

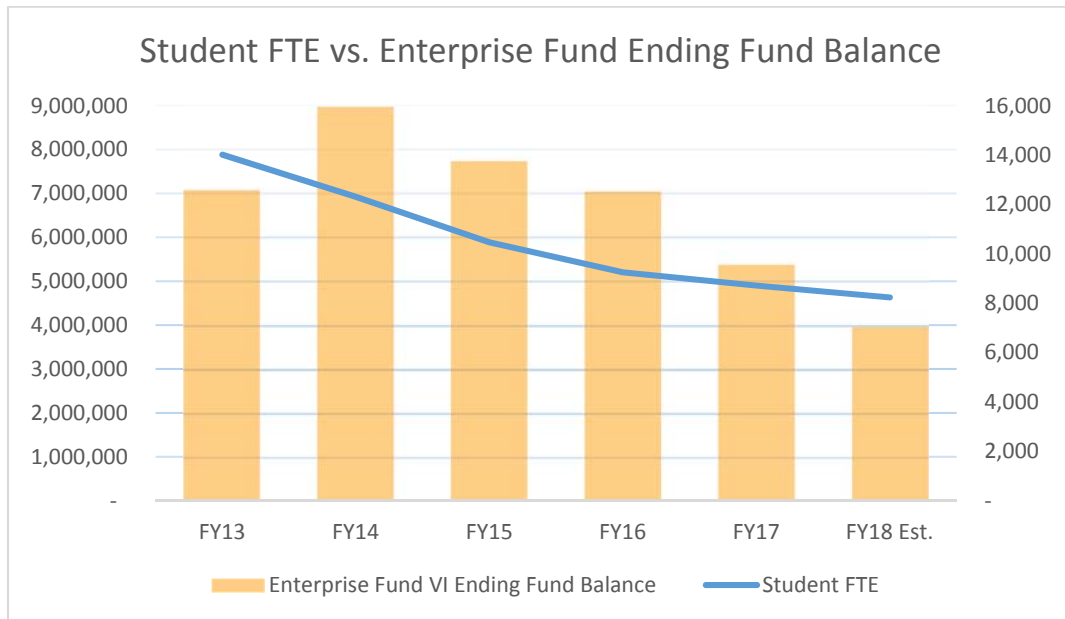
Lane Community College
Budget Committee Information Requests
 May 10, 2018

1. Please provide information on the activities in the Enterprise Fund VI to include current fund balances and plans for fiscal sustainability.

Enterprise Fund Projection

FY2019 Projections
 Updated May 10, 2018

	Titan Store	Foodservices	Center for Meeting & Learning	International Programs	Housing Program	Total All
Est. FY19 Beginning Fund Balance	540,776	(1,843,346)	(1,245,806)	6,322,055	198,000	3,971,679
Total Projected Revenue	3,950,000	600,000	1,400,000	3,654,600	2,098,000	11,702,600
Total Projected Expenditures	3,950,000	900,000	1,400,000	3,296,000	2,098,000	11,644,000
Total General Fund Contributions	500,000	-	-	2,625,000	-	3,125,000
Revenue Over/Under Requirements	(500,000)	(300,000)	-	(2,266,400)	-	(3,066,400)
Estimated FY19 Ending Fund Balance/Reserves	40,776	(2,143,346)	(1,245,806)	4,055,655	198,000	905,279



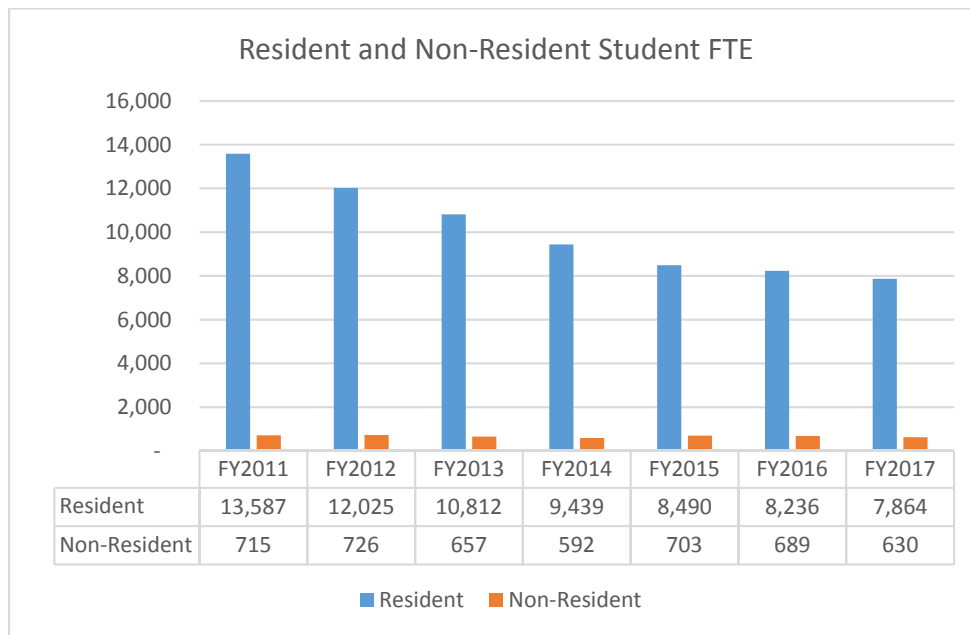
The Enterprise Fund operating environment has significantly changed since peak enrollment in fiscal years 2012 & 2013 due to dramatic declines in enrollment, declining student hours on campus (part-time student vs. full-time student), increasing personnel costs, and increased student options. In the current operating environment, the demand for retail services (Titan Store, Foodservices, Conference Services) has declined. Without returning to student enrollment levels of 11,000+ FTE and/or significant changes in the cost structure, the college will need to provide general fund support to maintain these services.

2. Please provide information on the use of one-time funds in the proposed budget.

Item	Proposed Budget One-Time Funding
Plane Sale	\$ 255,300
Fund Balances (ICP & Foundation)	450,000
International Fund Balance	1,400,000
Total	\$ 2,105,300

3. Please provide information on resident and non-resident student classifications.

Students who have established residency in Oregon for at least 90 days prior to the start of the term for which they are registering or are residents of bordering states (California, Idaho, Nevada, and Washington) are assessed **resident tuition** rates. Students who are residents of other states are assessed **non-resident tuition** rates.



The 2017 Higher Education Price Index (HEPI) was released after the Board of Education applied the HEPI index to 2018-2019 tuition rates. The 2018-2019 tuition rates were established using the 2016 HEPI of 1.8%, resulting in a \$2 per credit increase to resident tuition. The 2017 HEPI, released in December 2017, is 3.7%. Applying the most current HEPI to the 2017-2018 tuition rates would result in an increase of \$4 per credit for the 2018-2019 academic year. The Budget Development Subcommittee recommends the board make this update/correction, which would establish the resident tuition rate at \$113.50 per credit and the non-resident rate at \$270.00 per credit. International and non-credit rates would not change.

4. Please provide information on the Early Separation Incentive program participation and results

32 employees participated in the program in FY 2018, with a budgeted savings goal of \$750,000. Cabinet is in the process of reviewing position requests for the coming year with this goal in mind. The chart below shows prior year participation history and budget savings.

Early Separation Incentive Summary

FY 2015 - classified staff	Funds I & IX	Other Funds	Total
# Participants ^Δ	29	5	34
Positions Filled/To Be Filled	13	0	13

Budgeted Savings FY16	\$ 678,000	\$ -	\$ 678,000
Net Savings FY16	\$ 787,500	\$ 121,500	\$ 909,000
Net Savings FY17 forward	\$ 870,300	\$ 176,500	\$ 1,046,800

^Δ27 participants opted for the \$9,000 lump sum payout; 7 opted for the one-year individual insurance coverage option

FY 2016 - classified staff	Funds I & IX	Other Funds	Total
# Participants [∪]	30	10	40
Positions Filled/To Be Filled	17	4	21

Budgeted Savings FY17	\$ 500,000	\$ -	\$ 500,000
Net Savings FY17	\$ 776,900	\$ 229,900	\$ 1,006,800
Net Savings FY18 forward	\$ 822,300	\$ 241,400	\$ 1,063,700

[∪]33 participants opted for the \$9,000 lump sum payout; 7 opted for the one-year individual insurance coverage option

FY 2017 - all employee groups	Funds I & IX	Other Funds	Total
# Participants [£] (18 classified, 9 faculty, 5 managers)	25	7	32
Positions Filled/To Be Filled	14	4	18

Budgeted Savings FY18	\$ 614,800	\$ -	\$ 614,800
Net Savings FY18	\$ 573,800	\$ 70,000	\$ 643,800
Net Savings FY19 forward	\$ 703,700	\$ 139,900	\$ 843,600

[£]All 32 participants in FY2017 opted for the \$10,000 lump sum payout.

FY 2018 - all employee groups	Funds I & IX	Other Funds	Total
# Participants [°] (20 classified, 11 faculty, 1 manager)	30	2	32
Positions Filled/To Be Filled	TBD	TBD	TBD

Budgeted Savings FY19	\$ 750,000	\$ -	\$ 750,000
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[°] 27 participants opted for the lump sum payout; 5 opted for the one-year individual insurance coverage option

NOTES

Net Savings calculated after lump sum/insurance premium incentive, applicable backfill and filled positions
 Figures include direct OPE of 25%

5. Please provide information on the current year budget and financial projections

	Funds I & IX FY2018 Adopted Budget Plan	Funds I & IX 5.10.18 FY2018 Projection Estimate	Variance
	0% CR decrease	-5.5% CR decrease	
Revenue			
Intergovernmental	43,607,800	43,961,600	0.81%
Tuition & Fees	35,710,300	33,652,700	-5.76%
Other Revenue	8,138,400	7,282,000	-10.52%
Transfer In	2,302,600	2,114,700	-8.16%
	89,759,100	87,011,000	-3.06%
Expenditures			
Personnel	74,376,500	74,339,600	-0.05%
Other Expenditures	12,986,500	13,240,400	1.96%
Transfers Out	2,396,100	2,209,200	-7.80%
	89,759,100	89,789,200	0.03%

Revenue Over/Under Expenditures (Change in Fund Balance)	-	(2,778,200)
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6. Please provide clarity on Table 2: LCC Capital Budget figures presented on page 58 of the proposed budget document.

Table 2 shows budget and actuals. The data has been reconciled and updated to show actuals where appropriate. The updated table is below.

Fund	FY 2012 Actuals	FY 2013 Actuals	FY 2014 Actuals	FY 2015 Actuals	FY 2016 Actuals	FY 2017 Actuals	FY 2018 Budget	FY 2019 Proposed
General Fund	\$ 305,628	\$ 326,727	\$ 207,453	\$ 178,588	\$ 522,554	\$ 648,071	\$ 173,800	\$ 245,500
Admin. Restricted	334,297	71,272	112,755	125,705	34,511	171,014	349,063	160,404
Internal Service	82,809	129,162	-	-	29,195	-	25,000	-
Capital Fund	50,250,992	17,793,321	9,949,725	23,979,817	15,706,188	2,511,864	7,491,369	4,066,500
Enterprise	229,176	69,869	45,598	300,125	29,129	87,827	20,000	-
Special Revenue	555,635	815,524	76,924	154,351	256,915	257,546	250,000	250,000
Total	51,758,537	19,205,875	10,392,455	24,738,586	16,578,492	3,676,322	8,309,232	4,722,404

7. Please provide information on general fund balance minimum policies from other comparable Oregon Community Colleges.

College	Financial Guideline/Policy Statement	Reference	Website
Chemeketa	10% - 15% of general fund revenues	Chemeketa Budget & Finance Office	N/A*
Clackamas	"... at least ten percent of budgeted revenue."	Clackamas Community College, DBDB	Link to Policy
Lane	"... shall maintain an unrestricted General fund Balance equal to or greater than 10% of total expenditures and transfers."	Lane Community College, BP 245	Link to Policy
Linn-Benton	10% of general fund budget	Linn-Benton Business Office	N/A*
Mt. Hood	"... the minimum...amount shall equal 5%, with a target range of 6%-10%."	Mt. Hood Community College, Reserves Fund Balance 3030	Link to Policy

*Unable to identify financial guideline/policy on the college's website.

8. How is "swirl" distinguished from the savings associated with the early separation incentive and vacancy budget line items?

The swirl factor describes the natural variance between budget contracted positions and actual payroll expenditures over the fiscal year. Swirl is realized over the fiscal year through attrition, hiring process delays, and the placement of new employees. The early separation incentive and vacancy budget line items reflect additional savings, which will be realized through restructuring or holding positions open.

9. Please provide information on the Enrollment Growth Plan.

The Enrollment Growth Plan will be provided to the Budget Committee under separate cover.