



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

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Lisa Gilreath-King
Executive Director

March 31, 2026

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 January 31, 2026 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 JANUARY 31, 2026 AND JANUARY 31, 2025 (FOR COMPARISON)

ASSETS

	<u>2026</u>	<u>2025</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	9,536,706.68	14,459,452.71
ACCOUNTS RECEIVABLE	74,054.14	81,402.45
ASSESSMENT RECEIVABLE	13,273,058.55	16,944,861.05
RWAO KWCFE ADMN CASH ACCOUNT	8,545.78	39,526.18
	22,892,365.15	31,525,242.39
<u>FURNITURE, FIXTURES, EQUIPMENT</u>		
	20,135.00	6,332.00
<u>INVESTMENTS</u>		
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	336,744,546.66	320,980,863.67
	359,838,178.11	352,361,119.55
<u>LEASE RIGHT-OF-USE</u>		
	38,430.00	76,859.00
<u>DEFERRED OUTFLOW PENSION</u>		
	537,981.00	4,158,756.00
<u>DEFERRED OUTFLOW OPEB</u>		
	585,813.00	1,032,077.00
	\$ 360,819,270.81	\$ 357,780,130.06
 <u>LIABILITIES AND CAPITAL</u>		
<u>CURRENT LIABILITIES</u>		
ACCRUED EXPENSES	157,786.84	171,520.43
ACC EXP - ST COMP ABSENCES	112,629.73	85,005.73
REFUNDS PAYABLE	-	-
	270,416.57	256,526.16
<u>LONG TERM LIABILITIES</u>		
ACCRUED EXP - LT COMP ABSENCES	117,226.97	57,944.97
LEASE LIABILITY	43,478.00	81,372.00
DEFERRED INFLOW PENSION	532,512.00	4,224,777.00
NET PENSION LIABILITY	5,920,001.00	7,024,507.00
DEFERRED INFLOW OPEB	985,768.00	1,611,930.00
OPEB LIABILITY	349,065.00	428,379.00
	7,948,050.97	13,428,909.97
<u>TOTAL LIABILITIES</u>		
	8,218,467.54	13,685,436.13
<u>CAPITAL</u>		
RETAINED EARNINGS	340,769,878.39	323,160,023.59
NET INCOME	11,830,924.88	20,934,670.34
	352,600,803.27	344,094,693.93
<u>TOTAL LIABILITIES & CAPITAL</u>		
	\$ 360,819,270.81	\$ 357,780,130.06



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
INCOME STATEMENT
FOR SEVEN MONTHS ENDED JANUARY 31, 2026 AND 2025 (FOR COMPARISON)

	<u>January 31, 2026</u>	<u>January 31, 2025</u>
<u>REVENUES</u>		
ASSESSMENT RECEIPTS	39,168,184.39	49,718,657.55
ASSESSMENT PENALTY & INTEREST	34,474.82	339,940.48
OVERNIGHT INTEREST INCOME	129,728.53	245,061.98
INT/DIV INCOME ON INVESTMENTS	8,813,104.75	8,334,730.72
CHANGE IN FAIR VALUE ON INVESTMENTS	2,882,154.02	2,390,719.52
AUDIT REIMBURSEMENT	34,357.87	127,328.57
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<u>TOTAL REVENUES</u>	<u>51,062,004.38</u>	<u>61,156,438.82</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	15,966,000.00	17,333,000.00
UEF TRANSFERS	3,000,000.00	3,700,000.00
SP FUND TRANSFERS FOR ADMIN	18,503,000.00	17,411,000.00
KOSH ADMIN. TRANSFER	412,000.00	407,000.00
CUSTODY FEE EXPENSE-STATE STREET	0.00	0.00
INVESTMENT MANAGEMENT FEES	178,879.01	172,073.23
ASSESSMENT REFUNDS	0.00	10,027.76
PAYROLL EXPENSES	850,938.40	903,037.47
OPERATING EXPENSES	320,262.09	285,630.02
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<u>TOTAL EXPENSES</u>	<u>39,231,079.50</u>	<u>40,221,768.48</u>
<u>NET INCOME</u>	<u>\$ 11,830,924.88</u>	<u>\$ 20,934,670.34</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
Seven Months Ended January 31, 2026
Fiscal Year 2026

AGENCY	Q1 July - Sept 25			Q2 Oct - Dec 25			Q3 Jan - March 26			Q4 April - June 26			FYTD 2026		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Cabinet Administration	\$7,738,000	\$12,395,625	-\$4,657,625	\$8,131,000	\$12,395,625	-\$4,264,625	\$2,634,000	\$12,395,625	-\$9,761,625	\$0	\$12,395,625	-\$12,395,625	\$18,503,000	\$49,582,500	-\$31,079,500
Special Fund Claims	\$7,508,000	\$7,000,000	\$508,000	\$6,018,000	\$7,000,000	-\$982,000	\$2,440,000	\$7,000,000	-\$4,560,000	\$0	\$7,000,000	-\$7,000,000	\$15,966,000	\$28,000,000	-\$12,034,000
UEF	\$1,500,000	\$1,722,225	-\$222,225	\$1,000,000	\$1,722,225	-\$722,225	\$500,000	\$1,722,225	-\$1,222,225	\$0	\$1,722,225	-\$1,722,225	\$3,000,000	\$6,888,900	-\$3,888,900
KOSH	\$163,000	\$205,550	-\$42,550	\$171,000	\$205,550	-\$34,550	\$78,000	\$205,550	-\$127,550	\$0	\$205,550	-\$205,550	\$412,000	\$822,200	-\$410,200
Funding Commission	\$446,000	\$687,750	-\$241,750	\$425,000	\$687,750	-\$262,750	\$288,000	\$687,750	-\$399,750	\$0	\$687,750	-\$687,750	\$1,159,000	\$2,751,000	-\$1,592,000
Total	\$17,355,000	\$22,011,150	-\$4,656,150	\$15,745,000	\$22,011,150	-\$6,266,150	\$5,940,000	\$22,011,150	-\$16,071,150	\$0	\$22,011,150	-\$22,011,150	\$39,040,000	\$89,044,600	-\$49,004,600



KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
Statement of Expenses (Actual to Budget)
For Seven Months Ended January 31, 2026

	Actual For Seven Months	Budget For Seven Months	Variance For Seven Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	519,472.07	781,666.67	-262,194.60	66.5%
FICA	38,166.79	57,458.33	-19,291.54	66.4%
RETIREMENT	223,892.16	357,355.83	-133,463.67	62.7%
HEALTH INSURANCE	68,901.38	89,191.67	-20,290.29	77.3%
LIFE INSURANCE	66.00	175.00	-109.00	37.7%
WORKERS COMPENSATION	440.00	583.33	-143.33	75.4%
INDIRECT COSTS	76,451.86	114,333.33	-37,881.47	66.9%
UNEMPLOYMENT PAY	0.00	583.33	-583.33	0.0%
ELECTRICITY	5,005.33	5,833.33	-828.00	85.8%
NATURAL GAS	2,678.28	3,500.00	-821.72	76.5%
COPY MACHINE RENTAL	2,205.77	2,916.67	-710.90	75.6%
POSTAGE	2,191.52	5,250.00	-3,058.48	41.7%
ADVERTISING	0.00	583.33	-583.33	0.0%
PRINTING	35.00	583.33	-548.33	6.0%
GARBAGE	327.18	816.67	-489.49	40.1%
COMPUTER SOFTWARE	4,593.96	18,369.17	-13,775.21	25.0%
MISC. SERVICES	12,781.56	17,500.00	-4,718.44	73.0%
OFFICE SUPPLIES	603.50	9,916.67	-9,313.17	6.1%
IN-STATE-TRAVEL	16.13	2,916.67	-2,900.54	0.6%
OUT-OF-STATE TRAVEL	831.84	2,916.67	-2,084.83	28.5%
COMPUTER EQUIPMENT	348.81	4,666.67	-4,317.86	7.5%
LEGAL SERVICES	0.00	5,191.67	-5,191.67	0.0%
SUBSCRIPTIONS	725.20	1,750.00	-1,024.80	41.4%
EMPLOYEE TRAINING	339.15	5,833.33	-5,494.18	5.8%
AUDIT SERVICES	32,209.00	24,500.00	7,709.00	131.5%
RENT	32,167.89	42,000.00	-9,832.11	76.6%
SECURITY GUARD	0.00	1,750.00	-1,750.00	0.0%
MISC. EXPENSES	6,331.27	7,000.00	-668.73	90.4%
ACTUARIAL SERVICES	74,256.00	70,000.00	4,256.00	106.1%
PUBLIC OFFICIALS INSURANCE	25,857.20	19,833.33	6,023.87	130.4%
FURN. & FIX. UNDER \$5000	0.00	14,583.33	-14,583.33	0.0%
COT CHARGES	33,824.37	40,833.33	-7,008.96	82.8%
BOOKS DEPARTMENT USE	0.00	583.33	-583.33	0.0%
JANITORIAL	2,701.27	4,666.67	-1,965.40	57.9%
E-FILE CHARGES	3,780.00	5,833.33	-2,053.33	64.8%
TOTAL EXPENSES	<u>1,171,200.49</u>	<u>1,721,475.00</u>	<u>-550,274.51</u>	<u>68.0%</u>