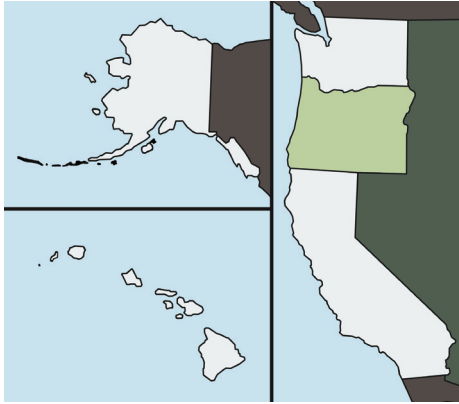


## OREGON Budget Report Card



OREGON'S HIGH AVERAGE grades for fiscal 2017 through 2019 were marred only by a C in budget forecasting. The state is one of twenty-one states that do not use the consensus method of revenue estimation, leaving the task to the executive branch. While its long-term revenue projection extends to 2027, Oregon lacks multiyear expenditure forecasts beyond the duration of its biennial budget.

In budget maneuvers, Oregon notched an A average. It consistently avoided pushing recurring expenditures to future years or moving future-year revenues forward. It has also resisted using other one-time revenue measures to achieve budgetary balance.

Oregon also scored an A average in legacy costs, which include public worker pensions and other postemployment benefits (OPEB), principally health care. It made actuarially recommended contributions for both. The state's pension was 82 percent funded in 2018, 12 percentage points above the total for all states.

Its reserve fund policies garnered a B average. As was the case with twenty-eight other states, Oregon's grade was held down because it does not tie rainy day funding to historical revenue volatility. Otherwise, it follows disbursement and replenishment policies aligned with best practices cited in the recent Volcker Alliance working paper, *Rainy Day Fund Strategies: A Call to Action*.

### PACIFIC STATES SIDE BY SIDE: Three-Year Average Grades, 2017-19


	BUDGET FORECASTING	BUDGET MANEUVERS	LEGACY COSTS	RESERVE FUNDS	TRANSPARENCY
Alaska	B	C	B	A	A
California	B	A	D-	A	A
Hawaii	A	A	D-	A	A
Oregon	C	A	A	B	B
Washington	A	A	C	A	B
US AVERAGE	B	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: The Balancing Act* at [VolckerAlliance.org](http://VolckerAlliance.org).


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BUDGET FORECASTING				
	2017	2018	2019	
	CATEGORY GRADE	<b>C</b>	<b>C</b>	<b>C</b>
	Consensus Revenue Forecasts	<b>X</b>	<b>X</b>	<b>X</b>
	Multiyear Expenditure Forecasts	<b>X</b>	<b>X</b>	<b>X</b>
	Multiyear Revenue Forecasts	✓	✓	✓
	Revenue Growth Projections	✓	✓	✓
<b>3-YEAR AVERAGE</b> <b>C</b>		<b>3-YEAR TREND</b> <b>—</b>		

BUDGET MANEUVERS				
	2017	2018	2019	
	CATEGORY GRADE	<b>B</b>	<b>A</b>	<b>A</b>
	Deferring Recurring Expenditures	✓	✓	✓
	Revenue and Cost Shifting	<b>X</b>	✓	✓
	Funding Recurring Expenditures with Debt	✓	✓	✓
	Using Asset Sales and Upfront Revenues	✓	✓	✓
<b>3-YEAR AVERAGE</b> <b>A</b>		<b>3-YEAR TREND</b> <b>↗</b>		

LEGACY COSTS				
	2017	2018	2019	
	CATEGORY GRADE	<b>A</b>	<b>A</b>	<b>A</b>
	Public Employee OPEB Funding	✓	✓	✓
	Public Employee Pension Funding	✓	✓	✓
	Public Employee Pension Funded Ratio*	83%	82%	82%
<b>3-YEAR AVERAGE</b> <b>A</b>		<b>3-YEAR TREND</b> <b>—</b>		

RESERVE FUNDS				
	2017	2018	2019	
	CATEGORY GRADE	<b>B</b>	<b>B</b>	<b>B</b>
	Positive Reserve or General Fund Balance	✓	✓	✓
	Reserve Funds Disbursement Policy	✓	✓	✓
	Reserve Funds Replenishment Policy	✓	✓	✓
	Reserves Tied to Revenue Volatility	<b>X</b>	<b>X</b>	<b>X</b>
<b>3-YEAR AVERAGE</b> <b>B</b>		<b>3-YEAR TREND</b> <b>—</b>		

TRANSPARENCY				
	2017	2018	2019	
	CATEGORY GRADE	<b>B</b>	<b>B</b>	<b>B</b>
	Consolidated Budget Website	✓	✓	✓
	Provides Debt Tables	✓	✓	✓
	Discloses Deferred Infrastructure Replacement Costs	<b>X</b>	<b>X</b>	<b>X</b>
	Discloses Tax Expenditures	✓	✓	✓
<b>3-YEAR AVERAGE</b> <b>B</b>		<b>3-YEAR TREND</b> <b>—</b>		

### KEY

✓	Followed best practice
<b>X</b>	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; 2018 data also used for 2019.

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