

Basic Financial Statements
Government-wide Financial Statements

Statement of Net Position

June 30, 2021

(expressed in thousands)

Continued

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and cash equivalents	\$ 14,029,482	\$ 5,648,269	\$ 19,677,751	\$ 417,650
Taxes receivable (net of allowance for uncollectibles)	4,993,694	3,691	4,997,385	—
Other receivables (net of allowance for uncollectibles)	2,805,100	2,151,333	4,956,433	114,275
Internal balances	178,409	(178,409)	—	—
Due from other governments	5,007,004	341,680	5,348,684	—
Inventories and prepaids	152,497	72,387	224,884	36,984
Restricted cash and investments	365,679	17,168	382,847	—
Restricted receivables, current	8,330	24,840	33,170	—
Investments, noncurrent	9,037,661	21,744,135	30,781,796	102,378
Restricted investments, noncurrent	—	78,224	78,224	25,875
Restricted net pension asset	2,466,477	911	2,467,388	—
Other assets	—	347,443	347,443	477,155
Capital assets:				
Non-depreciable assets	31,191,591	386,278	31,577,869	112,171
Depreciable assets (net of accumulated depreciation)	12,349,537	3,029,350	15,378,887	522,626
Total capital assets	43,541,128	3,415,628	46,956,756	634,797
Total Assets	82,585,461	33,667,300	116,252,761	1,809,114
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows on asset retirement obligations	13,509	—	13,509	—
Deferred outflows on refundings	3,546	40,667	44,213	14,033
Deferred outflows on pensions	1,500,277	195,669	1,695,946	3,581
Deferred outflows on OPEB	666,039	185,041	851,080	617
Total Deferred Outflows of Resources	2,183,371	421,377	2,604,748	18,231
Total Assets and Deferred Outflows of Resources	\$ 84,768,832	\$ 34,088,677	\$ 118,857,509	\$ 1,827,345

The notes to the financial statements are an integral part of this statement.

State of Washington

Statement of Net Position

June 30, 2021

(expressed in thousands)

Concluded

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION				
LIABILITIES				
Accounts payable	\$ 2,440,656	\$ 192,981	\$ 2,633,637	\$ 40,984
Accrued liabilities	1,704,215	684,309	2,388,524	159,530
Obligations under security lending agreements	—	7,303	7,303	—
Due to other governments	1,088,853	271,862	1,360,715	—
Unearned revenues	3,478,994	198,857	3,677,851	67,057
Long-term liabilities:				
Due within one year	2,062,952	2,938,493	5,001,445	13,073
Due in more than one year	34,636,112	37,245,335	71,881,447	342,266
Total Liabilities	45,411,782	41,539,140	86,950,922	622,910
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows on refundings	653	228	881	—
Deferred inflows on pensions	1,406,567	175,369	1,581,936	1,884
Deferred inflows on OPEB	1,436,675	214,837	1,651,512	1,455
Deferred inflows on irrevocable split interest agreements	43,323	—	43,323	—
Deferred inflows on property taxes	—	—	—	27,723
Total Deferred Inflows of Resources	2,887,218	390,434	3,277,652	31,062
NET POSITION				
Net investment in capital assets	23,934,108	825,107	24,759,215	349,803
Restricted for:				
Unemployment compensation	—	2,403,740	2,403,740	—
Nonexpendable permanent endowments	3,344,701	—	3,344,701	—
Expendable endowment funds	2,683,547	—	2,683,547	—
Pensions	2,529,957	784	2,530,741	—
Human services	3,546,350	—	3,546,350	—
Wildlife and natural resources	1,234,157	—	1,234,157	—
Transportation	1,161,315	—	1,161,315	—
Budget stabilization	19,191	—	19,191	—
Higher education	89,193	—	89,193	—
Other purposes	253,867	—	253,867	9,428
Unrestricted	(2,326,554)	(11,070,528)	(13,397,082)	814,142
Total Net Position	36,469,832	(7,840,897)	28,628,935	1,173,373
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 84,768,832	\$ 34,088,677	\$ 118,857,509	\$ 1,827,345

The notes to the financial statements are an integral part of this statement.

State of Washington

Statement of Activities
For the Fiscal Year Ended June 30, 2021
(expressed in thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities:				
General government	\$ 3,768,668	\$ 1,254,392	\$ 2,596,521	\$ —
Education - K-12 education	15,321,811	13,613	1,238,507	—
Education - higher education	8,472,309	3,203,056	3,098,446	67,609
Human services	25,818,749	945,654	17,259,568	—
Adult corrections	1,247,370	11,130	1,536	—
Natural resources and recreation	1,539,878	616,961	275,472	34,265
Transportation	2,756,601	1,604,557	459,773	545,949
Interest on long-term debt	1,072,562	—	—	—
Total Governmental Activities	59,997,948	7,649,363	24,929,823	647,823
Business-Type Activities:				
Workers' compensation	4,505,342	2,391,263	9,425	—
Unemployment compensation	11,939,071	1,143,334	9,499,890	—
Higher education student services	3,165,639	3,326,311	18,962	1,065
Health insurance	3,556,265	3,557,611	—	—
Washington's lottery	729,151	954,429	—	—
Paid family and medical leave	795,731	675,545	—	—
Other	325,542	254,876	493	—
Total Business-Type Activities	25,016,741	12,303,369	9,528,770	1,065
Total Primary Government	\$ 85,014,689	\$ 19,952,732	\$ 34,458,593	\$ 648,888
Total Component Units	\$ 912,908	\$ 962,533	\$ 26,512	\$ —

General Revenues:

Taxes, net of related credits:

Sales and use

Business and occupation

Property

Motor vehicle and fuel

Excise

Cigarette and tobacco

Public utilities

Insurance premium

Other

Interest and investment earnings

Total general revenues

Excess (deficiency) of revenues over expenses before contributions to endowments and transfers

Contributions to endowments

Transfers

Change in Net Position

Net Position - Beginning, as restated

Net Position - Ending

The notes to the financial statements are an integral part of this statement.

State of Washington

Net (Expense) Revenue and Changes in Net Position				
Primary Government				
Governmental Activities	Business-Type Activities	Total	Component Units	
\$ 82,245	\$ —	\$ 82,245		
(14,069,691)	—	(14,069,691)		
(2,103,198)	—	(2,103,198)		
(7,613,527)	—	(7,613,527)		
(1,234,704)	—	(1,234,704)		
(613,180)	—	(613,180)		
(146,322)	—	(146,322)		
(1,072,562)	—	(1,072,562)		
<u>(26,770,939)</u>	<u>—</u>	<u>(26,770,939)</u>		
	(2,104,654)	(2,104,654)		
	(1,295,847)	(1,295,847)		
	180,699	180,699		
	1,346	1,346		
	225,278	225,278		
	(120,186)	(120,186)		
	(70,173)	(70,173)		
	<u>(3,183,537)</u>	<u>(3,183,537)</u>		
<u>\$ (26,770,939)</u>	<u>\$ (3,183,537)</u>	<u>\$ (29,954,476)</u>		
			<u>\$ 76,137</u>	
13,614,149	—	13,614,149	—	
5,339,446	—	5,339,446	—	
4,358,164	—	4,358,164	24,373	
1,533,130	—	1,533,130	—	
2,461,577	17,732	2,479,309	—	
386,659	—	386,659	—	
500,106	—	500,106	—	
683,639	—	683,639	—	
1,457,273	—	1,457,273	19,327	
1,541,248	1,639,480	3,180,728	972	
<u>31,875,391</u>	<u>1,657,212</u>	<u>33,532,603</u>	<u>44,672</u>	
5,104,452	(1,526,325)	3,578,127	120,809	
74,879	—	74,879	—	
132,095	(129,986)	2,109	—	
<u>5,311,426</u>	<u>(1,656,311)</u>	<u>3,655,115</u>	<u>120,809</u>	
<u>31,158,406</u>	<u>(6,184,586)</u>	<u>24,973,820</u>	<u>1,052,564</u>	
<u>\$ 36,469,832</u>	<u>\$ (7,840,897)</u>	<u>\$ 28,628,935</u>	<u>\$ 1,173,373</u>	

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Basic Financial Statements
Fund Financial Statements

Balance Sheet
GOVERNMENTAL FUNDS
 June 30, 2021
 (expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
ASSETS					
Cash and cash equivalents	\$ 6,717,955	\$ 1,043,274	\$ 1,019,383	\$ 4,439,334	\$ 13,219,946
Investments	13,456	3,468,330	5,270,732	329,291	9,081,809
Taxes receivable (net of allowance)	4,655,825	55,168	—	282,701	4,993,694
Receivables (net of allowance)	938,171	578,374	184,764	1,085,936	2,787,245
Due from other funds	1,900,513	930,062	12	451,896	3,282,483
Due from other governments	1,680,393	284,217	76	2,684,920	4,649,606
Inventories and prepaids	21,030	39,823	—	52,799	113,652
Restricted cash and investments	32,303	2,937	—	193,558	228,798
Restricted receivables	—	6,201	—	798	6,999
Total Assets	\$ 15,959,646	\$ 6,408,386	\$ 6,474,967	\$ 9,521,233	\$ 38,364,232
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 1,799,671	\$ 162,628	\$ 43,517	\$ 399,138	\$ 2,404,954
Accrued liabilities	496,916	532,020	67,830	197,428	1,294,194
Due to other funds	226,035	1,036,093	515,770	1,087,006	2,864,904
Due to other governments	411,999	137,413	—	222,100	771,512
Unearned revenue	3,065,122	304,799	—	105,204	3,475,125
Claims and judgments payable	42,547	—	—	137,647	180,194
Total Liabilities	6,042,290	2,172,953	627,117	2,148,523	10,990,883
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	3,016,296	7,929	14,758	137,620	3,176,603
Deferred inflows on irrevocable split interest agreements	—	—	43,323	—	43,323
Total Deferred Inflows of Resources	3,016,296	7,929	58,081	137,620	3,219,926
FUND BALANCES					
Nonspendable fund balance	59,060	39,823	3,099,426	298,075	3,496,384
Restricted fund balance	2,908,232	49,644	2,690,343	3,339,402	8,987,621
Committed fund balance	1,221,109	4,028,098	—	3,765,618	9,014,825
Assigned fund balance	1,915,952	109,939	—	—	2,025,891
Unassigned fund balance	796,707	—	—	(168,005)	628,702
Total Fund Balances	6,901,060	4,227,504	5,789,769	7,235,090	24,153,423
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 15,959,646	\$ 6,408,386	\$ 6,474,967	\$ 9,521,233	\$ 38,364,232

The notes to the financial statements are an integral part of this statement.

**Reconciliation of the Balance Sheet to the
Statement of Net Position
GOVERNMENTAL FUNDS**

June 30, 2021
(expressed in thousands)

Total Fund Balances for Governmental Funds \$ 24,153,423

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Non-depreciable assets	\$	31,169,553	
Depreciable assets		23,816,372	
Less: Accumulated depreciation		(12,183,057)	
Total capital assets			42,802,868

Some of the state's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are considered deferred inflows in the funds. 3,176,603

Certain pension trust funds have been funded in excess of the annual required contributions, creating a year-end asset. This asset is not a financial resource and therefore is not reported in the funds. 2,466,477

Deferred outflows of resources represent a consumption of fund equity that will be reported as an outflow of resources in a future period and therefore are not reported in the funds. 2,095,722

Deferred inflows of resources represent an acquisition of fund equity that will be recognized as an inflow of resources in a future period and therefore are not reported in the funds. (2,709,385)

Unmatured interest on general obligation bonds is not recognized in the funds until due. (398,753)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. (955,368)

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Bonds and other financing contracts payable	\$	(25,050,264)	
Accreted interest on bonds		(327,579)	
Compensated absences		(791,630)	
Other postemployment benefits obligations		(5,044,245)	
Net pension liability		(2,082,107)	
Unclaimed property		(240,594)	
Pollution remediation obligations		(228,470)	
Claims and judgments		(43,189)	
Asset retirement obligations		(29,132)	
Other obligations		(324,545)	
Total long-term liabilities			(34,161,755)

Net Position of Governmental Activities \$ 36,469,832

The notes to the financial statements are an integral part of this statement.

State of Washington

Statement of Revenues, Expenditures, and Changes in Fund Balances
GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2021

(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
REVENUES					
Retail sales and use taxes	\$ 13,480,922	\$ —	\$ —	\$ 133,227	\$ 13,614,149
Business and occupation taxes	5,013,056	319,781	—	6,609	5,339,446
Property taxes	4,350,245	—	—	—	4,350,245
Excise taxes	1,524,398	319,849	—	617,330	2,461,577
Motor vehicle and fuel taxes	—	—	—	1,533,130	1,533,130
Other taxes	2,034,803	403,185	—	440,728	2,878,716
Licenses, permits, and fees	146,141	1,169	—	2,260,232	2,407,542
Other contracts and grants	347,463	1,308,804	—	181,614	1,837,881
Timber sales	4,163	—	14,862	111,345	130,370
Federal grants-in-aid	19,734,517	1,823,057	—	2,182,193	23,739,767
Charges for services	116,196	3,013,154	—	683,602	3,812,952
Investment income (loss)	(12,899)	22,537	1,464,263	67,348	1,541,249
Miscellaneous revenue	450,258	76,282	6,420	570,773	1,103,733
Contributions and donations	—	—	74,879	—	74,879
Unclaimed property	150,913	—	—	—	150,913
Total Revenues	47,340,176	7,287,818	1,560,424	8,788,131	64,976,549
EXPENDITURES					
Current:					
General government	2,172,500	228	170	1,464,988	3,637,886
Human services	25,813,817	18,134	—	1,290,849	27,122,800
Natural resources and recreation	668,524	—	—	852,349	1,520,873
Transportation	64,390	—	—	2,227,351	2,291,741
Education	15,573,136	6,802,768	956	1,163,664	23,540,524
Intergovernmental	132,159	—	—	381,114	513,273
Capital outlays	106,460	192,845	706	1,930,638	2,230,649
Debt service:					
Principal	17,238	43,217	—	1,132,425	1,192,880
Interest	4,056	22,957	—	1,054,671	1,081,684
Total Expenditures	44,552,280	7,080,149	1,832	11,498,049	63,132,310
Excess of Revenues Over (Under) Expenditures	2,787,896	207,669	1,558,592	(2,709,918)	1,844,239
OTHER FINANCING SOURCES (USES)					
Bonds issued	74,562	26,997	—	1,710,423	1,811,982
Refunding bonds issued	—	—	—	856,970	856,970
Payments to escrow agents for refunded bond debt	—	—	—	(1,007,913)	(1,007,913)
Issuance premiums	3,626	1,614	—	707,662	712,902
Other debt issued	7,039	12,873	—	48,036	67,948
Refunding COPs issued	6,440	6,935	—	—	13,375
Payment to escrow agents for refunded COP debt	(7,925)	—	—	—	(7,925)
Transfers in	1,019,796	996,738	28,220	2,920,857	4,965,611
Transfers out	(1,663,130)	(1,025,937)	(230,936)	(1,920,361)	(4,840,364)
Total Other Financing Sources (Uses)	(559,592)	19,220	(202,716)	3,315,674	2,572,586
Net Change in Fund Balances	2,228,304	226,889	1,355,876	605,756	4,416,825
Fund Balances - Beginning, as restated	4,672,756	4,000,615	4,433,893	6,629,334	19,736,598
Fund Balances - Ending	\$ 6,901,060	\$ 4,227,504	\$ 5,789,769	\$ 7,235,090	\$ 24,153,423

The notes to the financial statements are an integral part of this statement.

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Statement of Activities
GOVERNMENTAL FUNDS**

For the Fiscal Year Ended June 30, 2021
(expressed in thousands)

Net Change in Fund Balances - Total Governmental Funds \$ 4,416,825

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlays	\$ 1,507,563	
Less: Depreciation expense	<u>(736,720)</u>	770,843

Some revenues in the Statement of Activities do not provide current financial resources, and therefore are unavailable in governmental funds. Also, revenues related to prior periods that became available during the current period are reported in governmental funds but are eliminated in the Statement of Activities. This amount is the net adjustment.

201,771

Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net position of the internal service funds is reported with governmental activities.

41,192

Bond proceeds and other financing contracts provide current financial resources to governmental funds, while the repayment of the related debt principal consumes those financial resources. These transactions, however, have no effect on net position. In the current period, these amounts consist of:

Bonds and other financing contracts issued	\$ (3,424,263)	
Principal payments on bonds and other financing contracts	2,452,564	
Accreted interest on bonds	<u>31,714</u>	(939,985)

Some expenses/revenue reductions reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not recognized in governmental funds. Also payments of certain obligations related to prior periods are recognized in governmental funds but are eliminated in the Statement of Activities. In the current period, the net adjustments consist of:

Compensated absences	\$ (52,860)	
Other postemployment benefits	37,998	
Pensions	895,009	
Pollution remediation	(52,618)	
Claims and judgments	(3,902)	
Accrued interest	(3,430)	
Unclaimed property	5,170	
Asset retirement obligations	(1,733)	
Other obligations	<u>(2,854)</u>	820,780

Change in Net Position of Governmental Activities \$ 5,311,426

The notes to the financial statements are an integral part of this statement.

**Statement of Net Position
PROPRIETARY FUNDS**

June 30, 2021

(expressed in thousands)

	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 81,919	\$ 2,002,816	\$ 1,063,493
Investments	1,582,344	—	4,070
Taxes receivable (net of allowance)	—	—	—
Receivables (net of allowance)	825,849	638,111	391,403
Due from other funds	229	3,368	8,884
Due from other governments	1,455	38,626	110,434
Inventories	88	—	54,826
Prepaid expenses	159	—	6,458
Restricted cash and investments	488	—	16,680
Restricted receivables	—	—	24,840
Total Current Assets	2,492,531	2,682,921	1,681,088
Noncurrent Assets:			
Investments, noncurrent	19,723,138	—	224,718
Restricted investments, noncurrent	—	—	78,224
Restricted net pension asset	—	—	911
Other noncurrent assets	3,782	—	261,544
Capital assets:			
Land and other non-depreciable assets	3,204	—	74,597
Buildings	65,111	—	4,589,780
Other improvements	1,289	—	149,458
Furnishings, equipment, and intangibles	105,128	—	760,411
Infrastructure	—	—	64,513
Accumulated depreciation	(142,255)	—	(2,589,257)
Construction in progress	4,052	—	235,044
Total Noncurrent Assets	19,763,449	—	3,849,943
Total Assets	22,255,980	2,682,921	5,531,031
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows on refundings	—	—	40,622
Deferred outflows on pensions	34,993	—	141,120
Deferred outflows on OPEB	17,537	—	145,167
Total Deferred Outflows of Resources	52,530	—	326,909
Total Assets and Deferred Outflows of Resources	\$ 22,308,510	\$ 2,682,921	\$ 5,857,940

The notes to the financial statements are an integral part of this statement.

State of Washington

Continued

			<u>Governmental Activities</u>	
<u>Health Insurance</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>	
\$ 422,282	\$ 436,046	\$ 4,006,556	\$ 740,397	
—	55,299	1,641,713	921	
—	3,691	3,691	—	
30,659	265,311	2,151,333	17,855	
—	74,868	87,349	104,765	
163,826	10,350	324,691	28,818	
—	10,392	65,306	17,350	
—	464	7,081	21,493	
—	—	17,168	136,881	
—	—	24,840	1,331	
<u>616,767</u>	<u>856,421</u>	<u>8,329,728</u>	<u>1,069,811</u>	
2,256	1,794,023	21,744,135	24,069	
—	—	78,224	—	
—	—	911	—	
—	82,118	347,444	—	
—	1,540	79,341	7,258	
—	12,828	4,667,719	588,684	
—	5,772	156,519	15,122	
410	36,087	902,036	1,041,505	
—	—	64,513	2,170	
(263)	(29,662)	(2,761,437)	(931,258)	
—	67,841	306,937	14,779	
<u>2,403</u>	<u>1,970,547</u>	<u>25,586,342</u>	<u>762,329</u>	
<u>619,170</u>	<u>2,826,968</u>	<u>33,916,070</u>	<u>1,832,140</u>	
—	45	40,667	2,854	
2,265	17,291	195,669	57,035	
3,773	18,563	185,040	27,760	
<u>6,038</u>	<u>35,899</u>	<u>421,376</u>	<u>87,649</u>	
<u>\$ 625,208</u>	<u>\$ 2,862,867</u>	<u>\$ 34,337,446</u>	<u>\$ 1,919,789</u>	

**Statement of Net Position
PROPRIETARY FUNDS**

June 30, 2021

(expressed in thousands)

	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 10,188	\$ —	\$ 154,076
Accrued liabilities	297,940	127,690	272,645
Obligations under security lending agreements	—	—	—
Bonds and notes payable	—	—	144,418
Total OPEB liability	2,362	—	11,037
Due to other funds	6,040	1,771	218,432
Due to other governments	496	149,720	2,520
Unearned revenue	7,381	—	149,284
Claims and judgments payable	2,393,303	—	—
Total Current Liabilities	2,717,710	279,181	952,412
Noncurrent Liabilities:			
Claims and judgments payable	32,189,006	—	—
Bonds and notes payable	—	—	2,563,984
Net pension liability	67,653	—	219,591
Total OPEB liability	131,901	—	616,450
Other long-term liabilities	9,861	—	65,922
Total Noncurrent Liabilities	32,398,421	—	3,465,947
Total Liabilities	35,116,131	279,181	4,418,359
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows on refundings	—	—	228
Deferred inflows on pensions	20,269	—	145,897
Deferred inflows on OPEB	39,113	—	155,145
Total Deferred Inflows of Resources	59,382	—	301,270
NET POSITION			
Net investment in capital assets	36,530	—	698,974
Restricted for:			
Unemployment compensation	—	2,403,740	—
Pensions	—	—	784
Unrestricted	(12,903,533)	—	438,553
Total Net Position	(12,867,003)	2,403,740	1,138,311
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 22,308,510	\$ 2,682,921	\$ 5,857,940

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenses, and Changes in Net Position
PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2021
(expressed in thousands)

	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
OPERATING REVENUES			
Sales	\$ —	\$ —	\$ 30,172
Less: Cost of goods sold	—	—	(21,497)
Gross profit	—	—	8,675
Charges for services	27	—	2,945,116
Premiums and assessments	2,349,955	1,130,196	—
Lottery ticket proceeds	—	—	—
Federal aid for unemployment insurance benefits	—	9,499,890	—
Miscellaneous revenue	41,255	13,138	349,566
Total Operating Revenues	2,391,237	10,643,224	3,303,357
OPERATING EXPENSES			
Salaries and wages	209,818	—	1,195,339
Employee benefits	55,083	—	340,464
Personal services	14,774	—	143,637
Goods and services	103,284	—	1,149,858
Travel	2,286	—	8,627
Premiums and claims	4,112,609	11,939,071	—
Guaranteed education tuition program expense	—	—	—
Lottery prize payments	—	—	—
Depreciation and amortization	4,371	—	202,274
Miscellaneous expenses	3,118	—	20,711
Total Operating Expenses	4,505,343	11,939,071	3,060,910
Operating Income (Loss)	(2,114,106)	(1,295,847)	242,447
NONOPERATING REVENUES (EXPENSES)			
Earnings (loss) on investments	1,303,002	46,305	56,671
Interest expense	—	—	(83,232)
Tax and license revenue	100	—	—
Other revenues (expenses)	9,452	—	20,419
Total Nonoperating Revenues (Expenses)	1,312,554	46,305	(6,142)
Income (Loss) Before Contributions and Transfers	(801,552)	(1,249,542)	236,305
Capital contributions	—	—	1,065
Transfers in	75	82,000	637,172
Transfers out	(1,326)	—	(589,964)
Net Contributions and Transfers	(1,251)	82,000	48,273
Change in Net Position	(802,803)	(1,167,542)	284,578
Net Position - Beginning, as restated	(12,064,200)	3,571,282	853,733
Net Position - Ending	\$ (12,867,003)	\$ 2,403,740	\$ 1,138,311

The notes to the financial statements are an integral part of this statement.

State of Washington

			Governmental Activities	
Health Insurance	Nonmajor Enterprise Funds	Total	Internal Service Funds	
\$	—	\$ 103,654	\$ 133,826	\$ 34,510
		(73,728)	(95,225)	(29,217)
		29,926	38,601	5,293
		123,242	3,068,385	840,606
3,557,559	701,864	7,739,574	123,274	
	950,727	950,727	—	
	—	9,499,890	—	
56	5,388	409,403	232,662	
3,557,615	1,811,147	21,706,580	1,201,835	
13,954	93,369	1,512,480	344,202	
5,348	27,939	428,834	95,120	
11,758	20,120	190,289	34,950	
7,666	137,407	1,398,215	448,963	
5	438	11,356	2,822	
3,517,340	757,399	20,326,419	135,127	
	127,528	127,528	—	
	604,091	604,091	—	
52	2,431	209,128	95,881	
143	1,327	25,299	259	
3,556,266	1,772,049	24,833,639	1,157,324	
1,349	39,098	(3,127,059)	44,511	
(2,296)	235,797	1,639,479	688	
—	(4,646)	(87,878)	(16,239)	
—	17,632	17,732	3	
(3)	467	30,335	1,722	
(2,299)	249,250	1,599,668	(13,826)	
(950)	288,348	(1,527,391)	30,685	
		1,065	3,660	
8,896	20,057	748,200	38,112	
(34,931)	(251,964)	(878,185)	(31,265)	
(26,035)	(231,907)	(128,920)	10,507	
(26,985)	56,441	(1,656,311)	41,192	
444,753	1,009,846	(6,184,586)	(996,560)	
\$ 417,768	\$ 1,066,287	\$ (7,840,897)	\$ (955,368)	

Statement of Cash Flows
PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2021
(expressed in thousands)

	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 2,409,998	\$ 1,236,675	\$ 2,859,926
Payments to suppliers	(2,444,809)	(11,839,886)	(1,315,583)
Payments to employees	(284,557)	—	(1,547,037)
Other receipts	41,256	9,504,748	349,566
Net Cash Provided (Used) by Operating Activities	(278,112)	(1,098,463)	346,872
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	75	82,000	637,172
Transfers out	(1,326)	—	(589,964)
Operating grants and donations received	9,978	—	5,697
Taxes and license fees collected	100	—	—
Net Cash Provided (Used) by Noncapital Financing Activities	8,827	82,000	52,905
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Interest paid	—	—	(91,874)
Principal payments on long-term capital financing	—	—	(178,084)
Proceeds from long-term capital financing	—	—	182,718
Proceeds from sale of capital assets	32	—	2,983
Acquisitions of capital assets	(3,751)	—	(177,086)
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,719)	—	(261,343)
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipt of interest	777,078	46,305	4,998
Proceeds from sale of investment securities	8,395,806	—	81,032
Purchases of investment securities	(8,887,154)	—	(69,101)
Net Cash Provided (Used) by Investing Activities	285,730	46,305	16,929
Net Increase (Decrease) in Cash and Pooled Investments	12,726	(970,158)	155,363
Cash and cash equivalents, July 1, as restated	69,681	2,972,974	924,810
Cash and cash equivalents, June 30	\$ 82,407	\$ 2,002,816	\$ 1,080,173
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (2,114,106)	\$ (1,295,847)	\$ 242,447
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	4,371	—	202,274
Revenue reduced for uncollectible accounts	(3,953)	—	268
Change in Assets: Decrease (Increase)			
Receivables	11,891	98,200	(95,379)
Inventories	28	—	(1,559)
Prepaid expenses	1,410	—	103
Other assets	—	—	(135)
Change in Deferred Outflows of Resources: Increase (Decrease)	(4,428)	—	(92,116)
Change in Liabilities: Increase (Decrease)			
Payables	1,846,491	99,184	67,111
Change in Deferred Inflows of Resources: Decrease (Increase)	(19,816)	—	23,858
Net Cash Provided (Used) by Operating Activities	\$ (278,112)	\$ (1,098,463)	\$ 346,872

The notes to the financial statements are an integral part of this statement.

State of Washington

Continued

Health Insurance		Nonmajor Enterprise Funds		Governmental Activities	
				Total	Internal Service Funds
\$	3,546,991	\$	1,919,371	\$	11,972,961
	(3,597,291)		(1,692,563)		(20,890,132)
	(18,799)		(127,988)		(1,978,381)
	55		5,430		9,901,055
	(69,044)		104,250		(994,497)
	8,896		20,057		748,200
	(34,931)		(251,964)		(878,185)
	(446)		494		15,723
	—		16,346		16,446
	(26,481)		(215,067)		(97,816)
	—		(135)		(92,009)
	—		(490)		(178,574)
	—		—		182,718
	—		5		3,020
	—		(16,577)		(197,414)
	—		(17,197)		(282,259)
	4,030		33,947		866,358
	—		249,247		8,726,085
	—		(276,065)		(9,232,320)
	4,030		7,129		360,123
	(91,495)		(120,885)		(1,014,449)
	513,777		556,931		5,038,173
\$	422,282	\$	436,046	\$	4,023,724
\$	1,349	\$	39,098	\$	(3,127,059)
	52		2,431		209,128
	—		4		(3,681)
	(4,243)		(40,318)		(29,849)
	—		121		(1,410)
	—		(75)		1,438
	—		—		(135)
	(2,010)		(6,666)		(105,220)
	(63,966)		115,425		2,064,245
	(226)		(5,770)		(1,954)
\$	(69,044)	\$	104,250	\$	(994,497)
				\$	214,916

Statement of Cash Flows
PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2021
(expressed in thousands)

	Business-Type Activities		
	Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Contributions of capital assets	\$ —	\$ —	\$ 1,065
Amortization of annuity prize liability	—	—	—
Increase (decrease) in fair value of investments	528,401	—	(137)
Debt refunding deposited with escrow agent	—	—	567,130
Amortization of debt premium/discount	—	—	5,256
Increase in ownership of joint venture	—	—	50,837

The notes to the financial statements are an integral part of this statement.

State of Washington

Concluded

			Governmental Activities	
Health Insurance	Nonmajor Enterprise Funds		Total	Internal Service Funds
\$	—	\$	\$	\$
	—	—	1,065	3,660
	—	4,578	4,578	—
	(6,100)	202,433	724,597	(156)
	—	—	567,130	—
	—	67	5,323	6,726
	—	—	50,837	—

**Statement of Net Position
FIDUCIARY FUNDS**

June 30, 2021

(expressed in thousands)

Continued

	Private-Purpose Trust	Local Government Investment Pool	Pension and Other Employee Benefit Plans	Custodial Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and cash equivalents	\$ 10,328	\$ 7,555,216	\$ 63,074	\$ 295,693
Receivables, pension and other employee benefit plans:				
Employers	—	—	231,189	—
Members (net of allowance)	—	—	7,266	—
Interest and dividends	—	—	364,888	—
Investment trades pending	—	—	8,107,036	—
Taxes receivable (net of allowance)	—	—	—	1,346,995
Due from other pension and other employee benefit funds	—	—	113,315	—
Other receivables, all other funds	—	6,449	82	8,267
Due from other governments	—	—	—	23,680
Investments:				
Liquidity	—	12,258,451	4,053,279	—
Fixed income	—	1,273,440	24,447,109	—
Public equity	—	—	60,118,475	—
Private equity	—	—	41,511,933	—
Real estate	—	—	25,523,742	—
Tangible assets	—	—	8,024,627	—
Security lending collateral	—	—	249,454	—
Other noncurrent assets	—	—	—	63,381
Capital assets:				
Furnishings, equipment, and intangibles	20	—	—	—
Accumulated depreciation	(20)	—	—	—
Total Assets	10,328	21,093,556	172,815,469	1,738,016
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows on OPEB	—	—	213	—
Total Deferred Outflows of Resources	—	—	213	—
Total Assets and Deferred Outflows of Resources	\$ 10,328	\$ 21,093,556	\$ 172,815,682	\$ 1,738,016

The notes to the financial statements are an integral part of this statement.

**Statement of Net Position
FIDUCIARY FUNDS**

June 30, 2021
(expressed in thousands)

Concluded

	Private-Purpose Trust	Local Government Investment Pool	Pension and Other Employee Benefit Plans	Custodial Funds
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	\$ 212	\$ —	\$ —	\$ 5,382
Accrued liabilities	139	699,907	8,937,693	60,262
Obligations under security lending agreements	—	—	249,454	—
Due to other funds	—	90	—	—
Due to other pension and other employee benefit funds	—	—	113,314	—
Due to other governments	—	341,292	—	582,242
Unearned revenue	—	—	821	—
Other long-term liabilities	—	—	—	17,931
Total Liabilities	351	1,041,289	9,301,282	665,817
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows on OPEB	—	—	152	—
Total Deferred Inflows of Resources	—	—	152	—
Total Liabilities and Deferred Inflows of Resources	351	1,041,289	9,301,434	665,817
NET POSITION				
Net position restricted for:				
Pensions	—	—	157,347,830	—
Deferred compensation participants	—	—	6,166,418	—
Local government pool participants	—	20,052,267	—	—
Individuals, organizations, and other governments	9,977	—	—	1,072,199
Total Net Position	\$ 9,977	\$ 20,052,267	\$ 163,514,248	\$ 1,072,199

The notes to the financial statements are an integral part of this statement.

**Statement of Changes in Net Position
FIDUCIARY FUNDS**

For the Fiscal Year Ended June 30, 2021
(expressed in thousands)

	Private-Purpose Trust	Local Government Investment Pool	Pension and Other Employee Benefit Plans	Custodial Funds
ADDITIONS				
Contributions:				
Employers	\$ —	\$ —	\$ 3,266,805	\$ —
Members	—	—	2,010,596	—
State	—	—	93,837	—
Participants	—	28,729,980	368,515	775,351
Total Contributions	—	28,729,980	5,739,753	775,351
Investment Income:				
Net appreciation (depreciation) in fair value	—	—	37,025,575	—
Interest and dividends	—	36,506	2,533,852	18,941
Earnings (loss) on investments	—	(6,476)	—	2,985
Less: Investment expenses	—	—	(683,676)	—
Net Investment Income (Loss)	—	30,030	38,875,751	21,926
Other Additions:				
Unclaimed property	56,781	—	—	—
Transfers from other plans	—	—	103,442	—
Sales tax collections for other governments	—	—	—	6,255,210
Miscellaneous revenue	939	—	21,537	—
Other Additions	—	—	—	418,861
Total Other Additions	57,720	—	124,979	6,674,071
Total Additions	57,720	28,760,010	44,740,483	7,471,348
DEDUCTIONS				
Pension benefits	—	—	5,269,815	—
Pension refunds	—	—	815,925	—
Transfers to other plans	—	—	103,442	—
Administrative expenses	6,570	1,512	3,679	608
Distributions to participants	—	26,712,068	326,935	—
Payments of sales tax to other governments	—	—	—	6,094,334
Payments on behalf of retirees for medical benefits	—	—	—	782,028
Other deductions	—	—	—	429,686
Payments to or on behalf of individuals, organizations, and other governments in accordance with state unclaimed property laws	45,065	—	—	—
Transfers out	2,109	—	—	—
Total Deductions	53,744	26,713,580	6,519,796	7,306,656
Net Increase (Decrease)	3,976	2,046,430	38,220,687	164,692
Net Position - Beginning, as restated	6,001	18,005,837	125,293,561	907,507
Net Position - Ending	\$ 9,977	\$ 20,052,267	\$ 163,514,248	\$ 1,072,199

The notes to the financial statements are an integral part of this statement.

**Statement of Net Position
COMPONENT UNITS**

June 30, 2021

(expressed in thousands)

Continued

	Public Stadium Authority	Health Benefit Exchange	Valley Medical Center	Nonmajor Component Units	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 15,941	\$ 3,657	\$ 152,700	\$ 169,147	\$ 341,445
Investments	—	—	25,335	50,870	76,205
Receivables (net of allowance)	2,743	5,485	92,091	13,956	114,275
Inventories	—	—	9,438	—	9,438
Prepaid expenses	12	5,565	21,525	444	27,546
Total Current Assets	18,696	14,707	301,089	234,417	568,909
Noncurrent Assets:					
Investments, noncurrent	—	—	102,378	—	102,378
Restricted investments, noncurrent	—	—	25,875	—	25,875
Other noncurrent assets	—	576	—	476,579	477,155
Capital assets:					
Land	34,677	—	14,026	—	48,703
Buildings	460,952	—	511,617	—	972,569
Other improvements	—	1,854	18,778	176	20,808
Furnishings, equipment, and intangible assets	10,404	67,414	260,689	2,108	340,615
Lease asset	—	2,794	—	—	2,794
Accumulated depreciation	(298,353)	(52,253)	(461,351)	(2,203)	(814,160)
Construction in progress	—	1,275	62,193	—	63,468
Total Noncurrent Assets	207,680	21,660	534,205	476,660	1,240,205
Total Assets	226,376	36,367	835,294	711,077	1,809,114
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows on refundings	—	—	14,033	—	14,033
Deferred outflows on pensions	34	2,380	—	1,167	3,581
Deferred outflows on OPEB	—	131	—	486	617
Total Deferred Outflows of Resources	34	2,511	14,033	1,653	18,231
Total Assets and Deferred Outflows of Resources	\$ 226,410	\$ 38,878	\$ 849,327	\$ 712,730	\$ 1,827,345

The notes to the financial statements are an integral part of this statement.

**Statement of Net Position
COMPONENT UNITS**

June 30, 2021

(expressed in thousands)

Concluded

	Public Stadium Authority	Health Benefit Exchange	Valley Medical Center	Nonmajor Component Units	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION					
LIABILITIES					
Current Liabilities:					
Accounts payable	\$ 13	\$ 6,730	\$ 33,833	\$ 408	\$ 40,984
Accrued liabilities	3,270	1,430	125,572	41,737	172,009
Total OPEB liability	—	—	—	3	3
Lease liability	—	591	—	—	591
Unearned revenue	—	6,544	45,265	15,248	67,057
Total Current Liabilities	3,283	15,295	204,670	57,396	280,644
Noncurrent Liabilities:					
Net pension liability	150	4,132	—	2,640	6,922
Total OPEB liability	—	1,819	—	3,622	5,441
Lease liability	—	588	—	—	588
Other long-term liabilities	—	576	328,739	—	329,315
Total Noncurrent Liabilities	150	7,115	328,739	6,262	342,266
Total Liabilities	3,433	22,410	533,409	63,658	622,910
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows on property taxes	—	—	27,723	—	27,723
Deferred inflows on pensions	42	1,249	—	593	1,884
Deferred inflows on OPEB	—	351	—	1,104	1,455
Total Deferred Inflows of Resources	42	1,600	27,723	1,697	31,062
NET POSITION					
Net investment in capital assets	207,511	18,932	123,279	81	349,803
Restricted for:					
Other purposes	7,507	—	1,112	809	9,428
Unrestricted	7,917	(4,064)	163,804	646,485	814,142
Total Net Position	222,935	14,868	288,195	647,375	1,173,373
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 226,410	\$ 38,878	\$ 849,327	\$ 712,730	\$ 1,827,345

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenses, and Changes in Net Position
COMPONENT UNITS

For the Fiscal Year Ended June 30, 2021
(expressed in thousands)

	Public Stadium Authority	Health Benefit Exchange	Valley Medical Center	Nonmajor Component Units	Total
EXPENSES	\$ 19,030	\$ 56,930	\$ 815,446	\$ 21,502	\$ 912,908
PROGRAM REVENUES					
Charges for services	12,113	33,493	780,789	136,138	962,533
Operating grants and contributions	—	26,512	—	—	26,512
Total Program Revenues	12,113	60,005	780,789	136,138	989,045
Net Program Revenues (Expense)	(6,917)	3,075	(34,657)	114,636	76,137
GENERAL REVENUES					
Earnings (loss) on investments	54	—	605	313	972
Property taxes	—	—	24,373	—	24,373
Other	—	—	19,327	—	19,327
Total General Revenues	54	—	44,305	313	44,672
Change in Net Position	(6,863)	3,075	9,648	114,949	120,809
Net Position - Beginning, as restated	229,798	11,793	278,547	532,426	1,052,564
Net Position - Ending	\$ 222,935	\$ 14,868	\$ 288,195	\$ 647,375	\$ 1,173,373

The notes to the financial statements are an integral part of this statement.