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Required Supplementary Information

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State of Washington

BUDGETARY COMPARISON SCHEDULES

General Fund

For the Biennium Ended June 30, 2019

(expressed in thousands)

	Original Budget 2017-19 Biennium	Final Budget 2017-19 Biennium	Actual 2017-19 Biennium	Variance with Final Budget
Budgetary Fund Balance, July 1, as restated	\$ 2,800,959	\$ 2,800,959	\$ 2,800,959	\$ —
Resources				
Taxes	41,877,017	42,560,661	42,811,259	250,598
Licenses, permits, and fees	223,597	243,482	253,607	10,125
Other contracts and grants	735,270	867,362	625,813	(241,549)
Timber sales	6,294	4,158	3,639	(519)
Federal grants-in-aid	23,763,712	24,543,335	23,582,180	(961,155)
Charges for services	96,751	101,198	98,773	(2,425)
Investment income (loss)	43,586	77,412	83,251	5,839
Miscellaneous revenue	445,610	540,303	477,719	(62,584)
Unclaimed property	131,846	177,886	176,173	(1,713)
Transfers from other funds	3,015,087	4,205,098	5,777,284	1,572,186
Total Resources	73,139,729	76,121,854	76,690,657	568,803
Charges To Appropriations				
General government	4,219,483	4,261,651	4,099,503	162,148
Human services	35,614,129	36,414,278	35,797,001	617,277
Natural resources and recreation	718,985	881,870	787,096	94,774
Transportation	118,591	126,143	113,598	12,545
Education	27,291,160	27,979,669	27,743,016	236,653
Capital outlays	314,778	939,601	285,171	654,430
Transfers to other funds	1,875,025	3,619,836	4,777,087	(1,157,251)
Total Charges To Appropriations	70,152,151	74,223,048	73,602,472	620,576
Excess Available For Appropriation Over (Under) Charges To Appropriations	2,987,578	1,898,806	3,088,185	1,189,379
Reconciling Items				
Bond sale proceeds	188,943	202,047	236,980	34,933
Issuance premiums	—	716	1,144	428
Assumed reversions	216,868	194,869	—	(194,869)
Working capital adjustment	—	—	97,000	97,000
Noncash activity (net)	—	—	99,121	99,121
Nonappropriated fund balances	—	—	123,121	123,121
Changes in reserves (net)	—	—	(262,596)	(262,596)
Total Reconciling Items	405,811	397,632	294,770	(102,862)
Budgetary Fund Balance, June 30	\$ 3,393,389	\$ 2,296,438	\$ 3,382,955	\$ 1,086,517

The separately submitted report that demonstrates compliance at a legal level of budgetary control is traceable to the Schedule of Revenues, Expenditures and Other Financing Sources (Uses) - Budget and Actual found in the Individual Fund Schedules section.

BUDGETARY COMPARISON SCHEDULES

General Fund - Budget to GAAP Reconciliation

For the Biennium Ended June 30, 2019

(expressed in thousands)

Sources/Inflows of Resources

Actual amounts (budgetary basis) "Total Resources"	
from the Budgetary Comparison Schedule	\$ 76,690,657
Differences - budget to GAAP:	
The following items are inflows of budgetary resources but are not revenue for financial reporting purposes:	
Transfers from other funds	(5,777,284)
Budgetary fund balance at the beginning of the biennium, as restated	(2,800,959)
Appropriated loan principal repayment	(375)
The following items are not inflows of budgetary resources but are revenue for financial reporting purposes:	
Noncash commodities and electronic food stamp benefits	2,718,048
Revenues collected for other governments	233,975
Unanticipated receipts	9,440
Noncash revenues	93,235
Other	28,171
Biennium total revenues	<u>71,194,908</u>
Fiscal year 2018 total revenues, as restated for fund reclassification	(35,178,372)
Nonappropriated activity	<u>46,677</u>
Total Revenues (GAAP Basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u><u>\$ 36,063,213</u></u>

Uses/Outflows of Resources

Actual amounts (budgetary basis) "Total Charges to Appropriations"	
from the Budgetary Comparison Schedule	\$ 73,602,472
Differences - budget to GAAP:	
The following items are outflows of budgetary resources but are not expenditures for financial reporting purposes:	
Appropriated transfers to other funds	(2,993,490)
Other transfers to other funds	(4,777,087)
Appropriated loan disbursements	(94)
The following items are not outflows of budgetary resources but are recorded as current expenditures for financial reporting purposes:	
Noncash commodities and electronic food stamp benefits	2,718,048
Distributions to other governments	233,975
Certificates of participation and capital lease acquisitions	37,386
Expenditures related to unanticipated receipts	9,440
Other	13,474
Biennium total expenditures	<u>68,844,124</u>
Fiscal year 2018 total expenditures, as restated for fund reclassification	(33,338,355)
Nonappropriated activity	<u>720,029</u>
Total expenditures (GAAP basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	<u><u>\$ 36,225,798</u></u>

State of Washington

BUDGETARY COMPARISON SCHEDULES

Higher Education Special Revenue Fund

For the Biennium Ended June 30, 2019

(expressed in thousands)

	Original Budget 2017-19 Biennium	Final Budget 2017-19 Biennium	Actual 2017-19 Biennium	Variance with Final Budget
Budgetary Fund Balance, July 1, as restated	\$ 393,333	\$ 393,333	\$ 393,333	\$ —
Resources				
Taxes	520,751	1,649,106	1,749,831	100,725
Other contracts and grants	600	1,207	—	(1,207)
Charges for services	—	878	—	(878)
Investment income (loss)	2,808	3,018	16,497	13,479
Miscellaneous revenue	2,272	398	22	(376)
Transfers from other funds	315,354	325,756	296,478	(29,278)
Total Resources	1,235,118	2,373,696	2,456,161	82,465
Charges To Appropriations				
Human services	14,192	14,190	13,918	272
Education	773,403	1,026,926	1,026,592	334
Transfers to other funds	41,112	41,118	42,463	(1,345)
Total Charges To Appropriations	828,707	1,082,234	1,082,973	(739)
Excess Available For Appropriation Over (Under) Charges To Appropriations	406,411	1,291,462	1,373,188	81,726
Reconciling Items				
Noncash activity (net)	—	—	24,641	24,641
Nonappropriated fund balances	—	—	2,486,616	2,486,616
Changes in reserves (net)	—	—	(52,185)	(52,185)
Total Reconciling Items	—	—	2,459,072	2,459,072
Budgetary Fund Balance, June 30	\$ 406,411	\$ 1,291,462	\$ 3,832,260	\$ 2,540,798

BUDGETARY COMPARISON SCHEDULES

Higher Education Special Revenue Fund - Budget to GAAP Reconciliation

For the Biennium Ended June 30, 2019

(expressed in thousands)

Sources/Inflows of Resources

Actual amounts (budgetary basis) "Total Resources"	
from the Budgetary Comparison Schedule	\$ 2,456,161
Differences - budget to GAAP:	
The following items are inflows of budgetary resources but are not revenue for financial reporting purposes:	
Transfers from other funds	(296,478)
Budgetary fund balance at the beginning of the biennium, as restated	(393,333)
Biennium total revenues	1,766,350
Fiscal year 2018 total revenues	(5,820,350)
Nonappropriated activity	11,144,250
Total Revenues (GAAP Basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 7,090,250

Uses/Outflows of Resources

Actual amounts (budgetary basis) "Total Charges to Appropriations"	
from the Budgetary Comparison Schedule	\$ 1,082,973
Differences - budget to GAAP:	
The following items are outflows of budgetary resources but are not expenditures for financial reporting purposes:	
Appropriated transfers to other funds	(88,442)
Other transfers to other funds	(42,463)
Biennium total expenditures	952,068
Fiscal year 2018 total expenditures	(5,775,579)
Nonappropriated activity	11,036,779
Total expenditures (GAAP basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	\$ 6,213,268

BUDGETARY INFORMATION
Notes to Required Supplementary Information

GENERAL BUDGETARY POLICIES AND PROCEDURES

The Governor is required to submit a budget to the Legislature no later than December 20 of the year preceding odd-numbered year sessions of the Legislature.

The budget is a proposal for expenditures in the ensuing biennial period based upon anticipated revenues from the sources and rates existing by law at the time of submission of the budget. The Governor may additionally submit, as an appendix to the budget, a proposal for expenditures in the ensuing biennium from revenue sources derived from proposed changes in existing statutes.

The appropriated budget and any necessary supplemental budgets are legally required to be adopted through the passage of appropriation bills by the Legislature and approved by the Governor. Operating appropriations are generally made at the fund/account and agency level; however, in a few cases, appropriations are made at the fund/account and agency/program level. Operating appropriations cover either the entire biennium or a single fiscal year in the biennium. Capital appropriations are biennial and are generally made at the fund/account, agency, and project level.

The legal level of budgetary control is at the fund/account, agency, and appropriation level, with administrative controls established at lower levels of detail in certain instances. The accompanying budgetary schedule is not presented at the legal level of budgetary control. This is due to the large number of appropriations within individual agencies that would make such a presentation in the accompanying

financial schedule extremely cumbersome. Section 2400.121 of the Governmental Accounting Standards Board Codification of Governmental Accounting and Financial Reporting Standards provides for the preparation of a separate report in these extreme cases.

For the state of Washington, a separate report has been prepared for the 2017-19 biennium to illustrate legal budgetary compliance. Appropriated budget versus actual expenditures, and estimated versus actual revenues and other financing sources (uses) for appropriated funds/accounts at agency and appropriation level are presented in the Budget-to-Actual Detail Report for governmental funds. The report is available on line at <https://www.ofm.wa.gov/accounting/financial-audit-reports/comprehensive-annual-financial-report/2019-comprehensive-annual-financial-report>.

Legislative appropriations are strict legal limits on expenditures; over-expenditures are prohibited. All appropriated and certain nonappropriated funds/accounts are further controlled by the executive branch through the allotment process. This process allocates the expenditure plan into monthly allotments by program, source of funds, and object of expenditure. State law does not preclude the over-expenditure of allotments.

Proprietary funds/accounts can earn revenues and incur expenses (i.e., depreciation or cost of goods sold) not covered by the allotment process. Budget estimates are generally made outside the allotment process according to prepared business plans. These proprietary fund/account business plan estimates are adjusted only at the beginning of each fiscal year.

Additional fiscal control is exercised through various means. OFM is authorized to estimate revenue and make expenditure allotments based on availability of unanticipated receipts, mainly federal government grant increases made during a fiscal year.

Operating encumbrances lapse at the end of the applicable appropriation. Capital outlay encumbrances lapse at the end of the biennium unless reappropriated by the Legislature in the ensuing biennium. Encumbrances outstanding against continuing appropriations at fiscal year-end are reported as restricted, committed, or assigned fund balance.

Budgetary Reporting vs. GAAP Reporting

Governmental funds are budgeted materially in conformance with generally accepted accounting principles. However, the presentation in the accompanying budgetary schedules is different in certain respects from the corresponding Statements of Revenues, Expenditures, and

Changes in Fund Balance (governmental operating statement). In the accompanying budgetary schedules, budget and actual expenditures are reported only for appropriated activities. Expenditures are classified based on whether the appropriation is from the operating or capital budget. Expenditures funded by operating budget appropriations are reported as current expenditures classified by the function of the agency receiving the appropriation. Expenditures funded by capital budget appropriations are reported as capital outlays.

However, in the governmental operating statements, all governmental funds are included and expenditures are classified according to what was actually purchased. Capital outlays are capital asset acquisitions such as land, buildings, and equipment. Debt service expenditures are principal and interest payments. Current expenditures are all other governmental fund expenditures classified based on the function of the agency making the expenditures.

Certain governmental activities are excluded from the budgetary schedules because they are not appropriated. These activities include activities designated as nonappropriated by the Legislature. Nonappropriated activities can represent a portion of a fund such as the Higher Education Special Revenue Fund or all of a fund such as the Higher Education Endowment and Tobacco Settlement Securitization Bond Debt Service Funds. Additionally, certain items including federal surplus food commodities, electronic food stamp benefits, and resources collected and distributed to other governments are also excluded because they are not appropriated.

Further, certain expenditures are appropriated as operating transfers. These transfers are reported as operating transfers on the budgetary schedules and as expenditures on the governmental operating statements.

In the General Fund, Budgetary Fund Balance equals restricted fund balance reduced by a portion that is not available for budgeting, committed, and unassigned fund balances as reported on the Governmental Funds Balance Sheet. In the Higher Education Special Revenue Fund, Budgetary Fund Balance equals the sum of restricted and committed fund balance as reported on the Governmental Funds Balance Sheet. In all other funds except Wildlife and Natural Resources, Budgetary Fund Balance equals total fund balance less nonspendable fund balance as reported on the Governmental Funds Balance Sheet. The Budgetary Fund Balance in the Wildlife and Natural Resources fund is further reduced by a portion of restricted fund balance that is not available for budgeting.

PENSION PLAN INFORMATION
Single Employer Plans

Schedule of Changes in Net Pension Liability and Related Ratios
Washington State Patrol Retirement System - Plan 1/2

Last Six Measurement Years *
(expressed in thousands)

	2018	2017	2016
Total Pension Liability			
Service cost	\$ 21,083	\$ 18,474	\$ 16,534
Interest	94,569	90,560	83,373
Changes of benefit terms	—	4,830	1,947
Differences between expected and actual experience	13,974	23,702	(10,431)
Changes in assumptions	(24,367)	20,921	2
Benefit payments, including refunds of member contributions	(59,634)	(56,821)	(54,159)
Net Change in Total Pension Liability	45,625	101,666	37,266
Total Pension Liability - Beginning	1,269,109	1,167,443	1,130,177
Total Pension Liability - Ending	\$ 1,314,734	\$ 1,269,109	\$ 1,167,443
Plan Fiduciary Net Position			
Contributions - employer	\$ 14,203	\$ 7,587	\$ 7,044
Contributions - employee	9,922	10,454	8,895
Net investment income	113,597	151,021	25,352
Benefit payments, including refunds of employee contributions	(59,634)	(56,821)	(54,159)
Administrative expense	(131)	(53)	(60)
Other	650	524	429
Net Change in Plan Fiduciary Net Position	78,607	112,712	(12,499)
Plan Fiduciary Net Position - Beginning	1,210,839	1,098,127	1,110,626
Plan Fiduciary Net Position - Ending	\$ 1,289,446	\$ 1,210,839	\$ 1,098,127
State's Net Pension Liability/(Asset) - Ending	\$ 25,288	\$ 58,270	\$ 69,316
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability /(Asset)	98.08%	95.41%	94.06%
Covered Payroll	\$ 109,243	\$ 93,053	\$ 86,660
State's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	23.15%	62.62%	79.99%

N/A indicates not available.

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary.

State of Washington

	2015		2014		2013
	\$ 16,633		\$ 18,041		N/A
	80,037		75,249		N/A
	2,258		—		N/A
	8,883		—		N/A
	17		—		N/A
	(50,075)		(47,510)		N/A
	57,753		45,780		N/A
	1,072,424		1,026,644		N/A
	\$ 1,130,177		\$ 1,072,424		\$ 1,026,644
	\$ 6,679		\$ 6,587		N/A
	6,323		6,555		N/A
	49,046		176,856		N/A
	(50,075)		(47,510)		N/A
	(67)		(84)		N/A
	293		509		N/A
	12,199		142,913		N/A
	1,098,427		955,514		N/A
	\$ 1,110,626		\$ 1,098,427		\$ 955,514
	\$ 19,551		\$ (26,003)		\$ 71,130
	98.27%		102.42%		93.07%
	\$ 84,388		\$ 85,046		\$ 81,895
	23.17%		-30.58%		86.86%

PENSION PLAN INFORMATION
Single Employer Plans

**Schedule of Changes in Net Pension Liability and Related Ratios
Judicial Retirement System**

Last Six Measurement Years *
(expressed in thousands)

	2018	2017	2016
Total Pension Liability			
Service cost	\$ —	\$ —	\$ —
Interest	3,200	2,874	3,704
Changes of benefit terms	—	—	—
Differences between expected and actual experience	(2,844)	1,047	20
Changes in assumptions	(2,063)	(6,329)	8,737
Benefit payments, including refunds of employee contributions	(8,325)	(8,723)	(9,131)
Net Change in Total Pension Liability	(10,032)	(11,131)	3,330
Total Pension Liability - Beginning	93,511	104,642	101,312
Total Pension Liability - Ending	\$ 83,479	\$ 93,511	\$ 104,642
Plan Fiduciary Net Position			
Contributions - employer	\$ 8,700	\$ 9,300	\$ 9,500
Contributions - employee	—	—	—
Net investment income	80	45	74
Benefit payments, including refunds of employee contributions	(8,325)	(8,723)	(9,131)
Administrative expense	—	—	(1)
Other	—	—	—
Net Change in Plan Fiduciary Net Position	455	622	442
Plan Fiduciary Net Position - Beginning	7,397	6,775	6,333
Plan Fiduciary Net Position - Ending	\$ 7,852	\$ 7,397	\$ 6,775
State's Net Pension Liability/(Asset) - Ending	\$ 75,627	\$ 86,114	\$ 97,867
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	9.41%	7.91%	6.47%
Covered Payroll ⁽¹⁾	N/A	N/A	N/A
State's Net Pension Liability/(Asset) as a Percentage of Covered Payroll ⁽¹⁾	N/A	N/A	N/A

N/A indicates data not available.

1. Covered payroll is not applicable because there are no active plan employees beginning in 2014.

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

State of Washington

	2015		2014		2013
	\$ —		\$ —		N/A
	4,382		4,319		N/A
	—		—		N/A
	1,590		—		N/A
	4,335		—		N/A
	(9,336)		(9,480)		N/A
	971		(5,161)		N/A
	100,341		105,502		N/A
	\$ 101,312		\$ 100,341		\$ 105,502
	\$ 10,600		\$ 10,600		N/A
	—		—		N/A
	38		25		N/A
	(9,336)		(9,480)		N/A
	—		—		N/A
	—		—		N/A
	1,302		1,145		N/A
	5,031		3,886		N/A
	\$ 6,333		\$ 5,031		\$ 3,886
	\$ 94,979		\$ 95,310		\$ 101,616
	6.25%		5.01%		3.68%
	N/A		N/A		\$ 160
	N/A		N/A		635.10%

PENSION PLAN INFORMATION
Single Employer Plans

**Schedule of Changes in Net Pension Liability and Related Ratios
Judges' Retirement Fund**

Last Six Measurement Years *
(expressed in thousands)

	2018	2017	2016
Total Pension Liability			
Service cost	\$ —	\$ —	\$ —
Interest	95	88	116
Changes of benefit terms	—	—	—
Differences between expected and actual experience	(39)	194	123
Changes of assumptions	(43)	(129)	181
Benefit payments, including refunds of member contributions	(396)	(402)	(440)
Net Change in Total Pension Liability	(383)	(249)	(20)
Total Pension Liability - Beginning	2,848	3,097	3,117
Total Pension Liability - Ending	\$ 2,465	\$ 2,848	\$ 3,097
Plan Fiduciary Net Position			
Contributions--state	\$ 500	\$ 499	\$ 501
Contributions--member	—	—	—
Net investment income	8	4	6
Benefit payments, including refunds of member contributions	(396)	(402)	(440)
Administrative expense	—	—	—
Other	—	—	—
Net Change in Plan Fiduciary Net Position	112	101	67
Plan Fiduciary Net Position - Beginning	683	582	515
Plan Fiduciary Net Position - Ending	\$ 795	\$ 683	\$ 582
Plan's Net Pension Liability (Asset) - Ending	\$ 1,670	\$ 2,165	\$ 2,515
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability /(Asset)	32.25%	23.98%	18.79%
Covered Payroll ⁽¹⁾	N/A	N/A	N/A
State's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	N/A	N/A	N/A

N/A indicates data not available.

1. Covered payroll is not applicable because there are no active plan employees.

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

State of Washington

	2015	2014	2013
\$	—	\$	N/A
	138	137	N/A
	—	—	N/A
	182	—	N/A
	95	—	N/A
	(444)	(444)	N/A
	(29)	(307)	N/A
	3,146	3,453	N/A
\$	3,117	\$	3,453
\$	—	\$	N/A
	—	—	N/A
	4	7	N/A
	(444)	(444)	N/A
	—	—	N/A
	—	—	N/A
	(440)	(437)	N/A
	955	1,392	N/A
\$	515	\$	1,392
\$	2,602	\$	2,061
	16.52%	30.36%	40.31%
	N/A	N/A	N/A
	N/A	N/A	N/A

PENSION PLAN INFORMATION
Single Employer Plans

Schedule of Contributions
Washington State Patrol Retirement System - Plan 1/2

Last Ten Fiscal Years
(expressed in thousands)

Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2019	\$ 17,020	\$ 14,700	\$ 2,320	\$ 111,612	13.17%
2018	16,648	14,203	2,445	109,243	13.00%
2017	8,179	7,587	592	93,053	8.15%
2016	7,618	7,044	574	86,660	8.13%
2015	6,810	6,679	131	84,388	7.91%
2014	6,677	6,587	90	85,046	7.75%
2013	2,500	6,478	(3,978)	81,895	7.91%
2012	2,900	6,454	(3,554)	81,578	7.91%
2011	2,300	5,251	(2,951)	81,882	6.41%
2010	6,600	5,271	1,329	82,764	6.37%

Prior to 2014, the Annual Required Contribution amounts are presented for the Actuarially Determined Contributions.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

Schedule of Contributions
Judicial Retirement System

Last Ten Fiscal Years
(expressed in thousands)

Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2019	\$ 7,914	\$ 8,400	\$ (486)	—	N/A
2018	8,317	8,700	(383)	—	N/A
2017	8,761	9,300	(539)	—	N/A
2016	8,999	9,500	(501)	—	N/A
2015	9,132	10,600	(1,468)	—	N/A
2014	9,205	10,600	(1,395)	—	N/A
2013	21,700	10,112	11,588	160	6320.00%
2012	22,600	8,131	14,469	407	1997.79%
2011	18,600	10,906	7,694	611	1784.94%
2010	20,400	11,649	8,751	1,053	1106.27%

Contributions in relation to the Actuarially Determined Contributions are based on state contributions. Prior to 2014, the Annual Required Contribution amounts are presented for the Actuarially Determined Contributions.

N/A indicates data not available. Beginning in 2014, there are no active members.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION
Single Employer Plans

Schedule of Contributions
Judges' Retirement Fund

Last Ten Fiscal Years
(expressed in thousands)

Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2019	\$ 395	\$ 500	\$ (105)	—	N/A
2018	395	500	(105)	—	N/A
2017	439	499	(60)	—	N/A
2016	444	501	(57)	—	N/A
2015	539	—	539	—	N/A
2014	425	—	425	—	N/A
2013	400	—	400	—	N/A
2012	300	—	300	—	N/A
2011	100	—	100	—	N/A
2010	—	—	—	—	N/A

Contributions in relation to the Actuarially Determined Contributions are based on state contributions. Prior to 2014, the Annual Required Contribution amounts are presented for the Actuarially Determined Contributions.

N/A indicates data not available. There are no active employees.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

**Schedule of the State's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS) Plan 1**

Last Five Measurement Years *

(expressed in thousands)

	2018	2017	2016	2015	2014
State PERS Plan 1 employers' proportion of the net pension liability/(asset)	41.97%	41.88%	41.99%	41.57%	42.37%
State PERS Plan 1 employers' proportionate share of the net pension liability/(asset)	\$ 1,874,226	\$ 1,987,268	\$ 2,255,244	\$ 2,174,623	\$ 2,134,189
Covered payroll of employees participating in PERS Plan 1	\$ 69,330	\$ 85,341	\$ 103,235	\$ 120,686	\$ 143,836
Covered payroll of employees participating in PERS Plan 2/3	5,237,495	4,928,806	4,648,843	4,363,171	4,215,934
Covered payroll of employees participating in PSERS Plan 2	198,511	175,395	155,768	140,977	130,172
Covered Payroll	\$ 5,505,336	\$ 5,189,542	\$ 4,907,846	\$ 4,624,834	\$ 4,489,942
State PERS Plan 1 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	34.04%	38.29%	45.95%	47.02%	47.53%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	63.22%	61.24%	57.03%	59.10%	61.19%

* This schedule is to be built prospectively until it contains ten years of data.

**Schedule of the State's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS) Plan 2/3**

Last Five Measurement Years *

(expressed in thousands)

	2018	2017	2016	2015	2014
State PERS Plan 2/3 employers' proportion of the net pension liability/(asset)	50.41%	50.20%	49.72%	49.10%	49.27%
State PERS Plan 2/3 employers' proportionate share of the net pension liability/(asset)	\$ 860,776	\$ 1,744,067	\$ 2,503,313	\$ 1,754,418	\$ 995,856
State PERS Plan 2/3 employers' covered payroll	\$ 5,237,495	\$ 4,928,806	\$ 4,648,843	\$ 4,363,171	\$ 4,215,934
State PERS Plan 2/3 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	16.43%	35.39%	53.85%	40.21%	23.62%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	95.77%	90.97%	85.82%	89.20%	93.29%

* This schedule is to be built prospectively until it contains ten years of data.

PENSION PLAN INFORMATION
Cost Sharing Employer Plans

**Schedule of the State's Proportionate Share of the Net Pension Liability
Teachers' Retirement System (TRS) Plan 1**

Last Five Measurement Years *
(expressed in thousands)

	2018	2017	2016	2015	2014
State TRS Plan 1 employers' proportion of the net pension liability/(asset)	1.10%	1.03%	0.97%	0.86%	0.78%
State TRS Plan 1 employers' proportionate share of the net pension liability/(asset)	\$ 32,177	\$ 31,172	\$ 33,026	\$ 27,186	\$ 22,924
Covered payroll of employees participating in TRS Plan 1	\$ 1,893	\$ 2,475	\$ 5,735	\$ 3,913	\$ 4,611
Covered payroll of employees participating in TRS Plan 2/3	61,292	52,534	41,803	33,705	25,673
Covered Payroll	\$ 63,185	\$ 55,009	\$ 47,538	\$ 37,618	\$ 30,284
State TRS Plan 1 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	50.93%	56.67%	69.47%	72.27%	75.70%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	66.52%	65.58%	62.07%	65.70%	68.77%

* This schedule is to be built prospectively until it contains ten years of data.

**Schedule of the State's Proportionate Share of the Net Pension Liability
Teachers' Retirement System (TRS) Plan 2/3**

Last Five Measurement Years *
(expressed in thousands)

	2018	2017	2016	2015	2014
State TRS Plan 2/3 employers' proportion of the net pension liability/(asset)	1.06%	0.96%	0.87%	0.72%	0.59%
State TRS Plan 2/3 employers' proportionate share of the net pension liability/(asset)	\$ 4,757	\$ 8,873	\$ 11,896	\$ 6,107	\$ 1,913
State TRS Plan 2/3 employers' covered payroll	\$ 61,292	\$ 52,534	\$ 41,803	\$ 33,705	\$ 25,673
State PERS Plan 2/3 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	7.76%	16.89%	28.46%	18.12%	7.45%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	96.88%	93.14%	88.72%	92.48%	96.81%

* This schedule is to be built prospectively until it contains ten years of data.

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

**Schedule of the State's Proportionate Share of the Net Pension Liability
Public Safety Employees' Retirement System (PSERS) Plan 2**

Last Five Measurement Years *

(expressed in thousands)

	2018	2017	2016	2015	2014
State PSERS Plan 2 employers' proportion of the net pension liability/(asset)	50.48%	49.14%	47.97%	47.93%	48.26%
State PSERS Plan 2 employers' proportionate share of the net pension liability / (asset)	\$ 625	\$ 9,628	\$ 20,386	\$ 8,748	\$ (6,988)
State PSERS Plan 2 employers' covered payroll	\$ 198,511	\$ 175,395	\$ 155,768	\$ 140,977	\$ 130,172
State PSERS Plan 2 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	0.32%	5.49%	13.09%	6.21%	-5.37%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	99.79%	96.26%	90.41%	95.08%	105.01%

* This schedule is to be built prospectively until it contains ten years of data.

**Schedule of the State's Proportionate Share of the Net Pension Liability
Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 1**

Last Five Measurement Years *

(expressed in thousands)

	2018	2017	2016	2015	2014
State's nonemployer proportion of the net pension liability/ (asset)	87.12%	87.12%	87.12%	87.12%	87.12%
State as nonemployer contributing entity proportionate share of the net pension liability/(asset)	\$(1,581,665)	\$(1,321,802)	\$ (897,585)	\$(1,049,988)	\$(1,056,583)
Plan fiduciary net position as a percentage of the total pension liability/(asset)	144.42%	135.96%	123.74%	127.36%	126.91%

* This schedule is to be built prospectively until it contains ten years of data.

PENSION PLAN INFORMATION
Cost Sharing Employer Plans

**Schedule of the State's Proportionate Share of the Net Pension Liability
Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 2**

Last Five Measurement Years *

(expressed in thousands)

	2018	2017	2016	2015	2014
State LEOFF Plan 2 employers' proportion of the net pension liability/(asset)	0.87%	0.85%	0.88%	0.83%	0.84%
State as nonemployer contributing entity proportion of the net pension liability/(asset)	39.30%	39.35%	39.46%	39.80%	39.52%
State LEOFF Plan 2 employers' proportionate share of the net pension liability/(asset)	\$ (17,707)	\$ (11,823)	\$ (5,113)	\$ (8,580)	\$ (11,164)
State as nonemployer contributing entity total proportionate share of the net pension liability/(asset)	(797,902)	(545,988)	(229,538)	(409,091)	(524,419)
Total	<u>\$ (815,609)</u>	<u>\$ (557,811)</u>	<u>\$ (234,651)</u>	<u>\$ (417,671)</u>	<u>\$ (535,583)</u>
State LEOFF Plan 2 employers' covered payroll	\$ 21,892	\$ 20,396	\$ 19,828	\$ 18,744	\$ 18,259
State LEOFF Plan 2 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	-80.88%	-57.97%	-25.79%	-45.77%	-61.14%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	118.50%	113.36%	106.04%	111.67%	116.75%

* This schedule is to be built prospectively until it contains ten years of data.

PENSION PLAN INFORMATION
Cost Sharing Employer Plans

Schedule of Contributions
Public Employees' Retirement System (PERS) Plan 1

Fiscal Year Ended June 30*
(dollars in thousands)

	2019	2018	2017
Contractually required contributions (CRC)	\$ 299,745	\$ 280,513	\$ 251,924
Employer contributions related to covered payroll of employees participating in PERS Plan 1	\$ 7,092	\$ 8,769	\$ 9,537
Employer UAAL contributions related to covered payroll of employees participating in PERS Plan 2/3 and PSERS Plan 2	292,653	271,744	242,387
Contributions in relation to the actuarially determined contributions	299,745	280,513	251,924
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered payroll of employees participating in PERS Plan 1	\$ 54,779	\$ 69,330	\$ 85,341
Covered payroll of employees participating in PERS Plan 2/3	5,469,217	5,237,495	4,928,806
Covered payroll of employees participating in PSERS Plan 2	321,991	198,511	175,395
Covered Payroll	\$ 5,845,987	\$ 5,505,336	\$ 5,189,542
Contributions as a percentage of covered payroll	5.13%	5.10%	4.85%

* This schedule is to be built prospectively until it contains ten years of data.

Schedule of Contributions
Public Employees' Retirement System (PERS) Plan 2/3

Fiscal Year Ended June 30*
(dollars in thousands)

	2019	2018	2017
Contractually Required Contributions	\$ 412,466	\$ 389,001	\$ 306,591
Contributions in relation to the contractually required contributions	412,466	389,001	306,591
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered Payroll	\$ 5,469,217	\$ 5,237,495	\$ 4,928,806
Contributions as a percentage of covered payroll	7.54%	7.43%	6.22%

* This schedule is to be built prospectively until it contains ten years of data.

State of Washington

2016		2015		2014	
\$	238,158	\$	191,618	\$	188,639
\$	11,385	\$	11,072	\$	12,964
	226,773		180,546		175,675
	238,158		191,618		188,639
\$	—	\$	—	\$	—
\$	103,235	\$	120,686	\$	143,836
	4,648,843		4,363,171		4,215,935
	155,768		140,977		130,172
\$	4,907,846	\$	4,624,834	\$	4,489,943
	4.85%		4.14%		4.20%

2016		2015		2014	
\$	287,049	\$	219,395	\$	209,455
	287,049		219,395		209,455
\$	—	\$	—	\$	—
\$	4,648,843	\$	4,363,171	\$	4,215,935
	6.17%		5.03%		4.97%

PENSION PLAN INFORMATION
Cost Sharing Employer Plans

Schedule of Contributions
Teachers' Retirement System (TRS) Plan 1

Fiscal Year Ended June 30*
(dollars in thousands)

	2019		2018		2017	
Contractually required contributions	\$	5,436	\$	4,582	\$	3,608
Employer contributions related to covered payroll of employees participating in TRS Plan 1	\$	241	\$	272	\$	326
Employer UAAL contributions related to covered payroll of employees participating in TRS Plan 2/3		5,195		4,310		3,282
Contributions in relation to the actuarially determined contributions		5,436		4,582		3,608
Contribution Deficiency (Excess)	\$	—	\$	—	\$	—
Covered payroll of employees participating in TRS Plan 1	\$	1,557	\$	1,893	\$	2,475
Covered payroll of employees participating in TRS Plan 2/3		43,082		61,292		52,534
Covered Payroll	\$	44,639	\$	63,185	\$	55,009
Contributions as a percentage of covered payroll		12.18%		7.25%		6.56%

* This schedule is to be built prospectively until it contains ten years of data.

Schedule of Contributions
Teachers' Retirement System (TRS) Plan 2/3

Fiscal Year Ended June 30*
(dollars in thousands)

	2019		2018		2017	
Contractually required contributions	\$	5,542	\$	4,699	\$	3,542
Contributions in relation to the contractually required contributions		5,542		4,699		3,542
Contribution Deficiency (Excess)	\$	—	\$	—	\$	—
Covered Payroll	\$	43,082	\$	61,292	\$	52,534
Contributions as a percentage of covered payroll		12.86%		7.67%		6.74%

* This schedule is to be built prospectively until it contains ten years of data.

State of Washington

	2016		2015		2014
\$	2,940	\$	1,920	\$	1,537
\$	369	\$	388	\$	451
	2,571		1,532		1,086
	2,940		1,920		1,537
\$	—	\$	—	\$	—
\$	5,735	\$	3,913	\$	4,611
	41,803		33,705		25,673
\$	47,538	\$	37,618	\$	30,284
	6.18%		5.10%		5.08%

	2016		2015		2014
\$	2,827	\$	1,924	\$	1,454
	2,827		1,924		1,454
\$	—	\$	—	\$	—
\$	41,803	\$	33,705	\$	25,673
	6.76%		5.71%		5.66%

PENSION PLAN INFORMATION
Cost Sharing Employer Plans

Schedule of Contributions

Public Safety Employees' Retirement System (PSERS) Plan 2

Fiscal Year Ended June 30*

(dollars in thousands)

	2019	2018	2017
Contractually Required Contributions	\$ 17,602	\$ 13,330	\$ 11,465
Contributions in relation to the contractually required contributions	17,602	13,330	11,465
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered Payroll	\$ 321,991	\$ 198,511	\$ 175,395
Contributions as a percentage of covered payroll	5.47%	6.72%	6.54%

* This schedule is to be built prospectively until it contains ten years of data.

Schedule of Contributions

Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 2

Fiscal Year Ended June 30*

(dollars in thousands)

	2019	2018	2017
Contractually Required Contributions	\$ 1,654	\$ 1,512	\$ 1,346
Contributions in relation to the contractually required contributions	1,654	1,512	1,346
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —
Covered Payroll	\$ 23,388	\$ 21,892	\$ 20,396
Contributions as a percentage of covered payroll	7.07%	6.91%	6.60%

* This schedule is to be built prospectively until it contains ten years of data.

State of Washington

2016		2015		2014	
\$	10,233	\$	8,932	\$	8,100
	10,233		8,932		8,100
\$	—	\$	—	\$	—
\$	155,768	\$	140,977	\$	130,172
	6.57%		6.34%		6.22%

2016		2015		2014	
\$	1,345	\$	1,224	\$	1,184
	1,345		1,224		1,184
\$	—	\$	—	\$	—
\$	19,828	\$	18,744	\$	18,259
	6.78%		6.53%		6.48%

PENSION PLAN INFORMATION
Notes to Required Supplementary Information

Methods and assumptions used in calculations of Actuarially Determined Contributions for PERS, TRS, PSERS, LEOFF, and WSPRS. The Office of the State Actuary (OSA) calculates the Actuarially Determined Contributions (ADC) based on the results of an actuarial valuation consistent with the state's funding policy defined under chapter 41.45 of the Revised Code of Washington (RCW). Consistent with the state's contribution rate adoption process, the results of an actuarial valuation with an odd-numbered year valuation date determine the ADC for the biennium that ensues two years later. The actuarial valuation with a June 30, 2015, valuation date, completed in the fall of 2016, determined the ADC for the period beginning July 1, 2017, and ending June 30, 2019.

Methods and assumptions used in calculations of the ADC for JRS and Judges. The OSA calculates the ADC based on the results of an actuarial valuation, and sets the ADC equal to the expected benefit payments from the plan. Consistent with the state's funding policy defined under RCWs 2.10.90 and 2.12.60, the Legislature makes biennial appropriations in order to ensure the fund is solvent to make the necessary benefit payments.

OSA calculates the ADC consistent with the methods described above. Adopted contribution rates may be different pending the actions of the governing bodies. For instance, for the period beginning July 1, 2015, and ending June 30, 2017, the contribution rates adopted by the Pension Funding Council, and unchanged by the Legislature, reflect a phase-in of the increase to contribution rates that resulted from a change to the mortality assumption. This is the second of three biennia over which this increase is expected to be phased-in for PERS 1/2/3, TRS 1/2/3, PSERS 2, and WSPRS 1/2.

PENSION PLAN INFORMATION

Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund

Schedule of Contributions

Last Ten Fiscal Years

(expressed in thousands)

Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined	Contribution Deficiency (Excess)
2019	\$ 926	\$ 8,436	\$ (7,510)
2018	3,523	8,050	(4,527)
2017	4,528	7,494	(2,966)
2016	6,846	8,153	(1,307)
2015	6,653	6,816	(163)
2014	6,421	7,336	(915)
2013	4,600	6,946	(2,346)
2012	4,700	6,484	(1,784)
2011	5,300	6,778	(1,478)
2010	2,800	6,787	(3,987)

Notes: Neither covered payroll nor contributions as a percentage of covered payroll are applicable. This is a volunteer organization.

Beginning in 2017, the methodology for determining the Actuarially Determined Contributions was revised to reflect the timing of the contributions based upon the Board for Volunteer Firefighters adoption cycle and the actuarial funding methods selected.

Prior to 2014, the Annual Required Contribution amounts are presented for the Actuarially Determined Contributions.

Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

Schedule of Investment Returns

Last Six Fiscal Years*

	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	8.23%	8.84%	13.26%	2.19%	4.05%	18.50%

*This schedule is to be built prospectively until it contains ten years of data.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION

Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund

Schedule of Change in Net Pension Liability

Last Seven Fiscal Years*

(expressed in thousands)

	2019		2018		2017
Total Pension Liability					
Service cost	\$	828	\$	853	\$ 869
Interest		13,119		13,151	12,946
Changes of benefit terms		—		—	—
Differences between expected and actual experience		(1,857)		(2,707)	(1,998)
Changes in assumptions		—		16	463
Benefit payments, including refunds of member contributions		(11,913)		(11,573)	(11,074)
Net Change in Total Pension Liability		177		(260)	1,206
Total Pension Liability - Beginning		192,440		192,700	191,494
Total Pension Liability - Ending	\$	192,617	\$	192,440	\$ 192,700
Plan Fiduciary Net Position					
Contributions - municipalities	\$	797	\$	823	\$ 848
Contributions - member		54		65	69
Contributions - state as nonemployer contributing entity		7,639		7,227	6,646
Net investment income		20,101		19,860	26,114
Benefit payments, including refunds of member contributions		(11,913)		(11,573)	(11,074)
Administrative expense		(1,352)		(918)	(1,466)
Other		—		—	—
Net Change in Plan Fiduciary Net Position		15,326		15,484	21,137
Plan Fiduciary Net Position--Beginning		245,284		229,800	208,663
Plan Fiduciary Net Position--Ending	\$	260,610	\$	245,284	\$ 229,800
Plan's Net Pension Liability/(Asset)--Ending	\$	(67,993)	\$	(52,844)	\$ (37,100)

N/A indicates data not available.

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

State of Washington

	2016		2015		2014		2013
\$	893	\$	919	\$	1,240		N/A
	12,887		12,656		12,480		N/A
	—		—		—		N/A
	(176)		(2,948)		—		N/A
	101		1,931		—		N/A
	(10,795)		(10,501)		(10,771)		N/A
	2,910		2,057		2,949		N/A
	188,584		186,527		183,578		N/A
\$	191,494	\$	188,584	\$	186,527	\$	183,578
\$	918	\$	913	\$	953		N/A
	67		76		95		N/A
	7,235		5,903		6,383		N/A
	4,588		8,289		31,892		N/A
	(10,795)		(10,501)		(10,771)		N/A
	(1,205)		(1,020)		(1,469)		N/A
	—		—		(22)		N/A
	808		3,660		27,061		N/A
	207,855		204,195		177,134		N/A
\$	208,663	\$	207,855	\$	204,195	\$	177,134
\$	(17,169)	\$	(19,271)	\$	(17,668)	\$	6,444

PENSION PLAN INFORMATION

Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund

Schedule of Net Pension Liability

Last Seven Fiscal Years*

(expressed in thousands)

	2019	2018	2017
Total Pension Liability - Ending	\$ 192,617	\$ 192,440	\$ 192,700
Plan Fiduciary Net Position - Ending	260,610	245,284	229,800
Plan's Net Pension Liability/(Asset) - Ending	\$ (67,993)	\$ (52,844)	\$ (37,100)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	135.30%	127.46%	119.25%
Covered Payroll	N/A	N/A	N/A
Plan's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	N/A	N/A	N/A

N/A indicates data not applicable. This is a volunteer organization.

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding. Percentages are calculated using unrounded totals.

Source: Washington State Office of the State Actuary

**Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund
Notes to Required Supplementary Information**

The Office of the State Actuary (OSA) calculates the Actuarially Determined Contributions (ADC) based on

the results of an actuarial valuation consistent with funding policy defined under chapter 41.24 RCW and adopted policies made by the State Board for Volunteer Fire Fighters and Reserve Officers. Consistent with the Board's contribution rate adoption process, the results of an actuarial valuation determine the ADC two years after the valuation date. For example, the actuarial valuation with a June 30, 2017, valuation date, completed in the fall of 2018, determines the ADC for the period ending June 30, 2019.

State of Washington

	2016		2015		2014		2013	
\$	191,494	\$	188,584	\$	186,527	\$	183,578	
	208,663		207,855		204,195		177,134	
\$	(17,169)	\$	(19,271)	\$	(17,668)	\$	6,444	
	108.97%		110.22%		109.47%		96.49%	
	N/A		N/A		N/A		N/A	
	N/A		N/A		N/A		N/A	

PENSION PLAN INFORMATION
Higher Education Supplemental Defined Benefit Plans

Schedule of Changes in Total Pension Liability and Related Ratios

University of Washington

Fiscal Years Ended and Measurement Date June 30*

(expressed in thousands)

	2019	2018	2017
Total Pension Liability			
Service cost	\$ 11,823	\$ 14,788	\$ 19,891
Interest	16,277	16,128	15,097
Changes of benefit terms	—	—	—
Differences between expected and actual experience	102,713	(33,953)	(74,918)
Changes in assumptions	58,228	(17,105)	(28,553)
Benefit payments	(7,482)	(6,130)	(5,136)
Other	—	—	—
Net Change in Total Pension Liability	181,559	(26,272)	(73,619)
Total Pension Liability - Beginning	412,481	438,753	512,372
Total Pension Liability - Ending	\$ 594,040	\$ 412,481	\$ 438,753
Covered payroll	\$ 787,384	\$ 759,688	\$ 801,161
Total Pension Liability/(Asset) as a Percentage of Covered Payroll	75.44 %	54.30 %	54.76 %

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

Schedule of Changes in Total Pension Liability and Related Ratios

Washington State University

Fiscal Years Ended and Measurement Date June 30*

(expressed in thousands)

	2019	2018	2017
Total Pension Liability			
Service cost	\$ 2,112	\$ 2,763	\$ 3,803
Interest	3,241	3,261	3,140
Changes of benefit terms	—	—	—
Differences between expected and actual experience	(1,022)	(7,171)	(16,389)
Changes in assumptions	7,997	(3,255)	(6,574)
Benefit payments	(2,439)	(2,181)	(1,890)
Other	—	—	—
Net Change in Total Pension Liability	9,889	(6,583)	(17,910)
Total Pension Liability - Beginning	82,831	89,414	107,324
Total Pension Liability - Ending	\$ 92,720	\$ 82,831	\$ 89,414
Covered payroll	\$ 171,012	\$ 186,365	\$ 196,596
Total Pension Liability/(Asset) as a Percentage of Covered Payroll	54.22 %	44.45 %	45.48 %

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION
Higher Education Supplemental Defined Benefit Plans

Schedule of Changes in Total Pension Liability and Related Ratios

Central Washington University

Fiscal Years Ended and Measurement Date June 30*

(expressed in thousands)

	2019	2018	2017
Total Pension Liability			
Service cost	\$ 61	\$ 91	\$ 150
Interest	293	299	293
Changes of benefit terms	—	—	—
Differences between expected and actual experience	(710)	(466)	(1,270)
Changes in assumptions	428	(272)	(616)
Benefit payments	(411)	(412)	(411)
Other	—	—	—
Net Change in Total Pension Liability	(339)	(760)	(1,854)
Total Pension Liability - Beginning	7,717	8,477	10,331
Total Pension Liability - Ending	\$ 7,378	\$ 7,717	\$ 8,477
Covered payroll	\$ 8,952	\$ 10,368	\$ 11,028
Total Pension Liability/(Asset) as a Percentage of Covered Payroll	82.41 %	74.43 %	76.87 %

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

Schedule of Changes in Total Pension Liability and Related Ratios

Eastern Washington University

Fiscal Years Ended and Measurement Date June 30*

(expressed in thousands)

	2019	2018	2017
Total Pension Liability			
Service cost	\$ 463	\$ 477	\$ 658
Interest	614	429	420
Changes of benefit terms	—	—	—
Differences between expected and actual experience	421	3,867	(2,852)
Changes in assumptions	1,014	(621)	(647)
Benefit payments	(316)	(202)	(140)
Other	—	—	—
Net Change in Total Pension Liability	2,196	3,950	(2,561)
Total Pension Liability - Beginning	15,551	11,601	14,162
Total Pension Liability - Ending	\$ 17,747	\$ 15,551	\$ 11,601
Covered payroll	\$ 32,357	\$ 34,114	\$ 38,505
Total Pension Liability/(Asset) as a Percentage of Covered Payroll	54.85 %	45.59 %	30.13 %

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION
Higher Education Supplemental Defined Benefit Plans

Schedule of Changes in Total Pension Liability and Related Ratios

The Evergreen State College

Fiscal Years Ended and Measurement Date June 30*

(expressed in thousands)

	2019	2018	2017
Total Pension Liability			
Service cost	\$ 154	\$ 210	\$ 296
Interest	235	237	230
Changes of benefit terms	—	—	—
Differences between expected and actual experience	(108)	(565)	(1,327)
Changes in assumptions	694	(229)	(387)
Benefit payments	(137)	(183)	(158)
Other	—	—	—
Net Change in Total Pension Liability	838	(530)	(1,346)
Total Pension Liability - Beginning	5,980	6,510	7,856
Total Pension Liability - Ending	\$ 6,818	\$ 5,980	\$ 6,510
Covered payroll	\$ 14,999	\$ 15,978	\$ 16,941
Total Pension Liability/(Asset) as a Percentage of Covered Payroll	45.46 %	37.43 %	38.43 %

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

Schedule of Changes in Total Pension Liability and Related Ratios

Western Washington University

Fiscal Years Ended and Measurement Date June 30*

(expressed in thousands)

	2019	2018	2017
Total Pension Liability			
Service cost	\$ 551	\$ 737	\$ 1,057
Interest	825	837	842
Changes of benefit terms	—	—	—
Differences between expected and actual experience	2,298	(2,233)	(5,278)
Changes in assumptions	2,821	(819)	(2,126)
Benefit payments	(420)	(380)	(298)
Other	—	—	—
Net Change in Total Pension Liability	6,075	(1,858)	(5,803)
Total Pension Liability - Beginning	20,962	22,820	28,623
Total Pension Liability - Ending	\$ 27,037	\$ 20,962	\$ 22,820
Covered payroll	\$ 53,024	\$ 52,750	\$ 55,840
Total Pension Liability/(Asset) as a Percentage of Covered Payroll	50.99 %	39.74 %	40.87 %

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

PENSION PLAN INFORMATION
Higher Education Supplemental Defined Benefit Plans

Schedule of Changes in Total Pension Liability and Related Ratios
State Board for Community and Technical Colleges

Fiscal Years Ended and Measurement Date June 30*
(expressed in thousands)

	2019	2018	2017
Total Pension Liability			
Service cost	\$ 2,851	\$ 3,827	\$ 5,417
Interest	3,449	3,517	3,514
Changes of benefit terms	—	—	—
Differences between expected and actual experience	6,503	(10,402)	(25,336)
Changes in assumptions	12,227	(3,519)	(5,980)
Benefit payments	(1,818)	(1,300)	(902)
Other	—	—	—
Net Change in Total Pension Liability	23,212	(7,877)	(23,287)
Total Pension Liability - Beginning	87,173	95,050	118,337
Total Pension Liability - Ending	\$ 110,385	\$ 87,173	\$ 95,050
Covered payroll	\$ 331,420	\$ 353,910	\$ 375,725
Total Pension Liability/(Asset) as a Percentage of Covered Payroll	33.31 %	24.63 %	25.30 %

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

Higher Education Supplemental Defined Benefit Plans
Notes to Required Supplementary Information

The Higher Education Supplemental Retirement Plans are financed on a pay-as-you-go basis. State institutions of higher education make direct payments to qualifying retirees

when the retirement benefits provided by the fund sponsors do not meet the benefit goals. No assets are accumulated in trusts or equivalent arrangements.

Potential factors that may significantly affect trends in amounts reported include changes to the discount rate, salary growth, and the variable income investment return.

OTHER POSTEMPLOYMENT BENEFITS INFORMATION

Schedule of Changes in Total OPEB Liability and Related Ratios

Measurement Date of June 30*

(expressed in thousands)

	2018	2017
Total OPEB Liability		
Service cost	\$ 317,866	\$ 394,955
Interest	218,339	184,999
Changes in benefit terms	—	—
Difference between expected and actual experience	199,258	—
Changes in assumptions	(1,390,198)	(902,431)
Benefit payments	(92,200)	(94,279)
Changes in proportion	(15)	—
Other	—	—
Net Changes in Total OPEB Liability	(746,950)	(416,755)
Total OPEB Liability - Beginning as restated	5,826,832	6,242,577
Total OPEB Liability - Ending	\$ 5,079,882	\$ 5,825,822
Covered-employee payroll	\$ 8,401,635	\$ 7,878,188
Total OPEB liability as a percentage of covered-employee payroll	60.46 %	73.95 %

*This schedule is to be built prospectively until it contains ten years of data.

Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

Notes to Required Supplementary Information

The Public Employees' Benefits Board OPEB plan does not have assets in trusts or equivalent arrangements and is funded on a pay-as-you-go basis.

Potential factors that may significantly affect trends in amounts reported include changes to the discount rate, health care trend rates, salary projections, and participation percentages.

Total OPEB liability beginning balance for the measurement date of June 30, 2018, was restated to reflect the changes in proportion between the state and the Washington Economic Development Finance Authority which operates on a cash basis and does not report an OPEB liability. The restatement also includes OPEB amounts for the Health Care Benefits Exchange which was omitted from the table in the prior year.

Infrastructure Assets Reported Using the Modified Approach

Condition Assessment

The state of Washington reports certain networks of infrastructure assets under the modified approach of the Governmental Accounting Standards Board Statement No. 34. Expenditures to maintain and preserve these assets are budgeted, recorded, and reported in lieu of depreciation expense. The state must meet the following requirements to report networks of assets under the modified approach:

- Maintain an up-to-date inventory of eligible infrastructure assets in an asset management system.
- Disclose the condition level at which assets are to be

preserved or maintained, as established by administrative or executive policy, or by legislative action.

- Perform condition assessments of eligible assets and summarize the results using a measurement scale.
- Document that assets are being preserved approximately at or above the disclosed condition level.
- Annually estimate the cost to maintain and preserve the assets at the established condition level.

Assets accounted for under the modified approach include the state of Washington’s network of highway pavements, bridges, and rest areas. In fiscal year 2019, the state was responsible for maintaining and preserving 20,815 pavement lane miles, 3,932 bridges and tunnels, and 47 highway safety rest areas.

PAVEMENT CONDITION

The Washington State Department of Transportation (WSDOT) performs highway pavement assessments over a two year cycle utilizing three measurements to develop a scaled condition assessment: Pavement Structural Condition (PSC), International Roughness Index (IRI), and rutting.

The WSDOT uses the following rating scale for PSC:

Category	PSC Range	Description
Very Good	80 - 100	Little or no distress. Example: Flexible pavement with 5% of wheel track length having “hairline” severity alligator cracking will have a PSC of 80.
Good	60 - 79	Early stage deterioration. Example: Flexible pavement with 15% of wheel track length having “hairline” alligator cracking will have a PSC of 70.
Fair	40 - 59	This is the threshold value for rehabilitation. Example: Flexible pavement with 25% of wheel track length having “hairline” alligator cracking will have a PSC of 50.
Poor	20 - 39	Structural deterioration. Example: Flexible pavement with 25% of wheel track length having “medium (spalled)” severity alligator cracking will have a PSC of 30.
Very Poor	0 - 19	Advanced structural deterioration. Example: Flexible pavement with 40% of wheel track length having “medium (spalled)” severity alligator cracking will have a PSC of 10. May require extensive repair and thicker overlays.

The IRI scale is measured in inches per mile. WSDOT assesses pavement with a ride performance measure less than 221 inches per mile to be in fair or better condition.

Rutting is measured in inches with a measurement of 0.58 inches or less assessed at a condition of fair or better.

PSC, IRI, and rutting are combined to rate a section of pavement which is assigned the lowest condition of any of the three indices.

State of Washington

The following table shows the combined conditions and the ratings for each index:

Category	PSC	IRI	Rutting
Very Good	80 - 100	< 96	< 0.24
Good	60 - 79	96 - 170	0.24 - 0.41
Fair	40 - 59	171 - 220	0.42 - 0.58
Poor	20 - 39	221 - 320	0.59 - 0.74
Very Poor	0 - 19	> 320	> 0.74

The WSDOT's policy is to maintain 85 percent of pavements at a condition level of fair or better, based on an average condition level of the last three assessments.

The following table shows pavement condition ratings for state highways:

Pavements			
Percentage in Fair or Better Condition			
Two-Year Cycle Ending Calendar Year			
2017	2015	2013	Average of Last Three Assessments
93.2%	93.2%	92.8%	93.1%

The following table reflects the state's estimated and actual expenditures necessary to preserve state highways at the established condition level:

Pavements					
Preservation and Maintenance - Planned to Actual - Fiscal Year					
(expressed in thousands)					
	2019	2018	2017	2016	2015
Planned	\$ 227,625	\$ 263,555	\$ 304,040	\$ 160,423	\$ 173,716
Actual	269,236	271,474	264,315	161,211	142,789
Variance	\$ (41,611)	\$ (7,919)	\$ 39,725	\$ (788)	\$ 30,927
	-18.3%	-3.0%	13.1%	-0.5%	17.8%

Actual expenditures may vary from planned amounts for a variety of reasons which include, but are not limited to, management's decision to accelerate, defer, or reduce preservation or maintenance activities in response to economic forecasts and other factors.

For more information about pavements, refer to the WSDOT's website at: <http://www.wsdot.wa.gov/Business/MaterialsLab/Pavements/default.htm>.

BRIDGE CONDITION

The WSDOT inspects and performs condition assessments every two fiscal years on all of the 3,344 state-owned bridges in excess of 20 feet in length. Underwater bridge components are inspected at least once every five years in accordance with Federal Highway Administration (FHWA) requirements.

The WSDOT uses a performance measure established in FHWA's *Recording and Coding Guide for the Structural Inventory and Appraisal of the Nation's Bridges*, which classifies the physical condition of bridges as good, fair, or poor based on structural sufficiency standards for the following bridge components: bridge superstructure, substructure, and deck. The appraisal data is collected in the National Bridge Inventory (NBI) and assigned a code from 0 to 9, with 0 being in a failed condition and 9 being in excellent condition.

Category	National Bridge Inventory Code	Description
Good	7 or 8	A range from no problems noted to some minor problems.
Fair	5 or 6	All primary structural elements are sound but may have deficiencies such as minor section loss, deterioration, cracking, spalling, or scour.
Poor	4 or less	Advanced deficiencies such as section loss, deterioration, cracking, spalling, scour, or seriously affected primary structural components.

The WSDOT's policy is to maintain 90 percent of bridges at a condition level of fair or better, based on an average condition level of the last three assessments.

The following table shows condition ratings for state bridges:

Bridges			
Percentage in Fair or Better Condition			
Two-Year Cycle Ending Fiscal Year			
2019	2017	2015	Average of Last Three Assessments
92.9%	91.8%	92.1%	92.3%

The following table reflects the state's estimated and actual expenditures necessary to preserve the bridges at the established condition level:

Bridges					
Preservation and Maintenance - Planned to Actual - Fiscal Year					
<i>(expressed in thousands)</i>					
	2019	2018	2017	2016	2015
Planned	\$ 182,409	\$ 106,595	\$ 45,891	\$ 75,160	\$ 71,078
Actual	146,816	87,068	45,088	66,339	64,060
Variance	\$ 35,593	\$ 19,527	\$ 803	\$ 8,821	\$ 7,018
	19.5%	18.3%	1.7%	11.7%	9.9%

Actual expenditures may vary from planned amounts for a variety of reasons which include, but are not limited to, management's decision to accelerate, defer, or reduce preservation or maintenance activities in response to economic forecasts and other factors.

For more information about bridges, refer to the WSDOT's website at: <http://www.wsdot.wa.gov/Bridge/Structures/>.

SAFETY REST AREA CONDITION

The WSDOT performs condition assessments on safety rest areas every two fiscal years. Sites and buildings are divided into functional components that are assessed with a five-tiered condition scale: excellent, good, fair, poor, and unacceptable condition. The rating is based on guidelines and parameters established by the WSDOT Capital Facilities Program, and weighted by the criticality of the functional component.

The WSDOT's policy is to maintain 95 percent of safety rest areas in a condition of fair or better, based on an average condition level of the last three assessments.

The following table shows condition ratings for safety rest areas:

Safety Rest Areas			
Percentage in Fair or Better Condition			
Two-Year Cycle Ending Fiscal Year *			
2019	2017	2015	Average of Last Three Assessments
97.8%	100.0%	100.0%	99.3%

* In 2019, the reporting methodology was changed from calendar year basis to fiscal year basis to align with the WSDOT accounting policy.

The following table reflects the state's estimated and actual expenditures necessary to preserve the safety rest areas at the established condition level:

Safety Rest Areas										
Preservation and Maintenance - Planned to Actual - Fiscal Year										
<i>(expressed in thousands)</i>										
	2019	2018	2017	2016	2015					
Planned	\$	11,084	\$	9,609	\$	9,964	\$	7,204	\$	8,463
Actual		9,004		7,986		8,011		7,185		8,369
Variance	\$	2,080	\$	1,623	\$	1,953	\$	19	\$	94
		18.8%		16.9%		19.6%		0.3%		1.1%

Actual expenditures may vary from planned amounts for a variety of reasons which include, but are not limited to, management's decision to accelerate, defer, or reduce preservation or maintenance activities in response to economic forecasts and other factors.

For more information about safety rest areas, refer to the WSDOT's website at: <http://www.wsdot.wa.gov/safety/restareas>.