



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

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Lisa Gilreath-King
Executive Director

June 18, 2024

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 May 31, 2024 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 MAY 31, 2024 AND 2023 (FOR COMPARISON)

ASSETS

	<u>2024</u>	<u>2023</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	8,438,120.84	486,792.36
ACCOUNTS RECEIVABLE	113,621.84	135,361.48
ASSESSMENT RECEIVABLE	16,186,931.28	17,845,978.16
RWAO KWCFC ADMN CASH ACCOUNT	29,811.29	53,232.26
	24,768,485.25	18,521,364.26
<u>INVESTMENTS</u>		
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	342,912,142.11	336,036,521.22
<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
	\$ 334,185,999.50	\$ 322,641,260.74

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
	10,570,841.11	10,081,881.04
<u>CAPITAL</u>		
RETAINED EARNINGS	304,798,002.43	305,578,367.90
NET INCOME	18,817,155.96	6,981,011.80
	323,615,158.39	312,559,379.70
	\$ 334,185,999.50	\$ 322,641,260.74



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
INCOME STATEMENT
ELEVEN MONTHS ENDING MAY 31, 2024 AND 2023 (FOR COMPARISON)

<u>REVENUES</u>	<u>May 31, 2024</u>	<u>May 31, 2023</u>
ASSESSMENT RECEIPTS	69,856,461.06	71,445,324.79
ASSESSMENT PENALTY & INTEREST	182,949.45	205,114.90
OVERNIGHT INTEREST INCOME	238,182.00	9,605.23
INT/DIV INCOME ON INVESTMENTS	12,430,133.86	11,673,273.94
CHANGE IN FAIR VALUE ON INVESTMENTS	631,069.73	(10,296,095.90)
AUDIT REIMBURSEMENT	350,058.93	166,712.46
<u>TOTAL REVENUES</u>	<u>83,688,855.03</u>	<u>73,203,935.42</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	28,104,900.00	30,231,400.00
UEF TRANSFERS	5,588,500.00	6,212,000.00
SP FUND TRANSFERS FOR ADMIN	28,323,400.00	26,548,600.00
KOSH ADMIN. TRANSFER	516,900.00	728,400.00
CUSTODY FEE EXPENSE-STATE STREET	4,673.80	22,610.92
INVESTMENT MANAGEMENT FEES	334,552.64	295,011.10
ASSESSMENT REFUNDS	62,776.09	188,697.28
PAYROLL EXPENSES	1,503,387.25	1,571,518.49
OPERATING EXPENSES	432,609.29	424,685.83
<u>TOTAL EXPENSES</u>	<u>64,871,699.07</u>	<u>66,222,923.62</u>
<u>NET INCOME</u>	<u>\$ 18,817,155.96</u>	<u>\$ 6,981,011.80</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
For Eleven Months Ended May 31, 2024
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	\$7,785,000	\$9,647,175	-\$1,862,175	\$6,921,700	\$9,647,175	-\$2,725,475	\$7,876,700	\$9,647,175	-\$1,770,475	\$5,740,000	\$9,647,175	-\$3,907,175	\$28,323,400	\$38,588,700	-\$10,265,300
Labor Claims	\$8,255,000	\$10,331,600	-\$2,076,600	\$7,143,400	\$10,331,600	-\$3,188,200	\$8,144,300	\$10,331,600	-\$2,187,300	\$4,562,200	\$10,331,600	-\$5,769,400	\$28,104,900	\$41,326,400	-\$13,221,500
UEF	\$1,400,000	\$1,722,225	-\$322,225	\$1,548,500	\$1,722,225	-\$173,725	\$1,500,000	\$1,722,225	-\$222,225	\$1,140,000	\$1,722,225	-\$582,225	\$5,588,500	\$6,888,900	-\$1,300,400
KOSH	\$125,000	\$191,800	-\$66,800	\$129,500	\$191,800	-\$62,300	\$150,400	\$191,800	-\$41,400	\$112,000	\$191,800	-\$79,800	\$516,900	\$767,200	-\$250,300
Funding Commission	\$360,000	\$527,700	-\$167,700	\$481,800	\$527,700	-\$45,900	\$440,400	\$527,700	-\$87,300	\$147,900	\$527,700	-\$379,800	\$1,430,100	\$2,110,800	-\$680,700
Total	\$17,925,000	\$22,420,500	-\$4,495,500	\$16,224,900	\$22,420,500	-\$6,195,600	\$18,111,800	\$22,420,500	-\$4,308,700	\$11,702,100	\$22,420,500	-\$10,718,400	\$63,963,800	\$89,682,000	-\$25,718,200



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
Statement of Expenses (Actual to Budget)
For Eleven Months Ended May 31, 2024

	Actual For Eleven Months	Budget For Eleven Months	Variance For Eleven Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	806,676.52	1,045,000.00	-238,323.48	77.2%
FICA	59,627.32	79,016.67	-19,389.35	75.5%
RETIREMENT	537,761.89	691,533.33	-153,771.44	77.8%
HEALTH INSURANCE	98,771.52	122,283.33	-23,511.81	80.8%
LIFE INSURANCE	110.00	183.33	-73.33	60.0%
WORKERS COMPENSATION	440.00	500.00	-60.00	0.0%
INDIRECT COSTS	151,758.51	220,000.00	-68,241.49	69.0%
UNEMPLOYMENT PAY	0.00	916.67	-916.67	0.0%
ELECTRICITY	7,612.55	8,250.00	-637.45	92.3%
NATURAL GAS	2,649.98	3,208.33	-558.35	82.6%
COPY MACHINE RENTAL	3,945.81	4,583.33	-637.52	86.1%
POSTAGE	4,571.67	4,583.33	-11.66	99.7%
ADVERTISING	0.00	458.33	-458.33	0.0%
PRINTING	0.00	458.33	-458.33	0.0%
GARBAGE	480.27	641.67	-161.40	74.8%
COMPUTER SOFTWARE	13,205.02	14,000.00	-794.98	94.3%
MISC. SERVICES	1,265.73	14,116.67	-12,850.94	9.0%
OFFICE SUPPLIES	1,290.68	1,833.33	-542.65	70.4%
IN-STATE-TRAVEL	182.71	1,833.33	-1,650.62	10.0%
OUT-OF-STATE TRAVEL	2,617.99	3,666.67	-1,048.68	71.4%
COMPUTER EQUIPMENT	75.00	275.00	-200.00	0.0%
LEGAL SERVICES	0.00	1,375.00	-1,375.00	0.0%
SUBSCRIPTIONS	2,383.75	2,400.00	-16.25	99.3%
EMPLOYEE TRAINING	2,778.74	8,250.00	-5,471.26	33.7%
AUDIT SERVICES	28,325.00	28,500.00	-175.00	99.4%
RENT	42,890.52	43,000.00	-109.48	99.7%
SECURITY GUARD	0.00	1,375.00	-1,375.00	0.0%
MISC. EXPENSES	3,037.34	4,583.33	-1,545.99	66.3%
ACTUARIAL SERVICES	70,000.00	70,000.00	0.00	100.0%
PUBLIC OFFICIALS INSURANCE	27,221.32	30,000.00	-2,778.68	90.7%
FURN. & FIX. UNDER \$5000	0.00	2,750.00	-2,750.00	0.0%
COT CHARGES	53,153.40	60,225.00	-7,071.60	88.3%
BOOKS DEPARTMENT USE	381.31	400.00	-18.69	0.0%
JANITORIAL	4,966.99	5,408.33	-441.34	91.8%
E-FILE CHARGES	7,815.00	7,975.00	-160.00	98.0%
TOTAL EXPENSES	<u>1,935,996.54</u>	<u>2,483,583.33</u>	<u>-547,586.79</u>	<u>78.0%</u>