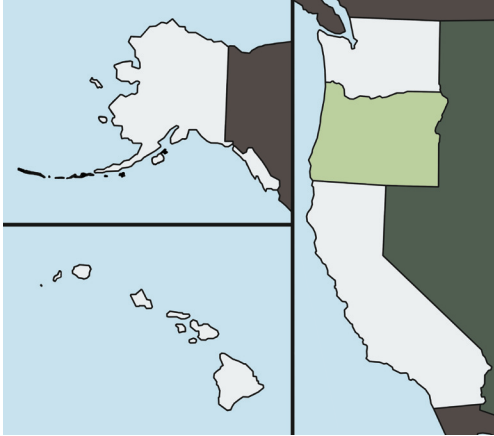


OREGON Budget Report Card



IMPROVING ITS GRADE in budget maneuvers to A in 2018 from B the year before, Oregon became one of sixteen states to earn an A average in the category for fiscal 2016 through 2018. This category tracks one-time actions used to cover recurring expenditures and balance budgets. While Oregon’s 2015-17 biennial budget contained many one-time allocations from special funds to meet obligations of the general fund, the state made no material transfers in 2018.

The state also achieved an A average in legacy costs, along with seven other states. For all three years studied, Oregon consistently made annual contributions recommended by actuaries for pensions and other postemployment benefits, primarily health care. Its pension funded ratio of 83.1 percent, as of 2017, was about 14 percentage points above the total for all states.

Oregon received a B average in the transparency category. Like most states, it did not disclose information about deferred infrastructure replacement costs, which are no less a long-term liability than pensions or debt.

The state’s lowest grade was its C average in budget forecasting. Oregon did not use consensus revenue estimates or disclose multiyear expenditure forecasts. Longer-term forecasts could alert the state to possible budget stresses.


PACIFIC STATES SIDE BY SIDE: Three-Year Average Grades, 2016-18


	BUDGET FORECASTING	BUDGET MANEUVERS	LEGACY COSTS	RESERVE FUNDS	TRANSPARENCY
Alaska	B	C	B	A	A
California	B	A	D	A	A
Hawaii	A	B	D-	A	B
Oregon	C	A	A	B	B
Washington	A	B	D	A	B
US AVERAGE	C	B	C	B	B


NOTE States are grouped by US Census Bureau divisions.


Average grades are based on annual numerical scores. For more information, download *Truth and Integrity in State Budgeting: Preventing the Next Fiscal Crisis* at VolckerAlliance.org.


OREGON Budget Report Card

BUDGET FORECASTING				
	2016	2017	2018	
	CATEGORY GRADE	C	C	C
	Consensus Revenue Forecasts	X	X	X
	Multiyear Expenditure Forecasts	X	X	X
	Multiyear Revenue Forecasts	✓	✓	✓
	Revenue Growth Projections	✓	✓	✓
3-YEAR AVERAGE		C	3-YEAR TREND —	

BUDGET MANEUVERS				
	2016	2017	2018	
	CATEGORY GRADE	A	B	A
	Deferring Recurring Expenditures	✓	✓	✓
	Revenue and Cost Shifting	✓	X	✓
	Funding Recurring Expenditures with Debt	✓	✓	✓
	Using Asset Sales and Up-Front Revenues	✓	✓	✓
3-YEAR AVERAGE		A	3-YEAR TREND —	

LEGACY COSTS				
	2016	2017	2018	
	CATEGORY GRADE	A	A	A
	Public Employee OPEB Funding	✓	✓	✓
	Public Employee Pension Funding	✓	✓	✓
	Public Employee Pension Funded Ratio*	81%	83%	83%
3-YEAR AVERAGE		A	3-YEAR TREND —	

RESERVE FUNDS				
	2016	2017	2018	
	CATEGORY GRADE	B	B	B
	Positive Reserve or General Fund Balance	✓	✓	✓
	Reserve Funds Disbursement Policy	✓	✓	✓
	Reserve Funds Replenishment Policy	✓	✓	✓
	Reserves Tied to Revenue Volatility	X	X	X
3-YEAR AVERAGE		B	3-YEAR TREND —	

TRANSPARENCY				
	2016	2017	2018	
	CATEGORY GRADE	B	B	B
	Consolidated Budget Website	✓	✓	✓
	Provides Debt Tables	✓	✓	✓
	Discloses Deferred Infrastructure Replacement Costs	X	X	X
	Discloses Tax Expenditures	✓	✓	✓
3-YEAR AVERAGE		B	3-YEAR TREND —	

KEY

✓	Followed best practice
X	Did not follow best practice

BUDGET FORECASTING evaluates whether and how states estimated long-term revenue and expenditure trends. **BUDGET MANEUVERS** evaluates whether states used one-time revenues, borrowings, asset sales, and other measures to achieve short-term budgetary balance. **LEGACY COSTS** evaluates whether states provided adequate funding, as defined by retirement system actuaries, for pensions and other promised retirement benefits for public workers. **RESERVE FUNDS** evaluates states' rainy day funds and other fiscal reserves, as well as any policies governing their use and replenishment. **TRANSPARENCY** evaluates the accessibility to the public of states' budget practices.

* SOURCE Bloomberg; 2017 data also used for 2018.