



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

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Lisa Gilreath-King
Executive Director

January 22, 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 December 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 DECEMBER 31, 2024 AND 2023 (FOR COMPARISON)

ASSETS

	<u>2024</u>	<u>2023</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	6,638,024.00	3,333,276.44
ACCOUNTS RECEIVABLE	81,402.45	154,568.80
ASSESSMENT RECEIVABLE	16,944,861.05	16,186,931.28
RWAO KWFCF ADMIN CASH ACCOUNT	21,259.19	53,919.76
	23,685,546.69	19,728,696.28
<u>TOTAL CURRENT ASSETS</u>		
<u>FURNITURE, FIXTURES, EQUIPMENT</u>	6,332.00	-
<u>INVESTMENTS</u>	318,861,428.05	308,252,455.04
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	351,163,593.16	337,942,005.44
<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
<u>TOTAL ASSETS</u>	\$ 347,820,998.74	\$ 329,551,930.32

LIABILITIES AND CAPITAL

<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>TOTAL CURRENT LIABILITIES</u>		
<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 LONG TERM LIABILITIES</u>		
<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	10,975,539.02	14,183,086.78
	334,135,562.61	318,981,089.21
<u>TOTAL CAPITAL</u>		
<u>TOTAL LIABILITIES & CAPITAL</u>	\$ 347,820,998.74	\$ 329,551,930.32



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
INCOME STATEMENT
SIX MONTHS ENDING DECEMBER 31, 2024 AND 2023 (FOR COMPARISON)

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>REVENUES</u>		
ASSESSMENT RECEIPTS	35,664,701.79	35,812,364.16
ASSESSMENT PENALTY & INTEREST	204,496.99	36,315.69
OVERNIGHT INTEREST INCOME	222,939.37	91,716.81
INT/DIV INCOME ON INVESTMENTS	7,134,943.33	6,725,397.77
CHANGE IN FAIR VALUE ON INVESTMENTS	1,471,071.29	5,973,771.24
AUDIT REIMBURSEMENT	75,742.68	108,659.19
<u>TOTAL REVENUES</u>	<u>44,773,895.45</u>	<u>48,748,224.86</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	14,269,000.00	15,272,300.00
UEF TRANSFERS	3,200,000.00	2,948,500.00
SP FUND TRANSFERS FOR ADMIN	14,789,000.00	14,832,800.00
KOSH ADMIN. TRANSFER	343,000.00	254,500.00
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	776,378.73	800,531.54
OPERATING EXPENSES	248,904.47	280,882.35
<u>TOTAL EXPENSES</u>	<u>33,798,356.43</u>	<u>34,565,138.08</u>
<u>NET INCOME</u>	<u>\$ 10,975,539.02</u>	<u>\$ 14,183,086.78</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
Six Months Ended December 31, 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	\$7,327,000	\$11,641,750	-\$4,314,750	\$0	\$11,641,750	-\$11,641,750	\$0	\$11,641,750	-\$11,641,750	\$14,789,000	\$46,567,000	-\$31,778,000
Labor Claims	\$7,583,000	\$7,750,000	-\$167,000	\$6,686,000	\$7,750,000	-\$1,064,000	\$0	\$7,750,000	-\$7,750,000	\$0	\$7,750,000	-\$7,750,000	\$14,269,000	\$31,000,000	-\$16,731,000
UEF	\$2,000,000	\$1,722,225	\$277,775	\$1,200,000	\$1,722,225	-\$522,225	\$0	\$1,722,225	-\$1,722,225	\$0	\$1,722,225	-\$1,722,225	\$3,200,000	\$6,888,900	-\$3,688,900
KOSH	\$182,000	\$202,275	-\$20,275	\$161,000	\$202,275	-\$41,275	\$0	\$202,275	-\$202,275	\$0	\$202,275	-\$202,275	\$343,000	\$809,100	-\$466,100
Funding Commission	\$376,000	\$653,150	-\$277,150	\$539,000	\$653,150	-\$114,150	\$0	\$653,150	-\$653,150	\$0	\$653,150	-\$653,150	\$915,000	\$2,612,600	-\$1,697,600
Total	\$17,603,000	\$21,969,400	-\$4,366,400	\$15,913,000	\$21,969,400	-\$6,056,400	\$0	\$21,969,400	-\$21,969,400	\$0	\$21,969,400	-\$21,969,400	\$33,516,000	\$87,877,600	-\$54,361,600



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

	Actual For Six Months	Budget For Six Months	Variance For Six Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	453,936.97	620,000.00	-166,063.03	73.2%
FICA	33,480.10	45,850.00	-12,369.90	73.0%
RETIREMENT	228,828.02	359,950.00	-131,121.98	63.6%
HEALTH INSURANCE	59,633.64	76,450.00	-16,816.36	78.0%
LIFE INSURANCE	60.00	150.00	-90.00	40.0%
WORKERS COMPENSATION	440.00	500.00	-60.00	88.0%
INDIRECT COSTS	71,695.13	115,000.00	-43,304.87	62.3%
UNEMPLOYMENT PAY	0.00	500.00	-500.00	0.0%
ELECTRICITY	4,014.43	5,000.00	-985.57	80.3%
NATURAL GAS	591.84	3,000.00	-2,408.16	19.7%
COPY MACHINE RENTAL	1,678.58	2,500.00	-821.42	67.1%
POSTAGE	1,494.48	3,500.00	-2,005.52	42.7%
ADVERTISING	0.00	500.00	-500.00	0.0%
PRINTING	0.00	500.00	-500.00	0.0%
GARBAGE	259.80	700.00	-440.20	37.1%
COMPUTER SOFTWARE	3,691.50	8,500.00	-4,808.50	43.4%
MISC. SERVICES	686.54	3,500.00	-2,813.46	19.6%
OFFICE SUPPLIES	1,359.21	2,500.00	-1,140.79	54.4%
IN-STATE-TRAVEL	11.25	2,500.00	-2,488.75	0.5%
OUT-OF-STATE TRAVEL	910.31	2,500.00	-1,589.69	36.4%
COMPUTER EQUIPMENT	262.18	2,000.00	-1,737.82	13.1%
LEGAL SERVICES	0.00	4,450.00	-4,450.00	0.0%
SUBSCRIPTIONS	2,448.00	3,000.00	-552.00	81.6%
EMPLOYEE TRAINING	990.00	5,000.00	-4,010.00	19.8%
AUDIT SERVICES	0.00	19,000.00	-19,000.00	0.0%
RENT	21,445.26	44,000.00	-22,554.74	48.7%
SECURITY GUARD	0.00	1,500.00	-1,500.00	0.0%
MISC. EXPENSES	1,820.78	3,000.00	-1,179.22	60.7%
ACTUARIAL SERVICES	74,256.00	75,000.00	-744.00	99.0%
PUBLIC OFFICIALS INSURANCE	27,221.32	33,000.00	-5,778.68	82.5%
FURN. & FIX. UNDER \$5000	0.00	2,500.00	-2,500.00	0.0%
COT CHARGES	27,235.54	32,500.00	-5,264.46	83.8%
BOOKS DEPARTMENT USE	0.00	500.00	-500.00	0.0%
JANITORIAL	2,913.32	4,000.00	-1,086.68	72.8%
E-FILE CHARGES	3,919.00	5,000.00	-1,081.00	78.4%
TOTAL EXPENSES	<u>1,025,283.20</u>	<u>1,488,050.00</u>	<u>-462,766.80</u>	<u>68.9%</u>