	-	1,000	3,352
Repairs & Maintenance	-	-	-	-	-	-	-	17,333	17,333
Depreciation	-	-	-	-	-	-	-	152,345	152,345
Interest	-	-	-	-	-	-	-	182	182
Other	-	-	-	-	-	-	-	29,356	29,356
Shared Costs	-	264,380	17,671	40,377	6,376	242,968	60,388	(632,160)	-
Reclassify Unfunded Expense	-	-	(1,162)	-	-	-	(2,989)	4,151	-
Subrecipients Insurance Comm	-	-	-	-	-	-	-	291,122	291,122
Subrecipients	-	60,208,170	-	-	335,146	7,047,325	419,570	-	68,010,211
Total Expenses	\$ 6,250	\$ 60,760,239	\$ 57,848	\$ 164,982	\$ 435,814	\$ 7,540,386	\$ 710,722	\$ 1,245,850	\$ 70,922,091

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

Community Action Kentucky, Inc.
Statement of Cash Flows
For the Year Ended June 30, 2025

Cash Flows From Operating Activities:

Change in Net Assets	\$ (439,144)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	152,345
Net Investment Fees / Investment Income	(42,430)
Unrealized Gain on Investments	(45,063)
Changes in Operating Assets and Liabilities:	
Increase in Reimbursable Costs	(4,402,958)
Increase in Sub-recipient Receivables	(23,578)
Decrease in Unbilled Grant Receivable	73,301
Decrease in Accounts Receivable - other	37,556
Increase in Prepaid Expenses	(14,141)
Decrease in Accounts Payable	(1,394,894)
Decrease in Accrued Expenses	(312,021)
Total Adjustments	(5,971,883)
Net Cash Provided by Operating Activities	(6,411,027)

Cash Flows From Investing Activities:

Proceeds From Sale of Investments	296,767
Net Cash Flows (Used) in Investing Activities	296,767

Cash flows From Financing Activities:

Cash Flows (Used) In Financing Activities	-
---	---

Net Decrease in Cash	(6,114,260)
Cash and Cash Equivalents at Beginning of Year	6,478,578
Cash and Cash Equivalents at End of Year	\$ 364,318

Supplemental Disclosure of Cash Flow Information:

There were no noncash investing or financing activities for the year ended June 30, 2025.

Cash Paid During the Year Ended June 30, 2025 for:

Interest Paid	\$ 182
Income Taxes	\$ -

**Community Action Kentucky, Inc.
Notes to the Financial Statements
For the Year Ended June 30, 2025**

Note 1 – Organization and Nature of the Operations

Community Action Kentucky, Inc. (“the Agency”) (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 9 of this report for further details). The Agency was formed in 1968 to provide a link between the CAA’s to better accomplish mutual goals and objectives. The responsibilities of the Agency 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.

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

The following programs are administered by the Agency:

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. The Agency 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 the Agency 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.

Kynect Program

The Kynect Program provides assistance in applying for health insurance.

Home Energy Assistance Programs

The Agency, in conjunction with Community Action Agencies, operates energy assistance programs with multiple utilities that help households with utility 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.

Community Action Kentucky, Inc.
Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

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.

Resources are classified for accounting and financial reporting purposes into categories established according to their nature and purposes to ensure observance of limitations and restrictions placed on their use. The assets, liabilities, and net assets of the Agency are reported in two categories as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions. The only limits on net assets without donor restrictions are those resulting from the nature of the Agency and its purposes.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are transitory in nature, such as those that will be met by the passage of time other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, when the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time period has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Agency had no Net Assets With Donor Restrictions at the year ended June 30, 2025.

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 the Agency'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 underlying collateral and current economic conditions. Based on management's assessment of the credit history and current, the Agency, believes realization of losses, if any, will be immaterial.

Community Action Kentucky, Inc.
Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

Note 2 – Summary of Significant Accounting Principles (Continued)

Accrued Compensation – It is the policy of the Agency 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, 2025, the Agency had unpaid annual leave and salary of \$22,413.

Functional Expenses – Directly identified expenses are charged to programs and support services. The Agency 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 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 98% of the Agency's revenue was earned under various contracts (grants), approximately 87% from US Department of Health and Human Services. The Agency's market is concentrated in the geographic area of Kentucky.

The Agency maintains its cash balances in local bank deposit accounts. The daily balances for most of the year were uncollateralized, and at times were uninsured by as much as \$18,581,559. When the Agency receives funding, it is usually spent within least three days of receipt.

Note 4 – Income Taxes

The Agency 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, 2025, the Agency has no estimated liability on unrelated business activities. The Agency 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. The Agency's Federal Exempt Organization Business Income Tax Return (Form 990) for 2023, 2022, and 2021 are subject to examination by the IRS, generally for three years after they were filed.

Community Action Kentucky, Inc.
Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

Note 5 – Investments

Community Action Kentucky, Inc. determines fair value based on the price that would be received to sell the asset or paid to transfer the liability to a market participant. Investments consisted of the following at June 30, 2025:

	Cost	Fair Value
Stocks	\$ 228,534	\$ 304,623
Stock Funds	54,840	70,487
Bond Funds	211,131	206,545
Total	<u>\$ 494,505</u>	<u>\$ 581,655</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 Agency'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 Agency'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, 2025, the Agency's trading securities had a fair value of \$581,655, of which, all was determined based on quoted prices in active markets for identical assets (Level 1).

Realized and unrealized gains and losses included in the change in net assets for the year ended June 30, 2025 are reported in the accompanying statement of activities as follow:

Interest & Dividend Income	\$ 23,815
Realized Gains(Losses)	22,714
Unrealized Gains(Losses)	45,063
Total Investment Income	<u>\$ 91,592</u>

Community Action Kentucky, Inc.
Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

Note 6 – Property and Equipment

Property and equipment consisted of the following at June 30, 2025:

Land	\$ 105,287
Office Equipment	1,440,424
Building	<u>780,540</u>
Total Depreciable Assets	2,326,251
Less: Accumulated Depreciation	<u>(1,390,475)</u>
Net Property, Plant & Equipment	<u>\$ 935,776</u>

Depreciation is computed using the straight-line method over the estimated useful life of the respective asset. Depreciation expense totaled \$152,345 for the year ended June 30, 2025.

Note 7 – Multi-Employer Plans

Plan Description

In connection with the Agency's agreements with Kentucky Public Pension Authority – County Employee Retirement System (CERS) and the Insurance Trust Fund (ITF), the Agency participates with other Agencies in the State in a defined benefit pension plan and post-retirement plan. This multi-employer plan covers all of the Agency's employees who are eligible to participate. The risks of participating in these multi-employer plans are different from single-employer plans in the following aspects:

1. Assets contributed to the multi-employer plans by one employer may be used to provide benefits to employees of other participating employers.
2. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
3. If the Agency chooses to stop participating in its multi-employer plan, it may be required to pay those plans an amount based on the unfunded status of the plan, referred to as a withdrawal liability. At this time, the Agency has not established any liabilities because withdrawal from this plan is not probable.

The amount shown below as "actuarial accrued liability" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems (PERS). The measure is independent of the actuarial funding method used to determine contributions to the System.

**Community Action Kentucky, Inc.
Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025**

Note 7 – Multi-Employer Plans (Continued)

Pension Plan

Vesting in the retirement benefit begins immediately upon entry into the System. The participant has a fully vested interest after the completion of sixty months of service, twelve of which are current service. At a minimum, terminated employees are refunded their contributions with credited interest at 3% compounded annually through June 30, 1981, 6% thereafter through June 30, 1986, and 4% thereafter. All required contributions were paid at year end or within thirty (30) days thereafter. The percentage of the Agency's contributions to total employers' contribution in the CERS for the fiscal year ended June 30, 2024, is not known. For the fiscal year ended June 30, 2025, the Agency provided less than 1% of the total contributions to the plan.

The CERS Non-Hazardous total actuarial accrued liability was \$15,576,667,000 and the net assets available for the benefits were \$9,596,244,000 as of June 30, 2024, which is the latest information available.

Post-Employment Retirement Benefits

Kentucky Public Pension Authority (KPAA) contributes toward the monthly insurance premium based on years of service and type of service. For participants beginning prior to July 1, 2003, KPAA will pay a percentage of the monthly contribution rate for medical insurance coverage. For participants beginning between July 1, 2003 and August 31, 2008, eligibility for insurance benefits shall not be provided until the member has earned at least 120 months of service. For non-hazardous members, KPAA will contribute \$10 per month for insurance for each year of earned service. For participants beginning on or after September 1, 2008, eligibility for insurance benefits shall not be provided until the member has earned at least 180 months of service. For non-hazardous members, KPAA will contribute \$10 per month for insurance for each year of earned service. The percentage of the Agency's contributions to total employers' contribution in the insurance plan for the fiscal year ended June 30, 2025 is not known. For the fiscal year ended June 30, 2024, the Agency provided less than 1% of the total contributions to the plan.

The ITF Non-Hazardous total actuarial accrued liability was \$3,534,297,000 and the net assets available for the benefits was \$3,707,277,000 as of June 30, 2024, which is the latest information available.

Other Information

The Agency's participation in the plan for the years ended June 30, 2025 and 2024 is outlined in the table below. The "EIN/Pension Plan Number" column provides the Employee Identification Number (EIN) and the three-digit plan number assigned to the plan by the Internal Revenue Service.

Form 5500 is not required for this plan.

Unless otherwise noted, the most recent "Pension Protection Act (PPA) Zone Status" available in 2025 and 2024 is for the plan's year end at June 30, 2024 and 2023, respectively. The zone status is based on information that the Agency received from the Plan. A plan in the "red" zone has been determined to be in "critical status", based on the criteria established in the Tax Code and is generally less than 65% funded. A plan in the "yellow" zone has been determined to be in "endangered status", based on criteria established in the Tax Code and is generally less than 80% funded. A plan in the "green" zone is generally at least 80% funded.

Community Action Kentucky, Inc.
Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

Note 7 – Multi-Employer Plans (Continued)

The “FIP/RP Status Pending / Implemented” column indicates a plan for which a financial improvement plan (FIP), as required under the Code to be adopted by a plan in the “yellow” zone, or a Rehabilitation Plan (RP), as required under the Code to be adopted by a plan in the “red” zone, is either pending or has been implemented.

The “Surcharge Imposed” column indicates whether the Agency’s contribution rate for 2025 included an amount in addition to the contribution rate specified in the applicable collective bargaining agreement, as imposed by a plan in “critical status”, in accordance with the requirements of the Code. The last column lists the expiration dates of the collective bargaining agreements to which the plan is subject. Finally, there have been no significant changes that affect the comparability of 2025 and 2024 contributions.

Pension Fund	EIN/Pension Plan Number	PPA Zone Status		FIP/RP Status Pending/ Implemented	Contributions of Agency		Surcharge Imposed	Expiration Date of Collective Bargaining Agreement
		June 30, 2024	June 30, 2023		June 30, 2025	June 30, 2024		
KRS - CERS	32-0041688	Red	Red	N/A	\$ 109,308	\$ 128,105	N/A	N/A
KRSITF	01-0913714	Red	Red	N/A	\$ -	\$ -	N/A	N/A

Note 8 – 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 the Agency 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, 2025.

Note 9 – 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. The Agency provides technical support, lobbying and administrative support and in return receives membership dues totaling \$280,466 for the year ended June 30, 2025. The Agency 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 \$68,010,210, of which \$60,543,316 was federal funds for the year ended June 30, 2025.

Community Action Kentucky, Inc.
Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

Note 10 – Liquidity

Financial assets available for general expenditure that is, without donor or other restrictions limiting their use, within one year of June 30, 2025 are:

Financial Assets	
Cash & Cash Equivalents	\$ 364,318
Reimbursable Costs	3,834
Due from Sub-recipients	52,030
Due from Funding Sources	5,406,003
Prepaid Expenses	48,324
Total Financial Assets	<u>\$ 5,874,509</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>\$ 5,874,509</u></u>

Note 11 – Subsequent Events

Management did not indicate financially impacting information regarding subsequent events. Subsequent events were evaluated through February 12, 2026, which is the date the financial statements were available to be issued. Material subsequent events, if any, are disclosed in a separate footnote to these financial statements.

Note 12 – Net Assets

Net assets consist of the following at June 30, 2025:

Net Assets Without Donor Restrictions	
Undesignated	\$ 1,063,353
Net Investment in Property and Equipment	935,776
Total Net Assets Without Donor Restrictions	<u>1,999,129</u>
Net Assets With Donor Restrictions	
Grant Funds with Purpose Restrictions	10,290
Total Net Assets With Donor Restrictions	<u>10,290</u>
Total Net Assets	<u><u>\$ 2,009,419</u></u>

Community Action Kentucky, Inc.
Notes to the Financial Statements, Continued
For the Year Ended June 30, 2025

Note 12 – Net Assets, (Continued)

Net Assets Without Donor Restrictions consist of the following:

Undesignated: Undesignated net assets are not restricted by the grantor or donor and are not designated by the Board of Directors. These funds are available to be used at the Board of Director's or Management's discretion for the general operation of the Agency.

Net Investment in Property and Equipment: Fixed assets that are not restricted by the grantor or donor and are not designated by the Board of Directors are considered a net investment in property and equipment.

Net Assets With Donor Restrictions consist funds that had not been spent as of June 30, 2025 for programs that have a different period than the agency. At June 30, 2025 there were no Net Assets With Donor Restrictions.

Note 13 – Correction of Accounting Error

For fiscal year ended June 30, 2025, the agency made a prior period adjustment to correct an accounting error. This resulted in a portion of net assets without donor restrictions being reclassified to net assets with donor restrictions. Accordingly, this amount has been adjusted to restate net assets as of the beginning of the fiscal year.

	Without Donor Restrictions	With Donor Restrictions
Beginning Net Assets as Previously Reported at June 30, 2024	\$ 2,448,563	\$ -
Correction of Accounting Error	<u>(10,290)</u>	<u>10,290</u>
Net Assets as Restated at July 1, 2024	<u><u>\$ 2,438,273</u></u>	<u><u>\$ 10,290</u></u>



**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***

To the Board of Directors
Community Action Kentucky, Inc.
101 Burch Court
Frankfort, KY 40601

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. which comprise the statement of financial position as of June 30, 2025, 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 February 12, 2026.

Report on 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) as a basis for designing 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 or significant deficiencies may exist that were not identified.

Report on 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 financial statements. 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*.

To the Board of Directors
Community Action Kentucky, Inc.
February 12, 2026
Page 2 of 2

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.

Calhoun & Company

Hopkinsville, Kentucky
February 12, 2026



**Independent Auditor's Report on Compliance for Each
Major Program and Report on Internal Control Over Compliance
In Accordance with the Uniform Guidance**

To the Board of Directors
Community Action Kentucky, Inc.
101 Burch Court
Frankfort, KY 40601

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Community Action Kentucky, Inc.'s compliance with the types of compliance requirements identified as subject to audit 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, 2025. 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.

In our opinion, Community Action Kentucky, Inc. complied, in all material respects, with the 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, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Community Action Kentucky, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Community Action Kentucky, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Community Action Kentucky, Inc.'s federal programs.

To the Board of Directors
Community Action Kentucky, Inc.
February 12, 2026
Page 2 of 3

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Community Action Kentucky, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Community Action Kentucky, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Community Action Kentucky, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Community Action Kentucky, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Community Action Kentucky, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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

To the Board of Directors
Community Action Kentucky, Inc.
February 12, 2026
Page 3 of 3

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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Calhoun & Company
Hopkinsville, Kentucky
February 12, 2026

SUPPLEMENTAL INFORMATION

Community Action Kentucky, Inc.
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Grant	Pass-Through Grantor	Federal Assistance Listing Number	Pass Through Grant Number	Grant Period Ending	Sub-reipients	Federal Award Expenditures
U.S. Department of Health and Human Services:						
Weatherization - LIHEAP	Kentucky Housing Corporation	93.568	LH24-0373-02	6/30/2025	\$ -	\$ 27,848
LIHEAP (Regular)	KY Cabinet for Health & Family Services	93.568	736 2400001811	6/30/2025	60,208,170	60,760,239
Community Services Block Grant	KY Cabinet for Health & Family Services	93.569	736 2400001811	6/30/2025	-	164,982
RPIC	Office of Community Services	93.569	90ET0510-01-02	9/29/2024	135,000	182,874
RPIC	Office of Community Services	93.569	90ET0510-03-00	9/29/2025	200,146	252,940
Total U.S. Department of Health and Human Services					<u>60,543,316</u>	<u>61,388,883</u>
U.S. Department of Energy:						
Weatherization - DOE	Kentucky Housing Corporation	81.042	WX25-0373-02	6/30/2025	-	30,000
Total U.S. Department of Energy					<u>-</u>	<u>30,000</u>
Environmental Protection Agency:						
RCAP - Division of Water - Lincoln Co	KY Energy and Environment Cabinet	66.605	PPG-BG-00D21419	9/29/2024	-	6,250
Total Environmental Protection Agency:					<u>-</u>	<u>6,250</u>
U.S. Department of Homeland Security						
FEMA Flood	KY Cabinet for Health & Family Services	97.088	729 2300000327	6/30/2025	-	770
Total U.S. Department of Agriculture					<u>-</u>	<u>770</u>
Total Expenditures of Federal Awards					<u>\$ 60,543,316</u>	<u>\$ 61,425,903</u>

Community Action Kentucky, Inc.
Schedule of Subrecipient Expenditures
For the Year Ended June 30, 2025

	LIHEAP	RPIC		Non-Federal			
	93.568	93.569	Total Federal	Kynect	HEA	Treasury	Total
Audubon Area	\$ 2,720,091	\$ -	\$ 2,720,091	\$ 520,422	\$ 2,825	\$ -	\$ 3,243,338
Bell-Whitley CAA	1,718,826	-	1,718,826	-	4,200	145	1,723,171
Big Sandy CAP	3,754,755	-	3,754,755	-	53,991	513	3,809,259
Blue Grass CAA	2,889,808	-	2,889,808	502,257	27,931	439	3,420,435
Central Ky CAA	2,657,562	-	2,657,562	-	21,085	(44)	2,678,603
Daniel Boone CAA	3,524,153	-	3,524,153	-	6,029	(1,709)	3,528,473
Gateway CAA	1,828,672	-	1,828,672	487,046	5,812	(514)	2,321,016
Harlan Co CAA	845,683	-	845,683	-	1,975	224	847,882
KCEOC CAP	1,342,108	-	1,342,108	-	1,575	160	1,343,843
Foothills CAP	1,883,981	-	1,883,981	458,371	16,370	142	2,358,864
LKLP CAA	3,112,865	-	3,112,865	-	25,657	285	3,138,807
Lake Cumberland CAA	5,537,367	-	5,537,367	816,583	3,825	555	6,358,330
CAC - Lexington	1,722,017	-	1,722,017	610,441	40,450	284	2,373,192
Licking Valley CAP	1,151,601	-	1,151,601	257,816	2,400	(16,863)	1,394,954
Louisville Metro	6,618,320	-	6,618,320	-	71,200	445	6,689,965
Middle Ky CAP	2,654,236	-	2,654,236	-	36,720	181	2,691,137
Multi-Purpose CAA	514,310	-	514,310	-	10,680	84	525,074
Northeast Ky CAA	4,000,107	-	4,000,107	557,838	23,405	192	4,581,542
Northern Ky CAC	2,541,852	-	2,541,852	1,012,177	58,061	115	3,612,205
Pennyrile Allied	3,049,534	-	3,049,534	535,611	9,030	(240)	3,593,935
CAA of Southern Ky	3,658,218	-	3,658,218	594,101	1,389	306	4,254,014
Tri-County CAA	342,151	-	342,151	-	8,708	30	350,889
West Ky Allied	2,139,953	-	2,139,953	694,662	1,215	306	2,836,136
Other	-	335,146	335,146	-	-	-	335,146
	<u>\$ 60,208,170</u>	<u>\$ 335,146</u>	<u>\$ 60,543,316</u>	<u>\$ 7,047,325</u>	<u>\$ 434,533</u>	<u>\$ (14,964)</u>	<u>\$ 68,010,210</u>

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

Community Action Kentucky, Inc.
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Note 1 – Basis of Presentation – The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Action Kentucky, Inc. (“the Agency”) under programs of the federal government for the year ended June 30, 2025. 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 the Agency; it is not intended to and does not present the financial position, changes in net assets and cash flows of the Agency. 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 the Agency. 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 be 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 be 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

Community Action Kentucky, Inc.
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Note 4 – Indirect Cost Rate – The Agency does not maintain an indirect cost pool and therefore has not adopted a federally-negotiated indirect cost rate nor has it elected to use the 15% de minimis indirect cost rate. The Agency has elected a cost allocation plan which allocated shared costs based on direct charged payroll. Any costs that are unable to be shared based on direct charged labor and are considered to be indirect in nature are direct charged to the Agency treasury.

Note 5 – Loan and Loan Guarantee Programs – For the fiscal year ended June 30, 2025, there were no loan or loan guarantee funds received from federal funding, nor were there any loan or loan guarantee federal fund expenditures.

**Community Action Kentucky, Inc.
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2025**

Section I – Summary of Auditor’s Results

Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
• Material weaknesses identified?	No
• Significant deficiency identified that are not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weaknesses identified?	No
• Significant deficiency identified that are not considered to be material weaknesses	None Reported
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 2 CFR 200.516(a)? No

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
93.568	Low Income Home Energy Assistance Program

Dollar threshold used to distinguish between type A and type B programs \$ 1,842,777

Auditee qualified as low-risk auditee? No

Section II – Financial Statement Findings

None.

Section III – Federal Award Findings and Questioned Costs

None.

Community Action Kentucky, Inc.
Statement of Activity by Program
For the Year Ended June 30, 2025

Revenues	RCAP	LIHEAP	WX	CSBG	OCS	Kynect	Other	Treasury	Total
Grant Revenue	\$ 16,540	\$ 60,760,239	\$ 57,848	\$ 164,982	\$ 435,814	\$ 7,540,386	\$ 711,922	\$ -	\$ 69,687,731
Rental Income	-	-	-	-	-	-	-	15,600	15,600
Interest Income	-	-	-	-	-	-	-	23,815	23,815
Dues	-	-	-	-	-	-	-	280,466	280,466
Realized Gain On Inv	-	-	-	-	-	-	-	22,714	22,714
Unrealized Loss On Inv	-	-	-	-	-	-	-	45,063	45,063
Other Income	-	-	-	-	-	-	-	407,558	407,558
Total Revenues	16,540	60,760,239	57,848	164,982	435,814	7,540,386	711,922	795,216	70,482,947
Expenses									
Salaries	-	153,515	12,640	31,309	8,956	107,108	36,279	87,774	437,581
Fringe Benefits	-	91,450	6,345	14,994	4,180	84,250	23,951	18,755	243,925
Legal Fees	-	-	-	-	-	-	-	21,649	21,649
Professional Services	-	-	-	-	-	-	-	39,400	39,400
Accounting & Payroll	-	-	-	-	-	-	10,982	134,700	145,682
Technology	-	38,232	21,033	-	-	-	16,033	614,420	689,718
Marketing/Advertising	-	300	-	-	-	49,479	146,000	830	196,609
Other Professional Services	6,250	-	-	31,488	63,403	-	-	81,369	182,510
Travel	-	3,593	821	9,156	15,981	1,763	-	10,850	42,164
Meeting Expense	-	508	-	32,852	135	2,720	508	70,581	107,304
Professional Association Fee	-	-	-	-	-	-	-	461	461
Education / Registration	-	-	500	2,960	1,637	-	-	1,308	6,405
Telephone & Utilities	-	91	-	-	-	600	-	7,640	8,331
Postage	-	-	-	-	-	2,174	-	182	2,356
Supplies	-	-	-	1,458	-	35	-	13,889	15,382
Publications / Subscriptions	-	-	-	-	-	-	-	118,810	118,810
Dues & Fees	-	-	-	-	-	-	-	54,238	54,238
Insurance / Bonding	-	-	-	-	-	-	-	105,665	105,665
Printing	-	-	-	388	-	1,964	-	1,000	3,352
Repairs & Maintenance	-	-	-	-	-	-	-	17,333	17,333
Depreciation	-	-	-	-	-	-	-	152,345	152,345
Interest	-	-	-	-	-	-	-	182	182
Other	-	-	-	-	-	-	-	29,356	29,356
Shared Costs	-	264,380	17,671	40,377	6,376	242,968	60,388	(632,160)	-
Subrecipients Ins Comm	-	-	-	-	-	-	-	291,122	291,122
Reclassify Unfunded Expense	-	-	(1,162)	-	-	-	(2,989)	4,151	-
Subrecipients	-	60,208,170	-	-	335,146	7,047,325	419,570	-	68,010,211
Total Expenses	6,250	60,760,239	57,848	164,982	435,814	7,540,386	710,722	1,245,850	70,922,091
Change in Net Assets	\$ 10,290	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200	\$ (450,634)	\$ (439,144)

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

Community Action Kentucky, Inc.
LIHEAP Grant - AL # 93.568
CONTRACT #736-2400001811
Statement of Program Expenses
For the Period July 1, 2024 Through June 30, 2025

Payments to Subrecipients

Summer Subsidy	Reg	\$ 11,816,545	
Energy Counseling	Reg	241,856	
Fall Subsidy	Reg	10,287,450	
Winter Crisis	Reg	24,146,218	
Spring Subsidy	Reg	8,500,288	
Agency Administration	Reg	5,235,835	
Total Payments To Subrecipients			<u>60,228,192</u>

CAK Administration

Salaries		153,515	
Fringe Benefits		91,450	
Telephone		92	
Technology		38,232	
Other Expenses		508	
Travel		3,593	
Marketing		300	
Shared Costs		264,380	
Total CAK Administration			<u>552,070</u>

Total Expenditures 60,780,262

Questioned Costs -

Allowable Cost 60,780,262
Less: Amount Received From CHFS – LIHEAP 57,918,138
Less: Accounts Receivable From Funding Sources 2,862,124
Less: Accounts Payable To Funding Sources -

Excess (Shortage) Receipts over Expenditures \$ -

Community Action Kentucky, Inc.
LIHEAP Grant - AL # 93.568
CONTRACT #736-2400001811
Statement of Program Expenses
For the Period July 1, 2024 Through June 30, 2025

Cost Category	Budget	Actual	(Over)/Under Budget
Administrative Cost			
Subrecipient	\$ 8,039,074	\$ 5,235,835	\$ 2,803,239
Community Action Kentucky	895,142	552,070	343,072
Total Administrative	8,934,216	5,787,905	3,146,311
Benefits - Direct Assistance			
Direct Assistance	80,771,152	54,992,357	25,778,795
Total Benefits	80,771,152	54,992,357	25,778,795
Total Contract	\$ 89,705,368	\$ 60,780,262	\$ 28,925,106

Community Action, Kentucky, Inc.
CSBG Grant - AL # 93.569
CONTRACT #736-2400001811
Statement of Program Expenses
For the Period July 1, 2024 Through June 30, 2025

Expenditures	Regular	
Salaries	\$ 31,309	
Fringe Benefits	14,994	
Meeting Expense	32,852	
Other Professional Services	31,488	
Travel	9,156	
Printing	388	
Education / registration	2,960	
Supplies	1,458	
Shared Costs	<u>40,377</u>	
Total Expenditures		164,982
Questioned Cost		<u>-</u>
Allowable Cost		164,982
Less: Contract Payment Received From CHFS - CSBG		101,077
Less: Accounts Receivable from Funding Sources		63,905
Plus: Accounts Payable to Funding Sources		<u>-</u>
Excess (Shortage) Receipts over Expenditures		<u><u>\$ -</u></u>

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2026 Annual Report on Home Energy Assistance
Programs Dated August 14, 2026
Page 1 of 2

DATA REQUEST

KPSC A_10 A brief description of the current shareholder funding levels and any future plans to increase the shareholder contribution amount.

RESPONSE

Kentucky Power's Home Energy Assistance in Reduced Temperatures ("HEART") and Temporary Heating Assistance in Winter ("THAW") programs are partly funded through a monthly residential meter charge per month.¹

In accordance with the Commission's January 19, 2024 Order in Case No. 2023-00159, Kentucky Power increased the Tariff R.E.A. rate from \$0.30 to \$0.40 per residential meter per month. Additionally, in that case the Company increased its contribution from a dollar-for-dollar match of the monthly per-meter charge to a two-for-one match.²

For the twelve months ending June 30, 2026, Kentucky Power provided \$1,248,990.62 in shareholder funding to the HEART and THAW programs.

Kentucky Power's voluntary energy cost assistance program, Donation HEART, which the Commission approved pursuant to KRS 278.287, is partly funded through voluntary customer donations.³ Kentucky Power matches those donations dollar-for-dollar with shareholder funding up to \$20,000 annually.⁴ For the twelve months ending June 30, 2026, Kentucky Power provided \$1,505.89 in matching shareholder funding to the Donation HEART program.

¹ See Order, *In the Matter of: Electronic Joint Application Of Kentucky Power Company And Community Action Kentucky, Inc. To (1) Expand And Modify Kentucky Power Company's Home Energy Assistance Program; (2) Approve The Amended Operating Agreement; (3) Approve Kentucky Power's Voluntary Energy Assistance Fund; (4) Approve Revised Tariff Sheets; And (5) Grant All Other Relief*, Case No. 2018-00311, at 8 (Ky. P.S.C. Oct. 30, 2018).

² Order, *In The Matter Of: Electronic Application Of Kentucky Power Company For (1) A General Adjustment Of Its Rates For Electric Service; (2) Approval Of Tariffs And Riders; (3) Approval Of Accounting Practices To Establish Regulatory Assets And Liabilities; (4) A Securitization Financing Order; And (5) All Other Required Approvals And Relief*, Case No. 2023-00159 (Ky. P.S.C. Jan. 19, 2024).

³ See Order, *In the Matter of: Electronic Joint Application Of Kentucky Power Company And Community Action Kentucky, Inc. To (1) Expand And Modify Kentucky Power Company's Home Energy Assistance Program; (2) Approve The Amended Operating Agreement; (3) Approve Kentucky Power's Voluntary Energy Assistance Fund; (4) Approve Revised Tariff Sheets; And (5) Grant All Other Relief*, Case No. 2018-00311, at 9 (Ky. P.S.C. Oct. 30, 2018).

⁴ *Id.*

Kentucky Power Company
KPSC Case No. 2019-00366 Appendix B
2026 Annual Report on Home Energy Assistance Programs
Dated August 14, 2026
Page 2 of 2

Kentucky Power anticipates continuing its two-for-one match of the monthly residential Tariff R.E.A. charge that partially funds HEART and THAW. Kentucky Power does not presently plan to modify the shareholder funding level for Donation HEART.