



## WORKERS' COMPENSATION FUNDING COMMISSION

**Andy Beshear**  
Governor

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**Lisa Gilreath-King**  
Executive Director

July 24, 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 June 30, 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 JUNE 30, 2024 AND 2023 (FOR COMPARISON)**

**ASSETS**

	<b><u>2024</u></b>	<b><u>2023</u></b>
<b><u>CURRENT ASSETS</u></b>		
RWBO SPECIAL FUND CASH ACCOUNT	4,062,685.99	348,494.50
ACCOUNTS RECEIVABLE	113,621.84	135,361.48
ASSESSMENT RECEIVABLE	16,186,931.28	17,845,978.16
RWAO KWFC ADMN CASH ACCOUNT	61,331.57	83,311.86
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<b><u>TOTAL CURRENT ASSETS</u></b>	<b>20,424,570.68</b>	<b>18,413,146.00</b>
<b><u>INVESTMENTS</u></b>	<b>310,435,138.54</b>	<b>297,024,758.10</b>
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	344,122,034.64	334,277,900.19
<b><u>LEASE RIGHT-OF-USE</u></b>	<b>115,288.00</b>	<b>153,717.00</b>
<b><u>DEFERRED OUTFLOW PENSION</u></b>	<b>1,069,224.00</b>	<b>1,125,317.00</b>
<b><u>DEFERRED OUTFLOW OPEB</u></b>	<b>386,267.00</b>	<b>396,167.00</b>
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<b><u>TOTAL ASSETS</u></b>	<b>\$ 332,430,488.22</b>	<b>\$ 317,113,105.10</b>

**LIABILITIES AND CAPITAL**

<b><u>CURRENT LIABILITIES</u></b>		
ACCRUED EXPENSES	150,624.89	121,626.60
ACC EXP - ST COMP ABSENCES	40,145.41	80,018.41
REFUNDS PAYABLE	-	22,015.22
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<b><u>TOTAL CURRENT LIABILITIES</u></b>	<b>190,770.30</b>	<b>223,660.23</b>
<b><u>LONG TERM LIABILITIES</u></b>		
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
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<b><u>TOTAL LONG TERM LIABILITIES</u></b>	<b>10,380,070.81</b>	<b>9,858,220.81</b>
<b><u>TOTAL LIABILITIES</u></b>	<b>10,570,841.11</b>	<b>10,081,881.04</b>
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<b><u>CAPITAL</u></b>		
RETAINED EARNINGS	304,798,002.43	305,578,367.90
NET INCOME	17,061,644.68	1,452,856.16
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<b><u>TOTAL CAPITAL</u></b>	<b>321,859,647.11</b>	<b>307,031,224.06</b>
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<b><u>TOTAL LIABILITIES &amp; CAPITAL</u></b>	<b>\$ 332,430,488.22</b>	<b>\$ 317,113,105.10</b>



**KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION**  
**INCOME STATEMENT**  
**TWELVE MONTHS ENDING JUNE 30, 2024 AND 2023 (FOR COMPARISON)**

	<b><u>June 30, 2024</u></b>	<b><u>June 30, 2023</u></b>
<b><u>REVENUES</u></b>		
ASSESSMENT RECEIPTS	70,703,270.50	71,730,300.10
ASSESSMENT PENALTY & INTEREST	698,864.76	209,661.88
OVERNIGHT INTEREST INCOME	264,567.77	11,380.24
INT/DIV INCOME ON INVESTMENTS	13,609,302.69	12,782,137.24
CHANGE IN FAIR VALUE ON INVESTMENTS	2,040,304.19	(12,420,373.10)
AUDIT REIMBURSEMENT	451,923.37	204,680.52
<b><u>TOTAL REVENUES</u></b>	<b><u>87,768,233.28</u></b>	<b><u>72,517,786.88</u></b>
<b><u>EXPENSES</u></b>		
SP FUND TRANSFERS FOR CLAIMS	30,317,200.00	32,666,700.00
UEF TRANSFERS	5,958,500.00	6,212,000.00
SP FUND TRANSFERS FOR ADMIN	31,223,400.00	28,779,345.20
KOSH ADMIN. TRANSFER	562,900.00	728,400.00
CUSTODY FEE EXPENSE-STATE STREET	4,673.80	27,134.40
INVESTMENT MANAGEMENT FEES	334,552.64	295,011.10
ASSESSMENT REFUNDS	188,869.72	188,697.28
PAYROLL EXPENSES	1,642,097.71	1,705,092.86
OPERATING EXPENSES	474,394.73	462,549.88
<b><u>TOTAL EXPENSES</u></b>	<b><u>70,706,588.60</u></b>	<b><u>71,064,930.72</u></b>
<b><u>NET INCOME</u></b>	<b><u>\$ 17,061,644.68</u></b>	<b><u>\$ 1,452,856.16</u></b>



**FUNDING TO AGENCIES BY QUARTER (Actual to Budget)**  
**For Twelve Months Ended June 30, 2024**  
**Fiscal Year 2024**

AGENCY	Q1			Q2			Q3			Q4			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	\$8,640,000	\$9,647,175	-\$1,007,175	\$31,223,400	\$38,588,700	-\$7,365,300
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	\$6,774,500	\$10,331,600	-\$3,557,100	\$30,317,200	\$41,326,400	-\$11,009,200
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	\$1,510,000	\$1,722,225	-\$212,225	\$5,958,500	\$6,888,900	-\$930,400
KOSH	\$125,000	\$191,800	-\$66,800	\$129,500	\$191,800	-\$62,300	\$150,400	\$191,800	-\$41,400	\$158,000	\$191,800	-\$33,800	\$562,900	\$767,200	-\$204,300
Funding Commission	\$360,000	\$527,700	-\$167,700	\$481,800	\$527,700	-\$45,900	\$440,400	\$527,700	-\$87,300	\$257,900	\$527,700	-\$269,800	\$1,540,100	\$2,110,800	-\$570,700
<b>Total</b>	<b>\$17,925,000</b>	<b>\$22,420,500</b>	<b>-\$4,495,500</b>	<b>\$16,224,900</b>	<b>\$22,420,500</b>	<b>-\$6,195,600</b>	<b>\$18,111,800</b>	<b>\$22,420,500</b>	<b>-\$4,308,700</b>	<b>\$17,340,400</b>	<b>\$22,420,500</b>	<b>-\$5,080,100</b>	<b>\$69,602,100</b>	<b>\$89,682,000</b>	<b>-\$20,079,900</b>



**KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION**  
**Statement of Expenses (Actual to Budget)**  
**For Twelve Months Ended June 30, 2024**

	Actual For Twelve Months	Budget For Twelve Months	Variance For Twelve Months	Actual as % of Budget
<b>EXPENSES:</b>				
WAGES AND SALARIES	881,919.17	1,140,000.00	-258,080.83	77.4%
FICA	65,175.73	86,200.00	-21,024.27	75.6%
RETIREMENT	585,732.35	754,400.00	-168,667.65	77.6%
HEALTH INSURANCE	108,710.46	133,400.00	-24,689.54	81.5%
LIFE INSURANCE	120.00	200.00	-80.00	60.0%
WORKERS COMPENSATION	440.00	500.00	-60.00	0.0%
INDIRECT COSTS	181,403.18	240,000.00	-58,596.82	75.6%
UNEMPLOYMENT PAY	0.00	1,000.00	-1,000.00	0.0%
ELECTRICITY	8,216.89	9,000.00	-783.11	91.3%
NATURAL GAS	2,851.09	3,500.00	-648.91	81.5%
COPY MACHINE RENTAL	4,263.70	5,000.00	-736.30	85.3%
POSTAGE	4,717.73	5,000.00	-282.27	94.4%
ADVERTISING	0.00	500.00	-500.00	0.0%
PRINTING	0.00	500.00	-500.00	0.0%
GARBAGE	523.57	700.00	-176.43	74.8%
COMPUTER SOFTWARE	13,220.78	14,000.00	-779.22	94.4%
MISC. SERVICES	1,871.73	15,400.00	-13,528.27	12.2%
OFFICE SUPPLIES	1,524.09	2,000.00	-475.91	76.2%
IN-STATE-TRAVEL	182.71	2,000.00	-1,817.29	9.1%
OUT-OF-STATE TRAVEL	2,617.99	4,000.00	-1,382.01	65.4%
COMPUTER EQUIPMENT	75.00	300.00	-225.00	0.0%
LEGAL SERVICES	0.00	1,500.00	-1,500.00	0.0%
SUBSCRIPTIONS	2,383.75	2,400.00	-16.25	99.3%
EMPLOYEE TRAINING	5,422.03	9,000.00	-3,577.97	60.2%
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	1,500.00	-1,500.00	0.0%
MISC. EXPENSES	4,105.16	5,000.00	-894.84	82.1%
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	3,000.00	-3,000.00	0.0%
COT CHARGES	58,546.86	65,700.00	-7,153.14	89.1%
BOOKS DEPARTMENT USE	381.31	400.00	-18.69	0.0%
JANITORIAL	5,375.32	5,900.00	-524.68	91.1%
E-FILE CHARGES	8,275.00	8,700.00	-425.00	95.1%
<b>TOTAL EXPENSES</b>	<b><u>2,116,492.44</u></b>	<b><u>2,692,200.00</u></b>	<b><u>-575,707.56</u></b>	<b><u>78.6%</u></b>