

City of Portland, Oregon

Annual Comprehensive Financial Report

FOR THE
YEAR ENDED
JUNE 30,
2023



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City of Portland, Oregon

Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2023



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

Michael Jordan, Chief Administrative Officer
Michelle R. Kirby, CPA, Chief Financial Officer



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INTRODUCTORY SECTION



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Office of Management and Finance

Michael Jordan, Chief Administrative Officer



October 30, 2023

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

The Bureau of Revenue and Financial Services is pleased to submit the Annual Comprehensive Financial Report of the City of Portland, Oregon (the City) for the fiscal year (FY) ended June 30, 2023.

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

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

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

The City Charter requires the elected City Auditor to conduct financial audits of the City in accordance with generally accepted governmental auditing standards, and to appoint,

coordinate and monitor the annual audit of the City's financial statements by an independent licensed public accountant. The City's financial records have been audited by the independent Certified Public Accountants, Moss Adams LLP, who were competitively selected by the Office of the City Auditor to be the City's financial auditors. The Independent Auditor's Report on the City's financial statements is included in the financial section of this report.

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

THE REPORT

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

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

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

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

CITY PROFILE

The City comprises an area of approximately 145 square miles in northwestern Oregon, with a population estimate of 635,067 as of July 1, 2022, making Portland the 26th largest city in the United States. Located astride the Willamette River at its confluence with the Columbia

River, the City is the center of commerce, finance, industry, services and transportation for a metropolitan area of more than two million people. The City is the largest city in Oregon, the seat of Multnomah County, and the second largest city in the Pacific Northwest. The climate of the area is marked by warm, dry summers and mild-to-chilly, rainy winters. This climate is ideal for growing roses and for more than a century, Portland has been known as the “City of Roses”. Portland is also notable for its land-use planning and investment in public transportation. The City is frequently recognized as one of the most environmentally conscious or “green” cities in the United States because of its high walkability, large community of bicyclists, expansive network of public transportation options, 11,000+ acres of public parks, and commitment to sustainability.

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

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

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

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

ECONOMIC CONDITIONS AND OUTLOOK

Recent economic performance

The public health crisis put an end to the nation's longest modern economic expansion. Over the last few years, states and cities have had varied policies regarding stay-at-home orders, which have greatly impacted the economy. Local employment losses peaked in April 2020, though some of those losses have rebounded as businesses reopened and customers returned. The Multnomah County unemployment rate ballooned to 14.0% in April 2020 but has completely recovered with the June 2023 reading coming in at 3.4%. Meanwhile, the local real estate market had stayed relatively strong compared to the broader economy, as a variety of market conditions have led to accelerating home price growth. However, as expected, this trend reversed with higher interest rates increasing borrowing costs and impacting both supply and demand.

The 2023 calendar year CPI-W, which determines the cost of living increases for nearly all City employees and is the cost inflator for many of the City's vendor contracts, rose 2.6% over the first six months of 2023. Should this trend continue for the rest of 2023, this represents a substantial decrease in cost pressures as inflation as come in above the contractual ceiling of 5.0% in each of the last two fiscal years.

The City has two primary General Fund revenue sources that are typically acutely

sensitive to economic conditions: business license taxes and transient lodging taxes. Because nearly all collections in FY 2019-20 were for economic activity that occurred prior to the pandemic, business license tax revenues reached record levels, growing to more than \$170 million. Surprisingly this trend continued through the pandemic as receipts grew to \$178.5 million in FY 2020-21, \$205.8 million in FY 2021-22, and \$206.2 million in FY 2022-23. As expected, transient lodging taxes fell dramatically in FY 2020-21 due to the public health crisis and stay-at-home orders, resulting in the lowest revenue received in at least 30 years. Now that travel and tourism have opened considerably, revenues have recovered rapidly, and FY 2023-24 revenue was within half a million of the FY 2019-20 amount. Overall, General Fund revenue from external sources increased by over 3.6% in FY 2022-23 over FY 2021-22.

Outlook

The local economy has rebounded from the worst of the pandemic impact. However, worker shortages in sectors such as leisure and hospitality, and the disparate impact to different socioeconomic groups are working as headwinds. Meanwhile, incomes for higher-paying industries and those with significant stock market holdings have largely remained intact or flourished over the past two years. As a result of both the labor market, emerging demographic trends, and very low interest rates, the real estate market had been robust during the pandemic. However, as expected given rising interest rates and the corresponding increase to borrowing costs, the real estate market slowed considerably during FY 2022-23. This trend is expected to moderate in the short-term.

The City saw record revenue growth prior to the pandemic, as local economic growth exceeded both national and state averages. For at least the General Fund, revenues were resilient in the face of the widespread disruption to local and global economies. This is true of many governments in Oregon that depend on property and income taxes for funding. Internal factors, such as increasing costs from new labor contracts or Portland's voter-mandated transition of government, and external factors, including the performance of the global economy, urban downtowns, inflation, trade patterns, and overall geopolitical uncertainty, could actively harm the general economic conditions that underlie the City's forecast assumptions.

FINANCIAL POLICIES, PLANNING AND CONTROLS

Financial policies

The City Council has adopted and adheres to a set of Comprehensive Financial Management Policies. These policies serve as the blueprint for management to achieve and maintain fiscal stability and sustainability, ensuring the City is financially able to meet its immediate and long-term service objectives. Topics covered in the City's

financial policies include budgeting, revenue, financial planning, financial reporting, internal controls, cost allocation, investment and debt management, and reserve funds. The policies are periodically reviewed and amended to reflect best practices and compliance with external requirements such as GAAP and Local Budget Law.

Long-term financial planning

The City maintains a five-year financial planning horizon and balances requirements to resources over the life of the five-year forecast. Per City Financial Policy, City bureaus are directed to prepare a five-year financial plan for managed funds and submit those plans with the bureau's annual requested budget. Among other criteria, five-year plans are expected to include reasonable cost assumptions for asset management needs, clearly call out anticipated changes to service levels and funding, quantify any funding gaps, and include strategies to address significant funding gaps. In addition, bureaus may be directed to prepare long-term financial plans following the guidance of the Chief Financial Officer.

The City's budget distinguishes between ongoing and one-time General Fund discretionary revenues with City financial policies discouraging the use of one-time revenues to fund ongoing obligations. The City continues to maintain General Fund reserves at least equal to ten percent of General Fund discretionary and overhead revenues to guard against a significant economic downturn, disaster, or major unanticipated expense. In the FY 2022-23 Adopted Budget, the City Council invested a total of \$723.1 million one-time and ongoing discretionary General Fund resources on bureau programs and maintaining existing infrastructure. The FY 2022-23 Adopted Budget included a portion of the Federal resources supported by the American Rescue Plan Act. The City received a two-year award totaling approximately \$208 Million (\$104 million per year for two years), and the FY 2022-23 Adopted Budget invested an appropriated amount of \$105.6 million.

Financial management and oversight

As previously discussed, the City's financial policies provide a framework for developing stable and sustainable financial plans. These plans, which form the basis of budget requests and plans approved by the City Council, help to ensure consistent and predictable financial results over time. Bureau managers, under direction of the City Budget Office (CBO), produce budgets and financial plans that focus predominantly on short-range financial performance. This combination of strong financial policies, disciplined short-term budget management, and long-term fiscal monitoring provide the necessary financial management and oversight that are key attributes of the City's strong credit ratings.

Accounting system and budgetary control

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

The preparation of the City's annual budget is governed by Oregon Budget Law, ORS §294.305 to §294.565. The Mayor proposes a budget, and the City Council serves as the Budget Committee in approving and adopting the budget. Public notice is given for all Budget Committee meetings. Community members are involved in the budget process through surveys, forums, public hearings, bureau budget advisory committees, and representation from five community budget advisors who participate in budget deliberations with the Council. The City Council conducted all events in a virtual format due to the public health crisis and participants had access through online mediums.

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

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

MAJOR INITIATIVES AND FUTURE CHALLENGES

Major initiatives and highlights

During development of the FY 2022-23 budget, the City's financial forecast was in a position of sustained financial uncertainty. The [December forecast](#) for preparation of the FY 2022-23 budget projected General Fund discretionary resources as available ongoing resources totaling \$3.7 million, while one-time resources totaling \$24.0 million were available. As such, the Mayor's Guidance did not call for cuts to General Fund

discretionary appropriations, but also mandated bureaus not request any new, ongoing General Fund discretionary resource. The FY 2022-23 Mayor’s Budget Guidance allowed for requests for one-time General Fund discretionary resource, on the condition that it ensured progress in the four priority areas of community safety, economic recovery, houselessness and livability. This forecast is updated throughout the budget development process. The final forecast in April set the available ongoing General Fund discretionary resources at \$2.4 million and one-time available resources of \$62.8 million.

The Adopted Budget provided ongoing resources to several bureaus, and the following represent a grouping of additions or realignments in the council priority areas. Actions in the Adopted FY 2022-23 Budget include ongoing General Fund reductions to several bureaus, with the highest magnitude addition occurring in the largest General Fund bureau, the Police Bureau. In ongoing General Fund discretionary resources, the City allocated:

- **\$21.6 million** to support the Portland Police Bureau, including \$13.0 million for officers and public safety support specialists.
- **\$5.0 million** to support Portland Fire & Rescue, including \$4.8 million for Portland Street Response and \$154,000 for wildland firefighting coordination.
- **\$2.3 million** for the Office of Management & Finance, including \$1.5 million for public records division support, \$560,000 for 311 Program expansion, and \$300,000 for community engagement support.
- **\$318,000** to the City Budget Office to create an Innovation Team.
- **\$272,000** to the City Attorney’s Office for public records support.
- **\$102,000** to the City Auditor for elections and archives and records management coordination

The Adopted Budget also appropriated \$68.1 million in one-time resources to City bureaus. Actions in the Adopted FY 2022-23 Budget follow one-time General Fund discretionary allocations.

General Fund Discretionary One-Time Additions, FY 2022-23 Adopted Budget		
Portland Police Bureau	\$14,271,433	20.96%
Special Appropriations	\$11,849,851	17.40%
Office of Management & Finance	\$9,588,040	14.08%
Prosper Portland	\$9,541,900	14.01%
Portland Housing Bureau	\$8,054,953	11.83%
Bureau of Planning & Sustainability	\$5,300,700	7.79%
Office of Community and Civic Life	\$3,522,053	5.17%
Portland Parks & Recreation	\$1,500,000	2.20%
Portland Fire & Rescue	\$1,271,801	1.87%
Portland Bureau of Emergency Management	\$940,623	1.38%
Office of Equity & Human Rights	\$834,523	1.23%
Office for Community Technology	\$792,954	1.16%

Office of Government Relations	\$182,695	0.27%
Independent Review	\$150,000	0.22%
Office of the City Attorney	\$125,997	0.19%
City Budget Office	\$118,017	0.17%
Office of the Mayor	\$41,999	0.06%
Portland Water Bureau	\$0	0.00%
	\$68,087,539	100%

ONE-TIME RESOURCES IN EXCESS OF GENERAL FUND FORECAST

The impact at the City of Portland is the ability to adjust the forecast in the spring of 2022 was not recognized in time for the adoption of the FY 2022-23 Budget in June of 2022. The City collected nearly \$88.9 million of discretionary resources above and beyond its FY 2022-23 Adopted discretionary revenues.

Revenue Type	FY 2021-22 Revised Budget	FY 2021-22 Year End Actuals	Difference
Taxes	\$306,099,807	\$322,101,165	\$16,001,358
Licenses & Permits	\$222,720,332	\$295,936,950	\$73,216,618
Beginning Fund Balance	\$102,632,470	\$102,632,470	\$0
Fund Transfers - Revenue	\$34,270,740	\$33,955,740	(\$315,000)
Intergovernmental	\$25,851,902	\$25,455,584	(\$396,318)
Miscellaneous	\$400,000	\$804,994	\$404,994
	\$691,975,251	\$780,886,904	\$88,911,653

These resources were recognized in the Fall Supplemental Budget Monitoring Process (BMP) and just over \$26.4 million of these resources were invested the expansion or development of new programs. The following list represents a summary of investments made in November 2022:

Office of Management & Finance	\$32,823,887
Operational - 3 Sites	\$12,845,750
Capital - 3 Sites	\$4,188,600
IRP Continued Level of Service	\$3,891,164
City Navigation Team	\$3,500,000
Charter Change CY Costs	\$2,100,000
Expanded City IC Homeless Services Team	\$1,500,000
Site Safety - 3 sites	\$750,000
BHR - Protech17 Classification & Compensation Study	\$632,300
Community Safety Transition Work Plan	\$500,000
BRFS - SAP Implementation Support	\$462,780
BHR - Employee Central Implementation	\$377,250
CAO-CSD BECHN contract extension	\$335,000
Citywide Business District, Parks & Neighborhood Street & Tree Lighting	\$300,000
BHR - Class Comp, Pay Equity and NR Pay Structure	\$265,000
DAM Facilities - City Hall Security Improvements	\$250,000
SSCC Support - Safety	\$250,000
Diversion Program	\$250,000
Telework Agreement Training	\$200,000
SSCC - Towing	\$150,000
SSCC Support - Fire Fighter Inspector	\$150,000
CSD Support - Executive Assistant	\$140,000

Address Procurement Turnaround	\$136,043
Transfer to SA for PNCA	(\$100,000)
Transfer to SA for CEIC	(\$250,000)
Special Appropriations	\$3,083,376
Emergency Response Fund	\$1,000,000
National Opioid Settlement	\$491,376
Venture Portland - Every Wednesday	\$380,000
Central Eastside Industrial Coalition Graffiti Removal Grant	\$250,000
PCC Future Connect	\$200,000
Mitigation Bank	\$190,000
Literary Arts	\$150,000
Pioneer Courthouse Square	\$118,000
Pacific Northwest College of Art	\$100,000
Re-Budget Portland Metropolitan Levee System	\$89,000
City Arts - Statue Storage	\$65,000
Family Promise	\$50,000
Portland Bureau of Transportation	\$1,030,000
PBOT Parking Garage Policy Reserve Request	\$670,000
Albina Vision Trust	\$360,000
Portland Parks & Recreation	\$1,000,000
O'Bryant Square	\$1,000,000
Portland Fire & Rescue	\$450,000
Fire Fighter Memorial	\$250,000
Facility Study with PHB	\$200,000
Bureau of Planning & Sustainability	\$385,000
Dark Skies	\$200,000
AVT Coordination	\$185,000
Office of the City Attorney	\$200,000
Legal Settlement	\$200,000
Prosper Portland	(\$1,125,000)
ARPA Reduction (Commercial Activation)	(\$1,125,000)
Portland Police Bureau	(\$4,524,365)
Transfer to SSCC for Diversion Program	(\$250,000)
Reallocation for Community Safety Transition Work Plan	(\$500,000)
Anticipated Underspending	(\$3,774,365)
Portland Housing Bureau	(\$6,850,000)
JOHS Provider Staff Wages	\$1,000,000
Public Land Evaluation	\$150,000
Technical Adjustment	\$0
JOHS Reduction	(\$8,000,000)
Grand Total	<u>\$26,472,898</u>

Future focus

As in recent prior years, Portland leadership is heavily focused on the issues of greatest concern to Portlanders: homelessness, public safety, economic recovery, and livability. Portland continues to experience high rates of unsheltered homelessness across the city. Unsheltered Portlanders continue to live in unsafe and unhygienic conditions, with many suffering from untreated substance use disorders and mental health issues. As a city, our focus and resources will remain on solving these difficult problems.

Our rates of gun violence incidence are on a downward trend and, while we are proud of that progress, we are continuing to invest in programs that help keep our community safe and ensure offenders are held accountable for their actions. In the FY23-24 budget the Mayor and Council approved additional funding for the Portland Police Bureau's recruitment efforts and 43 new sworn officer positions. The budget also funds stolen vehicle recovery work and provides support to the Multnomah County District Attorney's office to increase capacity for retail and vehicle theft investigations and prosecution.

A key element to the success of economic recovery and improving livability is ensuring that our built environment is well maintained. The FY23-24 budget invests significantly in continued trash collection through the Impact Reduction Program and SOLVE, graffiti abatement, and derelict RV enforcement and towing. In addition to supporting small businesses and local events through grants, Portland is also continuing to provide enhanced lighting citywide to encourage Portlanders to get into their community and take advantage of all that our small businesses and events have to offer. City Council also recently passed ordinances creating new income and property tax incentives for Portland businesses to invest and remain in Portland.

As we focus on the recovery of our city, we must also implement the mandated Charter reform passed by Portlanders in November of 2022, which overhauls the current system of local government. These changes impact how we elect city officials, how officials govern, and how bureaus are managed. In support of this change, the Chief Administrative Officer and Executive Leadership Team comprised of city bureau directors recently released a draft organizational structure which aligns bureaus and management into service area groupings, each lead by a deputy city administrator reporting to the city administrator. The City Council will consider adopting the proposed changes in October. We strongly believe these changes will improve coordination and collaboration across city bureaus and will translate into improved services for Portlanders.

OTHER INFORMATION

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) has awarded the City with a *Certificate of Achievement for Excellence in Financial Reporting* consecutively for the last 42 fiscal years. To be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized Annual Comprehensive Financial Report with contents that conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

This year's financial report is intended to meet the Certificate of Achievement Program's requirements and will be submitted to GFOA for their consideration of another certificate award.

The GFOA also has awarded the City with the *Distinguished Budget Award* for its Annual Budget consecutively for the last 37 fiscal years. To receive this award, a government must satisfy nationally recognized guidelines for effective budget presentation to assess how well the budget serves as a policy document, a financial plan, an operations guide, and a communications device.

We express our sincere gratitude to all City personnel who contributed to this financial report, especially those in the Accounting Division of the Bureau of Revenue and Financial Services. Several years ago, the City established a goal of reducing the amount of time required to publish the ACFR, to ensure timely reporting of financial information. This year's transmittal date of October 30th marks the sixth time the City has produced the Annual Comprehensive Financial Report within 4 months of fiscal year end and establishes the City as a national leader in providing timely financial information to the community and other interested users. The Accounting Division, under the leadership of City Controller Ron Vaught, is commended for keeping to the schedule and being able to produce this year's financial report within the 4-month time frame considering the extraordinary challenges facing the team during these unprecedented times.

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

Respectfully submitted,

Michael Jordan
Digitally signed by Michael Jordan
Date: 2023.10.24 07:07:15 -07'00'

Thomas W. Lannom

Michael Jordan
Chief Administrative Officer
Office of Management & Finance

Thomas Lannom, CPFO
Interim Chief Financial Officer
Bureau of Revenue & Financial Services

**ELECTED OFFICIALS OF THE CITY OF PORTLAND
FISCAL YEAR 2022-2023**



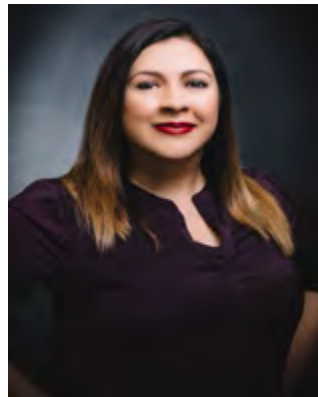
Mayor Ted Wheeler



Commissioner Rene Gonzalez



Commissioner Mingus Mapps



Commissioner Carmen Rubio



Commissioner Dan Ryan

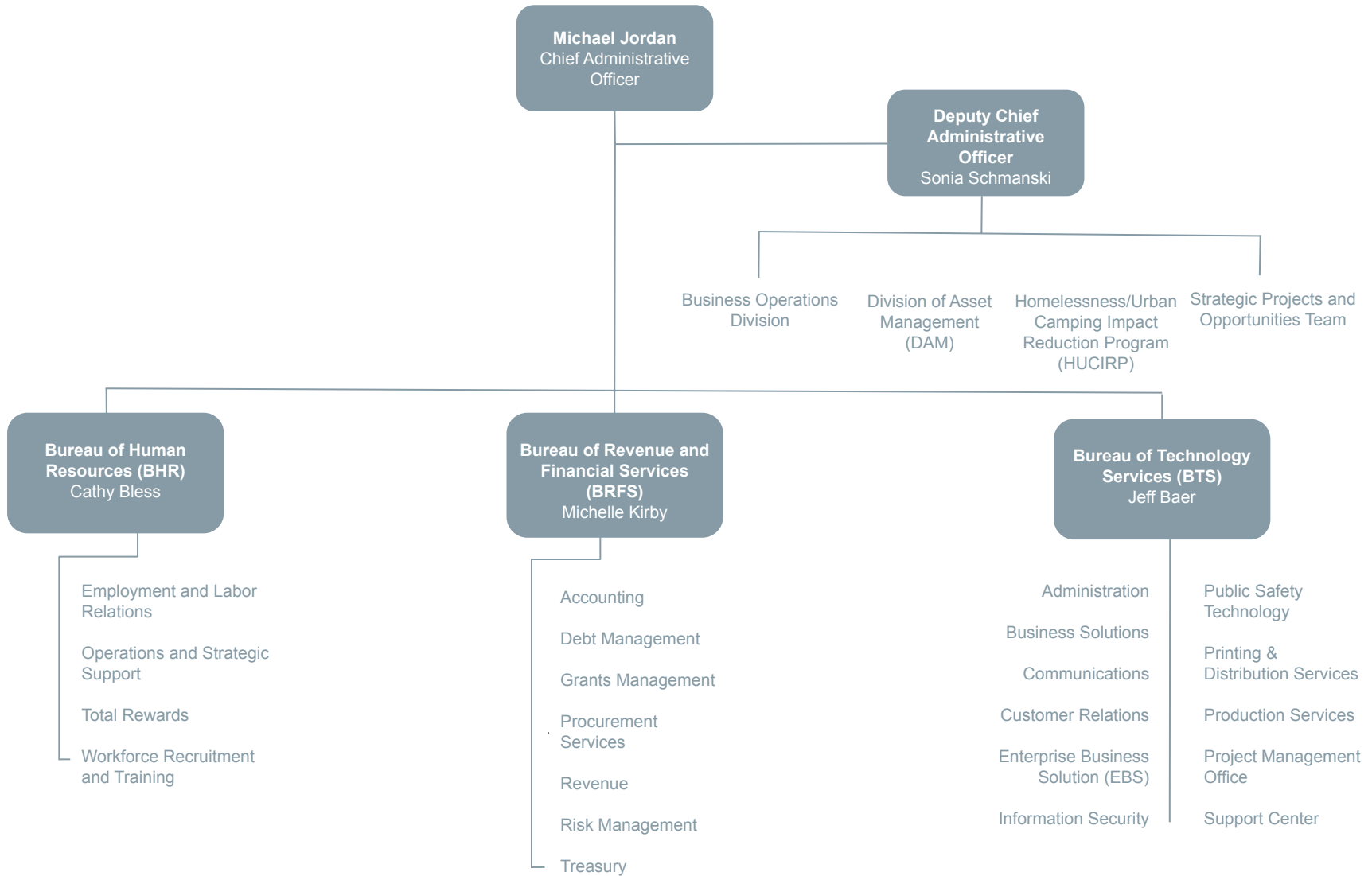


City Auditor Simone Rede

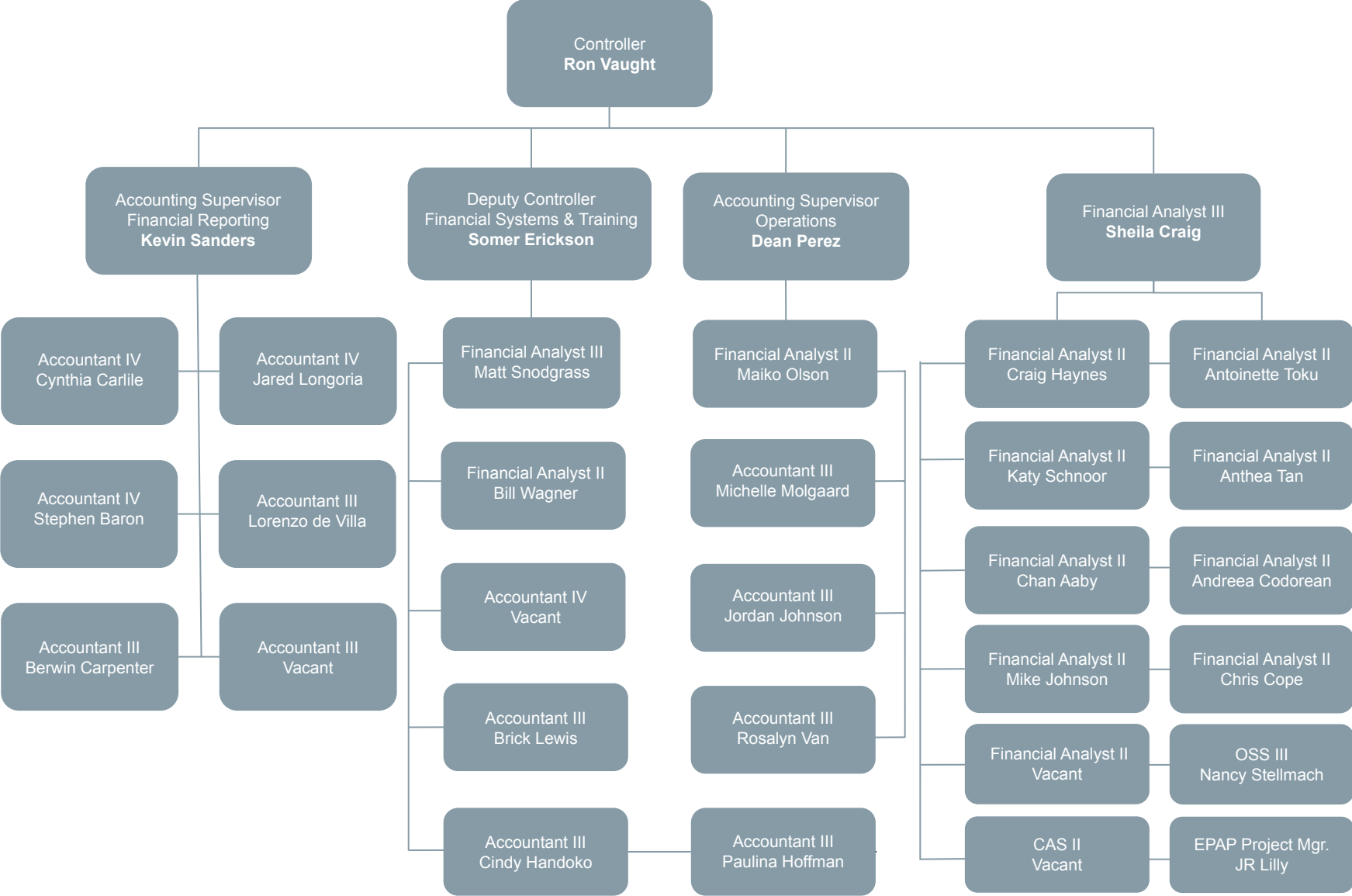
Residents of the City of Portland



Office of Management and Finance



Accounting and Grants Management Division





Government Finance Officers Association

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

Presented to

**City of Portland
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Executive Director/CEO

FINANCIAL SECTION



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Report of Independent Auditors

The City Council
City of Portland, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Portland, Oregon (the "City") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, other employee postemployment benefits information, and employee retirement pension benefits information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 required supplementary information 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 the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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. The 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 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 supplementary data is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's 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.

Other Reporting Required by *Minimum Standards for Audits of Oregon Municipal Corporations*

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have issued our report dated October 30, 2023, 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.



Keith Simovic, Partner
For Moss Adams LLP
Portland, Oregon
October 30, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Portland (the "City"), we offer readers of the City's Annual Comprehensive Financial Report (ACFR) this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. 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, 2023:

- Assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of FY 2022-23 by \$2.48 billion (net position). Included in this amount is an unrestricted net position deficit totaling \$4.40 billion, as shown on Table 1-C on page 32. This overall positive balance is attributable to business-type activities and is further discussed in the government-wide financial analysis section of this Management's Discussion and Analysis (MD&A) found on page 30.
- The City's total net position increased by \$492.54 million from FY 2021-22 as shown on Table 2-C on page 35, consisting of an increase of \$249.99 million in the net position of the governmental activities, and an increase in net position of the business-type activities of \$242.56 million. The analysis of these changes in net position related to governmental activities and business-type activities is further discussed beginning on page 33 of this MD&A.
- The City's governmental funds reported combined ending fund balances of \$1.51 billion, an increase of \$77.19 million, in comparison to FY 2021-22, as shown in the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds on page 68. Of the combined ending governmental fund balances, \$137.56 million or 9.09%, 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 \$105.58 million or 10.90% of total General Fund expenditures.
- The City's total outstanding bonded debt increased from FY 2021-22 by \$79.18 million or 2.58%, as shown on Table 5 on page 51. Various factors are attributable for this increase and are discussed in detail on page 49.
- The City emerged from emergency orders declaring a state of emergency as a result of a global pandemic in fiscal year 2019. Employees who had been teleworking four days a week shifted to working in the office half time in May 2023. City facilities have transitioned back to normal operations.
- The City was allocated \$207.9 million through the American Rescue Plan Fund, spending on programs to help the City recover continues.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

A. Government-wide financial statements

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

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

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

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

The government-wide financial statements can be found on pages 60 - 62 of this report.

B. Fund financial statements

A *fund* is a group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term funding decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 51 individual budgetary governmental funds. Four of those funds are combined to form the General Fund for GAAP presentation and two are combined to form the Transportation fund for GAAP. Governmental funds are further classified as general, special revenue, debt service, capital projects, or permanent funds. Within each fund-type group, funds are additionally classified as major or nonmajor funds.

Individual fund information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Transportation Operating Fund, Clean Energy Fund, and the Grants Fund, which are considered to be major funds. Data from the other 43 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 66 - 69 of this report.

- **Proprietary funds.** The City maintains 17 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 17 proprietary funds, nine are enterprise funds.

Internal service funds are used to accumulate and allocate costs internally among the City's various bureaus. The City uses internal service funds to account for health insurance, facilities, fleet, printing and distribution, self-insurance for general liability, worker's compensation and technology services. 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 17 proprietary funds, eight are internal service funds.

Proprietary fund 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 70 - 72 of this report.

- **Fiduciary funds.** *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City has three Trust funds to account for pension activities. The City also maintains four custodial funds to account for monies belonging to other entities and individuals.

The basic fiduciary fund financial statements can be found on pages 76 - 77 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 82 - 183 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 187 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and proprietary funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found beginning on page 208 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator of a government's financial position. The net position of the Governmental Activities is reflected in Table 1-A on page 31, and the net position of the Business-type Activities is reflected in Table 1-B which also can be found on page 32. For the City as a whole, assets exceed liabilities by \$2.48 billion at the close of FY 2022-23, which is presented in Table 1-C on page 32.

A. Analysis of net position

At the end of FY 2022-23, 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.

The largest portion of the City's net position reflects an investment of \$5.67 billion or 228.35% 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 32. The high percentage of investment in capital assets, in relation to total net position, is largely a result of the offsetting deficit unrestricted net position (discussed in detail below). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources because the capital assets cannot be liquidated to pay for the liabilities. A more detailed discussion of capital assets begins on page 45.

The second component of the City's net position is restricted net position which totals \$1.21 billion or approximately 48.83% of total net position. This amount represents resources that are subject to external restrictions on how they may be used. By definition, the City cannot remove these restrictions as they are imposed by parties outside the City.

The remaining balance is an unrestricted net position deficit totaling \$4.40 billion. This deficit is primarily due to the net pension obligation for the Fire and Police Disability, Retirement, and Death Benefit (FPDR) Plan, which is recorded entirely in governmental activities. The FPDR Plan was established in 1942 to provide disability, retirement and death benefits for sworn members of the City’s Police and Fire bureaus, and their survivors. The FPDR Plan consists of three tiers, two of which are now closed to new employees following reforms approved by voters in 2006. Pursuant to the City Charter, pension benefits for Tier One and Tier Two FPDR Plan members are funded on a pay-as-you-go basis. Pension benefits for third tier FPDR Plan members are funded when earned. Disability and death benefits for all FPDR Plan members are funded on a pay-as-you-go-basis. The 2006 reforms were intended to slowly convert FPDR Plan Tier One and Tier Two pension benefits from a pay-as-you-go model to a more traditional funded-when-earned model.

Annual FPDR Plan benefits and expenses are paid with revenues derived from a voter-approved and dedicated property tax levy, which can be levied each year up to an amount no greater than \$2.80 per \$1,000 of taxable real market value. The current levy is \$1.11 per \$1,000 of taxable real market value. This dedicated property tax levy has been sufficient in all years to meet required annual benefit payments, and its adequacy to make future payments is tested regularly. The most recent levy adequacy analysis, completed as of June 30, 2022 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. Their analysis found that the \$2.80 levy limit is exceeded in at least one year in less than 1% of modeled economic scenarios.

FPDR is the primary driver of deferred inflows and outflows. In FY 21 the total liability for FPDR was \$4.5 billion. Since this pension is set up as pay as you go, we use bond rates to determine the discount rate. In FY 22 interest rates went up and the FPDR liability fell to \$3.7 billion. It has risen slightly in FY 23 to \$3.8 billion. As dictated by GASB, the entire change in liability is amortized over time and the unamortized amounts are included in deferred inflows and outflows. In FY 22 deferred inflows and outflows increased significantly due to the \$.8 billion decline in the liability. This year’s \$.1 billion change is also now being amortized but has a lesser impact on the deferred accounts. As a result of that amortization deferred outflows fell \$.2 billion and deferred inflows fell \$.3 billion in the current year.

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

Governmental Activities

	<u>FY 2022-23</u>	<u>FY 2021-22</u>	<u>Change</u>
ASSETS			
Current and other assets	\$ 2,346,093,600	\$ 2,188,667,294	\$ 157,426,306
Capital assets	2,456,731,420	2,322,953,324	133,778,096
Total assets	<u>4,802,825,020</u>	<u>4,511,620,618</u>	<u>291,204,402</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>558,736,329</u>	<u>739,857,633</u>	<u>(181,121,304)</u>
LIABILITIES			
Long-term liabilities outstanding	5,400,820,209	5,265,325,845	135,494,364
Other liabilities	649,921,769	624,039,795	25,881,974
Total liabilities	<u>6,050,741,978</u>	<u>5,889,365,640</u>	<u>161,376,338</u>
DEFERRED INFLOWS OF RESOURCES	<u>739,042,615</u>	<u>1,040,322,805</u>	<u>(301,280,190)</u>
NET POSITION			
Net investment in capital assets	2,176,804,608	2,057,117,678	119,686,930
Restricted	1,213,085,342	1,120,979,366	92,105,976
Unrestricted (deficit)	<u>(4,818,113,194)</u>	<u>(4,856,307,238)</u>	<u>38,194,044</u>
Total net position	<u>\$ (1,428,223,244)</u>	<u>\$ (1,678,210,194)</u>	<u>\$ 249,986,950</u>

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

Business-type Activities

	<u>FY 2022-23</u>	<u>FY 2021-22</u>	<u>Change</u>
ASSETS			
Current and other assets	\$ 935,764,999	\$ 755,239,201	\$ 180,525,798
Capital assets	5,695,138,413	5,464,594,573	230,543,840
Regulatory assets	15,253,007	11,055,077	4,197,930
Total assets	<u>6,646,156,419</u>	<u>6,230,888,851</u>	<u>415,267,568</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>80,246,929</u>	<u>89,458,884</u>	<u>(9,211,955)</u>
LIABILITIES			
Long-term liabilities outstanding	2,472,157,579	2,241,887,952	230,269,627
Other liabilities	256,035,115	282,138,615	(26,103,500)
Total liabilities	<u>2,728,192,694</u>	<u>2,524,026,567</u>	<u>204,166,127</u>
DEFERRED INFLOWS OF RESOURCES	<u>85,265,603</u>	<u>125,932,151</u>	<u>(40,666,548)</u>
NET POSITION			
Net investment in capital assets	3,497,064,627	3,317,095,535	179,969,092
Restricted	180,000	180,000	-
Unrestricted surplus (deficit)	415,700,424	353,113,482	62,586,942
Total net position	<u>\$ 3,912,945,051</u>	<u>\$ 3,670,389,017</u>	<u>\$ 242,556,034</u>

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

Total Net Position

	<u>FY 2022-23</u>	<u>FY 2021-22</u>	<u>Change</u>
ASSETS			
Current and other assets	\$ 3,281,858,599	\$ 2,943,906,495	\$ 337,952,104
Capital assets	8,151,869,833	7,787,547,897	364,321,936
Regulatory assets	15,253,007	11,055,077	4,197,930
Total assets	<u>11,448,981,439</u>	<u>10,742,509,469</u>	<u>706,471,970</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>638,983,258</u>	<u>829,316,517</u>	<u>(190,333,259)</u>
LIABILITIES			
Long-term liabilities outstanding	7,872,977,788	7,507,213,797	365,763,991
Other liabilities	905,956,884	906,178,410	(221,526)
Total liabilities	<u>8,778,934,672</u>	<u>8,413,392,207</u>	<u>365,542,465</u>
DEFERRED INFLOWS OF RESOURCES	<u>824,308,218</u>	<u>1,166,254,956</u>	<u>(341,946,738)</u>
NET POSITION			
Net investment in capital assets	5,673,869,235	5,374,213,213	299,656,022
Restricted	1,213,265,342	1,121,159,366	92,105,976
Unrestricted surplus (deficit)	(4,402,412,770)	(4,503,193,756)	100,780,986
Total net position	<u>\$ 2,484,721,807</u>	<u>\$ 1,992,178,823</u>	<u>\$ 492,542,984</u>

B. Analysis of changes in net position

As noted previously, the City's total change in net position resulting from operations increased by \$492.54 million during FY 2022-23. This increase is explained in the governmental and business-type activities discussion beginning on page 30.

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

Governmental Activities

	<u>FY 2022-23</u>	<u>FY 2021-22</u>	<u>Change</u>
Revenues			
Program revenues:			
Charges for services	\$ 658,721,912	\$ 639,359,425	\$ 19,362,487
Operating grants and contributions	174,245,908	230,537,110	(56,291,202)
Capital grants and contributions	185,041,219	196,526,726	(11,485,507)
General revenues:			
Property taxes	739,608,142	726,356,680	13,251,462
Lodging taxes	54,548,190	44,016,188	10,532,002
Clean energy surcharge	183,451,304	135,017,328	48,433,976
Gas taxes	21,620,767	21,437,579	183,188
Miscellaneous taxes	23,928,381	24,583,268	(654,887)
Investment earnings (losses)	38,887,469	(54,213,010)	93,100,479
Total revenues	<u>2,080,053,292</u>	<u>1,963,621,294</u>	<u>116,431,998</u>
Expenses			
Public safety	729,132,457	631,146,680	97,985,777
Parks, recreation, and culture	170,206,394	142,410,752	27,795,642
Community development	451,616,998	452,584,360	(967,362)
Transportation	229,316,124	199,941,308	29,374,816
Legislative / admin / support services	207,437,256	173,325,961	34,111,295
Environmental services	478,832	261,086	217,746
Water	500,030	2,893,418	(2,393,388)
Parking facilities	171,000	17,000	154,000
Interest on long-term debt	37,884,293	37,214,771	669,522
Total expenses	<u>1,826,743,384</u>	<u>1,639,795,336</u>	<u>186,948,048</u>
Revenues over (under) expenses	253,309,908	323,825,958	(70,516,050)
Transfers	(3,322,958)	(1,821,184)	(1,501,774)
Change in net position	249,986,950	322,004,774	(72,017,824)
Net position - beginning	<u>(1,678,210,194)</u>	<u>(2,000,214,968)</u>	<u>322,004,774</u>
Net position - ending	<u>\$ (1,428,223,244)</u>	<u>\$ (1,678,210,194)</u>	<u>\$ 249,986,950</u>

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

Business-type Activities

	<u>FY 2022-23</u>	<u>FY 2021-22</u>	<u>Change</u>
Revenues			
Program revenues:			
Charges for services	\$ 725,260,343	\$ 684,708,419	\$ 40,551,924
Capital grants and contributions	723,690	507,194	216,496
General revenues:			
Investment earnings (losses)	9,633,954	(22,758,457)	32,392,411
Total revenues	<u>735,617,987</u>	<u>662,457,156</u>	<u>73,160,831</u>
Expenses			
Environmental services	289,686,367	264,870,064	24,816,303
Water	167,929,821	156,132,952	11,796,869
Hydroelectric power	3,819,736	3,829,328	(9,592)
Parking facilities	10,507,004	8,605,602	1,901,402
Golf	12,474,776	11,063,164	1,411,612
Motor sports	1,993,948	1,695,909	298,039
Spectator facilities	9,973,259	8,432,728	1,540,531
Total expenses	<u>496,384,911</u>	<u>454,629,747</u>	<u>41,755,164</u>
Revenues over (under) expenses	239,233,076	207,827,409	31,405,667
Transfers	<u>3,322,958</u>	<u>1,821,184</u>	<u>1,501,774</u>
Change in net position	242,556,034	209,648,593	32,907,441
Net position - beginning	<u>3,670,389,017</u>	<u>3,460,740,424</u>	<u>209,648,593</u>
Net position - ending	<u>\$ 3,912,945,051</u>	<u>\$ 3,670,389,017</u>	<u>\$ 242,556,034</u>

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

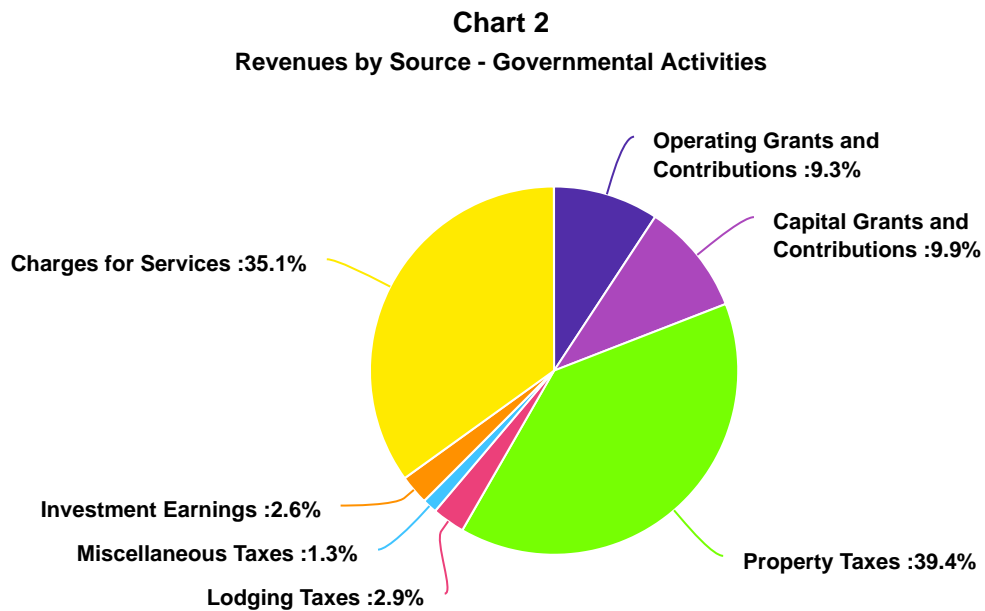
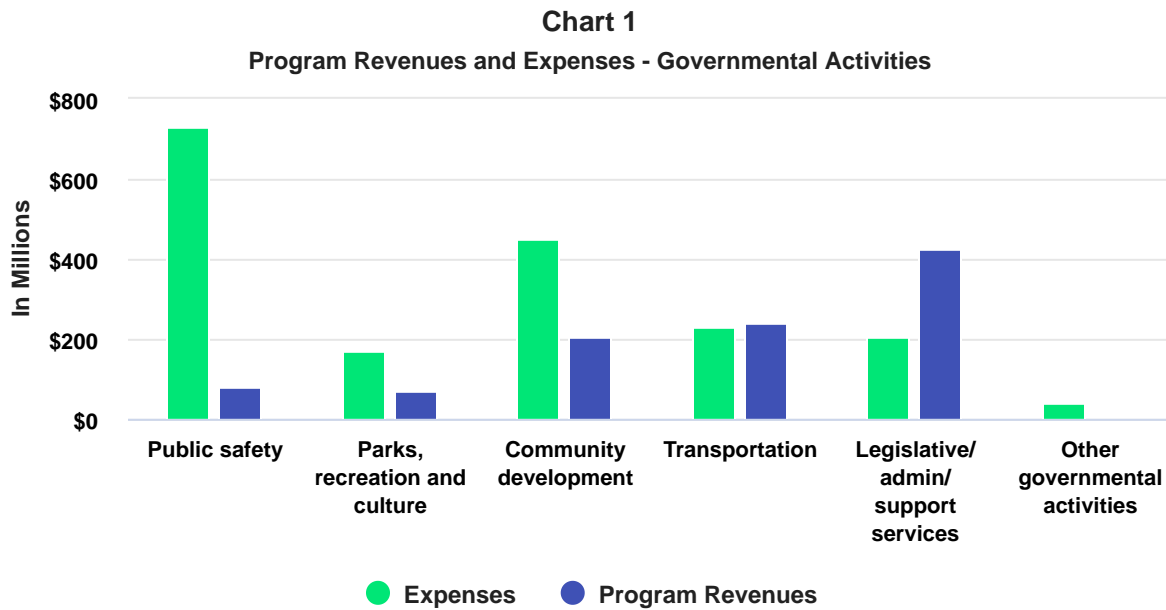
Total Changes in Net Position

	<u>FY 2022-23</u>	<u>FY 2021-22</u>	<u>Change</u>
Revenues			
Program revenues:			
Charges for services	\$ 1,383,982,255	\$ 1,324,067,844	\$ 59,914,411
Operating grants and contributions	174,245,908	230,537,110	(56,291,202)
Capital grants and contributions	185,764,909	197,033,920	(11,269,011)
General revenues:			
Property taxes	739,608,142	726,356,680	13,251,462
Lodging taxes	54,548,190	44,016,188	10,532,002
Clean energy surcharge	183,451,304	135,017,328	48,433,976
Gas taxes	21,620,767	21,437,579	183,188
Miscellaneous taxes	23,928,381	24,583,268	(654,887)
Investment earnings (losses)	48,521,423	(76,971,467)	125,492,890
Total revenues	<u>2,815,671,279</u>	<u>2,626,078,450</u>	<u>189,592,829</u>
Expenses			
Public safety	729,132,457	631,146,680	97,985,777
Parks, recreation, and culture	170,206,394	142,410,752	27,795,642
Community development	451,616,998	452,584,360	(967,362)
Transportation	229,316,124	199,941,308	29,374,816
Legislative / admin / support services	207,437,256	173,325,961	34,111,295
Interest on long-term debt	37,884,293	37,214,771	669,522
Environmental services	290,165,199	265,131,150	25,034,049
Water	168,429,851	159,026,370	9,403,481
Hydroelectric power	3,819,736	3,829,328	(9,592)
Parking facilities	10,678,004	8,622,602	2,055,402
Golf	12,474,776	11,063,164	1,411,612
Motor sports	1,993,948	1,695,909	298,039
Spectator facilities	9,973,259	8,432,728	1,540,531
Total expenses	<u>2,323,128,295</u>	<u>2,094,425,083</u>	<u>228,703,212</u>
Change in net position	492,542,984	531,653,367	(39,110,383)
Net position - beginning	<u>1,992,178,823</u>	<u>1,460,525,456</u>	<u>531,653,367</u>
Net position - ending	<u>\$ 2,484,721,807</u>	<u>\$ 1,992,178,823</u>	<u>\$ 492,542,984</u>

Governmental activities. Governmental activities increased the City's net position by \$249.99 million, which is reflected in Table 2-A on page 33.

- Total revenues increased over the prior year, and exceeded total expenses for the governmental activities. Property taxes increased by \$13.25 million due to continued strong growth of real property. This increase is even more notable given that there was \$19.44 million of reductions due to urban renewal districts sunsetting. Charges for services climbed \$19.36 million as City activities continue to return to normal operations. License fees rose \$3.02 million, permits rose \$3.02 million and parking rose \$2.43 million. Continued recovery can also be seen in the \$10.53 million increase in lodging taxes. The Clean Energy Surcharge which reflects an increase in consumer spending rose \$48.43 million. Grant activity fell as federal resources distributed to assist with pandemic recovery is winding down. Due to interest rate increases, our investment portfolio returns improved and interest earnings increased by \$93.10 million.
- Total net expenses increased from the prior year by \$186.95 million. The increase is primarily due to a public safety expense which went up by \$97.99 million. \$88.00 million of the increase was related to pension expenses. Parks spending went up by \$27.80 million, Transportation went up by \$29.37 million and Legislative/Administrative costs went up by \$34.11 million. Between pay increases and pension costs, personnel costs accounted for \$110.95 million of the total \$186.95 million of increased expenses. \$9.76 million of the increase was related to an increase in depreciation expense. The City is continuing to use housing bonds to make loans to developers to build affordable housing. These loans are offset by an allowance for doubtful accounts, due to the terms of these loans, and the bad debt expense associated with these loans increased over the prior fiscal year by \$17.04 million. \$42.51 million of the increases related to purchased services. This was a combination of the impacts of inflation and the City returning to normal activities after the pandemic.
- For the fifth year in a row capital assets increased. This year's increase was \$133.78 million.
- For the second time in twelve years governmental activities net position increased.

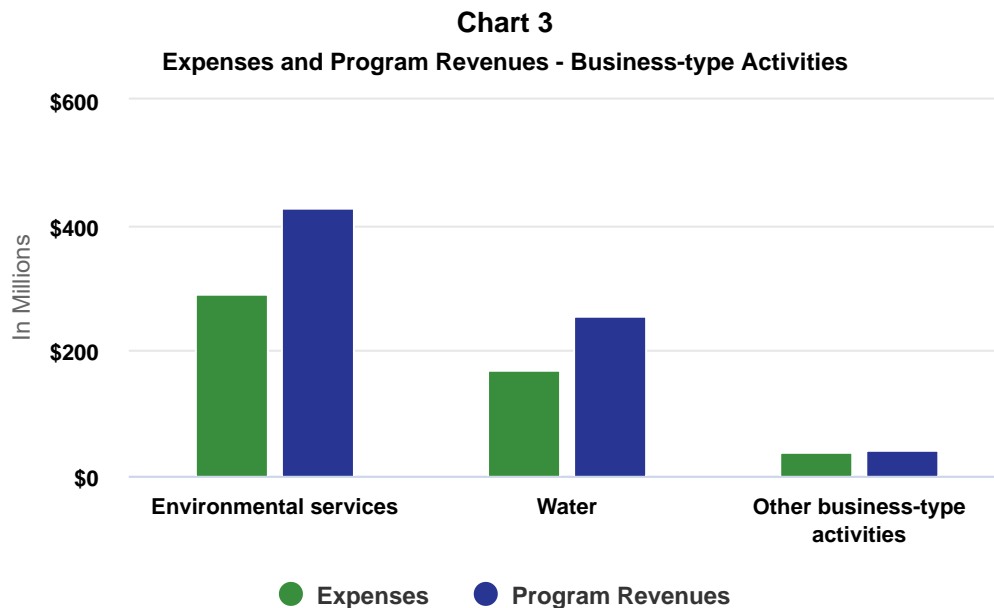
The following charts provide a visual representation of the expenses and revenues for governmental activities for FY 2022-23. Chart 1 shows expenses and program revenues generated by each program activity while Chart 2 shows all governmental revenues by source type.



Business-type activities. Business-type activities increased the City's net position by \$242.56 million, as reflected in Table 2-B on page 34. Environmental services and water operations contributed \$141.44 million and \$91.21 million, respectively. The other business-type activities funds combined added another \$9.91 million as shown in Chart 3. Key elements of these net position increases are as follows:

- Charges for services are the primary revenue for business-type activities and increased \$40.6 million in fiscal year 2023. In order to cover the costs of major infrastructure projects environmental services and water service charges went up by \$10.1 million and \$25.4 million respectively. Spectator facilities continued to rebound and charges for services there increased again, this year by \$3.0 million. Golf continues to be popular and fees increased by \$1.5 million.
- Capital grants and contributions fell by \$216,496. These primarily relate to donations of infrastructure related to new construction.
- Due to increasing interest rates investment income increased by \$32.4 million.
- Expenses in business-type activities increased from the prior year by \$41.76 million. Between increases in the number of personnel, increased pension costs and increased wages, personnel costs went up \$17.3 million. \$5.0 million of that number was related to post employment benefit costs. Due to inflation utility costs went up by \$1.9 million. With more capital assets being brought online, depreciation expense went up by \$5.2 million. Professional services went up by \$5.3 million. The net book value of capital assets that were removed from service resulted in a charge of \$6.3 million. Expenses related to environmental remediation accounted for another \$2.0 million of the increase. The remaining increases related to the impact of inflation on operations.

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



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

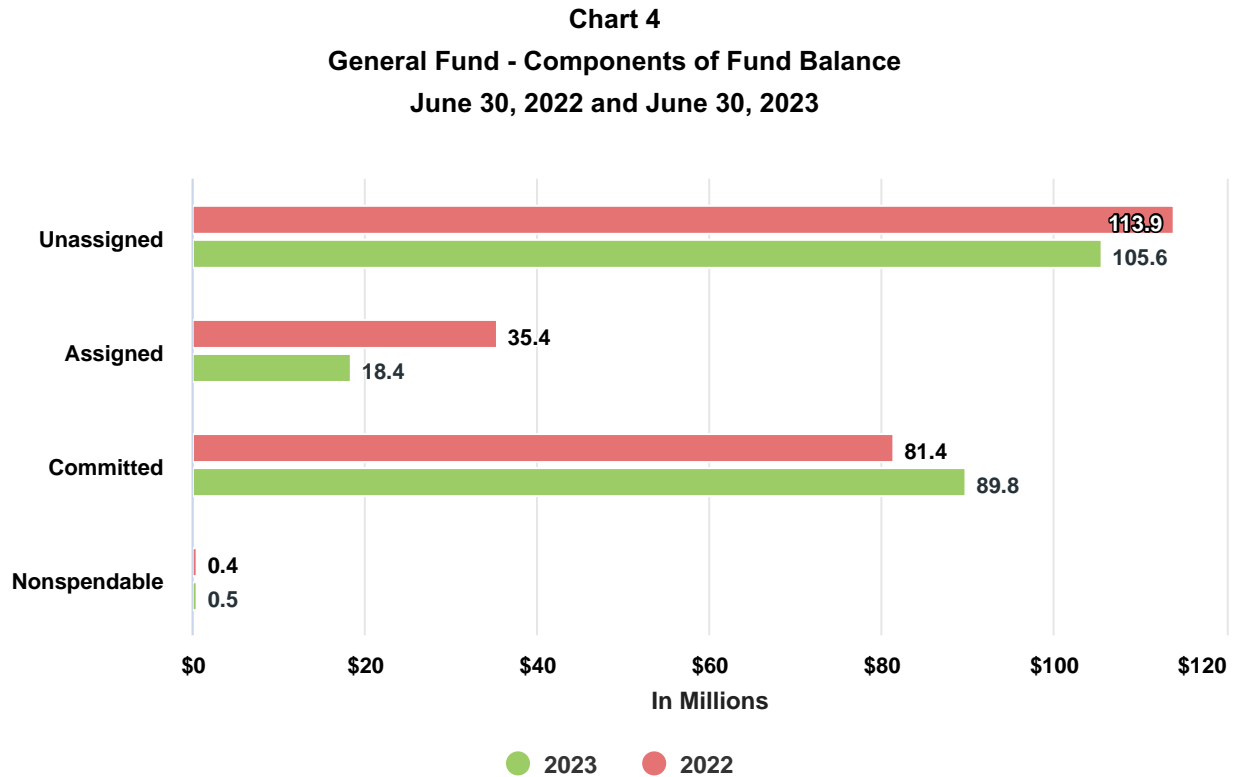
A. Governmental funds

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$1.51 billion, an increase from the prior fiscal year of \$77.19 million, as a result of continued recovery from the pandemic. Of the combined ending fund balances, \$43.38 million or 2.87% constitutes the unassigned fund balance, and \$94.18 million or 6.22% constitutes assigned fund balance in the appropriate fund types as shown in the Governmental Funds Balance Sheet on page 66. 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 2022-23, total fund balance was \$214.26 million, of which \$105.58 million or 49.28% is unassigned, \$18.37 million or 8.57% is assigned through the fiscal year budget, and \$89.79 million or 41.90% is committed. The committed portion of the 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, \$530,497 or 0.25% is nonspendable, as shown on page 66. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Fund balance represents 22.12% of total General Fund expenditures.

Chart 4 illustrates the changes in the components of the General Fund balance from June 30, 2022 to June 30, 2023.

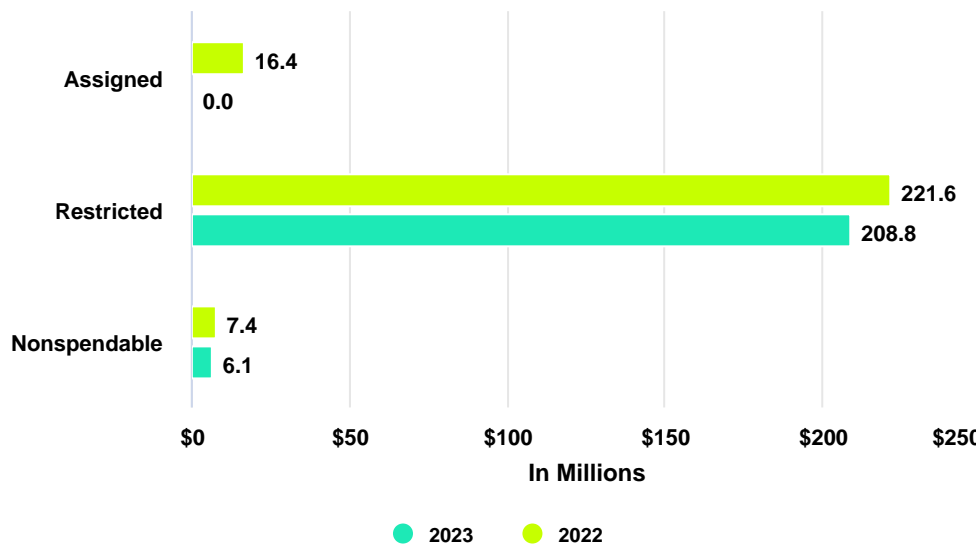


The total fund balance of the City's General Fund decreased by \$16.82 million during FY 2022-23. Revenues increased by \$44.4 million while expenditures increased by \$121.3 million. Property taxes, lodging taxes, licenses and fees, and interagency revenues went up by \$5.7 million, \$4.8 million, \$4.1 million, and \$13.4 million respectively. Due to how property taxes are structured, sunseting of urban renewal districts and new construction, that segment of our revenue mix continued to remain strong. Lodging taxes continue to increase as the City recovers from the pandemic. The primary driver for licenses were business licenses, which were based on calendar year 2022 which was a good year for business in Portland. The City's portion of shared revenue fell resulting in a decrease to the intergovernmental area of \$8.6 million. Charges for services, miscellaneous service charges, and miscellaneous revenues are recovering from the pandemic with increases of \$1.9 million, \$.9 million, and \$1.3 million. Portland Parks and Recreation chose to do the spending related to the new levy fund in the General Fund which resulted in a \$25.5 million dollar reimbursement to the General Fund. Finally, due to increases in interest rates we experienced a \$13.2 million increase in investment income. Public Safety expenditures increased by \$50.1 million mostly due to cost of post employment benefits. Parks expenditures went up by \$24.2 million, in part to levy fund spending and partly due to inflation. Community development spending increased by \$22.1 million. Legislative and administrative costs went up by \$21.5 million. Across the board, increases in pay and benefits were responsible for \$81.6 million of the increased expenditures. \$5.2 million of the personnel increase was related to post employment benefits. Public Safety continues to face challenges in getting to full employment and there was a \$7.5 million increase in spending on overtime to keep services staffed. Inflation drove up the cost of supplies and services by \$31.3 million. Debt service was responsible for \$2.6 million of the increase.

The Transportation Operating Fund had a total ending fund balance of \$214.90 million for FY 2022-23, a decrease of \$30.48 million. The fund balance is made up of \$6.11 million that is nonspendable and \$208.79 million that is restricted as shown on page 66. Revenues were mostly stable, year over year, with the only bright spot being an \$12.5 million increase in interest income. Gas taxes increased by \$.2 million, intergovernmental revenue rose \$2.9 million, licenses and fees fell \$2.1 million, interagency revenue fell \$2.2 million, and parking related revenues fell \$2.4 million. Although revenues have been recovering from the pandemic, they are still \$20.4 million below fiscal year 2019 level. The amount paid out for debt service fell by \$18.8 million. Operating expenditures rose \$22.9 million reflecting inflation related costs. \$10.3 million of the operating increase was the result of personnel costs. The rest of the increase relates to the impact of inflation on supplies and services. Capital outlay increased by \$9.5 million as they increased their capital program.

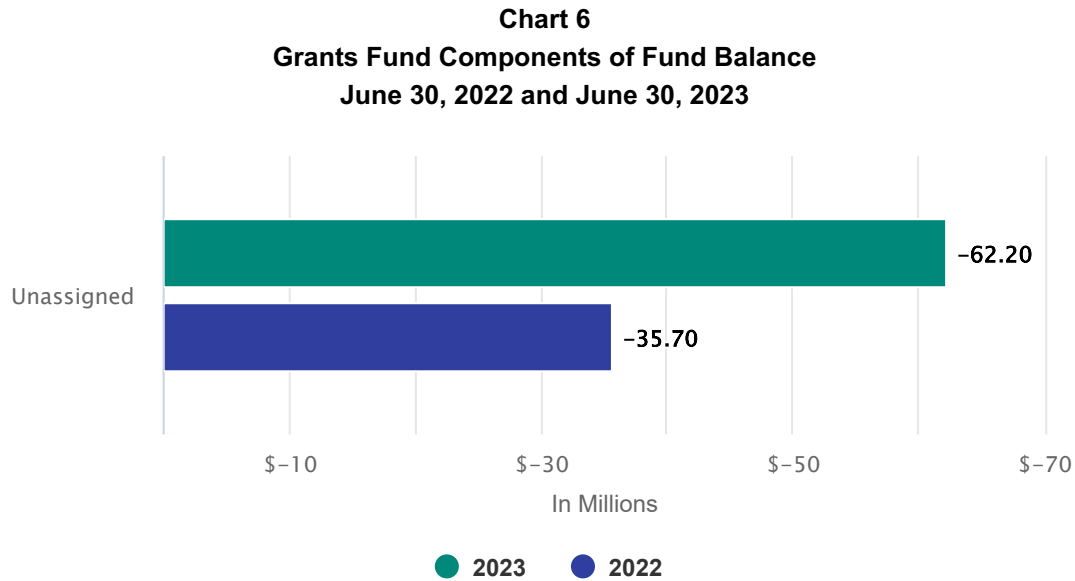
Chart 5 illustrates the changes in the components of fund balance for the Transportation Operating Fund from June 30, 2022 to June 30, 2023.

Chart 5
Transportation Operating Fund Components of Fund Balance
June 30, 2022 and June 30, 2023



The Grants Fund had a total ending negative fund balance of \$62.2 million for FY 2022-23, a decrease of \$26.5 million. The entire \$62.2 million is unassigned, as shown on page 66. Revenues saw a decrease of \$55.8 million from the prior fiscal year. The City received American Rescue Plan and Emergency Rental Assistance money from the federal government. \$57.0 million of those grants were spent in this fiscal year and \$119.0 million of those monies are still sitting in unearned revenue. Looking at spending from the functional perspective, spending on community development fell \$21.5 million to \$65.6 million. Spending on public safety decreased by \$11.4 million. Parks spending fell \$4.2 million, Transportation spending fell \$1.8 million, and Water spending fell by \$2.3 million. Legislative/Administrative spending increased by \$4.3 million. Spending on capital projects increased by \$5.7 million. How grant money is spent varies from year to year depending on what grants the City gets. With the American Rescue Plan there are changes from year to year as the City adjusts its response to the impacts of the pandemic.

Chart 6 illustrates the changes in the components of fund balance for the Grants Fund from June 30, 2022 to June 30, 2023.



The Clean Energy Fund had a total ending fund balance of \$472.9 million for FY 2022-23, an increase of \$174.2 million. The entire fund balance is restricted. This is a relatively new tax that has been assessed on sales by large businesses. The purpose of the fund is to reduce the City’s carbon footprint with a focus on the BIPOC community. Since it is a new and evolving program very little spending has occurred thus far. During fiscal year 2022-23 the City did a great deal of planning and developed a plan for how to spend the money. Tax revenue grew \$48.4 million to \$183.5 million while spending only grew \$7.9 million to \$14.7 million.

Chart 6 illustrates the changes in the components of fund balance for the Portland Clean Energy Community Benefits Fund from June 30, 2022 to June 30, 2023.

Chart 6
Portland Clean Energy Community Benefits Fund Components of Fund Balance
June 30, 2022 and June 30, 2023

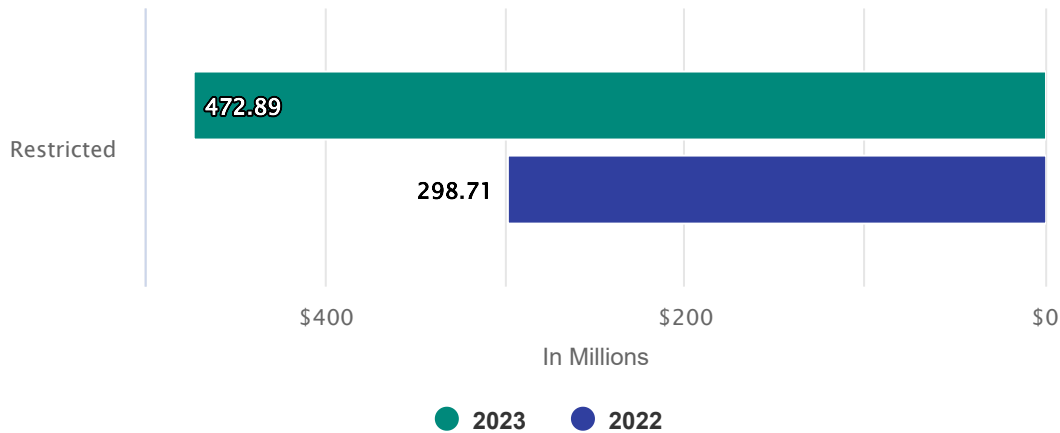
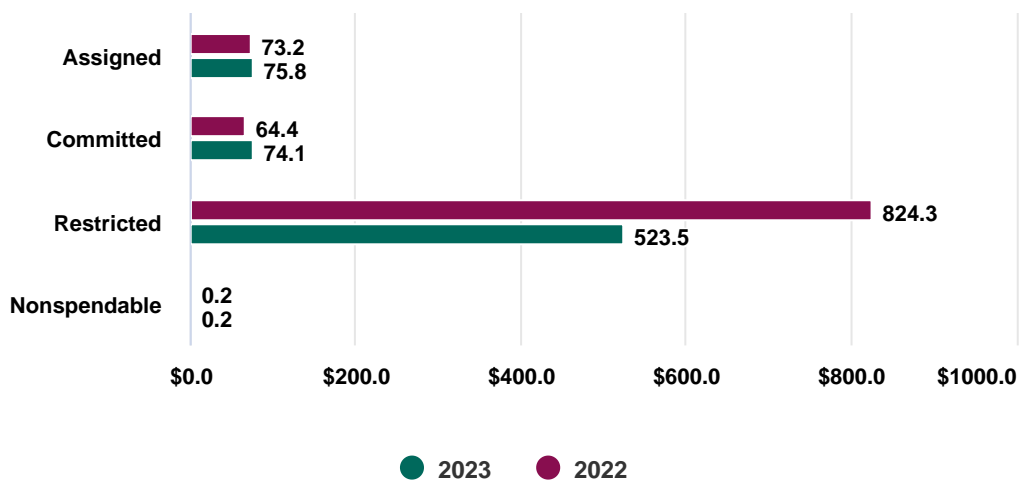


Chart 7 illustrates the changes in the components of fund balance for Other Governmental Funds from June 30, 2022 to June 30, 2023.

Chart 7
Other Governmental Funds Components of Fund Balance
June 30, 2022 and June 30, 2023



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 70 - 72.

At the end of FY 2022-23, unrestricted net position of the Sewage Disposal Fund and the Water Fund amounted to \$253.58 million and \$125.98 million, respectively. The total change in net position for the Sewage Disposal Fund and the Water Fund was \$141.44 million and \$91.21 million, respectively.

The unrestricted net position for other enterprise funds totaled \$26.03 million, while the change in net position for other enterprise funds equaled an increase of \$10.55 million. Other factors concerning the finances of the proprietary funds have already been addressed in the discussion of the City's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budgeted expenditures and the final amended budget totaled an increase of approximately \$40.39 million., and can be briefly summarized as follows:

- \$3.03 million increase in personal services. This budgetary increase resulted primarily from the City's Budget Monitoring Process (BMP) including compensation set-aside adjustments. The City's practice is to set aside resources in the General Fund to support personal service expenses associated with cost of living adjustments and health care increases. In most years, these costs are expected to be absorbed through vacancies or other discretionary spending (such as overtime) experienced in the regular course of business. In years where bureaus are fully staffed throughout the year, they can request compensation set-aside to avoid overspending their personal services budget. Due to challenges related to rebuilding pre-pandemic programs and setting up new programs Parks reduced their personnel budget by \$3.2 million. Fire on the other hand has struggled to keep staffing at the levels needed to address demands and their personnel budget was increased by \$9.0 million to cover overtime pay. Difficulties in recruiting have continued to result in vacancy savings across most bureaus. In response bureaus have shifted budget authority to materials and services and contracted out work.
- \$5.78 million net increase in external and internal materials and services. This budgetary net increase resulted primarily from the City's BMP, which included Fall BMP encumbrance carryovers. Numerous bureaus shifted budget authority from personnel to materials and services. Taking advantage of the higher than estimated beginning fund balance, \$3.1 million of additional resources were allocated to Prosper Portland to do more economic recovery work. Besides the additional personnel budget authority needed to address the demand for services, Fire was allocated an additional \$.9 million for materials and services. OMF also got additional resources in the amount of \$5.9 million to address recovery projects. \$3.3 million of Police's materials and services budget was reduced.
- \$4.89 million increase in capital outlay. These increases are the result of additions to the Fire Bureau of \$3.1 million, \$.7 million in Parks Bureau, and the remaining \$1.1 million in Police. In the case of Fire and Police the additional budget authority was added in June to cover the cost of capital projects.
- \$26.68 million increase in general operating contingencies. This relates primarily from the two primary budget monitoring processes the City goes through each year. During the first one the budget office trues up the beginning fund balance. The actual beginning fund balance was \$59.8 million higher than estimated, and \$44.1 million of that was allocated to the policy reserve account in the contingency category. The remaining \$15.7 million was allocated out to bureaus for program needs. The City began the year with \$18.7 million set aside for pay increases and \$14.6 million of that was allocated out to bureau operating budgets for that purpose. The City began the year with \$3.0 million of unrestricted contingency and allocated \$2.9 million of that to bureaus to address program needs.

Actual revenues were \$42.8 million above estimate. The primary reason the actual revenue came in at 106% of estimate was that Business License revenue came in \$29.7 million over estimate, but every category of revenue except Intergovernmental and Interagency billings beat estimates. Property tax revenue continued strong and came in \$4.6 million over estimate. Notably lodging taxes came in at 122% of estimated revenue as the travel sector continues to recover from the pandemic. Parks fees also continued to gain strength and came in \$1.4 million over budget estimate. Due to increasing interest rates, investment income beat the estimate by \$2.7 million.

Actual expenditures were \$107.85 million less than the final amended budget. General operating contingencies can't be spent, and that made up \$56.5 million of the budget savings. Bureaus that spent significantly less than their budget allocation were Parks (\$9.1 million), Housing (\$2.1 million), and Office of Management and Finance (OMF) (\$33.2 million).

- There were \$11.0 million in savings in the personnel category. Most bureaus didn't have significant underspending of personnel costs, but Parks and OMF underspent their personnel line item by \$4.1 and \$5.3 million respectively. Those savings can be attributed to vacancy savings during the year related to planned programs not being fully implemented during the year. Due to overtime spending Police and Fire overspent their personnel budgets by \$2.3 and \$.5 million respectively.
- \$38.26 million in under expenditures in materials and services spreads across multiple bureaus. OMF and Parks were the primary contributors to the underspending with \$27.8 and \$4.7 million respectively. As with the personnel underspending this resulted from programs that weren't fully implemented.
- \$2,050,877 under expenditures in capital outlay. \$1.8 million of this is related to Fire not being able to complete their capital expenditures. It has been challenging to find staffing in the public safety areas and that has impacted other areas such as completion of capital projects.

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 2022-23, General Fund expenditures did not exceed budgetary estimates at the level of the adopted budget.

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, 2023, amounts to \$8.15 billion (net of accumulated depreciation, reclassifications, and transfers). This investment in capital assets includes infrastructure, improvements to land, 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 \$364.32 million or 4.68%, resulting from increases in both business-type and governmental activities.

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

Governmental activities - Governmental capital assets increased by \$133.78 million or 5.76%. Key factors in this change were increases to infrastructure, improvements to land, software and right-of-use assets. These increases were offset by decreases in construction in progress, buildings, and equipment.

- Infrastructure decreased by \$30.02 million or 3.65%. During the fiscal year, \$10.2 million was added and the decrease was primarily from the depreciation recorded during the year. Numerous small projects were completed during this period.

- Construction in progress increased by \$103.04 million or 20.04%. The increases of \$189.1 million were offset by \$85.1 million of reclassifications. \$33.5 million of the reclassifications was the Integrated Tax System being brought on line and moved to Software. Additions to construction in progress came from an \$8.0 million investment in the Morrison Bridgehead property acquisition, \$5.7 million of additional work on the Mt Tabor Yard Maintenance Facility, and \$5.8 million of work on the Errol Heights Park. Another \$15.6 million of the additions was for vehicles for Police, Parks, and Transportation.
- Buildings decreased by \$10.37 million or 2.60%. \$6.35 million was moved into buildings from construction in progress. That was offset by an additional \$16.72 million of depreciation. \$2.7 million of the increase was related to the finalization of the Portland Building reconstruction.
- Equipment increased by \$11.96 million or 8.86% as \$26.28 million of additions were offset by \$14.32 million of new depreciation. \$9.3 million of the increase was related to an IRNE/enterprise technology refresh.
- Land remained unchanged in FY 2022-23.
- Improvements to land decreased by \$3.77 million or 4.28%. \$1.11 million of additions were offset by \$4.88 million of new depreciation.
- Software increased by \$39.22 million or 227.94%. There were \$38.24 million of additions, and, due to disposals, depreciation actually decreased by \$.98 million. \$33.5 million of the increase relates to the Integrated Tax System being put into service. \$5.3 million was related to increasing the capacity of Cherwell technology ticket tracking software.
- Right-of-use assets increased by \$23.71 million. \$31.42 million of additions were offset by \$7.71 million of depreciation. The City implemented GASB Statement No. 96 SBITA in the current year. The implementation required the recognition of a contract that transfers the rights to use another entity's technology assets for a specific period of time in an exchange or exchange-like transaction. There were multiple additions in the current year. You can find further information on these transactions in Note III.H, in the Leases and SBITA section. \$15.00 million of the increase relates to the SBITA balances at June 30, 2022. Another \$6.37 million of SBITA contracts were added in the current year. \$10.05 million relates to new lease contracts, including \$3.9 million for the renewal of the lease at the Columbia Square building used by the Revenue Division.

Business-type activities - Business-type capital assets increased by \$230.54 million or 4.22%. Key factors in this change were increases to infrastructure, construction in progress, and improvements to land. Increases in these areas were offset by decreases in buildings and equipment. Specific changes by asset type were a result of the following activity and projects.

- Infrastructure increased by \$7.33 million or 0.17%. \$95.66 million of assets were added, \$8.78 million of assets were retired and \$79.55 million of new depreciation was recorded. \$49.7 million of the increase was related to Water Bureau projects being brought online.
- Construction in progress increased by \$226.96 million or 37.35%. \$336.39 million of assets was added to construction in progress and \$109.43 million of assets were moved into operations. One major project under construction is the Secondary Treatment Facility at the wastewater treatment plant. \$28 million of the increase is related to the Water Bureau's Bull Run Filtration Project.
- Buildings decreased by \$6.63 million or 2.23%. \$2.61 million of buildings were put into operations during the year and there was \$9.24 million of new depreciation.

- Equipment decreased by \$1.86 million or 4.87%. Additions of \$3.92 million were offset by \$3.71 million of disposals and \$2.07 million of depreciation.
- Improvements to land increased by \$1.04 million or 0.90%. We made \$5.47 million in additions, retired \$1.11 million of improvements, and depreciation increased by \$3.32 million.
- Right of use assets increased by \$1.50 million. Net of depreciation leases account for (\$.02) million of the total change. SBITA accounted for \$2.28 million of the increase. New depreciation totaled \$.76 million.

The following table provides comparative information on the City's capital assets for FY 2022-23 and FY 2021-22:

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

	FY 2022-23	FY 2021-22	Change
Governmental Activities			
Infrastructure	\$ 791,513,529	\$ 821,530,352	\$ (30,016,823)
Construction in progress	617,297,086	514,252,517	103,044,569
Buildings	387,954,068	398,321,290	(10,367,222)
Land	250,699,221	250,699,221	-
Improvements to land	84,257,997	88,025,466	(3,767,469)
Equipment	146,920,504	134,961,281	11,959,223
Intangible assets:			
Land use rights	77,359,354	77,359,354	-
Owning rights	16,798	16,798	-
Software	56,420,107	17,204,184	39,215,923
Right-of-use	44,292,756	20,582,861	23,709,895
Total governmental activities	<u>\$ 2,456,731,420</u>	<u>\$ 2,322,953,324</u>	<u>\$ 133,778,096</u>
Business-type Activities			
Infrastructure	\$ 4,328,028,619	\$ 4,320,700,995	\$ 7,327,624
Construction in progress	834,615,704	607,656,149	226,959,555
Buildings	290,521,473	297,147,497	(6,626,024)
Land	116,902,716	114,418,475	2,484,241
Improvements to land	62,556,592	61,518,986	1,037,606
Equipment	36,401,225	38,265,556	(1,864,331)
Intangible assets:			
Land use rights	21,156,189	20,603,514	552,675
Owning rights	1,539	2,309	(770)
Software	1,817,655	2,643,485	(825,830)
Right-of-use	3,136,701	1,637,607	1,499,094
Total business-type activities	<u>\$ 5,695,138,413</u>	<u>\$ 5,464,594,573</u>	<u>\$ 230,543,840</u>
Total Net Capital Assets			
Infrastructure	\$ 5,119,542,148	\$ 5,142,231,347	-\$22,689,199
Construction in progress	1,451,912,790	1,121,908,666	330,004,124
Buildings	678,475,541	695,468,787	(16,993,246)
Land	367,601,937	365,117,696	2,484,241
Improvements to land	146,814,589	149,544,452	(2,729,863)
Equipment	183,321,729	173,226,837	10,094,892
Intangible assets:			
Land use rights	98,515,543	97,962,868	552,675
Owning rights	18,337	19,107	(770)
Software	58,237,762	19,847,669	38,390,093
Right-of-use	47,429,457	22,220,468	25,208,989
Total net capital assets	<u>\$ 8,151,869,833</u>	<u>\$ 7,787,547,897</u>	<u>\$ 364,321,936</u>

Information on the City's capital assets can be found in Note III.F on pages 119 - 124 of this report.

B. Debt administration

The City holds debt in the form of bonds, lines of credit, and loans. While outstanding balances of lines of credit and loans decreased, bonds outstanding increased. The net effect was that total debt increased by \$40.80 million which is seen in Table 4 below.

The lines of credit provide interim financing for a variety of projects. These lines of credit will ultimately be repaid with proceeds from long-term bonds or other City resources. Lines of credit for urban renewal districts and a replacement of the City's fueling station were all paid off this fiscal year. The only line of credit remaining is a \$9.2 million line for local improvement district projects. There were no new loans taken out this year and the only activity was scheduled payments on the debt.

The increase in bonds outstanding is a combination of a \$76.43 million net decrease in governmental activities bonds, and a \$155.61 million net increase in business-type bonds. The detail of the City's bonded debt is presented in Table 5 on page 51.

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

	<u>FY 2022-23</u>	<u>FY 2021-22</u>	<u>Change</u>
Governmental Activities			
Bonds	\$ 785,819,619	\$ 862,251,570	\$ (76,431,951)
Lines of credit	9,248,272	45,214,749	(35,966,477)
Loans	<u>6,124,000</u>	<u>7,077,977</u>	<u>(953,977)</u>
Total governmental activities	<u>\$ 801,191,891</u>	<u>\$ 914,544,296</u>	<u>\$ (113,352,405)</u>
Business-type Activities			
Bonds	\$ 2,363,057,632	\$ 2,207,449,697	\$ 155,607,935
Loans	<u>5,063,616</u>	<u>6,514,518</u>	<u>(1,450,902)</u>
Total business-type activities	<u>\$ 2,368,121,248</u>	<u>\$ 2,213,964,215</u>	<u>\$ 154,157,033</u>
Total Outstanding Debt			
Bonds	\$ 3,148,877,251	\$ 3,069,701,267	\$ 79,175,984
Lines of credit	9,248,272	45,214,749	(35,966,477)
Loans	<u>11,187,616</u>	<u>13,592,495</u>	<u>(2,404,879)</u>
Total outstanding debt	<u>\$ 3,169,313,139</u>	<u>\$ 3,128,508,511</u>	<u>\$ 40,804,628</u>

As of June 30, 2023, the City had total bonded debt outstanding of \$3.15 billion. Unamortized premiums and discounts for governmental activities net to \$42.66 million, while unamortized premiums and discounts for business-type activities net to \$237.40 million.

Of the total bonded debt outstanding, \$248.40 million is General Obligation Bond debt for governmental activities, secured by the full faith and credit and unlimited taxing power of the City, a decrease of \$19.95 million from FY 2021-22. No new General Obligation Bonds were issued during the year.

The City has \$408.76 million of Limited Tax Revenue Bonds outstanding, a decrease of \$4.09 million from FY 2021-22. 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. \$4.86 million of bonds were issued to retire the line of credit that was drawn to pay for the replacement of the City's fuelling station. Another \$23.2 million was issued to pay for transportation projects.

An additional \$85.36 million of the City's outstanding debt consists of Urban Renewal Bonds that are issued to fund urban renewal activities and are repaid from tax increment revenues generated from the City's various urban renewal areas. The decrease of \$47.81 million was due to scheduled debt service payments as well as additional calls on several issues as more districts continue to sunset.

As of June 30, 2023, the City's governmental activities had \$22.32 million of outstanding limited tax improvement bonds, a decrease from FY 2021-22. This represents a \$5.96 million decrease to the outstanding debt.

The remainder of the City's debt is revenue bonds, totaling \$2.10 billion, which is recorded in business-type activities. In general, revenue bonds are secured solely by specified revenue sources such as water or sewer system revenues. The Bureau of Environmental Services issued \$426.7 million in bonds during the year ended June 30, 2023. \$315.5 million of those bonds is being used for new construction and the remainder was used to pay off a \$42.5 million line of credit and to refund \$148.0 million bonds.

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

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

	<u>FY 2022-23</u>	<u>FY 2021-22</u>	<u>Change</u>
Governmental Activities			
General Obligation Bonds	\$ 248,400,000	\$ 268,350,000	\$ (19,950,000)
Limited Tax Improvement Bonds	22,320,000	28,280,000	(5,960,000)
Urban Renewal Bonds	85,362,102	133,168,319	(47,806,217)
Limited Tax Revenue Bonds	387,076,782	385,842,383	1,234,399
Unamortized premiums & discounts	42,660,735	46,610,868	(3,950,133)
Total governmental activities	<u>785,819,619</u>	<u>862,251,570</u>	<u>(76,431,951)</u>
Business-type Activities			
Limited Tax Revenue Bonds	21,680,867	27,005,654	(5,324,787)
Revenue Bonds	2,103,975,000	1,973,245,000	130,730,000
Unamortized premiums & discounts	237,401,765	207,199,043	30,202,722
Total business-type activities	<u>2,363,057,632</u>	<u>2,207,449,697</u>	<u>155,607,935</u>
Total Outstanding Debt			
General Obligation Bonds	248,400,000	268,350,000	(19,950,000)
Limited Tax Improvements Bonds	22,320,000	28,280,000	(5,960,000)
Urban Renewal Bonds	85,362,102	133,168,319	(47,806,217)
Limited Tax Revenue Bonds	408,757,649	412,848,037	(4,090,388)
Revenue Bonds	2,103,975,000	1,973,245,000	130,730,000
Unamortized premiums & discounts	280,062,500	253,809,911	26,252,589
Total outstanding bonded debt	<u>\$ 3,148,877,251</u>	<u>\$ 3,069,701,267</u>	<u>\$ 79,175,984</u>

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

- Debt limitation.** Oregon Revised Statutes provide a limit on non-self-supporting general obligation debt of 3% of the real market value of all taxable property within the City's boundaries. Based on the City's FY 2022-23 real market value, this debt limitation is \$5.36 billion. The amount of outstanding City debt subject to this limitation is \$248.40 million. In addition, voters have authorized an additional \$41.07 million for affordable housing bonds. These bonds, when issued, will be subject to the 3% limitation.
- Debt ratings.** The City's unlimited tax general obligation debt remains rated "Aaa" by Moody's Investors Service ("Moody's") and was confirmed in July 2023. Current ratings for all of the City's various types of debt are shown below.

Credit	Moody's Rating
Tax Supported General Obligation Bonds	Aaa
Full Faily & Credit Obligations	
Limited Tax Revenue Bonds	Aaa
Limited Tax Improvement Bonds	Aaa
Limited Tax Pension Obligation Revenue Bonds	Aaa
Limited Tax Housing Revenue Bonds	Aaa
Revenue Bonds	
First Lien Water Revenue Bonds	Aa1/AA+
Second Lien Water Revenue Bonds	Aa2/AA
First Lien Sewer Revenue Bonds	Aa1/AA+
Second Lien Sewer Revenue Bonds	Aa2/AA
Urban Renewal and Redevelopment Bonds	
Central Eastside Urban Renewal Bonds	Aa3
Gateway Regional Center Urban Renewal Bonds ⁽³⁾	A1/AA*

Notes:

- Debt ratios.** The City's debt ratios, as of June 30, 2023, are shown below:

	Amount	Per Capita	Percent of Real Market Valuation	Percent of Assessed Valuation
Population July 1, 2022 ⁽¹⁾	647,697	-	-	-
2022-23 Real Market Value	\$ 178,528,659,250	\$ 275,636	-	-
2022-23 Assessed Value ⁽²⁾	\$ 79,478,847,605	\$ 122,710	44.52%	-
Gross Bonded Debt ⁽³⁾	\$ 688,784,208	\$ 1,063	0.39%	0.87%
Net Direct Debt ⁽⁴⁾	\$ 451,070,238	\$ 696	0.25%	0.57%
Net Overlapping Debt	\$ 3,597,294,231	\$ 5,554	2.01%	4.53%
Net Direct and Overlapping Debt	\$ 4,048,364,469	\$ 6,250	2.27%	5.09%

⁽¹⁾ Population figures provided by Washington State Office of Financial Management; Portland State University, Center for Population Research

⁽²⁾ Market Value reported in this table encompasses City of Portland values within Multnomah, Washington, and Clackamas Counties, including estimated urban renewal incremental real market values. Market Values reported in this table are "Measure 5 Values", which represent the real market value of properties that are not specially assessed; and the value of specially assessed properties, including farm, forestland, and exempt property, which are less than full real market value. In FY 2022-23, the Measure 5 Market Value represented about 84% of full real market value.

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

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

Additional information on the City's long-term debt can be found in Note III.I. on pages 135 - 147 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The following economic factors currently affect the City of Portland and were considered in developing the City's budget for FY 2023-24. The City's annual budget is prepared by the City Budget Office; more information can be found at <https://www.portland.gov/cbo/2023-2024-budget/requested>.

- According to the U.S. Bureau of Labor Statistics, the unemployment rate for the City of Portland in June 2023 was 3.4%, down 0.3% from June 2022; and below the pre-pandemic level.
- The 2023 calendar year CPI-W, which determines the cost of living increases for nearly all City employees and is the cost inflator for many of the City's vendor contracts, rose 2.6% over the first six months of 2023.
- Water rates and sewer bills increased 7.9% and 4.07%, respectively, for the FY 2023-24 budget year. These increases were necessary to fund ongoing operation and maintenance of aging systems, comply with U.S. Environmental Protection Agency mandates and permit requirements, and fund additional debt service payments resulting from the financing of system improvements.
- The local real estate market had already softened prior to the current crisis. However, low mortgage rates, the fact that the majority of those laid off during the pandemic tended to skew toward renters, and increasingly flexible work schedules led to significant increases in home prices. More recently, rising mortgage rates have reversed that trend. According to the S&P Case Schiller index, home prices decreased in Portland by 5.1% in the past year, well below the national average decrease of 0.5%.
- Employment in Multnomah County is 95% back to the pre-pandemic peak, with the most affected industry being Leisure and Hospitality.
- The City experienced record revenue growth prior to the pandemic as local economic growth exceeded both national and state averages. However, the pandemic resulted in some revenue streams seeing declines, such as lodging taxes and parking fees. However, for some of the City's major revenue streams - in particular business license fees - there was little or no impact as many corporations benefited from consumer spending increases due to people being largely unable to travel or spend money at local restaurants and entertainment venues. As of FY 2022-23, all General Fund revenue streams are near or above their FY 2019-20 collections.

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 and Grants Management Division, Bureau of Revenue and Financial Services, 1120 SW Fifth Avenue, Portland, Oregon 97204.



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Basic Financial Statements



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Government-wide Financial Statements



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City of Portland, Oregon
Statement of Net Position
June 30, 2023

	Primary Government			Component Unit Prosper Portland
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets (unrestricted):				
Cash and investments	\$ 632,984,640	\$ 563,846,772	\$ 1,196,831,412	\$ 343,214,127
Receivables:				
Taxes	9,474,421	-	9,474,421	-
Accounts, net	55,307,776	115,621,497	170,929,273	1,204,521
Leases	942,742	1,017,961	1,960,703	670,245
Assessments	5,988,426	2,173,027	8,161,453	-
Notes and loans, net	258,765	1,500,120	1,758,885	1,072,229
Advances	7,966,918	172,946	8,139,864	-
Accrued interest	6,135,397	5,557,294	11,692,691	2,734,456
Due from primary government	-	-	-	7,559,132
Due from component unit	75,465	-	75,465	-
Internal balances	(9,109,053)	9,109,053	-	-
Inventories	9,953,777	7,563,780	17,517,557	-
Property held for sale	-	151,630	151,630	104,760,530
Prepaid expenses	5,641,389	243,940	5,885,329	-
Current assets (restricted):				
Cash and investments	1,036,369,837	52,935,769	1,089,305,606	-
Receivables:				
Taxes	14,234,111	-	14,234,111	-
Accounts, net	19,431,574	-	19,431,574	-
Assessments	28,601,524	-	28,601,524	-
Notes and loans, net	4,396,542	-	4,396,542	-
Advances	11,578,187	-	11,578,187	-
Grants	48,343,151	-	48,343,151	-
Accrued interest	9,378,908	-	9,378,908	-
Due from component unit	648,418	-	648,418	-
Prepaid expenses	300,020	-	300,020	2,699,884
Total current assets	1,898,902,935	759,893,789	2,658,796,724	463,915,124
Noncurrent assets (unrestricted):				
Capital assets, not being depreciated or amortized:				
Land	250,699,221	116,902,716	367,601,937	14,126,930
Construction in progress	617,297,086	834,615,704	1,451,912,790	4,226,692
Intangible assets:				
Land use rights	77,359,354	20,458,624	97,817,978	-
Owning rights	16,798	-	16,798	-
Capital assets, net of accumulated depreciation:				
Infrastructure	791,513,529	4,328,028,619	5,119,542,148	48,062,398
Buildings	387,954,068	290,521,473	678,475,541	-
Improvements to land	84,257,997	62,556,592	146,814,589	-
Equipment	146,920,504	36,401,225	183,321,729	151,547
Intangible assets:				
Land use rights	-	697,565	697,565	-
Owning rights	-	1,539	1,539	-
Software	56,420,107	1,817,655	58,237,762	605,341
Right-of-use	44,292,756	3,136,701	47,429,457	8,037,451
Net capital assets	2,456,731,420	5,695,138,413	8,151,869,833	75,210,359
Regulatory assets, net of accumulated depreciation	-	15,253,007	15,253,007	-
Receivables:				
Leases	16,236,146	4,671,445	20,907,591	5,717,084
Assessments	483,521	4,103,681	4,587,202	3,000,000
Notes and loans, net	6,517,059	3,030,264	9,547,323	20,477,635
OPEB asset	11,000,257	2,620,499	13,620,756	165,609
Noncurrent assets (restricted):				
Cash and investments	272,806,605	161,445,321	434,251,926	-
Receivables:				
Assessments	22,702,721	-	22,702,721	-
Notes and loans, net	76,500,425	-	76,500,425	-
Grants	40,943,931	-	40,943,931	-
Total noncurrent assets	2,903,922,085	5,886,262,630	8,790,184,715	104,570,687
Total assets	4,802,825,020	6,646,156,419	11,448,981,439	568,485,811
DEFERRED OUTFLOWS OF RESOURCES *				
Deferred outflows - pensions	527,292,131	76,429,430	603,721,561	6,064,250
Deferred outflows - OPEB	31,425,072	3,812,124	35,237,196	168,317
Deferred charge for debt refunding	19,126	5,375	24,501	-
Total deferred outflows of resources	558,736,329	80,246,929	638,983,258	6,232,567

City of Portland, Oregon
Statement of Net Position, continued
June 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Prosper Portland
LIABILITIES				
Current liabilities (payable from unrestricted assets):				
Accounts payable	\$ 94,216,505	\$ 24,830,270	\$ 119,046,775	\$ 7,039,943
Self insurance claims	19,570,581	-	19,570,581	-
Compensated absences	61,580,039	13,066,262	74,646,301	148,566
Bonds payable	12,908,561	140,246,575	153,155,136	-
Notes and loans payable	9,833,272	1,465,547	11,298,819	966,900
Leases and subscriptions payable	7,972,493	1,068,272	9,040,765	385,869
Accrued interest payable	5,195,534	17,917,182	23,112,716	-
Unearned revenue	59,829,546	2,506,966	62,336,512	135,675
Due to primary government	-	-	-	723,883
Due to component unit	5,930,186	-	5,930,186	-
Landfill postclosure	336,016	101,054	437,070	-
Pollution remediation	928,000	1,827,000	2,755,000	15,729,272
Other liabilities	219,680	61,052	280,732	483,193
Current liabilities (payable from restricted assets):				
Accounts payable	39,849,672	52,944,935	92,794,607	-
Bonds payable	51,982,235	-	51,982,235	-
Due to component unit	2,381,845	-	2,381,845	-
Unearned revenue	271,150,649	-	271,150,649	-
Other liabilities	6,036,955	-	6,036,955	-
Total current liabilities	649,921,769	256,035,115	905,956,884	25,613,301
Noncurrent liabilities:				
Self insurance claims	18,161,509	-	18,161,509	-
Compensated absences	33,994,411	5,859,158	39,853,569	718,991
Bonds payable	720,928,823	2,222,811,054	2,943,739,877	-
Notes and loans payable	5,539,000	3,598,069	9,137,069	32,452
Leases and subscriptions payable	30,535,267	1,384,284	31,919,551	8,454,433
Accrued interest payable	132,643,170	41,981,905	174,625,075	-
Net pension liability - FPDR	3,831,351,763	-	3,831,351,763	-
Net pension liability - PERS	528,804,098	174,594,052	703,398,150	13,356,005
Other postemployment benefits	95,749,871	16,686,151	112,436,022	409,528
Landfill postclosure	1,220,784	1,299,071	2,519,855	-
Pollution remediation	1,891,513	3,794,000	5,685,513	45,689,903
Other liabilities	-	149,835	149,835	-
Total noncurrent liabilities	5,400,820,209	2,472,157,579	7,872,977,788	68,661,312
Total liabilities	6,050,741,978	2,728,192,694	8,778,934,672	94,274,613
DEFERRED INFLOWS OF RESOURCES *				
Deferred inflows - pensions	693,364,005	50,992,773	744,356,778	4,004,038
Deferred inflows - OPEB	25,891,280	2,888,036	28,779,316	122,450
Deferred charge for debt refunding	2,608,441	25,695,388	28,303,829	-
Deferred inflow - leases	17,178,889	5,689,406	22,868,295	7,245,179
Total deferred inflows of resources	739,042,615	85,265,603	824,308,218	11,371,667
NET POSITION				
Net investment in capital assets	2,176,804,608	3,497,064,627	5,673,869,235	74,170,828
Restricted for:				
Public safety	9,788,704	-	9,788,704	-
Parks, recreation and culture	50,405,455	-	50,405,455	-
Community development	739,813,579	-	739,813,579	415,624,138
Transportation	209,269,684	-	209,269,684	-
Debt service	71,469,459	180,000	71,649,459	-
Capital projects	131,896,276	-	131,896,276	-
Parks endowment fund:				
Nonexpendable	190,641	-	190,641	-
Environmental services	244,294	-	244,294	-
Water	7,250	-	7,250	-
Unrestricted surplus (deficit)	(4,818,113,194)	415,700,424	(4,402,412,770)	(20,722,868)
Total net position	\$ (1,428,223,244)	\$ 3,912,945,051	\$ 2,484,721,807	\$ 469,072,098

* See note III.D for further information

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, 2023

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
Function/Programs					Governmental Activities	Business-type Activities		Prosper Portland
Primary government:								
Governmental activities:								
Public safety	\$ 729,132,457	\$ 41,792,579	\$ 28,944,020	\$ 7,038,622	\$ (651,357,236)	\$ -	\$ (651,357,236)	\$ -
Parks, recreation and culture	170,206,394	50,315,044	1,065,275	18,749,595	(100,076,480)	-	(100,076,480)	-
Community development	451,616,998	90,200,452	81,517,775	32,168,012	(247,730,759)	-	(247,730,759)	-
Transportation	229,316,124	109,011,046	12,335,659	119,021,413	11,051,994	-	11,051,994	-
Legislative / admin / support services	207,437,256	367,402,791	49,774,071	7,953,084	217,692,690	-	217,692,690	-
Environmental services	478,832	-	345,106	49,045	(84,681)	-	(84,681)	-
Water	500,030	-	264,002	61,448	(174,580)	-	(174,580)	-
Parking facilities	171,000	-	-	-	(171,000)	-	(171,000)	-
Interest on long-term debt	37,884,293	-	-	-	(37,884,293)	-	(37,884,293)	-
Total governmental activities	<u>1,826,743,384</u>	<u>658,721,912</u>	<u>174,245,908</u>	<u>185,041,219</u>	<u>(808,734,345)</u>	<u>-</u>	<u>(808,734,345)</u>	<u>-</u>
Business-type activities:								
Environmental services	289,686,367	427,983,996	-	217,835	-	138,515,464	138,515,464	-
Water	167,929,821	255,542,172	-	227,356	-	87,839,707	87,839,707	-
Hydroelectric power	3,819,736	3,159,428	-	-	-	(660,308)	(660,308)	-
Parking facilities	10,507,004	10,358,205	-	-	-	(148,799)	(148,799)	-
Golf	12,474,776	13,388,578	-	-	-	913,802	913,802	-
Motor sports	1,993,948	2,301,270	-	-	-	307,322	307,322	-
Spectator facilities	9,973,259	12,526,694	-	278,499	-	2,831,934	2,831,934	-
Total business-type activities:	<u>496,384,911</u>	<u>725,260,343</u>	<u>-</u>	<u>723,690</u>	<u>-</u>	<u>229,599,122</u>	<u>229,599,122</u>	<u>-</u>
Total primary government	<u>\$ 2,323,128,295</u>	<u>\$ 1,383,982,255</u>	<u>\$ 174,245,908</u>	<u>\$ 185,764,909</u>	<u>\$ (808,734,345)</u>	<u>\$ 229,599,122</u>	<u>\$ (579,135,223)</u>	<u>\$ -</u>
Component unit:								
Prosper Portland	\$ 101,811,595	\$ 20,354,331	\$ 24,692,644	\$ -	\$ -	\$ -	\$ -	\$ (56,764,620)
General revenues:								
Taxes:								
Property					739,608,142	-	739,608,142	-
Lodging					54,548,190	-	54,548,190	-
Clean energy surcharge					183,451,304	-	183,451,304	-
Gas					21,620,767	-	21,620,767	-
Miscellaneous					23,928,381	-	23,928,381	-
Payments from the City					-	-	-	56,887,188
Investment earnings					38,887,469	9,633,954	48,521,423	5,349,014
Miscellaneous revenues					-	-	-	12,686,226
Transfers					(3,322,958)	3,322,958	-	-
Total general revenues and transfers					<u>1,058,721,295</u>	<u>12,956,912</u>	<u>1,071,678,207</u>	<u>74,922,428</u>
Change in net position					249,986,950	242,556,034	492,542,984	18,157,808
Net position - beginning					(1,678,210,194)	3,670,389,017	1,992,178,823	450,914,290
Net position - ending					<u>\$ (1,428,223,244)</u>	<u>\$ 3,912,945,051</u>	<u>\$ 2,484,721,807</u>	<u>\$ 469,072,098</u>

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

Fund Financial Statements



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**City of Portland, Oregon
Balance Sheet
Governmental Funds
June 30, 2023**

	General Fund	Transportation Operating	Grants	Portland Clean Energy Community Benefits	Other Funds	Total
ASSETS						
Unrestricted:						
Cash and investments	\$ 271,536,720	\$ 7,673,607	\$ -	\$ -	\$ 147,048,379	\$ 426,258,706
Receivables:						
Taxes	9,474,421	-	-	-	-	9,474,421
Accounts, net	38,324,674	9,015,811	-	-	4,858,277	52,198,762
Leases	3,034,859	12,794,591	-	-	-	15,829,450
Assessments	143,275	1,051,372	-	-	5,277,300	6,471,947
Notes and loans, net	314,197	125,000	-	-	6,336,627	6,775,824
Advances	7,513,528	403,484	-	-	18,750	7,935,762
Accrued interest	1,810,979	1,598,469	-	-	1,117,180	4,526,628
Due from component unit	59,332	233	-	-	-	59,565
Internal loans receivable	-	1,413,500	-	-	-	1,413,500
Inventories	318,191	5,735,224	-	-	-	6,053,415
Prepaid items	212,306	375,321	-	-	132,369	719,996
Restricted:						
Cash and investments	-	193,812,356	208,718,150	458,554,295	447,042,615	1,308,127,416
Receivables:						
Taxes	5,730,284	-	-	-	8,503,827	14,234,111
Accounts, net	-	15,814,612	-	1,797,154	1,819,808	19,431,574
Assessments	-	-	-	-	51,304,245	51,304,245
Notes and loans, net	-	-	1,691,442	-	79,205,525	80,896,967
Advances	-	100,000	1,602,651	9,874,226	1,310	11,578,187
Grants	-	-	86,076,723	-	3,210,359	89,287,082
Accrued interest	-	384,160	1,773,436	3,312,940	3,908,372	9,378,908
Prepaid items	-	-	85,823	117,621	96,576	300,020
Due from component unit	-	-	-	-	648,418	648,418
Internal loans receivable	-	-	-	-	1,000,000	1,000,000
Total assets	<u>\$ 338,472,766</u>	<u>\$ 250,297,740</u>	<u>\$ 299,948,225</u>	<u>\$ 473,656,236</u>	<u>\$ 761,529,937</u>	<u>\$ 2,123,904,904</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities payable from unrestricted assets:						
Accounts payable	\$ 47,382,960	\$ 14,834,727	\$ -	\$ -	\$ 9,149,379	\$ 71,367,066
Due to component unit	4,857,468	5,120	-	-	314,700	5,177,288
Internal loans payable	1,413,500	-	-	-	-	1,413,500
Unearned revenue	54,498,668	5,252,449	-	-	1,296	59,752,413
Other liabilities	-	-	-	-	176,108	176,108
Liabilities payable from restricted assets:						
Accounts payable	-	1,018,991	25,160,010	767,162	12,903,509	39,849,672
Due to component unit	-	-	1,818,196	-	563,649	2,381,845
Due to fiduciary fund	5,730,284	-	-	-	-	5,730,284
Unearned revenue	-	-	270,735,036	-	415,613	271,150,649
Other accrued liabilities	-	306,671	-	-	-	306,671
Total liabilities	<u>113,882,880</u>	<u>21,417,958</u>	<u>297,713,242</u>	<u>767,162</u>	<u>23,524,254</u>	<u>457,305,496</u>
Deferred inflows of resources:						
Unavailable revenue - unrestricted	7,290,206	1,188,947	-	-	5,277,300	13,756,453
Deferred inflow - leases	3,034,859	12,794,591	-	-	-	15,829,450
Unavailable revenue - restricted	-	-	64,436,650	-	59,153,287	123,589,937
Total deferred inflows of resources	<u>10,325,065</u>	<u>13,983,538</u>	<u>64,436,650</u>	<u>-</u>	<u>64,430,587</u>	<u>153,175,840</u>
Fund balances:						
Nonspendable	530,497	6,110,778	-	-	163,175	6,804,450
Restricted	-	208,785,466	-	472,889,074	523,541,822	1,205,216,362
Committed	89,785,163	-	-	-	74,059,402	163,844,565
Assigned	18,367,695	-	-	-	75,810,697	94,178,392
Unassigned	105,581,466	-	(62,201,667)	-	-	43,379,799
Total fund balances	<u>214,264,821</u>	<u>214,896,244</u>	<u>(62,201,667)</u>	<u>472,889,074</u>	<u>673,575,096</u>	<u>1,513,423,568</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 338,472,766</u>	<u>\$ 250,297,740</u>	<u>\$ 299,948,225</u>	<u>\$ 473,656,236</u>	<u>\$ 761,529,937</u>	<u>\$ 2,123,904,904</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, 2023

Fund balances - total governmental funds \$ 1,513,423,568

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. 2,057,910,540

Other long-term assets are prepaid or are not available to pay for current period expenditures and, therefore, are deferred in the fund statements:

Deferred items eliminated for government-wide:

Unavailable revenue in governmental fund statements	137,346,390
Deferred outflows - deferred charge for bond refunding	19,126
Deferred inflows - deferred charge for bond refunding	(2,592,679)
Deferred outflows - pensions	500,062,730
Deferred outflows - OPEB	30,193,807
Deferred inflows - pensions	(674,899,006)
Deferred inflows - OPEB	(24,950,503)
OPEB asset	10,154,171

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. 330,685,269

Noncurrent bonds payable are not due and payable in the current period and are not reported in the governmental funds. (648,662,569)

Unfunded net pension liability for the City's Fire and Police Disability and Retirement Plan is not reported in the governmental fund financial statements because such amounts are not due and payable in the current period. (See Note IV.E., Employee retirement systems and pension plans.) (3,831,351,763)

Unfunded net pension liability for the City's PERS pension plan. (465,487,016)

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	(88,008,483)
Notes and loans payable	(15,372,272)
Leases and subscriptions payable	(24,648,752)
Accrued interest	(127,247,811)
Other postemployment benefits	(90,312,625)
Landfill postclosure	(1,556,800)
Pollution remediation	(2,819,513)
Internal service fund look-back adjustment to business-type activities	(10,109,053)

Total net position of governmental activities **\$ (1,428,223,244)**

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, 2023

	General Fund	Transportation Operating	Grants	Portland Clean Energy Community Benefits	Other Funds	Total
REVENUES						
Taxes:						
Property	\$ 493,431,367	\$ -	\$ -	\$ -	\$ 240,285,479	\$ 733,716,846
Lodging	30,524,919	-	-	-	24,023,271	54,548,190
Clean energy surcharge	-	-	-	183,451,304	-	183,451,304
Gas	-	21,620,767	-	-	-	21,620,767
Miscellaneous	-	-	-	-	23,928,381	23,928,381
Licenses and fees	304,374,292	18,052,081	-	-	55,989,204	378,415,577
Intergovernmental	48,284,403	98,718,330	94,343,772	-	47,920,584	289,267,089
Charges for services	10,849,245	13,419,917	-	-	20,253,798	44,522,960
Interagency	100,351,138	27,129,944	-	-	2,128,522	129,609,604
Parking fees	176,260	36,322,511	-	-	3,494,897	39,993,668
Parking fines	19,742	3,763,921	-	-	61,250	3,844,913
Rents and reimbursements	29,575,699	421,867	-	-	5,959,681	35,957,247
Leases	712,866	594,538	-	-	-	1,307,404
Miscellaneous service charges	4,951,496	7,869,295	280,216	-	20,535,648	33,636,655
Loan repayments	-	-	-	-	61,276	61,276
Assessments	46,100	902,418	-	-	10,736,330	11,684,848
Investment earnings (losses)	4,709,274	4,402,717	4,865,968	5,452,826	16,623,686	36,054,471
Payments in lieu of taxes	1,676,179	-	-	-	-	1,676,179
Sales - other	-	-	-	-	253,886	253,886
Miscellaneous	3,495,369	2,209,126	-	-	8,847,204	14,551,699
Total revenues	<u>1,033,178,349</u>	<u>235,427,432</u>	<u>99,489,956</u>	<u>188,904,130</u>	<u>481,103,097</u>	<u>2,038,102,964</u>
EXPENDITURES						
Current:						
Public safety	580,471,260	-	18,664,284	-	30,919,213	630,054,757
Parks, recreation and culture	124,793,445	-	1,050,738	-	36,710,407	162,554,590
Community development	104,348,437	-	65,579,195	14,724,225	270,485,866	455,137,723
Transportation	-	189,951,906	5,574,451	-	-	195,526,357
Legislative / admin / support services	127,426,227	-	5,407,048	-	51,306,573	184,139,848
Environmental services	-	-	366,907	-	-	366,907
Water	-	-	278,704	-	-	278,704
Debt service and related costs:						
Principal	3,996,705	10,037,408	-	-	124,950,127	138,984,240
Interest	10,940,585	10,454,284	-	-	25,874,347	47,269,216
Debt issuance costs	-	500	-	-	217,074	217,574
Capital outlay	16,820,750	84,746,986	29,463,283	-	38,309,436	169,340,455
Total expenditures	<u>968,797,409</u>	<u>295,191,084</u>	<u>126,384,610</u>	<u>14,724,225</u>	<u>578,773,043</u>	<u>1,983,870,371</u>
Excess (deficiency) of revenues over (under) expenditures	<u>64,380,940</u>	<u>(59,763,652)</u>	<u>(26,894,654)</u>	<u>174,179,905</u>	<u>(97,669,946)</u>	<u>54,232,593</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	19,492,337	31,548,761	390,000	-	113,579,708	165,010,806
Transfers out	(108,874,625)	(2,360,266)	-	-	(75,415,906)	(186,650,797)
Proceeds from sale of capital assets	1,805	-	-	-	-	1,805
Bonds and notes issued	-	-	-	-	14,929,029	14,929,029
Refunding bonds issued	-	-	-	-	17,539,243	17,539,243
Bonds and notes premium	-	-	-	-	3,767,384	3,767,384
Right-of-use proceeds	8,183,450	96,294	-	-	81,540	8,361,284
Total other financing sources (uses)	<u>(81,197,033)</u>	<u>29,284,789</u>	<u>390,000</u>	<u>-</u>	<u>74,480,998</u>	<u>22,958,754</u>
Net change in fund balances	<u>(16,816,093)</u>	<u>(30,478,863)</u>	<u>(26,504,654)</u>	<u>174,179,905</u>	<u>(23,188,948)</u>	<u>77,191,347</u>
Fund balances - beginning	<u>231,080,914</u>	<u>245,375,107</u>	<u>(35,697,013)</u>	<u>298,709,169</u>	<u>696,764,044</u>	<u>1,436,232,221</u>
Fund balances - ending	<u>\$ 214,264,821</u>	<u>\$ 214,896,244</u>	<u>\$(62,201,667)</u>	<u>\$ 472,889,074</u>	<u>\$ 673,575,096</u>	<u>\$ 1,513,423,568</u>

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

City of Portland, Oregon
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2023

Net change in fund balances - total governmental funds	\$ 77,191,347
 Amounts reported for governmental activities in the statement of activities are different because:	
The effect of capital outlays made by the governmental funds	169,340,455
Disposals of capital assets and capital contributions	6,504,241
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.)	(63,266,976)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	34,900,389
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.	10,087,039
The issuance of long-term debt and the recognition of leases and subscriptions provide current financial resources to governmental funds while the repayment of the principal of long-term debt, lease payments, and subscription payments consume the current financial resources of governmental funds. These transactions do not have any effect on net position. This is the amount by which bond principal retirement, lease payments, and subscription payments exceeded bond, lease, and subscription proceeds in the current period.	110,677,604
 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	(6,709,826)
Accrual of net pension liability which is not reported as an expenditure in governmental funds:	
PERS	(490,603)
FPDR	(88,008,185)
Write-off inactive projects	(96,876)
Internal service fund look-back adjustment to business-type activities	643,449
Accrual of environmental remediation costs	(87,508)
Accrual of landfill postclosure costs	133,278
Accrual of other postemployment benefits which are not reported as an expenditure in governmental funds	(831,720)
Internal balances	842
Change in net position - governmental activities	\$ 249,986,950

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

**City of Portland Oregon
Statement of Net Position
Proprietary Funds
June 30, 2023**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
ASSETS					
Current assets (unrestricted):					
Cash and investments	\$ 309,182,909	\$ 199,330,402	\$ 55,333,461	\$ 563,846,772	\$ 206,725,934
Receivables:					
Accounts, net	68,610,174	43,900,580	3,110,743	115,621,497	3,109,014
Leases	22,510	449,457	545,994	1,017,961	240,342
Assessments	1,874,501	298,526	-	2,173,027	-
Notes and loans, net	120	-	1,500,000	1,500,120	-
Advances	80,391	17,055	75,500	172,946	31,156
Accrued interest	3,287,303	1,828,085	441,904	5,557,292	1,608,769
Due from component unit	-	-	-	-	15,900
Inventories	3,391,465	4,172,315	-	7,563,780	3,900,362
Property held for sale	-	151,630	-	151,630	-
Prepaid expenses	129,553	98,658	15,730	243,941	4,921,393
Total current assets (unrestricted)	<u>386,578,926</u>	<u>250,246,708</u>	<u>61,023,332</u>	<u>697,848,966</u>	<u>220,552,870</u>
Current assets (restricted):					
Cash and investments	46,852,322	6,083,447	-	52,935,769	-
Total current assets	<u>433,431,248</u>	<u>256,330,155</u>	<u>61,023,332</u>	<u>750,784,735</u>	<u>220,552,870</u>
Noncurrent assets (unrestricted):					
Capital assets, not being depreciated or amortized:					
Land	82,862,618	16,879,250	17,160,848	116,902,716	14,327,119
Construction in progress	560,073,485	273,145,688	1,396,531	834,615,704	84,236,180
Land use rights	15,706,053	4,748,071	4,500	20,458,624	-
Capital assets, being depreciated or amortized:					
Infrastructure	3,989,393,533	1,630,307,701	63,873,009	5,683,574,243	1,195,452
Buildings	67,729,128	116,925,086	263,756,049	448,410,263	324,355,282
Improvements to land	7,970,918	68,904,402	25,794,082	102,669,402	1,461,571
Equipment	35,335,401	41,681,301	6,643,387	83,660,089	148,841,294
Land use rights	-	843,940	-	843,940	-
Owning rights	-	10,776	-	10,776	-
Software	9,881,670	9,367,232	152,883	19,401,785	58,570,170
ROU Assets	3,111,718	1,359,366	26,118	4,497,202	25,119,320
Accumulated depreciation and amortization	(861,019,840)	(597,326,781)	(161,559,710)	(1,619,906,331)	(259,285,508)
Capital assets, net of accumulated depreciation and amortization	<u>3,911,044,684</u>	<u>1,566,846,032</u>	<u>217,247,697</u>	<u>5,695,138,413</u>	<u>398,820,880</u>
Regulatory assets, not being depreciated:					
Construction in progress	-	9,798,577	-	9,798,577	-
Regulatory assets, net of accumulated depreciation	-	5,454,430	-	5,454,430	-
Receivables:					
Assessments	3,934,166	169,515	-	4,103,681	-
Leases	867,536	953,810	2,850,099	4,671,445	1,109,096
Notes and loans, net	2,405,708	-	624,556	3,030,264	-
Net OPEB asset	1,208,854	1,256,484	155,161	2,620,499	846,086
Total noncurrent assets (unrestricted)	<u>3,919,460,948</u>	<u>1,584,478,848</u>	<u>220,877,513</u>	<u>5,724,817,309</u>	<u>400,776,062</u>
Noncurrent assets (restricted):					
Cash and investments	152,288,393	9,156,928	-	161,445,321	1,049,026
Total noncurrent assets	<u>4,071,749,341</u>	<u>1,593,635,776</u>	<u>220,877,513</u>	<u>5,886,262,630</u>	<u>401,825,088</u>
Total assets	<u>4,505,180,589</u>	<u>1,849,965,931</u>	<u>281,900,845</u>	<u>6,637,047,365</u>	<u>622,377,958</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows - pensions	37,771,236	34,649,448	4,008,746	76,429,430	27,229,401
Deferred outflows - OPEB	1,789,743	1,806,483	215,898	3,812,124	1,231,265
Deferred charge for debt refundings	-	-	5,375	5,375	-
Total deferred outflows of resources	<u>39,560,979</u>	<u>36,455,931</u>	<u>4,230,019</u>	<u>80,246,929</u>	<u>28,460,666</u>

City of Portland Oregon
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
LIABILITIES					
Current liabilities (payable from unrestricted assets):					
Accounts payable	\$ 11,819,767	\$ 10,157,222	\$ 2,853,281	\$ 24,830,270	\$ 22,849,439
Self insurance claims	-	-	-	-	19,570,581
Compensated absences	6,574,800	5,998,292	493,170	13,066,262	4,614,795
Bonds payable	92,262,229	43,368,815	4,615,531	140,246,575	7,609,767
Notes and loans payable	1,465,547	-	-	1,465,547	-
Leases and subscriptions payable	843,539	222,421	2,312	1,068,272	4,810,643
Accrued interest payable	11,733,401	6,073,037	110,743	17,917,181	856,224
Unearned revenue	1,731,751	580,865	194,350	2,506,966	77,133
Due to component unit	-	-	-	-	752,898
Internal loans payable	-	-	250,000	250,000	-
Landfill postclosure	86,054	-	15,000	101,054	-
Pollution remediation	435,000	-	1,392,000	1,827,000	-
Other liabilities	61,052	-	-	61,052	43,572
Total current liabilities (unrestricted)	<u>127,013,140</u>	<u>66,400,652</u>	<u>9,926,387</u>	<u>203,340,179</u>	<u>61,185,052</u>
Current liabilities (payable from restricted assets):					
Accounts payable	46,861,488	6,083,447	-	52,944,935	-
Total current liabilities (payable from restricted assets):	<u>46,861,488</u>	<u>6,083,447</u>	<u>-</u>	<u>52,944,935</u>	<u>-</u>
Total current liabilities	<u>173,874,628</u>	<u>72,484,099</u>	<u>9,926,387</u>	<u>256,285,114</u>	<u>61,185,052</u>
Noncurrent liabilities:					
Self insurance claims	-	-	-	-	18,161,509
Compensated absences	2,939,521	2,680,981	238,656	5,859,158	2,951,172
Bonds payable	1,512,205,351	701,132,179	9,473,524	2,222,811,054	129,547,283
Notes and loans payable	3,598,069	-	-	3,598,069	-
Leases and subscriptions payable	937,231	447,053	-	1,384,284	9,048,365
Internal loans payable	-	-	750,000	750,000	-
Accrued interest payable	19,609,937	20,367,045	2,004,923	41,981,905	9,734,669
Net pension liability - PERS	85,513,989	78,882,184	10,197,879	174,594,052	63,317,082
Other postemployment benefits	7,427,875	8,087,658	1,170,618	16,686,151	5,437,246
Landfill postclosure	1,014,071	-	285,000	1,299,071	-
Pollution remediation	1,100,000	-	2,694,000	3,794,000	-
Other liabilities	149,835	-	-	149,835	-
Total noncurrent liabilities	<u>1,634,495,879</u>	<u>811,597,100</u>	<u>26,814,600</u>	<u>2,472,907,579</u>	<u>238,197,326</u>
Total liabilities	<u>1,808,370,507</u>	<u>884,081,199</u>	<u>36,740,987</u>	<u>2,729,192,693</u>	<u>299,382,378</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - pensions	24,822,742	23,614,859	2,555,172	50,992,773	18,464,999
Deferred charge for debt refunding	22,341,834	3,353,498	56	25,695,388	15,762
Deferred inflows - Leases	890,046	1,403,267	3,396,093	5,689,406	1,349,439
Deferred inflows - OPEB	1,329,122	1,376,019	182,895	2,888,036	940,777
Total deferred inflows of resources	<u>49,383,744</u>	<u>29,747,643</u>	<u>6,134,216</u>	<u>85,265,603</u>	<u>20,770,977</u>
NET POSITION					
Net investment in capital assets	2,433,227,353	846,613,525	217,223,749	3,497,064,627	250,693,304
Restricted for:					
Debt service	180,000	-	-	180,000	-
Unrestricted	253,579,964	125,979,495	26,031,912	405,591,371	79,991,965
Total net position	<u>\$ 2,686,987,317</u>	<u>\$ 972,593,020</u>	<u>\$ 243,255,661</u>	<u>3,902,835,998</u>	<u>\$ 330,685,269</u>
Adjustment to reflect the consolidation of internal service funds' activities related to enterprise funds				10,109,053	
Net position of business-type activities				<u>\$ 3,912,945,051</u>	

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

City of Portland, Oregon
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2023

	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities - Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
Operating revenues:					
Service charges and fees	\$ 408,524,375	\$ 249,234,578	\$ 21,888,456	\$ 679,647,409	\$ 29,981,100
Service charges and fees provided internally	1,291,612	4,560,778	2,172,199	8,024,589	321,357,449
Licenses and permits	2,045,980	-	3,722,001	5,767,981	-
Rents and reimbursements	26,278	-	11,182,916	11,209,194	88,441
Concessions	-	-	3,259,990	3,259,990	-
Parking fees	-	-	12,263,241	12,263,241	-
Power sales	-	-	2,948,885	2,948,885	-
Lease revenue	30,825	91,520	64,553	186,898	340,940
Miscellaneous	283,564	1,655,297	13,294	1,952,155	6,266,217
Total operating revenues	<u>412,202,634</u>	<u>255,542,173</u>	<u>57,515,535</u>	<u>725,260,342</u>	<u>358,034,147</u>
Operating expenses:					
Salaries and wages	81,970,835	60,042,609	9,675,863	151,689,307	64,452,352
Operating supplies	7,927,492	6,788,126	1,095,034	15,810,652	15,895,458
Professional services	5,060,734	1,713,157	4,823,436	11,597,327	49,249,879
Materials and services provided internally	37,532,419	22,371,189	10,043,150	69,946,758	28,142,258
Utilities	7,955,010	3,177,615	2,661,655	13,794,280	13,472,374
Claims	-	-	-	-	96,846,711
Utility license fees	18,748,002	10,164,029	332,215	29,244,246	45,376
Miscellaneous	17,466,375	7,578,674	15,867,461	40,912,510	70,065,499
Depreciation and amortization	56,421,139	38,292,527	7,349,813	102,063,479	25,628,642
Regulatory depreciation	-	132,410	-	132,410	-
Total operating expenses	<u>233,082,006</u>	<u>150,260,336</u>	<u>51,848,627</u>	<u>435,190,969</u>	<u>363,798,549</u>
Operating income (loss)	<u>179,120,628</u>	<u>105,281,837</u>	<u>5,666,908</u>	<u>290,069,373</u>	<u>(5,764,402)</u>
Nonoperating revenues (expenses):					
Investment earnings (losses)	5,485,718	3,288,205	860,045	9,633,968	2,771,720
Interest expense	(36,461,537)	(17,838,674)	(814,764)	(55,114,975)	(5,938,718)
Debt issuance costs	(1,284,281)	(28,801)	-	(1,313,082)	(35,158)
Gains (losses) on sale of capital assets	(5,250,320)	104,198	(876,160)	(6,022,282)	(136,379)
Lease revenue	196,798	397,110	1,305,919	1,899,827	872,932
Total nonoperating revenues (expenses)	<u>(37,313,622)</u>	<u>(14,077,962)</u>	<u>475,040</u>	<u>(50,916,544)</u>	<u>(2,465,603)</u>
Income before contributions and transfers	141,807,006	91,203,875	6,141,948	239,152,829	(8,230,005)
Transfers in	153,582	739,054	6,275,170	7,167,806	21,067,170
Transfers out	(739,724)	(959,059)	(2,146,060)	(3,844,843)	(2,750,131)
Capital contributions	217,835	227,356	278,499	723,690	-
Change in net position	141,438,699	91,211,226	10,549,557	243,199,482	10,087,034
Total net position - beginning	<u>2,545,548,618</u>	<u>881,381,794</u>	<u>232,706,104</u>		<u>320,598,235</u>
Total net position - ending	<u>\$ 2,686,987,317</u>	<u>\$ 972,593,020</u>	<u>\$ 243,255,661</u>		<u>\$ 330,685,269</u>
Adjustment to reflect the consolidation of internal service funds' activities related to enterprise funds				(643,449)	
Change in net position of business-type activities				<u>\$ 242,556,033</u>	

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



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City of Portland, Oregon
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2023

	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities - Internal Service Funds
	<u>Sewage Disposal</u>	<u>Water</u>	<u>Other Funds</u>	<u>Total</u>	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 406,885,183	\$ 243,129,824	\$ 55,389,787	\$ 705,404,794	\$ 36,179,535
Receipts for interfund services provided	1,291,612	4,560,778	2,172,199	8,024,589	321,357,453
Payments to suppliers	(36,221,109)	(35,763,222)	(24,036,479)	(96,020,810)	(249,475,519)
Payments to employees	(81,337,024)	(59,216,501)	(9,419,616)	(149,973,141)	(63,101,857)
Payments for interfund services used	(37,532,419)	(22,371,189)	(10,043,150)	(69,946,758)	(28,142,258)
Other receipts (payments)	3,629	65	-	3,694	-
Net cash provided by (used for) operating activities	<u>253,089,872</u>	<u>130,339,755</u>	<u>14,062,741</u>	<u>397,492,368</u>	<u>16,817,354</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	153,582	736,624	6,275,170	7,165,376	21,067,170
Transfers out	(739,724)	(959,059)	(2,146,060)	(3,844,843)	(2,747,701)
Payments from internal loans	-	-	(590,500)	(590,500)	-
Net cash provided by (used for) noncapital financing activities	<u>(586,142)</u>	<u>(222,435)</u>	<u>3,538,610</u>	<u>2,730,033</u>	<u>18,319,469</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of bonds and notes	487,385,074	-	-	487,385,074	4,855,000
Premium on bonds and notes issued	44,281,362	-	-	44,281,362	737,715
Proceeds from sale of capital assets	1,232,721	1,133,504	-	2,366,225	1,581,728
Acquisition of capital assets	(236,441,180)	(101,705,951)	(936,214)	(339,083,345)	(30,202,641)
Acquisition of regulatory assets	-	(3,606,370)	-	(3,606,370)	-
Lease payments received	308,008	455,699	1,457,004	2,220,711	993,759
Principal paid on bonds, notes, leases, and subscriptions	(308,524,644)	(33,851,964)	(3,886,738)	(346,263,346)	(16,499,976)
Interest paid on bonds, notes, leases, and subscriptions	(60,294,653)	(28,683,374)	(1,039,661)	(90,017,688)	(8,112,358)
Payments for bond issuance costs	(1,284,281)	(28,800)	-	(1,313,081)	(35,158)
Net cash provided by (used for) capital related financing activities	<u>(73,337,593)</u>	<u>(166,287,256)</u>	<u>(4,405,609)</u>	<u>(244,030,458)</u>	<u>(46,681,931)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment earnings (losses)	3,070,917	2,132,476	427,087	5,630,480	1,632,553
Net cash provided by (used for) investing activities	<u>3,070,917</u>	<u>2,132,476</u>	<u>427,087</u>	<u>5,630,480</u>	<u>1,632,553</u>
Net increase (decrease) in cash and cash equivalents	182,237,054	(34,037,460)	13,622,829	161,822,423	(9,912,555)
Cash and cash equivalents, July 1, 2022	<u>326,086,570</u>	<u>248,608,237</u>	<u>41,710,632</u>	<u>616,405,439</u>	<u>217,687,515</u>
Cash and cash equivalents, June 30, 2023	<u>\$ 508,323,624</u>	<u>\$ 214,570,777</u>	<u>\$ 55,333,461</u>	<u>\$ 778,227,862</u>	<u>\$ 207,774,960</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:					
Unrestricted cash and cash equivalents	\$ 309,182,909	\$ 199,330,402	\$ 55,333,461	\$ 563,846,772	\$ 206,725,934
Restricted cash and cash equivalents	199,140,715	15,240,375	-	214,381,090	1,049,026
Total cash and cash equivalents	<u>\$ 508,323,624</u>	<u>\$ 214,570,777</u>	<u>\$ 55,333,461</u>	<u>\$ 778,227,862</u>	<u>\$ 207,774,960</u>

**City of Portland, Oregon
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year June 30, 2023**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewage Disposal	Water	Other Funds	Total	
Reconciliation of operating income to net cash provided by (used for) operating activities:					
Operating income (loss)	\$ 179,120,628	\$ 105,281,837	\$ 5,666,908	\$ 290,069,373	\$ (5,764,402)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:					
Depreciation and amortization of capital assets	56,421,139	38,292,527	7,349,813	102,063,479	25,628,642
Depreciation of regulatory assets	-	132,410	-	132,410	-
Provision for uncollectible accounts	953,243	804,616	-	1,757,859	-
Change in assets and liabilities:					
Accounts and advances receivable	(5,598,865)	(9,163,738)	(2,939)	(14,765,542)	74,307
Due (from) to component unit	-	-	-	-	95,713
Inventories	(404,338)	(783,467)	-	(1,187,805)	191,492
Prepaid expense	333,338	343,044	(12,518)	663,864	(2,995,815)
Accounts payable	21,325,183	(5,901,198)	(114,160)	15,309,825	(1,440,148)
Self insurance claims	(221,071)	-	-	(221,071)	244,361
Compensated absences	420,091	86,821	129,088	636,000	704,330
Unearned revenue	216,669	108,940	3,673	329,282	(841,592)
Net pension liability - PERS	19,533,059	17,674,285	1,503,770	38,711,114	12,994,155
Other postemployment benefits	(600,248)	(588,342)	(67,465)	(1,256,055)	(404,795)
Landfill postclosure	100,270	-	-	100,270	-
Pollution remediation	190,000	-	870,000	1,060,000	-
Other liabilities	(386,878)	-	-	(386,878)	-
Deferred outflows - pensions	3,974,042	4,148,849	432,462	8,555,353	3,144,461
Deferred outflows - OPEB	292,416	319,712	35,939	648,067	205,296
Deferred inflows - pensions	(22,760,123)	(20,594,262)	(1,752,210)	(45,106,595)	(15,140,926)
Deferred inflows - OPEB	181,317	177,721	20,380	379,418	122,275
Net cash provided by (used for) operating activities	<u>\$ 253,089,872</u>	<u>\$ 130,339,755</u>	<u>\$ 14,062,741</u>	<u>\$ 397,492,368</u>	<u>\$ 16,817,354</u>
Noncash information					
Capital contributions	\$ 217,835	\$ 227,356	\$ 278,499	\$ 723,690	\$ -
Increase (decrease) in fair value of investments (classified as cash equivalents)	\$ (2,490,191)	\$ (1,943,776)	\$ (323,468)	\$ (4,757,435)	\$ (1,699,360)
Acquisition of ROU assets with additions to ROU liabilities	\$ 1,066,189	\$ 924,663	\$ -	\$ 1,990,852	\$ -

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, 2023

	<u>Pension Trust</u>	<u>Custodial</u>
ASSETS		
Current assets:		
Cash and investments ^(a)	\$ 23,431,178	\$ 65,670,437
Receivables:		
Accounts, net	5,622	1,473,083
Advances	-	3,249,651
Pension recovery	435,776	-
Accrued interest	571,954	600,429
Due from other funds	5,730,287	-
Prepaid expense	15,474	-
Total current assets	<u>30,190,291</u>	<u>70,993,600</u>
Noncurrent assets:		
Capital assets:		
Intangible assets:		
Software	1,071,878	12,000
ROU asset - buildings	957,213	-
Construction in progress	6,500	-
Accumulated depreciation and amortization	<u>(1,150,395)</u>	<u>(12,000)</u>
Net capital assets	885,196	-
Net OPEB asset	<u>35,508</u>	-
Total noncurrent assets	<u>920,704</u>	<u>-</u>
Total assets	<u>31,110,995</u>	<u>70,993,600</u>
DEFERRED OUTFLOWS OF RESOURCES *		
Deferred outflows - pensions	1,132,053	-
Deferred outflows - OPEB	<u>52,430</u>	-
Total deferred outflows of resources	<u>1,184,483</u>	<u>-</u>
LIABILITIES		
Accounts payable	654,822	1,729,256
Compensated absences	2,315,754	-
Bonds payable	58,286	-
Accrued interest payable	312,553	-
Net pension liability - PERS	2,573,021	-
Lease payable	811,556	-
Other postemployment benefits	220,924	-
Other liabilities	<u>240,000</u>	<u>53,180,825</u>
Total liabilities	<u>7,186,916</u>	<u>54,910,081</u>
DEFERRED INFLOWS OF RESOURCES *		
Deferred inflows - pensions	770,098	-
Deferred inflows - OPEB	<u>38,240</u>	-
Total deferred inflows	<u>808,338</u>	<u>-</u>
NET POSITION		
Net position restricted for pensions	24,300,224	-
Net position individuals, organizations, and other governments	<u>-</u>	<u>16,083,519</u>
Total net position	<u>\$ 24,300,224</u>	<u>\$ 16,083,519</u>

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

* See note III.D for further information

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, 2023

	<u>Pension Trust</u>	<u>Custodial</u>
ADDITIONS		
Contributions:		
Employer	\$ 185,229,236	\$ -
Other	826,456	-
Total contributions	<u>186,055,692</u>	<u>-</u>
Investment earnings	1,189,762	151,364
Program Revenue - Intergovernmental	-	5,560,325
Tax collections for other governments	-	10,188,425
Forfeiture collections from outside parties	-	3,113,298
Collections of escrow funds	-	1,481
Total additions	<u>187,245,454</u>	<u>19,014,893</u>
DEDUCTIONS		
Benefits and refunds paid to plan members and beneficiaries	185,563,272	-
Administrative expenses	5,077,745	-
Expenditures - Community Development	-	5,736,956
Payment of taxes to other governments	-	10,188,425
Payment of forfeitures to outside parties	-	2,993,504
Payment of escrow funds	-	2,599
Total deductions	<u>190,641,017</u>	<u>18,921,484</u>
Change in net position	(3,395,563)	93,409
Net position - beginning	<u>27,695,787</u>	<u>15,990,110</u>
Net position - ending	<u>\$ 24,300,224</u>	<u>\$ 16,083,519</u>

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



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Notes to the Financial Statements



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I. Summary of significant accounting policies:**A. Reporting entity:**

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

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

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

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

Blended component unit - Fire and Police Disability and Retirement Fund

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

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

Complete financial statements may be obtained from the administrative office at:

Fire and Police Disability and Retirement Fund Board, 1800 SW First Ave., Suite 450, Portland, Oregon 97201, e-mail: FPDR@PortlandOregon.gov, URL: <http://www.portlandoregon.gov/fpdr/> or by telephone: (503) 823-6823.

Discretely presented component unit - Prosper Portland

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

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

As a discretely presented component unit, the assets, liabilities, revenues and expenses related to Prosper Portland are included in the component unit column of the City's government-wide financial statements. Excerpts of Prosper Portland's notes to the basic financial statements are included if significant. Unless noted otherwise in this report, accounting policies of the component unit are consistent with those described for the primary government. The City is financially accountable for operations of Prosper Portland through budgetary authority and fiscal management. Prosper Portland prepares a separate Annual Comprehensive Financial Report (ACFR), and it may be obtained from their administrative offices at 220 NW Second Ave., Suite 200, Portland, Oregon 97209-3859, URL: <http://ProsperPortland.us/resource-library/> or by telephone: (503) 823-3200.

B. Government-wide and fund financial statements:

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

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred.

Significant revenues, measurable and available for the fiscal year ended June 30, 2023, under the modified accrual basis of accounting are as follows:

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

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

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

The City reports the following major governmental funds:

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

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

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

The *Portland Clean Energy Community Benefits Fund* (shortened to Portland Clean Energy Fund or PCEF) accounts for activities associated with the City's Climate Action Plan implementation. Revenues for the PCEF are generated by proceeds from the Clean Energy Surcharge (CES), and provide for administration of the PCEF grant program and outgoing grant resources. All revenues of this fund are restricted.

The City reports the following major proprietary funds:

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

The *Water Fund* accounts for activities associated with the water distribution system.

Additionally, the City reports the following fund types:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Service charges and fees provided internally (revenues) and services and materials provided internally (expenses) by internal service funds have been segregated from the service charges and fees (revenues) and professional services (expenses) to more clearly illustrate the internal versus external nature 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, 2023, there were no new funds established.

Two funds were closed during the fiscal year ended June 30, 2023. They are:

Debt Service Funds:

- ◆ River District Urban Renewal Area Debt Redemption
- ◆ Rosewood Neighborhood Prosperity Initiative Debt Service

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

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

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

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

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

2. Receivables

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

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

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

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

Loans receivable are recorded when the borrower has signed a promissory note, and disbursements are made in accordance with the loan agreement. Through the fiscal year ended June 30, 2023, the City maintained a valuation allowance for loans receivable that consisted of an allowance for risk.

Lease receivables are recorded when the lease is executed, and discounted based on the implicit rate stated in the lease or the City's incremental borrowing rate. Due to the City's past collections experience, no allowance has been recorded for the fiscal year ended June 30, 2023.

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 prepaid rent. Payments made to small nonprofits and businesses, which need payments in advance due to their lack of working capital, are classified as advances.

5. Capital assets

The City classifies assets with an estimated useful life in excess of one year as capital assets. Capital assets, which include land, construction in progress, regulatory assets, buildings and building improvements, improvements to land, leasehold improvements, equipment, infrastructure and intangible assets (land use rights, owning rights, software and right-of-use assets), 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 capitalized 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. Intangible right-to-use subscription assets related to subscription-based information technology arrangements are capitalized with total costs of \$10,000 or more.

Regulatory assets are recorded in accordance with GASB Statement No. 62 Regulated Operations which allows entities that set rates based on revenue requirements to defer capital interest costs that are recoverable by future rates. Capital interest costs that are recoverable by future water wholesale rates are allocated to regulatory assets and amortized over the life of the associated asset.

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

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

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

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

The estimated useful lives of capital assets are:

- Infrastructure – 20 to 100 years
- Improvements to land – 20 to 50 years
- Regulatory assets – 10 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
- Right-of-use assets – depends on life of the lease or subscription

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. Restricted amounts

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

7. 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.

8. Compensated absences

City employees accumulate earned but unused vacation and sick leave benefits in accordance with applicable collective 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.

9. 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. In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

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

10. Deferred outflows/inflows of resources

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

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

11. Pensions

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

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

12. Other Postemployment Benefits (OPEB)

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

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

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 fiduciary funds' Statement of Fiduciary Net Position, net position is segregated into three categories: net investment in capital assets, restricted net position, and unrestricted net position.

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

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

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

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

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

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

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

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

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

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

14. Leases

Leases are recognized in accordance with GASB Statement No. 87, Leases.

A lessor is required to recognize a lease receivable and a deferred inflow of resources. A lease receivable is recognized at the net present value of the leased asset at a borrowing rate either explicitly described in the agreement or implicitly determined by the City, and is reduced by principal payments received. The deferred inflow of resources is recognized in an amount equal to the sum of the lease receivable and any payments relating to a future period which were received prior to the lease commencement. These deferred inflow of resources are amortized equal to the amount of the annual payments.

A lessee is required to recognize a lease payable and an intangible right-to-use lease asset. A lease payable is recognized at the net present value of future lease payments, and is adjusted over time by interest and payments. Future lease payments include fixed payments, variable payments based on index or rate, reasonably certain residual guarantees. The right-to-use asset is initially recorded at the amount of the lease liability plus prepayments less any lease incentives received prior to lease commencement, and is subsequently amortized over the life of the lease.

In the government-wide, proprietary, and fiduciary fund financial statements, deferred inflows related to leases and any respective right-to-use assets are reported in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources. Under modified accrual accounting, lease payments are considered capital outlay and proceeds of lease contracts, and thereafter are recorded as principal and interest payments.

The City has chosen not to implement GASB 87 for the budgetary basis of accounting. For both the budgetary basis of accounting and for leases that do not meet the criteria for valuation under GASB 87, the City will report inflows of cash for lessor leases and outflows of cash for lessee leases.

15. Subscription-based information technology arrangements (SBITAs)

Subscription-based information technology arrangements (SBITAs) are recognized in accordance with GASB Statement No. 96, Subscription-Based Information Technology Arrangements. This statement defines a SBITA as a contract that conveys control of the right to use another party's (the SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets) as specified in the contract for a period of time in an exchange or exchange-like transaction.

For financial statements prepared using the economic resources measurement focus, a subscriber is required to recognize a subscription liability and an intangible right-to-use subscription asset at the commencement of the subscription term. The subscription liability is recognized at the net present value of future subscription payments and is adjusted over time by payments and interest. Future subscription payments are discounted using the City's estimated incremental borrowing rate. Future subscription payments include fixed and/or variable payments, based on the contract between the subscriber and vendor. The subscription asset is initially recorded as the sum of the subscription liability, payments made at the commencement of the subscription term, and capitalizable implementation costs, less any incentives received prior to the commencement of the subscription term, and is subsequently amortized over the life of the subscription. Subscription and capitalizable implementation cost payments made prior to the commencement of the subscription are classified as prepaid assets until the subscription commences; after the subscription commences, the prepaid assets are reclassified as an intangible right-to-use subscription asset.

For financial statements prepared using the current financial resources measurement focus, an other financing source and capital outlay are reported in the year the subscription asset is initially recognized. The other financing source is reported equal to the net present value of future subscription payments. Capital outlay is reported equal to the sum of the net present value of future subscription payments, payments made at the commencement of the subscription term, and capitalizable implementation costs, less any incentives received prior to the commencement of the subscription term. Subsequent governmental fund subscription payments are recorded as principal and interest payments.

The City has chosen not to implement GASB 96 for the budgetary basis of accounting. For both the budgetary basis of accounting and for SBITAs that do not meet the criteria for valuation under GASB 96, the City will report outflows of cash for subscription payments.

16. Statement of cash flows

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

17. Use of estimates

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

18. Stabilization arrangements

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

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

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

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

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

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

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

- The Portland Metropolitan Area (PMA) unemployment rate is reported above 6.5% for two consecutive quarters, or the Financial Forecast estimates PMA unemployment will average in excess of 6.5% for the next fiscal year.
- The property tax delinquency rate exceeds 8%.

- Business license year-to-year revenue growth falls below 5.5% for two consecutive quarters, or the Financial Forecast estimates business license revenue growth at less than 5.5% for the next fiscal year.

The Council should begin to restore countercyclical reserves within 24 months of their first use. Revenue shortfalls associated with bureau service reimbursement income, contract income, or cost recovery income may not be offset by a transfer of resources from the General Reserve Fund. The fund balance of the General Reserve Fund was \$72.15 million as of June 30, 2023.

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

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

Emergency reserves are mandated to fund major one-time unexpected requirements, such as those related to a structural failure or road emergency associated with a natural disaster or event. The policy sets this reserve amount at 5% of PBOT's discretionary adopted budget appropriations excluding contingency. Due to continued reductions in the Transportation Operating Fund, transfers to the reserves have not yet reached the level the policy requires. The fund balance of the Transportation Reserve Fund was \$10.9 million as of June 30, 2023.

E. Adoption of new GASB pronouncements:

During the fiscal year ended June 30, 2023, the City implemented the following GASB Pronouncements:

GASB Statement No. 94, Public-Private and Public-Public Partnership and Availability Payment Arrangements. This Statement was issued March 2020 to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). It also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). Under this Statement, a transferor is required to recognize the receivables for installment payments to be submitted by the operator and a deferred inflow of resources, while an operator is required to recognize a liability for installment payments to be submitted and a deferred outflow of resources, which taken together enhance the relevance and consistency of information about governments' outsourcing of functions to external operators.

The City did not have any agreements covered by GASB Statement No. 94 in the fiscal year ending June 30, 2023. Therefore, there are no effects on the City's financial statements upon implementation.

GASB Statement No. 96, Subscription-based information technology arrangements (SBITAs). This statement was issued May 2020 to better meet the information needs of financial statement users by establishing a definition for SBITAs and prescribing accounting and financial reporting for SBITAs by governments. Prior to the issuance of GASB Statement No. 96, there was no accounting or financial reporting guidance specifically for SBITAs. Under this Statement, a subscriber is required to recognize a subscription liability and an intangible right-to-use subscription asset, thereby enhancing the relevance and consistency of information about governments' SBITA activities. GASB Statement No. 96 was implemented by the City for the fiscal year ended June 30, 2023. Accordingly, the City has opted to not restate prior periods, as comparative periods are not reported. The following describes the nature of the restatement and its effect with SBITAs recognized and measured using the facts and circumstances that existed at the beginning of the period of implementation.

In accordance with Statement No. 96, subscription arrangements that do not transfer ownership of the information technology (IT) software or underlying IT assets are now classified as short-term or long-term SBITAs. For long-term SBITAs, subscribers are required to recognize an intangible right-of-use subscription asset and a subscription liability at the commencement of the subscription term. The subscription liability is measured as the net present value of future subscription payments. The subscription asset is measured as the sum of the subscription liability, payments made at the commencement of the subscription term, and capitalizable implementation costs, less any incentives received prior to the commencement of the subscription term. For short-term SBITAs, payments are considered outflows of resources and are classified as operating expenditures or expenses, as appropriate. As such, there is no material impact to net position to implement this standard.

Pursuant with GASB Statement No. 96, the cumulative effect of applying this statement is reported as a restatement of beginning net position for the earliest period presented, that is, for the fiscal year ended June 30, 2023. However, there were no material cumulative effect adjustments recorded to net position upon adoption. Rather, at the inception of the year of adoption, the City recognized subscription assets of \$15,004,692 for governmental activities and \$1,860,532 for business-type activities as well as subscription liabilities of \$15,004,692 for governmental activities and \$1,860,532 for business-type activities; this had no cumulative effect on beginning net position. As of June 30, 2023, the following SBITA amounts are reported: subscription assets of \$16,800,944 for governmental activities and \$2,152,765 for business-type activities as well as subscription liabilities of \$12,156,122 for governmental activities and \$1,422,926 for business-type activities.

GASB Statement No. 99, Omnibus 2022. This statement was issued April 2022 and enhances comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. This Statement addresses a variety of topics including issues related to leases implementation, derivative instruments, nonmonetary transactions, public-private and public-public partnerships and availability payment arrangements, subscription-based information technology arrangements, LIBOR, SNAP and other terminology updates. Specifically, the paragraphs implemented for the fiscal year ended June 30, 2023 address the following topics:

- Clarification of provisions in Statement No. 87, Leases, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives (paragraphs 11-17)
- Clarification of provisions in Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset (paragraphs 18-22)
- Clarification of provisions in Statement No. 96 SBITAs related to terms and definitions: subscription termination, short-term SBITAs, and measurement of subscription liabilities (paragraphs 23-25)

GASB Statement No. 99 paragraphs 11-17, 18-22, and 23-25 were implemented by the City for the fiscal year ending June 30, 2023. There is no effect on the City's financial statements as a result of the implementation. See further discussion regarding the other paragraphs of GASB Statement No. 99 in Note F. Future adoptions of GASB pronouncements.

F. Future adoption of GASB pronouncements:

The following GASB pronouncements have been issued, but are not effective as of June 30, 2023:

GASB Statement No. 99, Omnibus 2022. This statement was issued April 2022 and enhances comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. This Statement addresses a variety of topics including issues related to leases implementation, derivative instruments, nonmonetary transactions, public-private and public-public partnerships and availability payment arrangements, subscription-based information technology arrangements, LIBOR, SNAP and other terminology updates. Specifically, the paragraphs for future adoption address the following topics:

- Classification and reporting of derivative instruments within the scope of Statement No. 53 (paragraphs 4-10)
- GASB Statement No. 99 paragraphs 4-10 will be effective for the City for the fiscal year ending June 30, 2024.

GASB Statement No. 100, Accounting Changes and Error Corrections. This statement is an amendment of GASB Statement No. 62, and was issued June 2022 to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements. GASB Statement No. 100 will be effective for the City for the fiscal year ending June 30, 2024.

GASB Statement No. 101, Compensated Absences. This statement was issued June 2022 to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. Other requirements include that a liability for certain types of compensated absences not be recognized until the leave commences, and that a liability for specific types of compensated absences not be recognized until the leave is used. GASB Statement No. 101 will be effective for the City for the fiscal year ending June 30, 2025.

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

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

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

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

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

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

B. Expenditures in excess of appropriations:

State law requires a supplemental budget to increase appropriations when unexpected additional resources become available. A supplemental budget is also required to transfer appropriations from a fund's operating contingency during the fiscal year. The supplemental budget process requires a public hearing, advance notice by newspaper publication, and City Council approval. The City adopted three supplemental budgets during the fiscal year ended June 30, 2023.

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, 2023, one fund had expenditures for other financing uses payments refunded to loan and bond escrow agents [exempt per ORS 294.338(4)(c)] over appropriations that were exempt from supplemental budgetary requirements per ORS 294.338.

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

- ◆ CityFleet Operating Fund

C. Deficit fund equity:

Oregon state law requires fund disclosure of deficit fund balances/total net position. At June 30, 2023, two funds reported a deficit fund balance in the GAAP basis financial statements:

Special Revenue Fund:	
Grants	\$ 62,201,667
Internal Service Fund:	
Printing and Distribution Services Operating	1,571,900

The Grants Fund, a special revenue fund, reported a deficit fund balance of \$62.20 million in the Grants columns of the Governmental Funds Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. The City's financial system tracks grant-related expenditures in a central grants fund and the activity for this fund is reported in governmental activities in the government-wide Statement of Activities. The deficit was the result of the timing of the grants reimbursements. Nearly all of the City's grants are reimbursable, which requires the City to incur the expenditures prior to billing the grantor agencies and receiving reimbursement.

The Printing and Distribution Services Operating (P&D) Fund, an internal service fund, reported deficit net position of \$1.57 million in the Governmental Activities - Internal Service Funds columns of the Statement of Net Position - Proprietary Funds and the Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds. The activity for this fund is reported in governmental activities in the government-wide Statement of Activities. The deficit net position of the P&D Fund is a result of the liabilities for Public Employees Retirement System (PERS). Without an increase in assets, the PERS liability will continue to cause a negative net position for the P&D Fund.

III. Detailed notes:

A. Cash and investments:

Cash and investments for the primary government are reported in governmental and business-type activities. The balances at June 30, 2023 are:

	Primary Government	Fiduciary Activities	Total Government	Component Unit (Prosper Portland) ⁽¹⁾	Total
Cash on hand	\$ 7,813	\$ -	\$ 7,813	\$ 400	\$ 8,213
Deposits with financial institutions	23,664,428	-	23,664,428	1,255,364	24,919,792
Less outstanding checks	-	-	-	(482,277)	(482,277)
Investments	2,696,716,703	89,101,615	2,785,818,318	342,440,641	3,128,258,959
Total cash and investments	<u>\$ 2,720,388,944</u>	<u>\$ 89,101,615</u>	<u>\$ 2,809,490,559</u>	<u>\$ 343,214,128</u>	<u>\$ 3,152,704,687</u>

⁽¹⁾ Prosper Portland cash and investments with the City include \$482,277 of outstanding payroll, payroll taxes, and cash in transit from the City.

Restricted cash and investments:

	Governmental Activities	Business-type Activities	Total Primary Government	Fiduciary Activities	Total Government	Component Unit (Prosper Portland)	Total
Unrestricted	\$ 632,984,640	\$ 563,846,772	\$ 1,196,831,412	\$ 65,670,437	\$ 1,262,501,849	\$ 343,214,128	\$ 1,605,715,977
Restricted	1,309,176,442	214,381,090	1,523,557,532	23,431,178	1,546,988,710	-	1,546,988,710
Total	<u>\$ 1,942,161,082</u>	<u>\$ 778,227,862</u>	<u>\$ 2,720,388,944</u>	<u>\$ 89,101,615</u>	<u>\$ 2,809,490,559</u>	<u>\$ 343,214,128</u>	<u>\$ 3,152,704,687</u>

Cash and investments at June 30, 2023, restricted by legal or contractual requirements, are reported in governmental activities, business-type activities, and fiduciary funds as follows:

Cash and investments by funds

Governmental activities:

Transportation fund:

Capital projects \$ 193,812,356

Grants fund:

Federal and state grants 208,718,150

Portland Clean Energy Community Benefits

Community development 458,554,295

Nonmajor governmental funds:

Debt service 49,900,296

Federal and state grants 2,544,576

Voter approved special levies 65,569,396

Capital projects 221,708,768

Public safety 9,806,022

Parks, recreation, and culture 2,765,892

Community development 44,112,213

Community solar 27,914

Permanent endowment 189,353

Housing 50,418,185

Internal services 1,049,026

Total governmental activities 1,309,176,442

Business-type activities:

Sewage Disposal fund:	
Debt service for capital projects related debt	199,140,715
Water fund:	
Debt service for capital projects related debt	15,240,375
Total business-type activities	214,381,090
Total primary governmental restricted cash	1,523,557,532
Total fiduciary activities	23,431,178
Total restricted cash and investments	\$ 1,546,988,710

Component unit - Prosper Portland

Total cash reported by Prosper Portland for the fiscal year ending June 30, 2023 was \$343.21 million, none of which was restricted.

DepositsPrimary government

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

As of June 30, 2023, the book value of all the City's deposits was \$23.66 million.

Component unit - Prosper Portland

As of June 30, 2023, the book value of all the Prosper Portland deposits was \$1,255,364.

InvestmentsPrimary government

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

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

Treasury assesses a management fee that is deducted from investment income before distributions are made to all City funds. This fee is based on Treasury's net operating expenses and totaled \$1.34 million for the fiscal year ended June 30, 2023.

Fair value inputs and methodologies

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

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

Fair value hierarchy

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

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

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

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

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

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

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

The City has the following recurring fair value measurements as of June 30, 2023:

Investments Measured at Fair Value (\$ in millions):	Total	Fair Value Measurements Using			Amortized Cost Not measured at Fair Value
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	
	Level One	Level Two	Level Three		
U.S. Treasury	\$ 505,251,750	\$ 505,251,750	\$ -	\$ -	\$ -
U.S. Agencies	1,572,524,752	-	1,572,524,752	-	-
Corporate bonds	819,967,915	-	819,967,915	-	-
Municipal bonds	42,775,945	-	42,775,945	-	-
Commercial paper	21,681,220	-	21,681,220	-	-
Repurchase Agreements	155,000,000	-	155,000,000	-	-
Time/Interest Bearing Deposits	7,053,313	-	-	-	7,053,313
Local Government Investment Pool	4,004,064	-	-	-	4,004,064
Total investments	\$ 3,128,258,959	\$ 505,251,750	\$ 2,611,949,832	\$ -	\$ 11,057,377

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 the City Council.

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

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool’s share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board. The LGIP seeks to exchange shares at \$1 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 per share, it is possible to lose money by investing in the pool. The City intends to measure these investments at book value, as the LGIP’s fair value approximates its amortized cost basis.

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

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

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

As of June 30, 2023, the weighted-average maturity of the City's investment portfolio was 1.66 years. To minimize interest rate risk, the City's investment policy limits the portfolio to a maximum weighted-average maturity of three years.

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

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

The credit quality distribution for securities with credit exposure as a percentage of total investments as of June 30, 2023 is as follows:

	Moody's Investor's Service	Standard & Poor's	Fitch Ratings	Percentage of Total Investments
Federal Home Loan Bank	Aaa	AA+	AAA	16.97%
Federal Home Loan Mortgage Corporation	Aaa	AA+	AAA	11.95%
Federal National Mortgage Association	Aaa	AA+	AAA	9.03%
Federal Farm Credit Bank	Aaa	AA+	AAA	7.68%
Federal Agriculture Mortgages Corporation	N/R	N/R	N/R	2.95%
United States Financing Corp (FICO)	Aaa	N/R	N/R	0.00%
Private Export Funding Corp (PEFCO)	Aaa	N/R	AAA	0.22%
Resolution Trust Funding Corp	Aaa	N/R	AAA	0.43%
US Dept of Housing & Urban Development	Aaa	AA+	AAA	0.00%
Tennessee Valley Authority	Aaa	AA+	AAA	1.04%
United States Treasury	Aaa	AA+	AAA	16.15%
Total U.S. agency debt obligations				66.42%
Corporate bonds	Aa3	AA-	AA-	26.21%
Municipal bonds	Aa1	AA+	AA+	1.37%
Commercial paper	P-1	A-1	F1	0.69%
Repurchase agreements	N/R	N/R	N/R	4.96%
Time/Interest bearing deposits	N/R	N/R	N/R	0.23%
Local Government Investment Pool	Aaa	N/R	AAA	0.12%
Total other obligations				33.58%
Total Investments				100.00%

N/R =Not Rated

Concentration of credit risk. This is the risk that, when investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. Of the City's total investments, as of June 30, 2023, 66.42% were United States Treasury and Agency debt obligations or short-term investments (see table above for individual distributions). All other investments not explicitly guaranteed by the United States Government were limited to 5% per issuer. The City's investment policy addresses credit risk concentration by limiting both the types and amounts of securities that may be held in the portfolio. The restrictions of the portfolio vary based upon the investment type and issuer. These restrictions, as well as other information contained in the City's investment policy, are located at: <https://www.portland.gov/omf/brfs/treasury/documents/2022-investment-policy/download>.

Custodial credit risk. This is the risk that, in the event of failure of a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All trades are executed by delivery vs. payment to ensure that securities are deposited in an eligible financial institution prior to the release of funds. As of June 30, 2023, the City had no investments that were held by either a counterparty or a counterparty's trust department agent. Therefore, the City has no outstanding investments that were exposed to custodial credit risk.

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

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

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

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

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

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

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

As of June 30, 2023, the City had the following investments and maturities (this table includes fiduciary activities):

Investment Type	Book Value	Fair Value	Fair Value Investment Maturity (Years)		Weighted Average Maturity (Years)
			Less Than 1	1 - 5	
U.S. Treasury Debt Obligations	\$ 518,343,961	\$ 505,251,750	\$ 435,158,000	\$ 70,093,750	0.12
U.S. Agencies	1,655,758,107	1,572,524,752	420,669,400	1,151,855,352	1.05
Corporate bonds	835,735,245	819,967,915	162,032,272	657,935,643	0.46
Municipal bonds	46,048,172	42,775,945	1,941,719	40,834,226	0.03
Commercial paper	21,706,575	21,681,220	21,681,220	-	-
Repurchase agreements	155,000,000	155,000,000	155,000,000	-	-
Time/Interest bearing deposits	7,053,313	7,053,313	7,034,030	19,283	-
Local Government Investment Pool	3,737,696	4,004,064	4,004,064	-	-
Total investments	\$ 3,243,383,069	\$ 3,128,258,959	\$ 1,207,520,705	\$ 1,920,738,254	1.66

Net portfolio yield

2.69%

B. Receivables:

Receivables as of June 30, 2023, are as follows:

	Governmental Activities						Total
	General	Transportation Operating	Grants	Portland Clean Energy Community Benefits	Other Funds	Internal Service	
Taxes	\$ 15,204,705	\$ -	\$ -	\$ -	\$ 8,503,827	\$ -	\$ 23,708,532
Accounts	39,063,552	24,864,233	-	1,797,154	6,624,460	3,109,014	75,458,413
Leases	3,034,859	12,794,591	-	-	-	1,349,438	17,178,888
Assessments	143,275	1,051,372	-	-	56,581,545	-	57,776,192
Notes and loans	349,108	125,000	24,896,465	-	752,819,756	-	778,190,329
Advances	7,513,528	503,484	1,602,651	9,874,226	20,060	31,156	19,545,105
Grants	-	-	86,076,723	-	3,210,359	-	89,287,082
Interest	1,810,979	1,982,629	1,773,436	3,312,940	5,025,552	1,608,769	15,514,305
Total receivables	67,120,006	41,321,309	114,349,275	14,984,320	832,785,559	6,098,377	1,076,658,846
Allowance for doubtful accounts	(773,789)	(33,810)	(23,205,023)	-	(667,223,979)	-	(691,236,601)
Receivables, net	\$ 66,346,217	\$ 41,287,499	\$ 91,144,252	\$ 14,984,320	\$ 165,561,580	\$ 6,098,377	\$ 385,422,245
Not scheduled for collection during the subsequent year	\$ 314,197	\$ 125,000	\$ 1,691,442	\$ -	\$ 161,253,164	\$ -	\$ 163,383,803
Delinquent special assessments	\$ 17,325	\$ 562,598	\$ -	\$ -	\$ 10,975,372	\$ -	\$ 11,555,295

	Business-type Activities			
	Sewage Disposal	Water	Other Funds	Total
Accounts	\$ 78,387,312	\$ 49,511,380	\$ 3,118,913	\$ 131,017,605
Leases	890,046	1,403,267	3,396,093	5,689,406
Assessments	5,808,667	468,041	-	6,276,708
Notes and loans	2,405,828	-	2,124,556	4,530,384
Advances	80,391	17,055	75,500	172,946
Interest	3,287,303	1,828,085	441,904	5,557,292
Total receivables	90,859,547	53,227,828	9,156,966	153,244,341
Allowance for doubtful accounts	(9,777,138)	(5,610,800)	(8,170)	(15,396,108)
Receivables, net	\$ 81,082,409	\$ 47,617,028	\$ 9,148,796	\$ 137,848,233
Not scheduled for collection during the subsequent year	\$ 7,207,411	\$ 1,123,325	\$ 3,474,654	\$ 11,805,390
Delinquent special assessments	\$ 1,514,396	\$ 109,694	\$ -	\$ 1,624,090

Some special assessments in the Transportation Operating, Other nonmajor governmental, Sewage Disposal, Water, and Other nonmajor business-type 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 \$13.2 million.

Loans receivable

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

Portland Housing Bureau Loans

The Portland Housing Bureau (PHB) loans receivable balances as of June 30, 2023 are as follows:

Fund and Program	Maximum Term	Interest Rate	Gross Loans Receivable	Allowance
Major governmental funds:				
General Fund - N/NE Housing				
Single-family housing:				
Deferred payment loans	15 - 30 yrs	0%	\$ 349,108	\$ (34,911)
Total gross General Fund			349,108	(34,911)
Total net General Fund				314,197
Grants Fund:				
Multi-family housing:				
Cash flow loans	30 yrs	0 - 3%	24,100,206	(22,895,616)
Equity gap loans	Indefinite	0	279,276	(279,276)
Amortized loans	30 yrs	0 - 3	6,237	(3,119)
Single-family housing:				
Deferred payment loans	30 yrs	0 - 3%	270,122	(27,012)
Total gross Grants Fund			24,655,841	(23,205,023)
Total net Grants Fund				1,450,818
Nonmajor governmental funds:				
Community Development Block Grant (CDBG) Fund:				
Multi-family housing:				
Cash flow loans	30 yrs	0 - 3%	40,409,505	(38,389,029)
Equity gap loans	Indefinite	0	15,206,661	(15,206,661)
Amortized loans	30 yrs	0 - 3	6,948,331	(3,474,166)
Deferred payment loans	60 yrs	0 - 8	952,953	(476,476)
Conditional grants	Indefinite	0	1,798,318	(1,798,318)
Single-family housing:				
Amortized loans	26 yrs	0 - 5%	20,296	(1,015)
Deferred payment loans	Indefinite	0	3,665,571	(370,314)
Shared appreciation mortgage	Indefinite	0	234,500	(58,625)
Special assets	Indefinite	0	9,452	(9,452)
Other deferred payment loans			600,000	(300,000)
Total gross CDBG Fund			69,845,587	(60,084,056)
Total net CDBG Fund				9,761,531
HOME Grant Fund:				
Multi-family housing:				
Cash flow loans	45 yrs	0 - 3%	44,218,087	(42,007,184)
Equity gap loans	Indefinite	0	21,445,272	(21,445,272)
Amortized loans	30 yrs	1 - 3	6,774,086	(3,386,960)
Deferred payment loans	20 yrs	0 - 3	1,239,929	(619,965)
Single-family housing:				
Shared appreciation mortgage	Indefinite	0%	295,697	(73,923)
Total gross HOME Grant Fund			73,973,071	(67,533,304)
Total net HOME Grant Fund				6,439,767

Fund and Program	Maximum Term	Interest Rate	Gross Loans Receivable	Allowance
Housing Investment Fund (HIF):				
Multi-family housing:				
Cash flow loans	40 yrs	0 - 5%	20,062,002	(19,062,264)
Equity gap loans	Indefinite	0	12,555,689	(12,555,689)
Amortized loans	30 yrs	0 - 7	7,567,983	(3,783,991)
Deferred payment loans	20 yrs	0 - 3	1,198,669	(599,334)
Single-family housing:				
Deferred payment loans	30 yrs	0-3	1,568,002	(156,800)
Special assets	Indefinite	0	2,712	(2,712)
Total gross HIF			<u>42,955,057</u>	<u>(36,160,790)</u>
Total net HIF				<u>6,794,267</u>
Tax Increment Financing Reimbursement Fund (TIF):				
Multi-family housing:				
Cash flow loans	30 - 60 yrs	1 - 9%	304,284,027	(289,069,824)
Equity gap loans	Indefinite	0	38,422,034	(38,422,034)
Amortized loans	30 yrs	0-7	36,472,728	(18,238,156)
Deferred payment loans	20 - 50 yrs	0-9	5,555,304	(2,777,652)
Conditional grants	Indefinite	0	3,142,568	(3,142,568)
Single-family housing:				
Amortized loans	20 - 30 yrs	1-5%	118,863	(5,943)
Deferred payment loans	30 yrs	0-4	18,893,948	(1,890,620)
Shared appreciation mortgage	Indefinite	0	642,929	(160,732)
Special Assets	Indefinite	0	1,724,912	(1,724,912)
Total gross TIF			<u>409,257,313</u>	<u>(355,432,441)</u>
Total net TIF				<u>53,824,872</u>
Inclusionary Housing Fund - CET Residential				
Multi-family housing:				
Cash flow loans	61 yrs	0%	1,471,682	(1,398,098)
Pre-development	18 - 22 mos	0	943,436	(821,136)
Single-family housing:				
Deferred payment loans	15 - 30 yrs	0%	960,000	(96,000)
Total gross Inclusionary Housing Fund			<u>3,375,118</u>	<u>(2,315,234)</u>
Inclusionary Housing Fund - Commercial				
Multi-family housing:				
Cash flow loans	57 yrs	0%	7,979,564	(7,580,585)
Total net Inclusionary Housing Fund				<u>1,458,863</u>
Recreational Cannabis Tax - Housing				
Multi-family housing:				
Equity gap loans	Indefinite	0%	177,000	(177,000)
Total net Recreational Cannabis Tax-Housing				<u>-</u>
Housing Development Costs				
Multi-family housing:				
Cash flow loans	52 - 59 yrs	0%	145,257,044	(137,994,192)
Total net Housing Development Costs				<u>7,262,852</u>
Total gross all funds			<u>\$ 777,824,703</u>	<u>\$ (690,517,536)</u>
Total net all funds				<u>\$ 87,307,167</u>

Portland Housing Bureau loan guarantees

HUD Section 108 Loan Guarantees

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

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

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

Housing preservation loan fund project

In April of 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 No. 182873, dated June 3, 2009, duly authorized acceptance of the funds from HUD and the creation of the Portland Housing Preservation Fund to facilitate related transactions. On December 21, 2009, the City signed contract ("Contract") number B-08-MC-41-003 with the HUD for the loan guarantee assistance, as well as two related contracts for specific Guaranteed Loan note commitments. Guaranteed Loan note commitments are executed with third-party borrowers under the HUD Section 108 program guidelines. These borrowers are scheduled to make periodic pass-through payments to the City, and the City will make annual principal and semi-annual interest payments to HUD.

As of June 30, 2023, the City has 11 outstanding loans receivable under the HUD Section 108 Loan Guarantee program totaling \$8.15 million, for which the City is contingently liable. Each loan was executed with a promissory note signed by the borrower. Loan details are presented in the table below.

Borrower Name	Maximum Principal	Principal Disbursed	Outstanding Balance	Interest Rate	Maturity Date	Cash Flow Begin Date	Allowance
Cash Flow Loans:							
Roselyn Renewal, LLC	\$ 830,000	\$ 830,000	\$ 830,000	0.50%	June, 2059	4/1/2011	\$ (788,500)
Reach Walnut Partners, LP	1,641,000	1,641,000	1,554,192	0.50%	May, 2071	4/1/2012	(1,476,482)
Villa De Sueños, LP Loan #2	750,000	750,000	666,952	0.00%	June, 2041	5/1/2012	(666,952)
Uptown Tower Apartments, LP	700,000	700,000	-	4.50%	December, 2035	1/1/2026	-
Total CF Loans	<u>3,921,000</u>	<u>3,921,000</u>	<u>3,051,144</u>				<u>(2,931,934)</u>
Multi-Family Housing Amortized Loans:							
Halsey Center	650,000	650,000	326,807	3.00%	November, 2030	12/1/2010	(163,404)
Upshur Renewal Housing, LP	415,000	415,000	218,844	5.00%	June, 2031	7/1/2011	(109,422)
Villa De Sueños, LP Loan #1	750,000	750,000	379,190	4.00%	June, 2031	7/1/2011	(189,595)
Human Solutions Inc.	1,439,000	1,439,000	768,448	4.25%	October, 2031	10/1/2011	(384,224)
Los Jardines, LP	400,000	400,000	234,252	2.72%	March, 2032	8/1/2012	(117,126)
Vista De Rosas, LLC	1,115,000	1,115,000	1,000,902	5.00%	March, 2035	7/1/2015	(500,451)
Hacienda CDC	2,400,000	2,400,000	2,166,823	5.00%	September, 2035	9/1/2016	(1,083,411)
Total MFHA Loans	<u>7,169,000</u>	<u>7,169,000</u>	<u>5,095,266</u>				<u>(2,547,633)</u>
Total	<u>\$ 11,090,000</u>	<u>\$ 11,090,000</u>	<u>\$ 8,146,410</u>				<u>\$ (5,479,567)</u>

Annual repayment amounts for cash flow loan types are based on each borrower's excess cash flow level as defined in each of the Notes. An allowance for uncollectibility was established at 95% on the cash flow loans based on their non-amortizing repayment terms. Some of the borrowers reported no excess cash flow for the calendar year ended December 31, 2022, and accordingly 2023 payments on those loans were not received.

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

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

Portland Bureau of Transportation Loan:

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

Spectator Facilities Loan:

Under Ordinance No. 190114, the City loaned \$1.5 million to Metro to provide funding for the Arlene Schnitzer Concert Hall Acoustical Enhancement Project. The loan term extends until the principal is repaid and does not accrue interest. The principal will be repaid either before January 1, 2024 when Metro, Portland's, or any other party elects to repay the City at their discretion, or within six months of when Portland's Renovation Bonds are issued.

Portland Bureau of Environmental Services Loan: 3300 North Williams Ave

On April 9, 2013, the City of Portland Bureau of Environmental Services entered into an agreement with the U.S. Environmental Protection Agency, which enabled the City to establish and manage the Portland Brownfield Revolving Loan Fund. Under the agreement the City offers low-cost, flexible loans to assist with the remediation of Brownfield properties. The first loan under this agreement was entered into with 3300 North Williams Ave. LLC (North Williams) on April 9, 2013. The initial loan was for \$135,000, which was later increased to \$165,000 under Amendment No. 1, on December 18, 2013. The loan agreement stipulates an interest rate of 3.00% per annum. The disbursements to North Williams were made in FY 2014 in the amount of \$118,343, and \$28,234 in FY 2015 and the remaining of \$18,423 through FY 2016 for the total of \$165,000.

Amendment No. 2 granted an additional \$75,000 loan in July 2016. During FY 2017 an additional \$42,534 of the loan funds were disbursed to North Williams. The remaining available loan balance of \$33,091 was disbursed in FY 2018. During FY 2019 the property continued undergoing soil vapor extraction, under the supervision of the Oregon Department of Environmental Quality, to reduce soil pollution at the site to an acceptable level. The outstanding loan balance at June 30, 2023 is \$240,626. This remediation activity will continue into FY 2024. Per agreement, repayment of the loan is not required until the project is complete.

Portland Bureau of Environmental Services Loan: SE Ankeny St.

On October 1, 2008, the City of Portland Bureau of Environmental Services entered an agreement with Robert and Rose Schulz to conduct environmental remediation to facilitate environmental protection and beneficial reuse of several adjacent lots on SE Ankeny St. in Portland. Under this agreement the original loan amount was \$485,520 and later increased to \$500,000. Per the terms of the agreement, the proceeds of the loan were held by the lender, the City of Portland, and used to secure contracted services to complete environmental remediation at the Ankeny properties to a residential standard established and approved by the Oregon Department of Environmental Quality (DEQ). The loan was secured by a trust deed and the interest rate on the loan was 3.00%, due in nine years. After the initial remediation effort was completed it was found that the SE Ankeny property still had contamination levels that would not allow its use for redevelopment.

On March 17, 2016, the SE Ankeny properties were sold to Group 701 and Wayne Rask and the city allowed the new owners to assume the initial loan. The balance due on the loan at the time of sale was \$674,556. Group 701 LLC was required to make a \$50,000 payment to the City of Portland toward the interest of the loan as a condition of the property purchase reducing the outstanding loan balance to \$624,556. The interest rate per the amended agreement begins at 1.00% and escalates over the life of the loan with the loan due in nine years. Group 701 and Wayne Rask will continue to remediate the Ankeny Properties under the guidance of the DEQ, so the properties will meet contamination measurements that will allow the properties to be put to productive use. The loan agreement requires that the loan be paid in full when the property meets DEQ requirements and/or is sold. Group 701 LLC is being invoiced for yearly interest charges and they have been paying the interest costs each year.

Portland Bureau of Environmental Services Loan: Urban Flood Safety and Water Quality District

The Bureau of Environmental Services signed an intergovernmental agreement with a loan agreement with the Urban Flood Safety and Water Quality District (UFSWQD) on May 5, 2021. The bureau will provide a non-revolving loan not to exceed \$6,000,000. The UFSWQD may request two draws per year totaling no more than \$1,200,000 per year. The annual limit may be reduced in any fiscal year by funds received or expected to be received from the State of Oregon, unless jointly agreed to in writing by the Directors of the Bureau of Environmental Services Director and Bureau of Revenue and Financial Services. The interest rate accrues daily at the rate of 3% per annum until the loan is fully paid. Accrued interest shall be added to the outstanding principal balance. In June 2026, loan draws and accrued interest shall cease to be added to the principle. The loan will mature on June 30, 2031. The UFSWQD will repay the loan commencing on June 1, 2027. The loan is secured by service, user and other charges enacted now or in the future under ORS 550.330 and from other legally available funds of the UFSWQD. UFSWQD will use the loan proceeds solely for costs relating to organizing the district and establishing a final long-term governance and funding structure for the district that will manage a portion of the Columbia River levee and stormwater management systems. Disbursements have been made to UFSWQD for FY 2023 totaling \$1,200,000. Prior year disbursements bring the cumulative total of \$2,400,00 with an accrued interest amount of \$52,633.

C. Payables:

Payables and other accrued liabilities at June 30, 2023 are as follows:

	Governmental Activities							Total
	General	Transportation Operating	Grants	Portland Clean Energy Community Benefits	Other Funds	Internal Service	Unallocated Governmental	
Accounts to vendors and contractors	\$ 47,382,960	\$ 16,160,389	\$ 25,160,010	\$ 767,162	\$ 22,228,996	\$ 22,893,011	\$ -	\$ 134,592,528
Interest on leases	-	-	-	-	-	19,251	67,311	86,562
Interest on subscriptions	-	-	-	-	-	96,111	147,668	243,779
Interest on bonds and notes	-	-	-	-	-	10,475,531	127,032,832	137,508,363
Total payables	\$ 47,382,960	\$ 16,160,389	\$ 25,160,010	\$ 767,162	\$ 22,228,996	\$ 33,483,904	\$ 127,247,811	\$ 272,431,232

	Business-type Activities			
	Sewage Disposal	Water	Other Funds	Total
Accounts to vendors and contractors	\$ 58,892,142	\$ 16,240,669	\$ 2,853,281	\$ 77,986,092
Interest on leases	1,036	1,126	5	2,167
Interest on subscriptions	16,434	5,640	-	22,074
Interest on bonds and notes	31,325,868	26,433,316	2,115,661	59,874,845
Total payables	\$ 90,235,480	\$ 42,680,751	\$ 4,968,947	\$ 137,885,178

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

The City recognizes revenues when earned. Amounts received in advance of the period in which services are rendered are recorded as a liability, unearned revenue. The City recognizes inflows of resources that relate to future periods as deferred inflows of resources. The various components of unearned revenue reported in the governmental funds at June 30, 2023 are as follows:

	Governmental Activities					Total
	General	Transportation Operating	Grants	Other Funds	Internal Service	
Grants	\$ -	\$ -	\$ 270,735,036	\$ 415,613	\$ -	\$ 271,150,649
Miscellaneous unearned	54,498,668	5,252,449	-	1,296	77,133	59,829,546
Total unearned revenue	<u>\$ 54,498,668</u>	<u>\$ 5,252,449</u>	<u>\$ 270,735,036</u>	<u>\$ 416,909</u>	<u>\$ 77,133</u>	<u>\$ 330,980,195</u>

	Business-type Activities			
	Sewage Disposal	Water	Other Funds	Total
Total miscellaneous unearned revenue	<u>\$ 1,731,751</u>	<u>\$ 580,865</u>	<u>\$ 194,350</u>	<u>\$ 2,506,966</u>

Various components of deferred inflows reported in the governmental funds at June 30, 2023 are as follows:

	Governmental Funds					Total
	General	Transportation Operating	Grants	Portland Clean Energy Community Benefits	Other Funds	
Receivables						
Accounts	\$ 117,438	\$ 137,575	\$ -	\$ -	\$ 8,403	\$ 263,416
Liens - LID	-	-	-	-	3,701,317	3,701,317
Liens	143,275	1,051,372	-	-	52,880,228	54,074,875
Taxes	7,029,493	-	-	-	7,840,639	14,870,132
Deferred inflow - leases	3,034,859	12,794,591	-	-	-	15,829,450
Grants	-	-	64,436,650	-	-	64,436,650
Total unavailable revenue	<u>\$ 10,325,065</u>	<u>\$ 13,983,538</u>	<u>\$ 64,436,650</u>	<u>\$ -</u>	<u>\$ 64,430,587</u>	<u>\$ 153,175,840</u>

Various components of deferred outflows reported in the Government-wide statements at June 30, 2023 are as follows:

	Governmental Activities	Business- type Activities	Total Government	Fiduciary Activities	Component Unit (Prosper Portland)	Total
Deferred outflows of resources:						
Pensions OPERS payments post measurement date	\$ 83,883,082	\$ 23,059,998	\$ 106,943,080	\$ 343,443	\$ 1,917,261	\$ 109,203,784
Pensions expected vs actual experience	25,650,160	8,505,005	34,155,165	122,833	639,533	34,917,531
Pensions change in assumptions	81,880,493	28,295,584	110,176,077	413,833	2,276,411	112,866,321
Pensions employer proportionate share changes	55,919,468	16,563,279	72,482,747	251,798	1,230,710	73,965,255
Pensions contributions vs proportionate share of contributions	13,834	5,564	19,398	146	335	19,879
Pension change in assumptions - FPDR	195,454,759	-	195,454,759	-	-	195,454,759
Pensions difference between projected and actual earnings - FPDR	775,159	-	775,159	-	-	775,159
Pensions difference between expected and actual earnings - FPDR	83,715,176	-	83,715,176	-	-	83,715,176
Total deferred outflows - pensions	527,292,131	76,429,430	603,721,561	1,132,053	6,064,250	610,917,864
OPEB payments post measurement date - RHIA	45,653	10,917	56,570	147	399	57,116
Changes in assumption - OPEB PERS	85,372	21,227	106,599	301	1,323	108,223
OPEB changes in employer proportion - RHIA	22,177	(23,873)	(1,696)	(164)	1,860	-
OPEB payments post measurement date - HIC	4,458,694	1,066,245	5,524,939	14,318	31,041	5,570,298
OPEB changes in assumptions - HIC	23,633,121	2,373,979	26,007,100	33,166	4,292	26,044,558
OPEB difference between expected and actual experience - HIC	3,180,055	363,629	3,543,684	4,662	129,402	3,677,748
Total deferred outflows - OPEB	31,425,072	3,812,124	35,237,196	52,430	168,317	35,457,943
Deferred charges for the difference between carrying amount and bond reacquisition price	19,126	5,375	24,501	-	-	24,501
Total deferred outflows of resources	\$ 558,736,329	\$ 80,246,929	\$ 638,983,258	\$ 1,184,483	\$ 6,232,567	\$ 646,400,308
Deferred inflows of resources:						
Pensions expected vs actual experience	\$ 95,946,503	\$ 29,843,613	\$ 125,790,116	\$ 450,980	\$ 2,360,688	\$ 128,601,784
Pensions employer proportionate share changes	(32,827)	106,579	73,752	1,031	3,770	78,553
Pensions change in assumptions	779,456	229,832	1,009,288	3,496	18,365	1,031,149
Pensions difference between expected and actual experience	3,409,184	986,449	4,395,633	15,220	75,004	4,485,857
Pensions contributions vs proportionate share of contributions	66,290,507	19,826,300	86,116,807	299,371	1,546,211	87,962,389
Pensions changes in assumptions - FPDR	526,971,182	-	526,971,182	-	-	526,971,182
Total deferred inflows - pensions	693,364,005	50,992,773	744,356,778	770,098	4,004,038	749,130,914
OPEB difference between projected and actual earnings - RHIA	829,849	208,242	1,038,091	2,990	13,014	1,054,095
OPEB changes in employer proportion - RHIA	2,018,818	490,334	2,509,152	6,731	32,947	2,548,830
OPEB difference between projected and actual experience - RHIA	304,569	67,119	371,688	813	2,062	374,563
OPEB changes in assumptions - RHIA	367,242	86,793	454,035	1,180	5,441	460,656
OPEB changes in assumptions - HIC	22,370,802	2,035,548	24,406,350	26,526	-	24,432,876
Differences between expected and actual experience - OPEB - CIS	-	-	-	-	11,071	11,071
Changes of assumptions or inputs - OPEB - CIS	-	-	-	-	57,915	57,915
Total deferred inflows - OPEB	25,891,280	2,888,036	28,779,316	38,240	122,450	28,940,006
Deferred inflows - leases	17,178,889	5,689,407	22,868,296	-	7,245,179	30,113,475
The difference between the carrying amount and reacquisition price of refunded bonds	2,608,441	25,695,388	28,303,829	-	-	28,303,829
Total deferred inflows of resources	\$ 739,042,615	\$ 85,265,604	\$ 824,308,219	\$ 808,338	\$ 11,371,667	\$ 836,488,224

E. Fund balances, governmental funds:

On the Balance Sheet - Governmental Funds, balances were reported in the aggregate in the classifications defined by GASB Statement No. 54, Fund Balance Reporting and Governmental fund type definitions. Fund balances by classification for fiscal year-ended June 30, 2023 were as follows:

	General	Transportation Operating	Grants	PDX Clean Energy Community Benefits	Other Funds	Total
Nonspendable:						
Inventories	\$ 318,191	\$ 5,735,224	\$ -	\$ -	\$ -	6,053,415
Prepaid items	212,306	375,321	-	-	-	587,627
Due from component unit	-	233	-	-	-	233
Permanent fund principal	-	-	-	-	163,175	163,175
Restricted:						
Public safety:						
Drug enforcement and education	-	-	-	-	9,471,560	9,471,560
Fire capital	-	-	-	-	6,358,025	6,358,025
Capital improvement activities	-	-	-	-	167,891,578	167,891,578
Improvements or services	-	-	-	-	2,786,466	2,786,466
Operations, maintenance, and capital programs	-	-	-	-	46,483,560	46,483,560
Promotion of program activities	-	-	-	-	27,466	27,466
Affordable housing	-	-	-	-	109,224,587	109,224,587
Childhood programs	-	-	-	-	12,045,930	12,045,930
Construction activities	-	-	-	-	16,359,862	16,359,862
Debt service	-	-	-	-	46,729,034	46,729,034
Federal housing and other programs	-	-	-	-	13,439,261	13,439,261
Funding of installation of solar electric systems on publicly-owned facilities	-	-	-	-	27,914	27,914
Inclusionary housing program	-	-	-	-	32,723,239	32,723,239
Climate Action Plan	-	-	-	472,889,074	-	472,889,074
Transportation:						
Operations, maintenance, & capital improvement	-	208,785,466	-	-	-	208,785,466
Street improvements	-	-	-	-	10,116	10,116
Legislative / admin / support services	-	-	-	-	8,295,595	8,295,595
Debt service	-	-	-	-	51,667,629	51,667,629

continued on next page

	General	Transportation Operating	Grants	PDX Clean Energy Community Benefits	Other Funds	Total
Committed:						
Public safety:						
Emergency communications	-	-	-	-	4,210,457	4,210,457
Parks, recreation, and culture:						
Capital projects	-	-	-	-	4,495,889	4,495,889
Improvements and services	-	-	-	-	10,755,547	10,755,547
Community development:						
Affordable housing	-	-	-	-	39,146,035	39,146,035
Multi-family housing property operations	-	-	-	-	6,782,387	6,782,387
Solar power on publicly-owned facilities	-	-	-	-	69,968	69,968
Cannabis Licensing Program	-	-	-	-	1,187,064	1,187,064
Legislative / admin / support services:						
Activities of economic improvement districts	-	-	-	-	76,766	76,766
Promotion of convention business and tourism	-	-	-	-	453,925	453,925
Recreational marijuana activities	-	-	-	-	6,881,364	6,881,364
Reserves for General Fund stabilization	89,785,163	-	-	-	-	89,785,163
Assigned:						
Public safety:						
Fire and police payroll	18,367,695	-	-	-	-	18,367,695
Parks, recreation, and culture:						
Capital projects	-	-	-	-	1,373,464	1,373,464
Improvements and services	-	-	-	-	22,890,449	22,890,449
Community development:						
Affordable housing	-	-	-	-	1,029,566	1,029,566
Construction activities	-	-	-	-	26,221,294	26,221,294
Federal housing and other programs	-	-	-	-	20,716	20,716
Financing and construction of improvements	-	-	-	-	2,169,333	2,169,333
Debt service	-	-	-	-	22,105,875	22,105,875
Unassigned	105,581,466	-	(62,201,667)	-	-	43,379,799
Total fund balances	\$ 214,264,821	\$ 214,896,244	\$ (62,201,667)	\$ 472,889,074	\$ 673,575,096	\$ 1,513,423,568

F. Capital assets:Primary government

In the governmental activities column of the statement of activities, capital asset reclassification or transfers between governmental funds and internal service funds have been eliminated. In a like manner, capital asset transfers between enterprise funds have been eliminated in the business-type activities column.

Capital assets activity for the primary government, which excludes fiduciary activities, for the year ended June 30, 2023, is as follows:

	Beginning Balance, as Restated	Increases	Decreases	Reclassifications and Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated or amortized:					
Land	\$ 250,699,221	\$ -	\$ -	\$ -	\$ 250,699,221
Construction in progress	514,252,517	188,119,172	-	(85,074,603)	617,297,086
Intangible assets:					
Land use rights	77,359,354	-	-	-	77,359,354
Owning rights	16,798	-	-	-	16,798
Total capital assets, not being depreciated or amortized	842,327,890	188,119,172	-	(85,074,603)	945,372,459
Capital assets, being depreciated or amortized:					
Infrastructure	5,088,036,501	6,555,077	-	4,204,652	5,098,796,230
Buildings	629,238,201	-	-	6,347,768	635,585,969
Improvements to land	198,814,690	-	-	1,115,177	199,929,867
Equipment	278,078,374	2,683,114	(6,126,570)	29,806,982	304,441,900
Intangible assets:					
Software	88,076,320	186,537	(116,132)	38,167,245	126,313,970
Right-of-use	38,544,286	12,027,149	(305,655)	4,690,035	54,955,815
Total capital assets being depreciated or amortized	6,320,788,372	21,451,877	(6,548,357)	84,331,859	6,420,023,751
Less accumulated depreciation or amortization for:					
Infrastructure	(4,266,506,149)	(40,776,552)	-	-	(4,307,282,701)
Buildings	(230,916,911)	(16,768,972)	-	53,982	(247,631,901)
Improvements to land	(110,789,224)	(4,882,646)	-	-	(115,671,870)
Equipment	(143,117,093)	(19,601,383)	5,211,396	(14,316)	(157,521,396)
Intangible assets:					
Software	(70,872,136)	(3,671,022)	113,968	4,535,327	(69,893,863)
Right-of-use	(2,956,733)	(3,234,709)	63,710	(4,535,327)	(10,663,059)
Total accumulated depreciation or amortization	(4,825,158,246)	(88,935,284)	5,389,074	39,666	(4,908,664,790)
Total capital assets, being depreciated or amortized, net	1,495,630,126	(67,483,407)	(1,159,283)	84,371,525	1,511,358,961
Governmental activities capital assets, net	\$ 2,337,958,016	\$ 120,635,765	\$ (1,159,283)	\$ (703,078)	\$ 2,456,731,420

	Beginning Balance, as restated	Increases	Decreases	Reclassifications and Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated or amortized:					
Land	\$ 114,418,475	\$ -	\$ (917,526)	\$ 3,401,767	\$ 116,902,716
Construction in progress	607,656,149	336,392,481	-	(109,432,926)	834,615,704
Intangible assets:					
Land use rights	19,888,291	256,461	-	313,872	20,458,624
Total capital assets, not being depreciated or amortized	<u>741,962,915</u>	<u>336,648,942</u>	<u>(917,526)</u>	<u>(105,717,287)</u>	<u>971,977,044</u>
Capital assets, being depreciated or amortized:					
Infrastructure	5,596,696,262	194,131	(8,777,967)	95,461,814	5,683,574,240
Buildings	445,798,469	1,158,345	(183,378)	1,582,845	448,356,281
Improvements to land	98,307,259	-	(1,111,366)	5,473,513	102,669,406
Equipment	83,448,380	285,971	(3,709,105)	3,738,127	83,763,373
Intangible assets:					
Land use rights	843,941	-	-	-	843,941
Owning rights	10,777	-	-	-	10,777
Software	19,711,721	-	(96,192)	(213,743)	19,401,786
Right-of-use	4,099,789	7,696	(27,734)	417,475	4,497,226
Total capital assets being depreciated or amortized	<u>6,248,916,598</u>	<u>1,646,143</u>	<u>(13,905,742)</u>	<u>106,460,031</u>	<u>6,343,117,030</u>
Less accumulated depreciation or amortization for:					
Infrastructure	(1,275,995,267)	(82,313,494)	2,763,140	-	(1,355,545,621)
Buildings	(148,650,972)	(9,182,511)	52,657	(53,982)	(157,834,808)
Improvements to land	(36,788,273)	(3,571,054)	246,513	-	(40,112,814)
Equipment	(45,182,824)	(5,549,154)	3,355,514	14,316	(47,362,148)
Intangible assets:					
Land use rights	(128,718)	(17,658)	-	-	(146,376)
Owning rights	(8,468)	(770)	-	-	(9,238)
Software	(17,068,236)	(730,222)	89,085	125,242	(17,584,131)
Right-of-use	(601,650)	(658,950)	25,317	(125,242)	(1,360,525)
Total accumulated depreciation or amortization	<u>(1,524,424,408)</u>	<u>(102,023,813)</u>	<u>6,532,226</u>	<u>(39,666)</u>	<u>(1,619,955,661)</u>
Total capital assets, being depreciated or amortized, net	<u>4,724,492,190</u>	<u>(100,377,670)</u>	<u>(7,373,516)</u>	<u>106,420,365</u>	<u>4,723,161,369</u>
Business-type activities capital assets, net	<u>\$ 5,466,455,105</u>	<u>\$ 236,271,272</u>	<u>\$ (8,291,042)</u>	<u>\$ 703,078</u>	<u>\$ 5,695,138,413</u>

	Beginning Balance, as restated	Increases	Decreases	Reclassifications and Transfers	Ending Balance
Total:					
Capital assets, not being depreciated or amortized:					
Land	\$ 365,117,696	\$ -	\$ (917,526)	\$ 3,401,767	\$ 367,601,937
Construction in progress	1,121,908,666	524,511,653	-	(194,507,529)	1,451,912,790
Intangible assets:					
Land use rights	97,247,645	256,461	-	313,872	97,817,978
Owning rights	16,798	-	-	-	16,798
Total capital assets, not being depreciated or amortized	<u>1,584,290,805</u>	<u>524,768,114</u>	<u>(917,526)</u>	<u>(190,791,890)</u>	<u>1,917,349,503</u>
Capital assets, being depreciated or amortized:					
Infrastructure	10,684,732,763	6,749,208	(8,777,967)	99,666,466	10,782,370,470
Buildings	1,075,036,670	1,158,345	(183,378)	7,930,613	1,083,942,250
Improvements to land	297,121,949	-	(1,111,366)	6,588,690	302,599,273
Equipment	361,526,754	2,969,085	(9,835,675)	33,545,109	388,205,273
Intangible assets:					
Land use rights	843,941	-	-	-	843,941
Owning rights	10,777	-	-	-	10,777
Software	107,788,041	186,537	(212,324)	37,953,502	145,715,756
Right-of-use	42,644,075	12,034,845	(333,389)	5,107,510	59,453,041
Total capital assets being depreciated or amortized	<u>12,569,704,970</u>	<u>23,098,020</u>	<u>(20,454,099)</u>	<u>190,791,890</u>	<u>12,763,140,781</u>
Less accumulated depreciation or amortization for:					
Infrastructure	(5,542,501,416)	(123,090,046)	2,763,140	-	(5,662,828,322)
Buildings	(379,567,883)	(25,951,483)	52,657	-	(405,466,709)
Improvements to land	(147,577,497)	(8,453,700)	246,513	-	(155,784,684)
Equipment	(188,299,917)	(25,150,537)	8,566,910	-	(204,883,544)
Intangible assets:					
Land use rights	(128,718)	(17,658)	-	-	(146,376)
Owning rights	(8,468)	(770)	-	-	(9,238)
Software	(87,940,372)	(4,401,244)	203,053	4,660,569	(87,477,994)
Right-of-use	(3,558,383)	(3,893,659)	89,027	(4,660,569)	(12,023,584)
Total accumulated depreciation or amortization	<u>(6,349,582,654)</u>	<u>(190,959,097)</u>	<u>11,921,300</u>	<u>-</u>	<u>(6,528,620,451)</u>
Total capital assets, being depreciated or amortized, net	<u>6,220,122,316</u>	<u>(167,861,077)</u>	<u>(8,532,799)</u>	<u>190,791,890</u>	<u>6,234,520,330</u>
Total capital assets, net	<u>\$ 7,804,413,121</u>	<u>\$ 356,907,037</u>	<u>\$ (9,450,325)</u>	<u>\$ -</u>	<u>\$ 8,151,869,833</u>

Regulatory assets activity for the Water Bureau for the year ended June 30, 2023, is as follows:

	Beginning Balance	Increases	Decreases	Reclassifications and Transfers	Ending Balance
Business-type activities:					
Regulatory assets, not being depreciated:					
Construction in progress - Regulatory	\$ 6,465,008	\$ 4,330,340	\$ -	\$ (996,772)	\$ 9,798,576
Total regulatory assets, not being depreciated	<u>6,465,008</u>	<u>4,330,340</u>	<u>-</u>	<u>(996,772)</u>	<u>9,798,576</u>
Regulatory assets, being depreciated:					
Regulatory assets	4,627,657	-	-	996,772	5,624,429
Total regulatory assets being depreciated	<u>4,627,657</u>	<u>-</u>	<u>-</u>	<u>996,772</u>	<u>5,624,429</u>
Less accumulated depreciation or amortization for:					
Regulatory assets	(37,588)	(132,410)	-	-	(169,998)
Total accumulated depreciation or amortization	<u>(37,588)</u>	<u>(132,410)</u>	<u>-</u>	<u>-</u>	<u>(169,998)</u>
Business-type activities regulatory assets, net	<u>\$ 11,055,077</u>	<u>\$ 4,197,930</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,253,007</u>

Right-of-use assets

A lease is defined as a contract that conveys control of the right of use of another entity's nonfinancial asset as specified in a contract for a period of time in an exchange or exchange-like transaction. The City is party to a variety of lease contracts as lessee for which this right-of-use (ROU) has been recognized as an asset on the balance sheet. You can find further information on these transactions in Note III.H in the lease payables section.

A subscription-based information technology arrangement (SBITA) is defined as a contract that conveys the right to use vendor-provided information technology and associated tangible capital assets for subscription payments without granting governments a perpetual license or title to the IT software and associated tangible capital assets. This recognition is new for the current year under GASB pronouncement 96. You can find further information on these transactions in Note III.H in the subscription payables section.

Lease and subscription right-of-use activity for the year ended June 30, 2023 was as follows:

	Beginning Balance, as restated	Increases	Decreases	Reclassifications and Transfers	Ending Balance
Governmental activities:					
Buildings	\$ 10,995,872	\$ 10,350,018	\$ (63,710)	\$ -	\$ 21,282,180
Land	1,928,307	659	-	-	1,928,966
Land use rights	9,611,213	-	(97,029)	-	9,514,184
Subscriptions	15,004,692	1,676,472	-	4,690,035	21,371,199
Telecommunications	1,004,202	-	(144,916)	-	859,286
Total lease and subscription assets	38,544,286	12,027,149	(305,655)	4,690,035	54,955,815
Less accumulated amortization					
Buildings	(2,218,421)	(2,443,563)	63,710	-	(4,598,274)
Land	(24,337)	(49,861)	-	-	(74,198)
Land use rights	(590,881)	(588,527)	-	-	(1,179,408)
Subscriptions	-	(34,928)	-	(4,535,327)	(4,570,255)
Telecommunications	(123,094)	(117,830)	-	-	(240,924)
Total accumulated amortization	(2,956,733)	(3,234,709)	63,710	(4,535,327)	(10,663,059)
Total lease and subscription assets, net of accumulated amortization	\$ 35,587,553	\$ 8,792,440	\$ (241,945)	\$ 154,708	\$ 44,292,756
Business-type activities:					
Buildings	\$ 2,097,837	\$ 4,227	\$ (25,317)	\$ -	\$ 2,076,747
Land	22,649	3,469	-	-	26,118
Subscriptions	1,860,532	-	-	417,475	2,278,007
Telecommunications	118,771	-	(2,417)	-	116,354
Total lease and subscription assets	4,099,789	7,696	(27,734)	417,475	4,497,226
Less accumulated amortization					
Buildings	(572,489)	(631,539)	25,317	-	(1,178,711)
Land	(12,354)	(10,720)	-	-	(23,074)
Subscriptions	-	-	-	(125,242)	(125,242)
Telecommunications	(16,807)	(16,691)	-	-	(33,498)
Total accumulated amortization	(601,650)	(658,950)	25,317	(125,242)	(1,360,525)
Total lease and subscription assets, net of accumulated amortization	\$ 3,498,139	\$ (651,254)	\$ (2,417)	\$ 292,233	\$ 3,136,701

Depreciation and amortization

Fully depreciated capital assets at June 30, 2023 totaled \$5.59 billion, of which \$5.39 billion pertains to governmental activities and \$193.68 million to business-type activities. The total remaining salvage value is \$5.49 million, of which \$3.80 million pertains to governmental activities and \$1.69 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:

	<u>Amounts</u>
Governmental activities:	
Public safety	\$ 5,110,429
Parks, recreation, and culture	9,681,931
Community development	3,135,532
Transportation	44,480,058
Legislative / admin / support services	360,968
Environmental services	111,859
Water	215,199
Parking facilities	171,000
Total governmental funds	<u>63,266,976</u>
Internal service funds - Legislative / admin / support services	<u>25,628,642</u>
Total governmental activities	<u>\$ 88,895,618</u>
Business-type activities:	
Environmental services	\$ 56,509,708
Water	38,292,527
Hydroelectric power	577,902
Parking facilities	1,291,072
Golf	689,350
Motor sports	196,126
Spectator facilities	4,506,794
Total business-type activities	<u>\$ 102,063,479</u>

Component Unit - Prosper Portland

Activity for the year ended June 30, 2023 was as follows:

	Beginning Balance, as restated	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 14,126,571	\$ 359	\$ -	\$ -	\$ 14,126,930
Construction in progress-Halsey 106 Comm. Condo	3,676,734	49,959	-	-	3,726,693
Construction in progress-Fairfield Commercial	-	500,000	-	-	500,000
Total capital assets, not being depreciated	<u>17,803,305</u>	<u>550,318</u>	<u>-</u>	<u>-</u>	<u>18,353,623</u>
Capital assets, being depreciated or amortized:					
Buildings and improvements	53,610,521	-	-	-	53,610,521
Vehicles and equipment	353,592	131,764	17,901	-	503,257
Intangible assets:					
Software	1,084,399	110,370	-	-	1,194,769
Right-of-use	9,581,947	-	-	-	9,581,947
Total capital assets being depreciated or amortized	<u>64,630,459</u>	<u>242,134</u>	<u>17,901</u>	<u>-</u>	<u>64,890,494</u>
Less accumulated depreciation or amortization for:					
Buildings and improvements	(6,936,593)	(1,155,076)	-	-	(8,091,669)
Leasehold improvements	-	-	-	-	-
Vehicles and equipment	(321,166)	(12,643)	(17,901)	-	(351,710)
Intangible assets:					
Software	(517,247)	(72,180)	-	-	(589,427)
Right-of-use	(808,564)	(808,564)	-	-	(1,617,128)
Total accumulated depreciation or amortization	<u>(8,583,570)</u>	<u>(2,048,463)</u>	<u>(17,901)</u>	<u>-</u>	<u>(10,649,934)</u>
Total capital assets, being depreciated or amortized, net	<u>56,046,889</u>	<u>(1,806,329)</u>	<u>-</u>	<u>-</u>	<u>54,240,560</u>
Total governmental activities capital assets, net	<u>\$ 73,850,194</u>	<u>\$ (1,256,011)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,594,183</u>
	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, being depreciated or amortized:					
Leasehold improvements	\$ 2,727,498	\$ 88,641	\$ -	\$ -	\$ 2,816,139
Less accumulated depreciation or amortization for:					
Leasehold improvements	(136,220)	(136,375)	-	-	(272,595)
Total business-type activities capital assets, net	<u>\$ 2,591,278</u>	<u>\$ (47,734)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,543,544</u>

G. Interfund receivables, payables, and transfers:

Due to/from other funds and component unit

Primary government

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

The composition of due to and due from other funds as of June 30, 2023 was:

	Governmental Activities		Business-type Activities	Fiduciary Activities	Total Due To Other Funds
	Transportation Operating	Other Funds	Water		
Governmental Activities:					
General	\$ -	\$ -	\$ -	\$ 5,730,284	\$ 5,730,284

Component Unit - Prosper Portland

The amount due from Prosper Portland to the City is \$723,883 in accounts receivable. The amounts due from the City to Prosper Portland for various grant expenditures and other intergovernmental agreements total \$7.59 million.

	Governmental Activities				Business-type Activities	Prosper Portland	Net Due (To) From Component Unit
	General	Transportation Operating	Other Funds	Internal Services	Other Funds		
Governmental Activities:							
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,857,468)	\$ (4,857,468)
Transportation	-	-	-	-	-	(5,120)	(5,120)
Grants	-	-	-	-	-	(1,818,196)	(1,818,196)
Other funds	-	-	-	-	-	(878,349)	(878,349)
Internal service funds	-	-	-	-	-	(752,898)	(752,898)
Total due (to) from component unit	-	-	-	-	-	(8,312,031)	(8,312,031)
Prosper Portland:							
Prosper Portland - All funds	59,332	233	648,418	15,900	-	-	723,883
Net due from (to) component unit	\$ 59,332	\$ 233	\$ 648,418	\$ 15,900	\$ -	\$ (8,312,031)	\$ (7,588,148)

Interfund transfers

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

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

Interfund transfers and the reconciliation to the statement of activities for the fiscal year ended June 30, 2023 consist of the following:

	Governmental Activities				Business-type Activities			Total Transfers Out	
	General	PBOT Operating*	Grants	Other Funds	Internal Service	Sewage Disposal	Water		Other Funds
Governmental activities:									
General	\$ 14,467,720	\$ 21,940,218	\$ 390,000	\$ 45,342,408	\$ 19,722,485	\$ -	\$ 736,624	\$ 6,275,170	\$ 108,874,625
Transportation	583,600	700,000	-	1,040,859	-	35,807	-	-	2,360,266
Other funds	2,660,000	8,483,135	-	64,258,739	14,038	-	-	-	75,415,906
Internal service	702,584	425,408	-	1,354,062	265,647	-	2,430	-	2,750,131
Business-type activities:									
Sewage disposal	-	-	-	739,724	-	-	-	-	739,724
Water	73,000	-	-	768,284	-	117,775	-	-	959,059
Other funds	1,005,433	-	-	75,632	1,065,000	-	-	-	2,146,060
Total transfers in	\$ 19,492,337	\$ 31,548,761	\$ 390,000	\$ 113,579,708	\$ 21,067,170	\$ 153,582	\$ 739,054	\$ 6,275,170	193,245,771

Reconciliation:

Total internal service funds	(2,750,131)
Total governmental funds	(186,650,797)
Total business-type activities	(117,775)
Governmental activities transfers to business-type activities	(7,050,026)
Total transfers per Statement of Activities	\$ (3,322,958)

*Legal name of fund is “Transportation Operating”

Interfund loans

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

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Balance</u>
2023	-	1,413,500
2024	695,000	718,500
2025	718,500	-
	<u>\$ 1,413,500</u>	<u>\$ -</u>

⁽¹⁾Interest will be calculated and paid monthly.

Resolution No. 37377 authorized a temporary loan from the System Development Charges fund for the Portland International Raceway South Paddock repaving project. The loan, not to exceed \$1.75 million, will be repaid, with interest, within four years.

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Balance</u>
2023	-	1,000,000
2024	250,000	750,000
2025	250,000	500,000
2026	250,000	250,000
2027	250,000	-
	<u>\$1,000,000</u>	<u>\$-</u>

Interfund loan balances at June 30, 2023 were:

	<u>Governmental Activities</u>		<u>Total Internal Loans Payable</u>
	<u>Transportation Operating</u>	<u>Other Funds</u>	
Governmental activities:			
General	\$ 1,413,500	\$ -	\$ 1,413,500
Business-type activities:			
Other funds	-	1,000,000	1,000,000
Total internal loans receivable	<u>\$ 1,413,500</u>	<u>\$ 1,000,000</u>	<u>\$ 2,413,500</u>

H. Leases and Subscription-Based Information Technology Arrangements (SBITA):

The City is involved in various leasing arrangements for land, buildings, equipment, and land use rights which are leased mainly to commercial and retail customers. In accordance with GASB Statement No. 87 Leases, newly acquired leases during the current fiscal year were analyzed and classified as either qualified or non-qualified leases, for both lessor and lessee positions, and lease receivables and payables were recognized accordingly.

The City is also involved in various subscription-based information technology arrangements (SBITAs) for information technology software and underlying subscription assets which are subscribed mainly from commercial and retail software vendors. With the implementation of GASB Statement No. 96, effective the fiscal year ended June 30, 2023, all existing and newly acquired subscriptions during the current fiscal year were analyzed and classified as either qualified or non-qualified SBITAs. With this implementation, a subscription payable is recognized.

Lessor lease receivables

The City has entered into 210 qualified lease agreements as the lessor for buildings, land, land-use rights, and telecommunications. Out of these, 36 of the leases are related to buildings, 39 of the leases are related to land, 102 of the leases are related to land-use rights, and 33 of the leases are related to telecommunications.

The City is the lessor under 36 lease agreements related to buildings for various functions such as office space, garage space, a day care facility, and storage facilities. Of these, 21 had payments included in the measurement of the lease receivable with periods covering various ranges and the latest expiring on August 31, 2033. Interest rates range from 2.44% to 10.50%. Annual payments for the current year range from \$1,273 to \$741,324.

The City is the lessor for 39 lease agreements related to land, including public walkways, right of way encroachments, parking lots, and park space. Of these, 27 had payments included in the measurement of the lease receivable with periods covering various ranges and the latest expiring on December 31, 2070. Interest rates range from 5.25% to 10.00%. Annual payments for the current year range from \$656 to \$213,488.

The City is the lessor for 102 lease agreements related to land-use rights, including utility vaults, walkways, and subsurface parking. Of these, 85 had payments included in the measurement of the lease receivable with periods covering various ranges and the latest expiring on June 27, 2111. Interest rates range from 5.25% to 8.25%. Annual payments for the current year range from \$565 to \$130,000.

The City is the lessor for 33 lease agreements related to telecommunications. These agreements relate to the installation, operation, and maintenance of telecommunication sites, mounting structures, and equipment associated with the transmission and reception of radio communication signals. Of these, 32 had payments included in the measurement of the lease receivable with periods covering various ranges and the latest expiring on March 31, 2037. Interest rates range from 5.25% to 10.00%. Annual payments for the current year range from \$1,208 to \$59,458.

Lease receivables for the year ended June 30, 2023 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
Building	\$ 1,612,477	\$ 45,583	\$ (1,141,236)	\$ 516,824
Land	2,855,803	252,566	(511,002)	2,597,367
Land use rights	13,547,521	96,069	(571,564)	13,072,026
Telecommunication	1,497,801	13,746	(518,876)	992,671
Total governmental activities	<u>\$ 19,513,602</u>	<u>\$ 407,964</u>	<u>\$ (2,742,678)</u>	<u>\$ 17,178,888</u>
Business-type activities:				
Building	1,761,920	1,702,186	(1,028,209)	2,435,897
Land	671,374	1,104,818	(252,957)	1,523,235
Telecommunication	1,669,499	698,411	(637,636)	1,730,274
Total business-type activities	<u>\$ 4,102,793</u>	<u>\$ 3,505,415</u>	<u>\$ (1,918,802)</u>	<u>\$ 5,689,406</u>

Future annual lease receivables as of June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 942,742	\$ 935,859	\$ 1,017,961	\$ 311,794
2025	515,604	888,915	884,031	259,667
2026	539,723	848,346	671,975	218,789
2027	415,043	814,223	546,523	180,268
2028	360,896	789,347	515,479	143,059
2029-2033	996,473	3,726,722	1,350,689	404,613
2034-2038	726,467	3,475,786	466,943	123,465
2039-2043	874,319	3,243,284	235,805	19,570
2044-2048	1,193,758	2,965,623	-	-
2049-2053	781,556	2,690,441	-	-
2054-2058	825,342	2,478,463	-	-
2059-2063	995,641	2,241,697	-	-
2064-2068	1,288,417	1,939,073	-	-
2069-2073	1,319,992	1,568,848	-	-
2074-2078	1,021,668	1,283,076	-	-
2079-2083	675,251	1,047,776	-	-
2084-2088	554,046	899,008	-	-
2089-2093	649,225	746,478	-	-
2094-2098	798,361	552,148	-	-
2099-2103	750,518	353,954	-	-
2104-2108	786,582	141,735	-	-
2109-2113	129,880	17,795	-	-
2114-2118	8,591	8,754	-	-
2119-2123	11,095	6,187	-	-
2124-2128	14,330	2,871	-	-
2129-2133	3,368	98	-	-
Total	<u>\$ 17,178,888</u>	<u>\$ 33,666,507</u>	<u>\$ 5,689,406</u>	<u>\$ 1,661,225</u>

Lease payments not included in receivable

Variable payments based on future performance of the lessee or usage of the underlying asset were not included in the measurement of the lease receivable. Other payments, such residual value guarantees or termination penalties, were also not included in the measurement of the lease liability. Rather, these variable and other payments were recognized as inflows of resources in the period to which those payments related.

The amount of inflows of resources recognized in the fiscal year ended June 30, 2023 for variable and other payments not previously included in the measurement of the lease receivable are as follows:

	Governmental Activities	Business-type Activities	Total
Operating expenses	\$ 25,552	\$ -	\$ 25,552
Property taxes	166,332	210,320	376,652
Rental credits	(11,520)	(245,512)	(257,032)
Variable rent	198,905	1,367,535	1,566,440
Utilities	18,970	8,581	27,551
Total variable payments	<u>\$ 398,239</u>	<u>\$ 1,340,924</u>	<u>\$ 1,739,163</u>

Lessor lease inflows

Lease inflows of resources for the year ended June 30, 2023 are as follows:

	Governmental Activities	Business-type Activities	Total
Lease revenue	\$ 2,521,276	\$ 2,086,725	\$ 4,608,001
Lease interest income	989,067	320,898	1,309,965
Total lease inflows	<u>\$ 3,510,343</u>	<u>\$ 2,407,623</u>	<u>\$ 5,917,966</u>

Lessee lease payables

The City has entered into 56 qualified lease agreements as the lessee for buildings, land, land-use rights, and telecommunications (this excludes short-term lease agreements). Out of these, 30 of the leases are related to buildings, seven are related to land, 11 are related to land-use rights, and eight are related to telecommunications.

The City is the lessee under 30 lease agreements related to buildings for various functions such as office space, garage space, laboratory facilities, and storage facilities. Of these, 28 had payments included in the measurement of the lease liability with terms covering various ranges and the latest expiring on April 1, 2033. Interest rates range from 1.32% to 3.46%. Annual payments for the current year range from \$14,280 to \$1,223,600.

The City is the lessee under seven lease agreements related to land, including public walkways, right of way encroachments, parking lots, and park spaces. Of these, four had payments included in the measurement of the lease liability with periods covering various ranges and the latest expiring on September 5, 2099. Interest rates range from 2.65% to 3.24%. Annual payments for the current year range from \$653 to \$62,033.

The City is the lessee under 11 lease agreements related to land-use rights used generally for the construction, maintenance, repair, and/or replacement of a public recreational facility such as materials storage, landscaping, fencing, swimming pools, walkways, docks, boat ramps, or piers. Of these, five had payments included in the measurement of the lease liability with periods covering various ranges and the latest expiring on May 31, 2034. Interest rates range from 1.32% to 3.24%. Annual payments for the current year range from \$470 to \$440,832.

The City is the lessee under eight lease agreements related to telecommunications for the installation, operation and maintenance of a telecommunications site, mounting structures, and equipment associated with the transmission and reception of radio communication signals. Of these, all eight had payments included in the measurement of the lease liability with periods covering various ranges and the latest expiring on February 28, 2037. Interest rates range from 1.41% to 3.76%. Annual payments for the current year range from \$6,714 to \$58,574.

Lease payables currently outstanding as of June 30, 2023 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
Building	\$ 8,546,145	\$ 12,411,497	\$ (5,716,127)	\$ 15,241,515
Land	1,871,924	10	(14,192)	1,857,742
Land use rights	9,215,962	-	(596,510)	8,619,452
Telecommunication	897,528	32,804	(297,403)	632,929
Total governmental activities	<u>\$ 20,531,559</u>	<u>\$ 12,444,311</u>	<u>\$ (6,624,232)</u>	<u>\$ 26,351,638</u>
Business-type activities:				
Building	\$ 1,561,781	\$ 4,229	\$ (622,600)	\$ 943,410
Land	10,851	3,469	(12,007)	2,313
Telecommunication	102,881	-	(18,974)	83,907
Total business-type activities	<u>\$ 1,675,513</u>	<u>\$ 7,698</u>	<u>\$ (653,581)</u>	<u>\$ 1,029,630</u>
Fiduciary activities:				
Building	\$ -	\$ 957,213	\$ (145,657)	\$ 811,556
Total fiduciary activities	<u>\$ -</u>	<u>\$ 957,213</u>	<u>\$ (145,657)</u>	<u>\$ 811,556</u>

Future annual lease commitments as of June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Governmental Activities		Business-type Activities		Fiduciary Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 3,724,970	\$ 689,144	\$ 641,890	\$ 10,281	\$ 163,848	\$ 16,992
2025	2,655,246	701,650	324,225	5,064	171,643	14,623
2026	2,192,660	555,780	4,847	1,867	183,058	8,854
2027	2,276,817	496,509	4,998	1,716	193,231	4,437
2028	2,222,229	436,158	5,153	1,561	99,776	488
2029-2033	4,481,324	1,665,899	28,264	5,306	-	-
2034-2038	634,060	1,366,306	20,253	1,008	-	-
2039-2043	701,251	1,259,634	-	-	-	-
2044-2048	824,270	1,136,615	-	-	-	-
2049-2053	968,870	992,015	-	-	-	-
2054-2058	1,138,838	822,048	-	-	-	-
2059-2063	1,338,623	622,262	-	-	-	-
2064-2068	1,573,457	387,428	-	-	-	-
2069-2073	531,424	191,421	-	-	-	-
2074-2078	148,289	161,877	-	-	-	-
2079-2083	173,922	136,244	-	-	-	-
2084-2088	203,986	106,180	-	-	-	-
2089-2093	239,246	70,919	-	-	-	-
2094-2098	280,602	29,564	-	-	-	-
2099-2103	41,554	663	-	-	-	-
Total	<u>\$ 26,351,638</u>	<u>\$ 11,828,316</u>	<u>\$ 1,029,630</u>	<u>\$ 26,803</u>	<u>\$ 811,556</u>	<u>\$ 45,394</u>

Lease payments not included in liability

Variable payments based on future performance of the lessee or usage of the underlying asset were not included in the measurement of the lease liability. Other payments, such as residual value guarantees or termination penalties, were also not included in the measurement of the lease liability. Rather, these variable and other payments were recognized as outflows of resources in the period in which the obligation for those payments was incurred.

The amount of outflows of resources recognized in the fiscal year ended June 30, 2023 for variable and other payments not previously included in the measurement of the lease liability are as follows:

	Governmental Activities	Business-type Activities	Fiduciary Activities	Total
Common area maintenance	\$ 199,795	\$ 309,192	\$ 1,517	\$ 510,504
Late fees	-	5,709	-	5,709
Operating expenses	722,755	585	47,989	771,329
Parking	934	-	-	934
Property insurance	16,417	-	-	16,417
Property taxes	164,945	-	-	164,945
Rent free	(26,286)	-	-	(26,286)
Rent credits	(319,078)	-	(74,236)	(393,314)
Variable rent	1,214,538	1,641	-	1,216,179
Utilities	67,466	-	-	67,466
Total variable payments	\$ 2,041,486	\$ 317,127	\$ (24,730)	\$ 2,333,883

Subscription payables

The City has entered into 63 qualified SBITA agreements as the subscriber for software. The subscription liability related to these SBITAs was initially recognized on July 1, 2022, with the adoption of GASB Statement No. 96. All 63 of the SBITAs are related to software. Of these, 46 had payments included in the measurement of the subscription liability with periods covering various ranges and the latest expiring on December 31, 2030. Interest rates range from 2.44% to 2.67%. Annual payments for the current year range from \$0 to \$1,701,009.

Subscription payables currently outstanding as of June 30, 2023 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
Subscriptions	\$ 15,004,692	\$ 1,641,545	\$ (4,490,115)	\$ 12,156,122
Total governmental activities	\$ 15,004,692	\$ 1,641,545	\$ (4,490,115)	\$ 12,156,122
Business-type activities:				
Subscriptions	\$ 1,860,532	\$ -	\$ (437,606)	\$ 1,422,926
Total business-type activities	\$ 1,860,532	\$ -	\$ (437,606)	\$ 1,422,926

Future annual subscription commitments as of June 30, 2023 are as follows:

Fiscal Year Ended June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 4,247,523	\$ 217,793	\$ 426,383	\$ 18,782
2025	2,182,811	154,457	446,615	12,765
2026	1,934,098	104,988	292,827	6,547
2027	1,752,765	59,762	83,621	4,477
2028	1,046,637	30,824	85,696	2,355
2029-2033	992,288	8,889	87,784	219
Total	\$ 12,156,122	\$ 576,713	\$ 1,422,926	\$ 45,145

Subscription payments not included in liability

Variable payments based on future performance of the City, usage of the underlying IT assets, or number of user seats, were not included in the measurement of the subscription liability. Other payments, such as termination penalties, were also not included in the measurement of the subscription liability. Rather, these variable and other payments were recognized as outflows of resources in the period in which the obligation for those payments was incurred. The City had 25 SBITAs with variable payments not included in the measurement of the subscription liability for the fiscal year ended June 30, 2023.

The amount of outflows of resources recognized in the fiscal year ended June 30, 2023 for variable and other payments not previously included in the measurement of the subscription liability are as follows:

	Governmental Activities	Business-type Activities	Total
Variable subscription payments	\$ 1,905,813	\$ 26,899	\$ 1,932,712
Total variable payments	<u>\$ 1,905,813</u>	<u>\$ 26,899</u>	<u>\$ 1,932,712</u>

Combined lease and subscription liabilities

On the face of the financial statements, lease and subscription payables are combined as a single line item.

Lease and subscription payables currently outstanding as of June 30, 2023 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
Leases	\$ 20,531,559	\$ 12,444,311	\$ (6,624,232)	\$ 26,351,638
Subscriptions	15,004,692	1,641,545	(4,490,115)	12,156,122
Total governmental activities	<u>\$ 35,536,251</u>	<u>\$ 14,085,856</u>	<u>\$ (11,114,347)</u>	<u>\$ 38,507,760</u>
Business-type activities:				
Leases	\$ 1,675,513	\$ 7,698	\$ (653,581)	\$ 1,029,630
Subscriptions	1,860,532	-	(437,606)	1,422,926
Total business-type activities	<u>\$ 3,536,045</u>	<u>\$ 7,698</u>	<u>\$ (1,091,187)</u>	<u>\$ 2,452,556</u>
Fiduciary activities:				
Leases	\$ -	\$ 957,213	\$ (145,657)	\$ 811,556
Total fiduciary activities	<u>\$ -</u>	<u>\$ 957,213</u>	<u>\$ (145,657)</u>	<u>\$ 811,556</u>

I. Long-term debt:

The City issues a variety of debt types for the purpose of carrying out its capital financing activities. The various types of debt are discussed below, and each debt type reports the range of maturities for each of its outstanding debt issues. The City's tax-exempt debt remains in compliance with all Internal Revenue Service arbitrage regulations. Outstanding debt amounts are as of June 30, 2023.

General obligation bonds

The City issues general obligation bonds for the acquisition and construction of capital improvements of major capital facilities. General obligation bonds are currently outstanding for only governmental activities. Outstanding unlimited tax general obligation bonds for governmental activities were originally issued in an amount of \$342.27 million. Currently \$248.40 million of these bonds are outstanding. The bonds were originally issued for emergency facilities, public safety, parks improvements and affordable housing. The City is authorized to levy an ad valorem tax to pay for these bonds.

Oregon state law limits general obligation debt to 3% of real market value. As of June 30, 2023, the City's unused statutory debt capacity is \$5.11 billion.

General obligation bonds currently outstanding at June 30, 2023 are as follows:

	Bond Series	Interest Rates	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
Governmental activities:						
Public Safety / Emergency Facilities	2014A	2.50-5.00%	03/27/2014	2024-2029	\$ 29,795,000	\$ 11,760,000
Public Safety	2015A	3.00-5.00	06/02/2015	2024-2029	17,145,000	8,540,000
Parks Improvement	2015C	3.00-5.00	07/30/2015	2024-2028	23,850,000	9,540,000
Affordable Housing	2017A	2.50-5.00	05/18/2017	2024-2037	35,085,000	27,500,000
Parks Improvement	2018A	2.00-5.00	01/18/2018	2024-2030	23,445,000	16,260,000
Emergency Facilities	2018B	2.50-5.00	04/23/2018	2024-2028	8,815,000	4,965,000
Public Safety	2019A	2.00-5.00	05/02/2019	2024-2026	12,085,000	5,635,000
Affordable Housing	2019B	2.58-3.60	05/02/2019	2024-2039	15,610,000	13,210,000
Parks Improvement	2020A	5.00	06/11/2020	2024-2028	12,235,000	9,200,000
Affordable Housing	2020B	0.70-2.50%	06/11/2020	2024-2040	164,205,000	141,790,000
Total governmental activities					<u>\$ 342,270,000</u>	<u>\$ 248,400,000</u>

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

Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2024	\$ 20,775,000	\$ 6,426,727
2025	20,695,000	5,755,470
2026	21,520,000	5,127,880
2027	20,295,000	4,484,150
2028	19,995,000	3,928,010
2029-2033	66,545,000	13,665,037
2034-2038	58,315,000	6,832,374
2039-2043	20,260,000	756,318
Total	<u>\$ 248,400,000</u>	<u>\$ 46,975,966</u>

Limited tax improvement bonds

The City has \$22.32 million of outstanding limited tax improvement bonds. These bonds were primarily issued for the purpose of financing local improvement district projects. These bonds are expected to be fully self-supporting from assessment payments received from property owners benefiting from the improvement projects. In addition, the City has pledged its full faith and credit to pay the bonds.

Limited tax improvement bonds currently outstanding at June 30, 2023 are as follows:

	Bond Series	Interest Rates	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
<u>Governmental activities:</u>						
Limited Tax Improvement	2007A	5.00%	06/28/2007	2027	\$ 41,745,000	\$ 6,215,000
Limited Tax Improvement	2010A	4.13	04/29/2010	2030	22,305,000	4,680,000
Limited Tax Improvement	2011A	4.00	12/13/2011	2032	3,400,000	115,000
Limited Tax Improvement	2014A	4.00	06/26/2014	2034	7,385,000	960,000
Limited Tax Improvement	2018A	3.60 - 5.00	11/01/2018	2024-2039	10,800,000	4,965,000
Limited Tax Improvement	2022B	1.10-2.75%	01/25/2022	2024-2042	9,505,000	5,385,000
Total					<u>\$ 95,140,000</u>	<u>\$ 22,320,000</u>

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

Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2024	\$ 1,005,000	\$ 857,545
2025	455,000	824,845
2026	455,000	818,703
2027	6,595,000	811,878
2028	-	495,048
2029-2033	4,795,000	1,891,488
2034-2038	960,000	1,333,388
2039-2043	8,055,000	559,710
Total	<u>\$ 22,320,000</u>	<u>\$ 7,592,605</u>

Limited tax revenue bonds

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

These bond issues include (1) non-self-supporting General Fund obligations, which are obligations paid from General Fund resources, and (2) self-supporting General Fund obligations, which are paid from City resources outside the General Fund. Some bond issuances are multi-purpose and may be allocated on a pro-rata basis to both categories based on the projects financed.

Non-self-supporting General Fund-secured debt obligations

As of June 30, 2023, the City had \$190.29 million of outstanding non-self-supporting limited tax revenue bonds. These bonds are full faith and credit obligations of the City secured by all legally available funds. Because they largely are expected to be repaid from General Fund resources or have a higher probability of requiring General Fund support, these obligations are considered to be non-self-supporting.

In August of 2022, the City issued \$28 million of Limited Tax Revenue Bonds, 2022 Series D. The proceeds of these bonds are related to two projects, Build Portland and the Fuel Stations Projects. \$23.2 million of this bond is related to the Build Portland project, which will be repaid between 2023 and 2042 with interest rates of 5%. The remaining \$4.8 million of this bond is related to the Fuel Stations Project which will be repaid between 2023 and 2034 with interest rates of 5%.

Non-self-supporting limited tax revenue bonds currently outstanding at June 30, 2023 are as follows:

	Bond Series	Interest Rates	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
<u>Governmental activities:</u>						
LED Green Bonds	2016A	5.00%	11/29/2016	2024-2026	\$ 16,220,000	\$ 5,540,000
Archives Space Acquisition Project	2017A	4.00-5.00	06/15/2017	2024-2028	6,615,000	3,410,000
Ellington Apartments Project	2018A	5.00	06/28/2018	2024-2029	7,900,000	4,750,000
Portland Building Project	2018B	5.00	11/29/2018	2024-2040	102,860,000	93,055,000
4th & Montgomery Project	2019A	5.00	11/29/2018	2024-2039	14,205,000	12,735,000
River District Projects	2021B	2.00-5.00	03/16/2021	2024-2041	30,345,000	29,265,000
Emergency Coordination Center Project	2021B	5.00	03/16/2021	2024-2026	1,935,000	1,220,000
Portland Building Project	2021B	2.00-5.00	03/16/2021	2024-2041	6,855,000	6,395,000
Integrated Tax System Project	2022C	2.53%	05/04/2022	2024-2032	7,854,184	7,168,542
Build Portland	2022D	5.00	08/03/2022	2024-2042	23,220,000	22,265,000
Fuel Stations	2022D	5.00	08/03/2022	2024-2032	4,855,000	4,490,000
Total					<u>\$ 222,864,184</u>	<u>\$ 190,293,542</u>

Self-supporting General Fund-secured obligations

As of June 30, 2023 the City had \$185.18 million of outstanding self-supporting limited tax revenue bonds. These bonds are full faith and credit obligations of the City secured by all legally available funds. Because they are currently and expected to continue to be paid from non-General Fund resources, these obligations are considered to be self-supporting.

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

	Bond Series	Interest Rates	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
<u>Governmental activities:</u>						
Sellwood Bridge	2014A	4.00-5.00	06/17/2014	2024-2034	\$ 44,215,000	\$ 29,315,000
Sellwood Bridge II	2017A	4.00-5.00	06/15/2017	2024-2037	29,165,000	24,550,000
Headwaters Apartment Project	2020A	1.69-1.90	08/31/2020	2024-2040	11,268,103	10,124,284
Oregon Convention Center	2021A	5.00	03/16/2021	2024-2030	51,230,000	45,230,000
Transportation Projects	2022A	2.00-5.00	01/25/2022	2024-2042	41,730,000	40,380,000
Portland-Milwaukie Light Rail	2022C	2.53	06/07/2022	2024-2033	21,982,302	21,904,939
Total governmental activities					<u>199,590,405</u>	<u>171,504,223</u>
<u>Business-type activities:</u>						
Jeld-Wen Field Project	2012A	3.25-3.50	04/24/2012	2024-2027	12,000,000	12,000,000
Central City Streetcar	2019A	5.00%	01/30/2019	2024-2024	7,640,000	1,680,000
Total business-type activities					<u>19,640,000</u>	<u>13,680,000</u>
Total					<u>\$ 219,230,405</u>	<u>\$ 185,184,223</u>

Limited tax pension obligation revenue bonds.

The City issued \$300.85 million of Limited Tax Pension Obligation Revenue Bonds in November 1999 to finance the City's December 31, 1997 unfunded actuarial accrued pension liability with the State of Oregon Public Employees Retirement System (PERS). The bonds are secured by available general funds, defined as revenues that are legally available to pay the bonds, and not prohibited for such use under the charter and ordinances of the City and Oregon laws. Revenues include all taxes and other legally available general funds of the City. The interest rate on the outstanding fixed rate \$33.34 million of 1999 Series C bonds is 7.93%. The Series C bonds are zero coupon bonds with interest paid at maturity of the bonds maturing from 2023-2029.

Approximately 37% of the debt service on these pension bonds is expected to be paid from resources of the General Fund. The remaining 63% is expected to be paid by non-General Fund resources of City bureaus. As of June 30, 2023, \$12.38 million of outstanding principal remaining on the portion of the bonds is projected to be repaid with General Fund resources.

The original \$300.85 million and outstanding liability as of June 30, 2023 has been distributed as follows:

	Original Distribution	Principal Outstanding
<u>Governmental activities:</u>		
Governmental funds	\$ 211,379,554	\$ 23,423,798
Internal service funds	16,741,773	1,855,219
Total governmental activities	<u>228,121,327</u>	<u>25,279,017</u>
Business-type activities	72,201,017	8,000,867
Fiduciary activities	526,002	58,287
Total	<u>\$ 300,848,346</u>	<u>\$ 33,338,171</u>

Limited tax pension obligation revenue bonds currently outstanding at June 30, 2023 are as follows:

	Bond Series	Interest Rates	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
<u>Governmental activities:</u>						
Allocation of limited tax pension obligation	1999C	7.93%	11/01/1999	2024-2029	\$ 30,090,310	\$ 25,279,017
<u>Business-type activities:</u>						
Allocation of limited tax pension obligation	1999C	7.93	11/01/1999	2024-2029	9,523,654	8,000,867
<u>Fiduciary activities:</u>						
Allocation of limited tax pension obligation	1999C	7.93%	11/01/1999	2024-2029	69,381	58,287
Total limited tax pension bonds					\$ 39,683,345	\$ 33,338,171

Annual debt service requirements to maturity for all of the above types of limited tax revenue bonds at June 30, 2023 are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-type Activities		Fiduciary Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 28,154,103	\$ 41,945,732	\$ 6,000,249	\$ 8,917,886	\$ 10,675	\$ 61,403
2025	29,094,865	42,274,599	4,359,886	9,192,449	10,271	64,691
2026	30,092,027	42,592,628	4,401,487	9,561,558	9,882	68,079
2027	28,640,855	42,897,103	4,455,139	9,933,515	9,508	71,565
2028	29,631,406	43,322,016	1,255,865	10,318,924	9,149	75,176
2029-2033	117,107,161	71,070,722	1,208,241	10,828,531	8,801	78,890
2034-2038	82,278,414	16,953,737	-	-	-	-
2039-2043	42,077,951	2,835,120	-	-	-	-
Total	\$ 387,076,782	\$ 303,891,657	\$ 21,680,867	\$ 58,752,863	\$ 58,286	\$ 419,804

Revenue bonds

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

In May of 2023, the City sold \$426.7 million of 2023 Series A Second Lien Sewer System Revenue and Refunding Bonds. The proceeds of which are being used to finance capital assets of the sanitary sewer and stormwater drainage system owned and operated by the City and to refund the City's outstanding Second Lien Sewer System Revenue and Refunding Bonds 2013 Series A. The 2023 Series A bonds will be repaid between 2024 and 2048 with interest rates of 5%.

Bond declarations for water enterprise and sewer enterprise debt require setting rates such that net operating income for each utility system provides specified levels of debt service coverage on the respective outstanding bonds and to maintain adequate insurance on the facilities, maintain the utility in good repair and operate the utility in a safe, sound, efficient and economic manner in compliance with all health, safety and environmental laws and regulatory body rules. Bond declarations for revenue bonds also permit the City to maintain restricted reserve accounts to provide for the payment of debt service in the event that pledged revenues are not sufficient to pay debt service when due. The City has established covenants to maintain debt service reserves for certain series of revenue bonds. The City is in compliance with its bond covenants as of and for the fiscal year ended June 30, 2023.

Revenue bonds outstanding at June 30, 2023 are as follows:

Purpose	Interest Rates	Principal Outstanding
Sewer System Revenue Bonds:		
Sewer System Capital Improvements	2.00-5.00%	\$ 1,440,465,000
Water System Revenue Bonds:		
Water System Capital Improvements	2.00-5.00%	663,510,000
Total revenue bonds		<u>\$ 2,103,975,000</u>

Revenue bonds outstanding at June 30, 2023 are as follows:

	Bond Series	Interest Rate ^(s)	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
Business-type activities:						
Sewer System Revenue Bonds:						
First Lien	2014A	5.00%	08/14/2014	2024-2025	\$ 86,165,000	\$ 20,835,000
	2015A	3.00-5.00	08/27/2015	2024-2031	329,805,000	77,055,000
	2016A	2.00-5.00	09/07/2016	2024-2033	156,650,000	114,640,000
Second Lien	2014B	3.00-5.00	08/14/2014	2024-2040	204,220,000	161,420,000
	2015B	3.00-5.00	08/27/2015	2024-2031	63,300,000	40,065,000
	2016B	2.00-5.00	09/07/2016	2024-2033	162,465,000	19,175,000
	2018A	4.50-5.00	05/03/2018	2024-2038	191,930,000	159,360,000
	2019A	5.00	05/03/2018	2024-2034	216,480,000	181,655,000
	2020A	2.00-5.00	11/24/2020	2024-2046	239,590,000	239,590,000
	2023A	5.00	05/17/2023	2024-2048	426,670,000	426,670,000
Water System Revenue Bonds:						
First Lien	2014A	3.00-5.00	12/16/2014	2024-2039	84,975,000	62,830,000
	2016A	4.00-5.00	12/15/2016	2024-2041	168,525,000	111,975,000
	2022A	4.00-5.00	04/07/2022	2024-2037	42,645,000	40,630,000
Second Lien	2013A	3.00-5.00	05/02/2013	2024-2038	253,635,000	149,960,000
	2019A	4.00-5.00	10/03/2019	2024-2044	112,005,000	101,680,000
	2020A	5.00	02/03/2020	2024-2035	39,800,000	33,985,000
	2021B	2.00-5.00%	05/25/2021	2024-2046	171,075,000	162,450,000
Total					<u>\$ 2,949,935,000</u>	<u>\$ 2,103,975,000</u>

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

Fiscal Year Ending June 30,	Business-type Activities	
	Principal	Interest
2024	\$ 107,380,000	\$ 90,907,286
2025	114,250,000	84,642,400
2026	108,705,000	79,238,825
2027	114,080,000	73,846,375
2028	119,490,000	68,458,425
2029-2033	635,185,000	260,911,644
2034-2038	478,075,000	135,448,894
2039-2043	259,640,000	57,351,963
2044-2048	167,170,000	16,140,456
Total	\$ 2,103,975,000	\$ 866,946,268

Urban renewal and redevelopment bonds

The City issues urban renewal and redevelopment bonds to finance capital projects that stimulate job creation and growth in designated target areas. The City’s urban renewal and redevelopment bonds are secured solely by and paid from the tax increment revenues generated from the respective urban renewal areas. No additional City revenues are pledged to the repayment of these bonds. The City has \$85.36 million outstanding long-term urban renewal and redevelopment bonds for four of its urban renewal districts, including Lents Town Center, North Macadam, Central Eastside, and Gateway Regional Center.

Urban renewal bonds currently outstanding at June 30, 2023 are as follows:

	Bond Series	Interest Rates	Date of Issue	Remaining Years of Maturity	Amount of Original Issue	Principal Outstanding
<u>Governmental activities:</u>						
Central Eastside	2011B	4.75%	03/31/2011	2024-2025	\$ 19,485,000	\$ 280,000
Lents Town Center	2020B	1.86	04/16/2020	2024-2027	15,725,748	10,827,737
North Macadam	2020B	1.88	05/19/2020	2024-2030	35,394,903	28,379,365
Gateway Regional Center	2022A	3.23-5.15%	06/07/2022	2024-2042	47,415,000	45,875,000
Total					\$ 118,020,651	\$ 85,362,102

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

Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2024	\$ 8,097,891	\$ 2,855,380
2025	8,551,116	2,681,544
2026	8,460,799	2,483,442
2027	8,646,616	2,291,571
2028	6,014,527	2,093,162
2029-2033	19,131,153	8,301,965
2034-2038	13,235,000	5,472,648
2039-2043	13,225,000	1,746,270
Total	<u>\$ 85,362,102</u>	<u>\$ 27,925,982</u>

The City issues urban renewal and redevelopment bonds backed solely by property tax revenues. Lines of credit for urban renewal and redevelopment are also backed by property tax revenues. Sewer and Water revenue bonds and state revolving fund loans are backed solely by future fees for certain services. At June 30, 2023, future pledged revenues are as follows:

Purpose	Revenue Stream	For the Year June 30, of Final Payments	Remaining Debt Service on Outstanding Debt	Approx. % of Future Revenue Pledged to Debt Outstanding	Revenue, Net of Related Expenses For the Year Ended June 30, 2023	Debt Payments For the Year Ended June 30, 2023
Governmental activities:						
Urban Renewal & Redevelopment:						
Central Eastside		2025	\$ 306,600	33.38%	\$ 9,284,273	\$ 3,336,488
Gateway Regional Center		2042	71,092,553	37.99	6,853,428	3,742,511
Lents Town Center	Tax Increment	2027	11,335,866	11.91	22,998,283	7,823,081
North Macadam	Property Tax	2030	30,553,066	21.98	24,585,397	4,366,040
Total governmental activities			<u>113,288,085</u>		<u>63,721,381</u>	<u>19,268,120</u>
Business-type activities:						
Sewer State Revolving Fund Loans:						
Financing energy, sewer system improvements	Sewer fees	2031	5,171,662	0.13	264,212,777	1,513,034 *
Sewer System Revenue Bonds:						
Sewer System Capital Improvements	Sewer fees	2048	2,048,448,686	11.94	(included above)	155,158,675 *
Water System Revenue Bonds:						
Water System Capital Improvements	Water fees	2046	916,582,581	7.93%	155,893,510	62,005,663
Total business-type activities			<u>2,970,202,929</u>		<u>420,106,287</u>	<u>218,677,372</u>
Total			<u>\$ 3,083,491,014</u>		<u>\$ 483,827,668</u>	<u>\$ 237,945,492</u>

*same revenue source pledged for two purposes

Notes, lines of credit, and loans payable

Notes payable. There are no outstanding notes as of June 30, 2023.

Lines of credit. As of June 30, 2023, the City has \$9.25 million outstanding on one local improvement district line of credit, which are direct borrowings. The use of proceeds and remaining balances is as follows:

Purpose	Amount (in millions)
Local improvement district projects	\$ 9.25
	<u>\$ 9.25</u>

As noted in the table above, the City has executed a \$20.00 million outstanding revolving credit facility secured by its full faith and credit to provide interim financing for local improvement district projects. The total outstanding balance is \$9.25 million and the remaining undrawn balance is \$10.75 million. In the event of default, the lender may increase the interest rate to the rate applicable at the time of default plus 4%. The City expects to retire a portion of the balances on the lines of credit with the proceeds of long-term bonds or with cash on hand. Interest rates on the outstanding line of credit balances are variable rates tied to the London Interbank Offered Rate (LIBOR). As of June 30, 2023, the interest rate was 5.82059%. The amount of unused lines of credit available to the city as of June 30, 2023 is \$10.75 million.

Loans payable. The City has entered into various loan arrangements for the purpose of financing sewer system improvements and housing programs. The principal balance of these loans at June 30, 2023 was \$11.19 million. Interest rates on these loans range from 1% to 5%, with the loans' final maturities occurring in fiscal year 2034. Details for the activity of notes, lines of credit and loans payable can be found in the changes in long-term liabilities schedule at the end of this note.

The City has nine loans outstanding for various environmental projects funded through Oregon's Clean Water State Revolving Loan Fund ("SRF Loans"). The SRF Loans are payable from net revenues of the sewer system and are subordinate to first and second lien sewer system revenue bonds. The current fiscal year principal payments totaled \$1.46 million. The total outstanding balance is \$5.06 million. In the event of default, the lender may accelerate payment immediately of the entire loan principal amount and other amounts due; cease making disbursements of loan proceeds; appoint a receiver, at the City's expense, to operate the facility that produces the pledged revenues; set and collect utility rates and charges, and direct the State Treasurer to withhold any amounts otherwise due to the City from the State of Oregon.

Annual debt service requirements to maturity for notes payable, lines of credit, and loans payable are as follows. All or a portion of the principal amounts due under the lines of credit may be extended by a renewal or refinancing of the lines of credit:

Fiscal Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 585,000	\$ 214,129	\$ 1,465,547	\$ 47,487
2025	615,000	194,162	1,480,340	32,694
2026	641,000	172,828	1,495,300	17,750
2027	672,000	150,026	381,245	4,671
2028	703,000	125,750	64,297	2,335
2029-2033	2,600,000	276,292	176,887	3,109
2034-2038	308,000	7,700	-	-
Total	<u>\$ 6,124,000</u>	<u>\$ 1,140,887</u>	<u>\$ 5,063,616</u>	<u>\$ 108,046</u>

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

Direct placements of debt

The City currently has outstanding bonds, loans, and lines of credit from direct borrowings and direct placements in the amount of \$98.84 million as described in the respective subsections of Section I. Long-term debt. The City has privately placed bonds in the amount of \$78.4 million including \$39.2 million of urban renewal and redevelopment refunding bonds issued for the Lents Town Center and the North Macadam urban renewal areas. The City has \$39.2 million of Limited Tax Revenue Bonds issued for the Headwaters Apartments project, the Integrated Tax System project, and the Portland-Milwaukie Light Rail Transit project. The City also has direct borrowings for loans and lines of credit outstanding in the amount of \$16.9 million.

Other liabilities

The City's policy relating to compensated absences is described in Note I.D.9. The long-term portion of compensated absences for governmental activities and business-type activities is \$39.85 million. The total amount outstanding at June 30, 2023 was \$95.57 million for governmental activities and \$18.93 million for business-type activities.

Other postemployment benefits (net of liability and asset) are described in Note IV.D. The total amount outstanding at June 30, 2023 was \$84.75 million for governmental activities and \$14.07 million for business-type activities.

The Fire and Police Disability Retirement Fund (FPDR) pension liability is described in Note IV.E., the total liability outstanding at June 30, 2023 was \$3.83 billion, and it is solely a governmental activities liability. The Oregon PERS liability is described in Note IV.E. The total outstanding liability for governmental activities and business-type activities at June 30, 2023, was \$703.40 million.

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

Refundings

As described in Revenue Bonds above, In May of 2023, the City sold \$426.67 million of 2023 Series A Second Lien Sewer System Revenue Bonds to fund sewer system capital improvements and achieve debt service savings on outstanding debt. Of this amount, \$112.09 million was used to refund certain maturities of the 2013 Series A Second Lien Sewer System Revenue Bonds. This refunding was undertaken to reduce total debt service payments by \$29.3 million over 16 years with an economic gain of \$19.98 million. The 2023 Series A Bonds will be repaid over 25 years with interest rates of 5.00%.

Conduit debt and contingent loan agreements

The City has issued conduit Economic Development Revenue Bonds, which have not been recorded as a liability for GAAP presentation purposes. Private developers use the proceeds of these bonds to finance capital expansion. The Economic Development Revenue Bonds have not been recognized as a liability of the City because the bonds are secured solely by the specific project and the developers are obligated to make the payments. The bonds are not payable from a charge upon any of the City’s resources or assets, and the City is not subject to any liability from these bonds. Upon completion of the project, the developer owns the assets constructed. Since the City does not own any of the assets constructed or assume any of the liabilities associated with repayment, these bond issues do not require balance sheet disclosure or recognition of revenues and expenditures according to GAAP. The City has not extended any additional commitments for the debt service payments of the bonds beyond the payments from the private-sector entities and maintenance of the tax-exempt status of the conduit debt obligation. The total outstanding principal of these bonds as of June 30, 2023 is \$15.00 million.

The City has made a limited, subject-to-appropriation, pledge of its General Fund to restore reserve fund balances on five Home Forward revenue bond issues via contingent loan agreements. The original par amount of these issues is \$29.70 million, of which \$19.61 million remains outstanding.

Bond insurer ratings - debt service reserve fund surety bonds

As of June 30, 2023, the City has debt service reserve fund surety bonds relating to certain outstanding sewer system revenue bonds and certain water system revenue bonds in face amounts totaling approximately \$81.37 million.

The legal provisions for treatment of surety bonds used to fund a sewer system revenue bond debt service reserve require the City to replenish a debt service reserve with cash if (1) all ratings of an insurer that provide the surety bond are either withdrawn or fall below investment grade, and (2) Net Revenues as a percent of annual first lien bond debt service in a fiscal year falls below 150% or Net Revenues as a percent of combined annual debt service for first and second lien bonds falls below 130%. In such a case, the City is permitted to replenish the reserve over a five-year period. Additionally, the City is required to replenish a debt service reserve with cash if the deficiency is a result of a withdrawal by the City from the reserve subaccount. In such a case, the City is permitted to replenish the reserve over a one-year period.

The legal provisions for treatment of the surety bonds used to fund a debt service reserve account for the water system revenue bonds require the City to replenish a debt service reserve with cash if the deficiency is a result of a withdrawal by the City from the reserve subaccount. In such a case, the City is permitted to replenish the reserve over a one-year period.

	Insurer Ratings (Moody's / S&P)	Face Amount of DSR Surety Bonds
Assured Guaranty Municipal Corporation (formerly FSA)	A1 / AA	\$ 69,974,723
Build America Mutual Insurance Company	Not Rated / AA	11,398,320
		<u>\$ 81,373,043</u>

Terms specified in debt agreements

If not already described above, in the event of default investors may exercise any remedy available at law or in equity or in bankruptcy or otherwise. The City’s bonds are not subject to acceleration. The City’s outstanding Clean Water State Revolving Fund loans are subject to acceleration.

Changes in long-term liabilities:

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for internal service funds are included as part of the totals below for governmental activities. As of the current fiscal year-end, exclusive of discounts and premiums, internal service funds were allocated \$123.16 million of bonds outstanding. For the current fiscal year, there were no governmental fund resources committed to liquidate other long-term liabilities. The governmental funds and internal service funds, which have long-term liabilities, paid the debt service obligations from current resources, except for lines of credit paid off by selling long-term bonds.

Long-term liability activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Reclassification / Restatements	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:						
Bonds payable:						
General obligation bonds	\$ 268,350,000	\$ -	\$ -	\$ 19,950,000	\$ 248,400,000	\$ 20,775,000
Limited tax improvement bonds payable from assessment payments	28,280,000	-	-	5,960,000	22,320,000	1,005,000
Limited tax and limited tax revenue bonds:						
Sold via open market	345,380,310	-	28,075,000	25,576,293	347,879,017	24,974,498
Sold via direct bank placement	40,462,073	-	-	1,264,308	39,197,765	3,179,604
Urban renewal and redevelopment bonds:						
Sold via open market	73,280,000	-	-	27,125,000	46,155,000	1,635,000
Sold via direct bank placement	59,888,319	-	-	20,681,217	39,207,102	6,462,891
Unamortized premium and discounts*	46,610,868	-	4,505,099	8,455,232	42,660,735	6,858,803
Total bonds payable	862,251,570	-	32,580,099	109,012,050	785,819,619	64,890,796
Notes, loans and lines of credit payable - direct borrowings	52,292,726	-	9,248,272	46,168,726	15,372,272	9,833,272
Self insurance claims	37,487,729	-	83,889,484	83,645,123	37,732,090	19,570,581
Net pension liability - FPDR	3,744,817,969	-	278,405,043	191,871,249	3,831,351,763	-
Net pension liability - PERS	395,017,866	-	653,548,740	519,762,508	528,804,098	-
Other postemployment benefits - HIC	105,840,411	-	-	10,090,540	95,749,871	-
Other postemployment benefits - PERS (asset)	(7,441,086)	-	(3,559,171)	-	(11,000,257)	-
Compensated absences	88,160,294	-	84,424,101	77,009,945	95,574,450	61,534,942
Landfill postclosure	1,690,078	-	137,616	270,894	1,556,800	336,016
Pollution remediation	2,732,005	-	423,448	335,940	2,819,513	928,000
Leases	20,531,559	-	12,444,311	6,624,232	26,351,638	3,724,970
Subscriptions	15,004,692	-	1,641,545	4,490,115	12,156,122	4,247,523
Total other long-term liabilities	4,456,134,243	-	1,120,603,389	940,269,272	4,636,468,360	100,175,304
Total governmental activities	\$5,318,385,813	\$ -	\$1,153,183,488	\$ 1,049,281,322	\$5,422,287,979	\$ 165,066,100
Business-type activities:						
Bonds payable:						
Limited tax and limited tax revenue bonds						
Sold via open market	\$ 24,803,654	\$ -	\$ -	\$ 3,122,787	\$ 21,680,867	\$ 6,000,249
Sold via direct bank placement	2,202,000	-	-	2,202,000	-	-
Revenue bonds	1,973,245,000	-	426,670,000	295,940,000	2,103,975,000	107,380,000
Unamortized premium and discounts*	207,199,043	(5,941,810)	62,537,985	26,393,453	237,401,765	26,866,329
Total bonds payable	2,207,449,697	(5,941,810)	489,207,985	327,658,240	2,363,057,632	140,246,578
Notes and loans payable - direct borrowings	6,514,518	-	42,458,452	43,909,354	5,063,616	1,465,547
Self insurance claims	221,071	-	-	221,071	-	-
Compensated absences	18,289,420	-	15,848,914	15,212,914	18,925,420	13,066,264
Net pension liability-PERS	135,882,938	-	224,815,459	186,104,345	174,594,052	-
Other postemployment benefits - HIC	17,942,206	-	-	1,256,055	16,686,151	-
Other postemployment benefits - PERS (asset)	(1,769,363)	-	(851,136)	-	(2,620,499)	-
Landfill postclosure	1,299,855	-	100,270	-	1,400,125	101,054
Pollution remediation	4,561,000	-	1,060,000	-	5,621,000	1,827,000
Leases	1,675,513	-	7,698	653,581	1,029,630	641,890
Subscriptions	1,860,532	-	-	437,606	1,422,926	426,383
Total other long-term liabilities	186,477,690	-	283,439,657	247,794,926	222,122,421	17,528,138
Total business-type activities	\$2,393,927,387	\$ (5,941,810)	\$ 772,647,642	\$ 575,453,166	\$2,585,180,053	\$ 157,774,716

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

J. Short-term debt:

The City issues short-term subordinate urban renewal and redevelopment bonds, typically with a one-day maturity, to permit the City’s component unit, Prosper Portland, to access tax increment revenues deposited into debt service funds established for each urban renewal district. Under ORS 457.435 and 457.440, tax increment collections may only be spent to pay principal and interest on indebtedness. Once tax increment collections are sufficient to meet debt service requirements for outstanding long-term debt and lines of credit, the City issues short-term subordinate bonds to release excess collections to Prosper Portland for capital projects. The City issued \$55.45 million of short-term subordinate bonds in fiscal year 2023, which were redeemed the day following their issue. As of June 30, 2023, there were no outstanding short-term subordinate bonds.

At the beginning of the fiscal year, the City issued \$28.00 million of full faith and credit-secured tax anticipation notes in advance of property tax collections, depositing the proceeds in the Fire and Police Disability and Retirement Fund, reported as a pension trust and fiduciary fund type. The notes were issued to meet current operating expenses of the Fire and Police Disability and Retirement Fund for a temporary deficit period during the fiscal year. 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, 2023 was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Short-term subordinate urban renewal and redevelopment bonds	\$ -	\$ 55,450,000	\$ 55,450,000	\$ -
Tax anticipation notes	-	28,000,000	28,000,000	-
Totals	<u>\$ -</u>	<u>\$ 83,450,000</u>	<u>\$ 83,450,000</u>	<u>\$ -</u>

K. Termination benefits:

The City offers a targeted severance program which provides qualified employees with a minimum of two months’ salary and six months of paid health insurance upon termination of employment. Individual severance agreements are generated by the various bureaus in specific instances offering health care continuation and are generally offered for up to six months of coverage. There were 29 employees affected, and the net cost of these termination benefits for the fiscal year ending June 30, 2023 was \$221,658.

IV. Other information:**A. Risk Management:**General self insurance

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

Per Oregon Revised Statute (ORS) 30.272 limitations on liability of public bodies for personal injury to any single claimant for causes of action arising on or after July 1, 2022 and before July 1, 2023, limitations are \$806,100 for single claimant and \$1,612,000 for multiple claimants. For causes of action arising on or after July 1, 2023 limits increased to \$830,300 for a single claimant and \$1,660,400 for multiple claimants.

Per ORS 30.273 limitations on liability of public bodies for property damage arising on or after July 1, 2022 and before July 1, 2023, limitations increase to \$132,200 for single claimant and \$661,000 for multiple claimants. For causes of action arising on or after July 1, 2023, limits increased to \$136,200 for single claimants and \$680,000 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 the present value of the liability. For fiscal year ended June 30, 2023, the expected rate of return used was .40%. For fiscal year ending June 30, 2024 and subsequent years, the expected rate of return used was 2.50% and 3.50% respectively. The Bureau of Human Resources and the employee benefits consultant determines relevant employees' medical coverage estimates.

The City provides insurance coverage deemed as adequate, appropriate, and actuarially sound. It meets all the City's anticipated settlements, obligations and outstanding liabilities. The City does not have any claims reserved above the current self-insured retention (SIR) and Excess layer. In recent City excess renewals, there have been no material changes in our retention, coverage or conditions. Furthermore, current levels of accrued claims and case reserved estimates are viewed as reasonable provisions for expected future losses. An excess general liability coverage policy covers individual claims in excess of \$1.25 million to policy limits, auto liability claims in excess of \$2.00 million, police law enforcement claims in excess of \$3.00 million to policy limits and an excess workers' compensation coverage insurance policy covers claims in excess of \$850,000 for occurrences after July 1, 2012. The City purchases commercial insurance for claims in excess of coverage provided by the self-insurance fund. The City's limits of coverage on the excess liability policy is \$10.00 million per claim above the \$1.25 million self-insurance retention for covered torts occurring after November 12, 2012.

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

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

	June 30, 2023	June 30, 2022
Balance, beginning of fiscal year	\$ 37,487,729	\$ 34,059,608
Incurred claims and adjustments	83,889,484	77,605,201
Claim cash payments	(83,645,123)	(74,177,080)
Total unpaid claims, end of fiscal year	<u>\$ 37,732,090</u>	<u>\$ 37,487,729</u>

Owner controlled insurance program (OCIP)

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

Because of the success of the OCIP, financial analysis and risk management/safety practices, BES continued OCIP through Phases II, III, IV and V. Currently, BES is in Phase VI that began in October 2020 and will end in September 2025. BES's insurance broker Marsh (Marsh negotiates insuring agreements with insurance carriers) has estimated a program insurance savings of approximately \$23,449,843 or 1.64% savings of construction value based on data through June 2023. Additionally, because of sound risk management and safety practices, BES has received \$2.95 million in dividends from the workers' compensation carrier SAIF.

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

- Workers Compensation and Employers Liability, capped at \$250K/per claim in phases V and VI.
- Commercial General Liability: limit at \$2M per occurrence and \$4M annual aggregate;
- Master Builders Risk: limit at \$100M per occurrence limit (STEP project: \$323,704,233 per occurrence);
- Excess Liability with a combination of layers which equal \$50M though Phase V and increased to \$80M for phase VI; and
- Specialty Coverages: Contractors' Pollution Liability, Railroad Protective Liability and Marine Protection and Indemnity as needed.

OCIP Phase V - September 2016 through September 2020. This phase includes BES's CIP Sewerage System Infrastructure Improvements and PWB's Washington Park Reservoir Projects. The workers' compensation claims per this phase are capped at \$250K per claim. There are forty-six (46) workers' compensation claims reported with an incurred cost of \$237,780 and total claim outstanding of \$13,662. This number is multiplied by a 1.165 Loss Conversion Factor (LCF) which brings the City's liability to \$15,916. Also, as of June 30, 2023, the total outstanding claim reserves for General Liability are \$0. This number is multiplied by 1.120 LCF which brings the total to \$0. Based on the current known losses, the City's total liability for workers' compensation and general liability is \$15,916.

<u>OCIP Phase V (Sept. 2016 - Sept. 2020)</u>	<u>June 30, 2023</u>
Balance, beginning of fiscal year	\$ 42,010
Incurred claims and adjustments	528,922
Claims cash payments	(557,270)
Unpaid claims, end of fiscal year	<u>13,662</u>
Loss conversion factor (LCF)	2,254
Liability recognized	<u>\$ 15,916</u>

OCIP Phase VI - October 2020 through September 2025. This phase includes BES's CIP Sewerage System Infrastructure Improvements and PWB's Treatment Plant and Pipelines Projects. The workers' compensation claims per this phase are capped at \$250K per claim. There are twenty-six (26) workers' compensation claims reported with an incurred cost of \$422,844 and total claim outstanding of \$297,898. This number is multiplied by a 1.165 Loss Conversion Factor (LCF) which brings the City's liability to \$347,051. In addition, as of June 30, 2023, the total outstanding claim reserves for General Liability are \$500. The General Liability claims are handled on a fee per GL claim. The fee per claim charge is invoiced shortly after the claim is reported. Based on the current known losses, the City's total outstanding liability for workers' compensation and general liability claims is \$347,551.

<u>OCIP Phase VI (Oct. 2020 - Sept. 2025)</u>	<u>June 30, 2023</u>
Balance, beginning of fiscal year	\$ 179,061
Incurred claims and adjustments	259,737
Claims cash payments	(140,900)
Unpaid claims, end of fiscal year	<u>297,898</u>
Loss conversion factor (LCF)	49,153
Claim Reserves General Liability	500
Liability recognized	<u>\$ 347,551</u>

B. Landfill closure and postclosure care:

Killingsworth fast disposal (KFD) landfill

The Killingsworth Fast Disposal (KFD) Landfill was a Municipal Solid Waste Landfill that primarily accepted construction and demolition waste. The landfill was permitted by the Oregon Department of Environmental Quality (DEQ) and franchised by the Metro Regional Government to Riedel Waste Systems, Inc. (RWS). The landfill was permanently closed in 1990. After closure, per DEQ requirements, RWS installed a geomembrane cap and a gas extraction system. Finding it financially unable to perform the DEQ required maintenance and monitoring, RWS abandoned the property in 1995. Consequently, the DEQ assumed the monitoring and maintenance activities and installed a new gas extraction system, repaired the geomembrane cap, made drainage system and various other improvements to mitigate threats to human health. On March 7, 2002, the DEQ issued a Solid Waste Disposal Site Closure Permit (No. 1204) to the City of Portland for post-closure care. This post-closure care includes proper operation, maintenance, and monitoring of the post-closure equipment and systems.

Federal and State laws and regulations require the City, as the permittee, to perform post-closure for thirty years commencing on March 7, 2002. As such, the City is responsible for the following activities: operating, maintaining, and monitoring of the methane gas extraction and leachate collection systems, site membrane cap and final cover maintenance, site drainage systems maintenance, and maintenance of groundwater monitoring wells.

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

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

With partners at DEQ, Metro, and BES, Parks worked through the new closure permit requirements that update the Landfill Gas Monitoring Plan (LFGMP) as well as the Environmental Monitoring Plan (EMP). The LFGMP and EMP have been completed and approved by DEQ.

The City has established future annual post-closure care cost projections (2023–2032) based on the average actual annual costs of the first 20 years of the City's operation, maintenance, and monitoring of the site closure systems (2002–2022). The cost projection for 2022–2032 increased from last year because Metro's interagency obligation ended, their services had to be replaced with a private firm, and there are additional monitoring requirements in the updated, post-closure permit agreement. Based on these factors, the 30-year post-closure care cost, as of June 30, 2023, is estimated to be \$2.61 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.

As of June 30, 2023, the City of Portland and Metro (through IGA No. 51802) have paid a total of \$1,050,322 in post-closure care costs. The remaining estimated liability is \$1,556,800. The City has committed an approximate \$75,000 annual contribution to the Parks Memorial Fund via the General Fund to pay for post closure care costs. To meet the on-going costs of post-closure care, additional resources will be infused by the City as needed. The closure plan for the KFD Landfill is compliant, in all aspects, with the Oregon DEQ.

Guilds Lake Former Municipal Incinerator / landfill remediation project

The Guilds Lake Former Incinerator Ash Landfill is located in an industrial section of northwest Portland. The site consists of 11 of 20 acres of the former landfill operated by the City of Portland during the early 1900s through 1948. The site consisted of a large municipal incinerator for the burning of trash. The incinerator was also reportedly used as a cremation oven in the 1800s. The site was issued a record of decision (ROD) from the Oregon Department of Environmental Quality (DEQ) in 1991 (Consent order ECSR-NWR-91- 09). The ROD lists the selected remedial action for the site. The remediation includes an Asphalt-Concrete-cap, gas monitoring, groundwater monitoring, and deed restrictions. The Asphalt-Concrete-cap was originally built and completed from 1991-1995. The entire asphalt cap was redone in 2019. The ROD requires a yearly inspection of the cap and yearly reporting to DEQ.

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

The annual reports of earlier years indicated that the Asphalt-Concrete-cap had exceeded its life and failed in several areas (cracks, fissures, and differential settlement). Accessible locations of the asphalt-concrete-cap have been repaired and resealed, and most of the asphalt cap was ground and repaved in 2019. The cost to complete this work was \$755,056. The cap is currently working as designed and is in good condition except some cracks. The plan is to have those cracks filled and tarred in the future.

Annual inspection, monitoring and report to DEQ will continue to be required under the agreement. The City has established future annual post closure care cost projections based on historic annual costs. This is estimated to be \$300,000, or \$15,000 per year for the next 20 years.

B. Landfill closure and postclosure care:Columbia Boulevard Wastewater Treatment Plant (CBWTP) Lagoon Monofill closure and post closure care

The City of Portland owns and operates a non-municipal solid waste landfill site at its Columbia Boulevard Wastewater Treatment Plant (CBWTP) Facilities, under DEQ Permit No. 1203. The landfill, also referred to as the “monofill”, was created as part of the City’s five lagoon reconstruction project phases to line the lagoons. The monofill is constructed with an 80-mil HDPE liner for long term storage of legacy solids from the lagoon that were not suitable for the City’s biosolids recycling program. In addition, a leachate manhole and pump have been installed in the monofill to capture and pump potential leachate back to the treatment plant. The monofill was partially filled with 26,720 dry tons of solids in the summer of 2014 as part of the second phase of the lagoon reconstruction projects. The next two phases of construction (Phase 3 & 4) commenced in 2016, and were completed in December 2019. Approximately 24,413 dry tons of solids were introduced into the monofill in FY 2018, and an additional 17,285 dry tons were introduced between FY 2019 and FY 2020 for a total of approximately 68,418 dry tons over all phases.

Following the placement of solids, the monofill was permanently covered with a geomembrane cover liner and final soil cover in December 2019 and a final bioswale was installed. The final phase of the lagoon (Phase 5) proceeded with final vegetative enhancements including seeding of grass and wildflowers immediately after the final soil cover, and planting of over 13,000 shrubs in Winter of 2021. Additional plantings, reseeding, and soil amendment were conducted in FY 2022 to address the impacts of the extreme heat wave that occurred in Summer of 2021, which caused considerable die-off of planted shrubs. Additionally in FY 2022, a focused landfill gas investigation was conducted to assess whether methane gas is migrating off-site. The investigation included installation and monitoring of four (4) soil gas wells and monitoring of the six (6) existing passive gas vents. A final report describing the work was submitted to DEQ in FY 2023. A final permanent post closure plan has been filed with the DEQ. This Post Closure Plan requires maintaining the integrity and effectiveness of the final cover, maintaining and operating the leachate collection system, monitoring the groundwater, leachate, and surface water in the vicinity of the monofill, and maintaining and providing security for the landfill site. Annual inspections will note if any impacts such as vegetation damage is occurring and appropriate corrective measures will be taken if needed.

Closure and post-closure costs have been estimated in accordance with OAR 340-095-0090(4)(a). These estimates include frequency and costs of maintenance and inspection activities for various aspects of the monofill. DEQ permit No. 1203, recently reissued in April 2021, specifies a 10-year time period to estimate post-closure costs. Before the approval, the cost estimate spanned 30 years. The 10-year post-closure estimate starts in 2022, following closure activities. The new calculation assumes an inflation rate of 4.67%, which is the Oregon DEQ provided rate for Non-Municipal Solid Waste Disposal Sites in 2023 based on a 3-year moving average. Based on estimated post-closure costs over 10 years and the 4.67% inflation factor, the estimated liability as of June 30, 2023 through 2033 is \$1,100,125, which assumes an annual maintenance cost of \$86,054.

Per 40 CFR 258.74 the determination by Oregon DEQ that BES should provide a financial assurance plan by November 30, 2015 obligated the City of Portland to place a reference to the closure and post-closure costs assured through the local government financial tests into its next annual comprehensive financial report (ACFR). The City of Portland produced an assurance plan for FY 2018 and it was reviewed by a third party per requirements. The Oregon DEQ requested the City of Portland provide an alternate form of financial assurance for FY 2019 because the City of Portland did not meet the debt to expense ratio requirement required by the State of Oregon for the local government financial test. Under the newly renewed permit, the City is proposed an alternative financial test mechanism as allowable under OAR 340-095(6)(g). The proposed alternative financial test mechanism demonstrates financial assurance through the local government financial test using outstanding rated general obligation bonds (Moody’s Aaa) per requirements identified in 40 CRF 258.74(f)(1)(i)(A). The DEQ approved this alternative mechanism.

C. Commitments and contingent liabilities:

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

Labor Agreements

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

	<u>Effective Dates</u>
Seasonal Maintenance Workers (SMW) - Laborers’ Local 483	7/1/2022 - 6/30/2026
Portland Police Association (PPA)	7/1/2021 - 6/30/2025
Professional and Technical Employees Local 17 (PTE-17)	1/1/2022 - 6/30/2025
The District Council of Trade Unions (DCTU)	1/1/2021 - 12/31/2024
Parks & Recreation Employees - Laborers’ Local 483	7/1/2022 - 6/30/2026
The Portland Fire Fighters’ Association (PFFA) - Local 43	7/1/2023 - 6/30/2027
Bureau of Emergency Communications (BOEC)	7/1/2023 - 6/30/2027
The Portland Police Commanding Officers Association (PPCOA)	7/1/2023 - 6/30/2027
Portland City Laborers’ - Laborers’ Local 483 (PCL-LL483)	7/1/2022 - 6/30/2026
AFSCME Local 189-2 Auditor’s Office	7/1/2022 - 6/30/2025
Independent Police Review Office	7/1/2022 - 6/30/2025
City of Portland Professional Workers Union ⁽¹⁾	-
Community Health Division (PFFA) ⁽¹⁾	-

⁽¹⁾As of the date this document is published the City is currently negotiating an initial contract.

Bonds

The City has pledged its full faith and credit for the full repayment of limited tax improvement bonds totaling \$22.32 million at June 30, 2023 and has also pledged assessment contract payments from property owners benefiting from improvements in local improvement districts. The City expects to pay the bonds with a combination of (1) collections of related assessment contract payments and (2) proceeds of foreclosed properties related assessment contracts.

Commitments and contingent liabilities:

The City has several construction and non-construction contractual obligations arising from existing contracts, agreements, legislative enactments and regulations of which \$1.61 billion remains outstanding at June 30, 2023. These obligations are not expected to be fully paid from current financial resources and are not recognized as a liability until performance under the contract has occurred. Details are as follows:

Construction contracts specifically negotiated for the construction of building, remodeling, public safety police communication system, park improvements, sewer, transportation, and water infrastructure upgrades totaled \$1.09 billion of which \$529.11 million remains outstanding as itemized in the table below:

<u>Construction Projects</u>	<u>Spent to Date</u>	<u>Remaining Commitments</u>
Governmental activities:		
Community development	\$ 5,822,727	\$ 3,932,588
Legislative / admin / support services	2,641,985	2,239,674
Parks, recreation, and culture	32,953,531	73,518,901
Public safety	416,738	280,596
Transportation	115,988,756	116,736,889
Total governmental activities	<u>157,823,737</u>	<u>196,708,648</u>
Business-type activities:		
Environmental services	251,519,381	226,864,096
Parking facilities	535,566	1,213,666
Water	149,622,487	104,322,849
Total business-type activities	<u>401,677,434</u>	<u>332,400,611</u>
Total Construction Projects	<u>\$ 559,501,171</u>	<u>\$ 529,109,259</u>

The City contracts the services of professional, technical, and/or experts (PTE) who are subject matter experts in their fields of special knowledge or training. PTEs are usually performed by certified or licensed professionals including planners, architects, engineers, and lawyers. PTE consists of both construction and non-construction projects. The combined contractual amount is \$668.95 million of which \$305.52 million is unspent as itemized in the table below:

<u>Professional, Technical, or Expert Projects</u>	<u>Spent to Date</u>	<u>Remaining Commitments</u>
Governmental activities:		
Community development	\$ 6,114,600	\$ 6,754,191
Legislative / admin / support services	23,063,088	18,443,133
Parks, recreation and culture	8,057,535	8,052,563
Public safety	1,496,377	1,379,862
Transportation	99,420,858	81,463,937
Total governmental activities	<u>138,152,458</u>	<u>116,093,686</u>
Business-type activities:		
Environmental services	100,820,098	101,388,939
Hydroelectric power	12,338	8,307
Parking facilities	433,167	445,141
Water	124,015,637	87,580,951
Total business-type activities	<u>225,281,240</u>	<u>189,423,338</u>
Total Professional, Technical, or Expert Projects	<u>\$ 363,433,698</u>	<u>\$ 305,517,024</u>

The combined total for other non-construction projects amounted to \$1.34 billion of which \$772.81 million remains unspent. Other non-construction projects consist of the following:

- Community partnership agreement (CPA) mainly represents a business property license fee within the Lloyd Business District to provide revenues to fund supplemental transportation management, district attorney prosecution, and economic development services within the district which amounted to \$3.63 million of which \$1.46 million remains unspent.
- Grant agreements (GA) where the City is awarding funds as a means of assisting in various projects dealing with improving the quality of life, protecting and researching for the public good amounted to \$320.85 million of which \$218.90 million remains unspent.
- Price agreement (PA) are contracts with existing suppliers for goods or non-PTE services with established unit prices but with no quantities identified. If the City awards a price agreement or executes a requirements contract that will allow the City to purchase whatever quantity it needs from a contractor, then City Bureaus shall make their purchases from that contract unless the Chief Procurement Officer grants an exemption to that requirement. The combined total is \$1.02 billion of which \$552.45 million remains unspent.

The table below provides more detail:

Other Projects	Spent to Date			Remaining Commitments			Total Spent to Date	Total Remaining
	CPA	GA	PA	CPA	GA	PA		
Governmental activities:								
Community development	\$ -	\$ 98,110,480	\$ 29,490,196	\$ -	\$ 205,931,578	\$ 43,916,348	\$ 127,600,676	\$ 249,847,926
Legislative/admin/support services	2,171,697	1,050,351	154,478,092	1,462,218	959,661	118,175,964	157,700,140	120,597,843
Parks, recreation, and culture	-	753,759	17,531,501	-	2,027,300	15,591,370	18,285,260	17,618,670
Public safety	-	641,605	32,572,672	-	3,801,568	24,414,603	33,214,277	28,216,171
Transportation	-	158,468	89,223,502	-	151,094	71,221,928	89,381,970	71,373,022
Other	-	-	-	-	4,852,880	157,370,426	-	162,223,306
Total governmental activities	2,171,697	100,714,663	323,295,963	1,462,218	217,724,081	430,690,639	426,182,323	649,876,938
Business-type activities:								
Environmental services	-	476,510	97,627,114	-	639,226	85,531,507	98,103,624	86,170,733
Parking facilities	-	-	84,365	-	-	1,331,192	84,365	1,331,192
Hydroelectric Power	-	-	3,901	-	-	2,626	3,901	2,626
Water	-	758,495	42,178,293	-	533,931	34,430,099	42,936,788	34,964,030
Golf	-	-	370,406	-	-	409,095	370,406	409,095
Motor Sports	-	-	38,752	-	-	53,110	38,752	53,110
Total business-type activities	-	1,235,005	140,302,831	-	1,173,157	121,757,629	141,537,836	122,930,786
Total Other Projects	\$ 2,171,697	\$ 101,949,668	\$ 463,598,794	\$ 1,462,218	\$ 218,897,238	\$ 552,448,268	\$ 567,720,159	\$ 772,807,724

CREEC Ramp settlement obligation

On July 22, 2016 the Civil Rights Enforcement and Education Center (“CREEC”) on behalf of three named Plaintiffs and a class of similarly situated individuals who are residents of or visitors to the City of Portland with mobility disabilities, including, but not limited to, those who use a wheelchair, scooter, or other assistive devices (collectively, the “Settlement Class”), notified the City that the City lacked adequate curb ramps in the pedestrian right of way that comply with applicable requirements of federal disability rights laws. As a result, the City and CREEC entered into a Negotiations Agreement to seek a settlement that uses more public dollars to construct an accessible city in a more manageable way over time in lieu of costly litigation and a court mandated order. The United States District Court for the District of Oregon entered its Final Judgment and Order Approving the Class Action Settlement and Consent Decree on September 27, 2018.

The Settlement Agreement will require significant increases in City funding for construction of Americans with Disabilities Act (ADA) compliant ramps throughout the City. PBOT estimates that complying with the terms of this twelve-year agreement will cost \$292.90 million. The original cost allocation split for funding the program was 45% General Fund and 55% PBOT support. Due to increasing cost of the program and the lack of new General Fund support, the funding split between General Fund and PBOT has changed from 45% to 22% General Fund support. Current allocations from the General Fund and Build Portland to address this liability total \$51.8 million with another \$12.3 million planned to be allocated by future Council action. The remaining liability of \$228.8 million is currently projected to be covered through additional General Fund and PBOT resources. PBOT is working through its projections for the next seven years of the program to determine the number of ramps that can be built with existing PBOT resources. Any shortfalls in funding will be identified in the fiscal year 2024-25 budget process.

In FY 2022-23, PBOT installed 1,571 ADA compliant ramps from January 1, 2022 through December 31, 2022 for the sidewalk curb maintenance operation & ADA ramp program.

Environmental remediation

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

Portland Harbor superfund site

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

The City is currently performing remedial design activities for specific areas of the river under several administrative orders with the EPA. These activities are being conducted with other potentially responsible parties. The estimated remaining costs to complete the work required pursuant to these orders is approximately \$6,810,000 over the next 4 years, with \$2,320,000 budgeted for FY 23/24. These funds will continue to be sourced from a general reserve fund, which accumulates BES and non-BES funds.

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

In January 2017, the EPA issued a Record of Decision (ROD) for Portland Harbor. Potential remedy costs were included in the ROD for comparative purposes among the potential remedies. Those comparative estimates were based on site-wide cleanup actions and do not include estimates of cleanup of individual sub-areas nor any individual party's share of those costs. This large and complex Superfund Site is not progressing under conventional processes used for smaller sites.

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

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

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

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

Portland Housing Bureau properties

Portland Housing Bureau (PHB) has three (3) properties with remediation issues. Through an interagency agreement, PHB has relied upon the knowledge and expertise from Bureau of Environmental Services (BES) to continue estimating the remediation costs. The potential obligations are estimates by PHB staff based upon that input. BES provides site assessment services to numerous City bureaus. Site investigation, planning and design, cleanup, and site monitoring are typical remediation activities underway across many City of Portland properties, and therefore BES has programs, rules, and regulations that routinely deal with remediation-related issues. When an estimate cannot be reasonably made, a pollution remediation obligation is not reported.

The remediation obligation estimates that appear in this report are subject to change over time. Costs may vary due to price fluctuations, changes in technology, changes in potential responsible parties, results of environmental studies, changes to statutes or regulations, and other factors that could result in revisions to these estimates. Prospective recoveries from responsible parties may reduce the City's obligation. As of June 30, 2023, the estimated pollution remediation liability is \$95,513.

Other remediation obligations

There are other sites where the City conducted remediation activities in FY 2022-23. These sites consist of City-owned contaminated properties where remediation activities are required by the Oregon Department of Environmental Quality (DEQ) and City-acquired contaminated properties where remediation activities are being done voluntarily before constructing new facilities. The total estimated remediation liabilities at these sites are insignificant and have been accrued. These liabilities are estimated using the expected cash flow technique based on professional experience in estimating staff time, consultant costs, analytical costs, agency oversight, and equipment costs for similar work. Potential changes in estimates are expected to be low to moderate. Significant cost recovery is not expected at these sites and does not reduce the estimated liability.

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

Governmental activities:	
Current liabilities:	
Portland Harbor Superfund	\$ 928,000
Total current liabilities	<u>928,000</u>
Noncurrent liabilities:	
Portland Harbor Superfund	1,796,000
Community development projects:	
SE 60th property	12,844
Strong property	<u>82,669</u>
Total noncurrent liabilities	<u>1,891,513</u>
Total governmental activities	<u>\$ 2,819,513</u>
Business-type activities:	
Current liabilities:	
Environmental services projects:	
Portland Harbor Superfund RI/FS	\$ 1,392,000
Inspection, maintenance and monitoring:	
Clarifier construction surface soils	75,000
DEQ UIC Closure reports	<u>360,000</u>
Total current liabilities	<u>1,827,000</u>
Noncurrent liabilities:	
Environmental services projects:	
Portland Harbor Superfund RI/FS	2,694,000
Inspection, maintenance and monitoring:	
Clarifier construction surface soils	200,000
DEQ UIC Closure reports	<u>900,000</u>
Total noncurrent liabilities	<u>3,794,000</u>
Total business-type activities	<u>\$ 5,621,000</u>

Nonexchange financial guarantees:

Home Forward contingent loan agreements

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

	Authorizing Ordinance No.	Date of Issue	Scheduled Final Maturity Date	Amount of Original Issue	Outstanding June 30, 2023	Maximum Annual Liability
Pearl Court	180528	12/19/2006	01/01/2027	\$ 6,170,000	\$ 1,700,000	\$ 475,940
Yards at Union Station	180792	04/30/2007	05/01/2029	6,335,000	2,405,000	472,680
Hamilton West Apartments*	186515	05/01/2014	01/01/2034	3,470,000	2,815,000	204,800
Gretchen Kafoury Commons**	186514	05/01/2014	01/01/2034	4,030,000	3,275,000	237,465
Lovejoy Station	174844	10/03/2016	07/15/2033	9,690,000	6,710,000	741,600
Total contingent loan agreements				<u>\$ 29,695,000</u>	<u>\$ 16,905,000</u>	<u>\$ 2,132,485</u>

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

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

D. Other postemployment benefits:

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

Health insurance continuation

Plan description and benefits provided: The City has a Health Insurance Continuation (HIC) option available for most groups of retirees. It is a substantive postemployment benefit plan offered under Oregon Revised Statutes (ORS) 243. ORS 243.303 requires the City to provide retirees and their dependents with an opportunity to participate in group health and dental insurance from the date of retirement to age 65. The rate is calculated using claim experiences from retirees and active employees for health plan rating purposes. Providing the same rate to retirees as current employees constitutes an implicit rate subsidy for OPEB. This single-employer “plan” is not a stand-alone plan and therefore does not issue its own financial statements. There are no assets accumulated in this GASB-compliant trust.

Employees covered by benefit terms: At June 30, 2023, the following employees were covered by the benefit terms:

Retirees & spouses benefitting from HIC benefits	822
Active employees	<u>5,659</u>
	<u>6,481</u>

Total OPEB liability

The City's total HIC OPEB liability of \$112,656,946 was measured as of June 30, 2022 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs: The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Inflation	2.10%
Salary increases	1.35%, weighted average
Discount rate	3.5%
Healthcare cost trend rates	4.50% - 6.50%
Retiree's share of benefit-related costs	21% of estimated HIC costs

The rounded discount rate was based on an assumed municipal bond rate of 3.54%.

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

The actuarial assumptions used in the July 1, 2021 valuation report were based on the actuarial valuation assumptions from the December 31, 2020 valuations of the Oregon PERS and OPERS retirement plans.

Changes in Total Liability.

<u>Balance at June 30,</u>	<u>Total OPEB Liability</u>
2022	\$ 124,020,407
Changes for the year:	
Service cost	5,531,045
Interest	2,786,981
Actual experience	-
Changes of assumptions	(13,909,112)
Benefit payments	<u>(5,772,375)</u>
Net changes	<u>(11,363,461)</u>
2023	<u>\$ 112,656,946</u>

Changes of assumptions reflect healthcare cost increases that were higher than projected from the prior valuation. The Participation rate changed from 37% to 52%. Many assumptions changed from the previous valuation including the rates of retirement, termination, disability, salary scale, and mortality.

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

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

	1% Decrease 2.50%	Discount Rate 3.50%	1% Increase 4.50%
Total OPEB liability	\$ 123,175,790	\$ 112,656,946	\$ 103,250,725

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

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

	Healthcare Cost Trend Rates (5.50% - decreasing to 3.50%)	Healthcare Cost Trend Rates (6.50% - decreasing to 4.50%)	Healthcare Cost Trend Rates (7.50% - decreasing to 5.50%)
Total OPEB liability	\$ 99,803,433	\$ 112,656,946	\$ 127,827,801

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

For the year ended June 30, 2023, the City recognized an OPEB expense of \$7,967,698. At June 30, 2023, the City reported deferred inflows and outflows of resources related to OPEB from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	\$ 3,548,346	\$ -
Changes in assumptions	<u>26,040,266</u>	<u>(24,432,876)</u>
Total (prior to post-measurement date contributions)	29,588,612	(24,432,876)
City contributions made subsequent to measurement date	<u>5,539,257</u>	<u>-</u>
Total	<u>\$ 35,127,869</u>	<u>\$ (24,432,876)</u>

\$5.5 million reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2024.

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

Year End June 30,		
2024	\$	(350,328)
2025		418,638
2026		911,938
2027		2,363,527
2028		2,635,838
Thereafter		(823,877)
Total	\$	<u>5,155,736</u>

OPERS retirement health insurance account

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

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

Contributions: Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. Participating cities are contractually required to contribute to RHIA at a rate assessed each year by PERS. The City's contractually required contribution rate for the year ended June 30, 2023, was 0.05% of covered payroll for Tier 1/Tier 2 employees, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year. Contributions to the OPEB plan from the City were \$57,117 for the year ended June 30, 2023. Employees are not required to contribute to the OPEB plan.

OPEB assets, liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB

At June 30, 2023, the City reported an asset of \$13,821,873 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation date as of December 31, 2020. The City's proportionate share of the RHIA net OPEB asset has been determined based on the City's contributions to the RHIA program (as reported by PERS) during the Measurement Period ending on the corresponding Measurement Date. The City's proportionate share at June 30, 2022 and June 30, 2023 was 2.72% and 3.89%, respectively.

City of Portland:	Net OPEB	
	Asset	Allocation
Governmental activities	\$ 11,000,257	79.6%
Business-type activities	2,620,499	19.0%
Government-wide	13,620,756	98.5%
Fiduciary Fund: Fire and Police Disability and Retirement Fund	35,508	0.3%
Component Unit: Prosper Portland	165,609	1.2%
	<u>\$ 13,821,873</u>	<u>100.00%</u>

For the year ended June 30, 2023, the City recognized OPEB income of \$3,020,019. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/(Inflows) of Resources
Differences between expected and actual experience	\$ -	\$ (374,563)	\$ (374,563)
Changes of assumptions	108,223	(460,724)	(352,501)
Net difference between projected and actual earning on investments	-	(1,054,095)	(1,054,095)
Changes in proportionate share	-	(2,548,830)	(2,548,830)
Total (prior to post-measurement date contributions)	108,223	(4,438,212)	(4,329,989)
City contributions made subsequent to measurement date	57,117	-	57,117
Net deferred outflow / (inflows) of resources	<u>\$ 165,340</u>	<u>\$ (4,438,212)</u>	<u>\$ (4,272,872)</u>

\$57,117 reported as deferred outflows of resources related to OPEB resulting from City contributions following the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Deferred Outflows/(Inflows) of Resources					
Fiscal Year Ending June 30,	Differences between Expected and Actual Experience	Changes of Assumptions	Net Difference between Projected and Actual Earnings on Investments	Changes in Proportionate Share	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ (273,575)	\$ (198,926)	\$ (339,358)	\$ (1,955,899)	\$ (2,767,758)
2025	(100,988)	(153,575)	(387,148)	(592,931)	(1,234,642)
2026	-	-	(665,183)	-	(665,183)
2027	-	-	337,594	-	337,594
2028	-	-	-	-	-
Thereafter	-	-	-	-	-
	<u>\$ (374,563)</u>	<u>\$ (352,501)</u>	<u>\$ (1,054,095)</u>	<u>\$ (2,548,830)</u>	<u>\$ (4,329,989)</u>

Amounts reported as deferred outflows or deferred inflows of resources related to OPEB will be recognized in OPEB expense/(income) as follows:

Year End June 30,	
2024	\$ (2,767,758)
2025	(1,234,642)
2026	(665,183)
2027	337,594
2028	-
Thereafter	-
Total	<u>\$ (4,329,989)</u>

Actuarial methods and assumptions:

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial methods and assumptions :

Valuation date	December 31, 2020
Measurement date	June 30, 2022
Experience study	2020, published July 24, 2021
Actuarial assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.40%
Long-term expected rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Retiree healthcare participation	Healthy retirees: 27.5%; Disabled retirees: 15%
Healthcare cost trend rate	Not applicable
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.
	Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.
	Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Discount rate. The discount rate used to measure the total OPEB liability at June 30, 2022 was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

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

Assumed asset allocation.

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0	25.0	20.0
Public Equity	25.0	35.0	30.0
Private Equity	15.0	27.5	20.0
Real Estate	7.5	17.5	12.5
Opportunity Portfolio	-	5.0	-
Risk Parity	-	3.5	2.5
Real Assets	2.5	10.0	7.5
Diversifying Strategies	2.5	10.0	7.5
Total			100%

Long-term expected rate of return. To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target	Compound Annual Return (Geometric)
Global Equity	30.6%	5.9%
Private Equity	25.5	7.7
Core Fixed Income	23.8	2.7
Real Estate	12.3	5.7
Master Limited Partnerships	0.8	5.7
Infrastructure	1.5	6.3
Commodities	0.6	3.1
Hedge Fund of Funds - Multistrategy	1.3	5.1
Hedge Fund Equity - Hedge	0.6	5.3
Hedge Fund - Macro	5.6	5.1
US Cash	(2.5)	1.8
Assumed Inflation - Mean		2.4%

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

The following presents the City’s proportionate share of the net OPEB liability/(asset), as well as what the City’s proportionate share of the net OPEB liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower 5.90% or one percentage point higher 7.90%.

	1% Decrease 5.90%	Discount Rate 6.90%	1% Increase 7.90%
Proportionate share of the net OPEB liability (asset)	\$(12,457,403)	\$(13,821,873)	\$(14,991,542)

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

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

Aggregate net OPEB liability/asset, pension expense, and net deferred outflow/inflow of resources related to OPEB.

The tables below present the aggregate balance (in millions) of the City’s net OPEB liability/(asset), OPEB expense, and net deferred inflows and outflows as of June 30, 2023. Note III D shows the aggregate amount for each item presented separately for the primary government and component unit.

	Deferred Outflow/(Inflow) of Resources	Net OPEB Liability/ (Asset)	OPEB Expense (Income)
RHIA	\$ (4,272,872)	\$ (13,821,873)	\$ (3,020,019)
HIC	10,694,993	112,656,946	7,967,698
Total	<u>\$ 6,422,121</u>	<u>\$ 98,835,073</u>	<u>\$ 4,947,679</u>

E. Employee retirement systems and pension plans:

State of Oregon Public Employees Retirement System

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

OPERS prepares their financial statements in accordance with Governmental Accounting Standards Board (GASB) Statements and generally accepted accounting principles. The accrual basis of accounting is used for all funds. Contributions are recognized when due, pursuant to legal (or statutory) requirements. Benefits and withdrawals are recognized when they are currently due and payable in accordance with the terms of the plan. Investments are recognized at fair value, the amount that could be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. OPERS issues a publicly

available financial report that can be obtained at:

<http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

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

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

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

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

Benefits provided under ORS 238 - Tier One / Tier Two

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The City elected to finance its December 31, 1997 unfunded actuarial accrued liability to receive a lower employer contribution rate of covered employee's salaries. Proceeds of the 1999 Series C, D, & E Bonds were used to finance all of the estimated UAAL of the City with OPERS as of December 31, 1997. As of June 30, 2023, only Series C bonded debt is outstanding. The debt is recorded on the government-wide statements and is allocated to both governmental and business-type activities. Ultimately this debt is viewed as being an obligation of the general government. These limited tax pension obligation revenue bonds are discussed further in Note III.I. Long-term debt.

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

The City's employer contributions for the year ended June 30, 2023 was \$109.2 million, excluding amounts to fund employer-specific liabilities. The contribution rates in effect for the fiscal year ended June 30, 2023 for each pension program were: Tier1/Tier 2 - 22.35%, OPSRP general service - 18.36%, and OPSRP uniformed - 22.72%. Pension expense for the year was \$112.3 million.

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

On June 30, 2023, the City reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020 and rolled forward to June 30, 2022. The City's proportion of the set was based on the City's projected long-term contribution effort as compared to the total projected net pension, a long-term contribution effort of all employers. References to the City of Portland, as the Reporting entity, include the City's fiduciary fund and component unit. As of June 30, 2023, the City's proportion of OPERS net pension liability was 4.70%.

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

	Net Pension Liability	Allocation
Governmental activities	\$ 528,804,098	73.4%
Business-type activities	174,594,052	24.3
Government-wide	703,398,150	97.7
Fiduciary activities: Fire and Police Disability and Retirement Fund	2,573,021	0.4
Discretely presented component unit: Prosper Portland	13,356,004	1.9
Reporting entity total	<u>\$ 719,327,175</u>	<u>100.0%</u>

For the year ended June 30, 2023, the Reporting entity recognized pension expense of \$112.3 million. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflow/Inflow of Resources
Differences between expected and actual experience	\$ 34,917,531	\$ 4,485,857	\$ 30,431,674
Changes of assumptions	112,866,321	1,031,149	111,835,172
Net difference between projected and actual earnings on investments	-	128,601,784	(128,601,784)
Changes in proportionate share	73,965,255	78,553	73,886,702
Differences between City contributions and proportionate share of contributions	19,879	87,962,389	(87,942,510)
Total (prior to post-measurement date contributions)	221,768,986	222,159,732	(390,746)
City contributions made subsequent to measurement date	<u>109,203,784</u>	<u>-</u>	<u>109,203,784</u>
Net deferred outflows / (inflows) of resources	<u>\$ 330,972,770</u>	<u>\$ 222,159,732</u>	<u>\$ 108,813,038</u>

\$109.2 million reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Note III.D. Deferred outflows and inflows provides a comprehensive summary of the City's deferred outflows and inflows of resources. Other amounts reported by the City as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in subsequent years as follows:

Deferred Outflows of Resources

Fiscal Year Ending June 30,	Differences between Expected and Actual Experience	Changes of Assumptions	Net Difference between Projected and Actual Earnings on Investments	Changes in Proportionate Share	Differences between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources
2024	\$ 16,231,641	\$ 34,698,557	\$ 92,884,752	\$ 27,414,362	\$ 19,879	\$ 171,249,191
2025	10,285,397	30,650,695	84,704,241	20,377,787	-	146,018,120
2026	6,309,304	30,650,695	46,820,377	15,326,540	-	99,106,916
2027	2,091,189	14,772,694	46,820,377	8,446,425	-	72,130,685
2028	-	2,093,680	-	2,400,141	-	4,493,821
Total	\$ 34,917,531	\$ 112,866,321	\$ 271,229,747	\$ 73,965,255	\$ 19,879	\$ 492,998,733

Deferred Inflows of Resources

Fiscal Year Ending June 30,	Changes in Proportionate Share	Changes of Assumptions	Differences between Employer Contributions and Proportionate Share of Contributions	Net Difference between Projected and Actual Earnings on Investments	Differences between Expected and Actual Experience	Total Deferred Inflows of Resources	Net Deferred Outflows/(Inflows) of Resources
2024	\$ 78,553	\$ 448,326	\$ 22,956,729	\$ 133,277,177	\$ 996,857	\$ 157,757,642	\$ 13,491,549
2025	-	448,326	21,294,551	133,277,177	996,857	156,016,911	(9,998,791)
2026	-	134,497	18,878,686	133,277,177	996,857	153,287,217	(54,180,301)
2027	-	-	16,821,577	-	996,857	17,818,434	54,312,251
2028	-	-	8,010,846	-	498,429	8,509,275	(4,015,454)
Total	\$ 78,553	\$ 1,031,149	\$ 87,962,389	\$ 399,831,531	\$ 4,485,857	\$ 493,389,479	\$ (390,746)

Amounts reported as deferred outflows or inflows of resources related to pension will be recognized in pension expense/(income) as follows:

Year End June 30,	
2024	\$ 13,491,549
2025	(9,998,791)
2026	(54,180,301)
2027	54,312,251
2028	(4,015,454)
Total	\$ (390,746)

Actuarial methods and assumptions

Actuarial valuations: The employer contribution rates effective July 1, 2023, through June 30, 2025, were set using the entry age normal actuarial cost method. Under this cost method, each active member’s entry age present value of projected benefits is allocated over the member’s service from their date of entry until their assumed date of exit, taking into consideration expected future compensation increases.

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	December 31, 2020
Measurement date	June 30, 2022
Experience study	2020, published July 20, 2021
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Inflation rate	2.40%
Investment rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

The actuarial valuation calculations are based on the benefits provided under the terms of the plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions for the current reporting year are based on the 2020 Experience Study which reviewed experience for the four-year period ending on December 31, 2020.

Discount rate. The discount rate used to measure the total pension liability was 6.90% for the Defined Benefit Pension Plan, a reduction approved by the PERS Board from 7.20 percent in the prior fiscal year. 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 value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses.

Assumed asset allocation.

Asset Class / Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	25.0	35.0	30.0
Private Equity	15.0	27.5	20.0
Real Estate	7.5	17.5	12.5
Risk Parity	0.0	3.5	2.5
Real Assets	2.5	10.0	7.5
Diversifying Strategies	2.5	10.0	7.5
Opportunity Portfolio	0.0	5.0	0.0
Total			100%

Long-term expected rate of return. To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

	Target Allocation	Compound Annual Return (Geometric)
Global Equity	30.6%	5.9%
Private Equity	25.5	7.7
Core Fixed Income	23.8	2.7
Real Estate	12.3	5.7
Master Limited Partnerships	0.8	5.7
Infrastructure	1.5	6.3
Commodities	0.6	3.1
Hedge Fund of Funds - Multistrategy	1.3	5.1
Hedge Fund Equity - Hedge	0.6	5.3
Hedge Fund - Macro	5.6	5.1
US Cash	-2.5	1.8
Assumed Inflation - Mean		2.4%

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

The following presents the reporting entity’s proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.90%) or one percentage point higher (7.90%) than the current rate:

	1% Decrease 5.90%	Discount Rate 6.90%	1% Increase 7.90%
Proportionate share of the net pension liability (asset)	\$ 1,275,664,518	\$ 719,327,175	\$ 253,698,502

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 actuarial methods and assumptions

A summary of key changes implemented since the December 31, 2019 valuation are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2020 Experience Study for the System, which was published in July 2021, and can be found at: <https://www.oregon.gov/pers/Documents/Financials/Actuarial/2021/2020-Experience-Study.pdf>

Allocation of liability for service segments

For purposes of allocating Tier One/Tier Two member’s actuarial accrued liability among multiple employers, the valuation uses a weighted average of the Money Match methodology, which utilizes member account balance, and the Full Formula methodology, which uses service. The weights are determined based on the prevalence of each formula among the current Tier One/Tier Two population. For the December 31, 2018 and December 31, 2019 valuations, the Money Match was weighted 10% for General Service members and 0% for Police & Fire members, based on a projection of the proportion of the liability attributable to Money Match benefits at those valuation dates. The December 31, 2021 allocation is 10% (0% for police & fire) based on account balance with each employer and 90% (100% for police & fire) based on service with each employer. The entire normal cost is allocated to the current employer.

Changes in economic assumptions

Administrative expenses. The administrative expense assumptions were updated to \$59.0 million per year and allocated between Tier 1/Tier 2 and OPSRP based on valuation payroll. Previously these were assumed to be \$32.5 million per year and \$8.0 million per year, respectively.

Healthcare cost inflation. The healthcare cost inflation for the maximum RHIPA subsidy was updated based on analysis performed by Milliman’s healthcare actuaries. Given the substantial uncertainty regarding the impact of COVID-19 on plan costs, no adjustment was made in the expected plan costs or in the trend of assumptions.

Changes in demographic assumptions

Healthy annuitant mortality base tables. The healthy annuitant mortality base tables were updated to Pub-2010 generational Healthy Retiree mortality tables with group-specific job category and setback adjustments. Previously they were based on RP-2014 generational Healthy Annuitant mortality tables with group-specific class and setback adjustments.

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

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

Defined contribution plan - Individual Account Program (IAP):

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

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

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

Contributions. The City has chosen to pay the employees' contributions to the plan. 6% of covered payroll is paid for general service employees and 9% of covered payroll is paid for firefighters and police officers. For the fiscal year ending June 30, 2023 the City paid \$29.0 million.

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

Fire and Police Disability, Retirement, and death benefit plan (the Plan)

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

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

FPDR One, the original tier, and FPDR Two, the tier in which most 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, 2023, there were 261 members and beneficiaries subject to the Plan as constituted prior to July 1, 1990, now called FPDR One; 2,429 members and beneficiaries were subject to the Plan as constituted after June 30, 1990, now called FPDR Two.

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

New employees do not become members of PERS for six months unless they were previously members of PERS. The FPDR Fund pays the employee and employer portion of the OPERS contributions for FPDR Three members. FPDR Three members are covered by the FPDR Plan for disability and pre-retirement death benefits. As of June 30, 2023, the number of FPDR Three members was 798.

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

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

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

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

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

The Charter provides that, upon termination of employment before attaining five years of service, FPDR Two members shall be entitled to a lump-sum payment consisting of 7% of base pay received by the member, excluding the first six months of membership. The Charter also provides for FPDR One members to receive a refund of contributions if they terminate employment before vesting. As of June 30, 2023, there are no unvested FPDR One or FPDR Two members.

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

As of June 30, 2023, membership data related to the Fire and Police Disability, Retirement and Death Benefit Plan (the Plan) was as follows:

	FPDR One	FPDR Two	FPDR Three	Total
Retirees, beneficiaries and participants with disabilities currently receiving pension or long- term disability benefits	261	1,715	-	1,976
Vested benefits not yet in pay status				
Terminated employees	-	83	-	83
Total vested benefits not yet in pay status	-	83	-	83
Active members on short-term disability	-	16	11	27
Active members:				
Vested	-	631	-	631
Not in FPDR pension plan	-	-	798	798
Total active members	-	631	798	1,429

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

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

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

The Board of Trustees of the Pension Trust Fund also administers a Reserve Fund, authorized under the provisions of Chapter 5 (Section 5-104) of the City of Portland's Charter. The Reserve Fund's purpose is to provide a reserve from which advances can be made to the Fire and Police Disability and Retirement Fund in the event the latter is depleted to the extent it cannot meet its current obligations. Under provisions of the City Charter, the Reserve Fund maximum is established at \$750,000 and was fully funded at June 30, 2023.

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

In the event that funding for the Plan is less than the required payment of benefits to be made in any particular year, the FPDR Fund could receive advances from the FPDR Reserve Fund first and other City funds second, to make up the difference. Repayment of advances, if any, would be made from the special property tax levy in the succeeding year. In the event that the special property tax levy is insufficient to pay benefits because benefits paid exceed the two and eight-tenth mills limit, other City funds would be required to make up the difference; only if both the levy and the FPDR Reserve Fund were exhausted.

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

Contributions. Total actual contributions to the Plan for the fiscal year ended June 30, 2023 totaled \$154.2 million.

Changes in net pension liability. The following table presents the changes in the net pension liability for the fiscal year ended June 30, 2023:

	Total Pension Liability	Plan Net Position	Net Pension Liability
Balances at 6/30/2022	\$ 3,772,502,576	\$ 27,684,607	\$ 3,744,817,969
Service cost	66,066,108	-	66,066,108
Interest on total liability	133,187,154	-	133,187,154
Effect of economic/demographic (gains) or losses	74,074,036	-	74,074,036
Changes in assumptions	(36,432,719)	-	(36,432,719)
Benefit payments	(153,776,728)	(153,776,728)	-
Administrative expense	-	(5,077,745)	5,077,745
Net investment income	-	1,189,664	(1,189,664)
Employer contributions	-	154,248,867	(154,248,867)
Net changes	83,117,851	(3,415,942)	86,533,793
Balances at 6/30/2023	\$ 3,855,620,427	\$ 24,268,665	\$ 3,831,351,762

The City's pension expense for the FPDR plan for the fiscal year ended June 30, 2023 was \$242,257,052.

The change in assumptions is an increase to the discount rate - the June 30 value of the Bond Buyer General Obligation 20-Bond Municipal Bond Index - from 3.54% on June 30, 2022 to 3.65% on June 30, 2023.

Sensitivity of the net pension liability to changes in the discount rate:

The following table presents the sensitivity of the net pension liability calculation to a 1% increase or decrease in the discount rate used to measure the total pension liability:

	1% Decrease	Discount rate	1% Increase
	2.65%	3.65%	4.65%
Net pension liability	\$ 4,420,008,650	\$ 3,831,351,762	\$ 3,357,139,445

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 year ended June 30, 2023.

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/(Inflows) of Resources
Differences between expected and actual experience	\$ 83,715,176	\$ -	\$ 83,715,176
Changes in assumptions or inputs	195,454,759	526,971,182	(331,516,423)
Net difference between projected and actual earnings	775,159	-	775,159
Total	\$ 279,945,094	\$ 526,971,182	\$ (247,026,088)

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

Fiscal Years Ended June 30,	Deferred Outflows	Deferred Inflows	Net Deferred Outflows/(Inflows) of Resources
2023	\$ (13,548,961)	\$ (25,504,687)	\$ 11,955,726
2024	132,625,188	249,654,856	(117,029,668)
2025	165,542,757	311,619,186	(146,076,429)
2026	(4,673,890)	(8,798,173)	4,124,283
Total	<u>\$ 279,945,094</u>	<u>\$ 526,971,182</u>	<u>\$ (247,026,088)</u>

Actuarial valuation assumptions:

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	June 30, 2022
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, 2020
Mortality assumptions	Retirees and beneficiaries: Pub-2010 tables, generationally projected using Unisex Social Security Data Scale. Active members: Pub-2010 tables, generationally projected using Unisex Social Security Data Scale.
Actuarial assumptions:	
Discount rate	3.65%
Change in discount rate since last measurement date	0.11%
Projected salary increases - Police	3.25%
Projected salary increases - Fire	3.25%
Includes inflation at cost of living adjustments	2.25%
Source of municipal bond rate used	Bond Buyer General Obligation 20-Bond Municipal Bond Index ⁽¹⁾
Post-retirement benefit increases:	
FPDR One	3.25%
FPDR Two	Blend 2.0% / 1.75%

⁽¹⁾ The Plan is not funded, so management chose to use this index to set the discount rate used by the actuary.

The projected salary increases above are for members with more than seven years of service. Those with less than seven years have projected salary increases ranging up to 20%, as detailed in the actuarial valuation report. It is projected that 25% of Fire members and 45% of Police members retire at age 50 with 25 years of service, all Police members retire by age 60, and all Fire members by age 65.

It should be noted that the net pension liability, plan net position as a percentage of total pension liability and the ratio of the net pension liability to covered payroll are measures typically used to gauge the financial health of pre-funded plans. Since the FPDR plan is a pay-as-you-go plan funded with a dedicated property tax, the critical measure of the plan's financial health is whether this property tax will ever be insufficient to fully cover plan expenditures.

The FPDR Board periodically assesses the future availability of property tax revenues by ordering projections and simulations in connection with the actuarial valuation of the funds. The most recent assessment was as of June 30, 2022. The analysis found that, under a wide range of simulated economic scenarios in the foreseeable future, the future FPDR Fund levy has less than 1.0% probability of reaching the maximum \$2.80 per \$1,000 of real market value in at least one year through 2040.

Aggregate Net Pension Liability, Pension Expense, and Net Deferred Outflow/Inflow of Resources Related to Pensions:

The following table presents the aggregate balance (in millions) of the City’s net pension liability, pension expense, and net deferred inflow and outflows as of June 30, 2023. Note III D shows the aggregate amount for each item presented separately for the primary government and component unit.

	Deferred Outflows/ (Inflows) of Resources	Net Pension Liability	Pension Expense
OPERS	\$ 108.8	\$ 719.3	\$ 112.3
FPDR	(247.0)	3,831.4	242.3
Total	<u>\$ (138.2)</u>	<u>\$ 4,550.7</u>	<u>\$ 354.6</u>

F. Tax abatements

As of June 30, 2023, the City of Portland provides tax abatements through five programs: Nonprofit Low Income Rental Housing, Historic Property, Enterprise Zone, Homebuyer Opportunity Limited Tax Exemption, and Multiple-Unit Housing in Core Areas.

Nonprofit low income rental housing (ORS 307.540 to 307.548):

The largest abatement program for the City is the Nonprofit Low Income Rental Housing. In 1985, the Oregon legislature authorized a property tax exemption for low-income housing held by charitable, nonprofit organizations. The tax exemption is intended to benefit low-income renters by alleviating the property tax burden on those agencies that provide this type of housing. The qualifying property must be located within the City of Portland.

Charitable, nonprofit organizations that provide housing to low-income persons are eligible, and must be certified by the Internal Revenue Service as 501(c)(3) or (4) organization. Organizations must own or have a leasehold interest in the property or participate in a partnership as long as the nonprofit organization is responsible for the day-to-day management of the property. Applicants who are leaseholders must have a signed leasehold agreement by the application deadline. Vacant land intended to be developed as low-income housing is also eligible for the exemption.

The property tax exemption applies only to the tax levy of a governing body that adopts the provisions of ORS 307.540 to 307.548.

Historic property (ORS 358.475 to 358.545):

Certain incentives regarding tax abatements may be available to Historic Property. A certified historic structure is a building that is listed individually in the National Register of Historic Places —OR— a building that is in a registered historic district and certified by the National Park Service as contributing to the historic significance of that district. The “structure” must be a building—not a bridge, ship, railroad car, or dam. (A registered historic district is any district listed in the National Register of Historic Places. A State or local historic district may also qualify as a registered historic district if the district and the enabling statute are certified by the Secretary of the Interior.)

Preservation plans are required, along with progress reports every 3rd, 6th, and 9th years. All work approval must be received in advance, and failure to carry out the preservation plan is cause for disqualification, repayment of taxes, penalties and interest. 10% of the building's value must be invested in rehabilitation work within the first five years. Local jurisdictions may review applications and provide advisory recommendations to the State Historic Preservation Office (SHPO) "relating to public benefit" and property eligibility.

For property certified for special assessment as historic property under ORS 358.490, the county assessor shall for ten consecutive tax years list on the assessment and tax roll a specially assessed value that equals the assessed value of the property at the time application was made under ORS 358.487. Though the processes are different, pursuing a historic designation at either the local or National Register level requires research and documentation sufficient to allow evaluation of a resource's historical, cultural and/or architectural significance. The property owner is responsible for providing this material on the appropriate application or form(s).

Property that was classified as historic property on or before September 27, 2007 may continue to receive special assessment under ORS 358.480 to 358.545 until the completion of the 15-year term originally prescribed under ORS 358.487 before 2007 legislative amendments.

Commercial properties can apply for a second 10-year term. Residential properties may also apply for a second 10-year term, unless the local government passes a resolution prohibiting them, if the second term application includes ADA, seismic, or energy/sustainability improvements. Further information can be found at <https://www.oregon.gov/oprd/OH/>.

Enterprise zone (ORS 285C.175):

The Oregon Enterprise Zone program is a State of Oregon economic development program that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor. Prosper Portland, formerly known as the Portland Development Commission, is the local sponsor for the Portland Enterprise Zone program.

The Enterprise Zone program provides qualified firms that will be making a substantial new capital investment within the defined enterprise zone, a waiver of 100% of the amount of real property taxes attributable to the new investment for a period of five years following completion of the new investment. Land, existing machinery or equipment are not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

Homebuyer opportunity limited tax exemption (ORS 307.651 to 307.687):

The Homebuyer Opportunity Limited Tax Exemption (HOLTE) program exempts the residential improvement value from real property taxation for a 10-year period, while the land remains taxable. At the end of the 10-year exemption period, the taxes due will reflect the full assessed value of the property. Homes approved for the HOLTE program must sell for less than the annually established price cap to homebuyers who will live in the homes and meet program income requirements. There is a 100-unit cap on the number of new applications approved each year, per administrative rule ARC-HOU-3.01, although the cap does not apply to applications for properties including long-term affordability covenants.

Multiple-unit housing in core areas (ORS 307.600 to 307.637):

This law addresses the public's interest in stimulating the construction of transit supportive multiple-unit housing in the core areas of Oregon's urban centers in order to improve the balance between the residential and commercial nature of those areas, and to ensure full-time use of the areas as places where citizens of the community have an opportunity to live as well as work.

In any city, or in any county with a population of over 300,000, the exemption shall apply only to multiple-unit housing preserved, established, constructed, added to, or converted on land within an area designated under ORS 307.606. This program exempts property taxes for a period of 10 years, and does not include land values in the exemption.

For the fiscal year ended June 30, 2023, the City of Portland abated property taxes for the following:

Tax Abatement Program	Amount of Taxes Abated during the Fiscal Year
City of Portland Tax Abatements	
Nonprofit Low Income Rental Housing	\$ 6,458,653
Enterprise Zone	1,082,223
Homebuyer Opportunity Limited Tax Exemption (HOLTE)	848,857
Multiple-Unit Housing in Core Areas	2,556,955
Tax abatements granted by other governments	
Historic Property	1,253,571
	\$ 12,200,259

G. Subsequent events:

FPDR :

On August 22, 2023 FPDR issued tax anticipation notes for \$32.4 million with a true interest cost of 5.00 percent. The notes are due for repayment on January 10, 2024. Proceeds of the Notes will be used to meet current expenses of the FPDR Fund pending collection of annual tax levy receipts for FY 2023-24 and pay costs of issuance.

Debt :

In August of 2023, the City sold \$41.07 million of general obligation (GO) bonds, 2023 Series A (Portland Housing Bureau). Proceeds of the Bonds will be used to finance affordable housing projects for low-income households and pay costs of issuance.

In October of 2023, the City sold \$23.18 million of Second Lien Water System Revenue Bonds, 2021 Series A (WIFIA Bond). Proceeds of the Bonds will be used to finance a combination of projects for the Water Bureau, including the improved corrosion control treatment project, the pipeline project, and the filtration facility project, collectively known as the Bull Run Treatment Program Project.

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

Notes and Loans:	Issue Date	Principal	Length in Years	Interest Rate
Tax Anticipation Notes, Series 2023 FPDR	8/22/2023	\$ 32,370,000	0.39	5.00%
Bonds Issuance:	Issue Date	Principal	Length in Years	Interest Rate
General Obligation (GO) Housing Bonds, 2023 Series A	8/22/2023	\$ 41,065,000	10	4.32 - 5.45%



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Required Supplementary Information



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City of Portland, Oregon
General Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 300,054,545	\$ 300,054,545	\$ 304,642,079	
Prior year property	3,459,660	3,459,660	4,419,988	
Lodging	24,987,357	24,987,357	30,524,919	
Payment in lieu of taxes	941,846	941,846	1,676,179	
Total taxes	<u>329,443,408</u>	<u>329,443,408</u>	<u>341,263,165</u>	<u>\$ 11,819,757</u>
Licenses and permits:				
Business licenses, net	175,415,786	175,415,786	206,090,000	
Public utility licenses	86,676,971	86,676,971	93,117,281	
Construction permits	2,049,700	2,059,700	2,666,187	
Other permits	2,176,605	2,176,605	2,500,824	
Total licenses and permits	<u>266,319,062</u>	<u>266,329,062</u>	<u>304,374,292</u>	<u>38,045,230</u>
Charges for services:				
Public works and utility charges	10,000	10,000	960	
Inspection fees	3,861,300	3,912,550	3,563,422	
Rents and reimbursements	3,465,887	3,465,887	4,105,297	
Leases	-	-	712,866	
Parking fees	175,831	175,831	196,002	
Parks and recreation facilities fees	5,899,197	5,899,197	7,284,863	
Other service charges	3,012,108	2,882,108	4,951,496	
Total charges for services	<u>16,424,323</u>	<u>16,345,573</u>	<u>20,814,906</u>	<u>4,469,333</u>
Intergovernmental:				
Grant revenue	-	-	237,512	
Federal cost sharing	133,000	133,000	156,537	
State revenue sharing	1,364,072	1,364,072	1,845,964	
State cost sharing	127,400	127,400	590,531	
Multnomah County cost sharing	10,410,004	6,579,093	5,792,791	
Local revenue sharing	1,283,800	1,283,800	1,137,152	
Local cost sharing	14,000,894	12,977,467	7,775,664	
SSR liquor & cigarette	21,411,784	21,411,784	23,509,075	
Overhead charges	265,406	265,406	265,406	
Total intergovernmental	<u>48,996,360</u>	<u>44,142,022</u>	<u>41,310,632</u>	<u>(2,831,390)</u>
Other:				
Assessments	35,000	35,000	46,100	
Sales - other	379,357	474,357	904,174	
Refunds	58,100	58,100	88,457	
Donations	5,000	12,000	356,825	
Investment earnings	440,000	440,000	3,099,606	
Other interest income	1,683,129	1,683,129	1,523,145	
Fines	100,000	100,000	497,825	
Miscellaneous	1,354,470	1,315,275	1,633,052	
Total other	<u>4,055,056</u>	<u>4,117,861</u>	<u>8,149,184</u>	<u>4,031,323</u>
Billings to other funds for services	71,211,513	73,189,523	60,439,683	(12,749,840)
Total revenues	<u>736,449,722</u>	<u>733,567,449</u>	<u>776,351,862</u>	<u>42,784,413</u>

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City of Portland, Oregon
General Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
EXPENDITURES				
Current:				
Personal services	532,881,995	535,913,336	524,897,126	
External materials and services	170,945,760	179,128,119	141,461,334	
Internal materials and services	91,699,509	89,300,649	88,702,565	
Capital outlay	3,633,704	8,521,087	6,470,210	
Total current expenditures	<u>799,160,968</u>	<u>812,863,191</u>	<u>761,531,235</u>	<u>51,331,956</u>
General operating contingencies	<u>29,826,460</u>	<u>56,507,511</u>	-	<u>56,507,511</u>
Debt service and related costs:				
Principal	2,047,173	2,047,173	2,047,173	
Interest	10,762,061	10,762,060	10,762,061	
Internal loan remittances	665,000	670,785	665,000	
Total debt service and related costs	<u>13,474,234</u>	<u>13,480,018</u>	<u>13,474,234</u>	<u>5,784</u>
Total expenditures	<u>842,461,662</u>	<u>882,850,720</u>	<u>775,005,469</u>	<u>107,845,251</u>
Revenues over (under) expenditures	<u>(106,011,940)</u>	<u>(149,283,271)</u>	<u>1,346,393</u>	<u>150,629,664</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Overhead charges - General Fund	40,816,144	40,816,144	40,816,144	
General Reserve	54,947	1,054,947	1,000,000	
Transportation Operating	-	350,000	350,000	
Arts Education and Access	-	30,000	10,000	
Citywide Obligations Reserve	5,372,778	7,432,070	6,233,860	
2020 Parks Option Local Levy	42,177,149	36,751,541	25,470,402	
Fire Capital	-	3,500,000	2,650,000	
Parking Facilities	339,755	339,755	339,755	
Spectator Facilities Operating	29,678	29,678	29,678	
Facilities Services Operating	-	702,584	702,584	
Total transfers from other funds	<u>88,790,451</u>	<u>91,006,719</u>	<u>77,602,423</u>	<u>(13,404,296)</u>

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City of Portland, Oregon
General Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES), Continued				
Transfers to other funds:				
Transportation Operating	(22,980,218)	(21,940,218)	(21,940,218)	
Emergency Communication	(17,841,747)	(17,841,747)	(17,841,747)	
Development Services	(1,195,000)	(1,195,000)	(1,195,000)	
General Reserve	(2,589,105)	(2,589,105)	(2,589,105)	
Citywide Obligations Reserve	(8,167,150)	(11,296,169)	(11,296,169)	
Housing Investment	(1,454,834)	(4,063,358)	(4,063,358)	
Campaign Finance	(2,068,370)	(2,068,370)	(2,068,370)	
Grants	-	(390,000)	(390,000)	
Portland Parks Memorial	(74,137)	(74,137)	(74,137)	
Cannabis Licensing	-	(159,862)	(159,862)	
Pension Debt Redemption	(2,128,976)	(2,128,976)	(2,128,976)	
Governmental Bond Redemption	(935,750)	(935,750)	(935,750)	
Special Project Debt Service	(103,000)	(288,390)	(288,389)	
Parks Capital Improvement Program	(12,570,319)	(15,901,555)	(15,901,555)	
Hydroelectric Power	-	(500,000)	-	
Water	(736,624)	(736,624)	(736,624)	
Parking Facilities	-	(4,370,000)	(4,370,000)	
Facilities Services Operating	(11,762,184)	(16,803,348)	(16,803,348)	
CityFleet Operating	(200,000)	(200,000)	(200,000)	
Technology Services	(175,689)	(175,689)	(175,689)	
Fire and Police Supplemental Retirement Reserve	-	(30,000)	(30,000)	
Total transfers to other funds	<u>(84,983,103)</u>	<u>(103,688,298)</u>	<u>(103,188,297)</u>	<u>500,001</u>
Sale of capital asset	-	-	1,805	1,805
Total other financing sources (uses)	<u>3,807,348</u>	<u>(12,681,579)</u>	<u>(25,584,069)</u>	<u>(12,902,490)</u>
Net change in fund balance	(102,204,592)	(161,964,850)	(24,237,676)	137,727,174
Fund balance - beginning	102,204,592	161,964,850	161,964,850	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	137,727,174	<u>\$ 137,727,174</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Reserve fund budgeted as separate fund			72,154,118	
Public Election fund budgeted as separate fund			2,000,505	
Citywide Obligations Reserve fund budgeted as separate fund			16,118,624	
Loans receivable, net			314,197	
Internal loans payable			(1,413,500)	
Unrealized gain (loss) on investments			(12,954,488)	
Inventories			318,191	
Fund balance - GAAP basis			<u>\$ 214,264,821</u>	

City of Portland, Oregon
Transportation Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Gas	\$ 21,000,000	\$ 21,000,000	\$ 21,620,767	\$ 620,767
Licenses and permits:				
Construction permits	6,088,556	6,088,556	6,579,114	
Other permits	8,415,657	8,475,657	11,472,967	
Total licenses and permits	<u>14,504,213</u>	<u>14,564,213</u>	<u>18,052,081</u>	<u>3,487,868</u>
Charges for services:				
Public works and utility charges	9,365,767	9,970,832	11,812,957	
Inspection fees	1,300,000	1,300,000	1,606,960	
Rents and reimbursements	1,061,452	1,061,452	421,867	
Leases	-	-	594,538	
Parking fees	54,775,000	54,775,000	40,086,432	
Other service charges	6,524,186	9,026,686	7,869,295	
Total charges for services	<u>73,026,405</u>	<u>76,133,970</u>	<u>62,392,049</u>	<u>(13,741,921)</u>
Intergovernmental:				
Grant revenue	-	2,926,732	3,125,293	
Federal cost sharing	-	-	334	
State revenue sharing	54,056,925	54,056,925	50,820,580	
State cost sharing	-	-	753,623	
Multnomah County cost sharing	40,000	40,000	58,104	
Local revenue sharing	37,975,107	37,975,107	33,244,003	
Local cost sharing	10,815,240	10,815,240	10,716,393	
Total intergovernmental	<u>102,887,272</u>	<u>105,814,004</u>	<u>98,718,330</u>	<u>(7,095,674)</u>
Billings to other funds for services	<u>34,108,071</u>	<u>32,440,571</u>	<u>27,129,944</u>	<u>(5,310,627)</u>
Other:				
Assessments	225,000	225,000	902,418	
Sales - other	95,000	95,000	162,661	
Refunds	-	-	500	
Donations	160,000	160,000	183,927	
Investment earnings	50,000	50,000	4,232,097	
Other interest income	36,374	36,374	801,414	
Miscellaneous	241,220	241,220	1,862,038	
Total other	<u>807,594</u>	<u>807,594</u>	<u>8,145,055</u>	<u>7,337,461</u>
Total revenues	<u>246,333,555</u>	<u>250,760,352</u>	<u>236,058,226</u>	<u>(14,702,126)</u>
EXPENDITURES				
Current:				
Personal services	137,090,499	135,854,214	120,862,740	
External materials and services	54,394,974	68,115,897	66,491,383	
Internal materials and services	36,807,971	37,093,971	40,091,388	
Capital outlay	115,695,543	87,821,562	37,422,797	
Total current expenditures	<u>343,988,987</u>	<u>328,885,644</u>	<u>264,868,308</u>	<u>64,017,336</u>
General operating contingencies	<u>98,535,550</u>	<u>156,553,043</u>	<u>-</u>	<u>156,553,043</u>
Debt service and related costs:				
Principal	13,306,806	13,306,806	9,133,228	
Interest	5,959,340	5,959,340	10,106,835	
Debt issuance costs	-	-	500	
Total debt service and related costs	<u>19,266,146</u>	<u>19,266,146</u>	<u>19,240,563</u>	<u>25,583</u>
Total expenditures	<u>461,790,683</u>	<u>504,704,833</u>	<u>284,108,871</u>	<u>220,595,962</u>
Revenues over (under) expenditures	<u>(215,457,128)</u>	<u>(253,944,481)</u>	<u>(48,050,645)</u>	<u>205,893,836</u>

continued on next page

**City of Portland, Oregon
Transportation Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	22,980,218	21,940,218	21,940,218	
Special Finance and Resource	9,140,073	7,640,073	4,969,007	
Local Improvement District	23,500,636	7,442,636	3,514,128	
Facilities Services Operating	-	425,408	425,408	
Total transfers from other funds	<u>55,620,927</u>	<u>37,448,335</u>	<u>30,848,761</u>	<u>(6,599,574)</u>
Transfers to other funds:				
General Fund overhead	(9,585,857)	(9,585,857)	(9,585,857)	
General Fund	-	(350,000)	(350,000)	
Citywide Obligations Reserve	(233,600)	(233,600)	(233,600)	
Transportation Reserve	(700,000)	(700,000)	(700,000)	
Grants	-	(15,000)	-	
Pension Debt Redemption	(1,040,859)	(1,040,859)	(1,040,859)	
Parking Facilities	-	(750,000)	-	
Sewer System Operating	(50,000)	(50,000)	(35,807)	
Total transfers to other funds	<u>(11,610,316)</u>	<u>(12,725,316)</u>	<u>(11,946,123)</u>	<u>779,193</u>
Bonds and notes issued	28,775,209	-	-	-
Internal loan proceeds	25,665,000	20,665,000	20,665,000	-
Total other financing sources (uses)	<u>98,450,820</u>	<u>45,388,019</u>	<u>39,567,638</u>	<u>(5,820,381)</u>
Net change in fund balance	(117,006,308)	(208,556,462)	(8,483,007)	200,073,455
Fund balance - beginning	<u>117,006,308</u>	<u>208,556,462</u>	<u>216,299,905</u>	<u>7,743,443</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>207,816,898</u>	<u>\$ 207,816,898</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Reserve fund budgeted as separate fund			10,899,944	
Unrealized gain (loss) on investments			(10,969,322)	
Internal loans receivable			1,413,500	
Inventories			5,735,224	
Fund balance - GAAP basis			<u>\$ 214,896,244</u>	

City of Portland, Oregon
Grants Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Grant revenue	\$ 277,172,011	\$ 257,214,355	\$ 94,343,772	\$ (162,870,583)
Charges for services:				
Other service charges	425,000	425,000	280,216	(144,784)
Other:				
Loan repayments	-	-	549	
Other interest income	-	-	30,744	
Investment earnings	-	8,000	4,813,185	
Total other	-	8,000	4,844,478	4,836,478
Total revenues	<u>277,597,011</u>	<u>257,647,355</u>	<u>99,468,466</u>	<u>(158,178,889)</u>
EXPENDITURES				
Current:				
Personal services	32,888,684	35,897,446	25,779,198	
External materials and services	196,729,136	182,765,151	88,979,701	
Internal materials and services	8,240,148	8,777,734	7,637,477	
Capital outlay	33,977,922	26,489,733	4,980,976	
Total current expenditures	<u>271,835,890</u>	<u>253,930,064</u>	<u>127,377,352</u>	<u>126,552,712</u>
General Operating Contingencies	5,761,121	4,122,291	-	4,122,291
Debt service and related costs:				
Internal loan remittances	50,000,000	50,000,000	40,000,000	10,000,000
Total expenditures	<u>327,597,011</u>	<u>308,052,355</u>	<u>167,377,352</u>	<u>140,675,003</u>
Revenues over (under) expenditures	<u>(50,000,000)</u>	<u>(50,405,000)</u>	<u>(67,908,886)</u>	<u>(17,503,886)</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund	-	390,000	390,000	
Transportation	-	15,000	-	
Total transfers to other funds	-	405,000	390,000	15,000
Total other financing sources (uses)	-	405,000	390,000	(15,000)
Net change in fund balance	(50,000,000)	(50,000,000)	(67,518,886)	(17,518,886)
Fund balance - beginning	50,000,000	50,000,000	3,625,777	(46,374,223)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	(63,893,109)	<u>\$ (63,893,109)</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Notes and loans receivable, net			1,691,442	
Fund balance - GAAP basis			<u>\$ (62,201,667)</u>	

City of Portland, Oregon
Portland Clean Energy Community Benefits Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Clean energy surcharge	\$90,551,808	\$90,551,808	\$183,451,304	\$92,899,496
Other:				
Investment earnings	340,561	340,561	7,648,595	7,308,034
Total revenues	<u>90,892,369</u>	<u>90,892,369</u>	<u>191,099,899</u>	<u>100,207,530</u>
EXPENDITURES				
Current:				
Personal services	2,403,658	2,403,658	2,139,949	
External materials and services	81,521,563	147,552,163	10,261,728	
Internal materials and services	2,623,523	2,906,609	2,288,275	
Total current expenditures	<u>86,548,744</u>	<u>152,862,430</u>	<u>14,689,952</u>	<u>138,172,478</u>
General operating contingencies	15,272,231	6,840,418	-	6,840,418
Total expenditures	<u>101,820,975</u>	<u>159,702,848</u>	<u>14,689,952</u>	<u>145,012,896</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	34,273	34,273	34,273	-
Net change in fund balance	(10,962,879)	(68,844,752)	176,375,674	245,220,426
Fund balance - beginning	206,815,588	311,949,786	311,949,786	-
Fund balance - ending	<u>\$195,852,709</u>	<u>\$243,105,034</u>	488,325,460	<u>\$245,220,426</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(15,436,386)	
Fund balance - GAAP basis			<u>\$472,889,074</u>	

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

General Fund, Transportation Operating and Grants Funds are the City's major governmental funds. Both General and Transportation Operating Funds have their own reserve funds that account for countercyclical and emergency reserves. These two reserve funds' budgetary activities are reported in the Special Revenue Funds' section of the ACFR. 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 ACFR.

B. Expenditures in excess of appropriations:

State law requires a supplemental budget to increase appropriations when unexpected additional resources become available. A supplemental budget is also required to transfer appropriations from a fund's operating contingency during the fiscal year. The supplemental budget process requires a public hearing, advance notice by newspaper publication, and City Council approval. The City adopted three supplemental budgets and made a number of appropriation transfers requiring approval by City Council during the fiscal year ended June 30, 2023.

Oregon state law requires disclosure of fund expenditures in excess of budget appropriations. None of the City's major governmental funds (General Fund, Grants Fund, Transportation Operating Fund or Clean Energy Fund) exceeded budget at the legal level of appropriation (see Note II.A.).

For the fiscal year ended June 30, 2023, one fund, the City Fleet Operating Fund, had expenditures related to issuance of bonds over appropriations that were exempt from supplementary budget requirements per ORS 294.338.

C. Other postemployment benefits:

OPERS Retirement Health Insurance Account

**Schedule of Proportionate Share of the Net OPEB Liability / (Asset)
Other Postemployment Benefits
Last Ten Years *
(in millions)**

	2023	2022	2021	2020	2019	2018	2017
Proportion of the OPEB pension liability (asset)	3.89%	2.72%	1.20%	3.97%	3.74%	3.54%	3.60%
Proportionate share of the net OPEB liability (asset)	\$ (13.82)	\$ (9.35)	\$ (2.44)	\$ (7.68)	\$ (4.18)	\$ (1.48)	\$ 0.98
Covered payroll **	529.72	476.90	481.70	439.70	398.50	359.90	\$ 343.60
Proportionate share of the OPEB liability (asset) as a percentage of its covered payroll	(2.61%)	(1.96%)	(0.51%)	(1.75%)	(1.05%)	(0.41%)	0.28%
Plan net position as a percentage of the total OPEB liability	194.6%	183.9%	150.1%	144.4%	124.0%	108.9%	94.2%

* Only years with available information are presented.

** As of the measurement date which is one year in arrears.

**Schedule of Contributions
Other Postemployment Benefits
Last Ten Years *
(in millions)**

	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	\$ 0.06	\$ 0.09	\$ 0.07	\$ 0.08	\$ 1.94	\$ 1.78	\$ 1.77
Contributions in relation to the contractually required contribution	0.06	0.09	0.07	0.08	1.94	1.78	1.77
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
							\$
Covered payroll	\$ 589.30	\$ 529.70	\$ 476.90	\$ 481.70	\$ 439.70	\$ 398.50	359.90
Contributions as a percentage of covered payroll	0.01%	0.02%	0.01%	0.02%	0.44%	0.45%	0.49%

* Only years with available information are presented.

Notes to Required Supplementary Information

Changes of assumptions: the assumed average annual future long-term investment return was 6.9%. Assumed administrative expenses were updated for both Tier1/Tier 2 and OPSRP. Mortality assumptions were changed to reflect updated base tables and mortality improvement projection scales for all groups. Termination, disability and retirement rates were updated for some groups to more closely match observed experience.

**Schedule of Changes in the City's
Total OPEB Liability and Related Ratios
Last Ten Years ***

	2023	2022	2021	2020	2019	2018
Service cost	\$5,531,045	\$3,864,161	\$3,003,933	\$3,597,015	\$3,675,148	\$4,140,465
Interest	2,786,981	2,127,683	2,967,230	3,898,352	3,640,097	3,086,463
Differences between expected and actual experiences	-	1,054,522	-	6,051,864	-	-
Changes of assumptions	(13,909,112)	26,944,778	10,460,682	(22,748,251)	(2,777,647)	(6,825,794)
Benefit payments	(5,772,375)	(5,608,380)	(5,092,723)	(5,668,141)	(5,567,867)	(4,949,560)
Net change in total OPEB liability	(11,363,461)	28,382,764	11,339,122	(14,869,161)	(1,030,269)	(4,548,426)
Total OPEB liability - beginning	124,020,407	95,637,643	84,298,521	99,167,682	100,197,951	104,746,377
Total OPEB liability - ending	<u>\$112,656,946</u>	<u>\$124,020,407</u>	<u>\$95,637,643</u>	<u>\$84,298,521</u>	<u>\$99,167,682</u>	<u>\$100,197,951</u>
Covered-employee payroll	\$528,224,529	\$521,203,120	\$555,559,013	\$549,450,066	\$439,305,357	\$435,541,998
Total OPEB liability as a percentage of covered-employee payroll	21.33%	23.80%	17.21%	15.34%	22.57%	23.01%

* Only years with available information are presented.

Notes to the Schedule

Assets: There are no assets accumulated in a trust that meet the criteria of GASB codification P22.101 or P52.101 to pay-related benefits for the OPEB plan.

Changes in Assumptions: There were a number of changes in the demographic and economic actuarial assumptions used in the previous year valuation report which are assumed to continue to be appropriate. Some of these assumption changes have significantly affected the liability of the plan but in an offsetting manner. Key items to note regarding actuarial assumptions include:

- Overall healthcare cost increases were higher than projected in the prior valuation, resulting in an actuarial liability loss.
- Where applicable, demographic assumptions were updated to be consistent with the actuarial valuation assumptions of the Oregon PERS and OPSRP retirement plans. The latest Oregon PERS and OPSRP valuation report available is as of December 31, 2020. Many assumptions changed from the previous valuation including the rates of retirement, termination, disability, salary scale, and mortality.
- Participation rate changed from 37% to 52% to better reflect actual experience and anticipated future experience.
- Discount rate increased from 2.20% as of July 1, 2021 to 3.5% as of July 1, 2022.

D. Employee retirement pension benefits:

Oregon Public Employees Retirement System (OPERS):

Per GASB Statement 68, the required supplementary information reports a 10-year Schedule of Proportionate Share of the Net Pension Liability and a 10-year Schedule of Employer Contributions.

**Schedule of Proportionate Share of the Net Pension Liability
Oregon Public Employees Retirement System
Last Ten Years
(in millions)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability (asset)	4.6977983%	4.5400919%	4.2533558%	4.0813041%	3.6931703%	3.7131302%	3.7833289%	3.7805422%	3.6293418%	3.6293418%
Proportionate share of the net pension liability (asset)	\$ 719.33	\$ 543.29	\$ 928.23	\$ 706.00	\$ 559.50	\$ 500.50	\$ 568.00	\$ 217.10	\$ (82.30)	\$ 185.20
Covered payroll **	\$ 529.72	\$ 476.90	\$ 481.70	\$ 439.70	\$ 398.50	\$ 359.90	\$ 343.60	\$ 330.50	\$ 313.10	\$ 302.60
Proportionate share of the pension liability (asset) as a percentage of its employee payroll	135.79%	113.92%	192.70%	160.56%	140.40%	139.07%	165.31%	65.69%	(26.29%)	61.20%
Plan net position as a percentage of the total pension liability	84.50%	87.57%	75.79%	80.23%	82.07%	83.12%	80.53%	91.88%	103.59%	92.00%

** As of the measurement date which is one year in arrears.

**Schedule of Contributions
Oregon Public Employee Retirement System
Last Ten Years
(in millions)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 107.3	\$ 100.1	\$ 84.0	\$ 83.4	\$ 57.8	\$ 51.2	\$ 35.6	\$ 33.7	\$ 26.3	\$ 25.0
Contributions in relation to the contractually required contribution	107.3	100.1	84.0	83.4	57.8	51.2	35.6	33.7	26.3	25.0
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 589.30	\$ 529.70	\$ 476.90	\$ 481.70	\$ 439.70	\$ 398.50	\$ 359.90	\$ 343.60	\$ 330.50	\$ 313.10
Contributions as a percentage of covered payroll	18.21%	18.89%	17.61%	17.31%	13.15%	12.85%	9.89%	9.81%	7.96%	7.98%

Changes in Actuarial Methods and Assumptions:

A summary of key changes implemented since the December 31, 2019 valuation are described briefly below. Additional details and a comprehensive list of changes in methods and assumptions can be found in the 2020 Experience Study for the System, which was published in July 2021, and can be found at: <https://www.oregon.gov/pers/Documents/Financials/Actuarial/2021/2020-Experience-Study.pdf>

Allocation of Liability for Service Segments:

For purposes of allocating Tier One/Tier Two 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 PERS when a member retires. The weights are determined based on the prevalence of each formula among the current Tier One/Tier Two population. For the December 31, 2018 and December 31, 2019 valuations, the Money Match was weighted 10% for general service members and 0% for police and fire members. For the December 31, 2021 valuation, this weighting has been adjusted to 9% for general service members and 1% for police and fire members, based on a projection of the proportion of the liability attributable to Money Match benefits at those valuation dates.

Changes in Economic Assumptions

Administrative Expenses. The administrative expense assumptions were updated to \$59 million per year combined for Tier 1/Tier 2 and OPSRP. Previously these were assumed to be \$32.5 million per year and \$8.0 million per year, respectively.

Healthcare Cost Inflation. The healthcare cost inflation for the maximum RHIPA subsidy was updated based on analysis performed by Milliman's healthcare actuaries. This analysis included the consideration of the excise tax scheduled to be introduced by the Affordable Care Act. The Further Consolidated Appropriations Act passed in December 2019 repealed the excise tax, and as a result no adjustment is required for the proposed trend assumption. It is possible that the COVID-19 pandemic could have a material impact on the projected costs.

Changes in Demographic Assumptions:

Healthy Annuitant Mortality Base Tables. The Pub-2010 generational Healthy Retiree mortality tables with group-specific job category and setback adjustments were continued to be used as the underlying base mortality tables for generational mortality assumptions.

Disabled Mortality Base Tables. The Pub-2010 generational Disabled Retiree mortality tables with group-specified job category and setback adjustments were continued to be used as the starting point for setting disabled mortality assumptions.

Non-Annuitant Mortality Base Tables. The Pub-2010 generational mortality tables with the same group-specific job category and setback adjustments as for healthy annuitants, and with an additional scaling factor adjustment for certain subgroups were continued to be used as the starting point for setting mortality assumptions for this group.

Fire and Police Disability and Retirement Benefits Plan

Employer contributions to the Fire and Police Disability and Retirement Benefits Plan (the “Plan”) are recognized when due and the employer has made a formal commitment to provide the contributions. Complete financial statements for the Plan may be obtained from the administrative office at: Fire and Police Disability and Retirement Fund Board, 1800 SW First Ave., Suite 450, Portland, Oregon 97201, e-mail: FPDR@Portlandoregon.gov, URL: <http://www.portlandoregon.gov/fpdr/62529> or by telephone: (503) 823-6823.

Per GASB Statement 68, the required supplementary information reports a 10-year Schedule of Proportionate Share of the Net Pension Liability and a 10-year Schedule of Employer Contribution.

**Schedule of Changes in Net Pension Liability and Related Ratios
(in millions)**

Fire and Police Disability, Retirement, and Death Benefit Plan

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>Total pension liability:</u>										
Service cost	\$ 66.1	\$ 110.7	\$ 103.5	\$ 73.9	\$ 65.3	\$ 74.4	\$ 82.4	\$ 66.7	\$ 58.9	\$ 63.7
Interest	133.1	99.1	98.1	125.1	127.5	121.0	97.3	110.5	106.3	117.0
Benefit payments	(153.8)	(148.1)	(144.7)	(135.4)	(130.7)	(125.7)	(120.4)	(114.0)	(110.9)	(108.0)
Effect of plan changes	-	-	-	-	-	-	36.1	-	185.3	(222.3)
Effect of changes in assumptions	(36.4)	(842.5)	28.0	774.9	150.2	(141.6)	(215.4)	431.4	208.9	106.5
Effect of economic/demographic (gains) or losses	74.1	-	61.2	-	61.2	-	95.6	-	(25.6)	-
Net change in total pension liability	83.1	(780.8)	146.1	838.5	273.5	(71.9)	(24.4)	494.6	422.9	(43.1)
Total pension liability, beginning	3,772.5	4,553.3	4,407.2	3,568.7	3,295.2	3,367.1	3,391.5	2,896.9	2,474.0	2,517.1
Total pension liability, ending	<u>\$ 3,855.6</u>	<u>\$ 3,772.5</u>	<u>\$ 4,553.3</u>	<u>\$ 4,407.2</u>	<u>\$ 3,568.7</u>	<u>\$ 3,295.2</u>	<u>\$ 3,367.1</u>	<u>\$ 3,391.5</u>	<u>\$ 2,896.9</u>	<u>\$ 2,474.0</u>
<u>Plan net position:</u>										
Employer contributions	154.2	168.2	143.6	136.5	135.5	132.0	120.7	\$ 114.10	\$ 115.90	\$ 114.70
Net investment income	1.2	-1.4	0.1	1.6	1.7	0.9	0.5	0.5	(0.5)	0.3
Benefit payments	(153.8)	(148.1)	(144.7)	(135.4)	(130.7)	(125.7)	(120.4)	(114.0)	(110.9)	(108.0)
Administrative expense	(5.1)	(4.3)	(4.3)	(4.1)	(4.3)	(3.6)	(4.1)	(5.0)	(3.1)	(3.6)
Net change in plan net position	(3.5)	14.4	(5.3)	(1.4)	2.2	3.6	(3.3)	(4.4)	1.4	3.4
Plan net position, beginning	27.7	13.3	18.6	20.0	17.8	14.2	17.5	21.9	20.5	17.1
Plan net positions, ending	<u>\$ 24.2</u>	<u>\$ 27.7</u>	<u>\$ 13.3</u>	<u>\$ 18.6</u>	<u>\$ 20.0</u>	<u>\$ 17.8</u>	<u>\$ 14.2</u>	<u>\$ 17.5</u>	<u>\$ 21.9</u>	<u>\$ 20.5</u>
Net pension liability	<u>\$ 3,831.4</u>	<u>\$ 3,744.8</u>	<u>\$ 4,540.0</u>	<u>\$ 4,388.6</u>	<u>\$ 3,548.7</u>	<u>\$ 3,277.4</u>	<u>\$ 3,352.9</u>	<u>\$ 3,374.0</u>	<u>\$ 2,875.0</u>	<u>\$ 2,453.5</u>
Plan net position as a percent of total pension liability	0.63%	0.74%	0.29%	0.42%	0.56%	0.54%	0.42%	0.52%	0.76%	0.83%
Covered payroll	\$ 160.4	\$ 159.0	\$ 155.3	\$ 157.3	\$ 152.5	\$ 143.8	\$ 137.6	\$ 139.1	\$ 139.3	\$ 135.7
Net pension liability as a percent of covered payroll	2388.65%	2355.22%	2923.37%	2789.96%	2327.02%	2279.14%	2436.70%	2425.59%	2063.89%	1808.03%

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer contributions	\$ 154.2	\$ 168.2	\$ 143.6	\$ 136.5	\$ 135.5	\$ 132.0	\$ 120.4	\$ 114.1	\$ 115.9	\$ 114.7
Contributions recognized by plan	154.2	168.2	143.6	136.5	135.5	132.0	120.4	114.1	115.9	114.7
Difference	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 160.4	\$ 159.0	\$ 155.3	\$ 157.3	\$ 152.5	\$ 143.8	\$ 137.6	\$ 139.1	\$ 139.3	\$ 135.7
Contributions as a percent of covered payroll	96.13%	105.79%	92.47%	86.78%	88.85%	91.79%	87.50%	82.03%	83.20%	84.52%

The net pension liability increased by \$86.5 million due to an increase in the Bond Buyer General Obligation 20-Bond Municipal Bond Index rate from 3.54% to 3.65%.



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Combining and Individual Fund Statements and Schedules



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Nonmajor Governmental Funds



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Nonmajor Governmental Fund Types:

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

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

Capital Projects Funds are to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs, that is, for the benefit of the City of Portland or its citizenry.

City of Portland, Oregon
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Permanent Fund	Total
ASSETS					
Unrestricted:					
Cash and investments	\$ 95,760,874	\$ 21,896,446	\$ 29,391,059	\$ -	\$ 147,048,379
Receivables:					
Accounts, net	4,791,669	-	66,608	-	4,858,277
Assessments	-	28,554	5,248,746	-	5,277,300
Notes and loans, net	6,336,627	-	-	-	6,336,627
Advances	18,750	-	-	-	18,750
Accrued interest	895,951	199,655	21,574	-	1,117,180
Prepaid items	46,165	9,774	76,430	-	132,369
Restricted:					
Cash and investments	175,244,198	49,900,296	221,708,768	189,353	447,042,615
Receivables:					
Taxes	2,034,656	6,469,171	-	-	8,503,827
Accounts, net	1,809,699	-	10,109	-	1,819,808
Assessments	23,991,198	23,934,844	3,378,203	-	51,304,245
Notes and loans, net	79,205,525	-	-	-	79,205,525
Advances	1,310	-	-	-	1,310
Grants	3,210,359	-	-	-	3,210,359
Accrued interest	1,003,537	815,037	2,088,285	1,513	3,908,372
Prepaid Items	63,720	16,716	16,140	-	96,576
Due from component unit	648,418	-	-	-	648,418
Internal loans receivable	-	-	1,000,000	-	1,000,000
Total assets	<u>\$ 395,062,656</u>	<u>\$ 103,270,493</u>	<u>\$ 263,005,922</u>	<u>\$ 190,866</u>	<u>\$ 761,529,937</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities payable from unrestricted assets:					
Accounts payable	\$ 9,149,379	\$ -	\$ -	\$ -	\$ 9,149,379
Due to component unit	314,700	-	-	-	314,700
Unearned revenue	1,296	-	-	-	1,296
Other liabilities	176,108	-	-	-	176,108
Liabilities payable from restricted assets:					
Accounts payable	8,985,404	-	3,917,880	225	12,903,509
Due to component unit	563,649	-	-	-	563,649
Unearned revenue	415,613	-	-	-	415,613
Total liabilities	<u>19,606,149</u>	<u>-</u>	<u>3,917,880</u>	<u>225</u>	<u>23,524,254</u>
Deferred inflows of resources:					
Unavailable revenue - unrestricted	-	28,554	5,248,746	-	5,277,300
Unavailable revenue - restricted	26,308,363	29,458,319	3,386,605	-	59,153,287
Total deferred inflows of resources	<u>26,308,363</u>	<u>29,486,873</u>	<u>8,635,351</u>	<u>-</u>	<u>64,430,587</u>
Fund balances:					
Nonspendable	-	-	-	163,175	163,175
Restricted	250,939,591	51,677,745	220,897,020	27,466	523,541,822
Committed	69,563,513	-	4,495,889	-	74,059,402
Assigned	28,645,040	22,105,875	25,059,782	-	75,810,697
Total fund balances	<u>349,148,144</u>	<u>73,783,620</u>	<u>250,452,691</u>	<u>190,641</u>	<u>673,575,096</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 395,062,656</u>	<u>\$ 103,270,493</u>	<u>\$ 263,005,922</u>	<u>\$ 190,866</u>	<u>\$ 761,529,937</u>

City of Portland, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2023

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Permanent Fund	Total
REVENUES					
Taxes:					
Property	\$ 72,336,477	\$ 167,949,002	\$ -	\$ -	\$ 240,285,479
Lodging	24,023,271	-	-	-	24,023,271
Miscellaneous	23,928,381	-	-	-	23,928,381
Licenses and fees	55,989,204	-	-	-	55,989,204
Intergovernmental	40,683,498	7,132,133	104,953	-	47,920,584
Charges for services	2,582,866	-	17,670,932	-	20,253,798
Interagency	2,068,238	-	60,284	-	2,128,522
Parking fees	3,322,031	-	172,866	-	3,494,897
Parking fines	61,250	-	-	-	61,250
Rents and reimbursements	5,959,681	-	-	-	5,959,681
Miscellaneous service charges	19,598,211	-	937,437	-	20,535,648
Loan repayments	-	-	61,276	-	61,276
Assessments	2,122,077	5,520,576	3,093,677	-	10,736,330
Investment earnings (losses)	8,128,571	3,444,077	5,049,121	1,917	16,623,686
Sales - other	-	-	253,886	-	253,886
Miscellaneous	7,741,225	1,105,968	11	-	8,847,204
Total revenues	<u>268,544,981</u>	<u>185,151,756</u>	<u>27,404,443</u>	<u>1,917</u>	<u>481,103,097</u>
EXPENDITURES					
Current:					
Public safety	30,919,213	-	-	-	30,919,213
Parks, recreation and culture	30,986,073	-	5,724,109	225	36,710,407
Community development	205,979,965	7,698,594	56,807,307	-	270,485,866
Legislative / admin / support services	51,306,573	-	-	-	51,306,573
Debt service and related costs:					
Principal	1,383,577	115,812,492	7,754,058	-	124,950,127
Interest	2,058,048	23,324,426	491,873	-	25,874,347
Debt issuance costs	-	4,227	212,847	-	217,074
Capital outlay	2,970,272	-	35,339,164	-	38,309,436
Total expenditures	<u>325,603,721</u>	<u>146,839,739</u>	<u>106,329,358</u>	<u>225</u>	<u>578,773,043</u>
Revenues over (under) expenditures	<u>(57,058,740)</u>	<u>38,312,017</u>	<u>(78,924,915)</u>	<u>1,692</u>	<u>(97,669,946)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	23,737,579	9,363,572	80,478,557	-	113,579,708
Transfers out	(3,021,699)	(60,480,538)	(11,913,669)	-	(75,415,906)
Right-of-use proceeds	81,540	-	-	-	81,540
Bonds and notes issued	-	-	14,929,029	-	14,929,029
Refunding bonds issued	-	11,805,099	5,734,144	-	17,539,243
Bonds and notes premium	-	-	3,767,384	-	3,767,384
Total other financing sources (uses)	<u>20,797,420</u>	<u>(39,311,867)</u>	<u>92,995,445</u>	<u>-</u>	<u>74,480,998</u>
Net change in fund balances	<u>(36,261,320)</u>	<u>(999,850)</u>	<u>14,070,530</u>	<u>1,692</u>	<u>(23,188,948)</u>
Fund balances - beginning	<u>385,409,464</u>	<u>74,783,470</u>	<u>236,382,161</u>	<u>188,949</u>	<u>696,764,044</u>
Fund balances - ending	<u>\$ 349,148,144</u>	<u>\$ 73,783,620</u>	<u>\$ 250,452,691</u>	<u>\$ 190,641</u>	<u>\$ 673,575,096</u>

**City of Portland, Oregon
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023**

	Assessment Collection	Emergency Communication	Development Services	Property Management License
ASSETS				
Unrestricted:				
Cash and investments	\$ -	\$ 4,253,049	\$ 29,718,932	\$ 740,405
Receivables:				
Accounts, net	-	2,288,434	-	-
Notes and loans, net	-	-	-	-
Advances	-	-	-	-
Accrued interest	-	40,102	360,717	10,086
Prepaid items	-	1,781	22,237	-
Restricted:				
Cash and investments	82,066	-	14,559,399	-
Receivables:				
Taxes	-	-	-	-
Accounts, net	-	-	1,800,463	-
Assessments	2,949	-	23,985,496	-
Notes and loans, net	-	-	-	-
Grants	-	-	-	-
Advances	-	-	-	-
Accrued interest	658	-	-	-
Prepaid items	-	-	-	-
Due from component unit	-	-	-	-
Total assets	<u>\$ 85,673</u>	<u>\$ 6,583,366</u>	<u>\$ 70,447,244</u>	<u>\$ 750,491</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities payable from unrestricted assets:				
Accounts payable	\$ -	\$ 2,372,909	\$ 3,879,296	\$ 673,725
Due to component unit	-	-	-	-
Unearned revenue	-	-	1,296	-
Other accrued liabilities	-	-	-	-
Liabilities payable from restricted assets:				
Accounts payable	-	-	-	-
Due to component unit	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>2,372,909</u>	<u>3,880,592</u>	<u>673,725</u>
Deferred inflows of resources:				
Unavailable revenue - restricted	2,949	-	23,985,496	-
Total deferred inflows of resources	<u>2,949</u>	<u>-</u>	<u>23,985,496</u>	<u>-</u>
Fund balances:				
Restricted	82,724	-	16,359,862	-
Committed	-	4,210,457	-	76,766
Assigned	-	-	26,221,294	-
Total fund balances	<u>82,724</u>	<u>4,210,457</u>	<u>42,581,156</u>	<u>76,766</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 85,673</u>	<u>\$ 6,583,366</u>	<u>\$ 70,447,244</u>	<u>\$ 750,491</u>

Convention and Tourism	Housing Investment	Children's Investment	Community Development Block Grant	HOME Grant	Portland Parks Memorial
\$ 1,251,199	\$ 32,707,545	\$ -	\$ 20,716	\$ -	\$ 11,926,666
-	1,044,705	-	-	-	73,987
-	6,336,627	-	-	-	-
-	-	-	-	-	-
20,681	227,985	-	-	-	122,317
515	10,325	-	-	-	6,211
-	43,207	19,265,990	2,142,107	402,469	2,765,892
-	-	736,763	-	-	-
-	-	1,513	-	-	-
-	-	-	2,753	-	-
-	457,640	-	9,761,531	6,439,767	-
-	-	-	2,455,422	754,937	-
-	-	1,310	-	-	-
-	329	172,826	13,609	8,293	21,074
-	-	8,167	-	-	-
-	-	-	-	-	-
<u>\$ 1,272,395</u>	<u>\$ 40,828,363</u>	<u>\$ 20,186,569</u>	<u>\$ 14,396,138</u>	<u>\$ 7,605,466</u>	<u>\$ 14,916,147</u>
\$ 818,470	\$ 1,181,152	\$ -	\$ -	\$ -	\$ 170
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	7,582,579	369,759	439,940	500
-	-	-	563,649	-	-
-	-	-	-	-	-
<u>818,470</u>	<u>1,181,152</u>	<u>7,582,579</u>	<u>933,408</u>	<u>439,940</u>	<u>670</u>
-	-	558,060	2,753	641,366	-
-	-	558,060	2,753	641,366	-
-	501,176	12,045,930	13,439,261	6,524,160	2,786,466
453,925	39,146,035	-	-	-	10,755,547
-	-	-	20,716	-	1,373,464
<u>453,925</u>	<u>39,647,211</u>	<u>12,045,930</u>	<u>13,459,977</u>	<u>6,524,160</u>	<u>14,915,477</u>
<u>\$ 1,272,395</u>	<u>\$ 40,828,363</u>	<u>\$ 20,186,569</u>	<u>\$ 14,396,138</u>	<u>\$ 7,605,466</u>	<u>\$ 14,916,147</u>

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City of Portland, Oregon
Combining Balance Sheet, continued
Nonmajor Special Revenue Funds
June 30, 2023

	<u>Tax Increment Reimbursement</u>	<u>Police Special Revenue</u>	<u>Arts Education and Access</u>	<u>Community Solar</u>	<u>Inclusionary Housing</u>
ASSETS					
Unrestricted:					
Cash and investments	\$ 1,029,562	\$ -	\$ -	\$ 69,790	\$ -
Receivables:					
Accounts, net	-	-	-	-	-
Notes and loans, net	-	-	-	-	-
Advances	-	-	-	-	-
Accrued interest	4	-	-	178	-
Prepaid items	-	-	-	-	-
Restricted:					
Cash and investments	21,244,330	9,806,022	8,226,418	27,914	31,252,181
Receivables:					
Taxes	-	-	-	-	-
Accounts, net	4,941	-	-	-	1,362
Assessments	-	-	-	-	-
Notes and loans, net	53,824,872	-	-	-	1,458,863
Advances	-	-	-	-	-
Grants	-	-	-	-	-
Accrued interest	156,247	77,803	65,827	-	237,403
Prepaid items	7,455	3,348	3,350	-	10,995
Due from component unit	648,418	-	-	-	-
Total assets	<u>\$ 76,915,829</u>	<u>\$ 9,887,173</u>	<u>\$ 8,295,595</u>	<u>\$ 97,882</u>	<u>\$ 32,960,804</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities payable from unrestricted assets:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to component unit	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Other accrued liabilities	-	-	-	-	-
Liabilities payable from restricted assets:					
Accounts payable	303,283	-	-	-	237,565
Due to component unit	-	-	-	-	-
Unearned revenue	-	415,613	-	-	-
Total liabilities	<u>303,283</u>	<u>415,613</u>	<u>-</u>	<u>-</u>	<u>237,565</u>
Deferred inflows of resources:					
Unavailable revenue - restricted	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:					
Restricted	75,582,980	9,471,560	8,295,595	27,914	32,723,239
Committed	-	-	-	69,968	-
Assigned	1,029,566	-	-	-	-
Total fund balances (deficits)	<u>76,612,546</u>	<u>9,471,560</u>	<u>8,295,595</u>	<u>97,882</u>	<u>32,723,239</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 76,915,829</u>	<u>\$ 9,887,173</u>	<u>\$ 8,295,595</u>	<u>\$ 97,882</u>	<u>\$ 32,960,804</u>

<u>Housing Property</u>	<u>Recreational Cannabis Tax</u>	<u>Cannabis Licensing</u>	<u>Housing Development Costs</u>	<u>2020 Parks Local Option Levy</u>	<u>Total</u>
\$ 6,949,982	\$ 5,854,551	\$ 1,238,477	\$ -	\$ -	\$ 95,760,874
107	1,364,760	19,676	-	-	4,791,669
-	-	-	-	-	6,336,627
-	18,750	-	-	-	18,750
50,247	63,634	-	-	-	895,951
2,344	2,752	-	-	-	46,165
-	-	-	19,122,797	46,303,406	175,244,198
-	-	-	-	1,297,893	2,034,656
-	-	-	1,420	-	1,809,699
-	-	-	-	-	23,991,198
-	-	-	7,262,852	-	79,205,525
-	-	-	-	-	1,310
-	-	-	-	-	3,210,359
-	-	-	249,468	-	1,003,537
-	-	-	30,405	-	63,720
-	-	-	-	-	648,418
<u>\$ 7,002,680</u>	<u>\$ 7,304,447</u>	<u>\$ 1,258,153</u>	<u>\$ 26,666,942</u>	<u>\$ 47,601,299</u>	<u>\$ 395,062,656</u>
\$ 44,185	\$ 121,228	\$ 58,244	\$ -	\$ -	\$ 9,149,379
-	301,855	12,845	-	-	314,700
-	-	-	-	-	1,296
176,108	-	-	-	-	176,108
-	-	-	51,778	-	8,985,404
-	-	-	-	-	563,649
-	-	-	-	-	415,613
<u>220,293</u>	<u>423,083</u>	<u>71,089</u>	<u>51,778</u>	<u>-</u>	<u>19,606,149</u>
-	-	-	-	1,117,739	26,308,363
-	-	-	-	1,117,739	26,308,363
-	-	-	26,615,164	46,483,560	250,939,591
6,782,387	6,881,364	1,187,064	-	-	69,563,513
-	-	-	-	-	28,645,040
<u>6,782,387</u>	<u>6,881,364</u>	<u>1,187,064</u>	<u>26,615,164</u>	<u>46,483,560</u>	<u>349,148,144</u>
<u>\$ 7,002,680</u>	<u>\$ 7,304,447</u>	<u>\$ 1,258,153</u>	<u>\$ 26,666,942</u>	<u>\$ 47,601,299</u>	<u>\$ 395,062,656</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, 2023

	Assessment Collection	Emergency Communication	Development Services	Property Management License
REVENUES				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Lodging	-	-	-	-
Miscellaneous	-	-	-	-
Licenses and fees	-	-	45,188,255	8,867,480
Intergovernmental	-	12,298,892	-	-
Charges for services	-	-	2,571,640	-
Interagency	-	-	2,068,238	-
Parking fees	-	-	-	-
Parking fines	-	-	-	-
Rents and reimbursements	-	-	-	-
Miscellaneous service charges	-	417,868	14,280,690	-
Assessments	-	-	2,122,077	-
Investment earnings (losses)	834	38,391	1,082,164	13,329
Miscellaneous	-	-	18,968	-
Total revenues	<u>834</u>	<u>12,755,151</u>	<u>67,332,032</u>	<u>8,880,809</u>
EXPENDITURES				
Current:				
Public safety	-	30,823,524	-	-
Parks, recreation and culture	-	-	-	-
Community development	-	-	79,767,179	-
Legislative / admin / support services	-	-	-	9,351,529
Debt service and related costs:				
Principal	-	51,779	259,865	-
Interest	-	271,699	1,363,581	-
Capital outlay	-	1,010,619	-	-
Total expenditures	<u>-</u>	<u>32,157,621</u>	<u>81,390,625</u>	<u>9,351,529</u>
Revenues over (under) expenditures	<u>834</u>	<u>(19,402,470)</u>	<u>(14,058,593)</u>	<u>(470,720)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	17,841,747	1,195,000	-
Transfers out	-	(53,849)	(270,249)	-
Right of use proceeds	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>17,787,898</u>	<u>924,751</u>	<u>-</u>
Net change in fund balances	834	(1,614,572)	(13,133,842)	(470,720)
Fund balances - beginning	<u>81,890</u>	<u>5,825,029</u>	<u>55,714,998</u>	<u>547,486</u>
Fund balances - ending	<u>\$ 82,724</u>	<u>\$ 4,210,457</u>	<u>\$ 42,581,156</u>	<u>\$ 76,766</u>

Convention and Tourism	Housing Investment	Children's Investment	Community Development Block Grant	HOME Grant	Portland Parks Memorial
\$ -	\$ -	\$ 24,348,829	\$ -	\$ -	\$ -
22,083,007	1,940,264	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,933,469
-	1,259,402	-	6,722,216	5,768,514	-
-	-	-	-	-	11,226
-	-	-	-	-	-
-	-	-	-	-	3,322,031
-	-	-	-	-	61,250
-	-	-	-	-	344,644
-	4,840	-	11,056	1,058	86,458
-	-	-	-	-	-
45,228	930,986	301,457	452,865	413,799	240,529
-	7,350,000	-	-	-	334,841
<u>22,128,235</u>	<u>11,485,492</u>	<u>24,650,286</u>	<u>7,186,137</u>	<u>6,183,371</u>	<u>6,334,448</u>
-	-	-	-	-	-
-	-	-	-	-	5,515,671
-	7,203,033	21,766,148	6,140,270	8,448,377	-
22,083,658	-	-	-	-	-
-	-	15,630	555,000	-	-
-	-	3,323	224,513	-	-
-	-	81,540	-	-	-
<u>22,083,658</u>	<u>7,203,033</u>	<u>21,866,641</u>	<u>6,919,783</u>	<u>8,448,377</u>	<u>5,515,671</u>
<u>44,577</u>	<u>4,282,459</u>	<u>2,783,645</u>	<u>266,354</u>	<u>(2,265,006)</u>	<u>818,777</u>
-	4,063,358	350,242	-	-	74,137
-	(53,233)	-	-	-	(2,284,126)
-	-	81,540	-	-	-
-	4,010,125	431,782	-	-	(2,209,989)
<u>44,577</u>	<u>8,292,584</u>	<u>3,215,427</u>	<u>266,354</u>	<u>(2,265,006)</u>	<u>(1,391,212)</u>
<u>409,348</u>	<u>31,354,627</u>	<u>8,830,503</u>	<u>13,193,623</u>	<u>8,789,166</u>	<u>16,306,689</u>
<u>\$ 453,925</u>	<u>\$ 39,647,211</u>	<u>\$ 12,045,930</u>	<u>\$ 13,459,977</u>	<u>\$ 6,524,160</u>	<u>\$ 14,915,477</u>

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City of Portland, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances, continued
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2023

	Tax Increment Reimbursement	Police Special Revenue	Arts Education and Access	Community Solar	Inclusionary Housing
REVENUES					
Taxes:					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Lodging	-	-	-	-	-
Miscellaneous	-	-	11,891,536	-	5,186,353
Licenses and fees	-	-	-	-	-
Intergovernmental	13,410,455	1,224,019	-	-	-
Charges for services	-	-	-	-	-
Interagency	-	-	-	-	-
Parking fees	-	-	-	-	-
Parking fines	-	-	-	-	-
Rents and reimbursements	403,826	-	-	-	-
Miscellaneous service charges	8,533	-	-	-	1,070,927
Assessments	-	-	-	-	-
Investment earnings (losses)	3,453,741	138,149	115,565	400	387,646
Miscellaneous	-	31,108	-	6,308	-
Total revenues	<u>17,276,555</u>	<u>1,393,276</u>	<u>12,007,101</u>	<u>6,708</u>	<u>6,644,926</u>
EXPENDITURES					
Current:					
Public safety	-	95,689	-	-	-
Parks, recreation and culture	-	-	-	-	-
Community development	17,825,539	-	-	-	2,860,466
Legislative / admin / support services	-	-	12,132,806	-	-
Debt service and related costs:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	18,300	-	-	-
Total expenditures	<u>17,825,539</u>	<u>113,989</u>	<u>12,132,806</u>	<u>-</u>	<u>2,860,466</u>
Revenues over (under) expenditures	<u>(548,984)</u>	<u>1,279,287</u>	<u>(125,705)</u>	<u>6,708</u>	<u>3,784,460</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	(10,000)	-	-
Right-of-use proceeds	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(548,984)</u>	<u>1,279,287</u>	<u>(135,705)</u>	<u>6,708</u>	<u>3,784,460</u>
Fund balances - beginning	77,161,530	8,192,273	8,431,300	91,174	28,938,779
Fund balances - ending	<u>\$ 76,612,546</u>	<u>\$ 9,471,560</u>	<u>\$ 8,295,595</u>	<u>\$ 97,882</u>	<u>\$ 32,723,239</u>

Housing Property	Recreational Cannabis Tax	Cannabis Licensing	Housing Development Costs	2020 Parks Local Option Levy	Total
\$ -	\$ -	\$ -	\$ -	\$ 47,987,648	\$ 72,336,477
-	-	-	-	-	24,023,271
-	6,850,492	-	-	-	23,928,381
-	-	-	-	-	55,989,204
-	-	-	-	-	40,683,498
-	-	-	-	-	2,582,866
-	-	-	-	-	2,068,238
-	-	-	-	-	3,322,031
-	-	-	-	-	61,250
5,211,211	-	-	-	-	5,959,681
-	-	1,317,974	2,398,807	-	19,598,211
-	-	-	-	-	2,122,077
85,871	103,252	2,084	552,927	(230,646)	8,128,571
-	-	-	-	-	7,741,225
<u>5,297,082</u>	<u>6,953,744</u>	<u>1,320,058</u>	<u>2,951,734</u>	<u>47,757,002</u>	<u>268,544,981</u>
-	-	-	-	-	30,919,213
-	-	-	-	25,470,402	30,986,073
3,452,386	-	-	58,516,567	-	205,979,965
-	6,201,889	1,536,691	-	-	51,306,573
501,303	-	-	-	-	1,383,577
194,932	-	-	-	-	2,058,048
689,897	1,169,916	-	-	-	2,970,272
<u>4,838,518</u>	<u>7,371,805</u>	<u>1,536,691</u>	<u>58,516,567</u>	<u>25,470,402</u>	<u>325,603,721</u>
<u>458,564</u>	<u>(418,061)</u>	<u>(216,633)</u>	<u>(55,564,833)</u>	<u>22,286,600</u>	<u>(57,058,740)</u>
53,233	-	159,862	-	-	23,737,579
-	-	-	-	(350,242)	(3,021,699)
-	-	-	-	-	81,540
<u>53,233</u>	<u>-</u>	<u>159,862</u>	<u>-</u>	<u>(350,242)</u>	<u>20,797,420</u>
511,797	(418,061)	(56,771)	(55,564,833)	21,936,358	(36,261,320)
6,270,590	7,299,425	1,243,835	82,179,997	24,547,202	385,409,464
<u>\$ 6,782,387</u>	<u>\$ 6,881,364</u>	<u>\$ 1,187,064</u>	<u>\$ 26,615,164</u>	<u>\$ 46,483,560</u>	<u>\$ 349,148,144</u>

City of Portland, Oregon
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2023

	<u>River District</u>		<u>Downtown</u>		<u>Interstate</u>	
	<u>Urban</u>	<u>Bonded Debt</u>	<u>Waterfront</u>	<u>Renewal</u>	<u>Corridor Debt</u>	<u>Pension Debt</u>
	<u>Area Debt</u>	<u>Interest and</u>	<u>Bond Sinking</u>	<u>Bond Sinking</u>	<u>Service</u>	<u>Redemption</u>
	<u>Redemption</u>	<u>Sinking</u>	<u>Bond Sinking</u>	<u>Bond Sinking</u>	<u>Service</u>	<u>Redemption</u>
ASSETS						
Unrestricted:						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	96,009
Receivables:						
Assessments	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	18,380
Prepaid items	-	-	-	-	-	-
Restricted:						
Cash and investments	-	1,952,170	2,271,639	26,511,144	-	-
Receivables:						
Taxes	-	841,781	869,764	641,473	-	-
Assessments	-	-	-	-	-	-
Accrued interest	-	160,205	46,168	283,634	-	-
Prepaid items	-	668	3,419	2,814	-	-
Total assets	<u>\$ -</u>	<u>\$ 2,954,824</u>	<u>\$ 3,190,990</u>	<u>\$ 27,439,065</u>	<u>\$ -</u>	<u>\$ 114,389</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Deferred inflows of resources:						
Unavailable revenue - unrestricted	-	-	-	-	-	-
Unavailable revenue - restricted	-	642,543	869,764	336,504	-	-
Total deferred inflows of resources	<u>-</u>	<u>642,543</u>	<u>869,764</u>	<u>336,504</u>	<u>-</u>	<u>-</u>
Fund balances:						
Restricted	-	2,312,281	2,321,226	27,102,561	-	-
Assigned	-	-	-	-	-	114,389
Total fund balances	<u>-</u>	<u>2,312,281</u>	<u>2,321,226</u>	<u>27,102,561</u>	<u>-</u>	<u>114,389</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ 2,954,824</u>	<u>\$ 3,190,990</u>	<u>\$ 27,439,065</u>	<u>\$ -</u>	<u>\$ 114,389</u>

<u>South Park Block Redemption</u>	<u>Gas Tax Bond Redemption</u>	<u>Lents Town Center Urban Renewal Area Debt Redemption</u>	<u>Central Eastside Industrial District Debt Service</u>	<u>Bancroft Bond Interest and Sinking</u>
\$ -	\$ -	\$ -	\$ -	\$ 17,218,511
-	-	-	-	28,554
-	-	-	-	138,044
-	-	-	-	7,271
2,712,697	10,116	1,784,730	3,014,299	825,667
657,667	-	346,211	128,587	-
-	-	-	-	23,934,844
1,623	-	108,097	43,233	22,083
1,362	-	902	1,314	-
<u>\$ 3,373,349</u>	<u>\$ 10,116</u>	<u>\$ 2,239,940</u>	<u>\$ 3,187,433</u>	<u>\$ 42,174,974</u>
-	-	-	-	28,554
<u>657,667</u>	<u>-</u>	<u>187,053</u>	<u>62,525</u>	<u>23,934,844</u>
<u>657,667</u>	<u>-</u>	<u>187,053</u>	<u>62,525</u>	<u>23,963,398</u>
2,715,682	10,116	2,052,887	3,124,908	847,750
-	-	-	-	17,363,826
<u>2,715,682</u>	<u>10,116</u>	<u>2,052,887</u>	<u>3,124,908</u>	<u>18,211,576</u>
<u>\$ 3,373,349</u>	<u>\$ 10,116</u>	<u>\$ 2,239,940</u>	<u>\$ 3,187,433</u>	<u>\$ 42,174,974</u>

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City of Portland, Oregon
Combining Balance Sheet, continued
Nonmajor Debt Service Funds
June 30, 2023

	Convention Center Area Debt Service	North Macadam Urban Renewal Area Debt Redemption	Special Projects Debt Service	Gateway Urban Renewal Area Debt Redemption
ASSETS				
Unrestricted:				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables:				
Assessments	-	-	-	-
Accrued interest	-	-	-	-
Prepaid items	-	-	-	-
Restricted:				
Cash and investments	4,015,473	2,547,285	106,409	4,133,171
Receivables:				
Taxes	2,526,278	353,551	-	102,563
Assessments	-	-	-	-
Accrued interest	6,510	81,391	853	61,181
Prepaid items	1,385	2,938	-	1,914
Total assets	\$ 6,549,646	\$ 2,985,165	\$ 107,262	\$ 4,298,829
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Deferred inflows of resources:				
Unavailable revenue - unrestricted	-	-	-	-
Unavailable revenue - restricted	2,526,278	185,058	-	54,787
Total deferred inflows of resources	2,526,278	185,058	-	54,787
Fund balances:				
Restricted	4,023,368	2,800,107	107,262	4,244,042
Assigned	-	-	-	-
Total fund balances	4,023,368	2,800,107	107,262	4,244,042
Total liabilities, deferred inflows of resources, and fund balances	\$ 6,549,646	\$ 2,985,165	\$ 107,262	\$ 4,298,829

Governmental Bond Redemption	Rosewood Neighborhood Prosperity Initiative Debt Service	82nd Avenue/Division Neighborhood Prosperity Initiative Debt Service	Total
\$ 4,581,926	\$ -	\$ -	\$ 21,896,446
-	-	-	28,554
43,231	-	-	199,655
2,503	-	-	9,774
-	-	15,496	49,900,296
-	-	1,296	6,469,171
-	-	-	23,934,844
-	-	59	815,037
-	-	-	16,716
<u>\$ 4,627,660</u>	<u>\$ -</u>	<u>\$ 16,851</u>	<u>\$ 103,270,493</u>
-	-	-	\$ 28,554
-	-	1,296	29,458,319
-	-	1,296	29,486,873
-	-	15,555	51,677,745
4,627,660	-	-	22,105,875
4,627,660	-	15,555	73,783,620
<u>\$ 4,627,660</u>	<u>\$ -</u>	<u>\$ 16,851</u>	<u>\$ 103,270,493</u>

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, 2023

	River District Urban Renewal Area Debt Redemption	Bonded Debt Interest and Sinking	Downtown Waterfront Renewal Bond Sinking	Interstate Corridor Debt Service	Pension Debt Redemption
REVENUES					
Taxes:					
Property	\$ -	\$ 27,063,596	\$ 12,488,602	\$ 46,099,011	\$ -
Intergovernmental	-	-	-	-	11,538
Assessments	-	-	-	-	-
Investment earnings (losses)	262,839	267,603	147,633	514,254	33,018
Miscellaneous	-	-	-	-	1,088,968
Total revenues	<u>262,839</u>	<u>27,331,199</u>	<u>12,636,235</u>	<u>46,613,265</u>	<u>1,133,524</u>
EXPENDITURES					
Current:					
Community development	6,223,383	-	-	-	-
Debt service and related costs:					
Principal	-	19,950,000	13,120,000	-	1,054,886
Interest	-	7,040,834	861,722	7,500	5,535,265
Debt issuance costs	-	-	3,852	-	375
Total expenditures	<u>6,223,383</u>	<u>26,990,834</u>	<u>13,985,574</u>	<u>7,500</u>	<u>6,590,526</u>
Revenues over (under) expenditures	<u>(5,960,544)</u>	<u>340,365</u>	<u>(1,349,339)</u>	<u>46,605,765</u>	<u>(5,457,002)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	6	-	-	5,490,150
Transfers out	-	-	(5,016,500)	(27,000,000)	-
Bonds and notes issued	-	-	-	-	-
Refunding bonds issued	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>6</u>	<u>(5,016,500)</u>	<u>(27,000,000)</u>	<u>5,490,150</u>
Net change in fund balances	<u>(5,960,544)</u>	<u>340,371</u>	<u>(6,365,839)</u>	<u>19,605,765</u>	<u>33,148</u>
Fund balances - beginning	<u>5,960,544</u>	<u>1,971,910</u>	<u>8,687,065</u>	<u>7,496,796</u>	<u>81,241</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 2,312,281</u>	<u>\$ 2,321,226</u>	<u>\$ 27,102,561</u>	<u>\$ 114,389</u>

South Park Block Redemption	Gas Tax Bond Redemption	Lents Town Center Urban Renewal Area Debt Redemption	Central Eastside Industrial District Debt Service	Bancroft Bond Interest and Sinking
\$ 8,776,596	\$ -	\$ 22,998,283	\$ 9,284,273	\$ -
-	-	-	-	-
-	-	-	-	5,520,576
36,649	8	211,351	81,602	1,402,090
-	-	8,500	-	-
<u>8,813,245</u>	<u>8</u>	<u>23,218,134</u>	<u>9,365,875</u>	<u>6,922,666</u>
-	-	-	-	-
9,428,776	-	8,300,803	9,371,771	5,960,000
155,889	-	351,039	265,728	1,041,462
-	-	-	-	-
<u>9,584,665</u>	<u>-</u>	<u>8,651,842</u>	<u>9,637,499</u>	<u>7,001,462</u>
<u>(771,420)</u>	<u>8</u>	<u>14,566,292</u>	<u>(271,624)</u>	<u>(78,796)</u>
-	-	-	-	-
-	-	(15,000,000)	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>(15,000,000)</u>	<u>-</u>	<u>-</u>
<u>(771,420)</u>	<u>8</u>	<u>(433,708)</u>	<u>(271,624)</u>	<u>(78,796)</u>
<u>3,487,102</u>	<u>10,108</u>	<u>2,486,595</u>	<u>3,396,532</u>	<u>18,290,372</u>
<u>\$ 2,715,682</u>	<u>\$ 10,116</u>	<u>\$ 2,052,887</u>	<u>\$ 3,124,908</u>	<u>\$ 18,211,576</u>

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City of Portland, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances, continued
Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2023

	Convention Center Area Debt Service	North Macadam Urban Renewal Area Debt Redemption	Special Projects Debt Service	Gateway Urban Renewal Area Debt Redemption
REVENUES				
Taxes:				
Property	\$ 9,765,405	\$ 24,585,397	\$ -	\$ 6,853,428
Intergovernmental	-	-	7,120,595	-
Assessments	-	-	-	-
Investment earnings (losses)	60,982	181,780	1,177	113,942
Miscellaneous	-	8,500	-	-
Total revenues	<u>9,826,387</u>	<u>24,775,677</u>	<u>7,121,772</u>	<u>6,967,370</u>
EXPENDITURES				
Current:				
Community development	-	1,436,566	-	-
Debt service and related costs:				
Principal	9,285,000	17,701,538	4,908,977	1,540,000
Interest	249,024	852,841	2,500,007	2,203,580
Debt issuance costs	-	-	-	-
Total expenditures	<u>9,534,024</u>	<u>19,990,945</u>	<u>7,408,984</u>	<u>3,743,580</u>
Revenues over (under) expenditures	<u>292,363</u>	<u>4,784,732</u>	<u>(287,212)</u>	<u>3,223,790</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	288,389	-
Transfers out	-	(9,600,000)	-	(3,850,000)
Bonds and notes issued	-	-	-	-
Refunding bonds issued	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(9,600,000)</u>	<u>288,389</u>	<u>(3,850,000)</u>
Net change in fund balances	<u>292,363</u>	<u>(4,815,268)</u>	<u>1,177</u>	<u>(626,210)</u>
Fund balances - beginning	<u>3,731,005</u>	<u>7,615,375</u>	<u>106,085</u>	<u>4,870,252</u>
Fund balances - ending	<u>\$ 4,023,368</u>	<u>\$ 2,800,107</u>	<u>\$ 107,262</u>	<u>\$ 4,244,042</u>

<u>Governmental Bond Redemption</u>	<u>Rosewood Neighborhood Prosperity Initiative Debt Service</u>	<u>82nd Avenue/ Division Neighborhood Prosperity Initiative Debt Service</u>	<u>Total</u>
\$ -	\$ -	\$ 34,411	\$ 167,949,002
-	-	-	7,132,133
-	-	-	5,520,576
126,026	3,529	(406)	3,444,077
-	-	-	1,105,968
<u>126,026</u>	<u>3,529</u>	<u>34,005</u>	<u>185,151,756</u>
-	22,943	15,702	7,698,594
15,190,741	-	-	115,812,492
2,259,535	-	-	23,324,426
-	-	-	4,227
<u>17,450,276</u>	<u>22,943</u>	<u>15,702</u>	<u>146,839,739</u>
<u>(17,324,250)</u>	<u>(19,414)</u>	<u>18,303</u>	<u>38,312,017</u>
3,585,027	-	-	9,363,572
(14,038)	-	-	(60,480,538)
-	-	-	-
<u>11,805,099</u>	<u>-</u>	<u>-</u>	<u>11,805,099</u>
<u>15,376,088</u>	<u>-</u>	<u>-</u>	<u>(39,311,867)</u>
<u>(1,948,162)</u>	<u>(19,414)</u>	<u>18,303</u>	<u>(999,850)</u>
<u>6,575,822</u>	<u>19,414</u>	<u>(2,748)</u>	<u>74,783,470</u>
<u>\$ 4,627,660</u>	<u>\$ -</u>	<u>\$ 15,555</u>	<u>\$ 73,783,620</u>

City of Portland, Oregon
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2023

	<u>Special Finance and Resource</u>	<u>Local Improvement District</u>	<u>Parks Capital Improvement Program</u>	<u>Housing Capital</u>	<u>Fire Capital</u>	<u>Total</u>
ASSETS						
Unrestricted:						
Cash and investments	\$ -	\$ 2,079,756	\$ 27,311,303	\$ -	\$ -	\$ 29,391,059
Receivables:						
Accounts, net	-	66,608	-	-	-	66,608
Assessments	-	5,248,746	-	-	-	5,248,746
Accrued interest	-	21,574	-	-	-	21,574
Prepaid items	-	1,395	75,035	-	-	76,430
Restricted:						
Cash and investments	46,257,977	-	169,166,427	1,107	6,283,257	221,708,768
Receivables:						
Accounts, net	-	-	10,109	-	-	10,109
Assessments	-	-	3,378,203	-	-	3,378,203
Accrued interest	375,723	-	1,641,324	-	71,238	2,088,285
Internal loans receivable	-	-	1,000,000	-	-	1,000,000
Prepaid items	12,610	-	-	-	3,530	16,140
Total assets	<u>\$ 46,646,310</u>	<u>\$ 7,418,079</u>	<u>\$ 202,582,401</u>	<u>\$ 1,107</u>	<u>\$ 6,358,025</u>	<u>\$ 263,005,922</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities payable from restricted assets:						
Accounts payable	\$ -	\$ -	\$ 3,917,880	\$ -	\$ -	\$ 3,917,880
Total liabilities	-	-	3,917,880	-	-	3,917,880
Deferred inflows of resources:						
Unavailable revenue - unrestricted	-	5,248,746	-	-	-	5,248,746
Unavailable revenue - restricted	-	-	3,386,605	-	-	3,386,605
Total deferred inflows of resources	-	5,248,746	3,386,605	-	-	8,635,351
Fund balances:						
Restricted	46,646,310	-	167,891,578	1,107	6,358,025	220,897,020
Committed	-	-	4,495,889	-	-	4,495,889
Assigned	-	2,169,333	22,890,449	-	-	25,059,782
Total fund balances	<u>46,646,310</u>	<u>2,169,333</u>	<u>195,277,916</u>	<u>1,107</u>	<u>6,358,025</u>	<u>250,452,691</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 46,646,310</u>	<u>\$ 7,418,079</u>	<u>\$ 202,582,401</u>	<u>\$ 1,107</u>	<u>\$ 6,358,025</u>	<u>\$ 263,005,922</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, 2023

	Special Finance and Resource	Local Improvement District	Parks Capital Improvement Program	Housing Capital	Fire Capital	Total
REVENUES						
Intergovernmental	-	-	104,953	-	-	104,953
Charges for services	-	-	17,670,932	-	-	17,670,932
Interagency	-	59,607	677	-	-	60,284
Parking fees	-	-	172,866	-	-	172,866
Miscellaneous service charges	-	937,437	-	-	-	937,437
Loan collections	-	-	61,276	-	-	61,276
Assessments	-	1,180,273	1,913,404	-	-	3,093,677
Investment earnings (losses)	690,581	127,725	4,105,906	(8)	124,917	5,049,121
Sale of inventory	-	-	253,886	-	-	253,886
Miscellaneous	-	-	11	-	-	11
Total revenues	<u>690,581</u>	<u>2,305,042</u>	<u>24,283,911</u>	<u>(8)</u>	<u>124,917</u>	<u>27,404,443</u>
EXPENDITURES						
Current:						
Parks, recreation and culture	-	-	5,724,109	-	-	5,724,109
Community development	55,439,433	1,367,874	-	-	-	56,807,307
Debt service and related costs:						
Principal	-	7,728,968	25,090	-	-	7,754,058
Interest	-	360,217	131,656	-	-	491,873
Debt issuance costs	206,847	6,000	-	-	-	212,847
Capital outlay	-	-	35,339,164	-	-	35,339,164
Total expenditures	<u>55,646,280</u>	<u>9,463,059</u>	<u>41,220,019</u>	<u>-</u>	<u>-</u>	<u>106,329,358</u>
Revenues over (under) expenditures	<u>(54,955,699)</u>	<u>(7,158,017)</u>	<u>(16,936,108)</u>	<u>(8)</u>	<u>124,917</u>	<u>(78,924,915)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	60,570,857	-	19,907,700	-	-	80,478,557
Transfers out	(5,704,173)	(3,533,403)	(26,093)	-	(2,650,000)	(11,913,669)
Bonds and notes issued	11,414,901	3,514,128	-	-	-	14,929,029
Refunding bonds issued	-	5,734,144	-	-	-	5,734,144
Bonds and notes premium	3,767,384	-	-	-	-	3,767,384
Total other financing sources (uses)	<u>70,048,969</u>	<u>5,714,869</u>	<u>19,881,607</u>	<u>-</u>	<u>(2,650,000)</u>	<u>92,995,445</u>
Net change in fund balances	<u>15,093,270</u>	<u>(1,443,148)</u>	<u>2,945,499</u>	<u>(8)</u>	<u>(2,525,083)</u>	<u>14,070,530</u>
Fund balances - beginning	<u>31,553,040</u>	<u>3,612,481</u>	<u>192,332,417</u>	<u>1,115</u>	<u>8,883,108</u>	<u>236,382,161</u>
Fund balances - ending	<u>\$ 46,646,310</u>	<u>\$ 2,169,333</u>	<u>\$ 195,277,916</u>	<u>\$ 1,107</u>	<u>\$ 6,358,025</u>	<u>\$ 250,452,691</u>



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Nonmajor Proprietary Funds



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Nonmajor Proprietary Fund Types:

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

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

City of Portland, Oregon
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2023

	Hydroelectric Power	Golf	Portland International Raceway
ASSETS			
Current assets (unrestricted):			
Cash and investments	\$ 1,254,956	\$ 6,937,736	\$ 1,224,068
Receivables:			
Accounts, net	83,087	384,703	1,388
Leases	-	-	-
Notes and loans, net	-	-	-
Advances	-	-	-
Accrued interest	7,442	39,815	10,239
Prepaid expenses	-	2,253	-
Total current assets (unrestricted)	1,345,485	7,364,507	1,235,695
Noncurrent assets (unrestricted):			
Capital assets, not being depreciated or amortized:			
Land	-	586,686	-
Construction in progress	-	32,439	-
Land use rights	4,500	-	-
Capital assets, being depreciated or amortized:			
Infrastructure	43,856,395	-	-
Buildings	-	6,613,324	-
Improvements to land	-	16,820,498	6,622,794
Equipment	-	819,375	161,340
Software	-	-	-
ROU assets	-	-	26,118
Accumulated depreciation and amortization	(26,595,316)	(19,020,153)	(4,387,592)
Capital assets, net of accumulated depreciation and amortization	17,265,579	5,852,169	2,422,660
Receivables:			
Leases	-	-	-
Notes and loans, net	-	-	-
Net OPEB asset	4,495	81,574	17,334
Total noncurrent assets (unrestricted)	17,270,074	5,933,743	2,439,994
Total assets	18,615,559	13,298,250	3,675,689
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pensions	143,848	1,705,983	319,266
Deferred outflows - OPEB	6,215	108,487	25,071
Deferred charge for debt refundings	-	-	-
Total deferred outflows of resources	150,063	1,814,470	344,337

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Total
\$ 4,357,507	\$ 6,798,732	\$ 19,794,749	\$ 14,965,713	\$ 55,333,461
2,336,719	138,273	166,573	-	3,110,743
-	337,252	-	208,742	545,994
-	-	1,500,000	-	1,500,000
-	-	60,000	15,500	75,500
33,867	71,013	163,223	116,305	441,904
1,772	1,227	5,856	4,622	15,730
<u>6,729,865</u>	<u>7,346,497</u>	<u>21,690,401</u>	<u>15,310,882</u>	<u>61,023,332</u>
-	10,578,071	4,432,758	1,563,333	17,160,848
-	97,130	1,097,429	169,533	1,396,531
-	-	-	-	4,500
-	20,011,198	-	5,416	63,873,009
-	39,872,916	215,501,639	1,768,170	263,756,049
-	74,934	-	2,275,856	25,794,082
-	1,531,565	4,118,808	12,299	6,643,387
48,320	98,580	5,983	-	152,883
-	-	-	-	26,118
(48,320)	(33,129,287)	(76,522,163)	(1,856,879)	(161,559,710)
-	39,135,107	148,634,454	3,937,728	217,247,697
-	2,258,236	-	591,863	2,850,099
-	-	-	624,556	624,556
38,140	-	5,727	7,891	155,161
<u>38,140</u>	<u>41,393,343</u>	<u>148,640,181</u>	<u>5,162,038</u>	<u>220,877,513</u>
<u>6,768,005</u>	<u>48,739,840</u>	<u>170,330,582</u>	<u>20,472,920</u>	<u>281,900,845</u>
1,112,125	6,278	370,994	350,252	4,008,746
54,767	-	8,926	12,432	215,898
-	5,375	-	-	5,375
<u>1,166,892</u>	<u>11,653</u>	<u>379,920</u>	<u>362,684</u>	<u>4,230,019</u>

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City of Portland, Oregon
Combining Statement of Net Position, continued
Nonmajor Enterprise Funds
June 30, 2023

	Hydroelectric Power	Golf	Portland International Raceway
LIABILITIES			
Current liabilities (payable from unrestricted assets):			
Accounts payable	\$ 571,061	\$ 507,803	\$ 96,797
Compensated absences	18,067	197,225	46,517
Bonds payable	5,246	42,862	8,251
Leases and subscriptions payable	-	-	2,312
Accrued interest payable	2,515	24,324	8,586
Unearned revenue	-	-	-
Internal loans payable	-	-	250,000
Landfills postclosure	-	-	-
Pollution remediation	-	-	-
Total current liabilities (unrestricted)	596,889	772,214	412,463
Noncurrent liabilities:			
Compensated absences	8,985	94,706	22,068
Bonds payable	23,399	191,184	36,804
Internal loans payable	-	-	750,000
Accrued interest payable	150,296	1,228,072	236,405
Net pension liability - PERS	382,856	4,382,164	913,800
Other postemployment benefits	38,108	621,103	134,599
Landfills postclosure	-	-	-
Pollution remediation	-	-	-
Total noncurrent liabilities	603,644	6,517,229	2,093,676
Total liabilities	1,200,533	7,289,443	2,506,139
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - pensions	86,300	988,959	152,731
Deferred inflows - leases	-	-	-
Deferred inflows - OPEB	5,234	93,200	23,834
Deferred inflows charge for debt refunding	-	-	-
Total deferred inflows of resources	91,534	1,082,159	176,565
NET POSITION			
Net investment in capital assets	17,265,579	5,852,169	2,420,348
Unrestricted	207,976	888,949	(1,083,026)
Total net position	\$ 17,473,555	\$ 6,741,118	\$ 1,337,322

<u>Solid Waste Management</u>	<u>Parking Facilities</u>	<u>Spectator Facilities Operating</u>	<u>Environmental Remediation</u>	<u>Total</u>
\$ 416,600	\$ 143,151	\$ 821,531	\$ 296,338	\$ 2,853,281
111,530	8,993	42,172	68,666	493,170
13,310	1,680,160	2,865,395	307	4,615,531
-	-	-	-	2,312
6,380	35,000	33,791	147	110,743
-	194,350	-	-	194,350
-	-	-	-	250,000
-	-	-	15,000	15,000
-	-	-	1,392,000	1,392,000
<u>547,820</u>	<u>2,061,654</u>	<u>3,762,889</u>	<u>1,772,458</u>	<u>9,926,387</u>
54,645	4,002	20,427	33,823	238,656
59,365	-	9,161,400	1,372	9,473,524
-	-	-	-	750,000
381,349	-	-	8,801	2,004,923
2,858,064	85,906	805,450	769,639	10,197,879
293,310	-	34,782	48,716	1,170,618
-	-	-	285,000	285,000
-	-	-	2,694,000	2,694,000
<u>3,646,733</u>	<u>89,908</u>	<u>10,022,059</u>	<u>3,841,351</u>	<u>26,814,600</u>
<u>4,194,553</u>	<u>2,151,562</u>	<u>13,784,948</u>	<u>5,613,809</u>	<u>36,740,987</u>
898,905	4,406	180,343	243,528	2,555,172
-	2,595,488	-	800,605	3,396,093
44,990	-	6,810	8,827	182,895
-	56	-	-	56
<u>943,895</u>	<u>2,599,950</u>	<u>187,153</u>	<u>1,052,960</u>	<u>6,134,216</u>
-	39,140,266	148,607,659	3,937,728	217,223,749
<u>2,796,449</u>	<u>4,859,715</u>	<u>8,130,742</u>	<u>10,231,107</u>	<u>26,031,912</u>
<u>\$ 2,796,449</u>	<u>\$ 43,999,981</u>	<u>\$ 156,738,401</u>	<u>\$ 14,168,835</u>	<u>\$ 243,255,661</u>

City of Portland, Oregon
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2023

	Hydroelectric Power	Golf	Portland International Raceway
Operating revenues:			
Service charges and fees	\$ -	\$ 9,429,713	\$ 324,855
Service charges and fees provided internally	210,543	-	-
Licenses and permits	-	-	-
Rents and reimbursements	-	942,365	1,725,219
Concessions	-	3,013,521	246,469
Parking fees	-	-	-
Power sales	2,948,885	-	-
Lease revenue	-	-	-
Miscellaneous	-	2,979	4,725
Total operating revenues	3,159,428	13,388,578	2,301,268
Operating expenses:			
Salaries and wages	347,635	4,074,617	952,764
Operating supplies	576	610,819	126,407
Professional services	2,190,879	674,904	161,598
Materials and services provided internally	373,292	924,733	274,132
Utilities	-	436,172	105,566
Utility license fees	-	-	-
Miscellaneous	308,418	5,607,289	125,748
Depreciation and amortization	577,902	689,350	196,126
Total operating expenses	3,798,702	13,017,884	1,942,341
Operating income (loss)	(639,274)	370,694	358,927
Nonoperating revenues (expenses):			
Investment earnings (losses)	3,966	76,415	12,434
Interest expense	(18,440)	(156,043)	(48,456)
Proceeds from sale of capital assets	-	-	-
Lease revenue	-	711,357	-
Total nonoperating revenues (expenses)	(14,474)	631,729	(36,022)
Income before contributions and transfers	(653,748)	1,002,423	322,905
Transfers in	-	-	-
Transfers out	(5,669)	(46,327)	(8,916)
Capital contributions	-	-	-
Change in net position	(659,417)	956,096	313,989
Total net position - beginning	18,132,972	5,785,022	1,023,333
Total net position - ending	\$ 17,473,555	\$ 6,741,118	\$ 1,337,322

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Total
\$ 4,655,087	\$ 228,363	\$ 588,383	\$ 6,662,055	\$ 21,888,456
1,900	1,276,215	-	683,541	2,172,199
3,722,001	-	-	-	3,722,001
-	50,413	8,420,483	44,436	11,182,916
-	-	-	-	3,259,990
-	8,745,414	3,517,827	-	12,263,241
-	-	-	-	2,948,885
-	57,800	-	6,753	64,553
5,590	-	-	-	13,294
<u>8,384,578</u>	<u>10,358,205</u>	<u>12,526,693</u>	<u>7,396,785</u>	<u>57,515,535</u>
2,284,991	725,624	464,892	825,340	9,675,863
290,390	30,835	1,657	34,350	1,095,034
158,658	345,319	797,929	494,149	4,823,436
2,044,695	3,511,730	714,519	2,200,049	10,043,150
2,119,917	-	-	-	2,661,655
-	-	-	332,215	332,215
284,883	4,678,730	2,144,312	2,718,081	15,867,461
3,221	1,291,071	4,506,794	85,349	7,349,813
<u>7,186,755</u>	<u>10,583,309</u>	<u>8,630,103</u>	<u>6,689,533</u>	<u>51,848,627</u>
<u>1,197,823</u>	<u>(225,104)</u>	<u>3,896,590</u>	<u>707,252</u>	<u>5,666,908</u>
63,295	186,606	272,599	244,730	860,045
(46,813)	(81,487)	(462,447)	(1,078)	(814,764)
-	-	(876,160)	-	(876,160)
-	192,332	-	402,230	1,305,919
<u>16,482</u>	<u>297,451</u>	<u>(1,066,008)</u>	<u>645,882</u>	<u>475,040</u>
1,214,305	72,347	2,830,582	1,353,134	6,141,948
-	4,370,000	-	1,905,170	6,275,170
(1,079,383)	(339,755)	(29,678)	(636,332)	(2,146,060)
-	-	278,499	-	278,499
134,922	4,102,592	3,079,403	2,621,972	10,549,557
<u>2,661,527</u>	<u>39,897,389</u>	<u>153,658,998</u>	<u>11,546,863</u>	<u>232,706,104</u>
<u>\$ 2,796,449</u>	<u>\$ 43,999,981</u>	<u>\$ 156,738,401</u>	<u>\$ 14,168,835</u>	<u>\$ 243,255,661</u>

City of Portland, Oregon
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2023

	Hydroelectric Power	Golf	Portland International Raceway
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 2,993,833	\$ 13,419,216	\$ 2,301,085
Receipts for interfund services provided	210,543	-	-
Payments to suppliers	(2,461,975)	(7,301,130)	(464,929)
Payments to employees	(366,062)	(4,005,622)	(925,838)
Payments for interfund services used	(373,292)	(924,733)	(274,132)
Net cash provided by operating activities	<u>3,047</u>	<u>1,187,731</u>	<u>636,186</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	-	-	-
Transfers out	(5,669)	(46,327)	(8,916)
Payments for internal loans	-	(340,500)	(250,000)
Net cash provided by (used for) noncapital financing activities	<u>(5,669)</u>	<u>(386,827)</u>	<u>(258,916)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	-	-
Lease payments received	-	711,350	-
Principal paid on bonds, notes, leases, and subscriptions	(5,452)	(44,545)	(20,589)
Interest paid on bonds, notes, leases, and subscriptions	(28,607)	(235,242)	(60,059)
Net cash provided by (used for) capital related financing activities	<u>(34,059)</u>	<u>431,563</u>	<u>(80,648)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings (losses)	(2,357)	48,896	4,499
Net cash provided by (used for) investing activities	<u>(2,357)</u>	<u>48,896</u>	<u>4,499</u>
Net increase (decrease) in cash and cash equivalents	(39,038)	1,281,363	301,121
Cash and cash equivalents, July 1, 2022	1,293,994	5,656,373	922,947
Cash and Cash Equivalents, June 30, 2023	<u>\$ 1,254,956</u>	<u>\$ 6,937,736</u>	<u>\$ 1,224,068</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Unrestricted cash and cash equivalents	\$ 1,254,956	\$ 6,937,736	\$ 1,224,068
Total cash and cash equivalents	<u>\$ 1,254,956</u>	<u>\$ 6,937,736</u>	<u>\$ 1,224,068</u>

Solid Waste Management	Parking Facilities	Spectator Facilities Operating	Environmental Remediation	Total
\$ 8,123,964	\$ 9,127,022	\$ 12,719,867	\$ 6,704,800	\$ 55,389,787
1,900	1,276,215	-	683,541	2,172,199
(2,840,994)	(5,049,597)	(3,065,235)	(2,852,619)	(24,036,479)
(2,202,183)	(712,629)	(415,201)	(792,081)	(9,419,616)
(2,044,695)	(3,511,730)	(714,519)	(2,200,049)	(10,043,150)
<u>1,037,992</u>	<u>1,129,281</u>	<u>8,524,912</u>	<u>1,543,592</u>	<u>14,062,741</u>
-	4,370,000	-	1,905,170	6,275,170
(1,079,383)	(339,755)	(29,678)	(636,332)	(2,146,060)
-	-	-	-	(590,500)
<u>(1,079,383)</u>	<u>4,030,245</u>	<u>(29,678)</u>	<u>1,268,838</u>	<u>3,538,610</u>
-	(16,512)	(868,987)	(50,715)	(936,214)
-	298,424	-	447,230	1,457,004
(13,833)	(1,600,000)	(2,202,000)	(319)	(3,886,738)
(72,584)	(164,000)	(477,493)	(1,676)	(1,039,661)
<u>(86,417)</u>	<u>(1,482,088)</u>	<u>(3,548,480)</u>	<u>394,520</u>	<u>(4,405,609)</u>
<u>40,338</u>	<u>42,177</u>	<u>147,477</u>	<u>146,057</u>	<u>427,087</u>
<u>40,338</u>	<u>42,177</u>	<u>147,477</u>	<u>146,057</u>	<u>427,087</u>
(87,470)	3,719,615	5,094,231	3,353,007	13,622,829
<u>4,444,977</u>	<u>3,079,117</u>	<u>14,700,518</u>	<u>11,612,706</u>	<u>41,710,632</u>
<u>\$ 4,357,507</u>	<u>\$ 6,798,732</u>	<u>\$ 19,794,749</u>	<u>\$ 14,965,713</u>	<u>\$ 55,333,461</u>
<u>\$ 4,357,507</u>	<u>\$ 6,798,732</u>	<u>\$ 19,794,749</u>	<u>\$ 14,965,713</u>	<u>\$ 55,333,461</u>
<u>\$ 4,357,507</u>	<u>\$ 6,798,732</u>	<u>\$ 19,794,749</u>	<u>\$ 14,965,713</u>	<u>\$ 55,333,461</u>

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City of Portland, Oregon
Combining Statement of Cash Flows, continued
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2023

	Hydroelectric Power	Golf	Portland International Raceway
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (639,274)	\$ 370,694	\$ 358,927
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and amortization	577,902	689,350	196,126
Change in assets and liabilities:			
Accounts and advances receivable	43,603	5,090	(5,561)
Prepaid expenses	-	(1,792)	-
Accounts payable	37,898	29,846	54,390
Compensated absences	(23,187)	50,168	47,952
Unearned revenue	-	-	-
Net pension liability - PERS	73,520	693,158	130,665
Other postemployment benefits	(1,984)	(37,701)	(7,937)
Pollution remediation	-	-	-
Deferred outflows - pensions	18,551	168,354	9,019
Deferred outflows - OPEB	1,086	16,851	2,459
Deferred inflows - pensions	(85,667)	(807,676)	(152,253)
Deferred inflows - OPEB	599	11,389	2,399
Net cash provided by operating activities	\$ 3,047	\$ 1,187,731	\$ 636,186
Noncash information			
Capital contributions	\$ -	\$ -	\$ -
Increase in fair value of investments (classified as cash equivalents)	\$ (10,052)	\$ (46,648)	\$ (7,954)
Acquisition of ROU assets with additions to ROU liabilities	\$ -	\$ -	\$ 3,469

<u>Solid Waste Management</u>	<u>Parking Facilities</u>	<u>Spectator Facilities Operating</u>	<u>Environmental Remediation</u>	<u>Total</u>
\$ 1,197,823	\$ (225,104)	\$ 3,896,590	\$ 707,252	\$ 5,666,908
3,221	1,291,071	4,506,794	85,349	7,349,813
(268,126)	41,359	191,829	(11,133)	(2,939)
(1,410)	(977)	(4,661)	(3,678)	(12,518)
14,264	6,264	(116,676)	(140,146)	(114,160)
(18,360)	12,995	25,642	33,878	129,088
-	3,673	-	-	3,673
374,201	-	94,799	137,427	1,503,770
(13,890)	-	(1,984)	(3,969)	(67,465)
-	-	-	870,000	870,000
170,747	-	40,415	25,376	432,462
11,348	-	2,025	2,170	35,939
(436,022)	-	(110,460)	(160,132)	(1,752,210)
4,196	-	599	1,198	20,380
<u>\$ 1,037,992</u>	<u>\$ 1,129,281</u>	<u>\$ 8,524,912</u>	<u>\$ 1,543,592</u>	<u>\$ 14,062,741</u>
\$ -	\$ -	\$ 278,499	\$ -	\$ 278,499
\$ (29,399)	\$ (22,866)	\$ (109,559)	\$ (96,990)	\$ (323,468)
\$ -	\$ -	\$ -	\$ -	\$ 3,469

City of Portland, Oregon
Combining Statement of Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2023

	<u>Health Insurance Operating</u>	<u>Facilities Services Operating</u>	<u>CityFleet Operating</u>
ASSETS			
Current assets (unrestricted):			
Cash and investments	\$ 26,101,685	\$ 61,155,048	\$ 40,559,086
Receivables:			
Accounts, net	3,021	1,428,099	230,017
Advances	-	31,156	-
Leases receivable	-	113,809	-
Accrued interest	173,836	528,515	307,063
Due from component unit	-	-	-
Inventories	-	-	2,837,871
Prepaid expenses	11,322	63,987	16,595
Total current assets (unrestricted)	<u>26,289,864</u>	<u>63,320,614</u>	<u>43,950,632</u>
Noncurrent assets (unrestricted):			
Capital assets, not being depreciated or amortized:			
Land	-	13,068,053	87,000
Construction in progress	-	8,222,371	73,422,003
Capital assets, being depreciated or amortized:			
Infrastructure	-	-	-
Buildings	-	315,867,550	1,944,421
Improvements to land	-	1,461,571	-
Equipment	-	1,794,130	62,827,606
Software	72,700	532,648	158,600
ROU assets	-	13,556,402	543,619
Accumulated depreciation and amortization	<u>(14,540)</u>	<u>(121,720,013)</u>	<u>(48,312,793)</u>
Capital assets net of accumulated depreciation and amortization	58,160	232,782,712	90,670,456
Leases receivable	-	1,066,990	-
Net OPEB asset	<u>35,873</u>	<u>93,326</u>	<u>152,625</u>
Total noncurrent assets (unrestricted)	<u>94,033</u>	<u>233,943,028</u>	<u>90,823,081</u>
Noncurrent assets (restricted):			
Cash and investments	-	687,605	361,421
Total noncurrent assets	<u>94,033</u>	<u>234,630,633</u>	<u>91,184,502</u>
Total assets	<u>26,383,897</u>	<u>297,951,247</u>	<u>135,135,134</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - pensions	1,042,801	2,322,049	4,007,058
Deferred outflows - OPEB	55,318	132,536	223,884
Total deferred outflows of resources	<u>1,098,119</u>	<u>2,454,585</u>	<u>4,230,942</u>

<u>Printing and Distribution Services Operating</u>	<u>Insurance and Claims Operating</u>	<u>Workers' Compensation Self Insurance Operating</u>	<u>Technology Services</u>	<u>Portland Police Association Health Insurance</u>	<u>Total</u>
\$ 1,810,042	\$ 26,712,193	\$ 11,499,274	\$ 30,785,619	\$ 8,102,987	\$ 206,725,934
222,144	4,525	2,089	1,219,119	-	3,109,014
-	-	-	-	-	31,156
-	-	-	126,533	-	240,342
12,164	204,587	92,597	224,216	65,791	1,608,769
2,177	-	-	13,723	-	15,900
-	-	-	1,062,491	-	3,900,362
578	187,525	5,064	4,632,370	3,952	4,921,393
<u>2,047,105</u>	<u>27,108,830</u>	<u>11,599,024</u>	<u>38,064,071</u>	<u>8,172,730</u>	<u>220,552,870</u>
-	-	-	1,172,066	-	14,327,119
-	-	-	2,591,806	-	84,236,180
-	-	-	1,195,452	-	1,195,452
-	-	-	6,543,311	-	324,355,282
-	-	-	-	-	1,461,571
1,775,351	-	-	82,444,207	-	148,841,294
315,337	362,576	260,093	56,868,216	-	58,570,170
-	-	-	11,019,299	-	25,119,320
<u>(1,740,222)</u>	<u>(362,576)</u>	<u>(260,093)</u>	<u>(86,875,271)</u>	<u>-</u>	<u>(259,285,508)</u>
350,466	-	-	74,959,086	-	398,820,880
-	-	-	42,106	-	1,109,096
<u>33,936</u>	<u>29,439</u>	<u>12,796</u>	<u>488,091</u>	<u>-</u>	<u>846,086</u>
<u>384,402</u>	<u>29,439</u>	<u>12,796</u>	<u>75,489,283</u>	<u>-</u>	<u>400,776,062</u>
-	-	-	-	-	1,049,026
<u>384,402</u>	<u>29,439</u>	<u>12,796</u>	<u>75,489,283</u>	<u>-</u>	<u>401,825,088</u>
<u>2,431,507</u>	<u>27,138,269</u>	<u>11,611,820</u>	<u>113,553,354</u>	<u>8,172,730</u>	<u>622,377,958</u>
916,823	698,983	627,467	17,614,220	-	27,229,401
46,342	42,802	18,651	711,732	-	1,231,265
<u>963,165</u>	<u>741,785</u>	<u>646,118</u>	<u>18,325,952</u>	<u>-</u>	<u>28,460,666</u>

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City of Portland, Oregon
Combining Statement of Net Position, continued
Internal Service Funds
June 30, 2023

	Health Insurance Operating	Facilities Services Operating	CityFleet Operating
LIABILITIES			
Current liabilities (payable from unrestricted assets):			
Accounts payable	\$ 6,949,551	\$ 6,118,310	\$ 1,904,005
Self insurance claims	13,211,000	-	-
Compensated absences	194,642	350,297	562,440
Bonds payable	7,912	6,883,984	528,757
Leases and subscriptions payable	-	1,861,015	209,751
Accrued interest payable	3,792	558,571	104,492
Due to component unit	-	752,898	-
Unearned revenue	-	58,896	180
Other liabilities	43,572	-	-
Total current liabilities (unrestricted)	20,410,469	16,583,971	3,309,625
Noncurrent liabilities:			
Self insurance claims	-	-	-
Compensated absences	136,183	229,997	344,785
Bonds payable	35,288	123,506,004	5,162,459
Leases and subscriptions payable	-	6,591,888	107,202
Accrued interest payable	226,682	1,220,784	2,868,733
Net pension liability - PERS	2,382,456	4,713,075	10,151,686
Other postemployment benefits	158,898	532,440	1,053,697
Total noncurrent liabilities	2,939,507	136,794,188	19,688,562
Total liabilities	23,349,976	153,378,159	22,998,187
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow - pensions	598,332	1,556,733	2,629,021
Deferred charge for debt refunding	-	15,762	-
Deferred inflows - leases	-	1,180,799	-
Deferred inflows - OPEB	39,507	101,311	172,669
Total deferred inflow of resources	637,839	2,854,605	2,801,690
NET POSITION			
Net investment in capital assets	58,159	94,844,318	85,570,427
Unrestricted	3,436,042	49,328,750	27,995,772
Total net position	\$ 3,494,201	\$ 144,173,068	\$ 113,566,199

Printing and Distribution Services Operating	Insurance and Claims Operating	Workers' Compensation Self Insurance Operating	Technology Services	Portland Police Association Health Insurance	Total
\$ 263,515	\$ 423,558	\$ 122,361	\$ 6,007,710	\$ 1,060,429	\$ 22,849,439
-	5,263,318	1,096,263	-	-	19,570,581
104,698	159,215	48,304	3,195,199	-	4,614,795
33,930	18,696	17,488	119,000	-	7,609,767
-	-	-	2,739,877	-	4,810,643
16,264	8,962	8,383	155,760	-	856,224
-	-	-	-	-	752,898
-	-	-	18,057	-	77,133
-	-	-	-	-	43,572
<u>418,407</u>	<u>5,873,749</u>	<u>1,292,799</u>	<u>12,235,603</u>	<u>1,060,429</u>	<u>61,185,052</u>
-	11,771,250	6,390,259	-	-	18,161,509
63,517	112,132	34,130	2,030,428	-	2,951,172
151,344	83,394	78,006	530,788	-	129,547,283
-	-	-	2,349,275	-	9,048,365
972,160	535,690	501,070	3,409,550	-	9,734,669
2,328,439	1,724,600	1,494,028	40,522,798	-	63,317,082
272,857	187,371	92,893	3,139,090	-	5,437,246
<u>3,788,317</u>	<u>14,414,437</u>	<u>8,590,386</u>	<u>51,981,929</u>	<u>-</u>	<u>238,197,326</u>
<u>4,206,724</u>	<u>20,288,186</u>	<u>9,883,185</u>	<u>64,217,532</u>	<u>1,060,429</u>	<u>299,382,378</u>
717,833	421,817	409,085	12,132,178	-	18,464,999
-	-	-	-	-	15,762
-	-	-	168,640	-	1,349,439
42,015	33,108	14,221	537,946	-	940,777
<u>759,848</u>	<u>454,925</u>	<u>423,306</u>	<u>12,838,764</u>	<u>-</u>	<u>20,770,977</u>
350,466	-	-	69,869,934	-	250,693,304
(1,922,366)	7,136,943	1,951,447	(15,046,924)	7,112,301	79,991,965
<u>\$ (1,571,900)</u>	<u>\$ 7,136,943</u>	<u>\$ 1,951,447</u>	<u>\$ 54,823,010</u>	<u>\$ 7,112,301</u>	<u>\$ 330,685,269</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, 2023

	Health Insurance Operating	Facilities Services Operating	CityFleet Operating
Operating revenues:			
Service charges and fees	\$ 19,168,535	\$ 2,441,399	\$ 669,483
Service charges and fees provided internally	103,090,388	51,989,508	47,003,144
Rents and reimbursements	-	88,441	-
Lease revenue	-	206,084	-
Miscellaneous	4,268,784	615,206	157,128
Total operating revenues	<u>126,527,707</u>	<u>55,340,638</u>	<u>47,829,755</u>
Operating expenses:			
Salaries and wages	2,798,492	7,026,430	9,035,118
Operating supplies	77,013	665,423	9,630,491
Professional services	37,346,165	1,746,565	57,907
Materials and services provided internally	1,054,313	9,067,814	3,374,947
Utilities	-	13,364,290	23,450
Claims	78,440,287	-	-
Utility license fees	-	-	-
Miscellaneous	12,061,609	20,665,290	7,033,818
Depreciation and amortization	14,540	11,366,052	4,145,094
Total operating expenses	<u>131,792,419</u>	<u>63,901,864</u>	<u>33,300,825</u>
Operating income (loss)	<u>(5,264,712)</u>	<u>(8,561,226)</u>	<u>14,528,930</u>
Nonoperating revenues (expenses):			
Investment earnings (losses)	291,643	984,705	538,653
Interest expense	(27,826)	(4,634,753)	(496,622)
Debt issuance costs	-	-	(35,158)
Gains (losses) on sale of capital assets	-	(2,167)	66,952
Lease revenue	-	763,515	-
Total nonoperating revenues (expenses)	<u>263,817</u>	<u>(2,888,700)</u>	<u>73,825</u>
Income (loss) before contributions and transfers	<u>(5,000,895)</u>	<u>(11,449,926)</u>	<u>14,602,755</u>
Transfers in	-	20,425,834	200,000
Transfers out	(8,551)	(1,939,690)	(597,496)
Change in net position	<u>(5,009,446)</u>	<u>7,036,218</u>	<u>14,205,259</u>
Total net position - beginning	<u>8,503,647</u>	<u>137,136,850</u>	<u>99,360,940</u>
Total net position - ending	<u>\$ 3,494,201</u>	<u>\$ 144,173,068</u>	<u>\$ 113,566,199</u>

Printing and Distribution Services Operating	Insurance and Claims Operating	Workers' Compensation Self Insurance Operating	Technology Services	Portland Police Association Health Insurance	Total
\$ 932,426	\$ -	\$ -	\$ 3,704,218	\$ 3,065,039	\$ 29,981,100
5,499,704	14,755,861	5,206,029	80,192,391	13,620,424	321,357,449
-	-	-	-	-	88,441
-	-	-	134,856	-	340,940
44,434	334,385	3,780	354,587	487,913	6,266,217
<u>6,476,564</u>	<u>15,090,246</u>	<u>5,209,809</u>	<u>84,386,052</u>	<u>17,173,376</u>	<u>358,034,147</u>
1,547,201	1,788,550	1,476,730	40,779,831	-	64,452,352
365,027	11,876	7,415	5,138,213	-	15,895,458
-	589,531	365,195	4,045,986	5,098,530	49,249,879
1,322,230	4,219,762	888,673	8,214,519	-	28,142,258
-	-	-	84,634	-	13,472,374
-	2,826,403	2,622,794	-	12,957,227	96,846,711
-	-	-	45,376	-	45,376
2,709,777	6,778,375	687,654	18,715,279	1,413,697	70,065,499
62,511	-	-	10,040,445	-	25,628,642
<u>6,006,746</u>	<u>16,214,497</u>	<u>6,048,461</u>	<u>87,064,283</u>	<u>19,469,454</u>	<u>363,798,549</u>
<u>469,818</u>	<u>(1,124,251)</u>	<u>(838,652)</u>	<u>(2,678,231)</u>	<u>(2,296,078)</u>	<u>(5,764,402)</u>
18,187	327,027	160,351	332,698	118,456	2,771,720
(119,344)	(65,765)	(61,512)	(532,896)	-	(5,938,718)
-	-	-	-	-	(35,158)
-	-	-	(201,164)	-	(136,379)
-	-	-	109,417	-	872,932
<u>(101,157)</u>	<u>261,262</u>	<u>98,839</u>	<u>(291,945)</u>	<u>118,456</u>	<u>(2,465,603)</u>
368,661	(862,989)	(739,813)	(2,970,176)	(2,177,622)	(8,230,005)
-	-	-	441,336	-	21,067,170
(36,671)	(20,207)	(18,900)	(128,616)	-	(2,750,131)
331,990	(883,196)	(758,713)	(2,657,456)	(2,177,622)	10,087,034
<u>(1,903,890)</u>	<u>8,020,139</u>	<u>2,710,160</u>	<u>57,480,466</u>	<u>9,289,923</u>	<u>320,598,235</u>
<u>\$ (1,571,900)</u>	<u>\$ 7,136,943</u>	<u>\$ 1,951,447</u>	<u>\$ 54,823,010</u>	<u>\$ 7,112,301</u>	<u>\$ 330,685,269</u>

City of Portland, Oregon
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2023

	Health Insurance Operating	Facilities Services Operating	CityFleet Operating
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 23,434,298	\$ 2,808,580	\$ 765,385
Receipts for interfund services provided	103,090,388	51,989,508	47,003,144
Payments to suppliers	(125,071,208)	(37,701,433)	(18,055,408)
Payments to employees	(2,845,311)	(7,042,124)	(8,795,402)
Payments for interfund services used	(1,054,313)	(9,067,814)	(3,374,947)
Net cash provided by (used for) operating activities	<u>(2,446,146)</u>	<u>986,717</u>	<u>17,542,772</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	-	20,425,834	200,000
Transfers out	(8,551)	(1,939,690)	(595,066)
Net cash provided by (used for) noncapital financing activities	<u>(8,551)</u>	<u>18,486,144</u>	<u>(395,066)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sale of bonds and notes	-	-	4,855,000
Premium on bonds notes and loans issued	-	-	737,715
Proceeds from sale of capital assets	-	845,724	736,004
Acquisition of capital assets	(52)	(3,627,176)	(18,364,551)
Lease payments received	-	872,131	-
Principal paid on bonds, notes, leases, and subscriptions	(8,222)	(7,995,296)	(5,426,388)
Interest paid on bonds, notes, leases, and subscriptions	(43,144)	(6,295,238)	(724,479)
Payments for bond issuance costs	-	-	(35,158)
Net cash (used for) capital related financing activities	<u>(51,418)</u>	<u>(16,199,855)</u>	<u>(18,221,857)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings (losses)	185,526	551,325	326,718
Net cash provided by (used for) investing activities	<u>185,526</u>	<u>551,325</u>	<u>326,718</u>
Net increase (decrease) in cash and cash equivalents	(2,320,589)	3,824,331	(747,433)
Cash and cash equivalents, July 1, 2022	28,422,274	58,018,322	41,667,940
Cash and cash equivalents, June 30, 2023	<u>\$ 26,101,685</u>	<u>\$ 61,842,653</u>	<u>\$ 40,920,507</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Unrestricted cash and cash equivalents	\$ 26,101,685	\$ 61,155,048	\$ 40,559,086
Restricted cash and cash equivalents	-	687,605	361,421
Total cash and cash equivalents	<u>\$ 26,101,685</u>	<u>\$ 61,842,653</u>	<u>\$ 40,920,507</u>

Printing and Distribution Services Operating	Insurance and Claims Operating	Workers' Compensation Self Insurance Operating	Technology Services	Portland Police Association Health Insurance	Total
\$ 988,749	\$ 332,212	\$ 3,890	\$ 4,293,469	\$ 3,552,952	\$ 36,179,535
5,499,704	14,755,862	5,206,032	80,192,391	13,620,424	321,357,453
(3,122,805)	(9,693,475)	(4,054,622)	(32,708,463)	(19,068,105)	(249,475,519)
(1,436,809)	(1,741,104)	(1,448,349)	(39,792,758)	-	(63,101,857)
(1,322,230)	(4,219,762)	(888,673)	(8,214,519)	-	(28,142,258)
<u>606,609</u>	<u>(566,267)</u>	<u>(1,181,722)</u>	<u>3,770,120</u>	<u>(1,894,729)</u>	<u>16,817,354</u>
-	-	-	441,336	-	21,067,170
(36,671)	(20,207)	(18,900)	(128,616)	-	(2,747,701)
<u>(36,671)</u>	<u>(20,207)</u>	<u>(18,900)</u>	<u>312,720</u>	<u>-</u>	<u>18,319,469</u>
-	-	-	-	-	4,855,000
-	-	-	-	-	737,715
-	-	-	-	-	1,581,728
-	-	-	(8,210,862)	-	(30,202,641)
-	-	-	121,628	-	993,759
(35,262)	(19,431)	(18,175)	(2,997,202)	-	(16,499,976)
(185,032)	(101,958)	(95,369)	(667,138)	-	(8,112,358)
-	-	-	-	-	(35,158)
<u>(220,294)</u>	<u>(121,389)</u>	<u>(113,544)</u>	<u>(11,753,574)</u>	<u>-</u>	<u>(46,681,931)</u>
<u>8,667</u>	<u>189,647</u>	<u>99,778</u>	<u>192,715</u>	<u>78,177</u>	<u>1,632,553</u>
<u>8,667</u>	<u>189,647</u>	<u>99,778</u>	<u>192,715</u>	<u>78,177</u>	<u>1,632,553</u>
358,311	(518,216)	(1,214,388)	(7,478,019)	(1,816,552)	(9,912,555)
1,451,731	27,230,409	12,713,662	38,263,638	9,919,539	217,687,515
<u>\$ 1,810,042</u>	<u>\$ 26,712,193</u>	<u>\$ 11,499,274</u>	<u>\$ 30,785,619</u>	<u>\$ 8,102,987</u>	<u>\$ 207,774,960</u>
\$ 1,810,042	\$ 26,712,193	\$ 11,499,274	\$ 30,785,619	\$ 8,102,987	\$ 206,725,934
-	-	-	-	-	1,049,026
<u>\$ 1,810,042</u>	<u>\$ 26,712,193</u>	<u>\$ 11,499,274</u>	<u>\$ 30,785,619</u>	<u>\$ 8,102,987</u>	<u>\$ 207,774,960</u>

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City of Portland, Oregon
Combining Statement of Cash Flows, continued
Internal Service Funds
For the Fiscal Year Ended June 30, 2023

	Health Insurance Operating	Facilities Services Operating	City Fleet Operating
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (5,264,712)	\$ (8,561,226)	\$ 14,528,930
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation and amortization of capital assets	14,540	11,366,052	4,145,094
Change in assets and liabilities:			
Accounts and advances receivable	(17,812)	268,116	(108,960)
Due (from) to component unit	-	99,888	-
Inventories	-	-	93,697
Prepaid expense	(9,011)	(4,775)	(13,208)
Accounts payable	2,384,877	(1,354,978)	(1,390,231)
Self insurance claims	478,000	-	-
Compensated absences	(2,057)	98,926	17,689
Unearned revenue	-	(841,592)	-
Net pension liability - PERS	573,404	1,160,039	1,863,092
Other postemployment benefits	(21,827)	(45,639)	(70,442)
Deferred outflows - pensions	73,700	118,620	588,223
Deferred outflows - OPEB	6,296	21,190	38,504
Deferred inflows - pensions	(668,137)	(1,351,690)	(2,170,894)
Deferred inflows - OPEB	6,593	13,786	21,278
Net cash provided by (used for) operating activities	\$ (2,446,146)	\$ 986,717	\$ 17,542,772

Noncash information

Increase (decrease) in fair value of investments (classified as cash equivalents)	\$ (214,656)	\$ (437,908)	\$ (322,968)
Acquisition of ROU assets with additions to ROU liabilities	\$ -	\$ 3,516,673	\$ 17,190

<u>Printing and Distribution Services Operating</u>	<u>Insurance and Claims Operating</u>	<u>Workers' Compensation Self Insurance Operating</u>	<u>Technology Services</u>	<u>Portland Police Association Health Insurance</u>	<u>Total</u>
\$ 469,818	\$ (1,124,251)	\$ (838,652)	\$ (2,678,231)	\$ (2,296,078)	\$ (5,764,402)
62,511	-	-	10,040,445	-	25,628,642
4,654	(12,257)	(3,921)	(55,513)	-	74,307
(2,177)	-	-	(1,998)	-	95,713
-	-	-	97,795	-	191,492
(460)	(8,634)	(4,030)	(2,952,552)	(3,145)	(2,995,815)
(47,541)	328,271	59,178	(1,824,218)	404,494	(1,440,148)
-	193,073	(426,712)	-	-	244,361
9,055	51,250	558	528,909	-	704,330
-	-	-	-	-	(841,592)
313,487	338,347	331,867	8,413,919	-	12,994,155
(13,890)	(14,882)	(5,953)	(232,162)	-	(404,795)
164,643	66,309	87,588	2,045,378	-	3,144,461
7,591	6,257	3,253	122,205	-	205,296
(365,278)	(394,245)	(386,695)	(9,803,987)	-	(15,140,926)
4,196	4,495	1,797	70,130	-	122,275
<u>\$ 606,609</u>	<u>\$ (566,267)</u>	<u>\$ (1,181,722)</u>	<u>\$ 3,770,120</u>	<u>\$ (1,894,729)</u>	<u>\$ 16,817,354</u>
\$ (12,718)	\$ (204,534)	\$ (96,516)	\$ (336,362)	\$ (73,698)	\$ (1,699,360)
\$ -	\$ -	\$ -	\$ (144,916)	\$ -	\$ 3,388,947



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Fiduciary Funds



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Fiduciary Fund Types:

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

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

City of Portland
Combining Statement of Fiduciary Net Position
Pension Trust Funds
June 30, 2023

	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 ^(a)	\$ 22,649,653	\$ 750,000	\$ 31,525	\$ 23,431,178
Receivables:				
Accounts receivable, net	5,622	-	-	5,622
Pension recovery	435,776	-	-	435,776
Accrued interest receivable	571,920	-	34	571,954
Due from other funds	5,730,287	-	-	5,730,287
Prepaid expense	15,474	-	-	15,474
Total current assets	<u>29,408,732</u>	<u>750,000</u>	<u>31,559</u>	<u>30,190,291</u>
Noncurrent assets:				
Capital assets:				
Intangible assets:				
Software	1,071,878	-	-	1,071,878
ROU asset - buildings	957,213	-	-	957,213
Construction in progress	6,500	-	-	6,500
Accumulated depreciation and amortization	<u>(1,150,395)</u>	<u>-</u>	<u>-</u>	<u>(1,150,395)</u>
Net capital assets	885,196	-	-	885,196
Net OPEB asset	<u>35,508</u>	<u>-</u>	<u>-</u>	<u>35,508</u>
Total noncurrent assets	<u>920,704</u>	<u>-</u>	<u>-</u>	<u>920,704</u>
Total assets	<u>30,329,436</u>	<u>750,000</u>	<u>31,559</u>	<u>31,110,995</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow - pensions	1,132,053	-	-	1,132,053
Deferred outflow - OPEB	52,430	-	-	52,430
Total deferred outflows	<u>1,184,483</u>	<u>-</u>	<u>-</u>	<u>1,184,483</u>
LIABILITIES				
Accounts payable	654,822	-	-	654,822
Compensated absences	2,315,754	-	-	2,315,754
Accrued interest payable	312,553	-	-	312,553
Bonds payable	58,286	-	-	58,286
Net pension liability	2,573,021	-	-	2,573,021
Other liabilities	240,000	-	-	240,000
Lease payable	811,556	-	-	811,556
Other postemployment benefits	220,924	-	-	220,924
Total liabilities	<u>7,186,916</u>	<u>-</u>	<u>-</u>	<u>7,186,916</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - pension	770,098	-	-	770,098
Deferred inflows - OPEB	38,240	-	-	38,240
Total deferred inflows	<u>808,338</u>	<u>-</u>	<u>-</u>	<u>808,338</u>
NET POSITION				
Net position restricted for pensions	<u>\$ 23,518,665</u>	<u>\$ 750,000</u>	<u>\$ 31,559</u>	<u>\$ 24,300,224</u>

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

City of Portland
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Fiscal Year Ended June 30, 2023

	<u>Fire and Police Disability and Retirement</u>	<u>Fire and Police Disability and Retirement Reserve</u>	<u>Fire and Police Supplemental Retirement Reserve</u>	<u>Total</u>
ADDITIONS				
Contributions:				
Employer	\$ 185,229,236	\$ -	\$ -	\$ 185,229,236
Other	796,458	-	29,998	826,456
Total contributions	186,025,694	-	29,998	186,055,692
Investment earnings	1,189,657	-	105	1,189,762
Total additions	187,215,351	-	30,103	187,245,454
DEDUCTIONS				
Benefits and refunds paid to plan members and beneficiaries	185,553,546	-	9,726	185,563,272
Administrative expenses	5,077,745	-	-	5,077,745
Total deductions	190,631,291	-	9,726	190,641,017
Change in net position	(3,415,940)	-	20,377	(3,395,563)
Net position - beginning	26,934,605	750,000	11,182	27,695,787
Net position - ending	<u>\$ 23,518,665</u>	<u>\$ 750,000</u>	<u>\$ 31,559</u>	<u>\$ 24,300,224</u>

City of Portland
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2023

	<u>Mt. Hood Cable Regulatory Commission</u>	<u>Trustee</u>	<u>Taxes Collected For Other Governments *</u>	<u>Housing Loan Escrow</u>	<u>Total</u>
ASSETS					
Current assets					
Cash and investments	\$ 8,908,905	\$ 9,391,489	\$ 47,370,043	\$ -	\$ 65,670,437
Receivables:					
Accounts, net	1,353,207	119,876	-	-	1,473,083
Advances	3,249,651	-	-	-	3,249,651
Accrued interest	67,551	2,660	530,218	-	600,429
Total current assets	<u>13,579,314</u>	<u>9,514,025</u>	<u>47,900,261</u>	<u>-</u>	<u>70,993,600</u>
Capital assets:					
Intangible assets:					
Software	12,000	-	-	-	12,000
Accumulated depreciation and amortization	(12,000)	-	-	-	(12,000)
Total assets	<u>13,579,314</u>	<u>9,514,025</u>	<u>47,900,261</u>	<u>-</u>	<u>70,993,600</u>
LIABILITIES					
Accounts payable	550,808	1,178,347	101	-	1,729,256
Other liabilities	-	5,280,665	47,900,160	-	53,180,825
Total liabilities	<u>550,808</u>	<u>6,459,012</u>	<u>47,900,261</u>	<u>-</u>	<u>54,910,081</u>
NET POSITION	<u>\$ 13,028,506</u>	<u>\$ 3,055,013</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,083,519</u>

* Legal fund name is Multnomah County Business Income Tax.

City of Portland
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended June 30, 2023

	Mt. Hood Cable Regulatory Commission	Trustee	Taxes Collected For Other	* Housing Loan Escrow	Total
ADDITIONS					
Program revenue - Intergovernmental	\$ 5,560,325	\$ -	\$ -	\$ -	\$ 5,560,325
Tax collections for other governments	-	9,943,849	244,576	-	10,188,425
Forfeiture collections from outside parties	-	3,113,298	-	-	3,113,298
Collections of escrow funds	-	-	-	1,481	1,481
Investment earnings	151,354	10	-	-	151,364
Total additions	<u>5,711,679</u>	<u>13,057,157</u>	<u>244,576</u>	<u>1,481</u>	<u>19,014,893</u>
DEDUCTIONS					
Expenditures - Community Development	5,736,956	-	-	-	5,736,956
Payment of taxes to other governments	-	9,943,849	244,576	-	10,188,425
Payment of forfeitures to outside parties	-	2,993,504	-	-	2,993,504
Payment of escrow funds	-	-	-	2,599	2,599
Total deductions	<u>5,736,956</u>	<u>12,937,353</u>	<u>244,576</u>	<u>2,599</u>	<u>18,921,484</u>
Change in net position	(25,277)	119,804	-	(1,118)	93,409
Net position - beginning	<u>13,053,783</u>	<u>2,935,209</u>	<u>-</u>	<u>1,118</u>	<u>15,990,110</u>
Net position - ending	<u>\$ 13,028,506</u>	<u>\$ 3,055,013</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,083,519</u>

* Legal fund name is Multnomah County Business Income Tax.



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Schedules of Revenues and Expenditures Governmental Funds - Budget and Actual



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General Fund by Function Budget and Actual



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This fund accounts for City financial resources not included in other funds. Principal revenue sources are property taxes, licenses, permits, interfund service billings, and federal and state shared revenues. Primary expenditures are police protection, fire, rescue and emergency services, parks maintenance and recreation, and general administration.

City of Portland, Oregon
General Fund by Function
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 300,054,545	\$ 300,054,545	\$ 304,642,079	
Prior year property	3,459,660	3,459,660	4,419,988	
Lodging	24,987,357	24,987,357	30,524,919	
Payment in lieu of taxes	941,846	941,846	1,676,179	
Total taxes	<u>329,443,408</u>	<u>329,443,408</u>	<u>341,263,165</u>	<u>\$ 11,819,757</u>
Licenses and permits:				
Business licenses, net	175,415,786	175,415,786	206,090,000	
Public utility licenses	86,676,971	86,676,971	93,117,281	
Construction permits	2,049,700	2,059,700	2,666,187	
Other permits	2,176,605	2,176,605	2,500,824	
Total licenses and permits	<u>266,319,062</u>	<u>266,329,062</u>	<u>304,374,292</u>	<u>38,045,230</u>
Charges for services:				
Public works and utility charges	10,000	10,000	960	
Inspection fees	3,861,300	3,912,550	3,563,422	
Rents and reimbursements	3,465,887	3,465,887	4,105,297	
Leases	-	-	712,866	
Parking fees	175,831	175,831	196,002	
Parks and recreation facilities fees	5,899,197	5,899,197	7,284,863	
Other service charges	3,012,108	2,882,108	4,951,496	
Total charges for services	<u>16,424,323</u>	<u>16,345,573</u>	<u>20,814,906</u>	<u>4,469,333</u>
Intergovernmental:				
Grant revenue	-	-	237,512	
Federal cost sharing	133,000	133,000	156,537	
State revenue sharing	1,364,072	1,364,072	1,845,964	
State revenue sharing - liquor & cigarette	21,411,784	21,411,784	23,509,075	
State cost sharing	127,400	127,400	590,531	
Multnomah County cost sharing	10,410,004	6,579,093	5,792,791	
Local revenue sharing	1,283,800	1,283,800	1,137,152	
Local cost sharing	14,000,894	12,977,467	7,775,664	
Overhead charges	265,406	265,406	265,406	
Total intergovernmental	<u>48,996,360</u>	<u>44,142,022</u>	<u>41,310,632</u>	<u>(2,831,390)</u>
Other:				
Assessments	35,000	35,000	46,100	
Sales - other	379,357	474,357	904,174	
Refunds	58,100	58,100	88,457	
Donations	5,000	12,000	356,825	
Investment earnings	440,000	440,000	3,099,606	
Other interest income	1,683,129	1,683,129	1,523,145	
Fines	100,000	100,000	497,825	
Miscellaneous	1,354,470	1,315,275	1,633,052	
Total other	<u>4,055,056</u>	<u>4,117,861</u>	<u>8,149,184</u>	<u>4,031,323</u>
Billings to other funds for services	<u>71,211,513</u>	<u>73,189,523</u>	<u>60,439,683</u>	<u>(12,749,840)</u>
Total revenues	<u>736,449,722</u>	<u>733,567,449</u>	<u>776,351,862</u>	<u>42,784,413</u>

City of Portland, Oregon
General Fund by Function
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current:				
Public Safety				
Portland Police Bureau				
Personal services	179,783,136	179,133,118	181,386,314	
External materials and services	16,228,001	13,776,471	10,464,965	
Internal materials and services	40,246,526	39,427,529	40,548,375	
Capital outlay	<u>113,704</u>	<u>1,163,489</u>	<u>1,053,833</u>	
Total Portland Police Bureau	<u>236,371,367</u>	<u>233,500,607</u>	<u>233,453,487</u>	<u>47,120</u>
Portland Fire and Rescue				
Personal services	130,900,707	139,887,402	140,354,938	
External materials and services	10,613,745	10,062,264	10,899,635	
Internal materials and services	9,183,617	10,632,347	10,753,694	
Capital outlay	<u>3,510,000</u>	<u>6,648,570</u>	<u>4,887,173</u>	
Total Portland Fire and Rescue	<u>154,208,069</u>	<u>167,230,583</u>	<u>166,895,440</u>	<u>335,143</u>
Portland Bureau of Emergency Management				
Personal services	2,630,567	2,637,092	2,240,345	
External materials and services	1,929,893	1,581,719	860,418	
Internal materials and services	<u>929,301</u>	<u>918,445</u>	<u>997,288</u>	
Total Portland Bureau of Emergency Management	<u>5,489,761</u>	<u>5,137,256</u>	<u>4,098,051</u>	<u>1,039,205</u>
Total Public Safety	<u>396,069,197</u>	<u>405,868,446</u>	<u>404,446,978</u>	<u>1,421,468</u>
Parks, Recreation and Culture				
Portland Parks and Recreation				
Personal services	92,733,591	89,484,384	85,337,568	
External materials and services	30,485,356	29,183,204	25,575,241	
Internal materials and services	13,617,600	15,916,671	14,798,007	
Capital outlay	<u>10,000</u>	<u>709,028</u>	<u>529,204</u>	
Total Portland Parks and Recreation	<u>136,846,547</u>	<u>135,293,287</u>	<u>126,240,020</u>	<u>9,053,267</u>
Total Parks, Recreation and Culture	<u>136,846,547</u>	<u>135,293,287</u>	<u>126,240,020</u>	<u>9,053,267</u>
Community Development				
Portland Housing Bureau				
Personal services	905,459	1,105,459	1,020,822	
External materials and services	39,638,423	39,248,009	37,250,175	
Internal materials and services	<u>843,025</u>	<u>383,024</u>	<u>365,439</u>	
Total Portland Housing Bureau	<u>41,386,907</u>	<u>40,736,492</u>	<u>38,636,436</u>	<u>2,100,056</u>
Bureau of Planning and Sustainability				
Personal services	12,790,315	12,913,159	11,919,080	
External materials and services	2,518,674	6,110,462	6,138,922	
Internal materials and services	<u>528,982</u>	<u>633,363</u>	<u>684,974</u>	
Total Bureau of Planning and Sustainability	<u>15,837,971</u>	<u>19,656,984</u>	<u>18,742,976</u>	<u>914,008</u>
Office for Community Technology				
Personal services	1,945,110	-	-	
External materials and services	2,014,187	-	-	
Internal materials and services	<u>226,345</u>	-	-	
Total Office for Community Technology	<u>4,185,642</u>	<u>-</u>	<u>-</u>	<u>-</u>

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City of Portland, Oregon
General Fund by Function
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current:				
Community Development, continued:				
Community & Civic Life				
Personal services	4,462,360	4,306,211	3,751,200	
External materials and services	6,690,594	4,199,496	3,648,498	
Internal materials and services	<u>1,038,444</u>	<u>1,005,347</u>	<u>1,037,599</u>	
Total Community & Civic Life	<u>12,191,398</u>	<u>9,511,054</u>	<u>8,437,297</u>	<u>1,073,757</u>
Prosper Portland				
External materials and services	<u>16,053,564</u>	<u>19,119,625</u>	<u>18,638,475</u>	<u>481,150</u>
Office of Equity & Human Rights				
Personal services	3,287,333	2,568,476	2,194,501	
External materials and services	1,130,847	561,404	323,003	
Internal materials and services	<u>306,151</u>	<u>295,150</u>	<u>330,386</u>	
Total Office of Equity & Human Rights	<u>4,724,331</u>	<u>3,425,030</u>	<u>2,847,890</u>	<u>577,140</u>
Total Community Development	<u>94,379,813</u>	<u>92,449,185</u>	<u>87,303,074</u>	<u>5,146,111</u>
Legislative/ Admin/ Support Services				
Office of the City Attorney				
Personal services	16,398,638	16,548,638	16,302,687	
External materials and services	940,972	915,748	857,387	
Internal materials and services	<u>1,705,293</u>	<u>1,755,293</u>	<u>1,738,959</u>	
Total Office of the City Attorney	<u>19,044,903</u>	<u>19,219,679</u>	<u>18,899,033</u>	<u>320,646</u>
Office of the City Auditor				
Personal services	5,956,155	5,956,155	5,480,791	
External materials and services	1,151,070	1,151,070	1,002,535	
Internal materials and services	<u>2,465,942</u>	<u>2,465,942</u>	<u>2,558,825</u>	
Total Office of the City Auditor	<u>9,573,167</u>	<u>9,573,167</u>	<u>9,042,151</u>	<u>531,016</u>
City Budget Office				
Personal services	3,204,939	3,179,939	2,857,517	
External materials and services	782,027	592,027	543,413	
Internal materials and services	<u>441,420</u>	<u>686,420</u>	<u>663,394</u>	
Total City Budget Office	<u>4,428,386</u>	<u>4,458,386</u>	<u>4,064,324</u>	<u>394,062</u>
Office of Government Relations				
Personal services	2,347,553	1,977,553	1,857,571	
External materials and services	467,493	530,341	444,364	
Internal materials and services	<u>287,160</u>	<u>322,160</u>	<u>312,073</u>	
Total Office of Government Relations	<u>3,102,206</u>	<u>2,830,054</u>	<u>2,614,008</u>	<u>216,046</u>

**City of Portland, Oregon
General Fund by Function
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current:				
Legislative/ Admin/ Support Services, continued:				
Independent Review				
Personal services	2,365,310	2,115,310	1,875,494	
External materials and services	168,548	168,548	57,043	
Internal materials and services	<u>437,023</u>	<u>562,023</u>	<u>523,955</u>	
Total Office of Management and Finance	<u>2,970,881</u>	<u>2,845,881</u>	<u>2,456,492</u>	<u>389,389</u>
Office of Management and Finance				
Personal services	65,511,578	66,801,079	61,457,514	
External materials and services	39,828,269	51,321,239	24,277,355	
Internal materials and services	<u>17,361,785</u>	<u>11,778,013</u>	<u>11,013,385</u>	
Total Special Appropriations	<u>122,701,632</u>	<u>129,900,331</u>	<u>96,748,254</u>	<u>33,152,077</u>
Total Office of Management and Finance	<u>125,672,513</u>	<u>132,746,212</u>	<u>99,204,746</u>	<u>33,541,466</u>
Office of the Mayor				
Personal services	3,107,999	2,968,116	2,865,648	
External materials and services	187,367	361,425	300,420	
Internal materials and services	<u>866,638</u>	<u>1,184,665</u>	<u>1,145,368</u>	
Total Office of the Mayor	<u>4,162,004</u>	<u>4,514,206</u>	<u>4,311,436</u>	<u>202,770</u>
Commissioner of Public Affairs				
Personal services	1,153,368	1,028,368	929,453	
External materials and services	10,145	85,145	71,683	
Internal materials and services	<u>307,045</u>	<u>357,045</u>	<u>310,834</u>	
Total Commissioner of Public Affairs	<u>1,470,558</u>	<u>1,470,558</u>	<u>1,311,970</u>	<u>158,588</u>
Commissioner of Public Safety				
Personal services	1,122,153	1,122,153	1,098,170	
External materials and services	46,192	56,192	32,515	
Internal materials and services	<u>302,213</u>	<u>302,213</u>	<u>283,139</u>	
Total Commissioner of Public Safety	<u>1,470,558</u>	<u>1,480,558</u>	<u>1,413,824</u>	<u>66,734</u>
Commissioner of Public Utilities				
Personal services	1,121,651	1,101,651	987,205	
External materials and services	38,489	42,726	20,535	
Internal materials and services	<u>310,418</u>	<u>330,418</u>	<u>308,120</u>	
Total Commissioner of Public Utilities	<u>1,470,558</u>	<u>1,474,795</u>	<u>1,315,860</u>	<u>158,935</u>

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**City of Portland, Oregon
General Fund by Function
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current:				
Legislative/ Admin/ Support Services, continued:				
Commissioner of Public Works				
Personal services	1,154,073	1,079,073	980,308	
External materials and services	21,904	61,004	54,752	
Internal materials and services	294,581	344,581	328,751	
Total Commissioner of Public Works	<u>1,470,558</u>	<u>1,484,658</u>	<u>1,363,811</u>	<u>120,847</u>
Total Legislative/ Admin/ Support Services	<u>171,865,411</u>	<u>179,252,273</u>	<u>143,541,163</u>	<u>35,711,110</u>
Nondepartmental				
General operating contingencies	29,826,460	56,507,511	-	56,507,511
Debt service and related costs:				
Principal	2,047,173	2,047,173	2,047,173	
Interest	10,762,061	10,762,060	10,762,061	
Internal loan remittances	665,000	670,785	665,000	
Total debt service and related costs	<u>13,474,234</u>	<u>13,480,018</u>	<u>13,474,234</u>	<u>5,784</u>
Total expenditures	<u>842,461,662</u>	<u>882,850,720</u>	<u>775,005,469</u>	<u>107,845,251</u>
Revenues over (under) expenditures	<u>(106,011,940)</u>	<u>(149,283,271)</u>	<u>1,346,393</u>	<u>150,629,664</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund overhead	40,816,144	40,816,144	40,816,144	
General Reserve	54,947	1,054,947	1,000,000	
Transportation Operating	-	350,000	350,000	
Arts Education and Access	-	30,000	10,000	
Citywide Obligations Reserve	5,372,778	7,432,070	6,233,860	
2020 Parks Option Local Levy	42,177,149	36,751,541	25,470,402	
Fire Capital	-	3,500,000	2,650,000	
Parking Facilities	339,755	339,755	339,755	
Spectator Facilities Operating	29,678	29,678	29,678	
Facilities Services Operating	-	702,584	702,584	
Total transfers from other funds	<u>88,790,451</u>	<u>91,006,719</u>	<u>77,602,423</u>	<u>(13,404,296)</u>

City of Portland, Oregon
General Fund by Function
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
Transportation Operating	(22,980,218)	(21,940,218)	(21,940,218)	
Emergency Communication	(17,841,747)	(17,841,747)	(17,841,747)	
Development Services	(1,195,000)	(1,195,000)	(1,195,000)	
General Reserve	(2,589,105)	(2,589,105)	(2,589,105)	
Citywide Obligations Reserve	(8,167,150)	(11,296,169)	(11,296,169)	
Housing Investment	(1,454,834)	(4,063,358)	(4,063,358)	
Campaign Finance	(2,068,370)	(2,068,370)	(2,068,370)	
Grants	-	(390,000)	(390,000)	
Portland Parks Memorial	(74,137)	(74,137)	(74,137)	
Cannabis Licensing	-	(159,862)	(159,862)	
Pension Debt Redemption	(2,128,976)	(2,128,976)	(2,128,976)	
Governmental Bond Redemption	(935,750)	(935,750)	(935,750)	
Special Projects Debt Service	(103,000)	(288,390)	(288,389)	
Parks Capital Improvement Program	(12,570,319)	(15,901,555)	(15,901,555)	
Hydroelectric Power	-	(500,000)	-	
Water	(736,624)	(736,624)	(736,624)	
Parking Facilities	-	(4,370,000)	(4,370,000)	
Facilities Services Operating	(11,762,184)	(16,803,348)	(16,803,348)	
CityFleet Operating	(200,000)	(200,000)	(200,000)	
Technology Services	(175,689)	(175,689)	(175,689)	
Fire and Police Supplemental Retirement Reserve	-	(30,000)	(30,000)	
Total transfers to other funds	<u>(84,983,103)</u>	<u>(103,688,298)</u>	<u>(103,188,297)</u>	<u>500,001</u>
Sale of capital asset	-	-	1,805	
Total other financing sources (uses)	<u>3,807,348</u>	<u>(12,681,579)</u>	<u>(25,584,069)</u>	<u>(12,902,490)</u>
Net change in fund balance	(102,204,592)	(161,964,850)	(24,237,676)	(137,727,174)
Fund balance - beginning	<u>102,204,592</u>	<u>161,964,850</u>	<u>161,964,850</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	137,727,174	<u>\$ 137,727,174</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Reserve fund budgeted as separate fund			72,154,118	
Public Election fund budgeted as separate fund			2,000,505	
Citywide Obligations Reserve fund budgeted as separate fund			16,118,624	
Loans receivable, net			314,197	
Internal loans payable			(1,413,500)	
Unrealized gain (loss) on investments			(12,954,488)	
Inventories			318,191	
Fund balance - GAAP basis			<u>\$ 214,264,821</u>	



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Special Revenue Funds Budget and Actual



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Assessment Collection Fund

This fund accounts for programs related to local improvement projects to protect the City from unpaid assessments. Revenues are derived from the sale of bonds and real property.

Emergency Communication Fund

This fund accounts for resources and expenditures related to emergency 911 services.

Development Services Fund

This fund accounts for revenues derived from planning and permit fees and for operation expenditures.

Property Management License Fund

This fund accounts for the activities of economic improvement districts. Revenues are derived from special assessments, administrative charges, interest on investments and collection fees.

Convention and Tourism Fund

This fund accounts for transient lodging tax revenues from hotel occupancy within the City. Expenditures are related to the promotion of convention business and tourism in the City.

General Reserve Fund

This fund accounts for countercyclical and emergency reserves for the General Fund.

Transportation Reserve Fund

This fund accounts for countercyclical and emergency reserves for the Office of Transportation.

Housing Investment Fund

This fund accounts for financing housing projects administered by the Livable Housing Council.

Public Election Fund

This fund provides financing of the election campaigns of certified candidates for City Office, as well as payment of administrative enforcement, and other expenditures necessary to carry out the functions and duties of chapter 2.16.020 of City code.

Children's Investment Fund

This fund accounts for revenues and expenditures related to the Children's Levy, approved by Portland area voters in November 2002 and renewed in 2013. The Children's Investment Fund shall be expended only for purposes of early childhood programs, child abuse prevention and intervention, and after school and mentoring programs for children.

Community Development Block Grant Fund

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

HOME Grant Fund

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

Portland Parks Memorial Fund

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

Tax Increment Reimbursement Fund

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

Police Special Revenue Fund

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

Arts Education and Access Fund

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

Community Solar Fund

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

Inclusionary Housing Fund

This fund tracks the receipts from the City's Construction Excise Tax that funds affordable housing initiatives as identified in City Code. The fund also tracks revenue and expenditures associated with the Inclusionary Housing Program.

Housing Property Fund

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

Recreational Cannabis Tax Fund

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

Cannabis Licensing Fund

The purpose of the fund is to account for the resources and expenditures for the City of Portland's Cannabis Licensing program.

Housing Development Costs Fund

This fund was created to track the transactions related to the funding of affordable housing projects, primarily from proceeds from General Obligation Bonds approved under measure 26-179 and resources provided by other governmental entities.

Citywide Obligations Reserve Fund

This fund creates a reserve for known Citywide obligations and allows the City to better plan for these costs.

2020 Parks Local Option Levy

This fund was established to manage the five-year local option levy in support of Parks operation, maintenance, and capital programs.

City of Portland, Oregon
Assessment Collection Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Assessments	\$ 200	\$ -	\$ -	
Investment earnings	500	1,300	1,438	
Other interest income	50	-	-	
Total other	<u>750</u>	<u>1,300</u>	<u>1,438</u>	<u>\$ 138</u>
EXPENDITURES				
General operating contingencies	<u>86,353</u>	<u>86,903</u>	<u>-</u>	<u>86,903</u>
Net change in fund balance	(85,603)	(85,603)	1,438	87,041
Fund balance - beginning	<u>85,603</u>	<u>85,603</u>	<u>85,557</u>	<u>(46)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>86,995</u>	<u>\$ 86,995</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>(4,271)</u>	
Fund balance - GAAP basis			<u>\$ 82,724</u>	

City of Portland, Oregon
Emergency Communication Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Other service charges	\$ 443,301	\$ 443,301	\$ 417,868	\$ (25,433)
Intergovernmental:				
State revenue sharing	5,643,998	5,643,998	7,848,219	
Local cost sharing	6,518,013	6,518,013	4,450,673	
Total intergovernmental	<u>12,162,011</u>	<u>12,162,011</u>	<u>12,298,892</u>	<u>136,881</u>
Other:				
Investment earnings	-	-	98,449	
Other interest income	23,596	23,596	-	
Total other	<u>23,596</u>	<u>23,596</u>	<u>98,449</u>	<u>74,853</u>
Total revenues	<u>12,628,908</u>	<u>12,628,908</u>	<u>12,815,209</u>	<u>186,301</u>
EXPENDITURES				
Current:				
Personal services	23,165,262	23,165,262	21,117,238	
External materials and services	2,044,526	2,044,526	3,880,459	
Internal materials and services	5,433,572	5,433,572	5,703,178	
Capital outlay	1,632,695	1,632,695	6,212	
Total current expenditures	<u>32,276,055</u>	<u>32,276,055</u>	<u>30,707,087</u>	<u>1,568,968</u>
General operating contingencies	-	2,688,929	-	2,688,929
Debt service and related costs:				
Principal	271,699	51,779	51,779	
Interest	51,779	271,699	271,699	
Total debt service and related costs	<u>323,478</u>	<u>323,478</u>	<u>323,478</u>	<u>-</u>
Total expenditures	<u>32,599,533</u>	<u>35,288,462</u>	<u>31,030,565</u>	<u>4,257,897</u>
Revenues over (under) expenditures	<u>(19,970,625)</u>	<u>(22,659,554)</u>	<u>(18,215,356)</u>	<u>4,444,198</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	17,841,747	17,841,747	17,841,747	-
Transfers to other funds:				
General Fund overhead	(1,127,056)	(1,127,056)	(1,127,056)	
Pension Debt Redemption	(53,849)	(53,849)	(53,849)	
Total transfers to other funds	<u>(1,180,905)</u>	<u>(1,180,905)</u>	<u>(1,180,905)</u>	<u>-</u>
Total other financing sources (uses)	<u>16,660,842</u>	<u>16,660,842</u>	<u>16,660,842</u>	<u>-</u>
Net change in fund balance	<u>(3,309,783)</u>	<u>(5,998,712)</u>	<u>(1,554,514)</u>	<u>4,444,198</u>
Fund balance - beginning	<u>3,309,783</u>	<u>5,998,712</u>	<u>5,998,710</u>	<u>(2)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>4,444,196</u>	<u>\$ 4,444,196</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>(233,739)</u>	
Fund balance - GAAP basis			<u>\$ 4,210,457</u>	

**City of Portland, Oregon
Development Services Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and permits:				
Construction permits	\$ 43,382,493	\$ 43,382,493	\$ 44,505,990	
Other permits	830,803	830,803	682,265	
Total licenses and permits	<u>44,213,296</u>	<u>44,213,296</u>	<u>45,188,255</u>	\$ 974,959
Charges for services:				
Inspection fees	2,728,814	2,728,814	2,571,640	
Other service charges	15,587,549	15,587,549	14,280,690	
Total charges for services	<u>18,316,363</u>	<u>18,316,363</u>	<u>16,852,330</u>	(1,464,033)
Billings to other funds for services	2,069,604	2,075,538	2,068,238	(7,300)
Other:				
Assessments	2,134,841	2,134,841	2,122,077	
Investment earnings	141,470	141,470	1,050,671	
Other interest income	-	-	524,083	
Miscellaneous	-	-	18,968	
Total other	<u>2,276,311</u>	<u>2,276,311</u>	<u>3,715,799</u>	1,439,488
Total revenues	<u>66,875,574</u>	<u>66,881,508</u>	<u>67,824,622</u>	943,114
EXPENDITURES				
Current:				
Personal services	60,236,257	61,663,053	54,383,269	
External materials and services	7,424,220	8,386,511	5,507,777	
Internal materials and services	16,286,190	17,436,529	16,722,948	
Total current expenditures	<u>83,946,667</u>	<u>87,486,093</u>	<u>76,613,994</u>	10,872,099
General operating contingencies	28,604,835	26,033,634	-	26,033,634
Debt service and related costs:				
Principal	259,865	259,865	259,865	
Interest	1,363,581	1,363,581	1,363,581	
Total debt service and related costs	<u>1,623,446</u>	<u>1,623,446</u>	<u>1,623,446</u>	-
Total expenditures	<u>114,174,948</u>	<u>115,143,173</u>	<u>78,237,440</u>	36,905,733
Revenues over (under) expenditures	<u>(47,299,374)</u>	<u>(48,261,665)</u>	<u>(10,412,818)</u>	37,848,847
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	1,195,000	1,195,000	1,195,000	-
Transfers to other funds:				
General Fund overhead	(3,153,185)	(3,153,185)	(3,153,185)	
Pension Debt Redemption	(270,249)	(270,249)	(270,249)	
Total transfers to other funds	<u>(3,423,434)</u>	<u>(3,423,434)</u>	<u>(3,423,434)</u>	-
Total other financing sources (uses)	<u>(2,228,434)</u>	<u>(2,228,434)</u>	<u>(2,228,434)</u>	-
Net change in fund balance	<u>(49,527,808)</u>	<u>(50,490,099)</u>	<u>(12,641,252)</u>	37,848,847
Fund balance - beginning	49,527,808	50,490,099	58,140,712	7,650,613
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,499,460</u>	<u>\$ 45,499,460</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(2,918,304)	
Fund balance - GAAP basis			<u>\$ 42,581,156</u>	

City of Portland, Oregon
Property Management License Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and permits:				
Business licenses, net	\$ 8,513,943	\$ 8,770,000	\$ 8,867,480	\$ 97,480
Other:				
Investment earnings	13,000	13,652	17,644	3,992
Total revenues	<u>8,526,943</u>	<u>8,783,652</u>	<u>8,885,124</u>	<u>101,472</u>
EXPENDITURES				
Current:				
External materials and services	8,220,058	8,997,807	8,992,486	
Internal materials and services	331,885	334,521	334,043	
Total current expenditures	<u>8,551,943</u>	<u>9,332,328</u>	<u>9,326,529</u>	<u>5,799</u>
Revenues over (under) expenditures	<u>(25,000)</u>	<u>(548,676)</u>	<u>(441,405)</u>	<u>107,271</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(25,000)	(25,000)	(25,000)	-
Net change in fund balance	(50,000)	(573,676)	(466,405)	107,271
Fund balance - beginning	50,000	573,676	573,677	1
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>107,272</u>	<u>\$ 107,272</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(30,506)	
Fund balance - GAAP basis			<u>\$ 76,766</u>	

City of Portland, Oregon
Convention and Tourism Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Lodging	\$ 18,211,142	\$ 25,343,680	\$ 22,083,007	\$ (3,260,673)
Other:				
Investment earnings	35,000	53,000	54,825	1,825
Total revenues	<u>18,246,142</u>	<u>25,396,680</u>	<u>22,137,832</u>	<u>(3,258,848)</u>
EXPENDITURES				
Current:				
External materials and services	17,522,541	25,012,517	21,331,828	
Internal materials and services	698,601	768,511	726,830	
Total current expenditures	<u>18,221,142</u>	<u>25,781,028</u>	<u>22,058,658</u>	<u>3,722,370</u>
Revenues over (under) expenditures	<u>25,000</u>	<u>(384,348)</u>	<u>79,174</u>	<u>463,522</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(25,000)	(25,000)	(25,000)	-
Net change in fund balance	-	(409,348)	54,174	463,522
Fund balance - beginning	-	409,348	467,281	57,933
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>521,455</u>	<u>\$ 521,455</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(67,530)	
Fund balance - GAAP basis			<u>\$ 453,925</u>	

City of Portland, Oregon
General Reserve Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 250,194	\$ 250,194	\$ 1,446,429	\$ 1,196,235
EXPENDITURES				
General operating contingencies	62,234,905	73,364,326	-	73,364,326
Revenues over (under) expenditures	(61,984,711)	(73,114,132)	1,446,429	74,560,561
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	2,589,105	2,589,105	2,589,105	-
Transfers to other funds:				
General Fund	(54,947)	(1,054,947)	(1,000,000)	
Special Finance and Resource	(13,000)	(104,360)	(104,357)	
Governmental Bond Redemption	(1,867,000)	(1,758,695)	(1,758,694)	
Total transfers to other funds	(1,934,947)	(2,918,002)	(2,863,051)	54,951
Total other financing sources (uses)	654,158	(328,897)	(273,946)	54,951
Net change in fund balance	(61,330,553)	(73,443,029)	1,172,483	74,615,512
Fund balance - beginning	61,330,553	73,443,029	70,981,635	(2,461,394)
Fund balance - ending	\$ -	\$ -	72,154,118	\$ 72,154,118
Adjustment to generally accepted accounting principles (GAAP) basis:				
General Reserve Fund budgeted as separate fund to General Fund			(72,154,118)	
Fund balance - GAAP basis			\$ -	

City of Portland, Oregon
Transportation Reserve Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 30,926	\$ 30,926	\$ 213,939	\$ 183,013
EXPENDITURES				
General operating contingencies	10,689,500	10,716,931	-	10,716,931
Revenues over (under) expenditures	<u>(10,658,574)</u>	<u>(10,686,005)</u>	213,939	<u>10,899,944</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Transportation Operating	700,000	700,000	700,000	-
Net change in fund balance	<u>(9,958,574)</u>	<u>(9,986,005)</u>	913,939	<u>10,899,944</u>
Fund balance - beginning	9,958,574	9,986,005	9,986,005	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	10,899,944	<u>\$ 10,899,944</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Transportation Reserve Fund budgeted as separate fund to Transportation Operating Fund			<u>(10,899,944)</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, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Lodging	\$ 24,428	\$ 1,572,149	\$ 1,940,264	\$ 368,115
Charges for services:				
Other service charges	-	-	4,840	4,840
Intergovernmental:				
Local cost sharing	-	840,000	1,016,213	
Local revenue sharing	246,600	246,600	243,189	
Total intergovernmental	246,600	1,086,600	1,259,402	172,802
Other:				
Loan repayments	385,352	385,352	315,972	
Investment earnings	68,263	68,263	582,071	
Other interest income	125,000	125,000	58,825	
Miscellaneous	6,197,089	6,328,047	7,350,000	
Total other	6,775,704	6,906,662	8,306,868	1,400,206
Total revenues	7,046,732	9,565,411	11,511,374	1,945,963
EXPENDITURES				
Current:				
Personal services	1,708,235	1,839,193	1,227,325	
External materials and services	8,402,026	13,652,803	5,783,863	
Internal materials and services	528,640	528,640	488,594	
Total current expenditures	10,638,901	16,020,636	7,499,782	8,520,854
General operating contingencies	251,872	1,799,593	-	1,799,593
Total expenditures	10,890,773	17,820,229	7,499,782	10,320,447
Revenues over (under) expenditures	(3,844,041)	(8,254,818)	4,011,592	12,266,410
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	1,454,834	4,063,358	4,063,358	-
Transfers to other funds:				
General Fund overhead	(153,503)	(153,503)	(153,503)	
Housing Development Costs	(1,429,848)	(1,429,848)	-	
Housing Property	(53,233)	(53,233)	(53,233)	
Total transfers to other funds	(1,636,584)	(1,636,584)	(206,736)	1,429,848
Total other financing sources (uses)	(181,750)	2,426,774	3,856,622	1,429,848
Net change in fund balance	(4,025,791)	(5,828,044)	7,868,214	13,696,258
Fund balance - beginning	4,025,791	5,828,044	26,339,776	20,511,732
Fund balance - ending	\$ -	\$ -	34,207,990	\$ 34,207,990
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(1,355,046)	
Notes and loans receivable, net			6,794,267	
Fund balance - GAAP basis			\$ 39,647,211	

City of Portland, Oregon
Public Election Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current:				
Personal services	\$ 577,788	\$ 577,788	\$ 310,985	
External materials and services	1,433,304	2,241,161	529,917	
Internal materials and services	<u>57,278</u>	<u>57,278</u>	<u>54,108</u>	
Total current expenditures	<u>2,068,370</u>	<u>2,876,227</u>	<u>895,010</u>	<u>\$ 1,981,217</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	<u>2,068,370</u>	<u>2,068,370</u>	<u>2,068,370</u>	<u>-</u>
Net change in fund balance	-	(807,857)	1,173,360	1,981,217
Fund balance - beginning	<u>-</u>	<u>807,857</u>	<u>827,145</u>	<u>19,288</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>2,000,505</u>	<u>\$ 2,000,505</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Campaign Finance Fund budgeted as separate fund - to General Fund			<u>(2,000,505)</u>	
Fund balance - GAAP basis			<u>\$ -</u>	

City of Portland, Oregon
Children's Investment Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 22,988,820	\$ 22,988,820	\$ 24,120,706	
Prior year property	261,376	261,376	228,123	
Total taxes	<u>23,250,196</u>	<u>23,250,196</u>	<u>24,348,829</u>	<u>\$ 1,098,633</u>
Other:				
Investment earnings	-	-	454,918	454,918
Total revenues	<u>23,250,196</u>	<u>23,250,196</u>	<u>24,803,747</u>	<u>1,553,551</u>
EXPENDITURES				
Current:				
Personal services	1,077,853	1,113,034	1,076,530	
External materials and services	27,666,716	27,628,907	20,626,594	
Internal materials and services	54,061	58,488	56,977	
Total current expenditures	<u>28,798,630</u>	<u>28,800,429</u>	<u>21,760,101</u>	<u>7,040,328</u>
General operating contingencies	3,605,512	3,605,512	-	3,605,512
Total expenditures	<u>32,404,142</u>	<u>32,405,941</u>	<u>21,760,101</u>	<u>10,645,840</u>
Revenues over (under) expenditures	<u>(9,153,946)</u>	<u>(9,155,745)</u>	<u>3,043,646</u>	<u>12,199,391</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
2020 Parks Local Option Levy	379,962	350,242	350,242	-
Transfers to other funds:				
General Fund overhead	(25,000)	(25,000)	(25,000)	-
Total other financing sources (uses)	<u>354,962</u>	<u>325,242</u>	<u>325,242</u>	<u>-</u>
Net change in fund balance	<u>(8,798,984)</u>	<u>(8,830,503)</u>	<u>3,368,888</u>	<u>12,199,391</u>
Fund balance - beginning	8,798,984	8,830,503	9,748,863	918,360
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>13,117,751</u>	<u>\$ 13,117,751</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(1,071,821)	
Fund balance - GAAP basis			<u>\$ 12,045,930</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, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Other service charges	\$ -	\$ -	\$ 11,056	\$ 11,056
Intergovernmental:				
Grants	17,605,960	11,048,978	6,722,216	(4,326,762)
Other:				
Investment earnings	-	-	27,847	
Loan repayments	1,026,236	1,026,236	1,068,293	
Other interest income	-	-	326,696	
Total other	1,026,236	1,026,236	1,422,836	396,600
Total revenues	18,632,196	12,075,214	8,156,108	(3,919,106)
EXPENDITURES				
Current:				
Personal services	1,238,993	1,238,993	1,090,734	
External materials and services	16,988,591	9,652,096	5,286,116	
Internal materials and services	404,612	404,612	359,326	
Total current expenditures	18,632,196	11,295,701	6,736,176	4,559,525
Debt service and related costs:				
Principal	-	555,000	555,000	
Interest	-	224,513	224,513	
Total debt service and related costs	-	779,513	779,513	-
Total expenditures	18,632,196	12,075,214	7,515,689	4,559,525
Revenues over (under) expenditures	-	-	640,419	640,419
Net change in fund balance	-	-	640,419	640,419
Fund balance - beginning	-	-	3,058,027	3,058,027
Fund balance - ending	\$ -	\$ -	3,698,446	\$ 3,698,446
Adjustment to generally accepted accounting principles (GAAP) basis:				
Notes and loans receivable, net			9,761,531	
Fund balance - GAAP basis			\$ 13,459,977	

City of Portland, Oregon
HOME Grant Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Other service charges	\$ -	\$ -	\$ 1,058	\$ 1,058
Intergovernmental:				
Grants	20,036,242	13,610,806	5,768,514	(7,842,292)
Other:				
Loan repayments	264,310	1,200,000	1,255,102	
Investment earnings	-	-	27,999	
Other interest income	-	-	112,736	
Total other	264,310	1,200,000	1,395,837	195,837
Total revenues	20,300,552	14,810,806	7,165,409	(7,645,397)
EXPENDITURES				
Current:				
Personal services	459,299	559,299	539,177	
External materials and services	19,841,253	14,251,507	8,802,001	
Total current expenditures	20,300,552	14,810,806	9,341,178	5,469,628
Net change in fund balance	-	-	(2,175,769)	(2,175,769)
Fund balance - beginning	-	-	2,260,162	2,260,162
Fund balance - ending	\$ -	\$ -	84,393	\$ 84,393
Adjustment to generally accepted accounting principles (GAAP) basis:				
Notes and loans receivable, net			6,439,767	
Fund balance - GAAP basis			\$ 6,524,160	

**City of Portland, Oregon
Portland Parks Memorial Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and permits:				
Other permits	\$ 1,044,178	\$ 2,236,350	\$ 1,933,469	\$ (302,881)
Charges for services:				
Rents and reimbursements	250,000	116,448	344,644	
Parking fees	3,740,000	3,600,000	3,383,281	
Parks and recreation facilities fees	7,396	11,418	11,226	
Other service charges	29,307	29,307	86,458	
Total charges for services	<u>4,026,703</u>	<u>3,757,173</u>	<u>3,825,609</u>	<u>68,436</u>
Other:				
Donations	240,112	215,539	334,494	
Investment earnings	79,292	113,487	367,796	
Miscellaneous	2,000	2,000	347	
Total other	<u>321,404</u>	<u>331,026</u>	<u>702,637</u>	<u>371,611</u>
Total revenues	<u>5,392,285</u>	<u>6,324,549</u>	<u>6,461,715</u>	<u>137,166</u>
EXPENDITURES				
Current:				
Personal services	1,613,352	1,682,307	2,008,525	
External materials and services	16,562,985	15,452,091	98,859	
Internal materials and services	1,973,387	2,046,017	3,408,287	
Total current expenditures	<u>20,149,724</u>	<u>19,180,415</u>	<u>5,515,671</u>	<u>13,664,744</u>
General operating contingencies	1,903,956	1,479,076	-	1,479,076
Total expenditures	<u>22,053,680</u>	<u>20,659,491</u>	<u>5,515,671</u>	<u>15,143,820</u>
Revenues over (under) expenditures	<u>(16,661,395)</u>	<u>(14,334,942)</u>	<u>946,044</u>	<u>15,280,986</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	74,137	74,137	74,137	-
Transfers to other funds:				
Parks Capital Improvement Program	-	(2,284,126)	(2,284,126)	-
Total other financing sources (uses)	<u>74,137</u>	<u>(2,209,989)</u>	<u>(2,209,989)</u>	<u>-</u>
Net change in fund balance	(16,587,258)	(16,544,931)	(1,263,945)	15,280,986
Fund balance - beginning	16,587,258	16,544,931	16,994,477	449,546
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	15,730,532	<u>\$ 15,730,532</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(815,055)	
Fund balance - GAAP basis			<u>\$ 14,915,477</u>	

City of Portland, Oregon
Tax Increment Reimbursement Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Intergovernmental:				
Local cost sharing	\$ 40,359,170	\$ 38,382,521	\$ 13,410,455	\$ (24,972,066)
Charges for services:				
Rents and reimbursements	706,493	706,493	403,826	
Other service charges	940,000	940,000	8,533	
Total charges for services	1,646,493	1,646,493	412,359	(1,234,134)
Other:				
Loan repayments	910,000	910,000	3,095,931	
Investment earnings	10,000	10,000	413,822	
Other interest income	445,109	445,109	516,952	
Total other	1,365,109	1,365,109	4,026,705	2,661,596
Total revenues	43,370,772	41,394,123	17,849,519	(23,544,604)
EXPENDITURES				
Current:				
Personal services	4,140,154	4,140,154	3,507,743	
External materials and services	44,570,150	42,286,632	13,191,205	
Internal materials and services	1,305,125	1,611,994	1,647,613	
Total current expenditures	50,015,429	48,038,780	18,346,561	29,692,219
Revenues over (under) expenditures	(6,644,657)	(6,644,657)	(497,042)	6,147,615
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Transfers to other funds:				
General Fund overhead	(849,514)	(849,514)	(849,514)	
Total transfers to other funds	(849,514)	(849,514)	(849,514)	-
Total other financing sources (uses)	(849,514)	(849,514)	(849,514)	-
Net change in fund balance	(7,494,171)	(7,494,171)	(1,346,556)	6,147,615
Fund balance - beginning	7,494,171	7,494,171	25,112,636	17,618,465
Fund balance - ending	\$ -	\$ -	23,766,080	\$ 23,766,080
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(978,406)	
Notes and loans receivable, net			53,824,872	
Fund balance - GAAP basis			\$ 76,612,546	

City of Portland, Oregon
Police Special Revenue Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Intergovernmental:				
Federal cost sharing	\$ 40,000	\$ 40,000	\$ 1,217,705	
State revenue sharing	66,889	66,889	6,314	
Local cost sharing	359,372	359,372	-	
Total intergovernmental	466,261	466,261	1,224,019	\$ 757,758
Other:				
Donations	-	-	31,108	
Investment earnings	45,088	45,088	200,588	
Total other	45,088	45,088	231,696	186,608
Total revenues	511,349	511,349	1,455,715	944,366
EXPENDITURES				
Current:				
External materials and services	7,386,743	7,386,743	55,710	
Internal materials and services	-	-	10,930	
Capital outlay	-	-	47,349	
Total current expenditures	7,386,743	7,386,743	113,989	7,272,754
Revenues over (under) expenditures	(6,875,394)	(6,875,394)	1,341,726	8,217,120
Net change in fund balance	(6,875,394)	(6,875,394)	1,341,726	8,217,120
Fund balance - beginning	6,875,394	6,875,394	8,569,233	1,693,839
Fund balance - ending	\$ -	\$ -	9,910,959	\$ 9,910,959
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(439,399)	
Fund balance - GAAP basis			\$ 9,471,560	

City of Portland, Oregon
Arts Education and Access Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Miscellaneous	\$ 14,200,000	\$ 13,400,000	\$ 11,891,536	\$ (1,508,464)
Other:				
Investment earnings	204,000	123,000	178,030	55,030
Total revenues	14,404,000	13,523,000	12,069,566	(1,453,434)
EXPENDITURES				
Current:				
External materials and services	13,704,000	13,307,000	10,721,246	
Internal materials and services	1,535,622	1,475,622	1,386,560	
Total current expenditures	15,239,622	14,782,622	12,107,806	2,674,816
General operating contingencies	6,536,565	7,116,678	-	7,116,678
Total expenditures	21,776,187	21,899,300	12,107,806	9,791,494
Revenues over (under) expenditures	(7,372,187)	(8,376,300)	(38,240)	8,338,060
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(25,000)	(25,000)	(25,000)	
General Fund	-	(30,000)	(10,000)	
Total transfers to other funds	(25,000)	(55,000)	(35,000)	20,000
Net change in fund balance	(7,397,187)	(8,431,300)	(73,240)	8,358,060
Fund balance - beginning	7,397,187	8,431,300	8,808,425	377,125
Fund balance - ending	\$ -	\$ -	8,735,185	\$ 8,735,185
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(439,590)	
Fund balance - GAAP basis			\$ 8,295,595	

**City of Portland, Oregon
Community Solar Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 1,072	
Miscellaneous	8,401	8,401	6,308	
Total other	<u>8,401</u>	<u>8,401</u>	<u>7,380</u>	\$ (1,021)
Net change in fund balance	8,401	8,401	7,380	(1,021)
Fund balance - beginning	96,326	96,326	95,257	(1,069)
Fund balance - ending	<u>\$ 104,727</u>	<u>\$ 104,727</u>	102,637	<u>\$ (2,090)</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(4,755)	
Fund balance - GAAP basis			<u>\$ 97,882</u>	

City of Portland, Oregon
Inclusionary Housing Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Miscellaneous	\$ 2,500,000	\$ 5,550,000	\$ 5,186,353	\$ (363,647)
Charges for services:				
Other service charges	11,197,171	2,323,419	1,070,927	(1,252,492)
Intergovernmental:				
Other:				
Loan repayments	1,200,000	1,200,000	2,575,544	
Investment earnings	106,400	106,400	593,938	
Total other	1,306,400	1,306,400	3,169,482	1,863,082
Total revenues	15,003,571	9,179,819	9,426,762	246,943
EXPENDITURES				
Current:				
Personal services	981,078	1,030,000	939,737	
External materials and services	15,035,980	13,060,067	4,272,319	
Internal materials and services	11,115	11,115	11,115	
Total current expenditures	16,028,173	14,101,182	5,223,171	8,878,011
Revenues over (under) expenditures	(1,024,602)	(4,921,363)	4,203,591	9,124,954
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(136,845)	(136,845)	(136,845)	-
Net change in fund balance	(1,161,447)	(5,058,208)	4,066,746	9,124,954
Fund balance - beginning	1,161,447	5,058,208	28,640,633	23,582,425
Fund balance - ending	\$ -	\$ -	32,707,379	\$ 32,707,379
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(1,443,003)	
Loans receivable, net			1,458,863	
Fund balance - GAAP basis			\$ 32,723,239	

City of Portland, Oregon
Housing Property Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 5,124,915	\$ 5,324,915	\$ 5,211,211	\$ (113,704)
Other:				
Investment earnings	67,500	67,500	129,698	62,198
Total revenues	<u>5,192,415</u>	<u>5,392,415</u>	<u>5,340,909</u>	<u>(51,506)</u>
EXPENDITURES				
Current:				
Personal services	114,562	114,562	72,969	
External materials and services	4,653,566	4,698,934	3,775,133	
Internal materials and services	-	154,632	154,720	
Total current expenditures	<u>4,768,128</u>	<u>4,968,128</u>	<u>4,002,822</u>	<u>965,306</u>
General operating contingencies	<u>342,581</u>	<u>189,725</u>	<u>-</u>	<u>189,725</u>
Debt service and related costs:				
Principal	348,447	501,303	501,303	
Interest	201,552	201,552	194,932	
Total debt service and related costs	<u>549,999</u>	<u>702,855</u>	<u>696,235</u>	<u>6,620</u>
Total expenditures	<u>5,660,708</u>	<u>5,860,708</u>	<u>4,699,057</u>	<u>1,161,651</u>
Revenues over (under) expenditures	<u>(468,293)</u>	<u>(468,293)</u>	<u>641,852</u>	<u>1,110,145</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Housing Investment	<u>53,233</u>	<u>53,233</u>	<u>53,233</u>	<u>-</u>
Transfers to other funds:				
General Fund overhead	<u>(139,463)</u>	<u>(139,463)</u>	<u>(139,463)</u>	<u>-</u>
Total other financing sources (uses)	<u>(86,230)</u>	<u>(86,230)</u>	<u>(86,230)</u>	<u>-</u>
Net change in fund balance	<u>(554,523)</u>	<u>(554,523)</u>	<u>555,622</u>	<u>1,110,145</u>
Fund balance - beginning	<u>554,523</u>	<u>554,523</u>	<u>6,534,408</u>	<u>5,979,885</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>7,090,030</u>	<u>\$ 7,090,030</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>(307,643)</u>	
Fund balance - GAAP basis			<u>\$ 6,782,387</u>	

City of Portland, Oregon
Recreational Cannabis Tax Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Miscellaneous	\$ 6,826,178	\$ 7,498,390	\$ 6,850,492	\$ (647,898)
Other:				
Investment earnings	98,684	75,692	170,114	94,422
Total revenues	<u>6,924,862</u>	<u>7,574,082</u>	<u>7,020,606</u>	<u>(553,476)</u>
EXPENDITURES				
Current:				
Personal services	2,077,642	2,035,642	1,283,961	
External materials and services	9,872,757	6,426,474	5,145,574	
Internal materials and services	23,000	23,000	63,370	
Capital outlay	-	-	878,900	
Total current expenditures	<u>11,973,399</u>	<u>8,485,116</u>	<u>7,371,805</u>	<u>1,113,311</u>
General operating contingencies	<u>749,637</u>	<u>5,981,935</u>	<u>-</u>	<u>5,981,935</u>
Total expenditures	<u>12,723,036</u>	<u>14,467,051</u>	<u>7,371,805</u>	<u>7,095,246</u>
Revenues over (under) expenditures	<u>(5,798,174)</u>	<u>(6,892,969)</u>	<u>(351,199)</u>	<u>6,541,770</u>
Net change in fund balance	(5,798,174)	(6,892,969)	(351,199)	6,541,770
Fund balance - beginning	<u>5,798,174</u>	<u>6,892,969</u>	<u>7,593,777</u>	<u>700,808</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>7,242,578</u>	<u>\$ 7,242,578</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>(361,214)</u>	
Fund balance - GAAP basis			<u>\$ 6,881,364</u>	

**City of Portland, Oregon
Cannabis Licensing Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Other service charges	\$ 1,532,130	\$ 1,267,250	\$ 1,317,974	\$ 50,724
Total revenues	<u>1,532,130</u>	<u>1,267,250</u>	<u>1,317,974</u>	<u>50,724</u>
EXPENDITURES				
Current:				
Personal services	1,338,437	1,186,557	1,177,973	
External materials and services	107,035	148,814	54,877	
Internal materials and services	248,964	248,964	246,354	
Total current expenditures	<u>1,694,436</u>	<u>1,584,335</u>	<u>1,479,204</u>	105,131
General operating contingencies	-	1,100,121	-	1,100,121
Total expenditures	<u>1,694,436</u>	<u>2,684,456</u>	<u>1,479,204</u>	<u>1,205,252</u>
Revenues over (under) expenditures	<u>(162,306)</u>	<u>(1,417,206)</u>	<u>(161,230)</u>	<u>1,255,976</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	-	159,862	159,862	-
Transfers to other funds:				
General Fund overhead	(57,485)	(57,485)	(57,485)	-
Net change in fund balance	<u>(219,791)</u>	<u>(1,314,829)</u>	<u>(58,853)</u>	<u>1,255,976</u>
Fund balance - beginning	<u>219,791</u>	<u>1,314,829</u>	<u>1,314,828</u>	<u>(1)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>1,255,975</u>	<u>\$ 1,255,975</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(68,911)	
Fund balance - GAAP basis			<u>\$ 1,187,064</u>	

City of Portland, Oregon
Housing Development Costs Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Other service charges	\$ 1,121,435	\$ 3,072,603	\$ 2,398,807	\$ (673,796)
Intergovernmental:				
Other:				
Investment earnings	560,000	560,000	1,132,034	572,034
Total revenues	<u>1,681,435</u>	<u>3,632,603</u>	<u>3,530,841</u>	<u>(101,762)</u>
EXPENDITURES				
Current:				
Personal services	1,279,212	1,279,212	986,731	
External materials and services	84,386,249	78,386,249	59,608,667	
Internal materials and services	411,140	411,140	342,617	
Total current expenditures	<u>86,076,601</u>	<u>80,076,601</u>	<u>60,938,015</u>	<u>19,138,586</u>
General operating contingencies	-	1,952,668	-	1,952,668
Debt service and related costs:				
Total expenditures	<u>86,076,601</u>	<u>82,029,269</u>	<u>60,938,015</u>	<u>21,091,254</u>
Revenues over (under) expenditures	<u>(84,395,166)</u>	<u>(78,396,666)</u>	<u>(57,407,174)</u>	<u>20,989,492</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Housing Investment	1,429,848	1,429,848	-	
Housing Capital	-	1,500	-	
Total transfers from other funds	<u>1,429,848</u>	<u>1,431,348</u>	<u>-</u>	<u>(1,431,348)</u>
Transfers to other funds:				
General Fund overhead	<u>(550,000)</u>	<u>(550,000)</u>	<u>(550,000)</u>	<u>-</u>
Bonds and notes issued	<u>83,515,318</u>	<u>77,515,318</u>	<u>-</u>	<u>(77,515,318)</u>
Total other financing sources (uses)	<u>84,395,166</u>	<u>78,396,666</u>	<u>(550,000)</u>	<u>(78,946,666)</u>
Net change in fund balance	-	-	(57,957,174)	(57,957,174)
Fund balance - beginning	-	-	81,373,484	81,373,484
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>23,416,310</u>	<u>\$ 23,416,310</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(4,063,998)	
Loans receivable, net			7,262,852	
Fund balance - GAAP basis			<u>\$ 26,615,164</u>	

City of Portland, Oregon
Citywide Obligations Reserve Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Multnomah County cost sharing	\$ -	\$ 3,686,147	\$ 3,555,534	
Local revenue sharing	116,800	116,800	116,800	
Local cost sharing	-	3,497,383	3,301,437	
Total intergovernmental	<u>116,800</u>	<u>7,300,330</u>	<u>6,973,771</u>	\$ (326,559.00)
Other:				
Investment earnings	10,000	20,000	320,522	300,522
Miscellaneous revenues	-	-	15,036	15,036
Total other	<u>10,000</u>	<u>20,000</u>	<u>335,558</u>	<u>\$ 315,558</u>
Billing to other funds - services	<u>9,610,655</u>	<u>2,392,194</u>	<u>2,261,261</u>	<u>(130,933)</u>
Total revenues	<u>9,737,455</u>	<u>9,712,524</u>	<u>9,570,590</u>	<u>(141,934)</u>
EXPENDITURES				
Current:				
External materials and services	1,682,836	1,921,901	6,698,628	
Internal materials and services	6,698,628	6,698,628	-	
Total current expenditures	<u>8,381,464</u>	<u>8,620,529</u>	<u>6,698,628</u>	<u>1,921,901</u>
General operating contingencies	<u>6,559,156</u>	<u>10,125,804</u>	<u>-</u>	<u>10,125,804</u>
Total expenditures	<u>14,940,620</u>	<u>18,746,333</u>	<u>6,698,628</u>	<u>12,047,705</u>
Revenues over (under) expenditures	<u>(5,203,165)</u>	<u>(9,033,809)</u>	<u>2,871,962</u>	<u>11,905,771</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Environmental Remediation	636,000	636,000	636,000	
General Fund	8,167,150	11,296,169	11,296,169	
Transportation Operating	233,600	233,600	233,600	
Water	73,000	73,000	73,000	
Total transfers from other funds	<u>9,109,750</u>	<u>12,238,769</u>	<u>12,238,769</u>	<u>-</u>
Transfers to other funds:				
General Fund	(5,372,778)	(7,432,070)	(6,233,860)	
Government Bond Redemption	(1,129,649)	(890,584)	(890,583)	
Environmental Remediation	(1,880,000)	(4,896,051)	(1,905,170)	
Total transfers to other funds	<u>(8,382,427)</u>	<u>(13,218,705)</u>	<u>(9,029,613)</u>	<u>4,189,092</u>
Total other financing sources (uses)	<u>727,323</u>	<u>(979,936)</u>	<u>3,209,156</u>	<u>4,189,092</u>
Net change in fund balance	(4,475,842)	(10,013,745)	6,081,118	16,094,863
Fund balance - beginning	<u>4,475,842</u>	<u>10,013,745</u>	<u>10,037,506</u>	<u>23,761</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>16,118,624</u>	<u>\$ 16,118,624</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Citywide Obligations Reserve budgeted as separate fund			<u>(16,118,624)</u>	
Fund balance - GAAP basis			<u>\$ -</u>	

City of Portland, Oregon
2020 Parks Local Option Levy
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 46,239,576	\$ 46,239,576	\$ 47,858,565	
Prior year property	-	-	129,082	
Total taxes	<u>46,239,576</u>	<u>46,239,576</u>	<u>47,987,647</u>	<u>\$ 1,748,071</u>
Total revenues	<u>46,239,576</u>	<u>46,239,576</u>	<u>47,987,647</u>	<u>1,748,071</u>
EXPENDITURES				
General operating contingencies	<u>15,071,192</u>	<u>34,720,203</u>	-	<u>34,720,203</u>
Total expenditures	<u>15,071,192</u>	<u>34,720,203</u>	-	<u>34,720,203</u>
Revenues over (under) expenditures	<u>31,168,384</u>	<u>11,519,373</u>	<u>47,987,647</u>	<u>36,468,274</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund	(42,177,149)	(36,751,541)	(25,470,402)	
Children's Investment	<u>(379,962)</u>	<u>(350,242)</u>	<u>(350,242)</u>	
Total transfers to other funds	<u>(42,557,111)</u>	<u>(37,101,783)</u>	<u>(25,820,644)</u>	<u>11,281,139</u>
Total other financing sources (uses)	<u>(42,557,111)</u>	<u>(37,101,783)</u>	<u>(25,820,644)</u>	<u>11,281,139</u>
Net change in fund balance	(11,388,727)	(25,582,410)	22,167,003	47,749,413
Fund balance - beginning	<u>11,388,727</u>	<u>25,582,410</u>	<u>25,582,410</u>	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	47,749,413	<u>\$ 47,749,413</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>(1,265,853)</u>	
Fund balance - GAAP basis			<u>\$ 46,483,560</u>	



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Debt Service Funds Budget and Actual



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River District Urban Renewal Area Debt Redemption Fund

This fund accounts for redemption of bonds issued for tax increment improvements to the River District Urban Renewal Area.

Bonded Debt Interest and Sinking Fund

This fund accounts for payment of principal and interest on general obligation bonded debt.

Downtown Waterfront Renewal Bond Sinking Fund

This fund accounts for the payment of principal and interest on urban renewal bonds. Revenue is derived from sequestered tax on property within the urban renewal area.

Interstate Corridor Debt Service Fund

This fund accounts for the payment of principal and interest on bonds to be issued for activities associated with the Interstate Corridor Urban Renewal Area.

Pension Debt Redemption Fund

This fund accounts for resources and expenditures to pay principal and interest on the City's pension obligation bonds.

South Park Block Redemption Fund

This fund accounts for the payment of principal and interest on urban renewal and redevelopment bonds. Revenue is derived from taxes on property within the South Park Blocks Urban Renewal Project Area.

Gas Tax Bond Redemption Fund

This fund accounts for redemption of bonds issued for certain street improvements.

Lents Town Center Urban Renewal Area Debt Redemption Fund

This fund accounts for redemption of bonds issued for tax increment improvements to the Lents Town Center Urban Renewal Area.

Central Eastside Industrial District Debt Service Fund

This fund accounts for redemption of bonds issued for tax increment improvements to the City's Central Eastside.

Bancroft Bond Interest and Sinking Fund

This fund accounts for transactions related to Bancroft bonding activity that are regulated by the I.R.S. code of 1986. The fund also provides segregated financial reporting of each bond issue subject to the provisions of this code.

Convention Center Area Debt Service Fund

This fund accounts for redemption of bonds issued for tax increment improvements to the Convention Center Urban Renewal Area.

North Macadam Urban Renewal Area Debt Redemption Fund

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

Special Projects Debt Service Fund

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

Gateway Urban Renewal Area Debt Redemption Fund

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

Governmental Bond Redemption Fund

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

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.

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, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	-	350,000	-	(350,000)
Total revenues	-	350,000	-	(350,000)
EXPENDITURES				
External materials and services	-	6,475,000	6,223,383	251,617
Revenues over (under) expenditures	-	(6,125,000)	(6,223,383)	(98,383)
Net change in fund balance	-	(6,125,000)	(6,223,383)	(98,383)
Fund balance - beginning	-	6,125,000	6,223,383	98,383
Fund balance - ending	\$ -	\$ -	-	\$ -
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			-	
Fund balance - GAAP basis			\$ -	

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, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 26,920,835	\$ 26,920,835	\$ 26,851,689	
Prior year property	50,000	50,000	211,907	
Total taxes	<u>26,970,835</u>	<u>26,970,835</u>	<u>27,063,596</u>	<u>\$ 92,761</u>
Other:				
Investment earnings	20,000	20,000	280,060	
Other interest income	-	-	2	
Total other	<u>20,000</u>	<u>20,000</u>	<u>280,062</u>	<u>260,062</u>
Total revenues	<u>26,990,835</u>	<u>26,990,835</u>	<u>27,343,658</u>	<u>352,823</u>
EXPENDITURES				
Debt service and related costs:				
Principal	19,950,000	19,950,000	19,950,000	
Interest	7,040,835	7,040,842	7,040,834	
Total debt service and related costs	<u>26,990,835</u>	<u>26,990,842</u>	<u>26,990,834</u>	<u>8</u>
Revenues over (under) expenditures	<u>-</u>	<u>(7)</u>	<u>352,824</u>	<u>352,831</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Housing Capital Fund	-	7	6	(1)
Net change in fund balance	<u>-</u>	<u>-</u>	<u>352,830</u>	<u>352,830</u>
Fund balance - beginning	<u>(800,000)</u>	<u>(800,000)</u>	<u>2,047,131</u>	<u>2,847,131</u>
Fund balance - ending	<u>\$ (800,000)</u>	<u>\$ (800,000)</u>	<u>2,399,961</u>	<u>\$ 3,199,961</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>(87,680)</u>	
Fund balance - GAAP basis			<u>\$ 2,312,281</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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 12,180,000	\$ 12,180,000	\$ 12,423,911	
Prior year property	20,000	55,000	64,691	
Total taxes	12,200,000	12,235,000	12,488,602	\$ 253,602
Other:				
Investment earnings	10,000	125,000	211,396	
Other interest income	-	-	1	
Total other	10,000	125,000	211,397	86,397
Total revenues	12,210,000	12,360,000	12,699,999	339,999
EXPENDITURES				
Debt service and related costs:				
Principal	13,120,000	13,120,000	13,120,000	
Interest	1,267,560	1,267,560	861,722	
Debt issuance costs	-	50,000	3,852	
Total debt service and related costs	14,387,560	14,437,560	13,985,574	451,986
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
Special Finance & Resource	-	(5,016,500)	(5,016,500)	-
Net change in fund balance	(2,177,560)	(7,094,060)	(6,302,075)	791,985
Fund balance - beginning	8,600,000	8,600,000	9,072,032	472,032
Fund balance - ending	\$ 6,422,440	\$ 1,505,940	2,769,957	\$ 1,264,017
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(448,731)	
Fund balance - GAAP basis			\$ 2,321,226	

City of Portland, Oregon
Interstate Corridor Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 43,093,000	\$ 44,843,000	\$ 45,687,935	
Prior year property	150,000	300,000	411,076	
Total taxes	<u>43,243,000</u>	<u>45,143,000</u>	<u>46,099,011</u>	\$ 956,011
Other:				
Investment earnings	25,000	250,000	566,739	316,739
Total revenues	<u>43,268,000</u>	<u>45,393,000</u>	<u>46,665,750</u>	<u>1,272,750</u>
EXPENDITURES				
Debt service and related costs:				
Principal	27,000,000	27,000,000	27,000,000	
Interest	8,000	8,000	7,500	
Total debt service and related costs	<u>27,008,000</u>	<u>27,008,000</u>	<u>27,007,500</u>	500
Revenues over (under) expenditures	<u>16,260,000</u>	<u>18,385,000</u>	<u>19,658,250</u>	<u>1,273,250</u>
Net change in fund balance	16,260,000	18,385,000	19,658,250	1,273,250
Fund balance - beginning	<u>2,430,000</u>	<u>7,380,000</u>	<u>7,813,665</u>	<u>433,665</u>
Fund balance - ending	<u>\$ 18,690,000</u>	<u>\$ 25,765,000</u>	<u>27,471,915</u>	<u>\$ 1,706,915</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>(369,354)</u>	
Fund balance - GAAP basis			<u>\$ 27,102,561</u>	

City of Portland, Oregon
Pension Debt Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Over/Under
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Other:				
Investment earnings	\$ 500	\$ 500	\$ 33,563	
Miscellaneous	1,088,968	1,088,968	1,088,968	
Total other	<u>1,089,468</u>	<u>1,089,468</u>	<u>1,122,531</u>	\$ 33,063
EXPENDITURES				
Debt service and related costs:				
Principal	1,054,885	1,054,886	1,054,886	
Interest	5,535,266	5,535,266	5,535,265	
Debt issuance costs	505	1,004	375	
Total debt service and related costs	<u>6,590,656</u>	<u>6,591,156</u>	<u>6,590,526</u>	630
Revenues over (under) expenditures	<u>(5,501,188)</u>	<u>(5,501,688)</u>	<u>(5,467,995)</u>	33,693
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	2,128,976	2,128,976	2,128,976	
Transportation Operating	1,040,859	1,040,859	1,040,859	
Emergency Communication	53,849	53,849	53,849	
Development Services	270,249	270,249	270,249	
Local Improvement District	19,275	19,275	19,275	
Parks Capital Improvement Program	26,093	26,093	26,093	
Sewer System Operating	739,724	739,724	739,724	
Water	5,669	5,669	5,669	
Hydroelectric Power Operating	768,284	768,284	768,284	
Golf	46,327	46,327	46,327	
Portland International Raceway	8,919	8,919	8,919	
Solid Waste Management	14,385	14,385	14,385	
Environmental Remediation	332	332	332	
Health Insurance Operating	8,551	8,551	8,551	
Facilities Services Operating	46,051	46,051	46,051	
CityFleet Operating	108,213	108,213	108,213	
Printing and Distribution Services Operating	36,671	36,671	36,671	
Insurance and Claims Operating	20,207	20,207	20,207	
Workers' Compensation Self Insurance Operating	18,900	18,900	18,900	
Technology Services	128,616	128,616	128,616	
Fire and Police Disability and Retirement	11,538	11,538	11,538	
Total other financing sources (uses)	<u>5,501,688</u>	<u>5,501,688</u>	<u>5,501,688</u>	-
Net change in fund balance	500	-	33,693	33,693
Fund balance - beginning	50,000	50,000	84,548	34,548
Fund balance - ending	<u>\$ 50,500</u>	<u>\$ 50,000</u>	<u>118,241</u>	<u>\$ 68,241</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(3,852)	
Fund balance - GAAP basis			<u>\$ 114,389</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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 8,575,000	\$ 8,575,000	\$ 8,729,081	
Prior year property	10,000	10,000	47,515	
Total taxes	8,585,000	8,585,000	8,776,596	\$ 191,596
Other:				
Investment earnings	20,000	20,000	62,046	42,046
Total revenues	8,605,000	8,605,000	8,838,642	233,642
EXPENDITURES				
Debt service and related costs:				
Principal	9,428,776	9,428,776	9,428,776	
Interest	467,668	467,668	155,889	
Total debt service and related costs	9,896,444	9,896,444	9,584,665	311,779
Net change in fund balance	(1,291,444)	(1,291,444)	(746,023)	545,421
Fund balance - beginning	3,335,000	3,335,000	3,640,426	305,426
Fund balance - ending	\$ 2,043,556	\$ 2,043,556	2,894,403	\$ 850,847
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(178,721)	
Fund balance - GAAP basis			\$ 2,715,682	

City of Portland, Oregon
Gas Tax Bond Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 8	\$ 8
Total revenues	-	-	8	8
Net change in fund balance	-	-	8	8
Fund balance - beginning	-	-	10,108	10,108
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	10,116	<u>\$ 10,116</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			-	
Fund balance - GAAP basis			<u>\$ 10,116</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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 22,400,000	\$ 22,400,000	\$ 22,787,650	
Prior year property	50,000	150,000	210,633	
Total taxes	22,450,000	22,550,000	22,998,283	\$ 448,283
Other:				
Refunds	-	-	8,500	
Investment earnings	10,000	125,000	228,170	
Total other	10,000	125,000	236,670	111,670
Total revenues	22,460,000	22,675,000	23,234,953	559,953
EXPENDITURES				
Debt service and related costs:				
Principal	23,147,236	24,127,236	23,300,803	
Interest	812,764	412,764	351,039	
Total debt service and related costs	23,960,000	24,540,000	23,651,842	888,158
Total expenditures	23,960,000	24,540,000	23,651,842	888,158
Revenues over (under) expenditures	(1,500,000)	(1,865,000)	(416,889)	1,448,111
Net change in fund balance	(1,500,000)	(1,865,000)	(416,889)	1,448,111
Fund balance - beginning	2,500,000	2,365,000	2,588,141	223,141
Fund balance - ending	\$ 1,000,000	\$ 500,000	2,171,252	\$ 1,671,252
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(118,365)	
Fund balance - GAAP basis			\$ 2,052,887	

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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 9,100,000	\$ 9,100,000	\$ 9,182,045	
Prior year property	25,000	70,000	102,228	
Total taxes	9,125,000	9,170,000	9,284,273	\$ 114,273
Other:				
Investment earnings	10,000	50,000	106,096	
Other interest income	-	-	1	
Total other	10,000	50,000	106,097	56,097
Total revenues	9,135,000	9,220,000	9,390,370	170,370
EXPENDITURES				
Debt service and related costs:				
Principal	9,230,010	9,380,010	9,371,771	
Interest	499,127	499,127	265,728	
Total debt service and related costs	9,729,137	9,879,137	9,637,499	241,638
Net change in fund balance	(594,137)	(659,137)	(247,129)	412,008
Fund balance - beginning	3,000,000	3,444,000	3,544,416	100,416
Fund balance - ending	\$ 2,405,863	\$ 2,784,863	3,297,287	\$ 512,424
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(172,379)	
Fund balance - GAAP basis			\$ 3,124,908	

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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Assessments	\$ 7,000,000	\$ 7,210,000	\$ 5,520,576	
Investment earnings	400,000	400,000	431,781	
Other interest income	2,000,000	1,790,000	1,105,210	
Total other	9,400,000	9,400,000	7,057,567	\$ (2,342,433)
EXPENDITURES				
Debt service and related costs:				
Principal	5,000,000	6,000,000	5,960,000	
Interest	1,100,000	1,100,000	1,041,462	
Total debt service and related costs	6,100,000	7,100,000	7,001,462	98,538
Revenues over (under) expenditures	3,300,000	2,300,000	56,105	(2,243,895)
Net change in fund balance	3,300,000	2,300,000	56,105	(2,243,895)
Fund balance - beginning	19,325,002	19,325,002	19,108,969	(216,033)
Fund balance - ending	\$ 22,625,002	\$ 21,625,002	19,165,074	\$ (2,459,928)
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(953,498)	
Fund balance - GAAP basis			\$ 18,211,576	

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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 9,500,000	\$ 9,500,000	\$ 9,667,861	
Prior year property	50,000	75,000	97,544	
Total taxes	9,550,000	9,575,000	9,765,405	\$ 190,405
Other:				
Investment earnings	50,000	65,000	86,805	21,805
Total revenues	9,600,000	9,640,000	9,852,210	212,210
EXPENDITURES				
Debt service and related costs:				
Principal	9,285,000	9,285,000	9,285,000	
Interest	506,295	249,024	249,024	
Total debt service and related costs	9,791,295	9,534,024	9,534,024	-
Net change in fund balance	(191,295)	105,976	318,186	212,210
Fund balance - beginning	6,150,000	3,600,000	3,886,909	286,909
Fund balance - ending	\$ 5,958,705	\$ 3,705,976	4,205,095	\$ 499,119
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(181,727)	
Fund balance - GAAP basis			\$ 4,023,368	

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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 23,780,000	\$ 23,780,000	\$ 24,366,940	
Prior year property	100,000	150,000	218,457	
Total taxes	23,880,000	23,930,000	24,585,397	\$ 655,397
Others:				
Refunds	-	-	8,500	
Investment earnings	25,000	125,000	236,577	
Total others	25,000	125,000	245,077	120,077
Total revenues	23,905,000	24,055,000	24,830,474	775,474
EXPENDITURES				
Current:				
External materials and services	3,015,840	3,015,840	1,436,566	1,579,274
Debt service and related costs:				
Principal	25,461,786	27,301,786	27,301,538	
Interest	1,076,044	886,044	852,841	
Total debt service and related costs	26,537,830	28,187,830	28,154,379	33,451
Total expenditures	29,553,670	31,203,670	29,590,945	1,612,725
Net change in fund balance	(5,648,670)	(7,148,670)	(4,760,471)	2,388,199
Fund balance - beginning	6,200,000	7,700,000	7,946,206	246,206
Fund balance - ending	\$ 551,330	\$ 551,330	3,185,735	\$ 2,634,405
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(385,628)	
Fund balance - GAAP basis			\$ 2,800,107	

City of Portland, Oregon
Special Projects Debt Service Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Intergovernmental:				
Local revenue sharing	\$ 6,997,000	\$ 6,997,000	\$ 6,997,000	
Local cost sharing	50,290	123,596	123,595	
Total intergovernmental	7,047,290	7,120,596	7,120,595	\$ (1)
Other:				
Investment earnings	-	-	1,945	
Total other	-	-	1,945	1,945
Total revenues	7,047,290	7,120,596	7,122,540	1,944
EXPENDITURES				
Debt service and related costs:				
Principal	4,622,715	4,908,979	4,908,977	
Interest	2,500,007	2,500,007	2,500,007	
Total debt service and related costs	7,122,722	7,408,986	7,408,984	2
Revenues over (under) expenditures	(75,432)	(288,390)	(286,444)	1,946
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	103,000	288,390	288,389	(1)
Net change in fund balance	27,568	-	1,945	1,945
Fund balance - beginning	-	-	110,745	110,745
Fund balance - ending	\$ 27,568	\$ -	112,690	\$ 112,690
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(5,428)	
Fund balance - GAAP basis			\$ 107,262	

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, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 6,681,000	\$ 6,681,000	\$ 6,788,639	
Prior year property	30,000	30,000	64,789	
Total taxes	<u>6,711,000</u>	<u>6,711,000</u>	<u>6,853,428</u>	<u>\$ 142,428</u>
Other:				
Investment earnings	5,000	5,000	149,629	144,629
Total revenues	<u>6,716,000</u>	<u>6,716,000</u>	<u>7,003,057</u>	<u>287,057</u>
EXPENDITURES				
Debt service and related costs:				
Principal	2,050,000	5,390,000	5,390,000	
Interest	1,950,000	2,301,000	2,203,580	
Total debt service and related costs	<u>4,000,000</u>	<u>7,691,000</u>	<u>7,593,580</u>	<u>97,420</u>
Revenues over (under) expenditures	<u>2,716,000</u>	<u>(975,000)</u>	<u>(590,523)</u>	<u>384,477</u>
Net change in fund balance	2,716,000	(975,000)	(590,523)	384,477
Fund balance - beginning	<u>4,720,000</u>	<u>4,720,000</u>	<u>5,085,711</u>	<u>365,711</u>
Fund balance - ending	<u>\$ 7,436,000</u>	<u>\$ 3,745,000</u>	<u>4,495,188</u>	<u>\$ 750,188</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>(251,146)</u>	
Fund balance - GAAP basis			<u>\$ 4,244,042</u>	

City of Portland, Oregon
Governmental Bond Redemption Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 126,026	\$ 126,026
EXPENDITURES				
Debt service and related costs:				
Principal	15,295,000	3,385,642	3,385,642	
Interest	2,697,549	2,259,537	2,259,535	
Debt issuance costs	125,000	-	-	
Total debt service and related costs	<u>18,117,549</u>	<u>5,645,179</u>	<u>5,645,177</u>	<u>2</u>
Revenues over (under) expenditures	<u>(18,117,549)</u>	<u>(5,645,179)</u>	<u>(5,519,151)</u>	<u>126,028</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	935,750	935,750	935,750	
General Reserve	1,867,000	1,758,695	1,758,694	
Citywide Obligations	1,129,649	890,584	890,583	
Total transfers from other funds	<u>3,932,399</u>	<u>3,585,029</u>	<u>3,585,027</u>	<u>(2)</u>
Transfers to other funds:				
Facilities Services Operating	-	(14,038)	(14,038)	-
Bonds and notes issued	12,125,000	11,805,099	11,805,099	-
Refund loan and bond escrow agents	-	(11,805,099)	(11,805,099)	-
Total other financing sources (uses)	<u>16,057,399</u>	<u>3,585,029</u>	<u>3,570,989</u>	<u>(14,040)</u>
Net change in fund balance	<u>(2,060,150)</u>	<u>(2,060,150)</u>	<u>(1,948,162)</u>	<u>111,988</u>
Fund balance - beginning	<u>6,540,195</u>	<u>6,554,233</u>	<u>6,575,822</u>	<u>21,589</u>
Fund balance - ending	<u>\$ 4,480,045</u>	<u>\$ 4,494,083</u>	<u>4,627,660</u>	<u>\$ 133,577</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			-	
Fund balance - GAAP basis			<u>\$ 4,627,660</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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Investment earnings	\$ -	\$ 1,000	\$ -	\$ (1,000)
EXPENDITURES				
Current:				
External materials and services	-	25,000	22,943	2,057
Net change in fund balance	-	(24,000)	(22,943)	1,057
Fund balance - beginning	-	24,000	22,943	(1,057)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>-</u>	
Fund balance - GAAP basis			<u>\$ -</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, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Current year property	\$ 30,000	\$ 33,500	\$ 33,590	
Prior year property	500	700	821	
Total taxes	<u>30,500</u>	<u>34,200</u>	<u>34,411</u>	\$ 211
Other:				
Investment earnings	-	175	217	42
Total revenues	<u>30,500</u>	<u>34,375</u>	<u>34,628</u>	<u>253</u>
EXPENDITURES				
Current:				
External materials and services	30,500	15,702	15,702	-
Net change in fund balance	-	18,673	18,926	253
Fund balance - beginning	-	-	1,036	1,036
Fund balance - ending	<u>\$ -</u>	<u>\$ 18,673</u>	19,962	<u>\$ 1,289</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			<u>(4,407)</u>	
Fund balance - GAAP basis			<u>\$ 15,555</u>	



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Capital Projects Funds Budget and Actual



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Special Finance and Resource Fund

This fund serves as a staging area for bond proceeds to ensure proper presentation of City assets and liabilities. Bond proceeds are recorded in this fund and then transferred to the appropriate agency.

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.

Housing Capital Fund

This fund is for capital acquisition and/or construction funded by the Housing General Obligation Bond.

Fire Capital Fund

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

City of Portland, Oregon
Special Finance and Resource Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 925,739	\$ 925,739
EXPENDITURES				
Current:				
External materials and services	67,013,000	63,854,860	55,439,433	8,415,427
Debt service and related costs:				
Debt issuance costs	529,200	425,000	206,847	218,153
Total expenditures	67,542,200	64,279,860	55,646,280	8,633,580
Revenues over (under) expenditures	(67,542,200)	(64,279,860)	(54,720,541)	9,559,319
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Reserve	13,000	104,360	104,357	
Downtown Waterfront Renewal Bond Sinking	-	5,016,500	5,016,500	
Total transfers from other funds	13,000	5,120,860	5,120,857	(3)
Transfers to other funds:				
Transportation Operating	(9,140,073)	(7,640,073)	(4,969,007)	
Parks Capital Improvement Program	-	(1,900,000)	(735,166)	
Total transfers to other funds	(9,140,073)	(9,540,073)	(5,704,173)	3,835,900
Bonds and notes issued	79,275,000	78,125,000	66,864,901	(11,260,099)
Bonds and notes premium	-	-	3,767,384	3,767,384
Total other financing sources (uses)	70,147,927	73,705,787	70,048,969	(7,424,202)
Net change in fund balance	2,605,727	9,425,927	15,328,428	5,902,501
Fund balance - beginning	46,743,090	33,000,000	32,972,765	(27,235)
Fund balance - ending	<u>\$ 49,348,817</u>	<u>\$ 42,425,927</u>	48,301,193	<u>\$ 5,875,266</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(1,654,883)	
Fund balance - GAAP basis			<u>\$ 46,646,310</u>	

City of Portland, Oregon
Local Improvement District Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Other service charges	\$ 1,246,658	\$ 1,086,658	\$ 937,437	\$ (149,221)
Other:				
Assessments	18,186,636	1,336,636	1,180,273	
Investment earnings	68,000	48,000	69,132	
Other interest income	200,000	95,000	84,312	
Total other	<u>18,454,636</u>	<u>1,479,636</u>	<u>1,333,717</u>	<u>(145,919)</u>
Billing to other funds - services	414,000	64,000	59,607	(4,393)
Total revenues	<u>20,115,294</u>	<u>2,630,294</u>	<u>2,330,761</u>	<u>(299,533)</u>
EXPENDITURES				
Current:				
External materials and services	25,840	21,840	16,149	
Internal materials and services	1,761,119	1,531,119	1,351,478	
Total current expenditures	<u>1,786,959</u>	<u>1,552,959</u>	<u>1,367,627</u>	<u>185,332</u>
General operating contingencies	4,901,728	4,580,728	-	4,580,728
Debt service and related costs:				
Principal	18,535	2,043,535	2,013,824	
Interest	397,261	347,261	360,217	
Debt issuance costs	20,000	6,500	6,000	
Total debt service and related costs	<u>435,796</u>	<u>2,397,296</u>	<u>2,380,041</u>	<u>17,255</u>
Total expenditures	<u>7,124,483</u>	<u>8,530,983</u>	<u>3,747,668</u>	<u>4,783,315</u>
Revenues over (under) expenditures	<u>12,990,811</u>	<u>(5,900,689)</u>	<u>(1,416,907)</u>	<u>4,483,782</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(247)	(247)	(247)	
Transportation Operating	(23,500,636)	(7,442,636)	(3,514,128)	
Pension Debt Redemption	(19,275)	(19,275)	(19,275)	
Total transfers to other funds	<u>(23,520,158)</u>	<u>(7,462,158)</u>	<u>(3,533,650)</u>	<u>3,928,508</u>
Bonds and notes issued	13,000,000	13,833,500	9,248,272	(4,585,228)
Payments to refunded loan and bond escrow agents	(8,000,000)	(6,000,000)	(5,715,144)	284,856
Total other financing sources (uses)	<u>(18,520,158)</u>	<u>371,342</u>	<u>(522)</u>	<u>(371,864)</u>
Net change in fund balance	(5,529,347)	(5,529,347)	(1,417,429)	4,111,918
Fund balance - beginning	5,529,347	5,529,347	3,769,901	(1,759,446)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>2,352,472</u>	<u>\$ 2,352,472</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(183,139)	
Fund balance - GAAP basis			<u>\$ 2,169,333</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, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Public works and utility charges	\$ 17,000,000	\$ 17,000,000	\$ 17,670,932	
Parking fees	-	-	172,866	
Total charges for services	<u>17,000,000</u>	<u>17,000,000</u>	<u>17,843,798</u>	\$ 843,798
Intergovernmental:				
Local cost sharing	-	-	104,953	104,953
Other:				
Assessments	1,400,000	1,400,000	1,913,404	
Loan repayments	-	-	4,061,276	
Investment earnings	1,510,000	1,510,000	4,194,583	
Other interest income	14,131	14,131	289,005	
Sale of inventory	-	-	253,886	
Miscellaneous	270,000	70,000	11	
Total other	<u>3,194,131</u>	<u>2,994,131</u>	<u>10,712,165</u>	7,718,034
Billings to other funds for services	-	-	677	677
Total revenues	<u>20,194,131</u>	<u>19,994,131</u>	<u>28,661,593</u>	8,667,462
EXPENDITURES				
Current:				
Personal services	4,684,447	4,684,447	3,152,951	
External materials and services	29,013,794	29,886,792	5,617,684	
Internal materials and services	4,739,019	6,196,747	3,014,939	
Capital outlay	24,852,832	42,702,289	28,655,383	
Total current expenditures	<u>63,290,092</u>	<u>83,470,275</u>	<u>40,440,957</u>	43,029,318
General operating contingencies	147,677,196	156,751,442	-	156,751,442
Debt service and related costs:				
Principal	131,656	25,090	25,090	
Interest	10,777	131,656	131,656	
Total debt service and related costs	<u>142,433</u>	<u>156,746</u>	<u>156,746</u>	-
Total expenditures	<u>211,109,721</u>	<u>240,378,463</u>	<u>40,597,703</u>	199,780,760
Revenues over (under) expenditures	<u>(190,915,590)</u>	<u>(220,384,332)</u>	<u>(11,936,110)</u>	208,448,222

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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	12,570,319	15,901,555	15,901,555	
Special Finance and Resource	-	1,900,000	735,166	
Portland Parks Memorial	-	2,284,126	2,284,126	
Facilities Services Operating	-	500,000	500,000	
CityFleet Operating	-	486,853	486,853	
Total transfers from other funds	12,570,319	21,072,534	19,907,700	(1,164,834)
Transfers to other funds:				
General Fund overhead	(622,316)	(622,316)	(622,316)	
Pension Debt Redemption	(26,093)	(26,093)	(26,093)	
Total transfers to other funds	(648,409)	(648,409)	(648,409)	-
Loans issued	-	5,785	-	(5,785)
Internal loan proceeds	29,643,750	24,643,750	20,590,500	(4,053,250)
Total other financing sources (uses)	41,565,660	45,073,660	39,849,791	(5,223,869)
Net change in fund balance	(149,349,930)	(175,310,672)	27,913,681	203,224,353
Fund balance - beginning	149,349,930	175,310,672	175,210,672	(100,000)
Fund balance - ending	\$ -	\$ -	203,124,353	\$ 203,124,353
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(8,846,437)	
Internal loans receivable			1,000,000	
Fund balance - GAAP basis			\$ 195,277,916	

City of Portland, Oregon
Housing Capital Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
Housing Development Costs	\$ -	\$ (1,500)	\$ -	
Bonded Debt Interest and Sinking	-	(7)	(6)	
Total transfers to other funds	-	(1,507)	(6)	\$ 1,501
Total other financing sources (uses)	-	(1,507)	(6)	1,501
Net change in fund balance	-	(1,507)	(6)	1,501
Fund balance - beginning	-	1,507	1,128	(379)
Fund balance - ending	\$ -	\$ -	1,122	\$ 1,122
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(15)	
Fund balance - GAAP basis			\$ 1,107	

City of Portland, Oregon
Fire Capital Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Other:				
Investment earnings	\$ 170,000	\$ 170,000	\$ 190,753	\$ 20,753
EXPENDITURES				
Current:				
General operating contingencies	8,620,000	5,950,578	-	5,950,578
Revenues over (under) expenditures	(8,450,000)	(5,780,578)	190,753	5,971,331
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund	-	(3,500,000)	(2,650,000)	
Total transfers to other funds:	-	(3,500,000)	(2,650,000)	850,000
Net change in fund balance	(8,450,000)	(9,280,578)	(2,459,247)	6,821,331
Fund balance - beginning	8,450,000	9,280,578	9,280,578	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	6,821,331	<u>\$ 6,821,331</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(463,306)	
Net position - GAAP basis			<u>\$ 6,358,025</u>	



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Permanent Fund Budget and Actual



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Parks Endowment Fund

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

City of Portland, Oregon
Parks Endowment Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ 1,130	\$ 1,939	\$ 3,311	\$ 1,372
EXPENDITURES				
Current:				
External materials and services	33,903	34,781	225	34,556
Net change in fund balance	(32,773)	(32,842)	3,086	35,928
Fund balance - beginning	197,124	197,408	197,410	2
Fund balance - ending	\$ 164,351	\$ 164,566	200,496	\$ 35,930
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(9,855)	
Fund balance - GAAP basis			\$ 190,641	

Schedules of Revenues and Expenditures Proprietary Funds - Budget and Actual



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Enterprise Funds Budget and Actual



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Sewage Disposal Fund

This fund accounts for the wastewater collection and treatment system activities and financing systems development charges through bonded assessments and payment of principal and interest on improvement bonds. Revenue is derived mainly from user fees.

Water Fund

This fund accounts for water distribution system activities. Revenues are derived mainly from water service and installation charges.

Hydroelectric Power Fund

This fund accounts for assets relating to development and installation of hydroelectric generating equipment at the City-owned Bull Run Reservoir. The fund also accounts for activities of the generating plant.

Golf Fund

This fund accounts for the purchase, improvement, and maintenance of municipal golf courses. It also accounts for recreation programs and training utilizing the golf facilities. Revenues are derived from golf fees.

Portland International Raceway Fund

This fund accounts for basic operations of the raceway. Revenues are derived primarily from user fees.

Solid Waste Management Fund

This fund accounts for expenses, user fees, and other revenues associated with the City's oversight of solid waste collection activities and its efforts to reduce solid waste through recycling and waste reduction.

Parking Facilities Fund

This fund accounts for activities of City-owned parking facilities. Revenues are derived from parking fees and commercial space rentals.

Spectator 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.

For financial reporting and operating purposes, management considers the activities of the enterprise funds as unitary enterprises. However, for budgetary and legal purposes these activities are accounted for in the funds listed below. Budget to actual schedules for these funds, prepared on the modified accrual basis of accounting, are included in this subsection.

ENTERPRISE FUNDS:

SEWAGE DISPOSAL FUNDS:

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

WATER FUNDS:

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

HYDROELECTRIC POWER FUNDS:

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

GOLF FUND

PORTLAND INTERNATIONAL RACEWAY FUND

SOLID WASTE MANAGEMENT FUND

PARKING FACILITIES FUND

SPECTATOR VENUES & VISITOR ACTIVITIES FUND

ENVIRONMENTAL REMEDIATION FUND

**City of Portland, Oregon
Sewer System Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Licenses and permits:				
Construction permits	\$ 521,000	\$ 521,000	\$ 500,710	
Other permits	1,300,000	1,300,000	1,545,270	
Total licenses and permits	<u>1,821,000</u>	<u>1,821,000</u>	<u>2,045,980</u>	\$ 224,980
Charges for services:				
Public works and utility charges	411,140,000	411,440,000	406,040,469	
Inspection fees	514,000	514,000	504,291	
Rents and reimbursements	6,800	6,800	223,076	
Leases	273,535	273,535	30,825	
Other service charges	544,500	544,500	495,325	
Total charges for services	<u>412,478,835</u>	<u>412,778,835</u>	<u>407,293,986</u>	(5,484,849)
Intergovernmental:				
State revenue sharing	200,000	200,000	235,322	
State cost sharing	-	-	10,764	
Local cost sharing	37,500	37,500	34,654	
Total intergovernmental	<u>237,500</u>	<u>237,500</u>	<u>280,740</u>	43,240
Billings to other funds for services	1,258,677	1,358,677	1,291,612	(67,065)
Other:				
Sales - other	4,515,000	4,515,000	123,202	
Refunds	-	-	3,629	
Investment earnings	310,000	1,061,000	1,802,840	
Other interest income	175,000	175,000	413,960	
Miscellaneous	130,000	130,000	156,733	
Total other	<u>5,130,000</u>	<u>5,881,000</u>	<u>2,500,364</u>	(3,380,636)
Total revenues	<u>420,926,012</u>	<u>422,077,012</u>	<u>413,412,682</u>	(8,664,330)
EXPENDITURES				
Current:				
Personal services	96,582,436	97,555,283	97,782,270	
External materials and services	98,598,735	106,326,635	102,510,809	
Internal materials and services	56,049,671	53,771,041	47,558,222	
Capital outlay	177,766,500	181,219,234	158,405,920	
Total current expenditures	<u>428,997,342</u>	<u>438,872,193</u>	<u>406,257,221</u>	32,614,972
General operating contingencies	69,926,280	76,483,926	-	76,483,926
Debt service and related costs:				
Principal	711,301	711,301	711,301	
Interest	3,732,383	3,732,383	3,732,383	
Debt issuance costs	30,481	1,936,000	426,877	
Total debt service and related costs	<u>4,474,165</u>	<u>6,379,684</u>	<u>4,870,561</u>	1,509,123
Total expenditures	<u>503,397,787</u>	<u>521,735,803</u>	<u>411,127,782</u>	110,608,021
Revenues over (under) expenditures	<u>(82,471,775)</u>	<u>(99,658,791)</u>	<u>2,284,900</u>	101,943,691

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City of Portland, Oregon
Sewer System Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
CityFleet Operating	-	5,650	-	
Transportation Operating	50,000	50,000	35,807	
Sewer System Construction	251,700,000	251,700,000	205,803,341	
Sewer System Rate Stabilization	5,000,000	5,000,000	-	
Water	150,000	150,000	117,775	
Total transfers from other funds	<u>256,900,000</u>	<u>256,905,650</u>	<u>205,956,923</u>	<u>(50,948,727)</u>
Transfers to other funds:				
General Fund overhead	(8,584,267)	(8,584,267)	(8,584,267)	
Pension Debt Redemption	(739,724)	(739,724)	(739,724)	
Sewer System Debt Redemption	(181,794,234)	(181,794,234)	(172,708,523)	
Sewer System Rate Stabilization	(10,000,000)	(10,000,000)	-	
Sewer System Construction	(68,000,000)	(40,000,000)	(18,000,000)	
Total transfers to other funds	<u>(269,118,225)</u>	<u>(241,118,225)</u>	<u>(200,032,514)</u>	<u>41,085,711</u>
Sale of capital asset	690,000	690,000	1,232,721	542,721
Total other financing sources (uses)	<u>(11,528,225)</u>	<u>16,477,425</u>	<u>7,157,130</u>	<u>(9,320,295)</u>
Net change in fund balance	(94,000,000)	(83,181,366)	9,442,030	92,623,396
Fund balance - beginning	94,180,000	83,361,366	81,623,193	(1,738,173)
Fund balance - ending	<u>\$ 180,000</u>	<u>\$ 180,000</u>	91,065,223	<u>\$ 90,885,223</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Sewer System Debt Redemption fund budgeted as separate fund			23,554,165	
Sewer System Construction fund budgeted as separate fund			308,346,472	
Sewer System Rate Stabilization fund budgeted as separate fund			129,429,759	
Unrealized gain (loss) in investments			(17,002,542)	
Allowance for uncollectible			(9,777,138)	
Notes and loans receivable, net			2,405,708	
Inventories			3,391,465	
Lease receivable			890,046	
Capital assets, net of accumulated depreciation			3,911,044,684	
Pension asset - OPEB			1,208,854	
Deferred outflows - pensions			37,771,236	
Deferred outflows - OPEB			1,789,743	
Compensated absences			(9,514,321)	
Bonds payable			(1,604,467,580)	
Notes and loans payable			(5,063,616)	
Leases and subscriptions payable			(1,780,770)	
Accrued interest payable			(31,343,338)	
Net pension liability - PERS			(85,513,989)	
Other postemployment benefits			(7,427,875)	
Landfill postclosure			(1,100,125)	
Pollution remediation			(1,535,000)	
Deferred inflows - pensions			(24,822,742)	
Deferred inflows - OPEB			(1,329,122)	
Deferred charge for debt refundings			(22,341,834)	
Deferred inflows - Leases			(890,046)	
Net position - GAAP basis			<u>\$2,686,987,317</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, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ 180,000	\$ 530,000	\$ 695,129	
Other interest income	-	-	43	
Total other	<u>180,000</u>	<u>530,000</u>	<u>695,172</u>	<u>\$ 165,172</u>
EXPENDITURES				
Debt service and related costs:				
Principal	118,505,902	132,305,902	118,505,902	
Interest	63,468,333	68,218,333	56,543,082	
Total debt service and related costs	<u>181,974,235</u>	<u>200,524,235</u>	<u>175,048,984</u>	<u>25,475,251</u>
Revenues over (under) expenditures	<u>(181,794,235)</u>	<u>(199,994,235)</u>	<u>(174,353,812)</u>	<u>25,640,423</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Sewer System Operating	181,794,234	181,794,234	172,708,523	(9,085,711)
Bonds and notes issued	14,000,000	14,000,000	167,371,833	153,371,833
Bonds and notes premium	-	-	5,125,934	5,125,934
Payments to refunded loan and bond escrow agents	-	-	(188,488,452)	(188,488,452)
Other sources	14,000,000	14,000,000	(15,990,685)	(29,990,685)
Total other financing sources (uses)	<u>195,794,234</u>	<u>195,794,234</u>	<u>156,717,838</u>	<u>(39,076,396)</u>
Net change in fund balance	13,999,999	(4,200,001)	(17,635,974)	(13,435,973)
Fund balance - beginning	<u>41,304,918</u>	<u>41,304,918</u>	<u>41,190,139</u>	<u>(114,779)</u>
Fund balance - ending	<u>\$ 55,304,917</u>	<u>\$ 37,104,917</u>	<u>23,554,165</u>	<u>\$ (13,550,752)</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Sewer System Debt Redemption Fund budgeted as separate fund to Sewer System Operating Fund			(23,554,165)	
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, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Public works and utility charges	\$ 650,000	\$ 650,000	\$ 1,341,443	\$ 691,443
Other:				
Investment earnings	300,000	840,000	2,454,698	1,614,698
Total revenues	<u>950,000</u>	<u>1,490,000</u>	<u>3,796,141</u>	<u>2,306,141</u>
EXPENDITURES				
Current:				
Materials and services	50,000	50,000	-	50,000
General operating contingencies	288,200,000	345,210,215	-	345,210,215
Debt service and related costs:				
Debt issuance costs	-	1,500,000	857,404	-
Total debt service	-	1,500,000	857,404	642,596
Total expenditures	<u>288,250,000</u>	<u>346,760,215</u>	<u>857,404</u>	<u>345,902,811</u>
Revenues over (under) expenditures	<u>(287,300,000)</u>	<u>(345,270,215)</u>	<u>2,938,737</u>	<u>348,208,952</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Sewer System Operating	68,000,000	40,000,000	18,000,000	(22,000,000)
Transfers to other funds:				
Sewer System Operating	(251,700,000)	(251,700,000)	(205,803,341)	45,896,659
Bonds and notes issued	371,000,000	425,500,000	320,013,241	(105,486,759)
Bonds and notes premium	-	-	39,155,428	39,155,428
Other sources	371,000,000	425,500,000	359,168,669	(66,331,331)
Total other financing sources (uses)	<u>187,300,000</u>	<u>213,800,000</u>	<u>171,365,328</u>	<u>(42,434,672)</u>
Net change in fund balance	(100,000,000)	(131,470,215)	174,304,065	305,774,280
Fund balance - beginning	100,000,000	131,470,215	134,042,407	2,572,192
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>308,346,472</u>	<u>\$ 308,346,472</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Sewer System Construction Fund budgeted as separate fund to Sewer System Operating Fund			(308,346,472)	
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, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ 525,000	\$ 1,750,000	\$ 2,609,221	\$ 859,221
EXPENDITURES				
General operating contingencies	132,175,000	133,255,287	-	133,255,287
Revenues over (under) expenditures	(131,650,000)	(131,505,287)	2,609,221	134,114,508
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Sewer System Operating	10,000,000	10,000,000	-	(10,000,000)
Transfers to other funds:				
Sewer System Operating	(5,000,000)	(5,000,000)	-	5,000,000
Total other financing sources (uses)	5,000,000	5,000,000	-	(5,000,000)
Net change in fund balance	(126,650,000)	(126,505,287)	2,609,221	129,114,508
Fund balance - beginning	126,650,000	126,505,287	126,820,538	315,251
Fund balance - ending	\$ -	\$ -	129,429,759	\$ 129,429,759
Adjustment to generally accepted accounting principles (GAAP) basis:				
Sewer System Rate Stabilization Fund budgeted as separate fund to Sewer System Operating Fund			(129,429,759)	
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, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Public works and utility charges	\$ 233,698,476	\$ 233,698,476	\$ 241,894,334	
Rents and reimbursements	675,000	675,000	397,110	
Leases	-	-	91,520	
Other service charges	1,375,000	1,375,000	1,502,011	
Total charges for services	<u>235,748,476</u>	<u>235,748,476</u>	<u>243,884,975</u>	<u>\$ 8,136,499</u>
Intergovernmental:				
Local cost sharing	615,000	615,000	1,057,243	442,243
Other:				
Sales - other	115,000	115,000	92,101	
Refunds	5,000	5,000	65	
Other interest income	-	-	160,693	
Investment earnings	1,413,576	1,413,576	3,494,846	
Miscellaneous	300,000	300,000	1,563,131	
Total other	<u>1,833,576</u>	<u>1,833,576</u>	<u>5,310,836</u>	<u>3,477,260</u>
Billings to other funds for services	5,314,553	5,481,451	4,560,778	(920,673)
Total revenues	<u>243,511,605</u>	<u>243,678,503</u>	<u>254,813,832</u>	<u>11,135,329</u>
EXPENDITURES				
Current:				
Personal services	96,220,527	96,220,527	87,245,669	
External materials and services	62,215,438	48,760,685	41,248,420	
Internal materials and services	24,879,466	24,717,748	23,591,799	
Capital outlay	98,813,130	66,195,130	53,847,641	
Total current expenditures	<u>282,128,561</u>	<u>235,894,090</u>	<u>205,933,529</u>	<u>29,960,561</u>
General operating contingencies	167,951,865	242,979,331	-	242,979,331
Debt service and related costs:				
Principal	738,763	738,763	738,763	
Interest	3,876,485	3,876,485	3,876,485	
Debt issuance costs	621,590	621,590	28,800	
Total debt service and related costs	<u>5,236,838</u>	<u>5,236,838</u>	<u>4,644,048</u>	<u>592,790</u>
Total expenditures	<u>455,317,264</u>	<u>484,110,259</u>	<u>210,577,577</u>	<u>273,532,682</u>
Revenues over (under) expenditures	<u>(211,805,659)</u>	<u>(240,431,756)</u>	<u>44,236,255</u>	<u>284,668,011</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
CityFleet Operating	-	150,691	-	
General Fund	736,624	736,624	736,624	
Water Construction	174,282,360	170,517,065	100,829,905	
Total transfers from other funds	<u>175,018,984</u>	<u>171,404,380</u>	<u>101,566,529</u>	<u>(69,837,851)</u>

continued on next page

**City of Portland, Oregon
Water Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES), CONTINUED				
Transfers to other funds:				
General Fund overhead	(6,839,281)	(6,839,281)	(6,839,281)	
Citywide Obligations Reserve	(73,000)	(73,000)	(73,000)	
Pension Debt Redemption	(768,284)	(768,284)	(768,284)	
Sewer System Operating	(150,000)	(150,000)	(117,775)	
Water Bond Sinking	(64,408,673)	(64,408,673)	(61,822,002)	
Water Construction	(53,488,106)	(57,146,175)	(55,510,886)	
Total transfers to other funds	(125,727,344)	(129,385,413)	(125,131,228)	4,254,185
Sale of capital asset	275,000	275,000	1,133,504	858,504
Total other financing sources (uses)	49,566,640	42,293,967	(22,431,195)	(64,725,162)
Net change in fund balance	(162,239,019)	(198,137,789)	21,805,060	219,942,849
Fund balance - beginning	162,239,019	198,137,789	198,137,789	-
Fund balance - ending	\$ -	\$ -	219,942,849	\$ 219,942,849
Adjustment to generally accepted accounting principles (GAAP) basis:				
Water Bond Sinking Fund budgeted as separate fund			14,928,853	
Water Construction Fund budgeted as separate fund			30,040,681	
Unrealized gain (loss) on investments			(12,947,532)	
Allowance for uncollectible accounts			(5,610,800)	
Inventories			4,172,315	
Leases receivable			1,403,267	
Property held for sale			151,630	
Capital assets, net of accumulated depreciation and amortization			1,566,846,032	
Regulatory assets			5,454,430	
Regulatory assets - CIP			9,798,577	
OPEB asset			1,256,484	
Deferred outflows - pensions			34,649,448	
Deferred outflows - OPEB			1,806,483	
Compensated absences			(8,679,273)	
Bonds payable			(744,500,994)	
Leases and subscriptions payable			(669,474)	
Accrued interest payable			(26,440,082)	
Net pension liability - PERS			(78,882,184)	
Utility taxes payable			(2,292,389)	
Other postemployment benefits			(8,087,658)	
Deferred inflows - pensions			(23,614,859)	
Deferred inflows - OPEB			(1,376,019)	
Deferred charge for debt refunding			(3,353,498)	
Deferred inflows - leases			(1,403,267)	
Net position - GAAP basis			\$ 972,593,020	

City of Portland, Oregon
Water Bond Sinking Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Other:				
Investment earnings	\$ 182,900	\$ 182,900	\$ 307,852	
Other interest income	-	-	18	
Total other	<u>182,900</u>	<u>182,900</u>	<u>307,870</u>	\$ 124,970
EXPENDITURES				
Debt service and related costs:				
Principal	34,743,093	34,743,093	32,855,000	
Interest	29,848,481	29,848,481	29,150,663	
Total debt service and related costs	<u>64,591,574</u>	<u>64,591,574</u>	<u>62,005,663</u>	2,585,911
Revenues over (under) expenditures	<u>(64,408,674)</u>	<u>(64,408,674)</u>	<u>(61,697,793)</u>	2,710,881
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Water	64,408,673	64,408,673	61,822,002	(2,586,671)
Bonds and notes issued	5,477,000	5,477,000	-	(5,477,000)
Total other financing sources (uses)	<u>69,885,673</u>	<u>69,885,673</u>	<u>61,822,002</u>	(8,063,671)
Net change in fund balance	5,476,999	5,476,999	124,209	(5,352,790)
Fund balance - beginning	33,293,585	14,804,644	14,804,644	-
Fund balance - ending	<u>\$ 38,770,584</u>	<u>\$ 20,281,643</u>	14,928,853	<u>\$ (5,352,790)</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Water Bond Sinking Fund budgeted as separate fund to Water Fund			(14,928,853)	
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, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Public works and utility charges	\$ 4,000,000	\$ 4,000,000	\$ 5,134,389	\$ 1,134,389
Other:				
Investment earnings	732,188	732,188	1,262,176	
Other interest income	-	-	6,405	
Total other	732,188	732,188	1,268,581	536,393
Total revenues	4,732,188	4,732,188	6,402,970	1,670,782
EXPENDITURES				
General operating contingencies	-	29,723,250	-	29,723,250
Revenues over (under) expenditures	4,732,188	(24,991,062)	6,402,970	31,394,032
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Water	53,488,106	57,146,175	55,510,886	(1,635,289)
Transfers to other funds:				
Water	(174,282,360)	(170,517,065)	(100,829,905)	69,687,160
Bonds and notes issued	117,288,000	117,288,000	-	(117,288,000)
Total other financing sources (uses)	(3,506,254)	3,917,110	(45,319,019)	(49,236,129)
Net change in fund balance	1,225,934	(21,073,952)	(38,916,049)	(17,842,097)
Fund balance - beginning	39,233,480	68,956,730	68,956,730	-
Fund balance - ending	\$ 40,459,414	\$ 47,882,778	30,040,681	\$ (17,842,097)
Adjustment to generally accepted accounting principles (GAAP) basis:				
Water Construction Fund budgeted as separate fund to Water Fund			(30,040,681)	
Net position - GAAP basis			\$ -	

**City of Portland, Oregon
Hydroelectric Power Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Sales - other	\$ 3,826,191	\$ 3,826,191	\$ 2,948,885	
Investment earnings	10,000	10,000	14,023	
Total other	<u>3,836,191</u>	<u>3,836,191</u>	<u>2,962,908</u>	\$ (873,283)
Billings to other funds for services	<u>180,000</u>	<u>180,000</u>	<u>210,543</u>	<u>30,543</u>
Total revenues	<u>4,016,191</u>	<u>4,016,191</u>	<u>3,173,451</u>	<u>(842,740)</u>
EXPENDITURES				
Current:				
Personal services	414,428	414,428	366,062	
External materials and services	2,946,100	3,446,100	2,499,873	
Internal materials and services	<u>287,161</u>	<u>287,161</u>	<u>265,646</u>	
Total current expenditures	<u>3,647,689</u>	<u>4,147,689</u>	<u>3,131,581</u>	<u>1,016,108</u>
General operating contingencies	<u>973,361</u>	<u>1,057,231</u>	<u>-</u>	<u>1,057,231</u>
Debt service and related costs:				
Principal	5,452	5,452	5,452	
Interest	<u>28,607</u>	<u>28,607</u>	<u>28,607</u>	
Total debt service and related costs	<u>34,059</u>	<u>34,059</u>	<u>34,059</u>	<u>-</u>
Total expenditures	<u>4,655,109</u>	<u>5,238,979</u>	<u>3,165,640</u>	<u>2,073,339</u>
Revenues over (under) expenditures	<u>(638,918)</u>	<u>(1,222,788)</u>	<u>7,811</u>	<u>1,230,599</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>(500,000)</u>
Transfers to other funds:				
General Fund overhead	(107,646)	(107,646)	(107,646)	
Pension Debt Redemption	<u>(5,669)</u>	<u>(5,669)</u>	<u>(5,669)</u>	
Total other financing sources (uses)	<u>(113,315)</u>	<u>386,685</u>	<u>(113,315)</u>	<u>(500,000)</u>
Net change in fund balance	<u>(752,233)</u>	<u>(836,103)</u>	<u>(105,504)</u>	<u>730,599</u>
Fund balance - beginning	<u>752,233</u>	<u>836,103</u>	<u>836,103</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>730,599</u>	<u>\$ 730,599</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Hydroelectric Renewal and Replacement Fund budgeted as separate fund			111,457	
Unrealized gain (loss) on investments			(67,632)	
Capital assets, net of accumulated depreciation and amortization			17,265,579	
OPEB asset			4,495	
Deferred outflows - pensions			143,848	
Deferred outflows - OPEB			6,215	
Compensated absences			(27,052)	
Bonds payable			(28,645)	
Accrued interest payable			(152,811)	
Net pension liability - PERS			(382,856)	
Other postemployment benefits			(38,108)	
Deferred inflows - pensions			(86,300)	
Deferred inflows - OPEB			<u>(5,234)</u>	
Net position - GAAP basis			<u>\$ 17,473,555</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, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
General operating contingencies	\$ 111,457	\$ 111,457	\$ -	\$ 111,457
Net change in fund balance	(111,457)	(111,457)	-	111,457
Fund balance - beginning	111,457	111,457	111,457	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	111,457	<u>\$ 111,457</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Hydroelectric Power Renewal and Replacement Fund budgeted as separate fund to Hydroelectric Power Operating Fund			(111,457)	
Net position - GAAP basis			<u>\$ -</u>	

**City of Portland, Oregon
Golf Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 662,000	\$ 999,000	\$ 1,653,715	
Leases	-	350,000	-	
Concessions	1,890,000	2,965,000	3,013,521	
Parks and recreation facilities fees	7,385,000	8,285,000	8,398,297	
Other service charges	965,000	1,190,000	1,031,416	
Total charges for services	<u>10,902,000</u>	<u>13,789,000</u>	<u>14,096,949</u>	<u>\$ 307,949</u>
Other:				
Sales - other	-	-	2,079	
Investment earnings	30,000	30,000	123,062	
Miscellaneous	-	-	900	
Total other	<u>30,000</u>	<u>30,000</u>	<u>126,041</u>	<u>96,041</u>
Total revenues	<u>10,932,000</u>	<u>13,819,000</u>	<u>14,222,990</u>	<u>403,990</u>
EXPENDITURES				
Current:				
Personal services	3,686,827	4,236,827	4,005,622	
External materials and services	5,778,704	8,267,370	7,329,184	
Internal materials and services	522,975	667,975	530,592	
Capital outlay	100	100	-	
Total current expenditures	<u>9,988,606</u>	<u>13,172,272</u>	<u>11,865,398</u>	<u>1,306,874</u>
General operating contingencies	<u>6,173,788</u>	<u>5,441,337</u>	<u>-</u>	<u>5,441,337</u>
Debt service and related costs:				
Principal	44,545	44,545	44,545	
Interest	235,242	235,242	235,242	
Internal loan remittances	340,500	340,500	340,500	
Total debt service and related costs	<u>620,287</u>	<u>620,287</u>	<u>620,287</u>	<u>-</u>
Total expenditures	<u>16,782,681</u>	<u>19,233,896</u>	<u>12,485,685</u>	<u>6,748,211</u>
Revenues over (under) expenditures	<u>(5,850,681)</u>	<u>(5,414,896)</u>	<u>1,737,305</u>	<u>7,152,201</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(394,141)	(394,141)	(394,141)	
Pension Debt Redemption	(46,327)	(46,327)	(46,327)	
Total transfers to other funds	<u>(440,468)</u>	<u>(440,468)</u>	<u>(440,468)</u>	<u>-</u>
Total other financing sources (uses)	<u>(440,468)</u>	<u>(440,468)</u>	<u>(440,468)</u>	<u>-</u>
Net change in fund balance	(6,291,149)	(5,855,364)	1,296,837	7,152,201
Fund balance - beginning	<u>6,291,149</u>	<u>5,855,364</u>	<u>5,855,365</u>	<u>1</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>7,152,202</u>	<u>\$ 7,152,202</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(295,498)	
Capital assets, net of accumulated depreciation and amortization			5,852,169	
OPEB asset			81,574	
Deferred outflows - pensions			1,705,983	
Deferred outflows - OPEB			108,487	
Compensated absences			(291,931)	
Bonds payable			(234,046)	
Accrued interest payable			(1,252,396)	
Net pension liability - PERS			(4,382,164)	
Other postemployment benefits			(621,103)	
Deferred inflows - pensions			(988,959)	
Deferred inflows - OPEB			(93,200)	
Net position - GAAP basis			<u>\$ 6,741,118</u>	

**City of Portland, Oregon
Portland International Raceway Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 1,450,000	\$ 1,900,000	\$ 1,725,219	
Concessions	205,000	205,000	246,469	
Parks and recreation facilities fees	125,000	175,000	244,357	
Other Service Charges	-	-	10,500	
Total charges for services	<u>1,780,000</u>	<u>2,280,000</u>	<u>2,226,545</u>	\$ (53,455)
Other:				
Donations	70,000	70,000	70,000	
Investment earnings	5,000	5,000	20,387	
Miscellaneous revenues	-	-	4,725	
Total other	<u>75,000</u>	<u>75,000</u>	<u>95,112</u>	20,112
Total revenues	<u>1,855,000</u>	<u>2,355,000</u>	<u>2,321,657</u>	<u>(33,343)</u>
EXPENDITURES				
Current:				
Personal services	843,605	983,605	925,838	
External materials and services	513,617	663,617	531,395	
Internal materials and services	145,799	165,799	173,349	
Total current expenditures	<u>1,503,021</u>	<u>1,813,021</u>	<u>1,630,582</u>	182,439
General operating contingencies	<u>379,547</u>	<u>1,038,000</u>	<u>-</u>	1,038,000
Debt service and related costs:				
Principal	8,575	8,575	8,575	
Interest	49,997	59,997	59,997	
Internal loan remittances	250,000	250,000	250,000	
Total debt services and related costs	<u>308,572</u>	<u>318,572</u>	<u>318,572</u>	-
Total expenditures	<u>2,191,140</u>	<u>3,169,593</u>	<u>1,949,154</u>	1,220,439
Revenues over (under) expenditures	<u>(336,140)</u>	<u>(814,593)</u>	<u>372,503</u>	1,187,096
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(100,783)	(100,783)	(100,783)	
Pension Debt Redemption	(8,919)	(8,919)	(8,919)	
Total transfers to other funds	<u>(109,702)</u>	<u>(109,702)</u>	<u>(109,702)</u>	-
Net change in fund balance	<u>(445,842)</u>	<u>(924,295)</u>	<u>262,801</u>	1,187,096
Fund balance - beginning	<u>445,842</u>	<u>924,295</u>	<u>924,295</u>	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>1,187,096</u>	<u>\$ 1,187,096</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(48,198)	
Capital assets, net of accumulated depreciation and amortization			2,422,660	
OPEB asset			17,334	
Deferred outflows - pensions			319,266	
Deferred outflows - OPEB			25,071	
Compensated absences			(68,585)	
Bonds payable			(45,055)	
Leases payable			(2,312)	
Accrued interest payable			(244,991)	
Internal loans payable			(1,000,000)	
Net pension liability - PERS			(913,800)	
Other postemployment benefits			(134,599)	
Deferred inflows - pensions			(152,731)	
Deferred inflows - OPEB			(23,834)	
Net position - GAAP basis			<u>\$ 1,337,322</u>	

**City of Portland, Oregon
Solid Waste Management Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and permits:				
Public utility licenses	\$ 3,872,236	\$ 3,872,236	\$ 3,711,501	
Other permits	9,450	9,450	10,500	
Total licenses and permits	<u>3,881,686</u>	<u>3,881,686</u>	<u>3,722,001</u>	\$ (159,685)
Charges for services:				
Public works and utility charges	<u>4,780,557</u>	<u>4,780,557</u>	4,655,086	(125,471)
Other:				
Investment earnings	16,007	16,007	92,692	
Fines	1,050	1,050	3,750	
Miscellaneous	<u>13,309</u>	<u>13,309</u>	<u>1,840</u>	
Total other	<u>30,366</u>	<u>30,366</u>	<u>98,282</u>	67,916
Billings to other funds for services	<u>5,000</u>	<u>5,000</u>	<u>1,900</u>	(3,100)
Total revenues	<u>8,697,609</u>	<u>8,697,609</u>	<u>8,477,269</u>	<u>(220,340)</u>
EXPENDITURES				
Current:				
Personal services	3,066,520	3,066,520	2,202,182	
External materials and services	3,862,050	4,163,714	2,853,848	
Internal materials and services	<u>1,786,206</u>	<u>1,786,206</u>	<u>1,835,067</u>	
Total current expenditures	<u>8,714,776</u>	<u>9,016,440</u>	<u>6,891,097</u>	2,125,343
General operating contingencies	<u>145,175</u>	<u>145,175</u>	-	145,175
Debt service and related costs:				
Principal	13,833	13,833	13,833	
Interest	<u>72,584</u>	<u>72,584</u>	<u>72,584</u>	
Total debt service and related costs	<u>86,417</u>	<u>86,417</u>	<u>86,417</u>	-
Total expenditures	<u>8,946,368</u>	<u>9,248,032</u>	<u>6,977,514</u>	2,270,518
Revenues over (under) expenditures	<u>(248,759)</u>	<u>(550,423)</u>	<u>1,499,755</u>	<u>2,050,178</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(209,628)	(209,628)	(209,628)	
Facilities Services Operating	(1,065,000)	(1,065,000)	(1,065,000)	
Pension Debt Redemption	<u>(14,385)</u>	<u>(14,385)</u>	<u>(14,385)</u>	
Total other financing sources (uses)	<u>(1,289,013)</u>	<u>(1,289,013)</u>	<u>(1,289,013)</u>	-
Net change in fund balance	<u>(1,537,772)</u>	<u>(1,839,436)</u>	210,742	2,050,178
Fund balance - beginning	<u>4,506,088</u>	<u>6,335,118</u>	<u>6,335,118</u>	-
Fund balance - ending	<u>\$ 2,968,316</u>	<u>\$ 4,495,682</u>	6,545,860	<u>\$ 2,050,178</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(232,595)	
OPEB asset			38,140	
Deferred outflows - pensions			1,112,125	
Deferred outflows - OPEB			54,767	
Compensated absences			(166,175)	
Bonds payable			(72,675)	
Accrued interest payable			(387,729)	
Net pension liability - PERS			(2,858,064)	
Other postemployment benefits			(293,310)	
Deferred inflows - pensions			(898,905)	
Deferred inflows - OPEB			<u>(44,990)</u>	
Net position - GAAP basis			<u>\$ 2,796,449</u>	

**City of Portland, Oregon
Parking Facilities Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 302,664	\$ 380,676	\$ 242,738	
Leases	-	-	57,800	
Parking fees	11,508,000	9,200,000	8,745,414	
Other service charges	1,000	1,000	228,363	
Total charges for services	11,811,664	9,581,676	9,274,315	(307,361)
Billings to other funds for services	1,247,343	1,247,343	1,276,215	28,872
Other:				
Investment earnings	100,000	50,000	103,377	
Other interest income	-	-	106,099	
Total other	100,000	50,000	209,476	159,476
Total revenues	13,159,007	10,879,019	10,760,006	(119,013)
EXPENDITURES				
Current:				
Personal services	877,706	877,706	712,629	
External materials and services	5,965,015	11,055,238	5,078,757	
Internal materials and services	3,275,923	3,296,587	3,181,537	
Capital outlay	435,924	435,924	-	
Total current expenditures	10,554,568	15,665,455	8,972,923	6,692,532
General operating contingencies	2,167,578	1,019,216	-	1,019,216
Debt service and related costs:				
Principal	1,600,000	1,600,000	1,600,000	
Interest	164,000	164,000	164,000	
Total debt services and related costs	1,764,000	1,764,000	1,764,000	-
Total expenditures	14,486,146	18,448,671	10,736,923	7,711,748
Revenues over (under) expenditures	(1,327,139)	(7,569,652)	23,083	7,592,735
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	-	4,370,000	4,370,000	-
Transportation Operating	-	750,000	-	(750,000)
Total transfers from other funds	-	5,120,000	4,370,000	(750,000)
Transfers to other funds:				
General Fund overhead	(322,832)	(322,832)	(322,832)	
General Fund	(339,755)	(339,755)	(339,755)	
Total transfers to other funds	(662,587)	(662,587)	(662,587)	-
Total other financing sources (uses)	(662,587)	4,457,413	3,707,413	(750,000)
Net change in fund balance	(1,989,726)	(3,112,239)	3,730,496	6,842,735
Fund balance - beginning	1,989,726	3,112,239	3,112,239	-
Fund balance - ending	\$ -	\$ -	6,842,735	\$ 6,842,735
Adjustment to generally accepted accounting principles (GAAP) basis:				
Allowance for uncollectible accounts			(10,000)	
Unrealized gain (loss) on investments			(160,991)	
Capital assets, net of accumulated depreciation and amortization			39,135,107	
Deferred outflows - pensions			6,278	
Deferred charge for bond refunding			5,375	
Lease receivable			2,595,488	
Bonds payable			(1,680,160)	
Compensated absences			(12,995)	
Deferred inflows leases			(2,595,488)	
Deferred inflows charge for debt refunding			(56)	
Accrued interest payable			(35,000)	
Net pension liability - PERS			(85,906)	
Deferred inflows - pensions			(4,406)	
Net position - GAAP basis			\$ 43,999,981	

**City of Portland, Oregon
Spectator Facilities Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 4,832,000	\$ 4,832,000	\$ 8,420,483	
Parking fees	1,910,000	1,910,000	3,517,827	
Total charges for services	<u>6,742,000</u>	<u>6,742,000</u>	<u>11,938,310</u>	\$ 5,196,310
Intergovernmental:				
Local cost sharing	588,384	588,384	588,384	-
Other:				
Investment earnings	40,000	40,000	382,156	342,156
Total revenues	<u>7,370,384</u>	<u>7,370,384</u>	<u>12,908,850</u>	<u>5,538,466</u>
EXPENDITURES				
Current:				
Personal services	407,034	427,034	415,201	
External materials and services	3,386,096	3,386,096	2,871,710	
Internal materials and services	646,951	626,951	572,653	
Capital outlay	2,288,000	2,288,000	985,684	
Total current expenditures	<u>6,728,081</u>	<u>6,728,081</u>	<u>4,845,248</u>	1,882,833
General operating contingencies	7,791,266	12,716,164	-	12,716,164
Debt service and related costs:				
Principal	2,202,000	2,202,000	2,202,000	
Interest	477,493	477,493	477,493	
Total debt services and related costs	<u>2,679,493</u>	<u>2,679,493</u>	<u>2,679,493</u>	-
Total expenditures	<u>17,198,840</u>	<u>22,123,738</u>	<u>7,524,741</u>	14,598,997
Revenues over (under) expenditures	<u>(9,828,456)</u>	<u>(14,753,354)</u>	<u>5,384,109</u>	<u>20,137,463</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(141,866)	(141,866)	(141,866)	
General Fund	(29,678)	(29,678)	(29,678)	
Total transfers to other funds	<u>(171,544)</u>	<u>(171,544)</u>	<u>(171,544)</u>	-
Total other financing sources (uses)	<u>(171,544)</u>	<u>(171,544)</u>	<u>(171,544)</u>	-
Net change in fund balance	(10,000,000)	(14,924,898)	5,212,565	20,137,463
Fund balance - beginning	10,000,000	14,924,898	14,924,897	(1)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>20,137,462</u>	<u>\$ 20,137,462</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(768,592)	
Capital assets, net of accumulated depreciation and amortization			148,634,454	
OPEB asset			5,727	
Deferred outflows - pensions			370,994	
Deferred outflows - OPEB			8,926	
Bonds payable			(12,026,795)	
Accrued interest payable			(33,791)	
Net pension liability - PERS			(805,450)	
Compensated absences			(62,599)	
Other postemployment benefits			(34,782)	
Loans receivable			1,500,000	
Deferred inflows - pensions			(180,343)	
Deferred inflows - OPEB			(6,810)	
Net position - GAAP basis			<u>\$ 156,738,401</u>	

**City of Portland, Oregon
Environmental Remediation Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Public works and utility charges	\$ 6,200,000	\$ 6,200,000	\$ 6,662,055	
Rents and reimbursements	44,000	44,000	446,666	
Leases	643,717	643,717	6,753	
Total charges for services	<u>6,887,717</u>	<u>6,887,717</u>	<u>7,115,474</u>	\$ 227,757
Other:				
Investment earnings	25,500	151,500	271,736	
Other interest income	-	-	69,982	
Total other	<u>25,500</u>	<u>151,500</u>	<u>341,718</u>	<u>190,218</u>
Billings to other funds for services	<u>528,503</u>	<u>528,503</u>	<u>683,541</u>	<u>155,038</u>
Total revenues	<u>7,441,720</u>	<u>7,567,720</u>	<u>8,140,733</u>	<u>573,013</u>
EXPENDITURES				
Current:				
Personal services	833,490	883,490	792,080	
External materials and services	6,489,893	6,974,893	2,759,510	
Internal materials and services	2,051,219	2,051,219	2,036,498	
Total current expenditures	<u>9,374,602</u>	<u>9,909,602</u>	<u>5,588,088</u>	<u>4,321,514</u>
General operating contingencies	<u>6,770,740</u>	<u>13,874,607</u>	<u>-</u>	<u>13,874,607</u>
Debt service and related costs:				
Principal	319	319	319	
Interest	1,676	1,676	1,676	
Total debt service and related costs	<u>1,995</u>	<u>1,995</u>	<u>1,995</u>	<u>-</u>
Total expenditures	<u>16,147,337</u>	<u>23,786,204</u>	<u>5,590,083</u>	<u>18,196,121</u>
Revenues over (under) expenditures	<u>(8,705,617)</u>	<u>(16,218,484)</u>	<u>2,550,650</u>	<u>18,769,134</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Citywide Obligations Reserve	1,880,000	4,896,051	1,905,170	(2,990,881)
Transfers to other funds:				
General Fund overhead	(163,551)	(163,551)	(163,551)	
Citywide Obligations Reserve	(636,000)	(636,000)	(636,000)	
Pension Debt Redemption	(332)	(332)	(332)	
Total transfers to other funds	<u>(799,883)</u>	<u>(799,883)</u>	<u>(799,883)</u>	<u>-</u>
Total other financing sources (uses)	<u>1,080,117</u>	<u>4,096,168</u>	<u>1,105,287</u>	<u>(2,990,881)</u>
Net change in fund balance	<u>(7,625,500)</u>	<u>(12,122,316)</u>	<u>3,655,937</u>	<u>15,778,253</u>
Fund balance - beginning	<u>7,625,500</u>	<u>12,122,316</u>	<u>11,756,466</u>	<u>(365,850)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>15,412,403</u>	<u>\$ 15,412,403</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(606,601)	
Notes and loans payable			624,556	
Capital assets, net of accumulated depreciation and amortization			3,937,728	
OPEB asset			7,891	
Deferred outflows - pensions			350,252	
Deferred outflows - OPEB			12,432	
Compensated absences			(102,489)	
Bonds payable			(1,679)	
Accrued interest payable			(8,948)	
Net pension liability - PERS			(769,639)	
Other postemployment benefits			(48,716)	
Pollution remediation long-term liability			(4,086,000)	
Landfill postclosure long-term liability			(300,000)	
Deferred inflows - pensions			(243,528)	
Deferred inflows - OPEB			(8,827)	
Net position - GAAP basis			<u>\$ 14,168,835</u>	



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Internal Service Funds Budget and Actual



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Health Insurance Operating Fund

This fund accounts for the City's self-insured health program with the exception of Portland Police Association employees.

Facilities Services Operating Fund

This fund accounts for the operation and maintenance of City facilities, properties and capital projects.

CityFleet Operating Fund

This fund accounts for automotive fleet services provided to City and County agencies.

Printing and Distribution Services Operating Fund

This fund accounts for reproduction and distribution services provided to City and County agencies.

Insurance and Claims Operating Fund

This fund accounts for the City's self-insured program for liability and tort risks.

Workers' Compensation Self Insurance Operating Fund

This fund accounts for the City's self-insured program for workers' compensation claims.

Technology Services Fund

This fund accounts for multi-year funding of major capital purchases of information technology equipment and services provided to City agencies.

Portland Police Association (PPA) Health Insurance Fund

This fund is used for healthcare and benefits services for members of the PPA and eligible participants.

City of Portland, Oregon
Health Insurance Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services:				
Health care charges	\$ 120,333,637	\$ 120,333,637	\$ 121,944,136	\$ 1,610,499
Other:				
Investment earnings	129,751	314,376	506,305	
Miscellaneous	1,790,237	3,357,240	4,268,784	
Total other	<u>1,919,988</u>	<u>3,671,616</u>	<u>4,775,089</u>	1,103,473
Billing to other funds - services	<u>314,794</u>	<u>314,794</u>	<u>314,794</u>	-
Total revenues	<u>122,568,419</u>	<u>124,320,047</u>	<u>127,034,019</u>	<u>2,713,972</u>
EXPENDITURES				
Current:				
Personal services	2,636,261	2,856,261	2,845,362	
External materials and services	117,944,466	128,588,584	127,447,074	
Internal materials and services	735,261	753,761	745,322	
Total current expenditures	<u>121,315,988</u>	<u>132,198,606</u>	<u>131,037,758</u>	1,160,848
General operating contingencies	<u>32,944,702</u>	<u>16,907,787</u>	<u>-</u>	16,907,787
Debt service and related costs:				
Principal	8,222	8,222	8,222	
Interest	43,144	43,144	43,144	
Total debt service and related costs	<u>51,366</u>	<u>51,366</u>	<u>51,366</u>	-
Total expenditures	<u>154,312,056</u>	<u>149,157,759</u>	<u>131,089,124</u>	18,068,635
Revenues over (under) expenditures	<u>(31,743,637)</u>	<u>(24,837,712)</u>	<u>(4,055,105)</u>	<u>20,782,607</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(308,991)	(308,991)	(308,991)	
Pension Debt Redemption	(8,551)	(8,551)	(8,551)	
Total transfers to other funds	<u>(317,542)</u>	<u>(317,542)</u>	<u>(317,542)</u>	-
Net change in fund balance	<u>(32,061,179)</u>	<u>(25,155,254)</u>	<u>(4,372,647)</u>	20,782,607
Fund balance - beginning	<u>32,061,179</u>	<u>25,155,254</u>	<u>25,155,249</u>	(5)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>20,782,602</u>	<u>\$ 20,782,602</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(1,485,861)	
Capital assets, net of accumulated depreciation and amortization			58,160	
OPEB asset			35,873	
Deferred outflows - pensions			1,042,801	
Deferred outflows - OPEB			55,318	
Self insurance claims			(13,211,000)	
Compensated absences			(330,825)	
Bonds payable			(43,200)	
Accrued interest payable			(230,474)	
Net pension liability - PERS			(2,382,456)	
Other postemployment benefits			(158,898)	
Deferred inflows - pensions			(598,332)	
Deferred inflows - OPEB			(39,507)	
Net position - GAAP basis			<u>\$ 3,494,201</u>	

City of Portland, Oregon
Facilities Services Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Rents and reimbursements	\$ 1,273,712	\$ 1,273,712	\$ 851,956	
Leases	-	-	206,084	
Other service charges	-	-	19,678	
Total charges for services	1,273,712	1,273,712	1,077,718	\$ (195,994)
Intergovernmental:				
State cost sharing	2,076,000	2,076,000	2,421,717	345,717
Billings to other funds for services	53,986,188	55,717,711	54,532,956	(1,184,755)
Other:				
Sales - other	-	-	163,693	
Investment earnings	150,000	150,000	1,313,993	
Other interest income	-	-	108,616	
Miscellaneous	-	-	451,513	
Total other	150,000	150,000	2,037,815	1,887,815
Total revenues	57,485,900	59,217,423	60,070,206	852,783
EXPENDITURES				
Current:				
Personal services	8,398,742	9,122,626	7,911,723	
External materials and services	39,157,004	53,049,901	42,028,250	
Internal materials and services	6,622,111	7,582,958	6,814,384	
Capital outlay	5,575,800	5,825,800	-	
Total current expenditures	59,753,657	75,581,285	56,754,357	18,826,928
General operating contingencies	27,260,241	39,873,355	-	39,873,355
Debt service and related costs:				
Principal	5,179,281	5,179,281	5,179,281	
Interest	6,204,952	6,204,952	6,204,952	
Total debt service and related costs	11,384,233	11,384,233	11,384,233	-
Total expenditures	98,398,131	126,838,873	68,138,590	58,700,283
Revenues over (under) expenditures	(40,912,231)	(67,621,450)	(8,068,384)	59,553,066

continued on 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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	11,762,184	16,803,348	16,803,348	
Governmental Bond Redemption	-	14,038	14,038	
Solid Waste Management	1,065,000	1,065,000	1,065,000	
Total transfers from other funds	<u>12,827,184</u>	<u>17,882,386</u>	<u>17,882,386</u>	<u>-</u>
Transfers to other funds:				
General Fund overhead	(2,330,626)	(2,330,626)	(2,330,626)	
General Fund	-	(702,584)	(702,584)	
Transportation Operating	-	(425,408)	(425,408)	
Pension Debt Redemption	(46,051)	(46,051)	(46,051)	
Parks Capital Improvement Program	-	(500,000)	(500,000)	
Technology Services	-	(265,647)	(265,647)	
Total transfers to other funds	<u>(2,376,677)</u>	<u>(4,270,316)</u>	<u>(4,270,316)</u>	<u>-</u>
Sale of capital asset	-	-	845,724	845,724
Total other financing sources (uses)	<u>10,450,507</u>	<u>13,612,070</u>	<u>14,457,794</u>	<u>845,724</u>
Net change in fund balance	<u>(30,461,724)</u>	<u>(54,009,380)</u>	6,389,410	60,398,790
Fund balance - beginning	<u>30,461,724</u>	<u>54,009,380</u>	<u>53,607,994</u>	<u>(401,386)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>59,997,404</u>	<u>\$ 59,997,404</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(3,033,098)	
Capital assets, net of accumulated depreciation and amortization			232,782,712	
Leases receivable			1,180,799	
OPEB asset			93,326	
Deferred outflows - pensions			2,322,049	
Deferred outflows - OPEB			132,536	
Compensated absences			(580,294)	
Leases and subscriptions payable			(8,452,903)	
Bonds payable			(130,389,988)	
Accrued interest payable			(1,779,355)	
Net pension liability - PERS			(4,713,075)	
Other postemployment benefits			(532,440)	
Deferred inflows - pensions			(1,556,733)	
Deferred inflows - debt			(15,762)	
Deferred inflows - OPEB			(101,311)	
Deferred inflows - Leases			(1,180,799)	
Net position - GAAP basis			<u>\$ 144,173,068</u>	

City of Portland, Oregon
CityFleet Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Intergovernmental:				
State cost sharing	\$ 8,681	\$ 8,681	\$ 33,820	
Multnomah County cost sharing	459,155	459,155	352,966	
Local cost sharing	308,754	308,754	282,696	
Total intergovernmental	776,590	776,590	669,482	\$ (107,108)
Other:				
Sales - other	94,905	94,905	104,625	
Investment earnings	389,225	389,225	861,618	
Miscellaneous	34,888	34,888	52,503	
Total other	519,018	519,018	1,018,746	499,728
Billings to other funds for services	45,044,904	49,356,437	47,003,144	(2,353,293)
Total revenues	46,340,512	50,652,045	48,691,372	(1,960,673)
EXPENDITURES				
Current:				
Personal services	10,827,216	9,352,216	8,798,468	
External materials and services	15,548,615	19,766,302	17,021,357	
Internal materials and services	2,509,893	2,659,893	2,406,044	
Capital outlay	14,725,465	41,094,724	17,897,489	
Total current expenditures	43,611,189	72,873,135	46,123,358	26,749,777
General operating contingencies	43,789,868	16,342,205	-	16,342,205
Debt service and related costs:				
Principal	104,056	469,056	469,056	
Interest	546,010	718,834	718,834	
Debt issuance costs	-	7,400	35,158	
Total debt service and related costs	650,066	1,195,290	1,223,048	(27,758)
Total expenditures	88,051,123	90,410,630	47,346,406	43,064,224
Revenues over (under) expenditures	(41,710,611)	(39,758,585)	1,344,966	41,103,551

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City of Portland, Oregon
CityFleet Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	200,000	200,000	200,000	-
Transfers to other funds:				
General Fund overhead	(1,268,944)	(1,268,944)	(1,268,944)	
Pension Debt Redemption	(108,213)	(108,213)	(108,213)	
Pension Debt Redemption	-	(486,853)	(486,853)	
Total transfers to other funds	(1,377,157)	(1,864,010)	(1,864,010)	-
Bonds and notes issued	-	-	4,855,000	4,855,000
Bonds and notes premium	-	-	737,715	737,715
Sale of capital asset	1,100,136	1,100,136	736,004	(364,132)
Refund loan & bond escrow agents	-	-	(4,757,545)	(4,757,545)
Total other financing sources (uses)	(77,021)	(563,874)	(92,836)	471,038
Net change in fund balance	(41,787,632)	(40,322,459)	1,252,130	41,574,589
Fund balance - beginning	41,787,632	40,478,800	40,495,750	16,950
Fund balance - ending	<u>\$ -</u>	<u>\$ 156,341</u>	41,747,880	<u>\$ 41,591,539</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(2,177,883)	
Inventories			2,837,871	
Capital assets, net of accumulated depreciation and amortization			90,670,456	
OPEB asset			152,625	
Deferred outflows - pensions			4,007,058	
Deferred outflows - OPEB			223,884	
Compensated absences			(907,225)	
Bonds payable			(5,691,216)	
Leases and subscriptions payable			(316,953)	
Accrued interest payable			(2,973,225)	
Net pension liability - PERS			(10,151,686)	
Other postemployment benefits			(1,053,697)	
Deferred inflows - pensions			(2,629,021)	
Deferred inflows - OPEB			(172,669)	
Net position - GAAP basis			<u>\$ 113,566,199</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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Other service charges	\$ 172,000	\$ 10,000	\$ 13,334	\$ 3,334
Intergovernmental:				
State cost sharing	112,673	103,423	97,977	
Multnomah County cost sharing	545,337	500,066	513,059	
Local cost sharing	293,719	384,593	308,055	
Total intergovernmental	951,729	988,082	919,091	(68,991)
Other:				
Sales - other	40,849	39,899	44,434	
Investment earnings	-	20,500	30,913	
Total other	40,849	60,399	75,347	14,948
Billings to other funds for services	5,101,928	5,377,545	5,499,704	122,159
Total revenues	6,266,506	6,436,026	6,507,476	71,450
EXPENDITURES				
Current:				
Personal services	1,382,157	1,516,056	1,436,809	
External materials and services	2,736,782	3,232,112	3,074,804	
Internal materials and services	1,088,774	1,283,176	1,085,960	
Capital outlay	102,900	150,000	-	
Total current expenditures	5,310,613	6,181,344	5,597,573	583,771
General operating contingencies	1,457,610	1,204,168	-	1,204,168
Debt service and related costs:				
Principal	35,262	35,262	35,262	
Interest	185,032	185,032	185,032	
Total debt service and related costs	220,294	220,294	220,294	-
Total expenditures	6,988,517	7,605,806	5,817,867	1,787,939
Revenues over (under) expenditures	(722,011)	(1,169,780)	689,609	1,859,389

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City of Portland, Oregon
Printing and Distribution Services Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(236,270)	(236,270)	(236,270)	
Pension Debt Redemption	(36,671)	(36,671)	(36,671)	
Total transfers to other funds	(272,941)	(272,941)	(272,941)	-
Total other financing sources (uses)	(272,941)	(272,941)	(272,941)	-
Net change in fund balance	(994,952)	(1,442,721)	416,668	1,859,389
Fund balance - beginning	994,952	1,442,721	1,442,723	2
Fund balance - ending	\$ -	\$ -	1,859,391	\$ 1,859,391
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(75,801)	
Capital assets, net of accumulated depreciation and amortization			350,466	
OPEB asset			33,936	
Deferred outflows - pensions			916,823	
Deferred outflows - OPEB			46,342	
Compensated absences			(168,215)	
Bonds payable			(185,274)	
Accrued interest payable			(988,424)	
Net pension liability - PERS			(2,328,439)	
Other postemployment benefits			(272,857)	
Deferred inflows - pensions			(717,833)	
Deferred inflows - OPEB			(42,015)	
Net position - GAAP basis			\$ (1,571,900)	

City of Portland, Oregon
Insurance and Claims Operating Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 100,868	\$ 100,868	\$ 531,564	
Miscellaneous	110,526	110,526	334,385	
Total other	<u>211,394</u>	<u>211,394</u>	<u>865,949</u>	\$ 654,555
Billings to other funds for services	14,914,743	14,914,743	14,755,862	(158,881)
Total revenues	<u>15,126,137</u>	<u>15,126,137</u>	<u>15,621,811</u>	<u>495,674</u>
EXPENDITURES				
Current:				
Personal services	1,915,562	1,928,738	1,741,104	
External materials and services	11,724,567	14,377,728	10,013,112	
Internal materials and services	3,957,166	3,969,166	3,950,964	
Total current expenditures	<u>17,597,295</u>	<u>20,275,632</u>	<u>15,705,180</u>	4,570,452
General operating contingencies	23,662,531	22,719,022	-	22,719,022
Debt service and related costs:				
Principal	19,431	19,431	19,431	
Interest	101,958	101,958	101,958	
Total debt service and related costs	<u>121,389</u>	<u>121,389</u>	<u>121,389</u>	-
Total expenditures	<u>41,381,215</u>	<u>43,116,043</u>	<u>15,826,569</u>	27,289,474
Revenues over (under) expenditures	<u>(26,255,078)</u>	<u>(27,989,906)</u>	<u>(204,758)</u>	27,785,148
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(268,798)	(268,798)	(268,798)	
Pension Debt Redemption	(20,207)	(20,207)	(20,207)	
Total transfers to other funds	<u>(289,005)</u>	<u>(289,005)</u>	<u>(289,005)</u>	-
Net change in fund balance	(26,544,083)	(28,278,911)	(493,763)	27,785,148
Fund balance - beginning	26,544,083	28,278,911	28,602,647	323,736
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	28,108,884	<u>\$ 28,108,884</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(1,423,612)	
OPEB asset			29,439	
Deferred outflows - pensions			698,983	
Deferred outflows - OPEB			42,802	
Self insurance claims			(17,034,568)	
Compensated absences			(271,347)	
Bonds payable			(102,090)	
Accrued interest payable			(544,652)	
Net pension liability - PERS			(1,724,600)	
Other postemployment benefits			(187,371)	
Deferred inflows - pensions			(421,817)	
Deferred inflows - OPEB			(33,108)	
Fund balance - GAAP basis			<u>\$ 7,136,943</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, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ 54,610	\$ 54,610	\$ 256,870	
Miscellaneous	15,227	15,227	3,780	
Total other	<u>69,837</u>	<u>69,837</u>	<u>260,650</u>	\$ 190,813
Billings to other funds for services	5,206,081	5,206,081	5,206,032	(49)
Total revenues	<u>5,275,918</u>	<u>5,275,918</u>	<u>5,466,682</u>	<u>190,764</u>
EXPENDITURES				
Current:				
Personal services	1,529,609	1,653,828	1,448,349	
External materials and services	3,285,336	4,885,336	4,109,770	
Internal materials and services	797,887	813,887	791,226	
Total current expenditures	<u>5,612,832</u>	<u>7,353,051</u>	<u>6,349,345</u>	1,003,706
General operating contingencies	13,290,100	11,056,590	-	11,056,590
Debt service and related costs:				
Principal	18,175	18,175	18,175	
Interest	95,369	95,369	95,369	
Total debt service and related costs	<u>113,544</u>	<u>113,544</u>	<u>113,544</u>	-
Total expenditures	<u>19,016,476</u>	<u>18,523,185</u>	<u>6,462,889</u>	12,060,296
Revenues over (under) expenditures	<u>(13,740,558)</u>	<u>(13,247,267)</u>	<u>(996,207)</u>	<u>12,251,060</u>
OTHER FINANCING SOURCES (USES)				
Transfers to other funds:				
General Fund overhead	(97,447)	(97,447)	(97,447)	
Pension Debt Redemption	(18,900)	(18,900)	(18,900)	
Total transfers to other funds	<u>(116,347)</u>	<u>(116,347)</u>	<u>(116,347)</u>	-
Net change in fund balance	(13,856,905)	(13,363,614)	(1,112,554)	12,251,060
Fund balance - beginning	13,856,905	13,363,614	13,253,836	(109,778)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	12,141,282	<u>\$ 12,141,282</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(664,619)	
OPEB asset			12,796	
Deferred outflows - pensions			627,467	
Deferred outflows - OPEB			18,651	
Self insurance claims			(7,486,522)	
Compensated absences			(82,434)	
Bonds payable			(95,494)	
Accrued interest payable			(509,453)	
Net pension liability - PERS			(1,494,028)	
Other postemployment benefits			(92,893)	
Deferred inflows - pensions			(409,085)	
Deferred inflows - OPEB			(14,221)	
Net position - GAAP basis			<u>\$ 1,951,447</u>	

City of Portland, Oregon
Technology Services Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Charges for services:				
Rents and reimbursements	\$ -	\$ -	\$ 109,417	
Leases	247,848	247,848	134,856	
Total charges for services	247,848	247,848	244,273	\$ (3,575)
Intergovernmental:				
Federal cost sharing	115,077	115,077	114,426	
State cost sharing	355,172	355,172	302,816	
Multnomah County cost sharing	2,340,137	2,340,137	1,578,562	
Local cost sharing	2,862,192	2,862,192	1,708,413	
Total intergovernmental	5,672,578	5,672,578	3,704,217	(1,968,361)
Other:				
Sales - other	696,330	696,330	342,881	
Investment earnings	200,000	200,000	656,835	
Other interest income	-	-	12,211	
Miscellaneous	40,000	40,000	11,706	
Total other	936,330	936,330	1,023,633	87,303
Billings to other funds for services	76,383,872	79,247,185	80,192,391	945,206
Total revenues	83,240,628	86,103,941	85,164,514	(939,427)
EXPENDITURES				
Current:				
Personal services	42,015,835	44,766,794	41,476,104	
External materials and services	31,424,307	41,290,045	37,111,865	
Internal materials and services	5,702,587	5,896,406	5,453,310	
Capital outlay	-	321,464	228,658	
Total current expenditures	79,142,729	92,274,709	84,269,937	8,004,772
General operating contingencies	27,855,060	25,763,322	-	25,763,322
Debt service and related costs:				
Principal	123,673	123,673	123,673	
Interest	648,944	648,944	648,944	
Total debt service and related costs	772,617	772,617	772,617	-
Total expenditures	107,770,406	118,810,648	85,042,554	33,768,094
Revenues over (under) expenditures	(24,529,778)	(32,706,707)	121,960	32,828,667

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City of Portland, Oregon
Technology Services Fund
Schedule of Revenues and Expenditures - Budget and Actual, continued
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund overhead	175,689	175,689	175,689	
Facilities Services Operating	-	265,647	265,647	
Total transfers from other funds	175,689	441,336	441,336	-
Transfers to other funds:				
General Fund overhead	(2,771,618)	(2,771,618)	(2,771,618)	
Pension Debt Redemption	(128,616)	(128,616)	(128,616)	
Total transfers to other funds	(2,900,234)	(2,900,234)	(2,900,234)	-
Total other financing sources (uses)	(2,724,545)	(2,458,898)	(2,458,898)	-
Net change in fund balance	(27,254,323)	(35,165,605)	(2,336,938)	32,828,667
Fund balance - beginning	27,254,323	35,165,605	35,184,070	18,465
Fund balance - ending	\$ -	\$ -	32,847,132	\$ 32,847,132
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(1,997,853)	
Inventories			1,062,491	
Capital assets, net of accumulated depreciation and amortization			74,959,086	
OPEB asset			488,091	
Deferred outflows - pensions			17,614,220	
Deferred outflows - OPEB			711,732	
Compensated absences			(5,225,627)	
Bonds payable			(649,788)	
Leases and subscriptions payable			(5,089,152)	
Accrued interest payable			(3,565,310)	
Net pension liability - PERS			(40,522,798)	
Other postemployment benefits			(3,139,090)	
Deferred inflows - pensions			(12,132,178)	
Deferred inflows - OPEB			(537,946)	
Net position - GAAP basis			\$ 54,823,010	

City of Portland, Oregon
Portland Police Association Health Insurance Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Service charges and fees:				
Health care charges	\$ 16,194,884	\$ 16,194,884	\$ 16,685,461	\$ 490,577
Other:				
Investment earnings	40,059	40,059	192,154	
Miscellaneous	107,452	107,452	487,913	
Total other	147,511	147,511	680,067	532,556
Total revenues	16,342,395	16,342,395	17,365,528	1,023,133
EXPENDITURES				
Current:				
External materials and services	17,322,765	20,022,765	19,469,454	553,311
General operating contingencies	9,544,522	6,062,201	-	6,062,201
Total expenditures	26,867,287	26,084,966	19,469,454	6,615,512
Net change in fund balance	(10,524,892)	(9,742,571)	(2,103,926)	7,638,645
Fund balance - beginning	10,524,892	9,742,571	9,734,865	(7,706)
Fund balance - ending	\$ -	\$ -	7,630,939	\$ 7,630,939
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(518,638)	
Fund balance - GAAP basis			\$ 7,112,301	



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Schedules of Revenues and Expenditures Fiduciary Funds - Budget and Actual



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Fiduciary Funds Budget and Actual



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Fire and Police Disability and Retirement Fund

This fund provides pension and benefits for members of the Fire Bureau and Police Bureau, their widows and children.

Fire and Police Disability and Retirement Reserve Fund

This fund is a reserve for the Fire and Police Disability and Retirement Fund in the event of an emergency.

Fire and Police Supplemental Retirement Reserve Fund

This fund is a reserve for supplemental retirement benefits to certain members of the Fire and Police Bureaus.

City of Portland, Oregon
Fire and Police Disability and Retirement Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
REVENUES				
Taxes:				
Current year property	\$ 181,345,461	\$ 181,345,461	\$ 181,529,977	
Prior year property	2,140,000	2,140,000	2,839,323	
Total taxes	<u>183,485,461</u>	<u>183,485,461</u>	<u>184,369,300</u>	<u>\$ 883,839</u>
Charges for services:				
Other service charges	-	-	15	15
Other:				
Investment earnings	648,000	648,000	1,487,073	
Miscellaneous	141,100	141,100	201,039	
Total other	<u>789,100</u>	<u>789,100</u>	<u>1,688,112</u>	<u>899,012</u>
Billings to other funds for services	<u>393,900</u>	<u>393,900</u>	<u>405,347</u>	<u>11,447</u>
Total revenues	<u>184,668,461</u>	<u>184,668,461</u>	<u>186,462,774</u>	<u>1,794,313</u>
EXPENDITURES				
Current:				
Personal services	2,889,429	2,946,333	2,771,578	
External materials and services	158,510,999	158,510,999	154,621,458	
Internal materials and services	34,362,170	35,562,170	32,082,705	
Capital outlay	35,001	65,001	59,020	
Total current expenditures	<u>195,797,599</u>	<u>197,084,503</u>	<u>189,534,761</u>	<u>7,549,742</u>
General operating contingencies	<u>13,494,412</u>	<u>12,207,508</u>	<u>-</u>	<u>12,207,508</u>
Debt service and related costs:				
Principal	45,011,094	45,011,094	28,011,094	
Interest	373,213	373,213	358,093	
Debt issuance costs	49,900	49,900	49,112	
Total debt service and related costs	<u>45,434,207</u>	<u>45,434,207</u>	<u>28,418,299</u>	<u>17,015,908</u>
Total expenditures	<u>254,726,218</u>	<u>254,726,218</u>	<u>217,953,060</u>	<u>36,773,158</u>
Revenues over (under) expenditures	<u>(70,057,757)</u>	<u>(70,057,757)</u>	<u>(31,490,286)</u>	<u>38,567,471</u>

continued on 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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over/Under
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Fire and Police Disability and Retirement Reserve	750,000	750,000	-	(750,000)
Transfers to other funds:				
General Fund overhead	(159,711)	(159,711)	(159,711)	
Pension Debt Redemption	(11,538)	(11,538)	(11,538)	
Fire and Police Disability and Retirement Reserve	(750,000)	(750,000)	-	
Total transfers to other funds	(921,249)	(921,249)	(171,249)	750,000
Bonds and notes issued	45,000,000	45,000,000	28,000,000	(17,000,000)
Total other financing sources (uses)	44,828,751	44,828,751	27,828,751	(17,000,000)
Net change in fund balance	(25,229,006)	(25,229,006)	(3,661,535)	21,567,471
Fund balance - beginning	25,229,006	25,229,006	29,973,348	4,744,342
Fund balance - ending	\$ -	\$ -	26,311,813	\$ 26,311,813
Adjustment to generally accepted accounting principles (GAAP) basis:				
Unrealized gain (loss) on investments			(2,068,821)	
Deferred revenue			4,510,918	
Capital assets, net of accumulated depreciation and amortization			885,196	
Other liabilities			(240,000)	
OPEB asset			35,508	
Deferred outflows - pensions			1,132,053	
Deferred outflows - OPEB			52,430	
Compensated absences			(2,315,754)	
Accrued interest payable			(312,553)	
Bonds payable			(58,286)	
Leases payable			(811,556)	
Net pension liability - PERS			(2,573,021)	
Other postemployment benefits			(220,924)	
Deferred inflows - OPEB			(38,240)	
Deferred inflows - pensions			(770,098)	
Net position - GAAP basis			\$ 23,518,665	

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, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
Fire and Police Disability and Retirement	\$ 750,000	\$ 750,000	\$ -	\$ (750,000)
Transfers to other funds:				
Fire and Police Disability and Retirement	(750,000)	(750,000)	-	750,000
Net change in fund balance	-	-	-	-
Fund balance - beginning	750,000	750,000	750,000	-
Fund balance - ending	<u>\$ 750,000</u>	<u>\$ 750,000</u>	750,000	<u>\$ -</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			-	
Net position - GAAP basis			<u>\$ 750,000</u>	

City of Portland, Oregon
Fire and Police Supplemental Retirement Reserve Fund
Schedule of Revenues and Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over/Under</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other:				
Investment earnings	\$ -	\$ -	\$ 106	\$ 106
EXPENDITURES				
Current:				
External materials and services	10,500	40,500	9,727	30,773
General operating contingencies	730	730	-	730
Total expenditures	11,230	41,230	9,727	31,503
OTHER FINANCING SOURCES (USES)				
Transfers from other funds:				
General Fund	-	30,000	30,000	-
Net change in fund balance	(11,230)	(11,230)	20,379	31,609
Fund balance - beginning	11,230	11,230	11,180	(50)
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	31,559	<u>\$ 31,559</u>
Adjustment to generally accepted accounting principles (GAAP) basis:				
None			<u>-</u>	
Net position - GAAP basis			<u>\$ 31,559</u>	



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STATISTICAL SECTION



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This part of the City of Portland’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health. This section contains the following tables and information:

Financial Trends	392
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	397
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	403
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	411
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	414
These schedules contain service and infrastructure data to help the reader understand how information in the City’s financial report relates to services the City provides and the activities it performs.	

City of Portland, Oregon
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015 ⁽¹⁾	2014 ⁽²⁾
Governmental activities:										
Net investment in capital assets	\$ 2,176,804,608	\$ 2,057,117,678	\$ 1,936,284,596	\$ 1,814,558,567	\$ 1,795,576,859	\$ 1,761,907,611	\$ 1,881,668,361	\$ 1,896,441,844	\$ 1,982,917,732	\$ 2,045,982,585
Restricted	1,213,085,342	1,120,979,366	992,281,357	1,009,000,954	736,060,478	659,255,908	549,657,817	446,654,188	340,730,761	271,371,138
Unrestricted	(4,818,113,194)	(4,856,307,238)	(4,928,780,921)	(4,741,339,614)	(4,322,626,779)	(4,150,314,553)	(4,026,450,846)	(3,787,252,754)	(3,494,355,768)	(3,368,964,230)
Total governmental activities net position	\$ (1,428,223,244)	\$ (1,678,210,194)	\$ (2,000,214,968)	\$ (1,917,780,093)	\$ (1,790,989,442)	\$ (1,729,151,034)	\$ (1,595,124,668)	\$ (1,444,156,722)	\$ (1,170,707,275)	\$ (1,051,610,507)
Business-type activities:										
Net investment in capital assets	\$ 3,497,064,627	\$ 3,317,095,535	\$ 3,189,321,127	\$ 3,015,467,125	\$ 2,705,169,782	\$ 2,458,159,760	\$ 2,328,512,375	\$ 2,162,963,007	\$ 2,069,303,473	\$ 1,968,473,423
Restricted	180,000	180,000	180,000	180,000	1,252,139	1,231,271	12,535,569	12,490,281	14,168,531	14,138,244
Unrestricted	415,700,424	353,113,482	271,239,297	277,848,112	381,212,808	317,281,794	199,253,699	188,318,614	156,008,270	61,834,817
Total business-type activities net position	\$ 3,912,945,051	\$ 3,670,389,017	\$ 3,460,740,424	\$ 3,293,495,237	\$ 3,087,634,729	\$ 2,776,672,825	\$ 2,540,301,643	\$ 2,363,771,902	\$ 2,239,480,274	\$ 2,044,446,484
Primary government:										
Net investment in capital assets	\$ 5,673,869,235	\$ 5,374,213,213	\$ 5,125,605,723	\$ 4,830,025,692	\$ 4,500,746,641	\$ 4,220,067,371	\$ 4,210,180,736	\$ 4,059,404,851	\$ 4,052,221,205	\$ 4,014,456,008
Restricted	1,213,265,342	1,121,159,366	992,461,357	1,009,180,954	737,312,617	660,487,179	562,193,386	459,144,469	354,899,292	285,509,382
Unrestricted	(4,402,412,770)	(4,503,193,756)	(4,657,541,624)	(4,463,491,502)	(3,941,413,971)	(3,833,032,759)	(3,827,197,147)	(3,598,934,140)	(3,338,347,498)	(3,307,129,413)
Total primary government net position	\$ 2,484,721,807	\$ 1,992,178,823	\$ 1,460,525,456	\$ 1,375,715,144	\$ 1,296,645,287	\$ 1,047,521,791	\$ 945,176,975	\$ 919,615,180	\$ 1,068,772,999	\$ 992,835,977

⁽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,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014 ⁽¹⁾
Expenses										
Governmental activities:										
Public safety	\$ 729,132,457	\$ 631,146,680	\$ 859,389,376	\$ 888,342,576	\$ 698,443,794	\$ 643,316,126	\$ 662,029,926	\$ 675,619,972	\$ 681,079,374	\$ 524,324,725
Parks, recreation and culture	170,206,394	142,410,752	115,573,191	119,891,074	114,164,329	112,001,845	107,882,771	109,511,440	72,416,721	85,522,569
Community development	451,616,998	452,584,360	489,437,284	345,950,186	243,792,435	329,573,060	290,457,585	258,643,920	162,430,670	166,124,118
Transportation	229,316,124	199,941,308	218,058,685	249,110,162	330,008,337	320,566,855	319,449,307	321,615,626	302,136,406	321,045,231
Legislative / admin / support services	207,437,256	173,325,961	120,962,862	149,334,563	250,839,532	146,510,653	129,284,091	128,136,508	97,013,883	100,869,933
Environmental services	478,832	261,086	224,689	455,770	222,064	171,074	65,043	273,121	86,523	387,345
Water	500,030	2,893,418	270,988	262,023	853,736	145,078	208,375	298,514	175,972	185,404
Parking facilities	171,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000
Interest on long-term debt	37,884,293	37,214,771	45,428,846	50,094,393	52,151,629	48,756,317	47,225,026	46,848,152	48,113,636	47,846,811
Total governmental activities expenses	1,826,743,384	1,639,795,336	1,849,362,921	1,803,457,747	1,690,492,856	1,601,058,008	1,556,619,124	1,540,964,253	1,363,470,185	1,246,323,136
Business-type activities:										
Environmental services	289,686,367	264,870,064	273,964,725	262,850,901	253,973,118	221,952,760	247,437,383	271,877,219	220,160,935	234,976,444
Water	167,929,821	156,132,952	157,448,072	155,094,484	145,727,000	145,619,884	145,140,721	149,291,453	102,628,362	112,388,000
Hydroelectric power	3,819,736	3,829,328	3,548,604	3,277,780	3,501,910	11,863,295	1,446,666	1,685,144	1,289,400	1,661,975
Parking facilities	10,507,004	8,605,602	10,872,708	8,135,542	9,498,977	8,290,186	8,332,521	8,084,291	6,571,712	6,872,812
Golf	12,474,776	11,063,164	10,287,920	10,213,433	10,043,357	9,739,047	9,485,970	10,856,948	9,288,014	8,890,606
Motor sports	1,993,948	1,695,909	1,614,127	1,810,452	1,947,769	1,824,639	1,556,365	1,855,628	1,578,637	1,685,405
Spectator facilities	9,973,259	8,432,728	8,265,421	6,607,414	7,577,761	8,457,756	11,357,823	8,540,984	7,590,349	6,517,715
Housing	-	-	-	-	-	-	-	733,510	774,968	721,620
Total business-type activities expenses	496,384,911	454,629,747	466,001,577	447,990,006	432,269,892	407,747,567	424,757,449	452,925,177	349,882,377	373,714,577
Total primary government expenses	\$ 2,323,128,295	\$ 2,094,425,083	\$ 2,315,364,498	\$ 2,251,447,753	\$ 2,122,762,748	\$ 2,008,805,575	\$ 1,981,376,573	\$ 1,993,889,430	\$ 1,713,352,562	\$ 1,620,037,713
Program Revenues										
Governmental activities:										
Fees, fines and charges for services:										
Public safety	\$ 41,792,579	\$ 36,132,898	\$ 31,051,277	\$ 31,962,395	\$ 26,857,681	\$ 25,653,732	\$ 22,176,413	\$ 18,463,144	\$ 17,462,949	\$ 13,932,328
Parks, recreation and culture	50,315,044	41,542,111	18,570,162	22,053,606	28,461,364	35,219,434	29,387,579	26,812,317	26,502,334	21,579,257
Community development	90,200,452	93,931,150	82,342,703	80,192,362	83,319,341	87,158,590	84,020,829	76,481,523	68,509,492	61,010,720
Transportation	109,011,046	101,453,586	88,688,869	116,440,694	131,400,471	132,575,619	127,336,714	101,746,047	94,096,155	83,482,648
Legislative / admin / support services	367,402,791	366,299,680	304,887,939	313,883,455	302,885,147	267,746,078	258,572,199	226,112,875	238,924,027	206,200,217
Environmental services	-	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	620,000	-	-	-	-	-
Operating grants and contributions	174,245,908	230,537,110	214,510,377	61,943,758	125,574,053	223,583,230	130,202,782	154,756,635	166,661,697	147,816,324
Capital grants and contributions	185,041,219	196,526,726	166,696,246	210,903,719	168,501,700	40,574,464	117,286,144	77,985,967	85,061,048	56,392,854
Total governmental activities program revenues	1,018,009,039	1,066,423,261	906,747,573	837,379,989	867,619,757	812,511,147	768,982,660	682,358,508	697,217,702	590,414,348

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,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014 ⁽¹⁾
Business-type activities:										
Charges for services:										
Environmental services	427,983,996	417,901,219	392,323,635	394,050,972	394,085,860	403,733,997	384,195,274	357,565,915	341,993,745	316,057,459
Water	255,542,172	230,167,080	217,280,681	206,444,192	202,947,949	203,801,745	179,476,928	177,094,690	160,749,233	145,760,796
Hydroelectric power	3,159,428	3,677,356	2,278,710	2,104,509	1,480,868	2,508,455	1,375,589	1,184,193	3,769,590	4,054,750
Parking facilities	10,358,205	9,444,515	6,717,794	12,609,616	15,390,897	14,547,546	14,379,691	15,147,309	13,753,023	12,896,245
Golf	13,388,578	11,891,219	12,389,897	10,107,774	9,817,557	8,925,357	7,704,827	8,607,405	8,695,532	7,990,960
Motor sports	2,301,270	2,121,228	1,094,989	1,429,116	2,087,562	1,836,023	1,813,785	1,979,719	1,712,727	1,424,301
Spectator facilities	12,526,694	9,505,802	2,011,659	9,288,079	12,156,084	11,955,710	11,322,610	11,328,164	10,696,710	10,473,920
Housing	-	-	-	-	-	-	-	1,096,742	1,093,766	868,533
Capital grants and contributions	723,690	507,194	1,144,583	7,423,078	77,249,239	4,380,708	1,484,603	2,455,268	4,022,620	2,794,342
Total business-type activities program revenues	725,984,033	685,215,613	635,241,948	643,457,336	715,216,016	651,689,541	601,753,307	576,459,405	546,486,946	502,321,306
Total primary government program revenues	<u>\$ 1,743,993,072</u>	<u>\$ 1,751,638,874</u>	<u>\$ 1,541,989,521</u>	<u>\$ 1,480,837,325</u>	<u>\$ 1,582,835,773</u>	<u>\$ 1,464,200,688</u>	<u>\$ 1,370,735,967</u>	<u>\$ 1,258,817,913</u>	<u>\$ 1,243,704,648</u>	<u>\$ 1,092,735,654</u>
Net (Expense) / Revenue										
Governmental activities	\$ (808,734,345)	\$ (573,372,075)	\$ (942,615,348)	\$ (966,077,758)	\$ (822,873,099)	\$ (788,546,861)	\$ (787,636,464)	\$ (858,605,745)	\$ (666,252,483)	\$ (655,908,788)
Business-type activities	229,599,122	230,585,866	169,240,371	195,467,330	282,946,124	243,941,974	176,995,858	123,534,228	196,604,569	128,606,729
Total primary government net expense	<u>\$ (579,135,223)</u>	<u>\$ (342,786,209)</u>	<u>\$ (773,374,977)</u>	<u>\$ (770,610,428)</u>	<u>\$ (539,926,975)</u>	<u>\$ (544,604,887)</u>	<u>\$ (610,640,606)</u>	<u>\$ (735,071,517)</u>	<u>\$ (469,647,914)</u>	<u>\$ (527,302,059)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property	\$ 739,608,142	\$ 726,356,680	\$ 677,440,396	\$ 632,907,728	\$ 610,837,288	\$ 583,197,121	\$ 537,142,744	\$ 500,071,854	\$ 481,282,272	\$ 455,381,655
Lodging	54,548,190	44,016,188	11,538,480	52,072,009	60,416,923	53,180,447	50,782,865	50,543,129	41,803,744	35,063,066
Clean energy surcharge	183,451,304	135,017,328	116,321,343	62,655,771	6,382,669	-	-	-	-	-
Gas	21,620,767	-	-	-	-	-	-	-	-	-
Miscellaneous	23,928,381	46,020,847	45,846,006	41,690,124	46,954,803	46,767,750	24,080,946	10,246,214	10,490,137	7,062,234
Investment earnings	38,887,469	(54,213,010)	6,046,443	42,403,816	41,143,018	14,941,081	21,443,369	19,481,035	8,760,007	8,950,181
Transfers	(3,322,958)	(1,821,184)	2,987,805	7,557,659	(4,700,010)	215,672	1,839,223	4,814,066	4,819,555	6,715,480
Total governmental activities	1,058,721,295	895,376,849	860,180,473	839,287,107	761,034,691	698,302,071	635,289,147	585,156,298	547,155,715	513,172,616
Business-type activities:										
Investment earnings	9,633,954	(22,758,457)	992,621	17,950,837	23,315,770	3,522,031	2,752,477	5,571,466	3,248,776	2,894,317
Transfers	3,322,958	1,821,184	(2,987,805)	(7,557,659)	4,700,010	(215,672)	(1,839,223)	(4,814,066)	(4,819,555)	(6,715,480)
Special item:										
Capital asset write-off	-	-	-	-	-	-	-	-	-	-
Total business-type activities	12,956,912	(20,937,273)	(1,995,184)	10,393,178	28,015,780	3,306,359	913,254	757,400	(1,570,779)	(3,821,163)
Total primary government	<u>\$ 1,071,678,207</u>	<u>\$ 874,439,576</u>	<u>\$ 858,185,289</u>	<u>\$ 849,680,285</u>	<u>\$ 789,050,471</u>	<u>\$ 701,608,430</u>	<u>\$ 636,202,401</u>	<u>\$ 585,913,698</u>	<u>\$ 545,584,936</u>	<u>\$ 509,351,453</u>
Change in Net Position										
Governmental activities	249,986,950	322,004,774	(82,434,875)	(126,790,651)	(61,838,408)	(90,244,790)	(152,347,317)	(273,449,447)	(119,096,768)	(142,736,172)
Business-type activities	242,556,034	209,648,593	167,245,187	205,860,508	310,961,904	247,248,333	177,909,112	124,291,628	195,033,790	124,785,566
Total primary government change in net position	<u>\$ 492,542,984</u>	<u>\$ 531,653,367</u>	<u>\$ 84,810,312</u>	<u>\$ 79,069,857</u>	<u>\$ 249,123,496</u>	<u>\$ 157,003,543</u>	<u>\$ 25,561,795</u>	<u>\$ (149,157,819)</u>	<u>\$ 75,937,022</u>	<u>\$ (17,950,606)</u>

⁽¹⁾ Data as restated

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

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015 ⁽¹⁾	2014 ⁽²⁾
General Fund										
Nonspendable	\$ 530,497	\$ 403,546	\$ 409,970	\$ 473,167	\$ 446,808	\$ 542,097	\$ 404,610	\$ 453,022	\$ 513,774	\$ 545,293
Committed	89,785,163	81,409,214	75,401,366	62,259,262	70,371,302	60,999,524	58,916,535	56,495,175	58,885,208	60,077,408
Assigned	18,367,695	35,369,336	23,185,588	45,462,450	14,828,983	11,668,282	13,028,310	17,351,152	30,220,861	7,444,423
Unassigned	105,581,466	113,898,818	77,070,509	23,583,351	63,235,009	46,265,155	39,584,406	27,255,828	16,460,088	28,900,909
Total general fund	214,264,821	231,080,914	176,067,433	131,778,230	148,882,102	119,475,058	111,933,861	101,555,177	106,079,931	96,968,033
All other governmental funds										
Major funds:										
Transportation Operating:										
Nonspendable	6,110,778	7,437,992	8,852,991	11,601,325	7,384,372	7,371,044	6,415,131	6,697,786	7,408,416	5,725,138
Restricted	208,785,466	221,550,287	178,076,363	235,186,436	260,976,090	192,005,451	130,924,561	47,917,229	39,013,371	31,794,588
Assigned	-	16,386,828	25,390,852	13,193,002	14,643,645	39,335,648	47,569,182	71,781,581	36,779,700	33,854,289
Grants:										
Unassigned	(62,201,667)	(35,697,013)	(29,652,959)	(17,879,658)	-	-	-	-	-	-
Portland Clean Energy Community Benefits: ⁽³⁾										
Restricted	472,889,074	-	-	-	-	-	-	-	-	-
Nonmajor funds:										
Special revenue funds:										
Restricted	250,939,591	593,210,931	494,882,998	442,605,905	206,158,492	202,742,859	187,431,111	156,692,731	150,476,673	102,777,084
Committed	69,563,513	63,309,378	49,848,814	36,623,562	30,371,235	24,948,662	20,170,158	20,071,904	14,843,739	12,806,577
Assigned	28,645,040	27,598,324	26,779,220	23,180,065	22,314,300	21,135,141	20,697,247	17,374,200	14,645,405	12,436,525
Unassigned	-	-	-	-	(12,069,463)	(9,181,211)	(6,031,672)	(3,543,056)	(3,545,508)	(632,801)
Debt service funds:										
Restricted	51,677,745	51,014,214	81,090,386	141,751,520	102,731,352	78,940,081	75,222,923	66,379,048	62,199,841	55,647,819
Assigned	22,105,875	23,772,004	17,822,815	20,676,987	17,329,528	16,910,552	15,592,586	15,719,727	14,018,712	12,166,789
Unassigned	-	(2,748)	-	-	-	-	-	-	-	-
Capital projects funds:										
Restricted	220,897,020	213,478,683	171,553,079	170,839,894	142,830,175	127,989,025	98,065,337	104,051,671	73,034,959	62,177,707
Committed	4,495,889	1,096,490	2,174,965	54,097	1,061,908	1,629,625	3,767,383	1,910,862	1,282,338	665,072
Assigned	25,059,782	21,806,988	16,353,988	19,313,123	16,946,666	12,654,320	9,276,240	7,545,602	6,734,058	5,889,770
Unassigned	-	-	-	-	-	(15,069,239)	(10,050,355)	-	-	-
Permanent fund:										
Nonspendable	163,175	163,063	164,834	164,834	164,165	163,025	162,956	162,832	162,572	162,843
Restricted	27,466	25,886	31,928	32,226	27,788	22,622	21,411	20,844	19,222	18,457
Total all other governmental funds	1,299,158,747	1,205,151,307	1,043,370,274	1,097,343,318	810,870,253	701,597,605	599,234,199	512,782,961	417,073,498	335,489,857
Total governmental funds	\$ 1,513,423,568	\$ 1,436,232,221	\$ 1,219,437,707	\$ 1,229,121,548	\$ 959,752,355	\$ 821,072,663	\$ 711,168,060	\$ 614,338,138	\$ 523,153,429	\$ 432,457,890

⁽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.

⁽³⁾ Portland Clean Energy Community Benefits became a major fund in FY23 and was segregated from Special revenue funds.

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,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues										
Taxes	\$ 1,017,265,488	\$ 954,467,844	\$ 852,086,645	\$ 785,112,774	\$ 739,064,813	\$ 676,415,465	\$ 607,820,246	\$ 561,631,327	\$ 531,301,330	\$ 495,153,590
Licenses and permits	378,415,577	370,605,472	327,592,171	328,366,654	310,439,318	297,699,193	277,190,024	257,217,150	233,646,104	208,235,312
Intergovernmental	289,267,089	388,601,507	338,655,623	231,469,888	229,804,876	203,682,794	197,151,168	170,956,056	168,242,063	165,057,000
Charges for services	287,565,047	268,012,772	217,026,730	236,974,380	267,215,479	266,586,401	250,686,417	208,154,118	191,393,937	182,994,037
Leases ⁽¹⁾	1,307,404	1,475,033	-	-	-	-	-	-	-	-
Assessments	11,684,848	18,257,550	13,199,612	12,820,277	16,102,913	15,232,474	15,837,560	14,528,846	13,398,496	20,819,124
Investment earnings	36,054,471	(45,775,801)	6,244,965	36,928,996	34,457,305	13,802,580	20,891,658	17,794,209	8,008,872	7,810,694
Miscellaneous	16,543,040	13,791,373	13,250,570	17,223,001	7,669,553	9,788,268	9,546,423	9,822,567	20,517,936	12,461,313
Total revenues	2,038,102,964	1,969,435,750	1,768,056,316	1,648,895,970	1,604,754,257	1,483,207,175	1,379,123,496	1,240,104,273	1,166,508,738	1,092,531,070
Expenditures										
Current:										
Public safety	630,054,757	587,367,518	547,761,696	540,758,330	526,607,192	501,826,334	460,911,538	453,566,546	432,678,952	417,619,532
Parks, recreation and culture	162,554,590	133,940,078	94,725,218	102,379,831	101,819,572	99,723,309	93,202,761	86,239,951	73,897,333	68,264,016
Community development	455,137,723	450,933,573	475,289,739	319,522,537	243,002,418	321,079,124	287,883,715	246,432,782	173,735,075	170,553,693
Transportation	195,526,357	174,456,316	168,365,336	175,691,973	167,158,931	156,403,082	151,091,787	132,681,487	147,069,608	168,259,803
Legislative / admin / support services	184,139,848	147,900,315	114,167,734	129,282,194	209,065,171	119,006,844	105,771,502	100,720,103	94,739,754	89,223,214
Environmental services	366,907	147,234	121,384	365,023	160,618	91,199	55,877	227,554	221,231	350,203
Water	278,704	2,606,995	44,346	29,144	620,000	-	24,915	122,542	-	50,294
Debt service and related costs:										
Principal	138,984,240	210,870,487	322,214,961	153,845,366	132,562,002	86,164,885	146,815,236	107,566,236	97,537,730	133,585,244
Interest	47,269,216	28,080,446	36,340,713	41,265,689	45,260,095	44,841,386	43,176,548	43,462,701	44,404,911	43,523,677
Debt issuance costs	217,574	983,094	331,497	945,186	549,172	324,906	822,050	560,115	672,770	793,356
Capital outlay	169,340,455	135,481,528	157,193,208	154,554,338	116,130,183	101,417,131	159,566,571	65,131,845	78,300,490	83,233,658
Total expenditures	1,983,870,371	1,872,767,584	1,916,555,832	1,618,639,611	1,542,935,354	1,430,878,200	1,449,322,500	1,236,711,862	1,143,257,854	1,175,456,690
Revenues over (under) expenditures	54,232,593	96,668,166	(148,499,516)	30,256,359	61,818,903	52,328,975	(70,199,004)	3,392,411	23,250,884	(82,925,620)
Other Financing Sources (Uses)										
Transfers in	165,010,806	165,550,414	147,950,641	167,276,414	172,590,888	159,673,393	141,705,782	135,383,738	113,470,018	119,542,744
Transfers out	(186,650,797)	(183,170,573)	(149,668,332)	(170,222,795)	(179,647,248)	(164,631,975)	(145,346,966)	(135,787,600)	(115,209,916)	(106,382,665)
Bonds and notes issued	32,468,272	133,341,557	124,697,033	239,351,092	82,118,450	60,220,961	158,928,038	85,333,395	60,884,119	127,965,979
Bonds and note premium	3,767,384	4,404,950	15,826,733	2,699,876	1,746,570	3,176,420	9,302,181	2,573,207	4,365,018	9,846,162
Bonds and note discounts	-	-	-	-	-	-	130,652	284,770	3,935,116	-
Loan proceeds	-	-	-	3,422	40,842	132,554	-	-	-	-
Proceeds from sale of capital assets	1,805	-	9,600	4,825	11,287	4,275	5,868	4,788	300	701,755
Right of use proceeds ⁽²⁾	8,361,284	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	22,958,754	120,126,348	138,815,675	239,112,834	76,860,789	58,575,628	164,725,555	87,792,298	67,444,655	151,673,975
Net change in fund balances	\$ 77,191,347	\$ 216,794,514	\$ (9,683,841)	\$ 269,369,193	\$ 138,679,692	\$ 110,904,603	\$ 94,526,551	\$ 91,184,709	\$ 90,695,539	\$ 68,748,355
Debt service as a percentage of noncapital expenditures	10.3%	13.8%	20.4%	13.3%	12.5%	9.9%	14.7%	12.9%	13.3%	16.2%

⁽¹⁾ In accordance with GASB Statement No. 87, Leases, leases are now reported as a separate line item effective FY2022.

⁽²⁾ In accordance with GASB Statement No 96, Subscription-Based Information Technology Arrangements, Right of use proceeds are now reported as a separate line item effective FY2023.

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

Function	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities:										
Public safety	\$ 77,775,221	\$ 85,160,213	\$ 52,875,359	\$ 56,719,385	\$ 50,159,818	\$ 49,405,291	\$ 43,555,255	\$ 41,897,135	\$ 39,676,455	\$ 36,944,769
Parks, recreation and culture	70,129,914	77,648,188	35,720,837	48,564,904	59,899,641	76,144,725	61,329,954	55,509,279	68,963,590	54,501,838
Community development	203,886,239	238,665,331	246,929,203	149,115,252	154,856,535	151,737,844	159,837,138	115,222,934	107,714,842	89,108,592
Transportation	240,368,118	234,348,864	217,248,209	233,607,019	261,986,037	233,524,751	219,001,650	215,250,116	207,284,169	176,603,991
Legislative / admin / support services	425,129,946	427,731,075	352,385,112	348,763,872	336,069,140	299,708,818	285,258,663	254,035,719	272,563,100	231,373,014
Environmental services	394,151	184,588	1,130,921	269,621	92,557	923,689	-	343,483	1,015,546	1,463,546
Water	325,450	2,685,002	457,932	134,809	705,243	115,973	-	99,842	-	418,598
Parking facilities	-	-	-	205,127	3,844,817	950,056 ⁽¹⁾	-	-	-	-
Motor sports	-	-	-	-	5,969	-	-	-	-	-
Subtotal governmental activities	<u>1,018,009,039</u>	<u>1,066,423,261</u>	<u>906,747,573</u>	<u>837,379,989</u>	<u>867,619,757</u>	<u>812,511,147</u>	<u>768,982,660</u>	<u>682,358,508</u>	<u>697,217,702</u>	<u>590,414,348</u>
Business-type activities:										
Environmental services	428,201,831	418,194,440	392,745,098	396,940,528	398,878,971	407,153,862	385,406,467	359,264,475	345,411,024	318,323,909
Water	255,769,528	230,318,362	218,003,801	206,444,192	203,043,394	204,520,196	179,661,372	177,317,208	161,248,941	145,958,266
Hydroelectric power	3,159,428	3,677,356	2,278,710	2,104,509	1,480,868	2,508,455	1,375,589	1,184,193	3,769,590	4,054,750
Parking facilities	10,358,205	9,444,515	6,717,794	12,609,616	15,390,897	14,547,546	14,379,691	15,147,309	13,753,023	12,896,245
Golf	13,388,578	11,891,219	12,389,897	10,107,774	9,817,557	8,925,357	7,704,827	8,607,405	8,695,532	7,990,960
Motor sports	2,301,270	2,121,228	1,094,989	1,429,116	2,087,562	1,836,023	1,813,785	1,979,719	1,712,727	1,424,301
Spectator facilities	12,805,193	9,568,493	2,011,659	13,821,601	84,516,767	12,198,102	11,411,576	11,862,354	10,802,343	10,804,342
Housing	-	-	-	-	-	-	-	1,096,742	1,093,766	868,533
Subtotal business-type activities	<u>725,984,033</u>	<u>685,215,613</u>	<u>635,241,948</u>	<u>643,457,336</u>	<u>715,216,016</u>	<u>651,689,541</u>	<u>601,753,307</u>	<u>576,459,405</u>	<u>546,486,946</u>	<u>502,321,306</u>
Total primary government	<u>\$ 1,743,993,072</u>	<u>\$ 1,751,638,874</u>	<u>\$ 1,541,989,521</u>	<u>\$ 1,480,837,325</u>	<u>\$ 1,582,835,773</u>	<u>\$ 1,464,200,688</u>	<u>\$ 1,370,735,967</u>	<u>\$ 1,258,817,913</u>	<u>\$ 1,243,704,648</u>	<u>\$ 1,092,735,654</u>

⁽¹⁾Data was revised in FY19.

City of Portland, Oregon
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ended June 30,	Property Taxes	Lodging Taxes	Arts Taxes ⁽¹⁾	Recreational Cannabis Tax ⁽²⁾	Gas Tax	Construction Excise Tax	PCEF Tax Revenue ⁽³⁾	Other Taxes	Total Taxes
2023	\$ 733,716,846	\$ 54,548,190	\$ 11,891,536	\$ 6,850,492	\$ 21,620,767	\$ 5,186,353	\$ 183,451,304	\$ 1,676,179	\$ 1,018,941,667
2022	729,413,481	44,016,188	12,207,341	5,046,165	21,437,579	7,329,762	135,017,328	799,654	955,267,498
2021	678,380,816	11,538,480	13,057,608	7,297,110	19,261,436	6,229,852	116,321,343	861,758	852,948,403
2020	628,694,870	52,072,009	10,473,802	5,507,059	18,719,386	6,989,877	62,655,771	1,139,779	786,252,553
2019	625,310,418	60,416,923	13,231,220	4,824,055	21,280,528	7,619,000	6,382,669	856,213	733,538,357
2018	576,467,268	53,180,447	12,444,574	4,399,439	20,886,761	9,036,976	-	1,420,541	677,836,006
2017	532,956,435	50,782,864	12,063,111	406,270	9,787,463	1,824,103	-	925,534	608,745,780
2016	500,841,984	50,543,129	10,246,215	-	-	-	-	698,417	562,329,745
2015	479,007,449	41,803,744	10,490,137	-	-	-	-	586,440	531,887,770
2014	453,028,290	35,063,066	7,062,234	-	-	-	-	924,647	496,078,237

Source: Division of Assessment and Taxation for Multnomah, Clackamas and Washington Counties

⁽¹⁾ Data was added in FY2015

⁽²⁾ Implemented FY2017

⁽³⁾ Implemented FY2019

City of Portland, Oregon
Assessed Valuation and Actual Values of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30, Note	Real Property	Personal Property	Public Utility Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Real Market Value	Total Taxable Assessed Value as a Percentage of Real Market Value
2023	\$ 66,309,060,423	\$ 2,619,470,673	\$ 3,960,198,129	\$ 72,888,729,225	9.17%	\$ 178,528,659,250	40.83%
2022	63,404,681,820	2,548,265,164	3,793,201,495	69,746,148,479	9.17	166,899,004,764	41.79
2021	59,794,801,294	2,453,081,266	3,867,386,583	66,115,269,144	8.17	159,017,803,180	41.58
2020	57,209,586,352	2,541,864,445	3,517,387,353	63,268,838,150	7.88	152,773,626,065	41.41
2019	54,603,689,769	2,319,888,588	3,580,995,550	60,504,573,907	7.97	149,692,154,041	40.42
2018	53,201,192,940	2,249,420,144	3,128,769,753	58,579,382,837	7.88	137,482,640,578	42.61
2017 ⁽¹⁾	50,782,907,083	2,189,521,212	2,901,126,077	55,873,554,372	7.72	120,785,526,154	46.26
2016	48,849,632,397	2,089,483,130	2,598,251,460	53,537,366,987	7.76	102,628,140,456	52.17
2015	48,870,874,358	1,086,490,310	1,364,018,730	51,321,383,398	7.89	92,618,335,901	55.41
2014	44,803,583,386	1,957,482,679	2,257,891,313	49,018,957,378	7.81	84,044,895,532	58.32

Sources: Tax Supervising and Conservation Commission and Divisions of Assessment and Taxation for Multnomah, Clackamas and Washington Counties

Note: Tax rolls are prepared and taxes are collected by Multnomah, Clackamas and Washington Counties for all units of local government within their boundaries. Taxes collected by the counties are remitted to taxing districts proportionately according to the ratio of each district levy to the total of all levies in the County. Amounts established through tax increment financing have been proportionately allocated by property type.

⁽¹⁾ Data was revised in FY17

City of Portland, Oregon
Property Tax Rates - Direct and Overlapping Government
Last Ten Fiscal Years
(per \$1,000 of assessed valuation)
(unaudited)

Fiscal Year Ended June 30,	City of Portland				Overlapping Rates						
	General	Special Revenue	Debt Service	Total	Multnomah County	Education Districts	Urban Renewal Prosper Portland ⁽¹⁾	Port of Portland	Metropolitan Service Districts	TriMet	Total
2023	\$ 7.31	\$ 1.20	\$ 0.37	\$ 8.88	\$ 4.98	\$ 10.61	\$ 0.19	\$ 0.07	\$ 0.57	\$ -	\$ 25.30
2022	7.59	1.20	0.38	9.17	4.99	10.63	0.20	0.07	0.57	-	25.63
2021	7.34	0.40	0.43	8.17	4.39	10.72	0.20	0.07	0.59	-	24.14
2020	7.24	0.40	0.24	7.88	4.39	8.74	0.21	0.07	0.66	-	21.95
2019	7.28	0.40	0.29	7.97	4.39	10.90	0.22	0.07	0.47	-	24.02
2018	7.23	0.40	0.25	7.88	4.39	10.75	0.23	0.07	0.41	-	23.73
2017	7.06	0.40	0.26	7.72	4.39	9.47	0.24	0.07	0.40	-	22.29
2016	7.08	0.40	0.28	7.76	4.49	9.41	0.25	0.07	0.39	-	22.37
2015	7.25	0.40	0.24	7.89	4.49	9.54	0.26	0.07	0.46	-	22.71
2014	7.19	0.40	0.22	7.81	4.54	7.76	0.28	0.07	0.47	-	20.93

Source: Multnomah County Division of Assessment and Taxation

⁽¹⁾ Prosper Portland: Includes taxes collected on the urban renewal special levy imposed city-wide.

**City of Portland, Oregon
Principal Property Taxpayers
Current Year and Nine Years Ago
(unaudited)**

Taxpayer	June 30, 2023			June 30, 2014		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Port of Portland	\$ 731,013,240	1	1.00%	\$ 541,649,000	1	1.10%
PacifiCorp (PP&L)	673,607,000	2	0.92	310,512,000	3	0.63
Portland General Electric Co	542,419,630	3	0.74	318,698,000	2	0.65
Alaska Airlines Inc	371,870,800	4	0.51	181,860,000	7	0.37
Lumen Technologies Inc	323,198,000	5	0.44	-	-	-
Weston Investment Co LLC	294,347,520	6	0.40	241,179,000	4	0.49
Verizon Communications Inc	254,164,000	7	0.35	-	-	-
Comcast Corporation	195,356,000	8	0.27	-	-	-
Northwest Natural Gas Co	188,747,970	9	0.26	229,076,000	5	0.47
111 SW 5th Avenue Investors LLC	183,979,690	10	0.25	-	-	-
Evraz Inc NA	-	-	-	218,521,000	6	0.45
CenturyLink	-	-	-	173,565,000	8	0.35
AT&T, Inc.	-	-	-	164,615,000	9	0.34
CAPREF Lloyd Center LLC	-	-	-	157,227,000	10	0.32
Total ⁽¹⁾	\$ 3,758,703,850		5.16%	\$ 2,536,902,000		5.17%
Total assessed valuation	\$ 72,888,729,225			\$ 49,018,957,378		

Source: Multnomah County Division of Assessment and Taxation and the City of Portland 2014 ACFR

⁽¹⁾ Total may not match line item subtotal due to rounding.

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
2023	\$ 760,196,400	\$ 723,222,256	95.14%	\$ -	\$ 723,222,256	95.14%
2022	752,922,716	720,745,662	95.73	6,551,055	727,296,717	96.60
2021	700,311,214	666,805,641	95.22	12,733,583	679,539,224	97.03
2020	654,446,914	619,773,601	94.70	13,937,357	633,710,958	96.83
2019	634,371,239	604,120,597	95.23	11,262,775	615,383,372	97.01
2018	600,155,321	565,640,099	94.25	17,134,379	582,774,478	97.10
2017	551,135,421	522,198,704	94.75	12,438,467	534,637,171	97.01
2016	516,333,732	488,402,282	94.59	11,763,647	500,165,929	96.87
2015	494,785,514	467,210,020	94.43	12,712,910	479,922,930	97.00
2014	467,516,063	440,453,970	94.21	14,206,970	454,660,940	97.25

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.

City of Portland, Oregon
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(unaudited)

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities:										
General obligation bonds	\$ 248,400,000	\$ 268,350,000	\$ 287,580,000	\$ 306,540,000	\$ 139,995,000	\$ 137,330,000	\$ 124,010,000	\$ 99,250,000	\$ 83,625,000	\$ 75,850,000
Limited tax improvement bonds	22,320,000	28,280,000	24,960,000	29,460,000	34,465,000	28,660,000	32,585,000	36,805,000	43,315,000	48,625,000
Urban renewal and redevelopment bonds	387,076,782	133,168,319	170,013,175	276,554,802	315,899,380	357,231,200	392,225,600	425,726,400	457,420,000	490,735,000
Limited tax and limited tax revenue bonds	85,362,102	385,842,383	378,856,342	388,639,961	425,589,435	339,307,288	360,410,948	340,436,589	375,114,861	405,413,191
Revenue bonds	-	-	-	4,925,000	6,445,000	7,890,000	9,512,000	11,065,000	13,049,000	14,974,000
Notes, loans and lines of credit payable	15,372,272	52,292,726	91,800,616	162,577,009	152,750,759	176,358,958	122,787,212	102,920,734	77,000,697	57,526,763
Unamortized premiums and discounts	42,660,735	46,610,868	49,683,269	44,084,523	47,925,382	34,435,273	36,618,857	30,992,215	33,717,592	36,904,989
Total governmental activities	801,191,891	914,544,296	1,002,893,402	1,212,781,295	1,123,069,956	1,081,212,719	1,078,149,617	1,047,195,938	1,083,242,150	1,130,028,943
Business-type activities:										
Limited tax and limited tax revenue bonds	21,680,866	27,005,654	39,901,952	51,685,478	62,466,645	73,305,431	82,061,240	101,545,969	113,331,618	123,936,784
Revenue bonds	2,103,975,000	1,973,245,000	2,124,340,000	1,913,150,000	2,036,055,000	2,174,570,000	2,113,000,000	2,189,760,000	2,341,685,000	2,176,310,002
Notes and loans payable	5,063,616	6,514,518	7,950,923	9,372,981	10,780,833	12,174,625	13,554,496	14,920,587	16,273,040	17,810,751
Unamortized premiums and discounts	237,401,765	207,199,043	235,880,904	211,147,421	172,586,774	198,827,913	203,208,178	158,794,292	137,482,803	117,958,078
Total business-type activities	2,368,121,247	2,213,964,215	2,408,073,779	2,185,355,880	2,281,889,252	2,458,877,969	2,411,823,914	2,465,020,848	2,608,772,461	2,436,015,615
Total primary government	\$ 3,169,313,138	\$ 3,128,508,512	\$ 3,410,967,181	\$ 3,398,137,175	\$ 3,404,959,208	\$ 3,540,090,688	\$ 3,489,973,531	\$ 3,512,216,786	\$ 3,692,014,611	\$ 3,566,044,558
Percentage of personal income ⁽¹⁾	N/A	1.82%	2.14%	2.30%	2.42%	2.69%	2.82%	2.97%	3.36%	3.48%
Per capita	\$ 4,991	\$ 4,879	\$ 5,228	\$ 5,200	\$ 5,213	\$ 5,458	\$ 5,426	\$ 5,561	\$ 5,949	\$ 5,846

Source: Bureau of Revenue and Financial Services

N/A: Data not available for this fiscal year.

⁽¹⁾Data was revised in FY23

City of Portland, Oregon
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(unaudited)

Governmental Activities

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total	Total Taxable Assessed Value	Percentage of Estimated Actual Taxable Value of Property	Per Capita	Population ⁽¹⁾
2023	\$ 248,400,000	\$ (2,312,281)	\$ 246,087,719	\$ 72,888,729,225	0.34%	\$ 387	\$ 635,067
2022	268,350,000	(1,971,910)	266,378,090	69,746,148,479	0.38	415	641,162
2021	287,580,000	(1,781,799)	285,798,201	66,115,269,144	0.43	438	652,503
2020	306,540,000	(1,229,751)	305,310,249	63,268,838,150	0.48	467	653,467
2019	139,995,000	(1,749,731)	138,245,269	60,504,573,907	0.23	212	653,115
2018	137,330,000	(808,874)	136,521,126	58,579,382,837	0.23	210	648,630
2017	124,010,000	(809,611)	123,200,389	55,873,554,372	0.22	192	643,136
2016	99,250,000	(566,995)	98,683,005	53,537,366,987	0.18	157	631,539
2015	83,625,000	(38,332)	83,586,668	51,321,383,398	0.16	135	620,647
2014	75,850,000	(338,832)	75,511,168	49,018,957,378	0.15	124	609,970

Note: Represents general obligation bonded debt issued for funding parks, housing and emergency facilities projects.

There are no outstanding bonds for business -type activities.

⁽¹⁾ Data was revised in 2023

City of Portland, Oregon
Direct and Overlapping Governmental Activities Debt
June 30, 2023
(unaudited)

Jurisdiction	Net Property Tax Backed Debt	Percentage within City of Portland	Amount Applicable to City of Portland
Clackamas Community College	\$ 127,080,045	0.20%	\$ 248,187
Clackamas County	105,100,000	0.22	232,796
Clackamas Cty ESD	19,855,267	0.15	30,379
Clackamas Cty SD 12 (North Clackamas)	639,927,666	0.51	3,272,590
Clackamas Cty SD 7J (Lake Oswego)	382,387,657	0.02	80,301
Clackamas Soil & Water Conservation	5,416,000	0.22	11,996
Columbia Cty SD 1J (Scappoose)	17,185,000	7.04	1,209,274
Metro	822,713,920	42.12	346,547,671
Mt Hood Community College	73,420,000	38.89	28,552,671
Multnomah County	583,000,736	85.15	496,440,868
Multnomah City Drainage District 1	8,432,000	100.00	8,432,000
Multnomah Cty SD 1J (Portland)	2,008,774,288	97.83	1,965,141,702
Multnomah Cty SD 28J (Centennial)	63,177,796	51.68	32,652,938
Multnomah Cty SD 3 (Parkrose)	88,611,599	97.93	86,781,326
Multnomah Cty SD 40 (David Douglas)	189,349,914	100.00	189,348,588
Multnomah Cty SD 51J (Riverdale)	11,723,311	5.11	599,132
Multnomah Cty SD 7 (Reynolds)	157,601,494	23.22	36,596,012
Multnomah ESD	60,233,416	83.93	50,553,906
Northwest Regional ESD	13,670,000	0.28	38,044
Portland Community College	669,475,000	45.61	305,328,802
Tualatin Hills Park & Rec District	47,825,680	0.03	16,213
Washington County	164,628,758	0.24	401,530
Washington Cty SD 23J (Tigard-Tualatin)	298,969,280	0.10	299,268
Washington Cty SD 48J (Beaverton)	1,155,458,918	0.29	3,387,806
Subtotal overlapping debt	<u>\$ 7,714,017,745</u>		<u>3,556,204,000</u>
City direct debt			<u>801,191,891</u>
Total direct and overlapping debt			<u>\$ 4,357,395,891</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,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limit	\$ 5,355,859,778	\$ 5,006,970,143	\$ 4,770,534,095	\$ 4,583,114,089	\$ 4,490,764,621	\$ 4,124,479,217	\$ 3,623,565,785	\$ 3,078,844,214	\$ 2,778,550,077	\$ 2,521,346,866
Total net debt applicable to limit	246,087,719	266,378,090	285,798,201	305,310,249	138,245,269	136,521,126	123,200,389	98,683,005	83,586,668	75,511,168
Legal debt margin	\$ 5,109,772,059	\$ 4,740,592,053	\$ 4,484,735,894	\$ 4,277,803,840	\$ 4,352,519,352	\$ 3,987,958,091	\$ 3,500,365,396	\$ 2,980,161,209	\$ 2,694,963,409	\$ 2,445,835,698
Total net debt applicable to limit as a percentage of legal debt margin	4.82%	5.62%	6.37%	7.14%	3.18%	3.42%	3.52%	3.31%	3.10%	3.09%

**Legal Debt Margin
Calculation for Fiscal Year
2023**

Real market value	\$ 178,528,659,250
Debt limit (3% of real market value)	5,355,859,778
Debt applicable to limit:	
General obligation bonds	248,400,000
Less: Amount set aside for repayment of general obligation debt	(2,312,281)
Total net debt applicable to limit	246,087,719
Legal debt margin	\$ 5,109,772,059

Note: Oregon Revised Statutes Section 287A.050 provides a debt limit of 3% of real market value of all taxable property within City boundaries as provided in ORS 308.207 for general obligation debt.

**City of Portland, Oregon
Pledged-Revenue Coverage
Sewer System
Last Ten Fiscal Years
(unaudited)
(amounts expressed in thousands)**

First Lien Sewer System Revenue Bonds⁽¹⁾

Fiscal Year Ended June 30,	Gross Revenues ⁽²⁾	Less: Operating Expenses ⁽²⁾	Non-Stabilized Net Revenues Available for Debt Service	Net Transfers From (to) Rate Stabilization Fund	Stabilized Net Revenue Available for Debt Service	First Lien Bond Debt Service Requirements		Total	Non-Stabilized Coverage	Stabilized Coverage
						Principal	Interest			
2023	\$ 423,421	\$ 159,208	\$ 264,213	\$ -	\$ 264,213	\$ 18,720	\$ 9,070	\$ 27,790	9.51	9.51
2022	409,535	147,037	262,498	-	262,498	17,810	9,972	27,782	9.45	9.45
2021	381,867	134,728	247,139	-	247,139	63,960	13,181	77,141	3.20	3.20
2020	391,129	137,350	253,779	44,000	297,779	71,215	16,753	87,968	2.88	3.39
2019	396,139	128,144	267,995	(24,000)	243,995	67,815	20,153	87,968	3.05	2.77
2018	392,675	110,457	282,218	(29,000)	253,218	72,925	23,254	96,179	2.93	2.63
2017	373,524	102,462	271,062	(31,500)	239,562	69,495	25,906	95,401	2.84	2.51
2016	347,887	100,940	246,947	(23,615)	223,332	65,525	31,975	97,500	2.53	2.29
2015	331,225	95,223	236,002	(25,250)	210,752	60,585	35,040	95,625	2.47	2.20
2014	309,233	98,728	210,505	(21,375)	189,130	57,675	40,111	97,786	2.15	1.93
								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 ACFRs 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
(unaudited)
(amounts expressed in thousands)

Combined First and Second Lien Sewer System Revenue Bonds⁽¹⁾

Fiscal Year Ended June 30,	Non-Stabilized		Net Revenues		Net Transfers		Stabilized Net		Combined First and Second Lien Bond Debt Service			Non-Stabilized Coverage	Stabilized Coverage
	Gross Revenues ⁽²⁾	Expenses ⁽²⁾	Available for Debt Service	From (to) Rate Stabilization Fund	Revenue Available for Debt Service	Requirements ⁽³⁾							
						Principal	Interest ⁽⁴⁾	Total					
2023	\$ 423,421	\$ 159,208	\$ 264,213	\$ -	\$ 264,213	\$ 130,305	\$ 57,739	\$ 188,044			1.41	1.41	
2022	409,535	147,037	262,498	-	262,498	111,465	59,765	171,230			1.53	1.53	
2021	381,867	134,728	247,139	-	247,139	105,265	59,166	164,431			1.50	1.50	
2020	391,129	137,350	253,779	44,000	297,779	113,490	65,739	179,229			1.42	1.66	
2019	396,139	128,144	267,995	(24,000)	243,995	108,945	71,167	180,112			1.49	1.35	
2018	392,675	110,457	282,217	(29,000)	253,217	102,105	66,784	168,889			1.67	1.50	
2017	373,524	102,462	271,063	(31,500)	239,563	98,180	69,111	167,291			1.62	1.43	
2016	347,887	100,940	246,947	(23,615)	223,332	92,720	78,745	171,465			1.44	1.30	
2015	331,225	95,223	236,002	(25,250)	210,752	81,555	80,684	162,239			1.45	1.30	
2014	309,233	98,728	210,505	(21,375)	189,130	71,830	74,759	146,589			1.44	1.29	
								Required Bureau Goal			1.00 1.00	1.10 1.30	

Subordinate Lien Sewer System State Revolving Fund Loans⁽¹⁾

Fiscal Year Ended June 30,	Non-		Stabilized		Net Revenues		Net Transfers		Stabilized		135% of			Non-			
	Gross Revenues ⁽²⁾	Expenses ⁽²⁾	Available for Debt Service	From (to) Rate Stabilization Fund	Net Revenue Available for Debt Service	First and Second Lien Bond Debt Service			Subordinate Lien SRF Loan Debt Service			Subord. Lien Debt Service	Stabilized Coverage	Stabilized Coverage			
						Requirements ⁽³⁾			Requirements								
	Principal			Interest ⁽⁵⁾			Total			Principal			Interest			Total	
2023	\$ 423,421	\$ 159,208	\$ 264,213	\$ -	\$ 264,213	\$ 130,305	\$ 57,739	\$ 188,044	\$ 1,451	\$ 62	\$ 1,513	\$ 2,043	1.39	1.39			
2022	409,535	147,037	262,498	-	262,498	111,465	59,765	171,230	1,437	76	1,513	2,043	1.51	1.51			
2021	381,867	134,728	247,139	-	247,139	105,265	59,166	164,431	1,422	91	1,513	2,043	1.48	1.48			
2020	391,129	137,350	253,779	44,000	297,779	113,490	65,739	179,229	1,408	105	1,513	2,043	1.40	1.64			
2019	396,139	128,144	267,995	(24,000)	243,995	108,945	71,167	180,112	1,380	133	1,513	2,043	1.47	1.34			
2018	392,675	110,458	282,217	(29,000)	253,217	102,105	66,784	168,889	1,366	147	1,513	2,043	1.65	1.48			
2017	373,524	102,462	271,062	(31,500)	239,562	98,180	69,111	167,291	1,352	161	1,513	2,043	1.60	1.41			
2016	347,887	100,940	246,947	(23,615)	223,332	92,720	78,745	171,465	1,339	174	1,513	2,043	1.42	1.29			
2015	331,225	95,223	236,002	(25,250)	210,752	81,555	80,684	162,239	1,326	187	1,513	2,043	1.44	1.28			
2014	309,233	98,728	210,505	(21,375)	189,130	71,830	74,759	146,589	1,313	200	1,513	2,043	1.42	1.27			

Notes:

⁽¹⁾ Historical amounts may differ slightly from what has been published in previous ACFRs as a result of corrections to previous calculations. None of the corrections had a significant impact on final debt service coverages.

⁽²⁾ Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

⁽³⁾ Debt service coverage requirement on second lien revenue bonds is based upon combined debt service of first and second lien bonds.

⁽⁴⁾ In computing debt service coverage for the Second Lien Sewer System Revenue Bonds, the interest on second lien variable rate bonds is calculated using the Estimated Average Interest Rate as defined in the Master Second Lien Sewer System Revenue Bond Declaration.

⁽⁵⁾ In computing debt service coverage for the Subordinate Lien Sewer System State Revolving Fund Loans, interest on second lien variable rate bonds is the actual interest payments.

**City of Portland, Oregon
Pledged-Revenue Bond Coverage
First Lien Water System Revenue Bonds
Last Ten Fiscal Years
(unaudited)
(amounts expressed in thousands)**

Fiscal Year Ended June 30,	Gross Revenues ⁽¹⁾	Direct Operating Expense ⁽¹⁾	Net Revenues Available for Debt Service	First Lien Bond Debt Service Requirements			Debt Service Coverage
				Principal	Interest	Total	
				2023	\$ 261,910	\$ 106,017	
2022	233,728	99,262	134,466	10,530	9,621	20,151	6.67
2021	220,635	89,631	131,004	20,000	13,291	33,291	3.94
2020	213,413	90,811	122,602	21,590	16,019	37,609	3.26
2019	209,096	86,305	122,791	20,570	17,544	38,114	3.22
2018	203,133	84,143	118,990	18,540	18,448	36,988	3.22
2017	183,304	77,909	105,395	18,915	15,957	34,872	3.02
2016	179,200	93,514	85,686	12,270	16,534	28,804	2.97
2015	162,528	67,951	94,577	13,230	14,921	28,151	3.36
2014	147,497	65,035	82,462	12,290	14,125	26,415	3.12

Source: Portland Water Bureau

⁽¹⁾ Amounts in schedule are calculated in accordance with applicable bond ordinances. Gross Revenues excludes \$5.5 million for FY 2017-18 related to proceeds from the Anderson lawsuit settlement.

City of Portland, Oregon
Schedule of Revenue Bond Coverage
Second Lien Water System Revenue Bonds
(unaudited)
(amounts expressed in thousands)

Fiscal Year Ended June 30,	Gross Revenues ⁽²⁾	Direct Operating Expense ⁽²⁾	Net Revenues Available for Debt Service	Transfers From (To) Rate Stabilization Account	Stabilized Net Revenue Available for Debt Service	Combined First and Second Lien Bond Debt Service Requirements ⁽¹⁾			Non-Stabilized Coverage	Stabilized Coverage
						Principal	Interest	Total		
2023	\$ 261,910	\$ 106,017	\$ 155,894	\$ (40,000)	\$ 115,894	\$ 32,855	\$ 29,151	\$ 62,006	2.51	1.87
2022	233,728	99,262	134,466	(24,600)	109,866	29,245	29,793	59,038	2.28	1.86
2021	209,096	86,305	122,791	(17,000)	105,791	29,570	26,199	55,769	2.20	1.90
2020	220,635	89,631	131,004	(12,000)	119,005	34,160	28,458	62,618	2.09	1.90
2019	213,413	90,811	122,602	(9,700)	112,902	33,520	27,640	61,160	2.00	1.85
2018	203,199	84,143	119,056	(8,100)	110,956	28,255	27,511	55,766	2.13	1.99
2017	183,304	77,909	105,395	(3,000)	102,395	28,180	25,464	53,644	1.96	1.91
2016	179,200	73,750	105,450	(3,000)	102,450	24,310	26,544	50,854	2.07	2.01
2015	162,528	67,951	94,577	(2,500)	92,077	24,760	25,446	50,206	1.88	1.83
2014	147,497	65,035	82,462	428	82,890	21,685	24,043	45,728	1.80	1.81

Source: Portland Water Bureau

⁽¹⁾ Debt Service coverage requirement on Second Lien Water Revenue Bonds is based upon combined debt service of First and Second Lien Bonds.

⁽²⁾ Amounts in schedule are calculated in accordance with applicable bond ordinances. Gross Revenues excludes \$5.5 million for FY 2017-18 related to proceeds from the Anderson lawsuit settlement.

**City of Portland, Oregon
Demographic Statistics
Last Ten Fiscal Years
(unaudited)**

Fiscal Year Ended June 30,	City of Portland Population ⁽¹⁾	Metropolitan Statistical Area Population ⁽²⁾	Personal Income (expressed in thousands) ⁽²⁾	Per Capita Personal Income ⁽²⁾	Portland Public Schools Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾
2023	635,067	NA	NA	NA	NA	3.4%
2022	641,162	2,511,612 ^ \$	171,728,750 ^ \$	68,374 ^	45,456	3.7 ^
2021	652,503	2,516,230 ^	159,166,530 ^	63,256 ^	45,497	6 ^
2020	653,467	2,497,793 ^	147,841,973 ^	59,189 ^	47,314	12.8 ^
2019	653,115	2,497,793 ^	140,542,607 ^	56,673 ^	49,478	3.4 ^
2018	648,630	2,461,234 ^	131,421,020 ^	53,396 ^	49,550	3.6 ^
2017	643,136	2,431,944 ^	123,959,838 ^	50,972 ^	49,557	3.7 **
2016	631,539	2,386,057 ^	118,134,203 ^	49,510 ^	49,189	4.6 **
2015	620,647	2,347,475 ^	109,804,273 ^	46,775 ^	49,075	5 **
2014	609,970	2,313,673 ^	102,397,921 ^	44,258 ^	48,459 *	5.7 **

NA: Data not available for this fiscal year

⁽¹⁾ United States Census Bureau Annual Estimates of the Resident Population 2013 to 2019, Decennial Census Redistricting Data 2020, and Annual Estimates of the Resident Population for 2021. Amounts are as of July 1 of the prior calendar year.

⁽²⁾ Bureau of Economic Analysis CA1-3 Personal income summary; Portland-Vancouver-Hillsboro OR-WA Metropolitan Statistical Area (MSA) includes Clackamas, Columbia, Multnomah, Washington and Yamhill Counties in Oregon, as well as Clark and Skamania Counties in Washington (Calendar year-end figure used for following June 30 fiscal year end.) Last updated: November 16, 2022-- new statistics for 2021; revised statistics for 2010-2020.

⁽³⁾ Portland Public Schools, Data and Policy Analysis Fall Membership 2022

⁽⁴⁾ U.S. Department of Labor, Bureau of Labor Statistics, City of Portland Rate Only

* Data was revised in FY15.

** Data was revised in FY22.

City of Portland, Oregon
Principal Employers
Current Year and Nine Years Ago
(unaudited)

Employer	2023			2014		
	Employees ⁽¹⁾	Rank	Percentage of Total Metropolitan Statistical Area Employment ⁽²⁾	Employees ⁽³⁾	Rank	Percentage of Total Metropolitan Statistical Area Employment ⁽²⁾
Providence Health & Services	23,100	1	1.75%	14,132	2	1.27%
Intel Corporation	22,328	2	1.69	16,700	1	1.51
Oregon Health & Science University	19,603	3	1.48	14,106	3	1.27
Nike Inc.	15,522	4	1.17	7,000	10	0.63
Legacy Health System	13,087	5	0.99	9,835	7	0.89
Kaiser Foundation Health Plan of NW	12,514	6	0.95	9,896	6	0.89
Fred Meyer	9,000	7	0.68	10,176	5	0.92
Portland Public Schools	7,111	8	0.54	-	N/A	-
City of Portland	6,753	9	0.51	9,318	8	0.84
Multnomah County	6,317	10	0.48	-	N/A	-
U.S. Government	-	N/A	-	13,900	4	1.25
State of Oregon	-	N/A	-	7,559	9	0.68
Total	135,335		10.24%	112,622		10.15%
Total MSA⁽²⁾ employment	1,321,507			1,109,348		

Sources:

⁽¹⁾ Portland Business Journal; Lists; Portland Metro Area's Largest Employers 2023.

⁽²⁾ U.S. Department of Labor, Bureau of Labor Statistics, calendar year end figure used for following June 30 fiscal year end. Portland-Vancouver-Beaverton, Oregon-Washington Survey Area or MSA is defined as Multnomah, Washington, Clackamas, Columbia and Yamhill Counties of Oregon, and Clark and Skamania

⁽³⁾ City of Portland, 2014 Annual Comprehensive Financial Report

City of Portland, Oregon
Full-Time Equivalent¹ Employees by Function/Program
Last Ten Fiscal Years
(unaudited)

Function/Program	Full-time Equivalent Employees as of June 30,									
	2023 ⁽²⁾	2022	2021	2020	2019	2018	2017	2016	2015	2014
Public safety	2,252	2,152	2,146	2,222	2,276	2,184	2,161	2,116	2,079	2,059
Parks, recreation and culture	751	773	606	597	626	695	666	580	457	433
Community development	707	694	684	740	720	681	610	561	501	448
Transportation	1,062	1,049	1,075	1,072	996	911	866	794	760	734
Legislative / admin / support services	1,189	1,081	1,013	921	881	873	849	841	819	817
Environmental services	645	636	626	612	594	573	561	542	524	521
Water	640	627	631	622	615	593	590	572	569	581
Total employees	7,246	7,012	6,781	6,786	6,708	6,510	6,303	6,006	5,709	5,593

Sources: Adopted Budget City of Portland, Oregon, Fiscal Year 2023-2024, Volume 1

⁽¹⁾ A full-time employee is scheduled to work 2,088 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,088.

⁽²⁾ Amount represents revised year-end estimate as published in the Adopted Budget FY 2023-2024.

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

Function/Program ⁽¹⁾	Fiscal Year Ended June 30, ⁽³⁾									
	2023 ⁽²⁾	2022	2021	2020	2019	2018	2017	2016	2015	2014
Public safety:										
Number of Crime Against Persons offenses per 1,000 residents	16	16	15	15	15	14	13	13	N/A	N/A
Number of Crime Against Property offenses per 1,000 residents	87	92	76	72	73	79	79	74	N/A	N/A
Percentage of emergency 9-1-1 calls answered within 20 seconds	42%	39%	56%	78%	77%	64 %	N/A	N/A	N/A	N/A
Number of fire, medical and other incidents	88,761	84,218	85,867	129,001	85,629	87,166	85,698	81,076	77,581	72,023
Maximum response time to 90% of high priority calls (in minutes and seconds)	N/A	7:55	7:58	7:37	7:24	7:19	7:39	7:18	7:12	7:12
Total number of emergency telephone line calls	739,127	731,908	662,038	599,441	576,446	527,027	522,947	536,798	526,243	486,353
Percentage of neighborhoods with active NET teams	92%	93%	92%	95%	89%	82 %	71 %	59 %	47 %	37 %
Parks, recreation and culture:										
Number of park acres per 1,000 residents	N/A ⁽⁴⁾	N/A ⁽⁴⁾	N/A ⁽⁴⁾	N/A ⁽⁴⁾	18	18	19	19	19	20
Percentage of residents living within three miles of a full-service community center	72%	71%	71%	71%	N/A	N/A	70 %	70 %	69 %	69 %
Percentage of residents living within 1/2 miles of a developed park or natural area	85%	79%	79%	N/A	N/A	N/A	80 %	81 %	80 %	80 %
Community development:										
Total number of commercial and residential building permits	7,256	7,137	6,138	6,844	9,048	10,324	10,403	10,073	8,964	N/A
Total number of commercial and residential inspections	162,309	124,144	126,245	162,309	186,398	191,146	177,705	176,939	152,426	141,847
Percentage of waste recycled or composted	53%	55%	56%	54%	54%	54 %	63 %	64 %	69 %	70 %
Number of certified green buildings in Portland	N/A ⁽⁴⁾	N/A ⁽⁴⁾	N/A ⁽⁴⁾	N/A ⁽⁴⁾	3,086	2,872	2,766	2,573	2,362	2,123
Percentage reduction in per person carbon emissions from 1990 levels	N/A	45%	40%	42%	39%	41 %	41 %	41 %	41 %	31 %
Housing units opened that are newly affordable	514	900	499	654	1,050	804	511	362	182	279
Number of individuals prevented from becoming homeless	10,000	35,550	26,730	7,300	10,504	7,458	6,139	4,174	3,522	4,023

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

Function/Program ⁽¹⁾	Fiscal Year Ended June 30,									
	2023 ⁽²⁾	2022	2021	2020	2019	2018	2017	2016	2015	2014
Transportation and parking:										
Annual streetcar ridership	2,601,253	2,210,992	1,564,336	3,154,485	4,491,363	4,870,556	4,720,474	4,313,571	4,623,520	4,400,000
On-street parking expenses as a percentage of revenues	25%	4%	51%	25%	21%	21 %	23 %	26 %	31 %	31 %
Percentage of "busy" (collector/arterial) streets in fair or better condition	42%	49%	49%	57%	43%	48 %	50 %	53 %	55 %	51 %
Percentage of local streets in fair or better condition	36%	38%	38%	45%	28%	31 %	36 %	40 %	43 %	44 %
Legislative / admin / support services:										
Number of litigation cases	1,231	1,078	973	1,055	1,324	1,481	1,580	1,447	1,259	1,167
Percentage of cases favorably resolved	93%	95%	91%	96%	96%	97 %	90 %	95 %	89 %	N/A
Number of active grants - all types	259	335	194	414	198	221	351	352	550	475
Percentage of OMF owned City facilities (excluding spectator venues) maintained in good or better condition	N/A ⁽⁴⁾	N/A ⁽⁴⁾	N/A ⁽⁴⁾	N/A ⁽⁴⁾	N/A ⁽⁴⁾	61 %	61 %	61 %	61 %	61 %
Percentage of sedans that are electric or plug-in hybrid	47%	45%	45%	43%	41%	44 %	39 %	36 %	11 %	8 %
Percentage of all subcontract dollars awarded to Minority, Women, and Emerging Small Businesses subs for construction and professional services contracts	56%	72%	60%	55%	68%	51 %	43 %	19 %	30 %	35 %
Environmental services:										
Amount of wastewater processed annually (in million gallons)	N/A ⁽⁴⁾	29,148	25,129	24,236	25,807	28,901	36,242	32,973	27,597	28,433
Number of sanitary sewer overflows	136	131	159	174	187	168	179	134	146	227
Number of combined sewer overflows	4	7	2	1	1	3	7	5	4	4
Water:										
Average minutes that customers are on hold before speaking to a customer service representative (in minutes and seconds)	1:57	1:09	0:30	0:21	0:26	0:33	2:26	3:36	1:50	1:52
Number of violations of state and federal drinking water quality regulations	0	0	0	0	0	0	0	0	0	1
Number of violations of state and federal environmental regulations	0	0	0	0	0	0	0	0	0	2

Sources: City of Portland Dashboards of bureau key performance measures, Fiscal Year 2023

N/A: Data not available for this fiscal year

⁽¹⁾ City of Portland key performance measure representation was revised FY 2023.

⁽²⁾ Amount represents year-end estimates as published in the most recent performance dashboard.

⁽³⁾ Historical amounts may differ slightly from what has been published in previous Annual Comprehensive Financial Reports as a result of corrections to previous calculations.

⁽⁴⁾ This indicator is no longer being tracked.

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

Function/Program	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Public safety:										
Number of front-line emergency vehicles	75	74	74	74	74	75	74	81	77	82
Fire stations	31	31	31	31	31	31	30	30	30	30
Police precincts	3	3	3	3	3	3	3	3	3	3
Police vehicles	694	660	694	709	709	700	692	700	641	644
Parks, recreation and culture:										
Developed parks ⁽¹⁾	154	154	154	154	146	146	144	144	144	144
Sports fields	122	115	115	115	173	237	235	234	234	234
Arts and community centers	15	15	15	15	15	19	15	15	15	18
Pools	12	12	12	12	12	13	13	13	13	13
Golf courses	6	6	6	6	6	6	6	6	6	6
Transportation:										
Lane miles of streets	4,877	4,863	4,862	4,853	4,854 ⁽⁴⁾	4,851	4,850	4,851	4,833	4,835
Miles of bikeways	436	416	410	405	396 ⁽⁴⁾	375	371 ⁽³⁾	352	345	338
Number of street lights ⁽²⁾	60,239	59,813	57,064	56,955	56,679	56,360	56,032	56,032	55,864	55,654
Unpaved streets (centerline miles)	55	56	56	56	56	56	56	56	56	56
Environmental services:										
Sanitary, storm and combined pipeline (miles)	3,110	3,104	3,098	3,088	3,081	3,074	3,040 ⁽³⁾	3,027	3,015	3,006
Water:										
Miles of water mains	2,252	2,251	2,251	2,252	2,252	2,250	2,253	2,253	2,253	2,253
Fire hydrants	14,799	14,729	14,677	14,609	14,554	14,498	14,457	14,376	14,386	14,326
Local water storage (millions of gallons)	204	204	203	191	194	194	194	196	364	288

Sources: Adopted Budget City of Portland, Oregon, Fiscal Year 2022-2023, Volume 1
Previous years of the City of Portland, Oregon Annual Comprehensive Financial Reports
Portland Police Bureau
Portland Parks & Recreation Bureau
Portland Bureau of Transportation
Portland Bureau of Environmental Services
Portland Water Bureau

⁽¹⁾ Revised in FY18 to meet the following definition: "A developed park includes at least one built amenity that provides a park experience above and beyond a place to walk, sit, and enjoy open space."

⁽²⁾ Revised in FY16

⁽³⁾ Revised in FY18

⁽⁴⁾ Revised in FY19

AUDIT COMMENTS AND DISCLOSURES



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Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The City Council
City of Portland, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Portland, Oregon (the "City") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 30, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Portland, Oregon
October 30, 2023

Report of Independent Auditors Required by Oregon State Regulations

The City Council
City of Portland, Oregon

We have audited, 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 the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Portland, Oregon (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Portland, Oregon's basic financial statements, and have issued our report thereon dated October 30, 2023.

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, and grant agreements, including provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules (OAR) 162-010-0000 to 162-010-0330, of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the financial statements: 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.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to, the following:

- Accounting records and internal control
- Public fund deposits
- Indebtedness
- Budget
- Insurance and fidelity bonds
- Programs funded from outside sources
- Highway funds
- Investments
- Public contracts and purchasing

In connection with our testing, nothing came to our attention that caused us to believe City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of ORS as specified in OAR 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the City Council and management of the City and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



Keith Simovic, Partner
For Moss Adams LLP
Portland, Oregon
October 30, 2023