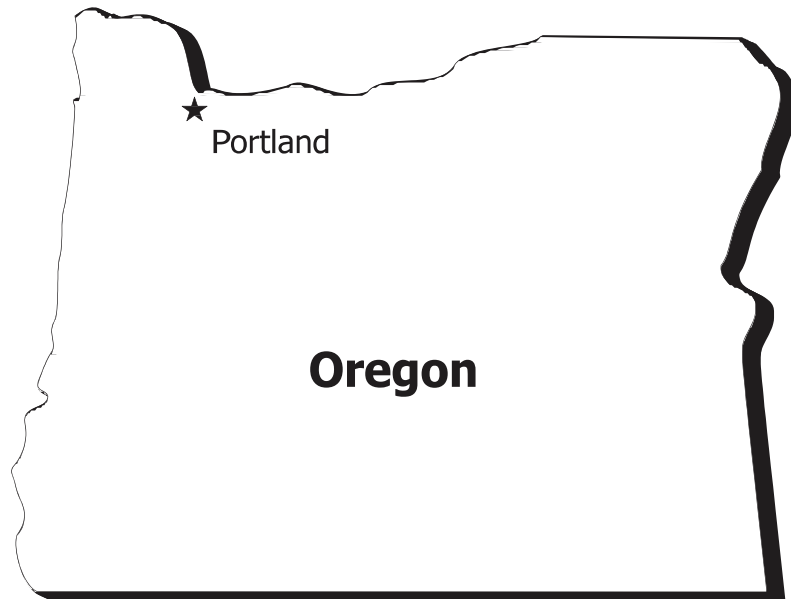


The City of
Portland, Oregon

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FISCAL YEAR ENDED JUNE 30, 2015



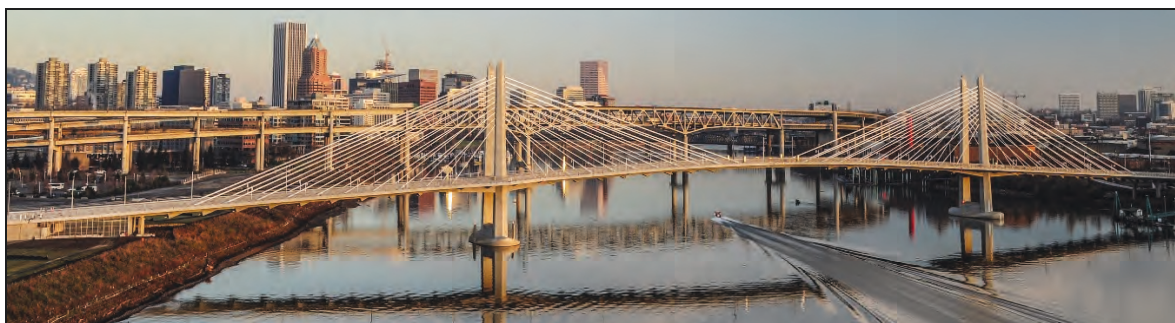
Cover – Tilikum Crossing Bridge
Photographer – Lois Summers



The Tilikum Crossing Bridge opened for operation on September 12, 2015. Named the “Bridge of the People”, “Tilikum” is a Chinook Wawa word for “people, tribe, and relatives”. It is the only bridge in the United States exclusively dedicated to mass transit (MAX, Portland Streetcar, TriMet busses) and for bicycle and pedestrian traffic, which adds needed capacity to the City’s transportation system.

The 1,720 foot long bridge relies on electricity to power the MAX, Portland Streetcar, lighted pathways for bicycles and pedestrians, safety systems, and 178 LED lights that vary their display at night based on the river’s height, speed, and temperature conditions. Partners participating in the Tilikum Crossing project include: Federal Transit Administration, City of Portland, Portland Development

Commission, Clackamas County, Metro, City of Milwaukie, Multnomah County, City of Oregon City, State of Oregon Department of Transportation, and TriMet.



CITY OF PORTLAND, OREGON

Comprehensive Annual Financial Report For The Fiscal Year Ended June 30, 2015



Office of Management and Finance
Fred Miller, Chief Administrative Officer



Portlandia – 30th Anniversary

**City of Portland, Oregon
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015
Table of Contents**

PAGE

INTRODUCTORY SECTION

Letter of Transmittal	1
Elected Officials	8
Organizational Charts	9
Certificate of Achievement for Excellence in Financial Reporting	12

FINANCIAL SECTION

Report of Independent Auditors	13
Management's Discussion and Analysis	17

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position	42
Statement of Activities	44

Fund Financial Statements

Governmental Funds

Balance Sheet	45
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	46
Statement of Revenues, Expenditures and Changes in Fund Balances	47
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	48

Proprietary Funds

Statement of Net Position	50
Statement of Revenues, Expenses and Changes in Fund Net Position	52
Statement of Cash Flows	54

Fiduciary Funds

Statement of Fiduciary Net Position	56
Statement of Changes in Fiduciary Net Position	57

Notes to the Financial Statements:

I. Summary of significant accounting policies	59
II. Stewardship, compliance, and accountability	73
III. Detailed notes	75
IV. Other information	119

**City of Portland, Oregon
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015
Table of Contents**

	<u>PAGE</u>
Required Supplementary Information:	
General Fund Schedule of Revenues and Expenditures - Budget and Actual	151
Transportation Operating Fund Schedule of Revenues and Expenditures - Budget and Actual	154
Required Supplementary Information Notes and Schedules	156
Combining and Individual Fund Statements and Schedules:	
Nonmajor Governmental Funds	
 Combining Balance Sheet	
Governmental Fund Types	163
Special Revenue Funds	164
Debt Service Funds	168
Capital Projects Funds	173
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
Governmental Fund Types	175
Special Revenue Funds	176
Debt Service Funds	180
Capital Projects Funds	184
Nonmajor Proprietary Funds	
 Combining Statement of Net Position	
Enterprise Funds	186
Internal Service Funds	190
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	
Enterprise Funds	194
Internal Service Funds	196
 Combining Statement of Cash Flows	
Enterprise Funds	198
Internal Service Funds	202
Fiduciary Funds	
Combining Statement of Fiduciary Net Position - Pension Trust Funds	207
Combining Statement of Fiduciary Net Position - Agency Funds	208
Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds	209
Combining Statement of Changes in Assets and Liabilities - Agency Funds	210
Schedules of Revenues and Expenditures - Governmental Funds - Budget and Actual:	
General Fund by Function - Budget and Actual	213

**City of Portland, Oregon
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015
Table of Contents**

	<u>PAGE</u>
Special Revenue Funds - Budget and Actual	
Assessment Collection Fund	219
Emergency Communication Fund	220
Development Services Fund	221
Property Management License Fund	222
Convention and Tourism Fund	223
General Reserve Fund	224
Transportation Reserve Fund	225
Housing Investment Fund	226
Parks Local Option Levy Fund	227
Children's Investment Fund	228
Grants Fund	229
Community Development Block Grant Fund	230
HOME Grant Fund	231
Portland Parks Memorial Fund	232
Tax Increment Reimbursement Fund	233
Police Special Revenue Fund	234
Arts Education and Access Fund	235
Community Solar Fund	236
Debt Service Funds - Budget and Actual	
River District Urban Renewal Area Debt Redemption Fund	237
Bonded Debt Interest and Sinking Fund	238
Downtown Waterfront Renewal Bond Sinking Fund	239
Interstate Corridor Debt Service Fund	240
Pension Debt Redemption Fund	241
South Park Block Redemption Fund	242
Airport Way Debt Service Fund	243
Gas Tax Bond Redemption Fund	244
Lents Town Center Urban Renewal Area Debt Redemption Fund	245
Central Eastside Industrial District Debt Service Fund	246
Bancroft Bond Interest and Sinking Fund	247
Convention Center Area Debt Service Fund	248
North Macadam Urban Renewal Area Debt Redemption Fund	249
Special Projects Debt Service Fund	250
Gateway Urban Renewal Area Debt Redemption Fund	251
Willamette Industrial Urban Renewal Area Debt Service Fund	252
Governmental Bond Redemption Fund	253
Education Urban Renewal Area Debt Service Fund	254
42nd Avenue Neighborhood Prosperity Initiative Debt Service Fund	255
Cully Boulevard Neighborhood Prosperity Initiative Debt Service Fund	256
Parkrose Neighborhood Prosperity Initiative Debt Service Fund	257
Rosewood Neighborhood Prosperity Initiative Debt Service Fund	258
Division-Midway Neighborhood Prosperity Initiative Debt Service Fund	259
82nd Avenue / Division Neighborhood Prosperity Initiative Debt Service Fund	260

**City of Portland, Oregon
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015
Table of Contents**

	<u>PAGE</u>
Capital Projects Funds - Budget and Actual	
Special Finance and Resource Fund	261
Bureau of Fire, Rescue and Emergency Services Facilities GO Bond Construction Fund	262
Local Improvement District Fund	263
Parks Capital Improvement Program Fund	264
Public Safety GO Bond Construction Fund	266
Permanent Fund - Budget and Actual	
Parks Endowment Fund	267
Schedules of Revenues and Expenditures - Proprietary Funds - Budget and Actual:	
Enterprise Funds - Budget and Actual	
Sewer System Operating Fund	269
Sewer System Debt Redemption Fund	271
Sewer System Construction Fund	272
Sewer System Rate Stabilization Fund	273
Water Fund	274
Water Bond Sinking Fund	276
Water Construction Fund	277
Hydroelectric Power Operating Fund	278
Hydroelectric Power Bond Redemption Fund	279
Hydroelectric Power Renewal and Replacement Fund	280
Golf Fund	281
Portland International Raceway Fund	282
Solid Waste Management Fund	283
Parking Facilities Fund	284
Spectator Facilities Operating Fund	285
Environmental Remediation Fund	286
Headwaters Apartment Complex Fund	287
Internal Service Funds - Budget and Actual	
Health Insurance Operating Fund	289
Facilities Services Operating Fund	290
CityFleet Operating Fund	292
Printing and Distribution Services Operating Fund	294
Insurance and Claims Operating Fund	295
Workers' Compensation Self Insurance Operating Fund	296
Technology Services Fund	297
Enterprise Business Solutions Services Fund	299
Schedules of Revenues and Expenditures - Fiduciary Funds - Budget and Actual:	
Fire and Police Disability and Retirement Fund	301
Fire and Police Disability and Retirement Reserve Fund	303
Fire and Police Supplemental Retirement Reserve Fund	304

**City of Portland, Oregon
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015
Table of Contents**

	<u>PAGE</u>
Other Financial Schedules:	
Schedule of Bond Principal Transactions	305
Schedule of Bond Interest Transactions	308
Schedule of Future Bond Principal Requirements	311
Schedule of Future Bond Interest Requirements	312
Schedule of Property Tax Transactions and Outstanding Balances	313
Schedule of Property Taxes Receivable by Levy Year by Fund	315
Schedule of Property Taxes Collected by Levy Year by Fund	316

STATISTICAL SECTION

Statistical Section - Table of Contents	317
Net Position by Component	318
Changes in Net Position	319
Fund Balances, Governmental Funds	321
Changes in Fund Balances of Governmental Funds	322
Program Revenues by Function	323
Tax Revenues by Source, Governmental Funds	324
Assessed Valuation and Estimated Actual Values of Taxable Property	325
Property Tax Rates - Direct and Overlapping Governments	326
Principal Property Taxpayers	327
Property Taxes Levies and Collections	328
Ratios of Outstanding Debt by Type	329
Ratios of General Bonded Debt Outstanding	330
Direct and Overlapping Governmental Activities Debt	331
Legal Debt Margin Information	332
Pledged-Revenue Coverage - Sewer System Revenue Bonds	333
Pledged-Revenue Coverage - Water Revenue Bonds	335
Demographic Statistics	337
Principal Employers	338
Full-Time Equivalent Employees by Function / Program	339
Operating Indicators by Function / Program	340
Capital Asset Statistics by Function / Program	342

AUDIT COMMENTS AND DISCLOSURES

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	343
---	-----



City Hall in Autumn

**City of Portland, Oregon
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015
Table of Contents**

INDEX TO PHOTOGRAPHS

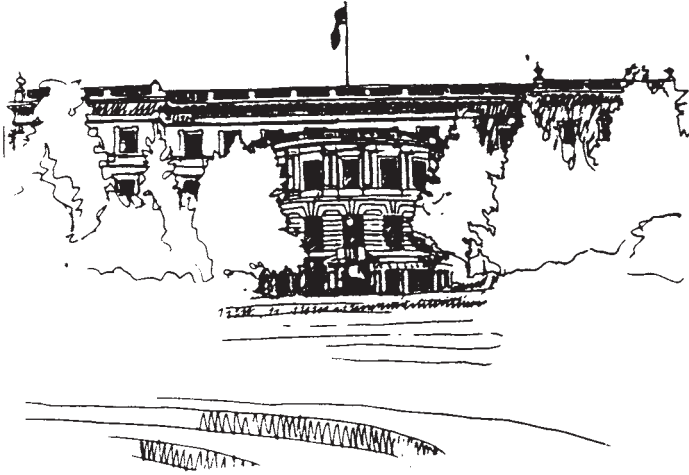
Tilikum Crossing Bridge	Cover
Tilikum Crossing Bridge - other information	Inside Cover
Portlandia - 30th Anniversary	-
City Hall in Autumn	vi
Fireworks - Portland Rose Festival	viii
City Hall Reflections	16
Portland's Waterfront in Spring	40
Portland Fall Color	41
Elk on Main Street	49
Downtown Portland	53
Police Horse	58
Japanese Gardens - Water Fall	162
Hawthorne Bridge and Geese	167
Riverfront Lights	174
Pioneer Place and Flower Display	179
Portland Sign in Old Town	185
Portland Building and Park	206
City Hall Columns	212
Tram	268
City Buildings	288
Downtown Farmers' Market	300

Photography provided by Lois Summers



Fireworks – Portland Rose Festival

INTRODUCTORY SECTION



Portland City Hall, 1895

Blank back of tab



CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

Charlie Hales, Mayor
Fred Miller, Chief Administrative Officer
1120 S.W. Fifth Avenue, Rm. 1250
Portland, Oregon 97204-1912
(503) 823-5288
FAX (503) 823-5384
TTY (503) 823-6868

December 1, 2015

Mayor Charlie Hales, City Commissioners,
City Auditor, and Citizens 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, 2015.

This CAFR is published to provide the City Council, City staff, our citizens, 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.

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.

THE REPORT

The 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 (GFOA).

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

An Equal Opportunity Employer

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

www.portlandonline.com/omf/operations

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 of 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 in excess of 619,000. Located astride the Willamette River at its confluence with the Columbia River, the City is the center of commerce, industry, transportation, finance, and services for a metropolitan area of more than two million people. The City is also 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".

The City was incorporated in 1851 and is a home rule charter city. The City Charter is the basic law under which the City operates and can be amended only by a vote of the people. 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. They are elected at-large to four-year terms. The Mayor and Commissioners act as legislators and administrators, with the Commissioners 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.

The City Auditor is also elected and required by Charter to be a Certified Public Accountant, Certified Internal Auditor, or Certified Management Accountant. The Auditor is not part of the Council and has no formal voting authority.

The City operates under the provisions of the City Code and City Charter, which are consistent with the Oregon Constitution and State law (Oregon Revised Statutes). The City's Code consists of all of the regulatory and penal ordinances and certain administrative ordinances of the City. The Charter grants legal authority to City government, determines the form of City government, and assigns duties to public officials. Ordinances are passed by a simple majority vote of three of the five Council members.

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

- **Planning and community development:**
Building reviews, 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, printing, risk management, and technology
- **Parks:**
Recreational and cultural services

- **Utilities:**
Water, sewer, and stormwater
- **Other operations:**
Refuse disposal oversight and environmental remediation

Portland is 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.

REPORTING ENTITY

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 the Portland Development Commission (PDC). Under the City Charter, the FPDR and PDC are required to have separate financial audits conducted by external certified public accountants. Additional information is provided in the Notes to the Financial Statements, beginning on page 59 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.

ECONOMIC CONDITIONS AND OUTLOOK

A. Recent economic performance

Broadly speaking, the local economy has done comparatively well over the last couple of years. FY 2014-15 saw a more typical economic recovery than prior years. The number of jobs in Multnomah County finally exceeded its pre-recession peak. Unemployment for City residents continued to tick lower, down to 5.1 percent in June 2015, its lowest level in eight years. Meanwhile, the housing market continued to prosper, with prices rising by nearly 10 percent in the local area.

Based on data released August 19, 2015, inflation rose at an annualized rate of 0.2 percent for the first six months of 2015. Lower energy and transportation costs helped to keep inflation low, while real estate and medical costs rose only slightly. The CPI-W, which determines the cost of living increases for nearly all City employees, is expected to be similarly low, somewhere in the 1% to 2% range for the 2015 calendar year.

The City has two primary revenue sources that are acutely sensitive to economic conditions, business license revenues and transient lodging taxes. General Fund business license revenues reached record levels by growing 20.8 percent to nearly \$98 million for FY2014-15. Meanwhile, General Fund transient lodging taxes also grew by more than 20 percent. Property taxes, after absorbing property tax compression impacts resulting from the imposition of the new Multnomah County Library District, jumped by more than 7 percent, the highest annual percentage increase since property tax limitation measures were enacted in the late 1990s. Overall, General Fund revenue from external sources grew by 6.5 percent in FY2014-15 over FY2013-14 figures.

B. Outlook

The local economy is experiencing the fastest growth since the current expansion began in the

summer of 2009. The local unemployment rate has continued to fall and job growth has been tracking higher than the long-term average for the Portland metro-area. Year-over-year growth in the local lodging industry has pushed transient lodging taxes to record levels and spurred construction plans for several new hotels near downtown.

Above average economic growth is expected for at least the next 18 to 24 months. Uncertainty beyond that builds as the length of this current expansion (already more than six years) reaches historic length. Other non-local factors such as performance of the global economy and overall geopolitical uncertainty could actively harm the general economic conditions that underlie the City's forecast assumptions.

FINANCIAL POLICIES AND PLANNING

A. Financial policies

The City has adopted and adheres to a set of Comprehensive Financial Management Policies. The City's goals and objectives provide the foundation for these financial management policies, which serve as the blueprint to achieve and maintain fiscal stability. These policies govern the allocation and management of resources and guide City Council and City management decisions that have significant fiscal impact. The policies also enable management to ensure that the City is financially able to meet its immediate and long-term service objectives. Topics covered in the City's financial policies include revenue, financial planning, financial reporting, City investment, and debt management, among others. The policies are periodically reviewed and amended to ensure they reflect best practices and comply with external requirements such as Generally Accepted Accounting Principles (GAAP) and Local Budget Law.

B. 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 budget distinguishes between ongoing and one-time revenues. City financial policies discourage the use of one-time revenue to fund ongoing obligations. The City continues to maintain General Fund reserves at least equal to 10 percent of General Fund discretionary and overhead revenues in order to guard against a significant economic downturn, disaster, or major unanticipated expense. In FY2014-15, the City Council expanded programs slightly, in line with a modest increase in available resources.

C. 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, produce budgets and financial plans that focus predominantly on short-range financial performance. The City Council in 2014 created a Chief Financial Officer (CFO) position with specific responsibility for measuring and monitoring the City's long-term fiscal health, and reporting on a regular basis to City Council on these matters. 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.

D. Future funding challenges

Although the current financial condition of the City is strong, there is a continuing set of near-term and longer-term financial obligations that will need to be monitored and managed. The City's two employee pension systems, FPDR and PERS, are experiencing increasing cost trends that create a growing financial obligation for the City. This is particularly true for the state PERS system, which has seen recent cost-saving legislative reforms overturned by the Oregon Supreme Court. Oregon PERS also requires consistent and high levels of investment returns in order to maintain a high funding status. Recent investment performance results and trends have been below levels necessary to maintain or improve the system's funding status, and serve to underscore this concern.

Increasing and sustaining the City's investment in infrastructure is also critical to addressing long-term indicators of fiscal health, where underinvestment in infrastructure, particularly in the transportation area, is a key contributor to declines in the City's net position. The City is facing significant infrastructure investments needed to maintain both existing facilities and provide capacity for future growth. Added to this backdrop of "normal" infrastructure needs is the funding of the City's share of certain "legacy" liabilities associated with the Portland Harbor and the Columbia River Levee system.

This mix of pension funding requirements, normal and predictable infrastructure needs, legacy liabilities, and catch-up investments in areas that the City has under invested in the recent past (ie: street maintenance and transportation, facilities and housing) represent the City's core funding challenges at this time.

OTHER FINANCIAL INFORMATION

A. Accounting system and budgetary control

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

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

The City Council is required to adopt a budget no later than June 30, the close 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.

Council has set the level of appropriations under Oregon Budget Law at the fund, organizational unit (bureau), and major category of expenditure. Transfers between major object categories are allowed with approval of the Commissioner-in-Charge. The Council conducts three to four budget monitoring and amendment actions during the fiscal year to address changing financial needs and conditions.

B. Major initiatives and highlights

The FY 2014-15 financial situation for the City saw improvement over previous years due to fiscal decisions made by the Council and an improving economy. General Fund bureaus were not required to submit reduction packages or undergo a modified zero-based budget approach. In addition, the City found itself with approximately \$4.6 million in surplus ongoing funds and \$4.7 million in one-time funds to allocate to new and existing programs. The modest increase in resources were focused on the following priorities:

- *Homelessness and Hunger:* Council allocated \$1 million to the Housing Investment Fund to leverage federal funds to build more units of affordable housing, and \$1.3 million for short-term rent assistance and permanent housing for our most vulnerable populations.
- *Emergency Preparedness:* \$1.2 million was invested in the Jerome Sears Facility to further develop the asset into a West Side emergency operations center. In addition, funds were budgeted to improve the community emergency notification system and regional disaster preparedness.
- *Complete Neighborhoods:* The Council allocated \$2.1 million towards complete neighborhoods, including \$300,000 to continue implementation efforts of the East Portland Action Plan, \$500,000 for the Tree Regulatory Improvement project, \$400,000 for the District Liaison program, and \$500,000 for Schools Uniting Neighborhoods and Aging Services.
- *Other Critical Needs:* Additional priorities of the Council included \$1 million for habitat restoration, \$200,000 for the Summer Works program providing jobs for youth, \$200,000 for the Black Male Achievement program, \$400,000 for youth bus passes, and \$650,000 for an Environmental Impact Study to determine the best high-capacity transit solution for Southwest Portland.

OTHER INFORMATION

A. Independent audit

The City's Charter requires an annual audit of the City's financial records. These records, as represented in the CAFR, have been audited by the City's independent Certified Public Accountants, Moss Adams LLP. The Independent Auditor's Report on the City's financial statements is included in the financial section of this CAFR.

This audit included the City's Single Audit for FY 2014-2015, pursuant to OMB Circular A-133. Due to the size and complexity of the City's financial systems, the report on the City's compliance with applicable Federal laws and regulations related to the Single Audit Act, OMB Circular A-133, is

issued separately from this CAFR. Copies of the single audit 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>.

B. Certificate of Achievement

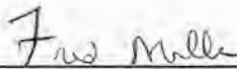
The GFOA has awarded the City with a Certificate of Achievement for Excellence in Financial Reporting for its CAFR consecutively for the last thirty-four fiscal years. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR with contents 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. We believe our current CAFR continues to conform to Certificate of Achievement Program requirements, and we are submitting it to GFOA for their consideration of another certificate award.

C. Acknowledgments

We would like to express our sincere gratitude to the City personnel who contributed to this CAFR, especially personnel in the Accounting Division. Appreciation is also extended to the bureaus, City Council, City Auditor, and the many City managers whose leadership and commitment are vital to the health and vitality of the City of Portland.

Respectfully submitted,



Fred Miller
Chief Administrative Officer
Office of Management & Finance



Kenneth L. Rust
Chief Financial Officer
Bureau of Revenue & Financial Services

ELECTED OFFICIALS OF THE CITY OF PORTLAND



Charlie Hales
Mayor



Dan Saltzman
Commissioner of Public Affairs



Steve Novick
Commissioner of Public Safety



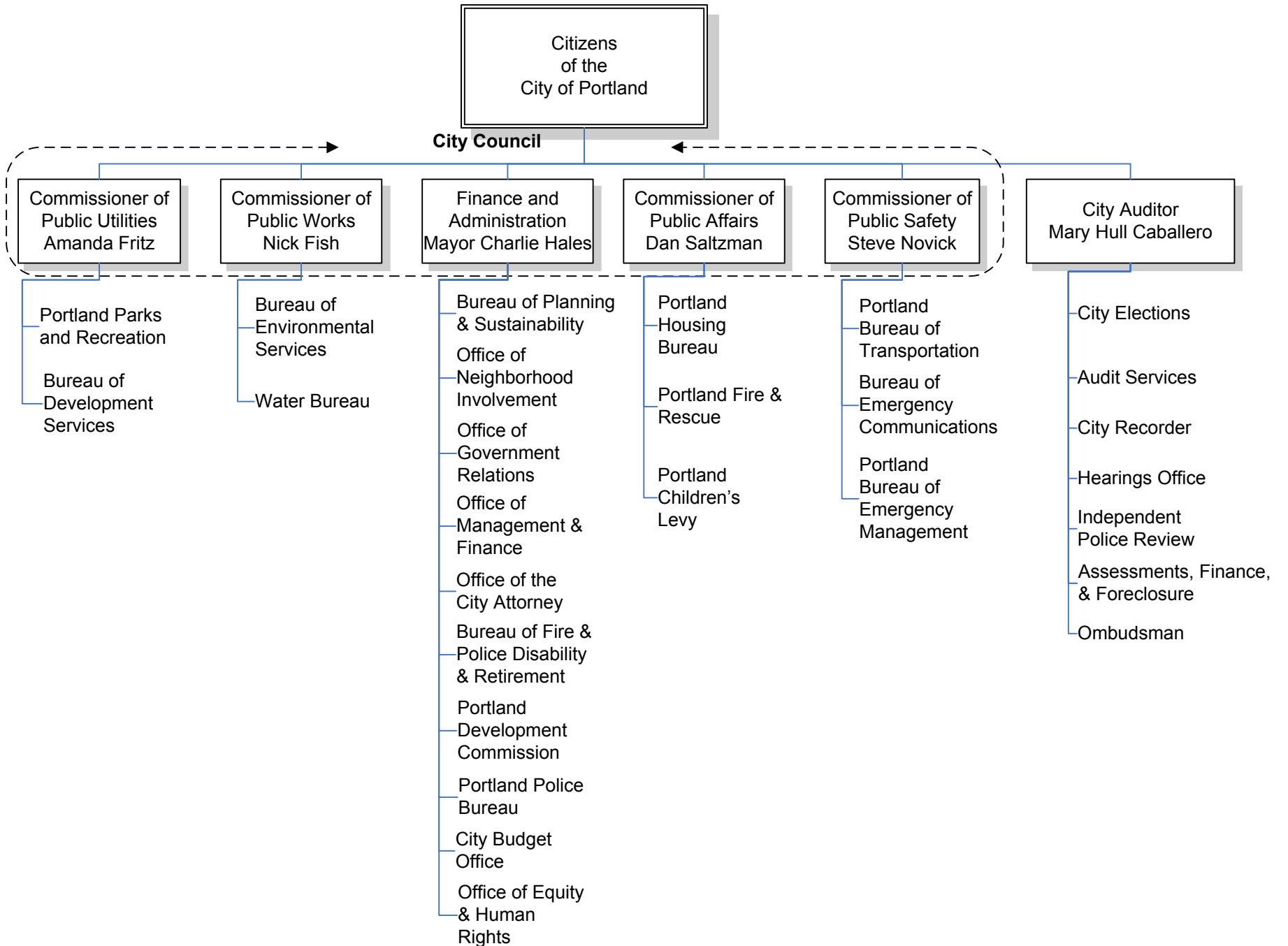
Nick Fish
Commissioner of Public Works



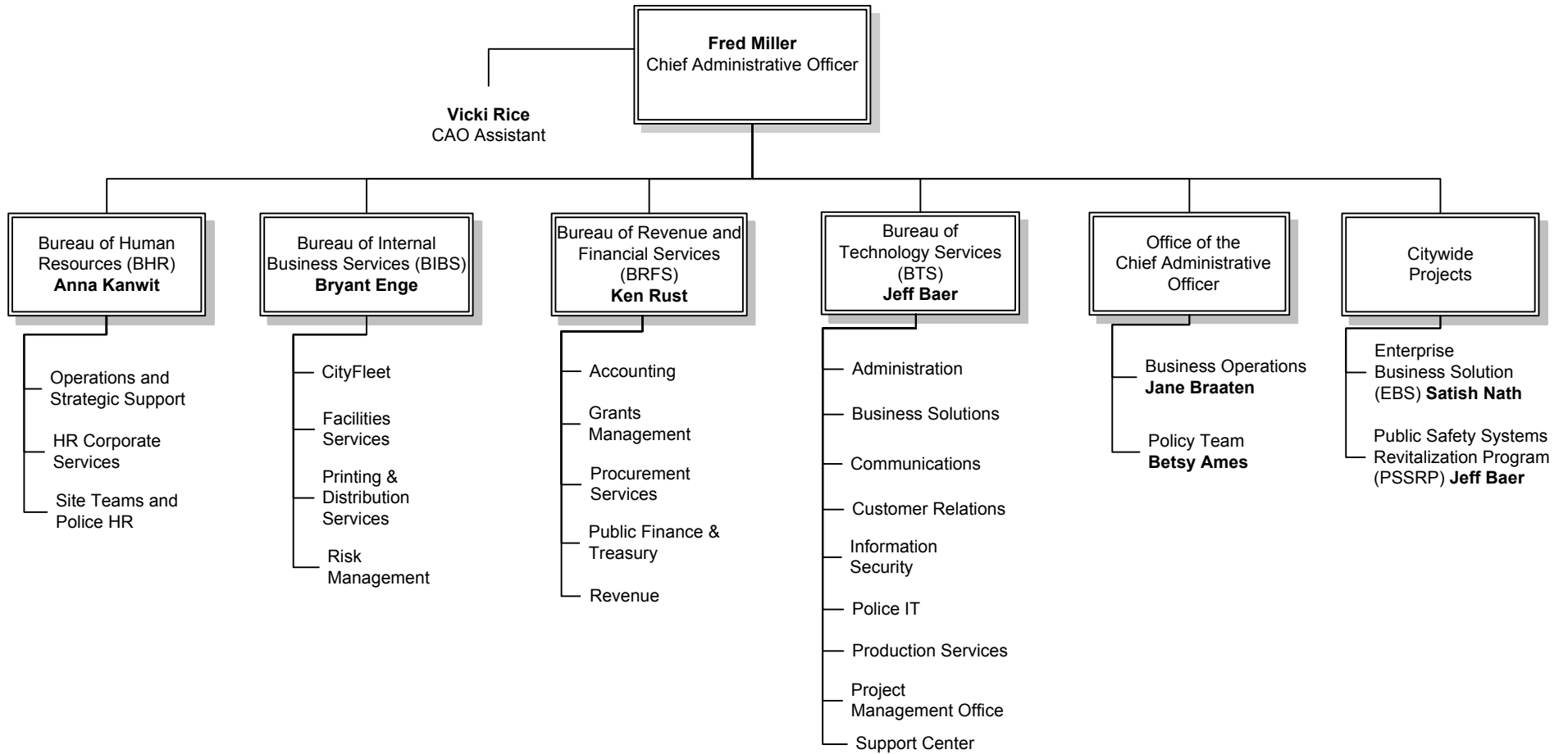
Amanda Fritz
Commissioner of Public Utilities



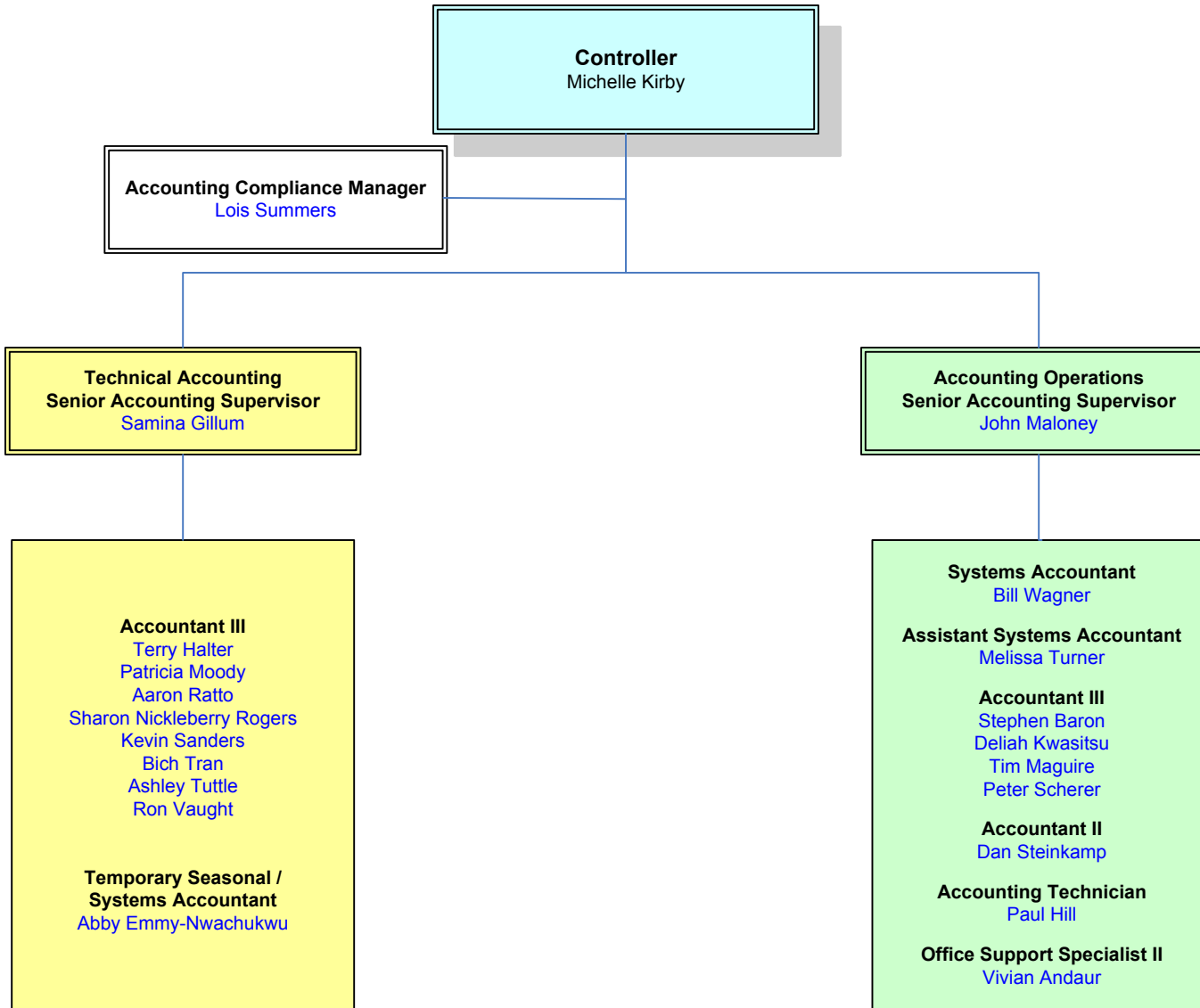
Mary Hull Caballero
City Auditor



Office of Management and Finance



City of Portland
Office of Management and Finance
Bureau of Revenue and Financial Services
Accounting Division





Government Finance Officers Association

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

Presented to

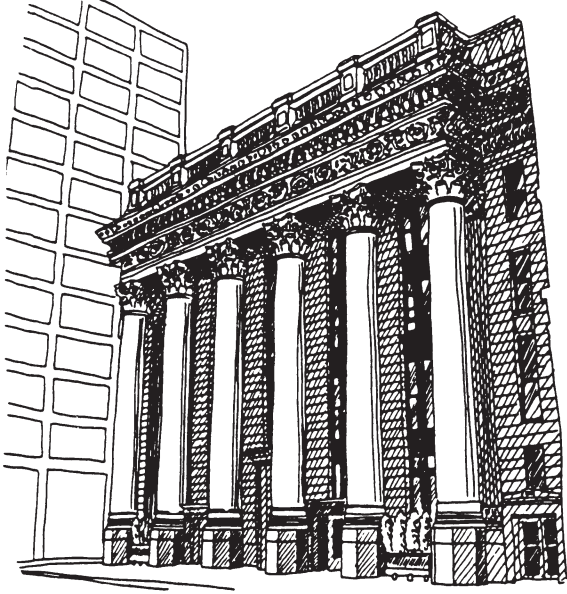
**City of Portland
Oregon**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

FINANCIAL SECTION



U.S. National Bank, c 1917

Blank back of tab

REPORT OF INDEPENDENT AUDITORS

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Portland, Oregon, as of and for the year ended June 30, 2015, 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 of 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 City'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, 2015, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

MOSS ADAMS LLP***Emphasis of a Matter***

As discussed in Note I.E. to the financial statements, during the year ended June 30, 2015 the City adopted GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*. Our opinion is not modified with respect to this matter.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, budgetary comparison schedules, other employee postemployment benefits information, and employee retirement pension benefits information (collectively, the required supplementary information) on pages 17 through 39 and 151 through 161, 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 17 through 39, and pages 156 through 161 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 151 through 155 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 163 to 316 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

MOSS ADAMS LLP

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 it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2015 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 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 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 December 1, 2015 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
Eugene, Oregon
December 1, 2015



City Hall Reflections

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, 2015. 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, 2015:

- Assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of FY 2014-15 by \$1,068,772,999 (*net position*). Included in this amount is an unrestricted *net position* deficit totaling \$3,338,347,498, as shown on table 1-C on page 22. 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 19.
- The City's total *net position* decreased by \$1,267,172,108 from FY 2013-14, as shown on table 2-C on page 25, consisting of a decrease of \$1,361,059,736 resulting from the restatement of beginning fund balance in accordance with the implementation of GASB 68 and an increase from operations of \$93,887,628. This increase from operations was primarily the result of business-type activities, the most significant factor being the \$68,352,299 increase in revenues over expenses. The analysis of changes in net position related to governmental activities and business-type activities is further discussed beginning on page 26 of this Management's Discussion and Analysis (MD&A).
- The City's governmental funds reported combined ending fund balances of \$523,153,429, an increase of \$90,695,539, in comparison to FY 2013-14, as shown in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds on page 47. Of the combined ending governmental fund balances, \$115,313,316 or 22.0 percent, 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 \$16,460,088 or 2.8 percent of total General Fund expenditures.
- The City's total outstanding bonded debt increased by \$108,033,830 or 3.1 percent over FY 2013-14, as shown on Table 5 on page 36. Major components contributing to this rise included increases of \$163,449,998 in revenue bonds and \$7,775,000 in general obligation bonds. Urban renewal bonds decreased by \$33,315,000, limited tax revenue bonds decreased by \$40,903,496 and limited tax improvement bonds decreased by \$5,310,000. The residual change of \$16,337,328 was comprised of unamortized bond premiums and discounts.

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 of the City's assets and liabilities, with the difference between the two 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

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

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, environmental 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, spectator facilities, and housing.

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

The government-wide financial statements can be found on pages 42 - 44 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 financing 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 48 individual governmental funds. 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 and the Transportation Operating Fund, which are considered to be *major funds*. Data from the other 46 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these *nonmajor* governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 45 - 48 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

- **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, ten 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, eight 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 50 - 55 of this report.

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

The basic fiduciary fund financial statements can be found on pages 56 - 57 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 59 - 150 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 151 of this report.

The combining statements referred to earlier in connection with *nonmajor* governmental and proprietary funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 163 - 211 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, *net position* may serve as a useful indicator of a government's financial position. For the City, assets exceeded liabilities by \$1,068,772,999 at the close of FY 2014-15.

A. Analysis of net position

At the end of FY 2014-15, 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*.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

The largest portion of the City's *net position* reflects an investment of \$4,052,221,205 or 379.1 percent 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 22. 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 normally are not liquidated to pay for the liabilities. A more detailed discussion of capital assets begins on page 33.

The second component of the City's *net position*, is *restricted net position* which totals \$354,899,292 or approximately 33.2 percent 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 \$3,338,347,498. This deficit is primarily due to the net pension liability 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 FPD&R 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 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. 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 in 2014 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.

Because of the FPDR Plan's historic pay-as-you-go funding basis, the net pension liability of \$2.9 billion does not reflect the value of future revenues from the dedicated property tax levy. Although this presentation conforms to generally accepted accounting principles, the FPDR Plan operates as if its liabilities were fully funded which is the practical financial result as long as the dedicated property tax levy is able to fully fund all benefits and expenses when due. The unique funding of the FPDR Plan is one that the City has shared with citizens, investors and external stakeholders for many years, including the credit rating agencies. The rating agencies regularly review the City's financial policies, practices and performance, including the manner in which the FPDR Plan is funded, and have assigned the City an Aaa rating for nearly 30 consecutive years.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

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

Governmental Activities			
	FY 2014-15	FY2013-14	Change
ASSETS			
Current and other assets	\$ 881,334,355	\$ 824,192,605	\$ 57,141,750
Capital assets	2,111,946,641	2,165,018,728	(53,072,087)
Total assets	<u>2,993,280,996</u>	<u>2,989,211,333</u>	<u>4,069,663</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>192,589,148</u>	<u>-</u>	<u>192,589,148</u>
LIABILITIES			
Long-term liabilities outstanding	4,026,913,087	2,577,782,787	1,449,130,300
Other liabilities	189,947,826	198,997,842	(9,050,016)
Total liabilities	<u>4,216,860,913</u>	<u>2,776,780,629</u>	<u>1,440,080,284</u>
DEFERRED INFLOWS OF RESOURCES	<u>139,716,506</u>	<u>-</u>	<u>139,716,506</u>
NET POSITION			
Net investment in capital assets	1,982,917,732	2,045,982,585	(63,064,853)
Restricted	340,730,761	271,371,138	69,359,623
Unrestricted surplus (deficit)	<u>(3,494,355,768)</u>	<u>(2,104,923,019)</u>	<u>(1,389,432,749)</u>
Total net position	<u>\$ (1,170,707,275)</u>	<u>\$ 212,430,704</u>	<u>\$ (1,383,137,979)</u>

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

Business-type Activities			
	FY 2014-15	FY2013-14	Change
ASSETS			
Current and other assets	\$ 618,272,270	\$ 411,196,177	\$ 207,076,093
Capital assets	4,366,151,448	4,241,267,492	124,883,956
Total assets	<u>4,984,423,718</u>	<u>4,652,463,669</u>	<u>331,960,049</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>7,206,355</u>	<u>-</u>	<u>7,206,355</u>
LIABILITIES			
Long-term liabilities outstanding	2,493,469,647	2,335,964,675	157,504,972
Other liabilities	209,611,304	192,984,591	16,626,713
Total liabilities	<u>2,703,080,951</u>	<u>2,528,949,266</u>	<u>174,131,685</u>
DEFERRED INFLOWS OF RESOURCES	<u>49,068,848</u>	<u>-</u>	<u>49,068,848</u>
NET POSITION			
Net investment in capital assets	2,069,303,473	1,968,473,423	100,830,050
Restricted	14,168,531	14,138,244	30,287
Unrestricted surplus (deficit)	<u>156,008,270</u>	<u>140,902,736</u>	<u>15,105,534</u>
Total net position	<u>\$ 2,239,480,274</u>	<u>\$ 2,123,514,403</u>	<u>\$ 115,965,871</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

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

	Total Net Position		
	FY 2014-15	FY2013-14	Change
ASSETS			
Current and other assets	\$ 1,499,606,625	\$ 1,235,388,782	\$ 264,217,843
Capital assets	6,478,098,089	6,406,286,220	71,811,869
Total assets	<u>7,977,704,714</u>	<u>7,641,675,002</u>	<u>336,029,712</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>199,795,503</u>	-	<u>199,795,503</u>
LIABILITIES			
Long-term liabilities outstanding	6,520,382,734	4,913,747,462	1,606,635,272
Other liabilities	399,559,130	391,982,433	7,576,697
Total liabilities	<u>6,919,941,864</u>	<u>5,305,729,895</u>	<u>1,614,211,969</u>
DEFERRED INFLOWS OF RESOURCES	<u>188,785,354</u>	-	<u>188,785,354</u>
NET POSITION			
Net investment in capital assets	4,052,221,205	4,014,456,008	37,765,197
Restricted	354,899,292	285,509,382	69,389,910
Unrestricted surplus (deficit)	<u>(3,338,347,498)</u>	<u>(1,964,020,283)</u>	<u>(1,374,327,215)</u>
Total net position	<u>\$ 1,068,772,999</u>	<u>\$ 2,335,945,107</u>	<u>\$ (1,267,172,108)</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

B. Analysis of changes in net position

As noted previously, the City's change in *net position* resulting from operations increased by \$93,887,628 during FY 2014-15. This increase is explained in the governmental and business-type activities discussion beginning on page 26.

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

	<u>FY 2014-15</u>	<u>FY 2013-14</u>	<u>Change</u>
Revenues			
<i>Program revenues:</i>			
Charges for services	\$ 445,494,957	\$ 386,205,170	\$ 59,289,787
Operating grants and contributions	166,661,697	147,816,324	18,845,373
Capital grants and contributions	85,061,048	56,392,854	28,668,194
<i>General revenues:</i>			
Property taxes	481,282,272	455,381,655	25,900,617
Lodging taxes	41,803,744	35,063,066	6,740,678
Miscellaneous taxes	10,490,137	7,062,234	3,427,903
Investment earnings	8,760,007	8,950,181	(190,174)
Total revenues	<u>1,239,553,862</u>	<u>1,096,871,484</u>	<u>142,682,378</u>
Expenses			
Public safety	681,079,374	524,324,725	156,754,649
Parks, recreation and culture	72,416,721	85,522,569	(13,105,848)
Community development	162,430,670	166,124,118	(3,693,448)
Transportation and metered parking	302,136,406	321,045,231	(18,908,825)
Legislative / admin / support services	97,013,883	100,869,933	(3,856,050)
Environmental services	86,523	387,345	(300,822)
Water	175,972	185,404	(9,432)
Parking facilities	17,000	17,000	-
Interest on long-term debt	48,113,636	47,846,811	266,825
Total expenses	<u>1,363,470,185</u>	<u>1,246,323,136</u>	<u>117,147,049</u>
Revenues over (under) expenses	(123,916,323)	(149,451,652)	25,535,329
Transfers	4,819,555	6,715,480	(1,895,925)
Change in net position	<u>(119,096,768)</u>	<u>(142,736,172)</u>	<u>23,639,404</u>
Net position -- beginning, previously reported	212,430,704	355,166,876	(142,736,172)
Restatement per GASB 68 implementation	(1,264,041,211)	-	(1,264,041,211)
Net position -- beginning, restated	<u>(1,051,610,507)</u>	<u>355,166,876</u>	<u>(1,406,777,383)</u>
Net position -- ending	<u>\$ (1,170,707,275)</u>	<u>\$ 212,430,704</u>	<u>\$ (1,383,137,979)</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

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

	<u>FY 2014-15</u>	<u>FY 2013-14</u>	<u>Change</u>
Revenues			
<i>Program revenues:</i>			
Charges for services	\$ 542,464,326	\$ 499,526,964	\$ 42,937,362
Capital grants and contributions	4,022,620	2,794,342	1,228,278
<i>General revenues:</i>			
Investment earnings	3,248,776	2,894,317	354,459
Total revenues	<u>549,735,722</u>	<u>505,215,623</u>	<u>44,520,099</u>
Expenses			
Environmental services	220,160,935	234,976,444	(14,815,509)
Water	102,628,362	112,388,000	(9,759,638)
Hydroelectric power	1,289,400	1,661,975	(372,575)
Parking facilities	6,571,712	6,872,812	(301,100)
Golf	9,288,014	8,890,606	397,408
Motor sports	1,578,637	1,685,405	(106,768)
Spectator facilities	7,590,349	6,517,715	1,072,634
Housing	774,968	721,620	53,348
Total expenses	<u>349,882,377</u>	<u>373,714,577</u>	<u>(23,832,200)</u>
Revenues over (under) expenses	199,853,345	131,501,046	68,352,299
Transfers	(4,819,555)	(6,715,480)	1,895,925
Change in net position	<u>195,033,790</u>	<u>124,785,566</u>	<u>70,248,224</u>
Net position -- beginning, previously reported	2,123,514,403	1,998,728,837	124,785,566
Restatement per GASB 68 implementation	(79,067,919)	-	(79,067,919)
Net position -- beginning, restated	<u>2,044,446,484</u>	<u>1,998,728,837</u>	<u>45,717,647</u>
Net position -- ending	<u>\$ 2,239,480,274</u>	<u>\$ 2,123,514,403</u>	<u>\$ 115,965,871</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

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

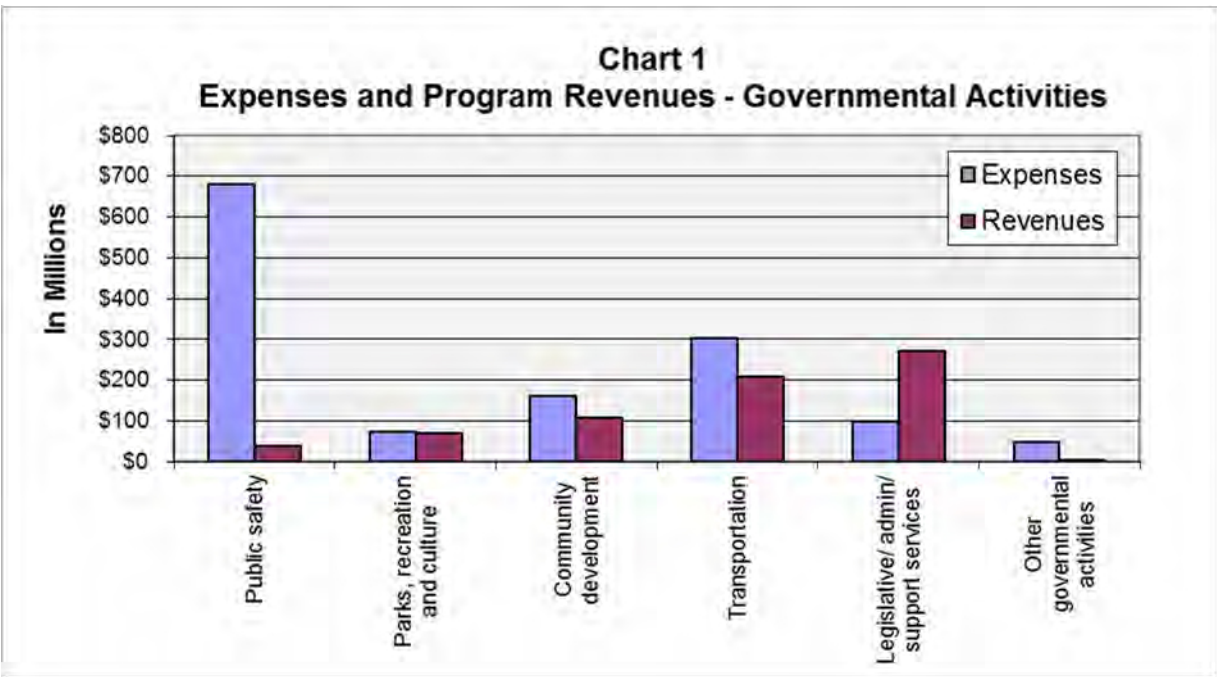
	Total Net Position		
	FY 2014-15	FY 2013-14	Change
Revenues			
<i>Program revenues:</i>			
Charges for services	\$ 987,959,283	\$ 885,732,134	\$ 102,227,149
Operating grants and contributions	166,661,697	147,816,324	18,845,373
Capital grants and contributions	89,083,668	59,187,196	29,896,472
<i>General revenues:</i>			
Property taxes	481,282,272	455,381,655	25,900,617
Lodging taxes	41,803,744	35,063,066	6,740,678
Miscellaneous taxes	10,490,137	7,062,234	3,427,903
Investment earnings	12,008,783	11,844,498	164,285
Total revenues	1,789,289,584	1,602,087,107	187,202,477
Expenses			
Public safety	681,079,374	524,324,725	156,754,649
Parks, recreation and culture	72,416,721	85,522,569	(13,105,848)
Community development	162,430,670	166,124,118	(3,693,448)
Transportation and metered parking	302,136,406	321,045,231	(18,908,825)
Legislative / admin / support services	97,013,883	100,869,933	(3,856,050)
Interest on long-term debt	48,113,636	47,846,811	266,825
Environmental services	220,247,458	235,363,789	(15,116,331)
Water	102,804,334	112,573,404	(9,769,070)
Hydroelectric power	1,289,400	1,661,975	(372,575)
Parking facilities	6,588,712	6,889,812	(301,100)
Golf	9,288,014	8,890,606	397,408
Motor sports	1,578,637	1,685,405	(106,768)
Spectator facilities	7,590,349	6,517,715	1,072,634
Housing	774,968	721,620	53,348
Total expenses	1,713,352,562	1,620,037,713	93,314,849
Change in net position	75,937,022	(17,950,606)	93,887,628
Net position -- beginning, previously reported	2,335,945,107	2,353,895,713	(17,950,606)
Restatement per GASB 68 implementation	(1,349,109,130)	-	(1,349,109,130)
Net position -- beginning, restated	992,835,977	2,353,895,713	(1,361,059,736)
Net position -- ending	\$ 1,068,772,999	\$ 2,335,945,107	\$ (1,267,172,108)

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

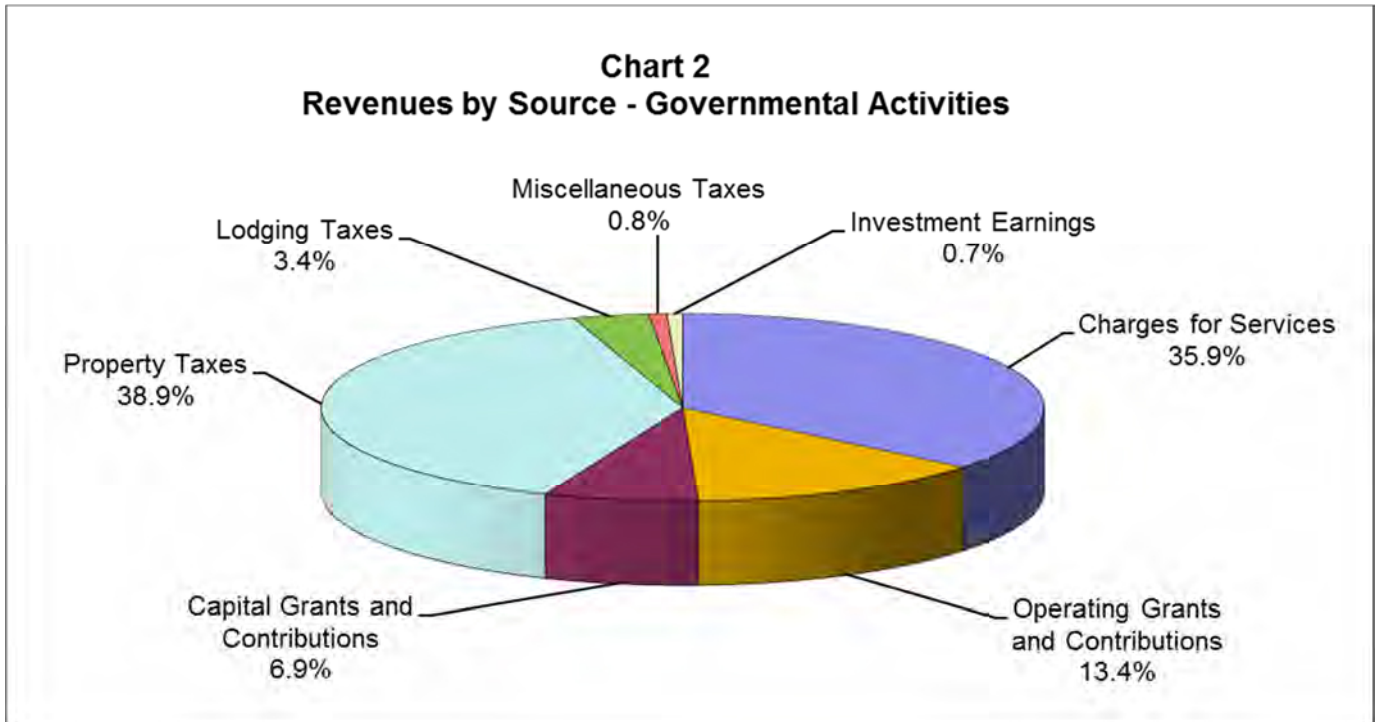
Governmental activities. Governmental activities decreased the City's *net position* by \$119,096,768.

- Total revenues increased over the prior year, although they were still less than the total expenses for the governmental activities. Specifically, the Charges for Services, Capital Grants and Contributions, and Property Taxes line items increased over the prior year by \$59,289,787, \$28,668,194, and \$25,900,617, respectively. The property tax increase is a reflection of economic recovery in the region.
- Although most of the expense line items were less than the prior year, Public Safety expenses increased over last year by \$156,754,649. This significant increase in expenses was the major contributing factor in the reduction in the governmental activities net position and is due to the inclusion of the FPDR pension liability on a full accrual basis. The increase in the expenses directly results from the increase in the liability. This issue is discussed more thoroughly in the Analysis of Net Position section above.

The following charts provide a visual representation of the expenses and revenues for governmental activities for FY 2014-15. Chart 1 shows expenses and program revenues generated by each program activity, while Chart 2 shows all governmental revenues.



MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

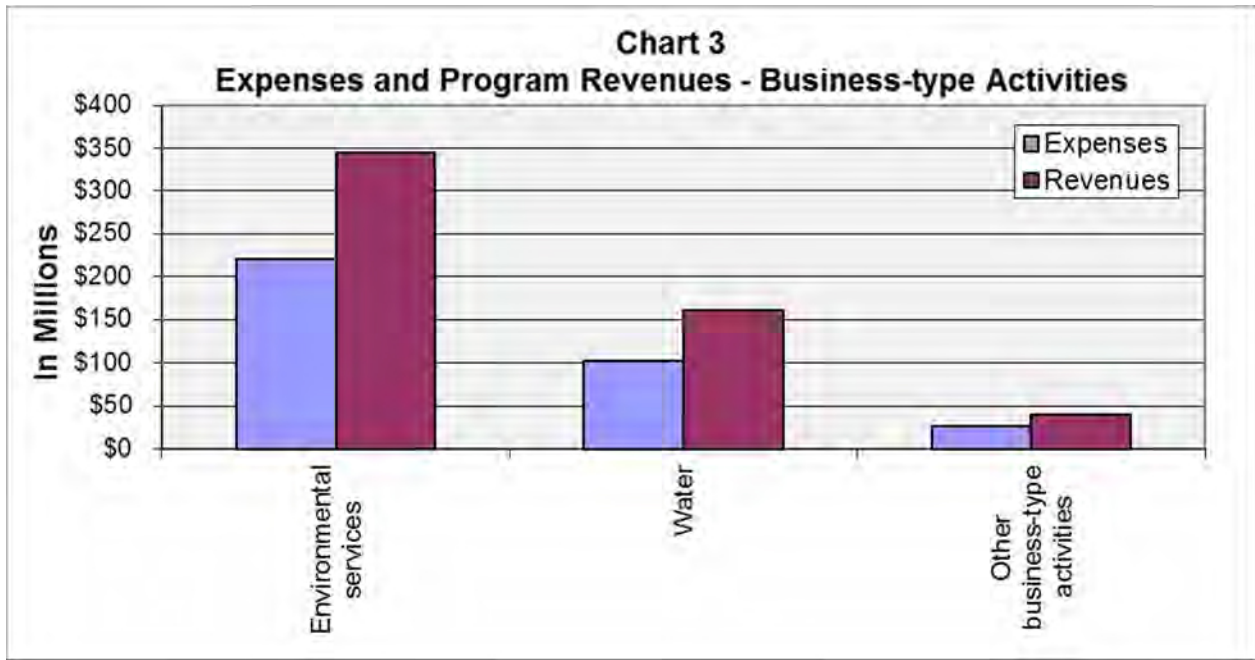


Business-type activities. Business-type activities increased the City's *net position* by \$195,033,790, before the restatement of beginning fund balance per GASB 68 implementation. Sewage disposal and water operations contributed \$124,635,858 and \$57,008,547, respectively. The remaining *net position* 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 were \$42,937,362 more than last year. Service charges and fees from Water and Sewer operations accounted for \$41,377,862 or 96.4 percent of the increase, resulting from approved rate increases of 7.0 percent and 4.0 percent, respectively. The increased revenues were necessary to fund the ongoing operation and maintenance of aging systems, compliance with U.S. Environmental Protection Agency mandates and permit requirements, and fund additional debt service payments resulting from the financing of system improvements.
- Revenues from capital grants and contributions increased by \$1,228,278. This increase was primarily due to contributed infrastructure and developer contributions to the Sewage Disposal Fund. Specifically, the donation of the sanitary sewer extension associated with the development of a large commercial property contributed to this increase.
- Expenses in business-type activities decreased from the prior year by \$23,832,200. The primary reason for the decrease was due to the net effect of the implementation of GASB 68, Accounting and Financial Reporting for Pensions, which requires the accrual of a pension liability or asset. In the current fiscal year, the OPERS plan reported a net pension asset. The net effect of the resulting adjustments to accrue this pension asset resulted in a decrease to expenses for all funds, on a full accrual basis.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED



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

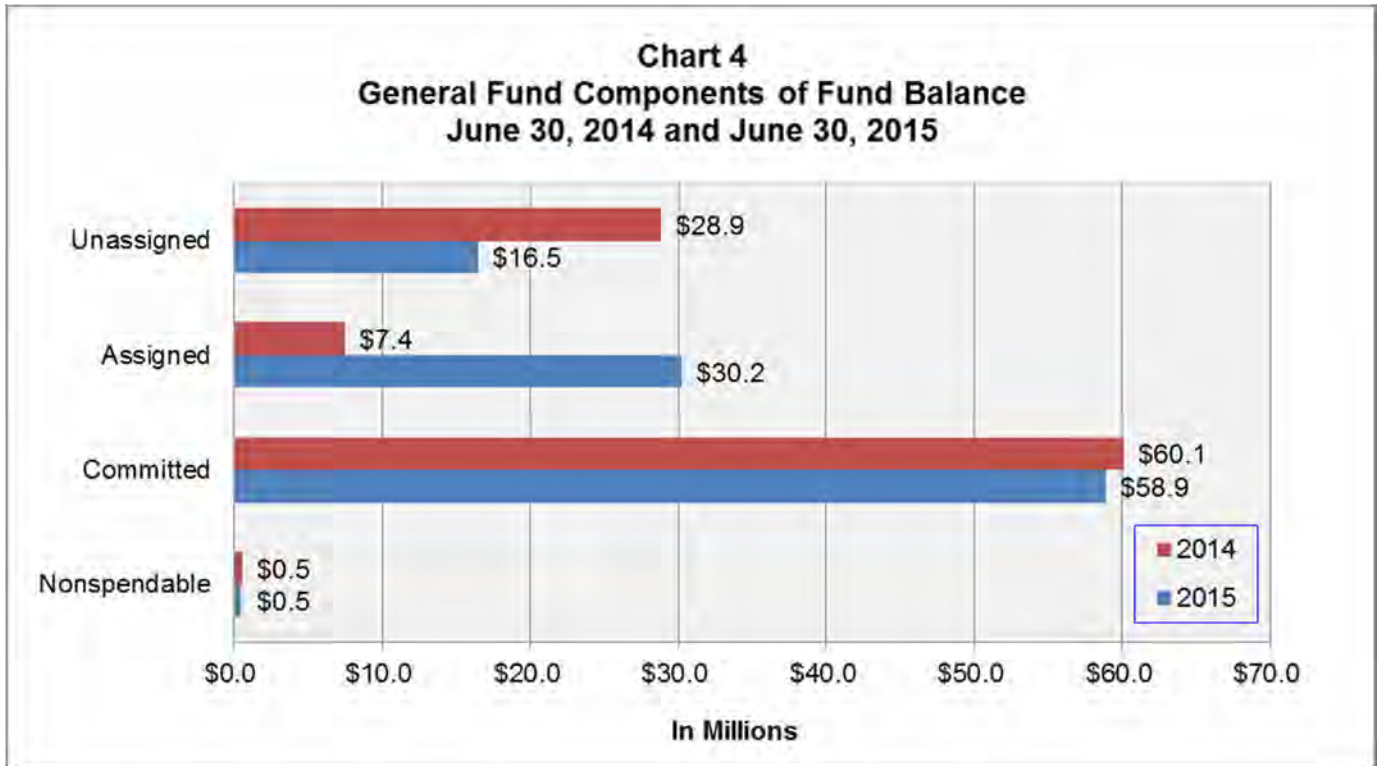
The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's near-term financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of 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 \$523,153,429, an increase of \$90,695,539. Of the combined ending fund balances, \$12,914,580 or 2.5 percent constitutes the *unassigned fund balance*, and \$102,398,736 or 19.6 percent constitutes *assigned fund balance* in the appropriate fund types as shown on page 45. 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 2014-15, *total fund balance* was \$106,079,931, of which \$16,460,088 or 15.5 percent is unassigned, \$30,220,861 or 28.5 percent is assigned through the fiscal year budget, and \$58,885,208 or 55.5 percent 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, \$513,774 or 0.5 percent is nonspendable, as shown on page 45. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Fund balance represents 17.8 percent of total General Fund expenditures.

Chart 4 illustrates the changes in the components of the General Fund balance from June 30, 2014, to June 30, 2015.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

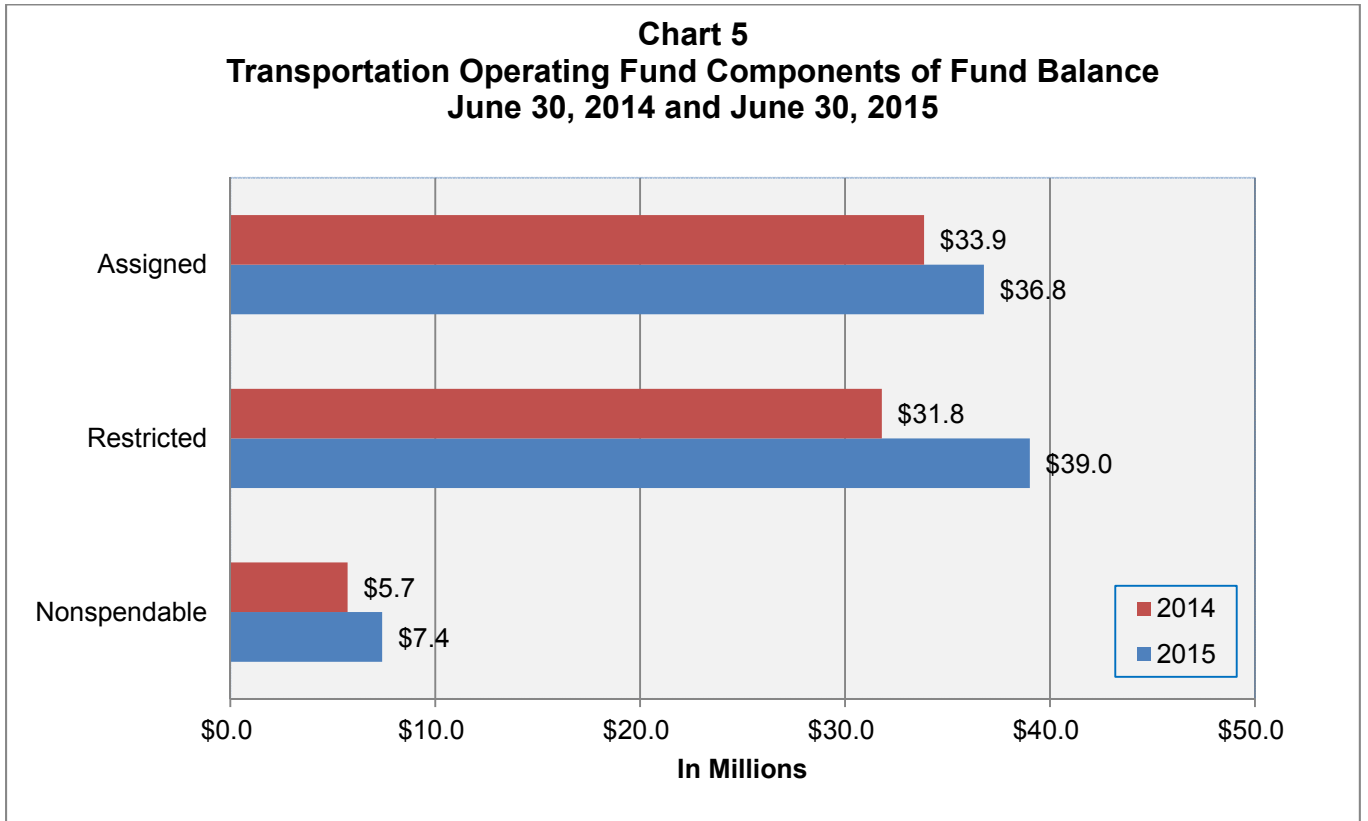


The fund balance of the City's General Fund increased by \$9,111,898 during FY 2014-15. Key factors in the increase related to current year activities were a \$39,393,435 increase in revenues, offset by a \$32,771,558 increase in expenditures, and an increased use of other financing sources of \$15,187,146. Significant revenue increases included property taxes, which increased \$17,328,509 or 5.5 percent, licenses and fees, which increased \$17,000,780 or 10.1 percent, and lodging taxes, which increased \$4,688,080 or 21.0 percent. These revenues had significant decreases in prior years due to the downturn in the local economy and have now fully recovered. The most significant expenditure increase of \$19,337,788 or 5.0 percent was in public safety. There was also an increase of \$15,187,146 or 60.0 percent in Other Financing Sources and Uses, which reflects the combination of a lesser amount of transfers in from other funds and a greater amount of transfers out to other funds. Transfers are discussed in more detail in the Notes to the Financial Statements III.G.

The Transportation Operating Fund had a total ending fund balance of \$83,201,487 for FY 2014-15, an increase of \$11,827,472; of which \$7,408,416 is nonspendable, \$39,013,371 is restricted, and \$36,779,700 is assigned, as shown on page 45. Overall revenue increases of \$10,146,833 or 6.7 percent and a decrease in expenditures of \$13,556,743 or 6.8 percent were offset by a \$30,808,145 decrease in other financing sources. Significant variances include a \$3,121,953 or 83.8 percent increase in license fees, a \$2,270,361 increase in charges for services, and a \$21,565,027 or 12.9 percent decrease in transportation expenditures, a \$3,043,933 increase in principal debt service, and an increase of \$3,766,703 in capital outlay. Other financing sources decreased \$42,586,195 from the prior year, as last year's financing sources included the sale of bonds, which did not occur in the current year. Fund balance represents 44.7 percent of total Transportation Operating Fund expenditures.

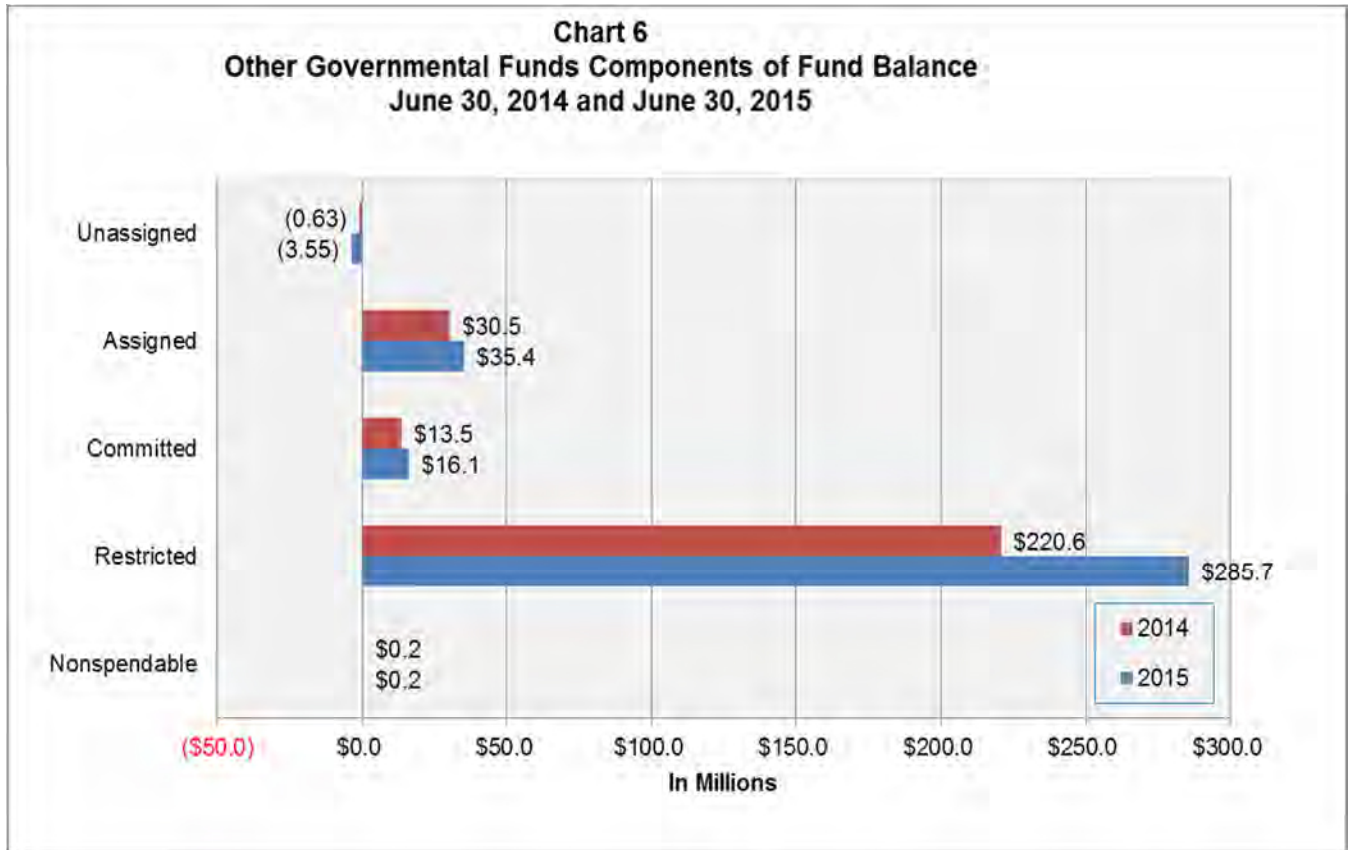
Chart 5 illustrates the changes in the components of fund balance for the Transportation Operating Fund from June 30, 2014, to June 30, 2015.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED



Other Governmental Funds showed a significant increase in ending fund balance for FY 2014-15, \$69,756,169 or 26.4 percent, primarily due to increased revenues across most categories. Chart 6 illustrates the changes in the components of fund balance for Other Governmental Funds from June 30, 2014, to June 30, 2015.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED



See pages 163-184 for greater detail on Combining Statements for governmental funds.

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 50-55 and 186-205.

At the end of FY 2014-15, *unrestricted net position* of the Sewage Disposal Fund and the Water Fund amounted to \$81,798,067 and \$53,052,483, respectively. The total growth in *net position* for the Sewage Disposal Fund and the Water Fund was \$124,635,858 and \$57,008,547, respectively.

The *unrestricted net position* for other enterprise funds totaled \$14,508,162, while the change in *net position* for other enterprise funds equaled an increase of \$9,122,501. Other factors concerning the finances of these 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 \$13,313,157 and can be briefly summarized as follows:

- \$10,734,750 increase in personal services.** This budgetary *increase* resulted primarily from the City's Budget Monitoring Process (BMP) including compensation set-aside adjustments. These adjustments included: \$4.3 million for the Portland Police Bureau, \$3.3 million for Portland Fire & Rescue, \$2 million for Portland Parks & Recreation, and \$374,251 for the Office of Neighborhood Involvement. General Fund bureaus set-aside the portion of their personal services budget associated with cost-of-living adjustments and health care increases. In most years, these costs are expected to be absorbed through vacancies experienced in the regular course of business. In years where bureaus are fully staffed throughout the year, they can request compensation set-aside to avoid overspending their personal services budget. Compensation set-aside increases were partially offset by a number of small adjustments spread across multiple bureaus.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

- *\$7,348,533 increase in materials and services.* This budgetary *increase* resulted primarily from the City's BMP, which included Fall BMP encumbrance carryovers totaling \$6.3 million. Encumbrances reflect commitments of prior year resources. To the degree that spending did not occur in the previous year, the ending balance corresponding to the underspending is reallocated in the current year. Encumbrance carryovers include advances that have been made where the goods or services have not been delivered. Fall BMP carryover adjustments included \$714,067 for Special Appropriation advances, \$2.3 million for Police Bureau encumbrances, \$871,803 for Portland Parks and Recreation, and \$11.3 million for Portland Fire & Rescue encumbrances.

Other notable adjustments to the General Fund materials and services budget included a \$1,275,260 increase in Portland Fire & Rescue materials and services appropriation for excess prior-year program revenues. There were also a number of smaller adjustments to General Fund external materials budgets spread across multiple bureaus.

- *\$1,365,211 increase in capital outlay.* This budgetary increase resulted primarily from the City's BMP, which included a \$200,000 increase to the Portland Fire & Rescue capital outlay budget, and a \$1,061,976 increase to the Portland Police Bureau.
- *\$5,472,837 decrease in general operating contingencies.* This overall budgetary decrease is primarily the net result of a \$6.8 million decrease for compensation set-aside spread across multiple bureaus.

Actual revenues were \$28,949,053 above the final amended budget, primarily due to increased licenses and permits of \$17,958,783 and increased taxes of \$10,919,659. Actual expenditures were \$16,216,666 less than the final amended budget, primarily due to under expenditures for: personal services of \$1,984,761, materials and services of \$6,255,790, capital outlay of \$885,756, and general operating contingencies of \$6,451,380. These under expenditures were primarily due to:

- *\$1,984,761 in under spending for personal services* was spread across multiple bureaus. In the Public Safety function, the underspending of \$850,367 in Portland Fire & Rescue was attributed to position vacancies and fewer retirement payouts. However, the Portland Police Bureau ended the fiscal-year with personal services overspending of \$731,255.

The Portland Parks and Recreation Bureau and the Office of Management and Finance (OMF) had personal services underspending of \$550,684, and \$797,289, respectively, for the year. Savings in OMF were in all divisions and resulted from position vacancies throughout the year.

The remaining personal services underspending spanned multiple bureaus.

- *\$6,255,790 in under expenditures in materials and services* spreads across multiple bureaus.

The Office of Management and Finance underspent \$2,449,094 in materials and services. A significant portion of this underspending was for the Public Safety System Revitalization Program Regional Justice Information Network project. The appropriation for this project was carried forward through the FY 2015-16 Fall BMP.

The Portland Police Bureau and Portland Fire and Rescue experienced underspending in materials and services of \$238,312, and \$861,799, respectively, due to projects and purchases initiated but not completed before the end of FY 2014-15. As requested by the bureau, the majority of these encumbrances were reappropriated in FY 2015-16 through the Fall BMP.

Portland Parks and Recreation had \$398,456 of under expenditures in materials and services, primarily due to underspending in EMS supplies.

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 2014-15, General Fund expenditures did not exceed budgetary estimates in any of the expenditure categories.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

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, 2015, amounts to \$6,478,098,089 (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 \$71,811,869 or 1.1 percent, a 2.5 percent decrease for governmental activities and a 2.9 percent increase for business-type activities.

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

Governmental activities - Governmental capital assets decreased by \$53,072,087 or 2.5 percent. Additional investments in capital assets of \$133,813,511 were more than offset by depreciation of \$186,885,598. Key factors in this change were decreases in infrastructure of \$110,452,626 or 8.3 percent, and construction in progress of \$38,484,280 or 20.3 percent. Decreases in these areas were partially offset by an increase to buildings of \$34,553,542 or 15.8 percent, an increase to land of \$14,719,246 or 7.1 percent, an increase to improvements to land of \$8,755,572 or 12.3 percent, and intangible assets of \$27,083,632 or 67.3 percent.

- The construction in progress decrease of \$38,484,280 or 20.3 percent was primarily due to Portland Bureau of Transportation (PBOT) reclassifying inactive projects as an asset, or expensing accumulated costs due to project cancellation.
- Infrastructure decreased \$110,452,626 or 8.3 percent due to depreciation in excess of investments in capital by PBOT.
- Land increased \$14,719,246 or 7.1 percent due largely to many properties contributed to Portland parks in prior years that are being added in the current year. Land use rights increased \$16,217,385 or 55.7 percent was primarily due to additions of land use rights by PBOT.
- Software increased \$10,866,247 or 97.6 percent due primarily to capitalization of the Regional Justice Information Network.

Business-type activities - Business-type capital assets increased \$124,883,956 or 2.9 percent. This increase resulted from additional investments in capital assets of \$199,639,749 which were partially offset by depreciation of \$74,755,793.

- Improvements to land increased \$13,078,524 or 48.4 percent. This was driven by the Portland Water Bureau (PWB) completion and capitalization of the \$11,080,940 Powell Butte Reservoir project.
- An increase in infrastructure of \$237,780,606 or 6.8 percent mainly due to Bureau of Environmental Services (BES) and projects in PWB. For BES, this includes the Wet Weather Screening Facility, and several pumping station upgrades. For PWB, mains were the central type of infrastructure assets placed into service.
- Buildings increased \$13,378,371 or 7.1 percent due to depreciation not in excess of the minor amount of building additions in FY15.
- Land increased \$4,454,734 or 4.3 percent due to a number of new pieces of land capitalized. Additionally, BES reclassified the Port of Portland Swan Island from a right of way to land. Land use rights decreased \$2,592,716 or 15.2 percent driven by the reclassification of the Port of Portland Swan Island property from a right of way.
- Software decreased \$284,720 or 11.7 percent due to PWB capitalizing the Hydraulic Modeling Software and ordinary depreciation.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

The following table provides comparative information on the City's capital assets for FY 2014-15 and FY 2013-14:

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

Asset Category	FY 2014-2015	FY 2013-2014	Change
Governmental Activities			
Infrastructure	\$ 1,225,809,838	\$ 1,336,262,464	\$ (110,452,626)
Construction in progress	151,283,628	189,767,908	(38,484,280)
Buildings	252,992,638	218,439,096	34,553,542
Land	223,325,437	208,606,191	14,719,246
Improvements to land	79,762,715	71,007,143	8,755,572
Equipment	111,408,617	100,655,790	10,752,827
Intangible assets:			
Land use rights	45,336,172	29,118,787	16,217,385
Software	21,998,643	11,132,396	10,866,247
Owning rights	28,953	28,953	-
Total	\$ 2,111,946,641	\$ 2,165,018,728	\$ (53,072,087)
Business-type Activities			
Infrastructure	\$ 3,718,549,135	\$ 3,480,768,529	\$ 237,780,606
Construction in progress	249,691,397	388,224,188	(138,532,791)
Buildings	202,198,740	188,820,369	13,378,371
Land	106,946,152	102,491,418	4,454,734
Improvements to land	40,098,308	27,019,784	13,078,524
Equipment	32,016,838	34,414,120	(2,397,282)
Intangible assets:			
Land use rights	14,485,827	17,078,543	(2,592,716)
Software	2,157,354	2,442,074	(284,720)
Owning rights	7,697	8,467	(770)
Total	\$ 4,366,151,448	\$ 4,241,267,492	\$ 124,883,956
Total Net Capital Assets			
Infrastructure	\$ 4,944,358,973	\$ 4,817,030,993	\$ 127,327,980
Construction in progress	400,975,025	577,992,096	(177,017,071)
Buildings	455,191,378	407,259,465	47,931,913
Land	330,271,589	311,097,609	19,173,980
Improvements to land	119,861,023	98,026,927	21,834,096
Equipment	143,425,455	135,069,910	8,355,545
Land use rights	59,821,999	46,197,330	13,624,669
Software	24,155,997	13,574,470	10,581,527
Owning rights	36,650	37,420	(770)
Total	\$ 6,478,098,089	\$ 6,406,286,220	\$ 71,811,869

Information on the City's capital assets can be found in Note III.F. on pages 92 - 97 of this report.

B. Debt administration

The City holds debt in the form of lines of credit, loans, notes, and bonds. The increases of \$108,033,830 in bonds outstanding and increases of \$15,901,782 to the lines of credit outstanding account for the largest components of the net increase in debt outstanding of \$125,970,054.

The increases in the lines of credit was largely attributable to issuance of \$20,000,000 of lines of credit for the Sellwood Bridge project, \$4,196,709 for other transportation projects, and \$2,387,410 for harbor remediation

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

projects. These increases were offset by the payoff of \$5,650,000 of urban renewal lines of credit, \$2,244,455 paid on transportation lines of credit and \$2,785,000 paid on the LID line of credit.

Loans increased by \$2,233,203 due to issuance of an additional \$3,515,000 in HUD loans and \$420,116 in loans for the levee districts. These new loans were offset by \$1,701,912 in scheduled payments.

The increase in bonds outstanding is a combination of a \$174,294,557 net increase in business-type activity bonds, primarily sewer and water revenue bonds, and a \$66,260,727 net decrease in governmental bonds, which include limited tax revenue, limited tax improvement, and general obligation bonds.

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

	<u>FY 2014-15</u>	<u>FY 2013-14</u>	<u>Change</u>
Governmental Activities			
Bonds	\$ 1,006,241,453	\$ 1,072,502,180	\$ (66,260,727)
Lines of Credit	66,281,487	50,379,705	15,901,782
Loans	10,719,210	7,147,057	3,572,153
Total governmental activities	<u>1,083,242,150</u>	<u>1,130,028,942</u>	<u>(46,786,792)</u>
Business-type Activities			
Bonds	2,592,499,421	2,418,204,864	174,294,557
Loans	16,273,040	17,611,990	(1,338,950)
Notes	-	198,761	(198,761)
Total business-type activities	<u>2,608,772,461</u>	<u>2,436,015,615</u>	<u>172,756,846</u>
Total Outstanding Debt			
Bonds	3,598,740,874	3,490,707,044	108,033,830
Lines of Credit	66,281,487	50,379,705	15,901,782
Loans	26,992,250	24,759,047	2,233,203
Notes	-	198,761	(198,761)
Total outstanding debt	<u>\$ 3,692,014,611</u>	<u>\$ 3,566,044,557</u>	<u>\$ 125,970,054</u>

As of June 30, 2015, the City had total bonded debt outstanding of \$3,598,740,874. Unamortized premiums and discounts for governmental activities net to \$33,717,592, while unamortized premiums and discounts for business-type activities net to \$137,482,803. Of the total bonded debt outstanding, \$83,625,000 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 \$7,775,000 from FY 2013-14. This increase was due to the issuance of the General Obligation Bonds, 2015 Series A (Public Safety Projects) in the amount of \$17,145,000 which provided proceeds for public safety projects. The increase was further offset by scheduled repayments of \$5,060,000 related to public safety and emergency facilities and \$4,310,000 related to parks.

The City has \$488,446,479 of limited tax revenue bonds outstanding, a decrease of \$40,903,496 from FY 2013-14. In the governmental funds, a reduction of \$30,298,330 was due to scheduled principal payments. In business-type activities, the decrease of \$10,605,166 was due to scheduled payments and the net effect of refunding \$5,430,000 of the 2005 arena bonds with \$5,469,700 of arena refunding bonds. 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

An additional \$457,420,000 of the City's outstanding debt consists of urban renewal bonds that are repaid from tax increment revenues generated from the City's various urban renewal areas (URA). The decrease of \$33,315,000 was primarily due to scheduled debt service payments. The City issued \$17,155,000 of Interstate Corridor Refunding Bonds Series 2015A which was used to pay off the Interstate Corridor Series 2004A bonds.

As of June 30, 2015, the City had \$43,315,000 of outstanding limited tax improvement bonds a decrease of \$5,310,000 from FY 2013-14. The decrease was the effect of scheduled principal payments of \$1,735,000 and early bond payments of \$3,575,000.

The remainder of the City's debt is comprised of revenue bonds, totaling \$2,354,734,000, an increase of \$163,449,998 over FY 2013-14. This increase is due to new sewer revenue and refunding bonds issued in the amount of \$290,385,000 and water revenue bonds issued in the amount of \$84,975,000. The new bonds issued were offset by sewer revenue bonds refunded in the amount of \$101,280,000 and scheduled revenue bond principal payments of \$110,630,002. After the refunding, proceeds from the new bonds issued will be used to fund the cost of capital improvements for the City's sewer and water systems. In general, revenue bonds are secured solely by specified revenue sources such as water, sewer, or gas tax revenues.

The following table provides comparative information on the City's outstanding bonded debt, not including unamortized premiums and discounts on bonds:

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

	FY 2014-15	FY 2013-14	Change
Governmental Activities			
General Obligation Bonds	\$ 83,625,000	\$ 75,850,000	\$ 7,775,000
Limited Tax Improvement Bonds	43,315,000	48,625,000	(5,310,000)
Urban Renewal Bonds	457,420,000	490,735,000	(33,315,000)
Limited Tax Revenue Bonds	375,114,861	405,413,191	(30,298,330)
Revenue Bonds	13,049,000	14,974,000	(1,925,000)
Unamortized premiums & discounts	33,717,592	36,904,989	(3,187,397)
Total governmental activities	<u>1,006,241,453</u>	<u>1,072,502,180</u>	<u>(66,260,727)</u>
Business-type Activities			
Limited Tax Revenue Bonds	113,331,618	123,936,784	(10,605,166)
Revenue Bonds	2,341,685,000	2,176,310,002	165,374,998
Unamortized premiums & discounts	137,482,803	117,958,078	19,524,725
Total business-type activities	<u>2,592,499,421</u>	<u>2,418,204,864</u>	<u>174,294,557</u>
Total Outstanding Debt			
General Obligation Bonds	83,625,000	75,850,000	7,775,000
Limited Tax Improvements Bonds	43,315,000	48,625,000	(5,310,000)
Urban Renewal Bonds	457,420,000	490,735,000	(33,315,000)
Limited Tax Revenue Bonds	488,446,479	529,349,975	(40,903,496)
Revenue Bonds	2,354,734,000	2,191,284,002	163,449,998
Unamortized premiums & discounts	171,200,395	154,863,067	16,337,328
Total outstanding bonded debt	<u>\$ 3,598,740,874</u>	<u>\$ 3,490,707,044</u>	<u>\$ 108,033,830</u>

MANAGEMENT’S DISCUSSION AND ANALYSIS, CONTINUED

The City’s total bonded debt increased by \$108,033,830, or 3.1 percent, during the FY 2014-15. Bonded debt for governmental activities decreased by \$66,260,727 while debt for business-type activities increased by \$174,294,557. As detailed previously, the primary reason for the increase in bonded debt relating to governmental activities was the sale of bonds to fund public safety projects, while the primary reason for the increase in debt relating to business-type activities was the sale of bonds to fund capital improvements for the City’s sewer and water systems.

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

- **Debt limitation.** Oregon Revised Statutes provides a limit on non-self-supporting general obligation debt of three percent of the real market value of all taxable property within the City’s boundaries. Based on the City’s FY 2014-15 real market value, this debt limitation is \$2,778,550,077. The amount of net debt subject to this limitation is \$83,586,668.

- **Debt ratings.** The City’s unlimited tax general obligation debt remains rated “Aaa” by Moody’s Investors Service and was confirmed in May 2015. The Moody’s A2 rating on the Interstate Corridor Urban Renewal Bonds was upgraded to A1 in January 2015. Moody’s rating on the Central Eastside Urban Renewal Bonds was also upgraded from A2 to A1 in June 2015. The Moody’s Baa1 rating on the Hydroelectric Revenue Bonds was upgraded to A3 in October 2014. All other ratings remain unchanged in FY2014-15.

<u>Credit</u>	<u>Moody's Rating</u>
Unlimited Tax General Obligation Bonds	Aaa
First Lien Water Revenue Bonds	Aaa
Second Lien Water Revenue Bonds	Aa1
Limited Tax Revenue Bonds	Aa1
Arena Limited Tax Revenue Bonds	Aa1
Limited Tax Improvement Bonds	Aa1
Limited Tax Pension Obligation Revenue Bonds	Aa1
Limited Tax Housing Revenue Bonds	Aa1
Gas Tax Revenue Bonds	Aa2
First Lien Sewer Revenue Bonds (1)	Aa2
Second Lien Sewer Revenue Bonds (2)	Aa3
Airport Way Urban Renewal Bonds	Aa3
Oregon Convention Center Urban Renewal Bonds	Aa3
Downtown Waterfront Urban Renewal Bonds	Aa3
South Park Blocks Urban Renewal Bonds	Aa3
River District Urban Renewal Bonds	A1
North Macadam Urban Renewal Bonds	A1
Lents Town Center Urban Renewal Bonds	A1
Central Eastside Urban Renewal Bonds	A1
Interstate Corridor Urban Renewal Bonds	A1
Hydroelectric Revenue Bonds (PGE) (3)	A3

Notes:

- (1) These bonds are additionally rated AA by Standard and Poor’s.
- (2) These bonds are additionally rated AA- by Standard and Poor’s.
- (3) These bonds are additionally rated BBB by Standard and Poor’s. Ratings on these bonds reflect the rating of Portland General Electric, which is the sole obligor for the bonds.

MANAGEMENT’S DISCUSSION AND ANALYSIS, CONTINUED

- Debt ratios. The City’s debt ratios, as of June 30, 2015, are shown below:

	Amount	Per Capita	Percent of Real Market Valuation	Percent of Assessed Valuation
Population July 1, 2014	601,510	--	--	
FY 2014-15 Real Market Value	\$92,618,335,721	\$153,976	--	
FY 2014-15 Assessed Value (1)	\$56,771,955,202	\$94,382	61.30%	
Gross Bonded Debt (2)	\$682,472,341	\$1,135	0.70%	1.20%
Net Direct Debt (3)	\$227,204,462	\$378	0.20%	0.40%
Net Overlapping Debt	\$1,254,163,971	\$2,085	1.40%	2.20%
Net Direct and Overlapping Debt	\$1,481,368,433	\$2,463	1.60%	2.60%
<p>(1) 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 2014-15, the Measure 5 Market Value represented about 83 percent of full real market value.</p> <p>(2) 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.</p> <p>(3) 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 <i>ad valorem</i> tax.</p>				

Additional information on the City’s long-term debt can be found in Note III.I. on pages 102 - 117 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 the FY 2015-16 fiscal year.

- According to the U.S. Bureau of Labor Statistics, the unemployment rate for the City of Portland in June 2015 was 5.1 percent. This compares favorably with the State of Oregon rate of 5.9 percent and is equal to the national rate.
- Based on data released August 19, 2015, inflation rose at an annualized rate of 0.2 percent for the first six months of 2015. Lower energy and transportation costs helped to keep inflation low, while real estate and medical costs rose only slightly. The CPI-W, which determines the cost of living increases for nearly all City employees, is expected to be similarly low, somewhere in the one to two percent range for the 2015 calendar year.
- Water rates and sewer bills increased 7.0 percent and 3.6 percent, respectively, for the FY 2015-16 budget year. These increases were necessary to fund ongoing operation and maintenance of aging

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

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.

- Home sales activity remains the headline for the local economy at this time. Bolstered by historically low mortgage rates and increasing general confidence, demand from consumers is far outstripping supply. The result is rapidly rising prices, often exceeding asking prices. In spite of the recent growth, prices remain well below pre-recession levels. According to the S&P-Case Schiller index, Portland prices remain more than 2.4 percent below the peak level in April 2007.
- Year-over-year employment growth during the first quarter of 2015 was 3.2 percent, the fastest growth since the middle of 2006. The highest growth was in the professional and business services, and transportation sectors.
- Economic conditions have finally reached levels commensurate with a typical economic recovery. Some sectors of the economy, particularly multifamily housing, are seeing historic growth. FY 2014-15 saw the fastest General Fund revenue growth since property tax limitations were fully implemented in FY 1998-99. While further growth is expected, it will likely be at more historically normal levels.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the City of Portland's Accounting Division, Bureau of Revenue and Financial Services, 1120 SW Fifth Avenue, Suite 1250, Portland, Oregon 97204.



Portland Waterfront in Spring

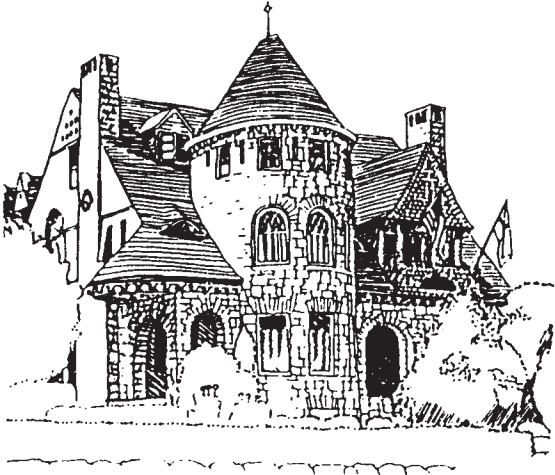
Basic Financial Statements



E.K. Haseltine Residence, 1880

Blank back of tab

Government-wide Financial Statements



K.A.J. Mackenzie Residence, 1892

Blank back of tab



Portland Fall Color

City of Portland, Oregon
Statement of Net Position
June 30, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Portland Development Commission
ASSETS				
Current assets (unrestricted):				
Cash and investments	\$ 305,868,616	\$ 206,014,912	\$ 511,883,528	\$ 215,074,811
Receivables:				
Taxes	15,131,852	-	15,131,852	-
Accounts, net	49,245,045	80,424,017	129,669,062	2,355,527
Assessments	2,362,258	1,555,923	3,918,181	-
Notes and loans, net	658,859	83,232	742,091	3,017,105
Advances	409,339	287,328	696,667	-
Accrued interest	1,043,975	1,186,485	2,230,460	450,006
Due from primary government	-	-	-	3,852,535
Due from component unit	255,738	82,709	338,447	-
Internal balances ¹	(1,885,671)	5,857,733	-	-
Inventories	9,111,898	3,771,150	12,883,048	-
Property held for sale	-	-	-	69,386,272
Prepaid expenses	980,934	-	980,934	325,155
Current assets (restricted):				
Cash and investments	106,693,692	16,452,314	123,146,006	-
Receivables:				
Taxes	17,575,487	-	17,575,487	-
Accounts, net	813,280	-	813,280	-
Assessments	23,702,953	-	23,702,953	-
Notes and loans, net	2,793,871	-	2,793,871	-
Advances	9,038,164	-	9,038,164	-
Grants	5,651,849	-	5,651,849	-
Accrued interest	745,988	-	745,988	-
Due from component unit	2,292,004	-	2,292,004	-
Internal balances ¹	(3,972,062)	-	-	-
Property held for sale	11,048,556	-	11,048,556	-
Total current assets	<u>559,566,625</u>	<u>315,715,803</u>	<u>875,282,428</u>	<u>294,461,411</u>
Noncurrent assets (unrestricted):				
Capital assets, not being depreciated or amortized:				
Land	223,325,437	106,946,152	330,271,589	7,495,883
Construction in progress	151,283,628	249,691,397	400,975,025	-
Intangible assets	45,365,125	14,176,639	59,541,764	-
Capital assets, net of accumulated depreciation:				
Infrastructure	1,225,809,838	3,718,549,135	4,944,358,973	-
Buildings	252,992,638	202,198,740	455,191,378	4,406,752
Improvements to land	79,762,715	40,098,308	119,861,023	-
Equipment	111,408,617	32,016,838	143,425,455	148,586
Intangible assets	21,998,643	2,474,239	24,472,882	2,228,501
Net capital assets	2,111,946,641	4,366,151,448	6,478,098,089	14,279,722
Receivables:				
Assessments	6,987,734	4,357,415	11,345,149	-
Notes and loans, net	6,298,282	-	6,298,282	43,223,527
Pension asset	58,333,463	21,628,988	79,962,451	2,021,851
Noncurrent assets (restricted):				
Cash and investments	137,276,899	276,570,064	413,846,963	-
Receivables:				
Assessments	44,658,329	-	44,658,329	-
Notes and loans, net	66,015,297	-	66,015,297	-
Grants	2,197,726	-	2,197,726	-
Total noncurrent assets	<u>2,433,714,371</u>	<u>4,668,707,915</u>	<u>7,102,422,286</u>	<u>59,525,100</u>
Total assets	<u>2,993,280,996</u>	<u>4,984,423,718</u>	<u>7,977,704,714</u>	<u>353,986,511</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - pensions	192,589,148	7,100,395	199,689,543	596,226
Deferred charge for debt refunding	-	105,960	105,960	-
Total deferred outflows of resources	<u>192,589,148</u>	<u>7,206,355</u>	<u>199,795,503</u>	<u>596,226</u>

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

City of Portland, Oregon
Statement of Net Position, Continued
June 30, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Portland Development Commission
LIABILITIES				
Current liabilities (payable from unrestricted assets):				
Accounts payable	\$ 22,346,081	\$ 13,481,842	\$ 35,827,923	\$ 2,260,271
Self insurance claims	12,734,172	-	12,734,172	-
Compensated absences	39,700,242	8,636,884	48,337,126	154,655
Bonds payable	31,213,417	141,343,937	172,557,354	-
Notes and loans payable	1,488,841	1,352,453	2,841,294	-
Accrued interest payable	3,354,950	23,879,509	27,234,459	-
Unearned revenue	5,446,315	1,452,365	6,898,680	-
Due to primary government	-	-	-	2,630,451
Due to component unit	3,188,663	-	3,188,663	-
Landfill postclosure	32,866	-	32,866	-
Pollution remediation	-	2,985,000	2,985,000	144,727
Other liabilities	-	27,000	27,000	649,680
Current liabilities (payable from restricted assets):				
Accounts payable	6,136,721	13,947,314	20,084,035	-
Bonds payable	47,373,153	2,505,000	49,878,153	-
Due to component unit	663,872	-	663,872	-
Unearned revenue	2,902,885	-	2,902,885	-
Other liabilities	13,365,648	-	13,365,648	-
Total current liabilities	189,947,826	209,611,304	399,559,130	5,839,784
Noncurrent liabilities:				
Self insurance claims	14,635,829	-	14,635,829	-
Compensated absences	12,531,799	-	12,531,799	382,969
Bonds payable	927,654,883	2,448,650,484	3,376,305,367	-
Notes and loans payable	75,511,856	14,920,587	90,432,443	-
Accrued interest payable	81,641,804	22,413,003	104,054,807	-
Net pension obligation	2,875,017,825	-	2,875,017,825	-
Other postemployment benefits	38,446,448	3,558,297	42,004,745	792,855
Landfill postclosure	877,818	-	877,818	-
Pollution remediation	594,825	3,495,000	4,089,825	4,413,570
Other liabilities	-	432,276	432,276	3,498,667
Total noncurrent liabilities	4,026,913,087	2,493,469,647	6,520,382,734	9,088,061
Total liabilities	4,216,860,913	2,703,080,951	6,919,941,864	14,927,845
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pensions	137,687,876	43,235,926	180,923,802	4,041,640
Deferred charge for debt refunding	2,028,630	5,832,922	7,861,552	-
Total deferred inflows of resources	139,716,506	49,068,848	188,785,354	4,041,640
NET POSITION				
Net investment in capital assets	1,982,917,732	2,069,303,473	4,052,221,205	14,279,722
Restricted for:				
Public safety	2,440,969	-	2,440,969	-
Parks, recreation and culture	2,119,026	-	2,119,026	-
Community development	165,546,631	-	165,546,631	315,138,288
Transportation	41,542,960	-	41,542,960	-
Legislative / admin / support services	213,538	-	213,538	-
Debt service	74,744,884	2,133,794	76,878,678	-
Capital projects	53,935,630	12,034,737	65,970,367	-
Parks endowment fund:				
Nonexpendable	181,794	-	181,794	-
Environmental services	5,329	-	5,329	-
Unrestricted surplus (deficit)	(3,494,355,768)	156,008,270	(3,338,347,498)	6,195,242
Total net position	\$ (1,170,707,275)	\$ 2,239,480,274	\$ 1,068,772,999	\$ 335,613,252

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, 2015

Function/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit Portland Development Commission
	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	\$ 681,079,374	\$ 17,462,949	\$ 22,155,549	\$ 57,957	\$ (641,402,919)	\$ -	\$ (641,402,919)	\$ -
Parks, recreation and culture	72,416,721	26,502,334	3,136,946	39,324,310	(3,453,131)	-	(3,453,131)	-
Community development	162,430,670	68,509,492	39,203,854	1,496	(54,715,828)	-	(54,715,828)	-
Transportation	302,136,406	94,096,155	68,431,323	44,756,691	(94,852,237)	-	(94,852,237)	-
Legislative / admin / support services	97,013,883	238,924,027	33,639,073	-	175,549,217	-	175,549,217	-
Environmental services	86,523	-	94,952	920,594	929,023	-	929,023	-
Water	175,972	-	-	-	(175,972)	-	(175,972)	-
Parking facilities	17,000	-	-	-	(17,000)	-	(17,000)	-
Interest on long-term debt	48,113,636	-	-	-	(48,113,636)	-	(48,113,636)	-
Total governmental activities	<u>1,363,470,185</u>	<u>445,494,957</u>	<u>166,661,697</u>	<u>85,061,048</u>	<u>(666,252,483)</u>	<u>-</u>	<u>(666,252,483)</u>	<u>-</u>
Business-type activities:								
Environmental services	220,160,935	341,993,745	-	3,417,279	-	125,250,089	125,250,089	-
Water	102,628,362	160,749,233	-	499,708	-	58,620,579	58,620,579	-
Hydroelectric power	1,289,400	3,769,590	-	-	-	2,480,190	2,480,190	-
Parking facilities	6,571,712	13,753,023	-	-	-	7,181,311	7,181,311	-
Golf	9,288,014	8,695,532	-	-	-	(592,482)	(592,482)	-
Motor sports	1,578,637	1,712,727	-	-	-	134,090	134,090	-
Spectator facilities	7,590,349	10,696,710	-	105,633	-	3,211,994	3,211,994	-
Housing	774,968	1,093,766	-	-	-	318,798	318,798	-
Total business-type activities:	<u>349,882,377</u>	<u>542,464,326</u>	<u>-</u>	<u>4,022,620</u>	<u>-</u>	<u>196,604,569</u>	<u>196,604,569</u>	<u>-</u>
Total primary government	<u>\$ 1,713,352,562</u>	<u>\$ 987,959,283</u>	<u>\$ 166,661,697</u>	<u>\$ 89,083,668</u>	<u>(666,252,483)</u>	<u>196,604,569</u>	<u>(469,647,914)</u>	<u>-</u>
Component unit:								
Portland Development Commission	<u>\$ 70,124,195</u>	<u>\$ 7,385,155</u>	<u>\$ 9,146,999</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(53,592,041)</u>
General revenues:								
Taxes:								
Property					481,282,272	-	481,282,272	-
Lodging					41,803,744	-	41,803,744	-
Miscellaneous					10,490,137	-	10,490,137	-
Payments from the City					-	-	-	54,233,796
Investment earnings					8,760,007	3,248,776	12,008,783	1,112,603
Miscellaneous revenues (primarily sale of property held for sale)					-	-	-	17,423,499
Transfers					<u>4,819,555</u>	<u>(4,819,555)</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers					<u>547,155,715</u>	<u>(1,570,779)</u>	<u>545,584,936</u>	<u>72,769,898</u>
Change in net position					<u>(119,096,768)</u>	<u>195,033,790</u>	<u>75,937,022</u>	<u>19,177,857</u>
Net position -- beginning, previously reported					212,430,704	2,123,514,403	2,335,945,107	320,317,652
Restatement per GASB 68 implementation (See Note I.E.)					<u>(1,264,041,211)</u>	<u>(79,067,919)</u>	<u>(1,343,109,130)</u>	<u>(3,882,257)</u>
Net position - beginning, restated					<u>(1,051,610,507)</u>	<u>2,044,446,484</u>	<u>992,835,977</u>	<u>316,435,395</u>
Net position -- ending					<u>\$ (1,170,707,275)</u>	<u>\$ 2,239,480,274</u>	<u>\$ 1,068,772,999</u>	<u>\$ 335,613,252</u>

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

Fund Financial Statements



Union Station, 1890

Blank back of tab

City of Portland, Oregon
Balance Sheet
Governmental Funds
June 30, 2015

	General Fund	Transportation Operating	Other Funds	Total
ASSETS				
Unrestricted:				
Cash and investments	\$ 80,235,981	\$ 28,839,603	\$ 45,956,938	\$ 155,032,522
Receivables:				
Taxes	15,131,852	-	-	15,131,852
Accounts, net	32,336,325	12,413,233	2,878,297	47,627,855
Assessments	16,336	2,399,510	6,934,146	9,349,992
Notes and loans, net	-	125,000	6,509,941	6,634,941
Advances	409,339	-	-	409,339
Accrued interest	238,000	143,908	347,889	729,797
Due from other funds	-	37,958	929	38,887
Due from component unit	232,755	82	-	232,837
Internal loans receivable	725,000	4,000,000	-	4,725,000
Inventories	286,027	7,117,403	-	7,403,430
Prepaid items	227,747	291,013	-	518,760
Restricted:				
Cash and investments	5,966,918	39,013,371	198,990,302	243,970,591
Receivables:				
Taxes	7,398,731	-	10,176,756	17,575,487
Accounts, net	-	-	813,280	813,280
Assessments	-	-	68,361,282	68,361,282
Notes and loans, net	-	-	68,809,168	68,809,168
Advances	-	-	9,038,164	9,038,164
Grants	-	-	7,849,575	7,849,575
Accrued interest	-	-	745,988	745,988
Due from component unit	-	-	2,292,004	2,292,004
Internal loans receivable	-	-	800,000	800,000
Property held for sale	-	-	11,048,556	11,048,556
Total assets	<u>\$ 143,205,011</u>	<u>\$ 94,381,081</u>	<u>\$ 441,553,215</u>	<u>\$ 679,139,307</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities payable from unrestricted assets:				
Accounts payable	\$ 8,775,467	\$ 5,314,161	\$ 1,030,701	\$ 15,120,329
Due to component unit	994,181	-	-	994,181
Unearned revenue	156,593	1,941,614	3,269,968	5,368,175
Landfill postclosure	32,866	-	-	32,866
Liabilities payable from restricted assets:				
Accounts payable	-	-	6,136,721	6,136,721
Due to other funds	-	-	47,062	47,062
Due to component unit	-	-	663,872	663,872
Due to fiduciary fund	7,398,731	-	-	7,398,731
Internal loans payable	-	-	4,725,000	4,725,000
Unearned revenue	-	-	2,902,885	2,902,885
Other accrued liabilities	5,966,918	-	-	5,966,918
Total liabilities	<u>23,324,756</u>	<u>7,255,775</u>	<u>18,776,209</u>	<u>49,356,740</u>
Deferred inflows of resources:				
Unavailable revenue - unrestricted	13,800,324	3,923,819	6,803,220	24,527,363
Unavailable revenue - restricted	-	-	82,101,775	82,101,775
Total deferred inflows of resources	<u>13,800,324</u>	<u>3,923,819</u>	<u>88,904,995</u>	<u>106,629,138</u>
Fund balances:				
Nonspendable	513,774	7,408,416	162,572	8,084,762
Restricted	-	39,013,371	285,730,695	324,744,066
Committed	58,885,208	-	16,126,077	75,011,285
Assigned	30,220,861	36,779,700	35,398,175	102,398,736
Unassigned	16,460,088	-	(3,545,508)	12,914,580
Total fund balances	<u>106,079,931</u>	<u>83,201,487</u>	<u>333,872,011</u>	<u>523,153,429</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 143,205,011</u>	<u>\$ 94,381,081</u>	<u>\$ 441,553,215</u>	<u>\$ 679,139,307</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, 2015

Fund balances - total governmental funds	\$	523,153,429
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.		1,927,419,691
Other long-term assets are prepaid or are not available to pay for current period expenditures and, therefore, are deferred in the fund statements:		
Pension asset - Oregon PERS		50,609,838
Deferred items eliminated for government-wide (See Note III.D., Unearned revenue and deferred outflows and inflows of resources)		106,629,138
Deferred outflows - pensions		190,053,625
Deferred inflows - pensions		(122,248,505)
Deferred charge for debt refundings		(2,019,275)
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.		236,547,409
Noncurrent bonds payable are not due and payable in the current period and are not reported in the governmental funds.		(954,436,406)
Unfunded net pension obligation 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.)		(2,875,017,825)
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		(49,366,711)
Notes and loans payable		(77,000,697)
Accrued interest		(79,595,826)
Other postemployment benefits		(37,312,959)
Landfill postclosure		(877,818)
Pollution remediation		(594,825)
Internal service fund look-back adjustment to business-type activities		(6,649,558)
Total net position of governmental activities	\$	<u>(1,170,707,275)</u>

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, 2015

	<u>General Fund</u>	<u>Transportation Operating</u>	<u>Other Funds</u>	<u>Total</u>
REVENUES				
Taxes:				
Property	\$ 333,349,322	\$ -	\$ 145,658,127	\$ 479,007,449
Lodging	27,006,075	-	14,797,669	41,803,744
Miscellaneous	-	-	10,490,137	10,490,137
Licenses and fees	184,881,129	6,848,288	41,916,687	233,646,104
Intergovernmental	28,463,550	65,525,722	74,252,791	168,242,063
Charges for services	13,899,341	14,168,262	22,007,538	50,075,141
Interagency	44,969,245	29,320,265	981,760	75,271,270
Parking fees	436,550	30,505,563	2,458,556	33,400,669
Parking fines	-	6,438,629	67,440	6,506,069
Concessions	22,512	-	-	22,512
Rents and reimbursements	4,686,789	566,728	89,544	5,343,061
Miscellaneous service charges	3,382,288	2,493,378	14,899,549	20,775,215
Loan collections	1,252	-	-	1,252
Assessments	3,540	1,423,200	11,971,756	13,398,496
Investment earnings	1,382,154	404,899	6,221,819	8,008,872
Payments in lieu of taxes	586,440	-	-	586,440
Sale of inventory	-	-	3,590,184	3,590,184
Miscellaneous	3,057,591	4,174,492	9,107,977	16,340,060
Total revenues	646,127,778	161,869,426	358,511,534	1,166,508,738
EXPENDITURES				
Current:				
Public safety	406,094,441	-	26,584,511	432,678,952
Parks, recreation and culture	69,068,004	-	4,829,329	73,897,333
Community development	42,826,296	-	130,908,779	173,735,075
Transportation	-	145,956,223	1,113,385	147,069,608
Legislative / admin / support services	64,893,554	-	29,846,200	94,739,754
Environmental services	-	-	221,231	221,231
Debt service and related costs:				
Principal	5,049,231	9,366,992	83,121,507	97,537,730
Interest	2,402,831	4,613,333	37,388,747	44,404,911
Debt issuance costs	-	37,585	635,185	672,770
Capital outlay	6,233,281	26,042,580	46,024,629	78,300,490
Total expenditures	596,567,638	186,016,713	360,673,503	1,143,257,854
Excess (deficiency) of revenues over (under) expenditures	49,560,140	(24,147,287)	(2,161,969)	23,250,884
OTHER FINANCING SOURCES (USES)				
Transfers in	4,850,709	16,556,575	92,062,734	113,470,018
Transfers out	(45,299,251)	(4,778,525)	(65,132,140)	(115,209,916)
Bonds and notes issued	-	24,196,709	19,532,410	43,729,119
Refunding bonds issued	-	-	17,155,000	17,155,000
Bonds and notes premium	-	-	4,365,018	4,365,018
Loans issued	-	-	3,935,116	3,935,116
Sale of capital asset	300	-	-	300
Total other financing sources (uses)	(40,448,242)	35,974,759	71,918,138	67,444,655
Net change in fund balances	9,111,898	11,827,472	69,756,169	90,695,539
Fund balances - beginning	96,968,033	71,374,015	264,748,643	433,090,691
Major fund reclassified to nonmajor fund	-	-	(632,801)	(632,801)
Fund balances - beginning, as reclassified	96,968,033	71,374,015	264,115,842	432,457,890
Fund balances - ending	\$ 106,079,931	\$ 83,201,487	\$ 333,872,011	\$ 523,153,429

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, 2015

Net change in fund balances - total governmental funds	\$	90,695,539
Amounts reported for governmental activities in the statement of activities are different because:		
The effect of capital outlays made by the governmental funds		78,300,490
Disposals of capital assets and capital contributions		43,668,432
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.)		(175,359,028)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		1,041,926
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.		27,542,561
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.		26,816,491
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 and interest payable, the premium amortization on bonds payable, and recognition of capital lease obligations		(14,738)
Accrual of net pension liability which is not reported as an expenditure in governmental funds		(204,970,111)
Internal service fund look-back adjustment to business-type activities		(4,266,884)
Capital contributions		262,685
Accrual of other postemployment benefits which are not reported as an expenditure in governmental funds		(2,814,131)
Change in net position - governmental activities	\$	<u>(119,096,768)</u>

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



Elk on Main Street

**City of Portland Oregon
Statement of Net Position
Proprietary Funds
June 30, 2015**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
ASSETS					
Current assets (unrestricted):					
Cash and investments	\$ 93,893,296	\$ 86,861,714	\$ 25,259,902	\$ 206,014,912	\$ 150,836,094
Receivables:					
Accounts, net	53,959,205	24,256,822	2,207,990	80,424,017	1,617,190
Assessments	1,256,515	299,408	-	1,555,923	-
Notes and loans, net	83,232	-	-	83,232	53,700
Advances	-	227,328	60,000	287,328	-
Accrued interest	672,838	414,593	99,054	1,186,485	314,178
Due from other funds	-	8,175	-	8,175	-
Due from component unit	-	-	82,709	82,709	22,901
Inventories	1,623,555	2,147,595	-	3,771,150	1,708,468
Prepaid expenses	-	-	-	-	462,174
Total current assets (unrestricted)	<u>151,488,641</u>	<u>114,215,635</u>	<u>27,709,655</u>	<u>293,413,931</u>	<u>155,014,705</u>
Current assets (restricted):					
Cash and investments	<u>8,535,806</u>	<u>5,411,508</u>	<u>2,505,000</u>	<u>16,452,314</u>	<u>-</u>
Total current assets (restricted)	<u>8,535,806</u>	<u>5,411,508</u>	<u>2,505,000</u>	<u>16,452,314</u>	<u>-</u>
Total current assets	<u>160,024,447</u>	<u>119,627,143</u>	<u>30,214,655</u>	<u>309,866,245</u>	<u>155,014,705</u>
Noncurrent assets (unrestricted):					
Capital assets, not being depreciated or amortized:					
Land	73,316,928	15,029,156	18,600,068	106,946,152	12,766,576
Construction in progress	157,060,654	92,044,177	586,566	249,691,397	9,582,779
Intangible assets	10,960,297	3,211,842	4,500	14,176,639	-
Capital assets, being depreciated or amortized:					
Infrastructure	3,313,993,288	1,167,153,932	44,128,641	4,525,275,861	11,963,370
Buildings	33,010,333	78,186,859	195,411,582	306,608,774	172,709,074
Improvements to land	1,753,470	32,593,279	23,351,655	57,698,404	873,162
Equipment	27,076,695	32,336,697	6,013,079	65,426,471	109,736,047
Intangible assets	8,571,730	3,219,925	182,383	11,974,038	43,129,494
Accumulated depreciation and amortization	<u>(469,842,639)</u>	<u>(383,187,171)</u>	<u>(118,616,478)</u>	<u>(971,646,288)</u>	<u>(176,233,552)</u>
Capital assets, net of accumulated depreciation and amortization	3,155,900,756	1,040,588,696	169,661,996	4,366,151,448	184,526,950
Receivables:					
Assessments	4,105,469	251,946	-	4,357,415	-
Notes and loans, net	-	-	-	-	268,500
Pension asset	<u>10,340,385</u>	<u>10,056,132</u>	<u>1,232,471</u>	<u>21,628,988</u>	<u>7,723,625</u>
Total noncurrent assets (unrestricted)	3,170,346,610	1,050,896,774	170,894,467	4,392,137,851	192,519,075
Noncurrent assets (restricted):					
Cash and investments	<u>172,691,444</u>	<u>89,890,089</u>	<u>13,988,531</u>	<u>276,570,064</u>	<u>-</u>
Total noncurrent assets	<u>3,343,038,054</u>	<u>1,140,786,863</u>	<u>184,882,998</u>	<u>4,668,707,915</u>	<u>192,519,075</u>
Total assets	<u>3,503,062,501</u>	<u>1,260,414,006</u>	<u>215,097,653</u>	<u>4,978,574,160</u>	<u>347,533,780</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows - pensions	3,394,556	3,301,241	404,598	7,100,395	2,535,523
Deferred charge for debt refundings	-	-	105,960	105,960	-
Total deferred outflows of resources	<u>3,394,556</u>	<u>3,301,241</u>	<u>510,558</u>	<u>7,206,355</u>	<u>2,535,523</u>

Continued next page

City of Portland Oregon
Statement of Net Position, Continued
Proprietary Funds
June 30, 2015

	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities - Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
LIABILITIES					
Current liabilities (payable from unrestricted assets):					
Accounts payable	6,413,223	5,716,250	1,352,369	13,481,842	7,225,752
Self insurance claims	-	-	-	-	12,734,172
Compensated absences	4,001,277	4,149,020	486,587	8,636,884	2,865,330
Bonds payable	103,320,081	30,196,739	7,827,117	141,343,937	11,815,784
Notes and loans payable	1,352,453	-	-	1,352,453	-
Accrued interest payable	17,726,523	5,739,240	413,746	23,879,509	203,860
Unearned revenue	687,853	256,915	507,597	1,452,365	78,140
Due to component unit	-	-	-	-	2,194,482
Pollution remediation	1,115,000	550,000	1,320,000	2,985,000	-
Other liabilities	27,000	-	-	27,000	-
Total current liabilities (unrestricted)	134,643,410	46,608,164	11,907,416	193,158,990	37,117,520
Current liabilities (payable from restricted assets):					
Accounts payable	8,535,806	5,411,508	-	13,947,314	-
Bonds payable	-	-	2,505,000	2,505,000	-
Total current liabilities (restricted)	8,535,806	5,411,508	2,505,000	16,452,314	-
Total current liabilities	143,179,216	52,019,672	14,412,416	209,611,304	37,117,520
Noncurrent liabilities:					
Self insurance claims	-	-	-	-	14,635,829
Bonds payable	1,725,047,498	665,979,141	57,623,845	2,448,650,484	39,989,263
Notes and loans payable	14,920,587	-	-	14,920,587	-
Internal loans payable	-	-	800,000	800,000	-
Accrued interest payable	10,469,206	10,873,407	1,070,390	22,413,003	5,197,067
Other postemployment benefits	1,511,569	1,797,052	249,676	3,558,297	1,133,489
Pollution remediation	225,000	-	3,270,000	3,495,000	-
Other liabilities	46,730	-	385,546	432,276	-
Total noncurrent liabilities	1,752,220,590	678,649,600	63,399,457	2,494,269,647	60,955,648
Total liabilities	1,895,399,806	730,669,272	77,811,873	2,703,880,951	98,073,168
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - pensions	20,670,228	20,102,011	2,463,687	43,235,926	15,439,371
Deferred charge for debt refunding	4,820,670	995,141	17,111	5,832,922	9,355
Total deferred inflows of resources	25,490,898	21,097,152	2,480,798	49,068,848	15,448,726
NET POSITION					
Net investment in capital assets	1,503,588,286	458,896,340	106,818,847	2,069,303,473	144,952,247
Restricted for:					
Debt service	180,000	-	1,953,794	2,133,794	-
Capital projects	-	-	12,034,737	12,034,737	-
Unrestricted	81,798,067	53,052,483	14,508,162	149,358,712	91,595,162
Total net position	1,585,566,353	511,948,823	135,315,540	2,232,830,716	236,547,409
Adjustment to reflect the consolidation of internal service funds' activities related to enterprise funds				6,649,558	
Net position of business-type activities				\$ 2,239,480,274	

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, 2015

	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities- Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
Operating revenues:					
Service charges and fees	\$ 327,555,376	\$ 157,380,504	\$ 14,498,196	\$ 499,434,076	\$ 16,022,861
Service charges and fees provided internally	1,456,981	2,976,787	1,330,431	5,764,199	174,897,879
Licenses and permits	2,013,484	-	2,816,877	4,830,361	-
Rents and reimbursements	314,856	-	10,028,865	10,343,721	1,761,729
Concessions	-	-	1,759,441	1,759,441	-
Parking fees	-	-	13,762,791	13,762,791	-
Power sales	-	-	3,694,475	3,694,475	-
Miscellaneous	2,071,706	391,942	411,614	2,875,262	2,371,705
Total operating revenues	333,412,403	160,749,233	48,302,690	542,464,326	195,054,174
Operating expenses:					
Salaries and wages	34,632,181	23,071,213	6,254,059	63,957,453	34,952,838
Operating supplies	4,740,899	3,655,498	669,448	9,065,845	12,042,373
Professional services	2,779,041	1,581,177	2,219,717	6,579,935	4,205,312
Materials and services provided internally	24,504,600	16,279,698	6,277,210	47,061,508	19,843,552
Utilities	5,545,403	1,920,607	416,075	7,882,085	3,255,855
Claims	-	-	-	-	53,069,584
Utility license fees	14,761,849	6,007,691	112,660	20,882,200	29,439
Miscellaneous	12,240,324	5,363,404	11,048,797	28,652,525	33,461,770
Depreciation and amortization	43,075,864	25,747,919	5,932,007	74,755,790	11,526,568
Total operating expenses	142,280,161	83,627,207	32,929,973	258,837,341	172,387,291
Operating income (loss)	191,132,242	77,122,026	15,372,717	283,626,985	22,666,883
Nonoperating revenues (expenses):					
Investment earnings (losses)	2,104,384	1,003,061	141,330	3,248,775	751,140
Interest expense	(69,390,014)	(20,345,687)	(2,972,472)	(92,708,173)	(2,171,739)
Debt issuance costs	(1,018,056)	(252,949)	(17,310)	(1,288,315)	-
Gains (losses) on sale of capital assets	(814,164)	(1,150,129)	3,228	(1,961,065)	(88,366)
Miscellaneous	-	639,538	-	639,538	(168,714)
Total nonoperating revenues (expenses)	(69,117,850)	(20,106,166)	(2,845,224)	(92,069,240)	(1,677,679)
Income before contributions and transfers	122,014,392	57,015,860	12,527,493	191,557,745	20,989,204
Transfers in	147,509	119,083	129,592	396,184	10,430,432
Transfers out	(526,697)	(626,104)	(4,056,842)	(5,209,643)	(3,877,075)
Capital contributions	3,000,654	499,708	522,258	4,022,620	-
Change in net position	124,635,858	57,008,547	9,122,501	190,766,906	27,542,561
Total net position - beginning, previously reported	1,498,324,037	492,451,439	130,356,253		232,593,638
Restatement per GASB 68 implementation (See Note I.E.)	(37,393,542)	(37,511,163)	(4,163,214)		(23,588,790)
Total net position - beginning, restated	1,460,930,495	454,940,276	126,193,039		209,004,848
Total net position - ending	\$ 1,585,566,353	\$ 511,948,823	\$ 135,315,540		\$ 236,547,409
Adjustment to reflect the consolidation of internal service funds' activities related to enterprise funds				4,266,884	
Change in net position of business-type activities				\$ 195,033,790	

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



Downtown Portland

City of Portland, Oregon
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities- Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 326,154,556	\$ 154,664,651	\$ 46,974,548	\$ 527,793,755	\$ 19,843,370
Receipts for interfund services provided	1,456,981	2,976,787	1,330,431	5,764,199	174,897,879
Payments to suppliers	(42,991,814)	(20,274,848)	(13,264,779)	(76,531,441)	(104,912,326)
Payments to employees	(47,644,401)	(35,833,980)	(7,859,080)	(91,337,461)	(44,620,893)
Payments for interfund services used	(24,504,600)	(16,279,698)	(6,277,210)	(47,061,508)	(19,843,552)
Other receipts (payments)	13,225	662,912	3,029	679,166	2,627
	<u>212,483,947</u>	<u>85,915,824</u>	<u>20,906,939</u>	<u>319,306,710</u>	<u>25,367,105</u>
Net cash provided by (used for) operating activities					
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	147,510	16,999	129,592	294,101	10,415,398
Transfers out	(511,664)	(626,103)	(4,056,842)	(5,194,609)	(3,774,992)
Proceeds from internal loans	-	-	800,000	800,000	1,323,735
	<u>(364,154)</u>	<u>(609,104)</u>	<u>(3,127,250)</u>	<u>(4,100,508)</u>	<u>7,964,141</u>
Net cash provided by (used for) noncapital financing activities					
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of bonds and notes	290,385,000	84,975,000	5,469,700	380,829,700	-
Premium on bonds and notes issued	32,206,753	7,642,900	-	39,849,653	-
Proceeds from sale of capital assets	68,746	269,973	10,400	349,119	722,808
Acquisition of capital assets	(103,126,384)	(94,068,304)	(651,675)	(197,846,363)	(12,648,848)
Principal paid on bonds and notes	(186,127,092)	(26,582,115)	(14,888,372)	(227,597,579)	(10,880,901)
Interest paid on bonds and notes	(77,382,502)	(22,677,893)	(3,099,645)	(103,160,040)	(2,253,875)
Payments for bond issuance costs	(1,018,056)	(252,949)	(17,310)	(1,288,315)	-
	<u>(44,993,535)</u>	<u>(50,693,388)</u>	<u>(13,176,902)</u>	<u>(108,863,825)</u>	<u>(25,060,816)</u>
Net cash provided by (used for) capital related financing activities					
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment earnings (losses)	1,662,097	831,393	182,430	2,675,920	645,351
	<u>168,788,355</u>	<u>35,444,725</u>	<u>4,785,217</u>	<u>209,018,297</u>	<u>8,915,781</u>
Net increase (decrease) in cash and cash equivalents					
Cash and cash equivalents, July 1, 2014	106,332,191	146,718,586	36,968,216	290,018,993	141,920,313
Cash and cash equivalents, June 30, 2015	<u>\$ 275,120,546</u>	<u>\$ 182,163,311</u>	<u>\$ 41,753,433</u>	<u>\$ 499,037,290</u>	<u>\$ 150,836,094</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:					
Unrestricted cash and cash equivalents	\$ 93,893,296	\$ 86,861,714	\$ 25,259,902	\$ 206,014,912	\$ 150,836,094
Restricted cash and cash equivalents	181,227,250	95,301,597	16,493,531	293,022,378	-
	<u>\$ 275,120,546</u>	<u>\$ 182,163,311</u>	<u>\$ 41,753,433</u>	<u>\$ 499,037,290</u>	<u>\$ 150,836,094</u>
Total cash and cash equivalents					

Continued next page

City of Portland, Oregon
Statement of Cash Flows, Continued
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	<u>Business-type Activities - Enterprise Funds</u>				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	\$ 191,132,242	\$ 77,122,026	\$ 15,372,717	\$ 283,626,985	\$ 22,666,883
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:					
Depreciation and amortization of capital assets	43,075,864	25,747,919	5,932,007	74,755,790	11,526,568
Provision for uncollectible accounts	1,112,467	627,617	-	1,740,084	-
Nonoperating revenue	-	645,633	-	645,633	-
Change in assets and liabilities:					
Accounts and advances receivable	125,572	4,234,000	254,945	4,614,517	550,668
Due (from) / to component unit	-	-	10,633	10,633	504,495
Inventories	(96,155)	(287,131)	-	(383,286)	(210,460)
Accounts payable	(1,969,535)	(1,226,340)	326,635	(2,869,240)	(29,357)
Self insurance claims	-	-	-	-	901,163
Compensated absences	66,786	(48,447)	(48,603)	(30,264)	101,374
Unearned revenue	(34,967)	(8,037)	279,237	236,233	4,973
Other postemployment benefits	48,151	51,977	8,493	108,621	35,740
Pollution remediation	(741,200)	(233,000)	875,000	(99,200)	-
Other liabilities	(117,408)	-	-	(117,408)	-
Deferred outflows - pensions	(3,394,556)	(3,301,241)	(404,598)	(7,100,395)	(2,535,523)
Deferred inflows - pensions	20,670,228	20,102,011	2,463,687	43,235,926	15,439,371
Restatement per GASB 68 implementation (See Note I.E.)	(37,393,542)	(37,511,163)	(4,163,214)	(79,067,919)	(23,588,790)
Net cash provided by (used for) operating activities	<u>\$ 212,483,947</u>	<u>\$ 85,915,824</u>	<u>\$ 20,906,939</u>	<u>\$ 319,306,710</u>	<u>\$ 25,367,105</u>
Noncash information					
Capital contribution	\$ 3,000,654	\$ 499,708	\$ 522,258	\$ 4,022,620	\$ -
Increase (decrease) in fair value of investments (classified as cash equivalents)	194,992	(16,628)	(51,584)	126,780	(52,567)

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, 2015

	Pension Trust	Agency
ASSETS		
Current assets:		
Cash and investments ¹	\$ 26,211,276	\$ 53,889,564
Receivables:		
Accounts, net	17,486	2,257,112
Advances	-	873,873
Pension recovery	31,227	-
Accrued interest	134,239	32,092
Due from other funds	7,398,731	-
Prepaid expense	694	-
	<u>33,793,653</u>	<u>57,052,641</u>
Total current assets		
Noncurrent assets:		
Capital assets:		
Intangible assets:		
Software	638,052	12,000
Accumulated depreciation and amortization	(127,610)	-
Net capital assets	510,442	12,000
Pension asset	282,521	-
	<u>792,963</u>	<u>12,000</u>
Total noncurrent assets		
	<u>34,586,616</u>	<u>57,064,641</u>
Total assets		
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows - pensions	94,288	-
	<u>94,288</u>	<u>-</u>
LIABILITIES		
Accounts payable	9,408,300	4,413,522
Salaries and withholding taxes	-	21,277,695
Compensated absences	905,762	-
Due to other governments	-	12,961,446
Bonds payable	384,259	-
Accrued interest payable	164,348	-
Contingent pension liability	1,325,000	-
Other postemployment benefits	39,921	-
Other liabilities	-	18,411,978
	<u>12,227,590</u>	<u>57,064,641</u>
Total liabilities		
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - pensions	564,755	-
	<u>564,755</u>	<u>-</u>
NET POSITION		
Net position restricted for pensions	21,888,559	-
	<u>21,888,559</u>	<u>-</u>
Total net position	<u>\$ 21,888,559</u>	<u>\$ -</u>

¹ 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, 2015

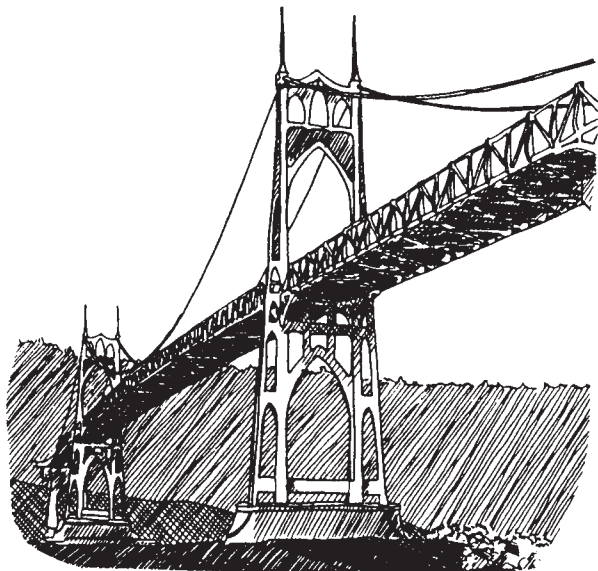
	Pension Trust
ADDITIONS	
Contributions:	
Employer	\$ 122,063,640
Other	836,992
Total contributions	122,900,632
Investment earnings	294,884
Total additions	123,195,516
DEDUCTIONS	
Benefits and refunds paid to plan members and beneficiaries	117,956,981
Administrative expenses	3,085,925
Total deductions	121,042,906
Change in net position	2,152,610
Net position - beginning, previously reported	20,552,949
Restatement per GASB 68 implementation (See Note I.E.)	(817,000)
Net position - beginning, restated	19,735,949
Net position - ending	\$ 21,888,559

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



Police Horse

Notes to the Financial Statements



St. John's Bridge, 1931

Blank back of tab

City of Portland, Oregon
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

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 are 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/62529> or by telephone: (503) 823-6823.

Discretely presented component unit - Portland Development Commission

The Portland Development Commission (PDC) is organized under Chapter 15 of the Charter of 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 PDC since May 16, 1958. PDC's principal activities are business retention, employment creation, real estate acquisition to remove or prevent blight, construction improvements, and rehabilitation/restoration lending.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

I. Summary of significant accounting policies continued:

A. Reporting entity continued:

PDC 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. PDC's governing board is substantially different than the City's board of commissioners, which prevents the City from imposing its will on PDC. PDC does not have a financial burden or benefit relationship with the City. Based upon criteria established by Governmental Accounting Standards Board (GASB) Statement No. 61, PDC is reported as a discretely presented component unit.

As a discretely presented component unit, the assets, liabilities, revenues and expenses related to PDC are included in the component unit column of the City's government-wide financial statements. Excerpts of PDC'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 PDC through budgetary authority and fiscal management. PDC 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://www.pdc.us/resource-library.aspx> 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. 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 *sixty days* of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

I. Summary of significant accounting policies continued:

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

Significant revenues, measurable and available for the fiscal year ended June 30, 2015, 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 sixty 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

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 City reports the following major proprietary funds:

The *Sewage Disposal Fund* accounts for the activities associated with waste water 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 committed or 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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

I. Summary of significant accounting policies continued:

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

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 transfers in, 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.

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

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

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

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

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

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

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

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

I. Summary of significant accounting policies continued:

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

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 nonoperating 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, 2015, one special revenue fund, previously reported as a major fund, is now reported as a nonmajor special revenue fund. Two debt service funds were prepared for closure. One enterprise fund was temporarily inactivated. There were no new funds established.

Special revenue fund:

The Grants Fund has previously been reported as a major fund special revenue fund. For the fiscal years ended June 30, 2013 and 2014 the City elected to report the Grants Fund as a major fund even though it was not required. The Grants Fund activity has diminished since the fiscal year ending June 30, 2012 due to the decline in expenditures in ARRA (American Recovery and Reinvestment Act) federal programs. The City is no longer required to report the Grants Fund as a major fund for fiscal year ended June 30, 2015 and has elected to report the Grants Fund as a nonmajor special revenue fund.

Debt service funds:

It was determined that two debt service funds will not be needed in the future. They have no outstanding debt and the related urban renewal districts have been sunsetted. The remaining cash in these funds will be returned to the counties so that the monies can be redistributed among all the taxing jurisdictions. The funds are:

- Willamette Industrial Urban Renewal Area Debt Service
- Education Urban Renewal Area Debt Service

Enterprise fund:

The Golf program's outstanding revenue bond debt was paid in fiscal year ended June 20, 2012. This fund is temporarily inactive: it is anticipated that the program will continue in the future. There were no payments made from the Golf Revenue Bond Redemption Fund in FY2014-15.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

I. Summary of significant accounting policies continued:

D. Assets, deferred outflows, liabilities, deferred inflows, 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*.

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 percent, 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 uncollectables.

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. Advances receivable are primarily monies paid to third parties prior to services performed. As services are rendered these advances are reduced from future payments.

Loans receivable are recorded when the borrower has signed a promissory note, and disbursements are made in accordance with the loan agreement. Through fiscal year ended June 30, 2012, the City maintained a valuation allowance for loans receivable that was comprised of an allowance for risk and an allowance for present value discount. During the fiscal year ended June 30, 2013, the City implemented GASB Statement No. 62, to remove the effect of present value calculations on the loan portfolio.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

I. Summary of significant accounting policies continued:

D. Assets, deferred outflows, liabilities, deferred inflows, and net position or equity continued:

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 non-profits and businesses which need payments in advance due to their lack of working capital are classified as advances.

5. 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. Items acquired through donations are capitalized on the basis of fair value at the date of transfer plus ancillary costs necessary to place them in service. Donated items are capitalized if the fair value, and any ancillary charges necessary to place the asset into use, meets the capitalization threshold for that class of asset. 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 impaired 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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

I. Summary of significant accounting policies continued:

D. Assets, deferred outflows, liabilities, deferred inflows, and net position or equity continued:

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 laws 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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

I. Summary of significant accounting policies continued:

D. Assets, deferred outflows, liabilities, deferred inflows, and net position or equity continued:

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 also 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 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. As required by GASB Statements No. 68 and 71 the City reports deferred outflows of resources for pension-related amounts: payments since the measurement date, changes in assumptions, and for FPDR's difference between projected and actual earnings.

In addition to liabilities, the statement of financial position will 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. As required by GASB Statement No. 68 the City reports deferred inflows of resources for pension-related amounts: for its share of OPERS' difference between expected and actual earnings, for its share of the difference between its contributions to OPERS and its proportionate share of the contributions, and for FPDR's difference between expected and actual experience. The City also reports a deferred inflow of resources for the difference between the carrying amount and the reacquisition price of refunded bonds unavailable revenue in the governmental funds.

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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

I. Summary of significant accounting policies continued:

D. Assets, deferred outflows, liabilities, deferred inflows, and net position or equity continued:

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

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

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

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

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

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

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

I. Summary of significant accounting policies continued:

D. Assets, deferred outflows, liabilities, deferred inflows, and net position or equity continued:

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.

14. Leases

In accordance with GASB 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.

15. 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 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.

16. 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.

17. 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*.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

I. Summary of significant accounting policies continued:

D. Assets, deferred outflows, liabilities, deferred inflows, and net position or equity continued:

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 five percent of the General Fund revenues less any short-term borrowing receipts, intrafund, and grant revenues, for a total of ten percent.

The emergency reserve component is available to fund one-time, emergency, unanticipated expenditure requirements or offset unanticipated revenue fluctuations occurring within a fiscal year. The emergency reserve will only be accessed when the result of emergency expenditures or an unexpected revenue reduction would likely result in a negative ending fund balance for the General Fund. Emergency reserve resources must begin to be restored in the fiscal year following their use. Restoration will be consistent with Council's past practice of budgeting transfers totaling a minimum of \$1 million a year to the General Reserve Fund.

The countercyclical reserve component is available to either maintain General Fund current service levels to adjust expenditure growth to match slower revenue growth during the first 18 to 24 months of a recession. The countercyclical reserve may be used when basic revenue growth (where "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) falls to below 5.5 percent for two consecutive quarters or the Financial Forecast estimates basic revenue growth will be below 5.5 percent for the next fiscal year, and one or more of the following conditions occurs in conjunction with slower revenue growth:

- The Portland Metropolitan Area (PMA) unemployment rate is reported above 6.5 percent for two consecutive quarters, or the Financial Forecast estimates PMA unemployment will average in excess of 6.5 percent for the next fiscal year.
- The property tax delinquency rate exceeds 8 percent.
- Business license year-to-year revenue growth falls below 5.5 percent for two consecutive quarters, or the Financial Forecast estimates business license revenue growth at less than 5.5 percent 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 \$59 million as of June 30, 2015.

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 five percent 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 five percent 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 \$4.25 million as of June 30, 2015.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

I. Summary of significant accounting policies continued:

E. Adoption of new GASB pronouncements:

During the fiscal year ended June 30, 2015, the City implemented the following GASB Pronouncements:

GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27 and GASB Statement No. 71. Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68.

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*. This statement provides guidance for accounting for net pension liabilities, including definition of balances to be included in deferred inflows and deferred outflows of resources. The specific accounts impacting the City are detailed below.

Net pension liability – Previous standards defined pension liabilities in terms of the Annually Required Contribution. Statement No. 68 defines the net pension liability as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service, net of the pension plan’s fiduciary net position.

Deferred inflows of resources and deferred outflows of resources – Statement No. 68 includes recognition of deferred inflows and outflows of resources associated with the difference between expected and actual earnings on pension plan investments. These differences are to be recognized in pension expense using a systematic and rational method over a closed five-year period. In November 2013, the GASB issued Statement No. 71, *Pension Transition for Contributions Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. This statement requires that contributions made by participating employers to pension plans after the Measurement Date for the Net Pension Liability but before the end of the financial statement period for the employer be reported as deferred outflows of resources.

Statement No. 68 is effective for financial statement periods beginning after June 15, 2014, with the effects of accounting change to be applied retroactively by restating the financial statements. The City adopted this new pronouncement in the current year and, accordingly, has restated amounts of effected balances within the government-wide financial statements as of June 30, 2014:

	As Originally Reported	As Restated	Effect of Change
Statement of Net Position			
Deferred outflow of resources:			
Payments made to OPERS since the measurement date	\$ -	\$ 24,877,869	\$ 24,877,869
Noncurrent liabilities:			
Net pension liability - OPERS	-	180,022,700	(180,022,700)
Net pension liability - FPDR	1,397,744,268	2,453,437,942	(1,055,693,674)
Write off prepayment to OPERS	132,270,625	-	(132,270,625)
Net position: government-wide	<u>\$ 2,335,945,107</u>	<u>\$ 992,835,977</u>	<u>\$ (1,343,109,130)</u>
Statement of activities			
Restatement of beginning net position	\$ -	\$ (1,343,109,130)	\$ (1,343,109,130)

GASB Statement No. 69, Government Combinations and Disposals of Government Operations. This standard was issued in January 2013 and establishes accounting and reporting standards related to government combinations and disposals of government operations. This standard does not have any impact upon the City during this year of implementation.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

I. Summary of significant accounting policies continued:

F. Future adoption of GASB pronouncements :

The following GASB pronouncements have been issued, but are not effective as of June 30, 2015:

GASB Statement No. 72, Fair Value Measurement and Application. Issued February 2015, this statement establishes accounting and financial reporting standards for fair value measurements, the level of fair value hierarchy, and valuation techniques. GASB Statement No. 72 will be effective for the City, fiscal year ending June 30, 2016.

GASB 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. Issued June 2015, this statement establishes accounting and financial reporting standards for pensions that don't meet the requirements set out in GASB Statements No. 67 and 68, and makes some modifications to GASB Statements No. 67 and 68. GASB Statement No. 73 will be effective for the City, fiscal year ending June 30, 2016 for the provisions that amend GASB Statements No. 67 and 68. The provisions that effect pensions not within the scope of GASB Statement No. 67 and 68 will be effective for the City, fiscal year ending June 30, 2017.

GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB). Issued June 2015, this statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*. GASB Statement No. 74 will be effective for the City, fiscal year ending June 30, 2017.

GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB). Issued June 2015, this statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. GASB Statement No. 75 will be effective for the City, fiscal year ending June 30, 2018.

GASB Statement No. 76, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments. Issued June 2015, this statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. GASB Statement No. 76 will be effective for the City, fiscal year ending June 30, 2016.

GASB Statement No. 77, Tax Abatement Disclosures. Issued August 2015, this statement requires governments that enter into tax abatement agreements to disclose information about those agreements. GASB Statement No. 77 will be effective for the City, fiscal year ending June 30, 2017.

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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

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 are allowed to 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, 2015.

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, 2015, five funds had expenditures for other financing uses payments to refunded loan and bond escrow agent [exempt per ORS 294.338(4)(c)] or total debt service and related costs [exempt per ORS 294.338(3)(b)(iii)] over appropriations that were exempt from supplemental budgetary requirements per ORS 294.338.

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

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

Enterprise fund, exempt per ORS 294.338(3)(b)(iii):

- Sewer System Construction

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

II. Stewardship, compliance, and accountability continued:

B. Expenditures in excess of appropriations continued:

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

- Sewer System Debt Redemption
- Spectator Facilities Operating

Several funds (General Fund - Portland Police Bureau, Portland Parks Memorial, Community Solar, Golf, Solid Waste Management, Spectator Facilities Operating, and Sewer System Construction Fund) were within budget at the bureau program level, but exceeded budget at the major object category (see Note II.A. above).

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

C. Deficit fund equity:

Oregon state law requires fund disclosure of deficit fund balances/total net position. At June 30, 2015, one fund reported a deficit fund balance and two funds had a deficit net position in the GAAP basis financial statements:

<u>Nonmajor Special Revenue Fund:</u>	
Grants	\$ 3,545,508
<u>Internal Service Funds:</u>	
Printing and Distribution Services Operating	1,117,360
Enterprise Business Solutions Services	3,560,161

The Grants Fund, a special revenue fund, reported a deficit fund balance of \$3.5 million in the Grants columns of the Combining Balance Sheet – Special Revenue Funds, and the Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Special Revenue Funds. The City’s financial system tracks grant-related expenditures in a central grants fund and the activity for this fund is reported in governmental activities on the government-wide Statement of Activities. The deficit was the result of the timing of the grants reimbursements. Since almost all grants are reimbursable, there is a delay between incurring expenditures and the processing of the related billings and receiving payments.

The Printing and Distribution Services Operating (P&D) Fund, an internal service fund, reported deficit net position of \$1.1 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 on the government-wide Statement of Activities. The deficit net position of the P&D Fund is a result of the decrease in the prepaid pension obligation and net capital assets, and an increase in the accrued interest payable liability. This is only partially offset by a decrease in the liabilities for Public Employees Retirement System (OPERS) bonds payable and compensated absences. Without an increase in assets, the OPERS liability will continue to cause a negative net position for the P&D Fund. The fund includes a component for debt service on the OPERS bonds in the interagency agreements it charges City bureaus and outside agencies for services. These interagency costs are built into bureaus’ base operating budgets which will provide the fund with an ongoing revenue source dedicated to paying off this debt. The debt will be paid off in FY 2028-29.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

II. Stewardship, compliance, and accountability continued:

C. Deficit fund equity continued:

The Enterprise Business Solutions Services (EBSS) Fund, an internal service fund, reported deficit net position of \$3.6 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 on the government-wide Statement of Activities. The deficit net position of the EBSS Fund is a result of depreciation expense exceeding principal payments on related debt. The fund includes a component for debt service in the interagency agreements it charges City bureaus for services. These interagency costs are built into bureaus' base operating budgets which will provide the fund with an ongoing revenue source dedicated to paying off its debt. The debt will be paid off in FY 2016-17.

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, 2015 are:

	Primary Government	Fiduciary Activities	Total Government	Component Unit (PDC)	Total
Cash on hand	\$ 16,919	\$ -	\$ 16,919	\$ 600	\$ 17,519
Deposits with financial institutions	42,692,363	-	42,692,363	724,601 *	43,416,964
Investments	1,006,167,215	80,100,840	1,086,268,055	214,349,610	1,300,617,665
Total Cash and investments	<u>\$ 1,048,876,497</u>	<u>\$ 80,100,840</u>	<u>\$ 1,128,977,337</u>	<u>\$ 215,074,811</u>	<u>\$ 1,344,052,148</u>

*PDC cash and investments with the City include \$460,538 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 (PDC)	Total
Unrestricted	\$ 305,868,616	\$ 206,014,912	\$ 511,883,528	\$ 53,889,564	\$ 565,773,092	\$ 215,074,811	\$ 780,847,903
Restricted	<u>243,970,591</u>	<u>293,022,378</u>	<u>536,992,969</u>	<u>26,211,276</u>	<u>563,204,245</u>	<u>-</u>	<u>563,204,245</u>
Total	<u>\$ 549,839,207</u>	<u>\$ 499,037,290</u>	<u>\$ 1,048,876,497</u>	<u>\$ 80,100,840</u>	<u>\$ 1,128,977,337</u>	<u>\$ 215,074,811</u>	<u>\$ 1,344,052,148</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

A. Cash and investments continued:

Restricted cash and investments: continued

Cash and investments at June 30, 2015, restricted by legal or contractual requirements, are reported in governmental activities, business-type activities and fiduciary funds as follows:

<u>Cash and investments by funds</u>	
Governmental activities:	
General fund:	
Business license overpayments	\$ 5,966,918
Transportation fund:	
Capital projects	39,013,371
Nonmajor governmental funds:	
Debt service	59,849,616
Federal and state grants	2,969,969
Voter approved special levies	7,433,935
Capital projects	62,636,465
Public safety	2,301,276
Parks, recreation and culture	1,140,353
Community development	62,476,932
Permanent endowment	<u>181,756</u>
Total governmental activities	<u>243,970,591</u>
Business-type activities:	
Sewage Disposal fund:	
Debt service for capital projects related debt	181,227,250
Water fund:	
Debt service for capital projects related debt	95,301,597
Nonmajor enterprise funds:	
Debt service	4,713,129
Renewal and replacement	10,760,389
Environmental remediation	<u>1,020,013</u>
Total business-type activities	<u>293,022,378</u>
Total primary governmental restricted cash	<u>536,992,969</u>
Total fiduciary activities	<u>26,211,276</u>
Total restricted cash and investments	<u>\$ 563,204,245</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

A. Cash and investments continued:

Component unit - Portland Development Commission

Total cash reported by PDC for fiscal year ending June 30, 2015 was \$215.1 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 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 bank balance is covered by federal depository insurance or by collateral held by one or more of the State's authorized collateral pool managers. As of June 30, 2015, the book value of all the City's deposits was \$43.4 million.

The OST's custodian, Federal Home Loan Bank of Seattle, 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 FDIC's standard insurance amount is \$250,000 per depositor, per insured bank, for each account ownership category.

Component unit - Portland Development Commission

Total deposits for PDC were \$724,601 which is FDIC insured to \$250,000. The excess is collateralized with eligible securities.

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.

Public Finance & Treasury (PF&T) assesses a management fee that is deducted from investment income before distributions are made to all City funds. This fee is based on PF&T's net operating expenses and totaled \$902,681 for fiscal year ended June 30, 2015.

The City has recorded investments at fair value. The City applies fair market value updates to the securities on a daily basis. Security pricing is provided by the City's third-party custodian.

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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

A. Cash and investments continued:

Investments continued

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 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. 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 exchanges 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 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
- Commercial paper issued by U.S. corporations
- 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 United States Treasury and 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 rather 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, 2015, the weighted-average maturity of the City's investment portfolio was 1.23 years. To minimize interest rate risk, the City's investment policy limits the portfolio to a maximum weighted-average maturity of 24 months. In addition, no more than 50 percent 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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

A. Cash and investments continued:

Investments continued

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 the permissible investments, and by establishing safe limits on the level of investments with financial institutions and issuers of commercial paper and by monitoring their 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 percent of the total portfolio and a five percent limit of the total portfolio per issuer.

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

As of June 30, 2015, the LGIP was not rated. The credit quality distribution for securities with credit exposure as a percentage of total investments as of June 30, 2015 is:

Credit Quality Distribution for Securities with Credit Exposure as a Percentage of Total Investments				
	Moody's Investor's Service	Standard & Poor's	Fitch Ratings	Percentage of Total Investments
Federal Home Loan Bank	Aaa	AA+	AAA	10.93%
Federal Home Loan Mortgage Corporation	Aaa	AA+	AAA	14.30%
Federal National Mortgage Association	Aaa	AA+	AAA	11.88%
Federal Farm Credit Bank	Aaa	AA+	AAA	8.69%
Federal Agriculture Mortgages Corporation	N/R*	N/R*	N/R*	2.09%
Financing Corporation (FICO)	Aaa	N/R*	N/R*	0.41%
U.S. Treasury Debt Obligations	Aaa	AA+	AAA	9.69%
Total U.S. Agency Debt Obligations				57.99%
Corporate bonds	Aa3	AA	AA-	28.25%
Municipal bonds	Aa2	AA+	N/R*	1.15%
Commercial paper	P -1	A -1	F-1	6.52%
Repurchase agreements	N/R*	N/R*	N/R*	1.15%
Time/Interest Bearing Deposits	N/R*	N/R*	N/R*	1.32%
Local Government Investment Pool	N/R*	N/R*	N/R*	3.62%
Total Investments				100.00%

*N/R =Not Rated

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

A. Cash and investments continued:

Investments continued

Concentration of credit risk. This is the risk that, when investments are concentrated in one issue, this concentration presents a heightened risk of potential loss. Of the City's total investments, as of June 30, 2015, 57.99 percent were United States Treasury and Agency debt obligations or short-term investments (see table on the previous page for individual distributions). All other investments not explicitly guaranteed by the United States Government were limited to five percent 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: <http://www.portlandonline.com/bfrs/article/510849>.

Custodial credit risk. For an investment, 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. The City's investment policy complies with ORS 294.035 and ORS 294.810 that list acceptable investments that are identified below. As of June 30, 2015, 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 the 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 percent 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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

A. Cash and investments continued:

Investments continued

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, 2015, the City had the following investments and maturities (this table includes fiduciary activities):

<u>Investment Type</u>	<u>Book Value</u>	<u>Fair Market Value</u>	<u>Fair Value Investment Maturity (Years)</u>		<u>Weighted Average Maturity (Years)</u>
			<u>Less Than 1</u>	<u>1 - 5</u>	
U.S. Treasury Debt Obligations	\$ 125,698,850	\$ 126,030,800	\$ 40,465,300	\$ 85,565,500	0.14
U.S. Agencies	627,365,526	628,324,256	332,916,535	295,407,721	0.60
Corporate bonds	367,210,271	367,445,420	110,874,732	256,570,688	0.45
Municipal bonds	15,007,156	15,001,050	15,001,050	-	0.01
Commercial paper	84,850,175	84,862,200	84,862,200	-	0.03
Repurchase agreements	15,000,000	15,000,000	15,000,000	-	-
Time/Interest bearing deposits	17,120,111	17,120,111	2,029,628	15,090,483	-
Local Government Investment Pool	<u>47,098,491</u>	<u>47,098,491</u>	<u>-</u>	<u>47,098,491</u>	<u>-</u>
Total investments	<u>\$ 1,299,350,580</u>	<u>\$ 1,300,882,328</u>	<u>\$ 601,149,445</u>	<u>\$ 699,732,883</u>	<u>1.23</u>
Portfolio weighted average maturity		43.00 %			
Net portfolio yield		0.80 %			

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

B. Receivables:

Receivables as of June 30, 2015, are as follows:

	Governmental Activities				Total
	General	Transportation Operating	Other Funds	Internal Service	
Taxes	\$ 22,530,583	\$ -	\$ 10,176,756	\$ -	\$ 32,707,339
Accounts	32,477,962	12,459,862	3,691,799	1,619,350	50,248,973
Assessments	16,336	2,399,510	75,295,428	-	77,711,274
Notes and loans	-	125,000	375,753,495	322,200	376,200,695
Advances	409,339	-	9,038,164	-	9,447,503
Grants	-	-	7,849,575	-	7,849,575
Interest	238,000	143,908	1,093,877	314,178	1,789,963
Total receivables	55,672,220	15,128,280	482,899,094	2,255,728	555,955,322
Allowance for doubtful accounts	(141,637)	(46,629)	(300,434,608)	(2,160)	(300,625,034)
Receivables, net	<u>\$ 55,530,583</u>	<u>\$ 15,081,651</u>	<u>\$ 182,464,486</u>	<u>\$ 2,253,568</u>	<u>\$ 255,330,288</u>
Not scheduled for collection during the subsequent year	<u>\$ -</u>	<u>\$ 952,426</u>	<u>\$ 122,367,593</u>	<u>\$ -</u>	<u>\$ 123,320,019</u>
Delinquent special assessments	<u>\$ 16,336</u>	<u>\$ 412,711</u>	<u>\$ 18,218,754</u>	<u>\$ -</u>	<u>\$ 18,647,801</u>

	Business-type Activities			Total
	Sewage Disposal	Water	Other Funds	
Accounts	\$ 58,767,653	\$ 27,514,818	\$ 2,217,990	\$ 88,500,461
Assessments	5,361,984	551,354	-	5,913,338
Notes and loans	83,232	-	-	83,232
Advances	-	227,328	60,000	287,328
Interest	672,838	414,593	99,054	1,186,485
Total receivables	64,885,707	28,708,093	2,377,044	95,970,844
Allowance for doubtful accounts	(4,808,448)	(3,257,996)	(10,000)	(8,076,444)
Receivables, net	<u>\$ 60,077,259</u>	<u>\$ 25,450,097</u>	<u>\$ 2,367,044</u>	<u>\$ 87,894,400</u>
Not scheduled for collection during the subsequent year	<u>\$ 4,105,469</u>	<u>\$ 251,946</u>	<u>\$ -</u>	<u>\$ 4,357,415</u>
Delinquent special assessments	<u>\$ 804,104</u>	<u>\$ 22,120</u>	<u>\$ -</u>	<u>\$ 826,224</u>

Some special assessments in the Transportation Operating, other nonmajor governmental, Sewage Disposal, and Water Funds are not expected to be collected within one year. Special assessment liens are defined as being delinquent once they are 30 days past due, this applies to assessments that cannot be financed, or to those that have entered into a financing repayment contract. Certain special assessments have not been financed but are under deferral status and are not deemed delinquent. Delinquent special assessments total \$19.5 million.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

B. Receivables continued:

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 Parks and Recreation loans to tax-exempt non-profit corporations; 3) CityFleet loan to Legacy Emanuel Hospital and Health Center; 4) Portland Bureau of Transportation loan; and 5) Portland Bureau of Environmental Services loan.

Portland Housing Bureau Loans:

The Portland Housing Bureau (PHB) loans receivable balances as of June 30, 2015 are as follows:

<u>Fund and Program</u>	<u>Maximum Term</u>	<u>Interest Rate</u>	<u>Gross Loans Receivable</u>	<u>Allowance</u>
Nonmajor governmental funds:				
Grants Fund:				
Multi-family housing:				
Cash flow loans	30 yrs	0% - 3%	\$ 70,790	\$ (64,942)
Equity gap loans	Indefinite	0%	1,419,891	(1,177,650)
Amortized loans	30 yrs	0% - 3%	151,149	(74,780)
Single-family housing:				
Deferred payment loans	30 yrs	0% - 3%	<u>131,528</u>	<u>(31,343)</u>
Total gross Grants Fund			<u>1,773,358</u>	<u>(1,348,715)</u>
Total net Grants Fund (PHB portion of loan)				<u>424,643</u>
Community Development Block Grant (CDBG) Fund:				
Multi-family housing:				
Cash flow loans	30 yrs	0% - 3%	10,090,753	(9,391,265)
Equity gap loans	Indefinite	0%	17,118,666	(17,155,526)
Amortized loans	30 yrs	0% - 3%	19,369,523	(9,668,322)
Deferred payment loans	60 yrs	0% - 8%	2,422,230	(1,211,115)
Single-family housing:				
Amortized loans	26 yrs	0% - 5%	306,755	(15,538)
Deferred payment loans	Indefinite	0%	4,778,976	(487,004)
Shared appreciation mortgage	Indefinite	0%	329,480	(82,370)
Special assets	Indefinite	0%	84,356	(84,356)
Other deferred payment loans			<u>100,000</u>	<u>(50,000)</u>
Total gross CDBG Fund			<u>54,600,739</u>	<u>(38,145,496)</u>
Total net CDBG Fund				<u>16,455,243</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

B. Receivables continued:

<u>Fund and Program</u>	<u>Maximum Term</u>	<u>Interest Rate</u>	<u>Gross Loans Receivable</u>	<u>Allowance</u>
HOME Grant Fund:				
Multi-family housing:				
Cash flow loans	45 yrs	0% - 3%	23,186,828	(22,115,841)
Equity gap loans	Indefinite	0%	23,103,406	(23,225,515)
Amortized loans	30 yrs	1% - 3%	7,048,810	(3,524,488)
Deferred payment loans	20 yrs	0% - 3%	1,181,333	(590,667)
Single-family housing:				
Deferred payment loans	Indefinite	0%	30,000	(3,000)
Shared appreciation mortgage	Indefinite	0%	428,097	(107,024)
Total gross HOME Grant Fund			<u>54,978,474</u>	<u>(49,566,535)</u>
Total net HOME Grant Fund				<u>5,411,939</u>
Housing Investment Fund (HIF):				
Multi-family housing:				
Cash flow loans	40 yrs	0% - 5%	4,304,039	(4,111,087)
Equity gap loans	Indefinite	0%	14,590,307	(14,590,307)
Amortized loans	30 yrs	0% - 7%	11,445,021	(5,722,100)
Deferred payment loans	20 yrs	0% - 3%	675,000	(337,500)
Single-family housing:				
Amortized loans	20 yrs	0% - 3%	9,057	(453)
Deferred payment loans	30 yrs	0% - 3%	255,304	(7,340)
Special assets	Indefinite	0%	5,445	(5,445)
Total gross HIF			<u>31,284,173</u>	<u>(24,774,232)</u>
Total net HIF				<u>6,509,941</u>
Tax Increment Financing Reimbursement Fund (TIF):				
Multi-family housing:				
Cash flow loans	30 - 60 yrs	1% - 9%	129,785,705	(123,383,401)
Equity gap loans	Indefinite	0%	34,673,453	(34,756,396)
Amortized loans	30 yrs	0% - 7%	53,668,956	(26,753,668)
Deferred payment loans	20 - 50 yrs	0% - 9%	386,717	(193,359)
Conditional grants	Indefinite	0%	3,142,568	-
Single-family housing:				
Amortized loans	20 - 30 yrs	1% - 5%	229,060	(13,373)
Deferred payment loans	30 yrs	0% - 4%	9,134,777	(978,565)
Shared appreciation mortgage	Indefinite	0%	1,412,258	(353,065)
Special assets	Indefinite	0%	17,581	(17,581)
Other deferred payment loans			300,000	(150,000)
Total gross TIF			<u>232,751,075</u>	<u>(186,599,408)</u>
Total net TIF				<u>46,151,667</u>
Total gross all funds			<u>\$ 375,387,819</u>	<u>\$ (300,434,386)</u>
Total net all funds				<u>\$ 74,953,433</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

B. Receivables continued:

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 contains 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 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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

B. Receivables continued:

As of June 30, 2015, the City had eleven outstanding loans receivable under the HUD Section 108 Loan Guarantee program totaling \$10.5 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.

<u>Borrower Name</u>	<u>Maximum Principal</u>	<u>Principal Disbursed as of 6/30/2015</u>	<u>Outstanding Balance as of 6/30/2015</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Cash Flow Begin Date</u>	<u>Allowance</u>	<u>Loan Type</u>
Cash Flow (CF) Loans:								
Roselyn Renewal, LLC	\$ 830,000	\$ 830,000	\$ 830,000	0.50%	June, 2059	4/1/2011	\$ (788,500)	Cash Flow
Reach Walnut Partners, LP	1,641,000	1,641,000	1,554,192	0.50%	May, 2071	4/1/2012	(1,476,482)	Cash Flow
Villa De Suenos, LP Loan # 2	750,000	750,000	721,308	0.00%	June, 2041	5/1/2012	(721,308)	Cash Flow
Uptown Tower Apartments, LP	700,000	700,000	700,000	4.50%	December, 2035	1/1/2026	(350,000)	Cash Flow
Total CF Loans	3,921,000	3,921,000	3,805,500				(3,336,290)	
Multi-Family Housing Amortized (MFHA) Loans:								
Halsey Center	650,000	650,000	534,415	3.00%	November, 2030	12/1/2010	(267,208)	MFHA
Upshur Renewal Housing, LP	415,000	415,000	363,150	5.00%	June, 2031	7/1/2011	(181,575)	MFHA
Villa De Suenos, LP Loan # 1	750,000	750,000	648,351	4.00%	June, 2031	7/1/2011	(324,176)	MFHA
Human Solutions Inc.	1,439,000	1,373,547	1,253,266	4.25%	October, 2031	10/1/2011	(626,633)	MFHA
Los Jardines, LP	400,000	396,019	358,753	2.72%	March, 2032	8/1/2012	(179,376)	MFHA
Vista De Rosas, LLC	1,115,000	1,115,000	1,115,000	5.00%	March, 2035	7/1/2015	(557,500)	MFHA
Hacienda CDC	2,400,000	2,400,000	2,400,000	5.00%	September, 2035	9/1/2016	(1,200,000)	MFHA
Total MFHA Loans	7,169,000	7,099,566	6,672,935				(3,336,468)	
Total	\$ 11,090,000	\$ 11,020,566	\$ 10,478,435				\$ (6,672,758)	

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 percent 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, 2014 and accordingly 2015 payments on those loans were not received.

Annual repayments for multi-family amortized loans (MFHA) follow various set repayment schedules. An allowance for uncollectibility was established at 50 percent 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.

Portland Parks and Recreation Loans:

The Portland Parks and Recreation loans receivable balances include loans to the Oregon Rail Heritage Foundation (ORHF) and Portland City United (PCU) as described below and are reported in the nonmajor capital projects funds totaling \$0.2 million for the fiscal year ended June 30, 2015.

Oregon Rail Heritage Foundation

Under Ordinance No. 183280, the City loaned ORHF, an Oregon tax exempt non-profit corporation, \$978,598 to purchase property for permanent maintenance and operation of historic steam locomotives owned by the City. The outstanding loan balance was \$0.2 million at June 30, 2015. Ordinance No. 184775, on July 27, 2011, revised the loan and authorized a new loan agreement with ORHF to construct an engine house and rail interpretive center for the City-owned historic locomotives. The revised loan, at 3.41 percent per annum, shall terminate upon payment in full, but no later than September 30, 2016.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

B. Receivables continued:

The revised loan calls for periodic payments of principal and interest as follows:

<u>Year Ending June 30,</u>	<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	03/01/2016	\$ -	\$ 10,292	\$ 10,292
2017	09/01/2016	<u>219,100</u>	<u>10,292</u>	<u>229,392</u>
Total		<u>\$ 219,100</u>	<u>\$ 20,584</u>	<u>\$ 239,684</u>

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 will receive proceeds including a one-time payment of \$1.1 million and ten annual payments of \$53,700. The first three of the ten annual payments were received on the closing date and the remaining seven payments totaling \$322,200 were accrued as a loan receivable in the CityFleet Operating Fund under OMF. This loan carries out governmental objectives and bears zero-interest. The payment schedule is as follows:

<u>Year Ending June 30,</u>	<u>Payment Date</u>	<u>Payment</u>
2016	12/31/2015	\$ 53,700
2017	12/31/2016	53,700
2018	12/31/2017	53,700
2019	12/31/2018	53,700
2020	12/31/2019	53,700
2021	12/31/2020	<u>53,700</u>
Total		<u>\$ 322,200</u>

Portland Bureau of Transportation Loan:

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

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

B. Receivables continued:

Portland Bureau of Environmental Services Loan:

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, with repayment to begin in calendar year 2014. The first disbursement to North Williams was made in fiscal year 2014 in the amount of \$118,343, and a second disbursement of \$28,234 was made in fiscal year 2015. The project has been delayed while the property undergoes soil vapor extraction, under the supervision of the Oregon Department of Environmental Quality, to reduce soil pollution at the site. It is estimated that the remaining loan balance will be dispersed in fiscal year 2016, with an estimated completion date by 2017. Per the agreement, repayment of the loan is not required until the project is complete.

C. Payables:

Payables and other accrued liabilities at June 30, 2015, are as follows:

	Governmental Activities					Total
	General	Transportation Operating	Other Funds	Internal Service	Unallocated Governmental	
Accounts to vendors and contractors	\$ 14,742,385	\$ 5,314,161	\$ 7,167,422	\$ 7,225,752	\$ 7,398,731	\$ 41,848,451
Interest on bonds and notes	-	-	-	5,400,927	79,595,827	84,996,754
Total payables	<u>\$ 14,742,385</u>	<u>\$ 5,314,161</u>	<u>\$ 7,167,422</u>	<u>\$ 12,626,679</u>	<u>\$ 86,994,558</u>	<u>\$ 126,845,205</u>

	Business-type Activities			
	Sewage Disposal	Water	Other Funds	Total
Accounts to vendors and contractors	\$ 15,022,759	\$ 11,127,758	\$ 1,737,915	\$ 27,888,432
Interest on bonds and notes	28,195,729	16,612,647	1,484,136	46,292,512
Total payables	<u>\$ 43,218,488</u>	<u>\$ 27,740,405</u>	<u>\$ 3,222,051</u>	<u>\$ 74,180,944</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

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 performed are recorded as a liability, "unearned revenue". Various components of unearned revenue reported in the governmental funds at June 30, 2015 are as follows:

	Governmental Activities				Total
	General	Transportation Operating	Other Funds	Internal Service	
Grants	\$ -	\$ -	\$ 2,902,885	\$ -	\$ 2,902,885
Misc. unearned	156,593	1,941,614	3,269,968	78,140	5,446,315
Total unearned revenue	<u>\$ 156,593</u>	<u>\$ 1,941,614</u>	<u>\$ 6,172,853</u>	<u>\$ 78,140</u>	<u>\$ 8,349,200</u>

	Business-type Activities			Total
	Sewage Disposal	Water	Other Funds	
Total misc. unearned revenue	<u>\$ 687,853</u>	<u>\$ 256,915</u>	<u>\$ 507,597</u>	<u>\$ 1,452,365</u>

Various components of deferred outflows reported in the governmental funds at June 30, 2015 are as follows:

	Governmental Funds			Total
	General	Transportation Operating	Other Funds	
Receivables				
Accounts	\$ 1,327,215	\$ 1,524,309	\$ 257,290	\$ 3,108,814
Liens	16,336	2,399,510	74,574,629	76,990,475
Taxes	12,456,773	-	14,073,076	26,529,849
Total unavailable revenue	<u>\$ 13,800,324</u>	<u>\$ 3,923,819</u>	<u>\$ 88,904,995</u>	<u>\$ 106,629,138</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

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

Various components of deferred outflows reported in the Government-wide statements at June 30, 2015 are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Government</u>	<u>Fiduciary Activities</u>	<u>Component Unit (PDC)</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>						
Payments made to OPERS since measurement date	\$ 19,148,250	\$ 7,100,395	\$ 26,248,645	\$ 94,288	\$ 596,226	\$ 26,939,159
FPDR's change in assumptions	172,286,760	-	172,286,760	-	-	172,286,760
FPDR's difference between projected and actual earnings	1,154,138	-	1,154,138	-	-	1,154,138
Deferred charge for the difference between carrying amount and the reacquisition price of bonds	-	105,960	105,960	-	-	105,960
Total deferred outflows of resources	<u>\$ 192,589,148</u>	<u>\$ 7,206,355</u>	<u>\$ 199,795,503</u>	<u>\$ 94,288</u>	<u>\$ 596,226</u>	<u>\$ 200,486,017</u>
<u>Deferred Inflows of Resources:</u>						
Share of OPERS difference between expected and actual earnings	\$ 112,559,952	\$ 41,735,185	\$ 154,295,137	\$ 545,152	\$ 3,901,353	\$ 158,741,642
Difference between contributions to OPERS and proportionate share of contributions	4,047,504	1,500,741	5,548,245	19,603	140,287	5,708,135
FPDR's difference between expected and actual experience	21,080,420	-	21,080,420	-	-	21,080,420
Difference between the carrying amount and the reacquisition price of refunded bonds	2,028,630	5,832,922	7,861,552	-	-	7,861,552
Total deferred inflows of resources	<u>\$ 139,716,506</u>	<u>\$ 49,068,848</u>	<u>\$ 188,785,354</u>	<u>\$ 564,755</u>	<u>\$ 4,041,640</u>	<u>\$ 193,391,749</u>

E. Fund balances, governmental funds:

On the Balance Sheet – Governmental Funds, the fund balances are 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, 2015 were as follows:

	<u>General</u>	<u>Transportation Operating</u>	<u>Other Funds</u>	<u>Total</u>
Nonspendable:				
Inventories	\$ 286,027	\$ 7,117,403	-	\$ 7,403,430
Prepaid items	227,747	291,013	-	518,760
Permanent fund principal	-	-	162,572	162,572
Restricted:				
Public safety:				
Drug enforcement and education	-	-	2,299,307	2,299,307
Emergency facilities improvements	-	-	913,174	913,174
Emergency communications	-	-	29,847,780	29,847,780
Parks, recreation and culture:				
Capital improvement activities	-	-	41,851,633	41,851,633
Improvements or services	-	-	1,178,388	1,178,388
Operations, maintenance and capital programs	-	-	668,830	668,830
Promotion of program activities	-	-	19,222	19,222

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

E. Fund balances, governmental funds continued:

	General	Transportation Operating	Other Funds	Total
Community development:				
Affordable housing	-	-	78,281,623	78,281,623
Childhood programs	-	-	3,980,745	3,980,745
Construction activities	-	-	39,895,185	39,895,185
Debt service	-	-	324,170	324,170
Federal housing and other programs	-	-	16,449,965	16,449,965
Financing and construction improvements	-	-	176,389	176,389
Funding of installation of solar electric systems on publicly-owned facilities	-	-	25,952	25,952
Transportation:				
Operations, maintenance & capital improvement	-	39,013,371	-	39,013,371
Street improvements	-	-	1,674,522	1,674,522
Legislative / admin / support services	-	-	7,618,491	7,618,491
Debt service	-	-	60,525,319	60,525,319
Committed:				
Public safety:				
Emergency communications	-	-	1,528,081	1,528,081
Fire apparatus replacement	7,587,767	-	-	7,587,767
Parks, recreation and culture:				
Capital projects	-	-	1,282,338	1,282,338
Improvements and services	-	-	3,319,630	3,319,630
Community development:				
Affordable housing	-	-	9,855,312	9,855,312
Legislative / admin / support services:				
Activities of economic improvement districts	-	-	14,043	14,043
Promotion of convention business and tourism	-	-	126,673	126,673
Reserves for General Fund stabilization	51,297,441	-	-	51,297,441
Assigned:				
Public safety:				
Fire and police payroll	30,220,861	-	-	30,220,861
Parks, recreation and culture:				
Capital projects	-	-	567,549	567,549
Improvements and services	-	-	3,579,496	3,579,496
Community development:				
Affordable housing	-	-	2,469,727	2,469,727
Construction activities	-	-	11,407,303	11,407,303
Federal housing and other programs	-	-	20,716	20,716
Financing and construction of improvements	-	-	3,154,562	3,154,562
Housing projects	-	-	180,110	180,110
Transportation	-	36,779,700	-	36,779,700
Debt service	-	-	14,018,712	14,018,712
Unassigned	16,460,088	-	(3,545,508)	12,914,580
Total fund balances	<u>\$ 106,079,931</u>	<u>\$ 83,201,487</u>	<u>\$ 333,872,011</u>	<u>\$ 523,153,429</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

F. Capital assets:

Primary Government

In the governmental activities column of the statement of activities, capital asset reclassifications 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 consist of \$168,455 in capital asset transfers between governmental activities to business-type activities.

Capital assets activity for the primary government, which excludes fiduciary activities, for the year ended June 30, 2015, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Reclassifications and Transfers</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated or amortized:					
Land	\$ 208,606,191	\$ 10,215,106	\$ -	\$ 4,504,140	\$ 223,325,437
Construction in progress	189,767,908	89,677,889	(7,077,612)	(121,084,557)	151,283,628
Intangible assets:					
Land use rights	29,118,787	15,116,325	(73,899)	1,174,959	45,336,172
Owning rights	28,953	-	-	-	28,953
	<u>427,521,839</u>	<u>115,009,320</u>	<u>(7,151,511)</u>	<u>(115,405,458)</u>	<u>419,974,190</u>
Total capital assets, not being depreciated or amortized					
Capital assets, being depreciated or amortized:					
Infrastructure	4,672,970,022	14,860,220	(19,968)	34,752,764	4,722,563,038
Buildings	354,720,590	8,640,000	(386,344)	34,285,732	397,259,978
Improvements to land	137,389,502	699,621	(280,936)	13,328,637	151,136,824
Equipment	187,222,203	2,727,428	(7,263,416)	19,606,760	202,292,975
Intangible assets:					
Software	64,210,826	109,234	(337,521)	13,192,012	77,174,551
	<u>5,416,513,143</u>	<u>27,036,503</u>	<u>(8,288,185)</u>	<u>115,165,905</u>	<u>5,550,427,366</u>
Total capital assets being depreciated or amortized					
Less accumulated depreciation or amortization for:					
Infrastructure	(3,336,707,558)	(160,065,615)	19,973	-	(3,496,753,200)
Buildings	(136,281,494)	(8,284,195)	298,349	-	(144,267,340)
Improvements to land	(66,382,359)	(5,274,444)	282,694	-	(71,374,109)
Equipment	(86,566,413)	(10,879,598)	6,490,555	71,098	(90,884,358)
Intangible assets:					
Software	(53,078,430)	(2,381,746)	284,268	-	(55,175,908)
	<u>(3,679,016,254)</u>	<u>(186,885,598)</u>	<u>7,375,839</u>	<u>71,098</u>	<u>(3,858,454,915)</u>
Total accumulated depreciation or amortization					
Total capital assets, being depreciated or amortized, net	<u>1,737,496,889</u>	<u>(159,849,095)</u>	<u>(912,346)</u>	<u>115,237,003</u>	<u>1,691,972,451</u>
Governmental activities capital assets, net	<u>\$ 2,165,018,728</u>	<u>\$ (44,839,775)</u>	<u>\$ (8,063,857)</u>	<u>\$ (168,455)</u>	<u>\$ 2,111,946,641</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

F. Capital assets continued:

	Beginning Balance	Increases	Decreases	Reclassifications and Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated or amortized:					
Land	\$ 102,491,418	\$ 336,483	\$ (444,999)	\$ 4,563,250	\$ 106,946,152
Construction in progress	388,224,188	197,396,261	-	(335,929,052)	249,691,397
Intangible assets:					
Land use rights	16,762,843	301,384	-	(2,887,588)	14,176,639
Total capital assets, not being depreciated or amortized	<u>507,478,449</u>	<u>198,034,128</u>	<u>(444,999)</u>	<u>(334,253,390)</u>	<u>370,814,188</u>
Capital assets, being depreciated or amortized:					
Infrastructure	4,229,705,136	2,862,495	(4,619,393)	297,327,625	4,525,275,863
Buildings	288,618,505	211,265	(1,951,962)	19,730,965	306,608,773
Improvements to land	43,064,410	-	(247,595)	14,881,589	57,698,404
Equipment	65,180,182	671,088	(2,834,877)	2,410,074	65,426,467
Intangible assets:					
Land use rights	322,212	-	-	-	322,212
Owning rights	10,776	-	-	-	10,776
Software	11,628,457	-	(130,096)	142,690	11,641,051
Total capital assets being depreciated or amortized	<u>4,638,529,678</u>	<u>3,744,848</u>	<u>(9,783,923)</u>	<u>334,492,943</u>	<u>4,966,983,546</u>
Less accumulated depreciation or amortization for:					
Infrastructure	(748,936,607)	(61,348,031)	3,557,910	-	(806,726,728)
Buildings	(99,798,136)	(6,265,866)	1,653,969	-	(104,410,033)
Improvements to land	(16,044,626)	(1,753,546)	198,076	-	(17,600,096)
Equipment	(30,766,062)	(4,953,656)	2,381,187	(71,098)	(33,409,629)
Intangible assets:					
Land use rights	(6,512)	(6,512)	-	-	(13,024)
Owning rights	(2,309)	(770)	-	-	(3,079)
Software	(9,186,383)	(427,412)	130,098	-	(9,483,697)
Total accumulated depreciation or amortization	<u>(904,740,635)</u>	<u>(74,755,793)</u>	<u>7,921,240</u>	<u>(71,098)</u>	<u>(971,646,286)</u>
Total capital assets, being depreciated or amortized, net	<u>3,733,789,043</u>	<u>(71,010,945)</u>	<u>(1,862,683)</u>	<u>334,421,845</u>	<u>3,995,337,260</u>
Business-type activities capital assets, net	<u>\$ 4,241,267,492</u>	<u>\$ 127,023,183</u>	<u>\$ (2,307,682)</u>	<u>\$ 168,455</u>	<u>\$ 4,366,151,448</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

F. Capital assets continued:

	Beginning Balance	Increases	Decreases	Reclassifications and Transfers	Ending Balance
Total:					
Capital assets, not being depreciated or amortized:					
Land	\$ 311,097,609	\$ 10,551,589	\$ (444,999)	\$ 9,067,390	\$ 330,271,589
Construction in progress	577,992,096	287,074,150	(7,077,612)	(457,013,609)	400,975,025
Intangible assets:					
Land use rights	45,881,630	15,417,709	(73,899)	(1,712,629)	59,512,811
Owning rights	28,953	-	-	-	28,953
Total capital assets, not being depreciated or amortized	<u>935,000,288</u>	<u>313,043,448</u>	<u>(7,596,510)</u>	<u>(449,658,848)</u>	<u>790,788,378</u>
Capital assets, being depreciated or amortized:					
Infrastructure	8,902,675,158	17,722,715	(4,639,361)	332,080,389	9,247,838,901
Buildings	643,339,095	8,851,265	(2,338,306)	54,016,697	703,868,751
Improvements to land	180,453,912	699,621	(528,531)	28,210,226	208,835,228
Equipment	252,402,385	3,398,516	(10,098,293)	22,016,834	267,719,442
Intangible assets:					
Land use rights	322,212	-	-	-	322,212
Owning rights	10,776	-	-	-	10,776
Software	75,839,283	109,234	(467,617)	13,334,702	88,815,602
Total capital assets being depreciated or amortized	<u>10,055,042,821</u>	<u>30,781,351</u>	<u>(18,072,108)</u>	<u>449,658,848</u>	<u>10,517,410,912</u>
Less accumulated depreciation or amortization for:					
Infrastructure	(4,085,644,165)	(221,413,646)	3,577,883	-	(4,303,479,928)
Buildings	(236,079,630)	(14,550,061)	1,952,318	-	(248,677,373)
Improvements to land	(82,426,985)	(7,027,990)	480,770	-	(88,974,205)
Equipment	(117,332,475)	(15,833,254)	8,871,742	-	(124,293,987)
Intangible assets:					
Land use rights	(6,512)	(6,512)	-	-	(13,024)
Owning rights	(2,309)	(770)	-	-	(3,079)
Software	(62,264,813)	(2,809,158)	414,366	-	(64,659,605)
Total accumulated depreciation or amortization	<u>(4,583,756,889)</u>	<u>(261,641,391)</u>	<u>15,297,079</u>	<u>-</u>	<u>(4,830,101,201)</u>
Total capital assets, being depreciated or amortized, net	<u>5,471,285,932</u>	<u>(230,860,040)</u>	<u>(2,775,029)</u>	<u>449,658,848</u>	<u>5,687,309,711</u>
Total capital assets, net	<u>\$ 6,406,286,220</u>	<u>\$ 82,183,408</u>	<u>\$ (10,371,539)</u>	<u>\$ -</u>	<u>\$ 6,478,098,089</u>

Capitalized interest

Total interest costs incurred in business-type activities in fiscal year ended June 30, 2015 was \$103.1 million of which \$10.4 million was capitalized for a net interest expense of \$92.7 million.

Depreciation and amortization

Fully depreciated capital assets at June 30, 2015 totaled \$236.5 million, of which \$142.1 million pertains to governmental activities and \$94.4 million to business-type activities. The total remaining salvage value is \$3.3 million, of which \$2.7 million pertains to governmental activities and \$0.6 million 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:

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

F. Capital assets continued:

Depreciation and amortization continued

	<u>Amounts</u>
Governmental activities:	
Public safety	\$ 4,867,639
Parks, recreation and culture	8,710,913
Community development	48,360
Transportation	161,326,939
Legislative/ admin/ support services	181,937
Environmental services	47,269
Water	175,971
Total governmental funds	175,359,028
Internal service funds -	
Legislative/ admin/ support services	11,526,568
Total governmental activities	\$ 186,885,596
Business-type activities:	
Environmental services	\$ 43,148,103
Water	25,747,919
Hydroelectric power	607,392
Parking facilities	604,018
Golf	728,033
Motor sports	158,106
Spectator facilities	3,537,426
Housing	224,793
Total business-type activities	\$ 74,755,790

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

F. Capital assets continued:

Construction and technology project commitments

The City has active construction and technology projects as of June 30, 2015. These include park improvements, communication, sewer, transportation, and water infrastructure upgrades.

At fiscal year-end, the City's contractual commitments to complete various projects were as follows:

<u>Projects</u>	<u>Spent to date</u>	<u>Remaining Commitments</u>	<u>Financing Source</u>
Governmental activities:			
General Fund: special projects	\$ 7,468,760	\$ 486,908	General obligation bonds / General Fund
Transportation	44,934,823	8,830,320	Intergovernmental cost sharing / Grants / System development charges / Local improvement districts / Transportation revenues
Development Services	4,372,283	2,383,241	Bureau operating funds (permit revenues)
Public Safety	24,129,089	5,797,494	General obligation bonds / Intergovernmental cost sharing
Parks, recreation and culture	25,356,393	3,372,140	Local option levy / Tax increment / Grants / General Fund discretionary
Facilities	7,021	42,979	Limited tax revenue bonds
Technology services	<u>340,016</u>	<u>37,828</u>	General Fund discretionary
Total governmental activities	<u>106,608,385</u>	<u>20,950,910</u>	
Business-type activities:			
Environmental services	75,124,916	37,578,002	Revenue bonds / Sewer rate revenues
Water	208,857,291	42,708,518	Revenue bonds / Water rate revenues / Project reimbursements
Total business-type activities	<u>283,982,207</u>	<u>80,286,520</u>	
Total project commitments	<u>\$ 390,590,592</u>	<u>\$ 101,237,430</u>	

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

F. Capital assets continued:

Component Unit - Portland Development Commission

Activity for the year ended June 30, 2015 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 7,495,883	\$ -	\$ -	\$ 7,495,883
Capital assets, being depreciated or amortized:				
Buildings and improvements	5,860,255	70,505	-	5,930,760
Leasehold improvements	3,849,501	-	-	3,849,501
Vehicles and equipment	915,859	65,098	(10,295)	970,662
Intangible assets:				
Software	<u>4,689,125</u>	<u>138,247</u>	<u>(7,753)</u>	<u>4,819,619</u>
Total capital assets, being depreciated or amortized	<u>15,314,740</u>	<u>273,850</u>	<u>(18,048)</u>	<u>15,570,542</u>
Less accumulated depreciation or amortization for:				
Buildings and improvements	(1,407,862)	(116,146)	-	(1,524,008)
Leasehold improvements	(3,849,501)	-	-	(3,849,501)
Vehicles and equipment	(771,758)	(60,613)	10,295	(822,076)
Intangible assets:				
Software	<u>(2,273,945)</u>	<u>(317,948)</u>	<u>775</u>	<u>(2,591,118)</u>
Total accumulated depreciation or amortization	<u>(8,303,066)</u>	<u>(494,707)</u>	<u>11,070</u>	<u>(8,786,703)</u>
Total capital assets, being depreciated or amortized, net	<u>7,011,674</u>	<u>(220,857)</u>	<u>(6,978)</u>	<u>6,783,839</u>
Total governmental activities capital assets, net	<u>\$ 14,507,557</u>	<u>\$ (220,857)</u>	<u>\$ (6,978)</u>	<u>\$ 14,279,722</u>

G. Interfund receivables, payables, and transfers:

Due to/from other funds

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 funds represents employer contributions to pay pension benefits. The Grants Fund due to other funds represent federal, state, and private grants receivable not yet transferred to benefiting City bureaus. These interfund balances are expected to be repaid within one year.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

G. Interfund receivables, payables, and transfers continued:

The composition of due to and due from other funds as of June 30, 2015 was:

	Governmental Activities		Business-type Activities	Fiduciary Activities	Total Due To Other Funds
	Transportation Operating	Other Funds	Water		
Governmental Activities:					
General	\$ -	\$ -	\$ -	\$ 7,398,731	\$ 7,398,731
Other funds	37,958	929	8,175	-	47,062
Total due from other funds	<u>\$ 37,958</u>	<u>\$ 929</u>	<u>\$ 8,175</u>	<u>\$ 7,398,731</u>	<u>\$ 7,445,793</u>

Component Unit - Portland Development Commission (PDC)

The amount due from PDC to the City is \$2.6 million in accounts receivable and \$0.25 million of amounts related to PDC property held for sale acquired via grant funds and amounts from the City. The amounts due from the City to PDC for various grant expenditures and other intergovernmental agreements total \$3.9 million.

	Governmental Activities				Business-type Activities	Portland Development Commission	Net Due (To) From Component Unit
	General	Transportation Operating	Other Funds	Internal Services	Other Funds		
<u>Governmental Activities:</u>							
General	\$ -	\$ -	\$ -	\$ -	\$ -	(994,181)	\$ (994,181)
Other funds	-	-	-	-	-	(663,872)	(663,872)
Internal service funds	-	-	-	-	-	(2,194,482)	(2,194,482)
Total due (to) from component unit	-	-	-	-	-	(3,852,535)	(3,852,535)
<u>Portland Development Commission:</u>							
PDC - All funds	232,755	82	2,292,004	22,901	82,709	-	2,630,451
Net due from (to) component unit	<u>\$ 232,755</u>	<u>\$ 82</u>	<u>\$ 2,292,004</u>	<u>\$ 22,901</u>	<u>\$ 82,709</u>	<u>\$ (3,852,535)</u>	<u>\$ (1,222,084)</u>

Interfund transfers

The significant transfers that occur on a routine basis are: General Fund transfers to the Transportation Operating Fund for street lighting. General Fund transfers to nonmajor governmental funds for various programs including: emergency communications, development services support, debt service payments, and the General Fund portion of the OPERS debt. General Fund transfers to the internal service funds were for financial commitments to fund operating improvements.

Transportation Operating Fund transfers to nonmajor governmental funds are for debt service payments and the Transportation Operating Fund portion of the OPERS debt. Transfers from nonmajor governmental funds to the Special Finance and Resource Fund provide PDC with cash for operations. Internal service fund transfers to General Fund were for various programs which included the Public Safety Systems Revitalization Program. Nonmajor enterprise funds transfers to the Transportation Operating Fund were for overhead charges.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

G. Interfund receivables, payables, and transfers continued:

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, 2015 consist of the following:

	Governmental Activities			Business-type Activities			Total Transfers Out	
	General	Transportation Operating	Other Funds	Internal Service	Sewage Disposal	Water		Other Funds
Governmental activities:								
General	\$ -	\$ 12,062,939	\$ 25,284,187	\$ 7,935,125	\$ -	\$ 17,000	\$ -	\$ 45,299,251
Transportation	230,000	1,200,000	3,195,702	-	52,823	-	100,000	4,778,525
Other funds	411,745	-	62,231,619	2,476,210	-	-	12,566	65,132,140
Internal service	3,512,325	2,773	255,831	4,063	-	102,083	-	3,877,075
Business-type activities:								
Sewage disposal	-	-	511,663	15,034	-	-	-	526,697
Water	-	-	531,418	-	94,686	-	-	626,104
Other funds	696,639	3,290,863	52,315	-	-	-	17,025	4,056,842
Total transfers in	<u>\$ 4,850,709</u>	<u>\$ 16,556,575</u>	<u>\$ 92,062,735</u>	<u>\$ 10,430,432</u>	<u>\$ 147,509</u>	<u>\$ 119,083</u>	<u>\$ 129,591</u>	124,296,634
Reconciliation:								
Total internal service funds								(3,877,075)
Total governmental funds								(115,209,915)
Total business-type activities								(111,711)
Capital assets transferred from business-type activities								6,095
Internal service funds transfer to business-type activities								(102,083)
Governmental activities transfers to business-type activities								(182,390)
Total transfers per Statement of Activities								<u>\$ 4,819,555</u>

Interfund loans

The Grants Fund received temporary operating loans of \$4 million from Transportation Operating Fund and \$0.6 million from General Reserve Fund. The Bonded Debt and Interest Sinking Fund also received a temporary operating loan of \$0.125 million from the General Fund Reserve Fund. These temporary operating loans were authorized by Resolution No. 37131 and are expected to be repaid during fiscal year ending June 30, 2016.

The Golf Fund received a \$0.8 million loan from the Parks Capital Improvement Fund to provide for capital improvements to the Colwood Golf Course. This loan was authorized by Resolution No. 37081.

Interfund loan balances at June 30, 2015 were:

	Governmental Activities			Total Internal Loans Payable
	General	Transportation Operating	Other Fund	
Governmental activities:				
Other funds	\$ 725,000	\$ 4,000,000	\$ -	\$ 4,725,000
Business-type activities:				
Other fund	-	-	800,000	800,000
Total Internal loans receivable	<u>\$ 725,000</u>	<u>\$ 4,000,000</u>	<u>\$ 800,000</u>	<u>\$ 5,525,000</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

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.

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 negligible. Governmental activities generated \$2.5 million in rental income during fiscal year ending June 30, 2015. Business-type activities generated \$2.3 million during fiscal year ending June 30, 2015. Contingent rent was insignificant in fiscal year ending June 30, 2015.

As of June 30, 2015, the City's investment in operating leases is as follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Land and improvements	\$ 12,477,516	\$ 1,871,194	\$ 10,606,322
Buildings	<u>21,292,393</u>	<u>9,574,307</u>	<u>11,718,086</u>
Net Investments	<u>\$ 33,769,909</u>	<u>\$ 11,445,501</u>	<u>\$ 22,324,408</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

H. Leases continued:

Operating leases continued

As of June 30, 2015, 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
2016	\$ 1,700,617	\$ 1,922,721	\$ 3,623,338
2017	1,274,402	1,913,093	3,187,495
2018	1,152,046	1,431,201	2,583,247
2019	774,127	1,076,834	1,850,961
2020	591,298	1,084,039	1,675,337
2021-2025	2,572,356	4,726,672	7,299,028
2026-2030	2,239,129	2,626,373	4,865,502
2031-2035	1,212,076	2,486,840	3,698,916
2036-2040	903,264	2,778,126	3,681,390
2041-2045	880,703	1,200,324	2,081,027
2046-2050	945,588	-	945,588
2051-2055	975,152	-	975,152
2056-2060	441,034	-	441,034
2061-2065	437,402	-	437,402
2066-2070	488,634	-	488,634
2071-2075	527,182	-	527,182
2076-2080	559,305	-	559,305
2081-2085	72,716	-	72,716
Total	<u>\$ 17,747,031</u>	<u>\$ 21,246,223</u>	<u>\$ 38,993,254</u>

Lessee operating leases

The City has various non-cancelable operating lease commitments including land, buildings and equipment with lease terms varying from one to 99 years and renewal options from zero to 25 years. Provisions for future rent adjustments or rent free periods are specified in the lease agreements; usually, rental increases are predetermined, affixed to a range from 3 to 5 percent 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 non-cancelable sublease agreements for certain communication towers, office and parking spaces.

Total operating lease expenditures includes contingent rent attributed to the consumer price index. For the year ended June 30, 2015, operating expenses are summarized as follows:

	Fiscal Year Ending June 30,	
	2015	2014
Minimum rents	\$ 4,230,721	\$ 4,691,194
Contingent rents	222,188	244,603
Sublease rental income	<u>(515,445)</u>	<u>(553,345)</u>
Total rental expense	<u>\$ 3,937,464</u>	<u>\$ 4,382,452</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

H. Leases continued:

Operating leases continued

As of June 30, 2015, future minimum payments for these operating leases are contractually due as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business- type Activities	Fiduciary Activities	Lease Commitments
	Minimum Lease Commitments	Sublease Income *	Minimum Lease Commitments	Minimum Lease Commitments	
2016	\$ 2,634,370	\$ 17,102	\$ 506,830	\$ 187,866	\$ 3,329,066
2017	2,210,787	5,793	208,429	191,623	2,610,839
2018	1,674,727	4,319	-	15,995	1,690,722
2019	907,707	-	-	-	907,707
2020	446,171	-	-	-	446,171
2021-2025	356,122	-	-	-	356,122
2026-2030	356,370	-	-	-	356,370
2031-2035	377,028	-	-	-	377,028
2036-2040	220,339	-	-	-	220,339
2041-2045	180,000	-	-	-	180,000
2046-2050	180,000	-	-	-	180,000
2051-2055	180,000	-	-	-	180,000
2056-2060	180,000	-	-	-	180,000
2061-2065	180,000	-	-	-	180,000
2066-2070	180,000	-	-	-	180,000
2071-2075	180,000	-	-	-	180,000
2076-2080	180,000	-	-	-	180,000
2081-2085	180,000	-	-	-	180,000
2086-2090	180,000	-	-	-	180,000
2091-2095	180,000	-	-	-	180,000
2096-2100	150,000	-	-	-	150,000
	<u>\$ 11,313,621</u>	<u>\$ 27,214</u>	<u>\$ 715,259</u>	<u>\$ 395,484</u>	<u>\$ 12,424,364</u>

* Sublease income not included in total

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 issue. The City's tax-exempt debt remains in compliance with all Internal Revenue Service arbitrage regulations. Outstanding debt amounts are as of June 30, 2015.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

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. The currently outstanding unlimited tax general obligation bonds for governmental activities were originally issued at \$102.7 million. Currently \$83.6 million of these bonds are outstanding. The bonds were originally issued for emergency facilities and public safety improvements. The City is authorized to levy an unlimited ad valorem tax to pay for these bonds.

In March 2015 the City sold the \$17.1 million 2015 Series A General Obligation Bonds. The proceeds were used to purchase fire and emergency apparatus and continue work on the public safety emergency radio system upgrade. The bonds will be paid off over 14 years with interest rates ranging from two to five percent.

Oregon state law limits general obligation debt to three percent of real market value. At June 30, 2015 the City's unused debt margin is \$2.7 billion.

General obligation bonds currently outstanding are as follows:

	Bond Series	Interest Rates(s) Outstanding Debt	Date of Issue	Years of Maturity	Amount of Original Issue	Outstanding June 30, 2015
Governmental activities:						
Emergency Facilities	2008A	3.50-4.75	11/18/2008	2009-2028	\$ 15,360,000	\$ 11,870,000
Emergency Facilities	2009A	3.00-4.00	07/10/2009	2010-2019	14,560,000	6,210,000
Emergency Facilities	2011A	2.00-4.125	05/13/2011	2011-2026	25,835,000	20,010,000
Emergency Facilities	2014A	2.50-5.00	03/27/2014	2015-2029	29,795,000	28,390,000
Emergency Facilities	2015A	2.00-5.00	05/19/2015	2016-2029	17,145,000	17,145,000
Total governmental activities					<u>\$ 102,695,000</u>	<u>\$ 83,625,000</u>

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

Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2016	\$ 6,610,000	\$ 3,318,261
2017	6,625,000	3,034,910
2018	6,885,000	2,785,535
2019	7,175,000	2,510,635
2020	5,755,000	2,209,200
2021-2025	31,695,000	7,226,213
2026-2030	<u>18,880,000</u>	<u>1,431,175</u>
Total	<u>\$ 83,625,000</u>	<u>\$ 22,515,929</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

Limited tax improvement bonds

The City has \$43.3 million of outstanding limited tax improvement bonds. These bonds were issued for the purpose of financing local improvement 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. Interest rates on the outstanding bonds range from three to five percent.

Limited tax improvement bonds currently outstanding are as follows:

	Bond Series	Interest Rate(s) Outstanding Debt	Date of Issue	Years of Maturity	Amount of Original Issue	Outstanding June 30, 2015
Governmental activities:						
Limited Tax Improvement	2007A	5.00%	06/28/2007	2007-2027	\$ 41,745,000	\$ 21,815,000
Limited Tax Improvement	2010A	3.00-4.125	04/20/2010	2010-2030	22,305,000	13,645,000
Limited Tax Improvement	2011A	3.00-4.00	12/13/2011	2012-2032	3,400,000	2,065,000
Limited Tax Improvement	2014A	3.00-4.00	06/26/2014	2015-2034	7,385,000	5,790,000
Total governmental activities					<u>\$ 74,835,000</u>	<u>\$ 43,315,000</u>

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

Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2016	\$ 660,000	\$ 1,915,137
2017	2,585,000	1,895,338
2018	445,000	1,775,087
2019	430,000	1,757,288
2020	3,695,000	1,740,087
2021-2025	1,750,000	8,017,788
2026-2030	29,630,000	4,844,187
2031-2035	4,120,000	569,601
Total	<u>\$ 43,315,000</u>	<u>\$ 22,514,513</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

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 has urban renewal and redevelopment bonds outstanding that are secured solely by the tax increment revenues generated from the respective urban renewal areas. The City has issued long-term urban renewal and redevelopment bonds for nine of its urban renewal districts including; Airport Way, Oregon Convention Center, South Park Blocks, Downtown Waterfront, Interstate Corridor, Lents Town Center, North Macadam, Central Eastside, and River District. The \$457.4 million outstanding balances on these bonds are paid from tax increment revenues generated from the respective urban renewal areas. No additional City revenues are pledged to the repayment of these bonds. Interest rates on the outstanding bonds range from 2.572 to 6.3 percent.

In February 2015 the City sold \$17.2 million of 2015 Series A Interstate Corridor Urban Renewal and Redevelopment Refunding Bonds which were used to refund the 2004 Series A Interstate Corridor Urban Renewal and Redevelopment bonds. The new bonds will be paid off over 10 years with an interest rate of five percent.

Urban renewal bonds currently outstanding are as follows:

	Bond Series	Interest Rate(s) Outstanding Debt	Date of Issue	Years of Maturity	Amount of Original Issue	Outstanding June 30, 2015
Governmental activities:						
Airport Way	2005A	4.00-5.00%	09/29/2005	2006-2020	\$ 45,370,000	\$ 24,430,000
Central Eastside	2011A	4.60-6.246	03/31/2011	2011-2021	10,205,000	6,485,000
Central Eastside	2011B	4.00-5.375	03/31/2011	2021-2031	19,485,000	19,485,000
Downtown Waterfront	2008A	5.21-6.30	04/22/2008	2008-2024	50,165,000	36,320,000
Downtown Waterfront	2011A	4.00-5.00	07/06/2011	2012-2020	30,370,000	22,300,000
Interstate Corridor	2011A	3.783-6.294	08/11/2011	2012-2026	28,890,000	22,370,000
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	2015-2025	17,155,000	16,880,000
Lents District	2010A	5.784-6.284	06/24/2010	2010-2024	21,240,000	15,195,000
Lents District	2010B	4.250-5.00	06/24/2010	2024-2030	15,650,000	15,650,000
North Macadam	2010A	5.374-5.574	09/23/2010	2011-2022	29,645,000	17,745,000
North Macadam	2010B	3.75-5.00	09/23/2010	2022-2030	35,280,000	35,280,000
Oregon Convention Center	2012A	3.623-4.323	05/17/2012	2020-2025	69,760,000	69,760,000
Oregon Convention Center	2011B	4.00-5.00	07/06/2011	2012-2020	29,685,000	21,730,000
River District	2012A	2.572-4.430	07/10/2012	2013-2026	24,250,000	19,680,000
River District	2012B	4.00-5.00	07/10/2012	2013-2032	34,140,000	31,850,000
River District	2012C	3.75-5.00	07/10/2012	2026-2031	15,275,000	15,275,000
South Park Blocks	2008A	6.031-6.081	07/01/2008	2009-2019	34,580,000	17,720,000
South Park Blocks	2008B	5.00	07/01/2008	2019-2024	32,020,000	32,020,000
Total governmental activities					<u>\$ 560,410,000</u>	<u>\$ 457,420,000</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

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

Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2016	\$ 31,725,000	\$ 22,291,827
2017	33,240,000	20,770,865
2018	34,895,000	19,122,795
2019	39,995,000	17,327,937
2020	39,220,000	15,290,665
2021-2025	193,365,000	47,093,972
2026-2030	73,025,000	13,907,423
2031-2035	11,955,000	698,450
Total	<u>\$ 457,420,000</u>	<u>\$ 156,503,934</u>

Limited tax and 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 (OPERS).

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

Non-self-supporting General Fund obligations

Limited tax revenue bonds. As of June 30, 2015, the City had \$43.7 million of outstanding limited tax revenue bonds and \$15.9 million in limited tax housing revenue bonds outstanding, which are backed primarily from General Fund resources.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

Non-self-supporting limited tax revenue bonds currently outstanding are as follows:

	Bond Series	Interest Rate(s) Outstanding Debt	Date of Issue	Years of Maturity	Amount of Original Issue	Outstanding June 30, 2015
<u>Governmental activities:</u>						
EBS Project	2007A	4.25%	04/24/2007	2007-2016	\$ 22,480,000	\$ 740,000
Archives Space Project	2007C	4.00-4.50	10/11/2007	2008-2028	11,925,000	8,775,000
Capital Financing - Facilities	2008A	4.00-5.00	06/24/2008	2008-2018	17,725,000	6,010,000
EBS Project	2009B	4.00	12/17/2009	2010-2017	9,400,000	6,295,000
CAD project	2009B	4.00	12/17/2009	2010-2017	8,210,000	2,225,000
Capital Improvement & Renovation	2010A	3.00-3.125	04/22/2010	2010-2020	4,840,000	2,760,000
Emergency Coordination Center	2011B	2.375-3.00	12/15/2011	2012-2026	5,445,000	4,440,000
Police Training Facility	2012B	3.00-4.00	05/24/2012	2012-2022	13,305,000	9,745,000
800MHz	2012B	3.00-4.00	05/24/2012	2012-2016	<u>8,473,650</u>	<u>2,215,000</u>
Total governmental activities					101,803,650	43,205,000
<u>Business-type activities:</u>						
Portland International Raceway	LOC	6.14	10/25/2007	2008-2017	<u>2,010,000</u>	<u>510,000</u>
Total					<u>\$ 103,813,650</u>	<u>\$ 43,715,000</u>

Non-self-supporting limited tax housing revenue bonds currently outstanding are as follows:

	Bond Series	Interest Rate(s) Outstanding Debt	Date of Issue	Years of Maturity	Amount of Original Issue	Outstanding June 30, 2015
<u>Governmental activities:</u>						
Housing Projects	2005D	4.00-4.25%	06/21/2005	2005-2025	<u>\$ 6,975,000</u>	<u>\$ 6,070,000</u>
Total governmental activities					<u>6,975,000</u>	<u>6,070,000</u>
<u>Business-type activities:</u>						
Headwaters Apartment Project	2005A	4.50-4.71%	04/18/2005	2005-2035	10,480,000	8,755,000
Headwaters Apartment Project	2005B	4.70	04/18/2005	2005-2035	<u>1,260,000</u>	<u>1,060,000</u>
Total business-type activities					<u>11,740,000</u>	<u>9,815,000</u>
Total					<u>\$ 18,715,000</u>	<u>\$ 15,885,000</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

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 (OPERS). 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. At June 30, 2015, interest rates of the outstanding bonds, \$42.7 million of 1999 Series D variable rate bonds and \$42.6 million of 1999 Series E variable rate bonds, were 0.12 percent. Interest rates on the fixed rate \$134.5 million of 1999 Series C bonds ranges from 7.701 to 7.93 percent.

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

	Original Distribution	Liability June 30, 2015
<u>Governmental activities:</u>		
Governmental funds	\$ 211,379,554	\$ 154,418,822
Internal service funds	16,741,773	12,230,347
Total governmental activities	228,121,327	166,649,169
Business-type activities	72,201,017	52,744,918
Fiduciary activities	526,002	384,259
Total	\$ 300,848,346	\$ 219,778,346

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

Non-self-supporting limited tax pension obligation revenue bonds currently outstanding are as follows:

	Bond Series	Interest Rate(s) Outstanding Debt	Date of Issue	Years of Maturity	Amount of Original Issue	Outstanding June 30, 2015
<u>Governmental activities:</u>						
Allocation of Limited Tax Pension Obligation	1999C	7.701%	11/01/1999	2000-2022	\$ 84,292,006	\$ 71,898,226
Allocation of Limited Tax Pension Obligation	1999C	7.93	11/01/1999	2000-2029	30,090,299	30,090,310
Allocation of Limited Tax Pension Obligation	1999D	variable	11/01/1999	2000-2019	56,869,511	32,339,795
Allocation of Limited Tax Pension Obligation	1999E	variable	11/01/1999	2000-2019	<u>56,869,511</u>	<u>32,320,838</u>
Total Governmental activities					<u>228,121,327</u>	<u>166,649,169</u>
<u>Business-type activities:</u>						
Allocation of Limited Tax Pension Obligation	1999C	7.701	11/01/1999	2000-2022	26,678,633	22,755,991
Allocation of Limited Tax Pension Obligation	1999C	7.93	11/01/1999	2000-2029	9,523,664	9,523,654
Allocation of Limited Tax Pension Obligation	1999D	variable	11/01/1999	2000-2019	17,999,360	10,235,636
Allocation of Limited Tax Pension Obligation	1999E	variable	11/01/1999	2000-2019	<u>17,999,360</u>	<u>10,229,637</u>
Total Business-type activities					<u>72,201,017</u>	<u>52,744,918</u>
<u>Fiduciary activities:</u>						
Allocation of Limited Tax Pension Obligation	1999C	7.701	11/01/1999	2000-2022	194,360	165,783
Allocation of Limited Tax Pension Obligation	1999C	7.93	11/01/1999	2000-2029	69,382	69,381
Allocation of Limited Tax Pension Obligation	1999D	variable	11/01/1999	2000-2019	131,130	74,569
Allocation of Limited Tax Pension Obligation	1999E	variable	11/01/1999	2000-2019	<u>131,130</u>	<u>74,526</u>
Total Fiduciary activities					<u>526,002</u>	<u>384,259</u>
Total Limited Tax Pension Bonds					<u>\$ 300,848,346</u>	<u>\$ 219,778,346</u>

Approximately 40 percent of the debt service on these bonds is expected to be paid from General Fund resources. The remaining 60 percent is expected to be paid by non-General Fund bureaus of the City (see "Self-supporting General Fund obligations" below). As of June 30, 2015, \$81.6 million of outstanding principal remained on the portion of the bonds is projected to be repaid with General Fund resources.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

Self-supporting obligations

In June 2015, the City sold \$5.5 million of 2015 Series A limited tax revenue bonds to refund the 2005 Series B Arena bonds. These bonds will be paid off over two years at an interest rate of 0.81 percent.

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

	Bond Series	Interest Rate(s) Outstanding Debt	Date of Issue	Years of Maturity	Amount of Original Issue	Outstanding June 30, 2015
<u>Governmental activities:</u>						
Oregon Convention Center	2011A	5.00%	10/06/2011	2012-2030	\$ 67,015,000	\$ 65,920,000
Deferred Interest	2001B	5.00-5.36	02/13/2001	2001-2022	18,058,888	9,862,042
Portland Center for Performing Arts	2011A	2.36	12/15/2011	2012-2021	1,315,000	775,000
Portland Mall Revitalization	2007B	4.00-4.50	08/02/2007	2008-2017	16,860,000	3,935,000
North Macadam Investors, LLC	LOC	5.75	11/20/2006	2007-2016	2,500,000	1,768,650
Portland-Milwaukie Light Rail	2012C	3.00-5.00	09/20/2012	2013-2032	36,160,000	34,145,000
Sellwood Bridge	2014A	4.00-5.00	06/17/2014	2015-2034	44,215,000	42,785,000
Total Governmental activities					186,123,888	159,190,692
<u>Business-type activities:</u>						
Central City Streetcar	2009A	2.50-4.00	05/21/2009	2009-2024	21,450,000	13,990,000
Civic Stadium	2013A	3.27	12/11/2013	2014-2023	21,915,000	18,802,000
Jeld-Wen Field	2012A	3.25-3.50	04/24/2012	2024-2027	12,000,000	12,000,000
Arena Refunding Bonds	2015A	0.81	05/28/2015	2016-2017	5,469,700	5,469,700
Total Business-type activities					60,834,700	50,261,700
Total					\$ 246,958,588	\$ 209,452,392

Annual debt service requirements to maturity for all of the above types of limited tax revenue bonds at June 30, 2015, are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-type Activities		Fiduciary Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 32,673,271	\$ 17,315,288	\$ 11,785,648	\$ 4,285,116	\$ 31,033	\$ 15,749
2017	33,105,640	17,592,575	10,314,730	4,328,516	34,968	17,194
2018	27,548,660	16,666,644	9,095,808	4,043,033	39,252	16,299
2019	27,722,852	15,766,019	10,468,787	3,706,709	43,842	14,849
2020	30,439,477	14,656,757	11,321,162	3,258,369	48,842	12,767
2021-2025	122,150,017	116,157,342	43,064,752	32,121,589	148,981	198,078
2026-2030	81,949,944	139,935,000	13,975,731	41,871,957	37,341	293,710
2031-2035	19,525,000	1,585,700	3,305,000	503,405	-	-
Total	\$ 375,114,861	\$ 339,675,325	\$ 113,331,618	\$ 94,118,694	\$ 384,259	\$ 568,646

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

Revenue bonds

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

In August 2014, the City issued \$86.2 million of 2014 Series A Sewer Revenue Bonds backed by first lien receipts and \$204.2 million of 2014 Series B Sewer Revenue Bonds backed by second lien receipts. The Series A Bonds were used to refund the 2004 Series A Revenue Bonds. The proceeds from the Series B Bonds were used for construction projects. The final maturity of the 2014 Series A Bonds will occur in 2025 with an interest rate of five percent. The final maturity of the 2014 Series B Bonds will occur in 2040 with interest rates ranging from three percent to five percent.

In December 2014, the City issued \$85 million of Revenue Bonds backed by first lien Water receipts. The Revenue Bonds were issued to fund capital improvements to the Water System. The final maturity of the 2014 Series A Bonds will occur in 2039 with interest rates ranging from two to five percent.

Ordinances for revenue bonds generally require 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 bond ordinances for particular enterprise funds also 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. Revenue bonds may be redeemed at dates earlier than the stated maturity at call rates varying from 100 to 103 percent of face value dependent upon the call date. The City is in compliance with its bond covenants as of and for the fiscal year ended June 30, 2015.

Revenue bonds outstanding at June 30, 2015 are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Principal Outstanding</u>
Gas Tax Revenue Bonds:		
Public street improvements	1.94-5.00%	\$ 13,049,000
Sewage System Revenue Bonds:		
Sewer improvements and maintenance	3.00-5.00	1,710,815,000
Water System Revenue Bonds:		
Water lines improvement and maintenance	3.00-5.00	626,625,000
Hydroelectric Power Revenue Bonds:		
Electrical power generating plant	5.523	<u>4,245,000</u>
Total revenue bonds		<u><u>\$2,354,734,000</u></u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

Revenue bonds currently outstanding are as follows:

	Bond Series	Interest Rate(s) Outstanding Debt	Date of Issue	Years of Maturity	Amount of Original Issue	Outstanding June 30, 2015
Governmental activities						
Gas Tax	2005A	3.75	03/17/2005	2005-2016	\$ 4,400,000	\$ 495,000
Gas Tax	2011A	3.00-5.00	11/22/2011	2012-2023	15,400,000	11,900,000
Gas Tax	2013A	1.94	08/06/2013	2014-2018	1,073,000	654,000
Total Governmental activities					<u>20,873,000</u>	<u>13,049,000</u>
Business-type activities:						
Sewage Disposal	2004B	5.00	11/30/2004	2005-2017	93,080,000	77,055,000
Sewage Disposal	2005A	5.00	06/16/2005	2018-2020	144,850,000	144,850,000
Sewage Disposal	2006A	4.50-5.00	05/25/2006	2007-2031	177,845,000	136,430,000
Sewage Disposal	2006B	4.50-5.00	05/25/2006	2007-2031	87,135,000	67,160,000
Sewage Disposal	2008A	4.25-5.00	04/17/2008	2008-2033	333,015,000	252,720,000
Sewage Disposal	2008B	5.00	04/17/2008	2008-2033	195,700,000	185,800,000
Sewage Disposal	2010A	4.00-5.00	08/19/2010	2010-2035	407,850,000	351,570,000
Sewage Disposal	2013A	5.00	09/17/2013	2014-2039	210,965,000	204,845,000
Sewage Disposal	2014A	5.00	08/14/2014	2016-2025	86,165,000	86,165,000
Sewage Disposal	2014B	3.00-5.00	08/14/2014	2016-2040	204,220,000	204,220,000
Water	2006B	4.00-5.00	09/21/2006	2007-2020	44,000,000	34,470,000
Water	2008A	4.00-5.00	08/07/2008	2008-2033	79,680,000	67,970,000
Water	2010A	4.00-5.00	02/11/2010	2010-2035	73,440,000	64,790,000
Water	2011A	4.00-5.00	03/22/2011	2011-2036	82,835,000	75,215,000
Water	2012A	3.00-5.00	08/02/2012	2013-2037	76,510,000	69,895,000
Water	2013A	3.00-5.00	05/02/2013	2014-2038	253,635,000	232,710,000
Water	2014A	3.00-5.00	12/16/2014	2015-2039	84,975,000	81,575,000
Hydroelectric Power	2006	5.523	04/05/2006	2006-2016	21,370,000	4,245,000
Total Business-type activities					<u>2,657,270,000</u>	<u>2,341,685,000</u>
Total Revenue Bonds					<u>\$ 2,678,143,000</u>	<u>\$ 2,354,734,000</u>

Remaining future payments to maturity are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2016	\$ 1,984,000	\$ 487,651	\$ 117,680,000	\$ 108,223,269
2017	1,553,000	413,730	122,875,000	102,463,519
2018	1,622,000	356,100	128,070,000	96,344,094
2019	1,445,000	296,000	132,630,000	88,870,906
2020	1,520,000	223,750	138,255,000	82,364,003
2021-2025	4,925,000	298,350	633,030,000	316,033,257
2026-2030	-	-	463,825,000	196,253,789
2031-2035	-	-	439,155,000	88,347,728
2036-2040	-	-	166,165,000	15,112,437
Total	<u>\$ 13,049,000</u>	<u>\$ 2,075,581</u>	<u>\$ 2,341,685,000</u>	<u>\$ 1,094,013,002</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

The City issues debt backed solely by future fees received for certain services. At June 30, 2015, 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 Gross Revenue	Revenue, Net of Related Expenses For the Year Ended June 30, 2015	Debt Payments For the Year Ended June 30, 2015
Gas Tax Revenue Bonds:						
Public street improvements	State gas tax	2023	\$ 15,124,581	2.85%	\$ 60,148,220 *	\$ 2,483,404
Transportation Line of Credit:						
Public street improvements	State gas tax	2015	24,763,282	19.64	*	2,264,250
Transportation Loan:						
Public street improvements	State gas tax	2019	355,267	0.27	*	88,817
Urban Renewal & Redevelopment:						
Fund improvements in the urban renewal and redevelopment area	Tax increment property tax	2032	651,369,900	22.89	120,899,996	60,733,318
Sewer State Revolving Fund Loans:						
Financing energy, sewer system improvements	Sewer fees	2031	17,275,934	0.27	211,710,864 **	1,513,034
Sewage System Revenue Bonds:						
Sewer improvement and maintenance	Sewer fees	2035	2,501,704,013	22.95	**	164,804,056
Sewage System Revenue Note:						
Sewer improvement & maintenance	Sewer fees	2015	-	-	**	208,802
Water System Revenue Bonds						
Water lines improvement and maintenance	Water fees	2038	929,535,663	15.71	94,576,984	50,205,616
Hydroelectric Power Revenue Bonds:						
Electrical power generating plant	Power sales	2016	<u>4,758,777</u>	63.62	<u>2,806,915</u>	<u>2,819,137</u>
Total future pledged revenue			<u>\$ 4,144,887,417</u>		<u>\$ 490,142,979</u>	<u>\$ 285,120,434</u>
Governmental activities			\$ 691,613,030		\$ 181,048,216	\$ 65,569,789
Business-type activities			<u>3,453,274,387</u>		<u>309,094,763</u>	<u>219,550,645</u>
Total			<u>\$ 4,144,887,417</u>		<u>\$ 490,142,979</u>	<u>\$ 285,120,434</u>

* same revenue source pledged for three purposes

** same revenue source pledged for three purposes

Refundings

On August 14, 2014 the City issued the \$86.2 million First Lien Sewer System Revenue Refunding Bonds, 2014 Series A to refund the 2015 to 2024 maturities of the First Lien Sewer System Revenue Bonds, 2004 Series A. Proceeds, including premium, of approximately \$101.6 million plus approximately \$2.5 million of cash for scheduled debt service were used to pay the principal and interest on \$101.3 million of the refunded bonds. As a result, the refunded bonds have been fully redeemed in FY2014-15 and the liability has been removed from the business type activities column in the statement of net position. This refunding was undertaken to reduce total debt service payments by \$18.1 million over ten years and resulted in an economic gain of \$15.4 million.

On March 17, 2015 the City issued \$17.2 million of Interstate Corridor Urban Renewal and Redevelopment Refunding Bonds, 2015 Series A to refund the 2015 to 2025 maturities of the Interstate Corridor Urban Renewal and Redevelopment Bonds, 2004 Series A. Proceeds, including premium, of approximately \$21.6 million were used to pay the principal and interest on \$21 million of the refunded bonds. As a result, the refunded bonds have been fully redeemed in FY2014-15 and the liability has been removed from the governmental activities column in the statement of net position. This refunding was undertaken to reduce total debt service payments by \$3.5 million over ten years and resulted in an economic gain of \$2.6 million.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

On May 28, 2015, after a competitive bidding process, the City entered into an agreement with a bank to provide \$5.5 million to refund the outstanding balance of the Arena Limited Tax Revenue Refunding Bonds, 2005 Series B. Proceeds from the bank placement were used to pay the principal and interest on \$5.4 million of the refunded bonds. As a result, the refunded bonds have been fully redeemed during the fiscal year ended June 30, 2015 and the liability has been removed from the business-type activities column in the statement of net position. This refunding was undertaken to reduce total debt service payments by \$0.3 million over two years and resulted in an economic gain of \$0.3 million.

Conduit debt

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 bond sales 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 shall not be payable from a charge upon any of the City's resources or assets, nor shall the City be subject to any liability from these bonds. No holder or holders of these bonds shall ever have the right to compel an exercise of the taxing power of the City to pay the bonds or the interest thereon, nor to enforce payment against any property of the City. 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, 2015 is \$68.2 million.

The City has made a limited, subject-to-appropriation, pledge of its General Fund to restore reserve fund balances on five Home Forward revenue bond issues via contingent loan agreements. The original par amount of these issues is \$33 million, of which \$26.7 million remains outstanding.

Notes, lines of credit and loans payable

Notes payable. The City issues Notes to finance equipment acquisitions and improvements, improving streets and sidewalks, and to provide interim financing of urban renewal plans. Sewage Disposal Fund's \$0.2 million note payable to the State of Oregon is for flood storage, water quality, and habitat improvements to the Johnson Creek flood plain. The interest rate on the note payable on June 30, 2015 is five percent.

Lines of credit. As of June 30, 2015, the City has \$66.3 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	\$37.0
Finance various City backed projects, including:	
Various transportation improvements	24.6
Local improvement district projects	2.3
Environmental remediation	2.4

The City expects to retire \$2.4 million of the lines of credit with working capital. The rest will be replaced with long-term bonds. Interest rates on the outstanding line of credit balances are variable rates tied to either prime or the London Interbank Offered Rate (LIBOR). As of June 30, 2015 those rates ranged from 0.50 to 1.44 percent.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

Loans payable. The City has entered into various loan arrangements for the purpose of financing sewer system improvements, transportation projects, levy improvement projects, and housing programs. The principal balance of these loans on June 30, 2015 is \$25.2 million. Interest rates vary from 1 to 4.41 percent with maturities to fiscal year 2032. This fiscal year the City received an additional \$3.5 million in housing loans and \$0.4 million in loans for improvements to levies. 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
2016 *	\$ 8,402,215	\$ 702,507	\$ 1,352,453	\$ 160,581
2017	58,614,470	643,723	1,366,091	146,943
2018	989,145	315,967	1,379,871	133,163
2019	628,752	298,539	1,393,792	119,242
2020	562,000	282,641	1,407,852	105,182
2021-2025	2,880,115	1,156,732	7,255,252	309,918
2026-2030	3,511,000	620,984	2,058,164	27,418
2031-2035	1,413,000	111,612	59,565	447
Total	<u>\$ 77,000,697</u>	<u>\$ 4,132,705</u>	<u>\$ 16,273,040</u>	<u>\$ 1,002,894</u>

*Most of the amounts being paid in 2016 will be paid by selling bonds, so the amount being paid in 2016 is not equal to the 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.

Other liabilities

The City's policy relating to compensated absences is described in Note I.D.9. For governmental activities the long-term portion of compensated absences is \$12.5 million at June 30, 2015 and the total amount outstanding at June 30, 2015 is \$52.2 million. For business-type activities the total amount outstanding at June 30, 2015 is \$8.6 million and all is due within one year.

Other postemployment benefits are described in Note IV.D. The total amount outstanding at June 30, 2015 was \$38.4 million for governmental activities and \$3.6 million for business-type activities.

The Fire and Police Disability and Retirement liability is described in Note IV.E. \$2.9 billion was outstanding at June 30, 2015 and it is solely a governmental activities liability.

The long-term portions 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 postemployment benefits are liquidated by the General Fund, Transportation Operating, Grants, Emergency Communication, Development Services, Housing Investment, Parks Local Levy, Children's Investment, Community Development Block Grant, HOME Grant, Portland Parks Memorial, Tax Increment Reimbursement, and Parks Capital Improvement Program Funds.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

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. At June 30, 2015, internal service funds had \$61.3 million of bonds outstanding. For fiscal year 2015, there were no governmental fund resources committed to liquidate other long-term liabilities. Governmental funds and internal service funds, which have a long-term liability, paid the debt service obligations from current resources, except for lines of credit paid off by selling long-term debt. Long-term liability activity for the year ended June 30, 2015, was as follows:

	Beginning Balance	Reclassification/ Restatements	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities:</u>						
Bonds payable:						
General obligation bonds	\$ 75,850,000	\$ -	\$ 17,145,000	\$ 9,370,000	\$ 83,625,000	\$ 6,610,000
Limited tax improvement bonds payable from assessment payments	48,625,000	-	-	5,310,000	43,315,000	660,000
Urban renewal and redevelopment bonds	490,735,000	-	17,155,000	50,470,000	457,420,000	31,725,000
Limited tax and limited tax revenue bonds	405,413,191	-	-	30,298,330	375,114,861	32,673,271
Revenue bonds	14,974,000	-	-	1,925,000	13,049,000	1,984,000
Unamortized premium and discounts	36,904,989	(2,523,968)	4,365,018	5,028,447	33,717,592	4,934,299
Total bonds payable	<u>1,072,502,180</u>	<u>(2,523,968)</u>	<u>38,665,018</u>	<u>102,401,777</u>	<u>1,006,241,453</u>	<u>78,586,570</u>
Notes, loans and line of credit payable	57,526,763	-	30,519,235	11,045,301	77,000,697	1,488,841
Self insurance claims	26,468,838	-	53,069,584	52,168,421	27,370,001	12,734,172
Net pension liability-FPDR	1,397,744,268	1,055,693,674	421,579,883	-	2,875,017,825	-
Net pension liability/(asset)-OPERS	-	131,328,483	-	189,661,946	(58,333,463)	-
Other postemployment benefits	35,596,583	-	2,849,865	-	38,446,448	-
Compensated absences	52,115,931	-	41,001,055	40,884,945	52,232,041	39,700,242
Total other long-term liabilities	<u>1,569,452,383</u>	<u>1,187,022,157</u>	<u>549,019,622</u>	<u>293,760,613</u>	<u>3,011,733,549</u>	<u>53,923,255</u>
Governmental activities	<u>\$ 2,641,954,563</u>	<u>\$ 1,184,498,189</u>	<u>\$ 587,684,640</u>	<u>\$ 396,162,390</u>	<u>\$ 4,017,975,002</u>	<u>\$ 132,509,825</u>
<u>Business-type activities:</u>						
Bonds payable:						
Limited tax and limited tax revenue bonds	\$ 123,936,784	\$ -	\$ 5,469,700	\$ 16,074,866	\$ 113,331,618	\$ 11,785,648
Revenue bonds	2,176,310,002	-	375,360,000	209,985,002	2,341,685,000	117,680,000
Unamortized premium and discounts	117,958,078	(6,940,307)	39,849,653	13,384,621	137,482,803	14,383,289
Total bonds payable	<u>2,418,204,864</u>	<u>(6,940,307)</u>	<u>420,679,353</u>	<u>239,444,489</u>	<u>2,592,499,421</u>	<u>143,848,937</u>
Notes, loans and line of credit payable	17,810,751	-	-	1,537,711	16,273,040	1,352,453
Compensated absences	8,667,148	-	8,593,635	8,623,899	8,636,884	8,636,884
Net pension liability/(asset)-OPERS	-	48,694,217	-	70,323,205	(21,628,988)	-
Other postemployment benefits	3,449,676	-	108,621	-	3,558,297	-
Total other long-term liabilities	<u>29,927,575</u>	<u>48,694,217</u>	<u>8,702,256</u>	<u>80,484,815</u>	<u>6,839,233</u>	<u>9,989,337</u>
Business-type activities	<u>\$ 2,448,132,439</u>	<u>\$ 41,753,910</u>	<u>\$ 429,381,609</u>	<u>\$ 319,929,304</u>	<u>\$ 2,599,338,654</u>	<u>\$ 153,838,274</u>

* Reclassed premiums and discounts on refunded bonds to deferred & implemented GASB 68.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

I. Long-term debt continued

Auction rate securities

As of June 30, 2015, the City had \$85.3 million in outstanding Limited Tax Pension Obligation Revenue Bonds, 1999 Series D and E, in the form of auction rate securities. These taxable, seven-day auction rate securities are rated Aa1 by Moody's Investors Service and are not backed by municipal bond insurance or other credit enhancement.

Beginning in February 2008, the City began to experience "failed" auctions due to the collapse of the auction rate market. Failed auctions occur when, on any given auction date, there are insufficient buyers to purchase all of the auction rate securities that have been offered for sale by investors. When an auction fails, the rate on the securities for the next interest rate period is determined by a mathematical formula that is defined in the legal provisions for the bonds. The legal provisions for the City's outstanding auction rate securities provide that in the event of a failed auction (and assuming the rating of the securities remains at Aa3 or higher), the interest rate for the next interest period is set at 150 percent of the most recent seven-day AA-rated financial commercial paper index. Since February 2008, all of the City's auctions have "failed" and the rate on these securities has been set by formula. The average interest rate since July 1, 2015 has been 0.161 percent, plus a 0.25 percent broker/dealer fee, for an average all-in cost of 0.411 percent. For the week of October 19, 2015, the all in rate was 0.385 percent for Series D and 0.445 percent for Series E bonds. The City expects that it will continue to experience failed auctions for the foreseeable future. As such, the interest rates on the City's auction rates securities will likely continue to be tied directly to the seven-day, AA-rated financial commercial paper index. The City continues to evaluate options related to its pension auction rate securities, including the possibility of refunding the auction rate securities into fixed-rate debt if market conditions warrant prior to their final maturity in May 2019.

Bond insurer ratings

As of June 30, 2015, the City has approximately \$120.7 million face amount of debt service reserve fund surety policies ("credit facilities") relating to outstanding sewer, water, and gas tax revenue bonds, as well as urban renewal and redevelopment bonds issued for the Airport Way urban renewal area. The City has historically purchased debt service reserve surety bonds from municipal bond insurance companies in lieu of cash funding debt service reserve requirements for certain revenue bonds and urban renewal bonds. The legal provisions for these revenue bonds and urban renewal bonds provide that the minimum credit rating of the credit facility provider must exceed specified rating levels. In most cases, the legal provisions state that the credit facility rating "test" is made only at the time of issuance of the bonds. However, in other documents it is unclear or ambiguous whether the test is made only at the time of issuance or whether the rating test is ongoing. Where the rating test is unclear as to its timing (at time of issuance only vs. ongoing), the City has taken the position that if the rating of the credit facility provider falls below the minimum standard subsequent to the issuance of the bonds, the City is not required to replace the credit facility with an alternative credit facility or with cash, and may leave the existing credit facility in place. As of June 30, 2015, the City had the following face amount of debt service reserve (DSR) surety policies with the various bond insurers.

	Insurer Ratings (Moody's / S&P)	Face Amount of DSR Surety Bonds
Ambac Assurance Corporation (Ambac)	Not Rated	\$ 5,591,500
Assured Guaranty Municipal Corporation (formerly FSA)	A2 / AA	71,183,586
National Public Finance Guarantee Corporation (formerly MBIA)	A3 / AA-	<u>43,886,819</u>
Total		<u>\$ 120,661,905</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

III. Detailed notes continued:

J. Short-term debt:

The City issues overnight bonds to permit the City's component unit, PDC, 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. Tax increment collections are expected to be sufficient to meet debt service requirements for outstanding long-term debt. The City issues overnight debt to release excess collections to PDC for capital projects. The City issued \$53.7 million in overnight bonds in fiscal year 2015 and redeemed those bonds within five days. At June 30, 2015, there were no outstanding overnight bonds.

At the beginning of the fiscal year, the City issued \$25.5 million of tax anticipation notes in advance of property tax collections, depositing the proceeds in the Fire and Police Disability and Retirement (fiduciary) Fund. 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, 2015 was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Overnight bonds	\$ -	\$53,721,024	\$53,721,024	\$ -
Tax anticipation notes	-	25,465,000	25,465,000	-
Totals	<u>\$ -</u>	<u>\$79,186,024</u>	<u>\$79,186,024</u>	<u>\$ -</u>

K. Termination benefits:

The City offers a targeted severance program which provides qualified employees a minimum of two months' salary and six months of paid health insurance upon termination of employment. Individual severance agreements are generated by various bureaus in specific instances offering health care continuation and are generally offered for up to six months of coverage. There were 11 employees affected, and the net cost of these termination benefits for fiscal year ended June 30, 2015 was \$66,196.

The Voluntary Retirement Incentive Program was implemented in accordance with Ordinance No. 185968 to provide an incentive for employees to voluntarily retire from the City during the period of May 1, 2013 through June 30, 2014. To qualify, bureaus needed to demonstrate savings to programs or positions to offset the cost of up to a \$20,000 contribution to a Health Reimbursement Account (HRA) account for the retiring participant. Seventy-three participants were approved for the program, while there are currently forty-seven participants remaining in the program. BenefitHelp Solutions administers the HRA account, and bills the City as claims are made against the accounts. The original expected cost to the City was \$1.44 million, while participants have used \$960,023 and there is a remaining potential liability of \$479,977.

Due to the short duration of the termination plans, payments have not been discounted. This plan has no effect on the actuarial accrued liability related to other postemployment benefits.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information:

A. Risk management:

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 is self-insured for workers' compensation, 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, 2014 and before July 1, 2015 may not exceed \$666,700 for single claimant and \$1,333,300 for multiple claimants. For causes of action arising on or after July 1, 2015 and before July 1, 2016, limitations increase to \$682,800 for single claimant and \$1,365,500 for multiple claimants.

Per ORS 30.273 limitations on liability of public bodies for property damage arising on or after July 1, 2014 and before July 1, 2015 may not exceed \$109,400 for single claimant and \$546,800 for multiple claimants. For causes of action arising on or after July 1, 2015 and before July 1, 2016, limitations increase to \$112,000 for single claimant and \$560,000 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 present value of the liability. For fiscal year ended June 30, 2015, the expected rate of return used was 0.5 percent. For fiscal year ending June 30, 2016, and subsequent years, the expected rate of return used was 0.5 percent and 0.6 percent respectively. The Bureau of Human Resources and the employee benefits consultant determines relevant employees' medical coverage estimates.

The City provides insurance coverage deemed as adequate, appropriate, and actuarially sound. It meets all the City's anticipated settlements, obligations and outstanding liabilities. 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 \$1,000,000 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 \$2,500,000 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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

A. Risk management continued:

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:

	Fiscal Year Ended <u>June 30, 2015</u>	Fiscal Year Ended <u>June 30, 2014</u>
Balance, beginning of fiscal year	\$ 26,468,838	\$ 25,863,063
Incurred claims and adjustments	53,069,584	51,197,626
Claim cash payments	<u>(52,168,421)</u>	<u>(50,591,851)</u>
Unpaid claims, end of fiscal year	<u>\$ 27,370,001</u>	<u>\$ 26,468,838</u>

B. Landfill closure and postclosure care:

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. RWS abandoned the property in 1995 because performing DEQ required maintenance and monitoring was deemed too costly. Consequently, the DEQ assumed the monitoring and maintenance activities and made various 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 postclosure care that necessitates operation, maintenance and monitoring of the postclosure equipment and systems. Federal and State laws and regulations require the City of Portland, as the permittee, to perform postclosure care for 30 years.

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 maintenance and postclosure costs until 2032, as well as partially reimburse DEQ \$500,000 for the gas extraction/flare and leachate collection system. The City has paid the \$500,000 reimbursement cost to DEQ. Upon satisfactory performance, the DEQ agreed to release the City from a significant portion of the KFD environmental liabilities.

The City has established future annual postclosure care cost projections based on the average annual costs of the first 14 years of the City's operation, maintenance, and monitoring of the site closure systems (2002–2015). Based on these actual costs and projections, the 30-year postclosure care cost, as of June 30, 2015, is estimated to be \$1.48 million under current federal and state laws and regulations. (Note: costs going forward have been inflated by 2.5 percent annually). Actual costs may be higher due to inflation, changes in technology and regulations, or the need for repair or replacement of site equipment.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

B. Landfill closure and postclosure care continued:

As of June 30, 2015, the City of Portland and Metro, through IGA No. 51802, have paid \$615,818 in postclosure care costs. An estimated liability of \$877,818 remains of which the City is responsible for \$772,766.

For fiscal years 2002-2022, Metro has agreed to provide \$248,415 for site maintenance and monitoring services. In addition, the City's general fund contributes \$61,200 annually to a committed account within the Parks Memorial Fund to pay postclosure costs. For fiscal year 2019, the annual general fund contribution will drop to \$48,231 and transition to \$36,200 for fiscal years 2020-2032.

To meet on-going costs of postclosure 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.

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 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, two of which expired on June 30, 2015. Successor agreements for the Portland Housing Bureau and the Portland Police Commanding Officers Association are being negotiated.

	<u>Effective Dates</u>
Seasonal Maintenance Workers - Laborers' Local 483	7/1/2014 - 6/30/2018
Portland Police Association (PPA)	7/1/2013 - 6/30/2017
The City of Portland Professional Employees Association (COPPEA)	7/1/2013 - 6/30/2017
The District Council of Trade Unions (DCTU)	7/1/2013 - 6/30/2017
Recreation Employees - Laborers' Local 483	7/1/2013 - 6/30/2017
The Portland Fire Fighters' Association (PFFA) - Local 43	7/1/2012 - 6/30/2016
Bureau of Emergency Communications (BOEC) - AFSCME Local 189-2	7/1/2013 - 6/30/2016
Portland Housing Bureau (PHB) - AFSCME Local 189-3	7/1/2011 - 6/30/2015
The Portland Police Commanding Officers Association (PPCOA)	7/1/2013 - 6/30/2015

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

C. Commitments and contingent liabilities continued:

Bonds

The City's general credit is obligated on limited tax improvement bonds totaling \$43.3 million at June 30, 2015, only to the extent that liens foreclosed against properties involved in the assessment districts and collections of related assessments and interest are insufficient to retire outstanding bonds and pay bond interest

Contractual commitments

Non-construction contractual commitments at June 30, 2015 amounted to:

Governmental activities	\$29,879,826
Business-type activities	<u>7,191,857</u>
Total	<u><u>\$37,071,683</u></u>

Included in these amounts are uncompleted balances of professional service contracts, goods and services contracts, and intergovernmental agreements. Construction commitments of \$101.2 million are presented in Note III. F. Capital Assets, Construction and technology project commitments.

HUD Section 108 Loan Guarantee

The City is also party to a Section 108 loan guarantee contract (B97-MC-41-0003) with HUD for the Commercial Revitalization Loan Fund Program. This program is administered by the Portland Development Commission (PDC) on behalf of the Portland Housing Bureau. The HUD contract, signed in December 1999, was for \$8 million. There are eight outstanding loans totaling \$3.9 million in original principal, with remaining balances of \$1.7 million at June 30, 2015. The table below presents a list of borrowers and their respective loan principal balances:

Borrower Name	Original Principal Amount	Principal Balance June 30,	
		2015	2014
HUD Offering Rate Variance	\$ 31,000	\$ 16,000	\$ 20,000
MRK - Alberta Street Market	850,000	566,000	608,000
OUV2	800,000	584,000	612,000
PCRI / Alberta Simmons	375,000	175,000	200,000
PCRI / Maggie Gibson	670,000	-	380,000
PUB Group	875,000	350,000	405,000
Rachel Elizabeth / Rexall	290,000	-	147,000
Total	<u>\$ 3,891,000</u>	<u>\$ 1,691,000</u>	<u>\$ 2,372,000</u>

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 \$1.7 million. For further information on the HUD Section 108 Loan Guarantee Program, refer to the Loans Receivable section of Note III.B., Receivables.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

C. Commitments and contingent liabilities continued:

Hydroelectric Power Fund

Hydroelectric Power Fund's (Hydro) agreement with a private utility (the utility) requires the cost to the utility for power generated by Hydro's plant be measured against the cost of power generated by the utility at one of its generating plants. The agreement specifies that, to the extent the cost of power generated by Hydro's plant is less than the cost of power generated by the utility, 50 percent of the cost savings is to be paid by the utility to Hydro. To date, there have been no such payments, as the cost of power generated by Hydro's plant has been greater than that of the utility's designated plants on a cumulative contract basis.

The agreement states that, upon expiration of the term of the agreement, if the accumulated cost of power generated at Hydro's plant exceeds that of the accumulated cost of a like amount of power generated by the utility, then the carrying value of the renewal and replacement assets shall be paid to the utility to offset up to 50 percent of the "excess cost" incurred by the utility to generate power at Hydro's plant. The balance of the assets, if any, shall be divided equally between Hydro and the utility. In the event the accumulated cost of power generated at Hydro's plant exceeds that of the accumulated cost of a like amount of power generated by the utility, and the carrying value of the renewal and replacement assets is less than 50 percent of the excess cost, no further amounts would be required to be paid to the utility. At August 31, 2015, the total accumulated excess cost was \$21,034,728, 50 percent of this total was \$10,517,364, and the carrying value of the renewal and replacement assets was \$10,826,656.

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 to 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. In 2001, the City of Portland and nine other potentially responsible parties entered into an Administrative Order on Consent (AOC) with EPA obligating them to finance a Remedial Investigation and Feasibility Study (RI/FS) under the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).

The signatories to the AOC have agreed upon a cost allocation plan to fund the Remedial Investigation/Feasibility Study (RI/FS). Under this arrangement, the City's share is 25 percent. The City's share of the RI/FS costs does not define the City's final liability for the assessment costs and bears no relationship to the City's potential liability for cleanup costs at the site. The City's costs for this phase of the work are being financed primarily from user fees generated by the City's sanitary sewer and stormwater utility, which is managed by the City's Bureau of Environmental Services (BES) and funds the City's Environmental Remediation Fund. The City's estimated costs associated with the RI/FS activities through 2016, is expected to range from \$1 to \$1.4 million; which was accrued at fiscal year ended June 30, 2015 using the expected cash flow technique as required by GASB Statement No. 49. Since 2001, the City has contributed over \$25 million to the Lower Willamette Group for the RI/FS. 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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

C. Commitments and contingent liabilities continued:

Potential costs of cleaning up the entire site and restoration of natural resources will be estimated at the completion of the RI/FS but may not include estimates of cleanup of individual sub-areas and will not include any individual party's share of those costs. It is anticipated that allocation of liability for cleanup will be determined after a remedial action is selected. 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 draft RI and FS have been submitted to EPA and the final RI and FS are being prepared. EPA anticipates that it will issue a Record of Decision and select the remedial action that will define the area and scope of environmental cleanup required in the river in 2017. The City's ultimate liability is undeterminable at this time. However, it is expected to be a material amount.

The City will seek recovery of some or all of its RI/FS costs from other parties that have liability at the Superfund site. To date, EPA has notified more than 140 entities and property owners along the Willamette River, including the City, that they were potentially responsible for further investigation and cleanup of contaminated sediments in Portland Harbor. 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 administrative costs are shared among the participating parties. The City's share of administrative process cost for fiscal year ending June 30, 2016 have not been determined, but are expected to be approximately \$30,000 to \$60,000.

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.

The City may also have liabilities to Natural Resource Trustees of the Willamette River (including federal, state natural resource agencies and tribal governments) for damages to natural resources in Portland Harbor. The City is participating in negotiations with the natural resource trustees regarding these potential natural resource damages, and is voluntarily contributing in an interim allocation process that may lead to a settlement of NRDA liabilities. A final resource damage assessment has not been issued by the trustees. The City's ultimate liability cannot be estimated at this time. However, it is expected to be a material amount in the period it is recorded.

Portland Housing Bureau Properties

Portland Development Commission (PDC) Housing Department merged with the City's Bureau of Housing and Community Development into a new bureau, the Portland Housing Bureau (PHB). The final transition took place on July 1, 2010. Seventeen properties were contributed by PDC to PHB, of which four properties have potential environmental remediation issues.

Through an intergovernmental agreement, PHB continues to rely upon the knowledge and expertise from PDC and PDC's consultants to continue estimating the remediation costs. The potential obligations are estimates by PDC staff and consultants and are based upon prior experience in identifying and funding similar remediation activities. Site investigation, planning and design, cleanup, and site monitoring are typical remediation activities underway across many PDC properties, and therefore PDC has programs, rules, and regulations that routinely deal with remediation-related issues. Much of PDC's mission is to deal with blighted properties, which sometimes include pollution conditions. PDC has the knowledge and expertise to estimate the remediation but also employs consultants when expedient. The standards require that pollution remediation liabilities be calculated using the expected cash flow technique. When an estimate cannot be reasonably made, a pollution remediation obligation is not reported.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

C. Commitments and contingent liabilities continued:

The remediation obligation estimates that appear in this report are subject to change over time. Costs may vary due to price fluctuation, 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.

For the properties that are part of Block U, there is contaminated soil removal to address. The Fairfield Hotel property has potential underground storage tank remediation, and it is anticipated that remediation (if required) would occur as part of the redevelopment of this property. During the fiscal year, the City recognized estimated expense which changed the liability to \$723,755 for these properties.

Other Remediation Obligations

There are other sites where the City expects to conduct remediation activities in FY2014-15. These sites consist of City-owned contaminated properties where remediation activities are required by 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 estimated liability.

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

C. Commitments and contingent liabilities continued:

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

Governmental activities:

Noncurrent liabilities:

Community development projects:

Block U property - eastern portion	\$ 464,708
SW Stark - Fairfield property	<u>130,117</u>

Total governmental activities \$ 594,825

Business-type activities:

Current liabilities:

Environmental services projects:

Portland Harbor Superfund RI/FS	\$ 1,320,000
Inspection, maintenance and monitoring:	
Closed municipal incinerator	900,000
Decommissioning of groundwater wells	85,000
Clarifier construction surface soils	55,000
DEW UIC Closure reports	25,000
Oaks Bottom landfill	25,000
Terminal 1	25,000

Water projects:

Interstate phase I and II	250,000
River Mile 11 East	<u>300,000</u>

Total current liabilities 2,985,000

Noncurrent liabilities:

Environmental services projects:

Portland Harbor Superfund RI/FS	3,270,000
Inspection, maintenance and monitoring:	
Closed municipal incinerator	35,000
Decommissioning of groundwater wells	5,000
Clarifier construction surface soils	5,000
Former municipal landfill	45,000
DEW UIC Closure reports	125,000
Oaks Bottom landfill	<u>10,000</u>

Total noncurrent liabilities 3,495,000

Total business-type activities \$ 6,480,000

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

C. Commitments and contingent liabilities continued:

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 6/30/2015	Maximum Annual Liability
Lovejoy Station	174844	10/01/2000	07/01/2033	\$ 13,000,000	\$ 10,350,000	\$ 930,000
Pearl Court	180528	12/19/2006	01/01/2027	6,170,000	4,305,000	477,000
Yards at Union Station	180792	04/30/2007	05/01/2029	6,335,000	4,705,000	561,000
Hamilton West Apartments	186515	05/01/2014	01/01/2034	3,470,000	3,405,000	205,000
Gretchen Kafoury Commons*	186514	05/01/2014	01/01/2034	4,030,000	3,955,000	238,000
Total Contingent Loan Agreements				<u>\$ 33,005,000</u>	<u>\$ 26,720,000</u>	<u>\$ 2,411,000</u>

*Maximum annual liability does not reflect a \$2,101,200 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 City has pledged parking meter revenues to guarantee payment of up to \$5 million in principal (plus accrued interest) on an ODOE loan with a total amount outstanding of \$9 million as of June 30, 2015. The ODOE loan is scheduled to mature on September 1, 2022. The City's maximum annually required payment would be \$1.4 million. ODOE has never requested City payment on the loan guarantee; the City does not anticipate a request for payment to be forthcoming.

D. Other postemployment benefits:

Other postemployment benefits (OPEB) for the City combines two separate plans. The City provides an implicit rate subsidy for retiree Health Insurance Continuation premiums and a contribution to the OPERS cost-sharing multiple-employer defined benefit plan.

Health Insurance Continuation

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

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

D. Other postemployment benefits continued:

Funding Policy: The City collects insurance premiums from participating retirees each month. The premiums are either deposited in the City's self insurance fund or paid directly to a third-party health insurance provider, depending upon the plan. At the date of the latest actuarial report, 866 retirees and 296 spouses were participating in the plan.

The City has elected not to pre-fund the fiscal year 2015 employer's annual required contribution (ARC) to the plan.

The Health Insurance Continuation "blended" premium rates, according to the most recent actuarial valuation, dated September 16, 2014, are:

<u>All Employee Groups Except Portland Police Association (PPA)</u>			
<u>Health Plans</u>	<u>Medical Only</u>	<u>Dental</u>	<u>Vision</u>
City Health Care Plan			
Participants	\$ 587.67	\$ 57.97	\$ 5.05
Participants and Spouses	1,150.36	100.11	9.19
Kaiser			
Participants	\$ 564.81	\$ 60.74	\$ 4.07
Participants and Spouses	1,103.15	121.48	8.25
<u>Portland Police Association (PPA)</u>			
<u>Health Plans</u>	<u>Medical Only</u>	<u>Dental</u>	<u>Vision</u>
City Health Care Plan			
Participants	\$ 638.32	\$ 59.86	\$ 4.22
Participant and Spouses	1,260.85	103.41	7.68
Kaiser			
Participants	\$ 553.48	\$ 49.11	\$ 4.45
Participant and Spouses	1,080.59	98.22	9.04

Annual OPEB Cost and Net OPEB Obligation: The City's annual other postemployment benefit cost is calculated based on the ARC, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period of 30 years.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

D. Other postemployment benefits continued:

The following table shows components of the City's annual OPEB cost for the fiscal year, the amount actually contributed to the plan, and changes in the City's OPEB obligation to the plan:

	Health Insurance Continuation
Annual Required Contribution (ARC)	\$ 9,300,043
Interest on net OPEB obligation	1,367,964
Adjustment to annual required contribution	(2,125,087)
Annual OPEB Cost	8,542,920
Less expected contribution	(5,582,941)
Increase in Net OPEB obligation	2,959,979
Net OPEB obligation - beginning of year	39,084,687
Net OPEB obligation - end of year	\$ 42,044,666
Governmental activities	\$ 38,446,448
Business-type activities	3,558,297
Fiduciary activities	39,921
Net OPEB obligation - end of year	\$ 42,044,666

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal year ended June 30, 2015, were as follows:

Fiscal Year Ended	Health Insurance Continuations		Percent of Annual OPEB Cost Contributions	Net OPEB Obligation
	Annual OPEB Cost	Contributions		
6/30/2013	\$ 9,566,141	\$ 5,582,943	58.36%	\$ 36,399,053
6/30/2014 *	8,421,398	5,735,764	68.11	39,084,687
6/30/2015	8,542,920	5,582,941	65.35	42,044,666

* OPEB cost includes prior year adjustment for HCR Excise Tax

Funded Status and Funding Progress: The funded status of the plan as of July 1, 2013 (the date of the most recent actuarial valuation):

	Health Insurance Continuation
Actuarial accrued liability (AAL)	\$ 105,266,428
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$ 105,266,428

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

D. Other postemployment benefits continued:

	Health Insurance Continuation
Actuarial valuation method	Entry age normal
Amortization of unfunded AAL	30 years open
Funded ratio	0%
Investment return assumption	3.5%
Inflation rate assumption	2.2%
Merit increase	0.33-2.55%
Healthcare cost trend rate	2.0-8.5%
Covered payroll (active plan members)	\$346,483,812
UAAL as a percentage of covered payroll	30%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedules of funding progress, presented as required supplementary information following the notes to the financial statements, present multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2013 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 3.5 percent investment rate of return and an annual healthcare cost trend rate of 2 to 8.5 percent for health insurance, (10) to 5 percent for dental insurance and 3 percent for vision. The UAAL is amortized over an open period of 30 years using the level percentage of projected pay.

OPERS Retirement Health Insurance Account

Plan Description: The City contributes to the OPERS 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 OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. ORS 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information.

The report may 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://Oregon.gov/PERS/section/financial_reports/financials.shtml.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

D. Other postemployment benefits continued:

Funding Policy: 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. 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 employer, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost, the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating cities are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.59 percent of annual covered payroll for Tier One and Two employees, and 0.49 percent for OPSRP employees. The Oregon PERS Board of Trustees sets the employer contribution rate. It is based on the annual required contribution of the combined participant employers. This is an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a closed period not to exceed 30 years. The City's contributions to RHIA equaled the required contributions each year and were:

Fiscal Year Ended June 30,	RHIA Contributions
2013	\$ 1,651,130
2014	1,651,401
2015	1,810,227

E. Employee retirement systems and pension plans:

State of Oregon Public Employees Retirement System

Plan description. Civilian City employees and 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.

All benefits of OPERS are established by the Oregon Legislature pursuant to Oregon Revised Statutes (ORS) Chapters 238 and 238A. The plan complies with Internal Revenue Service rules prescribed in 401(a). The Oregon Legislature has delegated the authority to the Public Employees Retirement Board (PERB) to administer and manage the system. OPERS issues a publicly available financial report that can be obtained at: http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx. OPERS prepares their financial statements in accordance with 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 are recognized in the month they are earned and withdrawals are recognized in the month they are due and payable. Investments are recognized at fair value, the amount at which financial instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

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. OPERS 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 percent for police and fire employees, 1.67 percent for general service employees) is multiplied by the number of years of service and the 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 hired on or after August 29, 2003.

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 a OPERS employer at the time of death,
- Member died within 120 days after termination of OPERS-covered employment,
- Member died as a result of injury 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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

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 OPERS judge members) for disability benefits regardless of the length of OPERS-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 equity investments.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living adjustments (COLA). Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000. After the measurement date, the Oregon Supreme court invalidated the statutory change. Further information can be found in Note IV. G. Subsequent events.

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 percent is multiplied by the number of years of service and the 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. Reduced retirement benefits are available at age 50 to fire and police OPSRP members.

General Service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit. Reduced retirement benefits are available at age 55 to general service OPSRP members.

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 percent of the pension that would otherwise have been paid to the deceased member if he/she had retired immediately or at his/her earliest retirement date, whichever is later.

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 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

Benefit Changes after Retirement. Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year ended June 30, 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000. After the measurement date, the Oregon Supreme court invalidated the statutory change. Further information can be found in Note IV. G. Subsequent events.

Funding Policy. The rate of employer contributions is determined periodically by OPERS based on biannual actuarial valuations. 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.

Employer contribution rates during the period were based on the December 31, 2011 actuarial valuation, as subsequently modified by 2013 legislated changes in benefit provisions. The rates based on a percentage of payroll, first became effective July 1, 2013.

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. 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 obligate of the general government. These limited tax pension obligation revenue bonds are discussed further in Note III.I. Long-term debt.

Contributions. The City's employer's required and actual contributions for the fiscal year ended June 30, 2015 were \$26,342,933, which was 100 percent. The contribution rates in effect for the fiscal year ended June 30, 2015 for each pension program were: Tier1/Tier 2 – 9.34 percent, OPSRP general service – 7.52 percent, and OPSRP uniformed – 10.25 percent. Pension expense for the fiscal year was \$(101.9) million.

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

At June 30, 2015, the City reported an asset for its proportionate share of the net pension asset. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2012 and rolled forward to June 30, 2014. The City's proportion of the net pension asset was based on the City's projected long-term contribution effort as compared to the total projected 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, 2015, the City's proportion of OPERS net pension liability was 3.62934176 percent.

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

City of Portland:	Net Pension	
	Asset	Allocation
Governmental activities	\$58,333,463	70.9 %
Business-type activities	21,628,988	26.3
Government-wide	79,962,451	97.2
Fiduciary activities: Fire and Police Disability and Retirement Fund	282,521	0.3
Discretely presented component unit: Portland Development Commission	2,021,851	2.5
Reporting entity total	\$82,266,823	100.0 %

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

For the fiscal year ended June 30, 2015, the Reporting entity recognized negative pension expense of \$104.4 million. At June 30, 2015, 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 difference between projected and actual earnings on investments	\$ -	158,741,642
Differences between City contributions and proportionate share of contributions	-	5,708,135
	<hr/>	<hr/>
Total (prior to post-measurement date contributions)	-	164,449,777
City contributions made subsequent to measurement date	26,342,933	-
	<hr/>	<hr/>
Net deferred outflows / (inflows) of resources	<u>\$ 26,342,933</u>	<u>164,449,777</u>

\$26.3 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 ended June 30, 2016. 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:

Fiscal Year Ended June 30,	Deferred Outflows / (Inflows) of Resources (prior to post-measurement date contributions)
2016	\$40,926,310
2017	40,926,310
2018	40,926,310
2019	40,926,310
Thereafter	<u>744,537</u>
Total	<u>\$164,449,777</u>

Actuarial Methods and Assumptions:

Actuarial Valuations. The employer contribution rates effective July 1, 2013, through June 30, 2015, were set using the projected unit credit actuarial cost method.

For the Tier One/Tier Two component of the OPERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the OPERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

The total pension liability in the December 31, 2012 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	December 31, 2012 rolled forward to June 30, 2014.
Experience Study Report	2012, published September 18, 2013
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years.
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation rate	2.75 percent
Investment rate of return	7.75 percent
Projected salary increases	3.75 percent overall payroll growth; salaries for individuals are assumed to grow at 3.75 percent plus assumed rates of merit/longevity increases based on service.
Mortality	Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale AA, with collar adjustments and set-backs as described in the valuation. Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. Disabled retirees: Mortality rates are a percentage (65% for males, 90% for females) of the RP-2000 static combined disabled mortality sex-distinct table.

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2012 Experience Study which reviewed experience for the four-year period ended on December 31, 2012.

Discount Rate. The discount rate used to measure the total pension liability was 7.75 percent for the Defined Benefit Pension Plan. This is the long-term expected rate of return on pension plan investments, as recommended by the plan's independent actuaries and adopted by the OPERS board. 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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

Assumed Asset Allocation:

<u>Asset Class / Strategy</u>	<u>Low Range</u>	<u>High Range</u>	<u>OIC Target</u>
Cash	- %	3.0 %	- %
Debt Securities	15.0	25.0	20.0
Public Equity	32.5	42.5	37.5
Private Equity	16.0	24.0	20.0
Real Estate	9.5	15.5	12.5
Alternative Equity	-	10.0	10.0
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 2013 the PERB reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (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	7.2%	4.5%
Short-Term Bonds	8.0	3.7
Intermediate-Term Bonds	3.0	4.1
High Yield Bonds	1.8	6.7
Large Cap US Equities	11.7	7.2
Mid Cap US Equities	3.9	7.3
Small Cap US Equities	2.3	7.5
Developed Foreign Equities	14.2	6.9
Emerging Foreign Equities	5.5	7.4
Private Equity	20.0	8.3
Opportunity Funds/Absolute Return	5.0	6.0
Real Estate (Property)	13.8	6.5
Real Estate (REITS)	2.5	6.8
Commodities	7.7	6.1
Assumed Inflation – Mean		2.8%

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

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

The following presents the as the Reporting entity's proportionate, share of the net pension liability calculated using the discount rate of 7.75 percent, 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 (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Discount Rate (7.75%)	1% Increase (8.75%)
Proportionate share of the net pension liability (asset)	\$ 174,212,034	\$ (82,266,823)	\$ (299,188,417)

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 Effecting the Roll Forward:

Senate Bill 822, signed into law in May 2013, eliminated the SB 656/HB 3349 tax remedy payments for benefit recipients who are not subject to Oregon income tax, because they do not reside in Oregon, and limited the 2013 post-retirement COLA to 1.5 percent of annual benefit.

Senate Bill 861, signed into law in October 2013, limited post-retirement COLA for years beyond 2013 to 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000. The decrease in the Total Pension Liability resulting from Senate Bill 861, measured as of June 30, 2014, created a (\$2,423.6) million reduction in Plan pension liabilities.

Senate Bill 862, signed into law in October 2013, made targeted changes such as allowing garnishment of OPERS benefits for convicted felons. These changes do not significantly affect System liabilities and were not reflected in the valuation.

Changes in Plan Provisions Subsequent to Measurement Date:

The Oregon Supreme Court on April 30, 2015, ruled that the provisions of Senate Bill 861, signed into law in October 2013, that limited the post-retirement COLA on benefits accrued prior to the signing of the law was unconstitutional. Benefits could be modified prospectively, but not retrospectively. As a result, those who retired before the bills were passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a two percent increase annually. OPERS will make restoration payments to eligible recipients.

OPERS members who have accrued benefits before and after the effective dates of the 2013 legislation will have a blended COLA rate when they retire.

This change in benefit terms will be recognized as of and for the measurement period ending June 30, 2015, or the City's fiscal year ending June 30, 2016.

It is estimated that this change would change the City's net pension liability by approximately \$178 million. This would switch the City from having a net pension asset to having a net pension liability.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

OPERS has also changed its assumed rate of return from 7.75 to 7.5 percent. Based on the sensitivity analysis provided by OPERS, this could increase net pension liability by another \$64 million.

Changes in Assumptions:

A summary of key changes implemented since the December 31, 2011 valuation are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2012 Experience Study for the System, which was published on September 18, 2013, and can be found at: <http://www.oregon.gov/pers/docs/2012%20Exp%20Study%20Updated.pdf>

Changes in Actuarial Methods and Allocation Procedures:

Actuarial Cost Method. The Actuarial Cost Method was changed from the Projected Unit Credit (PUC) Cost Method to the Entry Age Normal (EAN) Cost Method. This change will allow OPERS to use the same cost method for contribution rate calculations as required for financial reporting under GASB Statements No. 67 and 68.

Tier 1/Tier 2 UAL Amortization. In combination with the change in cost method, the Board chose to re-amortize the outstanding Tier 1/Tier 2 UAL as of December 31, 2013 over a closed period of 20 years as a level percentage of projected payroll. Gains and losses between subsequent rate-setting valuations will be amortized over a closed 20 year period from the valuation in which they are first recognized.

Contribution Rate Stabilization Method:

The “grade-in range” over which the rate collar gradually doubles was modified so that the collar doubles as funded status (excluding side accounts) decreases from 70 to 60 percent or increases from 130 to 140 percent. Previously the ranges had been 80 to 70 percent and 120 to 130 percent. The modification to the grade-in range was made in combination with the change to actuarial cost method, as discussed at the July 2013 OPERS Board public meeting.

Allocation of Liability for Service Segments:

For purposes of allocating Tier 1/Tier 2 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 OPERS when the member retires. The weights are determined based on the prevalence of each formula among the current Tier 1/Tier 2 population. For the December 31, 2010 and December 31, 2011 valuations, the Money Match was weighted 40 percent for General Service members and 10 percent for Police & Fire members. For the December 31, 2012 and December 31, 2013 valuations, this weighting has been adjusted to 30 percent for General Service members and 5 percent for Police & Fire members, based on a projection of the proportion of liability attributable to Money Match benefits at those valuation dates.

Changes in Economic Assumptions:

Investment Return and Interest Crediting. The assumed investment return and interest crediting to both regular and variable account balances was reduced to 7.75 percent. Previously, the assumed investment return and interest crediting to regular account balances was 8 percent and the assumed interest crediting to variable account balances was 8.25 percent.

OPSRP Administrative Expenses. Assumed administrative expenses for the OPSRP System were reduced from \$6.6 million to \$5.5 million per year.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

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 2018 by the Patient Protection and Affordable Care Act.

Changes in Demographic Assumptions:

Healthy Mortality. The healthy mortality assumption is based on the RP2000 generational mortality tables with group-specific class and setback adjustments. The group-specific adjustments have been updated to more closely match recently observed system experience.

Disabled Mortality. The disabled mortality assumption base was changed from the RP2000 healthy tables to the RP2000 disabled tables. Gender-specific adjustments were applied to align the assumption with recently observed system experience.

Disability, Retirement from Active Status, and Termination. Rates for disability, retirement from active status, and termination were adjusted. Termination rates were changed from being indexed upon age to being indexed upon duration from hire date.

Changes in Salary Increase Assumptions:

Merit Increases, Unused Sick Leave, and Vacation Pay. Unused Sick Leave and Vacation Pay rates were adjusted.

Retiree Healthcare Participation. The RHIA participation rate for healthy retirees was reduced from 48 to 45 percent. The RHIPA participation rate was changed from a uniform rate of 13 percent to a service-based table of rates. (Source: December 31, 2012 Actuarial Valuation p.89)

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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

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. Six percent of covered payroll is paid for general service employees and 9 percent of covered payroll is paid for firefighters and police officers. For fiscal year 2015 the City paid \$20.6 million.

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

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

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

Plan description. The Plan consists of three tiers, two of which are now closed to new employees. Fire and police personnel hired before January 1, 2013 generally became eligible for membership in the Plan immediately upon employment. Sworn personnel initially hired on or after January 1, 2013 are not eligible for membership until they have completed six months of service. See *The Fire and Police Disability and Retirement Fund*, (Note I.A.) for information on obtaining financial statements. The Plan prepares their financial statements in accordance with 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 are recognized in the month they are earned and withdrawals are recognized in the month they are due and payable. Investments are recognized at fair value.

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, 2015, there were 535 members and beneficiaries subject to the Plan as constituted prior to July 1, 1990, now called FPDR One; 2,499 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 OPERS, predominantly in the Oregon Public Service Retirement Plan (OPSRP), for retirement benefits.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

New employees do not become members of OPERS for six months unless they were previously members of OPERS. 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, 2015, the number of FPDR Three members was 422.

The Plan provides for service-connected and occupational disability benefits for FPDR Two and Three members at 75 percent of the member's base pay, reduced by 50 percent 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 percent of the member's base pay, and then reduced by 25 percent of any wages earned in other employment. The minimum benefit is 25 percent of the member's base pay. The Plan also provides for nonservice-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 percent of top-step pay for a police officer or fire fighter. 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 percent of top step pay for a police officer or fire fighter.

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 two percent of top-step pay for a police officer or firefighter for each year of active service (up to 60 percent). 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. FPDR One Fire benefits increased by 2.7 percent on July 1, 2014 and 2.1 percent on July 1, 2015. FPDR One Police benefits increased by 4.6 percent on July 1, 2014 and 2.1 percent on July 1, 2015. There was no FPDR One police benefit increase on July 1, 2013. High-ranking FPDR One participants also receive a supplemental retirement benefit; such benefits are paid from the FPDR Fund but are not part of the Plan. The supplemental benefit payments totaled \$275,597 to 10 participants for the fiscal year ended June 30, 2015.

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 percent vested after five years of service. Benefits are paid to members at retirement using the following formula: 2.2 percent to 2.8 percent 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 percent 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 OPERS for the same period. Historically the Board has granted a percentage increase each July 1 equal to the OPERS percentage increase. Since the FPDR Two tier was created the maximum OPERS percentage increase has been 2 percent, but was reduced to 1.5 percent for July 1, 2013, and to 1.25 percent for adjustments in 2014 and beyond. However, in April 2015 the Oregon Supreme Court invalidated the reduction in annual OPERS adjustments on benefits earned before October 1, 2013 (*Moro v. State of Oregon*). The OPERS Board subsequently awarded all OPERS retirees retroactive benefit increases to two percent for July 1, 2013 and July 1, 2014, as well as a two percent increase on July 1, 2015. The FPDR Board approved the same adjustments for FPDR Two members. FPDR Two pension benefits were increased accordingly, and retroactive payments were issued in June 2015. The FPDR Board has not yet determined how FPDR Two benefit adjustments will be calculated going forward.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

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 percent times the member's percentage of creditable service prior to October 1991 or zero to four percent based on the member's years of service. The 2013 Oregon State Legislature amended the statutes so that members not subject to Oregon income tax are no longer eligible for the additional benefit, effective January 1, 2014.

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 seven percent 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, 2015, 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 preretirement death benefits.

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

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

As of June 30, 2015, membership data related to the Fire and Police Disability, Retirement and Death Benefit Plan (the Plan) was as follows:

	<u>FPDR One</u>	<u>FPDR Two</u>	<u>FPDR Three</u>	<u>Total</u>
Retirees, beneficiaries and participants with disabilities currently receiving pension and long-term disability benefits	<u>535</u>	<u>1,298</u>	<u>-</u>	<u>1,833</u>
Terminated employees that are vested, but not yet receiving benefits	<u>-</u>	<u>77</u>	<u>-</u>	<u>77</u>
Active members on short-term disability	<u>-</u>	<u>21</u>	<u>8</u>	<u>29</u>
Active members:				
Vested	<u>-</u>	<u>1,124</u>	<u>-</u>	<u>1,124</u>
Not in FPDR pension plan	<u>-</u>	<u>-</u>	<u>422</u>	<u>422</u>
Total active members	<u>-</u>	<u>1,124</u>	<u>422</u>	<u>1,546</u>

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

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 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, 2015.

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. For the fiscal year ended June 30, 2015, the actual imposed levy rate per \$1,000 of real market value under the special property tax levy was \$1.37, and the total revenue received from the levy (which is most of the City's employer contribution) was \$122.1 million.

Employees do not contribute to the FPDR Plan. Prior to July 1, 1990, members were required to contribute 7 percent of a member's base salary into the Plan. Effective July 1, 1990, members were no longer required to make contributions into the Plan, except those members opting to remain in FPDR One. All FPDR One members are now receiving retirement or long-term disability benefits and are no longer contributing.

Total actual contributions to the Plan for the fiscal year ended June 30, 2015 totaled \$115.9 million, which is 83.1 percent of the annual covered payroll of \$139.3 million. Pension expense for the fiscal year was \$269.2 million.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

Changes in net pension liability. The following table presents the changes in the net pension liability for the fiscal year ended June 30, 2015:

	Total Pension Liability	Plan Net Position	Net Pension Liability
Balances at 6/30/2014	\$ 2,473,970,866	\$ 20,532,924	\$ 2,453,437,942
Service cost	58,853,250	-	58,853,250
Interest on total liability	106,304,323	-	106,304,323
Benefit payments	(110,900,284)	(110,900,284)	-
Effect of plan changes	185,288,710	-	185,288,710
Changes in assumptions	208,943,518	-	208,943,518
Effect of economic demographic (gains) or losses	(25,565,616)	-	(25,565,616)
Contributions	-	115,811,956	(115,811,956)
Net investment income	-	(481,729)	481,729
Administrative expense	-	(3,085,925)	3,085,925
Net changes	422,923,901	1,344,018	421,579,883
Balances at 6/30/2015	\$ 2,896,894,767	\$ 21,876,942	\$ 2,875,017,825

The City's pension expense for the fiscal year ended June 30, 2015 was \$385,071,833.

The primary change in assumptions was a decline in the discount rate, the June 30 value of the Bond Buyer General Obligation 20-Bond Municipal Bond Index, from 4.29 percent on June 30, 2014 to 3.8 percent on June 30, 2015. The change in discount rate increased the net pension liability by roughly \$208.9 million.

The roll forward of the net pension liability also reflects a significant change in benefit terms. In April 2015 the Oregon Supreme Court invalidated a reduction in annual cost of living adjustments (COLAs) on Oregon Public Employees Retirement System (OPERS) benefits earned before October 1, 2013 (*Moro v. State of Oregon*). By City Charter, COLAs on FPDR Two members' retirement benefits cannot exceed the percentage change granted to police and fire members of OPERS for the same period. The FPDR Board has not determined how the FPDR Two COLAs will be calculated in light of the *Moro* decision, but did approve an actuarial assumption that future adjustments will be a blend of two percent for service prior to October 2013 and 1.25 percent for subsequent service. This assumption is based on a similar approach currently under development at OPERS. As the June 30, 2014 valuation assumed 1.25 percent annual FPDR Two COLAs, the new assumption increased FPDR's net pension liability by approximately \$185.3 million.

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 one percent increase or decrease in the discount rate used to measure the total pension liability:

	1% Decrease (2.80%)	Discount rate (3.80%)	1% Increase (4.80%)
Net pension liability	\$ 3,337,401,911	\$ 2,875,017,825	\$ 2,503,642,037

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

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, 2015:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual earnings on investments	\$ 1,154,138	\$ -
Changes in assumptions	172,286,760	-
Differences between expected and actual experience in the measurement of total pension liability	<u>-</u>	<u>(21,080,420)</u>
Total	<u>\$ 173,440,898</u>	<u>\$ (21,080,420)</u>

The following table presents the future amortization of deferred inflows and outflows of resources for the Plan:

<u>Fiscal Years Ended June 30,</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
2016	\$ 36,945,292	\$ 4,485,196
2017	36,945,292	4,485,196
2018	36,945,292	4,485,196
2019	36,945,292	4,485,196
2020	<u>25,659,730</u>	<u>3,139,636</u>
Total	<u>\$ 173,440,898</u>	<u>\$ 21,080,420</u>

The information presented above is based on the most recent actuarial valuation, or a roll forward of the most recent actuarial valuation. Key assumptions used in the actuarial calculations are listed below.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

Actuarial Valuation Assumptions:

The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions:

Actuarial Valuation Assumptions

Valuation date	June 30, 2014
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, 2013
Mortality assumptions	Retirees and beneficiaries: RP-2000 sex-distinct, generational per Scale AA, with set-backs as described in the most recent valuations. Active members: Mortality rates are a percentage of healthy retiree rates, as described in the relevant valuations.
Actuarial assumptions:	
Discount rate	3.80%
Change in discount rate since last measurement date	(0.49%)
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 *
Post-retirement benefit increases:	
FPDR One	3.75%
FPDR Two	Blend- 2.00%/1.25%

* 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 percent, as detailed in the actuarial valuation report. It is projected that 25 percent of Fire members and 50 percent of Police members retire at age 50, and that all Police members retire by age 60 and all Fire members by age 65. Most assumptions used in the actuarial valuation are based on the experience study of the FPDR Plan completed as of June 30, 2013.

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 prefunded 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.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

E. Employee retirement systems and pension plans continued:

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, 2014. The analysis found that, under a wide range of simulated economic scenarios in the foreseeable future, the future FPDR Fund levy has an approximately four percent probability of reaching the maximum \$2.80 per \$1,000 of real market value in at least one year through 2034. After the Oregon Supreme Court's Moro decision and the FPDR Board's approval of an assumption that future FPDR Two pension adjustments will blend two percent for service prior to October 2013 and 1.25 percent for later service, the probability of exceeding the limit will likely increase with the 2016 levy adequacy analysis to something closer to the five to ten percent probability of reaching the levy rate maximum shown in the 2012 analysis.

F. Related parties:

The City of Portland (City), through the Portland Housing Bureau (PHB) and Portland Development Commission (PDC), has a working relationship with Portland New Markets Fund I, LLC (PNMF), a subsidiary owned by the Portland Family of Funds Holdings, Inc. (PFF). PFF is an Oregon mutual-benefit corporation, for purposes of obtaining New Market Tax Credit (NMTC) allocations from the U.S. Treasury.

PNMF was certified as a Community Development Entity in August 2002, by the Community Development Financial Institutions Fund of the U.S. Department of the Treasury in order to become eligible for tax credits through the NMTC program. PNMF was awarded \$100 million in NMTC allocation authority as part of the NMTC program established by Congress. All of the tax credits awarded have been committed to City projects.

It is intended that through the NMTC program and PNMF, PDC will be able to advance beneficial development projects in the City. The "NMTC Collaboration Agreement" between PDC, PFF, and PNMF dated May 11th, 2005, outlines the respective roles and responsibilities of the working relationship between the entities. This agreement will continue in force for any future awards of NMTC allocation authority given to PFF or any of its subsidiaries.

PDC's role consists of project identification and sourcing, as well as veto and joint approval rights of proposed projects. The functions of PNMF include ongoing day-to-day management control, fundraising activities, and the recording of all tax-credit related financial transactions. PNMF is charged with activities for raising private equity capital, lending their own credit, and owning private equity. Such activities are constitutionally prohibited to PDC by Article XI, Section 9 of the Oregon Constitution.

Portland Small Business Investment Fund, LLC (PSB) is another subsidiary of PFF. PDC has an unsecured non-recourse loan with PSB, for a maximum amount of \$4 million. The purpose of this program is to finance subordinated loans to qualified small businesses to enable the use of New Market Tax Credits. PDC underwrites loans to these borrowers. At present, six fund-level loans between PDC and PSB have a total balance of \$4 million at June 30, 2015. Each advance to PSB was exactly matched by a corresponding note and deed of trust from a small business borrower in favor of PSB. PSB passes on payments received to PDC.

All such loans are interest-only and are unsecured during the seven-year holding period required to obtain the maximum benefit from New Market Tax Credits. Borrowers may not prepay loans during this period, and interest rates during the first seven years range from one to three percent. The loans then convert to fully amortizing loans at interest rates ranging from three to six percent for the next 13 years. At that time PDC receives a security interest in the loans. Interstate Corridor Urban Renewal Area (URA), Lents URA, and Oregon Convention Center URA all reserve these loans at a 10 percent rate. These loans reached the end of the compliance period for new market tax credits and the loans have been returned to PDC as of July 31, 2015.

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

F. Related parties continued:

PHB made a grant of \$4 million using urban renewal monies to assist with the Blanchet House development project to build a community facility for the provision of meals for needy individuals and to provide transitional housing for homeless men earning at or below 30 percent of median gross household income in the City. PFF, through one of its subsidiaries, United Fund Advisors, was involved with structuring the financial transactions that made the project possible using NMTC among other strategies.

The Portland Family of Funds has four individuals who have had a prior relationship with PDC:

- Former PDC Commissioner serves as the chief executive officer and president and chair of the board of directors.
- Former PDC Executive Director serves on the PFF Board.
- Former PDC Commission Chair also serves on the PFF Board.
- Former PDC Project Specialist is a PFF staff member.

Other

In the course of carrying out the City's housing, economic development, transportation, and other policies involving the City's urban renewal districts, the City engaged in numerous transactions with PDC. These include but are not limited to the provision of materials and services, as well as real property acquisition, development, transfers, and sales. PDC also participates in the City's cash investment pool.

G. Subsequent events:

Changes in OPERS Pension Plan Provisions Subsequent to Measurement Date:

The Oregon Supreme Court on April 30, 2015, ruled that the provisions of Senate Bill 861, signed into law in October 2013, that limited the post-retirement COLA on benefits accrued prior to the signing of the law was unconstitutional. The Court's determination was that benefits could be modified prospectively, but not retrospectively. As a result, those who retired before the bills were passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a two percent increase annually. OPERS will make restoration payments to eligible recipients.

OPERS members who have accrued benefits before and after the effective dates of the 2013 legislation will have a blended COLA rate when they retire. The blended COLA methodology blends the COLAs based on creditable service or retirement credit earned by a member when a specific COLA was in effect.

This is a change in benefit terms subsequent to the measurement date of June 30, 2014, and will not be included in the net pension liability (asset) proportionate shares provided to employers in June 2015.

It is estimated that the effect of this may increase the City's net pension liability by approximately \$178 million; the City would then report a net pension liability instead of a net pension asset as it is currently.

OPERS has also reduced its assumed rate of return from 7.75 to 7.5 percent. Based on the sensitivity analysis provided by OPERS, it is estimated that this could increase net pension liability by another \$64 million.

Debt activity

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

Continued next page

City of Portland, Oregon
Notes to the Financial Statements, Continued
For the Fiscal Year Ended June 30, 2015

IV. Other information continued:

G. Subsequent events continued:

Debt Redeemed:	<u>Event Date</u>	<u>Principal</u>
Airport Way Urban Renewal Bonds, Series 2005A	07/09/2015	\$ 24,430,000
First Lien Sewer System Revenue Bonds, Series 2004B	08/27/2015	77,055,000
First Lien Sewer System Revenue Bonds, Series 2005A	08/27/2015	144,850,000
First Lien Sewer System Revenue Bonds, Series 2006A	08/27/2015	136,430,000
Second Lien Sewer System Revenue Bonds, Series 2006B	08/27/2015	67,160,000

Subsequent to fiscal year-end, the City made a draw on the following line of credit:

<u>Line of Credit Activity</u>	<u>Origination date</u>	<u>Maximum Credit</u>	<u>Draw Date</u>	<u>Principal Draw</u>	<u>Length in Years</u>	<u>Interest Rate</u>
Line of Credit Draw	09/14/2015	\$ 18,500,000	11/16/2015	\$ 968,378	1.5	Variable

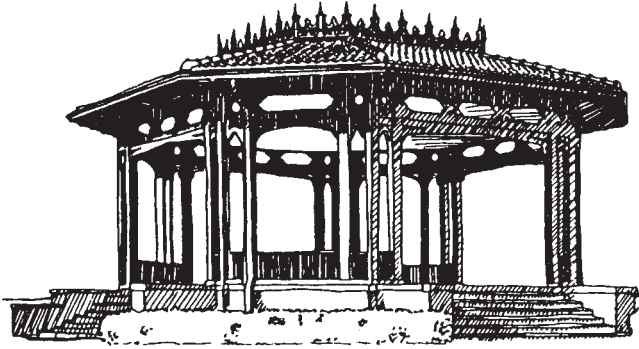
Subsequent to fiscal year-end, the City issued the following short-term debt instrument:

Notes and Loans:	<u>Issue Date</u>	<u>Principal</u>	<u>Length in Years</u>	<u>Interest Rates</u>
Tax Anticipation Notes, Series 2015 FPDR	07/28/2015	\$ 24,370,000	0.95	1.50%

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

Bonds and Terms:	<u>Origination Date</u>	<u>Principal</u>	<u>Length in Years</u>	<u>Interest Rates</u>
First Lien Sewer System Revenue Refunding Bonds 2015 Series A Interest payable semi-annually on December 1 and June 1 Refinance Sewer System Revenue Bonds	08/27/2015	\$ 329,805,000	16.00	3.00-5.00%
Second Lien Sewer System Revenue Refunding Bonds 2015 Series B Interest payable semi-annually on December 1 and June 1 Refinance Sewer System Revenue Bonds	08/27/2015	63,300,000	16.00	3.00-5.00
Airport Way Urban Renewal and Redevelopment Refunding Bonds 2015 Series A Interest payable semi-annually on December 15 and June 15 Refinance Urban Renewal Bonds	07/09/2015	24,897,200	5.00	1.38
General Obligation Bonds - Parks Improvements 2015 Series B Interest payable semi-annually on December 15 and June 15 Fund park construction projects	07/30/2015	2,000,000	1.00	.50
General Obligation Bonds - Parks Improvements 2015 Series C Interest payable semi-annually on December 15 and June 15 Fund park construction projects	07/30/2015	23,850,000	13.00	2.00-5.00

Required Supplementary Information



Peninsula Park Bandstand, 1913

Blank back of tab

City of Portland, Oregon
General Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 201,524,041	\$ 201,524,041	\$ 206,945,891	\$ 5,421,850
Prior year property	4,232,631	4,232,631	3,813,176	(419,455)
Lodging	21,088,811	21,088,811	27,006,075	5,917,264
Total taxes	226,845,483	226,845,483	237,765,142	10,919,659
Licenses and permits:				
Business licenses, net	79,799,708	79,799,708	97,883,936	18,084,228
Public utility licenses	82,273,530	82,273,530	81,864,957	(408,573)
Construction permits	1,500,000	1,945,000	2,218,121	273,121
Other permits	2,862,108	2,904,108	2,914,115	10,007
Total licenses and permits	166,435,346	166,922,346	184,881,129	17,958,783
Intergovernmental:				
Federal cost sharing	263,000	263,000	234,784	(28,216)
State revenue sharing	14,535,088	14,535,088	15,663,033	1,127,945
State cost sharing	174,000	174,000	184,072	10,072
Multnomah County cost sharing	2,239,087	2,400,280	2,413,115	12,835
Local revenue sharing	3,603,822	3,753,822	3,015,608	(738,214)
Local cost sharing	5,957,309	6,619,683	6,743,562	123,879
Overhead charges	209,376	209,376	209,376	-
Total intergovernmental	26,981,682	27,955,249	28,463,550	508,301
Service charges and fees:				
Public works and utility charges	-	1,411	2,912	1,501
Inspection fees	1,450,000	1,450,000	1,277,298	(172,702)
Rents and reimbursements	4,574,361	4,574,549	4,686,789	112,240
Parking fees	333,173	419,698	436,550	16,852
Concessions	30,681	30,681	22,512	(8,169)
Parks and recreation facilities fees	12,280,960	12,297,513	12,619,131	321,618
Other service charges	1,798,450	1,830,852	3,382,288	1,551,436
Total service charges and fees	20,467,625	20,604,704	22,427,480	1,822,776
Billings to other funds for services	23,503,353	24,938,300	23,697,573	(1,240,727)
Billings to other funds for overhead	22,631,517	22,631,517	22,631,517	-
Other:				
Loan repayments	-	-	1,252	1,252
Assessments	3,263	3,263	3,540	277
Sales - other	1,950,297	1,983,097	1,041,617	(941,480)
Refunds	60,000	79,031	129,589	50,558
Donations	270,000	270,000	81,133	(188,867)
Investment earnings	1,015,958	994,601	1,067,312	72,711
Payment in lieu of taxes	1,057,962	1,057,962	586,440	(471,522)
Fines	157,150	157,150	339,225	182,075
Miscellaneous	531,686	1,190,770	1,466,027	275,257
Total other	5,046,316	5,735,874	4,716,135	(1,019,739)
Total revenues	491,911,322	495,633,473	524,582,526	28,949,053

Continued next page

City of Portland, Oregon
General Fund
Schedule of Revenues and Expenditures - Budget and Actual, Continued
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current:				
Personal services	327,392,962	338,127,712	336,142,951	1,984,761
Materials and services	130,226,954	137,575,487	131,319,697	6,255,790
General operating contingencies	11,924,217	6,451,380	-	6,451,380
Debt service and related costs:				
Principal	6,049,231	5,386,731	5,049,231	337,500
Interest	2,704,310	2,704,310	2,402,831	301,479
Capital outlay	310,000	1,675,211	789,455	885,756
	<u>478,607,674</u>	<u>491,920,831</u>	<u>475,704,165</u>	<u>16,216,666</u>
Total expenditures				
Revenues over (under) expenditures	<u>13,303,648</u>	<u>3,712,642</u>	<u>48,878,361</u>	<u>45,165,719</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Transportation Operating	-	230,000	230,000	-
Emergency Communication	-	411,745	411,745	-
Hydroelectric Power Operating	400,000	400,000	400,000	-
Parking Facilities	278,310	278,310	278,310	-
Spectator Facilities Operating	18,329	18,329	18,329	-
Facilities Services Operating	58,825	58,825	58,825	-
Technology Services	3,084,353	3,453,500	3,453,500	-
	<u>3,839,817</u>	<u>4,850,709</u>	<u>4,850,709</u>	<u>-</u>
Total transfers from other funds				

City of Portland, Oregon
General Fund
Schedule of Revenues and Expenditures - Budget and Actual, Continued
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES),				
Continued				
Transfers to other funds:				
Transportation Operating	(9,909,127)	(12,062,939)	(12,062,939)	-
Assessment Collection	(14)	(14)	(14)	-
Emergency Communication	(12,284,605)	(14,628,860)	(14,628,860)	-
Development Services	(2,033,872)	(2,415,384)	(2,415,384)	-
Convention and Tourism	-	(108)	(108)	-
General Reserve	(1,948,343)	(1,948,343)	(1,948,343)	-
Housing Investment	(1,000,000)	(1,070,000)	(1,070,000)	-
Portland Parks Memorial	(61,200)	(484,800)	(484,800)	-
Police Special Revenue	-	(200,010)	(200,010)	-
Pension Debt Redemption	(1,472,604)	(1,472,604)	(1,472,604)	-
Governmental Bond Redemption	(1,436,494)	(1,436,494)	(1,436,494)	-
BFRES Facilities GO Bond Construction	-	(245)	(245)	-
Local Improvement District	(63,978)	(64,400)	(64,400)	-
Parks Capital Improvement Program	(1,622,768)	(2,335,468)	(2,335,468)	-
Sewer System Operating	(971,895)	(1,123,464)	(1,123,464)	-
Water	-	(24,472)	(24,472)	-
Hydroelectric Power Operating	(4,148)	(4,303)	(4,303)	-
Golf	-	(458)	(458)	-
Portland International Raceway	-	(191)	(191)	-
Solid Waste Management	-	(246)	(246)	-
Parking Facilities	-	(590)	(590)	-
Spectator Facilities Operating	-	(283)	(283)	-
Environmental Remediation	-	(385)	(385)	-
Facilities Services Operating	(3,565,541)	(2,865,477)	(2,865,477)	-
CityFleet Operating	-	(1,203,807)	(1,203,807)	-
Printing and Distribution Services				
Operating	-	(494)	(494)	-
Insurance and Claims Operating	-	(705)	(705)	-
Workers' Compensation Self Insurance				
Operating	-	(293)	(293)	-
Technology Services	-	(69,812)	(69,812)	-
Enterprise Business Solutions Services	-	(305)	(305)	-
Fire and Police Disability and Retirement	-	(254)	(254)	-
Total transfers to other funds	(36,374,589)	(43,415,208)	(43,415,208)	-
Internal loan remittances	(137,516)	(1,323,735)	(1,323,735)	-
Sale of capital asset	-	-	300	300
Total other financing sources (uses)	(32,672,288)	(39,888,234)	(39,887,934)	300
Net change in fund balance	(19,368,640)	(36,175,592)	8,990,427	45,166,019
Fund balance - beginning	19,368,640	36,175,592	37,067,314	891,722
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	46,057,741	<u>\$ 46,057,741</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Reserve fund budgeted as separate fund			58,885,208	
Unrealized gain (loss) on investments			125,955	
Internal loans receivable			725,000	
Inventories			286,027	
Fund balance - GAAP basis			<u>\$ 106,079,931</u>	

City of Portland, Oregon
Transportation Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Licenses and permits:				
Public utility licenses	\$ 1,231,135	\$ -	\$ -	-
Construction permits	1,540,180	1,585,180	4,887,356	3,302,176
Other permits	-	1,468,335	1,960,932	492,597
Total licenses and permits	<u>2,771,315</u>	<u>3,053,515</u>	<u>6,848,288</u>	<u>3,794,773</u>
Intergovernmental:				
Federal cost sharing	-	-	1,186	1,186
State revenue sharing	36,554,331	36,554,331	34,510,686	(2,043,645)
State cost sharing	-	-	643,097	643,097
Multnomah County cost sharing	100,000	100,000	22,360	(77,640)
Local revenue sharing	30,325,821	30,349,365	26,387,299	(3,962,066)
Local cost sharing	1,678,000	1,678,000	3,961,094	2,283,094
Total intergovernmental	<u>68,658,152</u>	<u>68,681,696</u>	<u>65,525,722</u>	<u>(3,155,974)</u>
Service charges and fees:				
Public works and utility charges	7,186,488	7,186,488	13,624,151	6,437,663
Inspection fees	540,206	540,206	544,111	3,905
Rents and reimbursements	400,000	400,000	566,728	166,728
Parking fees	37,736,700	37,736,700	36,944,192	(792,508)
Other service charges	3,208,910	3,210,910	2,493,378	(717,532)
Total service charges and fees	<u>49,072,304</u>	<u>49,074,304</u>	<u>54,172,560</u>	<u>5,098,256</u>
Billings to other funds for services	<u>28,706,199</u>	<u>30,455,177</u>	<u>29,320,265</u>	<u>(1,134,912)</u>
Other:				
Assessments	700,000	700,000	1,423,200	723,200
Sales - other	341,430	341,430	367,376	25,946
Donations	25,000	25,000	1,708,369	1,683,369
Investment earnings	200,000	200,000	408,480	208,480
Miscellaneous	2,566,859	2,632,659	2,098,747	(533,912)
Total other	<u>3,833,289</u>	<u>3,899,089</u>	<u>6,006,172</u>	<u>2,107,083</u>
Total revenues	<u>153,041,259</u>	<u>155,163,781</u>	<u>161,873,007</u>	<u>6,709,226</u>
EXPENDITURES				
Current:				
Personal services	69,991,165	70,759,469	67,743,189	3,016,280
Materials and services	95,604,218	95,280,551	89,085,676	6,194,875
General operating contingencies	54,477,119	39,936,092	-	39,936,092
Overhead charges - General Fund	5,874,071	5,874,071	5,874,071	-
Debt service and related costs:				
Principal	9,913,275	9,913,275	9,366,992	546,283
Interest	4,757,540	4,757,540	4,613,333	144,207
Debt issuance costs	-	70,000	37,585	32,415
Capital outlay	22,000,637	21,187,656	10,979,144	10,208,512
Total expenditures	<u>262,618,025</u>	<u>247,778,654</u>	<u>187,699,990</u>	<u>60,078,664</u>
Revenues over (under) expenditures	<u>(109,576,766)</u>	<u>(92,614,873)</u>	<u>(25,826,983)</u>	<u>66,787,890</u>

Continued next page

City of Portland, Oregon
Transportation Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, Continued
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	9,909,127	12,062,939	12,062,939	-
Local Improvement District	1,203,260	1,203,260	-	(1,203,260)
Parking Facilities	3,200,863	3,200,863	3,200,863	-
Spectator Facilities Operating	90,000	90,000	90,000	-
Facilities Services Operating	2,773	2,773	2,773	-
Total transfers from other funds	<u>14,406,023</u>	<u>16,559,835</u>	<u>15,356,575</u>	<u>(1,203,260)</u>
Transfers to other funds:				
General	-	(230,000)	(230,000)	-
Transportation Reserve	(700,000)	(1,200,000)	(1,200,000)	-
Pension Debt Redemption	(719,957)	(719,957)	(719,957)	-
Gas Tax Bond Redemption	(2,483,405)	(2,483,405)	(2,475,745)	7,660
Sewer System Operating	(50,000)	(52,823)	(52,823)	-
Environmental Remediation	(100,000)	(100,000)	(100,000)	-
Total transfers to other funds	<u>(4,053,362)</u>	<u>(4,786,185)</u>	<u>(4,778,525)</u>	<u>7,660</u>
Bonds and notes issued	48,637,665	27,500,000	24,196,709	(3,303,291)
Internal loan proceeds	2,410,000	2,410,000	2,000,000	(410,000)
Internal loan remittances	-	(4,000,000)	(4,000,000)	-
Total other financing sources (uses)	<u>61,400,326</u>	<u>37,683,650</u>	<u>32,774,759</u>	<u>(4,908,891)</u>
Net change in fund balance	(48,176,440)	(54,931,223)	6,947,776	61,878,999
Fund balance - beginning	48,176,440	54,931,223	60,783,863	5,852,640
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>67,731,639</u>	<u>\$ 67,731,639</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Reserve fund budgeted as separate fund			4,248,460	
Unrealized gain (loss) on investments			103,985	
Internal loans receivable			4,000,000	
Inventories			<u>7,117,403</u>	
Fund balance - GAAP basis			<u>\$ 83,201,487</u>	

City of Portland, Oregon
Required Supplementary Information Notes and Schedules
For the Fiscal Year Ended June 30, 2015

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

General and Transportation Operating Funds are the City's major governmental funds. Both General and Transportation Operating Funds have their own reserve funds that account for counter-cyclical 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:

The General Reserve Fund provided temporary operating loans of \$0.6 million to the Grants Fund and \$0.1 million to the Bonded Debt Interest and Sinking Fund. As of June 30, 2015, internal loans receivable of \$0.7 million were reported in the General Fund which includes the General Reserve Fund for GAAP basis. The Transportation Operating Fund provided a temporary operating loan of \$4 million to the Grants Fund. These internal loans were authorized by Council Resolution #37131. Based on authority granted in resolution #37081, the Parks Capital Improvement Program loaned \$.8 million to the Golf Fund.

The internal loans of \$4.6 million to the Grants Fund provide interim funding to cover lags in federal, state and other grant reimbursements. The internal loan to the Bonded Debt Interest and Sinking Fund for \$0.1 million provided the necessary cash for debt service because property tax receipts were lower than expected. The internal loan to the Golf Fund is being used to redesign Colwood Golf Course.

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 fiscal year ended June 30, 2015.

Oregon state law requires disclosure of fund expenditures in excess of budget appropriations. Neither the General nor Transportation Operating Funds exceeded budget at the legal level of appropriation (See Note II.A.).

Continued next page

City of Portland, Oregon
Required Supplementary Information Notes and Schedules, Continued
For the Fiscal Year Ended June 30, 2015

C. Other postemployment benefits:

The City provides an implicit rate subsidy for retiree Health Insurance continuation premiums. Details regarding employer contributions are located in the Notes to the Financial Statements section, Note IV. D.

SCHEDULE OF FUNDING PROGRESS

City Employees Health Continuation Plan Other Postemployment Retirement Benefits Plan:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
7/1/2009	** \$ -	\$ 113,446,149	\$ 113,446,149	- %	N/A	N/A%
7/1/2011	-	104,946,292	104,946,292	-	326,480,413	32.14
7/1/2013	-	103,990,506	103,990,506	-	343,450,043	30.28

N/A = not available

** restated to reflect impact of change in discount rate

Continued next page

City of Portland, Oregon
Required Supplementary Information Notes and Schedules, Continued
For the Fiscal Year Ended June 30, 2015

D. Employee retirement pension benefits:

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.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
(Dollars in millions)

Fire and Police Disability, Retirement, and Death Benefit Plan

	<u>2015</u>	<u>2014</u>	<u>2013 and Prior</u>
<u>Total pension liability:</u>			
Service cost	\$ 58.9	\$ 63.7	N/A
Interest	106.3	117.0	N/A
Benefit payments	(110.9)	(108.0)	N/A
Effect of plan changes	185.3	(222.3)	N/A
Effect of changes in assumptions	208.9	106.5	N/A
Effect of economic/demographic (gains) or losses	<u>(25.6)</u>	<u>-</u>	<u>N/A</u>
Net change in total pension liability	422.9	(43.1)	N/A
Total pension liability, beginning	<u>2,474.0</u>	<u>2,517.1</u>	<u>N/A</u>
Total pension liability, ending	<u>\$ 2,896.9</u>	<u>\$ 2,474.0</u>	<u>N/A</u>
<u>Plan net position:</u>			
Employer contributions	\$ 115.9	\$ 114.7	N/A
Net investment income	(0.5)	0.3	N/A
Benefit payments	(110.9)	(108.0)	N/A
Administrative expense	<u>(3.1)</u>	<u>(3.6)</u>	<u>N/A</u>
Net change in plan net position	1.4	3.4	N/A
Plan net position, beginning	<u>20.5</u>	<u>17.1</u>	<u>N/A</u>
Plan net position, ending	<u>\$ 21.9</u>	<u>\$ 20.5</u>	<u>N/A</u>
Net pension liability	<u>\$ 2,875.0</u>	<u>\$ 2,453.5</u>	<u>N/A</u>
Plan net position as a percent of total pension liability	0.76 %	0.83 %	N/A
Covered employee payroll	\$ 139.3	\$ 135.7	N/A
Net pension liability as a percent of covered employee payroll	2,063.89 %	1,807.99 %	N/A

Continued next page

City of Portland, Oregon
Required Supplementary Information Notes and Schedules, Continued
For the Fiscal Year Ended June 30, 2015

D. Employee retirement pension benefits: continued

SCHEDULE OF EMPLOYER CONTRIBUTIONS
(Dollars in millions)

	2015	2014	2013 and Prior
Employer contributions	\$ 115.9	\$ 114.7	N/A
Contributions recognized by plan	115.9	114.7	N/A
Difference	<u>\$ -</u>	<u>\$ -</u>	<u>N/A</u>
Covered employee payroll	\$ 139.3	\$ 135.7	N/A
Contributions as a percent of covered employee payroll	83.20 %	84.52 %	N/A

The net pension liability increased by \$422.9 million or 17.1 percent primarily as a result of plan changes and assumption changes. The \$185.3 million addition to liability due to plan changes was the result of the Oregon Supreme Court's *Moro* decision, on the basis of which the FPDR Board increased the assumption for future FPDR Two benefit adjustments from 1.25 percent to a blend of 2 percent and 1.25 percent. The \$208.9 million addition to liability due to assumption changes is primarily due to the decrease in the discount rate from 4.29 to 3.8 percent.

Oregon Public Employees Retirement System (OPERS):

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Oregon Public Employees Retirement System
(Dollars in millions)

	2015	2014	2013 and Prior
Proportion of the net pension liability (asset)	3.62934176%	3.62934176%	N/A
Proportionate share of the net pension liability (asset)	\$ (82.3)	\$ 185.2	N/A
Covered payroll	\$ 330.5	\$ 313.1	N/A
Proportionate share of the pension liability (asset) as a percentage of its covered employee payroll	(24.90)%	59.15 %	N/A
Plan net position as a percentage of the total pension liability	103.59 %	92.00 %	N/A

SCHEDULE OF CONTRIBUTIONS
Oregon Public Employees Retirement System
(Dollars in millions)

	2015	2014	2013 and Prior
Contractually required contribution	\$ 26.3	\$ 25.0	N/A
Contributions in relation to the contractually required contribution	26.3	25.0	N/A
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>N/A</u>
Covered employee payroll	\$ 330.5	\$ 313.1	N/A
Contributions as a percentage of covered employee payroll	7.96 %	7.99 %	N/A

Continued next page

City of Portland, Oregon
Required Supplementary Information Notes and Schedules, Continued
For the Fiscal Year Ended June 30, 2015

D. Employee retirement pension benefits: continued

Changes in Plan Provisions Subsequent to Measurement Date:

The Oregon Supreme Court on April 30, 2015, ruled that the provisions of Senate Bill 861, signed into law in October 2013, that limited the post-retirement COLA on benefits accrued prior to the signing of the law was unconstitutional. Benefits could be modified prospectively, but not retrospectively. As a result, those who retired before Senate Bill 861 passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a two percent increase annually. OPERS will make restoration payments to eligible recipients.

OPERS members who have accrued benefits before and after the effective dates of the 2013 legislation will have a blended COLA rate when they retire.

This is a change in benefit terms subsequent to the measurement date of June 30, 2014, and not included in the net pension liability (asset) proportionate shares provided to employers in June 2015.

It is estimated that this change will increase net pension liability by \$178.4 million.

Changes in Assumptions:

A summary of key changes implemented since the December 31, 2011 valuation are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2012 Experience Study for the System, which was published on September 18, 2013, and can be found at: <http://www.oregon.gov/pers/docs/2012%20Exp%20Study%20Updated.pdf>.

Changes in Actuarial Methods and Allocation Procedures:

Actuarial Cost Method - The Actuarial Cost Method was changed from the Projected Unit Credit (PUC) Cost Method to the Entry Age Normal (EAN) Cost Method. This change will allow OPERS to use the same cost method for contribution rate calculations as required for financial reporting under GASB Statements No. 67 and 68.

Tier 1/Tier 2 Unfunded Actuarial Liability (UAL) amortization - In combination with the change in cost method, the OPERS Board chose to re-amortize the outstanding Tier 1/Tier 2 UAL as of December 31, 2013 over a closed period of 20 years as a level percentage of projected payroll. Gains and losses between subsequent rate-setting valuations will be amortized over a closed 20-year period from the valuation in which they are first recognized.

Contribution Rate Stabilization Method - The "grade-in range" over which the rate collar gradually doubles was modified so that the collar doubles as funded status (excluding side accounts) decreases from 70 to 60 percent or increases from 130 to 140 percent. Previously the ranges had been 80 to 70 percent and 120 to 130 percent. The modification to the grade-in range was made in combination with the change to actuarial cost method, as discussed at the July 2013 OPERS Board public meeting.

Allocation of Liability for Service Segments - For purposes of allocating Tier 1/Tier 2 members' actuarial accrued liability among multiple employers, the valuation uses a weighted average of the Money Match methodology and the Full Formula methodology used by OPERS when the member retires. The weights are determined based on the prevalence of each formula among the current Tier 1/Tier 2 population. For the December 31, 2010 and December 31, 2011 valuations, the Money Match was weighted 40 percent for General Service members and 10 percent for Police and Fire members. For the December 31, 2012 and December 31, 2013 valuations, this weighting has been adjusted to 30 percent for General Service members and 5 percent for Police and Fire members, based on a projection of the proportion of liability attributable to Money Match benefits at those valuation dates.

Continued next page

City of Portland, Oregon
Required Supplementary Information Notes and Schedules, Continued
For the Fiscal Year Ended June 30, 2015

D. Employee retirement pension benefits: continued

Changes in Economic Assumptions:

Investment Return and Interest Crediting - The assumed investment return and interest crediting to both regular and variable account balances was reduced to 7.75 percent. Previously, the assumed investment return and interest crediting to regular account balances was 8 percent and the assumed interest crediting to variable account balances was 8.25 percent.

OPSRP Administrative Expenses - Assumed administrative expenses for the OPSRP System were reduced from \$6.6 million per year to \$5.5 million per year.

Healthcare Cost Inflation - The healthcare cost inflation for the maximum Retiree Health Insurance Premium Account (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 2018 by the Patient Protection and Affordable Care Act.

Changes in Demographic Assumptions:

Healthy Mortality - The healthy mortality assumption is based on the RP2000 generational mortality tables with group-specific class and setback adjustments. The group-specific adjustments have been updated to more closely match recently observed system experience.

Disabled Mortality - The disabled mortality assumption base was changed from the RP2000 healthy tables to the RP2000 disabled tables. Gender-specific adjustments were applied to align the assumption with recently observed system experience. RP2000 are mortality tables developed by the Society of Actuaries for the Secretary of Treasury.

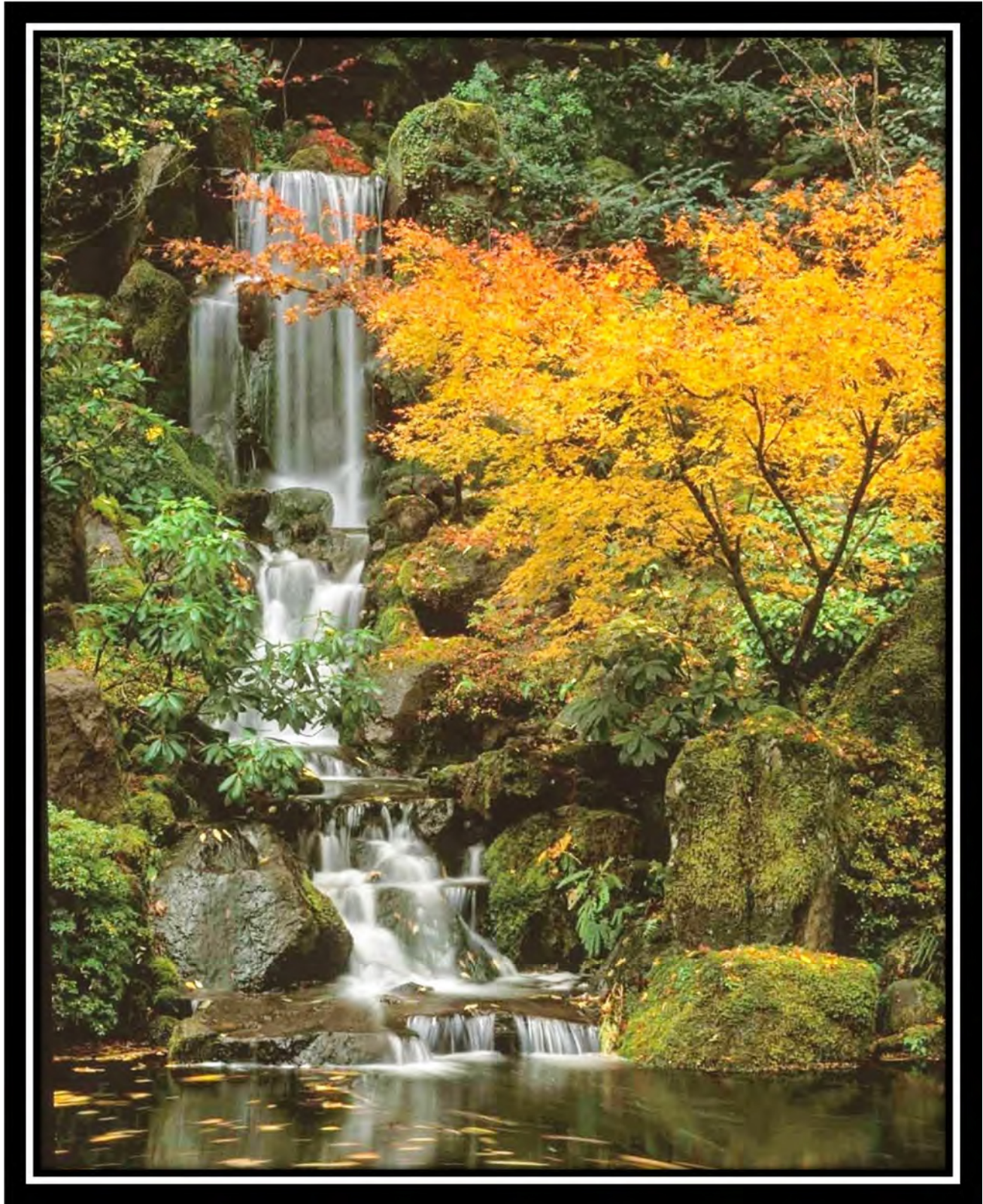
Disability, Retirement from Active Status, and Termination - Rates for disability, retirement from active status, and termination were adjusted. Termination rates were changed from being indexed upon age to being indexed upon duration from hire date.

Changes in Salary Increase Assumptions:

Merit Increases, Unused Sick Leave, and Vacation Pay - Unused sick leave and vacation pay rates were adjusted.

Retiree Healthcare Participation - The RHIA participation rate for healthy retirees was reduced from 48 to 45 percent. The RHIPA participation rate was changed from a uniform rate of 13 percent to a service-based table of rates.

(Source: December 31, 2012 OPERS Actuarial Valuation p.89)



Japanese Gardens – Water Fall

Combining and Individual Fund Statements and Schedules



Fried/Durkheimer Residence, 1800-81

Blank back of tab

Nonmajor Governmental Funds

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.

Blank back of tab

**City of Portland, Oregon
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015**

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Project Funds</u>	<u>Permanent Fund</u>	<u>Total</u>
ASSETS					
Unrestricted:					
Cash and investments	\$ 24,135,405	\$ 13,849,928	\$ 7,971,605	\$ -	\$ 45,956,938
Receivables:					
Accounts, net	2,687,147	-	191,150	-	2,878,297
Assessments	-	6,934,146	-	-	6,934,146
Notes and loans, net	6,509,941	-	-	-	6,509,941
Accrued interest	288,333	32,881	26,675	-	347,889
Due from other funds	-	-	929	-	929
Restricted:					
Cash and investments	76,322,465	59,849,616	62,636,465	181,756	198,990,302
Receivables:					
Taxes	923,449	9,253,307	-	-	10,176,756
Accounts, net	36,000	-	777,280	-	813,280
Assessments	17,357,005	46,002,818	5,001,459	-	68,361,282
Notes and loans, net	68,590,068	-	219,100	-	68,809,168
Advances	3,923	-	9,034,241	-	9,038,164
Grants	7,849,575	-	-	-	7,849,575
Accrued interest	398,678	241,485	105,437	388	745,988
Due from component unit	1,713,994	-	578,010	-	2,292,004
Internal loans receivable	-	-	800,000	-	800,000
Property held for sale	11,048,556	-	-	-	11,048,556
	<u>\$ 217,864,539</u>	<u>\$ 136,164,181</u>	<u>\$ 87,342,351</u>	<u>\$ 182,144</u>	<u>\$ 441,553,215</u>
Total assets					
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities payable from unrestricted assets:					
Accounts payable	\$ 856,737	\$ -	\$ 173,964	\$ -	\$ 1,030,701
Unearned revenue	3,269,968	-	-	-	3,269,968
Liabilities payable from restricted assets:					
Accounts payable	5,037,212	5,617	1,093,542	350	6,136,721
Due to other funds	47,062	-	-	-	47,062
Due to component unit	641,841	-	22,031	-	663,872
Internal loans payable	4,600,000	125,000	-	-	4,725,000
Unearned revenue	2,902,885	-	-	-	2,902,885
	<u>17,355,705</u>	<u>130,617</u>	<u>1,289,537</u>	<u>350</u>	<u>18,776,209</u>
Total liabilities					
Deferred inflows of resources:					
Unavailable revenue - unrestricted	4,977	6,798,243	-	-	6,803,220
Unavailable revenue - restricted	24,083,548	53,016,768	5,001,459	-	82,101,775
	<u>24,088,525</u>	<u>59,815,011</u>	<u>5,001,459</u>	<u>-</u>	<u>88,904,995</u>
Total deferred inflows of resources					
Fund balances:					
Nonspendable	-	-	-	162,572	162,572
Restricted	150,476,673	62,199,841	73,034,959	19,222	285,730,695
Committed	14,843,739	-	1,282,338	-	16,126,077
Assigned	14,645,405	14,018,712	6,734,058	-	35,398,175
Unassigned	(3,545,508)	-	-	-	(3,545,508)
	<u>176,420,309</u>	<u>76,218,553</u>	<u>81,051,355</u>	<u>181,794</u>	<u>333,872,011</u>
Total fund balances					
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 217,864,539</u>	<u>\$ 136,164,181</u>	<u>\$ 87,342,351</u>	<u>\$ 182,144</u>	<u>\$ 441,553,215</u>

**City of Portland, Oregon
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2015**

	<u>Assessment Collection</u>	<u>Emergency Communication</u>	<u>Development Services</u>	<u>Property Management License</u>	<u>Convention and Tourism</u>
ASSETS					
Unrestricted:					
Cash and investments	\$ -	\$ 57,279	\$ 10,934,226	\$ 14,830	\$ 3,386,125
Receivables:					
Accounts, net	-	1,481,521	1,159,550	-	-
Notes and loans, net	-	-	-	-	-
Accrued interest	-	5,499	99,595	1,028	9,220
Restricted:					
Cash and investments	78,020	-	39,895,185	-	-
Receivables:					
Taxes	-	-	-	-	-
Accounts, net	-	-	-	-	-
Assessments	2,949	-	17,346,778	-	-
Notes and loans, net	-	-	-	-	-
Advances	-	-	-	-	-
Grants	-	-	-	-	-
Accrued interest	167	-	-	-	-
Due from component unit	-	-	-	-	-
Property held for sale	-	-	-	-	-
Total assets	<u>\$ 81,136</u>	<u>\$ 1,544,299</u>	<u>\$ 69,435,334</u>	<u>\$ 15,858</u>	<u>\$ 3,395,345</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities payable from unrestricted assets:					
Accounts payable	\$ -	\$ 16,218	\$ 779,795	\$ 1,815	\$ -
Unearned revenue	-	-	1,296	-	3,268,672
Liabilities payable from restricted assets:					
Accounts payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to component unit	-	-	-	-	-
Internal loans payable	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>16,218</u>	<u>781,091</u>	<u>1,815</u>	<u>3,268,672</u>
Deferred inflows of resources:					
Unavailable revenue - unrestricted	-	-	4,977	-	-
Unavailable revenue - restricted	2,949	-	17,346,778	-	-
Total deferred inflows of resources	<u>2,949</u>	<u>-</u>	<u>17,351,755</u>	<u>-</u>	<u>-</u>
Fund balances:					
Restricted	78,187	-	39,895,185	-	-
Committed	-	1,528,081	-	14,043	126,673
Assigned	-	-	11,407,303	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>78,187</u>	<u>1,528,081</u>	<u>51,302,488</u>	<u>14,043</u>	<u>126,673</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 81,136</u>	<u>\$ 1,544,299</u>	<u>\$ 69,435,334</u>	<u>\$ 15,858</u>	<u>\$ 3,395,345</u>

<u>Housing Investment</u>	<u>Parks Local Option Levy</u>	<u>Children's Investment</u>	<u>Grants</u>	<u>Community Development Block Grant</u>	<u>HOME Grant</u>	<u>Portland Parks Memorial</u>	<u>Tax Increment Reimbursement</u>
\$ 3,363,075	\$ -	\$ -	\$ -	20,716	\$ -	3,881,182	\$ 2,469,727
46,076	-	-	-	-	-	-	-
6,509,941	-	-	-	-	-	-	-
161,819	-	-	-	-	-	11,172	-
-	666,861	6,767,074	2,539,073	238,546	192,350	1,140,353	14,869,636
-	1,257	922,192	-	-	-	-	-
-	-	-	-	-	-	36,000	-
-	-	-	-	7,278	-	-	-
-	-	-	571,219	16,455,243	5,411,939	-	46,151,667
-	-	3,923	-	-	-	-	-
-	-	-	6,904,664	767,285	177,626	-	-
-	1,953	16,452	2,808	16,447	89,036	2,035	251,258
-	-	-	1,001,168	251,456	-	-	461,370
-	-	-	-	-	-	-	11,048,556
<u>\$ 10,080,911</u>	<u>\$ 670,071</u>	<u>\$ 7,709,641</u>	<u>\$ 11,018,932</u>	<u>\$ 17,756,971</u>	<u>\$ 5,870,951</u>	<u>\$ 5,070,742</u>	<u>\$ 75,252,214</u>

\$ 53,734	\$ -	\$ -	\$ -	\$ -	\$ -	5,175	\$ -
-	-	-	-	-	-	-	-
-	-	2,958,747	1,223,232	478,397	256,062	-	110,635
-	-	-	47,062	-	-	-	-
-	-	-	88,421	548,302	-	-	5,118
-	-	-	4,600,000	-	-	-	-
-	-	-	2,902,885	-	-	-	-
<u>53,734</u>	<u>-</u>	<u>2,958,747</u>	<u>8,861,600</u>	<u>1,026,699</u>	<u>256,062</u>	<u>5,175</u>	<u>115,753</u>
-	-	-	-	-	-	-	-
-	1,241	770,149	5,702,840	259,591	-	-	-
-	1,241	770,149	5,702,840	259,591	-	-	-
-	668,830	3,980,745	-	16,449,965	5,614,889	1,178,388	72,666,734
9,847,067	-	-	-	-	-	3,319,630	-
180,110	-	-	-	20,716	-	567,549	2,469,727
-	-	-	(3,545,508)	-	-	-	-
<u>10,027,177</u>	<u>668,830</u>	<u>3,980,745</u>	<u>(3,545,508)</u>	<u>16,470,681</u>	<u>5,614,889</u>	<u>5,065,567</u>	<u>75,136,461</u>
<u>\$ 10,080,911</u>	<u>\$ 670,071</u>	<u>\$ 7,709,641</u>	<u>\$ 11,018,932</u>	<u>\$ 17,756,971</u>	<u>\$ 5,870,951</u>	<u>\$ 5,070,742</u>	<u>\$ 75,252,214</u>

Continued next page

City of Portland, Oregon
Combining Balance Sheet, Continued
Nonmajor Special Revenue Funds
June 30, 2015

	<u>Police Special Revenue</u>	<u>Arts Education and Access</u>	<u>Community Solar</u>	<u>Total</u>
ASSETS				
Unrestricted:				
Cash and investments	\$ -	\$ -	\$ 8,245	\$ 24,135,405
Receivables:				
Accounts, net	-	-	-	2,687,147
Notes and loans, net	-	-	-	6,509,941
Accrued interest	-	-	-	288,333
Restricted:				
Cash and investments	2,301,276	7,608,205	25,886	76,322,465
Receivables:				
Taxes	-	-	-	923,449
Accounts, net	-	-	-	36,000
Assessments	-	-	-	17,357,005
Notes and loans, net	-	-	-	68,590,068
Advances	-	-	-	3,923
Grants	-	-	-	7,849,575
Accrued interest	6,337	12,119	66	398,678
Due from component unit	-	-	-	1,713,994
Property held for sale	-	-	-	11,048,556
Total assets	\$ 2,307,613	\$ 7,620,324	\$ 34,197	\$ 217,864,539
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities payable from unrestricted assets:				
Accounts payable	\$ -	\$ -	\$ -	\$ 856,737
Unearned revenue	-	-	-	3,269,968
Liabilities payable from restricted assets:				
Accounts payable	8,306	1,833	-	5,037,212
Due to other funds	-	-	-	47,062
Due to component unit	-	-	-	641,841
Internal loans payable	-	-	-	4,600,000
Unearned revenue	-	-	-	2,902,885
Total liabilities	8,306	1,833	-	17,355,705
Deferred inflows of resources:				
Unavailable revenue - unrestricted	-	-	-	4,977
Unavailable revenue - restricted	-	-	-	24,083,548
Total deferred inflows of resources	-	-	-	24,088,525
Fund balances:				
Restricted	2,299,307	7,618,491	25,952	150,476,673
Committed	-	-	8,245	14,843,739
Assigned	-	-	-	14,645,405
Unassigned	-	-	-	(3,545,508)
Total fund balances	2,299,307	7,618,491	34,197	176,420,309
Total liabilities, deferred inflows of resources and fund balances	\$ 2,307,613	\$ 7,620,324	\$ 34,197	\$ 217,864,539



Hawthorne Bridge and Geese

**City of Portland, Oregon
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2015**

	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	\$ -	\$ -	\$ -	\$ -	\$ 1,749,109
Receivables:					
Assessments	-	-	-	-	-
Accrued interest	-	-	-	-	7,321
Restricted:					
Cash and investments	7,650,100	1,885	8,115,728	10,672,294	-
Receivables:					
Taxes	2,077,048	858,843	743,408	1,403,250	-
Assessments	-	-	-	-	-
Accrued interest	35,945	15,674	29,898	31,806	-
Total assets	<u>\$ 9,763,093</u>	<u>\$ 876,402</u>	<u>\$ 8,889,034</u>	<u>\$ 12,107,350</u>	<u>\$ 1,756,430</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities payable from restricted assets:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Internal loans payable	-	125,000	-	-	-
Total liabilities	<u>-</u>	<u>125,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:					
Unavailable revenue - unrestricted	-	-	-	-	-
Unavailable revenue - restricted	1,689,442	713,070	610,966	1,154,212	-
Total deferred inflows of resources	<u>1,689,442</u>	<u>713,070</u>	<u>610,966</u>	<u>1,154,212</u>	<u>-</u>
Fund balances:					
Restricted	8,073,651	38,332	8,278,068	10,953,138	-
Assigned	-	-	-	-	1,756,430
Total fund balances	<u>8,073,651</u>	<u>38,332</u>	<u>8,278,068</u>	<u>10,953,138</u>	<u>1,756,430</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,763,093</u>	<u>\$ 876,402</u>	<u>\$ 8,889,034</u>	<u>\$ 12,107,350</u>	<u>\$ 1,756,430</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>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
9,194,300	1,739,053	1,673,114	3,846,941
551,755	425,785	-	858,768
-	-	-	-
28,875	11,700	1,408	14,521
<u>\$ 9,774,930</u>	<u>\$ 2,176,538</u>	<u>\$ 1,674,522</u>	<u>\$ 4,720,230</u>

\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
453,763	350,250	-	704,817
<u>453,763</u>	<u>350,250</u>	<u>-</u>	<u>704,817</u>
9,321,167	1,826,288	1,674,522	4,015,413
-	-	-	-
<u>9,321,167</u>	<u>1,826,288</u>	<u>1,674,522</u>	<u>4,015,413</u>
<u>\$ 9,774,930</u>	<u>\$ 2,176,538</u>	<u>\$ 1,674,522</u>	<u>\$ 4,720,230</u>

Continued next page

City of Portland, Oregon
Combining Balance Sheet, Continued
Nonmajor Debt Service Funds
June 30, 2015

	<u>Central Eastside Industrial District Debt Service</u>	<u>Bancroft Bond Interest and Sinking</u>	<u>Convention Center Area Debt Service</u>	<u>North Macadam Urban Renewal Area Debt Redemption</u>	<u>Special Projects Debt Service</u>
ASSETS					
Unrestricted:					
Cash and investments	\$ -	\$ 12,070,339	\$ -	\$ -	\$ -
Receivables:					
Assessments	-	6,934,146	-	-	-
Accrued interest	-	25,439	-	-	-
Restricted:					
Cash and investments	3,991,641	1,090,434	6,004,691	4,992,348	56,683
Receivables:					
Taxes	441,297	-	670,151	914,064	-
Assessments	-	44,224,432	-	-	1,778,386
Accrued interest	12,229	5,499	22,165	26,416	557
Total assets	<u>\$ 4,445,167</u>	<u>\$ 64,350,289</u>	<u>\$ 6,697,007</u>	<u>\$ 5,932,828</u>	<u>\$ 1,835,626</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities payable from restricted assets:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Internal loans payable	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:					
Unavailable revenue - unrestricted	-	6,798,243	-	-	-
Unavailable revenue - restricted	362,460	43,639,536	551,342	750,603	1,778,386
Total deferred inflows of resources	<u>362,460</u>	<u>50,437,779</u>	<u>551,342</u>	<u>750,603</u>	<u>1,778,386</u>
Fund balances:					
Restricted	4,082,707	1,680,829	6,145,665	5,182,225	57,240
Assigned	-	12,231,681	-	-	-
Total fund balances	<u>4,082,707</u>	<u>13,912,510</u>	<u>6,145,665</u>	<u>5,182,225</u>	<u>57,240</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,445,167</u>	<u>\$ 64,350,289</u>	<u>\$ 6,697,007</u>	<u>\$ 5,932,828</u>	<u>\$ 1,835,626</u>

<u>Gateway Urban Renewal Area Debt Redemption</u>	<u>Willamette Industrial Urban Renewal Area Debt Service</u>	<u>Governmental Bond Redemption</u>	<u>Education Urban Renewal Area Debt Service</u>	<u>42nd Avenue Neighborhood Prosperity Initiative Debt Service</u>	<u>Cully Boulevard Neighborhood Prosperity Initiative Debt Service</u>	<u>Parkrose Neighborhood Prosperity Initiative Debt Service</u>
\$ -	\$ -	\$ 30,480	\$ -	\$ -	\$ -	\$ -
-	-	121	-	-	-	-
815,535	3,623	-	669	118	150	42
269,658	-	-	-	15,810	6,286	2,245
-	-	-	-	-	-	-
2,889	103	-	1,222	104	125	33
<u>\$ 1,088,082</u>	<u>\$ 3,726</u>	<u>\$ 30,601</u>	<u>\$ 1,891</u>	<u>\$ 16,032</u>	<u>\$ 6,561</u>	<u>\$ 2,320</u>

\$ -	\$ 3,726	\$ -	\$ 1,891	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	3,726	-	1,891	-	-	-
-	-	-	-	-	-	-
221,635	-	-	-	15,277	5,351	2,245
221,635	-	-	-	15,277	5,351	2,245
866,447	-	-	-	755	1,210	75
-	-	30,601	-	-	-	-
866,447	-	30,601	-	755	1,210	75
<u>\$ 1,088,082</u>	<u>\$ 3,726</u>	<u>\$ 30,601</u>	<u>\$ 1,891</u>	<u>\$ 16,032</u>	<u>\$ 6,561</u>	<u>\$ 2,320</u>

Continued next page

City of Portland, Oregon
Combining Balance Sheet, Continued
Nonmajor Debt Service Funds
June 30, 2015

	Rosewood Neighborhood Prosperity Initiative Debt Service	Division-Midway Neighborhood Prosperity Initiative Debt Service	82nd Avenue/Division Neighborhood Prosperity Initiative Debt Service	Total
ASSETS				
Unrestricted:				
Cash and investments	\$ -	\$ -	\$ -	13,849,928
Receivables:				
Assessments	-	-	-	6,934,146
Accrued interest	-	-	-	32,881
Restricted:				
Cash and investments	135	57	75	59,849,616
Receivables:				
Taxes	4,811	6,764	3,364	9,253,307
Assessments	-	-	-	46,002,818
Accrued interest	80	165	71	241,485
Total assets	<u>\$ 5,026</u>	<u>\$ 6,986</u>	<u>\$ 3,510</u>	<u>\$ 136,164,181</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities payable from restricted assets:				
Accounts payable	\$ -	\$ -	\$ -	5,617
Internal loans payable	-	-	-	125,000
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,617</u>
Deferred inflows of resources:				
Unavailable revenue - unrestricted	-	-	-	6,798,243
Unavailable revenue - restricted	4,186	5,863	3,364	53,016,768
Total deferred inflows of resources	<u>4,186</u>	<u>5,863</u>	<u>3,364</u>	<u>59,815,011</u>
Fund balances:				
Restricted	840	1,123	146	62,199,841
Assigned	-	-	-	14,018,712
Total fund balances	<u>840</u>	<u>1,123</u>	<u>146</u>	<u>76,218,553</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,026</u>	<u>\$ 6,986</u>	<u>\$ 3,510</u>	<u>\$ 136,164,181</u>

**City of Portland, Oregon
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2015**

	Special Finance and Resource	BFRES Facilities GO Bond Construction	Local Improvement District	Parks Capital Improvement Program	Public Safety GO Bond Construction	Total
ASSETS						
Unrestricted:						
Cash and investments	\$ -	\$ -	\$ 3,092,750	\$ 4,878,855	\$ -	\$ 7,971,605
Receivables:						
Accounts, net	-	-	47,995	143,155	-	191,150
Accrued interest	-	-	13,817	12,858	-	26,675
Due from other funds	-	-	-	929	-	929
Restricted:						
Cash and investments	245,443	916,640	176,389	40,041,974	21,256,019	62,636,465
Receivables:						
Accounts, net	-	47,280	-	730,000	-	777,280
Assessments	-	-	2,149,782	2,851,677	-	5,001,459
Notes and loans, net	-	-	-	219,100	-	219,100
Advances	-	-	-	-	9,034,241	9,034,241
Accrued interest	540	886	-	72,605	31,406	105,437
Due from component unit	-	-	-	578,010	-	578,010
Internal loans receivable	-	-	-	800,000	-	800,000
Total assets	\$ 245,983	\$ 964,806	\$ 5,480,733	\$ 50,329,163	\$ 30,321,666	\$ 87,342,351
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities payable from unrestricted assets:						
Accounts payable	\$ -	\$ -	\$ -	\$ 173,964	\$ -	\$ 173,964
Liabilities payable from restricted assets:						
Accounts payable	-	51,632	-	568,024	473,886	1,093,542
Due to component unit	-	-	-	22,031	-	22,031
Total liabilities	-	51,632	-	764,019	473,886	1,289,537
Deferred inflows of resources:						
Unavailable revenue - restricted	-	-	2,149,782	2,851,677	-	5,001,459
Total deferred inflows of resources	-	-	2,149,782	2,851,677	-	5,001,459
Fund balances:						
Restricted	245,983	913,174	176,389	41,851,633	29,847,780	73,034,959
Committed	-	-	-	1,282,338	-	1,282,338
Assigned	-	-	3,154,562	3,579,496	-	6,734,058
Total fund balances	245,983	913,174	3,330,951	46,713,467	29,847,780	81,051,355
Total liabilities, deferred inflows of resources and fund balances	\$ 245,983	\$ 964,806	\$ 5,480,733	\$ 50,329,163	\$ 30,321,666	\$ 87,342,351



Riverfront Lights

City of Portland, Oregon
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2015

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Permanent Fund	Total
REVENUES					
Taxes:					
Property	\$ 12,526,142	\$ 133,131,985	\$ -	\$ -	\$ 145,658,127
Lodging	14,797,669	-	-	-	14,797,669
Miscellaneous	10,490,137	-	-	-	10,490,137
Licenses and fees	41,916,687	-	-	-	41,916,687
Intergovernmental	66,527,525	6,470,692	1,254,574	-	74,252,791
Charges for services	2,407,725	-	19,599,813	-	22,007,538
Interagency	931,983	-	49,777	-	981,760
Parking fees	2,396,359	-	62,197	-	2,458,556
Parking fines	67,440	-	-	-	67,440
Rents and reimbursements	42,264	-	47,280	-	89,544
Miscellaneous service charges	13,845,867	-	1,053,682	-	14,899,549
Assessments	2,466,013	6,947,742	2,558,001	-	11,971,756
Investment earnings	2,392,221	3,241,321	587,340	937	6,221,819
Sale of inventory	3,590,184	-	-	-	3,590,184
Miscellaneous	7,399,639	623,123	1,085,215	-	9,107,977
	<u>181,797,855</u>	<u>150,414,863</u>	<u>26,297,879</u>	<u>937</u>	<u>358,511,534</u>
EXPENDITURES					
Current:					
Public safety	26,293,065	-	291,446	-	26,584,511
Parks, recreation and culture	3,219,704	-	1,609,182	443	4,829,329
Community development	72,293,432	534,760	58,080,587	-	130,908,779
Transportation	1,113,385	-	-	-	1,113,385
Legislative / admin / support services	29,846,200	-	-	-	29,846,200
Environmental services	221,231	-	-	-	221,231
Debt service and related costs:					
Principal	2,097,652	78,131,254	2,892,601	-	83,121,507
Interest	716,118	36,546,005	126,624	-	37,388,747
Debt issuance costs	15,098	479,412	140,675	-	635,185
Capital outlay	17,126,361	-	28,898,268	-	46,024,629
	<u>152,942,246</u>	<u>115,691,431</u>	<u>92,039,383</u>	<u>443</u>	<u>360,673,503</u>
Revenues over (under) expenditures	<u>28,855,609</u>	<u>34,723,432</u>	<u>(65,741,504)</u>	<u>494</u>	<u>(2,161,969)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	28,025,795	7,713,440	56,323,499	-	92,062,734
Transfers out	(11,363,480)	(53,721,024)	(47,636)	-	(65,132,140)
Bonds and notes issued	-	-	19,532,410	-	19,532,410
Refunding bonds issued	-	17,155,000	-	-	17,155,000
Bonds and notes premium	-	2,533,097	1,831,921	-	4,365,018
Loans issued	3,515,000	-	420,116	-	3,935,116
	<u>20,177,315</u>	<u>(26,319,487)</u>	<u>78,060,310</u>	<u>-</u>	<u>71,918,138</u>
Net change in fund balances	<u>49,032,924</u>	<u>8,403,945</u>	<u>12,318,806</u>	<u>494</u>	<u>69,756,169</u>
Fund balances - beginning	128,020,186	67,814,608	68,732,549	181,300	264,748,643
Major fund reclassified to nonmajor fund	(632,801)	-	-	-	(632,801)
Fund balances - beginning, as reclassified	<u>127,387,385</u>	<u>67,814,608</u>	<u>68,732,549</u>	<u>181,300</u>	<u>264,115,842</u>
Fund balances - ending	<u>\$ 176,420,309</u>	<u>\$ 76,218,553</u>	<u>\$ 81,051,355</u>	<u>\$ 181,794</u>	<u>\$ 333,872,011</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, 2015

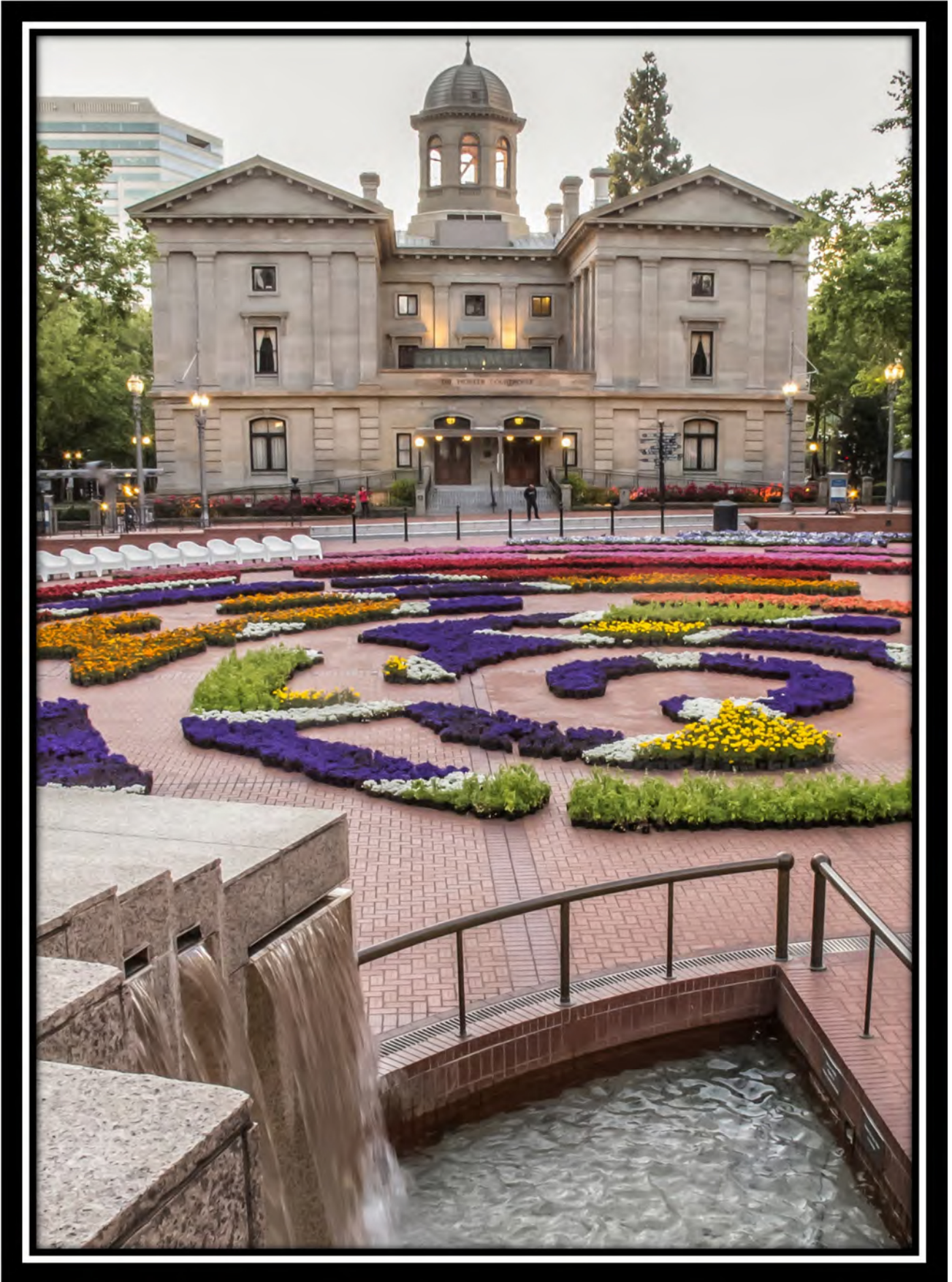
	<u>Assessment Collection</u>	<u>Emergency Communication</u>	<u>Development Services</u>	<u>Property Management License</u>	<u>Convention and Tourism</u>
REVENUES					
Taxes:					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Lodging	-	-	-	-	14,797,669
Miscellaneous	-	-	-	-	-
Licenses and fees	-	-	36,467,799	5,128,183	-
Intergovernmental	-	6,836,238	-	-	-
Charges for services	-	-	2,256,560	-	-
Interagency	-	-	931,983	-	-
Parking fees	-	-	-	-	-
Parking fines	-	-	-	-	-
Rents and reimbursements	-	-	-	-	-
Miscellaneous service charges	-	357,937	12,972,558	-	-
Assessments	-	-	2,456,674	-	-
Investment earnings	499	10,146	575,689	2,020	21,419
Sale of inventory	-	-	-	-	-
Miscellaneous	-	18,728	11,914	-	-
	<u>499</u>	<u>7,223,049</u>	<u>55,673,177</u>	<u>5,130,203</u>	<u>14,819,088</u>
Total revenues					
EXPENDITURES					
Current:					
Public safety	-	19,831,461	-	-	-
Parks, recreation and culture	-	-	-	-	-
Community development	1,536	-	39,180,265	-	-
Transportation	-	-	-	-	-
Legislative / admin / support services	-	-	-	5,155,485	14,841,095
Environmental services	-	-	-	-	-
Debt service and related costs:					
Principal	-	1,172,710	640,942	-	-
Interest	-	191,388	304,075	-	-
Debt issuance costs	-	-	-	-	-
Capital outlay	-	-	1,763,087	-	-
	<u>1,536</u>	<u>21,195,559</u>	<u>41,888,369</u>	<u>5,155,485</u>	<u>14,841,095</u>
Total expenditures					
Revenues over (under) expenditures	<u>(1,037)</u>	<u>(13,972,510)</u>	<u>13,784,808</u>	<u>(25,282)</u>	<u>(22,007)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	14	15,805,043	2,416,835	-	108
Transfers out	-	(2,925,202)	(186,931)	-	-
Loans issued	-	-	-	-	-
	<u>14</u>	<u>12,879,841</u>	<u>2,229,904</u>	<u>-</u>	<u>108</u>
Total other financing sources (uses)					
Net change in fund balances	<u>(1,023)</u>	<u>(1,092,669)</u>	<u>16,014,712</u>	<u>(25,282)</u>	<u>(21,899)</u>
Fund balances - beginning	79,210	2,620,750	35,287,776	39,325	148,572
Major fund reclassified to nonmajor fund	-	-	-	-	-
Fund balances - beginning, as reclassified	<u>79,210</u>	<u>2,620,750</u>	<u>35,287,776</u>	<u>39,325</u>	<u>148,572</u>
Fund balances - ending	<u>\$ 78,187</u>	<u>\$ 1,528,081</u>	<u>\$ 51,302,488</u>	<u>\$ 14,043</u>	<u>\$ 126,673</u>

Housing Investment	Parks Local Option Levy	Children's Investment	Grants	Community Development Block Grant	HOME Grant	Portland Parks Memorial	Tax Increment Reimbursement
\$ -	\$ 1,051	\$ 12,525,091	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
398,851	-	-	26,008,891	9,375,346	2,820,693	320,705	19,387,006
-	-	-	-	-	-	151,165	-
-	-	-	-	-	-	2,396,359	-
-	-	-	-	-	-	67,440	-
-	-	-	-	-	-	42,264	-
445,778	-	-	363	13,403	27,785	-	28,043
-	-	-	-	9,339	-	-	-
271,722	4,444	38,590	15,892	281,291	114,746	27,617	979,395
-	-	-	-	-	-	-	3,590,184
12,497	-	-	82	10,529	51	629,825	6,593,537
<u>1,128,848</u>	<u>5,495</u>	<u>12,563,681</u>	<u>26,025,228</u>	<u>9,689,908</u>	<u>2,963,275</u>	<u>3,635,375</u>	<u>30,578,165</u>
-	-	-	5,201,021	-	-	-	-
-	520,029	-	391,174	-	-	2,308,501	-
232,448	-	10,864,572	6,545,422	7,298,718	1,933,923	-	6,231,485
-	-	-	1,113,385	-	-	-	-
-	-	-	463,093	-	-	-	-
-	-	-	221,231	-	-	-	-
-	-	-	-	284,000	-	-	-
-	-	-	-	220,655	-	-	-
-	-	-	-	15,098	-	-	-
6,148	-	-	15,010,223	-	53,525	64,000	-
<u>238,596</u>	<u>520,029</u>	<u>10,864,572</u>	<u>28,945,549</u>	<u>7,818,471</u>	<u>1,987,448</u>	<u>2,372,501</u>	<u>6,231,485</u>
<u>890,252</u>	<u>(514,534)</u>	<u>1,699,109</u>	<u>(2,920,321)</u>	<u>1,871,437</u>	<u>975,827</u>	<u>1,262,874</u>	<u>24,346,680</u>
1,713,919	-	-	80,489	2,978,125	4,346,452	484,800	-
(543,189)	-	-	(72,875)	(3,419,920)	(4,013,001)	(202,362)	-
-	-	-	-	3,515,000	-	-	-
<u>1,170,730</u>	<u>-</u>	<u>-</u>	<u>7,614</u>	<u>3,073,205</u>	<u>333,451</u>	<u>282,438</u>	<u>-</u>
<u>2,060,982</u>	<u>(514,534)</u>	<u>1,699,109</u>	<u>(2,912,707)</u>	<u>4,944,642</u>	<u>1,309,278</u>	<u>1,545,312</u>	<u>24,346,680</u>
7,966,195	1,183,364	2,281,636	-	11,526,039	4,305,611	3,520,255	50,789,781
-	-	-	(632,801)	-	-	-	-
<u>7,966,195</u>	<u>1,183,364</u>	<u>2,281,636</u>	<u>(632,801)</u>	<u>11,526,039</u>	<u>4,305,611</u>	<u>3,520,255</u>	<u>50,789,781</u>
<u>\$ 10,027,177</u>	<u>\$ 668,830</u>	<u>\$ 3,980,745</u>	<u>\$ (3,545,508)</u>	<u>\$ 16,470,681</u>	<u>\$ 5,614,889</u>	<u>\$ 5,065,567</u>	<u>\$ 75,136,461</u>

Continued next page

City of Portland, Oregon
Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015

	<u>Police Special Revenue</u>	<u>Arts Education and Access</u>	<u>Community Solar</u>	<u>Total</u>
REVENUES				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ 12,526,142
Lodging	-	-	-	14,797,669
Miscellaneous	-	10,490,137	-	10,490,137
Licenses and fees	-	-	-	41,916,687
Intergovernmental	1,695,500	-	5,000	66,527,525
Charges for services	-	-	-	2,407,725
Interagency	-	-	-	931,983
Parking fees	-	-	-	2,396,359
Parking fines	-	-	-	67,440
Rents and reimbursements	-	-	-	42,264
Miscellaneous service charges	-	-	-	13,845,867
Assessments	-	-	-	2,466,013
Investment earnings	14,008	34,576	167	2,392,221
Sale of inventory	-	-	-	3,590,184
Miscellaneous	106,135	-	16,341	7,399,639
	<u>1,815,643</u>	<u>10,524,713</u>	<u>21,508</u>	<u>181,797,855</u>
Total revenues				
EXPENDITURES				
Current:				
Public safety	1,260,583	-	-	26,293,065
Parks, recreation and culture	-	-	-	3,219,704
Community development	-	-	5,063	72,293,432
Transportation	-	-	-	1,113,385
Legislative / admin / support services	-	9,386,527	-	29,846,200
Environmental services	-	-	-	221,231
Debt service and related costs:				
Principal	-	-	-	2,097,652
Interest	-	-	-	716,118
Debt issuance costs	-	-	-	15,098
Capital outlay	229,378	-	-	17,126,361
	<u>1,489,961</u>	<u>9,386,527</u>	<u>5,063</u>	<u>152,942,246</u>
Total expenditures				
Revenues over (under) expenditures	<u>325,682</u>	<u>1,138,186</u>	<u>16,445</u>	<u>28,855,609</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	200,010	-	-	28,025,795
Transfers out	-	-	-	(11,363,480)
Loans issued	-	-	-	3,515,000
	<u>200,010</u>	<u>-</u>	<u>-</u>	<u>20,177,315</u>
Total other financing sources (uses)				
Net change in fund balances	<u>525,692</u>	<u>1,138,186</u>	<u>16,445</u>	<u>49,032,924</u>
Fund balances - beginning	1,773,615	6,480,305	17,752	128,020,186
Major fund reclassified to nonmajor fund	-	-	-	(632,801)
Fund balances - beginning, as reclassified	<u>1,773,615</u>	<u>6,480,305</u>	<u>17,752</u>	<u>127,387,385</u>
Fund balances - ending	<u>\$ 2,299,307</u>	<u>\$ 7,618,491</u>	<u>\$ 34,197</u>	<u>\$ 176,420,309</u>



Pioneer Place and Flower Display

City of Portland, Oregon
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2015

	River District Urban Renewal Area Debt Redemption	Bonded Debt Interest and Sinking	Downtown Waterfront Renewal Bond Sinking	Interstate Corridor Debt Service	Pension Debt Redemption	South Park Block Redemption
REVENUES						
Taxes:						
Property	\$ 28,947,188	\$ 12,239,770	\$ 10,151,217	\$ 21,733,409	\$ -	\$ 7,673,102
Intergovernmental	-	-	-	-	7,980	-
Assessments	-	-	-	-	-	-
Investment earnings	96,948	30,175	65,110	86,333	17,022	64,581
Miscellaneous	-	-	-	-	623,123	-
Total revenues	<u>29,044,136</u>	<u>12,269,945</u>	<u>10,216,327</u>	<u>21,819,742</u>	<u>648,125</u>	<u>7,737,683</u>
EXPENDITURES						
Current:						
Community development	-	-	-	-	-	-
Debt service and related costs:						
Principal	4,575,000	9,370,000	6,020,000	22,920,000	2,601,813	4,250,000
Interest	3,043,298	3,204,132	3,463,533	3,444,688	1,234,357	2,927,691
Debt issuance costs	-	-	-	205,188	274,224	-
Total expenditures	<u>7,618,298</u>	<u>12,574,132</u>	<u>9,483,533</u>	<u>26,569,876</u>	<u>4,110,394</u>	<u>7,177,691</u>
Revenues over (under) expenditures	<u>21,425,838</u>	<u>(304,187)</u>	<u>732,794</u>	<u>(4,750,134)</u>	<u>(3,462,269)</u>	<u>559,992</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	3,687	-	-	3,797,514	-
Transfers out	(21,500,000)	-	-	(11,500,000)	-	-
Refunding bonds issued	-	-	-	17,155,000	-	-
Bonds and notes premium	-	-	-	2,533,097	-	-
Total other financing sources (uses)	<u>(21,500,000)</u>	<u>3,687</u>	<u>-</u>	<u>8,188,097</u>	<u>3,797,514</u>	<u>-</u>
Net change in fund balances	(74,162)	(300,500)	732,794	3,437,963	335,245	559,992
Fund balances - beginning	<u>8,147,813</u>	<u>338,832</u>	<u>7,545,274</u>	<u>7,515,175</u>	<u>1,421,185</u>	<u>8,761,175</u>
Fund balances - ending	<u>\$ 8,073,651</u>	<u>\$ 38,332</u>	<u>\$ 8,278,068</u>	<u>\$ 10,953,138</u>	<u>\$ 1,756,430</u>	<u>\$ 9,321,167</u>

Airport Way Debt Service	Gas Tax Bond Redemption	Lents Town Center Urban Renewal Area Debt Redemption	Central Eastside Industrial District Debt Service	Bancroft Bond Interest and Sinking	Convention Center Area Debt Service	North Macadam Urban Renewal Area Debt Redemption	Special Projects Debt Service
\$ 5,915,736	\$ -	\$ 12,789,045	\$ 6,348,252	\$ -	\$ 8,528,124	\$ 12,654,250	\$ -
-	-	-	-	-	-	-	6,462,712
-	-	-	-	6,842,868	-	-	104,874
23,652	6,494	41,281	30,649	2,547,750	48,358	55,022	112,254
-	-	-	-	-	-	-	-
<u>5,939,388</u>	<u>6,494</u>	<u>12,830,326</u>	<u>6,378,901</u>	<u>9,390,618</u>	<u>8,576,482</u>	<u>12,709,272</u>	<u>6,679,840</u>
-	-	-	-	-	-	-	-
4,210,000	1,925,000	1,292,882	1,050,000	5,310,000	3,785,000	8,020,000	1,731,559
1,378,250	558,404	1,748,357	1,385,406	2,072,952	4,030,817	2,671,349	4,943,473
-	-	-	-	-	-	-	-
<u>5,588,250</u>	<u>2,483,404</u>	<u>3,041,239</u>	<u>2,435,406</u>	<u>7,382,952</u>	<u>7,815,817</u>	<u>10,691,349</u>	<u>6,675,032</u>
<u>351,138</u>	<u>(2,476,910)</u>	<u>9,789,087</u>	<u>3,943,495</u>	<u>2,007,666</u>	<u>760,665</u>	<u>2,017,923</u>	<u>4,808</u>
-	2,475,745	-	-	-	-	-	-
-	-	(9,000,000)	(3,000,000)	-	-	(3,255,000)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	<u>2,475,745</u>	<u>(9,000,000)</u>	<u>(3,000,000)</u>	-	-	<u>(3,255,000)</u>	-
351,138	(1,165)	789,087	943,495	2,007,666	760,665	(1,237,077)	4,808
<u>1,475,150</u>	<u>1,675,687</u>	<u>3,226,326</u>	<u>3,139,212</u>	<u>11,904,844</u>	<u>5,385,000</u>	<u>6,419,302</u>	<u>52,432</u>
<u>\$ 1,826,288</u>	<u>\$ 1,674,522</u>	<u>\$ 4,015,413</u>	<u>\$ 4,082,707</u>	<u>\$ 13,912,510</u>	<u>\$ 6,145,665</u>	<u>\$ 5,182,225</u>	<u>\$ 57,240</u>

Continued next page

City of Portland, Oregon
Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued
Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2015

	Gateway Urban Renewal Area Debt Redemption	Willamette Industrial Urban Renewal Area Debt Service	Governmental Bond Redemption	Education Urban Renewal Area Debt Service	42nd Avenue Neighborhood Prosperity Initiative Debt Service
REVENUES					
Taxes:					
Property	\$ 3,912,568	\$ 9,400	\$ -	\$ 1,694,838	\$ 104,318
Intergovernmental	-	-	-	-	-
Assessments	-	-	-	-	-
Investment earnings	10,094	530	236	3,530	245
Miscellaneous	-	-	-	-	-
	<u>3,922,662</u>	<u>9,930</u>	<u>236</u>	<u>1,698,368</u>	<u>104,563</u>
Total revenues					
EXPENDITURES					
Current:					
Community development	-	-	-	-	104,250
Debt service and related costs:					
Principal	-	-	1,070,000	-	-
Interest	72,776	4	366,494	24	-
Debt issuance costs	-	-	-	-	-
	<u>72,776</u>	<u>4</u>	<u>1,436,494</u>	<u>24</u>	<u>104,250</u>
Total expenditures					
Revenues over (under) expenditures	<u>3,849,886</u>	<u>9,926</u>	<u>(1,436,258)</u>	<u>1,698,344</u>	<u>313</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	1,436,494	-	-
Transfers out	(3,500,000)	(258,930)	-	(1,707,094)	-
Refunding bonds issued	-	-	-	-	-
Bonds and notes premium	-	-	-	-	-
	<u>(3,500,000)</u>	<u>(258,930)</u>	<u>1,436,494</u>	<u>(1,707,094)</u>	<u>-</u>
Total other financing sources (uses)					
Net change in fund balances	349,886	(249,004)	236	(8,750)	313
Fund balances - beginning	<u>516,561</u>	<u>249,004</u>	<u>30,365</u>	<u>8,750</u>	<u>442</u>
Fund balances - ending	<u>\$ 866,447</u>	<u>\$ -</u>	<u>\$ 30,601</u>	<u>\$ -</u>	<u>\$ 755</u>

Cully Boulevard Neighborhood Prosperity Initiative Debt Service	Parkrose Neighborhood Prosperity Initiative Debt Service	Rosewood Neighborhood Prosperity Initiative Debt Service	Division-Midway Neighborhood Prosperity Initiative Debt Service	82nd Avenue/Division Neighborhood Prosperity Initiative Debt Service	Total
\$ 128,060	\$ 37,583	\$ 85,565	\$ 123,294	\$ 56,266	\$ 133,131,985
-	-	-	-	-	6,470,692
-	-	-	-	-	6,947,742
297	84	197	333	146	3,241,321
-	-	-	-	-	623,123
<u>128,357</u>	<u>37,667</u>	<u>85,762</u>	<u>123,627</u>	<u>56,412</u>	<u>150,414,863</u>
128,137	37,592	85,299	123,216	56,266	534,760
-	-	-	-	-	78,131,254
-	-	-	-	-	36,546,005
-	-	-	-	-	479,412
<u>128,137</u>	<u>37,592</u>	<u>85,299</u>	<u>123,216</u>	<u>56,266</u>	<u>115,691,431</u>
<u>220</u>	<u>75</u>	<u>463</u>	<u>411</u>	<u>146</u>	<u>34,723,432</u>
-	-	-	-	-	7,713,440
-	-	-	-	-	(53,721,024)
-	-	-	-	-	17,155,000
-	-	-	-	-	2,533,097
-	-	-	-	-	(26,319,487)
220	75	463	411	146	8,403,945
<u>990</u>	<u>-</u>	<u>377</u>	<u>712</u>	<u>-</u>	<u>67,814,608</u>
<u>\$ 1,210</u>	<u>\$ 75</u>	<u>\$ 840</u>	<u>\$ 1,123</u>	<u>\$ 146</u>	<u>\$ 76,218,553</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, 2015

	Special Finance and Resource	BFRES Facilities GO Bond Construction	Local Improvement District	Parks Capital Improvement Program	Public Safety GO Bond Construction	Total
REVENUES						
Intergovernmental	\$ 200,000	\$ -	\$ -	\$ 1,054,574	\$ -	\$ 1,254,574
Charges for services	-	-	-	19,599,813	-	19,599,813
Interagency	-	-	-	49,777	-	49,777
Parking fees	-	-	-	62,197	-	62,197
Rents and reimbursements	-	47,280	-	-	-	47,280
Miscellaneous service charges	-	-	1,051,632	2,050	-	1,053,682
Assessments	-	-	511,348	2,046,653	-	2,558,001
Investment earnings	1,465	4,935	202,796	305,873	72,271	587,340
Miscellaneous	-	4,252	7,004	1,060,903	13,056	1,085,215
	<u>201,465</u>	<u>56,467</u>	<u>1,772,780</u>	<u>24,181,840</u>	<u>85,327</u>	<u>26,297,879</u>
Total revenues						
EXPENDITURES						
Current:						
Public safety	-	128,145	-	-	163,301	291,446
Parks, recreation and culture	-	-	-	1,609,182	-	1,609,182
Community development	56,481,652	-	1,598,935	-	-	58,080,587
Debt service and related costs:						
Principal	-	-	2,830,717	61,884	-	2,892,601
Interest	-	-	97,265	29,359	-	126,624
Debt issuance costs	46,732	-	8,830	-	85,113	140,675
Capital outlay	-	1,336,548	-	14,852,831	12,708,889	28,898,268
	<u>56,528,384</u>	<u>1,464,693</u>	<u>4,535,747</u>	<u>16,553,256</u>	<u>12,957,303</u>	<u>92,039,383</u>
Total expenditures						
Revenues over (under) expenditures	<u>(56,326,919)</u>	<u>(1,408,226)</u>	<u>(2,762,967)</u>	<u>7,628,584</u>	<u>(12,871,976)</u>	<u>(65,741,504)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	53,721,024	245	64,400	2,537,830	-	56,323,499
Transfers out	-	-	(13,334)	(30,615)	(3,687)	(47,636)
Bonds and notes issued	2,387,410	-	-	-	17,145,000	19,532,410
Bonds and notes premium	-	-	-	-	1,831,921	1,831,921
Loans issued	420,116	-	-	-	-	420,116
	<u>56,528,550</u>	<u>245</u>	<u>51,066</u>	<u>2,507,215</u>	<u>18,973,234</u>	<u>78,060,310</u>
Total other financing sources (uses)						
Net change in fund balances	201,631	(1,407,981)	(2,711,901)	10,135,799	6,101,258	12,318,806
Fund balances - beginning	44,352	2,321,155	6,042,852	36,577,668	23,746,522	68,732,549
Fund balances - ending	<u>\$ 245,983</u>	<u>\$ 913,174</u>	<u>\$ 3,330,951</u>	<u>\$ 46,713,467</u>	<u>\$ 29,847,780</u>	<u>\$ 81,051,355</u>

Nonmajor Proprietary Funds

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.

Blank back of tab



Portland Sign in Old Town

City of Portland, Oregon
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2015

	Hydroelectric Power	Golf	Portland International Raceway
ASSETS			
Current assets (unrestricted):			
Cash and investments	\$ 214,257	\$ 882,053	\$ 176,490
Receivables:			
Accounts, net	-	98,372	111
Advances	-	-	-
Accrued interest	40,537	268	493
Due from component unit	-	-	-
Total current assets (unrestricted)	<u>254,794</u>	<u>980,693</u>	<u>177,094</u>
Current assets (restricted):			
Cash and investments	<u>2,505,000</u>	-	-
Total current assets	<u>2,759,794</u>	<u>980,693</u>	<u>177,094</u>
Noncurrent assets (unrestricted):			
Capital assets, not being depreciated or amortized:			
Land	-	586,686	-
Construction in progress	-	584,020	-
Intangible assets	4,500	-	-
Capital assets, being depreciated or amortized:			
Infrastructure	44,123,225	-	-
Buildings	-	6,613,324	-
Improvements to land	-	15,859,562	5,007,161
Equipment	-	835,680	161,340
Intangible assets	-	-	-
Accumulated depreciation and amortization	<u>(22,032,503)</u>	<u>(13,409,456)</u>	<u>(3,116,367)</u>
Capital assets, net of accumulated depreciation and amortization	22,095,222	11,069,816	2,052,134
Pension asset	<u>53,591</u>	<u>547,295</u>	<u>123,132</u>
Total noncurrent assets (unrestricted)	22,148,813	11,617,111	2,175,266
Noncurrent assets (restricted):			
Cash and investments	<u>12,714,183</u>	-	-
Total noncurrent assets	<u>34,862,996</u>	<u>11,617,111</u>	<u>2,175,266</u>
Total assets	<u>37,622,790</u>	<u>12,597,804</u>	<u>2,352,360</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pensions	17,593	179,667	40,422
Deferred charge for debt refundings	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources	<u>17,593</u>	<u>179,667</u>	<u>40,422</u>

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Headwaters Apartment Complex	Total
\$ 2,093,770	\$ 10,233,614	\$ 7,407,357	\$ 3,664,577	\$ 587,784	\$ 25,259,902
1,266,780	2,593	733,578	-	106,556	2,207,990
-	-	60,000	-	-	60,000
4,054	21,724	20,514	9,727	1,737	99,054
-	-	-	-	82,709	82,709
3,364,604	10,257,931	8,221,449	3,674,304	778,786	27,709,655
-	-	-	-	-	2,505,000
3,364,604	10,257,931	8,221,449	3,674,304	778,786	30,214,655
229,259	10,578,071	4,432,758	1,563,333	1,209,961	18,600,068
-	2,546	-	-	-	586,566
-	-	-	-	-	4,500
-	-	-	5,416	-	44,128,641
-	39,872,916	135,917,527	1,768,170	11,239,645	195,411,582
-	301,900	662,231	1,520,801	-	23,351,655
416,625	1,707,150	2,892,284	-	-	6,013,079
48,320	98,580	35,483	-	-	182,383
(22,549)	(28,010,750)	(48,744,740)	(1,256,977)	(2,023,136)	(118,616,478)
671,655	24,550,413	95,195,543	3,600,743	10,426,470	169,661,996
368,389	37,616	28,560	73,888	-	1,232,471
1,040,044	24,588,029	95,224,103	3,674,631	10,426,470	170,894,467
-	-	-	1,020,013	254,335	13,988,531
1,040,044	24,588,029	95,224,103	4,694,644	10,680,805	184,882,998
4,404,648	34,845,960	103,445,552	8,368,948	11,459,591	215,097,653
120,935	12,349	9,376	24,256	-	404,598
-	105,960	-	-	-	105,960
120,935	118,309	9,376	24,256	-	510,558

Continued next page

City of Portland, Oregon
Combining Statement of Net Position, Continued
Nonmajor Enterprise Funds
June 30, 2015

	<u>Hydroelectric Power</u>	<u>Golf</u>	<u>Portland International Raceway</u>
LIABILITIES			
Current liabilities (payable from unrestricted assets):			
Accounts payable	\$ 27,052	\$ 198,690	\$ 31,350
Compensated absences	37,290	202,031	49,341
Bonds payable	15,251	124,612	268,988
Accrued interest payable	59,136	4,272	3,432
Unearned revenue	-	-	-
Pollution remediation	-	-	-
	<u>138,729</u>	<u>529,605</u>	<u>353,111</u>
Total current liabilities (unrestricted)			
Current liabilities (payable from restricted assets):			
Bonds payable	<u>2,505,000</u>	-	-
	<u>2,643,729</u>	<u>529,605</u>	<u>353,111</u>
Total current liabilities			
Noncurrent liabilities:			
Bonds payable	1,913,585	1,418,313	538,033
Internal loans payable	-	800,000	-
Accrued interest payable	80,243	655,638	126,214
Other postemployment benefits	6,000	133,081	34,386
Pollution remediation	-	-	-
Other liabilities	-	-	-
	<u>1,999,828</u>	<u>3,007,032</u>	<u>698,633</u>
Total noncurrent liabilities			
Total liabilities			
	<u>4,643,557</u>	<u>3,536,637</u>	<u>1,051,744</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - pensions	107,128	1,094,032	246,138
Deferred charge for debt refunding	-	-	-
	<u>107,128</u>	<u>1,094,032</u>	<u>246,138</u>
Total deferred inflows of resources			
NET POSITION			
Net investment in capital assets	20,355,221	11,069,816	1,542,133
Restricted for:			
Debt service	1,953,794	-	-
Capital projects	10,760,389	-	-
Unrestricted	<u>(179,706)</u>	<u>(2,923,014)</u>	<u>(447,233)</u>
	<u>\$ 32,889,698</u>	<u>\$ 8,146,802</u>	<u>\$ 1,094,900</u>
Total net position			

<u>Solid Waste Management</u>	<u>Parking Facilities</u>	<u>Spectator Facilities Operating</u>	<u>Environmental Remediation</u>	<u>Headwaters Apartment Complex</u>	<u>Total</u>
\$ 169,716	\$ 113,435	\$ 542,137	\$ 269,989	\$ -	\$ 1,352,369
144,735	-	-	53,190	-	486,587
38,695	1,416,245	5,636,195	893	326,238	7,827,117
1,327	134,875	88,780	31	121,893	413,746
-	507,597	-	-	-	507,597
-	-	-	1,320,000	-	1,320,000
<u>354,473</u>	<u>2,172,152</u>	<u>6,267,112</u>	<u>1,644,103</u>	<u>448,131</u>	<u>11,907,416</u>
-	-	-	-	-	2,505,000
<u>354,473</u>	<u>2,172,152</u>	<u>6,267,112</u>	<u>1,644,103</u>	<u>448,131</u>	<u>14,412,416</u>
440,426	12,935,711	30,745,460	10,169	9,622,148	57,623,845
-	-	-	-	-	800,000
203,595	-	-	4,700	-	1,070,390
60,872	1,026	331	13,980	-	249,676
-	-	-	3,270,000	-	3,270,000
-	-	-	-	385,546	385,546
<u>704,893</u>	<u>12,936,737</u>	<u>30,745,791</u>	<u>3,298,849</u>	<u>10,007,694</u>	<u>63,399,457</u>
<u>1,059,366</u>	<u>15,108,889</u>	<u>37,012,903</u>	<u>4,942,952</u>	<u>10,455,825</u>	<u>77,811,873</u>
736,403	75,193	57,092	147,701	-	2,463,687
-	-	17,111	-	-	17,111
<u>736,403</u>	<u>75,193</u>	<u>74,203</u>	<u>147,701</u>	<u>-</u>	<u>2,480,798</u>
671,655	10,304,417	58,796,778	3,600,743	478,084	106,818,847
-	-	-	-	-	1,953,794
-	-	-	1,020,013	254,335	12,034,737
<u>2,058,159</u>	<u>9,475,770</u>	<u>7,571,044</u>	<u>(1,318,205)</u>	<u>271,347</u>	<u>14,508,162</u>
<u>\$ 2,729,814</u>	<u>\$ 19,780,187</u>	<u>\$ 66,367,822</u>	<u>\$ 3,302,551</u>	<u>\$ 1,003,766</u>	<u>\$ 135,315,540</u>

City of Portland, Oregon
Combining Statement of Net Position
Internal Service Funds
June 30, 2015

	<u>Health Insurance Operating</u>	<u>Facilities Services Operating</u>	<u>CityFleet Operating</u>
ASSETS			
Current assets (unrestricted):			
Cash and investments	\$ 20,953,920	\$ 38,150,455	\$ 23,901,246
Receivables:			
Accounts, net	-	147,719	195,452
Notes and loans, net	-	-	53,700
Accrued interest	40,826	79,414	47,889
Due from component unit	-	-	-
Inventories	-	-	1,309,638
Prepaid expenses	-	15,151	-
	<u>20,994,746</u>	<u>38,392,739</u>	<u>25,507,925</u>
Noncurrent assets (unrestricted):			
Capital assets, not being depreciated or amortized:			
Land	-	12,330,647	87,000
Construction in progress	-	541,096	4,023,841
Capital assets, being depreciated or amortized:			
Infrastructure	-	-	-
Buildings	-	166,055,465	1,944,421
Improvements to land	-	873,162	-
Equipment	-	1,610,859	74,896,502
Intangible assets	-	772,701	158,600
Accumulated depreciation and amortization	-	(67,105,024)	(35,971,095)
	<u>-</u>	<u>(67,105,024)</u>	<u>(35,971,095)</u>
Capital assets net of accumulated depreciation and amortization	-	115,078,906	45,139,269
Receivables:			
Notes and loans, net	-	-	268,500
Pension asset	247,139	616,802	1,239,939
	<u>247,139</u>	<u>616,802</u>	<u>1,239,939</u>
Total noncurrent assets	<u>247,139</u>	<u>115,695,708</u>	<u>46,647,708</u>
Total assets	<u>21,241,885</u>	<u>154,088,447</u>	<u>72,155,633</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pensions	<u>81,131</u>	<u>202,485</u>	<u>407,049</u>
Total deferred outflows of resources	<u>81,131</u>	<u>202,485</u>	<u>407,049</u>

Printing and Distribution Services Operating	Insurance and Claims Operating	Workers' Compensation Self Insurance Operating	Technology Services	Enterprise Business Solutions Services	Total
\$ 577,186	\$ 25,161,726	\$ 15,364,461	\$ 23,163,437	\$ 3,563,663	\$ 150,836,094
130,193	168,173	-	975,653	-	1,617,190
-	-	-	-	-	53,700
597	51,713	32,865	49,370	11,504	314,178
13,015	-	-	9,886	-	22,901
-	-	-	398,830	-	1,708,468
-	-	-	447,023	-	462,174
<u>720,991</u>	<u>25,381,612</u>	<u>15,397,326</u>	<u>25,044,199</u>	<u>3,575,167</u>	<u>155,014,705</u>
-	-	-	348,929	-	12,766,576
-	-	-	4,915,334	102,508	9,582,779
-	-	-	11,963,370	-	11,963,370
-	-	-	4,709,188	-	172,709,074
-	-	-	-	-	873,162
2,071,848	-	-	31,156,838	-	109,736,047
315,337	362,576	260,093	3,906,597	37,353,590	43,129,494
<u>(1,914,085)</u>	<u>-</u>	<u>-</u>	<u>(34,424,093)</u>	<u>(36,819,255)</u>	<u>(176,233,552)</u>
473,100	362,576	260,093	22,576,163	636,843	184,526,950
-	-	-	-	-	268,500
<u>318,189</u>	<u>199,885</u>	<u>185,908</u>	<u>4,460,499</u>	<u>455,264</u>	<u>7,723,625</u>
<u>791,289</u>	<u>562,461</u>	<u>446,001</u>	<u>27,036,662</u>	<u>1,092,107</u>	<u>192,519,075</u>
<u>1,512,280</u>	<u>25,944,073</u>	<u>15,843,327</u>	<u>52,080,861</u>	<u>4,667,274</u>	<u>347,533,780</u>
<u>104,455</u>	<u>65,619</u>	<u>61,030</u>	<u>1,464,299</u>	<u>149,455</u>	<u>2,535,523</u>
<u>104,455</u>	<u>65,619</u>	<u>61,030</u>	<u>1,464,299</u>	<u>149,455</u>	<u>2,535,523</u>

Continued next page

City of Portland, Oregon
Combining Statement of Net Position, Continued
Internal Service Funds
June 30, 2015

	<u>Health Insurance Operating</u>	<u>Facilities Services Operating</u>	<u>CityFleet Operating</u>
LIABILITIES			
Current liabilities (payable from unrestricted assets):			
Accounts payable	\$ 2,367,901	\$ 1,178,030	\$ 1,797,555
Self insurance claims	4,671,000	-	-
Compensated absences	119,200	196,454	451,747
Bonds payable	23,001	6,726,277	291,087
Accrued interest payable	789	150,640	9,979
Due to component unit	-	2,194,482	-
Unearned revenue	-	77,960	180
	<u>7,181,891</u>	<u>10,523,843</u>	<u>2,550,548</u>
Total current liabilities			
Noncurrent liabilities:			
Self insurance claims	-	-	-
Bonds payable	261,790	27,188,859	3,313,112
Accrued interest payable	121,018	651,740	1,531,540
Other postemployment benefits	26,493	99,210	224,179
	<u>409,301</u>	<u>27,939,809</u>	<u>5,068,831</u>
Total noncurrent liabilities			
Total liabilities			
	<u>7,591,192</u>	<u>38,463,652</u>	<u>7,619,379</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - pensions	494,026	1,232,975	2,478,613
Deferred charge for debt refunding	-	9,355	-
	<u>494,026</u>	<u>1,242,330</u>	<u>2,478,613</u>
Total deferred inflow of resources			
NET POSITION			
Net investment in capital assets	-	82,697,519	45,139,269
Unrestricted	13,237,798	31,887,431	17,325,421
	<u>13,237,798</u>	<u>114,584,950</u>	<u>62,464,690</u>
Total net position			
	<u>\$ 13,237,798</u>	<u>\$ 114,584,950</u>	<u>\$ 62,464,690</u>

Printing and Distribution Services Operating	Insurance and Claims Operating	Workers' Compensation Self Insurance Operating	Technology Services	Enterprise Business Solutions Services	Total
\$ 187,355	\$ 14,553	\$ 13,505	\$ 1,610,395	\$ 56,458	\$ 7,225,752
-	5,730,845	2,332,327	-	-	12,734,172
94,412	121,955	41,375	1,679,194	160,993	2,865,330
98,643	54,355	50,843	345,962	4,225,616	11,815,784
3,382	1,863	1,743	11,860	23,604	203,860
-	-	-	-	-	2,194,482
-	-	-	-	-	78,140
<u>383,792</u>	<u>5,923,571</u>	<u>2,439,793</u>	<u>3,647,411</u>	<u>4,466,671</u>	<u>37,117,520</u>
-	7,805,203	6,830,626	-	-	14,635,829
1,122,747	618,667	578,687	3,937,701	2,967,700	39,989,263
519,007	285,989	267,507	1,820,266	-	5,197,067
72,496	35,031	26,090	617,534	32,456	1,133,489
<u>1,714,250</u>	<u>8,744,890</u>	<u>7,702,910</u>	<u>6,375,501</u>	<u>3,000,156</u>	<u>60,955,648</u>
<u>2,098,042</u>	<u>14,668,461</u>	<u>10,142,703</u>	<u>10,022,912</u>	<u>7,466,827</u>	<u>98,073,168</u>
636,053	399,566	371,626	8,916,449	910,063	15,439,371
-	-	-	-	-	9,355
<u>636,053</u>	<u>399,566</u>	<u>371,626</u>	<u>8,916,449</u>	<u>910,063</u>	<u>15,448,726</u>
473,100	362,576	260,093	22,576,163	(6,556,473)	144,952,247
<u>(1,590,460)</u>	<u>10,579,089</u>	<u>5,129,935</u>	<u>12,029,636</u>	<u>2,996,312</u>	<u>91,595,162</u>
<u>\$ (1,117,360)</u>	<u>\$ 10,941,665</u>	<u>\$ 5,390,028</u>	<u>\$ 34,605,799</u>	<u>\$ (3,560,161)</u>	<u>\$ 236,547,409</u>

City of Portland, Oregon
Combining Statement of Revenues, Expenditures and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2015

	<u>Hydroelectric Power</u>	<u>Golf</u>	<u>Portland International Raceway</u>
Operating revenues:			
Service charges and fees	\$ -	\$ 6,568,488	\$ 347,921
Service charges and fees provided internally	67,783	-	-
Licenses and permits	-	-	-
Rents and reimbursements	-	501,423	1,209,572
Concessions	-	1,610,244	149,197
Parking fees	-	-	-
Power sales	3,694,475	-	-
Miscellaneous	7,332	15,377	6,037
	<u>3,769,590</u>	<u>8,695,532</u>	<u>1,712,727</u>
Total operating revenues			
Operating expenses:			
Salaries and wages	214,722	3,006,373	588,600
Operating supplies	1,921	514,922	101,108
Professional services	49,440	746,530	49,210
Materials and services provided internally	118,516	1,123,973	297,879
Utilities	-	303,249	112,826
Utility license fees	-	-	165
Miscellaneous	21,296	2,865,488	224,108
Depreciation and amortization	607,392	728,033	158,106
	<u>1,013,287</u>	<u>9,288,568</u>	<u>1,532,002</u>
Total operating expenses			
Operating income	<u>2,756,303</u>	<u>(593,036)</u>	<u>180,725</u>
Nonoperating revenues (expenses):			
Investment earnings (losses)	(2,809)	2,851	1,487
Interest expense	(282,385)	(122,027)	(67,751)
Debt issuance costs	-	-	-
Gains (losses) on sale of capital assets	-	8,011	-
	<u>(285,194)</u>	<u>(111,165)</u>	<u>(66,264)</u>
Total nonoperating revenues (expenses)			
Income before contributions and transfers	2,471,109	(704,201)	114,461
Transfers in	17,025	-	12,567
Transfers out	(420,946)	(32,044)	(6,169)
Capital contributions	-	-	-
	<u>2,067,188</u>	<u>(736,245)</u>	<u>120,859</u>
Change in net position			
Total net position - beginning, previously reported	31,059,336	11,030,285	1,421,877
Restatement per GASB 68 implementation (See Note I.E.)	(236,826)	(2,147,238)	(447,836)
	<u>30,822,510</u>	<u>8,883,047</u>	<u>974,041</u>
Total net position - beginning, restated			
Total net position - ending	<u>\$ 32,889,698</u>	<u>\$ 8,146,802</u>	<u>\$ 1,094,900</u>

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Headwaters Apartment Complex	Total
\$ 2,417,040	\$ 750	\$ 2,037,121	\$ 2,033,110	\$ 1,093,766	\$ 14,498,196
12,000	808,677	-	441,971	-	1,330,431
2,816,877	-	-	-	-	2,816,877
-	872,907	6,920,485	524,478	-	10,028,865
-	-	-	-	-	1,759,441
-	12,031,357	1,731,434	-	-	13,762,791
-	-	-	-	-	3,694,475
31,408	39,332	7,670	304,458	-	411,614
<u>5,277,325</u>	<u>13,753,023</u>	<u>10,696,710</u>	<u>3,304,017</u>	<u>1,093,766</u>	<u>48,302,690</u>
1,749,794	153,092	193,768	347,710	-	6,254,059
46,738	1,559	1,582	1,618	-	669,448
244,809	30,000	448,342	648,511	2,875	2,219,717
1,614,856	1,770,976	349,592	1,001,418	-	6,277,210
-	-	-	-	-	416,075
-	-	-	112,495	-	112,660
607,165	3,710,809	1,641,853	1,977,728	350	11,048,797
3,221	604,018	3,537,426	69,018	224,793	5,932,007
<u>4,266,583</u>	<u>6,270,454</u>	<u>6,172,563</u>	<u>4,158,498</u>	<u>228,018</u>	<u>32,929,973</u>
<u>1,010,742</u>	<u>7,482,569</u>	<u>4,524,147</u>	<u>(854,481)</u>	<u>865,748</u>	<u>15,372,717</u>
10,672	54,783	46,343	23,676	4,327	141,330
(37,893)	(501,964)	(1,412,628)	(874)	(546,950)	(2,972,472)
-	-	(17,310)	-	-	(17,310)
-	-	(4,783)	-	-	3,228
<u>(27,221)</u>	<u>(447,181)</u>	<u>(1,388,378)</u>	<u>22,802</u>	<u>(542,623)</u>	<u>(2,845,224)</u>
983,521	7,035,388	3,135,769	(831,679)	323,125	12,527,493
-	-	-	100,000	-	129,592
(9,951)	(3,479,173)	(108,329)	(230)	-	(4,056,842)
416,625	-	105,633	-	-	522,258
<u>1,390,195</u>	<u>3,556,215</u>	<u>3,133,073</u>	<u>(731,909)</u>	<u>323,125</u>	<u>9,122,501</u>
2,391,405	16,296,954	63,290,163	4,185,592	680,641	130,356,253
(1,051,786)	(72,982)	(55,414)	(151,132)	-	(4,163,214)
<u>1,339,619</u>	<u>16,223,972</u>	<u>63,234,749</u>	<u>4,034,460</u>	<u>680,641</u>	<u>126,193,039</u>
<u>\$ 2,729,814</u>	<u>\$ 19,780,187</u>	<u>\$ 66,367,822</u>	<u>\$ 3,302,551</u>	<u>\$ 1,003,766</u>	<u>\$ 135,315,540</u>

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, 2015

	Health Insurance Operating	Facilities Services Operating	CityFleet Operating
Operating revenues:			
Service charges and fees	\$ 8,373,393	\$ 248,144	\$ 1,149,453
Service charges and fees provided internally	49,008,478	23,713,950	27,946,365
Rents and reimbursements	-	1,616,448	-
Miscellaneous	885,498	461,009	40,021
Total operating revenues	58,267,369	26,039,551	29,135,839
Operating expenses:			
Salaries and wages	1,050,384	2,764,397	5,940,917
Operating supplies	14,302	650,184	8,321,049
Professional services	1,356,586	1,623,044	8,200
Materials and services provided internally	786,701	3,048,902	2,244,570
Utilities	423	3,144,461	31,236
Claims	46,896,255	-	-
Utility license fees	-	-	-
Miscellaneous	4,721,734	10,308,919	2,766,247
Depreciation and amortization	-	3,242,053	5,935,006
Total operating expenses	54,826,385	24,781,960	25,247,225
Operating income (loss)	3,440,984	1,257,591	3,888,614
Nonoperating revenues (expenses):			
Investment earnings (losses)	94,336	187,040	118,968
Interest expense	(22,524)	(1,033,127)	(285,050)
Gains (losses) on sale of capital assets	-	(21,761)	16,589
Miscellaneous	-	(60,775)	-
Total nonoperating revenues (expenses)	71,812	(928,623)	(149,493)
Income before contributions and transfers	3,512,796	328,968	3,739,121
Transfers in	27	9,135,919	1,220,636
Transfers out	(5,916)	(99,348)	(176,933)
Change in net position	3,506,907	9,365,539	4,782,824
Total net position - beginning	10,410,722	107,495,040	62,622,967
Restatement per GASB 68 implementation (See Note I.E.)	(679,831)	(2,275,629)	(4,941,101)
Total net position - restated	9,730,891	105,219,411	57,681,866
Total net position - ending	\$ 13,237,798	\$ 114,584,950	\$ 62,464,690

Printing and Distribution Services Operating	Insurance and Claims Operating	Workers' Compensation Self Insurance Operating	Technology Services	Enterprise Business Solutions Services	Total
\$ 998,890	\$ -	\$ -	\$ 5,252,981	\$ -	\$ 16,022,861
5,101,475	9,102,852	3,716,990	43,692,898	12,614,871	174,897,879
-	-	-	145,281	-	1,761,729
50,917	278,160	306,670	349,430	-	2,371,705
<u>6,151,282</u>	<u>9,381,012</u>	<u>4,023,660</u>	<u>49,440,590</u>	<u>12,614,871</u>	<u>195,054,174</u>
1,291,356	902,376	859,642	20,443,661	1,700,105	34,952,838
442,400	5,765	33,651	2,514,472	60,550	12,042,373
2,441	256,725	310,106	582,595	65,615	4,205,312
969,119	2,706,911	788,681	5,264,377	4,034,291	19,843,552
-	-	-	79,735	-	3,255,855
-	3,076,126	3,097,203	-	-	53,069,584
-	-	-	29,439	-	29,439
2,750,212	2,083,475	478,692	9,891,078	461,413	33,461,770
116,819	5,380	379	1,936,134	290,797	11,526,568
<u>5,572,347</u>	<u>9,036,758</u>	<u>5,568,354</u>	<u>40,741,491</u>	<u>6,612,771</u>	<u>172,387,291</u>
578,935	344,254	(1,544,694)	8,699,099	6,002,100	22,666,883
1,356	123,291	78,583	121,620	25,946	751,140
(96,598)	(53,228)	(49,788)	(338,787)	(292,637)	(2,171,739)
(1,113)	(10,761)	(3,033)	(68,287)	-	(88,366)
-	-	-	-	(107,939)	(168,714)
<u>(96,355)</u>	<u>59,302</u>	<u>25,762</u>	<u>(285,454)</u>	<u>(374,630)</u>	<u>(1,677,679)</u>
482,580	403,556	(1,518,932)	8,413,645	5,627,470	20,989,204
529	772	365	71,724	460	10,430,432
(25,365)	(13,977)	(13,074)	(3,542,462)	-	(3,877,075)
<u>457,744</u>	<u>390,351</u>	<u>(1,531,641)</u>	<u>4,942,907</u>	<u>5,627,930</u>	<u>27,542,561</u>
(98,573)	11,412,572	7,725,207	41,330,491	(8,304,788)	232,593,638
(1,476,531)	(861,258)	(803,538)	(11,667,599)	(883,303)	(23,588,790)
<u>(1,575,104)</u>	<u>10,551,314</u>	<u>6,921,669</u>	<u>29,662,892</u>	<u>(9,188,091)</u>	<u>209,004,848</u>
<u>\$ (1,117,360)</u>	<u>\$ 10,941,665</u>	<u>\$ 5,390,028</u>	<u>\$ 34,605,799</u>	<u>\$ (3,560,161)</u>	<u>\$ 236,547,409</u>

**City of Portland, Oregon
Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2015**

	Hydroelectric Power	Golf	Portland International Raceway
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 3,698,778	\$ 8,628,549	\$ 1,712,726
Receipts for interfund services provided	67,783	-	-
Payments to suppliers	(45,795)	(4,434,345)	(496,340)
Payments to employees	(282,600)	(3,703,355)	(769,041)
Payments for interfund services used	(118,516)	(1,123,973)	(297,879)
Other receipts (payments)	3,029	-	-
Net cash provided by (used for) operating activities	<u>3,322,679</u>	<u>(633,124)</u>	<u>149,466</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	17,025	-	12,567
Transfers out	(420,946)	(32,044)	(6,169)
Proceeds from internal loans	-	800,000	-
Net cash provided by (used for) noncapital financing activities	<u>(403,921)</u>	<u>767,956</u>	<u>6,398</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sale of bonds and notes	-	-	-
Proceeds from sale of capital assets	-	10,400	-
Acquisition of capital assets	-	(514,795)	-
Principal paid on bonds and notes	(2,403,447)	(109,869)	(251,150)
Interest paid on bonds, notes and capital leases	(306,830)	(52,124)	(55,470)
Payments for bond issuance costs	-	-	-
Net cash provided by (used for) capital related financing activities	<u>(2,710,277)</u>	<u>(666,388)</u>	<u>(306,620)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings (losses)	<u>(3,473)</u>	<u>67,920</u>	<u>1,517</u>
Net cash provided by (used for) investing activities	<u>(3,473)</u>	<u>67,920</u>	<u>1,517</u>
Net increase (decrease) in cash and cash equivalents	205,008	(463,636)	(149,239)
Cash and cash equivalents, July 1, 2014	<u>15,228,432</u>	<u>1,345,689</u>	<u>325,729</u>
Cash and cash equivalents, June 30, 2015	<u>\$ 15,433,440</u>	<u>\$ 882,053</u>	<u>\$ 176,490</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Unrestricted cash and cash equivalents	\$ 214,257	\$ 882,053	\$ 176,490
Restricted cash and cash equivalents	<u>15,219,183</u>	<u>-</u>	<u>-</u>
Total cash and cash equivalents	<u>\$ 15,433,440</u>	<u>\$ 882,053</u>	<u>\$ 176,490</u>

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Headwaters Apartment Complex	Total
\$ 5,512,173	\$ 13,226,247	\$ 10,336,186	\$ 2,862,046	\$ 997,843	\$ 46,974,548
12,000	808,677	-	441,971	-	1,330,431
(907,097)	(3,675,691)	(1,898,920)	(1,803,366)	(3,225)	(13,264,779)
(2,238,936)	(200,659)	(229,839)	(434,650)	-	(7,859,080)
(1,614,856)	(1,770,976)	(349,592)	(1,001,418)	-	(6,277,210)
-	-	-	-	-	3,029
763,284	8,387,598	7,857,835	64,583	994,618	20,906,939
-	-	-	100,000	-	129,592
(9,951)	(3,479,173)	(108,329)	(230)	-	(4,056,842)
-	-	-	-	-	800,000
(9,951)	(3,479,173)	(108,329)	99,770	-	(3,127,250)
-	-	5,469,700	-	-	5,469,700
-	-	-	-	-	10,400
-	(2,546)	(134,334)	-	-	(651,675)
(34,118)	(1,310,000)	(10,479,000)	(788)	(300,000)	(14,888,372)
(16,186)	(572,250)	(1,534,863)	(374)	(561,548)	(3,099,645)
-	-	(17,310)	-	-	(17,310)
(50,304)	(1,884,796)	(6,695,807)	(1,162)	(861,548)	(13,176,902)
8,621	44,044	39,125	21,321	3,355	182,430
8,621	44,044	39,125	21,321	3,355	182,430
711,650	3,067,673	1,092,824	184,512	136,425	4,785,217
1,382,120	7,165,941	6,314,533	4,500,078	705,694	36,968,216
\$ 2,093,770	\$ 10,233,614	\$ 7,407,357	\$ 4,684,590	\$ 842,119	\$ 41,753,433
\$ 2,093,770	\$ 10,233,614	\$ 7,407,357	\$ 3,664,577	\$ 587,784	\$ 25,259,902
-	-	-	1,020,013	254,335	16,493,531
\$ 2,093,770	\$ 10,233,614	\$ 7,407,357	\$ 4,684,590	\$ 842,119	\$ 41,753,433

Continued next page

City of Portland, Oregon
Nonmajor Enterprise Funds
Combining Statement of Cash Flows, Continued
For the Fiscal Year Ended June 30, 2015

	<u>Hydroelectric Power</u>	<u>Golf</u>	<u>Portland International Raceway</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 2,756,303	\$ (593,036)	\$ 180,725
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and amortization	607,392	728,033	158,106
Change in assets and liabilities:			
Accounts and advances receivable	79,256	471,096	85,803
Due from / to component unit	-	-	-
Accounts payable	26,862	(4,439)	(8,923)
Compensated absences	(30)	(6,291)	(25,058)
Unearned revenue	-	-	-
Other postemployment benefits	187	4,386	933
Pollution remediation	-	-	-
Deferred outflows - pensions	(17,593)	(179,667)	(40,422)
Deferred inflows - pensions	107,128	1,094,032	246,138
Restatement per GASB 68 implementation (See Note I.E.)	(236,826)	(2,147,238)	(447,836)
	<u>\$ 3,322,679</u>	<u>\$ (633,124)</u>	<u>\$ 149,466</u>
<u>Noncash information</u>			
Capital contributions	\$ -	\$ -	-
Increase (decrease) in fair value of investments (classified as cash equivalents)	(48,148)	(1,294)	(367)

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Headwaters Apartment Complex	Total
\$ 1,010,742	\$ 7,482,569	\$ 4,524,147	\$ (854,481)	\$ 865,748	\$ 15,372,717
3,221	604,018	3,537,426	69,018	224,793	5,932,007
215,496	(34,952)	(389,084)	(66,114)	(106,556)	254,945
-	-	-	-	10,633	10,633
(8,385)	66,677	192,857	61,986	-	326,635
(23,805)	-	-	6,581	-	(48,603)
-	279,237	-	-	-	279,237
2,333	187	187	280	-	8,493
-	-	-	875,000	-	875,000
(120,935)	(12,349)	(9,376)	(24,256)	-	(404,598)
736,403	75,193	57,092	147,701	-	2,463,687
(1,051,786)	(72,982)	(55,414)	(151,132)	-	(4,163,214)
<u>\$ 763,284</u>	<u>\$ 8,387,598</u>	<u>\$ 7,857,835</u>	<u>\$ 64,583</u>	<u>\$ 994,618</u>	<u>\$ 20,906,939</u>
\$ 416,625	\$ -	\$ 105,633	\$ -	\$ -	\$ 522,258
390	1,121	(1,341)	(1,816)	(129)	(51,584)

City of Portland, Oregon
Internal Service Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2015

	Health Insurance Operating	Facilities Services Operating	CityFleet Operating
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 9,258,891	\$ 2,430,885	\$ 1,215,715
Receipts for interfund services provided	49,008,478	23,713,950	27,946,365
Payments to suppliers	(52,540,700)	(16,459,021)	(10,393,917)
Payments to employees	(1,343,996)	(3,542,086)	(7,465,438)
Payments for interfund services used	(786,701)	(3,048,902)	(2,244,570)
Other receipts (payments)	-	-	-
	<u>3,595,972</u>	<u>3,094,826</u>	<u>9,058,155</u>
Net cash provided by (used for) operating activities			
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	27	9,135,919	1,205,602
Transfers out	(5,916)	(99,348)	(74,850)
Proceeds from internal loans	-	472,762	472,762
	<u>(5,889)</u>	<u>9,509,333</u>	<u>1,603,514</u>
Net cash provided by (used for) noncapital financing activities			
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sale of capital assets	-	-	722,808
Acquisition of capital assets	-	(254,866)	(9,648,294)
Principal paid on bonds and notes	(20,279)	(6,174,216)	(256,648)
Interest paid on bonds and notes	(9,621)	(1,443,391)	(121,760)
	<u>(29,900)</u>	<u>(7,872,473)</u>	<u>(9,303,894)</u>
Net cash provided by (used for) capital related financing activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings (losses)	<u>77,537</u>	<u>159,655</u>	<u>101,478</u>
Net cash provided by (used for) investing activities			
	<u>77,537</u>	<u>159,655</u>	<u>101,478</u>
Net increase (decrease) in cash and cash equivalent	3,637,720	4,891,341	1,459,253
Cash and cash equivalents, July 1, 2014	<u>17,316,200</u>	<u>33,259,114</u>	<u>22,441,993</u>
Cash and cash equivalents, June 30, 2015	<u>\$ 20,953,920</u>	<u>\$ 38,150,455</u>	<u>\$ 23,901,246</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Unrestricted cash and cash equivalents	<u>\$ 20,953,920</u>	<u>\$ 38,150,455</u>	<u>\$ 23,901,246</u>

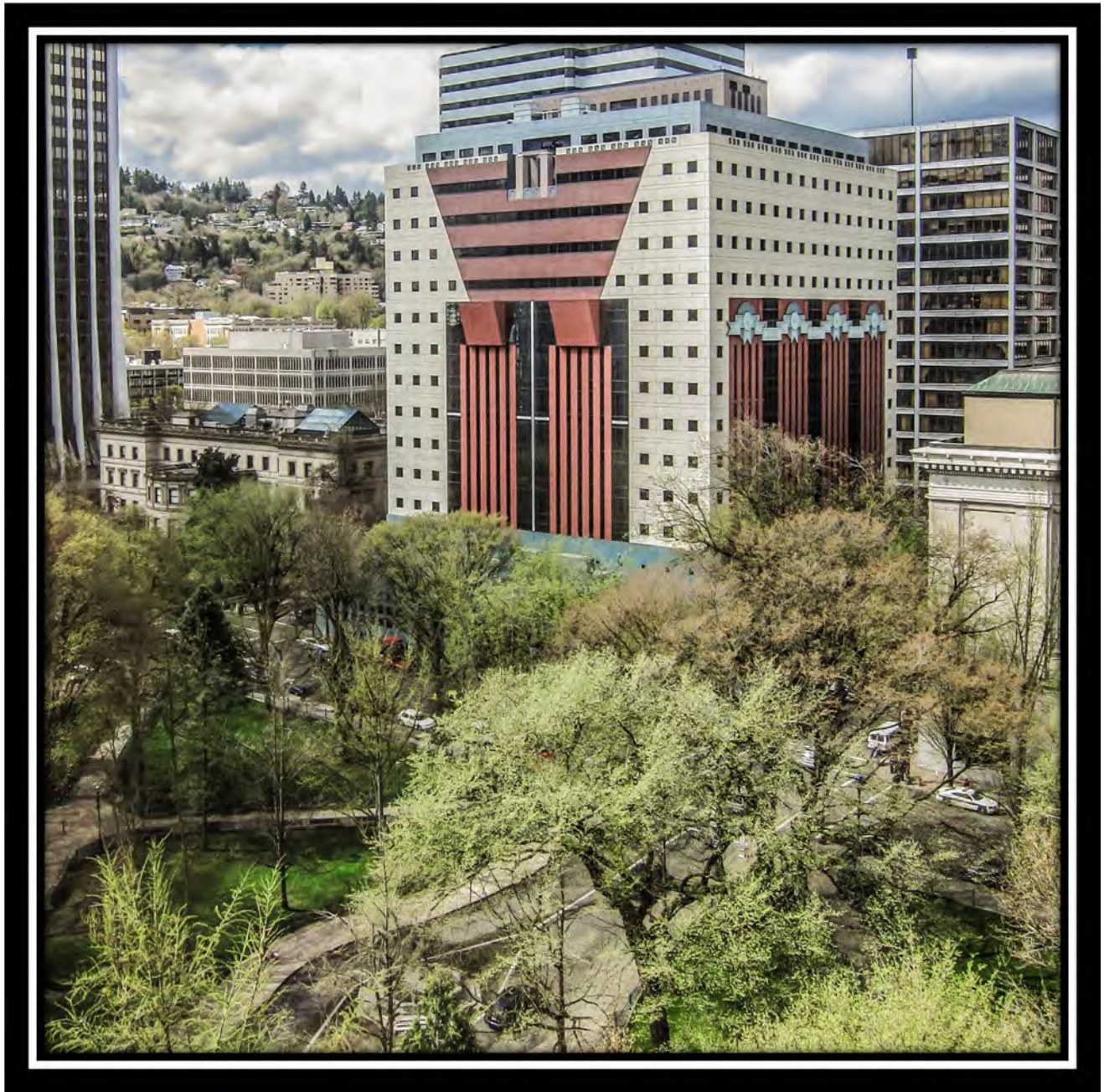
Printing and Distribution Services Operating	Insurance and Claims Operating	Workers' Compensation Self Insurance Operating	Technology Services	Enterprise Business Solutions Services	Total
\$ 1,046,910	\$ 268,670	\$ 306,670	\$ 5,315,629	\$ -	\$ 19,843,370
5,101,475	9,102,852	3,716,990	43,692,898	12,614,871	174,897,879
(3,237,736)	(5,544,827)	(3,047,390)	(12,994,578)	(694,157)	(104,912,326)
(1,704,859)	(1,144,198)	(1,093,336)	(26,027,525)	(2,299,455)	(44,620,893)
(969,119)	(2,706,911)	(788,681)	(5,264,377)	(4,034,291)	(19,843,552)
2,627	-	-	-	-	2,627
<u>239,298</u>	<u>(24,414)</u>	<u>(905,747)</u>	<u>4,722,047</u>	<u>5,586,968</u>	<u>25,367,105</u>
529	772	365	71,724	460	10,415,398
(25,365)	(13,977)	(13,074)	(3,542,462)	-	(3,774,992)
-	-	-	378,211	-	1,323,735
<u>(24,836)</u>	<u>(13,205)</u>	<u>(12,709)</u>	<u>(3,092,527)</u>	<u>460</u>	<u>7,964,141</u>
-	-	-	-	-	722,808
(133,173)	(86,047)	(86,047)	(2,310,628)	(129,793)	(12,648,848)
(86,973)	(47,925)	(44,828)	(305,032)	(3,945,000)	(10,880,901)
(41,262)	(22,736)	(21,267)	(144,713)	(449,125)	(2,253,875)
<u>(261,408)</u>	<u>(156,708)</u>	<u>(152,142)</u>	<u>(2,760,373)</u>	<u>(4,523,918)</u>	<u>(25,060,816)</u>
<u>1,192</u>	<u>108,769</u>	<u>70,040</u>	<u>104,986</u>	<u>21,694</u>	<u>645,351</u>
<u>1,192</u>	<u>108,769</u>	<u>70,040</u>	<u>104,986</u>	<u>21,694</u>	<u>645,351</u>
(45,754)	(85,558)	(1,000,558)	(1,025,867)	1,085,204	8,915,781
<u>622,940</u>	<u>25,247,284</u>	<u>16,365,019</u>	<u>24,189,304</u>	<u>2,478,459</u>	<u>141,920,313</u>
<u>\$ 577,186</u>	<u>\$ 25,161,726</u>	<u>\$ 15,364,461</u>	<u>\$ 23,163,437</u>	<u>\$ 3,563,663</u>	<u>\$ 150,836,094</u>
<u>\$ 577,186</u>	<u>\$ 25,161,726</u>	<u>\$ 15,364,461</u>	<u>\$ 23,163,437</u>	<u>\$ 3,563,663</u>	<u>\$ 150,836,094</u>

Continued next page

City of Portland, Oregon
Internal Service Funds
Combining Statement of Cash Flows, Continued
For the Fiscal Year Ended June 30, 2015

	<u>Health Insurance Operating</u>	<u>Facilities Services Operating</u>	<u>CityFleet Operating</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 3,440,984	\$ 1,257,591	\$ 3,888,614
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation and amortization of capital assets	-	3,242,053	5,935,006
Change in assets and liabilities:			
Accounts and advances receivable	(46,807)	558,305	1,321,491
Due (from) to component unit	-	494,953	-
Inventories	-	-	(182,834)
Accounts payable	376,600	(1,223,074)	915,649
Self insurance claims	72,000	-	-
Compensated absences	19,105	2,171	42,494
Unearned revenue	-	4,793	180
Other postemployment benefits	1,026	3,173	7,092
Deferred outflows - pensions	(81,131)	(202,485)	(407,049)
Deferred inflows - pensions	494,026	1,232,975	2,478,613
Restatement per GASB 68 implementation (See Note I.E.)	<u>(679,831)</u>	<u>(2,275,629)</u>	<u>(4,941,101)</u>
Net cash provided by (used for) operating activities	<u>\$ 3,595,972</u>	<u>\$ 3,094,826</u>	<u>\$ 9,058,155</u>
<u>Noncash information:</u>			
Increase (decrease) in fair value of investments (classified as cash equivalents)	\$ (2,529)	\$ (8,317)	\$ (8,277)

Printing and Distribution Services Operating	Insurance and Claims Operating	Workers' Compensation Self Insurance Operating	Technology Services	Enterprise Business Solutions Services	Total
\$ 578,935	\$ 344,254	\$ (1,544,694)	\$ 8,699,099	\$ 6,002,100	\$ 22,666,883
116,819	5,380	379	1,936,134	290,797	11,526,568
542,651	264,066	256,931	(1,890,705)	(455,264)	550,668
(1,929)	-	-	11,471	-	504,495
-	-	-	(27,626)	-	(210,460)
(42,683)	(20,008)	(59,629)	130,367	(106,579)	(29,357)
-	(102,728)	931,891	-	-	901,163
(11,522)	10,720	1,664	59,906	(23,164)	101,374
-	-	-	-	-	4,973
1,960	1,213	653	18,850	1,773	35,740
(104,455)	(65,619)	(61,030)	(1,464,299)	(149,455)	(2,535,523)
636,053	399,566	371,626	8,916,449	910,063	15,439,371
<u>(1,476,531)</u>	<u>(861,258)</u>	<u>(803,538)</u>	<u>(11,667,599)</u>	<u>(883,303)</u>	<u>(23,588,790)</u>
<u>\$ 239,298</u>	<u>\$ (24,414)</u>	<u>\$ (905,747)</u>	<u>\$ 4,722,047</u>	<u>\$ 5,586,968</u>	<u>\$ 25,367,105</u>
\$ (355)	\$ (11,810)	\$ (9,022)	\$ (12,680)	\$ 423	\$ (52,567)



Portland Building and Park

Fiduciary Funds

Pension Trust Funds:

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.

Agency Funds:

Mt. Hood Cable Regulatory Commission Fund

This fund accounts for cable revenues and expenditures as required by an intergovernmental agreement with the Mt. Hood Cable Regulatory Commission.

Trustee Fund

This fund is a depository for monies paid to the City Treasurer, obligations, and to guarantee performance of future services.

Multnomah County Business Income Tax Fund

This fund accounts for revenues and expenses associated with collection and disbursement of Multnomah County business income taxes.

Clearing Funds

These funds account for transfers from other funds to pay City payroll, benefits, accounts payable, internal transactions and fire and police pension benefits.

Blank back of tab

City of Portland, Oregon
Combining Statement of Fiduciary Net Position
Pension Trust Funds
June 30, 2015

	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 ¹	\$ 25,449,647	\$ 750,000	\$ 11,629	\$ 26,211,276
Receivables:				
Accounts, net	17,486	-	-	17,486
Pension recovery	31,227	-	-	31,227
Accrued interest	134,212	-	27	134,239
Due from other funds	7,398,731	-	-	7,398,731
Prepaid expense	-	-	694	694
	<u>33,031,303</u>	<u>750,000</u>	<u>12,350</u>	<u>33,793,653</u>
Total current assets				
Capital assets:				
Intangible assets:				
Software	638,052	-	-	638,052
Accumulated depreciation and amortization	<u>(127,610)</u>	<u>-</u>	<u>-</u>	<u>(127,610)</u>
	510,442	-	-	510,442
Net capital assets	510,442	-	-	510,442
Pension asset	<u>282,521</u>	<u>-</u>	<u>-</u>	<u>282,521</u>
	792,963	-	-	792,963
Total noncurrent assets	<u>792,963</u>	<u>-</u>	<u>-</u>	<u>792,963</u>
	<u>33,824,266</u>	<u>750,000</u>	<u>12,350</u>	<u>34,586,616</u>
Total assets	<u>33,824,266</u>	<u>750,000</u>	<u>12,350</u>	<u>34,586,616</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - pensions	<u>94,288</u>	<u>-</u>	<u>-</u>	<u>94,288</u>
LIABILITIES				
Accounts payable	9,407,567	-	733	9,408,300
Compensated absences	905,762	-	-	905,762
Bonds payable	384,259	-	-	384,259
Accrued interest payable	164,348	-	-	164,348
Contingent pension liability	1,325,000	-	-	1,325,000
Other postemployment benefits	<u>39,921</u>	<u>-</u>	<u>-</u>	<u>39,921</u>
	12,226,857	-	733	12,227,590
Total liabilities	<u>12,226,857</u>	<u>-</u>	<u>733</u>	<u>12,227,590</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pensions	<u>564,755</u>	<u>-</u>	<u>-</u>	<u>564,755</u>
NET POSITION				
Net position restricted for pensions	<u>\$ 21,126,942</u>	<u>\$ 750,000</u>	<u>\$ 11,617</u>	<u>\$ 21,888,559</u>

¹ The City's pension plan is unfunded and has only a portion of the City's internal investment pool.

City of Portland, Oregon
Combining Statement of Fiduciary Net Position
Agency Funds
June 30, 2015

	Mt. Hood Cable Regulatory Commission	Trustee	Multnomah County Business Income Tax	Clearing Funds	Total
ASSETS					
Cash and investments	\$ 11,139,245	\$ 10,321,029	\$ 6,407,229	\$ 26,022,061	\$ 53,889,564
Receivables:					
Accounts, net	1,745,760	75,105	-	436,247	2,257,112
Advances	873,873	-	-	-	873,873
Accrued interest	23,146	750	8,129	67	32,092
Total current assets	<u>13,782,024</u>	<u>10,396,884</u>	<u>6,415,358</u>	<u>26,458,375</u>	<u>57,052,641</u>
Capital assets:					
Intangible assets:					
Software	12,000	-	-	-	12,000
Total assets	<u>13,794,024</u>	<u>10,396,884</u>	<u>6,415,358</u>	<u>26,458,375</u>	<u>57,064,641</u>
LIABILITIES					
Accounts payable	832,578	221,097	93,483	3,266,364	4,413,522
Salaries and withholding taxes	-	-	-	21,277,695	21,277,695
Due to other governments	12,961,446	-	-	-	12,961,446
Other liabilities	-	10,175,787	6,321,875	1,914,316	18,411,978
Total liabilities	<u>13,794,024</u>	<u>10,396,884</u>	<u>6,415,358</u>	<u>26,458,375</u>	<u>57,064,641</u>
NET POSITION					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Portland, Oregon
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Fiscal Year Ended June 30, 2015

	Fire and Police Disability and Retirement	Fire and Police Disability and Retirement Reserve	Fire and Police Supplemental Retirement Reserve	Total
ADDITIONS				
Contributions:				
Employer	\$ 122,063,640	\$ -	\$ -	\$ 122,063,640
Other	836,964	-	28	836,992
Total contributions	122,900,604	-	28	122,900,632
Investment earnings	294,799	-	85	294,884
Total additions	123,195,403	-	113	123,195,516
DEDUCTIONS				
Benefits and refunds paid to plan members and beneficiaries	117,948,460	-	8,521	117,956,981
Administrative expenses	3,085,925	-	-	3,085,925
Total deductions	121,034,385	-	8,521	121,042,906
Change in net position	2,161,018	-	(8,408)	2,152,610
Net position - beginning, previously reported	19,782,924	750,000	20,025	20,552,949
Restatement per GASB 68 implementation (See Note I.E.)	(817,000)	-	-	(817,000)
Net position - beginning restated	18,965,924	750,000	20,025	19,735,949
Net position - ending	\$ 21,126,942	\$ 750,000	\$ 11,617	\$ 21,888,559

City of Portland, Oregon
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2015

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2015</u>
Mt. Hood Cable Regulatory Commission				
Assets:				
Cash and investments	\$ 8,962,421	\$ 7,182,364	\$ 5,005,540	\$ 11,139,245
Receivables:				
Accounts, net	1,704,333	1,745,760	1,704,333	1,745,760
Advances	448,168	1,753,636	1,327,931	873,873
Accrued interest	13,752	57,790	48,396	23,146
	<u>11,128,674</u>	<u>10,739,550</u>	<u>8,086,200</u>	<u>13,782,024</u>
Total current assets				
	<u>11,128,674</u>	<u>10,739,550</u>	<u>8,086,200</u>	<u>13,782,024</u>
Capital assets:				
Intangible assets:				
Software	-	12,000	-	12,000
	<u>-</u>	<u>12,000</u>	<u>-</u>	<u>12,000</u>
Total assets	<u>\$11,128,674</u>	<u>\$ 10,751,550</u>	<u>\$ 8,086,200</u>	<u>\$ 13,794,024</u>
Liabilities:				
Accounts payable	\$ 382,172	\$ 24,341,842	\$ 23,891,436	\$ 832,578
Due to other government	10,746,502	21,740,116	19,525,172	12,961,446
	<u>10,746,502</u>	<u>21,740,116</u>	<u>19,525,172</u>	<u>12,961,446</u>
Total liabilities	<u>\$11,128,674</u>	<u>\$ 46,081,958</u>	<u>\$ 43,416,608</u>	<u>\$ 13,794,024</u>
Trustee				
Assets:				
Cash and investments	\$ 9,601,773	\$ 54,726,213	\$ 54,006,957	\$ 10,321,029
Receivables:				
Accounts, net	29,530	1,717,710	1,672,135	75,105
Accrued interest	439	1,838	1,527	750
	<u>29,969</u>	<u>1,719,548</u>	<u>1,673,662</u>	<u>75,855</u>
Total assets	<u>\$ 9,631,742</u>	<u>\$ 56,445,761</u>	<u>\$ 55,680,619</u>	<u>\$ 10,396,884</u>
Liabilities:				
Accounts payable	\$ 7,597	\$ 11,085,521	\$ 10,872,021	\$ 221,097
Other liabilities	9,624,145	56,264,235	55,712,593	10,175,787
	<u>9,624,145</u>	<u>56,264,235</u>	<u>55,712,593</u>	<u>10,175,787</u>
Total liabilities	<u>\$ 9,631,742</u>	<u>\$ 67,349,756</u>	<u>\$ 66,584,614</u>	<u>\$ 10,396,884</u>
Multnomah Co. Business Income Tax				
Assets:				
Cash and investments	\$ 873,562	\$ 79,880,770	\$ 74,347,103	\$ 6,407,229
Receivables:				
Accrued interest	2,356	13,258	7,485	8,129
	<u>2,356</u>	<u>13,258</u>	<u>7,485</u>	<u>8,129</u>
Total assets	<u>\$ 875,918</u>	<u>\$ 79,894,028</u>	<u>\$ 74,354,588</u>	<u>\$ 6,415,358</u>
Liabilities:				
Accounts payable	\$ -	\$ 5,218,405	\$ 5,124,922	\$ 93,483
Other liabilities	875,918	80,589,800	75,143,843	6,321,875
	<u>875,918</u>	<u>80,589,800</u>	<u>75,143,843</u>	<u>6,321,875</u>
Total liabilities	<u>\$ 875,918</u>	<u>\$ 85,808,205</u>	<u>\$ 80,268,765</u>	<u>\$ 6,415,358</u>

Continued next page

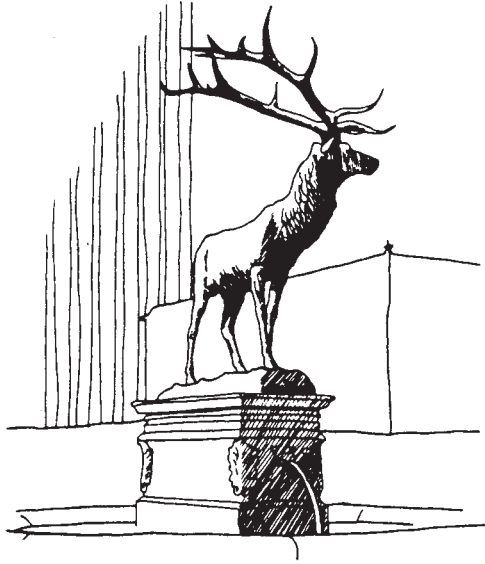
City of Portland, Oregon
Combining Statement of Changes in Assets and Liabilities , Continued
Agency Funds
For the Fiscal Year Ended June 30, 2015

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2015</u>
Clearing				
Assets:				
Cash and investments	\$22,971,858	\$ 1,319,117,023	\$ 1,316,066,820	\$ 26,022,061
Receivables:				
Accounts, net	406,773	2,038,190,835	2,038,161,361	436,247
Accrued interest	52	182	167	67
Total assets	<u>\$23,378,683</u>	<u>\$ 3,357,308,040</u>	<u>\$ 3,354,228,348</u>	<u>\$ 26,458,375</u>
Liabilities:				
Accounts payable	3,130,877	244,605,278	244,469,791	3,266,364
Salaries and withholding taxes	18,320,047	1,312,013,415	1,309,055,767	21,277,695
Other liabilities	1,927,759	46,967	60,410	1,914,316
Total liabilities	<u>\$23,378,683</u>	<u>\$ 1,556,665,660</u>	<u>\$ 1,553,585,968</u>	<u>\$ 26,458,375</u>
Total - All Agency Funds				
Assets:				
Cash and investments	\$42,409,614	\$ 1,460,906,370	\$ 1,449,426,420	\$ 53,889,564
Receivables:				
Accounts, net	2,140,636	2,041,654,305	2,041,537,829	2,257,112
Advances	448,168	1,753,636	1,327,931	873,873
Accrued interest	16,599	73,068	57,575	32,092
Total current assets	<u>45,015,017</u>	<u>3,504,387,379</u>	<u>3,492,349,755</u>	<u>57,052,641</u>
Capital assets:				
Intangible assets:				
Software	-	12,000	-	12,000
Total assets	<u>\$45,015,017</u>	<u>\$ 3,504,399,379</u>	<u>\$ 3,492,349,755</u>	<u>\$ 57,064,641</u>
Liabilities:				
Accounts payable	\$ 3,520,646	\$ 285,251,046	\$ 284,358,170	\$ 4,413,522
Salaries and withholding taxes	18,320,047	1,312,013,415	1,309,055,767	21,277,695
Due to other government	10,746,502	21,740,116	19,525,172	12,961,446
Other liabilities	12,427,822	136,901,002	130,916,846	18,411,978
Total liabilities	<u>\$45,015,017</u>	<u>\$ 1,755,905,579</u>	<u>\$ 1,743,855,955</u>	<u>\$ 57,064,641</u>



City Hall Columns

Schedules of Revenues and Expenditures Governmental Funds - Budget and Actual



David P. Thompson Fountain, 1900

SCHED OF REV & EXPEND
GOVERNMENTAL FUNDS
BUDGET & ACTUAL

Blank back of tab

General Fund by Function Budget and Actual

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.

Blank back of tab

City of Portland, Oregon
General Fund by Function
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 201,524,041	\$ 201,524,041	\$ 206,945,891	\$ 5,421,850
Prior year property	4,232,631	4,232,631	3,813,176	(419,455)
Lodging	21,088,811	21,088,811	27,006,075	5,917,264
Total taxes	226,845,483	226,845,483	237,765,142	10,919,659
Licenses and permits:				
Business licenses, net	79,799,708	79,799,708	97,883,936	18,084,228
Public utility licenses	82,273,530	82,273,530	81,864,957	(408,573)
Construction permits	1,500,000	1,945,000	2,218,121	273,121
Other permits	2,862,108	2,904,108	2,914,115	10,007
Total licenses and permits	166,435,346	166,922,346	184,881,129	17,958,783
Intergovernmental:				
Federal cost sharing	263,000	263,000	234,784	(28,216)
State revenue sharing	14,535,088	14,535,088	15,663,033	1,127,945
State cost sharing	174,000	174,000	184,072	10,072
Multnomah County cost sharing	2,239,087	2,400,280	2,413,115	12,835
Local revenue sharing	3,603,822	3,753,822	3,015,608	(738,214)
Local cost sharing	5,957,309	6,619,683	6,743,562	123,879
Overhead charges	209,376	209,376	209,376	-
Total intergovernmental	26,981,682	27,955,249	28,463,550	508,301
Charges for services:				
Public works and utility charges	-	1,411	2,912	1,501
Inspection fees	1,450,000	1,450,000	1,277,298	(172,702)
Rents and reimbursements	4,574,361	4,574,549	4,686,789	112,240
Parking fees	333,173	419,698	436,550	16,852
Concessions	30,681	30,681	22,512	(8,169)
Parks and recreation facilities fees	12,280,960	12,297,513	12,619,131	321,618
Other service charges	1,798,450	1,830,852	3,382,288	1,551,436
Total service charges and fees	20,467,625	20,604,704	22,427,480	1,822,776
Billings to other funds for services	23,503,353	24,938,300	23,697,573	(1,240,727)
Billings to other funds for overhead	22,631,517	22,631,517	22,631,517	-
Other:				
Loan repayments	-	-	1,252	1,252
Assessments	3,263	3,263	3,540	277
Sales - other	1,950,297	1,983,097	1,041,617	(941,480)
Refunds	60,000	79,031	129,589	50,558
Donations	270,000	270,000	81,133	(188,867)
Investment earnings	1,015,958	994,601	1,067,312	72,711
Payment in lieu of taxes	1,057,962	1,057,962	586,440	(471,522)
Fines	157,150	157,150	339,225	182,075
Miscellaneous	531,686	1,190,770	1,466,027	275,257
Total other	5,046,316	5,735,874	4,716,135	(1,019,739)
Total revenues	491,911,322	495,633,473	524,582,526	28,949,053

Continued next page

City of Portland, Oregon
General Fund by Function, Continued
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current:				
Public Safety				
Portland Police Bureau				
Personal services	130,936,530	135,268,245	135,999,500	(731,255)
Materials and services	43,406,684	42,609,998	42,371,686	238,312
Capital outlay	255,000	1,316,976	637,792	679,184
Total Portland Police Bureau	<u>174,598,214</u>	<u>179,195,219</u>	<u>179,008,978</u>	<u>186,241</u>
Portland Fire and Rescue				
Personal services	87,322,864	90,583,493	89,733,126	850,367
Materials and services	12,423,664	13,698,924	12,837,125	861,799
Capital outlay	55,000	305,000	144,651	160,349
Total Portland Fire and Rescue	<u>99,801,528</u>	<u>104,587,417</u>	<u>102,714,902</u>	<u>1,872,515</u>
Portland Bureau of Emergency Management				
Personal services	1,327,647	1,417,110	1,383,988	33,122
Materials and services	880,287	789,644	683,037	106,607
Total Portland Bureau of Emergency Management	<u>2,207,934</u>	<u>2,206,754</u>	<u>2,067,025</u>	<u>139,729</u>
Total Public Safety	<u>276,607,676</u>	<u>285,989,390</u>	<u>283,790,905</u>	<u>2,198,485</u>
Parks, Recreation and Culture				
Portland Parks and Recreation				
Personal services	45,300,269	47,283,471	46,732,787	550,684
Materials and services	21,859,856	22,758,135	22,359,679	398,456
Capital outlay	-	53,235	7,012	46,223
Total Portland Parks and Recreation	<u>67,160,125</u>	<u>70,094,841</u>	<u>69,099,478</u>	<u>995,363</u>
Total Parks, Recreation and Culture	<u>67,160,125</u>	<u>70,094,841</u>	<u>69,099,478</u>	<u>995,363</u>
Community Development				
Portland Housing Bureau				
Personal services	568,695	574,695	569,139	5,556
Materials and services	11,545,794	12,881,943	12,846,776	35,167
Total Portland Housing Bureau	<u>12,114,489</u>	<u>13,456,638</u>	<u>13,415,915</u>	<u>40,723</u>
Bureau of Planning and Sustainability				
Personal services	7,225,662	7,266,662	7,233,855	32,807
Materials and services	1,255,345	1,529,745	1,435,768	93,977
Total Bureau of Planning and Sustainability	<u>8,481,007</u>	<u>8,796,407</u>	<u>8,669,623</u>	<u>126,784</u>
Office of Neighborhood Involvement				
Personal services	3,735,080	4,109,331	4,064,326	45,005
Materials and services	4,084,248	4,175,196	3,745,401	429,795
Total Office of Neighborhood Involvement	<u>7,819,328</u>	<u>8,284,527</u>	<u>7,809,727</u>	<u>474,800</u>

City of Portland, Oregon
General Fund by Function, Continued
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES, Continued				
Current, Continued:				
Community Development, Continued:				
Portland Development Commission				
Materials and services	5,425,564	5,308,563	5,297,524	11,039
Total Portland Development Commission	<u>5,425,564</u>	<u>5,308,563</u>	<u>5,297,524</u>	<u>11,039</u>
Office of Equity & Human Rights				
Personal services	1,313,797	1,279,628	1,273,386	6,242
Materials and services	447,851	427,568	343,456	84,112
Total Office of Equity & Human Rights	<u>1,761,648</u>	<u>1,707,196</u>	<u>1,616,842</u>	<u>90,354</u>
Total Community Development	<u>35,602,036</u>	<u>37,553,331</u>	<u>36,809,631</u>	<u>743,700</u>
Legislative/ Admin/ Support Services				
Office of the City Attorney				
Personal services	9,000,252	9,329,278	9,194,166	135,112
Materials and services	1,607,820	1,706,274	1,658,331	47,943
Total Office of the City Attorney	<u>10,608,072</u>	<u>11,035,552</u>	<u>10,852,497</u>	<u>183,055</u>
Office of the City Auditor				
Personal services	5,499,279	5,677,135	5,653,086	24,049
Materials and services	3,430,649	3,312,965	3,031,106	281,859
Total Office of the City Auditor	<u>8,929,928</u>	<u>8,990,100</u>	<u>8,684,192</u>	<u>305,908</u>
City Budget Office				
Personal services	1,583,099	1,583,099	1,547,751	35,348
Materials and services	383,192	383,192	368,173	15,019
Total City Budget Office	<u>1,966,291</u>	<u>1,966,291</u>	<u>1,915,924</u>	<u>50,367</u>
Office of Government Relations				
Personal services	972,740	972,740	926,329	46,411
Materials and services	486,447	502,947	446,059	56,888
Total Office of Government Relations	<u>1,459,187</u>	<u>1,475,687</u>	<u>1,372,388</u>	<u>103,299</u>
Office of Management and Finance				
Personal services	27,109,667	27,383,913	26,586,624	797,289
Materials and services	13,036,857	15,953,077	13,503,983	2,449,094
Subtotal Office of Management and Finance	<u>40,146,524</u>	<u>43,336,990</u>	<u>40,090,607</u>	<u>3,246,383</u>
Special Appropriations				
Personal services	219,366	224,366	255,647	(31,281)
Materials and services	8,289,777	8,964,225	8,622,678	341,547
Total Special Appropriations	<u>8,509,143</u>	<u>9,188,591</u>	<u>8,878,325</u>	<u>310,266</u>
Total Office of Management and Finance	<u>48,655,667</u>	<u>52,525,581</u>	<u>48,968,932</u>	<u>3,556,649</u>

Continued next page

City of Portland, Oregon
General Fund by Function, Continued
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES, Continued				
Current, Continued:				
Legislative/ Admin/ Support Services, Continued:				
Office of the Mayor				
Personal services	1,816,340	1,661,340	1,639,381	21,959
Materials and services	690,765	1,364,302	877,493	486,809
Total Office of the Mayor	<u>2,507,105</u>	<u>3,025,642</u>	<u>2,516,874</u>	<u>508,768</u>
Commissioner of Public Affairs				
Personal services	1,092,317	1,141,348	1,062,855	78,493
Materials and services	460,774	660,575	477,924	182,651
Total Commissioner of Public Affairs	<u>1,553,091</u>	<u>1,801,923</u>	<u>1,540,779</u>	<u>261,144</u>
Commissioner of Public Safety				
Personal services	756,030	791,030	763,541	27,489
Materials and services	195,108	160,296	140,828	19,468
Total Commissioner of Public Safety	<u>951,138</u>	<u>951,326</u>	<u>904,369</u>	<u>46,957</u>
Commissioner of Public Utilities				
Personal services	791,155	781,155	756,047	25,108
Materials and services	187,415	229,061	135,085	93,976
Total Commissioner of Public Utilities	<u>978,570</u>	<u>1,010,216</u>	<u>891,132</u>	<u>119,084</u>
Commissioner of Public Works				
Personal services	822,173	799,673	767,417	32,256
Materials and services	128,857	158,857	137,585	21,272
Total Commissioner of Public Works	<u>951,030</u>	<u>958,530</u>	<u>905,002</u>	<u>53,528</u>
Total Legislative/ Admin/ Support Services	<u>78,560,079</u>	<u>83,740,848</u>	<u>78,552,089</u>	<u>5,188,759</u>
Nondepartmental				
General operating contingencies	11,924,217	6,451,380	-	6,451,380
Total Nondepartmental	<u>11,924,217</u>	<u>6,451,380</u>	<u>-</u>	<u>6,451,380</u>
Debt service and related costs:				
Principal	6,049,231	5,386,731	5,049,231	337,500
Interest	2,704,310	2,704,310	2,402,831	301,479
Total debt service and related costs	<u>8,753,541</u>	<u>8,091,041</u>	<u>7,452,062</u>	<u>638,979</u>
Total expenditures	<u>478,607,674</u>	<u>491,920,831</u>	<u>475,704,165</u>	<u>16,216,666</u>
Revenues over (under) expenditures	13,303,648	3,712,642	48,878,361	45,165,719

City of Portland, Oregon
General Fund by Function, Continued
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Transportation Operating	-	230,000	230,000	-
Emergency Communication	-	411,745	411,745	-
Hydroelectric Power Operating	400,000	400,000	400,000	-
Parking Facilities	278,310	278,310	278,310	-
Spectator Facilities Operating	18,329	18,329	18,329	-
Facilities Services Operating	58,825	58,825	58,825	-
Technology Services	3,084,353	3,453,500	3,453,500	-
Total transfers from other funds	<u>3,839,817</u>	<u>4,850,709</u>	<u>4,850,709</u>	<u>-</u>
Transfers to other funds:				
Transportation Operating	(9,909,127)	(12,062,939)	(12,062,939)	-
Assessment Collection	(14)	(14)	(14)	-
Emergency Communication	(12,284,605)	(14,628,860)	(14,628,860)	-
Development Services	(2,033,872)	(2,415,384)	(2,415,384)	-
Convention and Tourism	-	(108)	(108)	-
General Reserve	(1,948,343)	(1,948,343)	(1,948,343)	-
Housing Investment	(1,000,000)	(1,070,000)	(1,070,000)	-
Portland Parks Memorial	(61,200)	(484,800)	(484,800)	-
Police Special Revenue	-	(200,010)	(200,010)	-
Pension Debt Redemption	(1,472,604)	(1,472,604)	(1,472,604)	-
Governmental Bond Redemption	(1,436,494)	(1,436,494)	(1,436,494)	-
BFRES Facilities GO Bond Construction	-	(245)	(245)	-
Local Improvement District	(63,978)	(64,400)	(64,400)	-
Parks Capital Improvement Program	(1,622,768)	(2,335,468)	(2,335,468)	-
Sewer System Operating	(971,895)	(1,123,464)	(1,123,464)	-
Water	-	(24,472)	(24,472)	-
Hydroelectric Power Operating	(4,148)	(4,303)	(4,303)	-
Golf	-	(458)	(458)	-
Portland International Raceway	-	(191)	(191)	-
Solid Waste Management	-	(246)	(246)	-
Parking Facilities	-	(590)	(590)	-
Spectator Facilities Operating	-	(283)	(283)	-
Environmental Remediation	-	(385)	(385)	-
Facilities Services Operating	(3,565,541)	(2,865,477)	(2,865,477)	-
CityFleet Operating	-	(1,203,807)	(1,203,807)	-
Printing and Distribution Services Operating	-	(494)	(494)	-
Insurance and Claims Operating	-	(705)	(705)	-
Workers' Compensation Self Insurance Operating	-	(293)	(293)	-
Technology Services	-	(69,812)	(69,812)	-
Enterprise Business Solutions Services	-	(305)	(305)	-
Fire and Police Disability and Retirement	-	(254)	(254)	-
Total transfers to other funds	<u>(36,374,589)</u>	<u>(43,415,208)</u>	<u>(43,415,208)</u>	<u>-</u>

City of Portland, Oregon
General Fund by Function, Continued
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES), CONTINUED				
Internal loan remittances	(137,516)	(1,323,735)	(1,323,735)	-
Sale of capital asset	-	-	300	300
Total other financing sources (uses)	<u>(32,672,288)</u>	<u>(39,888,234)</u>	<u>(39,887,934)</u>	<u>300</u>
Net change in fund balance	(19,368,640)	(36,175,592)	8,990,427	45,166,019
Fund balance -- beginning	<u>19,368,640</u>	<u>36,175,592</u>	<u>37,067,314</u>	<u>891,722</u>
Fund balance -- ending	<u>\$ -</u>	<u>\$ -</u>	46,057,741	<u>\$ 46,057,741</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Reserve fund budgeted as separate fund			58,885,208	
Unrealized gain on investments			125,955	
Internal loans receivable			725,000	
Inventories			<u>286,027</u>	
Fund balance - GAAP basis			<u>\$ 106,079,931</u>	

Special Revenue Funds

Budget and Actual

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.

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. The Children's Investment Fund shall be expended only for purposes of early childhood programs, child abuse prevention and intervention, and after school and mentoring programs for children.

Grants Fund

This fund accounts for the receipts and expenditures of federal as well as state, local, and private sources.

Community Development Block Grant Fund

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 Portland Development Commission.

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.

Blank back of tab

City of Portland, Oregon
Assessment Collection Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Assessments	\$ 250	\$ 250	\$ -	\$ (250)
Investment earnings	600	600	537	(63)
Total revenues	<u>850</u>	<u>850</u>	<u>537</u>	<u>(313)</u>
EXPENDITURES				
Current:				
Materials and services	1,545	1,545	1,536	9
General operating contingencies	77,588	77,588	-	77,588
Total expenditures	<u>79,133</u>	<u>79,133</u>	<u>1,536</u>	<u>77,597</u>
Revenues over (under) expenditures	<u>(78,283)</u>	<u>(78,283)</u>	<u>(999)</u>	<u>77,284</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
General	14	14	14	-
Net change in fund balance	(78,269)	(78,269)	(985)	77,284
Fund balance - beginning	78,269	78,269	79,059	790
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	78,074	<u>\$ 78,074</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>113</u>	
Fund balance - GAAP basis			<u>\$ 78,187</u>	

City of Portland, Oregon
Emergency Communication Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Intergovernmental:				
State revenue sharing	\$ 3,000,000	\$ 3,000,000	\$ 3,612,921	\$ 612,921
State cost sharing	121,800	121,800	-	(121,800)
Local cost sharing	4,267,977	4,053,695	3,223,317	(830,378)
Charges for services:				
Other service charges	298,934	377,988	357,937	(20,051)
Other:				
Investment earnings	15,000	15,000	13,470	(1,530)
Miscellaneous	-	17,017	18,728	1,711
Total revenues	<u>7,703,711</u>	<u>7,585,500</u>	<u>7,226,373</u>	<u>(359,127)</u>
EXPENDITURES				
Current:				
Personal services	14,292,969	14,724,837	14,349,345	375,492
Materials and services	4,757,203	4,968,453	4,792,013	176,440
General operating contingencies	1,730,383	1,331,104	-	1,331,104
Overhead charges - General Fund	690,103	690,103	690,103	-
Debt service and related costs:				
Principal	1,303,510	1,303,510	1,172,710	130,800
Interest	68,084	68,084	191,388	(123,304)
Total expenditures	<u>22,842,252</u>	<u>23,086,091</u>	<u>21,195,559</u>	<u>1,890,532</u>
Revenues over (under) expenditures	<u>(15,138,541)</u>	<u>(15,500,591)</u>	<u>(13,969,186)</u>	<u>1,531,405</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	12,284,605	14,628,860	14,628,860	-
General Reserve	1,175,800	1,175,800	1,175,800	-
Facilities Services Operating	383	383	383	-
Total transfers from other funds	<u>13,460,788</u>	<u>15,805,043</u>	<u>15,805,043</u>	<u>-</u>
Transfers to other funds:				
General	-	(411,745)	(411,745)	-
Pension Debt Redemption	(37,247)	(37,247)	(37,247)	-
Facilities Services Operating	-	(2,476,210)	(2,476,210)	-
Total transfers to other funds	<u>(37,247)</u>	<u>(2,925,202)</u>	<u>(2,925,202)</u>	<u>-</u>
Total other financing sources (uses)	<u>13,423,541</u>	<u>12,879,841</u>	<u>12,879,841</u>	<u>-</u>
Net change in fund balance	<u>(1,715,000)</u>	<u>(2,620,750)</u>	<u>(1,089,345)</u>	<u>1,531,405</u>
Fund balance - beginning	<u>1,715,000</u>	<u>2,620,750</u>	<u>2,617,343</u>	<u>(3,407)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>1,527,998</u>	<u>\$ 1,527,998</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>83</u>	
Fund balance - GAAP basis			<u>\$ 1,528,081</u>	

City of Portland, Oregon
Development Services Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Licenses and permits:				
Construction permits	\$ 26,293,734	\$ 28,273,554	\$ 35,760,806	\$ 7,487,252
Other permits	536,380	536,380	706,993	170,613
Service charges and fees:				
Inspection fees	1,827,693	1,827,693	2,256,560	428,867
Other service charges	8,906,518	9,136,738	12,972,558	3,835,820
Billings to other funds for services	919,353	993,931	931,983	(61,948)
Other:				
Assessments	1,842,518	1,842,518	2,456,674	614,156
Investment earnings	-	-	569,027	569,027
Miscellaneous	-	-	11,914	11,914
Total revenues	40,326,196	42,610,814	55,666,515	13,055,701
EXPENDITURES				
Current:				
Personal services	27,161,182	29,775,612	27,503,553	2,272,059
Materials and services	9,806,065	11,592,065	11,154,193	437,872
General operating contingencies	12,256,366	10,522,066	-	10,522,066
Overhead charges - General Fund	1,069,843	1,069,843	1,069,843	-
Debt service and related costs:				
Principal	640,942	640,942	640,942	-
Interest	341,696	341,696	304,075	37,621
Capital outlay	1,495,649	1,495,649	1,215,763	279,886
Total expenditures	52,771,743	55,437,873	41,888,369	13,549,504
Revenues over (under) expenditures	<u>(12,445,547)</u>	<u>(12,827,059)</u>	<u>13,778,146</u>	<u>26,605,205</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	2,033,872	2,415,384	2,415,384	-
Facilities Services Operating	1,451	1,451	1,451	-
Insurance and Claims Operating	-	-	-	-
Workers' Compensation Self Insurance Operating	-	-	-	-
Total transfers from other funds	2,035,323	2,416,835	2,416,835	-
Transfer to other fund:				
Pension Debt Redemption	(186,931)	(186,931)	(186,931)	-
Internal loan proceeds	25,000	25,000	-	(25,000)
Total other financing sources (uses)	1,873,392	2,254,904	2,229,904	(25,000)
Net change in fund balance	(10,572,155)	(10,572,155)	16,008,050	26,580,205
Fund balance - beginning	<u>24,572,155</u>	<u>24,572,155</u>	<u>35,220,896</u>	<u>10,648,741</u>
Fund balance - ending	<u>\$ 14,000,000</u>	<u>\$ 14,000,000</u>	<u>51,228,946</u>	<u>\$ 37,228,946</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>73,542</u>	
Fund balance - GAAP basis			<u>\$ 51,302,488</u>	

City of Portland, Oregon
Property Management License Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Licenses and permits:				
Business licenses, net	\$ 5,241,789	\$ 5,341,789	\$ 5,128,183	\$ (213,606)
Charges for services:				
Other service charges	350	-	-	-
Other:				
Investment earnings	2,150	2,430	2,506	76
	<u>5,244,289</u>	<u>5,344,219</u>	<u>5,130,689</u>	<u>(213,530)</u>
Total revenues				
EXPENDITURES				
Current:				
Materials and services	5,254,289	5,354,871	5,130,485	224,386
Overhead charges - General Fund	25,000	25,000	25,000	-
	<u>5,279,289</u>	<u>5,379,871</u>	<u>5,155,485</u>	<u>224,386</u>
Total expenditures				
Revenues over (under) expenditures	<u>(35,000)</u>	<u>(35,652)</u>	<u>(24,796)</u>	<u>10,856</u>
Net change in fund balance	(35,000)	(35,652)	(24,796)	10,856
Fund balance - beginning	<u>35,000</u>	<u>35,652</u>	<u>38,816</u>	<u>3,164</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	14,020	<u>\$ 14,020</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>23</u>	
Fund balance - GAAP basis			<u>\$ 14,043</u>	

City of Portland, Oregon
Convention and Tourism Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes:				
Lodging	\$ 11,159,000	\$ 16,121,000	\$ 14,797,669	\$ (1,323,331)
Other:				
Investment earnings	5,500	11,500	16,800	5,300
Total revenues	<u>11,164,500</u>	<u>16,132,500</u>	<u>14,814,469</u>	<u>(1,318,031)</u>
EXPENDITURES				
Current:				
Materials and services	11,192,702	16,181,523	14,816,095	1,365,428
General operating contingencies	61,702	61,810	-	61,810
Overhead charges - General Fund	25,000	25,000	25,000	-
Total expenditures	<u>11,279,404</u>	<u>16,268,333</u>	<u>14,841,095</u>	<u>1,427,238</u>
Revenues over (under) expenditures	<u>(114,904)</u>	<u>(135,833)</u>	<u>(26,626)</u>	<u>109,207</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
General	-	108	108	-
Net change in fund balance	(114,904)	(135,725)	(26,518)	109,207
Fund balance - beginning	<u>114,904</u>	<u>135,725</u>	<u>148,292</u>	<u>12,567</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	121,774	<u>\$ 121,774</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>4,899</u>	
Fund balance - GAAP basis			<u>\$ 126,673</u>	

City of Portland, Oregon
General Reserve Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 263,000	\$ 263,000	\$ 341,057	\$ 78,057
EXPENDITURES				
Current:				
General operating contingencies	59,470,225	59,215,225	-	59,215,225
Revenues over (under) expenditures	(59,207,225)	(58,952,225)	341,057	59,293,282
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
General	1,948,343	1,948,343	1,948,343	-
Transfers to other funds:				
Emergency Communication	(1,175,800)	(1,175,800)	(1,175,800)	-
Facilities Services Operating	(2,275,800)	(2,275,800)	(2,275,800)	-
Total transfers to other funds	(3,451,600)	(3,451,600)	(3,451,600)	-
Internal loan proceeds	-	695,000	695,000	-
Internal loan remittances	-	(950,000)	(725,000)	225,000
Total other financing sources (uses)	(1,503,257)	(1,758,257)	(1,533,257)	225,000
Net change in fund balance	(60,710,482)	(60,710,482)	(1,192,200)	59,518,282
Fund balance - beginning	60,710,482	60,710,482	60,077,408	(633,074)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	58,885,208	<u>\$ 58,885,208</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
General Reserve Fund budgeted as separate fund - to General Fund			(58,885,208)	
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, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 20,000	\$ 20,000	\$ 17,919	\$ (2,081)
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>17,919</u>	<u>(2,081)</u>
EXPENDITURES				
Current:				
General operating contingencies	4,237,935	4,737,935	-	4,737,935
Total expenditures	<u>4,237,935</u>	<u>4,737,935</u>	<u>-</u>	<u>4,737,935</u>
Revenues over (under) expenditures	<u>(4,217,935)</u>	<u>(4,717,935)</u>	<u>17,919</u>	<u>4,735,854</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
Transportation Operating	700,000	1,200,000	1,200,000	-
Net change in fund balance	(3,517,935)	(3,517,935)	1,217,919	4,735,854
Fund balance - beginning	<u>3,517,935</u>	<u>3,517,935</u>	<u>3,030,541</u>	<u>(487,394)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>4,248,460</u>	<u>\$ 4,248,460</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Transportation Reserve Fund budgeted as separate fund - to Transportation Operating Fund			<u>(4,248,460)</u>	
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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Intergovernmental:				
Local revenue sharing	\$ 161,700	\$ 161,700	\$ 398,851	\$ 237,151
Charges for services:				
Other service charges	463,000	473,040	445,778	(27,262)
Other:				
Loan repayments	400,000	450,000	639,416	189,416
Refunds	-	-	368	368
Investment earnings	179,650	179,650	269,547	89,897
Miscellaneous	-	12,653	12,129	(524)
Total revenues	<u>1,204,350</u>	<u>1,277,043</u>	<u>1,766,089</u>	<u>489,046</u>
EXPENDITURES				
Current:				
Personal services	826,100	823,559	748,778	74,781
Materials and services	1,417,612	525,715	388,991	136,724
General operating contingencies	267,234	170,234	-	170,234
Overhead charges - General Fund	128,122	128,122	128,122	-
Total expenditures	<u>2,639,068</u>	<u>1,647,630</u>	<u>1,265,891</u>	<u>381,739</u>
Revenues over (under) expenditures	<u>(1,434,718)</u>	<u>(370,587)</u>	<u>500,198</u>	<u>870,785</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
General	1,000,000	1,070,000	1,070,000	-
Internal loan proceeds	150,000	-	-	-
Total other financing sources (uses)	<u>1,150,000</u>	<u>1,070,000</u>	<u>1,070,000</u>	<u>-</u>
Net change in fund balance	(284,718)	699,413	1,570,198	870,785
Fund balance - beginning	<u>284,718</u>	<u>300,587</u>	<u>1,784,737</u>	<u>1,484,150</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>3,354,935</u>	<u>\$ 2,354,935</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			4,865	
Notes and loans receivable, net			6,509,941	
Accrued interest receivable			157,436	
Fund balance - GAAP basis			<u>\$ 10,027,177</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, 2015**

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes:				
Prior year property	\$ 1,446	\$ 690	\$ 1,051	\$ 361
Other:				
Investment earnings	4,755	5,511	5,733	222
Total revenues	<u>6,201</u>	<u>6,201</u>	<u>6,784</u>	<u>583</u>
EXPENDITURES				
Current:				
Personal services	487,035	487,035	463,343	23,692
Materials and services	8,039	8,039	7,821	218
General operating contingencies	-	430,042	-	430,042
Overhead charges - General Fund	48,865	48,865	48,865	-
Total expenditures	<u>543,939</u>	<u>973,981</u>	<u>520,029</u>	<u>453,952</u>
Revenues over (under) expenditures	<u>(537,738)</u>	<u>(967,780)</u>	<u>(513,245)</u>	<u>454,535</u>
OTHER FINANCING SOURCES (USES)				
Transfer to other fund:				
Parks Capital Improvement Program	(430,042)	-	-	-
Net change in fund balance	(967,780)	(967,780)	(513,245)	454,535
Fund balance - beginning	967,780	967,780	1,181,110	213,330
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	667,865	<u>\$ 667,865</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			965	
Fund balance - GAAP basis			<u>\$ 668,830</u>	

City of Portland, Oregon
Children's Investment Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 10,258,471	\$ 10,258,471	\$ 12,314,450	\$ 2,055,979
Prior year property	256,064	256,064	210,641	(45,423)
Other:				
Investment earnings	-	-	36,160	36,160
Total revenues	<u>10,514,535</u>	<u>10,514,535</u>	<u>12,561,251</u>	<u>2,046,716</u>
EXPENDITURES				
Current:				
Personal services	491,500	515,500	507,785	7,715
Materials and services	11,548,285	11,548,285	10,331,787	1,216,498
General operating contingencies	462,750	438,750	-	438,750
Overhead charges - General Fund	25,000	25,000	25,000	-
Total expenditures	<u>12,527,535</u>	<u>12,527,535</u>	<u>10,864,572</u>	<u>1,662,963</u>
Revenues over (under) expenditures	<u>(2,013,000)</u>	<u>(2,013,000)</u>	<u>1,696,679</u>	<u>3,709,679</u>
Net change in fund balance	(2,013,000)	(2,013,000)	1,696,679	3,709,679
Fund balance - beginning	<u>2,013,000</u>	<u>2,013,000</u>	<u>2,274,275</u>	<u>261,275</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	3,970,954	<u>\$ 3,970,954</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>9,791</u>	
Fund balance - GAAP basis			<u>\$ 3,980,745</u>	

City of Portland, Oregon
Grants Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
REVENUES				
Intergovernmental:				
Grant revenue	\$ 33,342,085	\$ 40,678,003	\$ 26,008,891	\$ (14,669,112)
Service charges and fees:				
Other service charges	-	-	363	363
Other:				
Loan repayments	-	-	38,251	38,251
Refunds	-	-	82	82
Investment earnings	-	-	15,892	15,892
	<u>33,342,085</u>	<u>40,678,003</u>	<u>26,063,479</u>	<u>(14,614,524)</u>
Total revenues				
	<u>33,342,085</u>	<u>40,678,003</u>	<u>26,063,479</u>	<u>(14,614,524)</u>
EXPENDITURES				
Current:				
Personal services	9,091,260	11,374,901	8,250,299	3,124,602
Materials and services	9,709,735	16,050,129	11,486,305	4,563,824
Capital outlay	14,541,090	13,342,091	8,968,499	4,373,592
	<u>33,342,085</u>	<u>40,767,121</u>	<u>28,705,103</u>	<u>12,062,018</u>
Total expenditures				
	<u>33,342,085</u>	<u>40,767,121</u>	<u>28,705,103</u>	<u>12,062,018</u>
Revenues over (under) expenditures	-	(89,118)	(2,641,624)	(2,552,506)
OTHER FINANCING SOURCES (USES)				
Internal loan proceeds	-	4,750,000	4,600,000	(150,000)
Internal loan remittances	(2,695,000)	(3,390,000)	(2,695,000)	695,000
	<u>(2,695,000)</u>	<u>1,360,000</u>	<u>1,905,000</u>	<u>545,000</u>
Total other financing sources (uses)				
	<u>(2,695,000)</u>	<u>1,360,000</u>	<u>1,905,000</u>	<u>545,000</u>
Net change in fund balance	(2,695,000)	1,270,882	(736,624)	(2,007,506)
Fund balance - beginning	2,695,000	3,479,118	1,219,897	(2,259,221)
Fund balance - ending	<u>\$ -</u>	<u>\$ 4,750,000</u>	483,273	<u>\$ (4,266,727)</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Notes and loans receivable, net			571,219	
Internal loans payable			<u>(4,600,000)</u>	
Fund balance (deficit) - GAAP basis			<u>\$ (3,545,508)</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Intergovernmental:				
Grants	\$ 15,657,241	\$ 10,799,791	\$ 9,375,346	\$ (1,424,445)
Service charges and fees:				
Other service charges	-	15,000	13,403	(1,597)
Other:				
Refunds	-	-	10,005	10,005
Assessments	-	-	9,339	9,339
Investment earnings	-	-	276,948	276,948
Loan repayments	718,700	1,285,700	1,084,722	(200,978)
Miscellaneous	-	-	524	524
Total revenues	<u>16,375,941</u>	<u>12,100,491</u>	<u>10,770,287</u>	<u>(1,330,204)</u>
EXPENDITURES				
Current:				
Personal services	1,345,347	1,345,347	1,316,660	28,687
Materials and services	21,134,383	13,261,933	12,551,262	710,671
General operating contingencies	476,211	476,211	-	476,211
Debt service and related costs:				
Principal	320,000	320,000	284,000	36,000
Interest	175,000	212,000	220,655	(8,655)
Debt issuance costs	-	-	15,098	(15,098)
Total expenditures	<u>23,450,941</u>	<u>15,615,491</u>	<u>14,387,675</u>	<u>1,227,816</u>
Revenues over (under) expenditures	<u>(7,075,000)</u>	<u>(3,515,000)</u>	<u>(3,617,388)</u>	<u>(102,388)</u>
OTHER FINANCING SOURCES (USES)				
Loans issued	7,225,000	3,515,000	3,515,000	-
Internal loan remittances	(150,000)	-	-	-
Total other financing sources (uses)	<u>7,075,000</u>	<u>3,515,000</u>	<u>3,515,000</u>	<u>-</u>
Net change in fund balance	-	-	(102,388)	(102,388)
Fund balance - beginning	-	-	102,626	102,626
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	238	<u>\$ 238</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Notes and loans receivable, net			16,455,243	
Accrued interest receivable			15,200	
Fund balance - GAAP basis			<u>\$ 16,470,681</u>	

**City of Portland, Oregon
HOME Grant Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Grants	\$ 6,461,718	\$ 3,074,921	\$ 2,820,693	\$ (254,228)
Charges for services:				
Other service charges	-	35,000	27,785	(7,215)
Other:				
Refunds	-	-	51	51
Loan repayments	202,900	202,900	281,663	78,763
Investment earnings	-	144,100	114,746	(29,354)
Total revenues	<u>6,664,618</u>	<u>3,456,921</u>	<u>3,244,938</u>	<u>(211,983)</u>
EXPENDITURES				
Current:				
Personal services	342,627	342,627	315,312	27,315
Materials and services	6,222,663	3,014,966	2,954,438	60,528
General operating contingencies	99,328	99,328	-	99,328
Total expenditures	<u>6,664,618</u>	<u>3,456,921</u>	<u>3,269,750</u>	<u>187,171</u>
Net change in fund balance	-	-	(24,812)	(24,812)
Fund balance - beginning	-	-	138,981	138,981
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	114,169	<u>\$ 114,169</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Notes and loans receivable, net			5,411,939	
Accrued interest receivable			88,781	
Fund balance - GAAP basis			<u>\$ 5,614,889</u>	

City of Portland, Oregon
Portland Parks Memorial Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Licenses and permits:				
Other permits	\$ 40,000	\$ 40,000	\$ 320,705	\$ 280,705
Service charges and fees:				
Rents and reimbursements	43,000	43,000	42,264	(736)
Parking fees	2,000,000	2,235,000	2,463,799	228,799
Parks and recreation facilities fees	125,000	125,000	151,165	26,165
Other:				
Donations	597,000	597,000	623,960	26,960
Investment earnings	20,747	20,756	27,024	6,268
Miscellaneous	-	-	5,865	5,865
Total revenues	<u>2,825,747</u>	<u>3,060,756</u>	<u>3,634,782</u>	<u>574,026</u>
EXPENDITURES				
Current:				
Personal services	743,706	884,175	930,382	(46,207)
Materials and services	2,250,470	2,895,247	1,390,119	1,505,128
General operating contingencies	2,629,610	2,714,598	-	2,714,598
Capital outlay	-	-	52,000	(52,000)
Total expenditures	<u>5,623,786</u>	<u>6,494,020</u>	<u>2,372,501</u>	<u>4,121,519</u>
Revenues over (under) expenditures	<u>(2,798,039)</u>	<u>(3,433,264)</u>	<u>1,262,281</u>	<u>4,695,545</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
General	61,200	484,800	484,800	-
Transfer to other fund:				
Parks Capital Improvement Program	(205,700)	(480,442)	(202,362)	278,080
Total other financing sources (uses)	<u>(144,500)</u>	<u>4,358</u>	<u>282,438</u>	<u>278,080</u>
Net change in fund balance	(2,942,539)	(3,428,906)	1,544,719	4,973,625
Fund balance - beginning	<u>2,942,539</u>	<u>3,428,906</u>	<u>3,513,582</u>	<u>84,676</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	5,058,301	<u>\$ 5,058,301</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>7,266</u>	
Fund balance - GAAP basis			<u>\$ 5,065,567</u>	

City of Portland, Oregon
Tax Increment Reimbursement Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Local cost sharing	\$ 44,143,844	\$ 23,291,271	\$ 19,387,006	\$ (3,904,265)
Charges for services:				
Other service charges	-	35,000	28,043	(6,957)
Other:				
Loan repayments	3,870,391	2,808,349	7,896,180	5,087,831
Refunds	-	-	84,481	84,481
Investment earnings	-	-	946,810	946,810
Sale of inventory	-	-	3,590,184	3,590,184
	<u>48,014,235</u>	<u>26,134,620</u>	<u>31,932,704</u>	<u>5,798,084</u>
EXPENDITURES				
Current:				
Personal services	2,360,742	2,360,742	2,139,020	221,722
Materials and services	51,572,971	22,762,743	19,866,155	2,896,588
General operating contingencies	-	514,770	-	514,770
Overhead charges - General Fund	496,365	496,365	496,365	-
	<u>54,430,078</u>	<u>26,134,620</u>	<u>22,501,540</u>	<u>3,633,080</u>
Net change in fund balance	(6,415,843)	-	9,431,164	9,431,164
Fund balance - beginning	<u>6,415,843</u>	<u>-</u>	<u>8,253,411</u>	<u>8,253,411</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>17,684,575</u>	<u>\$ 17,684,575</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			25,087	
Accrued interest receivable			226,576	
Notes and loans receivable, net			46,151,667	
Property held for resale			<u>11,048,556</u>	
Fund balance - GAAP basis			<u>\$ 75,136,461</u>	

City of Portland, Oregon
Police Special Revenue Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Intergovernmental:				
Federal cost sharing	\$ 300,000	\$ 1,300,000	\$ 1,592,319	\$ 292,319
State revenue sharing	5,000	5,000	31,371	26,371
Local cost sharing	-	-	71,810	71,810
Other:				
Donations	43,000	43,000	106,135	63,135
Investment earnings	5,600	5,600	14,096	8,496
Total revenues	<u>353,600</u>	<u>1,353,600</u>	<u>1,815,731</u>	<u>462,131</u>
EXPENDITURES				
Current:				
Materials and services	1,999,170	3,160,465	1,430,997	1,729,468
General operating contingencies	105,000	105,000	-	105,000
Overhead charges - General Fund	25,211	25,211	25,211	-
Capital outlay	-	33,760	33,753	7
Total expenditures	<u>2,129,381</u>	<u>3,324,436</u>	<u>1,489,961</u>	<u>1,834,475</u>
Revenues over (under) expenditures	<u>(1,775,781)</u>	<u>(1,970,836)</u>	<u>325,770</u>	<u>2,296,606</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
General	-	200,010	200,010	-
Net change in fund balance	(1,775,781)	(1,770,826)	525,780	2,296,606
Fund balance - beginning	<u>1,775,781</u>	<u>1,770,826</u>	<u>1,770,198</u>	<u>(628)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>2,295,978</u>	<u>\$ 2,295,978</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>3,329</u>	
Fund balance - GAAP basis			<u>\$ 2,299,307</u>	

City of Portland, Oregon
Arts Education and Access Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Miscellaneous	\$ 10,900,000	\$ 10,860,000	\$ 10,490,137	\$ (369,863)
Other:				
Investment earnings	60,000	35,000	35,421	421
Total revenues	<u>10,960,000</u>	<u>10,895,000</u>	<u>10,525,558</u>	<u>(369,442)</u>
EXPENDITURES				
Current:				
Materials and services	17,685,000	10,400,305	9,361,527	1,038,778
General operating contingencies	250,000	6,950,000	-	6,950,000
Overhead charges - General Fund	25,000	25,000	25,000	-
Total expenditures	<u>17,960,000</u>	<u>17,375,305</u>	<u>9,386,527</u>	<u>7,988,778</u>
Net change in fund balance	(7,000,000)	(6,480,305)	1,139,031	7,619,336
Fund balance - beginning	<u>7,000,000</u>	<u>6,480,305</u>	<u>6,468,452</u>	<u>(11,853)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	7,607,483	<u>\$ 7,607,483</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>11,008</u>	
Fund balance - GAAP basis			<u>\$ 7,618,491</u>	

**City of Portland, Oregon
Community Solar Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Local cost sharing	\$ -	\$ 5,000	\$ 5,000	\$ -
Other:				
Donations	20,000	20,000	10,000	(10,000)
Investment earnings	-	-	152	152
Miscellaneous	5,000	5,000	6,341	1,341
	<u>25,000</u>	<u>30,000</u>	<u>21,493</u>	<u>(8,507)</u>
Total revenues				
	<u>25,000</u>	<u>30,000</u>	<u>21,493</u>	<u>(8,507)</u>
EXPENDITURES				
Current:				
Personal services	-	5,000	5,001	(1)
Materials and services	25,000	25,000	62	24,938
	<u>25,000</u>	<u>30,000</u>	<u>5,063</u>	<u>24,937</u>
Total expenditures				
	<u>25,000</u>	<u>30,000</u>	<u>5,063</u>	<u>24,937</u>
Net change in fund balance	-	-	16,430	16,430
Fund balance - beginning	-	-	17,718	17,718
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	34,148	<u>\$ 34,148</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			49	
Fund balance - GAAP basis			<u>\$ 34,197</u>	

Debt Service Funds Budget and Actual

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 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 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 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 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.

Willamette Industrial Urban Renewal Area Debt Service Fund

This fund is established to achieve a proper matching of revenues and expenditures related to the newly created Willamette Industrial Urban Renewal Area and to achieve compliance with Oregon Revised Statutes which require that a separate fund be created for each urban renewal area.

Continued on back

Debt Service Funds Budget and Actual

Governmental Bond Redemption Fund

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

Education Urban Renewal Area Debt Service Fund

This fund was established to account for the allocation of resources to pay principal and interest on tax increment bonded indebtedness related to financing and refinancing of improvements in the newly created Education Urban Renewal Area. Oregon Revised Statutes require that a separate fund be created for each urban renewal area.

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 26,088,385	\$ 28,283,420	\$ 28,351,411	\$ 67,991
Prior year property	615,000	615,000	595,777	(19,223)
Other:				
Investment earnings	93,900	93,900	100,566	6,666
Total revenues	<u>26,797,285</u>	<u>28,992,320</u>	<u>29,047,754</u>	<u>55,434</u>
EXPENDITURES				
Debt service and related costs:				
Principal	23,709,286	26,418,591	26,075,000	343,591
Interest	3,087,999	3,087,999	3,043,298	44,701
Total expenditures	<u>26,797,285</u>	<u>29,506,590</u>	<u>29,118,298</u>	<u>388,292</u>
Net change in fund balance	-	(514,270)	(70,544)	443,726
Fund balance - beginning	<u>7,618,858</u>	<u>8,133,128</u>	<u>8,133,127</u>	<u>(1)</u>
Fund balance - ending	<u>\$ 7,618,858</u>	<u>\$ 7,618,858</u>	8,062,583	<u>\$ 443,725</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>11,068</u>	
Fund balance - GAAP basis			<u>\$ 8,073,651</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes:				
Current year property	\$ 12,009,133	\$ 12,009,133	\$ 12,042,022	\$ 32,889
Prior year property	245,000	157,170	197,748	40,578
Other:				
Investment earnings	20,000	20,000	30,705	10,705
Total revenues	<u>12,274,133</u>	<u>12,186,303</u>	<u>12,270,475</u>	<u>84,172</u>
EXPENDITURES				
Debt service and related costs:				
Principal	9,370,000	9,370,000	9,370,000	-
Interest	3,204,133	3,204,133	3,204,132	1
Total expenditures	<u>12,574,133</u>	<u>12,574,133</u>	<u>12,574,132</u>	<u>1</u>
Revenues over (under) expenditures	<u>(300,000)</u>	<u>(387,830)</u>	<u>(303,657)</u>	<u>84,173</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
Public Safety GO Bond Construction Fund	-	4,000	3,687	(313)
Internal loan proceeds	-	200,000	125,000	(75,000)
Total other financing sources (uses)	<u>-</u>	<u>204,000</u>	<u>128,687</u>	<u>(75,313)</u>
Net change in fund balance	(300,000)	(183,830)	(174,970)	8,860
Fund balance - beginning	300,000	183,830	338,480	154,650
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	163,510	<u>\$ 163,510</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(178)	
Internal loans			<u>(125,000)</u>	
Fund balance - GAAP basis			<u>\$ 38,332</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes:				
Current year property	\$ 9,226,533	\$ 9,226,533	\$ 9,959,715	\$ 733,182
Prior year property	257,000	257,000	191,502	(65,498)
Other:				
Investment earnings	61,399	61,399	67,473	6,074
Total revenues	<u>9,544,932</u>	<u>9,544,932</u>	<u>10,218,690</u>	<u>673,758</u>
EXPENDITURES				
Debt service and related costs:				
Principal	6,020,000	6,020,000	6,020,000	-
Interest	3,463,533	3,463,533	3,463,533	-
Total expenditures	<u>9,483,533</u>	<u>9,483,533</u>	<u>9,483,533</u>	<u>-</u>
Net change in fund balance	61,399	61,399	735,157	673,758
Fund balance - beginning	<u>7,538,116</u>	<u>7,538,116</u>	<u>7,531,168</u>	<u>(6,948)</u>
Fund balance - ending	<u>\$ 7,599,515</u>	<u>\$ 7,599,515</u>	8,266,325	<u>\$ 666,810</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>11,743</u>	
Fund balance - GAAP basis			<u>\$ 8,278,068</u>	

City of Portland, Oregon
Interstate Corridor Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes:				
Current year property	\$ 18,345,225	\$ 18,345,225	\$ 21,419,218	\$ 3,073,993
Prior year property	317,000	317,000	314,191	(2,809)
Other:				
Investment earnings	68,919	68,919	84,761	15,842
Total revenues	<u>18,731,144</u>	<u>18,731,144</u>	<u>21,818,170</u>	<u>3,087,026</u>
EXPENDITURES				
Debt service and related costs:				
Principal	16,532,059	16,650,438	14,865,000	1,785,438
Interest	3,304,342	3,304,342	3,444,688	(140,346)
Debt issuance costs	-	-	205,188	(205,188)
Total expenditures	<u>19,836,401</u>	<u>19,954,780</u>	<u>18,514,876</u>	<u>1,439,904</u>
Revenues over (under) expenditures	<u>(1,105,257)</u>	<u>(1,223,636)</u>	<u>3,303,294</u>	<u>4,526,930</u>
OTHER FINANCING SOURCES (USES)				
Bonds and notes issued	-	-	17,155,000	17,155,000
Bonds and notes premium	-	-	2,533,097	2,533,097
Payments to refunded loan and bond escrow agent	-	-	(19,555,000)	(19,555,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>133,097</u>	<u>133,097</u>
Net change in fund balance	(1,105,257)	(1,223,636)	3,436,391	4,660,027
Fund balance - beginning	<u>7,382,926</u>	<u>7,501,305</u>	<u>7,501,305</u>	<u>-</u>
Fund balance - ending	<u>\$ 6,277,669</u>	<u>\$ 6,277,669</u>	10,937,696	<u>\$ 4,660,027</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>15,442</u>	
Fund balance - GAAP basis			<u>\$ 10,953,138</u>	

City of Portland, Oregon
Pension Debt Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Other:				
Investment earnings	\$ 10,000	\$ 10,000	\$ 17,197	\$ 7,197
Miscellaneous	672,558	672,558	623,123	(49,435)
Total revenues	<u>682,558</u>	<u>682,558</u>	<u>640,320</u>	<u>(42,238)</u>
EXPENDITURES				
Debt service and related costs:				
Principal	2,601,814	2,601,814	2,601,813	1
Interest	1,578,484	1,578,484	1,234,357	344,127
Debt issuance costs	324,294	324,294	274,224	50,070
Total expenditures	<u>4,504,592</u>	<u>4,504,592</u>	<u>4,110,394</u>	<u>394,198</u>
Revenues over (under) expenditures	<u>(3,822,034)</u>	<u>(3,822,034)</u>	<u>(3,470,074)</u>	<u>351,960</u>
OTHER FINANCING SOURCES				
Transfers from other funds:				
General	1,472,604	1,472,604	1,472,604	-
Transportation Operating	719,957	719,957	719,957	-
Emergency Communication	37,247	37,247	37,247	-
Development Services	186,931	186,931	186,931	-
Local Improvement District	13,334	13,334	13,334	-
Parks Capital Improvement Program	18,048	18,048	18,048	-
Sewer System Operating	511,663	511,663	511,663	-
Water	531,418	531,418	531,418	-
Hydroelectric Power Operating	3,921	3,921	3,921	-
Golf	32,044	32,044	32,044	-
Portland International Raceway	6,169	6,169	6,169	-
Solid Waste Management	9,951	9,951	9,951	-
Environmental Remediation	230	230	230	-
Health Insurance Operating	5,916	5,916	5,916	-
Facilities Services Operating	31,853	31,853	31,853	-
CityFleet Operating	74,850	74,850	74,850	-
Printing and Distribution Services Operating	25,365	25,365	25,365	-
Insurance and Claims Operating	13,977	13,977	13,977	-
Workers' Compensation Self Insurance Operating	13,074	13,074	13,074	-
Technology Services	88,962	88,962	88,962	-
Fire and Police Disability and Retirement	7,980	7,980	7,980	-
Total other financing sources	<u>3,805,494</u>	<u>3,805,494</u>	<u>3,805,494</u>	<u>-</u>
Net change in fund balance	(16,540)	(16,540)	335,420	351,960
Fund balance - beginning	<u>766,540</u>	<u>766,540</u>	<u>1,418,479</u>	<u>651,939</u>
Fund balance - ending	<u>\$ 750,000</u>	<u>\$ 750,000</u>	<u>1,753,899</u>	<u>\$ 1,003,899</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>2,531</u>	
Fund balance - GAAP basis			<u>\$ 1,756,430</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes:				
Current year property	\$ 6,997,691	\$ 6,997,691	\$ 7,534,085	\$ 536,394
Prior year property	180,000	180,000	139,017	(40,983)
Other:				
Investment earnings	95,221	95,221	67,778	(27,443)
Total revenues	<u>7,272,912</u>	<u>7,272,912</u>	<u>7,740,880</u>	<u>467,968</u>
EXPENDITURES				
Debt service and related costs:				
Principal	4,250,000	4,250,000	4,250,000	-
Interest	2,927,691	2,927,691	2,927,691	-
Total expenditures	<u>7,177,691</u>	<u>7,177,691</u>	<u>7,177,691</u>	<u>-</u>
Net change in fund balance	95,221	95,221	563,189	467,968
Fund balance - beginning	<u>8,656,320</u>	<u>8,656,320</u>	<u>8,744,675</u>	<u>88,355</u>
Fund balance - ending	<u>\$ 8,751,541</u>	<u>\$ 8,751,541</u>	9,307,864	<u>\$ 556,323</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>13,303</u>	
Fund balance - GAAP basis			<u>\$ 9,321,167</u>	

City of Portland, Oregon
Airport Way Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes:				
Current year property	\$ 5,455,250	\$ 5,455,250	\$ 5,807,837	\$ 352,587
Prior year property	133,000	133,000	107,899	(25,101)
Other:				
Investment earnings	21,151	21,151	23,788	2,637
Total revenues	<u>5,609,401</u>	<u>5,609,401</u>	<u>5,939,524</u>	<u>330,123</u>
EXPENDITURES				
Debt service and related costs:				
Principal	4,210,000	4,210,000	4,210,000	-
Interest	1,378,250	1,378,250	1,378,250	-
Total expenditures	<u>5,588,250</u>	<u>5,588,250</u>	<u>5,588,250</u>	<u>-</u>
Net change in fund balance	21,151	21,151	351,274	330,123
Fund balance - beginning	<u>1,462,250</u>	<u>1,462,250</u>	<u>1,472,498</u>	<u>10,248</u>
Fund balance - ending	<u>\$ 1,483,401</u>	<u>\$ 1,483,401</u>	1,823,772	<u>\$ 340,371</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>2,516</u>	
Fund balance - GAAP basis			<u>\$ 1,826,288</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 8,500	\$ 8,500	\$ 6,494	\$ (2,006)
EXPENDITURES				
Debt service and related costs:				
Principal	1,925,000	1,925,000	1,925,000	-
Interest	558,405	558,405	558,404	1
Total expenditures	<u>2,483,405</u>	<u>2,483,405</u>	<u>2,483,404</u>	<u>1</u>
Revenues over (under) expenditures	<u>(2,474,905)</u>	<u>(2,474,905)</u>	<u>(2,476,910)</u>	<u>(2,005)</u>
OTHER FINANCING SOURCES				
Transfer from other fund:				
Transportation Operating	<u>2,483,405</u>	<u>2,483,405</u>	<u>2,475,745</u>	<u>(7,660)</u>
Net change in fund balance	8,500	8,500	(1,165)	(9,665)
Fund balance - beginning	<u>1,673,961</u>	<u>1,673,961</u>	<u>1,675,687</u>	<u>1,726</u>
Fund balance - ending	<u>\$ 1,682,461</u>	<u>\$ 1,682,461</u>	1,674,522	<u>\$ (7,939)</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			<u>-</u>	
Fund balance - GAAP basis			<u>\$ 1,674,522</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 11,672,486	\$ 11,672,486	\$ 12,583,057	\$ 910,571
Prior year property	230,000	230,000	205,988	(24,012)
Other:				
Investment earnings	35,559	35,559	41,568	6,009
Total revenues	<u>11,938,045</u>	<u>11,938,045</u>	<u>12,830,613</u>	<u>892,568</u>
EXPENDITURES				
Debt service and related costs:				
Principal	10,194,719	10,382,601	10,292,882	89,719
Interest	1,743,326	1,743,326	1,748,357	(5,031)
Total expenditures	<u>11,938,045</u>	<u>12,125,927</u>	<u>12,041,239</u>	<u>84,688</u>
Net change in fund balance	-	(187,882)	789,374	977,256
Fund balance - beginning	<u>3,032,592</u>	<u>3,220,474</u>	<u>3,220,474</u>	-
Fund balance - ending	<u>\$ 3,032,592</u>	<u>\$ 3,032,592</u>	4,009,848	<u>\$ 977,256</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>5,565</u>	
Fund balance - GAAP basis			<u>\$ 4,015,413</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes:				
Current year property	\$ 5,872,574	\$ 5,872,574	\$ 6,239,519	\$ 366,945
Prior year property	132,000	132,000	108,733	(23,267)
Other:				
Investment earnings	21,307	21,307	30,702	9,395
Total revenues	<u>6,025,881</u>	<u>6,025,881</u>	<u>6,378,954</u>	<u>353,073</u>
EXPENDITURES				
Debt service and related costs:				
Principal	5,212,645	5,270,949	4,050,000	1,220,949
Interest	1,482,454	1,482,454	1,385,406	97,048
Total expenditures	<u>6,695,099</u>	<u>6,753,403</u>	<u>5,435,406</u>	<u>1,317,997</u>
Net change in fund balance	(669,218)	(727,522)	943,548	1,671,070
Fund balance - beginning	<u>3,075,081</u>	<u>3,133,385</u>	<u>3,133,384</u>	<u>(1)</u>
Fund balance - ending	<u>\$ 2,405,863</u>	<u>\$ 2,405,863</u>	4,076,932	<u>\$ 1,671,069</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>5,775</u>	
Fund balance - GAAP basis			<u>\$ 4,082,707</u>	

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Assessments	\$ 4,457,970	\$ 4,457,970	\$ 6,842,868	\$ 2,384,898
Investment earnings	2,430,083	2,430,083	2,550,329	120,246
Total revenues	<u>6,888,053</u>	<u>6,888,053</u>	<u>9,393,197</u>	<u>2,505,144</u>
EXPENDITURES				
Debt service and related costs:				
Principal	4,500,000	4,500,000	5,310,000	(810,000)
Interest	2,013,196	2,013,196	2,072,952	(59,756)
Total expenditures	<u>6,513,196</u>	<u>6,513,196</u>	<u>7,382,952</u>	<u>(869,756)</u>
Net change in fund balance	374,857	374,857	2,010,245	1,635,388
Fund balance - beginning	<u>15,275,069</u>	<u>15,275,069</u>	<u>11,883,223</u>	<u>(3,391,846)</u>
Fund balance - ending	<u>\$ 15,649,926</u>	<u>\$ 15,649,926</u>	13,893,468	<u>\$ (1,756,458)</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>19,042</u>	
Fund balance - GAAP basis			<u>\$ 13,912,510</u>	

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 7,765,621	\$ 7,765,621	\$ 8,342,368	\$ 576,747
Prior year property	260,000	260,000	185,756	(74,244)
Other:				
Investment earnings	33,480	33,480	49,671	16,191
Total revenues	<u>8,059,101</u>	<u>8,059,101</u>	<u>8,577,795</u>	<u>518,694</u>
EXPENDITURES				
Debt service and related costs:				
Principal	3,785,000	3,785,000	3,785,000	-
Interest	4,030,818	4,030,818	4,030,817	1
Total expenditures	<u>7,815,818</u>	<u>7,815,818</u>	<u>7,815,817</u>	<u>1</u>
Net change in fund balance	243,283	243,283	761,978	518,695
Fund balance - beginning	<u>5,384,058</u>	<u>5,384,058</u>	<u>5,374,999</u>	<u>(9,059)</u>
Fund balance - ending	<u>\$ 5,627,341</u>	<u>\$ 5,627,341</u>	6,136,977	<u>\$ 509,636</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>8,688</u>	
Fund balance - GAAP basis			<u>\$ 6,145,665</u>	

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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes:				
Current year property	\$ 11,478,191	\$ 12,382,045	\$ 12,424,874	\$ 42,829
Prior year property	273,000	273,000	229,376	(43,624)
Other:				
Investment earnings	45,590	45,590	59,706	14,116
Total revenues	<u>11,796,781</u>	<u>12,700,635</u>	<u>12,713,956</u>	<u>13,321</u>
EXPENDITURES				
Debt service and related costs:				
Principal	9,139,809	11,363,069	11,275,000	88,069
Interest	2,779,312	2,779,312	2,671,349	107,963
Total expenditures	<u>11,919,121</u>	<u>14,142,381</u>	<u>13,946,349</u>	<u>196,032</u>
Net change in fund balance	(122,340)	(1,441,746)	(1,232,393)	209,353
Fund balance - beginning	<u>5,087,990</u>	<u>6,407,396</u>	<u>6,407,395</u>	<u>(1)</u>
Fund balance - ending	<u>\$ 4,965,650</u>	<u>\$ 4,965,650</u>	5,175,002	<u>\$ 209,352</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>7,223</u>	
Fund balance - GAAP basis			<u>\$ 5,182,225</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Intergovernmental:				
Local revenue sharing	\$ 6,462,712	\$ 6,462,712	\$ 6,462,712	\$ -
Other:				
Assessments	216,320	216,320	104,874	(111,446)
Investment earnings	-	-	112,269	112,269
	<u>6,679,032</u>	<u>6,679,032</u>	<u>6,679,855</u>	<u>823</u>
Total revenues				
EXPENDITURES				
Debt service and related costs:				
Principal	1,731,558	1,731,558	1,731,559	(1)
Interest	4,943,474	4,943,474	4,943,473	1
	<u>6,675,032</u>	<u>6,675,032</u>	<u>6,675,032</u>	<u>-</u>
Total expenditures				
Net change in fund balance	4,000	4,000	4,823	823
Fund balance - beginning	-	-	52,335	52,335
Fund balance - ending	<u>\$ 4,000</u>	<u>\$ 4,000</u>	57,158	<u>\$ 53,158</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>82</u>	
Fund balance - GAAP basis			<u>\$ 57,240</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes:				
Current year property	\$ 3,855,929	\$ 3,855,929	\$ 3,846,590	\$ (9,339)
Prior year property	73,000	73,000	65,978	(7,022)
Other:				
Investment earnings	10,368	10,368	9,806	(562)
Total revenues	<u>3,939,297</u>	<u>3,939,297</u>	<u>3,922,374</u>	<u>(16,923)</u>
EXPENDITURES				
Debt service and related costs:				
Principal	4,105,064	4,236,806	3,500,000	736,806
Interest	218,160	218,160	72,776	145,384
Total expenditures	<u>4,323,224</u>	<u>4,454,966</u>	<u>3,572,776</u>	<u>882,190</u>
Net change in fund balance	(383,927)	(515,669)	349,598	865,267
Fund balance - beginning	<u>383,927</u>	<u>515,669</u>	<u>515,669</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	865,267	<u>\$ 865,267</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>1,180</u>	
Fund balance - GAAP basis			<u>\$ 866,447</u>	

City of Portland, Oregon
Willamette Industrial Urban Renewal Area Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes:				
Prior year property	\$ 20,000	\$ 20,000	\$ 9,400	\$ (10,600)
Other:				
Investment earnings	1,479	1,479	977	(502)
Total revenues	<u>21,479</u>	<u>21,479</u>	<u>10,377</u>	<u>(11,102)</u>
EXPENDITURES				
Current:				
Materials and services	269,868	-	-	-
Debt service and related costs:				
Principal	-	270,463	258,930	11,533
Interest	-	20	4	16
Total expenditures	<u>269,868</u>	<u>270,483</u>	<u>258,934</u>	<u>11,549</u>
Net change in fund balance	(248,389)	(249,004)	(248,557)	447
Fund balance - beginning	<u>248,389</u>	<u>249,004</u>	<u>248,557</u>	<u>(447)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			<u>-</u>	
Fund balance - GAAP basis			<u>\$ -</u>	

City of Portland, Oregon
Governmental Bond Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 236	\$ 236
EXPENDITURES				
Debt service and related costs:				
Principal	1,070,000	1,070,000	1,070,000	-
Interest	366,494	386,494	366,494	20,000
Total expenditures	<u>1,436,494</u>	<u>1,456,494</u>	<u>1,436,494</u>	<u>20,000</u>
Revenues over (under) expenditures	<u>(1,436,494)</u>	<u>(1,456,494)</u>	<u>(1,436,258)</u>	<u>20,236</u>
OTHER FINANCING SOURCES				
Transfer from other fund:				
General	1,436,494	1,436,494	1,436,494	-
Bonds and notes issued	-	20,000	-	(20,000)
Total other financing sources	<u>1,436,494</u>	<u>1,456,494</u>	<u>1,436,494</u>	<u>(20,000)</u>
Net change in fund balance	-	-	236	236
Fund balance - beginning	-	-	30,365	30,365
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	30,601	<u>\$ 30,601</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			-	
Fund balance - GAAP basis			<u>\$ 30,601</u>	

City of Portland, Oregon
Education Urban Renewal Area Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes:				
Current year property	\$ 1,282,287	\$ 1,708,145	\$ 1,689,691	\$ (18,454)
Prior year property	-	-	5,147	5,147
Other:				
Investment earnings	2,404	10,478	3,530	(6,948)
Total revenues	<u>1,284,691</u>	<u>1,718,623</u>	<u>1,698,368</u>	<u>(20,255)</u>
EXPENDITURES				
Debt service and related costs:				
Principal	1,284,191	1,726,873	1,707,094	19,779
Interest	500	500	24	476
Total expenditures	<u>1,284,691</u>	<u>1,727,373</u>	<u>1,707,118</u>	<u>20,255</u>
Net change in fund balance	-	(8,750)	(8,750)	-
Fund balance - beginning	-	8,750	8,750	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			<u>-</u>	
Fund balance - GAAP basis			<u>\$ -</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 63,981	\$ 108,689	\$ 104,045	\$ (4,644)
Prior year property	-	-	273	273
Other:				
Investment earnings	144	144	245	101
Total revenues	<u>64,125</u>	<u>108,833</u>	<u>104,563</u>	<u>(4,270)</u>
EXPENDITURES				
Current:				
Materials and services	64,550	109,258	104,250	5,008
Net change in fund balance	(425)	(425)	313	738
Fund balance - beginning	425	425	442	17
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	755	<u>\$ 755</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			<u>-</u>	
Fund balance - GAAP basis			<u>\$ 755</u>	

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 78,222	\$ 133,031	\$ 127,605	\$ (5,426)
Prior year property	-	-	455	455
Other:				
Investment earnings	176	176	297	121
Total revenues	<u>78,398</u>	<u>133,207</u>	<u>128,357</u>	<u>(4,850)</u>
EXPENDITURES				
Current:				
Materials and services	82,137	136,946	128,137	8,809
Net change in fund balance	(3,739)	(3,739)	220	3,959
Fund balance - beginning	3,739	3,739	990	(2,749)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	1,210	<u>\$ 1,210</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			<u>-</u>	
Fund balance - GAAP basis			<u>\$ 1,210</u>	

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 26,732	\$ 39,521	\$ 37,583	\$ (1,938)
Other:				
Investment earnings	60	60	84	24
Total revenues	<u>26,792</u>	<u>39,581</u>	<u>37,667</u>	<u>(1,914)</u>
EXPENDITURES				
Current:				
Materials and services	26,792	39,581	37,592	1,989
Net change in fund balance	-	-	75	75
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	75	<u>\$ 75</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			<u>-</u>	
Fund balance - GAAP basis			<u>\$ 75</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, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 56,343	\$ 89,040	\$ 85,300	\$ (3,740)
Prior year property	-	-	265	265
Other:				
Investment earnings	127	127	197	70
Total revenues	<u>56,470</u>	<u>89,167</u>	<u>85,762</u>	<u>(3,405)</u>
EXPENDITURES				
Current:				
Materials and services	56,899	89,596	85,299	4,297
Net change in fund balance	(429)	(429)	463	892
Fund balance - beginning	429	429	377	(52)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	840	<u>\$ 840</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			<u>-</u>	
Fund balance - GAAP basis			<u>\$ 840</u>	

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 48,735	\$ 128,379	\$ 123,054	\$ (5,325)
Prior year property	-	-	240	240
Other:				
Investment earnings	110	110	333	223
Total revenues	<u>48,845</u>	<u>128,489</u>	<u>123,627</u>	<u>(4,862)</u>
EXPENDITURES				
Current:				
Materials and services	49,616	129,260	123,216	6,044
Net change in fund balance	(771)	(771)	411	1,182
Fund balance - beginning	771	771	712	(59)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	1,123	<u>\$ 1,123</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			<u>-</u>	
Fund balance - GAAP basis			<u>\$ 1,123</u>	

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 25,808	\$ 59,120	\$ 56,266	\$ (2,854)
Other:				
Investment earnings	58	58	146	88
Total revenues	<u>25,866</u>	<u>59,178</u>	<u>56,412</u>	<u>(2,766)</u>
EXPENDITURES				
Current:				
Materials and services	25,866	59,178	56,266	2,912
Net change in fund balance	-	-	146	146
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	146	<u>\$ 146</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			<u>-</u>	
Fund balance - GAAP basis			<u>\$ 146</u>	

Capital Projects Funds Budget and Actual

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.

Blank back of tab

City of Portland, Oregon
Special Finance and Resource Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Local revenue sharing	\$ -	\$ -	\$ 200,000	\$ 200,000
Other:				
Investment earnings	-	-	1,197	1,197
Total revenues	<u>-</u>	<u>-</u>	<u>201,197</u>	<u>201,197</u>
EXPENDITURES				
Current:				
Materials and services	65,243,997	73,236,908	56,481,652	16,755,256
Debt service and related costs:				
Debt issuance costs	64,778	66,733	46,732	20,001
Total expenditures	<u>65,308,775</u>	<u>73,303,641</u>	<u>56,528,384</u>	<u>16,775,257</u>
Revenues over (under) expenditures	<u>(65,308,775)</u>	<u>(73,303,641)</u>	<u>(56,327,187)</u>	<u>16,976,454</u>
OTHER FINANCING SOURCES				
Bonds and notes issued	65,308,775	73,303,641	56,108,434	(17,195,207)
Loans issued	-	-	420,116	420,116
Total other financing sources	<u>65,308,775</u>	<u>73,303,641</u>	<u>56,528,550</u>	<u>(16,775,091)</u>
Net change in fund balance	-	-	201,363	201,363
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>44,266</u>	<u>44,266</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>245,629</u>	<u>\$ 245,629</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>354</u>	
Fund balance - GAAP basis			<u>\$ 245,983</u>	

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, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Rents and reimbursements	\$ -	\$ -	\$ 47,280	\$ 47,280
Other:				
Investment earnings	1,000	1,000	4,935	3,935
Miscellaneous	-	-	4,252	4,252
	<u>1,000</u>	<u>1,000</u>	<u>56,467</u>	<u>55,467</u>
EXPENDITURES				
Current:				
Materials and services	-	70,000	59,999	10,001
General operating contingencies	-	245	-	245
Overhead charges - General Fund	68,146	68,146	68,146	-
Capital outlay	<u>2,247,287</u>	<u>2,177,287</u>	<u>1,336,548</u>	<u>840,739</u>
	<u>2,315,433</u>	<u>2,315,678</u>	<u>1,464,693</u>	<u>850,985</u>
Revenues over (under) expenditures	<u>(2,314,433)</u>	<u>(2,314,678)</u>	<u>(1,408,226)</u>	<u>906,452</u>
OTHER FINANCING SOURCES				
Transfer from other fund:				
General	-	245	245	-
Net change in fund balance	(2,314,433)	(2,314,433)	(1,407,981)	906,452
Fund balance - beginning	<u>2,314,433</u>	<u>2,314,433</u>	<u>2,321,155</u>	<u>6,722</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	913,174	<u>\$ 913,174</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			<u>-</u>	
Fund balance - GAAP basis			<u>\$ 913,174</u>	

City of Portland, Oregon
Local Improvement District Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Charges for services:				
Other service charges	\$ 788,500	\$ 788,500	\$ 1,051,632	\$ 263,132
Other:				
Assessments	363,239	515,000	511,348	(3,652)
Investment earnings	56,324	195,000	209,550	14,550
Miscellaneous	-	-	7,004	7,004
	<u>1,208,063</u>	<u>1,498,500</u>	<u>1,779,534</u>	<u>281,034</u>
EXPENDITURES				
Current:				
Materials and services	1,368,840	1,641,593	1,598,935	42,658
General operating contingencies	2,937,492	2,934,293	-	2,934,293
Debt service and related costs:				
Principal	445,280	2,965,037	2,830,717	134,320
Interest	63,372	102,372	97,265	5,107
Debt issuance costs	50,000	50,000	8,830	41,170
	<u>4,864,984</u>	<u>7,693,295</u>	<u>4,535,747</u>	<u>3,157,548</u>
Revenues over (under) expenditures	<u>(3,656,921)</u>	<u>(6,194,795)</u>	<u>(2,756,213)</u>	<u>3,438,582</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
General	63,978	64,400	64,400	-
Transfers to other funds:				
Transportation Operating	(1,203,260)	(1,203,260)	-	1,203,260
Pension Debt Redemption	(13,334)	(13,334)	(13,334)	-
Sewer System Construction	(700,000)	(700,000)	-	700,000
	<u>(1,916,594)</u>	<u>(1,916,594)</u>	<u>(13,334)</u>	<u>1,903,260</u>
Bonds and notes issued	4,377,260	4,377,260	-	(4,377,260)
Payments to refunded loan and bond escrow agent	(2,361,639)	(2,361,639)	-	2,361,639
	<u>163,005</u>	<u>163,427</u>	<u>51,066</u>	<u>(112,361)</u>
Net change in fund balance	(3,493,916)	(6,031,368)	(2,705,147)	3,326,221
Fund balance - beginning	3,493,916	6,031,368	6,031,368	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	3,326,221	<u>\$ 3,326,221</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			4,730	
Fund balance - GAAP basis			<u>\$ 3,330,951</u>	

City of Portland, Oregon
Parks Capital Improvement Program Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Licenses and permits:				
Intergovernmental:				
Local revenue sharing	\$ -	\$ 400,000	\$ -	\$ (400,000)
Local cost sharing	2,508,300	567,020	1,054,574	487,554
Charges for services:				
Public works and utility charges	9,306,451	12,659,112	19,599,813	6,940,701
Parking fees	-	64,855	62,197	(2,658)
Other service charges	-	-	2,050	2,050
Billings to other funds for services	20,910	20,910	49,777	28,867
Other:				
Loan repayments	461,022	461,022	685,296	224,274
Assessments	200,000	1,230,856	2,046,653	815,797
Donations	750,000	50,000	1,003,812	953,812
Investment earnings	185,916	185,916	309,629	123,713
Miscellaneous	-	50,000	57,091	7,091
Total revenues	13,432,599	15,689,691	24,870,892	9,181,201
EXPENDITURES				
Current:				
Personal services	1,765,498	2,182,207	1,792,524	389,683
Materials and services	3,550,553	5,300,527	3,351,734	1,948,793
General operating contingencies	8,267,924	30,054,524	-	30,054,524
Overhead charges - General Fund	234,019	234,019	234,019	-
Debt service and related costs:				
Principal	61,884	61,884	61,884	-
Interest	32,991	32,991	29,359	3,632
Capital outlay	26,652,319	16,543,458	11,083,736	5,459,722
Total expenditures	40,565,188	54,409,610	16,553,256	37,856,354
Revenues over (under) expenditures	(27,132,589)	(38,719,919)	8,317,636	47,037,555

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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	1,622,768	2,335,468	2,335,468	-
Parks Local Option Levy	430,042	-	-	-
Portland Parks Memorial	205,700	480,442	202,362	(278,080)
Total transfers from other funds	<u>2,258,510</u>	<u>2,815,910</u>	<u>2,537,830</u>	<u>(278,080)</u>
Transfers to other funds:				
Pension Debt Redemption	(18,048)	(18,048)	(18,048)	-
Portland International Raceway	-	(12,567)	(12,567)	-
Total transfers to other funds	<u>(18,048)</u>	<u>(30,615)</u>	<u>(30,615)</u>	<u>-</u>
Bonds and notes issued	-	250,544	-	(250,544)
Internal loan remittances	(800,000)	(800,000)	(800,000)	-
Total other financing sources (uses)	<u>1,440,462</u>	<u>2,235,839</u>	<u>1,707,215</u>	<u>(528,624)</u>
Net change in fund balance	(25,692,127)	(36,484,080)	10,024,851	46,508,931
Fund balance - beginning	<u>25,692,127</u>	<u>36,484,080</u>	<u>35,604,869</u>	<u>(879,211)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	45,629,720	<u>\$ 45,629,720</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			64,647	
Notes and loans receivable, net			219,100	
Internal loans receivable			<u>800,000</u>	
Fund balance - GAAP basis			<u>\$ 46,713,467</u>	

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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Other:				
Refunds	\$ -	\$ -	\$ 420	\$ 420
Investment earnings	40,000	40,000	88,894	48,894
Miscellaneous	-	-	12,636	12,636
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	40,000	40,000	101,950	61,950
	<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURES				
Current:				
Personal services	335,490	335,490	265,820	69,670
Materials and services	4,450,999	13,480,281	9,506,624	3,973,657
General operating contingencies	1,810,187	13,937,517	-	13,937,517
Overhead charges - General Fund	122,709	122,709	122,709	-
Debt service and related costs:				
Debt issuance costs	-	173,721	85,113	88,608
Capital outlay	5,459,323	15,518,076	2,977,037	12,541,039
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	12,178,708	43,567,794	12,957,303	30,610,491
	<hr/>	<hr/>	<hr/>	<hr/>
Revenues over (under) expenditures	(12,138,708)	(43,527,794)	(12,855,353)	30,672,441
	<hr/>	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)				
Transfer to other fund:				
Bonded Debt Interest and Sinking	-	(4,000)	(3,687)	313
Bonds and notes issued	-	19,832,649	17,145,000	(2,687,649)
Bonds and notes premium	-	-	1,831,921	1,831,921
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	19,828,649	18,973,234	(855,415)
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balance	(12,138,708)	(23,699,145)	6,117,881	29,817,026
Fund balance - beginning	12,138,708	23,699,145	23,699,145	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	29,817,026	<u>\$ 29,817,026</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>30,754</u>	
Fund balance - GAAP basis			<u>\$ 29,847,780</u>	

Permanent Fund Budget and Actual

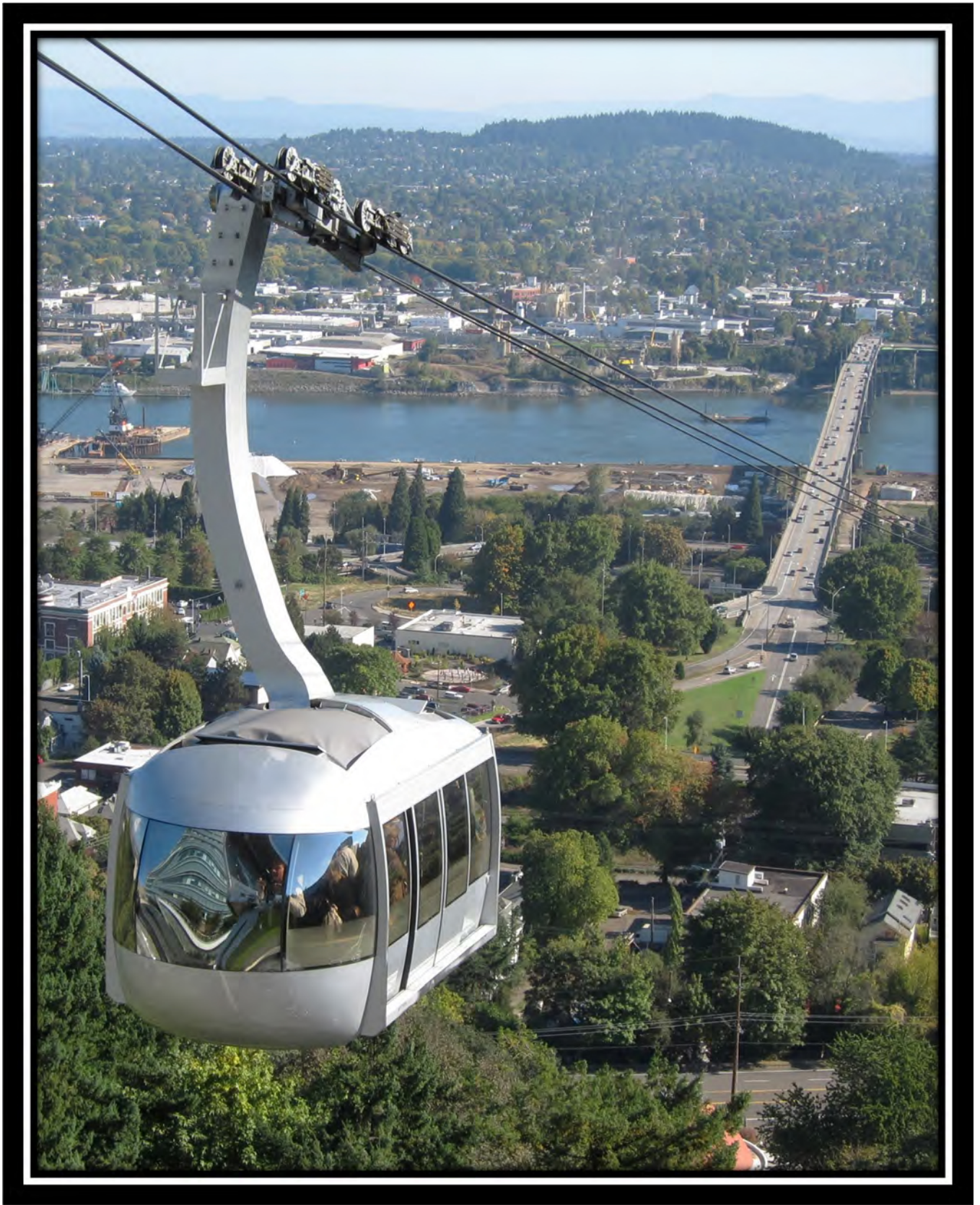
Parks Endowment Fund

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.

Blank back of tab

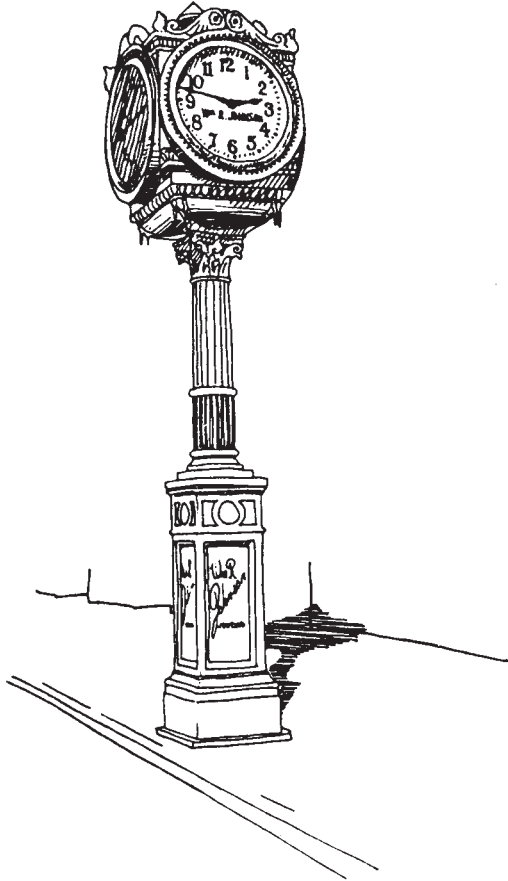
**City of Portland, Oregon
Parks Endowment Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 880	\$ 880	\$ 1,022	\$ 142
EXPENDITURES				
Current:				
Personal services	1,500	1,500	-	1,500
Materials and services	17,808	17,808	443	17,365
Total expenditures	<u>19,308</u>	<u>19,308</u>	<u>443</u>	<u>18,865</u>
Net change in fund balance	(18,428)	(18,428)	579	19,007
Fund balance - beginning	<u>181,218</u>	<u>181,218</u>	<u>180,953</u>	<u>(265)</u>
Fund balance - ending	<u>\$ 162,790</u>	<u>\$ 162,790</u>	181,532	<u>\$ 18,742</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>262</u>	
Fund balance - GAAP basis			<u>\$ 181,794</u>	



Tram

Schedules of Revenues and Expenditures Proprietary Funds - Budget and Actual



Johnson Street Clock, 1880

Blank back of tab

Enterprise Funds Budget and Actual

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 Facilities Operating 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.

Headwaters Apartment Complex Fund

This fund accounts for expenses and revenues associated with the City-owned Headwaters Apartment Complex.

Enterprise Funds Budget and Actual

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 FUND:

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

WATER FUND:

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

HYDROELECTRIC POWER FUND:

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

GOLF FUND

PORTLAND INTERNATIONAL RACEWAY FUND

SOLID WASTE MANAGEMENT FUND

PARKING FACILITIES FUND

SPECTATOR FACILITIES OPERATING FUND

ENVIRONMENTAL REMEDIATION FUND

HEADWATERS APARTMENT COMPLEX FUND

City of Portland, Oregon
Sewer System Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Licenses and permits:				
Construction permits	\$ 575,000	\$ 575,000	\$ 677,844	\$ 102,844
Other permits	1,038,958	1,117,159	1,335,640	218,481
Intergovernmental:				
State cost sharing	125,000	1,575,000	1,526,700	(48,300)
Local cost sharing	102,200	102,200	64,369	(37,831)
Service charges and fees:				
Public works and utility charges	304,498,300	311,798,300	324,190,935	12,392,635
Inspection fees	200,000	200,000	275,569	75,569
Rents and reimbursements	80,000	326,000	314,856	(11,144)
Other service charges	299,500	297,500	637,281	339,781
Billings to other funds for services	1,444,276	2,282,116	1,456,981	(825,135)
Other:				
Sales - other	420,000	478,790	501,606	22,816
Refunds	-	-	13,225	13,225
Investment earnings	305,000	305,000	512,526	207,526
Miscellaneous	25,000	25,000	425,918	400,918
	<u>309,113,234</u>	<u>319,082,065</u>	<u>331,933,450</u>	<u>12,851,385</u>
EXPENDITURES				
Current:				
Personal services	59,113,253	60,974,099	60,149,652	824,447
Materials and services	89,055,243	96,674,600	93,375,873	3,298,727
General operating contingencies	68,614,485	51,934,747	-	51,934,747
Overhead charges - General Fund	3,935,598	3,935,598	3,935,598	-
Debt service and related costs:				
Principal	1,754,381	1,754,381	1,754,381	-
Interest	935,288	935,288	832,312	102,976
Debt issuance costs	67,500	67,500	74,100	(6,600)
Capital outlay	83,101,561	78,514,647	53,070,391	25,444,256
	<u>306,577,309</u>	<u>294,790,860</u>	<u>213,192,307</u>	<u>81,598,553</u>
Revenues over (under) expenditures	<u>2,535,925</u>	<u>24,291,205</u>	<u>118,741,143</u>	<u>94,449,938</u>

Continued next page

City of Portland, Oregon
Sewer System Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, Continued
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	971,895	1,123,464	1,123,464	-
Transportation Operating	50,000	52,823	52,823	-
Sewer System Construction	119,500,000	119,500,000	93,334,277	(26,165,723)
Sewer System Rate Stabilization	4,000,000	-	-	-
Water	150,000	94,686	94,686	-
Facilities Services Operating	7,493	7,493	7,493	-
Total transfers from other funds	<u>124,679,388</u>	<u>120,778,466</u>	<u>94,612,743</u>	<u>(26,165,723)</u>
Transfers to other funds:				
Pension Debt Redemption	(511,663)	(511,663)	(511,663)	-
Sewer System Debt Redemption	(160,213,650)	(168,133,008)	(166,113,668)	2,019,340
Sewer System Construction	(20,000,000)	(20,000,000)	(14,650,000)	5,350,000
Sewer System Rate Stabilization	(8,000,000)	(18,000,000)	(25,250,000)	(7,250,000)
Total transfers to other funds	<u>(188,725,313)</u>	<u>(206,644,671)</u>	<u>(206,525,331)</u>	<u>119,340</u>
Internal loan proceeds	190,000	190,000	-	(190,000)
Sale of capital asset	-	-	68,746	68,746
Total other financing sources (uses)	<u>(63,855,925)</u>	<u>(85,676,205)</u>	<u>(111,843,842)</u>	<u>(26,167,637)</u>
Net change in fund balance	(61,320,000)	(61,385,000)	6,897,301	68,282,301
Fund balance - beginning	61,500,000	61,565,000	57,842,684	(3,722,316)
Fund balance - ending	<u>\$ 180,000</u>	<u>\$ 180,000</u>	64,739,985	<u>\$ 64,559,985</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Debt redemption fund budgeted as separate fund			61,821,125	
Construction fund budgeted as separate fund			144,557,819	
Rate stabilization fund budgeted as separate fund			51,663,657	
Unrealized gain (loss) in investments			398,055	
Allowance for uncollectible			(4,808,448)	
Inventories			1,623,555	
Pension asset			10,340,385	
Capital assets, net of accumulated depreciation and amortization			3,155,900,756	
Deferred outflows - pensions			3,394,556	
Compensated absences			(4,001,277)	
Bonds payable			(1,828,367,579)	
Notes and loans payable			(16,273,040)	
Accrued Interest payable			(28,195,729)	
Other postemployment benefits			(1,511,569)	
Pollution remediation			(225,000)	
Deferred inflows - pensions			(20,670,228)	
Deferred charge for debt refundings			(4,820,670)	
Net position - GAAP basis			<u>\$ 1,585,566,353</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Other:				
Investment earnings	\$ 275,000	\$ 275,000	\$ 339,526	\$ 64,526
EXPENDITURES				
Current:				
General operating contingencies	-	2,447,113	-	2,447,113
Debt service and related costs:				
Principal	82,941,781	83,092,711	83,092,711	-
Interest	77,546,869	80,868,184	83,313,932	(2,445,748)
Total expenditures	<u>160,488,650</u>	<u>166,408,008</u>	<u>166,406,643</u>	<u>1,365</u>
Revenues over (under) expenditures	<u>(160,213,650)</u>	<u>(166,133,008)</u>	<u>(166,067,117)</u>	<u>65,891</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
Sewer System Operating	160,213,650	168,133,008	166,113,668	(2,019,340)
Bonds and notes issued	15,000,000	15,000,000	98,945,124	83,945,124
Bonds and notes premium	-	-	15,406,562	15,406,562
Payments to refunded loan and bond escrow agent	-	-	(101,280,000)	(101,280,000)
Total other financing sources (uses)	<u>175,213,650</u>	<u>183,133,008</u>	<u>179,185,354</u>	<u>(3,947,654)</u>
Net change in fund balance	15,000,000	17,000,000	13,118,237	(3,881,763)
Fund balance - beginning	<u>48,700,000</u>	<u>48,700,000</u>	<u>48,702,888</u>	<u>2,888</u>
Fund balance - ending	<u>\$ 63,700,000</u>	<u>\$ 65,700,000</u>	61,821,125	<u>\$ (3,878,875)</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Sewer System Debt Redemption Fund budgeted as separate fund - to Sewer System Operating Fund			<u>(61,821,125)</u>	
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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Service charges and fees:				
Public works and utility charges	\$ 700,000	\$ 700,000	\$ 1,231,919	\$ 531,919
Other:				
Investment earnings	400,000	400,000	910,377	510,377
Total revenues	<u>1,100,000</u>	<u>1,100,000</u>	<u>2,142,296</u>	<u>1,042,296</u>
EXPENDITURES				
Current:				
General operating contingencies	129,500,000	129,500,000	-	129,500,000
Debt service and related costs:				
Debt issuance costs	800,000	800,000	943,956	(143,956)
Total expenditures	<u>130,300,000</u>	<u>130,300,000</u>	<u>943,956</u>	<u>129,356,044</u>
Revenues over (under) expenditures	<u>(129,200,000)</u>	<u>(129,200,000)</u>	<u>1,198,340</u>	<u>130,398,340</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Local Improvement District	700,000	700,000	-	(700,000)
Sewer System Operating	20,000,000	20,000,000	14,650,000	(5,350,000)
Total transfers from other funds	<u>20,700,000</u>	<u>20,700,000</u>	<u>14,650,000</u>	<u>(6,050,000)</u>
Transfer to other fund:				
Sewer System Operating	(119,500,000)	(119,500,000)	(93,334,277)	26,165,723
Bonds and notes issued	220,000,000	220,000,000	191,439,876	(28,560,124)
Bonds and notes premium	-	-	16,800,191	16,800,191
Total other financing sources (uses)	<u>121,200,000</u>	<u>121,200,000</u>	<u>129,555,790</u>	<u>8,355,790</u>
Net change in fund balance	(8,000,000)	(8,000,000)	130,754,130	138,754,130
Fund balance - beginning	8,000,000	8,000,000	13,803,689	5,803,689
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>144,557,819</u>	<u>\$ 144,557,819</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Sewer System Construction Fund budgeted as separate fund to Sewer System Operating Fund			<u>(144,557,819)</u>	
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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Other:				
Investment earnings	\$ 50,000	\$ 50,000	\$ 146,967	\$ 96,967
EXPENDITURES				
Current:				
General operating contingencies	26,050,000	40,050,000	-	40,050,000
Revenues over (under) expenditures	(26,000,000)	(40,000,000)	146,967	40,146,967
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
Sewer System Operating	8,000,000	18,000,000	25,250,000	7,250,000
Transfer to other fund:				
Sewer System Operating	(4,000,000)	-	-	-
Total other financing sources (uses)	4,000,000	18,000,000	25,250,000	7,250,000
Net change in fund balance	(22,000,000)	(22,000,000)	25,396,967	47,396,967
Fund balance - beginning	22,000,000	22,000,000	26,266,690	4,266,690
Fund balance - ending	\$ -	\$ -	51,663,657	\$ 51,663,657
Adjustment to generally accepted accounting principles (GAAP) basis:				
Sewer System Rate Stabilization Fund budgeted as separate fund to Sewer System Operating Fund			(51,663,657)	
Net position - GAAP basis			\$ -	

City of Portland, Oregon
Water Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Intergovernmental:				
Local cost sharing	\$ 526,000	\$ 526,000	\$ 631,446	\$ 105,446
Service charges and fees:				
Public works and utility charges	143,085,324	146,085,324	149,162,938	3,077,614
Rents and reimbursements	550,000	550,000	645,633	95,633
Other service charges	2,500,000	2,500,000	3,014,978	514,978
Billings to other funds for services	2,981,228	3,315,428	2,976,787	(338,641)
Other:				
Sales - other	100,000	100,000	109,809	9,809
Refunds	75,000	75,000	17,279	(57,721)
Investment earnings	189,077	189,077	332,285	143,208
Miscellaneous	40,000	40,000	253,669	213,669
	<u>150,046,629</u>	<u>153,380,829</u>	<u>157,144,824</u>	<u>3,763,995</u>
EXPENDITURES				
Current:				
Personal services	61,143,882	61,143,882	58,377,638	2,766,244
Materials and services	43,015,282	48,701,482	45,313,552	3,387,930
General operating contingencies	46,183,707	72,579,491	-	72,579,491
Overhead charges - General Fund	4,179,745	4,179,745	4,179,745	-
Debt service and related costs:				
Principal	1,822,115	1,822,115	1,822,115	-
Interest	971,399	971,399	864,447	106,952
Debt issuance costs	767,864	350,000	252,949	97,051
Capital outlay	72,669,385	57,903,285	53,421,017	4,482,268
	<u>230,753,379</u>	<u>247,651,399</u>	<u>164,231,463</u>	<u>83,419,936</u>
Revenues over (under) expenditures	<u>(80,706,750)</u>	<u>(94,270,570)</u>	<u>(7,086,639)</u>	<u>87,183,931</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	-	24,472	24,472	-
Water Construction	110,715,718	110,297,854	97,970,512	(12,327,342)
Facilities Services Operating	3,713	3,713	3,713	-
	<u>110,719,431</u>	<u>110,326,039</u>	<u>97,998,697</u>	<u>(12,327,342)</u>

City of Portland, Oregon
Water Fund
Schedule of Revenues and Expenditures - Budget and Actual, Continued
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
OTHER FINANCING SOURCES (USES), CONTINUED				
Transfers to other funds:				
Pension Debt Redemption	(531,418)	(531,418)	(531,418)	-
Sewer System Operating	(150,000)	(94,686)	(94,686)	-
Water Bond Sinking	(50,175,029)	(49,837,270)	(49,787,270)	50,000
Water Construction	(31,339,417)	(35,137,247)	(35,137,247)	-
Environmental Remediation	(300,000)	(300,000)	(300,000)	-
Total transfers to other funds	<u>(82,495,864)</u>	<u>(85,900,621)</u>	<u>(85,850,621)</u>	<u>50,000</u>
Internal loan proceeds	70,000	70,000	-	(70,000)
Sale of capital asset	209,000	209,000	269,973	60,973
Total other financing sources (uses)	<u>28,502,567</u>	<u>24,704,418</u>	<u>12,418,049</u>	<u>(12,286,369)</u>
Net change in fund balance	(52,204,183)	(69,566,152)	5,331,410	74,897,562
Fund balance - beginning	52,204,183	69,566,152	69,566,152	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	74,897,562	<u>\$ 74,897,562</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Water Bond Sinking Fund budgeted as separate fund			36,863,089	
Water Construction Fund budgeted as separate fund			88,351,143	
Unrealized gain (loss) on investments			263,561	
Allowance for uncollectible accounts			(3,257,996)	
Inventories			2,147,595	
Capital assets, net of accumulated depreciation and amortization			1,040,588,696	
Pension asset			10,056,132	
Deferred outflows - pensions			3,301,241	
Compensated absences			(4,149,020)	
Bonds payable			(696,175,880)	
Accrued interest payable			(16,612,647)	
Utility taxes payable			(1,430,449)	
Other postemployment benefits			(1,797,052)	
Deferred inflows - pensions			(20,102,011)	
Deferred charge for debt refunding			<u>(995,141)</u>	
Net position - GAAP basis			<u>\$ 511,948,823</u>	

**City of Portland, Oregon
Water Bond Sinking Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015**

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Other:				
Investment earnings	\$ 156,973	\$ 156,973	\$ 195,623	\$ 38,650
EXPENDITURES				
Debt service and related costs:				
Principal	23,977,213	24,760,000	24,760,000	-
Interest	26,766,164	25,445,616	25,445,616	-
Total expenditures	<u>50,743,377</u>	<u>50,205,616</u>	<u>50,205,616</u>	<u>-</u>
Revenues over (under) expenditures	<u>(50,586,404)</u>	<u>(50,048,643)</u>	<u>(50,009,993)</u>	<u>38,650</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Water	50,175,029	49,837,270	49,787,270	(50,000)
Water Construction	411,373	211,373	283,087	71,714
Total transfers from other funds	<u>50,586,402</u>	<u>50,048,643</u>	<u>50,070,357</u>	<u>21,714</u>
Bonds and notes issued	<u>8,703,000</u>	<u>5,355,275</u>	<u>5,355,275</u>	<u>-</u>
Total other financing sources (uses)	<u>59,289,402</u>	<u>55,403,918</u>	<u>55,425,632</u>	<u>21,714</u>
Net change in fund balance	8,702,998	5,355,275	5,415,639	60,364
Fund balance - beginning	<u>31,394,525</u>	<u>31,447,450</u>	<u>31,447,450</u>	<u>-</u>
Fund balance - ending	<u>\$ 40,097,523</u>	<u>\$ 36,802,725</u>	36,863,089	<u>\$ 60,364</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Water Bond Sinking Fund budgeted as separate fund - to Water Fund			<u>(36,863,089)</u>	
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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Service charges and fees:				
Public works and utility charges	\$ 1,750,000	\$ 1,750,000	\$ 4,665,242	\$ 2,915,242
Other:				
Investment earnings	436,373	436,373	491,780	55,407
Total revenues	<u>2,186,373</u>	<u>2,186,373</u>	<u>5,157,022</u>	<u>2,970,649</u>
EXPENDITURES				
Current:				
General operating contingencies	16,607,358	4,647,377	-	4,647,377
Revenues over (under) expenditures	<u>(14,420,985)</u>	<u>(2,461,004)</u>	<u>5,157,022</u>	<u>7,618,026</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
Water	31,339,417	35,137,247	35,137,247	-
Transfers to other funds:				
Water	(110,715,718)	(110,297,854)	(97,970,512)	12,327,342
Water Bond Sinking	(411,373)	(211,373)	(283,087)	(71,714)
Total transfers to other funds	<u>(111,127,091)</u>	<u>(110,509,227)</u>	<u>(98,253,599)</u>	<u>12,255,628</u>
Bonds and notes issued	110,941,000	87,262,625	79,619,725	(7,642,900)
Bonds and notes premium	-	-	7,642,900	7,642,900
Total other financing sources (uses)	<u>31,153,326</u>	<u>11,890,645</u>	<u>24,146,273</u>	<u>12,255,628</u>
Net change in fund balance	16,732,341	9,429,641	29,303,295	19,873,654
Fund balance - beginning	51,745,148	59,047,848	59,047,848	-
Fund balance - ending	<u>\$ 68,477,489</u>	<u>\$ 68,477,489</u>	88,351,143	<u>\$ 19,873,654</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Water Construction Fund budgeted as separate fund				
- to Water Fund			<u>(88,351,143)</u>	
Net position - GAAP basis			<u>\$ -</u>	

City of Portland, Oregon
Hydroelectric Power Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Billings to other funds for services	\$ 53,500	\$ 53,500	\$ 67,783	\$ 14,283
Other:				
Sales - other	946,480	946,480	878,030	(68,450)
Refunds	-	-	3,029	3,029
Investment earnings	8,000	8,000	8,989	989
Total revenues	<u>1,007,980</u>	<u>1,007,980</u>	<u>957,831</u>	<u>(50,149)</u>
EXPENDITURES				
Current:				
Personal services	293,574	293,574	282,600	10,974
Materials and services	436,140	586,140	191,173	394,967
General operating contingencies	315,477	315,632	-	315,632
Debt service and related costs:				
Principal	13,447	13,447	13,447	-
Interest	7,169	7,169	6,379	790
Total expenditures	<u>1,065,807</u>	<u>1,215,962</u>	<u>493,599</u>	<u>722,363</u>
Revenues over (under) expenditures	<u>(57,827)</u>	<u>(207,982)</u>	<u>464,232</u>	<u>(672,214)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	4,148	4,303	4,303	-
Hydroelectric Power Renewal and Replacement	125,000	275,000	-	(275,000)
Total transfers from other funds	<u>129,148</u>	<u>279,303</u>	<u>4,303</u>	<u>(275,000)</u>
Transfers to other funds:				
General	(400,000)	(400,000)	(400,000)	-
Pension Debt Redemption	(3,921)	(3,921)	(3,921)	-
Total transfers to other funds	<u>(403,921)</u>	<u>(403,921)</u>	<u>(403,921)</u>	<u>-</u>
Total other financing sources (uses)	<u>(274,773)</u>	<u>(124,618)</u>	<u>(399,618)</u>	<u>(275,000)</u>
Net change in fund balance	<u>(332,600)</u>	<u>(332,600)</u>	<u>64,614</u>	<u>397,214</u>
Fund balance - beginning	<u>332,600</u>	<u>332,600</u>	<u>398,245</u>	<u>65,645</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>462,859</u>	<u>\$ 462,859</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Hydroelectric Power Bond Redemption Fund budgeted as separate fund			4,332,574	
Hydroelectric Renewal and Replacement Fund budgeted as separate fund			10,704,399	
Unrealized gain (loss) on investments			(52,907)	
Capital assets, net of accumulated depreciation and amortization			22,095,222	
Pension asset			53,591	
Deferred outflows - pensions			17,593	
Compensated absences			(37,290)	
Bonds payable			(4,433,836)	
Accrued interest payable			(139,379)	
Other postemployment benefits			(6,000)	
Deferred inflows - pensions			(107,128)	
Net position - GAAP basis			<u>\$ 32,889,698</u>	

City of Portland, Oregon
Hydroelectric Power Bond Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Other:				
Sales - other	\$ 2,584,679	\$ 2,584,679	\$ 2,490,726	\$ (93,953)
Investment earnings	13,000	13,000	3,535	(9,465)
Total revenues	<u>2,597,679</u>	<u>2,597,679</u>	<u>2,494,261</u>	<u>(103,418)</u>
EXPENDITURES				
Debt service and related costs:				
Principal	2,390,000	2,390,000	2,390,000	-
Interest	300,452	300,452	300,451	1
Total expenditures	<u>2,690,452</u>	<u>2,690,452</u>	<u>2,690,451</u>	<u>1</u>
Net change in fund balance	(92,773)	(92,773)	(196,190)	(103,417)
Fund balance - beginning	<u>4,541,100</u>	<u>4,541,100</u>	<u>4,528,764</u>	<u>(12,336)</u>
Fund balance - ending	<u>\$ 4,448,327</u>	<u>\$ 4,448,327</u>	4,332,574	<u>\$ (115,753)</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Hydroelectric Power Bond Redemption Fund budgeted as separate fund - to Hydroelectric Power Operating Fund			<u>(4,332,574)</u>	
Net position - GAAP basis			<u>\$ -</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Other:				
Sales - other	\$ 317,510	\$ 317,510	\$ 325,719	\$ 8,209
Investment earnings	10,000	10,000	(15,419)	(25,419)
Total revenues	<u>327,510</u>	<u>327,510</u>	<u>310,300</u>	<u>(17,210)</u>
EXPENDITURES				
Current:				
General operating contingencies	10,484,680	10,334,680	-	10,334,680
Revenues over (under) expenditures	<u>(10,157,170)</u>	<u>(10,007,170)</u>	<u>310,300</u>	<u>10,317,470</u>
OTHER FINANCING SOURCES (USES)				
Transfer to other fund:				
Hydroelectric Power Operating	<u>(125,000)</u>	<u>(275,000)</u>	-	<u>275,000</u>
Net change in fund balance	(10,282,170)	(10,282,170)	310,300	10,592,470
Fund balance - beginning	<u>10,282,170</u>	<u>10,282,170</u>	<u>10,394,099</u>	<u>111,929</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	10,704,399	<u>\$ 10,704,399</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Hydroelectric Power Renewal and Replacement Fund budgeted as separate fund - to Hydroelectric Power Operating Fund			<u>(10,704,399)</u>	
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, 2015**

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Service charges and fees:				
Rents and reimbursements	\$ 429,159	\$ 429,159	\$ 501,423	\$ 72,264
Concessions	1,509,818	1,514,342	1,610,244	95,902
Parks and recreation facilities fees	6,276,270	6,276,270	5,995,888	(280,382)
Other service charges	586,531	586,531	572,600	(13,931)
Other:				
Sales - other	3,366	3,366	12,746	9,380
Investment earnings	8,304	3,980	4,146	166
Miscellaneous	3,654	3,654	2,173	(1,481)
Total revenues	8,817,102	8,817,302	8,699,220	(118,082)
EXPENDITURES				
Current:				
Personal services	3,494,261	3,569,520	3,705,000	(135,480)
Materials and services	4,648,802	5,611,721	5,274,181	337,540
General operating contingencies	1,778,630	361,302	-	361,302
Overhead charges - General Fund	339,923	339,923	339,923	-
Debt service and related costs:				
Principal	109,869	109,869	109,869	-
Interest	58,573	58,573	52,124	6,449
Capital outlay	885,000	770,911	452,925	317,986
Total expenditures	11,315,058	10,821,819	9,934,022	887,797
Revenues over (under) expenditures	(2,497,956)	(2,004,517)	(1,234,802)	769,715
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
General	-	458	458	-
Transfer to other fund:				
Pension Debt Redemption	(32,044)	(32,044)	(32,044)	-
Internal loan proceeds	800,000	800,000	800,000	-
Sale of capital asset	-	-	10,400	10,400
Total other financing sources (uses)	767,956	768,414	778,814	10,400
Net change in fund balance	(1,730,000)	(1,236,103)	(455,988)	780,115
Fund balance - beginning	1,730,000	1,236,103	1,236,715	612
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	780,727	<u>\$ 780,727</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			1,276	
Capital assets, net of accumulated depreciation and amortization			11,069,816	
Pension asset			547,295	
Deferred outflow - pensions			179,667	
Compensated absences			(202,031)	
Bonds payable			(1,542,925)	
Internal loan proceeds			(800,000)	
Accrued interest payable			(659,910)	
Other postemployment benefits			(133,081)	
Deferred inflows - pensions			(1,094,032)	
Net position - GAAP basis			<u>\$ 8,146,802</u>	

City of Portland, Oregon
Portland International Raceway Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Service charges and fees:				
Rents and reimbursements	\$ 1,095,596	\$ 1,095,596	\$ 1,209,572	\$ 113,976
Concessions	145,218	145,218	149,197	3,979
Parks and recreation facilities fees	529,941	529,941	342,696	(187,245)
Other service charges	18,401	18,401	5,225	(13,176)
Other:				
Investment earnings	2,906	2,906	1,853	(1,053)
Miscellaneous	3,325	3,325	5,846	2,521
Total revenues	<u>1,795,387</u>	<u>1,795,387</u>	<u>1,714,389</u>	<u>(80,998)</u>
EXPENDITURES				
Current:				
Personal services	786,332	786,332	769,041	17,291
Materials and services	594,746	607,313	598,374	8,939
General operating contingencies	203,970	199,003	-	199,003
Overhead charges - General Fund	186,922	186,922	186,922	-
Debt service and related costs:				
Principal	251,150	251,150	251,150	-
Interest	56,712	56,712	55,470	1,242
Total expenditures	<u>2,079,832</u>	<u>2,087,432</u>	<u>1,860,957</u>	<u>226,475</u>
Revenues over (under) expenditures	<u>(284,445)</u>	<u>(292,045)</u>	<u>(146,568)</u>	<u>145,477</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	-	191	191	-
Parks Capital Improvement Program	-	12,567	12,567	-
Total transfers from other funds	<u>-</u>	<u>12,758</u>	<u>12,758</u>	<u>-</u>
Transfer to other fund:				
Pension Debt Redemption	(6,169)	(6,169)	(6,169)	-
Total other financing sources (uses)	<u>(6,169)</u>	<u>6,589</u>	<u>6,589</u>	<u>-</u>
Net change in fund balance	<u>(290,614)</u>	<u>(285,456)</u>	<u>(139,979)</u>	<u>145,477</u>
Fund balance - beginning	290,614	285,456	285,468	12
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	145,489	<u>\$ 145,489</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			255	
Capital assets net of accumulated depreciation and amortization			2,052,134	
Pension asset			123,132	
Deferred outflow - pensions			40,422	
Compensated absences			(49,341)	
Bonds payable			(807,021)	
Accrued interest payable			(129,646)	
Other postemployment benefits			(34,386)	
Deferred inflows - pensions			(246,138)	
Net position - GAAP basis			<u>\$ 1,094,900</u>	

City of Portland, Oregon
Solid Waste Management Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Licenses and permits:				
Public utility licenses	\$ 2,820,843	\$ 2,820,843	\$ 2,802,177	\$ (18,666)
Other permits	30,800	30,800	14,700	(16,100)
Intergovernmental:				
Local revenue sharing	26,000	26,000	21,010	(4,990)
Service charges and fees:				
Public works and utility charges	2,223,486	2,223,486	2,385,530	162,044
Billings to other funds for services	10,000	12,000	12,000	-
Other:				
Donations	-	-	10,500	10,500
Investment earnings	10,966	10,966	10,281	(685)
Fines	2,500	2,500	12,650	10,150
Miscellaneous	35,000	35,000	18,512	(16,488)
	<u>5,159,595</u>	<u>5,161,595</u>	<u>5,287,360</u>	<u>125,765</u>
EXPENDITURES				
Current:				
Personal services	2,108,776	2,237,751	2,238,936	(1,185)
Materials and services	2,676,577	2,687,964	2,359,265	328,699
General operating contingencies	-	246	-	246
Overhead charges - General Fund	154,303	154,303	154,303	-
Debt service and related costs:				
Principal	34,118	34,118	34,118	-
Interest	18,189	18,189	16,186	2,003
	<u>4,991,963</u>	<u>5,132,571</u>	<u>4,802,808</u>	<u>329,763</u>
Revenues over (under) expenditures	<u>167,632</u>	<u>29,024</u>	<u>484,552</u>	<u>455,528</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
General	-	246	246	-
Transfer to other fund:				
Pension Debt Redemption	(9,951)	(9,951)	(9,951)	-
Total other financing sources (uses)	<u>(9,951)</u>	<u>(9,705)</u>	<u>(9,705)</u>	<u>-</u>
Net change in fund balance	157,681	19,319	474,847	455,528
Fund balance - beginning	<u>2,272,450</u>	<u>2,410,812</u>	<u>2,717,012</u>	<u>306,200</u>
Fund balance - ending	<u>\$ 2,430,131</u>	<u>\$ 2,430,131</u>	3,191,859	<u>\$ 761,728</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			3,029	
Capital assets net of accumulated depreciation and amortization			671,655	
Pension asset			368,389	
Deferred outflows - pensions			120,935	
Compensated absences			(144,735)	
Bonds payable			(479,121)	
Accrued interest payable			(204,922)	
Other postemployment benefits			(60,872)	
Deferred inflows - pensions			(736,403)	
Net position - GAAP basis			<u>\$ 2,729,814</u>	

City of Portland, Oregon
Parking Facilities Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Service charges and fees:				
Rents and reimbursements	\$ 758,256	\$ 758,256	\$ 872,907	\$ 114,651
Parking fees	11,200,000	11,200,000	12,031,357	831,357
Other service charges	3,000	3,000	750	(2,250)
Billings to other funds for services	818,801	818,801	808,677	(10,124)
Other:				
Sales - other	-	-	1,250	1,250
Investment earnings	28,807	28,807	53,663	24,856
Miscellaneous	-	-	8,772	8,772
	<u>12,808,864</u>	<u>12,808,864</u>	<u>13,777,376</u>	<u>968,512</u>
Total revenues				
EXPENDITURES				
Current:				
Personal services	207,736	250,436	200,659	49,777
Materials and services	7,239,674	7,445,941	5,447,577	1,998,364
General operating contingencies	5,925,244	6,628,489	-	6,628,489
Overhead charges - General Fund	68,313	68,313	68,313	-
Debt service and related costs:				
Principal	1,310,000	1,310,000	1,310,000	-
Interest	572,250	572,250	572,250	-
	<u>15,323,217</u>	<u>16,275,429</u>	<u>7,598,799</u>	<u>8,676,630</u>
Total expenditures				
Revenues over (under) expenditures	<u>(2,514,353)</u>	<u>(3,466,565)</u>	<u>6,178,577</u>	<u>9,645,142</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	-	590	590	-
Facilities Services Operating	28,720	28,720	28,720	-
	<u>28,720</u>	<u>29,310</u>	<u>29,310</u>	<u>-</u>
Total transfers from other funds				
Transfers to other funds:				
General	(278,310)	(278,310)	(278,310)	-
Transportation Operating	(3,200,863)	(3,200,863)	(3,200,863)	-
	<u>(3,479,173)</u>	<u>(3,479,173)</u>	<u>(3,479,173)</u>	<u>-</u>
Total transfers to other funds				
Total other financing sources (uses)	<u>(3,450,453)</u>	<u>(3,449,863)</u>	<u>(3,449,863)</u>	<u>-</u>
Net change in fund balance	(5,964,806)	(6,916,428)	2,728,714	9,645,142
Fund balance - beginning	5,964,806	6,916,428	6,903,379	(13,049)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>9,632,093</u>	<u>\$ 9,632,093</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Allowance for uncollectible accounts			(10,000)	
Unrealized gain (loss) on investments			14,806	
Capital assets net of accumulated depreciation and amortization			24,550,413	
Pension asset			37,616	
Deferred outflows - pensions			12,349	
Deferred charge for bond refunding			105,960	
Bonds payable			(14,351,956)	
Accrued interest payable			(134,875)	
Other postemployment benefits			(1,026)	
Deferred inflows - pensions			(75,193)	
Net position - GAAP basis			<u>\$ 19,780,187</u>	

City of Portland, Oregon
Spectator Facilities Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

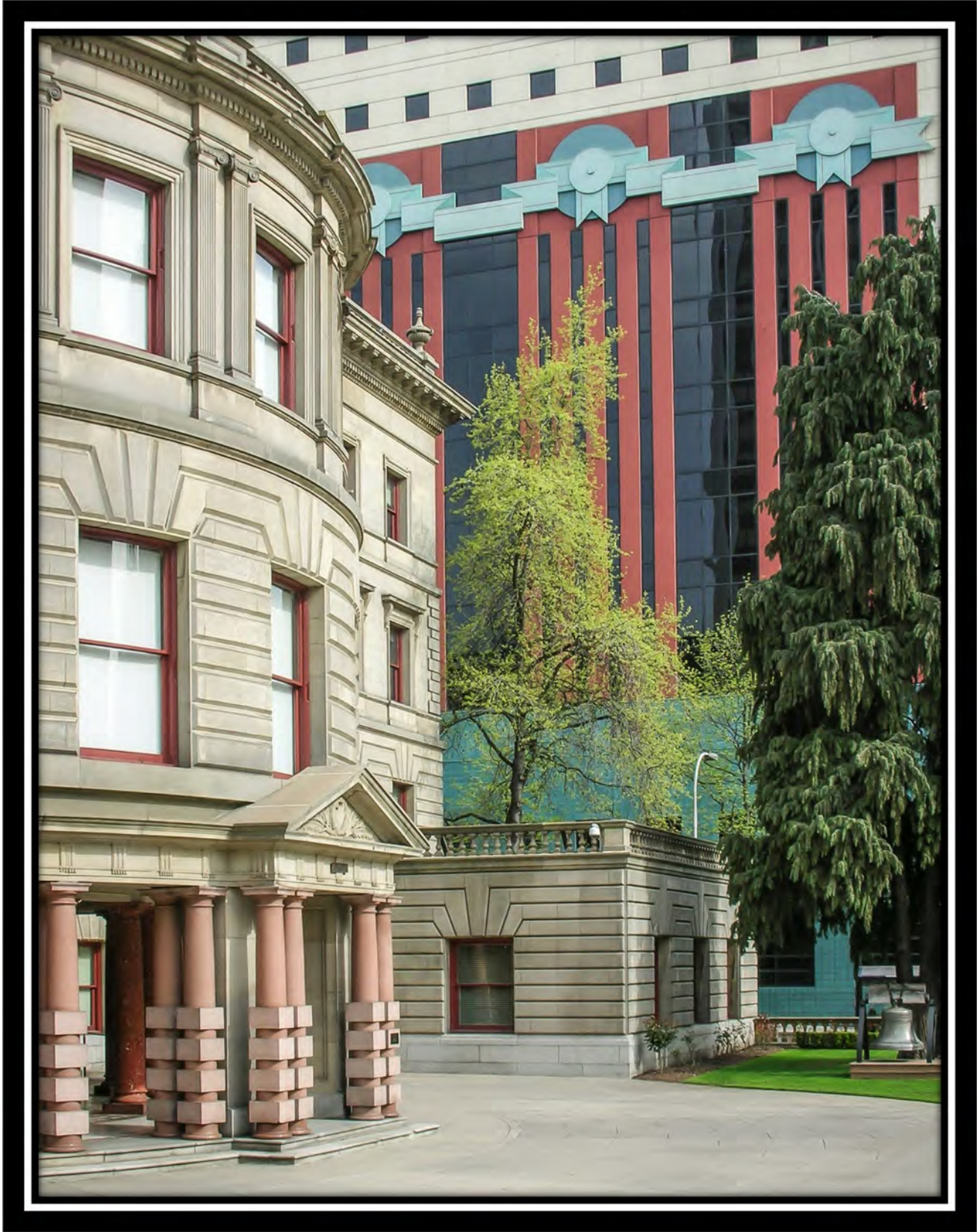
	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Intergovernmental:				
Local cost sharing	\$ 2,037,121	\$ 2,037,121	\$ 2,037,121	\$ -
Service charges and fees:				
Rents and reimbursements	5,717,210	5,717,210	6,920,485	1,203,275
Parking fees	1,450,000	1,500,238	1,731,434	231,196
Other:				
Investment earnings	50,000	50,000	47,686	(2,314)
Total revenues	<u>9,254,331</u>	<u>9,304,569</u>	<u>10,736,726</u>	<u>1,432,157</u>
EXPENDITURES				
Current:				
Personal services	188,268	310,268	229,839	80,429
Materials and services	4,301,192	4,356,100	2,329,774	2,026,326
General operating contingencies	2,614,587	3,262,742	-	3,262,742
Overhead charges - General Fund	111,595	111,595	111,595	-
Debt service and related costs:				
Principal	5,049,000	5,049,000	5,049,000	-
Interest	1,513,747	1,513,747	1,534,863	(21,116)
Debt issuance costs	-	20,000	17,310	2,690
Capital outlay	1,000,000	1,000,000	134,334	865,666
Total expenditures	<u>14,778,389</u>	<u>15,623,452</u>	<u>9,406,715</u>	<u>6,216,737</u>
Revenues over (under) expenditures	<u>(5,524,058)</u>	<u>(6,318,883)</u>	<u>1,330,011</u>	<u>7,648,894</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	-	283	283	-
Facilities Services Operating	7,387	7,387	7,387	-
Total transfers from other funds	<u>7,387</u>	<u>7,670</u>	<u>7,670</u>	<u>-</u>
Transfers to other funds:				
General	(18,329)	(18,329)	(18,329)	-
Transportation Operating	(90,000)	(90,000)	(90,000)	-
Total transfers to other funds	<u>(108,329)</u>	<u>(108,329)</u>	<u>(108,329)</u>	<u>-</u>
Bonds and notes issued	-	20,000	5,469,700	5,449,700
Payments to refunded loan and bond escrow agent	-	-	(5,430,000)	(5,430,000)
Total other financing sources (uses)	<u>(100,942)</u>	<u>(80,659)</u>	<u>(60,959)</u>	<u>19,700</u>
Net change in fund balance	(5,625,000)	(6,399,542)	1,269,052	7,668,594
Fund balance - beginning	5,625,000	6,399,542	6,399,542	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>7,668,594</u>	<u>\$ 7,668,594</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			10,718	
Capital assets, net of accumulated depreciation and amortization			95,195,543	
Pension asset			28,560	
Deferred outflows - pensions			9,376	
Bonds payable			(36,381,655)	
Accrued interest payable			(88,780)	
Other postemployment benefits			(331)	
Deferred inflows - pensions			(57,092)	
Deferred charge for debt refunding			(17,111)	
Net position - GAAP basis			<u>\$ 66,367,822</u>	

City of Portland, Oregon
Environmental Remediation Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Intergovernmental:				
State cost sharing	\$ -	\$ 100,000	\$ -	\$ (100,000)
Service charges and fees:				
Public works and utility charges	1,800,000	1,800,000	2,033,110	233,110
Rents and reimbursements	517,000	517,000	524,478	7,478
Billings to other funds for services	415,000	415,000	441,971	26,971
Other:				
Investment earnings	20,000	20,000	25,492	5,492
Miscellaneous	-	-	4,073	4,073
Total revenues	<u>2,752,000</u>	<u>2,852,000</u>	<u>3,029,124</u>	<u>177,124</u>
EXPENDITURES				
Current:				
Personal services	356,788	464,538	434,650	29,888
Materials and services	4,048,371	4,165,621	2,995,254	1,170,367
General operating contingencies	1,960,887	1,836,272	-	1,836,272
Overhead charges - General Fund	151,516	151,516	151,516	-
Debt service and related costs:				
Principal	788	788	788	-
Interest	420	420	374	46
Total expenditures	<u>6,518,770</u>	<u>6,619,155</u>	<u>3,582,582</u>	<u>3,036,573</u>
Revenues over (under) expenditures	<u>(3,766,770)</u>	<u>(3,767,155)</u>	<u>(553,458)</u>	<u>3,213,697</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	-	385	385	-
Transportation Operating	100,000	100,000	100,000	-
Water	300,000	300,000	300,000	-
Total transfers from other funds	<u>400,000</u>	<u>400,385</u>	<u>400,385</u>	<u>-</u>
Transfer to other fund:				
Pension Debt Redemption	(230)	(230)	(230)	-
Total other financing sources (uses)	<u>399,770</u>	<u>400,155</u>	<u>400,155</u>	<u>-</u>
Net change in fund balance	<u>(3,367,000)</u>	<u>(3,367,000)</u>	<u>(153,303)</u>	<u>3,213,697</u>
Fund balance - beginning	3,367,000	3,367,000	3,250,853	(116,147)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>3,097,550</u>	<u>\$ 3,097,550</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			6,778	
Capital assets, net of accumulated depreciation and amortization			3,600,743	
Pension asset			73,888	
Deferred outflows - pensions			24,256	
Compensated absences			(53,190)	
Bonds payable			(11,062)	
Accrued interest payable			(4,731)	
Other postemployment benefits			(13,980)	
Pollution remediation long-term liability			(3,270,000)	
Deferred inflows - pensions			(147,701)	
Net position - GAAP basis			<u>\$ 3,302,551</u>	

City of Portland, Oregon
Headwaters Apartment Complex Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Intergovernmental:				
Local cost sharing	\$ -	\$ -	1,093,766	\$ 1,093,766
Local revenue sharing	880,000	907,644	-	(907,644)
Other:				
Investment earnings	861	4,061	4,456	395
Total revenues	<u>880,861</u>	<u>911,705</u>	<u>1,098,222</u>	<u>186,517</u>
EXPENDITURES				
Current:				
Materials and services	81,000	50,156	3,225	46,931
Debt service and related costs:				
Principal	543,861	543,861	300,000	243,861
Interest	256,000	317,688	561,548	(243,860)
Total expenditures	<u>880,861</u>	<u>911,705</u>	<u>864,773</u>	<u>46,932</u>
Net change in fund balance	-	-	233,449	233,449
Fund balance - beginning	-	-	798,453	798,453
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	1,031,902	<u>\$ 1,031,902</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			1,219	
Capital assets, net of accumulated depreciation and amortization			10,426,470	
Bonds payable			(9,948,386)	
Accrued interest payable			(121,893)	
Other liabilities			<u>(385,546)</u>	
Net position - GAAP basis			<u>\$ 1,003,766</u>	



City Buildings

Internal Service Funds Budget and Actual

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.

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.

Blank back of tab

City of Portland, Oregon
Health Insurance Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Service charges and fees:				
Health care charges	\$ 57,410,845	\$ 57,410,845	\$ 57,135,295	\$ (275,550)
Other service charges	-	-	34,637	34,637
Billings to other funds for services	-	140,429	211,939	71,510
Other:				
Investment earnings	50,000	50,000	96,865	46,865
Miscellaneous	859,301	859,301	885,498	26,197
	<u>58,320,146</u>	<u>58,460,575</u>	<u>58,364,234</u>	<u>(96,341)</u>
Total revenues				
EXPENDITURES				
Current:				
Personal services	1,305,358	1,395,358	1,343,996	51,362
Materials and services	56,318,487	56,368,916	53,426,338	2,942,578
General operating contingencies	11,641,906	15,697,906	-	15,697,906
Overhead charges - General Fund	277,663	277,663	277,663	-
Debt service and related costs:				
Principal	20,279	20,279	20,279	-
Interest	10,811	10,811	9,621	1,190
	<u>69,574,504</u>	<u>73,770,933</u>	<u>55,077,897</u>	<u>18,693,036</u>
Total expenditures				
Revenues over (under) expenditures	<u>(11,254,358)</u>	<u>(15,310,358)</u>	<u>3,286,337</u>	<u>18,596,695</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
Facilities Services Operating	27	27	27	-
Transfer to other fund:				
Pension Debt Redemption	(5,916)	(5,916)	(5,916)	-
	<u>(5,889)</u>	<u>(5,889)</u>	<u>(5,889)</u>	<u>-</u>
Total other financing sources (uses)				
Net change in fund balance	(11,260,247)	(15,316,247)	3,280,448	18,596,695
Fund balance - beginning	11,260,247	15,316,247	15,316,246	(1)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	18,596,694	<u>\$ 18,596,694</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			30,151	
Pension asset			247,139	
Deferred outflows - pensions			81,131	
Self insurance claims			(4,671,000)	
Compensated absences			(119,200)	
Bonds payable			(284,791)	
Accrued interest payable			(121,807)	
Other postemployment benefits			(26,493)	
Deferred inflows - pensions			(494,026)	
Net position - GAAP basis			<u>\$ 13,237,798</u>	

City of Portland, Oregon
Facilities Services Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Intergovernmental:				
State cost sharing	\$ -	\$ -	\$ 995	\$ 995
Multnomah County cost sharing	-	-	834	834
Local cost sharing	-	193,871	207,215	13,344
Service charges and fees:				
Rents and reimbursements	1,361,164	2,057,484	1,616,448	(441,036)
Other service charges	-	10,000	39,100	29,100
Billings to other funds for services	25,794,644	28,006,190	25,232,382	(2,773,808)
Other:				
Sales - other	-	279,665	426,004	146,339
Investment earnings	87,364	108,543	195,356	86,813
Miscellaneous	-	38,171	35,005	(3,166)
Total revenues	27,243,172	30,693,924	27,753,339	(2,940,585)
EXPENDITURES				
Current:				
Personal services	3,536,873	3,923,890	3,580,356	343,534
Materials and services	28,459,137	29,967,851	18,082,430	11,885,421
General operating contingencies	26,938,004	22,309,470	-	22,309,470
Overhead charges - General Fund	689,844	689,844	689,844	-
Debt service and related costs:				
Principal	6,174,216	6,174,216	6,174,216	-
Interest	1,449,802	1,449,802	1,443,391	6,411
Capital outlay	1,824,089	5,158,299	172,519	4,985,780
Total expenditures	69,071,965	69,673,372	30,142,756	39,530,616
Revenues over (under) expenditures	(41,828,793)	(38,979,448)	(2,389,417)	36,590,031
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	3,565,541	2,865,477	2,865,477	-
General Reserve	2,275,800	2,275,800	2,275,800	-
Emergency Communication	-	2,476,210	2,476,210	-
Total transfers from other funds	5,841,341	7,617,487	7,617,487	-

Continued next page

City of Portland, Oregon
Facilities Services Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual Continued
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
OTHER FINANCING SOURCES (USES), CONTINUED				
Transfers to other funds:				
General	(58,825)	(58,825)	(58,825)	-
Transportation Operating	(2,773)	(2,773)	(2,773)	-
Emergency Communication	(383)	(383)	(383)	-
Development Services	(1,451)	(1,451)	(1,451)	-
Pension Debt Redemption	(31,853)	(31,853)	(31,853)	-
Sewer System Operating	(7,493)	(7,493)	(7,493)	-
Water	(3,713)	(3,713)	(3,713)	-
Parking Facilities	(28,720)	(28,720)	(28,720)	-
Spectator Facilities Operating	(7,387)	(7,387)	(7,387)	-
Health Insurance Operating	(27)	(27)	(27)	-
CityFleet Operating	(1,795)	(1,795)	(1,795)	-
Printing and Distribution Services Operating	(35)	(35)	(35)	-
Insurance and Claims Operating	(67)	(67)	(67)	-
Workers' Compensation Self Insurance Operating	(72)	(72)	(72)	-
Technology Services	(1,912)	(1,912)	(1,912)	-
Enterprise Business Solutions Services	(155)	(155)	(155)	-
Total transfers to other funds	<u>(146,661)</u>	<u>(146,661)</u>	<u>(146,661)</u>	<u>-</u>
Internal loan proceeds	<u>49,113</u>	<u>472,763</u>	<u>472,762</u>	<u>(1)</u>
Total other financing sources (uses)	<u>5,743,793</u>	<u>7,943,589</u>	<u>7,943,588</u>	<u>(1)</u>
Net change in fund balance	(36,085,000)	(31,035,859)	5,554,171	36,590,030
Fund balance - beginning	<u>36,085,000</u>	<u>31,035,859</u>	<u>29,332,898</u>	<u>(1,702,961)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	34,887,069	<u>\$ 34,887,069</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			55,198	
Capital assets, net of accumulated depreciation and amortization			115,078,906	
Pension asset			616,802	
Deferred outflows - pensions			202,485	
Compensated absences			(196,454)	
Bonds payable			(33,915,136)	
Accrued interest payable			(802,380)	
Other postemployment benefits			(99,210)	
Deferred inflows - pensions			(1,232,975)	
Deferred charge for debt refunding			<u>(9,355)</u>	
Net position - GAAP basis			<u>\$ 114,584,950</u>	

City of Portland, Oregon
CityFleet Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Intergovernmental:				
Federal cost sharing	\$ 100,000	\$ 100,000	\$ 66,177	\$ (33,823)
State cost sharing	25,000	25,000	27,600	2,600
Multnomah County cost sharing	150,000	400,000	460,945	60,945
Local cost sharing	150,000	500,000	594,731	94,731
Billings to other funds for services	29,684,569	30,144,393	27,946,365	(2,198,028)
Other:				
Loan repayments	53,700	53,700	53,700	-
Investment earnings	102,364	102,364	127,244	24,880
Miscellaneous	40,000	40,000	40,021	21
Total revenues	30,305,633	31,365,457	29,316,783	(2,048,674)
EXPENDITURES				
Current:				
Personal services	7,418,863	7,742,040	7,465,438	276,602
Materials and services	14,435,161	15,259,963	13,226,094	2,033,869
General operating contingencies	18,552,802	19,100,804	-	19,100,804
Overhead charges - General Fund	1,005,192	1,005,192	1,005,192	-
Debt service and related costs:				
Principal	256,648	256,648	256,648	-
Interest	136,823	136,823	121,759	15,064
Capital outlay	7,293,472	11,782,943	8,971,144	2,811,799
Total expenditures	49,098,961	55,284,413	31,046,275	24,238,138
Revenues over (under) expenditures	(18,793,328)	(23,918,956)	(1,729,492)	22,189,464

Continued next page

City of Portland, Oregon
CityFleet Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, Continued
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	-	1,203,807	1,203,807	-
Facilities Services Operating	1,795	1,795	1,795	-
Total transfers from other funds	<u>1,795</u>	<u>1,205,602</u>	<u>1,205,602</u>	<u>-</u>
Transfer to other fund:				
Pension Debt Redemption	(74,850)	(74,850)	(74,850)	-
Internal loan proceeds	49,113	472,763	472,762	(1)
Sale of capital asset	600,000	600,000	722,808	122,808
Total other financing sources (uses)	<u>576,058</u>	<u>2,203,515</u>	<u>2,326,322</u>	<u>122,807</u>
Net change in fund balance	(18,217,270)	(21,715,441)	596,830	22,312,271
Fund balance - beginning	<u>18,217,270</u>	<u>21,715,441</u>	<u>21,715,441</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	22,312,271	<u>\$ 22,312,271</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			34,581	
Notes and loans receivable, net			322,200	
Inventories			1,309,638	
Capital assets, net of accumulated depreciation and amortization			45,139,269	
Pension asset			1,239,939	
Deferred outflows - pensions			407,049	
Compensated absences			(451,747)	
Bonds payable			(3,604,199)	
Accrued interest payable			(1,541,519)	
Other postemployment benefits			(224,179)	
Deferred inflows - pensions			<u>(2,478,613)</u>	
Net position - GAAP basis			<u>\$ 62,464,690</u>	

City of Portland, Oregon
Printing and Distribution Services Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental:				
State cost sharing	\$ 221,525	\$ 221,525	\$ 136,435	\$ (85,090)
Multnomah County cost sharing	450,791	450,791	373,928	(76,863)
Local cost sharing	340,981	340,981	316,155	(24,826)
Service charges and fees:				
Other service charges	82,328	147,328	172,372	25,044
Billings to other funds for services	5,268,357	5,777,190	5,101,475	(675,715)
Other:				
Sales - other	80,319	80,319	48,108	(32,211)
Refunds	-	-	2,627	2,627
Investment earnings	-	-	1,709	1,709
Miscellaneous	-	-	182	182
Total revenues	6,444,301	7,018,134	6,152,991	(865,143)
EXPENDITURES				
Current:				
Personal services	1,685,521	1,741,768	1,704,858	36,910
Materials and services	3,974,459	4,537,845	3,902,333	635,512
General operating contingencies	559,843	506,090	-	506,090
Overhead charges - General Fund	261,839	261,839	261,839	-
Debt service and related costs:				
Principal	86,973	86,973	86,973	-
Interest	46,367	46,367	41,262	5,105
Capital outlay	347,500	347,500	133,173	214,327
Total expenditures	6,962,502	7,528,382	6,130,438	1,397,944
Revenues over (under) expenditures	(518,201)	(510,248)	22,553	532,801
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	-	494	494	-
Facilities Services Operating	35	35	35	-
Total transfers from other funds	35	529	529	-
Transfer to other fund:				
Pension Debt Redemption	(25,365)	(25,365)	(25,365)	-
Total other financing sources (uses)	(25,330)	(24,836)	(24,836)	-
Net change in fund balance	(543,531)	(535,084)	(2,283)	532,801
Fund balance - beginning	543,531	535,084	535,084	-
Fund balance - ending	\$ -	\$ -	532,801	\$ 532,801
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			835	
Capital assets, net of accumulated depreciation and amortization			473,100	
Pension asset			318,189	
Deferred outflows - pensions			104,455	
Compensated absences			(94,412)	
Bonds payable			(1,221,390)	
Accrued interest payable			(522,389)	
Other postemployment benefits			(72,496)	
Deferred inflows - pensions			(636,053)	
Net position - GAAP basis			\$ (1,117,360)	

City of Portland, Oregon
Insurance and Claims Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Billings to other funds for services	\$ 9,162,223	\$ 9,185,767	\$ 9,102,852	\$ (82,915)
Other:				
Investment earnings	127,473	127,473	135,101	7,628
Miscellaneous	100,000	100,000	278,160	178,160
	<u>9,389,696</u>	<u>9,413,240</u>	<u>9,516,113</u>	<u>102,873</u>
EXPENDITURES				
Current:				
Personal services	1,088,226	1,246,501	1,144,198	102,303
Materials and services	7,704,375	9,971,375	8,125,500	1,845,875
General operating contingencies	23,923,570	21,522,544	-	21,522,544
Overhead charges - General Fund	192,277	192,277	192,277	-
Debt service and related costs:				
Principal	47,925	47,925	47,925	-
Interest	25,549	25,549	22,736	2,813
	<u>32,981,922</u>	<u>33,006,171</u>	<u>9,532,636</u>	<u>23,473,535</u>
Revenues over (under) expenditures	<u>(23,592,226)</u>	<u>(23,592,931)</u>	<u>(16,523)</u>	<u>23,576,408</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	-	705	705	-
Facilities Services Operating	67	67	67	-
	<u>67</u>	<u>772</u>	<u>772</u>	<u>-</u>
Transfer to other fund:				
Pension Debt Redemption	(13,977)	(13,977)	(13,977)	-
	<u>(13,910)</u>	<u>(13,205)</u>	<u>(13,205)</u>	<u>-</u>
Net change in fund balance	(23,606,136)	(23,606,136)	(29,728)	23,576,408
Fund balance - beginning	23,606,136	23,606,136	25,360,382	1,754,246
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	25,330,654	<u>\$ 25,330,654</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			36,405	
Capital assets, net of accumulated depreciation and amortization			362,576	
Pension asset			199,885	
Deferred outflows - pensions			65,619	
Self insurance claims			(13,536,048)	
Compensated absences			(121,955)	
Bonds payable			(673,022)	
Accrued interest payable			(287,852)	
Other postemployment benefits			(35,031)	
Deferred inflows - pensions			<u>(399,566)</u>	
Fund balance - GAAP basis			<u>\$ 10,941,665</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Billings to other funds for services	\$ 3,739,542	\$ 3,739,542	\$ 3,716,990	\$ (22,552)
Other:				
Investment earnings	83,215	83,215	87,606	4,391
Miscellaneous	45,000	45,000	306,670	261,670
	<u>3,867,757</u>	<u>3,867,757</u>	<u>4,111,266</u>	<u>243,509</u>
EXPENDITURES				
Current:				
Personal services	1,105,663	1,180,402	1,093,336	87,066
Materials and services	3,593,381	4,449,381	3,711,771	737,610
General operating contingencies	14,932,838	14,002,392	-	14,002,392
Overhead charges - General Fund	150,718	150,718	150,718	-
Debt service and related costs:				
Principal	44,828	44,828	44,828	-
Interest	23,898	23,898	21,267	2,631
	<u>19,851,326</u>	<u>19,851,619</u>	<u>5,021,920</u>	<u>14,829,699</u>
Revenues over (under) expenditures	<u>(15,983,569)</u>	<u>(15,983,862)</u>	<u>(910,654)</u>	<u>15,073,208</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	-	293	293	-
Facilities Services Operating	72	72	72	-
	<u>72</u>	<u>365</u>	<u>365</u>	<u>-</u>
Transfer to other fund:				
Pension Debt Redemption	(13,074)	(13,074)	(13,074)	-
	<u>(13,002)</u>	<u>(12,709)</u>	<u>(12,709)</u>	<u>-</u>
Net change in fund balance	(15,996,571)	(15,996,571)	(923,363)	15,073,208
Beginning fund balance	15,996,571	15,996,571	16,284,954	288,383
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	15,361,591	<u>\$ 15,361,591</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			22,230	
Capital assets, net of accumulated depreciation and amortization			260,093	
Pension asset			185,908	
Deferred outflows - pensions			61,030	
Self insurance claims			(9,162,953)	
Compensated absences			(41,375)	
Bonds payable			(629,530)	
Accrued interest payable			(269,250)	
Other postemployment benefits			(26,090)	
Deferred inflows - pensions			(371,626)	
Net position - GAAP basis			<u>\$ 5,390,028</u>	

City of Portland, Oregon
Technology Services Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Intergovernmental:				
Federal cost sharing	\$ 390,066	\$ 390,066	\$ 360,941	\$ (29,125)
State cost sharing	294,304	294,304	461,805	167,501
Multnomah County cost sharing	1,707,045	1,707,045	1,830,029	122,984
Local cost sharing	2,146,245	2,146,245	2,567,678	421,433
Service charges and fees:				
Rents and reimbursements	190,856	190,856	145,281	(45,575)
Other service charges	35,485	35,485	32,528	(2,957)
Billings to other funds for services	41,305,635	44,257,010	43,692,898	(564,112)
Other:				
Sales - other	306,555	306,555	311,628	5,073
Investment earnings	101,891	101,891	134,298	32,407
Miscellaneous	30,000	30,000	37,802	7,802
Total revenues	<u>46,508,082</u>	<u>49,459,457</u>	<u>49,574,888</u>	<u>115,431</u>
EXPENDITURES				
Current:				
Personal services	25,465,167	27,188,641	26,520,828	667,813
Materials and services	17,699,652	20,465,049	18,212,246	2,252,803
General operating contingencies	10,198,398	18,623,260	-	18,623,260
Overhead charges - General Fund	1,892,159	1,892,159	1,892,159	-
Debt service and related costs:				
Principal	305,032	305,032	305,032	-
Interest	162,617	162,617	144,713	17,904
Capital outlay	<u>3,160,460</u>	<u>1,426,488</u>	<u>102,241</u>	<u>1,324,247</u>
Total expenditures	<u>58,883,485</u>	<u>70,063,246</u>	<u>47,177,219</u>	<u>22,886,027</u>
Revenues over (under) expenditures	<u>(12,375,403)</u>	<u>(20,603,789)</u>	<u>2,397,669</u>	<u>23,001,458</u>

Continued next page

City of Portland, Oregon
Technology Services Fund
Schedule of Revenues and Expenditures - Budget and Actual, Continued
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	-	69,812	69,812	-
Facilities Services Operating	1,912	1,912	1,912	-
Total transfers from other funds	<u>1,912</u>	<u>71,724</u>	<u>71,724</u>	<u>-</u>
Transfers to other funds:				
General	(3,084,353)	(3,453,500)	(3,453,500)	-
Pension Debt Redemption	(88,962)	(88,962)	(88,962)	-
Total transfers to other funds	<u>(3,173,315)</u>	<u>(3,542,462)</u>	<u>(3,542,462)</u>	<u>-</u>
Internal loan proceeds	39,290	378,209	378,211	2
Total other financing sources (uses)	<u>(3,132,113)</u>	<u>(3,092,529)</u>	<u>(3,092,527)</u>	<u>2</u>
Net change in fund balance	(15,507,516)	(23,696,318)	(694,858)	23,001,460
Fund balance - beginning	15,507,516	23,696,318	23,696,318	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	23,001,460	<u>\$ 23,001,460</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			33,514	
Inventories			398,830	
Capital assets, net of accumulated depreciation and amortization			22,576,163	
Pension asset			4,460,499	
Deferred outflows - pensions			1,464,299	
Compensated absences			(1,679,194)	
Bonds payable			(4,283,663)	
Accrued interest payable			(1,832,126)	
Other postemployment benefits			(617,534)	
Deferred inflows - pensions			<u>(8,916,449)</u>	
Net position - GAAP basis			<u>\$ 34,605,799</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Billings to other funds for services	\$ 12,625,303	\$ 12,625,303	\$ 12,614,871	\$ (10,432)
Other:				
Investment earnings	15,000	20,000	25,523	5,523
Total revenues	<u>12,640,303</u>	<u>12,645,303</u>	<u>12,640,394</u>	<u>(4,909)</u>
EXPENDITURES				
Current:				
Personal services	2,409,462	2,419,462	2,378,264	41,198
Materials and services	5,721,622	5,676,622	4,634,327	1,042,295
General operating contingencies	1,915,037	2,434,968	-	2,434,968
Overhead charges - General Fund	38,525	38,525	38,525	-
Debt service and related costs:				
Principal	3,945,000	3,945,000	3,945,000	-
Interest	449,125	449,125	449,125	-
Total expenditures	<u>14,478,771</u>	<u>14,963,702</u>	<u>11,445,241</u>	<u>3,518,461</u>
Revenues over (under) expenditures	<u>(1,838,468)</u>	<u>(2,318,399)</u>	<u>1,195,153</u>	<u>3,513,552</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	-	305	305	-
Facilities Services Operating	155	155	155	-
Total transfers from other funds	<u>155</u>	<u>460</u>	<u>460</u>	<u>-</u>
Total other financing sources (uses)	<u>155</u>	<u>460</u>	<u>460</u>	<u>-</u>
Net change in fund balance	(1,838,313)	(2,317,939)	1,195,613	3,513,552
Fund balance - beginning	<u>1,838,313</u>	<u>2,317,939</u>	<u>2,317,940</u>	<u>1</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>3,513,553</u>	<u>\$ 3,513,553</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			5,156	
Capital assets, net of accumulated depreciation and amortization			636,843	
Pension asset			455,264	
Deferred outflows - pensions			149,455	
Compensated absences			(160,993)	
Bonds payable			(7,193,316)	
Accrued interest payable			(23,604)	
Other postemployment benefits			(32,456)	
Deferred inflows - pensions			<u>(910,063)</u>	
Net position - GAAP basis			<u>\$ (3,560,161)</u>	



Downtown Farmers' Market

Schedules of Revenues and Expenditures Fiduciary Funds - Budget and Actual

Pension Trust Funds:

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.

Blank back of tab

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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Taxes:				
Current year property	\$ 118,021,535	\$ 118,021,535	\$ 120,600,165	\$ 2,578,630
Prior year property	2,300,000	2,300,000	2,214,108	(85,892)
Service charges and fees:				
Other service charges	-	-	26	26
Billings to other funds for services	657,200	879,953	796,492	(83,461)
Other:				
Investment earnings	255,500	255,500	298,450	42,950
Miscellaneous	51,000	51,000	50,430	(570)
	<u>121,285,235</u>	<u>121,507,988</u>	<u>123,959,671</u>	<u>2,451,683</u>
EXPENDITURES				
Current:				
Personal services	1,851,231	1,851,231	1,849,884	1,347
Materials and services	121,270,847	121,448,600	117,837,094	3,611,506
General operating contingencies	11,259,064	11,259,318	-	11,259,318
Overhead charges - General Fund	137,931	137,931	137,931	-
Debt service and related costs:				
Principal	31,285,362	31,285,362	25,492,362	5,793,000
Interest	327,587	327,587	388,060	(60,473)
Debt issuance costs	23,400	23,400	28,506	(5,106)
Capital outlay	43,300	88,300	77,253	11,047
	<u>166,198,722</u>	<u>166,421,729</u>	<u>145,811,090</u>	<u>20,610,639</u>
Revenues over (under) expenditures	<u>(44,913,487)</u>	<u>(44,913,741)</u>	<u>(21,851,419)</u>	<u>23,062,322</u>

Continued next page

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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General	-	254	254	-
Fire and Police Disability and Retirement Reserve	750,000	750,000	-	(750,000)
Total transfers from other funds	<u>750,000</u>	<u>750,254</u>	<u>254</u>	<u>(750,000)</u>
Transfers to other funds:				
Pension Debt Redemption	(7,980)	(7,980)	(7,980)	-
Fire and Police Disability and Retirement Reserve	(750,000)	(750,000)	-	750,000
Total transfers to other funds	<u>(757,980)</u>	<u>(757,980)</u>	<u>(7,980)</u>	<u>750,000</u>
Bonds and notes issued	31,258,000	31,258,000	25,465,000	(5,793,000)
Bonds and notes premium	-	-	350,144	350,144
Total other financing sources (uses)	<u>31,250,020</u>	<u>31,250,274</u>	<u>25,807,418</u>	<u>(5,442,856)</u>
Net change in fund balance	(13,663,467)	(13,663,467)	3,955,999	17,619,466
Fund balance - beginning	<u>13,663,467</u>	<u>13,663,467</u>	<u>13,761,433</u>	<u>97,966</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>17,717,432</u>	<u>\$ 17,717,432</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			37,924	
Unavailable revenue			5,868,380	
Pension asset			282,521	
Capital assets, net of accumulated depreciation and amortization			510,442	
Deferred outflows - pensions			94,288	
Compensated absences			(905,762)	
Bonds payable			(164,348)	
Accrued interest payable			(384,259)	
Contingent pension liability			(1,325,000)	
Other postemployment benefits			(39,921)	
Deferred inflows - pensions			(564,755)	
Net position - GAAP basis			<u>\$ 21,126,942</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
EXPENDITURES				
Current:				
General operating contingencies	\$ 750,000	\$ 750,000	\$ -	\$ 750,000
OTHER FINANCING SOURCES (USES)				
Transfer from other fund:				
Fire and Police Disability and Retirement	750,000	750,000	-	(750,000)
Transfer to other fund:				
Fire and Police Disability and Retirement	(750,000)	(750,000)	-	750,000
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(750,000)	(750,000)	-	750,000
Fund balance - beginning	750,000	750,000	750,000	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	750,000	<u>\$ 750,000</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			<u>-</u>	
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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Other:				
Refunds	\$ -	\$ -	28	\$ 28
Investment earnings	200	200	85	(115)
Total revenues	<u>200</u>	<u>200</u>	<u>113</u>	<u>(87)</u>
EXPENDITURES				
Current:				
Materials and services	8,800	8,800	8,521	279
Net change in fund balance	(8,600)	(8,600)	(8,408)	192
Beginning fund balance	<u>19,400</u>	<u>19,400</u>	<u>20,025</u>	<u>625</u>
Fund balance - ending	<u>\$ 10,800</u>	<u>\$ 10,800</u>	11,617	<u>\$ 817</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			<u>-</u>	
Net position - GAAP basis			<u>\$ 11,617</u>	

Other Financial Schedules

Schedule of Bond Principal Transactions
Schedule of Bond Interest Transactions
Schedule of Future Bond Principal Requirements
Schedule of Future Bond Interest Requirements
Schedule of Property Tax Transactions and Outstanding Balances
Schedule of Property Taxes Receivable by Levy Year by Fund
Schedule of Property Taxes Collections by Levy Year by Fund

Blank back of tab

City of Portland, Oregon
Schedule of Bond Principal Transactions
For the Year Ended June 30, 2015

Bond Series	Interest Rate(s) Outstanding Debt	Date of Issue	Years of Maturity	Amount of Original Issue	Outstanding June 30, 2014	Bonds Issued/Reclassified During Year	Called, Reclassified and Matured During Year	Outstanding June 30, 2015	
GENERAL OBLIGATION BONDS:									
Governmental Activities									
General Obligation Parks Refunding Bonds	2010A	**	04/16/2010	2010-2015	\$ 19,960,000	\$ 4,310,000	\$ -	\$ 4,310,000	\$ -
General Obligation Emergency Facilities Bonds	2008A	3.50-4.75	11/18/2008	2009-2028	15,360,000	12,555,000	-	685,000	11,870,000
General Obligation Emergency Facilities Refunding Bonds	2009A	4.00	07/10/2009	2010-2019	14,560,000	7,635,000	-	1,425,000	6,210,000
General Obligation Public Safety Bonds	2011A	2.00-4.125	05/13/2011	2011-2026	25,835,000	21,555,000	-	1,545,000	20,010,000
General Obligation Public Safety Projects and Emergency Facilities Refunding	2014A	2.50-5.00	03/27/2014	2015-2029	29,795,000	29,795,000	-	1,405,000	28,390,000
General Obligation Public Safety Bonds	2015A	2.00-5.00	05/19/2015	2016-2029	17,145,000	-	17,145,000	-	17,145,000
TOTAL GENERAL OBLIGATION BONDS					122,655,000	75,850,000	17,145,000	9,370,000	83,625,000
LIMITED TAX IMPROVEMENT BONDS:									
Governmental Activities									
Limited Tax Improvement Bonds	2007A	5.00	06/28/2007	2007-2027	41,745,000	23,930,000	-	2,115,000	21,815,000
Limited Tax Improvement Bonds	2010A	3.000-4.125	04/29/2010	2010-2030	22,305,000	14,970,000	-	1,325,000	13,645,000
Limited Tax Improvement Bonds	2011A	3.00-4.00	12/13/2011	2012-2032	3,400,000	2,340,000	-	275,000	2,065,000
Limited Tax Improvement Bonds	2014A	3.00-4.00	06/26/2014	2015-2034	7,385,000	7,385,000	-	1,595,000	5,790,000
TOTAL LIMITED TAX IMPROVEMENT BONDS					74,835,000	48,625,000	-	5,310,000	43,315,000
URBAN RENEWAL & REDEVELOPMENT BONDS:									
Governmental Activities									
South Park Blocks Urban Renewal and Redevelopment Bonds	2008A	6.031-6.081	07/01/2008	2009-2019	34,580,000	21,970,000	-	4,250,000	17,720,000
South Park Blocks Urban Renewal and Redevelopment Bonds	2008B	5.00	07/01/2008	2019-2024	32,020,000	32,020,000	-	-	32,020,000
Downtown Waterfront Urban Renewal and Redevelopment Bonds	2008A	5.21-6.30	04/22/2008	2008-2024	50,165,000	38,370,000	-	2,050,000	36,320,000
Downtown Waterfront Second Lien Urban Renewal and Redevelopment Bonds	2011A	4.00-5.00	07/06/2011	2012-2020	30,370,000	26,270,000	-	3,970,000	22,300,000
Central Eastside Urban Renewal and Redevelopment Bonds	2011A	4.60-6.246	03/31/2011	2011-2021	10,205,000	7,535,000	-	1,050,000	6,485,000
Central Eastside Urban Renewal and Redevelopment Bonds	2011B	4.00-5.375	03/31/2011	2021-2031	19,485,000	19,485,000	-	-	19,485,000
Airport Way Urban Renewal and Redevelopment Refunding Bonds	2005A	4.00-5.00	09/29/2005	2006-2020	45,370,000	28,640,000	-	4,210,000	24,430,000
Oregon Convention Center Senior Lien Urban Renewal and Redevelopment Bonds	2012A	3.623-4.323	05/17/2012	2020-2025	69,760,000	69,760,000	-	-	69,760,000
Oregon Convention Center Senior Lien Urban Renewal and Redevelopment Refunding Bonds	2011B	5.00	07/06/2011	2012-2020	29,685,000	25,515,000	-	3,785,000	21,730,000
River District Urban Renewal and Redevelopment Bonds	2003B	**	06/17/2003	2004-2015	28,760,000	655,000	-	655,000	-
River District Urban Renewal and Redevelopment Bonds	2012A	2.572-4.430	07/10/2012	2013-2026	24,250,000	21,310,000	-	1,630,000	19,680,000
River District Urban Renewal and Redevelopment Bonds	2012B	4.00-5.00	07/10/2012	2013-2032	34,140,000	34,140,000	-	2,290,000	31,850,000
River District Urban Renewal and Redevelopment Bonds	2012C	3.75-5.00	07/10/2012	2026-2031	15,275,000	15,275,000	-	-	15,275,000
Lents Town Center Urban Renewal and Redevelopment Bonds	2010A	5.784-6.284	06/24/2010	2010-2024	21,240,000	16,485,000	-	1,290,000	15,195,000
Lents Town Center Urban Renewal and Redevelopment Bonds	2010B	4.25-5.00	06/24/2010	2024-2030	15,650,000	15,650,000	-	-	15,650,000
North Macadam Urban Renewal and Redevelopment Bonds	2010A	5.374-5.574	09/23/2010	2011-2022	29,645,000	20,115,000	-	2,370,000	17,745,000
North Macadam Urban Renewal and Redevelopment Bonds	2010B	3.75-5.00	09/23/2010	2022-2030	35,280,000	35,280,000	-	-	35,280,000
Interstate Corridor Urban Renewal and Redevelopment Bonds	2004A	**	12/09/2004	2005-2025	32,310,000	21,045,000	-	21,045,000	-
Interstate Corridor Urban Renewal and Redevelopment Bonds	2011A	3.783-6.294	08/11/2011	2012-2021	28,890,000	23,970,000	-	1,600,000	22,370,000
Interstate Corridor Urban Renewal and Redevelopment Bonds	2011B	4.50-5.00	08/11/2011	2026-2031	17,245,000	17,245,000	-	-	17,245,000
Interstate Corridor Urban Renewal and Redevelopment Refunding Bonds	2015A	5.00	03/17/2015	2015-2025	17,155,000	-	\$17,155,000	275,000	16,880,000
TOTAL URBAN RENEWAL & REDEVELOPMENT BONDS					621,480,000	490,735,000	17,155,000	50,470,000	457,420,000

* variable rate, see Note III.H. Long-term debt

** debt was paid off in fiscal year 2015

Continued next page

City of Portland, Oregon
Schedule of Bond Principal Transactions, Continued
For the Year Ended June 30, 2015

	Bond Series	Interest Rate(s) Outstanding Debt	Date of Issue	Years of Maturity	Amount of Original Issue	Outstanding June 30, 2014	Bonds Issued/Reclassified During Year	Bonds Called, Reclassified and Matured During Year	Outstanding June 30, 2015
LIMITED TAX AND LIMITED TAX REVENUE BONDS:									
Governmental Activities									
	1999C	7.701	11/01/1999	2000-2022	\$ 84,292,006	\$ 71,898,226	\$ -	\$ -	\$ 71,898,226
	1999C	7.93	11/01/1999	2000-2029	30,090,299	30,090,310	-	-	30,090,310
	1999D	*	11/01/1999	2000-2019	56,869,511	38,273,181	-	5,933,386	32,339,795
	1999E	*	11/01/1999	2000-2019	56,869,511	38,254,223	-	5,933,385	32,320,838
	2008A	4.00-5.00	06/24/2008	2008-2018	17,725,000	7,860,000	-	1,850,000	6,010,000
	2011A	5.00	10/06/2011	2012-2030	67,015,000	65,920,000	-	-	65,920,000
	2001B	5.07-5.36	02/13/2001	2001-2022	18,058,888	11,342,572	-	1,480,530	9,862,042
	2007A	4.25	04/24/2007	2007-2016	22,480,000	3,970,000	-	3,230,000	740,000
	2009B	4.00	12/17/2009	2010-2017	9,400,000	7,010,000	-	715,000	6,295,000
	2011B	2.375-3.00	12/15/2011	2012-2026	5,445,000	4,780,000	-	340,000	4,440,000
	2012B	3.00-4.00	05/24/2012	2012-2022	13,305,000	10,970,000	-	1,225,000	9,745,000
	2005D	4.00-4.25	06/21/2005	2005-2025	6,975,000	6,555,000	-	485,000	6,070,000
	2010A	3.000-3.125	04/22/2010	2010-2020	4,840,000	3,345,000	-	585,000	2,760,000
	2011A	2.36	12/15/2011	2017-2021	1,315,000	920,000	-	145,000	775,000
	2012B	3.00-4.00	05/24/2012	2012-2016	8,473,650	4,360,000	-	2,145,000	2,215,000
	2007B	4.00	08/02/2007	2008-2017	16,860,000	5,780,000	-	1,845,000	3,935,000
	LOC	5.75	11/20/2006	2007-2016	2,500,000	1,874,679	-	106,029	1,768,650
	2012C	3.00-5.00	09/20/2012	2013-2032	36,160,000	35,445,000	-	1,300,000	34,145,000
	2014A	4.00-5.00	06/17/2014	2015-2034	44,215,000	44,215,000	-	1,430,000	42,785,000
	2009B	4.00	12/17/2009	2010-2017	8,210,000	3,270,000	-	1,045,000	2,225,000
	2007C	4.00-4.50	10/11/2007	2008-2028	11,925,000	9,280,000	-	505,000	8,775,000
	Total Limited Tax and Limited Tax Revenue Bonds				523,023,865	405,413,191	-	30,298,330	375,114,861
Business-type Activities									
	1999C	7.701	11/01/1999	2000-2022	26,678,633	22,755,991	-	-	22,755,991
	1999C	7.93	11/01/1999	2000-2029	9,523,664	9,523,654	-	-	9,523,654
	1999D	*	11/01/1999	2000-2019	17,999,360	12,113,569	-	1,877,933	10,235,636
	1999E	*	11/01/1999	2000-2019	17,999,360	12,107,570	-	1,877,933	10,229,637
	2009A	2.50-4.00	05/21/2009	2009-2024	21,450,000	15,300,000	-	1,310,000	13,990,000
	LOC	6.14	10/25/2007	2008-2017	2,010,000	740,000	-	230,000	510,000
	2005A	4.50-4.71	04/18/2005	2005-2035	10,480,000	9,025,000	-	270,000	8,755,000
	2005B	4.70	04/18/2005	2005-2035	1,260,000	1,090,000	-	30,000	1,060,000
	2005B	5.00	03/03/2005	2005-2017	17,810,000	8,715,000	-	8,715,000	-
	2012A	3.25-3.50	04/24/2012	2024-2027	12,000,000	12,000,000	-	-	12,000,000
	2013A	3.27	12/11/2013	2014-2023	21,915,000	20,566,000	-	1,764,000	18,802,000
	2015A	0.81	05/28/2015	2016-2017	5,469,700	-	5,469,700	-	5,469,700
	Total Limited Tax and Limited Tax Revenue Bonds				164,595,717	123,936,784	5,469,700	16,074,866	113,331,618
	TOTAL LIMITED TAX AND LIMITED TAX REVENUE BONDS				687,619,582	529,349,975	5,469,700	46,373,196	488,446,479

* variable rate, see Note III.H. Long-term debt
** debt was paid off in fiscal year 2015

Continued next page

City of Portland, Oregon
Schedule of Bond Principal Transactions, Continued
For the Year Ended June 30, 2015

	Bond Series	Interest Rate(s) Outstanding Debt	Date of Issue	Years of Maturity	Amount of Original Issue	Outstanding June 30, 2014	Bonds Issued/ Reclassified During Year	Bonds Called, Reclassified and Matured During Year	Outstanding June 30, 2015		
REVENUE BONDS:											
Governmental Activities											
	Gas Tax Revenue Refunding Bonds	2005A	3.75	03/17/2005	2005-2016	\$ 4,400,000	\$ 975,000	\$ -	\$ 480,000	\$ 495,000	
	Gas Tax Revenue Bonds	2011A	3.00-5.00	11/22/2011	2012-2023	15,400,000	13,135,000	-	1,235,000	11,900,000	
	Gas Tax Revenue Refunding Bonds	2013A	1.94	08/06/2013	2014-2018	1,073,000	864,000	-	210,000	654,000	
	Total Revenue Bonds					<u>20,873,000</u>	<u>14,974,000</u>	<u>-</u>	<u>1,925,000</u>	<u>13,049,000</u>	
Business-type Activities											
	First Lien Sewer System Revenue Bonds	2004A	**	11/30/2004	2005-2024	163,500,000	108,980,000	-	108,980,000	-	
	First Lien Sewer System Revenue Bonds	2004B	5.00	11/30/2004	2005-2017	93,080,000	79,180,000	-	2,125,000	77,055,000	
	First Lien Sewer System Revenue Refunding Bonds	2005A	5.00	06/16/2005	2018-2020	144,850,000	144,850,000	-	-	144,850,000	
	First Lien Sewer System Revenue Refunding Bonds	2006A	4.50-5.00	05/25/2006	2006-2031	177,845,000	142,040,000	-	5,610,000	136,430,000	
	Second Lien Sewer System Revenue Refunding Bonds	2006B	4.50-5.00	05/25/2006	2006-2031	87,135,000	69,865,000	-	2,705,000	67,160,000	
	First Lien Sewer System Revenue Refunding Bonds	2007A	**	03/08/2007	2007-2015	193,510,000	31,530,000	-	31,530,000	-	
	First Lien Sewer System Revenue and Refunding Bonds	2008A	4.25-5.00	04/17/2008	2008-2033	333,015,000	266,340,000	-	13,620,000	252,720,000	
	Second Lien Sewer System Revenue and Refunding Bonds	2008B	5.00	04/17/2008	2008-2033	195,700,000	187,505,000	-	1,705,000	185,800,000	
	Second Lien Sewer System Revenue Bonds	2010A	4.00-5.00	08/19/2010	2010-2035	407,850,000	362,010,000	-	10,440,000	351,570,000	
	Second Lien Sewer System Revenue and Refunding Bonds	2013A	5.00	09/17/2013	2014-2039	210,965,000	210,965,000	-	6,120,000	204,845,000	
	First Lien Sewer System Revenue Refunding Bonds	2014A	5.00	08/14/2014	2016-2025	86,165,000	-	86,165,000	-	86,165,000	
	Second Lien Sewer System Revenue Bonds	2014B	3.00-5.00	08/14/2014	2016-2040	204,220,000	-	204,220,000	-	204,220,000	
	First Lien Water System Revenue Bonds	2006B	4.00-5.00	09/21/2006	2007-2020	44,000,000	36,000,000	-	1,530,000	34,470,000	
	First Lien Water System Revenue Bonds	2008A	4.00-5.00	08/07/2008	2009-2033	79,680,000	70,160,000	-	2,190,000	67,970,000	
	First Lien Water System Revenue and Refunding Bonds	2010A	4.00-5.00	02/11/2010	2010-2035	73,440,000	66,790,000	-	2,000,000	64,790,000	
	First Lien Water System Revenue Bonds	2011A	4.00-5.00	03/22/2011	2011-2036	82,835,000	77,340,000	-	2,125,000	75,215,000	
	First Lien Water System Revenue Bonds	2012A	3.00-5.00	08/02/2012	2013-2037	76,510,000	71,880,000	-	1,985,000	69,895,000	
	Second Lien Water System Revenue Bonds	2013A	3.00-5.00	05/02/2013	2014-2038	253,635,000	244,240,000	-	11,530,000	232,710,000	
	First Lien Water System Revenue Bonds	2014A	3.00-5.00	12/16/2014	2015-2039	84,975,000	-	84,975,000	3,400,000	81,575,000	
	Hydroelectric Power Revenue Refunding Bonds	2006	5.523	04/05/2006	2006-2016	21,370,000	6,635,000	-	2,390,000	4,245,000	
	Total Revenue Bonds					<u>3,014,280,000</u>	<u>2,176,310,000</u>	<u>375,360,000</u>	<u>209,985,000</u>	<u>2,341,685,000</u>	
	TOTAL REVENUE BONDS					<u>3,035,153,000</u>	<u>2,191,284,000</u>	<u>375,360,000</u>	<u>211,910,000</u>	<u>2,354,734,000</u>	
	TOTAL BONDED DEBT PRINCIPAL PRIMARY GOVERNMENT					<u>4,541,742,582</u>	<u>3,335,843,975</u>	<u>415,129,700</u>	<u>323,433,196</u>	<u>3,427,540,479</u>	
	Fiduciary Funds										
	Limited Tax Pension Obligation Revenue Bonds	1999C	7.701	11/01/1999	2000-2022	194,360	165,783	-	-	165,783	
	Limited Tax Pension Obligation Revenue Bonds	1999C	7.93	11/01/1999	2000-2029	69,382	69,381	-	-	69,381	
	Limited Tax Pension Obligation Revenue Bonds	1999D	*	11/01/1999	2000-2019	131,130	88,251	-	13,682	74,569	
	Limited Tax Pension Obligation Revenue Bonds	1999E	*	11/01/1999	2000-2019	131,130	88,207	-	13,681	74,526	
	Total Fiduciary Funds					<u>526,002</u>	<u>411,622</u>	<u>-</u>	<u>27,363</u>	<u>384,259</u>	
	TOTAL BONDED DEBT PRINCIPAL					<u>\$ 4,542,268,584</u>	<u>\$ 3,336,255,597</u>	<u>\$ 415,129,700</u>	<u>\$ 323,460,559</u>	<u>\$ 3,427,924,738</u>	
	SUMMARY								Governmental Activities	Business-type Activities	Total
	Bonded Debt: Primary Government						\$ 972,523,861	\$ 2,455,016,618	\$ 3,427,540,479		
	Plus unamortized premiums						34,036,135	137,482,803	171,518,938		
	Less unamortized discounts						(318,543)	-	(318,543)		
	NET BONDED DEBT						<u>1,006,241,453</u>	<u>\$ 2,592,499,421</u>	<u>\$ 3,598,740,874</u>		

* variable rate, see Note III.H. Long-term debt

** debt was paid off in fiscal year 2015

**City of Portland, Oregon
Schedule of Bond Interest Transactions
For the Year Ended June 30, 2015**

	Bond Series	Interest Rate(s) Outstanding Debt	Date of Issue	Unmatured Interest Outstanding June 30, 2014	Unmatured and Accretion Interest on Bonds Issued/Called or Reclassified During Year	Interest Matured During Year	Unmatured Interest Outstanding June 30, 2015
GENERAL OBLIGATION BONDS:							
Governmental Activities							
	2010A	**	04/06/2010	\$ 172,400	\$ -	\$ 172,400	\$ -
	2008A	3.50-4.75	11/18/2008	4,676,925	-	547,435	4,129,490
	2009A	4.00	07/10/2009	924,950	-	291,150	633,800
	2011A	2.00-4.125	05/13/2011	5,031,438	-	672,375	4,359,063
	2014A	2.50-5.00	03/27/2014	9,531,723	-	1,520,773	8,010,950
	2015A	2.00-5.00	05/19/2015	-	5,382,626	-	5,382,626
TOTAL GENERAL OBLIGATION BONDS				20,337,436	5,382,626	3,204,133	22,515,929
LIMITED TAX IMPROVEMENT BONDS:							
Governmental Activities							
	2007A	5.00	06/28/2007	13,429,500	(238,500)	1,169,500	12,021,500
	2010A	3.000-4.125	04/29/2010	7,298,850	(28,950)	559,088	6,710,812
	2011A	3.00-4.00	12/13/2011	1,077,100	(16,500)	88,150	972,450
	2014A	3.00-4.00	06/26/2014	3,513,865	(447,900)	256,215	2,809,750
TOTAL LIMITED TAX IMPROVEMENT BONDS				25,319,315	(731,850)	2,072,953	22,514,512
URBAN RENEWAL & REDEVELOPMENT BONDS:							
Governmental Activities							
	2008A	6.031-6.081	07/16/2008	3,909,854	-	1,326,691	2,583,163
	2008B	5.00	07/01/2008	12,249,000	-	1,601,000	10,648,000
	2008A	5.21-6.30	04/22/2008	16,182,586	-	2,324,383	13,858,203
	2011A	4.00-5.00	07/06/2011	4,399,150	-	1,139,150	3,260,000
	2011A	4.60-6.246	03/31/2011	1,624,373	-	399,703	1,224,670
	2011B	4.00-5.375	03/31/2011	12,218,394	-	952,125	11,266,269
	2005A	4.00-5.00	09/29/2005	4,893,500	-	1,378,250	3,515,250
	2012A	3.623-4.323	05/17/2012	24,960,626	-	2,792,918	22,167,708
	2011B	5.00	07/06/2011	4,602,900	-	1,237,900	3,365,000
	2003B	**	06/17/2003	26,855	-	26,855	-
	2012A	2.572-4.430	07/10/2012	5,233,336	-	740,044	4,493,292
	2012B	4.00-5.00	07/10/2012	10,125,150	-	1,524,850	8,600,300
	2012C	3.75-5.00	07/10/2012	11,057,250	-	751,250	10,306,000
	2010A	5.784-6.284	06/24/2010	5,948,920	-	975,737	4,973,183
	2010B	4.25-5.00	06/24/2010	10,404,399	-	765,584	9,638,815
	2010A	5.374-5.574	09/23/2010	4,734,092	-	1,055,498	3,678,594
	2010B	3.75-5.00	09/23/2010	19,278,788	-	1,535,563	17,743,225
	2004A	**	12/09/2004	6,808,375	(5,766,164)	1,042,211	-
	2011A	3.783-6.294	08/11/2011	9,657,496	-	1,289,272	8,368,224
	2011B	4.50-5.00	08/11/2011	12,684,625	-	849,337	11,835,288
	2015A	5.00	03/17/2015	-	5,188,422	209,672	4,978,750
TOTAL URBAN RENEWAL & REDEVELOPMENT BONDS				180,999,669	(577,742)	23,917,993	156,503,934

* variable rate, see Note III.H. Long-term debt

** debt was paid off in fiscal year 2015

Continued next page

City of Portland, Oregon
Schedule of Bond Interest Transactions, Continued
For the Year Ended June 30, 2015

	Bond Series	Interest Rate(s) Outstanding Debt	Date of Issue	Unmatured Interest Outstanding June 30, 2014	Unmatured and Accretion Interest on Bonds Issued/Called or Reclassified During Year	Interest Matured During Year	Unmatured Interest Outstanding June 30, 2015
LIMITED TAX AND LIMITED TAX REVENUE BONDS:							
Governmental Activities							
	Limited Tax Pension Obligation Revenue Bonds	1999C 7.701	11/01/1999	\$ 39,193,501	\$ -	\$ 5,536,882	\$ 33,656,619
	Limited Tax Pension Obligation Revenue Bonds	1999C 7.93	11/01/1999	207,309,563	-	-	207,309,563
	Limited Tax Pension Obligation Revenue Bonds	1999D *	11/01/1999	3,546,335	(625,280)	95,683	2,825,372
	Limited Tax Pension Obligation Revenue Bonds	1999E *	11/01/1999	3,543,160	(624,948)	95,636	2,822,576
	Limited Tax Revenue Refunding Bonds-Development Services Building	2008A 4.00-5.00	06/24/2008	940,975	-	350,675	590,300
	Limited Tax Revenue Refunding Bonds-Oregon Convention Center Completion Project	2011A 5.00	10/06/2011	40,003,750	-	3,296,000	36,707,750
	Limited Tax Revenue Bonds-Oregon Convention Center Completion Project-Deferred Interest	2001B 5.07-5.36	02/13/2001	16,632,428	-	1,519,470	15,112,958
	Limited Tax Revenue Bonds-Enterprise Business Solutions Project	2007A 4.25	04/24/2007	200,175	-	168,725	31,450
	Limited Tax Revenue Bonds-Enterprise Business Solutions Project	2009B 4.00	12/17/2009	649,000	-	280,400	368,600
	Limited Tax Revenue Bonds-Emergency Coordination Center Project	2011B 2.375-3.00	12/15/2011	921,700	-	133,256	788,444
	Limited Tax Revenue and Refunding Bonds-Police Training Facility	2012B 3.00-4.00	05/24/2012	1,922,150	-	387,600	1,534,550
	Limited Tax Housing Revenue Bonds-Housing Opportunity Program	2005D 4.00-4.25	06/21/2005	1,690,438	-	265,575	1,424,863
	Limited Tax Revenue Refunding Bonds-Capital Improvement & Renovation	2010A 3.000-3.125	04/22/2010	337,763	-	100,919	236,844
	Portland Center for Performing Arts Bonds	2011A 2.36	12/15/2011	95,580	-	21,712	73,868
	Limited Tax Revenue and Refunding Bonds-800 MHZ	2012B 3.00-4.00	05/24/2012	197,250	-	130,800	66,450
	Limited Tax Revenue Bonds-Portland Mall Revitalization Project	2007B 4.00	08/02/2007	478,025	-	240,425	237,600
	Non-Revolving Credit Facility-NMI Funding Obligation	LOC 5.75	11/20/2006	254,021	-	106,291	147,730
	Limited Tax Revenue Bonds-Portland-Milwaukie Light Rail Project	2012C 3.00-5.00	09/20/2012	12,163,300	-	1,204,200	10,959,100
	Limited Tax Revenue Bonds-Sellwood Bridge	2014A 4.00-5.00	06/17/2014	23,763,719	-	1,967,919	21,795,800
	Limited Tax Revenue Bonds-CAD Project	2009B 4.00	12/17/2009	265,200	-	130,800	134,400
	Limited Tax Revenue Bonds-Archives Space Acquisition Project	2007C 4.00-4.50	10/11/2007	3,239,734	-	389,246	2,850,488
	Total Limited Tax and Limited Tax Revenue Bonds			<u>357,347,767</u>	<u>(1,250,228)</u>	<u>16,422,214</u>	<u>339,675,325</u>
	Business-type Activities						
	Limited Tax Pension Obligation Revenue Bonds	1999C 7.701	11/01/1999	12,404,854	-	1,752,439	10,652,415
	Limited Tax Pension Obligation Revenue Bonds	1999C 7.93	11/01/1999	65,614,074	-	-	65,614,074
	Limited Tax Pension Obligation Revenue Bonds	1999D *	11/01/1999	1,122,425	(197,903)	30,284	894,238
	Limited Tax Pension Obligation Revenue Bonds	1999E *	11/01/1999	1,121,420	(197,798)	30,269	893,353
	Limited Tax Revenue Bonds-Central City Streetcar	2009A 2.50-4.00	05/21/2009	3,493,550	-	572,250	2,921,300
	Taxable Non-Revolving Line of Credit-Portland International Raceway Project	LOC 6.14	10/25/2007	93,021	-	45,436	47,585
	Limited Tax Housing Revenue Bonds-Headwaters Apartments	2005A 4.50-4.71	04/18/2005	5,667,131	-	448,631	5,218,500
	Limited Tax Housing Revenue Bonds-Headwaters Apartments	2005B 4.70	04/18/2005	647,660	-	51,230	596,430
	Arena Limited Tax Revenue Refunding Bonds	2005B 5.00	03/03/2005	800,000	(343,133)	456,867	-
	Limited Tax Revenue Bonds-JELD-WEN Field Project	2012A 3.25-3.50	04/24/2012	4,694,650	-	405,487	4,289,163
	Limited Tax Revenue Bonds-Civic Stadium Project	2013A 3.27	12/11/2013	3,605,960	-	672,508	2,933,452
	Arena Refunding Bonds	2015A 0.81	05/28/2015	-	58,184	-	58,184
	Total Limited Tax and Limited Tax Revenue Bonds			<u>99,264,745</u>	<u>(680,650)</u>	<u>4,465,401</u>	<u>94,118,694</u>
	TOTAL LIMITED TAX AND LIMITED TAX REVENUE BONDS			<u>456,612,512</u>	<u>(1,930,878)</u>	<u>20,887,615</u>	<u>433,794,019</u>

* variable rate, see Note III.H. Long-term debt

** debt was paid off in fiscal year 2015

Continued next page

City of Portland, Oregon
Schedule of Bond Interest Transactions, Continued
For the Year Ended June 30, 2015

	Bond Series	Interest Rate(s) Outstanding Debt	Date of Issue	Unmatured Interest Outstanding June 30, 2014	Unmatured and Accretion Interest on Bonds Issued/Called or Reclassified During Year	Interest Matured During Year	Unmatured Interest Outstanding June 30, 2015
REVENUE BONDS:							
Governmental Activities							
	Gas Tax Revenue Refunding Bonds	2005A	3.75	03/17/2005	\$ 54,405	\$ -	\$ 18,563
	Gas Tax Revenue Bonds	2011A	3.00-5.00	11/22/2011	2,536,900	-	2,031,100
	Gas Tax Revenue Refunding Bonds	2013A	1.94	08/06/2013	42,680	-	25,918
	Total Revenue Bonds				<u>2,633,985</u>	<u>-</u>	<u>2,075,581</u>
Business-type Activities							
	First Lien Sewer System Revenue Bonds	2004A	**	11/30/2004	31,651,688	(28,894,190)	-
	First Lien Sewer System Revenue Bonds	2004B	5.00	11/30/2004	9,785,750	-	5,826,750
	First Lien Sewer System Revenue Refunding Bonds	2005A	5.00	06/16/2005	40,074,750	-	32,832,250
	First Lien Sewer System Revenue Refunding Bonds	2006A	4.50-5.00	05/25/2006	65,846,656	-	59,227,413
	Second Lien Sewer System Revenue Refunding Bonds	2006B	4.50-5.00	05/25/2006	34,110,825	-	30,701,650
	First Lien Sewer System Revenue Refunding Bonds	2007A	**	03/08/2007	1,576,500	-	-
	First Lien Sewer System Revenue and Refunding Bonds	2008A	4.25-5.00	04/17/2008	115,696,775	-	102,963,350
	Second Lien Sewer System Revenue and Refunding Bonds	2008B	5.00	04/17/2008	85,495,250	-	76,120,000
	Second Lien Sewer System Revenue Bonds	2010A	4.00-5.00	08/19/2010	223,138,775	-	205,716,200
	Second Lien Sewer System Revenue and Refunding Bonds	2013A	5.00	09/17/2013	141,574,175	-	131,635,825
	First Lien Sewer System Revenue Refunding Bonds	2014A	5.00	08/14/2014	-	26,028,216	23,311,625
	Second Lien Sewer System Revenue Bonds	2014B	3.00-5.00	08/14/2014	-	128,052,899	122,553,950
	First Lien Water System Revenue Bonds	2006B	4.00-5.00	09/21/2006	6,856,584	-	5,292,928
	First Lien Water System Revenue Bonds	2008A	4.00-5.00	08/07/2008	37,762,803	-	34,558,159
	First Lien Water System Revenue and Refunding Bonds	2010A	4.00-5.00	02/11/2010	34,522,438	-	31,696,813
	First Lien Water System Revenue Bonds	2011A	4.00-5.00	03/22/2011	47,110,363	-	43,576,225
	First Lien Water System Revenue Bonds	2012A	3.00-5.00	08/02/2012	31,170,550	-	28,674,013
	Second Lien Water System Revenue Bonds	2013A	3.00-5.00	05/02/2013	122,749,900	-	112,225,550
	First Lien Water System Revenue Bonds	2014A	3.00-5.00	12/16/2014	-	48,183,641	46,886,975
	Hydroelectric Power Revenue Refunding Bonds	2006	5.523	04/05/2006	513,777	-	213,326
	Total Revenue Bonds				<u>1,029,637,559</u>	<u>173,370,566</u>	<u>1,094,013,002</u>
	TOTAL REVENUE BONDS				<u>1,032,271,544</u>	<u>173,370,566</u>	<u>1,096,088,583</u>
	TOTAL BONDED DEBT INTEREST PRIMARY GOVERNMENT				<u>1,715,540,476</u>	<u>175,512,722</u>	<u>1,731,416,977</u>
Fiduciary Funds							
	Limited Tax Pension Obligation Revenue Bonds	1999C	7.701	11/01/1999	90,373	-	77,606
	Limited Tax Pension Obligation Revenue Bonds	1999C	7.93	11/01/1999	478,017	-	478,017
	Limited Tax Pension Obligation Revenue Bonds	1999D	*	11/01/1999	8,177	(1,441)	6,515
	Limited Tax Pension Obligation Revenue Bonds	1999E	*	11/01/1999	8,170	(1,441)	6,508
	Total Fiduciary Funds				<u>584,737</u>	<u>(2,882)</u>	<u>568,646</u>
	TOTAL BONDED DEBT INTEREST				<u>\$ 1,716,125,213</u>	<u>\$ 175,509,840</u>	<u>\$ 1,731,985,623</u>

* variable rate, see Note III.H. Long-term debt

** debt was paid off in fiscal year 2015

City of Portland, Oregon
 Schedule of Future Bond Principal Requirements
 June 30, 2015

Fiscal Year Ending	General Obligation Bonds		Limited Tax Improvement	Urban Renewal and Redevelopment	Limited Tax and Limited Tax Revenue			Revenue Bonds			Subtotal Bonded Debt	Fiduciary Fund	Total Bonded Debt
	Emergency Facilities	Total			Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total			
2016	6,610,000	6,610,000	660,000	31,725,000	32,673,271	11,785,648	44,458,919	1,984,000	117,680,000	119,664,000	203,117,919	31,033	203,148,952
2017	6,625,000	6,625,000	2,585,000	33,240,000	33,105,640	10,314,730	43,420,370	1,553,000	122,875,000	124,428,000	210,298,370	34,968	210,333,338
2018	6,885,000	6,885,000	445,000	34,895,000	27,548,660	9,095,808	36,644,468	1,622,000	128,070,000	129,692,000	208,561,468	39,252	208,600,720
2019	7,175,000	7,175,000	430,000	39,995,000	27,722,852	10,468,787	38,191,639	1,445,000	132,630,000	134,075,000	219,866,639	43,842	219,910,481
2020	5,755,000	5,755,000	3,695,000	39,220,000	30,439,477	11,321,162	41,760,639	1,520,000	138,255,000	139,775,000	230,205,639	48,842	230,254,481
2021	6,005,000	6,005,000	-	39,475,000	33,922,653	12,328,531	46,251,184	1,595,000	145,355,000	146,950,000	238,681,184	55,066	238,736,250
2022	6,265,000	6,265,000	730,000	41,335,000	37,526,998	13,451,298	50,978,296	1,640,000	145,090,000	146,730,000	246,038,296	61,875	246,100,171
2023	6,480,000	6,480,000	-	43,300,000	16,526,293	5,889,788	22,416,081	1,690,000	152,065,000	153,755,000	225,951,081	11,094	225,962,175
2024	6,790,000	6,790,000	1,020,000	44,845,000	16,894,498	6,570,249	23,464,747	-	98,935,000	98,935,000	175,054,747	10,675	175,065,422
2025	6,155,000	6,155,000	-	24,410,000	17,279,575	4,824,886	22,104,461	-	91,585,000	91,585,000	144,254,461	10,271	144,264,732
2026	6,400,000	6,400,000	-	13,295,000	16,945,859	4,881,487	21,827,346	-	84,620,000	84,620,000	126,142,346	9,882	126,152,228
2027	4,415,000	4,415,000	19,680,000	13,925,000	16,883,626	4,960,139	21,843,765	-	88,615,000	88,615,000	148,478,765	9,508	148,488,273
2028	4,570,000	4,570,000	-	14,560,000	17,322,941	1,785,865	19,108,806	-	92,755,000	92,755,000	130,993,806	9,149	131,002,955
2029	3,495,000	3,495,000	-	15,245,000	16,997,518	1,763,240	18,760,758	-	96,805,000	96,805,000	134,305,758	8,802	134,314,560
2030	-	-	9,950,000	16,000,000	13,800,000	585,000	14,385,000	-	101,030,000	101,030,000	141,365,000	-	141,365,000
2031	-	-	-	8,825,000	5,230,000	610,000	5,840,000	-	105,610,000	105,610,000	120,275,000	-	120,275,000
2032	-	-	1,120,000	3,130,000	5,415,000	640,000	6,055,000	-	92,095,000	92,095,000	102,400,000	-	102,400,000
2033	-	-	-	-	5,610,000	665,000	6,275,000	-	91,605,000	91,605,000	97,880,000	-	97,880,000
2034	-	-	3,000,000	-	3,270,000	700,000	3,970,000	-	75,930,000	75,930,000	82,900,000	-	82,900,000
2035	-	-	-	-	-	690,000	690,000	-	73,915,000	73,915,000	74,605,000	-	74,605,000
2036	-	-	-	-	-	-	-	-	44,615,000	44,615,000	44,615,000	-	44,615,000
2037	-	-	-	-	-	-	-	-	40,890,000	40,890,000	40,890,000	-	40,890,000
2038	-	-	-	-	-	-	-	-	38,165,000	38,165,000	38,165,000	-	38,165,000
2039	-	-	-	-	-	-	-	-	29,680,000	29,680,000	29,680,000	-	29,680,000
2040	-	-	-	-	-	-	-	-	12,815,000	12,815,000	12,815,000	-	12,815,000
Total Principal	\$ 83,625,000	\$ 83,625,000	\$ 43,315,000	\$ 457,420,000	\$ 375,114,861	\$ 113,331,618	\$ 488,446,479	\$ 13,049,000	\$ 2,341,685,000	\$ 2,354,734,000	\$ 3,427,540,479	\$ 384,259	\$ 3,427,924,738

311

Fiscal Year Ending													
2016	6,610,000	6,610,000	660,000	31,725,000	32,673,271	11,785,648	44,458,919	1,984,000	117,680,000	119,664,000	203,117,919	31,033	203,148,952
2017	6,625,000	6,625,000	2,585,000	33,240,000	33,105,640	10,314,730	43,420,370	1,553,000	122,875,000	124,428,000	210,298,370	34,968	210,333,338
2018	6,885,000	6,885,000	445,000	34,895,000	27,548,660	9,095,808	36,644,468	1,622,000	128,070,000	129,692,000	208,561,468	39,252	208,600,720
2019	7,175,000	7,175,000	430,000	39,995,000	27,722,852	10,468,787	38,191,639	1,445,000	132,630,000	134,075,000	219,866,639	43,842	219,910,481
2020	5,755,000	5,755,000	3,695,000	39,220,000	30,439,477	11,321,162	41,760,639	1,520,000	138,255,000	139,775,000	230,205,639	48,842	230,254,481
2021-2025	31,695,000	31,695,000	1,750,000	193,365,000	122,150,017	43,064,752	165,214,769	4,925,000	633,030,000	637,955,000	1,029,979,769	148,981	1,030,128,750
2026-2030	18,880,000	18,880,000	29,630,000	73,025,000	81,949,944	13,975,731	95,925,675	-	463,825,000	463,825,000	681,285,675	37,341	681,323,016
2031-2035	-	-	4,120,000	11,955,000	19,525,000	3,305,000	22,830,000	-	439,155,000	439,155,000	478,060,000	-	478,060,000
2036-2040	-	-	-	-	-	-	-	-	166,165,000	166,165,000	166,165,000	-	166,165,000
2041-2044	-	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 83,625,000	\$ 83,625,000	\$ 43,315,000	\$ 457,420,000	\$ 375,114,861	\$ 113,331,618	\$ 488,446,479	\$ 13,049,000	\$ 2,341,685,000	\$ 2,354,734,000	\$ 3,427,540,479	\$ 384,259	\$ 3,427,924,738

City of Portland, Oregon
Schedule of Future Bond Interest Requirements
June 30, 2015

Fiscal Year Ending	General Obligation Bonds		Limited Tax Improvement	Urban Renewal and Redevelopment	Limited Tax and Limited Tax Revenue			Revenue Bonds			Subtotal Bonded Debt	Fiduciary Fund	Total Bonded Debt
	Emergency Facilities	Total			Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total			
2016	3,318,261	3,318,261	1,915,137	22,291,827	17,315,288	4,285,116	21,600,404	487,651	108,223,269	108,710,920	157,836,549	15,749	157,852,298
2017	3,034,910	3,034,910	1,895,338	20,770,865	17,592,575	4,328,516	21,921,091	413,730	102,463,519	102,877,249	150,499,453	17,194	150,516,647
2018	2,785,535	2,785,535	1,775,087	19,122,795	16,666,644	4,043,033	20,709,677	356,100	96,344,094	96,700,194	141,093,288	16,299	141,109,587
2019	2,510,635	2,510,635	1,757,288	17,327,937	15,766,019	3,706,709	19,472,728	296,000	88,870,906	89,166,906	130,235,494	14,849	130,250,343
2020	2,209,200	2,209,200	1,740,087	15,290,665	14,656,757	3,258,369	17,915,126	223,750	82,364,003	82,587,753	119,742,831	12,767	119,755,598
2021	1,962,738	1,962,738	1,629,238	13,352,266	12,123,235	2,573,422	14,696,657	147,750	75,598,352	75,746,102	107,387,001	9,006	107,396,007
2022	1,702,887	1,702,887	1,629,237	11,507,120	9,586,236	1,817,055	11,403,291	99,900	70,100,615	70,200,515	96,443,050	4,765	96,447,815
2023	1,478,213	1,478,213	1,600,038	9,540,601	30,634,467	8,972,146	39,606,613	50,700	63,170,208	63,220,908	115,446,373	58,213	115,504,586
2024	1,192,400	1,192,400	1,600,037	7,463,374	31,471,246	9,247,352	40,718,598	-	55,779,911	55,779,911	106,754,320	61,403	106,815,723
2025	889,975	889,975	1,559,238	5,230,611	32,342,158	9,511,614	41,853,772	-	51,384,171	51,384,171	100,917,767	64,691	100,982,458
2026	649,250	649,250	1,559,237	4,100,456	33,227,959	9,857,623	43,085,582	-	47,404,905	47,404,905	96,799,430	68,079	96,867,509
2027	414,563	414,563	1,559,238	3,465,689	34,160,101	10,205,730	44,365,831	-	43,391,187	43,391,187	93,196,508	71,565	93,268,073
2028	262,512	262,512	575,237	2,823,441	35,133,295	10,566,054	45,699,349	-	39,264,092	39,264,092	88,624,092	75,176	88,699,807
2029	104,850	104,850	575,238	2,139,174	36,121,420	11,049,325	47,170,745	-	35,205,607	35,205,607	85,195,614	78,890	85,274,504
2030	-	-	575,237	1,378,663	1,292,225	193,225	1,485,450	-	30,987,998	30,987,998	34,427,348	-	34,427,348
2031	-	-	164,800	573,250	674,250	164,170	838,395	-	26,395,251	26,395,251	27,971,696	-	27,971,696
2032	-	-	164,800	125,200	487,225	133,865	621,090	-	21,581,230	21,581,230	22,492,320	-	22,492,320
2033	-	-	120,000	-	293,450	102,075	395,525	-	17,423,133	17,423,133	17,938,658	-	17,938,658
2034	-	-	120,000	-	130,800	69,035	199,835	-	13,160,438	13,160,438	13,480,273	-	13,480,273
2035	-	-	-	-	-	34,260	34,260	-	9,787,676	9,787,676	9,821,936	-	9,821,936
2036	-	-	-	-	-	-	-	-	6,404,762	6,404,762	6,404,762	-	6,404,762
2037	-	-	-	-	-	-	-	-	4,463,025	4,463,025	4,463,025	-	4,463,025
2038	-	-	-	-	-	-	-	-	2,718,125	2,718,125	2,718,125	-	2,718,125
2039	-	-	-	-	-	-	-	-	1,270,225	1,270,225	1,270,225	-	1,270,225
2040	-	-	-	-	-	-	-	-	256,300	256,300	256,300	-	256,300

Total Interest \$ 22,515,929 \$ 22,515,929 \$ 22,514,512 \$ 156,503,934 \$ 339,675,325 \$ 94,118,694 \$ 433,794,019 \$ 2,075,581 \$ 1,094,013,002 \$ 1,096,088,583 \$ 1,731,416,977 \$ 568,646 \$ 1,731,985,623

312

Fiscal Year Ending													
2016	3,318,261	3,318,261	1,915,137	22,291,827	17,315,288	4,285,116	21,600,404	487,651	108,223,269	108,710,920	157,836,549	15,749	157,852,298
2017	3,034,910	3,034,910	1,895,338	20,770,865	17,592,575	4,328,516	21,921,091	413,730	102,463,519	102,877,249	150,499,453	17,194	150,516,647
2018	2,785,535	2,785,535	1,775,087	19,122,795	16,666,644	4,043,033	20,709,677	356,100	96,344,094	96,700,194	141,093,288	16,299	141,109,587
2019	2,510,635	2,510,635	1,757,288	17,327,937	15,766,019	3,706,709	19,472,728	296,000	88,870,906	89,166,906	130,235,494	14,849	130,250,343
2020	2,209,200	2,209,200	1,740,087	15,290,665	14,656,757	3,258,369	17,915,126	223,750	82,364,003	82,587,753	119,742,831	12,767	119,755,598
2021-2025	7,226,213	7,226,213	8,017,788	47,093,972	116,157,342	32,121,589	148,278,931	298,350	316,033,257	316,331,607	526,948,511	198,078	527,146,589
2026-2030	1,431,175	1,431,175	4,844,187	13,907,423	139,935,000	41,871,957	181,806,957	-	196,253,789	196,253,789	398,243,531	293,710	398,537,241
2031-2035	-	-	569,600	698,450	1,585,700	503,405	2,089,105	-	88,347,728	88,347,728	91,704,883	-	91,704,883
2036-2040	-	-	-	-	-	-	-	-	15,112,437	15,112,437	15,112,437	-	15,112,437
2041-2045	-	-	-	-	-	-	-	-	-	-	-	-	-
	\$ <u>22,515,929</u>	\$ <u>22,515,929</u>	\$ <u>22,514,512</u>	\$ <u>156,503,934</u>	\$ <u>339,675,325</u>	\$ <u>94,118,694</u>	\$ <u>433,794,019</u>	\$ <u>2,075,581</u>	\$ <u>1,094,013,002</u>	\$ <u>1,096,088,583</u>	\$ <u>1,731,416,977</u>	\$ <u>568,646</u>	\$ <u>1,731,985,623</u>

City of Portland, Oregon
Schedule of Property Tax Transactions and Outstanding Balances
For the Year Ended June 30, 2015

Tax Year	Balance Receivable, July 1, 2014	Add Levy as Extended by Assessor	(Deduct) Discounts	Add Interest	(Deduct) Collections	Add (Deduct) Corrections and Adjustments	Balance Receivable, June 30, 2015
2014-15		\$ 494,785,514	\$ (12,255,792)	\$ 103,839	\$ (467,210,020)	\$ (2,757,834)	\$ 12,665,707
2013-14	\$ 14,001,515	-	-	103,397	(6,493,673)	(668,184)	6,943,055
2012-13	6,983,794	-	-	258,729	(2,171,588)	(183,864)	4,887,071
2011-12	5,606,517	-	-	271,514	(1,936,874)	(80,462)	3,860,695
2010-11	3,161,887	-	-	396,950	(1,438,137)	(57,592)	2,063,108
2009-10	1,847,912	-	-	259,470	(138,021)	(33,461)	1,935,900
2008-09	142,236	-	-	27,694	(56,877)	(13,515)	99,538
2007-08	62,630	-	-	15,700	(14,280)	(4,707)	59,343
2006-07	42,846	-	-	2,447	(8,832)	(3,285)	33,176
2005-06 and Prior	197,529	-	-	19,772	(46,050)	(11,505)	159,746
Total	\$ 32,046,866	\$ 494,785,514	\$ (12,255,792)	\$ 1,459,512	\$ (479,514,352)	\$ (3,814,409)	\$ 32,707,339

Summary by Fund and Fund Type:

General Fund	\$ 333,762,839	\$ 22,530,583
Special Revenue Funds:		
Parks Local Option Levy	1,490	1,257
Children's Investment	12,516,095	922,192
Subtotal	12,517,585	923,449
Debt Service Funds:		
River District URA* Debt Redemption	28,996,714	2,077,048
Bonded Debt Interest and Sinking	12,237,655	858,843
Downtown Waterfront Renewal Bond Sinking	10,158,136	743,408
Interstate Corridor Debt Service	21,720,347	1,403,250
South Park Block Redemption	7,677,369	551,755
Airport Way Debt Service	5,919,207	425,785
Lents Town Center URA* Debt Redemption	12,788,708	858,768
Central Eastside Industrial District Debt Service	6,350,868	441,297
Convention Center Area Debt Service	8,544,022	670,151
North Macadam URA* Debt Redemption	12,660,849	914,064
Gateway URA* Debt Redemption	3,913,696	269,658
Willamette Industrial URA* Debt Service	28,147	-
Education URA* Debt Service	1,704,720	-
42nd Avenue NPI* Debt Service	104,094	15,810
Cully Boulevard NPI* Debt Service	127,639	6,286
Parkrose NPI* Debt Service	37,583	2,245
Rosewood NPI* Debt Service	85,242	4,811
Division-Midway NPI* Debt Service	122,665	6,764
82nd Avenue/Division NPI* Debt Service	56,266	3,364
Subtotal	133,233,927	9,253,307
Total	\$479,514,351	\$32,707,339

*URA - Urban Renewal Area

*NPI - Neighborhood Prosperity Initiative

Continued next page

City of Portland, Oregon
Schedule of Property Tax Transactions and Outstanding Balances, Continued
For the Year Ended June 30, 2015

	Collections	Changes in Property Taxes Subject to Accrual at June 30	Lodging Tax and Other	GAAP Basis Financial Statements
Reconciliation to tax revenues per GAAP basis financial statements:				
General Fund	\$ 333,762,839	\$ (189,498)	\$ 27,592,515	\$ 361,165,856
Special Revenue Funds:				
Parks Local Option Levy	1,490	(440)	-	1,050
Children's Investment	12,516,095	8,996	-	12,525,091
Convention and Tourism	-	-	14,797,669	14,797,669
Subtotal	<u>12,517,585</u>	<u>8,556</u>	<u>14,797,669</u>	<u>27,323,810</u>
Debt Service Funds:				
River District URA* Debt Redemption	28,996,714	(49,525)	-	28,947,189
Bonded Debt Interest and Sinking	12,237,655	2,114	-	12,239,769
Downtown Waterfront Renewal Bond Sinking	10,158,136	(6,920)	-	10,151,216
Interstate Corridor Debt Service	21,720,347	13,060	-	21,733,407
South Park Block Redemption	7,677,369	(4,266)	-	7,673,103
Airport Way Debt Service	5,919,207	(3,471)	-	5,915,736
Lents Town Center URA* Debt Redemption	12,788,708	336	-	12,789,044
Central Eastside Industrial District Debt Service	6,350,868	(2,615)	-	6,348,253
Convention Center Area Debt Service	8,544,022	(15,898)	-	8,528,124
North Macadam URA* Debt Redemption	12,660,849	(6,600)	-	12,654,249
Gateway URA* Debt Redemption	3,913,696	(1,128)	-	3,912,568
Willamette Industrial URA* Debt Service	28,147	(15,022)	-	13,125
Education URA* Debt Service	1,704,720	(7,991)	-	1,696,729
42nd Avenue NPI* Debt Service	104,094	223	-	104,317
Cully Boulevard NPI* Debt Service	127,639	420	-	128,059
Parkrose NPI* Debt Service	37,583	-	-	37,583
Rosewood NPI* Debt Service	85,242	323	-	85,565
Division-Midway NPI* Debt Service	122,665	628	-	123,293
82nd Avenue/Division NPI* Debt Service	56,266	-	-	56,266
Subtotal	<u>133,233,927</u>	<u>(96,332)</u>	<u>-</u>	<u>133,137,595</u>
Total	<u>\$ 479,514,351</u>	<u>\$ (277,274)</u>	<u>\$ 42,390,184</u>	<u>\$ 521,627,261</u>

*URA - Urban Renewal Area

*NPI - Neighborhood Prosperity Initiative

City of Portland, Oregon
Schedule of Property Taxes Receivable by Levy Year by Fund
For the Year Ended June 30, 2015

Tax Year	Special Revenue Funds			Debt Service Funds							
	General	Parks Local Option Levy	Children's Investment	River District URA* Debt Redemption	Bonded Debt Interest and Sinking	Downtown Waterfront Renewal Bond Sinking	Interstate Corridor Debt Service	South Park Block Redemption	Airport Way Debt Service	Lents Town Center URA* Debt Redemption	Central Eastside Industrial District Debt Service
2014-15	\$ 8,435,722	\$ -	\$ 434,594	\$ 708,137	\$ 390,943	\$ 293,519	\$ 694,525	\$ 223,924	\$ 172,931	\$ 386,508	\$ 185,626
2013-14	4,863,618	-	144,480	487,502	160,577	147,853	289,669	111,176	85,270	180,827	92,524
2012-13	3,448,611	-	110,305	338,502	118,060	105,210	177,188	78,325	62,036	113,990	60,166
2011-12	2,707,053	-	96,880	260,700	98,067	93,294	116,544	65,568	50,273	84,614	47,874
2010-11	1,452,470	-	61,779	138,953	40,421	49,305	62,310	34,635	26,600	45,050	25,265
2009-10	1,359,787	-	64,152	124,444	42,685	47,607	54,901	33,297	25,161	41,675	26,056
2008-09	67,692	-	8,689	5,774	1,854	2,009	2,473	1,539	1,094	1,872	1,172
2007-08	43,094	814	839	3,577	1,210	1,420	1,553	952	721	1,181	729
2006-07	25,223	261	269	1,852	789	532	807	424	317	593	359
2005-06 and Prior	127,313	182	205	7,607	4,237	2,659	3,280	1,915	1,382	2,458	1,526
Total	\$ 22,530,583	\$ 1,257	\$ 922,192	\$ 2,077,048	\$ 858,843	\$ 743,408	\$ 1,403,250	\$ 551,755	\$ 425,785	\$ 858,768	\$ 441,297

Continued below

Tax Year	Debt Service Funds, Continued									Total
	Convention Center Area Debt Service	North Macadam URA* Debt Redemption	Gateway URA* Debt Redemption	42nd Avenue NPI** Debt Service	Cully Boulevard NPI** Debt Service	Parkrose NPI** Debt Service	Rosewood NPI** Debt Service	Division-Midway NPI** Debt Service	82nd Avenue/Division NPI** Debt Service	
2014-15	\$ 223,030	\$ 364,313	\$ 115,672	\$ 15,180	\$ 5,182	\$ 2,245	\$ 4,131	\$ 6,161	\$ 3,364	\$ 12,665,707
2013-14	133,723	186,694	56,125	630	1,104	-	680	603	-	6,943,055
2012-13	111,533	124,062	39,083	-	-	-	-	-	-	4,887,071
2011-12	95,023	116,417	28,388	-	-	-	-	-	-	3,860,695
2010-11	50,122	61,175	15,023	-	-	-	-	-	-	2,063,108
2009-10	49,391	53,360	13,384	-	-	-	-	-	-	1,935,900
2008-09	2,388	2,370	612	-	-	-	-	-	-	99,538
2007-08	1,361	1,516	376	-	-	-	-	-	-	59,343
2006-07	695	859	196	-	-	-	-	-	-	33,176
2005-06 and Prior	2,885	3,298	799	-	-	-	-	-	-	159,746
Total	\$ 670,151	\$ 914,064	\$ 269,658	\$ 15,810	\$ 6,286	\$ 2,245	\$ 4,811	\$ 6,764	\$ 3,364	\$ 32,707,339

*URA - Urban Renewal Area

**NPI - Neighborhood Prosperity Initiative

City of Portland, Oregon
Schedule of Property Taxes Collected by Levy Year by Fund
For the Year Ended June 30, 2015

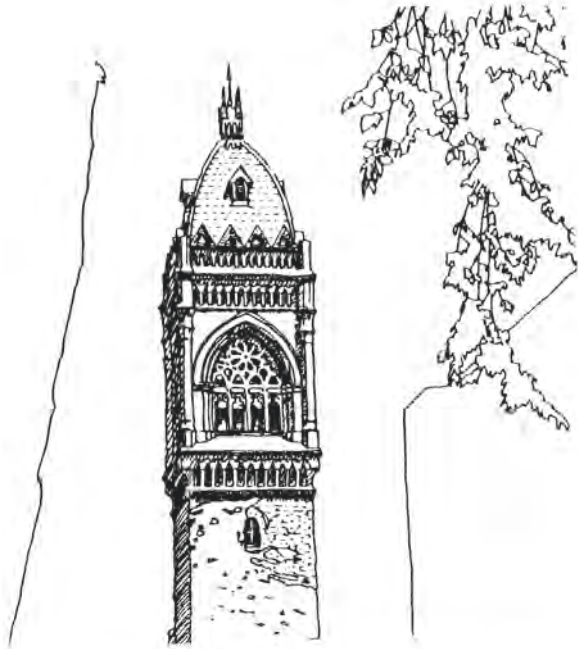
Tax Year	Special Revenue Funds				Debt Service Funds							
	General	Parks Local Option Levy	Children's Investment	River District URA* Debt Redemption	Bonded Debt Interest and Sinking	Downtown Waterfront Renewal Bond Sinking	Interstate Corridor Debt Service	South Park Block Redemption	Airport Way Debt Service	Lents Town Center URA* Debt Redemption	Central Eastside Industrial District Debt Service	Convention Center Area Debt Service
2014-15	\$ 325,147,163	\$ -	\$ 12,233,681	\$ 28,143,713	\$ 11,953,695	\$ 9,886,539	\$ 21,262,303	\$ 7,478,891	\$ 5,765,289	\$ 12,490,875	\$ 6,193,810	\$ 8,281,253
2013-14	4,529,892	-	135,360	453,023	149,771	138,037	266,466	103,401	79,546	166,748	85,530	126,297
2012-13	1,530,502	-	49,235	150,279	51,313	46,788	78,329	34,757	27,550	50,519	26,678	49,519
2011-12	1,354,592	-	48,659	137,991	48,852	44,995	63,519	31,463	24,812	44,148	23,918	45,685
2010-11	1,009,463	-	43,114	96,609	28,185	34,275	43,305	24,080	18,499	31,320	17,651	34,890
2009-10	96,665	-	4,507	9,102	3,027	3,380	3,895	2,368	1,780	2,958	1,849	3,505
2008-09	42,315	8	8	3,358	1,161	1,545	1,485	1,145	687	1,152	719	1,632
2007-08	9,922	480	496	734	277	535	330	269	198	267	166	265
2006-07	6,237	298	308	434	194	363	168	183	129	148	105	180
2005-06 and Prior	36,088	704	727	1,471	1,180	1,679	547	812	717	573	441	796
Total	\$ 333,762,839	\$ 1,490	\$ 12,516,095	\$ 28,996,714	\$ 12,237,655	\$ 10,158,136	\$ 21,720,347	\$ 7,677,369	\$ 5,919,207	\$ 12,788,708	\$ 6,350,867	\$ 8,544,022

Continued below

Tax Year	Debt Service Funds, Continued											Total
	North Macadam URA* Debt Redemption	Gateway URA* Debt Redemption	Willamette Industrial URA* Debt Service	Education URA* Debt Service	42nd Avenue NPI** Debt Service	Cully Boulevard NPI** Debt Service	Parkrose NPI** Debt Service	Rosewood NPI** Debt Service	Division-Midway NPI** Debt Service	82nd Avenue/Division NPI** Debt Service		
2014-15	\$ 12,333,851	\$ 3,818,409	\$ -	\$ 1,689,691	\$ 103,511	\$ 126,669	\$ 37,583	\$ 84,675	\$ 122,153	\$ 56,266	\$ 467,210,020	
2013-14	172,880	52,176	16,883	15,029	583	970	-	567	514	-	6,493,673	
2012-13	55,094	17,287	3,738	-	-	-	-	-	-	-	2,171,588	
2011-12	51,134	13,779	3,327	-	-	-	-	-	-	-	1,936,874	
2010-11	42,479	10,445	3,822	-	-	-	-	-	-	-	1,438,137	
2009-10	3,776	951	258	-	-	-	-	-	-	-	138,021	
2008-09	1,183	376	103	-	-	-	-	-	-	-	56,877	
2007-08	248	79	14	-	-	-	-	-	-	-	14,280	
2006-07	40	43	2	-	-	-	-	-	-	-	8,832	
2005-06 and Prior	164	151	-	-	-	-	-	-	-	-	46,050	
Total	\$ 12,660,849	\$ 3,913,696	\$ 28,147	\$ 1,704,720	\$ 104,094	\$ 127,639	\$ 37,583	\$ 85,242	\$ 122,667	\$ 56,266	\$ 479,514,352	

*URA - Urban Renewal Area
**NPI - Neighborhood Prosperity Initiative

STATISTICAL SECTION



First Congregational Church, 1890

Blank back of tab

Statistical Section

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:

Contents	Page
Financial Trends	318
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	323
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	329
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	337
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	339
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.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

City of Portland, Oregon
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30.									
	2015	2014 ^{1, 2}	2013	2012 ¹	2011	2010	2009 ¹	2008	2007	2006
Governmental activities:										
Net investment in capital assets	\$ 1,982,917,732	\$ 2,045,982,585	\$ 2,125,382,711	\$ 2,170,541,622	\$ 2,219,412,554	\$ 2,123,435,196	\$ 2,175,464,133	\$ 2,253,119,111	\$ 2,309,556,618	\$ 2,358,468,902
Restricted	340,730,761	271,371,138	254,008,558	211,292,440	197,584,177	183,204,776	159,973,612	177,255,997	162,581,357	92,280,515
Unrestricted	<u>(3,494,355,768)</u>	<u>(3,368,964,230)</u>	<u>(2,024,224,393)</u>	<u>(1,843,957,006)</u>	<u>(1,748,535,567)</u>	<u>(1,686,820,664)</u>	<u>(1,551,207,748)</u>	<u>(1,401,339,786)</u>	<u>(1,286,157,817)</u>	<u>(1,151,782,192)</u>
Total governmental activities net position	<u>\$(1,170,707,275)</u>	<u>\$(1,051,610,507)</u>	<u>\$ 355,166,876</u>	<u>\$ 537,877,056</u>	<u>\$ 668,461,164</u>	<u>\$ 619,819,308</u>	<u>\$ 784,229,997</u>	<u>\$ 1,029,035,322</u>	<u>\$ 1,185,980,158</u>	<u>\$ 1,298,967,225</u>
Business-type activities:										
Net investment in capital assets	\$ 2,069,303,473	\$ 1,968,473,423	\$ 1,879,196,917	\$ 1,792,291,343	\$ 1,682,414,671	\$ 1,563,020,091	\$ 1,456,673,267	\$ 1,456,877,706	\$ 1,338,436,369	\$ 1,289,618,615
Restricted	14,168,531	14,138,244	13,855,864	14,848,536	14,716,777	110,697,822	19,033,446	18,819,068	11,087,158	10,407,271
Unrestricted	<u>156,008,270</u>	<u>61,834,817</u>	<u>105,676,056</u>	<u>103,946,351</u>	<u>127,233,261</u>	<u>30,210,742</u>	<u>161,146,338</u>	<u>97,018,347</u>	<u>148,627,828</u>	<u>100,607,343</u>
Total business-type activities net position	<u>\$ 2,239,480,274</u>	<u>\$ 2,044,446,484</u>	<u>\$ 1,998,728,837</u>	<u>\$ 1,911,086,230</u>	<u>\$ 1,824,364,709</u>	<u>\$ 1,703,928,655</u>	<u>\$ 1,636,853,051</u>	<u>\$ 1,572,715,121</u>	<u>\$ 1,498,151,355</u>	<u>\$ 1,400,633,229</u>
Primary government:										
Net investment in capital assets	\$ 4,052,221,205	\$ 4,014,456,008	\$ 4,004,579,628	\$ 3,962,832,965	\$ 3,901,827,225	\$ 3,686,455,287	\$ 3,632,137,400	\$ 3,709,996,817	\$ 3,647,992,987	\$ 3,648,087,517
Restricted	354,899,292	285,509,382	267,864,422	226,140,976	212,300,954	293,902,598	179,007,058	196,075,065	173,668,515	102,687,786
Unrestricted	<u>(3,338,347,498)</u>	<u>(3,307,129,413)</u>	<u>(1,918,548,337)</u>	<u>(1,740,010,655)</u>	<u>(1,621,302,306)</u>	<u>(1,656,609,922)</u>	<u>(1,390,061,410)</u>	<u>(1,304,321,439)</u>	<u>(1,137,529,989)</u>	<u>(1,051,174,849)</u>
Total primary government net position	<u>\$ 1,068,772,999</u>	<u>\$ 992,835,977</u>	<u>\$ 2,353,895,713</u>	<u>\$ 2,448,963,286</u>	<u>\$ 2,492,825,873</u>	<u>\$ 2,323,747,963</u>	<u>\$ 2,421,083,048</u>	<u>\$ 2,601,750,443</u>	<u>\$ 2,684,131,513</u>	<u>\$ 2,699,600,454</u>

¹ Data as restated

² The sharp decline in unrestricted net position in governmental activities in FY 2014 is primarily due to the recording of the net pension liability for the Fire and Police Disability, Retirement and Death Benefit (FPDR) Plan, in accordance with GASB 68. The FPDR is funded annually on a pay as you go basis with revenue received each year from a dedicated property tax levy. As required by GAAP, the net position liability cannot be offset to reflect the value of future revenues expected to be received from the annually dedicated property tax levy.

**City of Portland, Oregon
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)**

	Fiscal Year Ended June 30.									
	2015	2014	2013 ¹	2012	2011	2010 ¹	2009	2008	2007	2006
Expenses										
Governmental activities:										
Public safety	\$ 681,079,374	\$ 524,324,725	\$ 539,582,340	\$ 486,886,299	\$ 460,750,759	\$ 444,705,167	\$ 452,067,911	\$ 398,379,565	\$ 424,132,995	\$ 402,791,253
Parks, recreation and culture	72,416,721	85,522,569	77,384,671	77,703,274	71,215,918	70,745,599	79,614,221	72,274,388	64,904,551	56,277,014
Community development	162,430,670	166,124,118	206,451,529	276,382,471	235,115,877	204,410,103	131,261,667	130,997,139	127,758,450	117,247,997
Transportation	302,136,406	321,045,231	304,095,341	247,019,675	264,399,020	276,185,628	248,914,860	241,780,135	242,619,027	232,391,159
Legislative / admin / support services	97,013,883	100,869,933	106,340,680	92,989,301	85,191,243	92,190,425	178,268,571	174,636,727	160,332,687	174,658,640
Environmental services	86,523	387,345	604,474	503,400	187,805	326,089	-	-	-	-
Water	175,972	185,404	221,364	409,074	89,336	157,563	-	-	-	-
Parking facilities	17,000	17,000	-	-	-	-	-	-	-	-
Interest on long-term debt	48,113,636	47,846,811	50,436,861	48,030,292	46,341,420	44,629,763	50,010,337	52,748,138	48,494,915	46,733,850
Total governmental activities expenses	1,363,470,185	1,246,323,136	1,285,117,260	1,229,923,786	1,163,291,378	1,133,350,337	1,140,137,567	1,070,816,092	1,068,242,625	1,030,099,913
Business-type activities:										
Environmental services	220,160,935	234,976,444	229,742,394	194,880,070	189,838,169	184,036,412	188,969,781	185,767,974	188,465,656	141,320,525
Water	102,628,362	112,388,000	120,814,693	108,344,964	103,260,628	101,965,612	98,707,471	94,367,153	86,345,164	78,612,800
Hydroelectric power	1,289,400	1,661,975	1,786,015	1,895,974	2,049,214	2,112,254	2,458,249	2,343,333	2,366,679	4,309,732
Parking facilities	6,571,712	6,872,812	6,272,155	6,858,239	6,419,814	9,372,080	9,764,605	7,923,477	7,317,105	7,343,850
Golf	9,288,014	8,890,606	8,532,476	7,704,762	7,803,648	8,023,884	8,603,692	7,358,537	5,842,717	6,024,174
Motor sports	1,578,637	1,685,405	1,745,465	1,702,924	1,730,151	1,830,052	1,811,021	1,941,127	1,837,708	1,382,360
Spectator facilities	7,590,349	6,517,715	10,232,186	8,098,517	9,412,865	8,175,758	8,698,111	8,004,713	7,079,419	6,955,608
Housing	774,968	721,620	763,346	967,848	1,750,675	-	-	-	-	-
Total business-type activities expenses	349,882,377	373,714,577	379,888,730	330,453,298	322,265,164	315,516,052	319,012,930	307,706,314	299,254,448	245,949,049
Total primary government expenses	\$1,713,352,562	\$1,620,037,713	\$1,665,005,990	\$1,560,377,084	\$1,485,556,542	\$1,448,866,389	\$1,459,150,497	\$1,378,522,406	\$1,367,497,073	\$1,276,048,962
Program Revenues										
Governmental activities:										
Fees, fines and charges for services:										
Public safety	\$ 17,462,949	\$ 13,932,328	\$ 9,198,789	\$ 12,351,514	\$ 10,589,711	\$ 11,350,111	\$ 29,183,131	\$ 25,855,028	\$ 28,840,004	\$ 21,428,149
Parks, recreation and culture	26,502,334	21,579,257	21,659,255	19,377,137	17,956,318	18,109,058	28,955,330	24,041,781	21,743,457	19,681,284
Community development	68,509,492	61,010,720	46,267,824	43,503,027	29,178,351	46,285,869	45,989,635	59,843,519	85,597,802	78,013,694
Transportation	94,096,155	83,482,648	81,578,019	77,531,542	61,912,494	60,397,143	71,206,830	68,101,536	149,780,434	131,036,479
Legislative / admin / support services	238,924,027	206,200,217	198,673,424	183,276,317	181,437,591	168,785,605	194,127,883	183,505,065	208,408,276	188,468,633
Environmental services	-	-	22,086	-	30,888	-	-	-	-	-
Operating grants and contributions	166,661,697	147,816,324	187,508,857	196,150,183	179,417,682	136,693,542	30,899,130	95,594,872	32,974,212	52,126,898
Capital grants and contributions	85,061,048	56,392,854	65,753,370	94,247,887	190,020,546	77,921,901	61,307,882	24,337,254	27,953,173	43,561,907
Total governmental activities program revenues	697,217,702	590,414,348	610,661,624	626,437,607	670,543,581	519,543,229	461,669,821	481,279,055	555,297,358	534,317,044

Continued next page

City of Portland, Oregon
Changes in Net Position, Continued
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30.									
	2015	2014	2013 ¹	2012	2011	2010 ¹	2009	2008	2007	2006
Business-type activities:										
Charges for services:										
Environmental services	341,993,745	316,057,459	292,754,016	268,824,936	256,570,147	239,960,866	237,136,104	228,089,453	245,630,949	210,973,349
Water	160,749,233	145,760,796	147,514,349	130,911,138	118,000,643	112,702,102	101,728,593	96,645,344	93,988,988	90,506,041
Hydroelectric power	3,769,590	4,054,750	4,060,110	4,082,287	3,650,986	3,617,879	3,363,647	3,525,956	3,677,559	4,312,950
Parking facilities	13,753,023	12,896,245	12,164,895	12,092,247	11,901,704	11,316,355	10,708,326	12,033,569	11,792,583	11,174,857
Golf	8,695,532	7,990,960	8,270,199	7,732,554	7,434,680	7,754,612	8,388,970	7,157,913	6,654,847	6,152,162
Motor sports	1,712,727	1,424,301	1,704,966	1,752,621	1,748,086	1,875,497	1,922,096	1,650,541	2,140,723	1,778,963
Spectator facilities	10,696,710	10,473,920	10,846,860	8,601,320	8,870,310	8,846,051	9,000,391	8,401,058	7,002,481	6,846,642
Housing	1,093,766	868,533	970,625	1,015,467	1,060,568	-	-	-	-	-
Operating grants	-	-	-	-	-	-	-	801,397	3,306,831	-
Capital grants and contributions	4,022,620	2,794,342	3,259,994	3,964,882	44,450,756	954,259	1,998,768	12,385,699	5,423,653	6,188,992
Total business-type activities program revenues	546,486,946	502,321,306	481,546,014	438,977,452	453,687,880	387,027,621	374,246,895	370,690,930	379,618,614	337,933,956
Total primary government program revenues	\$1,243,704,648	\$1,092,735,654	\$1,092,207,638	\$1,065,415,059	\$1,124,231,461	\$ 906,570,850	\$ 835,916,716	\$ 851,969,985	\$ 934,915,972	\$ 872,251,000
Net (Expense) / Revenue										
Governmental activities	\$ (666,252,483)	\$ (655,908,788)	\$ (674,455,636)	\$ (603,486,179)	\$ (492,747,797)	\$ (613,807,108)	\$ (678,467,746)	\$ (589,537,037)	\$ (512,945,267)	\$ (495,782,869)
Business-type activities	196,604,569	128,606,729	101,657,284	108,524,154	131,422,716	71,511,569	55,233,965	62,984,616	80,364,166	91,984,907
Total primary government net expense	\$ (469,647,914)	\$ (527,302,059)	\$ (572,798,352)	\$ (494,962,025)	\$ (361,325,081)	\$ (542,295,539)	\$ (623,233,781)	\$ (526,552,421)	\$ (432,581,101)	\$ (403,797,962)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property	\$ 481,282,272	\$ 455,381,655	\$ 441,030,147	\$ 432,481,353	\$ 431,933,936	\$ 421,211,270	\$ 388,147,722	\$ 384,423,685	\$ 354,572,143	\$ 334,965,727
Lodging	41,803,744	35,063,066	28,746,920	21,359,108	19,142,687	16,511,907	23,571,670	19,647,497	17,526,682	15,963,890
Miscellaneous	10,490,137	7,062,234	7,815,970	-	-	-	-	-	-	-
Investment earnings	8,760,007	8,950,181	6,496,779	8,967,966	10,565,464	6,104,945	18,518,024	25,699,774	23,795,988	16,484,142
Gains (loss) on sale of capital assets	-	-	-	-	-	-	-	-	1,060,179	-
Transfers	4,819,555	6,715,480	7,655,640	6,398,095	15,500,817	5,568,297	3,425,005	2,821,245	2,972,910	2,938,456
Special item:										
Contributions from PDC	-	-	-	3,695,549	64,246,749	-	-	-	-	-
Total governmental activities	547,155,715	513,172,616	491,745,456	472,902,071	541,389,653	449,396,419	433,662,421	432,592,201	399,927,902	370,352,215
Business-type activities:										
Investment earnings	3,248,776	2,894,317	640,963	1,450,984	4,514,155	1,132,332	12,328,970	14,400,395	20,126,870	9,004,698
Transfers	(4,819,555)	(6,715,480)	(7,655,640)	(6,398,095)	(15,500,817)	(5,568,297)	(3,425,005)	(2,821,245)	(2,972,910)	(2,938,456)
Special item:										
Capital asset write-off	-	-	(7,000,000)	(16,855,522)	-	-	-	-	-	-
Total business-type activities	(1,570,779)	(3,821,163)	(14,014,677)	(21,802,633)	(10,986,662)	(4,435,965)	8,903,965	11,579,150	17,153,960	6,066,242
Total primary government	\$ 545,584,936	\$ 509,351,453	\$ 477,730,779	\$ 451,099,438	\$ 530,402,991	\$ 444,960,454	\$ 442,566,386	\$ 444,171,351	\$ 417,081,862	\$ 376,418,457
Change in Net Position										
Governmental activities	(119,096,768)	(142,736,172)	(182,710,180)	(130,584,108)	48,641,856	(164,410,689)	(244,805,325)	(156,944,836)	(113,017,365)	(125,430,654)
Business-type activities	195,033,790	124,785,566	87,642,607	86,721,521	120,436,054	67,075,604	64,137,930	74,563,766	97,518,126	98,051,149
Total primary government change in net position	\$ 75,937,022	\$ (17,950,606)	\$ (95,067,573)	\$ (43,862,587)	\$ 169,077,910	\$ (97,335,085)	\$ (180,667,395)	\$ (82,381,070)	\$ (15,499,239)	\$ (27,379,505)

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

	Fiscal Year Ended June 30,									
	2015	2014	2013 ¹	2012 ²	2011	2010 ¹	2009	2008	2007	2006
General Fund										
Unreserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91,872,408	\$ 133,755,426	\$ 130,939,791	\$ 131,326,813	\$ 119,280,600
Nonspendable	513,774	545,293	531,247	555,088	234,968	-	-	-	-	-
Committed	58,885,208	60,077,408	49,930,120	48,984,519	46,294,375	-	-	-	-	-
Assigned	30,220,861	7,444,423	314,562	5,415,881	23,588,446	-	-	-	-	-
Unassigned	16,460,088	28,900,909	28,514,937	22,296,208	23,962,998	-	-	-	-	-
Total general fund	106,079,931	96,968,033	79,290,866	77,251,696	94,080,787	91,872,408	133,755,426	130,939,791	131,326,813	119,280,600
All other governmental funds										
Reserved	-	-	-	-	-	15,819,740	24,940,060	98,997,913	83,975,043	92,280,515
Unreserved, reported in:										
Major fund:										
Transportation Operating	-	-	-	-	-	10,449,909	10,596,286	21,065,188	22,568,566	16,773,455
Nonmajor funds:										
Special revenue funds	-	-	-	-	-	(12,163,792)	8,976,573	30,633,551	31,967,456	28,858,030
Debt service funds	-	-	-	-	-	62,208,494	43,489,029	77,416	73,427	64,986
Capital projects funds	-	-	-	-	-	5,295,880	6,407,173	5,596,855	5,566,240	4,272,949
Major fund:										
Transportation Operating:										
Nonspendable	7,408,416	5,725,138	5,211,250	5,467,464	2,824,446	-	-	-	-	-
Restricted	39,013,371	31,794,588	26,652,459	18,803,168	20,774,274	-	-	-	-	-
Assigned	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	150,476,673	102,777,084	92,318,341	77,321,176	71,044,360	-	-	-	-	-
Committed	14,843,739	12,806,577	12,654,543	14,645,781	946,953	-	-	-	-	-
Assigned	14,645,405	12,436,525	10,367,324	8,419,112	12,665,927	-	-	-	-	-
Unassigned	(3,545,508)	(632,801)	(7,280,204)	(7,064,264)	(21,934,442)	-	-	-	-	-
Debt service funds:										
Restricted	62,199,841	55,647,819	51,972,200	53,907,324	50,464,778	-	-	-	-	-
Assigned	14,018,712	12,166,789	15,444,913	14,644,795	13,497,508	-	-	-	-	-
Capital projects funds:										
Nonspendable	-	-	-	-	4,100	-	-	-	-	-
Restricted	73,034,959	62,177,707	38,494,304	38,035,418	32,900,374	-	-	-	-	-
Committed	1,282,338	665,072	9,778,398	9,480,674	694,200	-	-	-	-	-
Assigned	6,734,058	5,889,770	8,044,889	8,308,021	6,235,808	-	-	-	-	-
Permanent fund:										
Nonspendable	162,572	162,843	163,182	163,142	162,740	-	-	-	-	-
Restricted	19,222	18,457	18,805	19,811	19,671	-	-	-	-	-
Total all other governmental funds	417,073,498	335,489,857	284,418,669	256,363,462	176,291,609	81,610,231	94,409,121	156,370,923	144,150,732	142,249,935
Total governmental funds	\$ 523,153,429	\$ 432,457,890	\$ 363,709,535	\$ 333,615,158	\$ 270,372,396	\$ 173,482,639	\$ 228,164,547	\$ 287,310,714	\$ 275,477,545	\$ 261,530,535

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.									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues										
Taxes	\$ 531,301,330	\$ 495,153,590	\$ 476,378,425	\$ 448,364,391	\$ 450,618,907	\$ 439,807,189	\$ 404,648,934	\$ 400,907,347	\$ 371,089,320	\$ 350,920,250
Licenses and permits	233,646,104	208,235,312	196,568,153	185,187,374	164,940,343	163,524,368	172,412,165	185,733,671	177,594,267	163,336,697
Intergovernmental	168,242,063	165,057,000	206,179,343	262,848,347	306,470,348	179,137,795	112,420,936	130,480,681	165,818,945	163,146,678
Charges for services	170,618,722	166,089,974	152,490,691	134,729,794	118,372,143	118,727,478	127,059,236	158,624,745	163,790,312	136,456,915
Loan collections	1,252	-	5,822	825	472	5,504,941	8,042,680	6,616,117	1,962,568	2,717,027
Assessments	13,398,496	20,819,124	9,019,761	8,965,051	9,628,143	17,859,689	10,494,525	11,486,471	8,815,857	9,999,245
Investment earnings	8,008,872	7,810,694	6,394,758	7,997,693	8,656,961	5,940,419	14,150,878	19,196,940	18,038,418	12,612,043
Miscellaneous	41,291,899	29,365,376	24,861,439	23,024,707	18,273,085	17,599,825	18,691,693	23,933,782	16,182,024	16,872,660
Total revenues	1,166,508,738	1,092,531,070	1,071,898,392	1,071,118,182	1,076,960,402	948,101,704	867,921,047	936,979,754	923,291,711	856,061,515
Expenditures										
Current:										
Public safety	432,678,952	417,619,532	405,171,299	402,526,990	382,040,051	381,431,467	365,837,451	344,018,244	326,329,377	312,268,173
Parks, recreation and culture	73,897,333	68,264,016	69,159,278	70,095,137	65,553,655	65,421,722	66,513,218	69,553,194	70,774,053	59,611,313
Community development	173,735,075	170,553,693	211,030,610	299,816,445	233,452,342	216,256,817	130,498,875	135,558,800	129,505,227	115,384,409
Transportation	147,069,608	168,259,803	162,045,823	102,732,375	119,743,004	133,225,382	106,859,618	104,537,362	99,925,003	92,553,766
Legislative / admin / support services	94,739,754	89,223,214	82,597,301	73,694,282	70,316,678	71,214,023	183,391,043	182,562,975	170,658,268	167,238,732
Environmental services	221,231	350,203	604,474	503,400	187,805	326,089	-	-	-	-
Water	-	50,294	221,364	409,074	89,336	157,563	-	-	-	-
Debt service and related costs:										
Principal	97,537,730	133,585,244	136,765,972	271,515,940	277,450,351	71,726,634	102,210,897	109,078,563	132,458,884	61,837,018
Interest	44,404,911	43,523,677	45,186,688	41,996,682	38,899,209	37,280,438	41,451,139	44,139,283	44,837,099	37,815,058
Debt issuance costs	672,770	793,356	1,052,128	2,113,436	1,528,816	1,355,153	1,063,423	909,132	714,354	1,275,799
Capital outlay	78,300,490	83,233,658	69,410,696	109,842,632	140,101,129	102,014,291	60,394,581	79,737,850	101,688,256	85,419,896
Total expenditures	1,143,257,854	1,175,456,690	1,183,245,633	1,375,246,393	1,329,362,376	1,080,409,579	1,058,220,245	1,070,095,403	1,076,890,521	933,404,164
Revenues over (under) expenditures	23,250,884	(82,925,620)	(111,347,241)	(304,128,211)	(252,401,974)	(132,307,875)	(190,299,198)	(133,115,649)	(153,598,810)	(77,342,649)
Other Financing Sources (Uses)										
Transfers in	113,470,018	119,542,744	103,344,628	110,772,511	104,599,012	119,996,827	64,381,992	84,829,128	116,693,537	88,865,311
Transfers out	(115,209,916)	(106,382,665)	(99,832,685)	(96,610,030)	(106,727,613)	(142,667,821)	(73,645,578)	(93,054,958)	(119,714,976)	(90,802,370)
Bonds and notes issued	60,884,119	127,965,979	129,646,072	311,873,457	287,505,419	157,041,092	160,941,346	151,109,500	168,558,626	165,062,633
Bonds and note premium	4,365,018	9,846,162	8,189,496	18,809,162	1,203,343	3,118,769	1,390,471	198,553	1,519,900	2,974,854
Bonds and note discounts	3,935,116	-	-	(82,485)	(266,645)	(73,870)	-	-	-	-
Loan proceeds	-	-	-	900,000	4,704,000	3,421,000	1,540,000	1,600,000	376,192	1,824,000
Payments to refunded bond escrow agent	-	-	-	-	-	(63,243,022)	(24,865,000)	-	-	(47,568,215)
Proceeds from sale of capital assets	300	701,755	94,107	74,438	313,703	32,993	1,409,800	175,000	-	80,851
Total other financing sources (uses)	67,444,655	151,673,975	141,441,618	345,737,053	291,331,219	77,625,968	131,153,031	144,857,223	167,433,279	120,437,064
Special Item										
Contribution from the PDC	-	-	-	3,695,549	64,246,749	-	-	-	-	-
Net change in fund balances	\$ 90,695,539	\$ 68,748,355	\$ 30,094,377	\$ 45,304,391	\$ 103,175,994	\$ (54,681,907)	\$ (59,146,167)	\$ 11,741,574	\$ 13,834,469	\$ 43,094,415
Debt service as a percentage of noncapital expenditures	13.3 %	16.2 %	16.3 %	24.8 %	26.6 %	11.1 %	14.4 %	15.5 %	18.2 %	11.8 %

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

Function	Fiscal Year Ended June 30,									
	2015	2014	2013	2012	2011	2010 ¹	2009	2008	2007	2006
Governmental activities:										
Public safety	\$ 39,676,455	\$ 36,944,769	\$ 34,994,419	\$ 39,996,014	\$ 36,112,027	\$ 36,579,628	\$ 37,618,789	\$ 36,040,408	\$ 40,094,279	\$ 35,679,723
Parks, recreation and culture	68,963,590	54,501,838	57,103,523	47,995,617	43,739,584	30,052,917	33,900,730	28,139,754	33,303,087	20,097,069
Community development	107,714,842	89,108,592	103,323,245	117,419,849	96,334,022	77,715,883	65,551,272	82,395,639	107,075,872	103,148,200
Transportation	207,284,169	176,603,991	181,963,408	207,660,033	284,663,629	181,040,220	128,348,190	135,732,608	166,338,862	152,929,983
Legislative / admin / support services	272,563,100	231,373,014	229,168,166	210,433,303	207,800,528	192,800,377	196,250,840	198,970,646	208,485,258	222,462,069
Environmental services	1,015,546	1,463,546	1,774,149	1,602,219	1,136,538	1,239,419	-	-	-	-
Water	-	418,598	2,334,714	1,330,572	757,253	114,785	-	-	-	-
Subtotal governmental activities	<u>697,217,702</u>	<u>590,414,348</u>	<u>610,661,624</u>	<u>626,437,607</u>	<u>670,543,581</u>	<u>519,543,229</u>	<u>461,669,821</u>	<u>481,279,055</u>	<u>555,297,358</u>	<u>534,317,044</u>
Business-type activities:										
Environmental services	345,411,024	318,323,909	295,468,918	270,144,257	258,701,515	240,915,125	239,134,872	233,741,504	250,011,948	216,030,473
Water	161,248,941	145,958,266	148,014,801	131,695,155	120,880,132	112,702,102	101,728,593	104,180,389	98,335,604	91,635,821
Hydroelectric power	3,769,590	4,054,750	4,060,110	4,082,287	3,650,986	3,617,879	3,363,647	3,525,956	3,677,559	4,312,950
Parking facilities	13,753,023	12,896,245	12,164,895	12,092,247	11,901,704	11,316,355	10,708,326	12,033,569	11,795,452	11,174,857
Golf	8,695,532	7,990,960	8,270,199	7,734,929	7,434,680	7,754,612	8,388,970	7,157,913	6,654,847	6,154,250
Motor sports	1,712,727	1,424,301	1,704,966	1,752,621	29,123,925	1,875,497	1,922,096	1,650,541	2,140,723	1,778,963
Spectator facilities	10,802,343	10,804,342	10,891,500	10,460,489	8,870,310	8,846,051	9,000,391	8,401,058	7,002,481	6,846,642
Housing	1,093,766	868,533	970,625	1,015,467	13,124,628	-	-	-	-	-
Subtotal business-type activities	<u>546,486,946</u>	<u>502,321,306</u>	<u>481,546,014</u>	<u>438,977,452</u>	<u>453,687,880</u>	<u>387,027,621</u>	<u>374,246,895</u>	<u>370,690,930</u>	<u>379,618,614</u>	<u>337,933,956</u>
Total primary government	<u>\$ 1,243,704,648</u>	<u>\$ 1,092,735,654</u>	<u>\$ 1,092,207,638</u>	<u>\$ 1,065,415,059</u>	<u>\$ 1,124,231,461</u>	<u>\$ 906,570,850</u>	<u>\$ 835,916,716</u>	<u>\$ 851,969,985</u>	<u>\$ 934,915,972</u>	<u>\$ 872,251,000</u>

¹ Data as restated

City of Portland, Oregon
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ended June 30,	<u>Property Taxes</u>	<u>Lodging Taxes</u>	<u>Arts Taxes ¹</u>	<u>Other Taxes</u>	<u>Total Taxes</u>
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	426,963,931	21,359,108	-	1,701,077	450,024,116
2011 ²	431,476,220	19,142,687	-	408,159	451,027,066
2010	423,295,282	16,511,907	-	700,819	440,508,008
2009	381,077,264	23,571,670	-	758,737	405,407,671
2008	381,259,850	19,647,497	-	1,434,002	402,341,349
2007	353,562,638	17,526,682	-	1,259,198	372,348,518
2006	334,956,360	15,963,890	-	1,533,219	352,453,469

Source: Division of Assessment and Taxation for Multnomah, Clackamas and Washington Counties

¹ Data was added in FY2015

² Data was revised in FY2015

City of Portland, Oregon
Assessed Valuation and Actual Values of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30,	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
2015	\$ 48,870,874,358	\$ 1,086,490,310	\$ 1,364,018,730	\$ 51,321,383,398	7.40	\$ 92,618,335,901	55.41%
2014	44,803,583,386	1,957,482,679	2,257,891,313	49,018,957,378	7.93	84,044,895,532	58.00
2013	43,406,553,685	1,877,327,577	2,094,956,450	47,378,837,712	7.82	79,896,235,855	59.00
2012	42,300,972,173	1,870,775,539	2,121,534,522	46,293,282,234	7.68	81,163,435,001	57.00
2011	40,974,245,223	1,948,909,831	2,061,177,281	44,984,332,335	7.69	86,374,680,444	52.00
2010	* 39,707,015,212	2,039,362,255	2,040,333,669	43,786,711,136	7.81	89,022,110,363	49.00
2009	* 38,366,558,470	2,078,744,985	1,912,975,520	42,358,278,975	7.82	90,358,444,241	46.00
2008	36,475,200,791	2,105,142,882	2,081,423,119	40,661,766,792	7.90	84,290,979,378	48.00
2007	34,531,977,558	2,019,176,636	2,123,147,916	38,674,302,110	7.82	72,903,687,505	53.00
2006	33,300,593,343	1,889,115,863	1,987,779,685	37,177,488,891	7.92	65,309,180,486	56.00

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

* Data was revised in FY11

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 PDC ¹	Port of Portland	Metropolitan Service Districts	TriMet	Total
2015	\$ 7.25	\$ 0.40	\$ 0.24	\$ 7.89	\$ 4.49	\$ 9.54	\$ 0.26	\$ 0.07	\$ 0.46	\$ -	\$ 22.71
2014	7.19	0.40	0.22	7.81	4.54	7.76	0.28	0.07	0.47	-	20.93
2013	7.19	0.40	0.24	7.83	5.42	6.40	0.29	0.07	0.40	-	20.41
2012	7.05	0.40	0.24	7.69	5.44	8.32	0.29	0.07	0.32	0.06	22.19
2011	7.05	0.40	0.24	7.69	5.44	8.32	0.29	0.07	0.32	0.06	22.19
2010	7.21	0.40	0.19	7.80	5.38	7.62	0.30	0.07	0.41	0.09	21.67
2009	7.20	0.40	0.22	7.82	5.40	7.62	0.31	0.07	0.44	0.09	21.75
2008	6.92	0.79	0.19	7.90	5.42	7.49	0.34	0.07	0.43	0.09	21.74
2007	6.81	0.80	0.21	7.82	5.30	6.23	0.36	0.07	0.28	0.10	20.16
2006	6.90	0.80	0.22	7.92	5.31	5.72	0.38	0.07	0.28	0.12	19.80

Source: Multnomah County Division of Assessment and Taxation

¹ Portland Development Commission: 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, 2015			June 30, 2006		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Port of Portland	\$ 520,120,150	1	1.01 %	\$ 271,618,460	2	0.73 %
PacificCorp (PP&L)	322,958,320	2	0.63	236,208,000	4	0.64
Portland General Electric Co	322,148,670	3	0.63	255,639,280	3	0.69
Alaska Airlines	254,799,600	4	0.50	-	-	-
Comcast Corporation	252,861,400	5	0.49	-	-	-
Weston Investment Co LLC	239,512,720	6	0.47	-	-	-
Evrax Inc NA	219,672,950	7	0.43	-	-	-
AT&T, Inc	181,245,000	8	0.35	-	-	-
CenturyLink	174,124,000	9	0.34	-	-	-
CAPREF Lloyd Center LLC	156,532,270	10	0.31	-	-	-
Qwest Communications, Inc	-	-	-	324,547,600	1	0.87
Siltronic Corp.	-	-	-	178,237,850	5	0.48
Oregon Steel Mills, Inc.	-	-	-	154,010,820	6	0.41
LC Portland LLC	-	-	-	139,251,690	7	0.37
United Air Lines, Inc.	-	-	-	132,866,700	8	0.36
NW Natural Gas	-	-	-	130,103,480	9	0.35
Freightliner LLC (Daimler Chrysler)	-	-	-	125,363,195	10	0.34
Total	\$ 2,643,975,080		5.16 %	\$ 1,947,847,075		5.24 %
Total assessed valuation	\$ 51,321,383,398			\$ 37,177,488,891		

Source: Multnomah County Division of Assessment and Taxation and the City of Portland 2006 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
2015	\$ 494,785,514	\$ 467,210,020	94.43 %	\$ -	\$ 467,210,020	94.43%
2014	467,516,063	440,453,970	94.21	6,493,673	446,947,643	95.60
2013	452,452,709	425,290,736	94.00	9,340,584	434,631,320	96.06
2012	445,043,642	412,972,199 ²	92.79	12,045,490	425,017,689	95.50
2011	445,238,206	416,836,027	93.62	14,215,776	431,051,803	96.81
2010	436,246,475	407,939,510	93.51	15,704,757	423,644,267	97.11
2009	397,821,681	368,922,355	92.74	16,770,184	385,692,539	96.95
2008	394,491,508	369,478,250	93.66	13,733,906	383,212,156	97.14
2007	363,073,424	341,570,207	94.08	11,913,874	353,484,081	97.36
2006	346,053,142	324,530,783	93.78	11,381,734	335,912,517	97.07

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.									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental activities:										
Capitalized lease obligations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 472,083
General obligation bonds	83,625,000	75,850,000	62,675,000	70,740,000	78,530,000	58,890,000	66,820,000	56,770,000	61,770,000	66,580,000
Limited tax improvement bonds	43,315,000	48,625,000	50,700,000	55,940,000	57,425,000	63,105,000	44,260,000	49,460,000	55,250,000	15,795,000
Urban renewal and redevelopment bonds	457,420,000	490,735,000	519,785,000	508,130,000	425,050,000	353,405,000	334,445,000	308,330,000	271,730,000	284,595,000
Limited tax and limited tax revenues bonds	375,114,861	405,413,191	387,503,608	376,042,730	388,347,991	420,165,722	422,137,316	439,919,759	426,681,483	416,340,215
Revenue bonds	13,049,000	14,974,000	16,820,000	18,515,000	3,715,000	4,295,000	4,865,000	5,415,000	5,940,000	6,450,000
Notes, loans and lines of credit payable	77,000,697	57,526,763	71,688,388	97,914,167	124,454,570	183,116,127	194,129,708	169,416,794	155,161,651	141,934,922
Unamortized premiums and discounts	33,717,592	36,904,989	31,860,103	28,556,970	11,106,340	12,543,878	10,117,000	10,110,051	10,326,433	9,405,917
Total governmental activities	1,083,242,150	1,130,028,943	1,141,032,099	1,155,838,867	1,088,628,901	1,095,520,727	1,076,774,024	1,039,421,604	986,859,567	941,573,137
Business-type activities:										
Capitalized lease obligations	-	-	-	-	-	-	84,772	139,129	562,456	1,167,271
General obligation bonds	-	-	-	-	-	1,590,000	3,135,000	4,630,000	6,080,000	7,485,000
Limited tax and limited tax revenue bonds	113,331,618	123,936,784	133,164,668	142,052,566	138,179,477	134,415,413	140,815,546	146,888,088	149,854,242	153,801,017
Revenue bonds	2,341,685,000	2,176,310,002	2,091,980,000	1,957,895,000	2,042,696,000	1,640,956,000	1,640,114,000	1,618,758,000	1,410,071,000	1,404,041,000
Notes and loans payable	16,273,040	17,810,751	97,796,100	20,815,849	32,472,241	182,355,327	20,034,963	21,145,029	21,355,431	13,060,750
Unamortized premiums and discounts	137,482,803	117,958,078	115,881,875	87,643,791	96,956,081	59,228,268	64,242,224	69,738,415	52,389,763	41,908,992
Total business-type activities	2,608,772,461	2,436,015,615	2,438,822,643	2,208,407,206	2,310,303,799	2,018,545,008	1,868,426,505	1,861,298,661	1,640,312,892	1,621,464,030
Total primary government	\$ 3,692,014,611	\$ 3,566,044,558	\$ 3,579,854,742	\$ 3,364,246,073	\$ 3,398,932,700	\$ 3,114,065,735	\$ 2,945,200,529	\$ 2,900,720,265	\$ 2,627,172,459	\$ 2,563,037,167
Percentage of personal income ¹	N/A	3.52 %	3.63 %	3.60 %	3.82 %	3.44 %	3.39 %	3.33 %	3.34 %	3.51 %
Per capita ¹	\$ 6,138	\$ 6,023	\$ 6,090	\$ 5,743	\$ 5,822	\$ 5,349	\$ 5,114	\$ 5,103	\$ 4,669	\$ 4,607

Source: Bureau of Financial Services

N/A: Data not available for this fiscal year.

¹ Data was revised in FY15.

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*	Total Taxable Assessed Value	Percentage of Estimated Actual Taxable Value of Property	Per Capita	Population
2015	\$ 83,586,668	\$ 51,321,383,398	0.16 %	\$ 139	601,510
2014	75,511,168	49,018,957,378	0.15	128	592,120
2013	62,136,842	47,378,837,712	0.13	106	587,865
2012	69,938,604	46,293,282,234	0.15	119	585,845
2011	77,789,280	44,984,332,334	0.17	133	583,775
2010	58,206,868	43,786,711,136	0.13	100	582,130
2009	66,332,480	42,358,278,975	0.16	115	575,930
2008	56,270,499	40,661,766,792	0.14	99	568,380
2007	61,050,970	38,674,302,110	0.16	108	562,690
2006	66,007,710	37,177,488,891	0.18	119	556,370

Note: Represents general obligation bonded debt issued for funding parks and emergency facilities projects

* Data was revised in 2014.

Business-type Activities

Fiscal Year Ended June 30	General Obligation Bonds	Total Taxable Assessed Value	Percentage of Estimated Actual Taxable Value of Property	Per Capita	Population
2015	\$ -	\$ 51,321,383,398	- %	\$ -	601,510
2014	-	49,018,957,378	-	-	592,120
2013	-	47,378,837,712	-	-	603,106
2012	-	46,293,282,234	-	-	585,845
2011	-	44,984,332,334	-	-	583,775
2010	1,590,000	43,786,711,136	-	3	582,130
2009	3,135,000	42,358,278,975	0.01	5	575,930
2008	4,630,000	40,661,766,792	0.01	8	568,380
2007	6,080,000	38,674,302,110	0.02	11	562,690
2006	7,485,000	37,177,488,891	0.02	13	556,370

Note: Represents general obligation bonded debt issued for Water infrastructure

City of Portland, Oregon
Direct and Overlapping Governmental Activities Debt
June 30, 2015
(unaudited)

Jurisdiction	Net Property Tax Backed Debt	Percentage within City of Portland	Amount Applicable to City of Portland
Clackamas Community College	\$ 65,124,500	0.20 %	\$ 130,249
Clackamas County	96,962,400	0.25	242,406
Clackamas County SD* 7J (Lake Oswego)	125,775,000	0.02	25,155
Clackamas County SD 12 (North Clackamas)	328,244,200	0.50	1,641,221
Columbia County SD 1J (Scappoose)	30,209,739	6.12	1,848,836
Metro	193,209,458	43.34	83,736,979
Mt Hood Community College	24,443,674	40.56	9,914,354
Multnomah County	171,819,353	85.21	146,407,271
Multnomah County Drainage District 1	80,000	100.00	80,000
Multnomah County SD 1J (Portland)	757,145,858	97.63	739,201,501
Multnomah County SD 3 (Parkrose)	58,964,940	98.28	57,950,743
Multnomah County SD 7 (Reynolds)	101,847,276	22.14	22,548,987
Multnomah County SD 51J (Riverdale)	23,841,073	5.31	1,265,961
Multnomah County SD 28J (Centennial)	26,838,432	54.54	14,637,681
Multnomah County SD 40 (David Douglas)	97,151,607	100.00	97,151,607
Portland Community College	160,102,877	46.75	74,848,095
Tualatin Hills Park & Recreation District	105,365,000	0.02	21,073
Washington County	20,228,889	0.27	54,618
Washington County SD 23J (Tigard-Tualatin)	93,141,000	0.10	93,141
Washington County SD 48J (Beaverton)	844,318,929	0.28	2,364,093
Subtotal overlapping debt	<u>\$ 3,324,814,205</u>		1,254,163,971
City direct debt			<u>1,083,242,150</u>
Total direct and overlapping debt			<u>\$ 2,337,406,121</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.									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt Limit	\$ 2,778,550,077	\$ 2,521,346,866	\$2,396,887,076	\$2,434,903,050	\$2,591,240,413	\$2,670,663,311	\$2,710,753,327	\$2,528,729,381	\$2,187,110,625	\$1,959,275,415
Total net debt applicable to limit	<u>83,586,668</u>	<u>75,511,168</u>	<u>62,136,842</u>	<u>69,938,604</u>	<u>77,789,280</u>	<u>58,206,868</u>	<u>66,332,480</u>	<u>56,270,499</u>	<u>61,050,970</u>	<u>66,007,710</u>
Legal debt margin	<u>\$ 2,694,963,409</u>	<u>\$ 2,445,835,698</u>	<u>\$2,334,750,234</u>	<u>\$2,364,964,446</u>	<u>\$2,513,451,133</u>	<u>\$2,612,456,443</u>	<u>\$2,644,420,847</u>	<u>\$2,472,458,882</u>	<u>\$2,126,059,655</u>	<u>\$1,893,267,705</u>
Total net debt applicable to limit as a percentage of legal debt margin	3.10 %	3.09 %	2.66 %	2.96 %	3.09 %	2.23 %	2.51 %	2.28 %	2.87 %	3.49 %
Legal Debt Margin Calculation for Fiscal Year 2015										
Real market value	\$ 92,618,335,901									
Debt limit (3% of real market value)	<u>2,778,550,077</u>									
Debt applicable to limit:										
General obligation bonds	83,625,000									
Less: Amount set aside for repayment of general obligation debt	<u>(38,332)</u>									
Total net debt applicable to limit	<u>83,586,668</u>									
Legal debt margin	<u>\$ 2,694,963,409</u>									

Note: Oregon Revised Statutes Section 287.004 provides a debt limit of 3% of real market value of all taxable property within City boundaries for general obligation debt.

**City of Portland, Oregon
Pledged-Revenue Coverage
Sewer System
Last Ten Fiscal Years**

First Lien Sewer System Revenue Bonds¹

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			Non- Stabilized Coverage	Stabilized Coverage
						Principal	Interest	Total		
2015	\$ 332,183,868	\$ 95,223,004	\$ 236,960,864	\$ (25,250,000)	\$ 211,710,864	\$ 60,585,000	\$ 35,039,760	\$ 95,624,760	2.48	2.21
2014	310,133,578	98,727,948	211,405,630	(21,375,000)	190,030,630	57,675,000	40,110,644	97,785,644	2.16	1.94
2013	284,975,424	102,302,929	182,672,495	7,550,000	190,222,495	54,940,000	42,866,394	97,806,394	1.87	1.94
2012	264,178,982	93,966,499	170,212,483	18,585,000	188,797,483	52,300,000	45,489,894	97,789,894	1.74	1.93
2011	250,891,268	89,421,417	161,469,851	29,500,000	190,969,851	49,815,000	47,988,894	97,803,894	1.65	1.95
2010	231,689,729	87,213,116	144,476,613	9,750,000	154,226,613	40,050,000	49,982,294	90,032,294	1.60	1.71
2009	231,577,544	84,871,252	146,706,292	10,000,000	156,706,292	35,680,000	54,345,994	90,025,994	1.63	1.74
2008	225,984,310	81,477,760	144,506,550	(16,882,000)	127,624,550	32,300,000	40,042,644	72,342,644	2.00	1.76
2007	247,913,130	79,468,846	168,444,284	(7,000,000)	161,444,284	31,770,000	42,619,653	74,389,653	2.26	2.17
2006	208,771,380	72,220,503	136,550,877	(23,000,000)	113,550,877	26,585,000	35,346,556	61,931,556	2.20	1.83
								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

Fiscal Year Ended June 30,	Second Lien Sewer System Revenue Bonds ¹									
	Gross Revenues ²	Less: Operating Expenses ²	Non-Stabilized Net Revenues Available for Debt Services	Net Transfers From (to) Rate Stabilization Fund	Stabilized Net Revenue Available for Debt Services	Combined First and Second Lien Bond Debt Service Requirement ³		Total	Non-Stabilized Coverage	Stabilized Coverage
						Principal	Interest ⁴			
2015	\$ 332,183,868	\$ 95,223,004	\$ 236,960,864	\$ (25,250,000)	\$ 211,710,864	\$ 81,555,000	\$ 80,684,059	\$ 162,239,059	1.46	1.30
2014	310,133,578	98,734,741	211,398,837	(21,375,000)	190,023,837	71,830,000	74,758,838	146,588,838	1.44	1.30
2013	284,975,424	102,302,929	182,672,495	7,550,000	190,222,495	70,805,000	76,076,831	146,881,831	1.24	1.30
2012	264,178,982	93,966,499	170,212,483	18,585,000	188,797,483	67,540,000	79,341,406	146,881,406	1.16	1.29
2011	250,891,268	89,421,417	161,469,851	29,500,000	190,969,851	72,685,000	73,602,513	146,287,513	1.10	1.31
2010	231,689,729	87,213,116	144,476,613	9,750,000	154,226,613	52,460,000	66,076,106	118,536,106	1.22	1.30
2009	231,577,544	84,871,252	146,706,292	10,000,000	156,706,292	47,040,000	72,584,279	119,624,279	1.23	1.31
2008	225,984,310	81,477,760	144,506,550	(16,882,000)	127,624,550	42,425,000	52,222,706	94,647,706	1.53	1.35
2007	247,913,130	79,468,846	168,444,284	(7,000,000)	161,444,284	41,190,000	55,523,990	96,713,990	1.74	1.67
2006	208,771,380	72,220,503	136,550,877	(23,000,000)	113,550,877	34,020,000	42,169,809	76,189,809	1.79	1.49
								Required	1.00	1.10
								Bureau Goal	1.00	1.30

Fiscal Year Ended June 30,	Subordinate Lien Sewer System State Revolving Fund Loans ¹													
	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 and Second Lien Bond Debt Service Requirements			Subordinate Lien SRF Loan Debt Service Requirements			135% of Subord. Lien Debt Service	Non-Stabilized Coverage	Stabilized Coverage
						Principal	Interest ⁵	Total	Principal	Interest	Total			
2015	\$332,183,868	\$ 95,223,004	\$236,960,864	\$(25,250,000)	\$211,710,864	\$ 81,555,000	\$ 80,684,059	\$162,239,059	\$ 1,338,950	\$ 174,084	\$ 1,513,034	\$ 2,042,596	1.44	1.29
2014	310,133,578	98,727,948	211,405,630	(21,375,000)	190,030,630	71,830,000	74,758,838	146,588,838	1,325,584	187,450	1,513,034	2,042,596	1.42	1.28
2013	284,975,424	102,302,929	182,672,495	7,550,000	190,222,495	70,805,000	76,076,831	146,881,831	1,312,759	200,275	1,513,034	2,042,596	1.23	1.28
2012	264,178,982	93,966,499	170,212,483	18,585,000	188,743,483	67,540,000	79,341,406	146,881,406	1,264,705	204,835	1,469,540	1,983,879	1.14	1.27
2011	250,891,268	89,421,417	161,469,851	29,500,000	190,969,851	72,685,000	73,602,513	146,287,513	1,153,142	192,363	1,345,505	1,816,432	1.09	1.29
2010	231,689,729	87,213,116	144,476,613	9,750,000	154,226,613	52,460,000	66,076,106	118,536,106	1,135,181	196,530	1,331,711	1,797,810	1.20	1.28
2009	231,577,544	84,871,252	146,706,292	10,000,000	156,706,292	47,040,000	72,584,279	119,624,279	1,107,505	206,085	1,313,590	1,773,347	1.21	1.29
2008	225,984,310	81,477,760	144,506,550	(16,882,000)	127,624,550	42,425,000	52,148,041	94,573,041	1,074,387	200,533	1,274,920	1,721,142	1.50	1.33
2007*	247,913,130	79,468,846	168,444,284	(7,000,000)	161,444,284	41,190,000	55,914,051	97,104,051	89,582	117,702	207,284	279,833	1.73	1.66
2006	208,771,380	72,220,503	136,550,877	(23,000,000)	113,550,877	34,020,000	43,336,274	77,356,274	37,421	4,012	41,433	55,935	1.76	1.47
												Required	None	1.00

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.
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.

* Data was revised in 2014.

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	
2015	\$ 162,528	\$ 67,951	\$ 94,577	\$ 13,230	\$ 14,921	\$ 28,151	3.36
2014	147,497	65,035	82,462	12,290	14,125	26,415	3.12
2013	148,656	66,199	82,457	15,520	15,991	31,511	2.62
2012	132,356	67,670	64,686	11,885	15,141	27,026	2.39
2011	118,700	64,373	54,327	10,015	12,128	22,143	2.45
2010	113,688	66,159	47,529	9,157	8,510	17,667	2.69
2009	105,433	64,275	41,158	6,465	8,528	14,993	2.75
2008	103,261	64,430	38,831	6,155	6,112	12,267	3.17
2007	103,268	55,640	47,628	5,760	6,643	12,403	3.84
2006	93,600	50,055	43,545	5,505	7,029	12,534	3.47

Source: Portland Water Bureau

Note: Other Postemployment Retirement Benefits (OPEB) cost is included as operating expense.

There was no OPEB expense prior to FY 2007-2008.

¹ Amounts in schedule are calculated in accordance with applicable bond ordinances. However, for purposes of the CAFR disclosure and per guidance from debt management office, the GASB Statement No. 68 negative expense of \$12.8 million for FY 2014-2015 is excluded from the coverage calculation.

City of Portland, Oregon
Schedule of Revenue Bond Coverage
Second Lien Water System Revenue Bonds
(unaudited)
(amounts expressed in thousands)

<u>Fiscal</u> <u>Year</u> <u>Ended</u> <u>June 30,</u>	Gross Revenues ²	Direct Operating Expenses (4) ²	Net Revenues Available for Debt Service	Transfers From (To) Rate Stabilization Account	Stabilized Net Revenue Available for Debt Service	<u>Combined First and Second Lien Bond Debt Service Requirements</u> ¹			Non-Stabilized Coverage (x)	Stabilized Coverage ³
						Principal	Interest	Total		
2015	\$ 162,528	\$ 67,951	\$ 94,577	\$ (2,500)	\$ 92,077	\$ 24,760	\$ 25,446	\$ 50,206	1.88	1.83
2014	147,497	65,035	82,462	428	82,890	21,685	24,043	45,728	1.80	1.81
2013	148,656	66,199	82,457	(12,600)	69,857	17,435	18,626	36,061	2.29	1.94
2012	132,356	67,670	64,686	(1,560)	63,126	13,720	17,856	31,576	2.05	2.00
2011	118,700	64,373	54,327	(3,290)	51,037	11,770	14,919	26,689	2.04	1.91
2010	113,688	66,159	47,529	(7,400)	40,129	10,190	12,027	22,217	2.14	1.81
2009	105,433	64,275	41,158	(2,250)	38,908	8,060	11,480	19,540	2.11	1.99
2008	103,261	64,430	38,831	(3,500)	35,331	7,675	9,143	16,818	2.31	2.10

Source: Portland Water Bureau

Note: Other Postemployment Retirement Benefits (OPEB) cost is included as operating expense. There was no OPEB expense prior to FY 2007-2008.

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.

³ The Second Lien Rate Stabilization Account was created with the issuance of the 2006 Series A Bonds. There were no Second Lien Bonds prior to FY 2006-07

⁴ Amounts in schedule are calculated in accordance with applicable bond ordinances. However, for purposes of CAFR disclosure and per guidance from the debt management office, the GASB Statement No. 68 negative expense of \$12m for FY 2014-2015 is excluded from the coverage calculation.

**City of Portland, Oregon
Demographic Statistics
Last Ten Fiscal Years
(unaudited)**

<u>Fiscal Year Ended June 30,</u>	<u>City of Portland Population¹</u>	<u>Metropolitan Statistical Area Population²</u>	<u>Personal Income (expressed in thousands)²</u>	<u>Per Capita Personal Income²</u>	<u>Portland Public Schools Enrollment³</u>	<u>Unemployment Rate⁴</u>
2015	601,510	N/A	N/A	N/A	N/A	5.4%
2014	592,120	2,314,554	\$ 101,210,007	\$ 43,728	48,745	6.1
2013	587,865	2,289,800	98,698,029	43,103	48,098	7.6
2012	585,845	2,262,605	93,449,170	41,302	47,505	8.5
2011	583,775	2,232,896	88,964,975	39,843	47,288	9.4
2010	582,130	2,233,417	90,653,694	40,590	46,803	10.2
2009	575,930	2,241,841	86,822,197	38,728	46,046	11.5
2008	568,380	2,207,462	87,052,644	39,436	46,088	4.9
2007	562,690	2,133,775	78,618,336	36,845	46,348	5.1
2006	556,370	2,092,906	73,086,912	34,921	47,008	5.8

NA: Data not available for this fiscal year

¹ Portland State University Research Center, Department of Commerce, Bureau of Economic Analysis (PSURC updated April 2014 new estimates for 2010; revised estimates for 2006-2013).

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).

³ Portland Public Schools, Data and Policy Analysis Fall Membership 2014

⁴ U.S. Department of Labor, Bureau of Labor Statistics

**City of Portland, Oregon
Principal Employers
Current Year and Nine Years Ago
(unaudited)**

Employer	2015			2006		
	Employees ¹	Rank	Percentage of Total Metropolitan Statistical Area Employment ²	Employees ³	Rank	Percentage of Total Metropolitan Statistical Area Employment ²
Intel Corporation	17,500	1	1.56%	15,500	3	1.46%
U.S. Federal Government	17,500	2	1.56	18,400	2	1.74
Providence Health and Services	15,239	3	1.36	14,007	4	1.32
Oregon Health & Science University	14,616	4	1.30	11,400	6	1.08
State of Oregon	14,200	5	1.26	21,200	1	2.00
Kaiser Permanente NW	11,881	6	1.06	7,900	9	0.75
Legacy Health System	10,436	7	0.93	7,900	8	0.75
Fred Meyer	10,237	8	0.91	9,663	7	0.91
City of Portland	8,558	9	0.76	-	N/A	-
Nike, Inc.	8,000	10	0.71	-	N/A	-
Portland Public Schools	-	N/A	-	6,759	10	0.64
Safeway, Inc.	-	N/A	-	13,453	5	1.27
Total	128,167		11.41%	126,182		11.92%
Total MSA ² employment	1,123,972			1,059,635		

Sources:

¹ Portland Business Journal; Book of Lists 2015

² Due to the unavailability of current MSA statistics from the Bureau of Labor Statistics at the time of preparation, an estimate based on 2010-2014 employment trends was utilized. 2006 Total MSA employment is extracted from actual Bureau of Labor Statistics data.

³ Portland Metropolitan Fact Book - 2006 published by the Portland Oregon Visitors Association.

City of Portland, Oregon
Full-Time Equivalent ¹ Employees by Function/Program
Last Ten Fiscal Years
(unaudited)

Function/Program	Full-time Equivalent Employees as of June 30.									
	2015 ⁷	2014 ⁶	2013 ⁵	2012 ³	2011 ²	2010	2009	2008	2007	2006
Public safety	2,079	2,059	2,117	2,159	2,163	2,178	2,212	2,216	2,190	2,112
Parks, recreation and culture	457	433	411	441	445	447	434	413	408	414
Community development	501	448	402	393	390	505	562	546	503	474
Transportation	760	734	738	761	751	743	802	788	768	757
Legislative / admin / support services	819	817	833	865	858	852	832	821	834	931
Environmental services	524	521	533	539	548	541	524	504	484	479
Water	567	579	617	626	638	627	666	664	658	487
Hydroelectric power ⁴	2	2	2	2	3	3	3	3	3	3
Total employees	5,709	5,593	5,653	5,786	5,796	5,896	6,035	5,955	5,848	5,657

Sources: Adopted Budget City of Portland, Oregon, Fiscal Year 2014-2015, 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 2088.

² Amount represents revised FY 2010-11 amount as published in the Adopted Budget FY 2011-12.

³ Amount represents year-end estimate as published in the Adopted Budget FY 2012-13.

⁴ Hydroelectric power employees are part of the Water Bureau.

⁵ Amount represents year-end estimate as published in the Adopted Budget FY 2012-13.

⁶ Amount represents revised FY 2013-14 amount as published in the Adopted Budget FY 2014-15.

⁷ Amount represents revised FY 2014-15 amount as published in the Adopted Budget FY 2015-16.

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

Function/Program	Fiscal Year Ended June 30,									
	2015 ¹	2014	2013	2012	2011	2010	2009	2008	2007	2006
Public safety:										
Number of crimes (parts 1 and 2)	67,305	63,247	62,646	64,000	66,878	64,919	70,715	76,377	80,771	87,219
Number of police incidents (dispatched / reported / initiated)	500,759	491,272	507,203	504,509	489,983	473,789	424,817	444,349	450,729	464,415
Number of fire, medical and other incidents	106,461	72,020	65,912	68,979	67,212	65,912	67,238	65,721	65,304	61,466
Fire loss per capita, adjusted	\$ 25	\$ 43	\$ 49	\$ 33	\$ 24	\$ 52	\$ 53	\$ 33	\$ 41	\$ 47
Numbers of calls on emergency 9-1-1 lines	440,151	402,430	468,738	374,053	363,440	355,963	464,084	486,759	503,842	495,800
Calls per capita, emergency and non-emergency	1	1	1	1	1	1	1	1	1	1
Disaster exercises conducted	19	12	3	4	4	4	4	5	5	5
Parks, recreation and culture:										
Estimated attendance counts (millions)	5	5	5	4	4	6	5	6	6	6
Number of acres maintained (including golf courses and PIR)	11,697	11,656	11,546	11,415	11,209	10,940	10,795	10,763	10,685	10,613
Numbers of hours volunteered	471,638	464,473	475,324	474,709	453,941	460,746	465,353	462,877	461,274	457,307
Community development:										
Construction inspections	152,426	141,847	134,391	109,495	124,094	131,011	176,626	209,916	217,138	191,347
Building permits	10,788	9,889	9,013	8,017	7,490	7,410	8,843	10,621	11,437	11,031
Tons of recycling collected (thousands)	1,198	N/A	880	N/A	N/A	600	720	680	645	553
One night shelter count of homeless	1,914	2,546	2,546	3,112	2,727	4,448	4,187	3,529	3,018	2,840
Adults served in homeless programs	11,919	12,048	8,716	7,559	9,288	14,524	12,196	10,446	10,622	10,091
Transportation and parking:										
Unimproved streets (centerline miles) ²	56	56.0	57	60	N/A	61	N/A	N/A	N/A	627
Miles resurfaced/sealed/rehabilitated (lane miles) ³	103	50.0	34	35	42	43	38	N/A	120	59
Streets swept (curb miles)	24,580	26,366	28,222	38,773	40,005	40,290	35,386	44,941	45,525	49,482
Legislative / admin / support services:										
Litigation cases	1,347	1,450	1,500	2,100	2,000	2,110	1,975	2,100	2,103	2,074
Number of audit services reports issued	12	12	12	12	12	12	12	12	12	14
Number of active grants - all types	550	475	475	475	475	475	328	281	231	264
Percentage of availability of all vehicles	95 %	90 %	90 %	90 %	90 %	90 %	90 %	90 %	90 %	85 %
Number of work orders completed	18,000	18,000	18,500	20,000	22,000	22,000	33,000	30,000	37,934	26,845

Continued next page

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

Function/Program	Fiscal Year Ended June 30,									
	2015 ¹	2014	2013	2012	2011	2010	2009	2008	2007	2006
Environmental services:										
Wastewater treated (billions of gallons)	28	28	29	28	30	28	25	29	30	29
Miles of pipe cleaned	350	312	361	256	257	220	216	213	190	263
Water:										
Population served with water	962,000	956,200	938,600	934,800	932,400	915,800	884,300	879,900	860,000	801,900
Annual per capita water usage (gallons)	34,900	33,500	35,200	34,700	35,300	37,600	39,800	40,500	42,000	42,300
Water delivered (billions of gallons)	34	32	33	33	33	34	35	35	36	34
Hydroelectric power:										
Power sold to PGE (mwh)	93,800	83,100	50,400	85,200	85,000	77,570	85,825	103,548	79,413	83,969

Sources: Adopted Budget City of Portland, Oregon, Fiscal Year 2015-16, Volume 1 City of Portland, Bureau of Transportation, Asset Status and Condition Report

NA: Data not available for this fiscal year

¹ Amount represents year-end estimates as published in the most recent Adopted Budget

² Centerline miles are the actual length of a roadway in one direction of travel.

³ Lane miles are computed by multiplying street length by number of lanes in the street. (One mile of 4-lane streets = 4 lane miles).

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

Function/Program	Fiscal Year Ended June 30.									
	2015 ¹	2014	2013	2012	2011	2010	2009	2008	2007	2006
Public safety:										
Number of front-line emergency vehicles	77	82	81	81	80	73	80	68	68	65
Fire stations	30	30	30	30	30	30	30	30	30	30
Police precincts	3	3	3	3	3	3	3	5	5	5
Police vehicles	641	644	627	688	673	653	659	644	645	652
Parks, recreation and culture:										
Developed parks	144	212	203	203	196	187	186	187	181	180
Sports fields ²	234	234	232	225	225	351	351	326	326	333
Arts and community centers	15	18	18	18	18	18	18	18	18	18
Pools	13	13	13	13	13	13	13	13	13	13
Golf courses	6	6	5	5	5	5	5	5	5	5
Transportation:										
Lane miles of streets	4,833	4,835	4,829	4,907	4,931	4,776	4,804	3,949	3,949	3,941
Miles of bikeways	345	338	331	328	328	324	277	272	266	262
Number of street lights	55,864	55,654	55,477	55,055	54,911	54,755	54,963	54,588	55,977	54,011
Unpaved streets	56	56	57	60	31	61	-	-	-	-
Environmental services:										
Sanitary, storm and combined pipeline (miles)	3,015	3,006	2,300	2,336	2,330	2,330	2,333	2,324	2,308	2,287
Water:										
Miles of water mains	2,253	2,253	2,250	2,200	2,100	2,100	2,090	2,089	2,088	2,083
Fire hydrants	14,386	14,326	14,200	14,200	14,000	14,000	14,228	14,263	14,197	14,045
Local water storage (millions of gallons)	364	288	289	301	220	220	295	298	298	298
Hydroelectric power:										
Utility plants	3	3	2	2	2	2	2	2	2	2

Sources: Adopted Budget City of Portland, Oregon, Fiscal Year 2014-2015, Volume 1
Previous years of the City of Portland, Oregon Comprehensive Annual Financial Reports
2014 City-wide Assets Report, Portland Bureau of Planning and Sustainability
Portland Police Bureau
Portland Parks & Recreation Bureau
Portland Bureau of Transportation
Portland Bureau of Environmental Services
Portland Water Bureau

¹ Amount represents year-end estimate as published in the most recent Adopted Budget.

² From 2012 and on, the amounts represents sports fields owned by the City of Portland. Amounts prior to 2012 include fields that the City of Portland permits.

Audit Comments and Disclosures



Skidmore Fountain, 1888

Blank back of tab

**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, 2015 and have issued our report thereon dated December 1, 2015. 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 basic financial statements are free from 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 162-010-0000 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	Introduction	None Noted
162-010-0030	General Requirements	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
162-010-0160	Schedule of Bonded or Long-Term Debt Transactions	None Noted
162-010-0170	Schedule of Future Requirements for Retirement of Bonded or Long-Term Debt	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

MOSS ADAMS LLP

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 test disclosed no instances of noncompliance that are required to be reported under Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State, except those noted below.

- The City has deficit fund balances in three funds, which are described in Note II.C. of the City's financial statements.
- Our single audit over the City's federal grant programs identified instances of noncompliance and related internal control weaknesses that will be reported in the Schedule of Findings and Questioned Costs included in a separately issued report.

Internal Control Over Financial Reporting

In planning and performing our audit, 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. 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 over financial reporting 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 deficiencies, significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 intended solely for the information of City of Portland, Oregon's management, and State of Oregon and is not intended to be and should not be used by anyone other than those specified parties. 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
Eugene, Oregon
December 1, 2015