

Nonmajor Enterprise Funds

Enterprise Funds account for any activity for which a fee is charged to external users for goods or services. If an activity's principal revenue source meets any one of the following criteria, it is required to be reported as an enterprise fund: (1) an activity financed with debt that is secured solely by pledge of the net revenues from fees and charges for the activity; (2) laws or regulations which require that the activity's costs of providing services, including capital costs, be recovered with fees and charges, rather than with taxes or similar revenues; or (3) pricing policies which establish fees and charges designed to recover the activity's costs, including capital costs. The Nonmajor Enterprise Funds are as follows:

Lottery Fund

The Lottery Fund accounts for lottery ticket revenues, administrative and operating expenses of the Lottery Commission, and the distribution of revenue.

Institutional Fund

The Institutional Fund accounts for the enterprise activities carried out through vocational/education programs at state institutions.

Guaranteed Education Tuition Program Fund

The Guaranteed Education Tuition Program Fund accounts for the guaranteed college tuition program.

Paid Family and Medical Leave Compensation Fund

The Paid Family and Medical Leave Compensation Fund accounts for the family and medical leave insurance program.

Other Activities Fund

The Other Activities Fund accounts for the operation of the pollution liability insurance program, the judicial information system, the local Certificate of Participation (COP) financing program, the local government audit program, and the Secretary of State's corporate public records program.

NONMAJOR ENTERPRISE FUNDS
Combining Statement of Net Position

June 30, 2022
(expressed in thousands)

| | Lottery | Institutional | Guaranteed Education Tuition Program |
|--|-------------------|------------------|---|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | |
| ASSETS | | | |
| Current Assets: | | | |
| Cash and cash equivalents | \$ 20,868 | \$ 5,664 | \$ 2,414 |
| Investments | 16,171 | — | 43,698 |
| Taxes receivable (net of allowance) | — | — | — |
| Receivables (net of allowance) | 29,318 | 721 | 18,825 |
| Due from other funds | 44,930 | 15,572 | 4 |
| Due from other governments | — | 871 | — |
| Inventories | 309 | 12,727 | — |
| Prepaid expenses | — | 201 | — |
| Total Current Assets | 111,596 | 35,756 | 64,941 |
| Noncurrent Assets: | | | |
| Investments, noncurrent | 94,216 | — | 1,485,227 |
| Restricted net pension asset | 6,970 | 20,039 | 1,629 |
| Other noncurrent assets | 5 | — | 78,855 |
| Capital assets: | | | |
| Land and other non-depreciable assets | — | 1,540 | — |
| Buildings | — | 12,828 | — |
| Other improvements | 1,338 | 4,807 | — |
| Furnishings, equipment, and intangibles | 1,239 | 19,315 | 17 |
| Lease assets | 4,785 | — | 595 |
| Accumulated depreciation and amortization | (3,765) | (18,232) | (235) |
| Construction in progress | — | — | — |
| Total Noncurrent Assets | 104,788 | 40,297 | 1,566,088 |
| Total Assets | 216,384 | 76,053 | 1,631,029 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| | 1,879 | 7,379 | 458 |
| Total Assets and Deferred Outflows of Resources | \$ 218,263 | \$ 83,432 | \$ 1,631,487 |

State of Washington

Continued

| Paid Family and Medical Leave Compensation | Other Activities | Total |
|---|------------------|--------------|
| \$ 27,766 | \$ 134,877 | \$ 191,589 |
| — | — | 59,869 |
| — | 3,435 | 3,435 |
| 335,449 | 928 | 385,241 |
| 58 | 10,897 | 71,461 |
| — | 5,026 | 5,897 |
| — | 93 | 13,129 |
| — | 16 | 217 |
| 363,273 | 155,272 | 730,838 |
| — | — | 1,579,443 |
| 15,117 | 34,991 | 78,746 |
| — | — | 78,860 |
| — | — | 1,540 |
| — | — | 12,828 |
| — | 76 | 6,221 |
| 61,356 | 13,530 | 95,457 |
| 5,467 | 3,251 | 14,098 |
| (9,884) | (11,430) | (43,546) |
| — | 15,617 | 15,617 |
| 72,056 | 56,035 | 1,839,264 |
| 435,329 | 211,307 | 2,570,102 |
| 18,753 | 10,332 | 38,801 |
| \$ 454,082 | \$ 221,639 | \$ 2,608,903 |

State of Washington

NONMAJOR ENTERPRISE FUNDS
Combining Statement of Net Position

June 30, 2022
(expressed in thousands)

| | Lottery | Institutional | Guaranteed Education Tuition Program |
|---|-------------------|------------------|---|
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION | | | |
| LIABILITIES | | | |
| Current Liabilities: | | | |
| Accounts payable | \$ 3,992 | \$ 7,186 | \$ 217 |
| Accrued liabilities | 69,271 | 2,158 | 95,390 |
| Obligations under security lending agreements | — | — | 9,143 |
| Bonds and notes payable | 483 | 535 | 119 |
| Total OPEB liability | 101 | 296 | 19 |
| Due to other funds | 51,530 | 403 | 139 |
| Due to other governments | — | 281 | — |
| Unearned revenue | 911 | 3,811 | — |
| Claims and judgments payable | — | — | — |
| Total Current Liabilities | 126,288 | 14,670 | 105,027 |
| Noncurrent Liabilities: | | | |
| Claims and judgments payable | — | — | — |
| Bonds and notes payable | 2,482 | 1,534 | 261 |
| Net pension liability | 664 | 1,908 | 155 |
| Total OPEB Liability | 6,032 | 17,615 | 1,114 |
| Other long-term liabilities | 96,110 | 2,469 | 1,056,249 |
| Total Noncurrent Liabilities | 105,288 | 23,526 | 1,057,779 |
| Total Liabilities | 231,576 | 38,196 | 1,162,806 |
| DEFERRED INFLOWS OF RESOURCES | 8,919 | 26,705 | 2,335 |
| NET POSITION | | | |
| Net investment in capital assets | 631 | 18,234 | (3) |
| Restricted for: | | | |
| Pensions | 1,377 | 4,555 | 325 |
| Unrestricted | (24,240) | (4,258) | 466,024 |
| Total Net Position | (22,232) | 18,531 | 466,346 |
| Total Liabilities, Deferred Inflows of Resources, and Net Position | \$ 218,263 | \$ 83,432 | \$ 1,631,487 |

State of Washington

Concluded

| Paid Family and Medical Leave Compensation | Other Activities | Total |
|---|------------------|--------------|
| \$ 580 | \$ 8,898 | \$ 20,873 |
| 1,853 | 18,666 | 187,338 |
| — | — | 9,143 |
| 632 | 673 | 2,442 |
| 231 | 426 | 1,073 |
| 347 | 64,333 | 116,752 |
| — | 23,288 | 23,569 |
| 44,792 | 2 | 49,516 |
| 6,820 | 8,141 | 14,961 |
| 55,255 | 124,427 | 425,667 |
| — | 16,630 | 16,630 |
| 220 | 1,066 | 5,563 |
| 1,457 | 3,363 | 7,547 |
| 15,052 | 24,090 | 63,903 |
| 734 | 3,483 | 1,159,045 |
| 17,463 | 48,632 | 1,252,688 |
| 72,718 | 173,059 | 1,678,355 |
| 18,218 | 43,305 | 99,482 |
| 56,087 | 19,304 | 94,253 |
| 5,008 | 7,611 | 18,876 |
| 302,051 | (21,640) | 717,937 |
| 363,146 | 5,275 | 831,066 |
| \$ 454,082 | \$ 221,639 | \$ 2,608,903 |

State of Washington

NONMAJOR ENTERPRISE FUNDS
**Combining Statement of Revenues, Expenses,
and Changes in Net Position**

For the Fiscal Year Ended June 30, 2022
(expressed in thousands)

| | Lottery | Institutional | Guaranteed Education Tuition Program |
|---|--------------------|------------------|---|
| OPERATING REVENUES | | | |
| Sales | \$ — | \$ 85,821 | \$ — |
| Less: Cost of goods sold | — | (71,375) | — |
| Gross profit | — | 14,446 | — |
| Charges for services | 2,726 | 10,736 | 78,964 |
| Premiums and assessments | — | — | — |
| Lottery ticket proceeds | 907,686 | — | — |
| Miscellaneous revenue | 1,265 | 16 | 439 |
| Total Operating Revenues | 911,677 | 25,198 | 79,403 |
| OPERATING EXPENSES | | | |
| Salaries and wages | 9,176 | 21,499 | 3,036 |
| Employee benefits | 592 | 1,427 | -52 |
| Personal services | 13,640 | — | 991 |
| Goods and services | 93,845 | 1,075 | 316 |
| Travel | 364 | 102 | 16 |
| Premiums and claims | — | — | — |
| Guaranteed education tuition program expense | — | — | 137,578 |
| Lottery prize payments | 573,990 | — | — |
| Depreciation and amortization | 693 | 795 | 119 |
| Miscellaneous expenses | 42 | — | — |
| Total Operating Expenses | 692,342 | 24,898 | 142,004 |
| Operating Income (Loss) | 219,335 | 300 | (62,601) |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Earnings (loss) on investments | (11,083) | — | (193,865) |
| Interest expense | (3,808) | (110) | (4) |
| Tax and license revenue | 11 | — | — |
| Other revenues (expenses) | — | (121) | — |
| Total Nonoperating Revenues (Expenses) | (14,880) | (231) | (193,869) |
| Income (Loss) Before Transfers | 204,455 | 69 | (256,470) |
| Transfers in | — | — | — |
| Transfers out | (216,838) | (1,000) | — |
| Net Transfers | (216,838) | (1,000) | — |
| Change in Net Position | (12,383) | (931) | (256,470) |
| Net Position - Beginning, as restated | (9,849) | 19,462 | 722,816 |
| Net Position - Ending | \$ (22,232) | \$ 18,531 | \$ 466,346 |

State of Washington

| Paid Family and Medical Leave Compensation | Other Activities | Total |
|---|------------------|------------|
| \$ — | \$ 155 | \$ 85,976 |
| — | (79) | (71,454) |
| — | 76 | 14,522 |
| — | 38,983 | 131,409 |
| 961,865 | 26,707 | 988,572 |
| — | — | 907,686 |
| 27 | 5,290 | 7,037 |
| 961,892 | 71,056 | 2,049,226 |
| 27,215 | 45,774 | 106,700 |
| 7,915 | 3,295 | 13,177 |
| 3,561 | 6,260 | 24,452 |
| 6,601 | 22,870 | 124,707 |
| 32 | 138 | 652 |
| 1,054,809 | — | 1,054,809 |
| — | — | 137,578 |
| — | — | 573,990 |
| 5,136 | 1,296 | 8,039 |
| 270 | 342 | 654 |
| 1,105,539 | 79,975 | 2,044,758 |
| (143,647) | (8,919) | 4,468 |
| (1,403) | (503) | (206,854) |
| (13) | (17) | (3,952) |
| — | 14,040 | 14,051 |
| — | 673 | 552 |
| (1,416) | 14,193 | (196,203) |
| (145,063) | 5,274 | (191,735) |
| — | 57,750 | 57,750 |
| — | (46,149) | (263,987) |
| — | 11,601 | (206,237) |
| (145,063) | 16,875 | (397,972) |
| 508,209 | (11,600) | 1,229,038 |
| \$ 363,146 | \$ 5,275 | \$ 831,066 |

State of Washington

NONMAJOR ENTERPRISE FUNDS
Combining Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2022
 (expressed in thousands)

| | Lottery | Institutional | Guaranteed Education Tuition Program |
|--|-------------------|-------------------|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | \$ 912,228 | \$ 100,547 | \$ 82,965 |
| Payments to suppliers | (693,057) | (70,702) | (76,397) |
| Payments to employees | (12,253) | (31,728) | (3,587) |
| Other receipts | 1,266 | 15 | 440 |
| Net Cash Provided (Used) by Operating Activities | <u>208,184</u> | <u>(1,868)</u> | <u>3,421</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | |
| Transfers in | — | — | — |
| Transfers out | (216,838) | (1,000) | — |
| Operating grants and donations received | — | — | — |
| Taxes and license fees collected | 11 | — | — |
| Net Cash Provided (Used) by Noncapital Financing Activities | <u>(216,827)</u> | <u>(1,000)</u> | <u>—</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Interest paid | (29) | (110) | (4) |
| Principal payments on long-term capital financing | (459) | (515) | (118) |
| Proceeds from sale of capital assets | — | 268 | — |
| Acquisitions of capital assets | (127) | (436) | — |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(615)</u> | <u>(793)</u> | <u>(122)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Receipt of interest | — | — | 37,346 |
| Proceeds from sale of investment securities | 17,040 | — | 160,432 |
| Purchases of investment securities | (5,177) | — | (203,489) |
| Net Cash Provided (Used) by Investing Activities | <u>11,863</u> | <u>—</u> | <u>(5,711)</u> |
| Net Increase (Decrease) in Cash and Pooled Investments | 2,605 | (3,661) | (2,412) |
| Cash and cash equivalents, July 1 | 18,263 | 9,325 | 4,826 |
| Cash and cash equivalents, June 30 | <u>\$ 20,868</u> | <u>\$ 5,664</u> | <u>\$ 2,414</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | |
| Operating Income (Loss) | \$ 219,335 | \$ 300 | \$ (62,601) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | |
| Depreciation and amortization | 693 | 795 | 119 |
| Revenue reduced for uncollectible accounts | 40 | — | — |
| Change in Assets: Decrease (Increase) | | | |
| Receivables | 2,823 | 179 | 4,001 |
| Inventories | 344 | (3,095) | — |
| Prepaid expenses | — | 152 | — |
| Other assets | (6,970) | (20,039) | (1,628) |
| Change in Deferred Outflows of Resources: Increase (Decrease) | 47 | 1,905 | 111 |
| Change in Liabilities: Increase (Decrease) | | | |
| Payables | (14,163) | (1,058) | 61,820 |
| Change in Deferred Inflows of Resources: Decrease (Increase) | 6,035 | 18,993 | 1,599 |
| Net Cash Provided (Used) by Operating Activities | <u>\$ 208,184</u> | <u>\$ (1,868)</u> | <u>\$ 3,421</u> |
| NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES | | | |
| Acquisition of capital assets through lease financing | \$ — | \$ — | \$ — |
| Amortization of annuity prize liability | 3,778 | — | — |
| Increase (decrease) in fair value of investments | (14,540) | — | (231,408) |
| Amortization of debt premium/discount | 3,456 | — | — |

State of Washington

| Paid Family and Medical Leave Compensation | Other Activities | Total |
|---|------------------|--------------|
| \$ 845,954 | \$ 55,344 | \$ 1,997,038 |
| (1,065,302) | (3,658) | (1,909,116) |
| (36,836) | (60,218) | (144,622) |
| 27 | 5,293 | 7,041 |
| (256,157) | (3,239) | (49,659) |
| — | 57,750 | 57,750 |
| — | (46,149) | (263,987) |
| — | 744 | 744 |
| — | 14,296 | 14,307 |
| — | 26,641 | (191,186) |
| (12) | (16) | (171) |
| (893) | (522) | (2,507) |
| — | — | 268 |
| (330) | (7,907) | (8,800) |
| (1,235) | (8,445) | (11,210) |
| 1,331 | 115 | 38,792 |
| — | — | 177,472 |
| — | — | (208,666) |
| 1,331 | 115 | 7,598 |
| (256,061) | 15,072 | (244,457) |
| 283,827 | 119,805 | 436,046 |
| \$ 27,766 | \$ 134,877 | \$ 191,589 |
| \$ (143,647) | \$ (8,919) | \$ 4,468 |
| 5,136 | 1,296 | 8,039 |
| 58 | — | 98 |
| (122,173) | (10,500) | (125,670) |
| — | 14 | (2,737) |
| — | 96 | 248 |
| (15,116) | (34,991) | (78,744) |
| (5,793) | 829 | (2,901) |
| 10,395 | 17,872 | 74,866 |
| 14,983 | 31,064 | 72,674 |
| \$ (256,157) | \$ (3,239) | \$ (49,659) |
| \$ — | \$ 64 | \$ 64 |
| — | — | 3,778 |
| (2,171) | (618) | (248,737) |
| — | — | 3,456 |

This page intentionally left blank.

Internal Service Funds

Internal Service Funds account for state activities that provide goods and services to other state departments or agencies on a cost-reimbursement basis. The Internal Service Funds are described below:

General Services Fund

The General Services Fund accounts for the cost of providing the following services to state agencies: (1) legal services; (2) state Certificate of Participation (COP) financing program; (3) facilities, equipment and related services; (4) printing; (5) audits of state agencies; (6) administration of the state civil service law and labor relations; (7) administrative hearings; and (8) archives and records management.

Data Processing Revolving Fund

The Data Processing Revolving Fund accounts for the distribution of the full cost of data processing and data

communication services to other state agencies, and for the payment of other costs incidental to the acquisition, operation, and administration of acquired data processing services, supplies, and equipment.

Higher Education Revolving Fund

The Higher Education Revolving Fund accounts for stores, data processing, and other support service activities at colleges and universities.

Risk Management Fund

The Risk Management Fund administers tort and sundry claims filed against Washington state agencies, except for the University of Washington and the Washington State Department of Transportation Ferries Division.

State of Washington

INTERNAL SERVICE FUNDS
Combining Statement of Net Position

June 30, 2022
(expressed in thousands)

| | General Services | Data Processing Revolving | Higher Education Revolving |
|--|---------------------|------------------------------|-------------------------------|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | |
| ASSETS | | | |
| Current Assets: | | | |
| Cash and cash equivalents | \$ 156,663 | \$ 102,652 | \$ 624,708 |
| Investments | — | — | 664 |
| Receivables (net of allowance) | 5,443 | 734 | 43,559 |
| Due from other funds | 73,924 | 26,596 | 3,819 |
| Due from other governments | 42,925 | 243 | 1,491 |
| Inventories | 11,049 | — | 12,056 |
| Prepaid expenses | 6,018 | 7,423 | 9,361 |
| Restricted cash and investments | 114,692 | — | — |
| Total Current Assets | 410,714 | 137,648 | 695,658 |
| Noncurrent Assets: | | | |
| Investments, noncurrent | — | — | 28,439 |
| Restricted net pension asset | 160,100 | 36,640 | 47,139 |
| Capital assets: | | | |
| Land and other non-depreciable assets | 4,736 | — | 2,533 |
| Buildings | 246,203 | 286,781 | 60,414 |
| Other improvements | 12,933 | 1,581 | 608 |
| Furnishings, equipment, and intangibles | 777,132 | 127,850 | 163,204 |
| Infrastructure | 2,035 | — | 135 |
| Lease assets | 129,918 | 343 | 37,838 |
| Accumulated depreciation and amortization | (567,187) | (258,572) | (196,629) |
| Construction in progress | 699 | 43,738 | — |
| Total Noncurrent Assets | 766,569 | 238,361 | 143,681 |
| Total Assets | 1,177,283 | 376,009 | 839,339 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| | 52,038 | 10,585 | 24,921 |
| Total Assets and Deferred Outflows of Resources | \$ 1,229,321 | \$ 386,594 | \$ 864,260 |

State of Washington

Continued

| Risk Management | Total | | |
|-----------------|-------|----|-------------|
| \$ | — | \$ | 884,023 |
| | — | | 664 |
| | — | | 49,736 |
| | 3,258 | | 107,597 |
| | — | | 44,659 |
| | — | | 23,105 |
| | 233 | | 23,035 |
| | — | | 114,692 |
| | 3,491 | | 1,247,511 |
| | — | | 28,439 |
| | 1,156 | | 245,035 |
| | — | | 7,269 |
| | — | | 593,398 |
| | — | | 15,122 |
| | 8 | | 1,068,194 |
| | — | | 2,170 |
| | — | | 168,099 |
| | (8) | | (1,022,396) |
| | — | | 44,437 |
| | 1,156 | | 1,149,767 |
| | 4,647 | | 2,397,278 |
| | 322 | | 87,866 |
| \$ | 4,969 | \$ | 2,485,144 |

State of Washington

INTERNAL SERVICE FUNDS
Combining Statement of Net Position

June 30, 2022
(expressed in thousands)

| | General Services | Data Processing Revolving | Higher Education Revolving |
|---|---------------------|------------------------------|-------------------------------|
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION | | | |
| LIABILITIES | | | |
| Current Liabilities: | | | |
| Accounts payable | \$ 15,884 | \$ 14,995 | \$ 27,175 |
| Accrued liabilities | 32,287 | 3,680 | 108,807 |
| Bonds and notes payable | 127,149 | 9,033 | 6,913 |
| Total OPEB liability | 2,192 | 362 | 668 |
| Due to other funds | 8,515 | 5,257 | 19,375 |
| Due to other governments | 15,839 | — | 1,136 |
| Unearned revenue | 5,052 | — | 2 |
| Claims and judgments payable | — | — | 33,800 |
| Total Current Liabilities | 206,918 | 33,327 | 197,876 |
| Noncurrent Liabilities: | | | |
| Claims and judgments payable | — | — | 208,199 |
| Bonds and notes payable | 312,652 | 225,923 | 42,173 |
| Net pension liability | 15,460 | 3,517 | 16,367 |
| Total OPEB Liability | 130,589 | 21,560 | 39,792 |
| Unearned revenue | 59 | — | — |
| Other long-term liabilities | 22,253 | 4,730 | 6,930 |
| Total Noncurrent Liabilities | 481,013 | 255,730 | 313,461 |
| Total Liabilities | 687,931 | 289,057 | 511,337 |
| DEFERRED INFLOWS OF RESOURCES | 196,541 | 47,864 | 96,299 |
| NET POSITION | | | |
| Net investment in capital assets | 243,965 | (31,750) | 19,016 |
| Restricted for: | | | |
| Pensions | 34,117 | 6,328 | 7,841 |
| Unrestricted | 66,767 | 75,095 | 229,767 |
| Total Net Position | 344,849 | 49,673 | 256,624 |
| Total Liabilities, Deferred Inflows of Resources, and Net Position | \$ 1,229,321 | \$ 386,594 | \$ 864,260 |

State of Washington

INTERNAL SERVICE FUNDS
Combining Statement of Revenues, Expenses,
and Changes in Net Position

For the Fiscal Year Ended June 30, 2022
(expressed in thousands)

| | General Services | Data Processing Revolving | Higher Education Revolving |
|---|-------------------|------------------------------|-------------------------------|
| OPERATING REVENUES | | | |
| Sales | \$ 27,995 | \$ — | \$ 9,616 |
| Less: Cost of goods sold | (22,774) | — | (9,245) |
| Gross profit | 5,221 | — | 371 |
| Charges for services | 358,854 | 262,167 | 334,778 |
| Premiums and assessments | 514 | — | — |
| Miscellaneous revenue | 159,225 | 17,411 | 20,810 |
| Total Operating Revenues | 523,814 | 279,578 | 355,959 |
| OPERATING EXPENSES | | | |
| Salaries and wages | 210,515 | 42,881 | 100,919 |
| Employee benefits | 15,485 | (1,658) | 5,365 |
| Personal services | 8,852 | 5,982 | 14,942 |
| Goods and services | 110,157 | 127,707 | 222,369 |
| Travel | 1,889 | 82 | 1,017 |
| Premiums and claims | — | — | — |
| Depreciation and amortization | 78,807 | 16,977 | 22,732 |
| Miscellaneous expenses | 249 | — | 52 |
| Total Operating Expenses | 425,954 | 191,971 | 367,396 |
| Operating Income (Loss) | 97,860 | 87,607 | (11,437) |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Earnings (loss) on investments | (485) | — | 766 |
| Interest expense | (8,025) | (8,798) | (1,493) |
| Tax and license revenue | 6 | — | — |
| Other revenues (expenses) | 529 | — | 9,072 |
| Total Nonoperating Revenues (Expenses) | (7,975) | (8,798) | 8,345 |
| Income (Loss) Before Contributions and Transfers | 89,885 | 78,809 | (3,092) |
| Capital contributions | 13,836 | — | — |
| Transfers in | 10,337 | 9,000 | 20,382 |
| Transfers out | (199) | (146) | (27,848) |
| Net Contributions and Transfers | 23,974 | 8,854 | (7,466) |
| Change in Net Position | 113,859 | 87,663 | (10,558) |
| Net Position - Beginning, as restated | 230,990 | (37,990) | 267,182 |
| Net Position - Ending | \$ 344,849 | \$ 49,673 | \$ 256,624 |

State of Washington

| Risk Management | Total |
|-----------------|----------------|
| \$ — | \$ 37,611 |
| — | (32,019) |
| — | 5,592 |
| 2,887 | 958,686 |
| 185,184 | 185,698 |
| — | 197,446 |
| 188,071 | 1,347,422 |
| 1,448 | 355,763 |
| 45 | 19,237 |
| 2,902 | 32,678 |
| 25,447 | 485,680 |
| 18 | 3,006 |
| 521,884 | 521,884 |
| — | 118,516 |
| — | 301 |
| 551,744 | 1,537,065 |
| (363,673) | (189,643) |
| — | 281 |
| — | (18,316) |
| — | 6 |
| — | 9,601 |
| — | (8,428) |
| (363,673) | (198,071) |
| — | 13,836 |
| 201 | 39,920 |
| — | (28,193) |
| 201 | 25,563 |
| (363,472) | (172,508) |
| (1,423,610) | (963,428) |
| \$ (1,787,082) | \$ (1,135,936) |

State of Washington

INTERNAL SERVICE FUNDS
Combining Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2022
 (expressed in thousands)

| | General Services | Data Processing Revolving | Higher Education Revolving |
|--|-------------------|------------------------------|-------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | \$ 378,029 | \$ 259,477 | \$ 324,639 |
| Payments to suppliers | (167,586) | (130,783) | (125,435) |
| Payments to employees | (278,988) | (54,206) | (129,009) |
| Other receipts | 159,739 | 17,412 | 19,829 |
| Net Cash Provided (Used) by Operating Activities | <u>91,194</u> | <u>91,900</u> | <u>90,024</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | |
| Transfers in | 10,337 | 9,000 | 20,382 |
| Transfers out | (199) | (146) | (27,848) |
| Operating grants and donations received | 465 | — | 8 |
| Taxes and license fees collected | 6 | — | — |
| Net Cash Provided (Used) by Noncapital Financing Activities | <u>10,609</u> | <u>8,854</u> | <u>(7,458)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Interest paid | (12,750) | (10,521) | (1,505) |
| Principal payments on long-term capital financing | (55,288) | (7,734) | (8,787) |
| Proceeds from long-term capital financing | 29,255 | — | 195 |
| Proceeds from sale of capital assets | 5,223 | — | 9,164 |
| Acquisitions of capital assets | (60,884) | (33,763) | (12,642) |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(94,444)</u> | <u>(52,018)</u> | <u>(13,575)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Receipt of interest | 240 | — | 1,017 |
| Proceeds from sale of investment securities | — | — | 753 |
| Purchases of investment securities | — | — | (5,659) |
| Net Cash Provided (Used) by Investing Activities | <u>240</u> | <u>—</u> | <u>(3,889)</u> |
| Net Increase (Decrease) in Cash and Pooled Investments | 7,599 | 48,736 | 65,102 |
| Cash and cash equivalents, July 1 | 263,756 | 53,916 | 559,606 |
| Cash and cash equivalents, June 30 | <u>\$ 271,355</u> | <u>\$ 102,652</u> | <u>\$ 624,708</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | |
| Operating Income (Loss) | \$ 97,860 | \$ 87,607 | \$ (11,437) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | |
| Depreciation and amortization | 78,807 | 16,977 | 22,732 |
| Revenue reduced for uncollectible accounts | 159 | — | 6 |
| Change in Assets: Decrease (Increase) | | | |
| Receivables | (10,154) | (2,690) | (19,666) |
| Inventories | (2,848) | — | (2,907) |
| Prepaid expenses | 235 | (1,019) | (722) |
| Other assets | (160,100) | (36,640) | (47,139) |
| Change in Deferred Outflows of Resources: Increase (Decrease) | 1,193 | 901 | (2,630) |
| Change in Liabilities: Increase (Decrease) | | | |
| Payables | (54,964) | (5,527) | 118,455 |
| Change in Deferred Inflows of Resources: Decrease (Increase) | 141,006 | 32,291 | 33,332 |
| Net Cash Provided (Used) by Operating Activities | <u>\$ 91,194</u> | <u>\$ 91,900</u> | <u>\$ 90,024</u> |
| NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES | | | |
| Contributions of capital assets | \$ 13,836 | \$ — | \$ — |
| Acquisition of capital assets through lease financing | 41,007 | — | 598 |
| Increase (decrease) in fair value of investments | (726) | — | (205) |
| Amortization of debt premium/discount | 4,869 | 1,723 | 58 |

State of Washington

| Risk Management | Total |
|-----------------|--------------|
| \$ 185,298 | \$ 1,147,443 |
| (183,573) | (607,377) |
| (1,926) | (464,129) |
| — | 196,980 |
| (201) | 272,917 |
| 201 | 39,920 |
| — | (28,193) |
| — | 473 |
| — | 6 |
| 201 | 12,206 |
| — | (24,776) |
| — | (71,809) |
| — | 29,450 |
| — | 14,387 |
| — | (107,289) |
| — | (160,037) |
| — | 1,257 |
| — | 753 |
| — | (5,659) |
| — | (3,649) |
| — | 121,437 |
| — | 877,278 |
| \$ — | \$ 998,715 |
| \$ (363,673) | \$ (189,643) |
| — | 118,516 |
| — | 165 |
| (2,773) | (35,283) |
| — | (5,755) |
| (36) | (1,542) |
| (1,157) | (245,036) |
| 65 | (471) |
| 366,359 | 424,323 |
| 1,014 | 207,643 |
| \$ (201) | \$ 272,917 |
| \$ — | \$ 13,836 |
| — | 41,605 |
| — | (931) |
| — | 6,650 |