

Agenda Item No.:	F
Work Plan Title & #:	Board Strategic Planning, Implementation and Monitoring Work Plan 1
IBI # & Title:	IBI 5, Strengthen Links to Forestry Work Outcomes
Presentation Title:	Biennial Budget Update
Date of Presentation:	April 24, 2009
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SUMMARY

The Oregon Legislature has completed the needed biennial budget rebalance for the current 2007-09 biennium, barring final revenue changes required as a result of the May 15, 2009 state economic and revenue forecast. Attention now turns to the planning for the 2009-11 biennium. Given the March revenue forecast presented on February 20, 2009, the legislative leadership has now asked General Fund agencies to produce a set of decision options for up to a 30% General Fund reduction from current levels. Working with Board direction and stakeholder input, the Department staff have prepared the initial plan.

CONTEXT, BACKGROUND AND ANALYSIS

Development of the agency's 2009-11 budget proposal and legislative concepts proceeded throughout 2008, leading to Board final review, discussion and approval of the Agency Request Budget in July 2008, and submittal of that budget and of a set of legislative concepts in the fall of 2008. The Governor crafted his recommended budget in late fall as the state's economic situation rapidly deteriorated, and released his budget on December 1, 2008, in the midst of the worsening economy. The economic conditions now present significant challenges for state services and financing during both the final months of the 2007-09 biennium and the entire 2009-11 biennium.

RECOMMENDATION

The current planning information for 2009-11 will be shared with the Board prior to the April meeting through the Decision Support System, and brought as current as possible by the time of the meeting. Planning is taking different directions as new economic and revenue information comes forward, and the Board and Department will need to continue to plan for the realities of a down economy while still providing essential services and benefits.

NEXT STEPS

Between Board meetings, as needed, staff will keep Board members informed as the processes and results progress.

ATTACHMENTS

(1) Interim Information [copies available at the meeting]