



## WORKERS' COMPENSATION FUNDING COMMISSION

**Andy Beshear**  
Governor

42 Mill Creek Park  
Frankfort, Kentucky 40601  
Phone: (502) 573-3505  
Fax: (502) 573-4923  
[www.kwfcf.ky.gov](http://www.kwfcf.ky.gov)

**Lisa Gilreath-King**  
Executive Director

February 18, 2022

Senator Christian McDaniel, Co-Chair  
Representative Jason Petrie, Co-Chair  
Interim Committee on Appropriations and Revenue  
Capitol Annex  
Frankfort, Kentucky 40601

Dear Committee Members:

Attached is our agency expenditure report submitted pursuant to KRS 342.1223(2)(h) for fiscal year-to-date October 31, 2021.

If you need additional information, please contact me at your convenience.

Sincerely,

A handwritten signature in blue ink that reads "Kim C. Hay".

Kim C. Hay  
Director of Fiscal Operations

ENCLOSURES



**KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION**  
**Statement of Expenses (Actual to Budget)**  
**For the Four Months Ended October 31, 2021**

	Actual For Four Months	Budget For Four Months	Variance For Four Months	Actual as % of Budget
<b>EXPENSES:</b>				
WAGES AND SALARIES	312,749.23	354,525.00	-41,775.77	88.2%
FICA	23,266.72	27,112.50	-3,845.78	85.8%
RETIREMENT	262,934.44	299,175.00	-36,240.56	87.9%
HEALTH INSURANCE	41,691.50	44,025.00	-2,333.50	94.7%
LIFE INSURANCE	60.00	133.33	-73.33	45.0%
WORKERS COMPENSATION	904.38	975.00	-70.62	92.8%
UNEMPLOYMENT PAY	0.00	400.00	-400.00	0.0%
ELECTRICITY	2,659.29	2,758.33	-99.04	96.4%
NATURAL GAS	373.68	933.33	-559.65	40.0%
COPY MACHINE RENTAL	949.89	1,333.33	-383.44	71.2%
POSTAGE	168.41	1,033.33	-864.92	16.3%
ADVERTISING	0.00	166.67	-166.67	0.0%
PRINTING	0.00	166.67	-166.67	0.0%
GARBAGE	263.55	266.67	-3.12	98.8%
COMPUTER SOFTWARE	3,634.56	11,200.00	-7,565.44	32.5%
MISC. SERVICES	477.72	2,233.33	-1,755.61	21.4%
OFFICE SUPPLIES	895.37	1,300.00	-404.63	68.9%
IN-STATE-TRAVEL	0.00	1,333.33	-1,333.33	0.0%
OUT-OF-STATE TRAVEL	0.00	4,000.00	-4,000.00	0.0%
COMPUTER EQUIPMENT	0.00	1,333.33	-1,333.33	0.0%
LEGAL SERVICES	0.00	1,000.00	-1,000.00	0.0%
SUBSCRIPTIONS	2,098.75	2,250.00	-151.25	93.3%
EMPLOYEE TRAINING	1,336.25	6,566.67	-5,230.42	20.3%
AUDIT SERVICES	22,300.00	22,300.00	0.00	100.0%
RENT	21,445.26	21,500.00	-54.74	99.7%
SECURITY GUARD	0.00	866.67	-866.67	0.0%
MISC. EXPENSES	373.38	11,100.00	-10,726.62	3.4%
ACTUARIAL SERVICES	24,525.00	24,525.00	0.00	100.0%
PUBLIC OFFICIALS INSURANCE	0.00	9,000.00	-9,000.00	0.0%
FURN. & FIX. UNDER \$5000	0.00	1,666.67	-1,666.67	0.0%
COT CHARGES	15,391.35	22,666.67	-7,275.32	67.9%
BOOKS DEPARTMENT USE	0.00	333.33	-333.33	0.0%
JANITORIAL SUPPLIES	0.00	566.67	-566.67	0.0%
E-FILE CHARGES	1,955.00	3,000.00	-1,045.00	65.2%
<b>TOTAL EXPENSES</b>	<b><u>740,453.73</u></b>	<b><u>881,745.83</u></b>	<b><u>-141,292.10</u></b>	<b><u>84.0%</u></b>



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Interim Committee on Appropriations and Revenue  
Capitol Annex  
Frankfort, Kentucky 40601

Dear Committee Members:

Attached is our agency expenditure report submitted pursuant to KRS 342.1223(2)(h) for fiscal year-to-date November 30, 2021.

If you need additional information, please contact me at your convenience.

Sincerely,

A handwritten signature in blue ink that reads "Kim C. Hay".

Kim C. Hay  
Director of Fiscal Operations

ENCLOSURES



**KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION**  
**Statement of Expenses (Actual to Budget)**  
**For the Five Months Ended November 30, 2021**

	Actual For Five Months	Budget For Five Months	Variance For Five Months	Actual as % of Budget
<b>EXPENSES:</b>				
WAGES AND SALARIES	382,377.77	433,308.33	-50,930.56	88.2%
FICA	28,445.36	33,137.50	-4,692.14	85.8%
RETIREMENT	321,401.52	365,658.33	-44,256.81	87.9%
HEALTH INSURANCE	50,029.80	53,808.33	-3,778.53	93.0%
LIFE INSURANCE	72.00	150.00	-78.00	48.0%
WORKERS COMPENSATION	904.38	975.00	-70.62	92.8%
UNEMPLOYMENT PAY	0.00	500.00	-500.00	0.0%
ELECTRICITY	3,127.85	3,447.92	-320.07	90.7%
NATURAL GAS	718.43	1,166.67	-448.24	61.6%
COPY MACHINE RENTAL	1,255.26	1,666.67	-411.41	75.3%
POSTAGE	218.81	1,291.67	-1,072.86	16.9%
ADVERTISING	0.00	208.33	-208.33	0.0%
PRINTING	0.00	208.33	-208.33	0.0%
GARBAGE	263.55	333.33	-69.78	79.1%
COMPUTER SOFTWARE	3,634.56	14,000.00	-10,365.44	26.0%
MISC. SERVICES	609.72	2,791.67	-2,181.95	21.8%
OFFICE SUPPLIES	1,036.99	1,625.00	-588.01	63.8%
IN-STATE-TRAVEL	0.00	1,666.67	-1,666.67	0.0%
OUT-OF-STATE TRAVEL	0.00	5,000.00	-5,000.00	0.0%
COMPUTER EQUIPMENT	0.00	1,666.67	-1,666.67	0.0%
LEGAL SERVICES	1,150.00	1,250.00	-100.00	92.0%
SUBSCRIPTIONS	2,098.75	2,250.00	-151.25	93.3%
EMPLOYEE TRAINING	1,814.17	8,208.33	-6,394.16	22.1%
AUDIT SERVICES	22,300.00	22,300.00	0.00	100.0%
RENT	21,445.26	21,500.00	-54.74	99.7%
SECURITY GUARD	0.00	1,083.33	-1,083.33	0.0%
MISC. EXPENSES	426.87	13,875.00	-13,448.13	3.1%
ACTUARIAL SERVICES	24,525.00	24,525.00	0.00	100.0%
PUBLIC OFFICIALS INSURANCE	0.00	11,250.00	-11,250.00	0.0%
FURN. & FIX. UNDER \$5000	0.00	2,083.33	-2,083.33	0.0%
COT CHARGES	22,587.87	28,333.33	-5,745.46	79.7%
BOOKS DEPARTMENT USE	0.00	416.67	-416.67	0.0%
JANITORIAL SUPPLIES	0.00	708.33	-708.33	0.0%
E-FILE CHARGES	3,760.00	3,750.00	10.00	100.3%
<b>TOTAL EXPENSES</b>	<b><u>894,203.92</u></b>	<b><u>1,064,143.75</u></b>	<b><u>-169,939.83</u></b>	<b><u>84.0%</u></b>



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Representative Jason Petrie, Co-Chair  
Interim Committee on Appropriations and Revenue  
Capitol Annex  
Frankfort, Kentucky 40601

Dear Committee Members:

Attached are our agency financial reports submitted pursuant to KRS 342.1223(2)(h). This is for the fiscal year-to-date December 31, 2021. Enclosed are the following reports:

- 1) Fiscal year-to-date expenditure detail
- 2) Fiscal year-to-date Inter-Agency Transfers
- 3) Quarterly (unaudited) Balance Sheet and Income Statement.

If you need additional information, please contact me at your convenience.

Sincerely,

A handwritten signature in blue ink that reads "Kim C. Hay".

Kim C. Hay  
Director of Fiscal Operations

ENCLOSURES



**KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION**  
**Statement of Expenses (Actual to Budget)**  
**For the Six Months Ended December 31, 2021**

	Actual For Six Months	Budget For Six Months	Variance For Six Months	Actual as % of Budget
<b>EXPENSES:</b>				
WAGES AND SALARIES	452,006.31	512,091.67	-60,085.36	88.3%
FICA	33,624.01	39,162.50	-5,538.49	85.9%
RETIREMENT	379,868.60	432,141.67	-52,273.07	87.9%
HEALTH INSURANCE	58,368.10	63,591.67	-5,223.57	91.8%
LIFE INSURANCE	84.00	100.00	-16.00	84.0%
WORKERS COMPENSATION	904.38	975.00	-70.62	92.8%
UNEMPLOYMENT PAY	0.00	600.00	-600.00	0.0%
ELECTRICITY	3,633.36	4,137.50	-504.14	87.8%
NATURAL GAS	718.43	1,400.00	-681.57	51.3%
COPY MACHINE RENTAL	1,255.26	2,000.00	-744.74	62.8%
POSTAGE	347.54	1,550.00	-1,202.46	22.4%
ADVERTISING	0.00	250.00	-250.00	0.0%
PRINTING	0.00	250.00	-250.00	0.0%
GARBAGE	368.97	400.00	-31.03	92.2%
COMPUTER SOFTWARE	3,634.56	16,800.00	-13,165.44	21.6%
MISC. SERVICES	609.72	3,350.00	-2,740.28	18.2%
OFFICE SUPPLIES	1,082.47	1,950.00	-867.53	55.5%
IN-STATE-TRAVEL	0.00	2,000.00	-2,000.00	0.0%
OUT-OF-STATE TRAVEL	0.00	6,000.00	-6,000.00	0.0%
COMPUTER EQUIPMENT	0.00	2,000.00	-2,000.00	0.0%
LEGAL SERVICES	1,150.00	1,500.00	-350.00	76.7%
SUBSCRIPTIONS	2,098.75	2,250.00	-151.25	93.3%
EMPLOYEE TRAINING	3,272.37	9,850.00	-6,577.63	33.2%
AUDIT SERVICES	22,300.00	22,300.00	0.00	100.0%
RENT	32,167.89	32,250.00	-82.11	99.7%
SECURITY GUARD	0.00	1,300.00	-1,300.00	0.0%
MISC. EXPENSES	442.61	16,650.00	-16,207.39	2.7%
ACTUARIAL SERVICES	24,525.00	24,525.00	0.00	100.0%
PUBLIC OFFICIALS INSURANCE	0.00	13,500.00	-13,500.00	0.0%
FURN. & FIX. UNDER \$5000	0.00	2,500.00	-2,500.00	0.0%
COT CHARGES	26,519.27	34,000.00	-7,480.73	78.0%
BOOKS DEPARTMENT USE	0.00	500.00	-500.00	0.0%
JANITORIAL SUPPLIES	0.00	850.00	-850.00	0.0%
E-FILE CHARGES	3,820.00	4,500.00	-680.00	84.9%
<b>TOTAL EXPENSES</b>	<b><u>1,052,801.60</u></b>	<b><u>1,257,225.00</u></b>	<b><u>-204,423.40</u></b>	<b><u>83.7%</u></b>



**FUNDING TO AGENCIES BY QUARTER (Actual to Budget)**  
**For Six Months Ended December 31, 2021**  
**Fiscal Year 2022**

AGENCY	Q1 July - Sept 21			Q2 Oct - Dec 21			Q3 Jan - March 22			Q4 April - June 22			FYTD 2022		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Labor Administration	\$7,329,000	\$8,699,950	-\$1,370,950	\$7,273,700	\$8,699,950	-\$1,426,250	\$0	\$8,699,950	-\$8,699,950	\$0	\$8,699,950	-\$8,699,950	\$14,602,700	\$34,799,800	-\$20,197,100
Labor Claims	\$8,181,000	\$9,000,000	-\$819,000	\$9,079,900	\$9,000,000	\$79,900	\$0	\$9,000,000	-\$9,000,000	\$0	\$9,000,000	-\$9,000,000	\$17,260,900	\$36,000,000	-\$18,739,100
UEF	\$2,057,800	\$2,060,000	-\$2,200	\$800,000	\$1,794,600	-\$994,600	\$0	\$1,794,600	-\$1,794,600	\$0	\$1,794,600	-\$1,794,600	\$2,857,800	\$7,443,800	-\$4,586,000
KOSH	\$148,000	\$176,925	-\$28,925	\$149,000	\$176,925	-\$27,925	\$0	\$176,925	-\$176,925	\$0	\$176,925	-\$176,925	\$297,000	\$707,700	-\$410,700
CWP Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CWP Claims (To KEMI)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Funding Commission	\$0	\$350,150	-\$350,150	\$390,000	\$350,150	\$39,850	\$0	\$350,150	-\$350,150	\$0	\$350,150	-\$350,150	\$390,000	\$1,400,600	-\$1,010,600
<b>Total</b>	<b>\$17,715,800</b>	<b>\$20,287,025</b>	<b>-\$2,571,225</b>	<b>\$17,692,600</b>	<b>\$20,021,625</b>	<b>-\$2,329,025</b>	<b>\$0</b>	<b>\$20,021,625</b>	<b>-\$20,021,625</b>	<b>\$0</b>	<b>\$20,021,625</b>	<b>-\$20,021,625</b>	<b>\$35,408,400</b>	<b>\$80,351,900</b>	<b>-\$44,943,500</b>



**KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION**  
**BALANCE SHEET**  
**AS OF DECEMBER 31, 2021 AND 2020 (FOR COMPARISON)**

**ASSETS**

	<b><u>2021</u></b>	<b><u>2020</u></b>
<b><u>CURRENT ASSETS</u></b>		
RWBO SPECIAL FUND CASH ACCOUNT	647,909.74	2,334,396.55
ACCOUNTS RECEIVABLE	189,584.58	214,231.30
ASSESSMENT RECEIVABLE	15,434,023.40	15,125,658.19
RWAO KWCFC ADMN CASH ACCOUNT	45,286.04	187,060.00
<b><u>TOTAL CURRENT ASSETS</u></b>	<b>16,316,803.76</b>	<b>17,861,346.04</b>
<b><u>INVESTMENTS</u></b>		
	<b>335,998,711.19</b>	<b>338,833,291.04</b>
<b><u>DEFERRED OUTFLOW PENSION</u></b>		
	<b>893,556.00</b>	<b>1,370,934.00</b>
<b><u>DEFERRED OUTFLOW OPEB</u></b>		
	<b>418,932.00</b>	<b>391,397.00</b>
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 353,628,002.95</u></b>	<b><u>\$ 358,456,968.08</u></b>

**LIABILITIES AND CAPITAL**

<b><u>CURRENT LIABILITIES</u></b>		
ACCRUED EXPENSES	246,160.16	319,600.90
ACC EXP - ST COMP ABSENCES	86,938.41	79,910.08
REFUNDS PAYABLE	714,648.10	768,721.42
<b><u>TOTAL CURRENT LIABILITIES</u></b>	<b><u>1,047,746.67</u></b>	<b><u>1,168,232.40</u></b>
<b><u>LONG TERM LIABILITIES</u></b>		
ACCRUED EXP - LT COMP ABSENCES	20,467.81	4,205.79
DEFERRED INFLOW PENSION	144,462.00	100,905.00
NET PENSION LIABILITY	7,351,597.00	7,632,777.00
DEFERRED INFLOW OPEB	191,677.00	244,683.00
OPEB LIABILITY	1,317,719.00	1,201,364.00
<b><u>TOTAL LONG TERM LIABILITIES</u></b>	<b><u>9,025,922.81</u></b>	<b><u>9,183,934.79</u></b>
<b><u>TOTAL LIABILITIES</u></b>	<b><u>10,073,669.48</u></b>	<b><u>10,352,167.19</u></b>
<b><u>CAPITAL</u></b>		
RETAINED EARNINGS	346,181,994.72	347,677,575.46
NET INCOME	(2,627,661.25)	427,225.43
<b><u>TOTAL CAPITAL</u></b>	<b><u>343,554,333.47</u></b>	<b><u>348,104,800.89</u></b>
<b><u>TOTAL LIABILITIES &amp; CAPITAL</u></b>	<b><u>\$ 353,628,002.95</u></b>	<b><u>\$ 358,456,968.08</u></b>





**KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION**  
**INCOME STATEMENT**  
**SIX MONTHS ENDING DECEMBER 31, 2021 AND 2020 (FOR COMPARISON)**

	<b><u>December 31, 2021</u></b>	<b><u>December 31, 2020</u></b>
<b><u>REVENUES</u></b>		
ASSESSMENT RECEIPTS	33,594,199.46	32,193,216.04
ASSESSMENT PENALTY & INTEREST	92,897.12	179,146.58
OVERNIGHT INTEREST INCOME	(455.26)	653.93
INT/DIV INCOME ON INVESTMENTS	5,988,597.81	5,894,488.66
CHANGE IN FAIR VALUE ON INVESTMENTS	(6,062,099.01)	2,134,556.00
AUDIT REIMBURSEMENT	85,740.14	94,292.52
<b><u>TOTAL REVENUES</u></b>	<b><u>33,698,880.26</u></b>	<b><u>40,496,353.73</u></b>
<b><u>EXPENSES</u></b>		
SP FUND TRANSFERS FOR CLAIMS	17,260,900.00	17,596,900.00
UEF TRANSFERS	2,857,800.00	3,995,100.00
SP FUND TRANSFERS FOR ADMIN	14,602,700.00	16,774,000.00
KOSH ADMIN. TRANSFER	297,000.00	392,800.00
CUSTODY FEE EXPENSE-STATE STREET	19,013.99	13,458.71
INVESTMENT MANAGEMENT FEES	201,693.93	294,803.45
ASSESSMENT REFUNDS	34,631.99	0.00
PAYROLL EXPENSES	924,855.40	804,189.51
OPERATING EXPENSES	127,946.20	197,876.63
<b><u>TOTAL EXPENSES</u></b>	<b><u>36,326,541.51</u></b>	<b><u>40,069,128.30</u></b>
<b><u>NET INCOME</u></b>	<b><u>\$ (2,627,661.25)</u></b>	<b><u>\$ 427,225.43</u></b>