



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

42 Mill Creek Park
Frankfort, Kentucky 40601
Phone: (502) 573-3505
Fax: (502) 573-4923
www.kwcfc.ky.gov

Lisa Gilreath-King
Executive Director

June 7, 2021

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 January 31, 2021.

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

Sincerely,

Kim C. Hay
Director of Fiscal Operations

ENCLOSURES



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
Statement of Expenses (Actual to Budget)
For Seven Months Ending January 2021

	Actual For Seven Months	Budget For Seven Months	Variance For Seven Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	454,668.23	599,000.00	-144,331.77	75.9%
FICA	33,779.22	45,812.50	-12,033.28	73.7%
RETIREMENT	383,296.14	555,750.00	-172,453.86	69.0%
HEALTH INSURANCE	58,461.28	80,125.00	-21,663.72	73.0%
LIFE INSURANCE	87.00	116.67	-29.67	74.6%
WORKERS COMPENSATION	1,255.89	1,516.67	-260.78	0.0%
UNEMPLOYMENT PAY	0.00	6,825.00	-6,825.00	0.0%
JANITORIAL	0.00	3,500.00	-3,500.00	0.0%
ELECTRICITY	4,426.03	7,641.67	-3,215.64	57.9%
NATURAL GAS	1,351.55	1,808.33	-456.78	74.7%
COPY MACHINE RENTAL	2,309.77	2,916.67	-606.90	79.2%
POSTAGE	442.24	2,916.67	-2,474.43	15.2%
ADVERTISING	0.00	0.00	0.00	0.0%
PRINTING	75.00	1,750.00	-1,675.00	0.0%
GARBAGE	368.97	408.33	-39.36	90.4%
COMPUTER SOFTWARE	2,018.95	19,366.67	-17,347.72	10.4%
MISC. SERVICES	2,381.72	7,525.00	-5,143.28	31.7%
OFFICE SUPPLIES	2,294.33	6,416.67	-4,122.34	35.8%
IN-STATE-TRAVEL	0.00	1,750.00	-1,750.00	0.0%
OUT-OF-STATE TRAVEL	0.00	18,083.33	-18,083.33	0.0%
COMPUTER EQUIPMENT	0.00	583.33	-583.33	0.0%
LEGAL SERVICES	0.00	14,087.50	-14,087.50	0.0%
SUBSCRIPTIONS	1,512.00	1,833.33	-321.33	82.5%
EMPLOYEE TRAINING	6,458.67	17,500.00	-11,041.33	36.9%
AUDIT SERVICES	19,250.00	19,250.00	0.00	100.0%
RENT	40,375.83	40,350.00	25.83	100.1%
SECURITY GUARD	1,936.38	0.00	1,936.38	not bugeted
MISC. EXPENSES	219.00	1,808.33	-1,589.33	12.1%
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	2,712.50	-2,352.70	13.3%
COT CHARGES	31,596.39	35,175.00	-3,578.61	89.8%
BOOKS DEPARTMENT USE	297.99	583.33	-285.34	51.1%
JANITORIAL SUPPLIES	42.52	1,166.67	-1,124.15	3.6%
E-FILE CHARGES	4,200.00	5,250.00	-1,050.00	80.0%
TOTAL EXPENSES	1,152,945.72	1,603,079.17	-450,133.45	71.9%



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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 February 28, 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 Eight Months Ending February 2021

	Actual For Eight Months	Budget For Eight Months	Variance For Eight Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	519,397.65	678,866.67	-159,469.02	76.5%
FICA	38,601.72	51,920.83	-13,319.11	74.3%
RETIREMENT	437,947.18	629,850.00	-191,902.82	69.5%
HEALTH INSURANCE	65,911.98	90,808.33	-24,896.35	72.6%
LIFE INSURANCE	98.00	133.33	-35.33	73.5%
WORKERS COMPENSATION	1,255.89	1,733.33	-477.44	0.0%
UNEMPLOYMENT PAY	0.00	7,800.00	-7,800.00	0.0%
JANITORIAL	0.00	4,000.00	-4,000.00	0.0%
ELECTRICITY	4,870.88	8,733.33	-3,862.45	55.8%
NATURAL GAS	1,944.16	2,066.67	-122.51	94.1%
COPY MACHINE RENTAL	2,603.20	3,333.33	-730.13	78.1%
POSTAGE	634.17	3,333.33	-2,699.16	19.0%
ADVERTISING	0.00	0.00	0.00	0.0%
PRINTING	125.00	2,000.00	-1,875.00	0.0%
GARBAGE	421.68	466.67	-44.99	90.4%
COMPUTER SOFTWARE	2,018.95	22,133.33	-20,114.38	9.1%
MISC. SERVICES	2,449.72	8,600.00	-6,150.28	28.5%
OFFICE SUPPLIES	3,545.75	7,333.33	-3,787.58	48.4%
IN-STATE-TRAVEL	0.00	2,000.00	-2,000.00	0.0%
OUT-OF-STATE TRAVEL	0.00	20,666.67	-20,666.67	0.0%
COMPUTER EQUIPMENT	0.00	666.67	-666.67	0.0%
LEGAL SERVICES	0.00	16,100.00	-16,100.00	0.0%
SUBSCRIPTIONS	1,512.00	1,666.67	-154.67	90.7%
EMPLOYEE TRAINING	8,070.51	20,000.00	-11,929.49	40.4%
AUDIT SERVICES	19,250.00	19,250.00	0.00	100.0%
RENT	40,375.83	40,350.00	25.83	100.1%
SECURITY GUARD	1,936.38	0.00	1,936.38	not bugeted
MISC. EXPENSES	219.00	2,066.67	-1,847.67	10.6%
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	3,100.00	-2,740.20	11.6%
COT CHARGES	38,666.44	40,200.00	-1,533.56	96.2%
BOOKS DEPARTMENT USE	595.98	666.67	-70.69	89.4%
JANITORIAL SUPPLIES	42.52	1,333.33	-1,290.81	3.2%
E-FILE CHARGES	5,780.00	6,000.00	-220.00	96.3%
TOTAL EXPENSES	1,298,115.21	1,796,729.17	-498,613.96	72.2%



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June 7, 2021

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 are our agency financial reports submitted pursuant to KRS 342.1223(2)(h). This is for the fiscal year-to-date March 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 Nine Months Ending March 2021

	Actual For Nine Months	Budget For Nine Months	Variance For Nine Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	587,022.91	758,733.33	-171,710.42	77.4%
FICA	43,645.80	58,029.17	-14,383.37	75.2%
RETIREMENT	495,043.18	703,950.00	-208,906.82	70.3%
HEALTH INSURANCE	73,362.68	101,491.67	-28,128.99	72.3%
LIFE INSURANCE	109.00	150.00	-41.00	72.7%
WORKERS COMPENSATION	1,255.89	1,950.00	-694.11	0.0%
UNEMPLOYMENT PAY	0.00	8,775.00	-8,775.00	0.0%
JANITORIAL	0.00	4,500.00	-4,500.00	0.0%
ELECTRICITY	5,752.82	9,825.00	-4,072.18	58.6%
NATURAL GAS	1,351.55	2,325.00	-973.45	58.1%
COPY MACHINE RENTAL	3,210.33	3,750.00	-539.67	85.6%
POSTAGE	653.36	3,750.00	-3,096.64	17.4%
ADVERTISING	0.00	0.00	0.00	0.0%
PRINTING	125.00	2,250.00	-2,125.00	0.0%
GARBAGE	527.10	525.00	2.10	100.4%
COMPUTER SOFTWARE	28,486.63	24,900.00	3,586.63	114.4%
MISC. SERVICES	2,512.72	9,675.00	-7,162.28	26.0%
OFFICE SUPPLIES	3,977.68	8,250.00	-4,272.32	48.2%
IN-STATE-TRAVEL	0.00	2,250.00	-2,250.00	0.0%
OUT-OF-STATE TRAVEL	0.00	23,250.00	-23,250.00	0.0%
COMPUTER EQUIPMENT	0.00	750.00	-750.00	0.0%
LEGAL SERVICES	0.00	18,112.50	-18,112.50	0.0%
SUBSCRIPTIONS	1,512.00	1,666.67	-154.67	90.7%
EMPLOYEE TRAINING	8,170.51	22,500.00	-14,329.49	36.3%
AUDIT SERVICES	19,250.00	19,250.00	0.00	100.0%
RENT	53,834.44	53,800.00	34.44	100.1%
SECURITY GUARD	1,936.38	0.00	1,936.38	not bugeted
MISC. EXPENSES	235.00	2,325.00	-2,090.00	10.1%
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	3,487.50	-3,127.70	10.3%
COT CHARGES	42,833.12	45,225.00	-2,391.88	94.7%
BOOKS DEPARTMENT USE	595.98	750.00	-154.02	79.5%
JANITORIAL SUPPLIES	42.52	1,500.00	-1,457.48	2.8%
E-FILE CHARGES	5,840.00	6,750.00	-910.00	86.5%
TOTAL EXPENSES	1,481,127.22	2,003,995.83	-522,868.61	73.9%



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
For Nine Months Ending March 31, 2021
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	\$5,003,600	\$7,970,650	-\$2,967,050	\$0	\$7,970,650	-\$7,970,650	\$21,777,600	\$31,882,600	-\$10,105,000
Labor Claims	\$8,772,000	\$12,820,225	-\$4,048,225	\$8,824,900	\$12,820,225	-\$3,995,325	\$7,630,000	\$12,820,225	-\$5,190,225	\$0	\$12,820,225	-\$12,820,225	\$25,226,900	\$51,280,900	-\$26,054,000
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	\$124,000	\$165,825	-\$41,825	\$0	\$165,825	-\$165,825	\$516,800	\$663,300	-\$146,500
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	\$167,000	\$576,425	-\$409,425	\$0	\$576,425	-\$576,425	\$704,000	\$2,305,700	-\$1,601,700
Total	\$19,479,700	\$23,783,125	-\$4,303,425	\$19,916,100	\$23,278,225	-\$3,462,125	\$12,924,600	\$23,257,525	-\$10,332,925	\$0	\$23,257,425	-\$23,257,425	\$52,220,400	\$93,576,300	-\$41,355,900



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

ASSETS

	<u>2021</u>	<u>2020</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	553,163.34	10,245,823.27
ACCOUNTS RECEIVABLE	214,231.30	290,817.14
ASSESSMENT RECEIVABLE	15,125,658.19	15,848,577.86
RWAO KWCFC ADMN CASH ACCOUNT	380,540.34	179,562.11
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<u>TOTAL CURRENT ASSETS</u>	16,273,593.17	26,564,780.38
<u>INVESTMENTS</u>	328,184,927.12	312,198,279.98
<u>DEFERRED OUTFLOW PENSION</u>	1,370,934.00	944,295.00
<u>DEFERRED OUTFLOW OPEB</u>	391,397.00	226,427.00
	<hr/>	<hr/>
<u>TOTAL ASSETS</u>	\$ 346,220,851.29	\$ 339,933,782.36

LIABILITIES AND CAPITAL

<u>CURRENT LIABILITIES</u>		
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
	<hr/>	<hr/>
<u>TOTAL CURRENT LIABILITIES</u>	1,168,232.40	427,556.14
<u>LONG TERM LIABILITIES</u>		
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
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<u>TOTAL LONG TERM LIABILITIES</u>	9,183,934.79	8,121,257.14
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<u>TOTAL LIABILITIES</u>	10,352,167.19	8,548,813.28
	<hr/>	<hr/>
<u>CAPITAL</u>		
RETAINED EARNINGS	347,677,575.46	331,460,987.96
NET INCOME	(11,808,891.36)	(76,018.88)
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<u>TOTAL CAPITAL</u>	335,868,684.10	331,384,969.08
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<u>TOTAL LIABILITIES & CAPITAL</u>	\$ 346,220,851.29	\$ 339,933,782.36



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
INCOME STATEMENT
FOR EIGHT MONTHS ENDING MARCH 31, 2021 AND 2019 (FOR COMPARISON)

	<u>March 31, 2021</u>	<u>March 31, 2020</u>
<u>REVENUES</u>		
ASSESSMENT RECEIPTS	44,075,143.37	\$ 51,964,064.41
ASSESSMENT PENALTY & INTEREST	182,020.21	93,711.69
OVERNIGHT INTEREST INCOME	527.11	105,484.49
INT/DIV INCOME ON INVESTMENTS	8,837,147.41	8,845,498.32
CHANGE IN FAIR VALUE ON INVESTMENTS	(11,355,676.28)	438,974.31
AUDIT REIMBURSEMENT	599,860.19	142,127.31
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<u>TOTAL REVENUES</u>	<u>42,339,022.01</u>	<u>61,589,860.53</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	25,226,900.00	30,093,000.00
UEF TRANSFERS	3,995,100.00	5,719,500.00
SP FUND TRANSFERS FOR ADMIN	21,777,600.00	23,418,000.00
KOSH ADMIN. TRANSFER	516,800.00	510,900.00
CUSTODY FEE EXPENSE-STATE STREET	13,458.71	8,572.63
INVESTMENT MANAGEMENT FEES	395,593.84	286,191.28
ASSESSMENT REFUNDS	741,333.60	49,851.63
PAYROLL EXPENSES	1,199,183.57	1,278,525.72
OPERATING EXPENSES	281,943.65	301,338.15
	<hr/>	<hr/>
<u>TOTAL EXPENSES</u>	<u>54,147,913.37</u>	<u>61,665,879.41</u>
<u>NET INCOME</u>	<u>\$ (11,808,891.36)</u>	<u>\$ (76,018.88)</u>