

**LANE COMMUNITY COLLEGE  
EUGENE, OREGON**

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
Year Ended June 30, 2011**

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Year Ended June 30, 2011**

**Mary F.T. Spilde, President  
Gregory L. Morgan, Chief Financial Officer  
Stan Barker, Director of College Finance and Purchasing**

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# **INTRODUCTORY SECTION**



December 5, 2011

Board of Education  
Lane Community College  
4000 E. 30<sup>th</sup> Ave.  
Eugene, Oregon 97405

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for Lane Community College for the fiscal year ended June 30, 2011, in accordance with Oregon Revised Statutes (ORS) 297.405 to 297.555 and 297.990, known as Municipal Audit Law. The responsibility for the completeness and fairness of the data presented and all accompanying disclosures rests with the management of Lane Community College. We believe the report and its data are accurate and complete in all material aspects in disclosing the financial position and results of operations of Lane Community College as of June 30, 2011, and for the year then ended.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Lane Community College's MD&A can be found immediately following the independent auditor's report in the Financial Section.

### **College Description**

Lane Community College is a comprehensive, two-year, public college founded in 1964. Lane serves a 4,600 square-mile area from the Cascade Mountains to the Pacific Ocean. The district has a population of approximately 351,000. In recent years, more than 38,000 people take one or more classes at Lane each year (unduplicated headcount). Congruent with its mission, Lane offers a broad range of educational programs leading to four associate degrees: associate of arts/Oregon transfer, associate of science, associate of general studies, and associate of applied science. All Lane educational programs are based on recognized fields of study and are approved by the Oregon Department of Community College and Workforce Development as sufficient in content and length. The College is the second largest of Oregon's seventeen community colleges.

## **College Mission**

Lane is the community's college:

We provide comprehensive, accessible, quality, learning-centered educational opportunities that promote student success.

## **Programs**

Lane Community College has five major areas of study:

1. Career-Technical education trains students who want to qualify to work in specific fields.
2. College Transfer courses for students who will continue their education at a four-year college or university.
3. Lifelong learning opportunities through both credit and non-credit courses and workshops.
4. Developmental skill-building classes for people who want to learn basic reading, writing, mathematics and study skills, finish high school, or learn English as a second language.
5. Workforce training and small business development: In cooperation with district businesses and agencies, Lane offers job-related training customized to the organization's needs. In addition, Lane offers training and support for area small businesses.

## **Economy**

Lane County is larger than Delaware and Rhode Island combined. Although 90 percent of Lane County is forestland, Eugene and Springfield combined are the second largest urban area in Oregon. The principal industries in Lane County are agriculture, higher education, high technology, forest products, recreation, health care, and tourism. Lane County is the home of the University of Oregon and several high tech companies, in addition to forest products companies such as Weyerhaeuser. According to the Oregon Office of Economic Analysis (OOEA) Lane County's per capita income is estimated at \$33,522 compared to the United States per capita income of \$38,500. Oregon's economic analysis for 2012 forecasts employment to grow slowly. Decreasing housing starts and further declines in home values nationally will likely continue to impact the Lane County building material's industries. Population growth is expected to be slightly higher than the U.S. average, but much slower than the growth experienced in the mid-1990's. Other financial and demographic information can be found in the Statistical Section of Lane Community College's CAFR and budget document.



## **Governing Bodies**

The members of the board of education of Lane Community College are duly elected representatives of the people, pursuant to the statutes of Oregon and consistent with the rules of the Oregon State Board of Education. The Lane Community College board of education has statutory charge and control of all activities, operations and programs of the college including its property, personnel, and finances. The college is not a component unit of any other entity. The college has one discretely presented component unit, Lane Community College Foundation, for which the college is considered to be financially accountable. The Board of Education comprises seven qualified members elected for four-year terms. Members are elected from established zones within the community college district.

## **Oregon State Board of Education**

The Oregon State Board of Education is the agency that provides state-level regulations of Oregon's community college system. The Commissioner of the Department of Community Colleges and Workforce Development serves as an administrative officer of community college matters. The Board establishes state standards for educational programs and facilities and approves courses of study.

## **College Management**

The President, appointed by the local Board of Education, is the Chief Executive Officer of the College. The President and executive team of the college administer policies set by the Lane Board of Education.

## **Accreditation**

The Northwest Commission on Colleges and Universities has granted accreditation to Lane Community College. The college's most recent full-scale accreditation visit occurred in October 2004, with the latest regular interim site visit and evaluation accepted and accreditation reaffirmed in January 2010. The Oregon Department of Community Colleges and Workforce Development has approved all college transfer courses, and the State Board of Education has approved all career-technical programs.

## **Independent Audit**

State statutes require an annual audit by independent certified public accountants. The Lane Board of Education has selected the accounting firm of Kenneth Kuhns & Co. as its auditors. In addition to meeting the requirements set forth in Oregon statutes, the audit also was designed to meet the requirements of the federal Single Audit Amendment of 1996 and related OMB Circular A-133.

## **Internal Controls**

Lane Community College normally employs a full time internal auditor to coordinate internal control processes throughout the college. The position became vacant at the end of the fiscal year due to internal promotion but the college is pursuing options to fill the role until a replacement is found. The primary strategy to improve internal controls is education of staff on tools available to improve financial management and process improvement. Another strategy implemented recently is an ongoing program of data testing of records and transactions by audit software to efficiently identify items needing closer review.

## **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to Lane Community College for its comprehensive annual financial report for the fiscal year ended June 30, 2010. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. In addition Lane received the Certificate of Achievement for Excellence in Budget Presentation from GFOA for the fiscal year ended June 30, 2010. Both awards have been received for five consecutive years in a row, an unprecedented achievement by an Oregon Community College for both awards in the same years.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **Acknowledgments**

We wish to express our appreciation to the entire business office staff for their efforts and contributions to our Comprehensive Annual Financial Report. We further extend our thanks to the staff of Kenneth Kuhns & Co. for their efforts during this audit. We also thank the Lane Board of Education for its support and dedication to the financial health of the college.

Sincerely,



Mary F. T. Spilde  
President



Gregory L. Morgan  
Chief Financial Officer

LANE COMMUNITY COLLEGE

June 30, 2011

*Board of Education*

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<u>Official</u>	<u>Address</u>	<u>Office</u>
Tony McCown	650 Harlow Road, #254 Springfield, Oregon 97477	Chair
Susie Johnston	301 Spyglass Drive Eugene, Oregon 97401	Vice Chair
Robert Ackerman	PO Box 41749 Eugene, Oregon 97404	Member
Pat Albright	2712 Jackson Street Eugene, Oregon 97405	Member
Roger C. Hall	3275 Bryceler Drive Eugene, Oregon 97405	Member
Gary LeClair	3100 MLK Jr Parkway Springfield, Oregon 97477	Member
Sharon Stiles	642 35 <sup>th</sup> Court Florence Oregon 97439	Member

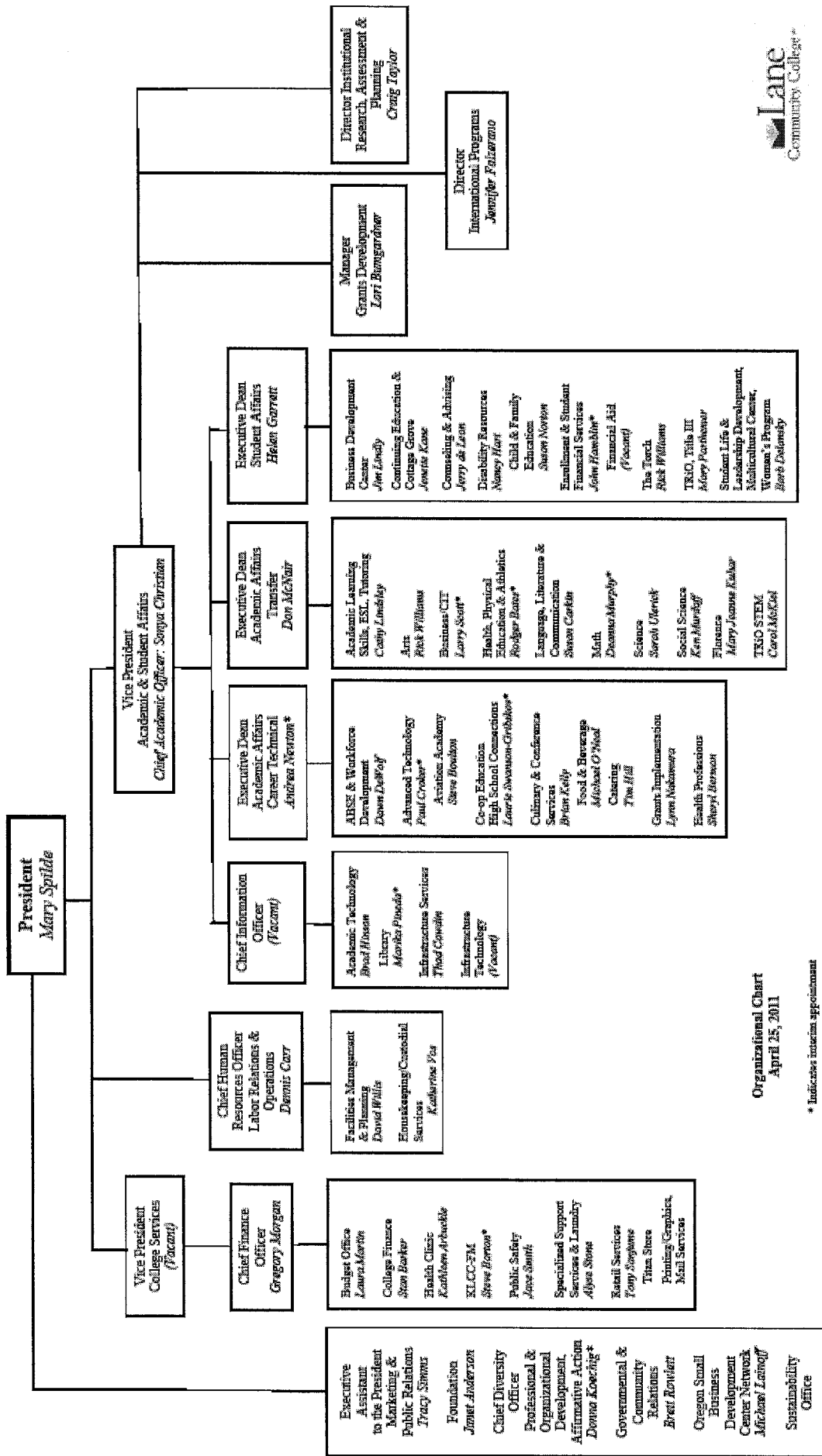
*Administration*

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Mary F.T. Spilde President

Gregory L. Morgan Chief Financial Officer

Lane Community College 2010-2011



Organizational Chart  
April 25, 2011  
\* Indicates interim appointment



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lane Community College  
Oregon

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Linda C. Davison*

President

*Jeffrey R. Emery*

Executive Director

## **FINANCIAL SECTION**

KENNETH KUHNS & CO.  
CERTIFIED PUBLIC ACCOUNTANTS  
570 LIBERTY STREET S.E., SUITE 210  
SALEM OREGON 97301-3594  
TELEPHONE (503) 585-2550

INDEPENDENT AUDITOR'S REPORT

December 5, 2011

Board of Education  
Lane Community College  
Eugene, Oregon

We have audited the statement of net assets of Lane Community College as of June 30, 2011, and the related statements of revenues, expenses, and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of Lane Community College Foundation, a discretely presented component unit of Lane Community College. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Lane Community College Foundation, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of Lane Community College Foundation were not audited in accordance with *Government Auditing Standards*. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit, and the report of the other auditors, provides a reasonable basis for our opinion.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of Lane Community College as of June 30, 2011, and the changes in its financial position and, where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2011 on our consideration of Lane Community College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis on pages 3 through 9 and the schedule of funding progress on page 31 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The introductory section, other supplementary information, statistical section, and schedule of expenditures of federal awards required by OMB Circular A-133 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information and schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Kenneth Kuhns & Co.*  
Kenneth Kuhns & Co.



## **Management's Discussion and Analysis**

# Lane Community College

## Management's Discussion and Analysis

This section of Lane Community College's (the College) annual financial report provides an overview and analysis of the College's financial performance during the fiscal year ended June 30, 2011. This overview has been prepared by management, along with the financial statements and related note disclosures, and should be read in conjunction with them. The financial statements, notes to the financial statements and this discussion are the responsibility of management.

### Overview of the Financial Statements

This discussion and analysis serves as an introduction to the College's basic entity-wide financial statements, which have been prepared in accordance with generally accepted accounting principles. The entity-wide presentation is designed to provide readers with a broad overview of the College's finances, in a manner similar to a private sector business. These financial statements focus on the College's overall financial condition, its results of operations and its cash flows. The entity-wide financial statements consist of:

- *The Statement of Net Assets*, which presents the College's financial position at the end of the year and includes all assets and liabilities. The difference between total assets and total liabilities – Net Assets – is an indicator of the College's present financial condition. Over time, increases or decreases in the College's net assets show whether its financial health is improving or deteriorating. Assets and liabilities are generally measured using current values; capital assets are stated at historical cost, less an allowance for depreciation.
- *The Statement of Revenues, Expenses and Changes in Net Assets*, which presents the College's operating results for the year. Revenues and expenses are generally reported using the accrual method of accounting, which records transactions as soon as they occur, regardless of when cash is exchanged. Usage of capital assets is reported as depreciation expense, which amortizes the cost of assets over their estimated useful lives. Revenues and expenses are reported as either operating or non-operating. Operating revenues come primarily from tuition, auxiliary enterprises (such as the Bookstore), and student financial aid grants. State appropriations and property taxes, while budgeted for operations, must be classified in the statement as non-operating revenues.
- *The Statement of Cash Flows*, which presents information about cash receipts and cash payments during the year. This statement also assists users in assessing the College's ability to generate net cash flows, its ability to meet its obligations as they come due, and its potential need for external financing.
- *The Notes to the Basic Financial Statements* provide additional information that is essential to a full understanding of the data provided in the entity-wide financial statements.

## Financial Highlights

- As of June 30, 2011 the College's assets exceeded its liabilities by \$120,564,626 (*Net Assets*). Of this amount, \$33,573,524 is classified as unrestricted net assets. These unrestricted net assets may be used to meet the College's ongoing obligations. The largest component (\$74,245,090) of net assets is the College's investment in capital assets, which represents its land, buildings, machinery and equipment, net of accumulated depreciation and related debt. The College uses these capital assets to provide educational services to its students; consequently these assets are not available for future spending.
- State community college support revenues show a 47.52% decrease from 2010. This is because the state is following a pattern of paying five quarterly state payments (one payment being deferred from the prior fiscal year) in the first year of a biennium and three quarterly payments (the fourth quarterly payment being deferred to the next fiscal year) in the second year of a biennium. Thus there is an uneven revenue flow from the state. This is further explained on page 6.
- The College's pension assets experienced a \$5,327,982 gain due to market conditions.
- The College issued \$19,355,000 in Full Faith and Credit Obligations (RZEDBs) for construction purposes.
- Extensive capital construction on campus has resulted in a dramatic increase in Capital Assets Net, Current and Noncurrent liabilities.
- The College's net assets increased from the prior year.

## Analysis of the Statement of Net Assets As of June 30, 2011

This Statement includes all of the assets and liabilities of the College using the previously described accrual method of accounting, which is similar to the accounting presentation used by business. Net Assets is a measure of the College's financial condition.

In summary form Net Assets consisted of:

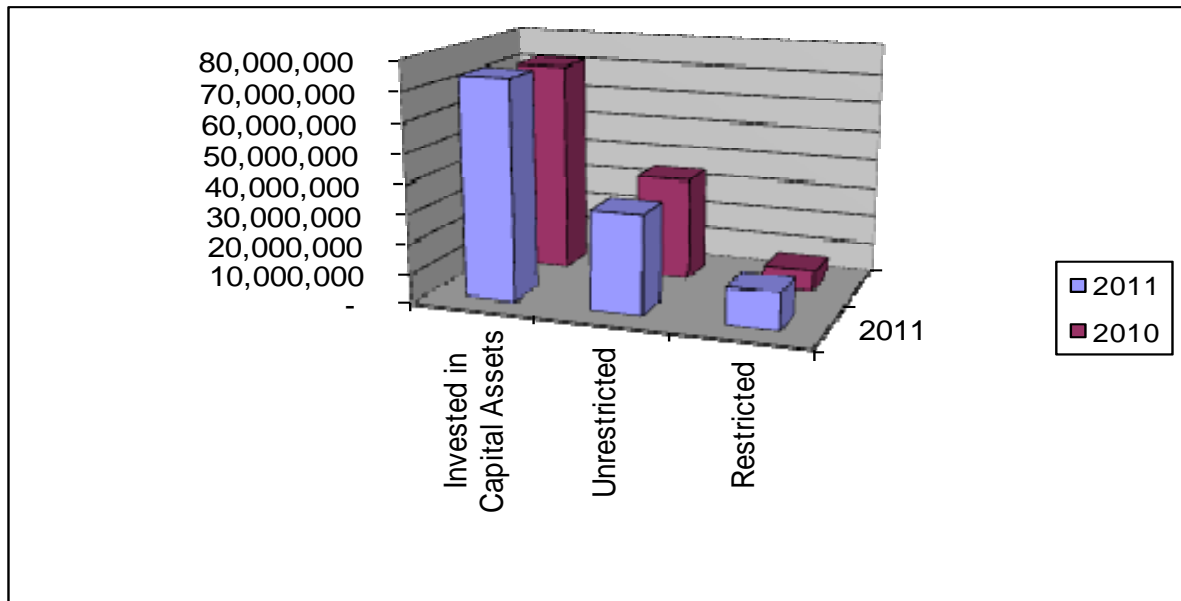
	2011	2010	% Change
<b>Assets</b>			
Current assets	\$ 83,020,880	\$ 86,338,811	-3.84%
Pension asset	58,922,826	53,594,844	9.94%
Capital assets, net	104,195,257	78,371,878	32.95%
Other noncurrent assets	14,056,644	9,527,724	47.53%
Total assets	<u>\$ 260,195,607</u>	<u>\$ 227,833,257</u>	14.20%
<b>Liabilities</b>			
Current liabilities	\$ 35,575,608	\$ 24,216,576	46.91%
Noncurrent liabilities	104,055,373	89,894,756	15.75%
Total liabilities	<u>139,630,981</u>	<u>114,111,332</u>	22.36%
<b>Net Assets</b>			
Invested in capital assets, net of related debt	74,245,090	71,599,531	3.69%
Restricted	12,746,012	7,291,576	74.80%
Unrestricted	33,573,524	34,830,818	-3.61%
Total net assets	<u>120,564,626</u>	<u>113,721,925</u>	6.02%
Total liabilities and net assets	<u>\$ 260,195,607</u>	<u>\$ 227,833,257</u>	14.20%

At June 30, 2011 the College's current assets of \$83 million was sufficient to cover current liabilities of \$35.6 million. This represents a current ratio of 2.3. Current assets consist primarily of cash and cash equivalents, receivables from property taxes, student accounts and grants, plus bookstore inventory. The College's noncurrent asset of \$58.9 million is its pension asset, created when the College paid into a PERS investment account used to cover a portion of the College's unfunded actuarial liability. Also included in noncurrent assets is capital assets (land, buildings, machinery and equipment), net of accumulated depreciation, used to provide services to students.

Current liabilities consisted primarily of payroll, interest and operating payables, plus the current portion (\$9,767,755) of current maturities of long-term obligations. Noncurrent liabilities consist of long-term debt relating to general obligation bonds, pension bonds, and other debt obligations.

Within Net Assets, the "invested in capital assets" amount of \$74,245,090 represents the total original cost of all of the College's land, buildings, machinery and equipment, and infrastructure, less total accumulated depreciation on these assets, and also less debt related to their acquisition. Restricted net assets consisted of amounts legally restricted for student financial aid grants and loans, debt service, and grants and contracts.

The following graph shows the allocation of Net Assets for the College:



**Analysis of the Statement of Revenues, Expenses and Changes in Net Assets  
For the Year Ended June 30, 2011**

The Statement of Revenues, Expenses and Changes in Net Assets presents the College's operating results, as well as its non-operating revenues and expenses, and reconciles the changes in Net Assets (discussed above). State appropriations and property taxes, while budgeted for operations, must be classified in the statement as non-operating revenues. In summary form the year's results were:

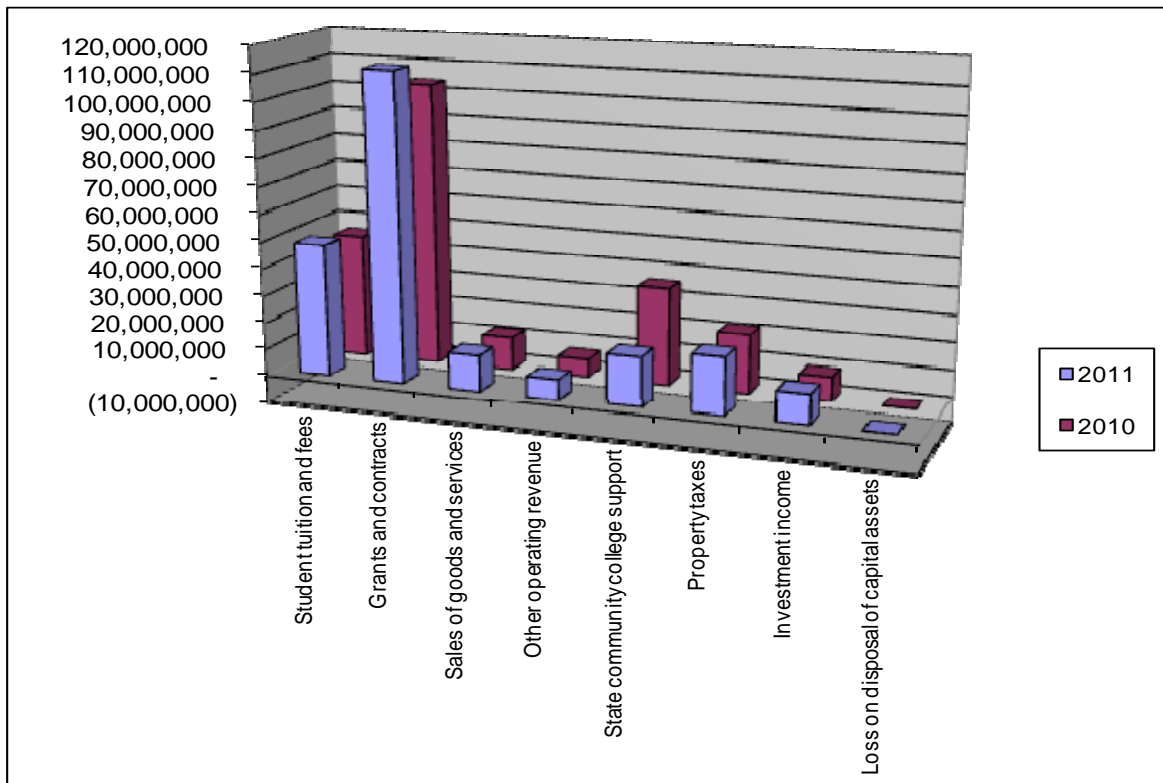
	2011	2010	Percent Change
<b>Operating revenues:</b>			
Student tuition and fees	\$ 48,676,549	\$ 45,582,278	6.79%
Grants and contracts	112,698,016	103,796,815	8.58%
Sales of goods and services	13,420,535	12,019,997	11.65%
Other operating revenue	7,475,413	6,918,513	8.05%
<b>Total operating revenues</b>	<b>182,270,513</b>	<b>168,317,603</b>	<b>8.29%</b>
<b>Nonoperating revenues:</b>			
State community college support	18,841,504	35,901,437	-47.52%
Property taxes	21,842,450	21,662,536	0.83%
Investment income	11,781,138	9,093,894	29.55%
<b>Total revenues</b>	<b>234,735,605</b>	<b>234,975,470</b>	<b>-0.10%</b>
<b>Operating expenses:</b>			
Instruction	58,238,835	54,650,662	6.57%
Community services	5,550,825	5,086,857	9.12%
Instructional support services	5,473,840	4,704,212	16.36%
Student services	23,786,244	22,526,789	5.59%
College support services	11,873,926	11,953,269	-0.66%
Plant operations and maintenance	10,647,742	18,775,624	-43.29%
Financial aid	104,854,365	91,516,254	14.57%
Depreciation	3,262,947	2,741,972	19.00%
<b>Total operating expenses</b>	<b>223,688,724</b>	<b>211,955,639</b>	<b>5.54%</b>
<b>Nonoperating expenses</b>	<b>4,604,180</b>	<b>4,747,810</b>	<b>-3.03%</b>
<b>Total expenses</b>	<b>228,292,904</b>	<b>216,703,449</b>	<b>5.35%</b>
<b>Income (loss) before contributions</b>	<b>6,442,701</b>	<b>18,272,021</b>	<b>64.74%</b>
<b>Capital contributions</b>	<b>400,000</b>	<b>9,297,790</b>	<b>-95.70%</b>
<b>Change in net assets</b>	<b>\$ 6,842,701</b>	<b>\$ 27,569,811</b>	<b>75.18%</b>

### *Revenues:*

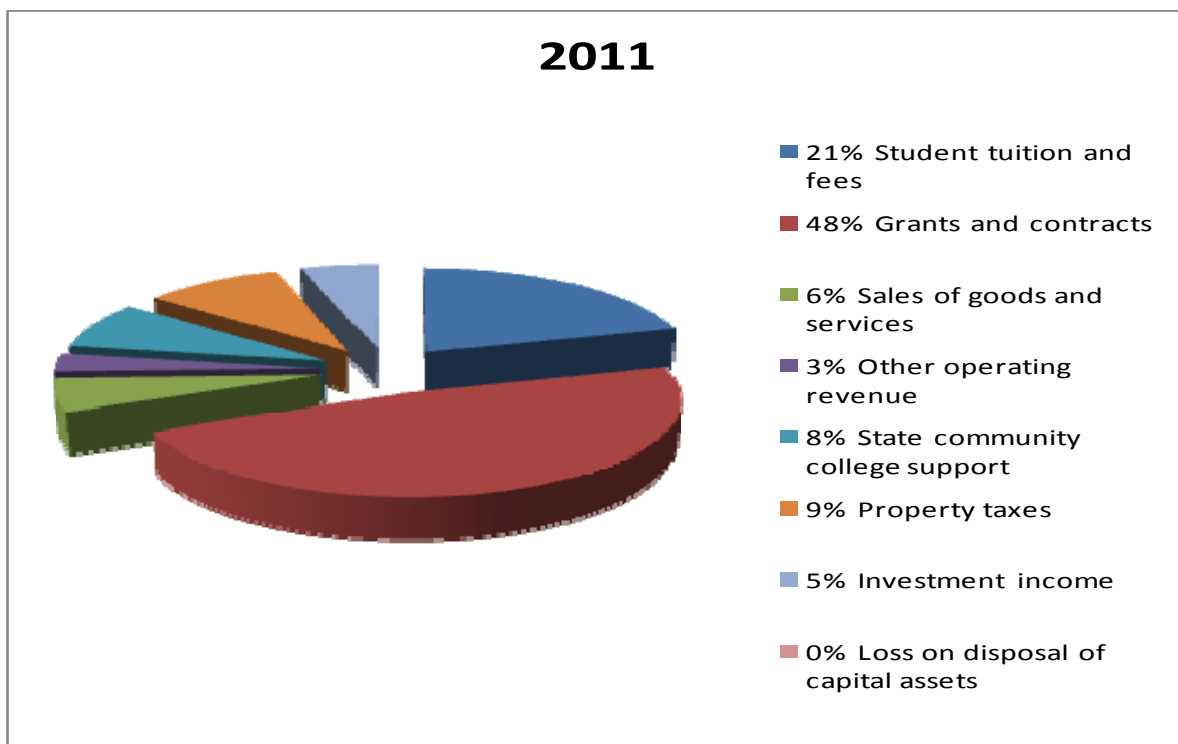
The largest sources of operating revenue for the College are tuition and fees, financial aid, auxiliary enterprise activities, and grants and contracts. Auxiliary enterprise activities are College operations that provide goods and services to students, faculty, staff or the general public, and charge fees directly related to the cost of these goods and services. They include the Bookstore, Foodservices, the Laundry and the Center for Meeting and Learning, and are intended to be self-supporting.

Appropriations from the State of Oregon constitute 35.9% of non-operating revenue. The College received \$18,841,504 in State aid in this fiscal year, which represented a 47.52% decrease from the prior year. The reason for this stems from the 2003 legislative session, in which the Oregon Legislature acted to defer their fourth quarterly payment from April until July in odd numbered years. The fourth quarterly payment for 2009 was shifted from April to July.

This increased the College's revenue by \$7,809,684 in 2010 and by shifted it from 2009. The reverse happened in 2011 when the College's revenue for the 4<sup>th</sup> quarterly payment of \$7,048,931 was paid in July, thus shifting it from 2011 and into the 2012 fiscal year. This produces the large disparity in State aid between 2010 and 2011. The following graph shows a comparison of revenue sources from 2010 to 2011:



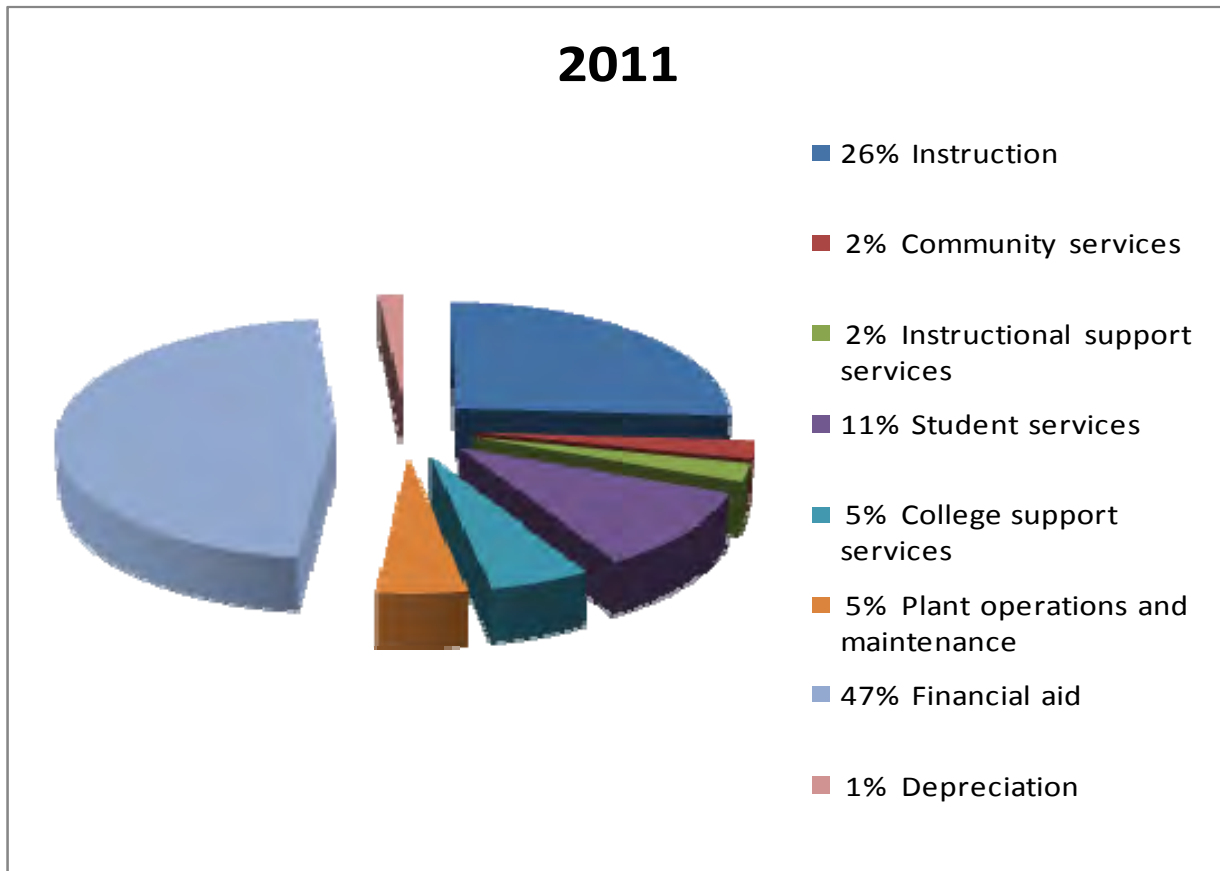
The following graph shows the percentage allocation of revenue sources for 2011:



*Expenses:*

The College expended \$223,688,724 on salaries and benefits, materials and services, utilities, scholarships and depreciation. Financial aid represents the largest percentage of total expenses.

The following graph shows the percentage allocation of operating expenses for 2011:



**Analysis of the Statement of Cash Flows  
For the Year Ended June 30, 2011**

This statement provides a measurement of the College's financial health by supplying information about cash receipts and cash payments during the year. It also assists users in assessing the College's ability to generate net cash flows, its ability to meet its obligations as they come due, and its need for external financing. This statement is reported on the direct method, which portrays net cash flows from operations as major classes of operating receipts (e.g. tuition and fees) and payments (e.g. cash paid to employees). GASB Statements 34 and 35 require the use of this method for reporting cash flows.

In summary form the cash flows for the year were:

	2011	2010	Percent Change
Cash provided by (used in)			
Operating activities	\$ (31,625,664)	\$ (36,203,887)	-12.65%
Non-capital financing activities	37,236,852	54,136,736	-31.22%
Capital financing activities	(509,374)	(15,978,995)	-96.81%
Investing activities	2,433,270	6,072,196	59.93%
Net increase (decrease) in cash	7,535,084	8,026,050	-6.12%
Cash - beginning of year	41,495,958	33,469,908	23.98%
Cash - end of year	<u>\$ 49,031,042</u>	<u>\$ 41,495,958</u>	18.16%

The largest sources of cash from operating activities were student tuition and fees, federal student financial aid, auxiliary enterprises and grants and contracts. Major uses of cash were payments made to employees, vendors, and student financial aid.

State aid and property taxes are the primary sources of non-capital financing cash. GASB Statements 34 and 35 require the College to report these sources as non-operating even though the College's budget depends on these sources to continue to provide our current level of educational offerings. The non-capital financing activities had significant changes due to the effect of the State's fourth quarter payment being delayed between years as explained on page 6. The cash flows from capital and related financing activities had significant changes due to the proceeds from debt obligations. This issuance of debt in large part led to the net increase in cash.

### **Capital Asset and Debt Administration**

#### *Capital Assets:*

The College's investment in capital assets at June 30, 2011 amounts to \$104.2 million, net of accumulated depreciation. Investment in capital assets includes land, buildings, machinery and equipment, library collections and infrastructure. Additional information pertaining to the College's capital assets is located in note 3 to these financial statements.

#### *Debt:*

In December of 2010 the College issued \$19,355,000 in Full faith and Credit obligations (RZEDBs) for construction purposes. At June 30, 2011 the College had total long-term obligations outstanding of \$113,126,006. Additional information pertaining to the College's long-term obligations is located in note 4 to these financial statements.

### **Contacting the College's Financial Management**

This financial report is designed to provide our stakeholders, taxpayers and creditors with a general overview of the College's finances. Questions concerning any of the information in this report or requests for additional financial information should be addressed to:

College Finance  
Lane Community College  
4000 E. 30<sup>th</sup> Avenue  
Eugene, OR 97405



## **Basic Financial Statements**

LANE COMMUNITY COLLEGE

Statement of Net Assets  
June 30, 2011

<u>Assets</u>	<u>College</u>	<u>Foundation (Component Unit)</u>
Current assets:		
Cash and cash equivalents	\$ 49,031,042	\$ 2,768,084
Investments	18,129,245	-
Receivables, net:		
Property taxes	1,419,715	-
Accounts	12,437,276	1,763,394
Loans and notes, current portion	450,000	12,850
Prepayments	473,468	6,114
Inventories	1,080,134	-
Total current assets	<u>83,020,880</u>	<u>4,550,442</u>
Noncurrent assets:		
Receivables, net	3,821,599	690,567
Long term investments	8,753,785	9,413,162
Pension asset	58,922,826	-
Net pension obligation	667,042	-
Deferred charges	814,218	-
Investment in property, annuity trust	-	787,200
Capital assets:		
Land	5,695,521	-
Construction in progress	15,770,465	-
Buildings and improvements	113,516,445	-
Furniture and equipment	8,340,487	-
Library books	4,732,319	-
Less accumulated depreciation	(43,859,980)	-
Total noncurrent assets	<u>177,174,727</u>	<u>10,890,929</u>
Total assets	<u>260,195,607</u>	<u>15,441,371</u>
<u>Liabilities</u>		
Current liabilities:		
Accounts payable	7,109,082	293,058
Accrued liabilities	5,357,268	-
Accrued interest payable	119,514	-
Due to others	130,640	-
Unearned revenue	13,091,349	104,255
Current maturities of long-term obligations	9,767,755	110,000
Total current liabilities	<u>35,575,608</u>	<u>507,313</u>
Noncurrent liabilities:		
Long-term obligations, net of current maturities		
Pension bonds payable	51,309,987	-
General obligation bonds payable	32,693,264	-
Debt obligations payable	19,355,000	-
Net OPEB obligation	697,122	-
Obligations under split-interest agreements	-	424,930
Total noncurrent liabilities	<u>104,055,373</u>	<u>424,930</u>
Total liabilities	<u>139,630,981</u>	<u>932,243</u>
<u>Net Assets</u>		
Invested in capital assets, net of related debt	<u>74,245,090</u>	<u>-</u>
Restricted for debt service	1,345,034	-
Restricted for pension obligations	5,507,839	-
Restricted for student financial aid	5,638,307	-
Restricted for grants and contracts	254,832	-
Restricted for permanent endowment	-	8,748,313
Restricted for temporary endowment and scholarships	-	4,944,240
Total restricted net assets	<u>12,746,012</u>	<u>13,692,553</u>
Unrestricted	<u>33,573,524</u>	<u>816,575</u>
Total net assets	<u>\$ 120,564,626</u>	<u>\$ 14,509,128</u>

The accompanying notes are an integral part of this statement

LANE COMMUNITY COLLEGE

Statement of Revenues, Expenses and Changes in Net Assets  
Year Ended June 30, 2011

	College	Foundation (Component Unit)
Operating revenues:		
Student tuition and fees	\$ 48,676,549	\$ -
Grants and contracts	112,698,016	-
Sales of goods and services	13,420,535	-
Other operating revenue	7,475,413	2,823,548
Total operating revenues	182,270,513	2,823,548
Operating expenses:		
Instruction	58,238,835	-
Community services	5,550,825	-
Instructional support services	5,473,840	-
Student services	23,786,244	-
College support services	11,873,926	-
Plant operations and maintenance	10,647,742	-
Financial aid	104,854,365	-
Foundation programs	-	3,359,152
Depreciation	3,262,947	-
Total operating expenses	223,688,724	3,359,152
Operating income-(loss)	(41,418,211)	(535,604)
Nonoperating revenues-(expenses):		
State community college support	18,841,504	-
Property taxes	21,842,450	-
Investment income	464,968	1,642,294
Investment income from pension asset	11,316,170	-
Interest expense	(4,583,511)	-
Loss on disposal of capital assets	(20,669)	-
Total nonoperating revenues-(expenses)	47,860,912	1,642,294
Income before contributions	6,442,701	1,106,690
Capital contributions	400,000	-
Change in net assets	6,842,701	1,106,690
Net assets - July 1, 2010	113,721,925	13,402,438
Net assets - June 30, 2011	\$ 120,564,626	\$ 14,509,128

The accompanying notes are an integral part of this statement.

## LANE COMMUNITY COLLEGE

Statement of Cash Flows  
Year Ended June 30, 2011

	<u>College</u>
Cash flows from operating activities:	
Tuition and fees	\$ 47,626,064
Grants and contracts	112,337,239
Sales of goods and services	13,413,106
Other cash receipts	7,475,413
Payments to employees for services	(81,725,311)
Payments to suppliers for goods and services	(25,913,846)
Payments for student scholarships and grants	<u>(104,838,329)</u>
Net cash used in operating activities	<u>(31,625,664)</u>
Cash flows from noncapital financing activities:	
Cash received from State community college support	18,841,504
Cash received from property taxes	21,849,597
Principal paid on pension bonds	(1,925,000)
Interest paid on pension bonds	<u>(1,529,249)</u>
Net cash provided by noncapital financing activities	<u>37,236,852</u>
Cash flows from capital and related financing activities:	
Capital grants received	14,528,790
Proceeds from debt obligations	19,355,000
Proceeds from sale of capital assets	2,596
Acquisition of capital assets	(28,039,531)
Principal paid on bonds and debt obligations	(4,360,000)
Interest paid on bonds and debt obligations	(1,833,706)
Cash paid for debt issuance costs	<u>(162,523)</u>
Net cash used in capital and related financing activities	<u>(509,374)</u>
Cash flows from investing activities:	
Sale of investments	1,718,167
Interest on investments	<u>715,103</u>
Net cash provided by investing activities	<u>2,433,270</u>
Net increase in cash and cash equivalents	7,535,084
Cash and cash equivalents - July 1, 2010	<u>41,495,958</u>
Cash and cash equivalents - June 30, 2011	<u>\$ 49,031,042</u>
Reconciliation of operating income-(loss) to net cash used in operating activities	
Operating income-(loss)	<u>\$ (41,418,211)</u>
Adjustments to reconcile operating income-(loss) to net cash used in operating activities:	
Depreciation	3,262,947
Amortization	5,975,282
Decrease-(increase) in:	
Accounts receivable	(1,682,371)
Loans and notes receivable	(169,131)
Inventories	154,196
Prepaid expenses	(36,978)
Net pension obligation	241,601
Increase-(decrease) in:	
Accounts payable	720,520
Accrued liabilities	894,496
Vacation payable	629
Due to others	(1,455)
Unearned revenue	<u>432,811</u>
Total adjustments	<u>9,792,547</u>
Net cash used in operating activities	<u>\$ (31,625,664)</u>
Noncash Investing, Capital and Financing Activities:	
Investment income from pension asset	\$ 11,316,170
Pension asset	(11,316,170)
Book value of capital assets disposed	23,265
Loss on disposal of capital assets	<u>(23,265)</u>
Total noncash investing, capital and financing activities	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

# LANE COMMUNITY COLLEGE

## Notes to Financial Statements Year Ended June 30, 2011

### 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of Lane Community College have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB), including GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, and Statement No. 35, *Basic Financial Statements – and Management’s Discussion and Analysis for Public Colleges and Universities*. The College follows the “business-type activities” reporting requirements of GASB Statement Nos. 34 and 35.

#### (A) Organization and Operation

Lane Community College (the College) was formed in 1964 under ORS Chapter 341. The College is governed by a seven member Board of Education whose members are elected independently.

#### (B) Description of the Reporting Entity

The financial statements of the College present the College and its component unit, Lane Community College Foundation, for which the College is considered to be financially accountable. The Foundation is a discretely presented component unit and is reported in a separate column in the basic financial statements.

The Foundation is a legally separate, tax-exempt entity and acts primarily as a fund-raising organization to supplement the resources that are available to the College in support of its programs. The Board of Directors of the Foundation is self-perpetuating. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, that the Foundation holds and invests, are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements.

The Foundation reports as a not-for-profit organization under Financial Accounting Standards Board (FASB) standards. As a result, certain revenue recognition criteria and presentation features are different from GASB revenue recognition and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences.

During the year ended June 30, 2011, the Foundation provided scholarships of \$690,337 for the benefit of the College. The College provided personnel and administrative contributions to the Foundation totaling \$230,082 during the year. Complete financial statements for the Foundation can be obtained at: 4000 East 30th Avenue, Eugene, Oregon 97405-0640.

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd)

(C) Basis of Accounting

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

The College applies all applicable Governmental Accounting Standards Board (GASB) pronouncements and all applicable Financial Accounting Standards Board (FASB) statements and interpretations, Accounting Principles Board (APB) opinions and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The College has elected not to follow subsequent private-sector guidance.

Operating revenues and expenses are distinguished from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the College's ongoing operations. The principal operating revenues of the College are charges to students for tuition and fees, grants and contracts for specific operating activities of the College and sales of goods and services. Operating expenses include the cost of faculty, administration and support expenses, enterprise operations and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

(D) Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(E) Investments

Investments included in cash and investments are reported at fair value. The College invests primarily in the State of Oregon Local Government Investment Pool and U.S. government and agencies securities. All College investments are authorized by Oregon Revised Statutes. For purposes of the statement of cash flows, cash, demand deposits, the State of Oregon Local Government Investment Pool and short-term investments purchased with original maturities of three months or less are considered to be cash and cash equivalents.

# LANE COMMUNITY COLLEGE

Notes to Financial Statements  
Year Ended June 30, 2011

## 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd)

### (E) Investments (Contd)

The College maintains depository insurance under Federal depository insurance funds and state and financial institution collateral pools for its cash deposits and investments, except the Local Government Investment Pool and U.S. government and agencies securities, which are exempt from statutes requiring such insurance.

### (F) Property Taxes Receivable

Ad valorem property taxes are levied on all taxable property as of July 1. Property taxes become an enforceable lien on that date for real property and for personal property. Collection dates are November 15, February 15, and May 15. Discounts are allowed if amounts due are received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Uncollected taxes, including delinquent amounts, are considered substantially collectable or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. Property taxes are recognized as revenues when levied.

### (G) Accounts, Grants and Loans Receivable

Unreimbursed grant expenditures due from grantor agencies are recorded in the financial statements as receivables and revenues. Cash received from grantor agencies in excess of related grant expenditures is recorded as unearned revenue.

Loans receivable consist primarily of student financial aid loans made with federal funds.

Accounts receivable and loans receivable are shown net of an allowance for uncollectible amounts.

### (H) Inventories

Inventories, primarily books and supplies, are valued at the lower of cost (first-in, first-out method) or market, and are charged to expense as sold or used.

### (I) Capital Assets

Capital assets include land, buildings and improvements, furniture and equipment and library books with a useful life of more than one year. The College's capitalization threshold is \$10,000 for all capital assets except library books. Library books are capitalized regardless of cost. Donated assets are recorded at their fair market value on the date donated. Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add value or functionality to the asset are not capitalized, but are expensed as incurred.

LANE COMMUNITY COLLEGE

Notes to Financial Statements  
Year Ended June 30, 2011

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd)

(I) Capital Assets (Contd)

Capital assets are depreciated using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	10 to 50
Furniture and equipment	5 to 25
Library books	10

(J) Compensated Absences

Vacation payable is recorded as a liability and an expense when earned by employees. Sick pay, which does not vest, is recorded when leave is taken.

(K) Leases

Leases which meet certain criteria established by the Financial Accounting Standards Board are classified as capital leases. Leases which do not meet criteria of a capital lease are classified as operating leases.

(L) Retirement Plans

Public Employees Retirement System

Substantially all of the College's employees are participants in the Oregon Public Employees Retirement System (PERS). Contributions to PERS are made on a current basis as required by the plan and charged to expense as accrued.

Early Retirement Program

The College offers a voluntary early retirement program to management and faculty employees who are between the ages of 55 and 65 and meet certain service criteria. Participants receive a monthly early retirement payment (until age 62 for faculty employees, until age 65 or a maximum of 84 payments for management employees). Payment of benefits is made from a pension trust fund which accumulates employer contributions. The employer contributions are based upon actuarially determined amounts. Pension expense equal to the annual required contribution is recognized on the accrual basis.



LANE COMMUNITY COLLEGE

Notes to Financial Statements  
Year Ended June 30, 2011

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd)

(L) Retirement Plans

Other Postemployment Benefits

The College offers a voluntary early retirement health care and life insurance program to faculty and management employees who are between the ages of 55 and 65 and meet certain service criteria. For faculty participants, the College pays the employees' and employee spouses' monthly cost of coverage until the employee reaches age 65 or qualifies for Medicare coverage. Spouse coverage continues until the spouse reaches age 65. For management participants, the College pays the employees' and employee spouses' monthly cost of coverage until the employee qualifies for Medicare coverage or for 84 months, whichever comes first. Spouse coverage ceases when employee coverage ceases. Pension expense equal to the annual required contribution is recognized on the accrual basis.

(M) Restricted Net Assets

Restricted net assets reported in the Statement of Net Assets represent amounts for which constraints were imposed by creditors, grantors, contributors or laws or regulations.

2 - CASH AND INVESTMENTS:

The College's cash and investments are comprised of the following at June 30, 2011:

Cash on hand and other	\$ 62,319
Deposits with financial institutions	7,100,964
Investments	<u>68,851,567</u>
Total cash and investments	76,014,850
Less cash and investments in pension trust fund	<u>(100,778)</u>
Cash and investments, as reported in statement of net assets	<u><u>\$75,914,072</u></u>

Deposits

Deposits with financial institutions are bank demand deposits and certificates of deposit. The total bank balance, as shown on the banks' records at June 30, 2011, is \$8,760,683. Of these deposits, \$503,111 was covered by federal depository insurance.

LANE COMMUNITY COLLEGE

Notes to Financial Statements  
Year Ended June 30, 2011

2 - CASH AND INVESTMENTS: (Contd)

The Oregon State Treasurer is responsible for monitoring public funds held by bank depositories in excess of FDIC insured amounts, and for assuring that public funds on deposit are collateralized to the extent required by Oregon Revised Statutes (ORS) Chapter 295. ORS Chapter 295 requires depository banks to place and maintain on deposit with a third-party custodian bank securities having a value of 10%, 25% or 110% of public funds on deposit depending primarily on the capitalization level of the depository bank.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the College's deposits may not be returned to it. The College does not have a policy for deposits custodial credit risk. Of the College's bank balance, \$8,257,572 was exposed to custodial credit risk as of June 30, 2011, because deposits in excess of FDIC insurance were uncollateralized and/or were collateralized but not held by the third-party custodian bank in the College's name.

Investments

State statutes authorize the College to invest in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, commercial paper, and the Oregon Local Government Investment Pool, among others. The College has no investment policy that would further limit its investment choices.

	Fair Value	Percent	Maturities	
			0-1 Year	1-2 Years
Corporate Debt	\$21,883,953	31.8%	\$ 13,130,168	\$8,753,785
Bankers' Acceptances	4,999,077	7.3%	4,999,077	-
Investment in Oregon Local Government Investment Pool	41,968,537	60.9%	41,968,537	-
Total investments	<u>\$68,851,567</u>	<u>100.0%</u>	<u>\$ 60,097,782</u>	<u>\$8,753,785</u>

Investments in corporate debt were rated AA+ to A by Standard & Poor's and Aa3 to A1 by Moody's. The banker's acceptances are not rated.

The College's investment in the Oregon Local Government Investment Pool is an open-ended, no-load diversified portfolio pool. The fair value of the College's position in the pool is substantially the same as the value of the College's participant balance.

LANE COMMUNITY COLLEGE

Notes to Financial Statements  
Year Ended June 30, 2011

2 - CASH AND INVESTMENTS: (Contd)

The Oregon Local Government Investment Pool is an external investment pool which is part of the Oregon Short-Term Fund. Investment policies are governed by the Oregon Revised Statutes and the Oregon Investment Council (Council). The State Treasurer is the investment officer for the Council. Investments are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board. The Oregon Short-Term Fund does not receive credit quality ratings from nationally recognized statistical rating organizations.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Oregon Short-Term Fund manages this risk by limiting the maturity of the investments held by the fund. Weighted average maturities of investments in the Oregon Short-Term Fund at June 30, 2011 were: 55% mature within 93 days, 23% mature from 94 days to one year, and 22% mature from one to three years.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The securities underlying the College's investment in the corporate debt and bankers' acceptances are held by the College's counterparty, not in the College's name.

Foundation Cash and Investments

The Foundation's cash and cash equivalents consist of demand deposits with financial institutions. At June 30, 2011, \$2,029,479 of these cash balances was not covered by federal depository insurance.

The Foundation's investments consist of funds that are managed by professional fund managers chosen by the Board of Trustees and are invested in U.S. Government and agency obligations, corporate bonds, equity securities, mortgage-backed securities, money market accounts and certificates of deposit. These investments are carried at market or appraised value, and unrealized gains and losses are reflected in the statement of activities. A summary of investments at June 30, 2011 is as follows:

Money market/cash management accounts	\$ 100,340
Equity securities	6,251,618
U.S. Government and agency obligations	710,323
Corporate bonds	<u>2,350,881</u>
Total investments	<u><u>\$ 9,413,162</u></u>

LANE COMMUNITY COLLEGE

Notes to Financial Statements  
Year Ended June 30, 2011

3 - CAPITAL ASSETS:

The College's capital assets activity for the year ended June 30, 2011 was as follows:

	Balance July 1, 2010	Increases	Decreases	Balance June 30, 2011
Capital assets not being depreciated:				
Land	\$ 5,695,521	\$ -	\$ -	\$ 5,695,521
Construction in progress	17,701,159	27,907,629	29,838,323	15,770,465
Total capital assets not being depreciated	<u>23,396,680</u>	<u>27,907,629</u>	<u>29,838,323</u>	<u>21,465,986</u>
Capital assets being depreciated:				
Buildings and improvements	83,678,122	29,838,323	-	113,516,445
Furniture and equipment	7,528,616	1,036,765	224,894	8,340,487
Library books	4,567,122	165,197	-	4,732,319
Total capital assets being depreciated	<u>95,773,860</u>	<u>31,040,285</u>	<u>224,894</u>	<u>126,589,251</u>
Less accumulated depreciation for:				
Buildings and improvements	32,283,437	2,618,635	-	34,902,072
Furniture and equipment	4,661,171	485,353	201,629	4,944,895
Library books	3,854,054	158,959	-	4,013,013
Total accumulated depreciation	<u>40,798,662</u>	<u>3,262,947</u>	<u>201,629</u>	<u>43,859,980</u>
Total capital assets being depreciated, net	<u>54,975,198</u>	<u>27,777,338</u>	<u>23,265</u>	<u>82,729,271</u>
Total capital assets, net	<u>\$ 78,371,878</u>	<u>\$ 55,684,967</u>	<u>\$ 29,861,588</u>	<u>\$ 104,195,257</u>

4 - LONG-TERM OBLIGATIONS:

Changes in the College's long-term obligations for the year ended June 30, 2011 are as follows:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011	Due Within One Year	Interest Paid
Vacation payable	\$ 2,917,126	\$ 2,917,755	\$ 2,917,126	\$ 2,917,755	\$ 2,917,755	\$ -
Bonds payable	41,015,000	-	4,360,000	36,655,000	4,745,000	1,514,182
Bonds payable premium	843,516	-	60,252	783,264	-	-
Debt obligations payable	-	19,355,000	-	19,355,000	-	319,524
Pension bonds payable	53,796,402	1,543,585	1,925,000	53,414,987	2,105,000	1,529,249
Total	<u>\$ 98,572,044</u>	<u>\$ 23,816,340</u>	<u>\$ 9,262,378</u>	<u>\$ 113,126,006</u>	<u>\$ 9,767,755</u>	<u>\$ 3,362,955</u>

LANE COMMUNITY COLLEGE

Notes to Financial Statements  
Year Ended June 30, 2011

4 - LONG-TERM OBLIGATIONS: (Contd)

Bonds Payable

On November 4, 2008, voters approved authority for the College to issue \$83 million in general obligation bonds to be used to renovate outdated infrastructure and instructional technology. In June 2009, the College issued Series 2009 General Obligation Bonds in the original amount of \$45,000,000 to finance the costs of capital construction and improvements to District facilities and to pay the costs of issuance of the Bonds. The bonds will be retired from property taxes levied by the College. The bonds are due annually and interest is payable semi-annually, on June 15 and December 15, with interest rates ranging from 3.0% to 5.0%. Future bonded debt requirements are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011-12	\$ 4,745,000	\$ 1,430,475	\$ 6,175,475
2012-13	3,480,000	1,281,075	4,761,075
2013-14	3,780,000	1,176,675	4,956,675
2014-15	1,935,000	1,053,075	2,988,075
2015-16	2,105,000	979,800	3,084,800
2016-17	2,295,000	889,600	3,184,600
2017-18	2,480,000	792,063	3,272,063
2018-19	1,205,000	687,862	1,892,862
2019-20	1,180,000	637,163	1,817,163
2020-21	2,250,000	587,462	2,837,462
2021-22	3,460,000	490,713	3,950,713
2022-23	3,725,000	348,300	4,073,300
2023-24	4,015,000	180,675	4,195,675
Totals	<u>\$36,655,000</u>	<u>\$10,534,938</u>	<u>\$47,189,938</u>

Pension Bonds Payable

In April 2003, the College issued \$51,803,948 of Limited Tax Pension Obligation Bonds and transferred the net proceeds to the State of Oregon Public Employees Retirement System to cover a portion of the College's share of the cost sharing plan's unfunded actuarial liability. The resulting pension asset is being used to pay a portion of the College's annual required contribution. Principal payments are due annually through June 30, 2028 and interest is payable in December and June of each year with rates ranging from 4.94% to 6.25%. Future pension bonds requirements are as follows:

LANE COMMUNITY COLLEGE

Notes to Financial Statements  
Year Ended June 30, 2011

4 - LONG-TERM OBLIGATIONS: (Contd)

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011-12	\$ 2,105,000	\$ 1,529,250	\$ 3,634,250
2012-13	2,295,000	1,529,250	3,824,250
2013-14	2,495,000	1,529,250	4,024,250
2014-15	2,700,000	1,529,250	4,229,250
2015-16	2,915,000	1,529,250	4,444,250
2016-17	3,140,000	1,529,250	4,669,250
2017-18	3,375,000	1,529,250	4,904,250
2018-19	3,620,000	1,529,250	5,149,250
2019-20	3,875,000	1,529,250	5,404,250
2020-21	4,140,000	1,529,250	5,669,250
2021-22	4,420,000	1,529,250	5,949,250
2022-23	4,705,000	1,529,250	6,234,250
2023-24	5,010,000	1,529,250	6,539,250
2024-25	5,605,000	1,245,684	6,850,684
2025-26	6,250,000	927,880	7,177,880
2026-27	6,945,000	572,880	7,517,880
2027-28	<u>3,285,000</u>	<u>183,960</u>	<u>3,468,960</u>
Total	66,880,000	<u>\$ 22,810,654</u>	<u>\$ 89,690,654</u>
Less deferred interest	<u>(13,465,013)</u>		
Carrying amount	<u>\$ 53,414,987</u>		

Debt Obligations Payable

In December 2010, the College issued \$19,355,000 of Full Faith and Credit Obligations, Series 2010 (Federally Taxable – Recovery Zone Economic Development Bonds – Direct Payment). The Obligations are being used to finance the costs of capital improvements for the College’s student housing project, to pay capitalized interest and to pay the costs of issuance of the Obligations.

The College has irrevocably elected to designate the Obligations as “Recovery Zone Economic Development Bonds” under the provisions of the American Recovery and Reinvestment Act of 2009. The College has additionally irrevocably elected to receive subsidy payments (each a “Direct Payment”) from the United States Treasury in connection therewith in an amount equal to 45 percent of the portion of each financing payment designated and constituting interest. The debt service payments are the responsibility of the College. To the extent the Direct Payments are not received by the Escrow Agent on a timely basis, the College shall make the debt service payments in full when due.

LANE COMMUNITY COLLEGE

Notes to Financial Statements  
Year Ended June 30, 2011

4 - LONG-TERM OBLIGATIONS: (Contd)

Principal payments are due annually through December 1, 2035 and interest is payable on June 1st and December 1st of each year with rates ranging from 4.324% to 7.197%. Future debt service requirements are as follows:

	Principal	Total	Interest Subsidy	Net	Net Debt Service
2011-12	\$ -	\$ 1,307,142	\$ (588,214)	\$ 718,928	\$ 718,928
2012-13	-	1,307,142	(588,214)	718,928	718,928
2013-14	-	1,307,142	(588,214)	718,928	718,928
2014-15	-	1,307,142	(588,214)	718,928	718,928
2015-16	-	1,307,142	(588,214)	718,928	718,928
2016-17	680,000	1,292,440	(581,598)	710,842	1,390,842
2017-18	695,000	1,261,323	(567,595)	693,728	1,388,728
2018-19	715,000	1,226,592	(551,966)	674,626	1,389,626
2019-20	735,000	1,188,899	(535,005)	653,894	1,388,894
2020-21	760,000	1,142,921	(514,314)	628,607	1,388,607
2021-22	790,000	1,088,671	(489,902)	598,769	1,388,769
2022-23	820,000	1,032,321	(464,544)	567,777	1,387,777
2023-24	855,000	973,696	(438,163)	535,533	1,390,533
2024-25	890,000	912,621	(410,679)	501,942	1,391,942
2025-26	925,000	849,096	(382,093)	467,003	1,392,003
2026-27	960,000	783,121	(352,404)	430,717	1,390,717
2027-28	995,000	714,696	(321,613)	393,083	1,388,083
2028-29	1,035,000	643,646	(289,641)	354,005	1,389,005
2029-30	1,075,000	569,796	(256,408)	313,388	1,388,388
2030-31	1,120,000	492,971	(221,837)	271,134	1,391,134
2031-32	1,165,000	411,848	(185,332)	226,516	1,391,516
2032-33	1,210,000	326,384	(146,873)	179,511	1,389,511
2033-34	1,260,000	237,501	(106,875)	130,626	1,390,626
2034-35	1,310,000	145,020	(65,259)	79,761	1,389,761
2035-36	1,360,000	48,940	(22,023)	26,917	1,386,917
Totals	\$ 19,355,000	\$ 21,878,213	\$ (9,845,194)	\$ 12,033,019	\$ 31,388,019

Foundation Obligations under Split-Interest Agreements

The Foundation's obligations under split-interest agreements are recorded when incurred at the present value of the distributions to be made to the donor-designated beneficiaries. Distributions are paid over the lives of the beneficiaries or another specified period. Present values are determined using discount rates established by the Internal Revenue Service and actuarially determined expected lives. Obligations under the split-interest agreements are revalued annually at June 30 to reflect actual experience, but the discount rate is not changed. The net revaluations, together with any remaining recorded obligations after all trust obligations under terminated agreements have been met, are recorded as increases/decreases in contributions in the statement of activities. The net revaluation of split-interest agreements at June 30, 2011 was \$32,824.

LANE COMMUNITY COLLEGE

Notes to Financial Statements  
Year Ended June 30, 2011

5 - RETIREMENT PLANS:

STATE OF OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM:

Plan Description

The College participates in the State of Oregon Public Employees Retirement System (PERS), a cost sharing multiple-employer pension plan which provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The system is a statewide defined benefit retirement plan for units of state government, community colleges, political subdivisions, and school districts. PERS is administered under Oregon Revised Statutes Chapter 238 and Chapter 238A by the Public Employees Retirement Board. Participation by state government units, community colleges, and school districts is mandatory. Participation by most political subdivisions is optional but irrevocable if elected. A stand-alone financial report is not available for the College. However, the State of Oregon Public Employees Retirement System issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, 11410 S.W. 68th Parkway, P.O. Box 23700, Tigard, Oregon 97281-3700 or by calling (503) 598-PERS.

Funding Policy

PERS members are required to contribute 6% of their annual covered salary. The College is required to contribute an actuarially determined rate. The current rate is 12.01% (including 11.72% contributed from the pension asset) of annual covered payroll for member employees of the State and Local Government Rate Pool. The current rate is 12.65% (including 12.46% contributed from the pension asset) of annual covered payroll for member employees of the Oregon Public Service Retirement Plan. The contribution requirements of plan members and the College are established and may be amended by the Public Employees Retirement Board. The College's contributions to PERS (including contributions from the pension asset) for the years ending June 30, 2011, 2010 and 2009, totaled \$6,058,368, \$5,727,290 and \$6,564,287, respectively, equal to the required contributions.

Pension Asset

The pension asset is the result of the transfer of the College's pension bond proceeds to PERS to cover a portion of the College's share of the cost sharing plan's unfunded actuarial liability. This pension asset is separately reported by PERS and is being used to pay a portion of the College's annual required contribution. During the 2010-11 fiscal year, changes in the pension asset were as follows:

Balance - July 1, 2010	\$ 53,594,844
Investment income	11,316,170
Contributions to cost sharing plan	<u>(5,988,188)</u>
Balance - June 30, 2011	<u>\$ 58,922,826</u>

PERS investments are invested with the State Treasurer in the Oregon Short Term Fund (OSTF).



LANE COMMUNITY COLLEGE

Notes to Financial Statements  
Year Ended June 30, 2011

5 - RETIREMENT PLANS: (Contd)

EARLY RETIREMENT PLAN:

Plan Description

The College maintains a single-employer defined benefit public employee early retirement supplement plan which provides early retirement benefits to substantially all management personnel who commenced employment with the College prior to July 1, 1991, and all faculty members of the College. The plan was established under collective bargaining agreements with the faculty and contract negotiations with management.

Funding Policy

The benefits from this program are fully paid by the College and, consequently, no contributions by employees are required. Although there is no obligation on the part of the College to fund these benefits in advance, the College has established the Early Retirement Fund, a pension trust fund, to accumulate assets to pay these benefits in the future. The funding policy for this plan provides for actuarially determined transfer of resources to the Early Retirement Fund that is intended to be a constant dollar amount for each employee covered by the plan so that sufficient assets will be available to pay benefits when due.

Annual Pension Cost and Net Pension Obligation

The College's annual pension cost and net pension obligation to the plan for the year ended June 30, 2011, are as follows:

Annual required contribution	\$ 87,507
Interest on net pension obligation	(33,136)
Adjustment to annual required contribution	<u>119,539</u>
Annual pension cost	173,910
Contribution made	<u>(104,593)</u>
Increase-(decrease) in net pension obligation	69,317
Net pension obligation - July 1, 2010	<u>(736,359)</u>
Net pension obligation - June 30, 2011	<u><u>\$ (667,042)</u></u>

LANE COMMUNITY COLLEGE

Notes to Financial Statements  
Year Ended June 30, 2011

5 - RETIREMENT PLANS: (Contd)

EARLY RETIREMENT PLAN: (CONTD)

The annual required contribution for the year was determined as part of the July 1, 2009 actuarial valuation using the aggregate actuarial cost method. The aggregate actuarial cost method does not identify or separately amortize unfunded actuarial liabilities. Information about funded status and funding progress is presented using the entry age actuarial cost method and is intended to serve as a surrogate for the funded status and funding progress of the plan. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 4.5% compounded annually, and (b) 4.25% salary increases per annum for management employees, reflecting both inflation and seniority/merit adjustments.

Three-Year Trend Information

<u>Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6-30-11	\$ 173,910	60%	\$ (667,042)
6-30-10	\$ 183,124	57%	\$ (736,359)
6-30-09	\$ 212,921	49%	\$ (814,890)

Funded Status and Funding Progress

As of July 1, 2011, the most recent actuarial valuation date, the plan was 7.8 percent funded. The actuarial accrued liability for benefits was \$1,290,099, and the actuarial value of assets was \$100,778, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,189,321. The anticipated covered payroll (annual payroll of active employees covered by the plan) was \$15,028,628, and the ratio of the UAAL to the anticipated covered payroll was 7.9%.

The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

PENSION TRUST FUND STATEMENTS:

A separate, audited report is not available for the plan. Information regarding the pension trust funds, which are not included in the basic financial statements, is detailed, as of and for the year ended June 30, 2011, in the following table:

LANE COMMUNITY COLLEGE

Notes to Financial Statements  
Year Ended June 30, 2011

5 - RETIREMENT PLANS: (Contd)

EARLY RETIREMENT PLAN: (CONTD)

**Statement of Plan Net Assets:**

Assets:	
Cash and investments	<u>\$ 100,778</u>
Net assets:	
Reserved for employee benefits	<u>\$ 100,778</u>

**Statement of Changes in Plan Net Assets:**

Additions:	
Employer contributions	\$ 104,593
Interest income	<u>1,315</u>
Total additions	105,908
Deductions:	
Benefits	<u>363,256</u>
Change in net assets	(257,348)
Net assets - beginning	<u>358,126</u>
Net assets - ending	<u>\$ 100,778</u>

6 – POSTEMPLOYMENT HEALTH CARE BENEFITS:

Plan Description

The College maintains a single-employer defined benefit postemployment health care benefits plan. The plan provides group health care and life insurance benefits for retired employees from the employees' retirement date to age 65. Substantially all management personnel who commenced employment with the College prior to July 1, 1991, and all faculty employees become eligible for these benefits if they qualify for retirement while working for the College. The plan was established under collective bargaining agreements with the faculty and contract negotiations with management. The College implemented GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions for the year ending June 30, 2009.

Funding Policy

The College contributes to the premiums for eligible retirees up to the employer paid maximum at the time of retirement. If the insurance premium exceeds the College maximum, the balance is paid by the retiree. There is no obligation on the part of the College to fund these benefits in advance. Funding is on a pay-as-you-go basis. The College made \$913,097 in contributions to the plan for payment of benefits in 2010-11.

LANE COMMUNITY COLLEGE

Notes to Financial Statements  
Year Ended June 30, 2011

6 – POSTEMPLOYMENT HEALTH CARE BENEFITS: (Contd)

Annual OPEB Cost and Net OPEB Obligation

The College's annual pension cost and net pension obligation to the plan for the year ended June 30, 2011, are as follows:

Annual required contribution	\$ 1,113,624
Interest on net OPEB obligation	23,618
Adjustment to annual required contribution	<u>(51,861)</u>
Annual OPEB cost	1,085,381
Contribution made	<u>(913,097)</u>
Increase in net OPEB obligation	172,284
Net OPEB obligation - July 1, 2010	<u>524,838</u>
Net OPEB obligation - June 30, 2011	<u><u>\$ 697,122</u></u>

The College's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the years ending June 30, 2011, June 30, 2010 and 2009, were as follows:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2011	\$ 1,085,381	84.1%	\$ 697,122
6/30/2010	\$ 1,085,147	97.2%	\$ 524,838
6/30/2009	\$ 1,596,238	69.0%	\$ 494,704

Funded Status and Funding Progress

As of July 1, 2011, the actuarial accrued liability for benefits was \$9,148,512 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$9,148,512. The covered payroll (annual payroll of active employees covered by the plan) was \$15,028,628 and the ratio of the UAAL to the covered payroll was 60.9%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

6 – POSTEMPLOYMENT HEALTH CARE BENEFITS: (Contd)

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the actuarial valuation conducted as of July 1, 2011, the projected unit credit actuarial cost method was used. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 4.5% compounded annually, and (b) annual rate of increase in medical care costs of 8.0%, decreasing to 4.5% after 18 years. The UAAL is being amortized as a level dollar over an open thirteen year period.

7 - CONTINGENCIES:

Grants receivable and grant receipts are subject to adjustment by grantor agencies, principally the Federal Government. Any disallowed claims, including claims already collected, could become a liability to the College.

The College is involved in various legal proceedings. Management believes that any losses arising from these actions will not materially affect the College's financial position.

8 - RISK MANAGEMENT:

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College participates in the United Schools Insurance Program of Oregon and pays an annual premium for its property, crime, commercial general liability and automobile liability and physical damage coverages. The Program is to be self-sustaining through participant premiums and reinsures through commercial companies for claims in excess of certain limits.

The College carries commercial insurance for workers' compensation, boiler and machinery, public official bond and employee dishonesty coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

# LANE COMMUNITY COLLEGE

## Notes to Financial Statements Year Ended June 30, 2011

### 9 – BUDGET:

The College budgets all College funds required to be budgeted in accordance with the Oregon Local Budget Law on a Non-GAAP budgetary basis. The College follows these procedures in establishing its budget:

1. In the spring of each year, the President of the College submits a proposed budget to the budget committee which consists of the Board of Education and an equal number of concerned citizens of the community. Estimated receipts and expenditures are budgeted by fund, department and major category.
2. The budget committee conducts public hearings for the purpose of obtaining taxpayer comments.
3. The budget committee proposes a budget to the Board of Education. The estimated expenditures for each fund may not be increased by more than 10 percent by the Board, and ad valorem taxes for all funds may not exceed the amount shown in the budget document unless the Board republishes the budget and holds additional public hearings.
4. The Board legally adopts the budget before July 1 through a Board resolution. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. The level of control established by the resolution for each fund is at the major expense function level (i.e. Instruction, Community Services, etc.). Appropriations lapse at year-end.
5. The Board may change the budget throughout the year by appropriation transfers between levels of control and supplemental budgets as authorized by Oregon Revised Statutes. During the fiscal year ended June 30, 2011, the Board approved transfer resolutions as allowed by state law.

During the 2009-10 fiscal year, the College overexpended an appropriation in the General Fund transfers out by \$643,063; the Administratively Restricted Fund student services by \$1,659,182; and the Administratively Restricted Fund transfers out by \$43,328.

## **Required Supplementary Information**

LANE COMMUNITY COLLEGE

Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Anticipated Covered Payroll</u>	<u>Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll</u>
<b>Early Retirement Plan:</b>						
7/1/2011	\$ 100,778	\$ 1,290,099	\$ 1,189,321	7.8%	\$ 15,028,628	7.9%
7/1/2009	\$ 633,346	\$ 1,134,064	\$ 500,718	55.8%	\$ 13,506,705	3.7%
7/1/2007	\$ 1,248,514	\$ 1,872,515	\$ 624,001	66.7%	\$ 15,013,801	4.2%

The annual required contribution is calculated using the aggregate actuarial cost method. Information in this schedule is calculated using the entry age actuarial cost method as a surrogate for the funding progress of the plan. The June 30, 2007 actuarial valuation is the first year this information was available. The College receives an actuarial valuation every two years.

**Postemployment Health Care Benefits Plan:**

7/1/2011	\$ -	\$ 9,148,512	\$ 9,148,512	0%	\$ 15,028,628	60.9%
7/1/2009	\$ -	\$ 7,526,096	\$ 7,526,096	0%	\$ 13,506,705	55.7%
7/1/2007	\$ -	\$ 10,755,055	\$ 10,755,055	0%	\$ 15,013,801	71.6%

The annual required contribution is calculated using the projected unit credit actuarial cost method. The June 30, 2007 actuarial valuation is the first year this information was available. The College receives an actuarial valuation every two years.



## **Other Supplementary Information**

### **Description of Budgeted College Funds**

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Other supplementary information consists of schedules required by the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Oregon Secretary of State. Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual are presented on a Non GAAP budgetary basis for each College fund required to be budgeted in accordance with the Oregon Local Budget Law.

The level of control established by the College's appropriation resolution is by program (i.e. Instruction, Community Services, Instructional Support Services, Student Services, etc.).

Budgeted College funds are as follows:

General Fund - Accounts for all resources traditionally associated with operating the College which are not required legally or by sound financial management to be accounted for in another fund.

Administratively Restricted Fund - Accounts for specific programs where funds are administratively restricted. Activities recorded in this fund generate revenue primarily through specifically assessed tuition and fees or through other revenue-generating activities.

Special Revenue Fund - Accounts for projects funded from federal, state, and local grant funds.

Student Financial Aid Fund - Accounts for federal, state, and local student loan and grant programs associated with student financial aid.

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

Capital Projects Fund - Accounts for improvements to the physical plant of the College and major equipment additions.

Enterprise Fund - Accounts for the operation of the College's bookstore, food service, student health service, laundry, performance season, ASLCC Childcare Co-op, and ASLCC Student Body Fees.

Internal Service Fund - Accounts for goods and services provided on a cost-reimbursement basis to various departments within the College. Programs and activities include warehouse, printing and graphics, telephone services, motor pool and other.

## LANE COMMUNITY COLLEGE

Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
GENERAL FUND  
Year Ended June 30, 2011

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$ 28,096,321	\$ 18,841,504	\$ (9,254,817)
Property taxes	15,000,000	15,693,312	693,312
Tuition and fees:			
Tuition	34,162,066	37,613,613	3,451,547
Instruction fees	4,739,478	4,812,366	72,888
Other sources:			
Sales of goods and services	445,050	397,604	(47,446)
Interest income	200,000	308,188	108,188
Other	2,207,057	2,189,085	(17,972)
<b>Total revenues</b>	<b>84,849,972</b>	<b>79,855,672</b>	<b>(4,994,300)</b>
<b>Expenditures:</b>			
<b>Instruction:</b>			
Personal services	45,326,827	44,517,912	808,915
Materials and services	3,581,473	3,142,691	438,782
Capital outlay	163,950	164,331	(381)
<b>Total instruction</b>	<b>49,072,250</b>	<b>47,824,934</b>	<b>1,247,316</b>
<b>Instructional support services:</b>			
Personal services	3,701,980	3,653,769	48,211
Materials and services	905,429	605,745	299,684
Capital outlay	151,000	114,271	36,729
<b>Total instructional support services</b>	<b>4,758,409</b>	<b>4,373,785</b>	<b>384,624</b>
<b>Student services:</b>			
Personal services	7,557,831	7,071,893	485,938
Materials and services	740,573	519,815	220,758
<b>Total student services</b>	<b>8,298,404</b>	<b>7,591,708</b>	<b>706,696</b>
<b>College support services:</b>			
Personal services	8,107,691	6,186,739	1,920,952
Materials and services	3,721,314	3,651,458	69,856
Capital outlay	223,500	232,261	(8,761)
<b>Total college support services</b>	<b>12,052,505</b>	<b>10,070,458</b>	<b>1,982,047</b>

LANE COMMUNITY COLLEGE

Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
GENERAL FUND  
Year Ended June 30, 2011

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures: (Contd)			
Plant operations and maintenance:			
Personal services	\$ 3,464,258	\$ 3,283,425	\$ 180,833
Materials and services	2,433,104	2,406,602	26,502
Capital outlay	100,000	61,498	38,502
Total plant operations and maintenance	<u>5,997,362</u>	<u>5,751,525</u>	<u>245,837</u>
Contingency	<u>7,177,497</u>	<u>-</u>	<u>7,177,497</u>
Total expenditures	<u>87,356,427</u>	<u>75,612,410</u>	<u>11,744,017</u>
Revenues over-(under) expenditures	<u>(2,506,455)</u>	<u>4,243,262</u>	<u>6,749,717</u>
Other financing sources-(uses):			
Transfers in	287,472	287,472	-
Transfers out	<u>(3,108,373)</u>	<u>(3,751,436)</u>	<u>(643,063)</u>
Total other financing sources-(uses)	<u>(2,820,901)</u>	<u>(3,463,964)</u>	<u>(643,063)</u>
Changes in fund balance	(5,327,356)	779,298	6,106,654
Fund balance - July 1, 2010	<u>5,327,356</u>	<u>13,570,336</u>	<u>8,242,980</u>
Fund balance - June 30, 2011	<u>\$ -</u>	<u>\$ 14,349,634</u>	<u>\$ 14,349,634</u>

## LANE COMMUNITY COLLEGE

Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
ADMINISTRATIVELY RESTRICTED FUND  
Year Ended June 30, 2011

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 25,000	\$ 454,711	\$ 429,711
Tuition and fees:			
Tuition	670,000	602,456	(67,544)
Instruction fees	7,234,840	4,433,215	(2,801,625)
Other sources:			
Sales of goods and services	1,923,971	1,489,095	(434,876)
Interest income	17,500	3,463	(14,037)
Other	1,219,829	4,185,493	2,965,664
Total revenues	<u>11,091,140</u>	<u>11,168,433</u>	<u>77,293</u>
Expenditures:			
Instruction:			
Personal services	3,519,185	3,434,087	85,098
Materials and services	1,830,548	1,271,289	559,259
Capital outlay	2,800	15,020	(12,220)
Total instruction	<u>5,352,533</u>	<u>4,720,396</u>	<u>632,137</u>
Community services:			
Personal services	1,941,292	1,053,102	888,190
Materials and services	1,616,243	463,328	1,152,915
Capital outlay	90,000	-	90,000
Total community services	<u>3,647,535</u>	<u>1,516,430</u>	<u>2,131,105</u>
Instructional support services:			
Personal services	606,324	612,825	(6,501)
Materials and services	480,000	477,965	2,035
Capital outlay	80,000	50,926	29,074
Total instructional support services	<u>1,166,324</u>	<u>1,141,716</u>	<u>24,608</u>
Student services:			
Personal services	1,101,082	1,976,015	(874,933)
Materials and services	622,460	1,339,127	(716,667)
Capital outlay	18,022	85,604	(67,582)
Total student services	<u>1,741,564</u>	<u>3,400,746</u>	<u>(1,659,182)</u>

LANE COMMUNITY COLLEGE

Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
ADMINISTRATIVELY RESTRICTED FUND  
Year Ended June 30, 2011

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures: (Contd)			
College support services:			
Personal services	\$ 333,755	\$ 311,457	\$ 22,298
Materials and services	1,192,178	1,185,931	6,247
Capital outlay	40,000	43,595	(3,595)
	<u>1,565,933</u>	<u>1,540,983</u>	<u>24,950</u>
Total college support services			
	<u>13,473,889</u>	<u>12,320,271</u>	<u>1,153,618</u>
Total expenditures			
	<u>(2,382,749)</u>	<u>(1,151,838)</u>	<u>1,230,911</u>
Revenues over-(under) expenditures			
Other financing sources-(uses):			
Transfers in	2,040,730	2,040,730	-
Transfers out	(311,981)	(355,309)	(43,328)
	<u>1,728,749</u>	<u>1,685,421</u>	<u>(43,328)</u>
Total other financing sources-(uses)			
	<u>(654,000)</u>	<u>533,583</u>	<u>1,187,583</u>
Changes in fund balance			
Fund balance - July 1, 2010	<u>654,000</u>	<u>7,323,735</u>	<u>6,669,735</u>
Fund balance - June 30, 2011	<u>\$ -</u>	<u>\$ 7,857,318</u>	<u>\$ 7,857,318</u>

## LANE COMMUNITY COLLEGE

Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
SPECIAL REVENUE FUND  
Year Ended June 30, 2011

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$ 15,000,000	\$ 8,941,422	\$ (6,058,578)
Tuition and fees	100,000	121,955	21,955
Other sources:			
Grants and contracts	1,569,400	555,161	(1,014,239)
Other	1,530,000	33,658	(1,496,342)
<b>Total revenues</b>	<b>18,199,400</b>	<b>9,652,196</b>	<b>(8,547,204)</b>
<b>Expenditures:</b>			
Instruction:			
Personal services	5,340,000	2,726,084	2,613,916
Materials and services	4,460,000	1,640,494	2,819,506
Capital outlay	299,000	62,693	236,307
<b>Total instruction</b>	<b>10,099,000</b>	<b>4,429,271</b>	<b>5,669,729</b>
Community services:			
Personal services	1,500,000	1,367,324	132,676
Materials and services	4,994,000	2,749,543	2,244,457
<b>Total community services</b>	<b>6,494,000</b>	<b>4,116,867</b>	<b>2,377,133</b>
Instructional support services:			
Personal services	46,000	15,000	31,000
Materials and services	3,000	-	3,000
<b>Total instructional support services</b>	<b>49,000</b>	<b>15,000</b>	<b>34,000</b>
Student services:			
Personal services	904,000	695,619	208,381
Materials and services	745,000	535,801	209,199
<b>Total student services</b>	<b>1,649,000</b>	<b>1,231,420</b>	<b>417,580</b>

LANE COMMUNITY COLLEGE

Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
SPECIAL REVENUE FUND  
Year Ended June 30, 2011

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures: (Contd)			
College support services:			
Personal services	\$ 80,000	\$ 75,769	\$ 4,231
Materials and services	<u>25,000</u>	<u>3,789</u>	<u>21,211</u>
Total college support services	<u>105,000</u>	<u>79,558</u>	<u>25,442</u>
Total expenditures	<u>18,396,000</u>	<u>9,872,116</u>	<u>8,523,884</u>
Revenues over-(under) expenditures	<u>(196,600)</u>	<u>(219,920)</u>	<u>(23,320)</u>
Other financing sources-(uses):			
Transfers in	600	300	(300)
Transfers out	<u>(4,000)</u>	<u>-</u>	<u>4,000</u>
Total other financing sources-(uses)	<u>(3,400)</u>	<u>300</u>	<u>3,700</u>
Changes in fund balance	(200,000)	(219,620)	(19,620)
Fund balance - July 1, 2010	<u>200,000</u>	<u>254,832</u>	<u>54,832</u>
Fund balance - June 30, 2011	<u>\$ -</u>	<u>\$ 35,212</u>	<u>\$ 35,212</u>

## LANE COMMUNITY COLLEGE

Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
STUDENT FINANCIAL AID FUND  
Year Ended June 30, 2011

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 104,078,000	\$ 102,746,722	\$ (1,331,278)
Other sources:			
Interest income	75,000	32,958	(42,042)
Other	2,572,012	2,473,589	(98,423)
Total revenues	<u>106,725,012</u>	<u>105,253,269</u>	<u>(1,471,743)</u>
Expenditures:			
Student services:			
Personal services	76,933	-	76,933
Financial aid	<u>107,941,172</u>	<u>105,387,131</u>	<u>2,554,041</u>
Total expenditures	<u>108,018,105</u>	<u>105,387,131</u>	<u>2,630,974</u>
Revenues over-(under) expenditures	(1,293,093)	(133,862)	1,159,231
Other financing sources-(uses):			
Transfers in	<u>63,593</u>	<u>100,526</u>	<u>36,933</u>
Changes in fund balance	(1,229,500)	(33,336)	1,196,164
Fund balance - July 1, 2010	<u>1,229,500</u>	<u>1,400,044</u>	<u>170,544</u>
Fund balance - June 30, 2011	<u>\$ -</u>	<u>\$ 1,366,708</u>	<u>\$ 1,366,708</u>



## LANE COMMUNITY COLLEGE

Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
DEBT SERVICE FUND  
Year Ended June 30, 2011

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Property taxes	\$ 5,874,612	\$ 6,156,285	\$ 281,673
Other sources:			
Interest income	250	5,141	4,891
Other	<u>3,454,250</u>	<u>3,454,250</u>	<u>-</u>
Total revenues	9,329,112	9,615,676	286,564
Expenditures:			
Debt service	<u>9,649,112</u>	<u>9,647,955</u>	<u>1,157</u>
Revenues over-(under) expenditures	(320,000)	(32,279)	287,721
Other financing sources-(uses):			
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Changes in fund balance	(420,000)	(132,279)	287,721
Fund balance - July 1, 2010	<u>420,000</u>	<u>1,194,054</u>	<u>774,054</u>
Fund balance - June 30, 2011	<u>\$ -</u>	<u>\$ 1,061,775</u>	<u>\$ 1,061,775</u>

## LANE COMMUNITY COLLEGE

Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
CAPITAL PROJECTS FUND  
Year Ended June 30, 2011

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Other sources:			
Interest income	\$ 1,500	\$ 352,136	\$ 350,636
Other	24,835,198	523,074	(24,312,124)
Total revenues	24,836,698	875,210	(23,961,488)
Expenditures:			
College support services:			
Personal services	2,500	-	2,500
Materials and services	225,000	-	225,000
Total college support services	227,500	-	227,500
Plant additions:			
Personal services	1,622,375	1,666,876	(44,501)
Materials and services	48,253,401	29,317,709	18,935,692
Capital outlay	1,907,150	1,612,122	295,028
Total plant additions	51,782,926	32,596,707	19,186,219
Total expenditures	52,010,426	32,596,707	19,413,719
Revenues over-(under) expenditures	(27,173,728)	(31,721,497)	(4,547,769)
Other financing sources-(uses):			
Issuance of debt	25,000,000	19,355,000	(5,645,000)
Transfers in	1,412,578	1,412,578	-
Total other financing sources-(uses)	26,412,578	20,767,578	(5,645,000)
Changes in fund balance	(761,150)	(10,953,919)	(10,192,769)
Fund balance - July 1, 2010	761,150	34,241,697	33,480,547
Fund balance - June 30, 2011	\$ -	\$ 23,287,778	\$ 23,287,778

## LANE COMMUNITY COLLEGE

Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
ENTERPRISE FUND  
Year Ended June 30, 2011

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Tuition and fees	\$ 1,676,275	\$ 2,084,060	\$ 407,785
Sale of goods and services	12,225,000	12,560,988	335,988
Other	-	137,739	137,739
Total revenues	<u>13,901,275</u>	<u>14,782,787</u>	<u>881,512</u>
Expenditures:			
Instruction:			
Personal services	\$ 23,003	\$ -	\$ 23,003
Materials and services	200	174	26
Total instruction	<u>23,203</u>	<u>174</u>	<u>23,029</u>
Student services:			
Personal services	2,897,182	3,046,868	(149,686)
Materials and services	11,085,866	9,973,304	1,112,562
Capital outlay	600,000	57,822	542,178
Total student services	<u>14,583,048</u>	<u>13,077,994</u>	<u>1,505,054</u>
College support services:			
Personal services	202,283	205,222	(2,939)
Materials and services	215,174	27,325	187,849
Capital outlay	188,477	-	188,477
Total college support services	<u>605,934</u>	<u>232,547</u>	<u>373,387</u>
Total expenditures	<u>15,212,185</u>	<u>13,310,715</u>	<u>1,901,470</u>
Revenues over-(under) expenditures	<u>(1,310,910)</u>	<u>1,472,072</u>	<u>2,782,982</u>
Other financing sources-(uses):			
Transfers in	172,282	172,282	-
Transfers out	<u>(161,372)</u>	<u>(161,372)</u>	<u>-</u>
Total other financing sources-(uses)	<u>10,910</u>	<u>10,910</u>	<u>-</u>
Changes in fund balance	(1,300,000)	1,482,982	2,782,982
Fund balance - July 1, 2010	<u>1,300,000</u>	<u>5,975,927</u>	<u>4,675,927</u>
Fund balance - June 30, 2011	<u>\$ -</u>	<u>\$ 7,458,909</u>	<u>\$ 7,458,909</u>

## LANE COMMUNITY COLLEGE

Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
INTERNAL SERVICE FUND  
Year Ended June 30, 2011

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Sale of goods and services	\$ 1,112,114	\$ 1,099,765	\$ (12,349)
Fees	40,000	40,147	147
Other sources	<u>82,928</u>	<u>55,977</u>	<u>(26,951)</u>
Total revenues	<u>1,235,042</u>	<u>1,195,889</u>	<u>(39,153)</u>
Expenditures:			
College support services:			
Personal services	815,875	719,821	96,054
Materials and services	898,396	664,619	233,777
Capital outlay	<u>155,000</u>	<u>89,185</u>	<u>65,815</u>
Total expenditures	<u>1,869,271</u>	<u>1,473,625</u>	<u>395,646</u>
Revenues over-(under) expenditures	<u>(634,229)</u>	<u>(277,736)</u>	<u>356,493</u>
Other financing sources-(uses):			
Transfers in	375,729	378,729	3,000
Transfers out	<u>(24,500)</u>	<u>(24,500)</u>	<u>-</u>
Total other financing sources-(uses)	<u>351,229</u>	<u>354,229</u>	<u>3,000</u>
Changes in fund balance	(283,000)	76,493	359,493
Fund balance - July 1, 2010	<u>283,000</u>	<u>500,000</u>	<u>217,000</u>
Fund balance - June 30, 2011	<u>\$ -</u>	<u>\$ 576,493</u>	<u>\$ 576,493</u>

LANE COMMUNITY COLLEGE

Schedule of Property Tax Transactions  
ALL COUNTIES  
Year Ended June 30, 2011

<u>Tax Year</u>	<u>Uncollected Taxes 7/1/2010</u>	<u>2010-11 Levy</u>	<u>Discounts/ Adjustments</u>	<u>Collections</u>	<u>Uncollected Taxes 6/30/2011</u>
2010-11	\$ -	\$ 22,325,922	\$ (614,431)	\$ 21,062,898	\$ 648,593
2009-10	733,785	-	(24,427)	371,628	337,730
2008-09	319,292	-	(22,093)	119,804	177,395
2007-08	136,723	-	(6,291)	71,380	59,052
2006-07	46,415	-	(2,202)	24,303	19,910
2005-06	17,340	-	(2,068)	1,165	14,107
2004-05	14,340	-	(855)	925	12,560
Prior	158,967	-	(5,789)	2,810	150,368
Totals	<u>\$ 1,426,862</u>	<u>\$ 22,325,922</u>	<u>\$ (678,156)</u>	21,654,913	<u>\$ 1,419,715</u>
		Interest and other taxes		<u>194,684</u>	
		Total turnovers by counties		<u>\$ 21,849,597</u>	
		Allocation by fund:			
		General Fund		\$ 15,693,312	
		Debt Service Fund		<u>6,156,285</u>	
		Total allocations		<u>\$ 21,849,597</u>	

# STATISTICAL SECTION

This part of Lane Community College's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the College's overall financial health.

Financial Trends - These schedules contain trend information to help the reader understand how the College's financial performance and well-being have changed over time.

Revenue Capacity - These schedules contain information to help the reader assess the College's most significant revenue sources, tuition and property tax.

Debt Capacity - These schedules present information to help the reader assess the affordability of the College's current levels of outstanding debt and the College's ability to issue additional debt in the future.

Demographic and Economic Information - These schedules offer demographic and economic indicators to help the reader understand the environment within which the College's financial activities take place.

Operating Information - These schedules contain services and infrastructure data to help the reader understand how the information in the College's financial report relates to the services the College provides and the activities it performs.

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The College implemented GASB Statement 35 in 2003; schedules presenting 'government-wide information' include information beginning that year.

## **Financial Trends Information**

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Net Assets by Component and  
Changes in Net Assets  
Last Nine Fiscal Years

	June 30,			
	2011	2010	2009	2008
<b>NET ASSETS BY COMPONENT</b>				
Invested in capital assets, net of related debt	\$ 74,245,090	\$ 71,599,531	\$ 62,199,844	\$ 55,955,863
Net assets, restricted	12,746,012	7,291,576	6,588,984	23,296,176
Net assets, unrestricted	33,573,524	34,830,818	17,363,286	21,747,354
<b>TOTAL NET ASSETS</b>	<b>\$ 120,564,626</b>	<b>\$ 113,721,925</b>	<b>\$ 86,152,114</b>	<b>\$ 100,999,393</b>
	Years ended June 30,			
	2011	2010	2009	2008
<b>CHANGES IN NET ASSETS</b>				
Operating revenues				
Student tuition and fees	\$ 48,676,549	\$ 45,582,278	\$ 34,986,270	\$ 29,297,111
Grants and contracts	112,698,016	109,670,153	71,337,909	46,272,910
Sale of goods and services	13,420,535	12,019,997	10,076,217	9,032,167
Other operating revenue	7,475,413	6,918,513	5,997,134	6,141,068
<b>Total operating revenues</b>	<b>182,270,513</b>	<b>174,190,941</b>	<b>122,397,530</b>	<b>90,743,256</b>
Operating expenses				
Instruction	58,238,835	54,650,662	49,007,701	45,476,077
Community services	5,550,825	5,086,857	5,846,678	5,226,699
Instructional support services	5,473,840	4,704,212	4,197,496	3,840,765
Student services	23,786,244	22,526,789	19,246,710	18,069,265
College support services	11,873,926	11,953,269	13,697,310	9,841,113
Plant operations and maintenance	10,647,742	18,775,624	10,520,521	6,062,482
Financial aid	104,854,365	91,516,254	60,438,090	40,334,458
Depreciation	3,262,947	2,741,972	2,634,292	2,605,782
<b>Total operating expenses</b>	<b>223,688,724</b>	<b>211,955,639</b>	<b>165,588,798</b>	<b>131,456,641</b>
Nonoperating revenues (expenses)				
State community college support	18,841,504	35,907,437	23,078,963	35,988,864
Property taxes	21,842,450	15,783,198	20,936,965	18,861,085
Investment income (loss)	11,781,138	9,093,894	(15,448,802)	(139,417)
Interest expense	(4,583,511)	(4,718,909)	(3,358,846)	(3,558,839)
Other nonoperating revenues (expenses)	(20,669)	(28,901)	(32,696)	(124,643)
<b>Total nonoperating revenues (expenses)</b>	<b>47,860,912</b>	<b>56,036,719</b>	<b>25,175,584</b>	<b>51,027,050</b>
Capital contributions	400,000	9,297,790	3,168,405	-
Cumulative effect of change in accounting policy	-	-	-	7,838,915
<b>TOTAL INCREASE IN NET ASSETS</b>	<b>\$ 6,842,701</b>	<b>\$ 27,569,811</b>	<b>\$ (14,847,279)</b>	<b>\$ 18,152,580</b>

**Source**

Lane Community College Comprehensive Annual Financial Report



June 30,				
2007	2006	2005	2004	2003
\$ 51,565,256	\$ 46,360,872	\$ 39,977,408	\$ 36,011,588	\$ 34,695,426
29,822,485	24,520,311	19,363,962	5,598,883	4,666,052
1,459,072	10,376,790	8,501,502	18,572,563	10,477,110
<u>\$ 82,846,813</u>	<u>\$ 34,897,101</u>	<u>\$ 67,842,872</u>	<u>\$ 60,183,034</u>	<u>\$ 49,838,588</u>

Years ended June 30,				
2007	2006	2005	2004	2003
\$ 26,334,730	\$ 24,738,713	\$ 23,995,084	\$ 24,271,741	\$ 20,888,674
41,975,634	40,516,420	39,881,385	40,861,592	36,188,800
8,924,091	8,164,357	7,715,107	7,909,354	7,844,387
6,786,545	9,123,625	8,129,542	8,004,852	7,166,643
<u>84,021,000</u>	<u>82,543,115</u>	<u>79,721,118</u>	<u>81,047,539</u>	<u>72,088,504</u>

44,966,427	46,786,387	42,897,001	40,388,797	38,590,488
5,640,256	6,271,872	4,628,001	4,341,655	4,566,641
3,759,209	4,158,551	4,240,181	4,021,474	3,533,114
17,572,117	18,539,224	16,970,501	16,501,475	16,928,976
10,889,598	10,209,791	10,573,040	9,967,619	10,337,220
6,227,768	7,392,183	7,000,488	8,200,617	9,700,529
35,469,459	35,000,075	34,340,095	34,984,430	29,443,255
2,577,474	2,688,425	2,615,716	2,673,187	2,647,499
<u>127,102,308</u>	<u>131,046,508</u>	<u>123,265,023</u>	<u>121,079,254</u>	<u>115,747,722</u>

18,452,511	33,145,221	19,840,398	33,953,152	19,646,961
18,675,731	18,417,047	17,645,859	16,672,694	16,247,883
11,576,191	10,729,777	17,867,687	4,512,905	462,034
(3,786,858)	(3,990,268)	(4,150,201)	(4,541,056)	(1,914,800)
(70,735)	2,542		(221,534)	(131,079)
<u>44,846,840</u>	<u>58,304,319</u>	<u>51,203,743</u>	<u>50,376,161</u>	<u>34,310,999</u>

-	925,543	-	-	-
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(823,147)	-	-	-	-
<u>\$ 942,385</u>	<u>\$ 10,726,469</u>	<u>\$ 7,659,838</u>	<u>\$ 10,344,446</u>	<u>\$ (9,348,219)</u>

## **Revenue Capacity Information**

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Tax Collections In First Year <sup>a</sup>	Percent of Levy Collected In First Year	Delinquent Tax Collections <sup>a</sup>	Total Tax Collections <sup>a</sup>	Percent of Total Tax Collections To Tax Levy	Uncollected Taxes	Percent of Delinquent Taxes To Tax Levy
2010-11	22,325,922	21,062,898	94.3 %	592,015	\$ 21,654,913	96.99 %	1,419,715	6.36 %
2009-10	22,169,481	20,766,615	93.7	533,663	21,300,278	96.08	1,426,862	6.44
2008-09	21,353,330	20,066,039	94.0	445,930	20,511,969	96.06	679,402	3.18
2007-08	19,644,259	18,425,199	93.8	255,486	18,680,685	95.09	553,273	2.82
2006-07	19,017,200	18,023,724	94.8	419,848	18,443,572	96.98	465,922	2.45
2005-06	18,777,789	17,771,627	94.6	463,822	18,235,449	97.11	454,421	2.42
2004-05	17,960,646	16,909,509	94.1	474,025	17,383,534	96.79	1,047,705	5.83
2003-04	16,996,180	16,019,015	94.3	545,153	16,564,168	97.46	1,101,585	6.48
2002-03	16,451,425	15,334,516	93.2	573,571	15,908,087	96.70	1,207,129	7.34
2001-02	15,406,431	14,196,436	92.1	525,863	14,722,299	95.56	1,250,590	8.12

**Notes**

a. Amounts include interest on deficiencies, discounts allowed for early payment, adjustments and collections made by County Assessors.

**Source**

Lane Community College Comprehensive Annual Financial Report

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Property Tax Collections by County  
Last Nine Fiscal Years

Fiscal Year	Lane County Tax Collectons and Percent of Total		Linn County Tax Collectons and Percent of Total		Benton County Tax Collectons and Percent of Total		Douglas County Tax Collectons and Percent of Total		Total Tax Collections	
2010-11	\$21,314,282	98.4%	\$ 248,115	1.1%	\$ 85,159	0.4%	\$ 7,357	0.0%	\$21,654,913	100.0%
2009-10	21,190,905	98.5%	241,456	1.1%	82,365	0.4%	7,045	0.0%	21,521,771	100.0%
2008-09	20,428,518	98.5%	231,219	1.1%	80,178	0.4%	7,655	0.0%	20,747,570	100.0%
2007-08	18,446,121	98.4%	217,703	1.2%	73,665	0.4%	7,046	0.0%	18,744,535	100.0%
2006-07	18,373,381	98.4%	211,848	1.1%	72,439	0.4%	6,985	0.0%	18,664,653	100.0%
2005-06	18,133,739	98.5%	206,469	1.1%	69,959	0.4%	6,880	0.0%	18,417,047	100.0%
2004-05	17,381,013	98.5%	189,344	1.1%	68,813	0.4%	6,689	0.0%	17,645,859	100.0%
2003-04	16,425,971	98.5%	176,496	1.1%	63,837	0.4%	6,390	0.0%	16,672,694	100.0%
2002-03	16,003,792	98.5%	175,093	1.1%	62,659	0.4%	6,339	0.0%	16,247,883	100.0%

**Source**

Lane Community College Comprehensive Annual Financial Report  
Lane Community College finance records

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Lane County, Oregon  
Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

	Fiscal Year			
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<b>Property Class</b>				
Residential	\$ 8,550,008,385	\$ 8,955,117,306	\$ 9,522,959,872	\$ 9,989,431,512
Commercial	1,971,929,031	2,103,738,367	2,185,533,393	2,302,417,337
Industrial	1,885,423,872	1,854,390,409	1,919,557,441	1,957,339,447
Tract	2,009,731,350	2,103,491,893	2,161,911,275	2,308,999,165
Farm and Range	392,245,526	394,294,409	414,253,706	440,370,096
Forest	508,671,830	533,563,049	568,973,019	542,464,517
Multiple Housing	703,971,875	732,656,705	758,745,092	778,798,291
Recreation	334,939,491	370,344,717	378,899,180	405,885,969
Small Tract Forestland	28,643,583	28,807,941	-	81,123,446
Miscellaneous	33,880,587	32,525,469	5,217,328	3,054,968
Personal	626,719,256	618,865,151	623,347,004	629,866,384
Manufactured Structures	405,138,793	376,116,986	317,905,282	326,733,010
Utilities	587,501,885	586,197,304	555,389,096	604,715,749
	<u>18,038,805,464</u>	<u>18,690,109,706</u>	<u>19,412,691,688</u>	<u>20,371,199,891</u>
<b>Other</b>				
Plus Nonprofit Housing	7,103,798	7,316,912	7,536,419	7,762,512
Less Urban Renewal Excess	<u>(208,347,403)</u>	<u>(220,766,804)</u>	<u>(228,971,647)</u>	<u>(219,576,480)</u>
Total Taxable Assessed Value	<u>\$17,837,561,859</u>	<u>\$ 18,476,659,814</u>	<u>\$19,191,256,460</u>	<u>\$20,159,385,923</u>
<b>Total Direct Tax Rate</b>	1.4391	1.4378	1.4264	1.4069
<b>Estimated Actual Value of Property</b>	<u>\$22,850,101,193</u>	<u>\$ 23,022,376,114</u>	<u>\$24,256,098,187</u>	<u>\$26,749,361,683</u>
<b>Actual Value of Property per Capita</b>	70,114	70,158	73,637	80,244
<b>Total Assessed Value to Estimated Actual Value of Taxable Property</b>	78.06%	80.26%	79.12%	75.36%

**Notes**

- a. Assessments are limited to an increase of 3% not to exceed real market value. However, property is subject to reassessment if improved, partitioned, subdivided, rezoned, previously omitted, or disqualified from exemption.
- b. Taxable assessed values are reported net of tax exempt property.
- c. Total Direct Tax Rate is per \$1,000 of value.
- d. Detail by property class is not available for fiscal year 2001
- e. Detail not available

**Source**

Lane County Department of Assessment and Taxation

Fiscal Year					
<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$10,502,688,478	\$11,090,299,584	\$11,669,538,072	\$12,238,252,806	\$12,738,935,537	\$13,182,948,833
2,449,674,221	2,566,299,522	2,648,462,926	2,741,402,996	2,952,788,580	3,122,253,063
2,032,880,568	2,149,473,463	2,293,935,760	2,144,226,025	2,193,056,565	1,891,268,723
2,425,269,060	2,546,657,884	2,700,717,402	2,872,632,830	3,320,335,139	3,564,939,764
468,602,706	489,415,814	515,361,179	548,688,937	554,752,761	546,310,962
563,131,668	595,563,995	622,589,415	642,533,655	659,628,419	672,286,396
820,527,442	850,025,101	1,025,875,403	1,131,366,250	1,139,612,646	1,184,602,539
424,572,910	443,672,771	466,972,883	486,392,156	194,649,646	75,114,951
85,315,051	90,899,787	93,510,612	96,112,182	99,675,432	100,182,200
2,717,555	3,178,931	2,181,525	1,994,500	1,841,079	1,665,266
699,049,095	682,280,293	737,126,581	764,432,164	742,435,555	699,549,325
343,158,137	353,034,694	348,267,868	349,767,857	327,511,572	274,857,036
<u>522,590,588</u>	<u>513,314,800</u>	<u>549,141,809</u>	<u>545,274,620</u>	<u>694,125,923</u>	<u>698,150,851</u>
21,340,177,479	22,374,116,639	23,673,681,435	24,563,076,978	25,619,348,854	26,014,129,909
7,995,387	8,235,249	8,289,461	8,538,145	8,794,289	9,058,117
<u>(209,003,975)</u>	<u>(216,778,574)</u>	<u>(245,618,775)</u>	<u>(273,863,735)</u>	<u>(288,676,272)</u>	<u>(290,901,476)</u>
\$21,139,168,891	\$22,165,573,314	\$23,436,352,121	\$24,297,751,388	\$25,339,466,871	\$25,732,286,550
1.4070	1.4086	1.4020	1.4007	1.3971	1.3921
\$30,357,084,748	\$42,292,447,595	\$48,272,185,611	\$50,553,660,475	48,652,787,224	45,082,696,469
90,326	124,485	140,678	146,160	139,932	129,344
69.64%	52.41%	48.55%	48.06%	52.08%	57.08%

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Direct and Overlapping<sup>a</sup> Property Tax Rates  
Last Ten Fiscal Years  
*Rate per \$1,000 of assessed value*

Taxing Entity	Fiscal Year Taxes are Payable <sup>b</sup>			
	2002	2003	2004	2005
<u>County Direct Rate</u>				
Lane County <sup>d</sup>	1.2637	1.2712	1.2710	1.2763
General Obligation Debt Service	<u>0.1754</u>	<u>0.1666</u>	<u>0.1554</u>	<u>0.1306</u>
	1.4391	1.4378	1.4264	1.4069
<u>Lane Community College</u>	0.8590	0.8848	0.8790	0.8850
<u>Lane Education Service District</u>	0.2232	0.2232	0.2232	0.2232
<u>Linn-Benton-Lincoln ESD</u>	0.3049	0.3049	0.3049	0.3049
<u>Schools</u>				
Alsea	5.3583	5.4155	5.2941	5.2232
Bethel	7.2950	7.2583	7.0612	7.0725
Blachly	5.1023	5.1023	5.1023	5.1023
Creswell	8.3379	8.2003	8.6097	8.2889
Crow-Applegate	7.8162	7.8422	6.4255	6.4255
Eugene	6.9810	7.5571	7.2850	7.2819
Fern Ridge	7.3159	5.9498	7.5838	7.3979
Harrisburg	7.0304	6.9592	6.9097	6.8023
Harrisburg/Wyatt <sup>e</sup>	0.7350	0.7066	-	-
Junction City	6.0747	6.0418	6.1773	4.5604
Lincoln County	5.7010	5.9321	5.8102	5.7579
Lowell	5.7324	5.6540	5.6716	5.6514
Mapleton	4.8917	4.8917	4.8917	4.8917
Marcola	6.0455	4.6887	4.6687	4.6687
McKenzie	7.0587	7.0227	6.5633	6.7114
Monroe	5.5633	5.7285	5.5369	4.7740
Oakridge	6.2030	6.2731	6.2736	6.3333
Pleasant Hill	6.8213	6.7918	6.8636	7.2862
Siuslaw	5.4381	5.4296	5.3695	5.3728
South Lane	6.8342	6.2689	6.6472	6.5484
Springfield	5.6886	5.5210	5.5664	5.6143
<u>Cities</u>				
Coburg	3.7506	3.7506	3.7506	3.7506
Cottage Grove	7.2087	6.5907	6.1687	6.4687
Creswell	2.6705	2.6705	2.6705	2.6705
Eugene	8.1841	8.4130	9.0446	9.0866
Florence	3.6366	3.5261	3.4718	3.4453
Junction City	6.0445	6.0445	6.0445	6.0445
Lowell	2.3668	2.3348	2.3204	2.2569
Oakridge	7.7883	8.6504	7.7722	7.8283
Springfield	5.1701	5.1514	6.1743	6.1473
Veneta	6.3697	8.3047	6.2568	6.1732
Westfir	9.3035	9.3035	9.3036	9.3036
<u>Water Districts</u>				
Blue River	0.9488	0.9488	0.9488	0.9488
Glenwood	4.1425	1.8983	3.1855	4.1425
Heceta	0.4594	0.2202	0.3453	0.3200
Junction City	0.3504	0.3239	0.3378	0.3200
Marcola	0.4037	0.4037	0.4037	0.4037
McKenzie-Palisades	0.9384	0.6969	0.6817	0.6695
Rainbow Water & Fire	3.1224	3.0955	3.2471	3.2122
River Road	1.9694	1.9694	1.9694	1.9694
River Road Subdistrict #1	0.2796	0.2796	0.2796	0.2796

Fiscal Year Taxes are Payable<sup>b</sup>

2006	2007	2008	2009	2010	2011
1.2773	1.2781	1.2793	1.2793	1.2793	1.2793
<u>0.1297</u>	<u>0.1305</u>	<u>0.1227</u>	<u>0.1214</u>	<u>0.1178</u>	<u>0.1128</u>
1.4070	1.4086	1.4020	1.4007	1.3971	1.3921
0.8814	0.8496	0.8306	0.8705	0.8534	0.8589
0.2232	0.2232	0.2232	0.2232	0.2232	0.2232
0.3049	0.3049	0.3049	0.3049	0.3049	0.3049
5.0811	5.0811	5.0811	5.0811	5.0811	5.0811
6.8802	6.8494	6.8041	7.1555	6.8780	6.1279
5.1023	5.1023	5.1023	5.1023	5.1023	5.1023
7.1900	7.1185	8.5743	8.7008	8.3737	8.2917
6.4255	6.4255	6.4255	6.4255	6.4255	6.4255
7.6460	8.5330	7.5889	7.6242	7.6414	7.4448
7.2300	7.0595	6.6965	6.7856	6.8415	6.9201
6.2940	6.2797	6.2815	6.3056	6.1016	6.1666
-	-	-	-	-	-
4.5604	4.5604	4.5604	4.5604	4.5604	4.5604
5.7893	5.6715	5.6203	5.6348	5.6986	5.6593
5.0409	5.0409	5.0409	5.0409	5.0409	5.0409
4.8917	4.8917	4.8917	4.8917	4.8917	4.8917
4.6687	4.6687	4.6687	4.6687	4.6687	4.6687
6.7077	6.6651	6.7239	6.6563	6.6893	6.6121
4.6341	4.6341	4.6341	4.6341	4.6341	4.6341
6.0645	6.3211	6.4086	6.7461	6.5203	5.4935
7.4557	7.4033	7.0455	6.8934	7.2296	6.7206
5.2274	5.1293	5.0460	5.0849	5.7716	5.6134
6.4694	6.4217	6.3615	6.3478	6.4016	6.4495
5.4978	5.5181	5.5456	5.3920	5.5868	5.6012
3.7506	5.3830	5.4907	5.4845	3.1918	3.2294
7.2087	7.2087	7.2087	7.2087	7.2087	7.2087
2.6705	2.6705	2.6705	2.6705	2.6705	2.6705
9.0222	8.1407	8.1547	10.3051	8.5617	8.3254
3.4019	3.3723	3.3503	3.2297	3.1827	3.1339
6.0445	6.0445	6.0445	6.0445	6.0445	6.0445
2.2434	2.2858	2.1613	2.1613	2.1613	2.1613
7.9370	7.8872	7.8231	7.7599	7.7166	7.7100
6.1078	6.1191	6.5391	7.1869	7.4824	7.3901
6.1149	5.1020	5.0852	5.0355	7.4556	7.6890
9.3036	9.3036	9.3036	9.3036	9.3036	9.3036
0.9488	0.9488	0.9488	0.9488	0.9488	0.9488
4.1425	4.1425	3.8949	3.8473	3.8509	3.6901
0.2896	0.2656	0.2708	0.2573	0.2525	0.2438
0.2893	0.3111	0.3115	0.2965	0.2859	0.2886
0.4037	0.4037	0.4037	0.4037	0.4037	0.4037
0.6635	0.6482	0.3620	0.3620	0.3620	0.3620
3.1816	3.1485	3.7303	3.6749	3.6241	3.5816
1.9694	1.9694	1.9694	1.9694	1.9694	1.9694
0.2796	-	0.2796	0.2796	0.2796	0.2796



LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Direct and Overlapping<sup>a</sup> Property Tax Rates, continued  
Last Ten Fiscal Years - Unaudited  
Rate per \$1,000 of assessed value

Taxing Entity	Fiscal Year Taxes are Payable <sup>b</sup>			
	2002	2003	2004	2005
<b><u>Rural Fire Protection Districts</u></b>				
Bailey-Spencer	2.3930	2.3930	2.3930	2.3930
Coburg	1.3277	1.3277	1.7791	1.7750
Creswell <sup>f</sup>	1.0180	1.0180	-	-
Dexter	1.4151	1.4151	1.6151	1.6151
Eugene	2.5417	2.5417	2.5417	1.7199
Goshen	1.7196	1.7196	1.7196	1.7196
Hazeldell	-	-	2.7115	2.7115
Junction City	0.9844	0.9844	0.9844	0.9844
Lake Creek	3.0757	3.0757	3.0757	3.0757
Lane County District #1	1.9848	1.9848	1.9848	1.9848
Lane Rural	2.1174	2.1174	2.1174	2.1174
Lorane	2.2952	2.2952	2.8587	2.9589
Lowell	3.7558	3.5903	3.6349	3.4430
Mapleton	1.3869	1.3869	1.3869	1.3869
McKenzie	2.3106	2.3106	2.3106	2.3106
Mohawk Valley	2.8932	2.6784	2.5642	2.5126
Monroe	2.1759	2.2554	2.1732	1.7298
Pleasant Hill	1.1031	1.1031	1.1031	1.1031
Santa Clara	1.0439	1.0439	1.0439	1.0439
Siuslaw	1.5417	1.5417	1.5417	1.5417
South Lane <sup>e</sup>	-	-	1.0335	1.0335
Southern Lane <sup>e</sup>	1.0476	1.0476	-	-
Swishome-Deadwood	2.1452	2.1452	2.1452	2.1452
Upper McKenzie	1.1951	1.1951	1.1951	1.1951
Willakenzie	2.8391	1.8796	3.0669	3.0669
Zumwalt	2.3419	2.3419	2.3419	2.3419
<b><u>Miscellaneous Districts</u></b>				
Fern Ridge Library	0.5624	0.4212	0.3824	0.3824
Lane Library	-	-	-	-
Metro Wastewater <sup>g</sup>	0.0462	-	-	-
Port of Siuslaw	0.1474	0.1474	0.1474	0.1474
River Road Park & Recreation	3.5322	3.5176	3.4794	3.5123
Siuslaw Library	0.6268	0.6228	0.6175	0.6118
Western Lane Ambulance	0.3198	0.3198	0.3198	0.3198
Willamalane Park & Recreation	2.3775	2.4203	2.3491	2.3344

**Notes**

- a. *Overlapping rates are those of other local governments that apply to property owners within Lane County who are located within the other local government's boundaries.*
- b. *Rates may vary based on map code combination of taxing districts and application of Oregon Ballot Measure 5 limits.*
- c. *Beginning in FY1998, tax rates were adjusted under Oregon Ballot Measure 50.*
- d. *Lane County rate is shown net of timber offset*
- e. *Represents Wyatt school district bonds*
- f. *For 2004 Creswell Fire District merged with Southern Lane County FPD to form South Lane County Fire & Rescue.*
- g. *Bonds paid off in 2003.*

**Source**

*Lane County Department of Assessment and Taxation*

Fiscal Year Taxes are Payable<sup>b</sup>

2006	2007	2008	2009	2010	2011
2.3930	2.3930	2.3930	2.3930	2.3930	2.3930
1.7259	1.6498	1.6353	2.9685	1.6090	1.3678
-	-	-	-	-	-
1.6151	1.6151	2.4151	2.4151	2.4151	2.4151
2.5417	2.5417	2.5417	2.0000	2.0000	1.8500
1.7196	1.7196	1.7196	1.7196	1.7196	1.7196
2.7115	2.7115	2.7115	2.7115	2.7115	2.7115
1.6694	1.6118	1.6575	1.4661	1.4717	1.4357
3.0757	3.0757	3.0757	3.0757	3.0757	3.0757
1.9848	1.9848	1.9848	1.9848	1.9848	1.9848
2.1174	2.1174	2.1174	2.1174	2.1174	2.1174
2.9159	2.8211	2.7770	2.7458	2.9186	2.8854
3.3938	3.3046	3.2265	3.1681	3.1059	2.9855
1.3869	1.3869	2.0869	2.0869	2.0869	2.0869
2.3106	2.3106	2.3106	2.3106	2.3106	2.0606
2.5451	2.4784	2.4095	2.4133	1.9126	1.9126
1.6854	1.6854	1.6854	1.6854	1.6854	1.6854
1.1031	1.1031	1.1031	1.1031	1.1031	1.1031
1.0439	1.0439	1.0439	1.0439	1.6439	1.6439
1.5417	1.5417	1.5417	1.5417	1.5417	1.5417
1.0335	1.0335	1.0335	1.0335	1.0335	1.0335
-	-	-	-	-	-
2.1452	2.1452	2.1452	2.1452	2.1452	2.1452
1.1951	0.7077	1.1951	1.1951	1.1951	1.1951
3.0669	3.0669	3.0669	3.0669	3.0669	3.0669
2.3419	2.3419	2.3419	2.3419	2.3419	2.3419
0.6324	0.6324	0.6324	0.7046	0.6324	0.6324
0.5900	0.5900	0.5900	0.5900	0.5900	0.5900
-	-	-	-	-	-
0.1474	0.1474	0.1474	0.1474	0.1474	0.1474
3.5010	3.4814	3.4789	3.4631	3.5259	3.5259
0.6060	0.5993	0.5928	0.5885	0.5163	0.5163
0.4198	0.4198	0.4198	0.5698	0.5698	0.5698
2.3255	2.1836	2.1457	2.1487	2.0074	2.0074

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Principal Taxpayers  
Year Ended June 30, 2011

**LANE COUNTY**

<u>Taxpayer</u>	<u>Nature of Business</u>	<u>Total Assessed Value</u>	<u>Percentage Of Total Assessed Value</u>	<u>Taxes</u>
IP Eat Three LLC	Wood Products	\$ 174,559,097	0.68 %	\$ 9,721,008
Comcast Corporation	Telecommunications	135,537,400	0.53	3,300,026
Hynix Semiconductor MFG	Electronics	122,377,695	0.48	2,116,790
Valley River Center LLC	Retail/Commercial	102,444,362	0.40	1,897,276
Qwest Corporation	Utility	113,894,000	0.44	1,844,078
Peacehealth	Medical Group	513,717,632	2.00	1,779,277
Northwest Natural Gas Co.	Utility	88,509,700	0.34	1,473,854
Symantec Corporation	Electronics	77,550,173	0.30	1,351,033
Weyerhaeuser Co	Wood Products	127,457,947	0.50	1,094,769
Verizon Communications	Telecommunications	67,020,200	0.26	999,180
Subtotal - ten of the largest taxpayers		1,523,068,206	5.93	
All other taxpayers in Lane County		24,158,098,735	94.07	
Total Lane County Taxpayers		<u>\$ 25,681,166,941</u>	<u>100.00 %</u>	

**Notes**

Lane Community College District encompasses all of Lane County and smaller portions of Benton County, Douglas County and Linn County. These statistics are just for Lane County.

**Source**

Lane County Assessor

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Tuition Rates and Enrollment Statistics  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Tuition Rate Per Credit Hour</u>	<u>Total FTE <sup>1</sup></u>	<u>Unduplicated Headcount <sup>1</sup></u>
2010-11	83.00	15,417.10	37,783
2009-10	81.00	14,957.70	37,783
2008-09	75.50	12,823.00	36,899
2007-08	73.00	11,065.00	34,508
2006-07	69.50	11,189.10	35,666
2005-06	67.00	10,738.00	36,089
2004-05	64.50	10,465.00	29,868
2003-04	63.00	11,022.00	29,743
2002-03	49.00	12,364.30	34,394
2001-02	38.00	13,265.10	40,099

**Source**

<sup>1</sup> Per Lane Community College Institutional Research and Planning

## **Debt Capacity Information**

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Computation of Legal Debt Margin  
Last Ten Fiscal Years.

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total Real Market Value of Taxable Property <sup>a</sup>	<u>\$ 45,082,696,469</u>	<u>\$ 48,652,787,224</u>	<u>\$ 50,553,660,475</u>	<u>\$ 48,466,065,870</u>
Debt Limitation (1.5% of Real Market Value)	\$ 676,240,447	\$ 729,791,808	\$ 758,304,907	\$ 726,990,988
Debt Subject to Limitation	<u>36,655,000</u>	<u>41,015,000</u>	<u>45,000,000</u>	<u>5,545,000</u>
Legal Debt Margin	<u>\$ 639,585,447</u>	<u>\$ 688,776,808</u>	<u>\$ 713,304,907</u>	<u>\$ 721,445,988</u>
Legal Debt Margin as a Percentage of the Debt Limitation	94.58%	94.38%	94.07%	99.24%

**Notes**

Lane Community College District encompasses all of Lane County and smaller portions of Benton County, Douglas County and Linn County. These statistics are just for Lane County.

**Source**

a. Lane County Summary of Assessment and Tax Rolls

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<u>\$ 42,292,447,595</u>	<u>\$ 30,357,084,748</u>	<u>\$ 26,749,361,683</u>	<u>\$ 24,256,098,187</u>	<u>\$ 24,202,875,555</u>	<u>\$ 22,973,619,430</u>	<u>\$ 22,850,101,193</u>
\$ 634,386,714	\$ 455,356,271	\$ 401,240,425	\$ 363,841,473	\$ 363,841,473	\$ 363,841,473	\$ 363,841,473
10,600,000	15,210,000	19,400,000	23,200,000	23,200,000	26,640,000	29,715,000
<u>\$ 623,786,714</u>	<u>\$ 440,146,271</u>	<u>\$ 381,840,425</u>	<u>\$ 340,641,473</u>	<u>\$ 340,641,473</u>	<u>\$ 337,201,473</u>	<u>\$ 334,126,473</u>
98.33%	96.66%	95.16%	93.62%	93.62%	92.68%	91.83%

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Ratio of Net General Bonded Debt  
to Assessed Value and Net Bonded Debt Per Capita  
Last Ten Fiscal Years

Fiscal Year	Population <sup>a</sup>	Assessed Value <sup>b</sup>	Gross Bonded Debt <sup>c</sup>	Debt Service Monies Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
2010-11	351,715	25,681,166,941	90,069,987	1,061,775	89,008,212	0.35%	253
2009-10	351,109	25,290,279,070	94,811,402	1,194,054	93,617,348	0.37%	267
2008-09	346,560	24,297,751,388	99,012,195	905,726	98,106,469	0.40%	283
2007-08	337,870	23,436,352,121	59,622,858	724,659	54,090,840	0.23%	160
2006-07	339,740	22,119,900,442	60,509,510	1,421,536	59,087,974	0.27%	174
2005-06	336,085	21,095,062,435	66,576,172	1,649,198	64,926,974	0.31%	193
2004-05	333,350	20,159,385,923	72,138,882	1,522,492	70,616,390	0.35%	212
2003-04	329,400	19,191,256,460	76,982,192	1,186,199	75,795,993	0.39%	230
2002-03	328,150	18,476,659,814	81,135,951	811,711	80,324,240	0.43%	245
2001-02	325,900	18,045,909,262	32,742,002	604,913	32,137,089	0.18%	99

**Source**

- a. Portland State University - Center for Population Research and Census
- b. Lane County Assessors
- c. Lane Community College District Comprehensive Annual Financial Report



LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Overlapping Debt Schedule  
June 30, 2011

Overlapping District	Real Market Valuation	Percent Overlap	Overlapping	
			Gross Property-tax Backed Debt	Net Property-tax Backed Debt
BENTON COUNTY	9,888,539,616	1.7400%	323,110.00	28,510.00
BENTON CITY SD 1J (MONROE)	338,127,912	55.1400%	880,401.00	880,401.00
BROWNSVILLE RFPD 2	301,379,942	25.0000%	5,447.00	5,447.00
CITY OF COTTAGE GROVE	731,437,698	100.0000%	1,734,808.00	-
CITY OF EUGENE	17,486,247,533	99.8900%	94,997,407.00	31,236,322.00
CITY OF FLORENCE	1,167,392,770	100.0000%	13,355,000.00	9,440,000.00
CITY OF HARRISBURG	220,392,097	100.0000%	1,058,982.00	13,428.00
CITY OF MONROE	48,886,723	100.0000%	2,041,919.00	1,525,000.00
CITY OF OAKRIDGE	177,657,400	100.0000%	705,000.00	705,000.00
CITY OF SPRINGFIELD	6,114,027,391	100.0000%	27,945,000.00	27,945,000.00
CITY OF VENETA	345,640,851	100.0000%	1,264,990.00	1,264,990.00
COBURG RFPD	439,843,237	100.0000%	591,667.00	591,667.00
HARRISBURG RFPD 6	431,305,829	98.3200%	181,900.00	181,900.00
HECETA WATER DISTRICT	581,834,125	100.0000%	385,000.00	385,000.00
JUNCTION CITY RFPD	861,941,262	100.0000%	1,135,000.00	1,135,000.00
JUNCTION CITY WATER CONTROL DISTRICT	981,215,304	99.9300%	243,220.00	243,220.00
LANE COUNTY	38,490,745,733	99.8000%	114,803,762.00	52,898,566.00
LANE CITY SD 1 (PLEASANT HILL)	673,181,650	100.0000%	4,250,000.00	4,250,000.00
LANE DTY SD 19 (SPRINGFIELD)	6,492,900,515	100.0000%	115,298,420.00	115,298,420.00
LANE CTY SD 28J (FERN RIDGE)	1,104,981,750	99.6500%	15,917,706.00	15,917,706.00
LANE CTY SD 40 (CRESWELL)	787,098,629	100.0000%	26,330,000.00	26,330,000.00
LANE CTY SD 45J3 (SOUTH LANE)	1,631,543,761	100.0000%	42,463,602.00	42,463,602.00
LANE CTY SD 4J (EUGENE)	18,698,851,193	100.0000%	155,265,000.00	155,265,000.00
LANE CTY SD 52 (BETHEL)	3,675,304,105	100.0000%	20,800,000.00	20,800,000.00
LANE CTY SD 68 (MCKENZIE)	482,247,377	100.0000%	3,500,000.00	3,500,000.00
LANE DTY SD 76 (OAKRIDGE)	299,169,136	100.0000%	2,030,000.00	2,030,000.00
LANE CTY SD 97J (SIUSLAW)	2,313,285,521	100.0000%	20,365,000.00	20,365,000.00
LANE ESD	38,388,787,362	99.9900%	7,779,214.00	7,779,214.00
LINN CTY SD 7J (HARRISBURG)	465,251,390	100.0000%	3,115,000.00	3,115,000.00
LORANE FRPD	54,642,400	100.0000%	125,000.00	125,000.00
MAPLETON FIRE DISTRICT	78,729,066	100.0000%	135,000.00	135,000.00
NORTH DOUGLAS FIRE & EMS DISTRICT	373,273,393	64.0000%	1,373.00	1,373.00
RIVER ROAD PARK & REC DISTRICT	604,665,030	100.0000%	695,000.00	695,000.00
SIUSLAW PUBLIC LIBRARY DIST	2,386,313,233	100.0000%	285,000.00	285,000.00
SIUSLAW VALLEY FIRE AND RESCUE	932,915,280	100.0000%	860,000.00	-
WILLAMALANE PARK & RECREATION DISTRICT	6,499,452,072	100.0000%	3,950,000.00	-

Totals: Overlapping Issuer Count: 36

684,817,928.00      546,834,766.00

**Net Property-tax Backed Debt  
of Subject Issuer is:** 36,655,000

**Ratio of Net Property-tax Backed Debt  
to Real Market Value is:** 0.09%

**Net Property-tax Backed Debt  
of Overlapping Issuers is:** 546,834,766

**Ratio of Total Net Property-tax Backed Debt  
to Real Market Value is:** 1.49%

**Total Net Property-tax Backed Debt  
of Subject issuer and Overlapping Issuers is:** 583,489,766

**Real Market Value of Subject Issuer is:** 39,036,610,669 **As of: 01/01/2010**

**Source**

Oregon State Treasury - Debt Management Division

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Outstanding Debt  
Last Ten Fiscal Years

Fiscal Year	Tax Bonded Debt	Other Governmental Non Tax Bonded Debt		Total Outstanding Debt	Total Outstanding Debt as a % of Personal Income	Total Outstanding Debt per Capita
	General Obligation Bonds	Other Debt Obligations	Pension Bonds Payable			
2011	36,655,000	19,355,000	53,414,987	109,426,998	0.8%	311
2010	41,015,000	-	53,796,402	94,813,412	0.8%	267
2009	45,000,000	780,000	54,012,195	99,794,204	0.9%	288
2008	5,545,000	1,040,000	54,077,858	60,662,858	0.5%	177
2007	10,600,000	1,300,000	54,013,704	65,915,711	0.6%	194
2006	15,210,000	1,655,000	53,832,330	70,699,336	0.7%	210
2005	19,400,000	2,005,000	53,547,069	74,954,074	0.8%	225
2004	23,200,000	2,350,000	52,934,820	78,486,824	0.9%	238
2003	26,640,000	2,690,000	51,803,948	81,135,951	0.9%	247
2002	29,715,000	3,025,000	-	32,742,002	0.4%	100

**Source**

Lane Community College Comprehensive Annual Financial Report

## **Demographic and Economic Information**

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Demographic and Economic Statistics  
Last Ten Fiscal Years

Fiscal Year	Population <sup>d</sup>	Personal Income (in thousands) <sup>b, e</sup>	Per Capita Income <sup>c</sup>	Unemployment Rate <sup>e</sup>
2011	348,550	\$ 11,698,035	\$ 33,562	11.1%
2010	347,690	11,669,172	33,562	11.9%
2009	345,880	11,783,941	33,562	6.6%
2008	343,140	11,679,994	33,522	5.3%
2007	339,740	11,269,508	32,877	5.5%
2006	336,085	10,483,145	30,825	6.1%
2005	333,350	9,981,276	29,841	7.4%
2004	329,400	9,213,725	27,788	8.0%
2003	328,150	8,698,081	26,344	7.1%
2002	325,900	8,491,421	25,966	6.9%

**Notes**

- a. Lane Community College District encompasses all of Lane County and smaller portions of Benton County, Douglas County and Linn County. These statistics are just for Lane County.
- b. The 2010 and 2011 personal income was not available and has been estimated by multiplying population by per capita income.
- c. The 2010 and 2011 per capita income was not available and has been estimated to be the same as 2009.

**Source**

- d. Population Research Center, Portland State University. Estimates are for July 1 of the fiscal year.
- e. Bureau of Economic Analysis, U.S. Department of Commerce.
- f. Bureau of Labor Statistics, U.S. Department of Labor. Rates presented are annualized for the calendar year.

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Principal Employers for Lane County  
Current Year and Nine Years Ago

Employer	2011			2002		
	Employees <sup>b</sup>	Rank	Percentage of County Employment	Employees <sup>b</sup>	Rank	Percentage of County Employment
Peace-Health Corp	4,212	1	2.59%	3,103	2	1.98%
University of Oregon	4,038	2	2.49%	3,676	1	2.35%
Eugene School District	2,794	3	1.72%	2,051	3	1.31%
Lane County	2,000	4	1.23%	1,600	7	1.02%
State of Oregon	1,967	5	1.21%			
US Government	1,717	6	1.06%	1,900	5	1.21%
City of Eugene	1,310	7	0.81%	1,688	6	1.08%
Springfield School District	1,300	8	0.80%	1,500	8	0.96%
Lane Community College	1,118	9	0.69%	2,000	4	1.28%
Wal-Mart	1,050	10	0.65%			
Monaco Coach Corporation				1,430	9	0.91%
Papa Group				1,205	10	0.77%
	21,506		13.25%	20,153		12.87%

**Notes**

- a. Lane Community College District encompasses all of Lane County and smaller portions of Benton County, Douglas County and Linn County. These statistics are just for Lane County.
- b. Employee count and percent of county employment is as of January 1st of each year.

**Source**

Eugene Chamber of Commerce

## **Operating Information**

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

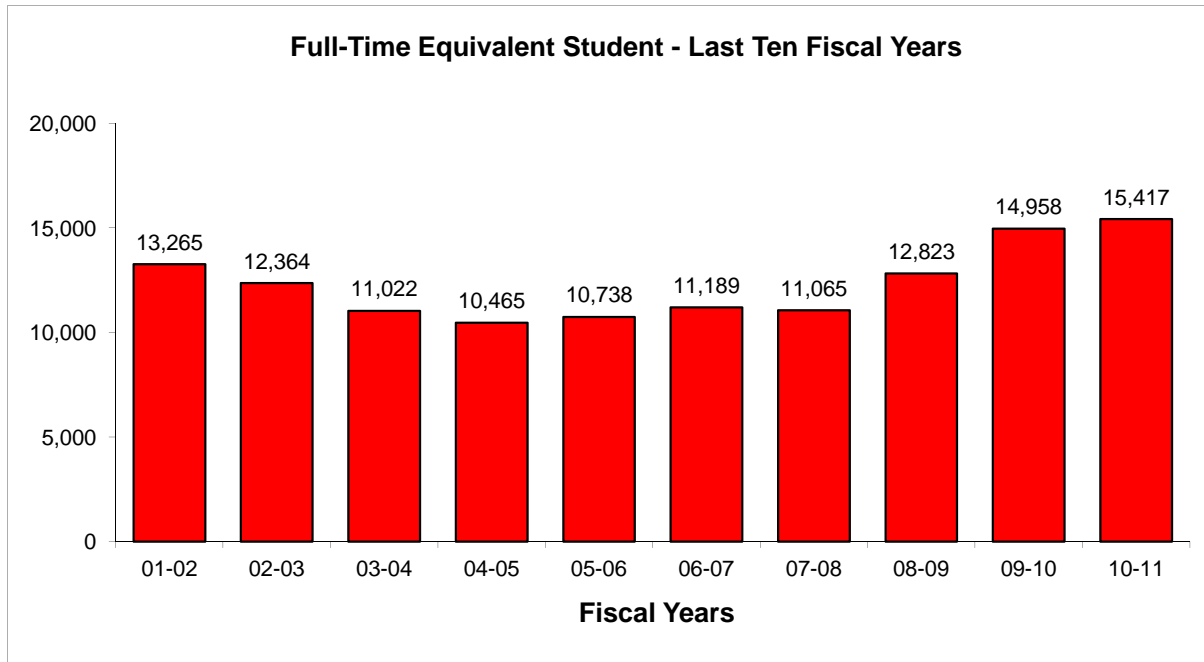
Building Construction and Acquisitions  
Last Ten Fiscal Years

<u>Year</u>	<u>Building Name</u>	<u>Square Footage</u>	<u>Cumulative Square Footage</u>
2001 & Prior	Center	176,664	176,664
	Student Services	37,477	214,141
	Business	21,045	235,186
	Administration	17,907	253,093
	Health Technology	48,482	301,575
	Physical Education	98,532	400,107
	Performing Arts	37,465	437,572
	Campus Services	42,246	479,818
	Welding Technology	20,593	500,411
	Auto/Diesel Technology	37,529	537,940
	Air Technology	35,014	572,954
	Art/GED	47,636	620,590
	Machine Technology	59,658	680,248
	Electronic Annex	6,720	686,968
	Electronics	18,234	705,202
	Science	91,655	796,857
	Forum	24,520	821,377
	Industrial Technology	20,921	842,298
	Work Force Training	38,774	881,072
	Child Care Centers	16,774	897,846
	Waste Water Treatment Plant	660	898,506
	Test Cells	3,100	901,606
	Cooling Tower	1,752	903,358
	Greenhouse	240	903,598
	Wildish Building	12,950	916,548
	Downtown Center	56,508	973,056
	Flight Tech / Aviation	36,029	1,009,085
	Cottage Grove Center	18,613	1,027,698
Florence Center/Siltcoos Station	18,397	1,046,095	
Thurston CLC	19,882	1,065,977	
Storage	7,117	1,073,094	
2002	Performing Arts Expansion	10,691	1,083,785
	Electronics Expansion	180	1,083,965
	Work Force Training Expansion	49,114	1,133,079
	Facilities Management & Planning Nursery	1,500	1,134,579
	Bus Station	1,944	1,136,523
2007	KLCC Downtown	7,370	1,143,893
2009	Aviation Maintenance Training & Shop	5,274	1,149,167
2010	Health And Wellness Center	43,554	1,192,721
	Native American Longhouse	6,720	1,199,441
	Solar Station	5,390	1,204,831
2011	Air Technology Expansion	32,286	1,237,117

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Enrollment Statistics  
Last Ten Fiscal Years

	<u>Total Operating Expenses</u>	<u>District Population (Estimated) <sup>b</sup></u>	<u>Full-time Equivalent Student</u>	<u>Unduplicated Headcount</u>	<u>Percent of Total District Population</u>	<u>Cost Per FTE <sup>a</sup></u>	<u>Number of Employees</u>	<u>Ratio of Student FTE Per Employee</u>
2010-11	\$223,688,724	351,715	15,417	37,561	10.68%	3,656	738	4.79
2009-10	211,955,639	351,109	14,958	37,783	10.76%	3,507	733	4.90
2008-09	165,588,798	346,560	12,823	36,899	10.65%	3,436	714	5.57
2007-08	131,456,641	337,870	11,065	34,508	10.21%	3,792	710	6.42
2006-07	127,102,308	339,740	11,189	35,666	10.50%	7,636	737	6.59
2005-06	131,046,508	336,085	10,738	36,089	10.74%	8,367	786	7.32
2004-05	123,265,023	333,350	10,465	29,868	8.96%	8,263	779	7.44
2003-04	121,079,254	329,400	11,022	29,743	9.03%	7,365	744	6.75
2002-03	115,747,722	328,150	12,364	34,394	10.48%	6,587	828	6.70
2001-02	NA	325,900	13,265	40,099	12.30%	6,223	827	6.23



**Notes**

NA Not available

**Source**

a. Oregon Community College Profile

b. Population Research Center, Portland State University. Estimates are for July 1 of the fiscal year.



LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Certificates and Degrees Granted  
Last Nine Fiscal Years

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Lower Division Transfer									
AAOT/ASOT	418	407	319	291	302	294	356	400	320
Associate of General Studies	86	42	42	40	48	27	40	38	37
Associate of Science	54	47	38	18	21	12	23	27	11
Total Transfer Awards	<u>558</u>	<u>496</u>	<u>399</u>	<u>349</u>	<u>371</u>	<u>333</u>	<u>419</u>	<u>465</u>	<u>368</u>
Technical									
Associate of Applied Science	418	320	307	287	307	316	351	355	408
Certificate	390	243	158	102	170	141	183	163	195
Apprentice: Assoc. of Applied Science	0	0	1	0	0	0	1	0	3
Total Technical Awards	<u>808</u>	<u>563</u>	<u>466</u>	<u>389</u>	<u>477</u>	<u>457</u>	<u>535</u>	<u>518</u>	<u>603</u>
 Total Awards	<u>1366</u>	<u>1059</u>	<u>865</u>	<u>738</u>	<u>848</u>	<u>790</u>	<u>954</u>	<u>983</u>	<u>971</u>
 % of Degree-Seeking Students	<u>8.3%</u>	<u>7.0%</u>	<u>9.1%</u>	<u>9.5%</u>	<u>10.7%</u>	<u>10.2%</u>	<u>12.6%</u>	<u>13.1%</u>	<u>7.1%</u>

**Source**

Per Lane Community College Institutional Research and Planning

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Average Number of Contracted Employees  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Faculty</u>	<u>Classified</u>	<u>Exempt</u>	<u>Total</u>
2010-11	252	419	67	738
2009-10	250	416	67	733
2008-09	241	416	57	714
2007-08	244	400	66	710
2006-07	251	416	70	737
2005-06	269	449	68	786
2004-05	260	454	65	779
2003-04	248	437	59	744
2002-03	277	483	68	828
2001-02	289	467	71	827

**Source**

Per Lane Community College Institutional Research and Planning

**DISCLOSURES IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS AND  
OMB CIRCULAR A-133**

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INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF THE FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS*

December 5, 2011

Board of Education  
Lane Community College  
Eugene, Oregon

We have audited the financial statements of Lane Community College as of and for the year ended June 30, 2011, and have issued our report thereon dated December 5, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Lane Community College is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Lane Community College's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Lane Community College's internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lane Community College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Education, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Kenneth Kuhns & Co.*

Kenneth Kuhns & Co.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH  
MAJOR PROGRAM AND ON THE INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133

December 5, 2011

Board of Education  
Lane Community College  
Eugene, Oregon

Compliance

We have audited Lane Community College's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Lane Community College's major federal programs for the year ended June 30, 2011. Lane Community College's major federal programs are identified in the summary of audit results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Lane Community College's management. Our responsibility is to express an opinion on Lane Community College's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Lane Community College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Lane Community College's compliance with those requirements.

In our opinion, Lane Community College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

## Internal Control Over Compliance

Management of Lane Community College is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Lane Community College's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Lane Community College's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Education, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Kenneth Kuhns & Co.*  
Kenneth Kuhns & Co.

LANE COMMUNITY COLLEGE

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2011

Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Accrued (Deferred) Revenue		Expenditures	Accrued (Deferred) Revenue
			July 1, 2010	June 30, 2011		
		\$	\$	\$	\$	\$
84.007		544,557	456,294	544,557	88,263	
84.033		493,045	485,587	493,045	399,293	
84.038		116,249	116,249	116,249	-	
84.063		34,769,052	34,742,395	34,769,052	140,007	
84.268		64,003,848	64,177,339	64,003,848	99	
84.375		139,189	139,580	139,189	4,451	
84.042	P042A060722-09	302,390	22,042	44,763	-	
84.042	P042A060722-10	273,196	206,203	229,541	23,338	
84.042	P042A100972	219,650	87,203	110,716	23,513	
84.031	P031A080262-09	412,335	4,343	56,620	-	
84.031	P031A080262-10	400,000	267,554	290,601	23,047	
84.116	P116Z090280	333,000	183,519	183,519	-	
84.116	ASONO0266-LCC	13,721	12,330	-	-	
84.335	P335A090144	106,963	29,106	7,966	-	
84.335	P335A090144-10	113,656	75,345	94,357	19,012	
84.333	P333A080082-09	473,486	47,463	163,996	-	
84.333	P333A080082-09	395,183	219,065	232,548	13,483	
Passed Through Oregon Department of Community Colleges and Workforce Development:						
84.002	EE91013 BG	204,339	115,324	-	-	
84.002	EE101114 BG	245,543	168,999	245,543	76,544	
84.002	EE91013 EG	37,178	17,508	-	-	
84.002	EE101114 EG	36,467	32,401	36,648	4,247	
84.002	EE91013 CG	34,111	34,110	-	-	
84.002	EE101114 CG	34,111	34,110	34,110	-	
84.002	EE91013 TG	13,200	8,396	-	-	
84.002	EE101114 TG	13,202	10,765	13,202	2,437	
84.002	EE91013 AG	56,268	31,179	-	-	
84.002	EE101114 AG	58,019	41,780	58,408	16,628	
84.002	EE91013 PG	7,570	4,078	-	-	
84.002	EE101114 PG	2,601	1,414	2,600	1,186	
84.002	IGRA 0190	35,242	17,457	239	-	
84.002	IGRA 0282	31,514	20,620	4,802	-	
84.002	IGRA 0385	54,882	31,840	44,771	12,931	

**U.S. DEPARTMENT OF EDUCATION:**

Direct programs:

Student Financial Aid Cluster:

Supplemental Educational Opportunity Grants

College Work Study

Perkins Loans

Pell Grant

Federal Direct Student Loan

Academic Competitive Grant

SSS - TRIO 8-10

SSS - TRIO 8-11

TRIO STEM 8-11

T3-Engaging Students 9-10

T3-Engaging Students 9-11.

Nursing Earmarks 9-11

Oregon Health Sciences University

CCAMPIS/CAL 9-10

CCAMPIS/CAL 9-11

DOE:Project Shift 9-10

DOE:Project Shift 9-11



LANE COMMUNITY COLLEGE

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2011

	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Accrued (Deferred) Revenue July 1, 2010	Receipts	Expenditures	Accrued (Deferred) Revenue June 30, 2011
OPABS Phase 3 12-11	84.098	IGRA 0401	\$ 15,169	\$ -	\$ -	\$ 9,142	\$ 9,142
1st Term to 1st Year Persistence Dev Proj 12-11	84.048	IGA 0422	15,000	-	-	15,000	15,000
Passed Through Oregon Department of Education:							
Perkins 9-10 (89%)	84.048	15339	779,801	181,835	287,853	106,018	-
Perkins 9-10 (11%)	84.243	15339	96,268	22,474	35,577	13,103	-
Perkins 9-11 (89%)	84.048	19153	793,412	-	496,863	662,473	165,610
Perkins 9-11 (11%)	84.243	19153	98,062	-	61,410	81,879	20,469
Passed Through Lane Education Service District:							
Reserve 08-10	84.243	15371	48,396	31,256	48,358	17,102	-
Reserve 07-11	84.243	19185	51,375	-	-	43,961	43,961
Passed Through Oregon University System:							
CAGG 8-11	84.378	SG-2010-16	38,003	-	9,539	25,401	15,862
Passed Through Oregon Health Sciences University:							
OHSU:FIPSE	84.116	ASON00266-LCC	11,635	-	-	12,207	12,207
Total U.S. Department of Education				1,278,097	103,054,543	102,907,176	1,130,730
<b><u>NATIONAL SCIENCE FOUNDATION:</u></b>							
Direct programs:							
NSF Second Life 9-11	47.076	DUE-802580	449,912	88,735	133,508	59,788	15,015
NSF/GEOSTAC 6-10	47.076	DUE-0903330	319,991	83,355	83,355	-	-
NSF/GEOSTAC 6-12	47.076	DUE-0903330	466,397	-	176,516	294,929	118,413
NSF: Lanes 7-12	47.076	DUE-0903333	810,312	35,947	189,899	233,178	79,226
				208,037	583,278	587,895	212,654
<b><u>SMALL BUSINESS ADMINISTRATION:</u></b>							
Direct programs:							
SBA/OSBDCN 12-09	59.037	8-603011-0039-26	1,183,487	739,661	739,661	-	-
SBA/OSBDCN 12-10	59.037	0-603001-Z-0039-27	1,314,758	550,552	1,314,758	764,206	-
SBA/Portability 7-10	59.037	SBAHQ-09-B-0006	100,000	40,813	100,000	59,187	-
SBA/OSBDCN 12-11	59.037	1-603001-Z-0039B-28	1,217,657	-	-	622,173	622,173
SBA Small Jobs Bill 12/12	59.037	1-601003-Z-0145	558,580	-	6,052	67,041	60,989
VASP-Veterans 12-10	59.037	SBAHQ-10-V-004	100,000	-	100,000	100,000	-
Total Small Business Administration				1,331,026	2,260,471	1,612,607	683,162

LANE COMMUNITY COLLEGE

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2011

Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Accrued (Deferred) Revenue July 1, 2010	Receipts	Expenditures	Accrued (Deferred) Revenue June 30, 2011		
<b><u>U. S. DEPARTMENT OF AGRICULTURE:</u></b> Direct program: USDA RBEG 9-10   10.769                     \$ 99,999                     \$ 94,477                     \$ 99,998                     \$ 5,521                     \$ -								
<b><u>CORPORATION FOR NATIONAL &amp; COMMUNITY SERVICE:</u></b> Direct programs: Senior Companion 6-10-269                     94.016                     07SCPOR001-05                     286,780                     88,459                     88,459                     -                     -								
		Senior Companion 6-11	94.016	10SCPOR002	291,082	191,187	280,226	89,039
Total Corporation for National & Community Service								

**U. S. DEPARTMENT OF LABOR:**

Passed Through Oregon Department of Community Colleges and Workforce Development:										
		ARRA - Sustainability 6-10	17.260	IGA0124	33,333	1,249	1,249	9,010	9,010	
		ARRA - Learning Standards Pilot Phase 3 6-10	17.259	IGRA0282	31,514	15,818	20,620	4,802	-	
		ARRA - Green LMI Implant-CC part 2-11	17.275	IGRA0368	5,000	-	5,000	5,000	-	
Passed Through Portland Community College:										
		HOPE 6-13	93.721	13-423031-003	790,074	-	45,860	62,561	16,701	
Passed Through Lane Workforce Partnership:										
		WIA 6-10	17.260	29201	254,144	40,646	40,646	-	-	
		WIA 6-10	17.258	29201	176,016	28,246	28,246	-	-	
		WIA 6-11	17.278	20201	320,636	-	227,878	288,048	60,170	
		WIA 6-11	17.258	20201	221,575	-	158,356	200,169	41,813	
		ARRA - WIA 6-10	17.260	28212	294,685	51,696	51,696	-	-	
		ARRA - WIA 6-10	17.258	28212	594,685	104,959	104,959	-	-	
		ARRA - WIA -Two 12-10	17.258	20212	103,944	-	88,451	88,451	-	
		ARRA - WIA -Two 12-10	17.260	20212	211,966	-	179,581	179,581	-	
		NEG-Hynix 6-10	17.260	28211	225,000	6,882	-	-	6,882	
		ARRA - SESP-DOL 2-12	17.275	29212	362,663	8,834	172,324	189,477	25,987	
		ARRA - CC Green Training Perf. Systems 6-11	17.275	IGA0330	111,558	2,003	61,671	79,557	19,889	
Total U.S. Department of Labor							260,333	1,186,537	1,106,656	180,452

LANE COMMUNITY COLLEGE

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2011

Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Accrued (Deferred) Revenue July 1, 2010	Receipts	Expenditures	Accrued (Deferred) Revenue June 30, 2011
<b>U. S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES:</b>						
Direct programs:						
93.924	T22HA21130	\$ 87,544	\$ -	\$ 87,544	\$ 87,544	\$ -
93.887	C76HF19806-01-00	495,000	-	130,650	139,273	8,623
93.721	GSM110123ASTLCC	63,513	-	-	31,271	31,271
93.721	90CC007701	122,197	-	52,456	53,760	1,304
93.575	09-11RR06	561,752	74,635	209,141	292,440	157,934
93.575	DH509-11RR06	312,533	41,755	162,331	161,995	41,419
93.928		112,689	40,944	69,957	29,013	-
93.928		92,801	-	56,006	65,117	9,111
93.558	29303	83,462	7,706	7,706	-	-
93.558	20303	128,225	-	94,622	116,173	21,551
Passed Through Lane County Commission on Children and Families:						
93.575	IGRA 0385	22,400	-	17,944	22,400	4,456
93.575	ARRA09-10RR06	122,684	31,273	41,640	10,367	-
93.575	ARRA09-10RR06-01	55,556	-	24,999	55,555	30,556
Total U.S. Department of Health & Human Services			196,313	954,996	1,064,908	306,225
Total all programs			\$ 3,456,742	\$ 108,419,469	\$ 107,564,989	\$ 2,602,262

**Note To Schedule of Expenditures of Federal Awards:**

Basis of Accounting - The schedule of expenditures of federal awards presents receipts on the cash basis of accounting and presents expenditures on the accrual basis of accounting. Differences between receipts and expenditures are reflected as accrued (deferred) revenues.

LANE COMMUNITY COLLEGE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2011

A - SUMMARY OF AUDIT RESULTS:

1. The independent auditor's report expresses an unqualified opinion on the financial statements of Lane Community College.
2. There were no significant deficiencies in internal control over financial reporting reported during the audit of the financial statements of Lane Community College.
3. No instances of noncompliance material to the financial statements of Lane Community College were disclosed during the audit.
4. There were no significant deficiencies in internal control over compliance reported during the audit of the major federal award programs of Lane Community College.
5. The independent auditor's report on compliance for the major federal award programs of Lane Community College expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs of Lane Community College are reported in this schedule.
7. The programs tested as major programs included the following programs:

<u>Program Name</u>	<u>CFDA Number</u>
Student Financial Aid Cluster:	
Federal Supplemental Educational Opportunity Grants	84.007
Federal Direct Student Loans	84.268
Perkins Loans	84.038
Federal Work-Study Program (including ARRA)	84.033
Federal Pell Grant Program	84.063
Federal Academic Competitiveness Grant	84.375

8. The threshold for distinguishing Type A programs from Type B programs was \$1,303,000.
9. Lane Community College was determined to be a low-risk auditee.

B - FINDINGS, FINANCIAL STATEMENTS AUDIT:

None.

C - FINDINGS AND QUESTIONED COSTS, MAJOR FEDERAL AWARD PROGRAMS AUDIT:

None.

## **INDEPENDENT AUDITOR'S COMMENTS**

INDEPENDENT AUDITOR'S COMMENTS  
REQUIRED BY OREGON STATE REGULATIONS

December 5, 2011

Board of Education  
Lane Community College  
Eugene, Oregon

We have audited the financial statements of Lane Community College as of and for the year ended June 30, 2011, and have issued our report thereon dated December 5, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control

Our report on Lane Community College's internal control over financial reporting is presented elsewhere in this Comprehensive Annual Financial Report.

Compliance

As part of obtaining reasonable assurance about whether Lane Community College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to, the following:

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

In connection with our testing nothing came to our attention that caused us to believe Lane Community College was not in substantial compliance with certain provisions of laws, regulations, contracts and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except as follows:

- As discussed in Note 9 to the financial statements, the College overexpended three appropriations during the year. ORS 294.435(4) provides that no greater amount be expended than appropriated except as specifically provided by law.

This report is intended solely for the information and use of the Board of Education, management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these specified parties.

*Kenneth Kuhns & Co.*

Kenneth Kuhns & Co.