



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

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Lisa Gilreath-King
Executive Director

December 8, 2025

Representative Josh Branscum, Chair
Representative Thomas Huff, Vice Chair
House Standing Committee on Economic Development and Workforce Investment
Capitol Annex
Frankfort, Kentucky 40601

Dear Committee Members:

Attached are September 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 that reads "Kim C. Hay". The signature is fluid and cursive, with the first name "Kim" and last name "Hay" clearly legible.

Kim C. Hay
Director of Fiscal Operations

ENCLOSURES



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
BALANCE SHEET
AS OF SEPTEMBER 30, 2025 AND SEPTEMBER 30, 2024 (FOR COMPARISON)

ASSETS

	<u>2025</u>	<u>2024</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	1,961,715.67	4,476,756.98
ACCOUNTS RECEIVABLE	74,054.14	81,402.45
ASSESSMENT RECEIVABLE	13,273,058.55	16,944,861.05
RWAO KWFCF ADMN CASH ACCOUNT	11,281.61	28,250.43
<u>TOTAL CURRENT ASSETS</u>	15,320,109.97	21,531,270.91
<u>FURNITURE, FIXTURES, EQUIPMENT</u>	1,005.00	6,332.00
<u>INVESTMENTS</u>	336,120,036.49	325,623,506.42
BOOK VALUE - disclosure only, not included in totals. hold to maturity, no real loss	358,935,573.98	348,660,666.86
<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>	<u>\$ 352,603,375.46</u>	<u>\$ 352,428,801.33</u>

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	3,615,029.53	15,583,341.61
<u>TOTAL CAPITAL</u>	344,384,907.92	338,743,365.20
<u>TOTAL LIABILITIES & CAPITAL</u>	<u>\$ 352,603,375.46</u>	<u>\$ 352,428,801.33</u>



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
INCOME STATEMENT
FOR THREE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024 (FOR COMPARISON)

	<u>September 30, 2025</u>	<u>September 30, 2024</u>
<u>REVENUES</u>		
ASSESSMENT RECEIPTS	14,006,927.79	17,698,132.19
ASSESSMENT PENALTY & INTEREST	1,696.43	204,355.59
OVERNIGHT INTEREST INCOME	63,686.20	115,170.63
INT/DIV INCOME ON INVESTMENTS	3,780,552.73	3,539,648.60
CHANGE IN FAIR VALUE ON INVESTMENTS	3,200,492.59	11,741,340.02
AUDIT REIMBURSEMENT	2,938.67	62,273.06
<u>TOTAL REVENUES</u>	<u>21,056,294.41</u>	<u>33,360,920.09</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	7,508,000.00	7,583,000.00
UEF TRANSFERS	1,500,000.00	2,000,000.00
SP FUND TRANSFERS FOR ADMIN	7,738,000.00	7,462,000.00
KOSH ADMIN. TRANSFER	163,000.00	182,000.00
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	377,662.65	396,799.83
OPERATING EXPENSES	65,426.50	68,809.79
<u>TOTAL EXPENSES</u>	<u>17,441,264.88</u>	<u>17,777,578.48</u>
<u>NET INCOME</u>	<u>\$ 3,615,029.53</u>	<u>\$ 15,583,341.61</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
Three Months Ended September 30, 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	\$7,738,000	\$12,395,625	-\$4,657,625	\$0	\$12,395,625	-\$12,395,625	\$0	\$12,395,625	-\$12,395,625	\$0	\$12,395,625	-\$12,395,625	\$7,738,000	\$49,582,500	-\$41,844,500
Special Fund Claims	\$7,508,000	\$7,000,000	\$508,000	\$0	\$7,000,000	-\$7,000,000	\$0	\$7,000,000	-\$7,000,000	\$0	\$7,000,000	-\$7,000,000	\$7,508,000	\$28,000,000	-\$20,492,000
UEF	\$1,500,000	\$1,722,225	-\$222,225	\$0	\$1,722,225	-\$1,722,225	\$0	\$1,722,225	-\$1,722,225	\$0	\$1,722,225	-\$1,722,225	\$1,500,000	\$6,888,900	-\$5,388,900
KOSH	\$163,000	\$205,550	-\$42,550	\$0	\$205,550	-\$205,550	\$0	\$205,550	-\$205,550	\$0	\$205,550	-\$205,550	\$163,000	\$822,200	-\$659,200
Funding Commission	\$446,000	\$687,750	-\$241,750	\$0	\$687,750	-\$687,750	\$0	\$687,750	-\$687,750	\$0	\$687,750	-\$687,750	\$446,000	\$2,751,000	-\$2,305,000
Total	\$17,355,000	\$22,011,150	-\$4,656,150	\$0	\$22,011,150	-\$22,011,150	\$0	\$22,011,150	-\$22,011,150	\$0	\$22,011,150	-\$22,011,150	\$17,355,000	\$88,044,600	-\$70,689,600



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

	Actual For Three Months	Budget For Three Months	Variance For Three Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	229,612.77	335,000.00	-105,387.23	68.5%
FICA	16,882.64	24,625.00	-7,742.36	68.6%
RETIREMENT	100,423.64	153,152.50	-52,728.86	65.6%
HEALTH INSURANCE	30,273.60	38,225.00	-7,951.40	79.2%
LIFE INSURANCE	30.00	75.00	-45.00	40.0%
WORKERS COMPENSATION	440.00	250.00	190.00	176.0%
INDIRECT COSTS	27,784.06	49,000.00	-21,215.94	56.7%
UNEMPLOYMENT PAY	0.00	250.00	-250.00	0.0%
ELECTRICITY	2,404.91	2,500.00	-95.09	96.2%
NATURAL GAS	407.49	1,500.00	-1,092.51	27.2%
COPY MACHINE RENTAL	679.79	1,250.00	-570.21	54.4%
POSTAGE	698.04	2,250.00	-1,551.96	31.0%
ADVERTISING	0.00	250.00	-250.00	0.0%
PRINTING	35.00	250.00	-215.00	14.0%
GARBAGE	140.22	350.00	-209.78	40.1%
COMPUTER SOFTWARE	3,092.26	7,872.50	-4,780.24	39.3%
MISC. SERVICES	2,799.75	7,500.00	-4,700.25	37.3%
OFFICE SUPPLIES	271.07	4,250.00	-3,978.93	6.4%
IN-STATE-TRAVEL	0.00	1,250.00	-1,250.00	0.0%
OUT-OF-STATE TRAVEL	0.00	1,250.00	-1,250.00	0.0%
COMPUTER EQUIPMENT	0.00	2,000.00	-2,000.00	0.0%
LEGAL SERVICES	0.00	2,225.00	-2,225.00	0.0%
SUBSCRIPTIONS	725.20	750.00	-24.80	96.7%
EMPLOYEE TRAINING	0.00	2,500.00	-2,500.00	0.0%
AUDIT SERVICES	0.00	10,500.00	-10,500.00	0.0%
RENT	10,722.63	18,000.00	-7,277.37	59.6%
SECURITY GUARD	0.00	750.00	-750.00	0.0%
MISC. EXPENSES	454.68	3,000.00	-2,545.32	15.2%
ACTUARIAL SERVICES	0.00	30,000.00	-30,000.00	0.0%
PUBLIC OFFICIALS INSURANCE	0.00	8,500.00	-8,500.00	0.0%
FURN. & FIX. UNDER \$5000	836.47	6,250.00	-5,413.53	13.4%
COT CHARGES	11,678.27	17,500.00	-5,821.73	66.7%
BOOKS DEPARTMENT USE	0.00	250.00	-250.00	0.0%
JANITORIAL	816.66	2,000.00	-1,183.34	40.8%
E-FILE CHARGES	1,880.00	2,500.00	-620.00	75.2%
TOTAL EXPENSES	443,089.15	737,775.00	-294,685.85	60.1%