

Special Appropriations

Employee compensation related changes are displayed in individual agency budgets including institutions of higher education. The amounts displayed below summarize those items and are in addition to those included in the public schools section of this document.

State Employee Health Benefits – \$53.7 Million General Fund-State, \$43.7 Million Other Funds

Employee health benefit funding rates are increased by 3 percent each year, to \$745 per employee per month in fiscal year 2010 and \$768 in fiscal year 2011. Subject to statutory limitations and the requirements of any applicable collective bargaining agreements, the Public Employees' Benefits Board (PEBB) may make adjustments to employee premium contributions, point-of-service payments, or plan design in order to provide benefits within available funding. Similar increases to funding rates for health benefit costs in the K-12 system are incorporated into the school funding portions of the budget.

State Employee Pension Funding Method Changes – \$106.5 Million General Fund-State Savings, \$14.3 Million Other Fund Savings

Consistent with the adoption of Chapter 561, Laws of 2009 (SSB 6161 – Pension Systems Funding), funding for employer contributions to the state retirement systems is reduced to reflect changes to actuarial assumptions and methods used for the Public Employees' Retirement System (PERS), Teachers' Retirement System (TRS), School Employees' Retirement System (SERS), Public Safety Employees' Retirement System (PSERS), and the Washington State Patrol Retirement System (WSPRS). The funding policy changes are: reduction of the assumed rate of salary growth from 4.25 percent to 4 percent; delay of the adoption of new mortality tables until the 2011-13 biennium; suspension of contribution rate minimums for the 2009-11 biennium; a revised contribution rate floor for WSPRS; and the phased adoption of a new funding method for the Plan 1 unfunded liabilities.

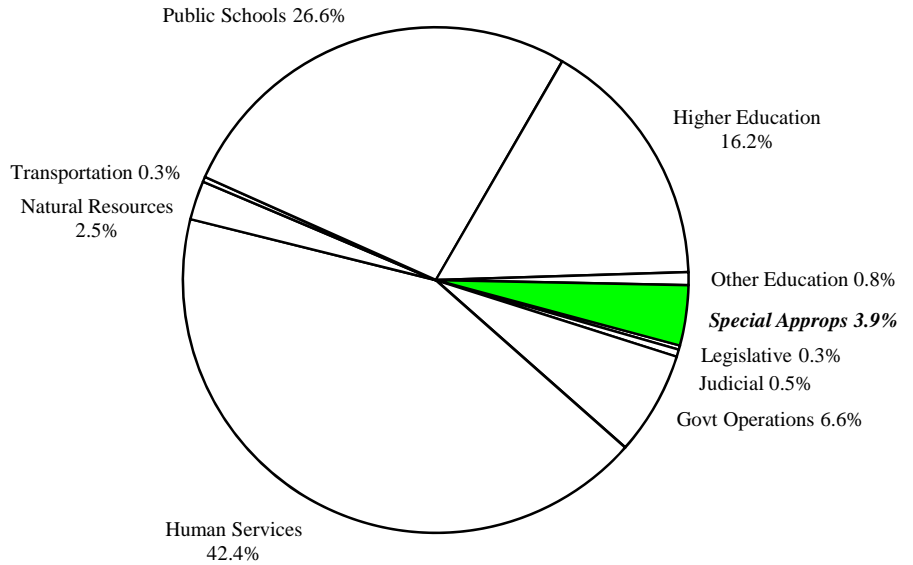
As a result of these changes, total employer contribution rates for the biennium are reduced from the Pension Funding Council's adopted rates of 7.84 percent for PERS, 10.79 percent for TRS, 8.12 percent for SERS, 10.06 percent for PSERS, and 8.57 percent for WSPRS to 5.13 percent for PERS, 5.98 percent for TRS, 5.27 percent for SERS, 7.68 percent for PSERS, and 6.17 percent for WSPRS. Employee contribution rates are also reduced from 4.61 percent for PERS 2, 4.93 percent for TRS 2, 4.00 percent for SERS 2, 6.94 percent for PSERS, and 6.95 percent for WSPRS to 3.89 percent for PERS 2, 3.36 percent for TRS 2, 3.14 percent for SERS 2, 6.55 percent for PSERS, and 4.85 percent for WSPRS. The effect of the reductions in contribution rates for pension costs in the K-12 system are incorporated into the school funding portions of the budget.

2009-11 Washington State Omnibus Operating Budget

Total Budgeted Funds

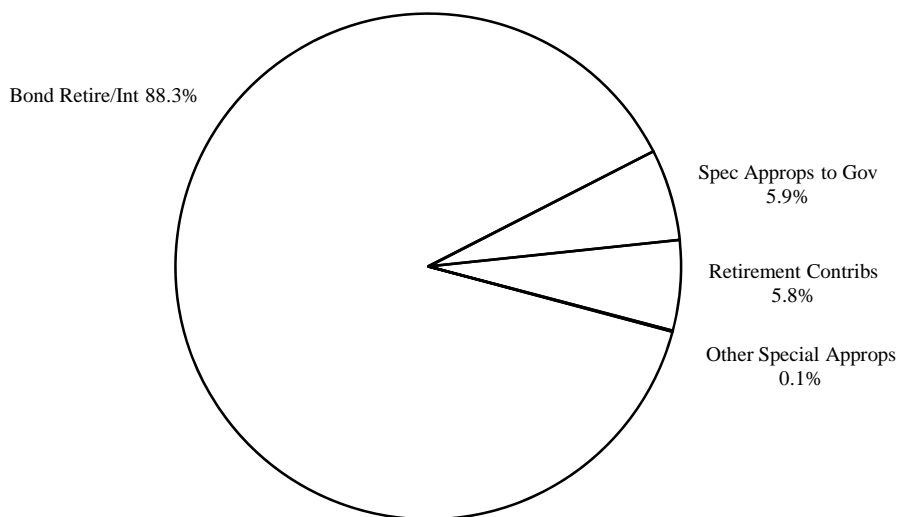
(Dollars in Thousands)

Legislative	160,456
Judicial	269,541
Governmental Operations	3,885,907
Human Services	24,874,866
Natural Resources	1,463,500
Transportation	192,771
Public Schools	15,649,042
Higher Education	9,491,726
Other Education	476,200
<i>Special Appropriations</i>	<i>2,261,860</i>
Statewide Total	58,725,869



Washington State

Bond Retire/Int	1,997,338
Spec Approps to Gov	132,492
Retirement Contributions	130,230
Other Special Approps	1,800
<i>Special Appropriations</i>	<i>2,261,860</i>



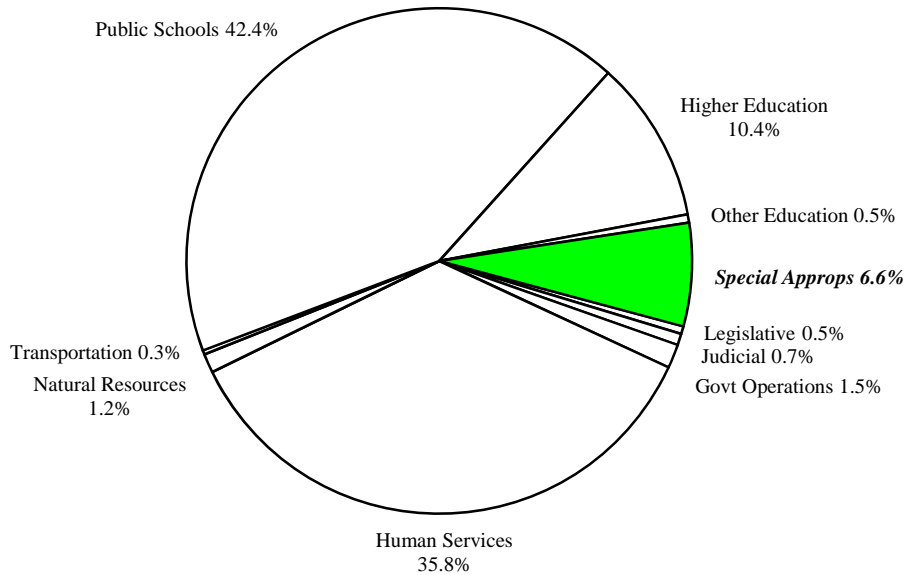
Special Appropriations

2009-11 Washington State Omnibus Operating Budget

Near General Fund-State

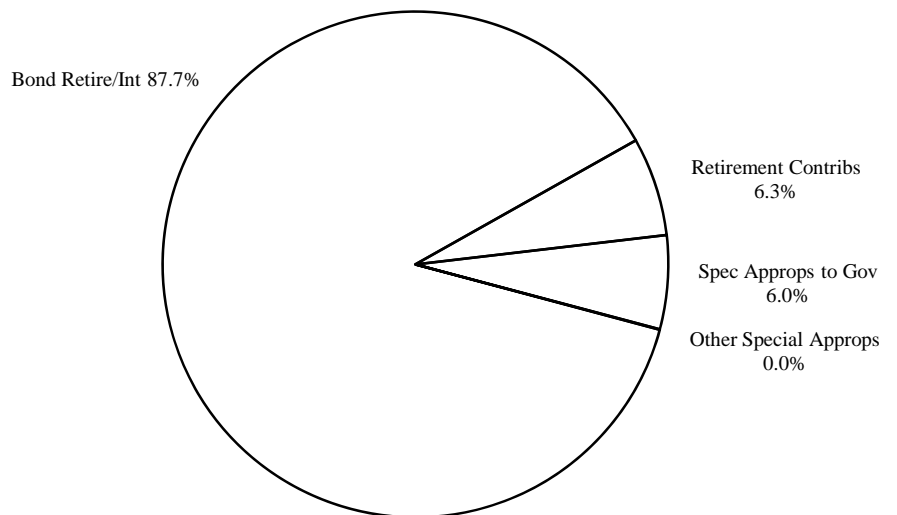
(Dollars in Thousands)

Legislative	156,095
Judicial	229,184
Governmental Operations	478,741
Human Services	11,250,814
Natural Resources	379,918
Transportation	85,214
Public Schools	13,311,962
Higher Education	3,262,624
Other Education	165,778
<i>Special Appropriations</i>	<i>2,068,266</i>
Statewide Total	31,388,596



Washington State

Bond Retire/Int	1,813,244
Retirement Contributions	130,230
Spec Approps to Gov	123,992
Other Special Approps	800
<i>Special Appropriations</i>	<i>2,068,266</i>



Special Appropriations

Bond Retirement and Interest

(Dollars in Thousands)

	NGF-S	Other	Total
2007-09 Expenditure Authority	1,575,674	188,057	1,763,731
2009 Supplemental *	-6,099	242	-5,857
Total 2007-09 Biennium	1,569,575	188,299	1,757,874
2009-11 Maintenance Level	1,758,319	174,355	1,932,674
Policy Changes - Non-Comp			
1. 2009-11 Debt Service	54,925	9,739	64,664
Policy -- Non-Comp Total	54,925	9,739	64,664
Total 2009-11 Biennium	1,813,244	184,094	1,997,338
Fiscal Year 2010 Total	882,811	90,748	973,559
Fiscal Year 2011 Total	930,433	93,346	1,023,779

Comments:

1. **2009-11 Debt Service** - Funding is provided for debt service and underwriting costs for bonds issued for the enacted capital and transportation budgets for the 2009-11 biennium. (General Fund-State, various other funds)

NOTE: Amounts shown here reflect only the omnibus appropriations act. The remainder of the Bond Retirement & Interest's budget is shown in the Transportation Budget Section of this document.

* Please see the 2009 Supplemental Operating Budget Section for additional information.

Special Appropriations to the Governor

(Dollars in Thousands)

	NGF-S	Other	Total
2007-09 Expenditure Authority	163,845	63,103	226,948
2009 Supplemental *	12,041	-1,939	10,102
Total 2007-09 Biennium	175,886	61,164	237,050
2009-11 Maintenance Level	105,145	0	105,145
Policy Changes - Non-Comp			
1. Water Pollution Control Revol Acct	9,200	0	9,200
2. GF-S to Cap Bldg Construction Acct	5,927	0	5,927
3. Community Pres & Develop Acct	350	0	350
4. Transitional Housing Operating Rent	0	8,500	8,500
5. COP Repayment	2,870	0	2,870
6. Veterans' Innovation Program	500	0	500
Policy -- Non-Comp Total	18,847	8,500	27,347
Total 2009-11 Biennium	123,992	8,500	132,492
Fiscal Year 2010 Total	62,155	4,250	66,405
Fiscal Year 2011 Total	61,837	4,250	66,087

Comments:

1. **Water Pollution Control Revol Acct** - Funding is appropriated to the Water Pollution Control Revolving Account to provide the required 20 percent state match for water pollution control projects.
2. **GF-S to Cap Bldg Construction Acct** - General Fund-State (GF-S) funds are provided to backfill the decreased timber revenues to meet debt obligations. The Capitol Building Construction Account is used to pay debt service on the Natural Resources Building and the Legislative Building rehabilitation. Timber sales, which are the primary source of revenue for this account, have decreased and are not generating sufficient revenues to cover the debt service.
3. **Community Pres & Develop Acct** - Funding is appropriated to the Community Preservation and Development Authority Account. These funds are for the Department of Commerce to provide a grant to a community development authority established under RCW 43.167.
4. **Transitional Housing Operating Rent** - Funding is provided for the Transitional Housing Operating and Rent program, consistent with Chapter 256, Laws of 2008 (ESSB 5959). The Housing Trust Account and the Home Security Fund are appropriated for deposit into the Transitional Housing Operating and Rent Account. (Home Security Fund Account-State, Housing Trust Account-State)
5. **COP Repayment** - Funding is provided for certificate of participation (COP) debt repayment to the General Administration Services Account for the O'Brien Building rehabilitation, project number, 20081007, authorized during the 2007-09 biennium.

6. **Veterans' Innovation Program** - Funding is provided for the Veterans' Innovation program. This program provides support, including financial assistance, to veterans who are experiencing hardships.

NOTE: Amounts shown here reflect only the omnibus appropriations act. The remainder of the Special Appropriations to the Governor's budget is shown in the Transportation Budget Section of this document.

* Please see the 2009 Supplemental Operating Budget Section for additional information.

Contributions to Retirement Systems

(Dollars in Thousands)

	NGF-S	Other	Total
2007-09 Expenditure Authority	116,400	0	116,400
2009 Supplemental *	722	0	722
Total 2007-09 Biennium	117,122	0	117,122
2009-11 Maintenance Level	130,230	0	130,230
Total 2009-11 Biennium	130,230	0	130,230
Fiscal Year 2010 Total	63,070	0	63,070
Fiscal Year 2011 Total	67,160	0	67,160

Comments:

There were no policy level changes.

* Please see the 2009 Supplemental Operating Budget Section for additional information.

State Employee Compensation Adjustments

(Dollars in Thousands)

	NGF-S	Other	Total
2007-09 Expenditure Authority	0	0	0
2009-11 Maintenance Level	0	0	0
Policy Changes - Comp			
1. Final Average Compensation	800	1,000	1,800
Policy -- Comp Total	800	1,000	1,800
Total 2009-11 Biennium	800	1,000	1,800
Fiscal Year 2010 Total	400	500	900
Fiscal Year 2011 Total	400	500	900

Comments:

Funding for employer contributions to state retirement systems is reduced to reflect changes to actuarial assumptions and methods used for the Public Employees' Retirement System (PERS), Teachers' Retirement System (TRS), School Employees' Retirement System (SERS), Public Safety Employees' Retirement System (PSERS), and the Washington State Patrol Retirement System (WSPRS). The funding policy changes are: reduction of the assumed rate of salary growth from 4.25 percent to 4 percent, delay of the adoption of new mortality tables until the 2011-13 biennium, suspension of contribution rate minimums for the 2009-11 biennium, a revised contribution rate floor for WSPRS, and the phased adoption of a new funding method for the Plan 1 unfunded liabilities. As a result of these changes, total employer contribution rates for the biennium are reduced from the Pension Funding Council's adopted rates of 7.84 percent for PERS, 10.79 percent for TRS, 8.12 percent for SERS, 10.06 percent for PSERS, and 8.57 percent for WSPRS to 5.13 percent for PERS, 5.98 percent for TRS, 5.27 percent for SERS, 7.68 percent for PSERS, and 6.17 percent for WSPRS. Employee contribution rates are also reduced from 4.61 percent for PERS 2, 4.93 percent for TRS 2, 4.00 percent for SERS 2, 6.94 percent for PSERS, and 6.95 percent for WSPRS to 3.89 percent for PERS 2, 3.36 percent for TRS 2, 3.14 percent for SERS 2, 6.55 percent for PSERS, and 4.85 percent for WSPRS. (various funds)

NOTE: Amounts shown here reflect only the omnibus appropriations act. The remainder of the State Employee Compensation Adjustments' budget is shown in the Transportation Budget Section of this document.

- 1. Final Average Compensation** - Funding is provided for increased employer contributions in PERS and SERS as a result of including in PERS members' final average compensation any pay that is foregone by the member during the 2009-11 biennium as a result of reduced work hours, voluntary leave without pay, or temporary furloughs that are a part of the employer's efforts to reduce expenditures, pursuant to Chapter 430, Laws of 2009 (SB 6157). (General Fund-State, other funds)

