

	JUL 2025	AUG 2025	SEP 2025	OCT 2025	NOV 2025	DEC 2025	JAN 2026	FEB 2026	MAR 2026	APR 2026	MAY 2026	JUN 2026
1. Provided separated by month:												
a. Total funds collected from ratepayers via a meter-change	\$5,167.31	\$10,251.86	\$10,253.32	\$10,230.64	\$10,305.16	\$16,092.69	\$5,388.67	\$10,794.93	\$16,210.08	\$5,443.28	\$10,678.41	\$15,793.88
b. Donations collected from ratepayers for HEA program												
c. The total amount of residential customers.	34,158	34,150	34,190	35,013	35,446	35,765	35,953	35,955	35,756	35,313	34,998	34,820
d. The amount of shareholder funds allocated for the program								\$ 65,000.00				
e. The amount of HEA funds distributed to participants							\$ 46,350.00	\$ 53,100.00	\$ 55,500.00	\$ 900.00		
f. The current balance of the HEA account	\$128,080.41	\$ 138,332.27	\$ 148,585.59	\$ 158,816.23	\$ 169,121.39	\$ 185,214.08	\$ 144,252.75	\$ 166,947.68	\$ 127,657.76	\$ 132,201.04	\$ 142,879.45	\$ 158,673.33
g. The amount, if any of "rolled-over" and unspent HEA funds												
2. The total number of slots, total and by county	Refer to Attachment A.											
3. The total number of:												
a. Program participants							264	320	326	9		
b. Program applicants				61	61	328	30	38	287	287		
c. Denied applicants							5	0	9	9		
4. Copies of each Monthly HEA Report	Refer to Attachment B.											
5. Agendas of meeting between the administrator and utility, including any discussed or proposed program changes	Ad hoc meetings between administrator's IT resources and Delta were held to work through file transfer issues.											
6. The following information for all residential customers by month:												
a. Average balance amount	\$64.23	\$58.96	\$67.06	\$70.31	\$78.95	\$88.99	\$121.67	\$165.49	\$215.36	\$200.72	\$163.63	\$129.72
b. Average monthly bill amount	\$36.36	\$43.17	\$41.93	\$46.11	\$62.25	\$119.89	\$139.53	\$193.48	\$142.83	\$92.66	\$63.34	\$48.25
c. Average monthly payment amount	\$61.10	\$62.17	\$63.08	\$68.55	\$77.17	\$112.75	\$152.22	\$190.40	\$178.50	\$131.87	\$88.50	\$76.13
d. Average monthly usage (Gas and Electric separate, where applicable)	0.79	0.79	0.72	1.00	2.25	7.03	8.83	12.60	7.80	3.57	2.30	1.18
e. Termination notices issued	752	1,383	1,632	1,755	1,881	4,531	1,672	3,351	5,945	1,928	3,463	4,210
f. Service terminations	145	71	65	71	32	20	48	151	90	169	219	45
g. Amount of unique customers receiving a termination notice for nonpayment (ie, if a customer receives one or more termination notices, this customer would only be counted as one)	752	1,383	1,632	1,755	1,881	4,321	1,672	3,351	5,476	1,928	3,463	4,109
h. Amount of unique customers with service terminated for nonpayment (ie if a customer has service terminated once, this customer would only be counted as one)	144	71	65	71	32	20	48	151	90	169	219	45
7. This information set forth in Item 6 for HEA program participants by month:												
a. Average balance amount	-\$8.72	-\$23.00	-\$18.11	-\$9.35	\$1.11	-\$8.23	\$18.89	\$46.27	\$62.78	\$59.34	\$30.74	\$28.69
b. Average monthly bill amount	\$31.27	\$38.07	\$37.23	\$40.04	\$57.95	\$104.73	\$132.85	\$173.39	\$128.30	\$95.31	\$58.59	\$43.18
c. Average monthly payment amount	\$56.75	\$57.24	\$59.42	\$60.12	\$69.22	\$125.80	\$170.53	\$171.52	\$164.21	\$117.12	\$97.00	\$70.47
d. Average monthly usage (Gas and Electric separate, where applicable)	0.42	0.46	0.39	0.57	1.80	5.67	7.51	10.66	6.64	3.43	1.90	0.83
e. Termination notices issued	4	7	9	6	12	18	4	16	23	13	25	16
f. Service terminations			1	1			1	1		1	1	1
g. Amount of unique customers receiving a termination notice for nonpayment (ie, if a customer receives one or more termination notices, this customer would only be counted as one)	4	7	9	6	12	18	4	16	23	13	25	15
h. Amount of unique customers with service terminated for nonpayment (ie if a customer has service terminated once, this customer would only be counted as one)			1	1			1	1		1	1	1
8. The average monthly benefit provided to participants through the program												
9. Copies of any outside independent audit conducted during the program year	Refer to Attachment C.											
10. A brief description of the current shareholder funding levels and any future plans to increase the shareholder contribution amount	Shareholder funding for the report period was \$65,000 and Delta intends to continue this level of shareholder funding going forward.											

Attachment

A

School District/County	Allocation		401
Bath County	9	3%	11
Bell County	16	5%	19
Bourbon County	1	0%	1
Clark County	1	0%	1
Clay County	12	4%	14
Fayette County	6	2%	7
Fleming County	0	0%	0
Floyd County	10	3%	12
Garrard County	1	0%	1
Jackson County	1	0%	1
Jessamine County	73	22%	87
Johnson County	1	0%	1
Knott County	6	2%	7
Knox County	35	10%	42
Laurel County	30	9%	36
Lawrence County	1	0%	1
Lee County	3	1%	4
Leslie County	1	0%	1
Letcher County	1	0%	1
Madison County	40	12%	48
Magoffin County	1	0%	1
Martin County	1	0%	1
Mason County	1	0%	1
Menifee County	2	1%	2
Montgomery County	6	2%	7
Perry County	1	0%	1
Pike County	8	2%	10
Powell County	16	5%	19
Robertson County	2	1%	2
Rowan County	10	3%	12
Whitley County	42	12%	50
Total	338		401

Attachment

B



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

Delta
 Attn: Rita Black

Amount Due	\$252.19
Invoice #	092025-01
Invoice Date	10/15/25
Invoice Period	September 2025

Description	Budget	Current	YTD	Remaining
CAK Admin				
Staffing	\$1,614.60	\$141.93	\$1,539.86	\$74.74
Legal	\$201.83	\$0.00	\$0.00	\$201.83
IT R&M	\$1,816.43	\$0.00	\$2,672.22	-\$855.79
Other Expenses	\$403.65	\$110.26	\$1,575.73	-\$1,172.08
Total	\$4,036.51	\$252.19	\$5,787.81	-\$1,751.30
CAA Admin	\$4,024.91	\$0.00	\$1,131.00	\$2,893.91
Slot Maintenance Fees @ \$25/slot	\$10,025.00	\$0.00	\$7,475.00	\$2,550.00
Slots Filled	401		299	102
Total	\$18,086.42	\$252.19	\$14,393.81	\$3,692.61

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



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

Delta
 Attn: Rita Black

Amount Due	\$357.71
Invoice #	102025-01
Invoice Date	11/15/25
Invoice Period	October 2025

Description	Budget	Current	YTD	Remaining
CAK Admin				
Staffing	\$4,186.63	\$197.01	\$197.01	\$3,989.62
Legal	\$232.59	\$0.00	\$0.00	\$232.59
IT R&M	\$3,721.45	\$0.00	\$0.00	\$3,721.45
Other Expenses	\$1,162.95	\$160.70	\$160.70	\$1,002.25
Total	\$9,303.62	\$357.71	\$357.71	\$8,945.91
CAA Admin	\$6,208.46	\$0.00	\$0.00	\$6,208.46
Slot Maintenance Fees @ \$25/slot	\$15,500.00	\$0.00	\$0.00	\$15,500.00
Slots Filled	620	-	-	620
Total	\$31,012.08	\$357.71	\$357.71	\$30,654.37

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

Utility Assistance Report -
Delta HEA
FFY 26 (10/1/2025-



Summary

# Apps (Oct)	# Apps
61	61

Program Participants

Program Applicants

Denied Applicants

Agency	County	Allocated	Natural Gas Used (Oct)	Used	Unused
Bell Whitley	Bell	29			29
	Whitley	76			76
Big Sandy	Floyd	18			18
	Johnson	2			2
	Magoffin	2			2
	Martin	2			2
	Pike	15			15
Blue Grass	Garrard	2			2
	Jessamine	146			146
Daniel Boone	Clay	22			22
	Jackson	2			2
	Laurel	55			55
Foothills	Clark	2			2
	Madison	73			73
	Powell	29			29
Gateway	Bath	17			17
	Meniffee	4			4
	Montgomery	11			11
	Rowan	18			18
KCEOC	Knox	66			66
Licking Valley	Mason	2			2
	Robertson	4			4
LKLP	Knott	11			11
	Leslie	2			2
	Letcher	2			2
	Perry	2			2

Middle	Lee	6			6
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Totals		620	0	0	620							
			on Waitlist	On Waitlist	Approved	Approved	Withdrawn	Withdrawn	Rejected	Rejected	Removed	
Agency	County	Available	(Oct)		(Oct.)		(Oct.)		(Oct.)		(Oct.)	
Bell Whitley	Bell	29										
Bell Whitley	Whitley	76										
Big Sandy	Floyd	18										
Big Sandy	Johnson	2			1							
Big Sandy	Magoffin	2			1							
Big Sandy	Martin	2										
Big Sandy	Pike	15			2							
Blue Grass	Garrard	2										
Blue Grass	Jessamine	146										
Daniel Boone	Clay	22			4							
Daniel Boone	Jackson	2										
Daniel Boone	Laurel	55			7							
Foothills	Clark	2										
Foothills	Madison	73			1							
Foothills	Powell	29			39							
Gateway	Bath	17										
Gateway	Menifee	4			4							
Gateway	Montgomery	11										
Gateway	Rowan	18			1							
KCEOC	Knox	66										
Licking Valley	Mason	2										
Licking Valley	Robertson	4										
LKLP	Knott	11			1							
LKLP	Leslie	2										
LKLP	Letcher	2										
LKLP	Perry	2										
Middle	Lee	6										
Totals		620	0	0	61	0	0	0	0	0	0	0



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

Delta
Attn: Rita Black

Amount Due	\$379.38
Invoice #	112025-01
Invoice Date	12/15/25
Invoice Period	November 2025

Description	Budget	Current	YTD	Remaining
CAK Admin				
Staffing	\$4,186.63	\$245.67	\$442.68	\$3,743.95
Legal	\$232.59	\$0.00	\$0.00	\$232.59
IT R&M	\$3,721.45	\$0.00	\$0.00	\$3,721.45
Other Expenses	\$1,162.95	\$133.71	\$294.41	\$868.54
Total	\$9,303.62	\$379.38	\$737.09	\$8,566.53
CAA Admin	\$6,208.46	\$0.00	\$0.00	\$6,208.46
Slot Maintenance Fees @ \$25/slot	\$15,500.00	\$0.00	\$0.00	\$15,500.00
Slots Filled	620	-	-	620
Total	\$31,012.08	\$379.38	\$737.09	\$30,274.99

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

Utility Assistance Report -
Delta HEA
FFY 26 (10/1/2025-



Summary

	# Apps (Nov)	# Apps
Program Participants		
Program Applicants	61	61
Denied Applicants		

Agency	County	Allocated	Natural Gas Used (Nov)	Used	Unused
Bell Whitley	Bell	29			29
	Whitley	76			76
Big Sandy	Floyd	18			18
	Johnson	2			2
	Magoffin	2			2
	Martin	2			2
	Pike	15			15
Blue Grass	Garrard	2			2
	Jessamine	146			146
Daniel Boone	Clay	22			22
	Jackson	2			2
	Laurel	55			55
Foothills	Clark	2			2
	Madison	73			73
	Powell	29			29
Gateway	Bath	17			17
	Menifee	4			4
	Montgomery	11			11
	Rowan	18			18
KCEOC	Knox	66			66
Licking Valley	Mason	2			2
	Robertson	4			4
LKLP	Knott	11			11
	Leslie	2			2
	Letcher	2			2
	Perry	2			2

Middle	Lee	6			6
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Totals		620	0	0	620
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Agency	County	Available	on Waitlist (Nov)	On Waitlist	Approved (Nov.)	Approved	Withdrawn (Nov.)	Withdrawn	Rejected (Nov.)	Rejected	Removed (Nov.)
Bell Whitley	Bell	29			18	18					
Bell Whitley	Whitley	76			39	39					
Big Sandy	Floyd	18			2	1					
Big Sandy	Johnson	2			0	1					
Big Sandy	Magoffin	2			0	1					
Big Sandy	Martin	2				2					
Big Sandy	Pike	15			1	4					
Blue Grass	Garrard	2			1	1					
Blue Grass	Jessamine	146			35	11					
Daniel Boone	Clay	22			15	19					
Daniel Boone	Jackson	2				1					
Daniel Boone	Laurel	55			3	10					
Foothills	Clark	2									
Foothills	Madison	73			4	7					
Foothills	Powell	29			10	51					
Gateway	Bath	17									
Gateway	Menifee	4			4	8					
Gateway	Montgomery	11									
Gateway	Rowan	18			18	20					
KCEOC	Knox	66			52	53					
Licking Valley	Mason	2									
Licking Valley	Robertson	4			1	1					
LKLP	Knott	11			1	1					
LKLP	Leslie	2									
LKLP	Letcher	2									
LKLP	Perry	2									
Middle	Lee	6									
Totals		620	0	0	204	249	0	0	0	0	0



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

Delta
 Attn: Rita Black

Amount Due	\$871.37
Invoice #	122025-01
Invoice Date	1/15/26
Invoice Period	December 2025

Description	Budget	Current	YTD	Remaining
CAK Admin				
Staffing	\$4,186.63	\$263.13	\$705.81	\$3,480.82
Legal	\$232.59	\$0.00	\$0.00	\$232.59
IT R&M	\$3,721.45	\$0.00	\$0.00	\$3,721.45
Other Expenses	\$1,162.95	\$181.06	\$475.47	\$687.48
Total	\$9,303.62	\$444.19	\$1,181.28	\$8,122.34
CAA Admin	\$6,208.46	\$427.18	\$427.18	\$5,781.28
Slot Maintenance Fees @ \$25/slot	\$15,500.00	\$0.00	\$0.00	\$15,500.00
Slots Filled	620	-	-	620
Total	\$31,012.08	\$871.37	\$1,608.46	\$29,403.62

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

Utility Assistance Report -
Delta HEA
FFY 26 (10/1/2025-

Summary

	# Apps (Dec)	# Apps
Program Participants	0	0
Program Applicants	328	389
Denied Applicants	0	0

Agency	County	Allocated	Natural Gas Used (Dec)	Used	Unused
Bell Whitley	Bell	29			29
	Whitley	76			76
Big Sandy	Floyd	18			18
	Johnson	2			2
	Magoffin	2			2
	Martin	2			2
	Pike	15			15
Blue Grass	Garrard	2			2
	Jessamine	146			146
Daniel Boone	Clay	22			22
	Jackson	2			2
	Laurel	55			55
Foothills	Clark	2			2
	Madison	73			73
	Powell	29			29
Gateway	Bath	17			17
	Menifee	4			4
	Montgomery	11			11
	Rowan	18			18
KCEOC	Knox	66			66
Licking Valley	Mason	2			2
	Robertson	4			4
LKLP	Knott	11			11
	Leslie	2			2
	Letcher	2			2
	Perry	2			2
	Lee	6			6
Totals		620	0	0	620

Agency	County	Available	on Waitlist (Dec)	On Waitlist	Approved (Dec.)	Approved	Withdrawn (Dec.)	Withdrawn
Bell Whitley	Bell	29	22	0	4	22		
Bell Whitley	Whitley	76	55	0	16	55		
Big Sandy	Floyd	18	18	4	2	22		
Big Sandy	Johnson	2	2	1	0	3		
Big Sandy	Magoffin	2	2	0	1	2		
Big Sandy	Martin	2	1	0	0	2		
Big Sandy	Pike	15	5	0	1	4		
Blue Grass	Garrard	2	1	0	0	1		
Blue Grass	Jessamine	146	52	0	17	52		
Daniel Boone	Clay	22	22	18	21	40		
Daniel Boone	Jackson	2	1		0	1		

Daniel Boone	Laurel	55	20	0	17	20		
Foothills	Clark	2						
Foothills	Madison	73	12	0	5	12		
Foothills	Powell	29	29	26	29	55		
Gateway	Bath	17						
Gateway	Menifee	4	4	4	4	8		
Gateway	Montgomery	11						
Gateway	Rowan	18	16	0	2	20		
KCEOC	Knox	66	66	7	21	73		
Licking Valley	Mason	2						
Licking Valley	Robertson	4	1	0	0	1		
LKLP	Knott	11			1	1		
LKLP	Leslie	2						
LKLP	Letcher	2						
LKLP	Perry	2						
Middle	Lee	6						
Totals		620	329	60	141	394	0	0



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

Delta
Attn: Rita Black

Amount Due	\$7,101.33
Invoice #	012026-01
Invoice Date	2/15/26
Invoice Period	January 2026

Description	Budget	Current	YTD	Remaining
CAK Admin				
Staffing	\$4,186.63	\$299.83	\$1,005.64	\$3,180.99
Legal	\$232.59	\$0.00	\$0.00	\$232.59
IT R&M	\$3,721.45	\$0.00	\$0.00	\$3,721.45
Other Expenses	\$1,162.95	\$201.50	\$676.97	\$485.98
Total	\$9,303.62	\$501.33	\$1,682.61	\$7,621.01
CAA Admin	\$6,208.46	\$0.00	\$427.18	\$5,781.28
Slot Maintenance Fees @ \$25/slot	\$15,500.00	\$6,600.00	\$6,600.00	\$8,900.00
Slots Filled	620	264	264	356
Total	\$31,012.08	\$7,101.33	\$8,709.79	\$22,302.29

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

Utility Assistance Report -
Delta HEA
FFY 26 (10/1/2025-

Summary

	# Apps (Jan)	# Apps
Program Participants	264	0
Program Applicants	30	419
Denied Applicants	5	0

Agency	County	Allocated	Natural Gas Used (Jan)	Used	Unused
Bell Whitley	Bell	29	1	1	28
	Whitley	76	55	55	21
Big Sandy	Floyd	18	18	18	0
	Johnson	2	1	1	1
	Magoffin	2	1	1	1
	Martin	2	1	1	1
	Pike	15	4	4	11
Blue Grass	Garrard	2	1	1	1
	Jessamine	146	52	52	94
Daniel Boone	Clay	22	20	20	2
	Jackson	2	1	1	1
	Laurel	55	13	13	42
Foothills	Clark	2	0	0	2
	Madison	73	9	9	64
	Powell	29	0	0	29
Gateway	Bath	17	0	0	17
	Menifee	4	4	4	0
	Montgomery	11	0	0	11
	Rowan	18	16	16	2
KCEOC	Knox	66	66	66	0
Licking Valley	Mason	2	0	0	2
	Robertson	4	1	1	3
LKLP	Knott	11	0	0	11
	Leslie	2	0	0	2
	Letcher	2	0	0	2
	Perry	2	0	0	2
Middle	Lee	6	0	0	6
Totals		620	264	264	356

Agency	County	Available	on Waitlist (Jan)	On Waitlist	Approved (Jan.)	Approved	Withdrawn (Jan.)	Withdrawn
Bell Whitley	Bell	28	1	23	2	24		
Bell Whitley	Whitley	21	0	3	3	58		
Big Sandy	Floyd	0	0	0	4	26		
Big Sandy	Johnson	1	1	1	0	3		
Big Sandy	Magoffin	1	1	1	0	2		
Big Sandy	Martin	1	0	0	0	2		
Big Sandy	Pike	11	1	1	1	5		
Blue Grass	Garrard	1	0	0	0	1		
Blue Grass	Jessamine	94	14	14	10	67		
Daniel Boone	Clay	2	12	12	1	41		
Daniel Boone	Jackson	1	0		0	1		

Daniel Boone	Laurel	42	8	8	1	21		
Foothills	Clark	2						
Foothills	Madison	64	0	2	0	12		
Foothills	Powell	29	0	29	8	63		
Gateway	Bath	17	0					
Gateway	Menifee	0	0	0	0	8		
Gateway	Montgomery	11						
Gateway	Rowan	2	0	0	0	20		
KCEOC	Knox	0	0	0	0	73		
Licking Valley	Mason	2						
Licking Valley	Robertson	3	0	0	0	1		
LKLP	Knott	11			0	1		
LKLP	Leslie	2						
LKLP	Letcher	2						
LKLP	Perry	2						
Middle	Lee	6						
Totals		356	38	94	30	429	0	0



Rejected (Jan.)	Rejected	Removed (Jan.)	Removed
1	1		



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

Delta
 Attn: Rita Black

Amount Due	\$1,853.95
Invoice #	022026-01
Invoice Date	3/15/26
Invoice Period	February 2026

Description	Budget	Current	YTD	Remaining
CAK Admin				
Staffing	\$4,186.63	\$242.98	\$1,248.62	\$2,938.01
Legal	\$232.59	\$0.00	\$0.00	\$232.59
IT R&M	\$3,721.45	\$0.00	\$0.00	\$3,721.45
Other Expenses	\$1,162.95	\$160.97	\$837.94	\$325.01
Total	\$9,303.62	\$403.95	\$2,086.56	\$7,217.06
CAA Admin	\$6,208.46	\$0.00	\$427.18	\$5,781.28
Slot Maintenance Fees @ \$25/slot	\$15,500.00	\$1,450.00	\$8,050.00	\$7,450.00
Slots Filled	620	58	322	298
Total	\$31,012.08	\$1,853.95	\$10,563.74	\$20,448.34

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

Utility Assistance Report - Slots

Delta Gas DEAP

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



Summary

Program Participants

Program Applicants

Denied Applicants

Apps (Feb.)

Apps

56	320
38	444
0	5

Natural Gas					
Agency	County	Allocated	Used (Feb.)	Used	Unused
Bell-Whitley	Bell	29	0	1	21
	Whitley	76	1	55	21
	Total	105	1	56	42
Big Sandy	Floyd	18	0	18	0
	Johnson	2	1	2	0
	Magoffin	2	1	1	1
	Martin	2	0	1	1
	Pike	15	1	5	10
	Total	39	3	27	12
Blue Grass Community Action Partnership	Garrard	2	0	1	1
	Jessamine	146	11	61	85
	Total	148	11	62	86
Daniel Boone Community Action	Clay	32	2	22	10
	Jackson	2	0	1	1
	Laurel	45	10	23	22
	Total	79	12	46	33
Foothills	Clark	2	0	0	2
	Madison	73	2	11	62
	Powell	29	29	29	0
	Total	104	31	40	64
Gateway	Bath	17	0	0	17
	Menifee	4	0	4	0
	Montgomery	11	0	0	11
	Rowan	18	0	16	2
	Total	50	0	20	30
KCEOC	Knox	66	-2	68	-2
	Total	66	-2	68	-2
LKLP	Knott	11	0	0	11
	Leslie	2	0	0	2
	Letcher	2	0	0	2
	Perry	2	0	0	2
	Total	17	0	0	17
Licking Valley	Mason	2	0	0	0
	Robertson	4	0	1	3

	Total	6	0	1	3
Middle KY	Lee	6	0	0	6
	Total	6	0	0	6
Grand Total	Total	620	56	320	291

Agency	Benefit Type	County	Available	On Waitlist (Feb)	Waitlist (Total)	Withdrawn (Feb)	Withdrawn (Total)	Removed (Feb)	Removed Total	Rejected (Feb)	Rejected Total
Bell-Whitley	Natural Gas	Bell	21	0	0	0	0	0	0	0	0
		Whitley	21	0	0	0	0	0	0	0	0
		Total	42	0	0	0	0	0	0	0	0
Big Sandy	Natural Gas	Floyd	0	4	4	0	0	0	0	0	0
		Johnson	0	1	1	0	0	0	0	0	0
		Magoffin	1	0	0	0	0	1	1	0	0
		Martin	1	0	0	0	0	0	0	0	0
		Pike	10	0	0	0	0	0	0	0	0
		Total	12	5	5	0	0	1	1	0	0
Blue Grass Community Action	Natural Gas	Garrard	1	0	0	0	0	0	0	0	0
		Jessamine	85	0	0	0	0	2	2	1	1
		Total	86	0	0	0	0	2	2	1	1
Daniel Boone Community Action Agency	Natural Gas	Clay	10	10	10	0	0	0	0	0	0
		Jackson	1	0	0	0	0	0	0	0	0
		Laurel	22	0	0	0	0	0	0	0	0
		Total	33	10	10	0	0	0	0	0	0
Gateway Community Action	Natural Gas	Bath	17	0	0	0	0	0	0	0	0
		Menifee	0	4	4	0	0	0	0	0	0
		Montgomery	11	0	0	0	0	0	0	0	0
		Rowan	2	0	0	0	0	0	0	0	0
		Total	30	4	4	0	0	0	0	0	0
KCEOC	Natural Gas	Knox	-2	3	3	0	0	2	2	3	3
		Total	-2	3	3	0	0	2	2	3	3
Foothills	Natural Gas	Clark	2	0	0	0	0	0	0	0	0
		Madison	62	0	0	0	0	0	0	1	1
		Powell	0	41	41	0	0	0	0	0	0
		Total	64	41	41	0	0	0	0	1	1
LKLP	Natural Gas	Knott	11	0	0	0	0	0	0	0	0
		Leslie	2	0	0	0	0	0	0	0	0
		Letcher	2	0	0	0	0	0	0	0	0
		Perry	2	0	0	0	0	0	0	0	0
		Total	17	0	0	0	0	0	0	0	0
Licking Valley	Natural Gas	Mason	0	0	0	0	0	0	0	0	0
		Robertson	3	0	0	0	0	0	0	0	0
		Total	3	0	0	0	0	0	0	0	0
Middle KY	Natural Gas	Lee	6	6	6	0	0	0	0	0	0

		Total	6	6	6	0	0	0	0	0	0
Grand Total			291	69	69	0	0	5	5	5	5



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

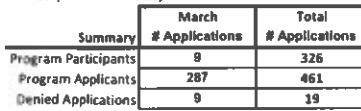
Delta
 Attn: Rita Black

Amount Due	\$979.55
Invoice #	032026-01
Invoice Date	4/15/26
Invoice Period	March 2026

Description	Budget	Current	YTD	Remaining
CAK Admin				
Staffing	\$4,186.63	\$243.30	\$1,491.92	\$2,694.71
Legal	\$232.59	\$0.00	\$0.00	\$232.59
IT R&M	\$3,721.45	\$0.00	\$0.00	\$3,721.45
Other Expenses	\$1,162.95	\$136.25	\$974.19	\$188.76
Total	\$9,303.62	\$379.55	\$2,466.11	\$6,837.51
CAA Admin	\$6,208.46	\$0.00	\$427.18	\$5,781.28
Slot Maintenance Fees @ \$25/slot	\$15,500.00	\$600.00	\$8,650.00	\$6,850.00
Slots Filled	620	24	346	274
Total	\$31,012.08	\$979.55	\$11,543.29	\$19,468.79

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

Delta Gas DEAP
FFY 26 (10/1/25 - 9/30/26)



			March			March			March			March			
			February	March	Add /	February	March	Add /	February	March	March	February	March	March	
			Total	Total*	Moved	Total	Total*	Moved	Total	Total	Rejected	Total	Total	Rejected	
Agency	Benefit Type	County	On Waitlist	On Waitlist	Waitlist	Pending	Pending	Pending	Rejected	Rejected	Rejected	Removed	Removed	Removed	
Bell-Whitley	Natural Gas	Bell	0	0	0	23	23	0	0	0	0	0	0	0	
		Whitley	0	0	0	3	3	0	0	0	0	0	0	0	
		Total	0	0	0	26	26	0	0	0	0	0	0	0	
Big Sandy	Natural Gas	Floyd	4	4	0	0	0	0	0	0	0	0	0	0	
		Johnson	1	1	0	0	0	0	0	0	0	0	0	0	
		Magoffin	0	0	0	0	0	0	0	0	0	0	1	1	0
		Martin	0	0	0	0	0	0	0	0	0	0	0	0	0
		Pike	0	0	0	0	0	0	0	0	0	0	0	0	0
		Total	5	5	0	0	0	0	0	0	0	0	1	1	0
Blue Grass Community Action Partnership	Natural Gas	Garrard	0	0	0	0	0	0	0	0	0	0	0	0	
		Jessamine	0	0	0	14	15	1	1	1	0	2	2	0	
		Total	0	0	0	14	15	1	1	1	0	2	2	0	
Daniel Boone Community Action Agency	Natural Gas	Clay	10	12	2	10	10	0	0	0	0	0	0	0	
		Jackson	0	0	0	0	0	0	0	0	0	0	0	0	
		Laurel	0	0	0	1	1	0	0	0	0	0	0	0	
		Total	10	12	2	11	11	0	0	0	0	0	0	0	
Gateway Community Action	Natural Gas	Bath	0	0	0	0	0	0	0	0	0	0	0	0	
		Menifee	4	4	0	0	0	0	0	0	0	0	0	0	0
		Montgomery	0	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	0
		Total	4	4	0	0	0	0	0	0	0	0	0	0	0
KCEOC	Natural Gas	Knox	3	5	2	2	2	0	3	3	0	2	2	0	
		Total	3	5	2	2	2	0	3	3	0	2	2	0	
Foothills	Natural Gas	Clark	0	0	0	0	0	0	0	0	0	0	0	0	
		Madison	0	0	0	1	1	0	1	1	0	0	0	0	
		Powell	39	42	3	0	0	0	0	0	0	0	0	0	0
		Total	39	42	3	1	1	0	1	1	0	0	0	0	

Licking Valley	Natural Gas	Mason	0	0	0	0	0	0	0	0	0
		Robertson	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0
KLP Community Action	Natural Gas	Knott	0	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	0	0
		Perry	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0
Middle KY	Natural Gas	Lee	0	0	0	0	0	0	0	0	0
		Total	0	0	0	0	0	0	0	0	0
Grand Total			67	74	7	60	61	1	5	4	0



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

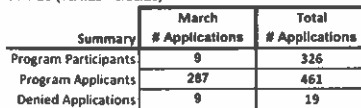
Delta
Attn: Rita Black

Amount Due	\$405.41
Invoice #	052026-01
Invoice Date	6/15/26
Invoice Period	May 2026

Description	Budget	Current	YTD	Remaining
CAK Admin				
Staffing	\$4,186.63	\$254.40	\$2,007.61	\$2,179.02
Legal	\$232.59	\$0.00	\$0.00	\$232.59
IT R&M	\$3,721.45	\$0.00	\$0.00	\$3,721.45
Other Expenses	\$1,162.95	\$151.01	\$1,325.79	-\$162.84
Total	\$9,303.62	\$405.41	\$3,333.40	\$5,970.22
CAA Admin	\$6,208.46	\$0.00	\$791.08	\$5,417.38
Slot Maintenance Fees @ \$25/slot	\$15,500.00	\$0.00	\$8,650.00	\$6,850.00
Slots Filled	620	-	346	274
Total	\$31,012.08	\$405.41	\$12,774.48	\$18,237.60

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

FFY 26 (10/1/25 - 9/30/26)

[illegible]

		Total	0	0	0	0	0	0	0	0	0	0	0	0
LKLP Community Action	Natural Gas	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
		Perry	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
Middle KY	Natural Gas	Lee	6	6	0	6	6	0	0	0	0	0	0	0
		Total	6	6	0	6	6	0	0	0	0	5	5	0
		Grand Total	74	74	0	61	61	0	4	4	0	5	5	0

Delta Gas HEA Slot Report

June 2026

Summary:	Month	Total
Number of Participants	0	326
Number of Applicants	0	461
Number Denied Applications	0	19

Agency	Maximum Slots Available	Number of Slots Enrolled	Number of Slots Remaining	Number of Valid Waitlisted Enrollments	Number of Pending Enrollments	Number of Rejected Enrollments	Number of Removed Enrollments (confirmed)
HEAG							
Bell Whitley Community Action Agency, Inc. (Bell-Whitley), KY	105	57	48	0	26	0	0
Bell County	29	1	28	0	23	0	0
Whitley County	76	56	20	0	3	0	0
Big Sandy	39	27	12	0	0	0	1
Floyd County	18	18	0	0	0	0	0
Johnson County	2	2	0	0	0	0	0
Magoffin County	2	1	1	0	0	0	1
Martin County	2	1	1	0	0	0	0
Pike County	15	5	10	0	0	0	0
Blue Grass Community Action Partnership, Inc. (BGCAP), KY	148	70	78	0	15	1	2
Garrard County	2	1	1	0	0	0	0
Jessamine County	146	69	77	0	15	1	2
Daniel Boone Community Action Agency, Inc. (DBCAAI), KY	79	47	21	12	11	0	0
Clay County	32	22	0	12	10	0	0
Jackson County	2	1	1	0	0	0	0
Laurel County	45	24	20	0	1	0	0
Gateway Community Services Organization, Inc. (Gateway Community Action), KY	50	20	30	4	0	0	0
Bath County	17	0	17	4	0	0	0
Menifee County	4	4	0	0	0	0	0
Montgomery County	11	0	11	0	0	0	0
Rowan County	18	16	2	0	0	0	0

KCEOC	66	64	2	5	2	3	2
Knox County	66	64	2	5	2	3	2
Kentucky River Foothills	104	40	64	0	1	1	0
Clark County	2	0	2	0	0	0	0
Madison County	73	11	62	0	1	1	0
Powell County	29	29	0	0	0	0	0
Licking Valley Community Action	6	1	5	0	0	0	0
Mason County	2	0	2	0	0	0	0
Robertson County	4	1	3	0	0	0	0
LKLP Community Action	17	0	17	0	0	0	0
Knott County	11	0	11	0	0	0	0
Leslie County	2	0	2	0	0	0	0
Letcher County	2	0	2	0	0	0	0
Perry County	2	0	2	0	0	0	0
Middle Kentucky Community Action	6	0	6	6	6	0	0
Lee County	6	0	6	6	6	0	0
Grand Total	620	326	283	27	61	5	5

Attachment

C

***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.
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June 30, 2025

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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.

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	\$ -

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.

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><u>\$ 935,776</u></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.

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
		June 30, 2024	June 30, 2023		June 30, 2025	June 30, 2024		of Collective Bargaining Agreement
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	<u>48,324</u>
Total Financial Assets	\$ 5,874,509
Less financial assets held to meet donor imposed restrictions	-
Less financial assets not available within one year	-
Less board designated funds	<u>-</u>
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	<u>935,776</u>
Total Net Assets Without Donor Restrictions	1,999,129
Net Assets With Donor Restrictions	
Grant Funds with Purpose Restrictions	<u>10,290</u>
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>\$ 2,438,273</u>	<u>\$ 10,290</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.

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-receipients	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:

Assistance Listing Number
93.568

Name of Federal Program or Cluster
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		<u>60,780,262</u>
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Questioned Costs		<u>-</u>
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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		<u>-</u>

Excess (Shortage) Receipts over Expenditures		<u><u>\$ -</u></u>
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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	<u>\$ 89,705,368</u>	<u>\$ 60,780,262</u>	<u>\$ 28,925,106</u>

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>