



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.



STATE OF WASHINGTON
ECONOMIC AND REVENUE FORECAST COUNCIL
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.



STATE OF WASHINGTON
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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.



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

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.



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

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.



STATE OF WASHINGTON
ECONOMIC AND REVENUE FORECAST COUNCIL
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.