

SCHEDULES

COMBINING SCHEDULE FOR GENERAL FUND ACCOUNTS

Balance Sheet

June 30, 2013

(expressed in thousands)

	General Fund Basic Account	Administrative Accounts	Total
ASSETS			
Cash and pooled investments	\$ 245,237	\$ 395,597	\$ 640,834
Investments	-	6,608	6,608
Taxes receivable (net of allowance)	3,170,338	-	3,170,338
Other receivables (net of allowance)	147,768	5,748	153,516
Due from other funds	132,968	21,394	154,362
Due from other governments	1,204,002	7,295	1,211,297
Inventories and prepaids	12,910	-	12,910
Restricted assets:			
Cash and investments	3,398	51,233	54,631
Receivables	1,748	-	1,748
Total Assets	\$ 4,918,369	\$ 487,875	\$ 5,406,244
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 844,582	\$ 17,723	\$ 862,305
Contracts and retainages payable	29,864	3,452	33,316
Accrued liabilities	160,931	23,463	184,394
Obligations under security lending agreements	59,133	14,697	73,830
Due to other funds	317,366	91,106	408,472
Due to other governments	849,476	7,994	857,470
Unearned revenue	79,267	9	79,276
Claims and judgments payable	32,173	-	32,173
Total Liabilities	2,372,792	158,444	2,531,236
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	1,492,418	-	1,492,418
Total Deferred Inflows of Resources	1,492,418	-	1,492,418
Fund Balances (Deficits):			
Nonspendable fund balance	49,818	1	49,819
Restricted fund balance	683	298,482	299,165
Committed fund balance	-	59,579	59,579
Assigned fund balance	835,152	-	835,152
Unassigned fund balance	167,506	(28,631)	138,875
Total Fund Balances (Deficits)	1,053,159	329,431	1,382,590
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 4,918,369	\$ 487,875	\$ 5,406,244

COMBINING SCHEDULE FOR GENERAL FUND ACCOUNTS

**Statement of Revenues, Expenditures,
and Changes in Fund Balances**

For the Fiscal Year Ended June 30, 2013
(expressed in thousands)

	General Fund Basic Account	Administrative Accounts	Total
REVENUES			
Retail sales and use taxes	\$ 7,628,507	\$ -	\$ 7,628,507
Business and occupation taxes	3,290,839	-	3,290,839
Property taxes	1,939,883	-	1,939,883
Excise taxes	581,861	-	581,861
Other taxes	1,852,719	-	1,852,719
Licenses, permits, and fees	105,111	206	105,317
Timber sales	2,080	-	2,080
Other contracts and grants	242,939	16	242,955
Federal grants-in-aid	8,779,357	810	8,780,167
Charges for services	31,960	-	31,960
Investment income (loss)	(16,490)	(906)	(17,396)
Miscellaneous revenue	189,949	5,383	195,332
Unclaimed property	68,162	-	68,162
Total Revenues	24,696,877	5,509	24,702,386
EXPENDITURES			
Current:			
General government	671,527	49,848	721,375
Human services	13,198,885	36,544	13,235,429
Natural resources and recreation	343,984	75,927	419,911
Transportation	44,608	2,786	47,394
Education	8,751,251	363,574	9,114,825
Intergovernmental	34,811	73,530	108,341
Capital outlays	75,047	1,253	76,300
Debt service:			
Principal	18,108	143	18,251
Interest	103	15	118
Total Expenditures	23,138,324	603,620	23,741,944
Excess of Revenues Over (Under) Expenditures	1,558,553	(598,111)	960,442
OTHER FINANCING SOURCES (USES)			
Bonds issued	-	121,789	121,789
Issuance premiums	276	3,787	4,063
Other debt issued	4,027	442	4,469
Transfers in	455,297	141,199	596,496
Transfers out	(1,765,333)	453,102	(1,312,231)
Total Other Financing Sources (Uses)	(1,305,733)	720,319	(585,414)
Net Change in Fund Balances	252,820	122,208	375,028
Fund Balances - Beginning, as restated	800,339	207,223	1,007,562
Fund Balances - Ending	\$ 1,053,159	\$ 329,431	\$ 1,382,590

GENERAL FUND ACCOUNTS
**Schedule of Revenues, Expenditures, and
Other Financing Sources (Uses) - Budget and Actual**
For the Biennium Ended June 30, 2013
(expressed in thousands)

	General Fund Basic Account			
	Original Budget 2011-13 Biennium	Final Budget 2011-13 Biennium	Actual 2011-13 Biennium	Variance with Final Budget
Budgetary Fund Balance, July 1, as restated	\$ (91,994)	\$ (91,994)	\$ (91,994)	\$ -
Resources				
Taxes	31,210,941	29,759,722	29,772,446	12,724
Licenses, permits, and fees	176,311	198,499	203,887	5,388
Other contracts and grants	523,659	535,242	465,500	(69,742)
Timber sales	7,280	6,501	6,584	83
Federal grants-in-aid	15,009,121	15,018,136	14,065,536	(952,600)
Charges for services	60,097	66,388	62,112	(4,276)
Investment income (loss)	2,664	(19,375)	(18,424)	951
Miscellaneous revenue	403,657	373,888	359,285	(14,603)
Unclaimed property	108,623	182,082	179,381	(2,701)
Transfers from other funds	877,879	927,328	1,034,250	106,922
Total Resources	48,288,238	46,956,417	46,038,563	(917,854)
Charges To Appropriations				
General government	3,512,627	3,720,552	3,585,833	134,719
Human services	24,216,993	23,446,544	22,899,976	546,568
Natural resources and recreation	634,398	658,275	592,534	65,741
Transportation	97,374	98,908	88,847	10,061
Education	18,538,529	18,297,569	18,037,460	260,109
Capital outlays	357,021	389,796	153,307	236,489
Transfers to other funds	681,290	660,209	748,996	(88,787)
Total Charges To Appropriations	48,038,232	47,271,853	46,106,953	1,164,900
Excess Available For Appropriation Over (Under) Charges To Appropriations	250,006	(315,436)	(68,390)	247,046
Reconciling Items				
Debt service	-	-	(26)	(26)
Bond sale proceeds	-	-	-	-
Issuance premiums	-	-	321	321
Refunding COPs issued	-	-	3,270	3,270
Payments to escrow agents for refunded debt	-	-	(3,565)	(3,565)
Assumed reversions	-	165,888	-	(165,888)
Working capital adjustment	-	238,000	238,000	-
Changes in reserves (net)	-	-	23,524	23,524
Entity adjustments (net)	-	-	(25,628)	(25,628)
Total Reconciling Items	-	403,888	235,896	(167,992)
Budgetary Fund Balance, June 30	\$ 250,006	\$ 88,452	\$ 167,506	\$ 79,054

State of Washington

Administrative Accounts in the General Fund

Original Budget 2011-13 Biennium	Final Budget 2011-13 Biennium	Actual 2011-13 Biennium	Variance with Final Budget
\$ 154,730	\$ 154,730	\$ 154,730	\$ -
(145,835)	(145,674)	(145,323)	351
614	636	471	(165)
13	80	16	(64)
-	-	-	-
525	1,370	-	(1,370)
-	-	-	-
899	596	1,183	587
(7,953)	38,732	(8,942)	(47,674)
-	-	-	-
<u>1,019,901</u>	<u>1,050,952</u>	<u>1,087,986</u>	<u>37,034</u>
<u>1,022,894</u>	<u>1,101,422</u>	<u>1,090,121</u>	<u>(11,301)</u>
37,738	34,782	6,896	27,886
63,406	67,826	66,432	1,394
4,994	5,245	4,176	1,069
4,505	4,493	4,154	339
227,000	261,812	261,685	127
270,372	357,895	187,789	170,106
<u>258,600</u>	<u>317,854</u>	<u>399,843</u>	<u>(81,989)</u>
<u>866,615</u>	<u>1,049,907</u>	<u>930,975</u>	<u>118,932</u>
<u>156,279</u>	<u>51,515</u>	<u>159,146</u>	<u>107,631</u>
-	-	-	-
103,825	111,089	194,555	83,466
-	183	6,029	5,846
-	-	-	-
-	-	-	-
-	-	-	-
-	-	6,238	6,238
-	-	(36,538)	(36,538)
<u>103,825</u>	<u>111,272</u>	<u>170,284</u>	<u>59,012</u>
<u>\$ 260,104</u>	<u>\$ 162,787</u>	<u>\$ 329,430</u>	<u>\$ 166,643</u>

Schedule of Revenues and Other Financing Sources (Uses)
Governmental Funds

For the Fiscal Year Ended June 30, 2013
(expressed in thousands)

Continued

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
REVENUES					
Taxes, net of related credits:					
Retail sales and use	\$ 7,628,507	\$ -	\$ -	\$ 81,393	\$ 7,709,900
Business and occupation	3,290,839	-	-	3,340	3,294,179
Motor vehicle and fuel	-	-	-	1,194,910	1,194,910
Liquor, beer, and wine	340,386	-	-	24,409	364,795
Cigarette and tobacco	465,148	-	-	-	465,148
Insurance premiums	426,400	-	-	9,718	436,118
Public utilities	423,090	1,547	-	15,094	439,731
Property	1,939,883	-	-	-	1,939,883
Excise	581,861	-	-	69,597	651,458
Gift and inheritance	3,452	100,806	-	-	104,258
Other taxes	194,243	306	-	249,362	443,911
Total Taxes	15,293,809	102,659	-	1,647,823	17,044,291
Licenses, Permits, and Fees:					
Business and professions	87,050	-	-	393,680	480,730
Recreational hunting and fishing	-	-	-	41,701	41,701
Motor vehicle	3,543	299	-	506,013	509,855
Motor vehicle operators	-	-	-	91,793	91,793
Other fees	14,724	-	-	460,051	474,775
Total Licenses, Permits, and Fees	105,317	299	-	1,493,238	1,598,854
Federal Grants-In-Aid:					
Department of Health & Human Services	5,420,659	649,339	-	8,324	6,078,322
Department of Labor	83,039	11,287	-	154,303	248,629
Department of Agriculture	2,154,820	48,830	-	94,942	2,298,592
Department of Transportation	3,155	4,005	-	973,251	980,411
Department of Education	723,297	711,352	-	2,017	1,436,666
Other federal grants-in-aid	395,197	310,531	71	140,378	846,177
Total Federal Grants-In-Aid	8,780,167	1,735,344	71	1,373,215	11,888,797
Charges for Services:					
Tuition and student fees	-	2,035,765	-	92,711	2,128,476
Other charges	31,960	530,369	1	535,861	1,098,191
Total Charges For Services	31,960	2,566,134	1	628,572	3,226,667
Miscellaneous Revenue:					
Investment earnings (loss)	(17,396)	23,871	330,476	60,117	397,068
Timber sales	2,080	-	15,065	104,897	122,042
Fines and forfeitures	98,518	5,642	14	68,049	172,223
Other contracts and grants	242,955	815,191	-	76,765	1,134,911
Contributions and donations	-	-	62,589	-	62,589
Unclaimed property	68,162	-	-	-	68,162
Other	96,814	85,903	2,057	350,090	534,864
Total Miscellaneous Revenue	491,133	930,607	410,201	659,918	2,491,859
Total Revenues	24,702,386	5,335,043	410,273	5,802,766	36,250,468

Schedule of Revenues and Other Financing Sources (Uses)
Governmental Funds

For the Fiscal Year Ended June 30, 2013
(expressed in thousands)

Concluded

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
OTHER FINANCING SOURCES (USES)					
Bonds issued	121,789	39,725	-	1,039,386	1,200,900
Refunding bonds issued	-	-	-	1,636,990	1,636,990
Payments to escrow agents for refunded bond debt	-	-	-	(1,893,883)	(1,893,883)
Issuance premiums	4,063	12,850	-	383,428	400,341
Other debt issued	4,469	108,876	-	44,135	157,480
Refunding COPs issued	-	10,590	-	-	10,590
Payments to escrow agents for refunded COP debt	-	(11,950)	-	-	(11,950)
Transfers in	596,496	217,936	1,299	2,335,874	3,151,605
Transfers out	(1,312,231)	(220,885)	(124,918)	(1,393,538)	(3,051,572)
Total Other Financing Sources (Uses)	(585,414)	157,142	(123,619)	2,152,392	1,600,501
Total Revenues and Other Financing Sources (Uses)	\$ 24,116,972	\$ 5,492,185	\$ 286,654	\$ 7,955,158	\$ 37,850,969

**Schedule of Expenditures
Governmental Funds**
For the Fiscal Year Ended June 30, 2013
(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
EXPENDITURES					
By Function:					
General government	\$ 846,687	\$ -	\$ 105	\$ 2,399,236	\$ 3,246,028
Human services	13,272,787	385	-	768,892	14,042,064
Natural resources and recreation	446,869	-	630	664,737	1,112,236
Transportation	49,711	-	1	3,453,098	3,502,810
Education	9,125,890	5,144,316	3,447	934,177	15,207,830
Total Expenditures	\$ 23,741,944	\$ 5,144,701	\$ 4,183	\$ 8,220,140	\$ 37,110,968
By Object:					
Salaries and wages	\$ 2,335,811	\$ 1,990,861	\$ -	\$ 1,070,066	\$ 5,396,738
Employee benefits	829,572	640,268	-	346,536	1,816,376
Personal services	192,799	60,195	303	65,608	318,905
Goods and services	1,267,659	878,463	3,052	933,636	3,082,810
Travel	37,882	100,287	-	29,635	167,804
Subtotal	4,663,723	3,670,074	3,355	2,445,481	10,782,633
Grants and Subsidies:					
K-12 basic education	7,449,362	378	-	54,845	7,504,585
Public assistance	9,845,313	385	-	284,876	10,130,574
Other miscellaneous	1,580,536	1,230,624	198	1,281,642	4,093,000
Total Grants and Subsidies	18,875,211	1,231,387	198	1,621,363	21,728,159
Intergovernmental	108,341	-	-	331,455	439,796
Capital Outlays:					
Equipment	27,132	69,194	-	93,444	189,770
All other	49,168	127,405	630	2,089,043	2,266,246
Total Capital Outlays	76,300	196,599	630	2,182,487	2,456,016
Debt Service:					
Principal	18,251	35,032	-	730,483	783,766
Interest	118	11,609	-	908,871	920,598
Total Debt Service	18,369	46,641	-	1,639,354	1,704,364
Total Expenditures	\$ 23,741,944	\$ 5,144,701	\$ 4,183	\$ 8,220,140	\$ 37,110,968

CLAIMS DEVELOPMENT INFORMATION
Workers' Compensation Fund
Basic Plan

Fiscal Years 2004 through 2013
(expressed in millions)

The table below illustrates how the fund's earned revenues (net of reinsurance) and investment income compare to the related costs of losses (net of loss assumed by reinsurers) and other expenses assumed by the fund as of the end of each of the last ten fiscal years. The state has not purchased reinsurance since September 30, 2002 and has never had a qualifying event that generated a recovery.

The rows of the table are defined as follows:

1. This line shows each fiscal year's earned contribution revenues and investment revenues.
2. This line shows the fund's incurred claims (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year). Claim values are reported as undiscounted.
3. This section shows the cumulative amounts paid as of the end of successive years for each policy year.
4. This section shows how each policy year's incurred claims increased or decreased as of the end of successive years. This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, and emergence of claims not previously known.
5. This line compares the latest reestimated incurred claims amount to the amount originally established (line 2) and shows whether this latest estimate of claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and reestimates is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years.

The columns of the table show data for successive fiscal years.

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1. Net earned required contribution and investment revenues	\$ 1,337	\$ 2,452	\$ 1,392	\$ 2,406	\$ 1,697	\$ 1,692	\$ 2,798	\$ 2,525	\$ 2,581	\$ 1,928
2. Estimated incurred claims and expenses, end of policy year	2,505	2,308	2,141	2,196	2,256	2,363	2,312	2,254	2,086	2,105
3. Paid (cumulative) as of:										
End of policy year	244	260	278	295	310	322	298	289	284	296
One year later	528	556	589	625	679	667	604	584	580	
Two years later	681	715	754	817	890	863	772	747		
Three years later	784	821	873	953	1,042	1,000	890			
Four years later	860	906	964	1,059	1,162	1,107				
Five years later	925	977	1,038	1,144	1,258					
Six years later	982	1,039	1,103	1,216						
Seven years later	1,031	1,094	1,159							
Eight years later	1,076	1,142								
Nine years later	1,118									
4. Reestimated incurred claims and expenses:										
End of policy year	2,505	2,308	2,141	2,196	2,256	2,363	2,312	2,254	2,086	2,105
One year later	2,203	1,989	2,053	2,234	2,559	2,535	2,271	2,139	2,026	
Two years later	1,971	1,939	2,055	2,390	2,647	2,538	2,261	2,066		
Three years later	1,864	1,954	2,151	2,441	2,724	2,485	2,137			
Four years later	1,886	2,025	2,196	2,526	2,662	2,411				
Five years later	1,941	2,067	2,244	2,445	2,576					
Six years later	1,966	2,111	2,198	2,388						
Seven years later	2,016	2,056	2,186							
Eight years later	1,965	2,058								
Nine years later	1,941									
5. Increase (decrease) in estimated incurred claims and expenses from end of policy year	(564)	(250)	45	192	320	48	(175)	(188)	(60)	-

Source: Washington State Department of Labor and Industries

CLAIMS DEVELOPMENT INFORMATION
Workers' Compensation Fund
Supplemental Pension Plan
 Fiscal Years 2004 through 2013
(expressed in millions)

The table below illustrates how the fund's supplemental pension cost-of-living adjustments earned revenues (net of reinsurance) and investment income compare to the related costs of losses (net of loss assumed by reinsurers) as of the end of the last ten fiscal years. The state has not purchased reinsurance since September 30, 2002 and has never had a qualifying event that generated a recovery. The unallocated and other expenses of this plan are paid by the Workers' Compensation Basic Plan. This claims development information is reported separate from the basic plan for the following reasons: (1) This plan covers self-insured, while the basic does not; (2) This plan is not experienced rated while the basic plan is; and (3) Statutes restrict the funding of this plan to expected payments of the current year.

The rows of the table are defined as follows:

1. This line shows each fiscal year's earned contribution revenues and investment revenues.
2. This line shows the fund's incurred claims (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year). Claim values are reported as undiscounted.
3. This section shows the cumulative amounts paid as of the end of successive years for each policy year.
4. This section shows how each policy year's incurred claims increased or decreased as of the end of successive years. This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, and emergence of claims not previously known.
5. This line compares the latest reestimated incurred claims amount to the amount originally established (line 2) and shows whether this latest estimate of claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and reestimates is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years.

The columns of the table show data for successive fiscal years.

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1. Net earned required contribution and investment revenues	\$ 288	\$ 326	\$ 305	\$ 283	\$ 334	\$ 349	\$ 372	\$ 440	\$ 444	\$ 419
2. Estimated incurred claims and expenses, end of policy year	1,228	724	804	968	1,093	966	1,082	843	519	441
3. Paid (cumulative) as of:										
End of policy year	-	-	-	-	-	-	-	-	-	-
One year later	2	1	3	6	8	6	3	1	1	
Two years later	3	4	7	12	14	10	4	3		
Three years later	6	8	14	21	21	14	7			
Four years later	11	15	22	30	28	20				
Five years later	16	22	30	37	36					
Six years later	24	30	38	46						
Seven years later	31	38	46							
Eight years later	38	46								
Nine years later	47									
4. Reestimated incurred claims and expenses:										
End of policy year	1,228	724	804	968	1,093	966	1,082	843	519	441
One year later	722	721	927	1,176	1,121	1,174	843	577	490	
Two years later	720	848	1,065	1,125	1,316	980	601	507		
Three years later	811	971	998	1,272	1,152	718	607			
Four years later	940	897	1,119	1,116	847	703				
Five years later	858	990	958	831	739					
Six years later	919	862	736	684						
Seven years later	822	652	610							
Eight years later	623	587								
Nine years later	555									
5. Increase (decrease) in estimated incurred claims and expenses from end of policy year	(673)	(137)	(194)	(284)	(354)	(263)	(475)	(336)	(29)	-

Source: Washington State Department of Labor and Industries

CLAIMS DEVELOPMENT INFORMATION
Workers' Compensation Fund
Reconciliation of Claims Liabilities by Plan
 Fiscal Years 2013 and 2012
(expressed in thousands)

The schedule below presents the changes in claims liabilities for the past two fiscal years for the fund's two benefit plans: Workers' Compensation Basic Plan and Workers' Compensation Supplemental Pension Plan.

	Basic Plan		Supplemental Pension Plan		Grand Total	
	FY 2013	FY 2012	FY 2013	FY 2012	FY 2013	FY 2012
Unpaid claims and claim adjustment expenses at beginning of year	\$ 11,738,930	\$ 11,288,310	\$ 10,857,420	\$ 11,655,001	\$ 22,596,350	\$ 22,943,311
INCURRED CLAIMS AND CLAIM ADJUSTMENT EXPENSES ⁽¹⁾						
Provision for insured events of the current year	1,631,274	1,524,878	292,737	298,647	1,924,011	1,823,525
Increase (decrease) in provision for insured events of prior years ⁽²⁾	677,906	614,321	548,600	(706,505)	1,226,506	(92,184)
Total incurred claims and claim adjustment expenses	2,309,180	2,139,199	841,337	(407,858)	3,150,517	1,731,341
PAYMENTS						
Claims and claim adjustment expenses Attributable:						
To events of the current year	296,347	283,763	-	-	296,347	283,763
To insured events of prior years ⁽³⁾	1,416,526	1,404,816	406,434	389,723	1,822,960	1,794,539
Total payments	1,712,873	1,688,579	406,434	389,723	2,119,307	2,078,302
Total unpaid claims and claim adjustment expenses at fiscal year end	\$ 12,335,237	\$ 11,738,930	\$ 11,292,323	\$ 10,857,420	\$ 23,627,560	\$ 22,596,350

⁽¹⁾ Incurred claims and claim adjustment expenses are reported net of discounts.

⁽²⁾ Includes claims and claim adjustment expenses for all prior accident periods.

⁽³⁾ Includes payments for all prior accident periods.

Source: Washington State Department of Labor and Industries

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