

**Alternative Outlook for Enacted 2016 Supplemental Budget
by Request of State Treasurer McIntire**

(Near GF-S & Opportunity Pathways Account, Dollars in Millions)

	FY 2016	FY 2017	2015-17	FY 2018	FY 2019	2017-19
Beginning Balance	1,011	1,084	1,011	474	(1,865)	474
Current Revenues						
February 2016 Revenue Forecast	18,660	19,178	37,837	20,021	20,871	40,892
Additional Revenue Based on 4.5% Growth Rate Assumption	-	-	-	20	72	92
	18,660	19,178	37,837	20,041	20,943	40,983
Other Resource Changes						
GF-S Transfer to BSA (1%)	(184)	(188)	(372)	(197)	(205)	(401)
Extraordinary Revenue to BSA	-	(64)	(64)	-	(8)	(8)
Extraordinary Revenue from BSA to GF-S	-	64	64	-	8	8
Prior Period Adjustments	20	20	41	20	20	41
2015 Session Transfers and Other Resource Changes (Net)	96	82	178	51	51	101
Budget Driven Revenue	(3)	(3)	(5)	(1)	(1)	(2)
Proposed Fund Transfers	4	25	29	-	15	15
Other Legislation	-	(2)	(2)	(3)	(5)	(8)
AG Lawsuit Settlements	3	-	3	-	-	-
Total Revenues and Resources (Including Beginning Balance)	19,608	20,196	38,720	20,385	18,953	41,203
Enacted Appropriations	18,639	19,580	38,219	20,494	21,036	41,530
K-12 (excluding 2015 PL K-3 and All day K)	8,564	8,864	17,428	8,992	9,184	18,175
K-3 Class Size	83	268	350	524	590	1,114
All Day K	55	125	180	151	158	309
Everything except K-12 - all other items	9,937	10,324	20,261	10,827	11,105	21,931
2016 Supplemental Maintenance Level	37	166	203	95	63	157
2016 Supplemental Policy Level	(49)	80	31	1,765	1,776	3,541
K-12 Education	(0)	10	10	13	15	28
K-12 Recruitment and Retention	-	5	5	-	-	-
Higher Education	9	39	48	9	9	18
Dept of Early Learning	1	(3)	(2)	(5)	(5)	(10)
Child Care CBA	-	13	13	13	13	26
Mental Health/Dev. Disabilities/Long Term Care	(27)	4	(23)	4	4	7
IP Overtime	6	23	29	20	19	39
State Hospitals Enhancement	14	21	35	11	12	23
Community MH Enhancement	-	4	4	4	4	7
Corrections/JRA/SCC	2	1	3	5	6	11
Children's/Economic Svcs	(16)	(46)	(63)	(30)	(30)	(60)
Low Income Health Care	(2)	3	2	(2)	(2)	(4)
Healthier WA & Waiver Savings Restoration	20	8	28	9	9	17
Managed Care Rates	-	(13)	(13)	(29)	(30)	(59)
Low Income Health Care/I-502	(38)	(5)	(43)	(2)	4	2
Debt Service	-	1	1	1	1	3
All Other	4	14	18	(2)	5	3
Public Safety Enhancement Account	-	-	-	-	-	-
Pension Rate Changes	-	-	-	(5)	(6)	(10)
Fires	(21)	-	(21)	-	-	-
State Treasurer McIntire's K-12 Compensation Estimate**				1,750	1,750	3,500
Actual/Estimated Reversions	(103)	(104)	(207)	(103)	(108)	(211)
Revised Appropriations	18,524	19,722	38,246	22,250	22,767	45,017
Projected Ending Balance	1,084	474	474	(1,865)	(3,814)	(3,814)
Budget Stabilization Account						
Beginning Balance	513	509	513	701	911	701
Transfer From GFS	184	188	372	197	205	401
Extraordinary Revenue to BSA	-	64	64	-	8	8
Extraordinary Revenue from BSA to GF-S	-	(64)	(64)	-	(8)	(8)
Appropriations from BSA for fires	(190)	-	(190)	-	-	-
Interest Earnings	1	3	5	14	27	41
Ending BSA Balance	509	701	701	911	1,143	1,143
Total Reserves	1,593	1,174	1,174	(954)	(2,671)	(2,671)

* Totals may not tie fiscal year due to rounding.

** E2SSB 6195 established a legislative commitment to enact legislation in 2017 to eliminate school districts' dependency on local levies for implementation of the state's program of basic education. Further, the Joint Select Committee on Article IX Litigation adopted their 2016 report to the Washington Supreme Court concludes with need to enact legislation in the 2017 legislative session to end the school districts reliance on local levies. The Legislature is currently continuing to work, pursuant to E2SSB 6195, to determine the state's obligation to fully fund K-12 basic education. Based on prior legislative proposals from the 2015 session, at full biennial implementation, the costs could be \$3.5 billion or more.