



Is Oregon Future Ready?

PATRICK CRITESER

**TILLAMOOK COUNTY CREAMERY ASSOCIATION;
OREGON BUSINESS PLAN CHAIR**

The Oregon Business Plan

A strong, inclusive economy
Prosperous people and families
A balanced state budget

PATRICK CRITESER

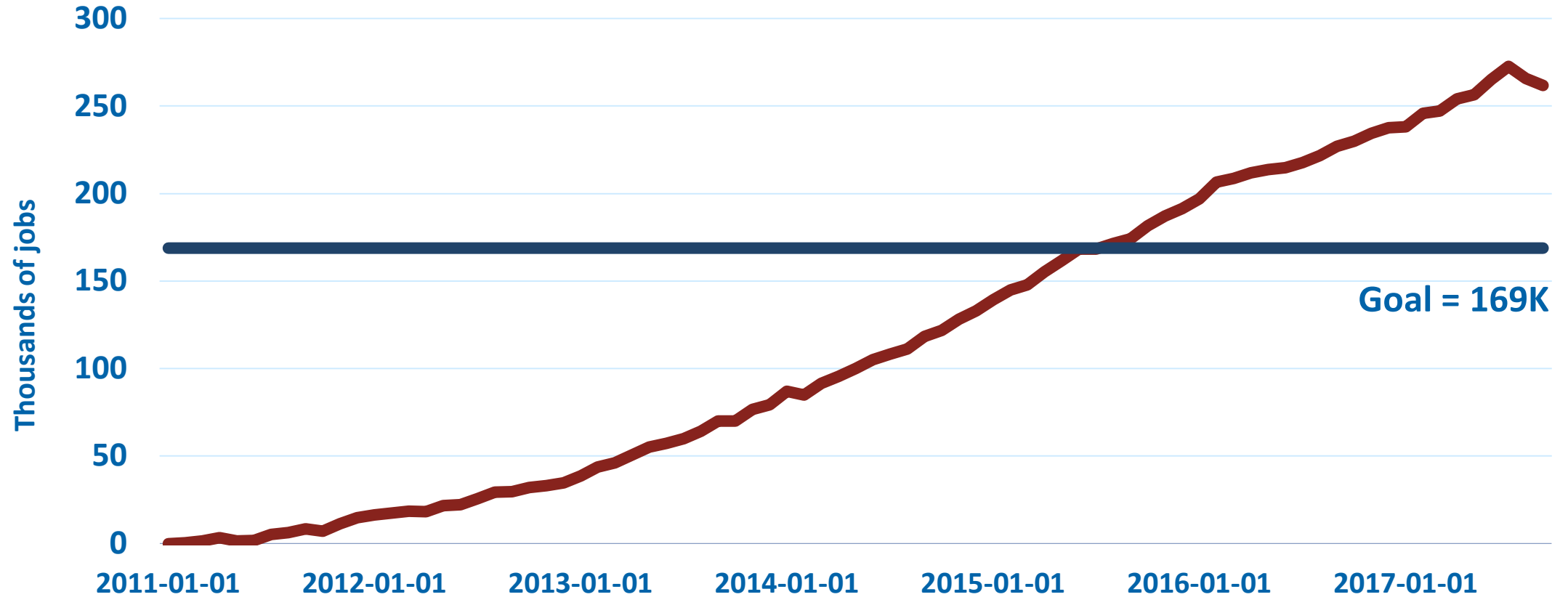
**TILLAMOOK COUNTY CREAMERY ASSOCIATION;
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Oregon Business Plan Goals

- Add 25,000 net new jobs per year
- Raise per capita incomes to the U.S. average
- Reduce poverty to below 10%

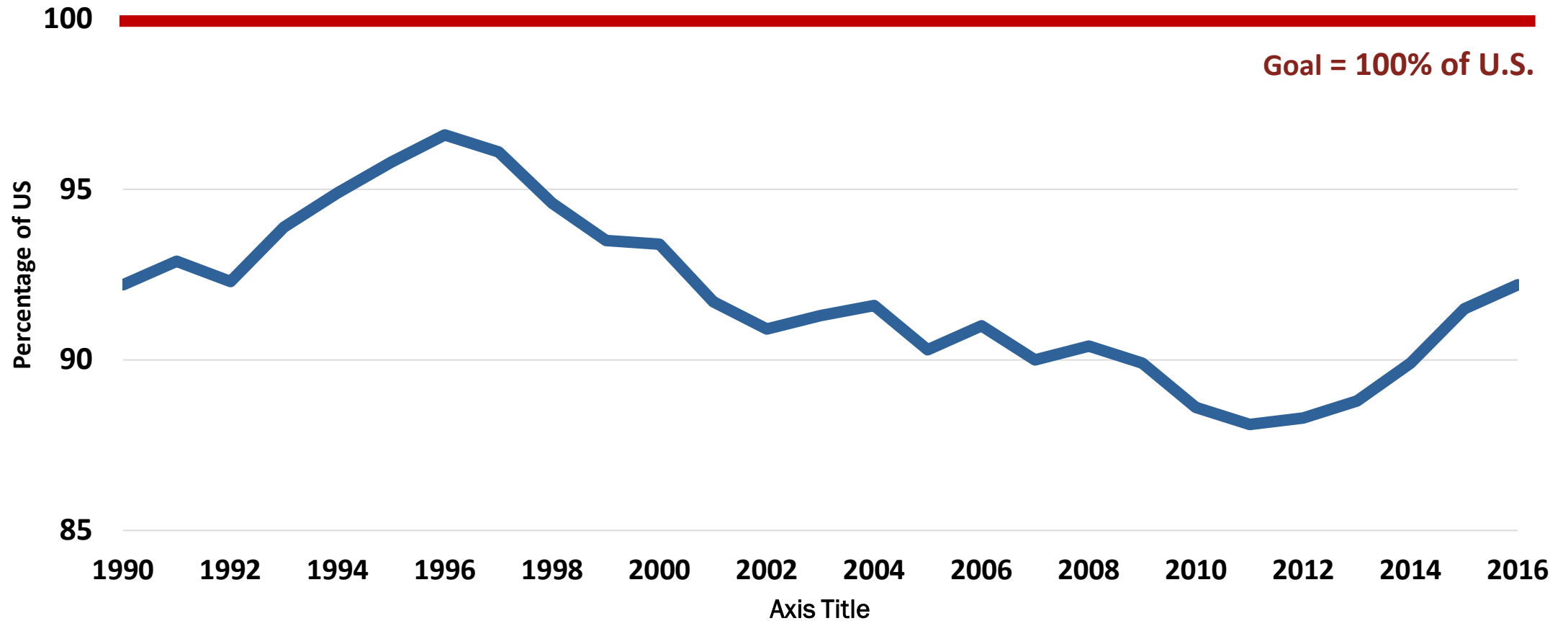
Exceeding the Jobs Goal

Cumulative Change in Nonfarm Employment Since 01/11 (in 000s)



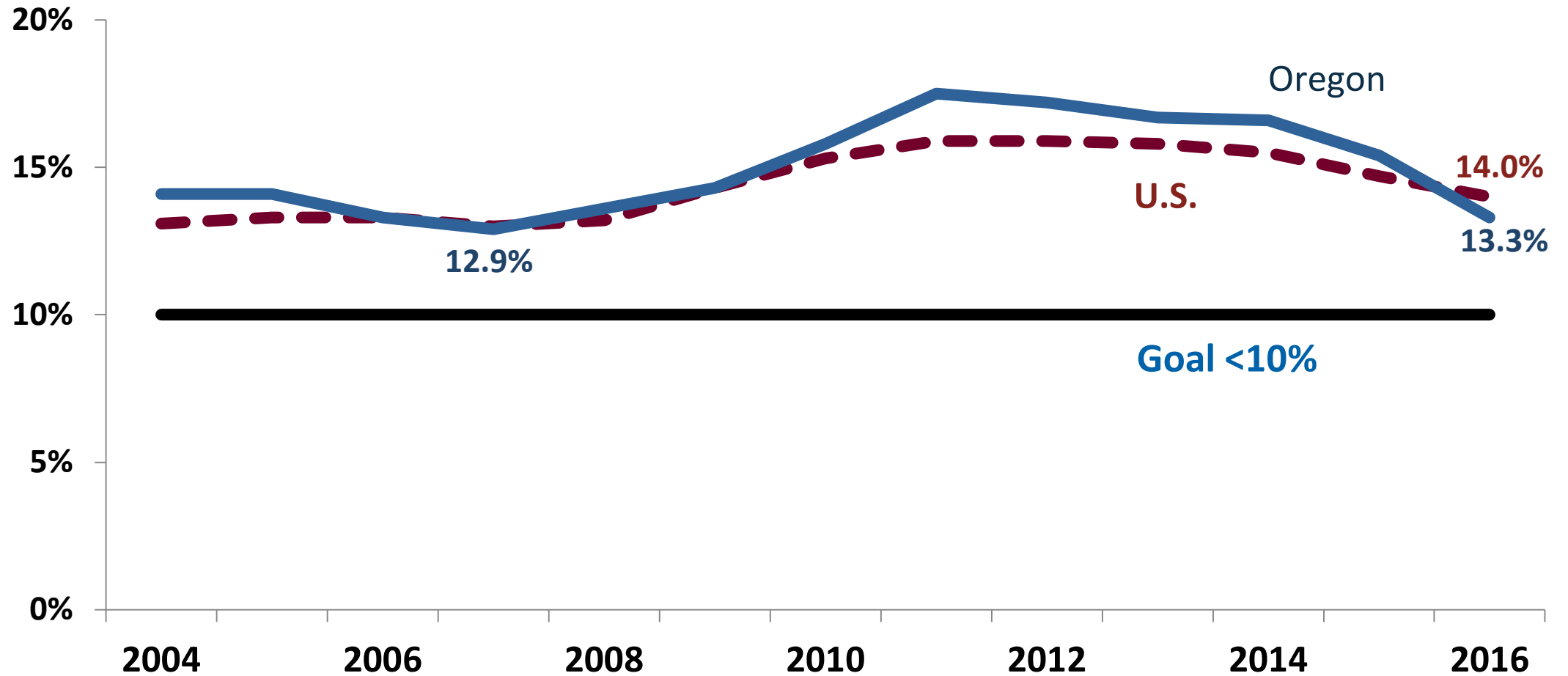
Source: FRED, Federal Reserve Economic Data, Accessed October 2017

Ticking Up in Per Capita Income vs. U.S.



Source: US Bureau of Economic Analysis

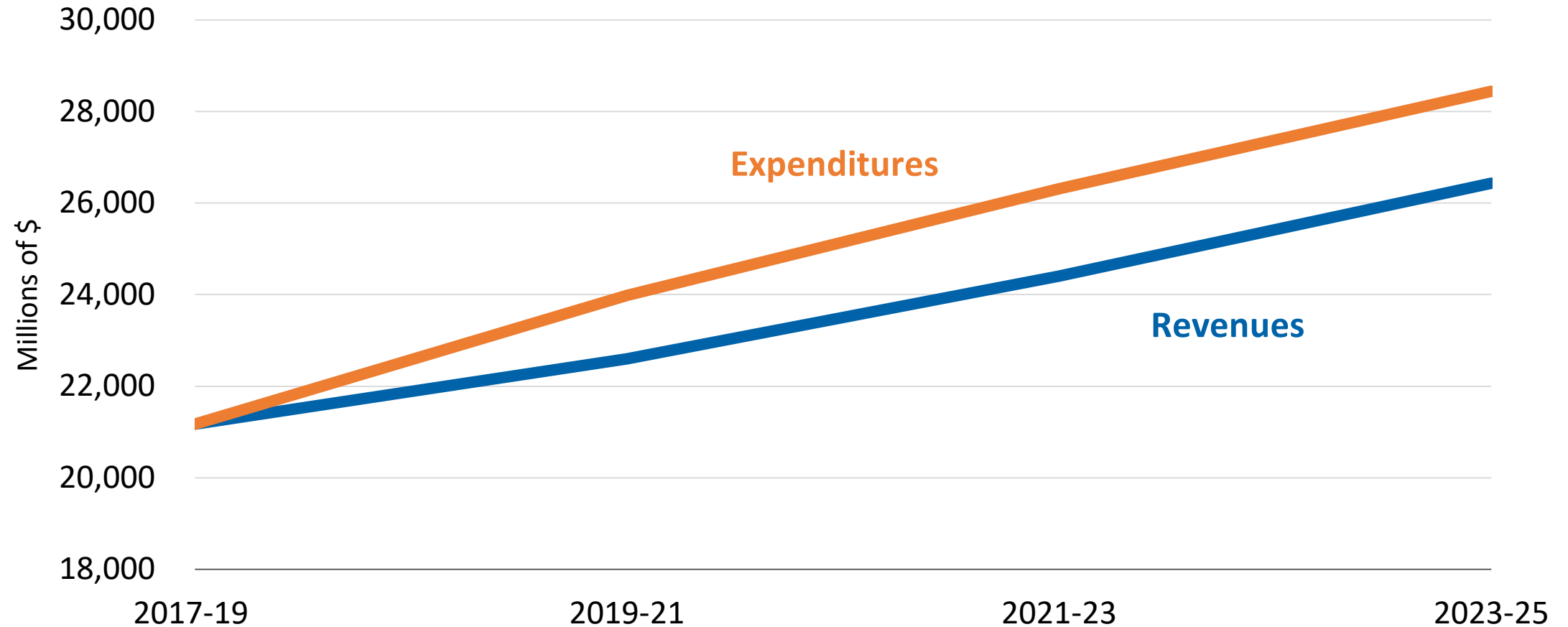
Poverty Rate Declining



Data source: U.S. Census American Community Survey

A Growing Fiscal Imbalance

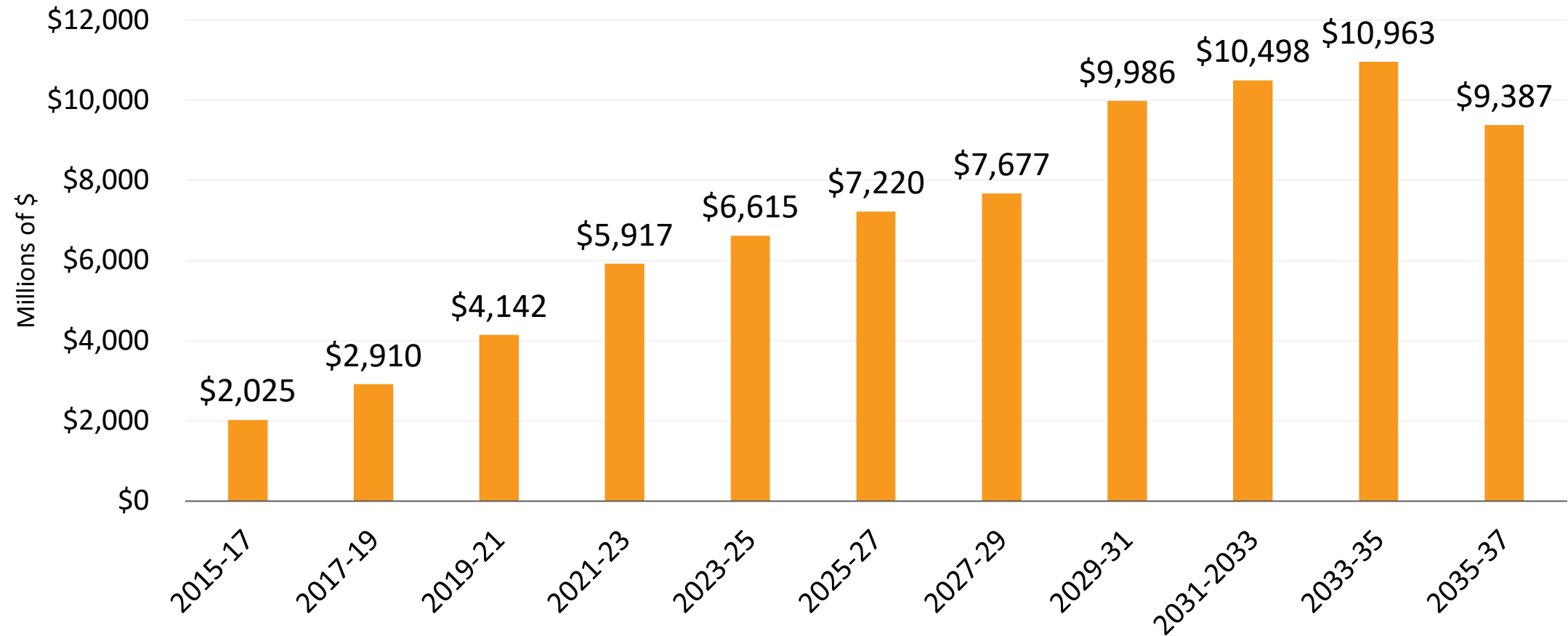
Projected gap between revenues and expenditures under current law



Data source: Oregon Business Plan

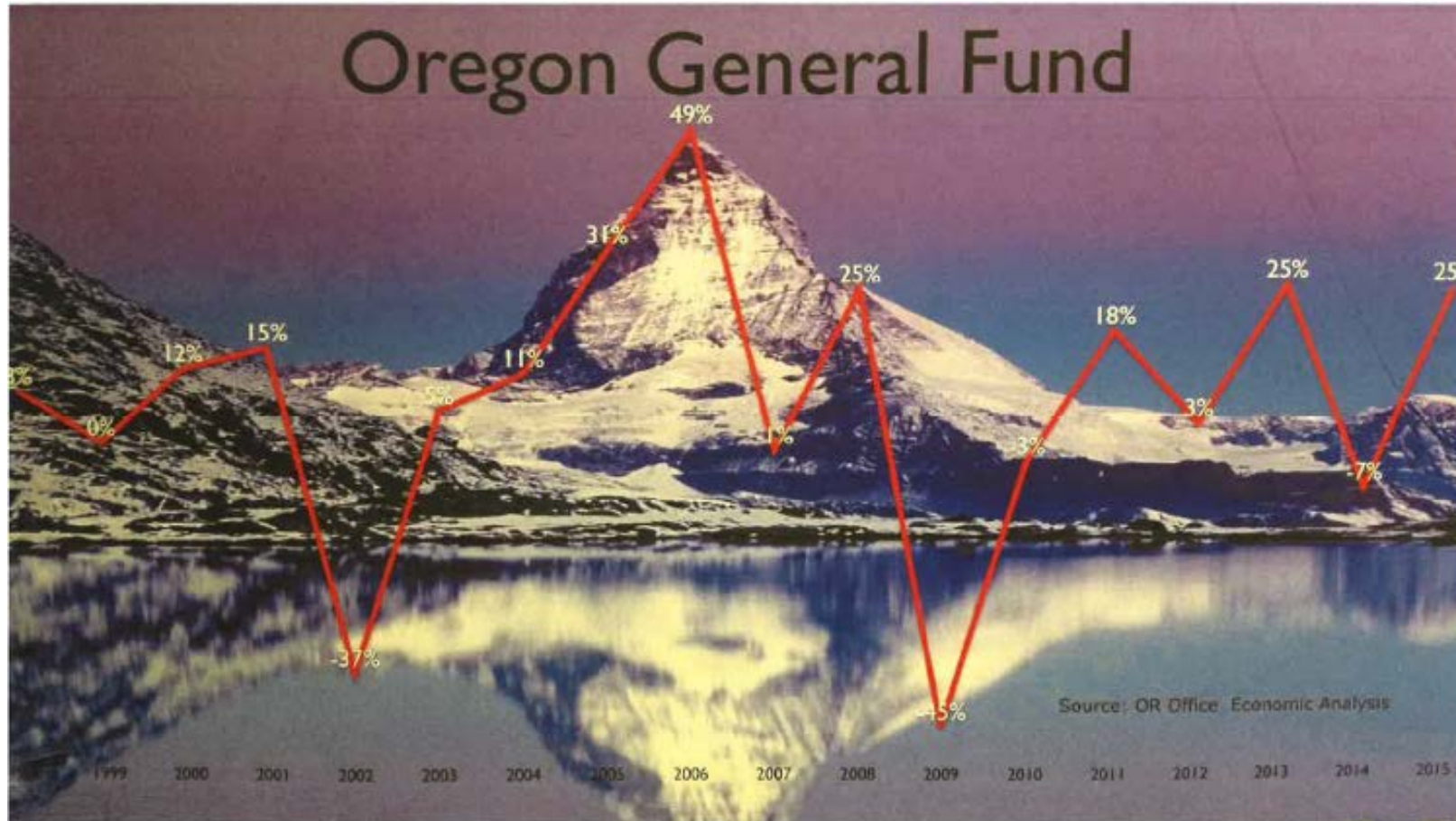
Surging Pension Costs

Projected system-wide net contributions to PERS



Data source: Milliman via 2017 PERS UAL Task Force

Revenue Instability



A Path Forward

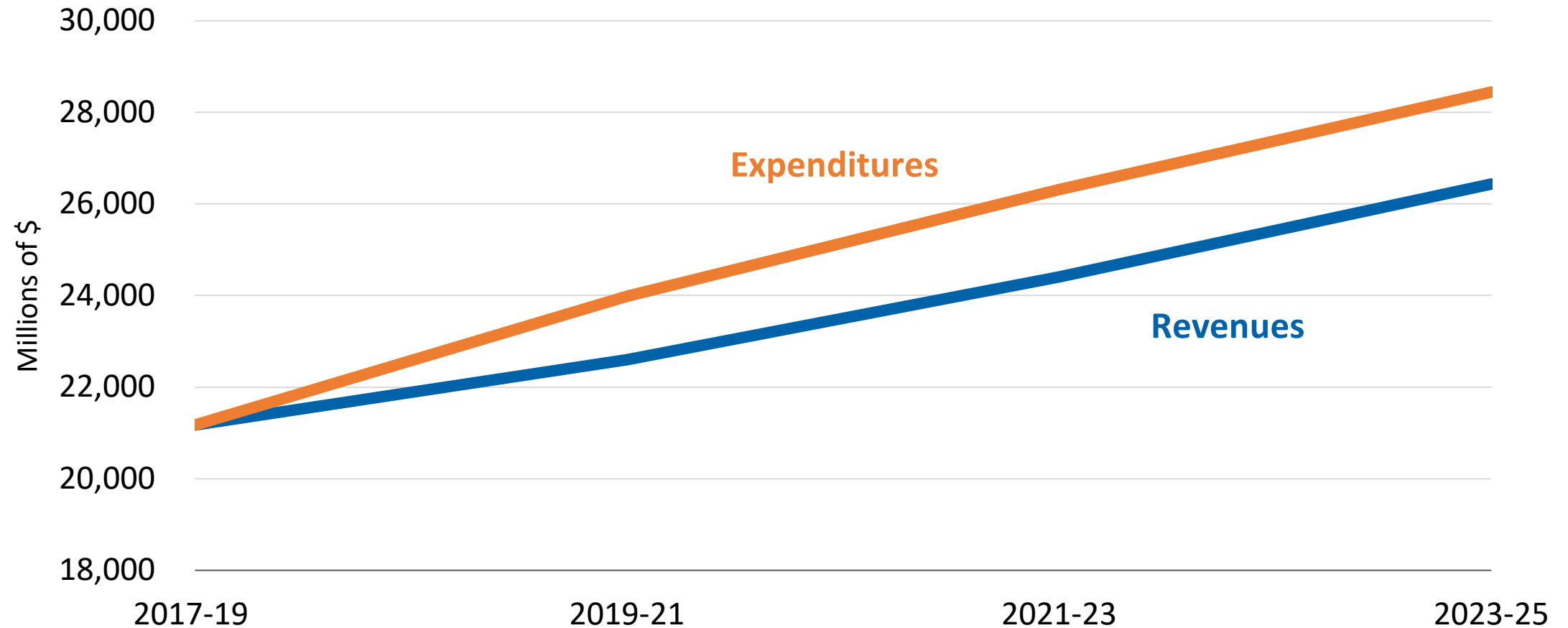
- **Grow the economy.** It's the best way to lift-up families and pay for critical public services.
- **Slow the growth of unsustainable costs in government,** including those associated with employee benefits.
- **Adjust business taxes to improve stability and increase revenues** for education and health care investments.

2017 Legislative Achievements

- Transportation Package
- Significant investments in research & public/private partnership
- Bipartisan pay equity bill

A Growing Fiscal Imbalance

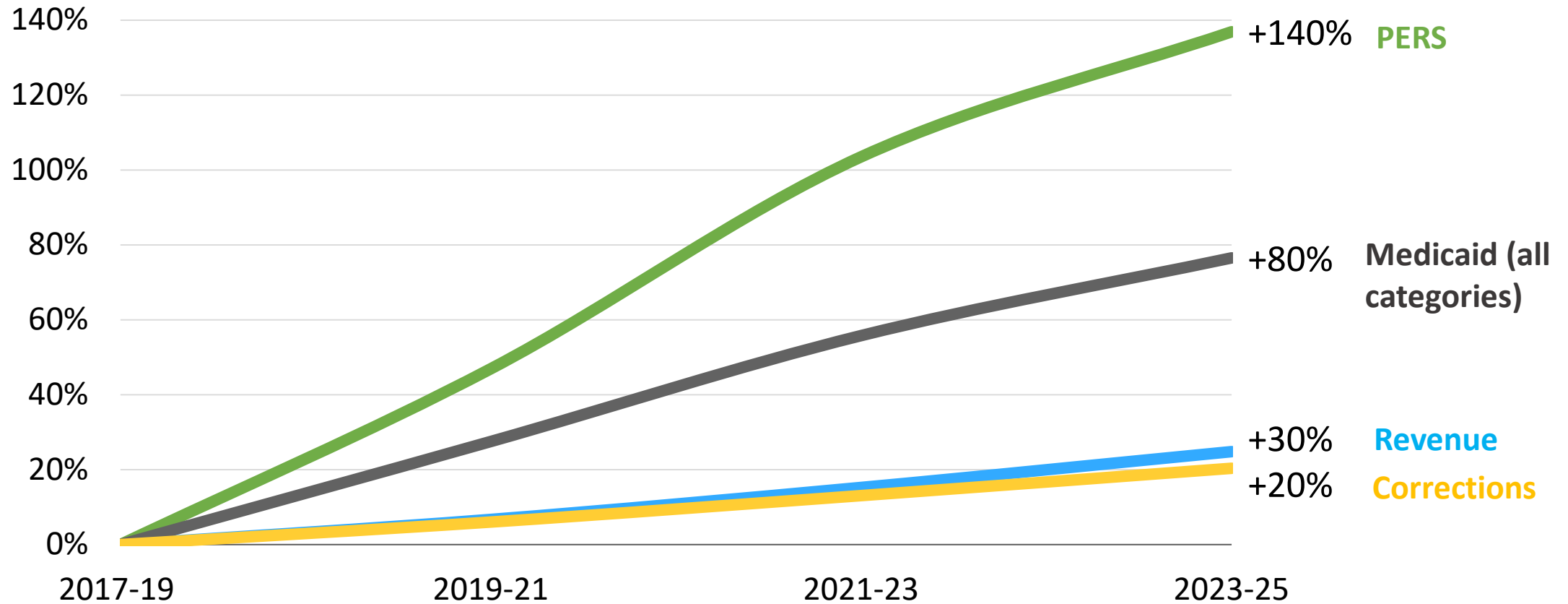
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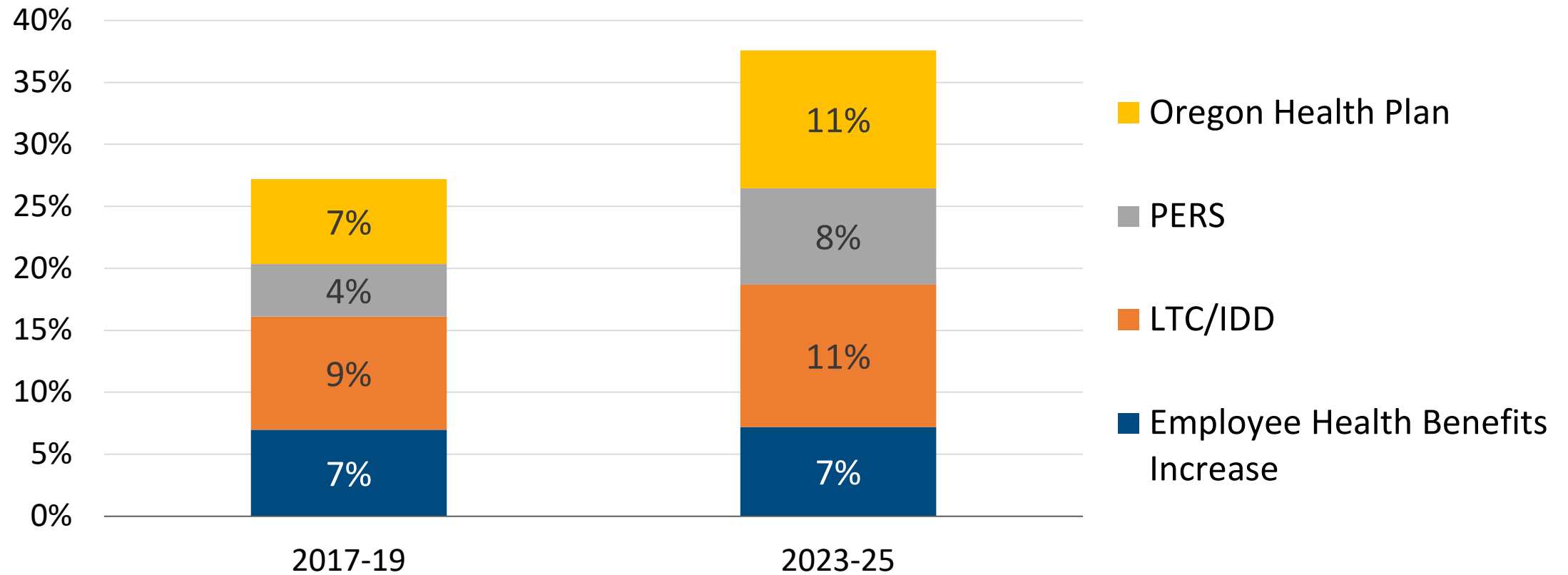
Projected Growth of Key Cost Drivers Relative to Revenue Increase

2017-19 = 0%

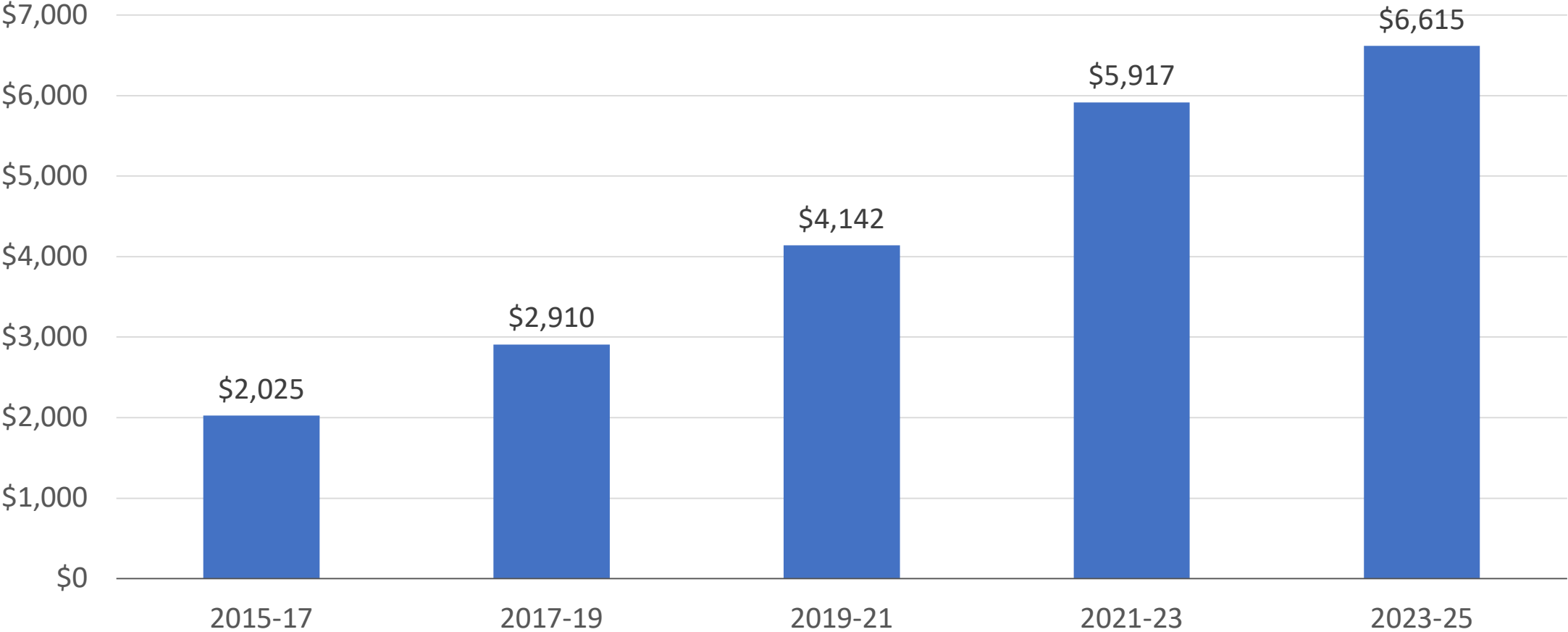


Cost Drivers as a Percent Share of General Revenues

Cost Categories as Share of Revenues

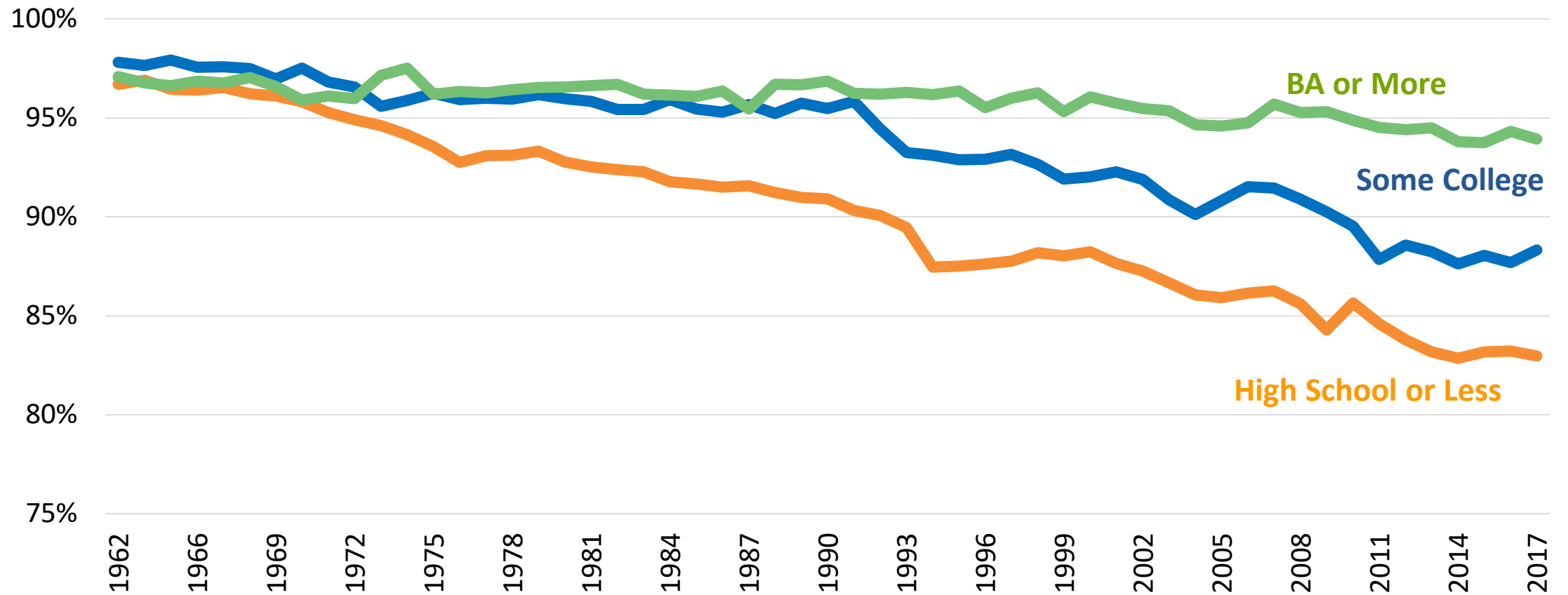


The Soaring Growth of PERS Expenses

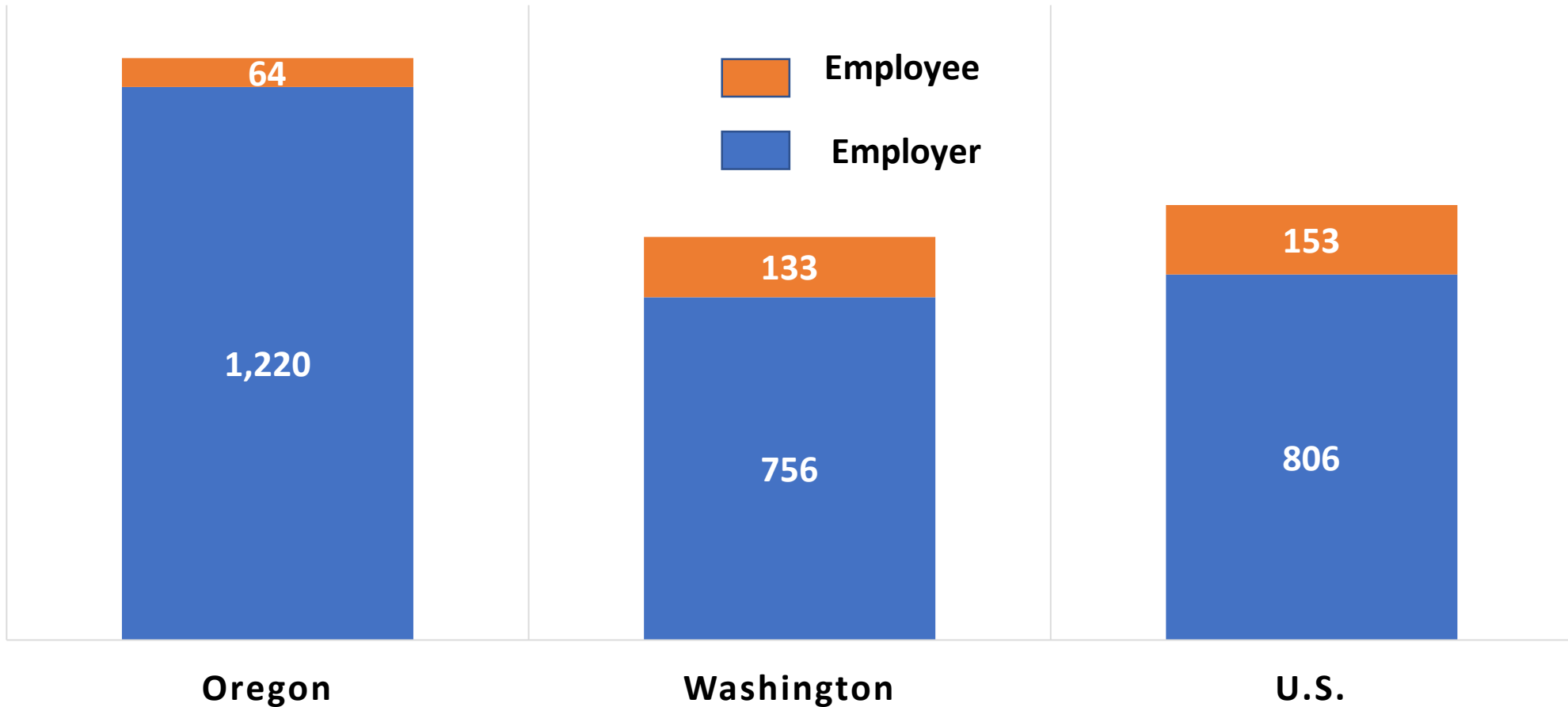


Source: 2017 PERS UAL Task Force Final Report

U.S. Prime Age Male Labor Force Participation Rate By Education Attainment, 1962 to 2017

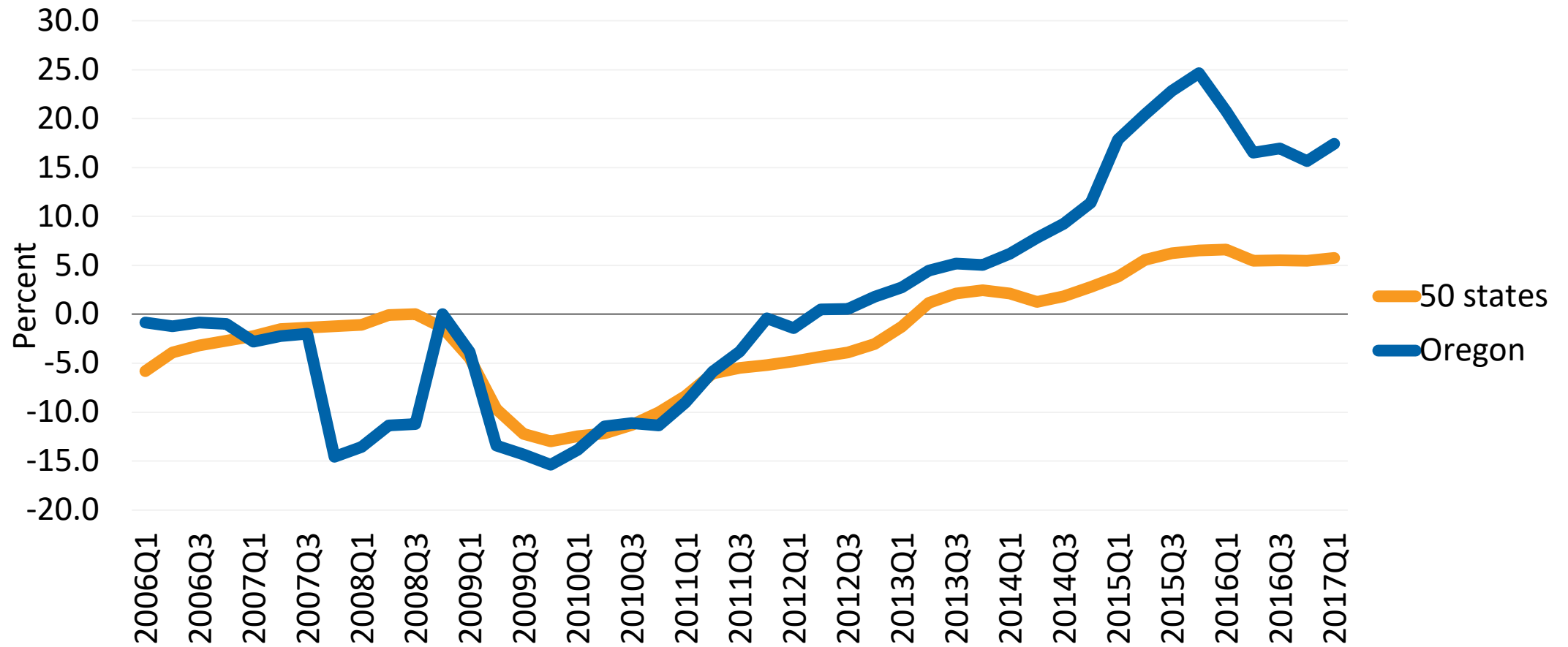


Average Monthly Health Benefit Premiums Employee and Employer Contributions, 2013 (dollars)



Source: ECONorthwest, The Pew Charitable Trusts. (August 2014) *State Employee Health Plan Spending*. Table 1. Analysis does not include school district or local government employees.

Oregon's Revenue Recovery



Source: The Pew Charitable Trusts.

