

**RSI**  
**Required Supplementary Information**

This page intentionally left blank.

**BUDGETARY COMPARISON SCHEDULE**  
**General Fund**

<b>Budgetary Comparison Schedule</b>				
<b>General Fund</b>				
For the Fiscal Year Ended June 30, 2018				
<i>(expressed in thousands)</i>				
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with</b>
	<b>2017-19</b>	<b>2017-19</b>	<b>2017-19</b>	<b>Final Budget</b>
	<b>Biennium</b>	<b>Biennium</b>	<b>Biennium</b>	<b>Final Budget</b>
<b>Budgetary Fund Balance, July 1, as restated</b>	\$ 2,800,959	\$ 2,800,959	\$ 2,800,959	\$ —
<b>Resources</b>				
Taxes	41,877,017	42,114,494	21,142,727	(20,971,767)
Licenses, permits, and fees	223,597	229,551	124,364	(105,187)
Other contracts and grants	735,272	840,503	330,327	(510,176)
Timber sales	6,294	5,878	1,924	(3,954)
Federal grants-in-aid	23,763,712	24,467,146	11,618,774	(12,848,372)
Charges for services	96,751	96,355	48,367	(47,988)
Investment income (loss)	43,586	34,252	29,393	(4,859)
Miscellaneous revenue	445,610	560,111	284,060	(276,051)
Unclaimed property	131,846	171,914	98,822	(73,092)
Transfers from other funds	3,015,087	4,938,197	1,537,159	(3,401,038)
<b>Total Resources</b>	<b>73,139,731</b>	<b>76,259,360</b>	<b>38,016,876</b>	<b>(38,242,484)</b>
<b>Charges To Appropriations</b>				
General government	4,219,483	4,263,232	1,999,306	2,263,926
Human services	35,614,129	36,180,337	17,331,521	18,848,816
Natural resources and recreation	718,985	804,561	389,979	414,582
Transportation	118,591	124,947	57,492	67,455
Education	27,291,160	27,967,064	13,023,614	14,943,450
Capital outlays	314,778	939,940	140,904	799,036
Transfers to other funds	1,875,025	3,826,789	1,170,570	2,656,219
<b>Total Charges To Appropriations</b>	<b>70,152,151</b>	<b>74,106,870</b>	<b>34,113,386</b>	<b>39,993,484</b>
<b>Excess Available For Appropriation Over (Under) Charges To Appropriations</b>	<b>2,987,580</b>	<b>2,152,490</b>	<b>3,903,490</b>	<b>1,751,000</b>
<b>Reconciling Items</b>				
Bond sale proceeds	188,943	301,811	59,590	(242,221)
Assumed reversions	216,868	216,000	—	(216,000)
Working capital adjustment	—	—	(256,000)	(256,000)
Noncash activity (net)	—	—	50,165	50,165
Nonappropriated fund balances	—	—	116,024	116,024
Changes in reserves (net)	—	—	(3,274)	(3,274)
<b>Total Reconciling Items</b>	<b>405,811</b>	<b>517,811</b>	<b>(32,778)</b>	<b>(550,589)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 3,393,391</b>	<b>\$ 2,670,301</b>	<b>\$ 3,870,712</b>	<b>\$ 1,200,411</b>

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 SCHEDULE**  
**General Fund - Budget to GAAP Reconciliation**

<b>General Fund - Budget to GAAP Reconciliation</b>	
<b>General Fund</b>	
For the Fiscal Year Ended June 30, 2018	
<i>(expressed in thousands)</i>	
<b>Sources/Inflows of Resources</b>	
Actual amounts (budgetary basis) "Total Resources"	
from the Budgetary Comparison Schedule	\$ 38,016,876
Differences - budget to GAAP:	
The following items are inflows of budgetary resources but are not revenue for financial reporting purposes:	
Transfers from other funds	(1,537,159)
Budgetary fund balance at the beginning of the biennium, as restated	(2,800,959)
Appropriated loan principal repayment	(267)
The following items are not inflows of budgetary resources but are revenue for financial reporting purposes:	
Noncash commodities and electronic food stamp benefits	1,393,827
Revenues collected for other governments	101,886
Unanticipated receipts	940
Noncash revenues	11,829
Other	(13,979)
Biennium total revenues	35,172,994
Nonappropriated activity	5,378
<b>Total Revenues (GAAP Basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds</b>	<b>\$ 35,178,372</b>
<b>Uses/Outflows of Resources</b>	
Actual amounts (budgetary basis) "Total Charges to Appropriations"	
from the Budgetary Comparison Schedule	\$ 34,113,386
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	(1,470,174)
Other transfers to other funds	(1,170,570)
Appropriated loan disbursements	(89)
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	1,393,827
Distributions to other governments	101,886
Certificates of participation and capital lease acquisitions	21,061
Expenditures related to unanticipated receipts	940
Other	6,664
Biennium total expenditures	32,996,931
Nonappropriated activity	341,424
<b>Total expenditures (GAAP basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds</b>	<b>\$ 33,338,355</b>

**BUDGETARY COMPARISON SCHEDULE**  
**Higher Education Special Revenue Fund**

<b>Budgetary Comparison Schedule</b> <b>Higher Education Special Revenue Fund</b> For the Fiscal Year Ended June 30, 2018 <i>(expressed in thousands)</i>				
	Original Budget 2017-19 Biennium	Final Budget 2017-19 Biennium	Actual 2017-19 Biennium	Variance with Final Budget
<b>Budgetary Fund Balance, July 1, as restated</b>	\$ 393,333	\$ 393,333	\$ 393,333	\$ —
<b>Resources</b>				
Taxes	520,751	517,499	308,735	(208,764)
Other contracts and grants	600	450	—	(450)
Charges for services	—	878	—	(878)
Investment income (loss)	2,808	3,503	1,384	(2,119)
Miscellaneous revenue	2,272	2,173	—	(2,173)
Transfers from other funds	315,354	292,896	160,305	(132,591)
<b>Total Resources</b>	<b>1,235,118</b>	<b>1,210,732</b>	<b>863,757</b>	<b>(346,975)</b>
<b>Charges To Appropriations</b>				
Human services	14,192	14,190	—	14,190
Education	773,403	1,026,926	399,294	627,632
Transfers to other funds	41,112	41,111	23,307	17,804
<b>Total Charges To Appropriations</b>	<b>828,707</b>	<b>1,082,227</b>	<b>422,601</b>	<b>659,626</b>
<b>Excess Available For Appropriation Over (Under) Charges To Appropriations</b>	<b>406,411</b>	<b>128,505</b>	<b>441,156</b>	<b>312,651</b>
<b>Reconciling Items</b>				
Noncash activity (net)	—	—	25,116	25,116
Nonappropriated fund balances	—	—	2,334,729	2,334,729
Changes in reserves (net)	—	—	(9,740)	(9,740)
<b>Total Reconciling Items</b>	<b>—</b>	<b>—</b>	<b>2,350,105</b>	<b>2,350,105</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 406,411</b>	<b>\$ 128,505</b>	<b>\$ 2,791,261</b>	<b>\$ 2,662,756</b>

**BUDGETARY COMPARISON SCHEDULE**

**Higher Education Special Revenue Fund - Budget to GAAP Reconciliation**

Higher Education Special Revenue Fund - Budget to GAAP Reconciliation	
Higher Education Special Revenue Fund	
For the Fiscal Year Ended June 30, 2018	
<i>(expressed in thousands)</i>	
<b>Sources/Inflows of Resources</b>	
Actual amounts (budgetary basis) "Total Resources"	
from the Budgetary Comparison Schedule	\$ 863,757
Differences - budget to GAAP:	
The following items are inflows of budgetary resources but are not revenue for financial reporting purposes:	
Transfers from other funds	(160,305)
Budgetary fund balance at the beginning of the biennium, as restated	(393,333)
Biennium total revenues	310,119
Nonappropriated activity	5,510,231
<b>Total Revenues (GAAP Basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds</b>	<b>\$ 5,820,350</b>
<b>Uses/Outflows of Resources</b>	
Actual amounts (budgetary basis) "Total Charges to Appropriations"	
from the Budgetary Comparison Schedule	\$ 422,601
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	(47,430)
Other transfers to other funds	(23,307)
Biennium total expenditures	351,864
Nonappropriated activity	5,423,715
<b>Total expenditures (GAAP basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds</b>	<b>\$ 5,775,579</b>

## **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/2018-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**

<b>Schedule of Changes in Net Pension Liability and Related Ratios</b>					
<b>Washington State Patrol Retirement System - Plan 1/2</b>					
Last Five Measurement Years*					
<i>(expressed in thousands)</i>					
	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>Total Pension Liability</b>					
Service cost	\$ 18,474	\$ 16,534	\$ 16,633	\$ 18,041	N/A
Interest	90,560	83,373	80,037	75,249	N/A
Changes of benefit terms	4,830	1,947	2,258	—	N/A
Differences between expected and actual experience	23,702	(10,431)	8,883	—	N/A
Changes in assumptions	20,921	2	17	—	N/A
Benefit payments, including refunds of member contributions	(56,821)	(54,159)	(50,075)	(47,510)	N/A
<b>Net Change in Total Pension Liability</b>	<b>101,666</b>	<b>37,266</b>	<b>57,753</b>	<b>45,780</b>	<b>N/A</b>
<b>Total Pension Liability - Beginning</b>	<b>1,167,443</b>	<b>1,130,177</b>	<b>1,072,424</b>	<b>1,026,644</b>	<b>N/A</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 1,269,109</b>	<b>\$ 1,167,443</b>	<b>\$ 1,130,177</b>	<b>\$ 1,072,424</b>	<b>\$ 1,026,644</b>
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	\$ 7,587	\$ 7,044	\$ 6,679	\$ 6,587	N/A
Contributions - employee	10,454	8,895	6,323	6,555	N/A
Net investment income	151,021	25,352	49,046	176,856	N/A
Benefit payments, including refunds of employee contributions	(56,821)	(54,159)	(50,075)	(47,510)	N/A
Administrative expense	(53)	(60)	(67)	(84)	N/A
Other	524	429	293	509	N/A
<b>Net Change in Plan Fiduciary Net Position</b>	<b>112,712</b>	<b>(12,499)</b>	<b>12,199</b>	<b>142,913</b>	<b>N/A</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>1,098,127</b>	<b>1,110,626</b>	<b>1,098,427</b>	<b>955,514</b>	<b>N/A</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 1,210,839</b>	<b>\$ 1,098,127</b>	<b>\$ 1,110,626</b>	<b>\$ 1,098,427</b>	<b>\$ 955,514</b>
<b>State's Net Pension Liability/(Asset) - Ending (a) - (b)</b>	<b>\$ 58,270</b>	<b>\$ 69,316</b>	<b>\$ 19,551</b>	<b>\$ (26,003)</b>	<b>\$ 71,130</b>
<b>Plan Fiduciary Net Position as a percentage of the total pension liability /(asset)</b>	<b>95.41%</b>	<b>94.06%</b>	<b>98.27%</b>	<b>102.42%</b>	<b>93.07%</b>
<b>Covered-employee payroll</b>	<b>\$ 93,053</b>	<b>\$ 86,660</b>	<b>\$ 84,388</b>	<b>\$ 85,046</b>	<b>\$ 81,895</b>
<b>State's net pension liability/(asset) as a percentage of covered-employee payroll</b>	<b>62.62%</b>	<b>79.99%</b>	<b>23.17%</b>	<b>-30.58%</b>	<b>86.86%</b>
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					

**PENSION PLAN INFORMATION**  
**Single Employer Plans**

<b>Schedule of Changes in Net Pension Liability and Related Ratios</b>					
<b>Judicial Retirement System</b>					
Last Five Measurement Years*					
<i>(expressed in thousands)</i>					
	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>Total Pension Liability</b>					
Service cost	\$ —	\$ —	\$ —	\$ —	N/A
Interest	2,874	3,704	4,382	4,319	N/A
Changes of benefit terms	—	—	—	—	N/A
Differences between expected and actual experience	1,047	20	1,590	—	N/A
Changes in assumptions	(6,329)	8,737	4,335	—	N/A
Benefit payments, including refunds of employee contributions	(8,723)	(9,131)	(9,336)	(9,480)	N/A
<b>Net Change in Total Pension Liability</b>	<b>(11,131)</b>	<b>3,330</b>	<b>971</b>	<b>(5,161)</b>	<b>N/A</b>
<b>Total Pension Liability - Beginning</b>	<b>104,642</b>	<b>101,312</b>	<b>100,341</b>	<b>105,502</b>	<b>N/A</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 93,511</b>	<b>\$ 104,642</b>	<b>\$ 101,312</b>	<b>\$ 100,341</b>	<b>\$ 105,502</b>
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	\$ 9,300	\$ 9,500	\$ 10,600	\$ 10,600	N/A
Contributions - employee	—	—	—	—	N/A
Net investment income	45	74	38	25	N/A
Benefit payments, including refunds of employee contributions	(8,723)	(9,131)	(9,336)	(9,480)	N/A
Administrative expense	—	(1)	—	—	N/A
Other	—	—	—	—	N/A
<b>Net Change in Plan Fiduciary Net Position</b>	<b>622</b>	<b>442</b>	<b>1,302</b>	<b>1,145</b>	<b>N/A</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>6,775</b>	<b>6,333</b>	<b>5,031</b>	<b>3,886</b>	<b>N/A</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 7,397</b>	<b>\$ 6,775</b>	<b>\$ 6,333</b>	<b>\$ 5,031</b>	<b>\$ 3,886</b>
<b>State's Net Pension Liability/(Asset) - Ending (a) - (b)</b>	<b>\$ 86,114</b>	<b>\$ 97,867</b>	<b>\$ 94,979</b>	<b>\$ 95,310</b>	<b>\$ 101,616</b>
<b>Plan Fiduciary Net Position as a percentage of the total pension liability/(asset)</b>	<b>7.91%</b>	<b>6.47%</b>	<b>6.25%</b>	<b>5.01%</b>	<b>3.68%</b>
<b>Covered-employee payroll <sup>(1)</sup></b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 160</b>
<b>State's net pension liability/(asset) as a percentage of covered-employee payroll <sup>(1)</sup></b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>63510%</b>
N/A indicates data not available.					
<sup>(1)</sup> Covered-employee 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					

**PENSION PLAN INFORMATION**  
**Single Employer Plans**

<b>Schedule of Changes in Net Pension Liability and Related Ratios</b>					
<b>Judges' Retirement Fund</b>					
Last Five Measurement Years*					
<i>(expressed in thousands)</i>					
	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>Total Pension Liability</b>					
Service cost	\$ —	\$ —	\$ —	\$ —	N/A
Interest	88	116	138	137	N/A
Changes of benefit terms	—	—	—	—	N/A
Differences between expected and actual experience	194	123	182	—	N/A
Changes in assumptions	(129)	181	95	—	N/A
Benefit payments, including refunds of employee contributions	(402)	(440)	(444)	(444)	N/A
<b>Net Change in Total Pension Liability</b>	<b>(249)</b>	<b>(20)</b>	<b>(29)</b>	<b>(307)</b>	<b>N/A</b>
<b>Total Pension Liability - Beginning</b>	<b>3,097</b>	<b>3,117</b>	<b>3,146</b>	<b>3,453</b>	<b>N/A</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 2,848</b>	<b>\$ 3,097</b>	<b>\$ 3,117</b>	<b>\$ 3,146</b>	<b>\$ 3,453</b>
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	\$ 499	\$ 501	\$ —	\$ —	N/A
Contributions - employee	—	—	—	—	N/A
Net investment income	4	6	4	7	N/A
Benefit payments, including refunds of employee contributions	(402)	(440)	(444)	(444)	N/A
Administrative expense	—	—	—	—	N/A
Other	—	—	—	—	N/A
<b>Net Change in Plan Fiduciary Net Position</b>	<b>101</b>	<b>67</b>	<b>(440)</b>	<b>(437)</b>	<b>N/A</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>582</b>	<b>515</b>	<b>955</b>	<b>1,392</b>	<b>N/A</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 683</b>	<b>\$ 582</b>	<b>\$ 515</b>	<b>\$ 955</b>	<b>\$ 1,392</b>
<b>State's Net Pension Liability/(Asset) - Ending (a) - (b)</b>	<b>\$ 2,165</b>	<b>\$ 2,515</b>	<b>\$ 2,602</b>	<b>\$ 2,191</b>	<b>\$ 2,061</b>
<b>Plan Fiduciary Net Position as a percentage of the total pension liability/(asset)</b>	<b>23.98%</b>	<b>18.79%</b>	<b>16.52%</b>	<b>30.36%</b>	<b>40.31%</b>
<b>Covered-employee payroll <sup>(1)</sup></b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>State's net pension liability/(asset) as a percentage of covered-employee payroll <sup>(1)</sup></b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
N/A indicates data not available.					
<sup>(1)</sup> Covered-employee 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					

**PENSION PLAN INFORMATION**  
**Single Employer Plans**

<b>Schedule of Contributions</b> <b>Washington State Patrol Retirement System - Plan 1/2</b> Last Ten Fiscal Years <i>(expressed in thousands)</i>								
Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarial Determined Contributions	Contribution Deficiency (Excess)	Covered-employee Payroll	Contributions as a Percentage of Covered-employee Payroll			
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%			
2009	5,000	6,371	(1,371)	82,719	7.70%			

Prior to 2014, the Annual Required Contribution (ARC) amounts are presented for the Actuarially Determined Contributions.  
 Note: Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

**PENSION PLAN INFORMATION**  
**Single Employer Plans**

<b>Schedule of Contributions</b> <b>Judicial Retirement System</b> Last Ten Fiscal Years <i>(expressed in thousands)</i>						
Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarial Determined Contributions	Contribution Deficiency (Excess)	Covered-employee Payroll	Contributions as a Percentage of Covered-employee Payroll	
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%	
2009	21,200	10,305	10,895	1,394	739.24%	

Contributions in relation to the Actuarially Determined Contributions are based on state contributions. Prior to 2014, the Annual Required Contribution (ARC) 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**

<b>Schedule of Contributions</b> <b>Judges' Retirement Fund</b> Last Ten Fiscal Years <i>(expressed in thousands)</i>							
Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarial Determined Contributions	Contribution Deficiency (Excess)	Covered-employee Payroll	Contributions as a Percentage of Covered-employee Payroll		
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		
2009	—	—	—	—	N/A		

Contributions in relation to the Actuarially Determined Contributions are based on state contributions. Prior to 2014, the Annual Required Contribution (ARC) 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**

<b>Schedule of the State's Proportionate Share of the Net Pension Liability</b>				
<b>Public Employees' Retirement System (PERS) Plan 1</b>				
Measurement Date of June 30 *				
<i>(expressed in thousands)</i>				
	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
State PERS Plan 1 employers' proportion of the net pension liability/(asset)	41.88%	41.99%	41.57%	42.37%
State PERS Plan 1 employers' proportionate share of the net pension liability/(asset)	\$ 1,987,268	\$ 2,255,244	\$ 2,174,623	\$ 2,134,189
Covered payroll of employees participating in PERS Plan 1	\$ 85,341	\$ 103,235	\$ 120,686	\$ 143,836
Covered payroll of employees participating in PERS Plan 2/3	4,928,806	4,648,843	4,363,171	4,215,934
Covered payroll of employees participating in PSERS Plan 2	175,395	155,768	140,977	130,172
Covered-Employee Payroll	<u>\$ 5,189,542</u>	<u>\$ 4,907,846</u>	<u>\$ 4,624,834</u>	<u>\$ 4,489,942</u>
State PERS Plan 1 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered-employee payroll	38.29%	45.95%	47.02%	47.53%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	61.24%	57.03%	59.10%	61.19%
* This schedule is to be built prospectively until it contains ten years of data.				

<b>Schedule of the State's Proportionate Share of the Net Pension Liability</b>				
<b>Public Employees' Retirement System (PERS) Plan 2/3</b>				
Measurement Date of June 30 *				
<i>(expressed in thousands)</i>				
	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
State PERS Plan 2/3 employers' proportion of the net pension liability/(asset)	50.20%	49.72%	49.10%	49.27%
State PERS Plan 2/3 employers' proportionate share of the net pension liability/(asset)	\$ 1,744,067	\$ 2,503,313	\$ 1,754,418	\$ 995,856
State PERS Plan 2/3 employers' covered-employee payroll	\$ 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-employee payroll	35.39%	53.85%	40.21%	23.62%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	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**

<b>Schedule of the State's Proportionate Share of the Net Pension Liability</b>				
<b>Teachers' Retirement System (TRS) Plan 1</b>				
Measurement Date of June 30 *				
<i>(expressed in thousands)</i>				
	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
State TRS Plan 1 employers' proportion of the net pension liability/(asset)	1.03%	0.97%	0.86%	0.78%
State TRS Plan 1 employers' proportionate share of the net pension liability/(asset)	\$ 31,172	\$ 33,026	\$ 27,186	\$ 22,924
Covered payroll of employees participating in TRS Plan 1	\$ 2,475	\$ 5,735	\$ 3,913	\$ 4,611
Covered payroll of employees participating in TRS Plan 2/3	52,534	41,803	33,705	25,673
Covered-employee payroll	<u>\$ 55,009</u>	<u>\$ 47,538</u>	<u>\$ 37,618</u>	<u>\$ 30,284</u>
State TRS Plan 1 employers' proportionate share of the net pension liability/(asset) as a percentage of its covered-employee payroll	56.67%	69.47%	72.27%	75.70%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	65.58%	62.07%	65.70%	68.77%
* This schedule is to be built prospectively until it contains ten years of data.				

<b>Schedule of the State's Proportionate Share of the Net Pension Liability</b>				
<b>Teachers' Retirement System (TRS) Plan 2/3</b>				
Measurement Date of June 30 *				
<i>(expressed in thousands)</i>				
	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
State TRS Plan 2/3 employers' proportion of the net pension liability/(asset)	0.96%	0.87%	0.72%	0.59%
State TRS Plan 2/3 employers' proportionate share of the net pension liability/(asset)	\$ 8,873	\$ 11,896	\$ 6,107	\$ 1,913
State TRS Plan 2/3 employers' covered-employee payroll	\$ 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-employee payroll	16.89%	28.46%	18.12%	7.45%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	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**

<b>Schedule of the State's Proportionate Share of the Net Pension Liability</b> <b>Public Safety Employees' Retirement System (PSERS) Plan 2</b> Measurement Date of June 30 * <i>(expressed in thousands)</i>				
	2017	2016	2015	2014
State PSERS Plan 2 employers' proportion of the net pension liability/(asset)	49.14%	47.97%	47.93%	48.26%
State PSERS Plan 2 employers' proportionate share of the net pension liability (asset)	\$ 9,628	\$ 20,386	\$ 8,748	\$ (6,988)
State PSERS Plan 2 employers' covered-employee payroll	\$ 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-employee payroll	5.49%	13.09%	6.21%	-5.37%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	96.26%	90.41%	95.08%	105.01%
* This schedule is to be built prospectively until it contains ten years of data.				

<b>Schedule of the State's Proportionate Share of the Net Pension Liability</b> <b>Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 1</b> Measurement Date of June 30 * <i>(expressed in thousands)</i>				
	2017	2016	2015	2014
State's nonemployer proportion of the net pension liability/(asset)	87.12%	87.12%	87.12%	87.12%
State as nonemployer contributing entity proportionate share of the net pension liability/(asset)	\$ (1,321,802)	\$ (897,585)	\$ (1,049,988)	\$ (1,056,583)
Plan fiduciary net position as a percentage of the total pension liability/(asset)	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**

<b>Schedule of the State's Proportionate Share of the Net Pension Liability</b> <b>Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 2</b> Measurement Date of June 30 * <i>(expressed in thousands)</i>				
	2017	2016	2015	2014
State LEOFF Plan 2 employers' proportion of the net pension liability/(asset)	0.85%	0.88%	0.83%	0.84%
State as nonemployer contributing entity proportion of the net pension liability/(asset)	39.35%	39.46%	39.80%	39.52%
State LEOFF Plan 2 employers' proportionate share of the net pension liability/(asset)	\$ (11,823)	\$ (5,113)	\$ (8,580)	\$ (11,164)
State as nonemployer contributing entity total proportionate share of the net pension liability/(asset)	(545,988)	(229,538)	(409,091)	(524,419)
<b>Total</b>	<b>\$ (557,811)</b>	<b>\$ (234,651)</b>	<b>\$ (417,671)</b>	<b>\$ (535,583)</b>
State LEOFF Plan 2 employers' covered-employee payroll	\$ 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-employee payroll	-57.97%	-25.79%	-45.77%	-61.14%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	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**

<b>Schedule of Contributions</b>					
<b>Public Employees' Retirement System (PERS) Plan 1</b>					
Fiscal Year Ended June 30*					
<i>(dollars in thousands)</i>					
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Contractually Required Contributions (CRC)	\$ 280,513	\$ 251,924	\$ 238,158	\$ 191,618	\$ 188,639
Employer contributions related to covered payroll of employees participating in PERS plan 1	8,769	9,537	11,385	11,072	12,964
Employer UAAL contributions related to covered payroll of employees participating in PERS plan 2/3 and PSERS plan 2	271,744	242,387	226,773	180,546	175,675
Contributions in relation to the actuarially determined contributions	280,513	251,924	238,158	191,618	188,639
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —
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	4,215,935
Covered payroll of employees participating in PSERS plan 2	198,511	175,395	155,768	140,977	130,172
Covered-employee payroll	\$5,505,336	\$5,189,542	\$4,907,846	\$4,624,834	\$4,489,943
Contributions as a percentage of covered-employee payroll	5.10%	4.85%	4.85%	4.14%	4.20%

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

<b>Schedule of Contributions</b>					
<b>Public Employees' Retirement System (PERS) Plan 2/3</b>					
Fiscal Year Ended June 30*					
<i>(dollars in thousands)</i>					
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Contractually Required Contributions	\$ 389,001	\$ 306,591	\$ 287,049	\$ 219,395	\$ 209,455
Contributions in relation to the contractually required contributions	389,001	306,591	287,049	219,395	209,455
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —
Covered-employee payroll	\$5,237,495	\$4,928,806	\$4,648,843	\$4,363,171	\$4,215,935
Contributions as a percentage of covered-employee payroll	7.43%	6.22%	6.17%	5.03%	4.97%

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

**PENSION PLAN INFORMATION**  
**Cost Sharing Employer Plans**

<b>Schedule of Contributions</b>					
<b>Teachers' Retirement System (TRS) Plan 1</b>					
Fiscal Year Ended June 30*					
<i>(dollars in thousands)</i>					
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Contractually Required Contributions	\$ 4,582	\$ 3,608	\$ 2,940	\$ 1,920	\$ 1,537
Employer contributions related to covered payroll of employees participating in TRS plan 1	272	326	369	388	451
Employer UAAL contributions related to covered payroll of employees participating in TRS plan 2/3	4,310	3,282	2,571	1,532	1,086
Contributions in relation to the actuarially determined contributions	4,582	3,608	2,940	1,920	1,537
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —
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-employee payroll	\$ 63,185	\$ 55,009	\$ 47,538	\$ 37,618	\$ 30,284
Contributions as a percentage of covered-employee payroll	7.25%	6.56%	6.18%	5.10%	5.08%

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

<b>Schedule of Contributions</b>					
<b>Teachers' Retirement System (TRS) Plan 2/3</b>					
Fiscal Year Ended June 30*					
<i>(dollars in thousands)</i>					
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Contractually Required Contributions	\$ 4,699	\$ 3,542	\$ 2,827	\$ 1,924	\$ 1,454
Contributions in relation to the contractually required contributions	4,699	3,542	2,827	1,924	1,454
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —
Covered-employee payroll	\$ 61,292	\$ 52,534	\$ 41,803	\$ 33,705	\$ 25,673
Contributions as a percentage of covered-employee payroll	7.67%	6.74%	6.76%	5.71%	5.66%

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

**PENSION PLAN INFORMATION**  
**Cost Sharing Employer Plans**

<b>Schedule of Contributions</b>					
<b>Public Safety Employees' Retirement System (PSERS) Plan 2</b>					
Fiscal Year Ended June 30*					
<i>(dollars in thousands)</i>					
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Contractually Required Contributions	\$ 13,330	\$ 11,465	\$ 10,233	\$ 8,932	\$ 8,100
Contributions in relation to the contractually required contributions	13,330	11,465	10,233	8,932	8,100
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered-employee payroll	\$ 198,511	\$ 175,395	\$ 155,768	\$ 140,977	\$ 130,172
Contributions as a percentage of covered-employee payroll	6.72%	6.54%	6.57%	6.34%	6.22%

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

<b>Schedule of Contributions</b>					
<b>Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 2</b>					
Fiscal Year Ended June 30*					
<i>(dollars in thousands)</i>					
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Contractually Required Contributions	\$ 1,512	\$ 1,346	\$ 1,345	\$ 1,224	\$ 1,184
Contributions in relation to the contractually required contributions	1,512	1,346	1,345	1,224	1,184
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered-employee payroll	\$ 21,892	\$ 20,396	\$ 19,828	\$ 18,744	\$ 18,259
Contributions as a percentage of covered-employee payroll	6.91%	6.60%	6.78%	6.53%	6.48%

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

**PENSION PLAN INFORMATION**  
**Notes to Required Supplementary Information**

**Methods and assumptions used in calculations of Actuarially Determined Contributions (ADC) for PERS, TRS, LEOFF, and WSPRS.** The Office of the State Actuary (OSA) calculates the 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. For example, the actuarial valuation with a June 30, 2013, valuation date, completed in the fall of 2014, determined the ADC for the period beginning July 1, 2015, and ending June 30, 2017.

**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. The increase is expected to be phased in over three biennia for PERS 1/2/3, TRS 1/2/3, PSERS 2, and WSPRS 1/2.

For cost-sharing plans, OSA calculates the Contractually Required Contributions (CRC) using the same assumptions and methods as the ADC except the CRC reflects the adopted contribution rates for the time period shown, which may differ from the contribution rates produced for the ADC.

**Volunteer Fire Fighters’ and Reserve Officers’ Relief and Pension Fund**

<b>Schedule of Net Pension Liability</b>						
Last Six Fiscal Years*						
<i>(expressed in thousands)</i>						
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Total Pension Liability - Ending	\$ 192,440	\$ 192,700	\$ 191,494	\$ 188,584	\$ 186,527	\$ 183,578
Plan Fiduciary Net Position - Ending	245,284	229,800	208,663	207,855	204,195	177,134
<b>Plan's Net Pension Liability/(Asset) - Ending</b>	<b>\$ (52,844)</b>	<b>\$ (37,100)</b>	<b>\$ (17,169)</b>	<b>\$ (19,271)</b>	<b>\$ (17,668)</b>	<b>\$ 6,444</b>
Plan fiduciary net position as a percentage of the total pension liability/(asset)	127.46%	119.25%	108.97%	110.22%	109.47%	96.49%
Covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
Plan's net pension liability/(asset) as a percentage of covered-employee payroll	N/A	N/A	N/A	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						

**PENSION PLAN INFORMATION**

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

<b>Schedule of Change in Net Pension Liability</b>						
Last Six Fiscal Years*						
<i>(expressed in thousands)</i>						
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>Total Pension Liability</b>						
Service cost	\$ 853	\$ 869	\$ 893	\$ 919	\$ 1,240	N/A
Interest	13,151	12,946	12,887	12,656	12,480	N/A
Changes of benefit terms	—	—	—	—	—	N/A
Differences between expected and actual experience	(2,707)	(1,998)	(176)	(2,948)	—	N/A
Changes in assumptions	16	463	101	1,931	—	N/A
Benefit payments, including refunds of member contributions	(11,573)	(11,074)	(10,795)	(10,501)	(10,771)	N/A
<b>Net Change in Total Pension Liability</b>	<b>(260)</b>	<b>1,206</b>	<b>2,910</b>	<b>2,057</b>	<b>2,949</b>	<b>N/A</b>
<b>Total Pension Liability - Beginning</b>	<b>192,700</b>	<b>191,494</b>	<b>188,584</b>	<b>186,527</b>	<b>183,578</b>	<b>N/A</b>
<b>Total Pension Liability - Ending</b>	<b>\$192,440</b>	<b>\$192,700</b>	<b>\$191,494</b>	<b>\$188,584</b>	<b>\$186,527</b>	<b>\$183,578</b>
<b>Plan Fiduciary Net Position</b>						
Contributions - Municipalities	\$ 823	\$ 848	\$ 918	\$ 913	\$ 953	N/A
Contributions - Member	65	69	67	76	95	N/A
Contributions - State as nonemployer contributing entity	7,227	6,646	7,235	5,903	6,383	N/A
Net investment income	19,860	26,114	4,588	8,289	31,892	N/A
Benefit payments, including refunds of member contributions	(11,573)	(11,074)	(10,795)	(10,501)	(10,771)	N/A
Administrative expense	(918)	(1,466)	(1,205)	(1,020)	(1,469)	N/A
Other	—	—	—	—	(22)	N/A
<b>Net Change in Plan Fiduciary Net Position</b>	<b>15,484</b>	<b>21,137</b>	<b>808</b>	<b>3,660</b>	<b>27,061</b>	<b>N/A</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>229,800</b>	<b>208,663</b>	<b>207,855</b>	<b>204,195</b>	<b>177,134</b>	<b>N/A</b>
<b>Plan Fiduciary Net Position - Ending</b>	<b>\$245,284</b>	<b>\$229,800</b>	<b>\$208,663</b>	<b>\$207,855</b>	<b>\$204,195</b>	<b>\$ 177,134</b>
<b>Plan's Net Pension Liability/(Asset) - Ending</b>	<b>\$ (52,844)</b>	<b>\$ (37,100)</b>	<b>\$ (17,169)</b>	<b>\$ (19,271)</b>	<b>\$ (17,668)</b>	<b>\$ 6,444</b>
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						

**PENSION PLAN INFORMATION**

**Volunteer Fire Fighters’ and Reserve Officers’ Relief and Pension Fund**

<b>Schedule of Contributions</b>					
Last Ten Fiscal Years					
<i>(expressed in thousands)</i>					
<b>Year</b>	<b>Actuarially Determined Contributions</b>	<b>Contributions in Relation to the Actuarial Determined Contributions</b>	<b>Contribution Deficiency (Excess)</b>		
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)		
2009	2,500	6,223	(3,723)		

Notes: Neither covered-employee payroll nor contributions as a percentage of covered-employee 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’s adoption cycle and the actuarial funding methods selected.

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

Figures may not total due to rounding.

Source: Washington State Office of the State Actuary

<b>Schedule of Investment Returns</b>					
Last Five Fiscal Years*					
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Annual money-weighted rate of return, net of investment	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

**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, 2016, valuation date, completed in the fall of 2017, determines the ADC for the period ending June 30, 2018.



**PENSION PLAN INFORMATION**  
**Higher Education Supplemental Defined Benefit Plans**

<b>Schedule of Changes in Total Pension Liability and Related Ratios</b>		
<b>University of Washington</b>		
Fiscal Years Ended and Measurement Date June 30*		
<i>(expressed in thousands)</i>		
	<b>2018</b>	<b>2017</b>
<b>Total Pension Liability</b>		
Service cost	\$ 14,788	\$ 19,891
Interest	16,128	15,097
Changes of benefit terms	—	—
Differences between expected and actual experience	(33,953)	(74,918)
Changes in assumptions	(17,105)	(28,553)
Benefit payments	(6,130)	(5,136)
Other	—	—
<b>Net Change in Total Pension Liability</b>	<b>(26,272)</b>	<b>(73,619)</b>
<b>Total Pension Liability - Beginning</b>	<b>438,753</b>	<b>512,372</b>
<b>Total Pension Liability - Ending</b>	<b>\$ 412,481</b>	<b>\$ 438,753</b>
<b>Covered-employee payroll</b>	<b>\$ 759,688</b>	<b>\$ 801,161</b>
<b>Total Pension Liability/(Asset) as a percentage of covered-employee payroll</b>	<b>54.30 %</b>	<b>54.76 %</b>
*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		

<b>Schedule of Changes in Total Pension Liability and Related Ratios</b>		
<b>Washington State University</b>		
Fiscal Years Ended and Measurement Date June 30*		
<i>(expressed in thousands)</i>		
	<b>2018</b>	<b>2017</b>
<b>Total Pension Liability</b>		
Service cost	\$ 2,763	\$ 3,803
Interest	3,261	3,140
Changes of benefit terms	—	—
Differences between expected and actual experience	(7,171)	(16,389)
Changes in assumptions	(3,255)	(6,574)
Benefit payments	(2,181)	(1,890)
Other	—	—
<b>Net Change in Total Pension Liability</b>	<b>(6,583)</b>	<b>(17,910)</b>
<b>Total Pension Liability - Beginning</b>	<b>89,414</b>	<b>107,324</b>
<b>Total Pension Liability - Ending</b>	<b>\$ 82,831</b>	<b>\$ 89,414</b>
<b>Covered-employee payroll</b>	<b>\$ 186,365</b>	<b>\$ 196,596</b>
<b>Total Pension Liability/(Asset) as a percentage of covered-employee payroll</b>	<b>44.45 %</b>	<b>45.48 %</b>
*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

<b>Schedule of Changes in Total Pension Liability and Related Ratios</b>		
<b>Central Washington University</b>		
Fiscal Years Ended and Measurement Date June 30*		
<i>(expressed in thousands)</i>		
	<b>2018</b>	<b>2017</b>
<b>Total Pension Liability</b>		
Service cost	\$ 91	\$ 150
Interest	299	293
Changes of benefit terms	—	—
Differences between expected and actual experience	(466)	(1,270)
Changes in assumptions	(272)	(616)
Benefit payments	(412)	(411)
Other	—	—
<b>Net Change in Total Pension Liability</b>	<b>(760)</b>	<b>(1,854)</b>
<b>Total Pension Liability - Beginning</b>	<b>8,477</b>	<b>10,331</b>
<b>Total Pension Liability - Ending</b>	<b>\$ 7,717</b>	<b>\$ 8,477</b>
<b>Covered-employee payroll</b>	<b>\$ 10,368</b>	<b>\$ 11,028</b>
<b>Total Pension Liability/(Asset) as a percentage of covered-employee payroll</b>	<b>74.43 %</b>	<b>76.87 %</b>
*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		

<b>Schedule of Changes in Total Pension Liability and Related Ratios</b>		
<b>Eastern Washington University</b>		
Fiscal Years Ended and Measurement Date June 30*		
<i>(expressed in thousands)</i>		
	<b>2018</b>	<b>2017</b>
<b>Total Pension Liability</b>		
Service cost	\$ 477	\$ 658
Interest	429	420
Changes of benefit terms	—	—
Differences between expected and actual experience	3,867	(2,852)
Changes in assumptions	(621)	(647)
Benefit payments	(202)	(140)
Other	—	—
<b>Net Change in Total Pension Liability</b>	<b>3,950</b>	<b>(2,561)</b>
<b>Total Pension Liability - Beginning</b>	<b>11,601</b>	<b>14,162</b>
<b>Total Pension Liability - Ending</b>	<b>\$ 15,551</b>	<b>\$ 11,601</b>
<b>Covered-employee payroll</b>	<b>\$ 34,114</b>	<b>\$ 38,505</b>
<b>Total Pension Liability/(Asset) as a percentage of covered-employee payroll</b>	<b>45.59 %</b>	<b>30.13 %</b>
*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**

<b>Schedule of Changes in Total Pension Liability and Related Ratios</b>		
<b>The Evergreen State College</b>		
Fiscal Years Ended and Measurement Date June 30*		
<i>(expressed in thousands)</i>		
	<b>2018</b>	<b>2017</b>
<b>Total Pension Liability</b>		
Service cost	\$ 210	\$ 296
Interest	237	230
Changes of benefit terms	—	—
Differences between expected and actual experience	(565)	(1,327)
Changes in assumptions	(229)	(387)
Benefit payments	(183)	(158)
Other	—	—
<b>Net Change in Total Pension Liability</b>	<b>(530)</b>	<b>(1,346)</b>
<b>Total Pension Liability - Beginning</b>	<b>6,510</b>	<b>7,856</b>
<b>Total Pension Liability - Ending</b>	<b>\$ 5,980</b>	<b>\$ 6,510</b>
<b>Covered-employee payroll</b>	<b>\$ 15,978</b>	<b>\$ 16,941</b>
<b>Total Pension Liability/(Asset) as a percentage of covered-employee payroll</b>	<b>37.43 %</b>	<b>38.43 %</b>
*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		

<b>Schedule of Changes in Total Pension Liability and Related Ratios</b>		
<b>Western Washington University</b>		
Fiscal Years Ended and Measurement Date June 30*		
<i>(expressed in thousands)</i>		
	<b>2018</b>	<b>2017</b>
<b>Total Pension Liability</b>		
Service cost	\$ 737	\$ 1,057
Interest	837	842
Changes of benefit terms	—	—
Differences between expected and actual experience	(2,233)	(5,278)
Changes in assumptions	(819)	(2,126)
Benefit payments	(380)	(298)
Other	—	—
<b>Net Change in Total Pension Liability</b>	<b>(1,858)</b>	<b>(5,803)</b>
<b>Total Pension Liability - Beginning</b>	<b>22,820</b>	<b>28,623</b>
<b>Total Pension Liability - Ending</b>	<b>\$ 20,962</b>	<b>\$ 22,820</b>
<b>Covered-employee payroll</b>	<b>\$ 52,750</b>	<b>\$ 55,840</b>
<b>Total Pension Liability/(Asset) as a percentage of covered-employee payroll</b>	<b>39.74 %</b>	<b>40.87 %</b>
*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**

<b>Schedule of Changes in Total Pension Liability and Related Ratios</b> <b>State Board for Community and Technical Colleges</b> Fiscal Years Ended and Measurement Date June 30* <i>(expressed in thousands)</i>		
	2018	2017
<b>Total Pension Liability</b>		
Service cost	\$ 3,827	\$ 5,417
Interest	3,517	3,514
Changes of benefit terms	—	—
Differences between expected and actual experience	(10,402)	(25,336)
Changes in assumptions	(3,519)	(5,980)
Benefit payments	(1,300)	(902)
Other	—	—
<b>Net Change in Total Pension Liability</b>	<b>(7,877)</b>	<b>(23,287)</b>
<b>Total Pension Liability - Beginning</b>	<b>95,050</b>	<b>118,337</b>
<b>Total Pension Liability - Ending</b>	<b>\$ 87,173</b>	<b>\$ 95,050</b>
<b>Covered-employee payroll</b>	<b>\$ 353,910</b>	<b>\$ 375,725</b>
<b>Total Pension Liability/(Asset) as a percentage of covered-employee payroll</b>	<b>24.63 %</b>	<b>25.30 %</b>
*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

<b>Schedule of Changes in Total OPEB Liability and Related Ratios</b>	
As of the Measurement Date June 30*	
<i>(expressed in thousands)</i>	
	<b>2017</b>
<b>Total OPEB Liability</b>	
Service cost	\$ 394,955
Interest	184,999
Changes in benefit terms	—
Difference between expected and actual experience	—
Changes in assumptions	(902,431)
Benefit payments	(94,279)
Other	—
<b>Net Changes in Total OPEB Liability</b>	<b>(416,755)</b>
<b>Total OPEB Liability - Beginning</b>	<b>6,242,577</b>
<b>Total OPEB Liability - Ending</b>	<b>\$ 5,825,822</b>
<b>Covered-employee payroll</b>	<b>\$ 7,878,188</b>
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	<b>73.95 %</b>
*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 Employee's 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.

## 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's network of highway pavements, bridges, and rest areas. In fiscal year 2018, the state was responsible to maintain and preserve 20,810 pavement lane miles, 3,322 bridges, 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.

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

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						
<i>(expressed in thousands)</i>						
	2018	2017	2016	2015	2014	
Planned	\$ 263,555	\$ 304,040	\$ 160,423	\$ 173,716	\$ 122,868	
Actual	271,474	264,315	161,211	142,789	143,598	
Variance	\$ (7,919)	\$ 39,725	\$ (788)	\$ 30,927	\$ (20,730)	
	-3.0%	13.1%	-0.5%	17.8%	-16.9%	

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 activity in response to economic forecasts and other factors.

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

## BRIDGE CONDITION

WSDOT performs sample condition assessments on state-owned bridges in excess of 20 feet in length each year with all bridges inspected over a two year cycle. Underwater bridge components are inspected at least once every five years in accordance with Federal Highway Administration (FHWA) requirements.

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.

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			
<u>2017</u>	<u>2015</u>	<u>2013</u>	<u>Average of Last Three Assessments</u>
91.8%	92.1%	91.4%	91.8%

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 (expressed in thousands)					
	2018	2017	2016	2015	2014
Planned	\$ 106,595	\$ 45,891	\$ 75,160	\$ 71,078	\$ 92,192
Actual	87,068	45,088	66,339	64,060	87,271
Variance	\$ 19,527	\$ 803	\$ 8,821	\$ 7,018	\$ 4,921
	18.3%	1.7%	11.7%	9.9%	5.3%

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 activity in response to economic forecasts and other factors.

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



## **SAFETY REST AREA CONDITION**

---

WSDOT performs safety rest area condition assessments over a two calendar year cycle. Sites and buildings are divided into functional components that are assessed with a numerical rating of one to five. The rating is based on guidelines and parameters established by the WSDOT Capital Facilities Program and weighted by the criticality of the functional component.

WSDOT's policy is to maintain 95 percent of safety rest areas in a condition of fair or better. The following table shows condition ratings for safety rest areas:

<b>Safety Rest Areas</b>			
<b>Percentage in Fair or Better Condition</b>			
<b>Two Year Cycle Ending Calendar Year</b>			
<b><u>2017</u> *</b>	<b><u>2015</u></b>	<b><u>2013</u></b>	<b><u>Average of Last Three Assessments</u></b>
87.0%	100.0%	100.0%	95.7%

\* Reporting methodology changed from fiscal year basis to calendar year basis to align with 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:

<b>Safety Rest Areas</b>					
<b>Preservation and Maintenance - Planned to Actual - Fiscal Year</b>					
<b>(expressed in thousands)</b>					
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Planned	\$ 9,609	\$ 9,964	\$ 7,204	\$ 8,463	\$ 7,488
Actual	7,986	8,011	7,185	8,369	7,591
Variance	\$ 1,622	\$ 1,953	\$ 19	\$ 94	\$ (103)
	16.9%	19.6%	0.3%	1.1%	-1.4%

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 activity in response to economic forecasts and other factors.

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