

# THE BIG PICTURE

***Lane's financial story is about structure, not surplus.***

- FY2024 saw a one-time increase in net position
- FY2025 audit shows a decline in net position, confirming FY2024 was not a new baseline
- Results are strongly influenced by pension accounting and market assumptions, not spendable cash

## WHERE THE COLLEGE'S ASSETS ARE

**Most assets are not flexible dollars**

**Net Position is largely tied to:**

- Buildings and infrastructure
- Voter-approved capital projects
- Restricted resources

**What this means**

- These funds **cannot be used** for salaries, instruction, or programs
- Bond dollars are legally restricted to capital use

## UNRESTRICTED FUNDS REMAIN LIMITED

**The audit confirms a critical constraint**

- Unrestricted net position remains significantly negative
- There is **no pool of excess operating cash**
- Long-term commitments must be evaluated carefully and sustainably

***Strong facilities ≠ surplus operating funds***

## WHY RESULTS SHIFTED FROM FY24 TO FY25

**Government accounting can create large swings**

- Pension valuation changes drive year-to-year volatility
- Market assumptions can shift reported totals dramatically
- FY25 audit shows a decline after FY24's accounting-driven increase

***Auditors caution against using one year to justify permanent decisions***

***Key point: Net position is a balance-sheet measure, not operating money***

## HOW THE COLLEGE IS RESPONDING

**Board-approved three-year financial mitigation plan**

**The Board of Education approved a *three-year plan* that:**

- Acknowledges real fiscal challenges
- Addresses structural imbalances
- Rebuilds the General Fund reserve to the **10% policy standard by FY29**

**Why this matters**

- Protects payroll and operations
- Supports long-term stability
- Reduces risk from future volatility

## OUR COMMITMENT TO THE COMMUNITY

**Lane Community College remains committed to:**

- Transparency grounded in audited facts
- Responsible planning over short-term reactions
- Investing in students and employees sustainably

***Financial responsibility today protects opportunity tomorrow.***

## LEARN MORE

- FY2025 Independent Audit
- Three-Year Financial Mitigation Plan
- Board materials and public budget documents

[www.lanecc.edu/budgetsustainability](http://www.lanecc.edu/budgetsustainability)