



P O R T L A N D
CITY AUDITOR
Audit Services

DATE: December 3, 2019

TO: City Council

FROM: Mary Hull Caballero, City Auditor *MHC*

SUBJECT: Results of Financial Audit of the City Comprehensive Annual Financial Report for FY 2018-19 and related communications (Report)

I am pleased to submit the results of the annual audit of the City's financial statements for FY 2018-19. Moss Adams, the Certified Public Accountant firm that conducted the audit, concluded the statements are an accurate reflection of the City's financial condition. The City and Prosper Portland also complied with the terms of federal awards.

Portland is required by state and federal law to have an annual audit of its financial statements. The federal Single Audit Act requires a review of compliance with the terms of the federal awards. Management prepares the financial statements and the outside Certified Public Accountant firm audits them. By Charter, the City Auditor oversees the selection of the outside accountants and manages the contract.

Moss Adams again completed its financial audit of the City's FY 2018-19 Comprehensive Annual Financial Report two months ahead of the State's deadline. The earlier completion of the audit was requested by the Bureau of Revenue and Financial Services' Accounting Division, which produced the financial statements with the help of accountants in bureaus across the City.

The FY 2018-19 audit found no material weaknesses or significant deficiencies in the internal controls over financial reporting or over major federal programs. The independent auditors noted no noncompliance with federal requirements that could have a direct and material effect on the major federal grant programs.

Moss Adams Partner James Lanzarotta will present the audit findings at your December 12, 2019 Council meeting. The audited financial statements are attached as Exhibit A. Moss Adams' required communication with you is attached as Exhibit B.



EXHIBIT A

The City of Portland, Oregon Comprehensive Annual Financial Report (CAFR), Fiscal Year ended June 30, 2019

An electronic copy of the audited CAFR for FY 2018-19, is available online at:

<https://www.portlandoregon.gov/omf/article/746028>

Paper copies of the FY 2018-19 CAFR have already been provided to Council members by the Bureau of Revenue and Financial Services.

City of Portland, Oregon

Comprehensive Annual Financial Report

FOR THE
YEAR ENDED
**JUNE 30,
2019**



B

City of Portland, Oregon

Comprehensive Annual Financial Report For The Fiscal Year Ended June 30, 2019



Prepared by the Bureau of Revenue and Financial
Services – Accounting Division

Tom Rinehart, Chief Administrative Officer
Michelle R. Kirby, CPA, Interim Chief Financial Officer



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INTRODUCTORY SECTION



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Michelle Kirby
Interim Chief Financial
Officer

Tom Rinehart
Chief Administrative
Officer

Ted Wheeler
Mayor

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October 30, 2019

Mayor Ted Wheeler, City Commissioners,
City Auditor, and Residents of the
City of Portland, Oregon

The Bureau of Revenue and Financial Services is pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Portland, Oregon (the City) for the fiscal year (FY) ended June 30, 2019.

This CAFR is published to provide the City Council, City staff, our residents, and other readers with detailed information concerning the financial position and activities of the City. City management is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures.

This report is prepared in accordance with Generally Accepted Accounting Principles (GAAP) in conformance with the standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB), using the guidelines recommended by the Government Finance Officers Association (GFOA). To the best of our knowledge and belief, the enclosed report is accurate in all material respects and is organized in a manner designed to fairly present the financial position and results of operations of the City as measured by the financial activity of its various funds. The accompanying disclosures are necessary to enable the reader to gain the maximum understanding of the City's financial affairs.

This CAFR encompasses all City funds and the activity of entities which are required to be included because the City is financially accountable for them, including the Fire and Police Disability and Retirement (FPDR) Fund and Prosper Portland. Under the City Charter, the FPDR and Prosper Portland are required to have separate financial audits conducted by external certified public accountants. Additional information is provided in the Notes to the Financial Statements, of this CAFR. The various funds of these entities are also included in this CAFR, and the information presented has been condensed from separately commissioned audit reports to conform to City reporting formats.

The City Charter requires the elected City Auditor to conduct financial audits of the City in accordance with generally accepted governmental auditing standards, and to appoint, coordinate and monitor the annual audit of the City's financial statements by an independent licensed public accountant. The City's financial records, as represented in the CAFR, have been audited by the independent Certified Public Accountants, Moss Adams LLP, who were competitively selected by the Office of the City Auditor to be the City's financial auditors. The Independent Auditor's Report on the City's financial statements is included in the financial section of this CAFR.

This contract for the annual financial audit included the compliance audit of the City's federal awards under Title 2 U. S. Code of Federal Regulations (CFR) Part 200. Due to the size and complexity of the City's financial systems, the Report of Independent Auditors and Schedule of Expenditures of Federal Awards, is issued separately from this CAFR. Copies of the report are available upon request from the Office of Management and Finance, or on the City's internet site: <https://www.portlandoregon.gov/brfs/26053>.



BRFS BUREAU OF REVENUE
AND FINANCIAL
SERVICES

An Equal Opportunity Employer

To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.

THE REPORT

This CAFR is presented in three main sections: introductory, financial, and statistical. The **Introductory Section** includes this transmittal letter, a list of principal officials, organizational charts, and a copy of last fiscal year's *Certificate of Achievement for Excellence in Financial Reporting* awarded by the Government Finance Officers Association of the United States and Canada.

The **Financial Section** is prepared in accordance with accounting principles generally accepted in the United States of America. This section of the CAFR includes the Management's Discussion and Analysis (MD&A), which can be found immediately following the report of the independent auditor. These are followed by the basic financial statements, required supplementary information, and combining and individual fund statements and schedules.

The MD&A provides a narrative introduction, overview, and analysis to accompany the basic financial statements and should be read in conjunction with this letter of transmittal. The basic financial statements include the government-wide financial statements that present an overview of the City's entire operations, while the fund level statements present the financial information for each of the City's major funds, as well as non-major funds.

Lastly, the **Statistical Section** includes selected financial and demographic information, generally presented on a multi-year basis.

CITY PROFILE

The City comprises an area of approximately 145 square miles in northwestern Oregon, with a population estimate of 653,115 as of July 1, 2018, making Portland the 25th largest city in the United States. Located astride the Willamette River at its confluence with the Columbia River, the City is the center of commerce, finance, industry, services and transportation for a metropolitan area of more than two million people. The City is the largest city in Oregon, the seat of Multnomah County, and the second largest city in the Pacific Northwest. The climate of the area is marked by warm, dry summers and mild-to-chilly, rainy winters. This climate is ideal for growing roses and for more than a century, Portland has been known as the "City of Roses". Portland is also notable for its land-use planning and investment in public transportation. The City is frequently recognized as one of the most environmentally conscious or "green" cities in the United States because of its high walkability, large community of bicyclists, expansive network of public transportation options, 11,000+ acres of public parks, and commitment to sustainability.

The City was incorporated in 1851 and is a home rule charter city. The City operates under the provisions of the City Charter and City Code, which are consistent with the Oregon Constitution and State law (Oregon Revised Statutes). The City Charter is the basic law under which the City operates and can be amended only by a vote of the people. The Charter grants legal authority to City government, determines the form of City government, and assigns duties to public officials. In 1913 a modified commission form of government was created, which is rare for cities as large as Portland. The City Charter provides for five non-partisan Council members, called Commissioners, including the Mayor. Commissioners are elected at-large to four-year terms, and serve as legislators and administrators, responsible for enacting City laws, enforcing City laws, and administering bureaus under the respective Commissioner's supervision. The Mayor assigns the bureaus to each Commissioner, including them self. The City's Code consists of all the regulatory and penal ordinances and certain administrative ordinances of the City. Legislation is passed by a simple majority vote of three of the five Commissioners.

The elected City Auditor is required by Charter to be a Certified Public Accountant, Certified Internal Auditor, or Certified Management Accountant. The City Auditor is not part of the Council and has no voting authority. The City Auditor is accountable directly to the voters of Portland and is responsible for the management of the annual financial audit of the City, as required by City Charter.

The City provides the following services, as authorized in its Charter:

- **Planning and community development:**
Building permits, housing services, employment, and economic development
- **Citizen and community services:**
Neighborhood improvements, housing development, and shelter programs
- **Public safety:**
Police, fire and rescue, emergency communications, and emergency management
- **Transportation and parking:**
Street maintenance, neighborhood traffic studies, and street improvements
- **Support services/ legislative/ administrative:**
Facilities, financial, fleet, human resources, procurement, printing, risk management, and technology
- **Parks:**
Recreational and cultural services
- **Utilities:**
Water, sewer, and stormwater
- **Other operations:**
Refuse disposal oversight and environmental remediation

ECONOMIC CONDITIONS AND OUTLOOK

Recent economic performance

As the nation continues its longest modern economic expansion, local economic conditions also remain relatively healthy. Over the last year, employment growth, though slower than at its peak, remained above two percent, which is typical at this point in the business cycle when a tight labor market makes it difficult to find workers and higher wages begin to bring people back into the labor force. The Multnomah County unemployment rate has remained in the three to four percent range for nearly three years, which is below state and national unemployment rates. The local real estate market is starting to soften measurably as home price growth and rental rates have moderated.

Inflation rose at a 2.8 percent annualized rate for the first six months of 2018, which was slower than a year ago. Higher housing, energy, and transportation costs helped to push inflation higher, while education and apparel costs fell slightly. The 2019 calendar year CPI-W, which determines the cost of living increases for nearly all City employees and is the cost inflator for many of the City's vendor contracts, is expected to be around its long run average of 2.5 to three percent.

The City has two primary General Fund revenue sources that are acutely sensitive to economic conditions: business license taxes and transient lodging taxes. With an increase in 2018 in the underlying business license tax rate, business license revenues reached record levels, growing nearly fourteen percent to more than \$148 million for FY2018-19. Transient lodging taxes also grew substantially to just over \$39 million, reflecting increased visitor and business traffic to the Portland area. Overall, General Fund revenue from external sources grew by 7.3 percent in FY2018-19 over FY2017-18.

Outlook

The local economy continues to expand. The latest data show income gains and the construction of several large-scale commercial projects and hotels continuing to materialize, suggesting strong business investment. The Portland International Airport (PDX) has begun construction on a sizable concourse expansion, the 600-room Convention Center hotel is slated to open next winter, and the City's two-year project to reconstruct and preserve the Portland Building, housing the City's administrative offices, is scheduled to conclude by the end of 2019.

The City has seen record revenue growth over the last four years, as local economic growth has exceeded both national and state averages. However, the most recent data show slower job growth as companies are finding it difficult to find workers, while budget cuts at the state level will also act as a drag on growth in the next several years. The biggest risks to the City's economic outlook are generally outside of the local economy. Internal factors, such as increasing costs from new labor contracts, and external factors, including the performance of the global economy, trade patterns, and overall geopolitical uncertainty, could actively harm the general economic conditions that underlie the City's forecast assumptions.

FINANCIAL POLICIES, PLANNING AND CONTROLS

Financial policies

The City Council has adopted and adheres to a set of Comprehensive Financial Management Policies. These policies serve as the blueprint for management to achieve and maintain fiscal stability and sustainability, ensuring the City is financially able to meet its immediate and long-term service objectives. Topics covered in the City's financial policies include budgeting, revenue, financial planning, financial reporting, internal controls, cost allocation, investment and debt management, and reserve funds. The policies are periodically reviewed and amended to reflect best practices and compliance with external requirements such as GAAP and Local Budget Law. In FY2018-19, these policies were updated to prioritize management of capital assets and equipment as a citywide core business function, including lifecycle costing and setting aside replacement reserves; add the development of a Long-Term Financial Plan to the City's financial planning process; codify the restriction of annual capital set-aside resources to projects relating to emergency preparedness, parks and recreation and transportation; and, place limitations on the City's competitive grant process.

Long-term financial planning

The City maintains a five-year financial planning horizon and balances requirements to resources over the life of the five-year forecast. The City's budget distinguishes between ongoing and one-time General Fund revenues with City financial policies discouraging the use of one-time revenues to fund ongoing obligations. The City continues to maintain General Fund reserves at least equal to ten percent of General Fund discretionary and overhead revenues to guard against a significant economic downturn, disaster, or major unanticipated expense. In FY2018-19, the City Council invested a total of \$598.1 million one-time and ongoing discretionary General Fund resources on bureau programs and maintaining existing infrastructure.

Financial management and oversight

As previously discussed, the City's financial policies provide a framework for developing stable and sustainable financial plans. These plans, which form the basis of budget requests and plans approved by the City Council, help to ensure consistent and predictable financial results over time. Bureau managers, under direction of the City Budget Office (CBO), produce budgets and financial plans that focus predominantly on short-range financial performance. In 2019, the CBO led a new budget process designed around Program Offers, providing greater transparency and accountability for City programs and services. In 2020, the Chief Financial Officer, who is responsible for measuring and monitoring the City's long-term fiscal health and reporting on a regular basis to City Council on these matters, will deliver the City's first Long-Term Financial Plan. This combination of strong financial policies, disciplined short-term budget management, and long-term fiscal monitoring provide the necessary financial management and oversight that are key attributes of the City's strong credit ratings.

Accounting system and budgetary control

The City's accounting system supports an adequate internal control structure. This structure helps to safeguard the City's assets against loss, theft, or misuse. The accounting system provides reliable financial records for preparing financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure provides reasonable, but not absolute, assurance that the City's assets are safeguarded. The concept of reasonable assurance first recognizes that the cost of a control should not exceed the benefits likely to be derived. Secondly, the evaluation of costs and benefits require estimates and judgments by management.

The preparation of the City's budget is governed by Oregon Budget Law, ORS §294.305 to §294.565. The Mayor proposes a budget and the City Council serves as the Budget Committee in approving and adopting the budget. Public notice is given for all Budget Committee meetings. Citizens are involved in the budget process through surveys, forums, public hearings, and representation from five community budget advisors who participate in budget deliberations with the Council.

The City Council is required to adopt a budget no later than June 30, the end of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared and presented by bureau and by fund.

The City Council sets the level of appropriations under Oregon Budget Law at the fund, organizational unit (bureau), and major category of expenditure (i.e. bureau expenditure, debt, cash transfer, and contingency). Transfers between major object categories (i.e. personnel services, materials and services, capital, etc.) are allowed with approval of the Commissioner-in-Charge. The City Council conducts at least three budget monitoring and amendment actions during the fiscal year to address changing financial needs and conditions.

MAJOR INITIATIVES AND FUTURE CHALLENGES

Major initiatives and highlights

The FY2018-19 financial condition for the City remained healthy as the local economy continued to expand. At the time of the Adopted Budget, the City found itself with approximately a \$23.1 million surplus in one-time, and a \$0.4 million deficit in ongoing General Fund resources. The ongoing deficit was primarily driven by escalating Oregon Public Employees Retirement System (PERS) costs, newly negotiated labor contracts, as well as increased demand for City services. The increase in resources, as well as reprioritized resources, were focused on the following priorities:

- *Housing and Homelessness:* Council allocated a total of \$31.2 million in General Fund resources to support the Joint Office of Homeless Services, a coordinated effort housed at Multnomah County and jointly funded by the County and the City. Additionally, the budget included approximately \$2.1 million to launch the new Office of Rental Services, which was formed to inform renters and landlords of their respective rights and responsibilities, to mediate disputes between parties, and to manage the rental relocation assistance program. The budget also included \$294,393 in one-time General Fund resources to increase funding for home repair grants to low-income homeowners across the city, prioritizing services for households in East Portland. This funding served approximately 49 households at an average grant value of approximately \$6,000 each.
- *Public Safety:* City Council approved the creation of 49 new police officer positions, for a total ongoing General Fund cost of \$4.6 million. Also included in the Adopted Budget are four additional officers in the Training Division, funded with \$367,540 in additional General Fund resources. Additionally, the budget included the addition of a Data Equity Analyst, three Analysts on the internal audit team, and a Houseless Community Engagement Liaison within the Portland Police Bureau. The Police Bureau budget also re-established ongoing General Fund resources for the

Service Coordination Team within the Behavioral Health Unit. The Behavioral Health Unit was expanded by adding two Behavioral Health Response Teams (three positions) and increasing the capacity of the Supportive Transitions and Stabilization program; the combined ongoing General Fund impact of these changes is \$822,571. Within Portland Fire & Rescue, Council allocated \$1.7 million in one-time General Fund discretionary resources to partially fund the replacement of self-contained breathing apparatus equipment.

- *Livability:* Council allocated \$700,000 (\$200,000 ongoing and \$500,000 one-time) and 4.5 positions to fund dedicated park rangers and land management staff along the Vera Katz Eastbank Esplanade. These positions increased the frequency of park ranger patrols, landscaping, and maintenance work along the Eastbank Esplanade. The budget also included \$414,464 in ongoing General Fund resources for an expansion of the City's Graffiti Abatement program.
- *Infrastructure Maintenance and Replacement:* The FY2018-19 budget included \$12.3 million in one-time General Fund resources to address critical infrastructure needs within the Transportation, Parks, and Fire bureaus. Council also added \$625,000 in ongoing General Fund resources to increase the Parks bureau's major maintenance funding and directed the bureau to keep requesting major maintenance funding every year. Bureaus continued to make progress on their first phase of *Build Portland* "repair, replacement, rehabilitation" projects, an initiative launched in FY17-18 to invest \$600 million in upgrading the City's roads, parks and other civic infrastructure by 2040.
- *Climate Action Community Benefits Initiative:* In Fall 2018, Portland voters adopted Ballot Measure 26-201, the Portland Clean Energy Community Benefits Initiative, referred to as the Clean Energy Surcharge (CES), that imposes a one percent surcharge on the retail sales within Portland of certain large retailers. The CES is expected to provide a consistent long-term funding source and oversight structure to support the City's Climate Action Plan; and, so clean energy projects, clean jobs training and programs that reduce greenhouse gases and promote economic, social and environmental benefits can be financed.

Future challenges

While the current financial condition of the City is strong, there is a continuing set of near-term and longer-term financial obligations that will need to be monitored and managed. The City is currently facing several core funding challenges, including increasing affordable housing and homeless service needs, labor costs, pension funding requirements, asset management needs, and legacy liabilities.

Community members – regardless of race, age, or length of residency – cite homelessness as the greatest challenge facing the City and believe the City should prioritize addressing affordable housing options and programs to address homelessness and livability in its budget. The City continues to invest general obligation affordable housing bond proceeds (voter-approved in 2016) and transient lodging tax revenues collected from short-term rental activities (i.e., Airbnb, VRBO, etc.) in affordable housing, and to contribute General Fund ongoing and one-time resources to the City/County Joint Office of Homeless Services, underscoring the City's commitment to meaningfully address this issue.

Escalating PERS costs, newly negotiated labor contracts, and inflation are continuing to put increased pressure on the City's personnel costs. PERS earnings in calendar year 2018 were quite weak, thereby increasing the system-wide unfunded actuarial liability (UAL) and contributing to forecasted payroll contribution rate increases over the next several bienniums. In May 2019, the Oregon legislature passed Senate Bill 1049 (SB 1049), designed to reduce projected employer rate increases by making certain modifications to the amortization of the UAL and to benefits provided to employees retiring after December 31, 2019. In August 2019, a petition was filed with the Oregon Supreme Court challenging the constitutionality of certain portions of SB 1049. The City cannot

predict whether the petitioners will be successful in whole or in part nor what the impact of a successful challenge may be. Further, the City cannot predict whether SB 1049 will be subject to additional legal challenges that could affect some or all of its provisions.

Strategic and consistent investment in the City's capital assets, equipment, and technology – and maintaining replacement reserves – is critical to ensuring sustained delivery of public services and is a key measure of the City's long-term fiscal health, as underinvestment in infrastructure assets is a key contributor to declines in the City's net position. Added to these asset management needs is the City's need to fund its share of certain legacy liabilities associated with the Portland Harbor Superfund cleanup and the Columbia River Levee flood management system.

OTHER INFORMATION

Economic Development Incentives Reporting

The City has implemented the Governmental Accounting Standards Board (GASB) Statement No. 77 "Tax Abatement Disclosures" requiring that governments provide disclosure about tax abatement programs and the amount of foregone tax dollars as of the fiscal year end. See Note IV. F. "Tax Abatements". This GASB requirement is intended to make the financial impact of these abatement agreements transparent to the reader of the financial statements. However, a discussion of the expected long-term benefits of these tax abatement programs is not allowed in the note disclosure. To help provide a more complete picture of these programs, the following provides a summary of the benefits derived from the City's two abatement program types: Low Income Housing, and the Enterprise Zone (E-Zone), and, the Historic Property preservation program granted by the State of Oregon.

Low Income Housing – The rising number of people who cannot find a safe, healthy, affordable place to live has become a critical issue for our community. The Low Income Housing limited tax abatement programs supports affordable housing and leverages private multi-family and single family housing development to advance the City's housing and economic prosperity goals. Property tax abatements provide a financial incentive for the construction and/or provision of affordable housing units by reducing the property taxes owed. In FY2017-2018, there were 14,300 housing units receiving property tax abatements under this program. More information regarding the Housing Bureau's tax exemption programs can be found on their website: <https://www.portlandoregon.gov/phb/74475>.

Enterprise Zone (E-Zone) – Since 1996, the City's E-Zone programs have leveraged over \$1 billion in private investments and have created and retained over five thousand full-time, quality jobs. Companies have invested anywhere from \$500,000 to \$86 million in facilities, equipment, and machinery as part of their E-Zone qualified investments. In addition to the private investment and job creation requirements, the public benefits derived from the E-Zone program include: 1) increased business opportunities for companies within the E-Zone through the program's local procurement requirement; 2) enhanced tax base in the E-Zone to the benefit of all taxing jurisdictions; and 3) payment of 15% of the value of the tax abatement into the Business Development and Workforce Training Fund to support local job training and financial assistance to small businesses in the area. The E-Zone program is administered by Prosper Portland, a component unit of the City, and additional information can be found on their website: www.prosperportland.us.

Historic Property – The Oregon State Historic Preservation Office was established in 1967 to manage and administer programs for the protection of the state's historic and cultural resources. These programs protect and preserve the tangible and educational assets that contribute directly to Oregon's heritage, and also opportunities for local economic development. More information can be found at: <https://www.oregon.gov/oprd/HCD/SHPO>.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) has awarded the City with a *Certificate of Achievement for Excellence in Financial Reporting* for its CAFR consecutively for the last 38 fiscal years. To be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR with contents that conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. This CAFR is intended to meet the Certificate of Achievement Program's requirements and will be submitted to GFOA for their consideration of another certificate award.


For the last 3 fiscal years, the GFOA has awarded the City with an *Award for Outstanding Achievement in Popular Annual Financial Reporting* for its Popular Annual Financial Report. This national award recognizes state and local government popular financial reports that adhere to the highest standards of preparation. To receive an Award for Outstanding Achievement, a government unit must publish a popular annual financial report whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. An Award for Outstanding Achievement is valid for a period of one year only.

The GFOA also has awarded the City with the *Distinguished Budget Award* for its Annual Budget consecutively for the last 33 fiscal years. To receive this award, a government must satisfy nationally-recognized guidelines for effective budget presentation to assess how well the budget serves as a policy document, a financial plan, an operations guide, and a communications device.

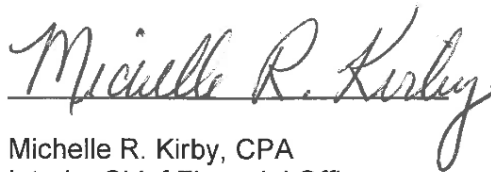
We express our sincere gratitude to all City personnel who contributed to this CAFR, especially those in the Accounting Division. Nearly 5 years ago, the City established a goal of reducing the amount of time required to publish the CAFR, to ensure timely reporting of financial information. Steady and significant progress has been made during this time and this year's CAFR transmittal date of October 30 establishes the City as a national leader in providing timely financial information to the community and interested users of its CAFR. The Accounting Division is commended for diligently executing process improvements over the last several years to achieve this goal.

We also extend our appreciation to the bureaus, City Council, City Auditor, and the many City managers whose leadership and commitment to financial excellence are vital to the financial health and vitality of the City of Portland.

Respectfully submitted,



Tom Rinehart
Chief Administrative Officer
Office of Management & Finance



Michelle R. Kirby, CPA
Interim Chief Financial Officer
Bureau of Revenue & Financial Services



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ELECTED OFFICIALS OF THE CITY OF PORTLAND



Ted Wheeler Mayor



Commissioner Chloe Eudaly



Commissioner Nick Fish



Commissioner Amanda Fritz



Commissioner Jo Ann Hardesty



Mary Hull Caballero City Auditor

Residents of the City of Portland

City Council

Commissioner of
Public Utilities
Amanda Fritz

Commissioner of
Public Works
Nick Fish

Finance and
Administration Mayor
Ted Wheeler

Commissioner of
Public Affairs
Jo Ann Hardesty

Commissioner of
Public Safety
Chloe Eudaly

City Auditor
Mary Hul
Caballero

Office of Equity
& Human
Rights

Portland
Water Bureau

Bureau of
Environmental
Services

Portland Parks
and Recreation

Portland Police
Bureau

Portland
Housing
Bureau

Prosper Portland

Bureau of Planning
& Sustainability

Bureau of
Development
Services

Office of
Management &
Finance

Office of
Community
Technology

Office of
Government
Relations

City Attorney

City Budget
Office

Portland Fire &
Rescue

Bureau of
Emergency
Management

Bureau of
Emergency
Communications

Fire & Police
Disability &
Retirement

Office of
Community & Civic
Life

Bureau of
Transportation

City Elections

Audit Services

Council Clerk

Hearings Office

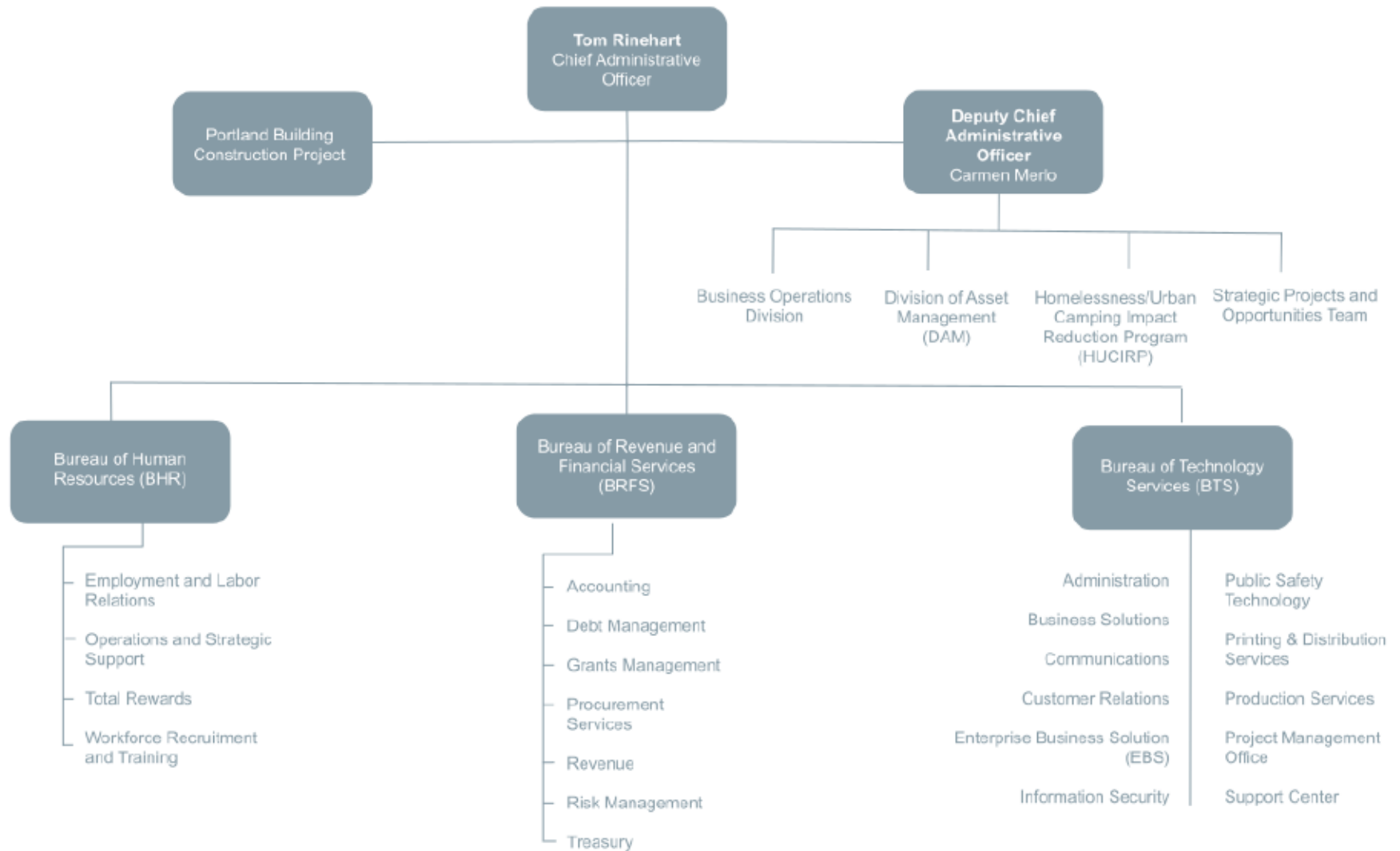
Independent Police
Review

Assessments,
Finance,
& Foreclosure

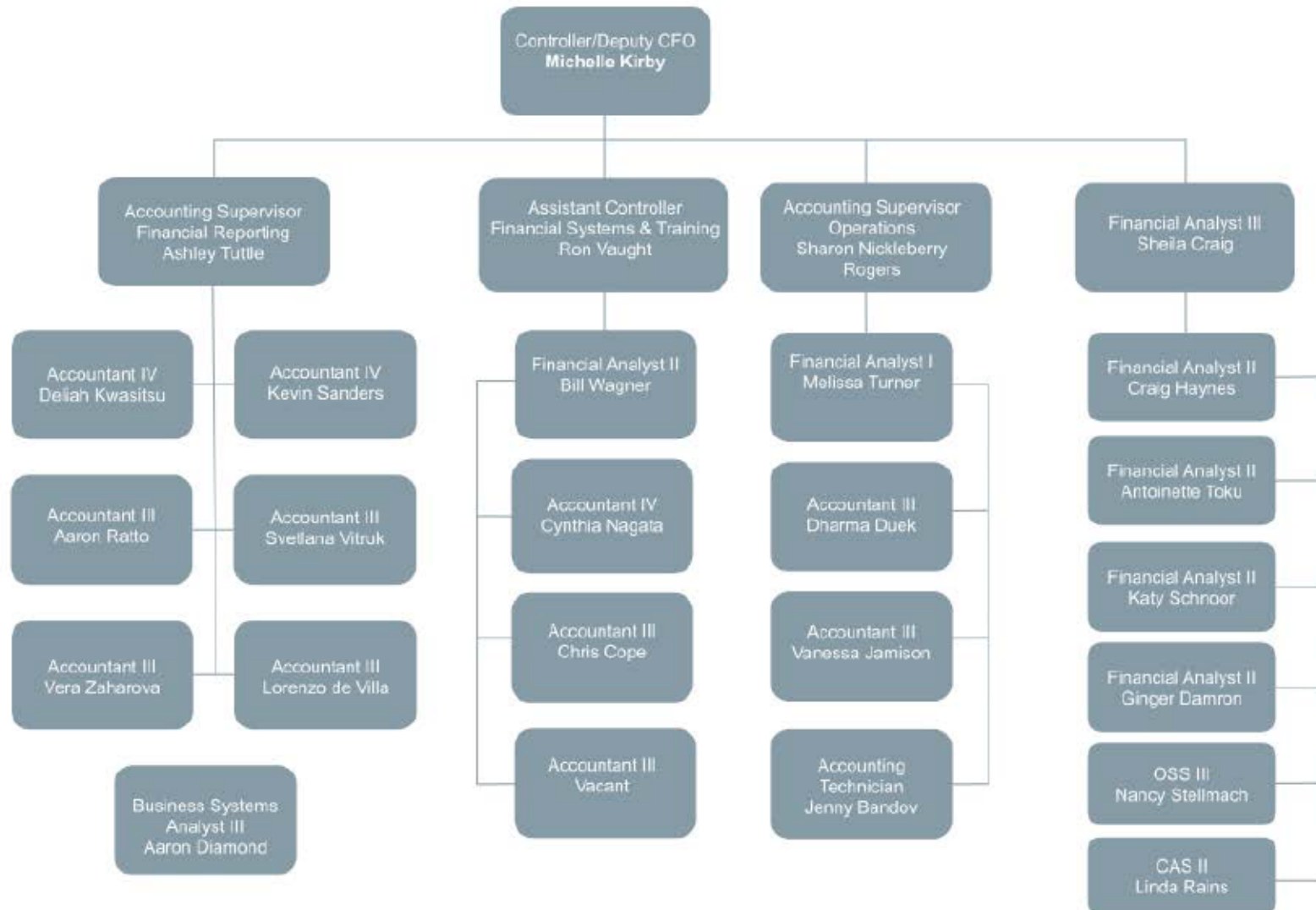
Lobbying Registration &
Reporting

Ombudsman

Office of Management and Finance



Accounting Division





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Portland
Oregon**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



3

Report of Independent Auditors

To the City Council
City of Portland, Oregon
Portland, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Portland, Oregon, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Portland, Oregon, as of June 30, 2019, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, budgetary comparison schedules, other employee postemployment benefits information, and employee retirement pension benefits information (collectively, the required supplementary information) on pages 21 through 43 and 170 through 181, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the management's discussion and analysis, employee postemployment benefits information, and employee retirement pension benefits information on pages 21 through 43, and pages 175 through 181 in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on this information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The budgetary schedules described above on pages 170 through 174 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The budgetary schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary schedules, and other financial schedules on pages 187 to 378 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

This supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary schedules, combining and individual nonmajor fund financial statements, and other financial schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Portland's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory section and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the Minimum Standards of Audits of Oregon Municipal Corporations, we have issued our report dated October 30, 2019 on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



For Moss Adams LLP
Portland, Oregon
October 30, 2019



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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Portland (the "City"), we offer readers of the City's Comprehensive Annual Financial Report (CAFR) this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found starting on page 1 of this report.

FINANCIAL HIGHLIGHTS

Following are the City's financial highlights for fiscal year ending June 30, 2019:

- Assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of FY 2018-19 by \$1,296,645,287 (*net position*). Included in this amount is an unrestricted *net position* deficit totaling \$3,941,413,971, as shown on Table 1-C on page 26. This negative balance is attributable to governmental activities and is further discussed in the government-wide financial analysis section of this Management's Discussion and Analysis (MD&A) found on page 24.
- The City's total *net position* increased from operations by \$249,123,496 from FY 2017-18 as shown on Table 2-C on page 29, consisting of a decrease of \$61,838,408 in the net position of the governmental activities, which is offset by an increase in net position of the business-type activities of \$310,961,904. The analysis of these changes in net position related to governmental activities and business-type activities is further discussed beginning on page 27 of this MD&A.
- The City's governmental funds reported combined ending fund balances of \$959,752,355, an increase of \$138,679,692, in comparison to FY 2017-18, as shown in the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds on page 56. Of the combined ending governmental fund balances, \$137,228,668 or 14.3%, is available for spending at the City's discretion subject to Council approved policies (*assigned and unassigned fund balances*).
- The unassigned fund balance for the General Fund was \$63,235,009 or 8.4% of total General Fund expenditures.
- The City's total outstanding bonded debt decreased from FY 2017-18 by \$110,091,371 or 3.28%, as shown on Table 5 on page 41. Various factors are attributable for this decrease and are discussed in detail on page 39.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other information in addition to the basic financial statements themselves.

A. Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the City's assets, deferred outflows, liabilities, and deferred inflows with the difference between them reported as *net position*. The *net position* may serve as a useful indicator of whether the financial position of the City is improving or declining.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in *net position* are reported in this statement, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and interest on long-term debt).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by governmental activities and business-type activities. Governmental activities include all or a significant portion of their costs through user fees and charges (business-type activities). Governmental activities include: public safety, parks/recreation/culture, community development, transportation, legislative/administrative/support services, and interest on long-term debt. The business-type activities of the City include environmental services, water, hydroelectric power, parking facilities, golf, motor sports, and spectator facilities.

The government-wide financial statements include not only the City itself (known as the *primary government*) but also Prosper Portland (formerly known as Portland Development Commission), a legally separate entity for which the City is financially accountable. Financial information for Prosper Portland is reported separately from the financial information presented for the primary government.

The government-wide financial statements can be found on pages 50 - 52 of this report.

B. Fund financial statements

A fund is a separate accounting system used to account for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental funds.** Governmental funds are reported in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, the focus of governmental funds is on the near-term impact of the government's near-term funding decisions. Both the governmental fund

and the governmental fund focus on the near-term impact of the government's near-term funding decisions. Both the governmental fund and the governmental fund focus on the near-term impact of the government's near-term funding decisions.

The City maintains 53 individual governmental funds. Governmental funds are further classified as *general*, *special revenue*, *debt service*, *capital projects*, and *permanent*. Additionally, they are classified as *major* or *nonmajor*.

Individual fund information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Transportation Operating Fund which are considered to be *major funds*. Data from the other 51 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these *nonmajor* governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City's major governmental funds, the General Fund and the Transportation Operating Fund are presented in their respective columns, and the remaining funds are combined into a column titled "Other Funds". For each major fund, a budgetary comparison statement is presented. Information on *nonmajor* funds can be found in the combining schedules of *nonmajor* funds and/or the supplemental information-budgetary comparison schedules sections of this report. Completing this report is a series of other financial and statistical schedules as required by statute.

The basic governmental fund financial statements can be found on pages 56 - 59 of this report.

- **Proprietary funds.** The City maintains 18 proprietary funds, which are further classified as either enterprise funds or internal service funds.

Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Of the 18 proprietary funds, nine are *enterprise funds*.

Internal service funds are used to accumulate and allocate costs internally among the City's various bureaus. The City uses internal service funds to account for health insurance, facilities, fleet, printing and distribution, self-insurance for general liability, worker's compensation, technology services, and enterprise business solutions. These services predominantly benefit governmental rather than business-type functions. Therefore, they have been included within *governmental activities* in the government-wide financial statements. Of the 18 proprietary funds, nine are *internal service funds*.

Proprietary funds statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for water and sewer system operations, both of which are considered major funds. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 60 - 62 of this report.

- **Fiduciary funds.** *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 66 - 67 of this report.

C. Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 72 - 165 of this report.

D. Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligations to the citizenry and its employees. Required supplementary information can be found beginning on page 169 of this report.

Nonmajor

funds are presented immediately following the required supplementary information. Combining and individual

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve as a useful indicator of a government's financial position. The net position of the Governmental Activities is reflected in Table 1-A on page 25, and the net position of the Business-type Activities is reflected in Table 1-B which also can be found on page 26. For the City as a whole, assets exceed liabilities by

A. Analysis of net position

Net position

government as a whole: (1) net investment in capital assets, and (2) restricted *net position*. *Net position* *net position* *net position*.

The largest portion of the City's *net position* reflects an investment of \$4,500,746,641 or 347.1% in capital assets (e.g., land, buildings, equipment, and intangible assets), net of any related outstanding debt used to acquire those

net position, is largely a result of the offsetting deficit *unrestricted net position*. uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted cannot be liquidated to pay for the liabilities. A more detailed discussion of capital assets begins on page 36.

The second component of the City's *net position*,

on how they may be used. By definition, the City cannot remove these restrictions as they are imposed by parties

Unrestricted net position deficit totaling \$3,941,413,971

. This deficit is primarily due to the net pension obligation for the Fire and Police Disability, Retirement and Death Benefit (FPDR) Plan, which retirement and death benefits for sworn members of the City's Police and fire bureaus, and their survivors. The

voters in 2006. Pursuant to the City Charter, pension benefits for tier one and tier two FPDR Plan members are funded on a pay-as-you-go basis. Pension benefits for third tier FPDR Plan members are funded when earned. Disability and death benefits for all FPDR Plan members are funded on a pay-as-you-go-basis. The 2006 reforms were intended to slowly convert FPDR Plan tier one and tier two pension benefits from a pay-as-you-go model

Annual FPDR Plan benefits and expenses are paid with revenues derived from a voter-approved and dedicated property tax levy, which can be levied each year up to an amount no greater than \$2.80 per \$1,000 of taxable real market value. The current levy is \$1.05 per \$1,000 of taxable real market value. This dedicated property tax levy has been sufficient in all years to meet required annual benefit payments, and its adequacy to make future payments is tested regularly. The most recent levy adequacy analysis, completed as of June 30, 2018 by the FPDR Plan's independent actuary, again confirmed the ability of the tax levy to fully cover future benefits and plan expenses when due under a wide range of most likely scenarios.

**Table 1-A
City of Portland, Oregon
Summary of Net Position
For Years as Stated**

	Governmental Activities		
	FY 2018-19	FY 2017-18	Change
ASSETS			
Current and other assets	\$ 1,348,329,905	\$ 1,180,553,466	\$ 167,776,439
Capital assets	2,067,798,414	2,000,897,173	66,901,241
Total assets	3,416,128,319	3,181,450,639	234,677,680
Deferred outflows of resources	525,964,398	457,720,407	68,243,991
LIABILITIES			
Long-term liabilities outstanding	5,217,936,791	4,854,112,127	363,824,664
Other liabilities	297,200,082	241,733,245	55,466,837
Total liabilities	5,515,136,873	5,095,845,372	419,291,501
Deferred inflows of resources	217,945,286	272,476,709	(54,531,423)
NET POSITION			
Net investment in capital assets	1,795,576,859	1,761,907,611	33,669,248
Restricted	736,060,478	659,255,908	76,804,570
Unrestricted (deficit)	(4,322,626,779)	(4,150,314,553)	(172,312,226)
Total net position	\$ (1,790,989,442)	\$ (1,729,151,034)	\$ (61,838,408)

Table 1-B
City of Portland, Oregon
Summary of Net Position
For Years as Stated

Business-type Activities

	FY 2018-19	FY 2017-18	Change
ASSETS			
Current and other assets	\$ 727,303,318	\$ 810,415,327	\$ (83,112,009)
Capital assets	4,881,367,986	4,638,960,365	242,407,621
Total assets	5,608,671,304	5,449,375,692	159,295,612
Deferred outflows of resources	51,813,541	45,244,228	6,569,313
LIABILITIES			
Long-term liabilities outstanding	2,296,249,154	2,459,620,785	(163,371,631)
Other liabilities	262,272,378	246,887,828	15,384,550
Total liabilities	2,558,521,532	2,706,508,613	(147,987,081)
Deferred inflows of resources	14,328,584	11,438,481	2,890,103
NET POSITION			
Net investment in capital assets	2,705,169,782	2,458,159,760	247,010,022
Restricted	1,252,139	1,231,271	20,868
Unrestricted surplus (deficit)	381,212,808	317,281,794	63,931,014
Total net position	\$ 3,087,634,729	\$ 2,776,672,825	\$ 310,961,904

Table 1-C
City of Portland, Oregon
Summary of Net Position
For Years as Stated

Total Net Position

	FY 2018-19	FY 2017-18	Change
ASSETS			
Current and other assets	\$ 2,075,633,223	\$ 1,990,968,793	\$ 84,664,430
Capital assets	6,949,166,400	6,639,857,538	309,308,862
Total assets	9,024,799,623	8,630,826,331	393,973,292
Deferred outflow of resources	577,777,939	502,964,635	74,813,304
LIABILITIES			
Long-term liabilities outstanding	7,514,185,945	7,313,732,912	200,453,033
Other liabilities	559,472,460	488,621,073	70,851,387
Total liabilities	8,073,658,405	7,802,353,985	271,304,420
Deferred inflow of resources	232,273,870	283,915,190	(51,641,320)
NET POSITION			
Net investment in capital assets	4,500,746,641	4,220,067,371	280,679,270
Restricted	737,312,617	660,487,179	76,825,438
Unrestricted surplus (deficit)	(3,941,413,971)	(3,833,032,759)	(108,381,212)
Total net position	\$ 1,296,645,287	\$ 1,047,521,791	\$ 249,123,496

B. Analysis of changes in net position

As noted previously, the City's total change in net position resulting from operations increased by \$249,123,496 during FY 2018-19. This increase is explained in the governmental and business-type activities discussion beginning on page 24.

Table 2-A
City of Portland, Oregon
Summary of Changes in Net Position
For Years as Stated

	Governmental Activities		
	FY 2018-19	FY 2017-18	Change
Revenues			
<i>Program revenues:</i>			
Charges for services	\$ 573,544,004	\$ 548,353,453	\$ 25,190,551
Operating grants and contributions	125,574,053	223,583,230	(98,009,177)
Capital grants and contributions	168,501,700	40,574,464	127,927,236
<i>General revenues:</i>			
Property taxes	610,837,288	583,197,121	27,640,167
Lodging taxes	60,416,923	53,180,447	7,236,476
Miscellaneous taxes	53,337,472	46,767,750	6,569,722
Investment earnings	41,143,018	14,941,081	26,201,937
Total revenues	1,633,354,458	1,510,597,546	122,756,912
Expenses			
Public safety	698,443,794	643,316,126	55,127,668
Parks, recreation and culture	114,164,329	112,001,845	2,162,484
Community development	243,792,435	329,573,060	(85,780,625)
Transportation	330,008,337	320,566,855	9,441,482
Legislative / admin / support services	250,839,532	146,510,653	104,328,879
Environmental services	222,064	171,074	50,990
Water	853,736	145,078	708,658
Parking facilities	17,000	17,000	-
Interest on long-term debt	52,151,629	48,756,317	3,395,312
Total expenses	1,690,492,856	1,601,058,008	89,434,848
Revenues over (under) expenses	(57,138,398)	(90,460,462)	33,322,064
Transfers	(4,700,010)	215,672	(4,915,682)
Change in net position	(61,838,408)	(90,244,790)	28,406,382
Net position - beginning, previously reported	(1,729,151,034)	(1,595,124,668)	(150,967,946)
Restatement per GASB 75 Implementation	-	(43,781,576)	(43,781,576)
Net position - beginning, restated	(1,729,151,034)	(1,638,906,244)	(90,244,790)
Net position - ending	\$ (1,790,989,442)	\$ (1,729,151,034)	\$ (61,838,408)

Table 2-B
City of Portland, Oregon
Summary of Changes in Net Position
For Years as Stated
Business-type Activities

	<u>FY 2018-19</u>	<u>FY 2017-18</u>	<u>Change</u>
Revenues			
<i>Program revenues:</i>			
Charges for services	\$ 637,966,777	\$ 647,308,833	\$ (9,342,056)
Capital grants and contributions	77,249,239	4,380,708	72,868,531
<i>General revenues:</i>			
Investment earnings	23,315,770	3,522,031	19,793,739
Total revenues	<u>738,531,786</u>	<u>655,211,572</u>	<u>83,320,214</u>
Expenses			
Environmental services	253,973,118	221,952,760	32,020,358
Water	145,727,000	145,619,884	107,116
Hydroelectric power	3,501,910	11,863,295	(8,361,385)
Parking facilities	9,498,977	8,290,186	1,208,791
Golf	10,043,357	9,739,047	304,310
Motor sports	1,947,769	1,824,639	123,130
Spectator facilities	7,577,761	8,457,756	(879,995)
Total expenses	<u>432,269,892</u>	<u>407,747,567</u>	<u>24,522,325</u>
Revenues over (under) expenses	306,261,894	247,464,005	58,797,889
Transfers	4,700,010	(215,672)	4,915,682
Change in net position	310,961,904	247,248,333	63,713,571
Net position - beginning, previously reported	2,776,672,825	2,540,301,643	236,371,182
Restatement per GASB 75 Implementation	-	(10,877,151)	10,877,151
Net position - beginning, restated	<u>2,776,672,825</u>	<u>2,529,424,492</u>	<u>247,248,333</u>
Net position - ending	<u>\$ 3,087,634,729</u>	<u>\$ 2,776,672,825</u>	<u>\$ 310,961,904</u>

**Table 2-C
City of Portland, Oregon
Summary of Changes in Net Position
For Years as Stated**

	Total Net Position		
	FY 2018-19	FY 2017-18	Change
Revenues			
<i>Program revenues:</i>			
Charges for services	\$ 1,211,510,781	\$ 1,195,662,286	\$ 15,848,495
Operating grants and contributions	125,574,053	223,583,230	(98,009,177)
Capital grants and contributions	245,750,939	44,955,172	200,795,767
<i>General revenues:</i>			-
Property taxes	610,837,288	583,197,121	27,640,167
Lodging taxes	60,416,923	53,180,447	7,236,476
Miscellaneous taxes	53,337,472	46,767,750	6,569,722
Investment earnings	64,458,788	18,463,112	45,995,676
Total revenues	2,371,886,244	2,165,809,118	206,077,126
Expenses			
Public safety	698,443,794	643,316,126	55,127,668
Parks, recreation and culture	114,164,329	112,001,845	2,162,484
Community development	243,792,435	329,573,060	(85,780,625)
Transportation	330,008,337	320,566,855	9,441,482
Legislative / admin / support services	250,839,532	146,510,653	104,328,879
Interest on long-term debt	52,151,629	48,756,317	3,395,312
Environmental services	254,195,182	222,123,834	32,071,348
Water	146,580,736	145,764,962	815,774
Hydroelectric power	3,501,910	11,863,295	(8,361,385)
Parking facilities	9,515,977	8,307,186	1,208,791
Golf	10,043,357	9,739,047	304,310
Motor sports	1,947,769	1,824,639	123,130
Spectator facilities	7,577,761	8,457,756	(879,995)
Total expenses	2,122,762,748	2,008,805,575	113,957,173
Change in net position	249,123,496	157,003,543	92,119,953
Net position - beginning, previously reported	1,047,521,791	945,176,975	102,344,816
Restatement per GASB 75 Implementation	-	(54,658,727)	54,658,727
Net position - beginning, restated	1,047,521,791	890,518,248	157,003,543
Net position - ending	\$ 1,296,645,287	\$ 1,047,521,791	\$ 249,123,496

Governmental activities. Governmental activities decreased the City's net position by \$61,838,408, which is reflected in Table 2-A on page 27.

- governmental activities. Specifically, the Charges for Services, Property Taxes, and Investment Earnings line increases reflect the economic expansion in the region that has followed the great recession of 2008. Housing prices in the Portland area have continued to grow, which is reflected in the increase in property taxes. Strong
- Total net expenses increased over the prior year by \$89,434,848 with the most significant increase attributable personal services expenditures for Public Safety. Specifically, expenses in this program saw an increase due to both the rising costs for labor and benefits, as well as the demand for service due to events in the community. rising labor and benefits costs, combined with an increase for demand for transportation services.

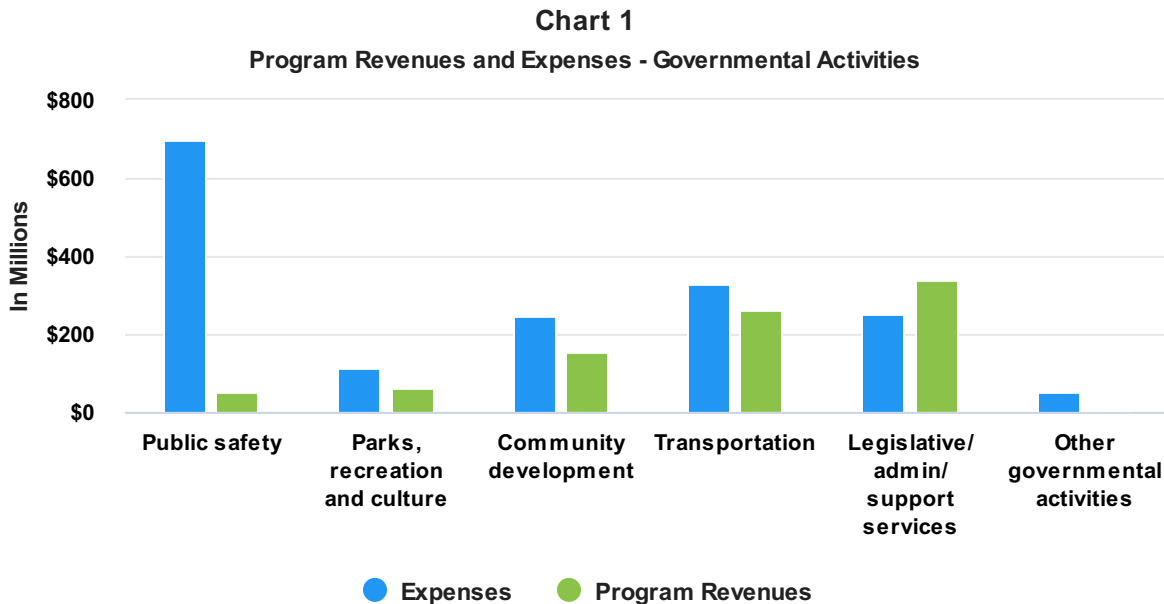
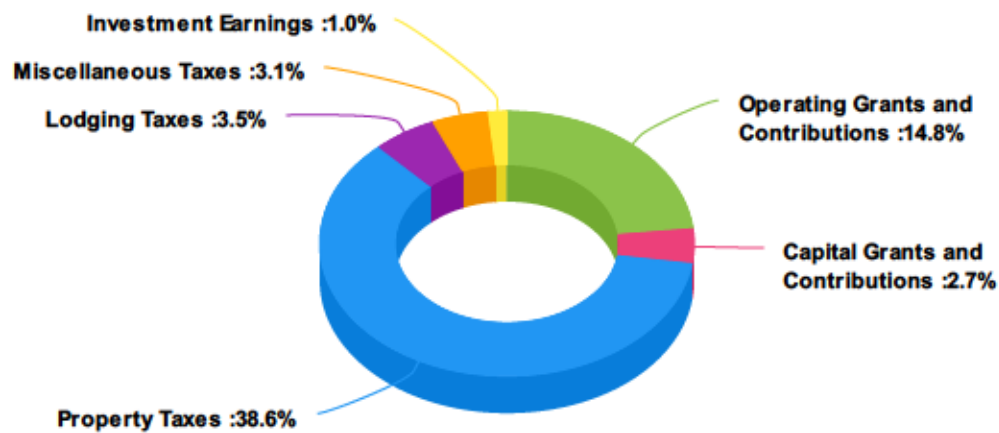


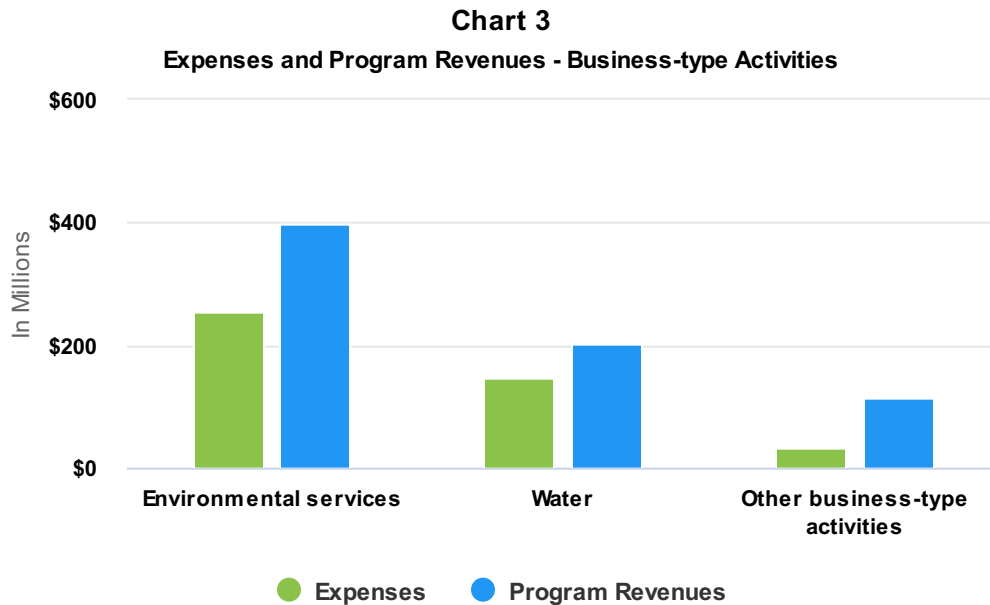
Chart 2
Revenues by Source - Governmental Activities



Business-type activities. Business-type activities increased the City's net position by \$310,961,904, as reflected in Table 2-B on page 28. Environmental services and water operations contributed \$161,688,667 and \$67,614,251, respectively. The remaining *net position* contributions came from other business-type activities as shown in Chart 3. Key elements of these *net position* increases are as follows:

- Charges for services are the primary revenue for business-type activities and were fairly comparable to the prior year. Service charges and fees from water and environmental services operations are the primary component of this line item.
- A significant increase was seen in the Capital Contributions line item and pertains to the Spectators Facilities Fund, which is a non-major Enterprise Fund. The contribution is a result of the Expansion Redevelopment Agreement with Peregrine Sports. The agreement was for an expansion project at Providence Park which was substantially completed in the spring 2019.
- Expenses in business-type activities increased from the prior year by \$24,522,325, primarily resulting from increases in environmental services operating expenses. Although several line item expense categories increased over the prior year, the most significant was an increase in salaries and wages. Demand for service, along with increasing costs of salaries and benefits accounts for this change.

The following graph provides a visual representation of the expenses and revenues for business-type activities for the current fiscal year.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

A. Governmental funds

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances *spendable* resources. Such information is useful in assessing the City's cash flow and funding requirements. *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

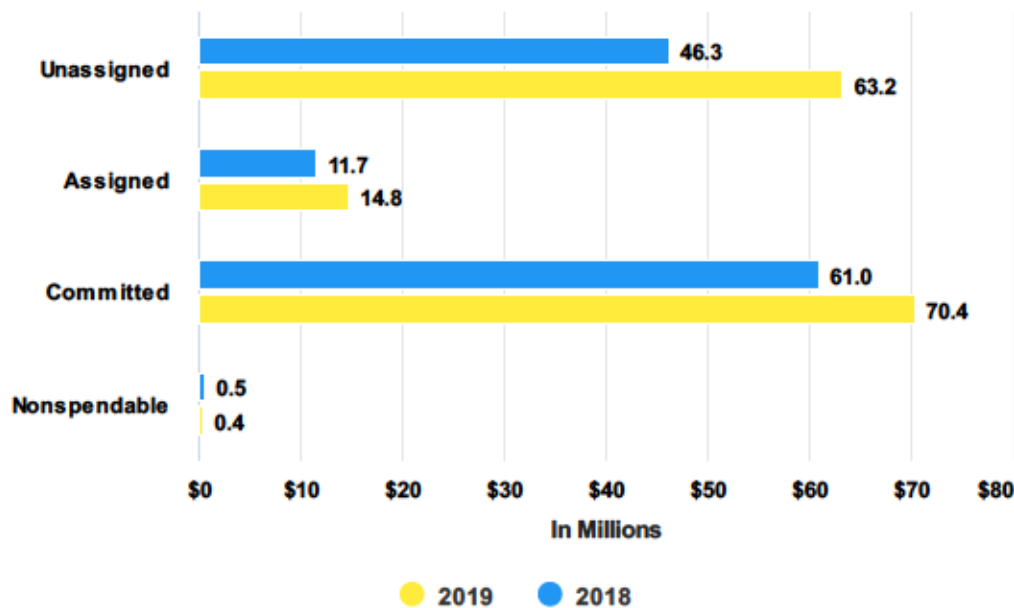
As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$959,752,355, an increase from the prior fiscal year of \$138,679,692, as a result of net activity. Of the combined ending fund balance, \$86,063,122 or 9.0% is *unassigned fund balance*.

The remainder of fund balance is classified as *nonspendable, restricted, or committed*. Amounts classified as *restricted* or *committed* are shown on the

Balance Sheet on page 56. The remainder of fund balance is classified as *nonspendable, restricted, or committed*. Amounts classified as *restricted* or *committed* are shown on the

fiscal year budget, and \$70,371,302 or 47.3% is committed. The committed portion of General Fund balance of the City Council. The final portion of General Fund balance, \$446,808 or 0.3% is nonspendable, as shown on page 56. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total fund

Chart 4
General Fund - Components of Fund Balance
June 30, 2018 and June 30, 2019



The total fund balance of the City's General Fund increased by \$29,407,044 during FY 2018-19. Revenues increased by \$56,495,344 while expenditures increased by \$34,861,196. Significant revenue increases included property taxes and licenses and fees. These revenue increases reflect an improvement in the local economy which appears to have now fully recovered. Expenditure increases are seen in each of the General Fund functions (public safety, parks/recreation/culture, community development, and legislative/admin/support services), resulting from increases in personal services costs, including negotiated salary increases and increased costs of pensions and benefits.

The Transportation Operating Fund had a total ending fund balance of \$283,004,107 for FY 2018-19, an increase of \$44,291,964; of which \$7,384,372 is nonspendable, \$260,976,090 is restricted, and \$14,643,645 is assigned, as shown on page 56. Revenues saw a significant increase of \$17,520,744 from the prior fiscal year. Revenue increases are due to the new voter approved Gas Tax which was effective in January 2017 and is restricted to road repairs and pedestrian and bicyclist improvements. In addition, growth was seen in licenses and fees, intergovernmental revenue, and parking fees. The fund expenditures saw increases of \$32,921,598, this was largely attributable to increased personal services cost primarily related to the increased cost of benefits and pensions, and due to the cost of running the programs and projects noted above.



Chart 5
Transportation Operating Fund Components of Fund Balance
June 30, 2018 and June 30, 2019

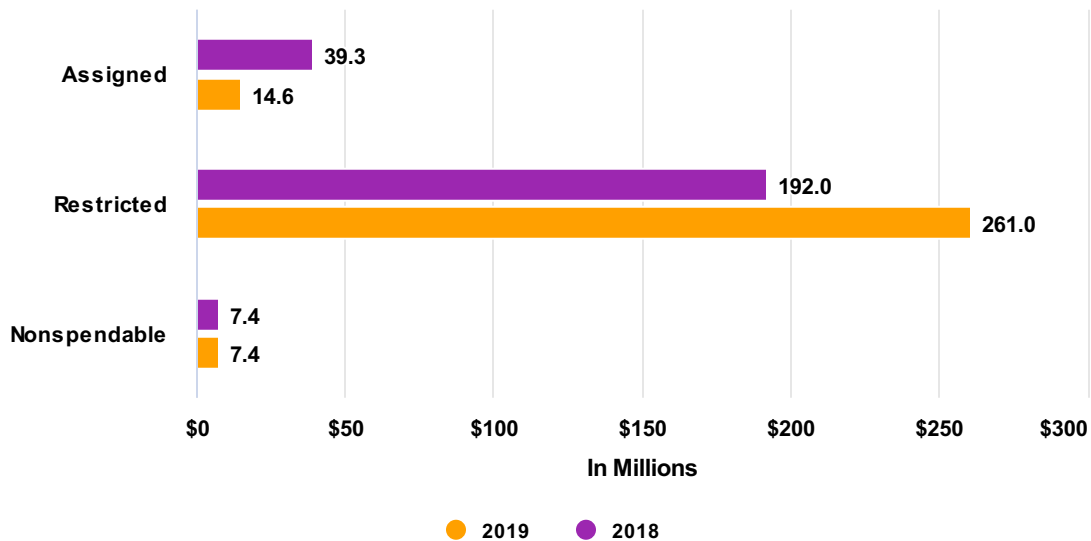
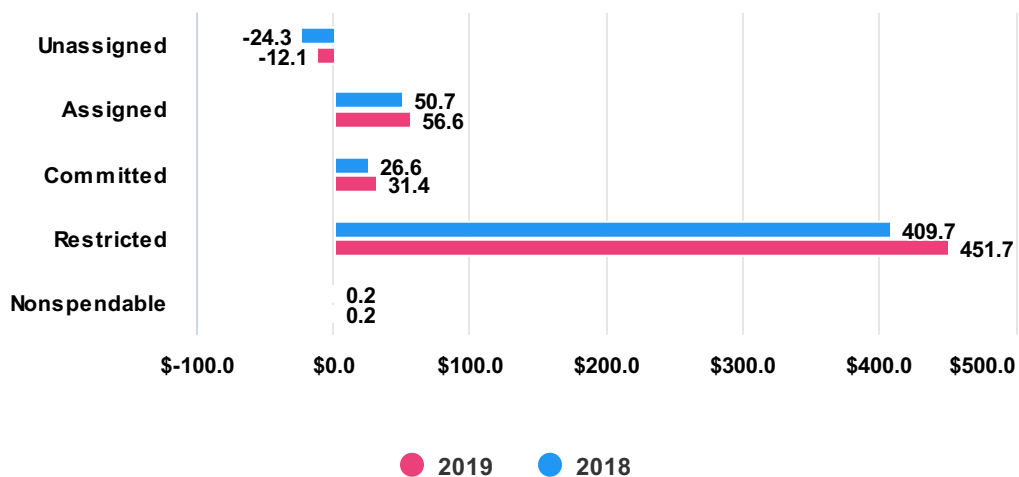


Chart 6
Other Governmental Funds Components of Fund Balance
June 30, 2018, and June 30, 2019



B. Proprietary funds

The City's proprietary fund statements provide the same type of information found in the government-wide financial statements but in more detail, as shown on pages 60 - 62.

At the end of FY 2018-19, *unrestricted net position* of the Sewage Disposal Fund and the Water Fund amounted to \$255,833,658 and \$81,556,762, respectively. The total change in *net position* from operations for the Sewage Disposal Fund and the Water Fund was \$161,688,667 and \$67,614,251, respectively.

The *unrestricted net position* for other enterprise funds totaled \$32,030,920, while the change in *net position* for other enterprise funds equaled an increase of \$81,452,277. Other factors concerning the finances of the proprietary funds have already been addressed in the discussion of the City's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budgeted expenditures and the final amended budget totaled an increase of approximately \$22,385,100 and can be briefly summarized as follows:

- \$9,570,833 increase in personal services. This budgetary *increase* resulted primarily from the City's Budget Monitoring Process (BMP) including compensation set-aside adjustments. These adjustments included increases for the Portland Police Bureau, Portland Fire & Rescue, Portland Parks & Recreation, and Office for Community Technology. General Fund bureaus set aside the portion of their personal services budget associated with cost of living adjustments and health care increases. In most years, these costs are expected to be absorbed through vacancies experienced in the regular course of business. In years where bureaus are fully staffed throughout the year, they can request compensation set-aside to avoid overspending their personal services budget. Compensation set-aside increases were partially offset by a number of small adjustments spread across multiple bureaus. The major portion of this increase was recommended as part of the Spring BMP process and was due to increases in labor costs related to newly negotiated labor contracts.
- \$2,161,827 net increase in external and internal materials and services. These adjustments included increases for Portland Fire & Rescue, Portland Bureau of Emergency Management, Bureau of Planning and Sustainability, and Office for Community Technology. This budgetary net *increase* resulted primarily from the City's BMP, which included Fall BMP encumbrance carryovers. Encumbrances reflect commitments of prior year resources. To the degree that spending did not occur in the previous year, the ending balance corresponding to the underspending is reallocated in the current year. Encumbrance carryovers include advances that have been made where the goods or services have not been delivered.
- \$51,039 increase in capital outlay. This budgetary increase was minimal between Original and Final budgeted amounts. In past years the increases were primarily from the City's Capital Set-Aside policy, which requires 50% of ~~ex~~ *excess* beginning fund balance to be allocated to major maintenance and infrastructure costs.
- \$10,601,401 increase in general operating contingencies. This overall budgetary *increase* is primarily the net result of various draws on the compensation set-aside amount spread across multiple bureaus, and program carryover requests for various projects that will not be encumbered or spent by the end of the fiscal year.

Actual revenues were \$27,361,096 above final amended budget, primarily due to increased Business License revenue of 18,775,858 and increased Lodging Taxes of \$5,187,629, which reflects the better than expected state of the local economy. In addition, actual revenues received for State Revenue Sharing were also greater than the budget by \$3,229,221.

Actual expenditures were \$50,188,619 less than the final amended budget, primarily due to under expenditures for: expenditures were primarily due to:

- \$12,528,319 in under expenditures in materials and services spreads across multiple bureaus. The Office of variance was due to underspending amongst the 30 different organizational and project/programmatic structures.

its budget by \$981,104. The majority of the amount was for the purchase of fire equipment, which were ordered of emergency equipment. The budget will be carried forward for the FY 2019-20 budget through the Fall BMP.

Local budget law (ORS 294.100 and 294.435(4)) requires local governments to stay within the appropriations set for the fiscal year. During FY 2018-19, General Fund expenditures did not exceed budgetary estimates in any of the

CAPITAL ASSETS AND DEBT ADMINISTRATION

A. Capital assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2019, amounts to \$6.9 billion (net of accumulated depreciation, reclassifications and transfers). This investment in capital assets includes infrastructure, construction in progress, buildings, land, improvements to land, equipment, land use rights, software, and owning rights. As seen in Table 3, the total increase in the City's investment in capital assets for the current fiscal year was \$309.3 million or 4.7%, resulting from increases in both business-type and governmental

Major capital asset events during the current fiscal year included the following:

Governmental activities were increases to construction in progress, equipment and land use rights. Increases in these areas were offset by a decrease in infrastructure and software. Specific changes by asset type were a result of the following activities

- the Portland Bureau of Transportation (PBOT) during the fiscal year.
- gold building certification.
- Equipment increased by \$6.1 million or 2.2% primarily due to the PSSRP radio replacement project.

- Land use rights increased by \$4.8 million or 2.0% due to various PBOT right of way and public easement street construction projects.
- Improvements to land increased by \$9.1 million or 13.9% comprised of multiple projects. Portland Parks and Recreation completed an improvement to the South Waterfront Greenway Central District.

Business-type activities - Business-type capital assets increased by \$242.4 million or 5.2%. Key factors in this change were increases construction in progress, infrastructure, land, improvements to land, and equipment. Increases in these areas were offset by decreases in buildings and software. Specific changes by asset type were a result of the following activity and projects.

- Infrastructure increased by \$27.7 million or 0.7% mainly due to the capitalization of the number of sewer projects. One of the larger projects was the Powell sewer repair project. There were over six miles of public sewer repairs which will prevent costly breaks, blockages and sewage release in the neighborhood.
- Construction in progress increased by \$212 million or 60.3% and was driven by multiple projects in various locations including St. Johns-Cathedral Park sewer repair, Columbia Boulevard Wastewater Treatment Plant Renewable Natural Gas Facility, Montavilla North sewer repair, and other citywide projects.
- Buildings decreased by \$5 million or 2.8% due to depreciation in excess of the minor amount of building additions.
- Equipment increased by \$4.2 million or 12.0% primarily due to multiple vehicle acquisitions, computer hardware and other types of equipment.
- Land use rights increased by \$2.1 million or 12.5% due to multiple land easement acquisitions.

The following table provides comparative information on the City's capital assets for FY 2018-19 and FY 2017-18:

Table 3
City of Portland, Oregon
Capital Assets, Net of Depreciation
For Years as Stated

	<u>FY 2018-19</u>	<u>FY 2017-18</u>	<u>Change</u>
Governmental Activities			
Infrastructure	\$ 709,593,207	\$ 854,475,148	\$ (144,881,941)
Construction in progress	515,455,582	363,522,156	151,933,426
Buildings	288,630,806	282,505,341	6,125,465
Land	246,600,854	241,782,972	4,817,882
Improvements to land	74,951,666	65,826,401	9,125,265
Equipment	151,445,039	125,771,021	25,674,018
Intangible assets:			
Land use rights	72,686,589	55,446,679	17,239,910
Software	8,405,718	11,538,502	(3,132,784)
Owning rights	28,953	28,953	-
Total	<u>\$ 2,067,798,414</u>	<u>\$ 2,000,897,173</u>	<u>\$ 66,901,241</u>
Business-type Activities			
Infrastructure	\$ 3,918,220,382	\$ 3,890,559,241	\$ 27,661,141
Construction in progress	563,828,954	351,816,672	212,012,282
Buildings	174,163,665	179,152,227	(4,988,562)
Land	110,484,605	109,036,011	1,448,594
Improvements to land	54,369,532	54,058,198	311,334
Equipment	38,917,171	34,756,748	4,160,423
Intangible assets:			
Land use rights	19,201,023	17,064,665	2,136,358
Software	2,178,036	2,511,215	(333,179)
Owning rights	4,618	5,388	(770)
Total	<u>\$ 4,881,367,986</u>	<u>\$ 4,638,960,365</u>	<u>\$ 242,407,621</u>
Total Net Capital Assets			
Infrastructure	\$ 4,627,813,589	\$ 4,745,034,389	\$ (117,220,800)
Construction in progress	1,079,284,536	715,338,828	363,945,708
Buildings	462,794,471	461,657,568	1,136,903
Land	357,085,459	350,818,983	6,266,476
Improvements to land	129,321,198	119,884,599	9,436,599
Equipment	190,362,210	160,527,769	29,834,441
Intangible assets:			
Land use rights	91,887,612	72,511,344	19,376,268
Software	10,583,754	14,049,717	(3,465,963)
Owning rights	33,571	34,341	(770)
Total	<u>\$ 6,949,166,400</u>	<u>\$ 6,639,857,538</u>	<u>\$ 309,308,862</u>

Information on the City's capital assets can be found in Note III.F on pages 103 - 108 of this report.

B. Debt administration

The City holds debt in the form of bonds, lines of credit, and loans. There were decreases in all three categories, which accounts for the total decrease in debt outstanding of \$135,131,478, which is seen in Table 4 below.

The lines of credit provide interim financing for urban renewal district projects, the Portland Building remodel project, and for City-backed local improvement district projects. These lines of credit will ultimately be repaid with proceeds from long-term bonds or other City resources.

The decrease in bonds outstanding is a combination of a \$65,465,436 net increase in governmental activities bonds, and a \$17,594,925 net decrease in business-type bonds. The detail of the City's bonded debt is presented in Table 5 on page 41.

Table 4
City of Portland, Oregon
Outstanding Debt
For Years as Stated

	<u>FY 2018-19</u>	<u>FY 2017-18</u>	<u>Change</u>
Governmental Activities			
Bonds	\$ 970,357,315	\$ 904,853,761	\$ 65,503,554
Lines of Credit	142,045,273	163,711,560	(21,666,287)
Loans	10,705,486	12,647,396	(1,941,910)
Total governmental activities	<u>1,123,108,074</u>	<u>1,081,212,717</u>	<u>41,895,357</u>
Business-type Activities			
Bonds	2,271,108,419	2,446,703,344	(175,594,925)
Loans	10,780,833	12,174,625	(1,393,792)
Total business-type activities	<u>2,281,889,252</u>	<u>2,458,877,969</u>	<u>(176,988,717)</u>
Total Outstanding Debt			
Bonds	3,241,465,734	3,351,557,105	(110,091,371)
Lines of Credit	142,045,273	163,711,560	(21,666,287)
Loans	21,486,319	24,822,021	(3,335,702)
Total outstanding debt	<u>\$ 3,404,997,326</u>	<u>\$ 3,540,090,686</u>	<u>\$ (135,093,360)</u>

As of June 30, 2019, the City had total bonded debt outstanding of \$3,241,465,734. Unamortized premiums and discounts for governmental activities net to \$47,963,500, while unamortized premiums and discounts for business-type activities net to \$172,586,774.

Obligation Bonds, which will be used to fund affordable housing projects for low income households. The 2019 Series

purposes, including funding pension liabilities. These bonds will be repaid from specific revenue sources and from

Proceeds of these non-self-supporting bonds will be used to finance a portion of the costs of reconstructing the

bonds. Of this issue, \$14.2 million is considered non-self-supporting and will be used to refinance a portion of the

issuance is considered self-supporting and was used to refund a portion of the City's Limited Tax Revenue Refunding

An additional \$315,899,380 of the City's outstanding debt consists of urban renewal bonds that are issued to fund urban renewal activities and are repaid from tax increment revenues generated from the City's various urban renewal

As of June 30, 2019, the City's governmental activities had \$34,465,000 of outstanding limited tax improvement Improvement Bonds. These bonds were issued to finance costs of local improvement projects, system development charge projects and sidewalk repair projects.

The remainder of the City's debt is comprised of revenue bonds, totaling \$2,042,500,000, which is primarily recorded in business-type activities. In general, revenue bonds are secured solely by specified revenue sources such as water, sewer, or gas tax revenues. No new revenue bonds were issued during fiscal year 2018-19.

The following table provides comparative information on the City's outstanding bonded debt:

Table 5
City of Portland Oregon
Outstanding Bonded Debt
For Years as Stated

	<u>FY 2018-19</u>	<u>FY 2017-18</u>	<u>Change</u>
Governmental Activities			
General Obligation Bonds	\$ 139,995,000	\$ 137,330,000	\$ 2,665,000
Limited Tax Improvement Bonds	34,465,000	28,660,000	5,805,000
Urban Renewal Bonds	315,899,380	357,231,200	(41,331,820)
Limited Tax Revenue Bonds	425,589,435	339,307,288	86,282,147
Revenue Bonds	6,445,000	7,890,000	(1,445,000)
Unamortized premiums & discounts	47,963,500	34,435,273	13,528,227
Total governmental activities	<u>970,357,315</u>	<u>904,853,761</u>	<u>65,503,554</u>
Business-type Activities			
Limited Tax Revenue Bonds	62,466,645	73,305,431	(10,838,786)
Revenue Bonds	2,036,055,000	2,174,570,000	(138,515,000)
Unamortized premiums & discounts	172,586,774	198,827,913	(26,241,139)
Total business-type activities	<u>2,271,108,419</u>	<u>2,446,703,344</u>	<u>(175,594,925)</u>
Total Outstanding Debt			
General Obligation Bonds	139,995,000	137,330,000	2,665,000
Limited Tax Improvements Bonds	34,465,000	28,660,000	5,805,000
Urban Renewal Bonds	315,899,380	357,231,200	(41,331,820)
Limited Tax Revenue Bonds	488,056,080	412,612,719	75,443,361
Revenue Bonds	2,042,500,000	2,182,460,000	(139,960,000)
Unamortized premiums & discounts	220,550,274	233,263,186	(12,712,912)
Total outstanding bonded debt	<u>\$ 3,241,465,734</u>	<u>\$ 3,351,557,105</u>	<u>\$ (110,091,371)</u>

Other factors impacting the City's debt management program are as follows:

- **Debt limitation.** Oregon Revised Statutes provides a limit on non-self-supporting general obligation debt of 3% of the real market value of all taxable property within the City's boundaries. Based on the City's FY 2018-19 real market value, this debt limitation is \$4,490,764,621. The amount of outstanding City debt subject to this limitation is \$139,995,000. In addition, voters have authorized an additional \$14,935,206 for parks improvement, and \$205,271,315 for affordable housing bonds. These bonds, when issued, will be subject to the 3% limitation.

- **Debt ratings.** The City's unlimited tax general obligation debt remains rated "Aaa" by Moody's Investors Service ("Moody's") and was confirmed in May 2019. Current ratings for all of the City's various types of debt are shown below.

Credit	Moody's Rating
Unlimited Tax General Obligation Bonds	Aaa
First Lien Water Revenue Bonds	Aaa
Limited Tax Revenue Bonds	Aaa
Limited Tax Improvement Bonds	Aaa
Limited Tax Pension Obligation Revenue Bonds	Aaa
Second Lien Water Revenue Bonds	Aa1
First Lien Sewer Revenue Bonds ⁽¹⁾	Aa1
Gas Tax Revenue Bonds	Aa2
Second Lien Sewer Revenue Bonds ⁽²⁾	Aa2
Oregon Convention Center Urban Renewal Bonds	Aa3
Downtown Waterfront Urban Renewal Bonds	Aa3
South Park Blocks Urban Renewal Bonds	Aa3
River District Urban Renewal Bonds	A1
North Macadam Urban Renewal Bonds	A1
Lents Town Center Urban Renewal Bonds	A1
Central Eastside Urban Renewal Bonds	A1
Interstate Corridor Urban Renewal Bonds	A1

Notes:

⁽¹⁾ These Bonds are additionally rated AA by Standard and Poor's.

⁽²⁾ These bonds are additionally rated AA- by Standard and Poor's.

- **Debt ratios.** The City's debt ratios, as of June 30, 2019, are shown below:

	Amount	Per Capita	Percent of Real Market Valuation	Percent of Assessed Valuation
Population July 1, 2018 ⁽¹⁾	653,115.00	\$ -	-	
2018-19 Real Market Value	\$ 149,692,154,041	\$ 229,197	-	
2018-19 Assessed Value ⁽²⁾	\$ 68,079,542,502	\$ 104,238	45.5 %	
Gross Bonded Debt ⁽³⁾	\$ 757,275,168	\$ 1,159	0.5 %	1.1 %
Net Direct Debt ⁽⁴⁾	\$ 394,257,928	\$ 604	0.3 %	0.60 %
Net Overlapping Debt	\$ 2,042,780,350	\$ 3,128	1.4 %	3.00 %
Net Direct and Overlapping Debt	\$ 2,437,038,278	\$ 3,731	1.6 %	3.60 %

⁽¹⁾ Population figures provided by US Census Bureau.

⁽²⁾ Market Value reported in this table encompasses City of Portland values within Multnomah, Washington, and Clackamas Counties, including estimated urban renewal incremental real market values. Market Values reported in this table are "Measure 5 Values", which represent the real market value of properties that are not specially assessed; and the value of specially assessed properties, including farm, forestland, and exempt property, which are less than full real market value. In FY 2018-19, the Measure 5 Market Value represented about 82% of full real market value.

⁽³⁾ Includes City's outstanding general obligation bonds, limited tax revenue bonds, limited tax improvement bonds, and general fund backed lines of credit and state loans.

⁽⁴⁾ Includes non self-supporting limited tax revenue bonds secured by the City's General Fund as well as general obligation bonds paid from a separate, unlimited ad valorem tax

Additional information on the City's long-term debt can be found in Note III.I. on pages 113 - 126 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The following economic factors currently affect the City of Portland and were considered in developing the City's budget for FY 2019-20. The City's annual budget is prepared by the City Budget Office, more information can be found at <https://portlandoregon.gov/cbo/60827>.

- According to the U.S. Bureau of Labor Statistics, the unemployment rate for the City of Portland in June 2019 was 3.5%. This compares favorably with the State of Oregon rate of 4% and the national rate of 3.7%.
- Based on data released in July 2019, inflation rose at an annualized rate of 2.8% for the first six months of 2019. Higher housing, energy, and transportation costs helped to push inflation higher, while education and apparel costs fell slightly. The 2019 calendar year CPI-W, which determines the cost of living increases for nearly all City employees, is expected to be lower than last year, when it was nearly 4%.
- Water rates and sewer bills increased 8.7% and 2.35%, respectively, for the FY 2018-19 budget year. These increases were necessary to fund ongoing operation and maintenance of aging systems, comply with U.S. Environmental Protection Agency mandates and permit requirements, and fund additional debt service payments resulting from the financing of system improvements.
- The local real estate market has softened measurably over the last 18 months as home price growth and rental rates have moderated. According to the S&P-Case Schiller index, after seeing either the fastest or second fastest growth in home prices nationwide for the last two years, the rate of growth in Portland is now about 2.4%, which is almost exactly the national average. Meanwhile, rent growth has nearly completely stopped. According to Colliers, rents increased by 1.9% over the second quarter of 2018.
- After peaking at about 3.5% growth rate in the summer of 2015, year-over-year employment growth has slowed slightly to between 2% and 2.5% for the last few years. The tight labor market has limited growth as finding workers has been difficult in some industries. The proliferation of building in the area has led to a greater than 35% growth in construction employment over the last four years.
- The City has seen record revenue growth over the last several years, as local economic growth has exceeded both national and state averages. Nearly all broad economic measures remain in positive territory, although most indicators have slowed over the past year. While there are expectations for an impending recession, most data does not suggest that outcome. However, any further growth will likely be at more moderate levels.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the City of Portland's Accounting Division, Bureau of Revenue and Financial Services, 1120 SW Fifth Avenue, Portland, Oregon 97204.



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Basic Financial Statements



B

Government-wide Financial Statements

GOVERNMENT-WIDE
FINANCIAL STATEMENTS



B



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City of Portland, Oregon
Statement of Net Position
June 30, 2019

	Primary Government			Component Unit
	Governmental	Business-type		Prosper
	Activities	Activities	Total	Portland
ASSETS				
Current assets (unrestricted):				
Cash and investments	\$ 389,388,929	\$ 471,125,068	\$ 860,513,997	\$ 292,063,935
Receivables:				
Taxes	9,373,254	-	9,373,254	
Accounts, net	51,024,804	90,899,082	141,923,886	7,235,073
Assessments	1,723,252	2,064,865	3,788,117	
Notes and loans, net	353,700	4,940	358,640	2,332,984
Advances	1,492,946	723,437	2,216,383	
Accrued interest	4,437,357	3,858,961	8,296,318	1,821,248
Due from primary government	-	-	-	5,331,030
Due from component unit	423,184	-	423,184	
Internal balances ⁽¹⁾	(9,891,468)	15,926,718		
Inventories	9,522,198	5,054,781	14,576,979	
Property held for sale	-	151,630	151,630	106,089,500
Prepaid expenses	3,216,547	25,625,213	28,841,760	170,227
Current assets (restricted):				
Cash and investments	163,849,299	26,876,616	190,725,915	
Receivables:				
Taxes	16,143,075	-	16,143,075	
Accounts, net	15,432,763	-	15,432,763	
Assessments	37,026,427	-	37,026,427	
Notes and loans, net	5,641,158	-	5,641,158	
Advances	-	-	-	
Grants	5,191,536	-	5,191,536	
Accrued interest	2,190,191	-	2,190,191	
Due from component unit	5,864,442	-	5,864,442	
Internal balances ⁽¹⁾	(6,035,250)	-	-	
Total current assets	706,368,344	642,311,311	1,348,679,655	415,043,997
Noncurrent assets (unrestricted):				
Capital assets, not being depreciated or amortized:				
Land	246,600,854	110,484,605	357,085,459	16,016,870
Construction in progress	515,455,582	563,828,954	1,079,284,536	28,461,953
Intangible assets				
Land use rights	72,686,589	18,426,864	91,113,453	
Owning rights	28,953	-	28,953	
Capital assets, net of accumulated depreciation:				
Infrastructure	709,593,207	3,918,220,382	4,627,813,589	33,650,318
Buildings	288,630,806	174,163,665	462,794,471	
Improvements to land	74,951,666	54,369,532	129,321,198	
Equipment	151,445,039	38,917,171	190,362,210	189,585
Intangible assets				
Land use rights	-	774,159	774,159	
Owning rights	-	4,618	4,618	
Software	8,405,718	2,178,036	10,583,754	1,304,707
Net capital assets	2,067,798,414	4,881,367,986	6,949,166,400	79,623,433
Receivables:				
Escrow account	-	-	-	
Assessments	2,707,389	2,778,824	5,486,213	3,000,000
Notes and loans, net	5,635,799	624,556	6,260,355	31,771,845
OPEB asset	3,356,394	758,486	4,114,880	52,218
Noncurrent assets (restricted):				
Cash and investments	522,727,513	80,830,141	603,557,654	
Receivables:				
Assessments	32,005,906	-	32,005,906	
Notes and loans, net	65,986,503	-	65,986,503	
Grants	9,542,057	-	9,542,057	
Total noncurrent assets	2,709,759,975	4,966,359,993	7,676,119,968	114,447,496
Total assets	3,416,128,319	5,608,671,304	9,024,799,623	529,491,493
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - pensions	519,765,743	50,312,841	570,078,584	3,878,052
Deferred outflows - OPEB	6,195,835	1,390,757	7,586,592	58,410
Deferred charge for debt refunding	2,820	109,943	112,763	
Total deferred outflows of resources	525,964,398	51,813,541	577,777,939	3,936,462

**City of Portland, Oregon
Statement of Net Position, continued
June 30, 2019**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Prosper Portland
LIABILITIES				
Current liabilities (payable from unrestricted assets):				
Accounts payable	\$ 62,268,941	\$ 17,758,512	\$ 80,027,453	\$ 8,627,808
Self insurance claims	15,401,689	416,498	15,818,187	
Compensated absences	50,684,713	10,970,645	61,655,358	154,181
Bonds payable	10,309,027	179,986,215	190,295,242	
Notes and loans payable	1,915,000	1,407,852	3,322,852	
Accrued interest payable	4,106,198	19,981,573	24,087,771	
Unearned revenue	26,477,537	1,520,631	27,998,168	50,000
Due to primary government	-	-	-	6,287,626
Due to component unit	4,061,260	-	4,061,260	
Landfill postclosure	36,089	68,299	104,388	
Pollution remediation	6,000,000	2,645,000	8,645,000	12,485,890
Other liabilities	-	640,537	640,537	610,420
Current liabilities (payable from restricted assets):				
Accounts payable	13,338,479	26,876,616	40,215,095	
Bonds payable	81,524,300	-	81,524,300	
Due to component unit	1,269,770	-	1,269,770	
Unearned revenue	4,821,063	-	4,821,063	
Other liabilities	14,986,016	-	14,986,016	
Total current liabilities	297,200,082	262,272,378	559,472,460	28,215,925
Noncurrent liabilities:				
Self insurance claims	17,019,222	139,376	17,158,598	
Compensated absences	12,190,748	-	12,190,748	399,979
Bonds payable	878,485,870	2,091,122,204	2,969,608,074	
Notes and loans payable	150,835,759	9,372,981	160,208,740	
Accrued interest payable	112,975,578	34,066,635	147,042,213	
Net pension liability - FPDR	3,548,634,606	-	3,548,634,606	
Net pension liability - PERS	406,589,061	139,964,372	546,553,433	10,867,461
Other postemployment benefits	83,873,008	15,097,886	98,970,894	280,843
Landfill postclosure	992,991	2,600,865	3,593,856	
Pollution remediation	6,339,948	3,735,000	10,074,948	37,135,717
Other liabilities	-	149,835	149,835	
Total noncurrent liabilities	5,217,936,791	2,296,249,154	7,514,185,945	48,684,000
Total liabilities	5,515,136,873	2,558,521,532	8,073,658,405	76,899,925
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pensions	209,236,170	8,643,615	217,879,785	683,212
Deferred inflows - OPEB	7,544,594	936,410	8,481,004	74,042
Deferred charge for debt refunding	1,164,522	4,748,559	5,913,081	
Total deferred inflows of resources	217,945,286	14,328,584	232,273,870	757,254
NET POSITION				
Net investment in capital assets	1,795,576,859	2,705,169,782	4,500,746,641	79,623,433
Restricted for:				
Public safety	6,262,870	-	6,262,870	
Parks, recreation and culture	2,026,601	-	2,026,601	
Community development	225,091,751	-	225,091,751	385,668,262
Transportation	259,025,674	-	259,025,674	
Debt service	107,124,981	180,000	107,304,981	
Capital projects	136,042,043	1,072,139	137,114,182	
Parks endowment fund:				
None expendable	191,953	-	191,953	
Environmental services	268,724	-	268,724	
Water	25,881	-	25,881	
Unrestricted surplus (deficit)	(4,322,626,779)	381,212,808	(3,941,413,971)	(9,520,919)
Total net position	\$ (1,790,989,442)	\$ 3,087,634,729	\$ 1,296,645,287	\$ 455,770,776

⁽¹⁾ Internal balances are designated as restricted and/or unrestricted. Total internal balances are zero.

The accompanying notes are an integral part of the basic financial statements.

**City of Portland, Oregon
Statement of Activities
For the Fiscal Year Ended June 30, 2019**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
					Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Prosper Portland
Function/Programs								
Primary government:								
Governmental activities:								
Public safety	\$ 698,443,794	\$ 26,857,681	\$ 18,821,004	\$ 4,481,133	\$ (648,283,976)	\$ -	\$ (648,283,976)	\$ -
Parks, recreation and culture	114,164,329	28,461,364	1,207,515	30,230,762	(54,264,688)	-	(54,264,688)	-
Community development	243,792,435	83,319,341	63,513,486	8,023,708	(88,935,900)	-	(88,935,900)	-
Transportation	330,008,337	131,400,471	9,670,055	120,915,511	(68,022,300)	-	(68,022,300)	-
Legislative / admin / support services	250,839,532	302,885,147	32,298,612	885,381	85,229,608	-	85,229,608	-
Environmental services	222,064	-	53,823	38,734	(129,507)	-	(129,507)	-
Water	853,736	620,000	-	85,243	(148,493)	-	(148,493)	-
Parking facilities	17,000	-	3,589	3,841,228	3,827,817	-	3,827,817	-
Motor Sports	-	-	5,969	-	5,969	-	5,969	-
Interest on long-term debt	52,151,629	-	-	-	(52,151,629)	-	(52,151,629)	-
Total governmental activities	1,690,492,856	573,544,004	125,574,053	168,501,700	(822,873,099)	-	(822,873,099)	-
Business-type activities:								
Environmental services	253,973,118	394,085,860	-	4,793,111	-	144,905,853	144,905,853	-
Water	145,727,000	202,947,949	-	95,445	-	57,316,394	57,316,394	-
Hydroelectric power	3,501,910	1,480,868	-	-	-	(2,021,042)	(2,021,042)	-
Parking facilities	9,498,977	15,390,897	-	-	-	5,891,920	5,891,920	-
Golf	10,043,357	9,817,557	-	-	-	(225,800)	(225,800)	-
Motor sports	1,947,769	2,087,562	-	-	-	139,793	139,793	-
Spectator facilities	7,577,761	12,156,084	-	72,360,683	-	76,939,006	76,939,006	-
Total business-type activities:	432,269,892	637,966,777	-	77,249,239	-	282,946,124	282,946,124	-
Total primary government	\$ 2,122,762,748	\$ 1,211,510,781	\$ 125,574,053	\$ 245,750,939	\$ (822,873,099)	\$ 282,946,124	\$ (539,926,975)	\$ -
Component unit:								
Prosper Portland	\$ 124,492,048	\$ 8,782,565	\$ 9,611,334	\$ -				(106,098,149)
General revenues:								
Taxes:								
Property					610,837,288	-	610,837,288	-
Lodging					60,416,923	-	60,416,923	-
Miscellaneous					53,337,472	-	53,337,472	-
Payments from the City					-	-	-	103,248,377
Investment earnings					41,143,018	23,315,770	64,458,788	6,375,410
Miscellaneous revenues					-	-	-	8,526,479
Transfers					(4,700,010)	4,700,010	-	-
Total general revenues and transfers					761,034,691	28,015,780	789,050,471	118,150,266
Change in net position					(61,838,408)	310,961,904	249,123,496	12,052,117
Net position - beginning					(1,729,151,034)	2,776,672,825	1,047,521,791	443,718,659
Net position - ending					\$ (1,790,989,442)	\$ 3,087,634,729	\$ 1,296,645,287	\$ 455,770,776

The accompanying notes are an integral part of the basic financial statements.

Fund Financial Statements



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City of Portland, Oregon
Balance Sheet
Governmental Funds
June 30, 2019

	General Fund	Transportation Operating	Other Funds	Total
ASSETS				
Unrestricted:				
Cash and investments	\$ 128,146,357	\$ 1,078,155	\$ 80,647,210	\$ 209,871,722
Receivables:				
Taxes	9,373,254	-	-	9,373,254
Accounts, net	35,745,715	11,140,430	2,238,391	49,124,536
Assessments	18,073	1,256,704	3,155,864	4,430,641
Notes and loans, net	352,207	125,000	5,404,892	5,882,099
Advances	1,392,946	100,000	-	1,492,946
Accrued interest	895,001	1,477,016	768,537	3,140,554
Due from component unit	406,826	1,483	-	408,309
Internal loans receivable	-	8,500,000	-	8,500,000
Inventories	299,244	7,100,289	-	7,399,533
Prepaid items	147,564	284,083	-	431,647
Restricted:				
Cash and investments	10,879,787	246,098,476	376,055,493	633,033,756
Receivables:				
Taxes	4,106,229	3,238,755	8,798,091	16,143,075
Accounts, net	-	12,500,500	2,932,263	15,432,763
Assessments	-	-	69,032,333	69,032,333
Notes and loans, net	-	-	71,627,661	71,627,661
Grants	-	-	14,733,593	14,733,593
Accrued interest	-	-	2,190,191	2,190,191
Due from component unit	-	-	5,864,442	5,864,442
Internal loans receivable	-	-	2,464,750	2,464,750
Total assets	<u>\$ 191,763,203</u>	<u>\$ 292,900,891</u>	<u>\$ 645,913,711</u>	<u>\$ 1,130,577,805</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities payable from unrestricted assets:				
Accounts payable	\$ 17,666,106	\$ 6,716,409	\$ 1,222,551	\$ 25,605,066
Due to component unit	2,344,962	-	-	2,344,962
Unearned revenue	82,074	699,845	1,296	783,215
Liabilities payable from restricted assets:				
Accounts payable	-	861,641	12,476,838	13,338,479
Due to component unit	-	-	1,269,770	1,269,770
Due to fiduciary fund	4,106,229	-	-	4,106,229
Internal loans payable	-	-	8,500,000	8,500,000
Unearned revenue	-	-	4,821,063	4,821,063
Other accrued liabilities	10,879,787	-	-	10,879,787
Total liabilities	<u>35,079,158</u>	<u>8,277,895</u>	<u>28,291,518</u>	<u>71,648,571</u>
Deferred inflows of resources:				
Unavailable revenue - unrestricted	7,801,943	1,618,889	2,967,410	12,388,242
Unavailable revenue - restricted	-	-	86,788,637	86,788,637
Total deferred inflows of resources	<u>7,801,943</u>	<u>1,618,889</u>	<u>89,756,047</u>	<u>99,176,879</u>
Fund balances:				
Nonspendable	446,808	7,384,372	164,165	7,995,345
Restricted	-	260,976,090	451,747,807	712,723,897
Committed	70,371,302	-	31,433,143	101,804,445
Assigned	14,828,983	14,643,645	56,590,494	86,063,122
Unassigned	63,235,009	-	(12,069,463)	51,165,546
Total fund balances	<u>148,882,102</u>	<u>283,004,107</u>	<u>527,866,146</u>	<u>959,752,355</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 191,763,203</u>	<u>\$ 292,900,891</u>	<u>\$ 645,913,711</u>	<u>\$ 1,130,577,805</u>

The accompanying notes are an integral part of the basic financial statements.

**City of Portland, Oregon
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2019**

Fund balances - total governmental funds	\$ 959,752,355
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental funds are not financial resources and therefore, are reported only in the government-wide statements.	1,677,888,503
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Other long-term assets are prepaid or are not available to pay for current period expenditures and, therefore, are deferred in the fund statements:

Deferred items eliminated for government-wide:	
Unavailable revenue in governmental fund statements	99,176,879
Deferred outflows - deferred charge for bond refunding	2,820
Deferred inflows - deferred charge for bond refunding	(1,147,980)
Deferred outflows - pensions	501,288,625
Deferred outflows - OPEB	5,734,978
Deferred inflows - pensions	(206,005,012)
Deferred inflows - OPEB	(7,235,512)
OPEB Asset	3,105,519

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	315,736,434
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Noncurrent bonds payable are not due and payable in the current period and are not reported in the governmental funds.	(813,943,998)
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Unfunded net pension liability for the City's Fire and Police Disability and Retirement Plan is not reported in the governmental fund financial statements because such amounts are not due and payable in the current period. (See Note IV.E., Employee retirement systems and pension plans.)	(3,548,634,606)
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Unfunded net pension liability for the City's PERS pension plan.	(355,843,905)
--	---------------

Other long-term liabilities that are not due and payable in the current period and are not reported in the governmental funds include:

Compensated absences	(58,390,532)
Notes and loans payable	(143,247,160)
Accrued interest	(108,531,135)
Other postemployment benefits	(78,935,219)
Landfill postclosure	(1,029,080)
Pollution remediation	(12,339,948)
Internal balances	(6,600,000)
Internal service fund look-back adjustment to business-type activities	(11,791,468)

Total net position of governmental activities	\$ (1,790,989,442)
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The accompanying notes are an integral part of the basic financial statements.

City of Portland, Oregon
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2019

	General Fund	Transportation Operating	Other Funds	Total
REVENUES				
Taxes:				
Property	\$ 413,960,380	\$ -	\$ 211,350,038	\$ 625,310,418
Lodging	39,187,629	-	21,229,294	60,416,923
Miscellaneous	-	21,280,528	32,056,944	53,337,472
Licenses and fees	242,389,960	17,580,851	50,468,507	310,439,318
Intergovernmental	36,338,043	91,157,749	102,309,084	229,804,876
Charges for services	16,328,122	16,206,936	28,244,607	60,779,665
Interagency	65,582,367	30,245,880	1,014,075	96,842,322
Parking fees	481,244	50,803,032	3,809,551	55,093,827
Parking fines	-	8,169,824	106,313	8,276,137
Rents and reimbursements	4,905,886	1,088,443	8,266,144	14,260,473
Miscellaneous service charges	5,120,178	8,933,739	17,909,138	31,963,055
Assessments	8,525	1,428,704	14,665,684	16,102,913
Investment earnings	5,068,853	7,853,864	21,534,588	34,457,305
Payments in lieu of taxes	856,213	-	-	856,213
Miscellaneous	3,042,238	1,096,706	2,674,396	6,813,340
Total revenues	<u>833,269,638</u>	<u>255,846,256</u>	<u>515,638,363</u>	<u>1,604,754,257</u>
EXPENDITURES				
Current:				
Public safety	494,586,945	-	32,020,247	526,607,192
Parks, recreation and culture	95,394,514	-	6,425,058	101,819,572
Community development	66,995,163	-	176,007,255	243,002,418
Transportation	-	164,542,135	2,616,796	167,158,931
Legislative / admin / support services	76,223,793	-	132,841,378	209,065,171
Environmental services	-	-	160,618	160,618
Water	620,000	-	-	620,000
Debt service and related costs:				
Principal	8,090,062	9,999,993	114,471,947	132,562,002
Interest	2,628,708	5,932,287	36,699,100	45,260,095
Debt issuance costs	-	-	549,172	549,172
Capital outlay	6,763,651	59,174,531	50,192,001	116,130,183
Total expenditures	<u>751,302,836</u>	<u>239,648,946</u>	<u>551,983,572</u>	<u>1,542,935,354</u>
Excess (deficiency) of revenues over (under) expenditures	<u>81,966,802</u>	<u>16,197,310</u>	<u>(36,345,209)</u>	<u>61,818,903</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	12,601,574	29,837,721	130,151,593	172,590,888
Transfers out	(65,161,332)	(3,141,407)	(111,344,509)	(179,647,248)
Bonds and notes issued	-	1,395,609	43,357,361	44,752,970
Refunding bonds issued	-	-	37,365,480	37,365,480
Bonds and notes premium	-	-	1,746,570	1,746,570
Loans issued	-	-	40,842	40,842
Sale of capital asset	-	2,731	8,556	11,287
Total other financing sources (uses)	<u>(52,559,758)</u>	<u>28,094,654</u>	<u>101,325,893</u>	<u>76,860,789</u>
Net change in fund balances	<u>29,407,044</u>	<u>44,291,964</u>	<u>64,980,684</u>	<u>138,679,692</u>
Fund balances - beginning	<u>119,475,058</u>	<u>238,712,143</u>	<u>462,885,462</u>	<u>821,072,663</u>
Fund balances - ending	<u>\$ 148,882,102</u>	<u>\$ 283,004,107</u>	<u>\$ 527,866,146</u>	<u>\$ 959,752,355</u>

The accompanying notes are an integral part of the basic financial statements.

City of Portland, Oregon
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2019

Net change in fund balances - total governmental funds	\$ 138,679,692
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Amounts reported for governmental activities in the statement of activities are different because:

The effect of capital outlays made by the governmental funds	116,130,183
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Disposals of capital assets and capital contributions	(8,075,493)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost is depreciated over their useful lives. Depreciation expense for governmental funds is reported in the government-wide statements. (See Note III.F., Capital assets for a breakdown of depreciation expense by function.)	(184,094,985)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(10,899,563)
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Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is allocated to governmental and business-type activities.	39,633,737
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The issuance of long-term debt provides current financial resources to governmental funds while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This is the amount by which bond proceeds exceeded principal retirement in the current period.	46,371,319
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Changes related to long-term liabilities included:

Accrual of compensated absences	(2,316,223)
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Accrual of net pension liability which is not reported as an expenditure in governmental funds:

PERS	(27,818,306)
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FPDR	(159,209,672)
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Internal service fund look -back adjustment to business-type activities	(206,709)
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Accrual of environmental remediation costs	(12,064,103)
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Accrual of other postemployment benefits which are not reported as an expenditure in governmental funds	1,631,715
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Internal balances	400,000
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Change in net position - governmental activities	<u>\$ (61,838,408)</u>
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The accompanying notes are an integral part of the basic financial statements.

**City of Portland Oregon
Statement of Net Position
Proprietary Funds
June 30, 2019**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
ASSETS					
Current assets (unrestricted):					
Cash and investments	\$ 298,584,740	\$ 123,333,103	\$ 49,207,229	\$ 471,125,072	\$ 179,517,205
Receivables:					
Accounts, net	56,321,677	31,760,178	2,817,227	90,899,082	1,900,268
Assessments	1,709,393	355,472	-	2,064,865	-
Notes and loans, net	4,940	-	-	4,940	53,700
Advances	22,776	635,661	65,000	723,437	-
Accrued interest	2,573,364	995,157	290,440	3,858,961	1,296,807
Due from component unit	-	-	-	-	14,875
Inventories	2,373,142	2,681,639	-	5,054,781	2,122,665
Property held for sale	-	151,630	-	151,630	-
Prepaid expenses	8,063,307	17,561,906	-	25,625,213	2,784,900
Internal balances	1,457,886	5,141,410	704	6,600,000	-
Total current assets (unrestricted)	<u>371,111,225</u>	<u>182,616,156</u>	<u>52,380,600</u>	<u>606,107,981</u>	<u>187,690,420</u>
Current assets (restricted):					
Cash and investments	19,338,309	7,538,307	-	26,876,616	-
Total current assets	<u>390,449,534</u>	<u>190,154,463</u>	<u>52,380,600</u>	<u>632,984,597</u>	<u>187,690,420</u>
Noncurrent assets (unrestricted):					
Capital assets, not being depreciated or amortized:					
Land	78,905,215	14,418,542	17,160,848	110,484,605	13,249,938
Construction in progress	288,903,099	187,567,920	87,357,935	563,828,954	196,626,068
Land use rights	14,312,701	4,109,663	4,500	18,426,864	-
Infrastructure	3,616,799,754	1,317,605,739	43,969,247	4,978,374,740	10,345,178
Buildings	30,765,991	80,990,906	186,568,837	298,325,734	174,159,413
Improvements to land	1,631,035	56,490,081	23,587,707	81,708,823	831,331
Equipment	33,303,230	34,054,420	6,723,062	74,080,712	139,649,754
Land use rights	-	843,940	-	843,940	-
Owning rights	-	10,776	-	10,776	-
Software	8,478,231	9,770,433	152,883	18,401,547	44,968,189
Accumulated depreciation and amortization	(649,665,208)	(476,525,140)	(136,928,361)	(1,263,118,709)	(189,919,960)
Capital assets, net of accumulated depreciation and amortization	3,423,434,048	1,229,337,280	228,596,658	4,881,367,986	389,909,911
Assessments	2,592,611	186,213	-	2,778,824	-
Notes and loans, net	-	-	624,556	624,556	53,700
Net OPEB asset	344,431	361,866	52,189	758,486	250,875
Total noncurrent assets (unrestricted)	<u>3,426,371,090</u>	<u>1,229,885,359</u>	<u>229,273,403</u>	<u>4,885,529,852</u>	<u>390,214,486</u>
Noncurrent assets (restricted):					
Cash and investments	55,935,109	23,822,893	1,072,139	80,830,141	53,543,056
Total noncurrent assets	<u>3,482,306,199</u>	<u>1,253,708,252</u>	<u>230,345,542</u>	<u>4,966,359,993</u>	<u>443,757,542</u>
Total assets	<u>3,872,755,733</u>	<u>1,443,862,715</u>	<u>282,726,142</u>	<u>5,599,344,590</u>	<u>631,447,962</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows - pensions	24,637,047	22,731,718	2,944,076	50,312,841	18,477,118
Deferred outflows - OPEB	635,140	663,212	92,405	1,390,757	460,857
Deferred charge for debt refundings	21,506	27,983	60,454	109,943	-
Total deferred outflows of resources	<u>25,293,693</u>	<u>23,422,913</u>	<u>3,096,935</u>	<u>51,813,541</u>	<u>18,937,975</u>

The accompanying notes are an integral part of the basic financial statements.

**City of Portland Oregon
Statement of Net Position
Proprietary Funds
June 30, 2019**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
LIABILITIES					
Current liabilities (payable from unrestricted assets):					
Accounts payable	9,332,629	5,891,029	2,534,854	17,758,512	36,663,874
Self insurance claims	49,087	367,411	-	416,498	15,401,689
Compensated absences	5,345,919	5,077,591	547,135	10,970,645	3,990,664
Bonds payable	137,002,011	38,279,433	4,704,771	179,986,215	5,535,181
Notes and loans payable	1,407,852	-	-	1,407,852	-
Accrued interest payable	14,119,444	5,632,572	229,557	19,981,573	651,366
Unearned revenue	839,337	367,488	313,806	1,520,631	25,694,322
Due to component unit	-	-	-	-	1,716,298
Internal loans payable	-	-	420,250	420,250	-
Landfill postclosure	68,299	-	-	68,299	-
Pollution remediation	50,000	-	2,595,000	2,645,000	-
Other liabilities	634,123	6,414	-	640,537	-
Total current liabilities (unrestricted)	<u>168,848,701</u>	<u>55,621,938</u>	<u>11,345,373</u>	<u>235,816,012</u>	<u>89,653,394</u>
Current liabilities (payable from restricted assets):					
Accounts payable	19,338,309	7,538,307	-	26,876,616	-
Total current liabilities	<u>188,187,010</u>	<u>63,160,245</u>	<u>11,345,373</u>	<u>262,692,628</u>	<u>89,653,394</u>
Noncurrent liabilities:					
Self insurance claims	-	139,376	-	139,376	17,019,222
Compensated absences	-	-	-	-	494,265
Bonds payable	1,450,356,046	612,956,265	27,809,893	2,091,122,204	150,840,018
Notes and loans payable	9,372,981	-	-	9,372,981	9,503,599
Internal loans payable	-	-	2,044,500	2,044,500	-
Accrued interest payable	15,912,653	16,527,021	1,626,961	34,066,635	7,899,278
Net pension liability - PERS	67,699,438	63,676,831	8,588,103	139,964,372	50,745,156
Other postemployment benefits	6,698,621	7,307,599	1,091,666	15,097,886	4,937,789
Landfill postclosure	2,600,865	-	-	2,600,865	-
Pollution remediation	250,000	-	3,485,000	3,735,000	-
Other liabilities	149,835	-	-	149,835	-
Total noncurrent liabilities	<u>1,553,040,439</u>	<u>700,607,092</u>	<u>44,646,123</u>	<u>2,298,293,654</u>	<u>241,439,327</u>
Total liabilities	<u>1,741,227,449</u>	<u>763,767,337</u>	<u>55,991,496</u>	<u>2,560,986,282</u>	<u>331,092,721</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - pensions	4,236,057	3,929,982	477,576	8,643,615	3,231,158
Deferred charge for debt refunding	3,831,854	916,705	-	4,748,559	16,542
Deferred inflows - OPEB	422,529	446,981	66,900	936,410	309,082
Total deferred inflows of resources	<u>8,490,440</u>	<u>5,293,668</u>	<u>544,476</u>	<u>14,328,584</u>	<u>3,556,782</u>
NET POSITION					
Net investment in capital assets	1,892,317,879	616,667,860	196,184,043	2,705,169,782	285,059,086
Restricted for:					
Debt service	180,000	-	-	180,000	-
Capital projects	-	-	1,072,139	1,072,139	-
Unrestricted	<u>255,833,658</u>	<u>81,556,762</u>	<u>32,030,920</u>	<u>369,421,340</u>	<u>30,677,348</u>
Total net position	<u>\$ 2,148,331,537</u>	<u>\$ 698,224,622</u>	<u>\$ 229,287,102</u>	<u>3,075,843,261</u>	<u>\$ 315,736,434</u>
Adjustment to reflect the consolidation of internal service funds' activities related to enterprise funds				<u>11,791,468</u>	
Net position of business-type activities				<u>\$ 3,087,634,729</u>	

The accompanying notes are an integral part of the basic financial statements.

City of Portland, Oregon
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
Operating revenues:					
Service charges and fees	\$ 374,252,820	\$ 198,696,840	\$ 17,785,783	\$ 590,735,443	\$ 27,585,863
Service charges and fees provided internally	3,014,753	3,666,943	1,729,601	8,411,297	259,646,942
Licenses and permits	2,320,654	-	3,283,389	5,604,043	-
Rents and reimbursements	217,671	-	11,391,227	11,608,898	1,747,011
Concessions	-	-	2,238,606	2,238,606	-
Parking fees	-	-	16,102,775	16,102,775	-
Power sales	-	-	1,226,522	1,226,522	-
Miscellaneous	865,478	584,166	589,549	2,039,193	1,498,059
Total operating revenues	<u>380,671,376</u>	<u>202,947,949</u>	<u>54,347,452</u>	<u>637,966,777</u>	<u>290,477,875</u>
Operating expenses:					
Salaries and wages	66,606,436	50,202,989	9,002,920	125,812,345	56,115,327
Operating supplies	5,379,039	4,367,089	966,033	10,712,161	12,484,741
Professional services	3,532,984	4,078,841	4,305,484	11,917,309	53,296,716
Materials and services provided internally	30,354,431	18,694,271	7,983,454	57,032,156	23,533,675
Utilities	6,769,981	3,024,605	1,059,819	10,854,405	3,145,438
Claims	-	-	-	-	76,509,430
Utility license fees	17,105,955	7,811,826	229,112	25,146,893	23,212
Miscellaneous	18,752,555	6,484,609	15,063,800	40,300,964	51,309,626
Depreciation and amortization	48,917,284	31,036,464	5,393,717	85,347,465	14,055,729
Total operating expenses	<u>197,418,665</u>	<u>125,700,694</u>	<u>44,004,339</u>	<u>367,123,698</u>	<u>290,473,894</u>
Operating income (loss)	<u>183,252,711</u>	<u>77,247,255</u>	<u>10,343,113</u>	<u>270,843,079</u>	<u>3,981</u>
Nonoperating revenues (expenses):					
Investment earnings (losses)	15,071,257	6,619,147	1,625,368	23,315,772	6,686,145
Interest expense	(43,159,892)	(19,972,805)	(1,376,968)	(64,509,665)	(4,606,713)
Debt issuance costs	(59,013)	-	(35,483)	(94,496)	(296,546)
Gains (losses) on sale of capital assets	346,754	(826,057)	(88,728)	(568,031)	(937,162)
Miscellaneous	(849,292)	668,581	-	(180,711)	-
Total nonoperating revenues (expenses)	<u>(28,650,186)</u>	<u>(13,511,134)</u>	<u>124,189</u>	<u>(42,037,131)</u>	<u>845,724</u>
Income before contributions and transfers	<u>154,602,525</u>	<u>63,736,121</u>	<u>10,467,302</u>	<u>228,805,948</u>	<u>849,705</u>
Transfers in	2,747,283	4,366,601	-	7,113,884	7,131,848
Transfers out	(454,252)	(583,916)	(1,375,708)	(2,413,876)	(4,775,496)
Capital contributions	<u>4,793,111</u>	<u>95,445</u>	<u>72,360,683</u>	<u>77,249,239</u>	<u>36,427,680</u>
Change in net position	<u>161,688,667</u>	<u>67,614,251</u>	<u>81,452,277</u>	<u>310,755,195</u>	<u>39,633,737</u>
Total net position - beginning	<u>1,986,642,870</u>	<u>630,610,371</u>	<u>147,834,825</u>		<u>276,102,697</u>
Total net position - ending	<u>\$ 2,148,331,537</u>	<u>\$ 698,224,622</u>	<u>\$ 229,287,102</u>		<u>\$ 315,736,434</u>
Adjustment to reflect the consolidation of internal service funds' activities related to enterprise funds				206,709	
Change in net position of business-type activities				<u>\$ 310,961,904</u>	

The accompanying notes are an integral part of the basic financial statements.



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City of Portland, Oregon
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 380,740,784	\$ 197,392,425	\$ 52,415,116	\$ 630,548,325	\$ 56,867,712
Receipts for interfund services provided	3,014,754	3,666,944	1,729,601	8,411,299	259,646,936
Payments to suppliers	(52,005,096)	(41,472,253)	(17,064,854)	(110,542,203)	(179,976,847)
Payments to employees	(60,480,992)	(44,599,069)	(8,106,094)	(113,186,155)	(51,231,593)
Payments for interfund services used	(30,354,431)	(18,694,271)	(7,983,454)	(57,032,156)	(23,533,675)
Other receipts (payments)	-	668,581	(327,001)	341,580	(4,950)
Net cash provided by (used for) operating activities	240,915,019	96,962,357	20,663,314	358,540,690	61,767,583
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	2,747,283	4,366,601	-	7,113,884	7,131,848
Transfers out	(454,252)	(583,916)	(1,375,708)	(2,413,876)	(4,775,496)
Internal balances	-	400,000	-	400,000	-
Proceeds from internal loans	-	-	1,750,000	1,750,000	-
Payments from internal loans	-	-	(363,500)	(363,500)	-
Net cash provided by (used for) noncapital financing activities	2,293,031	4,182,685	10,792	6,486,508	2,356,352
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of bonds and notes	-	-	7,640,000	7,640,000	134,770,679
Premium on bonds and notes issued	-	-	732,750	732,750	18,419,726
Proceeds from sale of capital assets	1,529,008	423,216	340	1,952,564	923,585
Acquisition of capital assets	(142,847,837)	(100,003,597)	(11,024,302)	(253,875,736)	(122,430,327)
Principal paid on bonds and notes	(113,149,725)	(32,489,459)	(12,748,395)	(158,387,579)	(46,389,309)
Interest paid on bonds and notes	(66,934,202)	(23,097,870)	(1,325,810)	(91,357,882)	(4,481,428)
Payments for bond issuance costs	(59,013)	-	(35,483)	(94,496)	(296,546)
Net cash provided by (used for) capital related financing activities	(321,461,769)	(155,167,710)	(16,760,900)	(493,390,379)	(19,483,620)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment earnings (losses)	14,151,570	6,506,895	1,522,793	22,181,258	6,104,581
Property for resale	-	-	-	-	-
Net cash provided by (used for) investing activities	14,151,570	6,506,895	1,522,793	22,181,258	6,104,581
Net increase (decrease) in cash and cash equivalents	(64,102,149)	(47,515,773)	5,435,999	(106,181,923)	50,744,896
Cash and cash equivalents, July 1, 2018	437,960,307	202,210,076	44,843,369	685,013,752	182,315,365
Cash and cash equivalents, June 30, 2019	\$ 373,858,158	\$ 154,694,303	\$ 50,279,368	\$ 578,831,829	\$ 233,060,261
Reconciliation of cash and cash equivalents to the Statement of Net Position:					
Unrestricted cash and cash equivalents	\$ 298,584,740	\$ 123,333,103	\$ 49,207,229	\$ 471,125,072	\$ 179,517,205
Restricted cash and cash equivalents	\$ 75,273,418	\$ 31,361,200	\$ 1,072,139	\$ 107,706,757	\$ 53,543,056
Total cash and cash equivalents	\$ 373,858,158	\$ 154,694,303	\$ 50,279,368	\$ 578,831,829	\$ 233,060,261

**City of Portland, Oregon
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2019**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
Reconciliation of operating income to net cash provided by (used for) operating activities:					
Operating income	\$ 183,252,711	\$ 77,247,255	\$ 10,343,113	\$ 270,843,079	\$ 3,981
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:					
Depreciation and amortization of capital assets	48,917,284	31,036,464	5,393,717	85,347,465	14,055,729
Provision for uncollectible accounts	930,009	626,891	-	1,556,900	-
Nonoperating revenue (expense)	-	668,581	-	668,581	-
Change in assets and liabilities:					
Accounts and advances receivable	2,029,809	(2,746,745)	(574,678)	(1,291,614)	261,864
Due (from) to other funds	-	-	-	-	(14,769)
Due (from) to component unit	-	-	-	-	(109,578)
Inventories	(363,782)	(178,399)	-	(542,181)	(289,883)
Prepaid expense	(6,693,810)	(16,544,516)	-	(23,238,326)	(907,333)
Accounts payable	6,390,018	1,647,321	679,402	8,716,741	17,399,596
Self insurance claims	13,672	(486,690)	-	(473,018)	699,511
Compensated absences	692,331	764,846	39,912	1,497,089	723,311
Unearned revenue	(98,410)	(1,323)	12,536	(87,197)	25,623,105
Net pension liability - PERS	6,607,458	5,959,419	691,506	13,258,383	5,105,662
Other postemployment benefits	(2,921)	(3,050)	(425)	(6,396)	(2,110)
Landfill postclosure	207,846	-	-	207,846	-
Pollution remediation	-	(143,000)	3,880,000	3,737,000	-
Other liabilities	(18,511)	-	379	(18,132)	-
Deferred outflows - pensions	(3,362,073)	(3,084,318)	(68,577)	(6,514,968)	(2,647,275)
Deferred outflows - OPEB	(21,934)	(11,753)	7,283	(26,404)	(11,095)
Deferred inflows - pensions	2,330,577	2,102,001	243,907	4,676,485	1,800,865
Deferred inflows - OPEB	104,745	109,373	15,239	229,357	76,002
Net cash provided by (used for) operating activities	\$ 240,915,019	\$ 96,962,357	\$ 20,663,314	\$ 358,540,690	\$61,767,583
Noncash information					
Capital contributions	\$ 4,793,111	\$ 95,445	\$ (72,360,683)	\$ (67,472,127)	36,427,680
Increase (decrease) in fair value of investments (classified as cash equivalents)	5,105,442	2,295,006	\$ 499,139	7,899,587	2,252,347

The accompanying notes are an integral part of the basic financial statements.

City of Portland, Oregon
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2019

	<u>Pension Trust</u>	<u>Agency</u>
ASSETS		
Current assets:		
Cash and investments *	\$ 30,026,930	\$ 71,508,652
Receivables:		
Accounts, net	14,898	2,452,629
Advances	-	711,415
Pension recovery	116,101	-
Accrued interest	457,677	107,007
Due from other funds	4,106,229	-
Prepaid expense	747	-
Total current assets	<u>34,722,582</u>	<u>74,779,703</u>
Noncurrent assets:		
Capital assets:		
Construction in progress	26,429	-
Intangible assets:		
Software	884,249	12,000
Accumulated depreciation and amortization	<u>(549,460)</u>	<u>(9,600)</u>
Net capital assets	361,218	2,400
Net OPEB asset	<u>10,654</u>	<u>-</u>
Total noncurrent assets	<u>371,872</u>	<u>2,400</u>
Total assets	<u>35,094,454</u>	<u>74,782,103</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows - pensions	739,105	-
Deferred outflows - OPEB	19,885	-
Total deferred outflows of resources	<u>758,990</u>	<u>-</u>
LIABILITIES		
Accounts payable	11,863,066	2,430,382
Salaries and withholding taxes	-	34,441,095
Compensated absences	1,081,765	-
Due to other governments	-	14,548,656
Bonds payable	235,165	-
Accrued interest payable	249,247	-
Net pension liability - PERS	2,045,767	-
Other postemployment benefits	196,788	-
Other liabilities	-	23,361,970
Total liabilities	<u>15,671,798</u>	<u>74,782,103</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - pensions	129,586	-
Deferred inflows - pensions	12,891	-
Total deferred inflows of resources	<u>142,477</u>	<u>-</u>
NET POSITION		
Net position restricted for pensions	<u>20,039,169</u>	<u>-</u>
Total net position	<u>\$ 20,039,169</u>	<u>\$ -</u>

* The City's pension plan is unfunded and has only a portion of the City's internal investment pool.

The accompanying notes are an integral part of the basic financial statements.

**City of Portland, Oregon
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2019**

	<u>Pension Trust</u>
ADDITIONS	
Contributions:	
Employer	\$ 150,299,013
Other	<u>1,258,967</u>
Total contributions	151,557,980
Investment earnings	<u>1,752,639</u>
Total additions	<u>153,310,619</u>
DEDUCTIONS	
Benefits and refunds paid to plan members and beneficiaries	146,821,155
Administrative expenses	<u>4,287,111</u>
Total deductions	<u>151,108,266</u>
Change in net position	<u>2,202,353</u>
Net position - beginning	<u>17,836,816</u>
Net position - ending	<u><u>\$ 20,039,169</u></u>

The accompanying notes are an integral part of the basic financial statements.



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Notes to the Financial Statements



B

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I. Summary of significant accounting policies:

A. Reporting entity:

The territory of Oregon incorporated the City of Portland (City) in 1851, eight years prior to the year Oregon was granted statehood in 1859. The State of Oregon granted a new charter to the City of Portland in 1903. Voters approved an extensive revision to the City Charter, which established a commission form of government in 1913. The City Council, composed of an elected mayor and four commissioners, forms the legislative branch of the City government. The commissioners and mayor manage City bureaus.

The accompanying financial statements present the financial condition of the government and its component units, entities for which the government is considered to be financially accountable. Criteria that indicates financial accountability includes, but is not limited to, the following:

- Appointment by the City of a majority of voting members of the governing body of an organization with the ability to impose its will on the daily operations of an organization, such as: power to remove appointed members at will; to modify or approve budgets, rates or fees; to make other substantive decisions; or
- Provision by the organization of specific financial benefits to the City; imposition by an organization of specific financial burdens on the City, such as assumption of deficits or provision of support; or
- Fiscal dependency of the organization on the City, such as: lack of authority to determine a budget, approve rates, or issue its own bonded debt without City approval.

Blended component units, although legally separate entities, are part of the government's operations. Their sole purpose is to provide services entirely to or exclusively for the City or the City Council as the governing body. A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City, its governing body is not substantially the same as the City's governing body, and it does not provide services entirely or exclusively to the City government.

Blended component unit - Fire and Police Disability and Retirement Fund

The Fire and Police Disability and Retirement (FPDR) Fund was established by adoption of Chapter 5 of the City Charter by voters in a general election held on November 2, 1948. Ten subsequent amendments have been passed by voters. The most recent changes were passed November 6, 2012. The FPDR Fund provides for the benefit of the sworn employees of Portland Fire and Rescue, the sworn employees of the Bureau of Police, of the City of Portland, and for the benefit of the surviving spouses and dependent minor children of deceased sworn employees (Section 5-101).

The FPDR Fund's Board of Trustees also administers a reserve fund authorized under a provision of Chapter 5 (Section 5-104) of the Charter of the City of Portland. The reserve fund provides for advances to the FPDR Fund in the event the latter is depleted to the extent it cannot meet its obligations. Under provisions of the City Charter, the reserve fund maximum is established at \$750,000 (Section 5-103). The FPDR Fund and reserve fund are reported as pension trust funds, fiduciary fund type.

Complete financial statements may be obtained from the administrative office at: Fire and Police Disability and Retirement Fund Board, 1800 SW First Ave., Suite 450, Portland, Oregon 97201, e-mail: FPDR@PortlandOregon.gov, URL: <http://www.portlandoregon.gov/fpdr/> or by telephone: (503) 823-6823.

Discretely presented component unit - Prosper Portland

Prosper Portland is organized under Chapter 15 of the Charter for the City of Portland, Oregon and is the City's urban renewal and redevelopment agency. The Department of Development and Civic Promotion has been administered by the Prosper Portland since May 16, 1958. Prosper Portland's principal activities are business retention, employment creation, real estate acquisition to remove or prevent blight, construction improvements, and rehabilitation/restoration lending.

Prosper Portland is governed by a five-member volunteer Commission, appointed by the City's Mayor and approved by the City Council to serve three year terms. Prosper Portland's governing board is substantially different than the City's board of commissioners, which prevents the City from imposing its will on Prosper Portland. Prosper Portland does not have a financial burden or benefit relationship with the City. Based upon criteria established by the Governmental Accounting Standards Board (GASB) Statement No. 61, Prosper Portland is reported as a discretely presented component unit.

As a discretely presented component unit, the assets, liabilities, revenues and expenses related to Prosper Portland are included in the component unit column of the City's government-wide financial statements. Excerpts of Prosper Portland's notes to the basic financial statements are included if significant. Unless noted otherwise in this report, accounting policies of the component unit are consistent with those described for the primary government. The City is financially accountable for operations of Prosper Portland through budgetary authority and fiscal management. Prosper Portland prepares a separate Comprehensive Annual Financial Report (CAFR), and it may be obtained from their administrative offices at 222 NW Fifth Ave., Portland, Oregon 97209-3859, URL: <http://ProsperPortland.us/resource-library/> or by telephone: (503) 823-3200.

B. Government-wide and fund financial statements:

The government-wide financial statements, which include the statement of net position and the statement of activities, report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from its legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Segments are identified as individual enterprise funds. Segment information for the major funds, Sewage Disposal and Water, is provided in separate columns in the Statement of Net Position Proprietary Funds. Segment information for non major enterprise funds is provided in the Combining Statement of Net Position and the Combining Statement of Revenues, Expenses and Changes in Fund Net Position.

Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

C. Measurement focus, basis of accounting, and financial statement presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds have

of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable

if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when

Significant revenues, measurable and available for the fiscal year ended June 30, 2019, under the modified accrual basis of accounting were as follows:

- State, county, and local shared revenues of business license taxes, liquor taxes, and other taxes
-
-

Expenditures generally are recorded when a liability is incurred. Exceptions are:

-
-
-
- liquidated with expendable, available financial resources
-
- Postemployment benefits
-
- Landfill closure costs

The City reports the following major governmental funds:

General Fund is the City's primary operating fund. This fund accounts for all financial transactions of the general government, except those required to be accounted for in another fund.

Transportation Operating Fund accounts for activities associated with the City's transportation system. The resources available to this fund that are neither restricted nor committed are a combination of parking revenue and license and permit fees. Other resources include: state gas tax, system development charges, and agreements

significant amount of the resources available to this fund are restricted.

The City reports the following major proprietary funds:

The *Sewage Disposal Fund* accounts for the activities associated with wastewater collection and treatment. The *Water Fund* accounts for activities associated with the water distribution system.

Additionally, the City reports the following fund types:

Special revenue funds are primarily operating funds that account for revenue derived from specific taxes or other revenue sources, which are legally restricted to finance particular functions or activities. When a special revenue fund is not an operating fund, transfers are made from the special revenue fund to the operating funds authorized to make expenditures.

Debt service funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on long-term debt of governmental funds.

Capital projects funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital-related outflows financed by proprietary funds are included within those funds. The principal sources of revenues are proceeds from bonded debt, assessments, system development charges, local cost sharing, and other service charges.

The *permanent fund* accounts for and reports resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs for the benefit of the City and its citizenry.

Enterprise funds account for the operations of predominantly self-supporting activities rendering services to the public on a user charge basis.

Internal service funds account for goods and services provided by one City bureau to another City bureau, or to other governments on a cost reimbursement basis. The internal service funds account for the activities of health insurance for employees, facilities, fleet, printing and distribution, liability insurance, workers' compensation insurance, technology services, and support services for the City's financial system.

Pension trust fund accounts for the activities of the Fire and Police Disability and Retirement pension and benefits for members of the Fire and Police Bureaus, their widows and surviving children.

Agency funds account for resources received and held by the City in a custodial capacity on behalf of other organizations. The City maintains two types of agency funds, trustee and clearing. Trustee funds are used to account for resources collected on behalf of other governments or organizations. Clearing funds are used to account for amounts previously expensed to operating funds and transferred to the clearing funds until paid.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between enterprise and various other City functions. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Indirect expenses include general government, support services, and administration costs. These indirect expenses are based on a full-cost allocation approach, thereby spreading indirect expenses among functions with the objective of applying all expenses. This allocation is performed through the General Fund and is included in direct program expenses for the various functional activities within individual funds.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Taxes and other items, not included as program revenues, are reported as general revenues.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods or services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for services such as water and sewer.

The principal operating revenues of the City's internal service funds are printing fees, telecommunication charges, vehicle use and maintenance fees, insurance fees, facility rents, and information system support charges primarily to other City funds.

Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Service charges and fees provided internally (revenues) and services and materials provided internally (expenses) by internal service funds have been segregated from the service charges and fees (revenues) and professional services (expenses) to more clearly illustrate internal versus external of proprietary funds.

The Parks Endowment Fund, the City's only permanent fund, accounts for gifts, donations, and endowments of a permanent nature. The principal is invested and interest earnings are available to support Parks and Recreation programs and activities. Any income not used under the terms and conditions of the original donation shall increase the trust reserve.

Specific fund changes

During the fiscal year ended June 30, 2019, three new funds were established. The funds are:

Special Revenue Funds:

- Cannabis Licensing
- Portland Clean Energy Community Benefits
- Housing Development Costs

Enterprise fund:

The Hydroelectric Power program's outstanding revenue bond debt was paid in the fiscal year ended June 30, 2017. This fund is temporarily inactive; however, it is anticipated that the program will continue in the future. There were no payments made from the Hydroelectric Power Bond Redemption Fund in the fiscal year ended June 30, 2019.

D. Assets, liabilities, and net position or equity:**1. Cash and investments**

The City maintains a cash and investment pool that is available for use by all funds, including its component units. Cash and investments are presented on the balance sheet in the basic financial statements at fair value in accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, and GASB Statement No. 72, Fair Value Measurement and Application.

All investment pool cash purchases and sales are part of the City's cash management activity and considered cash and cash equivalents. Activities undertaken by the pool, on behalf of the proprietary funds, are not part of operating, capital, investing, or financing activities of the proprietary funds. Details of these transactions are not reported in the Statements of Cash Flows. In general, interest earned from pooled investments is allocated to each fund based on the average earnings rate and daily cash balance of each fund.

Oregon Revised Statutes (ORS) 294, authorizes the City and component units to invest primarily in general obligations of the United States (U.S.) Government and its agencies and instrumentalities, of the U.S. or enterprises sponsored by the U.S. Government and obligations whose payment is guaranteed by the U.S., agencies and instrumentalities of the U.S. or enterprises sponsored by the U.S. Government, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, high-grade commercial paper, and the State Treasurer's Local Government Investment Pool (LGIP).

2. Receivables

Uncollected property taxes in governmental funds are shown on the balance sheet as receivables. Property is valued annually, as of January 1. Taxes are assessed and become property liens on July 1, annually. Property tax statements are mailed no later than October 25, and taxes are due in three installments on November 15, February 15, and May 15. Discounts, less than or equal to 3%, are offered to those paying early. Taxes outstanding on May 16 are considered delinquent. Property tax receivables are deemed to be substantially collectible or recoverable through foreclosure. Accordingly, no allowance for doubtful tax accounts is deemed necessary. All other receivables are shown net of an allowance for uncollectibles.

Proprietary fund receivables are recorded as revenue when earned, including services earned but not billed. The receivables of proprietary funds include billing for residential and commercial customers utilizing the City's water, sewer, and storm water management services. These receivables are reported net of an allowance for doubtful accounts. The allowance for doubtful accounts is based on management's assessment of the collectability of specific customer accounts, the aging of the accounts receivable, historical experience, and other currently available evidence.

Local Improvement District (LID) project expenditures are recognized as accounts receivable when incurred. Upon completion of LID projects, City Council assesses a lien upon the benefited properties at which point accounts receivable are reclassified as assessments receivable.

Contracts and mortgages receivable consist primarily of loans for restoration and rehabilitation of property within the City. Federal and state grants, shared revenues, and interest are recorded as revenue when earned and are included in accounts and grants receivable.

Loans receivable are recorded when the borrower has signed a promissory note, and disbursements are made in accordance with the loan agreement. Through fiscal year ended June 30, 2019, the City maintained a valuation allowance for loans receivable that was comprised of an allowance for risk.

3. Inventories and property held for sale

Inventories are materials and supplies that are stated at average cost. For both governmental and proprietary fund financial statements, inventories are expensed when consumed or used in operations. Inventories are expensed when purchased in the budgetary statements and schedules.

Land and related buildings and improvements acquired for the purpose of redevelopment and sale are recognized as assets and stated at the lower of cost (including costs of appraisal, demolition, and relocation) or net realizable value and are offset by a non-spendable or restricted fund balance depending on the fund classification. Upon final disposition or a decline in the value of the property, gain or loss is charged or credited to operations.

4. Prepaid items and advances

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items or advances in both the government-wide and fund financial statements using the consumption method. Payments which are classified as prepaid are primarily items that are being amortized such as prepaid insurance and rent. Payments made to small nonprofits and businesses, which need payments in advance due to their lack of working capital, are classified as advances.

5. Capital assets

The City classifies assets with an estimated useful life in excess of one year as capital assets. Capital assets, which include land, construction in progress, buildings and building improvements, improvements to land, leasehold improvements, equipment, infrastructure, capital leases, and intangible assets (land use rights, owning rights, and software), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

All land, buildings, permanent land use rights, and permanent owning rights are capital assets with no minimum cost threshold. Infrastructure, land improvements, and internally-generated software are capitalized with total costs of \$10,000 or more. Equipment, term land use rights, term owning rights, and other computer software (not internally-generated) with a cost of \$5,000 or greater are capitalized. Dollar thresholds for capital lease assets are the same amount as the purchased capital asset counterpart.

Land use rights include: easements, rights of way, water, timber, air, and mineral rights that grant the City the ability to use, obtain, harvest, mine, or otherwise use resources on land not owned by the City. Owning rights include: trademarks, copyrights, and patents.

Capital assets, including intangibles, are recorded at historical cost or estimated historical cost when actual cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The cost of normal maintenance and repairs that do not add value to the asset or materially extend asset lives are not capitalized. Management evaluates capital assets for impairment and retirement biannually, or as circumstances warrant.

Upon disposal of capital assets, historical cost or estimated historical cost is removed. Proceeds from sales are generally recorded as revenue in the fund that originally acquired the assets.

Depreciation and amortization of capital assets are computed on the straight-line method over their estimated useful lives. Depreciation and amortization are not taken during the year of acquisition. Beginning in fiscal year 2008-09, salvage values are no longer used except for vehicles.

The estimated useful lives of capital assets are:

- Infrastructure – 20 to 100 years
- Improvements to land – 20 to 50 years
- Buildings & building improvements – 10 to 50 years
- Equipment – 3 to 20 years
- Term land use rights – depends on conditions of contract
- Term owning rights – depends on conditions of contract
- Computer software – internally generated – 7 to 17 years
- Computer software – other software – 1 to 10 years

Works of art and historical treasures held as a collection are not capitalized as long as:

- a. Collections are held for public exhibit rather than financial gain;
- b. Such items are protected, unencumbered, cared for, and preserved; and
- c. Proceeds from any sales are used by the City to acquire other works of art and historical treasures.

Such items are owned by the City but protected and maintained by the Regional Arts and Culture Council, a nonprofit corporation. The City's collection consists of many items acquired over a long period of time.

6. Capitalized interest

Interest costs of borrowing, less interest earned on investments acquired with these proceeds, are capitalized in enterprise funds from the date of borrowing, after the date of actual expenditure, until the constructed assets are ready for their intended use.

7. Restricted amounts

Certain assets are classified as restricted assets because their use is limited by parties external to the City. Parties external to the City include citizens, creditors, grantors, public interest groups, other governments, and the courts. Restrictions may also be imposed by law through constitutional provisions or legally enforceable enabling legislation. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

8. Accounts payable

Accounts payable to vendors and contractors include general accounts payable, retainage payable, deposits payable, and other accrued contingent liabilities not included in short-term or long-term liabilities.

9. Compensated absences

City employees accumulate earned but unused vacation and sick leave benefits in accordance with applicable bargaining agreements. Vacation leave is recorded in government-wide, proprietary, and fiduciary fund financial statements when earned by employees. Employees may not accumulate more than the vacation earned in a two-year period without the approval from the City Council. Compensated absences are reported in governmental funds only if they have matured. Collective bargaining agreements for Fire and Police Bureau employees require payment for accrued sick leave upon retirement. Sick leave for these employees is accrued when earned. Sick leave for other City employees does not vest and is expended in all funds when leave is taken. All compensated absences are paid by the individual funds as they become due.

10. Long-term obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental and business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In the governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs, are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

11. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

12. Pensions

Oregon Public Employees Retirement System (OPERS) - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the OPERS and additions to/deductions from OPERS's fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fire and Police Disability, Retirement and Death Benefit Plan (FPDR) - For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of FPDR and additions to/deductions from FPDR fiduciary net position have been determined on the same basis as they are reported by FPDR. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

13. Other Postemployment Benefits (OPEB)

OPERS - Retirement Health Insurance Account - For purposes of measuring the net OPEB liability / asset, deferred outflows of resources and deferred inflows of resources to OPEB, and OPEB expense, information about the fiduciary net position of the OPERS and additions to / deductions from OPERS's fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, OPERS recognizes benefit payments when due and payable in accordance with benefit terms. Investments are reported at fair value.

City of Portland Health Insurance continuation (HIC) - For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources to OPEB, and OPEB expense, the City has relied on actuarial reports. The City allows retired employees to purchase health insurance at the same rates as active employees. The related expense is recognized as the City pays premiums to Kaiser or when claims are paid to health providers, depending on which insurance plan the retirees participate in.

14. Net position and fund balances

In the financial statements, assets in excess of liabilities are presented in one of two ways depending on the measurement focus of the statement.

On the Statement of Net Position for government-wide reporting and for the proprietary funds and fiduciary funds' Statement of Fiduciary Net Position, net position is segregated into three categories: net investment in capital assets; restricted net position; and unrestricted net position.

Net investment in capital assets represents total capital assets less accumulated depreciation and capital related debt and net of unspent bond proceeds. Deferred outflows of resources and deferred inflows of resources directly related debt should also be included in this section. Significant unspent deferred inflows of resources should not be included.

Restricted net position represents net position that is not subject solely to the government's own discretion. Restrictions may be placed on net position by an external third party that provided the resources, by laws or regulations of other governments, by enabling legislation, by endowment agreements, or by the nature of the asset. Unspent bond proceeds for capital projects are used in the calculation of restricted net position.

Unrestricted surplus (deficit) net position represent amounts not included in other categories.

On the Balance Sheet – Governmental Funds, assets in excess of liabilities are reported as fund balances and are segregated into separate classifications indicating the extent to which the City is bound to honor constraints on the specific purposes for which those funds can be spent.

Fund balance is reported as **Nonspendable** when the resources cannot be spent because they are either in a nonspendable form or are legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, endowment principal, and prepaid items.

Fund balance is reported as **Restricted** when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, the City's policy is to use restricted resources first, and then unrestricted resources as they are needed.

Fund balance is reported as **Committed** for amounts that can be used only for specific purposes with constraints imposed by the highest level of decision-making authority. The City operates under a commission form of government. The Mayor supervises the general affairs of the City, and together with the four commissioners, comprises the City Council, the City's highest level of decision-making authority. The City Council meets weekly to conduct legislative business and enacts ordinances that may impose, modify, or rescind fund balance commitments. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation.

The City has established policies requiring that governmental funds be created by the City Council and that each fund in the City shall have a statement of purpose, adopted by ordinance of the City Council. With the exception of the General Fund, all governmental funds are considered **Assigned** unless further constrained as described above. The City Council, via ordinance, determines the government's intent to use the resources in the governmental funds for the specific purposes described in each fund's statement of purpose. Resources that are constrained by the City's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as **Assigned** fund balance. Through the adoption of the annual budget with resources in funds outside of the General Fund, the City Council is assigning those resources to the purpose of that fund. The City Council via adoption of the City's budget, determines the specific uses of the General Fund; the portion of ending fund balance that has been appropriated to eliminate a projected budgetary deficit in the next year's budget is reported as **Assigned** fund balance.

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that is not otherwise reported as nonspendable, restricted, or committed within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

The City has not established a formal policy regarding the use of its unrestricted fund balance amounts. When expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used, the City intends to reduce committed amounts first, followed by assigned amounts, and then unassigned amounts.

15. Leases

In accordance with GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, some leases are classified as capital lease obligations and are recorded at the lesser of present value of minimum lease payments or fair value of the leased property at inception. Leases not meeting the criteria of a capital lease are classified as operating leases.

16. Statement of cash flows

In the statement of cash flows for proprietary funds, cash and cash equivalents include all assets in the cash and investment pool. This pool is similar to a demand deposit account for enterprise and internal service funds, so deposits and cash withdrawals may be made at any time without prior notice or penalty. This treatment is in conformity with GASB Statement No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting, which states that deposits in cash management pools that have the general characteristics of demand deposit accounts are appropriately classified as cash.

17. Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

18. Stabilization arrangements

There are two stabilization arrangements within the City, for which separate funds have been established: the *General Reserve Fund* and the *Transportation Reserve Fund*.

The General Reserve Fund was established by Resolution No. 34722 and adopted by the City Council on May 3, 1990. The two components to the General Reserve Fund are the emergency reserve and the countercyclical reserve. Each component is mandated to maintain a balance of 5% of the General Fund revenues less any short-term borrowing receipts, intrafund, and grant revenues.

The Council reserves one half of the required General Reserve Fund as an emergency reserve. The emergency reserve is available to address one-time emergencies and unanticipated expenditure requirements or to offset unanticipated revenue fluctuations occurring within a fiscal year. The Council may withdraw funds from the emergency reserve when the Council has declared an emergency by ordinance and after the General Fund's budget contingency is exhausted. The emergency reserve shall be accessed only when emergency expenditures or an unexpected revenue reduction would result in a negative General Fund ending fund balance.

The Council shall begin to restore emergency reserves used under this policy within 24 months after their first use and shall include a timeline for full reimbursement in the ordinance declaring the emergency.

The second half of the reserve is designated as a countercyclical. The Council will use this half of the reserve to either maintain General Fund current service level programs or transition expenditure growth to match slower revenue growth during the first 18-24 months of a recession. The countercyclical reserve is designated for use as "bridge financing" necessary to offset slower revenue growth during a recession. For purposes of this policy, slower or recessionary revenue growth triggers Council's assessment of the use of the reserve when:

- Basic revenue growth falls to below 5.5% for two consecutive quarters or the Financial Forecast estimates basic revenue growth will be below 5.5% for the next fiscal year. Basic revenue is defined as the sum of General Fund property tax, business license, utility license / franchise fees, cigarette and liquor taxes, transient lodging taxes, and interest income.

In addition, one or more of the following conditions occurs in conjunction with slower basic revenue growth:

- The Portland Metropolitan Area (PMA) unemployment rate is reported above 6.5% for two consecutive quarters, or the Financial Forecast estimates PMA unemployment will average in excess of 6.5% for the next fiscal year.
- The property tax delinquency rate exceeds 8%.
- Business license year-to-year revenue growth falls below 5.5% for two consecutive quarters, or the Financial Forecast estimates business license revenue growth at less than 5.5% for the next fiscal year.

The Council should begin to restore countercyclical reserves within 24 months of their first use. Revenue shortfalls associated with bureau service reimbursement income, contract income, or cost recovery income may not be offset by a transfer of resources from the General Reserve Fund. The fund balance of the General Reserve Fund was \$69.19 million as of June 30, 2019.

The Transportation Reserve Fund was established on July 1, 1992 in accordance with Ordinance No. 165570, which created the transportation reserve policy. The policy designates two types of reserves.

Countercyclical reserves are mandated to maintain current service level programs or buffer the impact of major revenue interruptions, such as those caused by an economic recession. The policy sets this reserve amount at 5% of the Portland Bureau of Transportation's (PBOT's) discretionary adopted budget revenues.

Emergency reserves are mandated to fund major one-time unexpected requirements, such as those related to a at 5% of PBOT's discretionary adopted budget appropriations excluding contingency. Due to continued reductions in the Transportation Operating Fund, transfers to the reserves have not yet reached the level the policy requires.

E. Adoption of new GASB pronouncements:

During the fiscal year ended June 30, 2019, the City implemented the following GASB Pronouncements:

GASB Statement No. 90, Majority Equity Interests. Issued August 2018, the primary objective of this statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization; and to improve the relevance of financial statement information for certain component units. GASB 90 will be effective for the City, in the fiscal year ending June 30, 2020, however the City has opted for early implementation in the fiscal year ended June 30, 2019. The City does not currently own a majority equity interest in any legally separate organization, and therefore is not subject to the reporting requirements of GASB Statement

F. Future adoption of GASB pronouncements:

The following GASB pronouncements have been issued, but are not effective as of June 30, 2019:

identifying fiduciary activities of all state and local governments. GASB 84 will be effective for the City, fiscal year

financial statement users by improving accounting and financial reporting for leases by governments. and increases the usefulness of governments' financial statements. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. GASB Statement No. 87 will be effective for the City for fiscal year ending June 30, 2021.

statement was issued June 2018, this Statement establishes accounting requirements for interest cost incurred

accounting for interest cost incurred before the end of a construction period. GASB Statement No. 89 will be effective for the City for fiscal year ending June 30, 2021.

accounting requirements for conduit debt obligations by issuers. The objectives of this Statement are to eliminate debt obligations, and (3) related note disclosures. GASB Statement No. 91 will be effective for the City for fiscal

The City of Portland will implement new GASB pronouncements no later than the required effective date. The City is currently evaluating whether or not the above listed new GASB pronouncements will have a significant impact to the City's financial statements.

II. Stewardship, compliance, and accountability:**A. Budgetary information:**

Except for certain fiduciary funds, state law requires the City to budget all funds. State law further requires that total resources in each fund equal total expenditures and requirements for that fund. Appropriations lapse at fiscal year end.

The City legally adopts its budget annually for all funds prior to July 1st through passage of an ordinance. This budget ordinance authorizes positions and establishes appropriations for the fiscal year by bureau, fund, and major categories of expenditures. The legal level of appropriation is established for bureau program expenses, interfund cash transfers, total debt service and related expenditures, contingencies for each fund, and for the General Fund at the appropriation-unit level. Bureau program expenses include the major object categories; personal services, materials and services, and capital outlay. Special appropriations are budgeted at the fund level across functional areas within the General Fund. The City budgets on the modified accrual basis of accounting.

Budgets may be modified during the fiscal year through different means. Bureau managers, without City Council's approval, may request a transfer of appropriations between line items within major object categories, provided transfers do not affect total appropriations. In addition, bureaus may transfer appropriations between major object categories with the permission of their commissioner-in-charge, provided the adjustments do not affect total appropriations. However, most appropriation transfers happen during one of the three supplemental budget processes during the year (Budget Monitoring Process).

Bureaus can amend the budget via ordinance outside the Adopted Budget and Budget Monitoring Process with City Council approval. All new grant awards received mid-year go before Council for budget amendment approval.

B. Expenditures in excess of appropriations:

State law requires a supplemental budget to increase appropriations when unexpected additional resources become available. A supplemental budget is also required to transfer appropriations from a fund's operating contingency during the fiscal year. The supplemental budget process requires a public hearing, advance notice by newspaper publication, and City Council approval. The City adopted three supplemental budgets during the fiscal year ended June 30, 2019.

Oregon state law requires disclosure of fund expenditures in excess of budgeted appropriations. However, local budget law exempts reporting of over appropriations for a variety of situations related to the issuance, repayment and refunding of bonds as defined in ORS 294.338(3-5). This includes bonds issued under revenue bond authority as defined in ORS 287A.360 to 287A.380. Additionally, any outstanding obligation related to an approved bond redemption, in a prior adopted budget period as defined in ORS 294.338(3)(B)(iii) is also exempt.

For the fiscal year ended June 30, 2019, three funds had expenditures for other financing uses payments refunded to loan and bond escrow agents [exempt per ORS 294.338(4)(c)] over appropriations that were exempt from supplemental budgetary requirements per ORS 294.338.

Debt service funds, exempt per 294.338(4)(c):

- Bancroft Bond Interest and Sinking - a special type of Debt Service Fund established by ORS 223.205; 223.260.

Capital Projects funds, exempt per 294.338(4)(c):

- Public Safety GO Bond Construction

Enterprise fund, exempt per 294.338(4)(c):

- Parking Facilities.

Internal service fund, exempt per 294.338(4)(c):

- Facilities Services Operating.

There were two funds that exceeded budget at the legal level of appropriation other than that exempt as noted above. The following funds had excess expenditures over appropriations for the fiscal year-end:

General Fund:

Office of the City Auditor

Internal materials and services	296,230
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Sewer System Construction Fund:

Transfer to other fund	1,419,321
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C. Deficit fund equity:

Oregon state law requires fund disclosure of deficit fund balances/total net position. At June 30, 2019, two funds reported a deficit fund balance and one fund had a deficit net position in the GAAP basis financial statements:

Nonmajor Special Revenue Fund:

Grants	\$ 12,066,168
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Housing Development Costs	3,295
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Internal Service Fund:

Printing and Distribution Services Operating	575,607
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The Grants Fund, a special revenue fund, reported a deficit fund balance of \$12.07 million in the Grants columns of the Combining Balance Sheet - Nonmajor Special Revenue Funds, and the Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Special Revenue Funds. The City's financial system tracks grant-related expenditures in a central grants fund and the activity for this fund is reported in governmental activities in the government-wide Statement of Activities. The deficit was the result of the timing of the grants reimbursements. Nearly all of the City's grants are reimbursable, which requires the City to incur the expenditures prior to billing the grantor agencies and receiving reimbursement.

The Housing Development Costs fund, a special revenue fund, reported a deficit fund balance of \$3,295 in the Housing Development Costs columns of the Combining Balance Sheet - Nonmajor Special Revenue Funds, and the Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Special Revenue Funds. The deficit fund balance is a result of the fund being created near fiscal year end, and the timing of resources being transferred to the fund, which created a negative cash balance at year end. This was a one-time transfer of resources and will not occur in future years.

The Printing and Distribution Services Operating (P&D) Fund, an internal service fund, reported deficit net position of \$575,607 in the Governmental Activities - Internal Service Funds columns of the Statement of Net Position - Proprietary Funds, and the Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds. The activity for this fund is reported in governmental activities in the government-wide Statement of Activities. The deficit net position of the P&D Fund is a result of the liabilities for Public Employees Retirement System (PERS). Without an increase in assets, the PERS liability will continue to cause a negative net position for the P&D Fund.

III. Detailed notes:

A. Cash and investments:

Cash and investments for the primary government are reported in governmental and business-type activities. The balances at June 30, 2019 are:

	Primary Government	Fiduciary Activities	Total Government	Component Unit (Prosper Portland) ⁽¹⁾	Total
Cash on hand	\$ 9,322	-	\$ 9,322	\$ 400	\$ 9,722
Deposits with financial institutions	39,554,868	-	39,554,868	394,739	39,949,607
Less outstanding checks	-	-	-	(559,378)	(559,378)
Investments	1,615,233,376	101,535,582	1,716,768,958	292,228,174	2,008,997,132
Total Cash and investments	<u>\$ 1,654,797,566</u>	<u>\$ 101,535,582</u>	<u>\$ 1,756,333,148</u>	<u>\$ 292,063,935</u>	<u>\$ 2,048,397,083</u>

⁽¹⁾ Prosper Portland cash and investments with the City include \$584,673 of outstanding payroll, payroll taxes, and cash in transit from the City.

Restricted cash and investments:

	Governmental Activities	Business-type Activities	Total Primary Government	Fiduciary Activities	Total Government	Component Unit (Prosper Portland)	Total
Unrestricted	\$ 389,388,929	\$ 471,125,068	\$ 860,513,997	\$ 71,508,652	\$ 932,022,649	\$ 292,063,935	\$ 1,224,086,584
Restricted	686,576,812	107,706,757	794,283,569	30,026,930	\$ 824,310,499	-	824,310,499
Total	<u>\$ 1,075,965,741</u>	<u>\$ 578,831,825</u>	<u>\$ 1,654,797,566</u>	<u>\$ 101,535,582</u>	<u>\$ 1,756,333,148</u>	<u>\$ 292,063,935</u>	<u>\$ 2,048,397,083</u>

Cash and investments at June 30, 2019, restricted by legal or contractual requirements, are reported in governmental activities, business-type activities and fiduciary funds as follows:

Cash and investments by funds

Governmental activities:

General fund:

Business license overpayments \$ 10,879,787

Transportation fund:

Capital projects 246,098,476

Nonmajor governmental funds:

Debt service 100,048,686

Federal and state grants 3,665,985

Voter approved special levies 15,518,922

Capital projects 140,737,853

Public safety 5,469,174

Parks, recreation and culture 1,589,653

Community development 85,431,405

Community solar 23,015,648

Permanent endowment 190,844

Housing 387,323

Internal services 53,543,056

Total governmental activities 686,576,812

Business-type activities:	
Sewage Disposal fund:	
Debt service for capital projects related debt	75,273,418
Water fund:	
Debt service for capital projects related debt	31,361,200
Nonmajor enterprise funds:	
Environmental remediation	1,072,139
Total business-type activities	107,706,757
Total primary governmental restricted cash	794,283,569
Total fiduciary activities	30,026,930
Total restricted cash and investments	\$ 824,310,499

Component unit - Prosper Portland

Total cash reported by Prosper Portland for fiscal year ending June 30, 2019 was \$292.06 million, none of which was restricted.

DepositsPrimary government

Custodial credit risk—deposits. There is a risk that, in the event of a bank failure, the City's deposits may not be returned. The City's deposit policy is in accordance with ORS 295. All deposits are collateralized with eligible securities in amounts determined by the Oregon State Treasury (OST). The OST's custodian, Federal Home Loan Bank of Des Moines, is the agent of the depository bank. The securities pledged are designated as subject to the Pledge Agreement between the Depository Bank, Custodian Bank and OST and are held for the benefit of the OST on behalf of the public depositors. The City's deposit policy requires that all deposits are covered by the Federal Deposit Insurance Corporation (FDIC), and/or are collateralized as required by and in compliance with ORS 295. The FDIC's standard insurance amount is \$250,000 per depositor, per insured bank, for each account ownership category.

As of June 30, 2019, the book value of all the City's deposits was \$40 million.

Component unit - Prosper Portland

As of June 30, 2019, the book value of all the Prosper Portland deposits was \$394,739.

InvestmentsPrimary Government

All investment pool purchases and sales are part of the City's cash management activity and considered cash and cash equivalents. Activities undertaken by the pool on behalf of the proprietary funds are not part of operating, capital, investing, or financing activities of the proprietary funds, and details of these transactions are not reported in the statement of cash flows.

Interest earned from pooled investments is allocated to each fund based on the average earnings rate and daily cash balance of each fund.

Treasury assesses a management fee that is deducted from investment income before distributions are made to all City funds. This fee is based on Treasury's net operating expenses and totaled \$995,086 for fiscal year ended June 30, 2019.

Fair Value Inputs and Methodologies

The following methods (or "techniques") and inputs are used to establish the fair value of each asset.

Bond investments are valued on the basis of the last available bid prices or current market quotations provided by dealers or pricing services. Floating rate loan interests are valued at the mean of the bid prices from one or more brokers or dealers as obtained from a pricing service. In determining the value of an investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrices, market transactions in comparable investments and various relationships observed in the market between investments and calculated yield measures.

Fair Value Hierarchy

Various inputs are used in determining the fair value of investments. These inputs to valuation techniques are categorized into a fair value hierarchy consisting of three broad levels for financial statement purposes as follows:

Level 1 - unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access.

Level 2 - other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs).

Level 3 - unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments).

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (*Level 1* measurements) and the lowest priority to unobservable inputs (*Level 3* measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in *Level 3*. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The categorization of a value determined for investments is based on the pricing transparency of the investments and is not necessarily an indication of the risks associated with investing in those securities.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The City has recorded its investments at fair value, and primarily uses the Market Approach to valuing each security. The City applies fair market value updates to its securities daily. Security pricing is provided by a third-party, and is reported daily to the City by its custodian bank. Assets are categorized by asset type, which is a key component of determining hierarchy levels. Asset types allowable per the City's investment policy generally fall within hierarchy *Level 1* and *2*.

The City has the following recurring fair value measurements as of June 30, 2019:

Investments Measured at Fair Value (\$ in millions):	Total	Fair Value Measurements Using			Amortized Cost Not measured at Fair Value
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	
		Level One	Level Two	Level Three	
U.S. Treasury	\$ 179,699,500	\$ -	\$ 179,699,500	\$ -	\$ -
U.S. Agencies	1,334,019,572	-	1,334,019,572	-	-
Corporate bonds	367,686,569	-	367,686,569	-	-
Municipal bonds	11,295,041	-	11,295,041	-	-
Commercial paper	24,996,750	-	24,996,750	-	-
Repurchase Agreements	37,250,000	-	37,250,000	-	-
Time/Interest Bearing Deposits	4,073,520	-	-	-	4,073,520
Local Government Investment Pool	49,976,180	-	-	-	49,976,180
Total investments	<u>\$2,008,997,132</u>	<u>\$ -</u>	<u>\$ 1,954,947,432</u>	<u>\$ -</u>	<u>\$ 54,049,700</u>

The City's investment policy is reviewed annually by the Office of Management and Finance, after consulting with the City's Investment Advisory Committee (IAC). Material changes to the policy require submission to the Oregon Short-Term Fund Board for review. Once completed, it is submitted annually for adoption by City Council.

The City does not invest in any form of derivatives or reverse repurchase agreements and does not leverage its investment portfolio in any manner. The City purchases investments only through designated Primary Government Securities Dealers approved by the Federal Reserve Bank of New York, or broker/dealers approved by the Chief Financial Officer or designee in consultation with the City Treasurer and the IAC.

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. The City intends to measure these investments at book value, as the LGIP's fair value approximates its amortized cost basis.

The following investments are permitted under the City's investment policy as well as by ORS 294.035 and ORS 294.810:

- United States Treasury debt obligations
- United States Agency debt obligations
- Interest-bearing deposits in State of Oregon financial institutions collateralized with securities as required by Oregon Revised Statute 295
- State of Oregon Local Government Investment Pool
- Repurchase agreements secured by the United States Treasury and the United States Agency debt obligations
- Corporate debt obligations issued by U.S. corporations
- Bankers acceptances
- Municipal debt obligations issued by Oregon state or local governments

Interest rate risk. Interest rate risk is the risk that the value of a debt security may fall when interest rates rise. In general, the market price of debt securities with longer maturities will go up or down in response to changes in interest rates more than the market price of shorter-term securities. Additionally, securities issued or guaranteed by the U.S. Government, its agencies, instrumentalities and sponsored enterprises have historically involved little risk of loss of principal if held to maturity. However, due to fluctuations in interest rates, the market value of such securities may vary prior to maturity.

As of June 30, 2019, the weighted-average maturity of the City's investment portfolio was 1.25 years. To minimize interest rate risk, the City's investment policy limits the portfolio to a maximum weighted-average maturity of 24 months. In addition, no more than 50% of the projected lowest cash balance may be invested in securities with a maturity range beyond two years. All other funds must be invested in less than two-year maturities.

Credit risk. Credit risk is the financial risk of not receiving principal and interest when due from an issuer. The City's investment policy seeks to minimize this risk by the conservative nature of permissible investments, and by establishing limits on the level of investments with financial institutions, other municipalities, and issuers of commercial paper and by monitoring credit quality on an ongoing basis. A portfolio policy stressing a relatively short maturity and highly rated investment-grade debt serves to minimize credit risk. Maximum combined corporate indebtedness (Commercial Paper and Corporate Bonds) is limited to 35% of the total portfolio and a 5% limit of the total portfolio per issuer.

The City's investments in United States Treasury and Agency debt obligations have short-term credit ratings of P-1 / A-1 / F-1, by Moody's Investor Services, Standard & Poor's, and Fitch Ratings respectively. Long-term credit ratings show in the table below. The City's investments in Corporate Debt Obligations in the table below represent either short-term or long-term credit ratings.

As of June 30, 2019, the LGIP was not rated. The credit quality distribution for securities with credit exposure as a percentage of total investments as of June 30, 2019 is as follows:

	Moody's Investor's Service	Standard & Poor's	Fitch Ratings	Percentage of Total Investments
Federal Home Loan Bank	Aaa	AA+	AAA	16.30%
Federal Home Loan Mortgage Corporation	Aaa	AA+	AAA	16.37%
Federal National Mortgage Association	Aaa	AA+	AAA	9.72%
Federal Farm Credit Bank	Aaa	AA+	AAA	13.11%
Federal Agriculture Mortgages Corporation	N/R*	N/R*	N/R*	9.30%
United States Financing Corp (FICO)	Aaa	N/R*	N/R*	0.00%
Private Export Funding Corp (PEFCO)	Aaa	N/R*	AAA	0.80%
Resolution Trust Funding Corp	Aaa	N/R*	AAA	0.49%
US Dept of Housing & Urban Development	Aaa	AA+	AAA	0.08%
Tennessee Valley Authority	Aaa	AA+	AAA	0.25%
United States Treasury	Aaa	AA+	AAA	8.94%
Total U.S. Agency Debt Obligations				<u>75.36%</u>
Corporate bonds	Aa3	AA-	AA-	18.30%
Municipal bonds	Aa1	AA+	AA+	0.56%
Commercial paper	P-1	A-1+	F1	1.24%
Repurchase agreements	N/R*	N/R*	N/R*	1.85%
Time/Interest bearing deposits	N/R*	N/R*	N/R*	0.20%
Local Government Investment Pool	N/R*	N/R*	N/R*	2.49%
				<u>24.64%</u>
Total Investments				<u>100.00%</u>

N/R* =Not Rated

Concentration of credit risk. This is the risk that, when investments are concentrated in one issue, this concentration presents a heightened risk of potential loss. Of the City's total investments, as of June 30, 2019, 75% were United States Treasury and Agency debt obligations or short-term investments (see table above for individual distributions). All other investments not explicitly guaranteed by the United States Government were limited to 5% per issuer. The City's investment policy addresses credit risk concentration by limiting both the types and amounts of securities that may be held in the portfolio. The restrictions of the portfolio vary based upon the investment type and issuer. These restrictions, as well as other information contained in the City's investment policy, are located at: <https://www.portlandoregon.gov/bfrs/article/712952>

Custodial credit risk. This is the risk that, in the event of failure of a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All trades are executed by delivery vs. payment to ensure that securities are deposited in an eligible financial institution prior to the release of funds. As of June 30, 2019, the City had no investments that were held by either a counterparty or a counterparty's trust department agent. Therefore, the City has no outstanding investments that were exposed to custodial credit risk.

Income risk. Income risk is the risk that the portfolio's yield will vary as short-term securities in the portfolio mature and the proceeds are reinvested in securities with different interest rates.

Market risk and Selection risk. Market risk is the risk that one or more markets in which the portfolio invests will go down in value, including the possibility that the markets will go down sharply and unpredictably. Selection risk is the risk that the securities selected by portfolio management will underperform the markets, the relevant indices, or other securities available for selection with similar investment objectives and investment strategies.

Municipal securities risks. Municipal securities risks include the relative lack of information about certain issuers of municipal securities, and the possibility of future legislative changes which could affect the market for and value of municipal securities.

U.S. Treasury debt obligations risk. Direct obligations of the U.S. Treasury have historically involved little risk of loss of principal if held to maturity. However, due to fluctuations in interest rates, the market value of such securities may vary during the holding period.

U.S. Agency obligations risk. Certain securities in which the portfolio may invest, including securities issued by certain government agencies and government sponsored enterprises, are not guaranteed by the U.S. Government or supported by the full faith and credit of the United States.

Repurchase agreement risk. In a repurchase agreement, the City purchases securities from a counterparty who agrees to repurchase the same security at a mutually agreed upon date and price. On a daily basis, the counterparty is required to maintain eligible collateral subject to the agreement and in value no less than 102% of the agreed repurchase amount. The City only accepts United States Treasuries or Agencies as collateral. The agreements are conditioned upon the collateral being deposited under the Federal Reserve book entry system or held in a segregated account by a custodian under tri-party repurchase agreements. In the event the counterparty defaults and the fair value of the collateral declines, the City could experience losses, delays and costs in liquidating the collateral, should it be required to liquidate the securities prior to stated maturities.

When-issued, Delayed delivery securities and Forward commitments risk. When-issued, delayed delivery securities and forward commitments involve the risk that a security the portfolio buys will lose value prior to its delivery. There also is the risk that a security will not be issued or that the other party to the transaction will not meet its delivery obligation. If this occurs, the portfolio may lose both the investment opportunity for the assets it set aside to pay for the security and any gain in the security's price.

As of June 30, 2019, the City had the following investments and maturities (this table includes fiduciary activities):

Investment Type	Book Value	Fair Market Value	Fair Value Investment Maturity (Years)		Weighted Average Maturity (Years)
			Less Than 1	1 - 5	
U.S. Treasury Debt Obligations	\$ 179,030,904	\$ 179,699,500	\$ 149,780,300	\$ 29,919,200	0.06
U.S. Agencies	1,330,819,469	1,334,019,572	703,369,901	630,649,671	0.87
Corporate bonds	365,017,637	367,686,569	102,912,677	264,773,892	0.31
Municipal bonds	11,206,768	11,295,041	2,490,675	8,804,366	0.01
Repurchase agreements	24,994,063	24,996,750	24,996,750	-	-
Commercial paper	37,250,000	37,250,000	37,250,000	-	-
Time/Interest bearing deposits	4,073,520	4,073,520	4,073,520	-	-
Local Government Investment Pool	49,976,180	49,976,180	49,976,180	-	-
Total investments	<u>\$ 2,002,368,541</u>	<u>\$ 2,008,997,132</u>	<u>\$ 1,074,850,003</u>	<u>\$ 934,147,129</u>	<u>1.25</u>
Net portfolio yield		2.28%			

B. Receivables:

Receivables as of June 30, 2019, are as follows:

	Governmental Activities				
	General	Transportation Operating	Other Funds	Internal Service	Total
Totals	\$ 13,479,483	\$ 3,238,755	\$ 8,798,091	\$ -	\$ 25,516,329
Accounts	36,542,544	23,684,009	5,170,654	1,900,816	67,298,023
Assessments	18,073	1,256,704	72,188,197	-	73,462,974
Notes and loans	391,341	125,000	510,457,791	107,400	511,081,532
Advances	1,392,946	100,000	-	-	1,492,946
Grants	-	-	14,733,593	-	14,733,593
Interest	895,001	1,477,016	2,958,728	1,296,807	6,627,552
Total receivables	52,719,388	29,881,484	614,307,054	3,305,023	700,212,949
Allowance for doubtful accounts	(835,963)	(43,079)	(433,425,238)	(548)	(434,304,828)
Receivables, net	<u>\$ 51,883,425</u>	<u>\$ 29,838,405</u>	<u>\$ 180,881,816</u>	<u>\$ 3,304,475</u>	<u>\$ 265,908,121</u>
Not scheduled for collection during the subsequent year	<u>\$ 352,207</u>	<u>\$ 125,000</u>	<u>\$ 115,919,706</u>	<u>\$ 53,700</u>	<u>\$ 116,450,613</u>
Delinquent special assessments	<u>\$ 8,998</u>	<u>\$ 561,817</u>	<u>\$ 8,447,494</u>	<u>\$ -</u>	<u>\$ 9,018,309</u>

	Business-type Activities			
	Sewage Disposal	Water	Other Funds	Total
Accounts	\$ 61,714,753	\$ 34,943,780	\$ 2,825,685	\$ 99,484,218
Assessments	4,302,004	541,685	-	4,843,689
Notes and loans	4,940	-	624,556	629,496
Advances	22,776	635,661	65,000	723,437
Interest	2,573,364	995,154	290,440	3,858,958
Total receivables	68,617,837	37,116,280	3,805,681	109,539,798
Allowance for doubtful accounts	(5,393,076)	(3,183,602)	(8,458)	(8,585,136)
Receivables, net	<u>\$ 63,224,761</u>	<u>\$ 33,932,678</u>	<u>\$ 3,797,223</u>	<u>\$ 100,954,662</u>
Not scheduled for collection during the subsequent year	<u>\$ 2,592,611</u>	<u>\$ 186,213</u>	<u>\$ 624,556</u>	<u>\$ 3,403,380</u>
Delinquent special assessments	<u>\$ 1,138,047</u>	<u>\$ 117,627</u>	<u>\$ -</u>	<u>\$ 1,255,674</u>

Some special assessments in the Transportation Operating, Other nonmajor governmental, Sewage Disposal, and Water Funds are not expected to be collected within one year. Special assessment liens are defined as being delinquent once they are 30 days past due, this applies to assessments that cannot be financed, or to those that have entered into a financing repayment contract. Certain special assessments have not been financed but are under deferral status and are not deemed delinquent. Delinquent special assessments total \$10.3 million.

Loans Receivable

Loans receivable are comprised of: 1) Portland Housing Bureau loans to qualified borrowers for rehabilitation and restoration of single and multi-family residences which are collateralized by real property; 2) Portland Bureau of Transportation loan; 3) Fleet; and 4) Portland Bureau of Environmental Services loan.

Portland Housing Bureau Loans

The Portland Housing Bureau (PHB) loans receivable balances as of June 30, 2019 are as follows:

Fund and Program	Maximum Term	Interest Rate	Gross Loans Receivable	Allowance
General Fund:				
General Fund - N/NE Housing				
Single-family housing:				
Deferred payment loans	15 - 30 yrs	0	\$ 391,341	\$ (39,134)
Total gross General Fund			<u>391,341</u>	<u>(39,134)</u>
Total net General Fund				<u>352,207</u>
Nonmajor governmental funds:				
Grants Fund:				
Multi-family housing:				
Cash flow loans	30 yrs	0 - 3%	84,243	(80,031)
Equity gap loans	Indefinite	0	280,574	(280,578)
Amortized loans	30 yrs	0 - 3	8,103	(4,051)
Single-family housing:				
Deferred payment loans	30 yrs	0 - 3	270,122	(27,012)
Total gross Grants Fund			<u>643,042</u>	<u>(391,672)</u>
Total Net Grants Fund				<u>251,370</u>
Community Development Block Grant (CDBG) Fund:				
Multi-family housing:				
Cash flow loans	30 yrs	0 - 3%	28,533,200	(27,111,290)
Equity gap loans	Indefinite	0	18,222,393	(18,222,393)
Amortized loans	30 yrs	0 - 3	9,487,869	(4,743,935)
Deferred payment loans	60 yrs	0 - 8	1,076,459	(538,229)
Conditional Grants		0	1,798,318	(1,798,318)
Single-family housing:				
Amortized loans	26 yrs	0 - 5	114,634	(5,732)
Deferred payment loans	Indefinite	0	4,274,822	(427,482)
Shared appreciation mortgage	Indefinite	0	269,480	(67,370)
Special assets	Indefinite	0	73,210	(73,210)
Other deferred payment loans			600,000	(300,000)
Total gross CDBG Fund			<u>64,450,385</u>	<u>(53,287,959)</u>
Total net CDBG Fund				<u>11,162,426</u>

Fund and Program	Maximum Term	Interest Rate	Gross Loans Receivable	Allowance
HOME Grant Fund:				
Multi-family housing:				
Cash flow loans	45 yrs	0 - 3%	36,089,312	(34,626,504)
Equity gap loans	Indefinite	0	23,323,989	(23,323,989)
Amortized loans	30 yrs	1 - 3	7,022,497	(3,511,249)
Deferred payment loans	20 yrs	0 - 3	1,678,205	(839,102)
Single-family housing:				
Shared appreciation mortgage	Indefinite	0	384,697	(96,174)
Total gross HOME Grant Fund			68,498,700	(62,397,018)
Total net HOME Grant Fund				6,101,682
Housing Investment Fund (HIF):				
Multi-family housing:				
Cash flow loans	45 yrs	0 - 5%	13,758,526	(12,694,184)
Equity gap loans	Indefinite	0	13,320,385	(13,320,385)
Amortized loans	30 yrs	0 - 7	8,953,781	(4,476,891)
Deferred payment loans	20 yrs	0 - 3	2,037,702	(1,018,851)
Single-family housing:				
Deferred payment loans	30 yrs	0-3	61,428	(6,143)
Special assets	Indefinite	0	8,156	(8,156)
Total gross HIF			38,139,978	(31,524,610)
Total net HIF				6,615,368
Tax Increment Financing Reimbursement Fund (TIF):				
Multi-family housing:				
Cash flow loans	30 - 60 yrs	1-9	225,991,945	(214,722,353)
Equity gap loans	Indefinite	0	39,369,700	(39,369,700)
Amortized loans	30 yrs	0-7	44,041,521	(22,073,883)
Deferred payment loans	20 - 50 yrs	0-9	9,420,457	(4,710,228)
Conditional grants	Indefinite	0	3,142,568	(3,142,568)
Single-family housing:				
Amortized loans	20 - 30 yrs	1-5	194,977	(9,749)
Deferred payment loans	30 yrs	0-4	14,669,093	(1,466,909)
Shared appreciation mortgage	Indefinite	0	934,163	(233,541)
Special assets	Indefinite	0	21,456	(21,456)
Other deferred payment loans			9,180	(4,590)
Total gross TIF			337,795,060	(285,754,977)
Total net TIF				52,040,083
Inclusionary Housing Fund - CET Residential				
Single-family housing:				
Deferred payment loans	15 - 30 yrs	0	690,000	(69,000)
Total gross Inclusionary Housing Fund			690,000	(69,000)
Total net Inclusionary Housing Fund				621,000
Total gross all funds			\$ 510,608,506	\$ (433,464,370)
Total net all funds				\$ 77,144,136

Portland Housing Bureau Loan Guarantees

HUD Section 108 Loan Guarantees

The City of Portland has entered into contracts with the U.S. Department of Housing and Urban Development (HUD) as guarantor for guarantees made under HUD's Section 108 Loan Guarantee Program ("Program"). The Program, regulated by federal guidelines in 24 CFR 570, Subpart M, "Loan Guarantees", is a source of financing allotted for economic development, housing rehabilitation, public facilities rehabilitation, construction or installation for the benefit of low-to moderate-income persons, or to aid in the prevention of slums.

HUD contracts for loan guarantee assistance contain certain security provisions. The primary security is a pledge by the City of its current and future Community Development Block Grant (CDBG) funds. The City provides additional security for each Guaranteed Loan, and that such additional security must be acceptable to HUD. The additional security, as specified by federal regulation 24 CFR 570.705(b)(1), is identified in the individual contracts executed at the time each Guaranteed Loan is issued and may include assets financed by the guaranteed loan.

Finally, the loan guarantee contracts provide that HUD may use existing pledged grants to prepay (or defeasance of) the Guaranteed Loan if HUD determines that the standard pledge of future CDBG funds is insufficient to assure payment of amounts due there under. HUD reserves the right to require further security, and the City may substitute other collateral subject to HUD's approval.

Housing Preservation Loan Fund Project

In April, 2009, the City of Portland received approval confirmation from the HUD for the City's request for loan guarantee assistance of up to \$15 million under Section 108 of the Housing and Community Development Act of 1974. City Ordinance number 182873, dated June 3, 2009, duly authorized acceptance of the funds from HUD and the creation of the Portland Housing Preservation Fund to facilitate related transactions. On December 21, 2009, the City signed contract ("Contract") number B-08-MC-41-003 with the HUD for the loan guarantee assistance, as well as two related contracts for specific Guaranteed Loan note commitments. Guaranteed Loan note commitments are executed with third-party borrowers under the HUD Section 108 program guidelines. These borrowers are scheduled to make periodic pass-through payments to the City, and the City will make annual principal and semi-annual interest payments to HUD.

As of June 30, 2019, the City had 11 outstanding loans receivable under the HUD Section 108 Loan Guarantee program totaling \$9.5 million, for which the City is contingently liable. Each loan was executed with a promissory note signed by the borrower. Loan details are presented in the table below.

Borrower Name	Maximum Principal	Principal Disbursed	Outstanding Balance	Interest Rate	Maturity Date	Cash Flow Begin Date	Allowance
Cash Flow Loans:							
Roselyn Renewal, LLC	\$ 830,000	\$ 830,000	\$ 830,000	0.50%	June, 2059	4/1/2011	\$ (788,500)
Reach Walnut Partners, LP	1,641,000	1,641,000	1,554,192	0.50%	May, 2071	4/1/2012	(1,476,482)
Villa De Suenos, LP Loan #2	750,000	750,000	716,530	0.00%	June, 2041	5/1/2012	(716,530)
Uptown Tower Apartments, LP	700,000	700,000	700,000	4.50%	December, 2035	1/1/2026	(350,000)
Total CF Loans	3,921,000	3,921,000	3,800,722				(3,331,512)
Multi-Family Housing Amortized Loans:							
Halsey Center	650,000	650,000	-	3.00%	November, 2030	12/1/2010	-
Upshur Renewal Housing, LP	415,000	415,000	315,656	5.00%	June, 2031	7/1/2011	(157,828)
Villa De Suenos, LP Loan #1	750,000	750,000	557,339	4.00%	June, 2031	7/1/2011	(278,669)
Human Solutions Inc.	1,439,000	1,373,547	1,084,153	4.25%	October, 2031	10/1/2011	(542,076)
Los Jardines, LP	400,000	396,019	315,201	2.72%	March, 2032	8/1/2012	(157,601)
Vista De Rosas, LLC	1,115,000	1,115,000	1,076,966	5.00%	March, 2035	7/1/2015	(538,483)
Hacienda CDC	2,400,000	2,400,000	2,330,250	5.00%	September, 2035	9/1/2016	(1,165,125)
Total MFHA Loans	7,169,000	7,099,566	5,679,565				(2,839,782)
Total	\$ 11,090,000	\$ 11,020,566	\$ 9,480,287				\$ (6,171,294)

Annual repayment amounts for cash flow loan types are based on each borrower's excess cash flow level as defined in each of the Notes. An allowance for uncollectibility was established at 95% on the cash flow loans based on their non-amortizing repayment terms. Some of the borrowers reported no excess cash flow for the calendar year ended December 31, 2018, and accordingly 2019 payments on those loans were not received.

Annual repayments for multi-family amortized loans follow various set repayment schedules. An allowance for uncollectibility was established at 50% for these loans based on their amortized repayment terms.

Annual City repayments of principal are due to HUD August 1st of each year and mature on August 1, 2033, in accordance with the corresponding HUD Guaranteed Loan Program Variable/Fixed Rate Notes. For the corresponding note payable to HUD see Note III.I. Long-term debt, Loans Payable.

CityFleet Loans:

Legacy Emanuel Hospital and Health Center

Ordinance No. 185705 authorized the Office of Management and Finance (OMF) to exchange Real Property with Legacy Emanuel Hospital and Health Center. In exchange for the property, OMF received proceeds including a one-time payment of \$1.1 million and 10 annual payments of \$53,700. Eight of the 10 payments have been received and the remaining two payments totaling \$107,400 have been accrued as a loan receivable in the CityFleet Operating Fund under the Office of Management and Finance. This loan carries out governmental objectives and bears zero interest. The payment schedule is as follows:

Year Ending June 30,	Payment Date	Payment
2020	12/31/2019	\$ 53,700
2021	12/31/2020	53,700
Total		<u>\$ 107,400</u>

Portland Bureau of Transportation Loan:

Under Ordinance No. 169688, the City loaned \$125,000 to the Belmont Limited partnership for the redevelopment of the Belmont Dairy property as a mixed use, Section 42 low-income and moderate income housing/commercial rehabilitation project. The loan term is 30 years and it accrues interest at 1% per annum. The principal and interest are due on January 1, 2026.

Portland Bureau of Environmental Services Loan:Portland Bureau of Environmental Services Loan: 3300 North Williams Ave

On April 9, 2013, the City of Portland Bureau of Environmental Services entered into an agreement with the U.S. Environmental Protection Agency, which enabled the City to establish and manage the Portland Brownfield Revolving Loan Fund. Under the agreement the City offers low-cost, flexible loans to assist with the remediation of Brownfield properties. During FY19 the property is undergoing a soil vapor extraction, under the supervision of the Oregon Department of Environmental Quality, to reduce soil pollution at the site to an acceptable level. This remediation activity will continue into FY20. Per agreement, repayment of the loan is not required until the project is complete, the total loan outstanding at June 30, 2019 was \$240,624.

Portland Bureau of Environmental Services Loan: SE Ankeny St.

On October 1, 2008, the City of Portland Bureau of Environmental Services entered an agreement with Robert and Rose Schulz to conduct environmental remediation to facilitate environmental protection and beneficial reuse of several adjacent lots on SE Ankeny St. in Portland. Under this agreement the original loan amount was \$485,520 and later increased to \$500,000. Per the terms of the agreement, the proceeds of the loan were held by the lender, the City of Portland. The loan was used to secure contracted services to complete environmental remediation at the Ankeny properties to a residential standard established and approved by the Oregon Department of Environmental Quality (DEQ). The loan was secured by a trust deed and the interest rate on the loan was 3%, due in nine years. After the initial remediation effort was completed, it was found that the SE Ankeny property still had contamination levels that would not allow its use for redevelopment.

On March 17, 2016, the SE Ankeny properties were sold to Group 701 and Wayne Rask and the city allowed the new owners to assume the initial loan. The balance due on the loan at the time sale was \$674,556. Group 701 LLC was required to make a \$50,000 payment to the City of Portland toward the interest of the loan. This payment was a condition of the property purchase which reduced the outstanding loan balance to \$624,556. The interest rate per the amended agreement begins at 1% and escalates over the life of the loan with the loan due in nine years. Group 701 and Wayne Rask will continue to remediate the Ankeny Properties under the guidance of the DEQ, so the properties will meet contamination measurements that will allow the properties to be put to productive use. The loan agreement requires that the loan be paid in full when the property meets DEQ requirements and/or is sold. Group 701 LLC is being invoiced for yearly interest charges and they have been paying the interest costs each year.

C. Payables:

Payables and other accrued liabilities at June 30, 2019 are as follows:

	Governmental Activities					Total
	General	Transportation Operating	Other Funds	Internal Service	Unallocated Governmental	
Accounts to vendors and contractors	\$ 28,545,893	\$ 7,578,050	\$ 13,699,389	\$ 36,663,874	\$ 4,106,229	\$ 90,593,435
Interest on bonds and notes	-	-	-	8,550,644	108,531,132	117,081,776
Total payables	\$ 28,545,893	\$ 7,578,050	\$ 13,699,389	\$ 45,214,518	\$ 112,637,361	\$ 207,675,211

	Business-type Activities			
	Sewage Disposal	Water	Other Funds	Total
Accounts to vendors and contractors	\$ 29,454,896	\$ 13,435,750	\$ 2,534,854	\$ 45,425,500
Interest on bonds and notes	30,032,097	22,159,593	1,856,518	54,048,208
Total payables	\$ 59,486,993	\$ 35,595,343	\$ 4,391,372	\$ 99,473,708

D. Deferred outflows and inflows of resources and unearned revenue:

The City recognizes revenues when earned. Amounts received in advance of the period in which services are rendered are recorded as a liability, unearned revenue. The City recognizes inflows of resources that relate to future periods as deferred inflows of resources. The various components of unearned revenue reported in the governmental funds at June 30, 2019 are as follows:

	Governmental Activities				
	General	Transportation Operating	Other Funds	Internal Service	Total
Grants	\$ -	\$ -	\$ 4,821,063	\$ -	\$ 4,821,063
Miscellaneous unearned	82,074	699,845	1,296	25,694,322	26,477,537
Total unearned revenue	\$ 82,074	\$ 699,845	\$ 4,822,359	\$ 25,694,322	\$ 31,298,600

	Business-type Activities			
	Sewage Disposal	Water	Other Funds	Total
Total miscellaneous unearned revenue	\$ 839,337	\$ 367,488	\$ 313,806	\$ 1,520,631

Various components of deferred inflows reported in the governmental funds at June 30, 2019 are as follows:

	Governmental Funds			
	General	Transportation Operating	Other Funds	Total
Receivables				
Accounts	\$ 1,547,367	\$ 362,185	\$ 4,124	\$ 1,913,676
Liens - LID	-	-	8,286,016	8,286,016
Liens	18,073	1,256,704	63,491,228	64,766,005
Taxes	6,236,503	-	17,974,679	24,211,182
Total unavailable revenue	\$ 7,801,943	\$ 1,618,889	\$ 89,756,047	\$ 99,176,879

Various components of deferred outflows reported in the Government-wide statements at June 30, 2019 are as follows:

	Governmental Activities	Business- type Activities	Total Government	Fiduciary Activities	Component Unit (Prosper Portland)	Total
Deferred Outflows of Resources:						
Pensions OPERS payments post measurement date	\$ 44,505,381	\$ 13,089,820	\$ 57,595,201	\$ 196,492	\$ 941,781	\$ 58,733,474
Pensions difference between expected and actual experience	13,664,926	4,910,341	18,575,267	68,870	387,246	19,031,383
Pensions change in assumptions	95,130,166	31,957,433	127,087,599	468,787	2,518,550	130,074,936
Pensions changes in employer proportionate share	617,996	261,323	879,319	3,458	23,466	906,243
Pensions contributions vs proportionate share of contributions	315,072	93,924	408,996	1,498	7,009	417,503
Pension change in assumptions - FPDR	275,664,750	-	275,664,750	-	-	275,664,750
Pensions difference between projected and actual earnings - FPDR	89,867,452	-	89,867,452	-	-	89,867,452
Total Deferred Outflows - Pensions	519,765,743	50,312,841	570,078,584	739,105	3,878,052	574,695,741
OPEB payments post measurement date - RHIA	1,578,867	354,402	1,933,269	5,067	-	1,938,336
OPEB payments post measurement date - Prosper Portland	-	-	-	-	31,449	31,449
OPEB payments post measurement date - HIC	4,616,968	1,036,355	5,653,323	14,818	-	5,668,141
Total Deferred Outflows - OPEB	6,195,835	1,390,757	7,586,592	19,885	31,449	7,637,926
Deferred charges for the difference between carrying amount and the reacquisition price of bonds	2,820	109,943	112,763	-	-	112,763
Total Deferred Outflows of Resources	\$ 525,964,398	\$ 51,813,541	\$ 577,777,939	\$ 758,990	\$ 3,909,501	\$ 582,446,430
Deferred Inflows of Resources:						
Pensions difference between expected and projected earnings	\$ 18,748,367	\$ 5,588,915	\$ 24,337,282	\$ 89,131	\$ 417,067	\$ 24,843,480
Pensions changes in employer proportionate share	3,919,883	1,268,296	5,188,179	18,781	91,432	5,298,392
Pensions contributions vs proportionate share of contributions	4,163,080	1,786,404	5,949,484	21,674	174,712	6,145,870
Pensions difference between expected and actual experience - FPDR	3,139,636	-	3,139,636	-	-	3,139,636
Pensions difference between projected vs actual earnings - FPDR	989,599	-	989,599	-	-	989,599
Pensions changes in Assumptions - FPDR	178,275,605	-	178,275,605	-	-	178,275,605
Total Deferred Inflows - Pensions	209,236,170	8,643,615	217,879,785	129,586	683,211	218,692,582
OPEB difference between projected and actual investment earnings - RHIA	722,715	164,583	887,298	2,265	11,151	900,714
OPEB changes in employer proportion - RHIA	31,764	7,169	38,933	101	496	39,530
OPEB difference between projected and actual experience - RHIA	190,425	42,744	233,169	611	2,984	236,764
OPEB changes in assumptions - HIC	6,589,028	719,522	7,308,550	9,880	-	7,318,430
OPEB changes in assumptions - RHIA	10,662	2,392	13,054	34	167	13,255
Total Deferred Inflows - OPEB	7,544,594	936,410	8,481,004	12,891	14,798	8,508,693
The difference between the carrying amount and the reacquisition price of refunded bonds	1,164,522	4,748,559	5,913,081	-	-	5,913,081
Total Deferred Inflows of Resources	\$ 217,945,286	\$ 14,328,584	\$ 232,273,870	\$ 142,477	\$ 698,009	\$ 233,114,356

E. Fund balances, governmental funds:

On the Balance Sheet - Governmental Funds, balances were reported in the aggregate in the classifications defined by GASB Statement No. 54, Fund Balance Reporting and Governmental fund type definitions. Fund balances by classification for fiscal year-ended June 30, 2019 were as follows:

	General	Transportation Operating	Other Funds	Total
Nonspendable:				
Inventories	\$ 299,244	\$ 7,100,289	\$ -	\$ 7,399,533
Prepaid items	147,564	284,083	-	431,647
Permanent fund principal	-	-	164,165	164,165
Restricted:				
Public safety:				
Drug enforcement and education	-	-	5,359,206	5,359,206
Emergency facilities improvements	-	-	631,711	631,711
Emergency communications	-	-	15,296	15,296
Parks, recreation and culture:				
Capital improvement activities	-	-	140,383,763	140,383,763
Improvements or services	-	-	1,600,467	1,600,467
Operations, maintenance and capital programs	-	-	2,625	2,625
Promotion of program activities	-	-	27,788	27,788
Community development:				
Affordable housing	-	-	73,138,149	73,138,149
Childhood programs	-	-	10,733,579	10,733,579
Construction activities	-	-	69,684,325	69,684,325
Debt service	-	-	239,269	239,269
Federal housing and other programs	-	-	12,489,606	12,489,606
Financing and construction improvements	-	-	1,507,204	1,507,204
Funding of installation of solar electric systems on publicly-owned facilities	-	-	28,975	28,975
Inclusionary housing program	-	-	17,191,368	17,191,368
Climate Action Plan	-	-	6,367,705	6,367,705
Transportation:				
Operations, maintenance & capital improvement	-	260,976,090	-	260,976,090
Street improvements	-	-	1,723,027	1,723,027
Legislative / admin / support services	-	-	9,615,419	9,615,419
Debt service	-	-	101,008,325	101,008,325

	General	Transportation Operating	Other Funds	Total
Committed:				
Public safety:				
Emergency communications	-	-	2,397,606	2,397,606
Fire apparatus replacement	7,583,777	-	-	7,583,777
Parks, recreation and culture:				
Capital projects	-	-	1,061,908	1,061,908
Improvements and services	-	-	8,580,861	8,580,861
Community development:				
Affordable housing	-	-	7,652,642	7,652,642
Multi-family housing property operations	-	-	7,032,411	7,032,411
Solar power on publicly-owned facilities	-	-	43,295	43,295
Legislative / admin / support services:				
Activities of economic improvement districts	-	-	475,942	475,942
Promotion of convention business and tourism	-	-	206,026	206,026
Recreational marijuana activities	-	-	3,982,452	3,982,452
Reserves for General Fund stabilization	62,787,525	-	-	62,787,525
Assigned:				
Public safety:				
Fire and police payroll	14,828,983	-	-	14,828,983
Parks, recreation and culture:				
Capital projects	-	-	1,128,277	1,128,277
Improvements and services	-	-	13,709,485	13,709,485
Community development:				
Affordable housing	-	-	2,749,727	2,749,727
Construction activities	-	-	16,882,893	16,882,893
Federal housing and other programs	-	-	20,716	20,716
Financing and construction of improvements	-	-	3,237,181	3,237,181
Housing projects	-	-	186,264	186,264
Cannabis Licensing Program	-	-	1,346,423	1,346,423
Transportation	-	14,643,645	-	14,643,645
Debt service	-	-	17,329,528	17,329,528
Unassigned	63,235,009	-	(12,069,463)	51,165,546
Total fund balances	<u>\$ 148,882,102</u>	<u>\$ 283,004,107</u>	<u>\$ 527,866,146</u>	<u>\$ 959,752,355</u>

F. Capital assets:Primary Government

In the governmental activities column of the statement of activities, capital asset reclassification or transfers between governmental funds and internal service funds have been eliminated. In a like manner, capital asset transfers between enterprise funds have been eliminated in the business-type activities column. The remaining transfers shown on the statement of activities include \$152,397 in capital asset transfers between governmental activities and business-type activities.

Capital assets activity for the primary government, which excludes fiduciary activities, for the year ended June 30, 2019, is as follows:

	Beginning Balance	Increases	Decreases	Reclassifications and Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated or amortized:					
Land	\$ 241,782,972	\$ 980,280	\$ (18,916)	\$ 3,856,518	\$ 246,600,854
Construction in progress	363,522,156	234,713,369	-	(82,779,943)	515,455,582
Intangible assets:					
Land use rights	55,446,679	17,239,910	-	-	72,686,589
Owning rights	28,953	20,000	(20,000)	-	28,953
Total capital assets, not being depreciated or amortized	660,780,760	252,953,559	(38,916)	(78,923,425)	834,771,978
Capital assets, being depreciated or amortized:					
Infrastructure	4,833,696,551	9,917,511	-	9,885,162	4,853,499,224
Buildings	454,421,474	7,861	-	15,939,072	470,368,407
Improvements to land	155,265,620	82,787	-	14,670,998	170,019,405
Equipment	230,515,625	4,012,886	(15,872,717)	37,748,530	256,404,324
Intangible assets:					
Software	69,903,244	-	(846,276)	969,254	70,026,222
Total capital assets being depreciated or amortized	5,743,802,514	14,021,045	(16,718,993)	79,213,016	5,820,317,582
Less accumulated depreciation or amortization for:					
Infrastructure	(3,979,221,403)	(164,684,614)	-	-	(4,143,906,017)
Buildings	(171,916,133)	(9,821,468)	-	-	(181,737,601)
Improvements to land	(89,439,219)	(5,628,520)	-	-	(95,067,739)
Equipment	(104,744,604)	(14,028,224)	13,939,539	(125,996)	(104,959,285)
Intangible assets:					
Software	(58,364,742)	(3,987,884)	743,320	(11,198)	(61,620,504)
Total accumulated depreciation or amortization	(4,403,686,101)	(198,150,710)	14,682,859	(137,194)	(4,587,291,146)
Total capital assets, being depreciated or amortized, net	1,340,116,413	(184,129,665)	(2,036,134)	79,075,822	1,233,026,436
Governmental activities capital assets, net	\$ 2,000,897,173	\$ 68,823,894	\$ (2,075,050)	\$ 152,397	\$ 2,067,798,414

	Beginning Balance	Increases	Decreases	Reclassifications and Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated or amortized:					
Land	\$ 109,036,011	\$ 8,200	\$ (681,012)	\$ 2,121,406	\$ 110,484,605
Construction in progress	351,816,672	323,272,995	-	(111,260,713)	563,828,954
Intangible assets:					
Land use rights	16,270,860	1,894,253	(100,360)	362,111	18,426,864
Total capital assets, not being depreciated or amortized	477,123,543	325,175,448	(781,372)	(108,777,196)	692,740,423
Capital assets, being depreciated or amortized:					
Infrastructure	4,883,354,762	2,986,354	(4,158,357)	96,191,981	4,978,374,740
Buildings	297,140,627	1,110,252	(203,346)	278,201	298,325,734
Improvements to land	78,646,093	626,584	(226,966)	2,663,112	81,708,823
Equipment	70,763,460	377,046	(6,374,706)	9,314,912	74,080,712
Intangible assets:					
Land use rights	843,940	-	-	-	843,940
Owning rights	10,776	-	-	-	10,776
Software	18,391,648	-	(29,500)	39,399	18,401,547
Total capital assets being depreciated or amortized	5,349,151,306	5,100,236	(10,992,875)	108,487,605	5,451,746,272
Less accumulated depreciation or amortization for:					
Infrastructure	(992,795,521)	(70,716,620)	3,293,922	63,861	(1,060,154,358)
Buildings	(117,988,400)	(6,294,102)	172,675	(52,242)	(124,162,069)
Improvements to land	(24,587,895)	(2,886,235)	146,458	(11,619)	(27,339,291)
Equipment	(36,006,712)	(5,046,316)	5,763,491	125,996	(35,163,541)
Intangible assets:					-
Land use rights	(50,135)	(19,646)	-	-	(69,781)
Owning rights	(5,388)	(770)	-	-	(6,158)
Software	(15,880,433)	(383,776)	29,500	11,198	(16,223,511)
Total accumulated depreciation or amortization	(1,187,314,484)	(85,347,465)	9,406,046	137,194	(1,263,118,709)
Total capital assets, being depreciated or amortized, net	4,161,836,822	(80,247,229)	(1,586,829)	108,624,799	4,188,627,563
Business-type activities capital assets, net	\$ 4,638,960,365	\$ 244,928,219	\$ (2,368,201)	\$ (152,397)	\$ 4,881,367,986

	Beginning Balance	Increases	Decreases	Reclassifications and Transfers	Ending Balance
Total:					
Capital assets, not being depreciated or amortized:					
Land	\$ 350,818,983	\$ 988,480	\$ (699,928)	\$ 5,977,924	\$ 357,085,459
Construction in progress	715,338,828	557,986,364	-	(194,040,656)	1,079,284,536
Intangible assets:					
Land use rights	71,717,539	19,134,163	(100,360)	362,111	91,113,453
Owning rights	28,953	20,000	(20,000)	-	28,953
Total capital assets, not being depreciated or amortized	<u>1,137,904,303</u>	<u>578,129,007</u>	<u>(820,288)</u>	<u>(187,700,621)</u>	<u>1,527,512,401</u>
Capital assets, being depreciated or amortized:					
Infrastructure	9,717,051,313	12,903,865	(4,158,357)	106,077,143	9,831,873,964
Buildings	751,562,101	1,118,113	(203,346)	16,217,273	768,694,141
Improvements to land	233,911,713	709,371	(226,966)	17,334,110	251,728,228
Equipment	301,279,085	4,389,932	(22,247,423)	47,063,442	330,485,036
Intangible assets:					
Land use rights	843,940	-	-	-	843,940
Owning rights	10,776	-	-	-	10,776
Software	<u>88,294,892</u>	<u>-</u>	<u>(875,776)</u>	<u>1,008,653</u>	<u>88,427,769</u>
Total capital assets being depreciated or amortized	<u>11,092,953,820</u>	<u>19,121,281</u>	<u>(27,711,868)</u>	<u>187,700,621</u>	<u>11,272,063,854</u>
Less accumulated depreciation or amortization for:					
Infrastructure	(4,972,016,924)	(235,401,234)	3,293,922	63,861	(5,204,060,375)
Buildings	(289,904,533)	(16,115,570)	172,675	(52,242)	(305,899,670)
Improvements to land	(114,027,114)	(8,514,755)	146,458	(11,619)	(122,407,030)
Equipment	(140,751,316)	(19,074,540)	19,703,030	-	(140,122,826)
Intangible assets:					
Land use rights	(50,135)	(19,646)	-	-	(69,781)
Owning rights	(5,388)	(770)	-	-	(6,158)
Software	<u>(74,245,175)</u>	<u>(4,371,660)</u>	<u>772,820</u>	<u>-</u>	<u>(77,844,015)</u>
Total accumulated depreciation or amortization	<u>(5,591,000,585)</u>	<u>(283,498,175)</u>	<u>24,088,905</u>	<u>-</u>	<u>(5,850,409,855)</u>
Total capital assets, being depreciated or amortized, net	<u>5,501,953,235</u>	<u>(264,376,894)</u>	<u>(3,622,963)</u>	<u>187,700,621</u>	<u>5,421,653,999</u>
Total capital assets, net	<u>\$ 6,639,857,538</u>	<u>\$ 313,752,113</u>	<u>\$ (4,443,251)</u>	<u>\$ -</u>	<u>\$ 6,949,166,400</u>

Capitalized interest

Total interest costs incurred in business-type activities in fiscal year ended June 30, 2019 were \$83.1 million of which \$9.3 million was capitalized for a net interest expense of \$73.8 million.

Depreciation and amortization

Fully depreciated capital assets at June 30, 2019 totaled \$311.64 million, of which \$165.38 million pertains to governmental activities and \$146.26 million to business-type activities. The total remaining salvage value is \$3.47 million, of which \$2.65 million pertains to governmental activities and \$822.93 thousand to business-type activities. Capital assets held by the City of Portland's internal service funds are billed according to interagency agreements to the various functions based on their usage of the assets. Depreciation and amortization expenses are charged to the internal service fund that owns and bills for the use of the assets.

Depreciation and amortization expenses of the primary government are as follows:

	Amounts
Governmental activities:	
Public safety	\$ 6,266,787
Parks, recreation and culture	9,551,558
Community development	1,329,695
Transportation	166,166,913
Legislative/ admin/ support services	448,084
Environmental services	81,208
Water	233,736
Parking facilities	17,000
Total governmental funds	184,094,981
Internal service funds - Legislative/ admin/ support services	14,055,729
Total governmental activities	\$ 198,150,710
Business-type activities:	
Environmental services	\$ 49,077,605
Water	31,036,464
Hydroelectric power	607,392
Parking facilities	619,314
Golf	705,739
Motor sports	145,482
Spectator facilities	3,155,469
Total business-type activities	\$ 85,347,465

Component Unit - Prosper Portland

Activity for the year ended June 30, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 16,016,870	\$ -	\$ -	\$ -	\$ 16,016,870
Work in progress-software	135,022	-	-	(135,022)	-
Work in progress-Alberta Commons	-	1,535,787	-	-	1,535,787
Work in progress-Block 49 parking garage	5,569,918	21,356,248	-	-	26,926,166
Total capital assets, not being depreciated	21,721,810	22,892,035	-	(135,022)	44,478,823
Capital assets, being depreciated or amortized:					
Buildings and improvements	37,171,785	36,874	-	-	37,208,659
Leasehold improvements	3,849,501	-	-	-	3,849,501
Vehicles and equipment	551,901	27,508	114,682	-	694,091
Intangible assets:					-
Software	1,778,402	138,293	-	135,022	2,051,717
Total capital assets, being depreciated or amortized	43,351,589	202,675	114,682	135,022	43,803,968
Less accumulated depreciation or amortization for:					
Buildings and improvements	(2,730,809)	(827,531)	-	-	(3,558,340)
Leasehold improvements	(3,849,501)	-	-	-	(3,849,501)
Vehicles and equipment	(317,862)	(71,962)	(114,682)	-	(504,506)
Intangible assets:					
Software	(569,171)	(177,839)	-	-	(747,010)
Total accumulated depreciation or amortization	(7,467,343)	(1,077,332)	(114,682)	-	(8,659,357)
Total capital assets, being depreciated or amortized, net	35,884,246	(874,657)	-	135,022	35,144,611
Total governmental activities capital assets, net	\$ 57,606,056	\$ 22,017,378	\$ -	\$ -	\$ 79,623,434

G. Interfund receivables, payables, and transfers:

Due to/from other funds and component unit

Primary government

Transactions between individual funds and the component unit are recorded as "due to" and "due from." Repayment of these transactions is required. The General Fund due to the fiduciary fund represents employer contributions to pay pension benefits. Interfund balances are expected to be repaid within one year.

The composition of due to and due from other funds as of June 30, 2019 was:

	Governmental Activities		Business-type Activities		
	Transportation Operating	Other Funds	Water	Fiduciary Activities	Total Due To Other Funds
Governmental Activities:					
General	\$ -	\$ -	\$ -	\$ 4,106,229	\$ 4,106,229

Component Unit - Prosper Portland

The amount due from Prosper Portland to the City is \$6.3 million in accounts receivable. The amounts due from the City to Prosper Portland for various grant expenditures and other intergovernmental agreements total \$5.3 million.

	Governmental Activities				Business-type Activities			Net Due (To) From Component Unit
	General	Transportation Operating	Other Funds	Internal Services	Sewage Disposal	Other Funds	Prosper Portland	
<u>Governmental</u>								
<u>Activities:</u>								
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,344,962)	\$ (2,344,962)
Other funds	-	-	-	-	-	-	(1,269,770)	(1,269,770)
Internal service funds	-	-	-	-	-	-	(1,716,298)	(1,716,298)
Total due (to) from component unit	-	-	-	-	-	-	(5,331,030)	(5,331,030)
<u>Prosper Portland:</u>								
Prosper Portland -								
All funds	406,826	1,483	5,864,442	14,875	-	-	-	6,287,626
Net due from (to) component unit	\$ 406,826	\$ 1,483	\$ 5,864,442	\$ 14,875	\$ -	\$ -	\$ (5,331,030)	\$ 956,596

Interfund transfers

The primary purposes of the significant transfers that occur on a routine basis are as follows: General Fund's transfers to the Transportation Operating Fund are mainly for street lighting operation and maintenance. General Fund's transfers to Nonmajor Governmental Funds are for various programs including: emergency communications, development services support, debt service payments, and General Fund's portion of the PERS debt. General Fund's transfers to Internal Service Funds are for financial commitments to fund operating improvements. Transportation Fund's transfers to Nonmajor Governmental Funds are for debt service payments and Transportation Fund's portion of the PERS debt. Internal Service Funds' transfers to the General Fund are for budgeted General Fund discretionary. Nonmajor Enterprise Funds' transfers to Transportation fund are for overhead charges.

In the governmental activities column of the statement of activities, transfers between governmental funds have been eliminated. In a like manner, transfers between enterprise funds have been eliminated in the business-type activities column.

Interfund transfers and the reconciliation to the statement of activities for the fiscal year ended June 30, 2019 consist of the following:

	Governmental Activities				Business-type Activities		Total Transfers Out
	General	Transportation Operating	Other Funds	Internal Service	Sewage Disposal	Water	
Governmental activities:							
General	\$ 8,368,137	\$ 19,672,564	\$ 29,891,889	\$ 6,131,848	\$ -	\$ 1,096,894	\$ 65,161,332
Transportation	-	700,000	2,375,159	-	66,248	-	3,141,407
Other funds	554,173	9,465,157	95,486,562	-	2,568,910	3,269,707	111,344,509
Internal service	3,350,000	-	1,425,496	-	-	-	4,775,496
Business-type activities:							
Sewage disposal	-	-	454,252	-	-	-	454,252
Water	-	-	471,791	-	112,125	-	583,916
Other funds	329,264	-	46,444	1,000,000	-	-	1,375,708
Total transfers in	<u>\$ 12,601,574</u>	<u>\$ 29,837,721</u>	<u>\$ 130,151,593</u>	<u>\$ 7,131,848</u>	<u>\$ 2,747,283</u>	<u>\$ 4,366,601</u>	<u>\$ 186,836,620</u>
Reconciliation:							
Total internal service funds							(4,775,496)
Total governmental funds							(179,647,248)
Total business-type activities							(112,125)
Capital assets transferred to governmental activities							-
Governmental activities transfers to business-type activities							(7,001,761)
Total transfers per Statement of Activities							<u>\$ (4,700,010)</u>

Interfund loans

Resolution 37433 authorized a temporary interest-free operating loan from Transportation Operating Fund to the Grants Fund in the amount of \$8.5 million with a repayment of principal due by June 30, 2020.

Resolution 37377 authorized a temporary loan from the Parks Capital Improvement Program fund (System Development Charges fund) for the Portland International Raceway South Paddock repaving project. The loan, not to exceed \$1.75 million, will be repaid, with interest, within seven years.

Resolution No. 37081 authorized a temporary loan of \$1.5 million from the Parks Capital Improvement Fund to the Golf Fund to finance the redesign of the Colwood Golf Course. The outstanding amount and loan repayment are planned as follows:

Fiscal Year Ended June 30,	Principal	Interest
2020	\$ 170,250	\$ 21,617
2021	170,250	20,554
2022	283,750	17,988
2023	340,500	10,600
	<u>\$ 964,750</u>	<u>\$ 70,759</u>

Interfund loan balances at June 30, 2019 were:

	Governmental Activities		Business Type Activities	
	General	Transportation Operating	Other Funds	Total Internal Loans Payable
Governmental activities:				
Nonmajor Funds	\$ -	\$ 8,500,000	\$ -	\$ 8,500,000
Business-type activities:				
Other fund	-	-	2,464,750	2,464,750
Total Internal loans receivable	<u>\$ -</u>	<u>\$ 8,500,000</u>	<u>\$ 2,464,750</u>	<u>\$ 10,964,750</u>

Internal balances

In December 2017, the City Council voted to authorize a settlement in the sum of \$10 million in the Anderson et al. v. City of Portland lawsuit in regards to certain expenditures from the Water and Sewer funds. Per Ordinance 188743, \$3 million of the settlement was paid by the General fund in FY17-18. In FY18-19, a payment of \$400,000 was made from the General Fund to the Water fund and the remaining \$6.6 million will be reimbursed to the Water and Sewer funds in future years. The General Fund is reported on the current financial resources measurement focus and the modified accrual basis of accounting, which does not report long term liabilities in the fund financial statements. The Governmental Activities column of the Government Wide Statement of Net Position includes the reported internal balances for the General Fund.

	Governmental Activities			Total Internal Loans Payable
	General	Transportation Operating	Other Funds	
Governmental activities:	\$ -	\$ -	\$ -	\$ -
Business-type activities:				
Sewage Disposal	1,457,886	-	-	1,457,886
Water	5,141,410	-	-	5,141,410
Nonmajor Funds	704	-	-	704
Total Internal loans receivable	<u>\$ 6,600,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,600,000</u>

H. Leases:

Operating leases

Lessor operating leases

The City is involved in various cancelable and non-cancelable leasing arrangements under operating leases for land, buildings, equipment and land use rights which are leased mainly to commercial and retail customers. The City's leasing arrangements also include long-term contracts where the purpose is to support benevolent causes for citizens rather than to generate rental income. Thereby, the facilities are rented at reduced rates to nonprofit social services agencies. Initial lease term ranges from zero to 99 years and renewable options from zero to 75 years. The straight-line method of accounting is used to depreciate and amortize the leased properties over the term of the lease.

Through the services of various property management companies, the City has increased ownership and investment in rental properties. The total cost and accumulated depreciation includes leased space which represents a percentage of the total square feet of each structure. Included among the leased properties are land use rights; these properties were donated to the City, but due to the passage of time their cost is nil. Governmental activities generated \$11.5 million in rental income in FY 2018-19 and \$6.6 million in FY 2017-18. Business-type activities generated \$2.3 million in FY 2018-19 and \$2.3 million in FY 2017-18. Contingent rent was insignificant in both FY 2018-19 and FY 2017-18.

As of June 30, 2019, the City's investment in operating leases is as follows:

	Cost	Accumulated Depreciation	Book Value
Land and improvements	\$ 10,718,860	\$ 434,629	\$ 10,284,231
Buildings	118,056,872	13,992,830	104,064,042
Net Investments	<u>\$ 128,775,732</u>	<u>\$ 14,427,459</u>	<u>\$ 114,348,273</u>

As of June 30, 2019, future minimum rents to be received from non-cancelable operating leases are contractually due as follows:

Fiscal Year Ending June 30,	Governmental Activities	Business-type Activities	Total
2020	\$ 1,231,227	\$ 1,920,954	\$ 3,152,181
2021	1,097,986	1,665,595	2,763,581
2022	1,012,474	1,534,125	2,546,599
2023	939,188	998,601	1,937,789
2024	664,378	667,470	1,331,848
2025-2029	2,673,911	2,473,819	5,147,730
2030-2034	1,823,603	2,438,568	4,262,171
2035-2039	1,428,625	2,769,799	4,198,424
2040-2044	1,402,451	1,839,342	3,241,793
2045-2049	1,349,457	-	1,349,457
2050-2054	1,120,445	-	1,120,445
2055-2059	599,363	-	599,363
2060-2064	492,796	-	492,796
2065-2069	558,642	-	558,642
2070-2074	621,777	-	621,777
2075-2079	660,487	-	660,487
2080-2084	231,599	-	231,599
Total	<u>\$ 17,908,409</u>	<u>\$ 16,308,273</u>	<u>\$ 34,216,682</u>

Lessee operating leases

The City has various non-cancelable operating lease commitments including land, buildings and equipment with lease terms varying from one to 99 years and renewal options from zero to 25 years. Provisions for future rent adjustments or rent-free periods are specified in the lease agreement; usually, rental increases are predetermined, affixed to a range from 3% to 5% or contains an escalation clause linked to the consumer price index. The rental payments are recorded as expenditures or expenses of the related fund when incurred. The City also has noncancelable sublease agreements for certain communication towers, office and parking spaces.

Total operating lease expenditures include contingent rent attributed to the consumer price index. For the year ended June 30, 2019, operating expenses are summarized as follows:

	Fiscal Year Ending June 30,	
	2019	2018
Minimum rents	\$ 11,481,807	\$ 8,291,892
Contingent rents	54,702	37,673
Sublease rental income	623,139	48,302
Total rental expense	<u>\$ 12,159,648</u>	<u>\$ 8,377,867</u>

The significant increase in rental expenses can be attributed to the construction work at the Portland building which is expected to continue into FY 2019-20. Additional spaces were rented to accommodate new growth being experienced by some bureaus.

As of June 30, 2019, future annual lease commitments under noncancelable operating leases are follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-type Activities	Fiduciary Activities	Total Lease Commitments
	Minimum Lease Commitments	Sublease Income	Minimum Lease Commitments	Minimum Lease Commitments	
2020	\$ 8,858,679	\$ 636,214	\$ 148,342	\$ 216,665	\$ 9,859,900
2021	1,885,604	55,892	44,572	74,026	2,060,094
2022	1,486,691	-	26,770	-	1,513,461
2023	923,325	-	9,153	-	932,478
2024	318,795	-	-	-	318,795
2025-2029	956,801	-	-	-	956,801
2030-2034	450,613	-	-	-	450,613
2035-2039	508,072	-	-	-	508,072
2040-2044	577,083	-	-	-	577,083
2045-2049	655,468	-	-	-	655,468
2050-2054	744,501	-	-	-	744,501
2055-2059	845,627	-	-	-	845,627
2060-2064	960,489	-	-	-	960,489
2065-2069	1,090,952	-	-	-	1,090,952
2070-2074	1,239,137	-	-	-	1,239,137
2075-2079	1,407,449	-	-	-	1,407,449
2080-2084	1,598,623	-	-	-	1,598,623
2085-2089	1,815,765	-	-	-	1,815,765
2090-2094	2,062,401	-	-	-	2,062,401
2095-2099	2,342,537	-	-	-	2,342,537
2100-2104	84,231	-	-	-	84,231
Total	<u>\$ 30,812,843</u>	<u>\$ 692,106</u>	<u>\$ 228,837</u>	<u>\$ 290,691</u>	<u>\$ 32,024,477</u>

I. Long-term debt:

The City issues a variety of debt types for the purpose of carrying out its capital financing activities. The various types of debt are discussed below, and each debt type reports the range of maturities for each of its outstanding debt issues. The City's tax-exempt debt remains in compliance with all Internal Revenue Service arbitrage regulations. Outstanding debt amounts are as of June 30, 2019.

General obligation bonds

The City issues general obligation bonds for the acquisition and construction of capital improvements of major capital facilities. General obligation bonds are currently outstanding for only governmental activities. Outstanding unlimited tax general obligation bonds for governmental activities were originally issued in an amount of \$165.8 million. Currently \$140.0 million of these bonds are outstanding. The bonds were originally issued for emergency facilities, public safety, parks improvements and affordable housing. The City is authorized to levy an unlimited ad valorem tax to pay for these bonds.

In May of 2019 the City sold \$12.1 million of 2019 Series A General Obligation Refunding Bonds. These bonds were used to refund the 2011 Series A General Obligation Bonds. The 2019 Series A bonds will be repaid over seven years with an interest rate of 5%. On this same date the City also sold \$15.6 million of 2019 Series B General Obligation Bonds, which will be used to fund affordable housing projects for low income households. The 2019 Series B bonds will be repaid over 20 years with interest rates ranging from 2.5 to 3.6%.

Oregon state law limits general obligation debt to 3% of real market value. At June 30, 2019 the City's unused statutory debt capacity is \$4.4 billion.

General obligation bonds currently outstanding at June 30, 2019 are as follows:

	Bond Series	Interest Rates(s)	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
Governmental activities:						
Public Safety/Emergency Facilities	2014A	2.50-5.00	03/27/2014	2020-2029	\$ 29,795,000	\$ 20,865,000
Public Safety	2015A	2.00-5.00	06/02/2015	2020-2029	17,145,000	13,090,000
Parks Improvement	2015C	2.00-5.00	07/30/2015	2020-2029	23,850,000	15,780,000
Affordable Housing	2017A	2.50-5.00	05/18/2017	2020-2037	35,085,000	32,865,000
Parks Improvement	2018A	2.00-5.00	01/18/2018	2020-2030	23,445,000	21,535,000
Emergency Facilities	2018B	2.50-5.00	04/23/2018	2020-2028	8,815,000	8,165,000
Public Safety	2019A	5.00	05/02/2019	2020-2026	12,085,000	12,085,000
Affordable Housing	2019B	2.50-3.60	05/02/2019	2020-2028	15,610,000	15,610,000
Total governmental activities					<u>\$ 165,830,000</u>	<u>\$ 139,995,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2020	\$ 9,895,000	\$ 4,140,569
2021	10,415,000	3,679,831
2022	10,895,000	3,265,256
2023	11,380,000	2,851,346
2024	11,910,000	2,422,334
2025-2029	54,885,000	6,374,643
2030-2034	18,780,000	1,398,088
2035-2039	11,835,000	528,085
Total	<u>\$ 139,995,000</u>	<u>\$ 24,660,152</u>

Limited tax improvement bonds

The City has \$34.5 million of outstanding limited tax improvement bonds. These bonds were primarily issued for the purpose of financing local improvement district projects. These bonds are expected to be fully self-supporting from assessment payments received from property owners benefiting from the improvement projects. In addition, the City has pledged its full faith and credit to pay the bonds.

In November of 2018 the City sold \$10.8 million of 2018 Series A Limited Tax Improvement Bonds. These bonds were issued to finance costs of local improvement projects, system development charge projects and sidewalk repair projects. Repayment of these bonds will begin in 2020 and continue until 2039 with interest rates of 3% to 5%.

Limited tax improvement bonds currently outstanding at June 30, 2019 are as follows:

	Bond Series	Interest Rate(s)	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
Governmental activities:						
Limited Tax Improvement	2007A	5.00%	06/28/2007	2027	\$ 41,745,000	\$ 13,835,000
Limited Tax Improvement	2010A	4.13	04/29/2010	2030	22,305,000	7,990,000
Limited Tax Improvement	2011A	4.00	12/13/2011	2022-2032	3,400,000	765,000
Limited Tax Improvement	2014A	4.00	06/26/2014	2020-2034	7,385,000	2,410,000
Limited Tax Improvement	2018A	3.00 - 5.00	11/01/2018	2020-2039	10,800,000	9,465,000
Total					<u>\$ 85,635,000</u>	<u>\$ 34,465,000</u>

Annual debt service requirements to maturity for limited tax improvement bonds are as follows:

Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2020	\$ 800,000	\$ 1,614,301
2021	600,000	1,574,301
2022	615,000	1,544,301
2023	605,000	1,513,551
2024	555,000	1,483,301
2025-2029	16,940,000	5,796,756
2030-2034	11,165,000	1,839,631
2035-2039	3,185,000	813,600
Total	<u>\$ 34,465,000</u>	<u>\$ 16,179,742</u>

Urban renewal and redevelopment bonds

The City issues urban renewal and redevelopment bonds to finance capital projects that stimulate job creation and growth in designated target areas. The City's urban renewal and redevelopment bonds are secured solely by and paid from the tax increment revenues generated from the respective urban renewal areas. No additional City revenues are pledged to the repayment of these bonds. The City has \$315.9 million outstanding long-term urban renewal and redevelopment bonds for nine of its urban renewal districts, including Airport Way, Oregon Convention Center, South Park Blocks, Downtown Waterfront, Interstate Corridor, Lents Town Center, North Macadam, Central Eastside, and River District.

In April of 2019 the City sold \$25 million of 2019 Series A South Park Blocks Urban Renewal and Redevelopment Refunding Bonds as a direct placement. The proceeds of this bond were used to refund certain maturities of the 2008 Series B South Park Blocks Urban Renewal and Redevelopment and Refunding Bonds. The 2019 Series A bonds will be repaid over five years beginning in 2020 with an interest rate of 2.48%.

Urban renewal bonds currently outstanding at June 30, 2019 are as follows:

	Bond Series	Interest Rate(s)	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
Governmental activities:						
Airport Way	2015A	1.38%	07/09/2015	2020-2020	\$ 24,897,200	\$ 5,118,900
Central Eastside	2011A	5.535-6.246	03/31/2011	2020-2021	10,205,000	1,770,000
Central Eastside	2011B	4.00-5.375	03/31/2011	2021-2031	19,485,000	19,485,000
Downtown Waterfront	2011A	4.00-5.00	07/06/2011	2020-2020	30,370,000	4,880,000
Downtown Waterfront	2008A	5.36-6.30	04/22/2008	2020-2024	50,165,000	26,975,000
Interstate Corridor	2011A	4.624-6.294	08/11/2011	2020-2021	28,890,000	15,335,000
Interstate Corridor	2011B	4.50-5.00	08/11/2011	2026-2031	17,245,000	17,245,000
Interstate Corridor	2015A	5.00	03/17/2015	2020-2025	17,155,000	11,090,000
Lents District	2010A	5.784-6.284	06/24/2010	2020-2024	21,240,000	9,315,000
Lents District	2010B	4.25-5.00	06/24/2010	2024-2030	15,650,000	15,650,000
North Macadam	2010A	5.374-5.574	09/23/2010	2020-2022	29,645,000	7,055,000
North Macadam	2010B	3.75-5.00	09/23/2010	2022-2030	35,280,000	35,280,000
Oregon Convention Center	2012A	3.623-4.323	05/17/2012	2020-2025	69,760,000	69,760,000
Oregon Convention Center	2011B	5.00	07/06/2011	2020-2020	29,685,000	4,780,000
River District	2012A	3.144-4.430	07/10/2012	2020-2026	24,250,000	12,755,000
River District	2012B	4.00-5.00	07/10/2012	2020-2032	34,140,000	18,850,000
River District	2012C	3.75-5.00	07/10/2012	2026-2031	15,275,000	15,275,000
South Park Blocks	2019A	2.48	04/25/2019	2020-2024	25,280,480	25,280,480
Total					<u>\$ 498,617,680</u>	<u>\$ 315,899,380</u>

Annual debt service requirements to maturity for urban renewal and redevelopment bonds are as follows:

Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2020	\$ 39,584,366	\$ 14,525,838
2021	40,050,637	12,776,629
2022	41,820,601	11,019,517
2023	43,688,416	9,148,435
2024	41,365,360	7,174,469
2025-2029	81,435,000	17,759,372
2030-2034	27,955,000	2,077,113
Total	<u>\$ 315,899,380</u>	<u>\$ 74,481,373</u>

Limited tax revenue bonds

The City has issued limited tax revenue bonds to finance local and public capital improvement projects and to reduce the City's payments to the State of Oregon Public Employees Retirement System (PERS).

These bond issues include non-self-supporting General Fund obligations and self-supporting General Fund obligations.

Non-self-supporting General Fund-secured obligations

As of June 30, 2019, the City had \$161.1 million of outstanding limited tax revenue bonds. These bonds are full faith and credit obligations of the City secured by all legally available funds. Because they largely are expected to be repaid from General Fund resources, these obligations are considered to be non-self-supporting.

In November of 2018, the City issued \$102.9 million of 2018 Series B Limited Tax Revenue Bonds. Proceeds of these non-self-supporting bonds will be used to finance a portion of the costs of reconstructing the Portland Building, to repay a portion of the balance on a line of credit for the project and to pay interest and debt issuance costs. Repayment of these bonds will occur between 2021 and 2040 with an interest rate of 5%.

On January 30, 2019 the city issued \$21.8 million of the 2019 Series A Limited Tax Revenue and Refunding Bonds. Of this issuance, \$14.2 million is considered non-self-supporting and will be used to refinance a portion of the costs of a City-owned space at a building located at SW 4th Street and Montgomery Avenue. The remainder of this issuance is considered self-supporting and will be discussed in the applicable section. Repayment of these bonds will occur between 2020 and 2039 at an interest rate of 5%.

Non-self-supporting limited tax revenue bonds currently outstanding at June 30, 2019 are as follows:

	Bond Series	Interest Rate(s)	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
<u>Governmental activities:</u>						
Headwaters Apartment Project	2005A	4.50-5.0%	04/18/2005	2020-2035	\$ 10,480,000	\$ 7,555,000
Housing Projects	2005D	4.00-4.125	06/21/2005	2020-2025	6,975,000	3,925,000
Capital Improvement & Renovation	2010A	3.00-3.125	04/22/2010	2020-2020	4,840,000	455,000
Emergency Coordination Center Project	2011B	2.375-3.0	12/15/2011	2020-2026	5,445,000	2,980,000
Police Training Facility	2012B	3.0-4.0	05/24/2012	2020-2022	13,305,000	4,475,000
LED Green Bonds	2016A	5.0	11/29/2016	2020-2026	16,220,000	11,775,000
Archives Space Acquisition Project	2017A	4.0-5.0	06/15/2017	2020-2028	6,615,000	5,595,000
Ellington Apartments Project	2018A	5.0	06/28/2018	2020-2029	7,900,000	7,230,000
Portland Building Project	2018B	5.0	11/29/2018	2021-2040	102,860,000	102,860,000
4th & Montgomery Project	2019A	5.0	01/30/2019	2021-2039	14,205,000	14,205,000
Total					<u>\$ 188,845,000</u>	<u>\$ 161,055,000</u>

Approximately 37% of the debt service on these bonds is expected to be paid from resources of the General Fund. The remaining 63% is expected to be paid by non-General Fund resources of City bureaus. As of June 30, 2019, \$49.8 million of outstanding principal remaining on the portion of the bonds is projected to be repaid with General Fund resources.

Self-supporting General Fund-secured obligations

As of June 30, 2019, the City had \$192.7 million of outstanding self-supporting limited tax revenue bonds. These bonds are full faith and credit obligations of the City secured by all legally available funds. Because they are expected to be paid from non-General Fund resources, these obligations are considered to be self-supporting.

On January 30, 2019 the city issued \$21.8 million of the 2019 Series A Limited Tax Revenue and Refunding Bonds. Of this issuance \$7.6 million is considered self-supporting and was used to refund a portion of the City's Limited Tax Revenue Refunding Bonds, 2009 Series A (Central City Streetcar Project) and pay costs of issuance. Repayment of these bonds will occur between 2020 and 2024 with interest rates of 5%.

The following issues are expected to be repaid from sources other than the General Fund and are considered self-supporting.

	Bond Series	Interest Rate(s)	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
Governmental activities:						
Oregon Convention Center	2011A	5.0%	10/06/2011	2020-2030	\$ 67,015,000	\$ 64,975,000
Deferred Interest	2001B	5.20-5.36	02/13/2001	2020-2022	18,058,888	3,290,902
Portland-Milwaukie Light Rail	2012C	3.0-5.0	09/20/2012	2020-2032	36,160,000	28,410,000
Sellwood Bridge	2014A	4.0-5.0	06/17/2014	2020-2034	44,215,000	36,705,000
Sellwood Bridge II	2017A	4.0-5.0	06/15/2017	2020.-2037	29,165,000	29,165,000
Total Governmental activities					194,613,888	162,545,902
Business-type activities:						
Civic Stadium Project	2013A	3.27%	12/11/2013	2020-2023	21,915,000	10,547,000
Jeld-Wen Field Project	2012A	3.25-3.50	04/24/2012	2024-2027	12,000,000	12,000,000
Central City Streetcar	2019a	5.0	01/30/2019	2020-2024	7,640,000	7,640,000
Total Business-type activities					41,555,000	30,187,000
Total					\$ 236,168,888	\$ 192,732,902

Annual debt service requirements to maturity for all of the above types of limited tax revenue bonds at June 30, 2019 are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-type Activities		Fiduciary Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 33,614,477	\$ 23,077,800	\$ 10,781,162	\$ 2,885,874	\$ 48,842	\$ 12,767
2021	40,822,650	20,389,213	11,783,531	2,211,247	55,066	9,006
2022	44,951,998	17,496,590	12,896,298	1,466,009	61,876	4,765
2023	24,321,293	38,167,751	5,324,788	8,631,967	11,094	58,213
2024	25,079,498	38,609,607	6,000,249	8,917,886	10,675	61,403
2025-2029	126,649,519	200,370,124	15,680,617	49,834,977	47,612	358,401
2030-2034	76,080,000	22,398,175	-	-	-	-
2035-2039	46,210,000	8,579,200	-	-	-	-
2040-2044	7,860,000	393,000	-	-	-	-
Total	\$ 425,589,435	\$ 369,481,460	\$ 62,466,645	\$ 73,947,960	\$ 235,165	\$ 504,555

Limited tax pension obligation revenue bonds.

The City issued \$300.8 million of Limited Tax Pension Obligation Revenue Bonds in November 1999, to finance the City's December 31, 1997 unfunded actuarial accrued pension liability with the State of Oregon Public Employees Retirement System (PERS). The bonds are secured by available general funds, defined as revenues that are legally available to pay the bonds, and not prohibited for such use under the charter and ordinances of the City and Oregon laws. Revenues include all taxes and other legally available general funds of the City. Interest rates on the outstanding fixed rate \$134.5 million of 1999 Series C bonds range from 7.70 to 7.93%.

The \$300.8 million liability has been distributed as follows:

	Original Distribution	Principal Outstanding
<u>Governmental activities:</u>		
Governmental funds	\$ 211,379,554	\$ 94,503,621
Internal service funds	16,741,773	7,484,918
Total governmental activities	228,121,327	101,988,539
Business-type activities	72,201,017	32,279,644
Fiduciary activities	526,002	235,165
Total	<u>\$ 300,848,346</u>	<u>\$ 134,503,348</u>

Limited tax pension obligation revenue bonds currently outstanding at June 30, 2019 are as follows:

	Bond Series	Interest Rates	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
<u>Governmental activities:</u>						
Allocation of Limited Tax Pension Obligation	1999C	7.701%	11/01/1999	2020-2022	\$ 84,292,006	\$ 71,898,228
Allocation of Limited Tax Pension Obligation	1999C	7.93	11/01/1999	2020-2029	30,090,299	30,090,311
Total Governmental activities					<u>114,382,305</u>	<u>101,988,539</u>
<u>Business-type activities:</u>						
Allocation of Limited Tax Pension Obligation	1999C	7.701	11/01/1999	2020-2022	26,678,633	22,755,990
Allocation of Limited Tax Pension Obligation	1999C	7.93	11/01/1999	2020-2029	9,523,664	9,523,654
Total Business-type activities					<u>36,202,297</u>	<u>32,279,644</u>
<u>Fiduciary activities:</u>						
Allocation of Limited Tax Pension Obligation	1999C	7.701	11/01/1999	2020-2022	194,360	165,784
Allocation of Limited Tax Pension Obligation	1999C	7.93	11/01/1999	2020-2029	69,382	69,381
Total Fiduciary activities					<u>263,742</u>	<u>235,165</u>
Total Limited Tax Pension Bonds					<u>\$ 150,848,344</u>	<u>\$ 134,503,348</u>

Revenue bonds

The City issues revenue bonds to satisfy a variety of capital financing requirements backed solely by the fees derived from the provision of certain services. Types of revenue bonds outstanding include bonds issued for sewer system facilities, water system facilities, and transportation system improvements. Fees and charges are collected for the individual services provided, generally on the basis of usage.

Bond declarations for water enterprise and sewer enterprise debt require setting rates such that net operating income provides specified levels of debt service coverage on outstanding bonds and to maintain adequate insurance on the facilities. Bond declarations for revenue bonds also permit the City to maintain restricted reserve accounts to provide for the payment of debt service in the event that pledged revenues are not sufficient to pay debt service when due. The City has established covenants to maintain debt service reserves for certain series of revenue bonds. The City is in compliance with its bond covenants as of and for the fiscal year ended June 30, 2019.

Revenue bonds outstanding at June 30, 2019 are as follows:

Purpose	Interest Rates	Principal Outstanding
Gas Tax Revenue Bonds:		
Public street improvements	1.94-5.00%	\$ 6,445,000
Sewer System Revenue Bonds:		
Sewer System Capital Improvements	2.00-5.00	1,442,020,000
Water System Revenue Bonds:		
Water System Capital Improvements	3.00-5.00	594,035,000
Total revenue bonds		<u>\$ 2,042,500,000</u>

Revenue bonds outstanding at June 30, 2019 are as follows:

	Bond Series	Interest Rate(s)	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
Governmental activities:						
Gas Tax Revenue Bonds	2011A	3.00-5.00%	11/22/2011	2020-2023	<u>\$ 15,400,000</u>	<u>\$ 6,445,000</u>
Business-type activities:						
Sewer System Revenue Bonds	2010A	4.00-5.00	08/19/2010	2020-2035	407,850,000	304,320,000
Sewer System Revenue Bonds	2013A	4.00-5.00	09/17/2013	2020-2039	210,965,000	178,305,000
Sewer System Revenue Bonds	2014A	5.00	08/14/2014	2020-2025	86,165,000	56,760,000
Sewer System Revenue Bonds	2014B	3.00-5.00	08/14/2014	2020-2040	204,220,000	184,955,000
Sewer System Revenue Bonds	2015A	3.00-5.00	08/27/2015	2020-2031	329,805,000	179,130,000
Sewer System Revenue Bonds	2015B	3.00-5.00	08/27/2015	2020-2031	63,300,000	49,285,000
Sewer System Revenue Bonds	2016A	2.00-5.00	09/07/2016	2020-2033	156,650,000	148,345,000
Sewer System Revenue Bonds	2016B	2.00-5.00	09/07/2016	2020-2033	162,465,000	154,920,000
Sewer System Revenue Bonds	2018A	4.50-5.00	05/03/2018	2020-2038	191,930,000	186,000,000
Water System Revenue Bonds	2010A	4.00-5.00	02/11/2010	2020-2035	73,440,000	55,740,000
Water System Revenue Bonds	2011A	4.00-5.00	03/22/2011	2020-2036	82,835,000	65,605,000
Water System Revenue Bonds	2012A	3.00-5.00	08/02/2012	2020-2037	76,510,000	60,940,000
Water System Revenue Bonds	2013A	3.00-5.00	05/02/2013	2020-2038	253,635,000	192,690,000
Water System Revenue Bonds	2014A	3.00-5.00	12/16/2014	2020-2039	84,975,000	73,110,000
Water System Revenue Bonds	2016A	4.00-5.00	12/15/2016	2020-2041	168,525,000	145,950,000
Total Business-type activities					<u>2,553,270,000</u>	<u>2,036,055,000</u>
Total Revenue Bonds					<u>\$2,568,670,000</u>	<u>\$2,042,500,000</u>

Annual debt service requirements to maturity for all revenue bonds are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2020	\$ 1,520,000	\$ 223,750	\$ 144,490,000	\$ 90,514,181
2021	1,595,000	147,750	140,705,000	83,322,056
2022	1,640,000	99,900	142,120,000	76,442,956
2023	1,690,000	50,700	148,985,000	69,565,206
2024	-	-	107,155,000	62,249,306
2025-2029	-	-	501,930,000	242,570,956
2030-2034	-	-	523,435,000	132,732,731
2035-2039	-	-	303,820,000	35,754,288
2040-2044	-	-	23,415,000	896,500
Total	<u>\$ 6,445,000</u>	<u>\$ 522,100</u>	<u>\$ 2,036,055,000</u>	<u>\$ 794,048,180</u>

The City issues debt backed solely by future fees for certain services. At June 30, 2019, future pledged revenues are as follows:

Purpose	Revenue Stream	For the Year June 30, of Final Payments	Future Pledged Revenue Debt Outstanding	Approx % of Future Revenue Pledged to Debt Outstanding	Revenue, Net of Related Expenses For the Year Ended June 30, 2019	Debt Payments For the Year Ended June 30, 2019
Governmental activities:						
Gas Tax Revenue Bonds:						
Public street improvements	State gas tax	2023	\$ 6,967,100	1.97%	\$ 79,640,561	*\$ 1,741,000
Urban Renewal & Redevelopment:						
Airport Way	Tax increment property tax	2020	5,449,018	50.48	5,320,552	5,187,594
Central Eastside		2031	51,994,579	28.56	8,693,554	2,579,386
Gateway		2019	122,942,495	11.95	5,218,321	361,568
Interstate Corridor		2031	185,058,246	11.28	33,737,517	6,160,238
Lents		2030	206,760,269	19.65	16,089,410	3,598,364
North Macadam		2030	165,805,564	3.40	19,787,149	5,360,501
Oregon Convention Center		2025	116,619,658	74.04	9,706,140	7,809,417
River District		2032	161,997,365	20.75	37,381,281	9,400,138
South Park Blocks		2024	29,097,902	71.84	8,467,960	37,185,322
Downtown Waterfront		2024	43,226,907	73.53	9,872,451	9,487,935
Total Governmental Activities			<u>1,095,919,103</u>		<u>233,914,896</u>	<u>88,871,463</u>
Business-type activities:						
Sewer State Revolving Fund Loans:						
Financing energy, sewer system improvements	Sewer fees	2031	11,223,798	0.21	243,995,490 **	1,513,034
Sewage System Revenue Bonds:						
Sewer System Capital Improvements	Sewer fees	2040	1,992,357,081	18.55	(included above) **	180,111,641
Water System Revenue Bonds:						
Water System Capital Improvements	Water fees	2041	796,568,388	10.19	122,791	55,769,375
Total Business-type Activities			<u>2,800,149,267</u>		<u>244,118,281</u>	<u>237,394,050</u>
Total			<u>\$ 3,896,068,370</u>		<u>\$ 478,033,177</u>	<u>\$ 326,265,513</u>

* same revenue source pledged for three purposes

**same revenue source pledged for two purposes

Notes, lines of credit and loans payable

Notes payable. There are no outstanding notes at June 30, 2019.

Lines of credit. As of June 30, 2019 the City has \$142.0 million outstanding on various lines of credit. The use of proceeds and remaining balances are as follows:

	Amount (in millions)
Provide interim financing for urban renewal district projects	\$ 122.7
Local improvement district projects	9.8
Improvements to the Portland Building	9.5
	<u>\$ 142.0</u>

The City has executed a line of credit secured by its full faith and credit to pay for infrastructure projects in the River District urban renewal area. The line has an outstanding principal balance of \$33,770,366 and has a remaining undrawn balance of \$2,229,634. In the event of an event of default, the lender may increase the applicable interest rate margin to 6.0%, but outstanding amounts are not subject to acceleration. Interest rates on the line of credit may also be adjusted in the event of an event of taxability, whereby the interest payable on a tax exempt draw is includable in the gross income of the lender for federal income tax purposes.

The City has a separate outstanding line of credit for the River District urban renewal area secured solely by the tax increment revenues of that area to pay for urban renewal area capital improvement projects. The total outstanding balance is \$32,124,166 and there is no remaining undrawn balance. In the event of an event of default, the lender may accelerate payment immediately of the entire principal amount and other amounts due. Additionally, the lender may increase the applicable interest rate margin to 3.0%. The lender also may increase the interest rate margin if the City's rating on its full faith and credit obligations by Moody's Investors Service falls below A1.

The City has an outstanding facility agreement to provide interim financing for projects in five urban renewal areas secured by the City's full faith and credit and the tax increment revenues of each urban renewal area. The total outstanding balance for the five urban renewal areas is \$40,704,449 and the remaining undrawn balance is \$10,295,551. In the event of an event of default, the lender may accelerate payment immediately of the entire principal amount and other amounts due. Additionally, the lender may increase the applicable interest rate margin to 3.0%. The lender also may increase the interest rate margin if the City's rating on full faith and credit obligations by Moody's Investors Service falls below Aa1.

The City has four outstanding separate lines of credit for four urban renewal areas secured solely by the tax increment revenues of each respective urban renewal area to pay for capital improvement projects. The combined total outstanding balance for the lines of credit is \$16,103,672 and the remaining undrawn balance is \$45,201,328. The lender may accelerate payment immediately of the entire principal amount and other amounts due in the event that the City has entered against it an order for relief under the federal bankruptcy code, has not paid or admits in writing to its inability to pay its debts, or if a custodian, receiver or similar official is appointed for the City. In the event of an event of default, the lender may increase the applicable interest rate margin to 4.0%.

The City has an outstanding revolving line of credit secured by its full faith and credit to provide interim financing for local improvement district projects. The total outstanding balance is \$9,839,021 and the remaining undrawn balance is \$160,979. In the event of an event of default, the lender may accelerate payment immediately of the entire principal amount and other amounts due. Additionally, the lender may increase the applicable interest rate margin to 4.0%. The lender also may increase the interest rate margin if the City's rating on its full faith and credit obligations by Moody's Investors Service falls below Aa2 or if an event of taxability occurs, whereby the interest payable on a tax-exempt draw is includable in the gross income of the lender for federal income tax purposes.

The City has an outstanding line of credit secured by its full faith and credit to provide interim financing for rehabilitation of the Portland Building. The total outstanding balance is \$9,503,599 and the remaining undrawn balance is \$13,496,401. In the event of an event of default, the lender may accelerate payment immediately of the entire principal amount and other amounts due. Additionally, the lender may increase the applicable interest rate margin to 4.0%. The lender also may increase the interest rate margin if the City's rating on full faith and credit obligations by Moody's Investors Service falls below Aa2; if an event of taxability occurs, whereby the interest payable on a tax-exempt draw is includable in the gross income of the lender for federal income tax purposes; or if a change occurs in the maximum federal corporate tax rate.

The City expects to retire a portion of the balances on the lines of credit with the proceeds of long-term bonds. Interest rates on the outstanding line of credit balances are variable rates tied to the London Interbank Offered Rate (LIBOR). As of June 30, 2019, those rates ranged from 2.39 to 3.58%. The amount of unused lines of credit available to the city as of June 30, 2019 is \$71.3 million.

Loans payable. The City has entered into various loan arrangements for the purpose of financing sewer system improvements, transportation projects, levee improvement projects, and housing programs. The principal balance of these loans at June 30, 2019 was \$21.5 million. Interest rates on these loans range from 1 to 5%, with the loans' final maturities occurring in fiscal year 2033. Details for the activity of notes, lines of credit and loans payable can be found in the changes in long-term liabilities schedule at the end of this note.

Annual debt service requirements to maturity for notes payable, lines of credit, and loans payable are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2020*	\$ 1,949,171	\$ 4,468,928	\$ 1,407,852	\$ 119,242
2021	143,018,535	4,386,537	1,422,058	105,182
2022	641,628	267,667	1,436,405	90,976
2023	665,104	247,506	1,450,902	76,629
2024	698,693	225,615	1,465,547	62,132
2025-2029	3,604,628	754,389	3,479,551	104,937
2030-2034	2,173,000	184,101	118,518	3,109
Total	\$ 152,750,759	\$ 10,534,743	\$ 10,780,833	\$ 562,207

*Most of the amounts being paid in 2020 will be paid by selling bonds, so the amount being paid in 2019 doesn't tie to short term liabilities.

For further information on the HUD Section 108 Loan Guarantee Program, refer to the Loans Receivable section of Note III.B. Receivables.

The City has an outstanding loan secured by its full faith and credit to provide interim financing for costs related to the Columbia Levee project. During the current fiscal year, the City received an additional \$40,842 in proceeds from this loan. The total outstanding balance is \$706,486 and the remaining undrawn balance is \$391,066. In the event of an event of default, the lender may accelerate payment immediately of the entire loan principal amount and other amounts due.

Direct placements of debt

The City currently has outstanding bonds and notes from direct borrowings and direct placements related to governmental activities in the amount of \$142,751,759 including lines of credit to pay the costs of the Portland Building rehabilitation, River District Infrastructure, interim financing of local improvement district projects, and urban renewal projects. The City also has privately placed bonds in the amount of \$40,946,380 including refunding bonds issued for the Airport Way urban renewal area, the South Park Blocks urban renewal area and the Providence Park Stadium project.

Other liabilities

The City's policy relating to compensated absences is described in Note I.D.9. The long-term portion of compensated absences for governmental activities and business-type activities is \$12.2 million. The total amount outstanding at June 30, 2019 was \$62.9 million for governmental activities and \$11.0 million for business-type activities.

Other postemployment benefits are described in Note IV.D. The total amount outstanding at June 30, 2019 was \$80.5 million for governmental activities and \$14.3 million for business-type activities.

The Fire and Police Disability, Retirement Fund (FPDR) pension liability is described in Note IV.E., the total liability outstanding at June 30, 2019 was \$3.549 billion, and it is solely a governmental activities liability. The Oregon PERS liability is described in Note IV.E., the total outstanding liability for governmental activities and business-type activities at June 30, 2019, was \$546.6 million.

The long-term portion of compensated absences, other postemployment benefits and police and fire pension liabilities are expected to be paid in future years from future resources. In prior years, compensated absences and other postemployment benefits have been liquidated primarily by the governmental and enterprise funds for which the employees who earned the benefits were assigned. The General Fund liquidates the police and fire pension liability. Compensated absences and other post-employment benefits are liquidated by the General Fund, Transportation Operating Fund, Grants Fund, Emergency Communication Fund, Development Services Fund, Housing Investment Fund, Parks Local Option Levy Fund, Children's Investment Fund, Community Development Block Grant Fund, HOME Grant Fund, Portland Parks Memorial Fund, Tax Increment Reimbursement Fund, and Parks Capital Improvement Program Fund.

Refundings

On January 30, 2019 the City issued \$21.8 million of the 2019 Series A Limited Tax Revenue and Refunding Bonds, with \$7.6 million being used to refund \$8.3 million of certain maturities of the 2009 Series A Limited Tax Revenue Bonds for the Central City Streetcar Projects. This refunding was undertaken to reduce total debt service payments by \$576,089 over five years in an economic gain of \$500,895.

On April 25th, 2019 the City directly placed \$25.3 million of the 2019 Series A South Park Blocks Urban Renewal and Redevelopment Refunding Bonds, which were used to refund the outstanding maturities of the Series 2008 B South Park Blocks Urban Renewal and Redevelopment and Refunding Bonds. This refunding was undertaken to reduce total debt service payments by \$3,774,295 over five years in an economic gain of \$1,995,450.

On May 2, 2019 the City issued \$12.1 million of the 2019 Series A General Obligation Refunding Bonds, which was used towards the refunding of \$13.1 million of certain maturities of the 2011 Series A General Obligation Bonds. This refunding was undertaken to reduce total debt service payments by \$1,036,109 through fiscal year 2026 with an economic gain of \$975,935.

Changes in long-term liabilities:

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for internal service funds are included as part of the totals below for governmental activities. As of the current fiscal year-end, exclusive of discounts and premiums, internal service funds were allocated \$137.6 million of bonds outstanding. For the current fiscal year, there were no governmental fund resources committed to liquidate other long-term liabilities. The governmental funds and internal service funds, which have long-term liabilities, paid the debt service obligations from current resources, except for lines of credit paid off by selling long-term bonds.

Long-term liability activity for the year ended June 30, 2019 was as follows:

	Beginning Balance	Reclassification / Restatements*	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:						
Bonds payable:						
General obligation bonds	\$ 137,330,000	\$ -	\$ 27,695,000	\$ 25,030,000	\$ 139,995,000	\$ 9,895,000
Limited tax improvement bonds payable from assessment payments	28,660,000	-	10,800,000	4,995,000	34,465,000	800,000
Urban renewal and redevelopment bonds	357,231,200	-	25,280,480	66,612,300	315,899,380	39,584,366
Limited tax and limited tax revenue bonds	339,307,288	-	117,065,000	30,782,853	425,589,435	12,432,480
Revenue bonds	7,890,000	-	-	1,445,000	6,445,000	1,520,000
Unamortized premium and discounts	34,435,273	(454,960)	20,166,297	6,183,110	47,963,500	6,419,482
Total bonds payable	<u>904,853,761</u>	<u>(454,960)</u>	<u>201,006,777</u>	<u>135,048,263</u>	<u>970,357,315</u>	<u>70,651,328</u>
Notes, loans and line of credit payable	176,358,956	-	36,089,491	49,700,614	162,747,833	1,915,000
Self insurance claims	31,721,400	-	66,624,554	65,925,043	32,420,911	15,401,689
Net pension liability-FPDR	3,277,352,198	-	404,226,121	132,943,713	3,548,634,606	-
Net pension liability/(asset)-PERS	362,112,977	-	423,672,183	379,196,099	406,589,061	-
Other postemployment benefits - HIC	84,896,790	-	-	1,023,782	83,873,008	-
Other postemployment benefits - PERS	(1,183,453)	-	(2,172,941)	-	(3,356,394)	-
Compensated absences	59,836,358	-	61,437,511	58,398,408	62,875,461	50,684,713
Landfill postclosure	1,029,080	-	-	-	1,029,080	36,089
Pollution remediation	275,845	-	12,466,043	401,940	12,339,948	6,000,000
Total other long-term liabilities	<u>3,992,400,151</u>	<u>-</u>	<u>1,002,342,962</u>	<u>687,589,599</u>	<u>4,307,153,514</u>	<u>74,037,491</u>
			\$			
Governmental activities	<u>\$4,897,253,912</u>	<u>\$ (454,960)</u>	<u>1,203,349,739</u>	<u>\$ 822,637,862</u>	<u>\$ 5,277,510,829</u>	<u>\$144,688,819</u>
Business-type activities:						
Bonds payable:						
Limited tax and limited tax revenue bonds	\$ 73,305,431	\$ -	\$ 7,640,000	\$ 18,478,786	\$ 62,466,645	\$ 4,077,000
Revenue bonds	2,174,570,000	-	-	138,515,000	2,036,055,000	144,490,000
Unamortized premium and discounts	198,827,913	732,750	-	26,973,889	172,586,774	24,715,055
Total bonds payable	<u>2,446,703,344</u>	<u>732,750</u>	<u>7,640,000</u>	<u>183,967,675</u>	<u>2,271,108,419</u>	<u>173,282,055</u>
Notes and loans payable	12,174,625	-	-	1,393,792	10,780,833	1,407,852
Self insurance claims	1,028,892	-	555,874	1,028,892	555,874	416,498
Compensated absences	9,473,558	-	12,471,638	10,974,551	10,970,645	10,970,645
Net pension liability/(asset)-PERS	126,705,989	-	148,246,007	134,987,624	139,964,372	-
Other postemployment benefits - HIC	15,104,282	-	-	6,396	15,097,886	-
Other postemployment benefits - PERS	(270,733)	-	(487,753)	-	(758,486)	-
Landfill postclosure	2,461,318	-	5,539,912	5,332,066	2,669,164	68,299
Pollution remediation	2,643,000	-	15,861,230	12,124,230	6,380,000	2,645,000
Total other long-term liabilities	<u>169,320,931</u>	<u>-</u>	<u>182,186,908</u>	<u>165,847,551</u>	<u>185,660,288</u>	<u>15,508,294</u>
Business-type activities	<u>\$2,616,024,275</u>	<u>\$ 732,750</u>	<u>\$ 189,826,908</u>	<u>\$ 349,815,226</u>	<u>\$ 2,456,768,707</u>	<u>\$188,790,349</u>

* Restatements related to OPEB per GASB 75 implementation

Conduit debt and Contingent loan agreements

The City has issued conduit Economic Development Revenue Bonds, which have not been recorded as a liability for GAAP presentation purposes. Private developers use the proceeds of these bonds to finance capital expansion. The Economic Development Revenue Bonds have not been recognized as a liability of the City because the bonds are secured solely by the specific project and the developers are obligated to make the payments. The bonds are not payable from a charge upon any of the City's resources or assets, and the City is not subject to any liability from these bonds. Upon completion of the project, the developer owns the assets constructed. Since the City does not own any of the assets constructed or assume any of the liabilities associated with repayment, these bond issues do not require balance sheet disclosure or recognition of revenues and expenditures according to GAAP. The total outstanding principal of these bonds as of June 30, 2019 is \$17.5 million.

The City has made a limited, subject-to-appropriation, pledge of its General Fund to restore reserve fund balances on five Home Forward revenue bond issues via contingent loan agreements. The original par amount of these issues is \$33.0 million, of which \$22.2 million remains outstanding.

Bond insurer ratings - Debt Service Reserve Fund Surety Bonds

As of June 30, 2019 the City has debt service reserve fund surety bonds relating to outstanding sewer system revenue bonds in a face amount totaling approximately \$87 million. The legal provisions for treatment of surety bonds used to fund a sewer system revenue bond debt service reserve require the City to replenish a debt service reserve with cash if (1) all ratings of an insurer that provide the surety bond are either withdrawn or fall below investment grade, and (2) Net Revenues as a percent of annual first lien bond debt service in a fiscal year falls below 150% or Net Revenues as a percent of combined annual debt service for first and second lien bonds falls below 130%. In such a case, the City is permitted to replenish the reserve over a five-year period.

	Insurer Ratings (Moody's / S&P)	Face Amount of DSR Surety Bonds
Assured Guaranty Municipal Corporation (formerly FSA)	A2 / AA	\$ 87,003,509

Terms specified in debt agreements

If not already described above, in the event of default investors may exercise any remedy available at law or in equity or in bankruptcy or otherwise. Bonds are not subject to acceleration.

J. Short-term debt:

The City issues short-term subordinate bonds, typically with a one-day maturity, to permit the City's component unit, Prosper Portland, to access tax increment revenues deposited into debt service funds established for each urban renewal district. Under ORS 457.435 and 457.440, tax increment collections may only be spent to pay principal and interest on indebtedness. Once tax increment collections are sufficient to meet debt service requirements for outstanding long-term debt and lines of credit, the City issues short-term subordinate debt to release the collections to Prosper Portland for capital projects. The City issued \$93.2 million of short-term subordinate bonds in fiscal year 2019 and were redeemed the day following their issue. At June 30, 2019, there were no outstanding short-term subordinate bonds.

At the beginning of the fiscal year, the City issued \$35.7 million of tax anticipation notes in advance of property tax collections, depositing the proceeds in the Fire and Police Disability and Retirement Fund (fiduciary). The notes were issued to meet current operating expenses of the Fire and Police Disability and Retirement Fund. The tax anticipation notes were paid prior to the end of the fiscal year.

Short-term debt activity of the fiscal year ended June 30, 2019 was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Short-term subordinate	\$ -	\$ 93,200,000	\$ 93,200,000	\$ -
Tax anticipation notes	-	35,725,000	35,725,000	-
Totals	<u>\$ -</u>	<u>\$ 128,925,000</u>	<u>\$ 128,925,000</u>	<u>\$ -</u>

K. Termination benefits:

The City offers a targeted severance program which provides qualified employees with a minimum of two months' salary and six months of paid health insurance upon termination of employment. Individual severance agreements are generated by the various bureaus in specific instances offering health care continuation and are generally offered for up to six months of coverage. There were 14 employees affected, and the net cost of these termination benefits for fiscal year ending June 30, 2019 was \$176,127.

IV. Other information:

Risk management:

General Self Insurance

The City is exposed to various risks of loss related to theft, damage and destruction of assets, tort claims (general and fleet liability), injuries to employees, acts of terrorism, and natural disasters. The City of Portland maintains large self-insured retention levels, with excess commercial insurance policies placed above retentions to protect the City's financial interests. This insurance program applies to workers' compensation, fleet and general liability claims and certain employees' medical coverage in internal service funds.

Per Oregon Revised Statute (ORS) 30.272 limitations on liability of public bodies for personal injury to any single claimant for causes of action arising on or after July 1, 2018 and before July 1, 2019, limitations are \$727,200 for single claimant and \$1.45 million for multiple claimants. For causes of action arising on or after July 1, 2019 limits increased to \$749,000 for a single claimant and \$1.5 million for multiple claimants.

Per ORS 30.273 limitations on liability of public bodies for property damage arising on or after July 1, 2018 and before July 1, 2019, limitations increase to \$119,300 for single claimant and \$596,400 for multiple claimants. For causes of action arising on or after July 1, 2019, limits increased to \$122,900 for single claimants and \$614,300 for multiple claimants.

The City estimates liability for incurred losses for reported and unreported claims for workers' compensation, general and fleet liability and employee medical coverage (included in accrued self insurance claims in the combined statement of net position). Workers' compensation, general and fleet liability estimates are primarily based on individual case estimates for reported claims and through historical data for unreported claims as determined by the City's Risk Management Services and independent actuarial studies. Liabilities are based on estimated ultimate cost of settling claims, including effects of inflation and other societal and economic factors. Estimated liability is then discounted by the City's expected rate of return and anticipated timing of cash outlays to determine the present value of the liability. For fiscal year ended June 30, 2019, the expected rate of return used was 2.1%. For fiscal year ending June 30, 2020 and subsequent years, the expected rate of return used was 2.3% and 2.35% respectively. The Bureau of Human Resources and the employee benefits consultant determines relevant employees' medical coverage estimates.

The City provides insurance coverage deemed as adequate, appropriate, and actuarially sound. It meets all the City's anticipated settlements, obligations and outstanding liabilities. The City does not have any claims reserved above the current SIR and Excess layer. In our last three excess renewals, there have been no material changes in our retention, coverage or conditions. Furthermore, current levels of accrued claims and case reserve estimates are viewed as reasonable provisions for expected future losses. An excess liability coverage insurance policy covers individual claims in excess of \$1 million to policy limits, police law enforcement claims in excess of \$2.5 million to policy limits and an excess workers' compensation coverage insurance policy covers claims in excess of \$850,000 for occurrences after July 1, 2012. The City purchases commercial insurance for claims in excess of coverage provided by the self-insurance fund. The City's limits of coverage on the excess liability policy is \$10 million per claim above the \$1 million self-insurance retention for covered torts occurring after November 12, 2012. Police Law Enforcement Liability retention increased to \$2.5 million for claims occurring after November 12, 2013.

Liabilities are reported in the applicable fund when it is probable that a loss has occurred, and the amount of loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors.

The estimate of claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether any are allocated to specific claims. Estimated recoveries from salvage or subrogation for example, are another component of the claims liability estimate. Changes in the balances of claims liabilities during the past two years are as follows:

	June 30, 2019	June 30, 2018
Balance, beginning of fiscal year	\$ 31,721,400	\$ 28,068,818
Incurred claims and adjustments	66,624,554	64,839,071
Claim cash payments	(65,925,043)	(61,186,489)
Total unpaid claims, end of fiscal year	\$ 32,420,911	\$ 31,721,400

Owner Controlled Insurance Program (OCIP)

Under ORS 336, an OCIP is an insurance technique for large construction and/or groups of construction projects that provides the majority of necessary insurance coverage for eligible contractors and subcontract tiers performing work on construction project sites. In 1996, the Bureau of Environmental Services (BES) through its' Insurance Broker opted to purchase a single insurance policy/program for the Capital Improvement Combine Sewer Overflow Program to cover job site risks, which became OCIP Phase I.

Because of the success of the OCIP, financial analysis and risk management/safety practices, BES continued OCIP through Phases II, III and IV. Currently, BES is in Phase V that began in September 2015 and will end in August 2020. BES's insurance broker Marsh (Marsh negotiates insuring agreements with insurance carriers) has estimated a program insurance savings of approximately \$20.4 million or 1.25% savings of construction value based on data through June 30, 2018. Additionally, because of sound risk management and safety practices, Water and BES have received \$2.621 million in dividends from the workers' compensation carrier SAIF.

As a result of BES owning the insurance, BES reduces project insurance costs by purchasing broader coverage, controls job site safety, minimizes public and 3rd party liability, improves and controls claim costs, enhances public relations, eliminates cross litigation and improves the bidding ability for M/W/ESB firms. The OCIP eliminates and replaces the City required insurance normally provided by the contractor. Contractors bidding on BES projects will deduct from their bids all costs for insurance that duplicate or provide similar insurance coverages. OCIP coverages include:

- Workers Compensation and Employers Liability, capped at \$250,000/per claim in phase V.
- Commercial General Liability: limit at \$2 million per occurrence and \$4 million annual aggregate;
- Builders Risk: limit at \$100 million per occurrence;
- Excess Liability with a combination of layers which equal \$50 million; and
- Specialty Coverages: Pollution Liability, Railroad Protective Liability and Marine Protection and Indemnity.

OCIP Phase IV, July 2011 through June 2016 included BES's CIP Sewerage System Infrastructure Improvements and the Portland Water Bureau's (PWB) Kelly Butte and Powell Butte Reservoir Projects. As of June 30, 2019, the total claim outstanding reserve for worker's compensation incurred losses were \$435,010. This number is multiplied by a 1.165 Loss Conversion Factor (LCF) which brings the City's liability to \$506,787. Also, as of June 30, 2019, the total claim outstanding reserve for the General Liability is zero. The City's total liability for Worker's Compensation and general liability related to OCIP Phase IV is shown below:

OCIP Phase IV (July 2011 - June 2016)	June 30, 2019
Balance, beginning of fiscal year	\$ 993,477
Incurred claims and adjustments	1,534,482
Claims cash payments	(2,092,949)
Unpaid claims, end of fiscal year	435,010
Loss conversion factor (LCF)	71,777
Balance, end of fiscal year	<u>\$ 506,787</u>

OCIP Phase V- September 2016 through August 2020. This phase includes BES's CIP Sewerage System Infrastructure Improvements and PWB's Washington Park Reservoir Projects. The worker's compensation claims per this phase is capped at \$250,000 per claim. There are only 27 worker's compensation claims reported with an incurred cost of \$91,386 and total claim outstanding of \$28,727. This number is multiplied by a 1.165 Loss Conversion Factor (LCF) which brings the City's liability to \$33,467. Also, as of June 30, 2019, the total outstanding claim reserves for General Liability are \$13,946. This number is multiplied by 1.120 LCF which brings to total to \$15,620. Based on the current known losses, the City's total liability for workers' compensation and general liability is \$49,087.

OCIP Phase V (Sept. 2015 - June 2019)	June 30, 2019
Balance, beginning of fiscal year	\$ 35,415
Incurred claims and adjustments	165,925
Claims cash payments	(158,666)
Unpaid claims, end of fiscal year	42,674
Loss conversion factor (LCF)	6,413
Liability Recognized	<u>\$ 49,087</u>

B. Landfill closure and postclosure care:

Killingsworth Fast Disposal (KFD) Landfill

The Killingsworth Fast Disposal (KFD) Landfill was a Municipal Solid Waste Landfill that primarily accepted construction and demolition waste. The landfill was permitted by the Oregon Department of Environmental Quality (DEQ) and franchised by the Metro Regional Government to Riedel Waste Systems, Inc. (RWS). The landfill was permanently closed in 1990. After closure, per DEQ requirements, RWS installed a geomembrane cap and a gas extraction system. Finding it financially unable to perform the DEQ required maintenance and monitoring, RWS abandoned the property in 1995. Consequently, the DEQ assumed the monitoring and maintenance activities and installed a new gas extraction system, repaired the geomembrane cap, made drainage system and various other improvements to mitigate threats to human health.

On March 7, 2002, the DEQ issued a Solid Waste Disposal Site Closure Permit (No. 1204) to the City of Portland for post-closure care. This post-closure care includes proper operation, maintenance, and monitoring of the post-closure equipment and systems. Federal and State laws and regulations require the City, as the permittee, to perform post-closure for thirty years commencing on March 7, 2002. As such, the City is responsible for the following activities: operating, maintaining, and monitoring of methane gas extraction and leachate collection systems, site membrane cap and final cover maintenance, site drainage systems maintenance, and maintenance of groundwater monitoring wells.

Prior to transferring the property to the City, the DEQ installed, monitored, operated, and maintained site closure systems. On February 25, 2002, the City and the DEQ entered into an Intergovernmental Agreement (IGA) No. R001-02 wherein the City agreed to manage and pay for the maintenance and post-closure until 2032, as well as partially reimburse DEQ for the gas extraction/flare and leachate collection system costs. The DEQ agreed, that upon satisfactory performance by the City of its obligations under the intergovernmental agreement, the City would be released from a significant portion of the environmental liabilities at the site. The City has paid the \$500,000 reimbursement cost to DEQ.

The City has established future annual post-closure care cost projections (2018-2032) based on the average actual annual costs of the first 17 years of the City's operation, maintenance, and monitoring of the site closure systems (2002-2018). Based on these actual costs and projections, the 30-year post-closure care cost, as of June 30, 2019 is estimated to be \$1.62 million under current federal and state laws and regulations. (Note: costs going forward have been inflated by 2.5% annually). Actual costs may be higher due to inflation, changes in technology and regulations, or the need for repair or replacement of site equipment.

As of June 30, 2019, the City of Portland and Metro (through IGA No. 51802) have paid a total of \$776,178 in post-closure care costs. Consequently, the City is responsible for \$809,866 of the remaining estimated liability of \$845,410.

For fiscal years 2002-2022, Metro has agreed to provide a total of \$238,489 in site maintenance and monitoring. Furthermore, the Parks Memorial Fund established a committed account to pay for future post-closure costs. Additional funding is provided by a \$69,646 annual contribution to the Parks Memorial Fund via the General Fund.

To meet the ongoing costs of post-closure care, additional resources will be infused by the City as needed. The closure plan for the KFD Landfill is compliant in all aspects with the Oregon DEQ.

Guilds Lake Former Municipal Incinerator / Landfill Remediation Project

The Guilds Lake Former Incinerator Ash Landfill (GLFIAL) is located in an industrial section of northwest Portland. The site consists of 11 of 20 acres of the former landfill operated by the City of Portland during the early 1900s through 1948. The site consisted of a large municipal incinerator for the burning of trash. The site was issued a record of decision (ROD) from the Oregon Department of Environmental Quality (ODEQ) in 1991 (Consent order ECSR-NWR-91-09). The ROD lists the selected remedial action for the site. The remediation includes an Asphalt-Concrete-cap, passive vapor controls, gas monitoring, groundwater monitoring, and deed restrictions. The Asphalt-Concrete-cap was built and completed from 1991-1995. ROD requires a yearly inspection of the cap and Gabion Wall, and yearly reporting to ODEQ.

The City of Portland Bureau of Environmental Services is responsible for the various aspects (inspection, maintenance, monitoring and reporting) associated with the closure of the site and implementing the ROD. The annual review of the report is completed by ODEQ under an inter-governmental agreement between BES and ODEQ (City contract number 30001070 and DEQ number LQVC-NWR-09-08).

The annual reports of recent years indicate that the Asphalt-Concrete-cap has exceeded its life and is failing in several areas (cracks, fissures, and differential settlement). The current Asphalt-Concrete-cap will need to be repaired, sealed, removed and replaced in various locations. The cost to complete this is estimated at \$1 million. This project is budgeted in FY 2019 and this amount has been recorded under BES liability.

Annual inspection, monitoring and report to ODEQ will continue to be required under the agreement. The City has established future annual post closure care cost projections based on historic annual costs. This is estimated to be \$100,000, or \$5,000 per year for the next 20 years.

Columbia Boulevard Wastewater Treatment Plant (CBWTP) Lagoon Monofill closure and post closure care

The City of Portland owns and operates a non-municipal solid waste landfill site at its Columbia Boulevard Wastewater Treatment Plant (CBWTP) Facilities, under DEQ Permit No. 1203. The landfill, also referred to as the "monofill", was created as part of the City's five lagoon reconstruction project phases to line the lagoons. The monofill is constructed with an 80- mil HDPE liner for long term storage of legacy solids from the lagoon that were not suitable for the City's biosolids recycling program. The capacity of the monofill is estimated at 52,300 dry tons, and 99,600 cubic yards. The monofill is currently partially filled with 30,342 dry tons of solids which were introduced in the monofill in the summer of 2014 as part of the second phase of the lagoon reconstruction projects. The next phase of construction will commence in 2016, fill the monofill to capacity, and permanently close it with a final cover. Additional solids have not been added to the lagoon since the current phase of construction through FY 2019 because the contractor is waiting for the solids to dry to a state which would allow them to be placed in the monofill. The final phase of the lagoon will proceed with final vegetative enhancements.

Per Oregon 40 CFR 258.74 the determination by Oregon DEQ that BES should provide a financial assurance plan by November 30, 2015 obligated the City of Portland to place a reference to the closure and post-closure costs assured through the financial tests into its next comprehensive annual financial report (CAFR). The City of Portland meets the financial test by having bonds rated above the minimum requirements of Baa for Moody's or BBB for Standard and Poor's and having post closure costs below the maximum 43% of annual revenue.

During the third and fourth (combined for construction) phase of construction the monofill will be permanently covered and a final bioswale revegetation will be installed. In addition, a leachate manhole and pump have been installed in the monofill to capture and pump potential leachate back to the treatment plant. A final permanent closure plan has been filed with the DEQ. This Post Closure Plan requires maintaining the integrity and effectiveness of the final cover, maintaining and operating the leachate collection system, monitoring the groundwater in the vicinity of the monofill, and maintaining and providing security for the landfill site. Annual inspections will note if any impacts such as vegetation damage is occurring and appropriate corrective measures will be taken if needed.

Closure and post-closure costs have been estimated in accordance with OAR 340-095-0090(4)(a). These estimates include frequency and costs of maintenance and inspection activities for various aspects of the monofill. The DEQ has recently approved a 30-year time period to estimate post-closure costs. Before the approval, the cost estimate spanned 170 years. The 30-year post-closure estimate starts in 2023, following closure activities. The new calculation assumes an inflation rate of 1.52%, which is the Oregon DEQ provided rate for Non-Municipal Solid Waste Disposal Sites in FY 2019 based on the discount rate for 5-year bonds for the week ending July 31, 2019. Based on estimated closure and post-closure costs over 30 years and the 1.52% inflation factor, the estimated liability as of June 30, 2019 through 2053 is \$2.67 million. This liability is recognized in FY 2019 expenditures post-closure costs at an amount of \$68,299 and future years long-term liability is \$2,600,865.

C. Commitments and contingent liabilities:

The City is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. Claims covered by the City's self-insurance internal service funds are reviewed and losses, discounted to reflect the time value of money, are accrued based on the judgment of City management. According to City management, based on the advice of legal counsel with respect to such litigation and claims, ultimate disposition of these matters will not have a material adverse effect on the financial position or results of City operations. Claims not covered by the City's self-insurance program are recognized in proprietary and fiduciary funds when it appears probable that a loss has been incurred and the amount in question can be reasonably estimated. Claims against governmental funds are recognized when due.

Labor agreements

There are ten labor agreements between the City and its employees.

	Effective Dates
Seasonal Maintenance Workers - Laborers' Local 483	7/1/2018 - 6/30/2022
Portland Police Association (PPA)	11/11/2016 - 6/30/2020
Professional and Technical Employees Local 17 (PTE-17), formerly The City of Portland Professional Employees Association (COPPEA)	7/1/2017 - 6/30/2021
The District Council of Trade Unions (DCTU)	7/1/2017 - 6/30/2020
Recreation Employees - Laborers' Local 483	7/1/2017 - 6/30/2021
The Portland Fire Fighters' Association (PFFA) - Local 43 ⁽¹⁾	7/1/2016 - 6/30/2019
Bureau of Emergency Communications (BOEC) - AFSCME Local 189-2 ⁽²⁾	7/1/2016 - 6/30/2019
Portland Housing Bureau (PHB) - AFSCME Local 189-3 ⁽³⁾	7/1/2015 - 6/30/2019
The Portland Police Commanding Officers Association (PPCOA)	7/1/2018 - 6/30/2020
Portland City Laborers' - Laborers' Local 483 (PCL-LL483)	7/1/2017 - 6/30/2021

⁽¹⁾ As of the date this document is published the City is currently in ongoing negotiations with PFFA

⁽²⁾ As of the date this document is published the City is currently in ongoing negotiations with PPA-BOEC

⁽³⁾ PHB elected to be part of DCTU effective 7/1/2019.

Bonds

The City has pledged its full faith and credit for the full repayment of limited tax improvement bonds totaling \$34.5 million at June 30, 2019, only to the extent that the combination of (1) collections of related assessment contract payments and (2) proceeds of foreclosed properties related assessment contracts are insufficient to retire outstanding bonds and pay bond interest liens when due.

Commitments and contingent liabilities:

The City has several construction and non-construction contractual obligations arising from existing contracts, agreements, legislative enactments and regulations of which \$726.3 million remains outstanding at June 30, 2019. These obligations are not expected to be fully paid from current financial resources and are not recognized as a liability until performance under the contract has occurred. Details are as follows:

Construction contracts specifically negotiated for the construction of building, remodeling, public safety police communication system, park improvements, sewer, transportation and water infrastructure upgrades totaled \$710.4 million of which \$378 million remains outstanding as itemized in the table below:

Construction Projects	Spent to Date	Remaining Commitments
Governmental activities:		
Community development	\$ 140,322	\$ 123,638
Legislative / admin / support services	111,579,588	104,115,648
Parks, recreation and culture	25,224,731	30,905,163
Public safety	53,010	46,707
Transportation	35,954,473	60,987,733
Total governmental activities	172,952,124	196,178,889
Business-type activities:		
Environmental services	87,917,983	104,313,223
Parking facilities	16,051,730	20,208,726

Water	<u>55,507,875</u>	<u>57,295,458</u>
Total business-type activities	<u>159,477,588</u>	<u>181,817,407</u>
Total Construction Projects	<u>\$ 332,429,712</u>	<u>\$ 377,996,296</u>

The City contracts the services of professional, technical and/or experts (PTE) who are subject matter experts in their fields of special knowledge or training. PTEs are usually performed by certified or licensed professionals including planners, architects, engineers and lawyers. PTE consists of both construction and non-construction projects. The combined contractual amount is \$252.6 million of which \$122.6 million is unspent as itemized in the table below:

Professional, Technical, or Expert Projects	Spent to Date	Remaining Commitments
Governmental activities:		
Community development	\$ 5,697,985	\$ 4,145,533
Legislative / admin / support services	10,717,034	26,399,938
Parks, recreation and culture	4,104,408	7,838,736
Public safety	13,628,460	9,217,224
Transportation	28,050,792	20,838,876
Total governmental activities	62,198,679	68,440,307
Business-type activities:		
Environmental services	44,907,972	37,139,605
Hydroelectric power	588,276	393,361
Parking facilities	59,149	138,256
Water	22,217,073	16,506,826
Total business-type activities	67,772,470	54,178,048
Total Professional, Technical or Expert Projects	\$ 129,971,149	\$ 122,618,355

The combined total for other non-construction projects amounted to \$504.4 million of which \$225.7 million remains unspent. Other non-construction projects consist of the following:

- Community partnership agreement (CPA) mainly represents a business property license fee within the Lloyd Business District to provide revenues to fund supplemental transportation management, district attorney prosecution, and economic development services within the district which amounted to \$1.56 million of which \$624,390 remains unspent.
- Grant agreements (GA) where the City is awarding funds as a means of assisting in various projects dealing with improving the quality of life, protecting and researching for the public good amounted to \$117.1 million of which \$49.93 million remains unspent.
- Price agreement (PA) are contracts with existing suppliers for goods or non-PTE services with established unit prices but with no quantities identified. If the City awards a price agreement or executes a requirements contract that will allow the City to purchase whatever quantity it needs from a contractor, then City Bureaus shall make their purchases from that contract unless the Chief Procurement Officer grants an exemption to that requirement. The combined total is \$385.7 million of which \$175.2 million remains unspent.

The table below provides more detail:

	Spent to Date			Remaining Commitments				
Other Projects	CPA	GA	PA	CPA	GA	PA	Total Spent to Date	Total Remaining
Governmental activities:								
Community development	\$ -	\$53,225,615	\$ 3,025,792	\$ -	\$37,507,090	\$ 2,416,747	\$ 56,251,407	\$ 39,923,837
Legislative/admin/ support services	921,120	9,114,757	52,778,908	615,922	6,990,331	38,474,541	62,814,785	46,080,794
Parks, recreation and culture	-	35,750	12,771,232	-	140,920	9,622,363	12,806,982	9,763,283
Public safety	12,664	4,268,339	36,688,076	8,468	3,249,940	28,552,996	40,969,079	31,811,404
Transportation	-	113,780	45,923,064	-	76,081	32,999,342	46,036,844	33,075,423
Other	-	-	-	-	1,630,382	21,589,224	-	23,219,606
Total governmental activities	933,784	66,758,241	151,187,072	624,390	49,594,744	133,655,213	218,879,097	183,874,347
Business-type activities:								
Environmental services	-	152,575	37,323,672	-	109,221	25,737,591	37,476,247	25,846,812
Parking facilities	-	90,000	6,255	-	60,180	4,182	96,255	64,362
Hydroelectric Power			1,129			755	1,129	755
Water		225,785	21,988,996			15,761,031	22,214,781	15,761,031
Golf	-		1,982	-	162,529	1,325	1,982	163,854
Total business-type activities	-	468,360	59,322,034	-	331,930	41,504,884	59,790,394	41,836,814
Total Other Projects	\$ 933,784	\$67,226,601	\$210,509,106	\$ 624,390	\$49,926,674	\$175,160,097	\$278,669,491	\$225,711,161

HUD Section 108 Loan Guarantee

The City is also party to a Section 108 loan guarantee contract (B97-MC-41-0003) with HUD for the Commercial Revitalization Loan Fund Program. This program is administered by Prosper Portland on behalf of the Portland Housing Bureau. The HUD contract, signed in December 1999, was for \$8 million.

There are eight outstanding loans totaling \$2.1 million in original principal, with remaining balances of \$456,000 at June 30, 2019. The table below presents a list of borrowers and their respective loan principal balances:

Borrower Name	Original Principal Amount	Principal Balance June 30,	
		2019	2018
HUD Offering Rate Variance	\$ 31,000	\$ -	\$ 11,000
OUV2	800,000	456,000	524,000
PCRI / Alberta Simmons	375,000	-	120,000
PUB Group	875,000	-	250,000
Total	\$ 2,081,000	\$ 456,000	\$ 905,000

The Bank of New York Mellon (BNY) serves as custodian for this group of HUD Section 108 loans under an indenture and trust agreement between the City and BNY executed in 1999. All transactions flow through BNY trust accounts. The HUD offering rate variance is repaid by PDC on a periodic amortizing basis from Economic Development Initiatives (EDI) grant reserve funds also held in trust by BNY. Collective loan balances under this HUD contract, for which the City is contingently liable should the borrowers default, is \$456,000. For further information on the HUD Section 108 Loan Guarantee Program, refer to the Loans Receivable section of Note III.B., Receivables.

Environmental Remediation

GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations established accounting and financial reporting standards for pollution remediation obligations. Multiple remediation projects have been recognized by the City of Portland and accounted for in accordance with GASB Statement No. 49. The details of these projects are discussed below under Portland Harbor Superfund Site and Portland Housing Bureau.

Portland Harbor Superfund Site

Portland Harbor was listed as a federal Superfund site in December of 2000. The City is among the more than 150 potentially responsible parties that have received General Notices Letter from the EPA. In 2001, the City of Portland and nine other potentially responsible parties entered into an administrative order with EPA obligating them to finance a Remedial Investigation and Feasibility Study (RI/FS) under the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). This work has been completed.

The City is also one of six parties that entered into an administrative order in 2013 to conduct supplemental RI/FS and in 2016, amended the order to include design activities at one sub-area. BES has accrued \$1.81 million for estimated remaining costs under this order. The City is currently in negotiations with EPA and other potentially responsible parties regarding additional remedial design work in Portland Harbor. BES has accrued \$3.38 million in estimated costs for the design work in these areas.

In 2019, the City and State of Oregon entered into an agreement with EPA to make funds available to third parties that enter into remedial design agreements with EPA provided that those parties meet certain requirements. As of July 2019, the City has provided \$1.5 million to EPA pursuant to this agreement and subsequent payments will be based on the number of acres eligible for funding that are included in the parties' agreements with EPA. The maximum City obligation under this agreement is \$12 million. BES has accrued \$6 million for this work and the remaining \$6 million will be sourced from a general reserve fund which accumulates BES and non-BES funds.

BES costs for this work are being financed primarily from user fees generated by the City's sanitary sewer and storm water utility. The City's relative contribution to these costs bears no relationship to the City's or any individual Bureau of the City's potential liability for cleanup costs.

In January 2017, EPA issued a Record of Decision for Portland Harbor (ROD). Potential remedy costs were included in the ROD for comparative purposes among the potential remedies. Those comparative estimates were based on site-wide cleanup actions and do not include estimates of cleanup of individual sub-areas nor any individual party's share of those costs. This large and complex Superfund Site is not progressing under conventional processes used for smaller sites. For example, the first activities required after the ROD is to identify a current baseline that will inform the remedy. This work is scheduled to be completed by the end of 2019.

The City will seek recovery of some or all of its response costs from other parties that have liability at the Superfund site. The City is participating in voluntary negotiations with approximately 95 other potentially responsible parties to develop a method of fairly allocating investigation and remedy costs among all responsible parties. Additional entities that contributed to the contamination may be discovered throughout the process. This non-judicial allocation process is expected to take several more years to complete. The City believes that an estimate of maximum exposure of the Portland Harbor cleanup cannot be made but could be material to the period in which it is recorded.

The City may also have liabilities to natural resource trustees for areas in and near Portland Harbor. These liabilities are not anticipated to be incurred as part of a pollution remediation effort.

Under CERCLA, responsible parties that fail to enter into agreements to remediate and restore Superfund sites become subject to legal action by EPA to recover their full share of liability for cleanup and restoration activity, including imposition of fines and other financially punitive measures.

The City is also one of ten plaintiffs who filed suit in June 2009 against 40 entities to protect against a potential statute of limitations claim by parties that are not participating in negotiated settlements or did not agree to waive statute of limitation defenses. The plaintiffs in the litigation sought and were issued a stay of the litigation pending the outcome of the negotiated settlement discussed above.

Portland Housing Bureau Properties

Portland Housing Bureau (PHB) has six properties with remediation issues. Through an interagency agreement, PHB has relied upon the knowledge and expertise from Bureau of Environmental Services (BES) to continue estimating the remediation costs. The potential obligations are estimates by PHB staff based upon that input. BES provides site assessment services to numerous City bureaus. Site investigation, planning and design, cleanup, and site monitoring are typical remediation activities underway across many City of Portland properties, and therefore BES has programs, rules, and regulations that routinely deal with remediation-related issues. When an estimate cannot be reasonably made, a pollution remediation obligation is not reported.

The remediation obligation estimates that appear in this report are subject to change over time. Costs may vary due to price fluctuations, changes in technology, changes in potential responsible parties, results of environmental studies, changes to statutes or regulations, and other factors that could result in revisions to these estimates. Prospective recoveries from responsible parties may reduce the City's obligation. As of June 30, 2019 the estimated pollution remediation liability is \$339,948.

Other Remediation Obligations

There are other sites where the City conducted remediation activities in FY 2018-19. These sites consist of City-owned contaminated properties where remediation activities are required by the Oregon Department of Environmental Quality (DEQ) and City-acquired contaminated properties where remediation activities are being done voluntarily before constructing new facilities. The total estimated remediation liabilities at these sites are insignificant and have been accrued. These liabilities are estimated using the expected cash flow technique based on professional experience in estimating staff time, consultant costs, analytical costs, agency oversight, and equipment costs for similar work. Potential changes in estimates are expected to be low to moderate. Significant cost recovery is not expected at these sites and does not reduce the estimated liability.

The following are the estimated remediation liabilities that were accrued by project at fiscal year end:

Governmental activities:

Current liabilities:

Portland Harbor Superfund	\$ 6,000,000
Total current liabilities	<u>6,000,000</u>

Noncurrent liabilities:

Portland Harbor Superfund	6,000,000
Community development projects:	
30th & Powell property	139,808
SW Stark - Fairfield property	152,632
SE 60th property	10,833
Strong property	6,760
Interstate property	18,655
Westwind property	11,260
Total noncurrent liabilities	<u>6,339,948</u>
Total governmental activities	<u>\$ 12,339,948</u>

Business-type activities:

Current liabilities:

Environmental services projects:	
Portland Harbor Superfund RI/FS	\$ 1,815,000
Inspection, maintenance and monitoring:	
Closed municipal incinerator	730,000
Landfill remediation	50,000
Clarifier construction surface soils	25,000
DEQ UIC Closure reports	25,000
Total current liabilities	<u>2,645,000</u>

Noncurrent liabilities:

Environmental services projects:	
Portland Harbor Superfund RI/FS	3,385,000
Inspection, maintenance and monitoring:	
Closed municipal incinerator	100,000
Clarifier construction surface soils	50,000
DEQ UIC Closure reports	200,000
Total noncurrent liabilities	<u>3,735,000</u>
Total business-type activities	<u>\$ 6,380,000</u>

Nonexchange Financial Guarantees:**Home Forward Contingent Loan Agreements**

The City is authorized by Oregon Revised Statutes and by City Ordinance to make limited, subject-to-appropriation, pledges of its General Fund to restore reserve fund balances on five Home Forward revenue bond issues (see table below). The reserve replenishment pledges remain in place until the underlying Home Forward revenue bonds are fully redeemed or defeased. To date, Home Forward has not requested payment by the City on outstanding bonds, and the City does not expect a request for payment to be forthcoming. Should funds be requested of the City, City Council must first authorize such disbursement and an accompanying repayment plan.

	Authorizing Ordinance No.	Date of Issue	Scheduled Final Maturity Date	Amount of Original Issue	Outstanding June 30, 2019	Maximum Annual Liability
Pearl Court	180528	12/19/2006	01/01/2027	\$ 6,170,000	\$ 3,115,000	\$ 476,200
Yards at Union Station	180792	04/30/2007	05/01/2029	6,335,000	3,660,000	472,680
Hamilton West Apartments*	186515	05/01/2014	01/01/2034	3,470,000	3,135,000	204,800
Gretchen Kafoury Commons**	186514	05/01/2014	01/01/2034	4,030,000	3,640,000	237,465
Lovejoy Station	174844	10/01/2000	07/15/2033	9,690,000	8,685,000	741,600
Total Contingent Loan Agreements				<u>\$ 29,695,000</u>	<u>\$ 22,235,000</u>	<u>\$ 2,132,745</u>

*Maximum annual liability does not reflect a \$1,840,800 payment due at maturity on January 1, 2034.

**Maximum annual liability does not reflect a \$2,142,400 payment due at maturity on January 1, 2034.

State of Oregon Department of Energy Loan Guarantee - SoloPower Systems

The City is authorized by Oregon Revised Statutes and by City Ordinance No. 184598 to pledge non-tax City revenues to guarantee payment of debt service on a loan offered by the State of Oregon Department of Energy (ODOE) to a private entity, SoloPower Systems. The loan guarantee covers \$5 million of a total \$10 million ODOE loan and is secured by a pledge of the City's parking meter revenues. In January 2017, the City received notice from the Oregon Department of Justice stating that SoloPower was in default on its ODOE obligations and demanding that the City begin making payments under the guarantee in the amount of \$119,000 per month beginning in April 2017. The City has made 27 monthly payments totaling \$3.2 million as of June 30, 2019, and is expected to continue making similar monthly payments to the State of Oregon through October 2020.

D. Other postemployment benefits:

The other postemployment benefits (OPEB) for the City combines two separate plans. The City provides an implicit rate subsidy for retiree Health Insurance Continuation (HIC) premiums, and a contribution to the State of Oregon's PERS cost-sharing multiple-employer defined benefit plan.

Health Insurance Continuation

Plan Description & Benefits Provided: The City has a Health Insurance Continuation (HIC) option available for most groups of retirees. It is a substantive postemployment benefit plan offered under Oregon Revised Statutes (ORS) 243. ORS 243.303 requires the City to provide retirees and their dependents with an opportunity to participate in group health and dental insurance from the date of retirement to age 65. The rate is calculated using claim experiences from retirees and active employees for health plan rating purposes. Providing the same rate to retirees as current employees constitutes an implicit rate subsidy for OPEB. This single-employer "plan" is not a stand-alone plan and therefore does not issue its own financial statements.

Employees Covered by Benefit Terms: At June 30, 2019, the following employees were covered by the benefit terms:

Retirees & spouses benefitting from HIC benefits	996
Active employees	5,584
	<u>6,580</u>

Total OPEB Liability

The City's total HIC OPEB liability of \$99,167,682 was measured as of June 30, 2018 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs: The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Inflation	2.20%
Salary increases	0.87%, weighted average
Discount rate	3.90%
Healthcare cost trend rates	4.50% - 7.50%
Retiree's share of benefit-related costs	26% of estimated HIC costs

The discount rate was based on an assumed municipal bond rate of 3.90%.

Post-Retirement Mortality used is based on RP-2014 Healthy Annuitant, with Generational Projection using Unisex Social Security Data Scale. Active mortality used is based on RP-2014 Employee, with Generational Projection using Unisex Social Security Data Scale.

The actuarial assumptions used in the June 30, 2017 valuation report were based on the results of an actuarial experience study for the period January 1, 2013 to December 31, 2016.

Changes in Total Liability

<u>Balance at June 30,</u>	<u>Total OPEB Liability</u>
2018	\$ 100,197,951
Changes for the year:	
Service cost	3,675,148
Interest	3,640,097
Changes of assumptions	(2,777,647)
Benefit payments	(5,567,867)
Net Changes	(1,030,269)
2019	<u>\$ 99,167,682</u>

Changes of assumptions reflect healthcare increases that were higher than assumed in the prior valuation, an increased participation rate from 40% to 45%, an assumed health care reform excise tax increased from the prior projection, and several assumptions changed from the previous valuation including the rates of retirement, termination, disability, salary scale, and mortality.

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower.

	1% Decrease 2.90%	Discount Rate 3.90%	1% Increase 4.90%
Total OPEB liability	\$ 108,825,157	\$ 99,167,682	\$ 90,596,445

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current health care trend rates.

	Healthcare Cost Trend Rates (6.50% - decreasing to 3.50%)	Healthcare Cost Trend Rates (7.50% - decreasing to 4.50%)	Healthcare Cost Trend Rates (8.50% - decreasing to 5.50%)
Total OPEB liability	\$ 87,818,234	\$ 99,167,682	\$ 112,594,469

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the City recognized an OPEB expense of \$5,979,579. At June 30, 2019, the City reported deferred inflows and outflows of resources related to OPEB from the following source:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ -	\$ (7,318,430)
Total (prior to post-measurement date contributions)	-	(7,318,430)
City contributions made subsequent to measurement date	5,668,141	-
Total	\$ 5,668,141	\$ (7,318,430)

\$5.7 million reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recongnized as a reduction of the net OPEB liability in the year ending June 30, 2020.

Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year End June 30,	
2020	\$ (1,335,666)
2021	(1,335,666)
2022	(1,335,666)
2023	(1,335,666)
2024	(1,335,666)
Thereafter	(640,100)
Total	<u>\$ (7,318,430)</u>

OPERS Retirement Health Insurance Account

Plan Description: The City contributes to the PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. ORS 238.420 established this trust fund and authorizes the Oregon Legislature to establish and amend the benefit provisions. PERS issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700, telephone (503) 598-7377, or by URL: <http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

Benefits Provided: RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible employees. ORS require that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the RHIA established by the City, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. The plan is closed to new entrants after January 1, 2004.

Contributions: Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. Participating cities are contractually required to contribute to RHIA at a rate assessed each year by PERS. The City's contractually required contribution rate for the year ended June 30, 2019, was 0.43% of covered payroll, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year. Contributions to the OPEB plan from the City were \$1,969,784 for the year ended June 30, 2019. Employees are not required to contribute to the OPEB plan.

OPEB Assets, Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2019, the City reported an asset of \$ 4,177,752 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation date as of December 31, 2016. The City's proportionate share of the RHIA net OPEB asset has been determined based on the City's contributions to the RHIA program (as reported by PERS) during the Measurement Period ending on the corresponding Measurement Date. The City's proportionate share at June 30, 2018 and June 30, 2017 was 3.74% and 3.53%, respectively.

City of Portland:	Net OPEB Asset	Allocation
Governmental activities	\$ 3,356,394	80.3%
Business-type activities	758,486	18.2%
Government-wide	4,114,880	98.5%
Fiduciary Fund: Fire and Police Disability and Retirement Fund	10,654	0.3%
Component Unit: Prosper Portland	52,218	1.2%
	<u>\$ 4,177,752</u>	<u>100.00%</u>

For the year ended June 30, 2019, the City recognized OPEB income of \$410,434. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflows of Resources	Net Deferred Outflow/(Inflows) of Resources
Differences between expected and actual experience	\$ -	\$ (236,764)	\$ (236,764)
Changes of assumptions	-	(13,255)	(13,255)
Net difference between projected and actual earning on investments	-	(900,714)	(900,714)
Changes in proportionate share	-	(39,530)	(39,530)
Total (prior to post-measurement date contributions)	-	(1,190,263)	(1,190,263)
City contributions made subsequent to measurement date	1,969,784	-	1,969,784
Net deferred outflow / (inflows) of resources	<u>\$ 1,969,784</u>	<u>\$ (1,190,263)</u>	<u>\$ 779,521</u>

\$1,969,784 reported as deferred outflows of resources related to OPEB resulting from City contributions following the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Deferred Inflows of Resources					
Fiscal Year Ending June 30,	Differences between Expected and Actual Experience	Changes of Assumptions	Net Difference between Projected and Actual Earnings on Investments	Changes in Proportionate Share	Net Deferred Outflow/(Inflows) of Resources
2020	\$ (102,941)	\$ (5,763)	\$ (270,391)	\$ (18,320)	\$ (397,415)
2021	(102,941)	(5,763)	(270,391)	(17,018)	(396,113)
2022	(30,882)	(1,729)	(270,391)	(4,192)	(307,194)
2023	-	-	(89,541)	-	(89,541)
2024	-	-	-	-	-
Thereafter	-	-	-	-	-
	<u>\$ (236,764)</u>	<u>\$ (13,255)</u>	<u>\$ (900,714)</u>	<u>\$ (39,530)</u>	<u>\$ (1,190,263)</u>

Actuarial Methods & Assumptions:

The total OPEB liability in the December 31, 2016 actuarial valuation was determined using the following actuarial methods and assumptions:

Valuation date	December 31, 2016
Measurement date	June 30, 2018
Experience study	2016, published July 26, 2017
Actuarial assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.50%
Long-term expected rate of return	7.20%
Discount rate	7.20%
Projected salary increases	3.50%
Retiree healthcare participation	Healthy retirees: 38%; Disabled retirees: 20%
Healthcare cost trend rate	Not applicable
Mortality	Healthy retirees and beneficiaries: RP-2000 Sex distinct, generational per Scale BB, with collar adjustments and set-backs as describe in the valuation.
	Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation
	Disabled retirees: Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 Sex distinct, generational per Scale BB, disabled mortality table.

Discount Rate. The discount rate used to measure the total OPEB liability at June 30, 2018 was 7.20%. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payment of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Depletion Date Projection. GASB 74 generally requires that a blended discount rate be used to measure the Total OPEB Liability. The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses.

Assumed Asset Allocation.

Asset Class/Strategy	Low Range	High Range	OIC Target
Cash	0%	3.0%	0%
Debt Securities	15.0	25.0	20.0
Public Equity	32.5	42.5	37.5
Private Equity	13.5	21.5	17.5
Real Estate	9.5	15.5	12.5
Alternative Equity	-	12.5	12.5
Opportunity Portfolio	-	3.0	-
Total			100%

Long-Term Expected Rate of Return. To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target	Compound Annual Return (Geometric)
Core Fixed Income	8.0%	3.5%
Short-Term Bonds	8.0	3.4
Intermediate-Term Bonds	3.0	5.1
High Yield Bonds	1.0	6.5
Large/Mid Cap US Equities	15.8	6.3
Small Cap US Equities	1.3	6.7
Micro Cap US Equities	1.3	6.8
Developed Foreign Equities	13.1	6.7
Emerging Market Equities	4.1	7.5
Non-US Small Cap Equities	1.9	7.0
Private Equity	17.5	7.8
Real Estate (Property)	10.0	5.5
Real Estate (REITS)	2.5	6.4
Hedge Fund of Funds - Diversified	2.5	4.1
Hedge Fund - Event-driven	0.6	5.9
Timber	1.9	5.6
Farmland	1.9	6.2
Infrastructure	3.8	6.6
Commodities	1.9	3.8
Assumed Inflation - Mean		2.5%

Sensitivity of the City's proportionate share of the net OPEB asset to changes in the discount rate:

The following presents the City's proportionate share of the net OPEB liability/(asset), as well as what the City's proportionate share of the net OPEB liability/(asset) would be if it were calculated using a discount rate that is 1-percentage point lower 6.20% or 1-percentage point higher 8.20%.

	1% Decrease 6.20%	Discount Rate 7.20%	1% Increase 8.20%
Proportionate share of the net OPEB liability (asset)	\$(2,432,492)	\$(4,177,752)	\$(5,663,319)

The RHIA plan is unaffected by health care cost trends since the benefit is limited to a \$60 monthly payment toward Medicare companion insurance premiums. Consequently, disclosure of a healthcare cost trend analysis is not applicable.

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued OPERS financial report.

Aggregate Net OPEB Liability/Asset, Pension Expense, & Net Deferred Outflow/Inflow of Resources Related to OPEB.

The tables below present the aggregate balance (in millions) of the City's net OPEB liability/(asset), OPEB expense, and net deferred inflows and outflows as of June 30, 2019:

	Deferred Outflow/(Inflow) of Resources	Net OPEB Liability/ (Asset)	OPEB Expense (Income)
RHIA	\$ 779,521	\$ (4,177,752)	\$ (410,434)
HIC	(1,650,289)	99,167,682	5,979,579
Total	\$ (870,768)	\$ 94,989,930	\$ 5,569,145

E. Employee retirement systems and pension plans:

State of Oregon Public Employees Retirement System

Plan Description: Civilian City employees, all sworn fire and police personnel hired after December 31, 2006 are provided pensions as participants under one or more plans currently available through Oregon Public Employees Retirement System (OPERS), a cost-sharing multiple-employer defined benefit plan in accordance with Oregon Revised Statutes Chapter 238, Chapter 23A, and Internal Revenue Service Code Section 401(a).

OPERS prepares their financial statements in accordance with Governmental Accounting Standards Board (GASB) Statements and generally accepted accounting principles. The accrual basis of accounting is used for all funds. Contributions are recognized when due, pursuant to legal (or statutory) requirements. Benefits and withdrawals are recognized when they are currently due and payable in accordance with the terms of the plan. Investments are recognized at fair value, the amount that could be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. OPERS issues a publicly available financial report that can be obtained at: <http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

There are currently two programs within OPERS, with eligibility determined by the date of employment. Those employed prior to August 29, 2003 are OPERS Program members, and benefits are provided based on whether a member qualifies for Tier One or Tier Two described below. Those employed on or after August 29, 2003 are Oregon Public Service Retirement Plan (OPSRP) Program members. OPSRP is a hybrid retirement plan with two components: 1) the Pension Program (defined benefit; established and maintained as a tax-qualified governmental defined benefit plan), and 2) the Individual Account Program (IAP) (defined contribution; established and maintained as a tax-qualified governmental defined contribution plan).

The 1995 Legislature created a second tier of benefits for those who became OPERS Program members after 1995 but before August 29, 2003. The second tier does not have the Tier One assumed earnings rate guarantee.

Beginning January 1, 2004, all employees who were active members of OPERS became members of the OPSRP IAP Program. OPERS plan member contributions (the employee contribution, whether made by the employee or "picked-up" by the employer) go into the IAP portion of OPSRP. OPERS plan members retain their existing OPERS accounts; however, member contributions after January 1, 2004 are deposited in the member's IAP, not into the member's OPERS account.

On November 7, 2006, voters in the City of Portland passed a measure that took effect January 1, 2007. All police officers and firefighters hired on or after January 1, 2007 are now enrolled in OPERS instead of the City's Fire and Police Disability and Retirement (FPDR) fund for retirement purposes. They remain under the City's FPDR plan for disability payments.

Benefits provided under ORS 238 - Tier One / Tier Two

Pension Benefits. The OPERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2% for police and fire employees, 1.67% for general service employees) is multiplied by the number of years of service and final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years, or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General Service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members.

Death Benefits. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- Member was employed by an OPERS employer at the time of death,
- Member died within 120 days after termination of OPERS-covered employment,
- Member died as a result of injuries sustained while employed in a OPERS-covered job, or
- Member was on an official leave of absence from an OPERS-covered job at the time of death.

Disability Benefits. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

Benefit Changes after Retirement. Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of the underlying global equity investments of that account.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0%.

Benefits provided under Chapter 238A - OPSRP Pension Program (OPSRP DB)

Pension Benefits. The ORS 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003. This portion of the OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

- *Police and Fire:* 1.8% is multiplied by the number of years of service and final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
- *General Service:* 1.5% is multiplied by the number of years of service and final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the OPSRP pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

Death Benefits. Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50% of the pension that would otherwise have been paid to the deceased member. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.

Disability Benefits. A member who has accrued 10 or more years of retirement credits before the member becomes disabled, or a member who becomes disabled due to job-related injury, shall receive a disability benefit of 45% of the member's salary determined as of the last full month of employment before the disability occurred.

Funding Policy. PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the OPERS Defined Benefit Plan and the Other Postemployment Benefit Plans.

The City elected to finance its December 31, 1997 unfunded actuarial accrued liability to receive a lower employer contribution rate of covered employee's salaries. Proceeds of the 1999 Series C, D, & E Bonds were used to finance all of the estimated UAAL of the City with OPERS as of December 31, 1997. As of June 30, 2019 only Series C bond debt is outstanding. The debt is recorded on the government- wide statements and is allocated to both governmental and business-type activities. Ultimately this debt is viewed as being an obligation of the general government. These limited tax pension obligation revenue bonds are discussed further in Note III.I. Long-term debt.

Contributions. PERS' funding policy provides for periodic member and employer contributions at the rates established by the Public Employees Retirement Board, subject to limits set in statute. The rates established for member and employer contributions were approved based on the recommendations of the System's third-party actuary.

The City's employer contributions for the year ended June 30, 2019 was \$58.7 million, excluding amounts to fund employer specific liabilities. The contribution rates in effect for the fiscal year ended June 30, 2019 for each pension program were: Tier1/Tier 2 - 17.62%, OPSRP general service - 10.69%, and OPSRP uniformed - 15.46%. Pension expense for the year was \$103.3 million.

Pension Assets, Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the City reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016 and rolled forward to June 30, 2018. The City's proportion of the set was based on the City's projected long-term contribution effort as compared to the total projected net pension a long-term contribution effort of all employers. References to the City of Portland, as the Reporting entity, include the City's fiduciary fund and component unit. At June 30, 2019, the City's proportion of OPERS net pension liability was 3.69%.

The City's net pension liability as the Reporting entity, was allocated based on contributions by activity:

	Net Pension Liability	Allocation
Governmental activities	\$ 406,589,061	72.7%
Business-type activities	139,964,372	25.0%
Government-wide	546,553,433	97.7%
Fiduciary activities: Fire and Police Disability and Retirement Fund	2,045,767	0.4%
Discretely presented component unit: Prosper Portland	10,867,461	1.9%
Reporting entity total	<u>\$ 559,466,661</u>	<u>100.0%</u>

For the year ended June 30, 2019, the Reporting entity recognized pension expense of \$103.3 million. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflow/Inflow of Resources
Differences between expected and actual experience	\$ 19,031,383	\$ -	\$ 19,031,383
Changes of assumptions	130,074,936	-	130,074,936
Net difference between projected and actual earnings on investments	-	24,843,480	(24,843,480)
Changes in proportionate share	906,243	5,298,392	(4,392,149)
Differences between City contributions and proportionate share of contributions	<u>417,503</u>	<u>6,145,870</u>	<u>(5,728,367)</u>
Total (prior to post-measurement date contributions)	150,430,065	36,287,742	114,142,323
City contributions made subsequent to measurement date	<u>58,733,474</u>	<u>-</u>	<u>58,733,474</u>
Net deferred outflows / (inflows) of resources	<u>\$ 209,163,539</u>	<u>\$ 36,287,742</u>	<u>\$ 172,875,797</u>

\$58.7 million reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2020. Note III.D. Deferred outflows and inflows provides a comprehensive summary of the City's deferred outflows and inflows of resources. Other amounts reported by the City as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in subsequent years as follows:

Deferred Outflow of Resources

Fiscal Year Ending June 30,	Differences between Expected and Actual Experience	Changes of Assumptions	Net Difference between Projected and Actual Earnings on Investments	Changes in Proportionate Share	Differences between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflow of Resources
2020	\$ 7,789,356	\$ 43,410,355	\$ 25,201,978	\$ 624,887	\$ 99,405	\$ 77,125,981
2021	6,230,123	43,410,355	6,026,665	270,889	99,405	56,037,437
2022	3,642,929	24,160,888	(27,166,583)	10,467	99,405	747,106
2023	1,263,400	15,911,116	(4,062,060)	-	99,405	13,211,861
2024	105,575	3,182,222	-	-	19,883	3,307,680
Total	\$ 19,031,383	\$ 130,074,936	\$ -	\$ 906,243	\$ 417,503	\$ 150,430,065

Deferred Inflow of Resources

Fiscal Year Ending June 30,	Changes in Proportionate Share	Differences between Employer Contributions and Proportionate Share of Contributions	Net Difference between Projected and Actual Earnings on Investments	Total Deferred Inflows of Resources	Net Deferred Outflow/ (Inflows) of Resources
2020	\$ 1,498,459	\$ 4,103,371	\$ 6,210,870	\$ 11,812,700	\$ 65,313,281
2021	1,498,459	1,685,893	6,210,870	9,395,222	46,642,215
2022	1,498,459	300,978	6,210,870	8,010,307	(7,263,201)
2023	724,466	55,628	6,210,870	6,990,964	6,220,897
2024	78,549	-	-	78,549	3,229,131
Total	\$ 5,298,392	\$ 6,145,870	\$ 24,843,480	\$ 36,287,742	\$ 114,142,323

Actuarial Methods and Assumptions

Actuarial Valuations: The employer contribution rates effective July 1, 2017, through June 30, 2019, were set using the entry age normal actuarial cost method. Under this cost method, each active member's entry age present value of projected benefits is allocated over the member's service from their date of entry until their assumed date of exit, taking into consideration expected future compensation increases.

The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	December 31, 2016
Measurement date	June 30, 2018
Experience study	2016, published July 26, 2017
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Inflation rate	2.50%
Investment rate of return	7.20%
Discount rate	7.20%
Projected salary increases	3.50%
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service
Mortality	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex distinct, generational with Unisex Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active member: RP-2014 Employees, sex distinct, generational with Unisex Social Security Data Scale, with collar adjustments and set- backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex distinct, generational with Unisex Social Security Data Scale.

The actuarial valuation calculations are based on the benefits provided under the terms of the plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2016 Experience Study which reviewed experience for the four-year period ending on December 31, 2016.

Discount Rate. The discount rate used to measure the total pension liability was 7.20% for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members, and those of the contributing employers, are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Depletion Date Projection. GASB Statement No. 67 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses.

Assumed Asset Allocation.

Asset Class / Strategy	Low Range	High Range	OIC Target
Cash	0.0%	3.0 %	0 %
Debt Securities	15.0	25.0	20.0
Public Equity	32.5	42.5	37.5
Private Equity	13.5	21.5	17.5
Real Estate	9.5	15.5	12.5
Alternative Equity	-	12.5	12.5
Opportunity Portfolio	-	3.0	-
Total			100.0 %

Long-Term Expected Rate of Return. To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

	Target	Compound Annual Return (Geometric)
Core Fixed Income	8.0 %	3.50%
Short-Term Bonds	8.0	3.4
Intermediate-Term Bonds	3.0	5.1
High Yield Bonds	1.0	6.5
Large/Mid Cap US Equities	15.8	6.3
Small Cap US Equities	1.3	6.7
Micro Cap US Equities	1.3	6.8
Developed Foreign Equities	13.1	6.7
Emerging Market Equities	4.1	7.5
Non-US Small Cap Equities	1.9	7.0
Private Equity	17.5	7.8
Real Estate (Property)	10.0	5.5
Real Estate (REITS)	2.5	6.4
Hedge Fund of Funds - Diversified	2.5	4.1
Hedge Fund - Event-driven	0.6	5.9
Timber	1.9	5.6
Farmland	1.9	6.2
Infrastructure	3.8	6.6
Commodities	1.9	3.8
Assumed Inflation – Mean		2.5

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate:

The following presents the reporting entity's proportionate share of the net pension liability calculated using the discount rate of 7.20%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower 6.20% or 1-percentage-point higher 8.20% than the current rate:

	1% Decrease 6.20%	Discount Rate 7.20%	1% Increase 8.20%
Proportionate share of the net pension liability (asset)	\$ 934,974,484	\$ 559,466,661	\$ 249,515,684

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report. The effect of OPERS on the City's net position has been determined on the same basis used by OPERS.

Changes in Plan Provisions Subsequent to Measurement Date:

On June 11, 2019, Senate Bill 1049 was enacted by the People of the State of Oregon. The elements of the bill include a variety of policy and program changes which will affect the City's pension plan. Most prominent are a one-time 22-year re-amortization of the unamortized actuarial liability for Tier 1 and Tier 2 employees and contribution rate adjustments. The effect of SB 1049 could reduce the City's pension liability by \$3.75 million. In August 2019, a petition was filed with the Oregon Supreme Court challenging the constitutionality of certain portions of SB 1049. The City cannot predict whether the petitioners will be successful in whole or in part nor what the impact of a successful challenge may be. Further, the City cannot predict whether SB 1049 will be subject to additional legal challenges that could affect some or all of its provisions.

Changes in Actuarial Methods and Assumptions

A summary of key changes implemented since the December 31, 2015 valuation are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2016 Experience Study for the System, which was published in July 2017, and can be found at: <https://www.oregon.gov/pers/Documents/2016-Exp-Study.pdf>

Allocation of Liability for Service Segments

For purposes of allocating Tier One/Tier Two member's actuarial accrued liability among multiple employers, the valuation uses a weighted average of the Money Match methodology and the Full Formula methodology used by PERS when the member retires. The weights are determined based on the prevalence of each formula among the current Tier One/Tier Two population. For the December 31, 2014 and December 31, 2015 valuations, the Money Match was weighted 25% for General Service members and 0% for Police & Fire members. For the December 31, 2016 and December 31, 2017 valuations, this weighting has been adjusted to 15% for General Service members and 0% for Police & Fire members, based on a projection of the proportion of the liability attributable to Money Match benefits at those valuation dates.

Changes in Economic Assumptions

Investment Return and Interest Crediting. The assumed investment return and interest crediting to both regular and variable account balances was reduced to 7.2%. Previously, the assumed investment return and interest crediting to both regular and variable account balances was 7.50%.

Administrative Expenses. The administrative expense assumptions were updated to \$37.5 million per year for Tier 1/Tier 2 and \$6.5 million per year for OPSRP. Previously these were assumed to be \$33.0 million per year and \$5.5 million per year, respectively.

Healthcare Cost Inflation. The healthcare cost inflation for the maximum RHIPA subsidy was updated based on analysis performed by Milliman's healthcare actuaries. This analysis includes the consideration of the excise tax that will be introduced in 2020 by the Patient Protection and Affordable Care Act.

Changes in Demographic Assumptions

Healthy Mortality. The healthy mortality assumption was updated to reflect RP2014 generational mortality tables with group-specific class and setback adjustments, and to use a mortality projection scale based on 60 year unisex average Social Security experience. Previously the assumption was based on RP2000 generational mortality tables with group-specific class and setback adjustments and mortality projection Scale BB.

Disabled Mortality. The disabled mortality assumption was updated to RP2014 disabled tables with generational mortality projected using a mortality projection scale based on 60 year unisex average Social Security experience. Previously the assumption was based on RP2000 disabled tables with generational projection using Scale BB.

Non-Annuitant Mortality. Non-annuitant mortality assumption was updated to RP2014 employee tables with the same group-specific class and setback adjustments and mortality projection scale as used for the healthy retiree mortality assumption. Previously the assumption was based on applying a group-specific percentage adjustment to the healthy retiree mortality assumption.

Defined Contribution Plan - Individual Account Program (IAP):

Pension Benefits. Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5, 10, 15, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits. Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Contributions. The City has chosen to pay the employees' contributions to the plan. 6% of covered payroll is paid for general service employees and 9% of covered payroll is paid for firefighters and police officers. For fiscal year ending June 30, 2019 the City paid \$28.6 million.

Recordkeeping. OPERS contracts with VOYA Financial to maintain IAP participant records.

Fire and Police Disability, Retirement and Death Benefit Plan (the Plan)

Fire and Police Disability and Retirement Fund (FPDR) accounts for the assets of the employee benefit plan held by the City of Portland in a trustee capacity. FPDR is the sole administrator for the plan. FPDR is a governmental single-employer plan maintained and operated solely by the City of Portland. The Plan's authority for vesting and benefit provisions is provided by Chapter 5 of the City Charter. Amendments require approval of the voters in the City of Portland. City Council may provide by ordinance any additional benefits that the City of Portland is required by law to extend to the members and may also change benefits by ordinance to maintain the Plan's tax-qualified status with the Internal Revenue Service. The plan is governed by the FPDR Board of Trustees.

Plan Description. The Plan consists of three tiers, two of which are now closed to new employees. Fire and police personnel hired before January 1, 2013 generally became eligible for membership in the Plan immediately upon employment. Sworn personnel initially hired on or after January 1, 2013 are not eligible for membership until they have completed six months of service. See The Fire and Police Disability and Retirement Fund, (Note I.A.) for information on obtaining financial statements.

FPDR One, the original tier, and FPDR Two, the tier in which most active fire and police personnel hired before January 1, 2007 participate, are part of a single-employer defined-benefit plan administered by the FPDR Board of Trustees. FPDR One and FPDR Two are both closed to new entrants. As of June 30, 2019, there were 383 members and beneficiaries subject to the Plan as constituted prior to July 1, 1990, now called FPDR One; 2,477 members and beneficiaries were subject to the Plan as constituted after June 30, 1990, now called FPDR Two.

On November 7, 2006, voters in the City of Portland passed a measure that changed the retirement plan for new police officers and firefighters. Members hired after 2006 are FPDR Three members and enrolled in PERS, predominantly in the Oregon Public Service Retirement Plan (OPSRP), for retirement benefits.

New employees do not become members of PERS for six months unless they were previously members of PERS. The FPDR Fund pays the employee and employer portion of the OPERS contributions for FPDR Three members. FPDR Three members are covered by the FPDR Plan for disability and pre-retirement death benefits. As of June 30, 2019, the number of FPDR Three members was 647.

The Plan provides for service-connected and occupational disability benefits for FPDR Two and Three members at 75% of the member's base pay, reduced by 50% of any wages earned in other employment, for the first year. After the first year, if the member is medically stationary and capable of substantial gainful activity, benefits are reduced to 50% of the member's base pay, and then reduced by 25% of any wages earned in other employment. The minimum benefit is 25% of the member's base pay. The Plan also provides for non-service connected disability benefits at reduced rates of base pay after 10 years of service.

FPDR One service-connected and occupational disability benefits are paid at 60% of top-step pay for a police officer or firefighter. Nonservice-connected disability benefits for FPDR One members are paid in the amount of the member's maximum earned pension, defined below, with a minimum payment of 20% of top step pay for a police officer or firefighter.

Active members enrolled in the Plan prior to July 1, 1990 were required to make an election as to whether they wished to fall under the provisions of the Plan as constituted prior to July 1, 1990 or become subject to the new Plan provisions effective after June 30, 1990. Under the old provisions, now called FPDR One, benefits are provided upon termination of employment on or after attaining the age of 50 (with 25 or more years of service) or 55 (with 20 years or more of service). Retirement benefits are paid to members at 2% of top-step pay for a police officer or firefighter for each year of active service (up to 60%). Therefore, FPDR One members receive post-retirement benefit increases equal to increases in current top-step police officer or firefighter pay. FPDR One retirement benefits are increased, as necessary, on July 1 of each year. If increases in police officer or firefighter pay occur after July 1 in any given year, FPDR One beneficiaries receive the corresponding increase to their benefit on the following July 1.

Effective July 1, 1990, the Plan was amended to provide for the payment of FPDR Two retirement benefits upon termination of employment on or after attaining age 55, or on or after attaining age 50 if the member has 25 or more years of service. Members become 100% vested after five years of service. Benefits are paid to members at retirement using the following formula: 2.2% to 2.8% multiplied by years of service (30-year maximum); that product is multiplied by the highest one-year base pay the member received during the final three years of employment. The accrual rate of 2.2, 2.4, 2.6 or 2.8% is selected by the member at retirement; the rate determines the survivor benefit. The City Charter allows the FPDR Board to grant post-retirement benefit adjustments to FPDR Two members. The timing and amount of adjustments are at the Board's discretion, with the limitation that the percentage change in any one year may not exceed the percentage change granted to police and fire members of PERS for the same period. Historically the Board has granted a percentage increase each July 1 equal to the PERS percentage increase.

Additional pension benefits are mandated by Oregon Revised Statutes for members whose service began prior to July 14, 1995. The benefits were defined in 1995 but made retroactive to 1991, when the State of Oregon began taxing local pension benefits. The benefits are calculated as a percentage of the Plan benefits, using the greater of 9.89% times the member's percentage of creditable service prior to October 1991 or 0 to 4% based on the member's years of service. Members not subject to Oregon income tax are no longer eligible for the additional benefit.

The Charter provides that, upon termination of employment before attaining five years of service, FPDR Two members shall be entitled to a lump-sum payment consisting of 7% of base pay received by the member, excluding the first six months of membership. The Charter also provides for FPDR One members to receive a refund of contributions if they terminate employment before vesting. As of June 30, 2019, there are no unvested FPDR One or FPDR Two members.

Death benefits are paid to the surviving spouse or minor children if the member dies from a service-connected or occupational death, regardless of vesting, based on a percentage of base pay or salary as defined in the Plan. Death benefits are also paid to the surviving spouse or minor children in the case of a nonservice connected death if the member has sufficient service time, as defined by the Plan, and for death after retirement of FPDR One and Two members. The 2015 Oregon State Legislature amended the statutes so that an alternate payee, generally a former spouse, could be treated as the surviving spouse in a domestic relations order for pre-retirement death benefits.

On November 6, 2007, voters in the City of Portland passed a measure that expanded the types of members who are eligible under the Plan for post-retirement medical treatment required as a result of the member's claim, approved before retirement, for a job-related injury or illness, or for an occupational disability. Previously, members who returned to active service before retirement were not eligible for these postretirement medical benefits. Now, active members who retire on or after January 1, 2007 are eligible.

On November 6, 2012 voters approved eleven plan amendments referred to them by the Portland City Council. These amendments made a number of changes to plan benefits provisions, the most significant of which was a revision that defined final pay (used to calculate FPDR Two pensions) as base pay received for a 365-day period, or 366 days in leap years.

As of June 30, 2019, membership data related to the Fire and Police Disability, Retirement and Death Benefit Plan (the Plan) was as follows:

	FPDR One	FPDR Two	FPDR Three	Total
Retirees, beneficiaries and participants with disabilities currently receiving pension or long-term disability benefits	383	1,533	-	1,916
Vested benefits not yet in pay status				
Terminated employees	-	81	-	81
Total vested benefits not yet in pay status	-	81	-	81
Active members on short-term disability	-	11	8	19
Active members:				
Vested	-	863	-	863
Not in FPDR pension plan	-	-	647	647
Total active members	-	863	647	1,510

Summary of Significant Accounting Policies. The Plan is reported as a Pension Trust Fund, included within the fiduciary funds, and is maintained on the accrual basis of accounting. Employer contributions to the Plan are made through a dedicated tax levy. Each year the levy is set in an amount that will be sufficient to pay the anticipated benefit payments and administrative costs of the Plan.

Cash and investments held by the City Treasurer in the City of Portland investment pool are stated at fair value. As the FPDR Plan is funded on a pay-as-you-go basis, the Pension Trust Fund has limited cash and investments assets. The Pension Trust Fund's cash and investments are maintained in a cash and investment pool with other funds of the City. Interest earned on pooled investments is allocated monthly based on average participation of the Pension Trust Fund in relation to total investments in the pool. See Note III.A., Cash and Investments for additional information on associated investment risks.

Funding Policy and Reserves. The Pension Trust Fund was established by adoption of Chapter 5 of the City Charter by the voters at the general election held November 2, 1948. Ten subsequent amendments have been made by voters with the last one being November 6, 2012.

The Board of Trustees of the Pension Trust Fund also administers a Reserve Fund, authorized under the provisions of Chapter 5 (Section 5-104) of the City of Portland's Charter. The Reserve Fund's purpose is to provide a reserve from which advances can be made to the Fire and Police Disability and Retirement Fund in the event the latter is depleted to the extent it cannot meet its current obligations. Under provisions of the City Charter, the Reserve Fund maximum is established at \$750,000 and was fully funded at June 30, 2019.

A special property tax levy was approved by Portland voters as the resource for annual employer contributions. Under the Charter, employer contributions equal projected current year expenses. Therefore, the FPDR plan is not prefunded on an actuarial basis. The special property tax levy cannot exceed two and eight-tenths mills on each dollar of valuation of property (\$2.80 per \$1,000 of real market value) not exempt from such levy. As required by Charter, the Pension Trust Fund's Board of Trustees prepares an estimate of the amount required to pay and discharge all requirements of the Pension Trust Fund, exclusive of any loans, advances, or revenues from other sources (such as interagency revenue and interest), for the succeeding fiscal year and submits this estimate to the City Council. The Council is required by Charter annually to levy a tax sufficient to fund the estimated benefits for the upcoming year provided by the Board of Trustees. While the FPDR Fund has not experienced any funding shortfalls to date, future funding is dependent on the availability of property tax revenues and, in the absence of sufficient property tax revenues, City funds.

In the event that funding for the Plan is less than the required payment of benefits to be made in any particular year, the FPDR Fund could receive advances from the FPDR Reserve Fund first and other City funds second, to make up the difference. Repayment of advances, if any, would be made from the special property tax levy in the succeeding year. In the event that the special property tax levy is insufficient to pay benefits because benefits paid exceed the two and eight-tenth mills limit, other City funds would be required to make up the difference; only if both the levy and the FPDR Reserve Fund were exhausted.

Employees do not contribute to the FPDR Plan. Prior to July 1, 1990, members were required to contribute 7% of a member's base salary into the Plan. Effective July 1, 1990, members were no longer required to make contributions into the Plan, except those members opting to remain in FPDR One. All FPDR One members are now receiving retirement or long-term disability benefits and are no longer contributing.

Contributions. Total actual contributions to the Plan for the fiscal year ended June 30, 2019 totaled \$135.5 million.

Changes in Net Pension Liability. The following table presents the changes in the net pension liability for the fiscal year ended June 30, 2019:

	Total Pension Liability	Plan Net Position	Net Pension Liability
Balances at 6/30/2018	\$ 3,295,142,974	\$ 17,790,776	\$ 3,277,352,198
Service cost	65,253,487	-	65,253,487
Interest on total liability	127,541,668	-	127,541,668
Effect of economic/demographic (gains) or losses	61,199,698	-	61,199,698
Changes in assumptions	150,231,268	-	150,231,268
Benefit payments	(130,733,191)	(130,733,191)	-
Administrative expense	-	(4,287,107)	4,287,107
Net investment income	-	1,751,761	(1,751,761)
Employer contributions	-	135,479,059	(135,479,059)
Net changes	273,492,930	2,210,522	271,282,408
Balances at 6/30/2019	\$ 3,568,635,904	\$ 20,001,298	\$ 3,548,634,606

The City's pension expense for the fiscal year ended June 30, 2019 was \$294,688,731.

The change in assumptions corresponds with a decrease to the discount rate - the June 30 value of the Bond Buyer General Obligation 20-Bond Municipal Bond Index - from 3.87% on June 30, 2018 to 3.50% on June 30, 2019. The additional cost from the effect of economic/demographic losses is attributable to changes in mortality assumptions and the liability load for disability-related medical expense reimbursements.

Sensitivity of the net pension liability to changes in the discount rate:

The following table presents the sensitivity of the net pension liability calculation to a 1% increase or decrease in the discount rate used to measure the total pension liability:

	1% Decrease	Discount rate	1% Increase
	2.50%	3.50%	4.50%
Net pension liability	\$ 4,125,855,991	\$ 3,548,634,606	\$ 3,086,958,460

Deferred Inflows and Outflows of Resources:

The following table presents the components of deferred inflows and outflows of resources for the Plan for the fiscal years ended June 30, 2019.

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/(Inflows) of Resources
Differences between expected and actual experience	\$ 89,867,452	\$ 3,139,636	\$ 86,727,816
Changes in assumptions or inputs	275,664,750	178,275,605	97,389,145
Net difference between projected and actual earnings	-	989,599	(989,599)
Total	\$ 365,532,202	\$ 182,404,840	\$ 183,127,362

The following table presents the future amortization of deferred inflows and outflows of resources for the Plan:

Fiscal Years Ended June 30,	Deferred Outflows	Deferred Inflows	Net Deferred Outflows/(Inflows) of Resources
2020	\$ 176,378,890	\$ 88,015,127	\$ 88,363,763
2021	86,006,712	42,918,354	43,088,358
2022	17,049,851	8,508,075	8,541,776
2023	69,864,911	34,863,407	35,001,504
2024	16,231,838	8,099,877	8,131,961
Total	\$ 365,532,202	\$ 182,404,840	\$ 183,127,362

Actuarial Valuation Assumptions:

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	June 30, 2018
Actuarial cost method	Entry Age Normal
Asset valuation method	Fair market value basis
Dates of experience studies on which significant assumptions are based	June 30, 2014
Mortality assumptions	Retirees and beneficiaries: Healthy annuitant, sex-distinct, generational with Unisex Social Security Data Scale, with Collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.
Actuarial assumptions:	
Discount rate	3.50%
Change in discount rate since last measurement date	0.37%
Projected salary increases - Police	3.75%
Projected salary increases - Fire	3.75%
Includes inflation at cost of living adjustments	2.75%
Source of municipal bond rate used	Bond Buyer General Obligation 20-Bond Municipal Bond Index ⁽¹⁾
Post-retirement benefit increases:	
FPDR One	3.75%
FPDR Two	Blend 2.0% / 1.25%

⁽¹⁾ The Plan is not funded, so management chose to use this index to set the discount rate used by the actuary.

The projected salary increases above are for members with more than seven years of service. Those with less than seven years have projected salary increases ranging up to 20%, as detailed in the actuarial valuation report. It is projected that 25% of Fire members and 50% of Police members retire at age 50, all Police members retire by age 60, and all Fire members by age 65.

It should be noted that the net pension liability, plan net position as a percentage of total pension liability and the ratio of the net pension liability to covered payroll are measures typically used to gauge the financial health of pre-funded plans. Since the FPDR plan is a pay-as-you-go plan funded with a dedicated property tax, the critical measure of the plan's financial health is whether this property tax will ever be insufficient to fully cover plan expenditures.

The FPDR Board periodically assesses the future availability of property tax revenues by ordering projections and simulations in connection with the actuarial valuation of the funds. The most recent assessment was as of June 30, 2018. The analysis found that, under a wide range of simulated economic scenarios in the foreseeable future, the future FPDR Fund levy has an approximately 1.0% probability of reaching the maximum \$2.8 per \$1,000 of real market value in at least one year through 2038.

Aggregate Net Pension Liability, Pension Expense, & Net Deferred Outflow/Inflow of Resources Related to Pensions:

The following table presents the aggregate balance (in millions) of the City's net pension liability, pension expense, and net deferred inflow and outflows as of June 30, 2019.

	Deferred Outflows/ (Inflows) of Resources	Net Pension Liability	Pension Expense
OPERS	\$ 172.9	\$ 559.5	\$ 103.3
FPDR	183.1	3,548.6	294.7
Total	<u>\$ 356.0</u>	<u>\$ 4,108.1</u>	<u>\$ 398.0</u>

F. Tax Abatements

As of June 30, 2019, the City of Portland provides tax abatements through five programs: Non-Profit Low Income Rental Housing, Historic Property, Enterprise Zone, Homebuyer Opportunity Limited Tax Exemption, and Multiple-Unit Housing in Core Areas.

Non-Profit Low Income Rental Housing (ORS 307.540 to 307.548):

The largest abatement program for the City is the Non-Profit Low Income Rental Housing. In 1985, Oregon legislature authorized a property tax exemption for low-income housing held by charitable, nonprofit organizations. The tax exemption is intended to benefit low-income renters by alleviating the property tax burden on those agencies that provide this type of housing. The qualifying property must be located within the City of Portland.

Charitable, non-profit organizations that provide housing to low-income persons are eligible, and must be certified by the Internal Revenue Service as 501(c)(3) or (4) organization. Organizations must own or have a leasehold interest in the property or participate in a partnership as long as the non-profit organization is responsible for the day-to-day management of the property. Applicants who are leaseholders must have a signed leasehold agreement by the application deadline. Vacant land intended to be developed as low-income housing is also eligible for the exemption.

The property tax exemption applies only to the tax levy of a governing body that adopts the provisions of ORS 307.540 to 307.548.

Historic Property (ORS 358.475 to 358.545):

Certain incentives regarding tax abatements may be available to Historic Property. A certified historic structure is a building that is listed individually in the National Register of Historic Places or a building that is in a registered historic district and certified by the National Park Service as contributing to the historic significance of that district. The "structure" must be a building—not a bridge, ship, railroad car, or dam. (A registered historic district is any district listed in the National Register of Historic Places. A State or local historic district may also qualify as a registered historic district if the district and the enabling statute are certified by the Secretary of the Interior.)

Preservation plans are required, along with progress reports every 3rd, 6th, and 9th years. All work approval must be received in advance, and failure to carry out the preservation plan is cause for disqualification, repayment of taxes, penalties and interest. 10% of the building's value must be invested in rehabilitation work within the first five years. Local jurisdictions may review applications and provide advisory recommendations to the State Historic Preservation Office (SHPO) "relating to public benefit" and property eligibility.

For property certified for special assessment as historic property under ORS 358.490, the county assessor shall for ten consecutive tax years' list on the assessment and tax roll a specially assessed value that equals the assessed value of the property at the time application was made under ORS 358.487. Though the processes are different, pursuing a historic designation at either the local or National Register level requires research and documentation sufficient to allow evaluation of a resource's historical, cultural and/or architectural significance. The property owner is responsible for providing this material on the appropriate application or form(s).

Property that was classified as historic property on or before September 27, 2007 may continue to receive special assessment under ORS 358.480 to 358.545 until the completion of the 15-year term originally prescribed under ORS 358.487 before 2007 legislative amendments.

Commercial properties can apply for a second 10-year term. Residential properties may also apply for a second 10-year term, unless the local government passes a resolution prohibiting them, if the second term applications includes ADA, seismic, or energy/sustainability improvements. Further information can be found at <http://www.oregon.gov/OPRD/HCD/SHPO/>

Enterprise Zone (ORS 285C.175):

The Oregon Enterprise Zone program is a State of Oregon economic development program, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor. Prosper Portland, formerly known as the Portland Development Commission, is the local sponsor for the Portland Enterprise Zone program.

The Enterprise Zone program provides qualified firms that will be making a substantial new capital investment within the defined enterprise zone, a waiver of 100% of the amount of real property taxes attributable to the new investment for a period of five years following completion of the new investment. Land, existing machinery or equipment are not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

Homebuyer Opportunity Limited Tax Exemption (ORS 307.651 to 307.687):

The Homebuyer Opportunity Limited Tax Exemption (HOLTE) program exempts the residential improvement value from real property taxation for a 10-year period, while the land remains taxable. At the end of the 10-year exemption period, the taxes due will reflect the full assessed value of the property. Homes approved for the HOLTE program must sell for less than the annually established price cap to homebuyers who will live in the homes and meet program income requirements. There is a 100-unit cap on the number of new applications approved each year, per administrative rule ARC-HOU-3.01, although the cap does not apply to applications for properties including long-term affordability covenants.

Multiple-Unit Housing in Core Areas (ORS 307.600 to 307.637):

This law addresses the public's interest in stimulating the construction of transit supportive multiple-unit housing in the core areas of Oregon's urban centers in order to improve the balance between the residential and commercial nature of those areas, and to ensure full-time use of the areas as places where citizens of the community have an opportunity to live as well as work.

In any city, or in any county with a population of over 300,000, the exemption shall apply only to multiple-unit housing preserved, established, constructed, added to or converted on land within an area designated under ORS 307.606. This program exempts property taxes for a period of 10 years, and does not include land values in the exemption.

Residential Rehab Property (ORS 308.450 to 308.481):

The Residential Rehab Property program was designed to rehab properties within distressed areas. The Legislative Assembly determined that it was in the public interest to encourage the rehabilitation of existing units in substandard condition, the conversion of transient accommodation to permanent residential units and the conversion of nonresidential structures to permanent residential units, to make these units into sound additions to the housing stock of the state.

The Legislative Assembly also found that cities and counties of the state should be enabled to establish and design programs to stimulate such rehabilitation and or conversion, based on the incentive of a local property tax exemption. The assessed value of rehabilitated residential property cannot be more than its assessed value as it appears in the last certified assessment roll next preceding the date on which the application for limited assessment is filed with the governing body as provided in ORS 308.462. The program has been repealed by City Code in 2012, and new applications are no longer accepted.

For the fiscal year ended June 30, 2019, the City of Portland abated property taxes for the following:

	Amount of Taxes Abated during the Fiscal Year
Tax Abatement Program	
City of Portland Tax Abatements	
Non-Profit Low Income Rental Housing	\$ 4,346,690
Enterprise Zone	2,189,680
Homebuyer Opportunity Limited Tax Exemption (HOLTE)	752,479
Multiple-Unit Housing in Core Areas	1,090,083
Tax abatements granted by other governments	
Historic Property	3,815,207
	<u>\$ 12,194,139</u>

G. Subsequent events:

Changes in OPERS Pension Plan Provisions Subsequent to Measurement Date:

On June 11, 2019, Senate Bill 1049 was enacted by the People of the State of Oregon. The elements of the bill include a variety of policy and program changes which will affect the City's pension plan. Most prominent are a one-time 22-year re-amortization of the unamortized actuarial liability for Tier 1 and Tier 2 employees and contribution rate adjustments. The effect of SB 1049 could reduce the City's pension liability by \$3.75 million. In August 2019, a petition was filed with the Oregon Supreme Court challenging the constitutionality of certain portions of SB 1049. The City cannot predict whether the petitioners will be successful in whole or in part nor what the impact of a successful challenge may be. Further, the City cannot predict whether SB 1049 will be subject to additional legal challenges that could affect some or all of its provisions.

Debt activity:

Subsequent to fiscal year-end, the City increased the following debt instruments:

Notes and Loans:	Issue Date	Principal	Length in Years	Interest Rate
Tax Anticipation Notes, Series 2019 FPDR	8/8/2019	\$ 26,290,000	0.881	3.0%
			7 Years Commencing	
Levee Loan Draw #36	7/17/2019	601	12/1/2019	3.26
			7 Years Commencing	
Levee Loan Draw #37	7/31/2019	2,173	12/1/2019	3.26

Line of Credit Activity	Origination Date	Maximum Credit	Draw (Repayment) Date	Principal Draw (Repayment)	Interest Rate	Length in Years
Portland Building LOC Draw #21	4/4/2017	\$ 190,000,000	8/15/2019	\$ 127,999	Variable	5



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Required Supplementary Information

REQUIRED SUPPLEMENTARY
INFORMATION



B

City of Portland, Oregon
General Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 253,864,118	\$ 253,864,118	\$ 254,550,056	
Prior year property	3,656,000	9,956,000	8,895,014	
Lodging	34,000,000	34,000,000	39,187,629	
Payment in lieu of taxes	869,000	869,000	856,213	
Total taxes	292,389,118	298,689,118	303,488,912	\$ 4,799,794
Licenses and permits:				
Business licenses, net	129,767,436	129,767,436	148,543,294	
Public utility licenses	87,389,377	87,389,377	89,214,435	
Construction permits	2,782,000	2,632,000	2,855,127	
Other permits	2,633,386	2,633,386	1,777,103	
Total licenses and permits	222,572,199	222,422,199	242,389,959	19,967,760
Charges for services				
Public works and utility charges	-	-	1,788	
Inspection fees	2,470,589	2,470,589	2,822,962	
Rents and reimbursements	4,926,324	4,962,824	4,905,884	
Parking fees	545,239	545,239	481,244	
Concessions	18,156	18,156	-	
Parks and recreation facilities fees	14,236,086	13,444,426	13,503,372	
Other service charges	4,607,886	5,173,755	5,120,177	
Total charges for services	26,804,280	26,614,989	26,835,427	220,438
Intergovernmental:				
Grant revenue	-	-	1,098	
Federal cost sharing	206,250	206,250	19,078	
State revenue sharing	20,031,436	20,031,436	23,260,657	
State cost sharing	130,348	1,355,416	1,467,704	
Multnomah County cost sharing	2,325,516	2,325,516	2,369,193	
Local revenue sharing	1,888,487	1,888,487	1,840,885	
Local cost sharing	7,114,937	7,129,937	6,921,974	
Overhead charges	298,129	298,129	457,454	
Total intergovernmental	31,995,103	33,235,171	36,338,043	3,102,872
Other:				
Loan repayments	-	-	-	
Assessments	8,418	8,418	8,525	
Sales - other	712,422	731,149	772,478	
Refunds	61,000	61,000	105,456	
Donations	31,500	31,500	88,651	
Investment earnings	18,000	18,000	1,158,248	
Other interest income	1,650,158	1,660,173	995,222	
Fines	543,650	507,150	561,152	
Miscellaneous	855,861	1,128,261	1,514,500	
Total other	3,881,009	4,145,651	5,204,232	1,058,581
Billings to other funds for services	37,211,983	38,840,584	37,052,235	(1,788,349)
Total revenues	614,853,692	623,947,712	651,308,808	27,361,096

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**City of Portland, Oregon
General Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended Jun 30, 2019**

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
EXPENDITURES				
Current:				
Personal services	405,422,415	414,993,248	412,087,381	
External materials and services	121,213,712	123,264,103	109,135,403	
Internal materials and services	65,079,123	65,190,559	66,790,940	
Capital outlay	6,334,781	6,385,820	5,094,268	
Total current expenditures	598,050,031	609,833,730	593,107,992	16,725,738
General operating contingencies	22,852,535	33,453,936	-	33,453,936
Debt service and related costs:				
Principal	8,090,061	8,090,061	8,090,062	
Interest	2,637,654	2,637,654	2,628,708	
Total debt service and related costs	10,727,715	10,727,715	10,718,770	8,945
Total expenditures	631,630,281	654,015,381	603,826,762	50,188,619
Revenues over (under) expenditures	(16,776,589)	(30,067,669)	47,482,046	77,549,715
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General fund overhead	30,883,542	30,883,542	30,883,542	-
General reserve	-	429,210	-	(429,210)
Parks Local Option Levy	243,906	556,349	554,173	(2,176)
Police Special Revenue	-	247,020	-	(247,020)
Water	-	26,827	26,827	-
Parking Facilities	307,801	307,801	307,801	-
Spectator Facilities Operating	21,463	21,463	21,463	-
Technology Services	790,000	3,350,000	3,350,000	-
Total transfers from other funds	32,246,712	35,822,212	35,143,806	(678,406)

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City of Portland, Oregon
General Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended Jun 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
OTHER FINANCING SOURCES (USES), Continued				
Transfers to other funds:				
Transportation Operating	(15,501,714)	(19,672,564)	(19,672,564)	-
Emergency Communication	(15,411,355)	(15,781,355)	(15,781,355)	-
Development Services	(982,528)	(982,528)	(982,528)	-
General Reserve	(1,500,000)	(7,130,937)	(7,130,937)	-
Housing Investment	(274,980)	(2,813,450)	(2,813,450)	-
Campaign Finance	(1,237,200)	(1,237,200)	(1,237,200)	-
Portland Parks Memorial	(68,036)	(128,036)	(128,036)	-
Cannabis Licensing	(480,486)	(1,094,858)	(1,094,858)	-
Pension Debt Redemption	(1,307,371)	(1,307,371)	(1,307,371)	-
Governmental Bond Redemption	(2,218,119)	(2,154,744)	(2,154,744)	-
Parks Capital Improvement Program	(5,071,547)	(5,629,547)	(5,629,547)	-
Water	(1,815,200)	(1,815,200)	(1,815,200)	-
Facilities Services Operating	(4,122,404)	(4,174,067)	(3,795,402)	378,665
Technology Services	-	(604,997)	(604,997)	-
Total transfers to other funds	(49,990,940)	(64,526,854)	(64,148,189)	378,665
Total other financing sources	(17,744,228)	(28,704,642)	(29,004,383)	(299,741)
Net change in fund balance	(34,520,817)	(58,772,311)	18,477,663	77,249,974
Fund balance - beginning	34,520,817	58,772,311	58,772,311	-
Fund balance - ending	\$ -	\$ -	77,249,974	\$ 77,249,974
Adjustment to generally accepted accounting principles (GAAP) basis:				
Reserve fund budgeted as separate fund			69,192,032	
Public Election fund budgeted as separate fund			1,179,266	
Unrealized gain (loss) on investments			609,379	
Loans receivable			352,207	
Inventories			299,244	
Fund balance - GAAP basis			\$ 148,882,102	

City of Portland, Oregon
Transportation Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Miscellaneous	\$ 18,500,000	\$ 17,800,000	\$ 21,280,528	\$ 3,480,528
Licenses and permits:				
Construction permits	4,130,000	4,130,000	7,387,254	
Other permits	7,150,000	7,330,000	10,193,597	
Total licenses and permits	11,280,000	11,460,000	17,580,851	6,120,851
Charges for services				
Public works and utility charges	19,618,813	20,433,813	14,821,686	
Inspection fees	1,100,000	1,100,000	1,385,251	
Rents and reimbursements	700,000	700,000	1,088,443	
Parking fees	52,070,000	52,070,000	58,972,857	
Other service charges	9,042,763	9,042,763	8,933,740	
Total charges for services	82,531,576	83,346,576	85,201,977	1,855,401
Intergovernmental:				
State revenue sharing	53,691,735	53,691,735	46,791,902	
State cost sharing	-	-	923,052	
Multnomah County cost sharing	100,000	100,000	71,000	
Local revenue sharing	36,308,890	36,308,890	34,035,603	
Local cost sharing	2,290,895	6,290,895	9,336,192	
Total intergovernmental	92,391,520	96,391,520	91,157,749	(5,233,771)
Billings to other funds for services	31,245,742	31,994,844	30,245,877	(1,748,967)
Other:				
Assessments	780,000	780,000	1,428,704	
Sales - other	331,430	331,430	297,981	
Refunds	-	-	706	
Donations	355,000	355,000	143,478	
Investment earnings	200,000	200,000	4,813,960	
Other interest income	-	-	94,063	
Miscellaneous	332,000	332,000	654,541	
Total other	1,998,430	1,998,430	7,433,433	5,435,003
Total revenues	237,947,268	242,991,370	252,900,415	9,909,045
EXPENDITURES				
Current:				
Personal services	112,213,720	114,611,323	101,608,764	
External materials and services	69,912,330	86,224,676	61,800,134	
Internal materials and services	27,893,962	29,565,135	32,411,593	
Capital outlay	86,713,907	95,731,277	20,633,892	
Total current expenditures	296,733,919	326,132,411	216,454,383	109,678,028
General operating contingencies	147,954,879	130,587,004	-	130,587,004
Debt service and related costs:				
Principal	9,999,993	9,999,993	9,999,993	
Interest	5,953,578	5,953,578	5,932,287	
Internal loan remittances	-	11,500,000	8,500,000	
Total debt service and related costs	15,953,571	27,453,571	24,432,280	3,021,291
Total expenditures	460,642,369	484,172,986	240,886,663	243,286,323
Revenues over (under) expenditures	(222,695,101)	(241,181,616)	12,013,752	(253,195,368)

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City of Portland, Oregon
Transportation Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	15,501,714	19,672,564	19,672,564	-
Local Improvement District	15,362,186	15,362,186	9,465,157	(5,897,029)
Total transfers from other funds	30,863,900	35,034,750	29,137,721	(5,897,029)
Transfers to other funds:				
General Fund Overhead	(7,275,609)	(7,275,609)	(7,275,609)	-
Transportation Reserve	(700,000)	(700,000)	(700,000)	-
Pension Debt Redemption	(639,174)	(639,174)	(639,174)	-
Gas Tax Bond Redemption	(1,737,985)	(1,737,985)	(1,735,985)	2,000
Sewer System Operating	(50,000)	(66,248)	(66,248)	-
Total transfers to other funds	(10,402,768)	(10,419,016)	(10,417,016)	2,000
Bonds and notes issued	5,000,000	6,395,606	1,395,609	(4,999,997)
Loans Issued	4,000,000	4,000,000	-	(4,000,000)
Internal loan proceeds	13,000,000	10,000,000	10,000,000	-
Sale of capital asset	-	-	2,731	2,731
Total other financing sources (uses)	42,461,132	45,011,340	30,119,045	(14,892,295)
Net change in fund balance	(180,233,969)	(196,170,276)	42,132,797	238,303,073
Fund balance - beginning	180,233,969	196,170,276	216,671,503	20,501,227
Fund balance - ending	\$ -	\$ -	258,804,300	\$ 258,804,300
Adjustment to generally accepted accounting principles (GAAP) basis:				
Reserve fund budgeted as separate fund			7,580,523	
Unrealized gain (loss) on investments			1,018,995	
Internal loans receivable			8,500,000	
Inventories			7,100,289	
Fund balance - GAAP basis			\$ 283,004,107	

A. Adjustments from the budgetary basis of accounting to GAAP:

General and Transportation Operating Funds are the City's major governmental funds. Both General and Transportation Operating Funds have their own reserve funds that account for countercyclical and emergency reserves. These two reserve funds' budgetary activities are reported in the Special Revenue Funds' section of the CAFR. At fiscal year end, ending fund balances are folded in with General and Transportation Operating Funds, respectively.

Gain (loss) on investments is the change in fair value of investments and is not recorded in budgetary statements. Inventories and prepaid expenses, reported in General and Transportation Operating Funds, are resources not available for spending in the subsequent year.

A separate budgetary report, General Fund by Function, is included as part of the Governmental Funds' Budget and Actual section of the CAFR.

Internal loans receivable:

The Transportation Operating Fund provided a temporary operating loan of \$8.5 million to the Grants Fund. The internal loan to the Grants Fund provides interim funding to cover lags in federal, State, and other grant reimbursements. This internal loan was authorized by Council Resolution #37433.

B. Expenditures in excess of appropriations:

State law requires a supplemental budget to increase appropriations when unexpected additional resources become available. A supplemental budget is also required to transfer appropriations from a fund's operating contingency during the fiscal year. The supplemental budget process requires a public hearing, advance notice by newspaper publication, and City Council approval. The City adopted three supplemental budgets and made a number of appropriation transfers requiring approval by City Council during the fiscal year ended June 30, 2019.

Oregon state law requires disclosure of fund expenditures in excess of budget appropriations. Neither the General or Transportation Operating Funds exceeded budget at the legal level of appropriation (see Note II.A.).

C. Other postemployment benefits:

OPERS Retirement Health Insurance Account

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY/(ASSET)

Other Postemployment Benefits

Last Ten Years *

(in millions)

	2019	2018	2017
Proportion of the OPEB pension liability (asset)	3.74%	3.54%	3.60%
Proportionate share of the net OPEB liability (asset)	\$ (4.18)	\$ (1.48)	\$ 0.98
Covered payroll **	\$ 398.50	\$ 359.90	\$ 343.60
Proportionate share of the OPEB liability (asset) as a percentage of its covered employee payroll	(1.05%)	(0.41%)	0.28%
Plan net position as a percentage of the total OPEB liability	124.0%	108.9%	94.2%

* Only years with available information are presented.

** As of the measurement date which is one year in arrears.

SCHEDULE OF CONTRIBUTIONS

Other Postemployment Benefits

Last Ten Years *

(in millions)

	2019	2018	2017
Contractually required contribution	\$ 1.94	\$ 1.78	\$ 1.77
Contributions in relation to the contractually required contribution	1.94	1.78	1.77
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered employee payroll	\$ 437.50	\$ 398.50	\$ 359.90
Contributions as a percentage of covered employee payroll	0.44%	0.45%	0.49%

* Only years with available information are presented.

Notes to Required Supplementary Information

Changes of assumptions: the assumed average annual future long-term investment return was lowered from 7.5% to 7.2%. Assumed administrative expenses were updated for both Tier1/Tier 2 and OPSRP. Mortality assumptions were changed to reflect updated base tables and mortality improvement projection scales for all groups. Termination, disability and retirement rates were updated for some groups to more closely match observed experience.

**SCHEDULE OF CHANGES IN THE CITY'S
TOTAL OPEB LIABILITY AND RELATED RATIO'S
Last Ten Years ***

	2019	2018
Service cost	\$3,675,148	\$4,140,465
Interest	3,640,097	3,086,463
Changes of assumptions	(2,777,647)	(6,825,794)
Benefit payments	(5,567,867)	(4,949,560)
Net change in total OPEB liability	(1,030,269)	(4,548,426)
Total OPEB liability - beginning	100,197,951	104,746,377
Total OPEB liability - ending	<u>\$99,167,682</u>	<u>\$100,197,951</u>
Covered-employee payroll	\$439,305,357	\$435,541,998
Total OPEB liability as a percentage of covered-employee payroll	22.57%	23.01%

* Only years with available information are presented.

Notes to the Schedule

Changes of Assumptions: There were a number of changes in the demographic and economic actuarial assumptions. Some of these assumption changes have significantly affected the liability of the plan but in an offsetting manner. Key items to note regarding actuarial assumptions include:

- Overall healthcare cost increases were higher than assumed in the prior valuation, resulting in an actuarial loss.
- Assumed health care reform excise tax increased from the prior projection to reflect recent plan experience and up-to-date legislation. The increase in assumed excise tax has the effect of increasing the liability.
- Where applicable, demographic assumptions are based on the actuarial valuation assumptions of the Oregon PERS and OPSRP retirement plans. The latest Oregon PERS and OPSRP valuation report available is as of December 31, 2016. Many assumptions changed from the previous valuation including the rates of retirement, termination, disability, salary scale, and mortality.
- Participation rate was changed from 40% to 45% to better reflect actual experience and anticipated future experience.

D. Employee retirement pension benefits:

Oregon Public Employees Retirement System (OPERS):

Per GASB Statement 68, the required supplementary information reports a 10-year Schedule of Proportionate Share of the Net Pension Liability and a 10-year Schedule of Employer Contribution. Additional years' information will be displayed as it becomes available.

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Oregon Public Employees Retirement System
Last Ten Years *
(in millions)

	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability (asset)	3.69317033%	3.71313021%	3.78332893%	3.78054215%	3.62934176%	3.62934176%
Proportionate share of the net pension liability (asset)	\$ 559.50	\$ 500.50	\$ 568.00	\$ 217.10	\$ (82.30)	\$ 185.20
Covered payroll **	\$ 398.50	\$ 359.90	\$ 343.60	\$ 330.50	\$ 313.10	\$ 302.60
Proportionate share of the pension liability (asset) as a percentage of its employee payroll	140.40%	139.07%	165.31%	65.69%	(26.29%)	61.20%
Plan net position as a percentage of the total pension liability	82.07%	83.12%	80.53%	91.88%	103.59%	92.00%

* Only years with available information are presented.

** As of the measurement date which is one year in arrears.

SCHEDULE OF CONTRIBUTIONS
Oregon Public Employee Retirement System
Last Ten Years *
(in millions)

	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 57.8	\$ 51.2	\$ 35.6	\$ 33.7	\$ 26.3	\$ 25.0
Contributions in relation to the contractually required contribution	57.8	51.2	35.6	33.7	26.3	25.0
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 437.50	\$ 398.50	\$ 359.90	\$ 343.60	\$ 330.50	\$ 313.10
Contributions as a percentage of covered employee payroll	13.21%	12.85%	9.89%	9.81%	7.96%	7.98%

* Only years with available information are presented.

Changes in Plan Provisions Subsequent to Measurement Date:

On June 11, 2019, Senate Bill 1049 was enacted by the People of the State of Oregon. The elements of the bill include a variety of policy and program changes which will affect the City's pension plan. Most prominent are a one-time 22-year re-amortization of the unamortized actuarial liability for Tier 1 and Tier 2 employees and contribution rate adjustments. The effect of SB 1049 could reduce the City's pension liability by \$3.75 million. In August 2019, a petition was filed with the Oregon Supreme Court challenging the constitutionality of certain portions of SB 1049. The City cannot predict whether the petitioners will be successful in whole or in part nor what the impact of a successful challenge may be. Further, the City cannot predict whether SB 1049 will be subject to additional legal challenges that could affect some or all of its provisions.

Changes in Actuarial Methods and Assumptions:

A summary of key changes implemented since the December 31, 2015 valuation are briefly described below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2016 Experience Study for the system, which was published in July 2017, and can be found at: <http://www.oregon.gov/PERS/Documents/Financials/Actuarial/2015/Experience-Study.pdf>

Allocation of Liability for Service Segments:

For purposes of allocating Tier One/Tier Two member's actuarial accrued liability among multiple employers, the valuation uses a weighted average of the Money Match methodology and the Full Formula methodology used by PERS when the member retires. The weights are determined based on the prevalence of each formula among the current Tier One/Tier Two population. For the December 31, 2014 and December 31, 2015 valuations, the Money Match was weighted 25% for General Service members and 0% for Police & Fire members. For the December 31, 2016 and December 31, 2017 valuations, this weighting has been adjusted to 15% for General Service members and 0% for Police & Fire members, based on a projection of the proportion of the liability attributable to Money Match benefits at those valuation dates.

Changes in Economic Assumptions

Investment Return and Interest Crediting. The assumed investment return and interest crediting to both regular and variable account balances was reduced to 7.20%. Previously, the assumed investment return and interest crediting to both regular and variable account balances was 7.50%.

Administrative Expenses. The administrative expense assumptions were updated to \$37.5 million per year for Tier 1/Tier 2 and \$6.5 million per year for OPSRP. Previously these were assumed to be \$33.0 million per year and \$5.5 million per year, respectively.

Healthcare Cost Inflation. The healthcare cost inflation for the maximum RHIPA subsidy was updated based on analysis performed by Milliman's healthcare actuaries. This analysis includes the consideration of the excise tax that will be introduced in 2020 by the Patient Protection and Affordable Care Act.

Changes in Demographic Assumptions:

Healthy Mortality: The healthy mortality assumption was updated to reflect RP2014 generational mortality tables with group-specific class and setback adjustments, and to use a mortality projection scale based on 60 year unisex average Social Security experience. Previously the assumption was based on RP2000 generational mortality tables with group-specific class and setback adjustments and mortality projection Scale BB.

Disabled Mortality: The disabled mortality assumption was updated to RP2014 disabled tables with generational mortality projected using a mortality projection scale based on 60 year unisex average Social Security experience. Previously the assumption was based on RP2000 disabled tables with generational projection using Scale BB.

Non-Annuitant Mortality: Non-annuitant mortality assumption was updated to RP2014 employee tables with the same group-specific class and setback adjustments and mortality projection scale as used for the healthy retiree mortality assumption. Previously the assumption was based on applying a group-specific percentage adjustment to the healthy retiree mortality assumption.

Fire and Police Disability and Retirement Benefits Plan

Employer contributions to the Fire and Police Disability and Retirement Benefits Plan (Plan) are recognized when due and the employer has made a formal commitment to provide the contributions. Complete financial statements for the Plan may be obtained from the administrative office at: Fire and Police Disability and Retirement Fund Board, 1800 SW First Ave., Suite 450, Portland, Oregon 97201, e-mail: FPDR@Portlandoregon.gov, URL: <http://www.portlandoregon.gov/fpdr/62529> or by telephone: (503) 823-6823.

Per GASB Statement 68, the required supplementary information reports a 10-year Schedule of Proportionate Share of the Net Pension Liability and a 10-year Schedule of Employer Contribution. Additional years' information will be displayed as it becomes available.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
(in millions)

Fire and Police Disability, Retirement, and Death Benefit Plan

	2019	2018	2017	2016	2015	2014	2013 and Prior
<u>Total pension liability:</u>							
Service cost	\$ 65.3	\$ 74.4	\$ 82.4	\$ 66.7	\$ 58.9	\$ 63.7	N/A
Interest	127.5	121.0	97.3	110.5	106.3	117.0	N/A
Benefit payments	(130.7)	(125.7)	(120.4)	(114.0)	(110.9)	(108.0)	N/A
Effect of plan changes	-	-	36.1	-	185.3	(222.3)	N/A
Effect of changes in assumptions	150.2	(141.6)	(215.4)	431.4	208.9	106.5	N/A
Effect of economic/demographic (gains) or losses	61.2	-	95.6	-	(25.6)	-	N/A
Net change in total pension liability	273.5	(71.9)	(24.4)	494.6	422.9	(43.1)	N/A
Total pension liability, beginning	\$ 3,295.2	\$ 3,367.1	\$ 3,391.5	2,896.9	2,474.0	2,517.1	N/A
Total pension liability, ending	<u>\$ 3,568.7</u>	<u>\$ 3,295.2</u>	<u>\$ 3,367.1</u>	<u>\$ 3,391.5</u>	<u>\$ 2,896.9</u>	<u>\$ 2,474.0</u>	<u>N/A</u>
<u>Plan net position:</u>							
Employer contributions	135.5	132.0	120.7	\$ 114.10	\$ 115.90	\$ 114.70	N/A
Net investment income	1.7	0.9	0.5	0.5	(0.5)	0.3	N/A
Benefit payments	(130.7)	(125.7)	(120.4)	(114.0)	(110.9)	(108.0)	N/A
Administrative expense	(4.3)	(3.6)	(4.1)	(5.0)	(3.1)	(3.6)	N/A
Net change in plan net position	2.2	3.6	(3.3)	(4.4)	1.4	3.4	N/A
Plan net position, beginning	\$ 17.8	14.2	17.5	21.9	20.5	17.1	N/A
Plan net positions, ending	<u>\$ 20.0</u>	<u>\$ 17.8</u>	<u>\$ 14.2</u>	<u>\$ 17.5</u>	<u>\$ 21.9</u>	<u>\$ 20.5</u>	<u>N/A</u>
Net pension liability	<u>\$ 3,548.7</u>	<u>\$ 3,277.4</u>	<u>\$ 3,352.9</u>	<u>\$ 3,374.0</u>	<u>\$ 2,875.0</u>	<u>\$ 2,453.5</u>	<u>N/A</u>
Plan net position as a percent of total pension liability	0.56%	0.54%	0.42%	0.52%	0.76%	0.83%	N/A
Covered employee payroll	\$ 152.5	\$ 143.8	\$ 137.6	\$ 139.1	\$ 139.3	\$ 135.7	N/A
Net pension liability as a percent of covered employee payroll	2327.02%	2279.14%	2436.70%	2425.59%	2063.89%	1808.03%	N/A

SCHEDULE OF EMPLOYER CONTRIBUTIONS
(in millions)

	2019	2018	2017	2016	2015	2014	2013 and Prior
Employer contributions	\$ 135.5	\$ 132.0	\$ 120.4	\$ 114.1	\$ 115.9	\$ 114.7	N/A
Contributions recognized by plan	135.5	132.0	120.4	114.1	115.9	114.7	N/A
Difference	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Covered employee payroll	\$ 152.5	\$ 143.8	\$ 137.6	\$ 139.1	\$ 139.3	\$ 135.7	N/A
Contributions as a percent of covered employee payroll	88.85%	91.79%	87.50%	82.03%	83.20%	84.52%	N/A

The net pension liability increased by \$271.3 million due to a change in mortality assumptions, the liability load for disability-related medical expense reimbursements, and a drop in the Bond Buyer General Obligation 20-Bond Municipal Bond Index rate from 3.87% to 3.50%.

Combining and Individual Fund Statements and Schedules

COMBINING & INDIV FUND
STMTS & SCHEDULES



B

Nonmajor Governmental Funds

NONMAJOR
GOVERNMENTAL FUNDS



B

Nonmajor Governmental Fund Types:

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for

Debt Service Funds for

Capital Projects Funds are to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Permanent Funds and not principal, may be used for purposes that support the City's programs, that is, for the benefit of the City of Portland or its citizenry.

City of Portland, Oregon
Combining Balance Sheet
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2019

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Permanent Fund	Total
ASSETS					
Unrestricted:					
Cash and investments	\$ 45,730,389	\$ 17,018,316	\$ 17,898,505	\$ -	\$ 80,647,210
Receivables:					
Accounts, net	2,160,781	-	77,610	-	2,238,391
Assessments	-	3,155,864	-	-	3,155,864
Notes and loans, net	5,404,892	-	-	-	5,404,892
Accrued interest	617,444	118,634	32,459	-	768,537
Restricted:					
Cash and investments	135,078,110	100,048,686	140,737,853	190,844	376,055,493
Receivables:					
Taxes	963,979	7,834,112	-	-	8,798,091
Accounts, net	1,732,263	-	1,200,000	-	2,932,263
Assessments	23,504,693	34,950,224	10,577,416	-	69,032,333
Notes and loans, net	71,627,661	-	-	-	71,627,661
Grants	14,733,593	-	-	-	14,733,593
Accrued interest	383,453	882,258	923,371	1,109	2,190,191
Due from component unit	5,864,442	-	-	-	5,864,442
Internal loans receivable	-	-	2,464,750	-	2,464,750
Total assets	<u>\$ 307,801,700</u>	<u>\$ 164,008,094</u>	<u>\$ 173,911,964</u>	<u>\$ 191,953</u>	<u>\$ 645,913,711</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities payable from unrestricted assets:					
Accounts payable	\$ 1,222,551	\$ -	\$ -	\$ -	\$ 1,222,551
Unearned revenue	1,296	-	-	-	1,296
Liabilities payable from restricted assets:					
Accounts payable	9,962,579	18,460	2,495,799	-	12,476,838
Due to component unit	672,702	597,068	-	-	1,269,770
Internal loans payable	8,500,000	-	-	-	8,500,000
Unearned revenue	4,821,063	-	-	-	4,821,063
Total liabilities	<u>25,180,191</u>	<u>615,528</u>	<u>2,495,799</u>	<u>-</u>	<u>28,291,518</u>
Deferred inflows of resources:					
Unavailable revenue - unrestricted	4,124	2,963,286	-	-	2,967,410
Unavailable revenue - restricted	35,842,821	40,368,400	10,577,416	-	86,788,637
Total deferred inflows of resources	<u>35,846,945</u>	<u>43,331,686</u>	<u>10,577,416</u>	<u>-</u>	<u>89,756,047</u>
Fund balances:					
Nonspendable	-	-	-	164,165	164,165
Restricted	206,158,492	102,731,352	142,830,175	27,788	451,747,807
Committed	30,371,235	-	1,061,908	-	31,433,143
Assigned	22,314,300	17,329,528	16,946,666	-	56,590,494
Unassigned	(12,069,463)	-	-	-	(12,069,463)
Total fund balances	<u>246,774,564</u>	<u>120,060,880</u>	<u>160,838,749</u>	<u>191,953</u>	<u>527,866,146</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 307,801,700</u>	<u>\$ 164,008,094</u>	<u>\$ 173,911,964</u>	<u>\$ 191,953</u>	<u>\$ 645,913,711</u>

City of Portland, Oregon
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2019

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Permanent Fund	Total
REVENUES					
Taxes:					
Property	\$ 21,342,827	\$ 190,007,211	\$ -	\$ -	\$ 211,350,038
Lodging	21,229,294	-	-	-	21,229,294
Miscellaneous	32,056,944	-	-	-	32,056,944
Licenses and fees	50,468,507	-	-	-	50,468,507
Intergovernmental	93,313,322	7,770,335	1,225,427	-	102,309,084
Charges for services	2,109,745	-	26,134,862	-	28,244,607
Interagency	775,287	-	238,788	-	1,014,075
Parking fees	3,767,594	-	41,957	-	3,809,551
Parking fines	106,313	-	-	-	106,313
Rents and reimbursements	8,266,144	-	-	-	8,266,144
Miscellaneous service charges	16,490,774	-	1,418,364	-	17,909,138
Assessments	3,410,032	7,028,233	4,227,419	-	14,665,684
Investment earnings	9,220,796	6,898,216	5,409,270	6,306	21,534,588
Miscellaneous	781,880	1,491,715	400,801	-	2,674,396
Total revenues	<u>263,339,459</u>	<u>213,195,710</u>	<u>39,096,888</u>	<u>6,306</u>	<u>515,638,363</u>
EXPENDITURES					
Current:					
Public safety	31,846,948	-	173,299	-	32,020,247
Parks, recreation and culture	4,039,087	-	2,385,971	-	6,425,058
Community development	165,243,900	597,068	10,166,287	-	176,007,255
Transportation	2,616,796	-	-	-	2,616,796
Legislative / admin / support services	39,689,478	-	93,151,900	-	132,841,378
Environmental services	160,618	-	-	-	160,618
Debt service and related costs:					
Principal	3,360,108	105,970,498	5,141,341	-	114,471,947
Interest	1,374,415	35,134,801	189,884	-	36,699,100
Debt issuance costs	5,112	93,802	450,258	-	549,172
Capital outlay	25,591,450	-	24,600,551	-	50,192,001
Total expenditures	<u>273,927,912</u>	<u>141,796,169</u>	<u>136,259,491</u>	<u>-</u>	<u>551,983,572</u>
Revenues over (under) expenditures	<u>(10,588,453)</u>	<u>71,399,541</u>	<u>(97,162,603)</u>	<u>6,306</u>	<u>(36,345,209)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	23,733,486	7,262,142	99,155,965	-	130,151,593
Transfers out	(6,024,476)	(93,200,000)	(12,120,033)	-	(111,344,509)
Sale of capital asset	8,556	-	-	-	8,556
Bonds and notes issued	-	2,826	43,354,535	-	43,357,361
Refunding bonds issued	-	37,308,005	57,475	-	37,365,480
Bonds and notes premium	-	1,437,733	308,837	-	1,746,570
Loans issued	-	-	40,842	-	40,842
Total other financing sources (uses)	<u>17,717,566</u>	<u>(47,189,294)</u>	<u>130,797,621</u>	<u>-</u>	<u>101,325,893</u>
Net change in fund balances	7,129,113	24,210,247	33,635,018	6,306	64,980,684
Fund balances - beginning	<u>239,645,451</u>	<u>95,850,633</u>	<u>127,203,731</u>	<u>185,647</u>	<u>462,885,462</u>
Fund balances - ending	<u>\$ 246,774,564</u>	<u>\$ 120,060,880</u>	<u>\$ 160,838,749</u>	<u>\$ 191,953</u>	<u>\$ 527,866,146</u>

City of Portland, Oregon
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2019

	Assessment Collection	Emergency Communication	Development Services	Property Management License
ASSETS				
Unrestricted:				
Cash and investments	\$ -	\$ 425,387	\$ 16,729,861	\$ 482,637
Receivables:				
Accounts, net	-	2,062,223	-	-
Notes and loans, net	-	-	-	-
Accrued interest	-	18,944	455,387	3,272
Restricted:				
Cash and investments	82,414	-	67,952,063	-
Receivables:				
Taxes	-	-	-	-
Accounts, net	-	-	1,732,263	-
Assessments	2,949	-	23,498,991	-
Notes and loans, net	-	-	-	-
Grants	-	-	-	-
Accrued interest	479	-	-	-
Due from component unit	-	-	-	-
Total assets	\$ 85,842	\$ 2,506,554	\$ 110,368,565	\$ 485,909
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities payable from unrestricted assets:				
Accounts payable	\$ -	\$ 108,948	\$ 296,935	\$ 9,967
Unearned revenue	-	-	1,296	-
Liabilities payable from restricted assets:				
Accounts payable	-	-	-	-
Due to component unit	-	-	-	-
Internal loans payable	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	-	108,948	298,231	9,967
Deferred inflows of resources:				
Unavailable revenue - unrestricted	-	-	4,124	-
Unavailable revenue - restricted	2,949	-	23,498,992	-
Total deferred inflows of resources	2,949	-	23,503,116	-
Fund balances:				
Restricted	82,893	-	69,684,325	-
Committed	-	2,397,606	-	475,942
Assigned	-	-	16,882,893	-
Unassigned	-	-	-	-
Total fund balances	82,893	2,397,606	86,567,218	475,942
Total liabilities, deferred inflows of resources and fund balances	\$ 85,842	\$ 2,506,554	\$ 110,368,565	\$ 485,909

Convention and Tourism	Housing Investment	Parks Local Option Levy	Children's Investment	Grants	Community Development Block Grant
\$ 739,475	\$ 2,347,324	\$ -	\$ -	\$ -	\$ 20,716
-	94,170	-	-	-	-
-	5,404,892	-	-	-	-
12,253	20,348	-	-	-	-
-	387,323	-	15,518,921	1,708,528	1,064,807
-	-	1,997	961,982	-	-
-	-	-	-	-	-
-	-	-	-	-	2,753
-	1,210,476	-	-	491,994	11,162,426
-	-	-	-	13,548,872	1,076,666
-	7,229	2,625	100,621	14,690	-
-	-	-	-	1,044,262	-
<u>\$ 751,728</u>	<u>\$ 9,471,762</u>	<u>\$ 4,622</u>	<u>\$ 16,581,524</u>	<u>\$ 16,808,346</u>	<u>\$ 13,327,368</u>
\$ 545,702	\$ 27,828	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	5,123,792	4,004,162	213,443
-	-	-	-	71,852	600,850
-	-	-	-	8,500,000	-
-	-	-	-	4,686,523	-
<u>545,702</u>	<u>27,828</u>	<u>-</u>	<u>5,123,792</u>	<u>17,262,537</u>	<u>814,293</u>
-	-	-	-	-	-
-	-	1,997	724,153	11,611,977	2,753
-	-	1,997	724,153	11,611,977	2,753
-	1,605,028	2,625	10,733,579	-	12,489,606
206,026	7,652,642	-	-	-	-
-	186,264	-	-	-	20,716
-	-	-	-	(12,066,168)	-
<u>206,026</u>	<u>9,443,934</u>	<u>2,625</u>	<u>10,733,579</u>	<u>(12,066,168)</u>	<u>12,510,322</u>
<u>\$ 751,728</u>	<u>\$ 9,471,762</u>	<u>\$ 4,622</u>	<u>\$ 16,581,524</u>	<u>\$ 16,808,346</u>	<u>\$ 13,327,368</u>

continued on next page

City of Portland, Oregon
Combining Balance Sheet, continued
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2019

	HOME Grant	Portland Parks Memorial	Tax Increment Reimbursement	Police Special Revenue
ASSETS				
Unrestricted:				
Cash and investments	\$ -	\$ 9,654,911	\$ 2,749,727	\$ -
Receivables:				
Accounts, net	-	4,388	-	-
Notes and loans, net	-	-	-	-
Accrued interest	-	57,086	-	-
Restricted:				
Cash and investments	892,649	1,589,653	7,791,078	5,469,174
Receivables:				
Taxes	-	-	-	-
Accounts, net	-	-	-	-
Assessments	-	-	-	-
Notes and loans, net	6,101,682	-	52,040,083	-
Grants	108,055	-	-	-
Accrued interest	4,495	10,814	57,629	28,102
Due from component unit	-	-	4,820,180	-
Total assets	<u>\$ 7,106,881</u>	<u>\$ 11,316,852</u>	<u>\$ 67,458,697</u>	<u>\$ 5,497,276</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities payable from unrestricted assets:				
Accounts payable	\$ -	\$ 7,247	\$ -	\$ -
Unearned revenue	-	-	-	-
Liabilities payable from restricted assets:				
Accounts payable	90,779	-	327,776	3,530
Due to component unit	-	-	-	-
Internal loans payable	-	-	-	-
Unearned revenue	-	-	-	134,540
Total liabilities	<u>90,779</u>	<u>7,247</u>	<u>327,776</u>	<u>138,070</u>
Deferred inflows of resources:				
Unavailable revenue - unrestricted	-	-	-	-
Unavailable revenue - restricted	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Restricted	7,016,102	1,600,467	64,381,194	5,359,206
Committed	-	8,580,861	-	-
Assigned	-	1,128,277	2,749,727	-
Unassigned	-	-	-	-
Total fund balances (deficits)	<u>7,016,102</u>	<u>11,309,605</u>	<u>67,130,921</u>	<u>5,359,206</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 7,106,881</u>	<u>\$ 11,316,852</u>	<u>\$ 67,458,697</u>	<u>\$ 5,497,276</u>

Arts Education and Access	Community Solar	Inclusionary Housing	Housing Property	Recreational Cannabis Tax	Cannabis Licensing	Portland Clean Energy Community Benefits	Housing Development Costs	Total
\$ -	\$ 43,295	\$ -	\$ 7,020,443	\$ 4,167,308	\$ 1,349,305	\$ -	\$ -	\$ 45,730,389
-	-	-	-	-	-	-	-	2,160,781
-	-	-	-	-	-	-	-	5,404,892
-	-	-	23,782	26,372	-	-	-	617,444
9,577,288	28,563	16,632,637	-	-	-	6,383,012	-	135,078,110
-	-	-	-	-	-	-	-	963,979
-	-	-	-	-	-	-	-	1,732,263
-	-	-	-	-	-	-	-	23,504,693
-	-	621,000	-	-	-	-	-	71,627,661
-	-	-	-	-	-	-	-	14,733,593
55,718	412	100,639	-	-	-	-	-	383,453
-	-	-	-	-	-	-	-	5,864,442
<u>\$ 9,633,006</u>	<u>\$ 72,270</u>	<u>\$ 17,354,276</u>	<u>\$ 7,044,225</u>	<u>\$ 4,193,680</u>	<u>\$ 1,349,305</u>	<u>\$ 6,383,012</u>	<u>\$ -</u>	<u>\$ 307,801,700</u>
\$ -	\$ -	\$ -	\$ 11,814	\$ 211,228	\$ 2,882	\$ -	\$ -	\$ 1,222,551
-	-	-	-	-	-	-	-	1,296
17,587	-	162,908	-	-	-	15,307	3,295	9,962,579
-	-	-	-	-	-	-	-	672,702
-	-	-	-	-	-	-	-	8,500,000
-	-	-	-	-	-	-	-	4,821,063
<u>17,587</u>	<u>-</u>	<u>162,908</u>	<u>11,814</u>	<u>211,228</u>	<u>2,882</u>	<u>15,307</u>	<u>3,295</u>	<u>25,180,191</u>
-	-	-	-	-	-	-	-	4,124
-	-	-	-	-	-	-	-	35,842,821
-	-	-	-	-	-	-	-	35,846,945
9,615,419	28,975	17,191,368	-	-	-	6,367,705	-	206,158,492
-	43,295	-	7,032,411	3,982,452	-	-	-	30,371,235
-	-	-	-	-	1,346,423	-	-	22,314,300
-	-	-	-	-	-	-	(3,295)	(12,069,463)
<u>9,615,419</u>	<u>72,270</u>	<u>17,191,368</u>	<u>7,032,411</u>	<u>3,982,452</u>	<u>1,346,423</u>	<u>6,367,705</u>	<u>(3,295)</u>	<u>246,774,564</u>
<u>\$ 9,633,006</u>	<u>\$ 72,270</u>	<u>\$ 17,354,276</u>	<u>\$ 7,044,225</u>	<u>\$ 4,193,680</u>	<u>\$ 1,349,305</u>	<u>\$ 6,383,012</u>	<u>\$ -</u>	<u>\$ 307,801,700</u>

City of Portland, Oregon
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2019

	Assessment Collection	Emergency Communication	Development Services	Property Management License
REVENUES				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Lodging	-	-	-	-
Miscellaneous	-	-	-	-
Licenses and fees	-	-	42,663,236	6,406,337
Intergovernmental	-	8,791,104	-	-
Charges for services	-	-	2,081,761	-
Interagency	-	-	775,287	-
Parking fees	-	-	-	-
Parking fines	-	-	-	-
Rents and reimbursements	-	-	-	-
Miscellaneous service charges	-	425,418	13,929,963	-
Assessments	-	-	3,410,032	-
Investment earnings (loss)	2,764	54,634	3,442,502	14,675
Miscellaneous	-	10	14,516	-
Total revenues	2,764	9,271,166	66,317,297	6,421,012
EXPENDITURES				
Current:				
Public safety	-	24,679,235	-	-
Parks, recreation and culture	-	-	-	-
Community development	-	-	66,724,753	-
Transportation	-	-	-	-
Legislative / admin / support services	-	-	-	6,028,044
Environmental services	-	-	-	-
Debt service and related costs:				
Principal	-	204,622	1,026,941	-
Interest	-	64,897	325,698	-
Debt issuance costs	-	-	-	-
Capital outlay	-	-	3,540,733	-
Total expenditures	-	24,948,754	71,618,125	6,028,044
Revenues over (under) expenditures	2,764	(15,677,588)	(5,300,828)	392,968
OTHER FINANCING SOURCES (USES)				
Transfers in	-	16,981,355	982,528	-
Transfers out	-	(33,068)	(165,956)	-
Sale of capital asset	-	-	-	-
Total other financing sources (uses)	-	16,948,287	816,572	-
Net change in fund balances	2,764	1,270,699	(4,484,256)	392,968
Fund balances - beginning	80,129	1,126,907	91,051,474	82,974
Fund balances - ending	\$ 82,893	\$ 2,397,606	\$ 86,567,218	\$ 475,942

Convention and Tourism	Housing Investment	Parks Local Option Levy	Children's Investment	Grants	Community Development Block Grant
\$ -	\$ -	\$ 904	\$ 21,341,923	\$ -	\$ -
21,229,294	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	260,618	-	-	24,451,249	10,135,606
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	547,448	-	-	71	13,175
-	-	-	-	-	-
54,761	780,972	11,166	515,642	81,731	498,475
-	-	-	-	-	-
21,284,055	1,589,038	12,070	21,857,565	24,533,051	10,647,256
-	-	-	-	-	-
-	-	-	-	3,774,003	-
-	-	7,094	-	324,912	-
-	6,457,471	-	19,844,846	4,477,444	8,174,417
-	-	-	-	576,705	-
21,221,998	-	-	-	-	-
-	-	-	-	160,618	-
-	-	-	-	-	468,000
-	283,591	-	-	-	279,396
-	5,112	-	-	-	-
-	-	-	-	18,104,326	1,804,225
21,221,998	6,746,174	7,094	19,844,846	27,418,008	10,726,038
62,057	(5,157,136)	4,976	2,012,719	(2,884,957)	(78,782)
-	2,813,450	-	-	-	-
-	(1,831,077)	(554,173)	-	-	-
-	-	-	-	-	-
-	982,373	(554,173)	-	-	-
62,057	(4,174,763)	(549,197)	2,012,719	(2,884,957)	(78,782)
143,969	13,618,697	551,822	8,720,860	(9,181,211)	12,589,104
\$ 206,026	\$ 9,443,934	\$ 2,625	\$ 10,733,579	\$ (12,066,168)	\$ 12,510,322

continued on next page

City of Portland, Oregon
Combining Statement of Revenues, Expenditures and Changes in Fund Balances, continued
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2019

	HOME Grant	Portland Parks Memorial	Tax Increment Reimbursement	Police Special Revenue
REVENUES				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Lodging	-	-	-	-
Miscellaneous	-	-	-	-
Licenses and fees	-	1,398,934	-	-
Intergovernmental	1,434,687	-	46,636,014	1,604,044
Charges for services	-	27,984	-	-
Interagency	-	-	-	-
Parking fees	-	3,765,344	2,250	-
Parking fines	-	106,313	-	-
Rents and reimbursements	-	146,489	965,466	-
Miscellaneous service charges	5,662	65,619	13,478	-
Assessments	-	-	-	-
Investment earnings (loss)	478,535	335,895	1,706,614	155,131
Miscellaneous	-	637,288	-	121,756
Total revenues	<u>1,918,884</u>	<u>6,483,866</u>	<u>49,323,822</u>	<u>1,880,931</u>
EXPENDITURES				
Current:				
Public safety	-	-	-	1,243,960
Parks, recreation and culture	-	3,707,081	-	-
Community development	1,119,402	-	50,908,211	-
Transportation	-	-	-	-
Legislative / admin / support services	-	-	-	-
Environmental services	-	-	-	-
Debt service and related costs:				
Principal	-	-	-	-
Interest	-	-	-	-
Debt issuance cost	-	-	-	-
Capital outlay	446,798	-	1,292,540	69,416
Total expenditures	<u>1,566,200</u>	<u>3,707,081</u>	<u>52,200,751</u>	<u>1,313,376</u>
Revenues over (under) expenditures	<u>352,684</u>	<u>2,776,785</u>	<u>(2,876,929)</u>	<u>567,555</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	128,036	280,000	-
Transfers out	-	(228,600)	(3,211,602)	-
Sale of capital asset	-	-	-	8,556
Total other financing sources (uses)	<u>-</u>	<u>(100,564)</u>	<u>(2,931,602)</u>	<u>8,556</u>
Net change in fund balances	352,684	2,676,221	(5,808,531)	576,111
Fund balances - beginning	6,663,418	8,633,384	72,939,452	4,783,095
Fund balances - ending	<u>\$ 7,016,102</u>	<u>\$ 11,309,605</u>	<u>\$ 67,130,921</u>	<u>\$ 5,359,206</u>

Arts Education and Access	Community Solar	Inclusionary Housing	Housing Property	Recreational Cannabis Tax	Cannabis Licensing	Portland Clean Energy Community Benefits	Housing Development Costs	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,342,827
-	-	-	-	-	-	-	-	21,229,294
13,231,220	-	7,619,000	-	4,824,055	-	6,382,669	-	32,056,944
-	-	-	-	-	-	-	-	50,468,507
-	-	-	-	-	-	-	-	93,313,322
-	-	-	-	-	-	-	-	2,109,745
-	-	-	-	-	-	-	-	775,287
-	-	-	-	-	-	-	-	3,767,594
-	-	-	-	-	-	-	-	106,313
-	-	-	7,154,189	-	-	-	-	8,266,144
-	-	297,326	-	-	1,192,614	-	-	16,490,774
-	-	-	-	-	-	-	-	3,410,032
295,692	2,240	474,675	136,610	150,899	5,398	25,080	(3,295)	9,220,796
-	8,275	-	-	-	35	-	-	781,880
13,526,912	10,515	8,391,001	7,290,799	4,974,954	1,198,047	6,407,749	(3,295)	263,339,459
-	-	-	-	2,149,750	-	-	-	31,846,948
-	-	-	-	-	-	-	-	4,039,087
-	78	2,772,304	2,845,073	183,375	946,482	40,044	750,000	165,243,900
-	-	-	-	2,040,091	-	-	-	2,616,796
12,281,048	-	-	-	158,388	-	-	-	39,689,478
-	-	-	-	-	-	-	-	160,618
-	-	-	1,660,545	-	-	-	-	3,360,108
-	-	-	420,833	-	-	-	-	1,374,415
-	-	-	-	-	-	-	-	5,112
-	-	-	-	333,412	-	-	-	25,591,450
12,281,048	78	2,772,304	4,926,451	4,865,016	946,482	40,044	750,000	273,927,912
1,245,864	10,437	5,618,697	2,364,348	109,938	251,565	6,367,705	(753,295)	(10,588,453)
-	-	524,300	178,959	-	1,094,858	-	750,000	23,733,486
-	-	-	-	-	-	-	-	(6,024,476)
-	-	-	-	-	-	-	-	8,556
-	-	524,300	178,959	-	1,094,858	-	750,000	17,717,566
1,245,864	10,437	6,142,997	2,543,307	109,938	1,346,423	6,367,705	(3,295)	7,129,113
8,369,555	61,833	11,048,371	4,489,104	3,872,514	-	-	-	239,645,451
\$ 9,615,419	\$ 72,270	\$ 17,191,368	\$ 7,032,411	\$ 3,982,452	\$ 1,346,423	\$ 6,367,705	\$ (3,295)	\$ 246,774,564

City of Portland, Oregon
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2019

	River District Urban Renewal Area Debt Redemption	Bonded Debt Interest and Sinking	Downtown Waterfront Renewal Bond Sinking	Interstate Corridor Debt Service	Pension Debt Redemption
ASSETS					
Unrestricted:					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 944,048
Receivables:					
Assessments	-	-	-	-	-
Accrued interest	-	-	-	-	21,525
Restricted:					
Cash and investments	19,437,719	1,473,258	8,589,503	16,406,383	-
Receivables:					
Taxes	1,867,150	707,423	348,258	1,594,030	-
Assessments	-	-	-	-	-
Accrued interest	145,712	75,433	91,063	118,243	-
Total assets	<u>\$ 21,450,581</u>	<u>\$ 2,256,114</u>	<u>\$ 9,028,824</u>	<u>\$ 18,118,656</u>	<u>\$ 965,573</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities payable from restricted assets:					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to component unit	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:					
Unavailable revenue - unrestricted	-	-	-	-	-
Unavailable revenue - restricted	1,344,774	506,383	227,384	1,176,972	-
Total deferred inflows of resources	<u>1,344,774</u>	<u>506,383</u>	<u>227,384</u>	<u>1,176,972</u>	<u>-</u>
Fund balances:					
Restricted	20,105,807	1,749,731	8,801,440	16,941,684	-
Assigned	-	-	-	-	965,573
Total fund balances	<u>20,105,807</u>	<u>1,749,731</u>	<u>8,801,440</u>	<u>16,941,684</u>	<u>965,573</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 21,450,581</u>	<u>\$ 2,256,114</u>	<u>\$ 9,028,824</u>	<u>\$ 18,118,656</u>	<u>\$ 965,573</u>

South Park Block Redemption	Airport Way Debt Service	Gas Tax Bond Redemption	Lents Town Center Urban Renewal Area Debt Redemption	Central Eastside Industrial District Debt Service	Bancroft Bond Interest and Sinking
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,040,378
-	-	-	-	-	3,155,864
-	-	-	-	-	96,197
5,166,200	1,800,115	1,713,018	9,411,897	3,491,430	1,769,433
265,748	173,812	-	755,089	436,463	-
-	-	-	-	-	34,950,224
59,780	34,780	10,009	66,980	29,593	16,573
<u>\$ 5,491,728</u>	<u>\$ 2,008,707</u>	<u>\$ 1,723,027</u>	<u>\$ 10,233,966</u>	<u>\$ 3,957,486</u>	<u>\$ 56,028,669</u>
\$ 18,460	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>18,460</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	2,963,286
171,110	104,980	-	545,026	322,220	34,731,847
<u>171,110</u>	<u>104,980</u>	<u>-</u>	<u>545,026</u>	<u>322,220</u>	<u>37,695,133</u>
5,302,158	1,903,727	1,723,027	9,688,940	3,635,266	2,004,383
-	-	-	-	-	16,329,153
<u>5,302,158</u>	<u>1,903,727</u>	<u>1,723,027</u>	<u>9,688,940</u>	<u>3,635,266</u>	<u>18,333,536</u>
<u>\$ 5,491,728</u>	<u>\$ 2,008,707</u>	<u>\$ 1,723,027</u>	<u>\$ 10,233,966</u>	<u>\$ 3,957,486</u>	<u>\$ 56,028,669</u>

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City of Portland, Oregon
Combining Balance Sheet, continued
Nonmajor Debt Service Funds
June 30, 2019

	Convention Center Area Debt Service	North Macadam Urban Renewal Area Debt Redemption	Special Projects Debt Service	Gateway Urban Renewal Area Debt Redemption
ASSETS				
Unrestricted:				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables:				
Assessments	-	-	-	-
Accrued interest	-	-	-	-
Restricted:				
Cash and investments	23,072,771	6,191,246	82,868	832,046
Receivables:				
Taxes	604,079	791,321	-	251,179
Assessments	-	-	-	-
Accrued interest	163,722	56,243	5,054	5,596
Total assets	<u>\$ 23,840,572</u>	<u>\$ 7,038,810</u>	<u>\$ 87,922</u>	<u>\$ 1,088,821</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities payable from restricted assets:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to component unit	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Unavailable revenue - unrestricted	-	-	-	-
Unavailable revenue - restricted	457,870	560,235	-	183,539
Total deferred inflows of resources	<u>457,870</u>	<u>560,235</u>	<u>-</u>	<u>183,539</u>
Fund balances:				
Restricted	23,382,702	6,478,575	87,922	905,282
Assigned	-	-	-	-
Total fund balances	<u>23,382,702</u>	<u>6,478,575</u>	<u>87,922</u>	<u>905,282</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 23,840,572</u>	<u>\$ 7,038,810</u>	<u>\$ 87,922</u>	<u>\$ 1,088,821</u>

Governmental Bond Redemption	42nd Avenue Neighborhood Prosperity Initiative Debt Service	Cully Boulevard Neighborhood Prosperity Initiative Debt Service	Parkrose Neighborhood Prosperity Initiative Debt Service	Rosewood Neighborhood Prosperity Initiative Debt Service
\$ 33,890	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
912	-	-	-	-
-	98,056	98,500	102,269	105,646
-	14,263	2,940	6,221	5,128
-	-	-	-	-
-	558	561	582	601
<u>\$ 34,802</u>	<u>\$ 112,877</u>	<u>\$ 102,001</u>	<u>\$ 109,072</u>	<u>\$ 111,375</u>

\$ -	\$ -	\$ -	\$ -	\$ -
-	95,910	96,535	99,122	103,629
-	95,910	96,535	99,122	103,629
-	-	-	-	-
-	13,715	2,352	5,601	4,550
-	13,715	2,352	5,601	4,550
-	3,252	3,114	4,349	3,196
34,802	-	-	-	-
34,802	3,252	3,114	4,349	3,196
<u>\$ 34,802</u>	<u>\$ 112,877</u>	<u>\$ 102,001</u>	<u>\$ 109,072</u>	<u>\$ 111,375</u>

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City of Portland, Oregon
Combining Balance Sheet, continued
Nonmajor Debt Service Funds
June 30, 2019

	Division-Midway Neighborhood Prosperity Initiative Debt Service Fund	82nd Avenue/ Division Neighborhood Prosperity Initiative Debt Service	Total
ASSETS			
Unrestricted:			
Cash and investments	\$ -	\$ -	\$ 17,018,316
Receivables:			
Assessments	-	-	\$ 3,155,864
Accrued interest	-	-	118,634
Restricted:			
Cash and investments	108,134	98,194	100,048,686
Receivables:			
Taxes	5,063	5,945	7,834,112
Assessments	-	-	34,950,224
Accrued interest	616	559	882,258
Total assets	<u>\$ 113,813</u>	<u>\$ 104,698</u>	<u>\$ 164,008,094</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities payable from restricted assets:			
Accounts Payable	\$ -	\$ -	\$ 18,460
Due to component unit	106,095	95,777	597,068
Total liabilities	<u>106,095</u>	<u>95,777</u>	<u>615,528</u>
Deferred inflows of resources:			
Unavailable revenue - unrestricted	-	-	2,963,286
Unavailable revenue - restricted	4,502	5,340	40,368,400
Total deferred inflows of resources	<u>4,502</u>	<u>5,340</u>	<u>43,331,686</u>
Fund balances:			
Restricted	3,216	3,581	102,731,352
Assigned	-	-	17,329,528
Total fund balances	<u>3,216</u>	<u>3,581</u>	<u>120,060,880</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 113,813</u>	<u>\$ 104,698</u>	<u>\$ 164,008,094</u>



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City of Portland, Oregon
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Fiscal Year Ended Jun 30, 2019

	River District Urban Renewal Area Debt Redemption	Bonded Debt Interest and Sinking	Downtown Waterfront Renewal Bond Sinking	Interstate Corridor Debt Service	Pension Debt Redemption
REVENUES					
Taxes:					
Property	\$ 46,806,228	\$ 17,784,092	\$ 9,174,585	\$ 36,681,165	\$ -
Intergovernmental	-	-	-	-	7,085
Assessments	-	-	-	-	-
Investment earnings	749,211	207,740	393,245	727,128	102,984
Miscellaneous	-	-	-	-	783,037
Total revenues	<u>47,555,439</u>	<u>17,991,832</u>	<u>9,567,830</u>	<u>37,408,293</u>	<u>893,106</u>
EXPENDITURES					
Current:					
Community development	-	-	-	-	-
Debt service and related costs:					
Principal	5,290,000	25,030,000	7,165,000	3,430,000	4,168,718
Interest	3,309,270	5,486,233	2,322,935	2,730,113	1,322,124
Debt issuance costs	-	-	-	-	68,614
Total expenditures	<u>8,599,270</u>	<u>30,516,233</u>	<u>9,487,935</u>	<u>6,160,113</u>	<u>5,559,456</u>
Revenues over (under) expenditures	<u>38,956,169</u>	<u>(12,524,401)</u>	<u>79,895</u>	<u>31,248,180</u>	<u>(4,666,350)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	3,371,413
Transfers out	(28,000,000)	-	-	(27,000,000)	-
Bonds and notes issued	-	-	-	-	-
Refunding bonds issued	-	12,027,525	-	-	-
Bonds and notes premium	-	1,437,733	-	-	-
Total other financing sources (uses)	<u>(28,000,000)</u>	<u>13,465,258</u>	<u>-</u>	<u>(27,000,000)</u>	<u>3,371,413</u>
Net change in fund balances	10,956,169	940,857	79,895	4,248,180	(1,294,937)
Fund balances - beginning	<u>9,149,638</u>	<u>808,874</u>	<u>8,721,545</u>	<u>12,693,504</u>	<u>2,260,510</u>
Fund balances - ending	<u>\$ 20,105,807</u>	<u>\$ 1,749,731</u>	<u>\$ 8,801,440</u>	<u>\$ 16,941,684</u>	<u>\$ 965,573</u>

South Park Block Redemption	Airport Way Debt Service	Gas Tax Bond Redemption	Lents Town Center Urban Renewal Area Debt Redemption	Central Eastside Industrial District Debt Service	Bancroft Bond Interest and Sinking
\$ 6,873,005	\$ 5,089,346	\$ -	\$ 18,335,268	\$ 10,081,646	\$ -
-	-	-	-	-	-
-	-	-	-	-	7,028,233
361,556	126,588	28,909	379,893	171,647	2,439,120
-	-	-	-	-	-
<u>7,234,561</u>	<u>5,215,934</u>	<u>28,909</u>	<u>18,715,161</u>	<u>10,253,293</u>	<u>9,467,353</u>
-	-	-	-	-	-
35,380,000	5,047,300	1,445,000	1,595,000	1,270,000	4,995,000
1,700,120	140,294	296,000	2,002,217	1,308,220	1,519,287
25,188	-	-	-	-	-
<u>37,105,308</u>	<u>5,187,594</u>	<u>1,741,000</u>	<u>3,597,217</u>	<u>2,578,220</u>	<u>6,514,287</u>
<u>(29,870,747)</u>	<u>28,340</u>	<u>(1,712,091)</u>	<u>15,117,944</u>	<u>7,675,073</u>	<u>2,953,066</u>
-	-	1,735,985	-	-	-
-	-	-	(12,000,000)	(6,700,000)	-
-	-	-	-	-	2,826
25,280,480	-	-	-	-	-
-	-	-	-	-	-
<u>25,280,480</u>	<u>-</u>	<u>1,735,985</u>	<u>(12,000,000)</u>	<u>(6,700,000)</u>	<u>2,826</u>
(4,590,267)	28,340	23,894	3,117,944	975,073	2,955,892
9,892,425	1,875,387	1,699,133	6,570,996	2,660,193	15,377,644
<u>\$ 5,302,158</u>	<u>\$ 1,903,727</u>	<u>\$ 1,723,027</u>	<u>\$ 9,688,940</u>	<u>\$ 3,635,266</u>	<u>\$ 18,333,536</u>

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City of Portland, Oregon
Combining Statement of Revenues, Expenditures and Changes in Fund Balances, continued
Nonmajor Debt Service Funds
For the Fiscal Year Ended Jun 30, 2019

	Convention Center Area Debt Service	North Macadam Urban Renewal Area Debt Redemption	Special Projects Debt Service	Gateway Urban Renewal Area Debt Redemption
REVENUES				
Taxes:				
Property	\$ 13,726,542	\$ 18,913,910	\$ -	\$ 5,943,550
Intergovernmental	-	-	7,763,250	-
Assessments	-	-	-	-
Investment earnings	756,638	370,242	9,302	54,381
Miscellaneous	-	-	-	-
Total revenues	<u>14,483,180</u>	<u>19,284,152</u>	<u>7,772,552</u>	<u>5,997,931</u>
EXPENDITURES				
Current:				
Community development	-	-	-	-
Debt service and related costs:				
Principal	4,550,000	2,885,000	2,039,480	-
Interest	3,259,417	2,472,847	5,723,770	358,532
Debt issuance costs	-	-	-	-
Total expenditures	<u>7,809,417</u>	<u>5,357,847</u>	<u>7,763,250</u>	<u>358,532</u>
Revenues over (under) expenditures	<u>6,673,763</u>	<u>13,926,305</u>	<u>9,302</u>	<u>5,639,399</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	(14,500,000)	-	(5,000,000)
Bonds and notes issued	-	-	-	-
Refunding bonds issued	-	-	-	-
Bonds and notes premium	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(14,500,000)</u>	<u>-</u>	<u>(5,000,000)</u>
Net change in fund balances	6,673,763	(573,695)	9,302	639,399
Fund balances - beginning	16,708,939	7,052,270	78,620	265,883
Fund balances - ending	<u>\$ 23,382,702</u>	<u>\$ 6,478,575</u>	<u>\$ 87,922</u>	<u>\$ 905,282</u>

Governmental Bond Redemption	42nd Avenue Neighborhood Prosperity Initiative Debt Service	Cully Boulevard Neighborhood Prosperity Initiative Debt Service	Parkrose Neighborhood Prosperity Initiative Debt Service	Rosewood Neighborhood Prosperity Initiative Debt Service
\$ -	\$ 95,997	\$ 96,694	\$ 99,460	\$ 103,630
-	-	-	-	-
-	-	-	-	-
2,935	2,514	2,526	3,309	2,740
708,678	-	-	-	-
711,613	98,511	99,220	102,769	106,370
-	95,910	96,535	99,122	103,629
1,680,000	-	-	-	-
1,183,422	-	-	-	-
-	-	-	-	-
2,863,422	95,910	96,535	99,122	103,629
(2,151,809)	2,601	2,685	3,647	2,741
2,154,744	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
2,154,744	-	-	-	-
2,935	2,601	2,685	3,647	2,741
31,867	651	429	702	455
\$ 34,802	\$ 3,252	\$ 3,114	\$ 4,349	\$ 3,196

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City of Portland, Oregon
Combining Statement of Revenues, Expenditures and Changes in Fund Balances, continued
Nonmajor Debt Service Funds
For the Fiscal Year Ended Jun 30, 2019

	Division-Midway Neighborhood Prosperity Initiative Debt Service Fund	82nd Avenue/ Division Neighborhood Prosperity Initiative Debt Service	Total
REVENUES			
Taxes:			
Property	\$ 106,092	\$ 96,001	\$ 190,007,211
Intergovernmental	-	-	7,770,335
Assessments	-	-	7,028,233
Investment earnings	2,803	2,805	6,898,216
Miscellaneous	-	-	1,491,715
Total revenues	<u>108,895</u>	<u>98,806</u>	<u>213,195,710</u>
EXPENDITURES			
Current:			
Community development	106,095	95,777	597,068
Debt service and related costs:			
Principal	-	-	105,970,498
Interest	-	-	35,134,801
Debt issuance costs	-	-	93,802
Total expenditures	<u>106,095</u>	<u>95,777</u>	<u>141,796,169</u>
Revenues over (under) expenditures	<u>2,800</u>	<u>3,029</u>	<u>71,399,541</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	7,262,142
Transfers out	-	-	(93,200,000)
Bonds and notes issued	-	-	2,826
Refunding bonds issued	-	-	37,308,005
Bonds and notes premium	-	-	1,437,733
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(47,189,294)</u>
Net change in fund balances	2,800	3,029	24,210,247
Fund balances - beginning	416	552	95,850,633
Fund balances - ending	<u>\$ 3,216</u>	<u>\$ 3,581</u>	<u>\$ 120,060,880</u>



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City of Portland, Oregon
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2019

	<u>Special Finance and Resource</u>	<u>BFRES Facilities GO Bond Construction</u>	<u>Local Improvement District</u>
ASSETS			
Unrestricted:			
Cash and investments	\$ -	\$ -	\$ 3,127,112
Receivables:			
Accounts, net	-	-	77,610
Accrued interest	-	-	32,459
Restricted:			
Cash and investments	155,448	628,038	1,507,204
Receivables:			
Accounts, net	-	-	-
Assessments	-	-	9,009,313
Accrued interest	928	3,673	-
Internal loans receivable	-	-	-
Total assets	<u>\$ 156,376</u>	<u>\$ 631,711</u>	<u>\$ 13,753,698</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:			
Liabilities payable from restricted assets:			
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:			
Unavailable revenue - restricted	<u>-</u>	<u>-</u>	<u>9,009,313</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>9,009,313</u>
Fund balances:			
Restricted	156,376	631,711	1,507,204
Committed	-	-	-
Assigned	-	-	3,237,181
Total fund balances	<u>156,376</u>	<u>631,711</u>	<u>4,744,385</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 156,376</u>	<u>\$ 631,711</u>	<u>\$ 13,753,698</u>

<u>Parks Capital Improvement Program</u>	<u>Public Safety GO Bond Construction</u>	<u>Housing Capital</u>	<u>Total</u>
\$ 14,771,393	\$ -	\$ -	\$ 17,898,505
-	-	-	77,610
-	-	-	32,459
138,228,854	104,332	113,977	140,737,853
1,200,000	-	-	1,200,000
1,568,103	-	-	10,577,416
879,000	1,363	38,407	923,371
2,464,750	-	-	2,464,750
<u>\$ 159,112,100</u>	<u>\$ 105,695</u>	<u>\$ 152,384</u>	<u>\$ 173,911,964</u>
<u>\$ 2,388,841</u>	<u>\$ 90,399</u>	<u>\$ 16,559</u>	<u>\$ 2,495,799</u>
<u>2,388,841</u>	<u>90,399</u>	<u>16,559</u>	<u>2,495,799</u>
<u>1,568,103</u>	<u>-</u>	<u>-</u>	<u>10,577,416</u>
<u>1,568,103</u>	<u>-</u>	<u>-</u>	<u>10,577,416</u>
140,383,763	15,296	135,825	142,830,175
1,061,908	-	-	1,061,908
13,709,485	-	-	16,946,666
<u>155,155,156</u>	<u>15,296</u>	<u>135,825</u>	<u>160,838,749</u>
<u>\$ 159,112,100</u>	<u>\$ 105,695</u>	<u>\$ 152,384</u>	<u>\$ 173,911,964</u>

City of Portland, Oregon
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2019

	Special Finance and Resource	BFRES Facilities GO Bond Construction	Local Improvement District
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services	-	-	-
Interagency	-	-	6,271
Parking fees	-	-	-
Miscellaneous service charges	-	-	1,418,364
Assessments	-	-	1,153,541
Investment earnings	5,364	13,424	225,964
Miscellaneous	-	-	-
Total revenues	<u>5,364</u>	<u>13,424</u>	<u>2,804,140</u>
EXPENDITURES			
Current:			
Public safety	-	13,412	-
Parks, recreation and culture	-	-	-
Community development	9,540,251	-	615,342
Legislative / admin / support services	93,151,900	-	-
Debt service and related costs:			
Principal	-	-	5,042,188
Interest	-	-	158,437
Debt issuance costs	63,427	-	178,441
Capital outlay	-	-	-
Total expenditures	<u>102,755,578</u>	<u>13,412</u>	<u>5,994,408</u>
Revenues over (under) expenditures	<u>(102,750,214)</u>	<u>12</u>	<u>(3,190,268)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	93,200,000	-	-
Transfers out	-	-	(12,104,010)
Bonds and notes issued	9,506,409	-	16,415,277
Refunding bonds issued	-	-	-
Bonds and notes premium	-	-	270,719
Loans issued	40,842	-	-
Total other financing sources (uses)	<u>102,747,251</u>	<u>-</u>	<u>4,581,986</u>
Net change in fund balances	(2,963)	12	1,391,718
Fund balances - beginning	159,339	631,699	3,352,667
Fund balances - ending	<u>\$ 156,376</u>	<u>\$ 631,711</u>	<u>\$ 4,744,385</u>

Parks Capital Improvement Program	Public Safety GO Bond Construction	Housing Capital	Total
\$ 1,225,427	\$ -	\$ -	\$ 1,225,427
26,134,862	-	-	26,134,862
232,517	-	-	238,788
41,957	-	-	41,957
-	-	-	1,418,364
3,073,878	-	-	4,227,419
5,103,593	22,540	38,385	5,409,270
400,801	-	-	400,801
<u>36,213,035</u>	<u>22,540</u>	<u>38,385</u>	<u>39,096,888</u>
-	159,887	-	173,299
2,385,971	-	-	2,385,971
10,673	-	21	10,166,287
-	-	-	93,151,900
99,153	-	-	5,141,341
31,447	-	-	189,884
-	54,687	153,703	450,258
<u>23,121,280</u>	<u>1,053,738</u>	<u>425,533</u>	<u>24,600,551</u>
<u>25,648,524</u>	<u>1,268,312</u>	<u>579,257</u>	<u>136,259,491</u>
<u>10,564,511</u>	<u>(1,245,772)</u>	<u>(540,872)</u>	<u>(97,162,603)</u>
5,858,147	-	97,818	99,155,965
(16,023)	-	-	(12,120,033)
1,822,849	-	15,610,000	43,354,535
-	57,475	-	57,475
-	-	38,118	308,837
-	-	-	40,842
<u>7,664,973</u>	<u>57,475</u>	<u>15,745,936</u>	<u>130,797,621</u>
18,229,484	(1,188,297)	15,205,064	33,635,018
<u>136,925,672</u>	<u>1,203,593</u>	<u>(15,069,239)</u>	<u>127,203,731</u>
<u>\$ 155,155,156</u>	<u>\$ 15,296</u>	<u>\$ 135,825</u>	<u>\$ 160,838,749</u>



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Nonmajor Proprietary Funds



B

Nonmajor Proprietary Fund Types:

Enterprise Funds

id

Internal Service Funds

gh

bn

City of Portland, Oregon
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2019

	Hydroelectric Power	Golf	Portland International Raceway
ASSETS			
Current assets (unrestricted):			
Cash and investments	\$ 2,048,678	\$ 865,034	\$ 1,174,616
Receivables:			
Accounts, net	38,000	445,245	-
Advances	-	-	-
Accrued interest	10,546	1,972	6,462
Internal balances	-	-	-
Total current assets (unrestricted)	<u>2,097,224</u>	<u>1,312,251</u>	<u>1,181,078</u>
Noncurrent assets (unrestricted):			
Capital assets, not being depreciated or amortized:			
Land	-	586,686	-
Construction in progress	-	947,055	1,484,529
Land use rights	4,500	-	-
Capital assets, being depreciated or amortized:			
Infrastructure	43,963,831	-	-
Buildings	-	6,613,324	-
Improvements to land	-	15,873,443	5,007,161
Equipment	-	830,139	161,340
Software	-	-	-
Accumulated depreciation and amortization	<u>(24,302,676)</u>	<u>(16,260,623)</u>	<u>(3,699,256)</u>
Capital assets, net of accumulated depreciation and amortization	19,665,655	8,590,024	2,953,774
Receivables:			
Notes and loans, net	-	-	-
Net OPEB asset	1,510	26,580	6,812
Total noncurrent assets (unrestricted)	<u>19,667,165</u>	<u>8,616,604</u>	<u>2,960,586</u>
Noncurrent assets (restricted):			
Cash and investments	-	-	-
Total noncurrent assets	<u>19,667,165</u>	<u>8,616,604</u>	<u>2,960,586</u>
Total assets	<u>21,764,389</u>	<u>9,928,855</u>	<u>4,141,664</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pensions	101,874	1,241,968	240,303
Deferred outflows - OPEB	2,339	45,618	12,867
Deferred charge for debt refundings	-	-	-
Total deferred outflows of resources	<u>104,213</u>	<u>1,287,586</u>	<u>253,170</u>

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Total
\$ 3,962,780	\$ 13,672,028	\$ 15,751,547	\$ 11,732,546	\$ 49,207,229
2,154,054	66,090	13,676	100,162	2,817,227
-	-	60,000	5,000	65,000
23,779	84,818	92,753	70,110	290,440
-	-	-	704	704
<u>6,140,613</u>	<u>13,822,936</u>	<u>15,917,976</u>	<u>11,908,522</u>	<u>52,380,600</u>
-	10,578,071	4,432,758	1,563,333	17,160,848
-	12,889,742	72,036,609	-	87,357,935
-	-	-	-	4,500
-	-	-	5,416	43,969,247
-	39,872,916	138,314,427	1,768,170	186,568,837
-	74,934	1,111,368	1,520,801	23,587,707
431,731	1,536,365	3,763,487	-	6,723,062
48,320	98,580	5,983	-	152,883
<u>(363,917)</u>	<u>(29,996,731)</u>	<u>(60,772,112)</u>	<u>(1,533,046)</u>	<u>(136,928,361)</u>
116,134	35,053,877	158,892,520	3,324,674	228,596,658
-	-	-	624,556	624,556
<u>13,445</u>	<u>-</u>	<u>1,921</u>	<u>1,921</u>	<u>52,189</u>
129,579	35,053,877	158,894,441	3,951,151	229,273,403
-	-	-	1,072,139	1,072,139
<u>129,579</u>	<u>35,053,877</u>	<u>158,894,441</u>	<u>5,023,290</u>	<u>230,345,542</u>
<u>6,270,192</u>	<u>48,876,813</u>	<u>174,812,417</u>	<u>16,931,812</u>	<u>282,726,142</u>
830,672	6,278	291,382	231,599	2,944,076
24,563	-	3,509	3,509	92,405
-	44,439	16,015	-	60,454
<u>855,235</u>	<u>50,717</u>	<u>310,906</u>	<u>235,108</u>	<u>3,096,935</u>

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City of Portland, Oregon
Combining Statement of Net Position, continued
Nonmajor Enterprise Funds
June 30, 2019

	Hydroelectric Power	Golf	Portland International Raceway
LIABILITIES			
Current liabilities (payable from unrestricted assets):			
Accounts payable	\$ 462,145	\$ 343,471	\$ 80,524
Compensated absences	24,536	192,689	55,443
Bonds payable	24,002	196,114	37,753
Accrued interest payable	523	4,272	822
Unearned revenue	-	-	-
Internal loans payable	-	170,250	250,000
Pollution remediation	-	-	-
Total current liabilities (unrestricted)	<u>511,206</u>	<u>906,796</u>	<u>424,542</u>
Noncurrent liabilities:			
Bonds payable	91,565	748,149	144,023
Internal loans payable	-	794,500	1,250,000
Accrued interest payable	121,966	996,539	191,844
Net pension liability - PERS	319,878	3,708,359	674,067
Other postemployment benefits	35,436	583,953	132,388
Pollution remediation	-	-	-
Total noncurrent liabilities	<u>568,845</u>	<u>6,831,500</u>	<u>2,392,322</u>
Total liabilities	<u>1,080,051</u>	<u>7,738,296</u>	<u>2,816,864</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - pensions	16,717	211,024	40,371
Deferred Inflows - OPEB	2,188	35,156	8,128
Total deferred inflows of resources	<u>18,905</u>	<u>246,180</u>	<u>48,499</u>
NET POSITION			
Net investment in capital assets	19,665,655	8,590,026	1,453,774
Restricted for:			
Capital projects	-	-	-
Unrestricted	1,103,991	(5,358,061)	75,697
Total net position	<u>\$ 20,769,646</u>	<u>\$ 3,231,965</u>	<u>\$ 1,529,471</u>

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Total
\$ 129,261	\$ 673,265	\$ 582,500	\$ 263,688	\$ 2,534,854
212,325	-	10,870	51,272	547,135
60,899	1,682,202	2,702,395	1,406	4,704,771
1,327	160,050	62,532	31	229,557
-	313,806	-	-	313,806
-	-	-	-	420,250
-	-	-	2,595,000	2,595,000
403,812	2,829,323	3,358,297	2,911,397	11,345,373
232,320	6,675,491	19,912,980	5,365	27,809,893
-	-	-	-	2,044,500
309,459	-	-	7,153	1,626,961
2,355,139	85,906	802,023	642,731	8,588,103
266,732	-	29,783	43,374	1,091,666
-	-	-	3,485,000	3,485,000
3,163,650	6,761,397	20,744,786	4,183,623	44,646,123
3,567,462	9,590,720	24,103,083	7,095,020	55,991,496
141,718	4,406	31,446	31,894	477,576
16,666	-	2,381	2,381	66,900
158,384	4,406	33,827	34,275	544,476
116,134	26,740,621	136,293,160	3,324,673	196,184,043
-	-	-	1,072,139	1,072,139
3,283,447	12,591,780	14,693,253	5,640,813	32,030,920
\$ 3,399,581	\$ 39,332,401	\$ 150,986,413	\$ 10,037,625	\$ 229,287,102

City of Portland, Oregon
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2019

	Hydroelectric Power	Golf	Portland International Raceway
Operating revenues:			
Service charges and fees	\$ -	\$ 6,955,306	\$ 267,694
Service charges and fees provided internally	246,794	-	-
Licenses and permits	-	-	-
Rents and reimbursements	-	583,820	1,668,829
Concessions	-	2,095,042	143,564
Parking fees	-	-	-
Power sales	1,226,522	-	-
Miscellaneous	7,552	183,389	7,475
Total operating revenues	<u>1,480,868</u>	<u>9,817,557</u>	<u>2,087,562</u>
Operating expenses:			
Salaries and wages	345,133	3,542,816	1,009,162
Operating supplies	13,058	475,037	161,522
Professional services	1,889,326	720,698	70,878
Materials and services provided internally	218,497	1,035,616	182,772
Utilities	-	371,155	130,670
Utility license fees	-	-	-
Miscellaneous	410,500	3,021,209	201,992
Depreciation and amortization	607,392	705,739	145,482
Total operating expenses	<u>3,483,906</u>	<u>9,872,270</u>	<u>1,902,478</u>
Operating income	<u>(2,003,038)</u>	<u>(54,713)</u>	<u>185,084</u>
Nonoperating revenues (expenses):			
Investment earnings (losses)	82,866	24,244	30,460
Interest expense	(18,512)	(173,827)	(45,652)
Debt issuance costs	-	-	-
Gains (losses) on sale of capital assets	-	340	-
Total nonoperating revenues (expenses)	<u>64,354</u>	<u>(149,243)</u>	<u>(15,192)</u>
Income before contributions and transfers	<u>(1,938,684)</u>	<u>(203,956)</u>	<u>169,892</u>
Transfers out	(3,482)	(28,448)	(5,477)
Capital contributions	-	-	-
Change in net position	<u>(1,942,166)</u>	<u>(232,404)</u>	<u>164,415</u>
Total net position - beginning	<u>22,711,812</u>	<u>3,464,369</u>	<u>1,365,056</u>
Total net position - ending	<u>\$ 20,769,646</u>	<u>\$ 3,231,965</u>	<u>\$ 1,529,471</u>

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Total
\$ 4,131,302	\$ 1,041	\$ 1,836,952	\$ 4,593,488	\$ 17,785,783
5,000	1,070,779	-	407,028	1,729,601
3,283,389	-	-	-	3,283,389
-	758,466	7,760,952	619,160	11,391,227
-	-	-	-	2,238,606
-	13,544,595	2,558,180	-	16,102,775
-	-	-	-	1,226,522
47,924	16,016	-	327,193	589,549
<u>7,467,615</u>	<u>15,390,897</u>	<u>12,156,084</u>	<u>5,946,869</u>	<u>54,347,452</u>
2,544,674	342,184	537,618	681,333	9,002,920
273,707	20,328	1,488	20,893	966,033
252,934	91,770	565,707	714,171	4,305,484
1,760,487	3,233,327	443,900	1,108,855	7,983,454
557,994	-	-	-	1,059,819
-	-	-	229,112	229,112
275,506	4,824,198	2,043,060	4,287,335	15,063,800
91,301	619,315	3,155,470	69,018	5,393,717
<u>5,756,603</u>	<u>9,131,122</u>	<u>6,747,243</u>	<u>7,110,717</u>	<u>44,004,339</u>
<u>1,711,012</u>	<u>6,259,775</u>	<u>5,408,841</u>	<u>(1,163,848)</u>	<u>10,343,113</u>
127,671	549,589	429,574	380,964	1,625,368
(46,968)	(264,749)	(826,173)	(1,087)	(1,376,968)
-	(35,483)	-	-	(35,483)
(3,612)	(80,509)	(4,947)	-	(88,728)
<u>77,091</u>	<u>168,848</u>	<u>(401,546)</u>	<u>379,877</u>	<u>124,189</u>
1,788,103	6,428,623	5,007,295	(783,971)	10,467,302
(1,008,834)	(307,801)	(21,463)	(203)	(1,375,708)
-	-	72,360,683	-	72,360,683
<u>779,269</u>	<u>6,120,822</u>	<u>77,346,515</u>	<u>(784,174)</u>	<u>81,452,277</u>
<u>2,620,312</u>	<u>33,211,579</u>	<u>73,639,898</u>	<u>10,821,799</u>	<u>147,834,825</u>
<u>\$ 3,399,581</u>	<u>\$ 39,332,401</u>	<u>\$ 150,986,413</u>	<u>\$ 10,037,625</u>	<u>\$ 229,287,102</u>

City of Portland, Oregon
Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2019

	Hydroelectric Power	Golf	Portland International Raceway
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 1,238,704	\$ 9,782,904	\$ 2,087,561
Receipts for interfund services provided	246,794	-	-
Payments to suppliers	(2,117,236)	(4,569,254)	(556,476)
Payments to employees	(292,249)	(3,256,373)	(926,890)
Payments for interfund services used	(218,497)	(1,035,616)	(182,772)
Other receipts (payments)	-	-	-
Net cash provided by operating activities	<u>(1,142,484)</u>	<u>921,661</u>	<u>421,423</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers out	(3,482)	(28,448)	(5,477)
Proceeds from internal loans	-	-	1,750,000
Payments for internal loans	-	(113,500)	(250,000)
Net cash provided by (used for) noncapital financing activities	<u>(3,482)</u>	<u>(141,948)</u>	<u>1,494,523</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sale of bonds and notes	-	-	-
Premium on bonds and notes issued	-	-	-
Proceeds from sale of capital assets	-	340	-
Acquisition of capital assets	-	(41,917)	(1,484,529)
Principal paid on bonds and notes	(21,545)	(176,036)	(33,888)
Interest paid on bonds, notes and capital leases	(6,833)	(78,417)	(27,280)
Payments for bond issuance costs	-	-	-
Net cash provided by (used for) capital related financing activities	<u>(28,378)</u>	<u>(296,030)</u>	<u>(1,545,697)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings (losses)	86,178	20,522	26,585
Net cash provided by (used for) investing activities	<u>86,178</u>	<u>20,522</u>	<u>26,585</u>
Net increase (decrease) in cash and cash equivalents	(1,088,166)	504,205	396,834
Cash and cash equivalents, July 1, 2018	3,136,844	360,829	777,782
Cash and cash equivalents, June 30, 2019	<u>\$ 2,048,678</u>	<u>\$ 865,034</u>	<u>\$ 1,174,616</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Unrestricted cash and cash equivalents	\$ 2,048,678	\$ 865,034	\$ 1,174,616
Restricted cash and cash equivalents	-	-	-
Total cash and cash equivalents	<u>\$ 2,048,678</u>	<u>\$ 865,034</u>	<u>\$ 1,174,616</u>

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Total
\$ 6,985,032	\$ 14,305,496	\$ 12,153,739	\$ 5,861,680	\$ 52,415,116
5,000	1,070,779	-	407,028	1,729,601
(1,407,249)	(4,557,488)	(2,531,485)	(1,325,666)	(17,064,854)
(2,348,634)	(341,803)	(343,595)	(596,550)	(8,106,094)
(1,760,487)	(3,233,327)	(443,900)	(1,108,855)	(7,983,454)
-	-	-	(327,001)	(327,001)
1,473,662	7,243,657	8,834,759	2,910,636	20,663,314
(1,008,834)	(307,801)	(21,463)	(203)	(1,375,708)
-	-	-	-	1,750,000
-	-	-	-	(363,500)
(1,008,834)	(307,801)	(21,463)	(203)	10,792
-	7,640,000	-	-	7,640,000
-	732,750	-	-	732,750
-	-	-	-	340
-	(9,008,173)	(489,683)	-	(11,024,302)
(54,664)	(9,855,000)	(2,606,000)	(1,262)	(12,748,395)
(17,337)	(359,952)	(835,591)	(400)	(1,325,810)
-	(35,483)	-	-	(35,483)
(72,001)	(10,885,858)	(3,931,274)	(1,662)	(16,760,900)
117,630	540,966	380,977	349,935	1,522,793
117,630	540,966	380,977	349,935	1,522,793
510,457	(3,409,036)	5,262,999	3,258,706	5,435,999
3,452,323	17,081,064	10,488,548	9,545,979	44,843,369
\$ 3,962,780	\$ 13,672,028	\$ 15,751,547	\$ 12,804,685	\$ 50,279,368
\$ 3,962,780	\$ 13,672,028	\$ 15,751,547	\$ 11,732,546	\$ 49,207,229
-	-	-	1,072,139	1,072,139
\$ 3,962,780	\$ 13,672,028	\$ 15,751,547	\$ 12,804,685	\$ 50,279,368

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City of Portland, Oregon
Nonmajor Enterprise Funds
Combining Statement of Cash Flows, continued
For the Fiscal Year Ended June 30, 2019

	Hydroelectric Power	Golf	Portland International Raceway
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (2,003,038)	\$ (54,713)	\$ 185,084
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and amortization	607,392	705,739	145,482
Change in assets and liabilities:			
Accounts and advances receivable	3,810	(50,652)	(4,512)
Accounts payable	195,649	18,846	8,589
Compensated absences	13,176	(56,371)	24,286
Unearned revenue	-	-	-
Net pension liability - PERS	21,691	306,177	56,001
Other postemployment benefits	(11)	(210)	(59)
Pollution remediation	-	-	-
Other liabilities	-	-	-
Deferred outflows - pensions	9,673	(70,377)	(14,047)
Deferred outflows - OPEB	1,138	7,705	(1,275)
Deferred inflows - pensions	7,650	107,994	19,753
Deferred inflows - OPEB	386	7,523	2,121
Net cash provided by operating activities	<u>\$ (1,142,484)</u>	<u>\$ 921,661</u>	<u>\$ 421,423</u>
Noncash information			
Capital contributions	\$ -	\$ -	\$ -
Increase in fair value of investments (classified as cash equivalents)	34,213	6,450	11,117

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Total
\$ 1,711,012	\$ 6,259,775	\$ 5,408,841	\$ (1,163,848)	\$ 10,343,113
91,301	619,315	3,155,470	69,018	5,393,717
(486,198)	(27,157)	(3,576)	(6,393)	(574,678)
(47,105)	378,809	78,768	45,846	679,402
29,086	-	10,870	18,865	39,912
-	12,536	-	-	12,536
210,846	-	50,730	46,061	691,506
(113)	-	(16)	(16)	(425)
-	-	-	3,880,000	3,880,000
-	379	-	-	379
(113,367)	-	115,231	4,310	(68,577)
(221)	-	(32)	(32)	7,283
74,370	-	17,894	16,246	243,907
4,051	-	579	579	15,239
<u>\$ 1,473,662</u>	<u>\$ 7,243,657</u>	<u>\$ 8,834,759</u>	<u>\$ 2,910,636</u>	<u>\$ 20,663,314</u>
\$ -	\$ -	\$ (72,360,683)	\$ -	\$ (72,360,683)
44,343	119,486	149,407	134,123	499,139

City of Portland, Oregon
Combining Statement of Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2019

	Health Insurance Operating	Facilities Services Operating	City Fleet Operating
ASSETS			
Current assets (unrestricted):			
Cash and investments	\$ 28,757,333	\$ 24,404,763	\$ 24,468,192
Receivables:			
Accounts, net	-	502,931	207,310
Notes and loans, net	-	-	53,700
Accrued interest	105,068	505,980	124,521
Due from component unit	-	-	-
Inventories	-	-	1,299,161
Prepaid expenses	-	-	-
Total current assets	<u>28,862,401</u>	<u>25,413,674</u>	<u>26,152,884</u>
Noncurrent assets (unrestricted):			
Capital assets, not being depreciated or amortized:			
Land	-	12,814,009	87,000
Construction in progress	-	155,944,555	23,480,087
Capital assets, being depreciated or amortized:			
Infrastructure	-	-	-
Buildings	-	165,671,681	1,944,421
Improvements to land	-	831,331	-
Equipment	-	1,792,888	77,973,442
Software	-	772,701	158,600
Accumulated depreciation and amortization	-	(78,488,457)	(41,591,291)
Capital assets net of accumulated depreciation and amortization	-	259,338,708	62,052,259
Receivables:			
Notes and loans, net	-	-	53,700
Net OPEB asset	8,503	27,431	47,198
Total noncurrent assets (unrestricted)	<u>8,503</u>	<u>259,366,139</u>	<u>62,153,157</u>
Noncurrent assets (restricted):			
Cash and investments	-	53,543,056	-
Total noncurrent assets	<u>8,503</u>	<u>312,909,195</u>	<u>62,153,157</u>
Total assets	<u>28,870,904</u>	<u>338,322,869</u>	<u>88,306,041</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pensions	682,345	1,395,511	2,917,991
Deferred outflows - OPEB	16,376	52,636	85,387
Total deferred outflows of resources	<u>698,721</u>	<u>1,448,147</u>	<u>3,003,378</u>

Printing and Distribution Services Operating	Insurance and Claims Operating	Workers' Compensation Self Insurance Operating	Technology Services	Portland Police Association Health Insurance	Enterprise Business Solutions Services	Total
\$ 2,414,417	\$ 34,629,626	\$ 13,313,816	\$ 32,969,569	\$ 12,937,878	\$ 5,621,611	\$ 179,517,205
133,386	116,510	-	940,131	-	-	1,900,268
-	-	-	-	-	-	53,700
12,009	197,322	76,620	207,388	67,899	-	1,296,807
-	-	-	14,875	-	-	14,875
-	-	-	823,504	-	-	2,122,665
-	176,677	-	2,608,223	-	-	2,784,900
2,559,812	35,120,135	13,390,436	37,563,690	13,005,777	5,621,611	187,690,420
-	-	-	348,929	-	-	13,249,938
75,052	-	-	16,779,612	-	346,762	196,626,068
-	-	-	10,345,178	-	-	10,345,178
-	-	-	6,543,311	-	-	174,159,413
-	-	-	-	-	-	831,331
1,749,003	-	-	58,134,421	-	-	139,649,754
315,337	362,576	260,093	4,400,493	-	38,698,389	44,968,189
(1,640,237)	(290,061)	(208,075)	(29,870,450)	-	(37,831,389)	(189,919,960)
499,155	72,515	52,018	66,681,494	-	1,213,762	389,909,911
-	-	-	-	-	-	53,700
11,755	8,963	3,841	132,710	-	10,474	250,875
510,910	81,478	55,859	66,814,204	-	1,224,236	390,214,486
-	-	-	-	-	-	53,543,056
510,910	81,478	55,859	66,814,204	-	1,224,236	443,757,542
3,070,722	35,201,613	13,446,295	104,377,894	13,005,777	6,845,847	631,447,962
706,514	485,316	427,404	10,893,001	-	969,036	18,477,118
21,054	16,376	7,018	243,295	-	18,715	460,857
727,568	501,692	434,422	11,136,296	-	987,751	18,937,975

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City of Portland, Oregon
Combining Statement of Net Position, continued
Internal Service Funds
June 30, 2019

	Health Insurance Operating	Facilities Services Operating	CityFleet Operating
LIABILITIES			
Current liabilities (payable from unrestricted assets):			
Accounts payable	\$ 7,343,555	\$ 19,875,130	\$ 1,901,559
Self insurance claims	9,986,000	-	-
Compensated absences	190,614	276,301	510,314
Bonds payable	36,198	4,175,586	458,113
Accrued interest payable	789	621,750	9,979
Due to component unit	-	1,716,298	-
Unearned revenue	-	25,694,142	180
Total current liabilities	<u>17,557,156</u>	<u>52,359,207</u>	<u>2,880,145</u>
Noncurrent liabilities:			
Self insurance claims	-	-	-
Compensated absences	25,055	34,638	59,769
Bonds payable	138,092	145,653,344	1,747,640
Notes and loans payable	-	9,503,599	-
Accrued interest payable	183,946	990,612	2,327,858
Net pension liability - PERS	1,750,916	3,652,378	8,238,068
Other postemployment benefits	144,120	481,745	959,510
Total noncurrent liabilities	<u>2,242,129</u>	<u>160,316,316</u>	<u>13,332,845</u>
Total liabilities	<u>19,799,285</u>	<u>212,675,523</u>	<u>16,212,990</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow - pensions	115,755	251,114	500,167
Deferred charge for debt refunding	-	16,542	-
Deferred inflows - OPEB	9,908	32,109	59,135
Total deferred inflow of resources	<u>125,663</u>	<u>299,765</u>	<u>559,302</u>
NET POSITION			
Net investment in capital assets	-	154,487,883	62,052,259
Unrestricted	9,644,677	(27,692,155)	12,484,868
Total net position	<u>\$ 9,644,677</u>	<u>\$ 126,795,728</u>	<u>\$ 74,537,127</u>

Printing and Distribution Services Operating	Insurance and Claims Operating	Workers' Compensation Self Insurance Operating	Technology Services	Police Association Health Insurance	Enterprise Business Solutions Services	Total
\$ 326,243	\$ 57,913	\$ 90,239	\$ 5,854,297	\$ 1,214,800	\$ 138	\$ 36,663,874
-	4,036,210	1,379,479	-	-	-	15,401,689
131,689	120,694	46,289	2,457,564	-	257,199	3,990,664
155,245	85,545	80,017	544,477	-	-	5,535,181
3,382	1,863	1,743	11,860	-	-	651,366
-	-	-	-	-	-	1,716,298
-	-	-	-	-	-	25,694,322
616,559	4,302,225	1,597,767	8,868,198	1,214,800	257,337	89,653,394
-	9,262,262	7,756,960	-	-	-	17,019,222
16,949	15,889	6,119	302,408	-	33,438	494,265
592,241	326,342	305,253	2,077,106	-	-	150,840,018
-	-	-	-	-	-	9,503,599
788,866	434,684	406,602	2,766,710	-	-	7,899,278
1,962,480	1,339,878	1,212,941	29,854,087	-	2,734,408	50,745,156
258,770	172,312	84,879	2,637,332	-	199,121	4,937,789
3,619,306	11,551,367	9,772,754	37,637,643	-	2,966,967	241,439,327
4,235,865	15,853,592	11,370,521	46,505,841	1,214,800	3,224,304	331,092,721
123,146	82,193	75,006	1,914,106	-	169,671	3,231,158
-	-	-	-	-	-	16,542
14,886	11,110	4,762	163,874	-	13,298	309,082
138,032	93,303	79,768	2,077,980	-	182,969	3,556,782
499,155	72,516	52,018	66,681,493	-	1,213,762	285,059,086
(1,074,762)	19,683,894	2,378,410	248,876	11,790,977	3,212,563	30,677,348
\$ (575,607)	\$ 19,756,410	\$ 2,430,428	\$ 66,930,369	\$ 11,790,977	\$ 4,426,325	\$ 315,736,434

City of Portland, Oregon
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2019

	Health Insurance Operating	Facilities Services Operating	City Fleet Operating
Operating revenues:			
Service charges and fees	\$ 17,939,564	\$ 785,301	\$ 826,626
Service charges and fees provided internally	88,406,614	28,915,373	37,523,914
Rents and reimbursements	-	1,505,597	-
Miscellaneous	398,806	477,428	75,270
Total operating revenues	<u>106,744,984</u>	<u>31,683,699</u>	<u>38,425,810</u>
Operating expenses:			
Salaries and wages	2,223,294	4,841,087	9,061,829
Operating supplies	36,736	855,418	8,610,741
Professional services	43,183,251	1,407,638	33,012
Materials and services provided internally	761,472	4,803,232	2,285,125
Utilities	-	3,044,932	34,284
Claims	63,619,898	-	-
Utility license fees	-	-	-
Miscellaneous	1,565,484	22,173,695	4,520,754
Depreciation and amortization	-	3,322,151	7,204,957
Total operating expenses	<u>111,390,135</u>	<u>40,448,153</u>	<u>31,750,702</u>
Operating income (loss)	<u>(4,645,151)</u>	<u>(8,764,454)</u>	<u>6,675,108</u>
Nonoperating revenues (expenses):			
Investment earnings (losses)	708,880	2,255,108	689,522
Interest expense	(27,920)	(3,558,230)	(353,280)
Debt issuance costs	-	(296,546)	-
Gains (losses) on sale of capital assets	-	-	(433,860)
Total nonoperating revenues (expenses)	<u>680,960</u>	<u>(1,599,668)</u>	<u>(97,618)</u>
Income (loss) before contributions and transfers	<u>(3,964,191)</u>	<u>(10,364,122)</u>	<u>6,577,490</u>
Transfers in	-	6,526,851	-
Transfers out	(5,251)	(28,278)	(66,452)
Capital Contribution	-	-	-
Change in net position	<u>(3,969,442)</u>	<u>(3,865,549)</u>	<u>6,511,038</u>
Total net position - beginning	<u>13,614,119</u>	<u>130,661,277</u>	<u>68,026,089</u>
Total net position - ending	<u>\$ 9,644,677</u>	<u>\$ 126,795,728</u>	<u>\$ 74,537,127</u>

Printing and Distribution Services Operating	Insurance and Claims Operating	Workers' Compensation Self Insurance Operating	Technology Services	Portland Police Association Health Insurance	Enterprise Business Solutions Services	Total
\$ 960,072	\$ 325	\$ -	\$ 4,903,362	\$ 2,170,613	\$ -	\$ 27,585,863
6,277,038	11,603,782	4,609,197	57,395,789	15,339,250	9,575,985	259,646,942
-	-	-	241,414	-	-	1,747,011
40,369	158,108	17,445	330,633	-	-	1,498,059
7,277,479	11,762,215	4,626,642	62,871,198	17,509,863	9,575,985	290,477,875
1,957,160	1,422,812	1,265,154	32,649,478	-	2,694,513	56,115,327
491,786	7,243	13,505	2,377,851	-	91,461	12,484,741
-	253,704	255,192	1,925,129	6,233,200	5,590	53,296,716
944,951	3,097,494	685,456	5,776,283	-	5,179,662	23,533,675
-	-	-	66,222	-	-	3,145,438
-	494,793	2,509,863	-	9,884,876	-	76,509,430
-	-	-	23,212	-	-	23,212
3,341,937	3,145,574	660,730	13,777,122	1,072,778	1,051,552	51,309,626
169,952	72,515	52,019	3,013,616	-	220,519	14,055,729
6,905,786	8,494,135	5,441,919	59,608,913	17,190,854	9,243,297	290,473,894
371,693	3,268,080	(815,277)	3,262,285	319,009	332,688	3,981
66,153	1,091,960	443,328	1,060,749	246,065	124,380	6,686,145
(119,723)	(65,964)	(61,711)	(419,885)	-	-	(4,606,713)
-	-	-	-	-	-	(296,546)
(635)	-	-	(502,667)	-	-	(937,162)
(54,205)	1,025,996	381,617	138,197	246,065	124,380	845,724
317,488	4,294,076	(433,660)	3,400,482	565,074	457,068	849,705
-	-	-	604,997	-	-	7,131,848
(22,519)	(12,408)	(11,608)	(4,628,980)	-	-	(4,775,496)
-	-	-	36,427,680	-	-	36,427,680
294,969	4,281,668	(445,268)	35,804,179	565,074	457,068	39,633,737
(870,576)	15,474,742	2,875,696	31,126,190	11,225,903	3,969,257	276,102,697
<u>\$ (575,607)</u>	<u>\$ 19,756,410</u>	<u>\$ 2,430,428</u>	<u>\$ 66,930,369</u>	<u>\$ 11,790,977</u>	<u>\$ 4,426,325</u>	<u>\$ 315,736,434</u>

City of Portland, Oregon
Internal Service Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2019

	Health Insurance Operating	Facilities Services Operating	City Fleet Operating
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 18,338,371	\$ 28,305,107	\$ 1,438,415
Receipts for interfund services provided	88,406,614	28,915,375	37,523,914
Payments to suppliers	(104,754,395)	(13,132,328)	(14,248,600)
Payments to employees	(2,023,236)	(4,512,405)	(8,310,823)
Payments for interfund services used	(761,472)	(4,803,232)	(2,285,125)
Other receipts (payments)	-	-	-
Net cash provided by (used for) operating activities	(794,118)	34,772,517	14,117,781
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	-	6,526,851	-
Transfers out	(5,251)	(28,278)	(66,452)
Net cash provided by (used for) noncapital financing activities	(5,251)	6,498,573	(66,452)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sale of bonds and notes	-	134,770,679	-
Premium on bonds and notes issued	-	18,419,726	-
Proceeds from sale of capital assets	-	-	923,585
Acquisition of capital assets	-	(105,193,087)	(11,013,372)
Principal paid on bonds and notes	(32,492)	(45,168,911)	(411,211)
Interest paid on bonds and notes	(10,305)	(4,094,374)	(130,417)
Payments for bond issuance costs	-	(296,546)	-
Net cash (used for) capital related financing activities	(42,797)	(1,562,513)	(10,631,415)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings (losses)	685,938	1,914,312	644,056
Net cash provided by (used for) investing activities	685,938	1,914,312	644,056
Net increase (decrease) in cash and cash equivalents	(156,228)	41,622,889	4,063,970
Cash and cash equivalents, July 1, 2018	28,913,561	36,324,930	20,404,222
Cash and cash equivalents, June 30, 2019	<u>\$ 28,757,333</u>	<u>\$ 77,947,819</u>	<u>\$ 24,468,192</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Unrestricted cash and cash equivalents	\$ 28,757,333	\$ 24,404,763	\$ 24,468,192
Restricted cash and cash equivalents	-	53,543,056	-
Total cash and cash equivalents	<u>\$ 28,757,333</u>	<u>\$ 77,947,819</u>	<u>\$ 24,468,192</u>

Printing and Distribution Services Operating	Insurance and Claims Operating	Workers' Compensation Self Insurance Operating	Technology Services	Portland Police Association Health Insurance	Enterprise Business Solutions Services	Total
\$ 1,014,173	\$ 157,215	\$ 17,445	\$ 5,426,373	\$ 2,170,613	\$ -	\$ 56,867,712
6,277,037	11,603,780	4,609,195	57,395,785	15,339,250	9,575,986	259,646,936
(3,849,967)	(5,765,441)	(3,271,914)	(16,850,868)	(16,914,158)	(1,189,176)	(179,976,847)
(1,772,451)	(1,316,438)	(1,158,921)	(29,748,333)	-	(2,388,986)	(51,231,593)
(944,951)	(3,097,494)	(685,456)	(5,776,283)	-	(5,179,662)	(23,533,675)
-	-	-	(4,950)	-	-	(4,950)
723,841	1,581,622	(489,651)	10,441,724	595,705	818,162	61,767,583
-	-	-	604,997	-	-	7,131,848
(22,519)	(12,408)	(11,608)	(4,628,980)	-	-	(4,775,496)
(22,519)	(12,408)	(11,608)	(4,023,983)	-	-	2,356,352
-	-	-	-	-	-	134,770,679
-	-	-	-	-	-	18,419,726
-	-	-	-	-	-	923,585
(125,063)	-	-	(5,636,919)	-	(461,886)	(122,430,327)
(139,351)	(76,787)	(71,824)	(488,733)	-	-	(46,389,309)
(44,196)	(24,353)	(22,779)	(155,004)	-	-	(4,481,428)
-	-	-	-	-	-	(296,546)
(308,610)	(101,140)	(94,603)	(6,280,656)	-	(461,886)	(19,483,620)
60,407	1,029,503	424,336	975,343	225,047	145,639	6,104,581
60,407	1,029,503	424,336	975,343	225,047	145,639	6,104,581
453,119	2,497,577	(171,526)	1,112,428	820,752	501,915	50,744,896
1,961,298	32,132,049	13,485,342	31,857,141	12,117,126	5,119,696	182,315,365
\$ 2,414,417	\$ 34,629,626	\$ 13,313,816	\$ 32,969,569	\$ 12,937,878	\$ 5,621,611	\$ 233,060,261
\$ 2,414,417	\$ 34,629,626	\$ 13,313,816	\$ 32,969,569	\$ 12,937,878	\$ 5,621,611	\$ 179,517,205
-	-	-	-	-	-	53,543,056
\$ 2,414,417	\$ 34,629,626	\$ 13,313,816	\$ 32,969,569	\$ 12,937,878	\$ 5,621,611	\$ 233,060,261

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City of Portland, Oregon
Internal Service Funds
Combining Statement of Cash Flows, continued
For the Fiscal Year Ended June 30, 2019

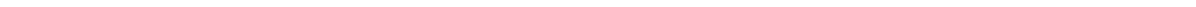
	<u>Health Insurance Operating</u>	<u>Facilities Services Operating</u>	<u>City Fleet Operating</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (4,645,151)	\$ (8,764,454)	\$ 6,675,108
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation and amortization of capital assets	-	3,322,151	7,204,957
Change in assets and liabilities:			
Accounts and advances receivable	(5,743)	(104,784)	506,573
Due (from) to other funds	-	-	-
Due (from) to component unit	-	(109,578)	-
Inventories	-	-	(250,114)
Prepaid expense	-	96,539	12,804
Accounts payable	1,047,976	14,362,392	(812,499)
Self insurance claims	2,603,000	-	-
Compensated absences	62,163	126,441	13,481
Unearned revenue	-	25,623,105	-
Net pension liability - PERS	192,533	401,200	764,522
Other postemployment benefits	(76)	(234)	(391)
Deferred outflows - pensions	(116,964)	(323,025)	(281,954)
Deferred outflows - OPEB	(2,466)	(7,428)	1,552
Deferred inflows - pensions	67,910	141,511	269,661
Deferred inflows - OPEB	2,700	8,681	14,081
Net cash provided by (used for) operating activities	<u>\$ (794,118)</u>	<u>\$ 34,772,517</u>	<u>\$ 14,117,781</u>
Noncash information:			
Capital contributions	\$ -	\$ -	\$ -
Increase (decrease) in fair value of investments (classified as cash equivalents)	353,698	592,968	266,166

Printing and Distribution Services Operating	Insurance and Claims Operating	Workers' Compensation Self Insurance Operating	Technology Services	Portland Police Association Health Insurance	Enterprise Business Solutions Services	Total
\$ 371,693	\$ 3,268,080	\$ (815,277)	\$ 3,262,285	\$ 319,009	\$ 332,688	\$ 3,981
169,952	72,515	52,019	3,013,616	-	220,519	14,055,729
6,348	(6,961)	(2,461)	(124,544)	-	(6,564)	261,864
-	-	-	(14,769)	-	-	(14,769)
-	-	-	-	-	-	(109,578)
-	-	-	(39,769)	-	-	(289,883)
-	86,422	16,871	(1,119,969)	-	-	(907,333)
(16,244)	39,325	64,117	2,478,409	276,696	(40,576)	17,399,596
-	(1,989,875)	86,386	-	-	-	699,511
14,462	(1,540)	5,383	436,015	-	66,906	723,311
-	-	-	-	-	-	25,623,105
187,658	126,531	115,058	3,064,665	-	253,495	5,105,662
(98)	(74)	(30)	(1,122)	-	(85)	(2,110)
(80,563)	(59,985)	(53,395)	(1,629,679)	-	(101,710)	(2,647,275)
970	(147)	(63)	(4,504)	-	991	(11,095)
66,191	44,631	40,583	1,080,966	-	89,412	1,800,865
3,472	2,700	1,158	40,124	-	3,086	76,002
<u>\$ 723,841</u>	<u>\$ 1,581,622</u>	<u>\$ (489,651)</u>	<u>\$ 10,441,724</u>	<u>\$ 595,705</u>	<u>\$ 818,162</u>	<u>\$ 61,767,583</u>
\$ -	\$ -	\$ -	\$ 36,427,680	\$ -	\$ -	\$ 36,427,680
25,943	399,731	163,052	387,716	-	63,073	2,252,347



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Fiduciary Funds



3

Fiduciary Fund Types:

Pension Trust Funds account for resources that are required to be held in trust for the members and its beneficiaries of defined benefit pension plans.

Agency Funds

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**City of Portland
Combining Statement of Fiduciary Net Position
Pension Trust Funds
June 30, 2019**

	Fire and Police Disability and Retirement	Fire and Police Disability and Retirement Reserve	Fire and Police Supplemental Retirement Reserve	Total
ASSETS				
Cash and investments ^(a)	\$ 29,240,026	\$ 750,000	\$ 36,904	\$ 30,026,930
Receivables:				
Accounts receivable, net	14,898	-	-	14,898
Pension recovery	116,101	-	-	116,101
Accrued interest receivable	457,455	-	222	457,677
Due from other funds	4,106,229	-	-	4,106,229
Prepaid expense	-	-	747	747
Total current assets	33,934,709	750,000	37,873	34,722,582
Capital assets:				
Construction in progress	26,429	-	-	26,429
Intangible assets:				
Software	884,249	-	-	884,249
Accumulated depreciation and amortization	(549,460)	-	-	(549,460)
Net capital assets	361,218	-	-	361,218
Net OPEB asset	10,654	-	-	10,654
Total noncurrent assets	371,872	-	-	371,872
Total assets	34,306,581	750,000	37,873	35,094,454
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow - pensions	739,105	-	-	739,105
Deferred outflow - OPEB	19,885	-	-	19,885
Total deferred outflows	758,990	-	-	758,990
LIABILITIES				
Accounts payable	11,863,066	-	-	11,863,066
Compensated absences	1,081,765	-	-	1,081,765
Accrued interest payable	249,247	-	-	249,247
Bonds payable	235,165	-	-	235,165
Net pension liability	2,045,767	-	-	2,045,767
Other postemployment benefits	196,788	-	-	196,788
Total liabilities	15,671,798	-	-	15,671,798
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pension	129,586	-	-	129,586
Deferred inflows - OPEB	12,891	-	-	12,891
Total deferred inflows	142,477	-	-	142,477
NET POSITION				
Net position restricted for pensions	\$ 19,251,296	\$ 750,000	\$ 37,873	\$ 20,039,169

^(a) The City's pension plan is unfunded and has only a portion of the City's internal investment pool.

City of Portland
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Fiscal Year Ended June 30, 2019

	Fire and Police Disability and Retirement	Fire and Police Disability and Retirement Reserve	Fire and Police Supplemental Retirement Reserve	Total
ADDITIONS				
Contributions				
Employer	\$ 150,299,013	\$ -	\$ -	\$ 150,299,013
Other	1,258,967	-	-	1,258,967
Total contributions	151,557,980	-	-	151,557,980
Investment earnings	1,751,765	-	874	1,752,639
Total additions	153,309,745	-	874	153,310,619
DEDUCTIONS				
Benefits and refunds paid to plan members and beneficiaries	146,812,112	-	9,043	146,821,155
Administrative expenses	4,287,111	-	-	4,287,111
Total deductions	151,099,223	-	9,043	151,108,266
Change in net position	2,210,522	-	(8,169)	2,202,353
Net position - beginning	17,040,774	750,000	46,042	17,836,816
Net position - ending	\$ 19,251,296	\$ 750,000	\$ 37,873	\$ 20,039,169

**City of Portland
Combining Statement of Fiduciary Net Position
Agency Funds
June 30, 2019**

	Mt. Hood Cable Regulatory Commission	Trustee	Multnomah County Business Income Tax	Clearing Funds	Total
ASSETS					
Current Assets					
Cash and investments	\$ 13,253,645	\$ 18,325,196	\$ 2,984,888	\$ 36,944,923	\$ 71,508,652
Receivables:					
Accounts, net	1,509,236	134,850	-	808,543	2,452,629
Advances	711,415	-	-	-	711,415
Accrued interest	81,886	2,616	22,423	82	107,007
Total current assets	<u>15,556,182</u>	<u>18,462,662</u>	<u>3,007,311</u>	<u>37,753,548</u>	<u>74,779,703</u>
Capital assets:					
Intangible assets:					
Software	12,000	-	-	-	12,000
Accumulated depreciation and amortization	(9,600)	-	-	-	(9,600)
Total assets	<u>15,558,582</u>	<u>18,462,662</u>	<u>3,007,311</u>	<u>37,753,548</u>	<u>74,782,103</u>
LIABILITIES					
Accounts payable	1,009,926	-	101	1,420,355	2,430,382
Salaries and withholding taxes	-	-	-	34,441,095	34,441,095
Due to other governments	14,548,656	-	-	-	14,548,656
Other liabilities	-	18,462,662	3,007,210	1,892,098	23,361,970
Total liabilities	<u>15,558,582</u>	<u>18,462,662</u>	<u>3,007,311</u>	<u>37,753,548</u>	<u>74,782,103</u>
NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Portland
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2019

	Balance July 1, 2018	Additions	Deletions	Balance July 1, 2019
Mt. Hood Cable Regulatory Commission				
Assets:				
Cash and investments	\$ 13,138,567	\$ 9,111,460	\$ 8,996,382	\$ 13,253,645
Receivables:				
Accounts, net	1,666,800	8,119,391	8,276,955	1,509,236
Advances	2,034,994	3,239,844	4,563,423	711,415
Accrued interest	57,643	312,919	288,676	81,886
Total current assets	<u>16,898,004</u>	<u>20,783,614</u>	<u>22,125,436</u>	<u>15,556,182</u>
Capital assets:				
Intangible assets:				
Software	12,000	-	-	12,000
Accumulated depreciation and amortization	(7,200)	-	2,400	(9,600)
Total assets	<u>\$ 16,902,804</u>	<u>\$ 20,783,614</u>	<u>\$ 22,127,836</u>	<u>\$ 15,558,582</u>
Liabilities:				
Accounts payable	\$ 2,040,590	\$ 22,124,995	\$ 23,155,659	\$ 1,009,926
Due to other governments	14,862,214	14,316,871	14,630,429	14,548,656
Total liabilities	<u>\$ 16,902,804</u>	<u>\$ 36,441,866</u>	<u>\$ 37,786,088</u>	<u>\$ 15,558,582</u>
Trustee				
Assets:				
Cash and investments	\$ 15,329,927	\$ 105,198,618	\$ 102,203,349	\$ 18,325,196
Receivables:				
Accounts, net	99,234	2,389,591	2,353,975	134,850
Accrued interest	1,416	9,699	8,499	2,616
Total assets	<u>\$ 15,430,577</u>	<u>\$ 107,597,908</u>	<u>\$ 104,565,823</u>	<u>\$ 18,462,662</u>
Liabilities:				
Accounts payable	-	12,098,673	12,098,673	-
Other liabilities	15,430,577	109,726,208	106,694,123	18,462,662
Total liabilities	<u>\$ 15,430,577</u>	<u>\$ 121,824,881</u>	<u>\$ 118,792,796</u>	<u>\$ 18,462,662</u>
Multnomah County Business Income Tax				
Assets:				
Cash and investments	\$ 5,439,087	\$ 109,370,239	\$ 111,824,438	\$ 2,984,888
Receivables:				
Accrued interest	14,008	80,822	72,407	22,423
Total assets	<u>\$ 5,453,095</u>	<u>\$ 109,451,061</u>	<u>\$ 111,896,845</u>	<u>\$ 3,007,311</u>
Liabilities:				
Accounts payable	\$ 4,223	\$ 6,781,631	\$ 6,785,753	\$ 101
Other liabilities	5,448,872	110,860,552	113,302,214	3,007,210
Total liabilities	<u>\$ 5,453,095</u>	<u>\$ 117,642,183</u>	<u>\$ 120,087,967</u>	<u>\$ 3,007,311</u>

City of Portland
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2019

	Balance July 1, 2018	Additions	Deletions	Balance July 1, 2019
Clearing				
Assets:				
Cash and investments	\$ 48,919,955	\$ 1,643,904,905	\$ 1,655,879,937	\$ 36,944,923
Receivables:				
Accounts, net	705,949	2,606,679,042	2,606,576,448	808,543
Accrued interest	83	305	306	82
Total assets	<u>\$ 49,625,987</u>	<u>\$ 4,250,584,252</u>	<u>\$ 4,262,456,691</u>	<u>\$ 37,753,548</u>
Liabilities:				
Accounts payable	\$ 17,046,481	\$ 372,264,350	\$ 387,890,476	\$ 1,420,355
Salaries and withholding taxes	30,681,633	1,650,313,271	1,646,553,809	34,441,095
Other liabilities	1,897,873	32,998	38,773	1,892,098
Total liabilities	<u>\$ 49,625,987</u>	<u>\$ 2,022,610,619</u>	<u>\$ 2,034,483,058</u>	<u>\$ 37,753,548</u>
Foreclosure Sales				
Assets:				
Cash and investments	\$ -	\$ 394,392	\$ 394,392	\$ -
Total assets	<u>\$ -</u>	<u>\$ 394,392</u>	<u>\$ 394,392</u>	<u>\$ -</u>
Liabilities:				
Other liabilities	\$ -	\$ 125,437	\$ 125,437	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ 125,437</u>	<u>\$ 125,437</u>	<u>\$ -</u>
Total - All Agency Funds				
Assets:				
Cash and investments	\$ 82,827,536	\$ 1,867,979,614	\$ 1,879,298,498	\$ 71,508,652
Receivables:				
Accounts, net	2,471,983	2,617,188,024	2,617,207,378	2,452,629
Advances	2,034,994	3,239,844	4,563,423	711,415
Accrued interest	73,150	403,745	369,888	107,007
Total current assets	<u>87,407,663</u>	<u>4,488,811,227</u>	<u>4,501,439,187</u>	<u>74,779,703</u>
Capital assets:				
Intangible assets:				
Software	12,000	-	-	12,000
Accumulated depreciation and amortization	(7,200)	-	2,400	(9,600)
Net capital assets	<u>4,800</u>	<u>-</u>	<u>2,400</u>	<u>2,400</u>
Total assets	<u>\$ 87,412,463</u>	<u>\$ 4,488,811,227</u>	<u>\$ 4,501,441,587</u>	<u>\$ 74,782,103</u>
Liabilities:				
Accounts payable	\$ 19,091,294	\$ 413,269,648	\$ 429,930,560	\$ 2,430,382
Salaries and withholding taxes	30,681,633	1,650,313,271	1,646,553,809	34,441,095
Due to other governments	14,862,214	14,316,871	14,630,429	14,548,656
Other liabilities	22,777,322	220,745,195	220,160,547	23,361,970
Total liabilities	<u>\$ 87,412,463</u>	<u>\$ 2,298,644,985</u>	<u>\$ 2,311,275,345</u>	<u>\$ 74,782,103</u>



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Schedules of Revenues and Expenditures Governmental Funds - Budget and Actual

SCHED OF REV & EXPEND
GOVERNMENTAL FUNDS
BUDGET & ACTUAL



B

General Fund by Function Budget and Actual

GENERAL FUND
BY FUNCTION
BUDGET & ACTUAL



Portland
the City of Roses

B

This fund accounts for City financial resources not included in other funds. Principal revenue sources are property taxes, licenses, permits, interfund service billings, and federal and state shared revenues. Primary expenditures are police protection, fire, rescue and emergency services, parks maintenance and recreation, and general administration.

City of Portland, Oregon
General Fund by Function
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 253,864,118	\$ 253,864,118	\$ 254,550,056	
Prior year property	3,656,000	9,956,000	8,895,014	
Lodging	34,000,000	34,000,000	39,187,629	
Payment in lieu of taxes	869,000	869,000	856,213	
Total taxes	292,389,118	298,689,118	303,488,912	4,799,794
Licenses and permits:				
Business licenses, net	129,767,436	129,767,436	148,543,294	
Public utility licenses	87,389,377	87,389,377	89,214,435	
Construction permits	2,782,000	2,632,000	2,855,127	
Other permits	2,633,386	2,633,386	1,777,103	
Total licenses and permits	222,572,199	222,422,199	242,389,959	19,967,760
Charges for services:				
Public works and utility charges	-	-	1,788	
Inspection fees	2,470,589	2,470,589	2,822,962	
Rents and reimbursements	4,926,324	4,962,824	4,905,884	
Parking fees	545,239	545,239	481,244	
Concessions	18,156	18,156	-	
Parks and recreation facilities fees	14,236,086	13,444,426	13,503,372	
Other service charges	4,607,886	5,173,755	5,120,177	
Total charges for services	26,804,280	26,614,989	26,835,427	220,438
Intergovernmental:				
Grant revenue	-	-	1,098	
Federal cost sharing	206,250	206,250	19,078	
State revenue sharing	20,031,436	20,031,436	23,260,657	
State cost sharing	130,348	1,355,416	1,467,704	
Multnomah County cost sharing	2,325,516	2,325,516	2,369,193	
Local revenue sharing	1,888,487	1,888,487	1,840,885	
Local cost sharing	7,114,937	7,129,937	6,921,974	
Overhead charges	298,129	298,129	457,454	
Total intergovernmental	31,995,103	33,235,171	36,338,043	3,102,872
Other:				
Assessments	8,418	8,418	8,525	
Sales - other	712,422	731,149	772,478	
Refunds	61,000	61,000	105,456	
Donations	31,500	31,500	88,651	
Investment earnings	18,000	18,000	1,158,248	
Other interest income	1,650,158	1,660,173	995,222	
Fines	543,650	507,150	561,152	
Miscellaneous	855,861	1,128,261	1,514,500	
Total other	3,881,009	4,145,651	5,204,232	1,058,581
Billings to other funds for services	37,211,983	38,840,584	37,052,235	(1,788,349)
Total revenues	614,853,692	623,947,712	651,308,808	27,361,096

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City of Portland, Oregon
General Fund by Function
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
EXPENDITURES				
Current:				
Public Safety				
Portland Police Bureau				
Personal services	158,541,107	163,991,107	164,560,945	
External materials and services	23,196,694	21,295,143	17,955,278	
Internal materials and services	36,744,484	35,577,849	36,761,973	
Capital outlay	70,000	1,185,130	888,115	
Total Portland Police Bureau	<u>218,552,285</u>	<u>222,049,229</u>	<u>220,166,311</u>	<u>1,882,918</u>
Portland Fire and Rescue				
Personal services	103,679,185	107,596,215	107,310,012	
External materials and services	7,878,992	9,003,918	7,545,630	
Internal materials and services	7,528,033	7,599,488	7,549,367	
Capital outlay	5,261,511	4,441,329	3,460,225	
Total Portland Fire and Rescue	<u>124,347,721</u>	<u>128,640,950</u>	<u>125,865,234</u>	<u>2,775,716</u>
Portland Bureau of Emergency Management				
Personal services	2,092,669	2,077,669	1,992,645	
External materials and services	662,764	1,213,090	721,669	
Internal materials and services	954,476	681,293	620,835	
Capital outlay	-	67,478	29,051	
Total Portland Bureau of Emergency Management	<u>3,709,909</u>	<u>4,039,530</u>	<u>3,364,200</u>	<u>675,330</u>
Total Public Safety	<u>346,609,915</u>	<u>354,729,709</u>	<u>349,395,745</u>	<u>5,333,964</u>
Parks, Recreation and Culture				
Portland Parks and Recreation				
Personal services	61,230,626	63,090,787	63,139,744	
External materials and services	20,816,620	21,072,517	17,787,172	
Internal materials and services	9,824,461	9,699,718	9,934,536	
Capital outlay	-	-	82,576	
Total Portland Parks and Recreation	<u>91,871,707</u>	<u>93,863,022</u>	<u>90,944,028</u>	<u>2,918,994</u>
Total Parks, Recreation and Culture	<u>91,871,707</u>	<u>93,863,022</u>	<u>90,944,028</u>	<u>2,918,994</u>
Community Development				
Portland Housing Bureau				
Personal services	897,370	839,870	841,047	
External materials and services	35,325,725	35,131,138	35,079,369	
Total Portland Housing Bureau	<u>36,223,095</u>	<u>35,971,008</u>	<u>35,920,416</u>	<u>50,592</u>
Bureau of Planning and Sustainability				
Personal services	9,333,572	9,319,190	9,315,631	
External materials and services	649,468	1,112,399	978,649	
Internal materials and services	-	34,869	32,138	
Total Bureau of Planning and Sustainability	<u>9,983,040</u>	<u>10,466,458</u>	<u>10,326,418</u>	<u>140,040</u>
Office for Community Technology				
Personal services	-	967,299	810,067	
External materials and services	-	1,420,249	1,133,912	
Internal materials and services	-	208,699	55,943	
Total Office for Community Technology	<u>-</u>	<u>2,596,247</u>	<u>1,999,922</u>	<u>596,325</u>

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City of Portland, Oregon
General Fund by Function
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
EXPENDITURES				
Current:				
Community Development, continued:				
Community & Civic Life				
Personal services	5,522,733	5,366,292	5,225,030	
External materials and services	4,322,034	4,426,077	2,759,581	
Internal materials and services	749,504	723,705	688,417	
Total Community & Civic Life	<u>10,594,271</u>	<u>10,516,074</u>	<u>8,673,028</u>	<u>1,843,046</u>
Prosper Portland				
External materials and services	6,540,664	6,777,103	6,777,103	-
Office of Equity & Human Rights				
Personal services	1,452,361	1,410,610	1,357,656	
External materials and services	242,526	323,427	299,448	
Internal materials and services	224,728	234,728	222,538	
Total Office of Equity & Human Rights	<u>1,919,615</u>	<u>1,968,765</u>	<u>1,879,642</u>	<u>89,123</u>
Total Community Development	<u>65,260,685</u>	<u>68,295,655</u>	<u>65,576,529</u>	<u>2,719,126</u>
Legislative/ Admin/ Support Services				
Office of the City Attorney				
Personal services	11,668,835	11,648,835	10,924,452	
External materials and services	867,219	416,038	413,395	
Internal materials and services	1,103,190	1,148,190	1,133,036	
Total Office of the City Attorney	<u>13,639,244</u>	<u>13,213,063</u>	<u>12,470,883</u>	<u>742,180</u>
Office of the City Auditor				
Personal services	7,365,502	7,365,502	7,116,439	
External materials and services	1,882,830	1,729,575	1,415,258	
Internal materials and services	1,790,652	2,035,673	2,895,283	
Total Office of the City Auditor	<u>11,038,984</u>	<u>11,130,750</u>	<u>11,426,980</u>	<u>(296,230)</u>
City Budget Office				
Personal services	2,356,288	2,030,338	1,946,840	
External materials and services	298,358	394,333	248,147	
Internal materials and services	221,495	365,249	358,810	
Capital Outlay	1,003,270	691,883	634,302	
Total City Budget Office	<u>3,879,411</u>	<u>3,481,803</u>	<u>3,188,099</u>	<u>293,704</u>
Office of Government Relations				
Personal services	1,451,790	1,437,290	1,305,260	
External materials and services	316,849	316,849	302,584	
Internal materials and services	196,055	210,535	209,905	
Total Office of Government Relations	<u>1,964,694</u>	<u>1,964,674</u>	<u>1,817,749</u>	<u>146,925</u>

continued on next page

City of Portland, Oregon
General Fund by Function
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with
	Original	Final	Actual Amounts	Final Budget - Over/Under
EXPENDITURES				
Current:				
Legislative/ Admin/ Support Services, continued:				
Office of Management and Finance				
Personal services	32,347,396	31,078,000	29,677,052	
External materials and services	5,423,025	4,422,609	3,290,803	
Internal materials and services	4,355,914	4,629,272	4,411,611	
Total Office of Management and Finance	42,126,335	40,129,881	37,379,466	2,750,415
Special Appropriations				
Personal services	830,999	682,339	680,260	
External materials and services	10,842,451	12,115,950	10,458,266	
Internal materials and services	157,256	455,599	437,821	
Total Special Appropriations	11,830,706	13,253,888	11,576,347	1,677,541
Total Office of Management and Finance	53,957,041	53,383,769	48,955,813	4,427,956
Office of the Mayor				
Personal services	2,473,020	2,300,020	2,232,510	
External materials and services	849,097	904,076	854,507	
Internal materials and services	783,745	879,701	846,790	
Total Office of the Mayor	4,105,862	4,083,797	3,933,807	149,990
Commissioner of Public Affairs				
Personal services	1,357,851	1,027,774	968,067	
External materials and services	579,316	865,526	821,049	
Internal materials and services	225,618	219,485	206,517	
Total Commissioner of Public Affairs	2,162,785	2,112,785	1,995,633	117,152
Commissioner of Public Safety				
Personal services	932,680	932,680	919,673	
External materials and services	51,069	86,069	80,750	
Internal materials and services	202,274	202,274	192,217	
Total Commissioner of Public Safety	1,186,023	1,221,023	1,192,640	28,383
Commissioner of Public Utilities				
Personal services	922,571	912,571	853,591	
External materials and services	80,308	40,308	14,980	
Internal materials and services	184,743	214,743	182,915	
Total Commissioner of Public Utilities	1,187,622	1,167,622	1,051,486	116,136

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City of Portland, Oregon
General Fund by Function
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
EXPENDITURES				
Current:				
Legislative/ Admin/ Support Services, continued:				
Commissioner of Public Works				
Personal services	965,860	918,860	910,457	
External materials and services	36,028	60,028	51,933	
Internal materials and services	184,170	207,170	196,210	
Total Commissioner of Public Works	1,186,058	1,186,058	1,158,600	27,458
Total Legislative/ Admin/ Support Services	94,307,724	92,945,344	87,191,690	5,753,654
Nondepartmental				
General operating contingencies	22,852,535	33,453,936	-	33,453,936
Debt service and related costs:				
Principal	8,090,061	8,090,061	8,090,062	
Interest	2,637,654	2,637,654	2,628,708	
Total debt service and related costs	10,727,715	10,727,715	10,718,770	8,945
Total expenditures	631,630,281	654,015,381	603,826,762	50,188,619
Revenues over (under) expenditures	(16,776,589)	(30,067,669)	47,482,046	77,549,715
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General fund overhead	30,883,542	30,883,542	30,883,542	-
General reserve	-	429,210	-	(429,210)
Parks Local Option Levy	243,906	556,349	554,173	(2,176)
Police Special Revenue	-	247,020	-	(247,020)
Water	-	26,827	26,827	-
Parking Facilities	307,801	307,801	307,801	-
Spectator Facilities Operating	21,463	21,463	21,463	-
Technology Services	790,000	3,350,000	3,350,000	-
Total transfers from other funds	32,246,712	35,822,212	35,143,806	(678,406)

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City of Portland, Oregon
General Fund by Function
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with
	Original	Final	Actual Amounts	Final Budget - Over/Under
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
Transportation Operating	(15,501,714)	(19,672,564)	(19,672,564)	-
Emergency Communication	(15,411,355)	(15,781,355)	(15,781,355)	-
Development Services	(982,528)	(982,528)	(982,528)	-
General Reserve	(1,500,000)	(7,130,937)	(7,130,937)	-
Housing Investment	(274,980)	(2,813,450)	(2,813,450)	-
Campaign Finance	(1,237,200)	(1,237,200)	(1,237,200)	-
Portland Parks Memorial	(68,036)	(128,036)	(128,036)	-
Cannabis Licensing	(480,486)	(1,094,858)	(1,094,858)	-
Pension Debt Redemption	(1,307,371)	(1,307,371)	(1,307,371)	-
Governmental Bond Redemption	(2,218,119)	(2,154,744)	(2,154,744)	-
Parks Capital Improvement Program	(5,071,547)	(5,629,547)	(5,629,547)	-
Water	(1,815,200)	(1,815,200)	(1,815,200)	-
Facilities Services Operating	(4,122,404)	(4,174,067)	(3,795,402)	378,665
Technology Services	-	(604,997)	(604,997)	-
Total transfers to other funds	(49,990,940)	(64,526,854)	(64,148,189)	378,665
Total other financing sources (uses)	(17,744,228)	(28,704,642)	(29,004,383)	(299,741)
Net change in fund balance	(34,520,817)	(58,772,311)	18,477,663	77,249,974
Fund balance - beginning	34,520,817	58,772,311	58,772,311	-
Fund balance - ending	\$ -	\$ -	77,249,974	\$ 77,249,974
Adjustment to generally accepted accounting principles (GAAP) basis:				
Reserve fund budgeted as separate fund			69,192,032	
Campaign Finance budgeted as a separate fund			1,179,266	
Loans receivable, net			352,207	
Unrealized gain on investments			609,379	
Inventories			299,244	
Fund balance - GAAP basis			\$ 148,882,102	



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Special Revenue Funds Budget and Actual



Portland
the City of Roses

SPECIAL REVENUE FUNDS
BUDGET & ACTUAL

3

Assessment Collection Fund

This fund accounts for programs related to local improvement projects to protect the City from unpaid assessments. Revenues are derived from the sale of bonds and real property.

Emergency Communication Fund

This fund accounts for resources and expenditures related to emergency 911 services.

Development Services Fund

This fund accounts for revenues derived from planning and permit fees and for operation expenditures.

Property Management License Fund

This fund accounts for the activities of economic improvement districts. Revenues are derived from special assessments, administrative charges, interest on investments and collection fees.

Convention and Tourism Fund

This fund accounts for transient lodging tax revenues from hotel occupancy within the City. Expenditures are related to the promotion of convention business and tourism in the City.

General Reserve Fund

This fund accounts for counter-cyclical and emergency reserves for the General Fund.

Transportation Reserve Fund

This fund accounts for counter-cyclical and emergency reserves for the Office of Transportation.

Housing Investment Fund

This fund accounts for financing housing projects administered by the Livable Housing Council.

Public Election Fund

This fund provides financing of the election campaigns of certified candidates for City Office, as well as payment of administrative enforcement, and other expenditures necessary to carry out the functions and duties of chapter 2.16.020 of City code.

Parks Local Option Levy Fund

This fund was established to manage the five-year local option levy in support of Parks operation, maintenance, and capital programs.

Children's Investment Fund

This fund accounts for revenues and expenditures related to the Children's Levy, approved by Portland area voters in November 2002 and renewed in 2013. The Children's Investment Fund shall be expended only for purposes of early childhood programs, child abuse prevention and intervention, and after school and mentoring programs for children.

Grants Fund

This fund accounts for the receipts and expenditures of federal as well as state, local, and private sources.

Community Development Block Grant Fund



HOME Grant Fund



funds are used for acquisition, rehabilitation and/or new construction of housing for low income and special needs



Portland Parks Memorial Fund



Tax Increment Reimbursement Fund



increment financing that will now be received by the City to pay for certain functions that used to be done by the



Police Special Revenue Fund



Other donations received are restricted to specific programs for which the contributions were provided.

Arts Education and Access Fund



Community Solar Fund



purpose is to track and account for revenues and capital expenses for the installation of solar electric systems on



Inclusionary Housing Fund

This fund tracks the receipts from the City's Construction Excise Tax that funds affordable housing initiatives as identified in City Code. The fund also tracks revenue and expenditures associated with the Inclusionary Housing



Housing Property Fund

The purpose of this fund is to track the operating income and expenses associated with multi-family housing property



Recreational Cannabis Tax Fund



Cannabis Licensing Fund

The purpose of the fund is to account for the resources and expenditures for the City of Portland's Cannabis Licensing program.

Portland Clean Energy Fund

The purpose of the fund is to provide a consistent long-term funding source to ensure that the City of Portland's Climate Action Plan is implemented in a manner that supports social, economic, and environmental benefits for all Portlanders, including the development of a diverse and well-trained workforce and contractor pool in the field of clean energy.

Housing Development Costs

This fund was created to track the transactions related to the funding of affordable housing projects, primarily from proceeds from General Obligation Bonds approved under measure 26-179 and resources provided by other governmental entities.

City of Portland, Oregon
Assessment Collection Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Other:				
Assessments	\$ 200	\$ 200	\$ -	
Investment earnings	1,000	1,000	1,734	
Other interest income	250	250	42	
Total revenues	<u> 1,450</u>	<u> 1,450</u>	<u> 1,776</u>	<u>\$ 326</u>
EXPENDITURES				
General operating contingencies	<u> 82,100</u>	<u> 82,100</u>	<u> -</u>	<u> 82,100</u>
Net change in fund balance	(80,650)	(80,650)	1,776	(82,426)
Fund balance - beginning	<u> 80,650</u>	<u> 80,650</u>	<u> 80,793</u>	<u> 143</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	82,569	<u>\$ 82,569</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u> 324</u>	
Fund balance - GAAP basis			<u>\$ 82,893</u>	

City of Portland, Oregon
Emergency Communication Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services:				
Other service charges	\$ 496,000	\$ 592,000	\$ 425,418	\$ (166,582)
Intergovernmental:				
State revenue sharing	3,000,000	3,000,000	4,362,741	
Local revenue sharing	330,080	330,080	-	
Local cost sharing	4,855,030	5,005,769	4,428,363	
Total intergovernmental	8,185,110	8,335,849	8,791,104	455,255
Other:				
Investment earnings	-	-	52,645	
Other interest income	20,000	20,000	-	
Miscellaneous revenues	-	-	10	
Total others	20,000	20,000	52,655	32,655
Total revenues	8,701,110	8,947,849	9,269,177	321,328
EXPENDITURES				
Current:				
Personal services	16,725,891	17,636,849	17,621,394	
External materials and services	2,632,654	1,554,457	1,434,858	
Internal materials and services	4,740,412	4,633,497	4,629,402	
Capital Outlay	-	1,600,000	-	
Total current expenditures	24,098,957	25,424,803	23,685,654	1,739,149
General operating contingencies	1,167,073	333,572	-	333,572
Debt service and related costs:				
Principal	204,622	204,622	204,622	
Interest	66,461	66,461	64,897	
Total debt service and related costs	271,083	271,083	269,519	1,564
Total expenditures	25,537,113	26,029,458	23,955,173	2,074,285
Revenues over (under) expenditures	(16,836,003)	(17,081,609)	(14,685,996)	2,395,613

Emergency Communication Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	15,411,355	15,781,355	15,781,355	-
Transfers from other funds	1,200,000	1,200,000	1,200,000	-
Total transfers from other funds	16,611,355	16,981,355	16,981,355	-
Transfers to other funds:				
General Fund Overhead	(993,585)	(993,585)	(993,585)	-
Pension Debt Redemption	(33,068)	(33,068)	(33,068)	-
Total transfers to other funds	(1,026,653)	(1,026,653)	(1,026,653)	-
Total other financing sources (uses)	15,584,702	15,954,702	15,954,702	-
Net change in fund balance	(1,251,301)	(1,126,907)	1,268,706	2,395,613
Fund balance - beginning	1,251,301	1,126,907	1,122,832	(4,075)
Fund balance - ending	\$ -	\$ -	2,391,538	\$ 2,391,538
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			6,068	
Fund balance - GAAP basis			\$ 2,397,606	

City of Portland, Oregon
Development Services Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Licenses and permits:				
Construction permits	\$ 45,144,178	\$ 45,144,178	\$ 41,802,200	
Other permits	627,402	627,402	861,036	
Total licenses and permits	45,771,580	45,771,580	42,663,236	\$ (3,108,344)
Charges for services				
Inspection fees	1,936,299	1,936,299	2,080,047	
Parks and recreation facilities fees	-	-	1,714	
Other service charges	16,107,988	16,107,988	13,929,962	
Total charges for services	18,044,287	18,044,287	16,011,723	(2,032,564)
Billings to other funds for services	962,362	930,244	775,287	(154,957)
Other:				
Assessments	4,032,724	4,032,724	3,410,032	
Investment earnings	-	-	1,542,422	
Other interest income	-	230,000	948,809	
Miscellaneous	-	-	14,516	
Total other	4,032,724	4,262,724	5,915,779	1,653,055
Total revenues	68,810,953	69,008,835	65,366,025	(3,642,810)
EXPENDITURES				
Current:				
Personal services	54,086,235	53,324,845	47,941,177	
External materials and services	5,859,741	8,131,787	4,892,928	
Internal materials and services	11,109,215	13,995,466	12,852,407	
Capital outlay	-	2,477,464	2,337,765	
Total current expenditures	71,055,191	77,929,562	68,024,277	9,905,285
General operating contingencies	83,054,180	79,962,243	-	79,962,243
Debt service and related costs:				
Principal	1,026,941	1,026,941	1,026,941	
Interest	333,551	333,551	325,698	
Internal loan remittances	-	500,000	500,000	
Total debt service and related costs	1,360,492	1,860,492	1,852,639	7,853
Total expenditures	155,469,863	159,752,297	69,876,916	89,875,381
Revenues over (under) expenditures	(86,658,910)	(90,743,462)	(4,510,891)	86,232,571
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	982,528	982,528	982,528	-
Transfer to other fund:				
General Fund Overhead	(2,241,205)	(2,241,205)	(2,241,205)	-
Pension Debt Redemption	(165,956)	(165,956)	(165,956)	-
Total transfers to other funds	(2,407,161)	(2,407,161)	(2,407,161)	-
Internal loan proceeds	-	15,600,000	15,600,000	-
Total other financing sources (uses)	(1,424,633)	14,175,367	14,175,367	-
Net change in fund balance	(88,083,543)	(76,568,095)	9,664,476	86,232,571
Fund balance - beginning	88,083,543	76,568,095	76,568,095	-
Fund balance - ending	\$ -	\$ -	86,232,571	\$ 86,232,571
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			334,647	
Fund balance - GAAP basis			\$ 86,567,218	

City of Portland, Oregon
Property Management License Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Licenses and permits:				
Business licenses, net	\$ 5,479,000	\$ 6,245,360	\$ 6,406,337	\$ 160,977
Other:				
Investment earnings	5,000	13,000	12,094	(906)
Total revenues	5,484,000	6,258,360	6,418,431	160,071
EXPENDITURES				
Current:				
External materials and services	5,392,199	6,214,713	5,921,232	
Internal materials and services	76,801	82,301	81,812	
Total current expenditures	5,469,000	6,297,014	6,003,044	293,970
General operating contingencies	20,000	20,000	-	20,000
Total expenditures	5,489,000	6,317,014	6,003,044	313,970
Revenues over (under) expenditures	(5,000)	(58,654)	415,387	474,041
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(25,000)	(25,000)	(25,000)	-
Net change in fund balance	(30,000)	(83,654)	390,387	474,041
Fund balance - beginning	30,000	83,654	83,654	-
Fund balance - ending	\$ -	\$ -	474,041	\$ 474,041
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			1,901	
Fund balance - GAAP basis			\$ 475,942	

City of Portland, Oregon
Convention and Tourism Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Lodging	\$ 20,506,000	\$ 21,756,000	\$ 21,229,294	\$ (526,706)
Other:				
Investment earnings	17,500	55,500	48,556	(6,944)
Total revenues	20,523,500	21,811,500	21,277,850	(533,650)
EXPENDITURES				
Current:				
External materials and services	20,096,248	21,511,513	20,787,184	
Internal materials and services	402,252	422,252	409,814	
Total current expenditures	20,498,500	21,933,765	21,196,998	736,767
Revenues over (under) expenditures	25,000	(122,265)	80,852	203,117
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(25,000)	(25,000)	(25,000)	-
Net change in fund balance	-	(147,265)	55,852	203,117
Fund balance - beginning	-	147,265	147,265	-
Fund balance - ending	\$ -	\$ -	203,117	\$ 203,117
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			2,909	
Fund balance - GAAP basis			\$ 206,026	

City of Portland, Oregon
General Reserve Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Other:				
Investment earnings	\$ 605,857	\$ 605,857	\$ 1,304,013	\$ 698,156
EXPENDITURES				
Current:				
General operating contingencies	62,691,528	65,893,255	-	
External materials and services	-	2,000,000	-	
Total current expenditures	62,691,528	67,893,255	-	67,893,255
Revenues over (under) expenditures	(62,085,671)	(67,287,398)	1,304,013	68,591,411
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
General	1,500,000	7,130,937	7,130,937	
Transfer to other fund:				
General	-	(429,210)	-	
Total other financing sources (uses)	1,500,000	6,701,727	7,130,937	429,210
Net change in fund balance	(60,585,671)	(60,585,671)	8,434,950	69,020,621
Fund balance - beginning	60,585,671	60,585,671	60,757,082	171,411
Fund balance - ending	\$ -	\$ -	69,192,032	\$ 69,192,032
Adjustment to generally accepted accounting principles (GAAP) basis:				
General Reserve Fund budgeted as separate fund - to General Fund			(69,192,032)	
Fund balance - GAAP basis			\$ -	

City of Portland, Oregon
Transportation Reserve Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Other:				
Investment earnings	\$ 60,000	\$ 60,000	\$ 148,493	\$ 88,493
EXPENDITURES				
Current:				
General operating contingencies	7,466,526	7,466,526	-	7,466,526
Revenues over (under) expenditures	(7,406,526)	(7,406,526)	148,493	7,555,019
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
Transportation Operating	700,000	700,000	700,000	-
Net change in fund balance	(6,706,526)	(6,706,526)	848,493	7,555,019
Fund balance - beginning	6,706,526	6,706,526	6,732,030	25,504
Fund balance - ending	\$ -	\$ -	7,580,523	\$ 7,580,523
Adjustment to generally accepted accounting principles (GAAP) basis:				
Transportation Reserve Fund budgeted as separate fund - to Transportation Operating Fund			(7,580,523)	
Fund balance - GAAP basis			\$ -	

City of Portland, Oregon
Housing Investment Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services:				
Other service charges	\$ 476,350	\$ 568,850	\$ 547,448	
Intergovernmental:				
Local cost sharing	100,000	-	-	
Local revenue sharing	218,000	280,000	260,618	
Total intergovernmental	318,000	280,000	260,618	\$ (19,382)
Other:				
Loan repayments	300,000	300,000	390,411	
Investment earnings	44,572	58,072	145,369	
Other interest income	200,000	200,000	127,279	
Total other	544,572	558,072	663,059	104,987
Total revenues	1,338,922	1,406,922	1,471,125	64,203
EXPENDITURES				
Current:				
Personal services	1,182,333	1,172,127	1,131,869	
External materials and services	7,274,096	6,509,004	5,636,799	
Internal materials and services	-	-	2,320	
Total current expenditures	8,456,429	7,681,131	6,770,988	910,143
General operating contingencies	18,000	521,767	-	521,767
Debt service and related costs				
Principal	60,000	28,703	-	
Interest	-	260,000	283,591	
Debt issuance costs	-	-	5,112	
Total debt service and related costs	60,000	288,703	288,703	-
Total expenditures	8,534,429	8,491,601	7,059,691	1,431,910
Revenues over (under) expenditures	(7,195,507)	(7,084,679)	(5,588,566)	1,496,113

City of Portland, Oregon
Housing Investment Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
General	274,980	2,813,450	2,813,450	
Housing Capital Fund	-	90,000	-	-
Total transfers to other funds	274,980	2,903,450	2,813,450	-
Transfers to other funds:				
General Fund Overhead	(82,076)	(82,076)	(82,076)	-
Tax Increment Reimbursement	-	(280,000)	(280,000)	-
Inclusionary Housing	(741,300)	(659,300)	(524,300)	135,000
Housing Development Costs	-	(750,000)	(750,000)	-
Housing Property	(178,487)	(298,487)	(178,959)	119,528
Housing Capital	-	(350,218)	(97,818)	252,400
Total transfers to other funds	(1,001,863)	(2,420,081)	(1,913,153)	506,928
Total other financing sources (uses)	(726,883)	483,369	900,297	416,928
Net change in fund balance	(7,922,390)	(6,601,310)	(4,688,269)	1,913,041
Fund balance - beginning	7,922,390	6,601,310	7,506,089	904,779
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	2,817,820	<u>\$ 2,817,820</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			10,746	
Notes and loans receivable, net			6,615,368	
Fund balance - GAAP basis			<u>\$ 9,443,934</u>	

City of Portland, Oregon
Public Election Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
EXPENDITURES				
Current:				
Personal services	\$ 101,628	\$ 201,628	\$ 198,890	
External materials and services	1,135,572	1,275,863	99,932	
Internal materials and services	-	2,150	1,553	
Total expenditures	<u>1,237,200</u>	<u>1,479,641</u>	<u>300,375</u>	<u>\$ 1,179,266</u>
Revenues over (under) expenditures	<u>(1,237,200)</u>	<u>(1,479,641)</u>	<u>(300,375)</u>	<u>1,179,266</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	<u>1,237,200</u>	<u>1,237,200</u>	<u>1,237,200</u>	<u>-</u>
Net change in fund balance	-	(242,441)	936,825	1,179,266
Fund balance - beginning	-	242,441	242,441	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>1,179,266</u>	<u>\$ 1,179,266</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Campaign Finance Fund budgeted as separate fund - to General Fund			(1,179,266)	
Fund balance - GAAP basis			<u>\$ -</u>	

City of Portland, Oregon
Parks Local Option Levy Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Prior year property	\$ -	\$ 759	\$ 904	\$ 145
Other:				
Investment earnings	-	10,862	11,155	293
Total revenues	-	11,621	12,059	438
Revenues over (under) expenditures	-	11,621	12,059	438
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(7,094)	(7,094)	(7,094)	-
General	(243,906)	(556,349)	(554,173)	2,176
Total transfers to other funds	(251,000)	(563,443)	(561,267)	2,176
Net change in fund balance	(251,000)	(551,822)	(549,208)	2,614
Fund balance - beginning	251,000	551,822	551,842	20
Fund balance - ending	\$ -	\$ -	2,634	\$ 2,634
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(9)	
Fund balance - GAAP basis			\$ 2,625	

City of Portland, Oregon
Children's Investment Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 20,763,356	\$ 20,763,356	\$ 20,770,866	
Prior year property	259,955	259,955	571,057	
Total taxes	21,023,311	21,023,311	21,341,923	\$ 318,612
Other:				
Investment earnings	-	-	342,158	342,158
Total revenues	21,023,311	21,023,311	21,684,081	660,770
EXPENDITURES				
Current:				
Personal services	682,243	736,614	717,233	
External materials and services	19,333,270	19,332,493	19,043,377	
Internal materials and services	58,001	58,778	59,239	
Total current expenditures	20,073,514	20,127,885	19,819,849	308,036
General operating contingencies	8,299,797	8,245,426	-	8,245,426
Total expenditures	28,373,311	28,373,311	19,819,849	8,553,462
Revenues over (under) expenditures	(7,350,000)	(7,350,000)	1,864,232	9,214,232
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(25,000)	(25,000)	(25,000)	-
Net change in fund balance	(7,375,000)	(7,375,000)	1,839,232	9,214,232
Fund balance - beginning	7,375,000	7,375,000	8,833,331	1,458,331
Fund balance - ending	\$ -	\$ -	10,672,563	\$ 10,672,563
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			61,016	
Fund balance - GAAP basis			\$ 10,733,579	

City of Portland, Oregon
Grants Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Intergovernmental:				
Grant revenue	\$ 54,408,651	\$ 76,233,813	\$ 24,451,249	\$ (51,782,564)
Service charges and fees:				
Other service charges	-	-	71	71
Other:				
Loan repayments	-	-	4,169	
Other interest income	-	-	27,067	
Investment earnings	-	-	54,663	
Total other	-	-	85,899	85,899
Total revenues	54,408,651	76,233,813	24,537,219	(51,696,594)
EXPENDITURES				
Current:				
Personal services	10,837,219	14,883,689	4,993,153	
External materials and services	11,886,467	17,968,537	6,480,444	
Internal materials and services	5,710,690	6,230,402	3,215,000	
Capital outlay	25,974,275	37,151,185	12,733,305	
Total current expenditures	54,408,651	76,233,813	27,421,902	48,811,911
Debt service and related costs:				
Internal loan remittances	-	10,000,000	10,000,000	-
Total expenditures	54,408,651	86,233,813	37,421,902	48,811,911
Revenues over (under) expenditures	-	(10,000,000)	(12,884,683)	(2,884,683)
OTHER FINANCING SOURCES (USES)				
Internal loan proceeds	-	-	8,500,000	8,500,000
Net change in fund balance	-	(10,000,000)	(4,384,683)	5,615,317
Fund balance - beginning	-	10,000,000	326,521	(9,673,479)
Fund balance - ending	\$ -	\$ -	(4,058,162)	\$ (4,058,162)
Adjustment to generally accepted accounting principles (GAAP) basis:				
Notes and loans receivable, net			491,994	
Internal loans payable			(8,500,000)	
Fund balance - GAAP basis			\$ (12,066,168)	

City of Portland, Oregon
Community Development Block Grant Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services:				
Other service charges	\$ -	\$ -	\$ 13,175	\$ 13,175
Intergovernmental:				
Grants	12,189,976	11,102,190	10,135,605	(966,585)
Other:				
Assessments	-	-	-	
Investment earnings (loss)	-	-	(3,262)	
Loan repayments	1,668,029	1,668,029	1,079,936	
Other interest income	700,000	700,000	506,935	
Total other	2,368,029	2,368,029	1,583,609	(784,420)
Total revenues	14,558,005	13,470,219	11,732,389	(1,737,830)
EXPENDITURES				
Current:				
Personal services	1,146,383	1,147,511	1,137,707	
External materials and services	12,428,145	11,339,231	8,942,020	
Internal materials and services	235,477	235,477	234,490	
Total current expenditures	13,810,005	12,722,219	10,314,217	2,408,002
Debt service and related costs:				
Principal	459,000	459,000	468,000	
Interest	289,000	289,000	279,396	
Total debt service and related costs	748,000	748,000	747,396	604
Total expenditures	14,558,005	13,470,219	11,061,613	2,408,606
Net change in fund balance	-	-	670,776	670,776
Fund balance - beginning	-	-	677,120	677,120
Fund balance - ending	\$ -	\$ -	1,347,896	\$ 1,347,896
Adjustment to generally accepted accounting principles (GAAP) basis:				
Notes and loans receivable, net			11,162,426	
Fund balance - GAAP basis			\$ 12,510,322	

City of Portland, Oregon
HOME Grant Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services:				
Other service charges	\$ -	\$ -	\$ 5,662	\$ 5,662
Intergovernmental:				
Grants	5,307,049	5,653,351	1,434,687	(4,218,664)
Other:				
Loan repayments	200,000	200,000	492,054	
Investment earnings (loss)	-	-	8,658	
Other interest income	200,000	200,000	114,699	
Total other	400,000	400,000	615,411	215,411
Total revenues	5,707,049	6,053,351	2,055,760	(3,997,591)
EXPENDITURES				
Current:				
Personal services	299,621	299,621	299,580	
Email materials and services	5,407,428	5,753,730	1,143,199	
Total expenditures	5,707,049	6,053,351	1,442,779	4,610,572
Net change in fund balance	-	-	612,981	612,981
Fund balance - beginning	-	-	301,439	301,439
Fund balance - ending	\$ -	\$ -	914,420	\$ 914,420
Adjustment to generally accepted accounting principles (GAAP) basis:				
Notes and loans receivable, net			6,101,682	
Fund balance - GAAP basis			\$ 7,016,102	

City of Portland, Oregon
Portland Parks Memorial Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Licenses and permits:				
Other permits	\$ 775,000	\$ 775,000	\$ 1,398,934	\$ 623,934
Charges for services:				
Rents and reimbursements	-	-	146,489	
Parking fees	2,950,000	2,950,000	3,871,657	
Parks and recreation facilities fees	320,000	320,000	27,984	
Other service charges	33,000	33,000	65,619	
Total charges for services	3,303,000	3,303,000	4,111,749	808,749
Other:				
Donations	480,500	910,500	632,625	
Investment earnings	140,705	146,705	220,105	
Miscellaneous	75,000	75,000	4,662	
Total other	696,205	1,132,205	857,392	(274,813)
Total revenues	4,774,205	5,210,205	6,368,075	1,157,870
EXPENDITURES				
Current:				
Personal services	2,072,365	1,951,430	1,655,033	
External materials and services	7,998,612	7,824,731	121,395	
Internal materials and services	1,728,064	1,992,854	1,915,222	
Capital outlay	50,000	50,000	15,431	
Total current expenditures	11,849,041	11,819,015	3,707,081	8,111,934
General operating contingencies	3,688,822	2,888,266	-	2,888,266
Total expenditures	15,537,863	14,707,281	3,707,081	11,000,200
Revenues over (under) expenditures	(10,763,658)	(9,497,076)	2,660,994	12,158,070
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
General	68,036	128,036	128,036	-
Portland Parks Memorial	181,600	-	-	-
Total transfers from other funds	249,636	128,036	128,036	-
Transfer to other fund:				
Parks Capital Improvement Program	(181,600)	(228,600)	(228,600)	-
Total other financing sources (uses)	68,036	(100,564)	(100,564)	-
Net change in fund balance	(10,695,622)	(9,597,640)	2,560,430	12,158,070
Fund balance - beginning	10,695,622	9,597,640	8,704,976	(892,664)
Fund balance - ending	\$ -	\$ -	11,265,406	\$ 11,265,406
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			44,199	
Fund balance - GAAP basis			\$ 11,309,605	

City of Portland, Oregon
Tax Increment Reimbursement Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Intergovernmental:				
Local cost sharing	\$ 62,582,944	\$ 77,456,707	\$ 46,636,014	\$ (30,820,693)
Charges for services:				
Rents and reimbursements	634,566	854,566	965,466	
Parking fees	-	-	2,250	
Other service charges	-	-	13,478	
Total charges for services	634,566	854,566	981,194	126,628
Other:				
Loan repayments	4,564,102	4,553,102	5,904,105	
Investment earnings	251,500	251,500	244,788	
Sale of inventory	427,540	427,540	896,382	
Total others	5,243,142	5,232,142	7,045,275	1,813,133
Total revenues	68,460,652	83,543,415	54,662,483	(28,880,932)
EXPENDITURES				
Current:				
Personal services	3,129,805	3,133,601	3,068,410	
External materials and services	68,800,246	72,398,213	52,412,779	
Internal materials and services	1,148,875	1,158,875	1,166,464	
Capital outlay	1,000,000	11,700,000	3,239,808	
Total current	74,078,926	88,390,689	59,887,461	28,503,228
General operating contingencies	164,373	164,373	-	164,373
Total expenditures	74,243,299	88,555,062	59,887,461	28,667,601
Revenues over (under) expenditures	(5,782,647)	(5,011,647)	(5,224,978)	(213,331)
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Housing Investment	-	280,000	280,000	-
Transfers to other funds:				
General Fund Overhead	(661,388)	(661,388)	(661,388)	-
Transfers to other funds	-	(3,350,000)	(3,211,602)	138,398
Total transfers to other fund	(661,388)	(4,011,388)	(3,872,990)	138,398
Total other financing sources (uses)	(661,388)	(3,731,388)	(3,592,990)	138,398
Net change in fund balance	(6,444,035)	(8,743,035)	(8,817,968)	(74,933)
Fund balance - beginning	6,444,035	8,743,035	23,868,510	15,125,475
Fund balance - ending	\$ -	\$ -	15,050,542	\$ 15,050,542
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			40,296	
Notes and loans receivable, net			52,040,083	
Fund balance - GAAP basis			\$ 67,130,921	

City of Portland, Oregon
Police Special Revenue Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Intergovernmental:				
Federal cost sharing	\$ 155,000	\$ 155,000	\$ 522,795	
State revenue sharing	40,000	40,000	103,392	
Multnomah County cost sharing	-	-	284,392	
Local cost sharing	800,000	800,000	693,465	
Total intergovernmental	995,000	995,000	1,604,044	\$ 609,044
Other:				
Donations	120,000	115,000	121,756	
Investment earnings	42,703	44,703	92,324	
Total other	162,703	159,703	214,080	54,377
Total revenues	1,157,703	1,154,703	1,818,124	663,421
EXPENDITURES				
Current:				
Personal services	190,617	190,617	157,588	
External materials and services	5,158,086	4,953,313	1,060,083	
Internal materials and services	-	-	26,289	
Capital outlay	-	712,862	69,416	
Total expenditures	5,348,703	5,856,792	1,313,376	4,543,416
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General	-	(247,020)	-	247,020
Sale of Capital Asset	-	-	8,556	8,556
Total other financing sources (uses)	-	(247,020)	8,556	255,576
Net change in fund balance	(4,191,000)	(4,949,109)	513,304	5,462,413
Fund balance - beginning	4,191,000	4,949,109	4,824,436	(124,673)
Fund balance - ending	\$ -	\$ -	5,337,740	\$ 5,337,740
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			21,466	
Fund balance - GAAP basis			\$ 5,359,206	

City of Portland, Oregon
Arts Education and Access Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Miscellaneous	\$ 11,980,000	\$ 12,980,000	\$ 13,231,220	\$ 251,220
Other:				
Investment earnings	80,000	150,000	188,674	38,674
Total revenues	12,060,000	13,130,000	13,419,894	289,894
EXPENDITURES				
Current:				
External materials and services	11,150,000	12,205,884	11,048,737	
Internal materials and services	1,193,285	1,207,401	1,207,311	
Total current expenditures	12,343,285	13,413,285	12,256,048	1,157,237
General operating contingencies	8,629,087	8,130,636	-	8,130,636
Total expenditures	20,972,372	21,543,921	12,256,048	9,287,873
Revenues over (under) expenditures	(8,912,372)	(8,413,921)	1,163,846	9,577,767
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(25,000)	(25,000)	(25,000)	-
Net change in fund balance	(8,937,372)	(8,438,921)	1,138,846	9,577,767
Fund balance - beginning	8,937,372	8,438,921	8,438,921	-
Fund balance - ending	\$ -	\$ -	9,577,767	\$ 9,577,767
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			37,652	
Fund balance - GAAP basis			\$ 9,615,419	

**City of Portland, Oregon
Community Solar Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget - Over/Under
REVENUES				
Other:				
Investment earnings	\$ 520	\$ 520	\$ 1,446	
Miscellaneous	9,000	9,000	8,275	
Total other	9,520	9,520	9,721	\$ 201
EXPENDITURES				
Current:				
External materials and services	47	47	-	47
Revenues over (under) expenditures	9,473	9,473	9,721	248
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(78)	(78)	(78)	-
Net change in fund balance	9,395	9,395	9,643	248
Fund balance - beginning	62,498	62,498	62,345	(153)
Fund balance - ending	\$ 71,893	\$ 71,893	71,988	\$ 95
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			282	
Fund balance - GAAP basis			\$ 72,270	

**City of Portland, Oregon
Inclusionary Housing Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Miscellaneous	\$ 4,972,500	\$ 4,537,500	\$ 7,619,000	\$ 3,081,500
Charges for services:				
Other service charges	-	3,400	297,326	293,926
Other:				
Investment earnings	40,500	65,500	317,720	252,220
Total revenues	5,013,000	4,606,400	8,234,046	3,627,646
EXPENDITURES				
Current:				
Personal services	414,250	417,650	417,323	
External materials and services	14,320,313	5,980,033	2,733,699	
Internal materials and services	245,017	245,017	242,282	
Total expenditures	14,979,580	6,642,700	3,393,304	3,249,396
Revenues over (under) expenditures	(9,966,580)	(2,036,300)	4,840,742	6,877,042
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Housing Investment	741,300	659,300	524,300	(135,000)
Total other financing sources (uses)	741,300	659,300	524,300	(135,000)
Net change in fund balance	(9,225,280)	(1,377,000)	5,365,042	6,742,042
Fund balance - beginning	9,225,280	1,377,000	11,139,941	9,762,941
Fund balance - ending	\$ -	\$ -	16,504,983	\$ 16,504,983
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			65,385	
Loans receivable, net			621,000	
Fund balance - GAAP basis			\$ 17,191,368	

City of Portland, Oregon
Housing Property Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget - Over/Under
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 3,925,460	\$ 5,015,160	\$ 7,154,189	\$ 2,139,029
Other:				
Investment earnings	27,238	27,238	90,292	63,054
Total revenues	3,952,698	5,042,398	7,244,481	2,202,083
EXPENDITURES				
Current:				
Personal services	229,901	276,901	176,672	
External materials and services	1,312,408	2,790,618	2,488,805	
Internal materials and services	118,596	152,096	179,596	
Total current	1,660,905	3,219,615	2,845,073	374,542
General operating contingencies	3,247,577	2,585,849	-	2,585,849
Debt service and related costs:				
Principal	430,844	730,844	705,545	
Interest	398,635	411,353	420,833	
Total debt service and related costs	829,479	1,142,197	1,126,378	15,819
Total expenditures	5,737,961	6,947,661	3,971,451	2,976,210
Revenues over (under) expenditures	(1,785,263)	(1,905,263)	3,273,030	5,178,293
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Housing Investment	178,487	298,487	178,959	(119,528)
Refund loan & bond escrow agents	(955,000)	(955,000)	(955,000)	-
Total other financing sources (uses)	(776,513)	(656,513)	(776,041)	(119,528)
Net change in fund balance	(2,561,776)	(2,561,776)	2,496,989	5,058,765
Fund balance - beginning	2,561,776	2,561,776	4,519,952	1,958,176
Fund balance - ending	\$ -	\$ -	7,016,941	\$ 7,016,941
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized Gain (Loss) on investments			15,470	
Fund balance - GAAP basis			\$ 7,032,411	

City of Portland, Oregon
Recreational Cannabis Tax Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Miscellaneous	\$ 3,600,000	\$ 3,600,000	\$ 4,824,055	\$ 1,224,055
Other:				
Investment earnings	15,000	18,800	102,385	83,585
Total revenues	3,615,000	3,618,800	4,926,440	1,307,640
EXPENDITURES				
Current:				
Personal services	2,426,788	3,123,455	3,235,377	
External materials and services	2,343,588	1,822,657	1,313,968	
Internal materials and services	5,000	8,800	282,098	
Capital outlay	200,000	200,000	33,571	
Total current expenditures	4,975,376	5,154,912	4,865,014	289,898
General operating contingencies	-	2,368,532	-	2,368,532
Total expenditures	4,975,376	7,523,444	4,865,014	2,658,430
Net change in fund balance	(1,360,376)	(3,904,644)	61,426	3,966,070
Fund balance - beginning	1,360,376	3,904,644	3,904,644	-
Fund balance - ending	\$ -	\$ -	3,966,070	\$ 3,966,070
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			16,382	
Fund balance - GAAP basis			\$ 3,982,452	

**City of Portland, Oregon
Cannabis Licensing Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services:				
Other service charges	\$ 1,089,387	\$ 1,075,767	\$ 1,192,614	\$ 116,847
Other:				
Miscellaneous	-	-	36	36
Total revenues	1,089,387	1,075,767	1,192,650	116,883
EXPENDITURES				
Current:				
Personal services	879,891	866,271	779,160	
External materials and services	546,150	65,664	29,108	
Internal materials and services	143,832	143,832	138,212	
Total current expenditures	1,569,873	1,075,767	946,480	129,287
General operating contingencies	-	-	-	-
Total expenditures	1,569,873	1,075,767	946,480	129,287
Revenues over (under) expenditures	(480,486)	-	246,170	246,170
OTHER FINANCING SOURCES (USES)				
Transfer from other funds:				
General	480,486	1,094,858	1,094,858	-
Total other financing sources (uses)	480,486	1,094,858	1,094,858	-
Net change in fund balance	-	1,094,858	1,341,028	246,170
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ 1,094,858	1,341,028	\$ 246,170
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			5,395	
Fund balance - GAAP basis			\$ 1,346,423	

City of Portland, Oregon
Portland Clean Energy Community Benefits Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Miscellaneous	\$ -	\$ -	\$ 6,382,669	\$ 6,382,669
Other:				
Investment earnings	-	-	(12)	(12)
Total revenues	-	-	6,382,657	6,382,657
EXPENDITURES				
Current:				
Personal services	-	191,790	16,641	
External materials and services	-	79,424	17,413	
Internal materials and services	-	26,576	5,990	
Total current expenditures	-	297,790	40,044	257,746
Revenues over (under) expenditures	-	(297,790)	6,342,613	6,640,403
OTHER FINANCING SOURCES (USES)				
Internal Loan Proceeds	-	297,790	-	297,790
Net change in fund balance	-	-	6,342,613	6,342,613
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ -	6,342,613	\$ 6,342,613
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			25,092	
Fund balance - GAAP basis			\$ 6,367,705	

City of Portland, Oregon
Housing Development Costs
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ (3,295)	\$ (3,295)
Total revenues	-	-	(3,295)	(3,295)
EXPENDITURES				
Current:				
Personal services	-	550,000	550,000	
Internal materials and services	-	200,000	200,000	
Total current expenditures	-	750,000	750,000	-
Total expenditures	-	750,000	750,000	-
Revenues over (under) expenditures	-	(750,000)	(753,295)	(3,295)
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Housing Investment	-	750,000	750,000	-
Total other financing sources (uses)	-	750,000	750,000	-
Net change in fund balance	-	-	(3,295)	(3,295)
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ -	(3,295)	\$ (3,295)
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			-	
Fund balance - GAAP basis			\$ (3,295)	

Debt Service Funds Budget and Actual



Portland
the City of Roses

B

River District Urban Renewal Area Debt Redemption Fund

This fund accounts for redemption of bonds issued for tax increment improvements to the River District Urban Renewal Area.

Bonded Debt Interest and Sinking Fund

This fund accounts for payment of principal and interest on general obligation bonded debt.

Downtown Waterfront Renewal Bond Sinking Fund

This fund accounts for the payment of principal and interest on urban renewal bonds. Revenue is derived from sequestered tax on property within the urban renewal area.

Interstate Corridor Debt Service Fund

This fund accounts for the payment of principal and interest on bonds to be issued for activities associated with the Interstate Corridor Urban Renewal Area.

Pension Debt Redemption Fund

This fund accounts for resources and expenditures to pay principal and interest on the City's pension obligation bonds.

South Park Block Redemption Fund

This fund accounts for the payment of principal and interest on urban renewal and redevelopment bonds. Revenue is derived from taxes on property within the South Park Blocks Urban Renewal Project Area.

Airport Way Debt Service Fund

This fund accounts for redemption of bonds to be issued for tax increment improvements to the Airport Way Urban Renewal Area.

Gas Tax Bond Redemption Fund

This fund accounts for redemption of bonds issued for certain street improvements.

Lents Town Center Urban Renewal Area Debt Redemption Fund

This fund accounts for redemption of bonds issued for tax increment improvements to the Lents Town Center Urban Renewal Area.

Central Eastside Industrial District Debt Service Fund

This fund accounts for redemption of bonds issued for tax increment improvements to the City's Central Eastside.

Bancroft Bond Interest and Sinking Fund

This fund accounts for transactions related to Bancroft bonding activity that are regulated by the I.R.S. code of 1986. The fund also provides segregated financial reporting of each bond issue subject to the provisions of this code.

Convention Center Area Debt Service Fund

This fund accounts for redemption of bonds issued for tax increment improvements to the Convention Center Urban Renewal Area.

North Macadam Urban Renewal Area Debt Redemption Fund



Special Projects Debt Service Fund



Gateway Urban Renewal Area Debt Redemption Fund



Governmental Bond Redemption Fund



42nd Avenue Neighborhood Prosperity Initiative Debt Service Fund



in accordance with the urban renewal plan. Oregon Revised Statutes require that a separate fund be created for



Cully Boulevard Neighborhood Prosperity Initiative Debt Service Fund



in accordance with the urban renewal plan. Oregon Revised Statutes require that a separate fund be created for



Parkrose Neighborhood Prosperity Initiative Debt Service Fund



in accordance with the urban renewal plan. Oregon Revised Statutes require that a separate fund be created for



Rosewood Neighborhood Prosperity Initiative Debt Service Fund



in accordance with the urban renewal plan. Oregon Revised Statutes require that a separate fund be created for



Division-Midway Neighborhood Prosperity Initiative Debt Service Fund



in accordance with the urban renewal plan. Oregon Revised Statutes require that a separate fund be created for



82nd Avenue/Division Neighborhood Prosperity Initiative Debt Service Fund



in accordance with the urban renewal plan. Oregon Revised Statutes require that a separate fund be created for



City of Portland, Oregon
River District Urban Renewal Area Debt Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 43,531,573	\$ 44,431,573	\$ 45,487,187	
Prior year property	150,000	1,040,000	1,319,041	
Total taxes	43,681,573	45,471,573	46,806,228	\$ 1,334,655
Other:				
Investment earnings	125,000	400,000	600,904	200,904
Total revenues	43,806,573	45,871,573	47,407,132	1,535,559
EXPENDITURES				
Debt service and related costs:				
Principal	33,290,000	33,290,000	33,290,000	
Interest	11,382,258	3,832,258	3,309,270	
Total expenditures	44,672,258	37,122,258	36,599,270	522,988
Net change in fund balance	(865,685)	8,749,315	10,807,862	2,058,547
Fund balance - beginning	8,484,543	8,484,543	9,221,532	736,989
Fund balance - ending	\$ 7,618,858	\$ 17,233,858	20,029,394	\$ 2,795,536
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			76,413	
Fund balance - GAAP basis			\$ 20,105,807	

City of Portland, Oregon
Bonded Debt Interest and Sinking Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 16,980,977	\$ 16,980,977	\$ 17,287,955	
Prior year property	50,000	50,000	496,136	
Total taxes	17,030,977	17,030,977	17,784,091	\$ 753,114
Other:				
Investment earnings	20,000	20,000	196,809	
Other interest income	-	-	81	
Total other revenue	20,000	20,000	196,890	176,890
Total revenues	17,050,977	17,050,977	17,980,981	930,004
EXPENDITURES				
Debt service and related costs:				
Principal	11,540,000	11,540,000	11,540,000	
Interest	5,510,977	5,510,977	5,486,233	
Total expenditures	17,050,977	17,050,977	17,026,233	24,744
Revenues over (under) expenditures	-	-	954,748	954,748
OTHER FINANCING SOURCES (USES)				
Bonds and notes issued	-	-	12,027,525	12,027,525
Bonds and notes premium	-	-	1,437,733	1,437,733
Payments to refunded loan and bond escrow agent	-	-	(13,490,000)	(13,490,000)
Total other financing sources (uses)	-	-	(24,742)	(24,742)
Net change in fund balance	-	-	930,006	930,006
Fund balance - beginning	200,000	200,000	813,933	613,933
Fund balance - ending	\$ 200,000	\$ 200,000	1,743,939	\$ 1,543,939
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			5,792	
Fund balance - GAAP basis			\$ 1,749,731	

City of Portland, Oregon
Downtown Waterfront Renewal Bond Sinking Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 8,498,793	\$ 8,498,793	\$ 8,757,747	
Prior year property	40,000	40,000	416,840	
Total taxes	8,538,793	8,538,793	9,174,587	\$ 635,794
Other:				
Investment earnings	75,000	75,000	288,310	
Other interest income	-	-	85	
Total other revenue	75,000	75,000	288,395	213,395
Total revenues	8,613,793	8,613,793	9,462,982	849,189
EXPENDITURES				
Debt service and related costs:				
Principal	7,165,000	7,165,000	7,165,000	
Interest	2,322,935	2,322,935	2,322,935	
Total expenditures	9,487,935	9,487,935	9,487,935	-
Net change in fund balance	(874,142)	(874,142)	(24,953)	849,189
Fund balance - beginning	8,420,000	8,420,000	8,792,626	372,626
Fund balance - ending	\$ 7,545,858	\$ 7,545,858	8,767,673	\$ 1,221,815
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			33,767	
Fund balance - GAAP basis			\$ 8,801,440	

City of Portland, Oregon
Interstate Corridor Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget - Over/Under
REVENUES				
Taxes:				
Current year property	\$ 35,331,052	\$ 34,831,052	\$ 35,813,417	
Prior year property	100,000	645,000	867,749	
Total taxes	35,431,052	35,476,052	36,681,166	\$ 1,205,114
Other:				
Investment earnings	135,000	400,000	560,456	
Other interest income	-	-	62	
Total other revenue	135,000	400,000	560,518	160,518
Total revenues	35,566,052	35,876,052	37,241,684	1,365,632
EXPENDITURES				
Debt service and related costs:				
Principal	30,430,000	30,430,000	30,430,000	
Interest	11,676,203	3,176,203	2,730,113	
Total expenditures	42,106,203	33,606,203	33,160,113	446,090
Net change in fund balance	(6,540,151)	2,269,849	4,081,571	1,811,722
Fund balance - beginning	12,251,499	12,251,499	12,795,617	544,118
Fund balance - ending	\$ 5,711,348	\$ 14,521,348	16,877,188	\$ 2,355,840
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			64,496	
Fund balance - GAAP basis			\$ 16,941,684	

City of Portland, Oregon
Pension Debt Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with
	Original	Final	Actual Amounts	Final Budget - Over/Under
REVENUES				
Other:				
Other interest income	\$ -	\$ -	\$ 115	
Investment earnings	15,000	15,000	80,508	
Miscellaneous	877,781	877,781	783,037	
Total other	892,781	892,781	863,660	\$ (29,121)
EXPENDITURES				
Debt service and related costs:				
Principal	4,168,716	4,168,716	4,168,718	
Interest	1,369,003	1,369,003	1,322,124	
Debt issuance costs	108,526	108,526	68,614	
Total expenditures	5,646,245	5,646,245	5,559,456	86,789
Revenues over (under) expenditures	(4,753,464)	(4,753,464)	(4,695,796)	57,668
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	1,307,371	1,307,371	1,307,371	-
Transportation Operating	639,174	639,174	639,174	-
Emergency Communication	33,068	33,068	33,068	-
Development Services	165,956	165,956	165,956	-
Local Improvement District	11,837	11,837	11,837	-
Parks Capital Improvement Program	16,023	16,023	16,023	-
Sewer System Operating	454,253	454,253	454,253	-
Water	3,482	3,482	3,482	-
Hydroelectric Power Operating	471,791	471,791	471,791	-
Golf	28,448	28,448	28,448	-
Portland International Raceway	5,477	5,477	5,477	-
Solid Waste Management	8,834	8,834	8,834	-
Environmental Remediation	203	203	203	-
Health Insurance Operating	5,251	5,251	5,251	-
Facilities Services Operating	28,278	28,278	28,278	-
CityFleet Operating	66,452	66,452	66,452	-
Printing and Distribution Services Operating	22,519	22,519	22,519	-
Insurance and Claims Operating	12,408	12,408	12,408	-
Workers' Compensation Self Insurance Operating	11,608	11,608	11,608	-
Technology Services	78,980	78,980	78,980	-
Fire and Police Disability and Retirement	7,085	7,085	7,085	-
Total other financing sources (uses)	3,378,498	3,378,498	3,378,498	-
Net change in fund balance	(1,374,966)	(1,374,966)	(1,317,298)	57,668
Fund balance - beginning	2,124,966	2,124,966	2,279,160	154,194
Fund balance - ending	\$ 750,000	\$ 750,000	961,862	\$ 211,862
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			3,711	
Fund balance - GAAP basis			\$ 965,573	

City of Portland, Oregon
South Park Block Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 6,377,778	\$ 6,377,778	\$ 6,555,783	
Prior year property	30,000	30,000	317,222	
Total taxes	6,407,778	6,407,778	6,873,005	\$ 465,227
Other:				
Investment earnings	105,000	105,000	260,164	
Other interest income	-	-	64	
Total other revenue	105,000	105,000	260,228	155,228
Total revenues	6,512,778	6,512,778	7,133,233	620,455
EXPENDITURES				
Debt service and related costs:				
Principal	8,690,000	8,690,000	8,690,000	
Interest	1,805,322	1,805,322	1,700,120	
Debt Issuance Costs	-	-	25,188	
Total expenditures	10,495,322	10,495,322	10,415,308	80,014
Revenues over (under) expenditures	(3,982,544)	(3,982,544)	(3,282,075)	700,469
OTHER FINANCING SOURCES (USES)				
Transfers From Other Funds				
Bond and Notes Issued	-	-	25,280,480	
Transfers To Other Funds				
Payments to refunded loan and bond escrow agents	-	-	(26,690,000)	
Total other financing (uses)	-	-	(1,409,520)	(1,409,520)
Net change in fund balance	(3,982,544)	(3,982,544)	(4,691,595)	(709,051)
Fund balance - beginning	9,640,000	9,640,000	9,973,443	333,443
Fund balance - ending	\$ 5,657,456	\$ 5,657,456	5,281,848	\$ (375,608)
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			20,310	
Fund balance - GAAP basis			\$ 5,302,158	

City of Portland, Oregon
Airport Way Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 4,756,282	\$ 4,756,282	\$ 4,854,993	
Prior year property	20,000	20,000	234,354	
Total taxes	4,776,282	4,776,282	5,089,347	\$ 313,065
Other:				
Investment earnings	25,000	25,000	104,596	79,596
Total revenues	4,801,282	4,801,282	5,193,943	392,661
EXPENDITURES				
Debt service and related costs:				
Principal	5,047,300	5,047,300	5,047,300	
Interest	140,294	140,294	140,294	
Total expenditures	5,187,594	5,187,594	5,187,594	-
Net change in fund balance	(386,312)	(386,312)	6,349	392,661
Fund balance - beginning	1,730,000	1,730,000	1,890,301	160,301
Fund balance - ending	\$ 1,343,688	\$ 1,343,688	1,896,650	\$ 552,962
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			7,077	
Fund balance - GAAP basis			\$ 1,903,727	

City of Portland, Oregon
Gas Tax Bond Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 28,895	
Other interest income	-	-	14	
Total revenues	-	-	28,909	\$ 28,909
EXPENDITURES				
Debt service and related costs:				
Principal	1,445,000	1,445,000	1,445,000	
Interest	296,000	296,000	296,000	
Total expenditures	1,741,000	1,741,000	1,741,000	-
Revenues over (under) expenditures	(1,741,000)	(1,741,000)	(1,712,091)	28,909
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
Transportation Operating	1,737,985	1,737,985	1,735,985	(2,000)
Net change in fund balance	(3,015)	(3,015)	23,894	26,909
Fund balance - beginning	1,676,062	1,676,062	1,699,133	23,071
Fund balance - ending	\$ 1,673,047	\$ 1,673,047	1,723,027	\$ 49,980
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			-	
Fund balance - GAAP basis			\$ 1,723,027	

City of Portland, Oregon
Lents Town Center Urban Renewal Area Debt Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 16,616,603	\$ 17,316,603	\$ 17,826,998	
Prior year property	65,000	390,000	508,270	
Total taxes	16,681,603	17,706,603	18,335,268	\$ 628,665
Other:				
Investment earnings	60,000	190,000	289,941	
Other interest income	-	-	33	
Total other revenues	60,000	190,000	289,974	99,974
Total revenues	16,741,603	17,896,603	18,625,242	728,639
EXPENDITURES				
Debt service and related costs:				
Principal	13,595,000	13,595,000	13,595,000	
Interest	6,376,917	2,276,917	2,002,217	
Total expenditures	19,971,917	15,871,917	15,597,217	274,700
Net change in fund balance	(3,230,314)	2,024,686	3,028,025	1,003,339
Fund balance - beginning	6,262,906	6,262,906	6,623,915	361,009
Fund balance - ending	\$ 3,032,592	\$ 8,287,592	9,651,940	\$ 1,364,348
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			37,000	
Fund balance - GAAP basis			\$ 9,688,940	

City of Portland, Oregon
Central Eastside Industrial District Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 9,554,474	\$ 9,554,474	\$ 9,809,892	
Prior year property	35,000	35,000	271,754	
Total taxes	9,589,474	9,589,474	10,081,646	\$ 492,172
Other:				
Investment earnings	35,000	35,000	136,718	
Other interest income	-	-	26	
Total other revenues	35,000	35,000	136,744	101,744
Total revenues	9,624,474	9,624,474	10,218,390	593,916
EXPENDITURES				
Debt service and related costs:				
Principal	7,970,000	7,970,000	7,970,000	
Interest	1,654,474	1,654,474	1,308,220	
Total expenditures	9,624,474	9,624,474	9,278,220	346,254
Net change in fund balance	-	-	940,170	940,170
Fund balance - beginning	2,405,863	2,405,863	2,681,371	275,508
Fund balance - ending	\$ 2,405,863	\$ 2,405,863	3,621,541	\$ 1,215,678
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			13,725	
Fund balance - GAAP basis			\$ 3,635,266	

City of Portland, Oregon
Bancroft Bond Interest and Sinking Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget - Over/Under
REVENUES				
Other:				
Assessments	\$ 4,089,683	\$ 4,089,683	\$ 7,028,233	
Investment earnings	40,696	40,696	378,584	
Other interest income	1,541,983	1,541,983	1,865,154	
Total other	5,672,362	5,672,362	9,271,971	\$ 3,599,609
EXPENDITURES				
Debt service and related costs:				
Principal	3,420,000	3,420,000	4,995,000	
Interest	1,289,990	1,289,990	1,519,287	
Total expenditures	4,709,990	4,709,990	6,514,287	(1,804,297)
Revenues over (under) expenditures	962,372	962,372	2,757,684	1,795,312
OTHER FINANCING SOURCES (USES)				
Transfers from other funds				
Bonds and notes issued	-	-	2,826	2,826
Net change in fund balance	962,372	962,372	2,760,510	1,798,138
Fund balance - beginning	14,859,711	14,859,711	15,502,188	642,477
Fund balance - ending	\$ 15,822,083	\$ 15,822,083	18,262,698	\$ 2,440,615
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			70,838	
Fund balance - GAAP basis			\$ 18,333,536	

City of Portland, Oregon
Convention Center Area Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 12,923,342	\$ 12,923,342	\$ 13,308,520	
Prior year property	50,000	50,000	418,022	
Total taxes	12,973,342	12,973,342	13,726,542	\$ 753,200
Other:				
Investment earnings	150,000	150,000	528,671	
Other interest income	-	-	38	
Total other revenue	150,000	150,000	528,709	378,709
Total revenues	13,123,342	13,123,342	14,255,251	1,131,909
EXPENDITURES				
Debt service and related costs:				
Principal	4,550,000	4,550,000	4,550,000	
Interest	3,259,418	3,259,418	3,259,417	
Total expenditures	7,809,418	7,809,418	7,809,417	1
Net change in fund balance	5,313,924	5,313,924	6,445,834	1,131,910
Fund balance - beginning	16,300,000	16,300,000	16,846,165	546,165
Fund balance - ending	\$ 21,613,924	\$ 21,613,924	23,291,999	\$ 1,678,075
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			90,703	
Fund balance - GAAP basis			\$ 23,382,702	

City of Portland, Oregon
North Macadam Urban Renewal Area Debt Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 20,288,859	\$ 17,838,859	\$ 18,349,065	
Prior year property	70,000	433,000	564,845	
Total taxes	20,358,859	18,271,859	18,913,910	\$ 642,051
Other:				
Investment earnings	80,000	210,000	289,370	
Other interest income	-	-	52	
Total other revenue	80,000	210,000	289,422	79,422
Total revenues	20,438,859	18,481,859	19,203,332	721,473
EXPENDITURES				
Debt service and related costs:				
Principal	17,885,000	17,385,000	17,385,000	
Interest	4,332,101	2,974,601	2,472,847	
Total expenditures	22,217,101	20,359,601	19,857,847	501,754
Net change in fund balance	(1,778,242)	(1,877,742)	(654,515)	1,223,227
Fund balance - beginning	6,743,892	6,843,392	7,108,751	265,359
Fund balance - ending	\$ 4,965,650	\$ 4,965,650	6,454,236	\$ 1,488,586
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			24,339	
Fund balance - GAAP basis			\$ 6,478,575	

City of Portland, Oregon
Special Projects Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Intergovernmental:				
Local revenue sharing	\$ 7,763,250	\$ 7,763,250	\$ 7,763,250	\$ -
Other:				
Investment earnings	-	-	8,287	
Other interest income	-	-	53	
Total other	-	-	8,340	8,340
Total revenues	7,763,250	7,763,250	7,771,590	8,340
EXPENDITURES				
Debt service and related costs:				
Principal	2,039,480	2,039,480	2,039,480	
Interest	5,723,770	5,723,770	5,723,770	
Total expenditures	7,763,250	7,763,250	7,763,250	-
Net change in fund balance	-	-	8,340	8,340
Fund balance - beginning	-	-	79,256	79,256
Fund balance - ending	\$ -	\$ -	87,596	\$ 87,596
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			326	
Fund balance - GAAP basis			\$ 87,922	

City of Portland, Oregon
Gateway Urban Renewal Area Debt Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 5,408,794	\$ 5,618,794	\$ 5,778,946	
Prior year property	25,000	126,000	164,604	
Total taxes	5,433,794	5,744,794	5,943,550	\$ 198,756
Other:				
Investment earnings	10,000	41,000	49,415	8,415
Total revenues	5,443,794	5,785,794	5,992,965	207,171
EXPENDITURES				
Debt service and related costs:				
Principal	5,000,000	5,342,000	5,000,000	
Interest	443,794	443,794	358,532	
Total expenditures	5,443,794	5,785,794	5,358,532	427,262
Net change in fund balance	-	-	634,433	634,433
Fund balance - beginning	-	-	267,578	267,578
Fund balance - ending	\$ -	\$ -	902,011	\$ 902,011
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			3,271	
Fund balance - GAAP basis			\$ 905,282	

City of Portland, Oregon
Governmental Bond Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 2,892	
Other interest income	-	-	43	
Miscellaneous	1,000,000	1,000,000	708,678	
Total revenues	1,000,000	1,000,000	711,613	\$ (288,387)
EXPENDITURES				
Debt service and related costs:				
Principal	1,800,000	1,680,000	1,680,000	
Interest	1,418,119	1,474,744	1,183,422	
Total expenditures	3,218,119	3,154,744	2,863,422	291,322
Revenues over (under) expenditures	(2,218,119)	(2,154,744)	(2,151,809)	2,935
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
General	2,218,119	2,154,744	2,154,744	-
Net change in fund balance	-	-	2,935	2,935
Fund balance - beginning	-	-	31,867	31,867
Fund balance - ending	\$ -	\$ -	34,802	\$ 34,802
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			-	
Fund balance - GAAP basis			\$ 34,802	

City of Portland, Oregon
42nd Avenue Neighborhood Prosperity Initiative Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget - Over/Under
REVENUES				
Taxes:				
Current year property	\$ 92,855	\$ 93,465	\$ 94,466	
Prior year property	500	1,365	1,531	
Total taxes	93,355	94,830	95,997	\$ 1,167
Other:				
Investment earnings	-	1,080	1,352	272
Total revenues	93,355	95,910	97,349	1,439
EXPENDITURES				
Current:				
External materials and services	93,355	95,910	95,910	
Total expenditures	93,355	95,910	95,910	-
Net change in fund balance	-	-	1,439	1,439
Fund balance - beginning	-	-	1,428	1,428
Fund balance - ending	\$ -	\$ -	2,867	\$ 2,867
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			385	
Fund balance - GAAP basis			\$ 3,252	

City of Portland, Oregon
Cully Boulevard Neighborhood Prosperity Initiative Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 92,855	\$ 93,455	\$ 94,506	
Prior year property	500	2,000	2,189	
Total taxes	93,355	95,455	96,695	\$ 1,240
Other:				
Investment earnings	-	1,080	1,359	279
Total revenues	93,355	96,535	98,054	1,519
EXPENDITURES				
Current:				
External materials and services	93,355	96,535	96,535	-
Total expenditures	93,355	96,535	96,535	-
Net change in fund balance	-	-	1,519	1,519
Fund balance - beginning	-	-	1,208	1,208
Fund balance - ending	\$ -	\$ -	2,727	\$ 2,727
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			387	
Fund balance - GAAP basis			\$ 3,114	

City of Portland, Oregon
Parkrose Neighborhood Prosperity Initiative Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 92,312	\$ 96,732	\$ 98,025	
Prior year property	375	1,190	1,435	
Total taxes	92,687	97,922	99,460	\$ 1,538
Other:				
Investment earnings	-	1,200	1,499	299
Total revenues	92,687	99,122	100,959	1,837
EXPENDITURES				
Current:				
External materials and services	92,687	99,122	99,122	-
Total expenditures	92,687	99,122	99,122	-
Net change in fund balance	-	-	1,837	1,837
Fund balance - beginning	-	-	2,110	2,110
Fund balance - ending	\$ -	\$ -	3,947	\$ 3,947
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			402	
Fund balance - GAAP basis			\$ 4,349	

City of Portland, Oregon
Rosewood Neighborhood Prosperity Initiative Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 92,809	\$ 100,809	\$ 101,762	
Prior year property	600	1,670	1,868	
Total taxes	93,409	102,479	103,630	\$ 1,151
Other:				
Investment earnings	-	1,150	1,461	311
Total revenues	93,409	103,629	105,091	1,462
EXPENDITURES				
Current:				
External materials and services	93,409	103,629	103,629	-
Total expenditures	93,409	103,629	103,629	-
Net change in fund balance	-	-	1,462	1,462
Fund balance - beginning	-	-	1,319	1,319
Fund balance - ending	\$ -	\$ -	2,781	\$ 2,781
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			415	
Fund balance - GAAP basis			\$ 3,196	

City of Portland, Oregon
Division-Midway Neighborhood Prosperity Initiative Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 93,265	\$ 103,165	\$ 104,175	
Prior year property	575	1,750	1,917	
Total taxes	93,840	104,915	106,092	\$ 1,177
Other:				
Investment earnings	-	1,180	1,494	314
Total revenues	93,840	106,095	107,586	1,491
EXPENDITURES				
Current:				
External materials and services	93,840	106,095	106,095	-
Total expenditures	93,840	106,095	106,095	-
Net change in fund balance	-	-	1,491	1,491
Fund balance - beginning	-	-	1,300	1,300
Fund balance - ending	\$ -	\$ -	2,791	\$ 2,791
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			425	
Fund balance - GAAP basis			\$ 3,216	

City of Portland, Oregon
82nd Avenue/Division Neighborhood Prosperity Initiative Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Current year property	\$ 92,617	\$ 93,467	\$ 94,595	
Prior year property	400	1,200	1,406	
Total taxes	93,017	94,667	96,001	\$ 1,334
Other:				
Investment earnings	-	1,110	1,390	280
Total revenues	93,017	95,777	97,391	1,614
EXPENDITURES				
Current:				
External materials and services	93,017	95,777	95,777	-
Total expenditures	93,017	95,777	95,777	-
Net change in fund balance	-	-	1,614	1,614
Fund balance - beginning	-	-	1,581	1,581
Fund balance - ending	\$ -	\$ -	3,195	\$ 3,195
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			386	
Fund balance - GAAP basis			\$ 3,581	

Capital Projects Funds Budget and Actual



B

Special Finance and Resource Fund

This fund serves as a staging area for bond proceeds to ensure proper presentation of City assets and liabilities. Bond proceeds are recorded in this fund and then transferred to the appropriate agency.

Bureau of Fire, Rescue and Emergency Services Facilities GO Bond Construction Fund

This fund accounts for revenues and expenditures associated with bond-funded capital projects for seismic and operational station upgrades, renovation, and replacement of certain existing facilities, and building new fire, rescue and emergency facilities.

Local Improvement District Fund

This fund accounts for financing and construction of improvements paid for, wholly or in part, from special assessments levied against benefited properties.

Parks Capital Improvement Program Fund

This fund accounts for revenues and expenditures associated with capital projects funded by the March 1, 1995 Parks General Obligation bond issue.

Public Safety GO Bond Construction Fund

This fund accounts for revenues and expenditures associated with capital projects funded by the November 2, 2010 Public Safety General Obligation bond issue.

Housing Capital Fund

This fund is for capital acquisition and/or construction funded by the Housing General Obligation Bond.

City of Portland, Oregon
Special Finance and Resource Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 3,434	\$ 3,434
EXPENDITURES				
Current:				
External materials and services	113,864,154	103,136,312	102,692,151	444,161
Debt service and related costs:				
Debt issuance costs	49,890	70,443	63,427	7,016
Total expenditures	113,914,044	103,206,755	102,755,578	451,177
Revenues over (under) expenditures	(113,914,044)	(103,206,755)	(102,752,144)	454,611
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
Bonds and notes issued	113,914,044	103,191,409	102,706,409	485,000
Loans issued	-	-	40,842	(40,842)
Total other financing sources (uses)	113,914,044	103,191,409	102,747,251	444,158
Net change in fund balance	-	(15,346)	(4,893)	10,453
Fund balance - beginning	-	15,346	160,659	145,313
Fund balance - ending	\$ -	\$ -	155,766	\$ 155,766
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			610	
Fund balance - GAAP basis			\$ 156,376	

City of Portland, Oregon
BFRES Facilities GO Bond Construction Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 13,424	
Other Interest income	2,879	2,879	-	
Total revenues	2,879	2,879	13,424	\$ 10,545
EXPENDITURES				
Current:				
Internal materials and services	1,921	1,921	1,921	
Capital outlay	603,965	621,167	-	
Total exp enditures	605,886	623,088	1,921	621,167
Revenues over (under) exp enditures	(603,007)	(620,209)	11,503	631,712
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(11,491)	(11,491)	(11,491)	
Net change in fund balance	(614,498)	(631,700)	12	631,712
Fund balance - beginning	614,498	631,700	631,699	(1)
Fund balance - ending	\$ -	\$ -	631,711	\$ 631,711
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			-	
Fund balance - GAAP basis			\$ 631,711	

City of Portland, Oregon
Local Improvement District Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services:				
Other service charges	\$ 1,272,480	\$ 1,272,480	\$ 1,418,364	\$ 145,884
Billings to other funds for services	-	-	6,271	6,271
Other:				
Assessments	714,481	714,481	1,153,541	
Investment earnings	55,000	55,000	107,810	
Other Interest income	71,449	71,449	73,155	
Total other	840,930	840,930	1,334,506	493,576
Total revenues	2,113,410	2,113,410	2,759,141	645,731
EXPENDITURES				
Current:				
External materials and services	10,000	10,000	1,401	
Internal materials and services	1,485,205	1,490,205	613,800	
Total current expenditures	1,495,205	1,500,205	615,201	885,004
General operating contingencies	3,393,541	3,388,541	-	3,388,541
Debt service and related costs:				
Principal	859,179	859,179	73,249	
Interest	212,791	212,791	158,437	
Debt issuance costs	85,000	85,000	178,441	
Total debt service and related costs	1,156,970	1,156,970	410,127	746,843
Total expenditures	6,045,716	6,045,716	1,025,328	5,020,388
Revenues over (under) expenditures	(3,932,306)	(3,932,306)	1,733,813	5,666,119
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(141)	(141)	(141)	-
Transportation Operating	(15,362,186)	(15,362,186)	(9,465,157)	5,897,029
Pension Debt Redemption	(11,837)	(11,837)	(11,837)	-
Water Construction	-	(58,106)	(58,106)	-
Sewer System Construction	(700,000)	(2,568,911)	(2,568,910)	1
Total transfers to other funds	(16,074,164)	(18,001,181)	(12,104,151)	5,897,030
Bonds and notes issued	18,401,186	23,268,836	16,415,277	(6,853,559)
Bond and notes premium	85,000	85,000	270,719	185,719
Payments to refunded loan and bond escrow agent	(2,121,819)	(5,062,452)	(4,968,939)	(93,513)
Total other financing sources (uses)	290,203	290,203	(387,094)	(677,297)
Net change in fund balance	(3,642,103)	(3,642,103)	1,346,719	4,988,822
Fund balance - beginning	3,642,103	3,642,103	3,380,213	261,890
Fund balance - ending	\$ -	\$ -	4,726,932	\$ 4,726,932
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			17,453	
Fund balance - GAAP basis			\$ 4,744,385	

City of Portland, Oregon
Parks Capital Improvement Program Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services:				
Public works and utility charges	\$ 12,000,000	\$ 20,000,000	\$ 26,134,862	
Rents and Reimbursements	-	-	-	
Parking fees	-	-	41,957	
Total charges for services	12,000,000	20,000,000	26,176,819	\$ 6,176,819
Intergovernmental:				
Local revenue sharing	-	-	1,200,000	
Local cost sharing	-	-	25,427	
Total Intergovernmental	-	-	1,225,427	1,225,427
Other:				
Assessments	-	3,000,000	3,073,878	
Loan repayments	-	273,500	-	
Donations	-	913,733	397,990	
Investment earnings	660,000	1,481,600	3,158,962	
Other Interest income	30,000	49,337	198,911	
Miscellaneous	-	(181,600)	2,811	
Total other	690,000	5,536,570	6,832,552	1,295,982
Billings to other funds for services	-	200,000	232,516	32,516
Total revenues	12,690,000	25,736,570	34,467,314	8,730,744
EXPENDITURES				
Current:				
Personal services	3,535,957	5,893,384	3,408,715	
External materials and services	27,450,073	44,477,871	13,247,640	
Internal materials and services	328,006	428,006	1,023,931	
Capital outlay	56,572,323	59,674,045	7,310,370	
Total current expenditures	87,886,359	110,473,306	24,990,656	85,482,650
General operating contingencies	63,647,071	57,514,543	-	57,514,543
Debt service and related costs:				
Principal	99,155	99,155	99,153	
Interest	32,205	32,205	31,447	
Debt Issuance Costs	-	-	-	
Internal Loan Remittances	-	1,750,000	1,750,000	
Total debt service and related costs	131,360	1,881,360	1,880,600	760
Total expenditures	151,664,790	169,869,209	26,871,256	142,997,953
Revenues over (under) expenditures	(138,974,790)	(144,132,639)	7,596,058	151,728,697

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City of Portland, Oregon
Parks Capital Improvement Program Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	\$ 5,071,547	\$ 5,629,547	\$ 5,629,547	-
Portland Parks Memorial	-	228,600	228,600	-
Total transfers from other funds	5,071,547	5,858,147	5,858,147	-
Transfers to other funds:				
General Fund Overhead	(527,266)	(527,266)	(527,266)	-
Pension Debt Redemption	(16,023)	(16,023)	(16,023)	-
Sewer System Operating	-	-	-	-
Total transfers to other funds	(543,289)	(543,289)	(543,289)	-
Bonds and notes issued	10,740,000	1,822,850	1,822,849	\$ (1)
Loans Issued	832,353	-	-	-
internal loan proceeds	-	-	363,500	363,500
Total other financing sources (uses)	16,100,611	7,137,708	7,501,207	363,499
Net change in fund balance	(122,874,179)	(136,994,931)	15,097,265	152,092,196
Fund balance - beginning	122,874,179	136,994,931	136,994,931	-
Fund balance - ending	\$ -	\$ -	152,092,196	\$ 152,092,196
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			598,210	
Internal loans receivable			2,464,750	
Fund balance - GAAP basis			\$ 155,155,156	

City of Portland, Oregon
Public Safety GO Bond Construction Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 12,097	
EXPENDITURES				
Current:				
Capital outlay	752,868	1,053,738	1,053,738	-
Debt issuance costs		-	54,687	(54,687)
Total exp enditures	752,868	1,053,738	1,108,425	(54,687)
Revenues over (under) exp enditures	(752,868)	(1,053,738)	(1,096,328)	(42,590)
OTHER FINANCING SOURCES (USES)				
Transfer to other fund:				
General fund overhead	(159,887)	(159,887)	(159,887)	
Bonds and notes issued	-	-	57,475	
Total transfer to other funds	(159,887)	(159,887)	(102,412)	57,475
Net change in fund balance	(912,755)	(1,213,625)	(1,198,740)	14,885
Fund balance - beginning	912,755	1,213,625	1,213,626	1
Fund balance - ending	\$ -	\$ -	14,886	\$ 14,886
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			410	
Fund balance - GAAP basis			\$ 15,296	

City of Portland, Oregon
Housing Capital Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Other:				
Investment earnings	\$ -	\$ 800	\$ 38,684	\$ 37,884
EXPENDITURES				
Current:				
Personal services	1,084,253	1,166,500	90,715	
External materials and services	2,035,000	1,294,313	138,492	
Internal materials and services	492,054	280,054	17,203	
Capital outlay	19,825,000	475,000	179,146	
Total current	23,436,307	3,215,867	425,556	2,790,311
Debt service and related costs:				
Debt issuance costs	-	160,000	153,703	
Internal loan remittances	-	15,600,000	15,600,000	
Total debt service and related costs	-	15,760,000	15,753,703	6,297
Total expenditures	23,436,307	18,975,867	16,179,259	2,796,608
Revenues over (under) expenditures	(23,436,307)	(18,975,067)	(16,140,575)	2,834,492
OTHER FINANCING SOURCES (USES)				
Transfers from other fund:				
Housing Investment	-	347,818	97,818	(250,000)
Transfers to other fund:				
Housing Investment	-	(87,600)	-	87,600
Bonds and notes issued	20,764,075	16,387,988	15,610,000	(777,988)
Bonds and notes premium	-	-	38,118	38,118
Internal loan proceeds	2,672,232	1,822,232	500,000	(1,322,232)
Total other financing sources (uses)	23,436,307	18,470,438	16,245,936	(2,224,502)
Net change in fund balance	-	(504,629)	105,361	609,990
Fund balance - beginning	-	504,629	30,017	(474,612)
Fund balance - ending	\$ -	\$ -	135,378	\$ 135,378
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain on investments			447	
Loans payable			-	
Fund balance - GAAP basis			\$ 135,825	

Permanent Fund Budget and Actual

PERMANENT FUND
BUDGET & ACTUAL



Portland
the City of Roses

B

Parks Endowment Fund

This fund accounts for gifts, donations, and endowments of a permanent nature. The principal is invested, and earnings are available to support Parks and Recreation programs and activities. Any income not used under the terms and conditions of the original donation shall apply to increase the trust reserve.

**City of Portland, Oregon
Parks Endowment Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ 2,309	\$ 2,309	\$ 4,016	\$ 1,707
EXPENDITURES				
Current:				
Personal services	750	750	-	
External materials and services	22,111	22,230	-	
Internal materials and services	775	775	-	
Total current expenditures	23,636	23,755	-	23,755
Net change in fund balance	(21,327)	(21,446)	4,016	25,462
Fund balance - beginning	187,068	187,187	187,187	-
Fund balance - ending	\$ 165,741	\$ 165,741	191,203	\$ 25,462
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			750	
Fund balance - GAAP basis			\$ 191,953	

Schedules of Revenues and Expenditures Proprietary Funds - Budget and Actual

SCHED OF REV & EXPEND
PROPRIETARY FUNDS
BUDGET & ACTUAL



B

Enterprise Funds Budget and Actual



Portland
the City of Roses

ENTERPRISE FUNDS
BUDGET & ACTUAL

B

Sewage Disposal Fund

This fund accounts for the wastewater collection and treatment system activities and financing systems development charges through bonded assessments and payment of principal and interest on improvement bonds. Revenue is derived mainly from user fees.

Water Fund

This fund accounts for water distribution system activities. Revenues are derived mainly from water service and installation charges.

Hydroelectric Power Fund

This fund accounts for assets relating to development and installation of hydroelectric generating equipment at the City-owned Bull Run Reservoir. The fund also accounts for activities of the generating plant.

Golf Fund

This fund accounts for the purchase, improvement, and maintenance of municipal golf courses. It also accounts for recreation programs and training utilizing the golf facilities. Revenues are derived from golf fees.

Portland International Raceway Fund

This fund accounts for basic operations of the raceway. Revenues are derived primarily from user fees.

Solid Waste Management Fund

This fund accounts for expenses, user fees, and other revenues associated with the City's oversight of solid waste collection activities and its efforts to reduce solid waste through recycling and waste reduction.

Parking Facilities Fund

This fund accounts for activities of City-owned parking facilities. Revenues are derived from parking fees and commercial space rentals.

Spectator Venues & Visitor Activities Fund

This fund accounts for revenues and expenses associated with the development, maintenance, and operation of PGE Park and the Rose Quarter.

Environmental Remediation Fund

This fund is used to identify and track remediation projects and related debt service. Revenues are derived from Revenue Bond sales, remediation charges, and Solid Waste Management Fund transfers.

For financial reporting and operating purposes, management considers the activities of the enterprise funds as unitary

Budget to actual schedules for these funds, prepared on the modified accrual basis of accounting, are included in

ENTERPRISE FUNDS:

SEWAGE DISPOSAL FUNDS:

- Sewer System Rate Stabilization Fund

WATER FUNDS:

- Water Bond Sinking Fund

HYDROELECTRIC POWER FUNDS:

- Hydroelectric Power Fund

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City of Portland, Oregon
Sewer System Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Licenses and permits:				
Construction permits	\$ 622,000	\$ 622,000	\$ 631,624	
Other permits	1,535,000	1,530,000	1,689,030	
Total licenses and permits	2,157,000	2,152,000	2,320,654	\$ 168,654
Charges for services:				
Public works and utility charges	383,375,228	386,175,228	372,293,101	
Inspection fees	775,000	775,000	604,939	
Rents and reimbursements	155,780	155,780	217,671	
Other service charges	831,000	831,000	821,615	
Total charges for services	385,137,008	387,937,008	373,937,326	(13,999,682)
Intergovernmental:				
State revenue sharing	150,000	150,000	156,536	
Local cost sharing	45,000	45,000	24,994	
Total intergovernmental	195,000	195,000	181,530	(13,470)
Billings to other funds for services	2,182,876	3,032,376	3,014,754	(17,622)
Other:				
Sale of capital asset	300,000	1,300,000	1,529,008	
Sales - other	250,000	250,000	198,062	
Investment earnings	1,015,000	2,015,000	2,047,792	
Other interest income	340,000	340,000	279,208	
Miscellaneous	64,000	564,000	667,416	
Total other	1,969,000	4,469,000	4,721,486	252,486
Total revenues	391,640,884	397,785,384	384,175,750	(13,609,634)
EXPENDITURES				
Current:				
Personal services	74,346,131	74,501,307	74,235,237	
External materials and services	70,016,189	81,020,005	76,194,536	
Internal materials and services	43,995,432	45,361,196	42,795,852	
Capital outlay	95,473,260	93,188,650	80,294,942	
Total current expenditures	283,831,012	294,071,158	273,520,567	20,550,591
General operating contingencies	73,045,540	60,688,142	-	60,688,142
Debt service and related costs:				
Principal	2,810,933	2,810,933	2,810,933	
Interest	912,992	912,992	891,498	
Debt issuance costs	58,863	58,863	59,013	
Total debt service and related costs	3,782,788	3,782,788	3,761,444	21,344
Total expenditures	360,659,340	358,542,088	277,282,011	81,260,077
Revenues over (under) expenditures	30,981,544	39,243,296	106,893,739	67,650,443

City of Portland, Oregon
Sewer System Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Transportation Operating	50,000	66,248	66,248	-
Sewer System Construction	130,500,000	130,500,000	131,919,321	1,419,321
Sewer System Rate Stabilization	5,000,000	-	-	-
Water	150,000	150,000	112,126	(37,874)
Total transfers from other funds	135,700,000	130,716,248	132,097,695	1,381,447
Transfers to other funds:				
General Fund Overhead	(6,602,291)	(6,602,291)	(6,602,291)	-
Pension Debt Redemption	(454,253)	(454,253)	(454,253)	-
Sewer System Debt Redemption	(180,625,000)	(181,625,000)	(180,330,710)	1,294,290
Sewer System Construction	(25,000,000)	(47,000,000)	(39,875,000)	7,125,000
Sewer System Rate Stabilization	(30,000,000)	(24,000,000)	(24,000,000)	-
Total transfers to other funds	(242,681,544)	(259,681,544)	(251,262,254)	8,419,290
Total other financing sources (uses)	(106,981,544)	(128,965,296)	(119,164,559)	9,800,737
Net change in fund balance	(76,000,000)	(89,722,000)	(12,270,820)	77,451,180
Fund balance - beginning	76,180,000	89,902,000	89,902,831	831
Fund balance - ending	<u>\$ 180,000</u>	<u>\$ 180,000</u>	77,632,011	<u>\$ 77,452,011</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Debt redemption fund budgeted as separate fund			62,118,376	
Construction fund budgeted as separate fund			113,611,212	
Rate stabilization fund budgeted as separate fund			165,417,775	
Unrealized gain (loss) in investments			1,465,695	
Allowance for uncollectible			(5,393,076)	
Inventories			2,373,142	
OPEB asset			344,431	
Capital assets, net of accumulated depreciation			3,423,434,048	

continued next page

City of Portland, Oregon
Sewer System Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

Internal balances	1,457,886
Self insurance claims	(49,087)
Deferred outflows - pensions	24,637,047
Deferred outflows - OPEB	635,140
Deferred charge for debt refunding	21,506
Compensated absences	(5,345,919)
Bonds payable	(1,587,358,057)
Notes and loans payable	(10,780,833)
Accrued Interest payable	(30,032,097)
Net pension liability - PERS	(67,699,438)
Other postemployment benefits	(6,698,621)
Landfill postclosure	(2,669,164)
Pollution remediation	(300,000)
Deferred inflows - pensions	(4,236,057)
Deferred inflows - OPEB	(422,529)
Deferred charge for debt refundings	(3,831,854)
Net position - GAAP basis	<u><u>\$2,148,331,537</u></u>

City of Portland, Oregon
Sewer System Debt Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Other:				
Investment earnings	\$ 1,100,000	\$ 1,100,000	\$ 1,458,090	
Other interest income	-	-	1,759	
Total Revenues	1,100,000	1,100,000	1,459,849	\$ 359,849
EXPENDITURES				
Debt service and related costs:				
Principal	110,338,792	111,338,792	110,338,792	
Interest	71,285,883	71,285,883	71,285,883	
Total expenditures	181,624,675	182,624,675	181,624,675	1,000,000
Revenues over (under) expenditures	(180,524,675)	(181,524,675)	(180,164,826)	1,359,849
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
Sewer System Operating	180,625,000	181,625,000	180,330,710	(1,294,290)
Bonds and notes issued	-	-	-	-
Total other financing sources (uses)	180,625,000	181,625,000	180,330,710	(1,294,290)
Net change in fund balance	100,325	100,325	165,884	65,559
Fund balance - beginning	61,950,000	61,950,000	61,952,492	2,492
Fund balance - ending	\$ 62,050,325	\$ 62,050,325	62,118,376	\$ 68,051
Adjustment to generally accepted accounting principles (GAAP) basis:				
Sewer System Debt Redemption Fund budgeted as separate fund - to Sewer System Operating Fund			(62,118,376)	
Net position - GAAP basis			\$ -	

City of Portland, Oregon
Sewer System Construction Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Service charges and fees:				
Public works and utility charges	\$ 850,000	\$ 850,000	\$ 650,661	\$ (199,339)
Other:				
Investment earnings	2,000,000	2,000,000	3,207,320	1,207,320
Total revenues	2,850,000	2,850,000	3,857,981	1,007,981
EXPENDITURES				
General operating contingencies	86,750,000	121,146,911	-	121,146,911
Total expenditures	86,750,000	121,146,911	-	121,146,911
Revenues over (under) expenditures	(83,900,000)	(118,296,911)	3,857,981	122,154,892
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Local Improvement District	700,000	2,568,911	2,568,910	(1)
Sewer System Operating	25,000,000	47,000,000	39,875,000	(7,125,000)
Total transfers from other funds	25,700,000	49,568,911	42,443,910	(7,125,001)
Transfer to other fund:				
Sewer System Operating	(130,500,000)	(130,500,000)	(131,919,321)	(1,419,321)
Total other financing sources (uses)	(104,800,000)	(80,931,089)	(89,475,411)	(8,544,322)
Net change in fund balance	(188,700,000)	(199,228,000)	(85,617,430)	113,610,570
Fund balance - beginning	188,700,000	199,228,000	199,228,642	642
Fund balance - ending	\$ -	\$ -	113,611,212	\$ 113,611,212
Adjustment to generally accepted accounting principles (GAAP) basis:				
Sewer System Construction Fund budgeted as separate fund to Sewer System Operating Fund			(113,611,212)	
Net position - GAAP basis			\$ -	

City of Portland, Oregon
Sewer System Rate Stabilization Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ 2,400,000	\$ 2,400,000	\$ 2,971,632	\$ 571,632
EXPENDITURES				
General operating contingencies	165,550,000	164,550,000	-	164,550,000
Revenues over (under) expenditures	(163,150,000)	(162,150,000)	2,971,632	165,121,632
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
Sewer System Operating	30,000,000	24,000,000	24,000,000	
Transfer to other fund:				
Sewer System Operating	(5,000,000)	-	-	
Total other financing sources (uses)	25,000,000	24,000,000	24,000,000	-
Net change in fund balance	(138,150,000)	(138,150,000)	26,971,632	165,121,632
Fund balance - beginning	138,150,000	138,150,000	138,446,143	296,143
Fund balance - ending	\$ -	\$ -	165,417,775	\$ 165,417,775
Adjustment to generally accepted accounting principles (GAAP) basis:				
Sewer System Rate Stabilization Fund budgeted as separate fund to Sewer System Operating Fund			(165,417,775)	
Net position - GAAP basis			\$ -	

City of Portland, Oregon
Water Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services				
Public works and utility charges	\$ 187,155,167	\$ 187,155,167	\$ 190,151,889	
Rents and reimbursements	675,000	675,000	668,581	
Other service charges	2,750,000	2,750,000	2,706,256	
Total charges for services	190,580,167	190,580,167	193,526,726	\$ 2,946,559
Intergovernmental:				
Local cost sharing	526,000	526,000	658,536	132,536
Other:				
Sales - other	100,000	100,000	134,131	
Refunds	10,000	10,000	-	
Other interest income	-	-	96,241	
Investment earnings	1,042,193	1,042,193	1,839,251	
Miscellaneous	100,000	100,000	418,756	
Sale of capital asset	225,000	225,000	423,216	
Total other	1,477,193	1,477,193	2,911,595	1,434,402
Billings to other funds for services	3,477,617	3,484,697	3,666,944	182,247
Total revenues	196,060,977	196,068,057	200,763,801	4,695,744
EXPENDITURES				
Current:				
Personal services	76,128,296	76,128,296	68,778,233	
External materials and services	42,695,350	39,580,910	35,793,557	
Internal materials and services	21,880,304	22,591,827	21,964,773	
Capital outlay	96,916,025	55,035,735	54,240,192	
Total current expenditures	237,619,975	193,336,768	180,776,755	12,560,013
General operating contingencies	101,887,186	136,992,656	-	136,992,656
Debt service and related costs:				
Principal	2,919,459	2,919,459	2,919,459	
Interest	948,241	948,241	925,917	
Debt issuance costs	600,080	600,080	-	
Total debt service and related costs	4,467,780	4,467,780	3,845,376	622,404
Total expenditures	343,974,941	334,797,204	184,622,131	150,175,073
Revenues over (under) expenditures	(147,913,964)	(138,729,147)	16,141,670	154,870,817
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	1,815,200	1,815,200	1,815,200	-
Water Construction	146,362,526	131,362,526	117,112,922	14,249,604
Total transfers from other funds	148,177,726	133,177,726	118,928,122	14,249,604

City of Portland, Oregon
Water Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
OTHER FINANCING SOURCES (USES), CONTINUED				
Transfers to other funds:				
General Fund Overhead	(5,238,952)	(5,238,952)	(5,238,952)	-
General	-	(26,827)	(26,827)	-
Pension Debt Redemption	(471,791)	(471,791)	(471,791)	-
Sewer System Operating	(150,000)	(150,000)	(112,126)	37,874
Water Bond Sinking	(55,858,868)	(55,858,868)	(55,106,071)	752,797
Water Construction	(32,729,115)	(36,731,483)	(36,036,068)	695,415
Total transfers to other funds	(94,448,726)	(98,477,921)	(96,991,835)	1,486,086
Total other financing sources (uses)	53,729,000	34,699,805	21,936,287	(12,763,518)
Net change in fund balance	(94,184,964)	(104,029,342)	38,077,957	142,107,299
Fund balance - beginning	94,184,964	104,029,342	104,029,342	-
Fund balance - ending	\$ -	\$ -	142,107,299	\$ 142,107,299
Adjustment to generally accepted accounting principles (GAAP) basis:				
Water Bond Sinking Fund budgeted as separate			31,568,848	
Water Construction Fund budgeted as separate fund			23,086,423	
Unrealized gain (loss) on investments			611,591	
Allowance for uncollectible accounts			(3,183,602)	
Inventories			2,681,639	
Property held for sale			151,630	
Internal balances			5,141,410	
Capital assets, net of accumulated depreciation and amortization			1,229,337,280	
OPEB asset			361,866	
Deferred outflows - pensions			22,731,718	
Deferred outflows - OPEB			663,212	
Deferred charge for debt refunding			27,983	
Self insurance claims			(506,787)	
Compensated absences			(5,077,591)	
Bonds payable			(651,235,698)	
Accrued interest payable			(22,159,593)	
Net pension liability - PERS			(63,676,831)	
Utility taxes payable			(1,804,908)	
Other postemployment benefits			(7,307,599)	
Deferred inflows - pensions			(3,929,982)	
Deferred inflows - OPEB			(446,981)	
Deferred charge for debt refunding			(916,705)	
Net position - GAAP basis			\$ 698,224,622	

City of Portland, Oregon
Water Bond Sinking Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Other:				
Investment earnings	\$ 564,322	\$ 564,322	\$ 734,982	
Other interest income	-	-	749	
Total revenues	564,322	564,322	735,731	\$ 171,409
EXPENDITURES				
Debt service and related costs:				
Principal	30,716,001	30,716,001	29,570,000	
Interest	27,345,376	27,345,376	26,199,375	
Total debt service and related costs	58,061,377	58,061,377	55,769,375	2,292,002
Revenues over (under) expenditures	(57,497,055)	(57,497,055)	(55,033,644)	2,463,411
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Water	55,858,868	55,858,868	55,106,071	(752,797)
Bonds and notes issued	6,505,000	6,505,000	-	(6,505,000)
Total other financing sources (uses)	62,363,868	62,363,868	55,106,071	(7,257,797)
Net change in fund balance	4,866,813	4,866,813	72,427	(4,794,386)
Fund balance - beginning	31,351,200	31,496,421	31,496,421	-
Fund balance - ending	\$ 36,218,013	\$ 36,363,234	31,568,848	\$ (4,794,386)
Adjustment to generally accepted accounting principles (GAAP) basis:				
Water Bond Sinking Fund budgeted as separate fund - to Water Fund			(31,568,848)	
Net position - GAAP basis			\$ -	

City of Portland, Oregon
Water Construction Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Service charges and fees:				
Public works and utility charges	\$ 4,000,000	\$ 4,000,000	\$ 5,297,160	\$ 1,297,160
Other:				
Investment earnings	942,575	942,575	1,638,943	
Other interest income	-	-	13,975	
Total other revenues	942,575	942,575	1,652,918	710,343
Total revenues	4,942,575	4,942,575	6,950,078	2,007,503
EXPENDITURES				
General operating contingencies	-	-	-	-
Revenues over (under) expenditures	4,942,575	4,942,575	6,950,078	2,007,503
OTHER FINANCING SOURCES (USES)				
Transfers from other fund:				
Tax increment reimbursement	-	3,350,000	3,211,602	(138,398)
Local Improvement District	-	58,106	58,106	-
Water	32,729,115	36,731,483	36,036,068	(695,415)
Transfers to other fund:				
Water	(146,362,526)	(131,362,526)	(117,112,922)	14,249,604
Bonds and notes issued	85,175,000	85,175,000	-	(85,175,000)
Total other financing sources (uses)	(28,458,411)	(6,047,937)	(77,807,146)	(71,759,209)
Net change in fund balance	(23,515,836)	(1,105,362)	(70,857,068)	(69,751,706)
Fund balance - beginning	87,792,983	93,943,491	93,943,491	-
Fund balance - ending	\$ 64,277,147	\$ 92,838,129	23,086,423	\$ (69,751,706)
Adjustment to generally accepted accounting principles (GAAP) basis:				
Water Construction Fund budgeted as separate fund - to Water Fund			(23,086,423)	
Net position - GAAP basis			\$ -	

City of Portland, Oregon
Hydroelectric Power Operating Fund
Schedule of Revenue and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Other:				
Sales - other	\$ 2,251,677	\$ 2,251,677	\$ 1,226,522	
Investment earnings	10,000	10,000	48,652	
Miscellaneous	-	-	7,552	
Total other	2,261,677	2,261,677	1,282,726	\$ (978,951)
Billings to other funds for services	52,500	175,932	246,794	70,862
Total revenues	2,314,177	2,437,609	1,529,520	(908,089)
EXPENDITURES				
Current:				
Personal services	355,780	355,780	292,249	
External materials and services	2,055,560	2,328,679	2,312,883	
Internal materials and services	206,711	205,479	186,552	
Total current expenditures	2,618,051	2,889,938	2,791,684	98,254
General operating contingencies	2,247,505	2,325,196	-	2,325,196
Debt service and related costs:				
Principal	21,545	21,545	21,545	-
Interest	6,998	6,998	6,833	165
Total debt service and related costs	28,543	28,543	28,378	165
Total expenditures	4,894,099	5,243,677	2,820,062	2,423,615
Revenues over (under) expenditures	(2,579,922)	(2,806,068)	(1,290,542)	1,515,526

City of Portland, Oregon
Hydroelectric Power Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(31,945)	(31,945)	(31,945)	-
Pension Debt Redemption	(3,482)	(3,482)	(3,482)	-
Total other financing sources (uses)	(35,427)	(35,427)	(35,427)	-
 Net change in fund balance	(2,615,349)	(2,841,495)	(1,325,969)	1,515,526
 Fund balance - beginning	2,615,349	2,841,495	2,841,495	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	1,515,526	<u>\$ 1,515,526</u>
 Adjustment to generally accepted accounting principles (GAAP) basis:				
Hydroelectric Renewal and Replacement Fund budgeted as separate fund			111,457	
Unrealized gain (loss) on investments			8,096	
Capital assets, net of accumulated depreciation and amortization			19,665,655	
OPEB asset			1,510	
Deferred outflows - pensions			101,874	
Deferred outflows - OPEB			2,339	
Compensated absences			(24,536)	
Bonds payable			(115,567)	
Accrued interest payable			(122,489)	
Net pension liability - PERS			(319,878)	
Other postemployment benefits			(35,436)	
Deferred inflows - pensions			(16,717)	
Deferred inflows - OPEB			(2,188)	
Net position - GAAP basis			<u>\$ 20,769,646</u>	

City of Portland, Oregon
Hydroelectric Power Renewal and Replacement Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
EXPENDITURES				
General operating contingencies	\$ 100,000	\$ 111,457	-	\$ 111,457
Revenues over (under) expenditures	(100,000)	(111,457)	-	111,457
Net change in fund balance	(100,000)	(111,457)	-	111,457
Fund balance - beginning	100,000	111,457	\$ 111,457	-
Fund balance - ending	\$ -	\$ -	111,457	\$ 111,457
Adjustment to generally accepted accounting principles (GAAP) basis:				
Hydroelectric Power Renewal and Replacement Fund budgeted as separate fund - to Hydroelectric Power Operating Fund			(111,457)	
Net position - GAAP basis			\$ -	

City of Portland, Oregon
Golf Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 568,715	\$ 568,715	\$ 583,820	
Concessions	1,869,694	1,909,694	2,095,042	
Parks and recreation facilities fees	5,814,465	5,974,465	6,246,677	
Other service charges	649,330	649,330	708,629	
Total charges for services	8,902,204	9,102,204	9,634,168	\$ 531,964
Other:				
Sales - other	1,213	1,213	1,481	
Investment earnings	10,618	10,618	17,796	
Miscellaneous	1,124	183,124	181,908	
Total other	12,955	194,955	201,185	6,230
Total revenues	8,915,159	9,297,159	9,835,353	538,194
EXPENDITURES				
Current:				
Personal services	2,879,502	3,299,502	3,256,373	
External materials and services	4,195,543	4,695,543	4,630,017	
Internal materials and services	758,491	758,289	604,183	
Total current expenditures	7,833,536	8,753,334	8,490,573	262,761
General operating contingencies	664,069	482,025	-	482,025
Debt service and related costs:				
Principal	176,036	176,036	176,036	
Interest	181,459	195,676	78,417	
Internal loan remittances	-	113,500	113,500	
Total debt service and related costs	357,495	485,212	367,953	117,259
Total expenditures	8,855,100	9,720,571	8,858,526	862,045
Revenues over (under) expenditures	60,059	(423,412)	976,827	1,400,239

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City of Portland, Oregon
Golf Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(431,433)	(431,433)	(431,433)	-
Pension Debt Redemption	(28,448)	(28,448)	(28,448)	-
Total transfers to other funds	(459,881)	(459,881)	(459,881)	-
Sale of capital asset	2,410	2,410	340	(2,070)
Total other financing sources (uses)	(457,471)	(457,471)	(459,541)	(2,070)
Net change in fund balance	(397,412)	(880,883)	517,286	1,398,169
Fund balance - beginning	397,412	880,883	448,046	(432,837)
Fund balance - ending	\$ -	\$ -	965,332	\$ 965,332
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			3,448	
Capital assets, net of accumulated depreciation and amortization			8,590,024	
OPEB asset			26,580	
Deferred outflows - pensions			1,241,968	
Deferred outflows - OPEB			45,618	
Compensated absences			(192,689)	
Bonds payable			(944,263)	
Internal loans payable			(964,750)	
Accrued interest payable			(1,000,811)	
Net pension liability - PERS			(3,708,359)	
Other postemployment benefits			(583,953)	
Deferred inflows - pensions			(211,024)	
Deferred inflows - OPEB			(35,156)	
Net position - GAAP basis			\$ 3,231,965	

City of Portland, Oregon
Portland International Raceway Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services				
Rents and reimbursements	\$ 1,351,405	\$ 1,351,405	\$ 1,668,828	
Concessions	122,116	122,116	143,564	
Parks and recreation facilities fees	380,441	461,732	209,694	
Other service charges	19,708	19,708	23,000	
Total charges for services	1,873,670	1,954,961	2,045,086	\$ 90,125
Other:				
Donations	-	-	35,000	
Investment earnings	5,956	5,956	19,339	
Miscellaneous	5,732	45,732	7,475	
Total other	11,688	51,688	61,814	10,126
Total revenues	1,885,358	2,006,649	2,106,900	100,251
EXPENDITURES				
Current:				
Personal services	864,138	1,096,138	926,891	
External materials and services	460,760	630,760	694,645	
Internal materials and services	115,555	125,446	109,416	
Capital outlay	-	1,750,000	1,354,946	
Total current expenditures	1,440,453	3,602,344	3,085,898	516,446
General operating contingencies	864,758	476,226	-	476,226
Debt service and related costs:				
Principal	243,821	35,000	33,888	
Interest	26,151	29,158	27,280	
Internal Loan Remittances	-	250,000	250,000	
Total debt services and related costs	269,972	314,158	311,168	2,990
Total expenditures	2,575,183	4,392,728	3,397,066	995,662
Revenues over (under) expenditures	(689,825)	(2,386,079)	(1,290,166)	1,095,913

City of Portland, Oregon
Portland International Raceway Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfer to other fund:				
General Fund Overhead	(73,355)	(73,355)	(73,355)	-
Pension Debt Redemption	(5,477)	(5,477)	(5,477)	-
Total transfers to other funds	(78,832)	(78,832)	(78,832)	-
Internal loan proceeds	-	1,750,000	1,750,000	-
Total other financing sources (uses)	(78,832)	1,671,168	1,671,168	-
Net change in fund balance	(768,657)	(714,911)	381,002	1,095,913
Fund balance - beginning	768,657	714,911	714,911	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	1,095,913	<u>\$ 1,095,913</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			4,641	
Capital assets, net of accumulated depreciation and amortization			2,953,774	
OPEB asset			6,812	
Deferred outflows - pensions			240,303	
Deferred outflows - OPEB			12,867	
Compensated absences			(55,443)	
Bonds payable			(181,776)	
Accrued interest payable			(192,666)	
Internal loans payable			(1,500,000)	
Net pension liability - PERS			(674,067)	
Other postemployment benefits			(132,388)	
Deferred inflows - pensions			(40,371)	
Deferred inflows - OPEB			(8,128)	
Net position - GAAP basis			<u>\$ 1,529,471</u>	

City of Portland, Oregon
Solid Waste Management Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Licenses and permits:				
Public utility licenses	\$ 3,097,754	\$ 3,097,754	\$ 3,282,689	
Other permits	12,950	12,950	700	
Total licenses and permits	3,110,704	3,110,704	3,283,389	\$ 172,685
Charges for services				
Public works and utility charges	4,372,595	4,372,595	4,120,802	(251,793)
Other:				
Donations	-	-	10,500	
Investment earnings	65,974	65,974	83,327	
Fines	12,650	12,650	39,950	
Miscellaneous	30,000	30,000	7,974	
Total other	108,624	108,624	141,751	33,127
Billings to other funds for services	5,000	5,000	5,000	-
Total revenues	7,596,923	7,596,923	7,550,942	(45,981)
EXPENDITURES				
Current:				
Personal services	2,546,831	2,546,831	2,348,636	
External materials and services	2,218,705	2,176,059	1,360,142	
Internal materials and services	2,736,609	1,679,643	1,566,898	
Total current expenditures	7,502,145	6,402,533	5,275,676	1,126,857
General operating contingencies	112,593	112,593	-	112,593
Debt service and related costs:				
Principal	54,664	54,664	54,664	
Interest	17,755	17,755	17,337	
Total debt service and related costs	72,419	72,419	72,001	418
Total expenditures	7,687,157	6,587,545	5,347,677	1,239,868
Revenues over (under) expenditures	(90,234)	1,009,378	2,203,265	1,193,887

City of Portland, Oregon
Solid Waste Management Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(193,588)	(193,588)	(193,588)	-
Facilities Services Operating	-	(1,000,000)	(1,000,000)	-
Pension Debt Redemption	(8,834)	(8,834)	(8,834)	-
Total transfers to other funds	(202,422)	(1,202,422)	(1,202,422)	-
Internal loan remittances	-	(297,790)	-	297,790
Total other financing sources (uses)	(202,422)	(1,500,212)	(1,202,422)	297,790
 Net change in fund balance	(292,656)	(490,834)	1,000,843	1,491,677
 Fund balance - beginning	4,118,672	4,994,931	4,994,931	-
Fund balance - ending	<u>\$ 3,826,016</u>	<u>\$ 4,504,097</u>	5,995,774	<u>\$ 1,491,677</u>
 Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			15,578	
Capital assets, net of accumulated depreciation and amortization			116,134	
OPEB asset			13,445	
Deferred outflows - pensions			830,672	
Deferred outflows - OPEB			24,563	
Compensated absences			(212,325)	
Bonds payable			(293,219)	
Accrued interest payable			(310,786)	
Net pension liability - PERS			(2,355,139)	
Other postemployment benefits			(266,732)	
Deferred inflows - pensions			(141,718)	
Deferred inflows - OPEB			(16,666)	
Net position - GAAP basis			<u>\$ 3,399,581</u>	

City of Portland, Oregon
Parking Facilities Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Over/Under</u>
REVENUES				
Service charges and fees:				
Rents and reimbursements	\$ 665,126	\$ 665,126	\$ 758,466	
Parking fees	12,500,000	12,500,000	13,544,595	
Other service charges	1,000	1,000	1,041	
Total service charges and fees	<u>13,166,126</u>	<u>13,166,126</u>	<u>14,304,102</u>	<u>\$ 1,137,976</u>
Billings to other funds for services	<u>1,056,878</u>	<u>1,061,878</u>	<u>1,070,779</u>	<u>8,901</u>
Other:				
Investment earnings	100,000	100,000	350,048	
Other interest income	-	-	51	
Miscellaneous	-	-	16,016	
Total other revenue	<u>100,000</u>	<u>100,000</u>	<u>366,115</u>	<u>266,115</u>
Total revenues	<u>14,323,004</u>	<u>14,328,004</u>	<u>15,740,996</u>	<u>1,412,992</u>
EXPENDITURES				
Current:				
Personal services	475,952	475,952	348,644	
External materials and services	4,726,292	5,231,292	5,434,587	
Internal materials and services	3,380,775	3,380,775	3,065,660	
Capital outlay	13,658,416	13,158,416	8,464,252	
Total current expenditures	<u>22,241,435</u>	<u>22,246,435</u>	<u>17,313,143</u>	<u>4,933,292</u>
General operating contingencies	<u>1,151,709</u>	<u>1,151,709</u>	<u>-</u>	<u>1,151,709</u>
Debt service and related costs:				
Principal	1,485,000	1,485,000	1,485,000	
Interest	394,200	394,200	359,952	
Debt Issuance Costs	-	-	35,483	
Total debt services and related costs	<u>1,879,200</u>	<u>1,879,200</u>	<u>1,880,435</u>	<u>(1,235)</u>
Total expenditures	<u>25,272,344</u>	<u>25,277,344</u>	<u>19,193,578</u>	<u>6,083,766</u>
Revenues over (under) expenditures	<u>(10,949,340)</u>	<u>(10,949,340)</u>	<u>(3,452,582)</u>	<u>7,496,758</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(206,456)	(206,456)	(206,456)	-
General	(307,801)	(307,801)	(307,801)	-
Total transfers to other funds	<u>(514,257)</u>	<u>(514,257)</u>	<u>(514,257)</u>	<u>-</u>
Bond and Notes Issued	-	-	7,640,000	7,640,000
Bonds and Notes Premium	-	-	732,750	732,750
Payments to refunded loan and bond escrow agents	-	-	(8,370,000)	(8,370,000)
Total other financing sources (uses)	<u>(514,257)</u>	<u>(514,257)</u>	<u>(511,507)</u>	<u>2,750</u>
Net change in fund balance	<u>(11,463,597)</u>	<u>(11,463,597)</u>	<u>(3,964,089)</u>	<u>7,499,508</u>
Fund balance - beginning	<u>11,463,597</u>	<u>11,463,597</u>	<u>16,754,895</u>	<u>5,291,298</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>12,790,806</u>	<u>\$ 12,790,806</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Allowance for uncollectible accounts			(10,000)	
Unrealized gain (loss) on investments			55,056	
Capital assets, net of accumulated depreciation and amortization			35,053,877	
Deferred outflows - pensions			6,278	
Deferred charge for bond refunding			44,439	
Bonds payable			(8,357,693)	
Accrued interest payable			(160,050)	
Net pension liability - PERS			(85,906)	
Deferred inflows - pensions			(4,406)	
Net position - GAAP basis			<u>\$ 39,332,401</u>	

City of Portland, Oregon
Spectator Facilities Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 4,423,626	\$ 4,423,626	\$ 7,760,952	
Parking fees	1,719,500	1,719,500	2,558,180	
Other service charges	-	-	2,800	
Total charges for services	6,143,126	6,143,126	10,321,932	\$ 4,178,806
Intergovernmental:				
Local cost sharing	1,817,409	1,817,409	1,834,152	16,743
Other:				
Investment earnings	35,000	35,000	280,166	245,166
Total revenues	7,995,535	7,995,535	12,436,250	4,440,715
EXPENDITURES				
Current:				
Personal services	480,790	480,790	343,595	
External materials and services	3,542,464	3,542,464	2,140,559	
Internal materials and services	314,381	320,431	255,025	
Capital outlay	2,457,000	2,457,000	959,379	
Total current expenditures	6,794,635	6,800,685	3,698,558	3,102,127
General operating contingencies	4,548,970	7,730,539	-	7,730,539
Debt service and related costs:				
Principal	2,606,000	2,606,000	2,606,000	
Interest	835,592	835,592	835,591	
Total debt services and related costs	3,441,592	3,441,592	3,441,591	1
Total expenditures	14,785,197	17,972,816	7,140,149	10,832,667
Revenues over (under) expenditures	(6,789,662)	(9,977,281)	5,296,101	15,273,382

City of Portland, Oregon
Spectator Facilities Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(188,875)	(188,875)	(188,875)	-
General	(21,463)	(21,463)	(21,463)	-
Total other financing sources (uses)	(210,338)	(210,338)	(210,338)	-
 Net change in fund balance	(7,000,000)	(10,187,619)	5,085,763	15,273,382
 Fund balance - beginning	7,000,000	10,187,619	10,187,621	2
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	15,273,384	<u>\$ 15,273,384</u>
 Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			62,092	
Capital assets, net of accumulated depreciation and amortization			158,892,520	
OPEB asset			1,921	
Deferred outflows - pensions			291,382	
Deferred outflows - OPEB			3,509	
Deferred charge for debt refundings			16,015	
Bonds payable			(22,615,375)	
Accrued interest payable			(62,532)	
Net pension liability - PERS			(802,023)	
Compensated absences			(10,870)	
Other postemployment benefits			(29,783)	
Deferred inflows - pensions			(31,446)	
Deferred inflows - OPEB			(2,381)	
Net position - GAAP basis			<u>\$ 150,986,413</u>	

City of Portland, Oregon
Environmental Remediation Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services:				
Public works and utility charges	\$ 4,000,000	\$ 4,000,000	\$ 4,593,488	
Rents and reimbursements	541,600	541,600	619,160	
Total charges for services	4,541,600	4,541,600	5,212,648	\$ 671,048
Other:				
Investment earnings	144,000	144,000	234,347	
Other interest income	-	-	12,491	
Refunds	-	-	327,001	
Miscellaneous	-	-	192	
Total other	144,000	144,000	574,031	430,031
Billings to other funds for services	431,800	431,800	407,028	(24,772)
Total revenues	5,117,400	5,117,400	6,193,707	1,076,307
EXPENDITURES				
Current:				
Personal services	518,192	609,764	596,550	
External materials and services	4,955,893	4,955,893	1,371,509	
Internal materials and services	1,073,551	1,073,551	1,005,981	
Total current expenditures	6,547,636	6,639,208	2,974,040	3,665,168
General operating contingencies	7,181,015	7,919,443	-	7,919,443
Debt service and related costs:				
Principal	1,262	1,262	1,262	
Interest	410	410	400	
Total debt service and related costs	1,672	1,672	1,662	10
Total expenditures	13,730,323	14,560,323	2,975,702	11,584,621
Revenues over (under) expenditures	(8,612,923)	(9,442,923)	3,218,005	12,660,928

City of Portland, Oregon
Environmental Remediation Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfer to other fund:				
General Fund Overhead	(102,874)	(102,874)	(102,874)	-
Pension Debt Redemption	(203)	(203)	(203)	-
Total other financing sources (uses)	(103,077)	(103,077)	(103,077)	-
 Net change in fund balance	(8,716,000)	(9,546,000)	3,114,928	12,660,928
 Fund balance - beginning	8,716,000	9,546,000	9,546,653	653
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	12,661,581	<u>\$ 12,661,581</u>
 Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			54,688	
Notes and loans payable			624,556	
Internal balances			704	
Capital assets, net of accumulated depreciation and amortization			3,324,674	
OPEB asset			1,921	
Deferred outflows - pensions			231,599	
Deferred outflows - OPEB			3,509	
Compensated absences			(51,272)	
Bonds payable			(6,771)	
Accrued interest payable			(7,184)	
Net pension liability - PERS			(642,731)	
Other postemployment benefits			(43,374)	
Pollution remediation long-term liability			(6,080,000)	
Deferred inflows - pensions			(31,894)	
Deferred inflows - OPEB			(2,381)	
Net position - GAAP basis			<u>\$ 10,037,625</u>	

Internal Service Funds Budget and Actual



Portland
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Health Insurance Operating Fund

This fund accounts for the City's self-insured health program with the exception of Portland Police Association employees.

Facilities Services Operating Fund

This fund accounts for the operation and maintenance of City facilities, properties and capital projects.

CityFleet Operating Fund

This fund accounts for automotive fleet services provided to City and County agencies.

Printing and Distribution Services Operating Fund

This fund accounts for reproduction and distribution services provided to City and County agencies.

Insurance and Claims Operating Fund

This fund accounts for the City's self-insured program for liability and tort risks.

Workers' Compensation Self Insurance Operating Fund

This fund accounts for the City's self-insured program for workers' compensation claims.

Technology Services Fund

This fund accounts for multi-year funding of major capital purchases of information technology equipment and services provided to City agencies.

Portland Police Association (PPA) Health Insurance Fund

This fund is used for healthcare and benefits services for members of the PPA and eligible participants.

Enterprise Business Solutions Services Fund

This fund is established to account for the City's financial system, including current support and future improvements, and to appropriately allocate expenditures of this system across City bureaus.

City of Portland, Oregon
Health Insurance Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Over/Under</u>
REVENUES				
Charges for services:				
Health care charges	\$ 96,163,201	\$ 107,668,692	\$ 106,108,711	\$ (1,559,981)
Other:				
Investment earnings	142,518	188,027	355,183	
Miscellaneous	1,015,054	320,938	398,806	
Total other	<u>1,157,572</u>	<u>508,965</u>	<u>753,989</u>	<u>245,024</u>
Billing to other funds - services	-	237,499	237,467	(32)
Total revenues	<u>97,320,773</u>	<u>108,415,156</u>	<u>107,100,166</u>	<u>(1,314,990)</u>
EXPENDITURES				
Current:				
Personal services	1,789,954	2,196,742	2,023,236	
External materials and services	96,242,571	117,037,922	105,802,370	
Internal materials and services	431,397	493,890	445,327	
Total current expenditures	<u>98,463,922</u>	<u>119,728,554</u>	<u>108,270,933</u>	<u>11,457,621</u>
General operating contingencies	<u>21,124,775</u>	<u>10,954,526</u>	-	<u>10,954,526</u>
Debt service and related costs:				
Principal	32,492	32,492	32,492	
Interest	10,554	10,554	10,305	
Total debt service and related costs	<u>43,046</u>	<u>43,046</u>	<u>42,797</u>	<u>249</u>
Total expenditures	<u>119,631,743</u>	<u>130,726,126</u>	<u>108,313,730</u>	<u>22,412,396</u>
Revenues over (under) expenditures	<u>(22,310,970)</u>	<u>(22,310,970)</u>	<u>(1,213,563)</u>	<u>21,097,407</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(316,145)	(316,145)	(316,145)	-
Pension Debt Redemption	(5,251)	(5,251)	(5,251)	-
Total other financing sources (uses)	<u>(321,396)</u>	<u>(321,396)</u>	<u>(321,396)</u>	<u>-</u>
Net change in fund balance	(22,632,366)	(22,632,366)	(1,534,959)	21,097,407
Fund balance - beginning	<u>22,632,366</u>	<u>22,632,366</u>	<u>22,940,720</u>	<u>308,354</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>21,405,761</u>	<u>\$ 21,405,761</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			113,085	
OPEB asset			8,503	
Deferred outflows - pensions			682,345	
Deferred outflows - OPEB			16,376	
Self insurance claims			(9,986,000)	
Compensated absences			(215,669)	
Bonds payable			(174,290)	
Accrued interest payable			(184,735)	
Net pension liability - PERS			(1,750,916)	
Other postemployment benefits			(144,120)	
Deferred inflows - pensions			(115,755)	
Deferred inflows - OPEB			(9,908)	
Net position - GAAP basis			<u>\$ 9,644,677</u>	

City of Portland, Oregon
Facilities Services Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 1,426,949	\$ 1,426,949	\$ 1,505,596	
Other service charges	36,200	36,200	21,122	
Total charges for services	1,463,149	1,463,149	1,526,718	\$ 63,569
Intergovernmental:				
State cost sharing	-	-	519,770	
Multnomah County cost sharing	-	-	219,527	
Local cost sharing	15,000	15,000	24,882	
Total intergovernmental	15,000	15,000	764,179	749,179
Billings to other funds for services	30,015,956	30,695,977	30,646,824	(49,153)
Other:				
Sales - other	402,200	402,200	436,993	
Investment earnings	518,647	518,647	1,662,114	
Other interest income	-	-	16	
Miscellaneous	9,200	224,200	40,435	
Total other	930,047	1,145,047	2,139,558	994,511
Total revenues	32,424,152	33,319,173	35,077,279	1,758,106
EXPENDITURES				
Current:				
Personal services	5,590,217	6,288,656	5,114,999	
External materials and services	37,399,638	53,755,387	44,235,048	
Internal materials and services	4,168,015	5,081,143	4,372,620	
Capital outlay	77,683,736	100,917,342	87,232,108	
Total current expenditures	124,841,606	166,042,528	140,954,775	25,087,753
General operating contingencies	34,350,674	20,458,732	-	20,458,732
Debt service and related costs:				
Principal	2,419,989	2,419,989	2,419,989	
Interest	4,352,016	4,199,016	4,094,373	
Debt issuance costs	161,300	235,300	296,547	
Total debt service and related costs	6,933,305	6,854,305	6,810,909	43,396
Total expenditures	166,125,585	193,355,565	147,765,684	45,589,881
Revenues over (under) expenditures	(133,701,433)	(160,036,392)	(112,688,405)	47,347,987

continued next page

City of Portland, Oregon
Facilities Services Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers from other fund:				
General	4,122,404	4,174,067	3,795,402	(378,665)
Solid Waste Management	-	1,000,000	1,000,000	-
Total transfers from other funds	4,122,404	5,174,067	4,795,402	(378,665)
Transfers to other funds:				
General Fund Overhead	(1,035,631)	(1,035,631)	(1,035,631)	-
Pension Debt Redemption	(28,278)	(28,278)	(28,278)	-
Total transfers to other funds	(1,063,909)	(1,063,909)	(1,063,909)	-
Bonds and notes issued	87,513,851	114,290,373	124,773,605	10,483,232
Bonds and notes premium	-	-	18,419,726	18,419,726
Payments to refunded loan and bond escrow agents	-	-	(42,748,922)	(42,748,922)
Total other financing sources (uses)	90,572,346	118,400,531	104,175,902	(14,224,629)
Net change in fund balance	(43,129,087)	(41,635,861)	(8,512,503)	33,123,358
Fund balance - beginning	43,129,087	41,635,861	39,888,866	(1,746,995)
Fund balance - ending	\$ -	\$ -	31,376,363	\$ 31,376,363
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			294,797	
Capital assets, net of accumulated depreciation and amortization			259,338,708	
OPEB asset			27,431	
Deferred outflows - pensions			1,395,511	
Deferred outflows - OPEB			52,636	
Compensated absences			(310,939)	
Bonds payable			(149,828,930)	
Notes and loans payable			(9,503,599)	
Accrued interest payable			(1,612,362)	
Net pension liability - PERS			(3,652,378)	
Other postemployment benefits			(481,745)	
Deferred inflows - pensions			(251,114)	
Deferred inflows - debt			(16,542)	
Deferred inflows - OPEB			(32,109)	
Net position - GAAP basis			\$ 126,795,728	

City of Portland, Oregon
CityFleet Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Intergovernmental:				
Federal cost sharing	\$ 84,771	\$ 84,771	\$ 10,063	
State cost sharing	7,618	7,618	32,474	
Multnomah County cost sharing	665,750	665,750	433,581	
Local cost sharing	643,008	643,008	350,508	
Total intergovernmental	1,401,147	1,401,147	826,626	\$ (574,521)
Other:				
Sales - other	-	-	70,040	
Loan repayments	53,700	53,700	53,700	
Investment earnings	246,178	246,178	423,354	
Miscellaneous	27,600	27,600	5,230	
Sale of capital asset	835,900	835,900	923,585	
Total other	1,163,378	1,163,378	1,475,909	312,531
Billings to other funds for services	38,873,787	38,202,500	37,523,914	(678,586)
Total revenues	41,438,312	40,767,025	39,826,449	(940,576)
EXPENDITURES				
Current:				
Personal services	8,973,082	8,969,541	8,310,826	
External materials and services	9,686,098	14,960,648	13,732,092	
Internal materials and services	2,340,925	2,538,727	2,282,791	
Capital outlay	19,865,317	23,959,984	9,528,576	
Total current expenditures	40,865,422	50,428,900	33,854,285	16,574,615
General operating contingencies	25,948,535	7,085,728	-	7,085,728
Debt service and related costs:				
Principal	411,211	411,211	411,211	
Interest	212,694	212,694	130,417	
Total debt service and related costs	623,905	623,905	541,628	82,277
Total expenditures	67,437,862	58,138,533	34,395,913	23,742,620
Revenues over (under) expenditures	(25,999,550)	(17,371,508)	5,430,536	22,802,044

City of Portland, Oregon
CityFleet Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(1,203,941)	(1,203,941)	(1,203,941)	-
Pension Debt Redemption	(66,452)	(66,452)	(66,452)	-
Total other financing sources (uses)	(1,270,393)	(1,270,393)	(1,270,393)	-
 Net change in fund balance	(27,269,943)	(18,641,901)	4,160,143	22,802,044
 Fund balance - beginning	27,269,943	18,641,901	18,641,898	(3)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	22,802,041	<u>\$ 22,802,041</u>
 Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			96,243	
Notes and loans receivable, net			107,400	
Inventories			1,299,161	
Capital assets, net of accumulated depreciation and amortization			62,052,259	
OPEB asset			47,198	
Deferred outflows - pensions			2,917,991	
Deferred outflows - OPEB			85,387	
Compensated absences			(570,083)	
Bonds payable			(2,205,753)	
Accrued interest payable			(2,337,837)	
Net pension liability - PERS			(8,238,068)	
Other postemployment benefits			(959,510)	
Deferred inflows - pensions			(500,167)	
Deferred inflows - OPEB			(59,135)	
Net position - GAAP basis			<u>\$ 74,537,127</u>	

City of Portland, Oregon
Printing and Distribution Services Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services:				
Other service charges	\$ 227,196	\$ 227,196	\$ 205,358	\$ (21,838)
Intergovernmental:				
State cost sharing	185,453	185,453	104,935	
Multnomah County cost sharing	568,490	568,490	388,863	
Local cost sharing	305,395	305,395	260,916	
Total intergovernmental	1,059,338	1,059,338	754,714	(304,624)
Other:				
Sales - other	49,369	49,369	40,329	
Loan repayment	-	235,224	-	
Investment earnings	-	-	40,210	
Miscellaneous	-	-	40	
Total other	49,369	284,593	80,579	(204,014)
Billings to other funds for services	6,772,661	6,875,615	6,277,037	(598,578)
Total revenues	8,108,564	8,446,742	7,317,688	(1,129,054)
EXPENDITURES				
Current:				
Personal services	1,919,162	2,020,036	1,772,889	
External materials and services	4,427,332	4,505,964	3,864,723	
Internal materials and services	950,464	899,116	713,332	
Capital outlay	410,000	410,000	50,011	
Total current expenditures	7,706,958	7,835,116	6,400,955	1,434,161
General operating contingencies	1,334,174	1,917,830	-	1,917,830
Debt service and related costs:				
Principal	139,351	139,351	139,351	
Interest	45,260	45,260	44,196	
Total debt service and related costs	184,611	184,611	183,547	1,064
Total expenditures	9,225,743	9,937,557	6,584,502	3,353,055
Revenues over (under) expenditures	(1,117,179)	(1,490,815)	733,186	2,224,001

City of Portland, Oregon
Printing and Distribution Services Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(275,233)	(275,233)	(275,233)	-
Pension Debt Redemption	(22,519)	(22,519)	(22,519)	-
Total other financing sources (uses)	(297,752)	(297,752)	(297,752)	-
 Net change in fund balance	(1,414,931)	(1,788,567)	435,434	2,224,001
 Fund balance - beginning	1,414,931	1,788,567	1,788,568	1
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	2,224,002	<u>\$ 2,224,002</u>
 Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			9,567	
Capital assets, net of accumulated depreciation and amortization			499,155	
OPEB asset			11,755	
Deferred outflows - pensions			706,514	
Deferred outflows - OPEB			21,054	
Compensated absences			(148,638)	
Bonds payable			(747,486)	
Accrued interest payable			(792,248)	
Net pension liability - PERS			(1,962,480)	
Other postemployment benefits			(258,770)	
Deferred inflows - pensions			(123,146)	
Deferred inflows - OPEB			(14,886)	
Net position - GAAP basis			<u>\$ (575,607)</u>	

City of Portland, Oregon
Insurance and Claims Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Other service charges	\$ -	\$ -	\$ 325	\$ 325
Other:				
Investment earnings	519,599	519,599	692,228	
Miscellaneous	110,525	110,525	158,108	
Total other	630,124	630,124	850,336	220,212
Billings to other funds for services	11,626,690	11,626,690	11,603,780	(22,910)
Total revenues	12,256,814	12,256,814	12,454,441	197,627
EXPENDITURES				
Current:				
Personal services	1,280,411	1,345,743	1,316,439	
External materials and services	7,345,979	7,389,694	5,891,188	
Internal materials and services	2,990,848	2,941,566	2,898,288	
Total current expenditures	11,617,238	11,677,003	10,105,915	1,571,088
General operating contingencies	31,660,393	33,160,567	-	33,160,567
Debt service and related costs:				
Principal	76,787	76,787	76,787	
Interest	24,940	24,940	24,353	
Total debt service and related costs	101,727	101,727	101,140	587
Total expenditures	43,379,358	44,939,297	10,207,055	34,732,242
Revenues over (under) expenditures	(31,122,544)	(32,682,483)	2,247,386	34,929,869
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund Overhead	(199,204)	(199,204)	(199,204)	-
Pension Debt Redemption	(12,408)	(12,408)	(12,408)	-
Total transfers to other funds	(211,612)	(211,612)	(211,612)	-
Net change in fund balance	(31,334,156)	(32,894,095)	2,035,774	34,929,869
Fund balance - beginning	31,334,156	32,894,095	32,894,095	-
Fund balance - ending	\$ -	\$ -	34,929,869	\$ 34,929,869
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			132,353	
Capital assets, net of accumulated depreciation and amortization			72,515	
OPEB asset			8,963	
Deferred outflows - pensions			485,316	
Deferred outflows - OPEB			16,376	
Self insurance claims			(13,298,472)	
Compensated absences			(136,583)	
Bonds payable			(411,887)	
Accrued interest payable			(436,547)	
Net pension liability - PERS			(1,339,878)	
Other postemployment benefits			(172,312)	
Deferred inflows - pensions			(82,193)	
Deferred inflows - OPEB			(11,110)	
Fund balance - GAAP basis			\$ 19,756,410	

City of Portland, Oregon
Workers' Compensation Self Insurance Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Over/Under
REVENUES				
Other:				
Investment earnings	\$ 215,396	\$ 215,396	\$ 280,274	
Miscellaneous	17,457	17,457	17,445	
Total other	232,853	232,853	297,719	\$ 64,866
Billings to other funds for services	4,842,106	4,604,577	4,609,195	4,618
Total revenues	5,074,959	4,837,430	4,906,914	69,484
EXPENDITURES				
Current:				
Personal services	1,274,743	1,290,274	1,158,921	
External materials and services	3,287,052	4,194,884	3,352,902	
Internal materials and services	686,552	649,678	583,163	
Total current expenditures	5,248,347	6,134,836	5,094,986	1,039,850
General operating contingencies	12,890,893	12,139,464	-	12,139,464
Debt service and related costs:				
Principal	71,824	71,824	71,824	
Interest	23,329	23,329	22,779	
Total debt service and related costs	95,153	95,153	94,603	550
Total expenditures	18,234,393	18,369,453	5,189,589	13,179,864
Revenues over (under) expenditures	(13,159,434)	(13,532,023)	(282,675)	13,249,348
OTHER FINANCING SOURCES (USES)				
Transfer to other fund:				
General Fund Overhead	(102,293)	(102,293)	(102,293)	-
Pension Debt Redemption	(11,608)	(11,608)	(11,608)	-
Total transfers to other funds	(113,901)	(113,901)	(113,901)	-
Net change in fund balance	(13,273,335)	(13,645,924)	(396,576)	13,249,348
Fund balance - beginning	13,273,335	13,645,924	13,645,925	-
Fund balance - ending	\$ -	\$ -	13,249,349	\$ 13,249,349
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			50,848	
Capital assets, net of accumulated depreciation and amortization			52,018	
OPEB asset			3,841	
Deferred outflows - pensions			427,404	
Deferred outflows - OPEB			7,018	
Self insurance claims			(9,136,439)	
Compensated absences			(52,408)	
Bonds payable			(385,270)	
Accrued interest payable			(408,345)	
Net pension liability - PERS			(1,212,941)	
Other postemployment benefits			(84,879)	
Deferred inflows - pensions			(75,006)	
Deferred inflows - OPEB			(4,762)	
Net position - GAAP basis			\$ 2,430,428	

City of Portland, Oregon
Technology Services Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 247,504	\$ 247,504	\$ 241,414	
Other service charges	39,728	39,728	-	
Total charges for services	287,232	287,232	241,414	\$ (45,818)
Intergovernmental:				
Federal cost sharing	88,912	88,912	90,873	
State cost sharing	344,574	344,574	239,334	
Multnomah County cost sharing	1,957,526	1,957,526	1,897,704	
Local cost sharing	2,439,135	2,952,535	2,675,451	
Total intergovernmental	4,830,147	5,343,547	4,903,362	(440,185)
Other:				
Sales - other	321,417	321,417	304,250	
Refunds	-	-	5,018	
Investment earnings	250,000	250,000	673,035	
Miscellaneous	40,000	40,000	21,365	
Total other	611,417	611,417	1,003,668	392,251
Billings to other funds for services	54,842,903	58,893,819	57,395,785	(1,498,034)
Total revenues	60,571,699	65,136,015	63,544,229	(1,591,786)
EXPENDITURES				
Current:				
Personal services	30,752,567	32,256,337	30,485,395	
External materials and services	23,691,378	29,296,808	22,778,506	
Internal materials and services	3,703,531	3,730,787	3,549,474	
Capital outlay	5,499,953	2,433,449	282,678	
Total current expenditures	63,647,429	67,717,381	57,096,053	10,621,328
General operating contingencies	18,915,208	21,730,013	-	21,730,013
Debt service and related costs:				
Principal	488,733	488,733	488,733	
Interest	158,741	158,741	155,004	
Total debt service and related costs	647,474	647,474	643,737	3,737
Total expenditures	83,210,111	90,094,868	57,739,790	32,355,078
Revenues over (under) expenditures	(22,638,412)	(24,958,853)	5,804,439	30,763,292

City of Portland, Oregon
Technology Services Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	-	604,997	604,997	-
Transfers to other funds:				
General Fund Overhead	(2,274,788)	(2,274,788)	(2,274,788)	-
General	(790,000)	(3,350,000)	(3,350,000)	-
Emergency Communication	(1,200,000)	(1,200,000)	(1,200,000)	-
Pension Debt Redemption	(78,980)	(78,980)	(78,980)	-
Total transfers to other funds	(4,343,768)	(6,903,768)	(6,903,768)	-
Total other financing sources (uses)	(4,343,768)	(6,298,771)	(6,298,771)	-
Net change in fund balance	(26,982,180)	(31,257,624)	(494,332)	30,763,292
Fund balance - beginning	26,982,180	31,257,624	31,257,626	2
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	30,763,294	<u>\$ 30,763,294</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			122,595	
Inventories			823,504	
Capital assets, net of accumulated depreciation and amortization			66,681,494	
OPEB asset			132,710	
Deferred outflows - pensions			10,893,001	
Deferred outflows - OPEB			243,295	
Compensated absences			(2,759,972)	
Bonds payable			(2,621,583)	
Accrued interest payable			(2,778,570)	
Net pension liability - PERS			(29,854,087)	
Other postemployment benefits			(2,637,332)	
Deferred inflows - pensions			(1,914,106)	
Deferred inflows - OPEB			(163,874)	
Net position - GAAP basis			<u>\$ 66,930,369</u>	

City of Portland, Oregon
Portland Police Association Health Insurance Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Service charges and fees:				
Health care charges	\$ 17,350,675	\$ 19,902,314	\$ 17,509,863	\$ (2,392,451)
Other:				
Investment earnings	107,655	198,320	246,064	47,744
Total revenues	17,458,330	20,100,634	17,755,927	(2,344,707)
EXPENDITURES				
Current:				
External materials and services	18,687,566	20,452,448	17,190,853	3,261,595
General operating contingencies	5,947,816	6,825,238	-	6,825,238
Total expenditures	24,635,382	27,277,686	17,190,853	10,086,833
Net change in fund balance	(7,177,052)	(7,177,052)	565,074	7,742,126
Fund balance - beginning	7,177,052	7,177,052	11,225,903	4,048,851
Fund balance - ending	\$ -	\$ -	11,790,977	\$ 11,790,977
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			-	
Fund balance - GAAP basis			\$ 11,790,977	

City of Portland, Oregon
Enterprise Business Solutions Services Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ 20,000	\$ 95,000	\$ 61,308	\$ (33,692)
Total other revenue	20,000	95,000	61,308	(33,692)
Billings to other funds for services	9,575,986	9,575,986	9,575,986	-
Total revenues	9,595,986	9,670,986	9,637,294	(33,692)
EXPENDITURES				
Current:				
Personal services	2,331,768	2,583,414	2,457,209	
External materials and services	2,853,259	1,926,210	1,431,160	
Internal materials and services	5,090,097	5,390,080	5,106,111	
Capital outlay	40,000	20,000	-	
Total current expenditures	10,315,124	9,919,704	8,994,480	925,224
General operating contingencies	4,323,777	4,709,482	-	4,709,482
Total expenditures	14,638,901	14,629,186	8,994,480	5,634,706
Revenues over (under) expenditures	(5,042,915)	(4,958,200)	642,814	5,601,014
OTHER FINANCING SOURCES (USES)				
Transfer to other funds:				
General Fund Overhead	(184,653)	(184,653)	(184,653)	-
Net change in fund balance	(5,227,568)	(5,142,853)	458,161	5,601,014
Fund balance - beginning	5,227,568	5,142,853	5,142,852	(1)
Fund balance - ending	\$ -	\$ -	5,601,013	\$ 5,601,013
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			20,460	
Capital assets, net of accumulated depreciation and amortization			1,213,762	
OPEB asset			10,474	
Deferred outflows - pensions			969,036	
Deferred outflows - OPEB			18,715	
Compensated absences			(290,637)	
Net pension liability - PERS			(2,734,408)	
Other postemployment benefits			(199,121)	
Deferred inflows - pensions			(169,671)	
Deferred inflows - OPEB			(13,298)	
Net position - GAAP basis			\$ 4,426,325	

Schedules of Revenues and Expenditures Fiduciary Funds - Budget and Actual



B

Fiduciary Funds Budget and Actual



Portland
the City of Roses

B

Fire and Police Disability and Retirement Fund

This fund provides pension and benefits for members of the Fire Bureau and Police Bureau, their widows and children.

Fire and Police Disability and Retirement Reserve Fund

This fund is a reserve for the Fire and Police Disability and Retirement Fund in the event of an emergency.

Fire and Police Supplemental Retirement Reserve Fund

This fund is a reserve for supplemental retirement benefits to certain members of the Fire and Police Bureaus.

City of Portland, Oregon
Fire and Police Disability and Retirement Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 149,342,839	\$ 149,342,839	\$ 150,515,310	
Prior year property	2,100,000	2,100,000	5,061,175	
Total taxes	151,442,839	151,442,839	155,576,485	\$ 4,133,646
Service charges and fees:				
Other service charges	-	-	132	132
Other:				
Investment earnings	1,068,000	1,068,000	1,538,771	
Miscellaneous	75,400	75,400	120,230	
Total other	1,143,400	1,143,400	1,659,001	515,601
Billings to other funds for services	1,290,000	1,290,000	1,125,538	(164,462)
Total revenues	153,876,239	153,876,239	158,361,156	4,484,917
EXPENDITURES				
Current:				
Personal services	2,250,600	2,250,600	2,155,392	
External materials and services	134,479,191	134,712,872	131,152,921	
Internal materials and services	17,446,646	17,202,965	16,503,746	
Capital outlay	42,850	52,850	25,731	
Total current	154,219,287	154,219,287	149,837,790	4,381,497
General operating contingencies	10,774,125	10,774,125	-	10,774,125
Debt service and related costs:				
Principal	57,743,841	57,743,841	35,768,841	
Interest	822,240	822,240	1,351,607	
Debt issuance costs	27,000	27,000	38,595	
Total debt service and related costs	58,593,081	58,593,081	37,159,043	21,434,038
Total expenditures	223,586,493	223,586,493	186,996,833	36,589,660
Revenues over (under) expenditures	(69,710,254)	(69,710,254)	(28,635,677)	41,074,577

City of Portland, Oregon
Fire and Police Disability and Retirement Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Fire and Police Disability and Retirement Reserve	750,000	750,000	-	(750,000)
Transfers to other funds:				
General Fund Overhead	(162,065)	(162,065)	(162,065)	-
Pension Debt Redemption	(7,085)	(7,085)	(7,085)	-
Fire and Police Disability and Retirement Reserve	(750,000)	(750,000)	-	750,000
Total transfers to other funds	(919,150)	(919,150)	(169,150)	750,000
Bonds and notes issued	57,700,000	57,700,000	35,725,000	(21,975,000)
Bonds and notes premium	-	-	800,597	800,597
Total other financing sources (uses)	57,530,850	57,530,850	36,356,447	(21,174,403)
Net change in fund balance	(12,179,404)	(12,179,404)	7,720,770	19,900,174
Fund balance - beginning	12,179,404	12,179,404	11,852,569	(326,835)
Fund balance - ending	\$ -	\$ -	19,573,339	\$ 19,573,339
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			118,111	
Deferred Revenue			2,380,193	
Capital assets, net of accumulated depreciation and amortization			361,218	
OPEB asset			10,654	
Deferred outflows - pensions			739,105	
Deferred outflows - OPEB			19,885	
Compensated absences			(1,081,765)	
Accrued interest payable			(249,247)	
Bonds payable			(235,165)	
Net pension liability - PERS			(2,045,767)	
Other postemployment benefits			(196,788)	
Deferred inflows - OPEB			(12,891)	
Deferred inflows - pensions			(129,586)	
Net position - GAAP basis			\$ 19,251,296	

City of Portland, Oregon
Fire and Police Disability and Retirement Reserve Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
Fire and Police Disability and Retirement	\$ 750,000	\$ 750,000	\$ -	\$ (750,000)
Transfer to other fund:				
Fire and Police Disability and Retirement	(750,000)	(750,000)	-	750,000
Total other financing sources (uses)	-	-	-	-
Fund balance - beginning	750,000	750,000	750,000	-
Fund balance - ending	<u>\$ 750,000</u>	<u>\$ 750,000</u>	750,000	<u>\$ -</u>
Adjustment to generally accepted accounting principles (GAAP) basis:			-	
Net position - GAAP basis			<u>\$ 750,000</u>	

City of Portland, Oregon
Fire and Police Supplemental Retirement Reserve Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget - Over/Under
	Original	Final	Actual Amounts	
REVENUES				
Other:				
Investment earnings	\$ 50	\$ 50	\$ 874	\$ 824
EXPENDITURES				
Current:				
External materials and services	10,000	10,000	9,043	957
Net change in fund balance	(9,950)	(9,950)	(8,169)	1,781
Fund balance - beginning	44,550	44,550	46,042	1,492
Fund balance - ending	\$ 34,600	\$ 34,600	37,873	\$ 3,273
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			-	
Net position - GAAP basis			\$ 37,873	



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STATISTICAL SECTION



3

This part of the City of Portland's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. This section contains the following tables and information:

Financial Trends	390
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	395
These schedules contain information to help the reader assess the City's most significant local revenue sources: personal income tax, property tax, and business income tax.	
Debt Capacity	401
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	409
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	412
These schedules contain service and infrastructure data to help the reader understand how information in the City's financial report relates to services the City provides and the activities it performs.	

City of Portland, Oregon
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

		Fiscal Year Ended June 30,									
		2019	2018	2017	2016	2015 ⁽¹⁾⁽²⁾	2014	2013 ⁽¹⁾	2012	2011	2010 ⁽¹⁾
Governmental activities:											
Net investment in capital assets	\$	1,795,576,859	1,761,907,611	1,881,668,361	1,896,441,844	1,982,917,732	2,045,982,585	2,125,382,711	2,170,541,622	2,219,412,554	2,123,435,196
Restricted		736,060,478	659,255,908	549,657,817	446,654,188	340,730,761	271,371,138	254,008,558	211,292,440	197,584,177	183,204,776
Unrestricted		(4,322,626,779)	(4,150,314,553)	(4,026,450,846)	(3,787,252,754)	(3,494,355,768)	(3,368,964,230)	(2,024,224,393)	(1,843,957,006)	(1,748,535,567)	(1,686,820,664)
Total governmental activities net position	\$	<u>(1,790,989,442)</u>	<u>(1,729,151,034)</u>	<u>(1,595,124,668)</u>	<u>(1,444,156,722)</u>	<u>(1,170,707,275)</u>	<u>(1,051,610,507)</u>	<u>355,166,876</u>	<u>537,877,056</u>	<u>668,461,164</u>	<u>619,819,308</u>
Business-type activities:											
Net investment in capital assets	\$	2,705,169,782	2,458,159,760	2,328,512,375	2,162,963,007	2,069,303,473	1,968,473,423	1,879,196,917	1,792,291,343	1,682,414,671	1,563,020,091
Restricted		1,252,139	1,231,271	12,535,569	12,490,281	14,168,531	14,138,244	13,855,864	14,848,536	14,716,777	110,697,822
Unrestricted		381,212,808	317,281,794	199,253,699	188,318,614	156,008,270	61,834,817	105,676,056	103,946,351	127,233,261	30,210,742
Total business-type activities net position	\$	<u>3,087,634,729</u>	<u>2,776,672,825</u>	<u>2,540,301,643</u>	<u>2,363,771,902</u>	<u>2,239,480,274</u>	<u>2,044,446,484</u>	<u>1,998,728,837</u>	<u>1,911,086,230</u>	<u>1,824,364,709</u>	<u>1,703,928,655</u>
Primary government:											
Net investment in capital assets	\$	4,500,746,641	4,220,067,371	4,210,180,736	4,059,404,851	4,052,221,205	4,014,456,008	4,004,579,628	3,962,832,965	3,901,827,225	3,686,455,287
Restricted		737,312,617	660,487,179	562,193,386	459,144,469	354,899,292	285,509,382	267,864,422	226,140,976	212,300,954	293,902,598
Unrestricted		(3,941,413,971)	(3,833,032,759)	(3,827,197,147)	(3,598,934,140)	(3,338,347,498)	(3,307,129,413)	(1,918,548,337)	(1,740,010,655)	(1,621,302,306)	(1,656,609,922)
Total primary government net position	\$	<u>1,296,645,287</u>	<u>1,047,521,791</u>	<u>945,176,975</u>	<u>919,615,180</u>	<u>1,068,772,999</u>	<u>992,835,977</u>	<u>2,353,895,713</u>	<u>2,448,963,286</u>	<u>2,492,825,873</u>	<u>2,323,747,963</u>

⁽¹⁾ Data as restated

⁽²⁾ The sharp decline in unrestricted net position in governmental activities in FY 2014 is primarily due to the recording of the net pension liability for the Fire and Police Disability, Retirement and Death Benefit (FPDR) Plan, in accordance with GASB 68. The FPDR is funded annually on a pay as you go basis with revenue received each year from a dedicated property tax levy. As required by GAAP, the net position liability cannot be offset to reflect the value of future revenues expected to be received from the annually dedicated property tax levy.

City of Portland, Oregon
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014 ⁽¹⁾	2013	2012	2011 ⁽¹⁾	2010
Expenses										
Governmental activities:										
Public safety	\$ 698,443,794	\$ 643,316,126	\$ 662,029,926	\$ 675,619,972	\$ 681,079,374	\$ 524,324,725	\$ 539,582,340	\$ 486,886,299	\$ 460,750,759	\$ 444,705,167
Parks, recreation and culture	114,164,329	112,001,845	107,882,771	109,511,440	72,416,721	85,522,569	77,384,671	77,703,274	71,215,918	70,745,599
Community development	243,792,435	329,573,060	290,457,585	258,643,920	162,430,670	166,124,118	206,451,529	276,382,471	235,115,877	204,410,103
Transportation	330,008,337	320,566,855	319,449,307	321,615,626	302,136,406	321,045,231	304,095,341	247,019,675	264,399,020	276,185,628
Legislative / admin / support services	250,839,532	146,510,653	129,284,091	128,136,508	97,013,883	100,889,933	106,340,680	92,989,301	85,191,243	92,190,425
Environmental services	222,064	171,074	65,043	273,121	86,523	387,345	604,474	503,400	187,805	326,089
Water	853,736	145,078	208,375	298,514	175,972	185,404	221,364	409,074	89,336	157,563
Parking facilities	17,000	17,000	17,000	17,000	17,000	17,000	-	-	-	-
Interest on long-term debt	52,151,629	48,756,317	47,225,026	46,848,152	48,113,636	47,846,811	50,436,861	48,030,292	46,341,420	44,629,763
Total governmental activities expenses	1,690,482,856	1,601,058,008	1,556,619,124	1,540,964,253	1,363,470,185	1,246,323,136	1,285,117,260	1,229,923,786	1,163,291,378	1,133,350,337
Business-type activities:										
Environmental services	253,973,118	221,952,760	247,437,383	271,877,219	220,160,935	234,976,444	229,742,394	194,880,070	189,838,169	184,036,412
Water	145,727,000	145,619,884	145,140,721	149,291,453	102,628,362	112,388,000	120,814,693	108,344,964	103,280,628	101,965,612
Hydroelectric power	3,501,910	11,883,295	1,446,666	1,885,144	1,289,400	1,661,975	1,786,015	1,895,974	2,049,214	2,112,254
Parking facilities	9,498,977	8,290,186	8,332,521	8,084,291	6,571,712	6,872,812	6,272,155	6,858,239	6,419,814	9,372,080
Golf	10,043,357	9,739,047	9,485,970	10,856,948	9,288,014	8,890,606	8,532,476	7,704,762	7,803,648	8,023,884
Motor sports	1,947,769	1,824,639	1,556,365	1,855,628	1,578,637	1,685,405	1,745,465	1,702,924	1,730,151	1,830,052
Spectator facilities	7,577,761	8,457,756	11,357,823	8,540,984	7,590,349	6,517,715	10,232,186	8,098,517	9,412,865	8,175,758
Housing	-	-	-	733,510	774,968	721,620	763,346	967,848	1,750,675	-
Total business-type activities expenses	432,269,892	407,747,567	424,757,449	452,925,177	349,882,377	373,714,577	379,888,730	330,453,298	322,265,164	315,516,052
Total primary government expenses	\$ 2,122,762,748	\$ 2,008,805,575	\$ 1,981,376,573	\$ 1,993,889,430	\$ 1,713,352,562	\$ 1,620,037,713	\$ 1,665,005,990	\$ 1,560,377,084	\$ 1,485,556,542	\$ 1,448,866,389
Program Revenues										
Governmental activities:										
Fees, fines and charges for services:										
Public safety	\$ 26,857,881	\$ 25,653,732	\$ 22,176,413	\$ 18,463,144	\$ 17,462,949	\$ 13,932,328	\$ 9,198,789	\$ 12,351,514	\$ 10,589,711	\$ 11,350,111
Parks, recreation and culture	28,461,364	35,219,434	29,387,579	26,812,317	26,502,334	21,579,257	21,659,255	19,377,137	17,956,318	18,109,058
Community development	83,319,341	87,158,590	84,020,829	76,481,523	68,509,492	61,010,720	46,267,824	43,503,027	29,178,351	46,285,869
Transportation	131,400,471	132,575,619	127,336,714	101,746,047	94,096,155	83,482,648	81,578,019	77,531,542	61,912,494	60,397,143
Legislative / admin / support services	302,885,147	267,746,078	258,572,199	226,112,875	238,924,027	206,200,217	198,673,424	183,276,317	181,437,591	168,785,605
Environmental services	-	-	-	-	-	-	22,086	-	30,888	-
Water	620,000	-	-	-	-	-	-	-	-	-
Operating grants and contributions	125,574,053	223,583,230	130,202,782	154,756,635	166,661,697	147,816,324	187,508,857	196,150,183	179,417,682	136,693,542
Capital grants and contributions	168,501,700	40,574,464	117,286,144	77,985,967	85,061,048	56,392,854	65,753,370	94,247,887	190,020,546	77,921,901
Total governmental activities program revenues	867,619,757	812,511,147	768,982,660	682,358,508	697,217,702	590,414,348	610,661,624	626,437,607	670,543,581	519,543,229

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City of Portland, Oregon
Changes in Net Position, continued
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014 ⁽¹⁾	2013	2012	2011 ⁽¹⁾	2010
Business-type activities:										
Charges for services:										
Environmental services	394,085,880	403,733,997	384,195,274	357,565,915	341,993,745	316,057,459	292,754,016	268,824,936	256,570,147	239,960,886
Water	202,947,949	203,801,745	179,476,928	177,094,690	160,749,233	145,760,796	147,514,349	130,911,138	118,000,643	112,702,102
Hydroelectric power	1,480,868	2,508,455	1,375,589	1,184,193	3,769,590	4,054,750	4,060,110	4,082,287	3,650,986	3,617,879
Parking facilities	15,390,897	14,547,546	14,379,691	15,147,309	13,753,023	12,896,245	12,164,895	12,092,247	11,901,704	11,316,355
Golf	9,817,557	8,925,357	7,704,827	8,607,405	8,695,532	7,990,960	8,270,199	7,732,554	7,434,680	7,754,612
Motor sports	2,087,562	1,836,023	1,813,785	1,979,719	1,712,727	1,424,301	1,704,066	1,752,621	1,748,086	1,875,497
Spectator facilities	12,156,084	11,955,710	11,322,610	11,328,164	10,696,710	10,473,920	10,846,880	8,601,320	8,870,310	8,846,051
Housing	-	-	-	1,096,742	1,093,766	868,533	970,625	1,015,467	1,060,568	-
Capital grants and contributions	77,249,239	4,380,708	1,484,803	2,455,288	4,022,620	2,794,342	3,259,994	3,964,882	44,450,756	954,259
Total business-type activities	715,216,016	651,689,541	601,753,307	576,459,405	546,486,946	502,321,306	481,546,014	438,977,452	453,687,880	387,027,621
Total primary government program revenues	<u>\$ 1,582,835,773</u>	<u>\$ 1,464,200,688</u>	<u>\$ 1,370,735,967</u>	<u>\$ 1,258,817,913</u>	<u>\$ 1,243,704,648</u>	<u>\$ 1,092,735,654</u>	<u>\$ 1,092,207,638</u>	<u>\$ 1,065,415,059</u>	<u>\$ 1,124,231,461</u>	<u>\$ 906,570,850</u>
Net (Expense) / Revenue										
Governmental activities	\$ (822,873,099)	\$ (788,546,861)	\$ (787,636,464)	\$ (858,605,745)	\$ (866,252,483)	\$ (855,908,788)	\$ (874,455,636)	\$ (803,486,179)	\$ (492,747,797)	\$ (613,807,108)
Business-type activities	282,946,124	243,941,974	176,995,858	123,534,228	196,604,569	128,606,729	101,657,284	108,524,154	131,422,716	71,511,569
Total primary government net expense	<u>\$ (539,926,975)</u>	<u>\$ (544,604,887)</u>	<u>\$ (610,640,606)</u>	<u>\$ (735,071,517)</u>	<u>\$ (669,647,914)</u>	<u>\$ (527,302,059)</u>	<u>\$ (572,798,352)</u>	<u>\$ (494,962,025)</u>	<u>\$ (361,325,081)</u>	<u>\$ (542,295,539)</u>
General Revenues and Other										
Changes in Net Position										
Governmental activities:										
Taxes										
Property	\$ 610,837,288	\$ 583,197,121	\$ 537,142,744	\$ 500,071,854	\$ 481,282,272	\$ 455,381,655	\$ 441,030,147	\$ 432,481,353	\$ 431,933,936	\$ 421,211,270
Lodging	60,416,923	53,180,447	50,782,865	50,543,129	41,803,744	35,063,066	28,746,920	21,359,108	19,142,687	16,511,907
Miscellaneous	53,337,472	46,767,750	24,080,946	10,246,214	10,490,137	7,062,234	7,815,970	-	-	-
Investment earnings	41,143,018	14,941,081	21,443,369	19,481,035	8,760,007	8,950,181	6,496,779	8,967,966	10,565,464	6,104,945
Transfers	(4,700,010)	215,672	1,839,223	4,814,066	4,819,555	6,715,480	7,655,640	6,398,095	15,500,817	5,568,297
Special item:										
Contributions from Prosper Portland	-	-	-	-	-	-	-	3,695,549	64,246,749	-
Total governmental activities	761,034,691	698,302,071	635,289,147	585,156,298	547,155,715	513,172,616	491,745,456	472,902,071	541,389,653	449,396,419
Business-type activities:										
Investment earnings	23,315,770	3,522,031	2,752,477	5,571,466	3,248,776	2,894,317	640,963	1,450,984	4,514,155	1,132,332
Transfers	4,700,010	(215,672)	(1,839,223)	(4,814,066)	(4,819,555)	(6,715,480)	(7,655,640)	(6,398,095)	(15,500,817)	(5,568,297)
Special item:										
Capital asset write-off	-	-	-	-	-	-	(7,000,000)	(16,855,522)	-	-
Total business-type activities	28,015,780	3,306,359	913,254	757,400	(1,570,779)	(3,821,163)	(14,014,677)	(21,802,633)	(10,986,662)	(4,435,965)
Total primary government	<u>\$ 789,050,471</u>	<u>\$ 701,608,430</u>	<u>\$ 636,202,401</u>	<u>\$ 585,913,698</u>	<u>\$ 545,584,936</u>	<u>\$ 509,351,453</u>	<u>\$ 477,730,779</u>	<u>\$ 451,099,438</u>	<u>\$ 530,402,991</u>	<u>\$ 444,960,454</u>
Change in Net Position										
Governmental activities	(61,838,408)	(90,244,790)	(152,347,317)	(273,449,447)	(119,096,768)	(142,736,172)	(182,710,180)	(130,584,108)	48,641,856	(164,410,689)
Business-type activities	310,961,904	247,248,333	177,909,112	124,291,628	195,033,790	124,785,566	87,642,607	86,721,521	120,436,054	67,075,604
Total primary government change in net position	<u>\$ 249,123,496</u>	<u>\$ 157,003,543</u>	<u>\$ 25,561,795</u>	<u>\$ (149,157,819)</u>	<u>\$ 75,937,022</u>	<u>\$ (17,950,606)</u>	<u>\$ (95,067,573)</u>	<u>\$ (43,862,587)</u>	<u>\$ 169,077,910</u>	<u>\$ (97,335,085)</u>

⁽¹⁾ Data as restated

City of Portland, Oregon
Fund Balances, Governmental Funds⁽²⁾
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015 ⁽¹⁾	2014 ⁽²⁾	2013	2012 ⁽¹⁾	2011	2010
General Fund										
Unreserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91,872,408
Nonspendable	448,808	542,087	404,810	453,022	513,774	545,293	531,247	555,088	234,968	-
Committed	70,371,302	60,999,524	58,916,535	56,495,175	58,885,208	60,077,408	49,930,120	48,984,519	46,294,375	-
Assigned	14,828,983	11,668,282	13,028,310	17,351,152	30,220,861	7,444,423	314,562	5,415,881	23,588,446	-
Unassigned	63,235,009	46,265,155	39,584,406	27,255,828	16,480,088	28,900,909	28,514,937	22,296,208	23,062,998	-
Total general fund	148,882,102	119,475,058	111,933,861	101,555,177	106,079,931	96,968,033	79,290,866	77,251,696	94,080,787	91,872,408
All other governmental funds										
Reserved	-	-	-	-	-	-	-	-	-	15,819,740
Unreserved, reported in:										
Major fund:										
Transportation Operating	-	-	-	-	-	-	-	-	-	10,449,909
Nonmajor funds:										
Special revenue funds	-	-	-	-	-	-	-	-	-	(12,163,792)
Debt service funds	-	-	-	-	-	-	-	-	-	62,208,494
Capital projects funds	-	-	-	-	-	-	-	-	-	5,295,880
Major fund:										
Transportation Operating:										
Nonspendable	7,384,372	7,371,044	6,415,131	6,697,786	7,408,416	5,725,138	5,211,250	5,467,464	2,824,446	-
Restricted	260,976,090	192,005,451	130,924,561	47,917,229	39,013,371	31,794,588	26,652,459	18,803,168	20,774,274	-
Assigned	14,643,645	39,335,648	47,569,182	71,781,581	36,779,700	33,854,289	20,578,265	14,211,840	-	-
Unassigned	-	-	-	-	-	-	-	-	(14,039,988)	-
Nonmajor funds:										
Special revenue funds:										
Nonspendable	-	-	-	-	-	-	-	-	30,900	-
Restricted	206,158,492	202,742,859	187,431,111	156,692,731	150,476,673	102,777,084	92,318,341	77,321,176	71,044,360	-
Committed	30,371,235	24,948,662	20,170,158	20,071,904	14,843,739	12,806,577	12,654,543	14,645,781	946,953	-
Assigned	22,314,300	21,135,141	20,697,247	17,374,200	14,645,405	12,436,525	10,367,324	8,419,112	12,665,927	-
Unassigned	(12,069,463)	(9,181,211)	(6,031,672)	(3,543,056)	(3,545,508)	(632,801)	(6,280,204)	(6,064,264)	(21,934,442)	-
Debt service funds:										
Restricted	102,731,352	78,940,081	75,222,923	66,379,048	62,199,841	55,647,819	51,972,200	53,907,324	50,464,778	-
Assigned	17,329,528	16,910,552	15,592,586	15,719,727	14,018,712	12,166,789	15,444,913	14,644,795	13,497,508	-
Capital projects funds:										
Nonspendable	-	-	-	-	-	-	-	-	4,100	-
Restricted	142,830,175	127,989,025	98,065,337	104,051,671	73,034,959	62,177,707	38,494,304	38,035,418	32,900,374	-
Committed	1,061,908	1,629,625	3,767,383	1,910,862	1,282,338	665,072	9,778,398	9,480,674	694,200	-
Assigned	16,946,666	12,654,320	9,276,240	7,545,602	6,734,058	5,889,770	8,044,889	8,308,021	6,235,808	-
Unassigned	-	(15,069,239)	(10,050,355)	-	-	-	-	-	-	-
Permanent fund:										
Nonspendable	164,165	163,025	162,956	162,832	162,572	162,843	163,182	163,142	162,740	-
Restricted	27,788	22,622	21,411	20,844	19,222	18,457	18,805	19,811	19,671	-
Total all other governmental funds	810,870,253	701,597,605	599,234,199	512,782,961	417,073,498	335,489,857	285,418,669	257,363,462	176,291,609	81,610,231
Total governmental funds	\$ 959,752,355	\$ 821,072,663	\$ 711,168,060	\$ 614,338,138	\$ 523,153,429	\$ 432,457,890	\$ 364,709,535	\$ 334,615,158	\$ 270,372,396	\$ 173,482,639

⁽¹⁾ Data as restated in prior years

⁽²⁾ This schedule was modified with the implementation of GASB 54, effective fiscal year 2011, which affected the categories used to report fund balances.

City of Portland, Oregon
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues										
Taxes	\$ 739,064,813	\$ 676,415,465	\$ 607,820,246	\$ 561,631,327	\$ 531,301,330	\$ 495,153,590	\$ 476,378,425	\$ 448,364,391	\$ 450,618,907	\$ 439,807,189
Licenses and permits	310,439,318	297,699,193	277,190,024	257,217,150	233,646,104	208,235,312	196,568,153	185,187,374	164,940,343	163,524,368
Intergovernmental	229,804,876	203,682,794	197,151,168	170,956,056	168,242,063	165,057,000	206,179,343	262,848,347	306,470,348	179,137,795
Charges for services	267,215,479	266,586,401	250,686,417	208,154,118	191,393,937	182,994,037	169,369,076	145,895,524	128,092,621	128,460,491
Assessments	16,102,913	15,232,474	15,837,560	14,528,846	13,398,496	20,819,124	9,019,761	8,965,051	9,628,143	17,859,689
Investment earnings	34,457,305	13,802,580	20,891,658	17,794,209	8,008,872	7,810,694	6,394,758	7,997,693	8,656,961	5,940,419
Miscellaneous	7,669,553	9,788,268	9,546,423	9,822,567	20,517,936	12,461,313	7,988,876	11,859,802	8,553,079	13,371,753
Total revenues	1,604,754,257	1,483,207,175	1,379,123,496	1,240,104,273	1,166,508,738	1,092,531,070	1,071,898,392	1,071,118,182	1,076,960,402	948,101,704
Expenditures										
Current:										
Public safety	526,607,192	501,826,334	460,911,538	453,566,546	432,678,952	417,619,532	405,171,299	402,526,990	382,040,051	381,431,467
Parks, recreation and culture	101,819,572	99,723,309	93,202,761	86,239,951	73,897,333	68,264,016	69,159,278	70,095,137	65,553,655	65,421,722
Community development	243,002,418	321,079,124	287,883,715	246,432,782	173,735,075	170,553,693	211,030,610	299,816,445	233,452,342	216,256,817
Transportation	167,158,931	156,403,082	151,091,787	132,681,487	147,069,608	168,259,803	162,045,823	102,732,375	119,743,004	133,225,382
Legislative / admin / support services	209,065,171	119,006,844	105,771,502	100,720,103	94,739,754	89,223,214	82,597,301	73,694,282	70,316,678	71,214,023
Environmental services	160,618	91,199	55,877	227,554	221,231	350,203	604,474	503,400	187,805	326,089
Water	620,000	-	24,915	122,542	-	50,294	221,364	409,074	89,336	157,563
Debt service and related costs:										
Principal	132,562,002	86,164,885	146,815,236	107,566,236	97,537,730	133,585,244	136,765,972	271,515,940	277,450,351	71,726,634
Interest	45,260,095	44,841,386	43,176,548	43,462,701	44,404,911	43,523,677	45,186,688	41,996,682	38,899,209	37,280,438
Debt issuance costs	549,172	324,906	822,050	560,115	672,770	793,356	1,052,128	2,113,436	1,528,816	1,355,153
Capital outlay	116,130,183	101,417,131	159,566,571	65,131,845	78,300,490	83,233,658	69,410,696	109,842,632	140,101,129	102,014,291
Total expenditures	1,542,935,354	1,430,878,200	1,449,322,500	1,236,711,862	1,143,257,854	1,175,456,690	1,183,245,633	1,375,246,393	1,329,362,376	1,080,409,579
Revenues over (under) expenditures	61,818,903	52,328,975	(70,199,004)	3,392,411	23,250,884	(82,925,620)	(111,347,241)	(304,128,211)	(252,401,974)	(132,307,875)
Other Financing Sources (Uses)										
Transfers in	172,590,888	159,673,393	141,705,782	135,383,738	113,470,018	119,542,744	103,344,628	110,772,511	104,599,012	119,996,827
Transfers out	(179,647,248)	(164,631,975)	(145,346,966)	(135,787,600)	(115,209,916)	(106,382,665)	(99,832,685)	(96,610,030)	(106,727,613)	(142,667,821)
Bonds and notes issued	82,118,450	60,220,961	158,928,038	85,333,395	60,884,119	127,965,979	129,646,072	311,873,457	287,505,419	157,041,092
Bonds and note premium	1,746,570	3,176,420	9,302,181	2,573,207	4,365,018	9,846,162	8,189,496	18,809,162	1,203,343	3,118,769
Bonds and note discounts	-	-	130,652	284,770	3,935,116	-	-	(82,485)	(266,645)	(73,870)
Loan proceeds	40,842	132,554	-	-	-	-	-	900,000	4,704,000	3,421,000
Payments to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	(63,243,022)
Proceeds from sale of capital assets	11,287	4,275	5,868	4,788	300	701,755	94,107	74,438	313,703	32,993
Total other financing sources (uses)	76,860,789	58,575,628	164,725,555	87,792,298	67,444,655	151,673,975	141,441,618	345,737,053	291,331,219	77,625,968
Special Item										
Contribution from the Prosper Portland	-	-	-	-	-	-	-	3,695,549	64,246,749	-
Net change in fund balances	\$ 138,679,692	\$ 110,904,603	\$ 94,526,551	\$ 91,184,709	\$ 90,695,539	\$ 68,748,355	\$ 30,094,377	\$ 45,304,391	\$ 103,175,994	\$ (54,681,907)
Debt service as a percentage of noncapital expenditures	12.5%	9.9%	14.7%	12.9%	13.3%	16.2%	16.3%	24.8%	26.6%	11.1%

City of Portland, Oregon
Program Revenues by Function
Last Ten Fiscal Years
(accrual basis of accounting)

Function	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013 ⁽¹⁾	2012	2011	2010
Governmental activities:										
Public safety	\$ 50,159,818	\$ 49,405,291	\$ 43,555,255	\$ 41,897,135	\$ 39,676,455	\$ 36,944,769	\$ 34,994,419	\$ 39,996,014	\$ 36,112,027	\$ 36,579,628
Parks, recreation and culture	59,899,641	76,144,725	61,329,954	55,509,279	68,963,590	54,501,838	57,103,523	47,995,617	43,739,584	30,052,917
Community development	154,856,535	151,737,844	159,837,138	115,222,934	107,714,842	89,108,592	103,323,245	117,419,849	96,334,022	77,715,883
Transportation	261,986,037	233,524,751	219,001,650	215,250,116	207,284,169	176,603,991	181,963,408	207,660,033	284,663,629	181,040,220
Legislative / admin / support services	336,069,140	299,708,818	285,258,663	254,035,719	272,563,100	231,373,014	229,168,166	210,433,303	207,800,528	192,800,377
Environmental services	92,557	923,689	-	343,483	1,015,546	1,463,546	1,774,149	1,602,219	1,136,538	1,239,419
Water	705,243	115,973	-	99,842	-	418,598	2,334,714	1,330,572	757,253	114,785
Parking facilities	3,844,817	950,056 ⁽²⁾	-	-	-	-	-	-	-	-
Motor Sports	5,969	-	-	-	-	-	-	-	-	-
Subtotal governmental activities	867,619,757	812,511,147	768,982,660	682,358,508	697,217,702	590,414,348	610,661,624	626,437,607	670,543,581	519,543,229
Business-type activities:										
Environmental services	396,878,971	407,153,862	385,406,467	359,264,475	345,411,024	318,323,909	295,468,918	270,144,257	258,701,515	240,915,125
Water	203,043,394	204,520,196	179,661,372	177,317,208	161,248,941	145,958,266	148,014,801	131,695,155	120,880,132	112,702,102
Hydroelectric power	1,480,868	2,508,455	1,375,589	1,184,193	3,769,590	4,054,750	4,060,110	4,082,287	3,650,986	3,617,879
Parking facilities	15,390,897	14,547,546	14,379,691	15,147,309	13,753,023	12,896,245	12,164,895	12,092,247	11,901,704	11,316,355
Golf	9,817,557	8,925,357	7,704,827	8,607,405	8,695,532	7,990,960	8,270,199	7,734,929	7,434,680	7,754,612
Motor sports	2,087,562	1,836,023	1,813,785	1,979,719	1,712,727	1,424,301	1,704,966	1,752,621	29,123,925	1,875,497
Spectator facilities	84,516,767	12,198,102	11,411,576	11,862,354	10,802,343	10,804,342	10,891,500	10,460,489	8,870,310	8,846,051
Housing	-	-	-	1,096,742	1,093,766	868,533	970,625	1,015,467	13,124,628	-
Subtotal business-type activities	715,216,016	651,689,541	601,753,307	576,459,405	546,486,946	502,321,306	481,546,014	438,977,452	453,687,880	387,027,621
Total primary government	\$ 1,582,835,773	\$ 1,464,200,688	\$ 1,370,735,967	\$ 1,258,817,913	\$ 1,243,704,648	\$ 1,092,735,654	\$ 1,092,207,638	\$ 1,065,415,059	\$ 1,124,231,461	\$ 906,570,850

⁽¹⁾ Data as restated

⁽²⁾ Data was revised in FY19.

City of Portland, Oregon
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ended June 30,	Property Tax ¹	Lodging Tax ²	Arts Tax ³	Recreational Cannabis Tax ⁴	Gas Tax	Construction Emission Tax	PCEF Tax Revenue ⁴	Other Tax ⁵	Total Tax ⁵
2019	\$ 625,310,418	\$ 60,416,923	\$ 13,231,220	\$ 4,824,055	\$ 21,280,528	\$ 7,619,000	\$ 6,382,669	\$ 856,213	\$ 739,921,026
2018	576,467,268	53,180,447	12,444,574	4,399,439	20,886,761	9,036,976	-	1,420,541	677,836,006
2017	532,956,435	50,782,864	12,063,111	406,270	9,787,463	1,824,103	-	925,534	608,745,780
2016	500,841,984	50,543,129	10,246,215	-	-	-	-	698,417	562,329,745
2015	479,007,449	41,803,744	10,490,137	-	-	-	-	586,440	531,887,770
2014	453,028,290	35,063,066	7,062,234	-	-	-	-	924,647	496,078,237
2013	439,815,535	28,746,920	7,815,970	-	-	-	-	1,177,430	477,555,855
2012 ⁽¹⁾	426,963,931	21,359,108	-	-	-	-	-	1,701,077	450,024,116
2011	431,476,219	19,142,687	-	-	-	-	-	408,159	451,027,065
2010	423,295,282	16,511,907	-	-	-	-	-	700,819	440,508,008

Source: Division of Assessment and Taxation for Multnomah, Clackamas and Washington Counties

⁽¹⁾ Data was added in FY2015

⁽²⁾ Data was revised in FY2015

⁽³⁾ Implemented FY2017

⁽⁴⁾ Implemented FY2019

City of Portland, Oregon
Assessed Valuation and Actual Values of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30, Note	Real Property	Personal Property	Public Utility Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Real Market Value	Total Taxable Assessed Value as a Percentage of Real Market Value
2019	\$ 54,603,689,769	\$ 2,319,888,588	\$ 3,580,995,550	\$ 60,504,573,907	7.97	\$ 149,892,154,041	40.42%
2018	53,201,192,940	2,249,420,144	3,128,769,753	58,579,382,837	7.88	137,482,640,578	42.61
2017	50,782,907,083	2,189,521,212	2,901,126,077	55,873,554,372	7.72	120,785,526,154	46.26
2016 ^(a)	48,849,632,397	2,089,483,130	2,598,251,460	53,537,366,987	7.76	102,628,140,456	52.17
2015	48,870,874,358	1,086,490,310	1,364,018,730	51,321,383,398	7.89	92,618,335,901	55.41
2014	44,803,583,386	1,957,482,679	2,257,891,313	49,018,957,378	7.81	84,044,895,532	58.32
2013	43,406,553,685	1,877,327,577	2,094,956,450	47,378,837,712	7.83	79,896,235,855	59.3
2012	42,300,972,173	1,870,775,539	2,121,534,522	46,293,282,234	7.69	81,163,435,001	57.04
2011	40,974,245,223	1,948,909,831	2,061,177,281	44,984,332,335	7.69	86,374,680,444	52.08
2010 ⁽¹⁾	39,707,015,212	2,039,362,255	2,040,333,669	43,786,711,136	7.8	89,022,110,363	49.19

Sources: Tax Supervising and Conservation Commission and Divisions of Assessment and Taxation for Multnomah, Clackamas and Washington Counties.

Note: Tax rolls are prepared and taxes are collected by Multnomah, Clackamas and Washington Counties for all units of local government within their boundaries. Taxes collected by the counties are remitted to taxing districts proportionately according to the ratio of each district levy to the total of all levies in the County. Amounts established through tax increment financing have been proportionately allocated by property type.

⁽¹⁾ Data was revised in FY11

^(a) Data was revised in FY17

City of Portland, Oregon
Property Tax Rates - Direct and Overlapping Government
Last Ten Fiscal Years
(per \$1,000 of assessed valuation)
(unaudited)

Fiscal Year Ended June 30,	City of Portland				Overlapping Rates						Total
	General	Special Revenue	Debt Service	Total	Multnomah County	Education Districts	Urban Renewal Prosper Portland ⁽¹⁾	Port of Portland	Metropolitan Service Districts	TriMet	
2019	\$ 7.28	\$ 0.40	\$ 0.29	\$ 7.97	\$ 4.39	\$ 10.90	\$ 0.22	\$ 0.07	\$ 0.47	\$ -	\$ 24.02
2018	7.23	0.40	0.25	7.88	4.39	10.75	0.23	0.07	0.41	-	23.73
2017	7.06	0.40	0.26	7.72	4.39	9.47	0.24	0.07	0.40	-	22.29
2016	7.08	0.40	0.28	7.76	4.49	9.41	0.25	0.07	0.39	-	22.37
2015	7.25	0.40	0.24	7.89	4.49	9.54	0.26	0.07	0.46	-	22.71
2014	7.19	0.40	0.22	7.81	4.54	7.76	0.28	0.07	0.47	-	20.93
2013	7.19	0.40	0.24	7.83	5.42	6.40	0.29	0.07	0.40	-	20.41
2012	7.05	0.40	0.24	7.69	5.44	8.32	0.29	0.07	0.32	0.06	22.19
2011	7.05	0.40	0.24	7.69	5.44	8.32	0.29	0.07	0.32	0.06	22.19
2010	7.21	0.40	0.19	7.80	5.38	7.62	0.30	0.07	0.41	0.09	21.67

Source: Multnomah County Division of Assessment and Taxation

⁽¹⁾ Prosper Portland: Includes taxes collected on the urban renewal special levy imposed city-wide.

City of Portland, Oregon
Principal Property Taxpayers
Current Year and Nine Years Ago
(unaudited)

Taxpayer	June 30, 2019			June 30, 2010		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Port of Portland	\$ 632,684,750	1	1.05%	\$ 442,177,000	1	0.81%
Alaska Airlines	487,260,400	2	0.81	-	-	-
Portland General Electric Co	399,732,120	3	0.66	363,871,000	2	0.67
CenturyLink	394,638,000	4	0.65	-	-	-
PacifiCorp (PP&L)	356,135,000	5	0.59	304,218,000	4	0.56
Weston Investment Co LLC	267,517,630	6	0.44	231,687,000	6	0.42
AT&T, Inc	244,586,400	7	0.40	-	-	-
Southwest Airlines Co	232,662,700	8	0.38	-	-	-
Comcast Corporation	197,228,200	9	0.33	318,952,000	3	0.58
Capref Lloyd Center LLC	188,068,990	10	0.31	-	-	-
Qwest Wireless	-	-	-	238,573,000	5	0.50
Verizon Wireless VAW LLC	-	-	-	190,329,000	7	0.36
Boeing Co	-	-	-	186,428,000	8	0.32
Oregon Steel Mills, Inc.	-	-	-	179,207,000	9	0.29
NW Natural Gas	-	-	-	171,291,000	10	0.31
Total ⁽¹⁾	<u>\$ 3,400,514,190</u>		<u>5.62%</u>	<u>\$ 2,626,733,000</u>		<u>4.82%</u>
Total assessed valuation	<u>\$ 60,504,573,907</u>			<u>\$ 54,549,303,000</u>		

Source: Multnomah County Division of Assessment and Taxation and the City of Portland 2010 CAFR

City of Portland, Oregon
Property Taxes Levies and Collections
Last Ten Fiscal Years
(unaudited)

Fiscal Year Ended June 30,	Tax Levy for the Fiscal Year ⁽¹⁾	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2019	\$ 634,371,239	\$ 604,120,597	95.23%	\$ -	\$ 604,120,597	95.23%
2018	600,155,321	565,640,099	94.25	14,426,265	565,640,099	96.65
2017	551,135,421	522,198,704	94.75	10,765,320	529,173,427	96.7
2016	516,333,732	488,402,282	94.59	10,823,757	495,178,816	96.69
2015	494,785,514	467,210,020	94.43	12,405,926	478,443,412	96.93
2014	467,516,063	440,453,970	94.21	13,726,901	451,801,948	97.15
2013	452,452,709	425,290,736	94.00	14,984,388	437,966,599	97.31
2012	445,043,642	412,972,199 ⁽²⁾	92.79	15,755,312	427,134,702	96.33
2011	445,238,206	416,836,027	93.62	16,479,770	431,661,917	97.32
2010	436,246,475	407,939,510	93.51	17,435,694	423,922,441	97.51

Sources: Divisions of Assessment and Taxation for Multnomah, Clackamas and Washington Counties

Notes: Taxes are levied as of July 1 each year and are payable in three installments without interest on November 15, February 15 and May 15. Interest is charged at the rate of 1% per month on delinquent taxes. Tax liens are foreclosed by the various counties after three years' delinquencies. Taxpayers receive a discount of 3% for full payment by November 15 and 2% for payment of 2/3 of the total taxes due.

⁽¹⁾ Total tax levy includes special levies for urban renewal projects.

⁽²⁾ Restated amount collected within the fiscal year of levy and recalculated percentage of levy.

City of Portland, Oregon
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(unaudited)

	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities:										
General obligation bonds	\$ 139,995,000	\$ 137,330,000	\$ 124,010,000	\$ 99,250,000	\$ 83,625,000	\$ 75,850,000	\$ 62,675,000	\$ 70,740,000	\$ 78,530,000	\$ 58,890,000
Limited tax improvement bonds	\$ 34,465,000	28,660,000	32,585,000	36,805,000	43,315,000	48,625,000	50,700,000	55,940,000	57,425,000	63,105,000
Urban renewal and redevelopment bonds	\$ 315,899,380	357,231,200	392,225,600	425,726,400	457,420,000	490,735,000	519,785,000	508,130,000	425,050,000	353,405,000
Limited tax and limited tax revenues bonds	\$ 425,589,435	339,307,288	360,410,948	340,436,589	375,114,861	405,413,191	387,503,608	376,042,730	388,347,991	420,165,722
Revenue bonds	\$ 6,445,000	7,890,000	9,512,000	11,065,000	13,049,000	14,974,000	16,820,000	18,515,000	3,715,000	4,295,000
Notes, loans and lines of credit payable	\$ 152,750,759	176,358,958	122,787,212	102,920,734	77,000,697	57,526,763	71,688,388	97,914,167	124,454,570	183,116,127
Unamortized premiums and discounts	\$ 47,925,382	34,435,273	36,618,857	30,992,215	33,717,592	36,904,989	31,860,103	28,556,970	11,106,340	12,543,878
Total governmental activities	1,123,069,956	1,081,212,719	1,078,149,617	1,047,195,938	1,083,242,150	1,130,028,943	1,141,032,099	1,155,838,867	1,088,628,901	1,095,520,727
Business-type activities:										
General obligation bonds	-	-	-	-	-	-	-	-	-	1,590,000
Limited tax and limited tax revenue bonds	62,466,645	73,305,431	82,061,240	101,545,969	113,331,618	123,936,784	133,164,668	142,052,566	138,179,477	134,415,413
Revenue bonds	2,036,055,000	2,174,570,000	2,113,000,000	2,189,760,000	2,341,685,000	2,176,310,002	2,091,980,000	1,957,895,000	2,042,696,000	1,640,956,000
Notes and loans payable	10,780,833	12,174,625	13,554,496	14,920,587	16,273,040	17,810,751	97,796,100	20,815,849	32,472,241	182,355,327
Unamortized premiums and discounts	172,586,774	198,827,913	203,208,178	158,794,292	137,482,803	117,958,078	115,881,875	87,643,791	96,956,081	59,228,268
Total business-type activities	2,281,889,252	2,458,877,969	2,411,823,914	2,465,020,848	2,608,772,461	2,436,015,615	2,438,822,643	2,208,407,206	2,310,303,799	2,018,545,008
Total primary government	\$ 3,404,959,208	\$ 3,540,090,688	\$ 3,489,973,531	\$ 3,512,216,786	\$ 3,692,014,611	\$ 3,566,044,558	\$ 3,579,854,742	\$ 3,364,246,073	\$ 3,398,932,700	\$ 3,114,065,735
Percentage of personal income ⁽¹⁾	N/A	2.68	2.79%	2.94%	3.33%	3.47%	3.53%	3.55%	3.82%	3.59%
Per capita ⁽¹⁾	\$ 5,213	\$ 5,458	\$ 5,426	\$ 5,561	\$ 5,949	\$ 5,846	\$ 5,924	\$ 5,650	\$ 5,806	\$ 5,387

Source: Bureau of Revenue and Financial Services

N/A: Data not available for this fiscal year.

⁽¹⁾ Data was revised in FY19.

City of Portland, Oregon
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(unaudited)

Governmental Activities

Fiscal Year Ended June 30	General Obligation Bonds ⁽¹⁾	Less: Amounts Restricted to Repaying Principal ⁽¹⁾	Total ⁽¹⁾	Total Taxable Assessed Value	Percentage of Estimated Actual Taxable Value of Property	Per Capita ⁽¹⁾	Population ⁽¹⁾
2019	\$ 139,995,000	\$ (1,749,731)	\$ 138,245,269	\$ 60,504,573,907	0.23	\$ 212	653,115
2018	137,330,000	(808,874)	136,521,126	58,579,382,837	0.23	210	648,630
2017	124,010,000	(809,611)	123,200,389	55,873,554,372	0.22	192	643,136
2016	99,250,000	(566,995)	98,683,005	53,537,366,987	0.18	157	631,539
2015	83,625,000	(38,332)	83,586,668	51,321,383,398	0.16	135	620,647
2014	75,850,000	(338,832)	75,511,168	49,018,957,378	0.15	124	609,970
2013	62,675,000	(538,158)	62,136,842	47,378,837,712	0.13	104	604,285
2012	70,740,000	(801,396)	69,938,604	46,293,282,234	0.15	119	595,410
2011	78,730,000	(740,720)	77,989,280	44,984,332,335	0.17	134	585,436
2010	58,890,000	(665,173)	58,224,827	43,786,711,136	0.13	102	578,104

Note: Represents general obligation bonded debt issued for funding parks, housing and emergency facilities projects

⁽¹⁾ Data was revised in 2019.

Business-type Activities

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total	Total Taxable Assessed Value	Percentage of Estimated Actual Taxable Value of Property	Per Capita	Population
2019	\$ -	\$ -	\$ -	\$ 60,504,573,907	-%	\$ -	653,115
2018	-	-	-	58,579,382,837	-	-	648,630
2017	-	-	-	55,873,554,372	-	-	643,136
2016	-	-	-	53,537,366,987	-	-	631,539
2015	-	-	-	51,321,383,398	-	-	620,647
2014	-	-	-	49,018,957,378	-	-	609,970
2013	-	-	-	47,378,837,712	-	-	604,285
2012	-	-	-	46,293,282,234	-	-	595,410
2011	-	-	-	44,984,332,335	-	-	585,436
2010	1,590,000	(17,959)	1,572,041	43,786,711,136	-	3	578,104

Note: Represents general obligation bonded debt issued for Water infrastructure

City of Portland, Oregon
Direct and Overlapping Governmental Activities Debt
June 30, 2019
(unaudited)

Jurisdiction	Net Property Tax Backed Debt	Percentage within City of Portland	Amount Applicable to City of Portland
Clackamas Community College	\$ 93,763,913	0.19%	\$ 175,714
Clackamas County	129,945,000	0.23	295,365
Clackamas Cty ESD	20,970,000	0.15	31,161
Clackamas Cty SD 12 (North Clackamas)	694,062,196	0.47	3,283,608
Clackamas Cty SD 7J (Lake Oswego)	249,044,136	0.02	57,031
Clackamas Soil & Water Conservation	6,815,000	0.23	15,490
Columbia Cty SD 1J (Scappoose)	24,780,000	11.49	2,846,553
Metro	819,020,000	45.92	376,086,613
Mt Hood Community College	20,660,000	42.41	8,762,691
Multnomah County	330,220,117	86.47	285,550,251
Multnomah Cty Drainage District 1	4,387,920	100	4,387,920
Multnomah Cty SD 1J (Portland)	867,455,242	97.99	850,057,560
Multnomah Cty SD 28J (Centennial)	17,677,677	52.87	9,346,647
Multnomah Cty SD 3 (Parkrose)	74,811,429	98.54	73,720,154
Multnomah Cty SD 40 (David Douglas)	75,387,481	100	75,386,954
Multnomah Cty SD 51J (Riverdale)	18,126,964	5.06	916,554
Multnomah Cty SD 7 (Reynolds)	198,463,864	24.08	47,785,534
Portland Community College	602,297,900	49.81	299,985,310
Tualatin Hills Park & Rec District	76,498,613	0.02	17,212
Washington County	228,769,717	0.25	581,533
Washington Cty SD 23J (Tigard-Tualatin)	341,851,415	0.09	323,733
Washington Cty SD 48J (Beaverton)	996,146,084	0.28	2,802,159
Subtotal overlapping debt	<u>\$ 5,891,154,668</u>		<u>2,042,415,747</u>
City direct debt			<u>1,123,069,958</u>
Total direct and overlapping debt			<u>\$ 3,165,485,705</u>

Note:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. The State of Oregon provides overlapping debt data based on real market valuation of properties for each jurisdiction.

*SD - School District

City of Portland, Oregon
Legal Debt Margin Information
Last Ten Fiscal Years
(unaudited)

Fiscal Year Ended June 30,

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt Limit	\$ 4,490,764,621	\$ 4,124,479,217	\$ 3,623,565,785	\$ 3,078,844,214	\$ 2,778,550,077	\$ 2,521,346,866	\$ 2,396,887,076	\$ 2,434,903,050	\$ 2,591,240,413	\$ 2,670,663,311
Total net debt applicable to limit	138,245,289	136,521,126	123,200,389	98,683,005	83,586,668	75,511,168	62,136,842	69,938,604	77,789,280	58,206,868
Legal debt margin	<u>\$ 4,352,519,352</u>	<u>\$ 3,987,958,091</u>	<u>\$ 3,500,365,396</u>	<u>\$ 2,980,161,209</u>	<u>\$ 2,694,963,409</u>	<u>\$ 2,445,835,698</u>	<u>\$ 2,334,750,234</u>	<u>\$ 2,364,964,446</u>	<u>\$ 2,513,451,133</u>	<u>\$ 2,612,456,443</u>
Total net debt applicable to limit as a percentage of legal debt margin	3.18%	3.42%	3.52%	3.31%	3.10%	3.09%	2.66%	2.96%	3.09%	2.23%
Legal Debt Margin Calculation for Fiscal Year 2019										
Real market value	\$ 149,692,154,041									
Debt limit (3% of real market value)	<u>4,490,764,621</u>									
Debt applicable to limit:										
General obligation bonds	139,995,000									
Less: Amount set aside for repayment of general obligation debt	<u>(1,749,731)</u>									
Total net debt applicable to limit	<u>138,245,289</u>									
Legal debt margin	<u>\$ 4,352,519,352</u>									

Note: Oregon Revised Statutes Section 287A.050 provides a debt limit of 3% of real market value of all taxable property within City boundaries as provided in ORS 308.207 for general obligation debt.

City of Portland, Oregon
Pledged-Revenue Coverage
Sewer System
Last Ten Fiscal Years

First Lien Sewer System Revenue Bonds⁽¹⁾

Fiscal Year Ended June 30,	Gross Revenues ⁽²⁾	Less: Operating Expenses ⁽²⁾	Non-Stabilized Net Revenues Available for Debt Service	Net Transfers From (to) Rate Stabilization Fund	Stabilized Net Revenue Available for Debt Service	First Lien Bond Debt Service Requirements		Total	Non-Stabilized Coverage	Stabilized Coverage
						Principal	Interest			
2019	\$ 396,139,282	\$ 128,143,792	\$ 267,995,490	\$ (24,000,000)	\$ 243,995,490	\$ 67,815,000	\$ 20,153,450	\$ 87,968,450	3.05	2.77
2018	392,674,642	110,457,444	282,217,198	(29,000,000)	253,217,198	72,925,000	23,254,054	96,179,054	2.93	2.63
2017	373,524,446	102,461,741	271,062,705	(31,500,000)	239,562,705	69,495,000	25,905,970	95,400,970	2.84	2.51
2016	347,887,350	100,940,043	246,947,307	(23,615,114)	223,332,192	65,525,000	31,974,926	97,499,926	2.53	2.29
2015	331,225,477	95,223,004	236,002,473	(25,250,000)	210,752,473	60,585,000	35,039,760	95,624,760	2.47	2.20
2014	309,233,026	98,727,948	210,505,078	(21,375,000)	189,130,078	57,675,000	40,110,644	97,785,644	2.15	1.93
2013	284,975,424	102,302,929	182,672,495	7,550,000	190,222,495	54,940,000	42,866,394	97,806,394	1.87	1.94
2012	264,178,982	93,966,499	170,212,483	18,585,000	188,797,483	52,300,000	45,489,894	97,789,894	1.74	1.93
2011	250,891,268	89,421,417	161,469,851	29,500,000	190,969,851	49,815,000	47,988,894	97,803,894	1.65	1.95
2010	231,689,729	87,213,116	144,476,612	9,750,000	154,226,613	40,050,000	49,982,294	90,032,294	1.60	1.71
								Required	1.00	1.20
								Bureau Goal	1.00	1.50

Source: Bureau of Environmental Services

Notes:

⁽¹⁾ Historical amounts may differ slightly from what has been published in previous Comprehensive Annual Financial Reports as a result of corrections to previous calculations. None of the corrections had a significant impact on final debt service coverages.

⁽²⁾ Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

Continued next page

City of Portland, Oregon
Pledged-Revenue Coverage, continued
Sewer System
Last Ten Fiscal Years

Combined First and Second Lien Sewer System Revenue Bonds ⁽¹⁾

Fiscal Year Ended June 30,	Gross Revenues ⁽²⁾	Expenses ⁽²⁾	Non-Stabilized	Net Transfers	Stabilized Net	Combined First and Second Lien Bond Debt Service			Non-Stabilized	Stabilized
			Net Revenues	From (to) Rate	Revenue Available	Requirements ⁽³⁾			Coverage	Coverage
			Available for Debt Service	Stabilization Fund	for Debt Service	Principal	Interest ⁽⁴⁾	Total		
2019	\$ 396,139,282	\$ 128,143,792	\$ 267,995,490	\$ (24,000,000)	\$ 243,995,490	\$ 108,945,000	\$ 71,186,641	\$ 180,111,641	1.49	1.35
2018	392,674,642	110,457,444	282,217,198	(29,000,000)	253,217,198	102,105,000	66,783,836	168,888,836	1.67	1.50
2017	373,524,446	102,461,741	271,062,705	(31,500,000)	239,562,705	98,180,000	69,111,108	167,291,108	1.62	1.43
2016	347,887,350	100,940,043	246,947,307	(23,615,114)	223,332,192	92,720,000	78,745,085	171,465,085	1.44	1.30
2015	331,225,477	95,223,004	236,002,473	(25,250,000)	210,752,473	81,555,000	80,684,059	162,239,059	1.45	1.30
2014	309,233,026	98,727,948	210,505,078	(21,375,000)	189,130,078	71,830,000	74,758,838	146,588,838	1.44	1.29
2013	284,975,424	102,302,929	182,672,495	7,550,000	190,222,495	70,805,000	76,076,831	146,881,831	1.24	1.30
2012	264,178,982	93,966,499	170,212,483	18,585,000	188,797,483	67,540,000	79,341,406	146,881,406	1.16	1.29
2011	250,891,268	89,421,417	161,469,851	29,500,000	190,969,851	72,685,000	73,602,513	146,287,513	1.10	1.31
2010	231,689,729	87,213,116	144,476,613	9,750,000	154,226,612	52,460,000	66,076,106	118,536,106	1.22	1.30
								Required Bureau Goal	1.00 1.00	1.10 1.30

Subordinate Lien Sewer System State Revolving Fund Loans ⁽¹⁾

Fiscal Year Ended June 30,	Gross Revenues ⁽²⁾	Expenses ⁽²⁾	Non- Stabilized	Net Transfers	Stabilized	First and Second Lien Bond Debt Service			Subordinate Lien SRF Loan Debt Service			135% of	Non-	
			Net Revenues	From (to) Rate	Net Revenue	Requirements ⁽³⁾			Requirements			Subord. Lien	Stabilized	Stabilized
			Available for Debt Service	Stabilization Fund	Available for Debt Service	Principal	Interest ⁽⁴⁾	Total	Principal	Interest	Total	Debt Service	Coverage	Coverage
2019	\$396,139,282	\$128,143,792	\$267,995,490	\$ (24,000,000)	\$ 243,995,490	\$108,945,000	\$ 71,186,641	\$ 180,111,641	\$ 1,379,871	\$ 133,163	\$ 1,513,034	\$ 2,042,596	1.47	1.34
2018	392,674,642	110,457,444	282,217,198	(29,000,000)	253,217,198	102,105,000	66,783,836	168,888,836	1,366,091	146,943	1,513,034	2,042,596	1.65	1.48
2017	373,524,446	102,461,741	271,062,705	(31,500,000)	239,562,705	98,180,000	69,111,108	167,291,108	1,366,091	146,943	1,513,034	2,042,596	1.80	1.41
2016	347,887,350	100,940,043	246,947,307	(23,615,114)	223,332,192	92,720,000	78,745,085	171,465,085	1,352,453	160,581	1,513,034	2,042,596	1.42	1.29
2015	331,225,477	95,223,004	236,002,473	(25,250,000)	210,752,473	81,555,000	80,684,059	162,239,059	1,338,950	174,084	1,513,034	2,042,596	1.44	1.28
2014	309,233,026	98,727,948	210,505,078	(21,375,000)	189,130,078	71,830,000	74,758,838	146,588,838	1,325,584	187,450	1,513,034	2,042,596	1.42	1.27
2013	284,975,424	102,302,929	182,672,495	7,550,000	190,222,495	70,805,000	76,076,831	146,881,831	1,312,759	200,275	1,513,034	2,042,596	1.23	1.28
2012	264,178,982	93,966,499	170,212,483	18,585,000	188,797,483	67,540,000	79,341,406	146,881,406	1,264,705	204,835	1,469,540	1,983,879	1.14	1.27
2011	250,891,268	89,421,417	161,469,851	29,500,000	190,969,851	72,685,000	73,602,513	146,287,513	1,153,142	192,363	1,345,505	1,816,432	1.09	1.29
2010	231,689,729	87,213,116	144,476,612	9,750,000	154,226,612	52,460,000	66,076,106	118,536,106	1,135,181	196,530	1,331,711	1,797,810	1.20	1.28
												Required	none	1.00

Notes:

⁽¹⁾ Historical amounts may differ slightly from what has been published in previous Comprehensive Annual Financial Reports as a result of corrections to previous calculations. None of the corrections had a significant impact on final debt service coverages.

⁽²⁾ Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

⁽³⁾ Debt service coverage requirement on second lien revenue bonds is based upon combined debt service of first and second lien bonds.

⁽⁴⁾ In computing debt service coverage for the Second Lien Sewer System Revenue Bonds, the interest on second lien variable rate bonds is calculated using the Estimated Average Interest Rate as defined in the Master Second Lien Sewer System Revenue Bond Declaration.

⁽⁵⁾ In computing debt service coverage for the Subordinate Lien Sewer System State Revolving Fund Loans, interest on second lien variable rate bonds is the actual interest payments.

City of Portland, Oregon
Pledged-Revenue Bond Coverage
First Lien Water System Revenue Bonds
Last Ten Fiscal Years
(unaudited)
(amounts expressed in thousands)

Fiscal Year Ended June 30,	Gross Revenues ⁽¹⁾	Direct Operating Expense ⁽¹⁾	Net Revenues Available for Debt Service	First Lien Bond Debt Service Requirements			Debt Service Coverage
				Principal	Interest	Total	
2019	\$ 209,096	\$ 86,305	\$ 122,791	\$ 20,570	\$ 17,544	\$ 38,114	3.22
2018	203,133	84,143	119,056	18,540	18,448	36,988	3.22
2017	183,304	77,909	105,395	18,915	15,957	34,872	3.02
2016	179,200	93,514	85,686	12,270	16,534	28,804	2.97
2015	162,528	67,951	94,577	13,230	14,921	28,151	3.36
2014	147,497	65,035	82,462	12,290	14,125	26,415	3.12
2013	148,656	66,199	82,457	15,520	15,991	31,511	2.62
2012	132,356	67,670	64,686	11,885	15,141	27,026	2.39
2011	118,700	64,373	54,327	10,015	12,128	22,143	2.45
2010	113,688	66,159	47,529	9,157	8,510	17,667	2.69

Source: Portland Water Bureau

⁽¹⁾ Amounts in schedule are calculated in accordance with applicable bond ordinances. Gross Revenues includes \$5.5 million for FY 2017-18 related to proceeds from the Anderson lawsuit settlement.

City of Portland, Oregon
Schedule of Revenue Bond Coverage
Second Lien Water System Revenue Bonds
(unaudited)
(amounts expressed in thousands)

Fiscal Year Ended June 30,	Gross Revenues ⁽¹⁾	Direct Operating Expense ⁽¹⁾	Net Revenues Available for Debt Service	Transfers From (To) Rate Stabilization Account	Stabilized Net Revenue Available for Debt Service	Combined First and Second Lien Bond Debt Service Requirements ⁽¹⁾			Non-Stabilized Coverage	Stabilized Coverage
						Principal	Interest	Total		
2019	\$ 209,096	\$ 86,305	\$ 122,791	\$ (17,000)	\$ 105,791	\$ 29,570	\$ 26,199	\$ 55,769	2.20	1.90
2018	203,199	84,143	119,056	(8,100)	110,956	28,255	27,511	55,766	2.13	1.99
2017	183,304	77,909	105,395	(3,000)	102,395	28,180	25,464	53,644	1.96	1.91
2016	179,200	73,750	105,450	(3,000)	102,450	24,310	26,544	50,854	2.07	2.01
2015	162,528	67,951	94,577	(2,500)	92,077	24,760	25,446	50,206	1.88	1.83
2014	147,497	65,035	82,462	428	82,890	21,685	24,043	45,728	1.80	1.81
2013	148,656	66,199	82,457	(12,600)	69,857	17,435	18,626	36,061	2.29	1.94
2012	132,356	67,670	64,686	(1,560)	63,126	13,720	17,856	31,576	2.05	2.00
2011	118,700	64,373	54,327	(3,290)	51,037	11,770	14,919	26,689	2.04	1.91
2010	113,688	66,159	47,529	(7,400)	40,129	10,190	12,027	22,217	2.14	1.81

Source: Portland Water Bureau

⁽¹⁾ Debt Service coverage requirement on Second Lien Water Revenue Bonds is based upon combined debt service of First and Second Lien Bonds.

⁽²⁾ Amounts in schedule are calculated in accordance with applicable bond ordinances. Gross Revenues excludes \$5.5 million for FY 2017-18 related to proceeds from the Anderson lawsuit settlement.

City of Portland, Oregon
Demographic Statistics
Last Ten Fiscal Years
(unaudited)

Fiscal Year Ended June 30,	City of Portland Population ⁽¹⁾	Metropolitan Statistical Area Population ⁽²⁾	Personal Income (expressed in thousands) ⁽²⁾	Per Capita Personal Income ⁽²⁾	Portland Public Schools Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾
2019	653,115	NA	NA	NA	NA	3.5%
2018	648,630	2,453,168	\$ 131,861,400	\$ 53,751	49,550	3.7
2017	643,136	2,423,102	124,974,100	51,576	49,557	3.8
2016	631,539	2,382,181	119,339,100	50,097	49,189	4.6
2015	620,647	2,342,444	110,739,700	47,275	49,075	5.0
2014	609,970	2,309,289	102,907,000	44,562	48,459 *	5.9
2013	604,285	2,285,177	101,391,100	44,369	48,098	6.8
2012	595,410	2,258,821	94,878,000	42,003	47,508	7.5
2011	585,436	2,231,876	88,948,900	39,854	47,288	8.3
2010	578,104	2,206,737	86,755,900	39,314	46,803	9.5

N/A: Data not available for this fiscal year

⁽¹⁾ United States Census Bureau Annual Estimates of the Resident Population 2010-2018, Estimates are as of July 1 of the prior calendar year.

⁽²⁾ Bureau of Economic Analysis CA1-3 Personal income summary: Portland-Vancouver-Hillsboro OR-WA Metropolitan Statistical Area (MSA) includes Clackamas, Columbia, Multnomah, Washington and Yamhill Counties in Oregon, as well as Clark and Skamania Counties in Washington (Calendar year-end figure used for following June 30 fiscal year end.) Last updated: March 6, 2019 - new estimates for 2019; revised estimates for 2010-2018.

⁽³⁾ Portland Public Schools, Data and Policy Analysis Fall Membership 2018

⁽⁴⁾ U.S. Department of Labor, Bureau of Labor Statistics, City of Portland Rate Only

* Data was revised in FY15.

City of Portland, Oregon
Principal Employers
Current Year and Nine Years Ago
(unaudited)

Employer	2019			2010		
	Employees ⁽¹⁾	Rank	Percentage of Total Metropolitan Statistical Area Employment ⁽²⁾	Employees ⁽³⁾	Rank	Percentage of Total Metropolitan Statistical Area Employment ⁽²⁾
Intel Corporation	20,600	1	1.62%	15,228	3	1.45%
Providence Health & Services	18,885	2	1.48	13,831	4	1.32
Oregon Health & Science University	17,556	3	1.38	13,283	5	1.26
Nike Inc.	12,000	4	0.94	6,000	10	0.57
Legacy Health System	11,404	5	0.89	8,250	8	0.79
Kaiser Foundation Health Plan of NW	11,243	6	0.88	9,204	7	0.88
Fred Meyer	9,777	7	0.77	9,630	6	0.92
City of Portland	7,376	8	0.58	6,310	9	0.60
Portland Public Schools	6,500	9	0.51	-	N/A	-
Beaverton School District	5,458	10	0.43	-	N/A	-
State of Oregon	-		-	21,900	1	2.08
U.S. Government	-		-	19,000	2	1.81
Total	120,799		9.48%	122,636		11.68%
Total MSA ⁽²⁾ employment	1,274,949			1,050,542		

Sources:

⁽¹⁾ Portland Business Journal; Lists; Portland Metro Area's Largest Employers 2019

⁽²⁾ U.S. Department of Labor, Bureau of Labor Statistics, calendar year end figure used for following June 30 fiscal year end. Portland-Vancouver-Beaverton, Oregon-Washington Survey Area or MSA is defined as Multnomah, Washington, Clackamas, Columbia and Yamhill Counties of Oregon, and Clark and Skamania

⁽³⁾ City of Portland, 2010 Comprehensive Annual Financial Report

City of Portland, Oregon
Full-Time Equivalent¹ Employees by Function/Program
Last Ten Fiscal Years
(unaudited)

Function/Program	Full-time Equivalent Employees as of June 30,									
	2019 ²	2018	2017	2016	2015	2014	2013	2012	2011	2010
Public safety	2,276	2,184	2,161	2,116	2,079	2,059	2,119	2,159	2,164	2,181
Parks, recreation and culture	626	695	666	580	457	433	420	445	446	447
Community development	720	681	610	561	501	448	409	403	388	506
Transportation	996	911	866	794	760	734	745	762	764	743
Legislative / admin / support services	881	873	849	841	819	817	846	856	857	861
Environmental services	594	573	561	542	524	521	538	543	549	541
Water	615	593	590	572	569	581	620	631	641	642
Total employees	<u>6,708</u>	<u>6,510</u>	<u>6,303</u>	<u>6,006</u>	<u>5,709</u>	<u>5,593</u>	<u>5,697</u>	<u>5,799</u>	<u>5,809</u>	<u>5,921</u>

Sources: Adopted Budget City of Portland, Oregon, Fiscal Year 2018-2019, Volume 1

¹ A full-time employee is scheduled to work 2,088 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,088.

² Amount represents revised year-end estimate as published in the Adopted Budget FY 2018-19.

City of Portland, Oregon
Operating Indicators by Function/Program
Last Ten Fiscal Years
(unaudited)

Function/Program ⁽¹⁾	Fiscal Year Ended June 30,									
	2019 ⁽²⁾	2018	2017	2016	2015	2014	2013	2012	2011	2010 ⁽³⁾
Public safety:										
Number of Crime Against Persons offenses per 1,000 residents	15	14	13	13	N/A	N/A	N/A	N/A	N/A	N/A
Number of Crime Against Property offenses per 1,000 residents	73	79	79	74	N/A	N/A	N/A	N/A	N/A	N/A
Percentage of emergency 9-1-1 calls answered within 20 seconds	77%	64 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of fire, medical and other incidents	85,629	87,166	85,698	81,076	77,581	72,023	70,386	69,016	67,212	65,912
Maximum response time to 90% of high priority calls (in minutes)	7.24	7.19	7.39	7.18	7.12	7.12	7.02	7.15	N/A	N/A
Total number of emergency telephone line calls	576,446	527,027	522,947	536,798	526,243	486,353	468,738	456,619	446,638	444,581
Percentage of neighborhoods with active NET teams	89%	82 %	71 %	59 %	47 %	37 %	N/A	N/A	N/A	N/A
Parks, recreation and culture:										
Number of park acres per 1,000 residents	18	18	19	19	19	20	20	20	19	19
Percentage of residents living within three miles of a full-service community center	N/A	N/A	70 %	70 %	69 %	69 %	70 %	69 %	69 %	69 %
Percentage of residents living within 1/2 miles of a developed park or natural area	N/A	N/A	80 %	81 %	80 %	80 %	80 %	79 %	79 %	77 %
Community development:										
Total number of commercial and residential building permits	9,048	10,324	10,403	10,073	8,964	N/A	N/A	N/A	N/A	N/A
Total number of commercial and residential inspections	186,398	191,146	177,705	176,939	152,426	141,847	134,391	109,495	124,094	131,011
Percentage of waste recycled or composted	0.54	54 %	63 %	64 %	69 %	70 %	70 %	66 %	71 %	N/A
Number of certified green buildings in Portland	3,086	2,872	2,766	2,573	2,362	2,123	2,051	2,378	1,700	1,595
Percentage reduction in per person carbon emissions from 1990 levels	39%	41 %	41 %	41 %	41 %	31 %	30 %	28 %	26 %	20 %
Housing units opened that are newly affordable	1,050	804	511	362	182	279	131	92	344	N/A
Number of individuals prevented from becoming homeless	10,504	7,458	6,139	4,174	3,522	4,023	N/A	N/A	N/A	N/A
Transportation and parking:										
Annual streetcar ridership	4,491,363	4,870,556	4,720,474	4,313,571	4,623,520	4,400,000	N/A	N/A	N/A	N/A
On-street parking expenses as a percentage of revenues	21%	21 %	23 %	26 %	31 %	31 %	30 %	N/A	N/A	N/A
Percentage of "busy" (collector/arterial) streets in fair or better condition	43%	48 %	50 %	53 %	55 %	51 %	N/A	N/A	N/A	N/A
Percentage of local streets in fair or better condition	28%	31 %	36 %	40 %	43 %	44 %	N/A	N/A	N/A	N/A

Continued next page

City of Portland, Oregon
Operating Indicators by Function/Program, continued
Last Ten Fiscal Years
(unaudited)

Function/Program ⁽¹⁾	Fiscal Year Ended June 30,									
	2019 ⁽²⁾	2018	2017	2016	2015	2014	2013	2012	2011	2010 ⁽³⁾
Legislative / admin / support services:										
Number of litigation cases	1,324	1,481	1,580	1,447	1,259	1,167	1,402	1,433	2,121	2,072
Percentage of cases favorably resolved	96%	97 %	90 %	95 %	89 %	N/A	N/A	N/A	N/A	N/A
Number of active grants - all types	198	221	351	352	550	475	475	475	475	475
Percentage of OMF owned City facilities (excluding spectator venues) maintained in good or better condition	N/A	61 %	61 %	61 %	61 %	61 %	61 %	94 %	95 %	95 %
Percentage of sedans that are electric or plug-in hybrid	41%	44 %	39 %	36 %	11 %	8 %	N/A	N/A	N/A	N/A
Percentage of all subcontract dollars awarded to Minority, Women, and Emerging Small Businesses subs for construction and professional services contracts	68%	51 %	43 %	19 %	30 %	35 %	22 %	26 %	35 %	25 %
Environmental services:										
Amount of wastewater processed annually (in million gallons)	25,807	28,901	36,242	32,973	27,597	28,433	28,569	30,911	30,449	27,566
Number of sanitary sewer overflows	187	168	179	134	146	227	131	121	N/A	N/A
Number of combined sewer overflows	1	3	7	5	4	4	2	4	48	62
Water:										
Average minutes that customers are on hold before speaking to a customer service representative	0.26	0.33	2.26	3.36	1.50	1.52	1.50	2.03	1.39	N/A
Number of violations of state and federal drinking water quality regulations	0	0	0	0	0	1	1	0	0	1
Number of violations of state and federal environmental regulations	0	0	0	0	0	2	0	0	0	0

Sources: City of Portland Dashboards of bureau key performance measures, Fiscal Year 2019

NA: Data not available for this fiscal year

⁽¹⁾ City of Portland key performance measure representation was revised FY2019.

⁽²⁾ Amount represents year-end estimates as published in the most recent performance dashboard.

⁽³⁾ Historical amounts may differ slightly from what has been published in previous Comprehensive Annual Financial Reports as a result of corrections to previous calculations.

City of Portland, Oregon
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(unaudited)

Function/Program	Fiscal Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Public safety:										
Number of front-line emergency vehicles	74	75	74	81	77	82	81	81	80	73
Fire stations	31	31	30	30	30	30	30	30	30	30
Police precincts	3	3	3	3	3	3	3	3	3	3
Police vehicles	709	700	692	700	641	644	627	688	673	653
Parks, recreation and culture:										
Developed parks ⁽¹⁾	146	146	144	144	144	144	145	141	143	143
Sports fields ⁽¹⁾	173	237	235	234	234	234	232	225	225	351
Arts and community centers	15	19	15	15	15	18	18	18	18	18
Pools	12	13	13	13	13	13	13	13	13	13
Golf courses	6	6	6	6	6	6	5	5	5	5
Transportation:										
Lane miles of streets	4,876	4,851	4,850	4,851	4,833	4,835	4,829	4,907	4,931	4,776
Miles of bikeways*	418	375	371**	352	345	338	331	328	328	324
Number of street lights*	56,679	56,360	56,302	56,032	55,864	55,654	55,477	55,389*	55,055*	54,911*
Unpaved streets (centerline miles) ⁽²⁾	56	56	56	56	56	56	57	60	-	-
Environmental services:										
Sanitary, storm and combined pipeline (miles)	3,081	3,074	3,040**	3,027	3,015	3,006	2,300	2,336	2,330	2,330
Water:										
Miles of water mains	2,252	2,250	2,253	2,253	2,253	2,253	2,250	2,200	2,100	2,100
Fire hydrants	14,554	14,498	14,457	14,376	14,386	14,326	14,200	14,200	14,000	14,000
Local water storage (millions of gallons)	194	194	194	196	364	288	289	301	220	220

Sources: Adopted Budget City of Portland, Oregon, Fiscal Year 2018-2019, Volume 1
Previous years of the City of Portland, Oregon Comprehensive Annual Financial Reports
Portland Police Bureau
Portland Parks & Recreation Bureau
Portland Bureau of Transportation
Portland Bureau of Environmental Services
Portland Water Bureau

⁽¹⁾ From 2012 and on, the amounts represent sports fields owned by the City of Portland. Amounts prior to 2012 include fields that the City of Portland permits.

⁽²⁾ Information not available for FY2011 and prior.

* Revised in FY18 to meet the following definition: "A developed park includes at least one built amenity that provides a park experience above and beyond a place to walk, sit, and enjoy open space."

* Revised in FY18

** Revised in FY18

AUDIT COMMENTS AND DISCLOSURES

AUDIT COMMENTS
AND DISCLOSURES



B

Report of Independent Auditors on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Oregon Minimum Audit Standards*

City Council
City of Portland, Oregon

We have audited the basic financial statements of the City of Portland, Oregon (City) as of and for the year ended June 30, 2019 and have issued our report thereon dated October 30, 2019. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules (OAR) 162-010-000 to 162-010-0330, as set forth below, noncompliance with which could have a direct and material effect on the determination of financial statement amounts:

OAR	Section	Instances of Non-Compliance Identified?
162-010-0000	Preface	None Noted
162-010-0010	Definitions	None Noted
162-010-0020	General Requirements	None Noted
162-010-0030	Contracts	None Noted
162-010-0050	Financial Statements	None Noted
162-010-0115	Required Supplementary Information (RSI)	None Noted
162-010-0120	Other Supplementary Information	None Noted
162-010-0130	Schedule of Revenues, Expenditures / Expenses, and Changes in Fund Balances, / Net Assets, Budget and Actual (Each Fund)	None Noted
162-010-0150	Schedule of Property Tax Transactions or Acreage Assessments	None Noted
162-010-0190	Other Financial or Statistical Information	None Noted
162-010-0200	Independent Auditor's Review of Fiscal Affairs	None Noted
162-010-0190	Other Financial or Statistical Information	None Noted
162-010-0200	Required Disclosures and Independent Auditors Comments	None Noted
162-010-0230	Accounting Records and Internal Control	None Noted
162-010-0240	Public Fund Deposits	None Noted
162-010-0250	Indebtedness	None Noted
162-010-0260	Budget	None Noted
162-010-0270	Insurance and Fidelity Bonds	None Noted
162-010-0280	Programs Funded from Outside Sources	None Noted
162-010-0295	Highway Funds	None Noted
162-010-0300	Investments	None Noted
162-010-0310	Public Contracts and Purchasing	None Noted
162-010-0320	Other Comments and Disclosures	None Noted

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

We noted certain additional matters that we reported to the City in a separately issued letter to management.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and do not provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



For Moss Adams LLP
Portland, Oregon
October 30, 2019

**Report of Independent Auditors on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards***

The City Council
City of Portland, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Portland, Oregon (the City), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 30, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss Adams, LLP

Portland, Oregon
October 30, 2019



COMMUNICATIONS WITH THOSE
CHARGED WITH GOVERNANCE

CITY OF PORTLAND

June 30, 2019

Communications with Those Charged with Governance

To the City Council Members, and
Mary Hull Caballero, City Auditor
City of Portland, Oregon

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Portland, Oregon (the City) as of and for the year ended June 30, 2019, and have issued our report thereon dated October 30, 2019. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America

As stated in the City of Portland Agreement for Professional, Technical, or Expert Services Contract Number 30005847 dated May 16, 2017 (the Contract), our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility is to plan and perform the audit in accordance with auditing standards generally accepted in the United States of America and to design the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free from material misstatement. An audit of financial statements includes consideration of the City's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with uniform guidance.

As part of our obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement accounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), we examined, on a test basis, evidence about the City's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the City's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the City's compliance with those requirements.

We are also responsible for communicating significant matters related to the financial statement audit that, in our professional judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Other Information in Documents Containing Audited Financial Statements

Our responsibility for other information in the financial statements does not extend beyond the financial information identified in our report. We do not have an obligation to perform any procedures to corroborate other information contained in these documents. However, we have read the information and nothing came to our attention that caused us to believe that such information or its manner of presentation is materially inconsistent with the information or manner of its presentation appearing in the financial statements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in the Contract dated May 16, 2017.

Significant Audit Findings and Issues

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and there were no changes in the application of existing policies during fiscal year 2019. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements are:

- The depreciable lives and the net book value of the City's capital assets.
- The provision for discounts and allowances on the City's accounts and loans receivable.
- The accrued liabilities for the City's claims and judgements and risk financing activities.
- The accruals for pollution remediation costs.
- The accruals for City employee pension, post-employment healthcare and retirement benefits.
- The fair value determination of the City's investment balances.

Financial Statement Disclosures

The disclosures in the financial statements are consistent, clear and understandable. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Note I addressing the reporting entity and component units included in the city's financial statements, along with the other significant accounting policies of the City.
- Note III.A disclosing the City's cash and investments including interest rate, credit, and custodial credit risks inherent in the City's investment portfolio.
- Note III.B disclosing the amount of discounts, allowances, and provision for uncollectible accounts including the various loan receivable programs of the City at June 30, 2019.
- Note III.I disclosing changes to the City's long-term debt balances along with details of each debt outstanding and future repayment terms.
- Note IV.A through C disclosing details and accruals for the City's risk financing activities, claims, judgements, commitments, and contingent liabilities.
- Note IV.D and E disclosing on the details of employee post-employment health and retirement benefit programs.

Significant Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all factual and judgmental misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no misstatements detected as a result of audit procedures that were material, either individually or in the aggregate, to the financial statements as a whole, for the fiscal year ended June 30, 2019.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 30, 2019.

Other Matters

Update on the Governmental Activities Net Position Trends

As we have reported to you in the past few years' audit communications, the total cost of providing the City's general governmental services, as measured on a full accrual basis under generally accepted accounting principles, has exceeded the revenues recognizable for financial reporting purposes for many years now. The cost of providing services in the current fiscal year again exceeded recorded revenues by \$61.8 million.

The primary contributor to the current year excess of costs over revenues include the expenses recorded for employee pension benefits in excess of current year contributions to the respective plans.

Auditor Independence

Auditor independence, in fact and appearance, is essential so that the public may justifiably perceive the audit process as an unbiased review of management's presentation of financial information.

At least annually, we will disclose to the City Council the nature of all relationships between Moss Adams and the City of Portland, Oregon, that, in our professional judgement, may reasonably be thought to bear on our independence.

We are not aware of any relationships between our Firm and the City of Portland, Oregon, for the year ended June 30, 2019, and through the date of this letter, that may reasonable be thought to impact our independence. Accordingly, relating to our audit of the financial statements of the City of Portland, Oregon, as of and for the year ended June 30, 2019, we confirm we are independent with respect to the City within the meaning of Rule 101 of the American Institute of Certified Public Accountants' Code of Professional Conduct, its interpretations and rulings.

This information is intended solely for the use of the City Council, City Auditor, management, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Moss Adams, LLP

Portland, Oregon
October 30, 2019



MOSSADAMS

Agenda No.
REPORT
 Title

Results of Financial Audit of the City Comprehensive Annual Financial Report for FY 2018-19 and related communications (Report)

<p>INTRODUCED BY Auditor: Mary Hull Caballero <i>Mary Hull Caballero</i></p> <p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance & Administration - Wheeler</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Hardesty</p> <p>Position 4/Safety - Eudaly</p> <p>BUREAU APPROVAL</p> <p>Bureau: Office of the City Auditor Bureau Head: Mary Hull Caballero</p> <p>Prepared by: Kari Guy Date Prepared: December 3, 2019</p> <p>Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>City Auditor Office Approval: required for Code Ordinances</p> <p>City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan</p> <p>Council Meeting Date 12/12/2019</p>	<p>CLERK USE: DATE FILED DEC 03 2019</p> <p style="text-align: center;">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p> <p>ACTION TAKEN:</p> <p style="text-align: center;">DEC 12 2019 ACCEPTED</p>
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<p style="text-align: center;">AGENDA</p> <p>TIME CERTAIN <input checked="" type="checkbox"/> Start time: 2:00</p> <p>Total amount of time needed: 30 minutes (for presentation, testimony and discussion)</p> <p>CONSENT <input type="checkbox"/></p> <p>REGULAR <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 30%;">FOUR-FIFTHS AGENDA</th> <th colspan="2">COMMISSIONERS VOTED AS FOLLOWS:</th> </tr> <tr> <th></th> <th style="width: 35%;">YEAS</th> <th style="width: 35%;">NAYS</th> </tr> <tr> <td>1. Fritz</td> <td>1. Fritz <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>2. Fish</td> <td>2. Fish <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>3. Hardesty</td> <td>3. Hardesty <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>4. Eudaly</td> <td>4. Eudaly <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>Wheeler</td> <td>Wheeler <input checked="" type="checkbox"/></td> <td></td> </tr> </table>	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:			YEAS	NAYS	1. Fritz	1. Fritz <input checked="" type="checkbox"/>		2. Fish	2. Fish <input checked="" type="checkbox"/>		3. Hardesty	3. Hardesty <input checked="" type="checkbox"/>		4. Eudaly	4. Eudaly <input checked="" type="checkbox"/>		Wheeler	Wheeler <input checked="" type="checkbox"/>	
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