



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

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Lisa Gilreath-King
Executive Director

April 23, 2024

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 March 31, 2024 financial reports submitted pursuant to KRS 342.1223(2)(h).

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 MARCH 31, 2024 AND 2023 (FOR COMPARISON)

ASSETS

	<u>2024</u>	<u>2023</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	1,122,830.70	78,897.04
ACCOUNTS RECEIVABLE	154,568.80	94,414.52
ASSESSMENT RECEIVABLE	16,186,931.28	17,845,978.16
RWAO KWCFC ADMN CASH ACCOUNT	36,098.65	31,684.83
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<u>TOTAL CURRENT ASSETS</u>	17,500,429.43	18,050,974.55
<u>INVESTMENTS</u>		
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	309,763,357.29	295,951,715.29
	341,681,770.13	327,172,313.43
<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
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<u>TOTAL ASSETS</u>	\$ 328,834,565.72	\$ 315,677,890.84
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<u>LIABILITIES AND CAPITAL</u>		
<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
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<u>TOTAL CURRENT LIABILITIES</u>	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
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<u>TOTAL LONG TERM LIABILITIES</u>	10,380,070.81	9,858,220.81
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<u>TOTAL LIABILITIES</u>	10,570,841.11	10,081,881.04
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<u>CAPITAL</u>		
RETAINED EARNINGS	304,798,002.43	305,578,367.90
NET INCOME	13,465,722.18	17,641.90
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<u>TOTAL CAPITAL</u>	318,263,724.61	305,596,009.80
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<u>TOTAL LIABILITIES & CAPITAL</u>	\$ 328,834,565.72	\$ 315,677,890.84
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KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
INCOME STATEMENT
NINE MONTHS ENDING MARCH 31, 2024 AND 2023 (FOR COMPARISON)

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
<u>REVENUES</u>		
ASSESSMENT RECEIPTS	52,031,032.27	52,248,299.89
ASSESSMENT PENALTY & INTEREST	48,850.77	45,569.84
OVERNIGHT INTEREST INCOME	174,268.86	7,314.30
INT/DIV INCOME ON INVESTMENTS	10,139,376.22	9,540,596.86
CHANGE IN FAIR VALUE ON INVESTMENTS	3,753,280.37	(7,939,082.42)
AUDIT REIMBURSEMENT	169,154.37	65,138.72
<u>TOTAL REVENUES</u>	<u>66,315,962.86</u>	<u>53,967,837.19</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	23,542,700.00	25,186,000.00
UEF TRANSFERS	4,448,500.00	4,560,000.00
SP FUND TRANSFERS FOR ADMIN	22,583,400.00	21,672,500.00
KOSH ADMIN. TRANSFER	404,900.00	494,400.00
CUSTODY FEE EXPENSE-STATE STREET	4,673.80	22,610.92
INVESTMENT MANAGEMENT FEES	249,383.60	212,327.69
ASSESSMENT REFUNDS	16,142.75	138,666.94
PAYROLL EXPENSES	1,231,880.27	1,298,483.87
OPERATING EXPENSES	368,660.26	365,205.87
<u>TOTAL EXPENSES</u>	<u>52,850,240.68</u>	<u>53,950,195.29</u>
<u>NET INCOME</u>	<u>\$ 13,465,722.18</u>	<u>\$ 17,641.90</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
For Nine Months Ended March 31, 2024
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	\$7,785,000	\$9,647,175	-\$1,862,175	\$6,921,700	\$9,647,175	-\$2,725,475	\$7,876,700	\$9,647,175	-\$1,770,475	\$0	\$9,647,175	-\$9,647,175	\$22,583,400	\$38,588,700	-\$16,005,300
Labor Claims	\$8,255,000	\$10,331,600	-\$2,076,600	\$7,143,400	\$10,331,600	-\$3,188,200	\$8,144,300	\$10,331,600	-\$2,187,300	\$0	\$10,331,600	-\$10,331,600	\$23,542,700	\$41,326,400	-\$17,783,700
UEF	\$1,400,000	\$1,722,225	-\$322,225	\$1,548,500	\$1,722,225	-\$173,725	\$1,500,000	\$1,722,225	-\$222,225	\$0	\$1,722,225	-\$1,722,225	\$4,448,500	\$6,888,900	-\$2,440,400
KOSH	\$125,000	\$191,800	-\$66,800	\$129,500	\$191,800	-\$62,300	\$150,400	\$191,800	-\$41,400	\$0	\$191,800	-\$191,800	\$404,900	\$767,200	-\$362,300
Funding Commission	\$360,000	\$527,700	-\$167,700	\$481,800	\$527,700	-\$45,900	\$440,400	\$527,700	-\$87,300	\$0	\$527,700	-\$527,700	\$1,282,200	\$2,110,800	-\$828,600
Total	\$17,925,000	\$22,420,500	-\$4,495,500	\$16,224,900	\$22,420,500	-\$6,195,600	\$18,111,800	\$22,420,500	-\$4,308,700	\$0	\$22,420,500	-\$22,420,500	\$52,261,700	\$89,682,000	-\$37,420,300



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
Statement of Expenses (Actual to Budget)
For Nine Months Ended March 31, 2024

	Actual For Nine Months	Budget For Nine Months	Variance For Nine Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	661,684.92	855,000.00	-193,315.08	77.4%
FICA	48,950.74	64,650.00	-15,699.26	75.7%
RETIREMENT	441,820.97	565,800.00	-123,979.03	78.1%
HEALTH INSURANCE	78,893.64	100,050.00	-21,156.36	78.9%
LIFE INSURANCE	90.00	150.00	-60.00	60.0%
WORKERS COMPENSATION	440.00	500.00	-60.00	0.0%
INDIRECT COSTS	119,986.37	180,000.00	-60,013.63	66.7%
UNEMPLOYMENT PAY	0.00	750.00	-750.00	0.0%
ELECTRICITY	6,532.78	6,750.00	-217.22	96.8%
NATURAL GAS	2,162.56	2,625.00	-462.44	82.4%
COPY MACHINE RENTAL	2,505.85	3,750.00	-1,244.15	66.8%
POSTAGE	2,914.95	3,750.00	-835.05	77.7%
ADVERTISING	0.00	375.00	-375.00	0.0%
PRINTING	0.00	375.00	-375.00	0.0%
GARBAGE	436.97	525.00	-88.03	83.2%
COMPUTER SOFTWARE	12,640.59	12,833.33	-192.74	98.5%
MISC. SERVICES	1,224.69	11,550.00	-10,325.31	10.6%
OFFICE SUPPLIES	1,194.26	1,500.00	-305.74	79.6%
IN-STATE-TRAVEL	166.80	1,500.00	-1,333.20	11.1%
OUT-OF-STATE TRAVEL	993.04	3,000.00	-2,006.96	33.1%
COMPUTER EQUIPMENT	75.00	225.00	-150.00	0.0%
LEGAL SERVICES	0.00	1,125.00	-1,125.00	0.0%
SUBSCRIPTIONS	2,383.75	2,400.00	-16.25	99.3%
EMPLOYEE TRAINING	1,906.24	6,750.00	-4,843.76	28.2%
AUDIT SERVICES	28,325.00	28,500.00	-175.00	99.4%
RENT	32,167.89	32,250.00	-82.11	99.7%
SECURITY GUARD	0.00	1,125.00	-1,125.00	0.0%
MISC. EXPENSES	2,319.84	3,750.00	-1,430.16	61.9%
ACTUARIAL SERVICES	70,000.00	70,000.00	0.00	100.0%
PUBLIC OFFICIALS INSURANCE	27,221.32	30,000.00	-2,778.68	90.7%
FURN. & FIX. UNDER \$5000	0.00	2,250.00	-2,250.00	0.0%
COT CHARGES	43,140.72	49,275.00	-6,134.28	87.6%
BOOKS DEPARTMENT USE	381.31	400.00	-18.69	0.0%
JANITORIAL	4,150.33	4,425.00	-274.67	93.8%
E-FILE CHARGES	5,830.00	6,525.00	-695.00	89.3%
TOTAL EXPENSES	1,600,540.53	2,054,433.33	-453,892.80	77.9%