



## WORKERS' COMPENSATION FUNDING COMMISSION

**Andy Beshear**  
Governor

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

**Lisa Gilreath-King**  
Executive Director

May 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 January 31, 2022.

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 Seven Months Ended January 31, 2022**

	Actual For Seven Months	Budget For Seven Months	Variance For Seven Months	Actual as % of Budget
<b>EXPENSES:</b>				
WAGES AND SALARIES	521,634.85	590,875.00	-69,240.15	88.3%
FICA	38,804.07	45,187.50	-6,383.43	85.9%
RETIREMENT	438,335.68	498,625.00	-60,289.32	87.9%
HEALTH INSURANCE	67,098.30	73,375.00	-6,276.70	91.4%
LIFE INSURANCE	96.00	116.67	-20.67	82.3%
WORKERS COMPENSATION	904.38	975.00	-70.62	92.8%
UNEMPLOYMENT PAY	0.00	700.00	-700.00	0.0%
ELECTRICITY	4,095.57	4,827.08	-731.51	84.8%
NATURAL GAS	1,991.33	1,633.33	358.00	121.9%
COPY MACHINE RENTAL	2,203.64	2,333.33	-129.69	94.4%
POSTAGE	536.45	1,808.33	-1,271.88	29.7%
ADVERTISING	0.00	291.67	-291.67	0.0%
PRINTING	0.00	291.67	-291.67	0.0%
GARBAGE	421.68	466.67	-44.99	90.4%
COMPUTER SOFTWARE	31,444.94	32,200.00	-755.06	97.7%
MISC. SERVICES	675.72	3,908.33	-3,232.61	17.3%
OFFICE SUPPLIES	1,082.47	2,275.00	-1,192.53	47.6%
IN-STATE-TRAVEL	0.00	2,333.33	-2,333.33	0.0%
OUT-OF-STATE TRAVEL	0.00	7,000.00	-7,000.00	0.0%
COMPUTER EQUIPMENT	0.00	2,333.33	-2,333.33	0.0%
LEGAL SERVICES	1,150.00	1,750.00	-600.00	65.7%
SUBSCRIPTIONS	2,098.75	2,250.00	-151.25	93.3%
EMPLOYEE TRAINING	4,140.37	11,491.67	-7,351.30	36.0%
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	1,516.67	-1,516.67	0.0%
MISC. EXPENSES	451.10	19,425.00	-18,973.90	2.3%
ACTUARIAL SERVICES	24,525.00	24,525.00	0.00	100.0%
PUBLIC OFFICIALS INSURANCE	27,394.38	27,000.00	394.38	101.5%
FURN. & FIX. UNDER \$5000	0.00	2,916.67	-2,916.67	0.0%
COT CHARGES	34,247.56	39,666.67	-5,419.11	86.3%
BOOKS DEPARTMENT USE	0.00	583.33	-583.33	0.0%
JANITORIAL SUPPLIES	0.00	991.67	-991.67	0.0%
E-FILE CHARGES	3,940.00	5,250.00	-1,310.00	75.0%
<b>TOTAL EXPENSES</b>	<b><u>1,261,740.13</u></b>	<b><u>1,463,472.92</u></b>	<b><u>-201,732.79</u></b>	<b><u>86.2%</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 February 28, 2022.

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 Eight Months Ended February 28, 2022**

	Actual For Eight Months	Budget For Eight Months	Variance For Eight Months	Actual as % of Budget
<b>EXPENSES:</b>				
WAGES AND SALARIES	591,685.33	669,658.33	-77,973.00	88.4%
FICA	43,997.88	51,212.50	-7,214.62	85.9%
RETIREMENT	497,157.05	565,108.33	-67,951.28	88.0%
HEALTH INSURANCE	76,001.74	83,158.33	-7,156.59	91.4%
LIFE INSURANCE	108.00	133.33	-25.33	81.0%
WORKERS COMPENSATION	1,884.87	1,300.00	584.87	145.0%
UNEMPLOYMENT PAY	0.00	800.00	-800.00	0.0%
ELECTRICITY	4,668.07	5,516.67	-848.60	84.6%
NATURAL GAS	1,991.33	1,866.67	124.66	106.7%
COPY MACHINE RENTAL	2,536.42	2,666.67	-130.25	95.1%
POSTAGE	570.27	2,066.67	-1,496.40	27.6%
ADVERTISING	0.00	333.33	-333.33	0.0%
PRINTING	0.00	333.33	-333.33	0.0%
GARBAGE	421.68	533.33	-111.65	79.1%
COMPUTER SOFTWARE	31,664.81	32,200.00	-535.19	98.3%
MISC. SERVICES	870.75	4,466.67	-3,595.92	19.5%
OFFICE SUPPLIES	1,158.59	2,600.00	-1,441.41	44.6%
IN-STATE-TRAVEL	0.00	2,666.67	-2,666.67	0.0%
OUT-OF-STATE TRAVEL	0.00	8,000.00	-8,000.00	0.0%
COMPUTER EQUIPMENT	0.00	2,666.67	-2,666.67	0.0%
LEGAL SERVICES	1,150.00	2,000.00	-850.00	57.5%
SUBSCRIPTIONS	2,098.75	2,250.00	-151.25	93.3%
EMPLOYEE TRAINING	4,862.89	13,133.33	-8,270.44	37.0%
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	275.20	1,733.33	-1,458.13	15.9%
MISC. EXPENSES	1,121.18	22,200.00	-21,078.82	5.1%
ACTUARIAL SERVICES	24,525.00	24,525.00	0.00	100.0%
PUBLIC OFFICIALS INSURANCE	27,394.38	27,000.00	394.38	101.5%
FURN. & FIX. UNDER \$5000	0.00	3,333.33	-3,333.33	0.0%
COT CHARGES	41,471.04	45,333.33	-3,862.29	91.5%
BOOKS DEPARTMENT USE	0.00	666.67	-666.67	0.0%
JANITORIAL SUPPLIES	0.00	1,133.33	-1,133.33	0.0%
E-FILE CHARGES	5,590.00	6,000.00	-410.00	93.2%
<b>TOTAL EXPENSES</b>	<b><u>1,417,673.12</u></b>	<b><u>1,641,145.83</u></b>	<b><u>-223,472.71</u></b>	<b><u>86.4%</u></b>



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May 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 are our agency financial reports submitted pursuant to KRS 342.1223(2)(h). This is for the fiscal year-to-date March 31, 2022. 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 Nine Months Ended March 31, 2022**

	Actual For Nine Months	Budget For Nine Months	Variance For Nine Months	Actual as % of Budget
<b>EXPENSES:</b>				
WAGES AND SALARIES	662,157.75	748,441.67	-86,283.92	88.5%
FICA	49,233.22	57,237.50	-8,004.28	86.0%
RETIREMENT	556,332.71	631,591.67	-75,258.96	88.1%
HEALTH INSURANCE	84,818.56	92,941.67	-8,123.11	91.3%
LIFE INSURANCE	120.00	150.00	-30.00	80.0%
WORKERS COMPENSATION	1,884.87	1,300.00	584.87	145.0%
UNEMPLOYMENT PAY	0.00	900.00	-900.00	0.0%
ELECTRICITY	5,200.87	6,206.25	-1,005.38	83.8%
NATURAL GAS	3,153.55	2,100.00	1,053.55	150.2%
COPY MACHINE RENTAL	2,846.93	3,000.00	-153.07	94.9%
POSTAGE	764.43	2,325.00	-1,560.57	32.9%
ADVERTISING	0.00	375.00	-375.00	0.0%
PRINTING	0.00	375.00	-375.00	0.0%
GARBAGE	527.10	600.00	-72.90	87.9%
COMPUTER SOFTWARE	31,664.81	32,200.00	-535.19	98.3%
MISC. SERVICES	931.07	5,025.00	-4,093.93	18.5%
OFFICE SUPPLIES	1,402.95	2,925.00	-1,522.05	48.0%
IN-STATE-TRAVEL	0.00	3,000.00	-3,000.00	0.0%
OUT-OF-STATE TRAVEL	0.00	9,000.00	-9,000.00	0.0%
COMPUTER EQUIPMENT	0.00	3,000.00	-3,000.00	0.0%
LEGAL SERVICES	1,150.00	2,250.00	-1,100.00	51.1%
SUBSCRIPTIONS	2,098.75	2,250.00	-151.25	93.3%
EMPLOYEE TRAINING	4,862.89	14,775.00	-9,912.11	32.9%
AUDIT SERVICES	22,300.00	22,300.00	0.00	100.0%
RENT	42,890.52	43,000.00	-109.48	99.7%
SECURITY GUARD	275.20	1,950.00	-1,674.80	14.1%
MISC. EXPENSES	1,136.92	24,975.00	-23,838.08	4.6%
ACTUARIAL SERVICES	24,525.00	24,525.00	0.00	100.0%
PUBLIC OFFICIALS INSURANCE	27,394.38	27,000.00	394.38	101.5%
FURN. & FIX. UNDER \$5000	0.00	3,750.00	-3,750.00	0.0%
COT CHARGES	45,558.54	51,000.00	-5,441.46	89.3%
BOOKS DEPARTMENT USE	0.00	750.00	-750.00	0.0%
JANITORIAL SUPPLIES	0.00	1,275.00	-1,275.00	0.0%
E-FILE CHARGES	5,660.00	6,750.00	-1,090.00	83.9%
<b>TOTAL EXPENSES</b>	<b><u>1,578,891.02</u></b>	<b><u>1,829,243.75</u></b>	<b><u>-250,352.73</u></b>	<b><u>86.3%</u></b>



**FUNDING TO AGENCIES BY QUARTER (Actual to Budget)**  
**For Nine Months Ended March 31, 2022**  
**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	\$8,479,359	\$8,699,950	-\$220,591	\$0	\$8,699,950	-\$8,699,950	\$23,082,059	\$34,799,800	-\$11,717,741
Labor Claims	\$8,181,000	\$9,000,000	-\$819,000	\$9,079,900	\$9,000,000	\$79,900	\$7,929,788	\$9,000,000	-\$1,070,212	\$0	\$9,000,000	-\$9,000,000	\$25,190,688	\$36,000,000	-\$10,809,312
UEF	\$2,057,800	\$2,060,000	-\$2,200	\$800,000	\$1,794,600	-\$994,600	\$1,300,000	\$1,794,600	-\$494,600	\$0	\$1,794,600	-\$1,794,600	\$4,157,800	\$7,443,800	-\$3,286,000
KOSH	\$148,000	\$176,925	-\$28,925	\$149,000	\$176,925	-\$27,925	\$174,834	\$176,925	-\$2,091	\$0	\$176,925	-\$176,925	\$471,834	\$707,700	-\$235,866
Funding Commission	\$0	\$350,150	-\$350,150	\$390,000	\$350,150	\$39,850	\$571,247	\$350,150	\$221,097	\$0	\$350,150	-\$350,150	\$861,247	\$1,400,600	-\$439,353
<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>\$18,455,228</b>	<b>\$20,021,625</b>	<b>-\$1,566,397</b>	<b>\$0</b>	<b>\$20,021,625</b>	<b>-\$20,021,625</b>	<b>\$53,863,628</b>	<b>\$80,351,900</b>	<b>-\$26,488,272</b>



**KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION**  
**BALANCE SHEET**  
**AS OF MARCH 31, 2022 AND 2021 (FOR COMPARISON)**

**ASSETS**

	<b><u>2022</u></b>	<b><u>2021</u></b>
<b><u>CURRENT ASSETS</u></b>		
RWBO SPECIAL FUND CASH ACCOUNT	123,148.97	553,163.34
ACCOUNTS RECEIVABLE	189,565.50	214,231.30
ASSESSMENT RECEIVABLE	15,434,023.40	15,125,658.19
RWAO KWFCF ADMN CASH ACCOUNT	17,698.22	380,540.34
	<b>15,764,436.09</b>	<b>16,273,593.17</b>
<b><u>TOTAL CURRENT ASSETS</u></b>		
<b><u>INVESTMENTS</u></b>	<b>311,834,393.93</b>	<b>328,184,927.12</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>\$ 328,911,318.02</b>	<b>\$ 346,220,851.29</b>
	<b>\$ 328,911,318.02</b>	<b>\$ 346,220,851.29</b>

**LIABILITIES AND CAPITAL**

<b><u>CURRENT LIABILITIES</u></b>		
ACCRUED EXPENSES	287,681.21	319,600.90
ACC EXP - ST COMP ABSENCES	86,938.41	79,910.08
REFUNDS PAYABLE	714,648.10	768,721.42
	<b>1,089,267.72</b>	<b>1,168,232.40</b>
	<b>1,089,267.72</b>	<b>1,168,232.40</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>9,025,922.81</b>	<b>9,183,934.79</b>
	<b>9,025,922.81</b>	<b>9,183,934.79</b>
<b><u>TOTAL LONG TERM LIABILITIES</u></b>	<b>9,025,922.81</b>	<b>9,183,934.79</b>
<b><u>TOTAL LIABILITIES</u></b>	<b>10,115,190.53</b>	<b>10,352,167.19</b>
	<b>10,115,190.53</b>	<b>10,352,167.19</b>
<b><u>CAPITAL</u></b>		
RETAINED EARNINGS	346,181,994.72	347,677,575.46
NET INCOME	(27,385,867.23)	(11,808,891.36)
	<b>318,796,127.49</b>	<b>335,868,684.10</b>
	<b>318,796,127.49</b>	<b>335,868,684.10</b>
<b><u>TOTAL CAPITAL</u></b>	<b>318,796,127.49</b>	<b>335,868,684.10</b>
<b><u>TOTAL LIABILITIES &amp; CAPITAL</u></b>	<b>\$ 328,911,318.02</b>	<b>\$ 346,220,851.29</b>
	<b>\$ 328,911,318.02</b>	<b>\$ 346,220,851.29</b>





**KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION**  
**INCOME STATEMENT**  
**NINE MONTHS ENDING MARCH 31, 2022 AND 2021 (FOR COMPARISON)**

<b><u>REVENUES</u></b>	<b><u>March 31, 2022</u></b>	<b><u>March 31, 2021</u></b>
ASSESSMENT RECEIPTS	48,670,611.73	44,075,143.37
ASSESSMENT PENALTY & INTEREST	129,703.06	182,020.21
OVERNIGHT INTEREST INCOME	(481.32)	527.11
INT/DIV INCOME ON INVESTMENTS	9,054,396.23	8,837,147.41
CHANGE IN FAIR VALUE ON INVESTMENTS	(30,248,102.43)	(11,355,676.28)
AUDIT REIMBURSEMENT	214,196.17	599,860.19
<b><u>TOTAL REVENUES</u></b>	<b><u>27,820,323.44</u></b>	<b><u>42,339,022.01</u></b>
<b><u>EXPENSES</u></b>		
SP FUND TRANSFERS FOR CLAIMS	25,190,687.52	25,226,900.00
UEF TRANSFERS	4,157,800.00	3,995,100.00
SP FUND TRANSFERS FOR ADMIN	23,082,059.27	21,777,600.00
KOSH ADMIN. TRANSFER	471,833.53	516,800.00
CUSTODY FEE EXPENSE-STATE STREET	19,013.99	13,458.71
INVESTMENT MANAGEMENT FEES	302,378.62	395,593.84
ASSESSMENT REFUNDS	160,779.47	741,333.60
PAYROLL EXPENSES	1,354,547.11	1,199,183.57
OPERATING EXPENSES	467,091.16	281,943.65
<b><u>TOTAL EXPENSES</u></b>	<b><u>55,206,190.67</u></b>	<b><u>54,147,913.37</u></b>
<b><u>NET INCOME</u></b>	<b><u>\$ (27,385,867.23)</u></b>	<b><u>\$ (11,808,891.36)</u></b>