



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

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Lisa Gilreath-King
Executive Director

April 1, 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 January 31, 2025 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". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Kim C. Hay
Director of Fiscal Operations

ENCLOSURES



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
BALANCE SHEET
AS OF JANUARY 31, 2025 AND 2024 (FOR COMPARISON)

ASSETS

	<u>2025</u>	<u>2024</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	14,459,452.71	12,712,801.04
ACCOUNTS RECEIVABLE	81,402.45	154,568.80
ASSESSMENT RECEIVABLE	16,944,861.05	16,186,931.28
RWAO KWCFC ADMN CASH ACCOUNT	39,526.18	15,512.08
<u>TOTAL CURRENT ASSETS</u>	31,525,242.39	29,069,813.20
<u>FURNITURE, FIXTURES, EQUIPMENT</u>	6,332.00	-
<u>INVESTMENTS</u>	320,980,863.67	310,173,051.05
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	352,361,119.55	339,387,477.85
<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>	<u>\$ 357,780,130.06</u>	<u>\$ 340,813,643.25</u>

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	-	-
<u>TOTAL CURRENT LIABILITIES</u>	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
<u>TOTAL LONG TERM LIABILITIES</u>	13,428,909.97	10,380,070.81
<u>TOTAL LIABILITIES</u>	<u>13,685,436.13</u>	<u>10,570,841.11</u>
<u>CAPITAL</u>		
RETAINED EARNINGS	323,160,023.59	304,798,002.43
NET INCOME	20,934,670.34	25,444,799.71
<u>TOTAL CAPITAL</u>	344,094,693.93	330,242,802.14
<u>TOTAL LIABILITIES & CAPITAL</u>	<u>\$ 357,780,130.06</u>	<u>\$ 340,813,643.25</u>



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
INCOME STATEMENT
SEVEN MONTHS ENDING JANUARY 31, 2025 AND 2024 (FOR COMPARISON)

	<u>January 31, 2025</u>	<u>January 31, 2024</u>
<u>REVENUES</u>		
ASSESSMENT RECEIPTS	49,718,657.55	50,965,756.91
ASSESSMENT PENALTY & INTEREST	339,940.48	36,607.73
OVERNIGHT INTEREST INCOME	245,061.98	108,967.53
INT/DIV INCOME ON INVESTMENTS	8,334,730.72	7,850,621.08
CHANGE IN FAIR VALUE ON INVESTMENTS	2,390,719.52	6,451,729.27
AUDIT REIMBURSEMENT	127,328.57	121,600.99
<u>TOTAL REVENUES</u>	<u>61,156,438.82</u>	<u>65,535,283.51</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	17,333,000.00	17,563,100.00
UEF TRANSFERS	3,700,000.00	3,448,500.00
SP FUND TRANSFERS FOR ADMIN	17,411,000.00	17,229,800.00
KOSH ADMIN. TRANSFER	407,000.00	326,500.00
CUSTODY FEE EXPENSE-STATE STREET	0.00	4,673.80
INVESTMENT MANAGEMENT FEES	172,073.23	249,383.60
ASSESSMENT REFUNDS	10,027.76	4,611.88
PAYROLL EXPENSES	903,037.47	948,285.04
OPERATING EXPENSES	285,630.02	315,629.48
<u>TOTAL EXPENSES</u>	<u>40,221,768.48</u>	<u>40,090,483.80</u>
<u>NET INCOME</u>	<u>\$ 20,934,670.34</u>	<u>\$ 25,444,799.71</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
Seven Months Ended January 31, 2025
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	\$2,622,000	\$11,641,750	-\$9,019,750	\$0	\$11,641,750	-\$11,641,750	\$17,411,000	\$46,567,000	-\$29,156,000
Labor Claims	\$7,583,000	\$7,750,000	-\$167,000	\$6,686,000	\$7,750,000	-\$1,064,000	\$3,064,000	\$7,750,000	-\$4,686,000	\$0	\$7,750,000	-\$7,750,000	\$17,333,000	\$31,000,000	-\$13,667,000
UEF	\$2,000,000	\$1,722,225	\$277,775	\$1,200,000	\$1,722,225	-\$522,225	\$500,000	\$1,722,225	-\$1,222,225	\$0	\$1,722,225	-\$1,722,225	\$3,700,000	\$6,888,900	-\$3,188,900
KOSH	\$182,000	\$202,275	-\$20,275	\$161,000	\$202,275	-\$41,275	\$64,000	\$202,275	-\$138,275	\$0	\$202,275	-\$202,275	\$407,000	\$809,100	-\$402,100
Funding Commission	\$376,000	\$653,150	-\$277,150	\$539,000	\$653,150	-\$114,150	\$130,000	\$653,150	-\$523,150	\$0	\$653,150	-\$653,150	\$1,045,000	\$2,612,600	-\$1,567,600
Total	\$17,603,000	\$21,969,400	-\$4,366,400	\$15,913,000	\$21,969,400	-\$6,056,400	\$6,380,000	\$21,969,400	-\$15,589,400	\$0	\$21,969,400	-\$21,969,400	\$39,896,000	\$87,877,600	-\$47,981,600



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
Statement of Expenses (Actual to Budget)
For Seven Months Ended January 31, 2025

	Actual For Seven Months	Budget For Seven Months	Variance For Seven Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	528,607.71	723,333.33	-194,725.62	73.1%
FICA	38,964.92	53,491.67	-14,526.75	72.8%
RETIREMENT	265,230.00	419,941.67	-154,711.67	63.2%
HEALTH INSURANCE	69,724.84	89,191.67	-19,466.83	78.2%
LIFE INSURANCE	70.00	175.00	-105.00	40.0%
WORKERS COMPENSATION	440.00	583.33	-143.33	75.4%
INDIRECT COSTS	85,663.64	134,166.67	-48,503.03	63.8%
UNEMPLOYMENT PAY	0.00	583.33	-583.33	0.0%
ELECTRICITY	4,601.66	5,833.33	-1,231.67	78.9%
NATURAL GAS	1,110.07	3,500.00	-2,389.93	31.7%
COPY MACHINE RENTAL	1,999.43	2,916.67	-917.24	68.6%
POSTAGE	2,415.57	4,083.33	-1,667.76	59.2%
ADVERTISING	0.00	583.33	-583.33	0.0%
PRINTING	0.00	583.33	-583.33	0.0%
GARBAGE	346.40	816.67	-470.27	42.4%
COMPUTER SOFTWARE	5,368.41	9,916.67	-4,548.26	54.1%
MISC. SERVICES	791.22	4,083.33	-3,292.11	19.4%
OFFICE SUPPLIES	1,418.84	2,916.67	-1,497.83	48.6%
IN-STATE-TRAVEL	11.25	2,916.67	-2,905.42	0.4%
OUT-OF-STATE TRAVEL	910.31	2,916.67	-2,006.36	31.2%
COMPUTER EQUIPMENT	332.17	2,333.33	-2,001.16	14.2%
LEGAL SERVICES	0.00	5,191.67	-5,191.67	0.0%
SUBSCRIPTIONS	2,448.00	3,000.00	-552.00	81.6%
EMPLOYEE TRAINING	3,272.40	5,833.33	-2,560.93	56.1%
AUDIT SERVICES	0.00	22,166.67	-22,166.67	0.0%
RENT	32,167.89	51,333.33	-19,165.44	62.7%
SECURITY GUARD	0.00	1,750.00	-1,750.00	0.0%
MISC. EXPENSES	2,210.16	3,500.00	-1,289.84	63.1%
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	2,916.67	-2,916.67	0.0%
COT CHARGES	31,714.63	37,916.67	-6,202.04	83.6%
BOOKS DEPARTMENT USE	0.00	583.33	-583.33	0.0%
JANITORIAL	3,321.65	4,666.67	-1,345.02	71.2%
E-FILE CHARGES	4,049.00	5,833.33	-1,784.33	69.4%
TOTAL EXPENSES	<u>1,188,667.49</u>	<u>1,717,558.33</u>	<u>-528,890.84</u>	<u>69.2%</u>