



Wednesday, December 14, 2022, Meeting Minutes  
Radisson Gateway, 18118 International Blvd, Seattle  
Zoom – Meeting ID: 867 6324 1726

The meeting of the Washington Citizens' Commission on Salaries for Elected Officials was brought to order by Jon, Vice Chair, at 6:00 p.m.

Jon read a land acknowledgement, stating the Commissioners are meeting in the ancestral, traditional, and contemporary land of the Duwamish and Muckleshoot Peoples. The Commission acknowledges and respects the Indigenous individuals and communities who live on this land now, and those who were forcibly removed from their homelands. In offering this land acknowledgement, the Commission affirms Indigenous sovereignty, and thanks them for sharing their lands, history, and experiences with the Commission.

**Commission Members Present:**

Carli – via Zoom  
Diana – via Zoom  
Ellen – via Zoom  
Eric  
Eve  
Jon, Vice Chair  
Kirsten – via Zoom  
Lancer – via Zoom  
Linda  
Scott – via Zoom  
Sue – via Zoom  
Wendy

**Commission Members Excused:**

Greg  
Karen  
Steven, Chair

**Commission Members Unexcused:**

Tray

**Staff Present:**

Teri Wright, Executive Director  
Lindsay Matthews, Executive Assistant

Teri took roll call.

Jon read the meeting opening statement.

Lindsay went over meeting folders and their contents.

**Kirsten moved to approve the November 15, 2022, meeting minutes. Linda seconded.**  
The motion was approved by a unanimous voice vote.

## **Public Testimony**

After reading the procedure for public testimony, Jon welcomed Judge Jennifer Forbes and Judge Bill Bowman who had signed up for public testimony. Judge Forbes handed out a document to Commission members present. Judge Bowman clarified what the judiciary is requesting for salary increases in 2023 and 2024. They are requesting a 10% increase over the next biennium and a COLA (cost of living adjustment), to regain 2020 buying power. The hand-out stated “With the WCCSEO proposed salary schedule of a 4% COLA in 2023 and 3% COLA in 2024 for all elected officials, plus a 3% additional base salary increase in 2023 for the judiciary, an additional 7% increase in FY 2024 is needed to recover salary, in real dollar terms, from 2020.” He continued by stating that the judiciary knows they can not compete with private practice salaries, but they would like to be completeive with other Judges in the public sector, particularly federal Judges. Judge Forbes mentioned that the handout does show an estimated inflation for 2022-2024 but they know that those number can change. She then asked for any questions.

Eric asked: What do you mean by real dollar value (a term from the handout provided by the judiciary)?

Judge Bowman replied that “real dollar value” is purchasing power.

Jon thanked Judges Forbes and Bowman for their testimony and the handout.

Jon welcomed Dr. Steve Lerch from the Economic and Revenue Forecast Council.

### **Dr. Steve Lerch, Economic and Revenue Forecast Council (remotely)**

Dr. Lerch shared a PowerPoint presentation. He gave a summary of the most recent forecast update that was finished just before the end of November. The summary showed the U.S. GDP (gross domestic product) level is slightly higher than in September largely due to revised historical data, the forecast assumes the federal reserve will raise the federal funds interest rate to a range of 4.75-5% by March 2023, Washington personal income is higher and building permits are lower than in September, and the forecast of funds subject to the budget outlook is increased by \$762 million for 2021-23 biennium and by \$861 million for the 2023-25 biennium. Dr. Lerch then spoke about forecast risks, upsides, and downsides. He spoke about recession views among economists and thoughts around if the federal reserve could pull off a “soft landing” by reducing inflation without precipitating a U.S. recession. Dr. Lerch showed a graph and said that growth in labor productivity has been weak so far in 2022. His next slide showed that inflation over the year has trended down since June but remains at historically high levels. Dr. Lerch showed that while still elevated over the year, home prices in Seattle have declined for the last four months. He spoke about how rising interest rates weigh on consumer confidence. Dr. Lerch talked about sales expectations improved slightly in November, although inflation remains major concern. His next slide shoed U.S. retail trade sales were flat in September but up 1.3% in October. Dr. Lerch

explained that GDP is similar to the September forecast. He showed that inflation forecasts are slightly higher than September but are still expected to decrease after this year. Dr. Lerch explained oil prices are essentially unchanged from the September forecast. Interest rates are higher compared to the September forecast. Dr. Lerch spoke about revisions to historic data mainly responsible for higher WA personal income compared to September forecast. The next slide showed that Washington annual employment growth is very similar to the September forecast, and it is almost double the United States employment growth. Washington housing permits for 2023-2027 average 800 units per year less than the September forecast. Revenue Act collections growth was a strong 12.0% for September, but they do anticipate that they will slow. Seasonally adjusted taxable REET (real estate excise tax) activity fell to \$8.8 billion in October, this is the lowest since August 2020. Dr. Lerch spoke about cannabis revenues, they appear to be moderating since the pandemic. He then talked about the forecast changes from September. In conclusion Dr. Lerch said according to the U.S. forecast GDP and interest rates are slightly higher than in September, according to the WA state forecast personal income is higher and building permits are lower than in September. He spoke briefly about the Russia conflict and other forecast risks. Lastly Dr. Lerch said the total state revenues are expected to grow 20.4% between the 2019-21 and 2021-23 biennia and 3.5% between the 2021-23 and 2023-25 biennia.

Jon asked: Are the capital gains tax revenues included in the forecast? Dr. Lerch replied that they did assume the capital gains tax in the forecast.

Jon asked: What the median and average wage is for Washington State. Dr. Lerch replied that he would send that data to the Commissioners.

Linda asked: Regarding the Washington personal income projection data shown, does that include wage growth? Dr. Lerch replied yes, they forecast personal income as a whole, they don't separate the different forms of personal income, but with that knowledge about 85% of the personal income number shown reflects wages and salaries.

Eric asked: Has the COLA been set for Washington State employees for 2023? Dr. Lerch replied that the Governor's budget came out today, although he hadn't had a chance to look at it yet but it will show the state employee COLA.

Jon thanked Dr. Lerch for his presentation and time.

Commissioners moved into a work session.

Jon said that he read through the comments from the public and most of the comments said, "no increases for elected officials."

Jon wanted to thank Teri for her professionalism in the news interview and replying to members of the public.

Discussion ensued. Eve found the link to the Governor’s budget, it stated, “under the new agreements, most state employees would receive a 4% general wage increase on July 1, 2023, and a 3% increase on July 1, 2024.”

Jon thanked the people that gave testimony and asked if there was any other business that needed to be discussed prior to adjournment.

**The meeting was adjourned by Jon at 6:57 p.m.**



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Steven, Chair

1/10/2023

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Date