



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

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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 June 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 JUNE 30, 2025 AND JUNE 30, 2024 (FOR COMPARISON)

ASSETS

	<u>2025</u>	<u>2024</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	2,244,484.51	4,062,685.99
ACCOUNTS RECEIVABLE	81,402.45	113,621.84
ASSESSMENT RECEIVABLE	16,944,861.05	16,186,931.28
RWAO KWCFC ADMN CASH ACCOUNT	6,357.83	61,331.57
<u>TOTAL CURRENT ASSETS</u>	19,277,105.84	20,424,570.68
<u>FURNITURE, FIXTURES, EQUIPMENT</u>	6,332.00	-
<u>INVESTMENTS</u>	332,228,166.90	310,427,486.66
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	359,225,759.11	344,122,034.64
<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>	\$ 356,779,296.74	\$ 332,422,836.34

LIABILITIES AND CAPITAL

<u>CURRENT LIABILITIES</u>		
ACCRUED EXPENSES	152,825.23	150,624.89
ACC EXP - ST COMP ABSENCES	85,005.73	40,145.41
REFUNDS PAYABLE	-	-
<u>TOTAL CURRENT LIABILITIES</u>	237,830.96	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>	13,666,740.93	10,570,841.11
<u>CAPITAL</u>		
RETAINED EARNINGS	323,160,023.59	304,798,002.43
NET INCOME	19,952,532.22	17,053,992.80
<u>TOTAL CAPITAL</u>	343,112,555.81	321,851,995.23
<u>TOTAL LIABILITIES & CAPITAL</u>	\$ 356,779,296.74	\$ 332,422,836.34



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
INCOME STATEMENT
TWELVE MONTHS ENDING JUNE 30, 2025 AND 2024 (FOR COMPARISON)

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
<u>REVENUES</u>		
ASSESSMENT RECEIPTS	65,060,717.42	70,703,270.50
ASSESSMENT PENALTY & INTEREST	793,585.18	698,864.76
OVERNIGHT INTEREST INCOME	404,401.71	264,567.77
INT/DIV INCOME ON INVESTMENTS	14,506,802.98	13,609,302.69
CHANGE IN FAIR VALUE ON INVESTMENTS	7,675,467.79	2,032,652.31
AUDIT REIMBURSEMENT	337,184.09	451,923.37
<u>TOTAL REVENUES</u>	<u>88,778,159.17</u>	<u>87,760,581.40</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	28,259,000.00	30,317,200.00
UEF TRANSFERS	6,350,000.00	5,958,500.00
SP FUND TRANSFERS FOR ADMIN	30,757,000.00	31,223,400.00
KOSH ADMIN. TRANSFER	690,500.00	562,900.00
CUSTODY FEE EXPENSE-STATE STREET	14,963.73	4,673.80
INVESTMENT MANAGEMENT FEES	347,931.60	334,552.64
ASSESSMENT REFUNDS	354,102.52	188,869.72
PAYROLL EXPENSES	1,536,331.01	1,642,097.71
OPERATING EXPENSES	515,798.09	474,394.73
<u>TOTAL EXPENSES</u>	<u>68,825,626.95</u>	<u>70,706,588.60</u>
<u>NET INCOME</u>	<u>\$ 19,952,532.22</u>	<u>\$ 17,053,992.80</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
Twelve Months Ended June 30, 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	\$8,301,000	\$11,641,750	-\$3,340,750	\$30,757,000	\$46,567,000	-\$15,810,000
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	\$6,654,000	\$7,750,000	-\$1,096,000	\$28,259,000	\$31,000,000	-\$2,741,000
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	\$1,650,000	\$1,722,225	-\$72,225	\$6,350,000	\$6,888,900	-\$538,900
KOSH	\$182,000	\$202,275	-\$20,275	\$161,000	\$202,275	-\$41,275	\$169,000	\$202,275	-\$33,275	\$178,500	\$202,275	-\$23,775	\$690,500	\$809,100	-\$118,600
Funding Commission	\$376,000	\$653,150	-\$277,150	\$539,000	\$653,150	-\$114,150	\$435,000	\$653,150	-\$218,150	\$315,000	\$653,150	-\$338,150	\$1,665,000	\$2,612,600	-\$947,600
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	\$17,098,500	\$21,969,400	-\$4,870,900	\$67,721,500	\$87,877,600	-\$20,156,100



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
Statement of Expenses (Actual to Budget)
For Twelve Months Ended June 30, 2025

	Actual For Twelve Months	Budget For Twelve Months	Variance For Twelve Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	901,961.41	1,240,000.00	-338,038.59	72.7%
FICA	66,388.86	91,700.00	-25,311.14	72.4%
RETIREMENT	447,239.90	719,900.00	-272,660.10	62.1%
HEALTH INSURANCE	120,180.84	152,900.00	-32,719.16	78.6%
LIFE INSURANCE	120.00	300.00	-180.00	40.0%
WORKERS COMPENSATION	440.00	1,000.00	-560.00	44.0%
INDIRECT COSTS	169,562.37	190,000.00	-20,437.63	89.2%
UNEMPLOYMENT PAY	0.00	1,000.00	-1,000.00	0.0%
ELECTRICITY	7,406.57	10,000.00	-2,593.43	74.1%
NATURAL GAS	2,992.43	6,000.00	-3,007.57	49.9%
COPY MACHINE RENTAL	3,919.33	5,000.00	-1,080.67	78.4%
POSTAGE	3,417.24	7,000.00	-3,582.76	48.8%
ADVERTISING	0.00	1,000.00	-1,000.00	0.0%
PRINTING	0.00	1,000.00	-1,000.00	0.0%
GARBAGE	522.82	1,400.00	-877.18	37.3%
COMPUTER SOFTWARE	11,897.43	18,000.00	-6,102.57	66.1%
MISC. SERVICES	1,334.78	7,000.00	-5,665.22	19.1%
OFFICE SUPPLIES	3,033.78	5,000.00	-1,966.22	60.7%
IN-STATE-TRAVEL	27.25	5,000.00	-4,972.75	0.5%
OUT-OF-STATE TRAVEL	3,764.84	5,000.00	-1,235.16	75.3%
COMPUTER EQUIPMENT	452.84	3,000.00	-2,547.16	15.1%
LEGAL SERVICES	0.00	8,900.00	-8,900.00	0.0%
SUBSCRIPTIONS	2,448.00	3,000.00	-552.00	81.6%
EMPLOYEE TRAINING	6,020.18	10,000.00	-3,979.82	60.2%
AUDIT SERVICES	35,925.00	38,000.00	-2,075.00	94.5%
RENT	42,890.52	88,000.00	-45,109.48	48.7%
SECURITY GUARD	0.00	3,000.00	-3,000.00	0.0%
MISC. EXPENSES	4,238.75	6,000.00	-1,761.25	70.6%
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	5,000.00	-5,000.00	0.0%
COT CHARGES	63,808.40	65,000.00	-1,191.60	98.2%
BOOKS DEPARTMENT USE	0.00	1,000.00	-1,000.00	0.0%
JANITORIAL	5,804.24	8,000.00	-2,195.76	72.6%
E-FILE CHARGES	7,854.00	10,000.00	-2,146.00	78.5%
TOTAL EXPENSES	<u>2,052,129.10</u>	<u>2,865,100.00</u>	<u>-812,970.90</u>	<u>71.6%</u>