

**MINUTES OF A MEETING
KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
BOARD OF DIRECTORS**

September 25, 2024

Opening of Meeting:

1. A regular meeting of the Board of Directors, Kentucky Workers' Compensation Funding Commission was held in person and via video conference on September 25, 2024, Frankfort, Kentucky. Madam Chair Judy Long called the meeting to order.
2. Ms. Angela Calloway announced the recording of the meeting and confirmed the press notice.
3. Madam Chair Long asked for a roll call.

Directors Present:

4. Judy Long, Self-Insured Employers Representative
Scott Wilhoit, Designee for Secretary Jamie Link, Education & Labor Cabinet
Daniel Auxier, Designee for Secretary Holly M. Johnson, Finance & Administration Cabinet
Matt Wingate, Designee for Secretary Jeff Noel, Cabinet for Economic Development
Tim Feld, Insurance Advisory Organization Representative
Mark Isaacs, Labor Representative

Approval of Minutes:

5. Mr. Tim Feld made a motion to approve the July 24, 2024 Regular Meeting Minutes. Mr. Scott Wilhoit seconded the motion. Motion carried.

Actuary Report: Rod Morris, Deloitte Consulting (report on file for referral)

6. Mr. Rod Morris greeted Board members and presented the actuarial analysis of the Special Fund and Uninsured Employers' Fund. The presentation provided analysis and trends to assist the Board with its requirement to set the 2025 Special Fund Assessment Rate.
7. Mr. Daniel Auxier made a motion to accept the Fiscal Year End 2024 Actuarial Report as presented to the Board. Mr. Scott Wilhoit seconded the motion. Motion carried.

2025 Assessment Rate Recommendation: Lisa King

8. Ms. Lisa King made a presentation detailing the statutory requirements followed to establish the 2025 rate. Based upon the actuarial information and statutory requirements, Ms. King stated the recommendation for the 2025 Special Fund Assessment Rate on all employers will be 5.53%. The rate will be effective on January 1, 2025.
9. Mr. Scott Wilhoit made a motion to approve the 2025 calendar year Special Fund Assessment Rate of 5.53%. Mr. Tim Feld seconded the motion. Motion carried.

Financial Audit for Fiscal Year 2024: Allen Norvell, Blue & Co., LLC (report on file for referral)

10. Mr. Allen Norvell thanked the Board for the opportunity to conduct the audit and expressed his appreciation to the Funding Commission and staff for their cooperation. Mr. Norvell reported Blue & Co. issued an unmodified opinion on the financial statements of the Funding Commission and for the fiscal year ending June 30, 2024. The audit disclosed no instances of noncompliance material to the Funding Commission's financial statements. The audit disclosed no findings in accordance with Government Auditing Standards.
11. Mr. Scott Wilhoit made a motion to accept the fiscal year 2024 audit as presented by Allen Norvell with Blue & Co. Mr. Daniel Auxier seconded the motion. Motion carried.

Investment Report: David Rogan, Conning, Inc. (report on file for referral)

12. Mr. David Rogan presented an update on the investment portfolio through August 31, 2024. He also discussed the current economic and future capital market outlook. Mr. Rogan also reported on the Self-Insurance Fund as of August 31, 2024.
13. Mr. Tim Feld made a motion to accept the investment report as presented to the Board. Mr. Daniel Auxier seconded the motion. Motion carried.

Financial Report: Kim Hay (report on file for referral)

14. Mr. Kim Hay reviewed the year-to-date budget versus actual expenses for KWCFC, the year-to-date internal financial statements, and fiscal year-to-date interagency transfers made by KWCFC for the period ending August 31, 2024. Mr. Hay also presented the year-to-date internal financial statements for the Self-Insurance Fund for the period ending August 31, 2024.
15. Mr. Scott Wilhoit made a motion to accept the financial reports as presented to the Board. Mr. Daniel Auxier seconded the motion. Motion carried.

Audit & Collections Update: Lisa King (report on file for referral)

16. Ms. Lisa King presented an update on the number of audits ongoing and completed.

17. Mr. Tim Feld made a motion to accept the audit and collections report as presented. Mr. Daniel Auxier seconded the motion. Motion carried.

Executive Director Update: Lisa King

18. Ms. Lisa King stated the Sunset Date Committee is continuing to meet and gathering data and there is nothing to report at this time.

19. Ms. King added Real Properties reached out regarding safety updates on the building, which include an ADA compliant restroom and office space reduction. No Board action is needed.

Executive Session:

20. No executive session.

New Business:

21. No new business.

Adjournment:

22. Mr. Scott Wilhoit made a motion to adjourn. Mr. Tim Feld seconded the motion. Motion carried.



Board Chair