



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

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Lisa Gilreath-King
Executive Director

January 9, 2023

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 November 30, 2023 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 NOVEMBER 30, 2023 AND 2022 (FOR COMPARISON)

ASSETS

	<u>2023</u>	<u>2022</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	7,819,994.70	24,713.35
ACCOUNTS RECEIVABLE	154,568.80	94,414.52
ASSESSMENT RECEIVABLE	16,186,931.28	17,845,978.16
RWAO KWCFC ADMN CASH ACCOUNT	36,639.02	61,497.08
	24,198,133.80	18,026,603.11
<u>INVESTMENTS</u>		
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	337,778,028.83	331,472,325.69
<u>LEASE RIGHT-OF-USE</u>	115,288.00	153,717.00
<u>DEFERRED OUTFLOW PENSION</u>		
	1,069,224.00	1,125,317.00
<u>DEFERRED OUTFLOW OPEB</u>		
	386,267.00	396,167.00
<u>TOTAL ASSETS</u>	\$ 323,574,487.10	\$ 313,685,735.22

LIABILITIES AND CAPITAL

<u>CURRENT LIABILITIES</u>		
ACCRUED EXPENSES	150,624.89	121,626.60
ACC EXP - ST COMP ABSENCES	40,145.41	80,018.41
REFUNDS PAYABLE	-	22,015.22
	190,770.30	223,660.23
<u>LONG TERM LIABILITIES</u>		
ACCRUED EXP - LT COMP ABSENCES	87,796.81	61,629.81
LEASE LIABILITY	119,266.00	155,412.00
DEFERRED INFLOW PENSION	10,040.00	235,614.00
NET PENSION LIABILITY	8,570,306.00	7,788,178.00
DEFERRED INFLOW OPEB	211,354.00	291,662.00
OPEB LIABILITY	1,381,308.00	1,325,725.00
	10,380,070.81	9,858,220.81
<u>TOTAL LIABILITIES</u>	10,570,841.11	10,081,881.04
<u>CAPITAL</u>		
RETAINED EARNINGS	304,798,002.43	305,578,367.90
NET INCOME	8,205,643.56	(1,974,513.72)
	313,003,645.99	303,603,854.18
<u>TOTAL LIABILITIES & CAPITAL</u>	\$ 323,574,487.10	\$ 313,685,735.22



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
INCOME STATEMENT
FIVE MONTHS ENDING NOVEMBER 30, 2023 AND 2022 (FOR COMPARISON)

<u>REVENUES</u>	<u>November 30, 2023</u>	<u>November 30, 2022</u>
ASSESSMENT RECEIPTS	35,275,262.67	35,286,249.58
ASSESSMENT PENALTY & INTEREST	14,567.10	11,049.56
OVERNIGHT INTEREST INCOME	64,646.57	6,573.84
INT/DIV INCOME ON INVESTMENTS	5,574,529.04	5,231,633.64
CHANGE IN FAIR VALUE ON INVESTMENTS	(3,322,240.77)	(12,187,563.36)
AUDIT REIMBURSEMENT	81,932.34	18,282.66
<u>TOTAL REVENUES</u>	<u>37,688,696.95</u>	<u>28,366,225.92</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	13,036,600.00	14,010,000.00
UEF TRANSFERS	2,350,000.00	2,100,000.00
SP FUND TRANSFERS FOR ADMIN	12,841,600.00	12,605,000.00
KOSH ADMIN. TRANSFER	209,900.00	394,400.00
CUSTODY FEE EXPENSE-STATE STREET	4,673.80	0.00
INVESTMENT MANAGEMENT FEES	166,798.27	145,278.63
ASSESSMENT REFUNDS	4,152.12	133,833.38
PAYROLL EXPENSES	666,613.61	730,174.55
OPERATING EXPENSES	202,715.59	222,053.08
<u>TOTAL EXPENSES</u>	<u>29,483,053.39</u>	<u>30,340,739.64</u>
<u>NET INCOME</u>	<u>\$ 8,205,643.56</u>	<u>\$ (1,974,513.72)</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
For Five Months Ended November 30, 2023
Fiscal Year 2024

AGENCY	Q1 July - Sept 23			Q2 Oct - Dec 23			Q3 Jan - March 24			Q4 April - June 24			FYTD 2024		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Labor Administration	\$7,815,000	\$9,647,175	-\$1,832,175	\$5,026,600	\$9,647,175	-\$4,620,575	\$0	\$9,647,175	-\$9,647,175	\$0	\$9,647,175	-\$9,647,175	\$12,841,600	\$38,588,700	-\$25,747,100
Labor Claims	\$8,225,000	\$10,331,600	-\$2,106,600	\$4,811,600	\$10,331,600	-\$5,520,000	\$0	\$10,331,600	-\$10,331,600	\$0	\$10,331,600	-\$10,331,600	\$13,036,600	\$41,326,400	-\$28,289,800
UEF	\$1,400,000	\$1,722,225	-\$322,225	\$950,000	\$1,722,225	-\$772,225	\$0	\$1,722,225	-\$1,722,225	\$0	\$1,722,225	-\$1,722,225	\$2,350,000	\$6,888,900	-\$4,538,900
KOSH	\$125,000	\$191,800	-\$66,800	\$84,900	\$191,800	-\$106,900	\$0	\$191,800	-\$191,800	\$0	\$191,800	-\$191,800	\$209,900	\$767,200	-\$557,300
Funding Commission	\$360,000	\$527,700	-\$167,700	\$279,300	\$527,700	-\$248,400	\$0	\$527,700	-\$527,700	\$0	\$527,700	-\$527,700	\$639,300	\$2,110,800	-\$1,471,500
Total	\$17,925,000	\$22,420,500	-\$4,495,500	\$11,152,400	\$22,420,500	-\$11,268,100	\$0	\$22,420,500	-\$22,420,500	\$0	\$22,420,500	-\$22,420,500	\$29,077,400	\$89,682,000	-\$60,604,600



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
Statement of Expenses (Actual to Budget)
For Five Months Ended November 30, 2023

	Actual For Five Months	Budget For Five Months	Variance For Five Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	358,072.58	475,000.00	-116,927.42	75.4%
FICA	26,547.25	35,916.67	-9,369.42	73.9%
RETIREMENT	240,952.38	314,333.33	-73,380.95	76.7%
HEALTH INSURANCE	40,551.40	55,583.33	-15,031.93	73.0%
LIFE INSURANCE	50.00	83.33	-33.33	60.0%
WORKERS COMPENSATION	440.00	500.00	-60.00	0.0%
INDIRECT COSTS	57,631.64	100,000.00	-42,368.36	57.6%
UNEMPLOYMENT PAY	0.00	416.67	-416.67	0.0%
ELECTRICITY	3,498.02	3,333.33	164.69	104.9%
NATURAL GAS	812.09	1,875.00	-1,062.91	43.3%
COPY MACHINE RENTAL	1,004.78	2,083.33	-1,078.55	48.2%
POSTAGE	1,631.91	2,083.33	-451.42	78.3%
ADVERTISING	0.00	208.33	-208.33	0.0%
PRINTING	0.00	208.33	-208.33	0.0%
GARBAGE	263.77	291.67	-27.90	90.4%
COMPUTER SOFTWARE	9,994.02	10,833.33	-839.31	92.3%
MISC. SERVICES	1,183.65	6,666.67	-5,483.02	17.8%
OFFICE SUPPLIES	455.03	833.33	-378.30	54.6%
IN-STATE-TRAVEL	87.18	833.33	-746.15	10.5%
OUT-OF-STATE TRAVEL	993.04	1,666.67	-673.63	59.6%
COMPUTER EQUIPMENT	75.00	125.00	-50.00	0.0%
LEGAL SERVICES	0.00	625.00	-625.00	0.0%
SUBSCRIPTIONS	2,283.75	2,300.00	-16.25	99.3%
EMPLOYEE TRAINING	1,367.24	3,750.00	-2,382.76	36.5%
AUDIT SERVICES	0.00	11,875.00	-11,875.00	0.0%
RENT	21,445.26	21,500.00	-54.74	99.7%
SECURITY GUARD	0.00	625.00	-625.00	0.0%
MISC. EXPENSES	1,140.04	2,083.33	-943.29	54.7%
ACTUARIAL SERVICES	70,000.00	29,166.67	40,833.33	240.0%
PUBLIC OFFICIALS INSURANCE	0.00	12,500.00	-12,500.00	0.0%
FURN. & FIX. UNDER \$5000	0.00	1,250.00	-1,250.00	0.0%
COT CHARGES	22,643.40	27,791.67	-5,148.27	81.5%
BOOKS DEPARTMENT USE	0.00	41.67	-41.67	0.0%
JANITORIAL	2,325.77	2,458.33	-132.56	94.6%
E-FILE CHARGES	3,880.00	3,541.67	338.33	109.6%
TOTAL EXPENSES	869,329.20	1,132,383.33	-263,054.13	76.8%