

STATE BUDGET SHORTFALL AND POTENTIAL EFFECT ON LBCC

In November 2008 Oregon's shortfall was \$142 million out of a \$15.1 billion state budget

The Governor called for across the board cuts of 1.2% for all agencies.

Community College Support Fund	\$ 500,000,000	
1.2% reduction	\$ 6,000,000	
LBCC Share	\$ 488,417	8.1% of CCSF

By January 2009, the actual reduction to the quarterly payment was slightly smaller:

Community College Support Fund	\$ 500,000,000	
1.1% reduction	\$ 5,475,780	
LBCC Share	\$ 445,744	8.1% of CCSF

LBCC's Estimated Ending Fund Balance	\$ 5,964,000
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The January 16, 2009 report from the state economist predicts a much larger deficit:

The shortfall is now forecast at an **additional \$650 million in the current year.**

If similar across the board cuts for all agencies:

Community College Support Fund	\$ 494,000,000	
additional reduction	\$ 27,464,788	
Possible LBCC Share	\$ 2,230,000	8.1% of CCSF
LBCC budget for State Revenue FY09	\$ 20,171,482	
Estimated Jan. 16, 2009	\$ 17,542,745	
shortfall	\$ (2,628,737)	

LBCC's Projected Ending Fund Balance	\$ 3,734,000
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AN ADDITIONAL OREGON SHORTFALL IS FORECAST OF \$1 BILLION
FOR THE GOVERNOR'S RECOMMENDED BUDGET FOR THE 2009-2011 BIENNIUM.