

2003 Supplemental Operating & Capital Budget Conference Report

SSB 5403 Budget Summary

March 19, 2003

2003 Supplemental Operating Budget Conference Report

Total Supplemental:

\$135.5 million General Fund-State

(\$ 60.9 million) Health Services Account

Ending fund balance

(1.1% of the biennial budget)

\$243 million

Emergency Reserve

\$ 55 million

2003 Supplemental Operating Budget Conference Report

General Fund - State and Emergency Reserve Fund Balance Sheet

Dollars in Millions

| | Senate | House | Prop. Conf |
|------------------------------------------------------|-----------------|-----------------|-----------------|
| RESOURCES | | | |
| Beginning Fund Balance | 599.1 | 599.1 | 599.1 |
| November 2002 Revenue Forecast | 21,126.2 | 21,126.2 | 21,126.2 |
| Current Revenue Totals | 21,126.2 | 21,126.2 | 21,126.2 |
| Enacted Budget Fund Transfers to General Fund | 279.6 | 279.6 | 279.6 |
| Tobacco Securitization | 450.0 | 450.0 | 450.0 |
| Transfer from Emergency Reserve Fund | 325.0 | 325.0 | 325.0 |
| Changes in Reserves and Other Adjustments | 41.1 | 41.1 | 41.1 |
| <i>Transfers in 2003 Supplemental Budget</i> | 9.0 | 9.0 | 9.0 |
| Total Resources (Revenue/Fund Balance) | 22,830.0 | 22,830.0 | 22,830.0 |
| APPROPRIATIONS | | | |
| Biennial Appropriation | 22,451.4 | 22,451.4 | 22,451.4 |
| 2003 Supplemental Budget | 108.5 | 119.5 | 135.5 |
| Spending Level | 22,560.0 | 22,570.9 | 22,586.9 |
| UNRESTRICTED GENERAL FUND BALANCE | | | |
| Projected Ending Fund Balance | 270.0 | 259.1 | 243.1 |
| EMERGENCY RESERVE FUND | | | |
| Beginning Fund Balance | 462.1 | 462.1 | 462.1 |
| Transfers and Appropriations | (420.0) | (420.0) | (420.0) |
| Actual/Estimated Interest Earnings | 13.0 | 13.0 | 13.0 |
| Projected Ending Fund Balance | 55.1 | 55.1 | 55.1 |
| TOTAL RESERVES | | | |
| Combined General Fund and ERF Ending Balances | 325.1 | 314.2 | 298.2 |

2003

Supplemental Operating Budget Conference Report

(\$\$ in millions)

| <u>Selected General Fund-State Reductions</u> | General Fund-State | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|------------------|------------------------|
| | <u>Senate</u> | <u>House</u> | <u>Conf Report</u> |
| FTE Reductions (net) | \$ (10.4) | \$ (5.7) | \$ (5.6) |
| <i>General fund savings from reduced hiring are recognized. \$1 million is provided to the Governor to assist to agencies who are unable to absorb the staffing reductions. The Conference proposal does not reduce staffing for institutional programs such as veteran's homes and prisons or institutions of higher education.</i> | | | |
| Reduce Travel, Equipment & Contracts (net) | (5.0) | (5.0) | (5.0) |
| <i>Savings from reduced travel, contracting, and equipment are recognized.</i> | | | |
| Adoption Support Offset to Federal Tax Credit | (1.5) | 0.0 | (0.1) |
| <i>The Conference proposal implements the adoption support offset in this biennium at a reduced level.</i> | | | |
| Eliminate Civil Indigent Defense | (0.2) | 0.0 | 0.0 |
| <i>The Conference proposal does not eliminate funding for civil indigent defense.</i> | | | |
| Historical Societies Reduction | (0.1) | (0.1) | (0.1) |
| <i>Savings assumed in the Governor's 2003-2005 budget begin in FY03.</i> | | | |
| Eliminate State Library for Agencies & Legislature | (0.6) | 0.0 | 0.0 |
| <i>No savings are assumed in the 2003 supplemental budget for the State Library.</i> | | | |
| | \$ (17.8) | \$ (10.8) | \$ (10.8) |

| <u>Selected General Fund - State Increases</u> | General Fund-State | | |
|-----------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------|---------------------------|
| | <u>Senate</u> | <u>House</u> | <u>Conf Report</u> |
| DSHS: Disproportionate Share <i>Funding is provided for the undisputed portion of the federal claim.</i> | \$ 6.9 | \$ 6.9 | \$ 6.9 |
| Fire Suppression Costs <i>Funding is provided based on the most recent cost information available.</i> | 14.6 | 17.9 | 17.9 |
| Increase Eligibility Verification <i>Funding is provided to begin six-month eligibility determinations for Medicaid.</i> | 0.5 | 0.3 | 0.3 |
| Trauma Care <i>The Conference proposal appropriates funds directly from the general fund for the trauma program.</i> | 1.2 | 5.6 | 5.6 |
| | \$ 23.2 | \$ 30.7 | \$ 30.7 |

Cash Transfers & Appropriations

| | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|
| From GF-S to the Health Services Account <i>When caseload and rate changes are combined with the actions taken to limit BHP enrollment, no transfer is needed to balance the combined Health Services Account for the 2001-2003 Biennium.</i> | \$ 0.0 | \$ 3.6 | \$ 0.0 |
| From GF-S to the Tort Revolving Account | 0.0 | 3.0 | 3.0 |
| | \$ 0.0 | \$ 6.6 | \$ 3.0 |
| All Other General Fund-State Items | \$ 2.4 | \$ 3.0 | \$ 3.1 |

| <u>Maintenance Level Changes</u> | General Fund-State | | |
|--------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------|---------------------------|
| | <u>Senate</u> | <u>House</u> | <u>Conf Report</u> |
| <i>Caseload and enrollment changes based on the most recent cost data and the February 2003 caseload forecast.</i> | | | |
| Department of Social & Health Services | \$ 90.3 | \$ 78.9 | \$ 86.2 |
| Department of Corrections | 24.3 | 24.4 | 23.4 |
| K-12 Education | 23.4 | 23.4 | 36.8 |
| All Other (Primarily Debt Service) | (37.3) | (36.7) | (36.9) |
| | \$ 100.7 | \$ 90.0 | \$ 109.5 |
| Total Supplemental Operating Budget (General Fund-State Only) | \$ 108.5 | \$ 119.5 | \$ 135.5 |

| <u>Selected Non-General Fund Items</u> | Other Funds | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------------------|---------------------------|
| | <u>Senate</u> | <u>House</u> | <u>Conf Report</u> |
| Eliminate Basic Health Plan Expansion (Health Services Account portion) <i>Additional funding to expand BHP enrollment is eliminated.</i> | \$ (22.9) | \$ (22.9) | \$ (22.9) |
| Limit Basic Health Plan Enrollments (HSA portion) <i>The HCA will continue their current practice of limiting new enrollment to the plan.</i> | (15.1) | (11.5) | (11.8) |
| Consolidate OMWBE <i>The House supplemental budget proposal does not consolidate the Office of Minority and Women's Business Enterprises.</i> | (0.1) | 0.0 | 0.0 |

2003

Supplemental Capital Budget Conference Report

- Public Works Trust Fund - Increases the 2001-03 Capital Budget appropriation for the Public Works Assistance Account by \$58.1 million.
- Legislative Building Renovation - Adds \$6 million from the State Building Construction Account for estimated cost increases due to unforeseen construction obstacles and code requirements discovered in design and early construction.
- Western Washington University - Makes adjustments that accommodate the necessary costs to repair the fire damage at Parks Hall.
- Washington State University - Transfers savings of \$1.5 million from the Teaching and Learning Center project to the university's power plant project.
- Other items - Changes part of the funding source for the O'Brien Building and Newhouse Building project, appropriates \$200,000 in unanticipated federal funds through the Interagency Committee for Outdoor Recreation, adds provisos clarifying the Yakima ballfields appropriation and the financing of the Tumwater Office Building project, and repeals the Inland Northwest Regional Sports Project.