

Agency 104

Economic and Revenue Forecast Council

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2007-09 Expenditure Authority</b>	5.2	1,239		1,239
<b>Supplemental Changes</b>				
Data Purchase		40		40
Agency Succession Plan	.3	176		176
Online Recruiting Service		1		1
PEBB Rate Reduction		(11)		(11)
Retirement Buyout Costs		110		110
<b>Subtotal - Supplemental Changes</b>	0.3	316		316
<b>Total Proposed Budget</b>	5.5	1,555		1,555
Difference	.3	316		316
Percent Change	5.8%	25.5%		25.5%

SUPPLEMENTAL CHANGES

Data Purchase

The Forecast Council will purchase national economic data sets from Global Insight, Inc. The agency needs the data to properly prepare economic forecasts which are the basis for the revenue forecasts.

Agency Succession Plan

The agency will recruit and hire a new master's level forecaster as part of a succession plan that will allow the agency to perform its core mission without significant disruption during its first major transition period since its creation in 1984.

Online Recruiting Service

To support the state's online recruitment tool (E-Recruiting), additional funds are provided for a one-time charge from the Department of Personnel. This will improve the ability of agencies to manage their recruitment and hiring processes as required by the Personnel System Reform Act of 2002.

PEBB Rate Reduction

The state contributes 88 percent of the total weighted average of the employee health care premium and also pays for the cost of dental, life and long-term disability insurance. Total Public Employees Benefit Board (PEBB) expenditures for the 2007-09 Biennium are anticipated to be lower than budgeted because (1) health plan costs for calendar year 2008 are lower than expected, which will benefit both the state and its employees; (2) the Uniform Medical Plan continues to perform better than projected; and (3) funding was removed from the PEBB administrative cost allocation for an information technology system replacement due to the restrictive nature of federal funding. The state employer contribution rate will be reduced from \$732 per month to \$575 per month. This one-time reduction will leave an unrestricted fund balance of \$19.2 million at the end of Fiscal Year 2009. (General Fund-State, various other funds).

**GOVERNMENTAL OPERATIONS**

**Retirement Buyout Costs**

One-time funding is provided to pay expenses associated with the retirement of the executive director and senior revenue forecaster. These costs are for accrued leave buy-out and executive recruiting expenses.