

City of Portland, Oregon

Comprehensive Annual Financial Report

FOR THE
YEAR ENDED
JUNE 30,
2020



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City of Portland, Oregon

Comprehensive Annual Financial Report For The Fiscal Year Ended June 30, 2020



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

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



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INTRODUCTORY SECTION



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Michelle R. Kirby, CPA
Chief Financial Officer

Tom Rinehart
Chief Administrative
Officer

Ted Wheeler
Mayor

CITY OF PORTLAND
**Office of Management
and Finance**
1120 SW 5th Avenue
Portland, OR 97204

P: (503) 823-4358
F: (503) 823-5384
TTY: (503) 823-6868
portlandoregon.gov/brfs

October 30, 2020

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, 2020.

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

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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 654,741 as of July 1, 2019, making Portland the 26th 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

The current public health crisis has put an end to the nation's longest modern economic expansion. Over the last several months, states and cities have had varied policies regarding stay-at-home orders, which has greatly impacted the economy. Local employment losses peaked in April 2020, though some of those losses have rebounded as businesses have begun to reopen, albeit at lower capacity than prior to the pandemic. The Multnomah County unemployment rate ballooned to 16.4% in April and has slightly recovered, though remains at historic highs. Meanwhile, the local real estate market has stayed relatively strong compared to the broader economy, as low interest rates have helped buoy home price growth.

Inflation rose at a 2.1% annualized rate for the first six months of 2020, which was slower than a year ago. Higher housing, and transportation costs helped to push inflation higher, while energy and apparel costs fell slightly. The 2020 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 around 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 more than 14% to more than \$170 million for FY2019-20. Transient lodging taxes, fell dramatically in the 4th quarter of the fiscal year due to the public health crisis and stay-at-home orders, resulting in an overall decline in lodging taxes from the previous year. To the extent the public health crisis continues, it is lodging taxes that will be most acutely impacted. Overall, General Fund revenue from external sources grew by 1.9% in FY2019-20 over FY2018-19.

Outlook

The local economy has stalled under the influence of the closures from the impacts of the current public health crisis. However, due to the industries that are most impacted – generally lower-paying leisure and hospitality workers – incomes for higher-paying industries and those with significant stock market holdings remain largely intact, at least relatively speaking. As a result of both the labor market

and very low interest rates, the real estate market has been stable thus far during the pandemic. That said, there is significant fear that, with the expiration of federal support of unemployment and absent an adequate replacement, the rental market will likely see significant declines. Unique to this particular economic environment is its dependence on solving the public health crisis. The longer that the local and national economies take to “return to normal”, more and more industries and employees will likely be adversely impacted.

The City saw record revenue growth over the last four years, as local economic growth exceeded both national and state averages. However, the most recent data illustrate the abruptness with which the current health crisis is impacting the economy, 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 our control as the country struggles to effectively deal with the public health crisis. 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.

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 FY 2019-20, the City Council invested a total of \$577.3 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. 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 annual 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

At the time of the Adopted Budget, the City found itself with approximately a \$18.4 million surplus in one-time, and a \$2.4 million deficit in ongoing General Fund resources. The FY 2019-20 Adopted Budget included a financial constraint of 1% of General Fund resources (approximately \$5.6 million) to be included in the base Current Allocation Level (CAL). This means bureaus were provided 99% of their CAL as a resource and needed to internally prioritize and realign expenses to match resource allocations. Growth in the General Fund above the base CAL was invested in the following areas:

- *Housing and Homelessness:* The Portland Housing Bureau's (PHB's) FY 2019-20 Adopted Budget totaled \$142.6 million and 81.0 FTE, an increase of 10.0 FTE over the prior year Revised Budget. The biggest overall shift in the bureau's budget compared to the prior year stems from voter-approved changes that allow the City to lend general obligation bond proceeds for the creation of affordable housing. The bureau is therefore shifting back toward its role as primarily gap financing affordable housing projects through public-private partnerships. The Adopted Budget increases PHB's General Fund resources by approximately 2.9% compared to the prior year Revised Budget, including new resources for an inclusionary housing market analysis and maintaining investments in the Joint Office of Homeless Services and the Rental Services Office. The FY 2019-20 budget includes additional resources for rental services outreach, education, mediation, and expungement funded through one-time General Fund and Recreational Cannabis Tax resources.
- *Public Safety:* The Portland Police Bureau's FY 2019-20 Adopted Budget is \$238.2 million with 1,301 FTE. This represents a 1% increase in total resources over the FY 2018-19 Revised Budget. The most notable investment is the bureau identified \$2.0 million to set-aside for future replacement of the records management system. The bureau was allocated \$120,000 in General Fund one-time

resources as bridge funding for reduced revenues in the Records Division as the bureau stopped charging victims for Police records requests in January 2019. The Portland Fire & Rescue FY 2019-20 Adopted Budget is \$129.8 million with 726.55 FTE. This is 1.97% less than the bureau's FY 2018-19 Revised Budget. A reduction of \$302,833 reduced Station 23's staffing level down to a Rapid Response Vehicle on all three shifts. Previously, the bureau operated a four-person engine out of Station 23 on one shift, and a two-person Rapid Response Vehicle on the other two shifts. The Adopted Budget for the Bureau of Emergency Communication included \$182,727 in one-time resources for research and a feasibility analysis for launching a Nurse Triage program and a mental health crisis response team, referred to as "Portland Street Response."

- *Parks & Recreation and City Livability:* The FY 2019-20 Adopted Budget for Portland Parks & Recreation included \$2.5 million in one-time resources to fund transition planning efforts as the bureau moves to a fiscally sustainable recreation program model, maintain summer programs, and support revenue stabilization through programming model transitions. During Budget Development for FY 2019-20 PP&R projected a \$6.3 million gap in the General Fund between the cost to provide the current level of service and projected revenues. The FY 2019-20 budget has a net reduction of 53.82 FTE in the Parks Bureau as part of addressing the financial shortfalls, primarily in recreation programming. The Office of Community and Civic Life's (Civic Life's) FY 2019-20 Adopted Budget includes 65.1 FTE and totals \$14.6 million, which represents an increase of 4.33 FTE and 14.85% in funding over the FY 2018-19 Revised Budget. Funding includes: \$600,000 for the 2020 Census preparation, \$662,105 to implement a Citywide 311 Program, and \$1.4 million in Recreational Cannabis Tax Fund revenues for community grants.
- *Infrastructure Maintenance and Replacement:* The FY 2019-20 budget included \$7.3 million in one-time General Fund resources to address critical infrastructure needs as part of the capital set-aside process for investing in critical infrastructure. The Portland Bureau of Transportation received an additional \$5.3 million to support various large-scale capital projects, including the replacement and/or upgrade of sidewalks and curb corners to meet ADA compliance. There is \$900,000 in capital set-aside funding to repair failing culverts and other critical Forest Park infrastructure. Consistent with prior year Council direction, the Parks Bureau requested and received \$625,000 in ongoing General Fund resources to increase the Parks bureau's major maintenance funding.

Future challenges

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been declared a pandemic by the World Health Organization. The spread of COVID-19 is altering the behavior of businesses and individuals in a manner that may have significant lasting negative effects on economies, including the City of Portland local economy. On March 23, 2020, the Governor enacted an executive order directing residents to stay at their place of residence except for essential purposes (the "Stay Home Save Lives Order"). The Stay Home Save Lives Order directed closure of all but essential businesses (except for construction activity) and required social distancing for essential retail businesses. On May 7, 2020, the Governor announced the first step in reopening the Oregon economy ("Phase One"), and has since issued Executive Orders establishing new requirements for all State residents and businesses, and setting forth a process through which those requirements could be altered through a phased reopening of the economy. The City cannot predict when counties will continue into various phases of reopening and restrictions may be reinstated at the Governor's discretion if there is a COVID-19 resurgence.

All City bureaus and divisions have been directed to activate their respective continuity of operations plans and all meetings, including City Council meetings, have since been facilitated virtually via internet video conferencing. Many of the City's walk-in services, including the Revenue Division and Bureau of Development Services, have been disrupted, however public safety, water and sewer services continue uninterrupted.

Many aspects of the City's future finances and operations as well as the local economy are expected to be adversely impacted by the COVID-19 pandemic. Although the City's General Fund revenue streams are more economically resilient than many local governments, uncertainty around the COVID-19 pandemic impacts remains high due to the unknown duration of social distancing. To date, the impact of the pandemic to at least a portion of the City's economy and tax revenue has been pronounced and immediate. Future impacts are expected to be significant to many aspects of the local economy and City operations and finances. Immediate impacts have been seen in recreation programming and user fees in the Bureau of Parks and Recreation; parking fee collections at the City-owned parking structures, parking enforcement for on-street parking, and loss of gas tax resources supporting the Portland Bureau of Transportation; and within the general fund resources collected from travel and transient lodging taxes. Historically, property taxes comprise the largest and most stable source of revenue for the General Fund. Although fiscal year 2019-20 property tax revenues were collected as expected, the City anticipates the potential for higher delinquencies in coming years as the economy slowly recovers.

In addition to reductions in revenues, the City expects that it will continue to incur significant expenditures associated with its response to the COVID-19 pandemic. However, the total amount of and related impact of these expenditures is challenging to fully predict. City bureaus were instructed to curtail spending during FY 2019-20 to ensure resource availability by the close of the fiscal year and to position the City to support core services during the development of the FY 2020-21 budget. Continued cost containment, including mandatory employee furlough days, is expected to bridge revenue losses into early FY 2020-21. Revised economic forecasts and budget monitoring processes will advise whether there is a need for further budget revisions.

On April 20, 2020, the City received approximately \$114 million of federal grant funding under the Coronavirus Aid, Relief and Economic Security Act (CARES Act). Per guidance from the United States Treasury, such funds are restricted to expenditures which are necessary in response to the public health emergency, including medical expenses, public health and safety expenses, compliance costs of COVID-19 public health measures, and economic support to small businesses. State and Local Coronavirus Relief Fund allocations are not allowed to replace lost revenues due to the COVID-19 pandemic. Additionally, these funds are required to be spent by December 30, 2020. On July 22, 2020, the City Council approved a plan for distributing \$114 million of federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding, including \$32.0 million for household and housing stability, \$20.0 million for Multnomah County's public health response, \$17.7 million for City emergency response expenses and community outreach, \$16.5 million for supporting Portland's homeless community, \$15.0 million for small business relief, \$5.0 million for East Multnomah County cities, \$4.3 million for arts and culture, and \$3.5 million to improve community technology access. Additionally, the City has received federal funding aimed at COVID-19 response from other sources, including the US Department of Justice Byrne/JAG Program, and various housing and homeless assistance programs.

While there's no doubt that we are living in what is being referred to as unprecedented times and the financial challenges are significant, the City of Portland is committed to weathering this storm. The City's strong credit ratings reflect demonstrated fiscal controls. It is the combination of strong financial policies, disciplined budget management, and long-term sustainability monitoring which provide the foundation to meet these challenges.

OTHER INFORMATION

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 39 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 4 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 34 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 of the Bureau of Revenue and Financial Services. Nearly 6 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 progress was made during this time and this year's CAFR transmittal date of October 30 marks the third time the City has produced the CAFR within 4 months of fiscal year end, and 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 managing to produce this year's CAFR within the 4-month time frame considering the extraordinary challenges facing the team during these unprecedented times.

We also extend our appreciation to the bureaus, City Council, City Auditor, and the many City executives and 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

Tom Rinehart
Chief Administrative Officer
Office of Management & Finance

Michelle Kirby

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



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**ELECTED OFFICIALS OF THE CITY OF PORTLAND
FISCAL YEAR 2019-2020**



Mayor Ted Wheeler



Commissioner Chloe Eudaly



**Late Commissioner Nick Fish
(seat to be filled August 2020)**



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
Vacant

Finance and
Administration Mayor
Ted Wheeler

Commissioner of
Public Affairs
Jo Ann Hardesty

Commissioner of
Public Safety
Chloe Eudaly

City Auditor
Mary Hull
Caballero

Office of Equity
& Human Rights

Portland
Water Bureau

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

Bureau of
Environmental
Services

Portland Parks &
Recreation

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

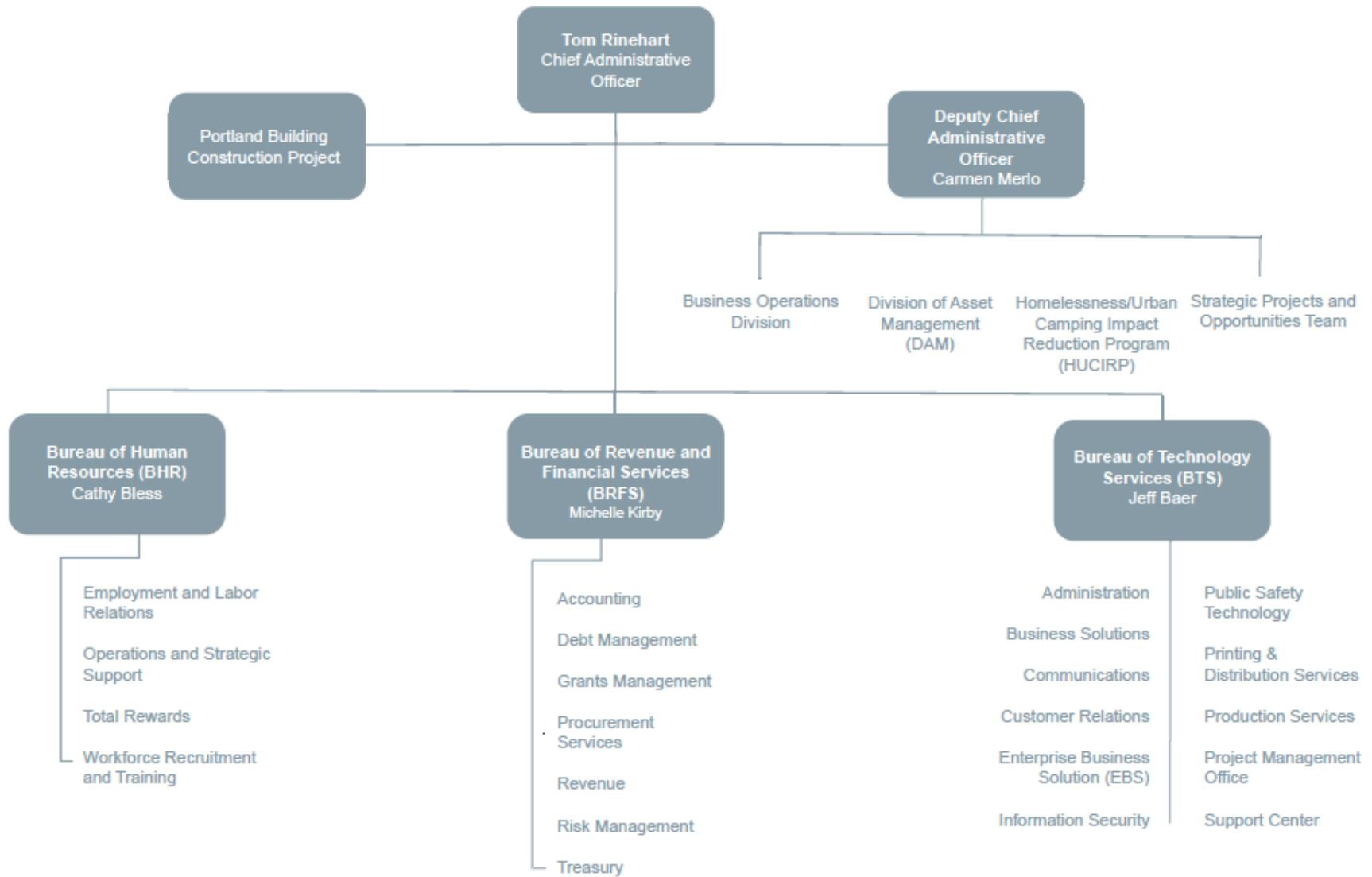
Independent Police
Review

Assessments,
Finance,
& Foreclosure

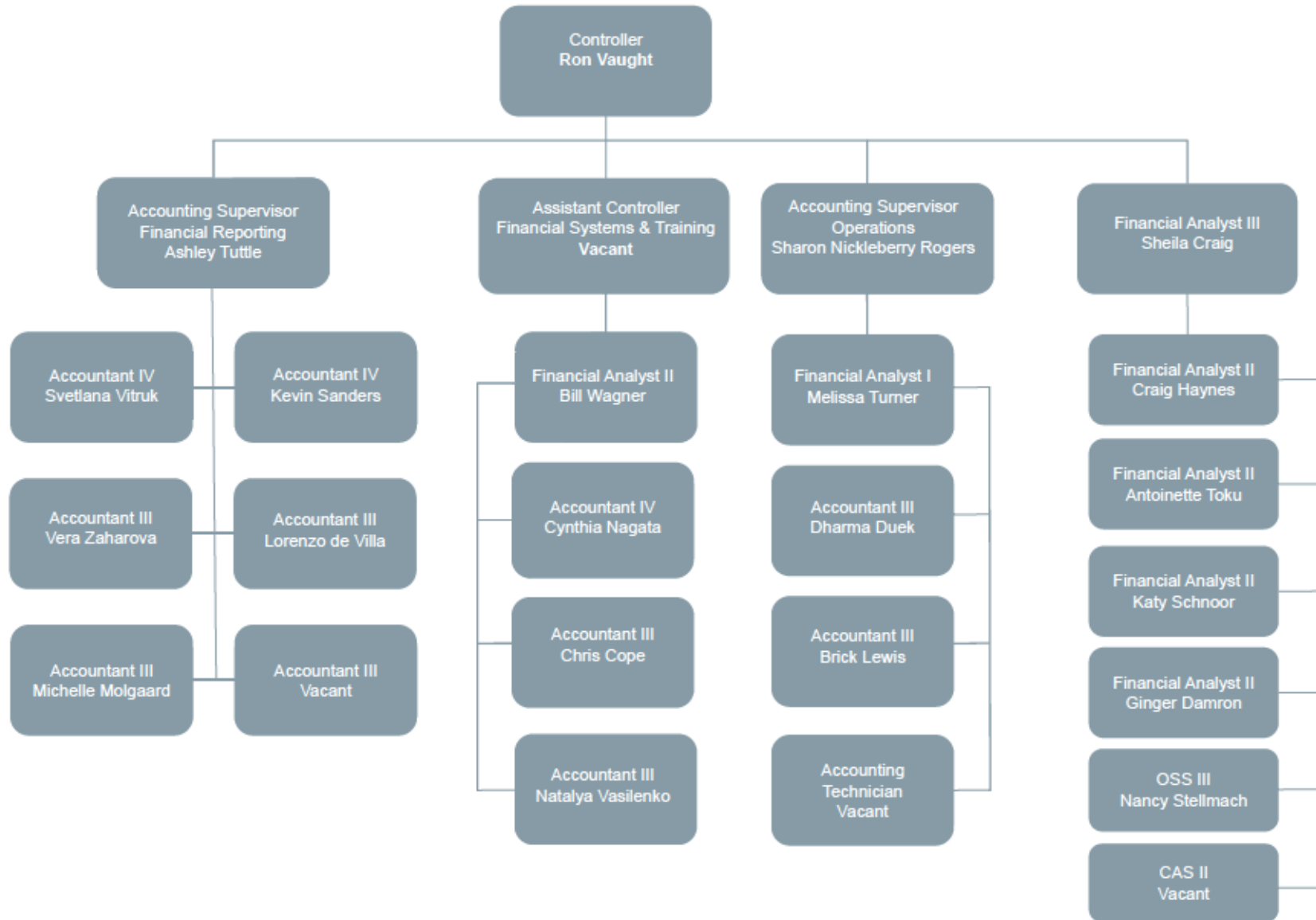
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Office of Management and Finance



Accounting Division





Government Finance Officers Association

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Presented to

**City of Portland
Oregon**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



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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 (the "City"), as of and for the year ended June 30, 2020, 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, 2020, and the respective changes in financial position and, where applicable cash flows 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 the 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 45 and 173 through 189, 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 45, and pages 179 through 189 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 173 through 178 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 190 to 383 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, 2020 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, 2020 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, 2020



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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, 2020. 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, 2020:

- Assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of FY 2019-20 by \$1,375,715,146 (*net position*). Included in this amount is an unrestricted *net position* deficit totaling \$4,463,491,500, 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 by \$79,069,859 from FY 2018-19 as shown on Table 2-C on page 29, consisting of a decrease of \$126,790,651 in the net position of the governmental activities, which is offset by an increase in net position of the business-type activities of \$205,860,510. 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 \$1,229,121,548, an increase of \$269,369,193, in comparison to FY 2018-19, as shown in the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds on page 58. Of the combined ending governmental fund balances, \$127,529,320 or 10.4%, 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 \$23,583,351 or 3.0% of total General Fund expenditures.
- The City's total outstanding bonded debt decreased from FY 2018-19 by \$15,278,549 or .47%, as shown on Table 5 on page 42. Various factors are attributable for this decrease and are discussed in detail on page 40.
- In March of 2020 the Governor of the State of Oregon and the Mayor of the City of Portland issued emergency orders declaring a state of emergency as a result of a global pandemic related to COVID-19. In response many City employees switched to teleworking and most City offices were closed. Parks facilities and programs were closed and approximately 900 temporary and seasonal positions aren't being filled this summer. Other employees were required to take up to 10 furlough days by October 31, 2020. All Bureaus were also asked to reduce programs and spending where possible. The City experienced a drop off of revenues in the fourth quarter due to COVID-19.
- The City received \$114.2 million in federal funding from the Coronavirus Aid, Relief, and Economic Security Act (CARES) in March 2020, most of which remains in unearned revenue as of June 30, 2020. These monies need to be spent by December 31, 2020 or they will need to be returned to the federal government.

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*. Over time, increases or decreases in *net position* may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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 as soon as the underlying event giving rise to the change occurs, 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 earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover 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 group of related accounts used to maintain control over resources that have been segregated 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 used to account for essentially the same functions reported as *governmental activities* 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, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term funding decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 57 individual budgetary governmental funds. Three of those funds are combined to form the General Fund for GAAP presentation and two are combined to form the Transportation fund for GAAP. Governmental funds are further classified as *general*, *special revenue*, *debt service*, *capital projects*, or *permanent* funds. Within each fund-type group, funds are additionally classified as *major* or *nonmajor* funds.

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, the Transportation Operating Fund and the Grants 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, the Transportation Operating Fund and the Grants 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 City has three Trust funds to account for pension activities. The City also maintains four custodial funds to account for monies belonging to other entities and individuals.

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 - 167 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 171 of this report.

The combining statements referred to earlier in connection with *nonmajor* governmental funds and proprietary funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found beginning on page 190 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, *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 \$1,375,715,146 at the close of FY 2019-20, which is presented in Table 1-C on page 26.

A. Analysis of net position

At the end of FY 2019-20, the City is able to report positive balances in two categories of *net position* for the government as a whole: (1) net investment in capital assets, and (2) restricted *net position*. Unrestricted *net position*, the third category of *net position*, had a negative balance in governmental activities. Business-type activities have a positive balance for all three categories of *net position*.

The largest portion of the City's *net position* reflects an investment of \$4,830,025,692 or 351.1% in capital assets (e.g., land, buildings, equipment, and intangible assets), net of any related outstanding debt used to acquire those assets, as shown on Table 1-C on page 26. The high percentage of investment in capital assets, in relation to total *net position*, is largely a result of the offsetting deficit *unrestricted net position* (discussed in detail below). The City 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 that the resources needed to repay this debt must be provided from other sources because the capital assets cannot be liquidated to pay for the liabilities. A more detailed discussion of capital assets begins on page 37.

The second component of the City's *net position*, is *restricted net position* which totals \$1,009,180,954 or approximately 73.4% of total net position. This amount represents resources that are subject to external restrictions on how they may be used. By definition, the City cannot remove these restrictions as they are imposed by parties outside the City.

The remaining balance is an *unrestricted net position deficit* totaling \$4,463,491,500. This deficit is primarily due to the net pension obligation for the Fire and Police Disability, Retirement and Death Benefit (FPDR) Plan, which is recorded entirely in governmental activities. The FPDR Plan was established in 1942 to provide disability, retirement and death benefits for sworn members of the City's Police and Fire bureaus, and their survivors. The FPDR Plan consists of three tiers, two of which are now closed to new employees following reforms approved by 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 to a more traditional funded-when-earned 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 2019-20	FY 2018-19	Change
ASSETS			
Current and other assets	\$ 1,761,494,487	\$ 1,348,329,905	\$ 413,164,582
Capital assets	2,122,377,322	2,067,798,414	54,578,908
Total assets	3,883,871,809	3,416,128,319	467,743,490
Deferred outflows of resources	1,030,380,598	525,964,398	504,416,200
LIABILITIES			
Long-term liabilities outstanding	6,210,719,241	5,217,936,791	992,782,450
Other liabilities	459,205,619	297,200,082	162,005,537
Total liabilities	6,669,924,860	5,515,136,873	1,154,787,987
Deferred inflows of resources	162,107,640	217,945,286	(55,837,646)
NET POSITION			
Net investment in capital assets	1,814,558,567	1,795,576,859	18,981,708
Restricted	1,009,000,954	736,060,478	272,940,476
Unrestricted (deficit)	(4,741,339,614)	(4,322,626,779)	(418,712,835)
Total net position	\$ (1,917,780,093)	\$ (1,790,989,442)	\$ (126,790,651)

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

Business-type Activities

	<u>FY 2019-20</u>	<u>FY 2018-19</u>	<u>Change</u>
ASSETS			
Current and other assets	\$ 665,606,909	\$ 727,303,318	\$ (61,696,409)
Capital assets	5,103,338,071	4,881,367,986	221,970,085
Total assets	<u>5,768,944,980</u>	<u>5,608,671,304</u>	<u>160,273,676</u>
Deferred outflows of resources	<u>62,560,711</u>	<u>51,813,541</u>	<u>10,747,170</u>
LIABILITIES			
Long-term liabilities outstanding	2,238,847,370	2,296,249,154	(57,401,784)
Other liabilities	265,575,311	262,272,378	3,302,933
Total liabilities	<u>2,504,422,681</u>	<u>2,558,521,532</u>	<u>(54,098,851)</u>
Deferred inflows of resources	<u>33,587,771</u>	<u>14,328,584</u>	<u>19,259,187</u>
NET POSITION			
Net investment in capital assets	3,015,467,125	2,705,169,782	310,297,343
Restricted	180,000	1,252,139	(1,072,139)
Unrestricted surplus (deficit)	277,848,114	381,212,808	(103,364,694)
Total net position	<u>\$ 3,293,495,239</u>	<u>\$ 3,087,634,729</u>	<u>\$ 205,860,510</u>

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

Total Net Position

	<u>FY 2019-20</u>	<u>FY 2018-19</u>	<u>Change</u>
ASSETS			
Current and other assets	\$ 2,427,101,396	\$ 2,075,633,223	\$ 351,468,173
Capital assets	7,225,715,393	6,949,166,400	276,548,993
Total assets	<u>9,652,816,789</u>	<u>9,024,799,623</u>	<u>628,017,166</u>
Deferred outflow of resources	<u>1,092,941,309</u>	<u>577,777,939</u>	<u>515,163,370</u>
LIABILITIES			
Long-term liabilities outstanding	8,449,566,611	7,514,185,945	935,380,666
Other liabilities	724,780,930	559,472,460	165,308,470
Total liabilities	<u>9,174,347,541</u>	<u>8,073,658,405</u>	<u>1,100,689,136</u>
Deferred inflow of resources	<u>195,695,411</u>	<u>232,273,870</u>	<u>(36,578,459)</u>
NET POSITION			
Net investment in capital assets	4,830,025,692	4,500,746,641	329,279,051
Restricted	1,009,180,954	737,312,617	271,868,337
Unrestricted surplus (deficit)	(4,463,491,500)	(3,941,413,971)	(522,077,529)
Total net position	<u>\$ 1,375,715,146</u>	<u>\$ 1,296,645,287</u>	<u>\$ 79,069,859</u>

B. Analysis of changes in net position

As noted previously, the City's total change in net position resulting from operations increased by \$79,069,859 during FY 2019-20. 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

	<u>FY 2019-20</u>	<u>FY 2018-19</u>	<u>Change</u>
Revenues			
<i>Program revenues:</i>			
Charges for services	\$ 564,532,512	\$ 573,544,004	\$ (9,011,492)
Operating grants and contributions	61,943,758	125,574,053	(63,630,295)
Capital grants and contributions	210,903,719	168,501,700	42,402,019
<i>General revenues:</i>			
Property taxes	632,907,728	610,837,288	22,070,440
Lodging taxes	52,072,009	60,416,923	(8,344,914)
Miscellaneous taxes	104,345,895	53,337,472	51,008,423
Investment earnings	42,403,816	41,143,018	1,260,798
Total revenues	<u>1,669,109,437</u>	<u>1,633,354,458</u>	<u>35,754,979</u>
Expenses			
Public safety	888,342,576	698,443,794	189,898,782
Parks, recreation and culture	119,891,074	114,164,329	5,726,745
Community development	345,950,186	243,792,435	102,157,751
Transportation	249,110,162	330,008,337	(80,898,175)
Legislative / admin / support services	149,334,563	250,839,532	(101,504,969)
Environmental services	455,770	222,064	233,706
Water	262,023	853,736	(591,713)
Parking facilities	17,000	17,000	-
Interest on long-term debt	50,094,393	52,151,629	(2,057,236)
Total expenses	<u>1,803,457,747</u>	<u>1,690,492,856</u>	<u>112,964,891</u>
Revenues over (under) expenses	(134,348,310)	(57,138,398)	(77,209,912)
Transfers	7,557,659	(4,700,010)	12,257,669
Change in net position	(126,790,651)	(61,838,408)	(64,952,243)
Net position - beginning	<u>(1,790,989,442)</u>	<u>(1,729,151,034)</u>	<u>(150,967,946)</u>
Net position - ending	<u>\$ (1,917,780,093)</u>	<u>\$ (1,790,989,442)</u>	<u>\$ (126,790,651)</u>

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

Business-type Activities

	<u>FY 2019-20</u>	<u>FY 2018-19</u>	<u>Change</u>
Revenues			
<i>Program revenues:</i>			
Charges for services	\$ 636,034,259	\$ 637,966,777	\$ (1,932,518)
Capital grants and contributions	7,423,078	77,249,239	(69,826,161)
<i>General revenues:</i>			
Investment earnings	<u>17,950,837</u>	<u>23,315,770</u>	<u>(5,364,933)</u>
Total revenues	<u>661,408,174</u>	<u>738,531,786</u>	<u>(77,123,612)</u>
Expenses			
Environmental services	262,850,900	253,973,118	8,877,782
Water	155,094,484	145,727,000	9,367,484
Hydroelectric power	3,277,780	3,501,910	(224,130)
Parking facilities	8,135,542	9,498,977	(1,363,435)
Golf	10,213,433	10,043,357	170,076
Motor sports	1,810,452	1,947,769	(137,317)
Spectator facilities	<u>6,607,414</u>	<u>7,577,761</u>	<u>(970,347)</u>
Total expenses	<u>447,990,005</u>	<u>432,269,892</u>	<u>15,720,113</u>
Revenues over (under) expenses	213,418,169	306,261,894	(92,843,725)
Transfers	<u>(7,557,659)</u>	<u>4,700,010</u>	<u>(12,257,669)</u>
Change in net position	205,860,510	310,961,904	(105,101,394)
Net position - beginning	<u>3,087,634,729</u>	<u>2,776,672,825</u>	<u>310,961,904</u>
Net position - ending	<u>\$ 3,293,495,239</u>	<u>\$ 3,087,634,729</u>	<u>\$ 205,860,510</u>

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

Total Changes in Net Position

	<u>FY 2019-20</u>	<u>FY 2018-19</u>	<u>Change</u>
Revenues			
<i>Program revenues:</i>			
Charges for services	\$ 1,200,566,771	\$ 1,211,510,781	\$ (10,944,010)
Operating grants and contributions	61,943,758	125,574,053	(63,630,295)
Capital grants and contributions	218,326,797	245,750,939	(27,424,142)
<i>General revenues:</i>			-
Property taxes	632,907,728	610,837,288	22,070,440
Lodging taxes	52,072,009	60,416,923	(8,344,914)
Miscellaneous taxes	104,345,895	53,337,472	51,008,423
Investment earnings	60,354,653	64,458,788	(4,104,135)
Total revenues	<u>2,330,517,611</u>	<u>2,371,886,244</u>	<u>(41,368,633)</u>
Expenses			
Public safety	888,342,576	698,443,794	189,898,782
Parks, recreation and culture	119,891,074	114,164,329	5,726,745
Community development	345,950,186	243,792,435	102,157,751
Transportation	249,110,162	330,008,337	(80,898,175)
Legislative / admin / support services	149,334,563	250,839,532	(101,504,969)
Interest on long-term debt	50,094,393	52,151,629	(2,057,236)
Environmental services	263,306,670	254,195,182	9,111,488
Water	155,356,507	146,580,736	8,775,771
Hydroelectric power	3,277,780	3,501,910	(224,130)
Parking facilities	8,152,542	9,515,977	(1,363,435)
Golf	10,213,433	10,043,357	170,076
Motor sports	1,810,452	1,947,769	(137,317)
Spectator facilities	6,607,414	7,577,761	(970,347)
Total expenses	<u>2,251,447,752</u>	<u>2,122,762,748</u>	<u>128,685,004</u>
Change in net position	79,069,859	249,123,496	(170,053,637)
Net position - beginning	<u>1,296,645,287</u>	<u>1,047,521,791</u>	<u>249,123,496</u>
Net position - ending	<u>\$ 1,375,715,146</u>	<u>\$ 1,296,645,287</u>	<u>\$ 79,069,859</u>

Governmental activities. Governmental activities decreased the City's net position by \$126,790,651, which is reflected in Table 2-A on page 27.

- Total revenues increased over the prior year, although they were still less than the total expenses for the governmental activities. Specifically, the Property Taxes, Capital Grants, Miscellaneous taxes, and Investment Earnings line items increased over the prior year by \$22.1 million, \$42.4 million, \$51.0 million and \$1.3 million respectively. These revenue increases reflect the economic expansion in the region that was seen up through March of 2020. Housing prices in the Portland area have continued to grow, which is reflected in the increase in property taxes. Strong growth in the construction industry resulted in increased permit fees and assessments, which are included in the charges for services line item. The increase in Miscellaneous taxes ties primarily to the new Clean Energy Tax which increased by \$56.3 million over the prior year. The local gas tax on the other hand fell by \$2.6 million due to COVID-19. In addition, favorable interest rates and strong investment performance accounts for the increase in investment earnings over the prior year earnings. Lodging taxes fell by \$8.3 million due to COVID-19. Although charges for services in some areas increased it fell in total by \$9.0 million due to a \$6.4 million loss in Parks fees and \$15.0 million of losses in the Transportation function primarily due to a loss in parking revenue and other fees, all related to COVID-19. Operating grants fell by \$63.6 million.
- Total net expenses increased over the prior year by \$112,964,891. The increase can be attributed to pension costs. Due to a drop primarily to the drop in interest rates the FPDR pension expense increased by \$143.9 million and PERS increased by \$51.8 million primarily due to changes in assumptions. These increases were offset by a significant decreases in materials and services and reductions in personnel costs due to furloughs and layoffs.

The following charts provide a visual representation of the expenses and revenues for governmental activities for FY 2019-20. Chart 1 shows expenses and program revenues generated by each program activity while Chart 2 shows all governmental revenues by source type.

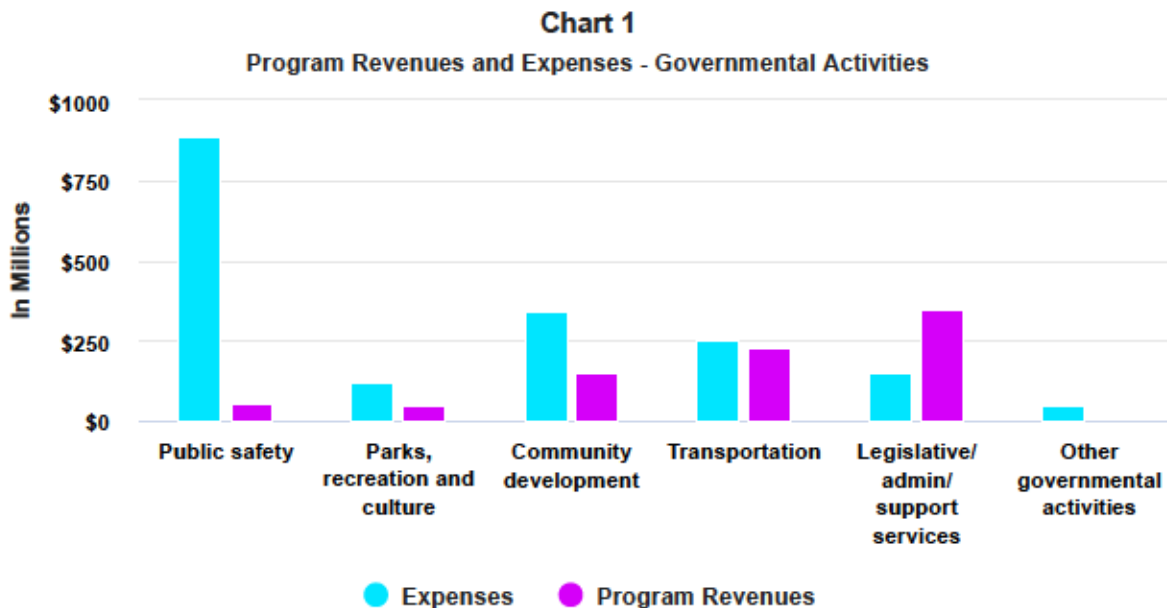
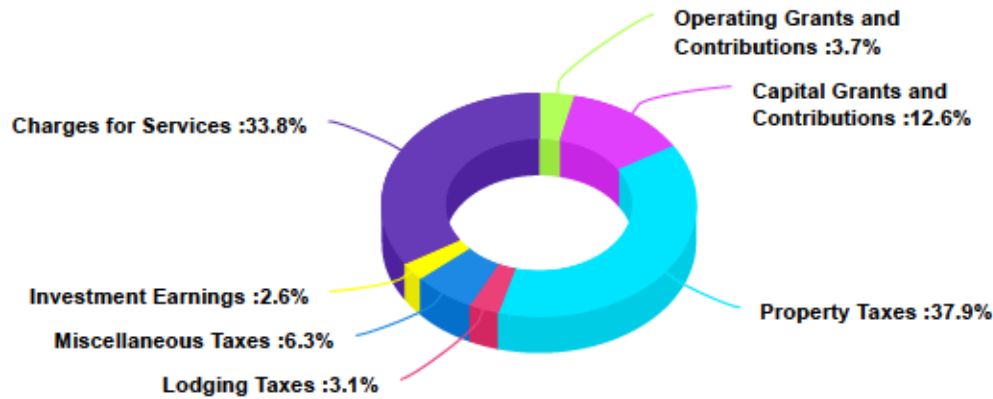


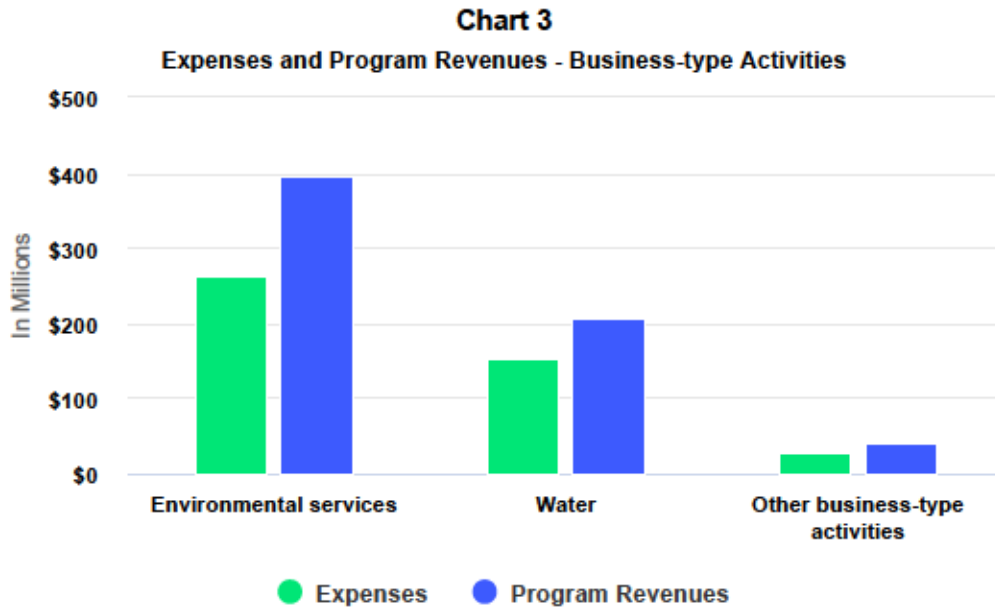
Chart 2
Revenues by Source - Governmental Activities



Business-type activities. Business-type activities increased the City's net position by \$205,860,510, as reflected in Table 2-B on page 28. Environmental services and water operations contributed \$142,757,152 and \$59,296,725, 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. The \$1.9 million drop here related to a drop in collection in the final quarter related to COVID-19.
- A \$69.8 million reduction was seen in the Capital Contributions line item and pertains to the Spectators Facilities Fund, which is a nonmajor Enterprise Fund. In FY19 there was a contribution that was the 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 \$15,720,113, 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 \$10.1 million increase in pension costs. Demand for service, along with increasing costs of salaries and benefits accounts for the rest of the 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

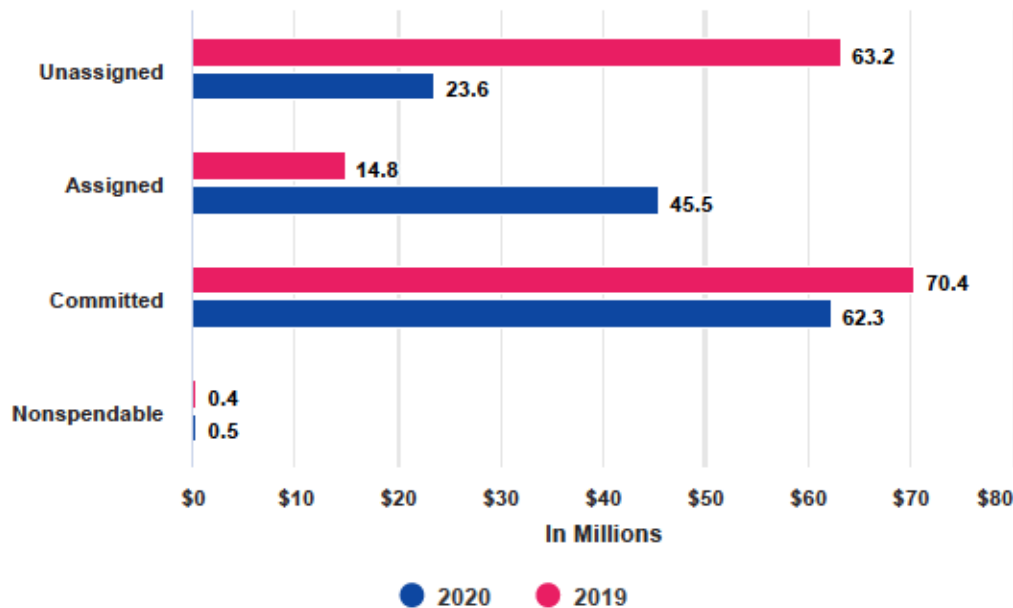
The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's cash flow and funding requirements. In particular, the *unassigned fund balance* may serve as a useful measure 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 \$1,229,121,548, an increase from the prior fiscal year of \$269,369,193, as a result of net activity. Of the combined ending fund balances, \$5,703,693 or 0.5% constitutes the *unassigned fund balance*, and \$121,825,627 or 9.9% constitutes *assigned fund balance* in the appropriate fund types as shown in the Governmental Funds Balance Sheet on page 56. The remainder of fund balance is classified as *nonspendable, restricted, or committed*. Amounts classified as *restricted or committed* are not available for new spending as they can only be used for their restricted or committed purpose.

The General Fund is the chief operating fund of the City. At the end of FY 2019-20, *total fund balance* was \$131,778,230, of which \$23,583,351 or 17.9% is unassigned, \$45,462,450 or 34.5% is assigned through the fiscal year budget, and \$62,259,262 or 47.2% is committed. The committed portion of General Fund balance represents the General Fund Reserve, which by policy cannot be spent except under the authority and action of the City Council. The final portion of General Fund balance, \$473,167 or 0.4% 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 expenditures. Fund balance represents 16.6% of total General Fund expenditures.

Chart 4 illustrates the changes in the components of the General Fund balance from June 30, 2019 to June 30, 2020.

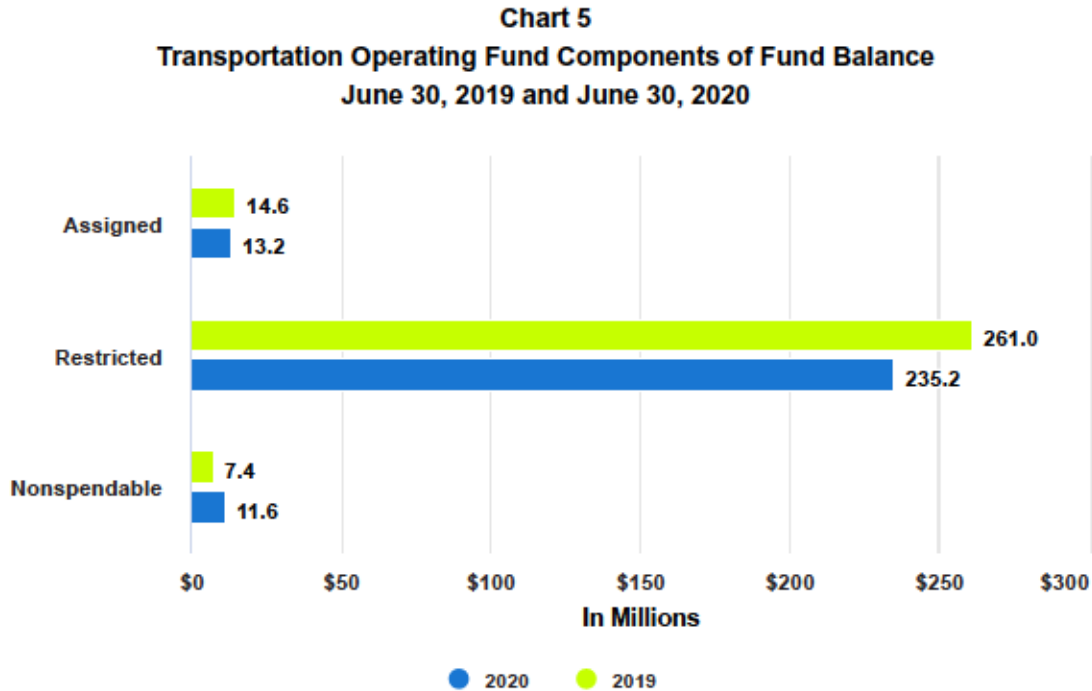
Chart 4
General Fund - Components of Fund Balance
June 30, 2019 and June 30, 2020



The total fund balance of the City's General Fund decreased by \$17,103,872 during FY 2019-20. Revenues increased by \$15,557,659 while expenditures increased by \$42,927,967. Property taxes and licenses and fees increased by \$25.5 million. This was offset by losses in Lodging taxes of \$8.4 million as result of COVID-19. Interagency revenues went up by \$6.5 million but was offset by a \$6.6 million decrease in charges for services. The loss in the charges for services area resulted primarily from closing down Parks activities as a result of COVID-19. Expenditure increases are seen in each of the General Fund functions (public safety, 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 Parks function experienced a reduction in expenditures due to a lay off of personnel related to COVID-19. COVID-19 and protests were responsible for a significant portion of the increase to expenditures in the public safety and community development functions. The City instituted furloughs and pay freezes to help contain cost increases, but these cost savings efforts were offset by increased public safety spending for overtime and additional services being provided to residents to help them cope with the impact of COVID-19.

The Transportation Operating Fund had a total ending fund balance of \$259,980,763 for FY 2019-20, a decrease of \$23,023,344. The fund balance is made up of \$11,601,325 that is nonspendable, \$235,186,436 that is restricted, and \$13,193,002 that is assigned, as shown on page 56. Revenues saw a significant decrease of \$23.4 million from the prior fiscal year. City gas taxes fell by \$2.6 million, the City's share of intergovernmental revenues fell \$2.5 million, charges for services fell by \$2.5 million, parking revenue fell by \$13.0 million and miscellaneous service charges fell by \$3.1 million. All of these losses are tied to COVID-19 and will continue into at least the first half of FY 2020-2021. The fund expenditures saw increases of \$27.5 million. \$16.6 million of the increase relates to increases in capital expenditures and \$1.3 million was an increase in debt service. The rest is attributable to increased personal services cost primarily related to the increased cost of benefits and pensions and an increase in purchases of materials and services.

Chart 5 illustrates the changes in the components of fund balance for the Transportation Operating Fund from June 30, 2019 to June 30, 2020.



The Grants Fund had a total ending fund balance of (\$17,879,658) for FY 2019-20, a decrease of \$5,813,490. The entire (\$17,879,658) is unassigned, as shown on page 56. Revenues saw a significant decrease of \$15.6 million from the prior fiscal year. This is partially attributable to resources that normally would have been applied to billing grant activity being diverted to dealing with COVID-19 and protests. The fund expenditures saw increases of \$20.2 million. Capital outlay increased by \$9.9 million, community development spending was up \$5.8 million, public safety spending was up \$1.8 million, parks spending was up \$1.4 million and transportation spending was up by \$1.1 million. In a normal year this increased spending would have been billed to grantors and revenue would be up, but resources were applied to higher priority tasks. The City received CARES money from the federal government and most of that money was unspent at June 30th and is reflected in unearned revenue.

Chart 6 illustrates the changes in the components of fund balance for the Grants Fund from June 30, 2019 to June 30, 2020.

Chart 6
Grants Fund Components of Fund Balance
June 30, 2019 and June 30, 2020

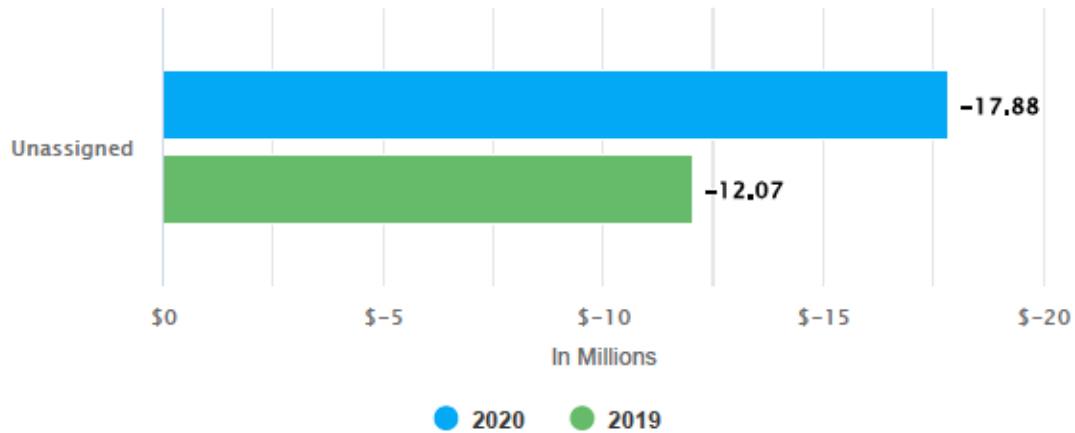
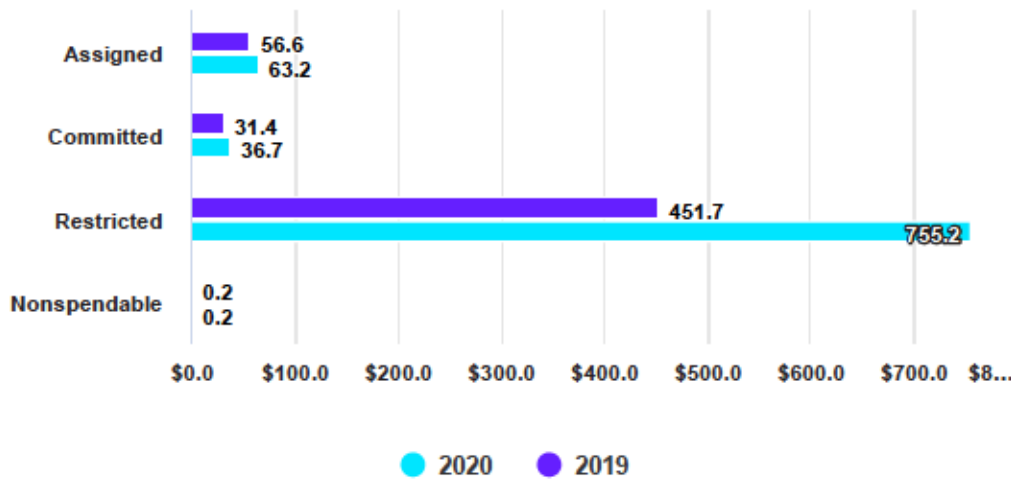


Chart 7 illustrates the changes in the components of fund balance for Other Governmental Funds from June 30, 2019 to June 30, 2020.

Chart 7
Other Governmental Funds Components of Fund Balance
June 30, 2019 and June 30, 2020



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 2019-20, *unrestricted net position* of the Sewage Disposal Fund and the Water Fund amounted to \$172,798,111 and \$66,025,888, respectively. The total change in *net position* from operations for the Sewage Disposal Fund and the Water Fund was \$142,757,152 and \$59,296,725, respectively.

The *unrestricted net position* for other enterprise funds totaled \$27,995,408, while the change in *net position* for other enterprise funds equaled an increase of \$4,569,395. 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 \$21,362,081 and can be briefly summarized as follows:

- \$7,990,534 increase in personal services. This budgetary *increase* resulted primarily from the City's Budget Monitoring Process (BMP) including compensation set-aside adjustments. The City's practice is to set aside resources in the General Fund to support personal service expenses associated with cost of living adjustments and health care increases. In most years, these costs are expected to be absorbed through vacancies or other discretionary spending (such as overtime) 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. Approximately \$5.5 million of this increase was recommended as part of the Spring BMP process. The most significant increases associated with these costs were for the Portland Police Bureau (\$3.7 million), Portland Fire and Rescue (\$4.0 million) and Portland Parks and Recreation (\$2.0 million). There were modest reductions in the Office of Management and Finance, the Bureau of Planning and Sustainability, and Council Offices. These reductions are taken as part of the carryover process where unspent resources in the current year are moved forward into the upcoming budget year.
- \$4,412,144 net increase in external and internal materials and services. This budgetary net increase resulted primarily from the City's BMP, which included Fall BMP encumbrance carryovers. These adjustments included increases for Portland Fire & Rescue, Community and Civic Life, OMF, and Special Appropriations. Encumbrances reflect commitments of prior year resources for expenditures not incurred during the fiscal year. 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. There were significant decreases to this category in the Spring BMP, where bureaus reduced a net of \$1.2 million. In March 2020 the Mayor sent revised guidance and instruction to bureaus to curtail spending as a result of the financial uncertainty brought by the COVID-19 public health crisis. Many bureaus increased their agreements with internal providers, notably for information technology services. However, the Police Bureau reduced its interagency agreements by \$2.0 million, primarily in City Fleet to reflect savings on fuel, repairs, and other fleet services not utilized.
- \$1,050,753 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 excess beginning fund balance to be allocated to major maintenance and infrastructure costs. FY 2019-20 was consistent, as the net increase was associated with the Fall BMP process where encumbrance carryover and the Capital Set-aside policy provided increased resources.

- \$8,174,225 increase in general operating contingencies. This overall budgetary *increase* is primarily the net result of various adjustments related to 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. In addition, resources were de-appropriated in the Police Bureau for a body camera program, fund transfers for the Portland Harbor and Columbia Levee projects and set-aside to provide one-time resources to put towards any future budget gap brought on by the public health crisis.

Actual revenues were \$12,328,908 above the final amended budget primarily due to increased Business License revenue of \$27.8 million. This was offset by other revenues coming in below the budget estimate due to COVID-19. The revenues falling significantly short were lodging taxes in the amount of \$4.7 million, public utility licenses in the amount of \$3.1 million, parks fees coming in \$4.2 million below estimate and state shared revenues falling short by \$2.8 million. The City collected 102% of estimated revenue as a result of revenues being collected well in excess of expectations over the first nine months of the year and strong results in the business sector which is reflected in business licenses coming in at 119% of estimate.

Actual expenditures were \$58,500,259 less than the final amended budget. General operating contingencies can't be spent and that made up \$29.2 million of the budget savings. Bureaus that spent significantly less than their budget allocation were Police (\$3.0 million), Fire (\$5.2 million), Parks (\$8.4 million), Office of Community Technology (\$1.8 million), and Office of Management and Finance (OMF) (\$5.6 million).

- There were \$6.8 million in savings in the personnel category. While the Police Bureau overspent in the personnel category by \$3.2 million due to overtime costs related to protests and COVID-19, the Fire Bureau underspent by \$1.2 million, Parks underspent by \$3.4 million and OMF had savings of \$3.0 million. Savings can be attributed to vacancy savings during the year, and furloughs and layoffs related to COVID-19.
- \$21,283,912 in under expenditures in materials and services spreads across multiple bureaus. The Police Bureau spent \$6.2 million less than budget, Fire Bureau had \$2.8 million in savings, Parks came in \$5.1 million under budget, OMF was \$1.4 million below budget and special appropriations had \$1.4 million of unused budget.
- \$1,238,379 in under expenditures in capital outlay related primarily due to Portland Fire and Rescue which underspent its budget by \$1.2 million. The majority of the amount was for the purchase of fire equipment, which were ordered but not received by June 30, which is not unusual due to the length of time needed for the construction of this type of emergency equipment.

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 2019-20, General Fund expenditures did not exceed budgetary estimates in any of the expenditure categories.

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, 2020, amounts to \$7.2 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 \$276.5 million or 4.0%, resulting from increases in both business-type and governmental activities.

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

Governmental activities - Governmental capital assets increased by \$54.58 million or 2.6%. Key factors in this change were decreases to infrastructure, construction in progress, software and owning rights. These decreases were offset by increases in buildings, land, improvements to land, equipment and land use rights.

- Infrastructure decreased by \$28.2 million or 4.0% due to depreciation of existing infrastructure being about double the new investments in infrastructure added by the Portland Bureau of Transportation (PBOT) during the fiscal year.
- Construction in progress decreased by \$55.1 million or 10.7%. One large factor here is the completion of the Portland Building project. This resulted in a large decrease in construction in progress which ties to the increase in buildings of \$116.7 million. Offsetting the reduction resulting from placing the Portland Building in service is an increase in transportation infrastructure projects under construction of \$98.8 million.
- Equipment increased by \$3.7 million primarily due to purchase of SCBA units by the Fire Bureau.
- Land increased by \$7.2 million or 2.9% due to Housing moving land out of construction in progress into the land category.
- Improvements to land increased by \$12.5 million or 16.7% as the result of multiple projects. Portland Parks and Recreation purchased Chimney to Pier Park bridge, repavement of Guilds Lake property, construction of Glenhaven Park playground, land improvements to 3rd and Harrison property and a few other smaller projects.

Business-type activities - Business-type capital assets increased by \$221.97 million or 4.5%. Key factors in this change were increases to infrastructure, buildings, land, land use rights, software, and equipment. Increases in these areas were offset by decreases in construction in progress, improvements to land, and owning rights. Specific changes by asset type were a result of the following activity and projects.

- Infrastructure increased by \$159.7 million or 4.1% mainly due to the completion of a number of projects. Some of the larger projects were the Slabtown sewer replacement, CBWTP lagoon phases 3 and 4, Wheeler WHE-04, St. Johns-Cathedral park sewer rehabilitation, and Woodlawn-King Streets sewer rehabilitation. These projects were important to maintaining infrastructure and preventing costly problems with the sewer system and protecting the environment.
- Construction in progress decreased by \$65 million or 11.5% and was the result of numerous projects being placed in service and moved to infrastructure and buildings. There are other significant projects which are still under construction at this time. The Water Bureau is working on Washington Park Reservoir 3 (\$26.1 million), Bull Run filtration system (\$9.6 million), and Willamette River Crossing (\$9.0 million).
- Buildings increased by \$124 million or 71.0% due to Providence Park Expansion of \$69.7 million, Arena Project of \$40.3 million, and the purchase of a portion of the Portland Building by BES and Water Bureau.
- Equipment increased by \$2.1 million or 5.5% primarily due to multiple vehicle acquisitions, computer hardware and other types of equipment.

The following table provides comparative information on the City's capital assets for FY 2019-20 and FY 2018-19:

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

	<u>FY 2019-20</u>	<u>FY 2018-19</u>	<u>Change</u>
Governmental Activities			
Infrastructure	\$ 681,362,486	\$ 709,593,209	\$ (28,230,723)
Construction in progress	460,378,369	515,455,583	(55,077,214)
Buildings	405,329,479	288,630,802	116,698,677
Land	253,751,205	246,600,854	7,150,351
Improvements to land	87,458,855	74,951,667	12,507,188
Equipment	155,167,273	151,445,037	3,722,236
Intangible assets:			
Land use rights	74,279,697	72,686,589	1,593,108
Software	4,633,160	8,405,719	(3,772,559)
Owning rights	16,798	28,953	(12,155)
Total	\$ 2,122,377,322	\$ 2,067,798,413	\$ 54,578,909
Business-type Activities			
Infrastructure	4,077,913,284	3,918,220,383	159,692,901
Construction in progress	498,939,352	563,828,954	(64,889,602)
Buildings	297,763,762	174,163,664	123,600,098
Land	111,602,354	110,484,605	1,117,749
Improvements to land	53,199,792	54,369,531	(1,169,739)
Equipment	41,043,373	38,917,172	2,126,201
Intangible assets:			
Land use rights	19,233,878	19,201,023	32,855
Software	3,638,427	2,178,037	1,460,390
Owning rights	3,849	4,618	(769)
Total	\$ 5,103,338,071	\$ 4,881,367,987	\$ 221,970,084
Total Net Capital Assets			
Infrastructure	4,759,275,770	4,627,813,592	131,462,178
Construction in progress	959,317,721	1,079,284,537	(119,966,816)
Buildings	703,093,241	462,794,466	240,298,775
Land	365,353,559	357,085,459	8,268,100
Improvements to land	140,658,647	129,321,198	11,337,449
Equipment	196,210,646	190,362,209	5,848,437
Intangible assets:			
Land use rights	93,513,575	91,887,612	1,625,963
Software	8,271,587	10,583,756	(2,312,169)
Owning rights	20,647	33,571	(12,924)
Total	\$ 7,225,715,393	\$ 6,949,166,400	\$ 276,548,993

Information on the City's capital assets can be found in Note III.F on pages 105 - 110 of this report.

B. Debt administration

The City holds debt in the form of bonds, lines of credit, and loans. There were decreases in bonds outstanding and loans, but lines of credits increased. The net effect was that total debt decreased by \$6,860,154 which is seen in Table 4 below.

The lines of credit provide interim financing for urban renewal district projects, the Portland Building remodel project, Fleet's fueling station 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 \$79,846,968 net increase in governmental activities bonds, and a \$95,125,520 net decrease in business-type bonds. The detail of the City's bonded debt is presented in Table 5 on page 42.

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

	<u>FY 2019-20</u>	<u>FY 2018-19</u>	<u>Change</u>
Governmental Activities			
Bonds	\$ 1,050,204,286	\$ 970,357,318	\$ 79,846,968
Lines of Credit	153,879,166	142,045,273	11,833,893
Loans	<u>8,697,843</u>	<u>10,705,486</u>	<u>(2,007,643)</u>
Total governmental activities	<u>1,212,781,295</u>	<u>1,123,108,074</u>	<u>89,673,218</u>
Business-type Activities			
Bonds	2,175,982,899	2,271,108,419	(95,125,520)
Loans	<u>9,372,981</u>	<u>10,780,833</u>	<u>(1,407,852)</u>
Total business-type activities	<u>2,185,355,880</u>	<u>2,281,889,252</u>	<u>(96,533,372)</u>
Total Outstanding Debt			
Bonds	3,226,187,185	3,241,465,737	(15,278,552)
Lines of Credit	153,879,166	142,045,273	11,833,893
Loans	<u>18,070,824</u>	<u>21,486,319</u>	<u>(3,415,495)</u>
Total outstanding debt	<u>\$ 3,398,137,175</u>	<u>\$ 3,404,997,326</u>	<u>\$ (6,860,154)</u>

As of June 30, 2020, the City had total bonded debt outstanding of \$3,226,187,185. Unamortized premiums and discounts for governmental activities net to \$44,084,523, while unamortized premiums and discounts for business-type activities net to \$211,147,421.

Of the total bonded debt outstanding, \$306,540,000 is General Obligation Bond debt for governmental activities, secured by the full faith and credit and unlimited taxing power of the City, an increase of \$166,545,000 from FY 2018-19. In June of 2020, the City sold \$12.2 million of 2020 Series A tax exempt and \$164.2 million of 2020 Series B taxable General Obligation Refunding Bonds. The 2020 Series A bonds will be repaid over eight years at interest rates of 2% and 5%. The 2020 Series B bonds will be repaid over 20 years at interest rates ranging from .45% to 2.5%. The 2020 Series A bonds will be used to fund projects to improve the City's Park system. The 2020 Series B bonds will be used to assist with the development of affordable housing projects.

The City has \$440,325,443 of Limited Tax Revenue Bonds outstanding, a decrease of \$47,730,640 from FY 2018-19. Limited Tax Revenue Bonds are secured by the full faith and credit of the City and have been issued for a variety of purposes, including funding pension liabilities. These bonds will be repaid from specific revenue sources and from the General Fund.

An additional \$276,554,802 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 areas. The decrease of \$36,949,477 was primarily due to scheduled debt service payments. The City issued \$23.4 million of 2020 Series A and B bonds to refund 2010 Series A and B bonds for the Lents Urban Renewal District, and \$39.4 million of 2020 Series A and B bonds to refund 2010 Series A and B bonds for the North MacAdam Urban Renewal District.

As of June 30, 2020, the City's governmental activities had \$29,460,000 of outstanding limited tax improvement bonds, an decrease from FY 2018-19. This represents a \$5,005,000 decrease to the outstanding debt.

The remainder of the City's debt is revenue bonds, totaling \$1,918,075,000, 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. The Bureau of Environmental Services issued 2019 Series A bonds in the amount of \$216.5 million which were used to refund the 2010 Series A bonds. The Water Bureau issued 2019 Series A bonds in the amount of \$39.8 million which used to refund their 2010 Series A bonds. The Water Bureau also issued \$112 million of 2020 Series A bonds which will be used to construct new infrastructure.

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 2019-20</u>	<u>FY 2018-19</u>	<u>Change</u>
Governmental Activities			
General Obligation Bonds	\$ 306,540,000	\$ 139,995,000	\$ 166,545,000
Limited Tax Improvement Bonds	29,460,000	34,465,000	(5,005,000)
Urban Renewal Bonds	276,554,802	315,899,380	(39,344,578)
Limited Tax Revenue Bonds	388,639,961	425,589,438	(36,949,477)
Revenue Bonds	4,925,000	6,445,000	(1,520,000)
Unamortized premiums & discounts	44,084,523	47,963,500	(3,878,977)
Total governmental activities	<u>1,050,204,286</u>	<u>970,357,318</u>	<u>79,846,968</u>
Business-type Activities			
Limited Tax Revenue Bonds	51,685,478	62,466,645	(10,781,167)
Revenue Bonds	1,913,150,000	2,036,055,000	(122,905,000)
Unamortized premiums & discounts	211,147,421	172,586,774	38,560,647
Total business-type activities	<u>2,175,982,899</u>	<u>2,271,108,419</u>	<u>(95,125,520)</u>
Total Outstanding Debt			
General Obligation Bonds	306,540,000	139,995,000	166,545,000
Limited Tax Improvements Bonds	29,460,000	34,465,000	(5,005,000)
Urban Renewal Bonds	276,554,802	315,899,380	(39,344,578)
Limited Tax Revenue Bonds	440,325,439	488,056,080	(47,730,641)
Revenue Bonds	1,918,075,000	2,042,500,000	(124,425,000)
Unamortized premiums & discounts	255,231,944	220,550,274	34,681,670
Total outstanding bonded debt	<u>\$ 3,226,187,185</u>	<u>\$ 3,241,465,734</u>	<u>\$ (15,278,549)</u>

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

- Debt limitation.** Oregon Revised Statutes provide 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 2019-20 real market value, this debt limitation is \$4,583,208,782. The amount of outstanding City debt subject to this limitation is \$306,540,000. In addition, voters have authorized an additional \$41,066,315 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 June 2020. 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
Limited Tax Revenue Bonds	Aaa
Limited Tax Improvement Bonds	Aaa
Limited Tax Pension Obligation Revenue Bonds	Aaa
Limited Tax Housing Revenue Bonds	Aaa
First Lien Water Revenue Bonds ⁽¹⁾	Aaa
Second Lien Water Revenue Bonds ⁽²⁾	Aa1
First Lien Sewer Revenue Bonds ⁽³⁾	Aa1
Second Lien Sewer Revenue Bonds ⁽⁴⁾	Aa2
Gas Tax Revenue Bonds	Aa2
Oregon Convention Center Urban Renewal Bonds	Aa1
Downtown Waterfront Urban Renewal Bonds	Aa1
River District Urban Renewal Bonds	Aa3
Central Eastside Urban Renewal Bonds	Aa3
Interstate Corridor Urban Renewal Bonds	Aa3

Notes:

⁽¹⁾ On September 30, 2020 Moody's Investors Service downgraded the City's First Lien Water System Revenue bonds from Aaa to Aa1.

⁽²⁾ On September 30, 2020, Moody's Investors Service downgraded the City's Second Lien Water System Revenue Bonds from Aa1 to Aa2.

⁽³⁾ These Bonds are additionally rated AA+ by Standard and Poor's.

⁽⁴⁾ These bonds are additionally rated AA by Standard and Poor's.

- **Debt ratios.** The City's debt ratios, as of June 30, 2020, are shown below:

	Amount	Per Capita	Percent of Real Market Valuation	Percent of Assessed Valuation
Population July 1, 2019 ⁽¹⁾	654,741	\$ -	-	-
2019-20 Real Market Value	\$ 152,773,626,065	\$ 233,334	-	-
2019-20 Assessed Value ⁽²⁾	\$ 71,126,857,585	\$ 108,634	46.60%	-
Gross Bonded Debt ⁽³⁾	\$ 878,796,615	\$ 1,342	0.60%	1.20%
Net Direct Debt ⁽⁴⁾	\$ 549,303,668	\$ 839	0.40%	0.80%
Net Overlapping Debt	\$ 2,387,694,818	\$ 3,647	1.60%	3.40%
Net Direct and Overlapping Debt	\$ 2,936,998,486	\$ 4,486	1.90%	4.10%

⁽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 2019-20, 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 116 - 130 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 2020-21. The City's annual budget is prepared by the City Budget Office; more information can be found at <https://portlandoregon.gov/cbo/81054>.

- According to the U.S. Bureau of Labor Statistics, the unemployment rate for the City of Portland in June 2020 was 13.7%, up more than 10 percentage points from June 2019; but still below the peak in April of 16.2%.
- Based on data released in July 2020, inflation rose at an annualized rate of 2.1% for the first six months of 2020. The 2020 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 3%. It should be noted that the cost of living allowance for nearly all employees were either delayed or eliminated as part of the City's cost-cutting exercises in the face of the current public health crisis.
- Water rates and sewer bills increased 6.5% and 2.85%, respectively, for the FY 2020-21 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 had already softened prior to the current crisis. Though anecdotal evidence suggests that home prices are still benefiting from low mortgage rates, and the fact that the majority of those laid off during the pandemic tended to skew toward renters, we are unlikely to see the effects of the pandemic reflected in housing data for several more months. Rents were also moderating and there are large risks that the rental market, should the federal government not continue the unemployment insurance aid. According to the S&P-Case Schiller index, after being among the highest growth in home prices nationwide for the last two years, the rate of growth in Portland is now about 4%, which is very close to the national average.
- 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 most recent events resulted in employment declines of more than 10%. In spite of some workers returning to work, overall employment shrunk to 8.7% in June 2020 compared with June 2019. The current conditions have resulted in a very unstable overall labor market. Between layoffs, furloughs, some workers being called back, and federal government policy, it is difficult to ascertain exactly what that market will look like over at least the next couple years.
- The City experienced record revenue growth over the last several years, as local economic growth exceeded both national and state averages. However, the current conditions have already resulted in some revenue streams seeing declines, such as lodging taxes and parking fees. For some of the City's major revenue streams - in particular business license taxes and property taxes - any declines will likely be felt either this fiscal year or next fiscal year because of the relationship between the timing of when tax payments are made relative to the economic activity that generates the liability.

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.

Basic Financial Statements



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Government-wide Financial Statements



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City of Portland, Oregon
Statement of Net Position
June 30, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Prosper Portland
ASSETS				
Current assets (unrestricted):				
Cash and investments	\$ 444,836,464	\$ 424,851,623	\$ 869,688,087	\$ 290,228,518
Receivables:				
Taxes	10,977,160	-	10,977,160	-
Accounts, net	46,144,255	92,700,053	138,844,308	1,294,157
Assessments	1,361,773	2,236,052	3,597,825	-
Notes and loans, net	353,700	4,820	358,520	1,338,702
Advances	277,751	142,678	420,429	-
Accrued interest	2,951,868	2,550,527	5,502,395	1,410,630
Due from primary government	-	-	-	4,626,601
Due from component unit	364,416	-	364,416	-
Internal balances ⁽¹⁾	5,971,293	8,734,206	-	-
Inventories	11,122,129	5,513,675	16,635,804	-
Property held for sale	-	151,630	151,630	114,199,571
Prepaid expenses	1,856,570	26,957	1,883,527	322,087
Current assets (restricted):				
Cash and investments	413,828,330	25,510,544	439,338,874	-
Receivables:				
Taxes	16,642,713	-	16,642,713	-
Accounts, net	13,397,117	-	13,397,117	-
Assessments	37,559,650	-	37,559,650	-
Notes and loans, net	6,856,569	-	6,856,569	-
Advances	402,294	-	402,294	-
Grants	11,137,687	-	11,137,687	-
Accrued interest	2,231,940	-	2,231,940	-
Due from component unit	7,747,371	-	7,747,371	-
Prepaid expenses	20,231	-	20,231	-
Internal balances ⁽¹⁾	(14,705,499)	-	-	-
Total current assets	<u>1,021,335,782</u>	<u>562,422,765</u>	<u>1,583,758,547</u>	<u>413,420,266</u>
Noncurrent assets (unrestricted):				
Capital assets, not being depreciated or amortized:				
Land	253,751,205	111,602,354	365,353,559	14,126,571
Construction in progress	460,378,369	498,939,352	959,317,721	2,019,162
Intangible assets				
Land use rights	74,279,697	18,479,364	92,759,061	-
Owning rights	16,798	-	16,798	-
Capital assets, net of accumulated depreciation:				
Infrastructure	681,362,486	4,077,913,284	4,759,275,770	62,213,664
Buildings	405,329,479	297,763,762	703,093,241	-
Improvements to land	87,458,855	53,199,792	140,658,647	-
Equipment	155,167,273	41,043,373	196,210,646	112,124
Intangible assets				
Land use rights	-	754,514	754,514	-
Owning rights	-	3,849	3,849	-
Software	4,633,160	3,638,427	8,271,587	1,099,534
Net capital assets	<u>2,122,377,322</u>	<u>5,103,338,071</u>	<u>7,225,715,393</u>	<u>79,571,055</u>
Receivables:				
Assessments	425,755	3,917,786	4,343,541	3,050,000
Notes and loans, net	5,796,715	624,556	6,421,271	24,057,068
OPEB asset	6,171,648	1,393,501	7,565,149	95,832
Noncurrent assets (restricted):				
Cash and investments	617,437,757	97,248,299	714,686,056	-
Receivables:				
Assessments	26,880,680	-	26,880,680	-
Notes and loans, net	69,262,150	-	69,262,150	-
Grants	14,184,000	-	14,184,000	-
Total noncurrent assets	<u>2,862,536,027</u>	<u>5,206,522,213</u>	<u>8,069,058,240</u>	<u>106,773,955</u>
Total assets	<u>3,883,871,809</u>	<u>5,768,944,978</u>	<u>9,652,816,787</u>	<u>520,194,221</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - pensions	1,021,407,265	61,065,781	1,082,473,046	4,770,489
Deferred outflows - OPEB	8,939,298	1,448,664	10,387,962	44,447
Deferred charge for debt refunding	34,035	46,266	80,301	-
Total deferred outflows of resources	<u>1,030,380,598</u>	<u>62,560,711</u>	<u>1,092,941,309</u>	<u>4,814,936</u>

City of Portland, Oregon
Statement of Net Position, continued
June 30, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Prosper Portland
LIABILITIES				
Current liabilities (payable from unrestricted assets):				
Accounts payable	\$ 79,359,317	\$ 23,525,122	\$ 102,884,439	\$ 6,260,293
Self insurance claims	13,509,368	110,898	13,620,266	-
Compensated absences	49,138,035	10,037,063	59,175,098	75,243
Bonds payable	9,052,857	179,752,810	188,805,667	-
Notes and loans payable	45,125,007	1,422,058	46,547,065	32,248
Accrued interest payable	3,648,002	18,564,206	22,212,208	-
Unearned revenue	1,533,874	1,470,481	3,004,355	-
Due to primary government	-	-	-	8,111,787
Due to component unit	3,420,345	14,369	3,434,714	-
Landfill postclosure	36,089	79,039	115,128	-
Pollution remediation	1,266,000	3,329,000	4,595,000	12,440,185
Other liabilities	302,296	613,019	915,315	448,816
Current liabilities (payable from restricted assets):				
Accounts payable	14,692,200	25,510,544	40,202,744	-
Bonds payable	99,766,630	-	99,766,630	-
Due to component unit	1,191,887	-	1,191,887	-
Unearned revenue	118,345,683	-	118,345,683	-
Other liabilities	18,818,029	1,146,702	19,964,731	-
Total current liabilities	459,205,619	265,575,311	724,780,930	27,368,572
Noncurrent liabilities:				
Self insurance claims	16,128,009	-	16,128,009	-
Compensated absences	33,045,805	4,278,151	37,323,956	687,399
Bonds payable	941,384,799	1,996,230,089	2,937,614,888	-
Notes and loans payable	117,452,002	7,950,923	125,402,925	1,062,003
Accrued interest payable	122,034,956	37,591,974	159,626,930	-
Net pension liability - FPDR	4,388,538,339	-	4,388,538,339	-
Net pension liability - PERS	517,652,897	172,604,575	690,257,472	13,169,861
Other postemployment benefits	70,776,311	13,348,311	84,124,622	290,002
Landfill postclosure	707,993	2,463,512	3,171,505	-
Pollution remediation	2,998,130	4,230,000	7,228,130	38,717,523
Other liabilities	-	149,835	149,835	-
Total noncurrent liabilities	6,210,719,241	2,238,847,370	8,449,566,611	53,926,788
Total liabilities	6,669,924,860	2,504,422,681	9,174,347,541	81,295,360
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pensions	136,659,917	8,263,654	144,923,571	656,410
Deferred inflows - OPEB	24,472,738	2,765,723	27,238,461	69,341
Deferred charge for debt refunding	974,985	22,558,394	23,533,379	-
Total deferred inflows of resources	162,107,640	33,587,771	195,695,411	725,751
NET POSITION				
Net investment in capital assets	1,814,558,567	3,015,467,125	4,830,025,692	79,571,055
Restricted for:				
Public safety	8,566,397	-	8,566,397	-
Parks, recreation and culture	4,505,978	-	4,505,978	-
Community development	465,755,599	-	465,755,599	374,515,177
Transportation	223,688,846	-	223,688,846	-
Debt service	144,752,365	180,000	144,932,365	-
Capital projects	161,236,711	-	161,236,711	-
Parks endowment fund:				
Nonexpendable	197,060	-	197,060	-
Environmental services	281,599	-	281,599	-
Water	16,399	-	16,399	-
Unrestricted surplus (deficit)	(4,741,339,614)	277,848,112	(4,463,491,502)	(11,098,186)
Total net position	\$ (1,917,780,093)	\$ 3,293,495,237	\$ 1,375,715,144	\$ 442,988,046

(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, 2020**

Function/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit Prosper Portland
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
Public safety	\$ 888,342,576	\$ 31,962,395	\$ 6,478,338	\$ 18,278,652	\$ (831,623,191)	\$ -	\$ (831,623,191)	\$ -
Parks, recreation and culture	119,891,074	22,053,606	22,080,432	4,430,866	(71,326,170)	-	(71,326,170)	-
Community development	345,950,186	80,192,362	20,322,962	48,599,928	(196,834,934)	-	(196,834,934)	-
Transportation	249,110,162	116,440,694	12,001,754	105,164,571	(15,503,143)	-	(15,503,143)	-
Legislative / admin / support services	149,334,563	313,883,455	927,144	33,953,273	199,429,309	-	199,429,309	-
Environmental services	455,770	-	-	269,621	(186,149)	-	(186,149)	-
Water	262,023	-	26,904	107,905	(127,214)	-	(127,214)	-
Parking facilities	17,000	-	106,224	98,903	188,127	-	188,127	-
Interest on long-term debt	50,094,393	-	-	-	(50,094,393)	-	(50,094,393)	-
Total governmental activities	<u>1,803,457,747</u>	<u>564,532,512</u>	<u>61,943,758</u>	<u>210,903,719</u>	<u>(966,077,758)</u>	<u>-</u>	<u>(966,077,758)</u>	<u>-</u>
Business-type activities:								
Environmental services	262,850,901	394,050,972	-	2,889,556	-	134,089,627	134,089,627	-
Water	155,094,484	206,444,192	-	-	-	51,349,708	51,349,708	-
Hydroelectric power	3,277,780	2,104,509	-	-	-	(1,173,271)	(1,173,271)	-
Parking facilities	8,135,542	12,609,616	-	-	-	4,474,074	4,474,074	-
Golf	10,213,433	10,107,774	-	-	-	(105,659)	(105,659)	-
Motor sports	1,810,452	1,429,116	-	-	-	(381,336)	(381,336)	-
Spectator facilities	6,607,414	9,288,079	-	4,533,522	-	7,214,187	7,214,187	-
Total business-type activities:	<u>447,990,006</u>	<u>636,034,258</u>	<u>-</u>	<u>7,423,078</u>	<u>-</u>	<u>195,467,330</u>	<u>195,467,330</u>	<u>-</u>
Total primary government	<u>\$ 2,251,447,753</u>	<u>\$ 1,200,566,770</u>	<u>\$ 61,943,758</u>	<u>\$ 218,326,797</u>	<u>\$ (966,077,758)</u>	<u>\$ 195,467,330</u>	<u>\$ (770,610,428)</u>	<u>\$ -</u>
Component unit:								
Prosper Portland	<u>\$ 123,153,284</u>	<u>\$ 7,730,047</u>	<u>\$ 11,215,872</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (104,207,365)</u>
General revenues:								
Taxes:								
Property					632,907,728	-	632,907,728	-
Lodging					52,072,009	-	52,072,009	-
Miscellaneous					104,345,895	-	104,345,895	-
Payments from the City					-	-	-	80,975,700
Investment earnings					42,403,816	17,950,837	60,354,653	6,047,029
Miscellaneous revenues					-	-	-	4,402,205
Transfers					7,557,659	(7,557,659)	-	-
Total general revenues and transfers					<u>839,287,107</u>	<u>10,393,178</u>	<u>849,680,285</u>	<u>91,424,934</u>
Change in net position					<u>(126,790,651)</u>	<u>205,860,508</u>	<u>79,069,857</u>	<u>(12,782,431)</u>
Net position - beginning					<u>(1,790,989,442)</u>	<u>3,087,634,729</u>	<u>1,296,645,287</u>	<u>455,770,477</u>
Net position - ending					<u>\$ (1,917,780,093)</u>	<u>\$ 3,293,495,237</u>	<u>\$ 1,375,715,144</u>	<u>\$ 442,988,046</u>

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, 2020

	<u>General Fund</u>	<u>Transportation Operating</u>	<u>Grants</u>	<u>Other Funds</u>	<u>Total</u>
ASSETS					
Unrestricted:					
Cash and investments	\$ 144,634,478	\$ 2,855,691	\$ -	\$ 98,299,418	\$ 245,789,587
Receivables:					
Taxes	10,977,160	-	-	-	10,977,160
Accounts, net	29,916,735	7,402,859	-	2,240,214	39,559,808
Assessments	33,612	1,540,301	-	213,615	1,787,528
Notes and loans, net	352,207	125,000	-	5,619,508	6,096,715
Advances	97,751	-	-	180,000	277,751
Accrued interest	591,899	983,474	-	624,835	2,200,208
Due from component unit	316,676	248	-	-	316,924
Internal loans receivable	-	20,333,500	-	-	20,333,500
Inventories	311,058	8,461,620	-	-	8,772,678
Prepaid items	162,109	296,204	-	15,428	473,741
Restricted:					
Cash and investments	10,201,190	227,464,457	110,142,294	674,860,772	1,022,668,713
Receivables:					
Taxes	4,984,522	2,313,018	-	9,345,173	16,642,713
Accounts, net	-	9,400,300	-	3,996,817	13,397,117
Assessments	-	-	-	64,440,330	64,440,330
Notes and loans, net	-	-	491,737	75,626,982	76,118,719
Advances	-	-	-	402,294	402,294
Grants	-	-	24,141,874	1,179,813	25,321,687
Accrued interest	-	-	357,596	1,874,342	2,231,938
Prepaid items	-	-	-	20,231	20,231
Due from component unit	-	-	2,896,971	4,850,400	7,747,371
Internal loans receivable	-	-	-	2,294,500	2,294,500
Total assets	<u>\$ 202,579,397</u>	<u>\$ 281,176,672</u>	<u>\$ 138,030,472</u>	<u>\$ 946,084,672</u>	<u>\$ 1,567,871,213</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities payable from unrestricted assets:					
Accounts payable	\$ 40,572,083	\$ 13,950,753	\$ -	\$ 6,871,949	\$ 61,394,785
Due to component unit	1,877,285	155,000	-	-	2,032,285
Internal loans payable	3,333,500	-	-	-	3,333,500
Unearned revenue	19,499	1,433,516	-	1,296	1,454,311
Other liabilities	-	-	-	258,724	258,724
Liabilities payable from restricted assets:					
Accounts payable	-	369,219	3,697,190	10,625,791	14,692,200
Due to component unit	-	-	-	1,191,887	1,191,887
Due to fiduciary fund	4,984,522	-	-	-	4,984,522
Internal loans payable	-	-	17,000,000	-	17,000,000
Unearned revenue	-	-	118,211,143	134,540	118,345,683
Other accrued liabilities	10,201,190	3,622,120	-	10,195	13,833,505
Total liabilities	<u>60,988,079</u>	<u>19,530,608</u>	<u>138,908,333</u>	<u>19,094,382</u>	<u>238,521,402</u>
Deferred inflows of resources:					
Unavailable revenue - unrestricted	9,813,088	1,665,301	-	213,215	11,691,604
Unavailable revenue - restricted	-	-	17,001,797	71,534,862	88,536,659
Total deferred inflows of resources	<u>9,813,088</u>	<u>1,665,301</u>	<u>17,001,797</u>	<u>71,748,077</u>	<u>100,228,263</u>
Fund balances:					
Nonspendable	473,167	11,601,325	-	164,834	12,239,326
Restricted	-	235,186,436	-	755,229,545	990,415,981
Committed	62,259,262	-	-	36,677,659	98,936,921
Assigned	45,462,450	13,193,002	-	63,170,175	121,825,627
Unassigned	23,583,351	-	(17,879,658)	-	5,703,693
Total fund balances	<u>131,778,230</u>	<u>259,980,763</u>	<u>(17,879,658)</u>	<u>855,242,213</u>	<u>1,229,121,548</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 202,579,397</u>	<u>\$ 281,176,672</u>	<u>\$ 138,030,472</u>	<u>\$ 946,084,672</u>	<u>\$ 1,567,871,213</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, 2020

Fund balances - total governmental funds **\$ 1,229,121,548**

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. 1,735,715,568

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	100,228,263
Deferred outflows - deferred charge for bond refunding	34,035
Deferred inflows - deferred charge for bond refunding	(961,547)
Deferred outflows - pensions	999,194,583
Deferred outflows - OPEB	8,466,674
Deferred inflows - pensions	(133,569,455)
Deferred inflows - OPEB	(23,566,847)
OPEB asset	5,713,601

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. 320,880,707

Noncurrent bonds payable are not due and payable in the current period and are not reported in the governmental funds. (899,364,270)

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.) (4,388,538,339)

Unfunded net pension liability for the City's PERS pension plan. (454,821,281)

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	(76,380,179)
Notes and loans payable	(141,140,822)
Accrued interest	(116,346,099)
Other postemployment benefits	(66,409,315)
Landfill postclosure	(744,082)
Pollution remediation	(4,264,130)
Internal service fund look-back adjustment to business-type activities	(11,028,706)

Total net position of governmental activities **\$ (1,917,780,093)**

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, 2020

	<u>General Fund</u>	<u>Transportation Operating</u>	<u>Grants</u>	<u>Other Funds</u>	<u>Total</u>
REVENUES					
Taxes:					
Property	\$ 419,630,115	\$ -	\$ -	\$ 209,064,755	\$ 628,694,870
Lodging	30,778,450	-	-	21,293,559	52,072,009
Miscellaneous	-	18,719,386	-	85,626,509	104,345,895
Licenses and fees	262,252,207	16,625,983	-	49,488,464	328,366,654
Intergovernmental	35,031,170	88,704,549	39,703,699	68,030,470	231,469,888
Charges for services	9,735,038	13,741,434	-	21,783,526	45,259,998
Interagency	72,082,629	32,018,461	-	1,109,738	105,210,828
Parking fees	230,943	40,236,043	-	2,870,036	43,337,022
Parking fines	-	5,724,315	-	107,450	5,831,765
Rents and reimbursements	4,046,758	1,134,311	-	2,994,409	8,175,478
Miscellaneous service charges	4,371,499	5,813,107	-	18,974,683	29,159,289
Assessments	11,694	1,132,864	-	11,675,719	12,820,277
Investment earnings	4,567,158	7,137,703	417,205	24,806,930	36,928,996
Payments in lieu of taxes	1,139,779	-	-	-	1,139,779
Miscellaneous	4,949,857	1,415,827	-	9,717,538	16,083,222
Total revenues	<u>848,827,297</u>	<u>232,403,983</u>	<u>40,120,904</u>	<u>527,543,786</u>	<u>1,648,895,970</u>
EXPENDITURES					
Current:					
Public safety	510,785,004	-	5,616,476	24,356,850	540,758,330
Parks, recreation and culture	94,888,847	-	1,677,777	5,813,207	102,379,831
Community development	79,708,249	-	10,258,425	229,555,863	319,522,537
Transportation	-	174,053,954	1,638,019	-	175,691,973
Legislative / admin / support services	82,853,788	-	3,199	46,425,207	129,282,194
Environmental services	-	-	365,023	-	365,023
Water	-	-	29,144	-	29,144
Debt service and related costs:					
Principal	9,012,796	11,659,367	-	133,173,203	153,845,366
Interest	2,365,787	5,606,055	-	33,293,847	41,265,689
Debt issuance costs	-	-	-	945,186	945,186
Capital outlay	14,616,332	75,804,584	27,996,331	36,137,091	154,554,338
Total expenditures	<u>794,230,803</u>	<u>267,123,960</u>	<u>47,584,394</u>	<u>509,700,454</u>	<u>1,618,639,611</u>
Excess (deficiency) of revenues over (under) expenditures	<u>54,596,494</u>	<u>(34,719,977)</u>	<u>(7,463,490)</u>	<u>17,843,332</u>	<u>30,256,359</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	9,517,535	18,425,218	1,650,000	137,683,661	167,276,414
Transfers out	(81,217,901)	(6,733,410)	-	(82,271,484)	(170,222,795)
Bonds and notes issued	-	-	-	176,541,304	176,541,304
Refunding bonds issued	-	-	-	62,809,788	62,809,788
Bonds and notes premium	-	-	-	2,699,876	2,699,876
Loans issued	-	-	-	3,422	3,422
Sale of capital asset	-	4,825	-	-	4,825
Total other financing sources (uses)	<u>(71,700,366)</u>	<u>11,696,633</u>	<u>1,650,000</u>	<u>297,466,567</u>	<u>239,112,834</u>
Net change in fund balances	<u>(17,103,872)</u>	<u>(23,023,344)</u>	<u>(5,813,490)</u>	<u>315,309,899</u>	<u>269,369,193</u>
Fund balances - beginning	148,882,102	283,004,107	(12,066,168)	539,932,314	959,752,355
Fund balances - ending	<u>\$ 131,778,230</u>	<u>\$ 259,980,763</u>	<u>\$ (17,879,658)</u>	<u>\$ 855,242,213</u>	<u>\$ 1,229,121,548</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, 2020

Net change in fund balances - total governmental funds	\$ 269,369,193
 Amounts reported for governmental activities in the statement of activities are different because:	
The effect of capital outlays made by the governmental funds	154,554,338
Disposals of capital assets and capital contributions	(6,726,140)
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.)	(85,310,879)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	1,051,388
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.	5,144,273
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.	(90,911,741)
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	(17,989,642)
Accrual of net pension liability which is not reported as an expenditure in governmental funds:	
PERS	(65,422,763)
FPDR	(303,116,831)
Write-off inactive projects	(4,689,772)
Internal service fund look -back adjustment to business-type activities	762,762
Accrual of environmental remediation costs	8,075,818
Accrual of landfill postclosure costs	284,998
Accrual of other postemployment benefits which are not reported as an expenditure in governmental funds	1,534,347
Internal balances	6,600,000
Change in net position - governmental activities	\$ (126,790,651)

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

City of Portland Oregon
Statement of Net Position
Proprietary Funds
June 30, 2020

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
ASSETS					
Current assets (unrestricted):					
Cash and investments	\$ 233,727,428	\$ 143,724,632	\$ 47,399,563	\$ 424,851,623	\$ 199,046,877
Receivables:					
Accounts, net	59,450,549	30,925,659	2,323,845	92,700,053	6,584,447
Assessments	2,069,177	166,875	-	2,236,052	-
Notes and loans, net	4,820	-	-	4,820	53,700
Advances	22,776	54,902	65,000	142,678	-
Accrued interest	1,353,257	1,006,995	190,277	2,550,529	751,660
Due from component unit	-	-	-	-	47,492
Inventories	2,567,343	2,946,332	-	5,513,675	2,349,451
Property held for sale	-	151,630	-	151,630	-
Prepaid expenses	13,455	11,908	1,594	26,957	1,382,829
Total current assets (unrestricted)	<u>299,208,805</u>	<u>178,988,933</u>	<u>49,980,279</u>	<u>528,178,017</u>	<u>210,216,456</u>
Current assets (restricted):					
Cash and investments	<u>17,835,538</u>	<u>7,675,006</u>	<u>-</u>	<u>25,510,544</u>	<u>-</u>
Total current assets	<u>317,044,343</u>	<u>186,663,939</u>	<u>49,980,279</u>	<u>553,688,561</u>	<u>210,216,456</u>
Noncurrent assets (unrestricted):					
Capital assets, not being depreciated or amortized:					
Land	79,735,116	14,706,390	17,160,848	111,602,354	14,327,119
Construction in progress	220,106,638	258,105,826	20,726,888	498,939,352	90,450,353
Land use rights	14,365,201	4,109,663	4,500	18,479,364	-
Capital assets, being depreciated or amortized:					
Infrastructure	3,810,998,918	1,353,066,497	43,969,247	5,208,034,662	10,345,178
Buildings	54,751,840	111,452,259	262,041,539	428,245,638	304,326,907
Improvements to land	1,701,984	56,578,995	25,289,817	83,570,796	1,277,888
Equipment	35,677,089	36,113,065	6,767,602	78,557,756	136,746,098
Land use rights	-	843,940	-	843,940	-
Owning rights	-	10,776	-	10,776	-
Software	9,853,830	10,220,963	152,883	20,227,676	44,968,189
Accumulated depreciation and amortization	<u>(698,924,560)</u>	<u>(504,045,112)</u>	<u>(142,204,571)</u>	<u>(1,345,174,243)</u>	<u>(215,779,978)</u>
Capital assets, net of accumulated depreciation and amortization	3,528,266,056	1,341,163,262	233,908,753	5,103,338,071	386,661,754
Receivables:					
Assessments	3,739,469	178,317	-	3,917,786	-
Notes and loans, net	-	-	624,556	624,556	-
Net OPEB asset	639,352	662,499	91,650	1,393,501	458,047
Total noncurrent assets (unrestricted)	<u>3,532,644,877</u>	<u>1,342,004,078</u>	<u>234,624,959</u>	<u>5,109,273,914</u>	<u>387,119,801</u>
Noncurrent assets (restricted):					
Cash and investments	<u>14,068,242</u>	<u>83,180,057</u>	<u>-</u>	<u>97,248,299</u>	<u>8,597,374</u>
Total noncurrent assets	<u>3,546,713,119</u>	<u>1,425,184,135</u>	<u>234,624,959</u>	<u>5,206,522,213</u>	<u>395,717,175</u>
Total assets	<u>3,863,757,462</u>	<u>1,611,848,074</u>	<u>284,605,238</u>	<u>5,760,210,774</u>	<u>605,933,631</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows - pensions	29,930,337	27,690,906	3,444,538	61,065,781	22,212,682
Deferred outflows - OPEB	672,806	685,835	90,023	1,448,664	472,624
Deferred charge for debt refundings	5,449	9	40,808	46,266	-
Total deferred outflows of resources	<u>30,608,592</u>	<u>28,376,750</u>	<u>3,575,369</u>	<u>62,560,711</u>	<u>22,685,306</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, 2020

	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	11,456,483	8,520,928	3,547,711	23,525,122	17,964,532
Self insurance claims	59,985	50,913	-	110,898	13,509,368
Compensated absences	4,943,932	4,623,396	469,735	10,037,063	3,543,543
Bonds payable	130,541,510	44,393,086	4,818,214	179,752,810	9,345,733
Notes and loans payable	1,422,058	-	-	1,422,058	-
Accrued interest payable	12,204,832	6,138,193	221,181	18,564,206	620,130
Unearned revenue	830,431	365,828	274,222	1,470,481	79,563
Due to component unit	-	14,369	-	14,369	1,388,060
Internal loans payable	-	-	670,250	670,250	-
Landfill postclosure	79,039	-	-	79,039	-
Pollution remediation	1,425,000	-	1,904,000	3,329,000	-
Other liabilities	613,019	-	-	613,019	43,572
Total current liabilities (unrestricted)	163,576,289	64,106,713	11,905,313	239,588,315	46,494,501
Current liabilities (payable from restricted assets):					
Accounts payable	17,835,538	7,675,006	-	25,510,544	-
Other liabilities	1,146,702	-	-	1,146,702	-
Total current liabilities (payable from restricted assets):	18,982,240	7,675,006	-	26,657,246	-
Total current liabilities	182,558,529	71,781,719	11,905,313	266,245,561	46,494,501
Noncurrent liabilities:					
Self insurance claims	-	-	-	-	16,128,009
Compensated absences	2,081,490	1,983,963	212,698	4,278,151	2,260,118
Bonds payable	1,273,897,746	699,340,667	22,991,676	1,996,230,089	141,494,283
Notes and loans payable	7,950,923	-	-	7,950,923	21,436,187
Internal loans payable	-	-	1,624,250	1,624,250	-
Accrued interest payable	17,559,362	18,237,308	1,795,304	37,591,974	8,716,729
Net pension liability - PERS	84,126,304	78,285,820	10,192,451	172,604,575	62,831,616
Other postemployment benefits	5,886,063	6,479,305	982,943	13,348,311	4,366,996
Landfill postclosure	2,463,512	-	-	2,463,512	-
Pollution remediation	250,000	-	3,980,000	4,230,000	-
Other liabilities	149,835	-	-	149,835	-
Total noncurrent liabilities	1,394,365,235	804,327,063	41,779,322	2,240,471,620	257,233,938
Total liabilities	1,576,923,764	876,108,782	53,684,635	2,506,717,181	303,728,439
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - pensions	4,044,833	3,759,921	458,900	8,263,654	3,090,462
Deferred charge for debt refunding	21,036,646	1,521,748	-	22,558,394	13,438
Deferred inflows - OPEB	1,272,122	1,313,026	180,575	2,765,723	905,891
Total deferred inflows of resources	26,353,601	6,594,695	639,475	33,587,771	4,009,791
NET POSITION					
Net investment in capital assets	2,118,110,578	691,495,459	205,861,089	3,015,467,126	229,078,859
Restricted for:					
Debt service	180,000	-	-	180,000	-
Capital projects	-	-	-	-	-
Unrestricted	172,798,111	66,025,888	27,995,408	266,819,407	91,801,848
Total net position	\$ 2,291,088,689	\$ 757,521,347	\$ 233,856,497	3,282,466,533	\$ 320,880,707
Adjustment to reflect the consolidation of internal service funds' activities related to enterprise funds				11,028,706	
Net position of business-type activities				\$ 3,293,495,239	

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, 2020

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
Operating revenues:					
Service charges and fees	\$ 377,243,675	\$ 202,295,822	\$ 18,310,657	\$ 597,850,154	\$ 30,453,025
Service charges and fees provided internally	1,429,140	3,523,284	1,826,815	6,779,239	263,978,577
Licenses and permits	2,029,443	-	3,306,810	5,336,253	-
Rents and reimbursements	234,706	-	8,663,308	8,898,014	1,894,973
Concessions	-	-	1,757,999	1,757,999	-
Parking fees	-	-	12,562,330	12,562,330	-
Power sales	-	-	1,936,630	1,936,630	-
Miscellaneous	279,761	625,086	8,792	913,639	4,829,871
Total operating revenues	<u>381,216,725</u>	<u>206,444,192</u>	<u>48,373,341</u>	<u>636,034,258</u>	<u>301,156,446</u>
Operating expenses:					
Salaries and wages	79,373,934	61,888,896	9,873,613	151,136,443	63,776,150
Operating supplies	4,961,066	4,581,213	1,007,406	10,549,685	11,105,175
Professional services	4,061,159	2,663,161	4,265,456	10,989,776	53,879,376
Materials and services provided internally	34,447,296	15,923,501	8,069,622	58,440,419	19,894,326
Utilities	6,084,555	3,114,122	1,255,485	10,454,162	5,573,393
Claims	500,000	-	-	500,000	71,150,411
Utility license fees	17,474,040	8,143,243	231,351	25,848,634	24,069
Miscellaneous	14,865,528	7,207,028	11,007,884	33,080,440	50,577,241
Depreciation and amortization	50,400,487	30,911,474	5,464,810	86,776,771	29,857,001
Total operating expenses	<u>212,168,065</u>	<u>134,432,638</u>	<u>41,175,627</u>	<u>387,776,330</u>	<u>305,837,142</u>
Operating income (loss)	<u>169,048,660</u>	<u>72,011,554</u>	<u>7,197,714</u>	<u>248,257,928</u>	<u>(4,680,696)</u>
Nonoperating revenues (expenses):					
Investment earnings (losses)	9,367,813	7,227,514	1,355,512	17,950,839	5,474,868
Interest expense	(37,528,980)	(19,998,174)	(1,108,244)	(58,635,398)	(6,126,515)
Debt issuance costs	(475,879)	(688,511)	-	(1,164,390)	(10,685)
Gains (losses) on sale of capital assets	73,357	(267,968)	-	(194,611)	159,772
Miscellaneous	(124,374)	667,859	-	543,485	(176,511)
Total nonoperating revenues (expenses)	<u>(28,688,063)</u>	<u>(13,059,280)</u>	<u>247,268</u>	<u>(41,500,075)</u>	<u>(679,071)</u>
Income before contributions and transfers	140,360,597	58,952,274	7,444,982	206,757,853	(5,359,767)
Transfers in	164,567	1,155,000	-	1,319,567	22,232,490
Transfers out	(657,568)	(810,549)	(7,409,109)	(8,877,226)	(11,728,450)
Capital contributions	2,889,556	-	4,533,522	7,423,078	-
Change in net position	142,757,152	59,296,725	4,569,395	206,623,272	5,144,273
Total net position - beginning	<u>2,148,331,537</u>	<u>698,224,622</u>	<u>229,287,102</u>		<u>315,736,434</u>
Total net position - ending	<u>\$ 2,291,088,689</u>	<u>\$ 757,521,347</u>	<u>\$ 233,856,497</u>		<u>\$ 320,880,707</u>
Adjustment to reflect the consolidation of internal service funds' activities related to enterprise funds				(762,762)	
Change in net position of business-type activities				<u>\$ 205,860,510</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, 2020

	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	\$ 375,143,287	\$ 204,505,575	\$ 47,000,325	\$ 626,649,187	\$ 6,714,074
Receipts for interfund services provided	1,429,141	3,523,284	1,826,815	6,779,240	263,978,573
Payments to suppliers	(37,084,727)	(6,104,780)	(16,952,311)	(60,141,818)	(212,887,808)
Payments to employees	(67,047,631)	(51,164,893)	(8,685,234)	(126,897,758)	(54,440,142)
Payments for interfund services used	(34,447,292)	(15,923,501)	(8,069,625)	(58,440,418)	(19,894,319)
Other receipts (payments)	-	693,303	-	693,303	171,834
Net cash provided by (used for) operating activities	<u>237,992,778</u>	<u>135,528,988</u>	<u>15,119,970</u>	<u>388,641,736</u>	<u>(16,357,788)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	164,566	1,155,000	-	1,319,566	21,365,518
Transfers out	(657,567)	(810,549)	(7,409,109)	(8,877,225)	(10,861,478)
Internal balances	1,457,886	5,141,410	704	6,600,000	-
Payments from internal loans	-	-	(170,250)	(170,250)	-
Net cash provided by (used for) noncapital financing activities	<u>964,885</u>	<u>5,485,861</u>	<u>(7,578,655)</u>	<u>(1,127,909)</u>	<u>10,504,040</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of bonds and notes	216,480,000	161,064,489	-	377,544,489	11,932,588
Premium on bonds and notes issued	48,553,751	27,433,675	-	75,987,426	-
Proceeds from sale of capital assets	250,668	654,674	-	905,342	52,636,391
Acquisition of capital assets	(152,644,625)	(143,660,094)	(6,243,383)	(302,548,102)	(79,261,969)
Principal paid on bonds and notes	(409,019,394)	(89,962,446)	(4,397,174)	(503,379,014)	(3,889,543)
Interest paid on bonds and notes	(60,917,044)	(23,186,913)	(1,236,229)	(85,340,186)	(6,989,042)
Payments for bond issuance costs	(475,879)	(688,511)	-	(1,164,390)	(10,685)
Net cash provided by (used for) capital related financing activities	<u>(357,772,523)</u>	<u>(68,345,126)</u>	<u>(11,876,786)</u>	<u>(437,994,435)</u>	<u>(25,582,260)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment earnings (losses)	10,587,910	7,215,669	1,455,666	19,259,245	6,019,998
Net cash provided by (used for) investing activities	<u>10,587,910</u>	<u>7,215,669</u>	<u>1,455,666</u>	<u>19,259,245</u>	<u>6,019,998</u>
Net increase (decrease) in cash and cash equivalents	<u>(108,226,950)</u>	<u>79,885,392</u>	<u>(2,879,805)</u>	<u>(31,221,363)</u>	<u>(25,416,010)</u>
Cash and cash equivalents, July 1, 2019	<u>373,858,158</u>	<u>154,694,303</u>	<u>50,279,368</u>	<u>578,831,829</u>	<u>233,060,261</u>
Cash and cash equivalents, June 30, 2020	<u>\$ 265,631,208</u>	<u>\$ 234,579,695</u>	<u>\$ 47,399,563</u>	<u>\$ 547,610,466</u>	<u>\$ 207,644,251</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:					
Unrestricted cash and cash equivalents	\$ 233,727,428	\$ 143,724,632	\$ 47,399,563	\$ 424,851,623	\$ 199,046,877
Restricted cash and cash equivalents	\$ 31,903,780	\$ 90,855,063	\$ -	122,758,843	\$ 8,597,374
Total cash and cash equivalents	<u>\$ 265,631,208</u>	<u>\$ 234,579,695</u>	<u>\$ 47,399,563</u>	<u>\$ 547,610,466</u>	<u>\$ 207,644,251</u>

City of Portland, Oregon
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year June 30, 2020

	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	\$ 169,048,660	\$ 72,011,554	\$ 7,197,714	\$ 248,257,928	\$ (4,680,696)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:					
Depreciation and amortization of capital assets	50,400,487	30,911,474	5,464,810	86,776,771	29,857,001
Provision for uncollectible accounts	930,009	1,008,064	-	1,938,073	-
Nonoperating revenue (expense)	-	667,859	-	667,859	-
Change in assets and liabilities:					
Accounts and advances receivable	(5,860,324)	303,074	453,929	(5,103,321)	(4,837,650)
Due (from) to other funds	-	-	-	-	(32,617)
Due (from) to component unit	-	14,369	-	14,369	(328,238)
Inventories	(194,200)	(264,693)	-	(458,893)	(226,787)
Prepaid expense	8,049,858	17,549,999	(1,594)	25,598,263	1,402,071
Accounts payable	621,086	2,766,600	1,012,854	4,400,540	(18,699,330)
Self insurance claims	10,898	(455,874)	-	(444,976)	(2,783,534)
Compensated absences	1,679,503	1,529,768	135,297	3,344,568	1,318,731
Unearned revenue	(8,906)	(1,660)	(39,584)	(50,150)	(25,614,760)
Net pension liability - PERS	16,426,866	14,608,989	1,604,348	32,640,203	12,086,460
Other postemployment benefits	(812,558)	(828,294)	(108,723)	(1,749,575)	(570,793)
Landfill postclosure	(126,613)	-	-	(126,613)	-
Pollution remediation	1,375,000	-	(196,000)	1,179,000	-
Other liabilities	1,125,599	(6,414)	-	1,119,185	43,572
Deferred outflows - pensions	(5,293,290)	(4,959,188)	(500,462)	(10,752,940)	(3,735,564)
Deferred outflows - OPEB	(37,666)	(22,623)	2,382	(57,907)	(11,767)
Deferred inflows - pensions	(191,224)	(170,061)	(18,676)	(379,961)	(140,696)
Deferred inflows - OPEB	849,593	866,045	113,675	1,829,313	596,809
Net cash provided by (used for) operating activities	<u>\$ 237,992,778</u>	<u>\$ 135,528,988</u>	<u>\$ 15,119,970</u>	<u>\$ 388,641,736</u>	<u>\$(16,357,788)</u>
Noncash information					
Capital contributions	\$ 2,889,556	\$ -	\$ 4,533,522	\$ 7,423,078	-
Increase (decrease) in fair value of investments (classified as cash equivalents)	1,597,530	2,081,071	\$ 345,788	4,024,389	1,022,335

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, 2020

	<u>Pension Trust</u>	<u>Custodial</u>
ASSETS		
Current assets:		
Cash and investments ^(a)	\$ 28,046,464	\$ 21,390,088
Receivables:		
Accounts, net	63,486	1,623,364
Advances	-	951,422
Pension recovery	152,962	-
Accrued interest	305,658	66,245
Due from other funds	4,984,522	-
Prepaid expense	1,379	-
Total current assets	<u>33,554,471</u>	<u>24,031,119</u>
Noncurrent assets:		
Capital assets:		
Intangible assets:		
Software	979,578	12,000
Accumulated depreciation and amortization	<u>(689,062)</u>	<u>(12,000)</u>
Net capital assets	290,516	-
Net OPEB asset	<u>18,962</u>	-
Total noncurrent assets	<u>309,478</u>	-
Total assets	<u>33,863,949</u>	<u>24,031,119</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows - pensions	908,116	-
Deferred outflows - OPEB	<u>18,952</u>	-
Total deferred outflows of resources	<u>927,068</u>	-
LIABILITIES		
Accounts payable	11,604,381	2,960,170
Compensated absences	937,467	-
Bonds payable	186,322	-
Accrued interest payable	274,617	-
Net pension liability - PERS	2,540,532	-
Other postemployment benefits	173,899	-
Other liabilities	<u>240,000</u>	<u>6,142,767</u>
Total liabilities	<u>15,957,218</u>	<u>9,102,937</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - pensions	123,826	-
Deferred inflows - OPEB	<u>36,823</u>	-
Total deferred inflows	<u>160,649</u>	-
NET POSITION		
Net position restricted for pensions	18,673,150	
Net position individuals, organizations and other governments		<u>14,928,182</u>
Total net position	<u>\$ 18,673,150</u>	<u>\$ 14,928,182</u>

^(a)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, 2020**

	<u>Pension Trust</u>	<u>Custodial</u>
ADDITIONS		
Contributions:		
Employer	\$ 156,162,325	\$ -
Other	1,615,394	-
Total contributions	<u>157,777,719</u>	<u>-</u>
Investment earnings	1,571,995	265,072
Program Revenue - Intergovernmental	-	6,387,665
Tax collections for other governments	-	25,374,686
Forfeiture collections from outside parties	-	472,189
Collections of escrow funds	-	11,377
Total additions	<u>159,349,714</u>	<u>32,510,989</u>
DEDUCTIONS		
Benefits and refunds paid to plan members and beneficiaries	156,638,629	-
Administrative expenses	4,078,104	-
Expenditures - Community Development	-	9,054,396
Payment of taxes to other governments	-	25,374,686
Payment of forfeitures to outside parties	-	399,648
Payment of escrow funds	-	16,881
Total deductions	<u>160,716,733</u>	<u>34,845,611</u>
Change in net position	<u>(1,367,019)</u>	<u>(2,334,622)</u>
Net position - beginning, previously reported	20,039,169	-
Restatement per GASB 84 implementation (See Note I.E)	-	17,262,804
Net position - beginning, restated	<u>-</u>	<u>17,262,804</u>
Net position - ending	<u>\$ 18,672,150</u>	<u>\$ 14,928,182</u>

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



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Notes to the Financial Statements



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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 nonmajor 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. Custodial funds have no measurement focus, but do employ the accrual basis of accounting for purposes of asset and liability recognition. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing 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 met.

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 and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred.

Significant revenues, measurable and available for the fiscal year ended June 30, 2020, under the modified accrual basis of accounting were as follows:

- ◆ Federal and state grants (to the extent that revenues are earned as eligible expenditures are incurred)
- ◆ State, county, and local shared revenues of business license taxes, liquor taxes, and other taxes
- ◆ Interagency agreement revenues for personal services and materials and services between funds
- ◆ Property taxes collected within 60 days following year-end

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

- ◆ Claims and judgments
- ◆ Interfund transactions for services which are recorded on the accrual basis
- ◆ Interest expenditures on general long-term debt which are recorded when due
- ◆ Earned but unpaid vacations which are recorded as expenditures to the extent they are expected to be liquidated with expendable, available financial resources
- ◆ Pollution remediation
- ◆ Postemployment benefits
- ◆ Pension liabilities
- ◆ Landfill closure costs

The City reports the following major governmental funds:

The *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.

The *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 with other governments that are restricted for the purpose of transportation infrastructure and maintenance. A significant amount of the resources available to this fund are restricted.

The *Grants Fund* accounts for the receipts and expenditures of federal as well as state, local, and private source grants. All of the revenue streams flowing into 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.

Custodial funds account for resources received and held by the City in a custodial capacity on behalf of other organizations. The type of custodial funds that the City maintains are trustee funds. Trustee funds are used to account for resources collected on behalf of other governments or organizations.

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, 2020, one new fund was established. The fund:

Capital Project Funds:

- ◆ Fire Capital Fund

Four funds have been closed during the fiscal year ended June 30, 2020. The funds are:

Special Revenue Funds:

- ◆ Parks Local Option Levy

Capital Project Funds:

- ◆ Bureau of Fire, Rescue and Emergency Services Facilities GO bond Construction
- ◆ Public Safety GO Bond Construction

Internal Service Funds:

- ◆ Enterprise Business Solutions Services

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 the fiscal year ended June 30, 2020, the City maintained a valuation allowance for loans receivable that consisted 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 represents 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 \$61.34 million as of June 30, 2020.

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 structural failure or road emergency associated with a natural disaster or event. The policy sets this reserve amount 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. The fund balance of the Transportation Reserve Fund was \$8.44 million as of June 30, 2020.

E. Adoption of new GASB pronouncements:

During the fiscal year ended June 30, 2020, the City implemented the following GASB Pronouncements:

GASB Statement No. 84, Fiduciary Activities. This statement was issued January 2017 to establish criteria for identifying fiduciary activities of all state and local governments. GASB 84 was implemented for the City, fiscal year ending June 30, 2020. The City's Pension Trust Funds were not impacted by this statement. The majority of the City's Agency Funds were not impacted by this statement, however certain programs previously reported under this category are no longer classified as a fiduciary activity. Accordingly, this activity which no longer qualifies as a fiduciary activity, is reported in the appropriate operating funds of the City. Additionally throughout this CAFR any references to the term "Agency Fund" has been updated to "Custodial Fund". The format of the fiduciary fund financial statements have also been updated to comply with the new requirements given by this statement.

F. Future adoption of GASB pronouncements:

The following GASB pronouncements have been issued, but are not effective as of June 30, 2020:

GASB Statement No. 87, Leases. This Statement was issued June 2017 to better meet the information needs of 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 the fiscal year ending June 30, 2021.

GASB Statement No. 89, Accounting for Interest Costs Incurred Before the End of a Construction Period. This statement was issued June 2018, the statement establishes accounting requirements for interest cost incurred before the end of a construction period. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. GASB Statement No. 89 will be effective for the City for the fiscal year ending June 30, 2021.

GASB Statement No. 91, Conduit Debt Obligations. This statement was issued May 2019, this Statement establishes accounting requirements for conduit debt obligations by issuers. The objectives of this Statement are to eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB Statement No. 91 will be effective for the City for the fiscal year ending June 30, 2022.

GASB Statement No. 92, Omnibus 2020. This statement was issued January 2020, this Statement enhances comparability and financial reporting to improve the consistency of authoritative literature to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to leases implementation, derivative instruments, postemployment benefits (pensions and other postemployment benefits [OPEB]), asset retirement obligations, risk pool and fair value measurements. Specifically, this Statement addresses the following topics:

- The effective date of Statement No. 87, Leases, and Implementation Guide No 2019-3, Leases, for interim financial reports

- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of Statement No. 84, Fiduciary Activities, to postemployment benefit arrangements
- Measurement of Liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

GASB Statement No. 92 will be effective for the City for the fiscal year ending June 30, 2023.

GASB Statement No. 93 Replacement of Interbank Offered Rates (IBOR). This Statement was issued March 2020 to address accounting and financial reporting implications that result from the replacement of an IBOR. This Statement is:

- Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
- Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
- Removing the London Interbank Offered Rate (LIBOR) as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap
- Clarifying the definition of reference rate, as it is used in Statement 53, as amended
- Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend.

GASB Statement No. 93 will be effective for the City for the fiscal year ending June 30, 2022.

GASB Statement No. 94, Public-Private and Public-Public Partnership and Availability Payment Arrangements. This Statement was issued March 2020 to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). It also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). GASB Statement No. 94 will be effective for the City for the fiscal year ending June 30, 2024.

GASB Statement No. 95, Postponement of Effective Dates. This Statement was issued May 2020 to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018 and later.

The effective dates of certain provisions contained in the following pronouncements are postponed by one year:

- Statement No. 83, Certain Asset Retirement Obligations
- Statement No. 84, Fiduciary Activities
- Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements
- Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period

- Statement No. 90, Majority Equity Interests
- Statement No. 91, Conduit Debt Obligations
- Statement No. 92, Omnibus 2020
- Statement No. 93, Replacement of Interbank Offered Rates
- Implementation Guide No. 2017-3, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)
- Implementation Guide No. 2018-1, Implementation Guidance Update - 2018
- Implementation Guide No. 2019-1, Implementation Guidance Update - 2019
- Implementation Guide No. 2019-2, Fiduciary Activities.

The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, Leases
- Implementation Guide No. 2019-3, Leases.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). This statement was issued May 2020 to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible assets - and a corresponding subscription liability; (3) provides the capitalization criteria for outlay other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. GASB Statement No. 96 will be effective for the City for the fiscal year ending June 30, 2023.

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32. This Statement was issued June 2020. The primary objectives are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component unit in fiduciary fund financial statement; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meets the definition of a pension plan and for benefits provided through those plans. GASB Statement No. 97 will be effective for the City for the fiscal year ending June 30, 2022.

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, 2020.

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, 2020, 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 fund, exempt per 294.338(4)(c):

- ◆ Lents Town Center Urban Renewal Debt Redemption Fund
- ◆ North Macadam Urban Renewal Debt Redemption Fund

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

- ◆ Sewer System Debt Redemption Fund

There were no funds that exceeded budget at the legal level of appropriation other than that exempt as noted above.

C. Deficit fund equity:

Oregon state law requires fund disclosure of deficit fund balances/total net position. At June 30, 2020, one fund reported a deficit fund balance and one fund had a deficit net position in the GAAP basis financial statements:

Nonmajor Special Revenue Fund:	
Grants	\$ 17,879,658
Internal Service Fund:	
Printing and Distribution Services Operating	\$ 1,186,534

The Grants Fund, a special revenue fund, reported a deficit fund balance of \$17.88 million in the Grants columns of the Governmental Funds Balance Sheet, and the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental 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 Printing and Distribution Services Operating (P&D) Fund, an internal service fund, reported deficit net position of \$1.19 million 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, 2020 are:

	Primary Government	Fiduciary Activities	Total Government	Component Unit (Prosper Portland) ⁽¹⁾	Total
Cash on hand	\$ 8,603	\$ -	\$ 8,603	\$ 600	\$ 9,203
Deposits with financial institutions	13,466,328	-	13,466,328	621,438	14,087,766
Less outstanding checks	-	-	-	(167,781)	(167,781)
Investments	2,010,238,086	49,436,552	2,059,674,638	289,774,261	2,349,448,899
Total Cash and investments	<u>\$ 2,023,713,017</u>	<u>\$ 49,436,552</u>	<u>\$ 2,073,149,569</u>	<u>\$ 290,228,518</u>	<u>\$ 2,363,378,087</u>

⁽¹⁾ Prosper Portland cash and investments with the City include \$168,803 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	\$ 444,836,464	\$ 424,851,623	\$ 869,688,087	\$ 21,390,088	\$ 891,078,175	\$ 290,228,518	\$1,181,306,693
Restricted	1,031,266,087	122,758,843	1,154,024,930	28,046,464	1,182,071,394	-	1,182,071,394
Total	<u>\$1,476,102,551</u>	<u>\$ 547,610,466</u>	<u>\$2,023,713,017</u>	<u>\$ 49,436,552</u>	<u>\$2,073,149,569</u>	<u>\$ 290,228,518</u>	<u>\$2,363,378,087</u>

Cash and investments at June 30, 2020, 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 \$ 10,201,190

Transportation fund:

Capital projects 227,464,457

Grants fund:

Federal and state grants 110,142,294

Nonmajor governmental funds:

Debt service 139,577,990

Federal and state grants 2,981,768

Voter approved special levies 18,023,966

Capital projects 168,502,619

Public safety 5,898,272

Parks, recreation and culture 2,906,868

Community development 84,098,466

Community solar 66,489,379

Permanent endowment 196,286

Housing 186,185,158

Internal services 8,597,374

Total governmental activities 1,031,266,087

Business-type activities:

Sewage Disposal fund:	
Debt service for capital projects related debt	31,903,780
Water fund:	
Debt service for capital projects related debt	90,855,063
Total business-type activities	<u>122,758,843</u>
Total primary governmental restricted cash	<u>1,154,024,930</u>
Total fiduciary activities	<u>28,046,464</u>
Total restricted cash and investments	<u>\$ 1,182,071,394</u>

Component unit - Prosper Portland

Total cash reported by Prosper Portland for the fiscal year ending June 30, 2020 was \$290.23 million, none of which was restricted.

Deposits

Primary 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, 2020, the book value of all the City's deposits was \$13.5 million.

Component unit - Prosper Portland

As of June 30, 2020, the book value of all the Prosper Portland deposits was \$621,438.

Investments

Primary 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 \$980,852 for the fiscal year ended June 30, 2020.

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, 2020:

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	\$ 435,044,800	\$ -	\$ 435,044,800	\$ -	\$ -
U.S. Agencies	1,390,771,307	-	1,390,771,307	-	-
Corporate bonds	421,487,541	-	421,487,541	-	-
Municipal bonds	5,716,856	-	5,716,856	-	-
Commercial paper	7,999,520	-	7,999,520	-	-
Repurchase Agreements	40,000,000	-	40,000,000	-	-
Time/Interest Bearing Deposits	5,644,167	-	-	-	5,644,167
Local Government Investment Pool	42,784,708	-	-	-	42,784,708
Total investments	\$2,349,448,899	\$ -	\$ 2,301,020,024	\$ -	\$ 48,428,875

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, 2020, the weighted-average maturity of the City's investment portfolio was 1.6 years. To minimize interest rate risk, the City's investment policy limits the portfolio to a maximum weighted-average maturity of two years. 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.

The credit quality distribution for securities with credit exposure as a percentage of total investments as of June 30, 2020 is as follows:

	Moody's Investor's Service	Standard & Poor's	Fitch Ratings	Percentage of Total Investments
Federal Home Loan Bank	Aaa	AA+	AAA	7.58%
Federal Home Loan Mortgage Corporation	Aaa	AA+	AAA	11.35%
Federal National Mortgage Association	Aaa	AA+	AAA	10.39%
Federal Farm Credit Bank	Aaa	AA+	AAA	16.89%
Federal Agriculture Mortgages Corporation	N/R*	N/R*	N/R*	9.94%
United States Financing Corp (FICO)	Aaa	N/R*	N/R*	0.00%
Private Export Funding Corp (PEFCO)	Aaa	N/R*	AAA	0.00%
Resolution Trust Funding Corp	Aaa	N/R*	AAA	2.76%
US Dept of Housing & Urban Development	Aaa	AA+	AAA	0.07%
Tennessee Valley Authority	Aaa	AA+	AAA	0.22%
United States Treasury	Aaa	AA+	AAA	18.52%
Total U.S. agency debt obligations				77.72%
Corporate bonds	Aa3	AA-	AA-	17.94%
Municipal bonds	Aa1	AA+	AA+	0.24%
Commercial paper	P-1	A-1+	F1	0.34%
Repurchase agreements	N/R*	N/R*	N/R*	1.70%
Time/Interest bearing deposits	N/R*	N/R*	N/R*	0.24%
Local Government Investment Pool	N/R*	N/R*	N/R*	1.82%
Total other obligations				22.28%
Total Investments				100.00%

N/R* =Not Rated

Concentration of credit risk. This is the risk that, when investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. Of the City's total investments, as of June 30, 2020, 77.7% 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/brfs/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, 2020, 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, 2020, 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	\$ 431,661,174	\$ 435,044,800	\$ 362,854,350	\$ 72,190,450	0.13
U.S. Agencies	1,380,926,018	1,390,771,307	554,524,149	836,247,158	1.24
Corporate bonds	412,734,534	421,487,541	106,262,353	315,225,188	0.25
Municipal bonds	5,706,876	5,716,856	5,716,856	-	-
Repurchase agreements	40,000,000	40,000,000	40,000,000	-	-
Commercial paper	7,993,316	7,999,520	7,999,520	-	-
Time/Interest bearing deposits	5,644,167	5,644,167	5,644,167	-	-
Local Government Investment Pool	42,784,708	42,784,708	42,784,708	-	-
Total investments	\$ 2,327,450,793	\$ 2,349,448,899	\$ 1,125,786,103	\$ 1,223,662,796	1.62

Net portfolio yield 1.22%

B. Receivables:

Receivables as of June 30, 2020, are as follows:

	Governmental Activities					Total
	General	Transportation Operating	Grants	Other Funds	Internal Service	
Taxes	\$ 15,961,682	\$ 2,313,018	\$ -	\$ 9,345,173	\$ -	\$ 27,619,873
Accounts	30,710,187	16,837,725	-	6,237,573	6,585,064	60,370,549
Assessments	33,612	1,540,301	-	64,653,945	-	66,227,858
Notes and loans	391,341	125,000	491,737	539,987,604	53,700	541,049,382
Advances	97,751	-	-	582,294	-	680,045
Grants	-	-	24,141,874	1,179,813	-	25,321,687
Interest	591,899	983,474	357,596	2,499,177	751,660	5,183,806
Total receivables	47,786,472	21,799,518	24,991,207	624,485,579	7,390,424	726,453,200
Allowance for doubtful accounts	(832,586)	(34,566)	-	(458,741,656)	(617)	(459,609,425)
Receivables, net	\$ 46,953,886	\$ 21,764,952	\$ 24,991,207	\$ 165,743,923	\$ 7,389,807	\$ 266,843,775
Not scheduled for collection during the subsequent year	\$ 352,207	\$ 125,000	\$ -	\$ 116,018,391	\$ 53,700	\$ 116,549,298
Delinquent special assessments	\$ 11,612	\$ 615,326	\$ -	\$ 9,851,575	\$ -	\$ 10,478,513

	Business-type Activities			
	Sewage Disposal	Water	Other Funds	Total
Accounts	\$ 66,036,700	\$ 34,748,859	\$ 2,332,153	\$ 103,117,712
Assessments	5,808,646	345,192	-	6,153,838
Notes and loans	4,820	-	624,556	629,376
Advances	22,776	54,902	65,000	142,678
Interest	1,353,257	1,006,995	190,277	2,550,529
Total receivables	73,226,199	36,155,948	3,211,986	112,594,133
Allowance for doubtful accounts	(6,586,151)	(3,823,200)	(8,308)	(10,417,659)
Receivables, net	\$ 66,640,048	\$ 32,332,748	\$ 3,203,678	\$ 102,176,474
Not scheduled for collection during the subsequent year	\$ 3,739,469	\$ 178,317	\$ 624,556	\$ 4,542,342
Delinquent special assessments	\$ 1,196,254	\$ 69,131	\$ -	\$ 1,265,385

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 \$11.7 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, 2020 are as follows:

Fund and Program	Maximum Term	Interest Rate	Gross Loans Receivable	Allowance
Major governmental funds:				
General Fund - N/NE Housing				
Single-family housing:				
Deferred payment loans	15 - 30 yrs	0%	\$ 391,341	\$ (39,134)
Total gross General Fund			391,341	(39,134)
Total net General Fund				352,207
Grants Fund:				
Multi-family housing:				
Cash flow loans	30 yrs	0 - 3%	83,330	(79,163)
Equity gap loans	Indefinite	0	279,276	(279,276)
Amortized loans	30 yrs	0 - 3	7,675	(3,837)
Single-family housing:				
Deferred payment loans	30 yrs	0 - 3	270,122	(27,012)
Total gross Grants Fund			640,403	(389,288)
Total net Grants Fund				251,115
Nonmajor governmental funds:				
Community Development Block Grant (CDBG) Fund:				
Multi-family housing:				
Cash flow loans	30 yrs	0 - 3%	28,723,495	(27,287,321)
Equity gap loans	Indefinite	0	18,083,344	(18,083,344)
Amortized loans	30 yrs	0 - 3	8,844,147	(4,422,074)
Deferred payment loans	60 yrs	0 - 8	936,993	(468,497)
Conditional grants		0	1,798,318	(1,798,318)
Single-family housing:				
Amortized loans	26 yrs	0 - 5%	86,861	(4,343)
Deferred payment loans	Indefinite	0	4,295,375	(429,537)
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			63,711,223	(52,934,014)
Total net CDBG Fund				10,777,209
HOME Grant Fund:				
Multi-family housing:				
Cash flow loans	45 yrs	0 - 3%	36,558,766	(34,730,828)
Equity gap loans	Indefinite	0	23,414,789	(23,414,789)
Amortized loans	30 yrs	1 - 3	7,037,341	(3,518,671)
Deferred payment loans	20 yrs	0 - 3	1,233,542	(616,771)
Single-family housing:				
Shared appreciation mortgage	Indefinite	0	364,697	(91,174)
Total gross HOME Grant Fund			68,609,135	(62,372,233)
Total net HOME Grant Fund				6,236,902

Fund and Program	Maximum Term	Interest Rate	Gross Loans Receivable	Allowance
Housing Investment Fund (HIF):				
Multi-family housing:				
Cash flow loans	45 yrs	0 - 5%	15,476,393	(14,702,574)
Equity gap loans	Indefinite	0	12,949,849	(12,949,849)
Amortized loans	30 yrs	0 - 7	8,797,502	(4,398,751)
Deferred payment loans	20 yrs	0 - 3	1,803,580	(901,790)
Single-family housing:				
Deferred payment loans	30 yrs	0-3%	99,002	(9,900)
Special assets	Indefinite	0	8,156	(8,156)
Total gross HIF			<u>39,134,482</u>	<u>(32,971,020)</u>
Total net HIF				<u>6,163,462</u>
Tax Increment Financing Reimbursement Fund (TIF):				
Multi-family housing:				
Cash flow loans	30 - 60 yrs	1 - 9%	242,715,478	(230,579,704)
Equity gap loans	Indefinite	0	43,825,130	(43,825,130)
Amortized loans	30 yrs	0-7	44,662,380	(22,331,190)
Deferred payment loans	20 - 50 yrs	0-9	7,580,179	(3,790,090)
Conditional grants	Indefinite	0	3,142,568	(3,142,568)
Single-family housing:				
Amortized loans	20 - 30 yrs	1-5%	197,305	(9,865)
Deferred payment loans	30 yrs	0-4	17,304,531	(1,730,453)
Shared appreciation mortgage	Indefinite	0	934,163	(233,541)
Special assets	Indefinite	0	20,456	(20,456)
Other deferred payment loans			9,180	(4,590)
Total gross TIF			<u>360,391,370</u>	<u>(305,667,587)</u>
Total net TIF				<u>54,723,783</u>
Inclusionary Housing Fund - CET Residential				
Multi-family housing:				
Equity gap loans	Indefinite	0%	440,000	(440,000)
Deferred payment loans	12 - 24 yrs	0-4	4,827,506	(2,413,753)
Single-family housing:				
Deferred payment loans	15 - 30 yrs	0%	960,000	(96,000)
Total gross Inclusionary Housing Fund			<u>6,227,506</u>	<u>(2,949,753)</u>
Inclusionary Housing Fund - Commercial				
Multi-family housing:				
Cash flow loans	30 - 60 yrs	1 - 9%	1,347,600	(1,280,220)
Total net Inclusionary Housing Fund				<u>3,345,133</u>
Recreational Cannabis Tax- Housing				
Multi-family housing:				
Equity gap loans			177,000	(177,000)
Total gross all funds			<u>\$ 540,630,060</u>	<u>\$ (458,780,249)</u>
Total net all funds				<u>\$ 81,849,811</u>

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, 2020, 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	692,330	0.00%	June, 2041	5/1/2012	(692,330)
Uptown Tower Apartments, LP	700,000	700,000	656,724	4.50%	December, 2035	1/1/2026	(328,362)
Total CF Loans	3,921,000	3,921,000	3,733,246				(3,285,674)
Multi-Family Housing Amortized Loans:							
Halsey Center	650,000	650,000	420,096	3.00%	November, 2030	12/1/2010	(210,048)
Upshur Renewal Housing, LP	415,000	415,000	279,802	5.00%	June, 2031	7/1/2011	(139,901)
Villa De Suenos, LP Loan #1	750,000	750,000	496,108	4.00%	June, 2031	7/1/2011	(248,054)
Human Solutions Inc.	1,439,000	1,439,000	958,931	4.25%	October, 2031	10/1/2011	(479,466)
Los Jardines, LP	400,000	400,000	286,790	2.72%	March, 2032	8/1/2012	(143,395)
Vista De Rosas, LLC	1,115,000	1,115,000	1,050,760	5.00%	March, 2035	7/1/2015	(525,380)
Hacienda CDC	2,400,000	2,400,000	2,269,725	5.00%	September, 2035	9/1/2016	(1,134,862)
Total MFHA Loans	7,169,000	7,169,000	5,762,212				(2,881,106)
Total	\$ 11,090,000	\$ 11,090,000	\$ 9,495,458				\$ (6,166,780)

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, 2019, and accordingly 2020 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. Nine of the 10 payments have been received and the remaining one payment of \$53,700 has 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
2021	12/31/2020	53,700
	Total	\$ 53,700

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. The first loan under this agreement was entered into with 3300 North Williams Ave. LLC (North Williams) on April 9, 2013. The initial loan was for \$135,000, which was later increased to \$165,000 under Amendment No. 1, on December 18, 2013. The loan agreement stipulates an interest rate of three percent per annum. The disbursements to North Williams were made in FY 2014 in the amount of \$118,343, and \$28,234 in FY 2015 and the remaining of \$18,423 through FY 2016 for the total of \$165,000.

Amendment No. 2 granted additional \$75,000 loan in July 2016. During FY 2017 an additional \$42,534 of the loan funds were disbursed to North Williams. The remaining available loan balance of \$33,091 was disbursed in FY 2018. During FY 2019 the property continued 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 FY 2021. Per agreement, re-payment of the loan is not required until the project is complete.

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, and 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 as a condition of the property purchase reducing 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, 2020 are as follows:

	Governmental Activities						Total
	General	Transportation Operating	Grants	Other Funds	Internal Service	Unallocated Governmental	
Accounts to vendors and contractors	\$ 50,773,273	\$ 17,942,092	\$ 3,697,190	\$ 17,766,659	\$ 18,008,104	\$ 4,984,522	\$ 113,171,840
Interest on bonds and notes	-	-	-	-	9,336,859	116,346,099	125,682,958
Total payables	\$ 50,773,273	\$ 17,942,092	\$ 3,697,190	\$ 17,766,659	\$ 27,344,963	\$ 121,330,621	\$ 238,854,798

	Business-type Activities			
	Sewage Disposal	Water	Other Funds	Total
Accounts to vendors and contractors	\$ 31,201,577	\$ 16,195,934	\$ 3,547,711	\$ 50,945,222
Interest on bonds and notes	29,764,194	24,375,501	2,016,485	56,156,180
Total payables	\$ 60,965,771	\$ 40,571,435	\$ 5,564,196	\$ 107,101,402

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, 2020 are as follows:

	Governmental Activities					
	General	Transportation Operating	Grants	Other Funds	Internal Service	Total
Grants	\$ -	\$ -	\$ 118,211,143	\$ 134,540	\$ -	\$ 118,345,683
Miscellaneous unearned	19,499	1,433,516	-	1,296	79,563	1,533,874
Total unearned revenue	\$ 19,499	\$ 1,433,516	\$ 118,211,143	\$ 135,836	\$ 79,563	\$ 119,879,557

	Business-type Activities			
	Sewage Disposal	Water	Other Funds	Total
Total miscellaneous unearned revenue	\$ 830,431	\$ 365,828	\$ 274,222	\$ 1,470,481

Various components of deferred inflows reported in the governmental funds at June 30, 2020 are as follows:

	Governmental Funds				
	General	Transportation Operating	Grants	Other Funds	Total
Receivables					
Accounts	\$ 1,365,775	\$ 125,000	\$ -	\$ 30,750	\$ 1,521,525
Liens - LID	-	-	-	8,286,016	8,286,016
Liens	33,612	1,540,301	-	56,172,728	57,746,641
Taxes	8,413,701	-	-	7,258,583	15,672,284
Grants	-	-	17,001,797	-	17,001,797
Total unavailable revenue	\$ 9,813,088	\$ 1,665,301	\$ 17,001,797	\$ 71,748,077	\$ 100,228,263

Various components of deferred outflows reported in the Government-wide statements at June 30, 2020 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	\$ 64,104,428	\$ 18,982,184	\$ 83,086,612	\$ 291,825	\$ 1,491,359	\$ 84,869,796
Pensions difference between expected and actual experience	28,751,790	9,344,173	38,095,963	136,079	700,003	38,932,045
Pensions change in assumptions	69,125,266	24,314,934	93,440,200	352,941	1,979,457	95,772,598
Pensions changes in employer proportionate share	28,150,337	8,352,715	36,503,052	126,109	594,223	37,223,384
Pensions contributions vs proportionate share of contributions	239,713	71,775	311,488	1,162	5,447	318,097
Pension change in assumptions - FPDR	771,317,874	-	771,317,874	-	-	771,317,874
Pensions difference between projected and actual earnings - FPDR	59,717,857	-	59,717,857	-	-	59,717,857
Total Deferred Outflows - Pensions	1,021,407,265	61,065,781	1,082,473,046	908,116	4,770,489	1,088,151,651
OPEB payments post measurement date - RHIA	66,139	14,919	81,058	195	4,232	85,485
OPEB payments post measurement date - HIC	4,145,435	935,055	5,080,490	12,233	-	5,092,723
OPEB difference between expected and actual experience - HIC	4,727,724	498,690	5,226,414	6,524	-	5,232,938
Total Deferred outflows - OPEB	8,939,298	1,448,664	10,387,962	18,952	4,232	10,411,146
Deferred charges for the difference between carrying amount and the reacquisition price of bonds	34,035	46,266	80,301	-	-	80,301
Total Deferred outflows of resources	\$1,030,380,598	\$ 62,560,711	\$1,092,941,309	\$ 927,068	\$ 4,774,721	\$1,098,643,098
Deferred Inflows of Resources:						
Pensions difference between expected and projected earnings	\$ 15,086,696	\$ 4,512,796	\$ 19,599,492	\$ 72,819	\$ 341,160	\$ 20,013,471
Pensions changes in employer proportionate share	2,783,888	934,443	3,718,331	13,720	67,882	3,799,933
Pensions contributions vs proportionate share of contributions	7,667,866	2,816,415	10,484,281	37,287	247,368	10,768,936
Pensions difference between expected and actual experience - FPDR	-	-	-	-	-	-
Pensions difference between projected vs actual earnings - FPDR	1,499,769	-	1,499,769	-	-	1,499,769
Pensions changes in Assumptions - FPDR	109,621,698	-	109,621,698	-	-	109,621,698
Total Deferred inflows - pensions	136,659,917	8,263,654	144,923,571	123,826	656,410	145,703,807
OPEB difference between projected and actual investment earnings - RHIA	379,733	87,218	466,951	1,253	5,837	474,041
OPEB changes in employer proportion - RHIA	116,637	26,873	143,510	359	4,337	148,206
OPEB difference between projected and actual experience - RHIA	816,697	183,447	1,000,144	2,452	10,160	1,012,756
OPEB changes in assumptions - HIC	23,153,266	2,466,754	25,620,020	32,738	-	25,652,758
OPEB changes in assumptions - RHIA	6,405	1,431	7,836	21	101	7,958
Total Deferred inflows - OPEB	24,472,738	2,765,723	27,238,461	36,823	20,435	27,295,719
The difference between the carrying amount and the reacquisition price of refunded bonds	974,985	22,558,394	23,533,379	-	-	23,533,379
Total Deferred inflows of resources	\$ 162,107,640	\$ 33,587,771	\$ 195,695,411	\$ 160,649	\$ 676,845	\$ 196,532,905

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, 2020 were as follows:

	General	Transportation Operating	Grants	Other Funds	Total
Nonspendable:					
Inventories	\$ 311,058	\$ 8,461,621	\$ -	\$ -	\$ 8,772,679
Prepaid items	162,109	296,204	-	-	458,313
Internal loans receivable - long term	-	2,843,500	-	-	2,843,500
Permanent fund principal	-	-	-	164,834	164,834
Restricted:					
Public safety:					
Drug enforcement and education	-	-	-	5,788,541	5,788,541
Fire capital	-	-	-	8,750,821	8,750,821
Capital improvement activities	-	-	-	161,280,197	161,280,197
Improvements or services	-	-	-	2,915,959	2,915,959
Promotion of program activities	-	-	-	32,226	32,226
Affordable housing	-	-	-	252,274,202	252,274,202
Childhood programs	-	-	-	13,041,367	13,041,367
Construction activities	-	-	-	61,060,318	61,060,318
Debt service	-	-	-	133,113	133,113
Federal housing and other programs	-	-	-	11,817,783	11,817,783
Financing and construction improvements	-	-	-	603,877	603,877
Funding of installation of solar electric systems on publicly-owned facilities	-	-	-	31,190	31,190
Inclusionary housing program	-	-	-	20,033,044	20,033,044
Climate Action Plan	-	-	-	68,713,922	68,713,922
Transportation:					
Operations, maintenance & capital improvement	-	235,186,436	-	-	235,186,436
Street improvements	-	-	-	1,683,120	1,683,120
Legislative / admin / support services	-	-	-	7,001,466	7,001,466
Debt service	-	-	-	140,068,399	140,068,399

	General	Transportation Operating	Grants	Other Funds	Total
Committed:					
Public safety:					
Emergency communications	-	-	-	3,583,832	3,583,832
Fire apparatus replacement	26,524	-	-	-	26,524
Parks, recreation and culture:					
Capital projects	-	-	-	54,097	54,097
Improvements and services	-	-	-	9,158,112	9,158,112
Community development:					
Affordable housing	-	-	-	16,029,091	16,029,091
Multi-family housing property operations	-	-	-	3,688,005	3,688,005
Solar power on publicly-owned facilities	-	-	-	50,147	50,147
Legislative / admin / support services:					
Activities of economic improvement districts	-	-	-	21,104	21,104
Promotion of convention business and tourism	-	-	-	410,325	410,325
Recreational marijuana activities	-	-	-	3,682,946	3,682,946
Reserves for General Fund stabilization	62,232,738	-	-	-	62,232,738
Assigned:					
Public safety:					
Fire and police payroll	45,462,450	-	-	-	45,462,450
Parks, recreation and culture:					
Capital projects	-	-	-	1,626,951	1,626,951
Improvements and services	-	-	-	16,254,925	16,254,925
Community development:					
Affordable housing	-	-	-	2,116,785	2,116,785
Construction activities	-	-	-	17,743,434	17,743,434
Federal housing and other programs	-	-	-	20,716	20,716
Financing and construction of improvements	-	-	-	3,058,198	3,058,198
Housing projects	-	-	-	131,264	131,264
Cannabis Licensing Program	-	-	-	1,540,915	1,540,915
Transportation	-	13,193,002	-	-	13,193,002
Debt service	-	-	-	20,676,987	20,676,987
Unassigned	23,583,351	-	(17,879,658)	-	5,703,693
Total fund balances	<u>\$ 131,778,230</u>	<u>\$ 259,980,763</u>	<u>\$ (17,879,658)</u>	<u>\$ 855,242,213</u>	<u>\$1,229,121,548</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 (\$2,285,814) 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, 2020, is as follows:

	Beginning Balance	Increases	Decreases	Reclassifications and Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated or amortized:					
Land	\$ 246,600,854	\$ 51,120	\$ (3,536,847)	\$ 10,636,078	\$ 253,751,205
Construction in progress	515,455,583	222,221,637	-	(277,298,851)	460,378,369
Intangible assets:					
Land use rights	72,686,589	1,597,039	-	(3,931)	74,279,697
Owning rights	28,953	-	(12,155)	-	16,798
Total capital assets, not being depreciated or amortized	834,771,979	223,869,796	(3,549,002)	(266,666,704)	788,426,069
Capital assets, being depreciated or amortized:					
Infrastructure	4,853,499,221	2,598,381	-	33,676,191	4,889,773,793
Buildings	470,368,406	-	(63,909,040)	202,270,216	608,729,582
Improvements to land	170,019,407	1,249,457	-	17,099,380	188,368,244
Equipment	256,404,321	6,265,312	(6,297,783)	15,751,441	272,123,291
Intangible assets:					
Software	70,026,220	-	(421,571)	173,790	69,778,439
Total capital assets being depreciated or amortized	5,820,317,575	10,113,150	(70,628,394)	268,971,018	6,028,773,349
Less accumulated depreciation or amortization for:					
Infrastructure	(4,143,906,016)	(64,505,291)	-	-	(4,208,411,307)
Buildings	(181,737,604)	(23,774,199)	2,111,700	-	(203,400,103)
Improvements to land	(95,067,740)	(5,841,649)	-	-	(100,909,389)
Equipment	(104,959,284)	(17,122,047)	5,143,813	(18,500)	(116,956,018)
Intangible assets:					
Software	(61,620,501)	(3,924,693)	399,915	-	(65,145,279)
Total accumulated depreciation or amortization	(4,587,291,145)	(115,167,879)	7,655,428	(18,500)	(4,694,822,096)
Total capital assets, being depreciated or amortized, net	1,233,026,430	(105,054,729)	(62,972,966)	268,952,518	1,333,951,253
Governmental activities capital assets, net	\$ 2,067,798,409	\$ 118,815,067	\$ (66,521,968)	\$ 2,285,814	\$ 2,122,377,322

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Reclassifications and Transfers</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets, not being depreciated or amortized:					
Land	\$ 110,484,605	\$ -	\$ (6,512)	\$ 1,124,261	\$ 111,602,354
Construction in progress	563,828,955	179,413,186		(244,302,789)	498,939,352
Intangible assets:					
Land use rights	18,426,864	-	-	52,500	18,479,364
Total capital assets, not being depreciated or amortized	<u>692,740,424</u>	<u>179,413,186</u>	<u>(6,512)</u>	<u>(243,126,028)</u>	<u>629,021,070</u>
Capital assets, being depreciated or amortized:					
Infrastructure	4,978,374,740	2,889,556	(2,382,960)	229,153,325	5,208,034,661
Buildings	298,325,734	129,379,492	-	540,411	428,245,637
Improvements to land	81,708,824		-	1,861,973	83,570,797
Equipment	74,080,713	450,385	(3,413,216)	7,439,875	78,557,757
Intangible assets:					
Land use rights	843,941	-	-	-	843,941
Owning rights	10,777	-	-	-	10,777
Software	18,401,545	-	-	1,826,130	20,227,675
Total capital assets being depreciated or amortized	<u>5,451,746,274</u>	<u>132,719,433</u>	<u>(5,796,176)</u>	<u>240,821,714</u>	<u>5,819,491,245</u>
Less accumulated depreciation or amortization for:					
Infrastructure	(1,060,154,357)	(71,625,613)	1,658,593	-	(1,130,121,377)
Buildings	(124,162,070)	(6,319,805)	-	-	(130,481,875)
Improvements to land	(27,339,292)	(3,031,713)	-	-	(30,371,005)
Equipment	(35,163,541)	(5,413,485)	3,044,142	18,500	(37,514,384)
Intangible assets:					
Land use rights	(69,781)	(19,646)	-	-	(89,427)
Owning rights	(6,158)	(770)	-	-	(6,928)
Software	(16,223,510)	(365,738)	-	-	(16,589,248)
Total accumulated depreciation or amortization	<u>(1,263,118,709)</u>	<u>(86,776,770)</u>	<u>4,702,735</u>	<u>18,500</u>	<u>(1,345,174,244)</u>
Total capital assets, being depreciated or amortized, net	<u>4,188,627,565</u>	<u>45,942,663</u>	<u>(1,093,441)</u>	<u>240,840,214</u>	<u>4,474,317,001</u>
Business-type activities capital assets, net	<u>\$ 4,881,367,989</u>	<u>\$ 225,355,849</u>	<u>\$ (1,099,953)</u>	<u>\$ (2,285,814)</u>	<u>\$ 5,103,338,071</u>

	Beginning Balance	Increases	Decreases	Reclassifications and Transfers	Ending Balance
Total:					
Capital assets, not being depreciated or amortized:					
Land	\$ 357,085,459	\$ 51,119	\$ (3,543,358)	\$ 11,760,339	\$ 365,353,559
Construction in progress	1,079,284,539	401,634,822	-	(521,601,640)	959,317,721
Intangible assets:					
Land use rights	91,113,453	1,597,039	-	48,569	92,759,061
Owning rights	28,953	-	(12,155)	-	16,798
Total capital assets, not being depreciated or amortized	<u>1,527,512,404</u>	<u>403,282,980</u>	<u>(3,555,513)</u>	<u>(509,792,732)</u>	<u>1,417,447,139</u>
Capital assets, being depreciated or amortized:					
Infrastructure	9,831,873,964	5,487,936	(2,382,956)	262,829,516	10,097,808,460
Buildings	768,694,141	129,379,493	(63,909,046)	202,810,627	1,036,975,215
Improvements to land	251,728,228	1,249,457	-	18,961,353	271,939,038
Equipment	330,485,036	6,715,701	(9,711,004)	23,191,316	350,681,049
Intangible assets:					
Land use rights	843,941	-	-	-	843,941
Owning rights	10,777	-	-	-	10,777
Software	<u>88,427,769</u>	<u>-</u>	<u>(421,571)</u>	<u>1,999,920</u>	<u>90,006,118</u>
Total capital assets being depreciated or amortized	<u>11,272,063,856</u>	<u>142,832,587</u>	<u>(76,424,577)</u>	<u>509,792,732</u>	<u>11,848,264,598</u>
Less accumulated depreciation or amortization for:					
Infrastructure	(5,204,060,375)	(136,130,904)	1,658,593	-	(5,338,532,686)
Buildings	(305,899,670)	(30,094,004)	2,111,700	-	(333,881,974)
Improvements to land	(122,407,030)	(8,873,362)	-	-	(131,280,392)
Equipment	(140,122,826)	(22,535,532)	8,187,955	-	(154,470,403)
Intangible assets:					
Land use rights	(69,781)	(19,646)	-	-	(89,427)
Owning rights	(6,158)	(770)	-	-	(6,928)
Software	<u>(77,844,015)</u>	<u>(4,290,431)</u>	<u>399,915</u>	<u>-</u>	<u>(81,734,531)</u>
Total accumulated depreciation or amortization	<u>(5,850,409,855)</u>	<u>(201,944,649)</u>	<u>12,358,163</u>	<u>-</u>	<u>(6,039,996,341)</u>
Total capital assets, being depreciated or amortized, net	<u>5,421,654,001</u>	<u>(59,112,062)</u>	<u>(64,066,414)</u>	<u>509,792,732</u>	<u>5,808,268,257</u>
Total capital assets, net	<u>\$ 6,949,166,405</u>	<u>\$ 344,170,918</u>	<u>\$ (67,621,927)</u>	<u>\$ -</u>	<u>\$ 7,225,715,396</u>

Capitalized interest

Total interest costs incurred in business-type activities in fiscal year ended June 30, 2020 were \$84.4 million of which \$12.8 million was capitalized for a net interest expense of \$71.5 million.

Depreciation and amortization

Fully depreciated capital assets at June 30, 2020 totaled \$4.2 billion, of which \$4.08 billion pertains to governmental activities and \$149.3 million to business-type activities. The total remaining salvage value is \$3.4 million, of which \$2.66 million pertains to governmental activities and \$735.34 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:

	<u>Amounts</u>
Governmental activities:	
Public safety	\$ 6,774,412
Parks, recreation and culture	10,110,527
Community development	1,641,054
Transportation	65,999,103
Legislative/ admin/ support services	452,054
Environmental services	83,851
Water	232,879
Parking facilities	17,000
Total governmental funds	<u>85,310,880</u>
Internal service funds - Legislative/ admin/ support services	<u>29,856,999</u>
Total governmental activities	<u>\$ 115,167,879</u>
Business-type activities:	
Environmental services	\$ 50,559,070
Water	30,911,473
Hydroelectric power	607,392
Parking facilities	615,960
Golf	713,654
Motor sports	145,397
Spectator facilities	3,223,824
Total business-type activities	<u>\$ 86,776,770</u>

Component Unit - Prosper Portland

Activity for the year ended June 30, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 16,016,870	\$ -	\$ (1,890,299)	\$ -	\$ 14,126,571
Construction in progress-Block 49 parking garage	26,926,166	2,701,791	-	(29,627,957)	-
Construction in progress-software	-	-	-	-	-
Construction in progress-Alberta Commons	1,535,787	-	(1,535,787)	-	-
Construction in progress-Cinmercial space Lents Commons	-	7,650	-	-	7,650
Construction in progress-Halsey 106 Comm. Condo	-	2,011,512	-	-	2,011,512
Total capital assets, not being depreciated	44,478,823	4,720,953	(3,426,086)	(29,627,957)	16,145,733
Capital assets, being depreciated or amortized:					
Buildings and improvements	37,208,660	-	(260,850)	29,627,957	66,575,767
Leasehold improvements	3,849,501	-	-	-	3,849,501
Vehicles and equipment	464,727	-	-	-	464,727
Intangible assets:					
Software	2,051,715	-	-	-	2,051,715
Total capital assets, being depreciated or amortized	43,574,603	-	(260,850)	29,627,957	72,941,710
Less accumulated depreciation or amortization for:					
Buildings and improvements	(3,558,341)	(803,761)	-	-	(4,362,102)
Leasehold improvements	(3,849,501)	-	-	-	(3,849,501)
Vehicles and equipment	(275,141)	(77,461)	-	-	(352,602)
Intangible assets:					
Software	(747,010)	(205,173)	-	-	(952,183)
Total accumulated depreciation or amortization	(8,429,993)	(1,086,395)	-	-	(9,516,388)
Total capital assets, being depreciated or amortized, net	35,144,610	(1,086,395)	(260,850)	29,627,957	63,425,322
Total governmental activities capital assets, net	\$ 79,623,434	\$ 3,634,558	\$ (3,686,936)	\$ -	\$79,571,055

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, 2020 was:

	Governmental Activities		Business-type Activities	Fiduciary Activities	Total Due To Other Funds
	Transportation Operating	Other Funds	Water		
Governmental Activities:					
General	\$ -	\$ -	\$ -	\$ 4,984,522	\$ 4,984,522

Component Unit - Prosper Portland

The amount due from Prosper Portland to the City is \$8.1 million in accounts receivable. The amounts due from the City to Prosper Portland for various grant expenditures and other intergovernmental agreements total \$4.6 million.

	Governmental Activities					Prosper Portland	Net Due (To) From Component Unit
	General	Transportation Operating	Grants	Other Funds	Internal Services		
Governmental Activities:							
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,877,285)	\$ (1,877,285)
Transportation	-	-	-	-	-	(155,000)	(155,000)
Other funds	-	-	-	-	-	(1,191,887)	(1,191,887)
Internal service funds	-	-	-	-	-	(1,388,060)	(1,388,060)
Total due (to) from component unit	-	-	-	-	-	(4,612,232)	(4,612,232)
Business-Type Activities:							
Water	-	-	-	-	-	(14,369)	(14,369)
Prosper Portland:							
Prosper Portland - All funds	316,676	248	2,896,971	4,850,400	47,492	-	8,111,787
Net due from (to) component unit	\$ 316,676	\$ 248	\$ 2,896,971	\$ 4,850,400	\$ 47,492	\$ (4,626,601)	\$ 3,485,186

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, 2020 consist of the following:

	Governmental Activities				Business-type Activities			Total Transfers Out
	General	Transportation Operating	Grants	Other Funds	Internal Service	Sewage Disposal	Water	
Governmental activities:								
General	\$ 1,000,000	\$ 17,725,218	\$ 1,650,000	\$ 51,711,729	\$ 7,975,954	\$ -	\$ 1,155,000	\$ 81,217,901
Transportation	-	700,000	-	2,598,022	3,398,416	36,972	-	6,733,410
Other funds	728,637	-	-	81,542,847	-	-	-	82,271,484
Internal service	1,447,020	-	-	423,309	9,858,121	-	-	11,728,450
Business-type activities:								
Sewage disposal	-	-	-	657,568	-	-	-	657,568
Water	-	-	-	682,954	-	127,595	-	810,549
Other funds	6,341,878	-	-	67,231	1,000,000	-	-	7,409,109
Total transfers in	\$ 9,517,535	\$ 18,425,218	\$ 1,650,000	\$137,683,660	\$ 22,232,491	\$ 164,567	\$ 1,155,000	\$ 190,828,471
Reconciliation:								
Total internal service funds								(11,728,450)
Total governmental funds								(170,222,795)
Total business-type activities								(127,595)
Governmental activities transfers to business-type activities								(1,191,972)
Total transfers per Statement of Activities								\$ 7,557,659

Interfund loans

Resolution 37491 authorized a temporary interest-free operating loan from Transportation Operating Fund to the Grants Fund in the amount of \$17.0 million with a repayment of principal due by June 30, 2021.

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
2021	\$ 170,250	\$ 20,554
2022	283,750	17,988
2023	340,500	10,600
	<u>\$ 794,500</u>	<u>\$ 49,142</u>

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. The outstanding amount and loan repayment are planned as follows⁽¹⁾:

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Balance</u>
2020	\$ -	\$ 1,500,000
2021	214,286	1,285,714
2022	214,286	1,071,428
2023	214,286	857,142
2024	214,286	642,856
2025	214,286	428,570
2026	214,286	214,284
2027	214,284	-
	<u>\$ 1,500,000</u>	<u>\$ -</u>

⁽¹⁾ Interest is calculated at the rate earned by the City's investment portfolio and paid annually when principal is due.

Ordinance 189849 authorized an interfund loan not to exceed \$3.33 million from the Transportation Operating Fund to the General Fund to provide financing for prepayment of Limited Tax Housing Revenue Bonds, 2005 Series D. The outstanding amount and loan repayment are planned as follows⁽¹⁾:

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Balance</u>
2020	\$ -	\$ 3,333,500
2021	615,000	2,718,500
2022	640,000	2,078,500
2023	665,000	1,413,500
2024	695,000	718,500
2025	718,500	-
	<u>\$ 3,333,500</u>	<u>\$ -</u>

⁽¹⁾Interest will be calculated and paid monthly.

Interfund loan balances at June 30, 2020 were:

	<u>Governmental Activities</u>				<u>Total Internal Loans Payable</u>
	<u>General</u>	<u>Transportation Operating</u>	<u>Grants</u>	<u>Other Funds</u>	
Governmental activities:					
General	\$ -	\$ 3,333,500	\$ -	\$ -	\$ 3,333,500
Grants	-	17,000,000	-	-	17,000,000
Business-type activities:					
Other funds	-	-	-	2,294,500	2,294,500
Total Internal loans receivable	<u>\$ -</u>	<u>\$ 20,333,500</u>	<u>\$ -</u>	<u>\$ 2,294,500</u>	<u>\$ 22,628,000</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 \$5.9 million in rental income in FY 2019-20 and \$11.5 million in FY 2018-19. Business-type activities generated \$2.4 million in FY 2019-20 and \$2.3 million in FY 2018-19. Contingent rent was insignificant in both FY 2019-20 and FY 2018-19.

As of June 30, 2020, the City's investment in operating leases is as follows:

	Cost	Accumulated Depreciation	Book Value
Land and improvements	\$ 10,718,859	\$ 835,118	\$ 9,883,741
Buildings	112,047,974	15,977,981	96,069,993
Net Investments	<u>\$ 122,766,833</u>	<u>\$ 16,813,099</u>	<u>\$ 105,953,734</u>

As of June 30, 2020, 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
2021	\$ 1,103,854	\$ 1,825,445	\$ 2,929,299
2022	939,769	1,718,513	2,658,282
2023	950,768	1,404,603	2,355,371
2024	628,923	1,003,433	1,632,356
2025	518,178	822,744	1,340,922
2026-2030	2,488,638	2,573,766	5,062,404
2031-2035	1,412,964	2,668,097	4,081,061
2036-2040	1,172,940	3,036,418	4,209,358
2041-2045	1,104,572	1,328,861	2,433,433
2046-2050	1,110,370	-	1,110,370
2051-2055	1,149,651	-	1,149,651
2056-2060	615,339	-	615,339
2061-2065	509,623	-	509,623
2066-2070	579,974	-	579,974
2071-2075	637,220	-	637,220
2076-2080	691,076	-	691,076
2081-2085	91,302	-	91,302
Total	\$ 15,705,161	\$ 16,381,880	\$ 32,087,041

On March 18, 2020, Portland City Council passed Ordinance No. 189890 adopting an emergency temporary moratorium on evictions due to nonpayment of rent for residential tenants where the failure to pay rent results from wage loss due to COVID-19. This ordinance is a temporary moratorium intended to promote stability and fairness within the residential rental market in the City during the COVID-19 pandemic outbreak. Tenants must notify their landlord if they are unable to pay rent, and the tenants must pay all deferred rent within six months after the expiration of this emergency. As of June 30, 2020, the City had deferred rent revenue in the amount of \$348,696. This amount is included in the total rental income for FY 2019-20.

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, 2020, operating expenses are summarized as follows:

	Fiscal Year Ending June 30,	
	2020	2019
Minimum rents	\$ 11,025,508	\$ 11,481,807
Contingent rents	140,700	54,702
Sublease rental income	576,206	623,140
Total rental expense	\$ 11,742,414	\$ 12,159,649

As of June 30, 2020, 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	
2021	\$ 3,570,000	\$ 55,302	\$ 108,374	\$ 225,969	\$ 3,959,645
2022	2,444,190	11,540	44,898	193,786	2,694,414
2023	1,510,295	11,843	27,746	-	1,549,884
2024	760,611	-	19,069	-	779,680
2025	632,116	-	7,097	-	639,213
2026-2030	2,079,564	-	7,283	-	2,086,847
2031-2035	477,561	-	4,982	-	482,543
2036-2040	540,870	-	-	-	540,870
2041-2045	615,535	-	-	-	615,535
2046-2050	700,507	-	-	-	700,507
2051-2055	797,210	-	-	-	797,210
2056-2060	907,262	-	-	-	907,262
2061-2065	1,032,507	-	-	-	1,032,507
2066-2070	1,175,041	-	-	-	1,175,041
2071-2075	1,337,251	-	-	-	1,337,251
2076-2080	1,521,854	-	-	-	1,521,854
2081-2085	1,731,941	-	-	-	1,731,941
2086-2090	1,971,029	-	-	-	1,971,029
2091-2095	2,243,123	-	-	-	2,243,123
2096-2100	1,579,161	-	-	-	1,579,161
2101-2105	-	-	-	-	-
Total	\$ 27,627,628	\$ 78,685	\$ 219,449	\$ 419,755	\$ 28,345,517

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, 2020.

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 \$342.3 million. Currently \$306.5 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 ad valorem tax to pay for these bonds.

In June of 2020 the City sold \$12.2 million of 2020 Series A General Obligation Bonds. These bonds will be used to fund parks projects and will be repaid over eight years with interest rates of 2.0 to 5.0%. On the same date the City also sold \$164.2 million of 2020 Series B General Obligation Bonds. These bonds will be used to fund affordable housing projects for low income households. They will be repaid over 20 years with interest rates ranging from 0.45 to 2.5%.

Oregon state law limits general obligation debt to 3% of real market value. As of June 30, 2020 the City's unused statutory debt capacity is \$4.3 billion.

General obligation bonds currently outstanding at June 30, 2020 are as follows:

	Bond Series	Interest Rates	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	2021-2029	\$ 29,795,000	\$ 18,745,000
Public Safety	2015A	2.00-5.00	06/02/2015	2021-2029	17,145,000	12,035,000
Parks Improvement	2015C	2.00-5.00	07/30/2015	2021-2029	23,850,000	14,300,000
Affordable Housing	2017A	2.50-5.00	05/18/2017	2021-2037	35,085,000	31,620,000
Parks Improvement	2018A	2.00-5.00	01/18/2018	2021-2030	23,445,000	20,270,000
Emergency Facilities	2018B	2.50-5.00	04/23/2018	2021-2028	8,815,000	7,420,000
Public Safety	2019A	5.00	05/02/2019	2021-2026	12,085,000	10,635,000
Affordable Housing	2019B	2.50-3.60	05/02/2019	2021-2028	15,610,000	15,075,000
Parks Improvement	2020A	2.00-5.00	06/11/2020	2021-2028	12,235,000	12,235,000
Affordable Housing	2020B	0.45-2.50	06/11/2020	2021-2040	164,205,000	164,205,000
Total governmental activities					<u>\$ 342,270,000</u>	<u>\$ 306,540,000</u>

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

Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2021	\$ 18,960,000	\$ 8,174,562
2022	19,230,000	7,585,146
2023	19,950,000	7,040,834
2024	20,775,000	6,426,727
2025	20,695,000	5,755,470
2026-2030	95,035,000	19,958,831
2031-2035	56,775,000	10,043,722
2036-2040	55,120,000	5,163,095
Total	<u>\$ 306,540,000</u>	<u>\$ 70,148,387</u>

Limited tax improvement bonds

The City has \$29.5 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.

Limited tax improvement bonds currently outstanding at June 30, 2020 are as follows:

	<u>Bond Series</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Remaining Years of Maturity</u>	<u>Amount of Original Issue</u>	<u>Principal Outstanding</u>
Governmental activities:						
Limited Tax Improvement	2007A	5.00%	06/28/2007	2027	\$ 41,745,000	\$ 11,940,000
Limited Tax Improvement	2010A	4.13	04/29/2010	2030	22,305,000	7,115,000
Limited Tax Improvement	2011A	4.00	12/13/2011	2022-2032	3,400,000	450,000
Limited Tax Improvement	2014A	4.00	06/26/2014	2021-2034	7,385,000	1,990,000
Limited Tax Improvement	2018A	3.00 - 5.00	11/01/2018	2021-2039	<u>10,800,000</u>	<u>7,965,000</u>
Total					<u>\$ 85,635,000</u>	<u>\$ 29,460,000</u>

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

<u>Fiscal Year Ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
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	-	1,455,551
2026-2030	20,125,000	5,003,156
2031-2035	2,440,000	1,340,400
2036-2040	<u>4,520,000</u>	<u>650,880</u>
Total	<u>\$ 29,460,000</u>	<u>\$ 14,565,441</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 \$276.6 million outstanding long-term urban renewal and redevelopment bonds for eight of its urban renewal districts, including Oregon Convention Center, South Park Blocks, Downtown Waterfront, Interstate Corridor, Lents Town Center, North Macadam, Central Eastside, and River District.

In April of 2020, the City sold \$7.6 million of 2020 Series A and \$15.7 million of 2020 Series B Lents Town Center Urban Renewal and Redevelopment Refunding Bonds as direct bank placements. The proceeds of the 2020 Series A Bonds were used to refund certain maturities of the 2010 Series A Lents Town Center Urban Renewal and Redevelopment Bonds and to pay for costs of issuance. The 2020 Series A Bonds will be repaid over three years beginning in 2021 with an interest rate of 1.54%. The proceeds of the 2020 Series B bonds were used to refund certain maturities of the 2010 Series B Lents Town Center Urban Renewal and Redevelopment Bonds and to pay for costs of issuance. The 2020 Series B Bonds will be repaid over six years beginning in 2024 with an interest rate of 1.86%.

In May of 2020, the City sold \$4.0 million of 2020 Series A and \$35.4 million of 2020 Series B North Macadam Urban Renewal and Redevelopment Refunding Bonds as direct bank placements. The proceeds of the 2020 Series A Bonds were used to refund certain maturities of the 2010 Series A North Macadam Urban Renewal and Redevelopment Bonds and to pay for costs of issuance. The 2020 Series A Bonds will be repaid over two years beginning in 2021 with an interest rate of 1.42%. The proceeds of the 2020 Series B bonds were used to refund certain maturities of the 2010 Series B North Macadam Urban Renewal and Redevelopment Bonds and to pay for costs of issuance. The 2020 Series B Bonds will be repaid over nine years beginning in 2022 with an interest rate of 1.88%.

Urban renewal bonds currently outstanding at June 30, 2020 are as follows:

	Bond Series	Interest Rates	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
Governmental activities:						
Central Eastside	2011A	5.535-6.246%	03/31/2011	2021-2021	\$ 10,205,000	\$ 425,000
Central Eastside	2011B	4.00-5.375	03/31/2011	2021-2031	19,485,000	19,485,000
Downtown Waterfront	2008A	5.36-6.30	04/22/2008	2021-2024	50,165,000	69,260,000
Interstate Corridor	2011A	4.624-6.294	08/11/2011	2021-2021	28,890,000	13,370,000
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	2021-2024	17,155,000	9,460,000
Lents District	2020A	1.54	04/16/2020	2021-2023	7,660,565	7,660,565
Lents District	2020B	1.86	04/16/2020	2024-2029	15,725,748	15,725,748
North Macadam	2020A	1.42	05/19/2020	2021-2022	4,028,572	4,028,572
North Macadam	2020B	1.88	05/19/2020	2022-2030	35,394,903	35,394,903
Oregon Convention Center	2012A	3.623-4.323	05/17/2012	2021-2025	69,760,000	10,890,000
River District	2012A	3.144-4.430	07/10/2012	2021-2026	24,250,000	15,225,000
River District	2012B	4.00-5.00	07/10/2012	2021-2032	34,140,000	15,275,000
River District	2012C	3.75-5.00	07/10/2012	2026-2031	15,275,000	18,815,014
South Park Blocks	2019A	2.480	04/25/2019	2021-2024	25,280,480	24,295,000
Total					<u>\$ 374,660,268</u>	<u>\$ 276,554,802</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
2021	\$ 41,166,627	\$ 10,183,004
2022	42,784,856	9,452,802
2023	44,502,846	7,700,132
2024	42,028,251	5,877,671
2025	24,881,116	4,127,193
2026-2030	69,236,106	10,816,906
2031-2035	11,955,000	778,963
Total	<u>\$ 276,554,802</u>	<u>\$ 48,936,671</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, 2020, the City had \$152.0 million of outstanding non-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 largely are expected to be repaid from General Fund resources, these obligations are considered to be non-self-supporting.

Non-self-supporting limited tax revenue bonds currently outstanding at June 30, 2020 are as follows:

	Bond Series	Interest Rates	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
Governmental activities:						
Headwaters Apartment Project	2005A	4.50-5.00%	04/18/2005	2021-2035	\$ 10,480,000	\$ 7,220,000
Emergency Coordination Center Project	2011B	2.375-3.00	12/15/2011	2021-2026	5,445,000	2,590,000
Police Training Facility	2012B	3.00-4.00	05/24/2012	2021-2022	13,305,000	3,040,000
LED Green Bonds	2016A	5.00	11/29/2016	2021-2026	16,220,000	10,330,000
Archives Space Acquisition Project	2017A	4.00-5.00	06/15/2017	2021-2028	6,615,000	5,085,000
Ellington Apartments Project	2018A	5.00	06/28/2018	2021-2029	7,900,000	6,655,000
Portland Building Project	2018B	5.00	11/29/2018	2021-2040	102,860,000	102,860,000
4th & Montgomery Project	2019A	5.00	11/29/2018	2021-2039	14,205,000	14,205,000
Total					<u>\$ 177,030,000</u>	<u>\$ 151,985,000</u>

Self-supporting General Fund-secured obligations

As of June 30, 2020, the City had \$182.0 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.

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

	Bond Series	Interest Rates	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
Governmental activities:						
Oregon Convention Center	2011A	5.0%	10/06/2011	2021-2030	\$ 67,015,000	\$ 64,115,000
Deferred Interest	2001B	5.20-5.36	02/13/2001	2021-2022	18,058,888	1,833,419
Portland-Milwaukie Light Rail	2012C	3.00-5.00	09/20/2012	2021-2032	36,160,000	26,825,000
Sellwood Bridge	2014A	4.00-5.00	06/17/2014	2021-2034	44,215,000	34,990,000
Sellwood Bridge II	2017A	4.00-5.00	06/15/2017	2021-2037	29,165,000	28,085,000
Total Governmental activities					<u>194,613,888</u>	<u>155,848,419</u>
Business-type activities:						
Civic Stadium Project	2013A	3.27%	12/11/2013	2021-2023	21,915,000	7,855,000
Jeld-Wen Field Project	2012A	3.25-3.50	04/24/2012	2024-2027	12,000,000	12,000,000
Central City Streetcar	2019A	5.00	01/30/2019	2021-2024	7,640,000	6,255,000
Total Business-type activities					<u>41,555,000</u>	<u>26,110,000</u>
Total					<u>\$ 236,168,888</u>	<u>\$ 181,958,419</u>

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 \$106.6 million of 1999 Series C bonds range from 7.70 to 7.93%.

Approximately 37% of the debt service on these pension 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, 2020, \$39.6 million of outstanding principal remaining on the portion of the bonds is projected to be repaid with General Fund resources.

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

	Original Distribution	Principal Outstanding
<u>Governmental activities:</u>		
Governmental funds	\$ 211,379,554	\$ 74,876,169
Internal service funds	16,741,773	5,930,373
Total governmental activities	<u>228,121,327</u>	<u>80,806,542</u>
Business-type activities	72,201,017	25,575,478
Fiduciary activities	526,002	186,323
Total	<u>\$ 300,848,346</u>	<u>\$ 106,568,343</u>

Limited tax pension obligation revenue bonds currently outstanding at June 30, 2020 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	2021-2022	\$ 84,292,006	\$ 50,716,231
Allocation of Limited Tax Pension Obligation	1999C	7.93	11/01/1999	2021-2029	30,090,299	30,090,311
Total Governmental activities					<u>114,382,305</u>	<u>80,806,542</u>
<u>Business-type activities:</u>						
Allocation of Limited Tax Pension Obligation	1999C	7.701	11/01/1999	2021-2022	26,678,633	16,051,824
Allocation of Limited Tax Pension Obligation	1999C	7.93	11/01/1999	2021-2029	9,523,664	9,523,654
Total Business-type activities					<u>36,202,297</u>	<u>25,575,478</u>
<u>Fiduciary activities:</u>						
Allocation of Limited Tax Pension Obligation	1999C	7.701	11/01/1999	2021-2022	194,360	116,942
Allocation of Limited Tax Pension Obligation	1999C	7.93	11/01/1999	2021-2029	69,382	69,381
Total Fiduciary activities					<u>263,742</u>	<u>186,323</u>
Total Limited Tax Pension Bonds					<u>\$ 150,848,344</u>	<u>\$ 106,568,343</u>

Annual debt service requirements to maturity for all of the above types of limited tax revenue bonds at June 30, 2020 are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-type Activities		Fiduciary Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 40,207,653	\$ 20,254,913	\$ 11,783,531	\$ 2,211,247	\$ 55,066	\$ 9,006
2022	44,311,998	17,386,890	12,896,298	1,466,009	61,876	4,765
2023	23,656,293	38,083,651	5,324,788	8,631,967	11,094	58,213
2024	24,384,499	38,552,107	6,000,249	8,917,886	10,675	61,403
2025	25,154,575	39,036,528	4,359,886	9,192,449	10,271	64,691
2026-2030	122,349,943	167,280,071	11,320,726	40,642,528	37,341	293,710
2031-2035	64,270,000	19,060,700	-	-	-	-
2036-2040	44,305,000	6,333,500	-	-	-	-
Total	\$ 388,639,961	\$ 345,988,360	\$ 51,685,478	\$ 71,062,086	\$ 186,323	\$ 491,788

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.

In October 2019, the City issued \$112.0 million of 2019 Series A Second Lien Water System Revenue Bonds. The 2019 Series A Bonds were used to fund a portion of the costs of capital improvement of the Water System including additions, improvements, and capital equipment that facilitate supply, treatment, transmission, storage, pumping, distribution, regulatory compliance, customer service and support. These bonds will be repaid over twenty five years with an interest rate of 4.0 to 5.0%.

In December of 2019, the City sold \$216.48 million of 2019 Series A Second Lien Sewer System Revenue Refunding Bonds. These bonds were used to refund the 2010 Series A First Lien Sewer System Revenue Bonds to achieve debt service savings. The City contributed cash in the amount of \$45.8 million to refund a portion of the 2010 Series A Bonds. The 2019 Series A Bonds will be repaid over fifteen years with an interest rate of 5.0%.

In February 2020, the City issued \$39.8 million of 2020 Series A Second Lien Water System Revenue Refunding Bonds. These bonds were used to refund the City's outstanding First Lien Water System Revenue and Refunding Bonds, 2010 Series A to achieve debt service savings. The City contributed cash in the amount of \$8.0 million to refund a portion of the 2010 Series A Bonds. The 2020 Series A bonds will be repaid over 15 years with an interest rate of 5.0%

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, 2020.

Revenue bonds outstanding at June 30, 2020 are as follows:

Purpose	Interest Rates	Principal Outstanding
Gas Tax Revenue Bonds:		
Public street improvements	1.94-5.00%	\$ 4,925,000
Sewer System Revenue Bonds:		
Sewer System Capital Improvements	2.00-5.00	1,254,020,000
Water System Revenue Bonds:		
Water System Capital Improvements	3.00-5.00	659,130,000
Total revenue bonds		<u>\$ 1,918,075,000</u>

Revenue bonds outstanding at June 30, 2020 are as follows:

	Bond Series	Interest Rate ⁽¹⁾	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	2021-2023	\$ 15,400,000	\$ 4,925,000
Business-type activities:						
Sewer System Revenue Bonds	2013A	4.00-5.00	09/17/2013	2021-2039	210,965,000	170,835,000
Sewer System Revenue Bonds	2014A	5.00	08/14/2014	2021-2025	86,165,000	48,440,000
Sewer System Revenue Bonds	2014B	3.00-5.00	08/14/2014	2021-2040	204,220,000	179,505,000
Sewer System Revenue Bonds	2015A	3.00-5.00	08/27/2015	2021-2031	329,805,000	124,055,000
Sewer System Revenue Bonds	2015B	3.00-5.00	08/27/2015	2021-2031	63,300,000	45,515,000
Sewer System Revenue Bonds	2016A	2.00-5.00	09/07/2016	2021-2033	156,650,000	140,525,000
Sewer System Revenue Bonds	2016B	2.00-5.00	09/07/2016	2021-2033	162,465,000	148,845,000
Sewer System Revenue Bonds	2018A	4.50-5.00	05/03/2018	2021-2038	191,930,000	179,820,000
Sewer System Revenue Bonds	2019A	5.00	12/03/2019	2021-2034	216,480,000	216,480,000
Water System Revenue Bonds	2011A	4.00-5.00	03/22/2011	2021-2036	82,835,000	62,895,000
Water System Revenue Bonds	2012A	3.00-5.00	08/02/2012	2021-2037	76,510,000	58,430,000
Water System Revenue Bonds	2013A	3.00-5.00	05/02/2013	2021-2038	253,635,000	183,280,000
Water System Revenue Bonds	2014A	3.00-5.00	12/16/2014	2021-2039	84,975,000	70,725,000
Water System Revenue Bonds	2016A	4.00-5.00	12/15/2016	2021-2041	168,525,000	134,515,000
Water System Revenue Bonds	2019A	4.00-5.00	10/03/2019	2021-2044	112,005,000	109,485,000
Water System Revenue Bonds	2020A	5.00	02/03/2020	2021-2035	39,800,000	39,800,000
Total Business-type activities					<u>2,440,265,000</u>	<u>1,913,150,000</u>
Total Revenue Bonds					<u>\$2,455,665,000</u>	<u>\$1,918,075,000</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
2021	\$ 1,595,000	\$ 147,750	\$ 139,425,000	\$ 85,451,856
2022	1,640,000	99,900	140,940,000	78,470,306
2023	1,690,000	50,700	147,925,000	71,478,456
2024	-	-	106,215,000	64,035,456
2025	-	-	99,440,000	59,077,406
2026-2030	-	-	509,040,000	228,760,119
2031-2035	-	-	477,555,000	118,501,600
2036-2040	-	-	259,425,000	33,796,588
2041-2045	-	-	33,185,000	3,773,200
Total	\$ 4,925,000	\$ 298,350	\$ 1,913,150,000	\$ 743,344,987

The City issues debt backed solely by future fees for certain services. At June 30, 2020, 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, 2020	Debt Payments For the Year Ended June 30, 2020
Governmental activities:						
Gas Tax Revenue Bonds:						
Public street improvements	State gas tax	2023	\$ 5,223,350	7.24%	\$ 72,161,279	\$ 1,743,750
Urban Renewal & Redevelopment:						
Central Eastside		2031	32,635,595	86.99%	37,517,187	2,536,927
Gateway		2022	12,669,238	13.48%	93,973,778	270,621
Interstate Corridor		2031	60,076,061	71.41%	84,131,463	6,194,512
Lents		2030	41,322,124	39.21%	105,381,311	26,547,979
North Macadam		2030	57,591,345	29.36%	196,140,620	44,555,445
Oregon Convention Center		2025	77,463,122	74.30%	104,262,509	8,311,917
River District		2032	118,040,961	135.74%	86,959,675	9,002,458
South Park Blocks	Tax Increment	2024	20,694,239	96.22%	21,506,627	7,179,499
Downtown Waterfront	Property Tax	2024	<u>28,282,585</u>	79.42%	<u>35,609,703</u>	<u>9,491,925</u>
Total Governmental Activities			<u>453,998,620</u>		<u>837,644,152</u>	<u>115,835,033</u>
Business-type activities:						
Sewer State Revolving Fund Loans:						
Financing energy, sewer system improvements	Sewer fees	2031	9,710,764	3.26%	297,778,881 *	1,512,998
Sewage System Revenue Bonds:						
Sewer System Capital Improvements	Sewer fees	2040	1,701,332,950	571.34%	(included above) *	160,110,377
Water System Revenue Bonds:						
Water System Capital Improvements	Water fees	2041	<u>955,216,413</u>	7.79	<u>122,602,000</u>	<u>58,896,610</u>
Total Business-type Activities			<u>2,800,149,267</u>		<u>244,118,281</u>	<u>237,394,050</u>
Total			<u>\$ 3,254,147,887</u>		<u>\$ 1,081,762,433</u>	<u>\$ 353,229,083</u>

* same revenue source pledged for two purposes

Notes, lines of credit and loans payable

Notes payable. There are no outstanding notes at June 30, 2020.

Lines of credit. As of June 30, 2020 the City has \$153.89 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	\$ 122.53
Local improvement district projects	9.84
Various transportation improvements	0.01
Improvements to the Portland Building	18.00
Improvements to Build Portland and the Fueling Stations	3.44
Emergency Lines of Credit	0.07
	<u>\$ 153.89</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 \$33.8 million and has a remaining undrawn balance of \$2.2 million. In the 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 that interest on a tax-exempt debt obligation is determined to be taxable for federal income tax purposes, whereby the interest payable on a tax-exempt draw is includable in the gross income of the lender.

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 \$32.1 million and there is no remaining undrawn balance. In the 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 four 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 \$40.6 million and the remaining undrawn balance is \$10.0 million. In the 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 outstanding separate lines of credit for three 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 \$16.0 million and the remaining undrawn balance is \$14.5 million. 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 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 \$9.8 million and the remaining undrawn balance is \$160,979. In the 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 in the event that interest on a tax-exempt debt obligation is determined to be taxable for federal income tax purposes, whereby the interest payable on a tax-exempt draw is includable in the gross income of the lender.

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. During fiscal year 2019-20 the City drew down \$6.3 million and accrued an additional \$2.2 million related to expenses that occurred during the year. The total outstanding balance is \$18.0 million and the remaining undrawn balance is \$5.0 million. In the 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 obligation by Moody's Investors Service falls below Aa2; in the event that interest on a tax-exempt debt obligation is determined to be taxable for federal income tax purposes, whereby the interest payable on a tax-exempt draw is includable in the gross income of the lender; or if a change occurs in the maximum federal corporate tax rate.

In November of 2019, the City executed a \$31.9 million tax exempt non-revolving credit facility for Phase 1 of the Build Portland program and the fueling stations project. During fiscal year 2019-20 the City drew down \$1.5 million on this line of credit. Additionally the City accrued an additional \$1.9 million of draws related to expenses that occurred during fiscal year 2019-20. The credit facility has a current remaining undrawn balance of \$30.4 million. In the event of default, the lender may increase the applicable interest rate to the higher of prime rate or federal funds rate, plus fifty basis points, but outstanding amounts are not subject to acceleration. Interest rates on the line of credit may also be adjusted in the event that interest on a tax-exempt debt obligation is determined to be taxable for federal income tax purposes, whereby the interest payable on a tax-exempt draw is includable in the gross income of the lender. If the lender is subject to additional costs or capital requirements resulting from any governmental rule, policy, or guideline, then the City is required to pay the lending bank such additional amounts to compensate the bank for such increased cost.

In June of 2020, the City established the Emergency Facilities 2020A and the Emergency Facilities 2020B lines of credit in the amount of \$50 million each. The City drew down an initial \$17,000 on the 2020A line of credit and \$48,000 from the 2020B line of credit. The remaining undrawn balance for these two lines of credit is \$99.9 million. In the event of default of the Series A line, the lender may increase the applicable interest rate by 3.0% above the otherwise applicable taxable or tax-exempt interest rate, but outstanding amounts are not subject to acceleration. Interest rates on the line of credit may also be adjusted in the event that interest on a tax-exempt debt obligation is determined to be taxable for federal income tax purposes, whereby the interest payable on a tax-exempt draw is includable in the gross income of the lender. In the event of default of the Series B line, the lender may accelerate payment immediately of the entire principal amount and other amounts due. Additionally, the lender may increase the applicable interest rate by 4.0% above the applicable taxable or tax-exempt interest rate. 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; in the event that interest on a tax-exempt debt obligation is determined to be taxable for federal income tax purposes, whereby the interest payable on a tax-exempt draw is includable in the gross income of the lender. If the lender is subject to additional costs or capital requirements resulting from any governmental rule, policy, or guideline, then the City shall pay the lending bank such additional amounts to compensate the bank for such increased cost.

The City expects to retire a portion of the balances on the lines of credit with the proceeds of long-term bonds or with cash on hand. Interest rates on the outstanding line of credit balances are variable rates tied to the London Interbank Offered Rate (LIBOR). Many of the recent agreements extend past the end of LIBOR, which are then tied to the Secured Overnight Financing Rate (SOFR) or other possible rates as specified in the agreements. As of June 30, 2020, those rates ranged from 0.63 to 2.21%. The amount of unused lines of credit available to the city as of June 30, 2020 is \$160.4 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, 2020 was \$18.07 million. Interest rates on these loans range from 1 to 5%, with the loans' final maturities occurring in fiscal year 2034. 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
2021 *	\$ 45,125,007	\$ 1,576,115	\$ 1,422,058	\$ 90,976
2022	110,374,025	1,201,892	1,436,405	76,629
2023	667,715	245,438	1,450,902	62,132
2024	701,389	223,461	1,465,547	47,487
2025	735,184	199,700	1,480,340	32,694
2026-2030	3,560,689	622,604	2,058,164	27,418
2031-2035	1,413,000	111,612	59,565	447
Total	\$ 162,577,009	\$ 4,180,822	\$ 9,372,981	\$ 337,783

*Most of the amounts being paid in 2021 will be paid by selling bonds, so the amount being paid in 2020 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 requested an additional \$3,422 in proceeds from the loan and as of September 30, 2019, no further draws are permitted. The first debt payment was made on December 1, 2019, which included a principal amount of \$96,064. The total outstanding balance is \$613,843. 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 \$154 million 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 \$89.5 million including refunding bonds issued for the South Park Blocks, the Lents Town Center, and the North Macadam urban renewal areas 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 \$37.3 million. The total amount outstanding at June 30, 2020 was \$82.2 million for governmental activities and \$14.3 million for business-type activities.

Other postemployment benefits are described in Note IV.D. The total amount outstanding at June 30, 2020 was \$64.6 million for governmental activities and \$12.0 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, 2020 was \$4.389 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, 2020, was \$690.3 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

In December 2019 the City sold \$216.48 million of 2019 Series A Second Lien Sewer System Revenue Refunding Bonds. These bonds were used to refund the 2010 Series A First Lien Sewer System Revenue Bonds. This refunding was undertaken to reduce total debt service payments by \$83,924,996 over fifteen years with an economic gain of \$73,703,554. These bonds will be repaid over 14 years beginning in 2021 with interest rates of 5%.

In February 2020, the City issued \$39.8 million of 2020 Series A Second Lien Water System Revenue Bonds. To achieve debt service savings, these bonds were used to refund the City's outstanding First Lien Water System Revenue and Refunding Bonds, 2010 Series A. This refunding was undertaken to reduce total debt service payments by \$14,856,687 over fifteen years with an economic gain of \$8,232,959. These bonds will be repaid over 15 years beginning in 2020 with interest rates of 5%.

In April 2020, the City issued \$7.66 million of 2020 series A Lents Town Center Urban Renewal Redevelopment Refunding Bonds. To achieve debt service savings, these bonds were used to refund certain maturities of the 2010 Series A Lents Town Center Urban Renewal Bonds. The 2020 Series A Bonds will be repaid over three years beginning in 2021 with an interest rate of 1.54%. On the same day, the City issued \$15.72 million of 2020 Series B Lents Town Center Urban Renewal Redevelopment Refunding Bonds. To achieve debt service savings, a portion of these bonds was used to refund the certain maturities of the 2010 Series B Lents Town Center Urban Renewal Bonds. This refunding was undertaken to reduce total debt service payments by \$4,804,065 in an economic gain of \$4,085,120. The 2020 Series B Bonds will be repaid over six years beginning in 2024 with an interest rate of 1.86%.

In May 2020, the City issued \$4.0 million of 2020 Series A North Macadam Urban Renewal and Redevelopment Refunding Bonds as direct placements. To achieve savings these bonds were used to refund certain maturities of the 2010 Series A North Macadam Urban Renewal and Redevelopment Bonds and to pay for costs of issuance. The 2020 Series A Bonds will be repaid over two years beginning in 2021 with an interest rate of 1.42%. On the same day, the City issued \$35.4 million of 2020 Series B North Macadam Urban Renewal and Redevelopment Refunding Bonds as direct placements. The proceeds of the 2020 Series B bonds were used to refund certain maturities of the 2010 Series B North Macadam Urban Renewal and Redevelopment Bonds and to pay for costs of issuance. The 2020 Series B Bonds will be repaid over nine years beginning in 2022 with an interest rate of 1.88%.

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, 2020 is \$17.4 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 \$29.7 million, of which \$20.9 million remains outstanding.

Bond insurer ratings - debt service reserve fund surety bonds

As of June 30, 2020 the City has debt service reserve fund surety bonds relating to outstanding sewer system revenue bonds in a face amount totaling approximately \$61 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	\$ 61,070,673

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.

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 \$133.7 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, 2020 was as follows:

	Beginning Balance	Reclassification / Restatements*	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:						
Bonds payable:						
General obligation bonds	\$ 139,995,000	\$ -	\$ 176,440,000	\$ 9,895,000	\$ 306,540,000	\$ 18,960,000
Limited tax improvement bonds payable from assessment payments	34,465,000	-	-	5,005,000	29,460,000	600,000
Urban renewal and redevelopment bonds:						
Sold via open market	285,500,000	-	-	90,570,000	194,930,000	34,016,392
Sold via direct bank placement	30,399,380	-	62,809,788	11,584,366	81,624,802	7,150,235
Limited tax and limited tax revenue bonds:						
Sold via open market	415,042,438	-	-	34,257,477	380,784,961	37,427,653
Sold via direct bank placement	10,547,000	-	-	2,692,000	7,855,000	2,780,000
Revenue bonds	6,445,000	-	-	1,520,000	4,925,000	1,595,000
Unamortized premium and discounts	47,963,500	(121,148)	2,699,872	6,457,701	44,084,523	6,290,207
Total bonds payable	970,357,318	(121,148)	241,949,660	161,981,544	1,050,204,286	108,819,487
Notes, loans and line of credit payable	\$ 162,747,833	\$ -	\$ 2,040,241	\$ 2,211,065	\$ 162,577,009	45,125,007
Self insurance claims	32,420,911	-	61,096,633	63,880,167	29,637,377	13,509,368
Net pension liability-FPDR	3,548,634,606	-	839,903,733	-	4,388,538,339	-
Net pension liability/(asset)-PERS	406,589,061	-	475,709,201	364,645,365	517,652,897	-
Other postemployment benefits - HIC	83,873,008	-	199,121	13,295,818	70,776,311	-
Other postemployment benefits - PERS	(3,356,394)	-	(2,825,728)	(10,474)	(6,171,648)	-
Compensated absences	62,875,461	-	71,518,427	52,210,048	82,183,840	49,138,035
Landfill postclosure	1,029,080	-	-	284,998	744,082	36,089
Pollution remediation	12,339,948	-	4,136,366	12,212,184	4,264,130	1,266,000
Total other long-term liabilities	4,307,153,514	-	1,451,777,994	508,729,171	5,250,202,337	109,074,499
Total Governmental activities	\$5,277,510,832	\$ (121,148)	\$1,693,727,654	\$670,710,715	\$ 6,300,406,623	\$217,893,986
Business-type activities:						
Bonds payable:						
Limited tax and limited tax revenue bonds	\$ 62,466,645	\$ -	\$ -	\$ 10,781,157	\$ 51,685,478	\$ 11,783,531
Revenue bonds	2,036,055,000	-	368,285,000	491,190,000	1,913,150,000	139,425,000
Unamortized premium and discounts	172,586,774	(19,362,451)	85,246,914	27,323,818	211,147,421	28,544,279
Total bonds payable	2,271,108,419	(19,362,451)	453,531,914	529,294,975	2,175,982,899	179,752,810
Notes and loans payable	10,780,833	-	-	1,407,852	9,372,981	1,422,058
Self insurance claims	555,874	-	110,898	555,874	110,898	110,898
Compensated absences	10,970,645	-	13,589,553	10,244,984	14,315,214	10,037,063
Net pension liability/(asset)-PERS	139,964,372	-	163,758,315	131,118,112	172,604,575	-
Other postemployment benefits - HIC	15,097,886	-	-	1,749,575	13,348,311	-
Other postemployment benefits - PERS	(758,486)	-	(635,015)	-	(1,393,501)	-
Landfill postclosure	2,669,164	-	-	1,266,130	1,403,034	79,039
Pollution remediation	6,380,000	-	1,179,000	-	7,559,000	3,329,000
Total other long-term liabilities	185,660,288	-	178,002,751	146,342,527	217,320,512	14,978,058
Total Business-type activities	\$2,456,768,707	\$ (19,362,451)	\$ 631,534,665	\$675,637,502	\$ 2,393,303,411	\$194,730,868

* Reclassification of premiums and discounts to deferred outflows and inflows of resources for refunded bonds

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 excess collections to Prosper Portland for capital projects. The City issued \$78.4 million of short-term subordinate bonds in fiscal year 2020 and were redeemed the day following their issue. At June 30, 2020, there were no outstanding short-term subordinate bonds.

At the beginning of the fiscal year, the City issued \$26.3 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, 2020 was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Short-term subordinate	\$ -	\$ 78,400,000	\$ 78,400,000	\$ -
Tax anticipation notes	-	26,290,000	26,290,000	-
Totals	\$ -	\$ 104,690,000	\$ 104,690,000	\$ -

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 13 employees affected, and the net cost of these termination benefits for fiscal year ending June 30, 2020 was \$173,976.

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, 2019 and before July 1, 2020, limitations are \$749,000 for single claimant and \$1.49 million for multiple claimants. For causes of action arising on or after July 1, 2020 limits increased to \$769,200 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, 2019 and before July 1, 2020, limitations increase to \$122,900 for single claimant and \$614,300 for multiple claimants. For causes of action arising on or after July 1, 2020, limits increased to \$126,200 for single claimants and \$630,800 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, 2020, the expected rate of return used was 2.3%. For fiscal year ending June 30, 2021 and subsequent years, the expected rate of return used was 2.35%. 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, 2020	June 30, 2019
Balance, beginning of fiscal year	\$ 32,420,911	\$ 31,721,400
Incurred claims and adjustments	61,096,633	66,624,554
Claim cash payments	(63,880,167)	(65,925,043)
Total unpaid claims, end of fiscal year	<u>\$ 29,637,377</u>	<u>\$ 32,420,911</u>

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 Combined 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, 2019. Additionally, because of sound risk management and safety practices, Water and BES have received \$2.72 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 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 41 worker's compensation claims reported with an incurred cost of \$214,346 and total claims outstanding of \$71,268. This number is multiplied by a 1.165 Loss Conversion Factor (LCF) which brings the City's liability to \$83,027. Also, as of June 30, 2020, the total outstanding claim reserves for General Liability are \$24,884. This number is multiplied by 1.120 LCF which brings the total to \$27,870. Based on the current known losses, the City's total liability for workers' compensation and general liability is \$110,897.

OCIP Phase V (Sept. 2016 - June 2020)	June 30, 2020
Balance, beginning of fiscal year	\$ 49,087
Incurred claims and adjustments	321,186
Claims cash payments	(274,121)
Unpaid claims, end of fiscal year	96,152
Loss conversion factor (LCF)	14,745
Liability Recognized	<u>\$ 110,897</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 the 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 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. DEQ agreed that upon satisfactory performance by the City of its obligations under the Agreement, the City would be released from a significant portion of the environmental liabilities at the site. The City has paid a \$500,000 reimbursement cost to DEQ.

Phase 1 development was completed in late June 2018. Phase 1 park development includes a dog off leash area, parking lot, playgrounds, youth soccer fields, tribal gathering area and perimeter walking path. Park redevelopment also incorporated methane mitigation measures to help prevent the accumulation of methane present in the subsurface at the former landfill.

Currently with our partners at DEQ, Metro and BES, Parks is working through new closure permit requirements that update the Landfill Gas Monitoring Plan (LFGMP) as well as an Environmental Monitoring Plan (EMP). Currently the LFGMP has been completed and approved by DEQ and the EMP work is on-going. We anticipate these reports will be complete by the end of summer 2020 that will culminate in updated agreements with our partners.

The City has established future annual post-closure care cost projections (2020–2032) based on the average actual annual costs of the first 18 years of the City's operation, maintenance, and monitoring of the site closure systems (2002–2019). Based on these actual costs and projections, the 30-year post-closure care cost, as of June 30, 2020, is estimated to be \$1.57 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, 2020, the City of Portland and Metro (through IGA No. 51802) have paid a total of \$824,277 in post-closure care costs. Consequently, the City's remaining estimated liability is \$744,082.

For fiscal years 2002-2022, Metro has agreed to provide a total of \$237,622 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 \$69,645 annual contribution to the Parks Memorial Fund via the General Fund. To meet the on-going 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, gas monitoring, groundwater monitoring, and deed restrictions. The Asphalt-Concrete-cap was originally built and completed from 1991-1995. The entire asphalt cap was redone in 2019. ROD requires a yearly inspection of the cap 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 previous Asphalt-Concrete-cap was repaired, resealed, sections removed and replaced in various locations. 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 2020 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 1.64%, which is the Oregon DEQ provided rate for Non-Municipal Solid Waste Disposal Sites in FY 2020 based on the discount rate for 5-year bonds for the week ending June 30, 2020. Based on estimated closure and post-closure costs over 30 years and the 1.64% inflation factor, the estimated liability as of June 30, 2020 through 2050 is \$2.54 million. This liability is recognized in FY 2020 expenditures post-closure costs at an amount of \$79,039 and future years long-term liability is \$2,463,512.

Per 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 local government financial tests into its next comprehensive annual financial report (CAFR). The City of Portland produced an assurance plan for FY 2018 and it was reviewed by a third party per requirements. The Oregon DEQ requested the City of Portland provide an alternate form of financial assurance for FY 2019 because the City of Portland did not meet the debt to expense ratio requirement required by the State of Oregon for the local government financial test. The City is continuing its pursuit of a financial mechanism to replace the original financial assurance plan. In FY 2020, the City began discussions to use an insurance policy to meet Oregon DEQ requirements.

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 nine labor agreements between the City and its employees.

	<u>Effective Dates</u>
Seasonal Maintenance Workers - Laborers' Local 483	7/1/2018 - 6/30/2022
Portland Police Association (PPA)	11/11/2016 - 6/30/2021
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) ⁽¹⁾	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	7/1/2016 - 6/30/2023
Bureau of Emergency Communications (BOEC) - AFSCME Local 189-2	7/1/2019 - 6/30/2023
The Portland Police Commanding Officers Association (PPCOA)	7/1/2018 - 6/30/2023
Portland City Laborers' - Laborers' Local 483 (PCL-LL483)	7/1/2017 - 6/30/2022

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

Bonds

The City has pledged its full faith and credit for the full repayment of limited tax improvement bonds totaling \$29.5 million at June 30, 2020, 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 \$1,096 million remains outstanding at June 30, 2020. 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 \$818 million of which \$336.4 million remains outstanding as itemized in the table below:

Construction Projects	Spent to Date	Remaining Commitments
Governmental activities:		
Community development	\$ 140,322	\$ 73,247
Legislative / admin / support services	159,279,956	86,189,391
Parks, recreation and culture	26,207,530	24,539,134
Public safety	53,010	27,674
Transportation	66,831,194	82,841,498
Total governmental activities	252,512,012	193,670,944
Business-type activities:		
Community development	554	289
Environmental services	115,130,895	81,696,340
Parking facilities	20,658,185	10,888,457
Water	93,335,176	50,165,334
Total business-type activities	229,124,810	142,750,420
Total Construction Projects	\$ 481,636,822	\$ 336,421,364

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 \$560 million of which \$288 million is unspent as itemized in the table below:

Professional, Technical, or Expert Projects	Spent to Date	Remaining Commitments
Governmental activities:		
Community development	\$ 5,949,377	\$ 6,619,993
Legislative / admin / support services	53,238,250	48,779,205
Parks, recreation and culture	12,870,072	16,790,349
Public safety	3,598,894	3,586,751
Transportation	80,916,380	86,065,412
Total governmental activities	156,572,973	161,841,710
Business-type activities:		
Environmental services	55,357,241	73,365,981
Hydroelectric power	148,144	123,116
Parking facilities	2,648,247	2,629,276
Water	57,253,576	50,058,924
Total business-type activities	115,407,208	126,177,297
Total Professional, Technical or Expert Projects	\$ 271,980,181	\$ 288,019,007

The combined total for other non-construction projects amounted to \$835.4 million of which \$471.6 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 \$1.23 million of which \$556,445 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 \$184 million of which \$91.6 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 \$650.3 million of which \$379.4 million remains unspent.

The table below provides more detail:

Other Projects	Spent to Date			Remaining Commitments			Total Spent to Date	Total Remaining
	CPA	GA	PA	CPA	GA	PA		
Governmental activities:								
Community development	\$ -	\$80,067,332	\$ 12,777,590	\$ -	\$76,316,535	\$ 13,894,497	\$ 92,844,922	\$ 90,211,032
Legislative/admin/ support services	669,566	1,444,775	81,985,627	556,445	1,218,996	86,647,275	84,099,968	88,422,716
Parks, recreation and culture	-	240,000	11,409,533	-	4,495,610	97,697,396	11,649,533	102,193,006
Public safety	-	8,929,131	26,989,115	-	199,453	10,374,756	35,918,246	10,574,209
Transportation	-	1,060,000	57,449,952	-	7,864,049	27,791,706	58,509,952	35,655,755
Other	-	-	-	-	917,539	74,979,340	-	75,896,879
Total governmental activities	669,566	91,741,238	190,611,817	556,445	91,012,182	311,384,970	283,022,621	402,953,597
Business-type activities:								
Environmental services	-	134,882	47,880,353	-	157,014	40,449,263	48,015,235	40,606,277
Parking facilities	-	150,000	1,500,631	-	124,658	1,590,515	1,650,631	1,715,173
Hydroelectric Power	-	-	-	-	-	-	-	-
Water	-	340,501	30,891,602	-	316,788	25,961,590	31,232,103	26,278,378
Golf	-	-	-	-	-	-	-	-
Total business-type activities	-	625,383	80,272,586	-	598,460	68,001,368	80,897,969	68,599,828
Total Other Projects	\$ 669,566	\$92,366,621	\$270,884,403	\$ 556,445	\$91,610,642	\$379,386,338	\$363,920,590	\$471,553,425

The City is 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 the Prosper Portland on behalf of the Portland Housing Bureau. The HUD contract, signed in December 1999, was for \$8 million. One outstanding loan totaling \$800,000 in original principal, with a remaining balance of \$419,000 at June 30, 2020. The table below presents a list of borrowers and their respective loan principal balances:

Borrower Name	Original Principal Amount	Principal Balance June 30,	
		2020	2019
OUV2	\$ 800,000	\$ 419,000	\$ 456,000

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 \$419,000. However, the borrower forwarded the funds on July 22, 2020 to pay the note in full. 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 U.S. Environmental Protection Agency (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.

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. The City's total obligation pursuant to this order is \$5,608,000. This entire obligation has been satisfied through direct payments to EPA and the placement of funds in a trust.

The City is currently performing remedial design activities for specific areas of the river under several administrative orders with EPA. These activities are being conducted with other potentially responsible parties. The estimated remaining costs to complete the work required pursuant to these orders is approximately \$6,040,000. The City is currently in negotiations with EPA and other potentially responsible parties regarding remedial design work in an additional area in Portland Harbor. The City expects to satisfy this additional order through a capped payment totaling \$3,600,000. Thus, estimable remaining costs for these RD actions are approximately \$9,640,000 over a period extending into at least FY 23/24. BES funds have accrued \$5,784,000 for this work and the remaining \$3,856,000 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.

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 seven properties with remediation issues. Through an interagency agreement, PHB has relied upon the knowledge and expertise from the Bureau of Environmental Services (BES) to continue estimating the remediation costs. The potential obligations are estimated 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, 2020 the estimated pollution remediation liability is \$408,130.

Other remediation obligations

There are other sites where the City conducted remediation activities in FY 2019-20. 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	\$ 1,266,000
Total current liabilities	<u>1,266,000</u>
Noncurrent liabilities:	
Portland Harbor Superfund	2,590,000
Community development projects:	
30th & Powell property	149,179
SW Stark - Fairfield property	159,271
SE 60th property	11,305
Strong property	56,604
Interstate property	19,467
Westwind property	11,749
NE Prescott	555
Total noncurrent liabilities	<u>2,998,130</u>
Total governmental activities	<u>\$ 4,264,130</u>
Business-type activities:	
Current liabilities:	
Environmental services projects:	
Portland Harbor Superfund RI/FS	\$ 1,899,000
Inspection, maintenance and monitoring:	
Closed municipal incinerator	5,000
Clarifier construction surface soils	25,000
DEQ UIC Closure reports	1,400,000
Total current liabilities	<u>3,329,000</u>
Noncurrent liabilities:	
Environmental services projects:	
Portland Harbor Superfund RI/FS	3,885,000
Inspection, maintenance and monitoring:	
Closed municipal incinerator	95,000
Clarifier construction surface soils	50,000
DEQ UIC Closure reports	200,000
Total noncurrent liabilities	<u>4,230,000</u>
Total business-type activities	<u>\$ 7,559,000</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, 2020	Maximum Annual Liability
Pearl Court	180528	12/19/2006	01/01/2027	\$ 6,170,000	\$ 2,785,000	\$ 476,200
Yards at Union Station	180792	04/30/2007	05/01/2029	6,335,000	3,365,000	472,680
Hamilton West Apartments*	186515	05/01/2014	01/01/2034	3,470,000	3,060,000	204,800
Gretchen Kafoury Commons**	186514	05/01/2014	01/01/2034	4,030,000	3,555,000	237,465
Lovejoy Station	174844	10/01/2000	07/15/2033	9,690,000	8,200,000	741,600
Total Contingent Loan Agreements				<u>\$ 29,695,000</u>	<u>\$ 20,965,000</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 39 monthly payments totaling \$4.6 million as of June 30, 2020, 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, 2020, the following employees were covered by the benefit terms:

Retirees & spouses benefitting from HIC benefits	772
Active employees	<u>5,795</u>
	<u><u>6,567</u></u>

Total OPEB liability

The City's total HIC OPEB liability of \$84,298,521 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs: The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Inflation	2.10%
Salary increases	1.11%, weighted average
Discount rate	3.50%
Healthcare cost trend rates	4.50% - 6.90%
Retiree's share of benefit-related costs	29% of estimated HIC costs

The rounded discount rate was based on an assumed municipal bond rate of 3.51%.

Post-Retirement Mortality used is based on Pub-2010 Base Tables, with Generational Projection using Unisex Social Security Data Scale. Active mortality used is based on Pub-2010 Base Tables, with Generational Projection using Unisex Social Security Data Scale.

The actuarial assumptions used in the July 1, 2019 valuation report were based on the actuarial valuation assumptions from the December 31, 2018 valuations of the Oregon PERS and OPERS retirement plans.

Changes in Total Liability

<u>Balance at June 30,</u>	<u>Total OPEB Liability</u>
2019	\$ 99,167,682
Changes for the year:	
Service cost	3,597,015
Interest	3,898,352
Actual Experience	6,051,864
Changes of assumptions	(22,748,251)
Benefit payments	<u>(5,668,141)</u>
Net Changes	<u>(14,869,161)</u>
2020	<u><u>\$ 84,298,521</u></u>

Changes of assumptions reflect healthcare increases that were higher than assumed in the prior valuation, a decreased participation rate from 45% to 37%, marriage percentage was changed from 60% 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 2.50%	Discount Rate 3.50%	1% Increase 4.50%
Total OPEB liability	\$ 92,191,004	\$ 84,298,521	\$ 77,306,275

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 (5.90% - decreasing to 3.50%)	Healthcare Cost Trend Rates (6.90% - decreasing to 4.50%)	Healthcare Cost Trend Rates (7.90% - decreasing to 5.50%)
Total OPEB liability	\$ 75,686,784	\$ 84,298,521	\$ 94,443,425

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the year ended June 30, 2020, the City recognized an OPEB expense of \$3,900,379. At June 30, 2020, the City reported deferred inflows and outflows of resources related to OPEB from the following source:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Actual and Expected Experience	\$ 5,232,938	\$ -
Changes of Assumptions	\$ -	\$ (25,652,758)
Total (prior to post-measurement date contributions)	5,232,938	(25,652,758)
City contributions made subsequent to measurement date	5,092,723	-
Total	<u>\$ 10,325,661</u>	<u>\$ (25,652,758)</u>

\$5.1 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, 2021.

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

Year End June 30,		
2021	\$	(3,594,988)
2022		(3,594,988)
2023		(3,594,988)
2024		(3,594,988)
2025		(2,826,022)
Thereafter		(3,213,846)
Total	\$	<u>(20,419,820)</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, 2020, was 0.06% of covered payroll for Tier 1/Tier 2 employees, 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 \$85,485 for the year ended June 30, 2020. 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, 2020, the City reported an asset of \$ 7,679,943 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation date as of December 31, 2017. 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, 2019 and June 30, 2020 was 3.97% and 3.74%, respectively.

City of Portland:	Net OPEB Asset	Allocation
Governmental activities	\$ 6,171,648	80.4%
Business-type activities	1,393,501	18.1%
Government-wide	7,565,149	98.5%
Fiduciary Fund: Fire and Police Disability and Retirement Fund	18,962	0.2%
Component Unit: Prosper Portland	95,832	1.2%
	<u>\$ 7,679,943</u>	<u>100.00%</u>

For the year ended June 30, 2020, the City recognized OPEB income of \$1,077,594. At June 30, 2020, 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	\$ -	\$ (1,012,754)	\$ (1,012,754)
Changes of assumptions	-	(7,956)	(7,956)
Net difference between projected and actual earning on investments	-	(474,040)	(474,040)
Changes in proportionate share	-	(148,206)	(148,206)
Total (prior to post-measurement date contributions)	-	(1,642,956)	(1,642,956)
City contributions made subsequent to measurement date	85,485	-	85,485
Net deferred outflow / (inflows) of resources	<u>\$ 85,485</u>	<u>\$ (1,642,956)</u>	<u>\$ (1,557,471)</u>

\$85,485 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, 2021. 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
2021	\$ (523,908)	\$ (6,120)	\$ (238,307)	\$ (77,492)	\$ (845,827)
2022	(447,387)	(1,836)	(238,307)	(64,667)	(752,197)
2023	(41,459)	-	(46,256)	(6,047)	(93,762)
2024	-	-	48,830	-	48,830
2025	-	-	-	-	-
Thereafter	-	-	-	-	-
	<u>\$ (1,012,754)</u>	<u>\$ (7,956)</u>	<u>\$ (474,040)</u>	<u>\$ (148,206)</u>	<u>\$ (1,642,956)</u>

Actuarial methods & assumptions:

The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial methods and assumptions :

Valuation date	December 31, 2017
Measurement date	June 30, 2019
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: 35%; Disabled retirees: 20%
Healthcare cost trend rate	Not applicable
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 describe in the valuation.
	Active members: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as describe in the valuation.
	Disabled retirees: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale.

Discount rate. The discount rate used to measure the total OPEB liability at June 30, 2019 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
Debt Securities	15.0	25.0	20.0
Public Equity	32.5	42.5	37.5
Private Equity	14.0	21.0	17.5
Real Estate	9.5	15.5	12.5
Alternative Equity	-	12.5	12.5
Opportunity Portfolio	-	3.0	-
Total			<u>100%</u>

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 2017 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
Bank/Leveraged Loans	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%.

	<u>1% Decrease 6.20%</u>	<u>Discount Rate 7.20%</u>	<u>1% Increase 8.20%</u>
Proportionate share of the net OPEB liability (asset)	\$(5,953,937)	\$(7,679,943)	\$(9,150,624)

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, 2020:

	Deferred Outflow/(Inflow) of Resources	Net OPEB Liability/ (Asset)	OPEB Expense (Income)
RHIA	\$ (1,557,471)	\$ (7,679,943)	\$ (410,434)
HIC	(15,327,097)	84,298,521	5,979,579
Total	<u>\$ (16,884,568)</u>	<u>\$ 76,618,578</u>	<u>\$ 5,569,145</u>

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, 2020 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, 2020 was \$84.9 million, excluding amounts to fund employer specific liabilities. The contribution rates in effect for the fiscal year ended June 30, 2020 for each pension program were: Tier1/Tier 2 - 21.86%, OPSRP general service - 15.53%, and OPSRP uniformed - 20.16%. Pension expense for the year was \$182.4 million.

Pension assets, liabilities, pension expense, deferred outflows of resources and deferred inflows of resources related to pensions

At June 30, 2020, the City reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 and rolled forward to June 30, 2019. 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, 2020, the City's proportion of OPERS net pension liability was 4.08%.

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

	Net Pension Liability	Allocation
Governmental activities	\$ 517,652,897	73.3%
Business-type activities	172,604,575	24.4%
Government-wide	690,257,472	97.8%
Fiduciary activities: Fire and Police Disability and Retirement Fund	2,540,532	0.4%
Discretely presented component unit: Prosper Portland	13,169,860	1.9%
Reporting entity total	<u>\$ 705,967,864</u>	<u>100.0%</u>

For the year ended June 30, 2020, the Reporting entity recognized pension expense of \$182.4 million. At June 30, 2020, 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	\$ 38,932,046	\$ -	\$ 38,932,046
Changes of assumptions	95,772,596	-	95,772,596
Net difference between projected and actual earnings on investments	-	20,013,471	(20,013,471)
Changes in proportionate share	37,223,383	3,799,934	33,423,449
Differences between City contributions and proportionate share of contributions	<u>318,097</u>	<u>10,768,935</u>	<u>(10,450,838)</u>
Total (prior to post-measurement date contributions)	172,246,122	34,582,340	137,663,782
City contributions made subsequent to measurement date	<u>84,869,796</u>	<u>-</u>	<u>84,869,796</u>
Net deferred outflows / (inflows) of resources	<u>\$ 257,115,918</u>	<u>\$ 34,582,340</u>	<u>\$ 222,533,578</u>

\$84.9 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, 2021. 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
2021	\$ 13,196,435	\$ 47,972,567	\$ -	\$ 9,066,610	\$ 99,405	\$ 70,335,017
2022	10,337,339	26,700,076	-	8,806,187	99,405	45,943,007
2023	7,707,734	17,583,294	-	8,795,721	99,405	34,186,154
2024	6,428,227	3,516,659	-	8,795,721	19,882	18,760,489
2025	1,262,311	-	-	1,759,144	-	3,021,455
Total	\$ 38,932,046	\$ 95,772,596	\$ -	\$ 37,223,383	\$ 318,097	\$ 172,246,122

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
2021	\$ 1,498,459	\$ 3,763,616	\$ (6,903,414)	\$ (1,641,339)	\$ 71,976,356
2022	1,498,459	2,378,701	29,778,278	33,655,438	12,287,569
2023	724,465	2,133,351	4,245,585	7,103,401	27,082,753
2024	78,551	2,077,723	(7,106,978)	(4,950,704)	23,711,193
2025	-	415,544	-	415,544	2,605,911
Total	\$ 3,799,934	\$ 10,768,935	\$ 20,013,471	\$ 34,582,340	\$ 137,663,782

Actuarial methods and assumptions

Actuarial valuations: The employer contribution rates effective July 1, 2019, through June 30, 2021, 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, 2017 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	December 31, 2017
Measurement date	June 30, 2019
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.

<u>Asset Class / Strategy</u>	<u>Low Range</u>	<u>High Range</u>	<u>OIC Target</u>
Debt Securities	15.0	25.0	20.0
Public Equity	32.5	42.5	37.5
Private Equity	14.0	21.0	17.5
Real Estate	9.5	15.5	12.5
Alternatives Portfolio	-	12.5	12.5
Opportunity Portfolio	-	3.0	-
Total			<u>100.0 %</u>

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 2017 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.

	<u>Target</u>	<u>Compound Annual Return (Geometric)</u>
Core Fixed Income	8.0 %	3.50%
Short-Term Bonds	8.0	3.4
Bank/Leveraged Loans	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	<u>3.8</u>
Assumed Inflation – Mean		2.50%

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)	\$ 1,130,544,894	\$ 705,967,864	\$ 350,655,380

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 Oregon Supreme Court upheld the legislation on August 6, 2020.

Changes in actuarial methods and assumptions

A summary of key changes implemented since the December 31, 2017 valuation are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2018 Experience Study for the System, which was published in July 2019, and can be found at: https://www.oregon.gov/pers/Documents/Exp_Study_2018.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, 2016 and December 31, 2017 valuations, the Money Match was weighted 15% for General Service members and 0% for Police & Fire members. For the December 31, 2018 and December 31, 2019 valuations, this weighting has been adjusted to 10% 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

Administrative expenses. The administrative expense assumptions were updated to \$32.5 million per year for Tier 1/Tier 2 and \$8.0 million per year for OPSRP. Previously these were assumed to be \$37.5 million per year and \$6.5 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 2022 by the Affordable Care Act.

Changes in demographic assumptions

Healthy annuitant mortality base tables. The healthy annuitant mortality base tables were updated to Pub-2010 generational Healthy Retiree mortality tables with group-specific job category and setback adjustments. Previously they were based on RP2014 generational Healthy Annuitant mortality tables with group-specific class and setback adjustments.

Disabled mortality base tables. The disabled mortality base tables were updated to Pub-2010 generational Disabled Retiree mortality tables with group-specified job category and setback adjustments. Previously they were based on RP-2014 generational Disabled Retiree mortality tables.

Non-annuitant mortality base tables. Non-annuitant mortality base tables were updated to Pub-2010 generational mortality tables with the same group-specific job category and setback adjustments as for healthy annuitants, and with an additional scaling factor adjustment for certain subgroups. Previously they were based on RP-2014 generational Employee mortality tables with the same group-specific collar and setback adjustments as for healthy annuitants.

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, 2020 the City paid \$30.1 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, 2020, there were 351 members and beneficiaries subject to the Plan as constituted prior to July 1, 1990, now called FPDR One; 2,470 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, 2020, the number of FPDR Three members was 695.

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.

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, 2020, 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.

As of June 30, 2020, 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	351	1,554	-	1,905
Vested benefits not yet in pay status				
Terminated employees	-	68	-	68
Total vested benefits not yet in pay status	-	68	-	68
Active members on short-term disability	-	14	11	25
Active members:				
Vested	-	848	-	848
Not in FPDR pension plan	-	-	695	695
Total active members	-	848	695	1,543

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, 2020.

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. 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, 2020 totaled \$136.6 million.

Changes in net pension liability. The following table presents the changes in the net pension liability for the fiscal year ended June 30, 2020:

	Total Pension Liability	Plan Net Position	Net Pension Liability
Balances at 6/30/2019	\$ 3,568,635,904	\$ 20,001,298	\$ 3,548,634,606
Service cost	73,903,174	-	73,903,174
Interest on total liability	125,139,549	-	125,139,549
Changes in assumptions	774,909,460	-	774,909,460
Benefit payments	(135,411,347)	(135,411,347)	-
Administrative expense	-	(4,083,219)	4,083,219
Net investment income	-	1,571,319	(1,571,319)
Employer contributions	-	136,560,350	(136,560,350)
Net changes	838,540,836	(1,362,897)	839,903,733
Balances at 6/30/2020	\$ 4,407,176,740	\$ 18,638,401	\$ 4,388,538,339

The City's pension expense for the FPDR plan for the fiscal year ended June 30, 2020 was \$439,677,181.

The change in assumptions is a decrease to the discount rate - the June 30 value of the Bond Buyer General Obligation 20-Bond Municipal Bond Index - from 3.50% on June 30, 2019 to 2.21% on June 30, 2020.

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 1.21%	Discount rate 2.21%	1% Increase 3.21%
Net pension liability	\$ 5,175,213,746	\$ 4,388,538,339	\$ 3,768,526,484

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, 2020.

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/(Inflows) of Resources
Differences between expected and actual experience	\$ 59,717,857	\$ -	\$ 59,717,857
Changes in assumptions or inputs	771,317,874	109,621,698	661,696,176
Net difference between projected and actual earnings	-	1,499,769	(1,499,769)
Total	\$ 831,035,731	\$ 111,121,467	\$ 719,914,264

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
2021	\$ 221,549,312	\$ 29,624,339	\$ 191,924,973
2022	181,670,335	24,291,945	157,378,390
2023	212,214,221	28,376,103	183,838,118
2024	181,197,262	24,228,688	156,968,574
2025	34,404,601	4,600,392	29,804,209
Total	<u>\$ 831,035,731</u>	<u>\$ 111,121,467</u>	<u>\$ 719,914,264</u>

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: 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 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	3.87%
Change in discount rate since last measurement date	1.29%
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, 2020.

	Deferred Outflows/ (Inflows) of Resources	Net Pension Liability	Pension Expense
OPERS	\$ 222.5	\$ 706.0	\$ 182.4
FPDR	719.9	4,388.5	439.7
Total	<u>\$ 942.4</u>	<u>\$ 5,094.5</u>	<u>\$ 622.1</u>

F. Tax abatements

As of June 30, 2020, 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, the 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 application 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.

For the fiscal year ended June 30, 2020, the City of Portland abated property taxes for the following:

Tax Abatement Program	Amount of Taxes Abated during the Fiscal Year
City of Portland Tax Abatements	
Non-Profit Low Income Rental Housing	\$ 4,617,706
Enterprise Zone	1,817,866
Homebuyer Opportunity Limited Tax Exemption (HOLTE)	737,703
Multiple-Unit Housing in Core Areas	1,211,478
Tax abatements granted by other governments	
Historic Property	3,838,104
	<u>\$ 12,222,857</u>

G. Subsequent events:

FPDR :

In August 2020 FPDR issued tax anticipation notes for \$31.3 million with a true interest cost of 0.19%. The notes are due for repayment on January 6, 2021.

Also in August 2020, the Portland City Council amended Chapter 5 of the City Charter, which is the FPDR Plan document, to comply with a May 2020 labor arbitration award. The amendment altered the final pay calculation for FPDR members not represented by a labor bargaining unit at retirement. Non-represented sworn job classifications include Captain and above at the Police Bureau and Deputy Chief and above at Portland Fire and Rescue. Represented FPDR Two members currently receive a 27th pay date (rather than the usual 26) in the final pay calculation used to determine their pension benefit if they retire in certain months. The charter amendment extends a pro-rated portion of that 27th pay date to non-represented FPDR Two members, with the prorated portion being determined by the percent of sworn employment served while a member of one of the sworn labor bargaining units. The change is retroactive to January 1, 2013, the date voter-approved charter amendments originally removed the 27th pay date from the final pay calculation.

The immediate financial impact to the FPDR Fund was the issuance of \$245,804 in retroactive pension benefits to 19 retired non-represented members and one surviving spouse, plus an ongoing total increase of \$5,490 in monthly pension benefits for these same participants. The financial impact over the life of the FPDR plan is unknown. FPDR Two non-represented members will continue to retire over the next 15 to 20 years; most of their pensions, which are higher than average to begin with, will now be 2.5% to 3.5% higher. However, non-represented members are a small portion of the sworn workforce and not all will retire in a "27 pay date" month.

Debt :

During the fiscal year ended June 30, 2020, the City entered into negotiation to issue the \$726.6 million 2020 Series B second lien water system revenue bond through a private placement transaction with the U.S. Environmental Protection Agency under its Water Infrastructure Finance and Innovation Act (WIFIA) program. The 2020 Series B second lien water system revenue bond financing is expected to close in November 2020. Under WIFIA program provisions, the City is required to receive credit ratings from at least two credit rating agencies. On September 30, 2020, the Moody's Investors Service rated the 2020 Series B Bond as Aa2 and downgraded all outstanding first lien water system revenue bonds from Aaa to Aa1 and second lien water system revenue bonds from Aa1 to Aa2. On October 2, S&P Global Ratings provided a first-time rating for water system debt with the 2020 Series B Bond rated at AA.

Subsequent to fiscal year-end, the City increased the following debt instruments:

Line of Credit Activity	Origination Date	Maximum Credit	Draw (Repayment) Date	Principal Draw (Repayment)	Interest Rate	Length in Years
Portland Building LOC Draw #28	4/4/2017	\$ 23,000,000	8/6/2020	\$ 1,130,262	0.61%	1
Fueling Station LOC Draw #4	11/1/2019	10,286,000	7/1/2020	1,337,849	0.44%	2
Integrated Tax System LOC Draw #1	9/8/2020	10,000,000	9/10/2020	212,907	1.75%	2
LID 2020D LOC Draw #1	10/7/2020	20,000,000	10/7/2020	15,500,000	0.85%	2

Notes and Loans:	Issue Date	Principal	Length in Years	Interest Rate
Tax Anticipation Notes, Series 2020 FPDR	8/6/2020	\$ 31,290,000	0.881	3.0%

Bonds Issuance:	Issue Date	Principal	Length in Years	Interest Rate
Limited Tax Housing Revenue & Refunding Bond 2020A	08/31/2020	\$ 11,268,103	21	1.69%-1.9%

Bonds Redeemed:	Event Date	Principal	Interest Rate
Headwaters Limited Tax Revenue Bonds Series 2005A	08/31/2020	\$ 7,220,000	5.0%
Limited Tax Improvement Bonds 2007 Series A	11/30/2020	945,000	5.0%
Limited Tax Improvement Bonds 2010 Series A	11/30/2020	400,000	4.13%
Limited Tax Improvement Bonds 2011 Series A	11/30/2020	120,000	4.0%
Limited Tax Improvement Bonds 2014 Series A	11/30/2020	270,000	4.0%
Limited Tax Improvement Bonds 2018 Series A	11/30/2020	250,000	3.0%

Line of Credit Paid:	Event Date	Principal	Interest Rate
Local Improvement District 2015	10/07/2020	\$ 9,839,021	3.44%



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Required Supplementary Information



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City of Portland, Oregon
General Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 261,594,904	\$ 261,594,904	\$ 263,814,157	
Prior year property	3,786,726	3,786,726	2,053,339	
Lodging	35,500,000	35,500,000	30,778,450	
Payment in lieu of taxes	1,296,789	1,296,789	1,139,779	
Total taxes	302,178,419	302,178,419	297,785,725	\$ (4,392,694)
Licenses and permits:				
Business licenses, net	144,200,000	144,200,000	172,007,557	
Public utility licenses	87,625,160	87,625,160	84,534,026	
Construction permits	2,333,000	2,508,000	3,057,813	
Other permits	2,640,460	2,640,460	2,652,811	
Total licenses and permits	236,798,620	236,973,620	262,252,207	25,278,587
Charges for services:				
Public works and utility charges	-	-	5,905	
Inspection fees	2,739,712	2,853,696	3,050,935	
Rents and reimbursements	4,568,084	4,366,299	4,046,758	
Parking fees	464,247	464,247	230,943	
Parks and recreation facilities fees	12,224,716	10,879,981	6,678,198	
Other service charges	5,222,250	5,314,626	4,356,303	
Total charges for services	25,219,009	23,878,849	18,369,042	(5,509,807)
Intergovernmental:				
Federal cost sharing	156,562	156,562	98,214	
State revenue sharing	3,044,710	3,044,710	3,524,690	
State cost sharing	156,460	156,460	425,504	
Multnomah County cost sharing	2,332,507	2,332,507	1,912,468	
Local revenue sharing	1,690,492	1,690,492	1,852,270	
Local cost sharing	7,541,047	7,682,929	6,861,886	
SSR liquor & cigarette	19,421,812	19,421,812	20,076,899	
Overhead charges	265,680	265,680	279,239	
Total intergovernmental	34,609,270	34,751,152	35,031,170	280,018
Other:				
Assessments	8,580	8,580	11,694	
Sales - other	674,970	684,970	570,727	
Refunds	70,000	70,000	45,829	
Donations	12,812	12,812	44,035	
Investment earnings	31,000	31,000	1,333,490	
Other interest income	1,696,890	1,696,890	981,254	
Fines	607,150	607,150	420,918	
Miscellaneous	1,724,784	4,193,324	3,868,338	
Total other	4,826,186	7,304,726	7,276,285	(28,441)
Billings to other funds for services	46,838,876	49,576,760	46,278,005	(3,298,755)
Total revenues	650,470,380	654,663,526	666,992,434	12,328,908

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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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current:				
Personal services	435,095,697	443,086,231	436,312,632	
External materials and services	129,963,272	135,672,930	115,202,445	
Internal materials and services	69,378,755	68,081,241	67,267,814	
Capital outlay	5,535,747	6,586,500	5,348,121	
Total current expenditures	<u>639,973,471</u>	<u>653,426,902</u>	<u>624,131,012</u>	29,295,890
General operating contingencies	21,030,025	29,204,250	-	29,204,250
Debt service and related costs:				
Principal	9,228,371	9,012,796	9,012,796	
Interest	2,365,906	2,365,906	2,365,787	
Debt issuance costs	50,000	-	-	
Total debt service and related costs	<u>11,644,277</u>	<u>11,378,702</u>	<u>11,378,583</u>	119
Total expenditures	<u>672,647,773</u>	<u>694,009,854</u>	<u>635,509,595</u>	58,500,259
Revenues over (under) expenditures	<u>(22,177,393)</u>	<u>(39,346,328)</u>	<u>31,482,839</u>	<u>70,829,167</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund overhead	28,378,435	28,378,435	28,378,435	
General Reserve	500,000	600,000	500,000	
Emergency Communication	-	133,244	-	
Parks Local Option Levy	-	2,625	2,625	
Local Improvement District	-	726,012	726,012	
Water	-	24,481	24,481	
Parking Facilities	315,496	315,496	315,496	
Spectator Facilities Operating	26,382	26,382	26,382	
Technology Services	-	1,447,020	1,447,020	
Total transfers from other funds	<u>29,220,313</u>	<u>31,653,695</u>	<u>31,420,451</u>	(233,244)

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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, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES), Continued				
Transfers to other funds:				
Transportation Operating	(14,094,813)	(14,160,813)	(14,160,813)	
Emergency Communication	(16,359,833)	(16,829,833)	(16,696,589)	
Development Services	(1,075,775)	(1,100,775)	(1,100,775)	
General Reserve	(3,573,001)	(3,573,001)	(3,573,001)	
Housing Investment	(516,700)	(6,180,838)	(6,180,838)	
Campaign Finance	(1,266,472)	(2,216,472)	(2,216,472)	
Parks Local Option Levy	(1,838)	(1,838)	-	
Grants Fund	-	(1,650,000)	(1,650,000)	
Community Solar	(9)	(9)	(9)	
Portland Parks Memorial	(69,645)	(69,645)	(69,645)	
Pension Debt Redemption	(1,892,525)	(1,892,525)	(1,892,525)	
Governmental Bond Redemption	(2,154,619)	(5,453,219)	(5,417,319)	
Special Project Debt Service	(103,000)	(80,005)	(80,005)	
Parks Capital Improvement Program	(4,663,017)	(4,663,017)	(4,663,017)	
Fire Capital Fund	-	(807,000)	(807,000)	
Sewer Operating	(1,457,886)	(1,457,886)	(1,457,886)	
Water	(6,492,525)	(6,492,525)	(6,492,525)	
Environmental Remediation	(704)	(704)	(704)	
Spectator Venues	(1,853,017)	-	-	
Health Insurance Operating	(150,000)	(150,000)	(150,000)	
Facilities Services Operating	(4,106,719)	(5,959,736)	(5,959,736)	
Technology Services	(150,000)	(150,000)	(150,000)	
Fire and Police Supplemental Retirement Reserve	-	(1,000)	(1,000)	
Total transfers to other funds	(59,982,098)	(72,890,841)	(72,719,859)	170,982
Loans issued proceeds	1,581,125	-	-	
Internal loan proceeds	-	3,333,500	3,333,500	-
Total other financing sources (uses)	(29,180,660)	(37,903,646)	(37,965,908)	(62,262)
Net change in fund balance	(51,358,053)	(77,249,974)	(6,483,069)	70,766,905
Fund balance - beginning	51,358,053	77,249,974	77,249,974	-
Fund balance - ending	\$ -	\$ -	70,766,905	\$ 70,766,905
Adjustment to generally accepted accounting principles (GAAP) basis:				
Reserve fund budgeted as separate fund			61,336,100	
Public Election fund budgeted as separate fund			923,157	
Loans receivable, net			352,207	
Internal loans payable			(3,333,500)	
Unrealized gain (loss) on investments			1,422,302	
Inventories			311,058	
Fund balance - GAAP basis			\$ 131,778,230	

City of Portland, Oregon
Transportation Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Miscellaneous	\$ 21,400,000	\$ 21,400,000	\$ 18,719,386	\$ (2,680,614)
Licenses and permits:				
Construction permits	5,670,000	5,796,697	6,788,616	
Other permits	10,002,000	10,305,495	9,837,367	
Total licenses and permits	<u>15,672,000</u>	<u>16,102,192</u>	<u>16,625,983</u>	<u>523,791</u>
Charges for services:				
Public works and utility charges	13,749,785	13,749,785	12,526,267	
Inspection fees	1,100,000	1,321,153	1,215,167	
Rents and reimbursements	840,000	840,000	1,134,311	
Parking fees	56,487,000	56,687,000	45,960,358	
Other service charges	6,104,000	6,572,594	5,813,107	
Total charges for services	<u>78,280,785</u>	<u>79,170,532</u>	<u>66,649,210</u>	<u>(12,521,322)</u>
Intergovernmental:				
Grant revenue	-	-	1,372,833	
State revenue sharing	48,787,365	48,787,365	45,529,123	
State cost sharing	-	-	904,939	
Multnomah County cost sharing	100,000	100,000	26,381	
Local administered federal funds	8,968,623	8,968,623	-	
Local revenue sharing	34,018,465	34,018,465	31,122,011	
Local cost sharing	2,237,318	2,177,318	9,749,262	
Total intergovernmental	<u>94,111,771</u>	<u>94,051,771</u>	<u>88,704,549</u>	<u>(5,347,222)</u>
Billings to other funds for services	33,182,378	34,969,578	32,018,461	(2,951,117)
Other:				
Assessments	780,000	780,000	1,132,864	
Sales - other	291,430	291,430	128,331	
Donations	2,438,000	2,438,000	115,404	
Investment earnings	200,000	200,000	5,122,028	
Other interest income	-	-	79,785	
Miscellaneous	417,000	417,000	1,172,092	
Total other	<u>4,126,430</u>	<u>4,126,430</u>	<u>7,750,504</u>	<u>3,624,074</u>
Total revenues	<u>246,773,364</u>	<u>249,820,503</u>	<u>230,468,093</u>	<u>(19,352,410)</u>
EXPENDITURES				
Current:				
Personal services	119,682,513	127,856,579	113,777,739	
External materials and services	66,594,188	85,515,075	71,657,535	
Internal materials and services	30,621,623	32,955,127	32,281,940	
Capital outlay	125,325,768	116,916,096	27,004,932	
Total current expenditures	<u>342,224,092</u>	<u>363,242,877</u>	<u>244,722,146</u>	<u>118,520,731</u>
General operating contingencies	120,849,488	140,991,694	-	140,991,694
Debt service and related costs:				
Principal	11,659,367	11,659,367	11,659,367	
Interest	5,606,055	5,606,055	5,606,055	
Internal loan remittances	-	20,333,500	20,333,500	
Total debt service and related costs	<u>17,265,422</u>	<u>37,598,922</u>	<u>37,598,922</u>	<u>-</u>
Total expenditures	<u>480,339,002</u>	<u>541,833,493</u>	<u>282,321,068</u>	<u>259,512,425</u>
Revenues over (under) expenditures	<u>(233,565,638)</u>	<u>(292,012,990)</u>	<u>(51,852,975)</u>	<u>(240,160,015)</u>

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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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	14,094,813	14,160,813	14,160,813	
General Reserve	-	3,564,405	3,564,405	
Parking Facilities	-	500,000	-	
Local Improvement District	<u>12,860,500</u>	<u>12,860,500</u>	<u>-</u>	
Total transfers from other funds	<u>26,955,313</u>	<u>31,085,718</u>	<u>17,725,218</u>	<u>(13,360,500)</u>
Transfers to other funds:				
General Fund overhead	(6,497,723)	(6,497,723)	(6,497,723)	
Transportation Reserve	(700,000)	(700,000)	(700,000)	
Pension Debt Redemption	(925,258)	(925,258)	(925,258)	
Gas Tax Bond Redemption	(1,743,750)	(1,743,750)	(1,672,764)	
Sewer System Operating	(50,000)	(50,000)	(36,972)	
Facilities Services Operating	<u>(3,398,416)</u>	<u>(3,398,416)</u>	<u>(3,398,416)</u>	
Total transfers to other funds	<u>(13,315,147)</u>	<u>(13,315,147)</u>	<u>(13,231,133)</u>	<u>84,014</u>
Bonds and notes issued	2,396,098	2,396,098	-	(2,396,098)
Loans issued	8,106,428	4,542,023	-	(4,542,023)
Internal loan proceeds	11,500,000	8,500,000	8,500,000	-
Sale of capital asset	-	-	4,825	4,825
Total other financing sources (uses)	<u>35,642,692</u>	<u>33,208,692</u>	<u>12,998,910</u>	<u>(20,209,782)</u>
Net change in fund balance	<u>(197,922,946)</u>	<u>(258,804,298)</u>	<u>(38,854,065)</u>	<u>219,950,233</u>
Fund balance - beginning	<u>197,922,946</u>	<u>258,804,298</u>	<u>258,804,300</u>	<u>2</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>219,950,235</u>	<u>\$ 219,950,235</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Reserve fund budgeted as separate fund			8,438,872	
Unrealized gain (loss) on investments			2,796,536	
Internal loans receivable			20,333,500	
Inventories			<u>8,461,620</u>	
Fund balance - GAAP basis			<u>\$ 259,980,763</u>	

City of Portland, Oregon
Grants Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Grant revenue	\$ 64,441,136	\$ 93,466,954	\$ 39,703,699	
Local cost sharing	-	130,871	-	
Total intergovernmental	<u>64,441,136</u>	<u>93,597,825</u>	<u>39,703,699</u>	<u>\$ (53,894,126)</u>
Other:				
Loan repayments	-	-	1,733	
Other interest income	-	-	26,057	
Investment earnings	-	-	391,126	
Total other	<u>-</u>	<u>-</u>	<u>418,916</u>	<u>418,916</u>
Total revenues	<u>64,441,136</u>	<u>93,597,825</u>	<u>40,122,615</u>	<u>(53,475,210)</u>
EXPENDITURES				
Current:				
Personal services	10,292,290	15,139,104	8,550,653	
External materials and services	18,577,468	39,587,245	13,643,445	
Internal materials and services	5,233,079	6,215,540	3,598,155	
Capital outlay	30,338,299	34,417,087	21,793,611	
Total current expenditures	<u>64,441,136</u>	<u>95,358,976</u>	<u>47,585,864</u>	<u>47,773,112</u>
Debt service and related costs:				
Internal loan remittances	11,500,000	8,500,000	8,500,000	-
Total expenditures	<u>75,941,136</u>	<u>103,858,976</u>	<u>56,085,864</u>	<u>47,773,112</u>
Revenues over (under) expenditures	<u>(11,500,000)</u>	<u>(10,261,151)</u>	<u>(15,963,249)</u>	<u>(5,702,098)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	-	1,650,000	1,650,000	-
Internal loan proceeds	-	111,151	17,000,000	16,888,849
Total other financing sources (uses)	<u>-</u>	<u>1,761,151</u>	<u>18,650,000</u>	<u>16,888,849</u>
Net change in fund balance	<u>(11,500,000)</u>	<u>(8,500,000)</u>	<u>2,686,751</u>	<u>11,186,751</u>
Fund balance - beginning	11,500,000	8,500,000	(4,058,162)	(12,558,162)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>(1,371,411)</u>	<u>\$ (1,371,411)</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Notes and loans receivable, net			491,737	
Accrued interest receivable			16	
Internal loans payable			(17,000,000)	
Fund balance - GAAP basis			<u>\$ (17,879,658)</u>	

A. Adjustments from the budgetary basis of accounting to GAAP:

General Fund, Transportation Operating and Grants 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 \$17 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 No. 37491.

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, 2020.

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)**

	2020	2019	2018	2017
Proportion of the OPEB pension liability (asset)	3.97%	3.74%	3.54%	3.60%
Proportionate share of the net OPEB liability (asset)	\$ (7.68)	\$ (4.18)	\$ (1.48)	\$ 0.98
Covered payroll **	\$ 439.70	\$ 398.50	\$ 359.90	\$ 343.60
Proportionate share of the OPEB liability (asset) as a percentage of its covered payroll	(1.75%)	(1.05%)	(0.41%)	0.28%
Plan net position as a percentage of the total OPEB liability	144.4%	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)**

	2020	2019	2018	2017
Contractually required contribution	\$ 0.08	\$ 1.94	\$ 1.78	\$ 1.77
Contributions in relation to the contractually required contribution	0.08	1.94	1.78	1.77
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 481.70	\$ 439.70	\$ 398.50	\$ 359.90
Contributions as a percentage of covered payroll	0.02%	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 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 Ratios
Last Ten Years ***

	2020	2019	2018
Service cost	\$3,597,015	\$3,675,148	\$4,140,465
Interest	3,898,352	3,640,097	3,086,463
Differences between expected and actual experiences	6,051,864		
Changes of assumptions	(22,748,251)	(2,777,647)	(6,825,794)
Benefit payments	(5,668,141)	(5,567,867)	(4,949,560)
Net change in total OPEB liability	(14,869,161)	(1,030,269)	(4,548,426)
Total OPEB liability - beginning	99,167,682	100,197,951	104,746,377
Total OPEB liability - ending	<u>\$84,298,521</u>	<u>\$99,167,682</u>	<u>\$100,197,951</u>
Covered-employee payroll	\$549,450,066	\$439,305,357	\$435,541,998
Total OPEB liability as a percentage of covered-employee payroll	15.34%	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.
- The repeal of the healthcare reform excise tax on high-value benefit plans reduced 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, 2018. Many assumptions changed from the previous valuation including the rates of retirement, termination, disability, salary scale, and mortality.
- Participation rate was changed from 45% to 37%, and marriage percentage was changed from 60% to 45% to better reflect actual experience and anticipated future experience.
- Retiree lapse rate of 8% to better reflect actual experience.
- Discount rate decreased from 3.60% as of July 1, 2017 to 3.50% as of July 1, 2019.

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)**

	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability (asset)	4.081304070%	3.693170330%	3.713130210%	3.783328930%	3.780542150%	3.629341760%	3.629341760%
Proportionate share of the net pension liability (asset)	\$ 706.00	\$ 559.50	\$ 500.50	\$ 568.00	\$ 217.10	\$ (82.30)	\$ 185.20
Covered payroll **	\$ 439.70	\$ 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	160.56%	140.40%	139.07%	165.31%	65.69%	(26.29%)	61.20%
Plan net position as a percentage of the total pension liability	80.20%	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)**

	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 83.4	\$ 57.8	\$ 51.2	\$ 35.6	\$ 33.7	\$ 26.3	\$ 25.0
Contributions in relation to the contractually required contribution	83.4	57.8	51.2	35.6	33.7	26.3	25.0
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 481.70	\$ 439.70	\$ 398.50	\$ 359.90	\$ 343.60	\$ 330.50	\$ 313.10
Contributions as a percentage of covered payroll	17.31%	13.15%	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 Oregon Supreme Court upheld the legislation on August 6, 2020.

Changes in Actuarial Methods and Assumptions:

A summary of key changes implemented since the December 31, 2017 valuation are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2018 Experience Study for the System, which was published in July 2019, and can be found at: https://www.oregon.gov/pers/Documents/Exp_Study_2018.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, 2016 and December 31, 2017 valuations, the Money Match was weighted 15% for General Service members and 0% for Police & Fire members. For the December 31, 2018 and December 31, 2019 valuations, this weighting has been adjusted to 10% 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

Administrative Expenses. The administrative expense assumptions were updated to \$32.5 million per year for Tier 1/Tier 2 and \$8.0 million per year for OPSRP. Previously these were assumed to be \$37.5 million per year and \$6.5 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 Annuitant Mortality Base Tables. The healthy annuitant mortality base tables were updated to Pub-2010 generational Healthy Retiree mortality tables with group-specific job category and setback adjustments. Previously they were based on RP2014 generational Healthy Annuitant mortality tables with group-specific class and setback adjustments.

Disabled Mortality Base Tables. The disabled mortality base tables were updated to Pub-2010 generational Disabled Retiree mortality tables with group-specified job category and setback adjustments. Previously they were based on RP-2014 generational Disabled Retiree mortality tables.

Non-Annuitant Mortality Base Tables. Non-annuitant mortality base tables were updated to Pub-2010 generational mortality tables with the same group-specific job category and setback adjustments as for healthy annuitants, and with an additional scaling factor adjustment for certain subgroups. Previously they were based on RP-2014 generational Employee mortality tables with the same group-specific collar and setback adjustments as for healthy annuitants.

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

	2020	2019	2018	2017	2016	2015	2014	2013 and Prior
<u>Total pension liability:</u>								
Service cost	\$ 73.9	\$ 65.3	\$ 74.4	\$ 82.4	\$ 66.7	\$ 58.9	\$ 63.7	N/A
Interest	125.1	127.5	121.0	97.3	110.5	106.3	117.0	N/A
Benefit payments	(135.4)	(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	774.9	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	838.5	273.5	(71.9)	(24.4)	494.6	422.9	(43.1)	N/A
Total pension liability, beginning	\$ 3,568.7	\$ 3,295.2	\$ 3,367.1	\$ 3,391.5	2,896.9	2,474.0	2,517.1	N/A
Total pension liability, ending	\$ 4,407.2	\$ 3,568.7	\$ 3,295.2	\$ 3,367.1	\$ 3,391.5	\$ 2,896.9	\$ 2,474.0	N/A
<u>Plan net position:</u>								
Employer contributions	136.5	135.5	132.0	120.7	\$ 114.10	\$ 115.90	\$ 114.70	N/A
Net investment income	1.6	1.7	0.9	0.5	0.5	(0.5)	0.3	N/A
Benefit payments	(135.4)	(130.7)	(125.7)	(120.4)	(114.0)	(110.9)	(108.0)	N/A
Administrative expense	(4.1)	(4.3)	(3.6)	(4.1)	(5.0)	(3.1)	(3.6)	N/A
Net change in plan net position	(1.4)	2.2	3.6	(3.3)	(4.4)	1.4	3.4	N/A
Plan net position, beginning	\$ 20.0	\$ 17.8	14.2	17.5	21.9	20.5	17.1	N/A
Plan net positions, ending	\$ 18.6	\$ 20.0	\$ 17.8	\$ 14.2	\$ 17.5	\$ 21.9	\$ 20.5	N/A
Net pension liability	\$ 4,388.6	\$ 3,548.7	\$ 3,277.4	\$ 3,352.9	\$ 3,374.0	\$ 2,875.0	\$ 2,453.5	N/A
Plan net position as a percent of total pension liability	0.42%	0.56%	0.54%	0.42%	0.52%	0.76%	0.83%	N/A
Covered employee payroll	\$ 157.3	\$ 152.5	\$ 143.8	\$ 137.6	\$ 139.1	\$ 139.3	\$ 135.7	N/A
Net pension liability as a percent of covered employee payroll	2789.96%	2327.02%	2279.14%	2436.70%	2425.59%	2063.89%	1808.03%	N/A

**Schedule of Employer Contributions
(In millions)**

	2020	2019	2018	2017	2016	2015	2014	2013 and Prior
Employer contributions	\$ 136.5	\$ 135.5	\$ 132.0	\$ 120.4	\$ 114.1	\$ 115.9	\$ 114.7	N/A
Contributions recognized by plan	136.5	135.5	132.0	120.4	114.1	115.9	114.7	N/A
Difference	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Covered employee payroll	\$ 157.3	\$ 152.5	\$ 143.8	\$ 137.6	\$ 139.1	\$ 139.3	\$ 135.7	N/A
Contributions as a percent of covered employee payroll	86.78%	88.85%	91.79%	87.50%	82.03%	83.20%	84.52%	N/A

The net pension liability increased by \$839.9 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 3.50% to 2.21%.



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Combining and Individual Fund Statements and Schedules



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Nonmajor Governmental Funds



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Nonmajor Governmental Fund Types:

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

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 are used to report 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, 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, 2020

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Permanent Fund	Total
ASSETS					
Unrestricted:					
Cash and investments	\$ 56,946,081	\$ 20,576,871	\$ 20,776,466	\$ -	\$ 98,299,418
Receivables:					
Accounts, net	2,198,313	-	41,901	-	2,240,214
Assessments	-	213,615	-	-	213,615
Notes and loans, net	5,619,508	-	-	-	5,619,508
Advances	180,000	-	-	-	180,000
Accrued interest	442,339	98,676	83,820	-	624,835
Prepaid items	5,455	1,040	8,933	-	15,428
Restricted:					
Cash and investments	366,583,877	139,577,990	168,502,619	196,286	674,860,772
Receivables:					
Taxes	1,121,116	8,224,057	-	-	9,345,173
Accounts, net	3,996,817	-	-	-	3,996,817
Assessments	23,344,545	30,791,025	10,304,760	-	64,440,330
Notes and loans, net	75,626,982	-	-	-	75,626,982
Advances	402,294	-	-	-	402,294
Grants	1,179,813	-	-	-	1,179,813
Accrued interest	459,911	791,272	622,385	774	1,874,342
Prepaid items	14,548	5,683	-	-	20,231
Due from component unit	4,850,400	-	-	-	4,850,400
Internal loans receivable	-	-	2,294,500	-	2,294,500
Total assets	<u>\$ 542,971,999</u>	<u>\$ 200,280,229</u>	<u>\$ 202,635,384</u>	<u>\$ 197,060</u>	<u>\$ 946,084,672</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities payable from unrestricted assets:					
Accounts payable	\$ 5,328,049	\$ -	\$ 1,543,900	\$ -	\$ 6,871,949
Unearned revenue	1,296	-	-	-	1,296
Other liabilities	258,724	-	-	-	258,724
Liabilities payable from restricted assets:					
Accounts payable	9,996,658	80,273	548,860	-	10,625,791
Due to component unit	575,487	616,400	-	-	1,191,887
Unearned revenue	134,540	-	-	-	134,540
Other accrued liabilities	10,195	-	-	-	10,195
Total liabilities	<u>16,304,949</u>	<u>696,673</u>	<u>2,092,760</u>	<u>-</u>	<u>19,094,382</u>
Deferred inflows of resources:					
Unavailable revenue - unrestricted	-	213,215	-	-	213,215
Unavailable revenue - restricted	24,257,518	36,941,834	10,335,510	-	71,534,862
Total deferred inflows of resources	<u>24,257,518</u>	<u>37,155,049</u>	<u>10,335,510</u>	<u>-</u>	<u>71,748,077</u>
Fund balances:					
Nonspendable	-	-	-	164,834	164,834
Restricted	442,605,905	141,751,520	170,839,894	32,226	755,229,545
Committed	36,623,562	-	54,097	-	36,677,659
Assigned	23,180,065	20,676,987	19,313,123	-	63,170,175
Total fund balances	<u>502,409,532</u>	<u>162,428,507</u>	<u>190,207,114</u>	<u>197,060</u>	<u>855,242,213</u>
Total liabilities, deferred inflows of resources and fund balances					
	<u>\$ 542,971,999</u>	<u>\$ 200,280,229</u>	<u>\$ 202,635,384</u>	<u>\$ 197,060</u>	<u>\$ 946,084,672</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, 2020**

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Project Funds</u>	<u>Permanent Fund</u>	<u>Total</u>
REVENUES					
Taxes:					
Property	\$ 21,489,742	\$ 187,575,013	\$ -	\$ -	\$ 209,064,755
Lodging	21,293,559	-	-	-	21,293,559
Miscellaneous	85,626,509	-	-	-	85,626,509
Licenses and fees	49,487,156	-	1,308	-	49,488,464
Intergovernmental	59,739,790	8,226,107	64,573	-	68,030,470
Charges for services	2,027,027	-	19,756,499	-	21,783,526
Interagency	1,101,348	-	8,390	-	1,109,738
Parking fees	2,821,642	-	48,394	-	2,870,036
Parking fines	107,450	-	-	-	107,450
Rents and reimbursements	2,994,409	-	-	-	2,994,409
Miscellaneous service charges	17,734,747	-	1,239,936	-	18,974,683
Assessments	2,820,667	6,885,693	1,969,359	-	11,675,719
Investment earnings	12,585,909	6,963,108	5,252,506	5,407	24,806,930
Miscellaneous	7,341,759	1,622,008	753,771	-	9,717,538
Total revenues	<u>287,171,714</u>	<u>211,271,929</u>	<u>29,094,736</u>	<u>5,407</u>	<u>527,543,786</u>
EXPENDITURES					
Current:					
Public safety	24,354,040	-	2,810	-	24,356,850
Parks, recreation and culture	2,497,534	-	3,315,373	300	5,813,207
Community development	140,946,848	2,616,400	85,992,615	-	229,555,863
Transportation	-	-	-	-	-
Legislative / admin / support services	46,425,207	-	-	-	46,425,207
Environmental services	-	-	-	-	-
Water	-	-	-	-	-
Debt service and related costs:					
Principal	2,194,032	130,787,105	192,066	-	133,173,203
Interest	1,004,777	31,968,804	320,266	-	33,293,847
Debt issuance costs	621,949	150,047	173,190	-	945,186
Capital outlay	12,382,684	-	23,754,407	-	36,137,091
Total expenditures	<u>230,427,071</u>	<u>165,522,356</u>	<u>113,750,727</u>	<u>300</u>	<u>509,700,454</u>
Revenues over (under) expenditures	<u>56,744,643</u>	<u>45,749,573</u>	<u>(84,655,991)</u>	<u>5,107</u>	<u>17,843,332</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	24,926,580	12,208,266	100,548,815	-	137,683,661
Transfers out	(2,307,423)	(78,400,000)	(1,564,061)	-	(82,271,484)
Sale of capital asset	-	-	-	-	-
Bonds and notes issued	164,205,000	-	12,336,304	-	176,541,304
Refunding bonds issued	-	62,809,788	-	-	62,809,788
Bonds and notes premium	-	-	2,699,876	-	2,699,876
Loans issued	-	-	3,422	-	3,422
Total other financing sources (uses)	<u>186,824,157</u>	<u>(3,381,946)</u>	<u>114,024,356</u>	<u>-</u>	<u>297,466,567</u>
Net change in fund balances	243,568,800	42,367,627	29,368,365	5,107	315,309,899
Fund balances - beginning	258,840,732	120,060,880	160,838,749	191,953	539,932,314
Fund balances - ending	<u>\$ 502,409,532</u>	<u>\$ 162,428,507</u>	<u>\$ 190,207,114</u>	<u>\$ 197,060</u>	<u>\$ 855,242,213</u>

**City of Portland, Oregon
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2020**

	<u>Assessment Collection</u>	<u>Emergency Communication</u>	<u>Development Services</u>	<u>Property Management License</u>
ASSETS				
Unrestricted:				
Cash and investments	\$ -	\$ 2,781,961	\$ 20,153,462	\$ 242,589
Receivables:				
Accounts, net	-	2,069,602	-	-
Notes and loans, net	-	-	-	-
Advances	-	-	-	-
Accrued interest	-	14,990	327,582	2,770
Prepaid items	-	-	4,037	-
Restricted:				
Cash and investments	84,897	-	59,362,815	-
Receivables:				
Taxes	-	-	-	-
Accounts, net	-	-	1,697,503	-
Assessments	2,949	-	23,338,843	-
Notes and loans, net	-	-	-	-
Grants	-	-	-	-
Advances	-	-	-	-
Accrued interest	335	-	-	-
Prepaid items	-	-	-	-
Due from component unit	-	-	-	-
Total assets	<u>\$ 88,181</u>	<u>\$ 4,866,553</u>	<u>\$ 104,884,242</u>	<u>\$ 245,359</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities payable from unrestricted assets:				
Accounts payable	\$ -	\$ 1,282,721	\$ 2,740,351	\$ 224,255
Unearned revenue	-	-	1,296	-
Other accrued liabilities	-	-	-	-
Liabilities payable from restricted assets:				
Accounts payable	-	-	-	-
Due to component unit	-	-	-	-
Unearned revenue	-	-	-	-
Other accrued liabilities	-	-	-	-
Total liabilities	<u>-</u>	<u>1,282,721</u>	<u>2,741,647</u>	<u>224,255</u>
Deferred inflows of resources:				
Unavailable revenue - restricted	2,949	-	23,338,843	-
Total deferred inflows of resources	<u>2,949</u>	<u>-</u>	<u>23,338,843</u>	<u>-</u>
Fund balances:				
Restricted	85,232	-	61,060,318	-
Committed	-	3,583,832	-	21,104
Assigned	-	-	17,743,434	-
Total fund balances	<u>85,232</u>	<u>3,583,832</u>	<u>78,803,752</u>	<u>21,104</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 88,181</u>	<u>\$ 4,866,553</u>	<u>\$ 104,884,242</u>	<u>\$ 245,359</u>

<u>Convention and Tourism</u>	<u>Housing Investment</u>	<u>Parks Local Option Levy</u>	<u>Children's Investment</u>	<u>Community Development Block Grant</u>	<u>HOME Grant</u>
\$ 678,138	\$ 10,573,843	\$ -	\$ -	\$ 20,716	\$ -
-	112,249	-	-	-	-
-	5,619,508	-	-	-	-
-	-	-	-	-	-
5,972	16,150	-	-	-	-
-	726	-	-	-	-
-	3,724,923	-	18,023,967	1,021,438	1,960,330
-	-	-	1,121,116	-	-
-	6,673	-	945	-	-
-	-	-	-	2,753	-
-	543,955	-	-	10,777,209	6,236,902
-	-	-	-	1,023,122	156,691
-	-	-	234,042	-	-
-	17,123	-	77,529	1,548	6,996
-	-	-	915	-	-
-	-	-	-	-	-
<u>\$ 684,110</u>	<u>\$ 20,615,150</u>	<u>\$ -</u>	<u>\$ 19,458,514</u>	<u>\$ 12,846,786</u>	<u>\$ 8,360,919</u>

\$ 273,785	\$ 162,121	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	5,504,174	430,047	190,656
-	-	-	-	575,487	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>273,785</u>	<u>162,121</u>	<u>-</u>	<u>5,504,174</u>	<u>1,005,534</u>	<u>190,656</u>
-	-	-	912,973	2,753	-
-	-	-	912,973	2,753	-
-	4,292,674	-	13,041,367	11,817,783	8,170,263
410,325	16,029,091	-	-	-	-
-	131,264	-	-	20,716	-
<u>410,325</u>	<u>20,453,029</u>	<u>-</u>	<u>13,041,367</u>	<u>11,838,499</u>	<u>8,170,263</u>
<u>\$ 684,110</u>	<u>\$ 20,615,150</u>	<u>\$ -</u>	<u>\$ 19,458,514</u>	<u>\$ 12,846,786</u>	<u>\$ 8,360,919</u>

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City of Portland, Oregon
Combining Balance Sheet, continued
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2020

	Portland Parks Memorial	Tax Increment Reimbursement	Police Special Revenue	Arts Education and Access
ASSETS				
Unrestricted:				
Cash and investments	\$ 10,733,302	\$ 2,116,785	\$ -	\$ -
Receivables:				
Accounts, net	12,405	-	-	-
Notes and loans, net	-	-	-	-
Advances	-	-	-	-
Accrued interest	42,625	-	-	-
Prepaid items	692	-	-	-
Restricted:				
Cash and investments	2,906,868	17,682,193	5,898,271	6,968,561
Receivables:				
Taxes	-	-	-	-
Accounts, net	-	4,774	2,870	-
Assessments	-	-	-	-
Notes and loans, net	-	54,723,783	-	-
Advances	-	168,252	-	-
Grants	-	-	-	-
Accrued interest	9,239	73,170	22,237	33,045
Prepaid items	-	1,040	-	-
Due from component unit	-	4,850,400	-	-
Total assets	<u>\$ 13,705,131</u>	<u>\$ 79,620,397</u>	<u>\$ 5,923,378</u>	<u>\$ 7,001,606</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities payable from unrestricted assets:				
Accounts payable	\$ 3,961	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-
Other accrued liabilities	-	-	-	-
Liabilities payable from restricted assets:				
Accounts payable	148	2,262,095	297	140
Due to component unit	-	-	-	-
Unearned revenue	-	-	134,540	-
Other accrued liabilities	-	10,195	-	-
Total liabilities	<u>4,109</u>	<u>2,272,290</u>	<u>134,837</u>	<u>140</u>
Deferred inflows of resources:				
Unavailable revenue - restricted	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Restricted	2,915,959	75,231,322	5,788,541	7,001,466
Committed	9,158,112	-	-	-
Assigned	1,626,951	2,116,785	-	-
Total fund balances (deficits)	<u>13,701,022</u>	<u>77,348,107</u>	<u>5,788,541</u>	<u>7,001,466</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 13,705,131</u>	<u>\$ 79,620,397</u>	<u>\$ 5,923,378</u>	<u>\$ 7,001,606</u>

<u>Community Solar</u>	<u>Inclusionary Housing</u>	<u>Housing Property</u>	<u>Recreational Cannabis Tax</u>	<u>Cannabis Licensing</u>	<u>Portland Clean Energy Community Benefits</u>	<u>Housing Development Costs</u>	<u>Total</u>
\$ 50,147	\$ -	\$ 3,948,598	\$ 4,060,290	\$ 1,586,250	\$ -	\$ -	\$ 56,946,081
-	-	78	3,057	922	-	-	2,198,313
-	-	-	-	-	-	-	5,619,508
-	-	-	180,000	-	-	-	180,000
-	-	14,490	17,760	-	-	-	442,339
-	-	-	-	-	-	-	5,455
30,873	17,995,072	-	-	-	66,458,506	164,465,163	366,583,877
-	-	-	-	-	-	-	1,121,116
-	3,010	-	-	-	2,280,256	786	3,996,817
-	-	-	-	-	-	-	23,344,545
-	3,345,133	-	-	-	-	-	75,626,982
-	-	-	-	-	-	-	402,294
-	-	-	-	-	-	-	1,179,813
317	81,337	-	-	-	9,533	127,502	459,911
-	873	-	-	-	3,373	8,347	14,548
-	-	-	-	-	-	-	4,850,400
<u>\$ 81,337</u>	<u>\$ 21,425,425</u>	<u>\$ 3,963,166</u>	<u>\$ 4,261,107</u>	<u>\$ 1,587,172</u>	<u>\$ 68,751,668</u>	<u>\$ 164,601,798</u>	<u>\$ 542,971,999</u>
\$ -	\$ -	\$ 16,437	\$ 578,161	\$ 46,257	\$ -	\$ -	\$ 5,328,049
-	-	-	-	-	-	-	1,296
-	-	258,724	-	-	-	-	258,724
-	1,392,382	-	-	-	37,746	178,973	9,996,658
-	-	-	-	-	-	-	575,487
-	-	-	-	-	-	-	134,540
-	-	-	-	-	-	-	10,195
-	<u>1,392,382</u>	<u>275,161</u>	<u>578,161</u>	<u>46,257</u>	<u>37,746</u>	<u>178,973</u>	<u>16,304,949</u>
-	-	-	-	-	-	-	24,257,518
-	-	-	-	-	-	-	24,257,518
31,190	20,033,043	-	-	-	68,713,922	164,422,825	442,605,905
50,147	-	3,688,005	3,682,946	-	-	-	36,623,562
-	-	-	-	1,540,915	-	-	23,180,065
<u>81,337</u>	<u>20,033,043</u>	<u>3,688,005</u>	<u>3,682,946</u>	<u>1,540,915</u>	<u>68,713,922</u>	<u>164,422,825</u>	<u>502,409,532</u>
<u>\$ 81,337</u>	<u>\$ 21,425,425</u>	<u>\$ 3,963,166</u>	<u>\$ 4,261,107</u>	<u>\$ 1,587,172</u>	<u>\$ 68,751,668</u>	<u>\$ 164,601,798</u>	<u>\$ 542,971,999</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, 2020

	Assessment Collection	Emergency Communication	Development Services	Property Management License
REVENUES				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Lodging	-	-	-	-
Miscellaneous	-	-	-	-
Licenses and fees	-	-	41,473,467	7,182,620
Intergovernmental	-	8,409,998	-	-
Charges for services	-	-	2,012,492	-
Interagency	-	-	1,101,348	-
Parking fees	-	-	-	-
Parking fines	-	-	-	-
Rents and reimbursements	-	-	-	-
Miscellaneous service charges	-	595,505	14,990,942	-
Assessments	-	-	2,820,667	-
Investment earnings (loss)	2,339	77,461	2,855,843	17,142
Miscellaneous	-	577	20,758	-
Total revenues	<u>2,339</u>	<u>9,083,541</u>	<u>65,275,517</u>	<u>7,199,762</u>
EXPENDITURES				
Current:				
Public safety	-	23,728,836	-	-
Parks, recreation and culture	-	-	-	-
Community development	-	-	69,524,705	-
Legislative / admin / support services	-	-	-	7,654,600
Debt service and related costs:				
Principal	-	227,961	1,144,071	-
Interest	-	59,588	299,055	-
Debt issuance costs	-	-	-	-
Capital outlay	-	626,534	2,931,693	-
Total expenditures	<u>-</u>	<u>24,642,919</u>	<u>73,899,524</u>	<u>7,654,600</u>
Revenues over (under) expenditures	<u>2,339</u>	<u>(15,559,378)</u>	<u>(8,624,007)</u>	<u>(454,838)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	16,793,472	1,100,775	-
Transfers out	-	(47,868)	(240,234)	-
Total other financing sources (uses)	<u>-</u>	<u>16,745,604</u>	<u>860,541</u>	<u>-</u>
Net change in fund balances	2,339	1,186,226	(7,763,466)	(454,838)
Fund balances - beginning	82,893	2,397,606	86,567,218	475,942
Fund balances - ending	<u>\$ 85,232</u>	<u>\$ 3,583,832</u>	<u>\$ 78,803,752</u>	<u>\$ 21,104</u>

<u>Convention and Tourism</u>	<u>Housing Investment</u>	<u>Parks Local Option Levy</u>	<u>Children's Investment</u>	<u>Community Development Block Grant</u>	<u>HOME Grant</u>
\$ -	\$ -	\$ -	\$ 21,489,742	\$ -	\$ -
19,395,687	1,897,872	-	-	-	-
-	-	-	-	-	-
-	240,539	-	-	5,494,006	1,878,205
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	40,764	-	-	10,188	593
-	-	-	-	-	-
56,201	737,610	-	515,189	508,879	342,760
-	5,500,024	-	31	-	-
<u>19,451,888</u>	<u>8,416,809</u>	<u>-</u>	<u>22,004,962</u>	<u>6,013,073</u>	<u>2,221,558</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	2,806,711	-	19,697,174	5,929,512	1,067,397
19,247,589	-	-	-	-	-
-	-	-	-	487,000	-
-	-	-	-	268,384	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>19,247,589</u>	<u>2,806,711</u>	<u>-</u>	<u>19,697,174</u>	<u>6,684,896</u>	<u>1,067,397</u>
<u>204,299</u>	<u>5,610,098</u>	<u>-</u>	<u>2,307,788</u>	<u>(671,823)</u>	<u>1,154,161</u>
-	6,180,838	-	-	-	-
-	(781,841)	(2,625)	-	-	-
-	5,398,997	(2,625)	-	-	-
204,299	11,009,095	(2,625)	2,307,788	(671,823)	1,154,161
206,026	9,443,934	2,625	10,733,579	12,510,322	7,016,102
<u>\$ 410,325</u>	<u>\$ 20,453,029</u>	<u>\$ -</u>	<u>\$ 13,041,367</u>	<u>\$ 11,838,499</u>	<u>\$ 8,170,263</u>

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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, 2020

	Portland Parks Memorial	Tax Increment Reimbursement	Police Special Revenue	Arts Education and Access	Community Solar
REVENUES					
Taxes:					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Lodging	-	-	-	-	-
Miscellaneous	-	-	-	10,473,802	-
Licenses and fees	831,069	-	-	-	-
Intergovernmental	-	42,510,014	1,207,028	-	-
Charges for services	14,535	-	-	-	-
Interagency	-	-	-	-	-
Parking fees	2,819,892	1,750	-	-	-
Parking fines	107,450	-	-	-	-
Rents and reimbursements	94,241	878,503	-	-	-
Miscellaneous service charges	65,203	33,990	-	-	-
Assessments	-	-	-	-	-
Investment earnings (loss)	372,138	2,904,805	154,942	240,784	2,205
Miscellaneous	1,763,422	105	49,834	-	6,853
Total revenues	<u>6,067,950</u>	<u>46,329,167</u>	<u>1,411,804</u>	<u>10,714,586</u>	<u>9,058</u>
EXPENDITURES					
Current:					
Public safety	-	-	625,204	-	-
Parks, recreation and culture	2,497,534	-	-	-	-
Community development	-	29,534,674	-	-	-
Legislative / admin / support services	-	-	-	13,328,539	-
Debt service and related costs:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Debt issuance costs	-	-	-	-	-
Capital outlay	13,789	6,747,647	357,265	-	-
Total expenditures	<u>2,511,323</u>	<u>36,282,321</u>	<u>982,469</u>	<u>13,328,539</u>	<u>-</u>
Revenues over (under) expenditures	<u>3,556,627</u>	<u>10,046,846</u>	<u>429,335</u>	<u>(2,613,953)</u>	<u>9,058</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	69,645	170,340	-	-	9
Transfers out	(1,234,855)	-	-	-	-
Bonds and notes issued	-	-	-	-	-
Total other financing sources (uses)	<u>(1,165,210)</u>	<u>170,340</u>	<u>-</u>	<u>-</u>	<u>9</u>
Net change in fund balances	2,391,417	10,217,186	429,335	(2,613,953)	9,067
Fund balances - beginning	11,309,605	67,130,921	5,359,206	9,615,419	72,270
Fund balances - ending	<u>\$ 13,701,022</u>	<u>\$ 77,348,107</u>	<u>\$ 5,788,541</u>	<u>\$ 7,001,466</u>	<u>\$ 81,337</u>

<u>Inclusionary Housing</u>	<u>Housing Property</u>	<u>Recreational Cannabis Tax</u>	<u>Cannabis Licensing</u>	<u>Portland Clean Energy Community Benefits</u>	<u>Housing Development Costs</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,489,742
-	-	-	-	-	-	21,293,559
6,989,877	-	5,507,059	-	62,655,771	-	85,626,509
-	-	-	-	-	-	49,487,156
-	-	-	-	-	-	59,739,790
-	-	-	-	-	-	2,027,027
-	-	-	-	-	-	1,101,348
-	-	-	-	-	-	2,821,642
-	-	-	-	-	-	107,450
-	2,021,665	-	-	-	-	2,994,409
794,548	-	-	1,203,014	-	-	17,734,747
-	-	-	-	-	-	2,820,667
549,581	107,814	127,969	11,487	812,129	2,188,631	12,585,909
31	-	-	100	24	-	7,341,759
<u>8,334,037</u>	<u>2,129,479</u>	<u>5,635,028</u>	<u>1,214,601</u>	<u>63,467,924</u>	<u>2,188,631</u>	<u>287,171,714</u>
-	-	-	-	-	-	24,354,040
-	-	-	-	-	-	2,497,534
6,044,679	3,874,727	-	-	1,121,707	1,345,562	140,946,848
-	-	5,174,370	1,020,109	-	-	46,425,207
-	335,000	-	-	-	-	2,194,032
-	377,750	-	-	-	-	1,004,777
-	-	-	-	-	621,949	621,949
-	945,592	760,164	-	-	-	12,382,684
<u>6,044,679</u>	<u>5,533,069</u>	<u>5,934,534</u>	<u>1,020,109</u>	<u>1,121,707</u>	<u>1,967,511</u>	<u>230,427,071</u>
<u>2,289,358</u>	<u>(3,403,590)</u>	<u>(299,506)</u>	<u>194,492</u>	<u>62,346,217</u>	<u>221,120</u>	<u>56,744,643</u>
552,317	59,184	-	-	-	-	24,926,580
-	-	-	-	-	-	(2,307,423)
-	-	-	-	-	164,205,000	164,205,000
<u>552,317</u>	<u>59,184</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>164,205,000</u>	<u>186,824,157</u>
2,841,675	(3,344,406)	(299,506)	194,492	62,346,217	164,426,120	243,568,800
<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>258,840,732</u>
<u>\$ 20,033,043</u>	<u>\$ 3,688,005</u>	<u>\$ 3,682,946</u>	<u>\$ 1,540,915</u>	<u>\$ 68,713,922</u>	<u>\$ 164,422,825</u>	<u>\$ 502,409,532</u>

**City of Portland, Oregon
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2020**

	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	\$ -	\$ -	\$ -	\$ -	\$ 1,000,611
Receivables:					
Assessments	-	-	-	-	-
Accrued interest	-	-	-	-	13,666
Prepaid items	-	-	-	-	-
Restricted:					
Cash and investments	44,472,585	1,029,758	8,378,237	24,488,470	-
Receivables:					
Taxes	1,606,440	649,003	369,230	1,827,539	-
Assessments	-	-	-	-	-
Accrued interest	203,202	52,272	65,933	122,500	-
Prepaid items	2,257	-	-	1,243	-
Total assets	<u>\$ 46,284,484</u>	<u>\$ 1,731,033</u>	<u>\$ 8,813,400</u>	<u>\$ 26,439,752</u>	<u>\$ 1,014,277</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities payable from restricted assets:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to component unit	-	-	-	-	-
Total liabilities	-	-	-	-	-
Deferred inflows of resources:					
Unavailable revenue - unrestricted	-	-	-	-	-
Unavailable revenue - restricted	1,151,779	501,282	281,667	1,427,316	-
Total deferred inflows of resources	<u>1,151,779</u>	<u>501,282</u>	<u>281,667</u>	<u>1,427,316</u>	<u>-</u>
Fund balances:					
Restricted	45,132,705	1,229,751	8,531,733	25,012,436	-
Assigned	-	-	-	-	1,014,277
Total fund balances	<u>45,132,705</u>	<u>1,229,751</u>	<u>8,531,733</u>	<u>25,012,436</u>	<u>1,014,277</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 46,284,484</u>	<u>\$ 1,731,033</u>	<u>\$ 8,813,400</u>	<u>\$ 26,439,752</u>	<u>\$ 1,014,277</u>

<u>South Park Block Redemption</u>	<u>Airport Way Debt Service</u>	<u>Gas Tax Bond Redemption</u>	<u>Lents Town Center Urban Renewal Area Debt Redemption</u>	<u>Central Eastside Industrial District Debt Service</u>	<u>Bancroft Bond Interest and Sinking</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,568,863
-	-	-	-	-	213,615
-	-	-	-	-	79,135
-	-	-	-	-	1,040
3,100,809	581,943	1,676,433	13,626,054	4,015,693	918,922
309,202	224,838	-	774,960	389,643	-
-	-	-	-	-	30,791,025
36,965	19,286	6,687	58,981	25,190	8,339
-	-	-	692	-	-
<u>\$ 3,446,976</u>	<u>\$ 826,067</u>	<u>\$ 1,683,120</u>	<u>\$ 14,460,687</u>	<u>\$ 4,430,526</u>	<u>\$ 51,580,939</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	213,215
<u>241,534</u>	<u>185,074</u>	<u>-</u>	<u>584,552</u>	<u>292,401</u>	<u>30,596,225</u>
<u>241,534</u>	<u>185,074</u>	<u>-</u>	<u>584,552</u>	<u>292,401</u>	<u>30,809,440</u>
3,205,442	640,993	1,683,120	13,876,135	4,138,125	1,122,061
-	-	-	-	-	19,649,438
<u>3,205,442</u>	<u>640,993</u>	<u>1,683,120</u>	<u>13,876,135</u>	<u>4,138,125</u>	<u>20,771,499</u>
<u>\$ 3,446,976</u>	<u>\$ 826,067</u>	<u>\$ 1,683,120</u>	<u>\$ 14,460,687</u>	<u>\$ 4,430,526</u>	<u>\$ 51,580,939</u>

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City of Portland, Oregon
Combining Balance Sheet, continued
Nonmajor Debt Service Funds
June 30, 2020

	<u>Convention Center Area Debt Service</u>	<u>North Macadam Urban Renewal Area Debt Redemption</u>	<u>Special Projects Debt Service</u>	<u>Gateway Urban Renewal Area Debt Redemption</u>
ASSETS				
Unrestricted:				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables:				
Assessments	-	-	-	-
Accrued interest	-	-	-	-
Prepaid items	-	-	-	-
Restricted:				
Cash and investments	29,380,765	6,663,818	90,459	529,085
Receivables:				
Taxes	1,049,393	741,741	-	239,689
Assessments	-	-	-	-
Accrued interest	141,365	39,116	4,758	4,264
Prepaid items	1,491	-	-	-
Total assets	<u>\$ 30,573,014</u>	<u>\$ 7,444,675</u>	<u>\$ 95,217</u>	<u>\$ 773,038</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities payable from restricted assets:				
Accounts payable	\$ -	\$ 80,273	\$ -	\$ -
Due to component unit	-	-	-	-
Total liabilities	<u>-</u>	<u>80,273</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Unavailable revenue - unrestricted	-	-	-	-
Unavailable revenue - restricted	914,090	550,793	-	180,973
Total deferred inflows of resources	<u>914,090</u>	<u>550,793</u>	<u>-</u>	<u>180,973</u>
Fund balances:				
Restricted	29,658,924	6,813,609	95,217	592,065
Assigned	-	-	-	-
Total fund balances	<u>29,658,924</u>	<u>6,813,609</u>	<u>95,217</u>	<u>592,065</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 30,573,014</u>	<u>\$ 7,444,675</u>	<u>\$ 95,217</u>	<u>\$ 773,038</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
\$ 7,397	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
5,875	-	-	-	-
-	-	-	-	-
-	103,289	103,143	106,625	103,018
-	14,880	3,500	6,794	5,252
-	-	-	-	-
-	400	398	412	398
-	-	-	-	-
<u>\$ 13,272</u>	<u>\$ 118,569</u>	<u>\$ 107,041</u>	<u>\$ 113,831</u>	<u>\$ 108,668</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	101,900	101,700	105,200	101,600
-	101,900	101,700	105,200	101,600
-	-	-	-	-
-	13,865	2,172	5,812	3,971
-	13,865	2,172	5,812	3,971
-	2,804	3,169	2,819	3,097
13,272	-	-	-	-
<u>13,272</u>	<u>2,804</u>	<u>3,169</u>	<u>2,819</u>	<u>3,097</u>
<u>\$ 13,272</u>	<u>\$ 118,569</u>	<u>\$ 107,041</u>	<u>\$ 113,831</u>	<u>\$ 108,668</u>

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City of Portland, Oregon
Combining Balance Sheet, continued
Nonmajor Debt Service Funds
June 30, 2020

	Division-Midway Neighborhood Initiative Debt Service	82nd Avenue/ Division Neighborhood Prosperity Initiative Debt Service	Total
ASSETS			
Unrestricted:			
Cash and investments	\$ -	\$ -	\$ 20,576,871
Receivables:			
Assessments	-	-	213,615
Accrued interest	-	-	98,676
Prepaid Items	-	-	1,040
Restricted:			
Cash and investments	105,218	103,666	139,577,990
Receivables:			
Taxes	5,309	6,644	8,224,057
Assessments	-	-	30,791,025
Accrued interest	406	400	791,272
Prepaid Items	-	-	5,683
Total assets	\$ 110,933	\$ 110,710	\$ 200,280,229
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities payable from restricted assets:			
Accounts Payable	\$ -	\$ -	\$ 80,273
Due to component unit	103,800	102,200	616,400
Total liabilities	103,800	102,200	696,673
Deferred inflows of resources:			
Unavailable revenue - unrestricted	-	-	213,215
Unavailable revenue - restricted	2,668	5,660	36,941,834
Total deferred inflows of resources	2,668	5,660	37,155,049
Fund balances:			
Restricted	4,465	2,850	141,751,520
Assigned	-	-	20,676,987
Total fund balances	4,465	2,850	162,428,507
Total liabilities, deferred inflows of resources and fund balances	\$ 110,933	\$ 110,710	\$ 200,280,229



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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, 2020

	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	\$ 45,070,792	\$ 14,555,090	\$ 8,897,354	\$ 40,374,987	\$ -
Intergovernmental	-	-	-	-	10,256
Assessments	-	-	-	-	-
Investment earnings	1,288,651	169,539	324,864	889,841	53,458
Miscellaneous	-	-	-	-	968,015
Total revenues	<u>46,359,443</u>	<u>14,724,629</u>	<u>9,222,218</u>	<u>41,264,828</u>	<u>1,031,729</u>
EXPENDITURES					
Current:					
Community development	-	-	-	-	-
Debt service and related costs:					
Principal	5,490,000	9,895,000	7,560,000	3,695,000	4,644,194
Interest	2,858,646	5,370,725	1,931,925	2,499,887	1,213,970
Debt issuance costs	-	-	-	-	5,254
Total expenditures	<u>8,348,646</u>	<u>15,265,725</u>	<u>9,491,925</u>	<u>6,194,887</u>	<u>5,863,418</u>
Revenues over (under) expenditures	<u>38,010,797</u>	<u>(541,096)</u>	<u>(269,707)</u>	<u>35,069,941</u>	<u>(4,831,689)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	16,101	21,116	-	811	4,880,393
Transfers out	(13,000,000)	-	-	(27,000,000)	-
Refunding bonds issued	-	-	-	-	-
Total other financing sources (uses)	<u>(12,983,899)</u>	<u>21,116</u>	<u>-</u>	<u>(26,999,189)</u>	<u>4,880,393</u>
Net change in fund balances	25,026,898	(519,980)	(269,707)	8,070,752	48,704
Fund balances - beginning	<u>20,105,807</u>	<u>1,749,731</u>	<u>8,801,440</u>	<u>16,941,684</u>	<u>965,573</u>
Fund balances - ending	<u>\$ 45,132,705</u>	<u>\$ 1,229,751</u>	<u>\$ 8,531,733</u>	<u>\$ 25,012,436</u>	<u>\$ 1,014,277</u>

<u>South Park Block Redemption</u>	<u>Airport Way Debt Service</u>	<u>Gas Tax Bond Redemption</u>	<u>Lents Town Center Urban Renewal Area Debt Redemption</u>	<u>Central Eastside Industrial District Debt Service</u>	<u>Bancroft Bond Interest and Sinking</u>
\$ 6,903,013	\$ 3,853,046	\$ -	\$ 19,194,205	\$ 9,564,437	\$ -
-	-	-	-	-	-
-	-	-	-	-	6,885,693
179,770	73,761	31,079	466,703	175,126	2,027,659
-	-	-	-	-	-
<u>7,082,783</u>	<u>3,926,807</u>	<u>31,079</u>	<u>19,660,908</u>	<u>9,739,563</u>	<u>8,913,352</u>
2,000,000	-	-	-	-	-
6,465,466	5,118,900	1,520,000	25,065,000	1,345,000	5,005,000
714,033	70,641	223,750	1,865,942	1,192,020	1,470,389
-	-	-	34,910	-	-
<u>9,179,499</u>	<u>5,189,541</u>	<u>1,743,750</u>	<u>26,965,852</u>	<u>2,537,020</u>	<u>6,475,389</u>
<u>(2,096,716)</u>	<u>(1,262,734)</u>	<u>(1,712,671)</u>	<u>(7,304,944)</u>	<u>7,202,543</u>	<u>2,437,963</u>
-	-	1,672,764	105,826	316	-
-	-	-	(12,000,000)	(6,700,000)	-
-	-	-	23,386,313	-	-
-	-	<u>1,672,764</u>	<u>11,492,139</u>	<u>(6,699,684)</u>	-
(2,096,716)	(1,262,734)	(39,907)	4,187,195	502,859	2,437,963
<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>\$ 3,205,442</u>	<u>\$ 640,993</u>	<u>\$ 1,683,120</u>	<u>\$ 13,876,135</u>	<u>\$ 4,138,125</u>	<u>\$ 20,771,499</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, 2020

	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	\$ 13,708,652	\$ 18,952,168	\$ -	\$ 5,898,311
Intergovernmental	-	-	8,215,851	-
Assessments	-	-	-	-
Investment earnings	879,487	312,419	7,295	58,149
Miscellaneous	-	-	-	-
Total revenues	<u>14,588,139</u>	<u>19,264,587</u>	<u>8,223,146</u>	<u>5,956,460</u>
EXPENDITURES				
Current:				
Community development	-	-	-	-
Debt service and related costs:				
Principal	5,280,000	42,335,000	2,413,545	-
Interest	3,031,917	2,220,635	5,882,311	270,704
Debt issuance costs	-	109,883	-	-
Total expenditures	<u>8,311,917</u>	<u>44,665,518</u>	<u>8,295,856</u>	<u>270,704</u>
Revenues over (under) expenditures	<u>6,276,222</u>	<u>(25,400,931)</u>	<u>(72,710)</u>	<u>5,685,756</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	12,490	80,005	1,027
Transfers out	-	(13,700,000)	-	(6,000,000)
Refunding bonds issued	-	39,423,475	-	-
Total other financing sources (uses)	<u>-</u>	<u>25,735,965</u>	<u>80,005</u>	<u>(5,998,973)</u>
Net change in fund balances	6,276,222	335,034	7,295	(313,217)
Fund balances - beginning	<u>23,382,702</u>	<u>6,478,575</u>	<u>87,922</u>	<u>905,282</u>
Fund balances - ending	<u>\$ 29,658,924</u>	<u>\$ 6,813,609</u>	<u>\$ 95,217</u>	<u>\$ 592,065</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
\$ -	\$ 99,472	\$ 99,781	\$ 101,619	\$ 99,549
-	-	-	-	-
-	-	-	-	-
13,369	1,980	1,974	2,051	1,952
653,993	-	-	-	-
<u>667,362</u>	<u>101,452</u>	<u>101,755</u>	<u>103,670</u>	<u>101,501</u>
-	101,900	101,700	105,200	101,600
4,955,000	-	-	-	-
1,151,309	-	-	-	-
-	-	-	-	-
<u>6,106,309</u>	<u>101,900</u>	<u>101,700</u>	<u>105,200</u>	<u>101,600</u>
<u>(5,438,947)</u>	<u>(448)</u>	<u>55</u>	<u>(1,530)</u>	<u>(99)</u>
5,417,417	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>5,417,417</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(21,530)	(448)	55	(1,530)	(99)
34,802	3,252	3,114	4,349	3,196
<u>\$ 13,272</u>	<u>\$ 2,804</u>	<u>\$ 3,169</u>	<u>\$ 2,819</u>	<u>\$ 3,097</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, 2020

	Division-Midway Neighborhood Initiative Debt Service	82nd Avenue/Division Neighborhood Prosperity Initiative Debt Service	Total
REVENUES			
Taxes:			
Property	\$ 103,058	\$ 99,479	\$ 187,575,013
Intergovernmental	-	-	8,226,107
Assessments	-	-	6,885,693
Investment earnings	1,991	1,990	6,963,108
Miscellaneous	-	-	1,622,008
Total revenues	<u>105,049</u>	<u>101,469</u>	<u>211,271,929</u>
EXPENDITURES			
Current:			
Community development	103,800	102,200	2,616,400
Debt service and related costs:			
Principal	-	-	130,787,105
Interest	-	-	31,968,804
Debt issuance costs	-	-	150,047
Total expenditures	<u>103,800</u>	<u>102,200</u>	<u>165,522,356</u>
Revenues over (under) expenditures	<u>1,249</u>	<u>(731)</u>	<u>45,749,573</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	12,208,266
Transfers out	-	-	(78,400,000)
Refunding bonds issued	-	-	62,809,788
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(3,381,946)</u>
Net change in fund balances	1,249	(731)	42,367,627
Fund balances - beginning	3,216	3,581	120,060,880
Fund balances - ending	<u>\$ 4,465</u>	<u>\$ 2,850</u>	<u>\$ 162,428,507</u>



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City of Portland, Oregon
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2020

	Special Finance and Resource	BFRES Facilities GO Bond Construction	Local Improvement District
ASSETS			
Unrestricted:			
Cash and investments	\$ -	\$ -	\$ 3,001,206
Receivables:			
Accounts, net	-	-	38,350
Accrued interest	-	-	20,142
Prepaid items	-	-	-
Restricted:			
Cash and investments	47,562	-	603,877
Receivables:			
Assessments	-	-	8,796,497
Accrued interest	320	-	-
Internal loans receivable	-	-	-
Total assets	\$ 47,882	\$ -	\$ 12,460,072
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:			
Liabilities payable from unrestricted assets:			
Accounts payable	\$ -	\$ -	\$ 1,500
Liabilities payable from restricted assets:			
Accounts payable	-	-	-
Total liabilities	-	-	1,500
Deferred inflows of resources:			
Unavailable revenue - restricted	-	-	8,796,497
Total deferred inflows of resources	-	-	8,796,497
Fund balances:			
Restricted	47,882	-	603,877
Committed	-	-	-
Assigned	-	-	3,058,198
Total fund balances	47,882	-	3,662,075
Total liabilities, deferred inflows of resources and fund balances	\$ 47,882	\$ -	\$ 12,460,072

<u>Parks Capital Improvement Program</u>	<u>Public Safety GO Bond Construction</u>	<u>Housing Capital</u>	<u>Fire Capital</u>	<u>Total</u>
\$ 17,775,260	\$ -	\$ -	\$ -	\$ 20,776,466
3,551	-	-	-	41,901
63,678	-	-	-	83,820
8,933	-	-	-	8,933
158,748,250	-	354,507	8,748,423	168,502,619
1,508,263	-	-	-	10,304,760
617,057	-	2,610	2,398	622,385
2,294,500	-	-	-	2,294,500
<u>\$ 181,019,492</u>	<u>\$ -</u>	<u>\$ 357,117</u>	<u>\$ 8,750,821</u>	<u>\$ 202,635,384</u>
<u>\$ 1,542,400</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,543,900</u>
<u>348,860</u>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>548,860</u>
<u>1,891,260</u>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>2,092,760</u>
<u>1,539,013</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,335,510</u>
<u>1,539,013</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,335,510</u>
161,280,197	-	157,117	8,750,821	170,839,894
54,097	-	-	-	54,097
16,254,925	-	-	-	19,313,123
<u>177,589,219</u>	<u>-</u>	<u>157,117</u>	<u>8,750,821</u>	<u>190,207,114</u>
<u>\$ 181,019,492</u>	<u>\$ -</u>	<u>\$ 357,117</u>	<u>\$ 8,750,821</u>	<u>\$ 202,635,384</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, 2020

	<u>Special Finance and Resource</u>	<u>BFRES Facilities GO Bond Construction</u>	<u>Local Improvement District</u>
REVENUES			
Licenses and fees	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	-	-	-
Interagency	-	-	-
Parking fees	-	-	-
Miscellaneous service charges	-	-	1,239,936
Assessments	-	-	212,816
Investment earnings (loss)	19,657	11,132	179,918
Miscellaneous	-	-	1,450
Total revenues	<u>19,657</u>	<u>11,132</u>	<u>1,634,120</u>
EXPENDITURES			
Current:			
Public safety	-	2,810	-
Parks, recreation and culture	-	-	-
Community development	84,392,327	-	1,600,288
Debt service and related costs:			
Principal	-	-	81,604
Interest	-	-	291,391
Debt issuance costs	133,584	-	-
Capital outlay	-	-	-
Total expenditures	<u>84,525,911</u>	<u>2,810</u>	<u>1,973,283</u>
Revenues over (under) expenditures	<u>(84,506,254)</u>	<u>8,322</u>	<u>(339,163)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	84,429,605	-	-
Transfers out	(136,571)	(640,033)	(743,147)
Bonds and notes issued	101,304	-	-
Bonds and notes premium	-	-	-
Loans issued	3,422	-	-
Total other financing sources (uses)	<u>84,397,760</u>	<u>(640,033)</u>	<u>(743,147)</u>
Net change in fund balances	<u>(108,494)</u>	<u>(631,711)</u>	<u>(1,082,310)</u>
Fund balances - beginning	<u>156,376</u>	<u>631,711</u>	<u>4,744,385</u>
Fund balances - ending	<u>\$ 47,882</u>	<u>\$ -</u>	<u>\$ 3,662,075</u>

Parks Capital Improvement Program	Public Safety GO Bond Construction	Housing Capital	Fire Capital	Total
\$ 1,308	\$ -	\$ -	\$ -	\$ 1,308
64,573	-	-	-	64,573
19,756,499	-	-	-	19,756,499
8,390	-	-	-	8,390
48,394	-	-	-	48,394
-	-	-	-	1,239,936
1,756,543	-	-	-	1,969,359
4,923,557	(363)	16,590	102,015	5,252,506
739,937	7,682	4,702	-	753,771
<u>27,299,201</u>	<u>7,319</u>	<u>21,292</u>	<u>102,015</u>	<u>29,094,736</u>
-	-	-	-	2,810
3,315,373	-	-	-	3,315,373
-	-	-	-	85,992,615
110,462	-	-	-	192,066
28,875	-	-	-	320,266
38,107	1,499	-	-	173,190
23,754,407	-	-	-	23,754,407
<u>27,247,224</u>	<u>1,499</u>	<u>-</u>	<u>-</u>	<u>113,750,727</u>
<u>51,977</u>	<u>5,820</u>	<u>21,292</u>	<u>102,015</u>	<u>(84,655,991)</u>
7,470,404	-	-	8,648,806	100,548,815
(23,194)	(21,116)	-	-	(1,564,061)
12,235,000	-	-	-	12,336,304
2,699,876	-	-	-	2,699,876
-	-	-	-	3,422
<u>22,382,086</u>	<u>(21,116)</u>	<u>-</u>	<u>8,648,806</u>	<u>114,024,356</u>
22,434,063	(15,296)	21,292	8,750,821	29,368,365
155,155,156	15,296	135,825	-	160,838,749
<u>\$ 177,589,219</u>	<u>\$ -</u>	<u>\$ 157,117</u>	<u>\$ 8,750,821</u>	<u>\$190,207,114</u>



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Nonmajor Proprietary Funds



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Nonmajor Proprietary Fund Types:

Enterprise Funds may be used to report any activity for which a fee is charged to external users for goods and services.

Internal Service Funds may be used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments on a cost-reimbursement basis.

City of Portland, Oregon
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2020

	<u>Hydroelectric Power</u>	<u>Golf</u>	<u>Portland International Raceway</u>
ASSETS			
Current assets (unrestricted):			
Cash and investments	\$ 1,446,658	\$ 1,902,053	\$ 906,313
Receivables:			
Accounts, net	85,338	410,232	8,052
Advances	-	-	-
Accrued interest	4,640	2,980	4,101
Prepaid expenses	-	-	-
Total current assets (unrestricted)	<u>1,536,636</u>	<u>2,315,265</u>	<u>918,466</u>
Noncurrent assets (unrestricted):			
Capital assets, not being depreciated or amortized:			
Land	-	586,686	-
Construction in progress	-	9,258	1,615,633
Land use rights	4,500	-	-
Capital assets, being depreciated or amortized:			
Infrastructure	43,963,831	-	-
Buildings	-	6,613,324	-
Improvements to land	-	16,820,498	5,007,161
Equipment	-	837,464	161,340
Software	-	-	-
Accumulated depreciation and amortization	<u>(24,910,067)</u>	<u>(16,974,276)</u>	<u>(3,844,653)</u>
Capital assets, net of accumulated depreciation and amortization	19,058,264	7,892,954	2,939,481
Receivables:			
Notes and loans, net	-	-	-
Net OPEB asset	2,548	45,791	12,524
Total noncurrent assets (unrestricted)	<u>19,060,812</u>	<u>7,938,745</u>	<u>2,952,005</u>
Noncurrent assets (restricted):			
Cash and investments	-	-	-
Total noncurrent assets (restricted)	<u>19,060,812</u>	<u>7,938,745</u>	<u>2,952,005</u>
Total assets	<u>20,597,448</u>	<u>10,254,010</u>	<u>3,870,471</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pensions	120,223	1,432,972	296,202
Deferred outflows - OPEB	2,369	43,827	13,029
Deferred charge for debt refundings	-	-	-
Total deferred outflows of resources	<u>122,592</u>	<u>1,476,799</u>	<u>309,231</u>

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Total
\$ 5,619,851	\$ 12,289,373	\$ 19,122,449	\$ 6,112,866	\$ 47,399,563
1,613,143	96,123	10,203	100,754	2,323,845
-	-	60,000	5,000	65,000
19,869	52,873	80,064	25,750	190,277
-	624	970	-	1,594
<u>7,252,863</u>	<u>12,438,993</u>	<u>19,273,686</u>	<u>6,244,370</u>	<u>49,980,279</u>
-	10,578,071	4,432,758	1,563,333	17,160,848
-	17,962,568	1,097,429	42,000	20,726,888
-	-	-	-	4,500
-	-	-	5,416	43,969,247
-	39,872,916	213,787,129	1,768,170	262,041,539
-	74,934	1,111,368	2,275,856	25,289,817
261,631	1,536,365	3,970,802	-	6,767,602
48,320	98,580	5,983	-	152,883
<u>(283,384)</u>	<u>(30,612,691)</u>	<u>(63,977,437)</u>	<u>(1,602,063)</u>	<u>(142,204,571)</u>
26,567	39,510,743	160,428,032	4,052,712	233,908,753
-	-	-	624,556	624,556
<u>23,310</u>	<u>-</u>	<u>3,479</u>	<u>3,998</u>	<u>91,650</u>
49,877	39,510,743	160,431,511	4,681,266	234,624,959
-	-	-	-	-
<u>49,877</u>	<u>39,510,743</u>	<u>160,431,511</u>	<u>4,681,266</u>	<u>234,624,959</u>
<u>7,302,740</u>	<u>51,949,736</u>	<u>179,705,197</u>	<u>10,925,636</u>	<u>284,605,238</u>
1,004,827	6,278	306,333	277,703	3,444,538
22,506	-	3,554	4,738	90,023
-	31,348	9,460	-	40,808
<u>1,027,333</u>	<u>37,626</u>	<u>319,347</u>	<u>282,441</u>	<u>3,575,369</u>

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City of Portland, Oregon
Combining Statement of Net Position, continued
Nonmajor Enterprise Funds
June 30, 2020

	<u>Hydroelectric Power</u>	<u>Golf</u>	<u>Portland International Raceway</u>
LIABILITIES			
Current liabilities (payable from unrestricted assets):			
Accounts payable	\$ 406,177	\$ 511,631	\$ 53,346
Compensated absences	20,908	166,410	46,936
Bonds payable	27,061	221,107	42,564
Accrued interest payable	369	3,013	31,330
Unearned revenue	-	-	-
Internal loans payable	-	170,250	500,000
Pollution remediation	-	-	-
Total current liabilities (unrestricted)	<u>454,515</u>	<u>1,072,411</u>	<u>674,176</u>
Noncurrent liabilities:			
Compensated absences	9,789	75,765	20,344
Bonds payable	64,504	527,042	101,458
Internal loans payable	-	624,250	1,000,000
Accrued interest payable	134,586	1,099,662	211,695
Net pension liability - PERS	374,368	4,368,599	821,647
Other postemployment benefits	32,575	531,022	116,652
Pollution remediation	-	-	-
Total noncurrent liabilities	<u>615,822</u>	<u>7,226,340</u>	<u>2,271,796</u>
Total liabilities	<u>1,070,337</u>	<u>8,298,751</u>	<u>2,945,972</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - pensions	16,084	203,338	38,653
Deferred Inflows - OPEB	5,178	90,499	24,581
Total deferred inflows of resources	<u>21,262</u>	<u>293,837</u>	<u>63,234</u>
NET POSITION			
Net investment in capital assets	19,058,264	7,892,955	1,439,481
Unrestricted	570,177	(4,754,734)	(268,985)
Total net position	<u>\$ 19,628,441</u>	<u>\$ 3,138,221</u>	<u>\$ 1,170,496</u>

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Total
\$ 881,578	\$ 898,232	\$ 380,052	\$ 416,695	\$ 3,547,711
172,037	-	15,259	48,185	469,735
68,660	1,666,842	2,790,395	1,585	4,818,214
936	130,315	55,196	22	221,181
-	274,222	-	-	274,222
-	-	-	-	670,250
-	-	-	1,904,000	1,904,000
<u>1,123,211</u>	<u>2,969,611</u>	<u>3,240,902</u>	<u>2,370,487</u>	<u>11,905,313</u>
77,096	-	7,144	22,560	212,698
163,660	5,008,647	17,122,585	3,780	22,991,676
-	-	-	-	1,624,250
341,478	-	-	7,883	1,795,304
2,888,904	85,906	872,508	780,519	10,192,451
239,551	-	25,491	37,652	982,943
-	-	-	3,980,000	3,980,000
<u>3,710,689</u>	<u>5,094,553</u>	<u>18,027,728</u>	<u>4,832,394</u>	<u>41,779,322</u>
<u>4,833,900</u>	<u>8,064,164</u>	<u>21,268,630</u>	<u>7,202,881</u>	<u>53,684,635</u>
135,504	4,406	30,625	30,290	458,900
45,085	-	6,868	8,364	180,575
<u>180,589</u>	<u>4,406</u>	<u>37,493</u>	<u>38,654</u>	<u>639,475</u>
26,566	32,866,599	140,524,512	4,052,712	205,861,089
3,289,018	11,052,193	18,193,909	(86,170)	27,995,408
<u>\$ 3,315,584</u>	<u>\$ 43,918,792</u>	<u>\$ 158,718,421</u>	<u>\$ 3,966,542</u>	<u>\$ 233,856,497</u>

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, 2020

	Hydroelectric Power	Golf	Portland International Raceway
Operating revenues:			
Service charges and fees	\$ -	\$ 7,900,570	\$ 130,047
Service charges and fees provided internally	167,869	-	-
Licenses and permits	-	-	-
Rents and reimbursements	-	557,797	1,186,277
Concessions	-	1,647,152	110,847
Parking fees	-	-	-
Power sales	1,936,630	-	-
Miscellaneous	10	2,255	1,945
Total operating revenues	<u>2,104,509</u>	<u>10,107,774</u>	<u>1,429,116</u>
Operating expenses:			
Salaries and wages	361,753	3,687,220	957,060
Operating supplies	11	482,149	87,330
Professional services	1,899,581	775,447	31,022
Materials and services provided internally	239,480	907,675	164,703
Utilities	-	381,573	77,136
Utility license fees	-	-	-
Miscellaneous	148,657	3,085,597	286,210
Depreciation and amortization	607,392	713,653	145,397
Total operating expenses	<u>3,256,874</u>	<u>10,033,314</u>	<u>1,748,858</u>
Operating income	<u>(1,152,365)</u>	<u>74,460</u>	<u>(319,742)</u>
Nonoperating revenues (expenses):			
Investment earnings (losses)	34,939	45,206	28,922
Interest expense	(18,740)	(172,229)	(60,227)
Total nonoperating revenues (expenses)	<u>16,199</u>	<u>(127,023)</u>	<u>(31,305)</u>
Income before contributions and transfers	<u>(1,136,166)</u>	<u>(52,563)</u>	<u>(351,047)</u>
Transfers out	(5,039)	(41,181)	(7,928)
Capital contributions	-	-	-
Change in net position	<u>(1,141,205)</u>	<u>(93,744)</u>	<u>(358,975)</u>
Total net position - beginning	<u>20,769,646</u>	<u>3,231,965</u>	<u>1,529,471</u>
Total net position - ending	<u>\$ 19,628,441</u>	<u>\$ 3,138,221</u>	<u>\$ 1,170,496</u>

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Total
\$ 3,843,661	\$ 11,814	\$ 1,787,446	\$ 4,637,119	\$ 18,310,657
3,925	1,176,113	-	478,908	1,826,815
3,306,810	-	-	-	3,306,810
-	818,890	5,540,588	559,756	8,663,308
-	-	-	-	1,757,999
-	10,602,299	1,960,031	-	12,562,330
-	-	-	-	1,936,630
3,807	500	14	261	8,792
<u>7,158,203</u>	<u>12,609,616</u>	<u>9,288,079</u>	<u>5,676,044</u>	<u>48,373,341</u>
2,992,924	622,332	478,255	774,069	9,873,613
412,145	3,955	2,380	19,436	1,007,406
181,742	330,553	177,120	869,991	4,265,456
1,672,040	2,415,246	597,576	2,072,902	8,069,622
792,208	-	-	4,568	1,255,485
-	-	-	231,351	231,351
181,543	4,044,200	1,385,536	1,876,141	11,007,884
89,567	615,960	3,223,823	69,018	5,464,810
<u>6,322,169</u>	<u>8,032,246</u>	<u>5,864,690</u>	<u>5,917,476</u>	<u>41,175,627</u>
<u>836,034</u>	<u>4,577,370</u>	<u>3,423,389</u>	<u>(241,432)</u>	<u>7,197,714</u>
140,304	393,731	540,677	171,733	1,355,512
(47,547)	(69,214)	(739,198)	(1,089)	(1,108,244)
<u>92,757</u>	<u>324,517</u>	<u>(198,521)</u>	<u>170,644</u>	<u>247,268</u>
928,791	4,901,887	3,224,868	(70,788)	7,444,982
(1,012,788)	(315,496)	(26,382)	(6,000,295)	(7,409,109)
-	-	4,533,522	-	4,533,522
(83,997)	4,586,391	7,732,008	(6,071,083)	4,569,395
<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>
<u>\$ 3,315,584</u>	<u>\$ 43,918,792</u>	<u>\$ 158,718,421</u>	<u>\$ 3,966,542</u>	<u>\$ 233,856,497</u>

City of Portland, Oregon
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2020

	Hydroelectric Power	Golf	Portland International Raceway
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 1,889,301	\$ 10,142,786	\$ 1,421,065
Receipts for interfund services provided	167,869	-	-
Payments to suppliers	(2,104,218)	(4,556,603)	(508,873)
Payments to employees	(321,023)	(3,191,192)	(860,418)
Payments for interfund services used	(239,480)	(907,677)	(164,704)
Net cash provided by operating activities	<u>(607,551)</u>	<u>1,487,314</u>	<u>(112,930)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers out	(5,039)	(41,181)	(7,928)
Internal balances	-	-	-
Payments for internal loans	-	(170,250)	-
Net cash provided by (used for) noncapital financing activities	<u>(5,039)</u>	<u>(211,431)</u>	<u>(7,928)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	(16,583)	(131,104)
Principal paid on bonds and notes	(24,002)	(196,114)	(37,753)
Interest paid on bonds, notes and capital leases	(6,274)	(70,365)	(9,868)
Net cash provided by (used for) capital related financing activities	<u>(30,276)</u>	<u>(283,062)</u>	<u>(178,725)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings (losses)	40,846	44,198	31,280
Net cash provided by (used for) investing activities	<u>40,846</u>	<u>44,198</u>	<u>31,280</u>
Net increase (decrease) in cash and cash equivalents	(602,020)	1,037,019	(268,303)
Cash and cash equivalents, July 1, 2019	2,048,678	865,034	1,174,616
Cash and cash equivalents, June 30, 2020	<u>\$ 1,446,658</u>	<u>\$ 1,902,053</u>	<u>\$ 906,313</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Unrestricted cash and cash equivalents	\$ 1,446,658	\$ 1,902,053	\$ 906,313
Restricted cash and cash equivalents	-	-	-
Total cash and cash equivalents	<u>\$ 1,446,658</u>	<u>\$ 1,902,053</u>	<u>\$ 906,313</u>

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Total
\$ 7,695,190	\$ 11,363,886	\$ 9,291,553	\$ 5,196,544	\$ 47,000,325
3,925	1,176,113	-	478,908	1,826,815
(815,318)	(4,154,365)	(1,768,454)	(3,044,480)	(16,952,311)
(2,609,290)	(622,333)	(413,417)	(667,561)	(8,685,234)
<u>(1,672,041)</u>	<u>(2,415,247)</u>	<u>(597,575)</u>	<u>(2,072,901)</u>	<u>(8,069,625)</u>
<u>2,602,466</u>	<u>5,348,054</u>	<u>6,512,107</u>	<u>(109,490)</u>	<u>15,119,970</u>
(1,012,788)	(315,496)	(26,382)	(6,000,295)	(7,409,109)
-	-	-	704	704
-	-	-	-	(170,250)
<u>(1,012,788)</u>	<u>(315,496)</u>	<u>(26,382)</u>	<u>(5,999,591)</u>	<u>(7,578,655)</u>
-	(5,072,826)	(225,814)	(797,056)	(6,243,383)
(60,899)	(1,385,000)	(2,692,000)	(1,406)	(4,397,174)
(15,919)	(383,061)	(750,374)	(368)	(1,236,229)
<u>(76,818)</u>	<u>(6,840,887)</u>	<u>(3,668,188)</u>	<u>(798,830)</u>	<u>(11,876,786)</u>
<u>144,211</u>	<u>425,674</u>	<u>553,365</u>	<u>216,092</u>	<u>1,455,666</u>
<u>144,211</u>	<u>425,674</u>	<u>553,365</u>	<u>216,092</u>	<u>1,455,666</u>
1,657,071	(1,382,655)	3,370,902	(6,691,819)	(2,879,805)
<u>3,962,780</u>	<u>13,672,028</u>	<u>15,751,547</u>	<u>12,804,685</u>	<u>50,279,368</u>
<u>\$ 5,619,851</u>	<u>\$ 12,289,373</u>	<u>\$ 19,122,449</u>	<u>\$ 6,112,866</u>	<u>\$ 47,399,563</u>
\$ 5,619,851	\$ 12,289,373	\$ 19,122,449	\$ 6,112,866	\$ 47,399,563
-	-	-	-	-
<u>\$ 5,619,851</u>	<u>\$ 12,289,373</u>	<u>\$ 19,122,449</u>	<u>\$ 6,112,866</u>	<u>\$ 47,399,563</u>

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City of Portland, Oregon
Combining Statement of Cash Flows, continued
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2020

	Hydroelectric Power	Golf	Portland International Raceway
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (1,152,365)	\$ 74,460	\$ (319,742)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and amortization	607,392	713,653	145,397
Change in assets and liabilities:			
Accounts and advances receivable	(48,375)	15,801	(13,762)
Prepaid expenses	-	-	-
Accounts payable	(55,971)	168,161	(27,177)
Compensated absences	6,161	49,486	11,836
Unearned revenue	-	-	-
Net pension liability - PERS	54,490	660,240	147,580
Other postemployment benefits	(2,861)	(52,931)	(15,736)
Pollution remediation	-	-	-
Deferred outflows - pensions	(18,349)	(191,004)	(55,899)
Deferred outflows - OPEB	(30)	1,791	(162)
Deferred inflows - pensions	(633)	(7,686)	(1,718)
Deferred inflows - OPEB	2,990	55,343	16,453
Net cash provided by operating activities	\$ (607,551)	\$ 1,487,314	\$ (112,930)
Noncash information			
Capital contributions	\$ -	\$ -	\$ -
Increase in fair value of investments (classified as cash equivalents)	8,473	19,572	5,628

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Total
\$ 836,034	\$ 4,577,370	\$ 3,423,389	\$ (241,432)	\$ 7,197,714
89,567	615,960	3,223,823	69,018	5,464,810
531,048	(30,033)	1,918	(2,668)	453,929
-	(624)	(970)	-	(1,594)
752,318	224,965	(202,449)	153,007	1,012,854
36,808	-	11,533	19,473	135,297
-	(39,584)	-	-	(39,584)
533,765	-	70,485	137,788	1,604,348
(27,181)	-	(4,292)	(5,722)	(108,723)
-	-	-	(196,000)	(196,000)
(174,155)	-	(14,951)	(46,104)	(500,462)
2,057	-	(45)	(1,229)	2,382
(6,214)	-	(821)	(1,604)	(18,676)
28,419	-	4,487	5,983	113,675
<u>\$ 2,602,466</u>	<u>\$ 5,348,054</u>	<u>\$ 6,512,107</u>	<u>\$ (109,490)</u>	<u>\$ 15,119,970</u>
\$ -	\$ -	\$ (4,533,522)	\$ -	\$ (4,533,522)
44,343	89,578	159,616	18,578	345,788

City of Portland, Oregon
Combining Statement of Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2020

	<u>Health Insurance Operating</u>	<u>Facilities Services Operating</u>	<u>City Fleet Operating</u>
ASSETS			
Current assets (unrestricted):			
Cash and investments	\$ 30,420,151	\$ 42,902,876	\$ 22,398,247
Receivables:			
Accounts, net	2,632	3,181,227	2,006,011
Notes and loans, net	-	-	53,700
Accrued interest	73,270	196,023	92,495
Due from component unit	-	-	-
Inventories	-	-	1,598,145
Prepaid expenses	1,550	2,519	1,233
Total current assets (unrestricted)	<u>30,497,603</u>	<u>46,282,645</u>	<u>26,149,831</u>
Noncurrent assets (unrestricted):			
Capital assets, not being depreciated or amortized:			
Land	-	13,068,053	87,000
Construction in progress	-	24,392,140	40,224,926
Capital assets, being depreciated or amortized:			
Infrastructure	-	-	-
Buildings	-	295,839,175	1,944,421
Improvements to land	-	1,277,888	-
Equipment	-	1,792,888	74,933,354
Software	-	772,701	158,600
Accumulated depreciation and amortization	-	(94,864,729)	(44,083,522)
Capital assets net of accumulated depreciation and amortization	-	242,278,116	73,264,779
Net OPEB asset	17,849	49,758	85,102
Total noncurrent assets (unrestricted)	<u>17,849</u>	<u>242,327,874</u>	<u>73,349,881</u>
Noncurrent assets (restricted):			
Cash and investments	-	6,701,482	1,895,892
Total noncurrent assets (restricted)	<u>17,849</u>	<u>249,029,356</u>	<u>75,245,773</u>
Total assets	<u>30,515,452</u>	<u>295,312,001</u>	<u>101,395,604</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pensions	829,848	1,737,208	3,484,430
Deferred outflows - OPEB	21,322	50,935	86,469
Total deferred outflows of resources	<u>851,170</u>	<u>1,788,143</u>	<u>3,570,899</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
\$ 2,061,326	\$ 35,255,696	\$ 14,302,403	\$ 38,753,061	\$ 12,953,117	\$ -	\$ 199,046,877
49,915	5,453	1,410	1,337,799	-	-	6,584,447
-	-	-	-	-	-	53,700
7,761	135,889	55,134	143,141	47,947	-	751,660
-	-	-	47,492	-	-	47,492
-	-	-	751,306	-	-	2,349,451
-	178,467	726	1,197,676	658	-	1,382,829
<u>2,119,002</u>	<u>35,575,505</u>	<u>14,359,673</u>	<u>42,230,475</u>	<u>13,001,722</u>	-	<u>210,216,456</u>
-	-	-	1,172,066	-	-	14,327,119
285,270	-	-	25,548,017	-	-	90,450,353
-	-	-	10,345,178	-	-	10,345,178
-	-	-	6,543,311	-	-	304,326,907
-	-	-	-	-	-	1,277,888
1,764,930	-	-	58,254,926	-	-	136,746,098
315,337	362,576	260,093	43,098,882	-	-	44,968,189
<u>(1,787,143)</u>	<u>(362,576)</u>	<u>(260,093)</u>	<u>(74,421,915)</u>	-	-	<u>(215,779,978)</u>
578,394	-	-	70,540,465	-	-	386,661,754
21,101	16,232	6,956	261,049	-	-	458,047
<u>599,495</u>	<u>16,232</u>	<u>6,956</u>	<u>70,801,514</u>	-	-	<u>387,119,801</u>
-	-	-	-	-	-	8,597,374
<u>599,495</u>	<u>16,232</u>	<u>6,956</u>	<u>70,801,514</u>	-	-	<u>395,717,175</u>
<u>2,718,497</u>	<u>35,591,737</u>	<u>14,366,629</u>	<u>113,031,989</u>	<u>13,001,722</u>	-	<u>605,933,631</u>
823,275	592,856	519,743	14,225,322	-	-	22,212,682
21,322	16,584	7,107	268,885	-	-	472,624
<u>844,597</u>	<u>609,440</u>	<u>526,850</u>	<u>14,494,207</u>	-	-	<u>22,685,306</u>

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City of Portland, Oregon
Combining Statement of Net Position, continued
Internal Service Funds
June 30, 2020

	Health Insurance Operating	Facilities Services Operating	CityFleet Operating
LIABILITIES			
Current liabilities (payable from unrestricted assets):			
Accounts payable	\$ 3,371,723	\$ 6,863,241	\$ 1,973,402
Self insurance claims	8,365,000	-	-
Compensated absences	139,162	235,043	419,929
Bonds payable	40,812	7,812,874	516,495
Accrued interest payable	556	598,699	7,581
Due to component unit	-	1,388,060	-
Unearned revenue	-	65,934	180
Other liabilities	43,572	-	-
Total current liabilities (unrestricted)	<u>11,960,825</u>	<u>16,963,851</u>	<u>2,917,587</u>
Noncurrent liabilities:			
Self insurance claims	-	-	-
Compensated absences	94,993	149,169	267,650
Bonds payable	97,280	137,840,470	1,231,145
Notes and loans payable	-	17,999,482	3,436,705
Accrued interest payable	202,978	1,093,128	2,568,759
Net pension liability - PERS	2,230,421	4,649,415	10,001,637
Other postemployment benefits	118,370	420,231	855,079
Total noncurrent liabilities	<u>2,744,042</u>	<u>162,151,895</u>	<u>18,360,975</u>
Total liabilities	<u>14,704,867</u>	<u>179,115,746</u>	<u>21,278,562</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow - pensions	110,173	239,508	479,638
Deferred charge for debt refunding	-	13,438	-
Deferred inflows - OPEB	36,832	96,427	168,325
Total deferred inflow of resources	<u>147,005</u>	<u>349,373</u>	<u>647,963</u>
NET POSITION			
Net investment in capital assets	-	86,070,472	71,723,966
Unrestricted	16,514,750	31,564,553	11,316,012
Total net position	<u>\$ 16,514,750</u>	<u>\$ 117,635,025</u>	<u>\$ 83,039,978</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
\$ 282,215	\$ 119,493	\$ 73,259	\$ 4,664,486	\$ 616,713	\$ -	\$ 17,964,532
-	3,910,579	1,233,789	-	-	-	13,509,368
126,321	106,419	39,421	2,477,248	-	-	3,543,543
175,029	96,446	90,213	613,864	-	-	9,345,733
2,385	1,314	1,229	8,366	-	-	620,130
-	-	-	-	-	-	1,388,060
-	-	-	13,449	-	-	79,563
-	-	-	-	-	-	43,572
585,950	4,234,251	1,437,911	7,777,413	616,713	-	46,494,501
-	8,748,923	7,379,086	-	-	-	16,128,009
84,009	72,088	27,235	1,564,974	-	-	2,260,118
417,211	229,895	215,040	1,463,242	-	-	141,494,283
-	-	-	-	-	-	21,436,187
870,500	479,669	448,673	3,053,022	-	-	8,716,729
2,399,065	1,645,225	1,467,752	40,438,101	-	-	62,831,616
233,020	152,284	76,296	2,511,716	-	-	4,366,996
4,003,805	11,328,084	9,614,082	49,031,055	-	-	257,233,938
4,589,755	15,562,335	11,051,993	56,808,468	616,713	-	303,728,439
118,063	78,639	72,040	1,992,401	-	-	3,090,462
-	-	-	-	-	-	13,438
41,810	32,051	13,736	516,710	-	-	905,891
159,873	110,690	85,776	2,509,111	-	-	4,009,791
578,393	85,546	80,017	70,540,465	-	-	229,078,859
(1,764,927)	20,442,606	3,675,693	(2,331,848)	12,385,009	-	91,801,848
\$ (1,186,534)	\$ 20,528,152	\$ 3,755,710	\$ 68,208,617	\$ 12,385,009	\$ -	\$ 320,880,707

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, 2020

	Health Insurance Operating	Facilities Services Operating	City Fleet Operating
Operating revenues:			
Service charges and fees	\$ 19,328,988	\$ 1,616,439	\$ 733,743
Service charges and fees provided internally	93,268,611	29,847,966	39,063,190
Rents and reimbursements	-	1,715,125	-
Miscellaneous	2,619,181	1,066,943	79,932
Total operating revenues	<u>115,216,780</u>	<u>34,246,473</u>	<u>39,876,865</u>
Operating expenses:			
Salaries and wages	2,559,604	5,515,083	9,873,575
Operating supplies	47,344	514,025	7,735,634
Professional services	43,252,570	1,133,885	38,209
Materials and services provided internally	722,025	5,973,740	2,207,207
Utilities	-	5,475,916	32,103
Claims	57,038,589	-	-
Utility license fees	-	-	-
Miscellaneous	5,376,803	17,467,341	5,503,810
Depreciation and amortization	-	16,522,056	6,343,428
Total operating expenses	<u>108,996,935</u>	<u>52,602,046</u>	<u>31,733,966</u>
Operating income (loss)	<u>6,219,845</u>	<u>(18,355,573)</u>	<u>8,142,899</u>
Nonoperating revenues (expenses):			
Investment earnings (losses)	536,090	1,437,418	669,475
Interest expense	(28,261)	(5,058,273)	(364,352)
Debt issuance costs	-	(1,937)	(8,748)
Gains (losses) on sale of capital assets	-	-	159,772
Miscellaneous	-	(176,511)	-
Total nonoperating revenues (expenses)	<u>507,829</u>	<u>(3,799,303)</u>	<u>456,147</u>
Income (loss) before contributions and transfers	<u>6,727,674</u>	<u>(22,154,876)</u>	<u>8,599,046</u>
Transfers in	150,000	13,035,109	-
Transfers out	(7,601)	(40,936)	(96,195)
Change in net position	<u>6,870,073</u>	<u>(9,160,703)</u>	<u>8,502,851</u>
Total net position - beginning	<u>9,644,677</u>	<u>126,795,728</u>	<u>74,537,127</u>
Total net position - ending	<u>\$ 16,514,750</u>	<u>\$ 117,635,025</u>	<u>\$ 83,039,978</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
\$ 674,179	\$ 896	\$ -	\$ 5,601,984	\$ 2,496,796	\$ -	\$ 30,453,025
5,149,459	11,507,519	5,031,631	65,545,669	14,564,532	-	263,978,577
-	-	-	179,848	-	-	1,894,973
34,621	70,496	10,404	334,443	613,851	-	4,829,871
<u>5,858,259</u>	<u>11,578,911</u>	<u>5,042,035</u>	<u>71,661,944</u>	<u>17,675,179</u>	<u>-</u>	<u>301,156,446</u>
2,136,951	1,714,671	1,520,546	40,455,720	-	-	63,776,150
361,129	13,236	12,398	2,421,409	-	-	11,105,175
9,242	432,694	231,788	2,600,899	6,180,089	-	53,879,376
1,098,205	3,209,095	698,073	5,639,219	-	346,762	19,894,326
54	-	-	65,320	-	-	5,573,393
-	3,097,558	960,486	-	10,053,778	-	71,150,411
-	-	-	24,069	-	-	24,069
2,618,902	3,141,406	541,238	14,694,807	1,232,934	-	50,577,241
146,907	72,515	52,019	6,720,076	-	-	29,857,001
<u>6,371,390</u>	<u>11,681,175</u>	<u>4,016,548</u>	<u>72,621,519</u>	<u>17,466,801</u>	<u>346,762</u>	<u>305,837,142</u>
<u>(513,131)</u>	<u>(102,264)</u>	<u>1,025,487</u>	<u>(959,575)</u>	<u>208,378</u>	<u>(346,762)</u>	<u>(4,680,696)</u>
56,020	975,237	395,540	1,019,434	385,654	-	5,474,868
(121,217)	(66,797)	(62,473)	(425,142)	-	-	(6,126,515)
-	-	-	-	-	-	(10,685)
-	-	-	-	-	-	159,772
-	-	-	-	-	-	(176,511)
<u>(65,197)</u>	<u>908,440</u>	<u>333,067</u>	<u>594,292</u>	<u>385,654</u>	<u>-</u>	<u>(679,071)</u>
(578,328)	806,176	1,358,554	(365,283)	594,032	(346,762)	(5,359,767)
-	-	-	6,638,472	-	2,408,909	22,232,490
<u>(32,599)</u>	<u>(34,434)</u>	<u>(33,272)</u>	<u>(4,994,941)</u>	<u>-</u>	<u>(6,488,472)</u>	<u>(11,728,450)</u>
(610,927)	771,742	1,325,282	1,278,248	594,032	(4,426,325)	5,144,273
<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>
<u>\$ (1,186,534)</u>	<u>\$ 20,528,152</u>	<u>\$ 3,755,710</u>	<u>\$ 68,208,617</u>	<u>\$ 12,385,009</u>	<u>\$ -</u>	<u>\$ 320,880,707</u>

City of Portland, Oregon
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2020

	Health Insurance Operating	Facilities Services Operating	City Fleet Operating
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 21,945,538	\$ (24,079,928)	\$ (931,325)
Receipts for interfund services provided	93,268,612	29,847,964	39,063,191
Payments to suppliers	(111,266,115)	(37,933,814)	(13,538,130)
Payments to employees	(2,227,816)	(4,815,899)	(8,613,707)
Payments for interfund services used	(722,022)	(5,973,738)	(2,207,205)
Other receipts (payments)	-	171,930	-
Net cash provided by (used for) operating activities	<u>998,197</u>	<u>(42,783,485)</u>	<u>13,772,824</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	150,000	13,035,136	-
Transfers out	(7,601)	(40,936)	(96,195)
Net cash provided by (used for) noncapital financing activities	<u>142,399</u>	<u>12,994,200</u>	<u>(96,195)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sale of bonds and notes	-	8,495,883	3,436,705
Proceeds from sale of capital assets	-	51,620,976	1,015,415
Acquisition of capital assets	-	(51,258,975)	(18,411,589)
Principal paid on bonds and notes	(36,198)	(2,529,948)	(458,113)
Interest paid on bonds and notes	(9,462)	(6,627,550)	(125,849)
Payments for bond issuance costs	-	(1,937)	(8,748)
Net cash (used for) capital related financing activities	<u>(45,660)</u>	<u>(301,551)</u>	<u>(14,552,179)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings (losses)	567,882	1,747,375	701,497
Net cash provided by (used for) investing activities	<u>567,882</u>	<u>1,747,375</u>	<u>701,497</u>
Net increase (decrease) in cash and cash equivalents	1,662,818	(28,343,461)	(174,053)
Cash and cash equivalents, July 1, 2019	28,757,333	77,947,819	24,468,192
Cash and cash equivalents, June 30, 2020	<u>\$ 30,420,151</u>	<u>\$ 49,604,358</u>	<u>\$ 24,294,139</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Unrestricted cash and cash equivalents	\$ 30,420,151	\$ 42,902,876	\$ 22,398,247
Restricted cash and cash equivalents	-	6,701,482	1,895,892
Total cash and cash equivalents	<u>\$ 30,420,151</u>	<u>\$ 49,604,358</u>	<u>\$ 24,294,139</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
\$ 792,272	\$ 182,449	\$ 8,994	\$ 5,686,085	\$ 3,109,989	\$ -	\$ 6,714,074
5,149,459	11,507,518	5,031,630	65,545,667	14,564,532	-	263,978,573
(3,033,353)	(7,264,070)	(2,287,180)	(19,500,119)	(18,064,889)	(138)	(212,887,808)
(1,768,958)	(1,485,057)	(1,349,605)	(31,770,191)	-	(2,408,909)	(54,440,142)
(1,098,206)	(3,209,093)	(698,072)	(5,639,221)	-	(346,762)	(19,894,319)
-	-	-	(96)	-	-	171,834
<u>41,214</u>	<u>(268,253)</u>	<u>705,767</u>	<u>14,322,125</u>	<u>(390,368)</u>	<u>(2,755,809)</u>	<u>(16,357,788)</u>
-	-	-	5,771,473	-	2,408,909	21,365,518
(32,599)	(34,434)	(33,272)	(4,994,968)	-	(5,621,473)	(10,861,478)
<u>(32,599)</u>	<u>(34,434)</u>	<u>(33,272)</u>	<u>776,505</u>	<u>-</u>	<u>(3,212,564)</u>	<u>10,504,040</u>
-	-	-	-	-	-	11,932,588
-	-	-	-	-	-	52,636,391
(226,145)	-	-	(9,712,022)	-	346,762	(79,261,969)
(155,245)	(85,545)	(80,017)	(544,477)	-	-	(3,889,543)
(40,580)	(22,361)	(20,916)	(142,324)	-	-	(6,989,042)
-	-	-	-	-	-	(10,685)
<u>(421,970)</u>	<u>(107,906)</u>	<u>(100,933)</u>	<u>(10,398,823)</u>	<u>-</u>	<u>346,762</u>	<u>(25,582,260)</u>
60,264	1,036,663	417,025	1,083,685	405,607	-	6,019,998
<u>60,264</u>	<u>1,036,663</u>	<u>417,025</u>	<u>1,083,685</u>	<u>405,607</u>	<u>-</u>	<u>6,019,998</u>
(353,091)	626,070	988,587	5,783,492	15,239	(5,621,611)	(25,416,010)
2,414,417	34,629,626	13,313,816	32,969,569	12,937,878	5,621,611	233,060,261
<u>\$ 2,061,326</u>	<u>\$ 35,255,696</u>	<u>\$ 14,302,403</u>	<u>\$ 38,753,061</u>	<u>\$ 12,953,117</u>	<u>\$ -</u>	<u>\$ 207,644,251</u>
\$ 2,061,326	\$ 35,255,696	\$ 14,302,403	\$ 38,753,061	\$ 12,953,117	\$ -	\$ 199,046,877
-	-	-	-	-	-	8,597,374
<u>\$ 2,061,326</u>	<u>\$ 35,255,696</u>	<u>\$ 14,302,403</u>	<u>\$ 38,753,061</u>	<u>\$ 12,953,117</u>	<u>\$ -</u>	<u>\$ 207,644,251</u>

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City of Portland, Oregon
Combining Statement of Cash Flows, continued
Internal Service Funds
For the Fiscal Year Ended June 30, 2020

	Health Insurance Operating	Facilities Services Operating	City Fleet Operating
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 6,219,845	\$ (18,355,573)	\$ 8,142,899
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation and amortization of capital assets	-	16,522,056	6,343,428
Change in assets and liabilities:			
Accounts and advances receivable	(11,978)	(2,700,622)	(1,782,905)
Due (from) to other funds	-	-	-
Due (from) to component unit	-	(328,238)	-
Inventories	-	-	(298,985)
Prepaid expense	(1,550)	(2,519)	(1,233)
Accounts payable	(3,971,826)	(13,011,891)	71,848
Other liabilities	43,572	-	-
Self insurance claims	(1,621,000)	-	-
Compensated absences	18,486	73,272	117,494
Unearned revenue	-	(25,628,209)	-
Net pension liability - PERS	479,505	997,037	1,763,569
Other postemployment benefits	(25,750)	(61,514)	(104,431)
Deferred outflows - pensions	(147,503)	(341,697)	(566,439)
Deferred outflows - OPEB	(4,946)	1,701	(1,082)
Deferred inflows - pensions	(5,582)	(11,606)	(20,529)
Deferred inflows - OPEB	26,924	64,318	109,190
Net cash provided by (used for) operating activities	\$ 998,197	\$ (42,783,485)	\$ 13,772,824
Noncash information:			
Capital contributions	\$ -	\$ -	\$ -
Increase (decrease) in fair value of investments (classified as cash equivalents)	129,767	247,174	-

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
\$ (513,131)	\$ (102,264)	\$ 1,025,487	\$ (959,575)	\$ 208,378	\$ (346,762)	\$ (4,680,696)
146,907	72,515	52,019	6,720,076	-	-	29,857,001
74,126	103,788	(4,525)	(526,008)	-	10,474	(4,837,650)
-	-	-	(32,617)	-	-	(32,617)
-	-	-	-	-	-	(328,238)
-	-	-	72,198	-	-	(226,787)
-	(1,790)	(726)	1,410,547	(658)	-	1,402,071
(44,027)	61,585	(16,980)	(1,189,813)	(598,088)	(138)	(18,699,330)
-	-	-	-	-	-	43,572
-	(638,970)	(523,564)	-	-	-	(2,783,534)
61,692	41,925	14,248	1,282,250	-	(290,636)	1,318,731
-	-	-	13,449	-	-	(25,614,760)
436,585	305,347	254,811	10,584,014	-	(2,734,408)	12,086,460
(25,750)	(20,028)	(8,583)	(125,616)	-	(199,121)	(570,793)
(116,761)	(107,540)	(92,339)	(3,332,321)	-	969,036	(3,735,564)
(268)	(208)	(89)	(25,590)	-	18,715	(11,767)
(5,083)	(3,554)	(2,966)	78,295	-	(169,671)	(140,696)
26,924	20,941	8,974	352,836	-	(13,298)	596,809
\$ 41,214	\$ (268,253)	\$ 705,767	\$ 14,322,125	\$ (390,368)	\$ (2,755,809)	\$ (16,357,788)

\$ - \$ - \$ - \$ - \$ - \$ - \$ -

14,377 267,351 109,909 253,757 - - 1,022,335



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Fiduciary Funds



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Fiduciary Fund Types:

Pension Trust Funds account for resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans.

Custodial Funds account for resources received and held by the reporting government in a purely custodial capacity.



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City of Portland
Combining Statement of Fiduciary Net Position
Pension Trust Funds
June 30, 2020

	Fire and Police Disability and Retirement	Fire and Police Disability and Retirement Reserve	Fire and Police Supplemental Retirement Reserve	Total
ASSETS				
Current assets:				
Cash and investments ⁽⁴⁾	\$ 27,266,839	\$ 750,000	\$ 29,625	\$ 28,046,464
Receivables:				
Accounts receivable, net	63,486	-	-	63,486
Pension recovery	152,962	-	-	152,962
Accrued interest receivable	305,538	-	120	305,658
Due from other funds	4,984,522	-	-	4,984,522
Prepaid expense	1,379	-	-	1,379
Total current assets	32,774,726	750,000	29,745	33,554,471
Noncurrent assets:				
Capital assets:				
Construction in progress	-	-	-	-
Intangible assets:				
Software	979,578	-	-	979,578
Accumulated depreciation and amortization	(689,062)	-	-	(689,062)
Net capital assets	290,516	-	-	290,516
Net OPEB asset	18,962	-	-	18,962
Total noncurrent assets	309,478	-	-	309,478
Total assets	33,084,204	750,000	29,745	33,863,949
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow - pensions	908,116	-	-	908,116
Deferred outflow - OPEB	18,952	-	-	18,952
Total deferred outflows	927,068	-	-	927,068
LIABILITIES				
Accounts payable	11,604,271	-	110	11,604,381
Compensated absences	937,467	-	-	937,467
Accrued interest payable	274,617	-	-	274,617
Bonds payable	186,322	-	-	186,322
Net pension liability	2,540,532	-	-	2,540,532
Other liabilities	240,000	-	-	240,000
Other postemployment benefits	173,899	-	-	173,899
Total liabilities	15,957,108	-	110	15,957,218
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pension	123,826	-	-	123,826
Deferred inflows - OPEB	36,823	-	-	36,823
Total deferred inflows	160,649	-	-	160,649
NET POSITION				
Net position restricted for pensions	\$ 17,893,515	\$ 750,000	\$ 29,635	\$ 18,673,150

⁽⁴⁾ 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, 2020

	<u>Fire and Police Disability and Retirement</u>	<u>Fire and Police Disability and Retirement Reserve</u>	<u>Fire and Police Supplemental Retirement Reserve</u>	<u>Total</u>
ADDITIONS				
Contributions:				
Employer	\$ 156,162,325	\$ -	\$ -	\$ 156,162,325
Other	1,615,394	-	1,000	1,616,394
Total contributions	157,777,719	-	1,000	157,778,719
Investment earnings	1,571,320	-	675	1,571,995
Total additions	159,349,039	-	1,675	159,350,714
DEDUCTIONS				
Benefits and refunds paid to plan members and beneficiaries	156,628,716	-	9,913	156,638,629
Administrative expenses	4,078,104	-	-	4,078,104
Total deductions	160,706,820	-	9,913	160,716,733
Change in net position	(1,357,781)	-	(8,238)	(1,366,019)
Net position - beginning	19,251,296	750,000	37,873	20,039,169
Net position - ending	<u>\$ 17,893,515</u>	<u>\$ 750,000</u>	<u>\$ 29,635</u>	<u>\$ 18,673,150</u>

City of Portland
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2020

	<u>Mt. Hood Cable Regulatory Commission</u>	<u>Trustee</u>	<u>Multnomah County Business Income Tax</u>	<u>Housing Loan Escrow</u>	<u>Total</u>
ASSETS					
Current Assets					
Cash and investments	\$ 12,421,281	\$ 5,149,380	\$ 3,810,391	\$ 9,036	\$ 21,390,088
Receivables:					
Accounts, net	1,520,000	103,061	-	303	1,623,364
Advances	951,422	-	-	-	951,422
Accrued interest	51,510	1,302	13,403	30	66,245
Total current assets	<u>14,944,213</u>	<u>5,253,743</u>	<u>3,823,794</u>	<u>9,369</u>	<u>24,031,119</u>
Capital assets:					
Intangible assets:					
Software	12,000	-	-	-	12,000
Accumulated depreciation and amortization	(12,000)	-	-	-	(12,000)
Total assets	<u>14,944,213</u>	<u>5,253,743</u>	<u>3,823,794</u>	<u>9,369</u>	<u>24,031,119</u>
LIABILITIES					
Accounts payable	2,797,235	154,325	8,610	-	2,960,170
Other liabilities	-	2,327,583	3,815,184	-	6,142,767
Total liabilities	<u>2,797,235</u>	<u>2,481,908</u>	<u>3,823,794</u>	<u>-</u>	<u>9,102,937</u>
NET POSITION	<u>\$ 12,146,978</u>	<u>\$ 2,771,835</u>	<u>\$ -</u>	<u>\$ 9,369</u>	<u>\$ 14,928,182</u>

City of Portland
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended June 30, 2020

	Mt. Hood Cable Regulatory Commission	Trustee	Multnomah County Business Income Tax	Housing Loan Escrow	Total
ADDITIONS					
Program Revenue - Intergovernmental	\$ 6,387,665	\$ -	\$ -	\$ -	\$ 6,387,665
Tax collections for other governments	-	8,365,630	17,009,056	-	25,374,686
Forfeiture collections from outside parties	-	472,189	-	-	472,189
Collections of escrow funds	-	-	-	11,377	11,377
Investment earnings	265,053	19	-	-	265,072
Total additions	<u>6,652,718</u>	<u>8,837,838</u>	<u>17,009,056</u>	<u>11,377</u>	<u>32,510,989</u>
DEDUCTIONS					
Expenditures - Community Development	9,054,396	-	-	-	9,054,396
Payment of taxes to other governments	-	8,365,630	17,009,056	-	25,374,686
Payment of forfeitures to outside parties	-	399,648	-	-	399,648
Payment of escrow funds	-	-	-	16,881	16,881
Total deductions	<u>9,054,396</u>	<u>8,765,278</u>	<u>17,009,056</u>	<u>16,881</u>	<u>34,845,611</u>
Change in net position	<u>(2,401,678)</u>	<u>72,560</u>	<u>-</u>	<u>(5,504)</u>	<u>(2,334,622)</u>
Net position - beginning, previously reported	-	-	-	-	-
Restatement per GASB 84 implementation (See Note I.E.)	<u>14,548,656</u>	<u>2,699,275</u>	<u>-</u>	<u>14,873</u>	<u>17,262,804</u>
Net position - beginning, restated	<u>14,548,656</u>	<u>2,699,275</u>	<u>-</u>	<u>14,873</u>	<u>17,262,804</u>
Net position - ending	<u>\$ 12,146,978</u>	<u>\$ 2,771,835</u>	<u>\$ -</u>	<u>\$ 9,369</u>	<u>\$ 14,928,182</u>

Schedules of Revenues and Expenditures Governmental Funds - Budget and Actual



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General Fund by Function Budget and Actual



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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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 261,594,904	\$ 261,594,904	\$ 263,814,157	
Prior year property	3,786,726	3,786,726	2,053,339	
Lodging	35,500,000	35,500,000	30,778,450	
Payment in lieu of taxes	<u>1,296,789</u>	<u>1,296,789</u>	<u>1,139,779</u>	
Total taxes	<u>302,178,419</u>	<u>302,178,419</u>	<u>297,785,725</u>	<u>\$ (4,392,694)</u>
Licenses and permits:				
Business licenses, net	144,200,000	144,200,000	172,007,557	
Public utility licenses	87,625,160	87,625,160	84,534,026	
Construction permits	2,333,000	2,508,000	3,057,813	
Other permits	<u>2,640,460</u>	<u>2,640,460</u>	<u>2,652,811</u>	
Total licenses and permits	<u>236,798,620</u>	<u>236,973,620</u>	<u>262,252,207</u>	<u>25,278,587</u>
Charges for services:				
Public works and utility charges	-	-	5,905	
Inspection fees	2,739,712	2,853,696	3,050,935	
Rents and reimbursements	4,568,084	4,366,299	4,046,758	
Parking fees	464,247	464,247	230,943	
Parks and recreation facilities fees	12,224,716	10,879,981	6,678,198	
Other service charges	<u>5,222,250</u>	<u>5,314,626</u>	<u>4,356,303</u>	
Total charges for services	<u>25,219,009</u>	<u>23,878,849</u>	<u>18,369,042</u>	<u>(5,509,807)</u>
Intergovernmental:				
Federal cost sharing	156,562	156,562	98,214	
State revenue sharing	3,044,710	3,044,710	3,524,690	
State revenue sharing - liquor & cigarette	19,421,812	19,421,812	20,076,899	
State cost sharing	156,460	156,460	425,504	
Multnomah County cost sharing	2,332,507	2,332,507	1,912,468	
Local revenue sharing	1,690,492	1,690,492	1,852,270	
Local cost sharing	7,541,047	7,682,929	6,861,886	
Overhead charges	<u>265,680</u>	<u>265,680</u>	<u>279,239</u>	
Total intergovernmental	<u>34,609,270</u>	<u>34,751,152</u>	<u>35,031,170</u>	<u>280,018</u>
Other:				
Assessments	8,580	8,580	11,694	
Sales - other	674,970	684,970	570,727	
Refunds	70,000	70,000	45,829	
Donations	12,812	12,812	44,035	
Investment earnings	31,000	31,000	1,333,490	
Other interest income	1,696,890	1,696,890	981,254	
Fines	607,150	607,150	420,918	
Miscellaneous	<u>1,724,784</u>	<u>4,193,324</u>	<u>3,868,338</u>	
Total other	<u>4,826,186</u>	<u>7,304,726</u>	<u>7,276,285</u>	<u>(28,441)</u>
Billings to other funds for services	<u>46,838,876</u>	<u>49,576,760</u>	<u>46,278,005</u>	<u>(3,298,755)</u>
Total revenues	<u>650,470,380</u>	<u>654,663,526</u>	<u>666,992,434</u>	<u>12,328,908</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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current:				
Public Safety				
Portland Police Bureau				
Personal services	169,567,499	173,366,537	176,655,062	
External materials and services	21,413,858	20,455,998	14,839,272	
Internal materials and services	38,645,051	36,600,483	36,345,107	
Capital outlay	-	621,711	508,738	
Total Portland Police Bureau	<u>229,626,408</u>	<u>231,044,729</u>	<u>228,348,179</u>	<u>2,696,550</u>
Portland Fire and Rescue				
Personal services	108,806,508	112,857,740	111,679,897	
External materials and services	8,083,520	9,224,166	6,695,823	
Internal materials and services	7,626,100	7,675,430	7,356,982	
Capital outlay	5,311,000	5,691,768	4,509,868	
Total Portland Fire and Rescue	<u>129,827,128</u>	<u>135,449,104</u>	<u>130,242,570</u>	<u>5,206,534</u>
Portland Bureau of Emergency Management				
Personal services	2,173,872	2,398,872	2,111,674	
External materials and services	841,918	1,102,369	884,814	
Internal materials and services	899,455	695,882	678,014	
Capital outlay	-	35,774	11,592	
Total Portland Bureau of Emergency Management	<u>3,915,245</u>	<u>4,232,897</u>	<u>3,686,094</u>	<u>546,803</u>
Total Public Safety	<u>363,368,781</u>	<u>370,726,730</u>	<u>362,276,843</u>	<u>8,449,887</u>
Parks, Recreation and Culture				
Portland Parks and Recreation				
Personal services	63,740,503	65,764,260	62,337,299	
External materials and services	22,032,924	22,209,063	16,836,749	
Internal materials and services	9,675,913	10,362,402	10,607,553	
Capital outlay	18,360	45,860	157,249	
Total Portland Parks and Recreation	<u>95,467,700</u>	<u>98,381,585</u>	<u>89,938,850</u>	<u>8,442,735</u>
Total Parks, Recreation and Culture	<u>95,467,700</u>	<u>98,381,585</u>	<u>89,938,850</u>	<u>8,442,735</u>
Community Development				
Portland Housing Bureau				
Personal services	1,450,534	1,390,531	1,100,215	
External materials and services	35,684,666	36,054,153	35,678,843	
Total Portland Housing Bureau	<u>37,135,200</u>	<u>37,444,684</u>	<u>36,779,058</u>	<u>665,626</u>
Bureau of Planning and Sustainability				
Personal services	9,382,340	9,220,517	9,121,592	
External materials and services	942,600	1,219,395	840,986	
Internal materials and services	-	259,532	240,040	
Total Bureau of Planning and Sustainability	<u>10,324,940</u>	<u>10,699,444</u>	<u>10,202,618</u>	<u>496,826</u>
Office for Community Technology				
Personal services	1,650,490	1,550,490	1,241,768	
External materials and services	1,647,133	1,818,617	1,308,456	
Internal materials and services	537,743	278,461	211,301	
Total Office for Community Technology	<u>3,835,366</u>	<u>3,647,568</u>	<u>2,761,525</u>	<u>886,043</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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current:				
Community Development, continued:				
Community & Civic Life				
Personal services	6,408,595	5,959,595	5,728,978	
External materials and services	4,771,545	5,929,900	5,359,179	
Internal materials and services	705,947	705,797	686,876	
Total Community & Civic Life	<u>11,886,087</u>	<u>12,595,292</u>	<u>11,775,033</u>	<u>820,259</u>
Prosper Portland				
External materials and services	6,871,994	6,674,994	6,674,994	-
Office of Equity & Human Rights				
Personal services	1,654,777	1,758,361	1,739,251	
External materials and services	189,884	171,884	147,641	
Internal materials and services	225,115	247,420	232,305	
Total Office of Equity & Human Rights	<u>2,069,776</u>	<u>2,177,665</u>	<u>2,119,197</u>	<u>58,468</u>
Total Community Development	<u>72,123,363</u>	<u>73,239,647</u>	<u>70,312,425</u>	<u>2,927,222</u>
Legislative/ Admin/ Support Services				
Office of the City Attorney				
Personal services	12,611,564	12,813,962	12,487,482	
External materials and services	816,797	611,011	598,645	
Internal materials and services	1,125,095	1,200,095	1,158,584	
Total Office of the City Attorney	<u>14,553,456</u>	<u>14,625,068</u>	<u>14,244,711</u>	<u>380,357</u>
Office of the City Auditor				
Personal services	7,210,421	7,370,296	7,090,568	
External materials and services	1,598,072	1,621,142	942,805	
Internal materials and services	2,658,948	2,815,148	2,806,646	
Total Office of the City Auditor	<u>11,467,441</u>	<u>11,806,586</u>	<u>10,840,019</u>	<u>966,567</u>
City Budget Office				
Personal services	2,589,030	2,603,430	2,249,596	
External materials and services	252,342	257,242	117,234	
Internal materials and services	229,793	245,493	231,727	
Capital Outlay	206,387	191,387	160,674	
Total City Budget Office	<u>3,277,552</u>	<u>3,297,552</u>	<u>2,759,231</u>	<u>538,321</u>
Office of Government Relations				
Personal services	1,547,976	1,547,976	1,513,823	
External materials and services	297,221	311,433	246,496	
Internal materials and services	203,203	213,203	201,411	
Total Office of Government Relations	<u>2,048,400</u>	<u>2,072,612</u>	<u>1,961,730</u>	<u>110,882</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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current:				
Legislative/ Admin/ Support Services, continued:				
Office of Management and Finance				
Personal services	38,856,842	37,387,058	34,339,684	
External materials and services	12,661,297	13,986,011	11,712,255	
Internal materials and services	5,161,045	4,972,306	4,665,600	
Total Office of Management and Finance	<u>56,679,184</u>	<u>56,345,375</u>	<u>50,717,539</u>	<u>5,627,836</u>
Special Appropriations				
Personal services	872,608	897,086	899,498	
External materials and services	11,242,082	13,194,067	11,779,408	
Internal materials and services	232,296	481,618	479,672	
Total Special Appropriations	<u>12,346,986</u>	<u>14,572,771</u>	<u>13,158,578</u>	<u>1,414,193</u>
Total Office of Management and Finance	<u>69,026,170</u>	<u>70,918,146</u>	<u>63,876,117</u>	<u>7,042,029</u>
Office of the Mayor				
Personal services	2,595,292	2,377,674	2,291,966	
External materials and services	213,914	213,914	183,242	
Internal materials and services	819,305	819,291	737,075	
Total Office of the Mayor	<u>3,628,511</u>	<u>3,410,879</u>	<u>3,212,283</u>	<u>198,596</u>
Commissioner of Public Affairs				
Personal services	1,015,954	1,015,954	996,149	
External materials and services	8,724	36,224	30,957	
Internal materials and services	279,596	302,096	280,609	
Total Commissioner of Public Affairs	<u>1,304,274</u>	<u>1,354,274</u>	<u>1,307,715</u>	<u>46,559</u>
Commissioner of Public Safety				
Personal services	994,839	984,839	969,872	
External materials and services	25,309	46,309	41,667	
Internal materials and services	209,126	209,126	195,493	
Total Commissioner of Public Safety	<u>1,229,274</u>	<u>1,240,274</u>	<u>1,207,032</u>	<u>33,242</u>
Commissioner of Public Utilities				
Personal services	981,856	986,856	954,076	
External materials and services	69,045	42,045	24,323	
Internal materials and services	198,374	220,374	197,566	
Total Commissioner of Public Utilities	<u>1,249,275</u>	<u>1,249,275</u>	<u>1,175,965</u>	<u>73,310</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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current:				
Legislative/ Admin/ Support Services, continued:				
Commissioner of Public Works				
Personal services	984,197	834,197	804,182	
External materials and services	49,327	49,327	20,446	
Internal materials and services	195,750	220,750	193,463	
Total Commissioner of Public Works	<u>1,229,274</u>	<u>1,104,274</u>	<u>1,018,091</u>	<u>86,183</u>
Total Legislative/ Admin/ Support Services	<u>109,013,627</u>	<u>111,078,940</u>	<u>101,602,894</u>	<u>9,476,046</u>
Nondepartmental				
General operating contingencies	<u>21,030,025</u>	<u>29,204,250</u>	-	<u>29,204,250</u>
Debt service and related costs:				
Principal	9,228,371	9,012,796	9,012,796	
Interest	2,365,906	2,365,906	2,365,787	
Debt Issuance Costs	50,000	-	-	
Total debt service and related costs	<u>11,644,277</u>	<u>11,378,702</u>	<u>11,378,583</u>	<u>119</u>
Total expenditures	<u>672,647,773</u>	<u>694,009,854</u>	<u>635,509,595</u>	<u>58,500,259</u>
Revenues over (under) expenditures	<u>(22,177,393)</u>	<u>(39,346,328)</u>	<u>31,482,839</u>	<u>70,829,167</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund overhead	28,378,435	28,378,435	28,378,435	
General Reserve	500,000	600,000	500,000	
Local Improvement District	-	726,012	726,012	
Emergency Communication	-	133,244	-	
Parks Local Option Levy	-	2,625	2,625	
Water	-	24,481	24,481	
Parking Facilities	315,496	315,496	315,496	
Spectator Facilities Operating	26,382	26,382	26,382	
Technology Services	-	1,447,020	1,447,020	
Total transfers from other funds	<u>29,220,313</u>	<u>31,653,695</u>	<u>31,420,451</u>	<u>(233,244)</u>
Loans issued	1,581,125	-	-	-
Internal loan proceeds	-	3,333,500	3,333,500	-

City of Portland, Oregon
General Fund by Function
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
Transportation Operating	(14,094,813)	(14,160,813)	(14,160,813)	
Emergency Communication	(16,359,833)	(16,829,833)	(16,696,589)	
Development Services	(1,075,775)	(1,100,775)	(1,100,775)	
General Reserve	(3,573,001)	(3,573,001)	(3,573,001)	
Housing Investment	(516,700)	(6,180,838)	(6,180,838)	
Campaign Finance	(1,266,472)	(2,216,472)	(2,216,472)	
Portland Parks Memorial	(69,645)	(69,645)	(69,645)	
Parks Local Option Levy	(1,838)	(1,838)	-	
Environmental Remediation	(704)	(704)	(704)	
Health Insurance Operating	(150,000)	(150,000)	(150,000)	
Sewer Operating	(1,457,886)	(1,457,886)	(1,457,886)	
Spectator Facilities	(1,853,017)	-	-	
Pension Debt Redemption	(1,892,525)	(1,892,525)	(1,892,525)	
Governmental Bond Redemption	(2,154,619)	(5,453,219)	(5,417,319)	
Fire Capital	-	(807,000)	(807,000)	
Parks Capital Improvement Program	(4,663,017)	(4,663,017)	(4,663,017)	
Grants	-	(1,650,000)	(1,650,000)	
Water	(6,492,525)	(6,492,525)	(6,492,525)	
Community Solar	(9)	(9)	(9)	
Fire and Police Supplemental Retirement Reserve	-	(1,000)	(1,000)	
Special Projects Debt Service	(103,000)	(80,005)	(80,005)	
Facilities Services Operating	(4,106,719)	(5,959,736)	(5,959,736)	
Technology Services	(150,000)	(150,000)	(150,000)	
Total transfers to other funds	(59,982,098)	(72,890,841)	(72,719,859)	170,982
Total other financing sources (uses)	(29,180,660)	(37,903,646)	(37,965,908)	(62,262)
Net change in fund balance	(51,358,053)	(77,249,974)	(6,483,069)	70,766,905
Fund balance - beginning	51,358,053	77,249,974	77,249,974	-
Fund balance - ending	\$ -	\$ -	70,766,905	\$ 70,766,905
Adjustment to generally accepted accounting principles (GAAP) basis:				
Reserve fund budgeted as separate fund			61,336,100	
Campaign Finance budgeted as a separate fund			923,157	
Loans receivable, net			352,207	
Internal loans payable			(3,333,500)	
Unrealized gain on investments			1,422,302	
Inventories			311,058	
Fund balance - GAAP basis			\$ 131,778,230	



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Special Revenue Funds Budget and Actual



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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.

Community Development Block Grant Fund

This fund accounts for receipts and expenditures of Federal Housing and Community Development programs.

HOME Grant Fund

This fund accounts for federal entitlement grants received from the Home Investment Partnership Program. These funds are used for acquisition, rehabilitation and/or new construction of housing for low income and special needs persons.

Portland Parks Memorial Fund

This fund accounts for monies held by the City in a trustee capacity with disbursements made in accordance with the trust agreements.

Tax Increment Reimbursement Fund

This fund was established to coincide with the creation of the Portland Housing Bureau to account for restricted tax increment financing that will now be received by the City to pay for certain functions that used to be done by the Prosper Portland.

Police Special Revenue Fund

This fund was established to account for restricted or committed law enforcement revenues. By law, the Police Bureau may only spend asset forfeiture proceeds on certain functions such as drug enforcement and education. Other donations received are restricted to specific programs for which the contributions were provided.

Arts Education and Access Fund

The purpose of this fund is to collect and disburse revenues to school districts located in the City and the Regional Arts and Culture Council in accordance with their respective intergovernmental agreement or contract.

Community Solar Fund

This fund was created to support the Solar Forward Program in the Bureau of Planning and Sustainability. The purpose is to track and account for revenues and capital expenses for the installation of solar electric systems on publicly-owned facilities.

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 Program.

Housing Property Fund

The purpose of this fund is to track the operating income and expenses associated with multi-family housing property operations.

Recreational Cannabis Tax Fund

The purpose of this fund is to receive the revenues from a three percent tax on recreational marijuana sales in the City of Portland, and to provide funding per City Code.

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 Fund

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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 1,500	\$ 1,800	\$ 1,679	
Other interest income	75	-	-	
Total revenues	<u>1,575</u>	<u>1,800</u>	<u>1,679</u>	<u>\$ (121)</u>
EXPENDITURES				
General operating contingencies	83,911	84,136	-	84,136
Net change in fund balance	(82,336)	(82,336)	1,679	84,015
Fund balance - beginning	82,336	82,336	82,569	233
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	84,248	<u>\$ 84,248</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			984	
Fund balance - GAAP basis			<u>\$ 85,232</u>	

**City of Portland, Oregon
Emergency Communication Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Other service charges	\$ 407,000	\$ 469,400	\$ 595,505	\$ 126,105
Intergovernmental:				
State revenue sharing	3,369,367	3,369,367	4,294,917	
Local cost sharing	5,148,431	5,148,431	4,115,081	
Total intergovernmental	<u>8,517,798</u>	<u>8,517,798</u>	<u>8,409,998</u>	<u>(107,800)</u>
Other:				
Investment earnings	-	-	56,556	
Other interest income	20,000	20,000	4	
Miscellaneous revenues	-	-	577	
Total other	<u>20,000</u>	<u>20,000</u>	<u>57,137</u>	<u>37,137</u>
Total revenues	<u>8,944,798</u>	<u>9,007,198</u>	<u>9,062,640</u>	<u>55,442</u>
EXPENDITURES				
Current:				
Personal services	18,259,960	18,004,233	17,265,799	
External materials and services	1,208,583	2,498,331	1,569,723	
Internal materials and services	4,922,973	4,674,142	4,606,962	
Capital outlay	1,600,000	1,774,883	1,616	
Total current expenditures	<u>25,991,516</u>	<u>26,951,589</u>	<u>23,444,100</u>	<u>3,507,489</u>
Debt service and related costs:				
Principal	227,961	227,961	227,961	
Interest	59,588	59,588	59,588	
Total debt service and related costs	<u>287,549</u>	<u>287,549</u>	<u>287,549</u>	<u>-</u>
Total expenditures	<u>26,279,065</u>	<u>27,239,138</u>	<u>23,731,649</u>	<u>3,507,489</u>
Revenues over (under) expenditures	<u>(17,334,267)</u>	<u>(18,231,940)</u>	<u>(14,669,009)</u>	<u>3,562,931</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	16,359,833	16,829,833	16,696,589	
Technology Services	-	96,883	96,883	
Total transfers from other funds	<u>16,359,833</u>	<u>16,926,716</u>	<u>16,793,472</u>	<u>(133,244)</u>
Transfers to other funds:				
General Fund	-	(133,244)	-	
General Fund overhead	(911,270)	(911,270)	(911,270)	
Pension Debt Redemption	(47,868)	(47,868)	(47,868)	
Total transfers to other funds	<u>(959,138)</u>	<u>(1,092,382)</u>	<u>(959,138)</u>	<u>133,244</u>
Total other financing sources (uses)	<u>15,400,695</u>	<u>15,834,334</u>	<u>15,834,334</u>	<u>-</u>
Net change in fund balance	(1,933,572)	(2,397,606)	1,165,325	3,562,931
Fund balance - beginning	1,933,572	2,397,606	2,391,538	(6,068)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	3,556,863	<u>\$ 3,556,863</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			26,969	
Fund balance - GAAP basis			<u>\$ 3,583,832</u>	

**City of Portland, Oregon
Development Services Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and permits:				
Construction permits	\$ 35,158,276	\$ 35,158,276	\$ 40,777,886	
Other permits	690,615	690,615	695,581	
Total licenses and permits	<u>35,848,891</u>	<u>35,848,891</u>	<u>41,473,467</u>	<u>\$ 5,624,576</u>
Charges for services:				
Inspection fees	1,430,810	1,430,810	2,012,492	
Other service charges	11,895,381	11,895,381	14,990,942	
Total charges for services	<u>13,326,191</u>	<u>13,326,191</u>	<u>17,003,434</u>	<u>3,677,243</u>
Billings to other funds for services	1,233,328	1,263,434	1,101,348	(162,086)
Other:				
Assessments	4,216,041	4,216,041	2,820,667	
Investment earnings	-	-	1,738,484	
Other interest income	-	-	551,737	
Miscellaneous	-	-	20,758	
Total other	<u>4,216,041</u>	<u>4,216,041</u>	<u>5,131,646</u>	<u>915,605</u>
Total revenues	<u>54,624,451</u>	<u>54,654,557</u>	<u>64,709,895</u>	<u>10,055,338</u>
EXPENDITURES				
Current:				
Personal services	57,426,597	57,426,597	51,526,198	
External materials and services	9,014,476	6,639,476	5,048,673	
Internal materials and services	10,887,912	12,353,986	11,510,406	
Capital outlay	-	2,400,000	2,074,517	
Total current expenditures	<u>77,328,985</u>	<u>78,820,059</u>	<u>70,159,794</u>	<u>8,660,265</u>
General operating contingencies	55,006,712	53,570,744	-	53,570,744
Debt service and related costs:				
Principal	1,144,071	1,144,071	1,144,071	
Interest	299,055	299,055	299,055	
Total debt service and related costs	<u>1,443,126</u>	<u>1,443,126</u>	<u>1,443,126</u>	<u>-</u>
Total expenditures	<u>133,778,823</u>	<u>133,833,929</u>	<u>71,602,920</u>	<u>62,231,009</u>
Revenues over (under) expenditures	<u>(79,154,372)</u>	<u>(79,179,372)</u>	<u>(6,893,025)</u>	<u>72,286,347</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	1,075,775	1,100,775	1,100,775	-
Transfers to other funds:				
General Fund overhead	(2,296,604)	(2,296,604)	(2,296,604)	
Pension Debt Redemption	(240,234)	(240,234)	(240,234)	
Total transfers to other funds	<u>(2,536,838)</u>	<u>(2,536,838)</u>	<u>(2,536,838)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,461,063)</u>	<u>(1,436,063)</u>	<u>(1,436,063)</u>	<u>-</u>
Net change in fund balance	(80,615,435)	(80,615,435)	(8,329,088)	72,286,347
Fund balance - beginning	80,615,435	80,615,435	86,232,571	5,617,136
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>77,903,483</u>	<u>\$ 77,903,483</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			900,269	
Fund balance - GAAP basis			<u>\$ 78,803,752</u>	

City of Portland, Oregon
Property Management License Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Licenses and permits:				
Business licenses, net	\$ 7,386,066	\$ 7,666,066	\$ 7,182,620	\$ (483,446)
Other:				
Investment earnings	9,600	19,000	16,223	
Total revenues	<u>7,395,666</u>	<u>7,685,066</u>	<u>7,198,843</u>	<u>(486,223)</u>
EXPENDITURES				
Current:				
External materials and services	7,249,519	7,973,471	7,471,627	
Internal materials and services	161,242	160,442	157,973	
Total current expenditures	<u>7,410,761</u>	<u>8,133,913</u>	<u>7,629,600</u>	<u>504,313</u>
Total expenditures	<u>7,410,761</u>	<u>8,133,913</u>	<u>7,629,600</u>	<u>504,313</u>
Revenues over (under) expenditures	<u>(15,095)</u>	<u>(448,847)</u>	<u>(430,757)</u>	<u>18,090</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(25,000)	(25,000)	(25,000)	-
Net change in fund balance	<u>(40,095)</u>	<u>(473,847)</u>	<u>(455,757)</u>	<u>18,090</u>
Fund balance - beginning	40,095	473,847	474,041	194
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>18,284</u>	<u>\$ 18,284</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			2,820	
Fund balance - GAAP basis			<u>\$ 21,104</u>	

City of Portland, Oregon
Convention and Tourism Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Lodging	\$ 22,206,000	\$ 23,200,000	\$ 19,395,687	\$ (3,804,313)
Other:				
Investment earnings	30,000	66,000	49,512	(16,488)
Total revenues	<u>22,236,000</u>	<u>23,266,000</u>	<u>19,445,199</u>	<u>(3,820,801)</u>
EXPENDITURES				
Current:				
External materials and services	21,749,598	22,958,215	18,806,241	
Internal materials and services	461,402	485,902	416,348	
Total expenditures	<u>22,211,000</u>	<u>23,444,117</u>	<u>19,222,589</u>	<u>4,221,528</u>
Revenues over (under) expenditures	<u>25,000</u>	<u>(178,117)</u>	<u>222,610</u>	<u>400,727</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(25,000)	(25,000)	(25,000)	-
Net change in fund balance	-	(203,117)	197,610	400,727
Fund balance - beginning	-	203,117	203,117	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>400,727</u>	<u>\$ 400,727</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			9,598	
Fund balance - GAAP basis			<u>\$ 410,325</u>	

City of Portland, Oregon
General Reserve Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 948,359	\$ 985,995	\$ 1,439,480	\$ 453,485
EXPENDITURES				
Current:				
Capital outlay	2,000,000	2,000,000	-	-
Total current expenditures	2,000,000	2,000,000	-	2,000,000
General operating contingencies	76,577,246	67,292,530	-	67,292,530
Debt service and related costs:				
Debt issuance cost	-	75,000	-	75,000
Total expenditures	78,577,246	69,367,530	-	69,367,530
Revenues over (under) expenditures	<u>(77,628,887)</u>	<u>(68,381,535)</u>	1,439,480	69,821,015
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	3,573,001	3,573,001	3,573,001	-
Environmental Remediation	6,000,000	6,000,000	6,000,000	-
Total transfers from other funds	<u>9,573,001</u>	<u>9,573,001</u>	<u>9,573,001</u>	<u>-</u>
Transfers to other funds:				
General Fund	(500,000)	(600,000)	(500,000)	-
Transportation operating	-	(3,564,405)	(3,564,405)	-
Special finance and resource	-	(6,046,727)	(6,029,605)	-
Governmental bond redemption	(299,000)	(29,000)	(98)	-
Parks capital improvement program	-	(1,572,532)	(1,572,532)	-
Fire Capital	-	(7,201,773)	(7,201,773)	-
Total transfers to other funds	<u>(799,000)</u>	<u>(19,014,437)</u>	<u>(18,868,413)</u>	<u>146,024</u>
Bonds and notes issued	-	5,000,000	-	(5,000,000)
Total other financing sources (uses)	<u>8,774,001</u>	<u>(4,441,436)</u>	<u>(9,295,412)</u>	<u>(4,853,976)</u>
Net change in fund balance	<u>(68,854,886)</u>	<u>(72,822,971)</u>	<u>(7,855,932)</u>	<u>64,967,039</u>
Fund balance - beginning	68,854,886	72,822,971	69,192,032	(3,630,939)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	61,336,100	<u>\$ 61,336,100</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
General Reserve Fund budgeted as separate fund - to General Fund			(61,336,100)	
Fund balance - GAAP basis			<u>\$ -</u>	

City of Portland, Oregon
Transportation Reserve Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 60,000	\$ 60,000	\$ 158,349	\$ 98,349
EXPENDITURES				
Current:				
General operating contingencies	8,226,526	8,340,523	-	8,340,523
Revenues over (under) expenditures	(8,166,526)	(8,280,523)	158,349	8,438,872
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Transportation Operating	700,000	700,000	700,000	-
Net change in fund balance	(7,466,526)	(7,580,523)	858,349	8,438,872
Fund balance - beginning	7,466,526	7,580,523	7,580,523	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	8,438,872	<u>\$ 8,438,872</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Transportation Reserve Fund budgeted as separate fund - to Transportation Operating Fund			(8,438,872)	
Fund balance - GAAP basis			<u>\$ -</u>	

City of Portland, Oregon
Housing Investment Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Lodging	\$ -	\$ -	\$ 1,897,872	\$ 1,897,872
Charges for services:				
Other service charges	30,000	30,410	40,764	10,354
Intergovernmental:				
Local cost sharing	284,648	284,648	-	
Local revenue sharing	-	-	240,539	
Total intergovernmental	284,648	284,648	240,539	(44,109)
Other:				
Loan repayments	300,000	300,000	560,961	
Investment earnings	12,179	12,179	142,019	
Other interest income	129,396	129,396	107,362	
Miscellaneous	-	-	5,500,024	
Total other	441,575	441,575	6,310,366	5,868,791
Total revenues	756,223	756,633	8,489,541	7,732,908
EXPENDITURES				
Current:				
Personal services	990,485	984,949	839,946	
External materials and services	419,585	1,847,372	1,639,545	
Total current expenditures	1,410,070	2,832,321	2,479,491	352,830
General operating contingencies	-	642,805	-	642,805
Debt service and related costs:				
Internal loan remittances	-	1,785,675	-	1,785,675
Total expenditures	1,410,070	5,260,801	2,479,491	2,781,310
Revenues over (under) expenditures	(653,847)	(4,504,168)	6,010,050	10,514,218
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	516,700	6,180,838	6,180,838	-
Total transfers from other funds	516,700	6,180,838	6,180,838	-
Transfers to other funds:				
General Fund overhead	(102,485)	(102,485)	(102,485)	
Tax Increment Reimbursement	(170,340)	(170,340)	(170,340)	
Inclusionary Housing	(334,517)	(653,017)	(552,317)	
Housing Development Costs	(2,464,639)	-	-	
Housing Property	(42,184)	(59,184)	(59,184)	
Total transfers to other funds	(3,114,165)	(985,026)	(884,326)	100,700
Total other financing sources (uses)	(2,597,465)	5,195,812	5,296,512	100,700
Net change in fund balance	(3,251,312)	691,644	11,306,562	10,614,918
Fund balance - beginning	3,251,312	1,453,314	2,817,820	1,364,506
Fund balance - ending	\$ -	\$ 2,144,958	14,124,382	\$ 11,979,424
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			165,184	
Notes and loans receivable, net			6,163,463	
Fund balance - GAAP basis			\$ 20,453,029	

**City of Portland, Oregon
Public Election Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Other service charges	\$ -	\$ -	\$ 15,196	\$ 15,196
Other:				
Miscellaneous	-	-	10	10
Total revenues	<u>-</u>	<u>-</u>	<u>15,206</u>	<u>15,206</u>
EXPENDITURES				
Current:				
Personal services	240,198	260,198	262,328	
External materials and services	985,267	3,087,093	2,193,375	
Internal materials and services	41,007	44,247	32,085	
Total expenditures	<u>1,266,472</u>	<u>3,391,538</u>	<u>2,487,788</u>	<u>903,750</u>
Revenues over (under) expenditures	<u>(1,266,472)</u>	<u>(3,391,538)</u>	<u>(2,472,582)</u>	<u>918,956</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	1,266,472	2,216,472	2,216,472	-
Net change in fund balance	-	(1,175,066)	(256,110)	918,956
Fund balance - beginning	-	1,175,066	1,179,266	4,200
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>923,156</u>	<u>\$ 923,156</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Campaign Finance Fund budgeted as separate fund - to General Fund			(923,156)	
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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Miscellaneous	\$ -	\$ 787	\$ -	\$ (787)
Total revenues	<u>-</u>	<u>787</u>	<u>-</u>	<u>(787)</u>
EXPENDITURES				
General operating contingencies	1,838	-	-	-
Revenues over (under) expenditures	<u>(1,838)</u>	<u>787</u>	<u>-</u>	<u>(787)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	1,838	1,838	-	(1,838)
Transfers to other funds:				
General Fund	-	(2,625)	(2,625)	-
Parks Local Option Levy	-	-	-	-
Total transfers to other funds	<u>-</u>	<u>(2,625)</u>	<u>(2,625)</u>	<u>-</u>
Total other financing sources (uses)	<u>1,838</u>	<u>(787)</u>	<u>(2,625)</u>	<u>(1,838)</u>
Net change in fund balance	-	-	(2,625)	(2,625)
Fund balance - beginning	-	-	2,625	2,625
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			-	-
Fund balance - GAAP basis			<u>\$ -</u>	<u>-</u>

City of Portland, Oregon
Children's Investment Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 21,714,395	\$ 21,243,638	\$ 21,320,206	
Prior year property	287,165	287,165	169,536	
Total taxes	<u>22,001,560</u>	<u>21,530,803</u>	<u>21,489,742</u>	<u>\$ (41,061)</u>
Other:				
Investment earnings	-	353,346	367,951	
Miscellaneous	-	-	31	
Total other	<u>-</u>	<u>353,346</u>	<u>367,982</u>	<u>14,636</u>
Total revenues	<u>22,001,560</u>	<u>21,884,149</u>	<u>21,857,724</u>	<u>(26,425)</u>
EXPENDITURES				
Current:				
Personal services	902,324	902,324	883,626	
External materials and services	23,603,572	23,600,409	18,736,917	
Internal materials and services	53,242	56,405	51,631	
Total current expenditures	<u>24,559,138</u>	<u>24,559,138</u>	<u>19,672,174</u>	<u>4,886,964</u>
General operating contingencies	<u>7,067,144</u>	<u>8,033,590</u>	<u>-</u>	<u>8,033,590</u>
Total expenditures	<u>31,626,282</u>	<u>32,592,728</u>	<u>19,672,174</u>	<u>12,920,554</u>
Revenues over (under) expenditures	<u>(9,624,722)</u>	<u>(10,708,579)</u>	<u>2,185,550</u>	<u>12,894,129</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(25,000)	(25,000)	(25,000)	-
Net change in fund balance	<u>(9,649,722)</u>	<u>(10,733,579)</u>	<u>2,160,550</u>	<u>12,894,129</u>
Fund balance - beginning	<u>9,649,722</u>	<u>10,733,579</u>	<u>10,672,563</u>	<u>(61,016)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>12,833,113</u>	<u>\$ 12,833,113</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>208,254</u>	
Fund balance - GAAP basis			<u>\$ 13,041,367</u>	

City of Portland, Oregon
Community Development Block Grant Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Other service charges	\$ -	\$ -	\$ 10,188	\$ 10,188
Intergovernmental:				
Grants	11,972,159	8,721,889	5,494,006	(3,227,883)
Other:				
Investment earnings (loss)	-	-	8,788	
Loan repayments	1,025,000	1,025,000	1,107,950	
Other interest income	-	-	415,286	
Total other	1,025,000	1,025,000	1,532,024	507,024
Total revenues	12,997,159	9,746,889	7,036,218	(2,710,671)
EXPENDITURES				
Current:				
Personal services	1,349,576	1,375,473	1,163,632	
External materials and services	10,353,619	7,103,349	5,032,442	
Internal materials and services	512,067	512,067	371,366	
Total current expenditures	12,215,262	8,990,889	6,567,440	2,423,449
General operating contingencies	25,897	-	-	-
Debt service and related costs:				
Principal	475,000	475,000	487,000	
Interest	281,000	281,000	268,384	
Total debt service and related costs	756,000	756,000	755,384	616
Total expenditures	12,997,159	9,746,889	7,322,824	2,424,065
Net change in fund balance	-	-	(286,606)	(286,606)
Fund balance - beginning	-	-	1,347,896	1,347,896
Fund balance - ending	\$ -	\$ -	1,061,290	\$ 1,061,290
Adjustment to generally accepted accounting principles (GAAP) basis:				
Notes and loans receivable, net			10,777,209	
Fund balance - GAAP basis			\$ 11,838,499	

City of Portland, Oregon
HOME Grant Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Other service charges	\$ -	\$ -	\$ 593	\$ 593
Intergovernmental:				
Grants	7,716,138	2,902,938	1,878,205	(1,024,733)
Other:				
Loan repayments	696,800	696,800	876,379	
Investment earnings (loss)	-	-	24,681	
Other interest income	145,000	145,000	79,414	
Total other	841,800	841,800	980,474	138,674
Total revenues	8,557,938	3,744,738	2,859,272	(885,466)
EXPENDITURES				
Current:				
Personal services	445,818	445,818	424,173	
External materials and services	8,112,120	3,298,920	1,416,158	
Total expenditures	8,557,938	3,744,738	1,840,331	1,904,407
Net change in fund balance	-	-	1,018,941	1,018,941
Fund balance - beginning	-	-	914,420	914,420
Fund balance - ending	\$ -	\$ -	1,933,361	\$ 1,933,361
Adjustment to generally accepted accounting principles (GAAP) basis:				
Notes and loans receivable, net			6,236,902	
Fund balance - GAAP basis			\$ 8,170,263	

City of Portland, Oregon
Portland Parks Memorial Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Licenses and permits:				
Other permits	\$ 750,000	\$ 750,000	\$ 831,069	\$ 81,069
Charges for services:				
Rents and reimbursements	150,000	150,000	94,241	
Parking fees	3,671,757	3,671,757	2,927,342	
Parks and recreation facilities fees	25,000	25,000	14,535	
Other service charges	20,000	20,000	65,203	
Total charges for services	3,866,757	3,866,757	3,101,321	(765,436)
Other:				
Donations	535,053	535,053	1,692,952	
Investment earnings	118,838	118,838	258,485	
Miscellaneous	-	-	70,470	
Total other	653,891	653,891	2,021,907	1,368,016
Total revenues	5,270,648	5,270,648	5,954,297	683,649
EXPENDITURES				
Current:				
Personal services	1,768,810	1,768,810	860,563	
External materials and services	8,845,184	8,291,929	23,990	
Internal materials and services	2,318,267	2,318,267	1,612,981	
Capital outlay	-	-	13,789	
Total current expenditures	12,932,261	12,379,006	2,511,323	9,867,683
General operating contingencies	1,147,641	1,147,641	-	1,147,641
Total expenditures	14,079,902	13,526,647	2,511,323	11,015,324
Revenues over (under) expenditures	(8,809,254)	(8,255,999)	3,442,974	11,698,973
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	69,645	69,645	69,645	-
Transfers to other funds:				
Parks Capital Improvement Program	(681,600)	(1,234,855)	(1,234,855)	-
Total other financing sources (uses)	(611,955)	(1,165,210)	(1,165,210)	-
Net change in fund balance	(9,421,209)	(9,421,209)	2,277,764	11,698,973
Fund balance - beginning	9,421,209	9,421,209	11,265,406	1,844,197
Fund balance - ending	\$ -	\$ -	13,543,170	\$ 13,543,170
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			157,852	
Fund balance - GAAP basis			\$ 13,701,022	

City of Portland, Oregon
Tax Increment Reimbursement Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Local cost sharing	\$ 48,772,357	\$ 44,977,159	\$ 42,510,014	\$ (2,467,145)
Charges for services:				
Rents and reimbursements	750,923	1,289,923	878,503	
Parking fees	-	-	1,750	
Other service charges	-	-	33,990	
Total charges for services	<u>750,923</u>	<u>1,289,923</u>	<u>914,243</u>	<u>(375,680)</u>
Other:				
Loan repayments	3,394,858	4,864,858	4,950,957	
Investment earnings	75,735	79,735	307,894	
Other interest income	366,357	366,357	738,524	
Miscellaneous revenues	-	-	105	
Total other	<u>3,836,950</u>	<u>5,310,950</u>	<u>5,997,480</u>	<u>686,530</u>
Total revenues	<u>53,360,230</u>	<u>51,578,032</u>	<u>49,421,737</u>	<u>(2,156,295)</u>
EXPENDITURES				
Current:				
Personal services	3,697,880	3,785,880	3,408,656	
External materials and services	42,189,078	40,670,373	30,005,064	
Internal materials and services	1,421,130	1,461,130	1,378,188	
Capital outlay	6,855,000	6,713,200	6,712,383	
Total current expenditures	<u>54,163,088</u>	<u>52,630,583</u>	<u>41,504,291</u>	<u>11,126,292</u>
Total expenditures	<u>54,163,088</u>	<u>52,630,583</u>	<u>41,504,291</u>	<u>11,126,292</u>
Revenues over (under) expenditures	<u>(802,858)</u>	<u>(1,052,551)</u>	<u>7,917,446</u>	<u>8,969,997</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Housing Investment	<u>170,340</u>	<u>170,340</u>	<u>170,340</u>	<u>-</u>
Transfers to other funds:				
General Fund overhead	<u>(749,693)</u>	<u>(749,693)</u>	<u>(749,693)</u>	<u>-</u>
Total other financing sources (uses)	<u>(579,353)</u>	<u>(579,353)</u>	<u>(579,353)</u>	<u>-</u>
Net change in fund balance	(1,382,211)	(1,631,904)	7,338,093	8,969,997
Fund balance - beginning	<u>1,382,211</u>	<u>1,631,904</u>	<u>15,050,542</u>	<u>13,418,638</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>22,388,635</u>	<u>\$ 22,388,635</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			235,689	
Notes and loans receivable, net			<u>54,723,783</u>	
Fund balance - GAAP basis			<u>\$ 77,348,107</u>	

City of Portland, Oregon
Police Special Revenue Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Intergovernmental:				
Federal cost sharing	\$ 10,000	\$ 111,000	\$ 653,351	
State revenue sharing	10,000	80,000	79,297	
Multnomah County cost sharing	165,556	165,556	181,149	
Local cost sharing	265,019	316,259	293,231	
Total intergovernmental	450,575	672,815	1,207,028	\$ 534,213
Other:				
Donations	20,000	20,000	49,834	
Investment earnings	42,807	70,207	108,048	
Total other	62,807	90,207	157,882	67,675
Total revenues	513,382	763,022	1,364,910	601,888
EXPENDITURES				
Current:				
Personal services	199,038	-	-	
External materials and services	4,653,308	5,392,675	140,745	
Internal materials and services	-	477,215	484,459	
Capital outlay	-	357,266	357,265	
Total expenditures	4,852,346	6,227,156	982,469	5,244,687
Net change in fund balance	(4,338,964)	(5,464,134)	382,441	5,846,575
Fund balance - beginning	4,338,964	5,464,134	5,337,740	(126,394)
Fund balance - ending	\$ -	\$ -	5,720,181	\$ 5,720,181
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			68,360	
Fund balance - GAAP basis			\$ 5,788,541	

City of Portland, Oregon
Arts Education and Access Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Miscellaneous	\$ 13,960,000	\$ 13,875,000	\$ 10,473,802	\$ (3,401,198)
Other:				
Investment earnings	120,000	220,000	193,224	(26,776)
Total revenues	14,080,000	14,095,000	10,667,026	(3,427,974)
EXPENDITURES				
Current:				
External materials and services	14,150,000	14,040,000	11,821,739	
Internal materials and services	1,307,951	1,507,951	1,481,800	
Total current expenditures	15,457,951	15,547,951	13,303,539	2,244,412
General operating contingencies	6,731,569	8,099,816	-	8,099,816
Total expenditures	22,189,520	23,647,767	13,303,539	10,344,228
Revenues over (under) expenditures	(8,109,520)	(9,552,767)	(2,636,513)	6,916,254
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(25,000)	(25,000)	(25,000)	-
Net change in fund balance	(8,134,520)	(9,577,767)	(2,661,513)	6,916,254
Fund balance - beginning	8,134,520	9,577,767	9,577,767	-
Fund balance - ending	\$ -	\$ -	6,916,254	\$ 6,916,254
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			85,212	
Fund balance - GAAP basis			\$ 7,001,466	

**City of Portland, Oregon
Community Solar Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 1,294	\$ 1,294	\$ 1,548	
Miscellaneous	9,778	9,778	6,853	
Total revenues	<u>11,072</u>	<u>11,072</u>	<u>8,401</u>	\$ (2,671)
Revenues over (under) expenditures	<u>11,072</u>	<u>11,072</u>	<u>8,401</u>	<u>(2,671)</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	9	9	9	-
Net change in fund balance	<u>11,081</u>	<u>11,081</u>	<u>8,410</u>	<u>(2,671)</u>
Fund balance - beginning	<u>73,332</u>	<u>73,332</u>	<u>71,988</u>	<u>(1,344)</u>
Fund balance - ending	<u>\$ 84,413</u>	<u>\$ 84,413</u>	<u>80,398</u>	<u>\$ (4,015)</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>939</u>	
Fund balance - GAAP basis			<u>\$ 81,337</u>	

City of Portland, Oregon
Inclusionary Housing Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Miscellaneous	\$ 5,100,000	\$ 5,100,000	\$ 6,989,877	\$ 1,889,877
Charges for services:				
Other service charges	469,435	469,435	794,548	325,113
Other:				
Loan repayments	1,000	1,000	757,373	
Investment earnings	230,413	230,413	416,260	
Miscellaneous revenue	-	-	31	
Total other	231,413	231,413	1,173,664	942,251
Total revenues	5,800,848	5,800,848	8,958,089	3,157,241
EXPENDITURES				
Current:				
Personal services	805,406	820,406	839,819	
External materials and services	10,637,141	16,160,641	8,658,490	
Internal materials and services	-	-	27,876	
Total expenditures	11,442,547	16,981,047	9,526,185	7,454,862
Revenues over (under) expenditures	(5,641,699)	(11,180,199)	(568,096)	10,612,103
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Housing Investment	334,517	653,017	552,317	(100,700)
Total other financing sources (uses)	334,517	653,017	552,317	(100,700)
Net change in fund balance	(5,307,182)	(10,527,182)	(15,779)	10,511,403
Fund balance - beginning	5,307,182	10,527,182	16,504,983	5,977,801
Fund balance - ending	\$ -	\$ -	16,489,204	\$ 16,489,204
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			198,706	
Loans receivable, net			3,345,133	
Fund balance - GAAP basis			\$ 20,033,043	

City of Portland, Oregon
Housing Property Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 5,333,629	\$ 5,333,629	\$ 2,021,665	\$ (3,311,964)
Other:				
Investment earnings	40,000	40,000	85,996	
Miscellaneous revenues	-	-	3	
Total other	40,000	40,000	85,999	45,999
Total revenues	5,373,629	5,373,629	2,107,664	(3,265,965)
EXPENDITURES				
Current:				
Personal services	49,839	84,939	79,355	
External materials and services	4,221,095	5,662,395	4,640,049	
Internal materials and services	125,077	92,077	95,363	
Capital outlay	-	-	5,554	
Total current expenditures	4,396,011	5,839,411	4,820,321	1,019,090
General operating contingencies	314,418	47,044	-	47,044
Debt service and related costs:				
Principal	400,000	400,000	335,000	
Interest	312,750	312,750	377,750	
Total debt service and related costs	712,750	712,750	712,750	-
Total expenditures	5,423,179	6,599,205	5,533,071	1,066,134
Revenues over (under) expenditures	(49,550)	(1,225,576)	(3,425,407)	(2,199,831)
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Housing Investment	42,184	59,184	59,184	-
Total other financing sources (uses)	42,184	59,184	59,184	-
Net change in fund balance	(7,366)	(1,166,392)	(3,366,223)	(2,199,831)
Fund balance - beginning	7,366	1,166,392	7,016,941	5,850,549
Fund balance - ending	\$ -	\$ -	3,650,718	\$ 3,650,718
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized Gain (Loss) on investments			37,287	
Fund balance - GAAP basis			\$ 3,688,005	

City of Portland, Oregon
Recreational Cannabis Tax Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Miscellaneous	\$ 4,400,000	\$ 4,400,000	\$ 5,507,059	\$ 1,107,059
Other:				
Investment earnings	15,000	15,000	94,749	79,749
Total revenues	<u>4,415,000</u>	<u>4,415,000</u>	<u>5,601,808</u>	<u>1,186,808</u>
EXPENDITURES				
Current:				
Personal services	3,273,341	3,273,341	2,887,544	
External materials and services	3,542,792	3,759,372	2,450,209	
Internal materials and services	-	-	401,753	
Capital outlay	150,747	30,000	195,028	
Total current expenditures	<u>6,966,880</u>	<u>7,062,713</u>	<u>5,934,534</u>	<u>1,128,179</u>
General operating contingencies	<u>873,864</u>	<u>1,318,354</u>	<u>-</u>	<u>1,318,354</u>
Total expenditures	<u>7,840,744</u>	<u>8,381,067</u>	<u>5,934,534</u>	<u>2,446,533</u>
Net change in fund balance	(3,425,744)	(3,966,067)	(332,726)	3,633,341
Fund balance - beginning	3,425,744	3,966,067	3,966,070	3
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>3,633,344</u>	<u>\$ 3,633,344</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			49,602	
Fund balance - GAAP basis			<u>\$ 3,682,946</u>	

**City of Portland, Oregon
Cannabis Licensing Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Other service charges	\$ 1,294,535	\$ 1,294,454	\$ 1,203,014	\$ (91,440)
Other:				
Miscellaneous	-	-	100	100
Total revenues	<u>1,294,535</u>	<u>1,294,454</u>	<u>1,203,114</u>	<u>(91,340)</u>
EXPENDITURES				
Current:				
Personal services	1,093,182	1,093,182	829,622	
External materials and services	58,350	58,350	54,326	
Internal materials and services	143,003	142,922	136,161	
Total current expenditures	<u>1,294,535</u>	<u>1,294,454</u>	<u>1,020,109</u>	<u>274,345</u>
Total expenditures	<u>1,294,535</u>	<u>1,294,454</u>	<u>1,020,109</u>	<u>274,345</u>
Net change in fund balance	-	-	183,005	183,005
Fund balance - beginning	-	-	1,341,028	1,341,028
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	1,524,033	<u>\$ 1,524,033</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			16,882	
Fund balance - GAAP basis			<u>\$ 1,540,915</u>	

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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Miscellaneous	\$ 50,000,000	\$ 50,000,000	\$ 62,655,771	\$ 12,655,771
Other:				
Investment earnings	-	-	67,158	
Miscellaneous	-	-	24	
Total other	-	-	67,182	67,182
Total revenues	<u>50,000,000</u>	<u>50,000,000</u>	<u>62,722,953</u>	<u>12,722,953</u>
EXPENDITURES				
Current:				
Personal services	1,228,615	1,217,854	948,314	
External materials and services	825,000	798,500	91,491	
Internal materials and services	199,460	236,721	81,902	
Total current expenditures	<u>2,253,075</u>	<u>2,253,075</u>	<u>1,121,707</u>	<u>1,131,368</u>
General operating contingencies	10,000,000	14,129,594	-	14,129,594
Total expenditures	<u>12,253,075</u>	<u>16,382,669</u>	<u>1,121,707</u>	<u>15,260,962</u>
Revenues over (under) expenditures	<u>37,746,925</u>	<u>33,617,331</u>	<u>61,601,246</u>	<u>27,983,915</u>
OTHER FINANCING SOURCES (USES)				
Internal loan proceeds	2,253,075	-	-	-
Net change in fund balance	40,000,000	33,617,331	61,601,246	27,983,915
Fund balance - beginning	-	6,382,669	6,342,613	(40,056)
Fund balance - ending	<u>\$ 40,000,000</u>	<u>\$ 40,000,000</u>	<u>67,943,859</u>	<u>\$ 27,943,859</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			770,063	
Fund balance - GAAP basis			<u>\$ 68,713,922</u>	

City of Portland, Oregon
Housing Development Costs Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 284,605	\$ 284,605
Total revenues	<u>-</u>	<u>-</u>	<u>284,605</u>	<u>284,605</u>
EXPENDITURES				
Current:				
Personal services	1,183,326	993,211	765,361	
External materials and services	800,000	169,380	107,694	
Internal materials and services	481,313	511,933	472,507	
Total current expenditures	<u>2,464,639</u>	<u>1,674,524</u>	<u>1,345,562</u>	<u>328,962</u>
Debt issuance costs	-	2,145,000	621,949	1,523,051
Total expenditures	<u>2,464,639</u>	<u>3,819,524</u>	<u>1,967,511</u>	<u>1,852,013</u>
Revenues over (under) expenditures	<u>(2,464,639)</u>	<u>(3,819,524)</u>	<u>(1,682,906)</u>	<u>2,136,618</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Housing Investment	2,464,639	-	-	-
Bonds and notes issued	-	2,145,000	164,205,000	162,060,000
Internal loan proceeds	-	1,674,524	-	(1,674,524)
Total other financing sources (uses)	<u>2,464,639</u>	<u>3,819,524</u>	<u>164,205,000</u>	<u>160,385,476</u>
Net change in fund balance	-	-	162,522,094	162,522,094
Fund balance - beginning	-	-	(3,295)	(3,295)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>162,518,799</u>	<u>\$ 162,518,799</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			1,904,026	
Fund balance - GAAP basis			<u>\$ 164,422,825</u>	

Debt Service Funds Budget and Actual



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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

This fund accounts for tax increment revenues and debt service payments for activities associated with the North Macadam Urban Renewal Area.

Special Projects Debt Service Fund

This fund accounts for the payment of principal and interest on bonds to be issued for a variety of special projects. These projects comprise only the Convention Center Expansion at this time.

Gateway Urban Renewal Area Debt Redemption Fund

This fund accounts for tax increment revenues and debt service payments for activities associated with the establishment of the Gateway Urban Renewal Area.

Governmental Bond Redemption Fund

This fund accounts for the payment of principal and interest on capital lease bond and note obligations.

42nd Avenue Neighborhood Prosperity Initiative Debt Service Fund

This fund was established to account for the allocation of resources to pay indebtedness related to improvements in accordance with the urban renewal plan. Oregon Revised Statutes require that a separate fund be created for each urban renewal area.

Cully Boulevard Neighborhood Prosperity Initiative Debt Service Fund

This fund was established to account for the allocation of resources to pay indebtedness related to improvements in accordance with the urban renewal plan. Oregon Revised Statutes require that a separate fund be created for each urban renewal area.

Parkrose Neighborhood Prosperity Initiative Debt Service Fund

This fund was established to account for the allocation of resources to pay indebtedness related to improvements in accordance with the urban renewal plan. Oregon Revised Statutes require that a separate fund be created for each urban renewal area.

Rosewood Neighborhood Prosperity Initiative Debt Service Fund

This fund was established to account for the allocation of resources to pay indebtedness related to improvements in accordance with the urban renewal plan. Oregon Revised Statutes require that a separate fund be created for each urban renewal area.

Division-Midway Neighborhood Prosperity Initiative Debt Service Fund

This fund was established to account for the allocation of resources to pay indebtedness related to improvements in accordance with the urban renewal plan. Oregon Revised Statutes require that a separate fund be created for each urban renewal area.

82nd Avenue/Division Neighborhood Prosperity Initiative Debt Service Fund

This fund was established to account for the allocation of resources to pay indebtedness related to improvements in accordance with the urban renewal plan. Oregon Revised Statutes require that a separate fund be created for each urban renewal area.

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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 43,500,000	\$ 44,500,000	\$ 44,716,092	
Prior year property	150,000	300,000	354,700	
Total taxes	<u>43,650,000</u>	<u>44,800,000</u>	<u>45,070,792</u>	\$ 270,792
Other:				
Investment earnings	319,000	600,000	850,095	250,095
Total revenues	<u>43,969,000</u>	<u>45,400,000</u>	<u>45,920,887</u>	<u>520,887</u>
EXPENDITURES				
Debt service and related costs:				
Principal	43,490,000	43,490,000	18,490,000	
Interest	11,460,142	11,460,142	2,858,646	
Total expenditures	<u>54,950,142</u>	<u>54,950,142</u>	<u>21,348,646</u>	33,601,496
Revenues over (under) expenditures	<u>(10,981,142)</u>	<u>(9,550,142)</u>	<u>24,572,241</u>	<u>34,122,383</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Special Finance and Resource	-	20,000	16,101	(3,899)
Net change in fund balance	<u>(10,981,142)</u>	<u>(9,530,142)</u>	<u>24,588,342</u>	<u>34,118,484</u>
Fund balance - beginning	<u>18,600,000</u>	<u>18,600,000</u>	<u>20,029,394</u>	<u>1,429,394</u>
Fund balance - ending	<u>\$ 7,618,858</u>	<u>\$ 9,069,858</u>	<u>44,617,736</u>	<u>\$ 35,547,878</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>514,969</u>	
Fund balance - GAAP basis			<u>\$ 45,132,705</u>	

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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 14,295,727	\$ 14,295,727	\$ 14,411,613	
Prior year property	50,000	115,000	143,477	
Total taxes	<u>14,345,727</u>	<u>14,410,727</u>	<u>14,555,090</u>	<u>\$ 144,363</u>
Other:				
Investment earnings	20,000	100,000	163,079	
Other interest income	-	-	321	
Total other	<u>20,000</u>	<u>100,000</u>	<u>163,400</u>	<u>63,400</u>
Total revenues	<u>14,365,727</u>	<u>14,510,727</u>	<u>14,718,490</u>	<u>207,763</u>
EXPENDITURES				
Debt service and related costs:				
Principal	9,895,000	9,895,000	9,895,000	
Interest	5,370,727	5,370,727	5,370,725	
Total expenditures	<u>15,265,727</u>	<u>15,265,727</u>	<u>15,265,725</u>	<u>2</u>
Revenues over (under) expenditures	<u>(900,000)</u>	<u>(755,000)</u>	<u>(547,235)</u>	<u>207,765</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Public Safety GO Bond	-	33,000	21,116	(11,884)
Net change in fund balance	<u>(900,000)</u>	<u>(722,000)</u>	<u>(526,119)</u>	<u>195,881</u>
Fund balance - beginning	<u>1,100,000</u>	<u>1,100,000</u>	<u>1,743,939</u>	<u>643,939</u>
Fund balance - ending	<u>\$ 200,000</u>	<u>\$ 378,000</u>	<u>1,217,820</u>	<u>\$ 839,820</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>11,931</u>	
Fund balance - GAAP basis			<u>\$ 1,229,751</u>	

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, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 8,648,793	\$ 8,648,793	\$ 8,824,194	
Prior year property	40,000	40,000	73,160	
Total taxes	8,688,793	8,688,793	8,897,354	\$ 208,561
Other:				
Investment earnings	125,000	125,000	261,312	
Other interest income	-	-	217	
Total other	125,000	125,000	261,529	136,529
Total revenues	8,813,793	8,813,793	9,158,883	345,090
EXPENDITURES				
Debt service and related costs:				
Principal	7,560,000	7,560,000	7,560,000	
Interest	1,931,925	1,931,925	1,931,925	
Total expenditures	9,491,925	9,491,925	9,491,925	-
Net change in fund balance	(678,132)	(678,132)	(333,042)	345,090
Fund balance - beginning	7,828,635	7,828,635	8,767,673	939,038
Fund balance - ending	\$ 7,150,503	\$ 7,150,503	8,434,631	\$ 1,284,128
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			97,102	
Fund balance - GAAP basis			\$ 8,531,733	

City of Portland, Oregon
Interstate Corridor Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 37,040,000	\$ 39,960,000	\$ 40,084,906	
Prior year property	100,000	250,000	290,081	
Total taxes	<u>37,140,000</u>	<u>40,210,000</u>	<u>40,374,987</u>	<u>\$ 164,987</u>
Other:				
Investment earnings	553,000	600,000	670,643	
Other interest income	-	-	130	
Total other	<u>553,000</u>	<u>600,000</u>	<u>670,773</u>	<u>70,773</u>
Total revenues	<u>37,693,000</u>	<u>40,810,000</u>	<u>41,045,760</u>	<u>235,760</u>
EXPENDITURES				
Debt service and related costs:				
Principal	39,595,000	39,595,000	30,695,000	
Interest	8,311,652	3,311,652	2,499,887	
Total expenditures	<u>47,906,652</u>	<u>42,906,652</u>	<u>33,194,887</u>	<u>9,711,765</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Special Finance and Resource	-	1,500	811	(689)
Net change in fund balance	(10,213,652)	(2,095,152)	7,851,684	9,946,836
Fund balance - beginning	<u>15,925,000</u>	<u>15,925,000</u>	<u>16,877,188</u>	<u>952,188</u>
Fund balance - ending	<u>\$ 5,711,348</u>	<u>\$ 13,829,848</u>	<u>24,728,872</u>	<u>\$ 10,899,024</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>283,564</u>	
Fund balance - GAAP basis			<u>\$ 25,012,436</u>	

City of Portland, Oregon
Pension Debt Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Other interest income	\$ -	\$ -	\$ 135	
Investment earnings	60,000	60,000	45,437	
Miscellaneous	968,015	968,015	968,015	
Total revenues	<u>1,028,015</u>	<u>1,028,015</u>	<u>1,013,587</u>	<u>\$ (14,428)</u>
EXPENDITURES				
Debt service and related costs:				
Principal	4,644,192	4,644,192	4,644,194	
Interest	1,213,972	1,213,972	1,213,970	
Debt issuance costs	500	5,500	5,254	
Total expenditures	<u>5,858,664</u>	<u>5,863,664</u>	<u>5,863,418</u>	<u>246</u>
Revenues over (under) expenditures	<u>(4,830,649)</u>	<u>(4,835,649)</u>	<u>(4,849,831)</u>	<u>(14,182)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	1,892,525	1,892,525	1,892,525	
Transportation Operating	925,258	925,258	925,258	
Emergency Communication	47,868	47,868	47,868	
Development Services	240,234	240,234	240,234	
Local Improvement District	17,135	17,135	17,135	
Parks Capital Improvement Program	23,194	23,194	23,194	
Sewer System Operating	657,567	657,567	657,567	
Water	5,039	5,039	5,039	
Hydroelectric Power Operating	682,955	682,955	682,955	
Golf	41,181	41,181	41,181	
Portland International Raceway	7,928	7,928	7,928	
Solid Waste Management	12,788	12,788	12,788	
Environmental Remediation	295	295	295	
Health Insurance Operating	7,601	7,601	7,601	
Facilities Services Operating	40,936	40,936	40,936	
CityFleet Operating	96,195	96,195	96,195	
Printing and Distribution Services Operating	32,599	32,599	32,599	
Insurance and Claims Operating	17,963	17,963	17,963	
Workers' Compensation Self Insurance Operating	16,801	16,801	16,801	
Technology Services	114,331	114,331	114,331	
Fire and Police Disability and Retirement	10,256	10,256	10,256	
Total other financing sources (uses)	<u>4,890,649</u>	<u>4,890,649</u>	<u>4,890,649</u>	<u>-</u>
Net change in fund balance	60,000	55,000	40,818	(14,182)
Fund balance - beginning	690,000	690,000	961,862	271,862
Fund balance - ending	<u>\$ 750,000</u>	<u>\$ 745,000</u>	<u>1,002,680</u>	<u>\$ 257,680</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			11,597	
Fund balance - GAAP basis			<u>\$ 1,014,277</u>	

City of Portland, Oregon
South Park Block Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 6,727,778	\$ 6,727,778	\$ 6,848,558	
Prior year property	30,000	30,000	54,455	
Total taxes	6,757,778	6,757,778	6,903,013	\$ 145,235
Other:				
Investment earnings	125,000	125,000	164,057	
Other interest income	-	-	85	
Total other	125,000	125,000	164,142	39,142
Total revenues	6,882,778	6,882,778	7,067,155	184,377
EXPENDITURES				
External materials and services	2,000,000	2,000,000	2,000,000	-
Debt service and related costs:				
Principal	6,465,465	6,465,465	6,465,466	
Interest	714,035	714,035	714,033	
Debt issuance costs	-	-	-	
Total expenditures	9,179,500	9,179,500	9,179,499	1
Net change in fund balance	(2,296,722)	(2,296,722)	(2,112,344)	184,378
Fund balance - beginning	4,488,952	4,488,952	5,281,848	792,896
Fund balance - ending	\$ 2,192,230	\$ 2,192,230	3,169,504	\$ 977,274
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			35,938	
Fund balance - GAAP basis			\$ 3,205,442	

City of Portland, Oregon
Airport Way Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 3,772,079	\$ 3,772,079	\$ 3,812,748	
Prior year property	20,000	20,000	40,298	
Total taxes	<u>3,792,079</u>	<u>3,792,079</u>	<u>3,853,046</u>	<u>\$ 60,967</u>
Other:				
Investment earnings	30,000	30,000	74,093	44,093
Total revenues	<u>3,822,079</u>	<u>3,822,079</u>	<u>3,927,139</u>	<u>105,060</u>
EXPENDITURES				
Debt service and related costs:				
Principal	5,118,900	5,118,900	5,118,900	
Interest	70,641	70,641	70,641	
Total expenditures	<u>5,189,541</u>	<u>5,189,541</u>	<u>5,189,541</u>	<u>-</u>
Net change in fund balance	(1,367,462)	(1,367,462)	(1,262,402)	105,060
Fund balance - beginning	<u>1,632,462</u>	<u>1,632,462</u>	<u>1,896,650</u>	<u>264,188</u>
Fund balance - ending	<u>\$ 265,000</u>	<u>\$ 265,000</u>	<u>634,248</u>	<u>\$ 369,248</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>6,745</u>	
Fund balance - GAAP basis			<u>\$ 640,993</u>	

City of Portland, Oregon
Gas Tax Bond Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 31,058	
Other interest income	-	-	21	
Total revenues	<u>-</u>	<u>-</u>	<u>31,079</u>	<u>\$ 31,079</u>
EXPENDITURES				
Debt service and related costs:				
Principal	1,520,000	1,520,000	1,520,000	
Interest	223,750	223,750	223,750	
Total expenditures	<u>1,743,750</u>	<u>1,743,750</u>	<u>1,743,750</u>	<u>-</u>
Revenues over (under) expenditures	<u>(1,743,750)</u>	<u>(1,743,750)</u>	<u>(1,712,671)</u>	<u>31,079</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Transportation Operating	1,743,750	1,743,750	1,672,764	(70,986)
Net change in fund balance	-	-	(39,907)	(39,907)
Fund balance - beginning	<u>1,673,047</u>	<u>1,673,047</u>	<u>1,723,027</u>	<u>49,980</u>
Fund balance - ending	<u>\$ 1,673,047</u>	<u>\$ 1,673,047</u>	<u>1,683,120</u>	<u>\$ 10,073</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			<u>-</u>	
Fund balance - GAAP basis			<u>\$ 1,683,120</u>	

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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 18,146,844	\$ 18,846,844	\$ 19,048,182	
Prior year property	65,000	110,000	146,023	
Total taxes	<u>18,211,844</u>	<u>18,956,844</u>	<u>19,194,205</u>	<u>\$ 237,361</u>
Other:				
Investment earnings	305,000	305,000	345,855	
Other interest income	-	-	65	
Total other	<u>305,000</u>	<u>305,000</u>	<u>345,920</u>	<u>40,920</u>
Total revenues	<u>18,516,844</u>	<u>19,261,844</u>	<u>19,540,125</u>	<u>278,281</u>
EXPENDITURES				
Debt service and related costs:				
Principal	21,690,000	22,690,000	13,790,000	
Interest	2,872,252	2,872,252	1,865,942	
Debt issuance costs	-	-	34,910	
Total expenditures	<u>24,562,252</u>	<u>25,562,252</u>	<u>15,690,852</u>	<u>9,871,400</u>
Revenues over (under) expenditures	<u>(6,045,408)</u>	<u>(6,300,408)</u>	<u>3,849,273</u>	<u>10,149,681</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Special Finance and Resource	-	110,000	105,826	(4,174)
Bonds and notes issued	-	-	23,386,313	23,386,313
Refund loan & bond escrow agents	-	-	(23,275,000)	(23,275,000)
Total other financing sources (uses)	<u>-</u>	<u>110,000</u>	<u>217,139</u>	<u>107,139</u>
Net change in fund balance	<u>(6,045,408)</u>	<u>(6,190,408)</u>	<u>4,066,412</u>	<u>10,256,820</u>
Fund balance - beginning	9,078,000	9,223,000	9,651,940	428,940
Fund balance - ending	<u>\$ 3,032,592</u>	<u>\$ 3,032,592</u>	<u>13,718,352</u>	<u>\$ 10,685,760</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			157,783	
Fund balance - GAAP basis			<u>\$ 13,876,135</u>	

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, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 9,374,625	\$ 9,374,625	\$ 9,486,616	
Prior year property	35,000	35,000	77,821	
Total taxes	9,409,625	9,409,625	9,564,437	\$ 154,812
Other:				
Investment earnings	124,000	124,000	142,257	
Other interest income	-	-	52	
Total other	124,000	124,000	142,309	18,309
Total revenues	9,533,625	9,533,625	9,706,746	173,121
EXPENDITURES				
Debt service and related costs:				
Principal	8,045,000	8,045,000	8,045,000	
Interest	2,421,762	2,422,262	1,192,020	
Total expenditures	10,466,762	10,467,262	9,237,020	1,230,242
Revenues over (under) expenditures	(933,137)	(933,637)	469,726	1,403,363
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Special Finance and Resource	-	500	316	(184)
Net change in fund balance	(933,137)	(933,137)	470,042	1,403,179
Fund balance - beginning	3,339,000	3,339,000	3,621,541	282,541
Fund balance - ending	\$ 2,405,863	\$ 2,405,863	4,091,583	\$ 1,685,720
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			46,542	
Fund balance - GAAP basis			\$ 4,138,125	

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, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Assessments	\$ 4,000,000	\$ 7,200,000	\$ 6,885,693	
Investment earnings	200,000	450,000	441,419	
Other interest income	1,500,000	1,500,000	1,419,841	
Total revenues	5,700,000	9,150,000	8,746,953	\$ (403,047)
EXPENDITURES				
Debt service and related costs:				
Principal	4,100,000	5,100,000	5,005,000	
Interest	1,600,000	1,600,000	1,470,389	
Total expenditures	5,700,000	6,700,000	6,475,389	224,611
Net change in fund balance	-	2,450,000	2,271,564	(178,436)
Fund balance - beginning	15,500,000	15,500,000	18,262,698	2,762,698
Fund balance - ending	\$ 15,500,000	\$ 17,950,000	20,534,262	\$ 2,584,262
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			237,237	
Fund balance - GAAP basis			\$ 20,771,499	

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, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 13,366,985	\$ 13,366,985	\$ 13,598,163	
Prior year property	50,000	50,000	110,489	
Total taxes	13,416,985	13,416,985	13,708,652	\$ 291,667
Other:				
Investment earnings	200,000	200,000	629,857	
Other interest income	-	-	119	
Total other	200,000	200,000	629,976	429,976
Total revenues	13,616,985	13,616,985	14,338,628	721,643
EXPENDITURES				
Debt service and related costs:				
Principal	5,280,000	5,280,000	5,280,000	
Interest	3,031,918	3,031,918	3,031,917	
Total expenditures	8,311,918	8,311,918	8,311,917	1
Net change in fund balance	5,305,067	5,305,067	6,026,711	721,644
Fund balance - beginning	22,125,300	22,125,300	23,291,999	1,166,699
Fund balance - ending	\$ 27,430,367	\$ 27,430,367	29,318,710	\$ 1,888,343
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			340,214	
Fund balance - GAAP basis			\$ 29,658,924	

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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 18,631,812	\$ 18,631,812	\$ 18,811,448	
Prior year property	70,000	125,000	140,720	
Total taxes	<u>18,701,812</u>	<u>18,756,812</u>	<u>18,952,168</u>	<u>\$ 195,356</u>
Other:				
Investment earnings	216,000	216,000	259,417	
Other interest income	-	-	109	
Total other	<u>216,000</u>	<u>216,000</u>	<u>259,526</u>	<u>43,526</u>
Total revenues	<u>18,917,812</u>	<u>18,972,812</u>	<u>19,211,694</u>	<u>238,882</u>
EXPENDITURES				
Debt service and related costs:				
Principal	16,740,000	16,740,000	16,740,000	
Interest	2,599,162	2,599,162	2,220,635	
Debt issuance costs	-	-	109,883	
Total expenditures	<u>19,339,162</u>	<u>19,339,162</u>	<u>19,070,518</u>	<u>268,644</u>
Revenues over (under) expenditures	<u>(421,350)</u>	<u>(366,350)</u>	<u>141,176</u>	<u>507,526</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Special Finance and Resource	-	15,000	12,490	(2,510)
Bonds and notes issued	-	-	39,423,475	39,423,475
Refund loan & bond escrow agents	-	-	(39,295,000)	(39,295,000)
Total other financing sources (uses)	<u>-</u>	<u>15,000</u>	<u>140,965</u>	<u>125,965</u>
Net change in fund balance	<u>(421,350)</u>	<u>(351,350)</u>	<u>282,141</u>	<u>633,491</u>
Fund balance - beginning	5,387,000	5,387,000	6,454,236	1,067,236
Fund balance - ending	<u>\$ 4,965,650</u>	<u>\$ 5,035,650</u>	<u>6,736,377</u>	<u>\$ 1,700,727</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>77,232</u>	
Fund balance - GAAP basis			<u>\$ 6,813,609</u>	

City of Portland, Oregon
Special Projects Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Local revenue sharing	\$ 8,194,550	\$ 8,194,550	\$ 8,108,750	
Local cost sharing	-	21,302	107,101	
Total Intergovernmental	<u>8,194,550</u>	<u>8,215,852</u>	<u>8,215,851</u>	<u>\$ (1)</u>
Other:				
Investment earnings	-	-	6,501	
Other interest income	-	-	72	
Total other	<u>-</u>	<u>-</u>	<u>6,573</u>	<u>6,573</u>
Total revenues	<u>8,194,550</u>	<u>8,215,852</u>	<u>8,222,424</u>	<u>6,572</u>
EXPENDITURES				
Debt service and related costs:				
Principal	2,405,480	2,413,545	2,413,545	
Interest	5,892,070	5,882,312	5,882,311	
Total expenditures	<u>8,297,550</u>	<u>8,295,857</u>	<u>8,295,856</u>	<u>1</u>
Revenues over (under) expenditures	(103,000)	(80,005)	(73,432)	6,573
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	103,000	80,005	80,005	-
Net change in fund balance	<u>-</u>	<u>-</u>	<u>6,573</u>	<u>6,573</u>
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>87,596</u>	<u>87,596</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>94,169</u>	<u>\$ 94,169</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>1,048</u>	
Fund balance - GAAP basis			<u>\$ 95,217</u>	

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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 5,928,767	\$ 5,928,767	\$ 5,849,827	
Prior year property	25,000	25,000	48,484	
Total taxes	<u>5,953,767</u>	<u>5,953,767</u>	<u>5,898,311</u>	<u>\$ (55,456)</u>
Other:				
Investment earnings	44,000	44,000	55,288	11,288
Total revenues	<u>5,997,767</u>	<u>5,997,767</u>	<u>5,953,599</u>	<u>(44,168)</u>
EXPENDITURES				
Debt service and related costs:				
Principal	6,000,000	6,000,000	6,000,000	
Interest	683,767	685,267	270,704	
Total expenditures	<u>6,683,767</u>	<u>6,685,267</u>	<u>6,270,704</u>	<u>414,563</u>
Revenues over (under) expenditures	<u>(686,000)</u>	<u>(687,500)</u>	<u>(317,105)</u>	<u>370,395</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Special Finance and Resource	-	1,500	1,027	(473)
Net change in fund balance	<u>(686,000)</u>	<u>(686,000)</u>	<u>(316,078)</u>	<u>369,922</u>
Fund balance - beginning	686,000	686,000	902,011	216,011
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>585,933</u>	<u>\$ 585,933</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			6,132	
Fund balance - GAAP basis			<u>\$ 592,065</u>	

City of Portland, Oregon
Governmental Bond Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 13,340	
Other interest income	-	-	29	
Miscellaneous	1,020,000	1,020,000	653,993	
Total revenues	<u>1,020,000</u>	<u>1,020,000</u>	<u>667,362</u>	<u>\$ (352,638)</u>
EXPENDITURES				
Debt service and related costs:				
Principal	1,620,000	4,953,500	4,955,000	
Interest	1,853,619	1,548,719	1,151,309	
Total expenditures	<u>3,473,619</u>	<u>6,502,219</u>	<u>6,106,309</u>	<u>395,910</u>
Revenues over (under) expenditures	<u>(2,453,619)</u>	<u>(5,482,219)</u>	<u>(5,438,947)</u>	<u>43,272</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	2,154,619	5,453,219	5,417,319	
General Reserve	299,000	29,000	98	
Total transfers from other funds	<u>2,453,619</u>	<u>5,482,219</u>	<u>5,417,417</u>	<u>(64,802)</u>
Net change in fund balance	-	-	(21,530)	(21,530)
Fund balance - beginning	-	-	34,802	34,802
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>13,272</u>	<u>\$ 13,272</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			-	
Fund balance - GAAP basis			<u>\$ 13,272</u>	

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, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 93,615	\$ 98,000	\$ 98,308	
Prior year property	500	1,000	1,164	
Total taxes	94,115	99,000	99,472	\$ 472
Other:				
Investment earnings	-	650	1,168	518
Total revenues	94,115	99,650	100,640	990
EXPENDITURES				
Current:				
External materials and services	94,115	102,517	101,900	
Total expenditures	94,115	102,517	101,900	617
Net change in fund balance	-	(2,867)	(1,260)	1,607
Fund balance - beginning	-	2,867	2,867	-
Fund balance - ending	\$ -	\$ -	1,607	\$ 1,607
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			1,197	
Fund balance - GAAP basis			\$ 2,804	

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, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 93,615	\$ 98,000	\$ 98,269	
Prior year property	500	1,350	1,512	
Total taxes	94,115	99,350	99,781	\$ 431
Other:				
Investment earnings	-	650	1,166	516
Total revenues	94,115	100,000	100,947	947
EXPENDITURES				
Current:				
External materials and services	94,115	102,727	101,700	1,027
Total expenditures	94,115	102,727	101,700	1,027
Net change in fund balance	-	(2,727)	(753)	1,974
Fund balance - beginning	-	2,727	2,727	-
Fund balance - ending	\$ -	\$ -	1,974	\$ 1,974
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			1,195	
Fund balance - GAAP basis			\$ 3,169	

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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 93,618	\$ 100,000	\$ 100,272	
Prior year property	500	1,200	1,347	
Total taxes	<u>94,118</u>	<u>101,200</u>	<u>101,619</u>	<u>\$ 419</u>
Other:				
Investment earnings	-	650	1,217	567
Total revenues	<u>94,118</u>	<u>101,850</u>	<u>102,836</u>	<u>986</u>
EXPENDITURES				
Current:				
External materials and services	94,118	105,797	105,200	597
Total expenditures	<u>94,118</u>	<u>105,797</u>	<u>105,200</u>	<u>597</u>
Net change in fund balance	-	(3,947)	(2,364)	1,583
Fund balance - beginning	-	3,947	3,947	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	1,583	<u>\$ 1,583</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			1,236	
Fund balance - GAAP basis			<u>\$ 2,819</u>	

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, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 93,465	\$ 98,000	\$ 97,979	
Prior year property	500	1,380	1,570	
Total taxes	93,965	99,380	99,549	\$ 169
Other:				
Investment earnings	-	650	1,173	523
Total revenues	93,965	100,030	100,722	692
EXPENDITURES				
Current:				
External materials and services	93,965	102,811	101,600	1,211
Total expenditures	93,965	102,811	101,600	1,211
Net change in fund balance	-	(2,781)	(878)	1,903
Fund balance - beginning	-	2,781	2,781	-
Fund balance - ending	\$ -	\$ -	1,903	\$ 1,903
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			1,194	
Fund balance - GAAP basis			\$ 3,097	

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, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 93,970	\$ 100,100	\$ 100,223	
Prior year property	500	2,700	2,835	
Total taxes	94,470	102,800	103,058	\$ 258
Other:				
Investment earnings	-	650	1,197	547
Total revenues	94,470	103,450	104,255	805
EXPENDITURES				
Current:				
External materials and services	94,470	106,241	103,800	2,441
Total expenditures	94,470	106,241	103,800	2,441
Net change in fund balance	-	(2,791)	455	3,246
Fund balance - beginning	-	2,791	2,791	-
Fund balance - ending	\$ -	\$ -	3,246	\$ 3,246
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			1,219	
Fund balance - GAAP basis			\$ 4,465	

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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 93,615	\$ 98,000	\$ 98,252	
Prior year property	500	1,100	1,227	
Total taxes	<u>94,115</u>	<u>99,100</u>	<u>99,479</u>	<u>\$ 379</u>
Other:				
Investment earnings	-	650	1,175	525
Total revenues	<u>94,115</u>	<u>99,750</u>	<u>100,654</u>	<u>904</u>
EXPENDITURES				
Current:				
External materials and services	94,115	102,945	102,200	745
Total expenditures	<u>94,115</u>	<u>102,945</u>	<u>102,200</u>	<u>745</u>
Net change in fund balance	-	(3,195)	(1,546)	1,649
Fund balance - beginning	-	3,195	3,195	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	1,649	<u>\$ 1,649</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			1,201	
Fund balance - GAAP basis			<u>\$ 2,850</u>	

Capital Projects Funds Budget and Actual



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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.

Fire Capital Fund

This fund serves to support the repair, replacement and renewal of Portland Fire & Rescue's capital assets, including facilities, apparatus and equipment.

City of Portland, Oregon
Special Finance and Resource Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 19,716	\$ 19,716
EXPENDITURES				
Current:				
External materials and services	120,957,796	84,411,030	84,392,327	18,703
Debt service and related costs:				
Debt issuance costs	847,204	284,963	133,584	151,379
Total expenditures	121,805,000	84,695,993	84,525,911	170,082
Revenues over (under) expenditures	(121,805,000)	(84,695,993)	(84,506,195)	189,798
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Reserve	-	6,046,727	6,029,605	(17,122)
Transfers to other funds:				
River District Urban Renewal Area Debt Redemption	-	(20,000)	(16,101)	
Interstate Corridor Debt Service	-	(1,500)	(811)	
Lents Town Center Urban Renewal Area Debt Redemption	-	(110,000)	(105,826)	
Central Eastside Industrial District Debt Service	-	(500)	(316)	
North Macadam Urban Renewal Area Debt Redemption	-	(15,000)	(12,490)	
Gateway Urban Renewal Area Debt Redemption	-	(1,500)	(1,027)	
Total Transfers to other funds	-	(148,500)	(136,571)	11,929
Bonds and notes issued	121,640,000	78,641,766	78,501,304	(140,462)
Loans issued	-	-	3,422	3,422
Total other financing sources (uses)	121,640,000	84,539,993	84,397,760	(142,233)
Net change in fund balance	(165,000)	(156,000)	(108,435)	47,565
Fund balance - beginning	165,000	156,000	155,766	(234)
Fund balance - ending	\$ -	\$ -	47,331	\$ 47,331
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			551	
Fund balance - GAAP basis			\$ 47,882	

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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ -	\$ 26,016	\$ 11,132	
Other interest income	2,810	-	-	
Total revenues	<u>2,810</u>	<u>26,016</u>	<u>11,132</u>	<u>\$ (14,884)</u>
EXPENDITURES				
Current:				
Internal materials and services	586	586	586	
Capital outlay	-	631,710	-	
Total expenditures	<u>586</u>	<u>632,296</u>	<u>586</u>	<u>631,710</u>
Revenues over (under) expenditures	<u>2,224</u>	<u>(606,280)</u>	<u>10,546</u>	<u>616,826</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(2,224)	(2,224)	(2,224)	
Fire Capital	-	(654,916)	(640,033)	
Total transfers to other funds	<u>(2,224)</u>	<u>(657,140)</u>	<u>(642,257)</u>	<u>14,883</u>
Net change in fund balance	-	(1,263,420)	(631,711)	631,709
Fund balance - beginning	-	1,263,420	631,711	(631,709)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			-	
Fund balance - GAAP basis			<u>\$ -</u>	

City of Portland, Oregon
Local Improvement District Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Other service charges	\$ 1,299,800	\$ 1,220,800	\$ 1,239,936	\$ 19,136
Other:				
Assessments	500,000	200,000	212,816	
Investment earnings	72,000	116,000	111,549	
Other interest income	60,000	41,000	40,244	
Miscellaneous	-	-	1,450	
Total other	632,000	357,000	366,059	9,059
Total revenues	1,931,800	1,577,800	1,605,995	28,195
EXPENDITURES				
Current:				
External materials and services	4,500	11,000	12,244	
Internal materials and services	1,755,975	1,638,365	1,587,935	
Total current expenditures	1,760,475	1,649,365	1,600,179	49,186
General operating contingencies	2,611,216	1,972,796	-	1,972,796
Debt service and related costs:				
Principal	641,604	81,604	81,604	
Interest	221,331	346,331	291,391	
Total debt service and related costs	862,935	427,935	372,995	54,940
Total expenditures	5,234,626	4,050,096	1,973,174	2,076,922
Revenues over (under) expenditures	(3,302,826)	(2,472,296)	(367,179)	2,105,117
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund	-	(726,012)	(726,012)	
General Fund overhead	(109)	(109)	(109)	
Transportation Operating	(12,860,500)	(12,860,500)	-	
Pension Debt Redemption	(17,135)	(17,135)	(17,135)	
Total transfers to other funds	(12,877,744)	(13,603,756)	(743,256)	12,860,500
Bonds and notes issued	13,060,500	12,944,500	-	(12,944,500)
Total other financing sources (uses)	182,756	(659,256)	(743,256)	(84,000)
Net change in fund balance	(3,120,070)	(3,131,552)	(1,110,435)	2,021,117
Fund balance - beginning	3,120,070	3,131,552	4,726,932	(1,595,380)
Fund balance - ending	\$ -	\$ -	3,616,497	\$ 3,616,497
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			45,578	
Fund balance - GAAP basis			\$ 3,662,075	

City of Portland, Oregon
Parks Capital Improvement Program Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and Fees	\$ -	\$ -	\$ 1,308	\$ 1,308
Charges for services:				
Public works and utility charges	16,000,000	20,000,000	19,756,499	
Parking fees	-	-	48,394	
Total charges for services	<u>16,000,000</u>	<u>20,000,000</u>	<u>19,804,893</u>	<u>(195,107)</u>
Intergovernmental:				
Local cost sharing	-	-	64,573	
Total Intergovernmental	<u>-</u>	<u>-</u>	<u>64,573</u>	<u>64,573</u>
Other:				
Assessments	-	-	1,756,543	
Loan repayments	523,500	523,500	-	
Donations	202,000	215,635	648,594	
Investment earnings	696,600	696,600	3,364,552	
Other interest income	-	-	114,888	
Miscellaneous	3,056,507	1,127,355	91,343	
Total other	<u>4,478,607</u>	<u>2,563,090</u>	<u>5,975,920</u>	<u>3,412,830</u>
Billings to other funds for services	-	-	8,390	8,390
Total revenues	<u>20,478,607</u>	<u>22,563,090</u>	<u>25,855,084</u>	<u>3,291,994</u>
EXPENDITURES				
Current:				
Personal services	4,136,066	4,933,701	3,638,570	
External materials and services	31,737,784	49,864,257	5,347,827	
Internal materials and services	816,154	830,821	1,428,538	
Capital outlay	64,057,447	61,391,508	16,045,672	
Total current expenditures	<u>100,747,451</u>	<u>117,020,287</u>	<u>26,460,607</u>	<u>90,559,680</u>
General operating contingencies	<u>21,223,491</u>	<u>75,601,905</u>	<u>-</u>	<u>75,601,905</u>
Debt service and related costs:				
Principal	110,462	110,462	110,462	
Interest	28,875	28,875	28,875	
Debt issuance costs	142,000	267,000	38,107	
Internal loan remittance	-	200,000	-	
Total debt service and related costs	<u>281,337</u>	<u>606,337</u>	<u>177,444</u>	<u>428,893</u>
Total expenditures	<u>122,252,279</u>	<u>193,228,529</u>	<u>26,638,051</u>	<u>166,590,478</u>
Revenues over (under) expenditures	<u>(101,773,672)</u>	<u>(170,665,439)</u>	<u>(782,967)</u>	<u>169,882,472</u>

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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, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	4,663,017	4,663,017	4,663,017	
General Reserve	-	1,572,532	1,572,532	
Portland Parks Memorial	681,600	1,234,855	1,234,855	
Total transfers from other funds	5,344,617	7,470,404	7,470,404	-
Transfers to other funds:				
General Fund overhead	(609,173)	(609,173)	(609,173)	
Pension Debt Redemption	(23,194)	(23,194)	(23,194)	
Total transfers to other funds	(632,367)	(632,367)	(632,367)	-
Bonds and notes issued	11,369,000	12,535,206	12,235,000	(300,206)
Bonds and notes premium	-	-	2,699,876	2,699,876
Loans issued	1,000,000	-	-	-
Internal loan proceeds	-	200,000	170,250	(29,750)
Total other financing sources (uses)	17,081,250	19,573,243	21,943,163	2,369,920
Net change in fund balance	(84,692,422)	(151,092,196)	21,160,196	172,252,392
Fund balance - beginning	84,692,422	151,092,196	152,092,196	1,000,000
Fund balance - ending	\$ -	\$ -	173,252,392	\$ 173,252,392
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			2,042,327	
Internal loans receivable			2,294,500	
Fund balance - GAAP basis			\$ 177,589,219	

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, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ -	\$ 12,521	\$ 47	
Miscellaneous revenues	-	-	7,682	
Total revenues	-	12,521	7,729	\$ (4,792)
EXPENDITURES				
Current:				
External material and services	-	1,000	-	1,000
Debt service and related costs:				
Debt issuance costs	-	1,499	1,499	-
Total expenditures	-	2,499	1,499	1,000
Revenues over (under) expenditures	-	10,022	6,230	(3,792)
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
Bonded debt interest and sinking	-	(33,000)	(21,116)	11,884
Net change in fund balance	-	(22,978)	(14,886)	8,092
Fund balance - beginning	-	22,978	14,886	(8,092)
Fund balance - ending	\$ -	\$ -	-	\$ -
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			-	
Fund balance - GAAP basis			\$ -	

City of Portland, Oregon
Housing Capital Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 12,942	
Other interest income	-	-	54	
Miscellaneous	-	-	4,702	
Total revenues	-	-	17,698	\$ 17,698
EXPENDITURES				
Current:				
Personal services	-	83,910	-	
External materials and services	-	33,530	-	
Capital outlay	-	19,340	-	
Total expenditures	-	136,780	-	(136,780)
Net change in fund balance	-	(136,780)	17,698	154,478
Fund balance - beginning	-	136,780	135,378	(1,402)
Fund balance - ending	\$ -	\$ -	153,076	\$ 153,076
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain on investments			4,041	
Fund balance - GAAP basis			\$ 157,117	

City of Portland, Oregon
Fire Capital Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Investment earnings	\$ -	\$ -	\$ 601	\$ 601
EXPENDITURES				
Current:				
Capital outlay	-	1,154,916	-	1,154,916
General operating contingencies	-	7,508,773	-	7,508,773
Total expenditures	-	8,663,689	-	8,663,689
Revenues over (under) expenditures	-	(8,663,689)	601	8,664,290
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	-	807,000	807,000	
General Reserve	-	7,201,773	7,201,773	
Fire GO Bond	-	654,916	640,033	
Total other financing source (uses)	-	8,663,689	8,648,806	(14,883)
Net change in fund balance	-	-	8,649,407	8,649,407
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	8,649,407	<u>\$ 8,649,407</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>101,414</u>	
Net position - GAAP basis			<u>\$ 8,750,821</u>	

Permanent Fund Budget and Actual



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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, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 3,062	\$ 3,062	\$ 3,882	\$ 820
EXPENDITURES				
Current:				
External materials and services	28,544	28,544	300	
Total current expenditures	28,544	28,544	300	28,244
Net change in fund balance	(25,482)	(25,482)	3,582	29,064
Fund balance - beginning	189,523	189,523	191,203	1,680
Fund balance - ending	<u>\$ 164,041</u>	<u>\$ 164,041</u>	194,785	<u>\$ 30,744</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			2,275	
Fund balance - GAAP basis			<u>\$ 197,060</u>	

Schedules of Revenues and Expenditures Proprietary Funds - Budget and Actual



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Enterprise Funds Budget and Actual



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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 enterprises. However, for budgetary and legal purposes these activities are accounted for in the funds listed below. Budget to actual schedules for these funds, prepared on the modified accrual basis of accounting, are included in this subsection.

ENTERPRISE FUNDS:

SEWAGE DISPOSAL FUNDS:

- Sewer System Operating Fund
- Sewer System Debt Redemption Fund
- Sewer System Construction Fund
- Sewer System Rate Stabilization Fund

WATER FUNDS:

- Water Fund
- Water Bond Sinking Fund
- Water Construction Fund

HYDROELECTRIC POWER FUNDS:

- Hydroelectric Power Operating Fund
- Hydroelectric Power Renewal and Replacement Fund

GOLF FUND

PORTLAND INTERNATIONAL RACEWAY FUND

SOLID WASTE MANAGEMENT FUND

PARKING FACILITIES FUND

SPECTATOR VENUES & VISITOR ACTIVITIES FUND

ENVIRONMENTAL REMEDIATION FUND

**City of Portland, Oregon
Sewer System Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and permits:				
Construction permits	\$ 622,000	\$ 622,000	\$ 510,888	
Other permits	1,373,000	1,373,000	1,518,555	
Total licenses and permits	<u>1,995,000</u>	<u>1,995,000</u>	<u>2,029,443</u>	\$ 34,443
Charges for services:				
Public works and utility charges	394,578,000	387,078,000	376,505,347	
Inspection fees	721,000	721,000	413,956	
Rents and reimbursements	296,600	296,600	234,706	
Other service charges	713,000	713,000	535,781	
Total charges for services	<u>396,308,600</u>	<u>388,808,600</u>	<u>377,689,790</u>	(11,118,810)
Intergovernmental:				
State revenue sharing	150,000	150,000	135,957	
Local cost sharing	30,000	30,000	43,685	
Total intergovernmental	<u>180,000</u>	<u>180,000</u>	<u>179,642</u>	(358)
Billings to other funds for services	<u>2,055,571</u>	<u>2,105,827</u>	<u>1,429,140</u>	(676,687)
Other:				
Sales - other	1,625,000	1,625,000	137,306	
Investment earnings	2,050,000	2,050,000	1,351,682	
Other interest income	285,000	285,000	225,096	
Miscellaneous	78,000	78,000	142,455	
Total other	<u>4,038,000</u>	<u>4,038,000</u>	<u>1,856,539</u>	(2,181,461)
Total revenues	<u>404,577,171</u>	<u>397,127,427</u>	<u>383,184,554</u>	(13,942,873)
EXPENDITURES				
Current:				
Personal services	84,870,241	86,174,736	82,164,106	
External materials and services	76,913,798	82,352,431	74,494,692	
Internal materials and services	49,611,770	50,967,914	47,982,415	
Capital outlay	131,982,170	127,114,812	83,290,711	
Total current expenditures	<u>343,377,979</u>	<u>346,609,893</u>	<u>287,931,924</u>	58,677,969
General operating contingencies	<u>76,784,807</u>	<u>57,555,113</u>	-	57,555,113
Debt service and related costs:				
Principal	3,131,542	3,131,542	3,131,542	
Interest	818,522	818,572	818,572	
Debt issuance costs	51,876	51,876	51,876	
Total debt service and related costs	<u>4,001,940</u>	<u>4,001,990</u>	<u>4,001,990</u>	-
Total expenditures	<u>424,164,726</u>	<u>408,166,996</u>	<u>291,933,914</u>	116,233,082
Revenues over (under) expenditures	<u>(19,587,555)</u>	<u>(11,039,569)</u>	<u>91,250,640</u>	102,290,209

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City of Portland, Oregon
Sewer System Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	1,457,886	1,457,886	1,457,886	
Transportation Operating	50,000	50,000	36,972	
Parks Capital Improvement Program	-	-	-	
Sewer System Construction	161,000,000	161,000,000	137,993,650	
Sewer System Rate Stabilization	5,000,000	44,000,000	44,000,000	
Water	150,000	150,000	127,594	
Total transfers from other funds	<u>167,657,886</u>	<u>206,657,886</u>	<u>183,616,102</u>	<u>(23,041,784)</u>
Transfers to other funds:				
General Fund overhead	(5,862,764)	(5,862,764)	(5,862,764)	
Pension Debt Redemption	(657,567)	(657,567)	(657,567)	
Sewer System Debt Redemption	(179,250,000)	(187,250,000)	(179,454,149)	
Sewer System Construction	(30,000,000)	(80,000,000)	(70,000,000)	
Sewer System Rate Stabilization	(20,000,000)	-	-	
Total transfers to other funds	<u>(235,770,331)</u>	<u>(273,770,331)</u>	<u>(255,974,480)</u>	<u>17,795,851</u>
Sale of capital asset	<u>700,000</u>	<u>700,000</u>	<u>250,668</u>	<u>(449,332)</u>
Total other financing sources (uses)	<u>(67,412,445)</u>	<u>(66,412,445)</u>	<u>(72,107,710)</u>	<u>(5,695,265)</u>
Net change in fund balance	<u>(87,000,000)</u>	<u>(77,452,014)</u>	<u>19,142,930</u>	<u>96,594,944</u>
Fund balance - beginning	<u>87,180,000</u>	<u>77,632,014</u>	<u>77,632,011</u>	<u>(3)</u>
Fund balance - ending	<u>\$ 180,000</u>	<u>\$ 180,000</u>	<u>96,774,941</u>	<u>\$ 96,594,941</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Debt Redemption fund budgeted as separate fund			34,050,369	
Construction fund budgeted as separate fund			48,051,152	
Rate Stabilization fund budgeted as separate fund			124,899,167	
Unrealized gain (loss) in investments			3,063,225	
Allowance for uncollectible			(6,586,151)	
Inventories			2,567,343	
OPEB asset			639,352	
Capital assets, net of accumulated depreciation			3,528,266,056	
Internal balances			-	
Self insurance claims			(59,985)	
Deferred outflows - pensions			29,930,337	
Deferred outflows - OPEB			672,806	
Deferred charge for debt refunding			5,449	
Compensated absences			(7,025,422)	
Bonds payable			(1,404,439,256)	
Notes and loans payable			(9,372,981)	
Accrued Interest payable			(29,764,194)	
Net pension liability - PERS			(84,126,304)	
Other postemployment benefits			(5,886,063)	
Landfill postclosure			(2,542,551)	
Pollution remediation			(1,675,000)	
Deferred inflows - pensions			(4,044,833)	
Deferred inflows - OPEB			(1,272,122)	
Deferred charge for debt refundings			(21,036,646)	
Net position - GAAP basis			<u>\$2,291,088,689</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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 1,500,000	\$ 1,500,000	\$ 1,087,531	
Other interest income	-	-	2,481	
Total revenues	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,090,012</u>	<u>\$ (409,988)</u>
EXPENDITURES				
Debt service and related costs:				
Principal	114,897,852	114,897,852	101,567,852	
Interest	65,848,739	65,848,739	67,324,596	
Total expenditures	<u>180,746,591</u>	<u>180,746,591</u>	<u>168,892,448</u>	<u>11,854,143</u>
Revenues over (under) expenditures	<u>(179,246,591)</u>	<u>(179,246,591)</u>	<u>(167,802,436)</u>	<u>11,444,155</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Sewer System Operating	179,250,000	187,250,000	179,454,149	(7,795,851)
Bonds and notes premium	-	-	48,553,751	48,553,751
Bonds and notes issued	9,100,000	1,100,000	216,046,529	214,946,529
Refund loan & bond escrow agents	-	-	(304,320,000)	(304,320,000)
Total other financing sources (uses)	<u>188,350,000</u>	<u>188,350,000</u>	<u>139,734,429</u>	<u>(48,615,571)</u>
Net change in fund balance	9,103,409	9,103,409	(28,068,007)	(37,171,416)
Fund balance - beginning	62,150,000	62,150,000	62,118,376	(31,624)
Fund balance - ending	<u>\$ 71,253,409</u>	<u>\$ 71,253,409</u>	34,050,369	<u>\$ (37,203,040)</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Sewer System Debt Redemption Fund budgeted as separate fund - to Sewer System Operating Fund			(34,050,369)	
Net position - GAAP basis			<u>\$ -</u>	

City of Portland, Oregon
Sewer System Construction Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Service charges and fees:				
Public works and utility charges	\$ 550,000	\$ 550,000	\$ 802,025	\$ 252,025
Other:				
Investment earnings	3,100,000	3,100,000	1,622,097	(1,477,903)
Total revenues	<u>3,650,000</u>	<u>3,650,000</u>	<u>2,424,122</u>	<u>(1,225,878)</u>
EXPENDITURES				
General operating contingencies	220,150,000	210,261,212	-	210,261,212
Debt issuance costs	2,000,000	2,000,000	424,003	1,575,997
Total expenditures	<u>222,150,000</u>	<u>212,261,212</u>	<u>424,003</u>	<u>211,837,209</u>
Revenues over (under) expenditures	<u>(218,500,000)</u>	<u>(208,611,212)</u>	<u>2,000,119</u>	<u>210,611,331</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Local Improvement District	-	-	-	
Sewer System Operating	30,000,000	80,000,000	70,000,000	
Total transfers from other funds	<u>30,000,000</u>	<u>80,000,000</u>	<u>70,000,000</u>	<u>(10,000,000)</u>
Transfers to other funds:				
Sewer System Operating	(161,000,000)	(161,000,000)	(137,993,650)	23,006,350
Bonds and notes issued	226,000,000	176,000,000	433,471	(175,566,529)
Total other financing sources (uses)	<u>95,000,000</u>	<u>95,000,000</u>	<u>(67,560,179)</u>	<u>(162,560,179)</u>
Net change in fund balance	<u>(123,500,000)</u>	<u>(113,611,212)</u>	<u>(65,560,060)</u>	<u>48,051,152</u>
Fund balance - beginning	123,500,000	113,611,212	113,611,212	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>48,051,152</u>	<u>\$ 48,051,152</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Sewer System Construction Fund budgeted as separate fund to Sewer System Operating Fund			(48,051,152)	
Net position - GAAP basis			<u>\$ -</u>	

City of Portland, Oregon
Sewer System Rate Stabilization Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 4,400,000	\$ 4,400,000	\$ 3,481,392	\$ (918,608)
EXPENDITURES				
General operating contingencies	196,125,000	125,817,775	-	125,817,775
Revenues over (under) expenditures	(191,725,000)	(121,417,775)	3,481,392	124,899,167
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Sewer System Operating	20,000,000	-	-	
Transfers to other funds:				
Sewer System Operating	(5,000,000)	(44,000,000)	(44,000,000)	
Total other financing sources (uses)	15,000,000	(44,000,000)	(44,000,000)	-
Net change in fund balance	(176,725,000)	(165,417,775)	(40,518,608)	124,899,167
Fund balance - beginning	176,725,000	165,417,775	165,417,775	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	124,899,167	<u>\$ 124,899,167</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Sewer System Rate Stabilization Fund budgeted as separate fund to Sewer System Operating Fund			(124,899,167)	
Net position - GAAP basis			<u>\$ -</u>	

City of Portland, Oregon
Water Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Public works and utility charges	\$ 200,827,493	\$ 200,827,493	\$ 195,676,947	
Rents and reimbursements	675,000	675,000	667,859	
Other service charges	2,750,000	2,750,000	1,873,069	
Total charges for services	<u>204,252,493</u>	<u>204,252,493</u>	<u>198,217,875</u>	<u>\$ (6,034,618)</u>
Intergovernmental:				
Local cost sharing	526,000	526,000	605,061	79,061
Other:				
Sales - other	100,000	100,000	93,979	
Refunds	5,000	5,000	25,444	
Other interest income	-	-	147,252	
Investment earnings	1,831,074	1,831,074	2,319,179	
Miscellaneous	175,000	175,000	309,548	
Total other	<u>2,111,074</u>	<u>2,111,074</u>	<u>2,895,402</u>	<u>784,328</u>
Billings to other funds for services	<u>3,765,560</u>	<u>3,777,560</u>	<u>3,523,284</u>	<u>(254,276)</u>
Total revenues	<u>210,655,127</u>	<u>210,667,127</u>	<u>205,241,622</u>	<u>(5,425,505)</u>
EXPENDITURES				
Current:				
Personal services	82,380,478	82,311,846	76,671,532	
External materials and services	40,444,392	40,783,534	34,406,568	
Internal materials and services	22,042,209	22,787,542	21,356,628	
Capital outlay	<u>145,693,803</u>	<u>145,693,803</u>	<u>94,504,799</u>	
Total current expenditures	<u>290,560,882</u>	<u>291,576,725</u>	<u>226,939,527</u>	<u>64,637,198</u>
General operating contingencies	<u>107,192,795</u>	<u>136,517,083</u>	<u>-</u>	<u>136,517,083</u>
Debt service and related costs:				
Principal	3,252,446	3,252,446	3,252,446	
Interest	850,175	850,175	850,175	
Debt issuance costs	<u>915,110</u>	<u>915,110</u>	<u>688,511</u>	
Total debt service and related costs	<u>5,017,731</u>	<u>5,017,731</u>	<u>4,791,132</u>	<u>226,599</u>
Total expenditures	<u>402,771,408</u>	<u>433,111,539</u>	<u>231,730,659</u>	<u>201,380,880</u>
Revenues over (under) expenditures	<u>(192,116,281)</u>	<u>(222,444,412)</u>	<u>(26,489,037)</u>	<u>195,955,375</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	6,492,525	6,492,525	6,492,525	
Water Construction	<u>194,529,355</u>	<u>183,193,663</u>	<u>126,881,454</u>	
Total transfers from other funds	<u>201,021,880</u>	<u>189,686,188</u>	<u>133,373,979</u>	<u>(56,312,209)</u>

continued on next page

**City of Portland, Oregon
Water Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES), CONTINUED				
Transfers to other funds:				
General Fund overhead	(4,586,543)	(4,586,543)	(4,586,543)	
General Fund	-	(24,481)	(24,481)	
Pension Debt Redemption	(682,955)	(682,955)	(682,955)	
Sewer System Operating	(150,000)	(150,000)	(127,594)	
Water Bond Sinking	(59,372,043)	(58,753,695)	(58,600,174)	
Water Construction	(41,946,372)	(45,386,401)	(44,420,602)	
Total transfers to other funds	<u>(106,737,913)</u>	<u>(109,584,075)</u>	<u>(108,442,349)</u>	<u>1,141,726</u>
Sale of capital asset	235,000	235,000	654,674	419,674
Total other financing sources (uses)	<u>94,518,967</u>	<u>80,337,113</u>	<u>25,586,304</u>	<u>(54,750,809)</u>
Net change in fund balance	<u>(97,597,314)</u>	<u>(142,107,299)</u>	<u>(902,733)</u>	<u>141,204,566</u>
Fund balance - beginning	97,597,314	142,107,299	142,107,299	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>141,204,566</u>	<u>\$ 141,204,566</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Water Bond Sinking Fund budgeted as separate			25,056,497	
Water Construction Fund budgeted as separate fund			87,060,003	
Unrealized gain (loss) on investments			2,692,662	
Allowance for uncollectible accounts			(3,823,200)	
Inventories			2,946,332	
Property held for sale			151,630	
Capital assets, net of accumulated depreciation and amortization			1,341,163,262	
OPEB asset			662,499	
Deferred outflows - pensions			27,690,906	
Deferred outflows - OPEB			685,835	
Deferred charge for debt refunding			9	
Self insurance claims			(50,913)	
Compensated absences			(6,607,359)	
Bonds payable			(743,733,753)	
Accrued interest payable			(24,375,501)	
Net pension liability - PERS			(78,285,820)	
Utility taxes payable			(1,842,308)	
Other postemployment benefits			(6,479,305)	
Deferred inflows - pensions			(3,759,921)	
Deferred inflows - OPEB			(1,313,026)	
Deferred charge for debt refunding			(1,521,748)	
Net position - GAAP basis			<u>\$ 757,521,347</u>	

City of Portland, Oregon
Water Bond Sinking Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 768,104	\$ 768,104	\$ 663,875	
Other interest income	-	-	191	
Total revenues	<u>768,104</u>	<u>768,104</u>	<u>664,066</u>	<u>\$ (104,038)</u>
EXPENDITURES				
Debt service and related costs:				
Principal	34,003,856	30,970,001	30,970,000	
Interest	27,774,481	27,926,611	27,926,610	
Total expenditures	<u>61,778,337</u>	<u>58,896,612</u>	<u>58,896,610</u>	<u>2</u>
Revenues over (under) expenditures	<u>(61,010,233)</u>	<u>(58,128,508)</u>	<u>(58,232,544)</u>	<u>(104,036)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Water	59,372,043	58,753,695	58,600,174	(153,521)
Bonds and notes issued	10,230,000	48,860,019	48,860,019	-
Refund loan & bond escrow agents	-	(55,740,000)	(55,740,000)	-
Total other financing sources (uses)	<u>69,602,043</u>	<u>51,873,714</u>	<u>51,720,193</u>	<u>(153,521)</u>
Net change in fund balance	8,591,810	(6,254,794)	(6,512,351)	(257,557)
Fund balance - beginning	31,351,200	31,568,848	31,568,848	-
Fund balance - ending	<u>\$ 39,943,010</u>	<u>\$ 25,314,054</u>	25,056,497	<u>\$ (257,557)</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Water Bond Sinking Fund budgeted as separate fund - to Water Fund			(25,056,497)	
Net position - GAAP basis			<u>\$ -</u>	

**City of Portland, Oregon
Water Construction Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Service charges and fees:				
Public works and utility charges	\$ 3,500,000	\$ 3,500,000	\$ 4,780,343	\$ 1,280,343
Other:				
Investment earnings	1,793,871	1,793,871	1,999,690	
Other interest income	-	-	16,255	
Total other	1,793,871	1,793,871	2,015,945	222,074
Total revenues	5,293,871	5,293,871	6,796,288	1,502,417
EXPENDITURES				
General operating contingencies	-	5,683,144	-	5,683,144
Revenues over (under) expenditures	5,293,871	(389,273)	6,796,288	7,185,561
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Water	41,946,372	45,386,401	44,420,602	(965,799)
Transfers to other funds:				
Water	(194,529,355)	(183,193,663)	(126,881,454)	56,312,209
Bonds and notes issued	133,955,000	139,638,144	112,204,469	(27,433,675)
Bonds and notes premium	-	-	27,433,675	27,433,675
Total other financing sources (uses)	(18,627,983)	1,830,882	57,177,292	55,346,410
Net change in fund balance	(13,334,112)	1,441,609	63,973,580	62,531,971
Fund balance - beginning	34,526,809	23,086,423	23,086,423	-
Fund balance - ending	\$ 21,192,697	\$ 24,528,032	87,060,003	\$ 62,531,971
Adjustment to generally accepted accounting principles (GAAP) basis:				
Water Construction Fund budgeted as separate fund - to Water Fund			(87,060,003)	
Net position - GAAP basis			\$ -	

**City of Portland, Oregon
Hydroelectric Power Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Sales - other	\$ 2,364,097	\$ 2,364,097	\$ 1,936,630	
Investment earnings	20,000	20,000	26,466	
Miscellaneous	-	-	10	
Total other	<u>2,384,097</u>	<u>2,384,097</u>	<u>1,963,106</u>	\$ (420,991)
Billings to other funds for services	<u>75,000</u>	<u>195,000</u>	<u>167,869</u>	(27,131)
Total revenues	<u>2,459,097</u>	<u>2,579,097</u>	<u>2,130,975</u>	(448,122)
EXPENDITURES				
Current:				
Personal services	367,694	367,694	321,024	
External materials and services	2,088,592	2,258,586	2,048,249	
Internal materials and services	211,391	210,999	188,067	
Total current expenditures	<u>2,667,677</u>	<u>2,837,279</u>	<u>2,557,340</u>	279,939
General operating contingencies	<u>1,552,197</u>	<u>1,170,616</u>	-	1,170,616
Debt service and related costs:				
Principal	24,002	24,002	24,002	
Interest	6,274	6,274	6,274	
Total debt service and related costs	<u>30,276</u>	<u>30,276</u>	<u>30,276</u>	-
Total expenditures	<u>4,250,150</u>	<u>4,038,171</u>	<u>2,587,616</u>	1,450,555
Revenues over (under) expenditures	<u>(1,791,053)</u>	<u>(1,459,074)</u>	<u>(456,641)</u>	1,002,433
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(51,413)	(51,413)	(51,413)	
Pension Debt Redemption	(5,039)	(5,039)	(5,039)	
Total other financing sources (uses)	<u>(56,452)</u>	<u>(56,452)</u>	<u>(56,452)</u>	-
Net change in fund balance	<u>(1,847,505)</u>	<u>(1,515,526)</u>	<u>(513,093)</u>	1,002,433
Fund balance - beginning	1,847,505	1,515,526	1,515,526	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	1,002,433	<u>\$ 1,002,433</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			16,569	
Capital assets, net of accumulated depreciation and amortization			19,058,264	
OPEB asset			2,548	
Deferred outflows - pensions			120,223	
Deferred outflows - OPEB			2,369	
Compensated absences			(30,697)	
Bonds payable			(91,565)	
Accrued interest payable			(134,955)	
Net pension liability - PERS			(374,368)	
Other postemployment benefits			(32,575)	
Deferred inflows - pensions			(16,084)	
Deferred inflows - OPEB			(5,178)	
Net position - GAAP basis			<u>\$ 19,628,441</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, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
EXPENDITURES				
General operating contingencies	\$ 111,457	\$ 111,457	\$ -	\$ (111,457)
Net change in fund balance	111,457	111,457	-	(111,457)
Fund balance - beginning	111,457	111,457	111,457	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	111,457	<u>\$ 111,457</u>
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			<u>\$ -</u>	

**City of Portland, Oregon
Golf Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 554,190	\$ 554,190	\$ 557,797	
Concessions	1,968,836	1,968,836	1,647,152	
Parks and recreation facilities fees	5,843,713	6,143,713	7,080,026	
Other service charges	670,523	670,523	820,544	
Total charges for services	<u>9,037,262</u>	<u>9,337,262</u>	<u>10,105,519</u>	<u>\$ 768,257</u>
Other:				
Sales - other	-	-	1,056	
Investment earnings	-	-	25,634	
Miscellaneous	-	-	1,199	
Total other	<u>-</u>	<u>-</u>	<u>27,889</u>	<u>27,889</u>
Total revenues	<u>9,037,262</u>	<u>9,337,262</u>	<u>10,133,408</u>	<u>796,146</u>
EXPENDITURES				
Current:				
Personal services	3,137,179	3,337,179	3,191,192	
External materials and services	4,443,869	4,829,384	4,733,094	
Internal materials and services	573,480	573,480	541,730	
Capital outlay	-	-	8,255	
Total current expenditures	<u>8,154,528</u>	<u>8,740,043</u>	<u>8,474,271</u>	<u>265,772</u>
General operating contingencies	<u>749,390</u>	<u>718,048</u>	<u>-</u>	<u>718,048</u>
Debt service and related costs:				
Principal	196,114	196,114	196,114	
Interest	66,263	66,263	70,365	
Internal loan remittances	175,000	175,000	170,250	
Total debt service and related costs	<u>437,377</u>	<u>437,377</u>	<u>436,729</u>	<u>648</u>
Total expenditures	<u>9,341,295</u>	<u>9,895,468</u>	<u>8,911,000</u>	<u>984,468</u>
Revenues over (under) expenditures	<u>(304,033)</u>	<u>(558,206)</u>	<u>1,222,408</u>	<u>1,780,614</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(365,945)	(365,945)	(365,945)	
Pension Debt Redemption	(41,181)	(41,181)	(41,181)	
Total other financing sources (uses)	<u>(407,126)</u>	<u>(407,126)</u>	<u>(407,126)</u>	<u>-</u>
Net change in fund balance	<u>(711,159)</u>	<u>(965,332)</u>	<u>815,282</u>	<u>1,780,614</u>
Fund balance - beginning	<u>711,159</u>	<u>965,332</u>	<u>965,332</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>1,780,614</u>	<u>\$ 1,780,614</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			23,020	
Capital assets, net of accumulated depreciation and amortization			7,892,954	
OPEB asset			45,791	
Deferred outflows - pensions			1,432,972	
Deferred outflows - OPEB			43,827	
Compensated absences			(242,175)	
Bonds payable			(748,149)	
Internal loans payable			(794,500)	
Accrued interest payable			(1,102,675)	
Net pension liability - PERS			(4,368,599)	
Other postemployment benefits			(531,022)	
Deferred inflows - pensions			(203,338)	
Deferred inflows - OPEB			(90,499)	
Net position - GAAP basis			<u>\$ 3,138,221</u>	

City of Portland, Oregon
Portland International Raceway Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 1,431,470	\$ 1,431,470	\$ 1,186,277	
Concessions	139,307	139,307	110,847	
Parks and recreation facilities fees	354,948	354,948	93,047	
Other service charges	-	-	2,000	
Total charges for services	<u>1,925,725</u>	<u>1,925,725</u>	<u>1,392,171</u>	\$ (533,554)
Other:				
Donations	35,000	35,000	35,000	
Investment earnings	12,276	12,276	23,293	
Miscellaneous	17,700	17,700	1,945	
Total other	<u>64,976</u>	<u>64,976</u>	<u>60,238</u>	(4,738)
Total revenues	<u>1,990,701</u>	<u>1,990,701</u>	<u>1,452,409</u>	<u>(538,292)</u>
EXPENDITURES				
Current:				
Personal services	912,880	912,880	860,417	
External materials and services	733,442	989,202	504,690	
Internal materials and services	147,630	147,630	90,495	
Capital outlay	23,463	148,463	108,112	
Total current expenditures	<u>1,817,415</u>	<u>2,198,175</u>	<u>1,563,714</u>	634,461
General operating contingencies	<u>605,766</u>	<u>474,561</u>	-	474,561
Debt service and related costs:				
Principal	37,753	37,753	37,753	
Interest	43,618	43,618	9,868	
Internal loan remittances	250,000	250,000	-	
Total debt services and related costs	<u>331,371</u>	<u>331,371</u>	<u>47,621</u>	283,750
Total expenditures	<u>2,754,552</u>	<u>3,004,107</u>	<u>1,611,335</u>	<u>1,392,772</u>
Revenues over (under) expenditures	<u>(763,851)</u>	<u>(1,013,406)</u>	<u>(158,926)</u>	<u>854,480</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(74,208)	(74,208)	(74,208)	
Pension Debt Redemption	(7,928)	(7,928)	(7,928)	
Total transfers to other funds	<u>(82,136)</u>	<u>(82,136)</u>	<u>(82,136)</u>	-
Total other financing sources (uses)	<u>(82,136)</u>	<u>(82,136)</u>	<u>(82,136)</u>	-
Net change in fund balance	<u>(845,987)</u>	<u>(1,095,542)</u>	<u>(241,062)</u>	<u>854,480</u>
Fund balance - beginning	<u>845,987</u>	<u>1,095,542</u>	<u>1,095,913</u>	<u>371</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>854,851</u>	<u>\$ 854,851</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			10,269	
Capital assets, net of accumulated depreciation and amortization			2,939,481	
OPEB asset			12,524	
Deferred outflows - pensions			296,202	
Deferred outflows - OPEB			13,029	
Compensated absences			(67,280)	
Bonds payable			(144,022)	
Accrued interest payable			(243,025)	
Internal loans payable			(1,500,000)	
Net pension liability - PERS			(821,647)	
Other postemployment benefits			(116,652)	
Deferred inflows - pensions			(38,653)	
Deferred inflows - OPEB			(24,581)	
Net position - GAAP basis			<u>\$ 1,170,496</u>	

**City of Portland, Oregon
Solid Waste Management Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and permits:				
Public utility licenses	\$ 3,311,046	\$ 3,311,046	\$ 3,297,360	
Other permits	12,950	12,950	9,450	
Total licenses and permits	<u>3,323,996</u>	<u>3,323,996</u>	<u>3,306,810</u>	\$ (17,186)
Charges for services:				
Public works and utility charges	<u>4,121,057</u>	<u>4,121,057</u>	<u>3,833,109</u>	(287,948)
Intergovernmental:				
State cost sharing	-	-	52	52
Other:				
Donations	-	-	10,500	
Investment earnings	89,870	89,870	91,708	
Fines	4,590	4,590	1,050	
Miscellaneous	21,993	21,993	2,757	
Total other	<u>116,453</u>	<u>116,453</u>	<u>106,015</u>	(10,438)
Billings to other funds for services	5,000	5,000	3,925	(1,075)
Total revenues	<u>7,566,506</u>	<u>7,566,506</u>	<u>7,249,911</u>	(316,595)
EXPENDITURES				
Current:				
Personal services	2,724,482	2,724,482	2,609,290	
External materials and services	2,659,714	3,096,220	1,567,638	
Internal materials and services	1,703,346	1,713,840	1,504,545	
Total current expenditures	<u>7,087,542</u>	<u>7,534,542</u>	<u>5,681,473</u>	1,853,069
General operating contingencies	<u>226,595</u>	<u>2,479,670</u>	-	2,479,670
Debt service and related costs:				
Principal	60,899	60,899	60,899	
Interest	15,919	15,919	15,919	
Internal loan remittances	2,253,075	-	-	-
Total debt service and related costs	<u>2,329,893</u>	<u>76,818</u>	<u>76,818</u>	-
Total expenditures	<u>9,644,030</u>	<u>10,091,030</u>	<u>5,758,291</u>	4,332,739
Revenues over (under) expenditures	<u>(2,077,524)</u>	<u>(2,524,524)</u>	<u>1,491,620</u>	4,016,144
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(167,495)	(167,495)	(167,495)	
Facilities Services Operating	(1,000,000)	(1,000,000)	(1,000,000)	
Pension Debt Redemption	(12,788)	(12,788)	(12,788)	
Total other financing sources (uses)	<u>(1,180,283)</u>	<u>(1,180,283)</u>	<u>(1,180,283)</u>	-
Net change in fund balance	(3,257,807)	(3,704,807)	311,337	4,016,144
Fund balance - beginning	4,063,534	4,510,534	5,995,774	1,485,240
Fund balance - ending	<u>\$ 805,727</u>	<u>\$ 805,727</u>	<u>6,307,111</u>	<u>\$ 5,501,384</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			64,174	
Capital assets, net of accumulated depreciation and amortization			26,567	
OPEB asset			23,310	
Deferred outflows - pensions			1,004,827	
Deferred outflows - OPEB			22,506	
Compensated absences			(249,133)	
Bonds payable			(232,320)	
Accrued interest payable			(342,414)	
Net pension liability - PERS			(2,888,904)	
Other postemployment benefits			(239,551)	
Deferred inflows - pensions			(135,504)	
Deferred inflows - OPEB			(45,085)	
Net position - GAAP basis			<u>\$ 3,315,584</u>	

**City of Portland, Oregon
Parking Facilities Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Service charges and fees:				
Rents and reimbursements	\$ 953,330	\$ 696,900	\$ 818,890	
Parking fees	13,000,000	10,500,000	10,602,299	
Other service charges	1,000	1,000	11,814	
Total service charges and fees	<u>13,954,330</u>	<u>11,197,900</u>	<u>11,433,003</u>	<u>\$ 235,103</u>
Billings to other funds for services	<u>1,095,281</u>	<u>1,095,281</u>	<u>1,176,113</u>	<u>80,832</u>
Other:				
Investment earnings	100,000	100,000	304,152	
Miscellaneous	-	-	500	
Total other	<u>100,000</u>	<u>100,000</u>	<u>304,652</u>	<u>204,652</u>
Total revenues	<u>15,149,611</u>	<u>12,393,181</u>	<u>12,913,768</u>	<u>520,587</u>
EXPENDITURES				
Current:				
Personal services	835,600	810,600	673,298	
External materials and services	6,779,116	7,732,629	4,838,654	
Internal materials and services	5,032,913	2,224,745	2,301,821	
Capital outlay	<u>2,500,000</u>	<u>6,951,688</u>	<u>4,466,327</u>	
Total current expenditures	<u>15,147,629</u>	<u>17,719,662</u>	<u>12,280,100</u>	<u>5,439,562</u>
General operating contingencies	<u>1,532,205</u>	<u>4,671,756</u>	<u>-</u>	<u>4,671,756</u>
Debt service and related costs:				
Principal	1,385,000	1,385,000	1,385,000	
Interest	383,061	383,061	383,061	
Total debt services and related costs	<u>1,768,061</u>	<u>1,768,061</u>	<u>1,768,061</u>	<u>-</u>
Total expenditures	<u>18,447,895</u>	<u>24,159,479</u>	<u>14,048,161</u>	<u>10,111,318</u>
Revenues over (under) expenditures	<u>(3,298,284)</u>	<u>(11,766,298)</u>	<u>(1,134,393)</u>	<u>10,631,905</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
Transportation Operating	-	(500,000)	-	
General Fund overhead	(209,012)	(209,012)	(209,012)	
General Fund	(315,496)	(315,496)	(315,496)	
Total transfers to other funds	<u>(524,508)</u>	<u>(1,024,508)</u>	<u>(524,508)</u>	<u>500,000</u>
Total other financing sources (uses)	<u>(524,508)</u>	<u>(1,024,508)</u>	<u>(524,508)</u>	<u>500,000</u>
Net change in fund balance	(3,822,792)	(12,790,806)	(1,658,901)	11,131,905
Fund balance - beginning	<u>3,822,792</u>	<u>12,790,806</u>	<u>12,790,806</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>11,131,905</u>	<u>\$ 11,131,905</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Allowance for uncollectible accounts			(10,000)	
Unrealized gain (loss) on investments			144,634	
Capital assets, net of accumulated depreciation and amortization			39,510,743	
Deferred outflows - pensions			6,278	
Deferred charge for bond refunding			31,348	
Bonds payable			(6,675,489)	
Accrued interest payable			(130,315)	
Net pension liability - PERS			(85,906)	
Deferred inflows - pensions			(4,406)	
Net position - GAAP basis			<u>\$ 43,918,792</u>	

**City of Portland, Oregon
Spectator Facilities Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 4,491,935	\$ 4,491,935	\$ 5,540,588	
Parking fees	1,950,000	1,950,000	1,960,031	
Total charges for services	<u>6,441,935</u>	<u>6,441,935</u>	<u>7,500,619</u>	<u>\$ 1,058,684</u>
Intergovernmental:				
Local cost sharing	<u>1,767,446</u>	<u>1,767,446</u>	<u>1,787,446</u>	<u>20,000</u>
Other:				
Investment earnings	222,060	222,060	381,061	
Miscellaneous	-	-	14	
Total other	<u>222,060</u>	<u>222,060</u>	<u>381,075</u>	<u>159,015</u>
Total revenues	<u>8,431,441</u>	<u>8,431,441</u>	<u>9,669,140</u>	<u>1,237,699</u>
EXPENDITURES				
Current:				
Personal services	501,867	501,867	413,416	
External materials and services	3,924,250	3,843,072	1,400,852	
Internal materials and services	386,756	467,934	393,110	
Capital outlay	1,700,000	1,700,000	389,998	
Total current expenditures	<u>6,512,873</u>	<u>6,512,873</u>	<u>2,597,376</u>	<u>3,915,497</u>
General operating contingencies	<u>7,245,345</u>	<u>13,518,729</u>	<u>-</u>	<u>13,518,729</u>
Debt service and related costs:				
Principal	2,692,000	2,692,000	2,692,000	
Interest	750,375	750,375	750,374	
Total debt services and related costs	<u>3,442,375</u>	<u>3,442,375</u>	<u>3,442,374</u>	<u>1</u>
Total expenditures	<u>17,200,593</u>	<u>23,473,977</u>	<u>6,039,750</u>	<u>17,434,227</u>
Revenues over (under) expenditures	<u>(8,769,152)</u>	<u>(15,042,536)</u>	<u>3,629,390</u>	<u>18,671,926</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(204,466)	(204,466)	(204,466)	
General Fund	(26,382)	(26,382)	(26,382)	
Total other financing sources (uses)	<u>(230,848)</u>	<u>(230,848)</u>	<u>(230,848)</u>	<u>-</u>
Net change in fund balance	<u>(9,000,000)</u>	<u>(15,273,384)</u>	<u>3,398,542</u>	<u>18,671,926</u>
Fund balance - beginning	<u>9,000,000</u>	<u>15,273,384</u>	<u>15,273,384</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>18,671,926</u>	<u>\$ 18,671,926</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			221,708	
Capital assets, net of accumulated depreciation and amortization			160,428,032	
OPEB asset			3,479	
Deferred outflows - pensions			306,333	
Deferred outflows - OPEB			3,554	
Deferred charge for debt refundings			9,460	
Bonds payable			(19,912,980)	
Accrued interest payable			(55,196)	
Net pension liability - PERS			(872,508)	
Compensated absences			(22,403)	
Other postemployment benefits			(25,491)	
Deferred inflows - pensions			(30,625)	
Deferred inflows - OPEB			(6,868)	
Net position - GAAP basis			<u>\$ 158,718,421</u>	

**City of Portland, Oregon
Environmental Remediation Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Public works and utility charges	\$ 4,800,000	\$ 4,800,000	\$ 4,637,119	
Rents and reimbursements	614,200	614,200	559,756	
Total charges for services	5,414,200	5,414,200	5,196,875	\$ (217,325)
Other:				
Investment earnings	188,800	188,800	134,417	
Other interest income	-	-	18,737	
Refunds	-	-	-	
Miscellaneous	-	-	261	
Total other	188,800	188,800	153,415	(35,385)
Billings to other funds for services	414,900	414,900	478,908	64,008
Total revenues	6,017,900	6,017,900	5,829,198	(188,702)
EXPENDITURES				
Current:				
Personal services	605,598	699,298	667,560	
External materials and services	4,256,893	4,033,893	3,994,543	
Internal materials and services	1,127,174	2,080,174	2,012,615	
Total current expenditures	5,989,665	6,813,365	6,674,718	138,647
General operating contingencies	4,110,083	5,804,464	-	5,804,464
Debt service and related costs:				
Principal	1,406	1,406	1,406	
Interest	368	368	368	
Total debt service and related costs	1,774	1,774	1,774	-
Total expenditures	10,101,522	12,619,603	6,676,492	5,943,111
Revenues over (under) expenditures	(4,083,622)	(6,601,703)	(847,294)	5,754,409
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	704	704	704	-
Transfers to other funds:				
General Fund	(6,000,000)	(6,000,000)	(6,000,000)	
General Fund overhead	(60,287)	(60,287)	(60,287)	
Pension Debt Redemption	(295)	(295)	(295)	
Total transfers from other funds	(6,060,582)	(6,060,582)	(6,060,582)	-
Total other financing sources (uses)	(6,059,878)	(6,059,878)	(6,059,878)	-
Net change in fund balance	(10,143,500)	(12,661,581)	(6,907,172)	5,754,409
Fund balance - beginning	10,143,500	12,661,581	12,661,581	-
Fund balance - ending	\$ -	\$ -	5,754,409	\$ 5,754,409
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			73,266	
Notes and loans payable			624,556	
Internal balances			-	
Capital assets, net of accumulated depreciation and amortization			4,052,712	
OPEB asset			3,998	
Deferred outflows - pensions			277,703	
Deferred outflows - OPEB			4,738	
Compensated absences			(70,745)	
Bonds payable			(5,365)	
Accrued interest payable			(7,905)	
Net pension liability - PERS			(780,519)	
Other postemployment benefits			(37,652)	
Pollution remediation long-term liability			(5,884,000)	
Deferred inflows - pensions			(30,290)	
Deferred inflows - OPEB			(8,364)	
Net position - GAAP basis			\$ 3,966,542	

Internal Service Funds Budget and Actual



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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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Health care charges	\$ 110,638,843	\$ 110,638,843	\$ 112,341,363	\$ 1,702,520
Other:				
Investment earnings	357,685	357,685	406,324	
Miscellaneous	303,344	2,180,570	2,619,181	
Total other	<u>661,029</u>	<u>2,538,255</u>	<u>3,025,505</u>	<u>487,250</u>
Billing to other funds - services	359,736	256,236	256,236	-
Total revenues	<u>111,659,608</u>	<u>113,433,334</u>	<u>115,623,104</u>	<u>2,189,770</u>
EXPENDITURES				
Current:				
Personal services	2,134,186	2,569,186	2,227,817	
External materials and services	110,854,592	115,854,572	107,336,306	
Internal materials and services	541,106	437,626	442,672	
Total current expenditures	<u>113,529,884</u>	<u>118,861,384</u>	<u>110,006,795</u>	<u>8,854,589</u>
General operating contingencies	17,023,871	15,795,096	-	15,795,096
Debt service and related costs:				
Principal	36,198	36,198	36,198	
Interest	9,462	9,462	9,462	
Total debt service and related costs	<u>45,660</u>	<u>45,660</u>	<u>45,660</u>	<u>-</u>
Total expenditures	<u>130,599,415</u>	<u>134,702,140</u>	<u>110,052,455</u>	<u>24,649,685</u>
Revenues over (under) expenditures	<u>(18,939,807)</u>	<u>(21,268,806)</u>	<u>5,570,649</u>	<u>26,839,455</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	150,000	150,000	150,000	
Total transfers from other funds	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	
Transfers to other funds:				
General Fund overhead	(279,353)	(279,353)	(279,353)	
Pension Debt Redemption	(7,601)	(7,601)	(7,601)	
Total transfers to other funds	<u>(286,954)</u>	<u>(286,954)</u>	<u>(286,954)</u>	<u>-</u>
Total other financing sources (uses)	<u>(136,954)</u>	<u>(136,954)</u>	<u>(136,954)</u>	<u>-</u>
Net change in fund balance	(19,076,761)	(21,405,760)	5,433,695	26,839,455
Fund balance - beginning	19,076,761	21,405,760	21,405,761	1
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>26,839,456</u>	<u>\$ 26,839,456</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			242,852	
OPEB asset			17,849	
Deferred outflows - pensions			829,848	
Deferred outflows - OPEB			21,322	
Self insurance claims			(8,365,000)	
Compensated absences			(234,155)	
Bonds payable			(138,092)	
Accrued interest payable			(203,534)	
Net pension liability - PERS			(2,230,421)	
Other postemployment benefits			(118,370)	
Deferred inflows - pensions			(110,173)	
Deferred inflows - OPEB			(36,832)	
Net position - GAAP basis			<u>\$ 16,514,750</u>	

City of Portland, Oregon
Facilities Services Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 1,504,357	\$ 1,651,794	\$ 1,715,125	
Other service charges	18,000	18,000	39,286	
Total charges for services	<u>1,522,357</u>	<u>1,669,794</u>	<u>1,754,411</u>	<u>\$ 84,617</u>
Intergovernmental:				
State cost sharing	-	2,000,000	1,535,809	
Multnomah County cost sharing	-	-	1,231	
Local cost sharing	2,000,000	-	40,113	
Total intergovernmental	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,577,153</u>	<u>(422,847)</u>
Billings to other funds for services	<u>33,886,195</u>	<u>31,966,706</u>	<u>31,564,183</u>	<u>(402,523)</u>
Other:				
Sales - other	334,300	334,300	202,216	
Refunds	-	171,000	171,930	
Investment earnings	902,080	902,080	1,190,234	
Other interest income	329,631	329,631	11	
Miscellaneous	11,000	601,000	692,797	
Total other	<u>1,577,011</u>	<u>2,338,011</u>	<u>2,257,188</u>	<u>(80,823)</u>
Total revenues	<u>38,985,563</u>	<u>37,974,511</u>	<u>37,152,935</u>	<u>(821,576)</u>
EXPENDITURES				
Current:				
Personal services	7,065,677	7,038,306	5,522,837	
External materials and services	44,675,165	61,099,302	42,524,772	
Internal materials and services	5,459,582	6,608,193	5,894,837	
Capital outlay	61,878,246	53,450,697	31,427,953	
Total current expenditures	<u>119,078,670</u>	<u>128,196,498</u>	<u>85,370,399</u>	<u>42,826,099</u>
General operating contingencies	<u>44,349,483</u>	<u>29,160,061</u>	<u>-</u>	<u>29,160,061</u>
Debt service and related costs:				
Principal	3,047,223	12,129,948	2,529,948	
Interest	6,213,783	6,976,965	6,627,550	
Debt issuance costs	933	933	1,937	
Total debt service and related costs	<u>9,261,939</u>	<u>19,107,846</u>	<u>9,159,435</u>	<u>9,948,411</u>
Total expenditures	<u>172,690,092</u>	<u>176,464,405</u>	<u>94,529,834</u>	<u>81,934,571</u>
Revenues over (under) expenditures	<u>(133,704,529)</u>	<u>(138,489,894)</u>	<u>(57,376,899)</u>	<u>(81,112,995)</u>

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City of Portland, Oregon
Facilities Services Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	5,959,736	5,959,736	5,959,736	
Transportation Operating	3,398,416	3,398,416	3,398,416	
Solid Waste Management	1,000,000	1,000,000	1,000,000	
Insurance and Claims Operating	16,471	16,471	16,471	
Workers Compensation Self Insurance Operating	16,471	16,471	16,471	
Technology Services	927,824	927,824	927,824	
Total transfers from other funds	<u>11,318,918</u>	<u>11,318,918</u>	<u>11,318,918</u>	<u>-</u>
Transfers to other funds:				
General Fund overhead	(54,848)	(1,269,384)	(1,269,384)	
General Fund	(1,214,536)	-	-	
Pension Debt Redemption	(40,936)	(40,936)	(40,936)	
Total transfers to other funds	<u>(1,310,320)</u>	<u>(1,310,320)</u>	<u>(1,310,320)</u>	<u>-</u>
Bonds and notes issued	12,323,296	12,012,540	8,495,883	(3,516,657)
Sale of capital asset	71,146,860	71,146,860	51,620,976	(19,525,884)
Total other financing sources (uses)	<u>93,478,754</u>	<u>93,167,998</u>	<u>70,125,457</u>	<u>(23,042,541)</u>
Net change in fund balance	(40,225,775)	(45,321,896)	12,748,558	58,070,454
Fund balance - beginning	40,225,775	45,321,896	31,376,363	(13,945,533)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>44,124,921</u>	<u>\$ 44,124,921</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			541,971	
Capital assets, net of accumulated depreciation and amortization			242,278,116	
OPEB asset			49,758	
Deferred outflows - pensions			1,737,208	
Deferred outflows - OPEB			50,935	
Compensated absences			(384,212)	
Bonds payable			(145,653,344)	
Notes and loans payable			(17,999,482)	
Accrued interest payable			(1,691,827)	
Net pension liability - PERS			(4,649,415)	
Other postemployment benefits			(420,231)	
Deferred inflows - pensions			(239,508)	
Deferred inflows - debt			(13,438)	
Deferred inflows - OPEB			(96,427)	
Net position - GAAP basis			<u>\$ 117,635,025</u>	

**City of Portland, Oregon
CityFleet Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Intergovernmental:				
Federal cost sharing	\$ 76,162	\$ 76,162	\$ -	
State cost sharing	10,256	10,256	19,899	
Multnomah County cost sharing	673,472	673,472	443,261	
Local cost sharing	559,534	559,534	270,583	
Total intergovernmental	<u>1,319,424</u>	<u>1,319,424</u>	<u>733,743</u>	<u>\$ (585,681)</u>
Other:				
Sales - other	157,580	157,580	53,464	
Loan repayments	-	-	53,700	
Investment earnings	205,413	205,413	486,628	
Miscellaneous	41,191	41,191	26,468	
Total other	<u>404,184</u>	<u>404,184</u>	<u>620,260</u>	<u>216,076</u>
Billings to other funds for services	<u>39,404,615</u>	<u>41,416,956</u>	<u>39,063,190</u>	<u>(2,353,766)</u>
Total revenues	<u>41,128,223</u>	<u>43,140,564</u>	<u>40,417,193</u>	<u>(2,723,371)</u>
EXPENDITURES				
Current:				
Personal services	8,995,563	8,984,484	8,646,069	
External materials and services	14,502,887	15,596,425	13,958,254	
Internal materials and services	2,359,699	2,663,839	2,371,376	
Capital outlay	11,277,664	26,198,886	16,777,310	
Total current expenditures	<u>37,135,813</u>	<u>53,443,634</u>	<u>41,753,009</u>	<u>11,690,625</u>
General operating contingencies	<u>17,528,555</u>	<u>18,544,217</u>	<u>-</u>	<u>18,544,217</u>
Debt service and related costs:				
Principal	458,113	458,113	458,113	
Interest	306,133	306,134	125,849	
Debt issuance costs	-	16,500	8,748	
Total debt service and related costs	<u>764,246</u>	<u>780,747</u>	<u>592,710</u>	<u>188,037</u>
Total expenditures	<u>55,428,614</u>	<u>72,768,598</u>	<u>42,345,719</u>	<u>30,422,879</u>
Revenues over (under) expenditures	<u>(14,300,391)</u>	<u>(29,628,034)</u>	<u>(1,928,526)</u>	<u>27,699,508</u>

City of Portland, Oregon
CityFleet Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(1,088,233)	(1,088,233)	(1,088,233)	
Pension Debt Redemption	(96,195)	(96,195)	(96,195)	
Total transfers to other funds	(1,184,428)	(1,184,428)	(1,184,428)	-
Bonds and notes issued	6,014,332	7,019,663	3,436,705	(3,582,958)
Sale of capital asset	990,758	990,758	1,015,415	24,657
Total other financing sources (uses)	5,820,662	6,825,993	3,267,692	(3,558,301)
Net change in fund balance	(8,479,729)	(22,802,041)	1,339,166	24,141,207
Fund balance - beginning	8,479,729	22,802,041	22,802,041	-
Fund balance - ending	\$ -	\$ -	24,141,207	\$ 24,141,207
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			279,089	
Notes and loans receivable, net			53,700	
Inventories			1,598,145	
Capital assets, net of accumulated depreciation and amortization			73,264,779	
OPEB asset			85,102	
Deferred outflows - pensions			3,484,430	
Deferred outflows - OPEB			86,469	
Compensated absences			(687,579)	
Bonds payable			(1,747,640)	
Notes and loans payable			(3,436,705)	
Accrued interest payable			(2,576,340)	
Net pension liability - PERS			(10,001,637)	
Other postemployment benefits			(855,079)	
Deferred inflows - pensions			(479,638)	
Deferred inflows - OPEB			(168,325)	
Net position - GAAP basis			\$ 83,039,978	

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, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Other service charges	\$ 194,993	\$ 194,993	\$ 123,368	\$ (71,625)
Intergovernmental:				
State cost sharing	149,074	149,074	65,240	
Multnomah County cost sharing	503,348	503,348	315,506	
Local cost sharing	318,404	318,404	170,065	
Total intergovernmental	<u>970,826</u>	<u>970,826</u>	<u>550,811</u>	<u>(420,015)</u>
Other:				
Sales - other	49,096	49,096	34,547	
Loan repayment	-	-	-	
Investment earnings	-	-	41,641	
Miscellaneous	-	-	74	
Total other	<u>49,096</u>	<u>49,096</u>	<u>76,262</u>	<u>27,166</u>
Billings to other funds for services	<u>6,524,736</u>	<u>6,829,451</u>	<u>5,149,459</u>	<u>(1,679,992)</u>
Total revenues	<u>7,739,651</u>	<u>8,044,366</u>	<u>5,899,900</u>	<u>(2,144,466)</u>
EXPENDITURES				
Current:				
Personal services	1,982,125	2,067,458	1,768,958	
External materials and services	3,629,415	3,786,881	2,976,784	
Internal materials and services	917,956	1,065,205	907,028	
Capital outlay	705,244	717,786	183,532	
Total current expenditures	<u>7,234,740</u>	<u>7,637,330</u>	<u>5,836,302</u>	<u>1,801,028</u>
General operating contingencies	<u>2,312,685</u>	<u>2,152,460</u>	<u>-</u>	<u>2,152,460</u>
Debt service and related costs:				
Principal	155,245	155,245	155,245	
Interest	40,581	40,581	40,580	
Total debt service and related costs	<u>195,826</u>	<u>195,826</u>	<u>195,825</u>	<u>1</u>
Total expenditures	<u>9,743,251</u>	<u>9,985,616</u>	<u>6,032,127</u>	<u>3,953,489</u>
Revenues over (under) expenditures	<u>(2,003,600)</u>	<u>(1,941,250)</u>	<u>(132,227)</u>	<u>1,809,023</u>

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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(246,333)	(246,333)	(246,333)	
Pension Debt Redemption	(32,599)	(32,599)	(32,599)	
Total transfers to other funds	<u>(278,932)</u>	<u>(278,932)</u>	<u>(278,932)</u>	-
Bonds and notes issued	<u>211,702</u>	-	-	-
Total other financing sources (uses)	<u>(67,230)</u>	<u>(278,932)</u>	<u>(278,932)</u>	-
Net change in fund balance	(2,070,830)	(2,220,182)	(411,159)	1,809,023
Fund balance - beginning	<u>2,070,830</u>	<u>2,220,182</u>	<u>2,224,002</u>	<u>3,820</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>1,812,843</u>	<u>\$ 1,812,843</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			23,944	
Capital assets, net of accumulated depreciation and amortization			578,394	
OPEB asset			21,101	
Deferred outflows - pensions			823,275	
Deferred outflows - OPEB			21,322	
Compensated absences			(210,330)	
Bonds payable			(592,240)	
Accrued interest payable			(872,885)	
Net pension liability - PERS			(2,399,065)	
Other postemployment benefits			(233,020)	
Deferred inflows - pensions			(118,063)	
Deferred inflows - OPEB			(41,810)	
Net position - GAAP basis			<u>\$ (1,186,534)</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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Other service charges	\$ -	\$ -	\$ 896	\$ 896
Other:				
Investment earnings	836,048	836,048	707,884	
Miscellaneous	109,419	109,419	70,496	
Total other	<u>945,467</u>	<u>945,467</u>	<u>778,380</u>	<u>(167,087)</u>
Billings to other funds for services	<u>11,295,028</u>	<u>11,573,284</u>	<u>11,507,519</u>	<u>(65,765)</u>
Total revenues	<u>12,240,495</u>	<u>12,518,751</u>	<u>12,286,795</u>	<u>(231,956)</u>
EXPENDITURES				
Current:				
Personal services	1,498,892	1,542,397	1,485,057	
External materials and services	6,723,073	8,256,289	7,323,864	
Internal materials and services	3,040,398	3,090,438	3,024,170	
Total current expenditures	<u>11,262,363</u>	<u>12,889,124</u>	<u>11,833,091</u>	<u>1,056,033</u>
General operating contingencies	<u>34,605,484</u>	<u>34,048,977</u>	<u>-</u>	<u>34,048,977</u>
Debt service and related costs:				
Principal	85,545	85,545	85,545	
Interest	22,361	22,361	22,361	
Total debt service and related costs	<u>107,906</u>	<u>107,906</u>	<u>107,906</u>	<u>-</u>
Total expenditures	<u>45,975,753</u>	<u>47,046,007</u>	<u>11,940,997</u>	<u>35,105,010</u>
Revenues over (under) expenditures	<u>(33,735,258)</u>	<u>(34,527,256)</u>	<u>345,798</u>	<u>34,873,054</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Workers Compensation	-	7,190	-	(7,190)
Transfers to other funds:				
General Fund overhead	(184,925)	(184,925)	(184,925)	
Pension Debt Redemption	(17,963)	(17,963)	(17,963)	
Facilities Services Operating	(16,471)	(16,471)	(16,471)	
Total transfers to other funds	<u>(219,359)</u>	<u>(219,359)</u>	<u>(219,359)</u>	<u>-</u>
Total other financing sources (uses)	<u>(219,359)</u>	<u>(212,169)</u>	<u>(219,359)</u>	<u>(7,190)</u>
Net change in fund balance	<u>(33,954,617)</u>	<u>(34,739,425)</u>	<u>126,439</u>	<u>34,865,864</u>
Fund balance - beginning	<u>33,954,617</u>	<u>34,739,425</u>	<u>34,929,869</u>	<u>190,444</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>35,056,308</u>	<u>\$ 35,056,308</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			399,704	
Capital assets, net of accumulated depreciation and amortization			-	
OPEB asset			16,232	
Deferred outflows - pensions			592,856	
Deferred outflows - OPEB			16,584	
Self insurance claims			(12,659,502)	
Compensated absences			(178,507)	
Bonds payable			(326,341)	
Accrued interest payable			(480,983)	
Net pension liability - PERS			(1,645,225)	
Other postemployment benefits			(152,284)	
Deferred inflows - pensions			(78,639)	
Deferred inflows - OPEB			(32,051)	
Fund balance - GAAP basis			<u>\$ 20,528,152</u>	

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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 299,790	\$ 299,790	\$ 285,628	
Miscellaneous	16,668	16,668	10,404	
Total other	<u>316,458</u>	<u>316,458</u>	<u>296,032</u>	\$ (20,426)
Billings to other funds for services	<u>5,028,992</u>	<u>5,028,992</u>	<u>5,031,631</u>	2,639
Total revenues	<u>5,345,450</u>	<u>5,345,450</u>	<u>5,327,663</u>	<u>(17,787)</u>
EXPENDITURES				
Current:				
Personal services	1,363,218	1,402,798	1,349,603	
External materials and services	3,742,442	3,747,402	2,269,474	
Internal materials and services	616,697	661,737	604,560	
Total current expenditures	<u>5,722,357</u>	<u>5,811,937</u>	<u>4,223,637</u>	1,588,300
General operating contingencies	<u>11,932,579</u>	<u>12,516,026</u>	-	12,516,026
Debt service and related costs:				
Principal	80,017	80,017	80,017	
Interest	20,916	20,916	20,916	
Total debt service and related costs	<u>100,933</u>	<u>100,933</u>	<u>100,933</u>	-
Total expenditures	<u>17,755,869</u>	<u>18,428,896</u>	<u>4,324,570</u>	14,104,326
Revenues over (under) expenditures	<u>(12,410,419)</u>	<u>(13,083,446)</u>	<u>1,003,093</u>	<u>14,086,539</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(93,513)	(93,513)	(93,513)	
Facilities Services Operating	(16,471)	(16,471)	(16,471)	
Insurance and Claims Operating	-	(7,190)	-	
Pension Debt Redemption	(16,801)	(16,801)	(16,801)	
Total transfers to other funds	<u>(126,785)</u>	<u>(133,975)</u>	<u>(126,785)</u>	7,190
Net change in fund balance	<u>(12,537,204)</u>	<u>(13,217,421)</u>	876,308	14,093,729
Fund balance - beginning	<u>12,537,204</u>	<u>13,217,421</u>	<u>13,249,349</u>	31,928
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>14,125,657</u>	<u>\$ 14,125,657</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			160,757	
Capital assets, net of accumulated depreciation and amortization			-	
OPEB asset			6,956	
Deferred outflows - pensions			519,743	
Deferred outflows - OPEB			7,107	
Self insurance claims			(8,612,875)	
Compensated absences			(66,656)	
Bonds payable			(305,253)	
Accrued interest payable			(449,902)	
Net pension liability - PERS			(1,467,752)	
Other postemployment benefits			(76,296)	
Deferred inflows - pensions			(72,040)	
Deferred inflows - OPEB			(13,736)	
Net position - GAAP basis			<u>\$ 3,755,710</u>	

City of Portland, Oregon
Technology Services Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 255,750	\$ 255,750	\$ 179,848	
Other service charges	41,090	-	-	
Total charges for services	296,840	255,750	179,848	\$ (75,902)
Intergovernmental:				
Federal cost sharing	102,240	102,240	106,791	
State cost sharing	237,328	237,328	476,121	
Multnomah County cost sharing	2,082,282	2,082,282	1,894,095	
Local cost sharing	3,214,220	3,410,396	3,124,977	
Total intergovernmental	5,636,070	5,832,246	5,601,984	(230,262)
Other:				
Sales - other	398,881	398,881	310,170	
Refunds	-	-	96	
Investment earnings	300,000	300,000	765,675	
Miscellaneous	40,000	40,000	24,177	
Total other	738,881	738,881	1,100,118	361,237
Billings to other funds for services	64,528,346	66,302,241	65,545,669	(756,572)
Total revenues	71,200,137	73,129,118	72,427,619	(701,499)
EXPENDITURES				
Current:				
Personal services	37,486,017	38,725,069	35,624,274	
External materials and services	27,601,813	33,078,345	27,371,894	
Internal materials and services	4,090,070	4,342,723	3,792,584	
Capital outlay	5,035,833	2,024,445	251,609	
Total current expenditures	74,213,733	78,170,582	67,040,361	11,130,221
General operating contingencies	19,259,958	25,975,695	-	25,975,695
Debt service and related costs:				
Principal	544,477	544,477	544,477	
Interest	142,324	142,324	142,324	
Total debt service and related costs	686,801	686,801	686,801	-
Total expenditures	94,160,492	104,833,078	67,727,162	37,105,916
Revenues over (under) expenditures	(22,960,355)	(31,703,960)	4,700,457	36,404,417

City of Portland, Oregon
Technology Services Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	150,000	150,000	150,000	
Enterprise Business Solutions Services	-	5,602,000	5,601,013	
Total transfers from other funds	<u>150,000</u>	<u>5,752,000</u>	<u>5,751,013</u>	<u>(987)</u>
Transfers to other funds:				
General Fund overhead	(2,224,285)	(2,224,285)	(2,224,285)	
General Fund	-	(1,447,020)	(1,447,020)	
Emergency Communication	-	(96,883)	(96,883)	
Facilities Services Operating	(927,824)	(927,824)	(927,824)	
Pension Debt Redemption	(114,331)	(114,331)	(114,331)	
Total transfers to other funds	<u>(3,266,440)</u>	<u>(4,810,343)</u>	<u>(4,810,343)</u>	<u>-</u>
Total other financing sources (uses)	<u>(3,116,440)</u>	<u>941,657</u>	<u>940,670</u>	<u>(987)</u>
Net change in fund balance	(26,076,795)	(30,762,303)	5,641,127	36,403,430
Fund balance - beginning	<u>26,076,795</u>	<u>30,762,303</u>	<u>30,763,294</u>	<u>991</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>36,404,421</u>	<u>\$ 36,404,421</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			396,813	
Inventories			751,306	
Capital assets, net of accumulated depreciation and amortization			70,540,465	
OPEB asset			261,049	
Deferred outflows - pensions			14,225,322	
Deferred outflows - OPEB			268,885	
Compensated absences			(4,042,222)	
Bonds payable			(2,077,106)	
Accrued interest payable			(3,061,388)	
Net pension liability - PERS			(40,438,101)	
Other postemployment benefits			(2,511,716)	
Deferred inflows - pensions			(1,992,401)	
Deferred inflows - OPEB			(516,710)	
Net position - GAAP basis			<u>\$ 68,208,617</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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Service charges and fees:				
Health care charges	\$ 18,797,252	\$ 18,797,252	\$ 17,061,328	\$ (1,735,924)
Other:				
Investment earnings	258,188	258,188	250,924	
Miscellaneous	-	-	613,851	
Total other	258,188	258,188	864,775	606,587
Total revenues	<u>19,055,440</u>	<u>19,055,440</u>	<u>17,926,103</u>	<u>(1,129,337)</u>
EXPENDITURES				
Current:				
External materials and services	17,420,895	19,020,895	17,466,801	
General operating contingencies	14,543,917	11,825,522	-	
Total expenditures	<u>31,964,812</u>	<u>30,846,417</u>	<u>17,466,801</u>	<u>13,379,616</u>
Net change in fund balance	(12,909,372)	(11,790,977)	459,302	12,250,279
Fund balance - beginning	<u>12,909,372</u>	<u>11,790,977</u>	<u>11,790,977</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>12,250,279</u>	<u>\$ 12,250,279</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>134,730</u>	
Fund balance - GAAP basis			<u>\$ 12,385,009</u>	

City of Portland, Oregon
Enterprise Business Solutions Services Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
Technology Services	\$ -	\$ (5,602,000)	\$ (5,601,013)	\$ 987
Net change in fund balance	-	(5,602,000)	(5,601,013)	987
Fund balance - beginning	-	5,602,000	5,601,013	(987)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Net position - GAAP basis			<u>\$ -</u>	

Schedules of Revenues and Expenditures Fiduciary Funds - Budget and Actual



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Fiduciary Funds Budget and Actual



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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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 154,243,417	\$ 154,243,417	\$ 153,762,619	
Prior year property	2,100,000	2,100,000	1,156,555	
Total taxes	<u>156,343,417</u>	<u>156,343,417</u>	<u>154,919,174</u>	\$ (1,424,243)
Service charges and fees:				
Other service charges	-	-	49	49
Other:				
Investment earnings	1,835,000	1,835,000	1,269,711	
Miscellaneous	123,200	123,200	231,525	
Total other	<u>1,958,200</u>	<u>1,958,200</u>	<u>1,501,236</u>	(456,964)
Billings to other funds for services	<u>1,594,954</u>	<u>1,594,954</u>	<u>1,346,630</u>	(248,324)
Total revenues	<u>159,896,571</u>	<u>159,896,571</u>	<u>157,767,089</u>	(2,129,482)
EXPENDITURES				
Current:				
Personal services	2,494,800	2,494,800	2,422,650	
External materials and services	139,215,707	138,164,254	135,317,376	
Internal materials and services	22,584,101	23,600,554	21,916,996	
Capital outlay	75,000	110,000	68,900	
Total current	<u>164,369,608</u>	<u>164,369,608</u>	<u>159,725,922</u>	4,643,686
General operating contingencies	<u>11,560,932</u>	<u>11,560,932</u>	-	11,560,932
Debt service and related costs:				
Principal	52,948,842	52,948,842	26,338,842	
Interest	1,229,767	1,229,767	707,262	
Debt issuance costs	27,972	27,972	52,574	
Total debt service and related costs	<u>54,206,581</u>	<u>54,206,581</u>	<u>27,098,678</u>	27,107,903
Total expenditures	<u>230,137,121</u>	<u>230,137,121</u>	<u>186,824,600</u>	43,312,521
Revenues over (under) expenditures	<u>(70,240,550)</u>	<u>(70,240,550)</u>	<u>(29,057,511)</u>	41,183,039

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, 2020

	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	(140,995)	(140,995)	(140,995)	
Pension Debt Redemption	(10,256)	(10,256)	(10,256)	
Fire and Police Disability and Retirement Reserve	(750,000)	(750,000)	-	
Total transfers to other funds	(901,251)	(901,251)	(151,251)	750,000
Bonds and notes issued	52,900,000	52,900,000	26,290,000	(26,610,000)
Bonds and notes premium	-	-	435,625	435,625
Total other financing sources (uses)	52,748,749	52,748,749	26,574,374	(26,174,375)
Net change in fund balance	(17,491,801)	(17,491,801)	(2,483,137)	15,008,664
Fund balance - beginning	17,491,801	17,491,801	19,573,339	2,081,538
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	17,090,202	<u>\$ 17,090,202</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			419,721	
Deferred Revenue			3,660,532	
Capital assets, net of accumulated depreciation and amortization			290,516	
Other liabilities			(240,000)	
OPEB asset			18,962	
Deferred outflows - pensions			908,116	
Deferred outflows - OPEB			18,952	
Compensated absences			(937,467)	
Accrued interest payable			(274,617)	
Bonds payable			(186,322)	
Net pension liability - PERS			(2,540,532)	
Other postemployment benefits			(173,899)	
Deferred inflows - OPEB			(36,823)	
Deferred inflows - pensions			(123,826)	
Net position - GAAP basis			<u>\$ 17,893,515</u>	

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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Fire and Police Disability and Retirement	\$ 750,000	\$ 750,000	\$ -	\$ (750,000)
Transfers to other funds:				
Fire and Police Disability and Retirement	(750,000)	(750,000)	-	750,000
Net change in fund balance	-	-	-	-
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:				
None			-	
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, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 700	\$ 700	\$ 675	\$ (25)
EXPENDITURES				
Current:				
External materials and services	10,000	11,000	9,913	1,087
Revenues over (under) expenditures	(9,300)	(10,300)	(9,238)	1,062
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	-	1,000	1,000	-
Net change in fund balance	(9,300)	(9,300)	(8,238)	1,062
Fund balance - beginning	34,000	34,000	37,873	3,873
Fund balance - ending	<u>\$ 24,700</u>	<u>\$ 24,700</u>	29,635	<u>\$ 4,935</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			-	
Net position - GAAP basis			<u>\$ 29,635</u>	



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STATISTICAL SECTION



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TOC STATISTICAL SECTIONS

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	383
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	388
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	394
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	402
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	405
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,									
	2020	2019	2018	2017	2016	2015 ⁽¹⁾	2014 ⁽²⁾	2013 ⁽¹⁾	2012	2011
Governmental activities:										
Net investment in capital assets	\$ 1,814,558,567	\$ 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
Restricted	1,009,000,954	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
Unrestricted	(4,741,339,614)	(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)
Total governmental activities net position	\$ (1,917,780,093)	\$ (1,790,989,442)	\$ (1,729,151,034)	\$ (1,595,124,668)	\$ (1,444,156,722)	\$ (1,170,707,275)	\$ (1,051,610,507)	\$ 355,166,876	\$ 537,877,056	\$ 668,461,164
Business-type activities:										
Net investment in capital assets	\$ 3,015,467,125	\$ 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
Restricted	180,000	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
Unrestricted	277,848,112	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
Total business-type activities net position	\$ 3,293,495,237	\$ 3,087,634,729	\$ 2,776,672,825	\$ 2,540,301,643	\$ 2,363,771,902	\$ 2,239,480,274	\$ 2,044,446,484	\$ 1,998,728,837	\$ 1,911,086,230	\$ 1,824,364,709
Primary government:										
Net investment in capital assets	\$ 4,830,025,692	\$ 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
Restricted	1,009,180,954	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
Unrestricted	(4,463,491,502)	(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)
Total primary government net position	\$ 1,375,715,144	\$ 1,296,645,287	\$ 1,047,521,791	\$ 945,176,975	\$ 919,615,180	\$ 1,068,772,999	\$ 992,835,977	\$ 2,353,895,713	\$ 2,448,963,286	\$ 2,492,825,873

⁽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,									
	2020	2019	2018	2017	2016	2015 ⁽¹⁾	2014 ⁽²⁾	2013 ⁽¹⁾	2012	2011
Expenses										
Governmental activities:										
Public safety	\$ 888,342,576	\$ 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
Parks, recreation and culture	119,891,074	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
Community development	345,950,186	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
Transportation	249,110,162	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
Legislative / admin / support services	149,334,563	250,839,532	146,510,653	129,284,091	128,136,508	97,013,883	100,869,933	106,340,680	92,989,301	85,191,243
Environmental services	455,770	222,064	171,074	65,043	273,121	86,523	387,345	604,474	503,400	187,805
Water	262,023	853,736	145,078	208,375	298,514	175,972	185,404	221,364	409,074	89,336
Parking facilities	17,000	17,000	17,000	17,000	17,000	17,000	17,000	-	-	-
Interest on long-term debt	50,094,393	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
Total governmental activities expenses	1,803,457,747	1,690,492,856	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
Business-type activities:										
Environmental services	262,850,901	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
Water	155,094,484	145,727,000	145,619,884	145,140,721	149,291,453	102,628,362	112,388,000	120,814,693	108,344,964	103,260,628
Hydroelectric power	3,277,780	3,501,910	11,863,295	1,446,666	1,685,144	1,289,400	1,661,975	1,786,015	1,895,974	2,049,214
Parking facilities	8,135,542	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
Golf	10,213,433	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
Motor sports	1,810,452	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
Spectator facilities	6,607,414	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
Housing	-	-	-	-	733,510	774,968	721,620	763,346	967,848	1,750,675
Total business-type activities expenses	447,990,006	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
Total primary government expenses	\$ 2,251,447,753	\$ 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
Program Revenues										
Governmental activities:										
Fees, fines and charges for services:										
Public safety	\$ 31,962,395	\$ 26,857,681	\$ 25,653,732	\$ 22,176,413	\$ 18,463,144	\$ 17,462,949	\$ 13,932,328	\$ 9,198,789	\$ 12,351,514	\$ 10,589,711
Parks, recreation and culture	22,053,606	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
Community development	80,192,362	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
Transportation	116,440,894	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
Legislative / admin / support services	313,883,455	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
Environmental services	-	-	-	-	-	-	-	22,086	-	30,888
Water	-	620,000	-	-	-	-	-	-	-	-
Operating grants and contributions	61,943,758	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
Capital grants and contributions	210,903,719	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
Total governmental activities program revenues	837,379,989	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

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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,									
	2020	2019	2018	2017	2016	2015	2014 ⁽¹⁾	2012	2012	2011 ⁽¹⁾
Business-type activities:										
Charges for services:										
Environmental services	394,050,972	394,085,860	403,733,997	384,195,274	357,565,915	341,993,745	316,057,459	292,754,016	268,824,936	256,570,147
Water	206,444,192	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
Hydroelectric power	2,104,509	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
Parking facilities	12,609,616	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
Golf	10,107,774	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
Motor sports	1,429,116	2,087,562	1,836,023	1,813,785	1,979,719	1,712,727	1,424,301	1,704,966	1,752,621	1,748,086
Spectator facilities	9,288,079	12,156,084	11,955,710	11,322,610	11,328,164	10,696,710	10,473,920	10,846,860	8,601,320	8,870,310
Housing	-	-	-	-	1,096,742	1,093,766	868,533	970,625	1,015,467	1,060,568
Capital grants and contributions	7,423,078	77,249,239	4,380,708	1,484,603	2,455,268	4,022,620	2,794,342	3,259,994	3,964,882	44,450,756
Total business-type activities program revenues	643,457,336	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
Total primary government program revenues	<u>\$ 1,480,837,325</u>	<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>
Net (Expense) / Revenue										
Governmental activities	\$ (966,077,758)	\$ (822,873,099)	\$ (788,546,861)	\$ (787,636,464)	\$ (858,605,745)	\$ (666,252,483)	\$ (655,908,788)	\$ (674,455,636)	\$ (603,486,179)	\$ (492,747,797)
Business-type activities	195,467,330	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
Total primary government net expense	<u>\$ (770,610,428)</u>	<u>\$ (539,926,975)</u>	<u>\$ (544,604,887)</u>	<u>\$ (610,640,606)</u>	<u>\$ (735,071,517)</u>	<u>\$ (469,647,914)</u>	<u>\$ (527,302,059)</u>	<u>\$ (572,798,352)</u>	<u>\$ (494,962,025)</u>	<u>\$ (361,325,081)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property	\$ 632,907,728	\$ 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
Lodging	52,072,009	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
Miscellaneous	104,345,895	53,337,472	46,767,750	24,080,946	10,246,214	10,490,137	7,062,234	7,815,970	-	-
Investment earnings	42,403,816	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
Transfers	7,557,659	(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
Special item:										
Contributions from Prosper Portland	-	-	-	-	-	-	-	-	3,695,549	64,246,749
Total governmental activities	<u>839,287,107</u>	<u>761,034,691</u>	<u>698,302,071</u>	<u>635,289,147</u>	<u>585,156,298</u>	<u>547,155,715</u>	<u>513,172,616</u>	<u>491,745,456</u>	<u>472,902,071</u>	<u>541,389,653</u>
Business-type activities:										
Investment earnings	17,950,837	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
Transfers	(7,557,659)	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)
Special item:										
Capital asset write-off	-	-	-	-	-	-	-	(7,000,000)	(16,855,522)	-
Total business-type activities	<u>10,393,178</u>	<u>28,015,780</u>	<u>3,306,359</u>	<u>913,254</u>	<u>757,400</u>	<u>(1,570,779)</u>	<u>(3,821,163)</u>	<u>(14,014,677)</u>	<u>(21,802,633)</u>	<u>(10,986,662)</u>
Total primary government	<u>\$ 849,680,285</u>	<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>
Change in Net Position										
Governmental activities	(126,790,651)	(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
Business-type activities	205,860,508	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
Total primary government change in net position	<u>\$ 79,069,857</u>	<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>

⁽¹⁾Data as restated

City of Portland, Oregon
Fund Balances, Governmental Funds⁽²⁾
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2020	2019	2018	2017	2016	2015 ⁽¹⁾	2014 ⁽²⁾	2013	2012 ⁽¹⁾	2011
General Fund										
Unreserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	473,167	446,808	542,097	404,610	453,022	513,774	545,293	531,247	555,088	234,968
Committed	62,259,262	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	45,462,450	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	23,583,351	63,235,009	46,265,155	39,584,406	27,255,828	16,460,088	28,900,909	28,514,937	22,296,208	23,962,998
Total general fund	<u>131,778,230</u>	<u>148,882,102</u>	<u>119,475,058</u>	<u>111,933,861</u>	<u>101,555,177</u>	<u>106,079,931</u>	<u>96,968,033</u>	<u>79,290,866</u>	<u>77,251,696</u>	<u>94,080,787</u>
All other governmental funds										
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Major fund:										
Transportation Operating	-	-	-	-	-	-	-	-	-	-
Nonmajor funds:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Major fund:										
Transportation Operating:										
Nonspendable	11,601,325	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	235,186,436	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	13,193,002	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	442,605,905	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	36,623,562	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	23,180,065	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	141,751,520	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	20,676,987	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	170,839,894	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	54,097	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	19,313,123	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	164,834	164,165	163,025	162,956	162,832	162,572	162,843	163,182	163,142	162,740
Restricted	32,226	27,788	22,622	21,411	20,844	19,222	18,457	18,805	19,811	19,671
Total all other governmental funds	<u>1,115,222,976</u>	<u>810,870,253</u>	<u>701,597,605</u>	<u>599,234,199</u>	<u>512,782,961</u>	<u>417,073,498</u>	<u>335,489,857</u>	<u>285,418,669</u>	<u>257,363,462</u>	<u>176,291,609</u>
Total governmental funds	<u>\$ 1,247,001,206</u>	<u>\$ 959,752,355</u>	<u>\$ 821,072,663</u>	<u>\$ 711,168,060</u>	<u>\$ 614,338,138</u>	<u>\$ 523,153,429</u>	<u>\$ 432,457,890</u>	<u>\$ 364,709,535</u>	<u>\$ 334,615,158</u>	<u>\$ 270,372,396</u>

⁽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,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues										
Taxes	\$ 785,112,774	\$ 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
Licenses and permits	328,366,854	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
Intergovernmental	231,469,888	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
Charges for services	236,974,380	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
Assessments	12,820,277	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
Investment earnings	36,928,996	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
Miscellaneous	17,223,001	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
Total revenues	1,648,895,970	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
Expenditures										
Current:										
Public safety	540,758,330	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
Parks, recreation and culture	102,379,831	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
Community development	319,522,537	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
Transportation	175,691,973	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
Legislative / admin / support services	129,282,194	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
Environmental services	365,023	160,618	91,199	55,877	227,554	221,231	350,203	604,474	503,400	187,805
Water	29,144	620,000	-	24,915	122,542	-	50,294	221,364	409,074	89,336
Debt service and related costs:										
Principal	153,845,366	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
Interest	41,265,689	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
Debt issuance costs	945,186	549,172	324,906	822,050	560,115	672,770	793,356	1,052,128	2,113,436	1,528,816
Capital outlay	154,554,338	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
Total expenditures	1,618,639,611	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
Revenues over (under) expenditures	30,256,359	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)
Other Financing Sources (Uses)										
Transfers in	167,276,414	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
Transfers out	(170,222,795)	(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)
Bonds and notes issued	239,351,092	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
Bonds and note premium	2,699,876	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
Bonds and note discounts	-	-	-	130,652	284,770	3,935,116	-	-	(82,485)	(266,645)
Loan proceeds	3,422	40,842	132,554	-	-	-	-	-	900,000	4,704,000
Payments to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	4,825	11,287	4,275	5,868	4,788	300	701,755	94,107	74,438	313,703
Total other financing sources (uses)	239,112,834	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
Special Item										
Contribution from the Prosper Portland	-	-	-	-	-	-	-	-	3,695,549	64,246,749
Net change in fund balances	\$ 269,369,193	\$ 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
Debt service as a percentage of noncapital expenditures	13.4%	12.5%	9.9%	14.7%	12.9%	13.3%	16.2%	16.3%	24.8%	26.6%

City of Portland, Oregon
Program Revenues by Function
Last Ten Fiscal Years
(accrual basis of accounting)

Function	Fiscal Year Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013 ⁽¹⁾	2012	2011
Governmental activities:										
Public safety	\$ 56,719,385	\$ 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
Parks, recreation and culture	48,564,904	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
Community development	149,115,252	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
Transportation	233,607,019	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
Legislative / admin / support services	348,763,872	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
Environmental services	269,621	92,557	923,689	-	343,483	1,015,546	1,463,546	1,774,149	1,602,219	1,136,538
Water	134,809	705,243	115,973	-	99,842	-	418,598	2,334,714	1,330,572	757,253
Parking facilities	205,127	3,844,817 ⁽²⁾	950,056	-	-	-	-	-	-	-
Motor Sports	-	5,969	-	-	-	-	-	-	-	-
Subtotal governmental activities	837,379,989	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
Business-type activities:										
Environmental services	396,940,528	398,878,971	407,153,862	385,406,467	359,264,475	345,411,024	318,323,909	295,468,918	270,144,257	258,701,515
Water	206,444,192	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
Hydroelectric power	2,104,509	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
Parking facilities	12,609,616	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
Golf	10,107,774	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
Motor sports	1,429,116	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
Spectator facilities	13,821,601	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
Housing	-	-	-	-	1,096,742	1,093,766	868,533	970,625	1,015,467	13,124,628
Subtotal business-type activities	643,457,336	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
Total primary government	\$ 1,480,837,325	\$ 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

⁽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 Taxes	Lodging Taxes	Arts Taxes ⁽¹⁾	Recreational Cannabis Tax ⁽²⁾	Gas Tax	Construction Excise Tax	PCEF Tax Revenue ⁽⁴⁾	Other Taxes	Total Taxes
2020	\$ 628,694,870	\$ 52,072,009	\$ 10,473,802	\$ 5,507,059	\$ 18,719,386	\$ 6,989,877	\$ 62,655,771	\$ 1,139,779	\$ 786,252,553
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

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
2020	\$ 57,209,586,352.00	\$ 2,541,864,445.00	\$ 3,517,387,353.00	\$ 63,268,838,150.00	7.88%	\$ 152,773,626,065.00	41.41%
2019	54,603,689,769	2,319,888,588	3,580,995,550	60,504,573,907	7.97	149,692,154,041	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	(1) 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	19,848,909,831	2,061,177,281	44,984,332,335	7.69	86,374,680,444	52.08

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 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						
	General	Special Revenue	Debt Service	Total	Multnomah County	Education Districts	Urban Renewal Prosper Portland ⁽¹⁾	Port of Portland	Metropolitan Service Districts	TriMet	Total
2020	\$ 7.24	\$ 0.40	\$ 0.24	\$ 7.88	\$ 4.39	\$ 8.74	\$ 0.21	\$ 0.07	\$ 0.66	\$ -	\$ 21.95
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

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, 2020			June 30, 2011		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Port of Portland	\$ 664,199,350	1	1.05%	\$ 474,287,000	1	0.85%
Portland General Electric Co	435,602,110	2	0.69	395,740,000	2	0.71
Alaska Airlines Inc	423,587,600	3	0.67	-	-	-
PacifiCorp (PP&L)	374,008,000	4	0.59	315,637,000	4	0.56
Centurylink	327,786,000	5	0.52	-	-	-
Weston Investment Co LLC	269,261,190	6	0.43	236,682,000	5	0.42
Southwest Airlines Co	235,900,000	7	0.37	-	-	-
AT&T, Inc	226,189,000	8	0.36	-	-	-
Delta Air Lines, Inc	212,560,000	9	0.34	-	-	-
Pearl District Lodging Associates LLC	206,053,030	10	0.33	-	-	-
Comcast Corporation	-	-	-	338,520,000	3	0.60
Qwest Corporation	-	-	-	217,505,000	6	0.39
Fred Meyer Stores	-	-	-	181,524,000	7	0.32
Evrax Inc NA	-	-	-	175,714,000	8	0.31
LC Portland LLC	-	-	-	168,334,000	9	0.30
Boeing Co	-	-	-	165,440,000	10	0.30
Total ⁽¹⁾	\$ 3,375,146,280		5.33%	\$ 2,669,383,000		4.77%
Total assessed valuation	\$ 63,268,838,150			\$ 55,987,408,000		

Source: Multnomah County Division of Assessment and Taxation and the City of Portland 2011 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
2020	\$ 654,446,914	\$ 619,773,601	94.70%	\$ -	\$ 619,773,601	94.70%
2019	634,371,239	604,120,597	95.23	8,334,477	612,455,074	96.55
2018	600,155,321	565,640,099	94.25	14,555,703	580,195,802	96.67
2017	551,135,421	522,198,704	94.75	11,701,961	533,900,665	96.87
2016	516,333,732	488,402,282	94.59	11,863,620	500,265,902	96.89
2015	494,785,514	467,210,020	94.43	12,725,485	479,935,505	97.00
2014	467,516,063	440,453,970	94.21	14,094,724	454,548,694	97.23
2013	452,452,709	425,290,736	94.00	15,084,676	440,375,412	97.33
2012	445,043,642	412,972,199 ⁽²⁾	92.79	15,822,441	428,794,640	96.35
2011	445,238,206	416,836,027	93.62	17,491,981	434,328,008	97.55

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,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental activities:										
General obligation bonds	\$ 306,540,000	\$ 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
Limited tax improvement bonds	29,460,000	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
Urban renewal and redevelopment bonds	276,554,802	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
Limited tax and limited tax revenues bonds	388,639,961	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
Revenue bonds	4,925,000	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
Notes, loans and lines of credit payable	162,577,009	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
Unamortized premiums and discounts	44,084,523	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
Total governmental activities	1,212,781,295	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
Business-type activities:										
Limited tax and limited tax revenue bonds	51,685,478	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
Revenue bonds	1,913,150,000	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
Notes and loans payable	9,372,981	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
Unamortized premiums and discounts	211,147,421	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
Total business-type activities	2,185,355,880	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
Total primary government	\$ 3,398,137,175	\$ 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
Percentage of personal income ⁽¹⁾	N/A	2.41%	2.68%	2.79%	2.94%	3.33%	3.47%	3.53%	3.55%	3.82%
Per capita ⁽¹⁾	\$ 5,190	\$ 5,213	\$ 5,458	\$ 5,426	\$ 5,561	\$ 5,949	\$ 5,846	\$ 5,924	\$ 5,650	\$ 5,806

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	Less: Amounts Restricted to Repaying Principal	Total	Total Taxable Assessed Value	Percentage of Estimated Actual Taxable Value of Property	Per Capita	Population ⁽¹⁾
2020	\$ 306,540,000	\$ (1,229,751)	\$ 305,310,249	\$ 63,268,838,150	0.48%	\$ 466	653,467
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

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
2020	\$ -	\$ -	\$ -	\$ 63,268,838,150	-%	\$ -	653,467
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

Note: Represents general obligation bonded debt issued for Water infrastructure

City of Portland, Oregon
Direct and Overlapping Governmental Activities Debt
June 30, 2020
(unaudited)

Jurisdiction	Net Property Tax Backed Debt	Percentage within City of Portland	Amount Applicable to City of Portland
Clackamas Community College	\$ 88,668,913	0.20%	\$ 173,525
Clackamas County	121,210,000	0.23	282,298
Clackamas Cty ESD	20,636,690	0.15	31,966
Clackamas Cty SD 12 (North Clackamas)	681,734,563	0.5	3,396,402
Clackamas Cty SD 7J (Lake Oswego)	265,745,846	0.02	58,198
Clackamas Soil & Water Conservation	6,494,000	0.23	15,125
Columbia Cty SD 1J (Scappoose)	23,120,000	6.51	1,504,303
Metro	964,085,000	45.26	436,355,476
Mt Hood Community College	20,510,000	41.62	8,537,103
Multnomah County	322,191,877	86.31	278,076,076
Multnomah Cty Drainage District 1	9,641,000	100	9,641,000
Multnomah Cty SD 1J (Portland)	1,191,001,582	98.01	1,167,319,706
Multnomah Cty SD 28J (Centennial)	15,045,275	52.89	7,957,009
Multnomah Cty SD 3 (Parkrose)	73,403,571	98.47	72,281,598
Multnomah Cty SD 40 (David Douglas)	69,002,481	100	69,001,998
Multnomah Cty SD 51J (Riverdale)	17,076,044	4.94	843,761
Multnomah Cty SD 7 (Reynolds)	192,394,881	23.86	45,908,689
Portland Community College	575,107,061	49.16	282,749,661
Tualatin Hills Park & Rec District	69,944,234	0.03	17,696
Washington County	213,232,118	0.25	525,830
Washington Cty SD 23J (Tigard-Tualatin)	332,910,939	0.09	303,948
Washington Cty SD 48J (Beaverton)	955,103,871	0.28	2,713,450
Subtotal overlapping debt	<u>\$ 6,228,259,946</u>		<u>2,387,694,818</u>
City direct debt			<u>6,300,691,630</u>
Total direct and overlapping debt			<u>\$ 8,688,386,448</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,

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt Limit	\$ 4,583,114,089	\$ 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
Total net debt applicable to limit	305,310,249	138,245,269	136,521,126	123,200,389	98,683,005	83,586,668	75,511,168	62,136,842	69,938,604	77,789,280
Legal debt margin	\$ 4,277,803,840	\$ 4,352,519,352	\$ 3,987,958,091	\$ 3,500,365,396	\$ 2,980,161,209	\$ 2,694,963,409	\$ 2,445,835,698	\$ 2,334,750,234	\$ 2,364,964,446	\$ 2,513,451,133
Total net debt applicable to limit as a percentage of legal debt margin	7.14%	3.18%	3.42%	3.52%	3.31%	3.10%	3.09%	2.66%	2.96%	3.09%

Legal Debt Margin
Calculation for Fiscal Year
2019

Real market value	\$ 152,770,469,622
Debt limit (3% of real market value)	4,583,114,089
Debt applicable to limit:	
General obligation bonds	306,540,000
Less: Amount set aside for repayment of general obligation debt	(1,229,751)
Total net debt applicable to limit	305,310,249
Legal debt margin	\$ 4,277,803,840

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			
2020	\$ 391,128,810	\$ 137,349,929	\$ 253,778,881	\$ 44,000,000	\$ 297,778,881	\$ 71,215,000	\$ 16,752,575	\$ 87,967,575	2.88	3.39
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)	223,332,193	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
								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⁾		Non-Stabilized Net Revenues Available for Debt Service		Net Transfers From (to) Rate Stabilization Fund		Stabilized Net Revenue Available for Debt Service		Combined First and Second Lien Bond Debt Service			Non-Stabilized Coverage	Stabilized Coverage
	Gross Revenues ⁽²⁾	Expenses ⁽²⁾	Service	Stabilization Fund	Rate	Revenue Available	Requirements ⁽³⁾						
							Principal	Interest ⁽⁴⁾	Total				
2020	\$ 391,128,810	\$ 137,349,929	\$ 253,778,881	\$ 44,000,000	\$ 297,778,881	\$ 113,490,000	\$ 65,738,635	\$ 179,228,635				1.42	1.66
2019	396,139,282	128,143,792	267,995,490	(24,000,000)	243,995,490	108,945,000	71,166,641	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)	223,332,193	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
									Required			1.00	1.10
									Bureau Goal			1.00	1.30

Subordinate Lien Sewer System State Revolving Fund Loans⁽¹⁾

Fiscal Year Ended June 30,	Gross Revenues ⁽²⁾		Non-Stabilized Net Revenues Available for Debt Service		Net Transfers From (to) Rate Stabilization Fund		Stabilized Net Revenue Available for Debt Service		First and Second Lien Bond Debt Service			Subordinate Lien SRF Loan Debt Service			135% of Subord. Lien Debt Service	Non- Stabilized Coverage	Stabilized Coverage
	Gross Revenues ⁽²⁾	Expenses ⁽²⁾	Debt Service	Stabilization Fund	Rate	Revenue Available	Requirements ⁽³⁾										
							Principal	Interest ⁽⁴⁾	Total								
2020	\$ 391,128,810	\$ 137,349,929	\$ 253,778,881	\$ 44,000,000	\$ 297,778,881	\$ 113,490,000	\$ 65,738,635	\$ 179,228,635	\$ 1,407,852	\$ 105,182	\$ 1,513,034	\$ 2,042,596	\$ 1,513,034	\$ 2,042,596	1.40	1.64	
2019	396,139,282	128,143,792	267,995,490	(24,000,000)	243,995,490	108,945,000	71,166,641	180,111,641	1,379,871	133,163	1,513,034	2,042,596	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	1,513,034	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	1,513,034	2,042,596	1.60	1.41	
2016	347,887,350	100,940,043	246,947,307	(23,615,114)	223,332,193	92,720,000	78,745,085	171,465,085	1,352,453	160,581	1,513,034	2,042,596	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	1,513,034	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	1,513,034	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	1,513,034	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	1,469,540	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	1,345,505	1,816,432	1.09	1.29	
												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	
2020	\$ 213,413	\$ 90,811	\$ 122,602	\$ 21,590	\$ 16,019	\$ 37,609	3.26
2019	209,096	86,305	122,791	20,570	17,544	38,114	3.22
2018	203,133	84,143	118,990	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

Source: Portland Water Bureau

⁽¹⁾ 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
Schedule of Revenue Bond Coverage
Second Lien Water System Revenue Bonds
(unaudited)
(amounts expressed in thousands)

Fiscal Year Ended June 30,	Gross Revenues ⁽²⁾	Direct Operating Expense ⁽²⁾	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		
2020	\$ 213,413	\$ 90,811	\$ 122,602	\$ (9,700)	\$ 112,902	\$ 33,520	\$ 27,640	\$ 61,160	2.00	1.85
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

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⁾
2020	653,467	NA	NA	NA	NA	14.3%
2019	653,115	2,478,810	\$ 141,269,920	\$ 56,991	49,478	3.5
2018	648,630	2,456,462	132,683,510	54,014	49,550	3.7
2017	643,136	2,427,459	125,457,380	51,683	49,557	3.8
2016	631,539	2,382,370	119,556,140	50,184	49,189	4.6
2015	620,647	2,344,562	110,946,660	47,321	49,075	5
2014	609,970	2,311,294	103,103,690	44,609	48,459 *	5.9
2013	604,285	2,288,535	101,586,720	44,389	48,098	6.8
2012	595,410	2,262,637	95,117,800	42,038	47,508	7.5
2011	585,436	2,232,205	89,153,740	39,940	47,288	8.3

N/A: Data not available for this fiscal year

⁽¹⁾ United States Census Bureau Annual Estimates of the Resident Population 2011-2019, 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: November 14, 2019 - new estimates for 2020; revised estimates for 2011-2019.

⁽³⁾ Portland Public Schools, Data and Policy Analysis Fall Membership 2019

⁽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	2020			2011		
	Employees ⁽¹⁾	Rank	Percentage of Total Metropolitan Statistical Area Employment ⁽²⁾	Employees ⁽³⁾	Rank	Percentage of Total Metropolitan Statistical Area Employment ⁽²⁾
Intel Corporation	21,394	1	1.65%	15,636	2	1.47%
Providence Health & Services	19,326	2	1.49	14,089	3	1.32
Oregon Health & Science University	17,441	3	1.35	13,636	5	1.28
Nike Inc.	12,896	4	1.00	9,732	7	0.91
Legacy Health System	12,074	5	0.93	9,039	8	0.85
Kaiser Foundation Health Plan of NW	12,000	6	0.93	7,000	10	0.66
Fred Meyer	8,163	7	0.63	9,858	6	0.93
City of Portland	7,409	8	0.57	8,876	9	0.83
Portland Public Schools	7,005	9	0.54	-	N/A	-
Beaverton School District	5,646	10	0.44	-	N/A	-
State of Oregon	-	N/A	-	18,400	1	1.73
U.S. Government	-	N/A	-	13,900	4	1.31
Total	123,354		9.53%	120,166		11.29%
Total MSA⁽²⁾ employment	1,294,803			1,063,640		

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,									
	2020 ²	2019	2018	2017	2016	2015	2014	2013	2012	2011
Public safety	2,222	2,276	2,184	2,161	2,116	2,079	2,059	2,119	2,159	2,164
Parks, recreation and culture	597	626	695	666	580	457	433	420	445	446
Community development	740	720	681	610	561	501	448	409	403	388
Transportation	1,072	996	911	866	794	760	734	745	762	764
Legislative / admin / support services	921	881	873	849	841	819	817	846	856	857
Environmental services	612	594	573	561	542	524	521	538	543	549
Water	622	615	593	590	572	569	581	620	631	641
Total employees	6,786	6,708	6,510	6,303	6,006	5,709	5,593	5,697	5,799	5,809

Sources: Adopted Budget City of Portland, Oregon, Fiscal Year 2019-2020, 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 2020-21.

City of Portland, Oregon
Operating Indicators by Function/Program
Last Ten Fiscal Years
(unaudited)

Function/Program ⁽¹⁾	Fiscal Year Ended June 30, ⁽⁹⁾									
	2020 ⁽²⁾	2019	2018	2017	2016	2015	2014	2013	2012	2011
Public safety:										
Number of Crime Against Persons offenses per 1,000 residents	15	15	14	13	13	N/A	N/A	N/A	N/A	N/A
Number of Crime Against Property offenses per 1,000 residents	72	73	79	79	74	N/A	N/A	N/A	N/A	N/A
Percentage of emergency 9-1-1 calls answered within 20 seconds	78%	77%	64 %	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of fire, medical and other incidents	129,001	85,629	87,166	85,698	81,076	77,581	72,023	70,386	69,016	67,212
Maximum response time to 90% of high priority calls (in minutes)	7.37	7.24	7.19	7.39	7.18	7.12	7.12	7.02	7.15	N/A
Total number of emergency telephone line calls	599,441	576,446	527,027	522,947	536,798	526,243	486,353	468,738	456,619	446,638
Percentage of neighborhoods with active NET teams	95%	89%	82 %	71 %	59 %	47 %	37 %	N/A	N/A	N/A
Parks, recreation and culture:										
Number of park acres per 1,000 residents	N/A ⁽⁵⁾	18	18	19	19	19	20	20	20	19
Percentage of residents living within three miles of a full-service community center	71%	N/A	N/A	70 %	70 %	69 %	69 %	70 %	69 %	69 %
Percentage of residents living within 1/2 miles of a developed park or natural area	N/A	N/A	N/A	80 %	81 %	80 %	80 %	80 %	79 %	79 %
Community development:										
Total number of commercial and residential building permits	6,844	9,048	10,324	10,403	10,073	8,964	N/A	N/A	N/A	N/A
Total number of commercial and residential inspections	162,309	186,398	191,146	177,705	176,939	152,426	141,847	134,391	109,495	124,094
Percentage of waste recycled or composted	54%	54%	54 %	63 %	64 %	69 %	70 %	70 %	66 %	71 %
Number of certified green buildings in Portland	N/A ⁽⁵⁾	3,086	2,872	2,766	2,573	2,362	2,123	2,051	2,378	1,700
Percentage reduction in per person carbon emissions from 1990 levels	42%	39%	41 %	41 %	41 %	41 %	31 %	30 %	28 %	26 %
Housing units opened that are newly affordable	654	1,050	804	511	362	182	279	131	92	344
Number of individuals prevented from becoming homeless	7,300	10,504	7,458	6,139	4,174	3,522	4,023	N/A	N/A	N/A
Transportation and parking:										
Annual streetcar ridership	3,154,485	4,491,363	4,870,556	4,720,474	4,313,571	4,623,520	4,400,000	N/A	N/A	N/A
On-street parking expenses as a percentage of revenues	25%	21%	21 %	23 %	26 %	31 %	31 %	30 %	N/A	N/A
Percentage of "busy" (collector/arterial) streets in fair or better condition	57%	43%	48 %	50 %	53 %	55 %	51 %	N/A	N/A	N/A
Percentage of local streets in fair or better condition	45%	28%	31 %	36 %	40 %	43 %	44 %	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,									
	2020 ⁽²⁾	2019	2018	2017	2016	2015	2014	2013	2012	2011
Legislative / admin / support services:										
Number of litigation cases	1,055	1,324	1,481	1,580	1,447	1,259	1,167	1,402	1,433	2,121
Percentage of cases favorably resolved	96%	96%	97 %	90 %	95 %	89 %	N/A	N/A	N/A	N/A
Number of active grants - all types	414	198	221	351	352	550	475	475	475	475
Percentage of OMF owned City facilities (excluding spectator venues) maintained in good or better condition	N/A ⁽⁴⁾	N/A ⁽⁴⁾	61 %	61 %	61 %	61 %	61 %	61 %	94 %	95 %
Percentage of sedans that are electric or plug-in hybrid	43%	41%	44 %	39 %	36 %	11 %	8 %	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	55%	68%	51 %	43 %	19 %	30 %	35 %	22 %	26 %	35 %
Environmental services:										
Amount of wastewater processed annually (in million gallons)	24,236	25,807	28,901	36,242	32,973	27,597	28,433	28,569	30,911	30,449
Number of sanitary sewer overflows	174	187	168	179	134	146	227	131	121	N/A
Number of combined sewer overflows	1	1	3	7	5	4	4	2	4	48
Water:										
Average minutes that customers are on hold before speaking to a customer service representative	0.21	0.26	0.33	2.26	3.36	1.50	1.52	1.50	2.03	1.39
Number of violations of state and federal drinking water quality regulations	0	0	0	0	0	0	1	1	0	0
Number of violations of state and federal environmental regulations	0	0	0	0	0	0	2	0	0	0

Sources: City of Portland Dashboards of bureau key performance measures, Fiscal Year 2020

N/A: Data not available for this fiscal year

⁽¹⁾ City of Portland key performance measure representation was revised FY2020.

⁽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.

⁽⁴⁾ This operating Indicator relies on data from Multnomah County which was unavailable in FY2019 and FY2020.

⁽⁵⁾ This indicator is no longer being tracked in FY2020.

City of Portland, Oregon
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(unaudited)

Function/Program	Fiscal Year Ended June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Public safety:										
Number of front-line emergency vehicles	74	74	75	74	81	77	82	81	81	80
Fire stations	31	31	31	30	30	30	30	30	30	30
Police precincts	3	3	3	3	3	3	3	3	3	3
Police vehicles	709	709	700	692	700	641	644	627	688	673
Parks, recreation and culture:										
Developed parks ⁽²⁾	154	146	146	144	144	144	144	145	141	143
Sports fields ⁽¹⁾	115	173	237	235	234	234	234	232	225	225
Arts and community centers	15	15	19	15	15	15	18	18	18	18
Pools	12	12	13	13	13	13	13	13	13	13
Golf courses	6	6	6	6	6	6	6	5	5	5
Transportation:										
Lane miles of streets	4,853	4,854 ⁽⁶⁾	4,851	4,850	4,851	4,833	4,835	4,829	4,907	4,931
Miles of bikeways ⁽⁴⁾	405	396 ⁽⁶⁾	375	371 ⁽⁶⁾	352	345	338	331	328	328
Number of street lights ⁽⁴⁾	56,955	56,679	56,360	56,302	56,032	55,864	55,654	55,477	55,389 ⁽⁴⁾	55,055 ⁽⁴⁾
Unpaved streets (centerline miles) ⁽²⁾	56	56	56	56	56	56	56	57	60	-
Environmental services:										
Sanitary, storm and combined pipeline (miles)	3,088	3,081	3,074	3,040 ⁽⁶⁾	3,027	3,015	3,006	2,300	2,336	2,330
Water:										
Miles of water mains	2,252	2,252	2,250	2,253	2,253	2,253	2,253	2,250	2,200	2,100
Fire hydrants	14,609	14,554	14,498	14,457	14,376	14,386	14,326	14,200	14,200	14,000
Local water storage (millions of gallons)	191	194	194	194	196	364	288	289	301	220

Sources: Adopted Budget City of Portland, Oregon, Fiscal Year 2019-2020, 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.

⁽³⁾ 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."

⁽⁴⁾ Revised in FY16

⁽⁵⁾ Revised in FY18

⁽⁶⁾ Revised in FY19

AUDIT COMMENTS AND DISCLOSURES



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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, 2020 and have issued our report thereon dated October 30, 2020. 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, 2020

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, 2020, 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, 2020.

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.

Modis Adams, LLP

Portland, Oregon
October 30, 2020