



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

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Lisa Gilreath-King
Executive Director

January 14, 2025

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 November 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 blue ink that reads "Kim C. Hay".

Kim C. Hay
Director of Fiscal Operations

ENCLOSURES



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

ASSETS

	<u>2024</u>	<u>2023</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	11,091,984.34	7,819,994.70
ACCOUNTS RECEIVABLE	81,402.45	154,568.80
ASSESSMENT RECEIVABLE	16,944,861.05	16,186,931.28
RWAO KWCFC ADMN CASH ACCOUNT	6,855.42	36,639.02
	28,125,103.26	24,198,133.80
<u>FURNITURE, FIXTURES, EQUIPMENT</u>		
	6,332.00	-
<u>INVESTMENTS</u>		
	323,032,198.06	297,805,574.30
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	349,931,783.89	337,778,028.83
<u>LEASE RIGHT-OF-USE</u>		
	76,859.00	115,288.00
<u>DEFERRED OUTFLOW PENSION</u>		
	4,158,756.00	1,069,224.00
<u>DEFERRED OUTFLOW OPEB</u>		
	1,032,077.00	386,267.00
	\$ 356,431,325.32	\$ 323,574,487.10
 <u>LIABILITIES AND CAPITAL</u>		
<u>CURRENT LIABILITIES</u>		
ACCRUED EXPENSES	171,520.43	150,624.89
ACC EXP - ST COMP ABSENCES	85,005.73	40,145.41
REFUNDS PAYABLE	-	-
	256,526.16	190,770.30
<u>LONG TERM LIABILITIES</u>		
ACCRUED EXP - LT COMP ABSENCES	57,944.97	87,796.81
LEASE LIABILITY	81,372.00	119,266.00
DEFERRED INFLOW PENSION	4,224,777.00	10,040.00
NET PENSION LIABILITY	7,024,507.00	8,570,306.00
DEFERRED INFLOW OPEB	1,611,930.00	211,354.00
OPEB LIABILITY	428,379.00	1,381,308.00
	13,428,909.97	10,380,070.81
<u>TOTAL LIABILITIES</u>		
	13,685,436.13	10,570,841.11
<u>CAPITAL</u>		
RETAINED EARNINGS	323,160,023.59	304,798,002.43
NET INCOME	19,585,865.60	8,205,643.56
	342,745,889.19	313,003,645.99
<u>TOTAL LIABILITIES & CAPITAL</u>		
	\$ 356,431,325.32	\$ 323,574,487.10



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

	<u>November 30, 2024</u>	<u>November 30, 2023</u>
<u>REVENUES</u>		
ASSESSMENT RECEIPTS	34,782,101.80	35,275,262.67
ASSESSMENT PENALTY & INTEREST	204,355.59	14,567.10
OVERNIGHT INTEREST INCOME	188,481.21	64,646.57
INT/DIV INCOME ON INVESTMENTS	5,906,854.98	5,574,529.04
CHANGE IN FAIR VALUE ON INVESTMENTS	6,869,929.65	(3,322,240.77)
AUDIT REIMBURSEMENT	62,273.06	81,932.34
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<u>TOTAL REVENUES</u>	<u>48,013,996.29</u>	<u>37,688,696.95</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	12,090,000.00	13,036,600.00
UEF TRANSFERS	2,700,000.00	2,350,000.00
SP FUND TRANSFERS FOR ADMIN	12,324,000.00	12,841,600.00
KOSH ADMIN. TRANSFER	291,000.00	209,900.00
CUSTODY FEE EXPENSE-STATE STREET	0.00	4,673.80
INVESTMENT MANAGEMENT FEES	172,073.23	166,798.27
ASSESSMENT REFUNDS	0.00	4,152.12
PAYROLL EXPENSES	649,852.41	666,613.61
OPERATING EXPENSES	201,205.05	202,715.59
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<u>TOTAL EXPENSES</u>	<u>28,428,130.69</u>	<u>29,483,053.39</u>
<u>NET INCOME</u>	<u>\$ 19,585,865.60</u>	<u>\$ 8,205,643.56</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
 Five Months Ended November 30, 2024
 Fiscal Year 2025

AGENCY	Q1 July - Sept 24			Q2 Oct - Dec 24			Q3 Jan - March 25			Q4 April - June 25			FYTD 2025		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Labor Administration	\$7,462,000	\$11,641,750	-\$4,179,750	\$4,862,000	\$11,641,750	-\$6,779,750	\$0	\$11,641,750	-\$11,641,750	\$0	\$11,641,750	-\$11,641,750	\$12,324,000	\$46,567,000	-\$34,243,000
Labor Claims	\$7,583,000	\$7,750,000	-\$167,000	\$4,507,000	\$7,750,000	-\$3,243,000	\$0	\$7,750,000	-\$7,750,000	\$0	\$7,750,000	-\$7,750,000	\$12,090,000	\$31,000,000	-\$18,910,000
UEF	\$2,000,000	\$1,722,225	\$277,775	\$700,000	\$1,722,225	-\$1,022,225	\$0	\$1,722,225	-\$1,722,225	\$0	\$1,722,225	-\$1,722,225	\$2,700,000	\$6,888,900	-\$4,188,900
KOSH	\$182,000	\$202,275	-\$20,275	\$109,000	\$202,275	-\$93,275	\$0	\$202,275	-\$202,275	\$0	\$202,275	-\$202,275	\$291,000	\$809,100	-\$518,100
Funding Commission	\$376,000	\$653,150	-\$277,150	\$364,000	\$653,150	-\$289,150	\$0	\$653,150	-\$653,150	\$0	\$653,150	-\$653,150	\$740,000	\$2,612,600	-\$1,872,600
Total	\$17,603,000	\$21,969,400	-\$4,366,400	\$10,542,000	\$21,969,400	-\$11,427,400	\$0	\$21,969,400	-\$21,969,400	\$0	\$21,969,400	-\$21,969,400	\$28,145,000	\$87,877,600	-\$59,732,600



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

	Actual For Five Months	Budget For Five Months	Variance For Five Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	379,266.23	516,666.67	-137,400.44	73.4%
FICA	27,975.44	38,208.33	-10,232.89	73.2%
RETIREMENT	192,426.04	299,958.33	-107,532.29	64.2%
HEALTH INSURANCE	49,694.70	63,708.33	-14,013.63	78.0%
LIFE INSURANCE	50.00	125.00	-75.00	40.0%
WORKERS COMPENSATION	440.00	416.67	23.33	105.6%
INDIRECT COSTS	57,726.63	95,833.33	-38,106.70	60.2%
UNEMPLOYMENT PAY	0.00	416.67	-416.67	0.0%
ELECTRICITY	3,538.49	4,166.67	-628.18	84.9%
NATURAL GAS	435.75	2,500.00	-2,064.25	17.4%
COPY MACHINE RENTAL	1,335.08	2,083.33	-748.25	64.1%
POSTAGE	1,467.83	2,916.67	-1,448.84	50.3%
ADVERTISING	0.00	416.67	-416.67	0.0%
PRINTING	0.00	416.67	-416.67	0.0%
GARBAGE	259.80	583.33	-323.53	44.5%
COMPUTER SOFTWARE	3,683.62	7,083.33	-3,399.71	52.0%
MISC. SERVICES	595.54	2,916.67	-2,321.13	20.4%
OFFICE SUPPLIES	1,359.21	2,083.33	-724.12	65.2%
IN-STATE-TRAVEL	11.25	2,083.33	-2,072.08	0.5%
OUT-OF-STATE TRAVEL	910.31	2,083.33	-1,173.02	43.7%
COMPUTER EQUIPMENT	262.18	1,666.67	-1,404.49	15.7%
LEGAL SERVICES	0.00	3,708.33	-3,708.33	0.0%
SUBSCRIPTIONS	2,448.00	1,250.00	1,198.00	195.8%
EMPLOYEE TRAINING	990.00	4,166.67	-3,176.67	23.8%
AUDIT SERVICES	0.00	15,833.33	-15,833.33	0.0%
RENT	21,445.26	36,666.67	-15,221.41	58.5%
SECURITY GUARD	0.00	1,250.00	-1,250.00	0.0%
MISC. EXPENSES	1,381.75	2,500.00	-1,118.25	55.3%
ACTUARIAL SERVICES	74,256.00	75,000.00	-744.00	99.0%
PUBLIC OFFICIALS INSURANCE	0.00	13,750.00	-13,750.00	0.0%
FURN. & FIX. UNDER \$5000	0.00	2,083.33	-2,083.33	0.0%
COT CHARGES	22,760.86	27,083.33	-4,322.47	84.0%
BOOKS DEPARTMENT USE	0.00	416.67	-416.67	0.0%
JANITORIAL	2,478.49	3,333.33	-854.84	74.4%
E-FILE CHARGES	3,859.00	4,166.67	-307.67	92.6%
TOTAL EXPENSES	<u>851,057.46</u>	<u>1,237,541.67</u>	<u>-386,484.21</u>	<u>68.8%</u>