

## BUDGET MESSAGE #16

Attached is the Oregon Community College Association document "Highlights of 2009 Legislative Session." This document gives you the full picture of the community college funding process and lists several bills including the impact on community colleges.

The legislature funded the Community College Support Fund at \$450.5 million -- down 10 percent from the 07-09 funding level. This is a bit more than the \$440 million we based LBCC's budget on, but it will not have a significant impact on LBCC. Part of the funding formula is based on enrollment growth and LBCC grew a bit less than the community college average so any increase that may have been realized from the \$450.5 million will be lost through the funding formula. The average community college enrollment growth in 08-09 was 12% and LBCC grew 9%.

Essential Budget Level - note this section in the attached document. This has been an on-going problem for community colleges. An EBL is intended to represent the funding needed to keep the same level of service in the upcoming biennium as in the current biennium. Community colleges are the only sector of education where actual costs and revenues are not considered in the calculation. At the end of session, the Ways and Means Committee adopted a budget note recognizing the deficiencies in the calculation of EBL. The Department of Administrative Services is directed to continue work with the Legislative Fiscal Office and Community College Forecast Committee and is to submit a report and recommendations to the Joint Committee on Way and Means or to the Emergency Board no later than February 1, 2010.

Capital Construction - Oregon's community colleges received approval for more than \$124 million in state support for deferred maintenance and capital construction projects during the 2009-11 session. LBCC did not have a project included on the funded list. Please refer to the second attached document to find the list of projects.

Future capital projects on the state ranking list for LBCC are: Student Services Integration project (Takena Hall remodel/addition), cost \$16M (\$8M match) has moved up to #3 on the list. Jim Huckestein predicts this to be about 2 years out for funding. Second project - Industrial Advancement (building that may be on-campus or in Lebanon), cost \$4.5M (\$2.25M match) should move up to the Tier 1 funding list and be about 4 years away from funding.