



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

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Lisa Gilreath-King
Executive Director

May 28, 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 April 30, 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 cursive script that reads "Kim C. Hay".

Kim C. Hay
Director of Fiscal Operations

ENCLOSURES



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
BALANCE SHEET
AS OF APRIL 30, 2024 AND 2023 (FOR COMPARISON)

ASSETS

	<u>2024</u>	<u>2023</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	11,346,363.22	545,504.39
ACCOUNTS RECEIVABLE	154,568.80	135,361.48
ASSESSMENT RECEIVABLE	16,186,931.28	17,845,978.16
RWAO KWCFC ADMN CASH ACCOUNT	62,814.11	85,278.42
	27,750,677.41	18,612,122.45
<u>INVESTMENTS</u>		
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	341,838,375.36	338,494,483.38
<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>	\$ 332,375,718.98	\$ 328,203,178.71

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	17,006,875.44	12,542,929.77
	321,804,877.87	318,121,297.67
<u>TOTAL LIABILITIES & CAPITAL</u>	\$ 332,375,718.98	\$ 328,203,178.71



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
INCOME STATEMENT
TEN MONTHS ENDING APRIL 30, 2024 AND 2023 (FOR COMPARISON)

<u>REVENUES</u>	<u>April 30, 2024</u>	<u>April 30, 2023</u>
ASSESSMENT RECEIPTS	67,249,265.29	68,495,279.05
ASSESSMENT PENALTY & INTEREST	104,226.23	51,320.70
OVERNIGHT INTEREST INCOME	186,712.43	6,852.70
INT/DIV INCOME ON INVESTMENTS	11,279,038.01	10,604,217.19
CHANGE IN FAIR VALUE ON INVESTMENTS	(3,095,476.14)	(6,455,879.37)
AUDIT REIMBURSEMENT	238,199.76	95,320.79
	<u>75,961,965.58</u>	<u>72,797,111.06</u>
<u>TOTAL REVENUES</u>		
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	25,893,100.00	27,734,000.00
UEF TRANSFERS	5,098,500.00	5,212,000.00
SP FUND TRANSFERS FOR ADMIN	25,453,400.00	24,403,000.00
KOSH ADMIN. TRANSFER	466,900.00	608,400.00
CUSTODY FEE EXPENSE-STATE STREET	4,673.80	22,610.92
INVESTMENT MANAGEMENT FEES	249,383.60	295,011.10
ASSESSMENT REFUNDS	18,207.78	138,668.05
PAYROLL EXPENSES	1,367,633.76	1,435,616.10
OPERATING EXPENSES	403,291.20	404,875.12
	<u>58,955,090.14</u>	<u>60,254,181.29</u>
<u>TOTAL EXPENSES</u>		
<u>NET INCOME</u>	<u>\$ 17,006,875.44</u>	<u>\$ 12,542,929.77</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
For Ten Months Ended April 30, 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	\$2,870,000	\$9,647,175	-\$6,777,175	\$25,453,400	\$38,588,700	-\$13,135,300
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	\$2,350,400	\$10,331,600	-\$7,981,200	\$25,893,100	\$41,326,400	-\$15,433,300
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	\$650,000	\$1,722,225	-\$1,072,225	\$5,098,500	\$6,888,900	-\$1,790,400
KOSH	\$125,000	\$191,800	-\$66,800	\$129,500	\$191,800	-\$62,300	\$150,400	\$191,800	-\$41,400	\$62,000	\$191,800	-\$129,800	\$466,900	\$767,200	-\$300,300
Funding Commission	\$360,000	\$527,700	-\$167,700	\$481,800	\$527,700	-\$45,900	\$440,400	\$527,700	-\$87,300	\$127,900	\$527,700	-\$399,800	\$1,410,100	\$2,110,800	-\$700,700
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	\$6,060,300	\$22,420,500	-\$16,360,200	\$58,322,000	\$89,682,000	-\$31,360,000



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
Statement of Expenses (Actual to Budget)
For Ten Months Ended April 30, 2024

	Actual For Ten Months	Budget For Ten Months	Variance For Ten Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	734,180.72	950,000.00	-215,819.28	77.3%
FICA	54,289.03	71,833.33	-17,544.30	75.6%
RETIREMENT	489,791.43	628,666.67	-138,875.24	77.9%
HEALTH INSURANCE	88,832.58	111,166.67	-22,334.09	79.9%
LIFE INSURANCE	100.00	166.67	-66.67	60.0%
WORKERS COMPENSATION	440.00	500.00	-60.00	0.0%
INDIRECT COSTS	135,089.00	200,000.00	-64,911.00	67.5%
UNEMPLOYMENT PAY	0.00	833.33	-833.33	0.0%
ELECTRICITY	7,110.83	7,500.00	-389.17	94.8%
NATURAL GAS	2,649.98	2,916.67	-266.69	90.9%
COPY MACHINE RENTAL	2,505.85	4,166.67	-1,660.82	60.1%
POSTAGE	3,743.52	4,166.67	-423.15	89.8%
ADVERTISING	0.00	416.67	-416.67	0.0%
PRINTING	0.00	416.67	-416.67	0.0%
GARBAGE	480.27	583.33	-103.06	82.3%
COMPUTER SOFTWARE	13,197.14	14,000.00	-802.86	94.3%
MISC. SERVICES	1,238.37	12,833.33	-11,594.96	9.6%
OFFICE SUPPLIES	1,194.26	1,666.67	-472.41	71.7%
IN-STATE-TRAVEL	182.71	1,666.67	-1,483.96	11.0%
OUT-OF-STATE TRAVEL	993.04	3,333.33	-2,340.29	29.8%
COMPUTER EQUIPMENT	75.00	250.00	-175.00	0.0%
LEGAL SERVICES	0.00	1,250.00	-1,250.00	0.0%
SUBSCRIPTIONS	2,383.75	2,400.00	-16.25	99.3%
EMPLOYEE TRAINING	2,778.74	7,500.00	-4,721.26	37.0%
AUDIT SERVICES	28,325.00	28,500.00	-175.00	99.4%
RENT	42,890.52	43,000.00	-109.48	99.7%
SECURITY GUARD	0.00	1,250.00	-1,250.00	0.0%
MISC. EXPENSES	2,663.52	4,166.67	-1,503.15	63.9%
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	2,500.00	-2,500.00	0.0%
COT CHARGES	47,653.41	54,750.00	-7,096.59	87.0%
BOOKS DEPARTMENT USE	381.31	400.00	-18.69	0.0%
JANITORIAL	4,558.66	4,916.67	-358.01	92.7%
E-FILE CHARGES	5,975.00	7,250.00	-1,275.00	82.4%
TOTAL EXPENSES	<u>1,770,924.96</u>	<u>2,274,966.67</u>	<u>-504,041.71</u>	<u>77.8%</u>