



## 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

July 22, 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 April 30, 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 Ten Months Ended April 30, 2022**

	Actual For Ten Months	Budget For Ten Months	Variance For Ten Months	Actual as % of Budget
<b>EXPENSES:</b>				
WAGES AND SALARIES	732,630.17	827,225.00	-94,594.83	88.6%
FICA	54,468.55	63,262.50	-8,793.95	86.1%
RETIREMENT	615,508.37	698,075.00	-82,566.63	88.2%
HEALTH INSURANCE	93,635.38	102,725.00	-9,089.62	91.2%
LIFE INSURANCE	132.00	166.67	-34.67	79.2%
WORKERS COMPENSATION	1,884.87	1,300.00	584.87	145.0%
UNEMPLOYMENT PAY	0.00	1,000.00	-1,000.00	0.0%
ELECTRICITY	5,618.24	6,062.50	-444.26	92.7%
NATURAL GAS	3,153.55	3,166.67	-13.12	99.6%
COPY MACHINE RENTAL	3,155.09	3,333.33	-178.24	94.7%
POSTAGE	1,182.49	2,583.33	-1,400.84	45.8%
ADVERTISING	0.00	416.67	-416.67	0.0%
PRINTING	0.00	416.67	-416.67	0.0%
GARBAGE	579.81	666.67	-86.86	87.0%
COMPUTER SOFTWARE	31,664.81	32,200.00	-535.19	98.3%
MISC. SERVICES	1,010.75	5,583.33	-4,572.58	18.1%
OFFICE SUPPLIES	1,568.07	3,250.00	-1,681.93	48.2%
IN-STATE-TRAVEL	0.00	3,333.33	-3,333.33	0.0%
OUT-OF-STATE TRAVEL	0.00	10,000.00	-10,000.00	0.0%
COMPUTER EQUIPMENT	0.00	3,333.33	-3,333.33	0.0%
LEGAL SERVICES	1,150.00	2,500.00	-1,350.00	46.0%
SUBSCRIPTIONS	2,098.75	2,250.00	-151.25	93.3%
EMPLOYEE TRAINING	4,924.89	16,416.67	-11,491.78	30.0%
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	2,166.67	-1,891.47	12.7%
MISC. EXPENSES	1,159.91	27,750.00	-26,590.09	4.2%
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	4,166.67	-4,166.67	0.0%
COT CHARGES	50,128.27	56,666.67	-6,538.40	88.5%
BOOKS DEPARTMENT USE	0.00	833.33	-833.33	0.0%
JANITORIAL SUPPLIES	0.00	1,416.67	-1,416.67	0.0%
E-FILE CHARGES	5,805.00	7,500.00	-1,695.00	77.4%
<b>TOTAL EXPENSES</b>	<b><u>1,728,844.07</u></b>	<b><u>2,006,591.67</u></b>	<b><u>-277,747.60</u></b>	<b><u>86.2%</u></b>
Indirect Cost Allocation 2021/2022	242,747.25	0.00	242,747.25	Not Budgeted
<b>Total Expenses after ICA</b>	<b><u>1,971,591.32</u></b>	<b><u>2,006,591.67</u></b>	<b><u>-35,000.35</u></b>	<b><u>98.3%</u></b>



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July 22, 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 May 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 Eleven Months Ended May 31, 2022**

	Actual For Eleven Months	Budget For Eleven Months	Variance For Eleven Months	Actual as % of Budget
<b>EXPENSES:</b>				
WAGES AND SALARIES	805,974.79	869,768.00	-63,793.21	92.7%
FICA	59,923.62	66,516.00	-6,592.38	90.1%
RETIREMENT	675,264.18	733,976.00	-58,711.82	92.0%
HEALTH INSURANCE	102,452.20	108,008.00	-5,555.80	94.9%
LIFE INSURANCE	144.00	183.33	-39.33	78.5%
WORKERS COMPENSATION	1,884.87	1,300.00	584.87	145.0%
UNEMPLOYMENT PAY	0.00	1,100.00	-1,100.00	0.0%
ELECTRICITY	6,093.23	6,668.75	-575.52	91.4%
NATURAL GAS	3,499.61	3,483.33	16.28	100.5%
COPY MACHINE RENTAL	3,155.09	3,666.67	-511.58	86.0%
POSTAGE	3,442.28	2,841.67	600.61	121.1%
ADVERTISING	0.00	458.33	-458.33	0.0%
PRINTING	0.00	458.33	-458.33	0.0%
GARBAGE	579.81	733.33	-153.52	79.1%
COMPUTER SOFTWARE	32,494.81	30,800.00	1,694.81	105.5%
MISC. SERVICES	1,090.43	6,141.67	-5,051.24	17.8%
OFFICE SUPPLIES	1,842.81	3,575.00	-1,732.19	51.5%
IN-STATE-TRAVEL	0.00	3,666.67	-3,666.67	0.0%
OUT-OF-STATE TRAVEL	0.00	11,000.00	-11,000.00	0.0%
COMPUTER EQUIPMENT	0.00	3,666.67	-3,666.67	0.0%
LEGAL SERVICES	1,150.00	2,750.00	-1,600.00	41.8%
SUBSCRIPTIONS	2,098.75	2,475.00	-376.25	84.8%
EMPLOYEE TRAINING	4,986.89	18,058.33	-13,071.44	27.6%
AUDIT SERVICES	20,070.00	22,300.00	-2,230.00	90.0%
RENT	42,890.52	43,000.00	-109.48	99.7%
SECURITY GUARD	1,100.82	2,383.33	-1,282.51	46.2%
MISC. EXPENSES	1,168.40	30,525.00	-29,356.60	3.8%
ACTUARIAL SERVICES	19,129.50	24,525.00	-5,395.50	78.0%
PUBLIC OFFICIALS INSURANCE	27,394.38	27,000.00	394.38	101.5%
FURN. & FIX. UNDER \$5000	0.00	4,583.33	-4,583.33	0.0%
COT CHARGES	55,141.84	62,333.33	-7,191.49	88.5%
BOOKS DEPARTMENT USE	0.00	916.67	-916.67	0.0%
JANITORIAL SUPPLIES	0.00	1,558.33	-1,558.33	0.0%
E-FILE CHARGES	7,595.00	8,250.00	-655.00	92.1%
<b>TOTAL EXPENSES</b>	<b><u>1,880,567.83</u></b>	<b><u>2,108,670.08</u></b>	<b><u>-228,102.25</u></b>	<b><u>89.2%</u></b>
Indirect Cost Allocation 2021/2022	242,747.25	0.00	242,747.25	Not Budgeted
<b>Total Expenses after ICA</b>	<b><u>2,123,315.08</u></b>	<b><u>2,108,670.08</u></b>	<b><u>14,645.00</u></b>	<b><u>100.7%</u></b>



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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 June 30, 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 Twelve Months Ended June 30, 2022**

	Actual For Twelve Months	Budget For Twelve Months	Variance For Twelve Months	Actual as % of Budget
<b>EXPENSES:</b>				
WAGES AND SALARIES	877,829.01	945,400.00	-67,570.99	92.9%
FICA	65,250.28	72,300.00	-7,049.72	90.2%
RETIREMENT	735,600.14	797,800.00	-62,199.86	92.2%
HEALTH INSURANCE	111,269.02	117,400.00	-6,130.98	94.8%
LIFE INSURANCE	156.00	200.00	-44.00	78.0%
WORKERS COMPENSATION	1,884.87	1,300.00	584.87	145.0%
UNEMPLOYMENT PAY	0.00	1,200.00	-1,200.00	0.0%
ELECTRICITY	6,636.97	7,275.00	-638.03	91.2%
NATURAL GAS	3,721.88	3,800.00	-78.12	97.9%
COPY MACHINE RENTAL	3,786.56	4,000.00	-213.44	94.7%
POSTAGE	3,533.69	3,100.00	433.69	114.0%
ADVERTISING	0.00	500.00	-500.00	0.0%
PRINTING	0.00	500.00	-500.00	0.0%
GARBAGE	605.76	800.00	-194.24	75.7%
COMPUTER SOFTWARE	32,494.81	33,600.00	-1,105.19	96.7%
MISC. SERVICES	1,716.43	6,700.00	-4,983.57	25.6%
OFFICE SUPPLIES	2,060.61	3,900.00	-1,839.39	52.8%
IN-STATE-TRAVEL	0.00	4,000.00	-4,000.00	0.0%
OUT-OF-STATE TRAVEL	0.00	12,000.00	-12,000.00	0.0%
COMPUTER EQUIPMENT	0.00	4,000.00	-4,000.00	0.0%
LEGAL SERVICES	1,150.00	3,000.00	-1,850.00	38.3%
SUBSCRIPTIONS	2,098.75	2,700.00	-601.25	77.7%
EMPLOYEE TRAINING	5,235.69	19,700.00	-14,464.31	26.6%
AUDIT SERVICES	20,070.00	22,300.00	-2,230.00	90.0%
RENT	42,890.52	43,000.00	-109.48	99.7%
SECURITY GUARD	1,100.82	2,600.00	-1,499.18	42.3%
MISC. EXPENSES	1,519.80	33,300.00	-31,780.20	4.6%
ACTUARIAL SERVICES	19,129.50	24,525.00	-5,395.50	78.0%
PUBLIC OFFICIALS INSURANCE	27,394.38	27,000.00	394.38	101.5%
FURN. & FIX. UNDER \$5000	0.00	5,000.00	-5,000.00	0.0%
COT CHARGES	62,702.12	68,000.00	-5,297.88	92.2%
BOOKS DEPARTMENT USE	0.00	1,000.00	-1,000.00	0.0%
JANITORIAL SUPPLIES	0.00	1,700.00	-1,700.00	0.0%
E-FILE CHARGES	8,115.00	9,000.00	-885.00	90.2%
<b>TOTAL EXPENSES</b>	<b><u>2,037,952.61</u></b>	<b><u>2,282,600.00</u></b>	<b><u>-244,647.39</u></b>	<b><u>89.3%</u></b>
Indirect Cost Allocation 2021/2022	250,357.22	0.00	250,357.22	Not Budgeted
<b>Total Expenses after ICA</b>	<b><u>2,288,309.83</u></b>	<b><u>2,282,600.00</u></b>	<b><u>5,709.83</u></b>	<b><u>100.3%</u></b>



**FUNDING TO AGENCIES BY QUARTER (Actual to Budget)**  
**For Twelve Months Ended June 30, 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	\$6,892,000	\$8,699,950	-\$1,807,950	\$29,974,059	\$34,799,800	-\$4,825,741
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	\$9,205,000	\$9,000,000	\$205,000	\$34,395,688	\$36,000,000	-\$1,604,312
UEF	\$2,057,800	\$2,060,000	-\$2,200	\$800,000	\$1,794,600	-\$994,600	\$1,300,000	\$1,794,600	-\$494,600	\$1,576,000	\$1,794,600	-\$218,600	\$5,733,800	\$7,443,800	-\$1,710,000
KOSH	\$148,000	\$176,925	-\$28,925	\$149,000	\$176,925	-\$27,925	\$174,834	\$176,925	-\$2,091	\$200,000	\$176,925	\$23,075	\$671,834	\$707,700	-\$35,866
Funding Commission	\$0	\$350,150	-\$350,150	\$390,000	\$350,150	\$39,850	\$571,247	\$350,150	\$221,097	-\$23,700	\$350,150	-\$373,850	\$937,547	\$1,400,600	-\$463,053
<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>\$17,849,300</b>	<b>\$20,021,625</b>	<b>-\$2,172,325</b>	<b>\$71,712,928</b>	<b>\$80,351,900</b>	<b>-\$8,638,972</b>



**KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION**  
**BALANCE SHEET**  
**AS OF JUNE 30, 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	167,630.04	2,404,258.82
ACCOUNTS RECEIVABLE	189,574.50	214,231.30
ASSESSMENT RECEIVABLE	15,434,023.40	15,125,658.19
RWAO KWCFC ADMN CASH ACCOUNT	9,418.88	683,111.93
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<b><u>TOTAL CURRENT ASSETS</u></b>	<b>15,800,646.82</b>	<b>18,427,260.24</b>
<b><u>INVESTMENTS</u></b>		
	296,085,139.46	336,232,216.55
<b><u>DEFERRED OUTFLOW PENSION</u></b>		
	893,556.00	1,370,934.00
<b><u>DEFERRED OUTFLOW OPEB</u></b>		
	418,932.00	391,397.00
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<b><u>TOTAL ASSETS</u></b>	<b>\$ 313,198,274.28</b>	<b>\$ 356,421,807.79</b>
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**LIABILITIES AND CAPITAL**

<b><u>CURRENT LIABILITIES</u></b>		
ACCRUED EXPENSES	296,160.16	319,600.90
ACC EXP - ST COMP ABSENCES	86,938.41	79,910.08
REFUNDS PAYABLE	714,648.10	768,721.42
	<hr/>	<hr/>
<b><u>TOTAL CURRENT LIABILITIES</u></b>	<b>1,097,746.67</b>	<b>1,168,232.40</b>
	<hr/>	<hr/>
<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
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<b><u>TOTAL LONG TERM LIABILITIES</u></b>	<b>9,025,922.81</b>	<b>9,183,934.79</b>
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<b><u>TOTAL LIABILITIES</u></b>	<b>10,123,669.48</b>	<b>10,352,167.19</b>
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<b><u>CAPITAL</u></b>		
RETAINED EARNINGS	346,181,994.72	347,677,575.46
NET INCOME	(43,107,389.92)	(1,607,934.86)
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<b><u>TOTAL CAPITAL</u></b>	<b>303,074,604.80</b>	<b>346,069,640.60</b>
	<hr/>	<hr/>
<b><u>TOTAL LIABILITIES &amp; CAPITAL</u></b>	<b>\$ 313,198,274.28</b>	<b>\$ 356,421,807.79</b>
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**KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION**  
**INCOME STATEMENT**  
**TWELVE MONTHS ENDING JUNE 30, 2022 AND 2021 (FOR COMPARISON)**

<b><u>REVENUES</u></b>	<b><u>June 30, 2022</u></b>	<b><u>June 30, 2021</u></b>
ASSESSMENT RECEIPTS	67,703,290.30	62,000,030.22
ASSESSMENT PENALTY & INTEREST	845,889.45	2,497,659.84
OVERNIGHT INTEREST INCOME	978.24	(144.06)
INT/DIV INCOME ON INVESTMENTS	12,137,783.72	11,810,168.96
CHANGE IN FAIR VALUE ON INVESTMENTS	(48,982,846.00)	(6,180,992.26)
AUDIT REIMBURSEMENT	737,694.59	714,207.56
	<hr/>	<hr/>
<b><u>TOTAL REVENUES</u></b>	<b><u>32,442,790.30</u></b>	<b><u>70,840,930.26</u></b>
<b><u>EXPENSES</u></b>		
SP FUND TRANSFERS FOR CLAIMS	34,395,687.52	36,135,900.00
UEF TRANSFERS	5,733,800.00	3,995,100.00
SP FUND TRANSFERS FOR ADMIN	29,974,059.27	27,839,800.00
KOSH ADMIN. TRANSFER	671,833.53	670,800.00
CUSTODY FEE EXPENSE-STATE STREET	19,013.99	13,458.71
INVESTMENT MANAGEMENT FEES	400,277.01	496,009.98
ASSESSMENT REFUNDS	2,067,199.07	1,345,771.14
PAYROLL EXPENSES	1,791,989.32	1,642,152.72
OPERATING EXPENSES	496,320.51	309,872.57
	<hr/>	<hr/>
<b><u>TOTAL EXPENSES</u></b>	<b><u>75,550,180.22</u></b>	<b><u>72,448,865.12</u></b>
<b><u>NET INCOME</u></b>	<b><u>\$ (43,107,389.92)</u></b>	<b><u>\$ (1,607,934.86)</u></b>