

Forecast Work Session

Board of Education

Fall 2026

















Education That Works

Clackamas Community College

State of Oregon Economy

Highlights from Latest State Economic Forecast



State General Funds Continue to Grow

Forecasted to be **$42.9 billion** for 2027–29, up **19.3%** from current biennium.

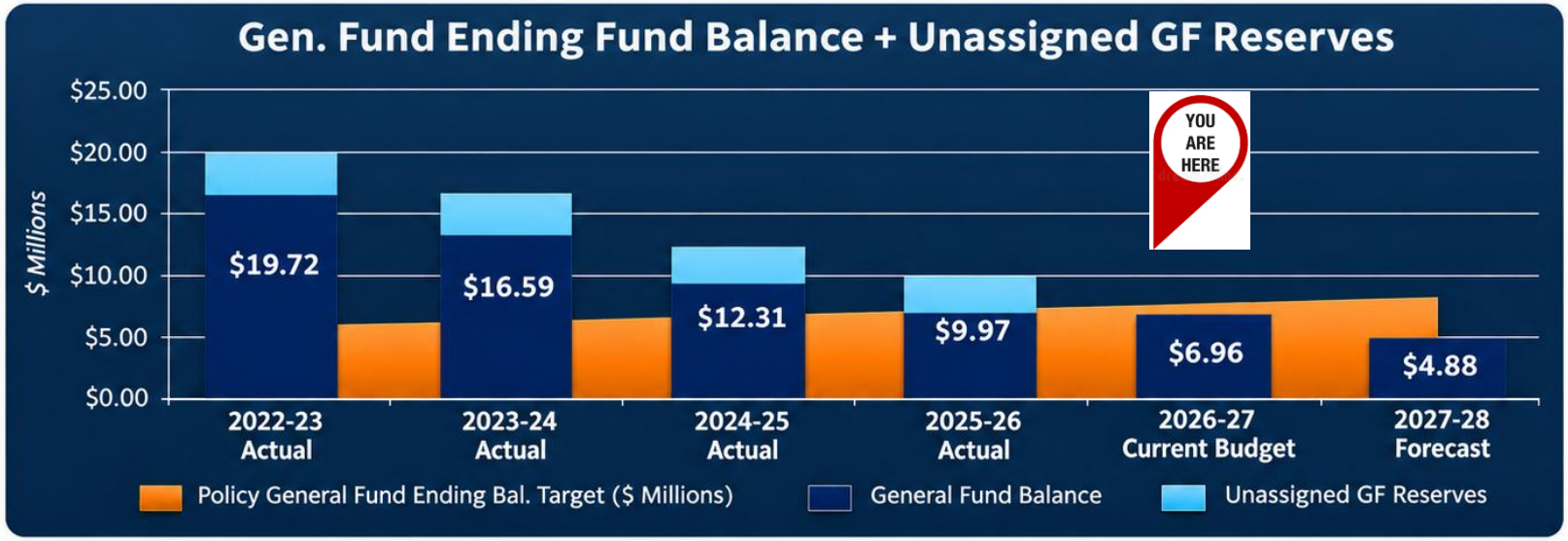
Federal Funding Reductions Pose a Risk

Medicaid and SNAP changes could shift as much as **5%** of this planned revenue to fund other priorities.

Education Sector Faces Higher Cost Pressures

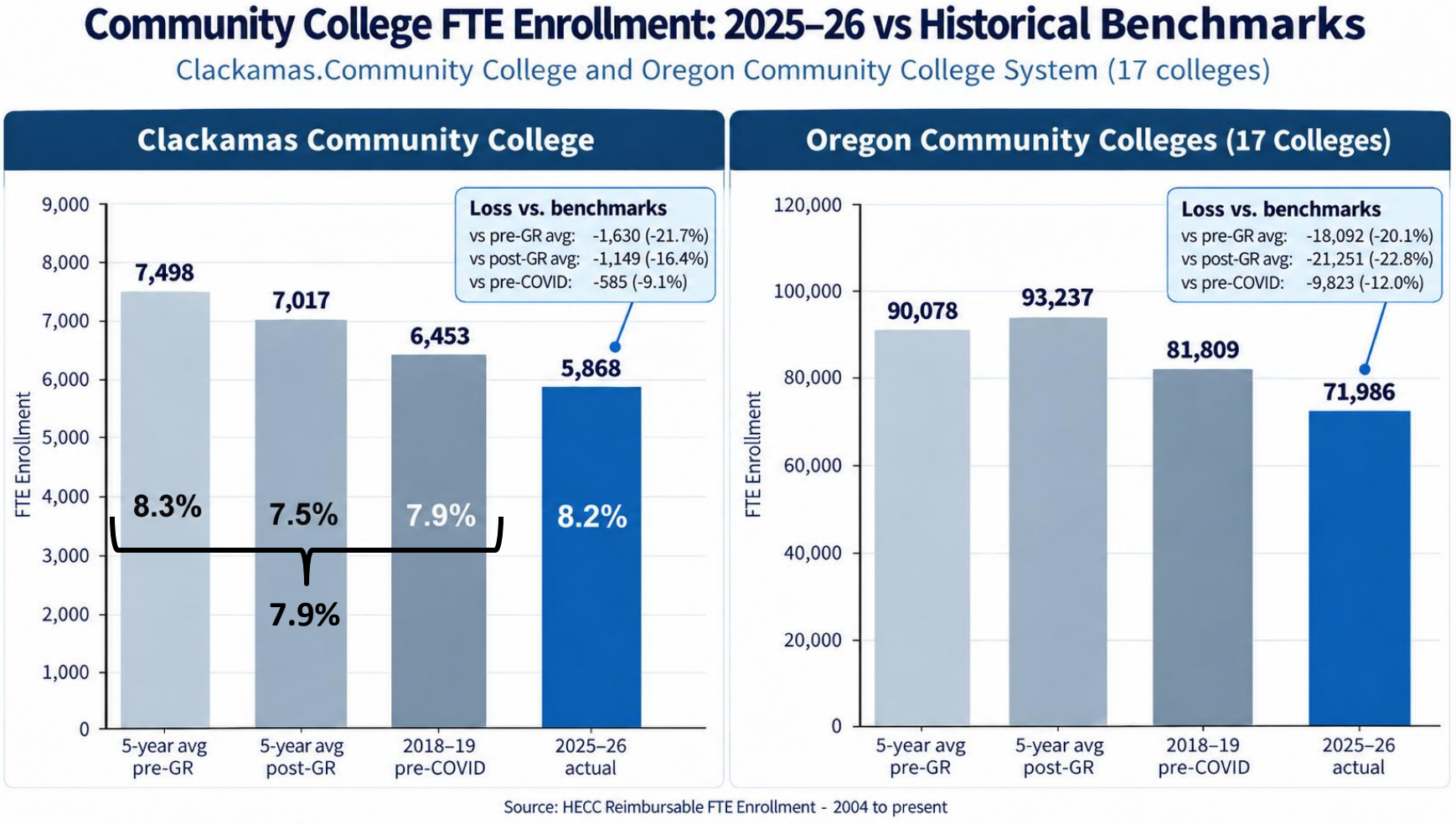
If inflation to the Education sector of the State's budget is projected to be up **10%** for 2027–29 to maintain current service levels, many agencies should locally plan on receiving closer to **5%** increases.

Without Change Expenses Outpacing Revenues Will Deplete Funds



- The average annual operations loss is **$3.2M** from the prior year balance.
- If the current trend of deficit spending continues then the college would expect to exhaust all unassigned General Fund Reserves in **2–3 years.**

Student Enrollment



Source: HECC Reimbursable FTE Enrollment - 2004 to present

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State of Funding for Colleges


DIVE BRIEF

Eastern Oregon University slashes budget by nearly $5M to close deficit

The rural institution will leave nearly two dozen jobs unfilled, cut a handful of staff and raise tuition.


NEWS · BUSINESS · COST-CUTTING

Portland State Will Lay Off 36 Employees, Close 2 Departments

The university announced its "final plan" on Tuesday after negotiating with the faculty union for several months. The cuts will help address a $35 million budget shortfall that the university must close in the next two years.

By Emma Whitford

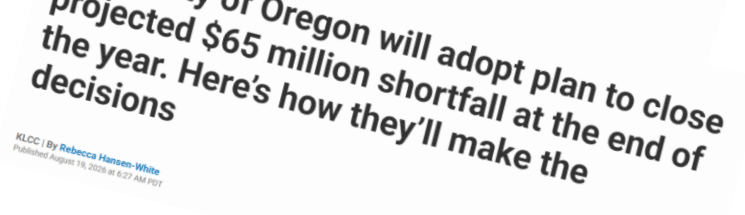
July 21, 2026


Mt. Hood Community College makes cuts, raises tuition for $5 million budget gap

Published 11:51 am Tuesday, July 7, 2026

By Christopher Keizur

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Education

University of Oregon will adopt plan to close projected $65 million shortfall at the end of the year. Here's how they'll make the decisions

KLCC | By Rebecca Hansen-White

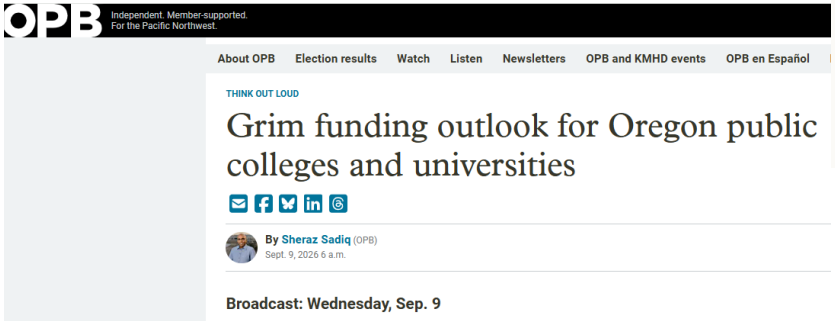
Published August 19, 2026 at 6:27 AM PDT


Education

Southern Oregon University will cut one-fifth of its budget

Public Radio | By Jane Vaughan

Lane Community College may cut more than 20 jobs, 2 programs amid budget shortfall


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THINK OUT LOUD

Grim funding outlook for Oregon public colleges and universities

By Sheraz Sadiq (OPB)

Sept. 9, 2026 6 a.m.

Broadcast: Wednesday, Sep. 9


Willamette News Staff · Oct 22 · 4 min read

Chemeketa Community College plans $5 million in cuts for 2027-28 as enrollment slips (Oct. 22)

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Changes From Spring Forecast



The 2026-27 Adopted Budget included **$2 million** in budget reductions/new revenues helping prepare for this upcoming biennium budget process.



The college unexpectedly received **$65,000** in additional utility savings from Barlow Automotive utility costs due to 2025-26 budget reductions.



Recent inflationary pressures from gas and diesel prices are projecting to move CPI up from **2.5%** to as much as **3.5%** in the near future.



Getting leaner has led to lower than historical annual savings from vacancies and unused materials & supplies budgets compared to prior years.



The **5%** projected enrollment growth has appeared to have flattened, and we are projecting flat enrollment growth for 2026-27 to remain conservative.



Increases in legal actions across all education has increased legal fees and insurance rates.

2026 – 2029 Forecast Assumptions



Incorporates the changes since the last forecast



3% Tuition Increase Annually



4.5% Property Tax Increase Annually



Flat enrollment for the current year. Minimal enrollment increases in the future (TBD)



The Community College Support Fund increases at a rate of **5.0%** for next biennium (2027-29)



Little to no underspending in current year and upcoming year

Potential Risks in the Forecast



State Funding

CCSF assumes **5%** but is very uncertain based on Medicaid



PERS

PERS rates are leveling as a system but assume only **3.4%** payroll growth



Enrollment

Assumes flat enrollment, but enrollment has been volatile



Wages

Assumes current amounts known and current CPI, changes in bargaining or inflation could change forecast



IT System Upgrade

System upgrades are still being determined, and future costs of new system unknown

CLACKAMAS COMMUNITY COLLEGE
GENERAL FUND FORECAST

11/18/2026

In Thousands (000's)	2023-25 BIENNIUM		2025-27 BIENNIUM		2027-29 BIENNIUM	
	Projected 2023-24	**Projected 2024-25**	**Projected 2025-26**	**Projected 2026-27**	**Projected 2027-28**	**Projected 2028-29**
Revenue and Transfers In						
State Appropriation	$ 22,624	$ 24,087	$ 25,614	$ 25,993	$ 27,213	$ 27,577
Property Taxes	24,550	25,474	26,615	27,797	29,048	30,356
Total Public Resources	47,174	49,561	52,230	53,790	56,262	57,933
Tuition, Net of Waivers	14,899	17,212	18,200	19,230	20,230	21,262
Other Revenue	4,483	4,078	6,325	3,633	3,797	3,687
Transfers In, Ongoing	-	-	-	-	-	-
Total Operating Revenue	66,556	70,851	76,755	76,653	80,289	82,882
Change Over Prior Year	*1%*	*6%*	*8%*	*0%*	*5%*	*3%*
Expenditures and Transfers Out						
Wages	40,579	43,297	45,233	45,127	47,734	49,250
Payroll Taxes and Benefits	18,596	19,790	22,178	21,439	23,571	24,269
Materials & Services/Capital Outlay	9,246	10,442	10,458	11,490	11,530	11,880
Transfers Out, Ongoing	1,250	1,500	1,200	1,630	1,517	983
Total Operating Expenditures	69,671	75,029	79,069	79,687	84,352	86,382
Change Over Prior Year	*9%*	*8%*	*5%*	*1%*	*6%*	*2%*
Operating Surplus (Deficit)	**(3,115)**	**(4,178)**	**(2,314)**	**(3,033)**	**(4,063)**	**(3,500)**
Net Transfers In (Out), One-Time	(14)	(101)	(33)	3,025	1,893	-
Total Surplus (Deficit)	(3,129)	(4,278)	(2,347)	(8)	(2,170)	(3,500)
Ending Balance, June 30	$ 13,590	$ 9,312	$ 6,966	$ 6,958	$ 4,788	$ 1,288
Minimum Balance						
Ending Balance, June 30, above	$ 13,590	$ 9,312	$ 6,966	$ 6,958	$ 4,788	$ 1,288
Minimum Balance -- 10% of Revenue	(6,656)	(7,085)	(7,676)	(7,665)	(8,029)	(8,288)
Fund Balance in Excess of Minimum	6,934	2,227	(710)	(707)	(3,241)	(7,000)

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Recent Reductions Focused on Least Disruptive Impact

Least Disruptive Options Prioritized



- Eliminate vacant positions
- Reduced flexibility for expenses
- Incremental change to tuition and fees

Over $4.3 M of Budget Actions



- Ongoing Expenses reduced by **$3.75 million**
- Revenue increased or realigned by **$615,000**
- Nearly a **6:1 ratio** of expense reductions to revenue increases

Proposed Budget Guidance: FY 2027-28

End Structural Deficit and Plan on 5% Increase in CCSF



- Focus on large, strategic decisions to determine what the college can still afford to do and not afford to do at the current, lower enrollment figures
- Make $3.5 million in ongoing reductions over the next 2-year cycle

Focus on a More Open and Transparent Feedback Process



- Implement public budget listening sessions on all three campuses throughout winter
- Institute additional opportunities for our Budget Committee to be engaged in the budget reduction process throughout

Tasks, Approach, and Outcome

Cutting the Budget and Services Will Be Hard



- Impacts students
- Impacts employees
- Impacts our community

Input and Feedback Throughout



- Finance Council
- Association Leadership
- Administrators
- Online engagement surveys

Change Is an Intended Outcome



- Financially sustainable path
- Support next strategic plan

Process Timeline: Standard

Key budget milestones from forecast to adoption



Questions?