



WORKERS' COMPENSATION FUNDING COMMISSION

Andy Beshear
Governor

42 Mill Creek Park
Frankfort, Kentucky 40601
Phone: (502) 573-3505
Fax: (502) 573-4923
www.kwcfc.ky.gov

Lisa Gilreath-King
Executive Director

June 9, 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 March 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 MARCH 31, 2026 AND 2025 (FOR COMPARISON)

ASSETS

	<u>2026</u>	<u>2025</u>
<u>CURRENT ASSETS</u>		
RWBO SPECIAL FUND CASH ACCOUNT	1,060,046.76	5,293,947.58
ACCOUNTS RECEIVABLE	74,054.14	81,402.45
ASSESSMENT RECEIVABLE	13,273,058.55	16,944,861.05
RWAO KWCFC ADMN CASH ACCOUNT	20,334.75	62,706.71
<u>TOTAL CURRENT ASSETS</u>	14,427,494.20	22,382,917.79
<u>FURNITURE, FIXTURES, EQUIPMENT</u>	20,135.00	6,332.00
<u>INVESTMENTS</u>	334,553,074.22	326,971,002.33
BOOK VALUE - disclosure only, not included in totals, hold to maturity, no real loss	361,219,866.17	354,702,703.00
<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
<u>TOTAL ASSETS</u>	<u>\$ 350,162,927.42</u>	<u>\$ 354,627,944.12</u>

LIABILITIES AND CAPITAL

<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	-	-
<u>TOTAL CURRENT LIABILITIES</u>	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
<u>TOTAL LONG TERM LIABILITIES</u>	7,948,050.97	13,428,909.97
<u>TOTAL LIABILITIES</u>	<u>8,218,467.54</u>	<u>13,685,436.13</u>
<u>CAPITAL</u>		
RETAINED EARNINGS	340,769,878.39	323,160,023.59
NET INCOME	1,174,581.49	17,782,484.40
<u>TOTAL CAPITAL</u>	341,944,459.88	340,942,507.99
<u>TOTAL LIABILITIES & CAPITAL</u>	<u>\$ 350,162,927.42</u>	<u>\$ 354,627,944.12</u>



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

	<u>March 31, 2026</u>	<u>March 31, 2025</u>
<u>REVENUES</u>		
ASSESSMENT RECEIPTS	39,997,613.01	50,958,165.84
ASSESSMENT PENALTY & INTEREST	44,260.95	584,753.21
OVERNIGHT INTEREST INCOME	162,940.89	322,383.15
INT/DIV INCOME ON INVESTMENTS	11,352,872.36	10,778,292.71
CHANGE IN FAIR VALUE ON INVESTMENTS	(747,275.27)	6,025,046.92
AUDIT REIMBURSEMENT	87,222.88	225,395.40
<u>TOTAL REVENUES</u>	<u>50,897,634.82</u>	<u>68,894,037.23</u>
<u>EXPENSES</u>		
SP FUND TRANSFERS FOR CLAIMS	19,928,000.00	21,605,000.00
UEF TRANSFERS	4,000,000.00	4,700,000.00
SP FUND TRANSFERS FOR ADMIN	23,547,000.00	22,456,000.00
KOSH ADMIN. TRANSFER	511,000.00	512,000.00
CUSTODY FEE EXPENSE-STATE STREET	0.00	0.00
INVESTMENT MANAGEMENT FEES	280,689.77	259,823.96
ASSESSMENT REFUNDS	0.00	10,027.76
PAYROLL EXPENSES	1,089,364.24	1,156,354.88
OPERATING EXPENSES	366,999.32	412,346.23
<u>TOTAL EXPENSES</u>	<u>49,723,053.33</u>	<u>51,111,552.83</u>
<u>NET INCOME</u>	<u>\$ 1,174,581.49</u>	<u>\$ 17,782,484.40</u>



FUNDING TO AGENCIES BY QUARTER (Actual to Budget)
Nine Months Ended March 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	\$6,131,000	\$12,395,625	-\$4,264,625	\$7,678,000	\$12,395,625	-\$4,717,625	\$0	\$12,395,625	-\$12,395,625	\$23,547,000	\$49,582,500	-\$26,035,500
Special Fund Claims	\$7,508,000	\$7,000,000	\$508,000	\$6,018,000	\$7,000,000	-\$982,000	\$6,402,000	\$7,000,000	-\$598,000	\$0	\$7,000,000	-\$7,000,000	\$19,928,000	\$28,000,000	-\$8,072,000
UEF	\$1,500,000	\$1,722,225	-\$222,225	\$1,000,000	\$1,722,225	-\$722,225	\$1,500,000	\$1,722,225	-\$222,225	\$0	\$1,722,225	-\$1,722,225	\$4,000,000	\$6,888,900	-\$2,888,900
KOSH	\$163,000	\$205,550	-\$42,550	\$171,000	\$205,550	-\$34,550	\$177,000	\$205,550	-\$28,550	\$0	\$205,550	-\$205,550	\$511,000	\$822,200	-\$311,200
Funding Commission	\$446,000	\$687,750	-\$241,750	\$425,000	\$687,750	-\$262,750	\$532,000	\$687,750	-\$155,750	\$0	\$687,750	-\$687,750	\$1,403,000	\$2,751,000	-\$1,348,000
Total	\$17,355,000	\$22,011,150	-\$4,656,150	\$15,745,000	\$22,011,150	-\$6,266,150	\$16,289,000	\$22,011,150	-\$5,722,150	\$0	\$22,011,150	-\$22,011,150	\$49,389,000	\$88,044,600	-\$38,655,600



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

	Actual For Nine Months	Budget For Nine Months	Variance For Nine Months	Actual as % of Budget
EXPENSES:				
WAGES AND SALARIES	663,395.95	1,005,000.00	-341,604.05	66.0%
FICA	48,696.63	73,875.00	-25,178.37	65.9%
RETIREMENT	285,434.04	459,457.50	-174,023.46	62.1%
HEALTH INSURANCE	91,313.62	114,675.00	-23,361.38	79.6%
LIFE INSURANCE	84.00	225.00	-141.00	37.3%
WORKERS COMPENSATION	440.00	750.00	-310.00	58.7%
INDIRECT COSTS	101,302.30	147,000.00	-45,697.70	68.9%
UNEMPLOYMENT PAY	0.00	750.00	-750.00	0.0%
ELECTRICITY	6,886.98	7,500.00	-613.02	91.8%
NATURAL GAS	3,735.52	4,500.00	-764.48	83.0%
COPY MACHINE RENTAL	3,248.09	3,750.00	-501.91	86.6%
POSTAGE	2,488.54	6,750.00	-4,261.46	36.9%
ADVERTISING	0.00	750.00	-750.00	0.0%
PRINTING	35.00	750.00	-715.00	4.7%
GARBAGE	467.40	1,050.00	-582.60	44.5%
COMPUTER SOFTWARE	5,828.90	23,617.50	-17,788.60	24.7%
MISC. SERVICES	11,546.62	19,500.00	-7,953.38	59.2%
OFFICE SUPPLIES	831.57	12,750.00	-11,918.43	6.5%
IN-STATE-TRAVEL	16.13	3,750.00	-3,733.87	0.4%
OUT-OF-STATE TRAVEL	831.84	3,750.00	-2,918.16	22.2%
COMPUTER EQUIPMENT	605.84	6,000.00	-5,394.16	10.1%
LEGAL SERVICES	0.00	6,675.00	-6,675.00	0.0%
SUBSCRIPTIONS	725.20	2,250.00	-1,524.80	32.2%
EMPLOYEE TRAINING	581.15	7,500.00	-6,918.85	7.7%
AUDIT SERVICES	32,209.00	35,000.00	-2,791.00	92.0%
RENT	32,167.89	54,000.00	-21,832.11	59.6%
SECURITY GUARD	0.00	2,250.00	-2,250.00	0.0%
MISC. EXPENSES	8,409.17	12,000.00	-3,590.83	70.1%
ACTUARIAL SERVICES	74,256.00	90,000.00	-15,744.00	82.5%
PUBLIC OFFICIALS INSURANCE	25,857.20	28,333.33	-2,476.13	91.3%
FURN. & FIX. UNDER \$5000	0.00	18,750.00	-18,750.00	0.0%
COT CHARGES	45,807.79	52,500.00	-6,692.21	87.3%
BOOKS DEPARTMENT USE	0.00	750.00	-750.00	0.0%
JANITORIAL	3,641.19	6,000.00	-2,358.81	60.7%
E-FILE CHARGES	5,520.00	7,500.00	-1,980.00	73.6%
TOTAL EXPENSES	<u>1,456,363.56</u>	<u>2,219,658.33</u>	<u>-763,294.77</u>	<u>65.6%</u>