



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

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Lisa Gilreath-King
Executive Director

June 3, 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 March 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, reading "Kim C. Hay".

Kim C. Hay
Director of Fiscal Operations

ENCLOSURES



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

ASSETS

	<u>2025</u>	<u>2024</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	5,293,947.58	1,122,830.70
ACCOUNTS RECEIVABLE	81,402.45	154,568.80
ASSESSMENT RECEIVABLE	16,944,861.05	16,186,931.28
RWAO KWCFC ADMN CASH ACCOUNT	62,706.71	36,098.65
<u>TOTAL CURRENT ASSETS</u>	22,382,917.79	17,500,429.43
<u>FURNITURE, FIXTURES, EQUIPMENT</u>	6,332.00	-
<u>INVESTMENTS</u>	326,971,002.33	309,763,357.29
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	354,702,703.00	341,681,770.13
<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>\$ 354,627,944.12</u>	<u>\$ 328,834,565.72</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	17,782,484.40	13,465,722.18
<u>TOTAL CAPITAL</u>	340,942,507.99	318,263,724.61
<u>TOTAL LIABILITIES & CAPITAL</u>	<u>\$ 354,627,944.12</u>	<u>\$ 328,834,565.72</u>



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
INCOME STATEMENT
NINE MONTHS ENDING MARCH 31, 2025 AND MARCH 31, 2024 (COMPARED)

	<u>March 31, 2025</u>	<u>March 31, 2024</u>
<u>REVENUES</u>		
ASSESSMENT RECEIPTS	50,958,165.84	52,031,032.27
ASSESSMENT PENALTY & INTEREST	584,753.21	48,850.77
OVERNIGHT INTEREST INCOME	322,383.15	174,268.86
INT/DIV INCOME ON INVESTMENTS	10,778,292.71	10,139,376.22
CHANGE IN FAIR VALUE ON INVESTMENTS	6,025,046.92	3,753,280.37
AUDIT REIMBURSEMENT	225,395.40	169,154.37
<u>TOTAL REVENUES</u>	<u>68,894,037.23</u>	<u>66,315,962.86</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	21,605,000.00	23,542,700.00
UEF TRANSFERS	4,700,000.00	4,448,500.00
SP FUND TRANSFERS FOR ADMIN	22,456,000.00	22,583,400.00
KOSH ADMIN. TRANSFER	512,000.00	404,900.00
CUSTODY FEE EXPENSE-STATE STREET	0.00	4,673.80
INVESTMENT MANAGEMENT FEES	259,823.96	249,383.60
ASSESSMENT REFUNDS	10,027.76	16,142.75
PAYROLL EXPENSES	1,156,354.88	1,231,880.27
OPERATING EXPENSES	412,346.23	368,660.26
<u>TOTAL EXPENSES</u>	<u>51,111,552.83</u>	<u>52,850,240.68</u>
<u>NET INCOME</u>	<u>\$ 17,782,484.40</u>	<u>\$ 13,465,722.18</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
Nine Months Ended March 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	\$7,667,000	\$11,641,750	-\$3,974,750	\$0	\$11,641,750	-\$11,641,750	\$22,456,000	\$46,567,000	-\$24,111,000
Labor Claims	\$7,583,000	\$7,750,000	-\$167,000	\$6,686,000	\$7,750,000	-\$1,064,000	\$7,336,000	\$7,750,000	-\$414,000	\$0	\$7,750,000	-\$7,750,000	\$21,605,000	\$31,000,000	-\$9,395,000
UEF	\$2,000,000	\$1,722,225	\$277,775	\$1,200,000	\$1,722,225	-\$522,225	\$1,500,000	\$1,722,225	-\$222,225	\$0	\$1,722,225	-\$1,722,225	\$4,700,000	\$6,888,900	-\$2,188,900
KOSH	\$182,000	\$202,275	-\$20,275	\$161,000	\$202,275	-\$41,275	\$169,000	\$202,275	-\$33,275	\$0	\$202,275	-\$202,275	\$512,000	\$809,100	-\$297,100
Funding Commission	\$376,000	\$653,150	-\$277,150	\$539,000	\$653,150	-\$114,150	\$435,000	\$653,150	-\$218,150	\$0	\$653,150	-\$653,150	\$1,350,000	\$2,612,600	-\$1,262,600
Total	\$17,603,000	\$21,969,400	-\$4,366,400	\$15,913,000	\$21,969,400	-\$6,056,400	\$17,107,000	\$21,969,400	-\$4,862,400	\$0	\$21,969,400	-\$21,969,400	\$50,623,000	\$87,877,600	-\$37,254,600



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

	Actual For Nine Months	Budget For Nine Months	Variance For Nine Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	677,949.19	930,000.00	-252,050.81	72.9%
FICA	49,934.49	68,775.00	-18,840.51	72.6%
RETIREMENT	338,033.96	539,925.00	-201,891.04	62.6%
HEALTH INSURANCE	89,907.24	114,675.00	-24,767.76	78.4%
LIFE INSURANCE	90.00	225.00	-135.00	40.0%
WORKERS COMPENSATION	440.00	750.00	-310.00	58.7%
INDIRECT COSTS	113,629.88	142,500.00	-28,870.12	79.7%
UNEMPLOYMENT PAY	0.00	750.00	-750.00	0.0%
ELECTRICITY	5,966.55	7,500.00	-1,533.45	79.6%
NATURAL GAS	2,222.63	4,500.00	-2,277.37	49.4%
COPY MACHINE RENTAL	2,983.13	3,750.00	-766.87	79.6%
POSTAGE	2,651.14	5,250.00	-2,598.86	50.5%
ADVERTISING	0.00	750.00	-750.00	0.0%
PRINTING	0.00	750.00	-750.00	0.0%
GARBAGE	433.00	1,050.00	-617.00	41.2%
COMPUTER SOFTWARE	11,612.33	13,500.00	-1,887.67	86.0%
MISC. SERVICES	1,020.74	5,250.00	-4,229.26	19.4%
OFFICE SUPPLIES	1,561.07	3,750.00	-2,188.93	41.6%
IN-STATE-TRAVEL	11.25	3,750.00	-3,738.75	0.3%
OUT-OF-STATE TRAVEL	910.31	3,750.00	-2,839.69	24.3%
COMPUTER EQUIPMENT	332.17	2,250.00	-1,917.83	14.8%
LEGAL SERVICES	0.00	6,675.00	-6,675.00	0.0%
SUBSCRIPTIONS	2,448.00	3,000.00	-552.00	81.6%
EMPLOYEE TRAINING	4,496.85	7,500.00	-3,003.15	60.0%
AUDIT SERVICES	35,925.00	38,000.00	-2,075.00	94.5%
RENT	32,167.89	66,000.00	-33,832.11	48.7%
SECURITY GUARD	0.00	2,250.00	-2,250.00	0.0%
MISC. EXPENSES	2,660.88	4,500.00	-1,839.12	59.1%
ACTUARIAL SERVICES	111,256.00	115,000.00	-3,744.00	96.7%
PUBLIC OFFICIALS INSURANCE	27,221.32	33,000.00	-5,778.68	82.5%
FURN. & FIX. UNDER \$5000	0.00	3,750.00	-3,750.00	0.0%
COT CHARGES	42,888.78	48,750.00	-5,861.22	88.0%
BOOKS DEPARTMENT USE	0.00	750.00	-750.00	0.0%
JANITORIAL	4,138.31	6,000.00	-1,861.69	69.0%
E-FILE CHARGES	5,809.00	7,500.00	-1,691.00	77.5%
TOTAL EXPENSES	1,568,701.11	2,196,075.00	-627,373.89	71.4%