

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

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

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