



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

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Lisa Gilreath-King
Executive Director

April 1, 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 February 28, 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".

Kim C. Hay
Director of Fiscal Operations

ENCLOSURES



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
BALANCE SHEET
AS OF FEBRUARY 28, 2025 AND FEBRUARY 29, 2024 (FOR COMPARISON)

ASSETS

	<u>2025</u>	<u>2024</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	10,283,776.71	6,267,886.25
ACCOUNTS RECEIVABLE	81,402.45	154,568.80
ASSESSMENT RECEIVABLE	16,944,861.05	16,186,931.28
RWAO KWCFC ADMN CASH ACCOUNT	14,069.00	41,136.83
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<u>TOTAL CURRENT ASSETS</u>	27,324,109.21	22,650,523.16
<u>FURNITURE, FIXTURES, EQUIPMENT</u>	6,332.00	-
<u>INVESTMENTS</u>	326,891,231.47	306,901,916.85
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	354,459,097.08	340,505,053.65
<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
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<u>TOTAL ASSETS</u>	<u>\$ 359,489,364.68</u>	<u>\$ 331,123,219.01</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	-	-
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<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
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<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
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<u>CAPITAL</u>		
RETAINED EARNINGS	323,160,023.59	304,798,002.43
NET INCOME	22,643,904.96	15,754,375.47
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<u>TOTAL CAPITAL</u>	345,803,928.55	320,552,377.90
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<u>TOTAL LIABILITIES & CAPITAL</u>	<u>\$ 359,489,364.68</u>	<u>\$ 331,123,219.01</u>



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
INCOME STATEMENT
EIGHT MONTHS ENDING FEBRUARY 28, 2025 AND FEBRUARY 29, 2024 (COMPARED)

<u>REVENUES</u>	<u>February 28, 2025</u>	<u>February 29, 2024</u>
ASSESSMENT RECEIPTS	50,524,451.32	51,418,172.20
ASSESSMENT PENALTY & INTEREST	519,182.70	43,037.23
OVERNIGHT INTEREST INCOME	293,426.00	154,353.28
INT/DIV INCOME ON INVESTMENTS	9,525,533.49	8,967,976.75
CHANGE IN FAIR VALUE ON INVESTMENTS	7,198,035.28	2,063,239.40
AUDIT REIMBURSEMENT	158,652.75	147,924.75
<u>TOTAL REVENUES</u>	<u>68,219,281.54</u>	<u>62,794,703.61</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	19,477,000.00	21,254,200.00
UEF TRANSFERS	4,200,000.00	3,948,500.00
SP FUND TRANSFERS FOR ADMIN	19,756,000.00	19,761,700.00
KOSH ADMIN. TRANSFER	452,000.00	367,400.00
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	1,029,696.18	1,096,205.91
OPERATING EXPENSES	390,828.68	342,122.08
<u>TOTAL EXPENSES</u>	<u>45,575,376.58</u>	<u>47,040,328.14</u>
<u>NET INCOME</u>	<u>\$ 22,643,904.96</u>	<u>\$ 15,754,375.47</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
Eight Months Ended February 28, 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	Variance
Labor Administration	\$7,462,000	\$11,641,750	-\$4,179,750	\$7,327,000	\$11,641,750	-\$4,314,750	\$4,967,000	\$11,641,750	-\$6,674,750	\$0	\$11,641,750	-\$11,641,750	\$19,756,000	-\$26,811,000
Labor Claims	\$7,583,000	\$7,750,000	-\$167,000	\$6,686,000	\$7,750,000	-\$1,064,000	\$5,208,000	\$7,750,000	-\$2,542,000	\$0	\$7,750,000	-\$7,750,000	\$19,477,000	-\$11,523,000
UEF	\$2,000,000	\$1,722,225	\$277,775	\$1,200,000	\$1,722,225	-\$522,225	\$1,000,000	\$1,722,225	-\$722,225	\$0	\$1,722,225	-\$1,722,225	\$4,200,000	-\$2,688,900
KOSH	\$182,000	\$202,275	-\$20,275	\$161,000	\$202,275	-\$41,275	\$109,000	\$202,275	-\$93,275	\$0	\$202,275	-\$202,275	\$452,000	-\$357,100
Funding Commission	\$376,000	\$653,150	-\$277,150	\$539,000	\$653,150	-\$114,150	\$305,000	\$653,150	-\$348,150	\$0	\$653,150	-\$653,150	\$1,220,000	-\$1,392,600
Total	\$17,603,000	\$21,969,400	-\$4,366,400	\$15,913,000	\$21,969,400	-\$6,056,400	\$11,589,000	\$21,969,400	-\$10,380,400	\$0	\$21,969,400	-\$21,969,400	\$45,105,000	-\$42,772,600



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
Statement of Expenses (Actual to Budget)
For Eight Months Ended February 28, 2025

	Actual For Eight Months	Budget For Eight Months	Variance For Eight Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	603,278.45	826,666.67	-223,388.22	73.0%
FICA	44,449.71	61,133.33	-16,683.62	72.7%
RETIREMENT	301,631.98	479,933.33	-178,301.35	62.8%
HEALTH INSURANCE	79,816.04	101,933.33	-22,117.29	78.3%
LIFE INSURANCE	80.00	200.00	-120.00	40.0%
WORKERS COMPENSATION	440.00	666.67	-226.67	66.0%
INDIRECT COSTS	99,646.76	126,666.67	-27,019.91	78.7%
UNEMPLOYMENT PAY	0.00	666.67	-666.67	0.0%
ELECTRICITY	5,330.25	6,666.67	-1,336.42	80.0%
NATURAL GAS	1,733.78	4,000.00	-2,266.22	43.3%
COPY MACHINE RENTAL	2,349.20	3,333.33	-984.13	70.5%
POSTAGE	2,589.54	4,666.67	-2,077.13	55.5%
ADVERTISING	0.00	666.67	-666.67	0.0%
PRINTING	0.00	666.67	-666.67	0.0%
GARBAGE	389.70	933.33	-543.63	41.8%
COMPUTER SOFTWARE	11,604.45	12,000.00	-395.55	96.7%
MISC. SERVICES	916.06	4,666.67	-3,750.61	19.6%
OFFICE SUPPLIES	1,511.83	3,333.33	-1,821.50	45.4%
IN-STATE-TRAVEL	11.25	3,333.33	-3,322.08	0.3%
OUT-OF-STATE TRAVEL	910.31	3,333.33	-2,423.02	27.3%
COMPUTER EQUIPMENT	332.17	2,000.00	-1,667.83	16.6%
LEGAL SERVICES	0.00	5,933.33	-5,933.33	0.0%
SUBSCRIPTIONS	2,448.00	3,000.00	-552.00	81.6%
EMPLOYEE TRAINING	3,962.65	6,666.67	-2,704.02	59.4%
AUDIT SERVICES	35,925.00	38,000.00	-2,075.00	94.5%
RENT	32,167.89	58,666.67	-26,498.78	54.8%
SECURITY GUARD	0.00	2,000.00	-2,000.00	0.0%
MISC. EXPENSES	2,604.65	4,000.00	-1,395.35	65.1%
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	3,333.33	-3,333.33	0.0%
COT CHARGES	38,423.89	43,333.33	-4,909.44	88.7%
BOOKS DEPARTMENT USE	0.00	666.67	-666.67	0.0%
JANITORIAL	3,729.98	5,333.33	-1,603.35	69.9%
E-FILE CHARGES	5,764.00	6,666.67	-902.67	86.5%
TOTAL EXPENSES	1,420,524.86	1,973,066.67	-552,541.81	72.0%