



June 9, 2015

Board of Education
Columbia Gorge Community College

RECOMMENDATION:

Receive and file the June Financial Report for Fiscal Year 2014-15.

DISCUSSION

The year-end financial outlook is largely unchanged with the addition of May financial data. The year-end estimate-to-close now expects the college's ending fund balance to be \$212 thousand higher than the 2014-15 Adopted Budget figure. This is a similar projection as the previous month and near the beginning balance assumed in the FY2015-16 Budget.

Fiscal Year 2014-15 General Fund Revenue

With eleven months of the fiscal year complete, the General Fund revenue projection is unchanged from the previous month. A slightly lower property tax estimate was offset by a slightly higher tuition & fee projection.

Fiscal Year 2014-15 General Fund Expenditures

Existing expenditure trends continued in May. Instruction continues to be on track to exceed budget. The June 9th Board Meeting includes a Supplemental Budget Adjustment to access Contingency to offset the overage. This spending is anticipated in the current year-end estimates to close and does not affect the FY2015-16 beginning balance projection. Institutional Support is trending to underspend its budget by \$580 thousand or approximately 18%.

Fiscal Year 2015-16 Outlook

Community College enrollment typically tracks closely with the unemployment rate. A graph from the Oregon Employment Department showing the Oregon, Wasco County, and Hood River County unemployment rates from 1990 through April of 2015 is attached to this report. Rates of unemployment are nearing historic lows in the Mid-Columbia region. This suggests that enrollment will likely remain at lowered levels for the next academic year. The FY2015-16 Approved Budget is balanced and assumes no enrollment growth.

SUGGESTED ACTION:

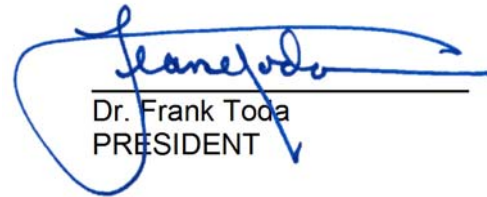
Approve recommendation.

Respectfully submitted,



WILL NORRIS
CHIEF FINANCIAL OFFICER

APPROVED:



Dr. Frank Toda
PRESIDENT

GENERAL FUND REVENUE SUMMARY
 Through May 2015 (Through 92% of Fiscal Year)

Revenue	Adopted Budget	Adjusted Budget	Actual Revenue thru May 2015	Year End Estimate	Year End Estimate Over / (Under) Budget	Percentage of Adjusted Budget Received thru May 2015	Fiscal Year 2013-14 Revenue thru May 2014	Year-End Actual Revenue
State of Oregon	\$ 3,961,067	\$ 3,961,067	\$ 3,003,269	\$ 3,003,269	\$ (957,799)	76%	\$ 4,737,108	\$ 4,737,108
Property Tax	1,017,593	1,017,593	1,042,004	1,111,027	93,434	102%	1,037,368	1,058,199
Tuition	2,572,822	2,572,822	2,542,347	2,449,573	(123,249)	99%	2,558,715	2,556,390
Fees	632,760	632,760	627,190	602,919	(29,841)	99%	641,743	648,923
Other	143,376	143,376	102,874	131,362	(12,014)	72%	177,272	194,561
Sales & Services	6,513	6,513	5,262	5,708	(805)	81%	6,042	6,211
Transfers In	2,295,000	2,409,360	2,231,852	2,409,360	-	93%	80,000	589,750
TOTAL	\$ 10,629,131	\$ 10,743,491	\$ 9,554,798	\$ 9,713,218	\$ (1,030,273)	89%	\$ 9,238,268	\$ 9,791,142

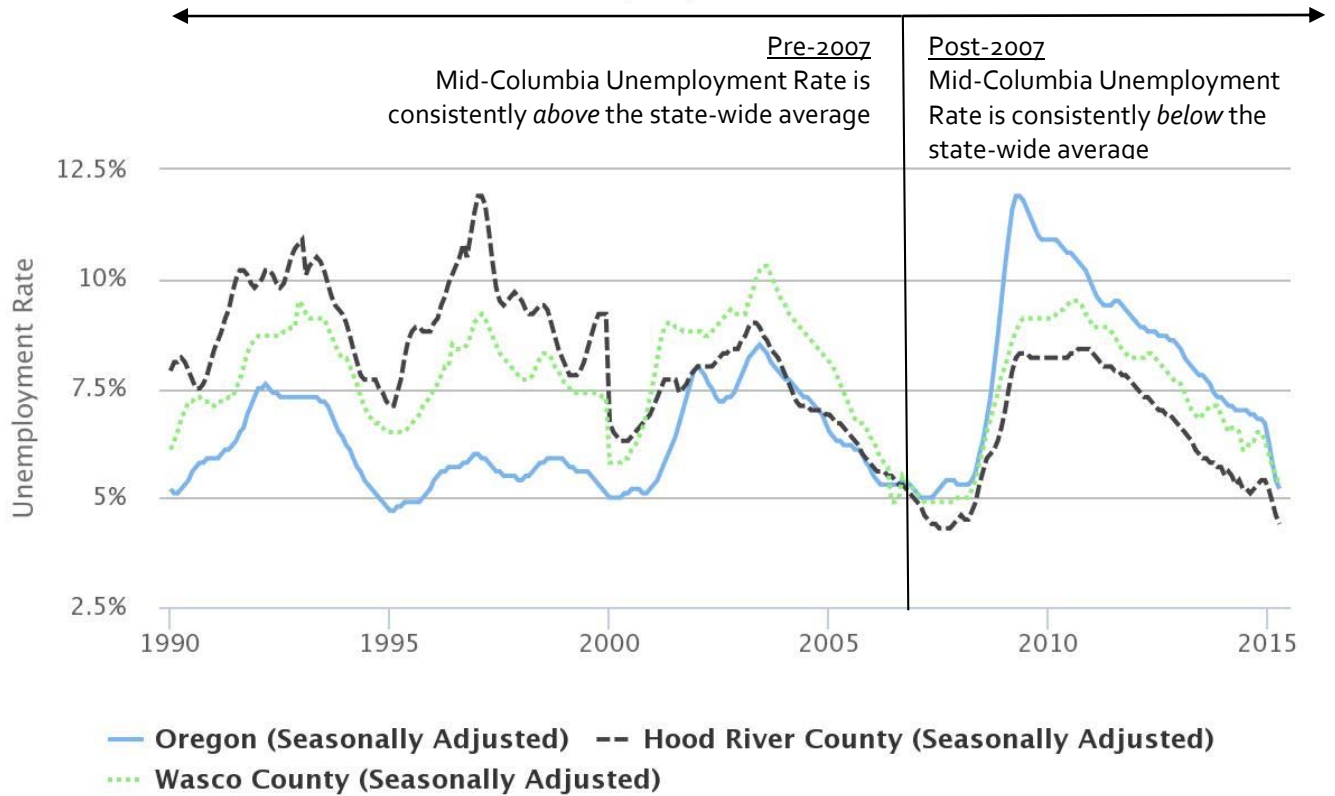
GENERAL FUND EXPENDITURE SUMMARY
 Through May 2015 (Through 92% of Fiscal Year)

Function	Adopted Budget	Adjusted Budget	Expenses thru May 2015	Year End Estimate	Year End Estimate Over / (Under) Budget	Percentage of Adjusted Budget Expended thru May 2015	Fiscal Year 2013-14 Expenses thru May 2014	Year-End Actual
Instruction	\$ 3,652,731	\$ 3,772,731	\$ 3,538,182	\$ 4,042,565	\$ 269,834	94%	\$ 3,108,194	\$ 3,548,863
Academic Support	1,002,428	1,002,428	844,475	923,101	(79,327)	84%	831,188	910,561
Student Services	1,067,197	1,062,197	907,749	988,480	(73,717)	85%	961,652	1,062,066
Institutional Support	3,063,852	3,195,867	2,230,812	2,614,538	(581,329)	70%	2,715,186	2,965,276
Financial Aid	20,954	23,454	25,720	17,827	(5,627)	110%	44,927	26,542
Plant Operation & Maintenance	1,172,190	1,172,190	853,425	985,035	(187,155)	73%	959,222	1,054,217
Other (Transfers, Debt, Contingency)	781,910	779,089	161,101	193,589	(585,500)	21%	152,212	167,349
TOTAL	\$ 10,761,262	\$ 11,007,956	\$ 8,561,465	\$ 9,765,135	\$ (1,242,821)	78%	\$ 8,772,580	\$ 9,734,874
Net Variance to Budget						\$	212,548	

CASH & INVESTMENTS

Account	May 31st, 2015	May 31st, 2014
Local Government Investment Pool	\$ 535,059	\$ 3,562,709
US Bank	441,644	849,010
Fidelity Investments	3,194,910	3,177,209
TOTAL	\$ 4,171,613	\$ 7,588,927

Local Area Unemployment Statistics



Source: Oregon Employment Department Qualityinfo.org

June 2015

INDICATORS

UNEMPLOYMENT RATE

	Apr-15	Mar-15
Gilliam	6.8	6.5
Hood River	4.5	4.9
Sherman	6.4	6.7
Wasco	5.3	6.2
Wheeler	4.7	5.7
Oregon Raw	5.2	5.8
U.S. Raw	5.1	5.6

Seasonally Adjusted Data

	Apr-15	Mar-15
Gilliam	6.0	5.4
Hood River	4.4	4.6
Sherman	6.0	5.9
Wasco	5.3	5.5
Wheeler	4.8	5.1
Oregon SA	5.2	5.4
U.S. SA	5.4	5.5

TOTAL NONFARM PAYROLL EMPLOYMENT

	Apr-15 PRELIMINARY	CHANGE FROM Mar-15
Gilliam	720	10
Hood River	10,390	350
Sherman	835	(15)
Wasco	10,050	190
Wheeler	270	5

Seasonally Adjusted Data

	Apr-15 PRELIMINARY	CHANGE FROM Mar-15
Gilliam	710	0
Hood River	10,530	400
Sherman	835	(30)
Wasco	10,120	20
Wheeler	265	(10)

Columbia Gorge Nonprofits - 2013

Columbia Gorge 2013 Nonprofit Stats:

- 193 establishments
- 3,341 jobs
- 47% of all nonprofits found in other services
- 80% of employment attributed to health care
- \$37,439 annual average pay

How Large is the Nonprofit Sector?

In 2013, there were 193 nonprofits in Columbia Gorge. These organizations played an integral role in Columbia Gorge's economy. They made up 8.1 percent of all private-sector businesses and provided 3,341 jobs. Nonprofit jobs accounted for 13.4 percent of the Columbia Gorge's private-sector employment. As a share of the Columbia Gorge's total (private and public) employment, nonprofits made up 12.3 percent in 2013, similar in size to the leisure and hospitality industry (13.9%).

Nonprofits by Industry

Health care and social assistance dominated the Columbia Gorge's nonprofit employment in 2013, with 2,688 jobs, or 80 percent. Other services provided 410 nonprofit jobs and educational services employed 134; together the top three industries represented 96.7 percent of the Columbia Gorge's total.

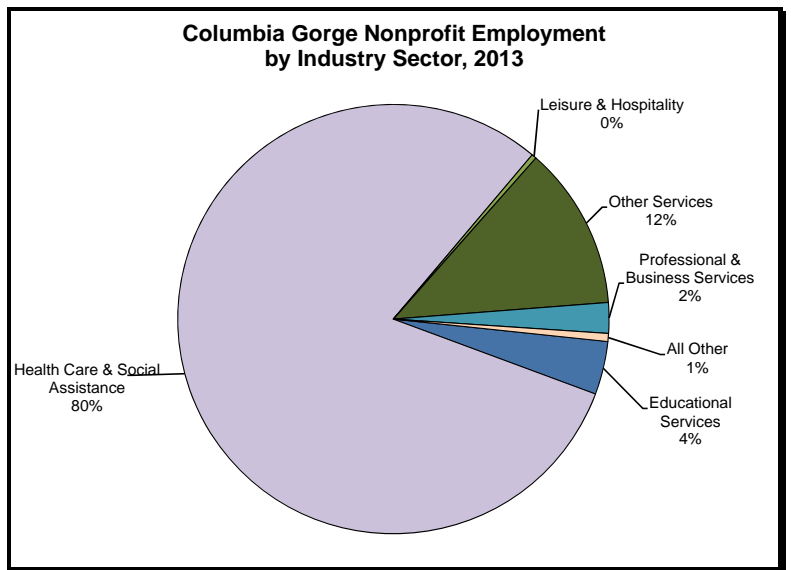
Service Organizations

As shown in Graph 1, other services represented 12.9 percent of the Columbia Gorge's nonprofit employment (410 jobs). The industry includes religious, grant making, civic, professional and similar organizations. Places of worship, The United Way and local chambers of commerce are some of the most widely recognized nonprofits in the Columbia Gorge. As shown in Graph 2, the industry had

47 percent of Columbia Gorge's nonprofits (91 organizations).

Nonprofit Hospitals, Health Care and Social Assistance

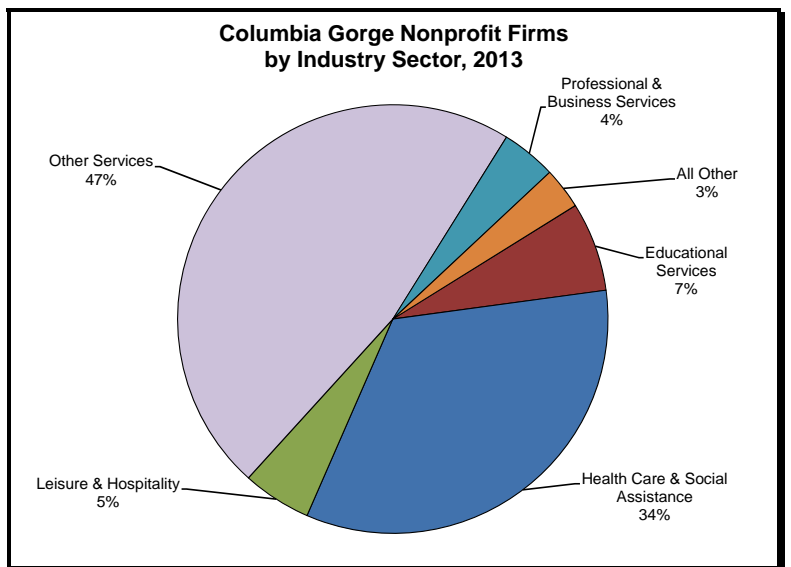
Health care and social assistance led nonprofits, with 2,688 jobs, or 80.5 percent of the Columbia Gorge's nonprofit employment. Like other services, there is diversity in the industry, from assisted living facilities to mental health services. Two nonprofit hospitals, Providence Hood River and the Dalles-based Mid-Columbia Medical Center, are obviously critical facilities, providing patient care for Columbia Gorge residents living in Oregon and Washington.



Graph 1

Educational and Employment Training Providers

Educational services accounted for 4.0 percent of the Columbia Gorge's nonprofit employment in 2013 (134 jobs). The organizations in this industry range from preschools and tutoring services to charter schools and primary and secondary schools.



Graph 2

Pay at Nonprofits

The Columbia Gorge's private for-profit industries paid an averaged \$30,142 in 2013, compared with \$37,439 for nonprofits, a difference of \$7,297, or 24.2 percent. In 2013, only one nonprofit industry, health care and social assistance, offered higher average pay than its for-profit counterpart (Table 1). Nonprofit health care and social assistance paid an average \$40,755 in 2013, compared with a much lower for-profit average of \$32,405 (-25.8%). Nonprofits in professional and business services paid an average of \$49,296 in 2013, but for-profit workers earned \$3,193 more (+6.1%). Leisure and hospitality also favored for-profit businesses, with a pay gap of \$969 (+5.8%). Other

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services, with 12.3 percent of nonprofit employment, paid just \$20,493 in 2013, falling \$6,519, or 24.1 percent below for-profit jobs. Educational services paid an average of \$20,318 in 2013, falling short of for-profit pay by \$16,588, or 44.9 percent.

Future Growth

The future of nonprofit employment in the Columbia Gorge rests squarely on the shoulders of health care and social assistance. Aging demographics and population growth should continue to fuel the need for health care services, hospitals and nursing and residential care for years to come.

Table 1

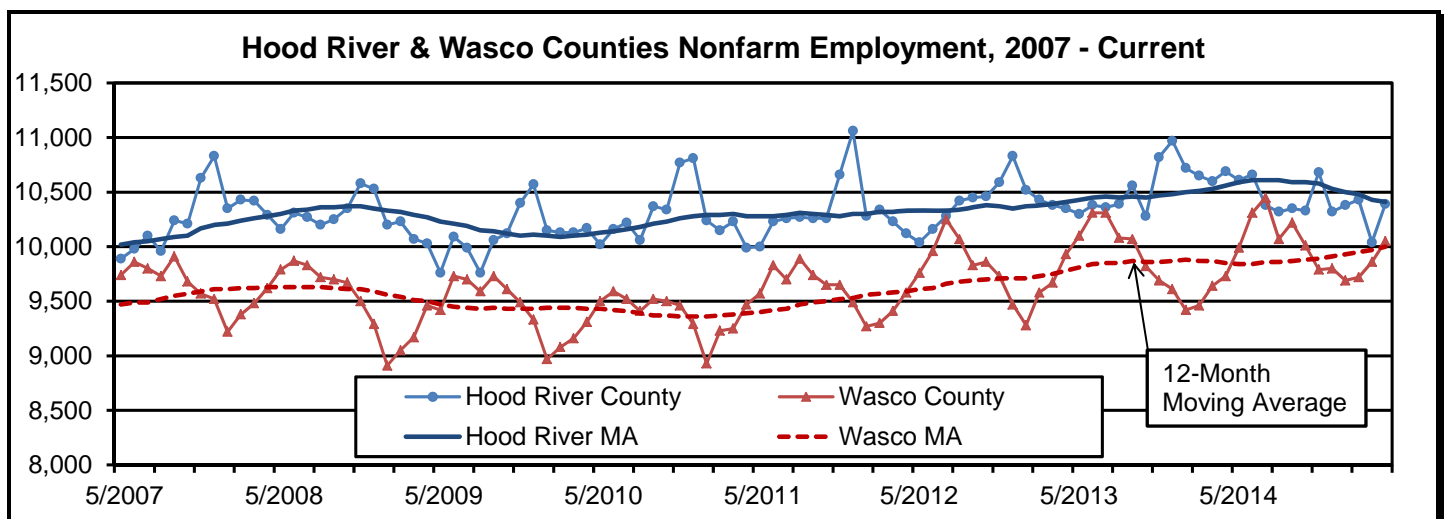
Industry Name	Nonprofits	For Profit
Professional & Business Services	\$49,296	\$52,489
Health Care & Social Assistance	\$40,755	\$32,405
All Other	\$21,239	\$32,700
Other Services	\$20,493	\$27,012
Educational Services	\$20,318	\$36,906
Leisure & Hospitality	\$15,621	\$16,590
All Industries	\$37,439	\$30,142

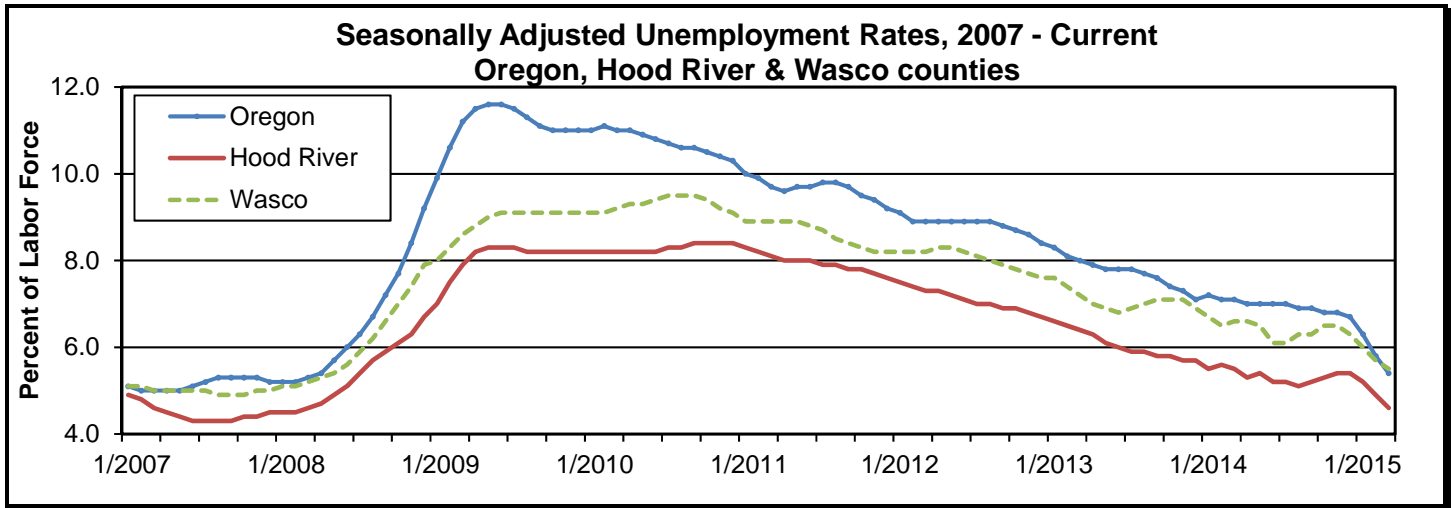
Employment in the Columbia Gorge: April 2015 Low Unemployment Rates the New Normal

The list of Oregon counties at or below 5.0 percent seasonally adjusted unemployment grew to nine in April, with Hood River's 4.5 percent ranking third and Wheeler's 4.7 percent tied for fifth. Seasonally adjusted unemployment rates in Gilliam (6.8%) and Sherman (6.4%) counties showed little change over the month, while Wasco's rate fell by 0.9 percentage point (5.3%) to rank 11th.

Hood River County's winter recreational season rebounded in April, with arts, entertainment, and recreation rising by 180 jobs, to total 720. Food services and drinking places prepared for its busy summer season by adding 80 jobs in April, to total 1,080. Private industry provided all of Hood River County's growth in April, rising by 350 jobs, while government held steady at 1,380.

Government showed growth over the year, rising by 40 jobs in Hood River County, but private industry lost 300 jobs. Private industry's losses resulted from the closure of a payment processing service for regional home health care workers. Manufacturing led Hood River County with an over-the-year increase of 150 jobs, rising to 1,590.





Wasco County’s private-industry employment rose by 140 in April, to total 7,830 jobs. Leisure and hospitality provided the biggest boost, rising by 50 jobs, to total 1,200. Government rose by 50 jobs in April, led by an increase of 40 in Indian tribal government.

Wasco County gained 320 nonfarm jobs over the year ending in April, to total 10,050. Leisure and hospitality provided private industry’s largest over-the-year gain, rising by 110 jobs. Government rose by 40 jobs over the year, with state and local each adding 20 jobs.

Gilliam County’s nonfarm employment rose by 10 jobs in April, to total 720. Over the year, Gilliam County cut 20 private-industry jobs, while government held steady.

Sherman County’s nonfarm total fell by 15 jobs in April, with a loss of five in private industry and a drop of 10 in government. Over the year Sherman County gained five jobs, with private industry up 10 and federal government cutting five.

Wheeler County gained five private industry jobs in April, to reach 135, while government held steady at 135. Over the year, private industry cut 10 jobs and government shed 20, dropping Wheeler County’s nonfarm total to 270 jobs.

National Employment

Total nonfarm payroll employment increased by 223,000 in April, and the unemployment rate was essentially unchanged at 5.4 percent, the U.S. Bureau of Labor Statistics reported. Job gains occurred in professional and business services, health care, and construction. Mining employment continued to decline.

In April, both the unemployment rate (5.4%) and the number of unemployed persons (8.5 million) were essentially unchanged. Over the year, the unemployment rate and the number of unemployed persons were down by 0.8 percentage point and 1.1 million, respectively.

Oregon Employment

Oregon's unemployment rate declined to 5.2 percent in April from 5.4 percent in March, reaching Oregon's lowest rate since July 2007, when the rate was also 5.2 percent. The rate is now back to where it was during 2006 through early 2008, when it held steady between 5.0 and 5.5 percent.

Oregon's payroll employment grew rapidly, adding 7,600 in April, following revised gains of 2,600 in February and 2,700 in March. April's gain was on track with the rapid growth seen during September 2014 through January 2015 when growth averaged 6,200 jobs per month.

The recent, rapid job growth is consistent with Oregon's performance prior to the recession. Jobs expanded by 3.2 percent between April 2014 and April 2015, a similar pace as seen during mid 2004 through 2006, when Oregon's annual gains averaged 3.0 percent.

Consumer Price Index (CPI)

All Items, 1982-84=100

Urban Consumers

Portland-Salem, OR-WA

July - December 2014 242.679

Yearly Change +2.3%

Annual Average 2014 241.215

Yearly Change +2.4%

United States

Apr. 2015 236.599

Yearly Change -0.2%

Annual Average 2014 236.736

Yearly Change +1.6%

Next release: June 18, 2015

<http://www.bls.gov/cpi>

Gilliam County Labor Force and Industry Employment

Labor Force Status	Apr-15	Mar-15	Apr-14	CHANGE	FROM
				Mar-15	Apr-14
Civilian Labor Force	803	816	837	(13)	(34)
Unemployment	55	53	69	2	(14)
Unemployment Rate	6.8	6.5	8.2	xxx	xxx
Unemployment Rate, seasonally adjusted	6.0	5.4	6.7	xxx	xxx
Total Employment	748	763	768	(15)	(20)

Nonfarm Payroll Employment

Total nonfarm	720	710	740	10	(20)
Total private	470	465	490	5	(20)
Trade, transportation, and utilities	120	120	130	0	(10)
Professional and business services	145	145	150	0	(5)
Educational and health services	55	55	55	0	0
Leisure and hospitality	40	40	35	0	5
Government	250	245	250	5	0
Federal government	10	10	10	0	0
State government	25	25	20	0	5
Local government	215	210	220	5	(5)

Sherman County Labor Force and Industry Employment

Labor Force Status	Apr-15	Mar-15	Apr-14	CHANGE	FROM
				Mar-15	Apr-14
Civilian Labor Force	879	893	874	(14)	5
Unemployment	56	60	56	(4)	0
Unemployment Rate	6.4	6.7	6.4	xxx	xxx
Unemployment Rate, seasonally adjusted	6.0	5.9	6.1	xxx	xxx
Total Employment	823	833	818	(10)	5

Nonfarm Payroll Employment

Total nonfarm	835	850	830	(15)	5
Total private	495	500	485	(5)	10
Trade, transportation, and utilities	285	290	255	(5)	30
Retail trade	60	55	55	5	5
Leisure and hospitality	125	120	130	5	(5)
Government	340	350	345	(10)	(5)
Federal government	130	130	135	0	(5)
State government	40	40	40	0	0
Local government	170	180	170	(10)	0

The most recent month is preliminary, the prior month is revised. Civilian labor force includes employed and unemployed individuals 16 years and older by place of residence. Data are adjusted for multiple job-holding and commuting. Includes nonfarm payroll employment, self-employed, unpaid family workers, domestics, agriculture, and labor disputants. Unemployment rate derived by dividing unemployment by civilian labor force. Nonfarm payroll employment data cover full- and part-time employees who worked during or received pay for the pay period that includes the 12th of the month. The data exclude the self-employed, volunteers, unpaid family workers, and domestics. Persons on sick leave, vacations, or holidays, and being paid for that period by their employer, are considered employed. Prepared in cooperation with the U.S. Dept. of Labor

Hood River County Labor Force and Industry Employment

	Apr-15	Mar-15	Apr-14	CHANGE Mar-15	FROM Apr-14
Labor Force Status					
Civilian Labor Force	12,778	12,692	13,269	86	(491)
Unemployment	581	627	754	(46)	(173)
Unemployment Rate	4.5	4.9	5.7	xxx	xxx
Unemployment Rate, seasonally adjusted	4.4	4.6	5.3	xxx	xxx
Total Employment	12,197	12,065	12,515	132	(318)
Nonfarm Payroll Employment					
Total nonfarm	10,390	10,040	10,690	350	(300)
Total private	9,010	8,660	9,350	350	(340)
Mining, logging, and construction	320	300	290	20	30
Manufacturing	1,590	1,570	1,440	20	150
Trade, transportation, and utilities	1,830	1,810	1,900	20	(70)
Wholesale trade	360	370	450	(10)	(90)
Retail trade	1,270	1,250	1,240	20	30
Transportation, warehousing, and utilities	200	190	210	10	(10)
Information	130	130	140	0	(10)
Financial activities	300	300	310	0	(10)
Professional and business services	870	870	900	0	(30)
Educational and health services	1,480	1,470	1,920	10	(440)
Leisure and hospitality	2,160	1,890	2,090	270	70
Arts, entertainment, and recreation	720	540	660	180	60
Accommodation and food services	1,440	1,350	1,430	90	10
Accommodation	360	350	360	10	0
Food services and drinking places	1,080	1,000	1,070	80	10
Other services	330	320	360	10	(30)
Government	1,380	1,380	1,340	0	40
Federal government	100	90	100	10	0
State government	160	170	150	(10)	10
Local government	1,120	1,120	1,090	0	30
Local government education	640	640	630	0	10
Local government other	480	480	460	0	20

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Wasco County Labor Force and Industry Employment

Labor Force Status	Apr-15	Mar-15	Apr-14	CHANGE	FROM
				Mar-15	Apr-14
Civilian Labor Force	12,313	12,137	12,393	176	(80)
Unemployment	652	756	900	(104)	(248)
Unemployment Rate	5.3	6.2	7.3	xxx	xxx
Unemployment Rate, seasonally adjusted	5.3	5.5	6.6	xxx	xxx
Total Employment	11,661	11,381	11,493	280	168
Nonfarm Payroll Employment					
Total nonfarm	10,050	9,860	9,730	190	320
Total private	7,830	7,690	7,550	140	280
Mining and logging	50	50	50	0	0
Construction	310	290	300	20	10
Manufacturing	740	730	740	10	0
Trade, transportation, and utilities	1,970	1,950	1,950	20	20
Wholesale trade	140	140	140	0	0
Retail trade	1,620	1,600	1,610	20	10
Transportation, warehousing, and utilities	210	210	200	0	10
Information	210	210	190	0	20
Financial activities	310	310	330	0	(20)
Professional and business services	510	500	480	10	30
Educational and health services	2,190	2,160	2,080	30	110
Ambulatory health care services	390	390	400	0	(10)
Nursing and residential care facilities	580	570	580	10	0
Leisure and hospitality	1,200	1,150	1,090	50	110
Accommodation and food services	1,110	1,060	1,000	50	110
Other services	340	340	340	0	0
Government	2,220	2,170	2,180	50	40
Federal government	280	280	280	0	0
State government	360	360	340	0	20
Local government	1,580	1,530	1,560	50	20
Indian tribal	150	110	150	40	0
Local education	760	760	770	0	(10)
Local government other	670	660	640	10	30

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Wheeler County Labor Force and Industry Employment

Labor Force Status	Apr-15	Mar-15	Apr-14	CHANGE	FROM
				Mar-15	Apr-14
Civilian Labor Force	695	686	750	9	(55)
Unemployment	33	39	43	(6)	(10)
Unemployment Rate	4.7	5.7	5.7	xxx	xxx
Unemployment Rate, seasonally adjusted	4.8	5.1	6.8	xxx	xxx
Total Employment	662	647	707	15	(45)
Nonfarm Payroll Employment					
Total nonfarm	270	265	300	5	(30)
Total private	135	130	145	5	(10)
Trade, transportation, and utilities	50	45	55	5	(5)
Leisure and hospitality	20	15	20	5	0
Government	135	135	155	0	(20)
Federal government	5	5	5	0	0
State government	5	5	10	0	(5)
Local government	125	125	140	0	(15)

The most recent month is preliminary, the prior month is revised. Civilian labor force includes employed and unemployed individuals 16 years and older by place of residence. Data are adjusted for multiple job-holding and commuting. Includes nonfarm payroll employment, self-employed, unpaid family workers, domestics, agriculture, and labor disputants. Unemployment rate derived by dividing unemployment by civilian labor force. Nonfarm payroll employment data cover full- and part-time employees who worked during or received pay for the pay period that includes the 12th of the month. The data exclude the self-employed, volunteers, unpaid family workers, and domestics. Persons on sick leave, vacations, or holidays, and being paid for that period by their employer, are considered employed. Prepared in cooperation with the U.S. Dept. of Labor