



Forecast Update Board of Education Fall 2023



Education That Works



FY 2022-23 Year End Financial Information

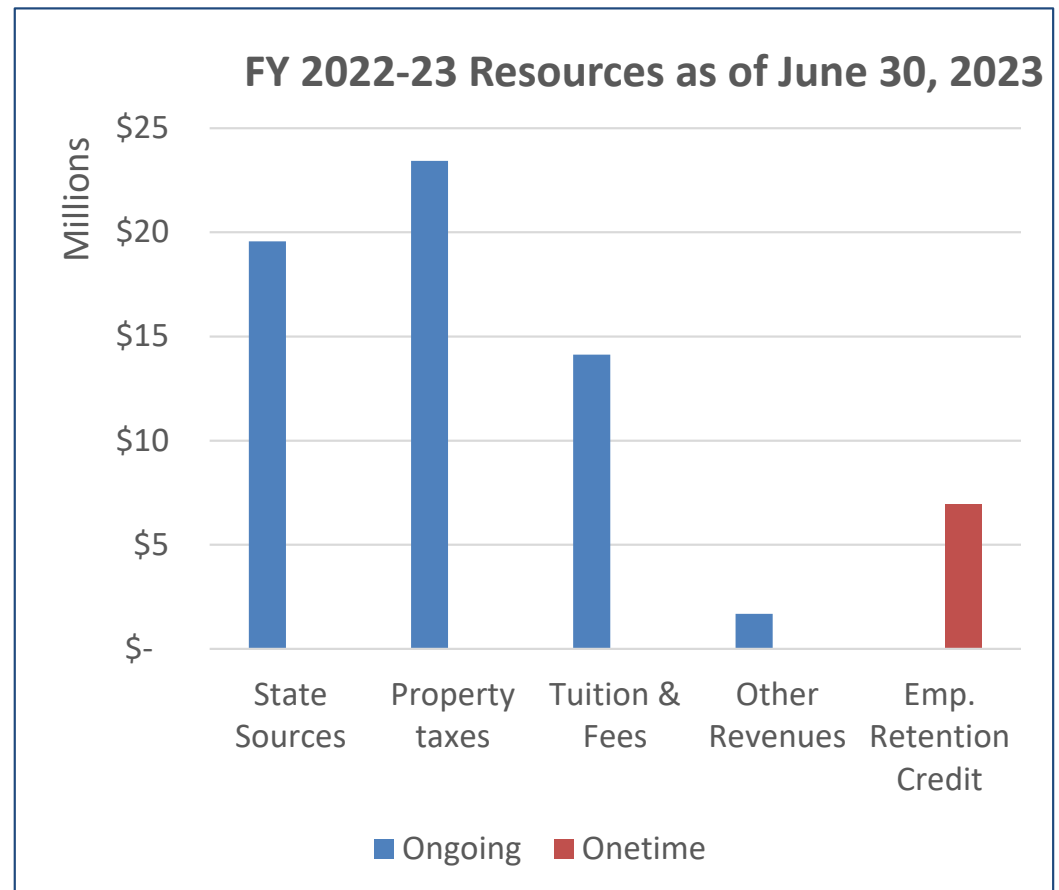
Highlights from Annual Comprehensive Financial Report (ACFR) for FY
2022-23

General Fund Summary: FY 2022-23

Revenue Sources

- **65.4%** of ongoing resources are sourced from taxpayers
- **21.5%** are paid for by students in tuition and fees
- **\$6.9M** of one-time federal funds were received, this is two-thirds of the bridge funding for current forecast balancing

Total Revenues: \$66 Million

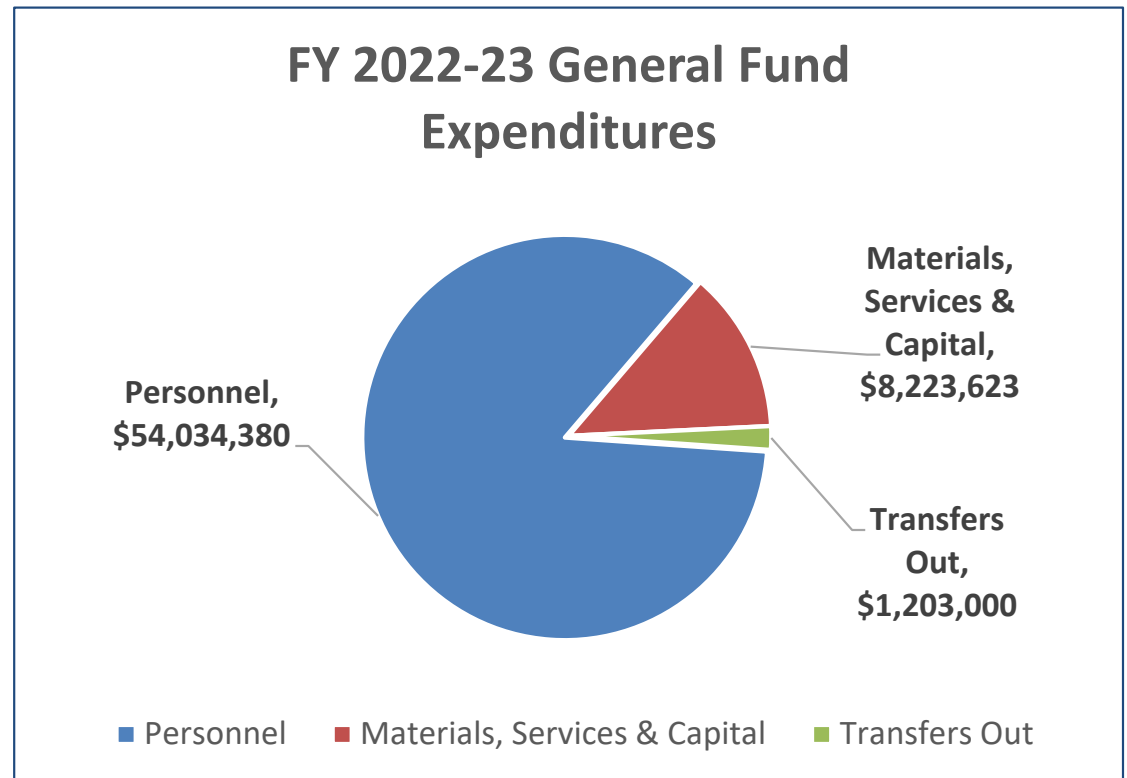


Summary of 2022-23 General Fund Expenses

Personnel highlights:

- **\$54M or 85%** of all expenses support direct salaries and benefits of CCC staff

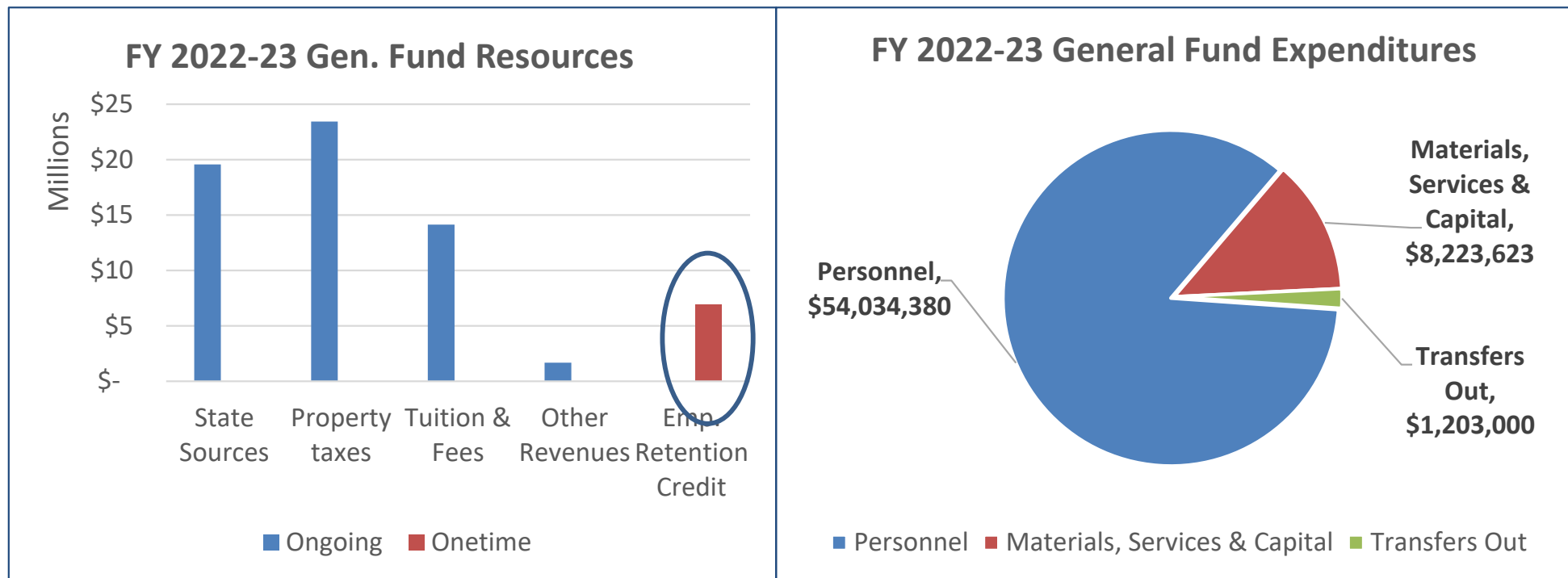
Total Expenses: \$63.5 Million



* Expenses based on FY 2022-23 Annual Comprehensive Financial Report

Summary of General Fund

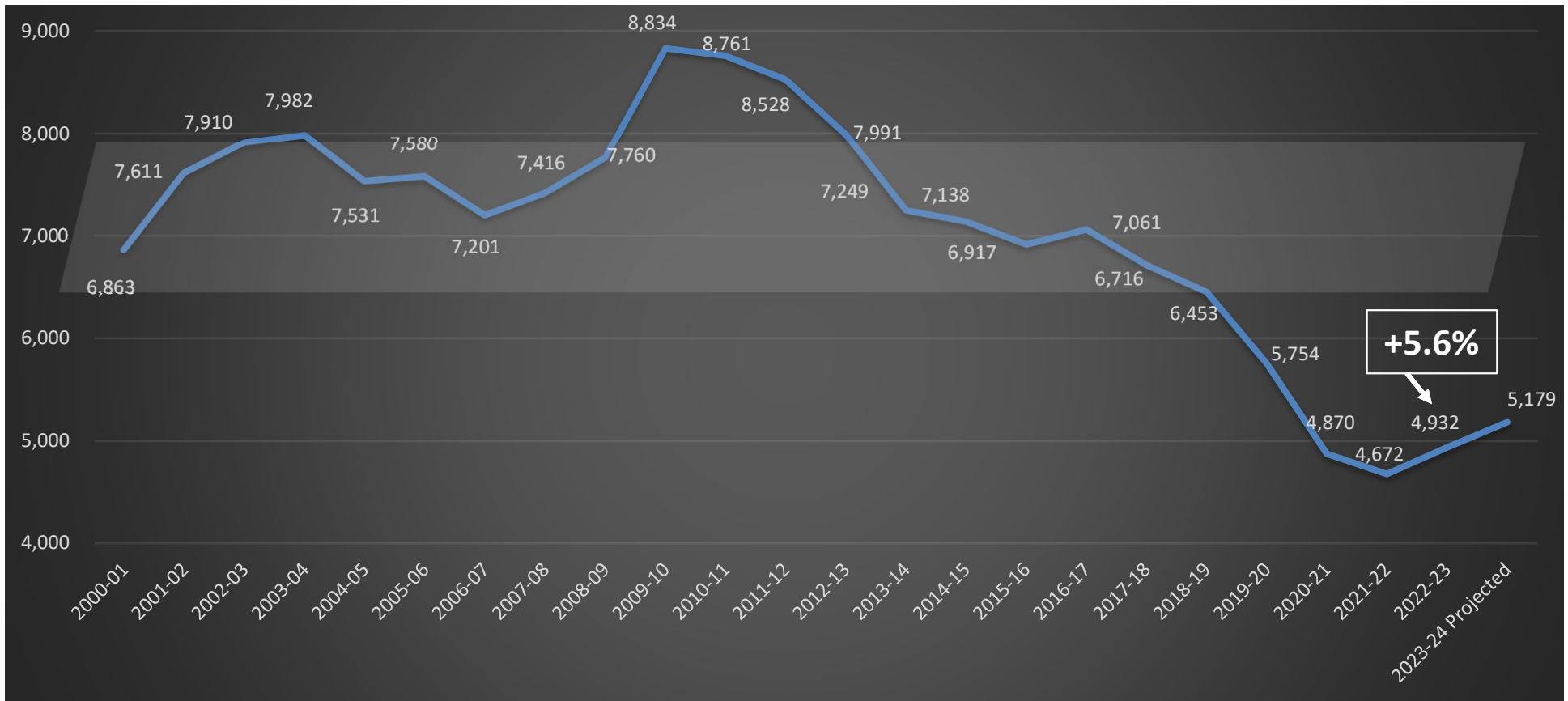
Total Revenues: \$66 Million Total Expenses: \$63.5 Million



* Expenses based on FY 2022-23 Annual Comprehensive Financial Report

Student Enrollment

Reimbursable Full-time Equivalent (FTE)



Student Enrollment

Reimbursable Full-time Equivalent (FTE) Trend

College	2018	2019	2020	2021	2022	2023	Variance, 2023 to 2022	Variance 2023 to 2018
Blue Mountain	1,822	1,705	1,471	1,164	1,170	1,196	2.2%	-34.4%
Central Oregon	4,587	4,325	4,002	3,630	3,488	3,425	-1.8%	-25.3%
Chemeketa	9,952	9,626	8,535	7,368	6,840	7,083	3.5%	-28.8%
Clackamas	6,716	6,453	5,754	4,870	4,672	4,932	5.6%	-26.6%
Clatsop	1,327	1,329	1,232	830	866	1,006	16.1%	-24.2%
Columbia Gorge	855	863	804	782	690	792	14.8%	-7.3%
Klamath	1,819	1,839	1,908	1,947	1,815	2,027	11.7%	11.4%
Lane	7,901	7,705	7,080	6,088	5,483	5,740	4.7%	-27.4%
Linn Benton	5,483	5,195	4,588	4,048	3,659	3,863	5.6%	-29.6%
Mt. Hood	7,860	7,445	6,490	5,994	5,498	5,686	3.4%	-27.7%
Oregon Coast	474	464	468	417	452	463	2.5%	-2.2%
Portland	25,371	23,883	21,416	19,520	18,156	17,100	-5.8%	-32.6%
Rogue	4,339	4,236	3,831	2,799	2,733	2,914	6.6%	-32.8%
Southwestern Oregon	2,402	2,106	1,962	1,569	1,606	1,555	-3.2%	-35.3%
Tillamook Bay	454	480	464	429	513	522	1.6%	14.9%
Treasure Valley	1,558	1,520	1,384	1,227	1,275	1,225	-3.9%	-21.4%
Umpqua	2,721	2,635	2,403	2,087	1,946	1,886	-3.1%	-30.7%
Totals	85,642	81,809	73,791	64,769	60,863	61,415	0.9%	-28.3%

Changes From Spring Forecast



The final Community College Support Fund was increased by \$50 million in June, resulting in nearly \$800 million of state support for all colleges



Utility rate increases are coming in higher than previously anticipated



Enrollment ended up by 5.6% as compared to the projected 5%. The continued positive trend is reflected as a 5% future increase this year.



Recent Bargaining generated higher than forecasted COLAs and subsequent ongoing Personnel costs



CCC's enrollment (+5.6% last year) when compared to the overall state average of +0.9% results in CCC's "slice of the pie" increasing



Increase in activity on campus and increased enrollment has led to an increase in costs for materials and services

Fall 2023 Forecast Assumptions



Incorporates the changes since the Spring 2023 Forecast



4% Tuition Increase Annually



4.5% Property Tax Increase Annually



5% increase in enrollment in the current year

5% increase in FY 2024-25



The Community College Support Fund increases at a rate of 6.0% for next biennium (2025-27)



At least 5% of savings of current service level budgeted expenses

CLACKAMAS COMMUNITY COLLEGE
GENERAL FUND FORECAST

11/1/2023

In Thousands (000's)	2021-23 BIENNIUM		2023-25 BIENNIUM		2023-25 BIENNIUM	
	Actual 2021-22	Actual 2022-23	Projected 2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27
Revenue and Transfers In						
State Appropriation	\$ 19,806	\$ 19,228	\$ 22,835	\$ 22,633	\$ 23,858	\$ 23,563
Property Taxes	22,128	23,429	24,760	25,874	27,039	28,255
Total Public Resources	41,935	42,657	47,595	48,507	50,897	51,819
Tuition, Net of Waivers	11,679	12,924	14,658	15,876	16,384	16,893
Other Revenue	4,373	10,184	2,956	2,885	2,824	2,610
Transfers In, Ongoing	100	-	-	-	-	-
Total Operating Revenue	58,086	65,765	65,209	67,268	70,105	71,322
Change Over Prior Year	-1%	13%	-1%	3%	4%	2%
Expenditures and Transfers Out						
Wages	33,676	36,462	39,043	41,053	43,167	45,392
Payroll Taxes and Benefits	16,262	17,572	19,091	19,986	20,915	21,883
Materials & Services/Capital Outlay	6,665	8,224	9,086	9,304	9,271	9,482
Transfers Out, Ongoing	1,816	1,703	1,250	1,890	1,500	1,500
Total Operating Expenditures	58,418	63,961	68,471	72,233	74,854	78,257
Change Over Prior Year	7%	9%	7%	5%	4%	5%
Operating Surplus (Deficit)	(332)	1,804	(3,262)	(4,965)	(4,749)	(6,935)
Net Transfers In (Out), One-Time	-	500	-	(1,765)	5,032	1,733
Total Surplus (Deficit)	(332)	2,304	(3,262)	(6,730)	283	(5,202)
Ending Balance, June 30	\$ 14,414	\$ 16,719	\$ 13,457	\$ 6,727	\$ 7,010	\$ 1,808
Minimum Balance						
Ending Balance, June 30, above	\$ 14,414	\$ 16,719	\$ 13,457	\$ 6,727	\$ 7,010	\$ 1,808
Minimum Balance -- 10% of Revenue	(5,799)	(6,577)	(6,521)	(6,727)	(7,010)	(7,132)
Fund Balance in Excess of Minimum	8,615	10,142	6,936	(0)	(0)	(5,324)

We are Currently at a Unique Point in Time

Three Years of Significant one-time investments of Federal Resources

- **\$9 million** in Employee Retention Credit.
Supports programming from FY 2023-24 to FY 2025-26.
- **\$11 million** in Higher Educational Stimulus Relief (HEERF) Funds.

CCC historically averages 7,000 FTE, and cannot sustain at 5,000 for long periods of time.

- The result of operating at **70% capacity (or 5,000 enrollment FTE)**, is that we cannot resource 350 full-time General Fund employees indefinitely at this low level of capacity. Structurally, the college has roughly 8%-10% more employees than it can afford to fund at an average enrollment of 5,000.

One-time resources are sufficient to balance the forecast, but come to an end

- The college has one-time bridge funding to provide time to assess the current upward trend in enrollment, not necessitating immediate budget reductions.
- We know we won't be at 5,000 FTE two to three years from now given our historical trends. Thus it wouldn't be wise to shrink the size of the college until we better understand the post-pandemic size of CCC.
- **The one-time funds will end.** It is not financially responsible to construct a process that facilitates using these one-time funds to expand staff and programs in the coming year until we regain that pre-pandemic enrollment growth back.

Proposed Budget Guidance: FY 2024-25

Use FY 2024-25 as a Stability Year

- Programs do not expand or contract
- Focus unit plans and resource allocation on adjustments/ implementation of existing approved initiatives, and on other funds (technology, equipment, innovation and fee)
- Provides time to assess enrollment for another year, and **focuses the College's efforts on passing a 2024 GO Bond**

Time to Focus on Continuous Quality Improvement

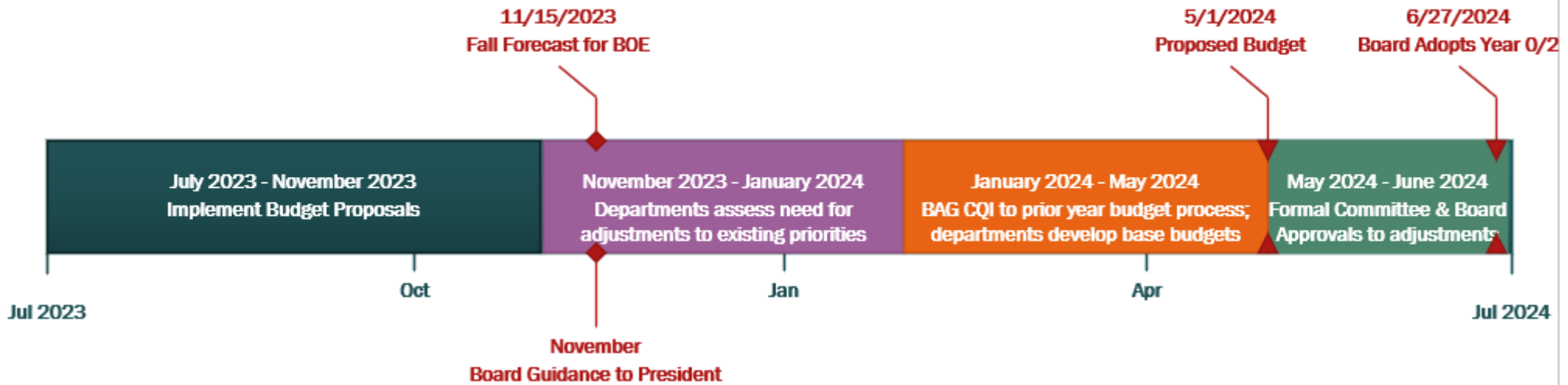
- CCC Leadership is working on a Continuous Quality Improvement model for Assessment, Unit Planning, and Budget processes as part of its Strategic Plan
- The group will be recommending a transition to a two-year cycle to provide time for assessment and analysis

Goal to move towards 2-year Budget Cycle

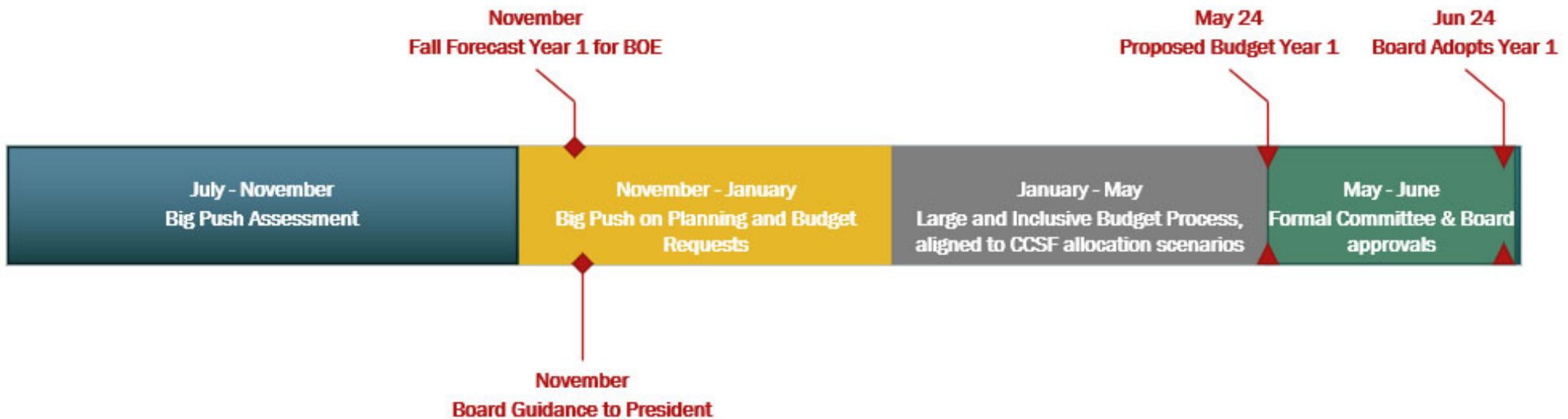
- Structure allows time for assessment of enrollment in advance of next biennium, which will impact the FY 2025-27 budget development
- Allows more strategic budget proposals to be done in 2-year cycles that can have funding aligned with CCSF scenarios.

Budgeting Over Two Fiscal Years

Year 0 (becomes Year 2)



Year 1



Stability Budget Process Calendar

Board of Education (Forecast Update)	November 15, 2023
BAG Meetings (as needed), All-Staff Drop-In Sessions and Email Communications	December, 2023 – April, 2024
Board of Education (Tuition and Fees)	February 21, 2024
Board of Education (Tuition and Fees vote, Spring Forecast Update)	March 20, 2024
College Proposed Budget	April, 2024
Budget Committee Meetings	May 8 & 15, 2024
Public Hearing/Board adoption	June 26, 2024

Questions?

