



KENTUCKY
AGC Self Insurers' Fund



FUNDSCRIPTS

Volume 21, Number 1 May 2017

Solid Ground

2016 Kentucky AGC/SIF Financial Information

In addition to the Financial Statements, as posted on the Fund's website at www.kyagcsif.com, the following information is provided to you, and is a **summary** of the **2016 AUDITED FINANCIAL STATEMENT** for the Kentucky AGC/SIF:

<u>REVENUES</u>	<u>2016</u>
Premiums Earned.....	\$63,184,381
Net Investment Income.....	\$7,475,262
Net Realized Investment Gains (Losses).....	\$786,019
Other.....	\$524,299

TOTAL REVENUES \$71,969,961

<u>EXPENSES</u>	
Claims Paid and Reserved.....	\$40,771,976
Service Fee.....	\$8,638,104
Commissions.....	\$6,305,186
Excess Insurance Premiums.....	\$1,152,000
Loss Control.....	\$785,314
Premium Audits.....	\$506,400
Other Operating Expenses.....	\$2,197,868

TOTAL EXPENSES \$60,356,848

Income BEFORE Dividends and Taxes.....	\$11,613,113
Dividends Declared to Members.....	\$8,860,000
Income BEFORE Income Tax Expense.....	\$2,753,113
Income Tax (Benefit) Expense.....	\$568,047

NET INCOME \$2,185,066

DIVIDENDS PAID to Members in 2017 for 2012 Year.....	\$7,280,670
SPECIAL FUND TAX returned to Members for 2012 Year.....	\$457,226
TOTAL DIVIDEND Distribution in 2017.....	\$7,737,896
TOTAL PREMIUM collected for Eligible Members in 2012.....	\$42,781,871
% OF PREMIUM RETURNED to Eligible Members.....	17.0%

TOTAL ASSETS.....	\$397,709,465
TOTAL LIABILITIES.....	(\$334,365,169)
MEMBERS' EQUITY.....	<u>\$63,344,296</u>

"The Fund had another great year in 2016. Members' surplus increased by 6.5%. Additionally, \$8.86 million was declared for future dividends, and the Fund returned yet another significant dividend of over \$7.7 million for the 2012 policy year.

To our members and agents, we say thank you for your continued support."

*Karl T. Ladegast,
Administrator*

In This Issue:

- ◆ Financial Information
- ◆ Heat Safety
- ◆ Online Audit Payment Options
- ◆ Kentucky Child Labor Law





The Heat is On

Hot Weather Preparedness

The late Glenn Frey scored a smash hit in the 1984 classic Eddie Murphy action-comedy, *Beverly Hills Cop*, called "The Heat is On" (admit it, you are singing the song to yourself now). And while the song is about the pressure to solve the case in the film, it is an apt description of the hot and humid days of summer here in our great Commonwealth.

As we quickly head into summer, it is easy to forget the measures that should be taken as the daily temperatures steadily rise. But before we discuss those measures, let's take a look at some of the ailments that can potentially affect everyone working in hot conditions:

- **Heat Fatigue** - Performance becomes impaired
- **Heat Rashes** - Rashes begin to develop as sweat does not evaporate on the skin
- **Heat Cramps** - Muscles begin to cramp due to dehydration
- **Heat Exhaustion** - A more serious condition whereby the victim suffers from headaches, nausea, vertigo, weakness, thirst and giddiness
- **Heat Stroke** - The most serious heat-related illness that can lead to death whereby the victim experiences confusion, irrational behavior, loss of consciousness, convulsions, a lack of sweating (dry skin), and an abnormally high body temperature

So, what can you do to prevent these ailments on your job-site? Here are several steps that can be taken:

- Implement more frequent rest breaks in air-conditioned or shaded areas
- Keep drinking water available at all times
- Acclimatize your workers - slowly increase the frequency of work throughout the day/week to allow workers' bodies to adjust to excessive temperatures

Hot Weather continued...

- Provide and/or instruct workers to wear light colored and permeable clothing

This is not meant to be an exhaustive list of the steps that can be taken. Ultimately, it is important to use common sense and to remember the most fundamental heat-related prevention tips: WATER, REST and SHADE.

Online Audit Pay Options

Along with your monthly and annual premiums, you can now pay your audit payments due online as well.

To pay your audit amount due online:

- ⇒ Go to www.kyagcsif.com
- ⇒ Login to your account and from the homepage:
 - 1) Scroll over the **EMPLOYERS** tab
 - 2) Click on **MAKE PAYMENT**
 - 3) Click on **PAY YOUR AUDIT NOW** to the right of the page
 - 4) Click on **PAY AUDIT INVOICE**
 - 5) Follow the payment instructions

There are two (2) options available to pay:

- 1) Electronic Check (ACH)
- 2) Credit Card (Visa/Mastercard)

Note: There is no charge for electronic check transactions. However, there is a **4% handling fee** for credit card transactions.



KY Department of Labor

The Division of Employment Standards, Apprenticeship and Mediation is responsible for the administration and enforcement of Kentucky's minimum wage, overtime, wage payment, child labor, wage discrimination, and the equal opportunities provisions including the rights of the physically disabled. The division is charged with investigating allegations of statute and regulation violations and rendering findings in a timely and efficient manner.

1047 US Highway 127 S, Ste 4
Frankfort, KY 40601-4381
Phone (502) 564-3070
Fax (502) 564-2248
www.labor.ky.gov

Source: KY Dept. of Labor



Kentucky Child Labor Law

Businesses Gear Up for Temporary Employment

With summer rapidly approaching, many of our members will be employing temporary labor. Hiring workers under the age of 18 imposes additional restrictions upon employers. To assist you in planning, and to help avoid costly fines, please review the following information that the Fund has obtained from the Kentucky Department of Labor:

The following is a list of **prohibited occupations** for all minors under the age of 18:

- Manufacturing or storing explosives
- Motor vehicle driver and outside helper
- Coal mining
- Logging or saw milling
- Operation of power-driven woodworking machines
- Exposure to radioactive substances
- Operation of power-driven hoisting apparatus
- Operation of power-driven metal-forming, metal-punching & metal-shearing machines
- Mining (other than coal)
- Slaughtering, meat packing or processing
- Operation of power-driven bakery machines
- Operation of paper product machines
- Manufacture of brick, tile and similar products
- Operation of circular saws, band saws and guillotine shears
- Wrecking, demolition and shipwrecking operations
- Roofing
- Excavating operations
- Liquor operations
- Pool or billiard room

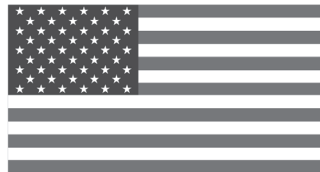
Construction (including demolition and repair) is a prohibited occupation for all minors 14, but not yet 16 years of age.

FundScripts

KY AGC Self Insurers' Fund

P.O. Box 436949

Louisville, KY 40253-6949



ONE NATION
UNDER GOD
INDIVISIBLE

PRESORTED STANDARD
U.S. POSTAGE
PAID
LOUISVILLE, KY
PERMIT NO. 1402

Kentucky Child Labor Law *(continued)*

Minors that are 14 years of age, but not yet 18, have restrictions regarding the hours they are permitted to work. These restrictions are as follows for the respective age group:

AGES 14 & 15

- May not work BEFORE 7:00 A.M.
- May not work AFTER 7:00 P.M. (9:00 P.M. June 1-Labor Day)
- Maximum hours when school is in session:
 - > 3 hours per day on a school day
 - > 8 hours per day on a non-school day
 - > 18 hours per week
- Maximum hours when school is not in session:
 - > 8 hours per day
 - > 40 hours per week

AGES 16 & 17

- May not work BEFORE 6:00 A.M.
- May not work AFTER 10:30 P.M. preceding a school day or 1:00 A.M. preceding a non-school day
- Maximum hours when school is in session:
 - > 6 hours per day on a school day
 - > 8 hours per day on a non-school day
 - > 30 hours per week*
- Maximum hours when school is not in session:
 - > No restrictions

**A minor that is 16 or 17 years of age may work up to 40 hours per week when school is in session if a parent or legal guardian gives permission in writing, and the principal or head of the school the minor attends certifies in writing that the minor has maintained at least a 2.0 grade point average in the most recent grading period. The school certification will remain valid for one (1) year unless revoked sooner by the school authority. Both the parental permission and the school certification shall remain at the employer's place of business.*

Additionally, you should know that minors under 18 years of age shall NOT be permitted to work more than five (5) hours continuously without an interval of at least thirty (30) minutes for a lunch period. It should also be noted that proof of age is required for all minors 14, but not yet 18 years of age. This may include a driver's license, birth certificate or government document with date of birth.

Employers are also required to maintain the following information in their records for any minor that is employed: name, age, address, the time of the beginning and ending of each work shift and each meal period. A child labor poster, including prohibited duties, is required to be posted by employers.

Contact Us

Give us a call for more information about our services and products

KY AGC/SIF
P.O. BOX 436949
Louisville, KY 40253-6949

(800) 928-7135

Visit us on the web at
www.kyagcsif.com