



2005-2006 Budget Document

Lane Community College
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Lane Community College

2005-2006 Budget Committee

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General Information

General Information

Lane Community College is a comprehensive public community college, established in 1964 by a vote of district residents. The College offers a wide variety of instructional programs including transfer credit programs, professional technical degree and certificate programs, continuing education noncredit courses, programs in English as a Second Language and International ESL, GED programs, and customized training for local businesses. Classes are offered at many locations, and online classes and telecourses are also available.

More than 15,000 students take credit classes at Lane each year. During the 2003-2004 school year, 14,299 students enrolled in credit classes and 14,820 people enrolled in noncredit classes. Lane has the third largest enrollment of the 17 community colleges in Oregon.

The College District encompasses a 5,000 square mile area which includes most of Lane County from the Pacific Ocean to the Cascade Mountains, Monroe Elementary School District in Benton County, Harrisburg Elementary School District in Linn County, Harrisburg Union High School District in Linn County, and a small area south of Cottage Grove and Florence in Douglas County. The College District includes more than 300,000 residents.

Lane's 301-acre Main Campus is located in the beautiful south hills of Eugene, Oregon at 4000 East 30th Avenue. The College has a number of other locations including the Downtown Center in Eugene, Campus Centers in Cottage Grove and Florence, a Flight Technology Center at the Eugene Airport, Community Learning Centers at seven area high schools, and other outreach sites.

Lane is accredited by the Northwest Association of Schools. Specialized accreditation has been granted by the American Association of Medical Assistants, National League for Nursing, American Dental Association, Federal Aviation Administration, and the State of Oregon Real Estate Division.

Vision

Transforming lives through learning.

Mission

Lane is a learning-centered Community College that provides affordable, quality, lifelong educational opportunities that include:

- Professional technical and lower division college transfer programs,
- Employee skill upgrading, business development and career enhancement,
- Foundational academic, language and life skills development,
- Lifelong personal development and enrichment, and
- Cultural and community services.

Core Values

Learning

- Work together to create a learning-centered environment
- Recognize and respect the unique needs and potential of each learner
- Foster a culture of achievement in a caring community

Diversity

- Welcome, value and promote diversity among staff, students and our community
- Cultivate a respectful, inclusive and accessible working and learning environment
- Work effectively in different cultural contexts to serve the educational and linguistic needs of a diverse community
- Develop capacity to understand issues of difference, power and privilege

Collaboration and Partnership

- Promote meaningful participation in shared governance
- Encourage and expand partnerships with organizations and groups in our community

Innovation

- Support creativity, experimentation, and institutional transformation
- Respond to environmental, technological and demographic changes
- Anticipate and respond to internal and external challenges in a timely manner
- Act courageously, deliberately and systematically in relation to change

Integrity

- Foster an environment of respect, fairness, honesty, and openness
- Promote responsible stewardship of resources and public trust

Accessibility

- Strategically grow learning opportunities
- Minimize financial, geographical, environmental, social, linguistic and cultural barriers to learning

Equal Opportunity Statement

Lane Community College is committed to providing a working and learning environment that is free from discrimination, harassment and retaliation. Lane Community College is committed to equal opportunity in education and employment, affirmative action, cultural diversity, and compliance with the Americans with Disabilities Act. The College prohibits discrimination in admissions, employment and access to College programs, activities and services on the basis of race, color, national origin, sex, marital status, familial relationship, sexual orientation, pregnancy, age, disability, religion, expunged juvenile record, or veterans' status. This commitment is made by the College in accordance with federal, state and local laws and regulations. Inquiries regarding these matters may be directed to the Director of Affirmative Action/Diversity/Equal Opportunity, Lane Community College, 4000 East 30th Avenue, Eugene, Oregon 97405-0640, 541.463.5801 or ortalj@lanecc.edu; the Office for Civil Rights, U.S. Department of Education, Seattle, Washington; Equal Opportunity Commission, Seattle, Washington; or the Bureau of Labor & Industries, Eugene, Oregon.

Board of Education

Seven elected, unpaid Board members have primary authority to establish policies governing the operation of the College and to adopt its budget. Their charge is to encourage the development of programs and services that will best serve the needs of College District constituents.

Paul Holman, Associate Broker, Florence, appointed December 2002, elected May 2003, re-elected May 2005, term expires June 30, 2009
Zone 1-Western

Jay Bozievich, Civil Engineer, Eugene, elected May 2003, term expires June 30, 2007
Zone 2-Northern

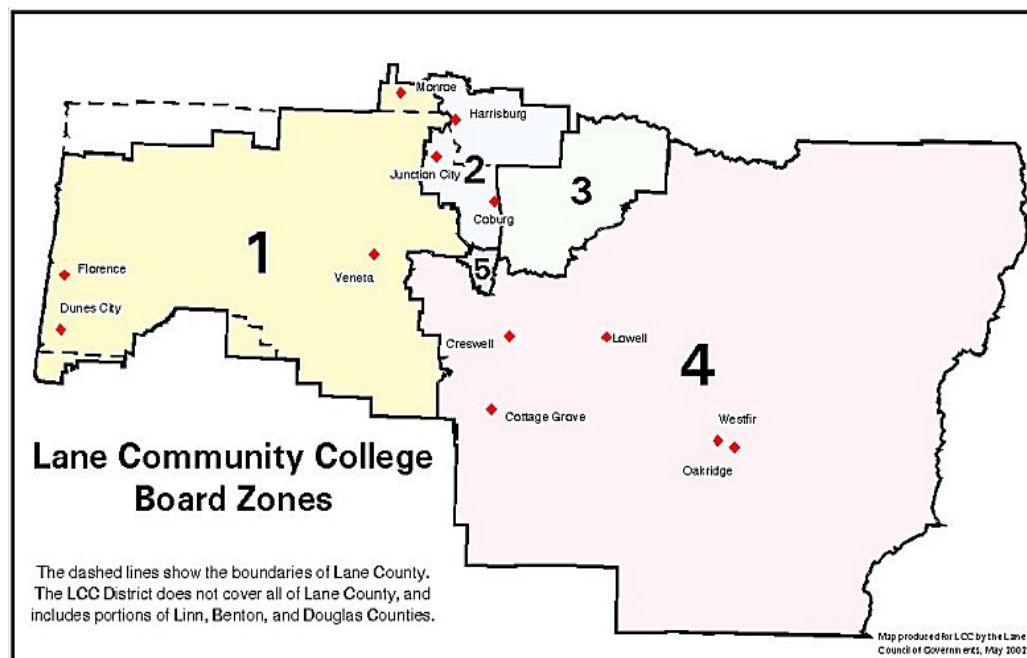
Dennis Shine, retired College Instructor, Springfield, elected May 2001, term expires June 30, 2005
Zone 3-Marcola and Springfield

Kathleen Shelley, retired Educational Administrator, Vida, elected May 1996, term expires June 30, 2005
Zone 4-Eastern

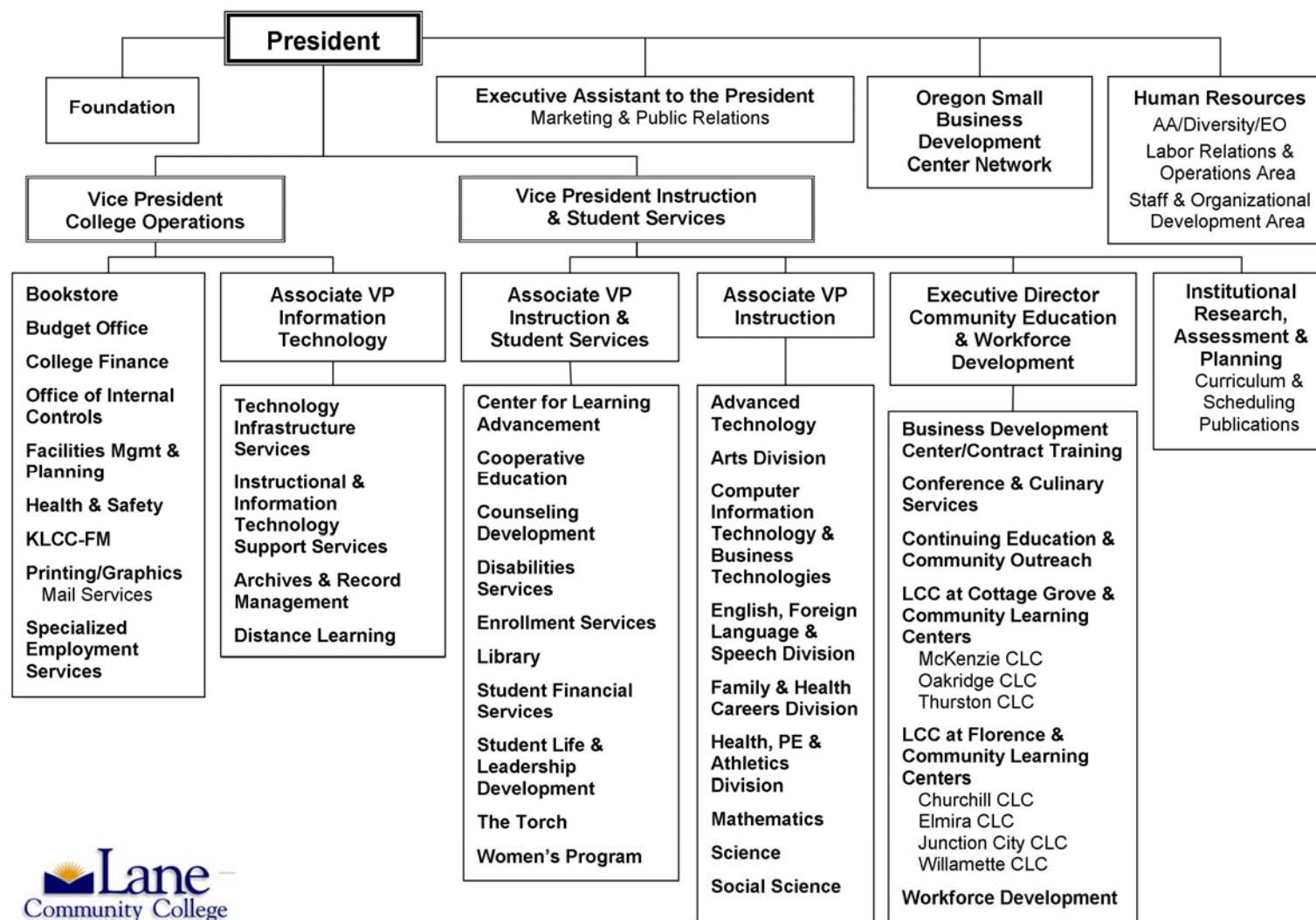
Larry Romine, retired College Administrator, Eugene, elected 1997, appointed September 2002, elected May 2003, term expires June 30, 2007
Zone 5-Central Eugene

Roger C. Hall, Radiologist, Eugene, elected March 1991, re-elected March 1995, re-elected March 1999, re-elected May 2003, term expires June 30, 2007
At-Large, Position 6

Michael Rose, retired College Instructor, Eugene, elected March 1999, re-elected May 2003, term expires June 30, 2007
At-Large, Position 7



Organization Chart



Organizational Units

Lane Community College is structured into the following organizational units:

Instruction

The Office of Instruction's primary responsibility is to plan, schedule, and implement academic, continuing education and other instructional programs and services in accordance with the vision, core values and strategic directions of the College. The College's Instructional Plan is the driving force behind all other organizational unit's planning and operations.

Instructional areas include: lower division transfer, professional technical, developmental education, non-credit courses and workforce development training.

Instructional Support

The Instructional Support unit is charged with providing specialized services that support and enhance instruction. Instructional Support areas include: distance learning, instructional technology, library, and faculty professional development.

Student Services

Student Services' purpose is to assist students in all phases of their educational experience. Student Services areas include counseling, disability services, enrollment, financial aid, and student life.

College Support Services

The College Support Services unit consists of the administrative activities of the College. It includes the Board of Education, governance system and administration, finance, computer services, human resources, marketing and public relations, and public safety.

Plant Operations and Maintenance

Plant Operations and Maintenance is charged with ensuring that the College provides a safe and comfortable environment in which to learn and work. Plant Operations and Maintenance areas include: infrastructure, utilities, motor pool, and facilities management and planning, and sustainability.

Budget Structure and Functions

Funds

Fund I: General Fund

Includes all activities directly associated with operations related to the College's basic educational objectives.

Fund II: Internal Service Fund

Includes functions that exist primarily to provide goods or services to other instructional or administrative units of the College.

Fund III: Debt Service Fund

Accounts for the accumulation of resources for, and the payment of, general long-term debt, principal and interest.

Fund IV: Capital Projects Fund

Used for the acquisition of land, new construction, major remodeling projects, and major equipment purchases.

Fund V: Financial Aid Fund

Used for the provision of grants, stipends, and other aid to enrolled students.

Fund VI: Enterprise Fund

Includes activities that furnish goods or services to students, staff, or the public, for which charges or fees are assessed that are directly related to the cost of the good or service provided.

Fund VIII: Special Revenue Fund

Accounts for revenue sources that are legally restricted to expenditures for specific purposes.

Fund IX: Special Revenue Fund – Administratively Restricted

Used to account for specific programs where monies are administratively restricted. Activities recorded in this fund generate revenue primarily through specifically-assessed tuition and fees, or through other revenue-generating activities.

Fund X: Endowment Fund

Used to account for gifts and bequests for the benefit of the College.

Note: All funds are appropriated by the Board of Education.

Expense Functions

Instruction

Expenditures for all activities that are part of the College's instructional programs, including expenditures for departmental administrators and their support.

Instructional Support

Expenditures for activities carried out primarily to provide support services that are an integral part of the College's instructional programs. This category includes the media and technology employed by these programs as well as the administrative support operations that function within the various instructional units, and the retention, preservation, and display of materials. It also includes expenditures for chief instructional officers and their support where their primary assignment is administration.

Student Services

Expenditures for admissions, registration, record keeping, and other activities which primary purpose is to contribute to students' well-being and to students' development outside the context of the formal instructional program.

Community Services

Expenditures for activities established primarily to provide non-instructional services to groups external to the College. One such activity involves making available to the public various resources and unique capabilities that exist within the College.

College Support Services

Expenditures for activities whose primary purpose is to provide operational support for the ongoing operation of the College, excluding physical plant operations. Expenses include, for example, executive management, fiscal operations, administrative and logistical services, and community relations.

Plant Operations and Maintenance

Expenditures for the operation and maintenance of the physical plant. It includes services related to campus grounds and facilities, utilities, and property insurance.

Plant Additions

Expenditures for land, land improvement, buildings, and major remodeling and renovation that is not a part of normal plant operation and maintenance.

Financial Aid

Expenditures for loans or outright grants and trainee stipends to enrolled students. Student fee remissions are also included in this expense function.

Contingency

A budget account (not for expenditures) to provide for contingencies and unanticipated items, or funds to be held for future distribution. This function may also be used to provide expenditure authority for obligations created but not expended in previous years.

Budget Development Process

In the budget development process outlined below, Lane Community College follows Oregon Local Budget Law. In addition to providing a financial plan for fiscal year revenues and expenses, Lane's Budget Document outlines programs and initiatives and implements controls on spending authority. The budget development process is designed to encourage citizen input and public opinion about College's programs and fiscal policies.

I. Establish a Budget Committee

The Budget Committee consists of the seven members of the Board of Education plus seven citizens at large. Each Board member appoints one citizen to the committee for a term of three years. Terms are staggered so that about one-third of the appointed terms end each year.

II. Appoint a Budget Officer

Lane's Budget Officer, the Vice President for College Operations, is appointed by the Board of Education.

III. Prepare a Proposed Budget

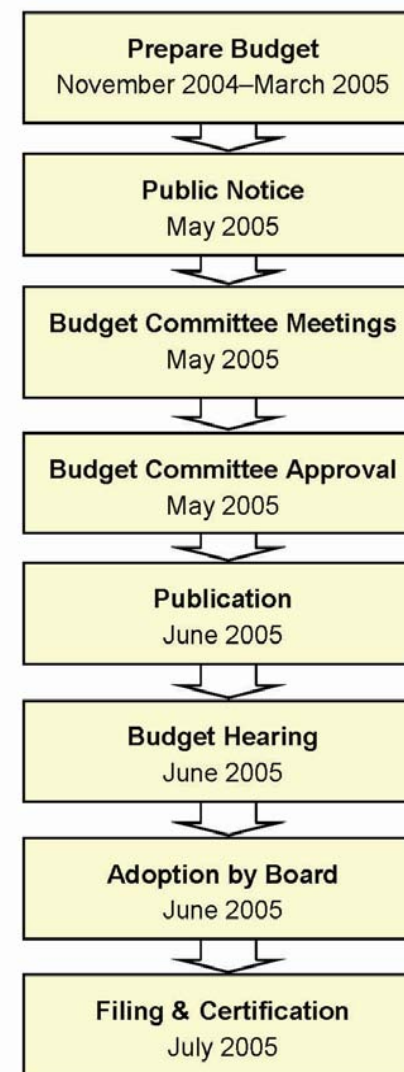
The Budget Officer supervises the preparation of a proposed budget, which includes the following actions:

- A. Discuss Budget Assumptions with Budget Committee
- B. Develop Resource (Revenue) Estimates:
- C. Develop Base Expenditures Budget
- D. Estimate Preliminary Surplus/Deficit
- E. Develop Changes to Base and Final Budgets
 - Align with Strategic Directions
 - Analyze Department Needs and Requests
 - Determine Tuition Rate
 - Develop Reduction, Reallocation and Addition Recommendations
- F. Prepare Budget Message for the Budget Committee, public, employees and other stakeholders.

IV. Public Notice

Lane's Budget Officer publishes a public Notice of Budget Committee Meeting(s).

2005-2006 Budget Calendar



V. Budget Committee Meeting(s)

At least one Budget Committee meeting is held to 1) review the budget message and document, 2) hear the public and 3) revise and complete the budget as needed. At the time the proposed budget is distributed to the Budget Committee, it becomes public record and is made available to the public.

VI. Budget Approval

When the Budget Committee is satisfied with the proposed budget, including any additions to or deletions from the one prepared by the Budget Officer, the budget is approved. Note: If the budget requires an ad valorem tax to be in balance, the budget committee must approve an amount or rate of total ad valorem property taxes to be certified to the assessor.

VII. Publication

After the budget is approved, a budget hearing is held by the Board of Education. The Budget Officer publishes a summary of the approved budget and a Notice of Budget Hearing.

VIII. Budget Hearing

The Budget Hearing is held to receive citizens' testimony on the approved budget.

IX. Adoption

The Board of Education enacts a resolution to 1) formally adopt the budget, 2) make appropriations, and, if needed, 3) levy and categorize taxes. The resolution must be adopted no later than June 30.

X. Budget Filed and Levy Certified

A copy of the complete budget is sent to the Lane County Clerk. When levying a property tax, Lane's Budget Officer submits notice of levy, categorization certification and resolutions to the County Assessor's office by July 15.



Budget Message

Budget Message

Strategic Directions through Fiscal Year 2007-2008

The proposed budget for fiscal year 2005-2006 was developed according to the approved Strategic Directions of the College. These Strategic Directions are as follows:

Transforming Students' Lives

- Foster the personal, professional, and intellectual growth of learners by providing exemplary and innovative teaching and learning experiences and student support services.
- Commit to a culture of assessment of programs, services and learning.
- Position Lane as a vital community partner by empowering a learning workforce in a changing economy.

Transforming the Learning Environment

- Create a diverse and inclusive learning college: develop institutional capacity to respond effectively and respectfully to students, staff, and community members of all cultures, languages, classes, races, genders, ethnic backgrounds, religions, sexual orientations, and abilities.
- Create, enhance, and maintain inviting and welcoming facilities that are safe, accessible, functional, well-equipped, aesthetically appealing and environmentally sound.

Transforming the College Organization

- Achieve and sustain fiscal stability.
- Build organizational capacity and systems to support student success and effective operations.
- Promote professional growth and provide increased development opportunities for staff both within and outside the College.

Issues and Strategies for Fiscal Year 2005-2006

The recommended budget for fiscal year 2005–2006 includes continued focus on stabilization of the College's finances and new efforts to stimulate enrollment growth. There are signs that enrollment losses over the last four years have slowed, and plans for 2005-2006 include aggressive efforts to increase enrollment in targeted areas. Most of this enrollment growth must be in lower cost programs and in programs where there is capacity for growth without adding significantly to costs.

At the beginning of this budget development cycle, we were deeply concerned about the possibility of large increases in employee health insurance costs and increased costs for unfunded liabilities for the Oregon Public Employees Retirement System (PERS). While the trends in these

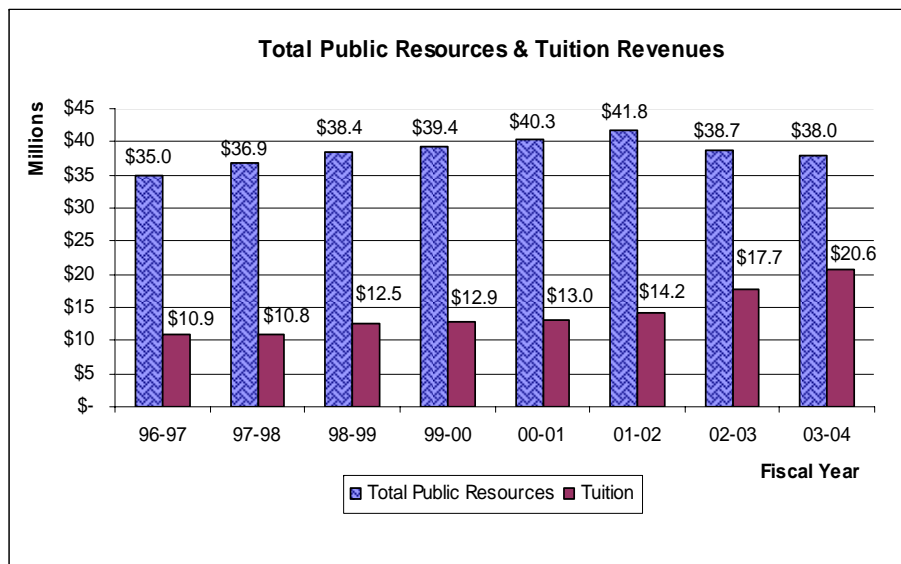
two areas remain concerns for the future, Lane made key decisions over the last two years that appear to be at least partly, if not primarily, responsible for smaller increases in employee costs than originally expected. In 2003, Lane sold taxable pension bonds to fund part of its PERS liability; good market returns since then have paid off in smaller PERS rate increases for the College. Lane's investment in employee wellness and the decision last year to offer primary health care services to employees appear to have had a positive impact on health insurance premiums. In addition, three years ago employees agreed to significant changes in health care benefits that increased costs for employees thereby reducing costs for the College. The proposed budget includes continued funding for employee wellness and primary health care.

Affordability and accessibility for students continue to be high priorities for the College. Upward pressure on tuition rates threatens not only affordability and accessibility but quality as well. Even though total public tax resources are expected to increase for the first time in four years, the long-term disinvestment in Oregon public education is still a major concern for the future financial stability of the College.

Finally, we anticipate that public funding for the second year of the Biennium (Fiscal Year 2007-2008) will be significantly under that necessary to maintain current service levels for Lane. This situation is the result of severe funding shortfalls over the last four years, steep tuition increases, and enrollment losses from program reductions. Therefore, it is even more important that Lane invest in stabilization and targeted enrollment growth.

Fiscal Year 2005-2006 Budget Strategies:

- 1) No additional recurring expenditures, except as approved in previous long-range planning.
- 2) Maintain current staffing levels.
- 3) Targeted enrollment growth.
- 4) Increased investment in stabilization and reserve funds.
- 5) Planning for 2007-2008 Biennium.

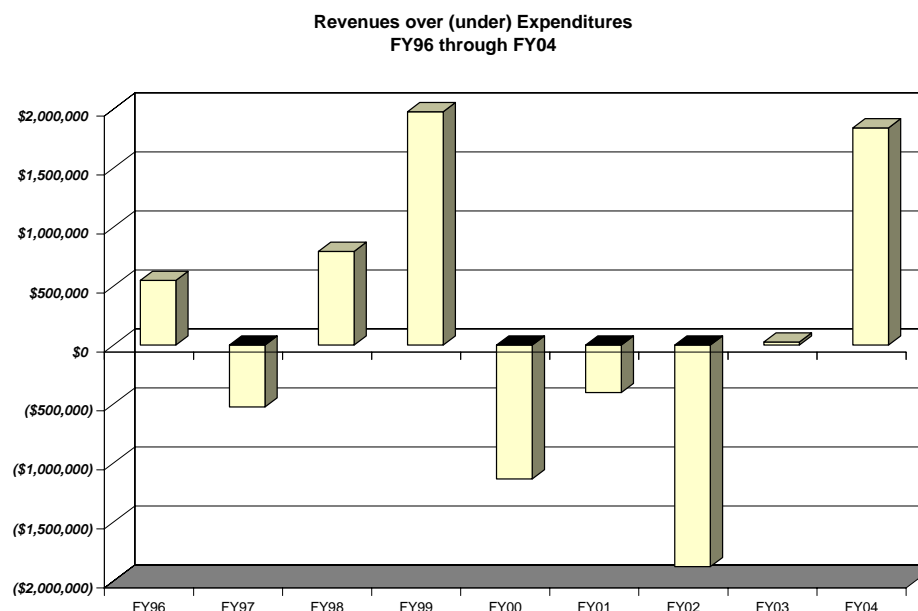


General Fund Budget for Fiscal Year 2005-2006

For the first time in several years, revenues exceeded expenditures in the 2003-2004 Fiscal Year. Projections for the current year show revenues and expenditures will be roughly balanced. The 2005-2006 Budget anticipates another year in which to stabilize finances. The administration recommends no major expenditure reductions; rather this budget merely maintains the current level of programs and services.

Resources

The total recommended General Fund budget for Fiscal Year 2005-2006 is \$81.0 million, a 2.2% increase over the 2004-2005 adopted budget. The proposed budget is best described as a “status quo” budget; if the current Legislative Session results in higher appropriations to community colleges, the administration expects to propose additional strategic “investments” to bolster Lane’s financial position going into the second year of the Biennium; however the College must limit additional expenditures to non-recurring activities because of an anticipated shortfall in the second year of the Biennium.



At the time of the writing of this Budget Message, the 2005 State Legislature is in session and has made no appropriation for community colleges. Oregon’s economy has improved significantly since the last time the Legislature met and we are expecting a larger allocation for community colleges. This budget is built on the assumption that the State appropriation for the Community College Support Fund (CCSF) will increase from approximately \$402 million in the 2003-05 Biennium to \$416 million. We believe that this is a conservative estimate of the State funding level and this figure will be updated as the current legislative session progresses.

The distribution formula for the Community College Support Fund has changed significantly since last fiscal year. Major changes are as follows:

- 100% of district property taxes imposed is included in the distribution formula.
- The formula is built on a State Board of Education policy to achieve complete “equalization” of total public resources in six years. In other words, by Fiscal Year 2009-2010 the distribution of State resources plus property taxes will be equal on a per-FTE basis for all community colleges.
- Since 2001, enrollment (FTE) has been “frozen” for the purposes of the distribution of funds; the new formula transitions into a three-year weighted average for FTE.

At the time of this budget message, the new formula and accompanying OAR have not been finalized. We expect finalization by the end of May, 2005.

Because the new funding distribution formula includes 100% of Lane's property taxes, State and property tax revenues must be considered together (as Total Public Resources) in budget development; however these revenues will show as separate line items under General Fund Resources. Using the assumptions stated above, Total Public Resources for FY06 will be \$171,000 (0.4%) less than in FY05.

The 2005-2006 Budget includes a \$2.50 per credit (or 4.0%) inflationary adjustment in tuition as previously approved by the Board of Education according to Board Policy D.110 (Tuition). Differential pricing was introduced in FY04 when the College began charging higher fees tied to class clock hours for some Professional/Technical programs and some Physical Education classes. The proposed budget extends differential pricing into FY06 for these programs.

Expenditures

The Personal Services expenditure budget has increased by \$2.8 million or 5.2%, from Fiscal Year 2004–2005. Personal Services accounts for approximately 81.5% of the budgeted expenditures (exclusive of Transfers Out) in FY06. Salary Provision (expected increases in employee compensation and benefits costs) is budgeted at \$2.35 million.

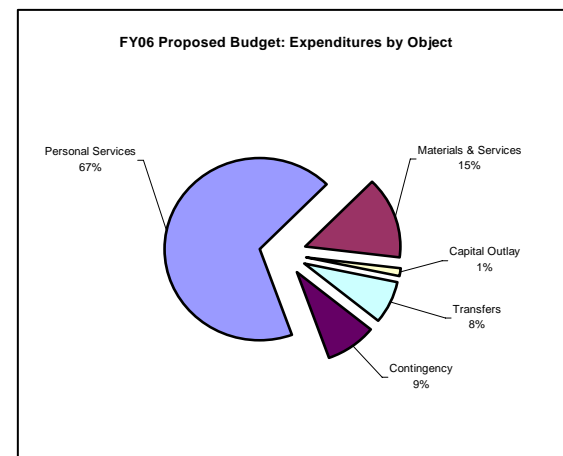
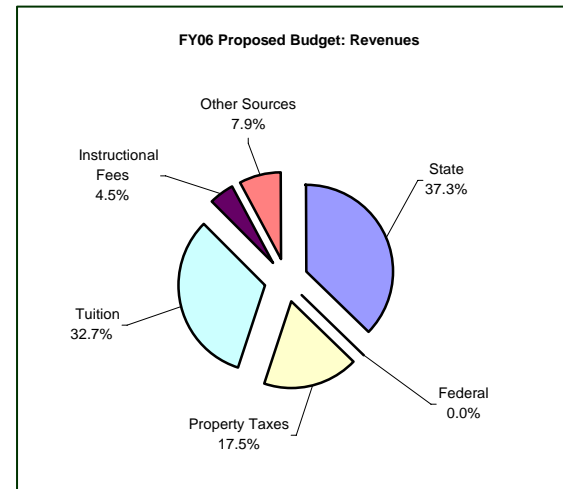
The Oregon Supreme Court struck down some of the provisions in the PERS reform package passed by the 2003 Legislature. However, the PERS Board has decided not to add to the scheduled 1.8% PERS employer rate increase effective July 1, 2005. Instead, rate increases resulting from the court decision are expected in July 2007.

Employee health insurance premiums increased 4.2% (approximately \$1.4 million), much less than previous projections of double-digit percentage increases. Other Personal Expense (OPE) rates will increase in FY06 to 55.6% for full-time and 42.8% for part-time employees. The FY05 rates were 53.0% and 39.6% respectively.

The following adjustment has been made to comply with Board Policy:

- Increase in the Unappropriated Ending Fund Balance from \$2,130,000 to \$2,220,000

In addition, adjustments – both increases and decreases – have been made for expenditures that are primarily beyond the control of the College. These “mandatory adjustments” include such items as facilities leases, utilities, property/liability insurance premiums, maintenance contracts, and essential professional services. The total increase in mandatory adjustments for 2005-2006 is \$147,744 or 2.9%.



Special Revenue- Administratively Restricted Fund (Fund IX)

The proposed budget for Special Revenue Administratively Restricted Fund IX increased by \$3.9 million from 2004 - 2005, approximately \$3 million of which is a PERS Reserve authorized by the Board of Education. Budget projections that drive budget development combine the General Fund and Fund IX.

Additional Important Information

Because budget laws require total resources (including the beginning fund balance) and expenditures to balance, the budget document includes budget expenditure authority for all reasonably anticipated resources in Fiscal Year 2005 - 2006. Some revenues and expenditures have been re-categorized within funds for this fiscal year. These changes are not specifically noted in the Budget Document.

This Budget Document is consistent with the budget laws of the State of Oregon and other applicable policies. The budget is prepared on a modified accrual basis of accounting (revenues reported when earned; expenditures reported when the liability is incurred; taxes accounted for on a cash basis). The result is that carryovers of financial obligations from year-to-year are precluded and projections of anticipated revenue are not inflated.

The format and summarization are consistent with the Oregon Accounting Guidelines of Community Colleges. This budget expresses the basic and essential fiscal requirements of Lane Community College as set forth by the Board of Education. The 2005-2006 Budget Document is submitted herewith for your consideration and action. The staff and I are ready to assist you in the important task of reviewing this document.

Respectfully,



Marie Matsen
Budget Officer/Vice President for College Operations

TOTAL BUDGET: ALL FUNDS

General Fund (I)	\$82,010,760
Internal Services Fund (II)	2,966,947
Debt Service Fund (III)	8,479,599
Capital Projects Fund (IV)	10,095,000
Financial Aid Fund (V)	53,674,906
Enterprise Fund (VI)	12,506,241
Special Revenue Fund (VIII)	16,095,750
Special Revenue: Administratively Restricted (IX)	15,674,519
Quasi-Endowment Fund (X)	1,211,500
Total All Funds	\$ 202,715,222



Legal Notifications

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PHONE (541) 485-1234

Legal Notice 8198255

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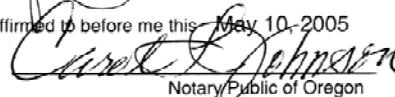
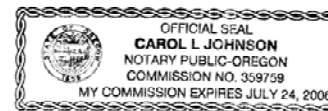
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AFFIDAVIT OF PUBLICATIONSTATE OF OREGON, }
COUNTY OF LANE, } ss.

I, **Kelly Gant**, being first duly affirmed, depose and say that I am the Advertising Manager, or his principal clerk, of The Register-Guard, a newspaper of general circulation as defined in ORS 193.010 and 193.020; published at Eugene in the aforesaid county and state; that the **Notice of Budget Committee Meeting**, printed copy of which is hereto annexed, was published in the entire issue of said newspaper for **one** successive and consecutive day(s) in the following issues:

April 27, 2005

FIRST NOTICE OF BUDGET COMMITTEE MEETING
LANE COMMUNITY COLLEGE
A public meeting of the Budget Committee of the Lane Community College District, Lane County State of Oregon, to discuss the budget for the fiscal year July 1, 2005 to June 30, 2006 will be held at 4000 East 30th Avenue, Eugene, Oregon 97405. The meeting will take place on the 11th day of May, 2005 at 5:30 p.m. The purpose of the meeting is to receive the budget message and document of the district. A copy of the budget document may be inspected on or after May 12, 2005 at College Operations Office, 4000 East 30th Avenue, Eugene, Oregon 97405 between the hours of 8:00 a.m. and 5:00 p.m.
This is a public meeting where deliberation of the Budget Committee will take place. Public comments will be received at the second Budget Committee meeting which is scheduled to take place on Wednesday, May 18, 2005. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee.
Dated this 27th day of April, 2005.
s/Marie Matzen,
Budget Officer
Lane Community College
No. 8198255 - April 27, 2005

Subscribed and affirmed to before me this May 10, 2005
Notary Public of Oregon

My commission expires: July 24, 2006

Account #: 1000275

INVOICE 8198255

Case: First Notice - Meeting May 11, 2005

Amt Due: \$79.60

GUARD PUBLISHING COMPANY

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AFFIDAVIT OF PUBLICATION

STATE OF OREGON, } ss.
COUNTY OF LANE, }

I, **Kelly Gant**, being first duly affirmed, depose and say that I am the Advertising Manager, or his principal clerk, of The Register-Guard, a newspaper of general circulation as defined in ORS 193.010 and 193.020; published at Eugene in the aforesaid county and state; that the **Notice of Budget Meeting**, printed copy of which is hereto annexed, was published in the entire issue of said newspaper for **one** successive and consecutive day(s) in the following issues:

June 6, 2005

Subscribed and affirmed to before me this June 15, 2005

Notary Public of Oregon

My commission expires: July 24, 2006

Account #: 1000275

INVOICE 8308638

Case: Financial Summary - June 8, 2005

Amt Due: \$720.38



NOTICE OF BUDGET HEARING				Fund: Enterprise Fund, 6			
A meeting of the Lane community College Board of Education will be held on June 08, 2005 at 6:45 p.m., at Lane Community college, 4000 E. 30th Avenue, Administration Building, Room 216. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2005, as approved by the Lane Community College Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected at the College Operations Office, 400 E. 30th Avenue, Eugene, Oregon, between the hours of 6 a.m. and 5 p.m. This budget was prepared on a basis of accounting that is consistent with the basis of accounting used during the preceding year. Major changes, if any, and their effect on the budget, are explained below.				6,280			
County: Lane; City: Eugene; May 27, 2005; Chairperson of Governing Board: s/Paul Holman; Telephone: (541) 463-3000.				Fund: Special Revenue Fund, 8			
FINANCIAL SUMMARY				Fund: Endowment Fund, 10			
TOTAL OF ALL FUNDS				FUND: DEBT SERVICE FUND, 3			
Anticipated Requirements:				Fund: Financial Aid Fund, 5			
	Adopted Budget	Approved Budget					
	This Year	Next Year					
Total Instruction	43,886,445	46,562,625					
Total Support Services	95,732,113	99,979,877					
Total Enterprise and Community Services	9,391,931	8,605,098					
Total Facilities Acquisition and Construction	10,627,932	8,095,000					
Total Other Uses (includes Debt Service & Transfers)	14,808,001	13,838,862					
Total Contingencies:	23,004,170	23,413,760					
Total Unappropriated or Ending Fund Balance	2,130,000	2,220,000					
Total Requirements	199,580,592	202,715,222					
Anticipated Resources:							
Total Resources Except Property Taxes	182,215,845	184,463,074					
Total Property Taxes to be Received	17,364,747	18,252,148					
Total Resources	199,580,592	202,715,222					
Estimated Ad Valorem Property Taxes:							
Total Property Taxes to be Received	18,252,148						
Plus: Estimated Property Taxes Not to be Received							
A. Loss Due to Constitutional Limit		184,510					
B. Discounts, Other Uncollected Amounts		300,084					
Total Tax Levy		18,736,742					
Tax Levies by Type:							
	Rate or Amount	Rate or Amount					
Permanent Rate Limit Levy (rate limit .6191)	0.6191	0.6191					
Levy for Payment of Bonded Debt	5,431,250	5,620,280					
STATEMENT OF INDEBTEDNESS							
Debt Outstanding as Summarized Below:							
Estimated Debt Outstanding at the Beginning of the Approved Budget Year July 1, 2005-2006							
Bonds	19,400,000						
Other	54,209,820						
FUNDS NOT REQUIRING A PROPERTY TAX TO BE LEVIED							
Fund: Internal Services Fund, 2							
	Actual	Adopted Budget	Approved Budget				
	Last Year	This Year	Next Year				
	2003-2004	2004-2005	2005-2006				
Total Enterprise and Community Services	1,671,049	1,678,473	1,865,734				
Total Other Uses	173,450	262,140	301,213				
Total Contingencies		800,000	800,000				
Total Unappropriated or Ending Fund Balance	70,581	2,740,613	2,966,947				
Total Requirements	1,844,499	2,740,613	2,966,947				
Total Resources Except Property Taxes	1,915,080	2,740,613	2,966,947				
Fund: Debt Service Fund, 3							
Total Other Uses	2,555,130	2,717,900	3,090,451				
Total Unappropriated or Ending Fund Balance	652,250						
Total Requirements	2,555,130	2,717,900	3,090,451				
Total Resources Except Property Taxes	3,207,380	2,717,900	3,090,451				
Fund: Capital Projects Fund, 4							
Total Facilities Acquisition and Construction	4,188,296	10,627,932	8,095,000				
Total Contingencies		2,000,000	2,000,000				
Total Unappropriated or Ending Fund Balance	4,379,798						
Total Requirements	4,188,296	12,627,932	10,095,000				
Total Resources Except Property Taxes	8,568,094	12,627,932	10,095,000				
Fund: Financial Aid Fund, 5							
Total Support Services	36,297,491	52,086,729	52,024,908				
Total Other Uses	50,000	50,000	50,000				
Total Contingencies		600,000	1,600,000				
Total Unappropriated or Ending Fund Balance	556,760						
Total Requirements	36,347,491	52,736,729	53,674,906				
Total Resources Except Property Taxes	36,904,251	52,736,729	53,674,906				

No. 8308638 - June 6, 2005

LANE COMMUNITY COLLEGE
4000 East 30th Avenue
Eugene, OR 97405

Board of Education
June 8, 2005

RESOLUTION NO. 500
2005-06 BUDGET ADOPTION AND APPROPRIATION

WHEREAS the Board of Education of the Lane Community College District has received and reviewed the 2005-06 Budget as approved by the Budget Committee; and,

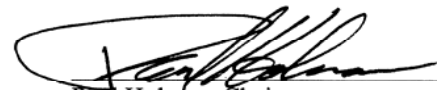
WHEREAS the Budget Committee approved the budget in the aggregate amount of \$202,715,222 and that the permanent tax rate of \$.6191 per \$1,000 of assessed value be assessed in support of the General Fund and a tax of \$5,620,280 be approved for the Debt Service fund for the purpose of the retirement of bonded debt owed by the community college district;

WHEREAS it becomes necessary on July 1, 2005 for Lane Community College to lawfully make appropriations for funds for which it may initiate its instructional programs and meet its obligations;

NOW, THEREFORE, BE IT RESOLVED that the Board of Education of Lane Community College does hereby adopt the budget approved by the Budget Committee for fiscal year 2005-06 and appropriates the amounts on the attached schedule to be expended against all budgeted resources commencing July 1, 2005, and expiring June 30, 2006, for the purpose of meeting its obligations.

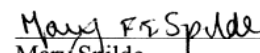
BE IT FURTHER RESOLVED, that the Chair of the Board file this Resolution with the Lane Community College District's County Clerks and County Assessors on or before July 15, 2005.

Adopted by the Board of Education on the 8th day of June 2005.



Paul Holman, Chair

ATTEST:


Mary Spilde
College President/District Clerk

RESOLUTION NO. 500

APPROPRIATED BUDGET REQUIREMENTS**FUND I, GENERAL**

Instruction	\$	36,527,989
Instructional Support		4,130,309
Student Services		7,944,289
College Support Services		12,110,495
Plant Operations & Maintenance		5,842,579
Transfers Out		4,221,339
Contingency		
Projects/Provisions		7,387,960
Contingency		<u>1,625,800</u>
Total - General Fund	\$	79,790,760

FUND II, INTERNAL SERVICE

College Support Services	\$	2,162,447
Transfers Out		4,500
Contingency		<u>800,000</u>
Total - Internal Service Fund	\$	2,966,947

FUND III, DEBT SERVICE

Plant Additions	\$	<u>8,479,599</u>
Total - Debt Service Fund	\$	8,479,599

FUND IV, CAPITAL PROJECTS

College Support Services	\$	900,000
Plant Operations & Maintenance		2,768,500
Plant Additions		4,426,500
Transfers Out		
Contingency		<u>2,000,000</u>
Total - Capital Projects Fund	\$	10,095,000

FUND V, FINANCIAL AID

Student Services	\$	304,900
Financial Aid		51,720,006
Transfers Out		50,000
Contingency		<u>1,600,000</u>
Total - Financial Aid Fund	\$	53,674,906

FUND VI, ENTERPRISE

Student Services		11,138,566
College Support Services		354,064
Transfers Out		13,611
Contingency		<u>1,000,000</u>
Total - Enterprise Fund	\$	12,506,241

FUND VIII, SPECIAL REVENUE

Instruction	\$	6,593,000
Community Services		103,000
Instructional Support		387,200
Student Services		4,860,800
College Support Services		147,750
Transfers Out		4,000
Contingency		<u>4,000,000</u>
Total - Special Revenue Fund	\$	16,095,750

FUND IX, SPECIAL REVENUE - ADMIN RESTRICTED

Instruction	\$	3,441,636
Instructional Support		190,000
Student Services		1,688,899
Community Services		1,267,064
College Support Services		3,917,820
Transfers Out		169,100
Contingency		<u>5,000,000</u>
Total - Special Revenue Fund	\$	15,674,519

FUND X, ENDOWMENT

Community Services	\$	611,500
Transfers Out		<u>600,000</u>
Total - Endowment Fund	\$	<u>1,211,500</u>

NON-APPROPRIATED BUDGET REQUIREMENTS**FUND I, GENERAL**

Contingency	\$	<u>2,220,000</u>
Total General Fund	\$	<u>2,220,000</u>

TOTAL ALL FUNDS	\$	<u>202,715,222</u>
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LANE COMMUNITY COLLEGE
4000 East 30th Avenue
Eugene, OR 97405

Board of Education
June 8, 2005


RESOLUTION NO. 501
IMPOSING TAXES AND CATEGORIZING TAXES FOR 2005-06

BE IT RESOLVED that the Board of Education of the Lane Community College District hereby imposes the taxes provided for in the 2005-06 adopted budget at the rate of \$.6191 per \$1,000 of assessed value for operations and in the amount of \$5,620,280 for Bonded Debt; and that these taxes are hereby imposed and categorized for the tax year 2005-06 upon the assessed value of all taxable property within the district.

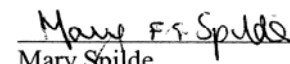
	Subject to the Education Limitation:	Excluded from the Limitation:
General Fund	<u>\$.6191/\$1,000</u>	
Debt Services Fund		<u>\$5,620,280</u>

BE IT FURTHER RESOLVED, that the Chair of the Board file this Resolution with the Lane Community College District's County Clerks and County Assessors on or before July 15, 2005.

Adopted by the Board of Education of Lane Community College the 8th day of June, 2005.


Paul Holman, Chair

ATTEST:


Mary Spilde
College President/District Clerk

Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment or Charge on Property for Education Districts

FORM ED-50
2005-2006

To assessor of Lane County

• File no later than JULY 15.

• Be sure to read instructions in the 2005-2006 Notice of Property Tax Levy Forms and Instructions booklet.

☐ Check here if this is an amended form.

The LCC District has the responsibility and authority to place the following property tax, fee, charge or assessment

on the tax roll of Lane County. The property tax, fee, charge or assessment is categorized as stated by this form.

4000 E 30th Avenue Eugene OR 97405
Mailing Address of District City State ZIP
Kay Malmberg Budget Analyst (541) 463-3005 7-13-05
Contact Person Title Daytime Telephone Date

CERTIFICATION—Check one box.

☒ The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.

☐ The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.435.

PART I: TOTAL PROPERTY TAX LEVY

		Subject to Education Limits	
		Rate or Dollar Amount	
1. Permanent rate limit tax (per \$1000)	1	\$.6191	
2. Local option operating tax	2		
3. Local option capital project tax	3		
4. Levy for "Gap Bonds"	4		
5a. Levy for bonded indebtedness from bonds approved by voters prior to October 6, 2001	5a	\$5,620,280	Excluded from Measure 5 Limits
5b. Levy for bonded indebtedness from bonds approved by voters after October 6, 2001	5b	---	Amount of Levy
5c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b)	5c	\$5,620,280	

PART II: RATE LIMIT CERTIFICATION

6. Permanent rate limit in dollars and cents per \$1,000	6	\$.6191
7. Date received voter approval for rate limit if new district	7	
8. Estimated permanent rate limit for newly merged/consolidated district	8	

PART III: SCHEDULE OF LOCAL OPTION TAXES — Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First year levied	Final year to be levied	Total tax amount or rate authorized per year by voters

150-504-075-6 (Rev. 12-04)

(see the back for worksheet for lines 5a, 5b, and 5c)

File with your assessor no later than JULY 15, unless granted an extension in writing.



Budget Schedules

SUMMARY - ALL FUNDS

	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
General Fund I	\$ 82,010,760	\$ 82,010,760	\$ 80,999,800	\$ 79,232,500	\$ 59,413,429	\$ 63,184,852
Internal Service Fund II	2,966,947	2,966,947	2,966,947	2,740,613	1,844,499	1,971,065
Debt Service Fund III	8,479,599	8,479,599	8,479,599	7,714,647	7,471,652	56,891,132
Capital Projects Fund IV	10,095,000	10,095,000	10,095,000	12,627,932	4,188,296	8,906,361
Financial Aid Fund V	53,674,906	53,674,906	53,674,906	52,736,729	36,347,491	30,878,510
Enterprise Fund VI	12,506,241	12,506,241	12,506,241	11,976,970	8,799,737	10,773,074
Special Revenue-G/C Fund VIII	16,095,750	16,095,750	16,095,750	19,603,094	7,621,444	8,331,320
Special Revenue-Admin. Restricted Fund IX	15,674,519	15,674,519	15,674,519	11,736,607	8,065,656	4,938,058
Quasi-Endowment Fund X	1,211,500	1,211,500	1,211,500	1,211,500	206,000	1,256,196
Total	\$ 202,715,222	\$ 202,715,222	\$ 201,704,263	\$ 199,580,592	\$ 133,958,204	\$ 187,130,568

CONSOLIDATED RESOURCES & REQUIREMENTS - ALL FUNDS

	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
SUMMARY OF ALL FUNDS						
Current Operating Resources:						
Intergovernmental	\$ 88,685,560	\$ 88,685,560	\$ 87,671,000	\$ 87,707,000	\$ 74,814,744	\$ 55,835,761
Property Taxes	18,056,669	18,056,669	18,056,669	17,364,747	16,778,238	16,291,344
Tuition & Fees:	-	-	-	-	106,768	-
Tuition	27,673,300	27,673,300	27,673,300	23,935,501	20,576,813	17,765,157
Instructional Fees	4,979,850	4,979,850	4,979,850	6,173,740	3,663,887	2,480,379
Other Sources:	-	-	-	-	-	-
Sale of Goods & Services	13,383,666	13,383,666	13,383,666	12,480,199	9,362,242	10,676,758
Interest Income	904,250	904,250	904,250	586,810	387,239	462,034
Miscellaneous Other	10,548,850	11,468,850	11,468,850	13,702,450	11,524,674	7,829,005
Other Payroll Expense (Prior Years)	-	-	-	-	-	-
Fund Transfers	6,199,722	5,279,722	5,283,322	6,870,573	-	8,474,122
Contingency	14,400,000	14,400,000	14,400,000	14,400,000	-	-
Total Current Operating Resources	\$ 184,831,867	\$ 184,831,867	\$ 183,820,907	\$ 183,221,020	\$ 137,214,605	\$ 119,814,560
Current Requirements						
By Function:						
Instruction	\$ 46,318,157	\$ 46,562,625	\$ 46,562,625	\$ 44,086,444	\$ 39,422,257	\$ 38,863,135
Instructional Support	4,460,777	4,423,309	4,423,309	4,778,676	4,098,262	3,717,988
Student Services	21,495,754	21,463,854	21,463,854	20,257,009	16,710,773	17,137,585
Community Services	6,769,565	6,739,364	6,739,364	7,506,114	4,288,848	4,571,270
College Support Services	19,671,067	19,592,578	19,592,578	16,262,139	11,802,835	11,912,962
OPE Cost Center (Prior Years)	-	-	-	-	-	-
Plant Operation & Maintenance	8,666,876	8,611,079	8,611,079	8,951,404	5,236,670	5,240,537
Plant Additions	4,426,500	4,426,500	4,426,500	5,757,004	3,297,235	8,023,407
Financial Aid	52,455,412	52,455,412	52,455,412	51,797,271	35,992,234	30,364,040
Debt Service	8,479,599	8,479,599	8,479,599	7,714,647	7,471,652	5,087,184
Fund Transfers	4,327,144	4,327,144	4,327,144	7,835,714	-	8,474,122
Contingency	25,644,371	25,633,758	24,622,798	24,134,170	-	-
Total Current Operating Requirements	\$ 202,715,222	\$ 202,715,222	\$ 201,704,262	\$ 199,080,592	\$ 128,320,766	\$ 133,392,230
Excess (deficit) Current Resources						
Current Requirements	\$ (17,883,355)	\$ (17,883,355)	\$ (17,883,355)	\$ (15,859,572)	\$ 8,893,839	\$ (13,577,670)
Beginning Fund Balances	17,883,355	17,883,355	17,883,355	15,859,572	11,039,644	24,617,314
Ending Fund Balances	\$ -	\$ -	\$ -	\$ -	\$ 19,933,483	\$ 11,039,644

SCHEDULE OF INTERFUND TRANSFERS - Page 1

	Revenues	Expenditures	Remarks
GENERAL FUND I			
Transfer to Internal Service Fund II	\$	\$ 377,447	Printing & Graphics=\$24,963; Telephone Svcs.=\$220,772; Wellness Pgm.=\$131,712
Transfer to Debt Service Fund III		441,430	Full Faith & Credit Debt Obligation - Annual payment - Misc.
Transfer to Capital Projects Fund IV		1,705,000	Major Maintenance=\$570,000; Cap. Rep. & Imp.=\$745,000; Def Maint=\$390,000
Transfer to Financial Aid Fund V		735,406	Learn & Earn=\$120,000; Job Location=\$184,900; Student Aid=\$430,506
Transfer to Enterprise Fund VI		209,064	Laundry=\$209,064
Transfer to Special Revenue-G/C Fund VIII		4,750	Student Support Grants=\$4750
			Gen Fund \$969,014; Specialized Employment Svcs.=\$114,371; Athletics=\$148,660;
			The TORCH=\$77,859; KLCC=\$197,564; Student Health Svcs.=\$245,440; Employee
			Health Clinic=\$185,120.
Transfer to Special Revenue-Admin. Rest. IX		969,014	Transfer Authority Contingency
Transfer from Internal Service Fund II	3,500		
Transfer from Debt Service Fund III	-		
Transfer from Enterprise Fund VI	5,400		Foodservices
Transfer from Special Revenue-G/C Fund VIII	4,000		Transfer Authority Contingency
Transfer from Special Revenue-Admin Fund IX	3,600		ASLCC Cultural Programs
Transfer from Quasi-Endowment Fund X	-		
TOTAL	<u>\$ 16,500</u>	<u>\$ 4,442,111</u>	
INTERNAL SERVICE FUND II			
Transfer to General Fund I	\$	\$ 3,500	Transfer Authority Contingency
Transfer to Special Revenue-Admin. Rest. IX		1,000	Transfer Authority Contingency
Transfer from General Fund I	377,447		Telecomm=\$220,772; P&G=\$24,963; Wellness=\$131,712
TOTAL	<u>\$ 377,447</u>	<u>\$ 4,500</u>	
DEBT SERVICE FUND III			
Transfer from General Fund I	\$ 441,430	\$	Full Faith & Credit Debt Obligation - Annual payment - Misc.
Transfer from Capital Projects Fund IV	-		
TOTAL	<u>\$ 441,430</u>	<u>\$ -</u>	
CAPITAL PROJECTS FUND IV			
Transfer to Debt Service Fund III		\$ -	
Transfer from General Fund I	1,705,000		Major Maintenance=\$570,000; Cap. Rep. & Imp.=\$745,000; Def Maint=\$390,000
Transfer from Enterprise Fund VI	-		
Transfer from Special Revenue-Admin. Rest. IX	150,000		Transportation fee for parking lot improvements
TOTAL	<u>\$ 1,855,000</u>	<u>\$ -</u>	

SCHEDULE OF INTERFUND TRANSFERS - Page 2

	Revenues	Expenditures	Remarks
FINANCIAL AID FUND V			
Transfer from General Fund I	\$ 735,406	\$	Learn & Earn=\$120,000; Job Location=\$184,900; Student Aid=\$430,506
Transfer in from Special Revenue-Admin. Rest. Fund IX	15,000		Athletics - for Talent Grants
TOTAL	<u>\$ 750,406</u>	<u>\$ -</u>	
ENTERPRISE FUND VI			
Transfer to General Fund I	\$	\$ 5,400	Foodservices
Transfer to Special Revenue-Admin. Rest. IX		1,000	Transfer Authority Contingency
Transfer from General Fund I	209,064		Laundry=\$209,064
Transfer from Special Revenue-Admin. Rest. IX	-		Transfer Authority Contingency
TOTAL	<u>\$ 209,064</u>	<u>\$ 6,400</u>	
SPECIAL REVENUE-G/C FUND VIII			
Transfer to General Fund I	\$	\$ 4,000	Transfer Authority Contingency
Transfer from General Fund I	4,750		Student Support Grants=\$4750
TOTAL	<u>\$ 4,750</u>	<u>\$ 4,000</u>	
SPECIAL REVENUE-ADMIN. REST. FUND IX			
Transfer to General Fund I	\$	\$ 3,600	ASLCC Cultural Programs
Transfer to Capital Projects Fund IV		150,000	Transportation fee for parking lot improvements
Transfer to Financial Aid Fund V		15,000	Athletics - for Talent Grants
Transfer to Enterprise Fund VI		-	
Transfer to Endowment Fund X		500	KLCC Transfer Authority Contingency
Transfer from General Fund I	969,014		Gen Fund \$969,014; Specialized Employment Svcs.=\$114,371; Athletics=\$148,660;
Transfer from Internal Service Fund II	1,000		The TORCH=\$77,859; KLCC=\$197,564; Student Health Svcs.=\$245,440; Employee
Transfer from Enterprise Fund VI	1,000		Health Clinic=\$185,120.
Transfer in from Quasi-Endowment Fund X	600,000		Transfer Authority Contingency
TOTAL	<u>\$ 1,571,014</u>	<u>\$ 169,100</u>	Transfer Authority Contingency
QUASI-ENDOWMENT FUND X			
Transfer to General Fund I	\$	\$	KLCC Transfer Authority Contingency
Transfer to Special Revenue-Admin Rest. Fund IX		600,000	
Transfer from Special Revenue-Admin Rest Fund IX	500		
TOTAL	<u>\$ 500</u>	<u>\$ 600,000</u>	
TOTAL TRANSFERS - ALL FUNDS	<u>\$ 5,226,111</u>	<u>\$ 5,226,111</u>	



General Fund I

GENERAL FUND I

	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
RESOURCES						
Intergovernmental	\$ 26,835,560	\$ 26,835,560	\$ 25,821,000	\$ 26,357,000	\$ 26,304,742	\$ 19,664,280
Property Taxes	12,863,000	12,863,000	12,863,000	12,368,000	11,725,008	11,435,526
Tuition & Fees:						
Tuition	26,827,300	26,827,300	26,827,300	23,063,000	17,531,043	17,578,958
Instructional Fees	2,233,000	2,233,000	2,233,000	3,196,000	1,224,081	1,583,946
Other Sources:						
Sale of Goods & Services	482,000	482,000	482,000	750,000	432,202	502,232
Interest Income	696,000	696,000	696,000	310,000	146,837	118,522
Fees	1,828,000	1,828,000	1,828,000	1,865,000	1,347,252	1,465,043
Administrative Recovery	1,000,000	1,000,000	1,000,000	857,000	623,387	813,251
Other	759,000	759,000	759,000	1,799,000	934,331	752,138
Transfer In from Internal Service Fund II	3,500	3,500	3,500	3,500	24,776	101,268
Transfer In from Enterprise Fund VI	5,400	5,400	5,400	5,400	7,600	510,312
Transfer In from Special Revenue-G/C Fund VIII	4,000	4,000	4,000	4,000		
Transfer In from Special Revenue-Admin Fund IX			3,600	3,600		348,659
Transfer In from Quasi-Endowment Fund X						472,131
Intra-Fund Transfer In					12,574	
Total Operating Revenues	\$ 73,536,760	\$ 73,536,760	\$ 72,525,800	\$ 70,581,500	\$ 60,313,833	\$ 55,346,266
Beginning Fund Balance	8,474,000	8,474,000	8,474,000	8,651,000	7,556,495	7,881,254
TOTAL RESOURCES	\$ 82,010,760	\$ 82,010,760	\$ 80,999,800	\$ 79,232,500	\$ 67,870,328	\$ 63,227,520

GENERAL FUND I - continued

	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
EXPENDITURES AND OTHER REQUIREMENTS						
Instruction						
Academic Learning Skills	\$ 2,196,821	\$ 2,204,494	\$ 2,204,494	\$ 2,097,221	\$ 1,963,286	\$ 1,912,057
Adult Basic and Secondary Education	1,465,692	1,476,216	1,476,216	1,421,271	1,411,103	1,450,606
Advanced Technology Division	2,529,441	2,546,755	2,546,755	2,502,717	2,335,467	2,325,304
Arts Division	1,630,537	1,645,941	1,645,941	1,531,707	1,449,331	1,658,507
Business Development Center	647,590	648,680	648,680	625,128	567,140	657,053
Business Technologies	1,198,613	1,207,740	1,207,740	1,025,549	833,050	1,045,430
Computer Information Technology	1,023,559	1,030,561	1,030,561	919,517	963,146	1,015,670
Continuing Education	1,408,837	1,403,592	1,403,592	1,123,771	693,136	1,681,590
Cooperative Education	1,537,205	1,549,162	1,549,162	1,542,698	1,430,822	1,287,242
Culinary Arts & Hospitality	402,845	405,118	405,118	302,732	350,623	269,928
English, Foreign Language & Speech	3,746,520	3,788,805	3,788,805	3,565,774	3,422,782	3,299,084
Family & Health Careers	4,137,906	4,163,341	4,163,341	3,775,888	4,032,727	4,040,470
Health & Physical Education	1,829,677	1,837,762	1,837,762	1,574,317	1,484,126	1,533,223
Lane Community College at Cottage Grove	735,683	738,607	738,607	690,802	517,875	588,259
Lane Community College at Florence	703,773	704,151	704,151	693,948	472,129	507,462
Lane Community College Learning Centers	239,397	234,179	234,179	285,870	190,957	253,206
Mathematics	1,974,837	1,983,321	1,983,321	1,874,910	1,794,884	2,133,272
Music/Dance/Theatre Arts	1,172,715	1,177,197	1,177,197	1,162,411	1,015,347	1,107,094
Science	2,502,372	2,511,813	2,511,813	2,363,405	2,665,572	2,686,393
Social Science	2,114,773	2,128,836	2,128,836	1,992,085	1,940,334	2,187,064
Special Instructional Projects	3,053,479	3,110,105	3,110,105	3,052,474		290,852
Workforce Development	31,248	31,613	31,613	31,085	527	48,955
Total Instruction	\$ 36,283,521	\$ 36,527,989	\$ 36,527,989	\$ 34,155,276	\$ 29,534,364	\$ 31,978,721

GENERAL FUND I - continued

	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
EXPENDITURES AND OTHER REQUIREMENTS-continued						
Instructional Support						
College Now	\$ 153,249	\$ 153,828	\$ 153,828	\$ 134,667	\$ 146,101	\$ 131,959
Distance Learning	528,860	521,268	521,268	434,393	381,818	376,355
Instruction & Student Services Office	1,428,665	1,433,740	1,433,740	1,189,786	1,163,466	768,212
Instructional Technology Support Service	609,167	582,244	582,244	1,309,050	1,035,007	1,103,537
Library	1,147,836	1,139,230	1,139,230	1,095,661	908,795	887,902
Professional Development - Faculty	300,000	300,000	300,000	292,120	65,163	82,718
Total Instructional Support	\$ 4,167,777	\$ 4,130,309	\$ 4,130,309	\$ 4,455,676	\$ 3,700,350	\$ 3,350,683
Student Services Expense						
Conference & Culinary Services	299,655	\$ 299,149	\$ 299,149	\$	\$	\$ 299,149
Counseling	2,650,762	2,645,685	2,645,685	2,564,808	2,353,807	2,480,565
Disability Services	549,629	550,233	550,233	482,661	544,548	419,365
Enrollment Services	1,910,399	1,880,627	1,880,627	1,952,245	1,798,651	1,628,759
Student Financial Services	1,289,848	1,269,891	1,269,891	1,169,593	1,159,791	1,081,746
Student Life & Leadership Development	668,214	671,257	671,257	589,266	601,295	609,162
Women's Program	637,883	627,447	627,447	545,009	515,739	493,910
Total Student Services	\$ 8,006,390	\$ 7,944,289	\$ 7,944,289	\$ 7,303,582	\$ 6,973,831	\$ 6,713,507
College Support Services						
Board of Education	25,921	\$ 25,954	\$ 25,954	\$ 25,912	\$ 15,080	\$ 58,983
College Finance	1,118,164	1,104,162	1,104,162	1,044,096	739,658	1,181,439
College Operations Office	528,329	528,382	528,382	511,448	476,427	445,119
Computer Services	3,771,381	3,731,857	3,731,857	3,207,016	2,325,558	2,398,811
Curriculum & Scheduling	200,695	199,471	199,471	191,340	181,971	170,616
Governance & Administration	150,843	150,858	150,858	261,512	376,424	441,403
Human Resources	1,441,446	1,436,764	1,436,764	1,320,536	1,216,124	1,247,981
Institutional Research, Assessment & Planning	545,216	543,029	543,029	415,686	573,668	534,376
Lane Community College Downtown Ctr (Prior Years)					65,345	
Lane Community College Foundation	298,461	300,026	300,026	377,028	405,129	311,939
Mail Services	172,680	166,755	166,755	153,306	232,203	94,651
Marketing and Public Relations	509,812	509,860	509,860			
Other Expenditures	1,433,500	1,433,500	1,433,500	1,433,500	1,569,514	1,674,695
President's Office	856,507	862,210	862,210	1,138,893	518,512	798,812
Public Safety	891,793	880,377	880,377	818,334	921,103	706,578
Sustainability	244,238	237,291	237,291			
Total College Support Services	\$ 12,188,986	\$ 12,110,497	\$ 12,110,497	\$ 10,898,607	\$ 9,616,716	\$ 10,065,403

GENERAL FUND I - continued

EXPENDITURES AND OTHER REQUIREMENTS-continued	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
Plant Operation & Maintenance						
Facilities Management & Planning	\$ 5,898,376	\$ 5,842,579	\$ 5,842,579	\$ 5,615,198	\$ 5,178,262	\$ 5,143,540
Recycling (Prior Years)				115,277	57,474	88,190
Total Plant Operation & Maintenance	\$ 5,898,376	\$ 5,842,579	\$ 5,842,579	\$ 5,730,475	\$ 5,235,736	\$ 5,231,730
Financial Aid						
Financial Aid Transfer	\$ 735,406	\$ 735,406	\$ 735,406	\$ 714,229	\$ 886,900	\$ 762,640
Total Financial Aid	\$ 735,406	\$ 735,406	\$ 735,406	\$ 714,229	\$ 886,900	\$ 762,640
Transfer Out:						
To Internal Service Fund II	\$ 156,675	\$ 156,675	\$ 156,675	\$ 327,824	\$ 289,926	\$ 249,339
To Debt Service Fund III	441,430	441,430	441,430	453,650	102,000	102,000
To Capital Projects Fund IV	1,705,000	1,705,000	1,705,000	2,685,000	1,158,620	2,344,906
To Enterprise Fund VI	209,064	209,064	209,064	676,891	778,564	911,144
To Special Revenue Fund VIII	4,750	4,750	4,750	12,094	11,115	4,750
To Special Revenue-Admin Restricted Fund IX	969,014	969,014	969,014	1,085,026	1,125,307	1,470,029
To Quasi-Endowment Fund X	-					
Intra-Fund Transfer Out						
Total Transfer Out	\$ 3,485,933	\$ 3,485,933	\$ 3,485,933	\$ 5,240,485	\$ 3,465,532	\$ 5,082,168

GENERAL FUND I - continued

	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
Contingency						
Projects/Provisions	\$ 8,013,412	\$ 8,002,800	\$ 8,002,800	\$ 8,604,170	\$	\$
Hold for Allocation	\$ 1,010,960	\$ 1,010,960				
Total Contingency	\$ 9,024,372	\$ 9,013,760	\$ 8,002,800	\$ 8,604,170	\$ -	\$ -
 Total Operating Expenditures	 \$ 79,790,760	 \$ 79,790,760	 \$ 78,779,800	 # \$ 77,102,500	 \$ 59,413,429	 \$ 63,184,852
Unappropriated Ending Fund Balance	2,220,000	2,220,000	2,220,000	2,130,000		
 TOTAL EXPENDITURES AND OTHER REQUIREMENTS-GENERAL FUND	 \$ 82,010,760	 \$ 82,010,760	 \$ 80,999,800	 \$ 79,232,500	 \$ 59,413,429	 \$ 63,184,852
 SUMMARY OF GENERAL FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 73,536,760	\$ 73,536,760	\$ 72,525,800	\$ 70,581,500	\$ 60,313,833	\$ 55,346,266
Less: Total Operating Expenditures	82,010,760	82,010,760	80,999,800	79,232,500	59,413,429	63,184,852
Excess of revenues over (under) expenditures	\$ (8,474,000)	\$ (8,474,000)	\$ (8,474,000)	\$ (8,651,000)	\$ 900,404	\$ (7,838,586)
 Beginning Fund Balance	 8,474,000	 8,474,000	 8,474,000	 8,651,000	 7,556,495	 7,881,254
 Ending Fund Balance	 \$ -	 \$ -	 \$ -	 \$ -	 \$ 8,456,899	 \$ 42,668

REQUIREMENTS BY EXPENDITURES CATEGORY - GENERAL FUND

	Fiscal Year 2005-2006 ADOPTED Budget	Personal Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
General Fund I							
Instruction							
Academic Learning Skills	\$ 2,196,821	\$ 2,122,911	\$ 73,910	\$	\$	\$	\$
Adult Basic and Secondary Education	1,465,692	1,392,717	72,975				
Advanced Technology Division	2,529,441	2,256,076	266,925	6,440			
Applied Engineering (Prior Years)		-					
Arts Division	1,630,537	1,475,562	154,975				
Business & Industry Services (Prior Years)		-					
Business Administration (Prior Years)		-					
Business Development Center	647,590	616,390	31,200				
Business Technologies	1,198,613	1,067,663	130,950				
Computer Information Technology	1,023,559	917,529	106,030				
Continuing Education	1,408,837	1,264,539	144,298				
Cooperative Education	1,537,205	1,353,155	184,050				
Culinary Arts & Hospitality	402,845	290,145	112,700				
English, Foreign Language & Speech	3,746,520	3,638,470	108,050				
Family & Health Careers	4,137,906	3,428,821	709,085				
Flight Technology (Prior Years)	-	-					
Health & Physical Education	1,829,677	1,348,002	481,675				
Instructional Computing (Prior Years)	-	-					
Lane Community College at Cottage Grove	735,683	555,058	180,625				
Lane Community College at Florence	703,773	522,143	181,630				
Lane Community College Learning Centers	239,397	182,697	56,700				
Mathematics	1,974,837	1,903,462	71,375				
Media & Arts Technology (Prior Years)	-	-					
Music/Dance/Theatre Arts	1,172,715	1,080,565	92,150				
Non-reimbursed Instruction (Prior Years)	-	-					
Science	2,502,372	2,354,172	148,200				
Social Science	2,114,773	2,066,673	48,100				
Sub-total Instruction	\$ 33,198,794	\$ 29,836,751	\$ 3,355,603	\$ 6,440	\$ -	\$ -	\$ -

REQUIREMENTS BY EXPENDITURES CATEGORY - GENERAL FUND - continued

<u>General Fund I</u>	Fiscal Year 2005-2006 ADOPTED Budget	Personal Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Instruction (continued)							
Special Instructional Projects	\$ 3,053,479	\$ 3,053,479	\$	\$	\$	\$	\$
Specialized Employment Services (Prior Years)		-					
Training & Development (Prior Years)		-					
Workforce Development	31,248	31,248					
Total Instruction	\$ 36,283,521	\$ 32,921,478	\$ 3,355,603	\$ 6,440	\$ -	\$ -	\$ -
Instructional Support							
College Now/Tech Prep	\$ 153,249	\$ 147,972	\$ 5,277		\$	\$	\$
Curriculum & Scheduling (Prior Years)							
Distance Learning	528,860	270,935	257,925				
Education Reform (Prior Years)							
Electronic Support Services (Prior Years)							
Instruction & Student Services Office	1,428,665	1,222,647	206,018				
Instructional Computing (Prior Years)							
Instructional Technology Support Service	609,167	599,908	9,259				
Library	1,147,836	877,316	141,520	129,000			
OSBDCN (Prior Years)							
Professional Development - Faculty	300,000	230,022	69,978				
Total Instructional Support	\$ 4,167,777	\$ 3,348,800	\$ 689,977	\$ 129,000	\$ -	\$ -	\$ -
Student Services							
Athletics (Prior Years)	\$ -	\$	\$	\$	\$	\$	\$
Conference & Culinary Services	299,655	299,655					
Counseling	2,650,762	2,490,922	159,840				
Disability Services	549,629	538,079	11,550				
Enrollment Services	1,910,399	1,494,449	415,950				
Student Financial Services	1,289,848	1,144,848	145,000				
Student Life & Leadership Development	668,214	455,914	212,300				
Torch (Prior Years)							
Women's Program	637,883	585,083	52,800				
Total Student Services	\$ 8,006,390	\$ 7,008,950	\$ 997,440	\$ -	\$ -	\$ -	\$ -

REQUIREMENTS BY EXPENDITURES CATEGORY - GENERAL FUND - continued

General Fund I	Fiscal Year 2005-2006 ADOPTED Budget	Personal Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Community Services							
KLCC FM (Prior Years)	\$	\$	\$	\$	\$	\$	\$
Senior Citizen Tuition Waiver (Prior Years)							
Total Community Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College Support Services							
Affirmative Action/Diversity/EO (Prior Years)	\$	\$			\$	\$	\$
Board of Education	25,921	1,781	24,140				
College Finance	1,118,164	948,800	169,364				
College Operations Office	528,329	477,284	51,045				
Computer Services	3,771,381	2,660,937	816,172	73,500	220,772		
Curriculum & Scheduling	200,695	193,320	7,375				
Employee Fringe Benefits (Prior Years)	-						
Enrollment Services - Cash Mgmt (Prior Years)	-						
Governance and Administration	150,843	843	150,000				
Human Resources	1,441,446	1,181,745	259,701				
Institutional Advancement (Prior Years)	-						
Institutional Research, Assessment & Planning	545,216	534,101	11,115				
Lane Community College Dwntrn Ctr (Prior Years)	-						
Lane Community College Foundation	298,461	293,961	4,500				
Mail Services	172,680	145,020	27,660				
Marketing and Public Relations	509,812	145,562	364,250				
Other Expenditures	1,433,500		1,433,500				
President's Office	856,507	486,607	369,900				
Public Safety	891,793	796,743	95,050				
Purchasing Services (Prior Years)	-						
Sustainability	244,238	186,038	58,200				
Total College Support Services	\$ 12,188,986	\$ 8,052,742	\$ 3,841,972	\$ 73,500	\$ 220,772	\$ -	\$ -
Plant Operation & Maintenance							
Facilities Management & Planning	5,898,376	\$ 3,104,087	\$ 2,794,289	\$ -	\$ -	\$ -	\$ -
Total Plant Operation & Maintenance	\$ 5,898,376	\$ 3,104,087	\$ 2,794,289	\$ -	\$ -	\$ -	\$ -

REQUIREMENTS BY EXPENDITURES CATEGORY - GENERAL FUND - continued

General Fund I	Fiscal Year 2005-2006 ADOPTED Budget	Personal Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Financial Aid							
Financial Aid Transfer	\$ 735,406				\$ 735,406		
Total Financial Aid	\$ 735,406	\$ -	\$ -	\$ -	\$ 735,406	\$ -	\$ -
Transfer Out:							
To Internal Services Fund II	\$ 156,675				\$ 156,675		
To Debt Service Fund III	441,430				-	441,430	
To Capital Projects Fund IV	1,705,000				1,705,000		
To Enterprise Fund VI	209,064				209,064		
To Special Revenue-G/C Fund VIII	4,750				4,750		
To Special Revenue-Admin. Rest. Fund IX	969,014				969,014		
To Quasi-Endowment Fund X	-				-		
Total Transfer Out	\$ 3,485,933	\$ -	\$ -	\$ -	\$ 3,044,503	\$ 441,430	\$ -
Contingency							
Projects/Provisions	\$ 10,233,413	\$ 2,360,613	\$ -	\$ 900,000	\$ -	\$ -	\$ 6,972,800
Hold for Allocation	1,010,960						1,010,960
Total Contingency	\$ 11,244,373	\$ 2,360,613	\$ -	\$ 900,000	\$ -	\$ -	\$ 7,983,760
Total - General Fund Functions	\$ 82,010,760	\$ 56,796,669	\$ 11,679,281	\$ 1,108,940	\$ 4,000,681	\$ 441,430	\$ 7,983,760
SUMMARY OF GENERAL FUND RESOURCES AND REQUIREMENTS							
Total Operating Revenues	\$ 73,536,760						
Less: Total Operating Expenditures	82,010,760						
Excess of revenues over (under) expenditures	\$ (8,474,000)						
Beginning Fund Balance	8,474,000						
Ending Fund Balance	\$ -						



Internal Service Fund II

Debt Service Fund III

Capital Projects Fund IV

Financial Aid Fund V

Enterprise Fund VI

Special Revenue Fund VIII

Special Revenue Fund IX – Administratively Restricted

Endowment Fund X

INTERNAL SERVICE FUND II**RESOURCES**

Other Sources:

Sale of Goods & Services

Other

Transfer in from General Fund I

Contingency

Total Operating Revenues

Beginning Fund Balance

TOTAL RESOURCES

Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
\$ 1,385,000	\$ 1,385,000	\$ 1,385,000	\$ 1,379,229	\$ 1,177,460	\$ 1,262,085
239,500	239,500	239,500	68,560	115,033	29,416
377,447	377,447	377,447	327,824	289,926	249,339
800,000	800,000	800,000	800,000		
\$ 2,801,947	\$ 2,801,947	\$ 2,801,947	\$ 2,575,613	\$ 1,582,419	\$ 1,540,840
165,000	165,000	165,000	165,000	332,661	762,886
\$ 2,966,947	\$ 2,966,947	\$ 2,966,947	\$ 2,740,613	\$ 1,915,080	\$ 2,303,726

INTERNAL SERVICE FUND II - continued

EXPENDITURES AND OTHER REQUIREMENTS	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
College Support Services						
Employee Wellness	\$ 131,712	\$ 131,712	\$ 131,712	\$ 92,490	\$	\$
Motor Pool	85,000	85,000	85,000	85,150	80,881	79,180
Printing & Graphics	1,099,963	1,099,963	1,099,963	971,225	850,183	800,492
Telephone Services	765,772	765,772	765,772	707,248	820,866	633,246
Warehouse Services	80,000	80,000	80,000	80,000	67,793	67,037
Plant Operation & Maintenance						
Coast Properties (Prior Years)						853
Transfers						
Transfer Out to General Fund I	3,500	3,500	3,500	3,500	24,776	101,268
Transfer Out to Special Revenue-Admin Rest. IX	1,000	1,000	1,000	1,000		288,989
Transfer Out to Endowment Fund-Fund X						
Contingency						
Contingency	800,000	800,000	800,000	800,000		
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 2,966,947	\$ 2,966,947	\$ 2,966,947	\$ 2,740,613	\$ 1,844,499	\$ 1,971,065
 SUMMARY OF INTERNAL SERVICE FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 2,801,947	\$ 2,801,947	\$ 2,801,947	\$ 2,575,613	\$ 1,582,419	\$ 1,540,840
Less: Total Operating Expenditures	2,966,947	2,966,947	2,966,947	2,740,613	1,844,499	1,971,065
Excess of Revenues, over (under) Expenditures	\$ (165,000)	\$ (165,000)	\$ (165,000)	\$ (165,000)	\$ (262,080)	\$ (430,225)
 Beginning Fund Balance	165,000	165,000	165,000	165,000	332,661	762,886
 Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 70,581	\$ 332,661

DEBT SERVICE FUND III

	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
RESOURCES						
Property Taxes	\$ 5,193,669	\$ 5,193,669	\$ 5,193,669	\$ 4,996,747	\$ 5,053,230	\$ 4,855,818
Other Sources:						
Interest Income	250	250	250	250	10,431	11,693
Employee benefits-PERS bond	2,644,250	2,644,250	2,644,250	2,064,000	2,315,479	51,803,948
Transfer in from General Fund I	441,430	441,430	441,430	453,650	102,000	102,000
Transfer in from Capital Projects Fund IV					365,000	375,000
Total Operating Revenues	\$ 8,279,599	\$ 8,279,599	\$ 8,279,599	\$ 7,514,647	\$ 7,846,140	\$ 57,148,459
Beginning Fund Balance	200,000	200,000	200,000	200,000	811,711	554,384
TOTAL RESOURCES	\$ 8,479,599	\$ 8,479,599	\$ 8,479,599	\$ 7,714,647	\$ 8,657,851	\$ 57,702,843
EXPENDITURES AND OTHER REQUIREMENTS						
Debt Service						
General Obligation Bond Principal	\$ 4,190,000	\$ 4,190,000	\$ 4,190,000	\$ 3,800,000	\$ 3,520,000	\$ 3,150,000
General Obligation Bond Interest	1,197,198	1,197,198	1,197,198	1,194,797	1,395,197	1,559,714
General Obligation Bond Fees	1,950	1,950	1,950	1,950	1,325	1,380
Pension Bond Principal & Interest	2,644,250	2,644,250	2,644,250	2,259,250	2,189,660	51,154,369
Pension Bond Fees	5,395	5,395	5,395	5,395	1,600	649,579
Debt Obligations Principal	350,000	350,000	350,000	345,000	260,000	260,000
Debt Obligations Interest	90,806	90,806	90,806	108,255	103,870	116,090
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 8,479,599	\$ 8,479,599	\$ 8,479,599	\$ 7,714,647	\$ 7,471,652	\$ 56,891,132
SUMMARY OF DEBT SERVICE FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 8,279,599	\$ 8,279,599	\$ 8,279,599	\$ 7,514,647	\$ 7,846,140	\$ 57,148,459
Less: Total Operating Expenditures	8,479,599	8,479,599	8,479,599	7,714,647	7,471,652	56,891,132
Excess of Revenues, over (under) Expenditures	\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ 374,488	\$ 257,327
Beginning Fund Balance	200,000	200,000	200,000	200,000	811,711	554,384
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 1,186,199	\$ 811,711

CAPITAL PROJECTS FUND IV

RESOURCES	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
Other Sources:						
Interest Income	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 156,816	\$ 250,195
Other	920,000	920,000	920,000	2,150,000	351,498	245,734
Transfer in from General Fund I	1,705,000	1,705,000	1,705,000	2,685,000	1,158,620	2,344,906
Transfer in from Special Revenue-Admin Rest Fund IX	150,000	150,000	150,000	197,000		
Transfer in from Endowment Fund X					206,000	
Intra-fund Transfer In				500,000	525,208	500,000
Contingency	2,000,000	2,000,000	2,000,000	2,000,000		
Total Operating Revenues	\$ 4,875,000	\$ 4,875,000	\$ 4,875,000	\$ 7,632,000	\$ 2,398,142	\$ 3,340,835
Beginning Fund Balance	5,220,000	5,220,000	5,220,000	4,995,932	6,169,952	11,735,478
TOTAL RESOURCES	\$ 10,095,000	\$ 10,095,000	\$ 10,095,000	\$ 12,627,932	\$ 8,568,094	\$ 15,076,313

CAPITAL PROJECTS FUND IV - continued

EXPENDITURES AND OTHER REQUIREMENTS	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
College Support Services						
Computer Services (LASR Project)	\$ 900,000	\$ 900,000	\$ 900,000	\$ 1,150,000	\$ 626,581	\$ 7,954
Plant Operation & Maintenance						
Facilities Management & Planning	2,768,500	2,768,500	2,768,500	3,220,928	124,489	233,414
Plant Additions						
Bond Project	2,008,500	2,008,500	2,008,500	2,132,000	855,444	4,516,657
Facilities Management & Planning	2,418,000	2,418,000	2,418,000	3,625,003	1,691,574	3,273,336
Transfer Out:						
Transfer Out to General Fund						
Transfer Out to Debt Service Fund III					365,000	375,000
Intra-fund Transfer Out				500,000	525,208	500,000
Contingency						
Contingency	2,000,000	2,000,000	2,000,000	2,000,000		
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 10,095,000	\$ 10,095,000	\$ 10,095,000	\$ 12,627,932	\$ 4,188,296	\$ 8,906,361
 SUMMARY OF CAPITAL PROJECTS FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 4,875,000	\$ 4,875,000	\$ 4,875,000	\$ 7,632,000	\$ 2,398,142	\$ 3,340,835
Less: Total Operating Expenditures	10,095,000	10,095,000	10,095,000	12,627,932	4,188,296	8,906,361
Excess of Revenues, over (under) Expenditures	\$ (5,220,000)	\$ (5,220,000)	\$ (5,220,000)	\$ (4,995,932)	\$ (1,790,154)	\$ (5,565,526)
 Beginning Fund Balance	5,220,000	5,220,000	5,220,000	4,995,932	6,169,952	11,735,478
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 4,379,798	\$ 6,169,952

FINANCIAL AID FUND V

	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
RESOURCES						
Intergovernmental	\$ 51,000,000	\$ 51,000,000	\$ 51,000,000	\$ 51,000,000	\$ 33,783,389	\$ 28,328,547
Other Sources:						
Interest Income	96,000	96,000	96,000	96,000	68,083	76,079
Administrative Recovery	3,500	3,500	3,500	3,500	\$ 1,727,103	2,860
Other					886,900	1,325,649
Transfer in from General Fund I	735,406	735,406	735,406	714,229		762,640
Transfer in from Enterprise Fund VI				-		3,900
Transfer in from Special Revenue-Admin. Rest. Fund IX	15,000	15,000	15,000	15,000		30,672
Intra-fund Transfer In	50,000	50,000	50,000	50,000	50,000	215,698
Contingency	1,600,000	1,600,000	1,600,000	600,000		
Total Operating Revenues	\$ 53,499,906	\$ 53,499,906	\$ 53,499,906	\$ 52,478,729	\$ 36,515,475	\$ 30,746,045
Beginning Fund Balance	175,000	175,000	175,000	258,000	388,776	521,241
TOTAL RESOURCES	\$ 53,674,906	\$ 53,674,906	\$ 53,674,906	\$ 52,736,729	\$ 36,904,251	\$ 31,267,286
EXPENDITURES AND OTHER REQUIREMENTS						
Student Services						
Job Placement Office	\$ 304,900	\$ 304,900	\$ 304,900	\$ 289,458	\$ 305,257	\$ 299,482
Financial Aid						
College Workstudy	869,652	869,652	869,652	1,025,000		604,599
Financial Aid	50,850,354	50,850,354	50,850,354	50,772,271	35,992,234	29,758,731
Transfer Out:						
Intra-fund Transfer Out	50,000	50,000	50,000	50,000	50,000	215,698
Contingency						
Contingency	1,600,000	1,600,000	1,600,000	600,000		
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 53,674,906	\$ 53,674,906	\$ 53,674,906	\$ 52,736,729	\$ 36,347,491	\$ 30,878,510
SUMMARY OF FINANCIAL AID FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 53,499,906	\$ 53,499,906	\$ 53,499,906	\$ 52,478,729	\$ 36,515,475	\$ 30,746,045
Less: Total Operating Expenditures	53,674,906	53,674,906	53,674,906	52,736,729	36,347,491	30,878,510
Excess of Revenues, over (under) Expenditures	\$ (175,000)	\$ (175,000)	\$ (175,000)	\$ (258,000)	\$ 167,984	\$ (132,465)
Beginning Fund Balance	175,000	175,000	175,000	258,000	388,776	521,241
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 556,760	\$ 388,776

ENTERPRISE FUND VI

	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
RESOURCES						
Intergovernmental	\$	\$	\$	\$	\$	\$
Sale of Goods & Services	10,404,966	10,404,966	10,404,966	9,384,470	6,956,980	8,207,578
Tuition & Fees:						
Tuition (Prior Years)						
Instructional Fees (Prior Years)					918,464	953,138
Other Sources	45,000	45,000	45,000	39,750	42,343	11,925
Transfer in from General Fund I	209,064	209,064	209,064	676,891	778,564	676,891
Transfer in from Special Revenue-Admin. Rest. Fund IX				1,000		
Intra-fund Transfer In	7,211	7,211	7,211	34,859	63,276	499,308
Contingency	1,000,000	1,000,000	1,000,000	1,000,000		1,000,000
Total Operating Revenues	\$ 11,666,241	\$ 11,666,241	\$ 11,666,241	\$ 11,136,970	\$ 8,759,627	\$ 11,348,840
Beginning Fund Balance	840,000	840,000	840,000	840,000	2,430,464	2,728,823
TOTAL RESOURCES	\$ 12,506,241	\$ 12,506,241	\$ 12,506,241	\$ 11,976,970	\$ 11,190,091	\$ 14,077,663
EXPENDITURES AND OTHER REQUIREMENTS						
Instruction						
Performance Season (Prior Years)	\$	\$	\$	\$	6,280	36,006
Student Services						
ASLCC (Prior Years)					352,814	352,070
ASLCC Childcare Coop (Prior Years)					293,680	275,761
Bookstore	9,138,566	9,138,566	9,138,566	8,094,760	5,251,506	6,379,104
Foodservices	1,550,001	1,550,001	1,550,001	1,568,795	1,402,305	1,468,059
Hospitality & Conference Services	450,000	450,000	450,000	948,396	677,537	345,383
Student Health Services (Prior Years)					509,609	484,589
College Support Services						
Laundry	354,064	354,064	354,064	358,619	233,839	226,075
Public Safety-Parking Permit Program					144	
Expenditures and Other Requirements Sub-total	\$ 11,492,630	\$ 11,492,630	\$ 11,492,630	\$ 10,970,570	\$ 8,727,714	\$ 9,567,047

ENTERPRISE FUND VI - continued

	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
Transfer Out:						
Transfer Out to General Fund I	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	\$ 7,600	\$ 510,312
Transfer Out to Capital Projects Fund IV						3,900
Transfer Out to Financial Aid Fund V						
Transfer Out to Special Revenue Fund VIII						
Transfer Out to Special Rev Adm Rest. Fund IX	1,000	1,000	1,000	1,000		192,507
Transfer Out to Endowment Fund X					1,147	
Intra-fund Transfer Out	7,211	7,211	7,211		63,276	499,308
Contingency						
Contingency	1,000,000	1,000,000	1,000,000	1,000,000		
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 12,506,241	\$ 12,506,241	\$ 12,506,241	\$ 11,976,970	\$ 8,799,737	\$ 10,773,074

**SUMMARY OF ENTERPRISE FUND
RESOURCES AND REQUIREMENTS**

Total Operating Revenues	\$ 11,666,241	\$ 11,666,241	\$ 11,666,241	\$ 11,136,970	\$ 8,759,627	\$ 11,348,840
Less: Total Operating Expenditures	12,506,241	12,506,241	12,506,241	11,976,970	8,799,737	10,773,074
Excess of Revenues, over (under) Expenditures	\$ (840,000)	\$ (840,000)	\$ (840,000)	\$ (840,000)	\$ (40,110)	\$ 575,766
Beginning Fund Balance	840,000	840,000	840,000	840,000	2,430,464	2,728,823
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,390,354	\$ 3,304,589

SPECIAL REVENUE FUND VIII

	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
RESOURCES						
Intergovernmental	\$ 10,850,000	\$ 10,850,000	\$ 10,850,000	\$ 10,350,000	\$ 7,078,203	\$ 7,842,934
Tuition & Fees:						
Tuition	6,000	6,000	6,000	6,000	23,735	105,890
Instructional Fees	50,000	50,000	50,000	50,000	83,033	
Other Sources:						
Grants & Contracts	572,000	572,000	572,000	795,000	357,397	304,275
Other	413,000	413,000	413,000	190,000	61,683	63,354
Transfer in from General Fund I	4,750	4,750	4,750	12,094	9,424	4,750
Transfer in from Enterprise Fund VI						
Contingency	4,000,000	4,000,000	4,000,000	8,000,000		
Total Operating Revenues	\$ 15,895,750	\$ 15,895,750	\$ 15,895,750	\$ 19,403,094	\$ 7,613,475	\$ 8,321,203
Beginning Fund Balance	200,000	200,000	200,000	200,000	180,084	190,201
TOTAL RESOURCES	\$ 16,095,750	\$ 16,095,750	\$ 16,095,750	\$ 19,603,094	\$ 7,793,559	\$ 8,511,404

SPECIAL REVENUE FUND VIII - continued

	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
EXPENDITURES AND OTHER REQUIREMENTS						
Instruction						
Funded Projects	\$ 6,593,000	\$ 6,593,000	\$ 6,593,000	\$ 5,951,000	\$ 4,208,142	\$ 4,706,616
Instructional Support						
Funded Projects	103,000	103,000	103,000	103,000	-	76,203
Student Services						
Funded Projects	387,200	387,200	387,200	309,544	252,967	227,758
Community Services						
Funded Projects	4,860,800	4,860,800	4,860,800	5,181,550	3,060,335	3,320,743
College Support Services						
Funded Projects	147,750	147,750	147,750	54,000	100,000	
Transfer Out:						
Transfer Out to General Fund I	4,000	4,000	4,000	4,000		
Contingency						
Contingency	4,000,000	4,000,000	4,000,000	8,000,000		
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 16,095,750	\$ 16,095,750	\$ 16,095,750	\$ 19,603,094	\$ 7,621,444	\$ 8,331,320
SUMMARY OF SPECIAL REVENUE-G/C FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 15,895,750	\$ 15,895,750	\$ 15,895,750	\$ 19,403,094	\$ 7,613,475	\$ 8,321,203
Less: Total Operating Expenditures	16,095,750	16,095,750	16,095,750	19,603,094	7,621,444	8,331,320
Excess of Revenues, over (under) Expenditures	\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ (7,969)	\$ (10,117)
Beginning Fund Balance	200,000	200,000	200,000	200,000	180,084	190,201
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 172,115	\$ 180,084

SPECIAL REVENUE FUND IX - ADMINISTRATIVELY RESTRICTED

	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
RESOURCES						
Tuition & Fees:						
Tuition	\$ 840,000	\$ 840,000	\$ 840,000	\$ 866,501	\$ 3,045,770	\$ 80,309
Instructional Fees	1,866,000	1,866,000	1,866,000	1,917,740	977,062	393,650
Non-Mandatory Fees	830,850	830,850	830,850	1,010,000	544,280	574,336
Other Fees & Charges	314,600	314,600	314,600	326,700	37,954	296,234
Sale of Goods and Services	1,111,700	1,111,700	1,111,700	966,500	795,600	704,863
Interest Income	1,000	1,000	1,000	1,000	2,028	5,546
Other Sources	7,000	7,000	7,000	889,500	2,207,984	1,444,434
Fees-Technology	1,100,000	1,100,000	1,100,000	1,100,000	916,763	
Fees-Transportation	623,000	623,000	623,000	623,000	484,865	
Transfer in from General Fund I	969,014	969,014	969,014	1,085,026	1,156,424	1,308,506
Transfer in from Internal Service Fund II	1,000	1,000	1,000			
Transfer in from Enterprise Fund VI	1,000	1,000	1,000	1,000		192,507
Transfer in from Quasi-Endowment Fund X	600,000	600,000	600,000	600,000		
Intra-fund Transfer In						49,360
Contingency	5,000,000	5,000,000	5,000,000	2,000,000		
Total Operating Revenues	\$ 13,265,164	\$ 13,265,164	\$ 13,265,164	\$ 11,386,967	\$ 10,168,730	\$ 5,049,745
Beginning Fund Balance	2,409,355	2,409,355	2,409,355	349,640	617,911	243,047
TOTAL RESOURCES	\$ 15,674,519	\$ 15,674,519	\$ 15,674,519	\$ 11,736,607	\$ 10,786,641	\$ 5,292,792

EXPENDITURES AND OTHER REQUIREMENTS

Instruction						
Contract Training	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000	\$ 944,670	\$ 82,330
Energy Management Program	500,000	500,000	500,000	310,000		
Flight Technology	1,297,265	1,297,265	1,297,265	1,793,000	1,162,251	1,239,639
Mechanical Services	55,000	55,000	55,000	55,000	22,164	168,815
Non-reimbursed Instruction	415,000	415,000	415,000	680,000	175,268	155,613
Regional Tech	40,000	40,000	40,000			
Specialized Employment Services	384,371	384,371	384,371	392,168	257,382	271,061
Student Restaurant	50,000	50,000	50,000	50,000	35,894	43,401
Tuition Based Programs (Prior Years)					3,090,266	190,415
Total Instruction	\$ 3,441,636	\$ 3,441,636	\$ 3,441,636	\$ 3,980,168	\$ 5,687,895	\$ 2,151,274

SPECIAL REVENUE FUND IX - ADMINISTRATIVELY RESTRICTED - continued

	Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
EXPENDITURES AND OTHER REQUIREMENTS-continued						
Instructional Support						
OSBDCN	190,000	190,000	190,000	220,000	374,184	291,102
Community Services						
KLCC FM	1,297,265	1,297,265	1,297,265	1,713,064	1,228,512	1,250,527
Student Services						
ASLCC	351,120	351,120	351,120	329,710		35,426
ASLCC Childcare Coop	295,620	295,620	295,620	258,680		
Athletics	316,959	316,959	316,959	489,801	501,250	450,624
Student Health Services	542,440	542,440	542,440	507,534		
The TORCH	152,559	152,559	152,559	156,750	180,600	107,797
College Support Services						
Staff Health Clinic	328,120	328,120	328,120	188,000		
PERS Reserve Transfer	1,466,700	1,466,700	1,466,700			
Technology Fee	1,300,000	1,300,000	1,300,000	1,100,000	51,215	40,430
Transportation	823,000	823,000	823,000	576,800		22
Transfers Out:						
Transfer Out to General Fund I	3,600	3,600	3,600	3,600	42,000	580,184
Transfer Out to Capital Projects Fund IV	150,000	150,000	150,000	197,000		
Transfer Out to Financial Aid Fund V	15,000	15,000	15,000	15,000		30,672
Transfer Out to Enterprise Fund VI						
Transfer Out to Quasi-Endowment Fund X	500	500	500	500		
Contingency						
Contingency	5,000,000	5,000,000	5,000,000	2,000,000		
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 15,674,519	\$ 15,674,519	\$ 15,674,519	\$ 11,736,607	\$ 8,065,656	\$ 4,938,058
SUMMARY OF SPECIAL REVENUE-ADMIN. REST. FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 13,265,164	\$ 13,265,164	\$ 13,265,164	\$ 11,386,967	\$ 10,168,730	\$ 5,049,745
Less: Total Operating Expenditures	15,674,519	15,674,519	15,674,519	11,736,607	8,065,656	4,938,058
Excess of Revenues, over (under) Expenditures	\$ (2,409,355)	\$ (2,409,355)	\$ (2,409,355)	\$ (349,640)	\$ 2,103,074	\$ 111,687
Beginning Fund Balance	2,409,355	2,409,355	2,409,355	349,640	617,911	243,047
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,720,985	\$ 354,734

ENDOWMENT FUND X**RESOURCES**

Other Sources:

Interest Income

Other

Transfer In from General Fund I

Transfer in from Special Revenue-Admin Rest Fund IX

Total Operating Revenues

Beginning Fund Balance

TOTAL RESOURCES

Fiscal Year 2005-2006 ADOPTED Budget	Fiscal Year 2005-2006 APPROVED Budget	Fiscal Year 2005-2006 PROPOSED Budget	Fiscal Year 2004-2005 CURRENT Budget	Fiscal Year 2003-2004 ACTUAL Amounts	Fiscal Year 2002-2003 ACTUAL Amounts
\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 6,000	\$ 10,500
1,000,000	1,000,000	1,000,000	1,000,000		1,000,000
500	500	500	500		
					500
\$ 1,011,500	\$ 1,011,500	\$ 1,011,500	\$ 1,011,500	\$ 6,000	\$ 1,011,000
200,000	200,000	200,000	200,000	200,000	200,000
\$ 1,211,500	\$ 1,211,500	\$ 1,211,500	\$ 1,211,500	\$ 206,000	\$ 1,211,000

**EXPENDITURES AND OTHER
REQUIREMENTS****Community Services**

KLCC FM

Transfer Out:

Transfer Out to General Fund I

Transfer Out to Capital Projects Fund IV

Transfer Out to Special Revenue-Admin Rest. Fund IX

TOTAL EXPENDITURES AND**OTHER REQUIREMENTS**

\$ 611,500	\$ 611,500	\$ 611,500	\$ 611,500	\$ -	\$ 611,000
					45,196
600,000	600,000	600,000	600,000	206,000	600,000
\$ 1,211,500	\$ 1,211,500	\$ 1,211,500	\$ 1,211,500	\$ 206,000	\$ 1,256,196

SUMMARY OF QUASI-ENDOWMENT FUND**RESOURCES AND REQUIREMENTS**

Total Operating Revenues

Less: Total Operating Expenditures

Excess of Revenues, over (under) Expenditures

Beginning Fund Balance

Ending Fund Balance

\$ 1,011,500	\$ 1,011,500	\$ 1,011,500	\$ 1,011,500	\$ 6,000	\$ 1,011,000
1,211,500	1,211,500	1,211,500	1,211,500	206,000	1,211,000
\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ (200,000)
200,000	200,000	200,000	200,000	200,000	200,000
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Personal Services

FTE BY EXPENSE FUNCTION	FY04	FY05	FY06
INSTRUCTION			
SLI	1.389	1.611	0.175
Cottage Grove Administration	3.497	3.471	3.471
Florence Administration	4.001	4.111	4.111
CLC Administration	3.974	4.500	2.978
Academic Learning Skills	13.418	15.667	17.667
Arts Division	13.500	14.300	14.500
Music - Dance & Theatre - Admin	12.333	12.966	12.966
E - FL - & S Administration	34.604	34.648	33.648
Health & PE Administration	18.721	17.510	17.114
Mathematics Administration	23.424	23.424	23.938
Science Administration	22.750	23.000	23.000
Social Science Administration	23.652	25.052	25.052
Instructional Tech Center			0.500
Instructional Computer Labs-Gen	8.771		7.815
Cont Ed/DTC Administration	8.567	9.493	11.243
BDC - Administration	7.453	5.953	5.953
Coop Ed Gen Admin	12.125	11.533	12.990
Apprenticeship	1.200	1.200	1.200
Advanced Technologies Admin	25.046	25.146	24.146
Flight Technology Administration	8.000	8.000	8.000
Business Tech Administration	7.000	9.517	9.517
Computer Info Technology Admin	9.389	10.389	10.389
Family & Health Careers Admin	36.344	39.148	39.482
ABSE Administration	14.455	15.602	15.519
SES Administration	1.832	1.643	1.643
Culinary Instructional Programs	3.050	3.050	3.050
Workforce Dev Administration	0.250	0.250	0.250
Business & Ind Services Administration	0.800		
BDC Business Management		2.000	2.000
	319.545	323.184	332.317

FTE BY EXPENSE FUNCTION - continued	FY04	FY05	FY06
INSTRUCTIONAL SUPPORT			
Instructional Technology	1.750	15.653	9.065
Electronic Services	5.000		
LAB - Cottage Grove	0.375		
Distance Learning	2.954	3.660	3.530
VP for Instruction Administration	8.000	9.000	11.000
College Now	1.833	1.833	1.833
Library Administration	13.550	13.100	13.600
	33.462	43.246	39.028
STUDENT SERVICES			
Bookstore Administration	11.267	11.287	11.350
Hospitality & Conf Svs Admin	0.900		3.625
Conference/Culinary Center	1.000	7.685	4.843
Center Food Sales	13.365	12.099	9.265
Counseling Administration	31.500	31.300	34.500
Enrollment Services Administration	23.000	24.000	23.500
Student Financial Aid	19.000	18.000	16.500
Student Life & Leadership	2.750	5.750	3.000
Multicultural Center	3.000		3.000
Disability Services	4.500	4.500	5.250
ASLCC Legal Services	1.000	1.000	1.000
ASLCC Childcare Co-op Sub	5.070	5.070	5.166
ASLCC Student Health Administration	5.236	7.051	4.800
Torch Administration	1.295	1.295	1.295
Women's Center	6.250	6.250	6.750
Athletics Admin - GF	4.628	2.741	2.491
	133.761	138.028	136.335
COMMUNITY SERVICES			
KLCC Administration	12.104	11.975	13.400
	12.104	11.975	13.400
COLLEGE SUPPORT SERVICES			
President's Office Admin	4.810	3.810	3.810
Marketing/Public Relations Admin	0.900	1.900	1.900
Foundation Gen Admin	1.782	3.000	2.000
Grant Coordinator	1.000		1.000
HR Administration - General	11.850	12.850	13.600

FTE BY EXPENSE FUNCTION - continued	FY04	FY05	FY06
COLLEGE SUPPORT SERVICES - continued			
Archives & Records Management	2.000		2.000
College Operations Administration	5.000	5.000	5.000
College Finance	12.139	12.125	10.125
Internal Controls			2.000
Printing & Graphics Administration	10.424	11.125	8.000
Public Safety Administration	11.346	11.785	12.085
Mailroom			3.125
Purchasing Administration	4.500		1.000
Laundry Administration	4.500	4.500	4.689
Computer Services Administration	20.000	22.000	29.000
Telecommunications Administration	3.000	2.500	2.500
IRAP Administration	4.500	5.000	6.000
Curriculum & Scheduling	3.250	3.250	3.250
Cont Ed/DTC Administration	2.000		
Employee Health Clinic			2.500
Employee Wellness		0.750	1.000
	103.001	99.595	114.584
PLANT OPERATIONS & MAINTENANCE			
Facilities Administration	56.654	58.400	58.250
Recycling Administration	0.627	0.627	3.127
	57.281	59.027	61.377
PLANT ADDITIONS			
Bond Project Management	5.098	0.100	0.100
Bond Project Relocation	0.859		
CEN 4th Flr Remodel Constr	5.601		
Network	2.000		
Bond - Capital Repairs/Improvement		0.900	0.900
FM&P - Small Capital Projects	0.962	2.000	2.000
State-Fed Construction			
	14.520	3.000	3.000
TOTALS	653.762	647.909	700.041

SALARIES PAID FROM MORE THAN ONE SOURCE

Position Title	Department	Expense Function	Salary	Total
Faculty Instructor	Co-op Ed	Instruction	10,941	
	Family & Health Careers	Instruction	43,762	54,703
Faculty Instructor	Co-op Ed	Instruction	27,352	
	Social Science	Instruction	27,352	54,704
Faculty Instructor	Co-op Ed	Instruction	12,666	
	Family & Health Careers	Instruction	50,666	63,332
Faculty Instructor	OISS-Experimental Class	Instruction	8,301	
	Regional Technical Education	Instruction	22,673	30,974
Faculty Instructor	Counseling	Student Services	50,666	
	Faculty Council	Instruction	12,666	63,332
Faculty Instructor	Social Science	Instruction	35,807	
	Co-op Ed	Instruction	23,872	59,679
Faculty Instructor	Office of Instruction & Stu. Svcs.	Instruction	27,752	
	Social Science	Instruction	27,752	55,504
Faculty Instructor	Health & PE	Instruction	8,592	
	Athletics - ASLCC fees	Student Services	15,345	
Administrative Specialist	Athletics	Student Services	10,431	34,368
Faculty Instructor	Family & Health Careers	Instruction	31,068	
	Co-op Ed	Instruction	1,260	32,328
Project Specialist 1	Continuing Ed	Instruction	20,837	
	Counseling	Student Services	20,837	41,674
Faculty Instructor	Co-op Ed	Instruction	15,553	
	Arts Division	Instruction	26,279	41,832
Faculty Instructor	OISS-SLI	Instruction	29,840	
	Arts Division	Instruction	8,228	38,068
Faculty Instructor	Health Services	College Support Services	24,749	
	Health Services - ASLCC	Student Services	24,749	49,498
Administrative Specialist	Community Learning Cntrs.	Instruction	8,457	
	Continuing Ed	Instruction	25,370	33,827
Faculty Instructor	Co-op Ed	Instruction	11,016	
	Family & Health Careers	Instruction	33,047	44,063
Management Administrative	Bond Project	Plant Operations & Maintenance	7,633	
	Capital Repairs/Improvements	Plant Operations & Maintenance	68,696	76,329
Faculty Instructor	Health & PE	Instruction	10,008	
	Athletics	Student Services	37,651	47,659
Faculty Instructor	Social Science	Instruction	24,836	
	Co-op Ed	Instruction	37,254	62,090
Faculty Instructor	Culinary Instructional Program	Instruction	42,446	
	Co-op Ed	Instruction	10,611	53,057
Faculty Instructor	Co-op Ed	Instruction	15,833	
	Art	Instruction	47,499	63,332
Faculty Instructor	Health & PE	Instruction	11,457	
	Employee Wellness Program	Instruction	34,372	45,829
Faculty Instructor	Language, Literature	Instruction	19,354	
	OISS-SLI	Instruction	29,840	49,194
Management Administrative	Laundry	College Support Services	14,126	
	Specialized Employment Svcs.	College Support Services	38,178	52,304
Technology Equip Systems Tech	Advanced Technology	Instruction	13,268	
	Apprenticeship	Instruction	8,845	22,113



Appendices

- A: Financial Policies**
- B: Local and Regional Information**
- C: Economic Forecast**
- D: Long-Range Financial Plan**
- E: Budget Projection Assumptions**
- F: Glossary of Terms**

Financial Policies

Lane Community College Board of Education

Policy A.040: Financial Planning and Budgeting

Financial planning for any fiscal year or the remaining part of any fiscal year shall reflect the Board's end priorities, avoid fiscal jeopardy, and shall be derived from a multi-year plan.

Accordingly, the President shall assure budgeting that:

1. Complies with Oregon Local Budget Law.
2. Contains sufficient information to enable credible projections of resources and expenditures as presented in the Budget Document in accordance with Oregon Local Budget Law.
3. Discloses planning assumptions.
4. Limits expenditures in any fiscal year to conservatively projected resources for that period.
5. Maintains current assets at any time to at least twice current liabilities.
6. Complies with budget and financial policies contained in Section E.

Policy A.050: Financial Conditions and Activities

With respect to the actual, on-going financial condition and activities, the President shall avoid fiscal jeopardy and assure that actual expenditures reflect Board priorities as established in ends policies.

Accordingly, the President shall:

1. Not expend more funds than have been received in the fiscal year to date, except as approved by the Board.
2. Not use any long-term reserves that are not budgeted and appropriated for expenditure.
3. Settle payroll and debts in a timely manner.
4. Assure that tax payments or other government-ordered payments or filings be on time and accurately filed.
5. Make no single purchase or commitment of greater than \$75,000 without Board approval, except in extreme emergencies.
6. Acquire, encumber, or dispose of real property only with Board approval, except in extreme emergencies.
7. Pursue receivables aggressively after a reasonable grace period.
8. Comply with budget and financial policies contained in Section E.
9. Not contract with the College's independent auditors for non-audit services without prior approval of the Board.
10. Provide the following annual certifications, by the President and by the Vice President for College Operations, to the Board upon receipt of the audited financial statements:
 - A. He/she has reviewed the annual audit report;
 - B. Based on his/her knowledge, the report does not contain any untrue statement of a material fact or omission of a material fact that makes the financial statements misleading;

- C. Based on his/her knowledge, the financial statements present in all material respects the financial condition and results of operations.
11. Establish and maintain an adequate internal control structure and procedures for financial operations and reporting.

Policy A.070: Asset Protection

The President shall assure that assets are protected, adequately maintained, and not placed at risk.

Accordingly, the President shall:

1. Insure against theft and casualty losses and against liability losses to Board members, staff, and the organization itself in an amount similar to the average for comparable organizations.
2. Prevent uninsured personnel from access to material amounts of funds.
3. Assure that plant and equipment are not subjected to improper wear and tear or insufficient maintenance.
4. Assure that the organization, its Board, or staff, are not unnecessarily exposed to claims of liability.
5. Assure that every purchase (A) includes normally prudent protection against conflict of interest; and (B) of over \$75,000 includes a stringent method of assuring the balance of long-term quality and cost.
6. Protect intellectual property, information, and files from loss or significant damage.
7. Receive, process, or disburse funds under sufficient controls to meet the Board-appointed auditor's standards.
8. Invest or hold operating capital in excess of daily requirements in accordance with ORS 294.035.
9. Not endanger the organization's public image or credibility, particularly in ways that would hinder the accomplishment of its mission.
10. Not name a building, substantial parts of buildings, or significant landscape features of Lane Community College without prior approval of the Board; and, when a building has substantial support from a donor, without prior involvement of the Foundation.

Policy B.060: Board Duties and Responsibilities: Budget Making

The Board of Education has the responsibility to:

1. Adopt the annual budget before July 1 of the budget year.
2. Act as the levying Board in the budget process.
3. Assist in presenting the needs of the College to the public and assist in the adoption, through the formulated budget process, of a budget that will address these needs.
4. Appoint the seven members with whom they shall serve jointly as the budget committee.
5. Review student tuition rates annually.

Policy B.080: Budget Officer

The President or designee shall serve as budget officer. The budget officer shall be responsible for preparation and maintenance of the budget document in compliance with Local Budget Law [ORS 294].

Policy B.090: Budget Preparation and Adoption

At the direction of the Board of Education, the President shall study budget needs and prepare recommendations on programs and services for budget committee consideration. The recommendation of advisory committees and interested citizens and organizations within the College District shall be considered by the President in developing the budget document.

The College Budget shall be prepared and adopted in compliance with Oregon Local Budget Law [ORS 294].

Policy C.040: Borrowing

The Board may authorize borrowing for the College, in compliance with state laws, by resolution stating the upper limit to be obligated at any one time. The President or designee may initiate emergency borrowing prior to Board approval should a quorum of the Board not be available to authorize borrowing.

Policy D.110: Tuition

In order to maintain a constant tuition rate relative to inflation each December, the Board will adjust the per credit tuition rate to reflect changes in an appropriate index for two-year public colleges since the last tuition adjustment. The rate will be rounded to the nearest half-dollar and become effective the following academic year (Summer Term).

Periodically and as needed, the Board will review Lane's tuition rates to ensure: a) that tuition revenues are appropriate for the needs of the district and, b) that Lane's tuition is comparable with other Oregon community colleges that are similar to Lane in terms of student FTE and instructional programs.

Policy E.010: Definition of a Balanced Budget

The Board directs the President to develop annual budget recommendations that are in accordance with the College's Strategic Plan and conform to the requirements of Local Budget Law (ORS 294.326). The budget shall provide for:

- Annual operating expenditures not to exceed projected revenues (Expenditures shall be budgeted according to the College's strategic priorities.).
- Debt service, both current (due in less than 12 months) and long-term.
- Reserves for maintenance and repairs to its existing facilities.
- Reserves for acquisition, maintenance and replacement of capital equipment.
- Reserves for strategic capital projects.
- Funding levels to fulfill future terms and conditions of employment, including early retirement benefits.
- Allocations for special projects related to the strategic directions of the College.
- Allocations for contingencies (unforeseen events requiring expenditures of current resources).
- Ending Fund Balances (according to policies set specifically for that purpose).

Lane has a further responsibility to:

- Plan how it will spend any “one-time” unanticipated revenue, allocating it strategically and prudently between:
 - The restoration of any shortfall to targeted ending fund balances,
 - Currently unfunded projects in the strategic plan, and/or
 - Holding some or all of it in reserve during financially volatile periods.
- Permanently stabilize its finances in their entirety (operating budget, reserves, contingencies and ending fund balances) when it perceives a long term change (increase or decrease) to its available future recurring resources.

Policy E.020: Unappropriated Ending Fund Balance

The President shall assure budgeting that maintains the estimate of unappropriated ending fund balance at no less than three percent of the general fund operational expenditure budget.

Policy E.030: Ending Fund Balance

Lane Community College shall maintain an “unrestricted” General Fund Ending Fund Balance equal to approximately 5% of total budgeted expenditures. This amount shall be considered a “target” and the target range may fluctuate up to 1% above or below the target from year to year depending on financial conditions and the needs of the College.

The Ending Fund Balance target shall include the Unappropriated Ending Fund Balance (UEFB) as set by Board Policy E.020. When the Ending Fund Balance falls to 4% or less, the College shall adopt a plan to replenish the Ending Fund Balance to 5% within two years. When the Ending Fund Balance exceeds 6%, the excess shall be set aside for investment in one-time expenditures.

If the total Ending Fund Balance (including restricted) falls to levels that require short-term borrowing, the levels set by this policy shall be automatically reviewed and adjusted as necessary.

Policy E.040: Stabilization Reserve Fund

The Board may require the President to establish a separate “reserve fund” (as described in ORS 341.321 and ORS 294.525) for the purpose of providing short-term stabilization in anticipation of possible shortfalls in revenue.

A Stabilization Reserve Fund may be established under one or more of the following circumstances:

- State budget appropriations for community colleges are not approved by the time the College budget is approved and adopted.
- A situation exists where significant changes in enrollment are possible but not reasonably predictable.
- When any major revenue source has a reasonable possibility of decreasing after the College budget is approved and adopted.
- When any operating expenditure that is beyond the control of the College could reasonably be expected to increase after the College budget is approved and adopted.
- Any other situation in which the Board determines that there is a reasonable expectation that major shifts in revenue or expenditures could occur during the budget year.

Stabilization reserve levels:

- Minimum reserve levels shall be at the discretion of the Board under advice from the Budget Committee and the President.
- Maximum reserve levels shall be no more than the maximum reasonably estimated shortfall at the time of the adoption of the budget.

Stabilization reserves will be reviewed annually as part of the budget development process. The Stabilization Reserve Fund shall be closed out when the Board determines that the precipitating threat to revenues and/or expenditures no longer exists. As long as the conditions exist that caused the fund to be established, the funds shall be kept in reserve for the purpose intended. If and when the fund is closed out, any remaining balance shall be released for use as a resource in the General Fund.

Policy E.050: Capital Reserve Funds

The College shall establish and maintain separate “reserve funds” (as described in ORS 341.321 and ORS 294.525) in Capital Projects Fund IV for the following purposes:

1. To replace capital equipment that is broken or beyond its useful life as determined by the Capital Assets Replacement Forecast;
2. To maintain and repair College facilities according to the Major Maintenance Schedule;
3. To maintain and upgrade the College’s information/telecommunications system according to planning schedules maintained by Information Technology;
4. To build new instructional facilities and/or to purchase property that facilitate planned long-term growth of the College.

Appropriate levels of funding for reserves will be determined using existing College decision-making structures. The President will make recommendations to the Board of Education for approval to establish and fund these reserves.

Optimal funding levels will be determined using benchmarks, professional standards and best practices from other colleges and adapting these to Lane’s specific situation. It is expected that full funding of these reserves will take place over a number of years and that annual transfers to these reserves will be budgeted from the General Fund and other sources as appropriate.

As required in ORS 294.525, the Board shall periodically review the reserve fund “and determine whether the fund will be continued or abolished.” While ORS 294 allows review to take place every 10 years, reserve funds established under these policies shall be reviewed (a) annually by the President; and (b) at least every three years or more frequently as determined by the Board.

As allowed in ORS 294.525, the Board may determine at any time that a reserve fund is no longer necessary or that some or all of the reserves may be transferred to the General Fund.

Policy E.060: Budgeting of Non-Recurring Resources

Non-recurring resources are resources that are not part of an annual revenue stream. Non-recurring resources include but are not limited to such categories as:

- Fund balances (i.e., “carryover”)
- Reserves
- One-time grants or awards of money
- Funds withheld from annual budget allocations (e.g., funds held back from annual General Fund transfer to Capital Repair & Improvement)
- Special allocations from the State (e.g., allocations from the Emergency Board)
- Other special allocations (e.g., “seed money” for a project)

Non-recurring resources shall not be budgeted for ongoing recurring expenditures.

Non-recurring resources may be allocated for one-time expenditures including but not limited to the following:

- Capital equipment
- Capital construction
- Investment in a new program or service that will move to recurring funding sources after a specified trial period
- Projects related to the strategic directions of the College.

However, the College shall not rely on non-recurring resources for funding ongoing needs such as major maintenance and equipment replacement.

Policy E.070: General Fund Contingency

Board Contingency:

The annual budget shall set aside approximately one-half percent (0.5%) of the budgeted revenues each year for Board Contingency. Use of Board Contingency shall be at the discretion of the Board of Education and shall be allocated by formal approval of the Board according to its policies.

Administrative Contingency:

Administrative Contingency shall be approximately one percent (1%) of the budgeted revenues each year. Administrative Contingency shall be allocated by approval of the President.

Policy E.080: Interfund Transfers

All transfers between funds shall be in conformance with ORS 294.361. The Budget Document shall clearly show for each fund the amount, origin and destination of each transfer. Accompanying documentation shall list the specific purposes for each transfer.

Transfers from the General Fund to other funds (except Fund IX-Special Revenue Admin Restricted) shall be for the following purposes:

- Debt service on an obligation incurred as a part of normal operations of the College;
- Goods and services provided to General Fund units by units in other funds;
- Construction, maintenance and acquisition of facilities and/or real property used by the College in support of its mission;
- Acquisition of capital equipment for use by the College in support of its mission;
- Matching funds for grants and contracts;
- Operation of certain financial aid functions and matching funds required for financial aid grants;
- Contractual and legal obligations to employees and retirees for compensation and benefits;
- Other needs as deemed appropriate and necessary by the Board for fulfilling the obligations of the College.

Since Fund IX contains units that could be considered general operations of the College, the boundary between the General Fund and Fund IX is more “permeable.” While units in Fund IX primarily rely on designated revenues, transfers from the General Fund may be used to augment the resources for any or all of these units. The level of funding through General Fund transfers to Fund IX is at the discretion of the Board under advice from the Budget Committee and the President.

Policy E.090: Interfund Loans

Loans from one fund to another shall conform to the requirements of ORS 294.460 and be authorized by the Board of Education. Interfund loans may not be from: a Debt Service fund, a Financial Aid fund, employee/retiree benefit funds, or funds legally restricted to specific uses. Repayment of the loan must be budgeted according to an approved schedule and at a stated rate of interest.

The full repayment of interfund loans shall occur no later than:

- Five years from the date of the loan, if the funds are to be used to acquire or improve real or personal property, or
- June 30 of the fiscal year following the year in which the loan was authorized, if the funds are to be used for operating purposes.

Policy E.100: Debt Issuance and Management

The President shall ensure that sufficient funds are available to meet current and future debt service requirements on all indebtedness, while adequately providing for recurring operating requirements. The issuance of debt limits the College’s flexibility to respond to future learning priorities; consequently, the College shall issue and manage debt in a manner which maintains a sound fiscal position, protects its creditworthiness and complies with ORS 341.675 and ORS 341.715.

To meet the objectives of this policy the President shall ensure that the College incurs and services all debts in a manner that will:

- Maintain a balanced relationship between debt service requirements and current operating needs.

- Maintain and enhance the College's ability to obtain access to credit markets, at favorable interest rates, in amounts needed for capital improvements and to provide essential learning services.
- Prudently incur and manage debt to minimize costs to the taxpayers and ensure that current decisions do not adversely affect future generations.
- Preserve the College's flexibility in capital financing by maintaining an adequate margin of statutory debt capacity.

The Board shall approve borrowing as described in Board Policy C.040. Long-term debt (due more than a year in the future) shall not be issued to fund normal operating needs.

Policy E.110: Financial Reporting

Lane's annual audited financial statements shall conform to generally accepted accounting principles. Applicable professional accounting standards and guidance shall be incorporated into Lane's financial statements.

Local and Regional Information

Lane County, Oregon

Lane County was established in 1851. Covering 4,620 square miles from the Pacific Ocean to the Cascade Mountains, the county has three unique climate zones: the Willamette Valley, the Coast, and the Cascade Mountains. Although 90 percent of Lane County is forest land, Eugene and Springfield comprise the second largest urban area in the state (second to Portland). Lane County is renowned for its beautiful topography and climate and outdoor recreational opportunities.

Lane County Fast Facts:

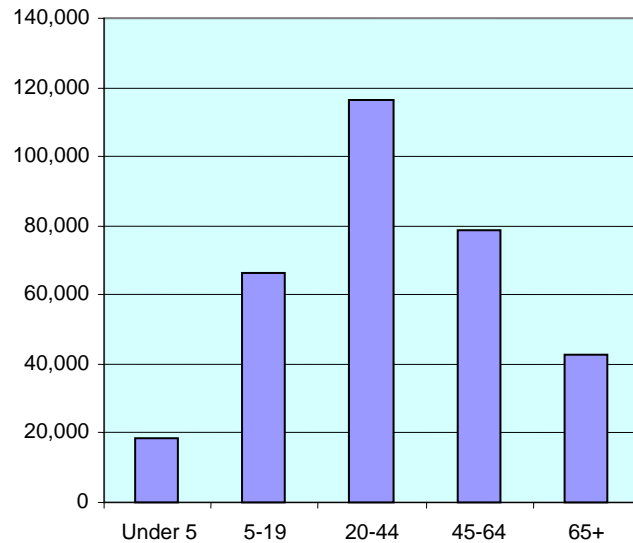
- County Seat: Eugene, Oregon
- Average Temperatures: January: 40° , July: 70°
- Annual Precipitation: 46"
- Population: 328,150
- Median Age: 36.6
- Median Household Income: \$36,942
- Assessed Value: \$16,744,937,718
- Real Market Value: \$22,628,274,669
- Principle Industries: Agriculture, Higher Education, High Technology, Forest Products, Recreation, RV Manufacturing, and Tourism.

Economic Indicators:

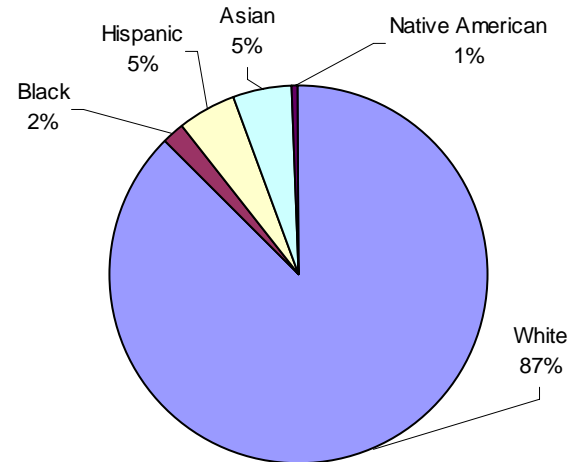
Indicator	Lane County	Oregon
Population	328,150	3,504,700
Labor Force	169,313	1,840,133
Total Unemployment	157,811	1,701,390
Unemployment	11,502	138,743
Unemployment Rate	6.8%	7.5%
Non-Farm Payroll Employment	142,000	1,572,500
Total Covered Employment	137,969	1,573,083
Total Covered Payroll (thousands)	\$4,059,948	\$52,989,000
Number of Business Units	9,865	113,097
Average Annual Payroll Per Employee	\$29,427	\$33,684
Annual Per Capita Personal Income	\$27,649	\$28,792

Lane County Demographic Profile

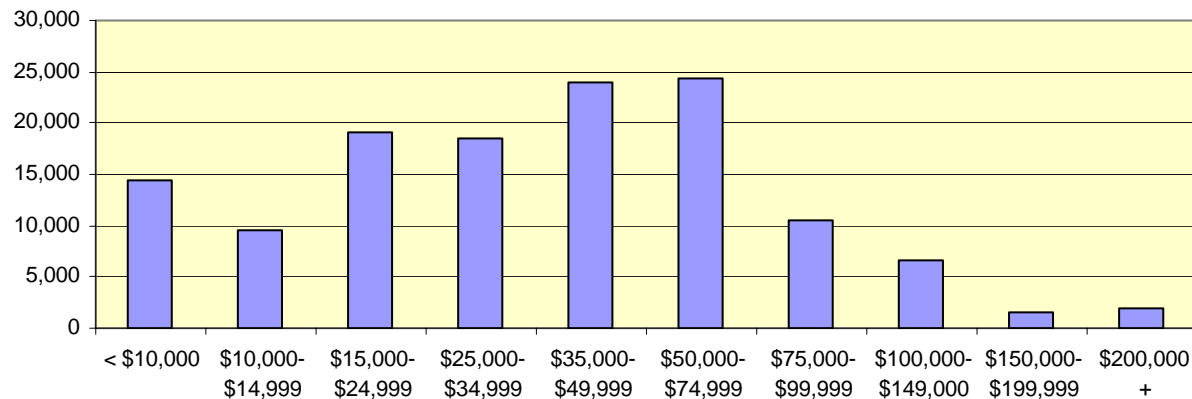
Age Profile



Racial Demographics



Household Income



Occupations*

Management & Professional	49,585
Service	24,391
Sales & Office	40,910
Farming, Fishing, Forestry	1,962
Construction, Extraction, Maintenance	14,451
Production, Transportation, Materials Moving	24,161

* Employed population, age 16 and over

Economic Forecast

State of Oregon Office of Economic Analysis
May 2005

Executive Summary

The first quarter 2005 initial estimate of job growth was a 5.3 percent annual rate over the fourth quarter 2004. The past four quarters have been some of the strongest employment numbers since the mid-1990's. On a year-over-year (Y/Y) basis, jobs increased in the first quarter by 4.0 percent. The last time Y/Y growth was this strong was the second quarter of 1997.

The first quarter job growth in 2005 marks the seventh consecutive quarter of job gains. As of January 2005, Oregon reached a new high for non-farm employment, regaining back the 64,000 jobs lost through the recession. The road back to surpass the previous job peak took a good deal of time: four years and two months. The underpinnings to the economic growth are well entrenched and rising interest rates and high oil prices could slow the growth but will not stop it this year. Moving into 2006 has more uncertainties surrounding interest rates, energy, and the international economic conditions. But as of the first quarter of 2005, the job growth is reminiscent of the mid 1990's. Keep in mind that one data point does not make a trend, and the outlook is not a repeat of that period of time. Oregon State Office of Economic Analysis (OEA) forecasts Oregon employment to grow 2.9 percent in 2005 and 1.5 percent in 2006.

Manufacturing will continue to add jobs in 2005 with an annual increase of 2.2 percent. The sector will continue to grow in 2006 with a slight increase of 0.1 percent. Job growth is expected to level out in the outer years with a marginal drop in growth in 2007, and then essentially flat in the outer years.

Wood products had a great finish to 2004 and should fare well in 2005 with a growth rate of 1.9 percent. This will not turn back the secular decline this industry has faced since the early 1980s. Job losses of 3.4 percent and 3.1 percent are projected for 2006 and 2007.

Computer and electronic products, which contains semiconductors, will have positive job growth as the year progresses and the yearly average for 2005 will show job gains of 1.8 percent. The job outlook is milder with gains of 0.7 percent in 2006 and 1.4 percent in 2007. Beyond this time, the national forecast calls for a flattening out of jobs and Oregon's more mature high tech sector may follow suit.

Transportation equipment has enjoyed a good year in 2004 with low inventories and low interest rates. Another good year in 2005 should show job growth of 6.2 percent. Rising interest rates may slow this sector down with job growth slowing to 0.9 percent in 2006 and a slight decline of 0.4 percent in 2007.

Metal and machinery are projected to stay relatively healthy with job gains of 4.0 percent in 2005 and 1.3 percent in 2006. The outlook for 2007 softens with job growth of 0.3 percent.

Private non-manufacturing jobs will increase by 3.3 percent in 2005, 1.8 percent in 2006, and 1.6 percent in 2007.

Construction should repeat last year's strong growth. While single family residential construction may slow a little, the slack will be countered by improving office and industrial markets. A still relatively strong housing market will help boost employment in 2005 by 6.0 percent. Job gains will slow to 1.4 percent in 2006 and 1.6 percent in 2007.

Retail trade job growth will gain strength in 2005 with job increases of 2.9 percent. A similar picture is painted for wholesale trade with a yearly average job growth of 2.6 percent. Job growth will weaken for retail in 2006 at 1.3 percent and in 2007 at 1.5 percent. Wholesale trade will also weaken with growth of 0.8 percent in 2006 and 0.1 percent in 2007.

Information, which includes software publishers, will start to find its footing in 2005 with job gains of 1.2 percent. Job growth is expected to slow to 0.4 percent in 2006 and rebound with positive growth of 1.8 percent in 2007.

Professional and business services are projected to grow 3.4 percent in 2005, 3.5 percent in 2006, and 2.9 percent in 2007.

Educational and health services have weathered the recession well. Job gains should continue with increases of 3.0 percent in 2005, 2.4 percent in 2006, and 1.7 percent in 2007.

The government sector is expected to grow 1.7 percent in 2005, 0.9 percent in 2006, and 1.0 percent in 2007. Although tax revenues are improving at state and local levels, budget problem overhangs still persist. Growth will remain constrained at all three levels of government.

Population growth is expected to be slightly higher than the U.S. average, but slower than the growth experienced in the mid-1990s. Slower growth will prevail over the next three years, with increases of 1.2 percent in 2005 through 2007.

Forecast Risks

The U.S. economy grew at a 4.4 percent pace during 2004. The outlook is for Gross Domestic Product (GDP) growth to slow to 3.7 percent in 2005 and 3.0 percent in 2006. Both the Federal Reserve and the Federal Government are bowing out of their prime-the-pump role to jump start the economy. Although tax revenues are improving for the state and local governments, large budget holes remain to be filled. The role to keep the economy growing is passing to business investments and exports. Global Insight points out that business investment has taken up the challenge but exports still are lagging. The same can be said for Oregon, with exports of computer and electronic products not picking up the pace. Given the strength of the first quarter of 2005, the underpinnings of the economy suggest that this year will continue the growth of 2004. But the risks enumerated below cloud the outlook for 2006.

The major risks now facing the Oregon economy are:

- Geopolitical risks. Uncertainty still surrounds the transition in Iraq, tensions with North Korea, and heightened security risks all weigh heavily on businesses and consumers. Disruptions in travel, oil supplies, and consumer confidence could be severe. The drop in business activity could be deeper if this uncertainty persists or if the transition out of war goes badly for the U.S. The winding down of military expenses will not greatly impact Oregon. There is also an upside risk that transition issues go more smoothly than anticipated and stability in the Mid East provide a stimulus to the economy that is stronger than forecast.
- Inflation and Federal Reserve Bank reactions. A growing economy with surging energy costs is a recipe for inflation. Faster inflation than forecasted may force the Federal Reserve to raise interest rates more quickly and to higher rates. This action could slow the U.S. economy and in turn slowdown the Oregon economy.
- Falling U.S. Dollar. As the dollar depreciates against other foreign currencies, U.S. exports are promoted. Oregon's manufacturing sector has a large dependency on international markets. If the U.S. dollar falls too quickly, this could harm Oregon's trading partners, weakening their economies and lowering their demand for Oregon products. A controlled lowering of the U.S. dollar is most beneficial to the Oregon economy.
- A sharp and major stock market correction. This would slow consumer spending. Lower stock prices could also limit the ability of businesses to raise necessary capital in the equity markets.
- A possible collapse of the housing market. The extremely low interest rates have caused a boom in home refinancing. As this activity matures and interest rates begin to rise, the added boost to consumer spending may also slow. Any drop in home price appreciations coupled with a large drop in mortgage refinancing could slow down consumer spending. Continued gains in personal income will be needed to keep consumer spending from falling.
- Rising regional energy prices. More businesses may slow production and lay off workers. Natural gas prices have risen the past few months adding to production costs. Oil prices have crossed above \$50 per barrel. A Goldman Sachs report suggests the possibility of a 'super-spike', sending the price of oil over \$100 per barrel. Regionally, electricity generation may move towards natural gas powered turbine engines as the draught impacts the availability of hydro generation. Higher electricity prices could result from being pegged to natural gas prices.
- Oregon Public Employees Retirement System (PERS) and possible state and local government budget shortfalls. The Oregon Supreme Court overturned two major reforms but did not rule out future Legislative reforms to PERS. Although the 2005-2007 biennium appears to need only small additional expenditures, state and local governments may need to increase taxes, reduce services, and/or increase bond financing in the future to cover potential unfunded liabilities for PERS. If increases in unfunded liabilities leads to increased tax rates, this could lead to a substantial negative impact on Oregon's economy. To the extent that spending cutbacks hit education and public infrastructure, the state could suffer longer-term impacts.
- Initiatives, referendums, and referrals. The ballot box brings a number of unknowns that could have wide-sweeping impacts on the Oregon economy. The passage of Measure 37 could bring dramatic changes to land use regulation. The number of claims for compensation or lifting land use restrictions and their impacts is still not known.

- The recovery for semiconductors, software, and communications could be much slower than anticipated. Continued outsourcing of manufacturing could slow growth in this region. Recent commitments to move research out of the country would be very harmful to Oregon's high technology sector.

The major upside opportunities now facing the Oregon economy are:

- Sharp reduction of oil prices. Oil prices are being pushed above market equilibriums by disruptions stemming from political turmoil to extreme weather. Once these factors settle down and demand drops, oil prices could fall much further than currently anticipated.
- Recovering business and consumer confidence. The transition out of war in Iraq could accelerate. Rising confidence can help boost spending and hiring. Spillover effects to the stock market would reinforce the economic recovery.
- Controlled growth of China and India. China and India may successfully manage their economies to be more stable and still strong. This should stabilize commodity price volatility while promoting Oregon exports.

The May 2005 forecast for the next few years is a balanced look at prospects for the future. It is our "base scenario" or most likely outcome of the future. Nevertheless the risk factors described above can push economic activity stronger or weaker. At this point, OEA deems that the risks are not balanced; they are tilted toward more downside than upside, at least in the near term. In other words, risks are biased toward a milder growth scenario compared to our baseline forecast. The risks, of course, could change going forward as conditions change and certain risk factors would have been resolved, becoming part of the baseline assumptions.

Demographic Forecast

The Census 2000 enumerated 3,421,399 persons in Oregon on April 1, 2000. This is an increase of 579,000 persons or 20.4 percent from the 1990 Census. Oregon's rate of growth between the two censuses was eleventh highest in the nation. In recent years, however, the population growth rate has slowed due to the struggling economy. Oregon's July 1, 2004 estimated population was 3.583 million, an increase of 1.16 percent over the 2003 population, up from the nearly 1 percent annual growth rate since 2000. This is an indicator of Oregon's economy picking up. Yet the annual growth rate is a far cry from the well over 2 percent annual growth rate a decade ago.

The state's population is expected to reach 3.899 million in the year 2011, with an annual rate of growth ranging from 1.19 to 1.24 percent.

During the 2004-2011 period, the fastest growth in all age groups will show the effects of the baby-boom generation. Growth will continue to be positive, although weak, with net migration of the working age population to elderly retirees and demographics impacted by the depression era births. After a period of slow growth, the elderly population (65+) growth will pick up speed and will approach 3.24 percent by 2011. The youngest elderly (aged 65-74) will grow at an extremely fast pace, whereas elderly aged 75-84 will shrink in number. The oldest elderly (85+) will continue to grow at a moderately high rate.

As the baby-boom generation matures, once fast paced growth of population aged 45-64 will gradually taper to below 1 percent rate by 2011. The young adult population, the 18-24 age group, will grow at 0.8 percent annually, considerably slower than the rate averaging 1.4 percent between

2000 and 2004. This will ease the pressure on public spending on College education. Children under the age of 5 will grow moderately at 0.9 percent rate. The K-12 population, the 5-17 age group, will show extremely slow growth which will translate into slow growth in school enrollments. The 25-44 age group population will start to show a sign of reversing the trend after several years of decline due to exiting baby-boom cohort. This age group will see a positive growth starting in the year 2003 and approach 1.3 percent annual growth by the year 2011.

Revenue Forecast

OEA expects General Fund revenues to equal \$10,400.1 million for the current biennium, an increase of \$105.6 million from the March 2005 forecast. The increase is due almost entirely to an increase in the personal income tax forecast. Including \$113.5 million in funds carried forward from 2001-03, total resources amount to \$10,514.4 million, which is \$281.2 million short of the 2003 Close of Session forecast. The projected ending balance for 2003-05 is \$292.6 million.

General Fund revenues will total \$11,292.5 million in the 2005-07 biennium, an increase of \$118.4 million from the March 2005 forecast. Including \$292.6 million in expected funds carried forward from the current biennium, total available resources amount to \$11,585.1 million. This is \$224.0 million above the prior forecast. At this point, there is significant potential for actual revenues to deviate from this forecast, in part due to possible tax law changes instituted by the Legislature currently in session. The 2005 Close of Session (COS) forecast, which will set the ceiling for general spending in 2005-07, will consist of this May forecast plus adjustments for law changes that will effect revenues.

General Fund revenues will reach \$12,646.6 million in 2007-09, a 12.0 percent increase from the prior biennium and \$66.9 million above the March forecast. For the 2009-11 biennium, General Fund collections rise 11.3 percent to \$14,077.0 million.

Earnings from lottery sales for the 2003-05 biennium totaled \$780.6 million, \$2.8 million above the March 2005 forecast¹. The 2003-05 figure is also \$109.8 million above the 2003 COS forecast. Unexpectedly strong video lottery growth was responsible for nearly half of the increase. Long jackpot runs for Megabucks and Powerball, which result in much higher than average sales levels, caused earnings to exceed the COS forecast as well. Finally, every fiscal year, funds set aside for administrative expenses but not ultimately needed are transferred as “administrative savings”. Savings totaled \$34.5 million in the current biennium.

In 2005-07, lottery earnings will equal \$931.2 million, a 19.3 percent increase from 2003-05. The addition of slot games to video lottery terminals is expected to increase sales 12 percent, while a lower commission rate structure adopted by the Lottery Commission will raise video-related earnings another 5 percent. For the 2007-09 biennium, earnings and resources will total \$1,039.8 million and \$1,042.3 million, respectively. Expected video lottery sales growth is the sole factor driving earnings growth as sales for traditional games will remain flat in the long run. Earnings increase 8.8 percent to \$1,131.2 million in 2009-11, with resources rising to \$1,134.2.

Earnings on sales in one quarter are distributed to the Economic Development Fund in the following quarter. Thus, the transfer made in April for sales during the seventh quarter of the biennium completes earnings activity for 2003-05.

Long-Range Financial Plan

Lane Community College
2004–2007

Section I: History and Long-Term Economic Environment

Lane Community College confronts challenges and opportunities, unique in its history, as it develops a strategic financial plan for the next three years. The economic environment is much more volatile than in 1990 when local property taxes provided 41% (versus 17% for FY 04) of our revenue. The passage of Ballot Measures 5 and 50 has made state funding our largest resource. In turn, the State of Oregon's largest revenue source, the income tax, is extremely sensitive to the economic conditions throughout the United States and larger world.

When the American economy went into recession after the financial markets' decline in 2001, Lane was immediately, adversely affected by the State's inability to sustain funding levels. To mitigate immediately necessary educational program reductions, Lane had to increase tuition paid by our students by 66% in the last three years. This substantial tuition increase has resulted in slightly reduced enrollment. Between 1996 and 2002 student FTE rose from 12,007 to 13,265, but has since declined 18% to a projected 10,880 for FY 2004. Since Lane County's population has actually grown 5.6% over the same eight year period, it appears that the College is not currently able to meet all potential learners' needs.

Lane's increasing reliance on state funding and the world economy has had other consequences. The College's share of state aid is determined by an agreed-upon community College funding formula which must balance the competing needs of: large and small community colleges; some districts growing student FTE rapidly and others not at all; some with rapidly growing local property values and others which are stagnant. As the economic characteristics and competing interests of individual community College districts change, Lane has to expect that its share of state funding will change, perhaps unexpectedly and substantially. As an employer, Lane was confronted with an unanticipated PERS liability in excess of \$69 million when the financial markets rapidly declined in 2001. In long-range financial planning we need to consider strategies to address future contingencies, like the PERS liability, about which we have no present knowledge.

Section II: Assumptions and Projections

A. Revenues

1. State Sources

The projections for FY05 are based on the “new” funding distribution formula and include \$10.7M allocated by the legislative emergency board for FY05. The new funding formula maintains a cap on enrollment. Base scenario projections for FY06 and FY07 are based on maintaining final revenue received from the state in FY04/FY05 plus an inflationary adjustment of 2%.

2. Local Property Taxes

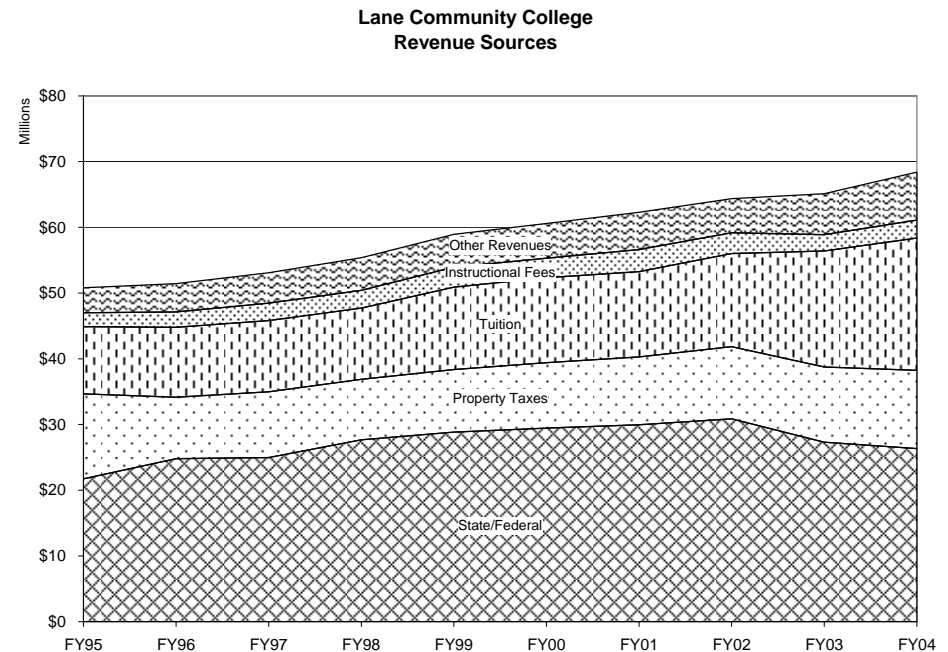
Property tax revenues are projected using statistical trend analysis based on historical data. The annual increase is approximately 3.5%. Property tax increases are capped by law.

3. Tuition

- a) Tuition revenues are projected based on enrollment projections developed by Institutional Research, Assessment & Planning. Tuition revenues include tuition generated by Fund IX instructional units.
- b) Base scenario projection of FY05 tuition revenue use rates adjusted for inflation using the Higher Education Price Index (HEPI) for 2003 (per Board Policy D.110). For FY06 and beyond, future inflation adjustments use the average annual percentage increase in the HEPI since FY97.
- c) \$256,000 has been added to projections for differential pricing revenues in FY04. On full implementation of differential pricing in FY05, the revenues are increased to approximately \$424,000. Revenues from differential pricing are increased by the same percentage as tuition increases for FY05 and beyond.

4. Instructional Fees

Projections for instructional fees use predicted expenditures based on historical trend analysis. All instructional fees are administratively restricted revenue, i.e., fees are tied to specific direct instructional expenditures and are not available for general allocation.



5. Other Sources

Other miscellaneous sources of revenue add up to approximately \$6 million, \$4.3 million of which is restricted for specific uses and not available for general allocation.

B. Expenditures

1. Personal Services

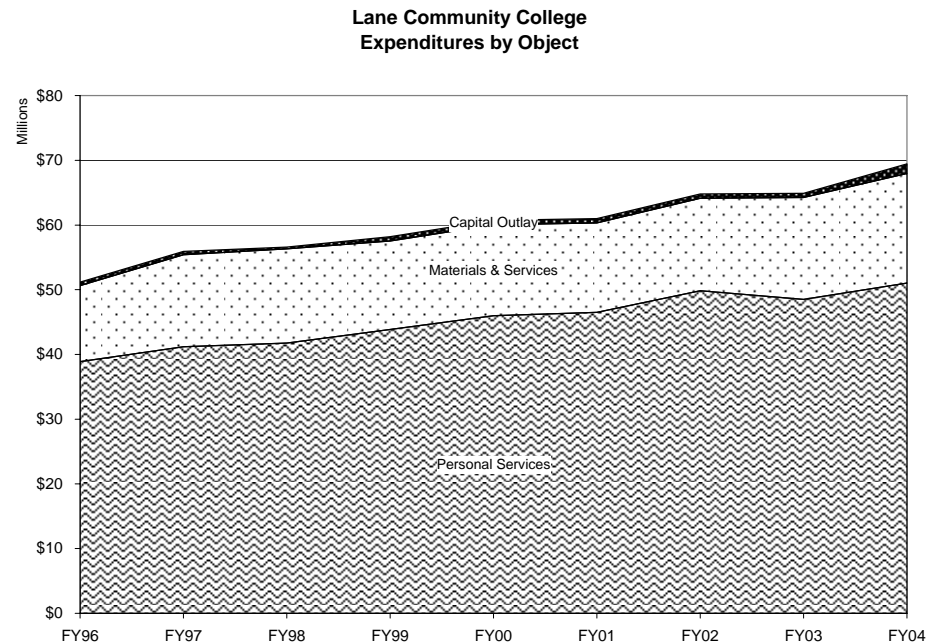
- a) Personal Services expenditures for FY04 are based on actual position lists. Budgeted figures are used for part-time compensation projections in FY04. Personal Services expenditures for FY04 and beyond use “steps” plus estimated COLA increases each year.
- b) OPE rate is recalculated every year using projected costs of benefits. The calculated rates will vary with different scenarios based on estimated annual increase in health premium costs.

2. Materials & Services

Projections use historical trend analysis to predict M&S expenditures.

3. Capital Outlay

Projections use historical trend analysis to predict Capital Outlay expenditures after FY04. Because spending on Capital Outlay was curtailed deliberately in FY02 and FY03, the FY04 projection for Capital Outlay has been adjusted upwards to compensate. In FY04, \$200,000 recurring was added to Capital Outlay for equipment replacement. For FY05, FY06 and FY07 an additional \$350,000 recurring is added each year to the projection based on needs identified in the most recent Capital Assets Replacement Forecast.



4. Contingency

By Board Policy, the Unappropriated Ending Fund Balance (UEFB) is set at 3% of budgeted General Fund expenditures. According to Local Budget Law, the UEFB budgeted for the current year may not be expended except under extraordinary circumstances and therefore will be part of the total Ending Fund Balance and a resource for the ensuing year (Net Working Capital Unrestricted and part of the Beginning Fund Balance). On the projection spreadsheets, the UEFB amount is added back to the projected Ending Fund Balance as “Minimum Fund Balance (not available for appropriation).”

C. Other Financing Sources

Transfers In and Out are projected using historical trend analysis. Transfers in past years have been adjusted for one-time large transfers before the trend analysis is performed.

D. Beginning/Ending Fund Balances (Net Working Capital)

1. The FY05 projections include \$810,000 for “Deferred Maintenance Catch-up.” FY06 and FY07 show \$350,000 each year for maintenance catch-up. These amounts are non-recurring and will be used to fund a backlog of approximately \$2.2 million. Since these are non-recurring expenditures, they are shown as an offset to the ending fund balance. In reality, these funds would be budgeted as a transfer out to Capital Projects Fund IV.
2. Projections for FY06 and FY07 include \$460,000 each year to establish a Facilities Capital Reserve Fund. These are shown as an offset to the ending fund balance (see explanation above).

E. Fund IX – Administratively Restricted

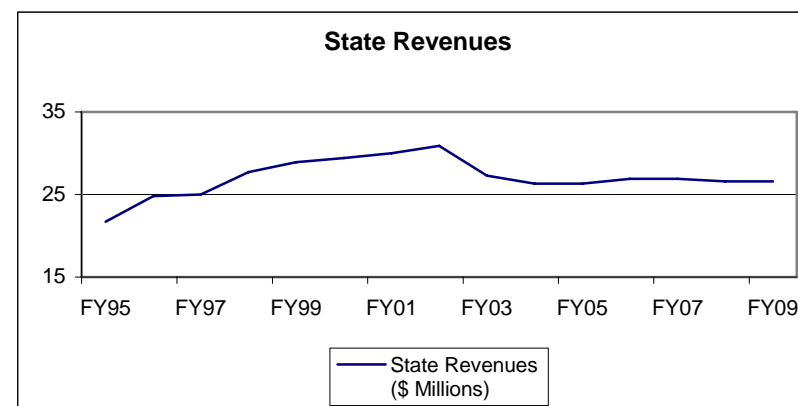
Fund IX was created in the FY03 budget to separate from the General Fund those units that rely entirely or primarily on resources other than state revenues, local property taxes and other general use revenues. For the purposes of maintaining historical trends and in order to properly monitor these units, Fund IX revenues and expenditures are included in budget projections.

Section III: Issues

State Revenues

Lane has become increasingly dependent upon state payments over the preceding 14 years. In 1990 the State provided Lane \$8.8 million, which was 24% of Lane's total revenue. For 2004, the State is providing \$26.3 million, which is 38% of Lane's current resources. While state aid has become our largest resource, it has remained relatively flat since 1997, as the following graph illustrates:

Additionally, Lane has no assurance that state aid will increase as much as inflation in the foreseeable future. The projected State revenue for years after FY 05, in the graph above, is essentially flat due to this uncertainty. However, future inflation will certainly cause expenditures to rise unless service levels are reduced. Maintenance of current service level will result in a \$ 2.6 million deficit by FY 07 and increasing shortfalls thereafter.



Issues:

These issues still need to be addressed in the long-range financial planning process:

- What level of risk that state aid will increase substantially is Lane willing to accept in developing our long-range financial plan?
- Might the statewide allocation formula change to affect Lane adversely?
- Will the State create an adequate "rainy day" reserve to prevent state aid reductions during the next recession?
- At what level should Lane fund a stabilization reserve to meet potential State funding shortfalls?

Tuition Rates – High Student Demand and Increasing Reliance on Tuition and Fees

The College's highest priority is to enable our students to have successful learning experiences. The failure of state aid since 2000 to increase sufficiently to cover Lane's increasing operating costs has negatively impacted Lane's students in the form of drastically rising tuition costs. In 1999 tuition was \$ 36 per credit; but by 2004 this had risen to \$ 63 per credit; a 75% increase. The College and our students face a dilemma: should large tuition increases be needed in order to maintain current program offerings.

For the past two years Lane's Board has heard from students that maintaining current service levels is their highest priority, and has acted accordingly by raising tuition. Clearly, this strategy cannot be pursued indefinitely. On the other hand, long class "waiting lists," the State "de-funding" of self-improvement classes, and the inherently high costs of professional/ technical programs, all indicate that higher tuition rates may be warranted in the future.

Issues:

The tuition strategies adopted in long-range financial planning will affect the size and quality of Lane's services for many years to come.

- Should tuition rate increases in the future be limited to the rate of inflation (Board Policy), or should tuition be raised sufficiently to avoid service level reductions?
- Should some classes/ majors be more expensive so that demand is met?

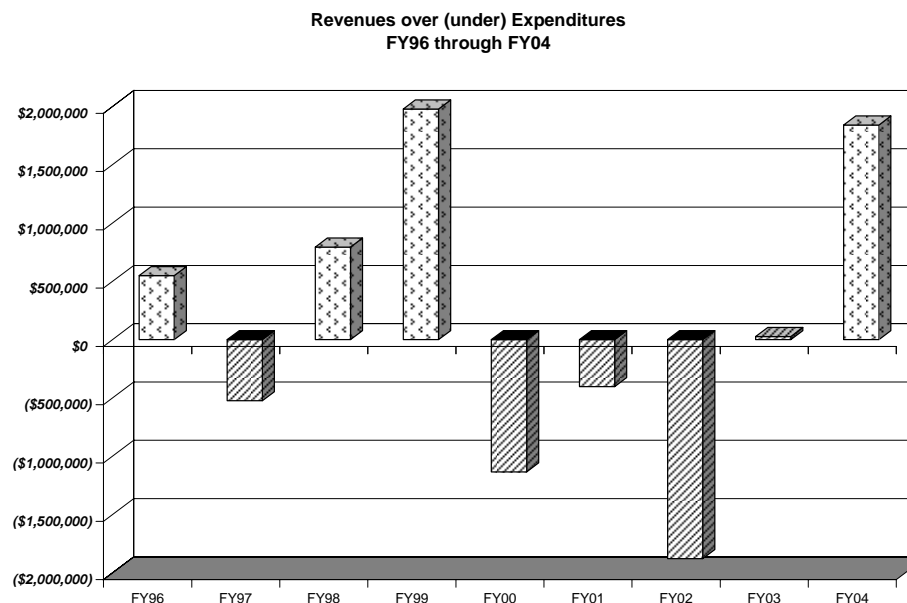
Spending Down Ending Fund Balances

Long term institutional viability requires that expenditures not exceed revenues. To accomplish this end, Board Policy E.030 requires that the College maintain an unrestricted General Fund Ending Fund Balance of approximately 5% of budgeted expenditures and Board Policy E.020 specifies that 3% of general fund expenditures be budgeted as an unappropriated ending fund balance. Since FY 2000 Lane's expenditures have exceeded its revenue as shown at right.

Although this spending pattern has been intentional, done to cushion the adverse impact on state aid payments caused by the economic recession, it is not sustainable. In developing future financial strategies Lane must be mindful of the impacts such strategies will have on its ending fund balance, our "resource of last resort."

Labor-Intensive Services

The delivery of high quality learning services is, by its very nature, a labor-intensive business. For FY 2004 Lane projects spending \$48.5 million, out of a total budget of \$74.5 million budget, on personal services and related fringe benefits. Because 2/3 of the College's financial resources are devoted to employee compensation, compensation levels must be considered a primary "driver" of rising costs. Future changes to compensation will have the largest impact on College expenditures and must be evaluated carefully to insure that they do not outpace revenue increases.



Rising Costs of Health Care Insurance for Employees

Due to steep increases in the cost of medical services Lane will continue to face difficult choices in determining the level of medical insurance coverage it can afford for its employees. The Consumer Price Index indicates that medical costs have increased 47% since 1994, nearly double the rate of increase for all goods and services. During 2003 alone the CPI for medical care costs rose 6%, while overall consumer prices rose only 3.5%. The following graph portrays Lane's medical insurance historical costs and a projection of what health insurance premiums will cost the College by FY 2007 if additional cost containment measures are not taken:

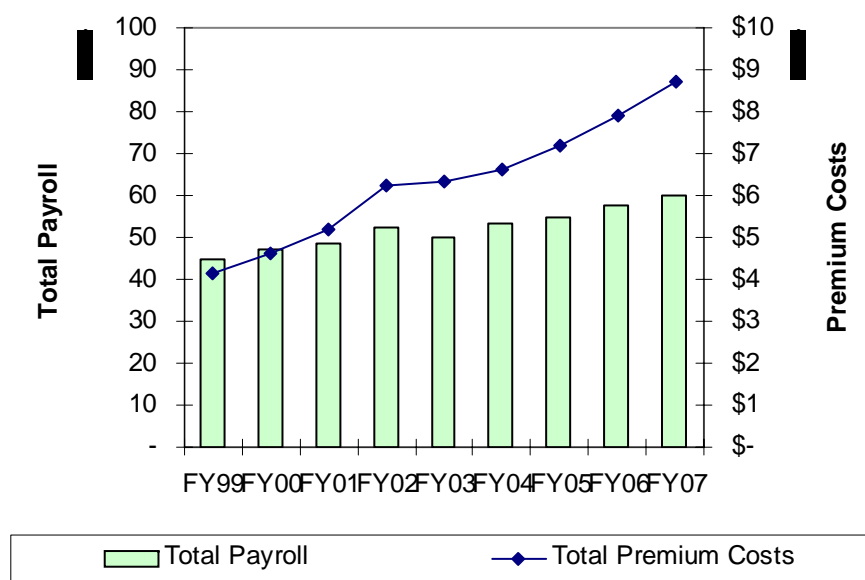
Since premium increases are currently projected to increase much faster than payroll, as the graph above illustrates, Lane must creatively devise and implement additional strategies to restrain these increases. The College has already taken steps to reduce its future rate increases: having all employees covered by the same insurance plan, requiring employees to share in the payment of the insurance premiums, a Section 125 plan, instituting the LIFE employee wellness program; and, investigating the costs/benefits of a potential on-site employee medical clinic. However, more will need to be done to prevent future medical insurance premium increases from consuming all new financial resources.

Issues:

These are some of the strategies that must be devised and evaluated as the College struggles with the ongoing challenge of medical insurance cost escalation.

- Should employees bear a larger share of future health insurance premium increases?
- If the College wants to maintain the same level of benefits, how can the costs of those benefits be contained?
- Could an alliance with other public employers reduce costs?

Employee Annual Health Care Premium Costs v. Total Payroll
(Historical FY99-FY03 and Projected FY04-FY07)

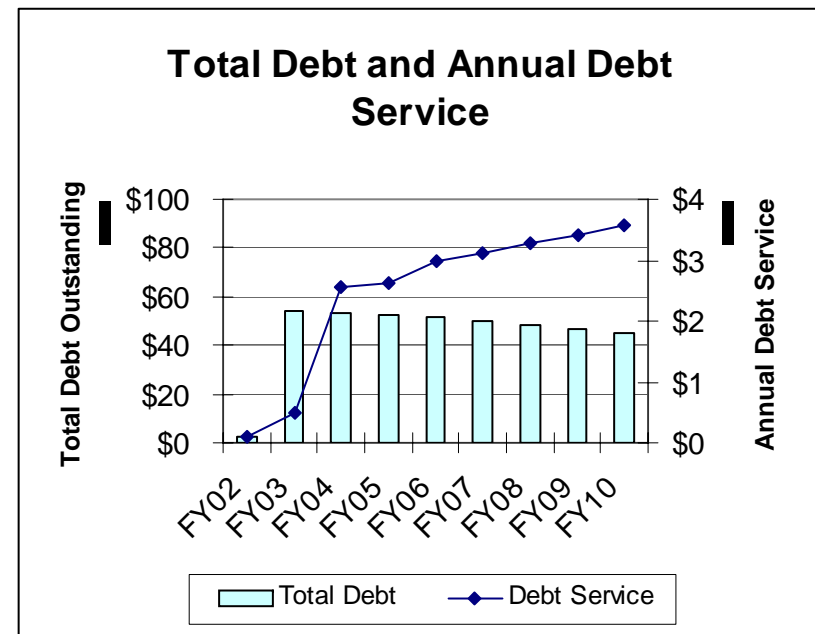


PERS Unfunded Liability- Uncertainties Around Recent Laws

Historically high investment losses since 2000 and the unique benefit structure (“money match” provisions for Tier One employees) have combined to result in a substantial increase in PERS’ Unfunded Actuarial Liability (UAL). In December 2003 Lane was informed by PERS that our share of the UAL exceeded \$ 69 million - - more than the College’s entire General Fund annual operating budget. This amount must be paid (in addition to current employer contributions) to PERS at an 8% interest rate over 26 years. To minimize this annual obligation, Lane issued taxable pension bonds during April 2003 at an average interest rate of 5.8%. To the extent that PERS investment earnings average more than 8% through 2028, the College will have preserved financial resources for use in the General Fund. The payments on these pension bonds must be funded annually by an increase in the College’s fringe benefit (OPE) rates; an additional “overhead” cost of 5.8% for FY 2005. The long term effect of Lane’s share of the PERS UAL on the College’s debt and debt services requirements is represented below:

Issues: The issue of measuring and funding the PERS UAL will remain a College concern for the indefinite future. Lane’s long-range financial plan will have to be adjusted periodically to take future PERS liability developments into account.

- At what level should Lane be continuing to fund a reserve for PERS liability?
- Will the remaining UAL be eliminated by a financial markets rise during the current economic recovery? If it is not eliminated by economic recovery, should Lane issue pension bonds at some future date for the remaining 25% of the UAL?
- Will PERS adequately fund its loss reserves to prevent another funding crisis during the next recession?
- Will current litigation between PERS and contributing employers be resolved on terms that favor employees?
- Will the Oregon Legislature again act to dramatically affect the economic health of PERS and its contributing employers?

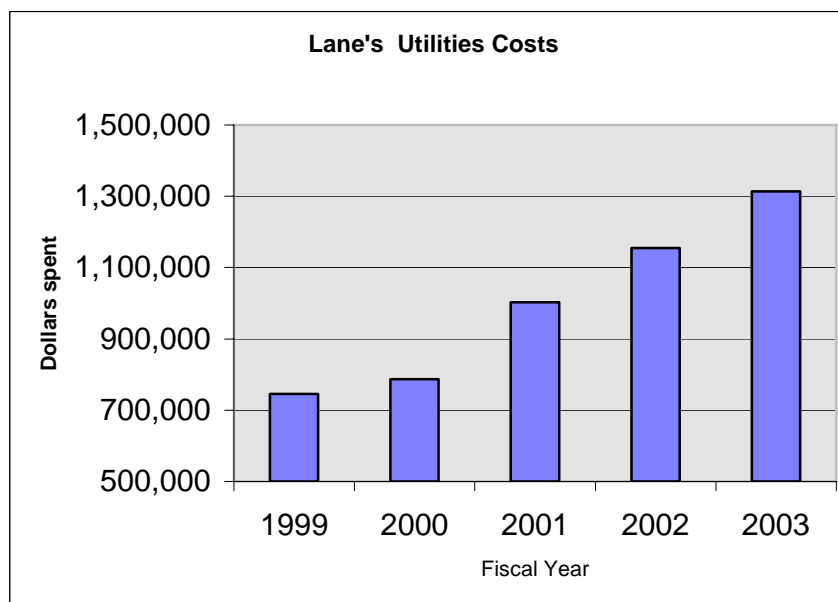


Rising Energy Costs

The College contends with increasing utilities costs for two distinctly different reasons. First, we significantly increased the square footage of facilities with the completion of new buildings which must be heated, cooled and lighted. Second, the entire Pacific Northwest has seen large energy rate increases because of California's insatiable demands and difficulties with Federal deregulation of energy prices. Lane's recent utilities expenditures trend is:

Issues: Avoiding or minimizing the impact of, unexpected, large utility rate increases will be an ongoing issue for Lane.

- Should we become actively involved in "hedging" which is the smoothing of rates accomplished by actively trading energy futures? Should we form or join a larger alliance that actively "hedges?"
- Should we generate a portion of our own electricity by installing photovoltaic technology or by using other alternative energy sources?
- Should we shorten the school year or close the campus between school terms?
- Can the College decrease its demand for electricity and natural gas?



Aging Physical Plant and High Deferred Maintenance Needs

As Lane celebrates its 40th anniversary in 2004, the physical condition of many of our facilities are slowly deteriorating. For a variety of reasons (e.g., no tradition of funding deferred maintenance, concentrating attention and available capital outlay money on recent bond-funded construction, emergency environmental ameliorations, and devoting available resources to direct instruction since 2000), the College has not disciplined itself to adequately fund and perform the necessary major maintenance to its physical plant that will preserve a welcoming and safe learning environment for the next generation. Our recent history of expenditures (see the Plant Operations and Maintenance portion of the following graph) reveals the inadequacy of plant resources in the General Fund. For example, in FY 2003, although the College expended \$5.2 million for Plant O&M, only \$.3 million of that was spent on major maintenance; and, until FY 2004, the total annual budget specifically allocated for major maintenance was only \$120,000:

Issues: The Board has recognized the need to properly maintain our facilities and responded appropriately by adopting Policy E.050, Capital Reserve Funds, which requires that Lane now utilize reserve funds to adequately maintain and repair College facilities according to the Major Maintenance Schedule.

- How will this level of funding be increased and maintained at an appropriate level? Will academic programs and student services have to be reduced?
- Should Lane submit a ballot measure to our voters to provide a portion of the funding? If so, for how much and what effect would this have on credit ratings, debt service levels and future operating budgets?

Underfunding of Equipment Replacement

Another result of the stagnation of state aid revenue during the current recession has been that instructional and support services equipment has not been replaced at the end of its economic life. We have been “making do” with outdated equipment in our efforts to commit the maximum financial resources to direct instruction. The result is that Lane presently has \$5.3 million of equipment in need of replacement and will have an additional need for \$771,000 for FY 2005.

The College has taken steps to begin to remedy this situation. The Board has adopted Policy E.050, Capital Reserve Funds, which establishes reserve funds for equipment and facility upgrades. A desktop computer replacement program, supported by new recurring Capital Outlay funds, is being implemented so that all desktop computers can be replaced regularly.

Issues: To avoid falling even further behind in equipment replacement, Lane will need to determine the appropriate funding level for Capital Reserve Funds and build this amount into its annual budget. This determination could be complex.

- Should the Technology Fee be increased?
- Should equipment-intensive programs assess an additional equipment replacement fee?
- Should Lane dedicate a larger portion of its annual Carl Perkins grant to equipment acquisition?
- What role should Lane’s Foundation and Grants Office play in pursuing equipment replacement funds?

Section IV: Long-Range Strategic Directions

Strategic Directions for the next three to five years beginning in Fiscal Year 2004-2005 fall into three major categories (below). Two of the three categories have long-range goals and outcomes defined, largely by direction of the Board of Education. Specific long-range goals and outcomes in all categories are being developed through the College's unit and strategic planning processes.

1) Transforming Students' Lives

No long-range goals are defined for this category as yet.

2) Transforming the Learning Environment

Goal: Fully fund facilities renovation, remodeling and major maintenance

- *Outcome: Increase capital funding for facilities to \$2.7 million annually by FY09.*

Goal: Fully fund equipment replacement

- *Outcome: Increase Capital Outlay allocations to \$1.3 million annually by FY08.*

3) Transforming the College Organization

Goal: Increase capacity in Human Resources

- *Outcome: Add Payroll Specialist (1.0 FTE) in order to be able to run twice monthly payroll without incurring overtime for staff.*

Several strategies relate to the Strategic Direction to "achieve and maintain financial stability." These are described in detail in the next section.

Section V: Achieve and Maintain Financial Stability

1. Balance General Fund Budget

- *Outcome: Ongoing (recurring) expenditures & other sources will not exceed revenues through FY07*

While the FY03 ending fund balance was relatively healthy, operating expenditures have exceeded annual revenues in each of the last four years. Board Policy E.010 defines a balanced budget as one in which regular operating expenditures do not exceed annual revenues.

After two years of steep tuition increases and program reductions, FY04 is projected to end the year with revenues exceeding expenditures. However, several areas have been seriously under-funded over the last two to four years including: instructional innovation, major facilities maintenance, class sections to meet student demand, capital and computer equipment replacement, and workforce/continuing education. Complete stabilization will not occur until these problems have been addressed within available resources.

2. Stabilize Tuition Rates

- *Outcome: Tuition rates not to exceed inflationary adjustments through FY06.*

Lane has the highest per/credit tuition rate of community colleges in Oregon. Steep increases in tuition rates over the last two years have jeopardized the affordability of a Lane education for many students. (Board Policy D.110 provides for annual tuition adjustments for inflation.)

3. Build Financial Stabilization Fund

- *Outcome: Build a reserve of \$500,000 to buffer expected revenue shortfalls in the next legislative biennium.*

Board Policy E.040 provides the ability to establish a financial stabilization fund in anticipation of revenue shortfalls. Current projections show revenue shortfalls beginning with the 2005-07 Biennium indicating the need to reserve at least \$500,000 over the next two fiscal years.

4. Build Capital Reserves

- *Outcome: Build facilities capital reserve fund to \$1.2 million by FY09*
- *Outcome: Build equipment replacement reserve fund to \$400,000 by FY09.*

Over the last decade, Lane has depleted its capital reserves (except for construction bond funds committed to specific projects.) The College needs to build capital reserves in order to (a) provide a mechanism for funding facilities projects in years when project costs are higher than average and (b) provide funds for emergency maintenance and repairs.

Likewise, the College has no equipment reserves. For the same reasons, the College should build equipment reserves.

(Board Policy E.050 enables the Board to establish reserve funds for capital projects. Board Policy E.010 specifies that a balanced budget must provide adequate funds for capital needs in any given year. Reserves ensure that funds are available for emergencies and for needs in years where capital expenditures are expected to be higher than average.)

Section VI: Strategies in 2005-2006 Budget for Achieving Long-Range Goals

All projects recommended for funding in the FY06 budget are described in detail in accompanying documents. Following are the strategies followed for the one-year period covered by the budget:

1. Limit new recurring expenditures:
 - Fund new recurring activities through reallocation of current resources.
 - Fund new recurring activities with recurring savings or recurring new revenues created by those activities.
2. Build new revenue streams
 - Continue differential tuition program and assess ability to expand or maintain the program into FY07.
 - Build capacity in Foundation to increase fundraising.
 - Develop long-range Transportation Plan for the College for FY07 and beyond.
 - Continue Tuition-Based Program; assess during FY06 in order to plan changes for FY07 and beyond.

Board Policy E.010 specifies that new ongoing expenditures must be supported by recurring revenues. In order to keep Lane's current service level and/or provide additional programs and services, new revenue sources must be identified.

3. Use one-time (non-recurring) funds to invest in Strategic Directions with expected return on investment (in compliance with Board Policy E.060-Budgeting of Non-Recurring Resources):
 - Student retention
 - High-demand classes
 - K-12 connections
 - Sustainability
 - Marketing

LONG-RANGE PLAN APPENDIX A: SUMMARY OF CAPITAL ASSETS REPLACEMENT FORECAST 7-YEAR PLAN

	Assets minus computers
Total value of assets	\$13,562,122
Total value of assets to be replaced	\$9,891,865
Value of assets already beyond useful life	\$4,436,708 ** Backlog **

	FY04	FY05	FY06	FY07	FY08	FY09
Assets due for replacement (does not include backlog)	902,290	771,167	1,063,448	619,012	875,544	646,583
Average annual cost spreading backlog over 7 years	633,815	633,815	633,815	633,815	633,815	633,815
Total Annual Need	1,536,105	1,404,982	1,697,263	1,252,827	1,509,359	1,280,398
Allocation Plan	500,000	700,000	900,000	1,100,000	1,300,000	1,500,000

Notes:

Does not include buildings, grounds, improvements or remodels

Does not include computer items under \$5,000

Includes only those items flagged by departments as items that will be replaced

Does not include purchase of equipment that is in addition to existing equipment

LONG-RANGE PLAN APPENDIX B: FACILITIES MAJOR MAINTENANCE FUNDING PLAN

Proposed Facilities Funding	FY04	FY05	FY06	FY07	FY08	FY09
Capital Improvement	605,000	605,000	605,000	605,000	605,000	605,000
Major Maintenance	300,000	300,000	570,000	840,000	1,110,000	1,380,000
Deferred Maintenance Annual Allocation	120,000	120,000	120,000	120,000	120,000	120,000
Seasonal Maintenance Employees	120,000	129,600	139,968	151,165	163,259	176,319
Parking Lot Maintenance & Improvement	150,000	150,000	150,000	150,000	150,000	150,000
Total Maintenance & Improvement before additional annual allocations	1,295,000	1,304,600	1,584,968	1,866,165	2,148,259	2,431,319
Additional Recurring Allocations						
- Phased in major maintenance allocation	-	270,000	270,000	270,000	270,000	270,000
Total Proposed Recurring Allocation	1,295,000	1,574,600	1,854,968	2,136,165	2,418,259	2,701,319
Proposed Additional Non-Recurring Allocations						
- Deferred maintenance non-recurring catch-up	-	810,000	250,000	250,000	250,000	250,000
- Facilities capital reserve phase in	-	-	300,000	300,000	300,000	300,000
Total Annual Allocation	\$ 1,295,000	\$ 2,384,600	\$ 2,404,968	\$ 2,686,165	\$ 2,968,259	\$ 3,251,319

Budget Projection Assumptions

Fiscal Year 2005-2006 and Beyond

Executive Summary

I. Revenues

A. State Sources

1. The College relies on State projections based on the biennial allocation of funds to the community colleges.
2. The projections for FY05 are based on the “new” funding formula and include \$10.7M expected for allocation by E-Board for FY05. The new funding formula maintains a cap on enrollment.
3. Projections for FY06 and FY07 are based on maintaining final revenue received from the State in FY04/FY05 plus an inflationary adjustment of 2%.
4. A ballot measure to repeal HB2152 (income tax surcharge) would lower Lane’s State revenue by approximately \$900,000 for the current biennium. The projections assume passage of such a ballot measure.

B. Local Property Taxes

1. Property tax revenues are projected using statistical trend analysis based on historical data.

C. Tuition

1. Tuition revenues are projected based on enrollment projections developed by Institutional Research, Assessment & Planning
2. Tuition revenue projections are based on total tuition assessed. Tuition waivers and uncollected tuition are reported as expenditures.
3. Tuition revenues include tuition generated by Fund IX instructional units.
4. Projection of FY05 tuition revenue uses rates adjusted for inflation using the Higher Education Price Index (HEPI) for 2003 (per Board Policy D.110).
5. \$453,000 has been added to projections for differential pricing revenues in FY04. On full implementation of differential pricing in FY05, the revenues are increased to approximately \$586,000. Revenues from differential pricing are increased by the same percentage as tuition increases for FY05 and beyond.
6. For FY06 and beyond, future inflation adjustments use the average annual percentage increase in the HEPI since FY97.

D. Instructional Fees

1. Projections for instructional fees use predicted expenditures based on historical trend analysis.
2. Projections assume that all fees collected at 100%. Uncollected fees are reported as expenditures.
3. All instructional fees are administratively restricted revenue. That is, fees are tied to specific expenditures.
4. Technology Fee revenue is classified as an instructional fee and is a restricted revenue in Fund IX.

E. Investment Income

1. The estimated rate for annual return on investments in FY04 is 1.5%. The rate for FY05 is estimated at 2.0%. Rates are estimated based on historical returns and current economic indicators. The average amount invested is estimated at approximately \$19 million for FY04. The rate and average investment amount will be adjusted throughout the year to match existing conditions.

F. Sale of Goods and Services, Administrative Recovery, All Other Sources:

1. These revenues are projected based on historical trend analysis.

II. Expenditures**A. Personal Services**

1. Personal Services expenditures for FY04 are based on actual position lists.
2. Budgeted figures are used for part-time compensation projections in FY04.
3. Personal Services expenditures for FY04 and beyond use “steps” plus estimated COLA increases each year. Projection scenarios will vary COLA rates to determine the effects of different possible compensation increases.
4. OPE rate is recalculated every year using projected actual costs of benefits. Calculated rate for FY04 is 49.9% for full-time and 32.3% for part-time employees. The calculated rate for FY05 will vary with different scenarios. However, benefit calculations for FY06 and beyond include an estimated annual increase in health premium costs of 10%.

B. Materials & Services

1. Projections use historical trend analysis to predict M&S expenditures for FY04 and beyond.

C. Capital Outlay

1. Projections use historical trend analysis to predict Capital Outlay expenditures after FY04. Because spending on Capital Outlay was curtailed deliberately in FY02 and FY03, the FY04 projection for Capital Outlay has been adjusted upwards to compensate.
2. In FY04, \$200,000 recurring was added to Capital Outlay for equipment replacement. For FY05, FY06 and FY07 an additional \$350,000 recurring is added each year to the projection based on needs identified in the Capital Assets Replacement Forecast. (Note: Equipment needs will be reviewed and documented in the unit planning process taking place this year.)

D. Contingency

1. By Board Policy, the Unappropriated Ending Fund Balance (UEFB) is set at 3% of budgeted General Fund expenditures.
2. According to Local Budget Law, the UEFB budgeted for the current year may not be expended except under extraordinary circumstances and therefore will be part of the total Ending Fund Balance and a resource for the ensuing year (Net Working Capital Unrestricted and part of the Beginning Fund Balance).
3. On the projection spreadsheets, the UEFB amount is added back to the projected Ending Fund Balance as “Minimum Fund Balance (not available for appropriation).”
4. Expenditures of current year Board and Administrative Contingency are included in trend analysis for Personal Services, Materials & Services and Capital Outlay expenditures. (Note: this is a significant change from previous years.)

III. Other Financing Sources

- A. Transfers In and Out are projected using historical trend analysis.
- B. In FY04, \$300,000 was added to the budgeted Transfer Out for major maintenance and \$150,000 was subtracted for the LTD bus pass subsidy now covered by the Transportation fee.
- C. In FY05, \$426,000 is estimated for an additional recurring major maintenance allocation. An additional \$426,000 recurring is added for both FY06 and FY07. These numbers are in accordance with the proposed plan to phase-in adequate annual allocations for facilities maintenance and improvement.
- D. In FY05, \$400,000 is added to Transfers Out for LASR debt service according to the Board approved budget for LASR. In FY06, the debt service for LASR drops to \$200,000.
- E. Intrafund Transfers are projected each year as a result of rebalancing the M&S portion of the Restricted Ending Fund Balance.

IV. Beginning/Ending Fund Balances (Net Working Capital)

- A. For the purposes of projecting future budgets, it is assumed that restricted resources, including Net Working Capital Restricted, are expended according to historical patterns.
- B. All projected carryover (Ending Fund Balance) is “on the table” during budget development. For the current fiscal year (FY04) the Beginning Fund Balance was budgeted at \$6,574,682 on the resource side. The actual Beginning Fund Balance on 7/1/03 was \$6,930,589 or \$355,907 above budget. (Note: These are estimates pending final audit figures.)
- C. The FY05 projections include \$810,000 for “Deferred Maintenance Catch-up.” FY06 and FY07 show \$350,000 each year for maintenance catch-up. These amounts are non-recurring and will be used to fund a backlog of approximately \$2.2 million. Since these are non-recurring expenditures, they are shown as an offset to the ending fund balance. In reality, these funds would be budgeted as a transfer out to Capital Projects Fund 4.

- D. Projections for FY06 and FY07 include \$460,000 each year to establish a Facilities Capital Reserve Fund. These are shown as an offset to the ending fund balance (see explanation for C).

V. Fund IX-Administratively Restricted

Fund IX was created in the FY03 budget to separate from the General Fund those units that rely entirely or primarily on resources other than State revenues, local property taxes and other general use revenues. For the purposes of maintaining historical trends and in order to properly monitor these units, Fund IX revenues and expenditures are included in budget projections spreadsheets under the “Restricted” column.

Glossary of Terms

Ad Valorem Tax: A property tax computed as a percentage of the value of taxable property.

Administrative Contingency: General Fund contingency, consisting of approximately one percent of budgeted revenues, to be used at the discretion of the President and Executive Team.

Adopted Budget: The total spending level for the year, based on estimates, that has been set by the Board of Education

Appropriation: Based on the adopted budget, an authorization from the Board of Education to make expenditures and incur obligations for specific purposes. The appropriation is limited to a single fiscal year.

Approved Budget: The budget that has been approved by the Budget Committee and sent to the Board of Education for adoption.

Assessed Value: Valuation set on real estate or personal property by the Property Appraiser as a basis for levying taxes.

Balanced Budget: A budget whereby operating expenditures do not exceed resources. See Board Policy E.010.

Biennium: A two-year [budget] period.

Beginning Fund Balance: The amount remaining after accounting for the previous year's revenues less the previous year's expenses.

Board Contingency: General Fund contingency, consisting of approximately one-half percent of budgeted revenues, to be used at the discretion of the Board of Education.

Board of Education: Committee of seven elected, unpaid citizens whose primary authority is to establish policies governing the operation of the College and to adopt the College Budget.

Budget: A written report showing a comprehensive financial plan for one fiscal year.

Budget Committee: The fiscal planning board, consisting of the Board of Education plus an equal number of citizens at large from the College District.

Budget Message: An explanation of the budget and financial priorities, presented in writing by the Budget Officer as part of the budget document.

Budget Officer: Person appointed by the Board of Education to oversee the budget process.

Capital Expenditure: An expenditure for an item with cost exceeding \$5,000.

Capital Outlay: An expense classification that includes acquisition of land, buildings, improvements, machinery, and equipment.

Capital Projects Fund (IV): Budget fund used for the acquisition of land, new construction, major remodeling projects, and major equipment purchases.

Capital Reserve Fund: A separate fund within the Capital Projects Fund IV used for planned and unplanned maintenance, repair and replacement of capital and technological equipment.

College District: The College's service area, which encompasses a 5,000 square mile area in Lane County and parts of Linn and Douglas County.

Contingency: A budget account (not for expenditures) to provide for unanticipated occurrences, or funds to be held for future distribution. This function may also be used to provide expenditure authority for obligations created but not expended in previous years.

Debt Service: A special expense classification for repayment of principle and interest on bonds, interest-bearing warrants, and short-term loans.

Debt Service Fund (III): Budget fund for accounting for general long-term debt, principal, and interest.

Differential Pricing: Additional fees based on class clock hours for certain Professional/Technical courses.

Ending Fund Balance: The beginning fund balance plus current year revenues, less current year expenditures.

Endowment Fund (X): Budget fund used to account for gifts and bequests for the benefit of the College.

Enterprise Fund (VI): Budget fund for activities that furnish goods or services to students, staff or the public, for which charges or fees are assessed that are directly related to the cost of the good or service provided.

Expenditure: An amount of money, cash or checks actually paid or obligated for payment due to the purchase of goods and services, the payment of salaries and benefits, and the payment of debt service.

Financial Aid Fund (V): Budget fund used for the provision of grants, stipends, and other aid to enrolled students.

Fiscal Year: The twelve-month financial period used by the College, which begins July 1 and ends June 30.

FTE: See Full-Time Equivalent

Full-Time Equivalent (FTE): The equivalent of a full-time employee or student. For example, two half-time employees equal one FTE employee.

Fund: A division in a budget segregating independent fiscal and accounting requirements. An entity within a financial plan designed to carry on specific activities or to reach certain objectives.

Fund Balance: The excess of a fund's assets over liabilities.

FY: See Fiscal Year

FY06: Fiscal Year running from July 1, 2005 to June 30, 2006.

General Fund (I): The primary operating fund of the College, that includes all activities directly related to the College's basic educational objectives.

GFOA: See Government Finance Officers Association.

Government Finance Officers

Association: The professional association of state/provincial and local finance officers in the United States and Canada.

Interfund Transfer: An amount to be given as a resource to another fund in the budget.

Internal Service Fund (II): Budget fund for functions that exist primarily to provide goods and services to other instructional and administrative units of the College.

Mandatory Adjustments: Adjustments for expenditures that are primarily beyond the control of the College, such as facilities leases, utilities, insurance premiums and maintenance contracts.

Materials and Services: An expense classification that includes contractual and other services, materials, supplies, and other charges.

Modified Accrual Basis: Basis of accounting under which revenues are recorded when they become measurable and

available. Expenditures are recorded when the liability is incurred, except for interest on general long-term obligations, which are recorded when due.

Non-Recurring Resources: Resources (revenues) that are not part of an annual revenue stream to include: fund balances, reserves, one-time grants and awards, and special allocations.

OAR: See Oregon Administrative Rules.

OPE: See Other Payroll Expenses

Oregon Administrative Rules: A compilation of state agency rules and procedures.

Oregon Public Employees Retirement System (PERS): Retirement system provided by the State of Oregon for all public employees.

Organizational Unit: Functional unit of the College.

Other Payroll Expenses (OPE): An expense classification that includes the costs of social security, PERS, medical insurance, and other fringe benefits and payroll-related items accruing to an employee.

PERS: see Oregon Public Employees Retirement System.

Personal Services: An expense classification that includes all salaries and wages and other payroll expenses (OPE) associated with these expenditures.

Proposed Budget: Financial and operating plan prepared by the Budget Officer, submitted to the public and Budget Committee for review.

Quasi-Endowment Fund: See Endowment Fund.

Resolution: An order of the Board of Education.

Resources: Estimated beginning fund balances on hand plus all anticipated revenues and transfers.

Requirement: A use of funds or expenditure.

Revenue: Monies received or anticipated.

Salary Provision Budget: Contingency budget used to cover employee compensation increases during the fiscal year. The funds in this budget are distributed to departments as compensation packages are finalized.

Special Revenue Fund (VIII): Budget fund that accounts for revenues that are legally restricted to expenditures for specific purposes, such as federal grants and contracts.

Special Revenue- Administratively Restricted Fund (IX): Budget fund for programs where monies are administratively restricted. Activities recorded in this fund generate revenue primarily through specifically-assessed tuition and fees, or through other revenue-generating activities.

Stabilization Reserve Fund: A separate fund, established at the request of the Board of Education, for the purpose of providing short-term stabilization in anticipation of possible shortfalls in revenue.

Total Public Resources: Revenue received from State funding as appropriated by the legislature and local property taxes as assessed by the counties.

UAL: See Unfunded Actuarial Liability

Unappropriated Ending Fund Balance (UEFB): A special amount set aside in a budget for use as a resource in the beginning of the next fiscal year after it was budgeted.

Unfunded Actuarial Liability: Amount PERS has determined to be owed by participating governments to fully fund the retirement system.