



BUDGET DOCUMENT
FISCAL YEAR 2006-2007

Lane Community College
2006-2007 Budget Committee

Stephen Alison
Jay Bozievich
Bert Dotson
Roger Hall
John Hamilton

Paul Holman
Pat Riggs-Henson
Susie Johnston
Larry Romine
Michael Rose

Dennis Shine
Jerry Sirois
Chris Turek
Rick Yecny

Table of Contents

General Information

About Lane Community College	i
Board of Education.....	iii
Organization Chart	iv
Organizational Units	v
Budget Structure and Functions	
Basis of Budgeting.....	vi
Funds.....	vii
Revenue Sources	viii
Expense Functions	ix
Expenditure Categories	x
Budget Planning.....	xi
Budget Development Process.....	xii
Budget Message.....	1
Legal Notifications.....	6
Budget Schedules	
Summary - All Funds.....	13
Consolidated Resources & Requirements—All Funds	14
Interfund Transfers	15
General Fund I	
Resources.....	17
Expenditures and Other Requirements.....	18
Requirements by Expenditures Category	21

Budget Schedules (continued)

Internal Service Fund II.....	24
Debt Service Fund III.....	25
Capital Projects Fund IV	26
Financial Aid Fund V.....	27
Enterprise Fund VI	28
Special Revenue Fund VIII	30
Special Revenue Fund IX – Administratively Restricted	32
Endowment Fund X.....	34
Personal Services	
FTE by Expense Function.....	35
Salaries Paid from More than One Source	37

Appendices

Appendix A: Financial Policies	A-1
Appendix B: Local & Regional Information.....	B-1
Appendix C: Economic Forecast.....	C-1
Appendix D: Long-Range Financial Plan	D-1
Appendix E: Budget Projection Assumptions	E-1
Appendix F: Glossary of Terms.....	F-1



GENERAL INFORMATION

General Information

About Lane Community College

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 2004-05 academic year 15,542 students enrolled in credit classes and 14,326 students 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 336,000 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

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 veteran 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.

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

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

Pat Riggs-Henson, Employment Specialist, Springfield, elected May 2005, term expires June 30, 2009

Zone 3-Marcola and Springfield

Susie Johnston, Conference Planner, Pleasant Hill, elected May 2005, term expires June 30, 2009

Zone 4-Eastern

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

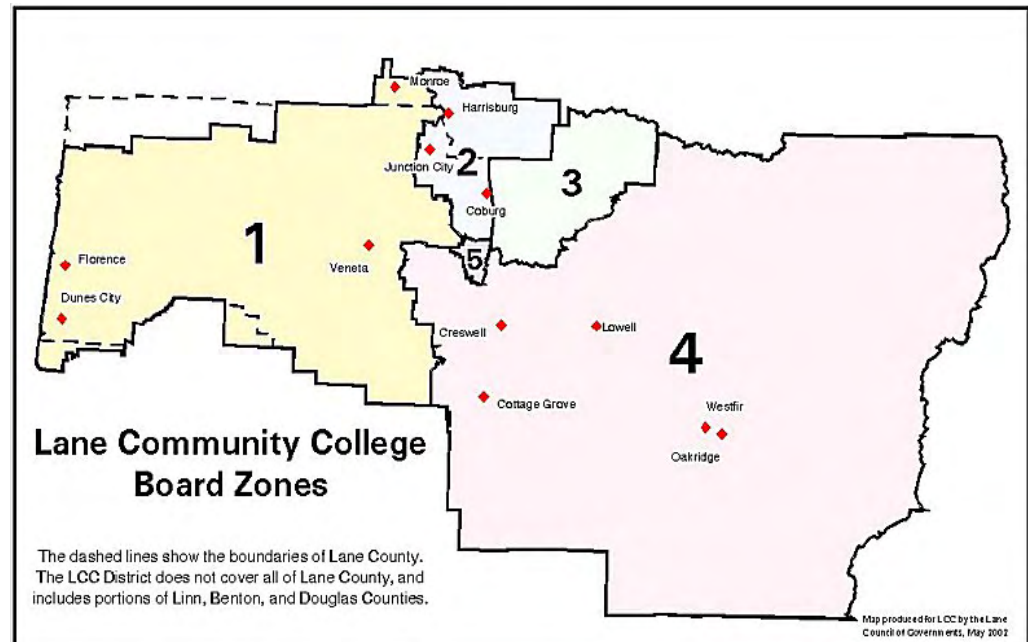
Zone 5-Central Eugene

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

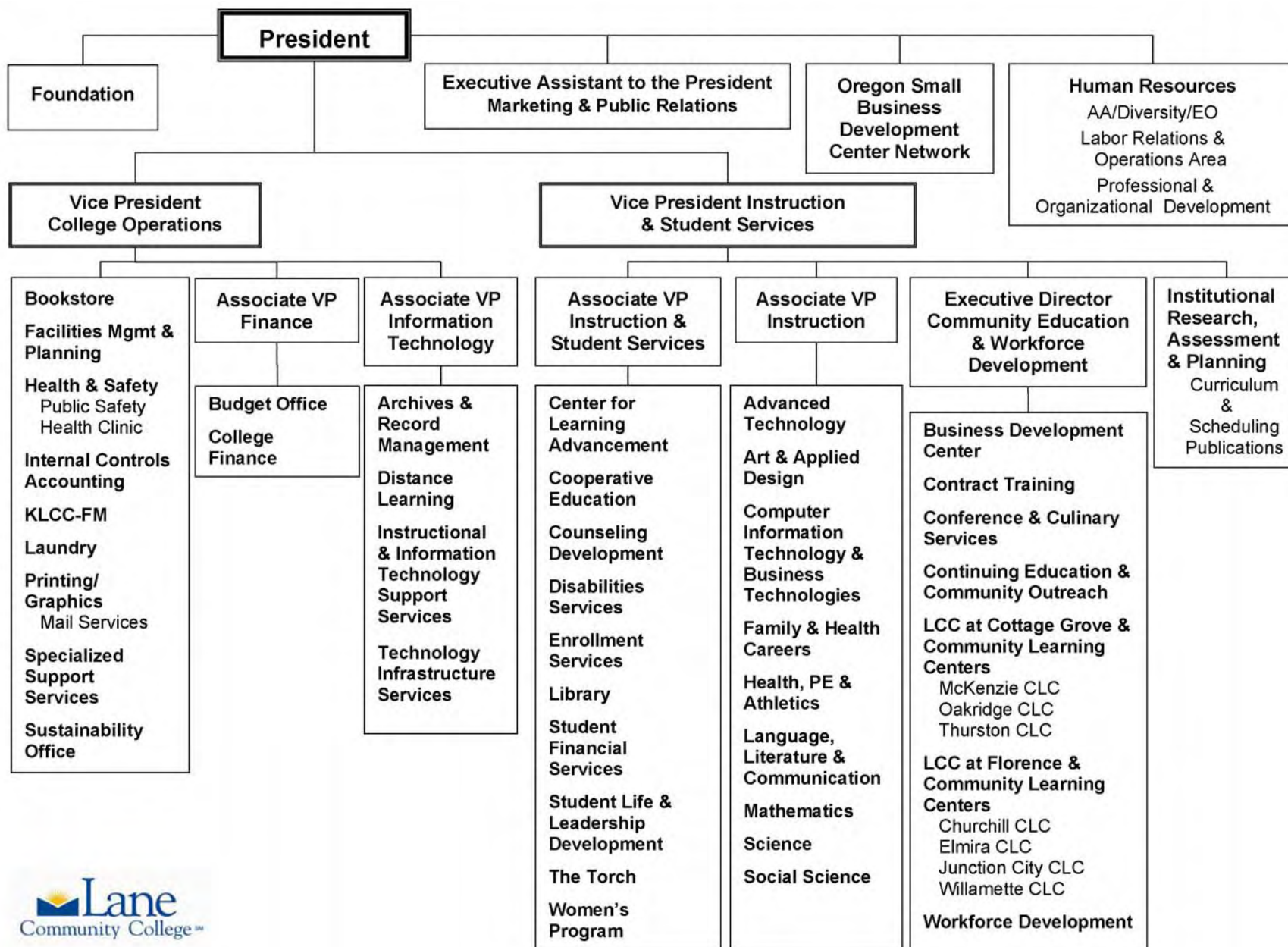
At-Large, Position 6

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, mission, core values and strategic directions of the college. The college's Instructional Plan is the driving force behind all other organizational units 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. College Support Services areas include the Board of Education, governance system and administration, human resources, marketing and public relations, college operations, finance, computer services, and public safety.

Plant Operations and Maintenance

Plant Operations and Maintenance ensures 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, sustainability, and facilities management and planning.

Budget Structure and Functions

Basis of Budgeting

For the budget document, Oregon Budget Law requires that a modified accrual basis of accounting is used, which determines when and how transactions or events are recognized. As discussed in the Budget Message, this means “revenues are reported when earned, expenditures are reported when the liability is incurred and taxes are accounted for on a cash basis, i.e. when received. The result is that carryovers of financial obligations from year-to-year are precluded and projections of anticipated revenue are not inflated.”

The college budgets all college funds required to be budgeted, the General Fund and all Auxiliary Funds, in accordance with the Oregon Local Budget Law on a Non-GAAP budgetary basis, whereas Generally Accepted Accounting Principles (GAAP) provides the structure for the basis of accounting used for financial statement reporting. The differences between GAAP and the budgetary basis of accounting generally concern timing of recognition of revenues and expenditures. Thus, there are no differences between fund structure in the financial statements and the budget document.

The basic financial statements present the college and its component unit, Lane Community College Foundation, for which the college is considered to be financially accountable. The Foundation, a legally separate tax-exempt entity, is a discretely presented component unit and is reported in a separate column in the basic financial statements. The budget document presents college information exclusive of Foundation data.

Under GAAP, The basic financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the years in which they are levied. Grants and other similar types of revenue are recognized as soon as all eligibility requirements imposed by the grantor have been met.

Material timing differences in expenditures between GAAP and the budgetary basis of accounting include capital expenditures, which under GAAP are allocated to depreciation expense over a specified period of time. In the budget document, capital expenditures are assigned in full to operations expense. With respect to debt service, payments to principal reduce the liability on the financial statements while interest payments are expensed. Under the budgetary basis of accounting, both principal and interest are expensed to operations within the fiscal year.

Funds

Lane Community College's budget is segregated into the following funds, appropriated by the Board of Education. Each fund is independently budgeted, operated and accounted for. The college's primary budgeting and operational funds are the General Fund (I) and the Special Revenue Fund – Administratively Restricted (IX).

Fund I: General Fund

Includes 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.

Revenue Sources

Intergovernmental

Also known as total public resources, intergovernmental resources include Lane's allocation of community college funding from the State of Oregon, resources from various unrestricted federal, state and local contracts, and local property tax revenue. **State community college funding resources** are determined by the state legislature's funding distribution formula and are calculated on a biennial basis. **Federal**, state, and local unrestricted resources are budgeted using statistical trend analysis. **Property tax** revenue is determined by annual property tax levy and is budgeted using estimates provided by the state and through statistical trend analysis.

Tuition

Credit tuition is generated by assessing students per-credit-hour rates, which are annually adjusted for inflation using the Higher Education Price Index (HEPI) per Board of Education policy D.110. Non-credit tuition is generated by charging varying rates per course, based on course costs and market forces. Tuition resources are budgeted based on enrollment projections developed by the college's Institutional Research and Planning department.

Instructional Fees

Instructional fees are generated by assessing students for course-related expenses such as art supplies. All instructional fees are administratively restricted resources that are tied specifically to instructional expenditures and are not available for general allocation. Departmental instructional fees are established based on estimated materials and services costs and are approved by the Board of Education. Instructional fees are budgeted based on enrollment projections that are developed by the college's Institutional Research and Planning department and historical trend analysis.

Interest Income

Interest income is derived from investment of operating capital in excess of daily requirements.

Fees (Non-Instructional)

Non-instructional fees are generated by assessing students for non-instructional expenses such as student body fees, transportation fees, and technology fees. Individual fee amounts are approved by the Board of Education and budgeted based on enrollment projections and historical trend analysis.

Sale of Goods and Services

Sales of Goods and Services are generated through the college's Enterprise and Special Revenue activities, including such units as the Bookstore, Food Services, Center for Meeting and Learning, Health Clinic, and Printing & Graphics. Sale of Goods and Services revenue is budgeted based on historical trends and factors in known variables.

Administrative Recovery

Administrative Recovery includes amounts received from college enterprise funds such as the Bookstore, Foodservices and Center for Meeting and Learning (CML), as well as from various federal, state and local grants and contracts as a contribution to the General Fund for administrative and overhead costs.

Contingency

A budget account only to provide for the receipt of unanticipated resources that may occur during the year. Contingency provides budget authority that can be moved to increase the appropriate resource account category within the fund.

Other Resources

Include resources from various activities such as finance charges, insurance proceeds, sale of equipment, enforcement fees and other nominal, one-time miscellaneous amounts. Budgeting is based on historical trend analysis.

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, 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 to hold funds for future distribution. This function may also be used to provide expenditure authority for obligations created but not expended in previous years.

Expenditure Categories

Personal Services

Personal Services expenditures include all full-time and part-time payroll plus other payroll expenses (OPE). Payroll is budgeted using actual position lists, factoring in performance and cost of living adjustments, and any anticipated contract changes to union wage schedules. OPE rates are budgeted using benefits cost projections, including amounts for various employment-related taxes, health and life insurance premiums, retirement fund contributions, employee wellness programs, and other direct employee benefits.

Materials & Services

Materials & Services expenditures include items such as office support supplies for instructional and operations departments, non-capitalized equipment, travel and maintenance. Materials & Services is budgeted using historical trend analysis.

Capital Outlay

Capital Outlay expenditures include all equipment purchases with a single item cost in excess of \$10,000 and with a useful life exceeding two years. Capital Outlay is budgeted and allocated according to the Capital Assets Replacement Forecast 7-Year Plan approved by the Board of Education beginning fiscal year 2003-04.

Transfers Out

Interfund transfers out include resource funding of specific amounts to another fund for an identified purpose. The majority of transfers out occur in the General Fund and include items such as transfers to the Financial Aid Fund to cover institutional scholarships and institutional match obligations, and transfers to the Capital Projects Fund for capital repairs and improvements, special projects, capital reserves and deferred maintenance.

Debt Service

Debt Service includes amounts transferred out to the Debt Service Fund to cover current payment of long-term debt obligations entered into by the college.

Contingency

Contingency is a budget account used to provide for unanticipated items, or to hold funds for future distribution. This category may also be used to provide expenditure authority for obligations created but not expended in previous years.

Budget Planning

As indicated in the budget planning diagram at right, budget planning at Lane Community College is an iterative and participative process that involves all campus constituencies.

College Council

As the college's main planning and policy body, the College Council takes a lead role in establishing the annual budget development framework and providing budget addition and reduction recommendations to the Board of Education.

Board of Education

The Board of Education is responsible for reviewing and approving the proposed budget development framework, advising the administration on proposed addition and reduction recommendations, and approving the final list of additions and reductions.

Administration and Executive Team

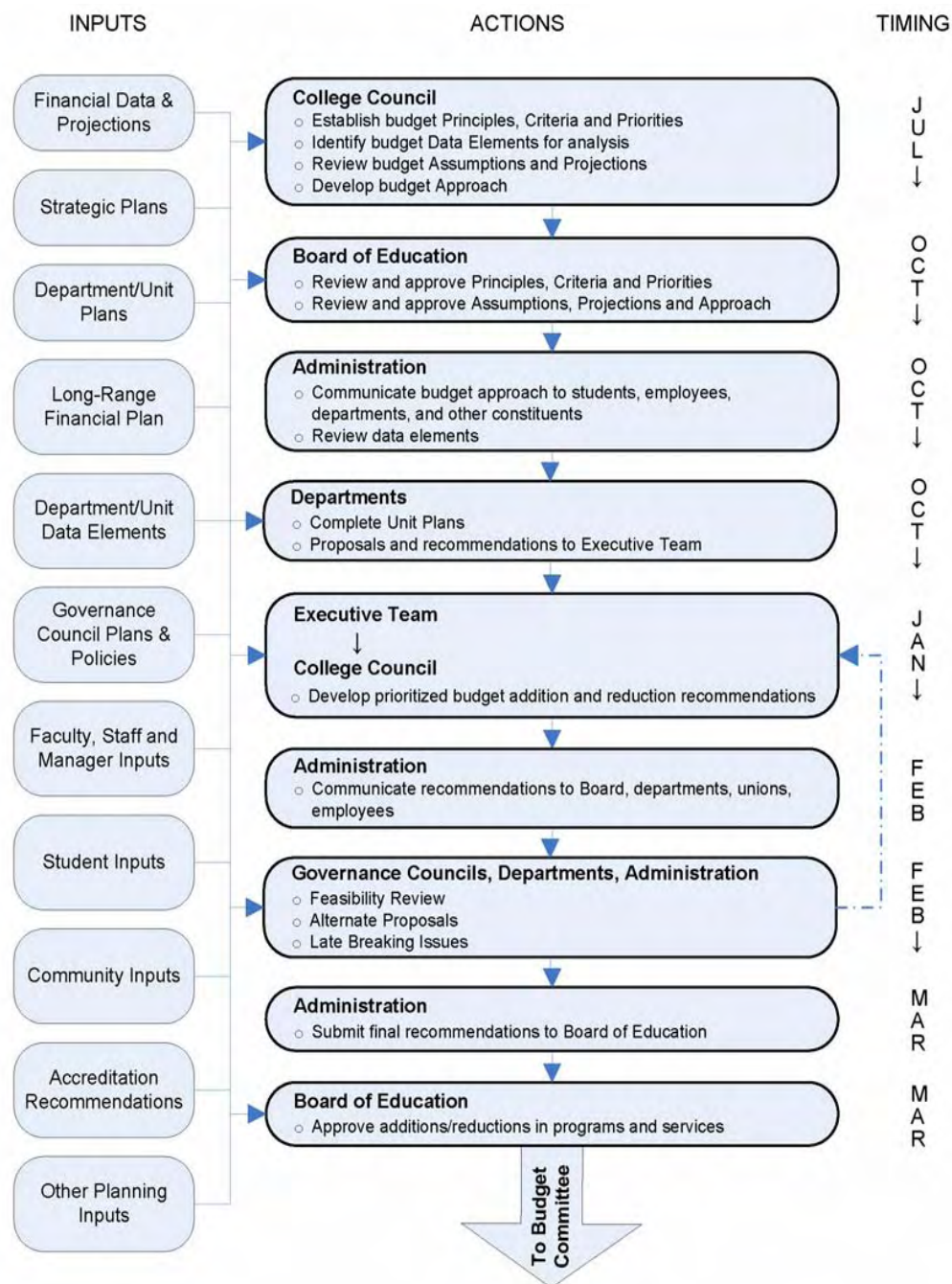
The administration and Executive Team are responsible for providing guidance to the work of the College Council, communicating budget information to campus constituencies, and reviewing and prioritizing addition and reduction recommendations.

Departments

College departments are responsible for providing detailed unit plans and budget data elements to the College Council and administration, providing proposals and assessing the feasibility of recommendations for additions and reductions.

Governance Councils

Governance Councils provide plans and policies that serve as a framework for budget proposal development.



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 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 and base expenditures budget
- C. Estimate preliminary surplus/deficit
- D. Determine tuition rate
- E. Develop changes to base and final budgets in accordance with internal planning processes and Board of Education approval (see page xi).
- 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).

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.

2006-2007 Budget Calendar



* Oregon Revised Statutes (ORS) section 294: <http://www.leg.state.or.us/ors/294.html>

VI. Budget Approval

When the Budget Committee is satisfied with the proposed budget, including any additions to or deletions from the budget 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 citizen 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 for the fiscal year starting July 1.

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 Amendment Process

Budget estimates as shown in the Budget Document may be amended by the Board of Education 1) prior to formal adoption, or 2) after formal adoption if amendments are adopted prior to the commencement of the budget fiscal year *and* the amount of estimated expenditures for each fund is not increased by more than \$5,000 or 10% of the original adopted expenditures, whichever is greater. If special circumstances, unforeseen at the time of original adoption, require an increase of more than 10% of original adopted expenditures, an amended Budget Document must be republished and another public budget hearing must be held.

Total ad valorem property tax amounts or rates may not be increased following formal adoption of the Budget Document unless 1) an amended Budget Document is republished and another public budget hearing is held, and 2) the college obtains written approval and files a supplemental notice of property tax.



BUDGET MESSAGE

Budget Message

Strategic Directions through Fiscal Year 2007-2008

The proposed budget for fiscal year 2006-2007 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 2006-2007

Public funding for the second year of the current Biennium (fiscal year 2006-2007) will be significantly under that necessary to maintain current service levels for Lane Community College. This situation is the result of state funding shortfalls since 2000-2001, phase-in of a new community college funding distribution formula, and weak enrollment growth since FTE losses from program reductions and tuition increases in 2002-2004.

The recommended budget for fiscal year 2006-2007 includes reductions in services to close a \$6 million shortfall but continues efforts to stimulate enrollment growth. Enrollment in 2005-2006 increased, especially in non-credit areas, and plans for 2006-2007 include continued 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 overall to costs.

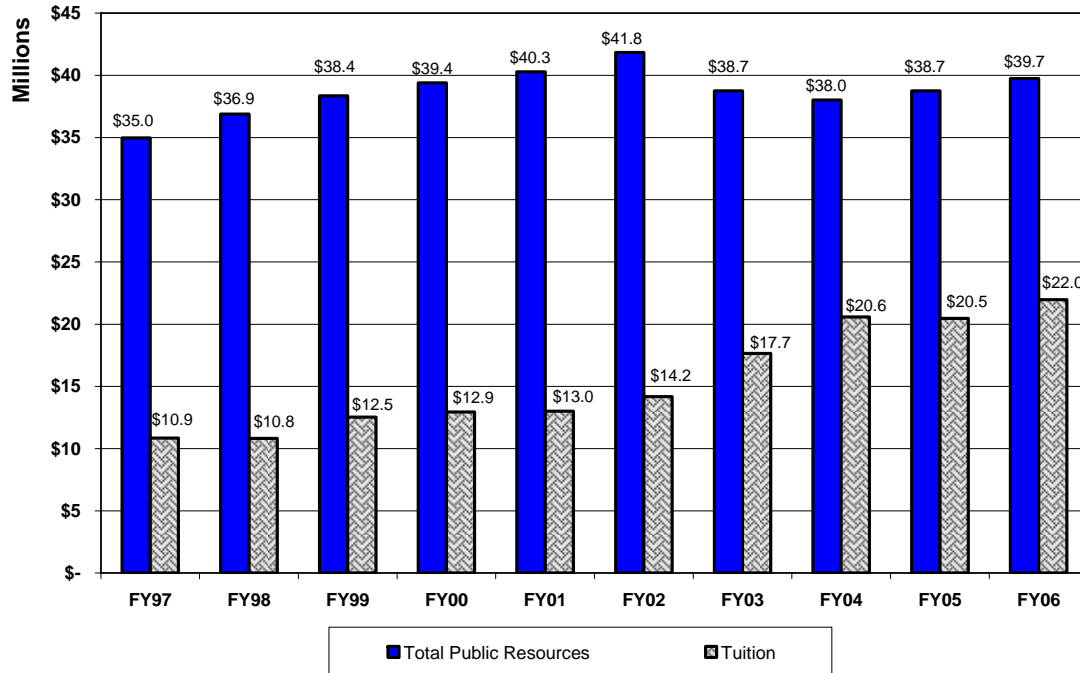
At the beginning of this budget development cycle, we were deeply concerned about the possibility of large increases in employee health insurance costs and uncertainty about employer costs increases for the Oregon Public Employees Retirement System (PERS). While the trends in these two areas remain concerns for the future, costs to the college for PERS and employee health care will not increase in 2006-2007. 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 and PERS employer rates are not scheduled to change again until July 2007. Lane's investment in wellness and primary health care services to employees has had a positive impact on health insurance premiums with no increases to premium costs for 2006-2007. 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. The long-term disinvestment in Oregon public education continues to be a major concern for the future financial stability of the college. Public funds allocated to Lane are still below 2000-2001 funding levels.

Fiscal Year 2006-2007 Budget Strategies:

- 1) Targeted enrollment growth.
- 2) Reductions in staffing levels that have no direct impact on instruction.
- 3) Other recurring and non-recurring reductions that have a limited impact on instruction.
- 4) Redesign of work processes and improved technology systems to make work more efficient.
- 5) Hold stabilization and reserve fund levels in anticipation of need in 2007-2008.
- 6) Redesign of instruction to take place prior to budget development for 2007-2008.
- 7) Planning for 2007-2009 Biennium.

Total Public Resources & Tuition Revenues



General Fund Budget for Fiscal Year 2006-2007

In 2004-2005, expenditures exceeded revenues by approximately \$3.5 million. In 2004-2005 and 2005-2006, the college invested heavily in instruction and student access in order to boost enrollment. Increases in Personal Services expenditures account for most of the deficits in 2004-2005 and the current year. Vacant instructional positions, usually covered by part-time employees, were largely filled by full-time interim appointments, thereby significantly increasing expenditures. This investment in instruction was necessary to recover from enrollment losses in 2002-2003 and 2003-2004 due to budget reductions and steep tuition increases. Enrollment has a direct impact on the state funding distribution formula and increases in the current year will start to positively impact Lane's revenues in 2007-2008.

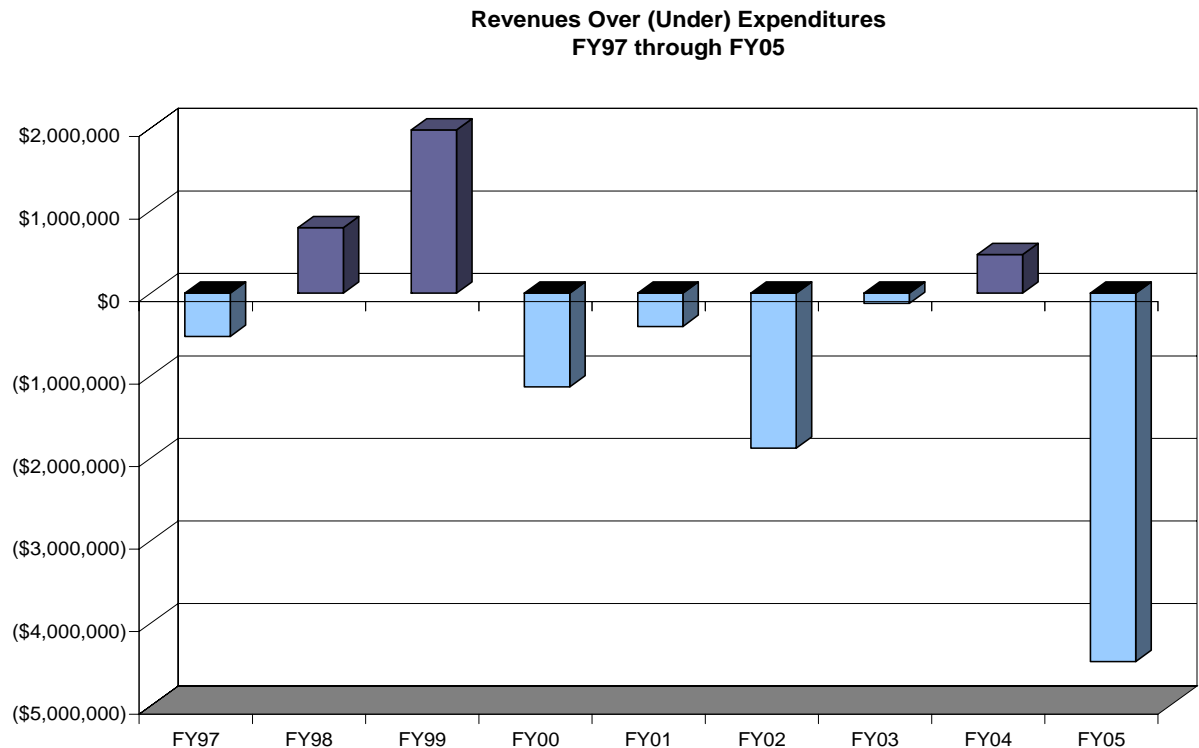
The projected funding shortfall for 2006-2007 is just under \$6.0 million. The administration is recommending a budget package that reduces \$6.0 million in expenditures, including both recurring and non-recurring reductions, to balance the budget.

Resources

The total proposed General Fund budget for fiscal year 2006-2007 is \$75.0 million, a 8.5% decrease from the 2005-2006 adopted budget.

The revenues from Total Public Resources (including state revenue and property taxes imposed) for 2006-2007 will be \$38,147,000 which represents a decrease of \$1.6 million from the current fiscal year. The decrease is the result of enrollment losses from 2002-2003 through 2004-2005 and transition to the new funding distribution formula which now counts these enrollments in calculating the distribution to each college as of the current fiscal year. Starting in 2007-2008, Lane should start to benefit from the new distribution formula as equity is phased into the formula.

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. Property taxes and State revenues are combined in the "Intergovernmental Resources" line and footnotes show the detail of the two revenues.

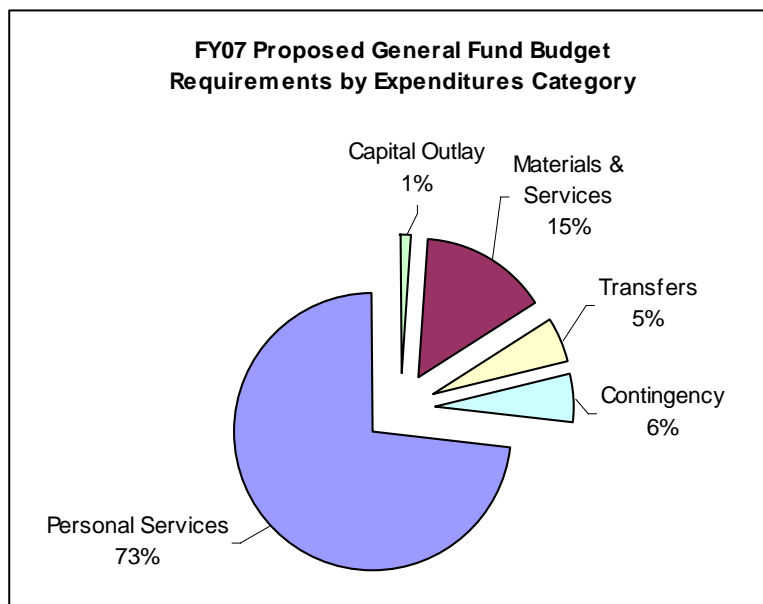


The 2006-2007 Budget includes a \$2.50 per credit (or 4.0%) inflationary adjustment in tuition as previously approved by the Board of Education according to Board Policy D.110 (Tuition). Differential pricing was introduced in FY04 when the college began charging higher fees tied to class clock hours for some Professional/Technical programs. The proposed budget extends differential pricing into FY07 for selected Professional/Technical programs. Final enrollment figures are not yet available for 2005-2006, although the college is on target for approximately a 4% overall increase in FTE above 2004-2005. FTE for 2006-2007 is projected to increase another 2% over the current year.

Expenditures

The Personal Services expenditure budget has decreased by \$2.0 million or 3.5%, from fiscal year 2005–2006. These reductions comprise elimination of 48.5 FTE in contracted positions and decreases of approximately \$950,000 in part-time classified and part-time faculty. Personal Services accounts for approximately 81.5% of the budgeted expenditures (exclusive of Transfers Out) in 2006-2007. In addition, the Materials and Services budget has decreased by \$370,000 and Capital Outlay has decreased by \$286,000. Transfers Out decreased by \$498,000.

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 and subsequent court rulings are expected in July 2007.

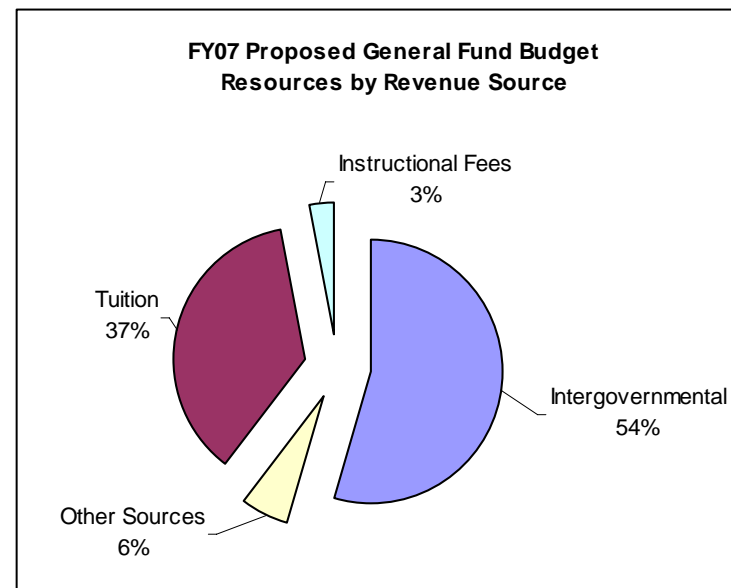


College costs for employee health insurance premiums will not increase in 2006-2007. Lane's employee wellness program and primary care health clinic for employees continue to exert a positive impact on Lane's insurance experience ratings keeping premium costs down. Other Personal Expense (OPE) rates will decrease in 2006-2007 to 51.5% for full-time and 31.1% for part-time employees. The 2005-2006 rates were 53.8% and 40.2% respectively. Lane's PERS employer rate is decreased overall in 2006-2007. This is because of a decision by the PERS Board to spread Unfunded Actuarial Liabilities across both PERS Tier 1/Tier 2 employees and OPSRP employees.

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

- Increase in the Unappropriated Ending Fund Balance from \$2,220,000 to \$2,400,000.

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.



Special Revenue- Administratively Restricted Fund (Fund IX)

The proposed budget for Special Revenue Administratively Restricted Fund IX decreased by \$1.7 million from 2005-2006. This decrease is almost entirely the result of a Beginning Fund Balance of approximately \$2 million less than 2005-2006. Fund IX includes approximately \$3.5 million in the 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 2006-2007. 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 2006-2007 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 Operation

TOTAL BUDGET: ALL FUNDS

General Fund (I)	\$75,028,000
Internal Services Fund (II)	2,923,000
Debt Service Fund (III)	9,300,000
Capital Projects Fund (IV)	7,120,000
Financial Aid Fund (V)	47,575,000
Enterprise Fund (VI)	10,684,000
Special Revenue Fund (VIII)	14,096,000
Special Revenue: Admin Restricted (IX)	13,971,000
Quasi-Endowment Fund (X)	462,000
Total All Funds	\$ 181,159,000



LEGAL NOTIFICATIONS

GUARD PUBLISHING COMPANY

P.O. BOX 10188 PHONE (541) 485-1234
EUGENE, OREGON 97440

Legal 8928533
Notice

Legal Notice Advertising

LANE COMMUNITY COLLEGE
BUDGET OFFICE
4000 E 30TH AVENUE
EUGENE, OR 97401

AFFIDAVIT OF PUBLICATION

STATE 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 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 24, 2006

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, 2006 to June 30, 2007 will be held at 4000 East 30th Avenue, Eugene, Oregon 97405. The meeting will take place on the 10th day of May, 2006 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 11, 2006 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 17, 2006. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee.
Dated this 24th day of April, 2006.
s/Marie Matsen,
Budget Officer
Lane Community College
No. 8928533 - April 24, 2006

Subscribed and affirmed to before me this **April 26, 2006**

Babs Ford

Notary Public of Oregon

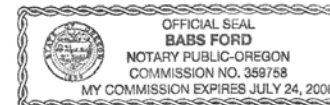
My commission expires: **July 24, 2006**

Account #: **1000275**

INVOICE **8928533**

Case: **May 10, 2006 First Notice**

Amt Due: **\$81.59**



GUARD PUBLISHING COMPANY

P.O. BOX 10188 PHONE (541) 485-1234
EUGENE, OREGON 97440Legal 8928555
Notice

Legal Notice Advertising

LANE COMMUNITY COLLEGE
BUDGET OFFICE
4000 E 30TH AVENUE
EUGENE, OR 97401

AFFIDAVIT OF PUBLICATION

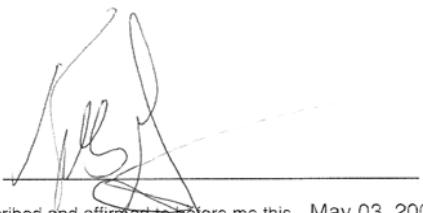
STATE OF OREGON, }
COUNTY OF LANE, } ss.

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 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:

May 2, 2006

SECOND 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, 2006 to June 30, 2007 will be held at 4000 East 30th Avenue, Eugene, Oregon 97405. The meeting will take place on the 10th day of May, 2006 at 4:30 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 11, 2006 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 17, 2006 at 5:30 p.m. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee.
Dated this 2nd day of May, 2006.
s/Marie Matson,
Budget Officer
Lane Community College
No. 8928555 - May 2, 2006

Subscribed and affirmed to before me this May 03, 2006


Babs Ford
Notary Public of Oregon

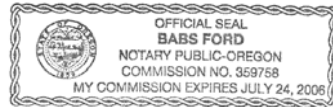
My commission expires: July 24, 2006

Account #: 1000275

INVOICE 8928555

Case: May 10, 2006 Second Notice

Amt Due: \$81.59



GUARD PUBLISHING COMPANYP.O. BOX 10188 PHONE (541) 485-1234
EUGENE, OREGON 97440

Legal Notice 9026771

Legal Notice AdvertisingLANE COMMUNITY COLLEGE
BUDGET OFFICE
4000 E 30TH AVENUE
EUGENE, OR 97401**AFFIDAVIT OF PUBLICATION**STATE OF OREGON, }
COUNTY OF LANE, }

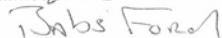
ss.

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 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 4, 2006



Subscribed and affirmed to before me this June 13, 2006



Notary Public of Oregon

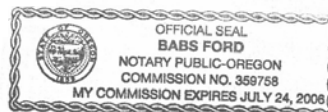
My commission expires: July 24, 2006

Account #: 1000275

INVOICE 9026771

Case: June 14, 2006

Amt Due: \$716.40

**NOTICE OF BUDGET HEARING**

A meeting of the Lane Community College Board of Education will be held on June 14, 2006 at 6:45 p.m., at Lane Community College, 4000 E. 30th Avenue, Administration Building (3), Room 216. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2006, 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, 4000 E. 30th Avenue, Eugene, Oregon, between the hours of 8 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.

County: Lane; City: Eugene; Date: May 25, 2006; Chairperson of Governing Board: s/Roger Hall; Telephone: (541) 463-3000.

FINANCIAL SUMMARY**TOTAL OF ALL FUNDS****Anticipated Requirements**

	Adopted Budget This Year 2005-2006	Approved Budget Next Year 2006-2007
Total Instruction	51,707,305	52,709,523
Total Support Services	94,847,450	85,701,658
Total Enterprise and Community Services	18,231,994	17,514,880
Total Facilities Acquisition and Construction	8,095,000	5,119,961
Total Other Uses (Includes Debt Service and Transfers)	13,838,861	13,956,253
Total Contingencies	19,163,760	9,569,570
Total Unappropriated or Ending Fund Balance	2,220,000	2,400,000
Total Requirements	202,715,222	181,159,098

Anticipated Resources

Total Resources Except Property Taxes	184,463,074	162,341,005
Total Property Taxes to be Received	18,252,148	18,818,093
Total Resources	202,715,222	181,159,098

Estimated Ad Valorem Property Taxes

Total Property Taxes to be Received	18,252,148	18,818,093
Plus: Estimated Property Taxes Not to be Received		
A. Loss Due to Constitutional Limit	184,510	155,018
B. Discounts, Other Uncollected Amounts	300,084	1,202,957
Total Tax Levy	18,736,742	20,176,068

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	5,620,280	5,181,000

STATEMENT OF INDEBTEDNESS**Debt Outstanding as Summarized Below**

Estimated Debt Outstanding at the Beginning of the Budget year July 1, 2006-2007 Approved Budget Year	15,210,000
Bonds	54,087,069
Other	

FUNDS NOT REQUIRING A PROPERTY TAX TO BE LEVIED**Internal Service Fund, 2**

	Actual Data Last Year 2004-2005	Adopted Budget This Year 2005-2006	Approved Budget Next Year 2006-2007
Total Support Services	1,413,453	1,865,735	1,793,196
Total Other Uses	195,867	301,212	330,015
Total Contingencies		800,000	800,000

Total Unappropriated or Ending Fund Balance	99,032
Total Requirements	1,708,352
Total Resources Except Property Taxes	2,966,947
Total Requirements	2,923,211

Total Other Uses	2,714,170
Total Unappropriated or Ending Fund Balance	467,227
Total Requirements	2,714,170
Total Resources Except Property Taxes	3,090,451
Total Requirements	3,487,553

Total Facilities Acquisition and Construction	2,742,601
Total Contingencies	2,000,000
Total Unappropriated or Ending Fund Balance	5,271,606
Total Requirements	2,742,601
Total Resources Except Property Taxes	10,095,000
Total Requirements	7,119,961

Total Support Services	35,516,405
Total Other Uses	53,024,906
Total Contingencies	45,444,693
Total Unappropriated or Ending Fund Balance	184,164
Total Requirements	50,000
Total Resources Except Property Taxes	130,000
Total Requirements	600,000

Total Facilities Acquisition and Construction	970,673
Total Contingencies	35,700,569
Total Unappropriated or Ending Fund Balance	53,674,906
Total Requirements	47,574,693
Total Resources Except Property Taxes	36,671,242
Total Requirements	53,674,906

Total Support Services	35,516,405
Total Other Uses	53,024,906
Total Contingencies	45,444,693
Total Unappropriated or Ending Fund Balance	184,164
Total Requirements	50,000
Total Resources Except Property Taxes	130,000
Total Requirements	600,000

Enterprise Fund, 6

Total Support Services	25,137
Total Enterprise and Community Services	7,806,482
Total Other Uses	11,492,630
Total Contingencies	9,662,156
Total Unappropriated or Ending Fund Balance	5,423
Total Requirements	13,611
Total Resources Except Property Taxes	21,822
Total Requirements	1,000,000

Total Facilities Acquisition and Construction	2,540,323
Total Contingencies	10,377,365
Total Unappropriated or Ending Fund Balance	12,506,241
Total Requirements	10,683,978
Total Resources Except Property Taxes	10,377,365
Total Requirements	12,506,241

Total Instruction	3,692,305
Total Support Services	6,593,000
Total Enterprise and Community Services	270,318
Total Other Uses	637,950
Total Contingencies	637,950
Total Unappropriated or Ending Fund Balance	3,221,165
Total Requirements	4,860,800
Total Resources Except Property Taxes	4,000
Total Requirements	2,000,000

Total Facilities Acquisition and Construction	178,726
Total Contingencies	7,362,514
Total Unappropriated or Ending Fund Balance	16,095,750
Total Requirements	14,095,750
Total Resources Except Property Taxes	7,362,514
Total Requirements	16,095,750

Total Instruction	3,077,758
Total Support Services	3,441,636
Total Enterprise and Community Services	3,149,072
Total Other Uses	5,796,719
Total Contingencies	7,460,549
Total Unappropriated or Ending Fund Balance	1,391,388
Total Requirements	1,267,084
Total Resources Except Property Taxes	169,100
Total Requirements	284,500

Total Facilities Acquisition and Construction	793,874
Total Contingencies	5,000,000
Total Unappropriated or Ending Fund Balance	4,054,694
Total Requirements	12,466,786
Total Resources Except Property Taxes	15,674,519
Total Requirements	13,971,605

Total Enterprise and Community Services	611,500
Total Other Uses	311,500
Total Contingencies	600,000
Total Unappropriated or Ending Fund Balance	10,832
Total Requirements	1,211,500
Total Resources Except Property Taxes	461,500
Total Requirements	10,832

Total Facilities Acquisition and Construction	18,832
Total Contingencies	1,211,500
Total Unappropriated or Ending Fund Balance	461,500
Total Requirements	10,832
Total Resources Except Property Taxes	1,211,500
Total Requirements	461,500

Total Facilities Acquisition and Construction	35,517,613
Total Contingencies	36,283,521
Total Unappropriated or Ending Fund Balance	36,757,644
Total Requirements	27,830,949
Total Resources Except Property Taxes	33,522,140
Total Requirements	30,365,270

Total Facilities Acquisition and Construction	6,698,053
Total Contingencies	4,221,339
Total Unappropriated or Ending Fund Balance	3,735,616
Total Requirements	5,763,760
Total Resources Except Property Taxes	1,769,570
Total Requirements	1,359,623
Total Resources Except Property Taxes	2,220,000
Total Requirements	2,400,000

Total Facilities Acquisition and Construction	70,046,615
Total Contingencies	82,010,760
Total Unappropriated or Ending Fund Balance	75,028,100
Total Requirements	59,012,845
Total Resources Except Property Taxes	69,147,760
Total Requirements	61,087,754

Total Facilities Acquisition and Construction	12,393,393
Total Contingencies	12,863,000
Total Unappropriated or Ending Fund Balance	13,940,346
Total Requirements	71,406,238
Total Resources Except Property Taxes	82,010,760
Total Requirements	75,028,100

Total Facilities Acquisition and Construction	184,510
Total Contingencies	155,018
Total Unappropriated or Ending Fund Balance	60,952
Total Requirements	899,704
Total Resources Except Property Taxes	13,116,462
Total Requirements	14,995,068

Total Facilities Acquisition and Construction	13,116,462
Total Contingencies	5,389,148
Total Unappropriated or Ending Fund Balance	5,812,747
Total Requirements	1,055,264
Total Resources Except Property Taxes	4,996,123
Total Requirements	5,389,148

Total Facilities Acquisition and Construction	930,250
Total Contingencies	930,250
Total Unappropriated or Ending Fund Balance	5,121,136
Total Requirements	5,389,148
Total Resources Except Property Taxes	4,877,747
Total Requirements	6,051,386

Total Facilities Acquisition and Construction	5,389,148
Total Contingencies	4,877,747
Total Unappropriated or Ending Fund Balance	231,132
Total Requirements	303,253
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

Total Facilities Acquisition and Construction	5,620,280
Total Contingencies	5,181,000
Total Unappropriated or Ending Fund Balance	5,620,280
Total Requirements	5,620,280
Total Resources Except Property Taxes	5,620,280
Total Requirements	5,181,000

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

Board of Education
June 14, 2006

RESOLUTION NO. 504

2006-07 BUDGET ADOPTION AND APPROPRIATION

WHEREAS the Board of Education of the Lane Community College District has received and reviewed the 2006-07 Budget as approved by the Budget Committee; and,


WHEREAS the Budget Committee approved the budget in the aggregate amount of \$181,159,098 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 \$5,181,000 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, 2006 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 2006-07 and appropriates the amounts on the attached schedule to be expended against all budgeted resources commencing July 1, 2006, and expiring June 30, 2007, for the purpose of meeting its obligations.

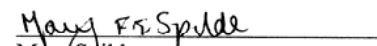
BE IT FURTHER RESOLVED, that the Chair of the Board file this Resolution with the Lane Community College District's County Clerks and County Assessors on or before July 15, 2006.

Adopted by the Board of Education on this 14th day of June 2006.



Paul Holman, Chair

ATTEST:



Mary Fr. Spilde
College President/District Clerk

RESOLUTION NO. 504: APPROPRIATED BUDGET REQUIREMENTS

FUND I, GENERAL

Instruction	\$ 36,757,644
Instructional Support	3,922,538
Student Services	7,852,588
College Support Services	11,508,391
Plant Operations & Maintenance	5,721,753
Financial Aid	228,343
Debt Service	428,053
Transfers Out	3,079,220
Contingency	
Projects/Provisions	1,360,000
Contingency	<u>1,769,570</u>
Total - General Fund	\$ 72,628,100

FUND II, INTERNAL SERVICE

College Support Services	\$ 2,118,711
Transfers Out	4,500
Contingency	<u>800,000</u>
Total - Internal Service Fund	\$ 2,923,211

FUND III, DEBT SERVICE

Plant Additions	\$ <u>9,300,300</u>
Total - Debt Service Fund	\$ 9,300,300

FUND IV, CAPITAL PROJECTS

College Support Services	\$ 525,000
Plant Operations & Maintenance	1,950,000
Plant Additions	2,644,961
Transfers Out	
Contingency	<u>2,000,000</u>
Total - Capital Projects Fund	\$ 7,119,961

FUND V, FINANCIAL AID

Student Services	\$ 120,000
Financial Aid	45,324,693
Transfers Out	130,000
Contingency	<u>2,000,000</u>
Total - Financial Aid Fund	\$ 47,574,693

FUND VI, ENTERPRISE

Student Services	9,291,245
College Support Services	370,911
Transfers Out	21,822
Contingency	<u>1,000,000</u>
Total - Enterprise Fund	\$ 10,683,978

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>2,000,000</u>
Total - Special Revenue Fund	\$ 14,095,750

FUND IX, SPECIAL REVENUE - ADMIN RESTRICTED

Instruction	\$ 3,546,132
Instructional Support	50,000
Student Services	2,035,899
Community Services	2,680,424
College Support Services	5,374,650
Transfers Out	284,500
Contingency	<u>-</u>
Total - Special Revenue Fund	\$ 13,971,605

FUND X, ENDOWMENT

Community Services	\$ 311,500
Transfers Out	<u>150,000</u>
Total - Endowment Fund	\$ 461,500

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

Contingency	\$ <u>2,400,000</u>
Total General Fund	\$ <u>2,400,000</u>

TOTAL ALL FUNDS	\$ <u>181,159,098</u>
-----------------	-----------------------

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

Board of Education
June 14, 2006

RESOLUTION NO. 505

IMPOSING TAXES AND CATEGORIZING TAXES FOR 2006-07

BE IT RESOLVED that the Board of Education of the Lane Community College District hereby imposes the taxes provided for in the 2006-07 adopted budget at the rate of \$.6191 per \$1,000 of assessed value for operations and in the amount of \$5,181,000 for Bonded Debt; and that these taxes are hereby imposed and categorized for the tax year 2006-07 upon the assessed value of all taxable property within the district.

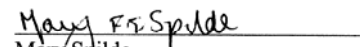
	Subject to the Education Limitation:	Excluded from the Limitation:
General Fund	<u>\$.6191/\$1,000</u>	
Debt Services Fund		<u>\$5,181,000</u>

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, 2006.

Adopted by the Board of Education of Lane Community College this 14th day of June, 2006.


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
2006-2007**

To assessor of _____ County

- File no later than JULY 15
- Be sure to read instructions in the 2006-2007 Notice of Property Tax Levy Forms and Instruction book

☐ 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
District Name

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

4000 E 30th Avenue Mailing Address of District	Eugene City	OR State	97405 Zip	7/13/06 Date
Kay Malmberg Contact Person	Budget Analyst Title	541.463.3005 Daytime Telephone	malmbergk@lanecc.edu Contact Person E-mail	

CERTIFICATION - Check one box.

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

PART I: TOTAL PROPERTY TAX LEVY

		Subject to Education Limits		Excluded from <u>Measure 5 Limits</u> Amount of Levy
		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			\$ 5,181,000
5b. Levy for bonded indebtedness from bonds approved by voters after October 6, 2001	5b			-
5c. Total levy for bonded indebtedness not subject to Measure 5 of Measure 50 (total of 5a + 5b)	5c			\$ 5,181,000

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 three 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



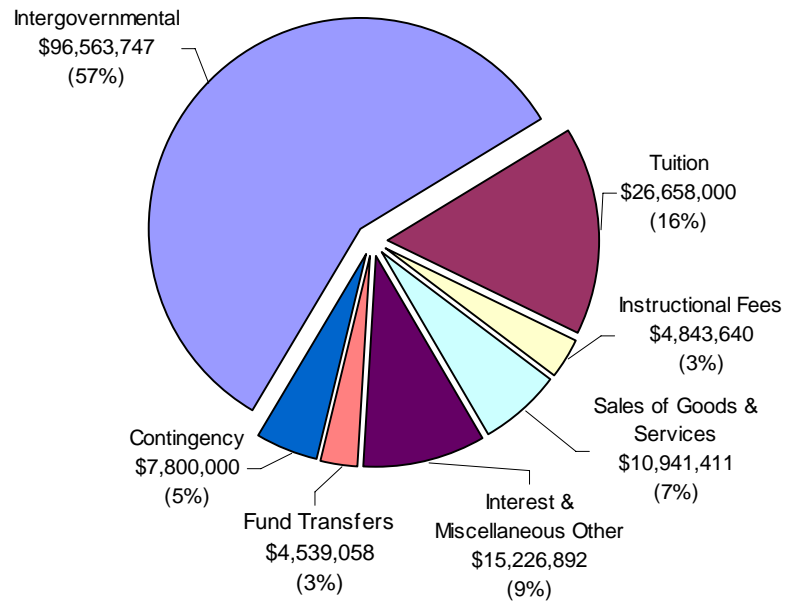
BUDGET SCHEDULES

SUMMARY - ALL FUNDS

	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
General Fund I	\$ 75,028,100	\$ 75,028,100	\$ 75,028,100	\$ 82,010,760	\$ 70,046,615	\$ 59,413,429
Internal Service Fund II	2,923,211	2,923,211	2,923,211	2,966,947	1,609,320	1,844,499
Debt Service Fund III	9,300,300	9,300,300	9,300,300	8,479,599	7,710,293	7,471,652
Capital Projects Fund IV	7,119,961	7,119,961	7,119,961	10,095,000	2,742,601	3,663,088
Financial Aid Fund V	47,574,693	47,574,693	47,574,693	53,674,906	35,700,569	36,297,491
Enterprise Fund VI	10,683,978	10,683,978	10,683,978	12,506,241	7,837,042	8,736,461
Special Revenue Fund VIII	14,095,750	14,095,750	14,095,750	16,095,750	7,183,788	7,621,444
Special Revenue-Admin. Restricted Fund IX	13,971,605	13,971,605	13,971,605	15,674,519	8,412,092	8,065,656
Quasi-Endowment Fund X	461,500	461,500	461,500	1,211,500	-	206,000
Total	\$ 181,159,098	\$ 181,159,098	\$ 181,159,098	\$ 202,715,222	\$ 141,242,320	\$ 133,319,720

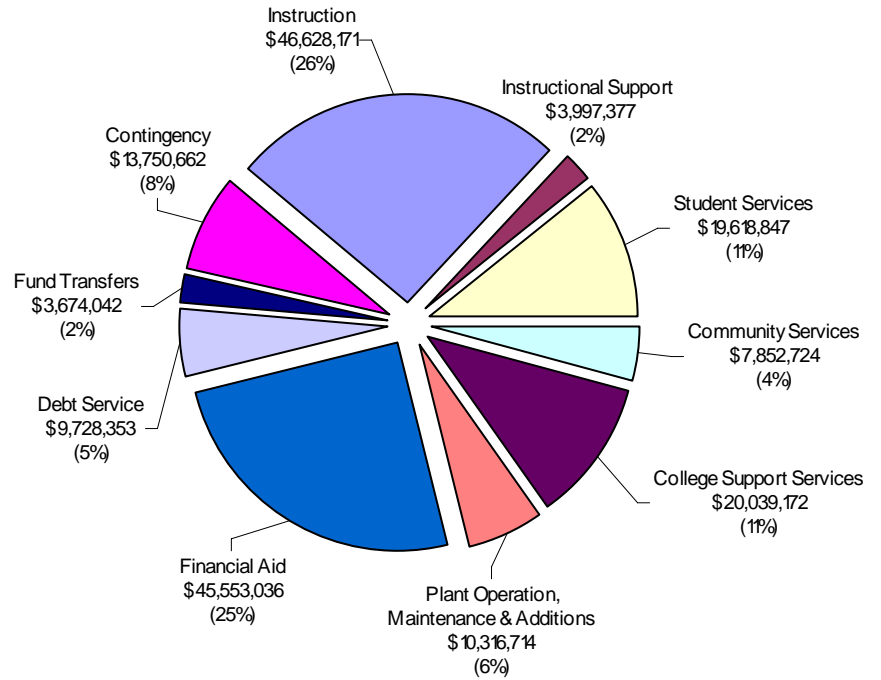
Budgeted Resources

Fiscal Year 2006-2007
All Funds



Budgeted Requirements

Fiscal Year 2006-2007
All Funds



CONSOLIDATED RESOURCES & REQUIREMENTS - ALL FUNDS

SUMMARY OF ALL FUNDS	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
Current Operating Resources						
Intergovernmental	\$ 96,563,747	\$ 96,563,747	\$ 96,563,747	\$ 106,742,229	\$ 83,923,870	\$ 83,944,572
Tuition & Fees:						
Tuition	26,658,000	26,658,000	26,658,000	27,673,300	19,960,938	20,600,522
Instructional Fees	4,843,640	3,982,840	3,982,840	4,979,850	3,872,424	2,828,456
Other Sources:						
Sale of Goods & Services	10,941,411	10,941,411	10,941,411	13,383,666	9,642,262	9,362,242
Interest Income	663,250	663,250	663,250	904,250	443,864	390,195
Miscellaneous Other	14,563,642	15,424,442	15,424,442	11,468,850	11,645,622	10,672,090
Fund Transfers	4,539,058	4,539,058	4,539,058	5,279,722	7,643,693	6,767,072
Contingency	7,800,000	7,800,000	7,800,000	14,400,000	-	-
Total Current Operating Resources	166,572,748	166,572,748	166,572,748	184,831,867	137,132,673	134,565,149
Current Requirements						
By Function:						
Instruction	\$ 46,628,171	\$ 46,896,776	\$ 46,628,171	\$ 46,318,157	\$ 42,293,841	\$ 39,436,681
Instructional Support	3,997,377	4,075,538	3,997,377	4,460,777	4,075,262	4,074,534
Student Services	19,618,847	19,686,932	19,618,847	21,495,754	17,371,031	16,701,356
Community Services	7,852,724	7,852,724	7,852,724	6,769,565	4,612,553	4,288,847
College Support Services	20,039,172	20,045,413	20,039,172	19,671,067	14,341,672	12,448,218
Plant Operation & Maintenance	7,671,753	7,671,753	7,671,753	8,666,876	5,574,585	5,360,225
Plant Additions	2,644,961	2,644,961	2,644,961	4,426,500	2,215,105	2,547,018
Financial Aid	45,553,036	45,553,036	45,553,036	52,455,412	35,813,376	36,879,134
Debt Service	9,728,353	9,728,353	9,728,353	8,921,029	8,163,943	7,573,652
Fund Transfers	3,674,042	3,674,042	3,674,042	3,885,714	6,780,952	4,010,055
Contingency	13,750,662	13,329,570	13,750,662	25,644,372	-	-
Total Current Operating Requirements	\$ 181,159,098	\$ 181,159,098	\$ 181,159,098	\$ 202,715,222	\$ 141,242,320	\$ 133,319,720
Excess (deficit) Current Resources						
Current Requirements	\$ (14,586,350)	\$ (14,586,350)	\$ (14,586,350)	\$ (17,883,355)	\$ (4,109,647)	\$ 1,245,429
Beginning Fund Balance	14,586,350	14,586,350	14,586,350	17,883,355	19,933,483	18,688,054
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 15,823,836	\$ 19,933,483

SCHEDULE OF INTERFUND TRANSFERS

	<u>Revenues</u>	<u>Expenditures</u>	<u>Remarks</u>
GENERAL FUND I			
Transfer to Internal Service Fund II	\$	\$ 374,711	Printing & Graphics 25,576; Telecommunications 208,620; Employee Wellness 140,515
Transfer to Debt Service Fund III		428,053	Full faith & credit debt obligation - annual payment - misc.
Transfer to Capital Projects Fund IV		1,551,201	Major maintenance 1,296,201; capital repair & improvement 255,000
Transfer to Financial Aid Fund V		228,343	Learn & Earn \$120,000; Student grants 108,343
Transfer to Enterprise Fund VI		359,127	Laundry 217,700; Bookstore 141,427 Inter-fund loan
Transfer to Special Revenue-G/C Fund VIII		4,750	Student grants
Transfer to Special Revenue-Admin. Rest. IX		998,051	Athletics 154,757; KLCC 197,564; Specialized Support Services 121,432; Staff Health Clinic 231,650; Student Health 277,081; Torch 15,567
Transfer from Internal Service Fund II	3,500		Transfer authority contingency
Transfer from Enterprise Fund VI	20,822		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
TOTAL	<u>\$ 31,922</u>	<u>\$ 3,944,236</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	374,711		Printing & Graphics 25,576; Telecommunications 208,620; Employee Wellness 140,515
TOTAL	<u>\$ 374,711</u>	<u>\$ 4,500</u>	
DEBT SERVICE FUND III			
Transfer from General Fund I	428,053		Full faith & credit debt obligation - annual payment - misc.
TOTAL	<u>\$ 428,053</u>	<u>\$ -</u>	
CAPITAL PROJECTS FUND IV			
Transfer from General Fund I	\$ 1,551,201		Major maintenance 1,296,201; capital repair & improvement 255,000
Transfer from Special Revenue-Admin. Rest. IX	218,760		Transportation/parking 150,000; Longhouse 68,760
TOTAL	<u>\$ 1,769,961</u>	<u>\$ -</u>	
FINANCIAL AID FUND V			
Transfer from General Fund I	\$ 228,343		Learn & Earn \$120,000; Student grants 108,343
Transfer from Special Revenue-Admin. Rest. Fund IX	15,000		Student grants
TOTAL	<u>\$ 243,343</u>	<u>\$ -</u>	

SCHEDULE OF INTERFUND TRANSFERS

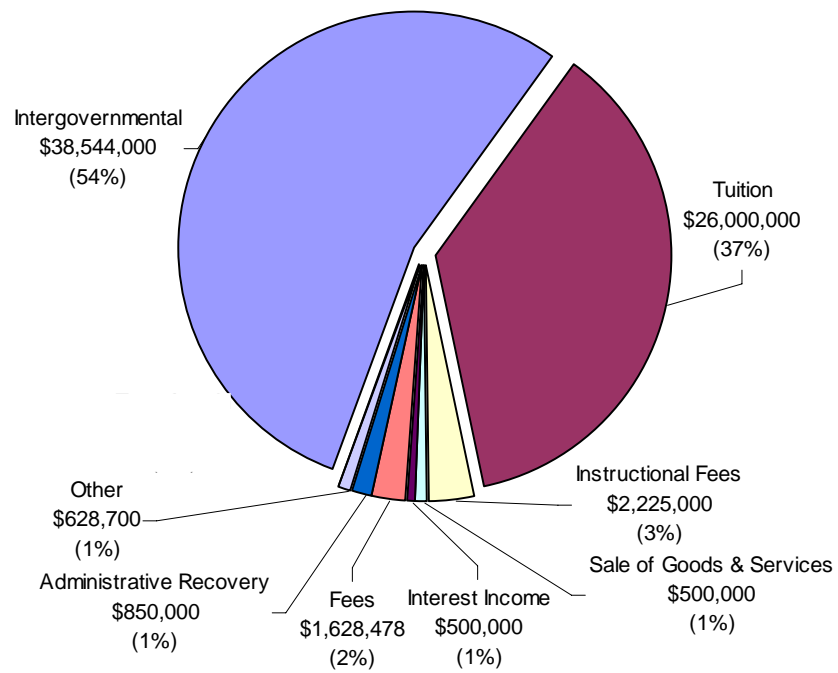
	<u>Revenues</u>	<u>Expenditures</u>	<u>Remarks</u>
ENTERPRISE FUND VI			
Transfer to General Fund I	\$	\$ 20,822	Foodservices
Transfer to Special Revenue-Admin. Rest. IX		1,000	Foodservices
Transfer from General Fund I	359,127		Laundry 217,700; Bookstore 141,427 Inter-fund loan
Transfer from Special Revenue-Admin. Rest. IX	46,640		Bookstore
TOTAL	<u>\$ 405,767</u>	<u>\$ 21,822</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 grants
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		218,760	Transportation/parking 150,000; Longhouse 68,760
Transfer to Financial Aid Fund V		15,000	Student grants
Transfer to Enterprise Fund VI		46,640	Bookstore
Transfer to Quasi-Endowment Fund X		500	KLCC transfer authority contingency
	998,051		Athletics 154,757; KLCC 197,564; Specialized Support Services 121,432;
Transfer from General Fund I			Staff Health Clinic 231,650; Student Health 277,081; Torch 15,567
Transfer from Internal Service Fund II	1,000		Transfer authority contingency
Transfer from Enterprise Fund VI	1,000		Foodservices
TOTAL	<u>\$ 1,000,051</u>	<u>\$ 284,500</u>	
QUASI-ENDOWMENT FUND X			
Transfer from Special Revenue-Admin Rest Fund IX	500		KLCC transfer authority contingency
TOTAL	<u>\$ 500</u>	<u>\$ -</u>	
TOTAL TRANSFERS - ALL FUNDS	<u><u>\$ 4,259,058</u></u>	<u><u>\$ 4,259,058</u></u>	



GENERAL FUND I

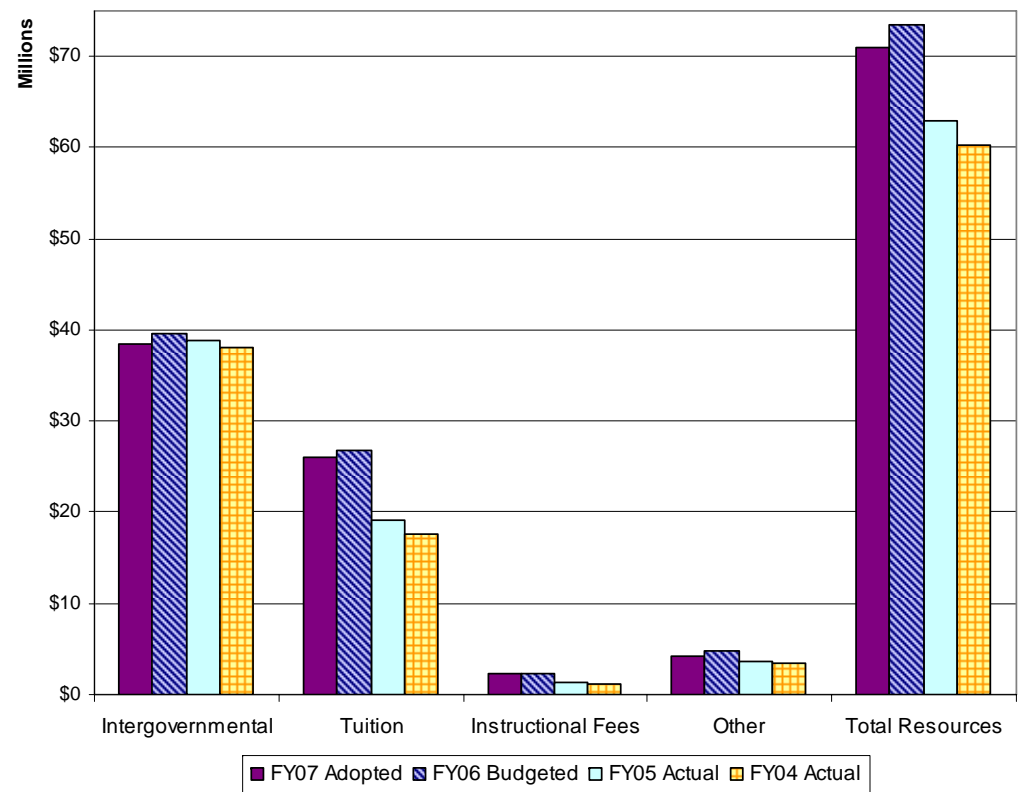
Budgeted Resources

Fiscal Year 2006-2007
General Fund



Resources by Source

Fiscal Years 2004 through 2007
General Fund

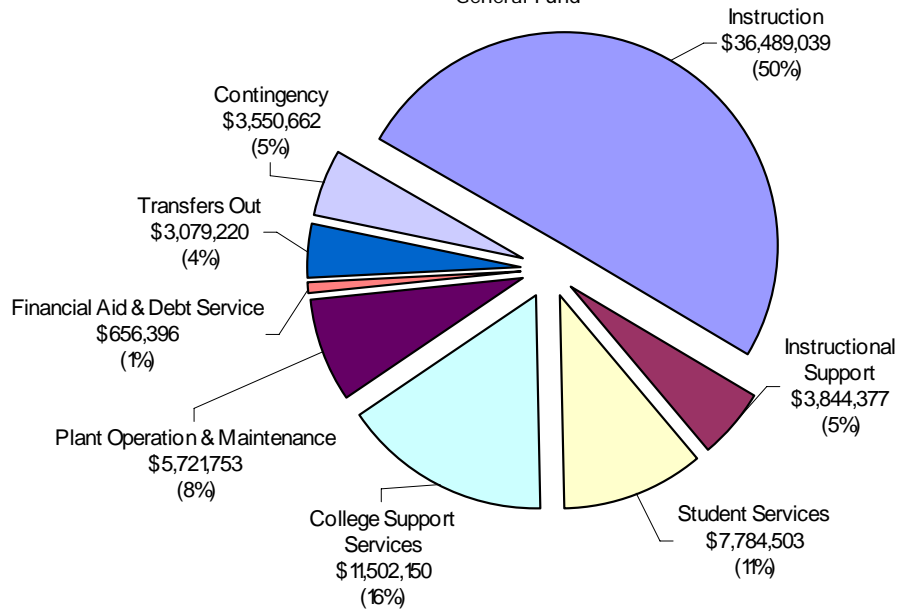


GENERAL FUND I

	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
RESOURCES						
Intergovernmental*	\$ 38,544,000	\$ 38,544,000	\$ 38,544,000	\$ 39,698,560	\$ 38,747,225	\$ 38,029,750
Tuition & Fees:						
Tuition**	26,000,000	26,000,000	26,000,000	26,827,300	19,065,525	17,531,043
Instructional Fees	2,225,000	2,225,000	2,225,000	2,233,000	1,404,297	1,224,081
Other Sources:						
Sale of Goods & Services	500,000	500,000	500,000	482,000	474,070	432,202
Interest Income	500,000	500,000	500,000	696,000	263,402	146,837
Fees	1,628,478	1,628,478	1,628,478	1,828,000	1,072,412	1,347,252
Administrative Recovery	850,000	850,000	850,000	1,000,000	591,369	623,387
Other	628,700	628,700	628,700	759,000	680,000	934,331
Transfer In from Internal Service Fund II	3,500	3,500	3,500	3,500	3,500	24,776
Transfer In from Debt Service Fund III	-	-	-	-	-	-
Transfer In from Capital Projects Fund IV	-	-	-	-	150,000	-
Transfer In from Financial Aid Fund V	-	-	-	-	184,164	-
Transfer In from Enterprise Fund VI	20,822	20,822	20,822	5,400	5,423	7,600
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	3,600	-	283,159	-
Transfer In from Quasi-Endowment Fund X	-	-	-	-	-	-
Intra-Fund Transfer In	-	-	-	-	727	12,574
Total Operating Revenues	\$ 70,908,100	\$ 70,908,100	\$ 70,908,100	\$ 73,536,760	\$ 62,925,273	\$ 60,313,833
Beginning Fund Balance	4,120,000	4,120,000	4,120,000	8,474,000	8,480,965	7,556,495
TOTAL RESOURCES	\$ 75,028,100	\$ 75,028,100	\$ 75,028,100	\$ 82,010,760	\$ 71,406,238	\$ 67,870,328
 * Intergovernmental	 \$ 24,603,654	 \$ 24,603,654	 \$ 24,603,654	 \$ 26,835,560	 \$ 26,353,832	 \$ 26,304,742
* Property Taxes	13,940,346	13,940,346	13,940,346	12,863,000	12,393,393	11,725,008
** Budget authority included for tuition-based classes						

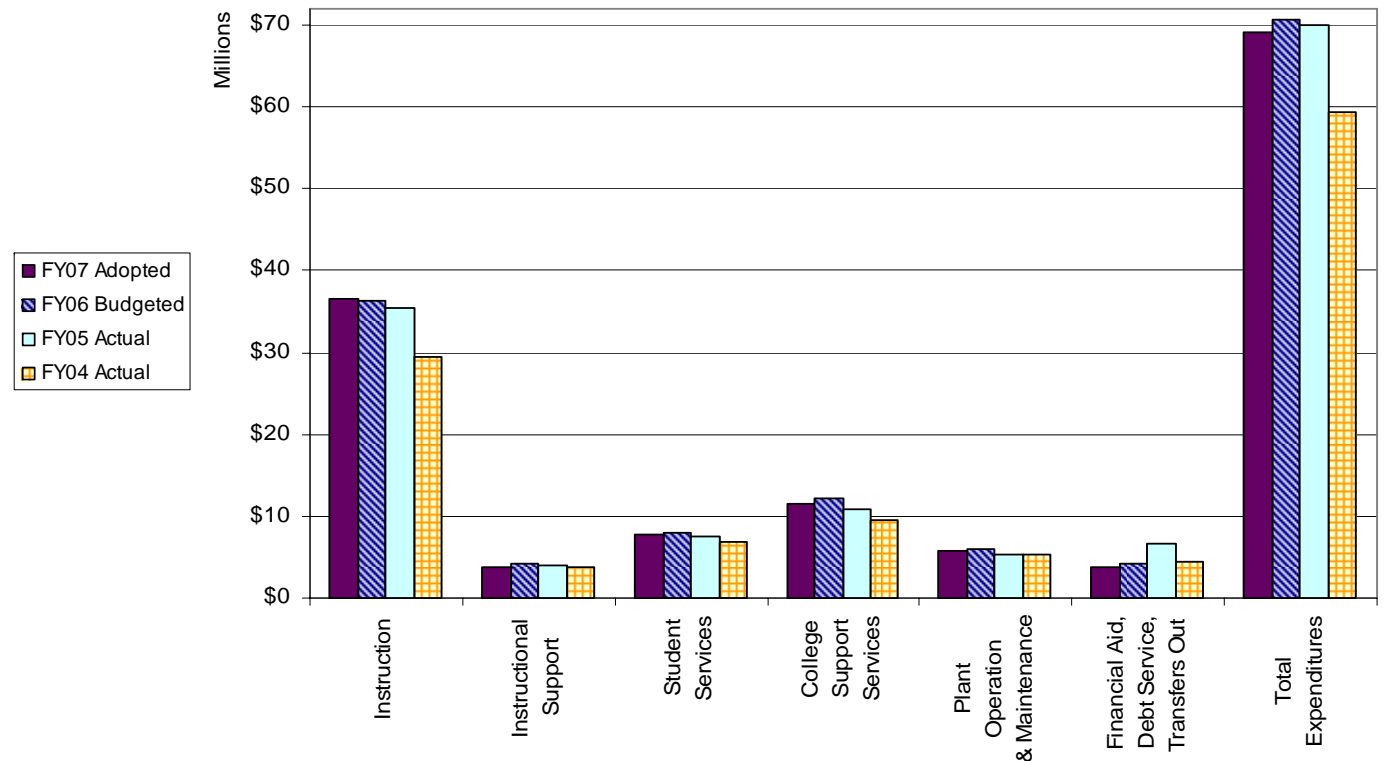
Budgeted Expenditures

Fiscal Year 2006-2007
General Fund



Expenditures by Function

Fiscal Years 2004 through 2007
General Fund



GENERAL FUND I

	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
EXPENDITURES AND OTHER REQUIREMENTS						
Instruction						
Academic Learning Skills	\$ 2,225,225	\$ 2,245,241	\$ 2,225,225	\$ 2,196,821	\$ 2,162,266	\$ 1,963,286
Adult Basic and Secondary Education	1,459,452	1,459,452	1,459,452	1,465,692	1,397,850	1,411,103
Advanced Technology	2,431,332	2,431,332	2,431,332	2,529,441	2,490,366	2,335,467
Art & Applied Design	1,688,589	1,688,589	1,688,589	1,630,537	1,699,760	1,449,331
Business Development Center	647,347	615,374	647,347	647,590	668,944	567,140
Business Technologies	1,166,867	1,196,884	1,166,867	1,198,613	1,060,737	833,050
Computer Information Technology	1,028,795	1,018,795	1,028,795	1,023,559	919,013	963,146
Continuing Education	1,693,901	1,696,625	1,693,901	1,408,837	993,183	693,136
Cooperative Education	1,728,373	1,769,223	1,728,373	1,537,205	1,526,436	1,430,822
Culinary Arts & Hospitality	461,414	461,414	461,414	402,845	436,943	350,623
Family & Health Careers	4,363,579	4,409,575	4,363,579	4,137,906	4,232,464	4,032,727
Health & Physical Education	1,611,371	1,631,388	1,611,371	1,829,677	1,796,422	1,484,126
Lane Community College at Cottage Grove	677,040	677,040	677,040	735,683	581,255	472,129
Lane Community College at Florence	606,331	606,331	606,331	703,773	609,831	190,957
Lane Community College Learning Centers	26,817	26,817	26,817	239,397	242,992	3,422,782
Language, Literature and Communication	4,029,323	4,059,337	4,029,323	3,746,520	3,702,134	517,875
Mathematics	2,016,832	2,056,864	2,016,832	1,974,837	1,922,953	1,794,884
Music/Dance/Theatre Arts	1,202,876	1,242,908	1,202,876	1,172,715	1,100,349	1,015,347
Science	2,581,949	2,581,949	2,581,949	2,502,372	2,557,248	2,665,572
Social Science	2,222,005	2,262,855	2,222,005	2,114,773	2,196,279	1,940,334
Special Instructional Projects	2,619,621	2,619,651	2,619,621	3,053,479	3,220,188	-
Workforce Development	-	-	-	31,248	-	527
Total Instruction	\$ 36,489,039	\$ 36,757,644	\$ 36,489,039	\$ 36,283,521	\$ 35,517,613	\$ 29,534,364
Instructional Support						
College Now	\$ 96,983	\$ 137,834	\$ 96,983	\$ 153,249	\$ 177,035	\$ 146,101
Distance Learning	486,390	486,390	486,390	528,860	287,784	381,818
Instruction & Student Services Office	1,482,641	1,482,641	1,482,641	1,428,665	1,112,380	1,163,466
Instructional Technology Support Service	377,018	380,510	377,018	609,167	1,023,856	1,035,007
Library	1,074,726	1,075,591	1,074,726	1,147,836	1,184,397	908,795
Professional Development - Faculty	326,619	359,572	326,619	300,000	263,939	65,163
Total Instructional Support	\$ 3,844,377	\$ 3,922,538	\$ 3,844,377	\$ 4,167,777	\$ 4,049,391	\$ 3,700,350

GENERAL FUND I

	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
Student Services						
Conference & Culinary Services	\$ 312,818	\$ 312,818	\$ 312,818	\$ 299,655	\$ 972	\$ -
Counseling	2,725,838	2,793,923	2,725,838	2,650,762	2,663,887	2,353,807
Disability Services	586,865	586,865	586,865	549,629	605,457	544,548
Enrollment Services	1,726,411	1,726,411	1,726,411	1,910,399	1,834,382	1,798,651
Student Financial Services	1,200,246	1,200,246	1,200,246	1,289,848	1,218,560	1,159,791
Student Life & Leadership Development	617,605	617,605	617,605	668,214	649,272	601,295
Women's Program	614,720	614,720	614,720	637,883	610,676	515,739
Total Student Services	\$ 7,784,503	\$ 7,852,588	\$ 7,784,503	\$ 8,006,390	\$ 7,583,206	\$ 6,973,831
College Support Services						
Board of Education	\$ 20,000	\$ 20,000	\$ 20,000	\$ 25,921	\$ 24,138	\$ 15,080
College Finance	1,037,171	1,037,171	1,037,171	1,118,164	743,295	739,658
College Operations Office	345,110	345,110	345,110	528,329	455,789	476,427
Curriculum & Scheduling	207,477	207,477	207,477	200,695	192,986	2,325,558
Governance & Administration	488,800	488,800	488,800	429,993	371,927	181,971
Human Resources	1,489,456	1,521,430	1,489,456	1,441,446	1,378,255	376,424
Information Technology	3,539,213	3,513,480	3,539,213	3,771,381	2,854,886	1,216,124
Institutional Research, Assessment & Planning	425,632	425,632	425,632	545,216	667,119	573,668
Lane Community College Downtown Center (Prior Years)	-	-	-	-	-	65,345
Lane Community College Foundation	312,165	312,165	312,165	298,461	457,765	405,129
Mail Services	166,814	166,814	166,814	172,680	110,702	232,203
Marketing & Public Relations	534,095	534,095	534,095	509,812	287,521	100,896
Other Expenditures	1,433,500	1,433,500	1,433,500	1,433,500	1,706,934	1,569,514
President's Office	498,633	498,633	498,633	577,357	557,866	417,616
Public Safety	763,404	763,404	763,404	891,793	899,906	921,103
Sustainability	240,680	240,680	240,680	244,238	133,437	-
Total College Support Services	\$ 11,502,150	\$ 11,508,391	\$ 11,502,150	\$ 12,188,986	\$ 10,842,526	\$ 9,616,716
Plant Operation & Maintenance						
Facilities Management & Planning	\$ 5,721,753	\$ 5,721,753	\$ 5,721,753	\$ 5,898,376	\$ 5,355,826	\$ 5,178,262
Recycling (Prior Years)	-	-	-	-	-	57,474
Total Plant Operation & Maintenance	\$ 5,721,753	\$ 5,721,753	\$ 5,721,753	\$ 5,898,376	\$ 5,355,826	\$ 5,235,736
Financial Aid						
Financial Aid Transfer	\$ 228,343	\$ 228,343	\$ 228,343	\$ 735,406	\$ 600,413	\$ 886,900
Total Financial Aid	\$ 228,343	\$ 228,343	\$ 228,343	\$ 735,406	\$ 600,413	\$ 886,900

GENERAL FUND I

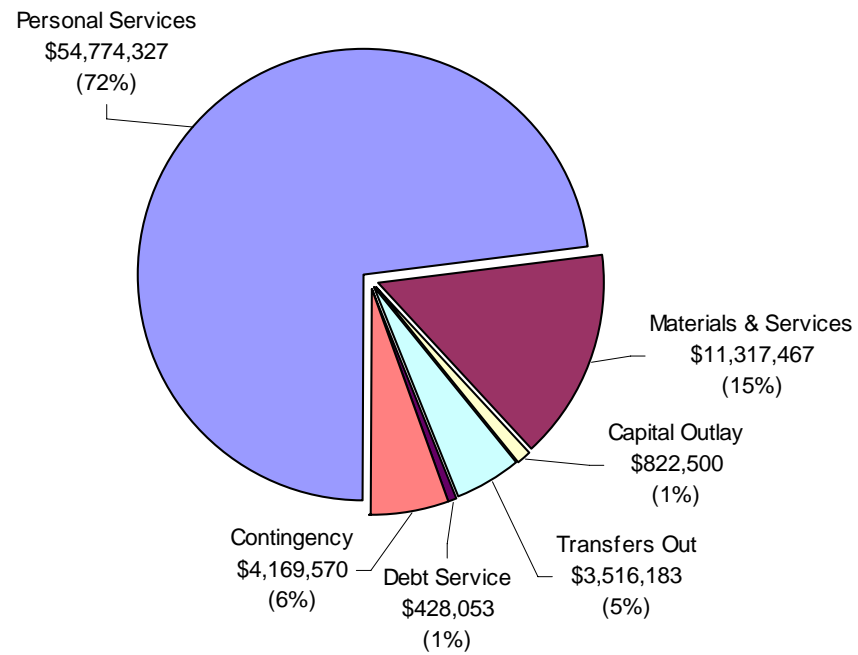
	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
Debt Service						
Debt Service Transfer	\$ 428,053	\$ 428,053	\$ 428,053	\$ 441,430	\$ 453,650	\$ 102,000
Total Debt Service	\$ 428,053	\$ 428,053	\$ 428,053	\$ 441,430	\$ 453,650	\$ 102,000
Transfer Out:						
To Internal Service Fund II	\$ 166,091	\$ 166,091	\$ 166,091	\$ 156,675	\$ 342,423	\$ 289,926
To Debt Service Fund III	-	-	-	-	-	-
To Capital Projects Fund IV	1,551,201	1,551,201	1,551,201	1,705,000	2,903,567	1,158,620
To Enterprise Fund VI	359,127	359,127	359,127	209,064	773,355	778,564
To Special Revenue Fund VIII	4,750	4,750	4,750	4,750	22,556	11,115
To Special Revenue-Admin Restricted Fund IX	998,051	998,051	998,051	969,014	-	1,125,307
To Quasi-Endowment Fund X	-	-	-	-	1,602,089	-
Intra-Fund Transfer Out	-	-	-	-	-	-
Total Transfer Out	\$ 3,079,220	\$ 3,079,220	\$ 3,079,220	\$ 3,044,503	\$ 5,643,990	\$ 3,363,532
Contingency						
Projects/Provisions	\$ 3,550,662	\$ 3,129,570	\$ 3,550,662	\$ 8,013,412	\$ -	\$ -
Hold for Allocation	-	-	-	1,010,960	-	-
Total Contingency	\$ 3,550,662	\$ 3,129,570	\$ 3,550,662	\$ 9,024,372	\$ -	\$ -
Total Operating Expenditures	\$ 72,628,100	\$ 72,628,100	\$ 72,628,100	\$ 79,790,760	\$ 70,046,615	\$ 59,413,429
Unappropriated Ending Fund Balance	2,400,000	2,400,000	2,400,000	2,220,000	-	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS-GENERAL FUND I	\$ 75,028,100	\$ 75,028,100	\$ 75,028,100	\$ 82,010,760	\$ 70,046,615	\$ 59,413,429
SUMMARY OF GENERAL FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 70,908,100	\$ 70,908,100	\$ 70,908,100	\$ 73,536,760	\$ 62,925,273	\$ 60,313,833
Less: Total Operating Expenditures	75,028,100	75,028,100	75,028,100	82,010,760	70,046,615	59,413,429
Excess of revenues over (under) expenditures	\$ (4,120,000)	\$ (4,120,000)	\$ (4,120,000)	\$ (8,474,000)	\$ (7,121,342)	\$ 900,404
Beginning Fund Balance	4,120,000	4,120,000	4,120,000	8,474,000	8,480,965 *	7,556,495
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 1,359,623	\$ 8,456,899

* Beginning Fund Balance includes \$24,066 prior period adjustment interfund transfer Financial Aid Fund V.

Budgeted Requirements by Expenditures Category

Fiscal Year 2006-2007

General Fund



REQUIREMENTS BY EXPENDITURES CATEGORY - GENERAL FUND

	Fiscal Year 2006-2007 ADOPTED Budget	Personal Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Instruction							
Academic Learning Skills	\$ 2,225,225	\$ 2,139,300	\$ 85,925	\$ -	\$ -	\$ -	\$ -
Adult Basic and Secondary Education	1,459,452	1,397,537	61,915	-	-	-	-
Advanced Technology	2,431,332	2,216,275	215,057	-	-	-	-
Art & Applied Design	1,688,589	1,537,432	151,157	-	-	-	-
Business Development Center	647,347	635,077	12,270	-	-	-	-
Business Technologies	1,166,867	1,076,967	89,900	-	-	-	-
Computer Information Technology	1,028,795	942,765	86,030	-	-	-	-
Continuing Education	1,693,901	1,148,833	545,068	-	-	-	-
Cooperative Education	1,728,373	1,547,723	180,650	-	-	-	-
Culinary Arts & Hospitality	461,414	311,714	149,700	-	-	-	-
Family & Health Careers	4,363,579	3,608,368	755,211	-	-	-	-
Health & Physical Education	1,611,371	1,286,434	324,937	-	-	-	-
Lane Community College at Cottage Grove	677,040	537,471	139,569	-	-	-	-
Lane Community College at Florence	606,331	505,351	100,980	-	-	-	-
Lane Community College Learning Centers	26,817	15,228	11,589	-	-	-	-
Language, Literature & Communication	4,029,323	3,906,473	122,850	-	-	-	-
Mathematics	2,016,832	1,932,660	84,172	-	-	-	-
Music/Dance/Theatre Arts	1,202,876	1,102,676	100,200	-	-	-	-
Science	2,581,949	2,454,974	126,975	-	-	-	-
Social Science	2,222,005	2,178,527	43,478	-	-	-	-
Special Instructional Projects	2,619,621	2,619,621	-	-	-	-	-
Workforce Development	-	-	-	-	-	-	-
Total Instruction	\$ 36,489,039	\$ 33,101,406	\$ 3,387,633	\$ -	\$ -	\$ -	\$ -
Instructional Support							
College Now	\$ 96,983	\$ 91,706	\$ 5,277	\$ -	\$ -	\$ -	\$ -
Distance Learning	486,390	236,965	249,425	-	-	-	-
Instruction & Student Services Office	1,482,641	1,399,323	83,318	-	-	-	-
Instructional Technology Support Service	377,018	367,759	9,259	-	-	-	-
Library	1,074,726	826,856	108,870	139,000	-	-	-
Professional Development - Faculty	326,619	253,069	73,550	-	-	-	-
Total Instructional Support	\$ 3,844,377	\$ 3,175,678	\$ 529,699	\$ 139,000	\$ -	\$ -	\$ -

REQUIREMENTS BY EXPENDITURES CATEGORY - GENERAL FUND

	Fiscal Year 2006-2007 ADOPTED Budget	Personal Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Student Services							
Conference & Culinary Services	\$ 312,818	312,818	-	-	-	-	-
Counseling	2,725,838	2,561,602	164,236	-	-	-	-
Disability Services	586,865	572,065	14,800	-	-	-	-
Enrollment Services	1,726,411	1,377,851	348,560	-	-	-	-
Student Financial Services	1,200,246	1,073,746	126,500	-	-	-	-
Student Life & Leadership Development	617,605	425,005	192,600	-	-	-	-
Women's Program	614,720	555,683	59,037	-	-	-	-
Total Student Services	\$ 7,784,503	\$ 6,878,770	\$ 905,733	\$ -	\$ -	\$ -	\$ -
College Support Services							
Board of Education	\$ 20,000	-	20,000	-	-	-	-
College Finance	1,037,171	957,982	79,189	-	-	-	-
College Operations Office	345,110	318,610	26,500	-	-	-	-
Curriculum & Scheduling	207,477	200,102	7,375	-	-	-	-
Governance and Administration	488,800	90,000	398,800	-	-	-	-
Human Resources	1,489,456	1,241,555	247,901	-	-	-	-
Information Technology	3,539,213	2,545,273	711,820	73,500	208,620	-	-
Institutional Research, Assessment & Planning	425,632	414,867	10,765	-	-	-	-
Lane Community College Downtown Center (Prior Years)	-	-	-	-	-	-	-
Lane Community College Foundation	312,165	307,665	4,500	-	-	-	-
Mail Services	166,814	139,154	27,660	-	-	-	-
Marketing & Public Relations	534,095	169,995	364,100	-	-	-	-
Other Expenditures	1,433,500	-	1,433,500	-	-	-	-
President's Office	498,633	452,883	45,750	-	-	-	-
Public Safety	763,404	680,914	82,490	-	-	-	-
Sustainability	240,680	180,480	60,200	-	-	-	-
Total College Support Services	\$ 11,502,150	\$ 7,699,480	\$ 3,520,550	\$ 73,500	\$ 208,620	\$ -	\$ -
Plant Operation & Maintenance							
Facilities Management & Planning	\$ 5,721,753	\$ 2,747,901	\$ 2,973,852	\$ -	\$ -	\$ -	\$ -
Total Plant Operation & Maintenance	\$ 5,721,753	\$ 2,747,901	\$ 2,973,852	\$ -	\$ -	\$ -	\$ -
Financial Aid							
Financial Aid Transfer	\$ 228,343	\$ -	\$ -	\$ -	\$ 228,343	\$ -	\$ -
Total Financial Aid	\$ 228,343	\$ -	\$ -	\$ -	\$ 228,343	\$ -	\$ -

REQUIREMENTS BY EXPENDITURES CATEGORY - GENERAL FUND

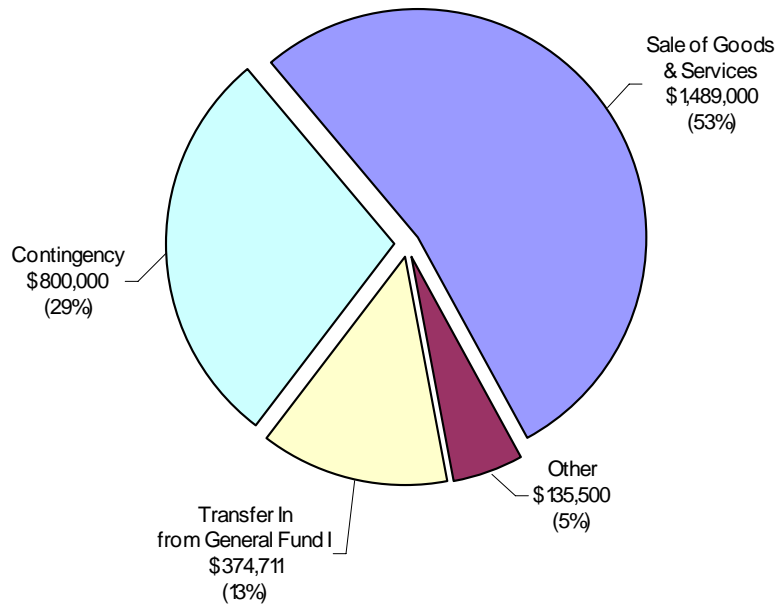
	Fiscal Year 2006-2007 ADOPTED Budget	Personal Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Debt Service							
Debt Service Transfer	\$ 428,053	\$ -	\$ -	\$ -	\$ -	\$ 428,053	\$ -
Total Debt Service	\$ 428,053	\$ -	\$ -	\$ -	\$ -	\$ 428,053	\$ -
Transfer Out:							
To Internal Services Fund II	\$ 166,091	\$ -	\$ -	\$ -	\$ 166,091	\$ -	\$ -
To Debt Service Fund III	-	-	-	-	-	-	-
To Capital Projects Fund IV	1,551,201	-	-	-	1,551,201	-	-
To Financial Aid Fund V	-	-	-	-	-	-	-
To Enterprise Fund VI	359,127	-	-	-	359,127	-	-
To Special Revenue-G/C Fund VIII	4,750	-	-	-	4,750	-	-
To Special Revenue-Admin. Rest. Fund IX	998,051	-	-	-	998,051	-	-
To Quasi-Endowment Fund X	-	-	-	-	-	-	-
Total Transfer Out	\$ 3,079,220	\$ -	\$ -	\$ -	\$ 3,079,220	\$ -	\$ -
Contingency							
Projects/Provisions	\$ 3,550,662	\$ 1,171,092	\$ -	\$ 610,000	\$ -	\$ -	\$ 1,769,570
Unappropriated Ending Fund Balance	2,400,000	-	-	-	-	-	2,400,000
Total Contingency	\$ 5,950,662	\$ 1,171,092	\$ -	\$ 610,000	\$ -	\$ -	\$ 4,169,570
Total - General Fund Functions	\$ 75,028,100	\$ 54,774,327	\$ 11,317,467	\$ 822,500	\$ 3,516,183	\$ 428,053	\$ 4,169,570
<u>SUMMARY OF GENERAL FUND RESOURCES AND REQUIREMENTS</u>							
Total Operating Revenues	\$ 70,908,100						
Less: Total Operating Expenditures	75,028,100						
Excess of revenues over (under) expenditures	\$ (4,120,000)						
Beginning Fund Balance	4,120,000						
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 – ADMIN. RESTRICTED
 - . QUASI-ENDOWMENT FUND X

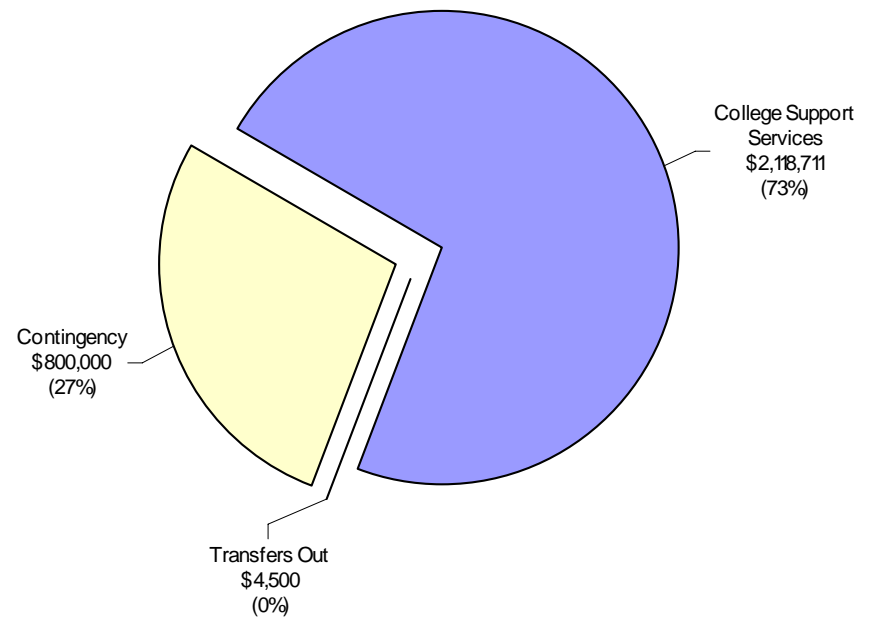
Budgeted Resources

Fiscal Year 2006-2007
Fund II



Budgeted Requirements

Fiscal Year 2006-2007
Fund II

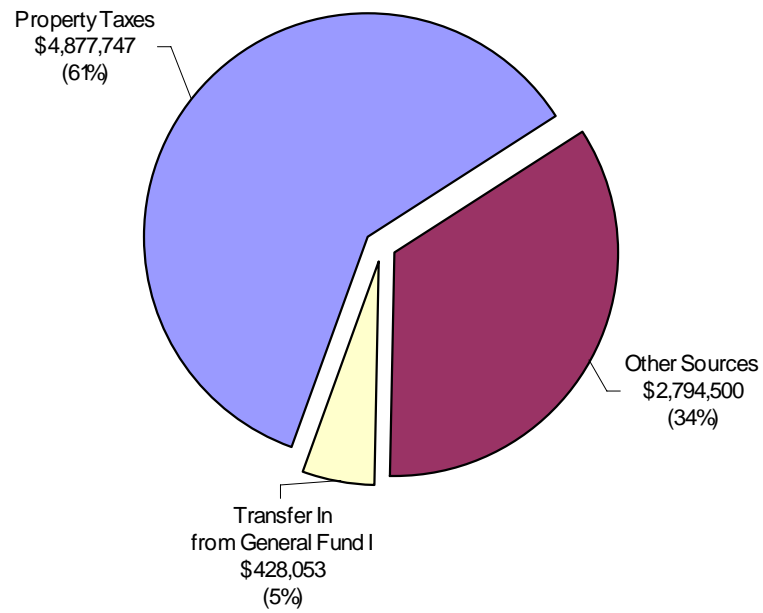


INTERNAL SERVICE FUND II

	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
RESOURCES						
Other Sources:						
Sale of Goods & Services	\$ 1,489,000	\$ 1,489,000	\$ 1,489,000	\$ 1,385,000	\$ 1,158,745	\$ 1,177,460
Other	135,500	135,500	135,500	239,500	136,603	115,033
Transfer In from General Fund I	374,711	374,711	374,711	377,447	342,423	289,926
Contingency	800,000	800,000	800,000	800,000	-	-
Total Operating Resources	\$ 2,799,211	\$ 2,799,211	\$ 2,799,211	\$ 2,801,947	\$ 1,637,771	\$ 1,582,419
Beginning Fund Balance	124,000	124,000	124,000	165,000	70,581	332,661
TOTAL RESOURCES	\$ 2,923,211	\$ 2,923,211	\$ 2,923,211	\$ 2,966,947	\$ 1,708,352	\$ 1,915,080
EXPENDITURES AND OTHER REQUIREMENTS						
REQUIREMENTS						
College Support Services						
Employee Wellness	\$ 140,515	\$ 140,515	\$ 140,515	\$ 131,712	\$ 95,058	\$ -
Motor Pool	105,000	105,000	105,000	85,000	31,017	80,881
Printing & Graphics	1,075,576	1,075,576	1,075,576	1,099,963	866,139	850,183
Telephone Services	717,620	717,620	717,620	765,772	547,314	820,866
Warehouse Services	80,000	80,000	80,000	80,000	66,292	67,793
Transfer Out:						
To General Fund I	3,500	3,500	3,500	3,500	3,500	24,776
To Special Revenue-Admin Rest. Fund IX	1,000	1,000	1,000	1,000	-	-
To Quasi-Endowment Fund X	-	-	-	-	-	-
Contingency						
Contingency	800,000	800,000	800,000	800,000	-	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 2,923,211	\$ 2,923,211	\$ 2,923,211	\$ 2,966,947	\$ 1,609,320	\$ 1,844,499
SUMMARY OF INTERNAL SERVICE FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 2,799,211	\$ 2,799,211	\$ 2,799,211	\$ 2,801,947	\$ 1,637,771	\$ 1,582,419
Less: Total Operating Expenditures	2,923,211	2,923,211	2,923,211	2,966,947	1,609,320	1,844,499
Excess of Revenues, over (under) Expenditures	\$ (124,000)	\$ (124,000)	\$ (124,000)	\$ (165,000)	\$ 28,451	\$ (262,080)
Beginning Fund Balance	124,000	124,000	124,000	165,000	70,581	332,661
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 99,032	\$ 70,581

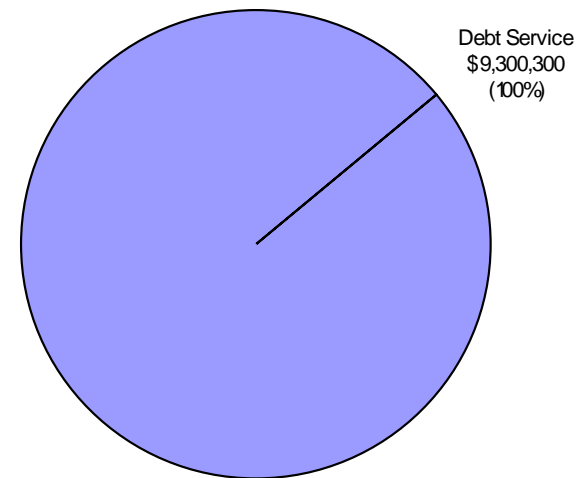
Budgeted Resources

Fiscal Year 2006-2007
Fund III



Budgeted Requirements

Fiscal Year 2006-2007
Fund III

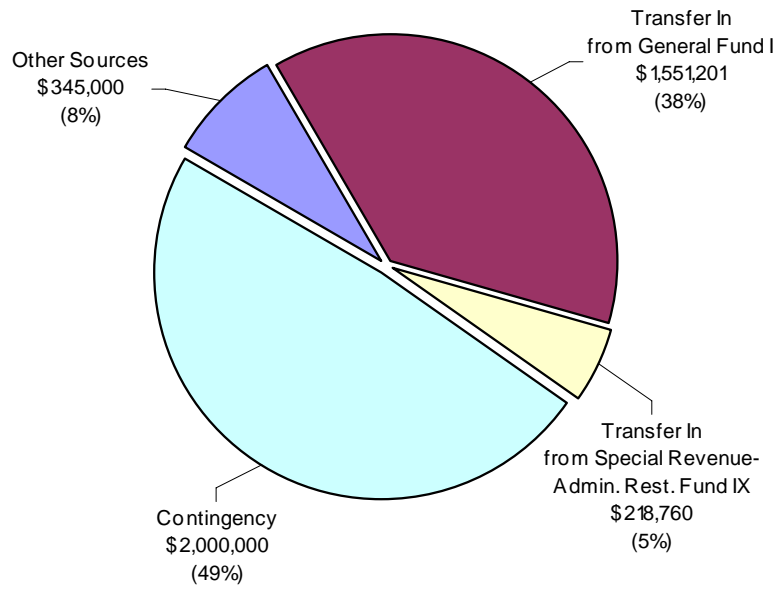


DEBT SERVICE FUND III

	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
RESOURCES						
Property Taxes	\$ 4,877,747	\$ 4,877,747	\$ 4,877,747	\$ 5,193,669	\$ 5,306,346	\$ 5,053,230
Other Sources:						
Interest Income	250	250	250	250	27,339	10,431
Employee benefits-PERS bond	2,794,250	2,794,250	2,794,250	2,644,250	2,259,250	2,315,479
Transfer In from General Fund I	428,053	428,053	428,053	441,430	453,650	102,000
Transfer In from Capital Projects Fund IV	-	-	-	-	-	365,000
Total Operating Revenues	\$ 8,100,300	\$ 8,100,300	\$ 8,100,300	\$ 8,279,599	\$ 8,046,585	\$ 7,846,140
Beginning Fund Balance	1,200,000	1,200,000	1,200,000	200,000	1,186,199	811,711
TOTAL RESOURCES	\$ 9,300,300	\$ 9,300,300	\$ 9,300,300	\$ 8,479,599	\$ 9,232,784	\$ 8,657,851
EXPENDITURES AND OTHER REQUIREMENTS						
Debt Service						
General Obligation Bond Principal	\$ 4,610,000	\$ 4,610,000	\$ 4,610,000	\$ 4,190,000	\$ 3,885,000	\$ 3,520,000
General Obligation Bond Interest	1,201,747	1,201,747	1,201,747	1,197,198	958,311	1,395,197
General Obligation Bond Fees	1,000	1,000	1,000	1,950	1,325	1,325
Pension Bond Principal & Interest	3,054,500	3,054,500	3,054,500	2,644,250	1,652,657	2,189,660
Pension Bond Fees	5,000	5,000	5,000	5,395	1,600	1,600
Debt Obligations Principal	355,000	355,000	355,000	350,000	1,211,400	260,000
Debt Obligations Interest	73,053	73,053	73,053	90,806	-	103,870
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 9,300,300	\$ 9,300,300	\$ 9,300,300	\$ 8,479,599	\$ 7,710,293	\$ 7,471,652
SUMMARY OF DEBT SERVICE FUND						
RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 8,100,300	\$ 8,100,300	\$ 8,100,300	\$ 8,279,599	\$ 8,046,585	\$ 7,846,140
Less: Total Operating Expenditures	9,300,300	9,300,300	9,300,300	8,479,599	7,710,293	7,471,652
Excess of Revenues, over (under) Expenditures	\$ (1,200,000)	\$ (1,200,000)	\$ (1,200,000)	\$ (200,000)	\$ 336,292	\$ 374,488
Beginning Fund Balance	1,200,000	1,200,000	1,200,000	200,000	1,186,199	811,711
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 1,522,491	\$ 1,186,199

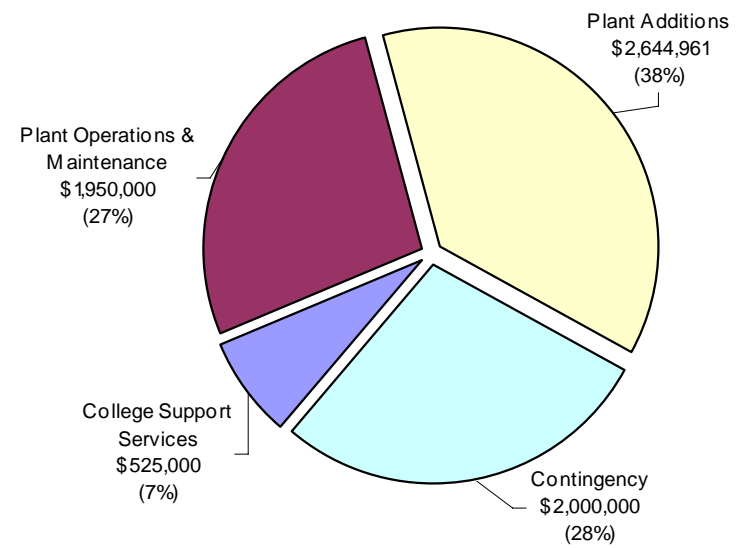
Budgeted Resources

Fiscal Year 2006-2007
Fund IV



Budgeted Requirements

Fiscal Year 2006-2007
Fund IV



CAPITAL PROJECTS FUND IV**RESOURCES**

Other Sources:

Interest Income

Other

Transfer In from General Fund I

Transfer In from Special Revenue-Admin Rest. Fund IX

Transfer In from Quasi-Endowment Fund X

Contingency

Total Operating Revenues

Beginning Fund Balance

TOTAL RESOURCES**EXPENDITURES AND OTHER REQUIREMENTS****College Support Services**

Information Technology (LASR Project)

Plant Operation & Maintenance

Facilities Management & Planning

Plant Additions

Bond Project

Facilities Management & Planning

Transfer Out:

To General Fund I

To Debt Service Fund III

Contingency

Contingency

TOTAL EXPENDITURES AND OTHER REQUIREMENTS**SUMMARY OF CAPITAL PROJECTS FUND****RESOURCES AND REQUIREMENTS**

Total Operating Revenues

Less: Total Operating Expenditures

Excess of Revenues, over (under) Expenditures

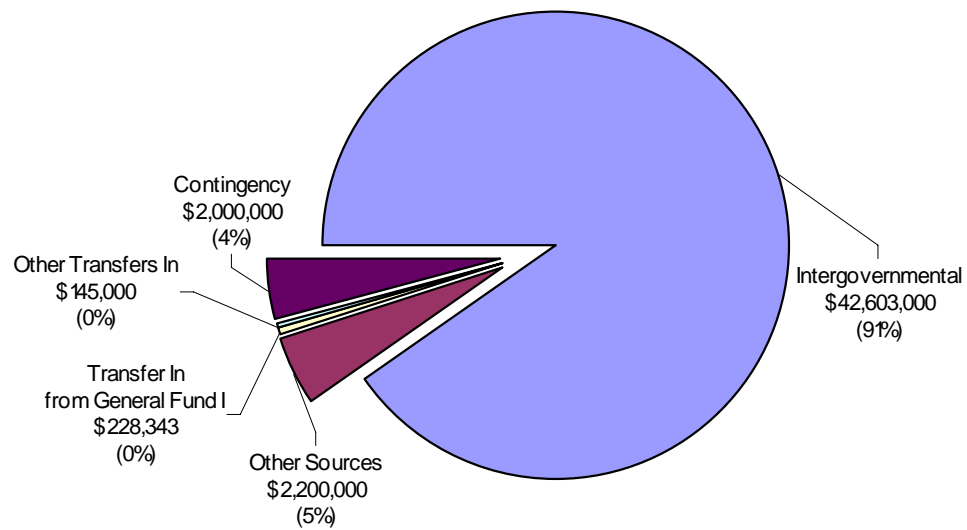
Beginning Fund Balance

Ending Fund Balance

	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
RESOURCES						
Other Sources:						
Interest Income	\$ 50,000	\$ 50,000	\$ 50,000	\$ 100,000	\$ 60,513	\$ 156,816
Other	295,000	295,000	295,000	920,000	172,771	351,498
Transfer In from General Fund I	1,551,201	1,551,201	1,551,201	1,705,000	2,903,567	1,158,620
Transfer In from Special Revenue-Admin Rest. Fund IX	218,760	218,760	218,760	150,000	-	-
Transfer In from Quasi-Endowment Fund X	-	-	-	-	497,558	206,000
Contingency	2,000,000	2,000,000	2,000,000	2,000,000	-	-
Total Operating Revenues	\$ 4,114,961	\$ 4,114,961	\$ 4,114,961	\$ 4,875,000	\$ 3,634,409	\$ 1,872,934
Beginning Fund Balance	3,005,000	3,005,000	3,005,000	5,220,000	4,379,798	6,169,952
TOTAL RESOURCES	\$ 7,119,961	\$ 7,119,961	\$ 7,119,961	\$ 10,095,000	\$ 8,014,207	\$ 8,042,886
EXPENDITURES AND OTHER REQUIREMENTS						
College Support Services						
Information Technology (LASR Project)	\$ 525,000	\$ 525,000	\$ 525,000	\$ 900,000	\$ 158,737	\$ 626,581
Plant Operation & Maintenance						
Facilities Management & Planning	1,950,000	1,950,000	1,950,000	2,768,500	218,759	124,489
Plant Additions						
Bond Project	2,100,000	2,100,000	2,100,000	2,008,500	891,046	855,444
Facilities Management & Planning	544,961	544,961	544,961	2,418,000	1,324,059	1,691,574
Transfer Out:						
To General Fund I	-	-	-	-	150,000	-
To Debt Service Fund III	-	-	-	-	-	365,000
Contingency						
Contingency	2,000,000	2,000,000	2,000,000	2,000,000	-	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 7,119,961	\$ 7,119,961	\$ 7,119,961	\$ 10,095,000	\$ 2,742,601	\$ 3,663,088
SUMMARY OF CAPITAL PROJECTS FUND						
RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 4,114,961	\$ 4,114,961	\$ 4,114,961	\$ 4,875,000	\$ 3,634,409	\$ 1,872,934
Less: Total Operating Expenditures	7,119,961	7,119,961	7,119,961	10,095,000	2,742,601	3,663,088
Excess of Revenues, over (under) Expenditures	\$ (3,005,000)	\$ (3,005,000)	\$ (3,005,000)	\$ (5,220,000)	\$ 891,808	\$ (1,790,154)
Beginning Fund Balance	3,005,000	3,005,000	3,005,000	5,220,000	4,379,798	6,169,952
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 5,271,606	\$ 4,379,798

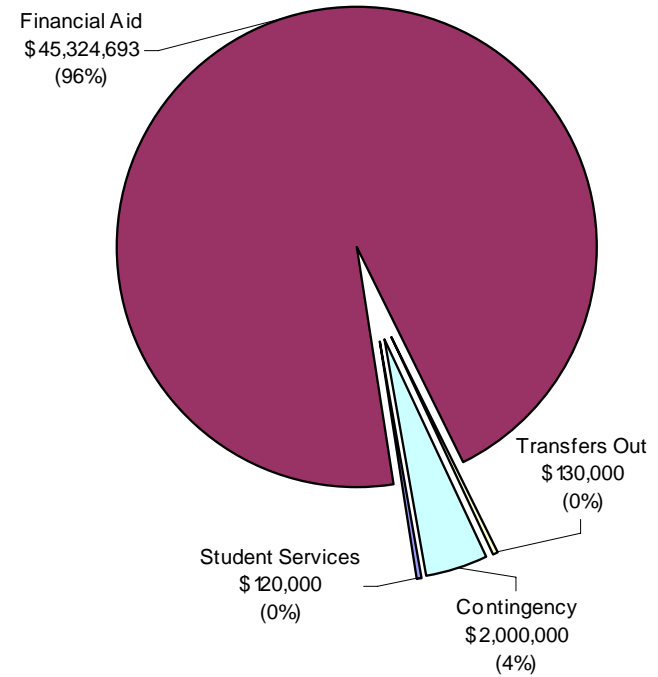
Budgeted Resources

Fiscal Year 2006-2007
Fund V



Budgeted Requirements

Fiscal Year 2006-2007
Fund V



FINANCIAL AID FUND V

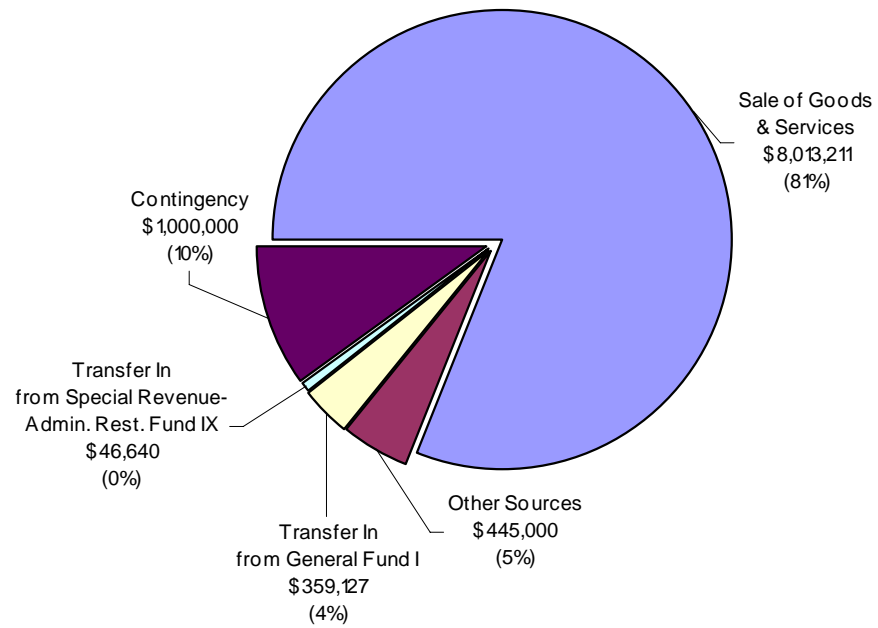
	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
RESOURCES						
Intergovernmental	\$ 42,603,000	\$ 42,603,000	\$ 42,603,000	\$ 51,000,000	\$ 33,197,036	\$ 33,783,389
Other Sources:						
Interest Income	100,000	100,000	100,000	96,000	79,421	68,083
Administrative Recovery	-	-	-	3,500	42,200	-
Other	2,100,000	2,100,000	2,100,000	-	2,094,651	-
Transfer In from General Fund I	228,343	228,343	228,343	735,406	725,240	1,727,103
Transfer In from Enterprise Fund VI	-	-	-	-	-	886,900
Transfer In from Special Revenue-Admin. Rest. Fund IX	15,000	15,000	15,000	15,000	-	-
Intra-fund Transfer In	130,000	130,000	130,000	50,000	-	-
Contingency	2,000,000	2,000,000	2,000,000	1,600,000	-	-
Total Operating Revenues	\$ 47,176,343	\$ 47,176,343	\$ 47,176,343	\$ 53,499,906	\$ 36,138,548	\$ 36,465,475
Beginning Fund Balance	398,350	398,350	398,350	175,000	532,694	388,776
TOTAL RESOURCES	\$ 47,574,693	\$ 47,574,693	\$ 47,574,693	\$ 53,674,906	\$ 36,671,242	\$ 36,854,251
EXPENDITURES AND OTHER REQUIREMENTS						
Student Services						
Job Placement Office	\$ 120,000	\$ 120,000	\$ 120,000	\$ 304,900	\$ 303,442	\$ 305,257
Financial Aid						
College Workstudy	822,350	822,350	822,350	869,652	590,015	-
Financial Aid	44,502,343	44,502,343	44,502,343	50,850,354	34,622,948	35,992,234
Transfer Out:						
Intra-fund Transfer Out	130,000	130,000	130,000	50,000	184,164	-
Contingency						
Contingency	2,000,000	2,000,000	2,000,000	1,600,000	-	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 47,574,693	\$ 47,574,693	\$ 47,574,693	\$ 53,674,906	\$ 35,700,569	\$ 36,297,491
SUMMARY OF FINANCIAL AID FUND						
RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 47,176,343	\$ 47,176,343	\$ 47,176,343	\$ 53,499,906	\$ 36,138,548	\$ 36,465,475
Less: Total Operating Expenditures	47,574,693	47,574,693	47,574,693	53,674,906	35,700,569	36,297,491
Excess of Revenues, over (under) Expenditures	\$ (398,350)	\$ (398,350)	\$ (398,350)	\$ (175,000)	\$ 437,979	\$ 167,984
Beginning Fund Balance	398,350	398,350	398,350	175,000	532,694 *	388,776
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 970,673	\$ 556,760

* Beginning Fund Balance includes \$24,066 prior period adjustment interfund transfer General Fund I.

Budgeted Resources

Fiscal Year 2006-2007

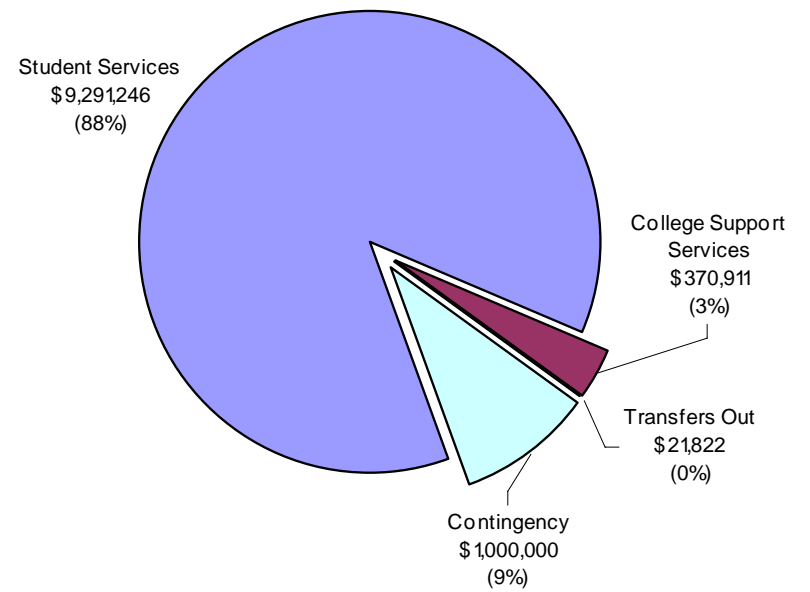
Fund VI



Budgeted Requirements

Fiscal Year 2006-2007

Fund VI



ENTERPRISE FUND VI

	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
RESOURCES						
Sale of Goods & Services	\$ 8,013,211	\$ 8,013,211	\$ 8,013,211	\$ 10,404,966	\$ 6,957,692	\$ 6,956,980
Other Sources	445,000	445,000	445,000	45,000	255,964	918,464
Transfer In from General Fund I	359,127	359,127	359,127	209,064	773,355	42,343
Transfer In from Special Revenue-Admin. Rest. Fund IX	46,640	46,640	46,640	-	-	778,564
Intra-fund Transfer In	-	-	-	7,211	-	-
Contingency	1,000,000	1,000,000	1,000,000	1,000,000	-	-
Total Operating Revenues	\$ 9,863,978	\$ 9,863,978	\$ 9,863,978	\$ 11,666,241	\$ 7,987,011	\$ 8,696,351
Beginning Fund Balance	820,000	820,000	820,000	840,000	2,390,354	2,430,464
TOTAL RESOURCES	\$ 10,683,978	\$ 10,683,978	\$ 10,683,978	\$ 12,506,241	\$ 10,377,365	\$ 11,126,815
EXPENDITURES AND OTHER REQUIREMENTS						
Instruction						
Performance Season (Prior Years)	\$ -	\$ -	\$ -	\$ -	\$ 6,165	\$ 6,280
Student Services						
ASLCC (Prior Years)	-	-	-	-	24,246	352,814
ASLCC Childcare Coop (Prior Years)	-	-	-	-	891	293,680
Bookstore	6,887,067	6,887,067	6,887,067	9,138,566	5,165,566	5,251,506
Foodservices	1,579,178	1,579,178	1,579,178	1,550,001	1,343,484	1,402,305
Hospitality & Conference Services	825,000	825,000	825,000	450,000	1,024,710	677,537
Student Health Services (Prior Years)	-	-	-	-	-	509,609
College Support Services						
Laundry	370,911	370,911	370,911	354,064	266,557	233,839
Public Safety-Parking Permit Program	-	-	-	-	-	144

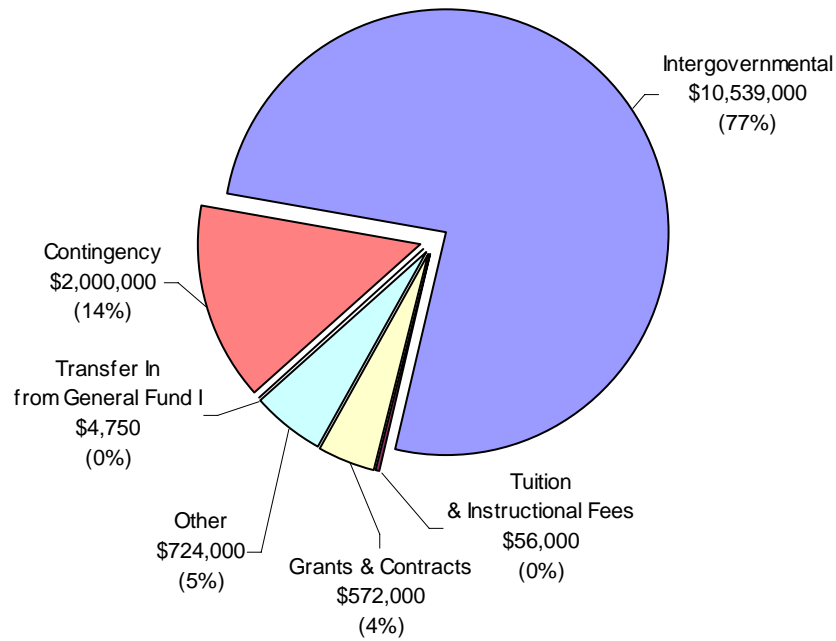
- Continued -

ENTERPRISE FUND VI

	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
Transfer Out:						
To General Fund I	\$ 20,822	\$ 20,822	\$ 20,822	\$ 5,400	\$ 5,423	\$ 7,600
To Special Revenue-Admin Rest. Fund IX	1,000	1,000	1,000	1,000	-	-
To Quasi-Endowment Fund X	-	-	-	-	-	1,147
Intra-fund Transfer Out	-	-	-	7,211	-	-
Contingency						
Contingency	1,000,000	1,000,000	1,000,000	1,000,000	-	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 10,683,978	\$ 10,683,978	\$ 10,683,978	\$ 12,506,241	\$ 7,837,042	\$ 8,736,461
SUMMARY OF ENTERPRISE FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 9,863,978	\$ 9,863,978	\$ 9,863,978	\$ 11,666,241	\$ 7,987,011	\$ 8,696,351
Less: Total Operating Expenditures	10,683,978	10,683,978	10,683,978	12,506,241	7,837,042	8,736,461
Excess of Revenues, over (under) Expenditures	\$ (820,000)	\$ (820,000)	\$ (820,000)	\$ (840,000)	\$ 149,969	\$ (40,110)
Beginning Fund Balance	820,000	820,000	820,000	840,000	2,390,354	2,430,464
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,540,323	\$ 2,390,354

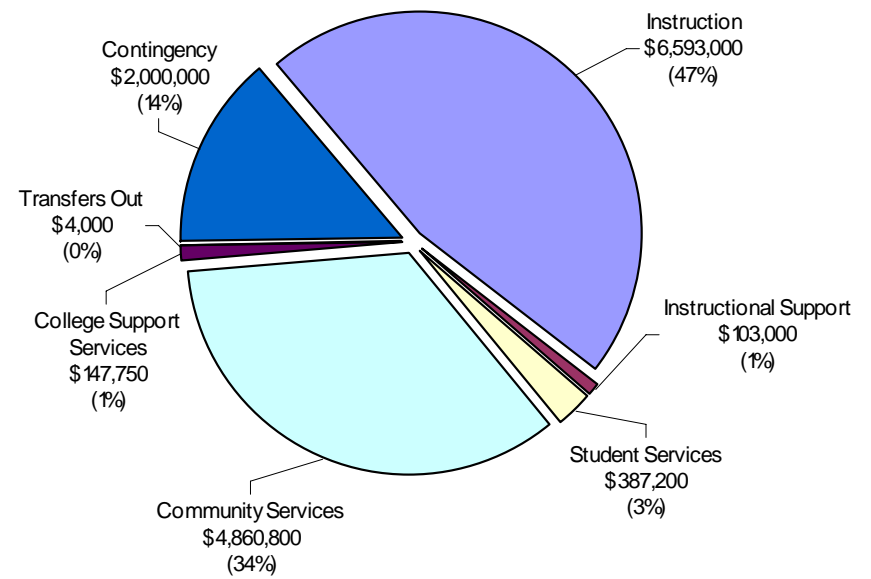
Budgeted Resources

Fiscal Year 2006-2007
Fund VIII



Budgeted Requirements

Fiscal Year 2006-2007
Fund VIII



SPECIAL REVENUE FUND VIII

	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
RESOURCES						
Intergovernmental	\$ 10,539,000	\$ 10,539,000	\$ 10,539,000	\$ 10,850,000	\$ 6,673,263	\$ 7,078,203
Tuition & Fees:						
Tuition	6,000	6,000	6,000	6,000	30,775	23,735
Instructional Fees	50,000	50,000	50,000	50,000	95,988	83,033
Other Sources:						
Grants & Contracts	572,000	572,000	572,000	572,000	289,607	357,397
Other	724,000	724,000	724,000	413,000	78,210	61,683
Transfer In from General Fund I	4,750	4,750	4,750	4,750	22,556	9,424
Contingency	2,000,000	2,000,000	2,000,000	4,000,000	-	-
Total Operating Revenues	\$ 13,895,750	\$ 13,895,750	\$ 13,895,750	\$ 15,895,750	\$ 7,190,399	\$ 7,613,475
Beginning Fund Balance	200,000	200,000	200,000	200,000	172,115	180,084
TOTAL RESOURCES	\$ 14,095,750	\$ 14,095,750	\$ 14,095,750	\$ 16,095,750	\$ 7,362,514	\$ 7,793,559
EXPENDITURES AND OTHER REQUIREMENTS						
Instruction						
Funded Projects	\$ 6,593,000	\$ 6,593,000	\$ 6,593,000	\$ 6,593,000	\$ 3,692,305	\$ 4,208,142
Instructional Support						
Funded Projects	103,000	103,000	103,000	103,000	16,268	-
Student Services						
Funded Projects	387,200	387,200	387,200	387,200	254,050	252,967
Community Services						
Funded Projects	4,860,800	4,860,800	4,860,800	4,860,800	3,221,165	3,060,335
College Support Services						
Funded Projects	147,750	147,750	147,750	147,750	-	100,000

- Continued -

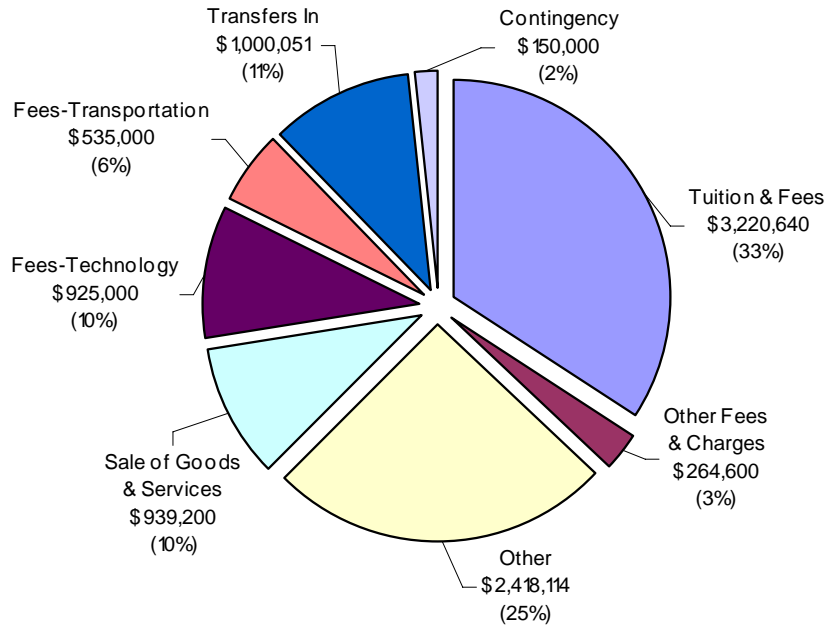
SPECIAL REVENUE FUND VIII

	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
Transfer Out:						
To General Fund I	4,000	4,000	4,000	4,000	-	-
Contingency						
Contingency	2,000,000	2,000,000	2,000,000	4,000,000	-	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 14,095,750	\$ 14,095,750	\$ 14,095,750	\$ 16,095,750	\$ 7,183,788	\$ 7,621,444
SUMMARY OF SPECIAL REVENUE-G/C FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 13,895,750	\$ 13,895,750	\$ 13,895,750	\$ 15,895,750	\$ 7,190,399	\$ 7,613,475
Less: Total Operating Expenditures	14,095,750	14,095,750	14,095,750	16,095,750	7,183,788	7,621,444
Excess of Revenues, over (under) Expenditures	\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ 6,611	\$ (7,969)
Beginning Fund Balance	200,000	200,000	200,000	200,000	172,115	180,084
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 178,726	\$ 172,115

Budgeted Resources

Fiscal Year 2006-2007

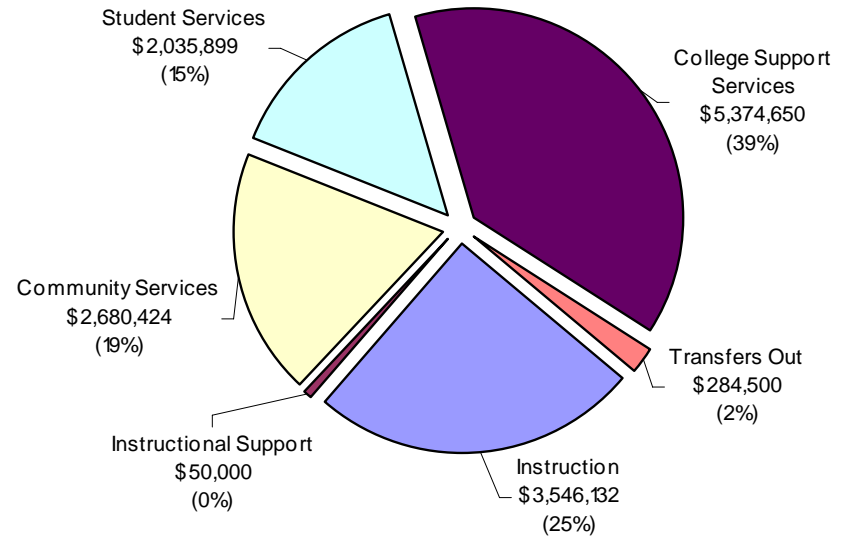
Fund IX



Budgeted Requirements

Fiscal Year 2006-2007

Fund IX



SPECIAL REVENUE FUND IX - ADMINISTRATIVELY RESTRICTED

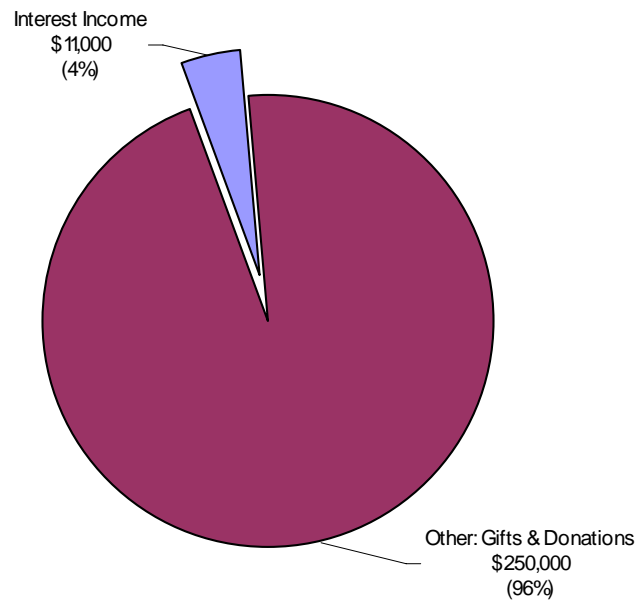
	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
RESOURCES						
Tuition & Fees:						
Tuition	\$ 652,000	\$ 652,000	\$ 652,000	\$ 840,000	\$ 864,638	\$ 3,045,744
Instructional Fees	1,707,840	1,707,840	1,707,840	1,866,000	1,755,103	977,062
Non-Mandatory Fees	860,800	860,800	860,800	830,850	617,036	544,280
Other Fees & Charges	264,600	264,600	264,600	314,600	176,462	37,954
Sale of Goods and Services	939,200	939,200	939,200	1,111,700	1,051,755	795,600
Interest Income	2,000	2,000	2,000	1,000	8,357	2,028
Other Sources	2,416,114	2,416,114	2,416,114	7,000	2,441,248	2,207,984
Fees-Technology	925,000	925,000	925,000	1,100,000	876,711	916,763
Fees-Transportation	535,000	535,000	535,000	623,000	478,164	484,865
Transfer In from General Fund I	998,051	998,051	998,051	969,014	1,476,535	1,156,242
Transfer In from Internal Service Fund II	1,000	1,000	1,000	1,000	-	-
Transfer In from Enterprise Fund VI	1,000	1,000	1,000	1,000	-	-
Transfer In from Quasi-Endowment Fund X	-	-	-	600,000	-	-
Intra-fund Transfer In	150,000	150,000	150,000	-	-	-
Contingency	-	-	-	5,000,000	-	-
Total Operating Revenues	\$ 9,452,605	\$ 9,452,605	\$ 9,452,605	\$ 13,265,164	\$ 9,746,009	\$ 10,168,522
Beginning Fund Balance	4,519,000	4,519,000	4,519,000	2,409,355	2,720,777	617,911
TOTAL RESOURCES	\$ 13,971,605	\$ 13,971,605	\$ 13,971,605	\$ 15,674,519	\$ 12,466,786	\$ 10,786,433
EXPENDITURES AND OTHER REQUIREMENTS						
Instruction						
Contract Training	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000	\$ 868,431	\$ 944,670
Energy Management Program	550,000	550,000	550,000	500,000	396,995	-
Flight Technology	1,319,200	1,319,200	1,319,200	1,297,265	1,215,844	1,162,251
Mechanical Services	11,500	11,500	11,500	55,000	8,741	22,164
Non-Reimbursed Instruction	630,000	630,000	630,000	415,000	97,202	175,268
RTECH	6,000	6,000	6,000	40,000	44,054	-
Specialized Support Services	291,432	291,432	291,432	384,371	412,266	257,382
Student Restaurant	38,000	38,000	38,000	50,000	34,225	35,894
Tuition Based Programs (Prior Years)	-	-	-	-	-	3,090,266
Total Instruction	\$ 3,546,132	\$ 3,546,132	\$ 3,546,132	\$ 3,441,636	\$ 3,077,758	\$ 5,687,895

SPECIAL REVENUE FUND IX - ADMINISTRATIVELY RESTRICTED

	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
Instructional Support						
OSBDCN	50,000	50,000	50,000	190,000	9,603	374,184
Community Services						
KLCC FM	2,680,424	2,680,424	2,680,424	1,297,265	1,391,388	1,228,512
Student Services						
ASLCC	372,360	372,360	372,360	351,120	393,038	-
ASLCC Childcare Coop	337,620	337,620	337,620	295,620	336,287	-
Athletics	519,571	519,571	519,571	316,959	343,536	501,250
Student Health Services	654,081	654,081	654,081	542,440	483,264	-
The Torch	152,267	152,267	152,267	152,559	115,311	180,600
College Support Services						
Staff Health Clinic	364,650	364,650	364,650	328,120	181,967	-
PERS Reserve Transfer	3,500,000	3,500,000	3,500,000	1,466,700	-	-
Technology Fee	1,125,000	1,125,000	1,125,000	1,300,000	960,148	-
Transportation	385,000	385,000	385,000	823,000	325,917	51,215
Transfers Out:						
To General Fund I	3,600	3,600	3,600	3,600	283,158	42,000
To Capital Projects Fund IV	218,760	218,760	218,760	150,000	497,558	-
To Financial Aid Fund V	15,000	15,000	15,000	15,000	13,158	-
To Enterprise Fund VI	46,640	46,640	46,640	-	-	-
To Quasi-Endowment Fund X	500	500	500	500	-	-
Contingency						
Contingency				5,000,000	-	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 13,971,605	\$ 13,971,605	\$ 13,971,605	\$ 15,674,519	\$ 8,412,092	\$ 8,065,656
SUMMARY OF SPECIAL REVENUE-ADMIN. REST. FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 9,452,605	\$ 9,452,605	\$ 9,452,605	\$ 13,265,164	\$ 9,746,009	\$ 10,168,522
Less: Total Operating Expenditures	13,971,605	13,971,605	13,971,605	15,674,519	8,412,092	8,065,656
Excess of Revenues, over (under) Expenditures	\$ (4,519,000)	\$ (4,519,000)	\$ (4,519,000)	\$ (2,409,355)	\$ 1,333,917	\$ 2,102,866
 Beginning Fund Balance	 4,519,000	 4,519,000	 4,519,000	 2,409,355	 2,720,777	 617,911
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 4,054,694	\$ 2,720,777

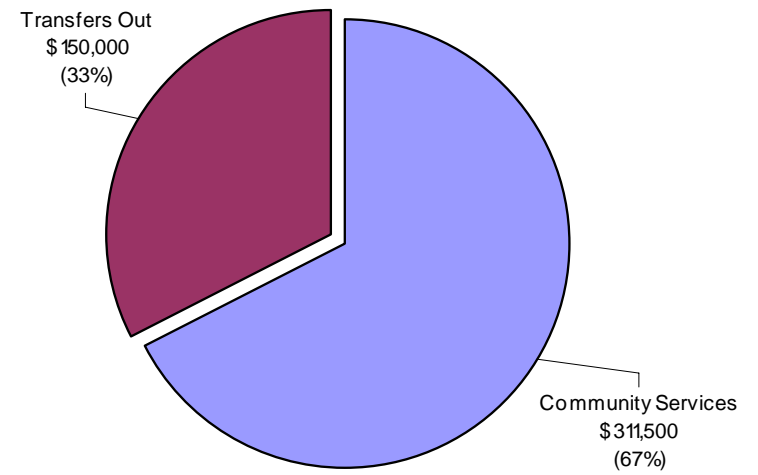
Budgeted Resources

Fiscal Year 2006-2007
Fund X



Budgeted Requirements

Fiscal Year 2006-2007
Fund X



QUASI-ENDOWMENT FUND X**RESOURCES**

Other Sources:

	Fiscal Year 2006-2007 ADOPTED Budget	Fiscal Year 2006-2007 APPROVED Budget	Fiscal Year 2006-2007 PROPOSED Budget	Fiscal Year 2005-2006 CURRENT Budget	Fiscal Year 2004-2005 ACTUAL Amounts	Fiscal Year 2003-2004 ACTUAL Amounts
Interest Income	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000	\$ 4,832	\$ 6,000
Other: Gifts & Donations	250,000	250,000	250,000	1,000,000	-	-
Transfer In from General Fund I	-	-	-	500	6,000	-
Transfer In from Special Revenue-Admin Rest Fund IX	500	500	500	-	-	-
Total Operating Revenues	\$ 261,500	\$ 261,500	\$ 261,500	\$ 1,011,500	\$ 10,832	\$ 6,000
Beginning Fund Balance	200,000	200,000	200,000	200,000	-	200,000
TOTAL RESOURCES	\$ 461,500	\$ 461,500	\$ 461,500	\$ 1,211,500	\$ 10,832	\$ 206,000

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

KLCC FM	\$ 311,500	\$ 311,500	\$ 311,500	\$ 611,500	\$ -	\$ -
Transfer Out:						
To Capital Projects Fund IV	-	-	-	-	-	206,000
To Special Revenue-Admin Rest. Fund IX	-	-	-	600,000	-	-
Intra-Fund Transfer Out	150,000	150,000	150,000	-	-	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 461,500	\$ 461,500	\$ 461,500	\$ 1,211,500	\$ -	\$ 206,000

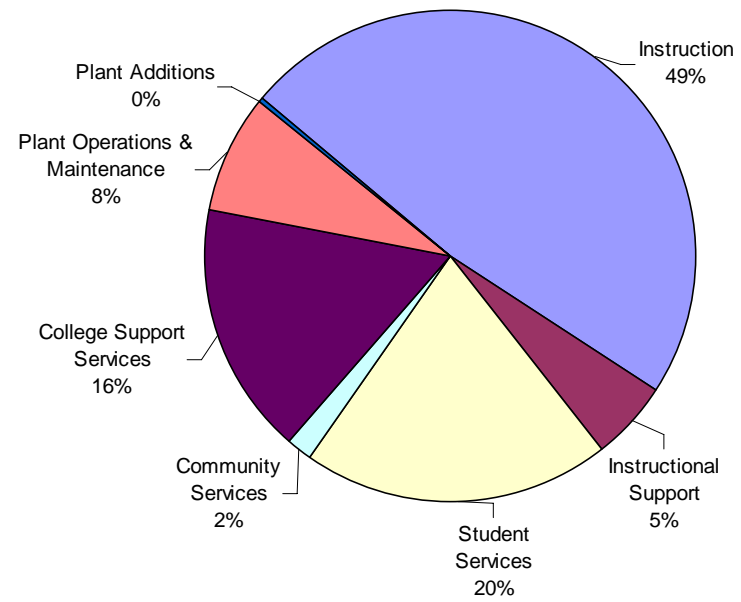
**SUMMARY OF QUASI-ENDOWMENT FUND
RESOURCES AND REQUIREMENTS**

Total Operating Revenues	\$ 261,500	\$ 261,500	\$ 261,500	\$ 1,011,500	\$ 10,832	\$ 6,000
Less: Total Operating Expenditures	461,500	461,500	461,500	1,211,500	-	206,000
Excess of Revenues, over (under) Expenditures	\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ 10,832	\$ (200,000)
Beginning Fund Balance	200,000	200,000	200,000	200,000	-	200,000
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 10,832	\$ -



PERSONAL SERVICES

Employee FTE by Expense Function
Fiscal Year 2006-2007



FTE BY EXPENSE FUNCTION	FY07	FY06	FY05
INSTRUCTION			
Academic Learning Skills	19.166	19.667	15.667
Adult Basic and Secondary Education	14.363	15.520	15.602
Advanced Technology	22.613	26.146	25.146
Art & Applied Design	14.000	14.490	14.300
Business Development Center	7.453	7.953	7.953
Business Technologies	9.600	11.048	9.517
Computer Information Technology	9.335	10.501	10.389
Continuing Education	10.893	11.493	9.493
Cooperative Education	13.790	15.790	12.733
Culinary Arts & Hospitality	3.050	3.300	3.050
Family & Health Careers	39.689	39.542	39.148
Flight Technology	7.000	8.000	8.000
Health & Physical Education	15.483	17.668	17.510
Lane Community College at Cottage Grove	3.471	3.471	3.471
Lane Community College at Florence	4.111	4.111	4.111
Lane Community College Learning Centers	0.250	3.250	4.500
Language, Literature & Communication	34.148	35.630	34.648
Mathematics	22.854	24.851	23.424
Music/Dance/Theatre Arts	12.966	12.966	12.966
Science	22.585	24.931	23.000
Social Science	24.750	25.552	25.052
Special Instructional Projects	2.000	1.611	1.611
Specialized Support Services	1.832	1.643	1.643
Workforce Development	-	0.250	0.250
	315.402	339.384	323.184
INSTRUCTIONAL SUPPORT			
College Now	1.833	1.833	1.833
Distance Learning	3.535	4.035	3.660
Instruction & Student Services Office	10.185	10.272	9.000
Instructional Technology Support Service	5.841	9.065	15.653
Library	12.350	13.600	13.100
	33.744	38.805	43.246
STUDENT SERVICES			
ASLCC Childcare Cooperative	5.166	5.166	5.070
ASLCC Legal Services	1.000	1.000	1.000
Athletics	2.950	2.508	2.741
Bookstore	11.350	11.350	11.287
Center Food Sales	9.265	9.265	12.099
Conference & Culinary Services	11.090	8.468	7.685
Counseling	31.300	34.300	31.300
Disability Services	5.250	5.250	4.500
Enrollment Services	21.750	24.500	24.000

FTE BY EXPENSE FUNCTION	FY07	FY06	FY05
STUDENT SERVICES (continued)			
Student Financial Services	15.000	16.500	18.000
Student Health	5.000	4.800	7.051
Student Life & Leadership	6.000	7.000	5.750
The Torch	1.170	1.295	1.295
Women's Program	6.000	6.750	6.250
	132.291	138.152	138.028
COMMUNITY SERVICES			
KLCC Administration	11.200	13.400	11.975
	11.200	13.400	11.975
COLLEGE SUPPORT SERVICES			
College Finance	12.625	13.125	12.125
College Operations Office	3.250	5.000	5.000
Curriculum & Scheduling	3.750	4.250	3.250
Employee Wellness	1.000	1.000	0.750
Human Resources	14.215	15.350	12.850
Information Technology	29.500	33.500	24.500
Institutional Research, Assessment & Planning	4.500	5.000	5.000
Lane Community College Foundation	3.000	3.000	3.000
Laundry	4.500	4.689	4.500
Mail Services	2.625	3.125	-
Marketing & Public Relations	1.900	1.900	1.900
President's Office	3.500	4.810	3.810
Printing & Graphics	8.000	8.000	11.125
Public Safety	10.586	12.286	11.785
Staff Health Clinic	3.000	3.500	-
Sustainability	2.127	3.127	0.627
	108.078	121.662	100.222
PLANT OPERATIONS & MAINTENANCE			
Facilities Administration	51.750	58.250	58.400
	51.750	58.250	59.027
PLANT ADDITIONS			
Bond Project/Management	1.000	1.000	1.000
Small Capital Projects	1.000	2.000	2.000
	2.000	3.000	3.000
TOTALS	654.465	712.653	678.682

SALARIES PAID FROM MORE THAN ONE SOURCE

Position Title	Department/Division	Expense Function	Salary	Total
Administrative Coordinator	Human Resources	College Support Services	8,850	
	Instruction & Student Services Office - Faculty Professional Dev.	Instructional Support	8,850	
	Instruction & Student Services Office - Mainstreamed Projects	Instructional Support	17,700	35,399
Administrative Specialist	Student Life & Leadership - Fund I	Student Services	28,937	
	Student Life & Leadership - Fund IX	Student Services	9,646	38,583
Administrative Specialist	Enrollment Services	Student Services	16,302	
	Student Financial Services	Student Services	16,302	32,604
Facility Planner	Sustainability - Excess Property	College Support Services	15,978	
	Sustainability - Recycling	College Support Services	15,978	31,956
Faculty Instructor	Curriculum & Scheduling	College Support Services	33,628	
	Institutional Research, Assessment & Planning	College Support Services	33,628	67,256
Faculty Instructor	Language, Literature & Communication	Instruction	33,628	
	Instruction & Student Services Office - Mainstreamed Projects	Instructional Support	33,628	67,256
Faculty Instructor	Social Science	Instruction	31,242	
	Instruction & Student Services Office - Faculty Webmaster	Instructional Support	31,242	62,483
Faculty Instructor	Health & Physical Education	Instruction	11,325	
	Athletics	Student Services	42,602	53,927
Faculty Instructor	Health & Physical Education - Health	Instruction	26,964	
	Health & Physical Education - Physical Education	Instruction	26,964	53,927
Faculty Instructor	Cooperative Education	Instruction	12,497	
	Family & Health Careers	Instruction	49,986	62,483
Faculty Instructor	Arts & Applied Design	Instruction	24,144	
	Instruction & Student Services Office - Faculty Webmaster	Instructional Support	24,144	48,288
Faculty Nurse	Student Health - Administration	Student Services	27,975	
	Student Health - Primary Care	Student Services	27,975	55,950
Instructional Specialist	Advanced Technology - Automotive	Instruction	13,882	
	Advanced Technology - Diesel	Instruction	13,882	27,763
Management Administrative	Bond Projects/Management	Plant Additions	8,316	
	Bond Projects/Management - Capital Repair	Plant Additions	74,841	83,157
Management Administrative	Laundry	College Support Services	15,501	
	Specialized Support Services	Instruction	41,824	57,324



APPENDICES

A: FINANCIAL POLICIES

B: LOCAL & 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 \$100,000 for goods and services contracts, or \$150,000 for public improvements contracts, 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 \$100,000 for goods and services contracts, or \$150,000 for public improvements contracts 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.

See also Debt Policy, page A9.

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.

Debt Policy

Lane Community College's current debt obligations were entered into following policies and procedures as prescribed by Oregon Revised Statutes and the Lane Community College Board of Education Policy E.100 (as presented in its entirety on page A8 of this document). ORS 341.675 establishes the authority to incur bonded indebtedness for certain uses such as to acquire, construct, reconstruct, improve, repair, equip or furnish a college building or buildings or additions thereto, and sets the legal debt limit. The legal debt limit is computed in compliance with ORS 308.207, according to which the taxing or bonding power of any governmental unit is limited to a percentage of the real market value of the taxable property.. ORS 341.675 sets the percentage at 1.5% of real property value in the community college service district. Additionally, section 341.715 requires that the proceeds from the issuance of any short-term promissory notes are specifically used for the purpose of meeting current expenses, retiring outstanding bonds or warrants, or paying the interest thereon.

Legal Debt Limit: The Lane County Assessor's Office most recent certified assessment roll has recorded a Total Real Market Value of Taxable Property in the service district in the amount of \$29,147,168,719. 1.5% of that figure is the maximum legal bonded indebtedness available to Lane Community College, or \$437,207,531. Lane's total bonded debt subject to the limitation at \$15,210,000, which is less than 4% of the legal limit. *Source: Lane County Assessor at http://www.co.lane.or.us/AT_Tax/documents/SAL_TABLE_1B.xls.*

At this time the College does not plan to issue any additional debt prior to June 30, 2009, at which time the General Obligation Bonds reach maturity.

The Debt Service Fund III accounts for the funds collected to pay the debt service requirements on bonds, debt obligations and pension bonds payable.

Current Debt
Lane Community College
July 1, 2006

Obligation	Purpose	Issued Date	Interest Rate	Maturity Date	Balance July 1, 2006	Principle Due Current Year	Interest Due Current Year
General Obligation Bonds Payable	Facilities Construction and Improvements	1995	4.85%-5.50%	2009	\$19,400,000	\$4,610,000	\$766,747
Pension Bonds Payable	PERS Contribution: Cost Sharing	2003	2.73%-6.25%	2028	53,547,069	1,265,000	1,529,250
Debt Obligations Payable	Fund Outstanding Indebtedness	1992	6.15%	2007	95,000	95,000	5,843
Financing Agreement Note	Fund Outstanding Indebtedness	2001	4.70%	2012	1,560,000	260,000	67,210

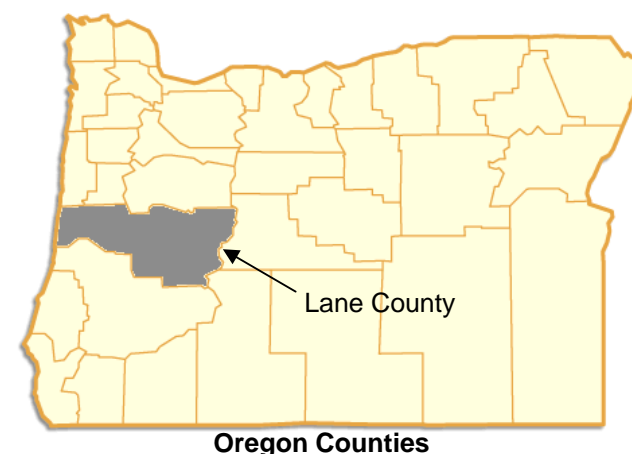
Local and Regional Information

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: 336,085
- Median Age: 36.6
- Assessed Value: \$20,817,586,891
- Real Market Value: \$29,147,168,719
- Principle Industries: Agriculture, Higher Education, High Technology, Forest Products, Recreation, Manufacturing, and Tourism.

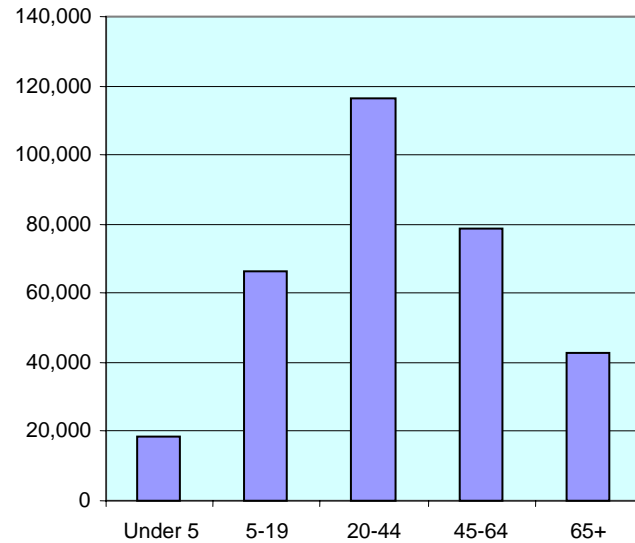


Economic Indicators:

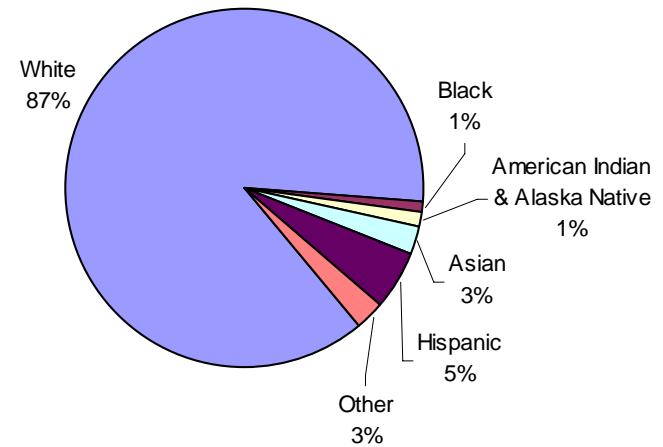
Indicator	Lane County	Oregon
Average Annual Payroll Per Employee	\$29,427	\$33,684
Labor Force	173,146	1,893,497
Median Home Value	136,000	145,800
Median Household Income	36,592	42,593
Non-Farm Payroll Employment	142,000	1,572,500
Number of Business Units	9,865	113,097
Per Capita Personal Income	27,788	30,561
Population	366,085	3,631,440
Unemployment Rate	6.30%	6.20%

Lane County Demographic Profile

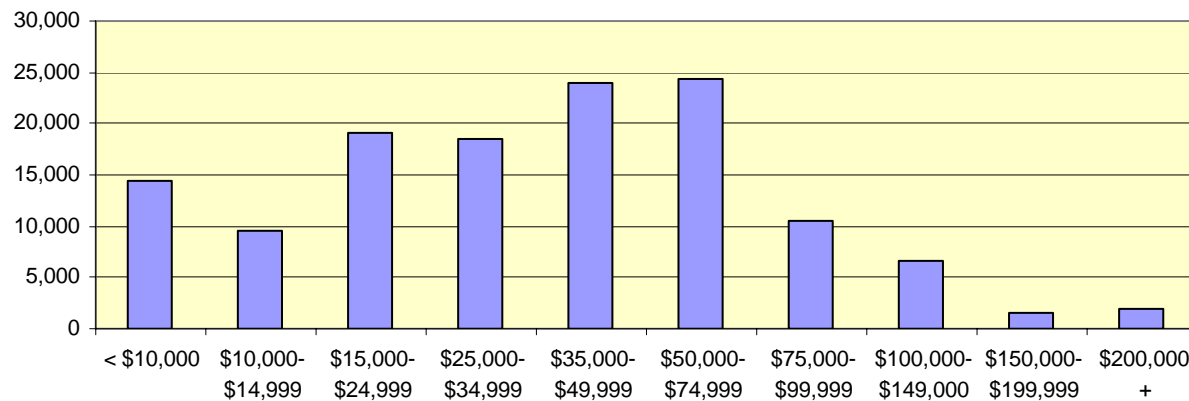
Age Profile



Racial Demographics



Household Income



Sources: www.quickfacts.census.gov, www.bls.gov, www.bluebook.state.or.us, www.econ.state.or.us, www.olmis.org, www.co.lane.or.us

Economic Forecast

State of Oregon Office of Economic Analysis
June 2006

Executive Summary

The first quarter 2006 initial estimate of job growth was a 6.3 percent annual rate over the fourth quarter 2005. This is one of the strongest quarterly growth rates of the past 15 years. A continuous string of job gains now dates back to the second quarter of 2003. On a Y/Y basis, jobs increased in the first quarter by 3.9 percent. The last time Y/Y growth was this strong was the second quarter of 1997.

With a slowing housing market and high oil prices, these factors will have a dampening effect on the economy. As the additional growth contributed by the housing market begins to wane, and consumer budgets are squeezed by higher prices related to oil disruptions, the Oregon economy will also slow from its fast growth pace. These two factors, housing and oil, also stand out as the two greatest risks to the outlook for economic growth. Thus, the Oregon economic outlook remains at code green and a cautionary code orange that keeps a watchful eye on these risks.

The Office of Economic Analysis forecasts 1.0 percent growth for the second quarter of this year. Job growth will moderate for the rest of the year but the yearly average for 2006 will match that of 2005 at 3.1 percent growth. Annual average job growth is forecasted to be 1.4 percent in 2007 and 1.6 percent in 2008.

Manufacturing will continue to add jobs in 2006 with an annual increase of 2.8 percent. The sector will experience a slight decrease of 0.3 percent in 2007. Job growth is expected to level out with a marginal drop in growth in 2008 and the outer years.

Wood products had a good finish to 2005 and should fare well in 2006 with a growth rate of 0.8 percent. This will not turn back the secular decline this industry has faced since the early 1980s. Job losses of 2.2 percent and 2.9 percent are projected for 2007 and 2008.

Computer and electronic products, which contains semiconductors, will have positive but milder job growth as the year progresses and the yearly average for 2006 will show job gains of 2.9 percent. The job outlook is a mild decline of 0.8 percent in 2007 and 0.3 percent in 2008. 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 enjoyed a good year in 2005 with low inventories and low interest rates. This year will continue with the slowing of the first quarter and should show job growth in 2006 of 3.6 percent. Rising interest rates and fuel costs may slow this sector down with job growth declining by 1.4 percent in 2007 and essentially flat in 2008 with a slight growth of 0.2 percent.

Metal and machinery are projected to stay relatively healthy with job gains of 1.6 percent in 2006 and 0.9 percent in 2007. The outlook for 2008 continues the softening with job growth of 0.8 percent.

Private non-manufacturing jobs will increase by 3.9 percent in 2006, 1.7 percent in 2007, and 2.0 percent in 2008.

Construction should repeat last year's strong growth, due mainly to the extremely strong first quarter numbers. While single family residential construction is expected to slow, the slack will be countered by improving office and industrial markets. A still relatively strong housing market will help boost employment in 2006 by 9.3 percent. As housing starts continue to slow, job gains will be dramatically lower at 0.5 percent in 2007 and 1.5 percent in 2008.

Retail trade job growth will gain strength in 2006 with job increases of 3.4 percent. Job growth will weaken for retail in 2007 at 1.7 percent and in 2008 at 1.8 percent. A similar picture is painted for wholesale trade with a yearly average job growth of 2.6 percent. Wholesale trade will also weaken with growth of 0.4 percent in 2007 and 0.8 percent in 2008.

Information, which includes software publishers, will continue the growth of 2005 with job gains of 1.2 percent in 2006. Job growth is expected to continue at 1.4 percent in 2007 and growth of 1.3 percent in 2008.

Professional and business services are projected to grow 4.2 percent in 2006, 2.8 percent in 2007, and 3.3 percent in 2008.

Educational and health services have weathered the recession well and showed renewed strength in the recovery. Job gains should continue with increases of 3.6 percent in 2006, 3.9 percent in 2007, and 2.0 percent in 2008.

The government sector is expected to grow 0.6 percent in 2006, 1.2 percent in 2007 and 2008. Although tax revenues are improving at state and local levels, budget problems 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. Higher growth will prevail over the next three years, with increases of 1.4 percent in 2006, 1.3 percent in 2007, and 1.4 percent in 2008.

Forecast Risks

The forecast of the Oregon economy has to recognize the risks of occurrences that have a chance of coming true, even if analysts and advisors associate a low probability. One area of concern whose probability as a risk to the economy has increased is energy, and specifically the oil market. Along with slowing in the housing market, oil is the largest unknown risk and is highlighted in the next section.

The major risks now facing the Oregon economy are:

- Geopolitical risks. Uncertainty still surrounds the transition in Iraq, tensions with North Korea and Iran, 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 levels. 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. For the moment, the dollar has crept up against other currencies and the revaluation of the Yuan may be too small to greatly assist Oregon exports. In the end, 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 raise, 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. The Oregon housing market could be adversely impacted by a major housing correction in California. 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 year but appear to be leveling off, at least for this year. Oil prices have crossed above \$70 per barrel with fears it could go higher. A Goldman Sachs report suggests the possibility of a 'super-spike', sending the price of oil over \$100 per barrel. A geopolitical incident could dramatically disrupt gasoline and natural gas prices, with the Goldman Sachs report a more probable outcome. Regionally, electricity generation has been helped by a deeper snow pack but is still subject to weather patterns and natural gas prices. As demand surpasses the available capacity of hydro generation, electric generation may move towards natural gas powered turbine engines. Higher electricity prices could result from being pegged to natural gas prices.
- PERS and possible state and local government budget shortfalls. The Oregon Supreme Court overturned two major reforms but upheld the Settlement Agreement. The Court 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 Oregon Supreme Court has upheld the land use Measure 37. This measure could bring dramatic changes to land use regulation. Claims that were on hold will start moving through the hearing process. At this time, it is uncertain as to the impacts from compensation or lifting of land use restrictions.
- 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 supplies increase, oil prices could fall much further than currently anticipated.
- Recovering business and consumer confidence. The transition out of the 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 June 2006 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 the past few years, however, the population growth rate was slow due to the struggling economy. Oregon’s July 1, 2005 estimated population was 3.631 million, an increase of 1.36 percent over the 2004 population, up from the nearly 1.14 percent annual growth rate since 2000. This is a strong indicator that Oregon’s economy is picking up. Yet this annual growth rate is far from the well over 2 percent annual rate of growth a decade ago. The state’s population is expected to reach 3.935 million in the year 2011, with an annual rate of growth around 1.35 percent.

During the 2005-2011 period, growth in all age groups will show the effects of the baby-boom generation, migration of the working age population and elderly retirees, and demographics impacted by the depression era birth cohort. After a period of slow growth, the elderly population (65+) growth will pick up speed as the baby-boom generation start to enter this age group. The annual growth of the elderly population approach 2.7 percent by 2011. The youngest elderly (aged 65-74) will grow at an extremely fast pace as the baby-boom generation enter the retirement age. The elderly aged 75-84 will shrink in number as this group will be dominated by the depression era birth cohort. The oldest elderly (85+) will continue to grow at a moderately high rate due to the combination of cohort change, continued positive net migration, and improving longevity.

As the baby-boom generation matures, once fast paced growth of population aged 45-64 will gradually taper to below 1.3 percent rate by 2011. The young adult population, the 18-24 age group, will grow at an average of below 1 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 1 percent rate. The K-12 population, the 5-17 age group, will show very slow growth which will translate into slow growth in school enrollments. The 25-44 age group population has shown a sign of reversing the trend after several years of decline due to exiting baby-boom cohort. This age group has seen a positive growth starting in the year 2003 and approach 1.5 percent annual growth by the year 2011.

Revenue Forecast

General Fund revenues for the current biennium are expected to total \$12,408.4 million, an increase of \$415.4 million from the March forecast. Nearly all of the revision is due to unexpectedly strong personal income tax payments received during the spring tax return filing season. The 2005-07 revenue forecast is just over a billion dollars above the Close of Session forecast.

Including \$308.5 million carried over from the prior biennium, available resources for the biennium equal \$12,716.9 million. The 2005 Legislature appropriated \$11,488.7 million in the adopted budget. In addition, \$23 million in additional funds will be distributed to the State School Fund in fiscal year 2007, given that a sufficient surplus is projected as of this June forecast. Finally, during a one-day special session in April 2006, the legislature appropriated another \$127.2 million for various purposes, including unanticipated increases in human services costs. The projected ending balance for the biennium, assuming all appropriations are expended, is \$1,073.0 million.

General Fund revenues will total \$12,616.8 million for 2007-09, an increase of 1.7 percent above the current biennium. Including the \$1,073.0 million beginning balance carried over from the current biennium, total resources are 7.7 percent above the 2005-07 level. While projected kicker refunds and credits in excess of a billion dollars contribute to minimal growth, the 9.2 percent increase in gross revenues (not including kickers) is below long-run averages.

The long-term outlook is driven primarily by anticipated growth in personal income taxes. Projected growth for all other revenue sources is quite mild. General Fund revenues will reach \$15,294.9 million in 2009-11, and increase of 21.2 percent. Anticipated growth of 12.6 percent for 2011-13 will push General Fund revenues to \$17,218.2 million.

Lottery earnings distributed to the Economic Development Fund for the 2005-07 biennium are projected to reach \$1,023.5 million. This marks a \$26.7 million increase over the March forecast. Total available resources, including reversions and interest earnings, equal \$1,028.7 million, a \$95.5 million increase from the Close of Session forecast. Excluding dedicated distributions and other legislatively-adopted allocations – which include \$42.2 million appropriated to the State School Fund in an April 20, 2006 special session – the projected ending balance in the Economic Development Fund is \$17.3 million.

The long term lottery outlook is driven by anticipated growth in Video Lottery sales. For the 2007-09 biennium, earnings and resources will equal \$1,160.5 million and \$1,181.7 million, respectively. Earnings will increase to \$1,277.1 million in the 2009-11 biennium, while resources total \$1,281.6 million.

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 FY04) 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 sensitive to the national and global economic conditions.

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 increased tuition by 83% in the last few 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 19% to 10,738 for 2005-2006. Since Lane County's population has grown significantly during the same period, it appears that increased costs have affected accessibility of education.

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. For example, 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: Budget Assumptions and Projections

A. Revenues

1. State Sources

The projections for FY07 of \$24.6M are based on the Community College Support Fund (CCSF) funding distribution formula.

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) For FY06 and beyond, inflation adjustments use the average annual percentage increase in the Higher Education Price Index (HEPI).

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 FY07 are based on actual position lists. Budgeted figures are used for part-time compensation projections in FY07. Personal Services expenditures for FY07 and beyond use the salary schedule, contracted step increases 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. 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.

D. Fund IX – Administratively Restricted

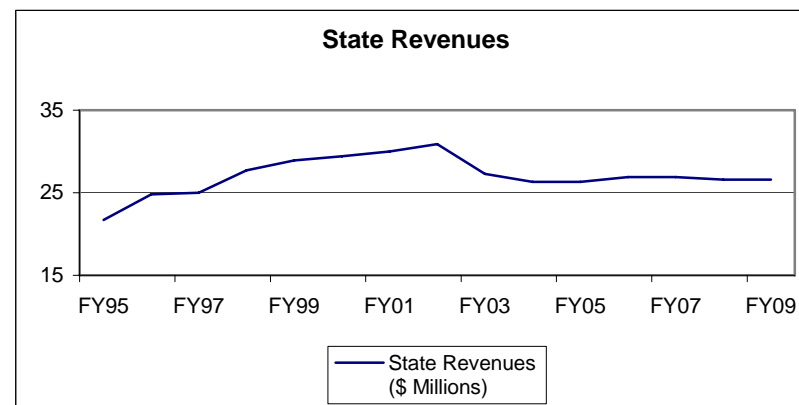
Fund IX was created in the FY03 budget to separate from the General Fund those units that rely entirely or primarily on resources other than state revenues, local property taxes and other general use revenues. For the purposes of maintaining historical trends and in order to properly monitor these units, 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 with \$8.8 million, which was 24% of Lane's total revenue. For FY07, the State is providing \$24.6 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 graph at right 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 FY05 is essentially flat due to this uncertainty. Maintenance of current service and spending levels will result in a \$6 million deficit by FY07 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 sharply rising tuition costs. In 2002 tuition was \$38 per credit, but by 2007 this had risen to \$69.5 per credit, an 83% increase. The college and our students face a dilemma: Should large tuition increases be used 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. However, increases in tuition directly impact accessibility of education which is also a core value of the institution.

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 moderated?

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 FY00, Lane’s expenditures have exceeded its revenue reducing ending fund balances and cash reserves. This was intentional during some years to cushion the sharp reduction in state support but it is not sustainable and the FY06 and projected FY07 ending fund balances are not sufficient to comply with college policy.

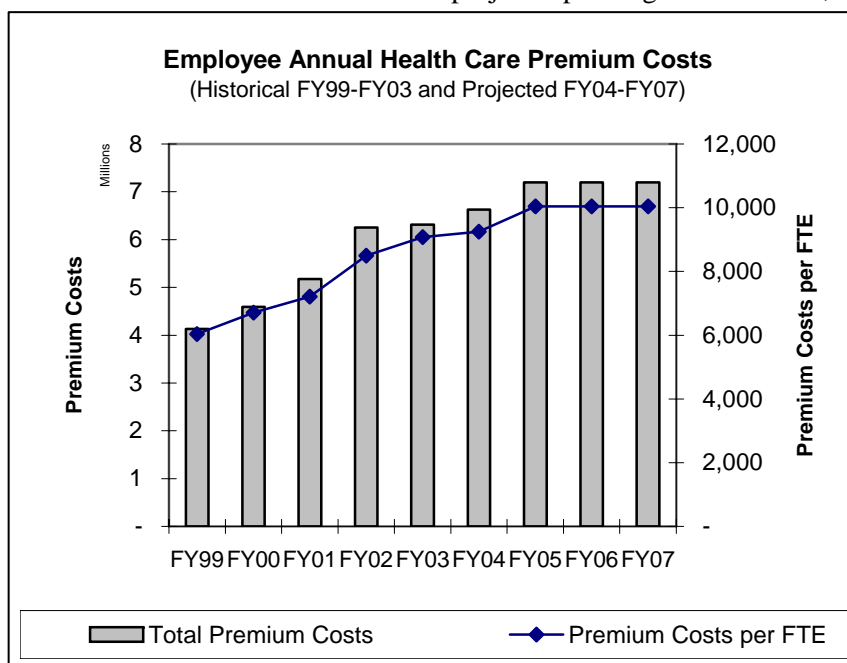
Labor-Intensive Services

The delivery of high quality learning services is, by its very nature, a labor-intensive business. For FY07 Lane projects spending \$54.7 million, out of a total budget of \$75 million, on personal services and related fringe benefits. Because nearly three fourths 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.

Costs of Health Care Insurance for Employees

The Consumer Price Index indicates that medical costs have increased dramatically in recent years, nearly double the rate of increase for all goods and services. Lane has been successful in restraining increases in health insurance from FY05 to FY07. The graph at right portrays Lane’s medical insurance historical costs and a projection of what health insurance premiums will cost the college through FY07.

The college has 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, establishing a Section 125 plan, instituting the LIFE employee wellness program; and implementing an on-site employee medical clinic. These actions have slowed insurance increases to below national trends but medical insurance costs will continue to present challenges to future budgets.

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.

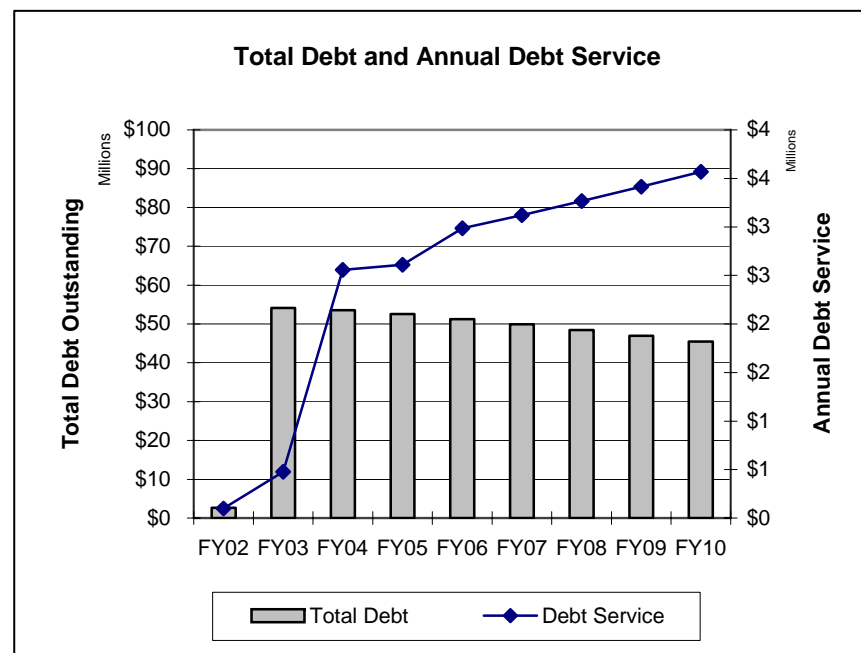
- Should employees bear a larger share of future health insurance premium increases?
- If the college wants to maintain the same level of benefits, how can the costs of those benefits be contained?

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%. 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 continue 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 the Oregon Legislature again act to dramatically affect the economic health of PERS and its contributing employers?

Rising Energy Costs

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

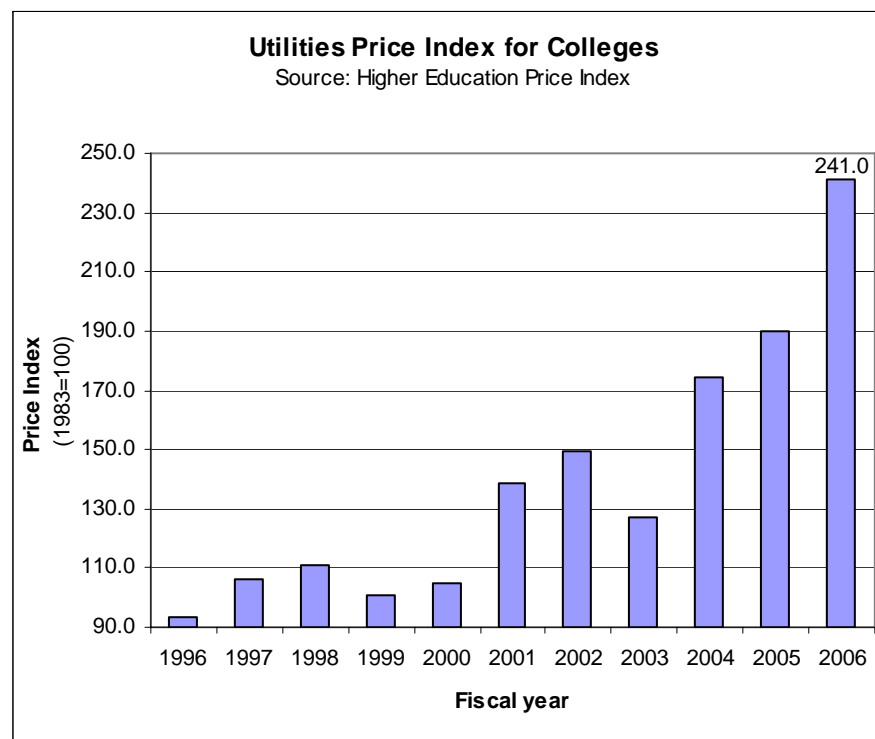
- Should we become actively involved in “hedging” which is the smoothing of rates accomplished by actively trading energy futures? Should we form or join a larger alliance that actively “hedges?”
- Should we generate a portion of our own electricity by installing photovoltaic technology or by using other 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 42nd anniversary in 2006, the physical condition of many of our facilities is 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.

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 in public resources 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 equipment needs continue to grow as replacement needs outstrip available funding.

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 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

Goal: Improve student employment opportunities.

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: Fundamental redesign of instruction during FY07 to assist in meeting long term budget challenges

Section V: Achieve and Maintain Financial Stability

1. Balance General Fund Budget

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

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. 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 FY08.*

Lane has the highest per credit tuition rate of community colleges in Oregon. Steep increases in tuition rates 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.

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 2006-2007 Budget for Achieving Long-Range Goals

All projects recommended for funding in the FY07 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 FY08.
 - Build capacity in Foundation to increase fundraising.
 - Develop Long-Range Plan for the college for FY08 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

Budget Projection Assumptions

General Fund I & Special Revenue Fund IX – Administratively Restricted

Fiscal Year 2005-2006 and Beyond

Updated October 31, 2005

Executive Summary

I. REVENUES

A. Total Public Resources

1. Funding for fiscal years FY06 and FY07 was set during the 2005-2007 Biennium. The state funding distribution includes 100% of property tax revenues as a component in the formula; therefore total public resources represents revenue previously reported separately as state resources and property tax resources.
2. Funding for FY07, the second year of the Biennium is set but may vary slightly depending on property tax assessments and policy decisions by the State Board of Education.
3. Total Public Resources for FY08 is projected using a 2% increase over FY07 projected revenues.

B. Tuition

1. Tuition revenues are projected based on (a) enrollment targets set for FY06 and FY07; and (b) enrollment projections developed by Institutional Research, Assessment & Planning for years beyond FY08. Additional enrollment scenarios will be used during the budget development process.
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 FY07 tuition revenue uses rates adjusted for inflation using the Higher Education Price Index (HEPI) for 2005 (per Board Policy D.110).
5. \$424,000 is the FY06 budget for differential pricing and this figure is used in the projections. Revenues from differential pricing are increased by the same percentage as tuition increases for FY07 and beyond.
6. For FY07 and beyond, future inflationary adjustments use the average annual percentage increase in the HEPI since FY97

C. Instructional Fees

1. Projections for instructional fees use predicted expenditures based on historical trend analysis.
2. Projections assume that all fees are 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 a restricted revenue in Fund IX.

D. Investment Income

1. Rates are estimated based on historical returns and current economic indicators. The average amount invested is estimated using historical trends and changes in the Ending Fund Balance. The rate and average investment amount will be adjusted as appropriate during the year according to changing conditions.

E. Sale of Goods and Services, Administrative Recovery, all Other Sources of Revenue:

1. These revenues are projected based on historical trend analysis within each category.

II. EXPENDITURES**A. Personal Services**

1. Personal Services expenditures for FY07 are based on actual position lists.
2. Budgeted figures are used for part-time compensation projections in FY06.
3. Negotiated compensation settlements are used in the projections where applicable. Projection scenarios will vary COLA rates to determine the effects of different possible compensation increases. For years in which an employee group does not have a negotiated compensation agreement, Personal Services projections use “steps” plus estimated COLA increases each year.
4. OPE rate is recalculated every year using projected actual costs of benefits. Calculated rate for FY06 is 53.8% for full-time and 40.2% for part-time employees. The calculated rate for FY07 will vary with different scenarios for PERS rates and health insurance increases. Benefit calculations for FY08 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 FY06 and beyond.

C. Capital Outlay

1. Projections use historical trend analysis as the starting point for projections. Projected expenditures for Capital Outlay are then adjusted for budgeted increases for the general-use Capital Outlay fund.
2. In FY06, \$200,000 recurring was added to Capital Outlay for equipment replacement. For FY07 and FY08 an additional \$200,000 recurring each year is added to the projection based on an approved 7-year plan to fully fund general Capital Outlay needs as documented by the Capital Assets Replacement Forecast and department/division unit plans.

D. Contingency

1. Unappropriated Ending Fund Balance:
 - 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 spent 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).”

2. Reserves:
 - The Board approved the establishment of a Financial Stabilization Reserve of \$500,000 in the FY06 budget. This reserve shows as a separate line not available for appropriation.
3. Other Contingency:
 - Expenditures of current year Board and Administrative Contingency are included in trend analysis for Personal Services, Materials & Services and Capital Outlay expenditures.

III. OTHER FINANCING SOURCES

- A. Transfers In and Out are projected using historical trend analysis.
 1. \$270,000 recurring expense was added for each year from FY06 through FY08 in accordance with an approved plan to phase-in adequate annual allocations for facilities maintenance and improvement.
 2. 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 ending fund balances, it is assumed that restricted resources, including Net Working Capital Restricted, are expended according to historical patterns.
- B. Board policies E.020 and E.030 set parameters for the General Fund Ending Fund Balance and require a total unrestricted Ending Fund Balance target of approximately 5% (including the Unappropriated Ending Fund Balance).
- C. FY06, FY07 and FY08 show \$250,000 each year for maintenance catch-up. \$810,000 of catch-up money was budgeted for FY05. These amounts are nonrecurring and will be used to fund a backlog of approximately \$2 million. Since these are non-recurring expenditures, they are shown as an offset to the ending fund balance. In practice, these funds would be budgeted as a transfer out to Capital Projects Fund IV.
- D. Projections for FY07 and FY08 include \$250,000 each year to establish a Facilities Capital Reserve Fund. These are shown as an offset to the ending fund balance (see explanation above).

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.

Administrative Recovery: Revenue generated from college enterprise funds, grants and contracts to cover General Fund administrative and overhead costs.

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 a single item with cost exceeding \$10,000 and an estimated useful life of three or more years.

Capital Outlay: An expenditure category 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 Council: The college's main planning and policy body.

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.

College Support Services: Expense function covering activities that support the ongoing operations of the college, excluding physical plant operations.

Community Services: Expense function covering non-instructional activities provided to external groups.

Contingency: A budget account to provide for unanticipated occurrences, or funds to be held for future distribution.

Debt Service: Expenditure category 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.

Executive Team: The college's administrative leadership team, comprised of the president, vice presidents, associate vice presidents, and directors.

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.

Fees (Instructional): See Instructional Fees.

Fees (Non-Instructional): Revenue generated from assessing students for non-instructional expenses.

Financial Aid: Expense function for student loans, grants and stipends.

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 the budget segregating independent fiscal and accounting requirements.

Fund Balance: The excess of a fund's revenues over expenditures.

FY: See Fiscal Year

FY07: Fiscal Year running from July 1, 2006 to June 30, 2007.

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

GFOA: See Government Finance Officers Association.

Government Finance Officers Association (GFOA): The professional association of state/provincial and local finance officers in the United States and Canada.

HEPI: See Higher Education Price Index.

Higher Education Price Index (HEPI): Inflation index designed specifically for higher education. A more accurate economic indicator for colleges and universities than the CPI.

Instruction: Expense function covering all activities related to instructional programs.

Instructional Support: Expense function covering activities that provide integral support services to instructional programs.

Interest Income: Revenue generated from investment of operating capital in excess of daily requirements.

Instructional Fees: Revenue generated by assessing students for course-related expenses.

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

Intergovernmental [Resource]: Total public resources that include State and Federal funds and local property taxes.

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.

M&S: See Materials and Services

Materials and Services (M&S): An expenditure category 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 is 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

ORS: See Oregon Revised Statutes.

Oregon Administrative Rules (OAR): 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.

Oregon Revised Statutes (ORS): The codified laws of the State of Oregon. The ORS is published every two years to incorporate each legislative session's new laws.

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

Other Resources: Revenue generated from various activities such as finance charges, sale of equipment, enforcement fees and other nominal, one-time miscellaneous amounts.

PERS: see Oregon Public Employees Retirement System.

Personal Services: An expenditure category that includes salaries and wages and other payroll expenses (OPE).

Plant Operations and Maintenance: Expense function covering the operation and maintenance of the physical plant, including

grounds, facilities, utilities and property insurance.

Plant Additions: Expense function for land, land improvement, buildings, and major remodeling and renovation that is not a part of normal plant operation and maintenance.

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.

Sale of Goods and Services: Revenue generated from the college's enterprise and special revenue activities.

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.

Student Services: Expense function covering activities to support students' success and development.

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

Transfers Out: An expenditure category that includes resource funding for specific purposes.

Tuition: Revenue generated by assessing students per-credit-hour rates.

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.

Lane Community College
Budget Office
4000 East 30th Avenue
Eugene, Oregon 97405
(541) 463.5311
budgetdevelopment@lanecc.edu