



BUDGET DOCUMENT
FISCAL YEAR 2007-2008

Lane Community College
2007-2008 Budget Committee

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Stephen Alison, Vice Chair

Jay Bozievich

Roger Hall

Paul Holman

Pat Riggs-Henson

Susie Johnston

Marston Morgan

Stefan Ostrach, Chair

Michael Rose

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The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **Lane Community College, Oregon** for its annual budget for the fiscal year beginning **July 1, 2006**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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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.

During the 2005-06 academic year, 16,511 students enrolled in credit classes and 19,578 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

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

Collaboration and Partnership

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

Accessibility

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

Sustainability

- Integrate practices that support and improve the health of systems that sustain life
- Provide an interdisciplinary learning environment that builds understanding of sustainable ecological, social, and economic systems, concern for environmental justice, and the competence to act on such knowledge
- Equip and encourage all students and staff to participate actively in building a socially diverse, just, and sustainable society, while cultivating connections to local, regional, and global communities

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.

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

Tony McCown, Urban Planner, Eugene
elected May 2007, term expires June 30, 2011
Zone 2-Northern

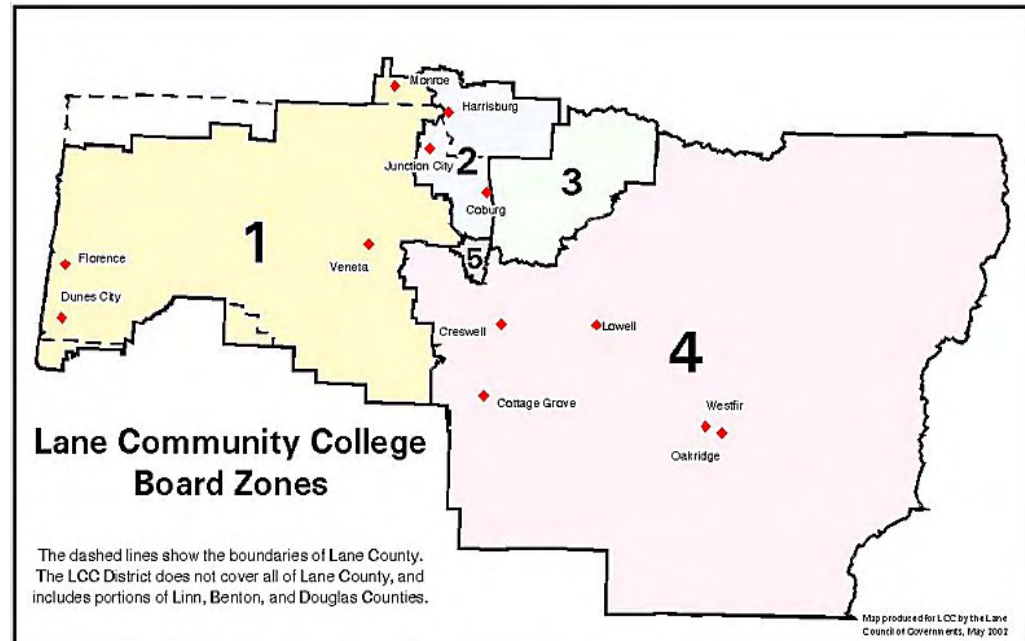
Pat Riggs-Henson, Employment Specialist, Springfield
elected May 2005, term expires June 30, 2009
Zone 3-Marcola and Springfield

Susie Johnston, Conference Planner, Pleasant Hill
elected May 2005, term expires June 30, 2009
Zone 4-Eastern

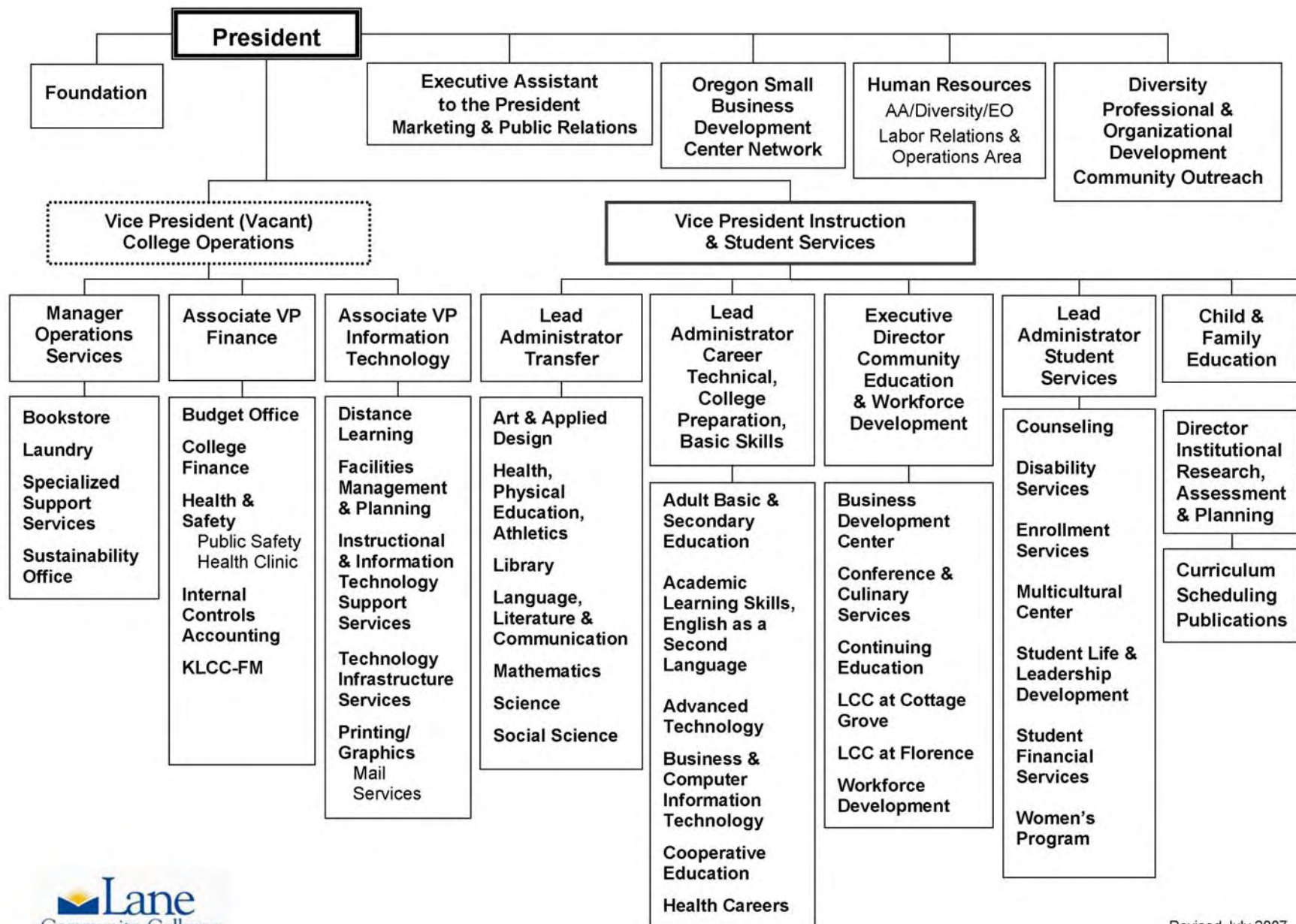
Pat Albright, retired Teacher, Eugene
appointed April 2007, elected May 2007, term expires June 30, 2011
Zone 5-Central Eugene

Roger C. Hall, Radiologist, Eugene
elected March 1991, re-elected March 1995, re-elected March 1999, re-elected May 2003, re-elected May 2007, term expires June 30, 2011
At-Large, Position 6

Robert Ackerman, Attorney, Eugene
elected May 2007, term expires June 30, 2011
At-Large, Position 7



Organization Chart



Organizational Units

Lane Community College is structured into the following organizational units:

Instruction

The Instructional unit'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 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, 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.

Note: Quasi-Endowment Fund X (prior years) merged with Special Revenue Fund IX - Administratively Restricted beginning fiscal year 2007-2008 forward.

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.

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.

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

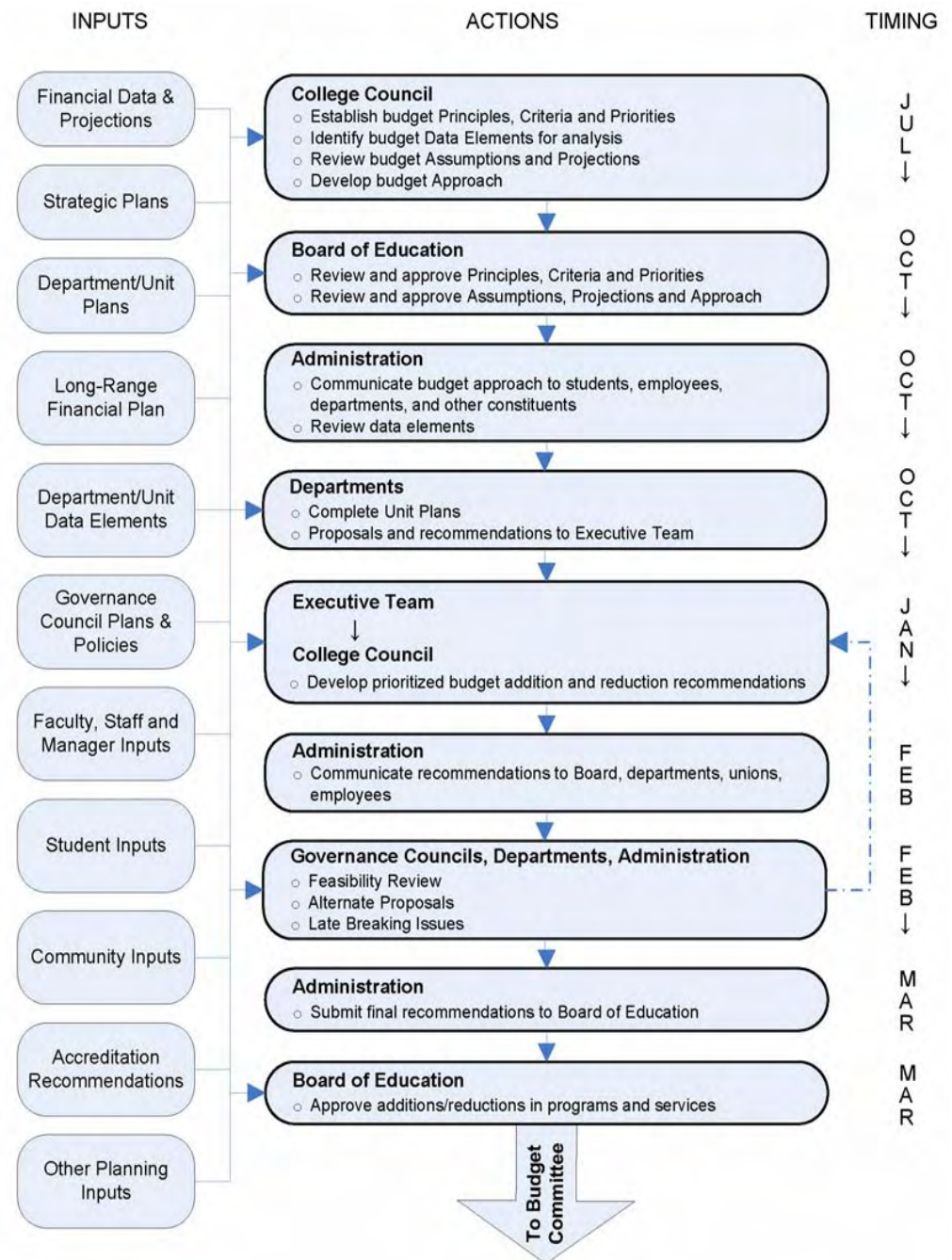
The administration and Executive Team are responsible for providing guidance to the work of the College Council, communicating budget information to campus constituencies, and reviewing and prioritizing addition and reduction recommendations.

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 Associate Vice President for Finance, 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.

2007-2008 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 2007-2008 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 2007-2008

Public funding for the first year of the next biennium (fiscal year 2007-2008) is yet to be determined as the legislature is still in session. All funding scenarios that appear likely to emerge for the next biennium fall significantly under what is necessary to maintain current service levels for Lane Community College. This situation is the result of ongoing state funding shortfalls since 2000-2001 and modest enrollment growth since FTE losses from program reductions and tuition increases in 2002-2004. We have based this budget proposal on the level of funding proposed in the governor's budget which recommended \$483 million for the Community College Support Fund. Funding levels below that figure will require more reductions than those currently proposed.

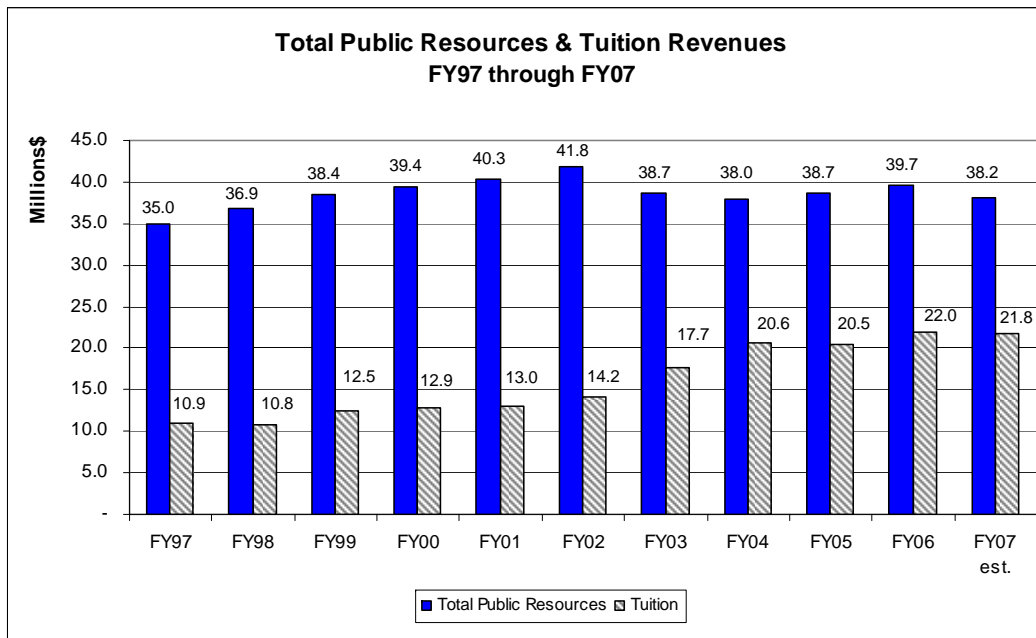
During the past year we have improved our budget programming abilities by creating a five-year budget model that forecasts our revenues and expenses with the latest information on projected revenues and expenses. This strengthens our ability to do "what if" analysis of various alternatives and provide impact information on changes in key variables such as the level of state appropriations.

We have also invested in transparency of financial results to the college community by creating a “dashboard” that provides a quick summary of financial metrics from a database that is updated with the posting of each payroll, and expanded training and access to empower more users of online financial records. We believe these actions will aid understanding and improve management of college funds. Our emphasis in the coming year will be to connect our long term analysis to long term planning and processes such as upcoming labor negotiations to better inform and enable all stakeholders in the college’s future.

The budget for fiscal year 2007-2008 will require reductions in staffing and services to close an approximately \$9 million shortfall needed to balance the budget and restore the ending fund balance. \$3 million in nonrecurring cuts are earmarked to restore the ending fund balance. Restoration of the ending fund balance is critical to maintain our bond rating and ability to issue capital improvement bonds in the future, as well as to ensure fiscal stability. Enrollment increased in 2006-2007, especially in non-credit areas, and plans for 2007-2008 include continued efforts to increase enrollment despite an overall reduction in the number of sections to be offered. Achieving enrollment growth under these circumstances will require increases in productivity and efficiencies which have been planned and estimated, and will be proposed as part of the actions necessary to achieve a balanced budget. We must create student opportunity without adding to cost.

Fiscal Year 2007-2008 Budget Strategies

- 1) Targeted enrollment growth.
- 2) Reductions in staffing levels that minimize impact on enrollment.
- 3) Restore ending fund balance to retain option to renew bonding authority during the next biennium.
- 4) Redesign of work processes, instruction, and improved technology systems to make instruction and support more efficient.
- 5) Ensure transparency and accountability for fiscal results.



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). Costs to the college for PERS will increase only slightly in 2007-2008. The OPSRP rate will increase from .082% to 5.52%, affecting employees hired after 2003. However, the rate for tier 1 and tier 2 employees declined from 4.16% to 3.05%. The net negative impact for the college is \$265,000 for 2007-2008. 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.

Increases in health care are expected to be substantial in 2007-2008. Lane’s investment in wellness and primary health care services to employees has had a positive impact on health insurance premiums in the past.

However, an unfavorable experience trend this past year due to a large number of serious illnesses will cause an estimated 14.7% rise in premium costs for 2007-2008.

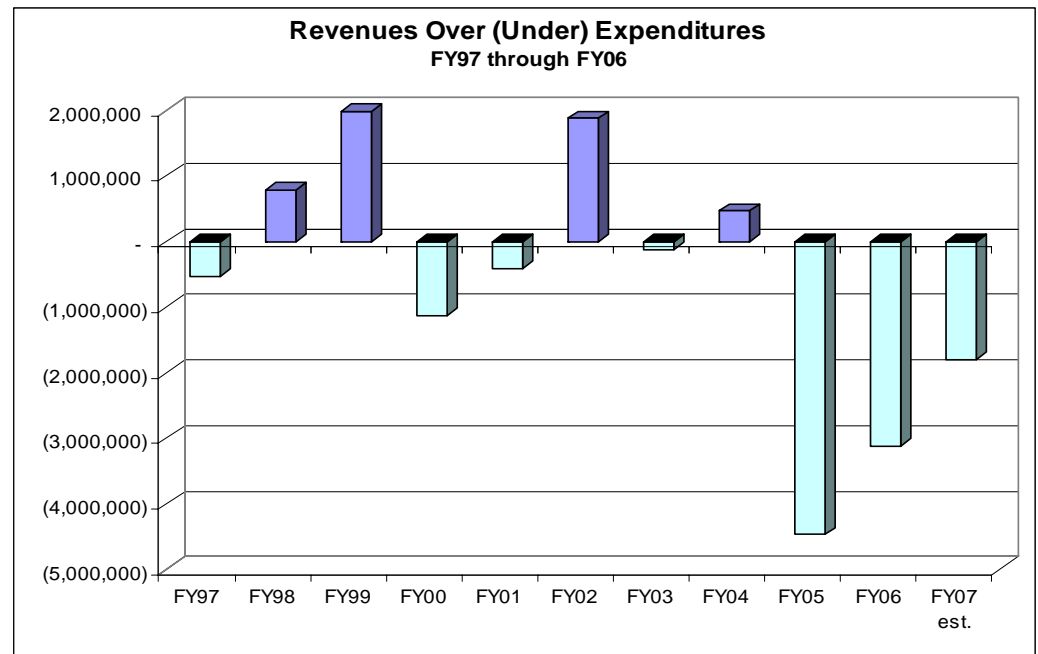
The proposed budget includes continued funding for employee wellness and primary health care at the clinic which, in addition to lowering employee primary care costs results in less time lost from work for primary care visits. The increasing cost of health care is a national problem not unique to Lane Community College but we must continue to work toward a strategy to minimize these increases while assuring a competitive benefit package for employees. To put this particular problem in perspective, almost one of every two dollars in tuition will be required to cover the college's liability for 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.

General Fund Budget for Fiscal Year 2007-2008

Increases in personal services expenditures account for most of the deficits in fiscal years 2004-2005, 2005-2006, and the current year. The college has intentionally tried to insulate employees from the decline in funding levels. Programmed pay increases over the last three fiscal years total over \$9 million but this has added to the budget shortfall that has made painful reductions in personnel necessary. We have done our best to articulate the need, but public support is not keeping pace with increasing costs. This reality is reflected in our financial experience over the last several years. Hoping that the legislature will bridge the gap is not a viable long-term strategy and we haven't reserves to wait longer. On the other hand, large tuition increases clearly reduce enrollment and public support tied to levels of enrollment. We cannot abandon our commitment to provide an affordable education for the community but we clearly cannot continue to experience the operating losses of the last decade.

Our future budget planning must recognize the reality of a forced transition from public education to a combination of public and private funding sources. Our expenses in the future must be firmly linked to and limited by actual revenues. To come before the Budget Committee year after year with nothing but bad short-term options to balance the budget is a disservice to all. We must create a financially sustainable model to provide the reliable and comprehensive access to education our community needs. The guidance of the Board of Education and the Budget Committee will be essential as we work toward this mutual goal. The administration is recommending a budget package that reduces approximately \$9 million in expenditures, including both recurring and non-recurring reductions, to balance the budget and restore the ending fund balance in 2007-2008.



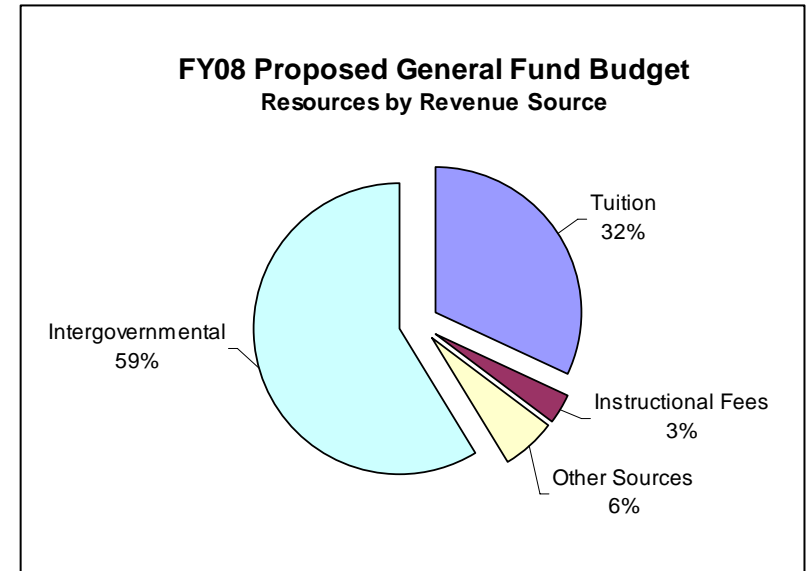
Resources

The proposed general fund budget before reductions for fiscal year 2007-2008 is \$81.5 million, an 8.6% increase from the 2006-2007 adopted budget. However, included in this amount is over \$9 million in unidentified sources needed to balance the budget. Given that expense reductions are a more likely source, the adopted budget for the general fund will likely show little if any actual increase.

The revenue from total public resources for 2007-2008 (including state revenue and property taxes) is anticipated to be \$41,836,000. This represents an increase of \$3.6 million from the current fiscal year. The increase is the result of enrollment gains, transition to a new funding distribution formula which now eliminates the lag year in calculating enrollment, and the anticipated increase in state funding in the new biennium. Enrollment has a direct impact on the state funding distribution formula and increases in the past two years will positively impact Lane's revenues in 2007-2008.

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 2007-2008 budget includes a \$3.50 per credit (or 5.0%) 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 FY08 for selected professional/technical programs and increases the amount for some health disciplines. Final enrollment figures are not yet available for 2006-2007, although the college is on target for approximately a 3% overall increase in FTE above 2005-2006. FTE for 2007-2008 is projected to increase another 1% over the current year based on a number of enrollment enhancement initiatives proposed. However, the proposed budget reductions may also limit enrollment opportunity creating a challenging climate to achieve this modest goal.

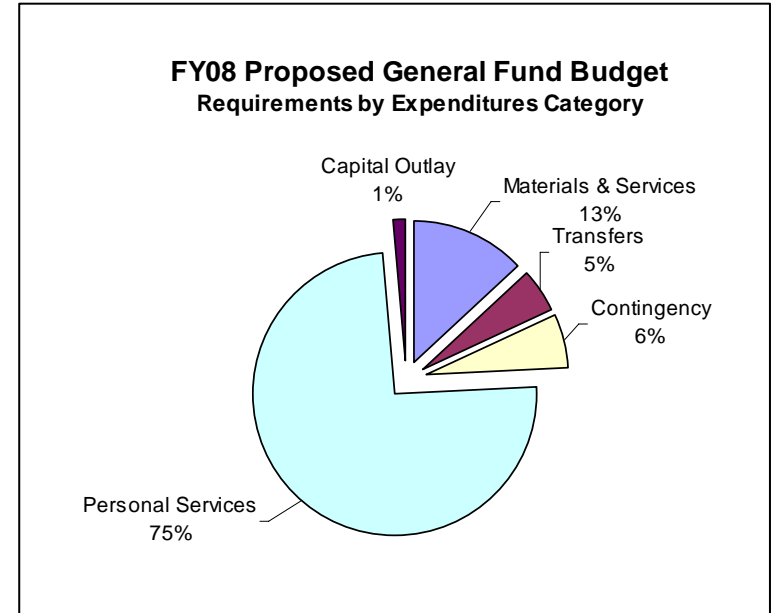


Expenditures

The general fund personal services budget without reductions has increased by \$5.8 million or 9.6% from fiscal year 2006-2007. Personal services accounts for approximately 78.2% of the budgeted expenditures (exclusive of transfers out) in 2007-2008. In addition, the materials and services budget has decreased by \$640,000 and capital outlay has increased by \$351,000. Transfers out increased by \$536,000.

Other personal expense (OPE) rates are expected to increase in 2007-2008 to 58.1% for full-time and 36.3% for part-time employees. The 2006-2007 rates were 51.5% and 33.1% respectively. This is largely due to the increased cost of health care but also includes increased PERS rates and an increase in the costs required to fund post retirement benefits for a few managers hired before 1991 and all contracted faculty.

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 the special revenue-administratively restricted fund IX increased by \$673,388 from 2006-2007. This increase is due in part to combining a small quasi-endowment fund (X) into fund IX. This year's budget merges the quasi-endowment fund X with the administratively restricted fund IX to simplify the financial structure as the functions of those funds are duplicative. Budget projections that drive budget development combine the general fund and fund IX.

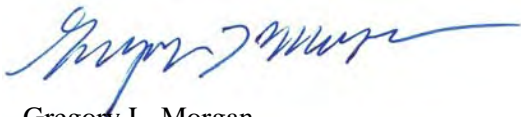
Additional Important Information

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 2007-2008. 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 2007-2008 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,



Gregory L. Morgan
Budget Officer/ Associate Vice President for Finance

TOTAL PROPOSED BUDGET: ALL FUNDS

General Fund (I)	\$81,351,000
Internal Services Fund (II)	2,186,000
Debt Service Fund (III)	9,592,000
Capital Projects Fund (IV)	3,138,000
Financial Aid Fund (V)	46,541,000
Enterprise Fund (VI)	10,008,000
Special Revenue Fund (VIII)	12,096,000
Special Revenue: Admin Restricted (IX)	14,640,000
Total All Funds	\$ 179,586,000

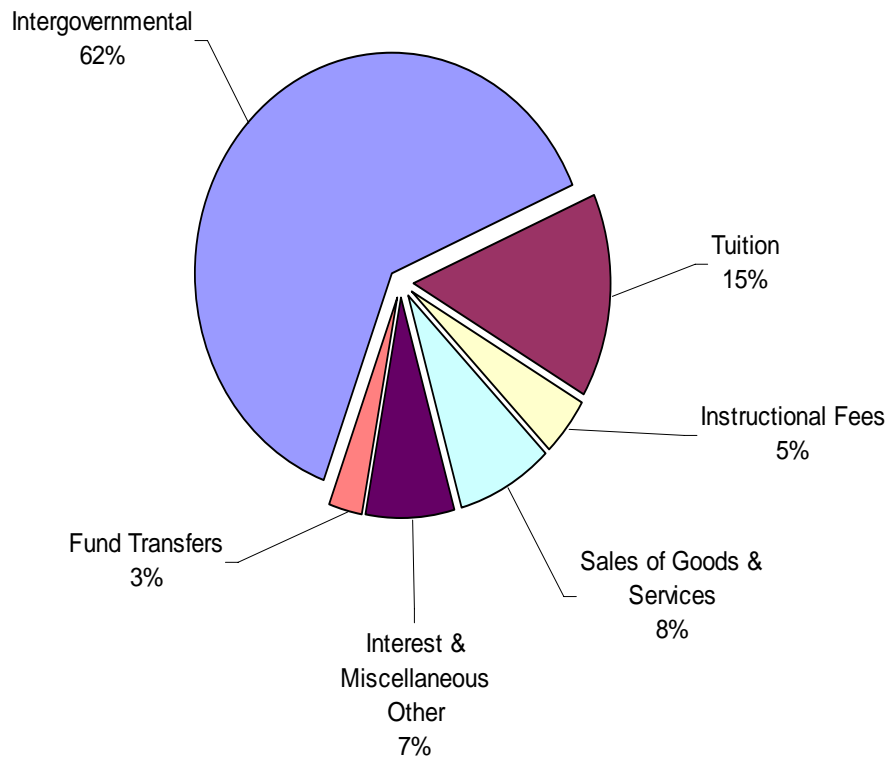


BUDGET SCHEDULES

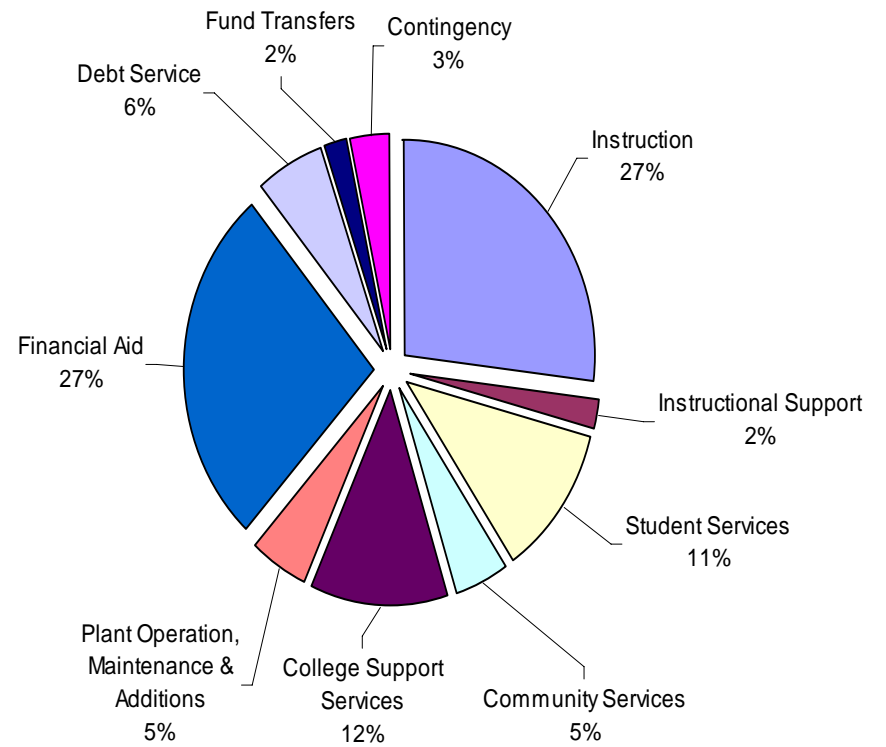
SUMMARY - ALL FUNDS

	Fiscal Year 2007-2008 ADOPTED Budget	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
General Fund I	\$ 73,401,256	\$ 72,177,070	\$ 81,351,099	\$ 75,028,100	\$ 71,736,976	\$ 70,046,615
Internal Service Fund II	2,186,267	2,186,267	2,186,267	2,923,211	1,595,929	1,609,320
Debt Service Fund III	9,591,908	9,591,908	9,591,908	9,300,300	8,273,197	7,710,293
Capital Projects Fund IV	3,137,545	3,137,545	3,137,545	7,119,961	4,504,590	2,742,601
Financial Aid Fund V	46,541,113	46,541,113	46,541,113	47,574,693	36,475,022	35,700,569
Enterprise Fund VI	10,007,768	10,037,767	10,037,767	10,683,978	8,641,571	7,837,042
Special Revenue Fund VIII	12,095,750	12,095,750	12,095,750	14,095,750	7,750,993	7,183,788
Special Revenue-Admin. Restricted Fund IX	14,640,388	14,644,388	14,644,388	14,433,105	9,001,253	8,412,092
Total	\$ 171,601,995	\$ 170,411,808	\$ 179,585,837	\$ 181,159,098	\$ 147,979,531	\$ 141,242,320

CONSOLIDATED RESOURCES
Fiscal Year 2007-2008
All Funds



CONSOLIDATED REQUIREMENTS
Fiscal Year 2007-2008
All Funds



CONSOLIDATED RESOURCES & REQUIREMENTS - ALL FUNDS

SUMMARY OF ALL FUNDS	Fiscal Year 2007-2008 ADOPTED Budget	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
Current Operating Resources						
Intergovernmental	\$ 102,484,881	\$ 101,260,695	\$ 101,260,695	\$ 96,563,747	\$ 85,651,108	\$ 83,923,870
Tuition & Fees:						
Tuition	23,911,363	23,905,363	23,702,000	26,658,000	20,894,843	19,960,938
Instructional & Student Fees	7,475,368	7,428,868	4,911,040	4,843,640	4,469,369	3,872,424
Other Sources:						
Sale of Goods & Services	12,478,900	12,470,900	11,775,400	10,941,411	9,946,573	9,642,262
Interest Income	598,250	588,250	588,250	663,250	864,200	443,864
Rents, Contracts, Gifts, Donations, Bad Debt Recovery	11,491,630	11,566,130	24,156,350	14,563,642	12,436,661	11,645,622
Fund Transfers	4,336,252	4,366,252	4,366,752	4,539,058	7,128,018	7,643,693
Contingency	-	-	-	7,800,000	-	-
Total Current Operating Resources	\$ 162,776,644	\$ 161,586,458	\$ 170,760,487	\$ 166,572,748	\$ 141,390,772	\$ 137,132,673
Current Requirements						
By Function:						
Instruction	\$ 46,238,286	\$ 46,438,590	\$ 50,289,327	\$ 46,628,171	\$ 44,835,125	\$ 42,293,841
Instructional Support	3,737,117	3,211,704	4,587,281	3,997,377	3,731,765	4,075,262
Student Services	19,419,232	19,455,921	20,534,612	19,618,847	18,747,899	17,371,031
Community Services	7,937,724	7,938,224	7,788,224	7,852,724	6,280,590	4,612,553
College Support Services	19,885,948	19,660,895	21,060,420	20,039,172	14,871,406	14,341,672
Plant Operation & Maintenance	6,825,832	6,766,396	7,311,026	7,671,753	8,049,854	5,574,585
Plant Additions	1,452,545	1,452,545	1,452,545	2,644,961	2,086,656	2,215,105
Financial Aid	46,541,113	46,541,113	46,815,876	45,553,036	36,854,676	35,813,376
Debt Service	9,591,908	9,591,908	9,906,898	9,728,353	8,716,644	8,163,943
Fund Transfers	4,336,252	4,366,252	3,704,628	3,674,042	3,806,956	6,780,952
Contingency	5,636,039	4,988,261	6,135,000	13,750,662	-	-
Total Current Operating Requirements	\$ 171,601,995	\$ 170,411,808	\$ 179,585,837	\$ 181,159,098	\$ 147,981,571	\$ 141,242,320
Excess (deficit) Current Resources						
Current Requirements	\$ (8,825,350)	\$ (8,825,350)	\$ (8,825,350)	\$ (14,586,350)	\$ (6,590,799)	\$ (4,109,647)
Beginning Fund Balance	8,825,350	8,825,350	8,825,350	14,586,350	17,003,925	19,933,483
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 10,413,126	\$ 15,823,836

SCHEDULE OF INTERFUND TRANSFERS

	<u>Revenues</u>	<u>Expenditures</u>	<u>Remarks</u>
GENERAL FUND I			
Transfer to Internal Service Fund II	\$	\$ 407,767	Employee Wellness 158,131; Printing & Graphics 27,765; Telecommunications 221,871
Transfer to Debt Service Fund III		314,990	Full faith & credit debt obligation - annual payment - misc.
Transfer to Capital Projects Fund IV		1,558,785	Major maintenance 1,110,000; Capital repair & improvement 448,785
Transfer to Financial Aid Fund V		274,763	Learn & Earn 120,000; Student grants 154,763
Transfer to Enterprise Fund VI		329,127	Bookstore 141,427 Interfund Loan; Laundry 187,700
Transfer to Special Revenue-G/C Fund VIII		4,750	Student grants
Transfer to Special Revenue-Admin. Rest. IX		1,131,748	Athletics 195,261; KLCC 197,564; Specialized Support Services 132,972; Staff Health Clinic 248,040; Student Health 280,344; Torch 77,567
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>\$ 4,021,930</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	407,767		Employee Wellness 158,131; Printing & Graphics 27,765; Telecommunications 221,871
TOTAL	<u>\$ 407,767</u>	<u>\$ 4,500</u>	
DEBT SERVICE FUND III			
Transfer from General Fund I	\$ 314,990		Full faith & credit debt obligation - annual payment - misc.
TOTAL	<u>\$ 314,990</u>	<u>\$ -</u>	
CAPITAL PROJECTS FUND IV			
Transfer from General Fund I	\$ 1,558,785		Major maintenance 1,110,000; Capital repair & improvement 448,785
Transfer from Special Revenue-Admin. Rest. IX	218,760		Transportation/parking 150,000; Longhouse 68,760
TOTAL	<u>\$ 1,777,545</u>	<u>\$ -</u>	
FINANCIAL AID FUND V			
Transfer from General Fund I	\$ 274,763		Learn & Earn 120,000; Student grants 154,763
Transfer from Special Revenue-Admin. Rest. Fund IX	15,000		Student grants
TOTAL	<u>\$ 289,763</u>	<u>\$ -</u>	

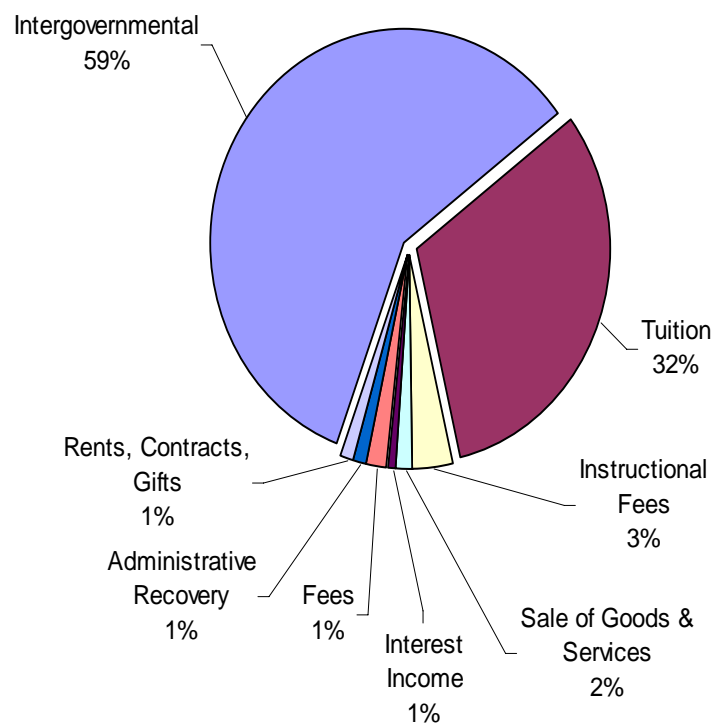
SCHEDULE OF INTERFUND TRANSFERS

	<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	329,127		Bookstore 141,427 Interfund Loan; Laundry 187,700
Transfer from Special Revenue-Admin. Rest. IX	46,640		Bookstore
TOTAL	<u>\$ 375,767</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 from General Fund I	1,131,748		Athletics 195,261; KLCC 197,564; Specialized Support Services 132,972; Staff Health Clinic 248,040; Student Health 280,344; Torch 77,567
Transfer from Internal Service Fund II	1,000		Transfer authority contingency
Transfer from Enterprise Fund VI	1,000		Foodservices
TOTAL	<u>\$ 1,133,748</u>	<u>\$ 284,000</u>	
TOTAL TRANSFERS - ALL FUNDS	<u><u>\$ 4,336,252</u></u>	<u><u>\$ 4,336,252</u></u>	

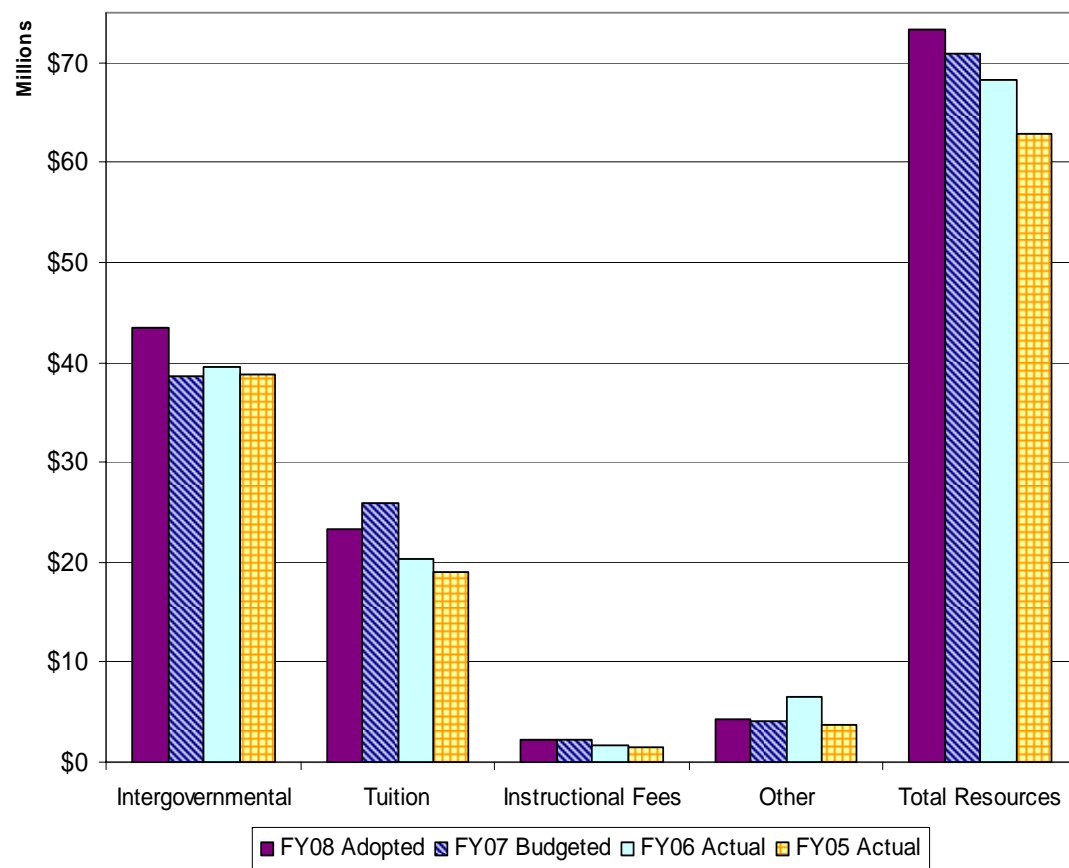


GENERAL FUND I

GENERAL FUND RESOURCES
Fiscal Year 2007-2008



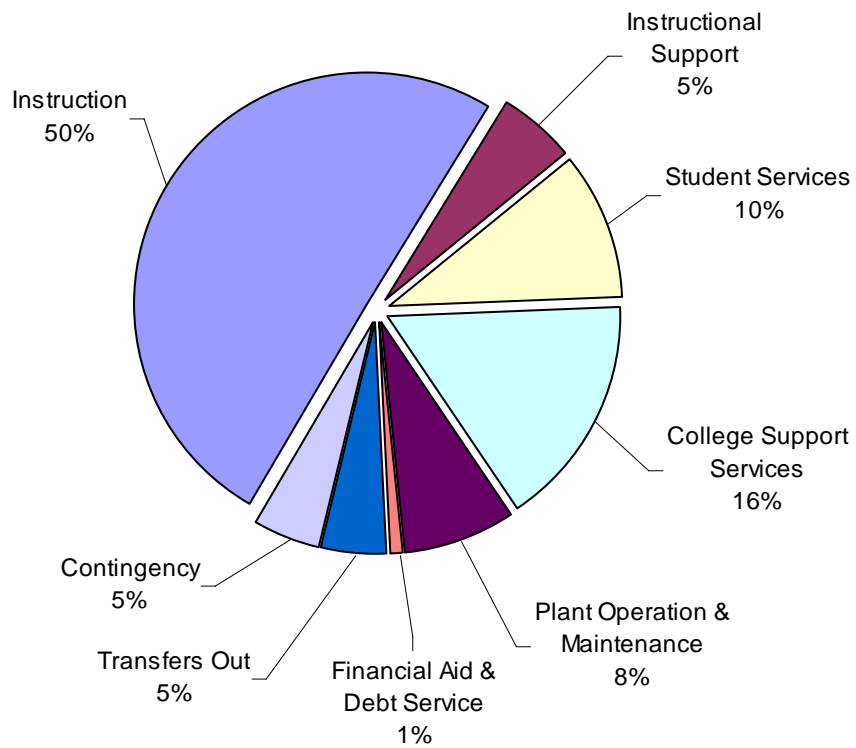
GENERAL FUND RESOURCES BY SOURCE
Fiscal Years 2005 through 2008



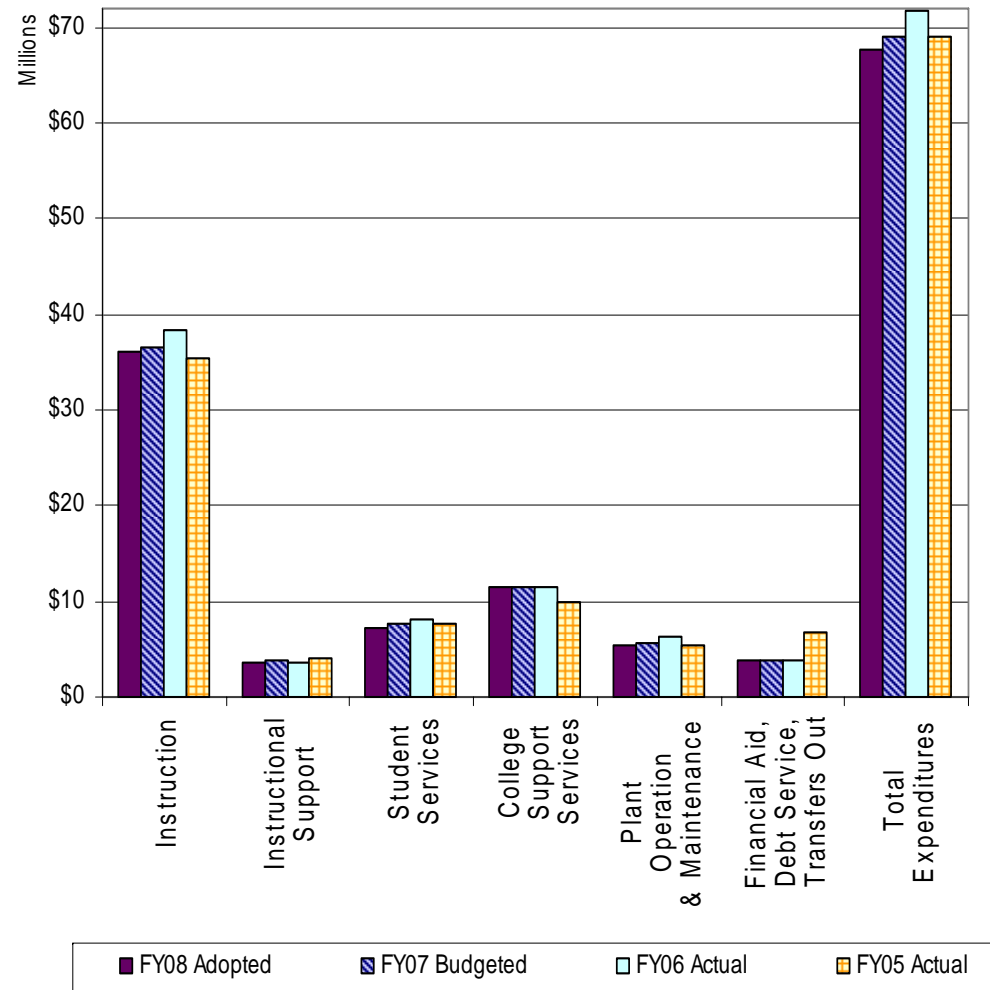
GENERAL FUND I

	Fiscal Year 2007-2008 ADOPTED Budget	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
RESOURCES						
Intergovernmental*	\$ 43,460,713	\$ 42,236,527	\$ 42,236,527	\$ 38,544,000	\$ 39,630,214	\$ 38,747,225
Tuition & Fees:						
Tuition	23,253,363	23,253,363	23,050,000	26,000,000	20,376,896	19,065,525
Instructional Fees	2,305,300	2,305,300	2,297,900	2,225,000	1,700,599	1,404,297
Other Sources:						
Sale of Goods & Services	1,131,800	1,131,800	1,131,800	500,000	438,122	474,070
Interest Income	450,000	450,000	450,000	500,000	433,470	263,402
Fees	1,050,428	1,050,428	1,050,428	1,628,478	913,871	1,072,412
Administrative Recovery	850,000	850,000	850,000	850,000	687,783	591,369
Rents, Contracts, Gifts, Bad Debt Recovery	867,730	867,730	10,252,522	628,700	1,268,548	680,000
Transfer In from OPE Fund				-	2,179,911	-
Transfer In from Internal Service Fund II	3,500	3,500	3,500	3,500	24,745	3,500
Transfer In from Debt Service Fund III	-	-	-	-	250,000	-
Transfer In from Capital Projects Fund IV	-	-	-	-	62,537	150,000
Transfer In from Financial Aid Fund V	-	-	-	-	-	184,164
Transfer In from Enterprise Fund VI	20,822	20,822	20,822	20,822	8,040	5,423
Transfer In from Special Revenue Fund VIII	4,000	4,000	4,000	4,000	-	-
Transfer In from Special Revenue-Admin Fund IX	3,600	3,600	3,600	3,600	335,377	283,159
Intra-Fund Transfer In		-	-	-	-	727
Total Operating Revenues	\$ 73,401,256	\$ 72,177,070	\$ 81,351,099	\$ 70,908,100	\$ 68,310,113	\$ 62,925,273
Beginning Fund Balance		-	-	4,120,000	2,329,153	8,480,965
TOTAL RESOURCES	\$ 73,401,256	\$ 72,177,070	\$ 81,351,099	\$ 75,028,100	\$ 70,639,266	\$ 71,406,238
 * Intergovernmental	 \$ 29,070,565	 \$ 27,846,379	 \$ 27,846,379	 \$ 24,603,654	 \$ 26,631,787	 \$ 26,353,832
* Property Taxes	14,390,148	14,390,148	14,390,148	13,940,346	12,998,427	12,393,393

GENERAL FUND REQUIREMENTS
Fiscal Year 2007-2008



GENERAL FUND REQUIREMENTS BY SOURCE
Fiscal Years 2005 through 2008



GENERAL FUND I

	Fiscal Year 2007-2008 ADOPTED Budget	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
EXPENDITURES AND OTHER REQUIREMENTS						
Instruction						
Academic Learning Skills	\$ 2,365,737	\$ 2,162,880	\$ 2,424,417	\$ 2,225,225	\$ 2,192,216	\$ 2,162,266
Adult Basic and Secondary Education	1,598,911	1,719,360	1,625,459	1,459,452	1,502,390	1,397,850
Advanced Technologies	2,317,325	2,243,831	2,642,590	2,431,332	2,630,647	2,490,366
Art & Applied Design	2,050,913	2,173,150	1,790,740	1,688,589	1,764,829	1,699,760
Business Development Center	495,030	565,540	716,493	647,347	704,170	668,944
Business & Computer Informaton Technologies	2,279,786	2,270,535	2,351,720	2,195,662	2,228,321	1,979,750
Child & Family Education	571,790	-	-	-	-	-
Continuing Education	1,603,801	1,581,520	1,775,431	1,693,901	1,752,484	993,183
Cooperative Education	1,583,190	1,685,846	1,683,971	1,728,373	1,679,126	1,526,436
Culinary Arts & Hospitality	555,643	558,733	589,065	461,414	444,944	436,943
Health & Physical Education	1,876,878	1,884,688	1,836,593	1,611,371	1,674,327	1,796,422
Health Careers	3,945,906	4,267,542	5,416,205	4,363,579	4,681,469	4,232,464
Lane Community College at Cottage Grove	447,678	437,747	682,391	677,040	554,753	581,255
Lane Community College at Florence	568,960	561,656	638,688	606,331	602,222	609,831
Lane Community College Learning Centers	23,951	23,951	24,556	26,817	247,680	242,992
Language, Literature and Communication	4,100,556	4,062,241	4,336,770	4,029,323	4,036,246	3,702,134
Mathematics	2,457,460	2,469,321	2,227,241	2,016,832	2,088,122	1,922,953
Music/Dance/Theatre Arts	1,166,116	1,107,174	1,321,260	1,202,876	1,220,865	1,100,349
Science	2,674,354	2,797,897	2,794,431	2,581,949	2,656,551	2,557,248
Social Science	2,616,119	2,582,819	2,438,308	2,222,005	2,281,553	2,196,279
Special Instructional Projects	630,805	700,791	2,723,559	2,619,621	3,510,266	3,220,188
Workforce Development	91,305	91,305	33,365	-	-	-
Total Instruction	\$ 36,022,214	\$ 35,948,527	\$ 40,073,255	\$ 36,489,039	\$ 38,453,181	\$ 35,517,613
Instructional Support						
College Now	\$ 60,860	\$ 5,277	\$ 170,236	\$ 96,983	\$ 113,743	\$ 177,035
Distance Learning	560,321	425,337	438,671	486,390	419,031	287,784
Instruction & Student Services Office	1,094,304	1,118,139	1,875,825	1,482,641	1,373,955	1,112,380
Instructional Technology Support Service	101,834	14,143	406,825	377,018	576,612	1,023,856
Library	1,155,155	1,157,860	1,205,064	1,074,726	1,124,252	1,184,397
Professional Development - Faculty	337,653	337,949	337,661	326,619	74,916	263,939
Special Instructional Projects (formerly included in Instruction category)	273,991	273,991	-	-	-	-
Total Instructional Support	\$ 3,584,117	\$ 3,332,695	\$ 4,434,281	\$ 3,844,377	\$ 3,682,508	\$ 4,049,391

- Continued -

GENERAL FUND I

	Fiscal Year 2007-2008 ADOPTED Budget	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
Student Services						
Conference & Culinary Services	\$ 326,956	\$ 326,956	\$ 360,207	\$ 312,818	\$ 292,844	\$ 972
Counseling	2,560,220	2,589,411	3,055,574	2,725,838	2,810,456	2,663,887
Disability Services	625,584	625,584	632,257	586,865	654,730	605,457
Enrollment Services	1,653,895	1,653,895	1,785,671	1,726,411	1,768,708	1,834,382
Student Financial Services	1,272,579	1,268,203	1,318,709	1,200,246	1,218,841	1,218,560
Student Life & Leadership Development	447,034	454,467	644,917	617,605	674,822	649,272
Women's Program	432,166	433,108	632,979	614,720	667,647	610,676
Total Student Services	\$ 7,318,434	\$ 7,351,624	\$ 8,430,315	\$ 7,784,503	\$ 8,088,049	\$ 7,583,206
College Support Services						
Board of Education	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 23,056	\$ 24,138
College Finance	973,173	973,173	1,147,320	1,037,171	987,095	743,295
College Operations Office	333,248	333,248	529,092	345,110	511,820	455,789
Curriculum & Scheduling	222,113	222,583	230,015	207,477	486,647	192,986
Governance & Administration	398,800	398,800	492,370	488,800	365,686	371,927
Human Resources	1,227,523	1,198,203	1,651,565	1,489,456	1,515,092	1,378,255
Information Technology	3,600,053	3,584,318	3,768,459	3,539,213	3,593,709	2,854,886
Institutional Research, Assessment & Planning	456,193	456,663	580,680	425,632	439,580	667,119
Lane Community College Foundation	424,188	424,188	422,833	312,165	478,016	457,765
Mail Services	165,077	165,077	181,928	166,814	146,481	110,702
Marketing & Public Relations	546,487	543,487	544,725	534,095	366,647	287,521
Legal, Accounting & Administrative	1,433,500	1,433,500	1,433,500	1,433,500	805,570	737,404
President's Office	720,638	550,001	513,771	498,633	590,867	557,866
Public Safety	826,832	801,332	759,395	763,404	874,424	899,906
Sustainability	256,739	244,937	251,510	240,680	281,293	133,437
Total College Support Services	\$ 11,604,562	\$ 11,349,509	\$ 12,527,163	\$ 11,502,150	\$ 11,465,982	\$ 9,872,996
Plant Operation & Maintenance						
Facilities Management & Planning	\$ 5,435,832	\$ 5,376,396	\$ 5,921,026	\$ 5,721,753	\$ 6,244,901	\$ 5,355,826
Total Plant Operation & Maintenance	\$ 5,435,832	\$ 5,376,396	\$ 5,921,026	\$ 5,721,753	\$ 6,244,901	\$ 5,355,826
Financial Aid						
Financial Aid Transfer	\$ 274,763	\$ 274,763	\$ 274,763	\$ 228,343	\$ 699,721	\$ 600,413
Total Financial Aid	\$ 274,763	\$ 274,763	\$ 274,763	\$ 228,343	\$ 699,721	\$ 600,413

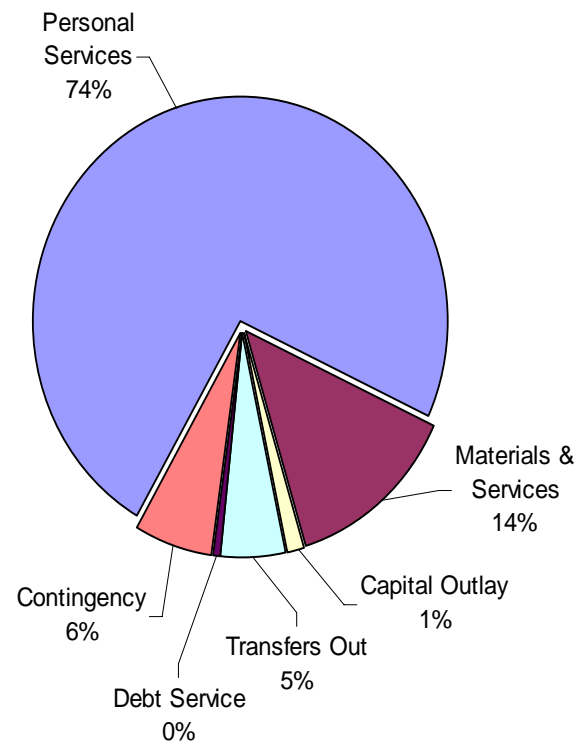
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GENERAL FUND I

	Fiscal Year 2007-2008 ADOPTED Budget	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
Debt Service						
Debt Service Transfer	\$ 314,990	\$ 314,990	\$ 314,990	\$ 428,053	\$ 441,430	\$ 453,650
Total Debt Service	\$ 314,990	\$ 314,990	\$ 314,990	\$ 428,053	\$ 441,430	\$ 453,650
Transfer Out:						
To Internal Service Fund II	\$ 185,896	\$ 185,896	\$ 185,896	\$ 166,091	\$ 417,911	\$ 342,423
To Capital Projects Fund IV	1,558,785	1,558,785	1,558,785	1,551,201	758,076	2,903,567
To Enterprise Fund VI	329,127	359,127	359,127	359,127	244,284	773,355
To Special Revenue Fund VIII	4,750	4,750	4,750	4,750	5,250	22,556
To Special Revenue-Admin Restricted Fund IX	1,131,748	1,131,748	1,131,748	998,051	1,235,682	1,602,089
Intra-Fund Transfer Out	-	-	-	-	-	-
Total Transfer Out	\$ 3,210,306	\$ 3,240,306	\$ 3,240,306	\$ 3,079,220	\$ 2,661,203	\$ 5,643,990
Contingency						
Projects/Provisions	\$ 3,336,039	\$ 2,688,261	\$ 3,835,000	\$ 3,550,662	\$ -	\$ -
Total Contingency	\$ 3,336,039	\$ 2,688,261	\$ 3,835,000	\$ 3,550,662	\$ -	\$ -
Total Operating Expenditures	\$ 71,101,256	\$ 69,877,070	\$ 79,051,099	\$ 72,628,100	\$ 71,736,976	\$ 69,077,085
Unappropriated Ending Fund Balance	2,300,000	2,300,000	2,300,000	2,400,000	-	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS-GENERAL FUND I	\$ 73,401,256	\$ 72,177,070	\$ 81,351,099	\$ 75,028,100	\$ 71,736,976	\$ 69,077,085
SUMMARY OF GENERAL FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 73,401,256	\$ 72,177,070	\$ 81,351,099	\$ 70,908,100	\$ 68,310,113	\$ 62,925,273
Less: Total Operating Expenditures	73,401,256	72,177,070	81,351,099	75,028,100	71,736,976	69,077,085
Excess of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ (4,120,000)	\$ (3,426,863)	\$ (6,151,812)
Beginning Fund Balance	-	-	-	4,120,000	2,329,153	8,480,965 *
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ (1,097,710)	\$ 2,329,153

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

BUDGETED REQUIREMENTS BY EXPENDITURES CATEGORY
Fiscal Year 2007-2008
General Fund



REQUIREMENTS BY EXPENDITURES CATEGORY - GENERAL FUND

General Fund I	Fiscal Year 2007-2008 ADOPTED Budget	Personal Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Instruction							
Academic Learning Skills	\$ 2,365,737	\$ 2,279,812	\$ 85,925	\$ -	\$ -	\$ -	\$ -
Adult Basic and Secondary Education	1,598,911	1,544,496	54,415	-	-	-	-
Advanced Technologies	2,317,325	2,104,768	212,557	-	-	-	-
Art & Applied Design	2,050,913	1,897,756	153,157	-	-	-	-
Business Development Center	495,030	482,330	12,700	-	-	-	-
Business & Computer Information Technologies	2,279,786	2,172,556	107,230	-	-	-	-
Child & Family Education	571,790	571,242	548	-	-	-	-
Continuing Education	1,603,801	1,077,733	526,068	-	-	-	-
Cooperative Education	1,583,190	1,472,540	110,650	-	-	-	-
Culinary Arts & Hospitality	555,643	431,943	123,700	-	-	-	-
Health & Physical Education	1,876,878	1,632,703	244,175	-	-	-	-
Health Careers	3,945,906	3,761,200	184,706	-	-	-	-
Lane Community College at Cottage Grove	447,678	341,421	106,257	-	-	-	-
Lane Community College at Florence	568,960	475,211	93,749	-	-	-	-
Lane Community College Learning Centers	23,951	17,362	6,589	-	-	-	-
Language, Literature & Communication	4,100,556	3,993,706	106,850	-	-	-	-
Mathematics	2,457,460	2,401,085	56,375	-	-	-	-
Music/Dance/Theatre Arts	1,166,116	1,099,916	66,200	-	-	-	-
Science	2,674,354	2,568,857	105,497	-	-	-	-
Social Science	2,616,119	2,574,019	42,100	-	-	-	-
Special Instructional Projects	630,805	630,805	-	-	-	-	-
Workforce Development	91,305	91,305	-	-	-	-	-
Total Instruction	\$ 36,022,214	\$ 33,622,766	\$ 2,399,448	\$ -	\$ -	\$ -	\$ -
Instructional Support							
College Now	\$ 60,860	\$ 55,583	\$ 5,277	\$ -	\$ -	\$ -	\$ -
Distance Learning	560,321	385,396	174,925	-	-	-	-
Instruction & Student Services Office	1,094,304	1,040,089	54,215	-	-	-	-
Instructional Technology Support Service	101,834	92,575	9,259	-	-	-	-
Library	1,155,155	911,485	243,670	-	-	-	-
Professional Development - Faculty	337,653	264,399	73,254	-	-	-	-
Special Instructional Projects	273,991	238,388	35,603	-	-	-	-
Total Instructional Support	\$ 3,584,117	\$ 2,987,914	\$ 596,203	\$ -	\$ -	\$ -	\$ -

- Continued -

REQUIREMENTS BY EXPENDITURES CATEGORY - GENERAL FUND

General Fund I	Fiscal Year 2007-2008 ADOPTED Budget	Personal Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Student Services							
Conference & Culinary Services	\$ 326,956	\$ 326,956	\$ -	\$ -	\$ -	\$ -	\$ -
Counseling	2,560,220	2,429,484	130,736	-	-	-	-
Disability Services	625,584	610,564	15,020	-	-	-	-
Enrollment Services	1,653,895	1,373,245	280,650	-	-	-	-
Student Financial Services	1,272,579	1,154,579	118,000	-	-	-	-
Student Life & Leadership Development	447,034	330,534	116,500	-	-	-	-
Women's Program	432,166	416,529	15,637	-	-	-	-
Total Student Services	\$ 7,318,434	\$ 6,641,891	\$ 676,543	\$ -	\$ -	\$ -	\$ -
College Support Services							
Board of Education	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -
College Finance	973,173	893,984	79,189	-	-	-	-
College Operations Office	333,248	305,248	28,000	-	-	-	-
Curriculum & Scheduling	222,113	214,738	7,375	-	-	-	-
Governance and Administration	398,800	-	398,800	-	-	-	-
Human Resources	1,227,523	976,177	251,346	-	-	-	-
Information Technology	3,600,053	2,583,794	720,888	73,500	221,871	-	-
Institutional Research, Assessment & Planning	456,193	445,428	10,765	-	-	-	-
Lane Community College Foundation	424,188	419,688	4,500	-	-	-	-
Mail Services	165,077	137,417	27,660	-	-	-	-
Marketing & Public Relations	546,487	179,387	367,100	-	-	-	-
Legal, Accounting & Administrative	1,433,500	-	1,433,500	-	-	-	-
President's Office	720,638	674,888	45,750	-	-	-	-
Public Safety	826,832	744,342	82,490	-	-	-	-
Sustainability	256,739	205,385	51,354	-	-	-	-
Total College Support Services	\$ 11,604,562	\$ 7,780,474	\$ 3,528,717	\$ 73,500	\$ 221,871	\$ -	\$ -
Plant Operation & Maintenance							
Facilities Management & Planning	\$ 5,435,832	\$ 2,688,432	\$ 2,747,400	\$ -	\$ -	\$ -	\$ -
Total Plant Operation & Maintenance	\$ 5,435,832	\$ 2,688,432	\$ 2,747,400	\$ -	\$ -	\$ -	\$ -

- Continued -

REQUIREMENTS BY EXPENDITURES CATEGORY - GENERAL FUND

General Fund I	Fiscal Year 2007-2008 ADOPTED Budget	Personal Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Financial Aid							
Financial Aid Transfer	\$ 274,763	\$ -	\$ -	\$ -	\$ 274,763	\$ -	\$ -
Total Financial Aid	\$ 274,763	\$ -	\$ -	\$ -	\$ 274,763	\$ -	\$ -
Debt Service							
Debt Service Transfer	\$ 314,990	\$ -	\$ -	\$ -	\$ -	\$ 314,990	\$ -
Total Debt Service	\$ 314,990	\$ -	\$ -	\$ -	\$ -	\$ 314,990	\$ -
Transfer Out:							
To Internal Services Fund II	\$ 185,896	\$ -	\$ -	\$ -	\$ 185,896	\$ -	\$ -
To Capital Projects Fund IV	1,558,785	-	-	-	1,558,785	-	-
To Enterprise Fund VI	329,127	-	-	-	329,127	-	-
To Special Revenue Fund VIII	4,750	-	-	-	4,750	-	-
To Special Revenue-Admin. Rest. Fund IX	1,131,748	-	-	-	1,131,748	-	-
Total Transfer Out	\$ 3,210,306	\$ -	\$ -	\$ -	\$ 3,210,306	\$ -	\$ -
Contingency							
Projects/Provisions	\$ 3,336,039	\$ 225,789	\$ -	\$ 900,000	\$ -	\$ -	\$ 2,210,250
Unappropriated Ending Fund Balance	2,300,000	-	-	-	-	-	2,300,000
Total Contingency	\$ 5,636,039	\$ 225,789	\$ -	\$ 900,000	\$ -	\$ -	\$ 4,510,250
Total - General Fund Functions	\$ 73,401,256	\$ 53,947,265	\$ 9,948,311	\$ 973,500	\$ 3,706,940	\$ 314,990	\$ 4,510,250

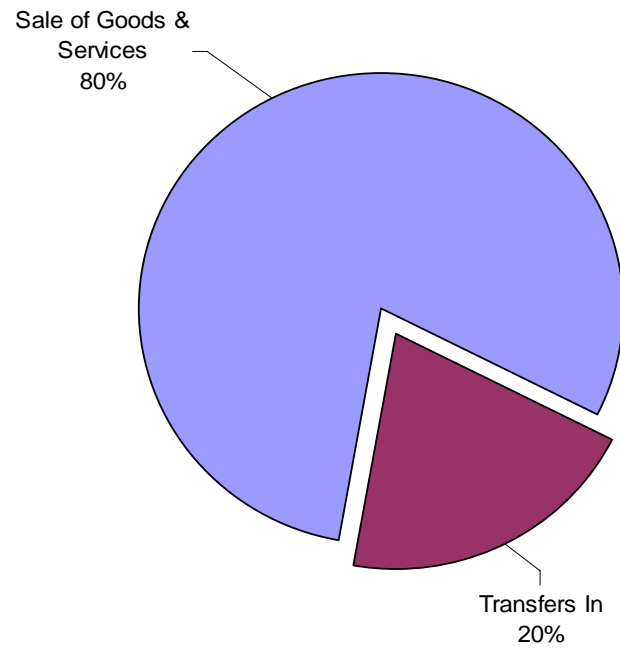
SUMMARY OF GENERAL FUND**RESOURCES AND REQUIREMENTS**

Total Operating Revenues	\$ 73,401,256
Less: Total Operating Expenditures	73,401,256
Excess of revenues over (under) expenditures	\$ -
Beginning Fund Balance	-
Ending Fund Balance	\$ -

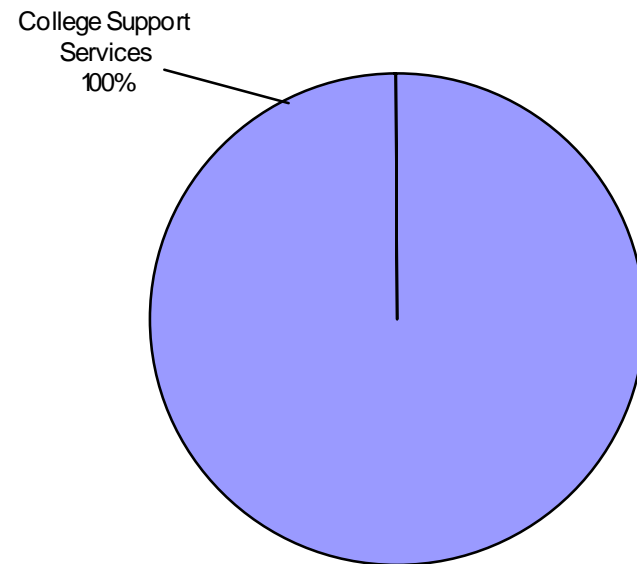


- . INTERNAL SERVICE FUND II
 - . DEBT SERVICE FUND III
 - . CAPITAL PROJECTS FUND IV
 - . FINANCIAL AID FUND V
 - . ENTERPRISE FUND VI
- . SPECIAL REVENUE FUND VIII
- . SPECIAL REVENUE FUND IX – ADMIN. RESTRICTED

BUDGETED RESOURCES
Fiscal Year 2007-2008
Fund II



BUDGETED REQUIREMENTS
Fiscal Year 2007-2008
Fund II



INTERNAL SERVICE FUND II

	Fiscal Year 2007-2008 ADOPTED Budget	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
RESOURCES						
Sale of Goods & Services	\$ 1,614,500	\$ 1,614,500	\$ 1,614,500	\$ 1,624,500	\$ 1,243,410	\$ 1,295,348
Transfer In from General Fund I	407,767	407,767	407,767	374,711	417,911	342,423
Contingency*	-	-	-	800,000	-	-
Total Operating Revenues	\$ 2,022,267	\$ 2,022,267	\$ 2,022,267	\$ 2,799,211	\$ 1,661,321	\$ 1,637,771
Beginning Fund Balance	164,000	164,000	164,000	124,000	99,032	70,581
TOTAL RESOURCES	\$ 2,186,267	\$ 2,186,267	\$ 2,186,267	\$ 2,923,211	\$ 1,760,353	\$ 1,708,352

**EXPENDITURES AND OTHER REQUIREMENTS
REQUIREMENTS**

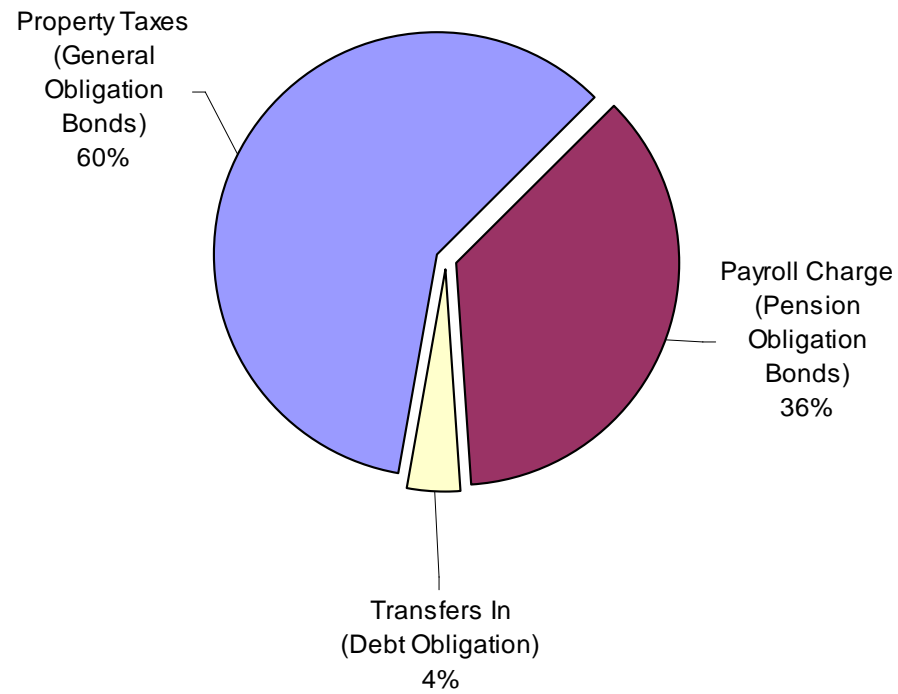
College Support Services						
Employee Wellness	\$ 158,131	\$ 158,131	\$ 158,131	\$ 140,515	\$ 118,016	\$ 95,058
Motor Pool	115,000	115,000	115,000	105,000	55,021	31,017
Printing & Graphics	1,077,765	1,077,765	1,077,765	1,075,576	822,161	866,139
Telephone Services	750,871	750,871	750,871	717,620	493,709	547,314
Warehouse Services	80,000	80,000	80,000	80,000	82,277	66,292
Transfer Out:						
To General Fund I	3,500	3,500	3,500	3,500	24,745	3,500
To Special Revenue-Admin Rest. Fund IX	1,000	1,000	1,000	1,000	-	-
Contingency						
Contingency*	-	-	-	800,000	-	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 2,186,267	\$ 2,186,267	\$ 2,186,267	\$ 2,923,211	\$ 1,595,929	\$ 1,609,320

**SUMMARY OF INTERNAL SERVICE FUND
RESOURCES AND REQUIREMENTS**

Total Operating Revenues	\$ 2,022,267	\$ 2,022,267	\$ 2,022,267	\$ 2,799,211	\$ 1,661,321	\$ 1,637,771
Less: Total Operating Expenditures	2,186,267	2,186,267	2,186,267	2,923,211	1,595,929	1,609,320
Excess of Revenues, over (under) Expenditures	\$ (164,000)	\$ (164,000)	\$ (164,000)	\$ (124,000)	\$ 65,392	\$ 28,451
Beginning Fund Balance	164,000	164,000	164,000	124,000	99,032	70,581
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 164,423	\$ 99,032

*Contingency revenue and expenditure budget authority discontinued beginning fiscal year 2007-2008 forward.

BUDGETED RESOURCES FOR RELATED DEBT OBLIGATIONS
Fiscal Year 2007-2008
Fund III



DEBT SERVICE FUND III

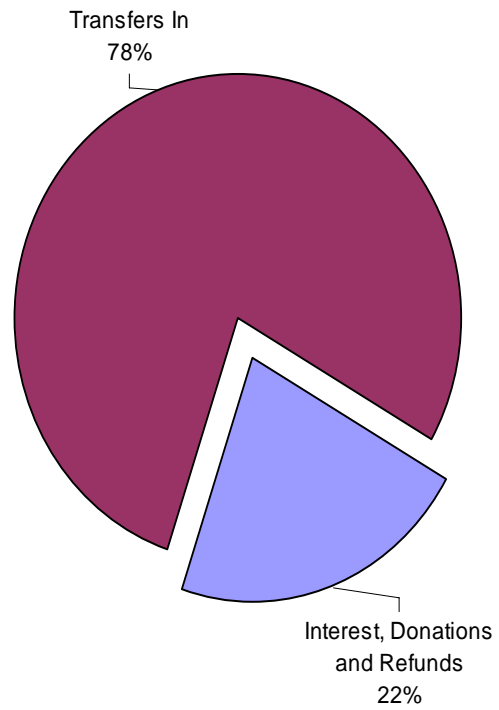
	Fiscal Year 2007-2008 ADOPTED BUDGET	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
GENERAL OBLIGATION BONDS, 1995						
<u>Resources</u>						
Intergovernmental (Property Taxes)	\$ 4,827,418	\$ 4,827,418	\$ 4,827,418	\$ 4,877,747	\$ 5,504,474	\$ 5,306,348
Total Operating Revenues	\$ 4,827,418	4,827,418	4,827,418	4,877,747	5,504,474	5,306,348
Beginning Fund Balance	1,500,000	1,500,000	1,500,000	1,200,000	1,055,009	744,784
Total Resources	\$ 6,327,418	\$ 6,327,418	\$ 6,327,418	\$ 6,077,747	\$ 6,559,483	\$ 6,051,132
<u>Expenditures and Other Requirements</u>						
Principal Payments	\$ 5,055,000	\$ 5,055,000	\$ 5,055,000	\$ 4,610,000	\$ 4,190,000	\$ 3,800,000
Interest Expense	1,272,418	1,272,418	1,272,418	1,467,747	997,517	1,196,123
Total Expenditures and Other Requirements	\$ 6,327,418	\$ 6,327,418	\$ 6,327,418	\$ 6,077,747	\$ 5,187,517	\$ 4,996,123
<u>Summary of General Obligation Bonds</u>						
Total Operating Revenues	\$ 4,827,418	\$ 4,827,418	\$ 4,827,418	\$ 4,877,747	\$ 5,504,474	\$ 5,306,348
Less: Total Operating Expenditures	6,327,418	6,327,418	6,327,418	6,077,747	5,187,517	4,996,123
Excess of Revenues, over (under) Expenditures	\$ (1,500,000)	\$ (1,500,000)	\$ (1,500,000)	\$ 10,955,494	\$ 316,957	\$ 310,225
Beginning Fund Balance	1,500,000	1,500,000	1,500,000	1,200,000	1,055,009	744,784
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ 1,371,966	\$ 1,055,009
FULL FAITH & CREDIT DEBT OBLIGATIONS, SERIES 1992						
<u>Resources</u>						
Transfer In from General Fund I	\$ 314,990	\$ 314,990	\$ 314,990	\$ 428,053	\$ 191,430	\$ 453,650
Total Operating Revenues	\$ 314,990	\$ 314,990	\$ 314,990	\$ 428,053	\$ 191,430	\$ 453,650
Beginning Fund Balance	-	-	-	-	250,000	250,000
Total Resources	\$ 314,990	\$ 314,990	\$ 314,990	\$ 428,053	\$ 441,430	\$ 703,650
<u>Expenditures and Other Requirements</u>						
Principal Payments	\$ 260,000	\$ 260,000	\$ 260,000	\$ 355,000	\$ 350,000	\$ 345,000
Interest Expense	54,990	54,990	54,990	73,053	91,430	108,650
Total Expenditures and Other Requirements	\$ 314,990	\$ 314,990	\$ 314,990	\$ 428,053	\$ 441,430	\$ 453,650

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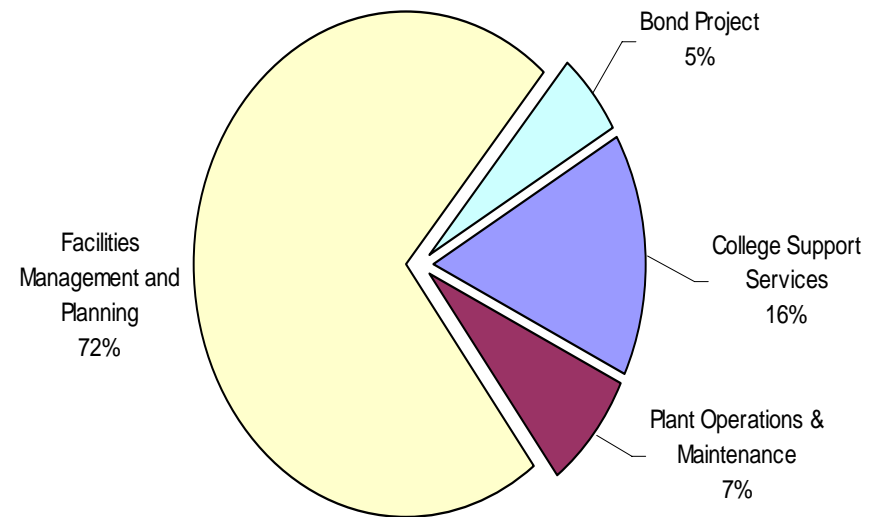
DEBT SERVICE FUND III

	Fiscal Year 2007-2008 ADOPTED BUDGET	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
<u>Summary of Full Faith & Credit Debt Obligations</u>						
Total Operating Revenues	\$ 314,990	\$ 314,990	\$ 314,990	\$ 428,053	\$ 191,430	\$ 453,650
Less: Total Operating Expenditures	314,990	314,990	314,990	428,053	441,430	453,650
Excess of Revenues, over (under) Expenditures	\$ -	\$ -	\$ -	\$ 856,106	\$ (250,000)	\$ 907,300
Beginning Fund Balance	-	-	-	-	250,000	250,000
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000
<u>PENSION OBLIGATION BONDS</u>						
<u>Resources</u>						
Interest Income	\$ 250	\$ 250	\$ 250	\$ 250	\$ 60,005	\$ 27,339
Revenue Allocation - Employee Fringe	2,949,250	2,949,250	2,949,250	2,794,250	2,644,250	2,259,250
Total Operating Revenues	\$ 2,949,500	\$ 2,949,500	\$ 2,949,500	\$ 250	\$ 2,704,255	\$ 2,286,589
Beginning Fund Balance	-	-	-	-	217,226	191,414
Total Resources	\$ 2,949,500	\$ 2,949,500	\$ 2,949,500	\$ 250	\$ 2,921,481	\$ 2,478,003
<u>Expenditures and Other Requirements</u>						
Principal Payments	\$ 1,420,000	\$ 1,420,000	\$ 1,420,000	\$ 1,101,663	\$ 1,022,711	\$ 698,311
Interest Expense	1,529,500	1,529,500	1,529,500	1,692,837	1,621,539	1,562,466
Total Expenditures and Other Requirements	\$ 2,949,500	\$ 2,949,500	\$ 2,949,500	\$ 2,794,500	\$ 2,644,250	\$ 2,260,777
<u>Summary of Pension Obligation Bonds</u>						
Total Operating Revenues	\$ 2,949,500	\$ 2,949,500	\$ 2,949,500	\$ 250	\$ 2,704,255	\$ 2,286,589
Less: Total Operating Expenditures	2,949,500	2,949,500	2,949,500	2,794,500	2,644,250	2,260,777
Excess of Revenues, over (under) Expenditures	\$ -	\$ -	\$ -	\$ 2,794,750	\$ 60,005	\$ 25,812
Beginning Fund Balance	-	-	-	-	217,226	191,414
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ 277,231	\$ 217,226
<u>SUMMARY OF DEBT SERVICE FUND RESOURCES AND REQUIREMENTS</u>						
Total Operating Revenues	\$ 8,091,908	\$ 8,091,908	\$ 8,091,908	\$ 5,306,050	\$ 8,400,159	\$ 8,046,587
Less: Total Operating Expenditures	9,591,908	9,591,908	9,591,908	9,300,300	8,273,197	7,710,550
Excess of Revenues, over (under) Expenditures	\$ (1,500,000)	\$ (1,500,000)	\$ (1,500,000)	\$ 14,606,350	\$ 126,962	\$ 336,037
Beginning Fund Balance	1,500,000	1,500,000	1,500,000	1,200,000	1,522,235	1,186,198
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 1,649,197	\$ 1,522,235

BUDGETED RESOURCES
Fiscal Year 2007-2008
Fund IV



BUDGETED REQUIREMENTS
Fiscal Year 2007-2008
Fund IV



CAPITAL PROJECTS FUND IV

	Fiscal Year 2007-2008 ADOPTED BUDGET	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
RESOURCES						
Other Sources:						
Interest Income	\$ 60,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 291,365	\$ 60,513
Donations & Vendor Refunds	435,000	445,000	445,000	295,000	264,699	172,771
Transfer In from General Fund I	1,558,785	1,558,785	1,558,785	1,551,201	1,008,076	2,903,567
Transfer In from Special Revenue-Admin Rest. Fund IX	218,760	218,760	218,760	218,760	150,000	497,558
Contingency*	-	-	-	2,000,000	-	-
Total Operating Revenues	\$ 2,272,545	\$ 2,272,545	\$ 2,272,545	\$ 4,114,961	\$ 1,714,140	\$ 3,634,409
Beginning Fund Balance	865,000	865,000	865,000	3,005,000	5,271,605	4,379,798
TOTAL RESOURCES	\$ 3,137,545	\$ 3,137,545	\$ 3,137,545	\$ 7,119,961	\$ 6,985,745	\$ 8,014,207

**EXPENDITURES AND OTHER
REQUIREMENTS**

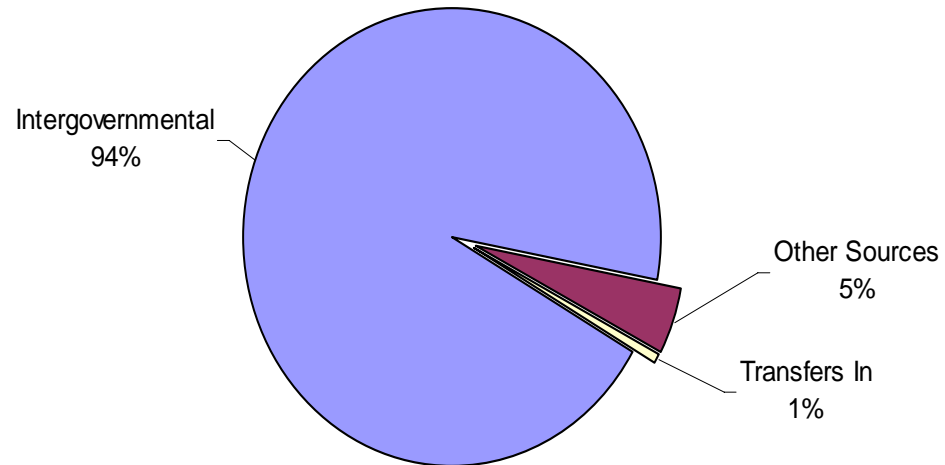
College Support Services						
Information Technology (LASR Project)	\$ 295,000	\$ 295,000	\$ 295,000	\$ 525,000	\$ 159,017	\$ 158,737
Plant Operation & Maintenance						
Facilities Management & Planning	1,390,000	1,390,000	1,390,000	1,950,000	1,804,953	218,759
Plant Additions						
Bond Project	100,000	100,000	100,000	2,100,000	565,670	891,046
Facilities Management & Planning	1,352,545	1,352,545	1,352,545	544,961	1,520,986	1,324,059
Transfer Out:						
To General Fund I	-	-	-	-	453,964	150,000
Contingency						
Contingency*	-	-	-	2,000,000	-	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 3,137,545	\$ 3,137,545	\$ 3,137,545	\$ 7,119,961	\$ 4,504,590	\$ 2,742,601

**SUMMARY OF CAPITAL PROJECTS FUND
RESOURCES AND REQUIREMENTS**

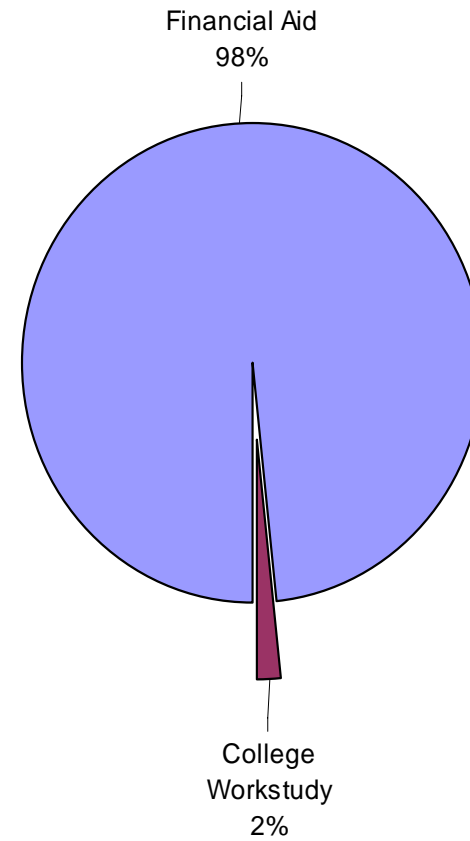
Total Operating Revenues	\$ 2,272,545	\$ 2,272,545	\$ 2,272,545	\$ 4,114,961	\$ 1,714,140	\$ 3,634,409
Less: Total Operating Expenditures	3,137,545	3,137,545	3,137,545	7,119,961	4,504,590	2,742,601
Excess of Revenues, over (under) Expenditures	\$ (865,000)	\$ (865,000)	\$ (865,000)	\$ (3,005,000)	\$ (2,790,450)	\$ 891,808
Beginning Fund Balance	865,000	865,000	865,000	3,005,000	5,271,605	4,379,798
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,481,155	\$ 5,271,606

*Contingency revenue and expenditure budget authority discontinued beginning fiscal year 2007-2008 forward.

BUDGETED RESOURCES
Fiscal Year 2007-2008
Fund V



BUDGETED REQUIREMENTS
Fiscal Year 2007-2008
Fund V

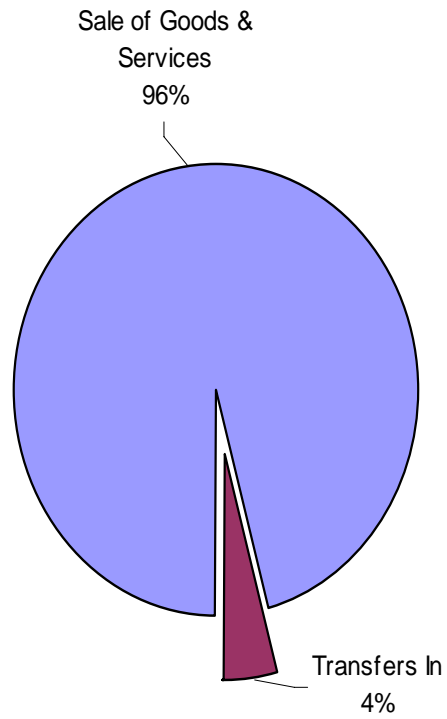


FINANCIAL AID FUND V

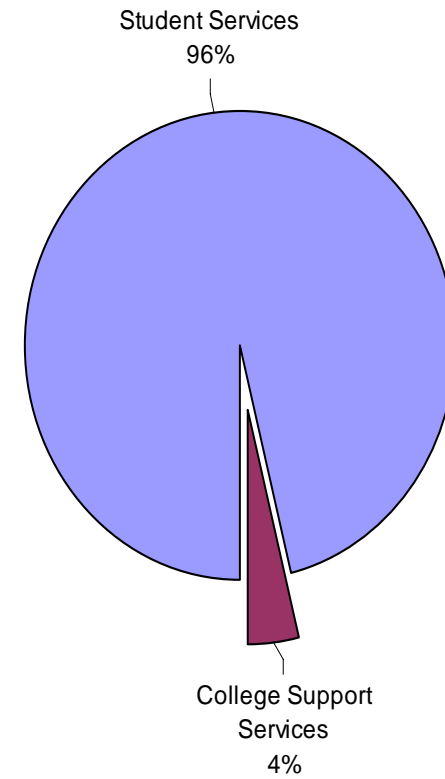
	Fiscal Year 2007-2008 ADOPTED BUDGET	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
RESOURCES						
Intergovernmental	\$ 43,653,000	\$ 43,653,000	\$ 43,653,000	\$ 42,603,000	\$ 33,167,315	\$ 33,197,036
Other Sources:						
Interest Income	75,000	75,000	75,000	100,000	59,812	79,421
Administrative Recovery	-	-	-	-	-	42,200
Scholarships, Local Grants	2,100,000	2,100,000	2,100,000	2,100,000	2,212,161	2,094,651
Transfer In from General Fund I	274,763	274,763	274,763	228,343	699,721	762,464
Transfer In from Special Revenue-Admin. Rest. Fund IX	15,000	15,000	15,000	15,000	22,592	-
Intra-fund Transfer In	-	-	-	130,000	-	-
Contingency*	-	-	-	2,000,000	-	-
Total Operating Revenues	\$ 46,117,763	\$ 46,117,763	\$ 46,117,763	\$ 47,176,343	\$ 36,161,601	\$ 36,175,772
Beginning Fund Balance	423,350	423,350	423,350	398,350	1,007,897	532,694
TOTAL RESOURCES	\$ 46,541,113	\$ 46,541,113	\$ 46,541,113	\$ 47,574,693	\$ 37,169,498	\$ 36,708,466
EXPENDITURES AND OTHER REQUIREMENTS						
REQUIREMENTS						
Student Services						
Job Placement Office		\$ -	\$ -	\$ 120,000	\$ 320,067	\$ 303,442
Financial Aid						
College Workstudy	822,350	822,350	822,350	822,350	843,050	590,015
Financial Aid	45,718,763	45,718,763	45,718,763	44,502,343	35,311,905	34,622,948
Transfer Out:						
Intra-fund Transfer Out	-	-	-	130,000	-	184,164
Contingency						
Contingency*	-	-	-	2,000,000	-	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 46,541,113	\$ 46,541,113	\$ 46,541,113	\$ 47,574,693	\$ 36,475,022	\$ 35,700,569
SUMMARY OF FINANCIAL AID FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 46,117,763	\$ 46,117,763	\$ 46,117,763	\$ 47,176,343	\$ 36,161,601	\$ 36,175,772
Less: Total Operating Expenditures	46,541,113	46,541,113	46,541,113	47,574,693	36,475,022	35,700,569
Excess of Revenues, over (under) Expenditures	\$ (423,350)	\$ (423,350)	\$ (423,350)	\$ (398,350)	\$ (313,421)	\$ 475,203
Beginning Fund Balance	423,350	423,350	423,350	398,350	1,007,897	532,694
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 694,476	\$ 1,007,897

*Contingency revenue and expenditure budget authority discontinued beginning fiscal year 2007-2008 forward.

BUDGETED RESOURCES
Fiscal Year 2007-2008
Fund VI



BUDGETED REQUIREMENTS
Fiscal Year 2007-2008
Fund VI



ENTERPRISE FUND VI

	Fiscal Year 2007-2008 ADOPTED Budget	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
RESOURCES						
Sale of Goods & Services	\$ 8,707,000	\$ 8,707,000	\$ 8,707,000	\$ 8,458,211	\$ 7,665,091	\$ 7,213,656
Transfer In from General Fund I	329,127	359,127	359,127	359,127	385,711	773,355
Transfer In from Special Revenue-Admin. Rest. Fund IX	46,640	46,640	46,640	46,640	130,772	-
Contingency*	-	-	-	1,000,000	-	-
Total Operating Revenues	\$ 9,082,767	\$ 9,112,767	\$ 9,112,767	\$ 9,863,978	\$ 8,181,574	\$ 7,987,011
Beginning Fund Balance	925,000	925,000	925,000	820,000	2,540,323	2,390,354
TOTAL RESOURCES	\$ 10,007,767	\$ 10,037,767	\$ 10,037,767	\$ 10,683,978	\$ 10,721,897	\$ 10,377,365
EXPENDITURES AND OTHER REQUIREMENTS						
Instruction						
Performance Season	\$ 22,000	\$ 22,000	\$ 22,000	\$ -	\$ 9,260	\$ 6,165
Specialized Support Services	-	-	-	-	7,165	-
Student Services						
ASLCC (Prior Years)	-	-	-	-	11,806	24,246
ASLCC Childcare Coop (Prior Years)	-	-	-	-	321	891
Bookstore	6,888,067	6,888,067	6,888,067	6,887,067	6,107,830	5,165,566
Foodservices	1,578,178	1,578,178	1,578,178	1,579,178	1,423,827	1,343,484
Hospitality & Conference Services	1,100,001	1,100,000	1,100,000	825,000	770,657	1,024,710
College Support Services						
Laundry	397,700	427,700	427,700	370,911	291,653	266,557
Expenditures and Other Requirements Subtotal	\$ 9,985,946	\$ 10,015,945	\$ 10,015,945	\$ 9,662,156	\$ 8,622,495	\$ 7,831,619

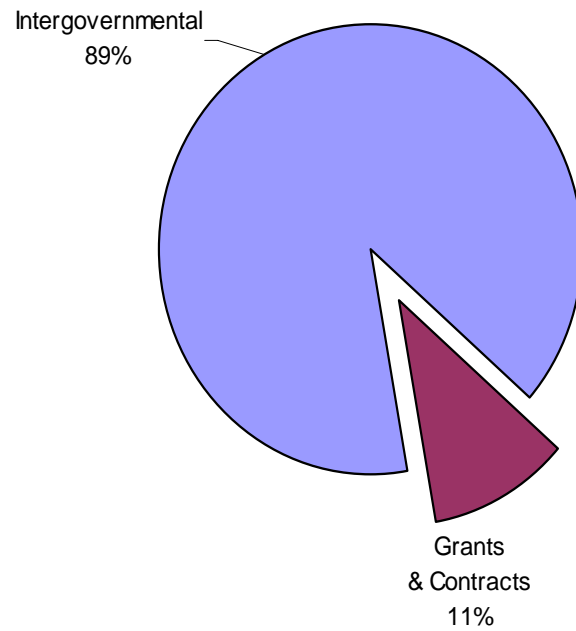
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ENTERPRISE FUND VI

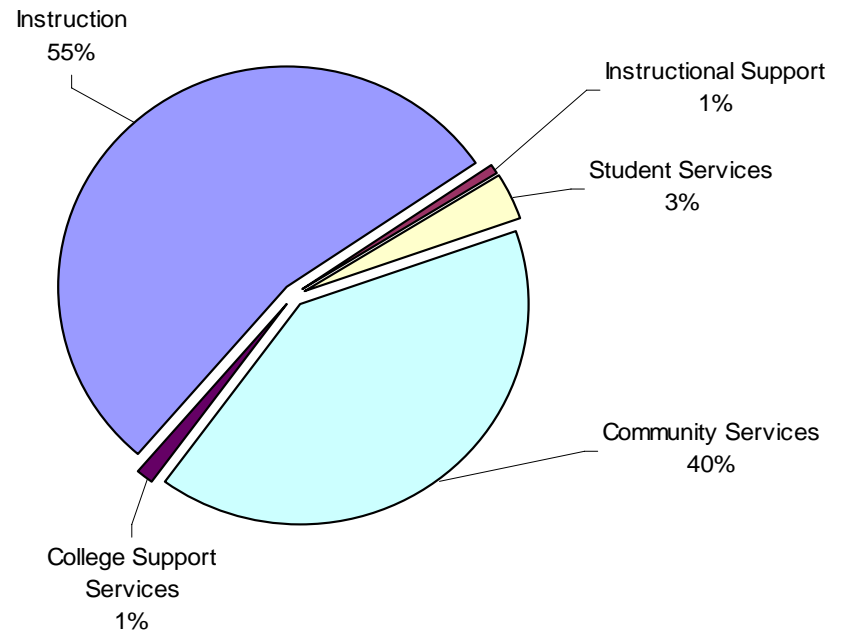
	Fiscal Year 2007-2008 ADOPTED Budget	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
Transfer Out:						
To General Fund I	\$ 20,822	\$ 20,822	\$ 20,822	\$ 20,822	\$ 8,040	\$ 5,423
To Special Revenue-Admin Rest. Fund IX	1,000	1,000	1,000	1,000	11,036	-
Contingency						
Contingency*	-	-	-	1,000,000	-	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 10,007,768	\$ 10,037,767	\$ 10,037,767	\$ 10,683,978	\$ 8,641,571	\$ 7,837,042
SUMMARY OF ENTERPRISE FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 9,082,767	\$ 9,112,767	\$ 9,112,767	\$ 9,863,978	\$ 8,181,574	\$ 7,987,011
Less: Total Operating Expenditures	10,007,768	10,037,767	10,037,767	10,683,978	8,641,571	7,837,042
Excess of Revenues, over (under) Expenditures	\$ (925,001)	\$ (925,000)	\$ (925,000)	\$ (820,000)	\$ (459,997)	\$ 149,969
Beginning Fund Balance	925,000	925,000	925,000	820,000	2,540,323	2,390,354
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,080,326	\$ 2,540,323

*Contingency revenue and expenditure budget authority discontinued beginning fiscal year 2007-2008 forward.

BUDGETED RESOURCES
Fiscal Year 2007-2008
Fund VIII



BUDGETED REQUIREMENTS
Fiscal Year 2007-2008
Fund VIII



SPECIAL REVENUE FUND VIII

	Fiscal Year 2007-2008 ADOPTED Budget	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
RESOURCES						
Intergovernmental	\$ 10,543,750	\$ 10,543,750	\$ 10,543,750	\$ 10,539,000	\$ 7,338,051	\$ 6,673,263
Tuition & Fees:						
Tuition	6,000	-	-	6,000	36,737	30,775
Instructional Fees	50,000	-	-	50,000	77,121	95,988
Other Sources:						
Grants & Contracts	1,291,250	1,347,250	1,347,250	1,296,000	286,450	367,817
Transfer In from General Fund I	4,750	4,750	4,750	4,750	5,250	22,556
Contingency*	-	-	-	2,000,000	-	-
Total Operating Revenues	\$ 11,895,750	\$ 11,895,750	\$ 11,895,750	\$ 13,895,750	\$ 7,743,609	\$ 7,190,399
Beginning Fund Balance	200,000	200,000	200,000	200,000	178,726	172,115
TOTAL RESOURCES	\$ 12,095,750	\$ 12,095,750	\$ 12,095,750	\$ 14,095,750	\$ 7,922,335	\$ 7,362,514
EXPENDITURES AND OTHER REQUIREMENTS						
Instruction	\$ 6,593,000	\$ 6,593,000	\$ 6,593,000	\$ 6,593,000	\$ 3,698,758	\$ 3,692,305
Funded Projects						
Instructional Support	103,000	103,000	103,000	103,000	12,311	16,268
Funded Projects						
Student Services	387,200	387,200	387,200	387,200	262,846	254,050
Funded Projects						
Community Services	4,860,800	4,860,800	4,860,800	4,860,800	3,767,851	3,221,165
Funded Projects						
College Support Services	147,750	147,750	147,750	147,750	-	-
Funded Projects						
Expenditures and Other Requirements Sub-total	\$ 12,091,750	\$ 12,091,750	\$ 12,091,750	\$ 12,091,750	\$ 7,741,766	\$ 7,183,788

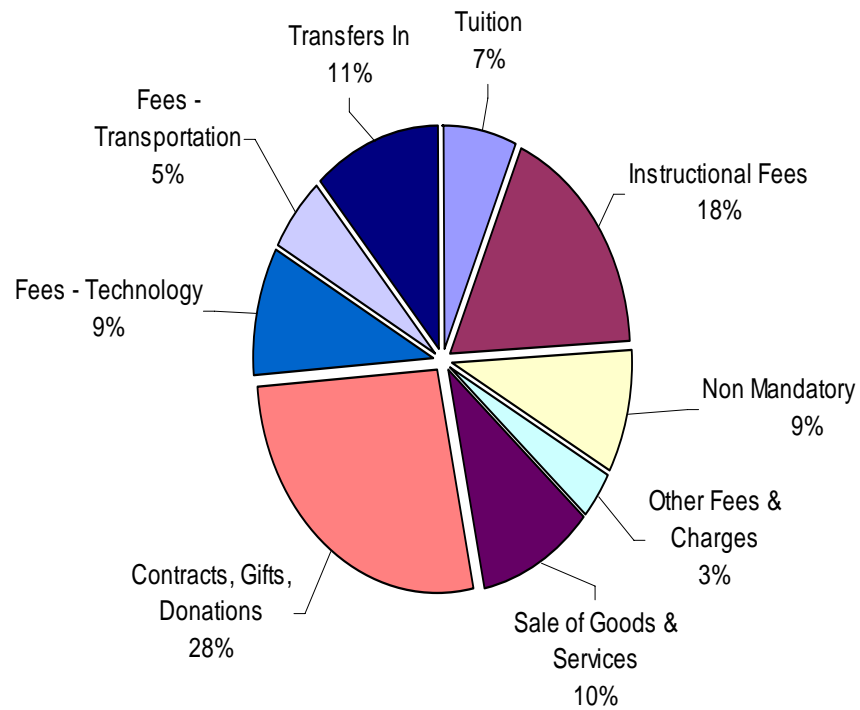
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SPECIAL REVENUE FUND VIII

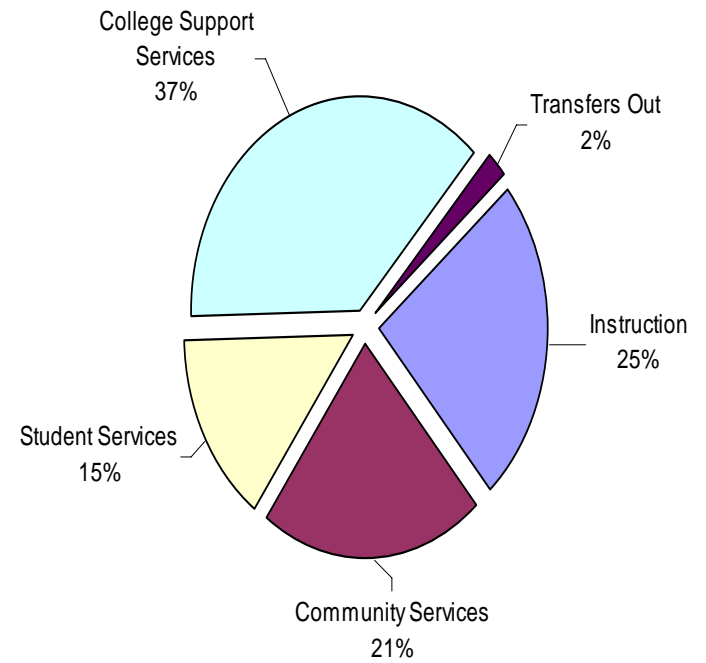
	Fiscal Year 2007-2008 ADOPTED Budget	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
Transfer Out:						
To General Fund I	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ -	\$ -
To Special Revenue-Admin Restricted Fund IX	-	-	-	-	9,227	-
Contingency						
Contingency*	-	-	-	2,000,000	-	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 12,095,750	\$ 12,095,750	\$ 12,095,750	\$ 14,095,750	\$ 7,750,993	\$ 7,183,788
 SUMMARY OF SPECIAL REVENUE FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 11,895,750	\$ 11,895,750	\$ 11,895,750	\$ 13,895,750	\$ 7,743,609	\$ 7,190,399
Less: Total Operating Expenditures	12,095,750	12,095,750	12,095,750	14,095,750	7,750,993	7,183,788
Excess of Revenues, over (under) Expenditures	\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ (7,384)	\$ 6,611
 Beginning Fund Balance	200,000	200,000	200,000	200,000	178,726	172,115
 Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 171,342	\$ 178,726

*Contingency revenue and expenditure budget authority discontinued beginning fiscal year 2007-2008 forward.

BUDGETED RESOURCES
Fiscal Year 2007-2008
Fund IX



BUDGETED REQUIREMENTS
Fiscal Year 2007-2008
Fund IX



SPECIAL REVENUE FUND IX - ADMINISTRATIVELY RESTRICTED

	Fiscal Year 2007-2008 ADOPTED BUDGET	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
RESOURCES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 11,054	\$ -
Tuition & Fees:						
Tuition	652,000	652,000	652,000	652,000	481,210	864,638
Instructional Fees	1,748,840	1,752,340	1,752,340	1,707,840	1,943,271	1,755,103
Non-Mandatory Fees	860,800	860,800	860,800	860,800	748,378	617,036
Other Fees & Charges	331,600	359,600	359,600	264,600	191,774	176,462
Sale of Goods and Services	1,025,600	1,017,600	1,017,600	939,200	1,120,579	1,051,755
Interest Income	13,000	13,000	13,000	13,000	17,786	13,189
Contracts, Gifts, Donations	2,666,800	2,647,300	2,496,800	2,666,114	2,049,870	2,441,248
Fees-Technology	925,000	925,000	925,000	925,000	881,015	876,711
Fees-Transportation	535,000	535,000	535,000	535,000	515,611	478,164
Transfer In from General Fund I	1,131,748	1,131,748	1,131,748	998,051	1,244,909	1,482,535
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	11,036	-
Intra-fund Transfer In	-	-	150,500	150,500	-	-
Total Operating Revenues	\$ 9,892,388	\$ 9,896,388	\$ 9,896,388	\$ 9,714,105	\$ 9,216,493	\$ 9,756,842
Beginning Fund Balance	4,748,000	4,748,000	4,748,000	4,719,000	4,054,697	2,720,777
TOTAL RESOURCES	\$ 14,640,388	\$ 14,644,388	\$ 14,644,388	\$ 14,433,105	\$ 13,271,190	\$ 12,477,619

EXPENDITURES AND OTHER REQUIREMENTS

Instruction						
Contract Training	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000	\$ 311,494	\$ 868,431
Energy Management Program	550,000	550,000	550,000	550,000	469,526	396,995
Flight Technology	1,319,200	1,319,200	1,319,200	1,319,200	1,274,589	1,215,844
Mechanical Services	11,500	11,500	11,500	11,500	12,960	8,741
Non-Reimbursed Instruction	630,000	630,000	630,000	630,000	186,885	97,202
RTEC	49,400	49,400	49,400	6,000	120,811	44,054
Specialized Support Services	302,972	302,972	302,972	291,432	264,048	412,266
Student Restaurant	38,000	38,000	38,000	38,000	26,294	34,225
Tuition Based Programs	-	-	-	-	154	-
Total Instruction	\$ 3,601,072	\$ 3,601,072	\$ 3,601,072	\$ 3,546,132	\$ 2,666,761	\$ 3,077,758

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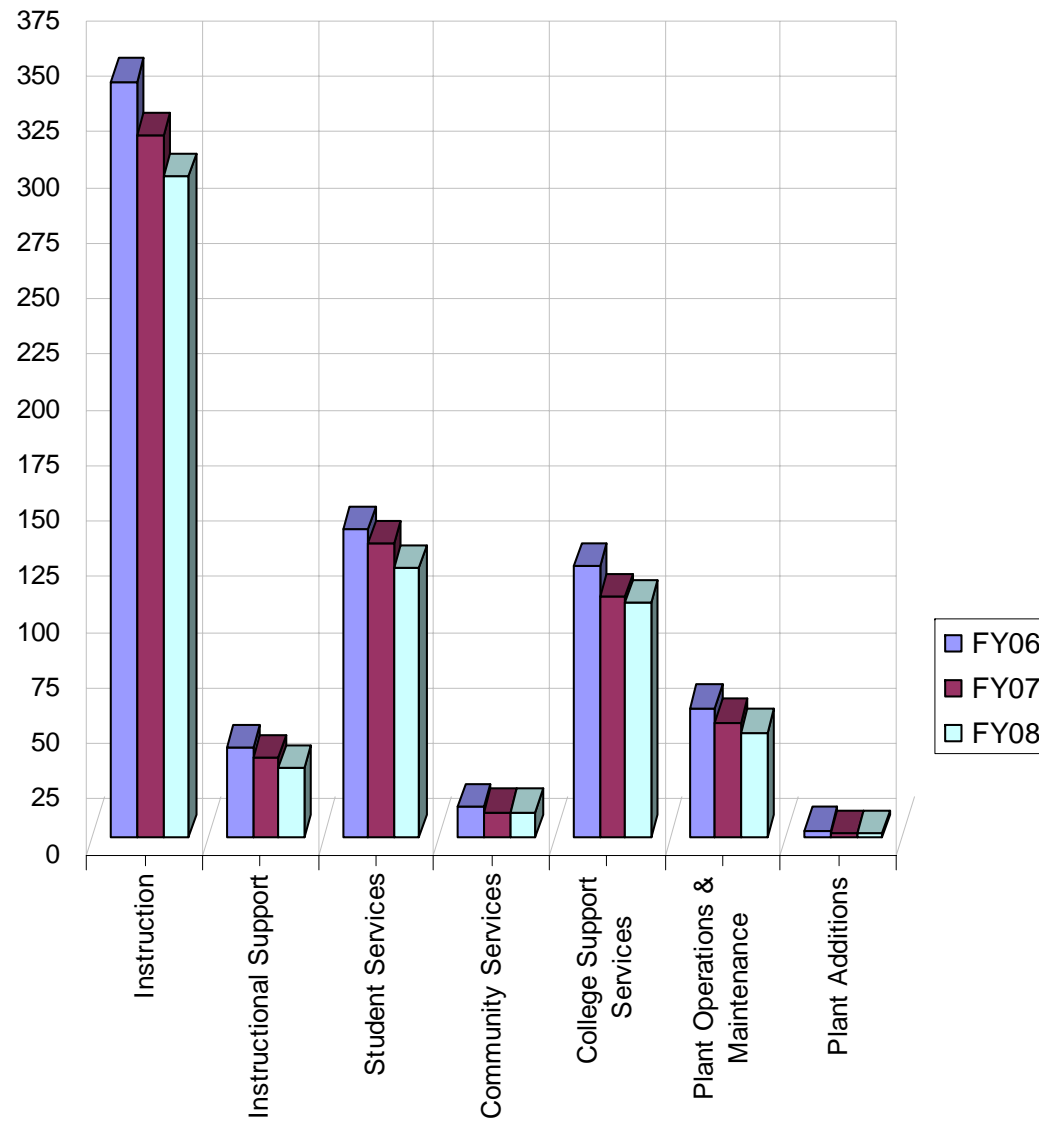
SPECIAL REVENUE FUND IX - ADMINISTRATIVELY RESTRICTED

	Fiscal Year 2007-2008 ADOPTED BUDGET	Fiscal Year 2007-2008 APPROVED Budget	Fiscal Year 2007-2008 PROPOSED Budget	Fiscal Year 2006-2007 CURRENT Budget	Fiscal Year 2005-2006 ACTUAL Amounts	Fiscal Year 2004-2005 ACTUAL Amounts
Instructional Support						
OSBDCN	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 36,946	\$ 9,603
Community Services						
KLCC FM Operations	2,615,924	2,616,424	2,615,924	2,680,424	2,512,739	1,391,388
KLCC FM Quasi-Endowment	461,000	461,000	311,000	311,500	-	10,832
Student Services						
ASLCC	372,360	372,360	372,360	372,360	312,080	393,038
Athletics	480,261	483,761	483,761	519,571	489,898	343,536
Child & Family Education	382,620	382,620	382,620	337,620	345,814	336,287
International Students Program	78,000	78,000	78,000	-	-	-
Student Health Services	657,344	657,344	657,344	654,081	472,235	483,264
The Torch	152,267	152,267	152,267	152,267	142,469	115,311
Women's Program	24,500	24,500	24,500	-	-	-
College Support Services						
Staff Health Clinic	381,040	381,040	381,040	364,650	232,934	181,967
PERS UAL Fund	3,500,000	3,500,000	3,500,000	3,500,000	-	-
Technology Fee	1,215,000	1,215,000	1,215,000	1,125,000	782,045	960,148
Transportation	385,000	385,000	385,000	385,000	368,591	325,917
Transfers Out:						
To General Fund I	3,600	3,600	3,600	3,600	335,377	283,158
To Capital Projects Fund IV	218,760	218,760	218,760	218,760	150,000	497,558
To Financial Aid Fund V	15,000	15,000	15,000	15,000	22,412	13,158
To Enterprise Fund VI	46,640	46,640	46,640	46,640	129,551	-
Intra-fund Transfer Out	-	-	150,500	150,500	1,401	-
TOTAL EXPENDITURES AND OTHER REQUIREMENTS	\$ 14,640,388	\$ 14,644,388	\$ 14,644,388	\$ 14,433,105	\$ 9,001,253	\$ 8,422,922
SUMMARY OF SPECIAL REVENUE-ADMIN. REST. FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 9,892,388	\$ 9,896,388	\$ 9,896,388	\$ 9,714,105	\$ 9,216,493	\$ 9,756,842
Less: Total Operating Expenditures	14,640,388	14,644,388	14,644,388	14,433,105	9,001,253	8,422,922
Excess of Revenues, over (under) Expenditures	\$ (4,748,000)	\$ (4,748,000)	\$ (4,748,000)	\$ (4,719,000)	\$ 215,240	\$ 1,333,920
Beginning Fund Balance	4,748,000	4,748,000	4,748,000	4,719,000	4,054,697	2,720,777
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 4,269,937	\$ 4,054,697



PERSONAL SERVICES

STAFF FTE LEVELS BY EXPENSE FUNCTION
Fiscal Years 2006 through 2008
All Funds



FTE BY EXPENSE FUNCTION	FY08	FY07	FY06
INSTRUCTION			
Academic Learning Skills	18.166	19.166	19.667
Adult Basic and Secondary Education	14.563	14.363	15.520
Advanced Technologies	21.417	22.613	26.146
Art & Applied Design	13.750	14.000	14.490
Business Development Center	5.554	7.453	7.953
Business & Computer Information Technologies	16.600	18.935	21.549
Child & Family Education	8.951	-	-
Continuing Education	8.713	10.893	11.493
Cooperative Education	12.240	13.790	15.790
Culinary Arts & Hospitality	4.300	3.050	3.300
Energy Management Program	2.000	2.000	2.000
Flight Technology	7.000	7.000	8.000
Health & Physical Education	14.760	15.483	17.668
Health Careers (formerly Family & Health Careers)	32.848	39.689	39.542
Lane Community College at Cottage Grove	2.580	3.471	3.471
Lane Community College at Florence	4.092	4.111	4.111
Lane Community College Learning Centers	0.250	0.250	3.250
Language, Literature & Communication	31.752	34.148	35.630
Mathematics	20.854	22.854	24.851
Music/Dance/Theatre Arts	9.966	12.966	12.966
Science	22.116	22.585	24.931
Social Science	22.750	24.750	25.552
Specialized Support Services	1.353	1.832	1.643
Workforce Development	0.600	-	0.250
	297.175	315.402	339.773
INSTRUCTIONAL SUPPORT			
College Now	0.833	1.833	1.833
Distance Learning	3.535	3.535	4.035
Information Technology (formerly ITSS)	4.841	5.841	9.065
Instruction & Student Services Office	6.000	10.185	10.272
Lane Community College Foundation	1.000	-	-
Library	12.850	12.350	13.600
Special Instructional Projects	2.500	2.000	1.611
	31.559	35.744	40.416
STUDENT SERVICES			
ASLCC Legal Services	1.000	1.000	1.000
Athletics	2.640	2.950	2.508
Bookstore	12.322	11.350	11.350
Child & Family Education (formerly ASLCC Childcare Cooperative)	5.494	5.166	5.166
Conference & Culinary Services	9.593	11.090	8.468
Counseling	27.250	31.300	34.300

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FTE BY EXPENSE FUNCTION	FY08	FY07	FY06
Disability Services	5.250	5.250	5.250
Enrollment Services	19.086	21.750	24.500
Foodservices	7.121	9.265	9.265
Instruction & Student Services Office	0.200	-	-
Student Financial Services	15.500	15.000	16.500
Student Health	5.292	5.000	4.800
Student Life & Leadership	5.200	6.000	7.000
The Torch	0.670	1.170	1.295
Women's Program	4.575	6.000	6.750
	121.193	132.291	138.152
COMMUNITY SERVICES			
KLCC Administration	11.325	11.200	13.400
	11.325	11.200	13.400
COLLEGE SUPPORT SERVICES			
College Finance	11.625	12.625	13.125
College Operations Office	3.000	3.250	5.000
Curriculum & Scheduling	3.250	3.750	4.250
Employee Wellness	1.000	1.000	1.000
Human Resources	11.465	14.215	15.350
Information Technology	30.000	29.500	33.500
Institutional Research, Assessment & Planning	5.000	4.500	5.000
Lane Community College Foundation	3.000	3.000	3.000
Laundry	3.887	4.500	4.689
Mail Services	2.625	2.625	3.125
Marketing & Public Relations	1.900	1.900	1.900
President's Office	4.500	3.500	4.810
Printing & Graphics	7.000	8.000	8.000
Public Safety	10.786	10.586	12.286
Staff Health Clinic	2.917	3.000	3.500
Sustainability	3.127	2.127	3.127
	105.082	108.078	121.662
PLANT OPERATIONS & MAINTENANCE			
Facilities Administration	47.250	51.750	58.250
	47.250	51.750	58.250
PLANT ADDITIONS			
Bond Project/Management	1.000	1.000	1.000
Small Capital Projects	1.000	1.000	2.000
	2.000	2.000	3.000
TOTALS	615.584	656.465	714.653

SALARIES PAID FROM MORE THAN ONE SOURCE

Position Title	Fund	Division/Department	Expense Function	Salary	Total
1. Lead Administrator	I	Women's Program	Student Services	19,535	
Lead Administrator	I	Workforce Development	Instruction	58,604	
Lead Administrator	I	Instruction & Student Services Office	Student Services	<u>19,535</u>	<u>\$97,673</u>
2. Food Service Coordinator	IX	Child and Family Education	Student Services	18,331	
Food Service Coordinator	VI	Foodservices	Student Services	<u>16,624</u>	<u>\$34,955</u>
3. Faculty Instructor	I	Curriculum & Scheduling	College Support Services	35,190	
Faculty Instructor	I	Institutional Research, Assessment & Planning	College Support Services	<u>35,190</u>	<u>\$70,380</u>
4. Faculty Instructor	I	Health Careers	Instruction	52,308	
Faculty Instructor	I	Cooperative Education	Instruction	<u>13,077</u>	<u>\$65,385</u>
5. Faculty Instructor	I	Cooperative Education	Instruction	32,693	
Faculty Instructor	I	Social Science	Instruction	<u>32,693</u>	<u>\$65,385</u>
6. Administrative Coordinator	I	Special Instructional Projects	Instructional Support	18,461	
Administrative Coordinator	I	Professional Development - Faculty	Instructional Support	9,231	
Administrative Coordinator	I	Human Resources	College Support Services	<u>9,231</u>	<u>\$36,922</u>
7. Faculty Instructor	I	Social Science	Instruction	42,228	
Faculty Instructor	I	Cooperative Education	Instruction	<u>28,152</u>	<u>\$70,380</u>
8. Faculty Instructor	I	Special Instructional Projects - Faculty Webmaster	Instructional Support	32,693	
Faculty Instructor	I	Social Science	Instruction	<u>32,693</u>	<u>\$65,385</u>
9. Director	IX	Specialized Support Services	Instruction	27,411	
Director	VI	Laundry	College Support Services	<u>15,583</u>	<u>\$42,994</u>
10. Faculty Instructor	I	Cooperative Education	Instruction	18,276	
Faculty Instructor	I	Art & Applied Design	Instruction	<u>63,020</u>	<u>\$81,296</u>
11. Faculty Instructor	I	Art & Applied Design	Instruction	25,266	
Faculty Instructor	I	Special Instructional Projects - Faculty Webmaster	Instructional Support	<u>25,266</u>	<u>\$50,531</u>
12. Faculty Nurse	IX	Student Health Services	Student Services	29,274	
Faculty Nurse	IX	Staff Health Clinic	Student Services	<u>29,274</u>	<u>\$58,547</u>
13. Administrative Specialist	I	Student Life & Leadership Development	Student Services	20,121	
Administrative Specialist	IX	Student Life & Leadership Development	Student Services	<u>20,121</u>	<u>\$40,242</u>
14. Division Chair	I	Mathematics	Instruction	48,837	
Division Chair	I	Instruction & Student Services Office	Instructional Support	<u>48,837</u>	<u>\$97,673</u>

-Continued-

SALARIES PAID FROM MORE THAN ONE SOURCE

Position Title	Fund	Division/Department	Expense Function	Salary	Total
15. Faculty Instructor	IX	Athletics	Student Services	44,580	
Faculty Instructor	I	Health & Physical Education	Instruction	<u>11,851</u>	<u>\$56,431</u>
16. Faculty Instructor	I	Health Careers	Instruction	56,304	
Faculty Instructor	I	Cooperative Education	Instruction	<u>14,076</u>	<u>\$70,380</u>
17. Division Chair	I	Cooperative Education	Instruction	52,853	
Division Chair	I	Instruction & Student Services Office	Instructional Support	<u>52,853</u>	<u>\$105,705</u>
18. Faculty Instructor	I	Social Science	Instruction	28,152	
Faculty Instructor	I	Cooperative Education	Instruction	<u>42,228</u>	<u>\$70,380</u>
19. Faculty Instructor	I	Culinary Arts & Hospitality	Instruction	50,416	
Faculty Instructor	I	Cooperative Education	Instruction	<u>12,604</u>	<u>\$63,020</u>
20. Faculty Instructor	I	Cooperative Education	Instruction	12,604	
Faculty Instructor	I	Health Careers	Instruction	<u>50,416</u>	<u>\$63,020</u>
21. Faculty Instructor	I	Cooperative Education	Instruction	17,595	
Faculty Instructor	I	Art & Applied Design	Instruction	<u>52,785</u>	<u>\$70,380</u>
22. Network Administration Specialist-I	I	Science	Instruction	51,297	
Network Administration Specialist-I	I	Information Technology	Instructional Support	<u>4,643</u>	<u>\$55,940</u>
23. Executive Assistant to the President	I	President's Office	College Support Services	36,840	
Executive Assistant to the President	I	Marketing & Public Relations	College Support Services	<u>36,840</u>	<u>\$73,680</u>
24. Administrative Specialist	I	Art & Applied Design	Instruction	20,121	
Archives & Records Mgmt. Specialist	I	Library	College Support Services	<u>20,121</u>	<u>\$40,242</u>
25. Administrative Support Specialist	I	Academic Learning Skills	Instruction	26,653	
Administrative Support Specialist	I	Counseling	Student Services	<u>8,884</u>	<u>\$35,537</u>
26. Administrative Specialist	I	Continuing Education	Instruction	27,745	
Administrative Specialist	I	LCC Learning Centers	Instruction	<u>9,248</u>	<u>\$36,993</u>



APPENDICES

A: FINANCIAL POLICIES

B: LOCAL & REGIONAL INFORMATION

C: ECONOMIC FORECAST

D: FINANCIAL PLANNING

E: LEGAL NOTIFICATIONS

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 facilitates 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.

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

The 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. 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.

The Board of Education Policy E.100: Debt Issuance and Management is presented in its entirety in Appendix A: Financial Policies, on the previous page.

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 \$29,432,928,654. 1.5% of that figure is the maximum legal bonded indebtedness available to Lane Community College, or \$441,493,929. Lane's total bonded debt subject to the limitation is \$10,600,000, which is approximately 2.4% of the legal limit.

At this time the College does not plan to issue any additional debt.

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

Obligation	Purpose	Issued Date	Interest Rate	Maturity Date	Balance July 1, 2007	Principle Due Within Current Year	Interest Due Within Current Year
General Obligation Bonds payable	Facilities Construction and Improvements	1995	4.85% - 5.30%	2009	\$10,600,000	\$5,055,000	\$ 522,418
Pension Bonds Payable	PERS Contribution: Cost Sharing	2003	2.73% - 6.25%	2028	53,832,330	1,420,000	1,529,250
Financing Agreement Note	Fund Outstanding Indebtedness	2001	4.70%	2012	1,300,000	260,000	54,990

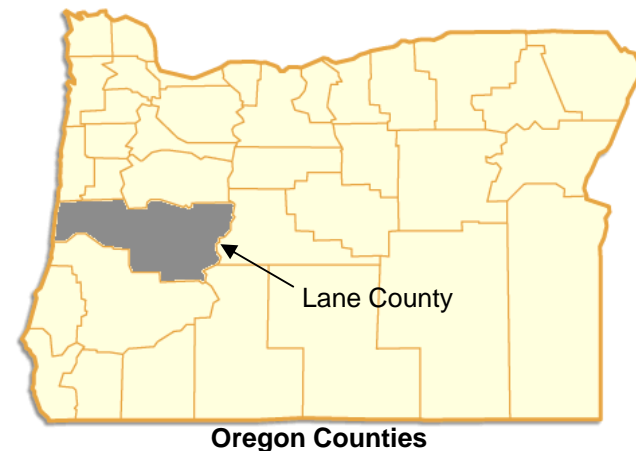
Local and Regional Information

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:

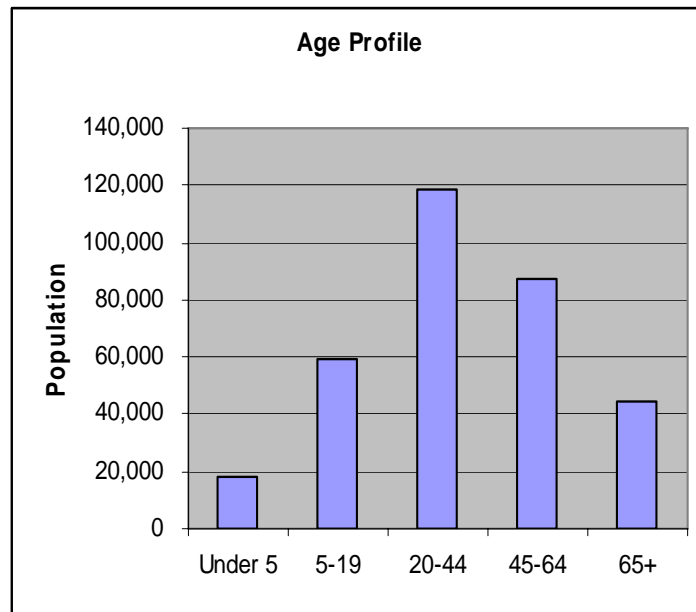
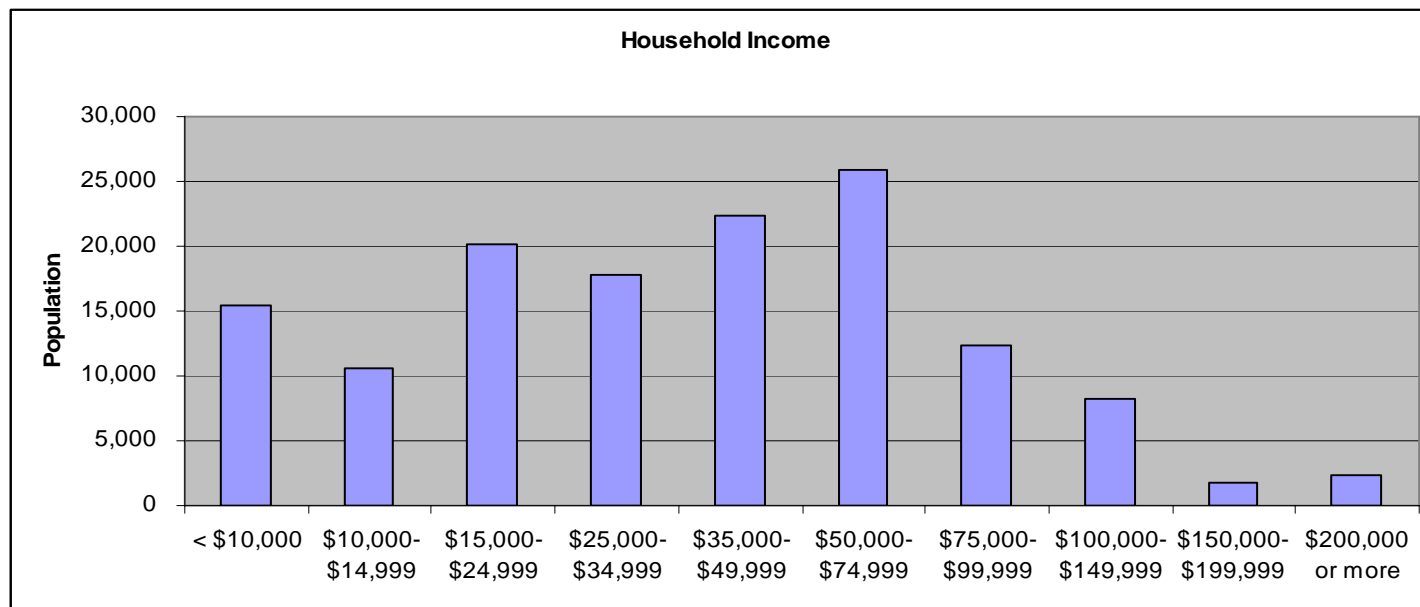
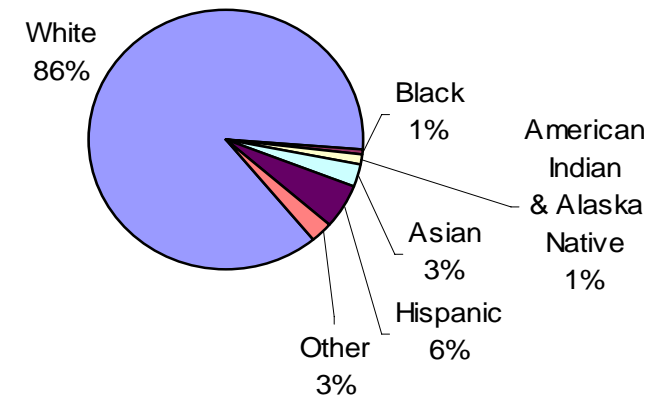
- County Seat: Eugene, Oregon
- Average Temperatures: January: 40° , July: 70°
- Annual Precipitation: 46"
- Population: 337,870
- Median Age: 38
- Assessed Value: \$16,744,937,718
- Real Market Value: \$22,628,274,669
- Principle Industries: Agriculture, Higher Education, High Technology, Forest Products, Recreation, RV Manufacturing, and Tourism.



Economic Indicators:

Indicator	Lane County	Oregon
Average Annual Payroll Per Employee	\$35,827	\$41,133
Labor Force	200,184	2,231,705
Median Home Value	\$141,000	\$152,100
Median Household Income	\$37,905	\$42,568
Non-Farm Payroll Employment	118,928	1,355,542
Number of Business Units (2002)	28,639	299,505
Per Capita Personal Income	\$29,841	\$32,295
Population	337,870	3,700,758
Unemployment Rate	5.1%	5.1%

Sources: www.quickfacts.census.gov, www.factfinder.census.gov, www.pnreap.org, www.qualityinfo.org, www.co.lane.or.us

**Racial Demographics**

Sources: www.quickfacts.census.gov, www.factfinder.census.gov, www.pnreap.org, www.qualityinfo.org, www.co.lane.or.us

Economic Forecast

State of Oregon Office of Economic Analysis

May 2007

Executive Summary

The first quarter 2007 initial estimate of job growth was an increase of 2.8 percent at an annual rate. This is the 15th consecutive quarter of job growth. On a year-over-year (Y/Y) basis, jobs increased in the first quarter by 1.8 percent, falling below 2.0 percent. Y/Y growth had been above 2.0 percent since the second quarter of 2004. Total nonfarm jobs in Oregon now stand at 1,721,400.

With first quarter growth of 2.8 percent, Oregon has seen 15 consecutive quarters of job gains. In fact, the first quarter marks the first up-tick in the job growth rate since the first quarter of 2006. The job gains have been slowing in 2006. The rate of cooling in the job market was remarkably rapid in the fourth quarter with only 0.4 percent growth. Despite this surprisingly good growth in the first quarter, the rest of 2007 will see a subdued growth.

OEA forecasts employment to rise by 1.3 percent for 2007, a sharp deceleration from 2005 and 2006. The job growth in the second quarter of 2007 is projected to be 0.3 percent, sharply down from 2.8 percent growth in the first quarter. This is because OEA continues to assume that the first half of 2007 will see a much subdued growth on average. It is expected that the industries that posted strong gains in prior quarters will go through some correction.

Manufacturing will decline by 1.4 percent in 2007 and then post a mild increase of 0.1 percent in 2008. 2009 will not see much change from 2008. Job levels in this sector will be below the average levels of the pre-recession peak in 2000.

Private non-manufacturing jobs will increase by 1.9 percent in 2007, 1.8 percent in 2008, and 2.3 percent in 2009.

Wood product manufacturing is projected to be down 7.6 percent in 2007 and then decline another 1.9 percent in 2008.

The computer and electronic products industry, which contains semiconductors, will show a slow decline in jobs during the forecast horizon. The job outlook is uncertain, with a decline of 2.6 percent in 2007 but a small rebound in 2008.

Employment in transportation equipment will decline 6.9 percent in 2007, mainly reflecting the pullout of Freightliner commercial truck from Portland. Employment will stabilize in 2008.

Construction jobs will stay flat in 2007. The housing sector slowdown has yet to exert its full impact, but the nonresidential sector has partly offset the loss in housing construction. Job growth will decrease by 1.3 percent in 2008, followed by 1.9 percent growth in 2009.

Retail trade jobs will increase by 1.7 percent in 2007. Similar growths are expected for 2008 and 2009. Wholesale trade will see a good increase in jobs in 2007 followed by job gains of 1.3 percent in 2008 and 1.5 percent in 2009.

The professional and business services industry will see only a slight slowdown despite a sluggish economy in 2007. It will grow 3.1 percent in 2007, which is lower than the 4.1 percent growth in 2006 and the 5.3 percent growth in 2005.

Health services grew even during the recession. The robust growth continues in this sector with a 2.4 percent increase in 2007, followed by an increase of 2.6 percent in both 2008 and 2009.

Leisure and hospitality, which includes accommodations and food services, is expected to grow by 4.1 percent in 2007, 2.3 percent in 2008, and 1.8 percent in 2009.

Government employment is expected to increase by 0.8 percent in 2007, followed by growth of 1.0 percent in 2008, and 1.0 percent in 2009. Local government jobs will continue mild growth to meet an increasing service demand due to population growth.

Population growth in Oregon is expected to be higher than the U.S. average, but slower than the growth experienced in the mid-1990s. Growth will be slightly higher than during the recession over the next three years, with increases of 1.4 to 1.5 percent for each year.

Forecast Risks

With the national economy going through a slowdown in the first part of 2007, the risks are higher from any disturbances that could throw the economy off track. The same two major drags for the slowdown, oil prices and a slowing housing market, could hurt the economy further when it is most susceptible. The recent drop in oil prices from its peak leaves the housing market as the major threat to the slowing economy. However, oil supplies can be disrupted for many different reasons, and higher energy prices cannot be ruled out.

One new risk at this time is the prospect of persistently elevated gasoline prices. It is estimated that for every 10 cent per gallon price increase at the gas pump, Oregonians will have to spend an additional \$10 million a month. If high gasoline prices persist for an extended period, the economy will suffer from further weakening of consumer spending.

Despite good headline inflation numbers, inflation pressures still exist. Core inflation rates continue to be on the outside the Fed's comfort zone. The expectation is that the softening economy and falling oil prices will help ease inflation pressures. Any geopolitical disruptions during this time would be more harmful than when the economy is stronger.

The housing market in Oregon and the U.S. are in the process of working off excesses accumulated in the past housing boom. Building permits and housing starts are sharply down. The last item to join this group is price. While house price appreciation has continued in Oregon, some parts of the country have seen house prices drop. The expectation is for house prices to soften in most regions. Negative wealth effect from lower house values and less mortgage equity withdrawal will dampen consumer spending.

Crude oil prices continue to hover over \$60 a barrel. The global supply is still tight and demand is still strong, particularly from China and the rest of Asia. With OPEC constantly looking for ways to defend a certain price range, oil prices are not expected to move much in the short run. At the same time, geopolitical tensions continue to exist and there is always room for speculative attacks.

One more fresh uncertainty that developed in the fourth quarter of 2006 is business investment. There was an unexpected decline in business investment. With the economy slowing, businesses suddenly became cautious and cut back on equipment and software spending. This holding back also coincided with the much anticipated release of the Windows Vista operating system. A rebound in business spending started in the first quarter of 2007. We expect business spending to stay strong in 2007. However, if the economy slows further, a pickup in business investment may be delayed and Oregon's manufacturing may be negatively affected throughout the year.

We will continue to monitor and recognize the potential impacts of these risk factors on the Oregon economy.

The major risks now facing the Oregon economy are:

- *A major deceleration in the U.S. economy* and a global downturn triggered by the U.S. slowdown. The U.S. economy has been an important engine of growth for the global economy. If the U.S. economy falters, the whole world will feel the impact. Asia in particular, will be severely affected due to its large exposure to the U.S. economy. Thanks to a strong global economy, the chances are lower for the U.S. slowdown to set off a global downturn.
- *A hard landing in China.* The Chinese economy is growing very fast. Building construction and other business investments are largely responsible for the economic growth. The central government's efforts to curb growth have produced minimal success. Limited experience in macro policymaking may result in an undesirable set of policy measures. A major slowdown in China will hurt most Asian economies, along with commodity-exporting countries, including Canada. Canada and Asian countries are the major destinations of Oregon's exports. The manufacturing sector would be negatively impacted.
- *Geopolitical risks.* Uncertainty still surrounds the transition in Iraq. Tensions with Iran and North Korea and heightened security risks all weigh 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 the Iraq 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 will go more smoothly than anticipated and stability in the Mideast will provide a stimulus to the economy that is stronger than forecasted.
- *Inflation and Federal Reserve Bank reactions.* A growing economy with surging energy costs is a formula for inflation. Higher 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 slow down the Oregon economy as higher interest rates hurt consumers and businesses.
- *A sharp fall of the U.S. dollar.* As the dollar depreciates against other foreign currencies, U.S. exports are promoted as U.S. products become more price-competitive (or less expensive). 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 because the lower dollar makes imports more expensive to U.S. consumers. As U.S. trading partners export less to the U.S., their economies may weaken and lower their demand for Oregon products. 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 meltdown in the housing market.* Low interest rates and easy lending standards have caused a boom in home purchases and mortgage refinancing. Any drop in house price appreciation 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 and the rest of the nation. 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 over the past year but have since stabilized. A geopolitical incident could dramatically disrupt gasoline and natural gas prices. 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.
- *Avian flu.* The possibility of a pandemic would be disruptive to the Oregon economy. Besides higher mortality rates compared to other influenza outbreaks, absenteeism at work could be 20 to 30 percent. Past pandemics (such as the Spanish flu of 1918) have erupted quickly and have worked through the population within 8 weeks.
- *Initiatives, referendums, and referrals.* The ballot box brings a number of unknowns that could have 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 on the economy from compensation or lifting of land use restrictions.
- *A slowdown in semiconductors, software, and communications.* Business equipment spending is expected to be strong at this point, but a major slowdown in capital spending will bring a negative impact to Oregon's manufacturing. Continued outsourcing of manufacturing could slow growth in this region. If research functions are shipped out of the country, Oregon's high technology sector would be harmed.

The major upside opportunities now facing the Oregon economy are:

- *Sharp reduction of oil prices.* Oil prices have been pushed above market equilibriums by disruptions ranging from geopolitical 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 yet still strong. This should stabilize commodity price volatility while promoting Oregon exports.

Demographic Forecast

The 2000 Census 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 the eleventh highest in the nation. During the period between 2000 and 2004, however, the population growth rate was slow due to the struggling economy. Economic and population growth have perked up since 2004. Oregon's population is estimated to have reached 3,690,500 on July 1, 2006, an increase of 1.6 percent over the 2005 population, up from nearly 1.0 percent annual growth between 2000 and 2004. Hence, this fast-paced population growth is an indicator of Oregon's strong economy. Yet this annual growth rate is far from the sustained long-term annual rate of growth of well over 2.0 percent experienced during the early 1990s. Oregon's population is expected to grow at a moderately high rate. It is expected to reach 4.071 million in the year 2013, with an annual rate of growth around 1.4 percent.

During the 2006-2013 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 in the past, the elderly population (65+) growth will pick up speed as the baby-boom generation starts to enter this age group. The annual growth of the elderly population will reach 5.0 percent in 2012 as the boomers continue to enter the retirement age. The youngest elderly (aged 65-74) will grow at an extremely fast pace due to the direct impact of the baby-boom generation entering retirement age. The elderly (aged 75-84) will shrink in numbers until 2010 as this group will be dominated

by the depression era birth cohort. The oldest elderly (aged 85+) will continue to grow at a moderately high rate due to the combination of cohort change, continued positive net migration, and improving longevity. However, the annual growth rate will continue to diminish through 2013.

As the baby-boom generation matures, the once fast-paced growth of population aged 45-64 will gradually taper to a well below 1.0 percent rate by 2013. The young adult population (aged 18-24) will grow at an average of below 1.0 percent annually, considerably slower than the rate averaging 1.35 percent experienced between 2000 and 2006. This will ease the pressure on public spending on college education. Children under the age of 5 will increase at a moderately fast pace, reaching 1.8 percent in 2010. The K-12 population (aged 5-17) will show very slow growth which will translate into slow growth in school enrollments. The 25-44 age group population has reversed the several year trend of decline. The decline was mainly due to the exiting baby-boom cohort. This age group has seen a positive growth starting in the year 2003 and will exceed 1.5 percent annual growth by the year 2011.

Revenue Forecast

Total General Fund revenues will equal \$12,825.6 million for the current biennium, an increase of \$92.3 million from the prior forecast. Including the beginning balance of \$308.5 million, total resources for the biennium are \$13,134.1 million, just short of \$1.5 billion over the 2005 Close of Session forecast. Excluding legislatively adopted appropriations, the projected ending balance is \$1,490.2 million.

House Bill 2707, passed by the 2007 Legislature and signed into law by Governor Kulongoski, effectively rescinds the 2005-07 corporate kicker rebate and directs the majority of the surplus, currently projected at \$334.2 million, into the Oregon Rainy Day Fund.

Total General Fund revenues will amount to \$12,973.5 million for the 2007-09 biennium, an increase of \$306.7 million over the March forecast. The primary factor driving this change is the suspension of the 2005-07 corporate kicker surplus rebate. The kicker law would have resulted in a projected credit for tax year 2007 of \$334.2 million. Including the projected beginning balance of \$1,490.2 million, total available resources will equal \$14,463.7 million.

Two additional adjustments are necessary to reflect net resources available to the Legislature for appropriation. First, short-term borrowing of Tax Anticipation Notes for cash flow purposes, owing primarily to the distribution of nearly \$1.2 billion in personal kicker refunds in November 2007, results in expected financing and interest costs of \$57.3 million. This figure is \$7.0 million lower than projected in the March forecast due to the improved revenues outlook. Second, House Bill 2707 directs that the majority of the actual 2005-07 corporate income tax surplus, above and beyond the 2005 COS forecast, be transferred to the Oregon Rainy Day Fund.¹ This transfer is currently projected to equal \$309.4 million. Including these adjustments, net available General Fund resources will amount to \$14,097.0 million, an increase of \$96.6 million over the prior forecast.

In the 2009-11 biennium, General Fund revenues will total \$15,803.9 million, a 21.8 percent increase over the 2007-09 biennium. The growth rate is exaggerated due to the \$1.2 billion in personal income tax kicker refunds currently projected for 2007-09. Excluding these refunds, growth would equal 10.8 percent. Total General Fund revenues will increase 12.0 percent to 17,697.1 million in the 2011-13 biennium.

¹ Excluded from the transfer is the \$24.8 million reserved for the one-time tax credit for small businesses created by House Bill 2031.

Source: www.econ.state.or.us

Lottery earnings transferred to the Economic Development Fund during the 2005-07 biennium totaled \$1,087.7 million, an increase of \$4.9 million from the March 2007 forecast. Including the beginning balance, interest earnings, and reverted funds, total resources for the biennium equaled \$1,096.1 million. After legislatively adopted allocations, the projected ending balance in the Economic Development Fund is \$66.3 million.

The current projection for lottery earnings in 2007-09 is \$1,316.2 million, an increase of \$76.6 million from the March 2007 forecast. The revision is due to an increase in projected sales for video lottery terminals, as well as \$35.0 million in administrative savings for fiscal year 2007. Total resources, including the beginning balance and interest earnings on the Economic Development Fund, will equal \$1,389.9 million, an increase of \$83.7 million from the prior forecast.

For the 2009-11 biennium, earnings on lottery sales will equal \$1,417.8 million, while total resources will be \$1,422.3 million. Video lottery sales are the primary earnings growth driver in the long run, as traditional sales are expected to remain flat. Lottery earnings will increase to \$1,571.9 million for the 2011-13 biennium, with total resources equaling \$1,577.9 million.

Long-Range Financial Plan

Lane Community College
2008–2012

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 five years. The economic environment is much more volatile than in 1990 when local property taxes provided 41% (versus 16% for FY08) of our revenue. The passage of Ballot Measures 5 and 50 has reduced the level of local resources so that state funding has become 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 has increased tuition by 88% since 2002. 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 11,079 for 2006-2007. 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 and rapidly growing districts and those with no growth. 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

Funding for fiscal years FY08 and FY09 was set during the 2007 legislative session. 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. The projection of \$28.9M for state sources is based the Community College Support Fund (CCSF) distribution formula. This can be affected by policy decisions by the State Board of Education.

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 ballot measures discussed earlier.

Total Public Resources for FY09 is projected at a \$1.6M increase over FY08 projected revenues in the state distribution model.

3. Tuition

- a. Tuition revenues are projected based on (a) enrollment targets set for FY08 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.
- b. Tuition revenue projections are based on total tuition assessed. Tuition waivers and uncollected tuition are reported as expenditures.
- c. Tuition revenues include tuition generated by Fund IX instructional units.
- d. Projection of FY08 tuition revenue uses rates adjusted for inflation using the Higher Education Price Index (HEPI) for 2006 (per Board Policy D.110).
- e. Revenues from differential pricing are increased by the same percentage as tuition increases for FY08 and beyond.
- f. For FY 09 and beyond, future inflationary adjustments use increase in the HEPI for the previous year.

4. Instructional Fees

- a. Projections for instructional fees use predicted expenditures based on historical trend analysis.
- b. Projections assume that all fees are collected at 100%. Uncollected fees are reported as expenditures.
- c. All instructional fees are administratively restricted revenue. That is, fees are tied to specific expenditures and are not available for general allocation.
- d. Technology Fee revenue is a restricted revenue in Fund IX.

5. Investment Income

Income estimate is based on current returns available in the Local Government Investment Pool (LGIP). The average amount invested is estimated using historical cash flow trends and changes in the Ending Fund Balance. Estimates will be adjusted as appropriate if there are material changes in market conditions.

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

These revenues are projected based on analysis of actual results from the most recent year within each category.

B. Expenditures**1. Personal Services**

- a. Personal Services expenditures for FY08 are based on actual position lists. Positions expected to be held vacant during FY08 are not included.
- b. Part-time compensation projections are based on historical use for classified employees and enrollment planning projections for faculty.
- c. 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 no increases will be assumed. However, Personal Services projections using “steps” plus estimated COLA increases will also be provided to determine the cost and feasibility of increases.
- d. OPE rate is recalculated every year using projected actual costs of benefits. Calculated rate for FY08 is 55.8% for full-time and 34.5% for part-time employees. Calculated rates for future years will vary with changes such as PERS rates and health insurance increases. Benefit estimates for FY09 provide for an increase in health premium costs of 10%.

2. Materials & Services

Projections use analysis of actual results from the most recent two years to predict M&S expenditures for FY08 and beyond.

3. Capital Outlay

- a. 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.
- b. Capital Outlay needs are documented by the Capital Assets Replacement Forecast and department/division unit plans.

4. Contingency

- a. Unappropriated Ending Fund Balance:
 - By Board Policy, the Unappropriated Ending Fund Balance UEFB is set at 3% of budgeted General Fund expenditures.
 - According to Oregon 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).”
- b. Other Contingency:
 - Expenditures of current year Board and Administrative Contingency are included in trend analysis for Personal Services, Materials & Services and Capital Outlay expenditures.

C. Other Financing Sources

1. Intrafund Transfers are projected each year as a result of rebalancing the M&S portion of the Restricted Ending Fund Balance.
2. Transfers In and Out are projected using historical trend analysis.

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

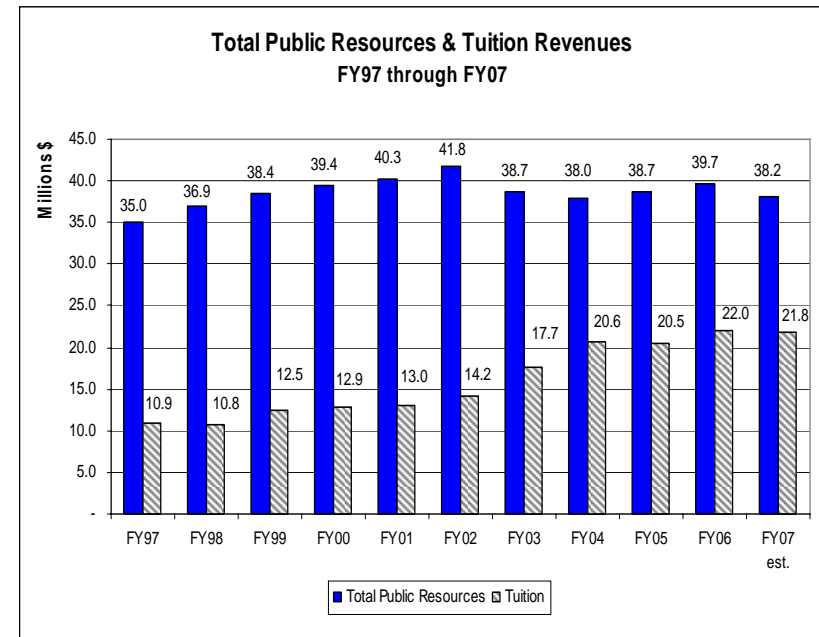
1. For the purposes of projecting future ending fund balances, it is assumed that restricted resources, including Net Working Capital Restricted, are expended according to historical patterns.
2. Board policies E.020 and E.030 set parameters for the General Fund Ending Fund Balance and require a total unrestricted Ending Fund Balance target of approximately 5% (including the Unappropriated Ending Fund Balance).

Section III: Issues

State Revenues

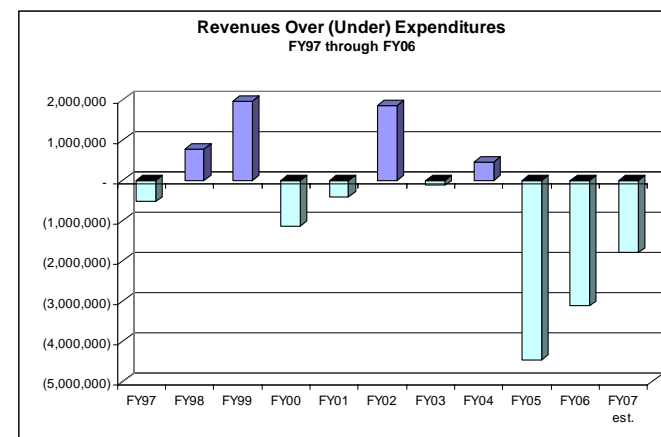
Lane has become increasingly dependent upon state payments over the preceding 14 years. In 1990 the state provided Lane with \$8.8 million, which was 24% of Lane's total revenue. For FY 08, the state is providing \$28.9 million, which is 40% of Lane's general fund revenue. While state aid has become our largest resource, it has remained relatively flat since 1997.

Additionally, Lane has no assurance that state aid will increase as much as inflation in the foreseeable future. The state revenue for years after FY09 is uncertain and if the trends of past years continue, it will not rise as quickly as expenses. Therefore, Lane should not rely on substantial increases in state revenue to meet the needs of future budgets.



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 with rising tuition costs. In 2002 tuition was \$38 per credit, but by 2008 this had nearly doubled to \$73 per credit. In past 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. Lane's board has expressed an intention to hold tuition increases to the rise in inflation and has tied the increases in recent years to the Higher Education Price Index (HEPI) provided by the Common Fund foundation.



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 in order to cushion the sharp reduction in state support, but it is not sustainable. The 2006 and projected 2007 ending fund balances are not sufficient to comply with college policy and will require action plans to bring the fund balance within the acceptable range.

Labor-Intensive Services

The delivery of high quality learning services is, by its very nature, labor-intensive. For 2008, Lane projects spending \$54 million, out of a total general fund budget of \$71 million, on personal services and related fringe benefits. Because 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 FY08. 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 a challenge. The college may be forced to limit the contribution to medical care or reduce benefit levels in order to balance future budgets.

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 positive arbitrage on the bonds issued and favorable market conditions have reduced the remaining (UAL) but further contributions may still be required in the future.

Rising Energy Costs

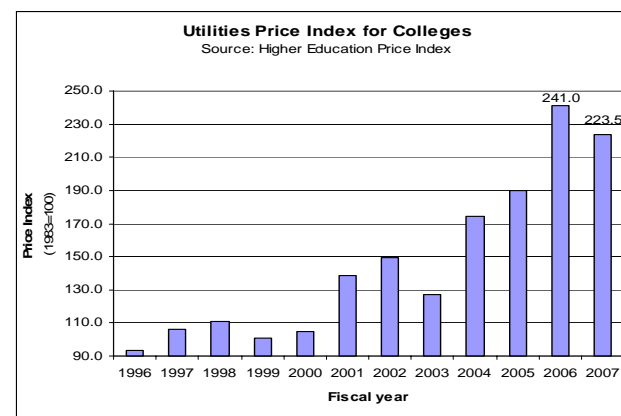
Rising energy costs have been a major factor in the increasing costs of operations. The college has reduced its demand for electricity and natural gas through energy conservation controls and investment which has mitigated cost increases, and the price increases abated in 2007. Utility costs likely will present a continuing challenge and need for investment in energy reduction initiatives.

Aging Physical Plant and Increasing Deferred Maintenance Requirements

As Lane celebrates its 44th anniversary in 2008, 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 adequately funded the necessary major maintenance to its physical plant that will preserve a welcoming and safe learning environment for the next generation. The Board has recognized the need to properly maintain our facilities and responded appropriately by adopting Policy E.050, Capital Reserve Funds, which allows Lane to reserve funds to adequately maintain and repair college facilities. Recent budgets have not been able to fully fund this reserve. The college has an opportunity to reissue construction bonds as the current bond issue final payment occurs in June 2009. The college intends to go to the voters in the November 2008 election for approval to issue \$80 million in bonds that would provide funds for facility renewal and improvements. The level of taxation would not exceed current levels of taxation from the last bond issue.

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 exceed available funding. This shortfall has been mitigated in part by federally funded Carl Perkins grants.



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 by integrating student positions into college operations.

- *Outcome: Improve financial aid and student retention*

2. Transforming the Learning Environment

Goal: Fully fund facilities renovation, remodeling and major maintenance

- *Outcome: Improve quality of instructional environment.*

Goal: Fully fund equipment replacement

- *Outcome: Increase Capital Outlay allocations to \$1.3 million annually by 2012.*

3. Transforming the College Organization

Goal: Fundamental redesign of instruction during 2008 to assist in meeting long term budget challenges

Section V: Achieve and Maintain Financial Stability

1. Balance General Fund Budget

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

While the 2003 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 2011.*

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 and Equipment Reserves

- *Outcome: Build facilities capital reserve fund to \$1.2 million by 2012*

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.

- *Outcome: Build equipment replacement reserve fund to \$400,000 by 2012.*

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 2008-2012 Budget for Achieving Long-Range Goals

All projects recommended for funding in the FY08 budget are described in detail in accompanying documents. Following are the strategies in place 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 2009.
 - Build capacity in Lane's Foundation to increase fundraising.
 - Update Long-Range Plan for the college for 2009 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/Marketing
 - Sustainability

Capital Outlay Plan

The following capital improvement projects are underway or planned during 2008. These projects represent urgent needs, and do not indicate the level of investment needed to maintain college facilities in the desired condition. Nor do they appropriately respond to critically needed facility improvements. Moreover, there is a large inventory of unfunded requirements that could be added, should additional funds become available. The current projects have all been funded with transfers from the General Fund.

Project Description	Original Budget	Expenditures to Date	FY08 Budget	Estimated % of Completion	Estimated Costs Remaining	Estimated Completion Date	Meet Budget Target?
Routine and Ongoing Projects							
Repair Sidewalks/Walkways	20,000	1,333	50,000	Ongoing	N/A	N/A	N/A
Center Building - 1st Floor Restroom Remodel (scope changing)	45,166	9,671	45,000			Sep-08	
Ongoing ADA Improvements	25,000	-	25,000	Ongoing	N/A	N/A	N/A
Ongoing Wayfinding Improvements	25,000	-	25,000	Ongoing	N/A	N/A	N/A
Total Routine and Ongoing Projects	115,166	11,004	145,000				
Significant Non-Routine Capital Expenditures							
Construction of Native American Longhouse	950,000	198,754	1,350,000	10%	550,000	Sep-08	Yes
Remodel Purchased Building for KLCC	650,000	316,726	563,360	90%		Dec-07	No
Install Wastewater Treatment Plant	2,200,000	2,324,000	299,178	90%	200,000		No
Construct Covered Storage - Bldg. 7 East End	125,000	-	125,000	2%		Dec-07	Yes
Re-roof Bldgs. 11 & 16	100,000	-	100,000	0%	100,000		Yes
Replace Building 17-Forum Fascia	75,000	2,572	75,000	0%		Sep-08	Yes
Construction of Health & Wellness Instructional Building: In Master Planning Stage	75,000	8,500	75,000	10%	66,000		Yes
Repair/Replace HVAC in Center Building	200,000	297,210	52,000	85%	52,000	Jul-07	No
Improve Cooling in Building 2-Computer Server Location	50,000	-	50,000	0%	50,000	Jun-08	Yes
Remodel of RTS & Helijet Buildings	40,000	4,526	40,000	7%	60,000	Jan-08	No
Install Security Gates at East Parking Lot Entrances and Exits	55,000	21,240	37,860	95%	38,000	Oct-07	Yes
Install Emergency Phones in Parking Lots	30,000	-	30,000	50%	30,000	Nov-07	Yes
Removal of Building 20	5,000	3,000	25,000	10%	25,000	Dec-07	No
Replace Mansard Roof on Center Building	650,000	567,600	20,000	97%	20,000	Jul-07	Yes
	5,205,000	3,744,128	2,842,398				
Total Routine and Non-Routine FY08 Capital Projects	5,320,166	3,755,132	2,987,398				

Legal Notifications

GUARD PUBLISHING COMPANYP.O. BOX 10188 PHONE (541) 485-1234
EUGENE, OREGON 97440Legal 9609162
Notice**Legal Notice Advertising**LANE COMMUNITY COLLEGE
4000 E 30TH AVENUE
EUGENE, OR 97401

RECEIVED

MAY - 2 2007

#

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

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

April 18, April 25, 2007

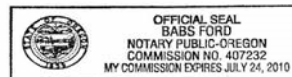
NOTICE OF BUDGET COMMITTEE MEETING
LANE COMMUNITY COLLEGE
A public meeting of the Budget Committee of the Lane Community College District, Lane County, State of Oregon, to discuss the budget for the fiscal year July 1, 2007 to June 30, 2008, will be held at 4000 East 30th Avenue, Eugene, Oregon 97405. The meeting will take place on the 2nd day of May, 2007 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 3rd, 2007 at the College Operations Office, 4000 East 30th Avenue, Eugene, Oregon 97405 during standard business hours.
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 9, 2007 at 5:30 p.m. Any person may appear at this meeting and discuss proposals with the Budget Committee.
Dated this 18th day of April, 2007.
s/ Greg Morgan, Budget Officer
Lane Community College
No. 9609162 - April 25, 2007

Subscribed and affirmed to before me this April 30, 2007


Babs Ford

Notary Public of Oregon

My commission expires: July 24, 2010

Account #: **1000275**INVOICE **9609162**Case: **May 2, 2007**Amt Due: **\$155.22**

GUARD PUBLISHING COMPANY

P.O. BOX 10188 PHONE (541) 485-1234
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Legal Notice 9727207

Legal Notice Advertising

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

AFFIDAVIT OF PUBLICATION

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

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

June 19, 2007

Subscribed and affirmed to before me this June 22, 2007

Notary Public of Oregon

My commission expires: July 24, 2010

Account #: 1000275

INVOICE 9727207

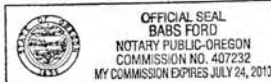
Case: June 28, 2007

Amt Due: \$784.06

NOTICE OF BUDGET HEARING
A meeting of the Lane Community College Board of Education will be held on June 28, 2007 at 9:45 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, 2007, 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; June 22, 2007; s/Jay Bozlevich, Chair
person of Governing Board; Telephone: (541) 463-3000.

FINANCIAL SUMMARY		
TOTAL OF ALL FUNDS		
Anticipated Requirements	Adopted Budget This Year	Approved Budget Next Year
Total Instruction	46,626,171	46,858,192
Total Support Services	85,070,263	84,279,953
Total Enterprise and Community Services	17,514,880	17,803,669
Total Facilities Acquisition and Construction	5,119,961	3,137,545
Total Other Uses (Includes Debt Service & Transfers)	13,956,253	14,974,657
Total Contingencies	9,569,570	1,017,892
Total Unappropriated or Ending Fund Balance	2,400,000	2,300,000
Total Requirements	181,159,098	170,411,808
Total Resources	181,159,098	170,411,808
Total Property Taxes to be Received	18,818,093	19,217,588
Plus: Estimated Property Taxes Not to be Received	155,018	142,134
A. Loss Due to Constitutional Limit		
B. Discounts, Other	1,202,567	1,122,874
Uncollected Amounts	20,176,066	20,462,574
Total Tax Levy		
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	5.181,000	5,025,000
STATEMENT OF INDEBTEDNESS		
Debt Outstanding as summarized below		
Long-Term Debt		
Estimated Debt Outstanding at the Beginning of the Budget Year July 1, 2007-2008 Approved Budget Year		
Bonds	10,600,000	
Other	53,667,330	



FUNDS NOT REQUIRING A PROPERTY TAX TO BE LEVIED			
Enterprise Fund, 6			
	Actual 2005-2006	Adopted Budget Last Year 2006-2007	Approved Budget Next Year 2007-2008
Total Support Services	12,127		
Total Enterprise and Community Services	8,810,368	9,562,156	10,015,945
Total Other Uses	19,076	21,822	21,822
Total Contingencies		1,000,000	
Total Unappropriated or Ending Fund Balance	2,080,326		
Total Requirements	8,841,571	10,683,978	10,037,767
Total Resources	10,721,897	10,683,978	10,037,767
Except Property Taxes			
Special Revenue Fund, 8	3,689,796	6,593,000	6,593,000
Total Instruction	275,157	637,950	637,950
Total Support Services	3,767,851	4,860,800	4,860,800
Total Enterprise and Community Services	9,227	4,000	4,000
Total Other Uses			
Total Contingencies		2,000,000	
Total Unappropriated or Ending Fund Balance	171,342		
Total Requirements	7,750,993	14,095,750	12,095,750
Total Resources	7,922,335	14,095,750	12,095,750
Except Property Taxes			
Special Revenue Admin Restr. Fund, 9	2,666,761	2,546,132	3,601,072
Total Instruction	3,183,012	7,460,549	7,681,892
Total Support Services			
Total Enterprise and Community Services	2,512,739	2,680,424	2,926,924
Total Other Uses	638,741	284,500	434,500
Total Unappropriated or Ending Fund Balance	4,071,077		
Total Requirements	9,001,253	13,971,605	14,644,388
Total Resources	13,072,330	13,971,605	14,644,388
Except Property Taxes			
Erdowment Fund, 10			
Total Support Services			
Total Enterprise and Community Services			
Total Other Uses			
Total Unappropriated or Ending Fund Balance	198,860		
Total Requirements			
Total Resources	198,860		
Except Property Taxes			
FUNDS REQUIRING A PROPERTY TAX TO BE LEVIED			
General Fund, 1			
Total Instruction	36,453,181	36,489,039	36,704,120
Total Support Services	29,481,440	30,633,875	28,103,128
Total Other Uses	3,802,354	3,735,616	4,051,930
Total Contingencies		1,769,570	1,017,892
Total Unappropriated or Ending Fund Balance	(1,097,710)	2,400,000	2,300,000
Total Requirements	71,736,975	75,028,100	72,177,070
Total Resources	57,640,838	61,087,754	57,786,922
Except Property Taxes			
Property Taxes			
to be Received	12,998,427	13,940,346	14,390,148
Total Resources	70,639,265	75,028,100	72,177,070
Property Taxes			
to be Received			
Estimated Property Taxes Not to be Received			
A. Loss Due to Constitutional Limit			
B. Discounts, Other	155,018	142,134	
Uncollected Amounts	899,704	819,621	
Total Tax Levy	14,995,064	15,351,903	
Permanent Rate Limit Levy (rate limit .6191)	0.6191	0.6191	
Levy for Payment of Bonded Debt	5.181,000	5,025,000	
Debt Service Fund, 3			
Total Other Uses	5,188,022	5,812,747	6,322,668
Total Unappropriated or Ending Fund Balance	1,371,967		
Total Requirements	5,188,022	5,812,747	6,322,668
Total Resources	1,235,478	935,000	1,495,250
Except Property Taxes			
Property Taxes			
to be Received	5,324,511	4,877,747	4,827,418
Total Resources	6,559,989	5,812,747	6,322,668
Property Taxes			
to be Received			
Estimated Property Taxes Not to be Received			
A. Loss Due to Constitutional Limit			
B. Discounts, Other	303,253	197,582	
Uncollected Amounts	5,181,000	5,025,000	
Total Tax Levy			
Permanent Rate Limit Levy (rate limit .6191)			
Levy for Payment of Bonded Debt			

FUNDS NOT REQUIRING A PROPERTY TAX TO BE LEVIED			
Internal Service Fund, 2			
Total Support Services	1,315,870	1,793,196	1,315,870
Total Other Uses	280,060	330,015	870,397
Total Contingencies		800,000	
Total Unappropriated or Ending Fund Balance	164,423		
Total Requirements	1,760,353	2,923,211	2,186,267
Total Resources	1,760,353	2,923,211	2,186,267
Except Property Taxes			
Debt Service Fund, 3	3,087,193	3,487,553	3,269,240
Total Other Uses			
Total Unappropriated or Ending Fund Balance	277,231		
Total Requirements	3,047,193	3,487,553	3,289,240
Total Resources	3,364,424	3,487,553	3,289,240
Except Property Taxes			
Capital Projects Fund, 4	4,050,626	5,119,961	3,137,545
Total Facilities Acquisition and Construction	453,964	2,000,000	
Total Other Uses			
Total Contingencies			
Total Unappropriated or Ending Fund Balance	2,481,155		
Total Requirements	4,504,590	7,119,961	3,137,545
Total Resources	6,985,745	7,119,961	3,137,545
Except Property Taxes			
Financial Aid Fund, 5	16,475,022	45,444,693	46,541,113
Total Support Services			
Total Other Uses			
Total Contingencies			
Total Unappropriated or Ending Fund Balance	694,476		
Total Requirements	16,475,022	47,574,693	46,541,113
Total Resources	17,169,498	47,574,693	46,541,113
Except Property Taxes			

No. 9727207 - June 19, 2007

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

Board of Education
June 28, 2007

RESOLUTION NO. 513

2007-08 BUDGET ADOPTION AND APPROPRIATION

WHEREAS the Board of Education of the Lane Community College District has received and reviewed the 2007-08 Budget as approved by the Budget Committee; and,

WHEREAS the Budget Committee approved the budget in the aggregate amount of \$170,411,808 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 \$5,025,000 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, 2007, for Lane Community College to lawfully make appropriations for funds for which it may initiate its instructional programs and meet its obligations;

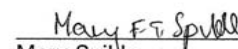
NOW, THEREFORE, BE IT RESOLVED that the Board of Education of Lane Community College does hereby adopt the budget approved by the Budget Committee for fiscal year 2007-08 as amended for additional expected state funding of \$1,224,186 to be held in contingency for future allocation, and appropriates the amounts on the attached schedule to be expended against all budgeted resources commencing July 1, 2007, and expiring June 30, 2008, 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, 2007.

Adopted by the Board of Education on this 28th day of June, 2007.


Jay Bozjevich, Chair

ATTEST:


Mary Spilde
College President/District Clerk

RESOLUTION NO. 513: APPROPRIATED BUDGET REQUIREMENTS**APPROPRIATED BUDGET REQUIREMENTS****FUND I, GENERAL**

Instruction	\$	36,704,120
Instructional Support		4,006,732
Student Services		6,795,410
College Support Services		10,837,076
Plant Operations & Maintenance		5,363,910
Financial Aid		274,763
Debt Service		314,990
Transfers Out		3,462,177
Contingency		
Projects/Provisions		900,000
Contingency		2,442,078
		<u> </u>
Total - General Fund	\$	71,101,256

FUND II, INTERNAL SERVICE

College Support Services	\$	2,181,767
Transfers Out		4,500
		<u> </u>
Total - Internal Service Fund	\$	2,186,267

FUND III, DEBT SERVICE

Debt Service	\$	9,591,908
		<u> </u>
Total - Debt Service Fund	\$	9,591,908

FUND IV, CAPITAL PROJECTS

College Support Services	\$	295,000
Plant Operations & Maintenance		1,390,000
Plant Additions		1,452,545
		<u> </u>
Total - Capital Projects Fund	\$	3,137,545

FUND V, FINANCIAL AID

Student Services	\$	120,000
Financial Aid		46,421,113
		<u> </u>
Total - Financial Aid Fund	\$	46,541,113

FUND VI, ENTERPRISE

Instruction		22,000
Student Services		9,566,245
College Support Services		427,700
Transfers Out		21,822
		<u> </u>
Total - Enterprise Fund	\$	10,037,767

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
		<u> </u>
Total - Special Revenue Fund	\$	12,095,750

FUND IX, SPECIAL REVENUE - ADMIN RESTRICTED

Instruction	\$	3,601,072
Instructional Support		50,000
Student Services		2,150,852
Community Services		2,926,924
College Support Services		5,481,040
Transfers Out		434,500
		<u> </u>
Total - Special Revenue Fund	\$	14,644,388

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

Contingency	\$	2,300,000
		<u> </u>
Total General Fund	\$	2,300,000
		<u> </u>
TOTAL ALL FUNDS	\$	171,635,994

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

Board of Education
June 28, 2007

RESOLUTION NO. 514

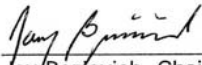
IMPOSING TAXES AND CATEGORIZING TAXES FOR 2007-08

BE IT RESOLVED that the Board of Education of the Lane Community College District hereby imposes the taxes provided for in the 2007-08 adopted budget at the rate of \$.6191 per \$1,000 of assessed value for operations and in the amount of \$5,025,000 for Bonded Debt; and that these taxes are hereby imposed and categorized for the tax year 2007-08 upon the assessed value of all taxable property within the district.

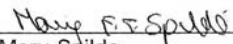
	Subject to the Education Limitation:	Excluded from the Limitation:
General Fund	<u>\$.6191/\$1,000</u>	
Debt Services Fund		<u>\$5,025,000</u>

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, 2007.

Adopted by the Board of Education of Lane Community College this 28th day of June, 2007.


Jay Bozlevich, 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
2007-2008**

To assessor of _____ County

- File no later than JULY 15.
• Be sure to read instructions in the 2007-2008 Notice of Property Tax Levy Forms and Instructions booklet.

☐ Check here if this is
an amended form.

The LCC District has the responsibility and authority to place the following property tax, fee, charge, or assessment
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 Eugene OR 97405 7/11/07
Mailing Address of District City State ZIP Code Date
Kay Malmberg Budget Analyst 541.463.3005 malmbergk@lanecc.edu
Contact Person Title Daytime Telephone Number Contact Person E-mail Address

CERTIFICATION—Check one box.

- ☒ The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.
☐ The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.435.

PART I: TOTAL PROPERTY TAX LEVY

		Subject to Education Limits	
		Rate —or— Dollar Amount	
1. Permanent rate limit tax (per \$1,000).....	1	\$.6191	
2. Local option operating tax	2		Excluded from Measure 5 Limits
3. Local option capital project tax	3		
4. Levy for "Gap Bonds"	4		Dollar Amount of Bond Levy
5a. Levy for bonded indebtedness from bonds approved by voters prior to October 6, 2001	5a	\$5,025,000	
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 or Measure 50 (total of 5a + 5b)	5c	\$5,025,000	

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 two taxes, attach a sheet showing the information for each.

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

150-504-075-6 (Rev. 12-06)

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

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

FY08: Fiscal Year running from July 1, 2007 to June 30, 2008.

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.

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