

# **LANE COMMUNITY COLLEGE EUGENE, OREGON**

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**ANNUAL FINANCIAL REPORT  
Year Ended June 30, 2024**

## TABLE OF CONTENTS

	<u>Page</u>
<b>INTRODUCTORY SECTION:</b>	
Letter of Transmittal	i to iv
Board of Education and Administration	v
Organizational Chart	vi
<b>FINANCIAL SECTION:</b>	
Report of Independent Auditors	1 to 4
Management's Discussion and Analysis	5 to 14
Basic Financial Statements:	
Statement of Net Position	15-16
Statement of Revenues, Expenses and Changes in Net Position	17
Statement of Cash Flows	18-19
Notes to Financial Statements	20-56
Required Supplementary Information:	
Schedule of Proportionate Share of the Net Pension Liability – PERS Pension Plan	60
Schedule of Contributions – PERS Pension Plan	61
Schedule of Total Pension Liability – Early Retirement Plan	62
Schedule of the Proportionate Share of the Net OPEB Liability – PERS OPEB Plan	63
Schedule of Contributions – PERS OPEB Plan	64
Schedule of Total OPEB Liability – Postemployment Health Care Benefits Plan	65
Other Supplementary Information:	66
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual:	
General Fund	Schedule 1 67
Administratively Restricted Fund	Schedule 2 68
Special Revenue Fund	Schedule 3 69
Student Financial Aid Fund	Schedule 4 70

**FINANCIAL SECTION: (Contd)**

Other Supplementary Information: (Contd)

Schedules of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual: (Contd)

Debt Service Fund	Schedule 5	71
Capital Projects Fund	Schedule 6	72
Enterprise Fund	Schedule 7	73
Internal Service Fund	Schedule 8	74
Early Retirement Fund	Schedule 9	75

**STATISTICAL SECTION:**

Net Position by Component and Changes in Net Position	76-77
Property Tax Levies and Collections	79
Property Tax Collections by County	80
Assessed Value and Estimated Actual Value of Taxable Property	81-82
Direct and Overlapping Property Tax Rates	83-84
Principal Taxpayers – Lane County	85
Tuition Rates and Enrollment Statistics	86
Computation of Legal Debt Margin	88-89
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita	90
Overlapping Debt Schedule	91
Outstanding Debt	92
Demographic and Economic Statistics	94
Principal Employers for Lane County	95
Building Construction and Acquisitions	97
Enrollment Statistics	98
Awards Conferred	99
Number of Contracted Employees	100

**COMPLIANCE SECTION:**

Schedule of Expenditures of Federal Awards	102-103
Notes to the Schedule of Expenditures of Federal Awards	104
Report of Independent Auditors on Compliance for the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	105-107
Report of Independent Auditors 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 <i>Government Auditing Standards</i>	108-109
Report of Independent Auditors Required By Oregon State Regulations	110-112
Schedule of Findings and Questioned Costs	113-115
Corrective Action Plan	116-118

## **INTRODUCTORY SECTION**



## **Letter of Transmittal**

May 30, 2025

To the Board of Education, citizens of Lane County and Lane Community College students and staff.

I am pleased to submit the Annual Comprehensive Financial Report (ACFR) for Lane Community College (College) for the fiscal year ended June 30, 2024 together with the audit opinion thereon as required by Oregon State Laws. The responsibility for both the accuracy of the presented data as well as the completeness and fairness of the data presented and all accompanying disclosures rests with the management of Lane Community College. I 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, 2024, and for the year then ended.

The College's ACFR has been prepared in accordance with generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board, the Financial Accounting Standards Board, the American Institute of Certified Public Accountants, and other recognized standard setting bodies. 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.

### **Independent Audits**

The provisions of Oregon Revised Statutes, Section 297.405 to 297.555 require an independent audit of the fiscal affairs of the College. The firm of Moss Adams LLP has completed their examination of the College's basic financial statements and has included their Independent Auditor's Report in the Financial Section of this document.

The Single Audit Act and OMB Compliance Supplement require state and local governments that receive and expend directly or indirectly certain amounts in federal assistance to have an audit conducted for that year. In addition to this ACFR, the College issues a separate report on the requirements of the Single Audit Act. Included in that document are a Schedule of Expenditures of Federal Awards, required reports on internal controls and compliance with laws and regulations, and a schedule of findings and questioned costs.

### **College Description**

Lane Community College is a comprehensive, two-year, public college founded in 1964. Lane County consists of 4,600 square-miles that stretch from the Cascade Mountains to the Pacific Ocean and has a population of approximately 380,000. To serve this large, diverse population, the College operates 4 different campuses – Florence campus which serves the coastal community, Cottage Grove campus serving south central Lane County, and the main campus and Downtown Campus which are both located in the Eugene-Springfield metropolitan area.

After several years of declining enrollment, the College has seen an increase each of the last three academic years. Approximately 17,000 people took one or more classes at the College (unduplicated headcount) during the 2023-24 academic year. Congruent with its mission and values, the College 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 Higher Education Coordinating Commission (HECC) as sufficient in content and length.

### **College Mission**

Lane is the community's college. We provide quality, comprehensive, accessible, inclusive, learning-centered educational opportunities that promote equitable student success.

### **College Vision**

Transforming lives through learning

### **College Values**

Learning, Diversity, Innovation, Collaboration and Partnership, Integrity, Accessibility, Sustainability

### **Strategic Plan**

The College's Board approved a strategic plan for the years 2022-2027 with six goals:

- Improve diversity, equity, and inclusion in student access and achievement
- Increase enrollment
- Increase student success
- Engage in continuous improvement
- Improve financial stability and sustainability
- Identify strategic infrastructure investments

### **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 metropolitan 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, Bushnell University, several high-tech companies, and forest products companies, such as Weyerhaeuser.

According to the Oregon Office of Economic Analysis forecast released February 2025, Oregon's overall economic forecast is stable with an outlook for slow, but positive, population gains in the state. The labor market is expected to remain at or near full employment and unemployment will remain in the low 4% range. Oregon's revenue forecast is strong with the most recent forecast indicating that Oregon General Fund revenues will be almost \$6 billion over the June 2023 close of session biennial budget. This strong performance in the current biennium is boosting projected 2025-27 biennium available General Fund resources to \$38.2 billion.

Evaluating the current state of Oregon's economy is challenging. All indicators, including economic performance, have been solid. Employment gains, income growth, and population change are in the middle compared to all states. Labor conditions are healthy, but hiring has slowed, and job creation has been tepid and concentrated in just a few industry groups. Oregon's economy is increasingly bound to national trends for growth and inflation. Oregon economic activity will be highly vulnerable to national priorities relating to tariffs, immigration and federal expenditures particularly in key industries such as agriculture, semiconductors, construction, leisure/hospitality and apparel. Uncertainty surrounding these policies at the federal level results in less clarity around the state revenue forecast.

Other economic and demographic information can be found in the Statistical Section of this document and the College's budget document.

### **Governing Bodies**

The members of the board of education (Board) of the 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 Board 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 is comprised of seven members elected for four-year terms. Members are elected from established zones within the College's district.

The Oregon State Board of Education sets educational policies and standards for all public schools within the state. The State of Oregon's Higher Education Coordinating Commission (HECC) is the primary state entity responsible for ensuring pathways to postsecondary success for Oregonians statewide and serves as a convener of the groups and institutions working across the public and private higher education sectors. Established in 2011, HECC is a 15-member volunteer commission responsible for advising the Oregon Legislature, the Governor, and the Chief Education Office on higher education policy. HECC establishes state standards for educational programs, facilitates and approves courses of study, administers key Oregon financial aid, as well as evaluates and reports on the success of higher education efforts.

### **College Management**

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

### **Accreditation**

Lane Community College is accredited by the Northwest Commission on Colleges and Universities (NWCCU). Maintaining accreditation through the Northwest Commission on Colleges and Universities requires the College to participate in a seven-year continuous-improvement cycle, including submitting reports and hosting evaluators during site visits. In Fall 2021 the NWCCU performed an evaluation of the College's institutional effectiveness and reaffirmed accreditation. NWCCU provided the College with six commendations and had two recommendations, neither of which was financial in nature. The College's accreditation was



recently reaffirmed as part of its NWCCU mid-cycle evaluation in fall 2024. Mid-Cycle is a formative evaluation process that is focused on student learning assessment, student achievement and mission fulfillment. The next step in the seven-year NWCCU cycle is the Policies, Regulations and Financial Review in Fall 2027 followed by the next comprehensive Evaluation of Institutional Effectiveness in Fall 2028.

### **Long Range Financial Plan**

The College has a five-year Financial Forecast to guide financial decisions and ensure the long-term financial sustainability of the College. The forecast is updated and presented to the Board quarterly.

### **Internal Controls**

Management is responsible for establishing and maintaining internal controls designed to ensure that the assets of the College are protected from loss, theft, or misuse and to ensure that adequate accounting information is available for the preparation of the financial statements in conformity with generally accepted accounting principles. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

### **Acknowledgments**

The preparation of this report would not have been possible without the effort and dedication of the entire Finance Department staff. I thank all of the College's departments for their contributions in providing data necessary to prepare the report. I extend thanks and appreciation to the staff of Moss Adams LLP for their efforts during the audit. I also thank the Board, the College President, the President's Cabinet, and College staff for their continued support and dedication to ensuring the financial health of the College.

Sincerely,



Kara Flath

Vice President of Finance & Operations

LANE COMMUNITY COLLEGE

June 30, 2024

***Board of Education***

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<u>Official</u>	<u>Office</u>
Austin Felnagy	Chair
Kevin Alltucker	Member
Denise Diamond	Member
Lisa Fragala	Member
Zachary Mulholland	Member
Shalynn Buys	Member
Steve Mital	Member
Mike Eyster	Member

***Administration***

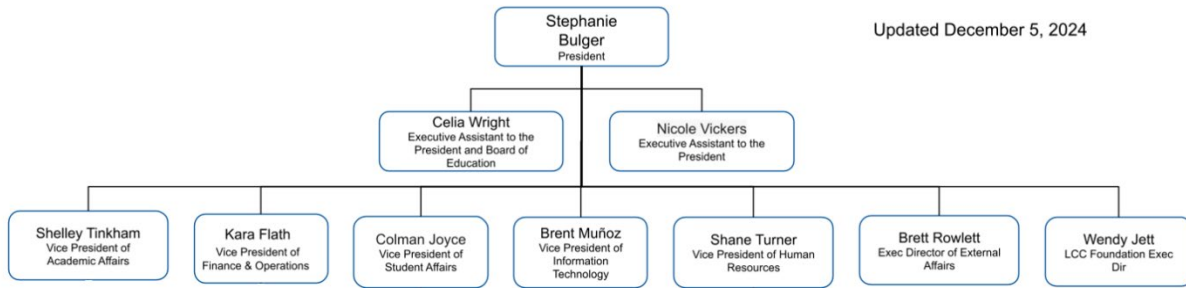
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Dr. Stephanie Bulger	President
Kara Flath	Vice President of Finance & Accounting

# LANE COMMUNITY COLLEGE

## Organizational Chart

Updated December 5, 2024



## **FINANCIAL SECTION**

## Report of Independent Auditors

The Board of Education  
Lane Community College

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of Lane Community College (the College), and its discretely presented component unit, Lane Community College Foundation (the Foundation), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the College and its discretely presented component unit, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Lane Community College Foundation, the discretely presented component unit of the College, which represents 100% of the assets, 100% of the net position, and 100% of the revenues of the discretely presented component unit of the College. Those financial statements were audited by other auditors, whose report thereon has been furnished to us, and our opinions, insofar as it relates to the amounts included for Lane Community College Foundation, is based solely on the report of the other auditors.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of Lane Community College Foundation were not audited in accordance with *Government Auditing Standards*.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design 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. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14, the schedule of the proportionate share of the net pension liability on page 60, the schedule of contributions – PERS pension plan on page 61, schedule of total pension liability – early retirement plan on page 62, schedule of the proportionate share of the Net OPEB liability – PERS on page 63, schedule of contributions – OPEB on page 64 and the schedule of total OPEB liability – postemployment health care benefits plan on page 65 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The schedule of expenditures of federal awards on pages 102 through 103 as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the schedules of revenues, expenditures and changes in fund balance – budget to actual on pages 67 through 75, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information referred to above is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2025 on our consideration of the 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 solely 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 effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

**Other Reporting Required by Minimum Standards for Audits of Oregon Municipal Corporations**

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have issued our report dated May 30, 2025, on our consideration of the College's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*. The purpose of that report is solely to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

A handwritten signature in cursive script, appearing to read "Scott Simpson".

Scott Simpson, Partner  
for Moss Adams LLP  
Portland, Oregon  
May 30, 2025



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

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis section of the College's annual financial performance provides an overview of Lane Community College (College) for the years ended June 30, 2024 and June 30, 2023. Management assumes full responsibility for the completeness and reliability of all the information presented in in this report. The discussion is designed to help the reader understand the accompanying financial statements through an objective and easily readable analysis of the College's economic activities and performance as a whole.

The narrative explaining the management’s review and analysis of the June 30, 2024 financial statements is divided into the following parts:

- An overview of the College’s government-wide and fund financial statements
- An overview of financial highlights
- An analysis of the College’s Statement of Net Position
- An analysis of the College’s Statement of Revenues, Expenses and Changes in Net Position
- A review of the conditions that may affect the College’s future financial position

Financial information for the College is presented in this annual report in two different ways:

<u>Information</u>	<u>Measurement Focus</u>	<u>Basis of Accounting</u>	<u>Location in Report</u>
Basic financial statements	Economic resources	Full accrual	Financial section
Schedules of budget and actual	Current financial resources	Modified accrual	Other supplementary information

Overview of Lane Community College’s Financial Statements

This discussion and analysis is an introduction to Lane Community College’s basic financial statements which includes entity-wide financial statements prepared in accordance with the accrual basis of accounting as well as notes to the financial statements. This report also contains the Required Supplementary Information and Other Supplementary Information sections, followed by the Statistical Section and the State and Federal compliance sections.

The government-wide financial statements are designed to provide the reader with a broad overview of the College’s finances in a manner similar to a private sector business. These statements focus on the financial condition of the College, the results of operations, and cash flows of the college as a whole. The entity-wide statements are comprised of the following:

- The **Statement of Net Position** presents the College's assets, deferred outflows, liabilities, and deferred inflows with the difference between the four reported as *net position*. Over time, increases or decreases in net position are indicators of the College's financial condition. Assets and liabilities are generally measured using current values; capital assets are stated at historical cost, less an allowance for depreciation and amortization.
- The **Statement of Revenues, Expenses, and Changes in Net Position** presents the revenues earned and the expenses incurred during the year. Revenues and expenses are generally reported using the accrual accounting method, 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 assets' cost over their estimated useful lives. Revenues and expenses are reported as either operating or nonoperating. Primary sources of operating revenues include tuition, grants, and contracts. State appropriations and property taxes are classified as nonoperating revenues.
- The **Statement of Cash Flows** presents information on cash flows from operating activities, non-capital financial activities, capital financing activities, and investing activities. It provides the net increase or decrease in cash between the beginning and end of the fiscal year. This statement helps evaluate financial viability and the College's ability to meet financial obligations as they become due.

- The **Notes to the Basic Financial Statements** provide additional information essential to a full understanding of the data provided in the entity-wide financial statements.

The **Fund Financial Statements** are included in a later section entitled *Other Supplementary Information*. The governmental fund reporting focuses on how money flows in and out of funds and the balances left at year-end that are available for spending. They are reported using the accounting method called "modified accrual" accounting, which measures cash and all other financial assets that can be readily converted to currency. This information is essential for the preparation of and compliance with annual budgets. Fund financial statements also report the College's operations in more detail than the government-wide financial statements by providing information about the College's most significant fund, the general fund.

The financial statements for the Lane Community College Foundation, a component unit, are discretely presented in the College's financial statements. The information and financial data included in management's discussion and analysis relate solely to the College, unless otherwise noted.

### **Financial Highlights**

The significant events of the fiscal year ended June 30, 2024 that impacted the College's financial statements are as follows:

- Full-time equivalent students (FTE) increased almost 7% from, 5,709 in fiscal year 2023 to 6,096 in fiscal year 2024. More information about enrollment is available in the Statistical Section of this Annual Financial Report.
- Capital assets, net of depreciation, increased 28.5% from \$164.7 million in 2023 to \$211.7 million in 2024. The increase is primarily due to continued construction using government obligation bonds approved by district voters in 2020. In fiscal year 2024, several significant projects were completed including Health Care Village, a new state-of-the-art building for health professions, and major maintenance at the College's Florence Campus. Construction continues on a new Industry and Trades Education Center which focuses academics and training on the needs of area employers.
- The College's net position increased \$76.7 million in 2024 compared to a \$7.0 million decrease in 2023. On June 30, 2024, the College's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$100.9 million (Net Position). Of this amount, (\$53.0) million is classified as unrestricted net position which improved by \$44.6 million from 2023. The largest component of net position is the College's \$134.3 million net investment in Capital Assets, representing its land, buildings, machinery and equipment, net of accumulated depreciation, amortization and related debt.
- Revenue increased \$32.5 million from the prior year primarily due to increased State Community College support. Oregon's community college funding model distributes five of the eight biennium payments in even numbered fiscal years and only three in odd numbered fiscal years. Expenditures decreased by \$52.1 million or 35% from 2023 almost entirely due to the \$47.2 decrease in pension adjustments. Details of these changes are found in the following pages under the Analysis of Net Position and Analysis of Changes in Net Position sections.
- The College's financial position continues to be affected by the implementation of Governmental Accounting Standard Board's (GASB) statements related to financial reporting for pensions. Due to variable annual investment returns and other state pension plan assumptions, the actuarially determined pension assets or liabilities can change enough to greatly influence net position on a year-to-year basis. Both deferred outflows (20% decrease) and deferred inflows (23% decrease) changed dramatically in FY24 as a result of these fluctuations. Operating expenses without the effects of pension changes would be an \$12.9 million increase or 10% from 2023.

- Wages and benefits represent over 80% of the College's operational budget, and contracted wages increased by \$2.7 million or 6.3% from 2023. Additional information on the College's number of employees may be found in the Statistical Section.
- The College implemented GASB 87 and 96 relating to leases and subscription-based information technology agreements (SBITA) and recorded \$6.4 million to assets and \$6.5 million to liabilities.

#### **Analysis of Net Position as of June 30, 2024**

The *Statement of Net Position* includes all the College's assets, deferred outflow of resources, liabilities, and deferred inflow of resources using the accrual basis of accounting with the difference between the two reported as net position. The term "net position" refers to the difference between (a) combined assets and deferred outflow of resources and (b) combined liabilities and deferred inflow of resources and is an indicator of the College's current financial condition. Over time, increases and decreases in net position can indicate the improvement or decline of the College's overall financial health when considered along with other information such as enrollment levels and the condition of facilities. The College's two-year comparative *Statement of Net Position* is provided below:

	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>% Change</u></b>
<b>Assets</b>			
Current Assets	\$ 49,811,518	\$ 32,309,386	54.2%
Capital Assets, Net of Depreciation	211,703,186	164,714,385	28.5%
Right of use assets - Leases/SBITA, net of amortization	6,389,824	-	N/A
Other Noncurrent Assets	<u>77,527,269</u>	<u>118,588,177</u>	-34.6%
Total Assets	<u>345,431,797</u>	<u>315,611,948</u>	9.4%
<b>Deferred Outflows</b>	<u>49,252,461</u>	<u>61,647,049</u>	-20.1%
Total Assets and Deferred Outflows	<u>\$ 394,684,258</u>	<u>\$ 377,258,997</u>	4.6%
<b>Liabilities</b>			
Current liabilities	\$ 43,376,883	\$ 43,062,652	0.7%
Non-current liabilities	<u>231,519,665</u>	<u>285,580,091</u>	-18.9%
Total Liabilities	<u>\$ 274,896,548</u>	<u>\$ 328,642,743</u>	-16.4%
<b>Deferred Inflows</b>	<u>\$ 18,901,283</u>	<u>\$ 24,412,023</u>	-22.6%
<b>Net Position</b>			
Net Investment in Capital Assets	\$ 134,332,325	\$ 117,982,345	13.9%
Restricted	19,540,140	3,800,846	414.1%
Unrestricted	<u>(52,986,038)</u>	<u>(97,578,960)</u>	-45.7%
<b>Total Net Position</b>	<u>\$ 100,886,427</u>	<u>\$ 24,204,231</u>	

#### ***Current Assets***

On June 30, 2024, the College's \$49.8 million in current assets are sufficient to cover the College's current liabilities of \$43.4 million, representing a current ratio of 1.15. The College receives property taxes in November each year to pay current general obligation bond maturities. Excluding those maturities from the current ratio calculation results in a ratio of 1.99. Current assets consist primarily of cash and cash equivalents, investments, student accounts receivables, property taxes, and grants.

Cash is reported at June 30, 2024 at a balance of \$0. The College's bank accounts are maintained with a positive balance and in good standing with our banking institutions. Outstanding checks have been issued which would draw balances negative if they were presented at the same time. Treasury controls are in place to avoid such an event as part of fiduciary management of College assets.

#### *Noncurrent Assets*

The most significant noncurrent asset is capital and leased assets (construction work in progress, land, buildings, machinery, and equipment) of \$211.7 million net of accumulated depreciation. Capital assets increased \$54.0 million (less depreciation expense of \$7.0 million) primarily due to the 2020 Bond construction. Other non-current assets (restricted cash and investments) decreased by \$41.1 million primarily as investments matured.

#### *Deferred outflows*

See the following summary of deferred outflows and inflows.

#### *Current Liabilities*

The College's current liabilities primarily consist of accounts payable, payroll and payroll taxes payable, the current portions of long-term obligations, unearned revenue, and compensated absences. Current liabilities increased \$0.3 million or 0.7% from 2023.

#### *Noncurrent Liabilities*

Noncurrent liabilities consist primarily of long-term debt relating to general obligation bonds, pension bonds, and other debt obligations.

On June 30, 2024, the College had total long-term obligations outstanding of \$231.5 million compared to \$285.6 million last year.

	<u>2024</u>	<u>2023</u>	<u>% Change</u>
Bonds & notes payable	216,648,586	236,839,610	-8.5%
SBITAs payable	4,900,259	-	0.0%
Leases payable	231,017	-	0.0%
Net pension liability	2,224,417	41,082,918	-94.6%
OPEB liability	7,515,386	7,657,563	-1.9%
<b>Total NonCurrent Liabilities</b>	<b><u>\$ 231,519,665</u></b>	<b><u>\$ 285,580,091</u></b>	<b>-18.9%</b>

In June 2022, the College issued a Full Faith and Credit Pension Bond totaling \$69.3 million. The net proceeds were transferred to the State of Oregon Public Employees Retirement System to cover a part of the College's portion of the cost sharing plan's unfunded actuarial liability. In August 2020, the College issued general obligation bonds of \$121.5 million with a premium of \$18.1 million to finance the costs of capital construction and improvement to College facilities. The College made all scheduled bond payments.

Additional information about the College's Long-Term Liabilities is located in the following Notes to the Financial Statements: 6-Leases and Subscription-based information technology arrangements, 7-Long-Term Debt, 8-Pension Plans, and 9-Post-Employment Health Care Benefits.

*Deferred Outflows of Resources and Deferred Inflows of Resources*

Deferred outflows and inflows of resources are related to the implementation of GASB statements related to pension and postemployment benefit reporting. Deferred outflows of resources represent a consumption of net assets that applies to future periods. Deferred outflows decreased by \$12.4 million or 20% from prior year. Deferred inflows of resources represent an acquisition of net assets that applies to future periods. Deferred inflows of resources decreased by \$5.5 million or 23% from the prior year. Both changes are due to pension differences recognized through actuarial studies of the state's pension system and the College's post-employment benefits. Both deferred outflows and inflows related to pension and other post-employment benefits (OPEB) represent a net amount attributable to the various components of pension and OPEB changes such as investment changes, actuarial assumption changes, and differences between expected and actual experience.

*Net Position*

Within Net Position, the "net investment in capital assets" amount of \$134.3 million represents the total original cost of all the College's land, buildings, machinery and equipment, and infrastructure, less accumulated depreciation and amortization on these assets and less debt related to their acquisition. The restricted net position consists of amounts legally restricted for debt service, grants and contracts, student financial aid, pension and OPEB.

**Analysis of Lane Community College's Statement of Revenues, Expenses, and Changes in Net Position**

The Statement of Revenues, Expenses, and Changes in Net Position presents the operating results of the College as well as the nonoperating revenues and expenses.

	<b>2024</b>	<b>2023</b>	<b>% Change</b>
<b>Revenues:</b>			
Student Tuition and Fees	\$ 39,177,295	\$ 34,280,164	14.3%
Grants and Contracts	4,494,229	30,299,374	-85.2%
State Community College support	56,716,835	20,923,330	171.1%
Pell	10,294,209	-	100.0%
SEOG	663,854	-	100.0%
Property Taxes	38,187,213	37,044,113	3.1%
Other Revenue	21,948,847	16,455,720	33.4%
<b>Total Revenues</b>	<b>171,482,482</b>	<b>139,002,701</b>	23.4%
<b>Expenses:</b>			
Instruction	23,147,974	55,213,183	-58.1%
Community Services	6,553,552	8,780,425	-25.4%
Instructional Support Services	3,764,425	8,918,273	-57.8%
Student Services	9,258,948	18,440,058	-49.8%
College Support Services	10,759,666	18,494,825	-41.8%
Plant Operations and Maintenance	2,285,835	7,338,322	-68.9%
Financial Aid	26,491,916	19,500,283	35.9%
Depreciation and Amortization	8,643,895	6,220,302	39.0%
Other	7,909,190	8,018,433	-1.4%
<b>Total Expenses</b>	<b>98,815,401</b>	<b>150,924,104</b>	-34.5%
Income (Loss)	72,667,081	(11,921,403)	
Capital Contributions	4,015,115	4,942,965	-18.8%
Change in Net Position	76,682,196	(6,978,438)	-1198.8%
Net Position - Beginning	24,204,231	31,182,669	-22.4%
<b>Net Position - Ending</b>	<b>\$ 100,886,427</b>	<b>\$ 24,204,231</b>	316.8%

## Revenues

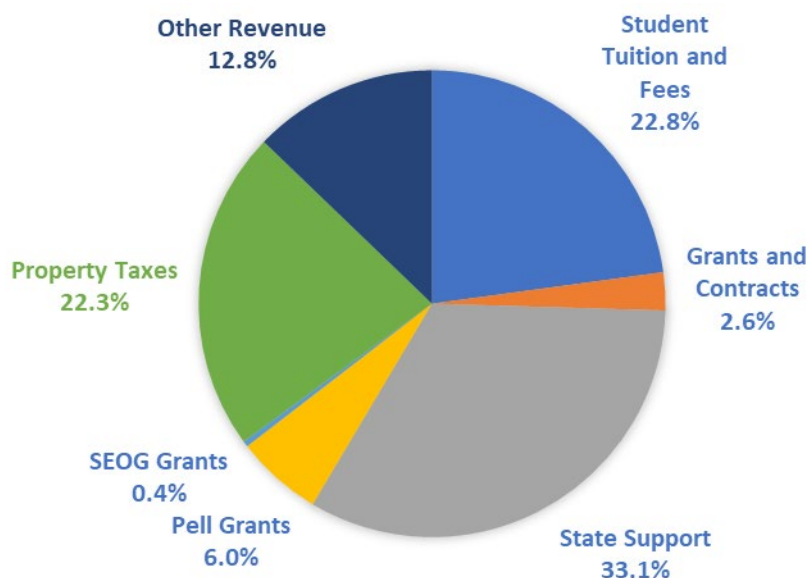
Operating revenue for the College consists primarily of Student Tuition and Fees, and Grants and Contracts. Tuition and Fees totaled \$39.2 million, which is up 14% over last year's amount. After several years of declining enrollment, the College has experienced modest enrollment growth in the last three years. Pell awards and Federal Supplemental Educational Opportunity Grants (SEOG) are stated separately from Grants and contracts in FY24. Grants and contracts totaled \$4.5 million. When combined with Pell and SEOG awards, Grants and contracts totaled \$15.5 million, a decrease of 49% from 2023.

The largest sources for nonoperating revenue are State Community College Support Fund (CCSF) and Property Taxes. In even-numbered fiscal years which is the first year of the State's biennium budget, colleges receive the final CCSF payment from the prior biennium and half of the current biennium's funding. Accordingly, in even-numbered fiscal years CCSF revenue is considerably higher. CCSF increased \$36 million or 171% over 2023 due to the timing of State payments. Property Taxes totaled \$38.2 million. Several years ago, Oregonians passed a series of property tax measures which limit the amount assessed values can increase annually to 3% and also limit on how much can be collected for education. Accordingly, property taxes are a fairly stable source of income.

Total revenues show an increase of \$32.5 million or 23% from 2023 primarily due to the timing of CCSF payments noted above.

Other revenue consists of interest and investment income, sale of equipment and general merchandise, vending items, insurance proceeds, rental income, and other miscellaneous revenues. Other Revenue increased \$5.5 million. Included in Other Revenue is \$16.8 million of other operating revenue which is a \$6.7 million increase from 2023.

The following graph shows the allocation of total revenues for the College:

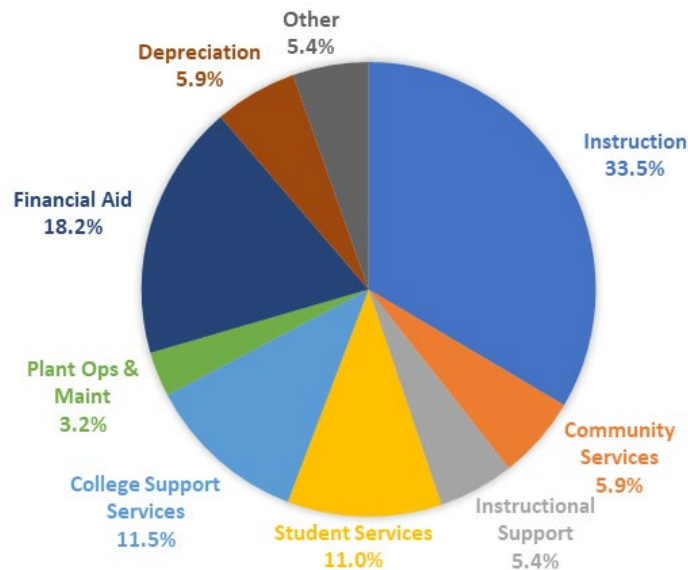


### Expenses

Expenses totaling \$98.8 million include salaries and benefits, pension, materials and supplies, utilities, grants and scholarships, and depreciation of capital assets. Total expenses show a decrease of \$52.1 million or 34.5% over 2023. The decrease is almost entirely related to pension adjustments of \$47.2 million which is spread proportionately among the expense functions. Comparative Expense with pension adjustments removed from both 2024 and 2023 are shown here.

	2024	2023	% Change
<b>Expenses:</b>			
Instruction	48,873,858	45,528,120	7.3%
Community Services	8,631,994	8,064,925	7.0%
Instructional Support Services	7,801,773	7,381,374	5.7%
Student Services	16,110,697	15,746,209	2.3%
College Support Services	16,777,973	16,106,362	4.2%
Plant Operations and Maintenance	4,735,592	6,452,708	-26.6%
Financial Aid	26,491,916	19,500,283	35.9%
Depreciation	8,643,895	6,220,302	39.0%
Other	7,909,190	8,018,433	-1.4%
<b>Total Expenses</b>	<b>145,976,888</b>	<b>133,018,716</b>	<b>9.7%</b>

The following graph shows the allocation of total expenses for the College, with pension adjustments removed:



### Analysis of the Statement of Cash Flows

This statement provides an assessment of the financial health of the College. Its primary purpose is to provide relevant information about the cash receipts and cash payments of the College during the fiscal year. The statement of cash flows also helps users assess the College's ability to meet obligations as they become due and the need for external financing.



In summary, the cash flows for the year were as follows. Fiscal Year 2023 information is updated here for a correction to the balances that are reported as cash.

	<u>2024</u>	<u>2023</u>	<u>% Change</u>
<b>Cash Provided By (Used In):</b>			
Operating Activities	\$ (60,771,696)	\$ (43,638,694)	39.3%
Noncapital Financing Activities	97,256,389	39,519,568	146.1%
Capital Financing Activities	(73,629,323)	(18,281,972)	302.7%
Investing Activities	22,453,835	32,963,089	-31.9%
<b>Net Increase (Decrease) in Cash</b>	(14,690,795)	10,561,991	-239.1%
Cash - Beginning of Year	14,690,795	4,128,804	255.8%
<b>Cash - End of Year</b>	<u>\$ -</u>	<u>\$ 14,690,795</u>	-100.0%

The primary cash sources from operating activities include student tuition and fees, grants and contracts. Primary uses were payments made to employees, employee benefit programs, and vendors. State community college support and property taxes are the primary recurring sources of noncapital financing. Accounting standards require that the College reflect these revenue sources as nonoperating, even though the College's budget depends on them for ongoing operations. Proceeds from the sale of investments and related purchases of investments make up the majority of investing activities. Primarily investments are in the State of Oregon Local Government Investment Pool, U.S. Government and Agencies Securities, and Municipal Bonds. Cash payments for the construction of capital assets and principal and interest payments on long-term debt are the primary uses of capital financing cash activities.

### Capital Assets, Leases, and SBITAs

#### *Capital Assets*

On June 30, 2024, the College had \$218.1 million, net of accumulated depreciation and amortization, invested in a broad range of capital and right-of-use assets, including construction work in progress, land, buildings, equipment, and library books. The most significant changes from 2023 were an increase in construction in progress as proceeds from the 2020 general obligation bond approved by voters continued to be spent and an increase in buildings due to the completion of major projects, such as Healthcare Village and major maintenance at the Florence Campus. Equipment increases were primarily due to information technology upgrades which were also funded by the 2020 general obligation bond.

	<u>2024</u>	<u>2023</u>	<u>% Change</u>
Land	\$ 5,377,072	\$ 5,377,072	0.0%
Construction in Progress	34,911,718	29,448,626	18.6%
Buildings	162,972,593	125,672,634	29.7%
Equipment	8,144,183	3,934,454	107.0%
Library books	297,620	281,599	5.7%
Right of use assets - Leases	279,618	-	0.0%
Right of use assets - SBITAs	6,110,206	-	0.0%
<b>Total Capital Assets</b>	<u>\$ 218,093,010</u>	<u>\$ 164,714,385</u>	32.4%

### **Construction in progress detail**

Security Camera Upgrade	\$ 458,932
Math and Science Building Major Maintenance	1,523,605
Industry & Trades Education Center	32,694,475
All Other Projects	234,706
	<u>\$ 34,911,718</u>

Additional information about the College's capital assets is in Note 5 to these financial statements.

### ***Leases and Subscription-Based Information Technology Arrangements (SBITAs)***

The College reported right-of-use assets in accordance with GASB 87 and 96 relating to leases and subscription-based information technology agreements (SBITA) for fiscal year 2024 and recorded \$6.4 million to assets and \$6.5 million to liabilities. Right of Use value is reported as part of Capital Assets. Future obligations on these contracts are reported as part of Noncurrent Liabilities.

### **Economic Factors and Next Year's Budget**

#### ***Economic Outlook***

According to the Oregon Office of Economic Analysis (OOEA), the economic outlook for Oregon reported on the March 2024 Oregon Economic and Revenue Forecast report dated February 7, 2024 shows that Oregon's productivity gains have outpaced the nation, while local job growth is in the middle of the pack across states. Labor and capital are on differing, structural trends. Labor is both cyclically strong, and structurally tight due to demographics. Between the start-up boom, increased federal investment, and potential of generative AI (Artificial Intelligence), productivity is set to increase faster in the next decade, boosting the overall economy and making for a slower labor growth. One key dynamic for stronger business investment is a tight labor market. Firms will be more willing to invest in labor-saving technology and processes.

Direct impacts to the College related to the federal downsizing efforts are unknown and are being closely tracked by staff at the College, State Agencies, and higher education organizations.

#### ***Next Year's Budget***

The 2024-25 budget was adopted based on the following assumptions:

- A tuition rate increase of \$6 per credit hour which represents a 4% increase
- Enrollment growth of 3.5%
- Flat total biennium (2023-2025) state funding with 37% to be received in FY25 due to the timing of state payments as previously noted
- Reinstating \$1.6 million of positions held vacant in 2023-24

### **Discretely Presented Component Unit – Lane Community College Foundation**

The Foundation is a legally separate, tax-exempt entity and acts primarily as a fund-raising organization to supplement the resources available to College programs. The Foundation is considered a component unit of the College and is discretely presented below.

	<u>2024</u>	<u>2023</u>	<u>% Change</u>
<b>Assets</b>			
Current Assets	\$ 4,278,911	\$ 2,844,670	50.4%
Noncurrent Assets	24,468,649	23,428,446	4.4%
Total Assets	<u>28,747,560</u>	<u>26,273,116</u>	9.4%
<b>Liabilities</b>			
Current Liabilities	\$ 455,623	\$ 91,939	395.6%
Long-Term Debt, Non-Current Portion	633,122	620,633	2.0%
Total Liabilities	<u>\$ 1,088,745</u>	<u>\$ 712,572</u>	52.8%
<b>Net Position</b>			
Restricted	\$ 26,936,809	\$ 24,894,779	8.2%
Unrestricted	722,006	665,765	8.4%
Total Net Position	<u>\$ 27,658,815</u>	<u>\$ 25,560,544</u>	8.2%
	<u>2024</u>	<u>2023</u>	<u>% Change</u>
<b>Revenues:</b>			
Other Revenues	\$ 3,659,923	\$ 6,671,858	-45.1%
Total Revenues	<u>3,659,923</u>	<u>6,671,858</u>	-45.1%
<b>Expenses:</b>			
Other	3,963,626	3,656,076	8.4%
Total Expenses	<u>3,963,626</u>	<u>3,656,076</u>	8.4%
Income (Loss)	(303,703)	3,015,782	-110.1%
Capital Contributions	2,401,974	1,645,565	46.0%
Change in Net Position	2,098,271	4,661,347	-55.0%
Net Position - Beginning	25,560,544	20,899,197	22.3%
Net Position - Ending	<u>\$ 27,658,815</u>	<u>\$ 25,560,544</u>	8.2%

### Requests for Information

This financial report is designed to provide our citizens, taxpayers, students, investors, and creditors with a general overview of Lane Community College's finances and to show the College's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

College Finance  
Lane Community College  
4000 East 30th Avenue  
Eugene, Oregon 97405-09640

The College's Annual Financial Report publications can also be found on the College's website at:  
<https://www.lanecc.edu/administration/college-finance/audits-financial-reports>

## **Basic Financial Statements**

LANE COMMUNITY COLLEGE

Statement of Net Position

June 30, 2024

	<u>College</u>	<u>Foundation (Component Unit)</u>
Assets:		
Current assets:		
Cash and cash equivalents	\$ -	\$ 3,231,151
Investments	37,065,949	-
Receivables, net:		
Property taxes	128,313	-
Accounts	12,113,685	941,208
Interest	-	34,262
Notes, current portion	-	18,784
Prepayments and other assets	448,866	53,506
Inventories	54,705	-
	<u>49,811,518</u>	<u>4,278,911</u>
Total current assets		
Noncurrent assets:		
Investments	60,435,849	-
Receivables, net	-	1,573,953
Long term investments	-	22,894,696
OPEB asset	1,945,505	-
Net pension asset	15,145,915	-
Nondepreciable capital assets	40,288,790	-
Capital assets, net of accumulated depreciation	171,414,396	-
Right of use assets - Leases, net of accumulated amortization	279,618	-
Right of use assets - SBITAs, net of accumulated amortization	6,110,206	-
	<u>295,620,279</u>	<u>24,468,649</u>
Total noncurrent assets		
Total assets	<u>\$ 345,431,797</u>	<u>\$ 28,747,560</u>
Deferred outflows of resources:		
Deferred on refunding of long-term debt	\$ 183,948	\$ -
Deferred outflows of resources related to pensions	46,751,187	-
Deferred outflows of resources related to OPEB	2,317,326	-
	<u>\$ 49,252,461</u>	<u>\$ -</u>
Total deferred outflows		

The accompanying notes are an integral part of this statement.

LANE COMMUNITY COLLEGE  
Statement of Net Position (Continued)  
June 30, 2024

Liabilities:

Current liabilities:

Accounts payable	\$ 16,369,685	\$ 427,623
Accrued liabilities	3,142,927	-
Accrued interest payable	181,687	-
Unearned revenue	1,701,331	28,000
Leases and SBITAs payable	1,398,551	
Compensated absences	2,212,698	
Current maturities of long-term debt	18,370,004	-

Total current liabilities	<u>43,376,883</u>	<u>455,623</u>
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Noncurrent liabilities:

Long-term debt	216,648,586	633,122
Leases and SBITAs payable	5,131,276	
Total pension liability	180,422	
OPEB liability	7,515,386	
Pension transition liability	2,043,995	

Total noncurrent liabilities	<u>231,519,665</u>	<u>633,122</u>
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Total liabilities	<u>\$ 274,896,548</u>	<u>\$ 1,088,745</u>
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Deferred inflows of resources:

Deferred inflows of resources related to pensions	\$ 17,168,001	\$ -
Deferred inflows of resources related to OPEB	1,733,282	-

Total deferred inflows of resources	<u>\$ 18,901,283</u>	<u>\$ -</u>
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Net Position:

Net investment in capital assets	<u>134,332,325</u>	-
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Restricted for debt service	1,545,576	-
Restricted for student financial aid	491,038	-
Restricted for special revenue	412,106	-
Restricted for pension and OPEB	17,091,420	-
Restricted for permanent endowment	-	14,607,181
Restricted for temporary endowment and scholarships	-	12,329,628

Total restricted net position	19,540,140	26,936,809
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Unrestricted	<u>(52,986,038)</u>	<u>722,006</u>
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Total net position	<u>\$ 100,886,427</u>	<u>\$ 27,658,815</u>
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The accompanying notes are an integral part of this statement.

LANE COMMUNITY COLLEGE  
Statement of Revenues, Expenses and Changes in Net Position  
Year Ended June 30, 2024

	College	Foundation (Component Unit)
Operating revenues:		
Student tuition and fees, net of allowance	\$ 39,177,295	\$ -
Grants and contracts	4,494,229	-
Sales of goods and services	2,254,909	-
Other operating revenue	16,834,548	3,659,923
	<u>62,760,981</u>	<u>3,659,923</u>
Total operating revenues		
	<u>62,760,981</u>	<u>3,659,923</u>
Operating expenses:		
Instruction	23,147,974	-
Community services	6,553,552	-
Instructional support services	3,764,425	-
Student services	9,258,948	-
College support services	10,759,666	-
Plant operations and maintenance	2,285,835	-
Financial aid	26,491,916	-
Foundation programs	-	3,963,626
Depreciation/Amortization	8,643,895	-
	<u>90,906,211</u>	<u>3,963,626</u>
Total operating expenses		
	<u>90,906,211</u>	<u>3,963,626</u>
Operating income (loss)	<u>(28,145,230)</u>	<u>(303,703)</u>
Nonoperating revenues (expenses):		
State community college support	56,716,835	-
Pell grant	10,294,209	-
Supplemental educational opportunity grant	663,854	-
Property taxes	38,187,213	-
Investment income	2,859,390	2,401,974
Loss on disposal of assets	(22,745)	-
Interest expense	(7,886,445)	-
	<u>100,812,311</u>	<u>2,401,974</u>
Total nonoperating revenues (expenses)		
	<u>100,812,311</u>	<u>2,401,974</u>
Income (loss) before capital contributions	72,667,081	2,098,271
Capital contributions	4,015,115	-
Change in net position	76,682,196	2,098,271
Net position - July 1, 2023	24,204,231	25,560,544
Net position - June 30, 2024	<u>\$ 100,886,427</u>	<u>\$ 27,658,815</u>

The accompanying notes are an integral part of this statement.

LANE COMMUNITY COLLEGE

Statement of Cash Flows  
Year Ended June 30, 2024

	<u>College</u>
Cash flows from operating activities:	
Tuition and fees	\$ 37,354,104
Grants and contracts	8,532,692
Sales of goods and services	2,246,155
Other cash receipts	16,834,548
Payments to employees for services	(46,132,325)
Payments to suppliers for goods and services	(53,114,954)
Payments for student scholarships and grants	(26,491,916)
Direct Loans - proceeds	6,739,371
Direct Loans - disbursements	<u>(6,739,371)</u>
Net cash used in operating activities	<u>(60,771,696)</u>
Cash flows from noncapital financing activities:	
Cash received from State Community College support	56,716,835
Cash received from property taxes	34,274,047
Nonoperating grants	10,958,063
Capital contributions	4,015,115
Principal paid on pension bonds	(6,990,777)
Interest paid on pension bonds	<u>(1,716,894)</u>
Net cash provided by noncapital financing activities	<u>97,256,389</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	(54,107,895)
Principal paid on bonds and debt obligations payable	(10,300,000)
Principal Payments on Leases and SBITAs	(1,407,542)
Interest paid on bonds and debt obligations payable	<u>(7,813,886)</u>
Net cash used in capital and related financing activities	<u>(73,629,323)</u>
Cash flows from investing activities:	
Purchase of investments	(98,103,768)
Proceeds from sales of investments	117,698,213
Interest on investments	<u>2,859,390</u>
Net cash provided by investing activities	<u>22,453,835</u>
Net increase in cash and cash equivalents	(14,690,795)
Cash and cash equivalents - July 1, 2023	<u>14,690,795</u>
Cash and cash equivalents - June 30, 2024	<u>\$ -</u>

The accompanying notes are an integral part of this statement.



LANE COMMUNITY COLLEGE  
Statement of Cash Flows (continued)  
Year Ended June 30, 2024

	<u>College</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	<u>\$ (28,145,230)</u>
Adjustments to reconcile operating loss to net cash used in operating activities	
Depreciation and Amortization	8,643,895
Change in net pension liability	(38,317,724)
Change in net OPEB liability	(142,177)
Change in OPEB asset	(453,571)
Change in net pension asset	(15,145,915)
Decrease (increase) in	
Accounts receivable	4,038,463
Inventories	(8,754)
Prepaid expenses and other assets	(243,519)
Deferred outflows of resources related to pensions	11,783,234
Deferred outflows of resources related to OPEB	414,494
Increase (decrease) in	
Operating accounts payable	5,829,702
Accrued liabilities	(1,376,169)
Vacation payable	(314,495)
Deferred inflows of resources related to pensions	(5,031,438)
Deferred inflows of resources related to OPEB	(479,302)
Unearned revenue	<u>(1,823,192)</u>
Total adjustments	<u>(32,626,468)</u>
Net cash used in operating activities	<u>\$ (60,771,696)</u>
Noncash Investing, Capital and Financing Activities	
Amortization of debt premium	\$ (1,821,024)
Amortization of deferred on refunding of long-term debt	196,860
Interest expense	<u>1,624,164</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, 2024

### 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, issued in June and November 1999, as amended by Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, issued in June 2011. The College follows the “business-type activities” reporting requirements of GASB Statement Nos. 34 and 35.

#### **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.

#### **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, 2024, the Foundation provided scholarships of \$1,115,749 for the benefit of the College. The College provided personnel and administrative contributions to the Foundation totaling \$404,597 during the year. The audited financial statements for the Foundation can be obtained at: 4000 East 30th Avenue, Eugene, Oregon 97405-0640.

#### **Basis of Accounting**

The basic financial statements are reported using the economic resources measurement focus and accrual basis of accounting in accordance with generally accepted accounting principles (GAAP). Revenues are recorded when earned and expenses are recorded at the time an obligation is incurred, regardless of when the related cash flows take place. Property

## LANE COMMUNITY COLLEGE

### Notes to Financial Statements

Year Ended June 30, 2024

taxes are recognized as revenues in the years in which they are levied. The levy is intended to finance grants and other similar types of revenue are recognized as soon as all eligibility, matching and expenditure requirements imposed by the grantor have been met.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements apply to grants and contracts in which the College must provide local resources to be used for a specified purpose; and expenditure requirements are those for which the resources are provided to the College on a reimbursement basis.

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.

#### **Cash and Cash Equivalents and Investments**

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments included in cash and investments are reported at fair value. The College invests primarily in the State of Oregon Local Government Investment Pool, U.S. government and agencies securities, municipal bonds, and corporate debt. 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.

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, U.S. government and agencies securities, municipal bonds, and corporate debt, which are exempt from statutes requiring such insurance.

#### **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, typically, no allowance for uncollectible taxes is deemed necessary. Property taxes are recognized as revenues when levied.

#### **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

LANE COMMUNITY COLLEGE

Notes to Financial Statements

Year Ended June 30, 2024

related grant expenditures is recorded as unearned revenue. Accounts receivable are shown net of an allowance for uncollectible amounts.

**Inventories**

Inventories, consisting of printing and graphics supplies, are valued at cost (first-in, first-out method) and are charged to expense as used.

**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 capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. 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.

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
Right of use assets	5 to 10

**Right of Use Assets**

Lease and Subscription-Based Information Technology Arrangements (SBITAs) assets represent the College's control of the right to use another entity's nonfinancial asset for the lease or SBITA term, as specified in the contract, in an exchange or exchange-like transaction. These assets are recognized at the commencement date based on the initial measurement of the liability, plus any payments made to the vendor at or before the commencement of the lease or SBITA term. The College applies a capitalization threshold of \$10,000 or more for right-to-use assets.

**Accrued Wages and Payroll Costs**

Contracts for faculty begin in September and end in mid-June. All other employee agreements begin July 1 for the ensuing fiscal year and end June 30. All salaries are paid over 12 months. The salary amounts due for payment in July and August are included in accrued liabilities. Benefit payments for July and August are not accrued but rather expensed as paid.

**Compensated Absences**

Vacation payable is recorded as a current liability and an expense when earned by employees. Employees earn vacation leave at each pay period based on a percentage of actual hours worked. Personal Leave is granted with the first pay period of the calendar year. Sick pay and emergency leave or summer leave, which does not vest, is recorded when leave is taken. It is understood that all earned vacation will be used in the coming fiscal year,

## LANE COMMUNITY COLLEGE

### Notes to Financial Statements

Year Ended June 30, 2024

therefore, there is no portion related to long term. Compensated absences are recorded in current liabilities in the Statement of Net Position.

#### **Tuition and Fees and Unearned Revenue**

Summer tuition and fees are collected in the months of May and June; however, the revenue and expense of summer term is reflected in the budget for the following fiscal year when it will be earned. Due to this timing difference, for summer term tuition and fees collected before June 30, advanced revenue has been recorded to account for tuition and fees to be recognized as revenue in the month of July.

Grant or contract revenue which was received prior to the occurrence of qualifying expense and prior to the end of the fiscal year but was intended for expense in the following fiscal year has been deferred and recognized as advanced revenue.

#### **Long-Term Debt**

Debt premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Deferred outflows of resources on refunding of long-term debt are being amortized over the shorter of the life of the old debt or new debt using the straight-line method.

#### **Pension Plans**

##### **Public Employees Retirement System (PERS)**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (PERS) and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

##### **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).

#### **Other Postemployment Benefits Obligation (OPEB)**

##### **Public Employees Retirement System**

For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (PERS) and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

##### **Early Retirement Program**

## LANE COMMUNITY COLLEGE

### Notes to Financial Statements

Year Ended June 30, 2024

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.

#### Pre-State and Local Government Rate Pool (SLGRP) Pooled Liability

The pre-SLGRP pooled liability is an actuarially determined liability recorded in the statement of net position based on the College's entry into the state of Oregon Public Employees Retirement System (OPERS) State and Local Government Rate Pool. The Pre-SLGRP pooled transition liability is reduced each year by contributions to OPERS and increased for interest charged by OPERS.

#### Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

#### Net Position

Net position represents the difference between the College's total assets and deferred outflows of resources minus total liabilities and deferred inflows of resources. Net position is classified according to external donor restrictions or availability of assets for satisfaction of College obligations. Net position is classified in the following components:

*Net investment in capital assets* – This component of net position consists of capital assets, net of accumulated depreciation, amortization and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted* – This component of net position consists of constraints imposed by creditors, grantors, contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. Restrictions may also result from endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity and invested for the purpose of producing present and future income, which may either be expended or added to principal. Restricted net position for the component unit relates to restricted endowments they hold.

*Unrestricted* – This component of net position consists of resources available to be used for transactions relating to the general obligations of the College and may be used at the discretion of the governing board, as designated, to meet current expenses for specific future purposes.

The College's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

## LANE COMMUNITY COLLEGE

### Notes to Financial Statements

Year Ended June 30, 2024

#### Classification of Revenues

Operating revenue includes activities that have the characteristics of exchange transactions such as (1) student tuition and fees, and (2) sales and services of auxiliary enterprises, net of scholarship discounts and allowances. Nonoperating revenue includes activities that have the characteristics of nonexchange transactions (a transaction in which the College receives value without directly giving equal value in return). This includes (1) local property taxes, (2) state appropriations, (3) certain federal, state, and local grants and contracts and federal appropriations, and (4) gifts and contributions.

#### Classification of Expenses

Operating expenses include the costs of faculty, administration, sales, and services for food services, student housing, and campus store operations and depreciation. All other expenses, not meeting this definition are reported as nonoperating expenses.

#### Federal Financial Assistance Programs

The College participates in federally funded programs, including primarily Pell Grants, Supplemental Educational Opportunity Grants, Federal Work-Study, and Federal Family Education Loans. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed costs may constitute a liability of the applicable funds. Such amounts, if any, cannot be determined at this time and, accordingly, no liability is reflected in the financial statements.

#### Scholarship Allowances

Certain aid such as loans and funds provided to students as awarded by others is accounted for as a third-party payment (credited to the student's account as if the student made the payment). All other aid is reflected in the basic financial statements as operating expense, or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided in the form of reduced tuition. Tuition and fees are shown net of scholarship allowances of \$533,767 for the year ended June 30, 2024.

#### 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.

## **2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:**

#### Budget

In accordance with Oregon Revised Statutes, the College adopts annual budgets and makes appropriations on a fund basis using the modified accrual basis of accounting.

A budget is prepared for all College funds in the main categories required by Oregon Local Budget Law on an object class basis – personnel services, materials and services, capital outlay, debt service, transfers, and contingency. The College's legal spending authority is

# LANE COMMUNITY COLLEGE

## Notes to Financial Statements

Year Ended June 30, 2024

defined by a resolution passed by the Board of Education making the appropriations and adopting the budget on an object class basis.

The College begins its budget process each year with the establishment of the budget committee. Recommendations are developed through early spring and the budget committee approves the budget in late spring. Public notices of the budget committee meetings and the public hearing prior to adoption are published in accordance with Oregon Local Budget Law. The Board of Education may amend the budget prior to adoption; however, budgeted expenditures for each fund may not be increased by more than 10%. The budget is then adopted, appropriations are made, and the tax levy is declared no later than June 30.

Expenditures cannot legally exceed the appropriation levels, which are adopted by Board resolution. The Board of Education can change the budget throughout the year by appropriation transfers between levels of control and supplemental budgets as authorized by Oregon Revised Statutes. The budget basis financial schedules reflect the original budget plus all approved supplemental appropriations and appropriation transfers. Annual appropriations lapse at fiscal year-end on June 30. The following funds had excess expenditures over appropriations for the fiscal year end:

	<u>Amount</u>
General Fund	
Instruction	\$2,649,831
Instructional support services	119,882
Student services	47,319
Administratively restricted fund	
College support services	134,468
Capital projects fund	
Transfers out	5,776,496

### 3 - CASH AND INVESTMENTS:

The College's cash and investments are comprised of the following at June 30, 2024:

Cash on hand and other	\$ -
Deposits with financial institutions	10,774,705
Investments	<u>86,727,093</u>
Cash and investments, as reported in statement of net position	<u>\$ 97,501,798</u>

### Deposits

On June 30, 2024, the College held a \$0 book balance in demand deposits with a bank balance of \$2,401,018. Insurance and collateral requirements for deposits are established by banking regulations and Oregon law. Where balances exceed the Federal Deposit Insurance Corporation (FDIC) amount of \$250,000, the balances are covered by collateral held in a



LANE COMMUNITY COLLEGE  
Notes to Financial Statements  
Year Ended June 30, 2024

multiple financial institution collateral pool (ORS 295.015) administered by the Oregon State Treasury in the Public Funds Collateralization Program (PFCP).

**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, corporate debt, and the Oregon Local Government Investment Pool, among others. The College has no investment policy that would further limit its investment choices.

The College's investments in U.S. Government and agency securities, municipal bonds and corporate debt are reported at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The College's investments in U.S. Government and agency securities, municipal bonds and corporate debt are valued using quoted market prices (Level 1 inputs).

At June 30, 2024, the College's investments consisted of:

	S&P Rating	Fair Value	Percent	Maturities	
				0-1 Years	1-2 Years
U.S. Treasury Bills	NR	29,213,748	33.7%		29,213,748
U.S. Treasury Notes	NR	20,447,396	23.6%		20,447,396
Investment in Oregon Local Government Investment Pool		37,065,950	42.7%	37,065,950	-
Total investments		\$ 86,727,093	100.0%	\$ 37,065,950	\$ 49,661,144

The Oregon Local Government Investment Pool is an open-ended, no-load diversified portfolio pool. Participants' account balances in the pool are determined by the amount of participants' deposits, adjusted for withdrawals and distributed interest. Interest is calculated and accrued daily on each participant's account based on the ending account balance and a variable interest rate determined periodically by the Oregon Short-Term Fund. 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, 2024 were: 70% mature within 90 days, 24% mature within six months, and 6% mature within nine months.

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

LANE COMMUNITY COLLEGE

Notes to Financial Statements

Year Ended June 30, 2024

securities that are in the possession of an outside party. The securities underlying the College's investments in U.S. Government and agency securities, municipal bonds and corporate debt are held by the College's counterparty, not in the College's name.

**Restricted Cash and Investments**

At June 30, 2024, the College had \$68,898,780 in unspent general obligation bond proceeds and capital grants. These unspent proceeds are restricted for capital improvements.

**Foundation Cash and Investments**

The Foundation's cash and cash equivalents consist of demand deposits with one financial institution. At June 30, 2024, the Foundation had -0- in excess of federally insured limits.

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 value, and unrealized gains and losses are reflected in the Foundation's statement of activities.

A summary of the Foundation's investments at June 30, 2024 is as follows:

Money market/cash management accounts	\$ 351,549
Certificates of deposit	2,250,000
Equity securities	1,178,492
U.S. Government and agency obligations	13,311,452
Corporate bonds	3,335,310
Other fixed income	<u>2,467,893</u>
Total investments	<u>\$ 22,894,696</u>

**4 - RECEIVABLES:**

Receivables as of June 30, 2024, consisted of the following:

Grant receivables	\$ 5,829,556
Student receivable	8,636,895
Property taxes	128,313
Other receivables	<u>2,899,234</u>
Allowance for doubtful accounts	<u>(5,252,000)</u>
Total	<u>\$ 12,241,998</u>

# LANE COMMUNITY COLLEGE

## Notes to Financial Statements

Year Ended June 30, 2024

### 5 - CAPITAL ASSETS:

The College's capital assets activity for the year ended June 30, 2024 was as follows:

	Balance July 1, 2023	Increases	Decreases	Transfers	Balance June 30, 2024
Capital assets not depreciated:					
Land	\$ 5,377,072	\$ -	\$ -	\$ -	\$ 5,377,072
Construction in progress	29,448,626	53,488,946	395,338	(47,630,516)	34,911,718
Total capital assets not being depreciated	34,825,698	53,488,946	395,338	(47,630,516)	40,288,790
Capital assets being depreciated:					
Building and improvements	217,051,291	-	-	43,440,557	260,491,848
Furniture and equipment	13,009,622	925,599	69,985	4,189,959	18,055,195
Library books	5,512,539	88,688	-	-	5,601,227
Right of use assets - Leases	327,106	7,574	-	-	334,680
Right of use assets - SBITAs	6,986,549	616,141	-	-	7,602,690
Total capital assets being amortized/depreciated	242,887,107	1,638,002	69,985	47,630,516	292,085,640
Less accumulated depreciation for:					
Building and improvements	91,378,657	6,140,598	-	-	97,519,255
Furniture and equipment	9,075,168	883,084	47,240	-	9,911,012
Library books	5,230,940	72,667	-	-	5,303,607
Right of use assets - Leases Amortization	54,683	379	-	-	55,062
Right of use assets - SBITAs Amortization	1,273,935	218,549	-	-	1,492,484
Total accumulated amortization/depreciation	107,013,383	7,315,277	47,240	-	114,281,420
Total capital assets being amortized/depreciated, net	135,873,724	(5,677,275)	22,745	47,630,516	177,804,220
Total capital assets, net	\$ 170,699,422	\$ 47,811,671	\$ 418,083	\$ -	\$ 218,093,010

### 6 - LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS:

The College adopted the requirements of GASB 87 - Leases effective July 1, 2021, and has applied this standard's provisions to the beginning of the adoption period. The results were a lease asset for \$279,618 and lease liability of \$285,461.

A summary of the College's lease future minimum principal and interest payments are as follows:

Fiscal Year	Principal	Interest
2025	\$ 54,444	\$ 5,946
2026	57,171	4,611
2027	60,002	3,203
2028	54,972	1,802
2029	50,101	696
Thereafter	8,771	23
	<u>\$ 285,461</u>	<u>\$ 16,281</u>

LANE COMMUNITY COLLEGE

Notes to Financial Statements

Year Ended June 30, 2024

**Subscription-Based Information Technology Arrangements (SBITAs)**

The College adopted the requirements of GASB 96 - Subscription-Based Information Technology Arrangements (SBITAs) effective July 1, 2022, and has applied this standard's provisions to the beginning of the adoption period. In FY2024, the College added \$6,110,206 in SBITA assets and \$6,244,366 in SBITA liabilities.

A summary of the College's lease future minimum principal and interest payments are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 1,344,107	\$ 119,297
2026	1,306,928	88,948
2027	1,077,175	59,327
2028	832,115	37,943
2029	821,152	25,250
Thereafter	862,889	13,180
	<u>\$ 6,244,366</u>	<u>\$ 343,945</u>

Per GASB 96, Paragraph 18: the future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be the interest rate implicit in the SBITA. If the interest rate cannot be readily determined by the government, the government's estimated incremental borrowing rate (an estimate of the interest rate that would be charged for borrowing the subscription payment amounts during the term) is used.

**7 - LONG-TERM DEBT:**

Changes in the College's long-term debt for the year ended June 30, 2024 are as follows:

	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2024</u>	<u>Due Within One Year</u>	<u>Interest Paid</u>
Bonds payable	128,070,000	-	9,535,000	118,535,000	10,320,000	3,828,175
Bonds payable premium	16,293,425	-	1,821,024	14,472,401	-	-
Debt obligations payable	12,610,000	-	765,000	11,845,000	790,000	492,900
Debt obligations premium	1,461,185	-	-	1,461,185	-	-
Pension bonds payable	95,155,000	-	6,450,000	88,705,000	7,260,000	4,537,502
Pension transition liability	2,584,772	-	540,777	2,043,995	-	-
SBITA payable	5,877,236	534,228	167,098	6,244,366	1,344,107	-
Leases payable	278,200	7,574	313	285,461	54,444	-
Total pension liability	38,498,146	-	38,317,724	180,422	-	-
Total OPEB liability	7,657,563	-	142,177	7,515,386	-	-
<b>Total</b>	<u><b>\$ 308,485,527</b></u>	<u><b>\$ 541,802</b></u>	<u><b>\$ 57,739,113</b></u>	<u><b>\$ 251,288,216</b></u>	<u><b>\$ 19,768,551</b></u>	<u><b>\$ 8,858,577</b></u>

LANE COMMUNITY COLLEGE

Notes to Financial Statements

Year Ended June 30, 2024

**Bonds Payable**

In October 2012, the College issued \$1,500,000 of Qualified Energy Conservation Bonds to finance capital costs for energy conservation measures. The bonds are due annually and interest is payable semi-annually, on June 15 and December 15, with interest at 4.62 percent per annum. The bonds qualify for interest subsidy payments from the U.S. Treasury for up to 70% of the interest payments on the bonds. Future gross bonded debt requirements are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 125,000	\$ 18,018	\$ 143,018
2026	130,000	12,243	142,243
2027	<u>135,000</u>	<u>6,237</u>	<u>141,237</u>
Total	<u>\$ 390,000</u>	<u>\$ 36,498</u>	<u>\$ 426,498</u>

In August 2020, the College issued Series 2020A General Obligation Bonds (Tax- Exempt) in the original amount of \$65,240,000 plus premium of \$18,085,612 and Series 2020B General Obligation Bonds (Federally Taxable) in the original amount of \$56,260,000. These general obligation bonds were issued to finance the costs of capital construction and improvements to College facilities and to pay the costs of issuance of the Bonds. The bonds are being retired from property taxes levied by the College. The Series 2020 bonds are due annually and interest is payable semi-annually, on June 15 and December 15, with interest rates ranging from 0.36% to 5.0%. Series 2020A bonds maturing on or after June 15, 2031 may be redeemed, in whole or in part, at a price of par plus accrued interest to the date of redemption. Series 2020B bonds are not subject to optional redemption prior to maturity.

Future general obligation bonded debt requirements are as follows:

	<u>Series 2020A Bonds</u>		<u>Series 2020B Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ -	\$ 2,769,900	\$ 10,195,000	\$ 644,168
2026	-	2,769,900	10,655,000	557,409
2027	-	2,769,900	11,160,000	439,991
2028	-	2,769,900	11,695,000	300,267
2029	3,060,000	2,769,900	9,200,000	137,356
2030-2034	28,480,000	9,619,900		
2035-2039	27,070,000	4,726,800		
2040	<u>6,630,000</u>	<u>265,200</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 65,240,000</u>	<u>\$ 28,461,400</u>	<u>\$ 52,905,000</u>	<u>\$ 2,079,191</u>

# LANE COMMUNITY COLLEGE

## Notes to Financial Statements

Year Ended June 30, 2024

### **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 6.18% to 6.25%.

In June 2022, the College issued a Full Faith and Credit Pension Bond with a private bank totaling \$69,290,000, the net proceeds of which were transferred 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, 2042 and interest is payable in December and June of each year at a rate of 4.42%.

Future pension bonds requirements are as follows:

	Series 2003 Bonds		Series 2022 Bonds	
	Principal	Interest	Principal	Interest
2025	\$ 5,605,000	\$ 1,245,684	\$ 1,655,000	\$ 2,944,604
2026	6,250,000	927,880	1,880,000	2,871,453
2027	6,945,000	572,880	2,125,000	2,788,357
2028	3,285,000	183,960	2,390,000	2,694,432
2029	-	-	2,665,000	2,588,794
2030-2034			15,300,000	11,137,295
2035-2039			24,235,000	7,014,319
2040-2042			16,370,000	1,328,873
Total	<u>\$ 22,085,000</u>	<u>\$ 2,930,404</u>	<u>\$ 66,620,000</u>	<u>\$ 33,368,127</u>

### **Debt Obligations Payable**

In October 2016, the College issued \$17,580,000 of Full Faith and Credit Obligations, Series 2016 to extinguish the remaining \$19,355,000 of Full Faith and Credit Obligations, Series 2010. The Series 2010 Obligations were 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 Series 2010 Obligations were called on October 25, 2016.

The College advance refunded the Series 2010 Obligations to take advantage of lower interest rates and to reduce its total debt service payments over the life of the Series 2016 Obligations by \$3,171,550. The refunding resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$2,554,977. The Series 2016 Obligations bear interest rates from 1.6% to 5% and the final maturity is on December 1, 2035. Debt service payments are scheduled semiannually.

LANE COMMUNITY COLLEGE

Notes to Financial Statements

Year Ended June 30, 2024

Future Series 2016 Obligations debt service requirements are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 790,000	\$ 464,200	\$ 1,254,200
2026	820,000	434,400	1,254,400
2027	855,000	400,900	1,255,900
2028	885,000	366,100	1,251,100
2029	915,000	330,100	1,245,100
2030-2034	5,190,000	1,010,650	6,200,650
2035	<u>2,390,000</u>	<u>72,150</u>	<u>2,462,150</u>
Total	<u>\$ 11,845,000</u>	<u>\$ 3,078,500</u>	<u>\$ 14,923,500</u>

## LANE COMMUNITY COLLEGE

### Notes to Financial Statements

Year Ended June 30, 2024

#### **Foundation Obligations under Split-Interest Agreements**

Obligations under split-interest agreements and charitable remainder trusts are recorded when incurred at the present value, discounted at a rate of 5.6% for the year ending June 30, 2024, of the distributions to be made to the donor-designated beneficiaries. Distributions under charitable remainder annuity trusts are fixed amounts, while distributions under charitable remainder unitrusts are a specified percentage of the trust assets' fair value determined annually. 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 (IRS) and actuarially determined expected lives. Obligations under the split-interest agreements are revalued annually at June 30 to reflect actual experience. 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 on the Foundation's statement of activities. The net revaluation of split-interest agreements as of June 30, 2024 was \$12,490.

#### **8 – PENSION PLANS:**

##### **PUBLIC EMPLOYEES' RETIREMENT SYSTEM:**

##### **Plan Description**

The College contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the College's contribution for qualifying employees who were hired before August 29, 2003, and is a cost-sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: 1) The Pension Program, the defined benefit portion of the plan which applies to qualifying College employees hired on or after August 29, 2003. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service. 2) The Individual Account Program (IAP), the defined contribution portion of the plan. Effective January 1, 2004, all PERS member contributions began going into the IAP, but effective July 1, 2020 a portion of member contributions were redirected to help fund the defined benefits provided under OPERF Tier One/Tier Two and OPSRP. PERS members retain their existing PERS accounts, but the IAP portion of any future member contributions are deposited into the member's IAP, not the member's PERS account.

Both PERS plans provide retirement and disability benefits, postemployment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS. PERS produces an independently audited Annual Comprehensive Financial Report which can be found at: The report may be obtained at:

<https://www.oregon.gov/pers/Pages/financials/Actuarial-Financial-Information.aspx>.

##### **Benefits Provided**

##### **A. Tier One/Tier Two Retirement Benefit ORS Chapter 238**

##### **Pension Benefits**



## LANE COMMUNITY COLLEGE

### Notes to Financial Statements

Year Ended June 30, 2024

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer. General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

#### **Death Benefits**

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

#### **Disability Benefits**

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 when determining the monthly benefit.

#### **Benefit Changes after Retirement**

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the fair value of equity investments.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

### **B. OPSRP Pension Program (OPSRP DB)**

#### **Pension Benefits**

## LANE COMMUNITY COLLEGE

### Notes to Financial Statements

Year Ended June 30, 2024

The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

General Service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

#### **Death Benefits**

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. Senate Bill 111, enacted in June 2021, increased this benefit from 50% to 100%.

<https://olis.oregonlegislature.gov/liz/2025R1/downloads/measuredocument/sb111/introduced>

#### **Disability Benefits**

A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

#### **Benefit Changes after Retirement**

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

[https://oregon.public.law/statutes/ors\\_238a.210#google\\_vignette](https://oregon.public.law/statutes/ors_238a.210#google_vignette)

### **C. OPSRP Individual Account Program (OPSRP IAP)**

#### **Pension Benefits**

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year

LANE COMMUNITY COLLEGE  
Notes to Financial Statements  
Year Ended June 30, 2024

period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

**Death Benefits**

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

**Contributions**

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2021 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2023.

The rates in effect for the fiscal year ended June 30, 2024 were 8.73% for Tier One/Tier Two General Service Members and 5.54% for OPSRP Pension Program General Service Members, net of 19.33% of side account rate relief.

**Net Pension Liabilities, Net Pension Assets, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions**

At June 30, 2024, the College reported an asset \$15,145,915 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2023 and was determined by an actuarial valuation as of December 31, 2021. The College's proportion of the net pension asset was based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities actuarially determined. PERS has established side accounts for employers that made lump sum payments to the plan in excess of their actuarially required contributions. Since different contribution rates are assessed to employers based on the value of the side accounts, the side account values were reflected separately in the proportionate share calculation. On June 30, 2023, the College's proportion was .036102718%, a 0.01689101% decrease compared to June 30, 2022.

For the year ended June 30, 2024, the College recognized pension expense of (\$46,639,662). At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

LANE COMMUNITY COLLEGE  
Notes to Financial Statements  
Year Ended June 30, 2024

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,306,966	\$ 268,131
Changes in assumptions	6,007,215	44,790
Net difference between projected and actual earnings on investments	1,215,460	-
Changes in proportionate share	-	6,137,150
Changes in proportion and differences between employer contributions and proportionate share of contributions	36,196,462	10,616,107
College's contributions subsequent to the measurement date	-	-
Deferred outflows/inflows at June 30, 2024	<u>\$ 46,726,103</u>	<u>\$ 17,066,178</u>

Other deferred outflows of resources totaling \$46,726,103 less deferred inflows of resources of \$17,066,178 related to pensions will be recognized in pension expense as follows:

Years Ending June 30,	Deferred Outflow(Inflow) of Resources
2025	\$ 6,234,109
2026	4,522,340
2027	14,443,380
2028	5,214,984
2029	(754,888)
Total	<u>\$ 29,659,925</u>

**Actuarial assumptions**

The employer contribution rates effective July 1, 2021, through June 30, 2023, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years. However, Senate Bill 1049, signed into law in June 2019, requires a one-time re-amortization of Tier One/Tier Two unfunded actuarial accrued liability over a 22-year period in the December 31, 2019 actuarial valuation. For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an amount for the amortization of unfunded actuarial accrued

LANE COMMUNITY COLLEGE  
Notes to Financial Statements  
Year Ended June 30, 2024

liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

The net pension liability (asset) in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2021
Experience Study Report	2020, published July 20, 2021
Measurement date	June 30, 2023
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.40 percent
Investment Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2022 Experience Study which reviewed experience for the four-year period ending on December 31, 2020.

**Long-term expected rate of return**

# LANE COMMUNITY COLLEGE

## Notes to Financial Statements

Year Ended June 30, 2024

To develop an analytical basis for the selection of the long-term expected rate of return assumption, the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocations	20-Year Annualized Geometric Mean
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
Total	100.00%	
Assumed Inflation - Mean		2.35%

### **Discount rate**

The discount rate used to measure the total pension liability was 6.90 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the net pension liability (asset).

### **Deferred Items**

Certain deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. Others are calculated at the employer level. For fiscal year ended June 30, 2024, deferred items include:

- Difference between expected and actual experience
- Changes in assumptions

## LANE COMMUNITY COLLEGE

### Notes to Financial Statements

Year Ended June 30, 2024

- Net difference between projected and actual pension plan investment earnings
- Changes in employer proportion since the prior measurement date
- Difference between employer contributions and proportionate share of contributions
- Contributions subsequent to the measurement date

Differences between expected and actual experience, changes in assumption, and changes in employer proportion are amortized over the average remaining service lives of all plan participants, including retirees, determined as of the beginning of the respective measurement period. Employers are required to recognize pension expense based on the balance of the closed period “layers” attributable to each measurement period. The average remaining service lives determined as of the beginning of each measurement period are as follows:

- Measurement period ended June 30, 2023 – 5.4 years
- Measurement period ended June 30, 2022 – 5.5 years
- Measurement period ended June 30, 2021 – 5.4 years
- Measurement period ended June 30, 2020 – 5.3 years
- Measurement period ended June 30, 2019 – 5.2 years
- Measurement period ended June 30, 2018 – 5.2 years

The difference between projected and actual pension plan investment earnings attributable to each measurement period is amortized over a closed 5-year period.

One year of amortization is recognized in the College’s total pension expense for FY2024.

#### **Depletion Date Projection**

GASB 67 generally requires that a blended discount rate be used to measure the total pension liability (the actuarial accrued liability calculated using the Individual Entry Age Normal Cost method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan’s fiduciary net position (fair value of investment assets, all others at cost) is projected to cover benefit payments and administrative expenses. A 20-year high-quality (AA/Aa or higher) municipal bond rate must be used for periods when the fiduciary net position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 67 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 67 (paragraph 43) does allow for alternative evaluations of projected solvency if such evaluation can reliably be made.

GASB does not recommend a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for Oregon PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.

# LANE COMMUNITY COLLEGE

## Notes to Financial Statements

Year Ended June 30, 2024

- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 67 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions.
- This means that the projections would not reflect any adverse future experience that might impact the plan's funded position.

Based on these circumstances, it is our third-party actuary's opinion that the detailed depletion date projections outlined in GASB 67 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

### **Sensitivity of the College's Proportionate Share of the Net Pension (Asset) Liability to Changes in the Discount Rate**

The following presents the College's proportionate share of the net pension (asset) liability calculated using the discount rate of 6.90%, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
College's proportionate share of the net pension (asset) liability	<u>\$ 28,931,582</u>	<u>\$(15,145,915)</u>	<u>\$(52,034,178)</u>

### **Changes of plan provisions**

Senate Bill 1049, signed into law in June 2019, introduced a limit on the amount of annual salary included for the calculation of benefits. Beginning in 2020, annual salary in excess of \$195,000 (as indexed for inflation in future years) will be excluded when determining member benefits. Additionally, effective July 1, 2020, a portion of the 6% of salary member contribution to the Individual Account Program was redirected to Employee Pension Stability Accounts, which will help fund the defined benefits provided under Tier One/Tier Two and OPSRP. For Tier One/Tier Two members, the prospectively redirected amount was updated to 2.50% of salary, and for OPSRP members the amount was updated to 0.75% of salary. The redirection only applies to members earning \$3,570 per month or more (indexed for inflation). The prospectively redirected amount was updated to 2.40% of salary for Tier One/Tier Two members and 0.65% of salary for OPSRP members beginning with the December 31, 2020 actuarial valuation.

### **Changes in actuarial assumptions**

Senate Bill 1049, signed into law in June 2019, requires a one-time re-amortization of Tier One/Tier Two unfunded actuarial accrued liability over a closed 22-year period in the December 31, 2019 actuarial valuation.

In July 2023, the PERS Board selected a lower long-term expected rate of investment return assumption of 6.90% to be used in the December 31, 2022 and December 31, 2023 actuarial valuations. At the same time, the PERS Board reduced the inflation and payroll growth



LANE COMMUNITY COLLEGE  
Notes to Financial Statements  
Year Ended June 30, 2024

assumptions to 2.40% and 3.40%, respectively. The PERS Board has also chosen to reflect these updated economic assumptions in the roll-forward of the December 31, 2021 actuarial valuation amounts for the June 30, 2023 measurement date.

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

# LANE COMMUNITY COLLEGE

## Notes to Financial Statements

Year Ended June 30, 2024

### **Transition Liability**

The College reports a separate liability to the plan with a balance of \$2,043,995 at June 30, 2024. The liability represents the College's allocated share of the pre-SLGRP pooled liability. The College is being assessed an employer contribution rate of 1.52 percent of covered payroll for payment of this transition liability.

### **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. See below for the breakdown of employees covered by benefit terms.

*Retirement eligibility* – management employees with 10 years of College service immediately preceding retirement and age 58 or age 55 with 30 years of Oregon PERS service. Faculty employees at age 55 and 10 years of College service immediately preceding retirement.

*Stipend benefit* – management employees receive 1.25% of the retiree's last regular monthly salary, multiplied by the number of full months of continuous permanent employment up to 192 months, divided by 12 payable until age 65. Faculty employees receive \$175 per month payable to age 62.

	<u>Classified</u>	<u>Faculty</u>	<u>Management</u>	<u>Total</u>
Active employees	286	194	66	546
Retirees	<u>7</u>	<u>35</u>	<u>3</u>	<u>45</u>
Total	<u>293</u>	<u>229</u>	<u>69</u>	<u>591</u>

### **Contributions and Funding**

The College does not issue a standalone report for this plan. The plan is currently unfunded as defined by current GASB standards. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB 73. The benefits from this program are fully paid by the College and, consequently, no contributions by employees are required. Benefits are paid when due. There are no administrative costs attributable to the plan and the plan's activities are reported in the financial statements. For the year ended June 30, 2024, changes in the pension liability are as follows:

LANE COMMUNITY COLLEGE  
Notes to Financial Statements  
Year Ended June 30, 2024

Pension liability - July 1, 2023	\$ 246,666
Benefit payments	(78,306)
Service cost	4,488
Interest on total pension liability	7,574
Change in assumptions	-
Experience (gain)/loss	-
	<hr/>
Pension liability - June 30, 2024	<u>\$ 180,422</u>

**Actuarial Valuation**

The actuarial information is from a valuation dated June 30, 2023. The actuarial funding method used to determine the plan cost is the entry age normal cost method. Under this method, the actuarial present value of the projected benefits of each active employee included in the valuation is allocated on a level percentage of pay basis over the service of the active employee between assumed entry age (date of hire) and assumed exit age(s). The portion of this actuarial present value allocated to the valuation year is called the service cost for that active employee. The sum of these individual service costs is the plan's service cost for the valuation year. The actuarial assumptions included (a) a discount rate of 3.65%, (b) an assumed inflation rate of 2.5% for all future years, and (c) 3.5% salary increases per annum for all future years. Rates of mortality are the same rates that were used for general service employees in the December 31, 2021 actuarial valuation of the Oregon PERS pension plan.

**Sensitivity of the Total Pension Liability to Changes in the Discount Rate**

The following presents the total pension liability calculated using the discount rate of 3.65%, as well as what the total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current rate:

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
	<hr/>	<hr/>	<hr/>
Total pension liability - June 30, 2024	\$ 185,126	\$ 180,422	\$ 175,758
	<hr/>	<hr/>	<hr/>

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2024, the College recognized pension expense of (\$14,229). At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

LANE COMMUNITY COLLEGE  
Notes to Financial Statements  
Year Ended June 30, 2024

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,718	\$ 90,392
Changes in assumptions	<u>17,366</u>	<u>11,431</u>
Deferred outflows/inflows at June 30, 2024	<u><u>\$ 25,084</u></u>	<u><u>\$ 101,823</u></u>

LANE COMMUNITY COLLEGE  
Notes to Financial Statements  
Year Ended June 30, 2024

Amounts reported as deferred inflows of resources net of amounts reported as deferred outflows of resources will be recognized in pension expense as follows:

Years Ending June 30,	Deferred Outflow(Inflow) Recognized in Pension Expense
2025	\$ (25,875)
2026	(6,355)
2027	(6,355)
2028	(7,285)
2029	(7,517)
All subsequent years	<u>(23,352)</u>
Total	<u>\$ (76,739)</u>

## 9 – POSTEMPLOYMENT HEALTHCARE BENEFITS

### **PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

#### **Plan Description**

The College contributes to an OPEB plan administered by the Oregon Public Employees Retirement System (PERS). The Retiree Health Insurance Account (RHIA) is a cost-sharing multiple-employer defined benefit plan established under Oregon Revised Statute 238.420, which grants the authority to manage the plan to the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained at:

<https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>.

#### **Benefits Provided**

Eligible PERS members can receive a payment of up to \$60 from RHIA toward the monthly cost of health insurance. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired before May 1, 1991. The plan was closed to new entrants hired on or after August 29, 2003.

#### **Contributions**

PERS funding policy provides for monthly employer contributions at an actuarially determined rate. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution

LANE COMMUNITY COLLEGE  
Notes to Financial Statements  
Year Ended June 30, 2024

rates during the period were based on the December 31, 2021 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2023. Employer contributions for the year ended June 30, 2024 were \$1,866. The rates in effect for the fiscal year ended June 30, 2024 were 0.05 percent for Tier One/Tier Two General Service Members and 0.00 percent for OPSRP Pension Program General Service Members. Employees are not required to contribute to the RHIA Program.

**OPEB Assets, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB**

At June 30, 2024, the College reported an asset of \$1,945,505 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2023 and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2021 rolled forward to June 30, 2023. The College's proportion of the net OPEB asset was based on a projection of the College's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating entities actuarially determined. On June 30, 2024, the College's proportion was 0.53131805%, an increase of 0.1114513% from June 30, 2023.

For the year ended June 30, 2024, the College recognized OPEB expense of (\$399,142). At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 48,842
Changes in assumptions	-	20,977
Net difference between projected and actual earnings on investments	5,517	-
Changes in proportionate share	29,794	194,995
Differences between employer contributions and proportionate share of contributions	-	-
College's contributions subsequent to the measurement date	-	-
Deferred outflows/inflows at June 30, 2024	<u>\$ 35,311</u>	<u>\$ 264,814</u>

LANE COMMUNITY COLLEGE

Notes to Financial Statements

Year Ended June 30, 2024

Contributions subsequent to the measurement date of \$1,866 reported as deferred outflows of resources will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. Other deferred outflows of resources totaling \$35,311 less deferred inflows of resources of \$264,814 related to OPEB will be recognized in OPEB expense as follows:

<u>Years Ending June 30,</u>	<u>Deferred Outflow(Inflow of Resources)</u>
2025	\$ (209,029)
2026	(118,160)
2027	71,899
2028	25,787
2029	<u>-</u>
Total	<u>\$ (229,503)</u>

**Actuarial assumptions**

The employer contribution rates effective July 1, 2023, through June 30, 2025, were set using the entry age normal actuarial cost method. This method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years.

LANE COMMUNITY COLLEGE  
Notes to Financial Statements  
Year Ended June 30, 2024

The total OPEB asset in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2021
Measurement date	June 30, 2023
Experience Study Report	2020, published July 20, 2021
Actuarial Cost Method	Entry age normal
Amortization Method	Amortized as a level percentage of payroll as layered amortization bases over a closed 10-year period.
Asset Valuation Method	Market value of assets Actuarial Assumptions
Inflation Rate	2.40 percent
Investment Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent overall payroll growth
Retiree Healthcare Participation	Healthy retirees: 27.5%; disabled retirees:
15% Healthcare Cost Trend Rate	Not applicable
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs, as described in the valuation.  Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs, as described in the valuation.  Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs, as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2020 Experience Study which reviewed experience for the four-year period ending on December 31, 2020.

Long-term expected rate of return



# LANE COMMUNITY COLLEGE

## Notes to Financial Statements

Year Ended June 30, 2024

To develop an analytical basis for the selection of the long-term expected rate of return assumption, the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocations	Compounded Annual Return (Geometric)
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
Total	100.00%	
Assumed Inflation - Mean		2.35%

### **Discount rate**

The discount rate used to measure the total OPEB asset was 6.90 percent for the OPEB plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the OPEB plan was applied to all periods of projected benefit payments to determine the total OPEB asset.

### **Deferred Items**

Certain deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. Others are calculated at the employer level. For fiscal year ended June 30, 2024, deferred items include:

- Difference between expected and actual experience
- Changes in assumptions

# LANE COMMUNITY COLLEGE

## Notes to Financial Statements

Year Ended June 30, 2024

- Net difference between projected and actual pension plan investment earnings
- Changes in employer proportion since the prior measurement date
- Difference between employer contributions and proportionate share of contributions
- Contributions subsequent to the measurement date

Differences between expected and actual experience, changes in assumption, and changes in employer proportion are amortized over the average remaining service lives of all plan participants, including retirees, determined as of the beginning of the respective measurement period. Employers are required to recognize pension expense based on the balance of the closed period "layers" attributable to each measurement period. The average remaining service lives determined as of the beginning of each measurement period are as follows:

- Measurement period ended June 30, 2023 – 5.4 years
- Measurement period ended June 30, 2022 – 5.5 years
- Measurement period ended June 30, 2021 – 5.4 years
- Measurement period ended June 30, 2020 – 5.3 years
- Measurement period ended June 30, 2019 – 5.2 years
- Measurement period ended June 30, 2018 – 5.2 years

The difference between projected and actual pension plan investment earnings attributable to each measurement period is amortized over a closed 5-year period.

One year of amortization is recognized in the College's total pension expense for FY2024.

### **Sensitivity of the College's proportionate share of the net OPEB asset to changes in the discount rate and healthcare cost trend rate**

The following presents the College's proportionate share of the net OPEB asset calculated using the discount rate of 6.90%, as well as what the College's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
College's proportionate share of the net OPEB liability	<u>\$ (1,768,468)</u>	<u>\$ (1,945,505)</u>	<u>\$ (2,097,402)</u>

Since the monthly benefit is capped at \$60, the healthcare cost trend rate has no effect on the College's proportionate share of the net OPEB asset.

### **Changes in actuarial assumptions**

In July 2022, the PERS Board selected a lower long-term expected rate of investment return assumption of 6.90% to be used in the December 31, 2022 and December 31, 2023 actuarial valuations. At the same time, the PERS Board reduced the inflation and payroll growth assumptions to 2.40% and 3.40%, respectively. The PERS Board has also chosen to reflect

LANE COMMUNITY COLLEGE

Notes to Financial Statements

Year Ended June 30, 2024

these updated economic assumptions in the roll-forward of the December 31, 2021 actuarial valuation amounts for the June 30, 2023 measurement date.

**OPEB plan fiduciary net position**

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued PERS financial report.

**EARLY RETIREMENT PLAN:**

**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. Additionally, the College makes the same healthcare benefit plans offered to current employees available to retirees and their dependents (regardless of eligibility for the explicit benefits described above) until such time as the retirees are eligible for Medicare. Although the College does not pay any portion of the plan premiums for retirees not eligible for the explicit benefit, there is an implicit benefit because a) the greater claims associated with retirees are reflected in the plan rates and b) those who opt to be covered by the College plans pay lesser premiums than they would had they bought coverage elsewhere. The College Board of Education authorizes the plan and may change the benefits, in conjunction with collective bargaining. The College does not issue a stand-alone report for this plan.

**Employees Covered by Benefit Terms**

The following employees were covered by the benefit terms:

	<u>Classified</u>	<u>Faculty</u>	<u>Management</u>	<u>Total</u>
Active employees	286	194	66	546
Retirees	<u>7</u>	<u>35</u>	<u>3</u>	<u>45</u>
Total	<u>293</u>	<u>229</u>	<u>69</u>	<u>591</u>

**Contributions and Funding**

The plan is currently unfunded as defined by current GASB standards. Employer contributions for postemployment health care benefits are implemented in compliance with Article 41 of the LCCEA contract, with the specific amounts based on a number of different factors including retirement date and age at time of retirement. As a defined benefit plan for which a trust is not maintained, the Early Retirement Plan does not meet the reporting requirements of GASB 75 paragraph 4. The benefits from this program are fully paid by the College and, consequently, no contributions by employees are required. Benefits are paid when due. There are no administrative costs attributable to the plan and the plan's activities

LANE COMMUNITY COLLEGE

Notes to Financial Statements

Year Ended June 30, 2024

are reported in the financial statements. For the year ended June 30, 2024, changes in the postemployment healthcare benefits liability are as follows:

Total OPEB liability - July 1, 2023	\$ 7,657,563
Service cost	243,786
Interest on total OPEB liability	267,574
Change in assumptions	-
Experience (gain)/loss	-
Benefit payments - explicit medical	(451,289)
Benefit payments - implicit medical	<u>(202,248)</u>
Total OPEB liability - June 30, 2024	<u>\$ 7,515,386</u>

For the year ended June 30, 2024, the College recognized OPEB expense of \$393,017. At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,431,063	\$ 678,174
Changes in assumptions	<u>850,952</u>	<u>790,294</u>
Deferred outflows/inflows at June 30, 2024	<u>\$ 2,282,015</u>	<u>\$ 1,468,468</u>

Amounts reported as deferred inflows of resources net of amounts reported as deferred outflows of resources will be recognized in OPEB expense as follows:

Years Ending June 30,	Deferred Outflow(Inflow) Recognized in OPEB expense
2025	\$ (93,859)
2026	17,629
2027	17,629
2028	215,313
2029	264,732
All subsequent years	<u>392,103</u>
Total	<u>\$ 813,547</u>

**Actuarial Valuation**

The actuarial information is from a valuation dated June 30, 2024. The actuarial funding method used to determine the plan cost is the entry age normal cost method. Under this method, the actuarial present value of the projected benefits of each active employee

LANE COMMUNITY COLLEGE  
Notes to Financial Statements  
Year Ended June 30, 2024

included in the valuation is allocated on a level percentage of pay basis over the service of the active employee between assumed entry age (date of hire) and assumed exit age(s).

The portion of this actuarial present value allocated to the valuation year is called the service cost for that active employee. The sum of these individual service costs is the plan's service cost for the valuation year. The actuarial assumptions included (a) a discount rate of 3.65%, (b) an assumed inflation rate of 2.5% for all future years, (c) 3.5% salary increases per annum for all future years; and (d) healthcare cost trend rates of 3.4% for medical, 3.0% for dental, and 3.0% for vision. Rates of mortality are the same rates that were used for general service employees in the December 31, 2021 actuarial valuation of the Oregon PERS pension plan.

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability calculated using the discount rate of 3.65%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current rate:

	<u>1% Decrease (2.65%)</u>	<u>Discount Rate (3.65%)</u>	<u>1% Increase (4.65%)</u>
Total OPEB liability - June 30, 2024	\$ 7,957,739	\$ 7,515,386	\$ 7,097,401

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the total OPEB liability calculated using the current healthcare cost trend rates as well as what the total OPEB liability would be if it were calculated using a rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>Current Health Care Trend Rates</u>		
	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability - June 30, 2024	\$ 6,948,177	\$ 7,515,386	\$ 8,130,674

**Changes of assumptions**

In the latest actuarial valuation used to determine the total OPEB liability as of June 30, 2024, the discount rate was increased from 2.16% to 3.65%.

**10 - 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.

**11 - 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

LANE COMMUNITY COLLEGE

Notes to Financial Statements

Year Ended June 30, 2024

College is a member of the Oregon School Boards Association PACE Program and pays an annual premium to PACE for its general and automobile liability and automobile physical damage coverage. Under the membership agreement with PACE, the insurance pool is to be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain limits.

The College carries commercial insurance for other risks of loss including property damage, boiler and machinery, workers' compensation, 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.

12 - TAX ABATEMENTS:

The College's property tax revenues were reduced by \$530,748 under agreements entered into within Lane County related to the following abatement programs authorized by Oregon Revised Statute:

Enterprise Zone - ORS 285C.175	\$ 297,406
Housing for Low Income Rental - ORS 307.517	109,577
Housing; Multiple Unit in Core Areas - ORS 307.612	<u>123,765</u>
Total	<u>\$ 530,748</u>

13 - COMMITMENTS:

The College has approximately \$52.9 million in on-going construction commitments as of June 30, 2024 related to construction and renovation projects funded by the proceeds from general obligation bonds.

## **Required Supplementary Information**

LANE COMMUNITY COLLEGE  
Schedule of the Proportionate Share of the Net Pension Liability  
Public Employees Retirement System Pension Plan

Fiscal year Ended June 30,	(a) College's proportion of the net pension liability (asset)	(b) College's proportionate share of the net pension liability (asset)	(c) College's covered Payroll	(b/c) College's proportionate share of the net pension liability (asset) as of Percentage of its Cover payroll	Plan fiduciary net position as percentage of the total pension liability
2024	0.36102718%	\$ (15,145,915)	\$ 44,728,441	-33.86%	81.68%
2023	0.37791819%	38,251,480	47,492,397	80.54%	84.55%
2022	0.38719126%	21,393,863	46,500,992	46.01%	87.57%
2021	0.39291536%	58,354,551	47,665,126	122.43%	75.79%
2020	0.41307178%	44,541,185	46,521,631	95.74%	80.23%
2019	0.42191546%	34,117,199	45,466,880	75.04%	82.07%
2018	0.45304202%	35,237,453	47,352,447	74.42%	83.12%
2017	0.50610821%	55,158,787	51,114,963	107.91%	80.53%
2016	0.53811010%	10,180,853	52,065,390	19.55%	91.88%
2015	0.57906368%	(37,976,127)	52,201,492	-72.75%	103.60%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date which is a date one year earlier than the fiscal year-end date above.



LANE COMMUNITY COLLEGE  
Schedule of Contributions  
Public Employees Retirement System Pension Plan

Fiscal Year Ended June 30,	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) College's covered payroll	(b/c) Contributions as a percent of covered payroll
2024	\$ -	\$ -	\$ -	\$52,292,996	0%
2023	77,030	77,030	-	44,728,441	0.17%
2022	3,461,355	3,461,355	-	47,492,397	7.29%
2021	3,592,744	3,592,744	-	46,500,992	7.73%
2020	3,702,277	3,702,277	-	47,665,126	7.77%
2019	3,015,728	3,015,728	-	46,521,631	6.48%
2018	3,090,975	3,090,975	-	45,466,880	6.80%
2017	2,544,608	2,544,608	-	47,352,447	5.37%
2016	2,747,432	2,747,432	-	51,114,963	5.38%
2015	3,375,672	3,375,672	-	52,065,390	6.48%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date which is a date one year earlier than the fiscal year-end date above. However, the contributions above represent contributions made during the respective fiscal year indicated above.

The issuance of a new pension bond in June 2022, and the resulting side account deposit with PERS, reduced the College's employer contribution rates to zero for the fiscal year ended June 30, 2024.

**LANE COMMUNITY COLLEGE**  
**Schedule of Total Pension Liability**  
**Early Retirement Plan**

Total Pension Liability	2017	2018	2019	2020	2021	2022	2023	2024
Service Cost	\$ 5,418	\$ 5,608	\$ 4,610	\$ 4,771	\$ 6,944	\$ 7,187	4,336	4,488
Interest	26,735	15,905	11,204	19,310	10,179	8,691	7,428	7,574
Changes of benefit terms			339,709	-	-	-	-	-
Differences between expected and actual experience	(178,298)		22,190	-	(32,176)	-	(64,562)	-
Changes of assumptions	(710)		(11,500)	-	29,346	-	(9,157)	-
Benefit payments	(168,493)	(142,838)	(148,490)	(120,738)	(88,330)	(78,086)	(70,564)	(78,306)
Change in Proportionate Share	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	(315,348)	(121,325)	217,723	(96,657)	(74,037)	(62,208)	(132,519)	(66,244)
Total Pension Liability - Beginning	831,037	515,689	394,364	612,087	515,430	441,393	379,185	246,666
Total Pension Liability - Ending (a)	\$ 515,689	\$ 394,364	\$ 612,087	\$ 515,430	\$ 441,393	\$ 379,185	\$ 246,666	\$ 180,422
Covered employee payroll	\$ 13,475,913	\$ 13,947,570	\$ 13,888,720	\$ 14,375,825	\$ 14,454,825	\$ 14,960,744	\$ 17,006,541	\$ 17,601,770
Total Pension Liability as a Percentage of Covered Employee Payroll	3.8%	2.8%	4.4%	2.8%	3.8%	6.5%	1.5%	1.0%

Notes: These schedules are to be built prospectively until they contain 10 years of data.

Changes of assumptions:

In the actuarial valuation used to determine the total pension liability as of June 30, 2019, and June 30, 2020, the discount rate was reduced from 3.58% to 3.50%.

In the actuarial valuation used to determine the total pension liability as of June 30, 2021, and June 30, 2022, the discount rate was reduced from 3.5% to 2.16%.

In the actuarial valuation used to determine the total pension liability as of June 30, 2023 and June 30, 2024, the discount rate was increased from 2.16 to 3.65%.

LANE COMMUNITY COLLEGE  
Schedule of the Proportionate Share of the Net OPEB Liability  
Public Employees Retirement System OPEB Plan

Fiscal Year Ended June 30,	(a) College's proportion of the net OPEB liability (asset)	(b) College's proportionate share of the net OPEB liability (asset)	(c) College's covered Payroll	(b/c) College's proportionate share of the net OPEB liability (asset) as of percentage of its Cover payroll	Plan fiduciary net position as percentage of the total OPEB liability
2024	0.53131805%	\$ (1,945,505)	\$ 43,438,155	-4.48%	201.61%
2023	0.41986680%	(1,491,934)	41,969,232	-3.14%	194.65%
2022	0.47854187%	(1,643,316)	36,721,855	-3.53%	183.86%
2021	0.31305054%	(637,872)	35,480,053	-1.34%	150.09%
2020	0.44011447%	(850,460)	37,522,801	-1.83%	144.38%
2019	0.44523433%	(497,002)	36,253,914	-1.09%	123.99%
2018	0.46651118%	(194,694)	35,158,878	-0.41%	108.89%
2017	0.49640021%	134,804	33,969,930	0.40%	93.84%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date which is a date one year earlier than the fiscal year-end date above.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

LANE COMMUNITY COLLEGE  
Schedule of Contributions  
Public Employees Retirement System OPEB Plan

Fiscal Year Ended June 30,	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) College's covered payroll	(b/c) Contributions as a percent of covered payroll
2024	\$ 1,866	\$ 1,866	\$ -	\$ 52,292,996	0.00%
2023	10,470	10,470	-	47,879,262	0.02%
2022	10,348	10,348	-	47,492,397	0.02%
2021	12,804	12,804	-	46,500,992	0.03%
2020	22,356	22,356	-	47,665,126	0.05%
2019	218,130	218,130	-	46,521,631	0.47%
2018	215,584	215,584	-	45,466,880	0.47%
2017	230,091	230,091	-	47,352,447	0.49%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date which is a date one year earlier than the fiscal year-end date above. However, the contributions above represent contributions made during the respective fiscal year indicated above.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**LANE COMMUNITY COLLEGE**  
**Schedule of Total OPEB Liability**  
**Postemployment Health Care Benefits Plan**

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability								
Service Cost	\$ 214,047	\$ 221,539	\$ 132,578	\$ 137,218	\$ 264,030	\$ 273,271	235,542	243,786
Interest	334,898	283,036	269,997	186,317	111,968	143,937	141,853	267,574
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(927,782)	-	(1,701,770)	-	116,804	-	1,716,305	-
Changes of assumptions	(271,482)	-	(571,576)	-	1,448,116	-	(713,332)	-
Benefit payments	(792,178)	(804,466)	(588,386)	(451,771)	(474,571)	(447,158)	(580,191)	(653,537)
Change in Proportionate Share	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Net Change in Total OPEB Liability	(1,442,497)	(299,891)	(2,459,157)	(128,236)	1,466,347	(29,950)	800,177	(142,177)
Total OPEB Liability - Beginning	9,750,770	8,308,273	8,008,382	5,549,225	5,420,989	6,887,336	6,857,386	7,657,563
Total OPEB Liability - Ending (a)	\$ 8,308,273	\$ 8,008,382	\$ 5,549,225	\$ 5,420,989	\$ 6,887,336	\$ 6,857,386	\$ 7,657,563	\$ 7,515,386
Covered employee payroll	\$33,969,930	\$35,158,878	\$36,253,914	\$37,522,801	\$35,480,053	\$36,721,855	\$41,969,232	\$43,438,155
Total OPEB Liability as a Percentage of Covered Employee Payroll	24.5%	22.8%	15.3%	14.4%	19.4%	18.7%	18.2%	17.3%

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**Changes of assumptions:**

In the actuarial valuation used to determine the total OPEB liability as of June 30, 2019, and June 30, 2020, the discount rate was reduced from 3.58% to 3.50%, and the healthcare cost trend rate for medical was reduced from 8% or 7%, depending on the provider, to 3.4%.

In the actuarial valuation used to determine the total OPEB liability as of June 30, 2021, and June 30, 2022, the discount rate was reduced from 3.50% to 2.16%.

In the actuarial valuation used to determine the total OPEB liability as of June 30, 2023 and June 2024, the discount rate was increased from 2.16% to 3.65%.

## **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, pension bonds payable and notes 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 Housing Program, bookstore and food service.

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.

Early Retirement Fund - Accounts for the accumulation of resources for, and the payment of, the College's early retirement and healthcare commitments.

LANE COMMUNITY COLLEGE  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
GENERAL FUND  
Year Ended June 30, 2024

	Adopted Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
State community college support	\$ 29,796,000	\$ 31,151,000	\$ 32,528,311	\$ 1,377,311
Federal	-	-	277,412	277,412
Property taxes	25,123,000	25,123,000	24,687,098	(435,902)
Tuition and fees:				
Tuition	24,474,647	24,474,647	24,442,997	(31,650)
Fees	4,002,250	4,002,250	5,271,596	1,269,346
Other sources:				
Sales of goods and services	957,000	1,000,950	899,617	(101,333)
Interest income	-	-	1,057,002	1,057,002
Other	5,559,690	8,059,690	4,130,646	(3,929,044)
Total revenues	89,912,587	93,811,537	93,294,679	(516,858)
Expenditures:				
Instruction	45,229,737	48,200,763	50,850,594	(2,649,831)
Instructional support services	6,961,632	7,000,000	7,119,882	(119,882)
Student services	9,171,760	9,547,409	9,594,728	(47,319)
College support services	17,613,870	21,451,696	18,423,639	3,028,057
Plant operations and maintenance	6,460,263	6,488,616	6,304,098	184,518
Contingency	6,520,660	2,723,985	-	2,723,985
Total expenditures	91,957,922	95,412,469	92,292,941	3,119,528
Revenues over-(under) expenditures	(2,045,335)	(1,600,932)	1,001,738	2,602,670
Other financing sources-(uses):				
Transfers in	1,530,000	1,530,000	670,000	(860,000)
Transfers out	(631,231)	(876,634)	(826,634)	50,000
Total other financing sources-(uses)	898,769	653,366	(156,634)	(810,000)
Changes in fund balance	(1,146,566)	(947,566)	845,104	1,792,670
Fund balance - July 1, 2023	3,646,566	3,646,566	7,487,783	3,841,217
Fund balance - June 30, 2024	\$ 2,500,000	\$ 2,699,000	\$ 8,332,887	\$ 5,633,887

SCHEDULE 2

LANE COMMUNITY COLLEGE  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
ADMINISTRATIVELY RESTRICTED FUND  
Year Ended June 30, 2024

	Adopted Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Tuition and fees:				
Tuition	\$ 2,045,500	\$ 2,045,500	\$ 1,185,586	\$ (859,914)
Fees	6,614,500	6,614,500	7,448,269	833,769
Other sources:				
Sales of goods and services	1,408,940	1,408,940	1,355,171	(53,769)
Other	3,476,404	3,476,404	1,814,543	(1,661,861)
Total revenues	<u>13,545,344</u>	<u>13,545,344</u>	<u>11,803,569</u>	<u>(1,741,775)</u>
Expenditures:				
Instruction	2,557,955	3,157,955	2,821,785	336,170
Community services	2,357,665	2,357,665	2,026,796	330,869
Instructional support services	1,470,926	1,870,926	1,430,744	440,182
Student services	5,441,523	4,991,523	4,835,316	156,207
College support services	2,148,638	1,598,638	1,733,106	(134,468)
Contingency	3,100,000	3,100,000	-	3,100,000
Total expenditures	<u>17,076,707</u>	<u>17,076,707</u>	<u>12,847,747</u>	<u>4,228,960</u>
Revenues over-(under) expenditures	(3,531,363)	(3,531,363)	(1,044,178)	2,487,185
Other financing sources-(uses):				
Transfers out	<u>(1,623,650)</u>	<u>(1,623,650)</u>	<u>(1,222,675)</u>	<u>400,975</u>
Changes in fund balance	(5,155,013)	(5,155,013)	(2,266,853)	2,888,160
Fund balance - July 1, 2023	<u>5,155,013</u>	<u>5,155,013</u>	<u>2,973,751</u>	<u>(2,181,262)</u>
Fund balance - June 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 706,898</u>	<u>\$ 706,898</u>



LANE COMMUNITY COLLEGE  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
SPECIAL REVENUE FUND  
Year Ended June 30, 2024

	Adopted Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
State	\$ 18,000,000	\$ 18,000,000	\$ 9,853,461	\$ (8,146,539)
Federal	11,000,000	11,000,000	6,877,674	(4,122,326)
Tuition and fees:	100,000	100,000	127,331	27,331
Other sources:				
Sales of goods and services	30,000	30,000	114	(29,886)
Other	5,900,000	5,900,000	1,438,438	(4,461,562)
Total revenues	35,030,000	35,030,000	18,297,018	(16,732,982)
Expenditures:				
Instruction	9,930,000	6,530,000	4,331,702	2,198,298
Community services	7,500,000	10,900,000	7,557,053	3,342,947
Instructional support services	150,000	1,450,000	312,701	1,137,299
Student services	14,000,000	7,800,000	2,164,226	5,635,774
College support services	150,000	1,150,000	60,000	1,090,000
Plant operations and maintenance	3,600,000	7,500,000	4,118,115	3,381,885
Total expenditures	35,330,000	35,330,000	18,543,797	16,786,203
Changes in fund balance	(300,000)	(300,000)	(246,779)	53,221
Fund balance - July 1, 2023	300,000	300,000	658,885	358,885
Fund balance - June 30, 2024	\$ -	\$ -	\$ 412,106	\$ 412,106

LANE COMMUNITY COLLEGE  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
STUDENT FINANCIAL AID FUND  
Year Ended June 30, 2024

	Adopted Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
State	\$ 6,770,000	\$ 6,770,000	\$ 7,520,936	\$ 750,936
Federal	29,400,000	29,400,000	19,051,691	(10,348,309)
Other sources:				
Interest income	-	-	-	-
Other	4,450,000	4,450,000	4,063,042	(386,958)
Total revenues	<u>40,620,000</u>	<u>40,620,000</u>	<u>30,635,669</u>	<u>(9,984,331)</u>
Expenditures:				
Financial aid	40,837,500	40,837,500	30,848,129	9,989,371
Contingency	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Total expenditures	<u>41,337,500</u>	<u>41,337,500</u>	<u>30,848,129</u>	<u>10,489,371</u>
Revenues over-(under) expenditure	<u>(717,500)</u>	<u>(717,500)</u>	<u>(212,460)</u>	<u>505,040</u>
Other financing sources-(uses):				
Transfers out	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Changes in fund balance	<u>(767,500)</u>	<u>(767,500)</u>	<u>(262,460)</u>	<u>505,040</u>
Fund balance - July 1, 2023	<u>767,500</u>	<u>767,500</u>	<u>753,498</u>	<u>(14,002)</u>
Fund balance - June 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 491,038</u>	<u>\$ 491,038</u>

LANE COMMUNITY COLLEGE  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
DEBT SERVICE FUND  
Year Ended June 30, 2024

	Adopted Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Property taxes	\$ 13,903,000	\$ 13,903,000	\$ 13,326,944	\$ (576,056)
Other sources:				
Interest income	-	-	267,285	267,285
Other	11,042,502	11,042,502	11,002,087	(40,415)
Total revenues	24,945,502	24,945,502	24,596,316	(349,186)
Expenditures:				
Debt service	26,591,733	31,722,136	30,738,979	983,157
Revenues over-(under) expenditures	(1,646,231)	(6,776,634)	(6,142,663)	633,971
Other financing sources-(uses):				
Proceeds from tax and revenue anticipation note	-	-	-	-
Debt issuance costs	-	-	-	-
Transfers in	1,396,231	1,396,231	1,591,634	195,403
Total other financing sources-(uses)	1,396,231	1,396,231	1,591,634	195,403
Changes in fund balance	(250,000)	(5,380,403)	(4,551,029)	829,374
Fund balance - July 1, 2023	250,000	5,380,403	5,796,492	416,089
Fund balance - June 30, 2024	\$ -	\$ -	\$ 1,245,463	\$ 1,245,463

LANE COMMUNITY COLLEGE  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
CAPITAL PROJECTS FUND  
Year Ended June 30, 2024

	Adopted Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Other sources:				
Interest income	\$ -	\$ -	\$ 5,036,210	\$ 5,036,210
Other	50,000	50,000	55,881	5,881
Total revenues	50,000	50,000	5,092,091	5,042,091
Expenditures:				
Plant additions	111,383,650	111,383,650	48,035,992	63,347,658
Contingency	-	-	-	-
Total expenditures	111,383,650	111,383,650	48,035,992	63,347,658
Revenues over-(under) expenditures	(111,333,650)	(111,333,650)	(42,943,901)	68,389,749
Other financing sources-(uses):				
Proceeds from issuance of long-term debt	-	-	-	-
Transfers in	143,650	143,650	6,379,172	6,235,522
Transfers out	-	-	(5,776,496)	(5,776,496)
Total other financing sources-(uses)	143,650	143,650	602,676	459,026
Changes in fund balance	(111,190,000)	(111,190,000)	(42,341,225)	68,848,775
Fund balance - July 1, 2023	111,190,000	111,190,000	112,276,599	1,086,599
Fund balance - June 30, 2024	\$ -	\$ -	\$ 69,935,374	\$ 69,935,374

LANE COMMUNITY COLLEGE  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
ENTERPRISE FUND  
Year Ended June 30, 2024

	Adopted Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Other	\$ 1,900,000	\$ 1,900,000	\$ 2,100,326	\$ 200,326
Expenditures:				
Student services	1,135,000	1,321,154	1,202,359	118,795
Contingency	186,154	-	-	-
Total expenditures	1,321,154	1,321,154	1,202,359	118,795
Revenues over-(under) expenditur	578,846	578,846	897,967	319,121
Other financing sources-(uses):				
Transfers out	(765,000)	(765,000)	(765,000)	-
Changes in fund balance	(186,154)	(186,154)	132,967	319,121
Fund balance - July 1, 2023	186,154	186,154	156,089	(30,065)
Fund balance - June 30, 2024	\$ -	\$ -	\$ 289,056	\$ 289,056

LANE COMMUNITY COLLEGE  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
INTERNAL SERVICE FUND  
Year Ended June 30, 2024

	Adopted Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Sale of goods and services	\$ 465,000	\$ 465,000	\$ 3,498	\$ (461,502)
Fees	-	-	38,239	38,239
Other sources:	90,000	90,000	396,178	306,178
Total revenues	555,000	555,000	437,915	(117,085)
Expenditures:				
College support services:	605,000	705,000	567,137	137,863
Contingency	50,000	-	-	-
Total expenditures	655,000	705,000	567,137	137,863
Changes in fund balance	(100,000)	(150,000)	(129,222)	20,778
Fund balance - July 1, 2023	100,000	150,000	131,762	(18,238)
Fund balance - June 30, 2024	\$ -	\$ -	\$ 2,540	\$ 2,540

LANE COMMUNITY COLLEGE  
Schedule of Revenues, Expenditures and Changes in  
Fund Balance - Budget and Actual  
EARLY RETIREMENT FUND  
Year Ended June 30, 2024

	Adopted Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenue				
Other sources:				
Investment income	\$ 40,000	\$ 40,000	\$ 141,053	\$ 101,053
Expenditures:				
Instruction	5,530,000	5,530,000	675,760	4,854,240
Changes in fund balance	(5,490,000)	(5,490,000)	(534,707)	4,955,293
Fund balance - July 1, 2023	5,490,000	5,490,000	5,085,150	(404,850)
Fund balance - June 30, 2024	\$ -	\$ -	\$ 4,550,443	\$ 4,550,443

# 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 annual financial reports for the relevant year.



## Financial Trends Information

**LANE COMMUNITY COLLEGE  
EUGENE, OREGON**

**Net Position by Component and  
Changes in Net Position  
Last Ten Fiscal Years**

	June 30,				
	2024	2023	2022	2021	2020
<b>NET POSITION BY COMPONENT</b>					
Net investment in capital assets	\$ 134,332,325	\$ 117,982,345	\$ 104,850,253	\$ 102,276,390	\$ 102,455,865
Net position, restricted	19,540,140	3,800,846	2,076,516	1,952,447	1,349,827
Net position, unrestricted	(52,986,038)	(97,578,960)	(75,744,100)	(89,941,358)	(84,020,687)
<b>TOTAL NET POSITION</b>	<b>\$ 100,886,427</b>	<b>\$ 24,204,231</b>	<b>\$ 31,182,669</b>	<b>\$ 14,287,479</b>	<b>\$ 19,785,005</b>
	Year Ending June 30,				
	2024	2023	2022	2021	2020
<b>CHANGES IN NET POSITION</b>					
Operating revenues					
Student tuition and fees	\$ 39,177,295	\$ 34,280,164	\$ 32,370,925	\$ 35,880,893	\$ 36,823,353
Grants and contracts	4,494,229	30,299,374	43,527,697	34,802,061	28,727,281
Sale of goods and services	2,254,909	2,303,802	2,044,467	1,603,520	2,794,723
Other operating revenue	16,834,548	10,106,081	7,921,550	8,226,314	9,461,282
<b>Total operating revenues</b>	<b>62,760,981</b>	<b>76,989,421</b>	<b>85,864,639</b>	<b>80,512,788</b>	<b>77,806,639</b>
Operating expenses					
Instruction	23,147,974	55,213,183	43,507,815	47,914,636	51,875,013
Community services	6,553,552	8,780,425	7,330,740	8,078,966	7,013,784
Instructional support services	3,764,425	8,918,273	7,533,805	7,153,207	7,346,024
Student services	9,258,948	18,440,058	25,312,155	16,526,120	20,139,778
College support services	10,759,666	18,494,825	15,923,481	19,474,736	17,688,028
Plant operations and maintenance	2,285,835	7,338,322	9,957,470	9,890,539	7,324,818
Financial aid	26,491,916	19,500,283	17,385,280	18,303,553	22,143,386
Depreciation	8,643,895	6,220,302	6,313,059	6,403,133	6,195,157
<b>Total operating expenses</b>	<b>90,906,211</b>	<b>142,905,671</b>	<b>133,263,805</b>	<b>133,744,890</b>	<b>139,725,988</b>
Nonoperating revenues (expenses)					
State community college support	56,716,835	20,923,330	35,193,199	19,475,833	31,107,694
Pell grant	10,294,209				
Supplemental educational opportunity grant	663,854				
Property taxes	38,187,213	37,044,113	35,761,646	34,704,459	29,325,993
Investment income (loss)	2,859,390	4,045,837	(1,019,267)	366,967	515,747
Interest expense	(7,886,445)	(7,953,433)	(5,457,662)	(5,904,589)	(3,733,851)
Gain (loss) on disposal of capital assets	(22,745)	-	(189,236)	(198,130)	499,150
Other nonoperating revenues (expenses)	-	(65,000)	5,676	(802,864)	(69,651)
<b>Total nonoperating revenues (expenses)</b>	<b>100,812,311</b>	<b>53,994,847</b>	<b>64,294,356</b>	<b>47,641,676</b>	<b>57,645,082</b>
Capital contributions	4,015,115	4,942,965	-	93,000	-
Cumulative effect of change in accounting policy	-	-	-	-	-
<b>TOTAL CHANGE IN NET POSITION</b>	<b>\$ 76,682,196</b>	<b>\$ (6,978,438)</b>	<b>\$ 16,895,190</b>	<b>\$ (5,497,426)</b>	<b>\$ (4,274,267)</b>

**Source**

Lane Community College Comprehensive Annual Financial Report

June 30,				
2019	2018	2017	2016	2015
\$ 99,374,304	\$ 91,354,055	\$ 90,967,494	\$ 91,483,617	\$ 83,384,282
1,605,723	3,221,425	4,194,895	5,265,876	7,946,942
<u>(76,920,755)</u>	<u>(62,934,508)</u>	<u>(63,953,999)</u>	<u>(38,907,921)</u>	<u>(12,898,248)</u>
<u>\$ 24,059,272</u>	<u>\$ 31,640,972</u>	<u>\$ 31,208,390</u>	<u>\$ 57,841,572</u>	<u>\$ 78,432,976</u>
Year Ending June 30,				
2019	2018	2017	2016	2015
\$ 38,587,364	\$ 38,355,408	\$ 37,336,359	\$ 36,748,559	\$ 39,857,670
26,564,463	27,545,713	28,575,108	28,245,044	33,289,160
6,222,053	6,590,003	7,319,430	8,042,658	8,298,210
<u>8,422,072</u>	<u>8,450,726</u>	<u>8,557,991</u>	<u>9,756,897</u>	<u>9,908,729</u>
<u>79,795,952</u>	<u>80,941,850</u>	<u>81,788,788</u>	<u>82,793,158</u>	<u>91,353,769</u>
46,557,508	48,059,452	52,552,112	66,615,910	40,983,742
6,446,235	7,209,954	6,439,654	6,995,029	5,606,626
6,034,174	6,187,151	6,231,338	7,542,474	4,805,031
20,684,694	21,242,393	22,605,315	26,177,779	20,481,101
14,499,800	14,558,342	15,151,435	18,017,400	10,554,688
8,249,147	9,843,499	7,545,912	10,127,053	6,198,621
23,067,878	23,565,748	24,469,394	25,344,988	27,986,681
<u>5,952,955</u>	<u>6,076,368</u>	<u>6,204,560</u>	<u>5,801,163</u>	<u>4,918,551</u>
131,492,391	136,742,907	141,199,720	166,621,796	121,535,041
17,075,978	31,522,681	20,592,064	38,476,320	24,158,025
28,154,462	27,700,029	25,550,023	23,918,649	24,414,468
936,972	903,600	757,561	688,104	523,657
(4,174,570)	(4,594,549)	(4,635,268)	(5,567,565)	(6,346,762)
(227,949)	-	(1,958,263)	-	-
<u>-</u>	<u>-</u>	<u>(163,184)</u>	<u>(163,048)</u>	<u>-</u>
<u>41,714,893</u>	<u>55,531,761</u>	<u>40,142,933</u>	<u>57,352,460</u>	<u>42,749,388</u>
<u>2,399,846</u>	<u>701,878</u>	<u>-</u>	<u>7,600,000</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>(7,365,183)</u>	<u>(1,715,226)</u>	<u>(73,986,583)</u>
<u>\$ (7,581,700)</u>	<u>\$ 432,582</u>	<u>\$ (26,633,182)</u>	<u>\$ (20,591,404)</u>	<u>\$ (61,418,467)</u>

## Revenue Capacity Information

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Property Tax Levies and Collections  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Tax Collections In First Year</u>	<u>Percent of Levy Collected In First Year</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections To Tax Levy</u>
2023-24	\$ 39,308,589	\$ 37,425,381 <sup>a</sup>	95.21%	\$ 557,301	\$ 37,982,682	103.49%
2022-23	\$ 37,780,096	\$ 35,207,102	93.19%	\$ 736,176	\$ 35,943,179	95.14%
2021-22	\$ 36,413,984	\$ 35,072,191	96.32%	\$ 515,163	\$ 35,587,354	97.76%
2020-21	\$ 35,332,007	\$ 33,943,563	96.07%	\$ 760,896	\$ 34,704,459	98.22%
2019-20	\$ 29,325,993	\$ 28,438,457	96.97%	\$ 824,338	\$ 29,262,795	99.78%
2018-19	\$ 28,697,619	\$ 27,397,094	95.47%	\$ 1,136,511	\$ 28,533,605	99.43%
2017-18	\$ 27,632,613	\$ 26,442,314	95.69%	\$ 596,820	\$ 27,039,133	97.85%
2016-17	\$ 26,313,065	\$ 24,838,787	94.40%	\$ 759,402	\$ 25,598,189	97.28%
2015-16	\$ 24,788,346	\$ 23,433,924	94.54%	\$ 567,712	\$ 24,001,636	96.83%
2014-15	\$ 24,928,189	\$ 23,626,265	94.78%	\$ 883,937	\$ 24,510,201	98.32%

a. Excludes Heavy Equipment Rental Tax of \$31,160 included as property taxes on Schedule

**Source**

Lane Community College finance records  
County Tax Collectors

**LANE COMMUNITY COLLEGE  
EUGENE, OREGON**

**Property Tax Collections by County  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Lane County Tax Collections and Percent of Total</u>			<u>Linn County Tax Collections and Percent of Total</u>			<u>Benton County Tax Collections and Percent of Total</u>			<u>Douglas County Tax Collections and Percent of Total</u>			<u>Total Tax Collections</u>	
2023-24	\$	37,350,345	a 98.3%	\$	450,808	1.19%	\$	169,210	0.45%	\$	12,219	0.03%	\$	37,982,582 100.0%
2022-23	\$	36,514,920	98.4%	\$	434,147	1.17%	\$	165,318	0.45%	\$	12,576	0.03%	\$	37,126,960 100.0%
2021-22	\$	35,011,853	98.4%	\$	414,186	1.16%	\$	150,096	0.42%	\$	11,219	0.03%	\$	35,587,354 100.0%
2020-21	\$	34,149,520	98.4%	\$	400,600	1.15%	\$	143,109	0.41%	\$	11,231	0.03%	\$	34,704,459 100.0%
2019-20	\$	28,803,324	98.4%	\$	333,067	1.14%	\$	116,728	0.40%	\$	9,676	0.03%	\$	29,262,795 100.0%
2018-19	\$	28,081,139	98.4%	\$	330,516	1.16%	\$	112,703	0.39%	\$	9,247	0.03%	\$	28,533,605 100.0%
2017-18	\$	26,610,184	98.4%	\$	316,380	1.2%	\$	103,676	0.38%	\$	8,893	0.03%	\$	27,039,133 100.0%
2016-17	\$	25,187,363	98.4%	\$	300,878	1.2%	\$	99,055	0.39%	\$	8,892	0.03%	\$	25,596,189 100.0%
2015-16	\$	23,622,396	98.4%	\$	277,081	1.2%	\$	93,542	0.4%	\$	8,617	0.0%	\$	24,001,636 100.0%
2014-15	\$	24,122,570	98.4%	\$	284,030	1.2%	\$	94,721	0.4%	\$	8,881	0.0%	\$	24,510,202 100.0%

a. Excludes Heavy Equipment Rental Tax of \$31,160 included as property taxes on Schedule 1

**Source**

Lane Community College Annual Comprehensive 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

Property Class	Fiscal Year			
	2015	2016	2017	2018
Unimproved Real Property	953,504,734	961,143,951	992,977,652	996,608,585
Improved Real Property	25,893,726,098	26,973,630,716	27,825,037,202	28,993,976,741
Personal Property	673,464,110	698,779,190	741,697,296	761,731,713
Machinery & Equipment <sup>d</sup>	590,998,713	668,928,594	668,602,471	703,266,780
Manufactured Structures	258,520,193	270,014,603	285,863,129	299,655,241
Utilities	803,554,049	881,254,228	927,534,823	1,024,260,535
	<u>29,173,767,897</u>	<u>30,453,751,282</u>	<u>31,441,712,573</u>	<u>32,779,499,595</u>
<b>Other</b>				
Other	(54,739,132)	(57,022,473)	(58,242,381)	(58,804,786)
Plus Nonprofit Housing	10,194,991	10,500,841	8,532,472	9,314,345
Less Urban Renewal Excess	<u>(394,337,685)</u>	<u>(428,141,705)</u>	<u>(481,657,987)</u>	<u>(521,800,767)</u>
Total Taxable Assessed Value <sup>a b</sup>	<u>\$ 28,734,886,071</u>	<u>\$ 29,979,087,945</u>	<u>\$ 30,910,344,677</u>	<u>\$ 32,208,208,387</u>
<b>Total Direct Tax Rate</b>				
Permanent Rate	0.6191	0.6191	0.6191	0.6191
General Obligation Bond	<u>0.2425</u>	<u>0.2007</u>	<u>0.2228</u>	<u>0.2273</u>
Total Direct Tax Rate <sup>c</sup>	0.8616	0.8198	0.8419	0.8464
<b>Estimated Actual Value of Property</b>				
Land	18,624,659,782	19,029,780,146	19,382,889,230	20,446,600,422
Improvements	<u>30,256,378,803</u>	<u>31,825,217,356</u>	<u>33,400,498,575</u>	<u>37,149,915,716</u>
Total Real Market Value	<u>\$ 48,881,038,585</u>	<u>\$ 50,854,997,502</u>	<u>\$ 52,783,387,805</u>	<u>\$ 57,596,516,138</u>
<b>Actual Value of Property per Capita</b>	136,233	140,425	144,241	155,414
<b>Total Assessed Value to Estimated Actual Value of Taxable Property</b>	58.79%	58.95%	58.56%	55.92%

#### Notes

- 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.
- Taxable assessed values are reported net of tax exempt property.
- Total Direct Tax Rate is per \$1,000 of value.
- Assessment and Taxation reported machinery and equipment separately

#### Source

Lane County Department of Assessment and Taxation  
<https://www.lanecounty.org/cms/One.aspx?portalId=3585881&pageId=4131752>

Fiscal Year					
2019	2020	2021	2022	2023	2024
985,867,916	1,017,677,711	1,009,867,521	1,077,651,933	1,087,694,099	1,101,784,118
30,311,124,457	31,512,005,048	32,762,424,117	33,933,130,463	35,347,921,519	36,872,217,263
797,577,968	794,753,842	819,662,139	814,002,425	826,308,884	871,011,602
758,066,768	799,218,551	786,164,322	794,071,505	1,016,937,538	1,068,441,572
321,459,249	339,197,182	356,723,996	373,084,008	393,716,160	403,285,913
<u>1,013,953,235</u>	<u>1,047,443,722</u>	<u>1,116,469,576</u>	<u>1,127,992,332</u>	<u>1,202,100,760</u>	<u>1,209,781,613</u>
34,188,049,593	35,510,296,056	36,851,311,671	38,119,932,666	39,874,678,960	41,526,522,081
(61,754,123)	(63,845,961)	(65,470,452)	(16,266,240)	(16,682,322)	(17,264,673)
9,924,737	10,084,711	13,333,102	13,924,630	14,342,367	14,772,635
<u>(175,620,243)</u>	<u>(612,653,390)</u>	<u>(659,338,607)</u>	<u>(695,309,159)</u>	<u>(817,807,784)</u>	<u>(292,942,309)</u>
\$ 33,960,599,964	\$ 34,843,881,416	\$ 36,139,835,714	37,422,281,897	39,054,531,221	41,231,087,734
0.6191	0.6191	0.6191	0.6191	0.6191	0.6191
<u>0.2258</u>	<u>0.2219</u>	<u>0.3437</u>	<u>0.3363</u>	<u>0.3290</u>	<u>0.3290</u>
0.8449	0.8410	0.9628	0.9554	0.9481	0.9481
20,912,578,564	22,449,699,370	23,529,802,936	24,963,128,512	27,845,081,787	29,273,759,301
<u>41,031,067,202</u>	<u>43,704,058,558</u>	<u>46,510,471,956</u>	<u>52,046,747,333</u>	<u>63,015,805,686</u>	<u>68,775,660,104</u>
\$ 61,943,645,766	\$ 66,153,757,928	\$ 70,040,274,892	\$ 77,009,875,845	\$ 90,860,887,473	\$ 98,049,419,405
165,130	174,603	183,041	200,715	236,446	256,157
54.82%	52.67%	51.60%	48.59%	42.98%	42.05%



# 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	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>County Direct Rate</b>										
Lane County <sup>c</sup>	1.9345	1.8293	1.6743	1.6743	1.8093	1.8443	1.8443	1.8573	1.8573	1.8573
Lane Community College	0.8616	0.8198	0.8419	0.8464	0.8449	0.8410	0.9628	0.9554	0.9481	0.9481
Lane Education Service District	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232
Linn-Benton-Lincoln ESD	0.3049	0.3049	0.3049	0.3049	0.3049	0.3049	0.3049	0.3049	0.3049	0.3049
<b>Schools</b>										
Alsea	5.0811	5.0811	5.0811	5.0811	5.0811	5.0811	5.0811	6.3519	5.9083	6.0190
Bethel	6.1296	6.0382	5.9381	5.9381	5.8809	5.8948	6.1362	6.0923	6.0337	6.0276
Blachly	5.1023	5.1023	5.1023	5.1023	5.1023	5.1023	5.1023	5.1023	5.1023	5.1023
Creswell	8.1809	4.6426	7.9389	7.1150	7.0201	6.7765	6.5443	6.5072	6.5858	6.5616
Crow-Applegate	6.4255	6.4255	6.4255	6.4255	7.3777	7.3431	7.3037	7.3538	7.3177	7.2248
Eugene	7.7159	7.6934	7.7279	7.6966	7.8266	8.4583	8.4436	7.7581	7.7581	6.9601
Fern Ridge	6.8865	6.9196	6.8241	6.8049	6.8400	6.8771	6.7004	6.5423	6.9281	6.9285
Harrisburg	5.9291	5.8371	5.7949	5.7510	5.9817	6.3470	6.2178	6.2082	6.1455	6.1072
Junction City	4.5604	4.5604	6.1745	6.1470	6.1168	6.0804	6.1385	6.0375	5.8872	6.0355
Lincoln County	5.6369	5.6358	5.6362	5.6237	5.6650	5.5556	5.6692	5.5686	5.5686	5.5647
Lowell	5.0409	5.0409	5.0409	5.0409	6.1361	6.1295	6.1385	6.0929	6.0729	6.0087
Mapleton	4.8917	4.8917	6.1855	6.1894	6.1073	6.1629	6.1512	6.1755	6.1242	6.1449
Marcola	4.6687	6.8116	6.7977	6.7977	6.7561	6.7276	6.6856	6.6247	6.1242	6.5056
McKenzie	6.7050	6.7036	6.7146	4.6915	4.6915	4.6915	4.6915	4.6915	4.6915	4.6915
Monroe	4.6341	4.6341	4.6341	4.6341	7.2303	6.1708	6.0556	5.8936	5.8656	5.8313
Oakridge	5.9655	6.0364	6.0595	5.8059	5.8869	5.9760	5.9775	5.9873	5.9969	6.0429
Pleasant Hill	6.3140	6.4643	6.5664	6.5707	6.7953	6.4459	6.6139	6.7513	6.7727	6.3764
Siuslaw	5.3837	5.3808	5.3859	5.3859	5.5101	4.6428	4.6428	4.6428	4.6428	4.6428
South Lane	6.2850	6.1948	6.8933	6.6176	6.4829	6.1617	6.5041	6.5106	6.4860	6.5072
Springfield	5.6086	5.7854	5.8839	5.8849	5.8382	5.8526	5.8493	5.7966	5.7399	5.7036
<b>Cities</b>										
Coburg	4.7909	4.7849	5.1318	5.1389	3.7506	3.7506	3.7506	3.7506	3.7506	3.7506
Cottage Grove	7.2087	7.2087	7.2087	7.2087	7.2087	7.2087	7.2087	7.2087	7.2087	7.2087
Creswell	2.6705	2.6705	2.6705	2.6705	2.6705	2.6705	2.6705	2.6705	2.6705	2.6705
Eugene	8.0844	8.2540	7.3828	8.1594	8.2925	8.2266	13.0566	13.0256	12.9875	8.1744
Florence	3.4406	3.3252	3.3505	2.9096	3.0253	3.0240	3.0182	2.9730	2.8610	2.8610
Junction City	6.0445	6.0445	6.0445	6.0445	6.0445	6.0445	6.0445	6.0445	6.0445	6.0445
Lowell	2.1613	2.1613	2.1613	2.1613	2.1613	2.1613	2.1613	2.1613	2.1613	2.1613
Oakridge	7.6435	7.1996	7.1996	7.1996	7.1996	7.1966	7.3199	7.1996	7.1996	7.1996
Springfield	7.8028	6.8369	6.8501	6.7596	6.8943	6.8943	6.8943	7.3231	7.2279	7.1919
Veneta	7.4142	7.2408	7.0522	6.9962	5.9086	5.8971	5.8662	5.8845	5.8800	5.8772
Westfir	9.3036	9.3036	9.3036	9.3036	9.3036	9.3036	9.3036	9.3036	9.3036	9.3036
<b>Water Districts</b>										
Blue River	0.9488	0.9488	0.9488	0.9488	0.9488	0.9488	1.9116	0.9488	0.9488	0.9488
Glenwood	3.4734	3.4357	3.3600	3.3337	3.3603	4.1425	4.1425	4.1425	4.1425	4.1425
Heceta	0.2081	0.2077								
Junction City	0.2523	0.2523	0.2523	0.2523	0.2523	0.2523	0.2523	0.2523	0.2523	0.2523
Marcola	0.4037	0.4037	0.4037	0.4037	0.4037	0.4037	0.4037	0.4037	0.4037	0.4037
McKenzie-Palisades	0.4808	0.6875	0.6988	0.6963	0.6960	0.6790	0.6790	0.6988	0.6813	0.6615
Rainbow Water & Fire	3.6188	3.8295	3.7763	3.7235	3.6747	3.7731	3.7731	3.7731	3.7731	3.7731
River Road	1.9694	1.9694	1.9694	1.9694	1.9694	1.9694	1.9694	1.9694	1.9694	1.9694
River Road Subdistrict #1	0.2796	0.2796	0.2796	0.2796	0.2796	0.2796	0.2796	0.2796	0.2796	-
Shangri-La	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000

# 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	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b><u>Rural Fire Protection Districts</u></b>										
Bailey-Spencer	2.3930	2.3930	2.3930	2.3930	2.3930	2.3930	2.3930	2.3930	2.3930	2.3930
Coburg	1.5231	1.4829	1.2784	1.4972	1.5477	1.5477	1.5477	1.5477	1.5477	1.5477
Dexter	1.9151	1.9151	1.9151	1.9151	1.9151	1.9151	1.9151	1.9151	2.4151	2.4151
Eugene	2.5417	2.5417	2.5417	2.5417	2.5417	2.5417	2.5417	2.5417	2.5417	2.5417
Goshen	2.2196	2.2196	2.2196	2.2196	2.2196	2.2196	1.7196	1.7196	1.7196	1.7196
Hazeldell	1.7998	2.7115	2.7115	2.7115	2.7115	2.7115	2.7115	2.7115	2.7115	2.7115
Junction City	1.9538	1.5844	1.5844	1.5844	1.5844	1.5844	1.5844	1.5844	1.5844	1.5844
Lake Creek	3.0757	3.0757	3.0757	3.0757	3.0757	3.0757	3.0757	3.0757	3.0757	3.0757
Lane County District #1	1.9848	1.9848	1.9848	2.0388						
Lane Fire Authority								2.0738	2.0738	2.3888
Lane Rural	2.1174	2.1174	2.1174	2.1174						-
Lorane	2.6931	2.6654	2.5926	2.2952	2.2952	2.2952	2.2952	2.2952	2.2952	2.2952
Lowell	2.6970	2.6970	2.6970	2.6970	2.6970	2.6970	2.6970	2.6970	2.6970	2.6970
Mapleton	2.0869	2.0869	2.0869	2.0869	1.3869	1.3869	1.3869	1.3869	1.3869	1.3869
McKenzie	2.0606	2.0606	2.0606	2.0606	2.0606	2.0606	2.2106	2.2106	2.2106	2.2106
Mohawk Valley	1.9126	1.9126	1.9126	1.9126	2.3205	2.3247	2.2963	2.2853	2.2849	2.2643
Monroe	1.6854	1.6854	1.6854	1.6854	1.6854	1.6854	1.6854	1.6854	1.6854	1.6854
Pleasant Hill	1.1031	1.0131	1.1031	1.1031	1.1031	1.1031	1.1031	1.1031	1.1031	1.1031
Santa Clara	1.0439	1.4939	1.4939	1.4939	1.4939	1.4939	1.4939	1.4939	1.4939	1.4939
Siuslaw	1.1391	1.1019	1.0994	1.1391	1.1391	1.5417	1.5417	1.5417	1.5417	1.5417
South Lane	1.5035	1.5035	1.8035	1.8035	1.7792	1.7616	1.7616	1.5035	1.5035	1.5035
Swishome-Deadwood	2.1452	2.1452	2.1452	2.1452	2.1452	2.1452	2.1452	2.1452	2.1452	2.1452
Upper McKenzie	1.6951	1.6951	1.6951	1.6951	1.6951	1.6951	1.6951	1.6951	1.6951	1.6951
Willakenzie	3.0669	3.0669	3.0669	3.0669	3.0669	3.0669	3.0669	3.0669	3.0669	3.0669
Zumwalt	2.3419	2.3419	2.3419	2.3419	2.3419	2.3419	2.3419	2.3419	2.3419	2.3419
<b><u>Miscellaneous Districts</u></b>										
Fern Ridge Library	0.5731	0.6324	0.5741	0.7324	0.7324	0.7324	0.7324	0.7324	0.7324	0.7324
Lane Library	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900
Port of Siuslaw	0.1474	0.1474	0.1474	0.1424	0.1474	0.1474	0.1474	0.1474	0.1474	0.1474
River Road Park & Recreation	3.8535	3.5259	3.5259	3.5259	3.5259	3.5259	3.5259	3.5259	3.5259	3.5259
Siuslaw Library	0.5005	0.5163	0.4986	0.4956	0.5163	0.5163	0.5163	0.5163	0.5163	0.5163
Upper Willamette Soil & Water Conservation								0.0700	0.0700	0.0700
Western Lane Ambulance	0.7698	0.7698	0.7588	0.7570	0.7698	0.7698	0.7698	0.7698	0.7698	0.7698
Willamalene Park & Recreation	2.3701	2.3386	2.3056	2.3290	2.3024	2.2946	2.2672	2.2425	2.2425	2.1711

### **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. Lane County rate is shown net of timber offset

### **Source**

Lane County Department of Assessment and Taxation <https://www.lanecounty.org/cms/One.aspx?portalId=3585881&pageId=4131752> Table 4A - PDF - #18

**LANE COMMUNITY COLLEGE  
EUGENE, OREGON**

**Principal Taxpayers - Lane County  
Current Year and Ten Years Ago**

<u>Taxpayer</u>	<u>Nature of Business</u>	<u>Total Assessed Value</u>	<u>Percentage of Total Assessed Value</u>	<u>Taxes</u>
<b>2023-24:</b>				
IP Eat Three LLC	Wood Products	\$324,465,525	0.83%	\$5,894,984
Comcast Corporation	Telecommunications	147,885,279	0.38%	2,863,402
Shepard Investment Group LLC	Investment	119,141,299	0.31%	2,554,315
Northwest Natural Gas Company	Utility	147,538,180	0.38%	2,321,749
Weyerhaeuser NR Company	Wood Products	108,655,751	0.28%	1,786,441
Emerald PUD	Utility	95,654,631	0.24%	1,749,249
McKenzie Willamette Regional Medical Center	Medical Group	152,503,403	0.39%	1,699,262
Verizon Communications Inc.	Telecommunications	91,330,944	0.23%	1,673,658
Weyerhaeuser Timber Holdings Inc.	Wood Products	117,630,542	0.30%	1,618,790
Valley River Center	Retail/Commercial	110,698,918	0.28%	1,608,371
Subtotal - ten of the largest taxpayers		\$ 1,415,504,472	3.62%	
All other taxpayers in Lane County		37,639,026,749	96.38%	
Total Lane County Taxpayers		<u>\$39,054,531,221</u>	<u>100.00%</u>	
<b>2014-15:</b>				
Comcast Corporation	Telecommunications	\$ 160,229,400	0.58%	\$ 2,985,885
IP Eat Three LLC	Wood Products	148,972,074	0.54%	2,691,036
Valley River Center LLC	Retail/Commercial	107,296,874	0.39%	1,854,703
Shepard Investment Group LLC	Investment	95,127,059	0.34%	1,701,538
Symantec Corporation	Electronics	91,918,795	0.33%	1,672,139
Northwest Natural Gas Co.	Utility	93,406,000	0.34%	1,323,033
Century Link	Telecommunications	83,397,600	0.30%	1,318,505
Verizon Communications	Telecommunications	77,420,400	0.28%	1,237,476
Weyerhaeuser Co.	Wood Products	128,318,940	0.47%	1,160,233
Gateway Mall Partners	Retail/Commercial	93,724,337	0.34%	1,149,139
Subtotal - ten of the largest taxpayers		1,079,811,479	3.91%	
All other taxpayers in Lane County		26,504,719,684	96.10%	
Total Lane County Taxpayers		<u>\$27,584,531,163</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>
2023-24	\$ 139.00	6,096.00	16,852
2022-23	\$ 132.50	5,709.35	15,709
2021-22	\$ 126.00	5,477.18	14,845
2020-21	\$ 121.00	6,245.80	15,573
2019-20	\$ 118.00	7,353.90	20,957
2018-19	\$ 113.50	8,076.70	24,259
2017-18	\$ 109.00	8,305.49	25,536
2016-17	\$ 102.50	8,715.64	26,215
2015-16	\$ 99.50	9,249.77	28,219
2014-15	\$ 98.00	10,465.57	30,449

**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

	2024	2023	2022	2021	2020
Total Real Market Value of Taxable Property	<u>\$ 98,049,419,405</u>	<u>\$ 90,860,887,473</u>	<u>\$ 77,009,875,845</u>	<u>\$ 70,040,274,892</u>	<u>\$ 66,153,757,928</u>
Debt Limitation (1.5% of real market value)	\$ 1,470,741,291	\$ 1,362,913,312	\$ 1,155,148,138	\$ 1,050,604,123	\$ 992,306,369
Debt Subject to Limitation	<u>118,145,000</u>	<u>127,565,000</u>	<u>136,225,000</u>	<u>144,205,000</u>	<u>30,545,000</u>
Legal Debt Margin	<u>\$ 1,352,596,291</u>	<u>\$ 1,235,348,312</u>	<u>\$ 1,018,923,138</u>	<u>\$ 906,399,123</u>	<u>\$ 961,761,369</u>
Legal Debt Margin as a Percentage of the Debt Limitation	91.97%	90.64%	88.21%	86.27%	96.92%

**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

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Computation of Legal Debt Margin  
Last Ten Fiscal Years

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>\$ 61,943,645,766</u>	<u>\$ 55,534,521,957</u>	<u>\$ 50,829,563,212</u>	<u>\$ 41,012,353,816</u>	<u>\$ 39,151,561,247</u>
\$ 929,154,686	\$ 833,017,829	\$ 762,443,448	\$ 615,185,307	\$ 587,273,419
<u>36,730,000</u>	<u>42,510,000</u>	<u>47,980,000</u>	<u>53,025,000</u>	<u>58,135,000</u>
<u>\$ 892,424,686</u>	<u>\$ 790,507,829</u>	<u>\$ 714,463,448</u>	<u>\$ 562,160,307</u>	<u>\$ 529,138,419</u>
96.05%	94.90%	93.71%	91.38%	90.10%

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

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

	(a)	(b)	(c)			Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
Fiscal Year	Population	Assessed Value	Gross Bonded Debt	Debt Service Monies Available	Net Bonded Debt		
2023-24	382,771	\$ 41,231,087,734	\$ 221,712,401	\$ 1,245,463	\$ 220,466,938	0.53%	576
2022-23	384,277	39,177,029,846	239,518,425	5,796,492	233,721,933	0.60%	608
2021-22	383,677	37,422,281,897	255,646,383	712,494	254,933,889	0.68%	664
2020-21	382,647	36,139,835,714	200,038,020	628,952	199,409,068	0.55%	521
2019-20	378,880	34,843,881,416	73,183,276	258,583	72,924,693	0.21%	192
2018-19	375,120	33,960,599,964	83,373,590	283,044	83,090,546	0.24%	219
2017-18	370,600	32,267,182,417	92,744,589	160,043	92,584,546	0.29%	250
2016-17	365,940	30,968,587,058	101,427,928	528,081	100,899,847	0.33%	279
2015-16	362,150	29,979,087,945	109,342,429	842,423	108,500,006	0.36%	305
2014-15	358,805	28,789,625,203	114,547,287	1,912,867	112,634,420	0.39%	314

**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, 2024**

Overlapping District	Real Market Valuation	Percent Overlap	Overlapping	
			Gross Property-tax Backed Debt	Net Property-tax Backed Debt
Benton County	\$ 20,206,138,161	1.94%	\$ 1,087,854	\$ 951,352
Benton Cty SD 1J (Monroe)	\$ 737,166,512	55.71%	3,422,958	3,422,958
Benton Cty SD 509J (Corvallis)	\$ 14,999,182,272	0.01%	10,992	10,992
Benton Cty SD 7J (Alsea)	\$ 207,339,679	2.47%	50,171	50,171
City Of Coburg	\$ 578,798,985	100.00%	5,500,000	-
City Of Cottage Grove	\$ 1,633,673,289	100.00%	19,365,538	586,071
City Of Creswell	\$ 927,419,202	100.00%	1,610,106	1,610,106
City Of Eugene	\$ 39,540,739,622	99.88%	64,670,746	34,068,249
City Of Florence	\$ 2,361,743,415	100.00%	22,771,478	13,633,919
City Of Harrisburg	\$ 531,218,812	100.00%	11,715,000	7,820,000
City of Junction City	\$ 1,264,688,599	100.00%	759,800	-
City Of Lowell	\$ 202,516,400	100.00%	1,070,000	1,070,000
City Of Monroe	\$ 134,497,647	100.00%	780,000	780,000
City Of Oakridge	\$ 406,445,992	100.00%	5,176,260	5,176,260
City Of Springfield	\$ 12,231,286,102	100.00%	3,470,000	3,470,000
City Of Veneta	\$ 833,306,989	100.00%	2,842,975	412,975
City Of Westfir	\$ 38,284,899	100.00%	305,914	305,914
Harrisburg RFPD 6	\$ 942,033,927	98.40%	5,697,117	5,697,117
Heceta Water District	\$ 1,580,321,301	100.00%	1,276,278	1,276,278
Lane County	\$ 83,877,139,765	99.94%	314,419,029	290,028,111
Lane Cty Housing Authority	\$ 83,877,139,765	99.94%	7,441,994	7,441,994
Lane Cty SD 1 (Pleasant Hill)	\$ 1,517,080,670	100.00%	8,797,956	8,797,956
Lane Cty SD 19 (Springfield)	\$ 13,896,731,870	100.00%	216,394,139	216,394,139
Lane Cty SD 28J (Fern Ridge)	\$ 2,409,523,745	99.73%	26,884,541	26,884,541
Lane Cty SD 32 (Mapleton)	\$ 331,066,124	100.00%	3,360,000	3,360,000
Lane Cty SD 40 (Creswell)	\$ 1,722,061,595	100.00%	24,821,790	24,821,790
Lane Cty SD 45J3 (South Lane)	\$ 3,591,994,805	100.00%	73,931,925	73,931,925
Lane Cty SD 4J (Eugene)	\$ 40,983,122,600	100.00%	438,630,402	438,630,402
Lane Cty SD 52 (Bethel)	\$ 8,249,823,535	100.00%	201,561,924	197,838,587
Lane Cty SD 66 (Crow-Applegate-Lorane)	\$ 592,630,824	100.00%	3,305,789	3,305,789
Lane Cty SD 69 (Junction City)	\$ 2,971,159,801	100.00%	16,737,887	16,737,887
Lane Cty SD 71 (Lowell)	\$ 612,912,921	100.00%	8,165,804	8,165,804
Lane Cty SD 76 (Oakridge)	\$ 702,428,345	100.00%	12,342,565	12,342,565
Lane Cty SD 79 (Marcola)	\$ 466,590,019	100.00%	1,286,425	1,286,425
Lane Cty SD 90 (Blachly)	\$ 146,523,841	100.00%	288,498	288,498
Lane Cty SD 97J (Siuslaw)	\$ 4,670,374,559	100.00%	4,910,000	4,910,000
Lane ESD	\$ 83,668,397,574	99.99%	4,219,551	4,219,551
Lane Fire Authority	\$ 3,270,683,117	100.00%	300,000	300,000
Lane Library District	\$ 1,717,796,158	100.00%	42,560	42,560
Lincoln Cty Unified SD	\$ 18,107,318,397	0.56%	218,624	218,624
Linn Cty SD 7J (Harrisburg)	\$ 1,012,410,788	100.00%	6,750,000	6,750,000
Linn-Benton Community College	\$ 41,728,163,986	0.00%	1,097	825
Linn-Benton-Lincoln ESD	\$ 61,981,652,204	2.47%	134,501	134,501
Port Of Siuslaw	\$ 5,413,607,265	100.00%	787,784	787,784
River Road Park & Rec District	\$ 1,333,353,666	100.00%	157,000	157,000
South Lane County Fire & Rescue	\$ 4,796,736,463	100.00%	126,559	126,559
Umpqua Public Transportation District	\$ 18,008,984,700	0.10%	426	426
Willamalane Park & Recreation District	\$ 13,039,117,279	100.00%	9,785,000	8,610,000
Totals:	Overlapping Issuer Count: 48		\$ 1,537,386,957	\$ 1,436,856,605
Net Property-tax Backed Debt of Subject Issuer is:	\$ 198,440,000		Ratio of Net Property-tax Backed Debt to Real Market Value is:	0.23%
Net Property-tax Backed Debt of Overlapping Issuers is:	\$ 1,436,856,605		Ratio of Total Net Property-tax Backed Debt to Real Market Value is:	1.69%
Total Net Property-tax Backed Debt of Subject issuer and Overlapping Issuers is:	\$ 1,635,296,605			
Real Market Value of Subject Issuer is:	\$ 85,191,543,603	As of: 6/30/2024		

**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 as a % of Personal Income	Total Outstanding Debt per Capita
	General Obligation Bonds*	Other Debt Obligations	Pension Bonds Payable	Total Outstanding Debt		
2024	\$ 133,007,401	\$13,306,185	\$88,705,000	\$235,018,586	0.0%	\$ (7)
2023	144,363,425	14,071,185	95,155,000	253,589,610	1.2%	660
2022	154,836,777	14,923,857	100,809,606	270,570,240	1.3%	705
2021	164,625,129	16,007,670	35,412,891	216,045,690	1.1%	565
2020	34,370,221	16,591,370	38,813,055	89,774,646	0.5%	237
2019	41,607,361	17,379,994	41,766,229	100,753,584	0.6%	269
2018	48,434,501	18,145,185	44,310,088	110,889,774	0.6%	299
2017	54,946,641	18,958,276	46,481,287	120,386,204	0.7%	329
2016	61,028,781	19,527,647	48,313,648	128,870,076	0.9%	356
2015	63,438,544	20,818,472	49,838,743	134,095,759	0.9%	374

**Source**

Lane Community College Comprehensive Annual Financial Report

\* includes bond premium

## Demographic and Economic Information

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Demographic and Economic Statistics  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (in thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>
2024	382,771	\$ 23,493,863	\$ 61,634	4.0%
2023	384,277	21,483,599	56,188	4.6%
2022	383,677	21,131,525	55,146	5.5%
2021	382,647	18,972,786	49,583	4.2%
2020	378,880	17,397,791	47,340	4.1%
2019	375,120	17,225,135	45,960	4.5%
2018	370,600	17,431,415	44,957	4.5%
2017	365,940	16,275,162	43,430	5.1%
2016	362,150	15,160,278	41,027	5.9%
2015	358,805	14,468,971	39,871	7.1%

**Source**

Population information: Portland State University Center for Population Research and Census; estimates for July 1 of the fiscal year

Personal income: Bureau of Economic Analysis, Regional Data, GDP and Personal Income

Unemployment: State of Oregon Employment Department, Local Area Employment Statistics

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Principal Employers for Lane County  
Current Year and Ten Years Ago

Employer	2023			2013		
	Employees <sup>a</sup>	Rank	Percentage of County Employment	Employees	Rank	Percentage of County Employment
University of Oregon	5,600	1	3.60%	4,847	1	3.05%
Eugene 4J School District	2,921	2	1.90%	1,900	4	1.20%
City of Eugene	1,959	3	1.20%	1,427	7	0.90%
Lane County Government	1,933	4	1.20%	2,000	3	1.26%
U.S. Government	1,916	5	1.20%	1,625	5	1.02%
Oregon State Government	1,835	6	1.20%	1,100	9	0.69%
Springfield School District #19	1,525	7	1.00%	1,500	6	0.95%
Lane Community College	1,207	8	0.80%	1,151	8	0.73%
Bethel School District #52	856	9	0.50%			
South Lane School Dist 45J3	582	10	0.40%			
PeaceHealth				4,212	2	2.65%
Wal-Mart				1,050	10	0.66%
	<u>20,334</u>		<u>13.01%</u>	<u>20,812</u>		<u>13.11%</u>

**Notes**

a. Employee count for 2021 was published in October 2021. Updated information shown for 2023 provided by Lane County (Eugene MSA) Regional Economist in August 2023.

**Source**

Eugene Chamber of Commerce, Oregon Employment Department and City of Eugene.

## 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>Square Footage</u>
2015 and Prior	Center	184,618	184,618
	Student Services	42,699	227,317
	Business	19,358	246,675
	Administration	16,307	262,982
	Health Technology	43,825	306,807
	Physical Education	105,485	412,292
	Performing Arts	60,329	472,621
	Campus Services	42,022	514,643
	Welding Technology	21,236	535,879
	Auto/Diesel Technology	38,621	574,500
	Air Technology	82,476	656,976
	Art/ESL	38,884	695,860
	Manufacturing/Construction	79,086	774,946
	Electronics	17,077	792,023
	Math/Science	89,547	881,570
	Forum	24,520	906,090
	Industrial Technology	19,656	925,746
	Center for Meeting and Learning	89,281	1,015,027
	FMP Nursery	1,500	1,016,527
	Child Care Centers	17,426	1,033,953
	Waste Water Treatment Plant	660	1,034,613
	Health And Wellness Center	43,255	1,077,868
	Native American Longhouse	6,543	1,084,411
	Cooling Tower	1,752	1,086,163
	Performing Arts Storage	2,890	1,089,053
	Physical Education Storage	1,430	1,090,483
	Greenhouse	240	1,090,723
	Chemical Storage Facility	297	1,091,020
	KLCC Downtown	8,200	1,099,220
	Exterior Elevators	360	1,099,580
	Flight Tech / Aviation	42,063	1,141,643
	Cottage Grove Center	18,613	1,160,256
	Florence Center	17,426	1,177,682
	Downtown Campus	185,171	1,362,853
	Main Campus Bus Station	1,944	1,364,797
	Main Campus Solar Station	5,390	1,370,187
2016	Chiller Building	2,750	1,372,937
2023	FMP Grounds - Modular	400	1,373,337
2024	Industrial & Trades Education Center (ITEC)	57,629	1,430,966
2024	Health Professions Building	34,683	1,465,649

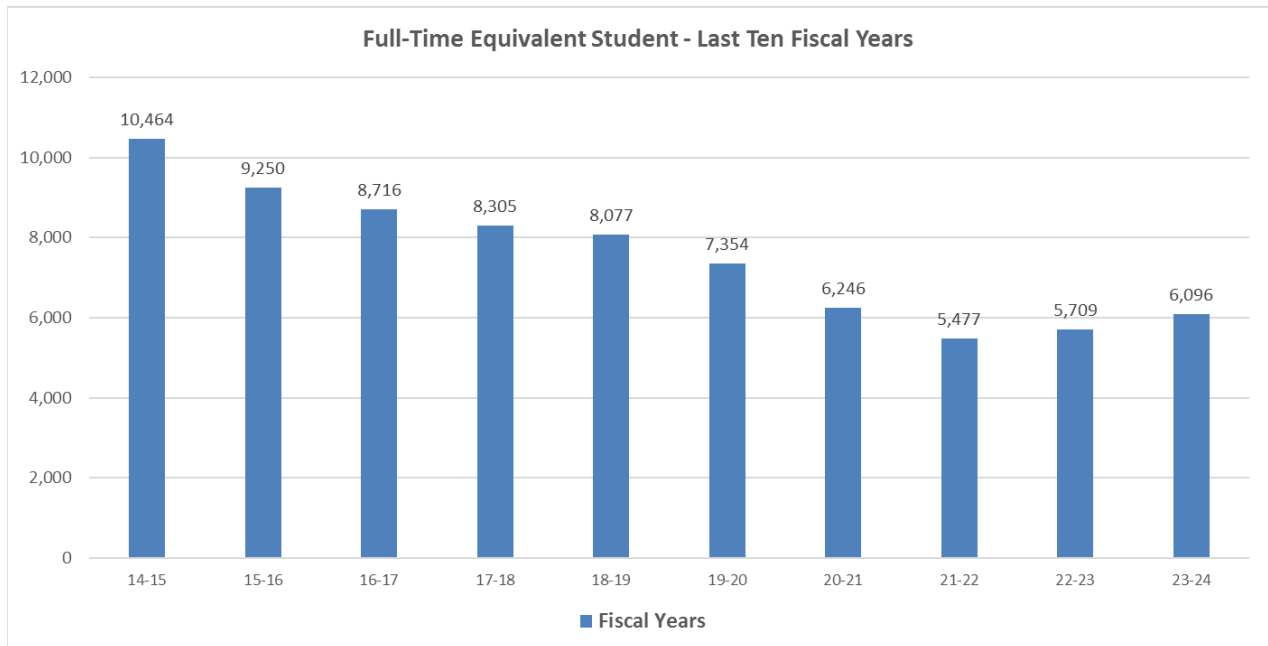
**Source**

Lane Community College Facilities Management and Planning

**LANE COMMUNITY COLLEGE  
EUGENE, OREGON**

**Enrollment Statistics  
Last Ten Fiscal Years**

	Total Operating Expenses	District Population (Estimated) <sup>a</sup>	Full-time Equivalent Student	Unduplicated Headcount	of Total District Population	Cost Per FTE <sup>a</sup>	Number of Employees <sup>b</sup>	Student FTE Per Employee
2023-24	\$ 95,271,291	382,355	6,096	16,852	4.41%		558	10.9
2022-23	\$142,905,671	381,375	5,709	15,709	4.12%		553	10.3
2021-22	133,263,805	380,533	5,477	14,957	3.93%		564	9.7
2020-21	133,744,890	382,641	6,246	15,573	4.07%		574	10.9
2019-20	139,725,988	378,880	7,354	20,957	5.53%		587	12.5
2018-19	131,492,391	375,120	8,077	24,259	6.47%		593	13.6
2017-18	136,742,907	370,600	8,305	25,793	6.96%	NA	603	13.8
2016-17	141,199,720	365,940	8,716	26,176	7.15%	NA	627	13.9
2015-16	166,621,796	362,150	9,250	28,219	7.79%	NA	645	14.3
2014-15	121,535,041	358,805	10,464	30,449	8.49%	NA	697	15.0



**Source**

- a. Population Research Center, Portland State University. Estimates are for July 1 of the fiscal year.
- b. October 31 Employee Snapshot Data, All Funds



LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Awards Conferred  
Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Lower Division Transfer										
AAOT/ASOT	454	420	433	512	552	470	536	441	468	482
Associate of General Studies	652	536	570	680	593	567	667	538	429	139
Associate of Science	90	98	142	155	150	144	165	118	81	65
Total Transfer Awards	1,196	1,054	1,145	1,347	1,295	1,181	1,368	1,097	978	686
Technical										
Associate of Applied Science	353	336	327	375	352	331	352	399	415	491
Certificate	531	436	485	403	408	509	458	419	468	420
Apprentice: Assoc. of Applied Science	-	-	3	6	24	2	5	2	-	1
Total Technical Awards	884	772	815	784	784	842	815	815	820	912
	2,080	1,826	1,960	2,131	2,079	2,023	2,183	2,183	1,917	1,598
Oregon Transfer Module*	-	-	-	-	-	1	491	412	418	421

\* The Oregon Transfer Module is a state-approved transcription notation, not a degree or certificate.

**Source**

Lane Community College Institutional Research

LANE COMMUNITY COLLEGE  
EUGENE, OREGON

Number of Contracted Employees  
Last Ten Fiscal Years  
All Funds

<u>Year</u>	<u>Faculty</u>	<u>Classified</u>	<u>Exempt</u>	<u>Total</u>
2023-24	200	289	69	558
2022-23	200	287	66	553
2021-22	196	303	65	564
2020-21	200	306	68	574
2019-20	202	314	71	587
2018-19	207	319	67	593
2017-18	198	337	68	603
2016-17	222	341	64	627
2015-16	223	352	70	645
2014-15	247	382	68	697

**Source**

Lane Community College Institutional Research  
and Planning October 31 Employee Snapshot Data

## COMPLIANCE SECTION

**Lane Community College**  
**Schedule of Expenditure of Federal Awards**  
**FY 2024**

<b>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass-Through Entity</b>	<b>Pass Through Entity Number</b>	<b>Federal Awards Expended</b>
<b>US Department of Agriculture:</b>				
Child and Adult Care Food Program	10.558	Oregon Department of Education	2001003	39,373
Forest Service Schools and Roads Cluster				
Schools and Roads - Grants to States	10.665	Lane County	No Entity Number	277,412
<b>Total Forest Service Shools and Road Cluster</b>				<b>277,412</b>
<b>Total US Dept of Agriculture</b>				<b>316,785</b>
<b>US Department of Labor</b>				
Workforce Data Quality Initiative (WDQI)	17.261	Mt Hood Community College	MI-35897-21-60-A-41	73,563
<b>Total US Dept of Labor</b>				<b>73,563</b>
<b>US Department of Treasury</b>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Oregon Dept of Admin Services	8037	500,000
<b>Total US Dept of Treasury</b>				<b>500,000</b>
<b>Small Business Administration</b>				
Small Business Development Centers	59.037	Direct	n/a	42,248
Small Business Development Centers	59.037	Direct	n/a	1,251,342
Small Business Development Centers	59.037	Direct	n/a	473,308
Small Business Development Centers	59.037	OR Small Business Development Center (Lane CC)	SBAHQ2380046-147/SBAOEDSB230058-01-01/3603001EZ3826	35,000
<b>Total Small Business Administration</b>				<b>1,801,898</b>
<b>National Science Foundation</b>				
Research and Development Cluster				
Stern Education	47.076	University of Oregon	2016G0A	55,391
<b>Total National Science Foundation</b>				<b>55,391</b>
<b>US Department of Energy</b>				
Conservation Research and Development	81.086	Direct	n/a	183,720
<b>Total Research and Development Cluster</b>				<b>239,111</b>
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117	Oregon State University	G0191A-A	48,487
<b>Total US Dept of Energy</b>				<b>232,207</b>
<b>US Department of Education</b>				
Student Financial Aid Cluster				
Supplemental Educational Opportunity Grants	84.007	Direct	n/a	663,854
College Work Study	84.033	Direct	n/a	460,176
Federal Perkins Loan Program	84.038	Direct	n/a	-
Pell Grant	84.063	Direct	n/a	10,294,209
Federal Direct Student Loan	84.268	Direct	n/a	6,739,371
Perkins Reserve Fund 7-23	84.038	Lane ESD	V048A220037	2,192
Perkins Reserve Fund 7-24	84.038	Lane ESD	V048A230037	71,001
<b>Total Student Financial Aid Cluster</b>				<b>18,230,803</b>
Adult Education - Basic Grants to States	84.002A	Higher Education Coordinating Commission	22-123H	515,983
Adult Education - Basic Grants to States	84.002A	Higher Education Coordinating Commission	22-164E	17,640
Adult Education - Basic Grants to States	84.002A	Higher Education Coordinating Commission	22-138B	1,890
Career and Technical Education - Basic Grants to States 9-23	84.048	Oregon Department of Education	V048A220037	92,885
Career and Technical Education - Basic Grants to States 9-24	84.048	Oregon Department of Education	V048A230037	560,751
Higher Education Institutional Aid	84.031A	Direct	n/a	262,672
Higher Education Institutional Aid	84.031A	Direct	n/a	146,152
<b>TRIO Cluster</b>				
TRIO STEM 8-23 (Yr 3 of 5)	84.042A	Direct	n/a	45,067
TRIO SSS 8-24 (Yr 3 of 5)	84.042A	Direct	n/a	288,150
TRIO STEM 8-24 (Yr 4 of 5)	84.042A	Direct	n/a	196,737
<b>Total TRIO Cluster</b>				<b>529,954</b>

See accompanying notes to the schedule of expenditures of federal awards

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity	Pass Through Entity Number	Federal Awards Expended
Fund for the Improvement of Postsecondary Education	84.116Z	Direct	n/a	319,720
Child Care Access Means Parents in School	84.335A	Direct	n/a	20,602
Child Care Access Means Parents in School	84.335A	Direct	n/a	102,150
COVID-19 Education Stabilization Fund	84.425U	State of Oregon	35828	157,615
<b>Total US Dept of Education</b>				<b>20,958,817</b>
<b>Corporation for National &amp; Community Service</b>				
<i>Foster Grandparent/Senior Companion Cluster</i>				
Senior Companion Program 6-24 (Yr 2 of 3)	94.016	Direct	n/a	169,618
<b>Total Foster Grandparent/Senior Companion Cluster</b>				<b>169,618</b>
<b>Total Corporation for National &amp; Comm Service</b>				<b>169,618</b>
<b>US Department of Health and Human Services</b>				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Direct	n/a	50,879
Ryan White HIV/AIDS Dental Reimbursement and Community Based Dental Partnership Grants	93.924	Direct	n/a	95,657
<i>Child Care and Development Fund Cluster:</i>				
Child Care and Development Block Grant	93.575	Oregon Department of Education	32600	658,127
<b>Total Child Care and Development Fund Cluster</b>				<b>658,127</b>
<b>Total US Dept of Health and Human Services</b>				<b>804,663</b>
<b>Total All Programs</b>				<b>24,912,942</b>

See accompanying notes to the schedule of expenditures of federal awards

## Notes to the Schedule of Expenditures of Federal Awards

### Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Lane Community College under programs of the federal government for the year ended June 30, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations for Lane Community College, it is not intended to and does not present the financial position, changes in net position, or cash flows of Lane Community College.

### Note 2 - Summary of Significant Accounting Policies

The expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The College does not draw for indirect administrative expenses and has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance. No federal financial assistance has been provided to a subrecipient.

### Note 3 – Student Loans

Under the Federal Direct Student Loan program, a total of \$6,739,371 was processed for new loans during the fiscal year. The College administers the Perkins Loan Program funded by the U.S. Department of Education. Balances and transactions relating to this program are included in Lane Community College's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule.

Activity of the College's Perkins Loan Program during the 2023-24 fiscal year is as follows:

Balance - 7/1/2023	\$ 1,591
Loan Advances	-
Loan repayments, assignments and cancellations	-
Balance - 6/30/2024	<u>\$ 1,591</u>

## **INDEPENDENT AUDITOR'S COMMENTS**

## **Report of Independent Auditors on Compliance for the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance**

The Board of Education  
Lane Community College

### **Report on Compliance for the Major Federal Program**

#### ***Opinion on the Major Federal Program***

We have audited Lane Community College's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on Lane Community College's major federal program for the year ended June 30, 2024. Lane Community College's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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 its major federal program for the year ended June 30, 2024.

#### ***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Lane Community College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of Lane Community College's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Lane Community College's federal programs.



### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Lane Community College's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Lane Community College's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Lane Community College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Lane Community College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Lane Community College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

*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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a material weakness.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on Lane Community College's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. Lane Community College's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Portland, Oregon  
May 30, 2025

## **Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

The Board of Education  
Lane Community College

We have audited, in accordance with the 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, the financial statements of Lane Community College (the College) and the discretely presented component unit, Lane Community College Foundation (the Foundation) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated May 30, 2025. Our report includes a reference to other auditors who audited the financial statements of the Foundation as described in our report on the College's financial statements. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Foundation or that are reported on separately by those auditors who audited the financial statements of the Foundation.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

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 a 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the College's financial statements are free from 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 financial statements. 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*.

### **Lane Community College's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the College's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Portland, Oregon  
May 30, 2025

## Report of Independent Auditors Required by Oregon State Regulations

The Board of Education  
Lane Community College

We have audited, in accordance with the 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, the financial statements of Lane Community College (the College) and the discretely presented component unit, Lane Community College Foundation (the Foundation) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated May 30, 2025. Our report includes a reference to other auditors who audited the financial statements of the Foundation as described in our report on the College's financial statements. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards* or the provisions of the *Minimum Standards for Audits of Oregon Municipal Corporations*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Foundation or that are reported on separately by those auditors who audited the financial statements of the Foundation.

### Compliance

As part of obtaining reasonable assurance about whether the College's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules (OAR) 162-010-0000 to 162-010-0330, of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the financial statements. 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:

- Accounting records and internal control
- Public fund deposits
- Indebtedness
- Budget
- Insurance and fidelity bonds

- Programs funded from outside sources
- Investments
- Public contracts and purchasing

In connection with our testing, other than as noted below, nothing came to our attention that caused us to believe the College was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of ORS as specified in OAR 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations.

### **Excess of Expenditures over Appropriations**

As described in Note 2, Stewardship, Compliance and Accountability, the results of testing indicated an instance of non-compliance related to excess expenditures over appropriations.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

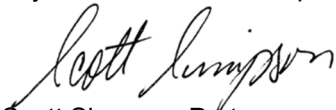
*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. Accordingly, this communication is not suitable for any other purpose.

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

A handwritten signature in black ink, appearing to read "Scott Simpson", written in a cursive style.

Scott Simpson, Partner  
for Moss Adams LLP  
Portland, Oregon  
May 30, 2025

## Schedule of Findings and Questioned Costs

### Section I— Summary of Auditor's Results

#### **Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☒ Yes ☐ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

#### **Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified? ☒ Yes ☐ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☒ Yes ☐ No

Identification of major federal program and type of auditor's report issued on compliance for the major federal program:

<i>Assistance Listing Number(s)</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for Major Federal Program</i>
Various	Student Financial Assistance Cluster	Unmodified

Dollar threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

☐ Yes ☒ No



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## Section II – Financial Statement Findings

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### **2024-001 – Financial Statement Close and Reporting Process – Significant Deficiency in Internal Controls over Financial Reporting**

*Criteria:* Effective internal control over the financial close and reporting process requires that the College have adequately designed, implemented, and documented internal controls over the preparation of the financial statements being audited. Key components of an effective financial close and reporting process include timely preparation of reconciliations, review of reconciliations, review of manual journal entries prior to posting to the general ledger and timely review and preparation of draft financial statements including adoption of new accounting standards. An annual review of user access should also be completed to ensure access to financial reporting systems is appropriate.

*Condition/Context:* During the audit there were several delays in obtaining completed audit workpapers and draft financial statements. Adjustments were posted subsequent to receiving the trial balance that were required in order for the financial statements to be in accordance with generally accepted accounting principles.

*Cause/Effect:* Due to the lack of fully designed, implemented, and documented financial close and reporting process and turnover in the business office the financial statement issuance was significantly delayed.

*Recommendation:* We recommend the College look for opportunities to continue to improve the financial close and reporting process including designing and implementing a documented financial close and reporting process.

*Views of Responsible Officials and Planned Corrective Action:* Management agrees with the finding and are implementing several remediation actions to correct the finding.

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### Section III – Federal Award Findings and Questioned Costs

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#### **2024-002 – Special Tests and Provisions - Enrollment Reporting – Material Weakness in Internal Controls over Compliance**

##### ***Student Financial Assistance Cluster***

##### ***Department of Education***

**Federal Assistance Listing Number:** 84.063, 84.268

**Federal Program Name:** Federal Pell Grant Program, Federal Direct Student Loans

**Federal Award Number:** P063P230357, P268K230357

**Award Year:** 2023-24

*Criteria:* The National Student Loan Data System (NSLDS) is the Department of Education's (ED) centralized database for students' enrollment information under the Pell Grant and the Direct Loan and Federal Family Education Loan programs. Uniform guidance requires institutions to have internal controls in place to ensure attendance changes for students are reported to NSLDS within at least 60 days of when the student attendance change occurs. It is the College's responsibility to update students' enrollment information timely and accurately as outlined in 34 CFR § 685.309.

*Condition/context:* We selected a sample of 34 students out of a population of 1,454 who had received Federal aid and had withdrawn or graduated from the College during the 2023-2024 fiscal year. We compared the withdrawal or graduation date per the College's records to NSLDS.

We noted eight students were not reported to NSLDS within the 60-day requirement.

In addition, we identified ten students who graduated but were not reported as graduated to NSLDS.

Our sample was not, and was not intended to be, statistically valid.

*Questioned costs:* None.

*Cause/Effect:* This occurred because of lack of controls and oversight of the process. This resulted in late and inaccurate reporting of the information to NSLDS. The enrollment information reported to NSLDS is utilized by ED, the Direct Loan program, lenders, and other institutions to determine in-school status.

*Repeat finding:* No

*Recommendation:* We recommend the College follow and enhance existing policies to ensure all student changes in status are identified timely and submitted accurately within the required time frame. We also recommend the College establish a formal internal monitoring control whereby a designated individual with NSLDS access, on a sample basis, spot checks the status updates on NSLDS so to internally audit the National Student Clearinghouse submissions.

*Views of responsible officials and planned corrective actions:* Management agrees with the finding and are working to allocate more staff to support the process and reviewing reporting requirements to ensure they are meeting the reporting requirements.



## **2024-001 – Financial Statement Close and Reporting Process – Significant Deficiency in Internal Controls over Financial Reporting**

*Criteria:* Effective internal control over the financial close and reporting process requires that the College have adequately designed, implemented, and documented internal controls over the preparation of the financial statements being audited. Key components of an effective financial close and reporting process include timely preparation of reconciliations, review of reconciliations, review of manual journal entries prior to posting to the general ledger and timely review and preparation of draft financial statements including adoption of new accounting standards. An annual review of user access should also be completed to ensure access to financial reporting systems is appropriate.

*Condition/Context:* During the audit there were several delays in obtaining completed audit workpapers and draft financial statements. Adjustments were posted subsequent to receiving the trial balance that were required in order for the financial statements to be in accordance with generally accepted accounting principles.

**Corrective Action:** *The Finance department at Lane Community College has had a high volume of turnover in staff in an environment of minimal process documentation. Several remediation actions are necessary to fully recover.*

1. *Current staff needs training. In some areas of need, the knowledge exists in house and transfer can be accomplished through documentation or direct instruction. In other areas, staff need to development their skills through third party instruction.*

*Experienced staff are in the process of creating and updating documentation related to high exposure tasks. Experienced staff are in the process of training newer and support staff on high exposure tasks so that knowledge backup exists, reducing the college's exposure to knowledge and performance gaps at future turnover.*

*One staff member with limited governmental experience was recently sent to an intensive governmental accounting class. The team skillset would be strengthened by sending additional staff to similar classes. Budget limitations are a consideration.*

2. *Review of existing and required internal controls. High exposure, and therefor high priority, controls are focused on areas with inherent risk and those that have been identified as specifically problematic for the college. Processes to address bank reconciliations have been written, staff assignment updated to allow for separation of duties, and timely review accomplished. Processes for reconciling payroll accounts have been implemented. Processes for reconciling Financial Aid accounts are currently under review.*

*A comprehensive review of internal controls is necessary and will be scheduled.*

3. *Document the financial close and reporting process. The financial close process was documented as part of closing FY24. Performance against that process was hampered by turnover and lack of staff. The close process for the upcoming fiscal year end has been reviewed for historic gaps and will continue to be refined as we advance through the closing of FY25.*

*A significant failure in the FY24 closing process was the omission of timely preparation of bank and non-bank account reconciliations. A list of required reconciliations has been documented. Responsibility for completing reconciliations has been assigned to specific staff. Approximately half of all reconciliations are managed to the most recent period close at this time. The remaining reconciliations will be prioritized for impact on the financial statements.*

4. *Review of journal entries and other transaction entries. Journal entries drafted by less experienced staff are now reviewed for accuracy before they are posted. Some experienced staff are authorized to post their own journal entries. With assistance from the IT department, we have drafted a new report of journal entries posted. Managers will be using this report to identify journals requiring further review and will document that review in a log.*
5. *Review of upcoming new accounting standards. New staff is knowledgeable regarding GASB Pronouncements and is actively preparing for upcoming implementations of new accounting standards. This is a responsibility of College Finance leadership to plan for the future needs of the college.*

**Name of Contact Person Responsible for Corrective Action:** Megan McGowan, Controller

**Anticipated Completion Date for the Corrective Action:**

1. *Cross-training of current staff by more experienced staff – current and ongoing  
Send one staff member to intensive governmental accounting class – 4/30/25  
Send a second staff member to intensive governmental accounting class – 12/31/25  
Create and update process documentation – current and ongoing*
2. *A comprehensive review of internal controls – 3/31/26*
3. *Document the financial close task list - done  
Bring bank reconciliations current – 7/15/25  
Bring non-bank account reconciliations current – 51% complete  
Prioritize remaining non-bank accounts for reconciliation – 5/31/25  
Reconcile all balance sheet accounts within \$10,000 of demonstrable evidence – 8/15/25  
Reconcile all balance sheet accounts – 12/31/25*
4. *Review unposted journal entries - done  
Review posted journal entries – 6/30/25*
5. *Review of upcoming new accounting standards – 6/30/25*

## **2024-002 – Special Tests and Provisions - Enrollment Reporting – Material Weakness in Internal Controls over Compliance**

### **Student Financial Assistance Cluster**

#### **Department of Education**

**Federal Assistance Listing Number:** 84.063, 84.268

**Federal Program Name:** Federal Pell Grant Program, Federal Direct Student Loans

**Federal Award Number:** P063P230357, P268K230357

**Award Year:** 2023-24

**Criteria:** The National Student Loan Data System (NSLDS) is the Department of Education's (ED) centralized database for students' enrollment information under the Pell Grant and the Direct Loan and Federal Family Education Loan programs. Uniform guidance requires institutions to have internal controls in place to ensure attendance changes for students are reported to NSLDS within at least 60 days of when the student attendance change occurs. It is the College's responsibility to update students' enrollment information timely and accurately as outlined in 34 CFR § 685.309.

**Condition/context:** The auditors selected a sample of 34 students out of a population of 1,454 who had received Federal aid and had withdrawn or graduated from the College during the 2023-2024 fiscal year. The auditors compared the withdrawal or graduation date per the College's records to NSLDS.

The auditors noted eight students were not reported to NSLDS within the 60-day requirement.

In addition, the auditors identified ten students who graduated but were not reported as graduated to NSLDS.

**Corrective Action:** *LCC reports enrollment to the National Student Clearinghouse: in the second, sixth and the tenth week of each standard term. There is an error report that the Clearinghouse returns with discrepancies in enrollment status which we respond to and correct within five business days. Once all errors are resolved and the report is accepted the NSC will post the data and report to NSLDS.*

*Lane is an open access institution and therefore does not have a formal withdrawal policy. Two weeks after the end of each term, Lane sends the enrollment report and the "degree verify" extract to NSC.*

*We are in the process of reviewing our NSC reporting strategies and including additional staff who will be supporting the process. We are reviewing NSC reporting times to ensure that we are reporting often enough to meet the required 60 day timeline for NSLDS. We are considering moving the enrollment and degree verify extract to a 30 day reporting period to meet the 60 day timeline.*

*Phase 1: Issue an off cycle report to the NSC by June 6th, which is our next anticipated enrollment reporting cycle (week ten). We will send both the enrollment report and the "degree verify" extract to catch any updates to graduation information that may have changed since our last end of term report.*

*Phase 2: Review updates to NSC processes that were issued through Banner and Ellucian and revise the "degree verify" process to capture regular graduation or withdrawal updates outside our standard reporting window. Unless it is discovered that the 30 day cycle does not meet the requirements of the reporting cycle, we will update our processes to - at a minimum - report every 30 days or in alignment with the weeks two, six and ten current enrollment report to the NSC. Additionally, the students noted in the finding will be reviewed to address any potential anomalies with reporting and to identify the cause of why these were not updated. This will be another consideration during the assessment for any updates to our reporting cycles.*

*Following spring term, we will report graduated and withdrawn students, as is our current practice and after student degree awarding is complete.*

**Name of Contact Person Responsible for Corrective Action:** Dawn Whiting

**Anticipated Completion Date for the Corrective Action:** *A review process of 90 days should result in refined practices and an implementation of those practices to meet required reporting. All reporting changes will be finalized and followed by Aug 21, 2025.*