



STATE OF WASHINGTON  
ECONOMIC AND REVENUE FORECAST COUNCIL  
PO Box 40912 • Olympia, Washington 98504-0912 • (360) 534-1560

**Meeting Minutes  
Economic Review,  
Budget Outlook Methodology & Adoption  
January 30, 2020  
John A. Cherberg, Hearing Room 2**

**Economic and Revenue Forecast Council**

Ed Orcutt, House of Representatives, Chair  
Christine Rolfes, Senate  
John Braun, Senate  
Timm Ormsby, House  
Duane Davidson, Treasurer  
Vikki Smith, Department of Revenue  
David Schumacher, Office of Financial Management

*Staff*

Steve Lerch, Executive Director

*Budget Outlook Work Group*

*representatives:*

Sarian Scott, Senate  
Andy Toulon, House  
Rachel Knutson, OFM

**Call to Order**

Representative Orcutt called the meeting to order at 10:00 a.m.

**Approval of the Minutes**

Director Schumacher moved, seconded by Treasurer Davidson, to adopt the meeting minutes from November 20, 2019. Motion passed unanimously at 10:01 a.m.

**Presentation on Budget Outlook**

Rachel Knutson, Andy Toulon, and Sarian Scott provided an overview of the methodology for the state budget outlook. Discussion ensued regarding the Workforce Education Investment Account (WEIA), excluded in the Outlook by statute. Staff were asked how the Outlook would have differed if the WEIA were included in the Outlook statute. Staff indicated that a formal Outlook including WEIA has not been prepared by the technical workgroup but that based on projected resources and expenditures in the Governor's proposed budget, an Outlook including WEIA would show a negative ending balance in state funds (NGF-O plus WEIA) at the end of fiscal year 2023 of roughly -\$265 million dollars and estimated total reserves (NGF-O plus WEIA plus Budget Stabilization Account) at the end of fiscal year 2023 would be roughly \$2.2 billion dollars.

**Motion**

Treasurer Davidson, seconded by Representative Orcutt, moved to include the percentage of the total reserves to current revenues on the Budget Outlook document. Discussion ensued among members. The council agreed to table the motion for further review. The Council requested that the Budget Outlook Work Group review the request and provide recommendations to the Council in June.

**Motion to Adopt the Budget Outlook**

Senator Braun, seconded by Representative Orcutt, to adopt the outlook on the Governor's proposed budget. Motion unanimously passed at 10:27 a.m. The Budget Outlook is adopted.

**Forecast Presentation**

Dr. Lerch presented information on the economic and revenue forecast. Dr. Lerch summarized the forecast changes.

**Adjournment**

With no further business, the meeting adjourned at 10:47 a.m.



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PO Box 40912 • Olympia, Washington 98504-0912 • (360) 534-1560

**Meeting Minutes**  
**Revenue Review**  
February 19, 2020  
John A. Cherberg, Hearing Room 3

**Economic and Revenue Forecast Council**

Ed Orcutt, House of Representatives, Chair  
Christine Rolfes, Senate  
John Braun, Senate  
Timm Ormsby, House  
Duane Davidson, Treasurer  
Vikki Smith, Department of Revenue  
David Schumacher, Office of Financial Management

*Staff*

Steve Lerch, Executive Director

**Call to Order**

Representative Orcutt called the meeting to order at 9:00 a.m.

**Approval of the Minutes**

Treasurer Davidson moved, seconded by Representative Orcutt to adopt the meeting minutes from January 30, 2020. Motion passed unanimously at 9:01 a.m.

**Forecast Presentation**

Dr. Lerch presented information on the economic and revenue forecast. Dr. Lerch summarized the forecast changes. In response to a question by Director Schumacher, Dr. Lerch noted that the proposed forecast of U.S. GDP growth was similar to that of the KPMG scenario that incorporated the estimated impact of the coronavirus outbreak at that time, which was included in the presentation.

**Motion**

Representative Ormsby moved, seconded by Representative Orcutt, to adopt the official state economic and revenue forecasts, and the unofficial optimistic, pessimistic and alternative forecasts. Council approved the motion unanimously at 9:17 a.m.

**Adjournment**

With no further business, the meeting adjourned at 9:17 a.m.



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PO Box 40912 • Olympia, Washington 98504-0912 • (360) 534-1560

**Meeting Minutes**  
**Revenue Review**  
April 20, 2020  
Conference Call

**Economic and Revenue Forecast Council**

Ed Orcutt, House of Representatives, Chair  
Christine Rolfes, Senate  
John Braun, Senate  
Timm Ormsby, House  
Duane Davidson, Treasurer  
Vikki Smith, Department of Revenue  
David Schumacher, Office of Financial Management

*Staff*

Steve Lerch, Executive Director  
Rachel Knutson, OFM  
Sarian Scott, Senate Ways and Means  
Andy Toulon, House Appropriations

**Call to Order**

Representative Orcutt called the meeting to order at 10:00 a.m.

**Approval of the Minutes**

Senator Rolfes moved, seconded by Director Smith to adopt the meeting minutes from February 19, 2020. Motion passed unanimously at 10:04 a.m.

**Budget Outlook**

The Budget Outlook Work Group members requested guidance for the outlook on the following areas: K-12 Guidance Counselors, Early Childhood Education and Assistance Program Rate Increase, Transfer to the Manufacturing and Warehousing Jobs Center Account, and Technical Adjustment to the February Revenue Forecast.

**Motion**

Director Schumacher moved, seconded by Representative Orcutt, to place savings in reversion and show in outlook. Council approved the motion unanimously at 10:12 a.m.

**Motion**

Director Schumacher moved, seconded by Representative Orcutt, to accept staff's recommendations on item #1 K-12 Guidance Counselors and item #2, Early Childhood Education and Assistance Program Rate Increase. Council approved the motion unanimously at 10:19 a.m.

**Motion**

Senator Rolfes moved, seconded by Representative Orcutt, to assume no transfers to the Manufacturing and Warehousing Jobs Center Account. Council approved the motion unanimously at 10:24 a.m.

**Motion**

Director Smith moved, seconded by Representative Orcutt, that the Economic and Revenue Forecast Council include an additional \$42 million as technical adjustment to the February Revenue Forecast. Council approved the motion unanimously at 10:25 a.m.

**Adjournment**

With no further business, the meeting adjourned at 10:26 a.m.



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**Meeting Minutes**  
**Revenue Review**  
April 30, 2020  
Conference Call

**Economic and Revenue Forecast Council**

Ed Orcutt, House of Representatives, Chair  
Christine Rolfes, Senate  
John Braun, Senate  
Timm Ormsby, House  
Duane Davidson, Treasurer  
Vikki Smith, Department of Revenue  
David Schumacher, Office of Financial Management

*Staff*

Steve Lerch, Executive Director  
Rachel Knutson, OFM  
Sarian Scott, Senate Ways and Means  
Andy Toulon, House Appropriations

**Call to Order**

Representative Orcutt called the meeting to order at 10:00 a.m.

**Approval of the Minutes**

Representative Ormsby moved, seconded by Representative Orcutt to adopt the meeting minutes from April 20, 2020. Motion passed unanimously at 10:01 a.m.

**Budget Adoption**

The Budget Outlook Work Group members presented.

**Motion**

Director Schumacher moved, seconded by Representative Orcutt, to adopt budget outlook. Council approved the motion unanimously at 10:17 a.m.

**Comment**

Senator Rolfes noted the Outlook does not reflect the economic changes since March.  
Representative Orcutt noted the outlook is based on the February forecast. It reflects vetoes but does not reflect changes due to Covid-19.

**Adjournment**

With no further business, the meeting adjourned at 10:18 a.m.



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**Meeting Minutes**  
**Revenue Review**  
June 2, 2020  
Conference Call

**Economic and Revenue Forecast Council**

Ed Orcutt, House of Representatives, Chair  
Christine Rolfes, Senate  
John Braun, Senate  
Timm Ormsby, House  
Duane Davidson, Treasurer  
Vikki Smith, Department of Revenue  
David Schumacher, Office of Financial Management

*Staff*

Steve Lerch, Executive Director

**Call to Order**

Representative Orcutt called the meeting to order at 10:12 a.m.

**Approval of the Minutes**

Senator Rolfes moved, seconded by Representative Orcutt to adopt the meeting minutes from April 30, 2020. Senator Braun, Director Schumacher, Senator Rolfes, Director Smith, and Representative Orcutt voted aye. Motion passed at 10:14 a.m.

**Motion**

Senator Rolfes moved, seconded by Representative Orcutt, to adopt economic forecast. Council approved the motion unanimously at 10:35 a.m.

**Adjournment**

With no further business, the meeting adjourned at 10:55 a.m.



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PO Box 40912 • Olympia, Washington 98504-0912 • (360) 534-1560

**Meeting Minutes**  
**Revenue Review**  
June 17, 2020  
Zoom

**Economic and Revenue Forecast Council**

Ed Orcutt, House of Representatives, Chair  
Christine Rolfes, Senate  
John Braun, Senate  
Timm Ormsby, House  
Duane Davidson, Treasurer  
Vikki Smith, Department of Revenue  
David Schumacher, Office of Financial Management

*Staff*

Steve Lerch, Executive Director

**Call to Order**

Representative Orcutt called the meeting to order at 10:00 a.m.

**Approval of the Minutes**

Representative Ormsby moved, seconded by Representative Orcutt to adopt the meeting minutes from June 2, 2020. Motion passed unanimously at 10:05 a.m.

**Budget Outlook**

The Budget Outlook Workgroup presented options available related to including a calculation of the percentage of the reserves as a percentage of revenue and resources. Treasurer Davidson moved, seconded by Representative Orcutt, to approve adoption of modification to our outlook summary using option one (add the percentages directly to the Outlook Summary broken out by Near General Fund-Outlook (NGF-O), Budget Stabilization Account (BSA), and total reserves). Motion passed unanimously at 10:15 a.m.

**Forecast Presentation**

Dr. Lerch presented information on the economic and revenue forecast. Dr. Lerch summarized the forecast changes.

**Motion**

Representative Ormsby moved, seconded by Representative Orcutt, to adopt the official state economic and revenue forecasts, and the unofficial optimistic, pessimistic and alternative forecasts. Council approved the motion unanimously at 10:44 a.m.

**Adjournment**

With no further business, the meeting adjourned at 10:45 a.m.





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PO Box 40912 • Olympia, Washington 98504-0912 • (360) 534-1560

**Meeting Minutes**  
**Economic Review and Budget Outlook**  
September 3, 2020  
Zoom

**Economic and Revenue Forecast Council**

Ed Orcutt, House of Representatives, Chair  
Christine Rolfes, Senate  
John Braun, Senate  
Timm Ormsby, House  
Duane Davidson, Treasurer  
Vikki Smith, Department of Revenue  
David Schumacher, Office of Financial Management

*Staff*

Steve Lerch, Executive Director  
Jason P. Richter, Office of State  
Treasurer  
Jennifer Merchant, Office of State  
Treasurer  
Alice Ostdiek, Stradling Yocca Carlson &  
Rauth, P.C.

**Call to Order**

Representative Orcutt called the meeting to order at 10:00 a.m.

**Motion**

Treasurer Davidson moved, seconded by Representative Orcutt, to fully describe "option 1" in the meeting minutes of June 17, 2020 at 10:02 a.m.

**Approval of the Minutes**

Treasurer Davidson moved, seconded by Representative Orcutt to adopt the meeting minutes from June 17, 2020. Council passed motion at 10:04 a.m.

**Interim budget outlooks and other ERFC documents: to post or not to post**

Alice Ostdiek of Stradling Yocca Carlson & Rauth, P.C. provided information to the Council regarding Securities and Exchange Commission (SEC) disclosure rules and how they relate to the posting of ERFC Forecast and Budget Outlook documents. Representative Orcutt asked if the current process of posting documents at certain times of the year and not others created any inconsistency with SEC rules. Ms. Ostdiek responded that there is no inconsistency. ERFC does not have a mandatory duty to disclose documents on a schedule. No further action was taken related to the presentation. Treasurer Davidson suggested trainings such as the one presented by Ms. Ostdiek should take place more regularly.

**Forecast Presentation**

Dr. Lerch presented information on the preliminary economic forecast. Dr. Lerch summarized the forecast changes.

**Motion**

Senator Rolfes moved, seconded by Representative Orcutt, to adopt the preliminary economic forecast. Council approved the motion unanimously at 11:02 a.m.

**Adjournment**

With no further business, the meeting adjourned at 11:04 a.m.



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PO Box 40912 • Olympia, Washington 98504-0912 • (360) 534-1560

**Meeting Minutes**  
**Revenue Review**  
September 23, 2020  
Zoom

**Economic and Revenue Forecast Council**

Ed Orcutt, House of Representatives, Chair  
Christine Rolfes, Senate  
John Braun, Senate  
Timm Ormsby, House  
Duane Davidson, Treasurer  
Vikki Smith, Department of Revenue  
David Schumacher, Office of Financial Management

*Staff*

Steve Lerch, Executive Director

**Call to Order**

Representative Orcutt called the meeting to order at 10:05 a.m.

**Approval of the Minutes**

Senator Braun moved, seconded by Representative Orcutt to adopt the meeting minutes from September 3, 2020. Council passed motion at 10:09 a.m.

**Forecast Presentation**

Dr. Lerch presented information on the economic and revenue forecast. Dr. Lerch summarized the forecast changes.

**Motion**

Representative Ormsby moved, seconded by Representative Orcutt, to adopt the Economic and Revenue Forecast as presented. Council approved the motion unanimously at 10:49 a.m.

**Adjournment**

With no further business, the meeting adjourned at 10:51 a.m.



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ECONOMIC AND REVENUE FORECAST COUNCIL  
PO Box 40912 • Olympia, Washington 98504-0912 • (360) 534-1560

**Meeting Minutes**  
**Economic Review and Budget Outlook Methodology**  
November 3, 2020  
Zoom

**Economic and Revenue Forecast Council**

Ed Orcutt, House of Representatives, Chair  
Christine Rolfes, Senate  
John Braun, Senate  
Timm Ormsby, House  
Duane Davidson, Treasurer  
Vikki Smith, Department of Revenue  
David Schumacher, Office of Financial Management

*Staff*

Steve Lerch, Executive Director

**Call to Order**

Representative Orcutt called the meeting to order at 10:07 a.m.

**Approval of the Minutes**

Senator Rolfes moved, seconded by Representative Orcutt to adopt the meeting minutes from September 23, 2020. Council passed motion unanimously at 10:09 a.m.

**Motion**

Representative Ormsby moved, seconded by Representative Orcutt, to adopt the revised alternative growth factors for higher education for 2020 – 2025 to be used in calculating the budget outlook. All Council members save Treasurer Davidson approved the motion at 10:14 a.m.

**Motion**

Representative Ormsby moved, seconded by Representative Orcutt, to extend ERFC Executive Director, Dr. Steve Lerch's contract for an additional year. All Council members save Treasurer Davidson approved the motion at 10:22 a.m.

**Forecast Presentation**

Dr. Lerch presented information on the preliminary economic forecast. Dr. Lerch summarized the forecast changes.

**Motion**

Senator Rolfes moved, seconded by Representative Orcutt, to adopt the Economic Forecast as presented. Council approved the motion unanimously at 10:38 a.m.

**Adjournment**

With no further business, the meeting adjourned at 10:38 a.m.



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ECONOMIC AND REVENUE FORECAST COUNCIL  
PO Box 40912 • Olympia, Washington 98504-0912 • (360) 534-1560

**Meeting Minutes**  
**Revenue Review**  
November 18, 2020  
Zoom

**Economic and Revenue Forecast Council**

Ed Orcutt, House of Representatives, Chair  
Christine Rolfes, Senate  
John Braun, Senate  
Timm Ormsby, House of Representatives  
Duane Davidson, Treasurer  
Vikki Smith, Department of Revenue  
David Schumacher, Office of Financial Management

*Staff*

Steve Lerch, Executive Director

**Call to Order**

Representative Orcutt called the meeting to order at 10:00 a.m.

**Approval of the Minutes**

Senator Braun moved, seconded by Representative Orcutt to adopt the meeting minutes from November 3, 2020. Council passed motion at 10:02 a.m.

**Budget Outlook Adoption and Outlook Growth Factors Presentation**

Andy Toulon presented the budget outlook methodology and outlook growth factors.

**Motion**

Senator Rolfes moved, seconded by Representative Orcutt, to adopt the growth factors as presented. Council approved the motion unanimously at 10:09 a.m.

**Expenditure Limit and Fiscal Growth Factors Presentation**

Andy Toulon presented the expenditure limit and fiscal growth factors.

**Motion**

Senator Braun moved, seconded by Representative Orcutt, to adopt the fiscal growth factors as presented. Council approved the motion unanimously at 10:17 a.m.

**Forecast Presentation**

Dr. Lerch presented information on the economic and revenue forecast. Dr. Lerch summarized the forecast changes.

**Motion**

Representative Ormsby moved, seconded by Representative Orcutt, to have the GCEA number corrected and adopt the Revenue Forecast as corrected. Council approved the motion unanimously at 10:47 a.m.

**Final order of business**

Representative Ormsby was declared as Council Chair for the two year term of 2021-2022 at 11:27 a.m.

**Adjournment**

With no further business, the meeting adjourned at 11:29 a.m.