



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

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Lisa Gilreath-King
Executive Director

November 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 August 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 cursive script that reads "Kim C. Hay".

Kim C. Hay
Director of Fiscal Operations

ENCLOSURES



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

ASSETS

	<u>2025</u>	<u>2024</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	6,291,529.96	10,360,154.26
ACCOUNTS RECEIVABLE	74,054.14	81,402.45
ASSESSMENT RECEIVABLE	13,273,058.55	16,944,861.05
RWAO KWCFC ADMN CASH ACCOUNT	4,383.67	8,186.70
<u>TOTAL CURRENT ASSETS</u>	19,643,026.32	27,394,604.46
<u>FURNITURE, FIXTURES, EQUIPMENT</u>	1,005.00	6,332.00
<u>INVESTMENTS</u>	334,092,174.64	321,457,508.01
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	359,202,970.07	346,423,980.73
<u>LEASE RIGHT-OF-USE</u>	38,430.00	76,859.00
<u>DEFERRED OUTFLOW PENSION</u>	537,981.00	4,158,756.00
<u>DEFERRED OUTFLOW OPEB</u>	585,813.00	1,032,077.00
<u>TOTAL ASSETS</u>	\$ 354,898,429.96	\$ 354,126,136.47

LIABILITIES AND CAPITAL

<u>CURRENT LIABILITIES</u>		
ACCRUED EXPENSES	157,786.84	171,520.43
ACC EXP - ST COMP ABSENCES	112,629.73	85,005.73
REFUNDS PAYABLE	-	-
<u>TOTAL CURRENT LIABILITIES</u>	270,416.57	256,526.16
<u>LONG TERM LIABILITIES</u>		
ACCRUED EXP - LT COMP ABSENCES	117,226.97	57,944.97
LEASE LIABILITY	43,478.00	81,372.00
DEFERRED INFLOW PENSION	532,512.00	4,224,777.00
NET PENSION LIABILITY	5,920,001.00	7,024,507.00
DEFERRED INFLOW OPEB	985,768.00	1,611,930.00
OPEB LIABILITY	349,065.00	428,379.00
<u>TOTAL LONG TERM LIABILITIES</u>	7,948,050.97	13,428,909.97
<u>TOTAL LIABILITIES</u>	8,218,467.54	13,685,436.13
<u>CAPITAL</u>		
RETAINED EARNINGS	340,769,878.39	323,160,023.59
NET INCOME	5,910,084.03	17,280,676.75
<u>TOTAL CAPITAL</u>	346,679,962.42	340,440,700.34
<u>TOTAL LIABILITIES & CAPITAL</u>	\$ 354,898,429.96	\$ 354,126,136.47



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
INCOME STATEMENT
FOR TWO MONTHS ENDED AUGUST 31, 2025 AND 2024 (FOR COMPARISON)

	<u>August 31, 2025</u>	<u>August 31, 2024</u>
<u>REVENUES</u>		
ASSESSMENT RECEIPTS	13,605,766.98	17,106,548.71
ASSESSMENT PENALTY & INTEREST	0.00	68,245.21
OVERNIGHT INTEREST INCOME	52,323.32	85,193.34
INT/DIV INCOME ON INVESTMENTS	2,501,316.15	2,337,721.99
CHANGE IN FAIR VALUE ON INVESTMENTS	1,451,867.32	8,777,268.22
AUDIT REIMBURSEMENT	450.00	52,659.54
<u>TOTAL REVENUES</u>	<u>17,611,723.77</u>	<u>28,427,637.01</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	5,469,000.00	5,468,000.00
UEF TRANSFERS	1,000,000.00	1,000,000.00
SP FUND TRANSFERS FOR ADMIN	4,748,000.00	4,177,000.00
KOSH ADMIN. TRANSFER	106,000.00	116,000.00
CUSTODY FEE EXPENSE-STATE STREET	0.00	0.00
INVESTMENT MANAGEMENT FEES	89,175.73	84,968.86
ASSESSMENT REFUNDS	0.00	0.00
PAYROLL EXPENSES	252,107.25	270,273.58
OPERATING EXPENSES	37,356.76	30,717.82
<u>TOTAL EXPENSES</u>	<u>11,701,639.74</u>	<u>11,146,960.26</u>
<u>NET INCOME</u>	<u>\$ 5,910,084.03</u>	<u>\$ 17,280,676.75</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
Two Months Ended August 31, 2025
Fiscal Year 2026

AGENCY	Q1 July - Sept 25			Q2 Oct - Dec 25			Q3 Jan - March 26			Q4 April - June 26			FYTD 2026		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Cabinet Administration	\$4,748,000	\$12,395,625	-\$7,647,625	\$0	\$12,395,625	-\$12,395,625	\$0	\$12,395,625	-\$12,395,625	\$0	\$12,395,625	-\$12,395,625	\$4,748,000	\$49,582,500	-\$44,834,500
Special Fund Claims	\$5,469,000	\$7,000,000	-\$1,531,000	\$0	\$7,000,000	-\$7,000,000	\$0	\$7,000,000	-\$7,000,000	\$0	\$7,000,000	-\$7,000,000	\$5,469,000	\$28,000,000	-\$22,531,000
UEF	\$1,000,000	\$1,722,225	-\$722,225	\$0	\$1,722,225	-\$1,722,225	\$0	\$1,722,225	-\$1,722,225	\$0	\$1,722,225	-\$1,722,225	\$1,000,000	\$6,888,900	-\$5,888,900
KOSH	\$106,000	\$205,550	-\$99,550	\$0	\$205,550	-\$205,550	\$0	\$205,550	-\$205,550	\$0	\$205,550	-\$205,550	\$106,000	\$822,200	-\$716,200
Funding Commission	\$288,000	\$687,750	-\$399,750	\$0	\$687,750	-\$687,750	\$0	\$687,750	-\$687,750	\$0	\$687,750	-\$687,750	\$288,000	\$2,751,000	-\$2,463,000
Total	\$11,611,000	\$22,011,150	-\$10,400,150	\$0	\$22,011,150	-\$22,011,150	\$0	\$22,011,150	-\$22,011,150	\$0	\$22,011,150	-\$22,011,150	\$11,611,000	\$88,044,600	-\$76,433,600



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

	Actual For Two Months	Budget For Two Months	Variance For Two Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	152,701.81	223,333.33	-70,631.52	68.4%
FICA	11,226.54	16,416.67	-5,190.13	68.4%
RETIREMENT	67,536.50	102,101.67	-34,565.17	66.1%
HEALTH INSURANCE	20,182.40	25,483.33	-5,300.93	79.2%
LIFE INSURANCE	20.00	50.00	-30.00	40.0%
WORKERS COMPENSATION	440.00	166.67	273.33	264.0%
INDIRECT COSTS	13,922.75	32,666.67	-18,743.92	42.6%
UNEMPLOYMENT PAY	0.00	166.67	-166.67	0.0%
ELECTRICITY	1,650.83	1,666.67	-15.84	99.0%
NATURAL GAS	273.33	1,000.00	-726.67	27.3%
COPY MACHINE RENTAL	679.79	833.33	-153.54	81.6%
POSTAGE	682.29	1,500.00	-817.71	45.5%
ADVERTISING	0.00	166.67	-166.67	0.0%
PRINTING	0.00	166.67	-166.67	0.0%
GARBAGE	140.22	233.33	-93.11	60.1%
COMPUTER SOFTWARE	3,076.50	5,248.33	-2,171.83	58.6%
MISC. SERVICES	1,733.76	5,000.00	-3,266.24	34.7%
OFFICE SUPPLIES	254.09	2,833.33	-2,579.24	9.0%
IN-STATE-TRAVEL	0.00	833.33	-833.33	0.0%
OUT-OF-STATE TRAVEL	0.00	833.33	-833.33	0.0%
COMPUTER EQUIPMENT	0.00	1,333.33	-1,333.33	0.0%
LEGAL SERVICES	0.00	1,483.33	-1,483.33	0.0%
SUBSCRIPTIONS	725.20	500.00	225.20	145.0%
EMPLOYEE TRAINING	0.00	1,666.67	-1,666.67	0.0%
AUDIT SERVICES	0.00	7,000.00	-7,000.00	0.0%
RENT	10,722.63	12,000.00	-1,277.37	89.4%
SECURITY GUARD	0.00	500.00	-500.00	0.0%
MISC. EXPENSES	444.18	2,000.00	-1,555.82	22.2%
ACTUARIAL SERVICES	0.00	20,000.00	-20,000.00	0.0%
PUBLIC OFFICIALS INSURANCE	0.00	5,666.67	-5,666.67	0.0%
FURN. & FIX. UNDER \$5000	0.00	4,166.67	-4,166.67	0.0%
COT CHARGES	782.86	11,666.67	-10,883.81	6.7%
BOOKS DEPARTMENT USE	0.00	166.67	-166.67	0.0%
JANITORIAL	408.33	1,333.33	-925.00	30.6%
E-FILE CHARGES	1,860.00	1,666.67	193.33	111.6%
TOTAL EXPENSES	289,464.01	491,850.00	-202,385.99	58.9%