



## 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 12, 2021

Senator Christian McDaniel, Co-Chair  
Representative Steve Rudy, 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, 2020.

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 Four Months Ending October 2020**

	Actual For Four Months	Budget For Four Months	Variance For Four Months	Actual as % of Budget
<b>EXPENSES:</b>				
WAGES AND SALARIES	270,765.62	359,400.00	-88,634.38	75.3%
FICA	20,116.96	27,487.50	-7,370.54	73.2%
RETIREMENT	228,027.21	333,450.00	-105,422.79	68.4%
HEALTH INSURANCE	36,248.38	48,075.00	-11,826.62	75.4%
LIFE INSURANCE	54.00	66.67	-12.67	81.0%
WORKERS COMPENSATION	0.00	866.67	-866.67	0.0%
UNEMPLOYMENT PAY	0.00	3,900.00	-3,900.00	0.0%
JANITORIAL	0.00	2,000.00	-2,000.00	0.0%
ELECTRICITY	2,971.47	4,366.67	-1,395.20	68.0%
NATURAL GAS	462.45	1,033.33	-570.88	44.8%
COPY MACHINE RENTAL	1,368.63	1,666.67	-298.04	82.1%
POSTAGE	187.93	1,666.67	-1,478.74	11.3%
ADVERTISING	0.00	0.00	0.00	0.0%
PRINTING	75.00	1,000.00	-925.00	0.0%
GARBAGE	210.84	233.33	-22.49	90.4%
COMPUTER SOFTWARE	2,018.95	11,066.67	-9,047.72	18.2%
MISC. SERVICES	2,192.72	4,300.00	-2,107.28	51.0%
OFFICE SUPPLIES	226.25	3,666.67	-3,440.42	6.2%
IN-STATE-TRAVEL	0.00	1,000.00	-1,000.00	0.0%
OUT-OF-STATE TRAVEL	0.00	11,666.67	-11,666.67	0.0%
COMPUTER EQUIPMENT	0.00	333.33	-333.33	0.0%
LEGAL SERVICES	0.00	8,050.00	-8,050.00	0.0%
SUBSCRIPTIONS	1,412.00	1,500.00	-88.00	94.1%
EMPLOYEE TRAINING	1,668.99	10,000.00	-8,331.01	16.7%
AUDIT SERVICES	0.00	6,416.67	-6,416.67	0.0%
RENT	26,917.22	26,900.00	17.22	100.1%
MISC. EXPENSES	219.00	1,033.33	-814.33	21.2%
ACTUARIAL SERVICES	74,550.00	74,550.00	0.00	100.0%
PUBLIC OFFICIALS INSURANCE	0.00	8,333.33	-8,333.33	0.0%
FURN. & FIX. UNDER \$5000	0.00	1,550.00	-1,550.00	0.0%
COT CHARGES	15,405.19	20,100.00	-4,694.81	76.6%
BOOKS DEPARTMENT USE	0.00	333.33	-333.33	0.0%
JANITORIAL SUPPLIES	42.52	666.67	-624.15	6.4%
E-FILE CHARGES	2,180.00	2,187.50	-7.50	99.7%
<b>TOTAL EXPENSES</b>	<b>687,321.33</b>	<b>978,866.67</b>	<b>-291,545.34</b>	<b>70.2%</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, 2020.

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 Five Months Ending November 2020**

	Actual For Five Months	Budget For Five Months	Variance For Five Months	Actual as % of Budget
<b>EXPENSES:</b>				
WAGES AND SALARIES	331,474.75	439,266.67	-107,791.92	75.5%
FICA	24,622.69	33,595.83	-8,973.14	73.3%
RETIREMENT	279,283.91	407,550.00	-128,266.09	68.5%
HEALTH INSURANCE	43,629.48	58,758.33	-15,128.85	74.3%
LIFE INSURANCE	65.00	83.33	-18.33	78.0%
WORKERS COMPENSATION	0.00	1,083.33	-1,083.33	0.0%
UNEMPLOYMENT PAY	0.00	4,875.00	-4,875.00	0.0%
JANITORIAL	0.00	2,500.00	-2,500.00	0.0%
ELECTRICITY	3,438.70	5,458.33	-2,019.63	63.0%
NATURAL GAS	542.14	1,291.67	-749.53	42.0%
COPY MACHINE RENTAL	1,368.63	2,083.33	-714.70	65.7%
POSTAGE	201.83	2,083.33	-1,881.50	9.7%
ADVERTISING	0.00	0.00	0.00	0.0%
PRINTING	75.00	1,250.00	-1,175.00	0.0%
GARBAGE	263.55	291.67	-28.12	90.4%
COMPUTER SOFTWARE	2,018.95	13,833.33	-11,814.38	14.6%
MISC. SERVICES	2,255.72	5,375.00	-3,119.28	42.0%
OFFICE SUPPLIES	2,095.28	4,583.33	-2,488.05	45.7%
IN-STATE-TRAVEL	0.00	1,250.00	-1,250.00	0.0%
OUT-OF-STATE TRAVEL	0.00	12,916.67	-12,916.67	0.0%
COMPUTER EQUIPMENT	0.00	416.67	-416.67	0.0%
LEGAL SERVICES	0.00	10,062.50	-10,062.50	0.0%
SUBSCRIPTIONS	1,412.00	1,500.00	-88.00	94.1%
EMPLOYEE TRAINING	3,337.20	12,500.00	-9,162.80	26.7%
AUDIT SERVICES	0.00	8,020.83	-8,020.83	0.0%
RENT	26,917.22	40,350.00	-13,432.78	66.7%
MISC. EXPENSES	219.00	1,291.67	-1,072.67	17.0%
ACTUARIAL SERVICES	74,550.00	74,550.00	0.00	100.0%
PUBLIC OFFICIALS INSURANCE	0.00	10,416.67	-10,416.67	0.0%
FURN. & FIX. UNDER \$5000	359.80	1,937.50	-1,577.70	18.6%
COT CHARGES	23,071.85	25,125.00	-2,053.15	91.8%
BOOKS DEPARTMENT USE	0.00	416.67	-416.67	0.0%
JANITORIAL SUPPLIES	42.52	833.33	-790.81	5.1%
E-FILE CHARGES	3,900.00	4,500.00	-600.00	86.7%
<b>TOTAL EXPENSES</b>	<b>825,145.22</b>	<b>1,190,050.00</b>	<b>-364,904.78</b>	<b>69.3%</b>



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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, 2020. 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 Six Months Ending December 2020**

	Actual For Six Months	Budget For Six Months	Variance For Six Months	Actual as % of Budget
<b>EXPENSES:</b>				
WAGES AND SALARIES	392,834.65	519,133.33	-126,298.68	75.7%
FICA	29,178.22	39,704.17	-10,525.95	73.5%
RETIREMENT	331,090.06	481,650.00	-150,559.94	68.7%
HEALTH INSURANCE	51,010.58	69,441.67	-18,431.09	73.5%
LIFE INSURANCE	76.00	100.00	-24.00	76.0%
WORKERS COMPENSATION	0.00	1,300.00	-1,300.00	0.0%
UNEMPLOYMENT PAY	0.00	5,850.00	-5,850.00	0.0%
JANITORIAL	0.00	3,000.00	-3,000.00	0.0%
ELECTRICITY	3,932.57	6,550.00	-2,617.43	60.0%
NATURAL GAS	766.13	1,550.00	-783.87	49.4%
COPY MACHINE RENTAL	2,309.77	2,500.00	-190.23	92.4%
POSTAGE	230.09	2,500.00	-2,269.91	9.2%
ADVERTISING	0.00	0.00	0.00	0.0%
PRINTING	75.00	1,500.00	-1,425.00	0.0%
GARBAGE	316.26	350.00	-33.74	90.4%
COMPUTER SOFTWARE	2,018.95	16,600.00	-14,581.05	12.2%
MISC. SERVICES	2,318.72	6,450.00	-4,131.28	35.9%
OFFICE SUPPLIES	2,095.28	5,500.00	-3,404.72	38.1%
IN-STATE-TRAVEL	0.00	1,500.00	-1,500.00	0.0%
OUT-OF-STATE TRAVEL	0.00	15,500.00	-15,500.00	0.0%
COMPUTER EQUIPMENT	0.00	500.00	-500.00	0.0%
LEGAL SERVICES	0.00	12,075.00	-12,075.00	0.0%
SUBSCRIPTIONS	1,512.00	1,666.67	-154.67	90.7%
EMPLOYEE TRAINING	5,527.65	15,000.00	-9,472.35	36.9%
AUDIT SERVICES	19,250.00	19,250.00	0.00	100.0%
RENT	26,917.22	26,900.00	17.22	100.1%
MISC. EXPENSES	219.00	1,550.00	-1,331.00	14.1%
ACTUARIAL SERVICES	74,550.00	74,550.00	0.00	100.0%
PUBLIC OFFICIALS INSURANCE	24,930.82	25,000.00	-69.18	99.7%
FURN. & FIX. UNDER \$5000	359.80	2,325.00	-1,965.20	15.5%
COT CHARGES	26,604.85	30,150.00	-3,545.15	88.2%
BOOKS DEPARTMENT USE	0.00	500.00	-500.00	0.0%
JANITORIAL SUPPLIES	42.52	1,000.00	-957.48	4.3%
E-FILE CHARGES	3,900.00	4,500.00	-600.00	86.7%
<b>TOTAL EXPENSES</b>	<b>1,002,066.14</b>	<b>1,395,645.83</b>	<b>-393,579.69</b>	<b>71.8%</b>



**FUNDING TO AGENCIES BY QUARTER (Actual to Budget)**  
**For Six Months Ending December 31, 2020**  
**Fiscal Year 2021**

AGENCY	Q1 July - Sept 20			Q2 Oct - Dec 20			Q3 Jan - March 21			Q4 April - June 21			FYTD 2021		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Labor Administration	\$8,234,000	\$7,970,650	\$263,350	\$8,540,000	\$7,970,650	\$569,350	\$0	\$7,970,650	-\$7,970,650	\$0	\$7,970,650	-\$7,970,650	\$16,774,000	\$31,882,600	-\$15,108,600
Labor Claims	\$8,772,000	\$12,820,225	-\$4,048,225	\$8,824,900	\$12,820,225	-\$3,995,325	\$0	\$12,820,225	-\$12,820,225	\$0	\$12,820,225	-\$12,820,225	\$17,596,900	\$51,280,900	-\$33,684,000
UEF	\$2,250,000	\$2,250,000	\$0	\$1,745,100	\$1,745,100	\$0	\$0	\$1,724,400	-\$1,724,400	\$0	\$1,724,300	-\$1,724,300	\$3,995,100	\$7,443,800	-\$3,448,700
KOSH	\$173,700	\$165,825	\$7,875	\$219,100	\$165,825	\$53,275	\$0	\$165,825	-\$165,825	\$0	\$165,825	-\$165,825	\$392,800	\$663,300	-\$270,500
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	\$50,000	\$576,425	-\$526,425	\$487,000	\$576,425	-\$89,425	\$0	\$576,425	-\$576,425	\$0	\$576,425	-\$576,425	\$537,000	\$2,305,700	-\$1,768,700
<b>Total</b>	<b>\$19,479,700</b>	<b>\$23,783,125</b>	<b>-\$4,303,425</b>	<b>\$19,816,100</b>	<b>\$23,278,225</b>	<b>-\$3,462,125</b>	<b>\$0</b>	<b>\$23,257,525</b>	<b>-\$23,257,525</b>	<b>\$0</b>	<b>\$23,257,425</b>	<b>-\$23,257,425</b>	<b>\$39,295,800</b>	<b>\$93,576,300</b>	<b>-\$54,280,500</b>



**KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION**  
**BALANCE SHEET**  
**DECEMBER 31, 2020 AND 2019 (FOR COMPARISON)**

**ASSETS**

	<b><u>2020</u></b>	<b><u>2019</u></b>
<b><u>CURRENT ASSETS</u></b>		
RWBO SPECIAL FUND CASH ACCOUNT	2,334,396.55	7,569,173.77
ACCOUNTS RECEIVABLE	214,231.30	290,817.14
ASSESSMENT RECEIVABLE	15,125,658.19	15,848,577.86
RWAO KWCFC ADMN CASH ACCOUNT	187,060.00	160,470.05
<b><u>TOTAL CURRENT ASSETS</u></b>	<b>17,861,346.04</b>	<b>23,869,038.82</b>
<b><u>INVESTMENTS</u></b>		
	338,833,291.04	314,655,855.88
<b><u>DEFERRED OUTFLOW PENSION</u></b>		
	1,370,934.00	944,295.00
<b><u>DEFERRED OUTFLOW OPEB</u></b>		
	391,397.00	226,427.00
<b><u>TOTAL ASSETS</u></b>	<b>\$ 358,456,968.08</b>	<b>\$ 339,695,616.70</b>

**LIABILITIES AND CAPITAL**

<b><u>CURRENT LIABILITIES</u></b>		
ACCRUED EXPENSES	319,600.90	145,067.49
ACC EXP - ST COMP ABSENCES	79,910.08	80,936.05
REFUNDS PAYABLE	768,721.42	201,552.60
<b><u>TOTAL CURRENT LIABILITIES</u></b>	<b>1,168,232.40</b>	<b>427,556.14</b>
<b><u>LONG TERM LIABILITIES</u></b>		
ACCRUED EXP - LT COMP ABSENCES	4,205.79	41,253.14
DEFERRED INFLOW PENSION	100,905.00	354,249.00
NET PENSION LIABILITY	7,632,777.00	6,457,848.00
DEFERRED INFLOW OPEB	244,683.00	143,360.00
OPEB LIABILITY	1,201,364.00	1,124,547.00
<b><u>TOTAL LONG TERM LIABILITIES</u></b>	<b>9,183,934.79</b>	<b>8,121,257.14</b>
<b><u>TOTAL LIABILITIES</u></b>	<b>10,352,167.19</b>	<b>8,548,813.28</b>
<b><u>CAPITAL</u></b>		
RETAINED EARNINGS	347,677,575.46	331,460,987.96
NET INCOME	427,225.43	(314,184.54)
<b><u>TOTAL CAPITAL</u></b>	<b>348,104,800.89</b>	<b>331,146,803.42</b>
<b><u>TOTAL LIABILITIES &amp; CAPITAL</u></b>	<b>\$ 358,456,968.08</b>	<b>\$ 339,695,616.70</b>





**KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION**  
**INCOME STATEMENT**  
**FOR SIX MONTHS ENDING DECEMBER 31, 2020 AND 2019 (FOR COMPARISON)**

<b><u>REVENUES</u></b>	<b><u>December 31, 2020</u></b>	<b><u>December 31, 2019</u></b>
ASSESSMENT RECEIPTS		
ASSESSMENT PENALTY & INTEREST	32,193,216.04	33,979,235.26
OVERNIGHT INTEREST INCOME	179,146.58	19,974.52
INT/DIV INCOME ON INVESTMENTS	653.93	83,100.64
CHANGE IN FAIR VALUE ON INVESTMENTS	5,894,488.66	5,877,362.44
AUDIT REIMBURSEMENT	2,134,556.00	2,268,054.56
	94,292.52	24,757.17
<b><u>TOTAL REVENUES</u></b>	<b><u>40,496,353.73</u></b>	<b><u>42,252,484.59</u></b>
<b><u>EXPENSES</u></b>		
SP FUND TRANSFERS FOR CLAIMS	17,596,900.00	20,678,000.00
UEF TRANSFERS	3,995,100.00	4,114,200.00
SP FUND TRANSFERS FOR ADMIN	16,774,000.00	16,218,000.00
KOSH ADMIN. TRANSFER	392,800.00	227,700.00
CUSTODY FEE EXPENSE-STATE STREET	13,458.71	0.00
INVESTMENT MANAGEMENT FEES	294,803.45	198,132.38
ASSESSMENT REFUNDS	0.00	49,851.63
PAYROLL EXPENSES	804,189.51	903,709.73
OPERATING EXPENSES	197,876.63	177,075.39
<b><u>TOTAL EXPENSES</u></b>	<b><u>40,069,128.30</u></b>	<b><u>42,566,669.13</u></b>
<b><u>NET INCOME</u></b>	<b><u>\$ 427,225.43</u></b>	<b><u>\$ (314,184.54)</u></b>