

Economic and Revenue Forecast Council

ERFC is a single program agency, with little in terms of discretionary expenditures, and no dedicated account to pick up costs. Furthermore, the agency is looking at a deficit in the next biennium if their maintenance level DP is not funded. Freezing travel and other discretionary spending would only amount to a few thousand in savings, not enough to address the agency's 2025-27 deficit. Which means there is little room for ERFC to realize savings going into the next biennium without making consequential staffing decisions.

There is one suggestion we can offer up: Due to turnover and vacancy savings in the current biennium, ERFC is expected to underspend its appropriations by more than \$200,000. Therefore, we are suggesting a 2025 Supplemental reduction of \$100,000 to ERFC's General Fund appropriation (001/012) and additional \$100,000 reduction to their MVA appropriation (108/050). I want to emphasize; this would be a reduction for the current fiscal year alone and should not be on-going.

Please let me know if you have any questions or would like further data.

Regards,

Seth Flory (He/Him)

Senior Financial Consultant

Washington State Department of Enterprise Services