

Summary of Projection Estimate Updates

February 3, 2016

	FY16 Estimate	Notes	FY17 Projection	Notes
Revenue				
State Funding	348,000	Jan. 15 CCWD update (property tax adjustment)	330,000	Updated estimate based upon enrollment and property tax trends
Other Revenue	61,100	Updated estimates	61,100	Updated estimates
Transfers In	1,506,900	One time transfers between funds I & IX	(406,600)	Reorganization between funds I & IX (updated standard transfer schedule)
	1,916,000		(15,500)	
Expenditures				
Personnel	(526,200)	Additional vacancies, part-time savings, associated OPE	(1,796,200)	Reset PT budgets. Increase "swirl" factor from 2 to 3.5% for FY17. Associated OPE.
Other Expenditures	(61,000)	Updated estimates	14,000	Updated estimates
Transfers Out	1,572,300	One time transfers between funds I & IX	(12,200)	Updated estimates
	985,100		(1,794,400)	
Net Change	930,900		1,778,900	

FY2015-FY2017 Projection Estimate

February 3, 2016

	FY2015 Actual Funds I & IX	2.3.16 Estimate FY2016 Funds I & IX	2.3.16 Planning Projection FY2017 Funds I & IX	Comments
		11% enr. decrease	No enr. change	
REVENUE				
Intergovernmental				
State Funding	31,212,953	31,422,000	26,930,000	9.8% allocation est. based on enr. & prop. tax trends
Property Taxes	17,527,816	18,228,900	18,958,100	4% increase
	48,740,769	49,650,900	45,888,100	53.2% of total resources
Tuition & Fees				
Tuition	27,904,467	24,115,800	24,115,800	Based on maintaining FY16 enrollment levels
Student Fees	7,041,297	6,547,300	6,547,300	& no tuition increase
Other Fees & Charges	1,398,056	1,319,700	1,319,700	
Provision for Bad Debt Adjustment	-	(857,300)	(857,300)	
	36,343,820	31,125,500	31,125,500	36.2% of total resources
Other Revenue Sources				
Administrative Recovery	1,293,697	1,870,000	1,870,000	
Gifts & Donations	1,203,587	1,203,000	1,203,000	
Grants & Contracts	161,608	-	-	
Interest Income	172,479	119,000	119,000	
Other Revenue	2,676,955	2,309,900	2,309,900	
Sale of Goods & Services	2,618,598	2,855,100	2,855,100	
	8,126,924	8,357,000	8,357,000	9.7% of total resources
Operating Transfers In				
Transfers In	1,619,037	3,112,400	897,100	Updated standard schedule
	1,619,037	3,112,400	897,100	1.0% of total resources
	94,830,550	92,245,800	86,267,700	
EXPENDITURES				
Personnel				Does not include bargaining parameters
Personnel - Contracted	36,956,018	35,306,800	35,411,400	Current position list plus FY17 staffing plan w/ 3.5% swirl
Personnel - P/T	12,580,322	12,745,600	12,164,000	Adjusted PT budgets
OPE	26,823,684	27,439,700	27,285,600	Current rates
	76,360,024	75,492,100	74,861,000	81.6% of total expenditures
Other Expenditures				
Materials & Services	12,007,199	12,086,600	12,161,600	
Capital Outlay	304,293	973,700	973,700	
Goods for Resale	773,116	717,100	717,100	
	13,084,608	13,777,400	13,852,400	15.1% of total expenditures
Operating Transfers Out				
Transfers Out	2,873,465	4,706,300	3,037,300	Updated standard schedule
Transfers Out - Fin. Aid.	187,397	-	-	
	3,060,862	4,706,300	3,037,300	3.3% of total expenditures
	92,505,494	93,975,800	91,750,700	
Revenue Over/Under Expenditures (Change in Fund Balance)	2,325,056	(1,730,000)	(5,483,000)	
Planned Ending Fund Balance Used		2,500,000		
Financial Stabilization Reserve			2,373,321	
FY16 Savings			914,479	
FY17 Budget Gap			(2,195,200)	

Policy Number: BP245

Policy Type: BUDGET AND FINANCIAL

Policy Title: ENDING FUND BALANCE

Lane Community College shall maintain an unrestricted General Fund Ending Fund Balance equal to or greater than 10% of total expenditures and transfers.

The Ending Fund Balance target shall include the Unappropriated Ending Fund Balance (UEFB) as set by board policy BP 295. When the Ending Fund Balance falls to 9% or less, the college shall adopt a plan to replenish the Ending Fund Balance to 10% within two years. When the Ending Fund Balance exceeds 11%, balances in excess may be set aside for reserves or investment in one time expenditures.

If the total Ending Fund Balance (including restricted) falls to levels that require short-term borrowing, the levels set by this policy shall be automatically reviewed and adjusted as necessary.

ADOPTED: January 14, 2004

REVIEWED: February 14, 2007

REVISED: October 19, 2009

REVISED: November 4, 2014

FY16 Beginning Fund Balance	\$ 13,068,100
Financial Stabilization Reserve	2,373,321
Fund Balance Used in FY16 Budget Balancing	<u>1,730,000</u>
Estimated FY16 Ending Fund Balance	\$ 8,964,779
10% Total General Fund Expenditures & Transfers	\$ 8,050,300
Surplus over policy requirement	\$ 914,479
Financial Stabilization Reserve	<u>2,373,321</u>
Initial amount available for FY17 balancing	\$ 3,287,800
FY17 Budget Projection	<u>\$ (5,483,000)</u>
FY17 Budget Gap	\$ (2,195,200)

Fiscal Year 2016-2017 Balancing Levers

Funds I & IX

February 3, 2016

FY17 Projection Assumption		Balancing Lever	Notes
Revenue			
Tuition Revenue	Current tuition rate	\$ 240,000	\$240K per \$1 increase
	11% credit enrollment decline FY16; no decline budgeted in FY17	\$ 230,000	\$230K per 1% change
Student Fees		\$ 62,000	\$62K per 1% change
Administrative Recovery	Standard schedule	\$ -	Varies

Expense

Classified Positions	Current position list plus staffing plan Adjusted for FY17 3.5% "swirl" factor	\$ 59,000	Average salary/FTE plus direct OPE
Management Positions		\$ 111,000	Average salary/FTE plus direct OPE
Faculty Positions		\$ 86,000	Average salary/FTE plus direct OPE
Part-Time Personnel	Adjusted by department for enrollment	\$ 121,600	\$121,600 per 1% reduction
Materials and Services	Maintain current levels	\$ 16,000	\$16K per 1% change in non-mandatory M&S
Capital Outlay	Standard allocation	\$ 7,000	\$7K savings per 1% reduction
Major Maintenance	Standard allocation	\$ 10,000	\$10K savings per 1% reduction
Ending Fund Balance	Utilization of financial stabilization reserve and fund balance in excess of 10% of general fund expenditures and transfers	\$ -	Varies
Expense Reductions, Realignment and Reorganization		\$ -	Varies

Additional Items

Early Separation Incentive			Varies -- \$1M realized in FY16
Salary Schedule Increase - all groups	Current salary schedule and steps	\$ 482,000	\$482,000 per 1% increase (FT and PT)
Step Increase - all groups		\$ 485,000	\$485,000 per step, based on staffing levels and eligibility
Insurance - all groups	No increase	\$ 130,000	\$130K per 1% increase in employer contribution