KENTUCKY SCHOOL BOARDS ASSOCIATION
"A brighter future through better public schools"

July 11, 2019

Mr. Larry Hammond, Superintendent
Gallatin County Schools
75 Boardwalk
Warsaw, KY 41095

Dear Superintendent Hammond:

I am writing today with good news about your annual Unemployment Fund Statement for 2018. The Fund's annual audit is complete and the details of your district's contributions, investment income, claims paid and administrative fees are shown in the statement. For 2018 your district's account activity resulted in a surplus balance. Enclosed please find a refund check in that amount.

Due in part to the decrease in aggregate benefits paid in 2018 and in part to a 45% reduction in the Unemployment Program's operating expenses over the past decade, the fund is paying out $4.4 million in member refunds. The decrease in expenses is the result of a sustained emphasis by your Unemployment Program Board of Trustees to increase the value of participation to districts.

During 2018 KSBA continued our focus on data security and recently submitted our data security systems to rigorous third-party intrusion testing with excellent results. Such testing demonstrates a sustained focus on security dating back to our 2016 upgrades when stored data was encrypted and software programs were moved to a secure ISO 27001 compliant cloud-based environment. At the June trustees meeting, our outside auditor, DMLO CPAs, rendered an unmodified or "clean" opinion on our 2018 financial statements. Should you wish to review the Fund's audited financial statements in their entirety, please contact us.

The calculation below determined your Unemployment Fund balance as of December 31, 2018. **Contributions** are the sum of quarterly payments your district made. **Investment Income** is your district's share of the fund's interest earned plus or minus fair market value accounting adjustments. **Benefits Paid** are the actual unemployment benefit payments made on behalf of your district. **KY Unemployment Finance Charge** is your district's share of the state-imposed finance charge on paid benefits. **Administrative Costs** is your district's share of the administrative costs for the fund.

(over)

July 11, 2019

District	**GALLATIN COUNTY SCHOOLS**

Plus:	
Contributions Received in 2018	**$18,468.33**
Investment Income	**69.84**
(Less):	
Benefits Paid for 2018	**3,066.00**
KY Unemployment Finance Charge	**16.86**
Administrative Costs	**829.24**
Surplus Balance as of 12/31/2018	**$14,626.07**

We continue to seek ways for Fund participants to further reduce unemployment benefit costs through lobbying, education and increased efficiency in responding to claims. Should you have questions about any aspects of this statement or the Fund, please do not hesitate to contact me, Chief Financial Officer Steve Smith, or Controller Leah Herrera at (800) 372-2962.

Sincerely,

Keri Schelling

Kerri Schelling, Executive Director
Kentucky School Boards Association

Enclosures

Cc: District Finance Officer (original check)
Board Chairperson

6010

KENTUCKY SCHOOL BOARDS INS. TRUST
UNEMPLOYMENT ADMINISTRATIVE ACCOUNT
260 DEMOCRAT DRIVE
FRANKFORT, KENTUCKY 40601-9214
(502) 695-4630

FIFTH THIRD BANK
73-119/421

EZShield™ Check Fraud Protection for Business

VOID VOID VOID VOID

July 11, 2019
DATE

*********$14,626.07
AMOUNT

Fourteen Thousand Six Hundred Twenty-Six and 07/100 Dollars

PAY TO THE ORDER OF

GALLATIN COUNTY SCHOOLS
75 Boardwalk
WARSAW, KY 41095-0147

AUTHORIZED SIGNATURE

Security features. Details on back.

⑈006010⑈ ⑆042101190⑆ 0082650508⑈

KENTUCKY SCHOOL BOARDS INS. TRUST
UNEMPLOYMENT ADMINISTRATIVE ACCOUNT

6010

Check Numbei	6010
Check Date	July 11, 2019
Check Amoun	$14,626.07

GALLATIN COUNTY SCHOOLS
Invoice2018 Refund

Item to be Paid - Description	Amount Pai
2018 Refund	14,626.07