



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

42 Mill Creek Park
Frankfort, Kentucky 40601
Phone: (502) 573-3505
Fax: (502) 573-4923
www.kwcfc.ky.gov

Lisa Gilreath-King
Executive Director

July 23, 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 May 30, 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, appearing to read "Kim C. Hay".

Kim C. Hay
Director of Fiscal Operations

ENCLOSURES



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

ASSETS

	<u>2025</u>	<u>2024</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	8,564,189.47	8,438,120.84
ACCOUNTS RECEIVABLE	81,402.45	113,621.84
ASSESSMENT RECEIVABLE	16,944,861.05	16,186,931.28
RWAO KWCFC ADMN CASH ACCOUNT	58,804.34	29,811.29
<u>TOTAL CURRENT ASSETS</u>	25,649,257.31	24,768,485.25
<u>FURNITURE, FIXTURES, EQUIPMENT</u>	6,332.00	-
<u>INVESTMENTS</u>	327,469,876.08	307,838,867.52
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	357,000,808.06	342,912,142.11
<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>	\$ 358,393,157.39	\$ 334,178,131.77

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>	13,685,436.13	10,570,841.11
<u>CAPITAL</u>		
RETAINED EARNINGS	323,160,023.59	304,798,002.43
NET INCOME	21,547,697.67	18,809,288.23
<u>TOTAL CAPITAL</u>	344,707,721.26	323,607,290.66
<u>TOTAL LIABILITIES & CAPITAL</u>	\$ 358,393,157.39	\$ 334,178,131.77



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

	<u>May 31, 2025</u>	<u>May 31, 2024</u>
<u>REVENUES</u>		
ASSESSMENT RECEIPTS	64,801,543.95	69,856,461.06
ASSESSMENT PENALTY & INTEREST	764,184.48	182,949.45
OVERNIGHT INTEREST INCOME	383,722.75	238,182.00
INT/DIV INCOME ON INVESTMENTS	13,235,846.58	12,430,133.86
CHANGE IN FAIR VALUE ON INVESTMENTS	4,154,474.44	623,202.00
AUDIT REIMBURSEMENT	325,934.09	350,058.93
<u>TOTAL REVENUES</u>	<u>83,665,706.29</u>	<u>83,680,987.30</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	25,891,000.00	28,104,900.00
UEF TRANSFERS	5,200,000.00	5,588,500.00
SP FUND TRANSFERS FOR ADMIN	27,826,000.00	28,323,400.00
KOSH ADMIN. TRANSFER	637,000.00	516,900.00
CUSTODY FEE EXPENSE-STATE STREET	0.00	4,673.80
INVESTMENT MANAGEMENT FEES	347,931.60	334,552.64
ASSESSMENT REFUNDS	332,784.48	62,776.09
PAYROLL EXPENSES	1,409,672.30	1,503,387.25
OPERATING EXPENSES	473,620.24	432,609.29
<u>TOTAL EXPENSES</u>	<u>62,118,008.62</u>	<u>64,871,699.07</u>
<u>NET INCOME</u>	<u>\$ 21,547,697.67</u>	<u>\$ 18,809,288.23</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
Eleven Months Ended May 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	\$5,370,000	\$11,641,750	-\$6,271,750	\$27,826,000	\$46,567,000	-\$18,741,000
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	\$4,286,000	\$7,750,000	-\$3,464,000	\$25,891,000	\$31,000,000	-\$5,109,000
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	\$500,000	\$1,722,225	-\$1,222,225	\$5,200,000	\$6,888,900	-\$1,688,900
KOSH	\$182,000	\$202,275	-\$20,275	\$161,000	\$202,275	-\$41,275	\$169,000	\$202,275	-\$33,275	\$125,000	\$202,275	-\$77,275	\$637,000	\$809,100	-\$172,100
Funding Commission	\$376,000	\$653,150	-\$277,150	\$539,000	\$653,150	-\$114,150	\$435,000	\$653,150	-\$218,150	\$210,000	\$653,150	-\$443,150	\$1,560,000	\$2,612,600	-\$1,052,600
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	\$10,491,000	\$21,969,400	-\$11,478,400	\$61,114,000	\$87,877,600	-\$26,763,600



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

	Actual For Eleven Months	Budget For Eleven Months	Variance For Eleven Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	827,290.67	1,136,666.67	-309,376.00	72.8%
FICA	60,904.07	84,058.33	-23,154.26	72.5%
RETIREMENT	410,837.92	659,908.33	-249,070.41	62.3%
HEALTH INSURANCE	110,089.64	140,158.33	-30,068.69	78.5%
LIFE INSURANCE	110.00	275.00	-165.00	40.0%
WORKERS COMPENSATION	440.00	916.67	-476.67	48.0%
INDIRECT COSTS	141,596.12	174,166.67	-32,570.55	81.3%
UNEMPLOYMENT PAY	0.00	916.67	-916.67	0.0%
ELECTRICITY	6,937.12	9,166.67	-2,229.55	75.7%
NATURAL GAS	2,839.63	5,500.00	-2,660.37	51.6%
COPY MACHINE RENTAL	3,597.23	4,583.33	-986.10	78.5%
POSTAGE	3,393.60	6,416.67	-3,023.07	52.9%
ADVERTISING	0.00	916.67	-916.67	0.0%
PRINTING	0.00	916.67	-916.67	0.0%
GARBAGE	522.82	1,283.33	-760.51	40.7%
COMPUTER SOFTWARE	11,881.67	16,500.00	-4,618.33	72.0%
MISC. SERVICES	1,139.10	6,416.67	-5,277.57	17.8%
OFFICE SUPPLIES	1,688.12	4,583.33	-2,895.21	36.8%
IN-STATE-TRAVEL	11.25	4,583.33	-4,572.08	0.2%
OUT-OF-STATE TRAVEL	3,764.84	4,583.33	-818.49	82.1%
COMPUTER EQUIPMENT	452.84	2,750.00	-2,297.16	16.5%
LEGAL SERVICES	0.00	8,158.33	-8,158.33	0.0%
SUBSCRIPTIONS	2,448.00	3,000.00	-552.00	81.6%
EMPLOYEE TRAINING	5,649.57	9,166.67	-3,517.10	61.6%
AUDIT SERVICES	35,925.00	38,000.00	-2,075.00	94.5%
RENT	42,890.52	80,666.67	-37,776.15	53.2%
SECURITY GUARD	0.00	2,750.00	-2,750.00	0.0%
MISC. EXPENSES	3,457.85	5,500.00	-2,042.15	62.9%
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	4,583.33	-4,583.33	0.0%
COT CHARGES	54,356.06	59,583.33	-5,227.27	91.2%
BOOKS DEPARTMENT USE	0.00	916.67	-916.67	0.0%
JANITORIAL	4,987.58	7,333.33	-2,345.75	68.0%
E-FILE CHARGES	7,604.00	9,166.67	-1,562.67	83.0%
TOTAL EXPENSES	<u>1,883,292.54</u>	<u>2,642,091.67</u>	<u>-758,799.13</u>	<u>71.3%</u>