Economy strong as budget gap looms

By Kristena Hansen

Associated Press

SALEM (AP) — Strong and steady growth in Oregon jobs, population and wages last year helped funnel revenues into state coffers that exceeded earlier forecasts by \$102 million, state economists said Wednesday.

The gains were realized throughout Oregon's diverse urban and rural economies, with the positive effects now trickling down to low-income households and other parts of the economy that are usually last in line to reap such benefits.

With these uptrends expected to continue, state economists raised their revenue projections for the upcoming 2017-19 budget by nearly \$200 million, bringing total anticipated revenue to nearly \$21 billion for that cycle.

State Economist Mark McMullen said the roughly 5,000 monthly job gains Oregon had been experiencing in recent months should slow to roughly 3,500 per month this year, stabilizing to more historically normal and sustainable levels "but still significantly faster than the U.S. average as a whole."

"While a tight labor market means we're going to see slower job gains going forward, for the most part, a lot of good things are coming as well," McMullen told a committee of lawmakers in Salem. "We're ahead of the curve in terms of the U.S. and in terms of where we are in our recovery, and we're really seeing the fruits of that."

Yet, the improvements still don't come close to solving the estimated \$1.8 billion shortfall looming over the next budget cycle that begins July 1. Economists also expressed concerns about uncertainties at the federal level under President Donald Trump and how those might impact policies and subsequent costs tied to Oregon's health care, immigration, trade, federal land and tax infrastructures.

Democratic majority leaders in both legislative chambers joined economists in praising Oregon's recent economic performance, but warned that it's still not enough to take budget cuts off the discussion table this year.

"Our revenues are up, but we still have hard work ahead," Senate President Peter Courtney said in a statement. "Our budget isn't balanced. We're going to have to make some cuts. We're going to have to raise some revenue. Both are tough. Both have to get done."

House Speaker Tina Kotek called the deficit a "generation in the making" that will "hit people in every corner of the state with teacher layoffs, bigger class sizes, higher tuition costs, the loss of health insurance coverage, or other harmful impacts in their everyday lives."

Republicans reacted to Wednesday's forecast with some optimism while still echoing similar budget-related concerns.

budget by matching our spending with our revenues.

Mike McLane

"This forecast is good news," House Minority Leader Mike McLane said in a statement. "We will again set a new record for the amount of tax revenues flowing into government coffers. Now let's pass a balanced budget by matching our spending with our revenues."

Thorson takes on interim athletic director role

By Jim Cornelius

News Edito

Gary Thorson says he's got big shoes to fill at the Sisters High School athletic department. The middle school teacher and former Outlaws head football coach stepped into the interim athletic director role after Tim Roth and his wife departed to teach in Germany.

"Tim Roth — I can't sing enough praises for that guy," Thorson said. "I don't think you can replace a guy like him."

Thorson is determined to carry on the work of maintaining the sports culture through the Outlaw Creed and the all-for-one/one-for-all mentality of the Outlaws Together fundraising paradigm.

"It's something I definitely want to see continue," he said. "Being a small town means we *have* to work together. The Outlaws Together theme fits us very well."

The athletic director position is a big job.

"I'm enjoying it," Thorson told *The Nugget*. "It's



PHOTO BY JIM CORNEL II

Gary Thorson is interim athletic director.

something I've always been interested in doing, but I never thought to pull the trigger on it."

The Sisters School District will advertise for people to fill the position on a permanent basis sometime this spring. That gives Thorson a bit of time to "test-drive it" to decide if he wants to throw his hat in the ring or return to his teaching spot.

"By about mid-spring I'll let them know what my plans are," he said.

CORRECTION

The Nugget's February 22 profile of Neil Fendall, the new Outlaw head football coach contained incorrect information regarding his association with a Big Sky Conference Championship and appearances in the FCS (Football Bowl Subdivision) playoffs. Those accomplishments occurred when Fendall was with Cal Poly San Luis Obispo, not Linfield College.





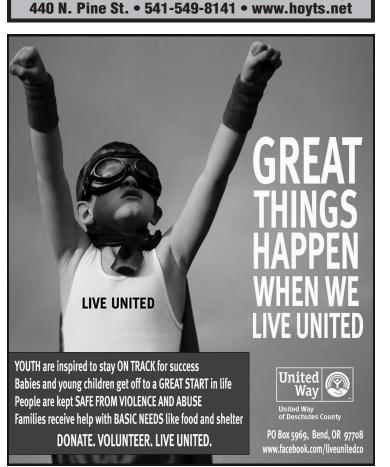
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