



The Economic Value of Tillamook Bay Community College FACT SHEET

TILLAMOOK Bay Community College (TBCC) creates a significant positive impact on the business community and generates a return on investment to its major stakeholder groups—students, taxpayers, and society. Using a two-pronged approach that involves an economic impact analysis and an investment analysis, this study calculates the benefits received by each of these groups. Results of the analysis reflect fiscal year (FY) 2018-19.



Economic impact analysis

In FY 2018-19, TBCC added **\$24.3 million** in income to the Tillamook County economy, a value approximately equal to **2.3%** of the county's total gross regional product (GRP). Expressed in terms of jobs, TBCC's impact supported **437 jobs**. For perspective, the activities of TBCC and its students support **one out of every 33 jobs** in Tillamook County.

OPERATIONS SPENDING IMPACT

- TBCC employed 88 full-time and part-time faculty and staff. Payroll amounted to \$3.9 million, much of which was spent in the county for groceries, mortgage and rent payments, dining out, and other household expenses. The college spent another \$1.5 million on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of the college's operations spending added **\$4.1 million** in income to the county economy in FY 2018-19.

STUDENT SPENDING IMPACT

- Some in-county students, referred to as retained students, would have left Tillamook County for other educational opportunities if not for TBCC. These retained students spent money on groceries, mortgage and rent payments, and other living expenses at county businesses.
- The expenditures of retained students in FY 2018-19 added **\$233.5 thousand** in income to the Tillamook County economy.

IMPACTS CREATED
BY TBCC IN FY 2018-19



\$4.1 million

Operations Spending Impact



\$233.5 thousand

Student Spending Impact



\$20.0 million

Alumni Impact



\$24.3 million

TOTAL IMPACT

- OR -

437

JOBS SUPPORTED



ALUMNI IMPACT

- Over the years, students have studied at TBCC and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in Tillamook County.
- The net impact of TBCC's former students currently employed in the county workforce amounted to **\$20 million** in added income in FY 2018-19.



Investment analysis

STUDENT PERSPECTIVE

- TBCC's FY 2018-19 students paid a present value of **\$651.9 thousand** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$1.7 million** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive **\$10.7 million** in increased earnings over their working lives. This translates to a return of **\$4.60** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **19.8%**.

TAXPAYER PERSPECTIVE

- Taxpayers provided TBCC with **\$4.7 million** of funding in FY 2018-19. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$3.9 million**. A reduced demand for government-funded services in Oregon will add another **\$447.6 thousand** in benefits to taxpayers. Total benefits to Oregon taxpayers amount to **\$4.4 million**.

SOCIAL PERSPECTIVE

- In FY 2018-19, Oregon invested **\$7.3 million** to support TBCC. In turn, the Oregon economy will grow by **\$41.9 million**, over the course of students' working lives. Society will also benefit from **\$1.2 million** of public and private sector savings.
- For every dollar invested in TBCC in FY 2018-19, people in Oregon will receive **\$5.90** in return, for as long as TBCC's FY 2018-19 students remain active in the state workforce.

STUDENTS SEE A HIGH RATE OF RETURN FOR THEIR INVESTMENT IN TBCC



19.8%

Average annual return for TBCC students



9.9%

Stock market 30-year average annual return



0.8%

Interest earned on savings account (National Rate Cap)

Source: Forbes' S&P 500, 1989-2018. FDIC.gov, 6-2019.



FOR EVERY \$1...



Students gain

\$4.60
in lifetime earnings



Society gains

\$5.90
in added income and social savings



Taxpayers gain

\$4.4 million
in added tax revenues and public sector savings

