



## WORKERS' COMPENSATION FUNDING COMMISSION

**Andy Beshear**  
Governor

42 Mill Creek Park  
Frankfort, Kentucky 40601  
Phone: (502) 573-3505  
Fax: (502) 573-4923  
[www.kwfc.ky.gov](http://www.kwfc.ky.gov)

**Lisa Gilreath-King**  
Executive Director

October 1, 2024

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 August 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 AUGUST 31, 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	10,360,154.26	1,151,209.51
ACCOUNTS RECEIVABLE	81,402.45	154,568.80
ASSESSMENT RECEIVABLE	16,944,861.05	16,186,931.28
RWAO KWCFC ADMN CASH ACCOUNT	8,186.70	89,886.68
	<b>27,394,604.46</b>	<b>17,582,596.27</b>
<b><u>FURNITURE, FIXTURES, EQUIPMENT</u></b>		
	<b>6,332.00</b>	
<b><u>INVESTMENTS</u></b>		
	<b>321,457,508.01</b>	<b>301,133,514.80</b>
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	346,423,980.73	339,010,399.81
<b><u>LEASE RIGHT-OF-USE</u></b>	<b>76,859.00</b>	<b>115,288.00</b>
<b><u>DEFERRED OUTFLOW PENSION</u></b>		
	<b>4,158,756.00</b>	<b>1,069,224.00</b>
<b><u>DEFERRED OUTFLOW OPEB</u></b>		
	<b>1,032,077.00</b>	<b>386,267.00</b>
	<b>\$ 354,126,136.47</b>	<b>\$ 320,286,890.07</b>

**LIABILITIES AND CAPITAL**

<b><u>CURRENT LIABILITIES</u></b>		
ACCRUED EXPENSES	171,520.43	150,624.89
ACC EXP - ST COMP ABSENCES	85,005.73	40,145.41
REFUNDS PAYABLE	-	-
	<b>256,526.16</b>	<b>190,770.30</b>
<b><u>LONG TERM LIABILITIES</u></b>		
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
	<b>13,428,909.97</b>	<b>10,380,070.81</b>
	<b>13,685,436.13</b>	<b>10,570,841.11</b>
<b><u>CAPITAL</u></b>		
RETAINED EARNINGS	323,160,023.59	304,798,002.43
NET INCOME	17,280,676.75	4,918,046.53
	<b>340,440,700.34</b>	<b>309,716,048.96</b>
	<b>\$ 354,126,136.47</b>	<b>\$ 320,286,890.07</b>



**KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION**  
**INCOME STATEMENT**  
**TWO MONTHS ENDING AUGUST 31, 2024 AND 2023 (FOR COMPARISON)**

	<u>August 31, 2024</u>	<u>August 31, 2023</u>
<b><u>REVENUES</u></b>		
ASSESSMENT RECEIPTS	17,106,548.71	16,227,665.47
ASSESSMENT PENALTY & INTEREST	68,245.21	13,688.53
OVERNIGHT INTEREST INCOME	85,193.34	2,893.32
INT/DIV INCOME ON INVESTMENTS	2,337,721.99	2,217,545.90
CHANGE IN FAIR VALUE ON INVESTMENTS	8,777,268.22	(2,120,483.13)
AUDIT REIMBURSEMENT	52,659.54	69,235.12
<b><u>TOTAL REVENUES</u></b>	<b><u>28,427,637.01</u></b>	<b><u>16,410,545.21</u></b>
<b><u>EXPENSES</u></b>		
SP FUND TRANSFERS FOR CLAIMS	5,468,000.00	4,765,000.00
UEF TRANSFERS	1,000,000.00	1,100,000.00
SP FUND TRANSFERS FOR ADMIN	4,177,000.00	5,115,000.00
KOSH ADMIN. TRANSFER	116,000.00	125,000.00
CUSTODY FEE EXPENSE-STATE STREET	0.00	4,673.80
INVESTMENT MANAGEMENT FEES	84,968.86	83,632.27
ASSESSMENT REFUNDS	0.00	713.02
PAYROLL EXPENSES	270,273.58	266,557.71
OPERATING EXPENSES	30,717.82	31,921.88
<b><u>TOTAL EXPENSES</u></b>	<b><u>11,146,960.26</u></b>	<b><u>11,492,498.68</u></b>
<b><u>NET INCOME</u></b>	<b><u>\$ 17,280,676.75</u></b>	<b><u>\$ 4,918,046.53</u></b>



**FUNDING TO AGENCIES BY QUARTER (Actual to Budget)**  
**For Two Months Ended August 31, 2024**  
**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	Budget	Variance
Labor Administration	\$4,177,000	\$11,641,750	-\$7,464,750	\$0	\$11,641,750	-\$11,641,750	\$0	\$11,641,750	-\$11,641,750	\$0	\$11,641,750	-\$11,641,750	\$4,177,000	\$46,567,000	-\$42,390,000
Labor Claims	\$5,468,000	\$7,750,000	-\$2,282,000	\$0	\$7,750,000	-\$7,750,000	\$0	\$7,750,000	-\$7,750,000	\$0	\$7,750,000	-\$7,750,000	\$5,468,000	\$31,000,000	-\$25,532,000
UEF	\$1,000,000	\$1,722,225	-\$722,225	\$0	\$1,722,225	-\$1,722,225	\$0	\$1,722,225	-\$1,722,225	\$0	\$1,722,225	-\$1,722,225	\$1,000,000	\$6,888,900	-\$5,888,900
KOSH	\$116,000	\$202,275	-\$86,275	\$0	\$202,275	-\$202,275	\$0	\$202,275	-\$202,275	\$0	\$202,275	-\$202,275	\$116,000	\$809,100	-\$693,100
Funding Commission	\$201,000	\$653,150	-\$452,150	\$0	\$653,150	-\$653,150	\$0	\$653,150	-\$653,150	\$0	\$653,150	-\$653,150	\$201,000	\$2,612,600	-\$2,411,600
<b>Total</b>	<b>\$10,962,000</b>	<b>\$21,969,400</b>	<b>-\$11,007,400</b>	<b>\$0</b>	<b>\$21,969,400</b>	<b>-\$21,969,400</b>	<b>\$0</b>	<b>\$21,969,400</b>	<b>-\$21,969,400</b>	<b>\$0</b>	<b>\$21,969,400</b>	<b>-\$21,969,400</b>	<b>\$10,962,000</b>	<b>\$87,877,600</b>	<b>-\$76,915,600</b>



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

	Actual For Two Months	Budget For Two Months	Variance For Two Months	Actual as % of Budget
<b>EXPENSES:</b>				
WAGES AND SALARIES	155,254.01	206,666.67	-51,412.66	75.1%
FICA	11,461.59	15,283.33	-3,821.74	75.0%
RETIREMENT	83,220.10	119,983.33	-36,763.23	69.4%
HEALTH INSURANCE	19,877.88	25,483.33	-5,605.45	78.0%
LIFE INSURANCE	20.00	50.00	-30.00	40.0%
WORKERS COMPENSATION	440.00	166.67	273.33	0.0%
INDIRECT COSTS	0.00	38,333.33	-38,333.33	0.0%
UNEMPLOYMENT PAY	0.00	166.67	-166.67	0.0%
ELECTRICITY	1,583.38	1,666.67	-83.29	95.0%
NATURAL GAS	97.39	1,000.00	-902.61	9.7%
COPY MACHINE RENTAL	1,009.97	833.33	176.64	121.2%
POSTAGE	760.60	1,166.67	-406.07	65.2%
ADVERTISING	0.00	166.67	-166.67	0.0%
PRINTING	0.00	166.67	-166.67	0.0%
GARBAGE	86.60	233.33	-146.73	37.1%
COMPUTER SOFTWARE	2,904.58	2,833.33	71.25	102.5%
MISC. SERVICES	287.98	1,166.67	-878.69	24.7%
OFFICE SUPPLIES	1,019.43	833.33	186.10	122.3%
IN-STATE-TRAVEL	0.00	833.33	-833.33	0.0%
OUT-OF-STATE TRAVEL	0.00	833.33	-833.33	0.0%
COMPUTER EQUIPMENT	0.00	666.67	-666.67	0.0%
LEGAL SERVICES	0.00	1,483.33	-1,483.33	0.0%
SUBSCRIPTIONS	816.00	500.00	316.00	163.2%
EMPLOYEE TRAINING	990.00	1,666.67	-676.67	59.4%
AUDIT SERVICES	0.00	6,333.33	-6,333.33	0.0%
RENT	10,722.63	22,000.00	-11,277.37	48.7%
SECURITY GUARD	0.00	500.00	-500.00	0.0%
MISC. EXPENSES	578.86	1,000.00	-421.14	57.9%
ACTUARIAL SERVICES	0.00	11,666.67	-11,666.67	0.0%
PUBLIC OFFICIALS INSURANCE	0.00	5,500.00	-5,500.00	0.0%
FURN. & FIX. UNDER \$5000	0.00	833.33	-833.33	0.0%
COT CHARGES	7,128.74	11,666.67	-4,537.93	61.1%
BOOKS DEPARTMENT USE	0.00	166.67	-166.67	0.0%
JANITORIAL	816.66	1,333.33	-516.67	61.2%
E-FILE CHARGES	1,915.00	1,666.67	248.33	114.9%
<b>TOTAL EXPENSES</b>	<b><u>300,991.40</u></b>	<b><u>484,850.00</u></b>	<b><u>-183,858.60</u></b>	<b><u>62.1%</u></b>