

**2023-2024 Financial Plan Proposed 3rd Omnibus  
Safety & Claims Fund / 00005420**

Category	2021-2022 Actuals	2023-2024 Adopted	2023-2024 Revised Budget	2023-2024 Biennial-to-Date Actuals	2023-2024 Estimated	2025-2026 Projected	2027-2028 Projected
<b>Beginning Fund Balance</b>	<b>111,336,000</b>	<b>97,439,338</b>	<b>100,754,000</b>	<b>100,754,000</b>	<b>100,754,000</b>	<b>94,015,881</b>	<b>104,655,460</b>
<b>Revenues</b>							
Industrial Insurance Rates	58,711,347	73,881,236	73,881,236	45,989,876	73,881,236	115,110,659	127,772,831
Miscellaneous Revenues	5,100,654	4,733,177	4,733,177	3,723,082	5,956,931	6,254,777	6,567,516
One Time Billing - (2024 - Metro only)	-	-	-	-	14,083,155	-	-
One Time Billing - (2022 - All Agencies)	10,559,901	-	-	-	-	-	-
<b>Total Revenues</b>	<b>74,371,902</b>	<b>78,614,413</b>	<b>78,614,413</b>	<b>49,712,958</b>	<b>93,921,322</b>	<b>121,365,436</b>	<b>134,340,348</b>
<b>Expenditures</b>							
Claim Expenditures	53,240,598	54,298,000	54,298,000	41,293,534	65,648,525	71,649,000	80,156,000
Labor & Industries Expenses	15,309,014	16,921,890	16,921,890	7,918,449	16,921,890	17,767,985	18,656,384
Administration & Interfund Transfers	16,379,819	18,089,026	18,089,026	10,441,434	18,089,026	21,308,873	23,780,702
Reserve Contingency	-	7,000,000	7,000,000	-	3,500,000	9,000,000	10,000,000
<b>Total Expenditures</b>	<b>84,929,431</b>	<b>96,308,916</b>	<b>96,308,916</b>	<b>59,653,416</b>	<b>104,159,441</b>	<b>119,725,857</b>	<b>132,593,086</b>
<b>Estimated Underexpenditures</b>		<b>(7,000,000)</b>	<b>(7,000,000)</b>	-	<b>(3,500,000)</b>	<b>(9,000,000)</b>	<b>(10,000,000)</b>
<b>Other Fund Transactions</b>							
Accounting Adjustment	(24,471)	-	-	-	-	-	-
<b>Total Other Fund Transactions</b>	<b>(24,471)</b>	-	-	-	-	-	-
<b>Ending Fund Balance</b>	<b>100,754,000</b>	<b>86,744,835</b>	<b>90,059,497</b>	<b>90,813,542</b>	<b>94,015,881</b>	<b>104,655,460</b>	<b>116,402,722</b>
<b>Reserves</b>							
Actuarial Liabilities Estimate	73,845,000	87,835,000	92,756,000	92,756,000	92,756,000	105,727,000	117,626,000
<b>Total Reserves</b>	<b>73,845,000</b>	<b>87,835,000</b>	<b>92,756,000</b>	<b>92,756,000</b>	<b>92,756,000</b>	<b>105,727,000</b>	<b>117,626,000</b>
Reserve Shortfall	-	1,090,165	2,696,503	1,942,458	-	1,071,540	1,223,278
<b>Ending Undesignated Fund Balance</b>	<b>26,909,000</b>	-	-	-	<b>1,259,881</b>	-	-

**Financial Plan Notes**

All financial plans have the following assumptions, unless otherwise noted in below rows.

2023-2024 Adopted and Revised Budget ties to PBCS.

Outyear revenue and expenditure inflation assumptions are noted below:

**Revenue Notes:**

[1] **Industrial Insurance Billing Revenue** projection for 2023-2024 is based on budgeted amounts.

The projected increase in industrial insurance revenue in 2025-2026 biennium and 2027-2028 biennium are 56% and 11%, respectively.

[2] **Miscellaneous Revenue** projections for 2023-2024 is based on BTM MAR 2024 actuals, which are mostly generated through Supplemental Pension Assessment rate (which is collected from employees and remitted to the state through L&I taxes).

For 2025-2026 and 2027-2028, miscellaneous insurance revenue is projected to increase by 5% in each biennia.

15, 2022) vs updated projections (issued Jan 25, 2024). Additionally it assumes a \$2.1M impact related to retro payments related to ATU's CLA implementation. This billing represents a 25% increase to Metro's adopted 2023-2024 industrial insurance rates.

**Expenditure Notes:**

[1] **Claim Expenditure** projections for 2024-2028 are based on actuarial projections from Select Actuary Services Report, as of April 16, 2024.

[2] **WA State Dept of Labor & Industries** projections for 2023-2024 are based on 2023 filings and a 5% increase in 2024. For 2025-2026 and 2027-2028 biennia a 5% increase is projected.

[3] **Administration & Interfund** projections for 2023-2024 are based on budgeted amounts. Additionally, for 2025-2026 and 2027-2028

Administration & Interfund transfers will increase by 17.8% and 11.6% in each biennium, in accordance with the Q2 2024 BFPA assumptions.

[4] **2023-2024 Estimated** includes proposed 3rd omnibus changes.

[5] **2025-2026 and 2027-2028 Projected Reserve Contingency** is set to be 10% of the sum of "Claim Expenditures" and "Labor & Industries Expenses," rounded to the nearest million.

**Reserve Notes:**

[1] **Actuarial Liabilities** projections for 2021-2022 are based on actuarial report from Select Actuary Services Report, dated March 1, 2023 (data through 12/31/2022). Actuarial liabilities for 2023-2024 and 2025-2026 and 2027-2028 are based on actuarial projections from Select Actuary Services Report, dated April 16, 2024.

Last Updated 04/16/2024 by Andres Fuerte using data from PBCS and BFPA assumptions.