

Presidents' Council Update February 15, 2022

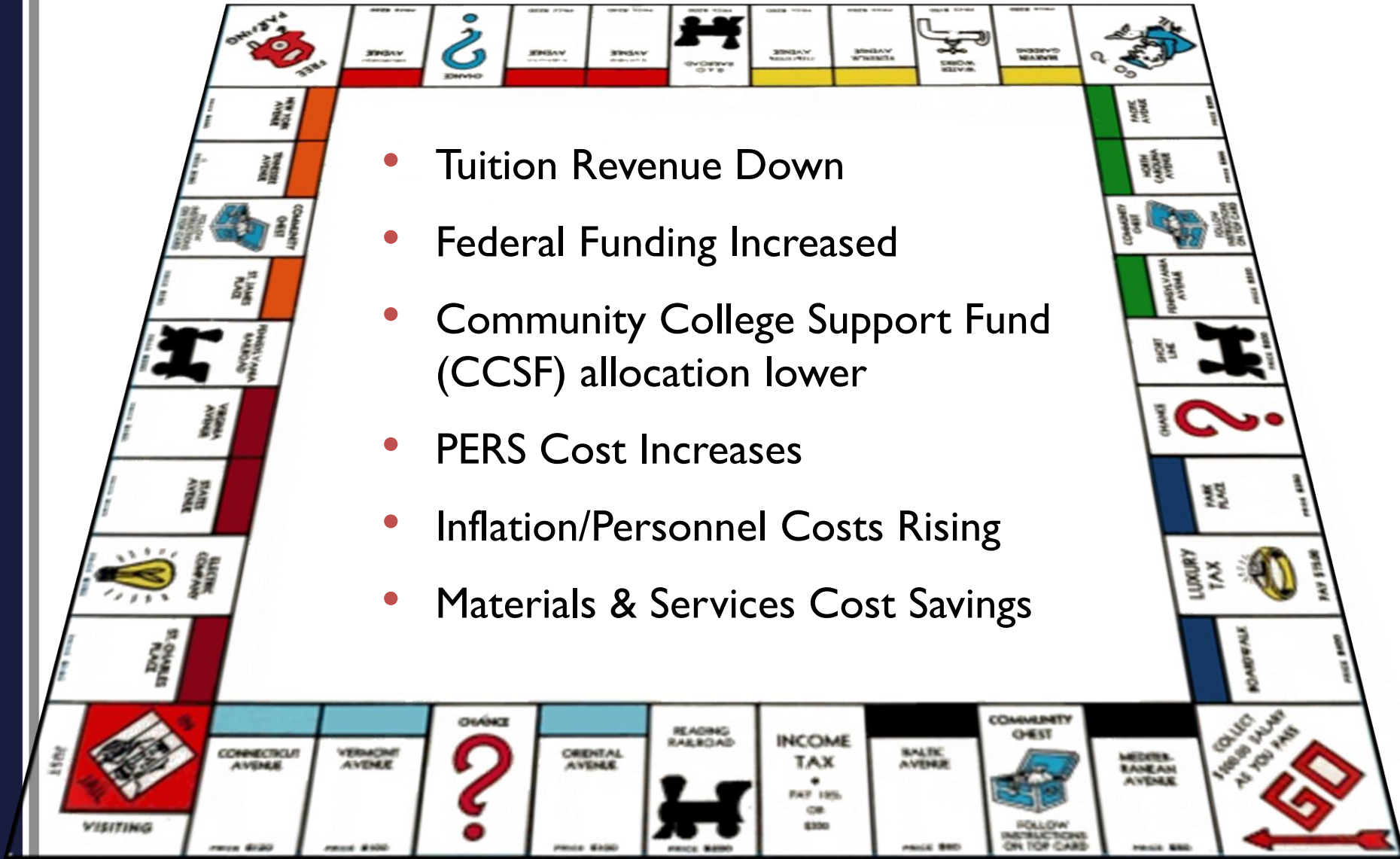


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Primary Forecast Changes from Last Fall

- Tuition Revenue Down
- Federal Funding Increased
- Community College Support Fund (CCSF) allocation lower
- PERS Cost Increases
- Inflation/Personnel Costs Rising
- Materials & Services Cost Savings



Forecast Assumptions

3% Tuition Increase Annually.

4.5% Property Tax Increase Annually.

Current year enrollment of -5%, and +10% in 2022-23 and +5% in 2023-24 for an overall +10% increase from 2020-21 numbers over the three years.

Increase in CCSF of 3% annually (6% for next biennium)

**CLACKAMAS COMMUNITY COLLEGE
GENERAL FUND FORECAST**

<i>In Thousands (000's)</i>	2019-21 BIENNIUM	2021-23 BIENNIUM		2023-25 BIENNIUM
	Actuals 2020-21	Projected 2021-22	Projected 2022-23	Projected 2023-24
Revenue and Transfers In				
State Appropriation	\$ 18,514	\$ 19,779	\$ 18,743	\$ 19,304
Property Taxes	21,362	22,303	23,320	24,384
Total Public Resources	39,877	42,082	42,063	43,688
Tuition, Net of Waivers	12,701	12,415	13,991	15,059
Other Revenue	6,098	4,622	1,846	1,853
Transfers In, Ongoing	150	100	-	-
Total Operating Revenue	58,826	59,218	57,901	60,599
<i>Change Over Prior Year</i>	3%	1%	-2%	5%
Expenditures and Transfers Out				
Wages	31,185	33,637	36,865	38,541
Payroll Taxes and Benefits	15,629	16,086	18,763	19,551
Materials & Services/Capital Outlay	5,613	7,080	8,846	9,056
Transfers Out, Ongoing	1,916	1,816	1,703	1,656
Total Operating Expenditures	54,342	58,618	66,177	68,804
<i>Change Over Prior Year</i>	-5%	8%	13%	4%
Operating Surplus (Deficit)	4,483	600	(8,276)	(8,205)
Net Transfers In (Out), One-Time	1,700	(9,400)	8,100	7,300
Total Surplus (Deficit)	6,183	(8,800)	(176)	(905)
Ending Balance, June 30	\$ 14,746	\$ 5,946	\$ 5,771	\$ 4,865
Minimum Balance				
Ending Balance, June 30, above	\$ 14,746	\$ 5,946	\$ 5,771	\$ 4,865
Minimum Balance -- 10% of Revenue	(5,868)	(5,912)	(5,790)	(6,060)
Fund Balance in Excess of Minimum	8,878	34	(19)	(1,195)

What could change the forecast?

- Enrollment changes
 - As noted, the current forecast projects a relatively aggressive assumption that enrollment will begin returning to 2018-19 numbers and requires a +15% increase over the next two years to remain on track.
- Tuition and fee rate changes
 - \$3 per credit per year increase is in the traditional forecast, but tuition isn't tied to an inflation index as it is in some other colleges. The Board will decide tuition rates at the March board meeting.
- Labor agreements
 - The bargaining contracts are still in negotiations, so full impacts are not yet known. Projections currently put in for CPI salaries increases and nothing more.
- Community College Support Funds (CCSF) for 2023-25
 - The current forecast is for a 6% increase in next year's CCSF funding in order to keep pace with inflation. The actual amount of CCSF increase won't be known until around spring of 2023.
 - Note – The State of Oregon announced a \$2.5 billion surplus of revenues last week.



QUESTIONS?

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