



STATE OF WASHINGTON  
CASELOAD FORECAST COUNCIL  
PO Box 40962 • Olympia, WA 98504-0962  
(360) 664-9380

November 15, 2024

MEMO TO: Danya Clevenger  
Office of Financial Management

FROM: Erik Cornellier, Executive Director  
Caseload Forecast Council

RE: Budget Reduction Options

Hello,

On November 8, 2024, Office of Financial Management Director Pat Sullivan directed state agencies to propose operating budget reductions for the 2025 supplemental and 2025-27 biennial budgets.

In response to a similar exercise at the start of the COVID-19 pandemic, the CFC sought federal Medicaid funding to partially offset state dollars for the CFC's Medicaid-related forecasting duties. The CFC is not aware of any new options for accessing federal or local funding to offset state dollars.

Program eliminations or reductions are possible in the form of eliminating specific caseload forecasts or sentencing-related publications, but the forecasts and publications are core to the agency's mission and they are either directed by the Legislature or the Council itself.

The CFC is on track to under-expend in FY 25, primarily as a result of under-funding of a few new legislatively-directed CFC duties. The funding provided was not sufficient to hire a full FTE, and the CFC has been preserving those dollars so it can hire a new forecaster with less than a full FTE's worth of new funding the next time the Legislature creates new CFC duties.

Further complicating matters, the CFC is a party to litigation in *Nixon v. State of Washington*, concerning the state's retention rules for records generated through Microsoft Teams chats. This litigation and associated public records requests have already generated legal costs surpassing the CFC's allotment for legal services, and the costs will continue to grow as the litigation proceeds.

In light of these limitations and risks, the CFC proposes an administrative reduction of up to \$15,000 per year that would be distributed across areas such as training, travel, and supplies. The CFC believes that it could absorb this reduction, but it would limit the CFC's ability to hire new staff if the Legislature assigns new duties, and it is risky in light of the CFC's unpredictable legal costs.

Thank you,

Erik Cornellier  
Executive Director, Caseload Forecast Council