

SCHEDULES

COMBINING SCHEDULE FOR GENERAL FUND ACCOUNTS

Balance Sheet

June 30, 2012

(expressed in thousands)

	General Fund Basic Account	Administrative Accounts	Total
ASSETS			
Cash and pooled investments	\$ 88	\$ 240,898	\$ 240,986
Investments	-	506	506
Taxes receivable (net of allowance)	3,165,658	-	3,165,658
Other receivables (net of allowance)	159,440	8,113	167,553
Due from other funds	176,695	16,015	192,710
Due from other governments	1,211,915	8,167	1,220,082
Inventories and prepaids	12,891	-	12,891
Restricted assets:			
Cash and investments	-	17,511	17,511
Receivables	9,359	-	9,359
Total Assets	\$ 4,736,046	\$ 291,210	\$ 5,027,256
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 824,699	\$ 7,639	\$ 832,338
Contracts and retainages payable	31,505	2,509	34,014
Accrued liabilities	167,356	15,401	182,757
Due to other funds	718,260	55,534	773,794
Due to other governments	567,945	5,830	573,775
Deferred and unearned revenue	1,594,322	13	1,594,335
Claims and judgments payable	31,620	-	31,620
Total Liabilities	3,935,707	86,926	4,022,633
Fund Balances:			
Nonspendable fund balance	54,725	1	54,726
Restricted fund balance	5,702	155,987	161,689
Committed fund balance	-	78,117	78,117
Assigned fund balance	739,912	(29,821)	710,091
Total Fund Balances	800,339	204,284	1,004,623
Total Liabilities and Fund Balances	\$ 4,736,046	\$ 291,210	\$ 5,027,256

Note: In the General Fund Basic Account, unassigned negative fund balance of (\$380,221) was offset by a like amount of assigned fund balance to comply with the requirements of GASB Statement No. 54.

COMBINING SCHEDULE FOR GENERAL FUND ACCOUNTS
**Statement of Revenues, Expenditures,
 and Changes in Fund Balances**
 For the Fiscal Year Ended June 30, 2012
 (expressed in thousands)

	General Fund Basic Account	Administrative Accounts	Total
REVENUES			
Retail sales and use taxes	\$ 7,273,665	\$ -	\$ 7,273,665
Business and occupation taxes	3,144,561	-	3,144,561
Property taxes	1,897,095	-	1,897,095
Excise taxes	434,144	-	434,144
Other taxes	1,797,296	-	1,797,296
Licenses, permits, and fees	98,775	265	99,040
Timber sales	4,504	-	4,504
Other contracts and grants	222,561	53	222,614
Federal grants-in-aid	8,823,119	540	8,823,659
Charges for services	30,152	-	30,152
Investment income (loss)	(7,120)	914	(6,206)
Miscellaneous revenue	184,753	827	185,580
Unclaimed property	77,392	-	77,392
Total Revenues	23,980,897	2,599	23,983,496
EXPENDITURES			
Current:			
General government	715,160	30,083	745,243
Human services	13,179,608	29,888	13,209,496
Natural resources and recreation	316,632	56,756	373,388
Transportation	40,442	1,268	41,710
Education	8,840,829	327,876	9,168,705
Intergovernmental	33,312	71,793	105,105
Capital outlays	65,756	1,043	66,799
Debt service:			
Principal	16,482	-	16,482
Interest	708	1	709
Total Expenditures	23,208,929	518,708	23,727,637
Excess of Revenues Over (Under) Expenditures	771,968	(516,109)	255,859
OTHER FINANCING SOURCES (USES)			
Bonds issued	-	72,766	72,766
Issuance premiums	929	2,265	3,194
Other debt issued	15,181	-	15,181
Refunding COPs issued	3,270	-	3,270
Payments to escrow agents for refunded COP debt	(3,565)	-	(3,565)
Transfers in	346,021	149,633	495,654
Transfers out	(1,388,947)	332,624	(1,056,323)
Total Other Financing Sources (Uses)	(1,027,111)	557,288	(469,823)
Net Change in Fund Balances	(255,143)	41,179	(213,964)
Fund Balances - Beginning, as restated	1,055,482	163,105	1,218,587
Fund Balances - Ending	\$ 800,339	\$ 204,284	\$ 1,004,623

GENERAL FUND ACCOUNTS
**Schedule of Revenues, Expenditures, and
Other Financing Sources (Uses) - Budget and Actual**
For the Fiscal Year Ended June 30, 2012
(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	29,568,204	14,513,449	(15,054,755)
Licenses, permits, and fees	176,311	197,711	98,775	(98,936)
Other contracts and grants	523,659	540,495	222,561	(317,934)
Timber sales	7,280	6,090	4,504	(1,586)
Federal grants-in-aid	15,009,121	14,880,984	7,057,761	(7,823,223)
Charges for services	60,097	63,916	30,152	(33,764)
Investment income (loss)	2,664	(26,910)	(9,529)	17,381
Miscellaneous revenue	403,657	406,931	183,764	(223,167)
Unclaimed property	108,623	166,959	109,263	(57,696)
Transfers from other funds	877,879	910,759	558,860	(351,899)
Total Resources	48,288,238	46,623,145	22,677,566	(23,945,579)
Charges To Appropriations				
General government	3,512,627	3,506,629	1,684,788	1,821,841
Human services	24,216,993	23,402,180	11,440,899	11,961,281
Natural resources and recreation	634,398	623,057	281,589	341,468
Transportation	97,374	89,284	42,163	47,121
Education	18,538,529	18,277,531	9,061,982	9,215,549
Capital outlays	357,021	389,796	78,359	311,437
Transfers to other funds	681,290	657,824	410,833	246,991
Total Charges To Appropriations	48,038,232	46,946,301	23,000,613	23,945,688
Excess Available For Appropriation Over (Under) Charges To Appropriations	250,006	(323,156)	(323,047)	109
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	-	120,000	-	(120,000)
Working capital adjustment	-	238,000	-	(238,000)
Changes in reserves (net)	-	-	(33,353)	(33,353)
Entity adjustments (net)	-	-	(23,821)	(23,821)
Total Reconciling Items	-	358,000	(57,174)	(415,174)
Budgetary Fund Balance, June 30	\$ 250,006	\$ 34,844	\$ (380,221)	\$ (415,065)

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)	(145,744)	(71,793)	73,951
614	635	265	(370)
13	26	-	(26)
-	-	-	-
525	1,355	-	(1,355)
-	-	-	-
899	820	571	(249)
(7,953)	(7,750)	(4,168)	3,582
-	-	-	-
1,019,901	1,047,276	591,892	(455,384)
1,022,894	1,051,348	671,497	(379,851)
37,738	34,695	3,029	31,666
63,406	67,826	29,888	37,938
4,994	5,241	1,971	3,270
4,505	4,493	1,269	3,224
227,000	226,800	113,500	113,300
270,372	357,895	75,185	282,710
258,600	273,035	277,123	(4,088)
866,615	969,985	501,965	468,020
156,279	81,363	169,532	88,169
-	-	-	-
103,825	120,844	72,766	(48,078)
-	-	2,265	2,265
-	-	-	-
-	-	-	-
-	-	-	-
-	-	7,081	7,081
-	-	(47,361)	(47,361)
103,825	120,844	34,751	(86,093)
\$ 260,104	\$ 202,207	\$ 204,283	\$ 2,076

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

For the Fiscal Year Ended June 30, 2012
(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	\$ 7,273,665	\$ -	\$ -	\$ 75,729	\$ 7,349,394
Business and occupation	3,144,561	-	-	4,866	3,149,427
Motor vehicle and fuel	-	-	-	1,177,987	1,177,987
Liquor, beer, and wine	295,984	-	-	27,401	323,385
Cigarette and tobacco	470,765	-	-	-	470,765
Insurance premiums	420,861	-	-	9,190	430,051
Public utilities	426,949	-	-	11,402	438,351
Property	1,897,095	-	-	-	1,897,095
Excise	434,144	-	-	60,989	495,133
Gift and inheritance	195	104,397	-	-	104,592
Other taxes	182,542	-	-	241,062	423,604
Total Taxes	14,546,761	104,397	-	1,608,626	16,259,784
Licenses, Permits, and Fees:					
Business and professions	84,008	-	-	131,247	215,255
Recreational hunting and fishing	772	-	-	39,490	40,262
Motor vehicle	4,059	289	-	466,668	471,016
Motor vehicle operators	-	-	-	69,745	69,745
Other fees	10,201	-	-	437,252	447,453
Total Licenses, Permits, and Fees	99,040	289	-	1,144,402	1,243,731
Federal Grants-In-Aid:					
Department of Health & Human Services	5,422,447	675,210	-	9,578	6,107,235
Department of Labor	84,158	4,920	-	175,175	264,253
Department of Agriculture	2,130,790	44,201	-	97,151	2,272,142
Department of Transportation	2,487	2,911	-	923,654	929,052
Department of Education	760,298	726,557	-	3,127	1,489,982
Other federal grants-in-aid	423,479	302,431	104	116,711	842,725
Total Federal Grants-In-Aid	8,823,659	1,756,230	104	1,325,396	11,905,389
Charges for Services:					
Tuition and student fees	-	1,788,900	-	80,407	1,869,307
Other charges	30,152	481,286	69	519,195	1,030,702
Total Charges For Services	30,152	2,270,186	69	599,602	2,900,009
Miscellaneous Revenue:					
Investment earnings (loss)	(6,206)	68,846	21,000	84,963	168,603
Timber sales	4,504	85	14,117	108,857	127,563
Fines and forfeitures	101,880	5,204	-	39,843	146,927
Other contracts and grants	222,614	759,077	-	51,304	1,032,995
Contributions and donations	-	-	47,210	-	47,210
Unclaimed property	77,392	-	-	-	77,392
Other	83,700	110,536	1,979	324,871	521,086
Total Miscellaneous Revenue	483,884	943,748	84,306	609,838	2,121,776
Total Revenues	23,983,496	5,074,850	84,479	5,287,864	34,430,689

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

For the Fiscal Year Ended June 30, 2012
(expressed in thousands)

Concluded

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
OTHER FINANCING SOURCES (USES)					
Bonds issued	72,766	66,661	-	2,330,179	2,469,606
Refunding bonds issued	-	-	-	1,508,470	1,508,470
Payments to escrow agents for refunded bond debt	-	-	-	(1,759,458)	(1,759,458)
Issuance premiums	3,194	308	-	536,461	539,963
Other debt issued	15,181	2,963	-	3,198	21,342
Refunding COPs issued	3,270	3,795	-	3,749	10,814
Payments to escrow agents for refunded COP debt	(3,565)	(3,890)	-	(3,846)	(11,301)
Transfers in	495,654	90,667	2,154	2,080,241	2,668,716
Transfers out	(1,056,323)	(125,356)	(129,583)	(1,205,409)	(2,516,671)
Total Other Financing Sources (Uses)	(469,823)	35,148	(127,429)	3,493,585	2,931,481
Total Revenues and Other Financing Sources (Uses)	\$ 23,513,673	\$ 5,109,998	\$ (42,950)	\$ 8,781,449	\$ 37,362,170

Schedule of Expenditures
Governmental Funds
For the Fiscal Year Ended June 30, 2012
(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
EXPENDITURES					
By Function:					
General government	\$ 873,434	\$ 578	\$ 116	\$ 2,251,771	\$ 3,125,899
Human services	13,244,218	340	-	730,619	13,975,177
Natural resources and recreation	388,063	-	16,543	568,973	973,579
Transportation	42,900	-	-	3,393,467	3,436,367
Education	9,179,022	4,917,308	2,268	678,613	14,777,211
Total Expenditures	\$ 23,727,637	\$ 4,918,226	\$ 18,927	\$ 7,623,443	\$ 36,288,233
By Object:					
Salaries and wages	\$ 2,397,627	\$ 1,828,462	\$ 1	\$ 1,045,808	\$ 5,271,898
Employee benefits	818,928	633,733	-	347,409	1,800,070
Personal services	139,901	47,956	276	45,033	233,166
Goods and services	1,222,242	902,964	1,940	789,946	2,917,092
Travel	29,965	89,019	3	25,956	144,943
Subtotal	4,608,663	3,502,134	2,220	2,254,152	10,367,169
Grants and Subsidies:					
K-12 basic education	7,624,968	24,368	-	553,008	8,202,344
Public assistance	9,046,166	340	-	273,944	9,320,450
Other miscellaneous	2,258,745	1,154,153	164	750,422	4,163,484
Total Grants and Subsidies	18,929,879	1,178,861	164	1,577,374	21,686,278
Intergovernmental	105,105	-	-	294,306	399,411
Capital Outlays:					
Equipment	25,293	72,470	-	21,076	118,839
All other	41,506	115,809	16,543	1,930,939	2,104,797
Total Capital Outlays	66,799	188,279	16,543	1,952,015	2,223,636
Debt Service:					
Principal	16,482	38,746	-	672,878	728,106
Interest	709	10,206	-	872,718	883,633
Total Debt Service	17,191	48,952	-	1,545,596	1,611,739
Total Expenditures	\$ 23,727,637	\$ 4,918,226	\$ 18,927	\$ 7,623,443	\$ 36,288,233

CLAIMS DEVELOPMENT INFORMATION
Workers' Compensation Fund
Basic Plan

Fiscal Years 2003 through 2012
(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.

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1. Net earned required contribution and investment revenues	\$ 2,111	\$ 1,337	\$ 2,452	\$ 1,392	\$ 2,406	\$ 1,697	\$ 1,692	\$ 2,798	\$ 2,525	\$ 2,581
2. Estimated incurred claims and expenses, end of policy year	2,284	2,505	2,308	2,141	2,196	2,256	2,363	2,312	2,254	2,086
3. Paid (cumulative) as of:										
End of policy year	233	244	260	278	295	310	322	298	289	284
One year later	501	528	556	589	625	679	667	604	584	
Two years later	650	681	715	754	817	890	863	772		
Three years later	751	784	821	873	953	1,042	1,000			
Four years later	824	860	906	964	1,059	1,162				
Five years later	882	925	977	1,038	1,144					
Six years later	934	982	1,039	1,103						
Seven years later	982	1,031	1,094							
Eight years later	1,027	1,076								
Nine years later	1,066									
4. Reestimated incurred claims and expenses:										
End of policy year	2,284	2,505	2,308	2,141	2,196	2,256	2,363	2,312	2,254	2,086
One year later	2,277	2,203	1,989	2,053	2,234	2,559	2,535	2,271	2,139	
Two years later	2,045	1,971	1,939	2,055	2,390	2,647	2,538	2,261		
Three years later	1,853	1,864	1,954	2,151	2,441	2,724	2,485			
Four years later	1,767	1,886	2,025	2,196	2,526	2,662				
Five years later	1,788	1,941	2,067	2,244	2,445					
Six years later	1,829	1,966	2,111	2,198						
Seven years later	1,868	2,016	2,056							
Eight years later	1,907	1,965								
Nine years later	1,873									
5. Increase (decrease) in estimated incurred claims and expenses from end of policy year	(411)	(540)	(252)	57	249	406	122	(51)	(115)	-

Source: Washington State Department of Labor and Industries

CLAIMS DEVELOPMENT INFORMATION
Workers' Compensation Fund
Supplemental Pension Plan
 Fiscal Years 2003 through 2012
(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.

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1. Net earned required contribution and investment revenues	\$ 293	\$ 288	\$ 326	\$ 305	\$ 283	\$ 334	\$ 349	\$ 372	\$ 440	\$ 444
2. Estimated incurred claims and expenses, end of policy year	1,029	1,228	724	804	968	1,093	966	1,082	843	519
3. Paid (cumulative) as of:										
End of policy year	-	-	-	-	-	-	-	-	-	-
One year later	5	2	1	3	6	8	6	3	1	
Two years later	4	3	4	7	12	14	10	4		
Three years later	6	6	8	14	21	21	14			
Four years later	8	11	15	22	30	28				
Five years later	13	16	22	30	37					
Six years later	19	24	30	38						
Seven years later	26	31	38							
Eight years later	34	38								
Nine years later	42									
4. Reestimated incurred claims and expenses:										
End of policy year	1,029	1,228	724	804	968	1,093	966	1,082	843	519
One year later	1,045	722	721	927	1,176	1,121	1,174	843	577	
Two years later	676	720	848	1,065	1,125	1,316	980	601		
Three years later	667	811	971	998	1,272	1,152	718			
Four years later	759	940	897	1,119	1,116	847				
Five years later	871	858	990	958	831					
Six years later	780	919	862	736						
Seven years later	854	822	652							
Eight years later	758	623								
Nine years later	590									
5. Increase (decrease) in estimated incurred claims and expenses from end of policy year	(439)	(605)	(72)	(68)	(137)	(246)	(248)	(481)	(266)	-

Source: Washington State Department of Labor and Industries

CLAIMS DEVELOPMENT INFORMATION
Workers' Compensation Fund
Reconciliation of Claims Liabilities by Plan
 Fiscal Years 2012 and 2011
(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 2012	FY 2011	FY 2012	FY 2011	FY 2012	FY 2011
Unpaid claims and claim adjustment expenses at beginning of year	\$ 11,288,310	\$ 11,223,311	\$ 11,655,001	\$ 12,802,521	\$ 22,943,311	\$ 24,025,832
INCURRED CLAIMS AND CLAIM ADJUSTMENT EXPENSES ⁽¹⁾						
Provision for insured events of the current year	1,524,878	1,549,771	298,647	400,714	1,823,525	1,950,485
Increase (decrease) in provision for insured events of prior years ⁽²⁾	614,321	208,093	(706,505)	(1,141,646)	(92,184)	(933,553)
Total incurred claims and claim adjustment expenses	2,139,199	1,757,864	(407,858)	(740,932)	1,731,341	1,016,932
PAYMENTS						
Claims and claim adjustment expenses Attributable:						
To events of the current year	283,763	288,812	-	-	283,763	288,812
To insured events of prior years ⁽³⁾	1,404,816	1,404,053	389,723	406,588	1,794,539	1,810,641
Total payments	1,688,579	1,692,865	389,723	406,588	2,078,302	2,099,453
Total unpaid claims and claim adjustment expenses at fiscal year end	\$ 11,738,930	\$ 11,288,310	\$ 10,857,420	\$ 11,655,001	\$ 22,596,350	\$ 22,943,311

⁽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.

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