



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

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Lisa Gilreath-King
Executive Director

September 28, 2023

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 financial reports submitted pursuant to KRS 342.1223(2)(h) for fiscal year-to-date July 31, 2023.

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
BALANCE SHEET
AS OF JULY 31, 2023 AND 2022 (FOR COMPARISON)

ASSETS

	<u>2023</u>	<u>2022</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	432,053.03	3,040,219.98
ACCOUNTS RECEIVABLE	154,568.80	94,414.52
ASSESSMENT RECEIVABLE	16,186,931.28	17,845,978.16
RWAO KWFC ADMN CASH ACCOUNT	133,870.47	86,268.52
	16,907,423.58	21,066,881.18
<u>INVESTMENTS</u>		
BOOK VALUE - disclosure only, not included in totals	341,782,619.09	325,286,427.68
<u>LEASE RIGHT-OF-USE</u>	115,288.00	153,717.00
<u>DEFERRED OUTFLOW PENSION</u>		
	1,069,224.00	1,125,317.00
<u>DEFERRED OUTFLOW OPEB</u>		
	386,267.00	396,167.00
<u>TOTAL ASSETS</u>	\$ 324,040,811.39	\$ 330,314,170.95

LIABILITIES AND CAPITAL

<u>CURRENT LIABILITIES</u>		
ACCRUED EXPENSES	150,624.89	121,626.60
ACC EXP - ST COMP ABSENCES	40,145.41	80,018.41
REFUNDS PAYABLE	-	22,015.22
	190,770.30	223,660.23
<u>LONG TERM LIABILITIES</u>		
ACCRUED EXP - LT COMP ABSENCES	87,796.81	61,629.81
LEASE LIABILITY	119,266.00	155,412.00
DEFERRED INFLOW PENSION	10,040.00	235,614.00
NET PENSION LIABILITY	8,570,306.00	7,788,178.00
DEFERRED INFLOW OPEB	211,354.00	291,662.00
OPEB LIABILITY	1,381,308.00	1,325,725.00
	10,380,070.81	9,858,220.81
<u>TOTAL LIABILITIES</u>	10,570,841.11	10,081,881.04
<u>CAPITAL</u>		
RETAINED EARNINGS	304,798,002.43	305,578,367.90
NET INCOME	8,671,967.85	14,653,922.01
	313,469,970.28	320,232,289.91
<u>TOTAL LIABILITIES & CAPITAL</u>	\$ 324,040,811.39	\$ 330,314,170.95



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
INCOME STATEMENT
ONE MONTH ENDING JULY 31, 2023 AND 2022 (FOR COMPARISON)

<u>REVENUES</u>	<u>July 31, 2023</u>	<u>July 31, 2022</u>
ASSESSMENT RECEIPTS	13,513,126.49	14,262,810.01
ASSESSMENT PENALTY & INTEREST	9,319.57	5,874.42
OVERNIGHT INTEREST INCOME	1,500.83	1,512.75
INT/DIV INCOME ON INVESTMENTS	1,089,436.19	1,024,842.87
CHANGE IN FAIR VALUE ON INVESTMENTS	(467,953.21)	5,462,106.44
AUDIT REIMBURSEMENT	51,837.12	7,611.60
<u>TOTAL REVENUES</u>	<u>14,197,266.99</u>	<u>20,764,758.09</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	2,445,000.00	2,655,000.00
UEF TRANSFERS	400,000.00	500,000.00
SP FUND TRANSFERS FOR ADMIN	2,395,000.00	2,690,000.00
KOSH ADMIN. TRANSFER	50,000.00	100,000.00
CUSTODY FEE EXPENSE-STATE STREET	0.00	0.00
INVESTMENT MANAGEMENT FEES	83,632.27	0.00
ASSESSMENT REFUNDS	0.00	0.00
PAYROLL EXPENSES	133,516.59	149,536.85
OPERATING EXPENSES	18,150.28	16,299.23
<u>TOTAL EXPENSES</u>	<u>5,525,299.14</u>	<u>6,110,836.08</u>
<u>NET INCOME</u>	<u>\$ 8,671,967.85</u>	<u>\$ 14,653,922.01</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
For One Month Ended July 31 2023
Fiscal Year 2024

AGENCY	Q1 July - Sept 23			Q2 Oct - Dec 23			Q3 Jan - March 24			Q4 April - June 24			FYTD 2024		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Labor Administration	\$2,395,000	\$9,647,175	-\$7,252,175	\$0	\$9,647,175	-\$9,647,175	\$0	\$9,647,175	-\$9,647,175	\$0	\$9,647,175	-\$9,647,175	\$2,395,000	\$38,588,700	-\$36,193,700
Labor Claims	\$2,445,000	\$10,331,600	-\$7,886,600	\$0	\$10,331,600	-\$10,331,600	\$0	\$10,331,600	-\$10,331,600	\$0	\$10,331,600	-\$10,331,600	\$2,445,000	\$41,326,400	-\$38,881,400
UEF	\$400,000	\$1,722,225	-\$1,322,225	\$0	\$1,722,225	-\$1,722,225	\$0	\$1,722,225	-\$1,722,225	\$0	\$1,722,225	-\$1,722,225	\$400,000	\$6,888,900	-\$6,488,900
KOSH	\$50,000	\$191,800	-\$141,800	\$0	\$191,800	-\$191,800	\$0	\$191,800	-\$191,800	\$0	\$191,800	-\$191,800	\$50,000	\$767,200	-\$717,200
Funding Commission	\$150,000	\$527,700	-\$377,700	\$0	\$527,700	-\$527,700	\$0	\$527,700	-\$527,700	\$0	\$527,700	-\$527,700	\$150,000	\$2,110,800	-\$1,960,800
Total	\$5,440,000	\$22,420,500	-\$16,980,500	\$0	\$22,420,500	-\$22,420,500	\$0	\$22,420,500	-\$22,420,500	\$0	\$22,420,500	-\$22,420,500	\$5,440,000	\$89,682,000	-\$84,242,000



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
Statement of Expenses (Actual to Budget)
For One Month Ended July 31, 2023

	Actual For One Month	Budget For One Month	Variance For One Month	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	69,928.42	95,000.00	-25,071.58	73.6%
FICA	5,180.45	7,183.33	-2,002.88	72.1%
RETIREMENT	50,287.44	62,866.67	-12,579.23	80.0%
HEALTH INSURANCE	8,110.28	11,116.67	-3,006.39	73.0%
LIFE INSURANCE	10.00	16.67	-6.67	60.0%
WORKERS COMPENSATION	440.00	500.00	-60.00	0.0%
INDIRECT COSTS	0.00	20,000.00	-20,000.00	0.0%
UNEMPLOYMENT PAY	0.00	83.33	-83.33	0.0%
ELECTRICITY	795.48	666.67	128.81	119.3%
NATURAL GAS	205.07	375.00	-169.93	54.7%
COPY MACHINE RENTAL	1,004.78	416.67	588.11	241.1%
POSTAGE	771.75	416.67	355.08	185.2%
ADVERTISING	0.00	41.67	-41.67	0.0%
PRINTING	0.00	41.67	-41.67	0.0%
GARBAGE	90.57	58.33	32.24	155.3%
COMPUTER SOFTWARE	2,988.67	3,250.00	-261.33	92.0%
MISC. SERVICES	27.36	1,333.33	-1,305.97	2.1%
OFFICE SUPPLIES	151.03	166.67	-15.64	90.6%
IN-STATE-TRAVEL	0.00	166.67	-166.67	0.0%
OUT-OF-STATE TRAVEL	0.00	333.33	-333.33	0.0%
COMPUTER EQUIPMENT	0.00	25.00	-25.00	0.0%
LEGAL SERVICES	0.00	125.00	-125.00	0.0%
SUBSCRIPTIONS	0.00	191.67	-191.67	0.0%
EMPLOYEE TRAINING	0.00	750.00	-750.00	0.0%
AUDIT SERVICES	0.00	2,375.00	-2,375.00	0.0%
RENT	10,722.63	10,750.00	-27.37	99.7%
SECURITY GUARD	0.00	125.00	-125.00	0.0%
MISC. EXPENSES	0.00	416.67	-416.67	0.0%
ACTUARIAL SERVICES	0.00	5,833.33	-5,833.33	0.0%
PUBLIC OFFICIALS INSURANCE	0.00	2,500.00	-2,500.00	0.0%
FURN. & FIX. UNDER \$5000	0.00	250.00	-250.00	0.0%
COT CHARGES	389.61	5,558.33	-5,168.72	7.0%
BOOKS DEPARTMENT USE	0.00	8.33	-8.33	0.0%
JANITORIAL	408.33	491.67	-83.34	83.1%
E-FILE CHARGES	155.00	708.33	-553.33	21.9%
TOTAL EXPENSES	151,666.87	234,141.67	-82,474.80	64.8%