



PROSPER
PORTLAND

A Component Unit of the City of Portland, Oregon

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
June 30, 2023



PROSPER
PORTLAND

Building an Equitable Economy

Annual Comprehensive Financial Report

PROSPER PORTLAND

A Component Unit of the City of Portland, Oregon

Prepared by Prosper Portland

Administrative Services Department

Kimberly Branam, Executive Director

Qur'an Folsom, Chief Administrative Officer

Tony Barnes, Chief Financial Officer

For the fiscal year ended June 30, 2023



Who we are...

What we do...

We are the economic and urban development agency for the city of Portland. We are deeply committed to building an equitable economy by focusing on four cornerstones of our work: creating vibrant neighborhoods and communities, job creation, advancing opportunities for prosperity and collaborating with partners for an equitable city. We work with partners to drive public attention and resources to different areas of the city, which helps Portland realize capital projects – parks, streetscape improvements, community centers – that would not happen on their own, making it a better place to live for all Portlanders.

Our five year strategic plan is to achieve widely shared prosperity among residents by harnessing and expanding the agency's tools for job creation, place-making and economic opportunity. The agency's new name and identity further demonstrate its commitment to these goals.

Prosper Portland's Mission

Prosper Portland creates economic growth and opportunity for Portland.

Prosper Portland's Vision

Portland is one of the most globally competitive, equitable, and healthy cities in the world.

Prosper Portland stimulates job creation, encourages broad economic prosperity, and fosters great places on behalf of the City of Portland.

We are a workplace of choice with passionate staff excelling in an open and empowering environment and sharing a commitment to our collective success.

Our new logo was inspired by the shape of a keystone, the pivotal final piece of an archway in ancient bridge construction. It is used to symbolize trust, partnership, and our role in building an equitable economy for Portlanders. The five keystone shapes represent the five neighborhoods of Portland (N, NE, SE, SW, and NW) as well as the five objectives of our Strategic Plan.

Prosper Portland is responsible for maintaining an accounting system and providing for a comprehensive independent financial audit. The following pages are Prosper Portland's Annual Comprehensive Financial Report with accompanying report of independent auditor.



Building an Equitable Economy

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Introductory Section





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Building an Equitable Economy



October 25, 2023

Gustavo J. Cruz, Jr.
Commission Chair

Marcelino J. Alvarez
Commissioner

William Myers
Commissioner

Michi Slick
Commissioner

Serena Stoudamire Wesley
Commissioner

Carmen Rubio
Commissioner,
City of Portland

Kimberly Branam
Executive Director

To Chair Cruz and Prosper Portland Board of Commissioners,
Mayor Wheeler and Members of the City Council, and the
People of the City of Portland, Oregon:

We are pleased to submit Prosper Portland's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. This report is published to provide the Prosper Portland Board of Commissioners, the Mayor and City Council, the people of the City of Portland (City), City staff, and other readers with detailed information concerning Prosper Portland's financial position and activities.

Management assumes full responsibility for the completeness and reliability of all information presented in this report, including all disclosures, based upon a comprehensive internal control framework that it has established for this purpose. Prosper Portland management is responsible for establishing and maintaining an effective internal control structure to safeguard its assets, assure the reliability of its accounting records, and promote operational efficiency. Because the cost of such controls should not outweigh their benefits, Prosper Portland's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free of any material misstatements.

Prosper Portland's charter requires Prosper Portland to undergo an annual independent audit by a licensed municipal auditor. The accounting firm of Moss Adams LLP conducted the audit of Prosper Portland's fiscal year (FY) 2022-23 financial statements. Based on the audit and review of the financial statements, Moss Adams LLP issued an unmodified opinion that Prosper Portland's financial statements for the fiscal year ended June 30, 2023, are fairly presented in accordance with accounting principles generally accepted in the United States of America. The independent auditor's report is presented at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it.

Prosper Portland creates economic growth and opportunity for Portland. Its vision is to make Portland one of the most globally competitive, healthy, and equitable cities in the world by investing in job creation, encouraging broad economic prosperity, and fostering great places throughout the city. It aspires to continue being a workplace of choice with passionate staff excelling in an open and empowering environment and sharing a commitment to collective success.

Prosper Portland was created as a city agency in 1958 under Article I, Section 15 of the Charter of the City of Portland, Oregon to serve as Portland's urban renewal and economic development agency. The governing body is a five-member Commission, appointed by the mayor and approved by the City Council. Prosper Portland is a component unit of the City of Portland and is reported in its ACFR as a discretely presented component unit. Prosper Portland currently manages 16 tax increment financing (TIF) districts (four of which have not reached maximum indebtedness) throughout the City of Portland, several revolving loan funds, and annual funding from the City General Fund and Recreational Cannabis Tax Fund and is a subrecipient of federal Community Development Block Grant (CDBG) and American Rescue Plan funds.

Prosper Portland has one blended component unit, 9101 Foster LLC, created for construction and management of the 9101 SE Foster Road Project, now known as Lents Commons, in the Lents Town Center tax increment district. Construction was completed in FY 2017-18.

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Prosper Portland's work is guided by [Advance Portland: A Call to Action for Inclusive Economic Growth](#) which was endorsed by the Prosper Portland Board and adopted by City Council in April 2023. Advance Portland is a collaborative strategy that was built through deep community engagement and a comprehensive assessment that revealed short- and long-term challenges including insufficient business and housing growth significantly impacting Black, Indigenous, and all People of Color (BIPOC) communities, the Central City, and East Portland. The strategy presents a focused plan to collectively deliver inclusive and sustainable economic growth through four key objectives:

- Propel Inclusive Economic Growth & Innovation through traded sector business retention, expansion, and recruitment, Enterprise Zones, international trade development, and film recruitment and navigation through the Office of Events and Film.
- Support BIPOC Entrepreneurs to Start, Scale and Innovate through the Small Business Hub, Inclusive Business Resource Network, Mercatus BIPOC Business Registry, small business repair and stabilization grants, and My People's Market.
- Foster a Vibrant Central City & Neighborhood Commercial Districts through the Neighborhood Prosperity Network, partnership with Venture Portland, funding to explore new TIF districts in East Portland and downtown, investments in Broadway Corridor site preparation to support affordable housing, events navigation and activations through the new Office of Events and Film and preserving affordable ground commercial space through the Affordable Commercial Tenanting Program.
- Connect Portlanders to High Quality Jobs through workforce development and initiatives like Portland Means Progress.

Prosper Portland's business is conducted at monthly public meetings, and all activities are guided by the strategic plan and the annual budget. Developed in conjunction with public and private community partners, the budget is appropriated by fund and business line (service). Each fund and business line includes specific allocations of resources by funding source, business line, and project and programs. In accordance with Oregon Local Budget Law, the proposed annual budget is presented to the Portland City Council, acting as the Prosper Portland Budget Committee, for review and approval. Following budget committee approval, Prosper Portland submits the approved budget to the Tax Supervising and Conservation Commission for review and to the Prosper Portland Board of Commissioners for review, adoption, and subsequent amendment as necessary.

Relevant Financial Policies

Prosper Portland's charter prescribes that it maintains budgeting and accounting systems and prepares an annual budget in accordance with Oregon Local Budget Law. Funds are used to segregate activities in accordance with special restrictions on the use of revenue. Expenditures are recorded by fund and purpose on the modified accrual basis of accounting, and are further classified by service, project, and organizational unit for internal management information. Cash and other assets, related liabilities, and residual equity are segregated into independent self-balancing funds. All capital asset and long-term liabilities are reflected in the government-wide financial statements. Prosper Portland's charter requires its cash to be deposited in the City of Portland's investment pool and invested by the City Treasurer in accordance with Oregon Revised Statutes 294.035 and 294.046. In addition, special accounts may be maintained if required, for example, by debt covenants.

Local Economic Conditions

Portland is the financial, trade, transportation, manufacturing, and business service center for Oregon, southwest Washington, and the Columbia River Basin. The area's five largest private sector employers are Intel Corporation, Providence Health Systems, Nike, the Kaiser Foundation Health Plan of the Northwest, and Legacy Health System. Education and Health care, manufacturing, professional and business services, and retail trade compose the largest industry segments of the regional economy and accounted for approximately 58 percent of local, non- government jobs before the COVID-19 pandemic.

Through 2020 and 2021, Multnomah County experienced unemployment as high as 13.8%. By July 2023, the Multnomah County seasonally adjusted unemployment rate dropped to 3.3%, slightly higher than the pre-pandemic low of 2.9% in December 2019. Overall, the recovery in the region has been slower than most major metropolitan regions. Employment in the Portland metropolitan region grew by just 0.7% from the pre-COVID level in February of 2020. By comparison, United States employment has grown by 2.7% over the same time frame. However, Portland's economic momentum has been stabilizing recently. The 2.7% job growth from July 2022 to July 2023 is the median growth rate among the 50 largest US metropolitan regions. The recovery in jobs has been led primarily by accommodation and food, but also retail trade, transportation and warehousing and construction.

Despite regional economic momentum stabilizing, employment, people of color and businesses owned by people of color continue to experience a slower recovery and highly disproportionate lower economic wealth. Last year, white households had a median income of \$91,417, while Black or African American households had a median income of \$60,565, and American Indian and Alaska Native households had a median income of \$71,005, and Hispanic households had a median income of \$72,631.

Long-term Financial Planning

Historically and currently, tax increment financing through established TIF districts provide most of the funding for Prosper Portland. The expiration of most established TIF districts between 2020 and 2025 represents a structural shift in how economic development is funded in the City of Portland.

The Prosper Portland Board adopted The Ten-Year Financial Sustainability Plan in July 2018 that created a comprehensive framework for funding agency programs, projects, and initiatives over the next ten years to address a long-term approach to support continued economic development as existing TIF resources decline. However, the COVID-19 pandemic significantly delayed key projects and impacted income from existing operations and implementation of the Plan. In response, staff developed an update to the Plan that was presented and approved by the Prosper Portland Board in March 2023. The update to the Financial Sustainability Plan provides a clear path toward funding Advance Portland in the coming year and is focused on securing additional public resources, leveraging existing community based TIF district investments, and optimizing non-TIF resources in the newly created Strategic Investment Fund.

Annually, Prosper Portland forecasts projected revenues and expenditures for each of the TIF districts. This effort results in a five-year forecast of project and program budget requirements for the funds associated with them. Non-TIF District revenues and expenditure requirements are largely dependent on the annual allocation of resources from external funding providers such as the City.

Oregon statute limits the amount of property that can be included in a municipality's TIF districts to a maximum of 15 percent of assessed value and 15 percent of acreage. The aggregate amount of certified assessed value in the 11 TIF districts that were still collecting tax increment revenues in FY 2022-23 equals approximately eight percent of the city of Portland's total overall assessed value and 12 percent of overall acreage for the city.

The Updated Financial Sustainability Plan emphasizes the need for new and different funding to implement Advance Portland. Implementation of the updated Plan is occurring through FY 2023-24 through the exploration of several new TIF districts, securing a portion of returned tax increment resources through the City's General Fund, and implementation of new lending and property investment tools via a \$45 million allocation of residual earned income from expiring TIF districts through the Strategic Investment Fund.

Major Initiatives

Major initiatives cited in this section are highlights based on budgeted project dollars in the adopted budget for the fiscal year ending in June 2024.

Prosper Portland's FY 2023-24 Adopted Budget includes \$21 million in City General Fund and Cannabis Tax resources as well as \$2.3 million in federal Community Development Block Grant, and \$10 million in American Rescue Plan Act (ARPA) grant resources allocated by City Council. Approximately half of the General Fund and Cannabis Fund resources are one-time allocations, and the American Rescue Plan resources will largely be utilized by the end of the FY 2023-24. The one-time allocations are focused on several key development projects including the acquisition and redevelopment of the Fairfield apartments, implementing the newly formed Office of Events and Film, and several small business support and retention grants. Ongoing funding from these resources support economic development programs such as the Inclusive Business Resources Network, Workforce Development and the Business Advancement team that help retain and grow businesses in Portland.

While most tax increment finance resources have been received from current, active districts, residual TIF and earned income resources are budgeted to be spent over the next several years to complete TIF district action plans and other district projects. For FY 2023-24, Prosper Portland has budgeted approximately \$160 million across 17 TIF districts to support projects and programs. Included in the spending is \$5.5 million in redevelopment and commercial development grants in TIF districts and \$12.5 million in commercial property and business lending programs. Most of these allocations are part of key action plans including the Old Town Action Plan in the River District and Downtown Waterfront Districts, the N/NE Action Plan in the Interstate Corridor TIF District, Gateway Action Plan in the Gateway Regional Center TIF District and Lents Action Plan in the Lents Town Center TIF District. Key projects also include predevelopment and support for the Workshop Blocks and Oregon Museum of Science and Industry Master Plan in Central Eastside, tenanting of ground floor commercial space for the Nick Fish in Gateway, and ongoing demolition and predevelopment activities related to the United States Post Office site and Broadway Corridor. TIF districts also include revenues and expenditures for the management of more than 40 parcels. Property management activities include holding costs for properties that are held for sale including the 13-acre former United States Post Office Site, as well as operating costs for properties that will be held for operating purposes including four parking garages, the Inn at Convention Center and ground floor commercial space in several Prosper Portland held properties. TIF budgets also include \$41 million earmarked for the Housing Set Aside to support affordable housing projects and programs managed by the Portland Housing Bureau.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Prosper Portland for its ACFR for the fiscal year ended June 30, 2022. Prosper Portland has received a Certificate of Achievement for the last 35 consecutive fiscal years. GFOA's Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government annual comprehensive financial reports. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and well organized ACFR that satisfies both generally accepted accounting principles in the United States of America and applicable legal requirements.

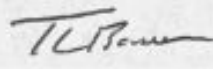
A Certificate of Achievement is valid for a period of one year only. Prosper Portland's management believes that its current report continues to meet the Certificate of Achievement Program requirements and Prosper Portland will be submitting it to GFOA to determine its eligibility for another certificate.

The preparation of Prosper Portland's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023, would not have been possible without the dedicated service of the entire staff of the Commission and the Finance & Business Operations Department. A special thanks to Michele Whaley, Keith Padilla, Courtney Cohn, Brad Reynolds, Terry Rosales, Gina Bixby, and Chan SaeLee for their efforts in producing this ACFR. We also wish to express our gratitude and appreciation to the Board of Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of Prosper Portland's finances.

Respectfully Submitted



Kimberly Branam, Executive Director



Tony Barnes, Chief Financial Officer

Governing Board (As of June 30, 2022)

Term Expires



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June 30, 2024



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June 30, 2024



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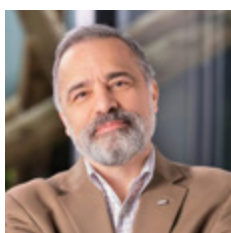
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August 2, 2023

Agency Executive

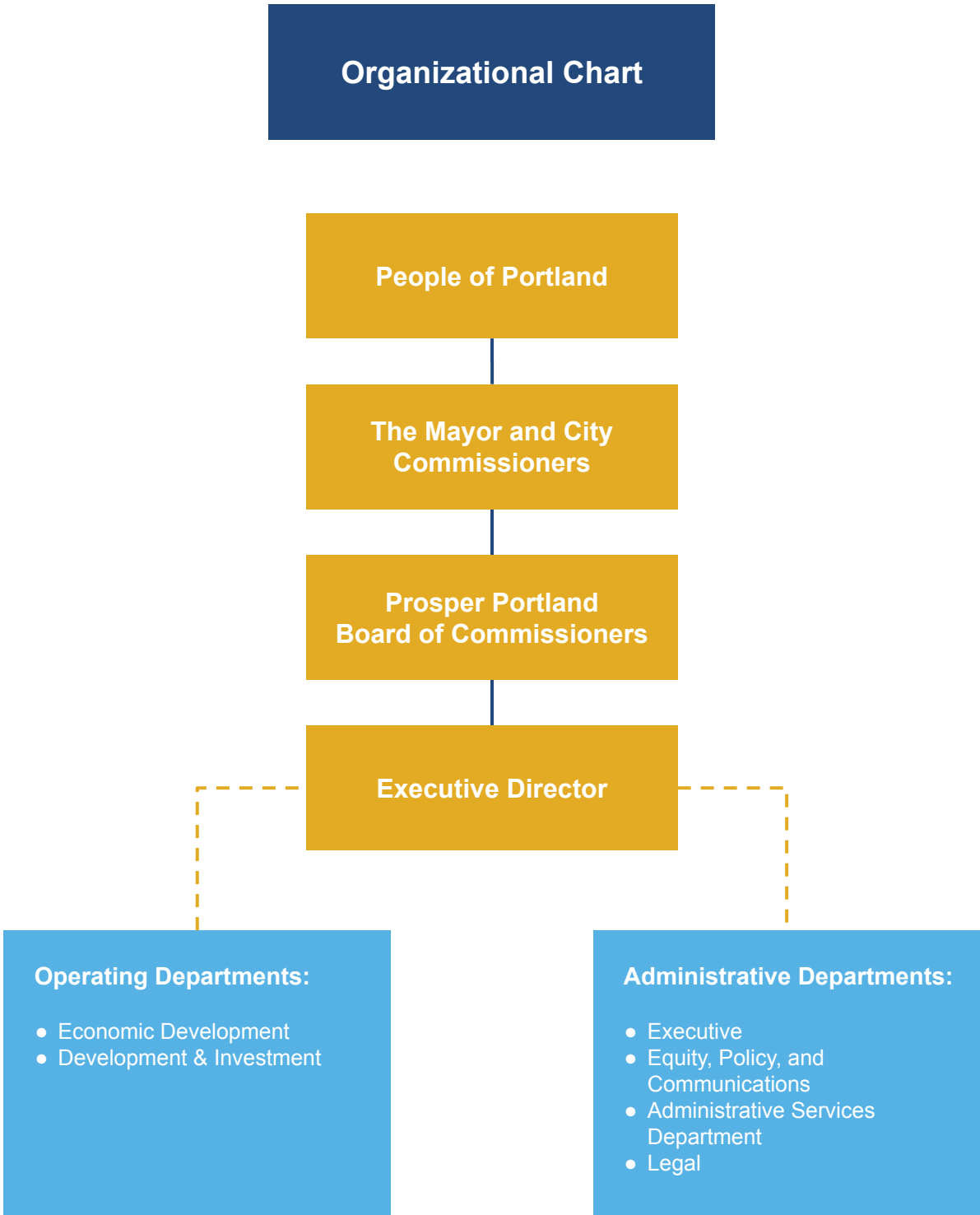


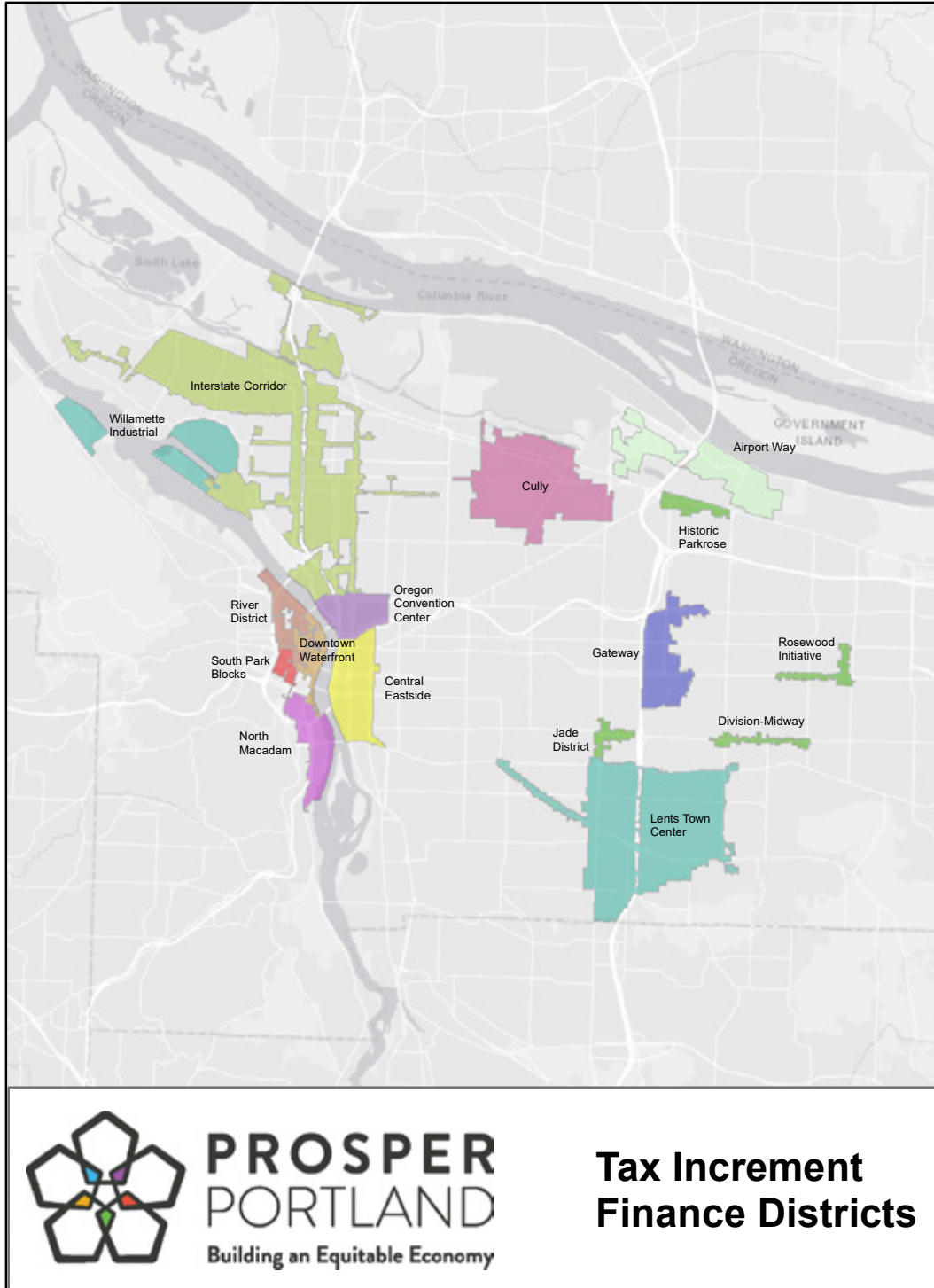
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Registered Agent

None







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Government Finance Officers Association

Certificate of
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in Financial
Reporting

Presented to

**Prosper Portland
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



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Financial Section





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Report of Independent Auditors

The Board of Commissioners
Prosper Portland
(A Component Unit of the 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, each major fund, the budgetary statement for the general fund, and the aggregate remaining fund information of Prosper Portland (a Component Unit of the City of Portland, Oregon) ("Prosper Portland") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Prosper Portland'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, each major fund, and the aggregate remaining fund information of Prosper Portland as of June 30, 2023, and the respective changes in financial position, budgetary statement for the general fund 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 Prosper Portland 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.

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 Prosper Portland'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.

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, the post-employment benefit information, and the pension contribution 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 Prosper Portland's basic financial statements. The supplementary data on pages 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 24, 2023, on our consideration of Prosper Portland'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 Prosper Portland'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 Prosper Portland'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 24, 2023, on our consideration of Prosper Portland'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
October 24, 2023



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Management's Discussion and Analysis



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Building an Equitable Economy

Management's Discussion and Analysis

As management of Prosper Portland, we offer readers of Prosper Portland's financial statements this narrative overview and analysis of the financial activities 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 on pages i-iv of this report.

Financial Highlights

- The assets plus deferred outflows of resources of Prosper Portland exceeded the liabilities plus deferred inflows of resources for the current year ended June 30, 2023 by \$469,072,100 (net position).
- Prosper Portland's total net position increased by \$18,157,810 or 4.0% (see page 22) when compared to the financial statements at June 30, 2022. In addition, Prosper Portland's governmental funds reported a combined ending fund balance of \$459,985,745 (see page 28) an increase of \$19,031,297 from the prior year. These increases in net position and ending fund balance are attributable to the ongoing receipt of final tax increment debt proceeds in several districts that will be disbursed over the next several years on projects and programs to complete district plans.
- At the end of the 2022-23 fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$1,553,870, or 8.6% of total general fund expenditures (see page 24).
- Capital assets used in the operation of governmental funds decreased from \$73,979,084 to \$72,594,183. The net change is primarily related to depreciation on existing assets.
- Gross loans receivable decreased from \$85,491,566 to \$77,264,417 agency-wide, or -9.6%. The loan loss allowance decreased from \$52,485,717 to \$41,578,170, a decrease of -20.8% from the prior year's allowance. The large change in the gross and net loans receivable was due to the principal being forgiven on an \$8 million redevelopment loan based on successful completion of project requirements.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Prosper Portland's basic financial statements. They consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also includes supplementary information intended to support the basic financial statements.

Government-wide Financial Statements. The *government-wide financial statements* provide readers with an overview of Prosper Portland's finances.

The *Statement of Net Position* presents financial information on all Prosper Portland's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of Prosper Portland is improving or deteriorating.

The *Statement of Activities* details how Prosper Portland's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., pension and earned-but-unused vacation leave).

Both government-wide financial statements distinguish functions of Prosper Portland that are principally supported by tax-increment debt proceeds (in lieu of tax-increment revenue) 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*). The governmental activities of Prosper Portland include general government, economic development and business growth, and development. The business-type activities of Prosper Portland include programs that support jobs, housing, commercial financial assistance and historic preservation. These activities are typically provided as some form of financial assistance.

The government-wide financial statements can be found on pages 20 - 22 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Prosper Portland, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Prosper Portland funds can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds. *Governmental funds* 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 Prosper Portland's near-term financing requirements and resources.

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 agency's near-term financing 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*.

Prosper Portland maintains 19 individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for each of the major funds. A major fund is defined as those funds whose revenues, expenditures/expenses, assets or liabilities are at least 10 percent of the total for their fund category (governmental or enterprise) and 5 percent of the aggregate of all governmental and enterprise funds in total. The major governmental funds are: General Fund, 9101 Foster LLC (a blended component unit), and tax increment financing funds including North Macadam, River District, Lents Town Center, and Interstate Corridor. Data from the other governmental funds is elsewhere in the combining and individual fund statements and schedules section of this report and 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 the combining and individual fund statements and schedules section of the report.

Prosper Portland adopts an annual appropriated budget for all funds except for 9101 Foster LLC. For those funds with an adopted budget a budgetary comparison statement has been provided to demonstrate compliance with budgetary requirements.

The basic governmental fund financial statements can be found on pages 24 -32 of this report.

Proprietary Funds. A proprietary fund is used in governmental accounting to account for activities that involve business-like interactions. Prosper Portland maintains two different types of proprietary funds. *Enterprise funds* report the same functions presented as business-type activities in the government-wide financial statements. Prosper Portland uses two enterprise funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among Prosper Portland's various functions. Prosper Portland uses an internal service fund to account for risk management. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The enterprise loans fund data are combined into a single, aggregated presentation, and include such programs as: The Business Development Loan Fund and the Small Business Loan Fund. Additionally, the Internal Service Fund is presented in the proprietary fund financial statements. Individual fund data for the Internal Service Fund is provided elsewhere in this report.

Enterprise Loans Fund. The Enterprise Loans Fund is used to account for revolving loan programs. Prosper Portland's goal is to prevent expenses from exceeding annual income to preserve the original principal of each program.

Business Management Fund. The Business Management Fund is used to account for the activity related to business and real estate that is not funded by tax increment or other public funding sources.

Internal Service Fund. A Risk Management Fund is used to set aside resources to meet insurance policy deductible amounts and other amounts not fully reimbursed from insurance proceeds, as necessary. In certain risk areas, the required contributions are held in this fund to meet contractual obligations. Additional contributions may be made in future years if needed.

The basic proprietary fund financial statements can be found on pages 33 - 35 of this report.

Notes to the Financial Statements. The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 39 - 81 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Prosper Portland's progress in funding its obligation to provide post-employment benefits to its employees. Required supplementary information can be found on pages 85 -88 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, proprietary funds, and the internal service fund are presented immediately following the required supplementary information on post-employment benefits. Combining statements and individual fund budgetary comparison schedules can be found on pages 93-142 of this report.

Government-wide Overall Financial Analysis

As noted earlier, net position may serve as a useful indicator of a government's financial position. In the case of Prosper Portland, total assets plus deferred outflow of resources of Prosper Portland exceeded liabilities and deferred inflows of resources by \$469,072,100 for all governmental and business-type funds at the close of the most recent fiscal year.

Prosper Portland's Net Position

At June 30, 2023

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current and other assets	\$ 476,266,850	\$ 463,802,507	\$ 17,081,235	\$ 17,711,645	\$ 493,348,085	\$ 481,514,152
Capital assets	72,594,183	73,979,084	2,543,545	2,591,278	75,137,728	76,570,362
Total assets	548,861,033	537,781,591	19,624,780	20,302,923	568,485,813	558,084,514
Deferred outflow of resources	6,232,567	6,559,356	-	-	6,232,567	6,559,356
Liabilities						
Current and other liabilities	24,670,283	32,355,568	8,570	-	24,678,853	32,355,568
Long-term liabilities	69,595,760	65,373,691	-	-	69,595,760	65,373,691
Total liabilities	94,266,043	97,729,259	8,570	-	94,274,613	97,729,259
Deferred inflow of resources	10,652,572	15,190,677	719,095	809,644	11,371,667	16,000,321
Net position						
Net investment in capital assets	62,971,036	73,979,084	2,543,545	2,591,278	65,514,581	76,570,362
Restricted	412,624,138	392,680,006	3,000,000	3,000,000	415,624,138	395,680,006
Unrestricted	(25,420,189)	(35,238,079)	13,353,570	13,902,001	(12,066,619)	(21,336,078)
Total net position	\$ 450,174,985	\$ 431,421,011	\$ 18,897,115	\$ 19,493,279	\$ 469,072,100	\$ 450,914,290

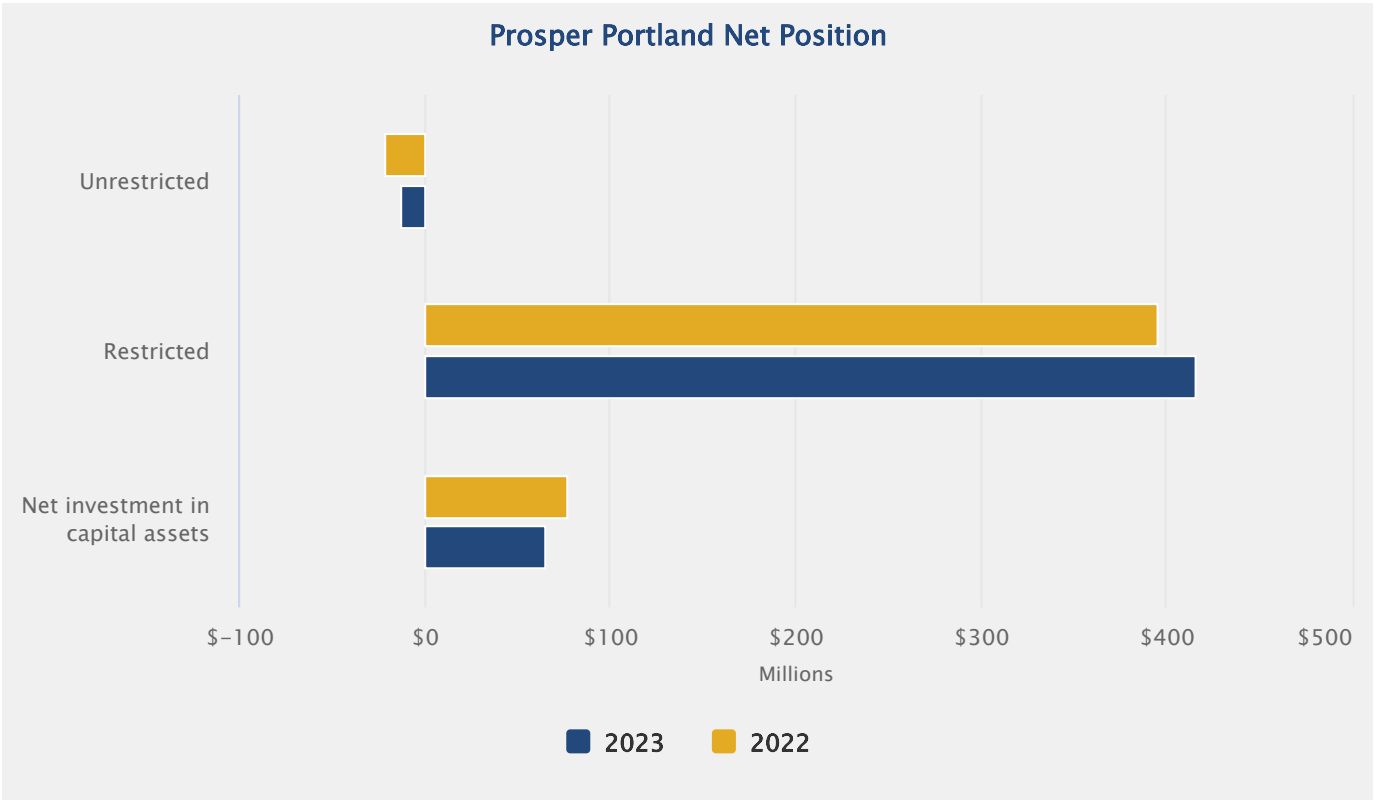
The largest portion of Prosper Portland's combined governmental and business-type total net position is \$415,624,131 of restricted net position. This accounts for 88.6% of the total and represents resources that are subject to external restrictions on how they may be used. Restricted net position is mainly composed of tax increment district funds that are limited for use in the specific districts where the funds originated. Restricted net position increased 5.0% from the fiscal year ended June 30, 2022.

The next largest portion of Prosper Portland's combined governmental and business-type total net position is \$65,514,581 or 14.0% of the total and reflects its investment in capital assets (e.g., land, buildings, vehicles, equipment, and software). These capital assets are used to provide services to citizens; consequently, these assets are *not* available for future spending. The investment in capital assets decreased (1.9%). The net decrease incorporates increases related to right to use assets related to software and work in process related to commercial property improvements that is more than offset by decreases due to amortization and depreciation of just over \$1,300,000.

Deferred outflow of resources decreased \$(326,789) or decreased 5.0% due to changes in the actuarially determined components of Prosper Portland's participation in the Oregon Public Employees Retirement system.

Net position components are restricted as to use, invested in capital assets (property, buildings, equipment, and software), or unrestricted. Prosper's unrestricted net position is \$(12,066,619). The unrestricted net position is negative largely due to non-current liabilities which are not expected to be funded by current assets. Government-wide liabilities including but not limited to pollution remediation and pension liabilities are expected to be funded from future resources or by resources restricted for urban renewal.

At the end of the current fiscal year, Prosper Portland reported positive balances in all restricted categories of net position, with governmental activities showing a deficit in unrestricted net position and business-type activities showing a positive balance for both restricted and unrestricted net position.

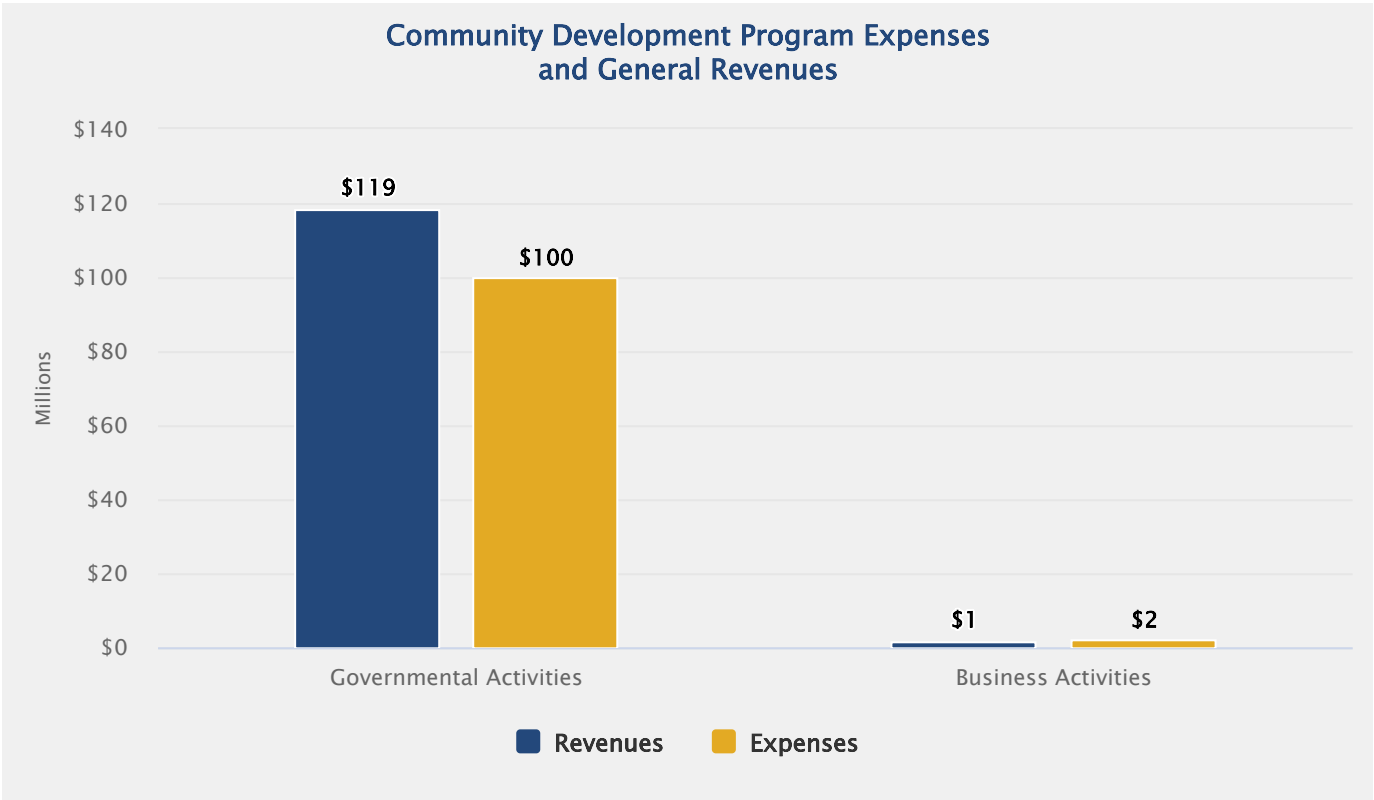


Prosper Portland’s overall net position increased \$18,157,810 from the prior fiscal year. The changes are discussed in the following sections for governmental activities and business-type activities.

Governmental Activities. During the current fiscal year, net position for governmental activities increased \$18,753,974 from the prior fiscal year for an ending balance of \$450,174,985. The change in governmental activities is due primarily to continued, steady receipt of tax increment debt proceeds while many projects in tax increment districts were delayed or extended as demonstrated by Community Development expenditures, which decreased 2.1% from the prior year.

Prosper Portland's Changes in Net Position
For the Fiscal Years Ended June 30, 2023

	Governmental Activities		Business Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues						
Charges for services	\$ 19,618,070	\$ 9,137,560	\$ 736,263	\$ 123,688	\$ 20,354,333	\$ 9,261,248
Operating grants and contributions	24,692,644	16,459,377	-	-	24,692,644	16,459,377
General revenues						
Tax-increment debt proceeds (in lieu of tax-increment revenue)	56,887,188	65,130,282	-	-	56,887,188	65,130,282
City of Portland debt proceeds for operations	-	-	-	-	-	-
Unrestricted investment income	5,191,474	1,756,719	157,540	74,799	5,349,014	1,831,518
Miscellaneous	12,179,446	2,709,253	506,780	2,835,598	12,686,226	5,544,851
Total revenues	118,568,822	95,193,191	1,400,583	3,034,085	119,969,405	98,227,276
Expenses						
Community development	99,818,171	101,996,057	-	-	99,818,171	101,996,057
Enterprise loans	-	-	612,992	104,252	612,992	104,252
Enterprise management	-	-	1,380,432	204,785	1,380,432	204,785
Total expenses	99,818,171	101,996,057	1,993,424	309,037	101,811,595	102,305,094
Increase (Decrease) in net position before transfers	18,750,651	(6,802,866)	(592,841)	2,725,048	18,157,810	(4,077,818)
Transfers	3,323	797	(3,323)	(797)	-	-
Increase (Decrease) in net position	18,753,974	(6,802,069)	(596,164)	2,724,251	18,157,810	(4,077,818)
Beginning net position	431,421,011	438,223,080	19,493,279	16,769,028	450,914,290	454,992,108
Ending net position	\$ 450,174,985	\$ 431,421,011	\$ 18,897,115	\$ 19,493,279	\$ 469,072,100	\$ 450,914,290



Business-type Activities. For Prosper Portland’s business-type activities, overall net position decreased \$596,164 or (2.9%) for an ending balance of \$18,897,115. The decrease in net position for business-type activities was driven by the transfer of the 10th and Yamhill ground floor commercial floor space to the Business Management Fund.

Changes in Business-type Activities Expenses
For the Fiscal Years Ended June 30, 2023

Expenses	2023		2022		Change
Personal services	\$	101,078	\$	11,825	\$ (89,253)
Professional servicers		1,150,930		168,437	(982,493)
Financial assistance		168,156		74,794	(93,362)
Internal service reimbursements		436,724		53,290	(383,434)
Miscellaneous expenses		136,536		692	(135,844)
Totals	\$	1,993,424	\$	309,038	\$ (1,684,386)

One major component of Prosper Portland’s net position, in both governmental and business-type funds, is loans receivable from its customers. During the current fiscal year, Prosper Portland’s gross portfolio decreased \$8,227,149 or -9.6%. The loan loss allowance decreased by -20.8% or -\$10,907,547. The percentage change in the gross loans receivable was due to a \$8 million write-off in accordance with the terms of the associated loan successfully completeing program goals.

Loans Receivable

At June 30,

	2023	2022	Change	% Change
Gross loans receivable	\$ 77,264,417	\$ 85,491,566	\$ (8,227,149)	-9.6%
Allowance	(41,578,170)	(52,485,717)	10,907,547	-20.8%
Total, net	\$ 35,686,247	\$ 33,005,849	\$ 2,680,398	8.1%
Current portion	\$ 1,072,229	\$ 2,152,051	\$ (1,079,822)	-50.2%
Non-current portion	19,625,049	15,864,831	3,760,218	23.7%
Total, net	\$ 20,697,278	\$ 18,016,882	\$ 2,680,396	14.9%

Net loans receivable reflects the elimination of interfund activity between Prosper Portland and its component unit, 9101 Foster, LLC for a loan in the amount of \$14,988,971 in fiscal year 2023 and a balance of \$14,379,667 in fiscal year 2022.

Financial Analysis of Governmental Funds

As noted earlier, Prosper Portland uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

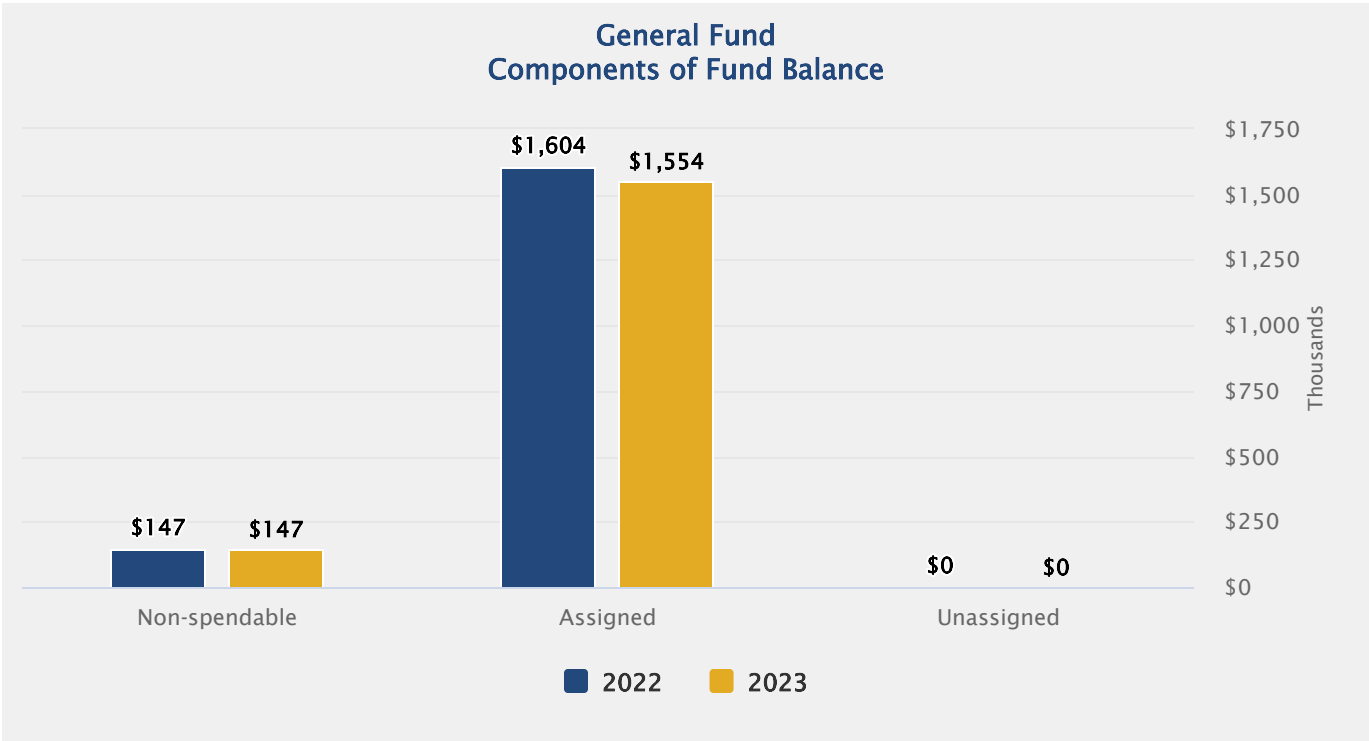
Governmental Funds. The focus of Prosper Portland's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Prosper Portland's financing requirements.

At June 30, 2023, Prosper Portland's governmental funds reported combined fund balances of \$459,985,745, an increase of \$19,031,297 in comparison with the prior year. Prosper Portland had unassigned fund balance of (\$15,394,215) the result of 9101 Foster LLC having a negative ending fund balance. The remainder of the fund balance is either *nonspendable*, *restricted*, or *assigned* to indicate that it is: 1) not in spendable form; 2) restricted for particular purposes; or assigned for particular purposes.

The general fund is the chief operating fund of Prosper Portland. At the end of the current fiscal year, Prosper Portland's general fund had no unassigned fund balance, and the total fund balance decreased to \$1,700,624. As a measure of the general fund's liquidity, the total fund balance represents approximately 8.6% of total 2023 fiscal year general fund expenditures.

The fund balance of Prosper Portland's general fund decreased by \$50,418 during the current fiscal year ended June 30, 2023. Key factors include:

- > Revenues increased by \$7,996,428 overall, primarily in intergovernmental revenues, due to increases in funding from the City of Portland General Fund for economic development funding. Most of the increase is related to higher one-time funding that was received in FY 2022-23 to support small businesses and undertake economic development plan efforts for different parts of the City.
- > Community development expenditures, up by \$2,970,599 and financial assistance with an increase of \$2,103,337 accounts for most of the increase in expenditures driven by higher funding from the City of Portland for small business support including technical assistance, repair grants and workforce development programs, as well as economic development planning efforts. Capital outlays show an increase of \$3,216,907 for General Fund support provided by the City of Portland to assist with demolition of the United States Postal Service building.



Tax-increment financing (TIF) proceeds are typically Prosper Portland’s largest annual income source, and that is again the case this fiscal year. The following schedule illustrates the TIF proceeds received by Prosper Portland from the City of Portland over the last five years. Note that the annual allotment of TIF proceeds received in fiscal year 2023 decreased from the prior fiscal year due to several districts reaching their maximum assessed indebtedness. Tax-increment financing will continue to decrease over the next several years as existing districts reach maximum indebtedness.

**Summary History of TIF Proceeds
Received by Prosper Portland
For the Fiscal Years Ended June 30,**

Year	Amount	Change	%
2019	93,748,968	-	-%
2020	80,975,700	(12,773,268)	-13.6%
2021	83,768,443	2,792,743	3.4%
2022	65,130,282	(18,638,161)	-22.2%
2023	56,887,188	(8,243,094)	-12.7%
\$ 380,510,581			

The City of Portland receives property taxes in each of the designated tax increment financing areas and forwards a portion to be allocated as TIF to Prosper Portland for projects. The amount of TIF allocated to Prosper Portland varies annually depending on each of the TIF districts’ projected tax revenues, debt capacity, and existing levels of outstanding debt held by the City. Some TIF districts have a planned expiration date after which it cannot issue additional tax-increment debt. However, the expiration date may be removed or extended by the Prosper Portland Board of Commissioners. A TIF district that has reached its maximum indebtedness or expiration date will no longer issue new tax-increment debt but may continue spending until its resources are exhausted and will receive tax-increment revenues until all outstanding debt is retired. As of the end of FY 2022-23, the Downtown Waterfront, South Park Blocks, Oregon Convention Center, River District, Central Eastside, Willamette Industrial, and Airport Way, and all six Neighborhood Prosperity Network Tax Increment Financing Funds have all issued final last tax-increment debt due to reaching maximum indebtedness or their final date to issue debt. Further information on urban renewal indebtedness and the current life cycle status can be found on page 161 of the Statistical Section.

The following table shows the change in the fund balance for the five other major governmental funds.

Prosper Portland's
Schedule of Other Major Governmental Fund Balances
At June 30,

Fund	2023	2022	Change	% Change
9101 Foster LLC	(15,394,215)	(15,334,152)	(60,063)	0.4%
North Macadam Tax Increment Financing Fund	49,493,320	39,846,516	9,646,804	24.2%
River District Tax Increment Financing Fund	122,648,721	140,086,845	(17,438,124)	-12.4%
Lents Town Center Tax Increment Financing Fund	62,151,822	48,720,481	13,431,341	27.6%
Interstate Corridor Tax Increment Financing Fund	86,445,943	71,000,468	15,445,475	21.8%
Business Management Fund	13,383,707	13,928,078	(544,371)	-3.9%
Total	\$ 305,345,591	\$ 298,248,236	\$ 7,097,355	

The 9101 Foster LLC Fund was created for the sole purpose of completing and managing the planned development of a mixed use, mixed income apartment project, Lents Commons. In fiscal year 2023 tenant improvements continued on the first-floor commercial space as tenancing has been slow to occur following the COVID-19 pandemic. The \$14,397,208 capital asset for 9101 Foster LLC is not a current resource and therefore contributes to the large negative balance in that fund.

The fund balance in the North Macadam Tax Increment Financing Fund increased by \$9,646,804 or 24.2%. Community development expenses decreased \$14,527,264 from the prior year. This decrease was primarily due to the level of affordable housing development for The Vera Phase II development activity in FY 2021-22 and lower project activity in FY 2022-23. This overall decrease in fund balance is due to the lower project expenditures coupled with ongoing receipt of tax increment debt proceeds in excess of total expenditures in FY 2022-23.

In the River District Tax Increment Financing area, there was a (\$17,438,124) or an 12.4% net decrease in fund balance in fiscal year 2023. The majority of the change is due to large capital outlays, including pre-development related to the United States Postal Service site. There were no new tax increment debt proceeds for the districts since the district reached maximum indebtedness in the prior year.

In the Lents Town Center Tax Increment Financing Fund, the fund balance increased by \$13,431,341 or 27.6%, due to ongoing receipt of tax increment debt proceeds that exceeded expenditures for the year. Financial assistance expenditures decreased \$344,854 and community development expenses decreased \$144,509 from the previous year with no new significant redevelopment or financial assistance projects occurring.

The Interstate Corridor Tax Increment Financing Fund ended the year with an increase in fund balance of \$15,445,475 or 21.8%. The increase is substantially due to ongoing receipt of tax increment debt proceeds and lower community development expenditures for FY 2022-23. Community development expenditures had an increase of \$1,577,552 or 14.7%. The increase in community development expenditures was related to timing of housing project expenditures as well as property development activity. Financial assistance also increased \$6,592,139, primarily related to the write-off of a redevelopment loan at the beginning of the fiscal year.

Proprietary funds. Prosper Portland's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

The Business Management Fund was established to account for activity related to business and real estate that is not funded by tax increment or other public funding sources. Net position in the Business Management Fund decreased by \$1,005,371 or 7.8%. While revenue increased slightly from the prior year, the level of expenditures and transfers continued in the fund. Expenditures were \$1,244,057, mostly related to the transfers out that supported cash flow needs in select governmental funds used for economic development.

General Fund Budgetary Highlights

The difference between the original and final amended budget was a \$1,376,306 increase in community development expenditure appropriations. The major differences for the increased budget includes carryover of unspent City of Portland General Fund and Cannabis Fund resources from FY 2021-22 and the addition of new programming that was added by City Council in the Fall and Spring FY 2022-23 budget amendments, including one-time funds for small business grants

and funding for several planning strategies to support equitable economic development and development activity in Portland, including how to support economic development needs in East Portland and support development efforts city-wide. Expenditures ended the year \$2,351,110 below the final budget due to timing of economic development and property development activities that were underway at year-end but not complete and will carry-over to FY 2023-24. Some of the variance was also related to savings in personnel and other administrative costs that will be incorporated to fund contractual commitments in the FY 2023-24 budget.

Change in Original Budget to Final Budget		Comments
Revenue increase	\$46,339	Largest components of variance are: <ul style="list-style-type: none"> - \$45,000 decrease in Intergovernmental Revenues related to net changes in budget for carryover to FY 2023-24 for economic development and development programs. - \$75,000 increase in Reimbursements related to a contract with Venture Portland to help fund event activities
Expenditure increase	\$1,376,306	Components of variance are: <ul style="list-style-type: none"> - \$1,215,338 increase in Property Redevelopment, primarily related to one-time funding for TIF exploration and development strategy work. - \$1,178,699 decrease in Economic Development, primarily related to carryover of General Fund economic development add packages throughout the year. - \$1,339,667 increase in Administration to centralize some personnel costs related to CBA implementation and related costs.

Differences between the actual revenues and expenditures and other financing sources (uses) resulted in a \$410,581 increase in fund balance from the prior year. This was a more positive change than what was anticipated in the final budget. The major variances in budget vs. actual contributing to the difference are summarized as follows:

Final Budget to Actual		Comments
Revenue variance	\$(701,636)	Largest component of variance: <ul style="list-style-type: none"> - \$987,281 lower City General Fund revenue due to actual invoices to City for completed economic development and development programs during the year. - \$161,131 higher Reimbursement revenue related to film permit and event activity from other agencies reimbursing Prosper Portland.
Expenditure variance	\$2,351,108	Largest component of variance: <ul style="list-style-type: none"> - \$721,994 lower Property Development activity related to timing of program spending during the year (staffing and one-time development strategy work). - \$608,929 lower Economic Development activity related to timing of program spending during the year; balance of budget will carryover to FY 2023-24. ▪ \$1,020,185 variance in administration expenditures due to savings associated with Prosper Portland's overhead and vacancies

- > Budgeted contingency funds of \$1,460,069 represent resources expected to be carried over to the following fiscal year's beginning balance.

Capital Assets, Property Held for Sale, and Long-Term Debt

Prosper Portland records all its capital outlay expenditures as either capital assets to be used in the course of business or project-related property held for sale.

Capital assets. As of June 30, 2023, capital assets amounted to \$72,594,183 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, and software. The total decrease in Prosper Portland's investment in capital assets for the fiscal year ended June 30, 2023 was \$1,256,014 or (1.7%).

Prosper Portland's Capital Assets

(net of accumulated depreciation)

At June 30,

Asset type	Governmental activities		
	2023	2022	Change
Land	\$ 14,126,930	\$ 14,126,571	\$ 359
Work in progress	4,226,692	3,676,734	549,958
Buildings	45,518,853	46,802,818	(1,283,965)
Right to use assets	7,964,820	8,773,383	(808,563)
Equipment	151,547	32,426	119,121
Intangible software	605,341	567,152	38,189
Total asset	\$ 72,594,183	\$ 73,979,084	\$ (1,384,901)

Additional information on Prosper Portland's capital assets can be found in note F. on page 56 of this report, and in the Supplementary Data on pages 140-142.

Property Held for Sale. Expenditures for acquisition and improvements of real properties intended for sale to developers, as well as intangible assets such as lease rights, are referred to as Property Held for Sale. This recording approach is also used for real property slated to be transferred to the City of Portland. Following are the changes in property held for sale for the fiscal year ended June 30, 2023.

Prosper Portland's

Real Property Held for Sale

For the Fiscal Year Ended June 30, 2023

Funding Source	Balance July 1, 2022	Additions	Disposals/ Adjustments	Balance June 30, 2023
General Fund	\$ 146,754	\$ -	\$ -	\$ 146,754
North Macadam Tax Increment Financing Fund	1,892,705	-	-	1,892,705
River District Tax Increment Financing Fund	70,042,666	-	-	70,042,666
Lents Town Center Tax Increment Financing Fund	2,768,428	-	-	2,768,428
Other Governmental Funds*	29,024,456	40,128	120,395	28,944,189
Subtotal Governmental Funds	103,875,009	40,128	120,395	103,794,742
Business-type funds	965,788	-	-	965,788
Total Property Held for Sale	\$ 104,840,797	\$ 40,128	\$ 120,395	\$ 104,760,530

The primary change in Property Held for Sale was the downward adjustment of the United States Post Office Site in the River District Tax Increment Fund.

Additional information on Prosper Portland's real Property Held for Sale can be found in note E. on pages 55-56 of this report, and in the Supplementary Data on pages 140-142.

Long-term debt. Prosper Portland does not issue bonds but receives proceeds from bonds issued and carried by the City of Portland. Additionally, the City of Portland maintains lines of credit to provide short-term funding for Prosper Portland projects. The City's lines of credit are ultimately repaid with the long-term financing provided by bond sales. See the statistical section on bonds in this report and the City of Portland's financial statements for further information.

Economic Factors and Next Year's Budgets and Rates

- The Multnomah county seasonally adjusted unemployment rate for July 2023 was 3.3% compared to 3.8% in 2022 and 6.8% in 2021. The unemployment rate for the United States as a whole for July 2023 was 3.5%. Meanwhile, job growth in the Portland metro area was 1.7% year over year, with jobs in the construction, leisure and hospitality sectors representing more than half of all net job growth.
- The Portland area office vacancy was 25.3% by the end of fiscal year 2023 with net absorption of negative 166 thousand square feet (sf). The vacancy rate was 23.3% the prior year. Currently there is a total 390 thousand sf of office space under construction in the Portland area.
- In the industrial market the average vacancy rate was 20.6% at the end of the second quarter of 2023 with around negative 123 thousand sf absorbed. The vacancy rate was 15.7% the prior year. Projects totaling 2.14 million sf in the metro region are currently under construction.
- Inflation, as calculated by the Bureau of Labor Statistics rose to 3.5% in July 2023 from July 2022 for western cities under 7.8 million in population.
- Prosper Portland recognized a significant impact to program revenues as a result of the pandemic, mainly around loans, leases, and parking revenue beginning with the final quarter of FY 2019-20. As the pandemic continued into FY 2020-21, lease and parking revenue continued to be substantially impacted. Overall, actual property income was recorded at 50% of the amount recorded in FY 2018-19 (the last full year prior to the pandemic) in FY 2020-21 with slight improvements in FY 2021-22. Staff project modest recovery in property related operating income through FY 2022-23 and FY 2023-24.
- There were no major, immediate impacts in the FY 2022-23 project and program budgets due to sufficient TIF resources in most TIF districts. However, the decline in program revenue over the last several fiscal years required expenditure reductions of recent operating and capital budgets and forecasts. Timing of the recovery and future, actual program revenues will determine whether changes are needed in the forecast for modest recovery in the FY 2023-24 Budget and Five-Year Forecast. Planning, pre-development and development continue on a number of projects including Broadway Corridor/USPS site, multiple projects associated with the Old Town Action Plan, Centennial Mills, as well as the North/Northeast Action Plan in the Interstate Corridor TIF District. Staff are currently engaging with stakeholders and reviewing the Gateway and Lents Action Plans that will focus investment of remaining tax increment resources.
- Prosper Portland adopted an update to the 2018 Financial Sustainability Plan in March, 2023. The update will provide the guideposts for programming alongside [Advance Portland](#), the economic development strategy for the City of Portland recently adopted by City Council. The updated Financial Sustainability Plan highlights the creation of a Strategic Investment Fund that will invest earned income from expiring TIF District investments in new programs that will create ongoing operating revenue while providing a source of revolving capital for lending activity. Other components of the plan include new, potential community-based TIF Districts as well as increased City General Fund investment allocated from returning tax increment revenues.

All of the above economic indicators are occurring in the context of similar economic improvements for the State of Oregon. All these factors were considered in preparing Prosper Portland's budget for the next fiscal year ending June 30, 2024.

Requests for Information

This financial report is designed to provide a general financial overview for those with an interest in Prosper Portland's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Chief Financial Officer, Prosper Portland, 220 NW 2nd, Suite 200, Portland, Oregon 97209.

Basic Financial Statements



PROSPER
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Building an Equitable Economy

Prosper Portland
A Component Unit of the City of Portland, Oregon
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-type Activities	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 334,569,760	\$ 8,644,367	\$ 343,214,127
Receivables:			
Due from City of Portland	7,559,132	-	7,559,132
Accounts	1,125,403	79,118	1,204,521
Internal balances	(2,693,000)	2,693,000	-
Loans, net	1,009,489	62,740	1,072,229
Interest	2,421,833	49,968	2,471,801
Loan interest	254,381	8,277	262,658
Lease	624,904	48,074	672,978
Prepays and other	2,471,675	228,209	2,699,884
Property held for sale	103,794,742	965,788	104,760,530
Total current assets	451,138,319	12,779,541	463,917,860
Non-current assets:			
Receivables:			
Loans, net	19,046,314	578,735	19,625,049
Lease	4,991,391	722,959	5,714,350
Contract	852,586	-	852,586
Other post-employment benefits assets, net	165,609	-	165,609
Escrow deposit	-	3,000,000	3,000,000
Capital assets not being depreciated:			
Land	14,126,930	-	14,126,930
Work in progress	4,226,692	-	4,226,692
Capital assets net of accumulated depreciation/amortization:			
Buildings and improvements	45,518,853	-	45,518,853
Equipment	151,547	-	151,547
Leasehold	-	2,543,545	2,543,545
Intangible software	605,341	-	605,341
Right to use assets, net	7,964,820	-	7,964,820
Subscription-based asset	72,631	-	72,631
Total non-current assets	97,722,714	6,845,239	104,567,953
Deferred outflow of resources			
Deferred outflow related to other post-employment benefits	168,317	-	168,317
Deferred outflow related to pensions	6,064,250	-	6,064,250
Total deferred outflow of resources	6,232,567	-	6,232,567
Total assets and deferred outflow of resources	\$ 555,093,600	\$ 19,624,780	\$ 574,718,380

	Governmental Activities	Business-type Activities	Total
Liabilities			
Current liabilities:			
Accounts payable	\$ 5,732,711	\$ 8,570	\$ 5,741,281
Accrued liabilities	483,193	-	483,193
Due to City of Portland	723,883	-	723,883
Due to other entities	1,298,662	-	1,298,662
Unearned revenue	135,675	-	135,675
Long-term liabilities due within one year:			
Pollution remediation	15,729,272	-	15,729,272
Notes payable	32,452	-	32,452
Lease payable	367,162	-	367,162
Subscription-based asset payable	18,707	-	18,707
Vacation accrual	148,566	-	148,566
Total long-term liabilities due within one year	16,296,159	-	16,296,159
Total current and long-term liabilities due within one year	24,670,283	8,570	24,678,853
Non-current liabilities:			
Long-term liabilities:			
Pollution remediation	45,689,903	-	45,689,903
Notes payable	966,900	-	966,900
Lease payable	8,289,085	-	8,289,085
Lease due to City of Portland	155,160	-	155,160
Subscription based payable	10,188	-	10,188
Other post-employment benefits	409,528	-	409,528
Vacation accrual	718,991	-	718,991
Net pension liability	13,356,005	-	13,356,005
Total non-current liabilities	69,595,760	-	69,595,760
Total liabilities	94,266,043	8,570	94,274,613
Deferred inflow of resources			
Deferred inflow related to other post-employment benefits	122,450	-	122,450
Deferred inflow related to pensions	4,004,038	-	4,004,038
Deferred inflow related to leases	6,526,084	719,095	7,245,179
Total deferred inflow of resources	10,652,572	719,095	11,371,667
Total liabilities and inflow of resources	104,918,615	727,665	105,646,280
Net position			
Net investment in capital assets	62,971,036	2,543,545	65,514,581
Restricted for:			
Urban renewal	402,982,529	-	402,982,529
Property clean up	-	3,000,000	3,000,000
Other	9,641,609	-	9,641,609
Unrestricted	(25,420,189)	13,353,570	(12,066,619)
Total net position	450,174,985	18,897,115	469,072,100
Total liabilities, deferred inflows of resources, and net position	\$ 555,093,600	\$ 19,624,780	\$ 574,718,380

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

Statement of Activities
For the Fiscal Year Ended June 30, 2023

	Program Revenues			Net Expense and Changes in Net Position		Total
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	
Functions/programs						
Governmental activities:						
Community development	\$ 99,818,171	\$ 19,618,070	\$ 24,692,644	\$ (55,507,457)	\$ -	\$ (55,507,457)
Business-type activities:						
Enterprise loans	\$ 612,992	428,466	-	-	(184,526)	(184,526)
Business management	\$ 1,380,432	307,797	-	-	(1,072,635)	(1,072,635)
Total	\$ 101,811,595	\$ 20,354,333	\$ 24,692,644	(55,507,457)	(1,257,161)	(56,764,618)

General Revenues:

Tax-increment debt proceeds (in lieu of tax-increment revenue) -			
intergovernmental revenues, unrestricted	56,887,188	-	56,887,188
Unrestricted investment income	5,191,474	157,540	5,349,014
Miscellaneous revenues	12,179,446	506,780	12,686,226
Transfers	3,323	(3,323)	-
Total general revenues and transfers	74,261,431	660,997	74,922,428
Change in net position	18,753,974	(596,164)	18,157,810
Net position - July 1, 2022	431,421,011	19,493,279	450,914,290
Net position - June 30, 2023	\$ 450,174,985	\$ 18,897,115	\$ 469,072,100

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

Balance Sheet
Governmental Funds
June 30, 2023

	Special Revenue Funds			
	General Fund	Component Unit 9101 Foster LLC	North Macadam Tax Increment Financing Fund	River District Tax Increment Financing Fund
Assets				
Cash with City of Portland				
investment pool	\$ 25,930	\$ -	\$ 47,263,146	\$ 45,829,323
Cash and cash equivalents	400	482,153	-	-
Receivables:				
Due from City of Portland	3,887,419	-	-	-
Accounts	11,193	40,049	17,262	113,859
Internal balances	-	-	-	-
Loans, net	-	-	-	8,587,705
Interest	1	-	333,682	357,098
Loan interest	-	-	-	1,441
Lease, net	-	-	-	4,358,155
Note	-	-	-	-
Due from other Funds	-	-	-	-
Property held for sale	146,754	-	1,892,705	70,042,666
Other	6,195	144,576	1,857	1,095,140
Total Assets	\$ 4,077,892	\$ 666,778	\$ 49,508,652	\$ 130,385,387
Liabilities, deferred inflow and fund balances				
Liabilities:				
Accounts payable	\$ 1,401,015	\$ 1,726	\$ -	\$ 2,607,238
Accrued liabilities	483,193	-	-	-
Due to City of Portland	30,739	-	15,332	16,651
Due to other entities	1,321	70,946	-	750,343
Unearned revenues	-	-	-	-
Notes payable other	-	15,988,321	-	-
Internal balances	461,000	-	-	-
Total liabilities	2,377,268	16,060,993	15,332	3,374,232
Deferred inflows				
Deferred inflows related to leases and contracts	-	-	-	4,362,434
Total deferred inflows	-	-	-	4,362,434
Fund balances				
Non-spendable				
Property held for sale	146,754	-	-	-
Restricted				
Loans receivable	-	-	-	8,587,705
Property held for sale	-	-	1,892,705	70,042,666
Urban renewal	-	-	47,600,615	44,018,350
Contractual obligations	-	-	-	-
Assigned				
Subsequent year's expenditures	1,553,870	-	-	-
Unassigned				
Ending fund balance	-	(15,394,215)	-	-
Total fund balances	1,700,624	(15,394,215)	49,493,320	122,648,721
Total liabilities, deferred inflows, and fund balances	\$ 4,077,892	\$ 666,778	\$ 49,508,652	\$ 130,385,387

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

Capital Projects Funds (continued)				
	Lents Town Center Tax Increment Financing Fund	Interstate Corridor Tax Increment Financing Fund	Other Governmental Funds	Total Governmental Funds
\$	44,858,265	\$ 85,193,026	\$ 110,002,066	\$ 333,171,756
	-	-	773,611	1,256,164
	-	-	3,671,713	7,559,132
	29,143	237,281	676,616	1,125,403
	-	-	937,000	937,000
	14,317,488	502,167	11,637,412	35,044,772
	311,966	598,988	819,035	2,420,770
	1,831	8,443	242,666	254,381
	-	507,919	750,221	5,616,295
	-	-	852,586	852,586
	-	-	-	-
	2,768,428	-	28,944,189	103,794,742
	22,622	538,822	662,063	2,471,275
\$	62,309,743	\$ 87,586,646	\$ 159,969,178	\$ 494,504,276
\$	14,365	\$ 22,807	\$ 1,685,560	\$ 5,732,711
	-	-	-	483,193
	142,056	487,801	31,303	723,882
	1,500	1,000	473,554	1,298,664
	-	135,675	-	135,675
	-	-	-	15,988,321
	-	-	3,169,000	3,630,000
	157,921	647,283	5,359,417	27,992,446
	-	493,420	1,670,231	6,526,085
	-	493,420	1,670,231	6,526,085
	-	-	-	146,754
	14,317,488	502,167	9,743,404	33,150,764
	2,768,428	-	28,887,199	103,590,998
	45,065,906	85,943,776	105,083,082	327,711,729
	-	-	9,225,845	9,225,845
	-	-	-	1,553,870
	-	-	-	(15,394,215)
	62,151,822	86,445,943	152,939,530	459,985,745
\$	62,309,743	\$ 87,586,646	\$ 159,969,178	\$ 494,504,276



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**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2023**

Fund balances - total governmental funds	\$ 459,985,745
Amounts reported for governmental activities in the Statement of Net Position are different because:	
The following assets are used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Capital assets and lease assets	72,594,183
The following liabilities are not due and payable in the current period and, therefore are not reported in the funds:	
Other post-employment benefits	
Post-employment benefit PERS Retirement Health Insurance Account asset	165,609
Deferred outflow of resources	168,317
Post-employment benefit health insurance continuation liability	(409,528)
Deferred inflow of resources	(122,450)
Total other post-employment benefits	(198,052)
Net vacation accrual obligation reported on the Statement of Net Position	(867,557)
Pollution remediation liability	(61,419,175)
Leases payable liability	(8,811,407)
Subscription-based information technology (SBITA)	
SBITA payable	(28,895)
SBITA asset	72,631
Total SBITA	43,736
Pension	
Deferred outflow of resources	6,064,250
Net pension liability	(13,356,005)
Deferred inflow of resources	(4,004,035)
Total pension	(11,295,790)
The internal service fund is used by management to charge insurance costs to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position	143,302
Net position of governmental activities	\$ 450,174,985

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

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds

For the Fiscal Year Ended June 30, 2023

		Special Revenue Funds	Capital Projects Fund	
	General Fund	Component Unit 9101 Foster LLC	North Macadam Tax Increment Financing District	River District Tax Increment Financing District
Revenues				
Intergovernmental revenues	\$ 16,803,592	\$ -	\$ -	\$ 85,689
Charges for services	333,670	804,796	234,897	9,986,526
Loan collections	-	-	-	68,049
Interest (loss) on investments	(9,998)	1	678,436	855,921
Miscellaneous	860,759	13,501	-	160,654
Tax-increment debt proceeds (in lieu of tax-increment revenue)	-	-	11,033,954	-
Total revenues	17,988,023	818,298	11,947,287	11,156,839
Expenditures				
Current:				
Community development	5,583,101	853,426	1,808,776	11,956,806
Capital expenditures for urban renewal	-	-	491,707	14,782,001
Financial assistance	8,704,118	-	-	1,856,158
Debt service	-	16,452	-	-
Capital Outlay	3,754,545	8,483	-	-
Total expenditures	18,041,764	878,361	2,300,483	28,594,965
Excess (deficiency) of revenues over (under) expenditures	(53,741)	(60,063)	9,646,804	(17,438,126)
Other Financing Sources (Uses)				
Transfers in	3,323	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	3,323	-	-	-
Net change in fund balances	(50,418)	(60,063)	9,646,804	(17,438,126)
Fund Balances - July 1, 2022	1,751,042	(15,334,152)	39,846,516	140,086,846
Fund Balances (Deficit) - June 30, 2023	\$ 1,700,624	\$ (15,394,215)	\$ 49,493,320	\$ 122,648,720

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

Capital Projects Fund (continued)				
	Lents Town Center Tax Increment Financing Fund	Interstate Corridor Tax Increment Financing Fund	Other Governmental Funds	Total Governmental Funds
\$	-	\$ -	\$ 7,803,363	\$ 24,692,644
	124,075	462,814	5,668,918	17,615,696
	316,310	33,245	393,564	811,168
	602,641	1,203,369	1,858,748	5,189,118
	1,072,777	8,203,351	2,354,411	12,665,453
	14,995,918	26,992,652	3,864,664	56,887,188
	17,111,721	36,895,431	21,943,668	117,861,267
	3,203,963	12,291,868	13,600,730	49,298,670
	-	18,429	159,434	15,451,571
	464,939	9,139,659	10,077,422	30,242,296
	-	-	61,276	77,728
	-	-	-	3,763,028
	3,668,902	21,449,956	23,898,862	98,833,293
	13,442,819	15,445,475	(1,955,194)	19,027,974
	-	-	11,478	14,801
	(11,478)	-	-	(11,478)
	(11,478)	-	11,478	3,323
	13,431,341	15,445,475	(1,943,716)	19,031,297
	48,720,481	71,000,468	154,883,245	440,954,446
\$	62,151,822	\$ 86,445,943	\$ 152,939,529	\$ 459,985,743

**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	\$ 19,031,297
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital asset acquisitions as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital assets acquisitions.	
Expenditures for capital assets	792,451
Less current year depreciation	(1,239,899)
Capital asset dispositions (sales and disposals)	(826,464)
Accumulated depreciation related capital asset dispositions	(110,989)
Total change in capital assets	(1,384,901)
Leases	337,789
Pension related expenses that are reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds	
Current year change in net pension liability	(2,943,371)
Current year deferred outflows for pension	(406,307)
Current year deferred inflows for pension	3,425,946
Prior year deferred outflow reversed for amount paid to OPERS	(1,709,526)
Current year deferred outflow for amount paid to OPERS	1,917,261
Total change in pension	284,003
Current year adjustment for change in net other post-employment benefits payable in the Statement of Net Position	(221,187)
Current year adjustment for change in vacation accrual	(37,422)
Current year addition of subscription based information technology	43,735
Current year adjustment for change in pollution remediation	698,298
The internal service fund is used by management to charge insurance costs to individual funds. The change in net position is reported with governmental activities.	
Interest on investment	2,360
Change in net position of governmental activities	\$ 18,753,972

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

General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental revenues-				
State and local	201,000	68,375	68,375	-
City of Portland, General Fund	17,767,156	17,722,498	16,735,217	(987,281)
Charges for services-				
Contractual service charges	238,440	265,000	333,670	68,670
Interest (loss) on investments	-	7,062	(9,998)	(17,060)
Miscellaneous:				
Reimbursements	-	75,000	236,331	161,331
Other	-	115,000	187,704	72,704
Total revenues	18,206,596	18,252,935	17,551,299	(701,636)
Expenditures				
Current:				
Community development:				
Property redevelopment	4,801,908	6,017,246	5,295,252	721,994
Economic development	13,987,606	12,808,907	12,199,978	608,929
Administration	14,346,230	15,685,897	14,665,712	1,020,185
Total community development	33,135,744	34,512,050	32,160,942	2,351,108
Contingency	1,179,425	1,460,069	-	1,460,069
Total expenditures	34,315,169	35,972,119	32,160,942	3,811,177
Excess (deficiency) of revenues over expenditures	(16,108,573)	(17,719,184)	(14,609,643)	3,109,541
Other Financing Sources (Uses)				
Internal service reimbursements in	15,334,478	16,499,427	14,915,400	(1,584,027)
Transfers in-				
Business Management Fund	-	-	464,323	464,323
Total transfers in	-	-	464,323	464,323
Internal service reimbursements out	(393,739)	(384,530)	(359,499)	25,031
Transfers out:				
Total other financing sources (uses)	14,940,739	16,114,897	15,020,224	(1,094,673)
Net change in fund balance	(1,167,834)	(1,604,287)	410,581	2,014,868
Fund Balance - July 1, 2022	1,167,834	1,604,287	1,604,289	2
Fund Balance - June 30, 2023	\$ -	\$ -	2,014,870	\$ 2,014,870
Adjustments to generally accepted accounting principles basis-				
Interfund advances			(461,000)	
Property held for sale			146,754	
Fund Balance - June 30, 2024 (GAAP Basis)			\$ 1,700,624	

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

Statement of Net Position

Proprietary Funds

June 30, 2023

	Business Management Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Fund
Assets				
Current assets:				
Cash with City of Portland				
investment pool	\$ 3,359,558	\$ 5,284,807	\$ 8,644,365	\$ 142,242
Receivables:				
Accounts	78,618	500	79,118	-
Internal balances	3,630,000	-	3,630,000	-
Loans, net	-	641,475	62,740	-
Interest	10,620	39,349	49,969	1,060
Loans interest	-	8,277	8,277	-
Leases, net	45,341	-	45,341	-
Property held for sale	965,788	-	965,788	-
Other	228,209	-	228,209	-
Total current assets	8,318,134	5,974,408	14,292,542	143,302
Noncurrent assets:				
Loans receivable, net	-	-	578,735	-
Leases, net	725,693	-	725,693	-
Capital asset	2,543,545	-	2,543,545	-
Escrow deposit	3,000,000	-	3,000,000	-
Total noncurrent assets	6,269,238	-	6,269,238	-
Total assets	\$ 14,587,372	\$ 5,974,408	\$ 20,561,780	\$ 143,302
Liabilities, Deferred Inflow and Net Position				
Liabilities:				
Current liabilities:				
Accounts payable	8,570	-	8,570	-
Internal balances	937,000	-	937,000	-
Total current liabilities	945,570	-	945,570	-
Deferred Inflow				
Deferred Inflow related to leases	719,095	-	719,095	-
Total deferred inflows	719,095	-	719,095	-
Total liabilities and deferred inflows	1,664,665	-	1,664,665	-
Net Position				
Unrestricted	12,922,707	5,974,408	18,897,115	143,302
Total net position	12,922,707	5,974,408	18,897,115	143,302
Total liabilities, deferred inflows of resources, and net position	\$ 14,587,372	\$ 5,974,408	\$ 20,561,780	\$ 143,302

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

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

	Major Business-type Activities-Enterprise Funds			
	Business Management Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Fund
Operating Revenues:				
Charges for services	\$ 205,231	\$ 365,580	\$ 570,811	\$ -
Loan collections	-	62,887	62,887	-
Miscellaneous revenues	102,566	506,776	609,342	-
Total operating revenues	307,797	935,243	1,243,040	-
Operating Expenses:				
Personal services	51,046	50,031	101,077	-
Professional servicers	779,311	371,619	1,150,930	-
Financial assistance	-	168,156	168,156	-
Internal service reimbursements	413,700	23,024	436,724	-
Miscellaneous expenses	-	160	160	-
Total operating expenses	1,244,057	612,990	1,857,047	-
Operating income (loss)	(936,260)	322,253	(614,007)	-
Non-Operating Revenues (Expense):				
Interest on investments	70,587	86,953	157,540	2,360
Depreciation	(136,375)	-	(136,375)	-
Total non-operating revenues (expense)	(65,788)	86,953	21,165	2,360
Income before transfers	(1,002,048)	409,206	(592,842)	2,360
Transfers	(3,323)	-	(3,323)	-
Change in net position	(1,005,371)	409,206	(596,165)	2,360
Net position - July 1, 2022	13,928,078	5,565,202	19,493,280	140,942
Net position - June 30, 2023	\$ 12,922,707	\$ 5,974,408	\$ 18,897,115	\$ 143,302

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

Statement Of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2023

	Major Business-type Activities - Enterprise Funds			
	Business Management Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Fund
Cash flows from operating activities:				
Loan collections from borrowers	\$ -	\$ 277,247	\$ 277,247	\$ -
Interest on loans from borrowers	-	66,745	66,745	-
Loan fees from customers	-	15,580	15,580	-
Other fees from customers	-	350,000	350,000	-
Rent income	255,859	-	255,859	-
Increase in accounts receivable	(147,728)	(500)	(148,228)	-
Payments to employees	(51,046)	(50,032)	(101,078)	-
Payments to vendors	(859,390)	(1,930)	(861,320)	-
Payments for interfund services used	(413,700)	(23,024)	(436,724)	-
Loans to borrowers	-	(420,479)	(420,479)	-
Net cash provided/(used) by operating activities	(1,216,005)	213,607	(1,002,398)	-
Cash flows from noncapital financing activities:				
Repayment of interfund borrowing	1,427,000	-	1,427,000	-
Interfund borrowing	(3,633,323)	-	(3,633,323)	-
Net cash provided by noncapital financing activities	(2,206,323)	-	(2,206,323)	-
Cash flows from investing activities:				
Interest received from investing	77,152	49,068	126,220	1,628
Net cash increase (decrease) in cash and cash equivalents	(3,345,176)	262,675	(3,082,501)	1,628
Cash and cash equivalents-July 1, 2022	6,704,735	5,022,133	11,726,868	140,614
Cash and cash equivalents-June 30, 2023	\$ 3,359,559	\$ 5,284,808	\$ 8,644,367	\$ 142,242
Cash with City of Portland investment pool from the Statement of Net Position	\$ 3,359,559	\$ 5,284,808	\$ 8,644,367	\$ 142,242
Reconciliation of operating income to net cash provided/(used) by operating activities:				
Net operating income(loss)	(936,261)	322,253	(614,008)	\$ -
Adjustments to reconcile net operating income to net cash provided/(used) by operating activities:				
Increase in receivables	(64,867)	(500)	(65,367)	-
Decrease in loans receivable	-	(112,004)	(112,004)	-
Decrease in non-cash capital asset	(136,475)	-	(136,475)	-
Increase in due from other entities (due to)	(69,832)	10,246	(59,586)	-
Decrease in loan interest receivable	-	(6,388)	(6,388)	-
Increase in accounts payable	(8,570)	-	(8,570)	-
Total adjustments	(279,744)	(108,646)	(388,390)	-
Net cash provided/(used) by operating activities	\$ (1,216,005)	\$ 213,607	\$ (1,002,398)	-

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

Notes to the Financial Statements



PROSPER
PORTLAND

Building an Equitable Economy

I. Summary of Significant Accounting Policies

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on activities of the primary government and its component units. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

B. Reporting Entity

Prosper Portland (the Commission) is the City of Portland's (the City) urban renewal and economic development agency and adopted the new name on May 11, 2017. Prosper Portland was created in 1958 under Article I, Section 15 of the Charter of the City of Portland, Oregon to deliver projects and programs to achieve the City's business recruitment and retention, job creation, financial assistance for rehabilitation and restoration of property and business development, and for the acquisition of real property for the purpose of removing or preventing blight. Prosper Portland is governed by a five-member Commission, appointed by the Mayor and approved by the City Council to serve three-year terms.

Prosper Portland is a component unit of the City and its financial activities are discretely presented in a separate column in the City's basic financial statements. Prosper Portland's Commission established a limited liability corporation for construction and management of the 9101 Foster project. The 9101 Foster LLC is included in this report as a blended component unit of Prosper Portland. 9101 Foster LLC is not required to adopt an annual budget, so no budgetary statement is presented for this fund.

C. Basis of Presentation—Government-Wide Statements

The government-wide financial statements report information on all the activities of Prosper Portland. Governmental activities, which normally are supported by tax-increment debt proceeds (in lieu of tax-increment revenue) hereafter referred to as tax-increment revenue and intergovernmental revenues. Governmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who use or directly benefit from services or privileges provided by the given function, and 2) grants and contributions that are restricted to meeting the operational requirements of a particular function. Tax-increment debt proceeds (in lieu of tax-increment revenue) and other items not properly included among program revenues are reported as general revenues.

D. Basis of Presentation—Fund Financial Statements

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and the proprietary funds are reported as separate columns in the fund financial statements. Non-major governmental funds are consolidated into a single column in the basic financial statements. Combining schedules of the components of the non-major proprietary funds and the non-major governmental funds are presented in the supplementary data section of the report.

Prosper Portland reports the following major governmental funds:

General Fund (adopted as Urban Redevelopment Fund) – this is Prosper Portland's primary operating fund. It accounts for the financial operations not accounted for in any other fund and for indirect administrative costs. Principal resources are reimbursement for services to other funds, contract fees for services provided to other agencies, miscellaneous grants, donations and interest earnings. Primary expenditures are for personnel services, operational supplies, and capital outlay.

There is one major special revenue fund:

9101 Foster LLC was established to account for the operation and management of the Lents Commons Property – a blended commercial/residential building. The revenue source for this fund is rental revenue.

The following capital project major funds are primarily funded by tax-increment debt proceeds (in lieu of tax-increment revenue):

North Macadam Tax Increment Financing Fund – accounts for resources used in the redevelopment of the district into a major mixed-use Central City neighborhood, with a spectacular greenway and parks system, improved transportation infrastructure and accessibility, and enhanced public amenities.

River District Tax Increment Financing Fund – accounts for resources used in the development and construction of a wide range of housing units, new commercial opportunities and open space, all oriented to the Willamette River.

Lents Town Center Tax Increment Financing Fund – accounts for resources used in the revitalization of commercial and residential areas in and near the existing Lents neighborhood.

Interstate Corridor Tax Increment Financing Fund – accounts for resources used in the construction and preservation of a wide array of housing options, creates new family-wage jobs, and funds the infrastructure investment to support these efforts.

Prosper Portland reports the following major proprietary fund:

Business Management Fund – provides for the activity related to business and real estate that are not funded by tax increment or other public funding sources.

Prosper Portland reports the following non-major proprietary funds:

Enterprise Loans Fund - this enterprise fund accounts for the activities of Prosper Portland's loan programs.

Risk Management Fund – this Internal Service Fund sets aside resources to meet insurance policy deductibles, if necessary.

As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are overhead charges allocated by the General Fund to the Enterprise Loans Fund in the amount of \$436,724.00. Elimination of these charges would distort the direct costs reported for the various programs concerned.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary 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. 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 are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, Prosper Portland considers receivables collected within 60 days after year-end to be available and recognizes them as revenues of the fiscal year just ended. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Significant revenues that were measurable and available under the modified accrual basis are composed of certain intergovernmental revenues consisting primarily of grant proceeds and tax-increment revenue.

Amounts reported as program revenues include: 1) charges to customers or applicants for services or privileges provided and 2) operating grants and contributions. All other revenues are considered general revenues.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with ongoing operations. The principal operating revenues of the Enterprise Loans Fund are interest on loans and charges for loan fees. All revenues and expenses not meeting this definition are reported as non-operating revenues.

When both restricted and unrestricted resources are available to use for the same purpose, it is Prosper Portland's policy to use restricted resources first, then unrestricted resources as they are needed.

F. Budgetary Basis of Accounting

The appropriated budget is prepared by fund and service. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the service level. A service describes program objectives such as economic development, property development and housing.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (e.g., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to ensure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory

contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to State of Oregon regulations.

G. Assets, Liabilities, and Net Position

1. Cash and Investments

Prosper Portland's 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 Charter requires Prosper Portland to participate in the City's cash and investment pool. Each fund's portion of this pool is displayed on the Balance Sheet and the Statement of Net Position as "Cash with City of Portland Investment Pool".

Investment pool cash balances are part of the City's cash management activity and are considered cash and cash equivalents. Activities undertaken by the investment pool on behalf of the proprietary funds are not considered part of the investing and financing activities of the funds, and details of these investments are not reported in the Statement of Cash Flows. In general, interest earned from pooled investments is allocated to each City fund, including Prosper Portland, which appears as a single cash account, based on average earnings rate and daily cash balance of each fund. Prosper Portland allocates and credits interest received from the City to each individual fund based on the monthly ending cash balance.

The types of investments in which the City may invest are restricted by State of Oregon statutes and a Council-adopted investment policy. Authorized investments include general obligations of the United States government and its agencies, obligations of the States of Oregon, California, Idaho and Washington that have a rating of AA or better, A-1 rated commercial paper and bankers' acceptances, Aa rated corporate bonds, time deposits, repurchase agreements and the State of Oregon Local Government Investment Pool (LGIP).

Prosper Portland recorded its investment in the City of Portland Investment Pool at fair value.

2. Receivables and Payables

Activities between funds that represent lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as internal balances. Reimbursements due from other governmental entities for the Community Development Block Grant Economic Opportunity Initiative (CDBG-EOI) programs, General Fund and Cannabis programs, and Community Opportunity and Enhancements Program (COEP) are reported as accounts receivable.

Loans receivable are recorded when the borrower has signed a promissory note and disbursements are made in accordance with the loan agreement. Prosper Portland maintains an interest accrual balance for outstanding interest earned but not paid at the end of the year.

Prosper Portland maintains an allowance for loans receivable as a valuation adjustment for risk. The allowance for risk is determined based on the historical performance of each loan type and upon continuing consideration of changes in the character of the portfolio.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Capital Assets

Capital assets include property, buildings, equipment, and software. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Expenditures for equipment, real property acquisitions, and improvements are stated as capital outlay expenditures in the governmental funds. Capital assets that are acquired and held for internal use are stated at historical cost and include the costs of appraisals and demolition. Donated capital assets are recorded at their acquisition value as of the date of donation.

Expenditures incurred for the acquisition and improvement of properties, as an agent for the owner, are not capitalized. Maintenance and repairs of a routine nature are charged to expenditures/expenses as incurred and are not capitalized.

Depreciation and amortization on capital assets is recorded in the Statement of Activities and is calculated using a modified half-year convention method on a straight-line basis over the following estimated useful lives.

Generally, when construction projects are completed on behalf of the City of Portland, the project's capital assets are transferred to the City at cost. All other proceeds from the sale of capital assets are recognized as revenue.

Asset	Years
Buildings and improvements	50
Leasehold improvements	6
Equipment	5-15
Computer software	10
Computer equipment	5

5. Lease Assets

Lease assets are assets which the City leases for a term of more than one year. The value of leases is determined by the net present value of the leases at the City's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

6. Leases

Receivables

Lease receivables are recognized at the net present value of the leased assets at a borrowing rate either explicitly described in the agreement or implicitly determined by the City, reduced by principal payments received.

Payables

In the government wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

7. Subscription-based Information Technology Arrangements (SBITAs)

In fiscal year 2023, Prosper Portland implemented Governmental Accounting Standards Board statement 96 for Subscription-Based Information Technology Arrangements (SBITA). These are reported separately on the financial statements, but are similar to the lease payables.

8. Property Held for Sale

Land, related buildings and improvements, as well as intangible assets acquired for the purpose of redevelopment and sale are recognized as assets and stated at the lower of cost (including costs of appraisal, demolition, improvements, and relocation) or net realizable value and are offset by 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.

9. Compensated Absences

It is Prosper Portland's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Prosper Portland does not have a policy to pay any amounts when employees separate from service. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The current portion for the year ending June 30, 2023 was \$148,566.

10. Long-term Obligations

Other post-employment benefits (OPEB)

Prosper Portland's net OPEB is recognized as a long-term liability in the government-wide financial statements, the amount of which is actuarially determined.

Pension Liability

Prosper Portland reports its proportional share of the Pension Liability of the Oregon Public Employees Retirement System (OPERS). For purposes of measuring the pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of 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 benefit terms. Investments are reported at fair value.

Other

Prosper Portland also reports a long-term obligation for pollution remediation and vacation obligation due employees. Long-term bonded debt issued to finance urban development activities is not reported in the financial statements but is reported in the City of Portland's financial statements since the debt is the obligation of the City.

11. Deferred Inflows and Outflows of Resources

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

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

Pensions - For purposes of measuring the 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 Oregon Public Employees Retirement System (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.

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

12. Fund Balance and Net Position

Prosper Portland's net position is classified as follows in the government-wide and proprietary fund financial statements:

Net Investment in capital assets. This represents Prosper Portland's total investment in capital assets.

Restricted. This represents a net position limited in use by external third parties, laws or regulations of other governments, or imposed by legislation.

Unrestricted. This represents net position not included in other categories.

Prosper Portland's fund balance is classified as follows in the governmental fund financial statements:

Non-spendable. This includes the portion of fund balance that is not in a spendable form such as long-term loans receivable, properties held for sale, and prepaid expenses.

Restricted. The restriction is imposed by a third party such as creditors or regulators or enabling legislation.

Committed. This represents resources committed by Prosper Portland's board. Resolutions passed by the Prosper Portland Board of Commissioners are required to commit or release funds at this level.

Assigned. This represents resources intended for a specific purpose but not meeting the criteria to be classified as committed. The Board of Commissioners established a fund balance policy in adopting the implementation of GASB 54 in Resolution No. 6894 and designated the Chief Financial Officer the authority to assign resources and end fund balances as necessary. This delegation pertains to the assigned/unassigned categories of the General Fund to demonstrate intended use of unassigned funds.

Unassigned. Residual amounts that are not restricted, committed, or assigned in the General Fund and any negative amounts in other funds created by expenditures exceeding restricted, committed, or assigned resources.

Prosper Portland will spend resources in the following order as appropriate for the specific expenditures when more than one category of fund balance exists: Restricted, Committed, Assigned, and Unassigned. Any exceptions to this spending order must be approved by the Board of Commissioners.

13. Management Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of June 30, 2023, and the reported amounts of revenues, expenditures, and expenses for the year then ended. Actual results could differ from those estimates.

14. New Accounting Pronouncements

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, addresses issues related to public-private and public-public partnership arrangements and availability of payment arrangements. Prosper Portland evaluated and adopted this pronouncement, but there was no impact on net position, fund balance, or financial results as of and for the year ended June 30, 2023.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* - provides guidance on SBITAs (subscription-based information technology arrangements) and the recognition of a right-to-use subscription asset and a corresponding subscription liability. Prosper Portland implemented this in fiscal year 2023. The total impact upon implementation was \$29,900.

GASB Statement No. 99, *Omnibus 2022*, was issued in April of 2022 and is effective in part for fiscal years beginning after June 15, 2022 (the portion related to leases, PPPs and SBITAs), and another requirement effective for fiscal years beginning after June 15, 2023 (requirements related to financial guarantees and reporting of derivative instruments related to Statement 53). Requirements related to the use of LIBOR, SNAP distributions, future revenues, provisions in statements 34, 53 and 63 were effective upon issuance. This pronouncement addresses practice issues that arose during implementation and application of existing GASB statements and accounting and financial reporting for financial guarantees. Prosper Portland will implement this in Fiscal Year 2024.

GASB Statement No. 100, *Accounting Changes and Error corrections* - amendment of GASB Statement No. 62 was issued in June of 2022 and is effective for fiscal years beginning after June 15, 2023. This Statement enhances accounting and financial reporting requirements for accounting changes and error corrections. Prosper Portland implemented this in Fiscal Year 2023.

GASB Statement No. 101, *Compensated Absences*, was issued in June 2022 and is effective for fiscal years beginning after December 15, 2023. This Statement updates the recognition and measurement guidance for compensated absences. Prosper Portland will implement this in Fiscal Year 2024.

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

Prosper Portland is required by Oregon Local Budget Law to budget all funds, except for the 9101 Foster LLC fund, which is not required to have a budget. Funds requiring a budget are budgeted on the modified accrual basis of accounting. The resolution authorizing appropriations sets the maximum level of expenditures for each fund. The original budget is adopted by the Prosper Portland Board by resolution prior to the beginning of the fiscal year (July 1 through June 30). The amount reported as "fund balance" on the General Fund budgetary basis of accounting derives from the basis of accounting used in preparing Prosper Portland's budget.

In the General Fund this amount differs from the fund balance reported in the statement of revenues, expenditures, and changes in fund balances due to required entries to adjust from a budgetary basis of reporting to a generally accepted accounting principle (GAAP) basis of accounting. The largest of these adjustments relate to loans receivable payments and disbursements reported as revenues and expenses on a budgetary basis but not on a GAAP basis. Those adjustments and others for the General Fund are detailed below:

Revenues—budgetary basis	\$ 17,551,299
Internal services revenues from business-type funds	\$ 436,724.00
Revenues—GAAP basis	\$ 17,988,023
Expenditures—budgetary basis	\$ 32,160,942
Internal service reimbursements between governmental funds for funds other than the General Fund	(14,119,178)
Expenditures—GAAP basis	\$ 18,041,764

Appropriations are made by organizational unit or programs, appropriating the expenditure budget by business line. Expenditure detail is also provided by the following categories: Personal Services, Materials and Services, Capital Outlay, Financial Assistance, Debt Service, and other levels of control established by the resolution. Unexpected additional resources may be added to the budget using a supplemental budget. A supplemental budget may require hearings before the public and publication in newspapers, but always requires approval by the Commission. Original and supplemental budgets may be modified using appropriation transfers between the levels of control. Such transfers require approval by the Prosper Portland board. The Board approved three supplemental budgets during the fiscal year. Appropriations lapse at each fiscal year-end.

B. Deficit Fund Equity

Oregon state law requires disclosure of any deficit fund balances. On June 30, 2023 the 9101 Foster LLC Fund, a component unit of Prosper Portland, had a deficit balance of (\$15,394,215). This is due to the loans used to acquire and construct the Lents Commons facility, a residential multifamily unit with retail on the ground floor with no offsetting assets reported at the fund level. However, there are assets that were acquired with the loans, land and a building that are not included in the fund, therefore causing the fund to show a deficit. The value of the land and building included in the government-wide land and building totals at June 30, 2023 is \$12,379,440, which is directly attributable to the 9101 Foster LLC operation.

The American Rescue Plan Act Fund has a deficit fund balance of \$83,427. This is due to final, accrued expenditures of \$65,745 for sub-recipients and payroll of \$17,682 for FY 2022-23 not being included on the final request for reimbursement in FY 2022-23 due to timing of invoices and billing.

III. Detailed Notes on All Funds

A. Cash and Cash Equivalents and Cash with City of Portland Investment Pool

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.

All investment pool cash purchases and sales are part of the City's cash management activity and are 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. 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 Statute (ORS) 294 authorizes the City and component units to invest primarily in general obligations of the U.S. government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, high-grade commercial paper, high-grade corporate bonds and the State Treasurer's Local Government Investment Pool (LGIP).

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 city's Chief Financial Officer or designee in consultation with the City Treasurer and the IAC.

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 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, 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 attribute a value to each security. The City applies fair value updates to the securities on a daily basis. Security pricing is provided by the City's trust custodian 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 levels 1 and 2.

Prosper Portland's cash balance as of June 30, 2023 is composed of the following:

Cash type	Total
Cash and cash equivalents	
Cash on Hand	400
Deposits with Financial Institutions	1,255,363
Cash with City of Portland investment pool	341,958,364
Total	\$ 343,214,127

The details of the balance shown on the Statement of Net Position are as follows:

	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	\$ 1,255,764	\$ -	\$ 1,255,764
Cash with City of Portland investment pool	333,313,996	8,644,367	341,958,363
Total	\$ 334,569,760	\$ 8,644,367	\$ 343,214,127

Custodial Credit Risk—Deposits

In the case of deposits, 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.

In the case of security purchases, there is a risk that, in the event of failure of the 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 (DVP) 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 the counterparty or the counterparty's trust department agent. Therefore, the City has no outstanding investments that were exposed to custodial credit risk.

Prosper Portland bank deposits of \$1,255,364 are insured by the FDIC up to \$250,000 with the additional assets being secured by collateralized eligible securities at the FHLB of Des Moines, in agreement with the OST Public Funds Collateralization Program.

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 fluctuate in response to changes in interest rates rather than the market price of shorter-term securities. Additionally, securities issued or guaranteed by the U.S. Government, its agencies, instrumentalities and sponsored enterprises have historically involved little risk of loss of principal if held to maturity. However, due to fluctuations in interest rates, the market value of such securities may vary prior to maturity.

As of June 30, 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 types of investments permitted by the Investment Policy seek to minimize this risk by the conservative nature of the permissible investments, and by establishing safe limits on the level of investments with financial institutions, other municipalities, issuers of commercial paper, corporate debt, and by monitoring their credit quality on an ongoing basis. An investment policy stressing a relatively short maturity and highly rated investment grade debt serves to additionally minimize credit risk. Maximum combined corporate indebtedness (Commercial Paper and Corporate Bonds) is limited to 35 percent of the total portfolio and a five percent limit of the total portfolio per issuer.

The City's investments in United States Treasury and Agency 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. The City's investments in United States Treasury and Agency Obligations have long-term credit ratings of Aaa / AA+ / AAA, by Moody's Investor Services, Standard & Poor's, and Fitch Ratings respectively. The City's investments in Corporate Debt Obligations have short-term or long-term credit ratings of Aa3 / AA / AA- or better, by Moody's Investor Services, Standard & Poor's, and Fitch Ratings respectively. The City's investments in Municipal Debt Obligations have long-term credit ratings of Aa2 / AA+ or better, by Moody's Investor Services and Standard & Poor's Ratings respectively.

As of June 30, 2023, the LGIP was not rated. Investments in the 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 as laid out in the Investment Company Act of 1940. Rule 2a-7 contains the U.S. Security and Exchange Commission's (SEC) regulations that apply to money market funds. The LGIP is not registered with the SEC as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. The City intends to measure these investments at book value as the LGIP fair value approximates it on an amortized cost basis.

Concentration of Credit Risk

Of the City's total investments as of June 30, 2023, 71.73 percent were United States Treasury and Agency Debt Obligations or short-term investments. All other investments not explicitly guaranteed by the United States government were less than five percent (per issuer basis) of the City's total investments. 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. These portfolio restrictions 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: City of Portland Oregon Investment Policy.

Income Risk

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

Market Risk and Selection Risk

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

Municipal Securities Risks

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

U.S. Treasury Direct 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. Periodic Federal government negotiations about whether and when to raise the Federal debt ceiling may also cause the fair value of U.S. Treasury direct obligations to vary during the holding period.

U.S. Government Obligations Risk

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

Repurchase Agreement Risk

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

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.

B. Internal Balances and Transfers

The composition of internal balances is as follows:

Payable Fund	Receivable Fund			Total
	Major Governmental Fund	Non-major Governmental Funds	Non-major Business-type funds	
	Downtown Waterfront TIF			
Governmental Funds				
Non-major Governmental Funds	\$ -	\$ (3,630,000)	\$ -	(3,630,000)
Total Governmental Funds liabilities	-	(3,630,000)	-	(3,630,000)
Business-type Funds				
Non-major Business-type funds	937,000		2,693,000	3,630,000
Total Business-type Funds liabilities	937,000	-	2,693,000	3,630,000
Total interfund payables	\$ 937,000	\$ (3,630,000)	\$ 2,693,000	-

Total interfund liability sits at \$3,630,000 in the non-major business-type funds for fiscal year 2023.

Interfund Transfers were for the transfer of loan repayment proceeds and are outlined below.

Transfer out fund	Transfer in Fund				Total Transfers Out
	Governmental Funds				
	General Fund	Non-major Governmental Funds	Non-major Enterprise Fund		
General fund	\$ -	\$ -	3,323	\$ 3,323	
Non-major enterprise fund	(3,323)	-	-	(3,323)	
Total Transfers In	\$ (3,323)	\$ -	3,323	\$ -	

C. Loans Receivable

Loans receivable are composed of loans to qualified borrowers for rehabilitation and redevelopment of commercial properties and commercial loans to small businesses to promote economic development, which are collateralized by personal property. Net loans receivable are as follows:

Fund and Program	Maximum Term	Interest Rate	Gross Loans Receivable	Allowance And Discount
Major Funds				
River District Tax Increment Financing Fund:				
Amortized loans	23 yrs	1% to 12%	2,646,525	137,569
Deferred payment loans	17 yrs	0%	8,105,000	2,026,250
Total Gross River District Tax Increment Financing Fund			\$ 10,751,525	\$ 2,163,819
Total Net River District Tax Increment Financing Fund				\$ 8,587,706
Lents Town Center Tax Increment Financing Fund:				
Amortized loans	20 yrs	3% to 7%	3,276,728	163,836
Cash flow loans	40 yrs	0% to 3.25%	37,245,097	26,040,501
Total Gross Lents Town Center Tax Increment Financing Fund			\$ 40,521,825	\$ 26,204,337
Total Net Lents Town Center Tax Increment Financing Fund				\$ 14,317,488
Interstate Corridor Tax Increment Financing Fund:				
Amortized loans	21 yrs	2% to 6.25%	942,436	669,301
Pre-Dev-CPRL	2 yrs	4% to 6.25%	113,998	5,700
Deferred payment loans	16 yrs	2% to 5.5%	127,088	6,354
Total Gross Interstate Corridor Tax Increment Financing Fund			\$ 1,183,522	\$ 681,355
Total Net Interstate Corridor Tax Increment Financing Fund				\$ 502,167
Total Gross Major Funds			\$ 52,456,872	\$ 29,049,511
Total Net Major Funds				\$ 23,407,361

Fund and Program	Maximum Term	Interest Rate	Gross Loans Receivable	Allowance And Discount
Other Governmental Funds:				
EDA Revolving Loan Fund				
Amortized Loans	11 yrs	4.75% to 8.5%	1,129,165	327,314
Total Gross EDA Revolving Loan Fund			\$ 1,129,165	\$ 327,314
Total Net EDA Revolving Loan Fund				\$ 801,851
EDA Special Award Fund				
Amortized Loans	11 yrs	2.44% to 11.25%	1,203,366	111,210
Total Gross EDA Special Award Fund			\$ 1,203,366	\$ 111,210
Total Net EDA Special Award Fund				\$ 1,092,156
Downtown Waterfront Tax Increment Financing Fund:				
Amortized loans	20 yrs	1% to 3%	195,848	9,793
Total Gross Downtown Waterfront Tax Increment Financing Fund			\$ 195,848	\$ 9,793
Total Net Downtown Waterfront Tax Increment Financing Fund				\$ 186,055
Ezone WFBD Fund				
Amortized loans	5 yrs	0%	283,169	14,158
Total Gross Ezone WFBD Fund			\$ 283,169	\$ 14,158
Total Net Ezone WFBD Fund				\$ 269,011
South Park Blocks Tax Increment Financing Fund:				
Amortized loans	14 yrs	3.25% to 3.5%	254,040	12,702
Total Gross South Park Blocks Tax Increment Financing Fund			\$ 254,040	\$ 12,702
Total Net South Park Blocks Tax Increment Financing Fund				\$ 241,338
Convention Center Tax Increment Financing Fund:				
Amortized loans	212yrs	0.41% to 6%	8,955,438	3,894,520
Cash flow loans	43 yrs	0.5% to 9%	2,960,655	2,960,655
Total Gross Convention Center Tax Increment Financing Fund			\$ 11,916,093	\$ 6,855,175
Total Net Convention Center Tax Increment Financing Fund				\$ 5,060,918

Fund and Program	Maximum Term	Interest Rate	Gross Loans Receivable	Allowance And Discount
Central Eastside Tax Increment Financing Fund:				
Amortized loans	20 yrs	1% to 9%	1,139,399	274,793
Total Gross Central Eastside Tax Increment Financing Fund			\$ 1,139,399	\$ 274,793
Total Net Central Eastside Tax Increment Financing Fund				\$ 864,606
Gateway Regional Tax Increment Financing Fund:				
Amortized loans	7 yrs	0% to 7.5%	1,933,962	1,578,359
Cash flow loans	40 yrs	2.50%	4,044,737	3,066,473
Total Gross Gateway Regional Tax Increment Financing Fund			\$ 5,978,699	\$ 4,644,832
Total Net Gateway Regional Tax Increment Financing Fund				\$ 1,333,867
Airport Way Tax Increment Financing Fund:				
Amortized loans	22 yrs	0% to 5.5%	889,694	44,485
Deferred payment loans	22 yrs	0% to 2%%	992,000	49,600
Total Gross Airport Way Tax Increment Financing Fund			\$ 1,881,694	\$ 94,085
Total Net Airport Way Tax Increment Financing Fund				\$ 1,787,609
Total Gross Other Governmental Funds			\$ 23,981,473	\$ 12,344,062
Total Net Other Governmental Funds				\$ 11,637,411
Total Gross Governmental Funds			\$ 76,438,345	\$ 41,393,573
Total Net Governmental Funds				35,044,772

Fund and Program	Maximum Term	Interest Rate	Gross Loans Receivable	Allowance And Discount
Business-type Funds:				
Small Business Fund:				
Amortized loans	15 yrs	3% to 11%	599,689	111,884
Deferred payment loans	10 yrs	4%	34,296	34,296
Total Gross Small Business Fund			\$ 633,985	\$ 146,180
Total Small Business Fund				\$ 487,805
NPI Opportunity Fund:				
Amortized loans	3 yrs	5.50%	192,087	38,417
Total Gross NPI Opportunity Fund			\$ 192,087	\$ 38,417
Total Net NPI Opportunity Fund				\$ 153,670
Total Gross Business-type Funds			\$ 826,072	\$ 184,597
Total Net Business-type Funds				\$ 641,475
Total Gross All Funds			\$ 77,264,417	\$ 41,578,170
Total Net All Funds				\$ 35,686,247

The combined loan portfolio is composed of the following:

Fund and Program	Current Year Gross Loan Percentages	Gross Loans Receivable	Allowance And Discount
Urban Development:			
Amortized loans	30.60%	\$ 23,641,546	\$ 7,388,341
Cash flow loans	57.27%	44,250,489	32,067,629
PreDev-CPRL loans	0.15%	113,998	5,700
Deferred payment loans	11.98%	9,258,384	2,116,500
Urban development totals	100%	\$ 77,264,417	\$ 41,578,170
Total Gross Loans	100%	\$ 77,264,417	\$ 41,578,170
Total Net Loans			\$ 35,686,247
Summary Loans Receivable Aging:			
Current loans receivable, net		1,072,229	
Noncurrent loans receivable, net		19,625,049	
Total Net Loans		\$ 20,697,278	

The Summary Loans Receivable, as shown above and on the Government-Wide Statement of Net Position, reflects the elimination of interfund activity between the agency and its component unit for the \$14,988,970 loan between Prosper Portland and 9101 Foster LLC.

D. Restricted Net Position

Constraints placed on the use either by external parties such as creditors, grantors, and contributors, or laws and regulations of other governments, or legally restricted through provisions or enabling legislation are reported as restricted net position. As summarized below, the Government-Wide Statement of Net Position reports restricted net position as follows:

Restricted by:	
Enabling legislation:	
Urban renewal	\$ 402,982,529
Contributors:	
Property clean up	3,000,000
Contractual obligations	9,641,609
Total	\$ 415,624,138

E. Property Held for Sale

Property held for sale consists of land, related buildings and improvements, as well as intangible assets acquired for redevelopment that Prosper Portland intends to sell to appropriate developers. The carrying amount of the property is stated at the lower of cost or net realizable value. The carrying value of the remaining property is as follows:

Governmental activities:	
General Fund	\$ 146,754
9101 Foster LLC	-
Downtown Waterfront Tax Increment Financing Fund	9,033,499
North Macadam Tax Increment Financing Fund	1,892,705
River District Tax Increment Financing Fund	70,042,666
Lents Town Center Tax Increment Financing Fund	2,768,428
Interstate Corridor Tax Increment Financing Fund	-
Other governmental funds	19,910,690
Total governmental activities	103,794,742
Business-type Activities:	
Non-major business type funds	965,788
Total property held for sale	\$ 104,760,530

F. Capital Assets

Prosper Portland's capital assets are all used in community development. The capital assets are composed of the following:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activity					
Capital assets, not being depreciated:					
Land	\$ 14,126,571	\$ 359	\$ -	\$ -	14,126,930
Work in progress-Halsey 106 and Fairfield	3,676,734	549,958	-	-	4,226,692
Total Capital assets, not being depreciated:	17,803,305	550,317	-	-	18,353,622
Capital assets, being depreciated or amortized:					
Buildings and improvements	53,610,521	-	-	-	53,610,521
Leasehold improvements	-	-	-	-	-
Equipment	353,592	131,764	17,901	-	467,455
Right to Use assets, net	8,773,383	-	808,563	-	7,964,820
Intangible software	1,084,399	110,370	-	-	1,194,769
Total capital assets, being depreciated or amortized	63,821,895	242,134	826,464	-	63,237,565
Total capital assets before depreciation	81,625,200	792,451	826,464	-	81,591,187
Less accumulated depreciation or amortization for Community Development:					
Buildings and improvements	(6,807,703)	(1,155,075)	128,890	-	(8,091,668)
Leasehold improvements	-	-	-	-	-
Equipment	(321,166)	(12,643)	(17,901)	-	(315,908)
Intangible software	(517,247)	(72,181)	-	-	(589,428)
Total accumulated depreciation or amortization	(7,646,116)	(1,239,899)	110,989	-	(8,997,004)
Total capital assets, being depreciated or amortized, net	56,175,779	(997,765)	937,453	-	54,240,561
Governmental activities capital assets, net	\$ 73,979,084	\$ (447,448)	\$ 937,453	\$ -	\$ 72,594,183

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activity					
Capital assets, being depreciated or amortized:					
Leasehold improvements	\$ 2,727,498	\$ 88,641	\$ -	\$ -	2,816,139
Total capital assets, being depreciated or amortized	2,727,498	88,641	-	-	2,816,139
Total capital assets before depreciation	2,727,498	88,641	-	-	2,816,139
Less accumulated depreciation or amortization for:					
Leasehold improvements	(136,220)	(136,375)	-	-	(272,595)
Total accumulated depreciation or amortization	(136,220)	(136,375)	-	-	(272,595)
Total capital assets, being depreciated or amortized, net	2,591,278	(47,734)	-	-	2,543,544
Business-type activities capital assets, net	\$ 2,591,278	\$ (47,734)	\$ -	\$ -	2,543,544

G. Leases

In fiscal year 2023 Prosper Portland implemented Governmental Accounting Standards Board statement 87 for reporting leases that Prosper Portland is a party to. Following are the details of both lessee and lessor contracts.

As Lessee

Prosper Portland is the lessee for the following contracts subject to reporting under these guidelines: Office space at 220 NW 2nd Street, Cascade Station, Majestic Alberta Commons, LLC, Riverplace Marina, and a utility vault which is part of the Oregon Convention Center Garage.

Leases Payable	Original Amount	Outstanding July 1, 2022	Additions	Decrease	Outstanding June 30, 2023
Governmental Activities:					
220 Building; interest at 9%, principal and interest ranges from \$67,003 to \$101,348, due 2036.	\$ 7,437,606	\$ 7,630,694	\$ 686,699	\$ 808,647	\$ 7,508,746
Majestic Alberta Commons; interest at 9%, principal and interest ranges from \$15,640 to \$23,302, due 2028.	1,557,609	1,148,840	131,067	265,950	1,013,957
ODOT; interest at 9%, principal and interest ranges from \$80,100 to \$140,456, due 2024	985,842	129,302	44,649	173,951	-
Riverplace Marina; interest at 5.25%, principal and interest ranges from \$1,150 to \$20,573, due 2032.	95,363	85,199	8,678	20,973	72,904
City of Portland Utility Vault; interest at 5.25%, principal and interest ranges from \$5,100 to \$10,258, due 2108.	147,566	155,160	8,064	5,369	157,855
	\$ 10,223,986	\$ 9,149,195	\$ 879,157	\$ 1,274,890	\$ 8,753,462
Current portion				\$	309,217
Long-term portion, due to others				\$	8,289,085
Long-term portion, due to City of Portland				\$	155,160
Total long-term portion				\$	8,444,245

Future maturities
are as follows:

Governmental Activities		
FY Ended June 30,	Principal	Interest
2024	\$ 309,217	\$ 806,443
2025	383,980	769,546
2026	465,296	724,233
2027	557,286	669,523
2028	613,408	604,409
2029-2033	3,108,363	2,252,225
2034-2038	3,130,962	527,335
2039-2043	(3,049)	48,986
2044-2048	2,155	49,135
2049-2053	2,783	48,507
2054-2058	3,594	47,695
2059-2063	4,642	46,647
2064-2068	5,996	45,294
2069-2073	7,744	43,546
2074-2078	10,001	41,288
2079-2083	12,917	38,372
2084-2088	16,683	34,606
2089-2093	21,547	29,742
2094-2098	27,829	23,460
2099-2103	35,943	15,347
2104-2108	36,164	4,868
TOTALS	\$ 8,753,461	\$ 6,871,207

As Lessor

Prosper Portland is the lessor for the following properties subject to reporting under these guidelines: Riverplace Marina, two lessees; Riverplace Garage, one lessee; Centennial Mills, two lessees; Union Station, one lessee; Alberta Commons, three lessees; Nelson property and buildings, three lessees, Nick Fish and 10th & Yamhill, one lessee each.

Lease Receivables	Original Amount	Outstanding July 1, 2022	Additions	Decrease	Outstanding June 30, 2023
Governmental Activities					
Downtown Waterfront Tax Increment Financing Fund					
Riverplace Marina ; interest at 9%, principal and interest ranges from \$16,301 to \$10,377 due 2032.	\$ 93,180	\$ 70,515	\$ 377	\$ 4,877	\$ 66,016
NPB; interest at 9%, principal and interest ranges from \$16,301 to \$10,377 due 2032.	93,180	70,515	377	4,877	66,015
Total Downtown Waterfront Tax Increment Financing Fund	186,360	141,030			132,031
River District Tax Increment Financing Fund					
Pearl Office Building; interest at 5%, principal and interest of \$19,800 monthly, due 2056.	4,184,416	3,945,991	14,346	62,191	3,898,146
Ocean Park Mechanical; interest at 5.25%, principal and interest ranges from \$.67 to \$300, due 2023.	4,930	1,785	19	1,800	4
Just Bucket Excavating, Inc.; interest at 5.25%, principal and interest of \$500 monthly, due 2022.					-
Amtrak; interest at 9%, principal and interest ranges from \$26,675 to \$63,167, due 2023.	4,941,863	1,011,076	23,184	574,255	460,005
Total River District Tax Increment Financing Fund	9,131,209	4,958,852			4,358,155
Interstate Corridor Tax Increment Financing Fund					
Greenhaus, LLC; interest at 12%, principal and interest ranges from \$4,637 to \$6,739, due 2030 **	390,589	-	-	-	-
Victory Lane dba Champion's Barbershop; interest at 12%, principal and interest ranges from \$2,916 to \$4,220, due 2029.	245,218	218,525	42,445	-	260,970
Cason's Fine Meats; interest at 12%, principal and interest ranges from \$2,938 to \$3,468, due 2024.	145,703	65,132	35,227	100,359	-
Figure Plant, LLC.; interest at 10%, principal and interest ranges from \$5,232 to \$11,984, due 2026.	729,241	438,601	147,087	338,739	246,949
Salvage Works, LLC; interest at 10%, principal and interest ranges from \$4,176 to \$9,605, due 2026, tenant moved out in FY2022, written off.	636,395	-	-	-	-
Spar-Tek Industries, Inc.; interest at 8%, principal and interest ranges from \$10,400 to \$15,267, due 2023.	977,561	242,287	-	242,287	0
Total Interstate Corridor Tax Increment Financing Fund	3,124,707	964,545			507,919
Non-major governmental funds					
Gateway Halsey Limited Partnership; interest at 12%, principal and interest ranges from \$55,205 to \$625,562, due 2118.	644,491	683,568	43,528	108,905	618,191
Total non-major governmental funds	644,491	683,568			618,191
Total Governmental Lease Receivables	\$ 13,086,767	\$ 6,747,995	\$ 268,287	\$ 790,290	\$ 5,616,296

Lease Receivables	Original Amount	Outstanding July 1, 2022	Additions	Decrease	Outstanding June 30, 2023
Business-type Activities					
Non-major business-type activities					
Abbey Creek Vinyard, LLC; interest at 9%, principal and interest ranges from \$578 to \$2199, due 2025.	\$ 91,043	\$ 68,716	\$ 5,122	\$ 25,272	\$ 48,566
Amity Alshiref Design and Print, LLC; interest at 9%, principal and interest ranges from \$361 to \$1,929 due 2026.	78,920	72,113	5,616	21,678	56,051
Compound (Uplift); interest at 9%, principal and interest ranges from \$904 to \$5,688 due 2037.	-	448,241	53,148	40,091	461,298
Orox Leather; interest at 9%, principal and interest ranges from \$578 to \$3,397, due 2030.	214,504	220,574	18,651	34,106	205,119
Total non-major business type activities		809,644			771,034
Total Business-type Lease Receivables	\$ 384,467	\$ 809,644	\$ 82,537	\$ 121,147	\$ 771,034

** an allowance for doubtful accounts has reduced this to zero for reporting purposes

Future maturities
are as follows:

FY Ended June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 624,904	\$ 141,772	\$ 45,341	\$ 64,784
2025	475,240	195,533	77,941	58,246
2026	434,027	173,090	54,523	51,985
2027	271,049	157,826	43,576	47,716
2028	120,672	145,114	49,961	43,576
2029-2033	330,469	604,201	243,677	145,668
2034-2038	282,444	574,789	256,015	40,187
2039-2043	370,670	567,846		
2044-2048	508,488	558,992		
2049-2053	689,086	547,898		
2054-2058	377,906	535,195		
2059-2063	198,857	527,768		
2064-2068	305,167	518,742		
2069-2073	428,795	505,720		
2074-2078	(406,427)	488,054		
2079-2083	(421,368)	465,004		
2084-2088	(405,656)	435,718		
2089-2093	(405,656)	399,219		
2094-2098	(328,493)	354,392		
2099-2103	(155,829)	299,959		
2104-2108	213,484	234,423		
2109-2113	936,949	156,105		
2114-2118	1,186,781	63,067		
2119-2123	(15,267)	-		
TOTALS	\$ 5,616,294	\$ 8,650,426	\$ 771,034	\$ 452,162

SBITA

Prosper Portland has two agreements that fall under GASB 96 for SBITA arrangements: Air Table and EZ Lease.

Leases Payable	Original Amount	Outstanding July 1, 2022	Additions	Decrease	Outstanding June 30, 2023
Governmental Activities:					
Air Table ; interest at 2.57%, principal and interest ranges from \$9,000 to \$18,000 due 2026.	\$ 80,104	\$ 27,000	- \$	930 \$	26,070
EZ Lease; interest at 2.57%, principal and interest are 1,450 due 2026.	4,243	2,900	-	75 \$	2,825
	\$ 84,347	\$ 29,900	- \$	1,005 \$	28,895

[illegible]

H. Changes in Long-Term Liabilities and Debt

For governmental activities, including vacation accruals, pension liability general leases and post-employment benefits will generally be liquidated by the general fund. Pollution remediation and the lease due to the City of Portland will be liquidated by the capital project fund in which the property is located. Prosper Portland obtained a loan from the City of Portland Housing Bureau to support the construction of Lents Commons. There is also a cash flow loan Prosper Portland made to the 9101 Foster LLC, which funded the balance of the construction project. The cash flow loan has no scheduled debt service but is dependent on future cash flows. Because this loan is from Prosper Portland to the blended component unit it is eliminated and does not appear on the statement of net position.

Governmental activities	Beginning Balance	Additions	Payments/ Reductions	Ending Balances	Long-term Portion	Due within One year
Notes payable	\$ 5,032,012	\$ -	\$ 4,032,660	\$ 999,352	\$ 966,900	\$ 32,452
Lease payable	9,364,377	-	708,130	8,656,247	8,289,085	367,162
Subscription based asset payable	28,895			28,895	10,188	18,707
Lease due to City of Portland	155,160	-	-	155,160	155,160	-
Other post-employment benefits	271,308	138,220	-	409,528	409,528	-
Net pension liability	10,412,634	2,943,371	-	13,356,005	13,356,005	-
Pollution remediation	62,117,473	-	698,298	61,419,175	45,689,903	15,729,272
Vacation accrual	830,135	37,422	-	867,557	718,991	148,566
Total	\$ 88,211,994	\$ 3,119,013	\$ 5,439,088	\$ 85,891,919	\$ 69,595,760	\$ 16,296,159

If Prosper Portland were to sell or transfer a portion of Lents Commons, the balance of the note payable note at that time will become due and payable.

Debt service requirements on direct borrowing at June 30, 2023, are as follows:

Year Ending, June 30,	Principal	Interest
2024	\$ 32,452	\$ 14,768
2025	33,439	14,270
2026	33,944	13,765
2027	34,457	13,252
2028	34,978	12,732
2029-2033	182,974	55,574
2034-2038	197,215	41,332
2039-2043	212,565	25,982
2044-2048	229,396	9,437
2049-2053	7,932	15
Total	\$ 999,352	\$ 201,127

I. Amounts Due From and Due to the City of Portland

The City of Portland owes Prosper Portland \$7,559,132 for various intergovernmental funding agreements. Amounts due to the City of Portland consist principally of accounts payable for various interagency work. Balances due to the City of Portland by fund as of June 30, 2023 are as follows:

	Accounts Payable
Governmental Funds	
General Fund	\$ 30,739
Downtown Waterfront Tax Increment Financing Fund	4,848
North Macadam Tax Increment Financing Fund	15,332
River District Tax Increment Financing Fund	16,651
South Park Blocks Tax Increment Financing Fund	3,292
Convention Center	4,342
Central Eastside	8,740
Lents Town Center Tax Increment Financing Fund	142,056
Interstate Corridor Tax Increment Financing Fund	487,801
Gateway	10,082
Total	\$ 723,883

J. Revenue

Prosper Portland reports several large items in miscellaneous revenue. These revenues are predominantly due to the loan loss adjustment for the year, land sales, and reimbursements as detailed below for the governmental and business funds at the fund level:

Governmental funds	Loan Loss Adjustment	Reimbursement	Land/ Personal Property Sales/ Transfers	Other	Total
General Fund	\$ -	\$ 236,331	\$ -	\$ 624,428	\$ 860,759
Component Unit 9101 Foster LLC	-	13,501	-	-	13,501
Downtown Waterfront Tax Increment Financing Fund	-	-	-	-	-
North Macadam Tax Increment Financing Fund	-	-	-	-	-
River District Tax Increment Financing Fund	145,303	14,671	-	680	160,654
Lents Town Center Tax Increment Financing Fund	1,049,352	23,425	-	-	1,072,777
Interstate Corridor Tax Increment Financing Fund	8,013,752	189,287	-	312	8,203,351
Other Non-Major Governmental Funds	2,091,408	66,906	195,686	411	2,354,411
Total governmental funds	11,299,815	544,121	195,686	625,831	12,665,453
Business-type funds					
Non-major business-type funds	136,927	90,555	12,010	369,850	609,342
Total business-type funds	136,927	90,555	12,010	369,850	609,342
Total	\$ 11,436,742	\$ 634,676	\$ 207,696	\$ 995,681	\$ 13,274,795

IV. Other Information

A. Pension Plans

1. General Information about the Pension Plans

The State of Oregon Public Employees Retirement System (OPERS) provides cost-sharing multiple-employer defined benefit plans.

Plan description. Prosper Portland employees 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: <https://bit.ly/3IIExX9>

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.

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 (1.7% for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under 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 they have 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, Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

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

- Member was employed by 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 injury sustained while employed in an 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 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.

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

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living 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:

General Service: 1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

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.

Benefit Changes after Retirement. Under ORS 238.360 monthly benefits are adjusted annually through a cost-of-living adjustment (COLA). The COLA is capped at 2.0%.

Funding Policy. OPERS' 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.

Contributions. OPERS' funding policy provides for periodic member and employer contributions at 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 OPERS' third-party actuary.

Prosper Portland's employer contributions for the year ended June 30, 2023 were \$1,917,261, excluding amounts to fund employer specific liabilities. The contribution rates on subject salary in effect for the fiscal year ended June 30, 2023 for each pension program were: Tier1/Tier 2 – 22.4%, OPSRP – 18.4%.

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

At June 30, 2023, Prosper Portland reported a liability for its proportionate share of the pension liability. The pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the pension liability was determined by an actuarial valuation as of December 31, 2020 and rolled forward to June 30, 2022. Prosper Portland's proportion was based on Prosper Portland's projected long-term contribution effort as compared to the total projected pension, a long-term contribution effort of all employers. Prosper Portland is not referenced in the report but is included in references to the City of Portland, as the reporting entity, including the City's fiduciary fund. At June 30, 2023, the City's proportionate share of OPERS pension liability was 4.6978% and Prosper Portland's portion of the City's OPERS pension liability was 1.6720%.

For the year ended June 30, 2023, Prosper Portland recognized a pension expense of \$22,106. At June 30, 2023, Prosper Portland reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Summary of Deferred Outflows and Inflows				
	Deferred Outflow of Resources	Deferred Inflow of Resources	Net Deferred Outflow/(Inflow) of Resources	
Differences between expected and actual experience	\$ 639,533	\$ 75,004	\$ 564,529	
Difference between projected and actual earnings on investments	-	2,360,688	(2,360,688)	
Changes of assumptions	2,276,411	18,365	2,258,046	
Differences between employer contributions and proportionate share of contributions	335	1,546,211	(1,545,876)	
Changes in proportionate share	1,230,710	3,770	1,226,940	
Subtotal	4,146,989	4,004,038	142,951	
Contributions made subsequent to the measurement dates	1,917,261	-	1,917,261	
Total	\$ 6,064,250	\$ 4,004,038	\$ 2,060,212	

Prosper Portland deferred \$1,917,261 for contributions made after the measurement date of June 30, 2022 and before the end of fiscal year 2023, which will be recognized as a contribution in the following fiscal period rather than the current fiscal period.

Other amounts reported by Prosper as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in subsequent years as follows:

Deferred Outflow of Resources					
Fiscal Year Ending June 30,	Differences Between Expected and Actual Experience	Changes of Assumptions	Changes in Proportionate Share	Differences between Employer Contributions and Proportionate Share of Contributions	Total
2023	\$ 297,291	\$ 699,838	\$ 456,149	\$ 335	1,453,613
2024	188,383	618,197	339,066	-	1,145,646
2025	115,558	618,197	255,019	-	988,774
2026	38,301	297,952	140,540	-	476,793
2027	-	42,227	39,936	-	82,163
Total	\$ 639,533	\$ 2,276,411	\$ 1,230,710	\$ 335	4,146,989

Deferred Inflow of Resources						
Fiscal Year Ending June 30,	Differences Between Expected and Actual Experience	Changes of Assumptions	Difference between Projected and Actual Earnings on Investments	Differences between Employer Contributions and Proportionate Share of Contributions	Changes in Proportionate Share	Total Deferred Inflows of Resources
2023	\$ 16,667	\$ 7,985	\$ 786,896	\$ 403,536	\$ 3,770	1,218,854
2024	16,667	7,985	786,896	374,318	-	1,185,866
2025	16,667	2,395	786,896	331,851	-	1,137,809
2026	16,667	-	-	295,691	-	312,358
2027	8,336	-	-	140,815	-	149,151
Total	\$ 75,004	\$ 18,365	\$ 2,360,688	\$ 1,546,211	\$ 3,770	4,004,038

Net Deferred Outflow/Inflow of Resources			
Fiscal Year Ending June 30,	Total Deferred Outflows	Total Deferred Inflows	Total
2023	\$ 1,453,613	\$ 1,218,854	234,759
2024	1,145,646	1,185,866	(40,220)
2025	988,774	1,137,809	(149,035)
2026	476,793	312,358	164,435
2027	82,163	149,151	(66,988)
Total	\$ 4,146,989	\$ 4,004,038	142,951

Actuarial Methods and Assumptions:

Actuarial Valuations. The employer contribution rates effective July 1, 2022, through June 30, 2023, 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 24, 2020
Actuarial cost method:	Entry age normal
Actuarial assumptions:	
Inflation rate	2.40%
Long-term expected 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	<p>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</p> <p>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</p> <p>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</p>

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

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

Assumed Asset Allocation

Asset Class	Low Range	High Range	OIC Target
Debt Securities	15.0 %	25.0 %	20.0 %
Public equity	27.5	37.5	30.0
Private equity	14.0	21.0	20.0
Real estate	9.5	15.5	12.5
Real Assets	7.5	17.5	7.5
Diversifying Strategies	0.0	5.0	7.5
Risk Parity	0.0	2.5	2.5
Total			100.0 %

Long-Term Expected Rate of Return. To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both

Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual Return (Geometric)
Global equity	30.62%	5.9%
Private Equity	25.5%	7.7%
Core	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%

may not foot due to rounding

Sensitivity of Prosper Portland's proportionate share of the pension liability to changes in the discount rate: The following presents the reporting entity's proportionate share of the pension liability calculated using the discount rate of (6.9%), as well as what the proportionate share of the pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.9%) or one percentage- point higher (7.9%) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension (asset/liability)	\$ 21,327,551	\$ 13,356,005	\$ 4,241,861

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 Prosper Portland's net position has been determined on the same basis used by OPERS.

Changes in 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 2022 Experience Study for the System, which was published on July 2023, and can be found at: <https://bit.ly/3Lr2Tau>.

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, 2020 and December 31, 2021 valuations, the Money Match was weighted 10% for General Service members, based on a projection of the proportion of the liability attributable to Money Match benefits at those valuation dates.

Changes in Economic Assumptions:

- The administrative expense assumptions were updated to \$32.5 million per year for Tier 1/Tier 2 and \$8.0 million per year for OPSRP.

Changes in Demographic Assumptions:

- The healthy annuitant mortality base tables were updated to Pub-2010 generational Healthy Retiree mortality tables with group-specific job category and setback adjustments. Previously they were based on RP2014 generational Healthy Annuitant mortality tables with group-specific class and setback adjustments..
- 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 generation Disables Retiree mortality 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. Prosper Portland has chosen to pay the employees' contributions to the plan. Six percent of covered payroll is paid for general service employees. For fiscal year 2023 Prosper Portland paid \$671,096.

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

B. Other Post-Employment Benefits (OPEB)**1. Health Insurance Continuation (HIC)**

Plan description and benefits provided: Prosper Portland has a health insurance continuation option available for retirees. It is a substantive post-employment benefits plan offered under Oregon Revised Statute (ORS) 243. ORS 243.303 requires that Prosper Portland provide retirees and their dependents with an opportunity to participate in group health and dental insurance from the date of retirement to age 65, with a rate calculated using claims experience from retirees and active employees for health plan rating purposes. Providing the same rate to retirees as provided to current employees constitutes an implicit rate subsidy for OPEB. This single-employer "Plan" is not a stand-alone plan and therefore does not issue its own financial statements.

Total OPEB liability

Prosper Portland's total HIC liability of \$409,528 was measured as of July 1, 2022 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs: The total OPEB liability as of the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Valuation date	July 1, 2022
Measurement date	June 30, 2022
Inflation	2.40%
Salary increases	3.40%
Actuarial cost method	Entry Age Normal
Discount rate	3.54%
Healthy mortality	

Healthy Mortality

- Pub-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees and female safety employees.

Election and lapse rates

- 35% of eligible employees, 60% of male members and 35% of female members will elect spouse coverage

Withdrawal, retirement, and mortality rates

- December 31, 2021 Oregon PERS valuation

The results of the July 1, 2022 valuation are used to calculate the changes in the total OPEB Liability for the fiscal year ending June 30, 2023.

Changes in Total OPEB Liability

Balance as of June 30, 2022	\$	271,308
Changes for the year:		
Service cost		24,442
Interest on total OPEB liability		6,350
Effect of economic/demographic gains or losses		149,621
Effect of assumptions changes or inputs		(38,635)
Benefit payments		(3,558)
Balance as of June 30, 2023	\$	409,528

Changes since prior valuation

Expected Claims and Premiums

Updated to reflect changes in available benefits and premium levels. Expected retiree and dependent costs were updated to reflect current health cost guidelines.

Health Care Cost Trend

Health care cost trend was updated to reflect changes in current premium levels, as well as future expected economic conditions, and is based on a model circulated by the Society of Actuaries.

Withdrawal and Retirement Rates, Salary Scale, Inflation, Spouse Age Difference, Mortality Improvement Scale

Updated to reflect assumptions used in the Oregon PERS December 31, 2021 actuarial valuation.

Future Retiree Coverage

In the prior valuation, 40% of members were assumed to elect coverage upon retirement

Sensitivity Analysis

The following presents the total OPEB liability of the Plan, calculated using the discount rate of 3.5%, as well as what the Plan's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.5%) or one percentage point higher (4.5%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	\$ 434,273	\$ 409,528	\$ 385,940

A similar sensitivity analysis for changes in the healthcare cost trend assumption is as follows:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 377,808	\$ 409,528	\$ 445,442

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

For the year ended June 30, 2023, Prosper Portland recognized an OPEB expense of \$32,259. At June 30, 2023, they reported deferred inflows of resources related to OPEB:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/ Inflows of Resources
Differences between expected and actual experience	\$ 129,402	\$ (11,071)	\$ 118,331
Changes of assumptions or inputs	4,292	(57,915)	(53,623)
	133,694	(68,986)	64,708
Benefit payments after the measurement date	31,041	-	31,041
Total	\$ 164,735	\$ (68,986)	\$ 95,749

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

Year ended June 30,	Annual Recognition
2024	\$ 1,588
2025	4,134
2026	11,798
2027	11,062
2028	15,128
Thereafter	20,998
Total	\$ 64,708

C. OPERS Retirement Health Insurance Account (RHIA)

Plan description: Prosper Portland contributes to the PERS RHIA for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit OPEB plan administered by PERS. ORS 238.420 established this trust fund and authorizes the Oregon Legislature to establish and amend the benefit provisions. PERS issues a publicly available financial report that includes financial statements and required supplementary information that 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: <https://bit.ly/3S82Cur>

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 Prosper Portland, 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 Prosper were \$399 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:

On June 30, 2023, Prosper Portland reported an asset of \$165,609 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. Prosper Portland's proportionate share of the City of Portland's RHIA net OPEB asset has been determined based on full-time equivalent employees at Prosper Portland compared to the City's full-time equivalent employees to obtain a proportionate share for contributions to

the RHIA program (as reported by PERS) during the Measurement Period ending on the corresponding measurement date. Prosper Portland's proportionate share used at June 30, 2022 was 0.033%.

For the year ended June 30, 2023, Prosper Portland recognized an OPEB expense of \$36,518. At June 30, 2023, Prosper Portland reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflows of Resources	Net Deferred Outflows/ (Inflows) of Resources
Net difference between projected and actual earnings on investments	\$ -	\$ (13,014)	\$ (13,014)
Change of Assumptions	1,323	(5,441)	(4,118)
Difference between expected and actual experience	-	(2,062)	(2,062)
Changes in proportionate share	1,860	(32,947)	(31,087)
Total (prior to post-measurement date contributions)	3,183	(53,464)	(50,281)
Contributions made subsequent to measurement date	399	-	399
Net deferred outflow/(inflows) of resources	\$ 3,582	\$ (53,464)	\$ (49,882)

Deferred outflows of resources resulting from contributions subsequent to the measurement date of \$399 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,	Net Difference between Projected and Actual Earnings on Investments	Changes of Assumptions Outflow	Changes of Assumptions Inflow	Difference between expected and actual experience	Changes in Proportionate Share	Net Deferred Outflows/ (Inflows) of resources
2023	\$ (4,190)	\$ 1,323	\$ (3,627)	\$ (1,506)	\$ (23,855)	\$ (31,855)
2024	(4,780)	-	(1,814)	(556)	(7,232)	(14,382)
2025	(8,212)	-	-	-	-	(8,212)
2026	4,168	-	-	-	-	4,168
2027	-	-	-	-	-	-
Total	\$ (13,014)	\$ 1,323	\$ (5,441)	\$ (2,062)	\$ (31,087)	\$ (50,281)

Actuarial Methods & 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: 32%; Disabled retirees: 20%
Healthcare cost trend rate	Not applicable
Mortality	Healthy retirees and beneficiaries: RP-2010 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation. Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. 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 percent. 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 75 generally requires that a blended discount rate be used to measure the Total OPEB Liability. The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses.

Assumed Asset Allocation

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt securities	15.0 %	25.0 %	20.0 %
Public equity	27.5	37.5	30.0
Private equity	14.0	21.0	20.0
Real estate	9.5	15.5	12.5
Alternatives portfolio	7.5	17.5	7.5
Opportunity Portfolio	0.0	5.0	7.5
Risk parity	0.0	2.5	2.5
Total			100.0 %

Long-Term Expected Rate of Return: To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (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 Allocation	Compound Annual Return (Geometric)
Global equity	30.62%	5.9%
Private Equity	25.5%	7.7%
Core	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%

The following presents Prosper Portland's proportionate share of the net OPEB liability/(asset) if it were calculated using a discount rate 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)	\$ (146,007)	\$ (165,609)	\$ (174,771)

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

OPEB plan fiduciary net position:

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

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

The tables below present the aggregate balance of Prosper Portland's net OPEB liability/(asset), OPEB expense, and net deferred inflows and outflows as of June 30, 2023:

	Deferred Outflow of Resources - OPEB	Deferred (Inflow) of Resources - OPEB	Net OPEB Liability/(Asset)	OPEB Expense
RHIA	\$ 3,582	\$ 53,464	\$ (165,609)	\$ (34,961)
HIC	164,735	68,986	409,528	32,259
Total	\$ 168,317	\$ 122,450	\$ 243,919	\$ (2,702)

D. Commitments

Contractual and other commitments for subsequent years' expenditures amounting to \$127,437,641 are included in the budgetary fund balances indicating tentative plans for utilization in future periods. Commitments for subsequent years' expenditures are as follows:

	Committed for Urban Renewal	Committed for contractual obligation	Total
Governmental Activities:			
General fund	\$ -	\$ 22,386,324	\$ 22,386,324
9101 Foster	-	68,288	68,288
Downtown Waterfront TIF District	202,708	-	202,708
North Macadam TIF District	19,621,218	-	19,621,218
River District TIF District	44,658,040	-	44,658,040
Lents Town Center TIF District	7,269,820	-	7,269,820
Interstate TIF District	23,718,262	-	23,718,262
Other governmental funds	9,392,096	-	9,392,096
Business-type activities:			
Non-major proprietary funds		120,885	120,885
Total	\$ 104,862,144	\$ 22,575,497	\$ 127,437,641

E. Contingencies

In the normal course of business Prosper Portland is subject to litigation. The opinion of Prosper Portland's General Counsel is that the outcome of any litigation will not have a significant effect on the financial statements.

F. Risk Management

Prosper Portland purchases a variety of commercial insurance policies to protect itself against the risk of loss. Like most other large public agencies, Prosper Portland is exposed to various risks in the conduct of its business, such as losses related to torts, errors and omissions, general liability, property damage, employer's liability, worker's compensation, and unemployment claims. Prosper Portland is not covered under the City of Portland's self-insurance program.

Prosper Portland is insured by the State Accident Insurance Fund (SAIF) against losses from employee workers' compensation claims up to a limit of \$1,000,000 for each incident and each employee.

Prosper Portland is represented by Alliant Insurance Services as its Broker of Record and insured by Liberty Mutual, for general liability in the amount of \$1 million per occurrence, \$2 million general aggregate. Insurance for public officials and employment practices liability is \$2 million each claim and \$2 million in aggregate. Prosper Portland insures for excess liability, which provides an additional \$8 million liability per occurrence and in the general aggregate.

Prosper Portland is insured by Lloyds of London for Cyber Liability with a limit of \$1 million.

Prosper Portland's real property, with an estimated total insured value (TIV) of approximately \$100 million, is insured by Lloyd's of London for the TIV with a sublimit of \$35 million for earth movement and \$50 million for flood events. A separate policy provides coverage for faithful performance (employee dishonesty) through Hartford Insurance in the amount of \$300,000 for employee theft and \$100,000 for computer and funds transfer fraud.

Prosper Portland has an aggressive risk management practice of transferring liability to contractors, lessees, event sponsors, and other entities through standardized indemnification and insurance requirements in contracts and agreements. Prosper Portland currently has one open insurance claim. In addition, there have been minimal reductions in insurance coverage and no insurance settlements have exceeded insurance coverage limits in any of the past ten fiscal years.

The Internal Service Fund has equity of \$143,302 to meet insurance policy deductible amounts and other amounts not fully reimbursed from insurance proceeds, as necessary.

Environmental Risk

GASB Statement 49 provides guidance for state and local governments in estimating and reporting the potential costs of pollution remediation. While GASB Statement 49 does not require Prosper Portland to search for pollution, it does require Prosper Portland to reasonably estimate and report a remediation liability when any of the following obligating events has occurred:

- Pollution poses an imminent danger to the public and Prosper Portland is compelled to take action;
- Prosper Portland is in violation of a pollution related permit or license;
- Prosper Portland is named or has evidence that it will be named as responsible party by a regulator;
- Prosper Portland is named or has evidence that it will be named in a lawsuit to enforce a cleanup; or
- Prosper Portland commences or legally obligates itself to conduct remediation activities.

Site investigation, planning and design, cleanup and site monitoring are typical remediation activities underway across the many Prosper Portland properties. Prosper Portland has programs, rules, and regulations that routinely deal with remediation-related issues. Much of Prosper Portland's mission is to deal with blighted properties, which sometimes include pollution conditions. Prosper Portland has the knowledge and expertise to estimate the remediation but also employs consultants when expedient. The obligations presented herein are based on estimates by both Prosper Portland staff and consultants and are based upon prior experience in identifying and funding similar remediation activities. The standards require Prosper Portland to calculate pollution remediation liabilities using the expected cash flow technique.

The remediation obligation estimates that appear in this report are subject to change over time. Cost may vary due to price fluctuation, changes in technology, changes in potential responsible parties, results of environmental studies, changes to statutes or regulation and other factors that could result in revisions to these estimates. Prospective recoveries from responsible parties may reduce Prosper Portland's obligation.

During the fiscal year, Prosper Portland recognized a decrease in the liability of \$698,298. At June 30, 2023, Prosper Portland had a total outstanding pollution remediation liability of \$61,419,175. The estimated current portion is \$15,729,272.

Portland Harbor Superfund

In January 2008, the City of Portland, and subsequently Prosper Portland, was notified by the Environmental Protection Agency (EPA) of a CERCLA 104(3) records request and therefore potential liability with respect to the Portland Harbor Superfund that may include 46 current and previously-owned Prosper Portland parcels on or adjacent to the lower reach of the Willamette River within the EPA study area.

In January 2017, EPA finalized the Feasibility Study and issued a final Record of Decision for Portland Harbor (ROD). Potential remedy costs were included in the ROD for comparative purposes among the potential remedies. Those comparative estimates were based on site-wide cleanup actions and do not include estimates of cleanup of individual sub-areas nor any individual party's share of those costs. This large and complex Superfund Site is not progressing under conventional processes used for smaller sites. For example, after issuing the ROD in 2017, EPA conducted a new baseline sampling which was completed in November 2019.

In December 2018 EPA notified many parties that it expected parties to begin remedial design within a year or face enforcement. In response the City has entered into agreements with EPA to perform or fund remedial activities in Portland Harbor. To be consistent with EPA's implementation timeline, the Office of Management and Finance established the Citywide Obligations Reserve Fund, a central reserve in January 2023 to collect funds for long-term funds City-wide including certain Portland Harbor obligations. The City General Fund, Water Bureau, Bureau of Environmental Services, Bureau of Transportation and Prosper Portland each have agreed to provide funding to the Citywide Obligations Reserve Fund for this purpose, based on their respective uses of and obligations for remediation associated with properties owned, or operated by each bureau or agency.

Remedial design work has now started and is ongoing. At the parcels owned by Prosper Portland, the Phase I Pre-Remedial Design Investigation (PDI) Evaluation Report has been completed and the working parties are starting on a Preferred Alternatives Report. At previously-owned Prosper Portland parcels, the PDI evaluation report is also complete, and the Basis of Design Report is under review, with the parties currently working on the Supplemental PDI Workplan.

Other

While carrying out the City of Portland's development policies, Prosper Portland engaged in numerous transactions with the City, including but not limited to the provision of materials and services, real property acquisition, development, transfers, and sales. Prosper Portland also participates in the City of Portland's cash investment pool.

G. Reviews by Grantor Agencies

Costs of each grant project are subject to review by the grantor agency to ensure that such costs are in accordance with or further the purpose of the grant program. Any costs disallowed as the result of the review would become a liability and could require the return of such amounts to the grantor agency.



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Required Supplementary Information



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Schedule of Required Supplementary Information
Schedule of Proportionate Share of Net Pension Liability (Asset)
Last Ten Fiscal Years or Since Inception

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Prosper Portland's proportion of the net pension liability ⁽¹⁾	0.0872%	0.0783%	0.0742%	0.0869%	0.0717%	0.0733%	0.0736%	0.0721%	0.0892%	0.0892%
Prosper Portland's proportionate share of the net pension liability (asset)	\$ 13,356,005	\$ 10,412,634	\$ 17,050,280	\$ 13,169,861	\$ 10,867,461	\$ 9,878,065	\$ 11,045,372	\$ 4,139,065	\$ (2,021,851)	\$ 4,551,875
Covered payroll	\$ 8,585,812	7,337,744	6,975,483	7,275,570	7,204,530	8,050,801	8,234,621	8,595,239	8,363,449	9,896,391
Contributions as a percentage of covered payroll	155.5590%	141.9051%	244.4315%	181.0148%	150.8421%	122.6967%	134.1333%	48.1553%	-24.1748%	45.9953%
Plan fiduciary net position as a percentage of total pension liability	84.50%	87.57%	75.79%	82.07%	82.07%	83.10%	80.50%	91.90%	103.59%	92.00%

⁽¹⁾ Calculated from Prosper Portland's proportionate share reported from the City of Portland proportionate share of the OPERS (Prosper Portland is not reported individually)

Schedule of Required Supplementary Information
Schedule of Contributions to Oregon Public Retirement System
Last Ten Fiscal Years or Since Inception

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 1,917,261	\$ 1,709,526	\$ 1,503,123	\$ 1,491,359	\$ 941,781	\$ 915,327	\$ 673,628	\$ 736,024	\$ 596,226	\$ 669,619
Contributions in relation to the actuarially determined contribution	1,917,261	1,709,526	1,503,123	1,491,359	941,781	915,327	673,628	736,024	596,226	669,619
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 9,735,325	\$ 8,585,812	\$ 7,337,744	\$ 6,975,483	\$ 7,275,570	\$ 7,204,530	\$ 8,050,801	\$ 8,234,621	\$ 8,595,239	\$ 8,363,449
Contributions as a percentage of covered payroll	19.69%	19.91%	20.48%	21.38%	12.94%	12.70%	8.37%	8.94%	6.94%	8.01%

**Schedule of Changes in Total Other Post-employment
Benefits Liability and Related Ratios
Last Ten Fiscal Years or Since Inception⁽¹⁾**

	2023	2022	2021	2020	2019	2018
Health Insurance Continuation						
Total OPEB liability, beginning	271,308	254,609	290,002	280,843	336,842	359,090
Service Cost	\$ 24,442	\$ 23,767	\$ 18,703	\$ 16,758	\$ 21,045	\$ 21,990
Interest on total OPEB liability	6,350	5,998	10,231	11,000	12,182	10,351
Effect of change to benefit terms	-	-	-	-	-	-
Effect of economic/demographic gains or losses	149,621	-	(12,643)	-	(13,729)	-
Effect of assumptions changes or inputs	(38,635)	1,000	(18,636)	8,362	(39,972)	(18,548)
Benefit payments	(3,558)	(14,066)	(33,048)	(26,961)	(35,525)	(36,041)
Net change in total OPEB liability	138,220	16,699	(35,393)	9,159	(55,999)	(22,248)
Total OPEB liability, ending	409,528	271,308	254,609	290,002	280,843	336,842
Covered-employee payroll	8,585,812	7,337,744	6,975,483	7,275,570	8,405,438	7,851,891
Total OPEB liability as a % of covered payroll*	4.7698%	3.6974%	3.6501%	3.9860%	3.3412%	4.2899%

⁽¹⁾ Schedule is intended to show ten years of data. Additional data will be displayed as it becomes available.

Notes to Required Schedule

This "plan" is not administered by a trust and does not accumulate assets.

Schedules of Required Supplementary Information
Schedule of the Proportionate Share of the Net OPEB Liability (Asset)
Last Ten Fiscal Years or Since Inception⁽¹⁾

	2023	2022	2021	2020	2019	2018	2017
OPERS Retirement Health Insurance Account							
Proportion of the OPEB Liability	0.1440%	0.0327%	0.0150%	0.0495%	0.0472%	0.0435%	0.0443%
Proportionate share of the net OPEB liability (asset)	\$ (165,609)	\$ (113,169)	\$ (30,144)	\$ (95,832)	\$ (52,218)	\$ (18,170)	\$ 12,021
Covered-employee payroll	\$ 8,585,812	\$ 7,337,744	\$ 6,975,483	\$ 7,275,570	\$ 7,204,530	\$ 8,050,801	\$ 8,234,621
Proportionate share of OPEB liability (asset) as a percentage of covered payroll	-1.9289%	-1.3181%	-0.4321%	-1.3172%	-0.7248%	-0.2257%	0.1460%
Plan net position as a percentage of the total OPEB liability							
	194.60%	183.90%	150.10%	144.40%	124.00%	108.90%	94.20%

⁽¹⁾Schedule is intended to show ten years of data. Additional data will be displayed as it becomes available.

Schedule of Contributions to OPERS Retirement Health Insurance Account
Last Ten Fiscal Years or Since Inception⁽¹⁾

	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ 399	\$ 1,956	\$ 1,424	\$ 4,232	\$ 31,449	\$ 33,160	\$ 34,512
Contributions in relation to the actuarially determined contribution	399	1,956	1,424	4,232	31,449	33,160	34,512
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 9,735,325	\$ 8,585,812	\$ 7,337,744	\$ 6,975,483	\$ 7,275,570	\$ 7,204,530	\$ 8,050,801
Contributions as a percentage of covered payroll	0.0041%	0.0228%	0.0194%	0.0607%	0.4323%	0.4603%	0.4300%

⁽¹⁾Schedule is intended to show ten years of data. Additional data will be displayed as it becomes available

Supplementary Data

Combining Statements and Schedules, Budgetary
Schedules, and Schedules of Capital Assets Used
in the Operation of Governmental Funds



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Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Housing and Community Development Contract Fund — accounts for the contract with the City of Portland Housing bureau to administer a portion of the City's Community Development Block Grant revenues for the Economic Opportunity Initiative programs.

COEP (Community Opportunities and Enhancements Program) Fund — Accounts for the City of Portland's effort to distribute a percent of the hard construction costs on all public improvement contracts toward workforce development and business development in the construction sector.

Affordable Commercial Tenanting Fund — accounts for program revenues and expenditures that Prosper Portland will receive that must be spent according to the City of Portland's Council approved program guidelines. The program allows for commercial space developers to request additional bonus floor area ratio to pay in-lieu of fees to Prosper Portland, who in turn is charged with using the resources to fund affordable commercial tenanting programming.

Other Federal Grants Fund — accounts for revenues and expenditures for an EDA Grant.

Ambassador Program Fund — accounts for monies donated by private businesses for outreach activities.

Enterprise Zone Fund — accounts for monies received from participating Enterprise Zone companies to provide the North/Northeast Portland community with workforce and business development opportunities.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Neighborhood Prosperity Initiative Tax Increment Financing Fund — accounts for resources used in the six small URAs dedicated to neighborhood improvements.

Downtown Waterfront Tax Increment Financing Fund — accounts for resources used in the redevelopment of the Old town/Chinatown neighborhood.

South Park Blocks Tax Increment Financing Fund — accounts for resources used in the development and improvement of the south park blocks.

Convention Center Tax Increment Financing Fund — accounts for resources used to implement a plan for the area surrounding the Oregon Convention Center that will support Convention Center business, enhance area recreational and entertainment facilities, strengthen ties to downtown Portland, ensure the area's compatibility with nearby neighborhoods, and develop the Eastbank Riverfront park.

Central Eastside Tax Increment Financing Fund — accounts for resources used in the development and improvement of the central eastside while maintaining a good environment for existing businesses by making improvements and developing the Eastbank Riverfront park.

Gateway Regional Center Tax Increment Financing Fund — accounts for resources used in transportation improvements and the revitalization of commercial and residential areas in the Gateway neighborhood.

Airport Way Tax Increment Financing Fund — accounts for resources used for: acquisitions and construction related to the Riverside Parkway projects; projects to increase job density by attracting and retaining businesses; supporting transit and other infrastructure investments; increasing Portland's inventory of developable land for industry and creation of quality jobs; and protecting the natural resources of the greater Portland area.

Willamette Industrial Tax Increment Financing Fund — accounts for resources used to attract new industrial, high-technology, manufacturing, and distributing businesses to the currently vacant or unused parcels of land.

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Assets			
Cash with City of Portland			
investment pool	\$ 7,449,895	\$ 102,552,171	\$ 110,002,066
Cash and cash equivalents	-	773,611	773,611
Receivables:			
Due from City of Portland	3,671,713	-	3,671,713
Accounts	652,056	24,560	676,616
Internal balances	-	937,000	937,000
Loans, net	2,163,018	9,474,394	11,637,412
Interest	56,126	762,909	819,035
Loan interest	4,998	237,668	242,666
Lease, net	-	859,381	859,381
Note	-	852,586	852,586
Property held for sale	-	28,944,189	28,944,189
Other	-	662,063	662,063
Total assets	\$ 13,997,806	\$ 146,080,532	\$ 160,078,338
Liabilities Deferred Inflow And Fund Balances			
Liabilities:			
Accounts payable	\$ 1,334,951	\$ 350,609	\$ 1,685,560
Due to City of Portland	-	31,303	31,303
Due to other entities	-	473,554	473,554
Internal balances	3,168,000	1,000	3,169,000
Total liabilities	4,502,951	856,466	5,359,417
Deferred Inflows			
Deferred Inflows	-	1,558,603	1,558,603
Total deferred inflows	-	1,558,603	1,558,603
Fund Balances			
Non-spendable			
Restricted			
Loans receivable	269,010	9,474,394	9,743,404
Property held for sale	-	28,887,199	28,887,199
Urban renewal	-	105,303,870	105,303,870
Contractual obligations	9,225,845	-	9,225,845
Total fund balances	9,494,855	143,665,463	153,160,318
Total liabilities deferred inflows and fund balances	\$ 13,997,806	\$ 146,080,532	\$ 160,078,338

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For The Fiscal Year Ended June 30, 2023

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Revenues			
Intergovernmental revenues	\$ 7,803,363	\$ -	\$ 7,803,363
Charges for services	2,411,690	3,478,017	5,889,707
Loan collections	112,570	280,994	393,564
Interest on investments	123,963	1,734,785	1,858,748
Miscellaneous	159,097	2,195,314	2,354,411
Tax-increment debt proceeds (in lieu of tax-increment revenue)	-	3,864,664	3,864,664
Total revenues	10,610,683	11,553,774	22,164,457
Expenditures			
Current:			
Community development	1,699,580	11,901,150	13,600,730
Capital expenditures for urban renewal	-	159,434	159,434
Financial assistance	9,016,242	1,061,180	10,077,422
Debt service	-	61,276	61,276
Total expenditures	10,715,822	13,183,040	23,898,862
Excess (deficiency) of revenues over expenditures	(105,139)	(1,629,266)	(1,734,405)
Other Financing Sources (Uses)			
Transfers in	-	11,478	11,478
Total other financing sources (uses)	-	11,478	11,478
Net change in fund balances	(105,139)	(1,617,788)	(1,722,927)
Fund Balances - July 1, 2022	9,599,994	145,283,251	154,883,245
Fund Balances - June 30, 2023	\$ 9,494,855	\$ 143,665,463	\$ 153,160,318

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023

	Housing and Community Development Contract Fund	COEP Fund	Affordable Commercial Tenanting Fund	CARES Fund	American Rescue Plan Act Fund	Other Federal Grants Fund	Enterprise Zone Fund	Ambassador Program Fund	Total
Assets									
Cash with City of Portland									
investment pool	\$ 761	\$ 822	\$ 497,613	\$ -	\$ 804	\$ 1,772,749	\$ 5,164,326	\$ 12,820	\$ 7,449,895
Receivables:									
Due from City of Portland	563,649	1,289,867	-	-	1,818,195	-	-	-	3,671,711
Accounts	486,732	-	-	-	-	62,723	102,601	-	652,056
Loans, net	-	-	-	-	-	1,894,008	269,010	-	2,163,018
Interest	-	-	3,707	-	-	13,465	38,860	96	56,128
Loan interest	-	-	-	-	-	4,998	-	-	4,998
Total assets	1,051,142	1,290,689	501,320	-	1,818,999	3,747,943	5,574,797	12,916	13,997,806
Total assets	\$ 1,051,142	\$ 1,290,689	\$ 501,320	\$ -	\$ 1,818,999	\$ 3,747,943	\$ 5,574,797	\$ 12,916	\$ 13,997,806
Liabilities and Fund Balances									
Liabilities									
Liabilities:									
Accounts payable	347,782	601,704	-	-	155,426	9,464	220,575	-	1,334,951
Internal balances	703,000	688,000	-	-	1,747,000	30,000	-	-	3,168,000
Total liabilities	1,050,782	1,289,704	-	-	1,902,426	39,464	220,575	-	4,502,951
Fund Balances									
Non-spendable									
Loans receivable							269,010		
Contractual obligations	360	985	501,320	-	(83,427)	3,708,479	5,085,212	12,916	9,225,845
Total fund balances	360	985	501,320	-	(83,427)	3,708,479	5,354,222	12,916	9,494,855
Total liabilities and fund balances	\$ 1,051,142	\$ 1,290,689	\$ 501,320	\$ -	\$ 1,818,999	\$ 3,747,943	\$ 5,574,797	\$ 12,916	\$ 13,997,806

Combining Statement of Revenues, Expenditures, and Changes In Fund Balances

Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

For The Fiscal Year Ended June 30, 2023

	Housing and Community Development Contract Fund	COEP Fund	Affordable Commercial Tenanting Fund	CARES Fund	American Rescue Plan Act Fund	Other Federal Grants Fund	Enterprise Zone Fund	Ambassador Program Fund	Total
Revenues									
Intergovernmental revenues	\$ 2,384,022	\$ -	\$ -	\$ -	\$ 5,257,879	\$ 161,462	\$ -	\$ -	\$ 7,803,363
Charges for services	-	1,693,153	-	-	-	20,874	697,663	-	2,411,690
Loan collections	-	-	-	-	-	112,570	-	-	112,570
Interest on investments	-	(1)	8,256	-	-	32,910	82,585	213	123,963
Miscellaneous	-	-	-	-	-	125,047	34,050	-	159,097
Total revenues	2,384,022	1,693,152	8,256	-	5,257,879	452,863	814,298	213	10,610,683
Expenditures									
Current:									
Community development	-	10,872	-	-	1,127,548	187,761	373,399	-	1,699,580
Financial assistance	2,381,017	1,691,348	-	-	4,169,795	281,028	493,054	-	9,016,242
Total expenditures	2,381,017	1,702,220	-	-	5,297,343	468,789	866,453	-	10,715,822
Excess (deficiency) of revenues									
over (under) expenditures	3,005	(9,068)	8,256	-	(39,464)	(15,926)	(52,155)	213	(105,139)
Other Financing Sources (Uses)									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Internal service reimbursements in	-	-	-	-	-	-	-	-	-
Internal service reimbursements out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Net change in fund balances	3,005	(9,068)	8,256	-	(39,464)	(15,926)	(52,155)	213	(105,139)
Fund Balances - July 1, 2022	(2,645)	10,053	493,064	-	(43,963)	3,724,405	5,406,377	12,703	9,599,994
Fund Balances - June 30, 2023 (GAAP Basis)	\$ 360	\$ 985	\$ 501,320	\$ -	\$ (83,427)	\$ 3,708,479	\$ 5,354,222	\$ 12,916	\$ 9,494,855



PROSPER
PORTLAND

Building an Equitable Economy

Housing and Community Development Contract Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental revenues-				
Housing and Community				
Development contract	\$ 2,412,894	\$ 2,510,331	\$ 2,384,022	\$ (126,309)
Total revenues	2,412,894	2,510,331	2,384,022	(126,309)
Expenditures				
Current:				
Community development:				
Economic development	2,412,894	2,507,686	2,381,017	126,669
Total community development	2,412,894	2,507,686	2,381,017	126,669
Total expenditures	2,412,894	2,507,686	2,381,017	126,669
Excess (deficiency) of revenues over expenditures	-	2,645	3,005	360
Other Financing Sources (Uses)				
Transfers in:				
General Fund	-	-	-	-
CARES Fund	-	-	-	-
COEP Fund	-	-	-	-
Business Management Fund	-	-	703,000	703,000
Enterprise Zone Fund	-	-	-	-
Other Funds	-	-	-	-
Total transfers in	-	-	703,000	703,000
Transfers out:				
General Fund	-	-	-	-
Other Federal Grants usiness Fund	-	-	-	-
Business Management Fund	-	(555,000)	(555,000)	-
Enterprise Loans Fund	-	-	-	-
Other Funds	-	-	-	-
Total transfers out	-	(555,000)	(555,000)	-
Total other financing sources (uses)	-	(555,000)	148,000	703,000
Net change in fund balance	-	(552,355)	151,005	703,360
Fund Balances - July 1, 2022	-	552,355	552,355	-

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Fund Balances - June 30, 2023	\$ -	\$ -	703,360	\$ 703,360
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			-	
Loan interest receivable			-	
Lease receivable, net			-	
Interfund advances			(703,000)	
Property held for sale			-	
Note payable			-	
Fund Balance - June 30, 2023 (GAAP Basis)		\$	360	

COEP
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services-				
Contractual service charges	\$ 215,000	\$ 2,095,455	\$ 1,693,153	\$ (402,302)
Miscellaneous revenue-				
Total revenues	215,000	2,095,455	1,693,153	(402,302)
Expenditures				
Current:				
Community development:				
Economic development	215,000	2,105,507	1,702,220	403,287
Total community development	215,000	2,105,507	1,702,220	403,287
Total expenditures	215,000	2,105,507	1,702,220	403,287
Excess (deficiency) of revenues over expenditures	-	(10,052)	(9,067)	985
Other Financing Sources (Uses)				
Transfers in-				
Business Management Fund	-	-	688,000	688,000
Total transfers in	-	-	688,000	688,000
Transfers out-				
Business Management Fund	-	(173,000)	(173,000)	-
Total transfers out	-	(173,000)	(173,000)	-
Total other financing sources (uses)	-	(173,000)	515,000	688,000
Net change in fund balance	-	(183,052)	505,933	688,985
Fund Balances - July 1, 2022	-	183,052	183,052	-
Fund Balances - June 30, 2023	\$ -	\$ -	688,985	\$ 688,985
Adjustments to generally accepted accounting principles basis-				
Interfund advances			(688,000)	
Fund Balance - June 30, 2023 (GAAP Basis)		\$	985	

Affordable Commercial Tenanting Fund
Schedule of Revenues, Expenditures, and
Changes In Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services-				
Loan collections-				
Interest on investments	-	2,465	8,256	5,791
Miscellaneous:				
Total revenues	-	2,465	8,256	5,791
Expenditures				
Current:				
Community development:				
Contingency	2,579	495,529	-	495,529
Total expenditures	2,579	495,529	-	495,529
Excess (deficiency) of revenues over expenditures	(2,579)	(493,064)	8,256	501,320
Other Financing Uses				
Transfers out-				
Net change in fund balance	(2,579)	(493,064)	8,256	501,320
Fund Balances - July 1, 2022	2,579	493,064	493,064	-
Fund Balances - June 30, 2023	\$ -	\$ -	501,320 \$	501,320

American Rescue Plan Act Fund
Schedule Of Revenues, Expenditures, And
Changes In Fund Balance - Budget And Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts			Actual	Variance with Final Budget	
	Original		Final			
Revenues						
Intergovernmental revenues-						
Federal grants	\$	16,028,002	\$	7,011,715	\$	5,257,879
Charges for services-						
Application fees and charges		-		-		-
Contractual service charges		-		-		-
Interest on investments		-		-		-
Total revenues		16,028,002		7,011,715		5,257,879
Expenditures						
Current:						
Community development:						
Economic development		15,970,047		6,921,392		5,258,857
Total community development		15,970,047		6,921,392		5,258,857
Total expenditures		15,970,047		6,921,392		5,258,857
Excess (deficiency) of revenues						
over expenditures		57,955		90,323		(978)
Other Financing Sources (Uses)						
Transfers in:						
General Fund		-		-		-
CARES Fund		-		-		-
COEP Fund		-		-		-
Business Management Fund		-		-	1,691,000	1,691,000
Enterprise Zone Fund		-		-		-
Other Funds		-		-	56,000	56,000
Total transfers in		-		-	1,747,000	1,747,000
Internal service reimbursement		(57,955)		(46,360)		(38,486)
Transfers out:						
General Fund		-		-		-
Other Federal Grants Fund		-		-		-
Business Management Fund		-		(699,000)		(699,000)
Enterprise Loans Fund		-		-		-
Other Funds		-		-		-
Total transfers out		-		(699,000)		(699,000)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Total other financing sources and (uses)	(57,955)	(745,360)	1,009,514	1,754,874
Net change in fund balance	-	(655,037)	1,008,536	1,663,573
Fund Balances - July 1, 2022	-	655,037	655,037	-
Fund Balances - June 30, 2023	-	-	1,663,573	1,663,573
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			-	
Loan interest receivable			-	
Lease receivable, net			-	
Interfund advances			(1,747,000)	
Property held for sale			-	
Capital assets			-	
Fund Balances - June 30, 2023 GAAP Basis)		\$	(83,427)	

Other Federal Grants Fund
Schedule Of Revenues, Expenditures, And
Changes In Fund Balance - Budget And Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts			Actual	Variance with Final Budget
	Original	Final			
Revenues					
Intergovernmental revenues-					
Federal grants	\$ 60,790	\$ 204,005	\$ 161,462	\$	(42,543)
Charges for services-					
Application fees and charges	-	-	20,874		20,874
Loan collections-					
Principal	88,520	169,468	206,002		36,534
Interest	39,218	51,964	110,981		59,017
Interest on investments	-	11,684	32,908		21,224
Miscellaneous:					
Total revenues	188,528	437,121	532,227		95,106
Expenditures					
Current:					
Community development:					
Economic development	386,323	1,674,360	1,111,887		562,473
Total community development	386,323	1,674,360	1,111,887		562,473
Contingency	1,173,470	1,151,891	-		1,151,891
Total expenditures	1,559,793	2,826,251	1,111,887		1,714,364
Excess (deficiency) of revenues over expenditures	(1,371,265)	(2,389,130)	(579,660)		1,809,470
Other Financing Sources (Uses)					
Transfers in-					
Business Management Fund	-	-	27,000		27,000
Other Funds	-	-	3,000		3,000
Total transfers in	-	-	30,000		30,000
Net change in fund balance	(1,371,265)	(2,389,130)	(549,660)		1,839,470
Fund Balances - July 1, 2022	1,371,265	2,389,130	2,389,133		3
Fund Balances - June 30, 2023	\$ -	\$ -	1,839,473	\$	1,839,473
Adjustments to generally accepted accounting principles basis-					
Loans receivable, net			1,894,008		
Loan interest receivable			4,998		
Interfund advances			(30,000)		
Fund Balance - June 30, 2023 (GAAP Basis)			\$ 3,708,479		

Enterprise Zone Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services-				
Application fees and charges	\$ 30,000	\$ 30,000	\$ 6,097	\$ (23,903)
Contractual service charges	503,656	503,656	691,566	187,910
Loan collections-				
Principal	284,998	136,786	256,342	119,556
Interest on investments	-	24,575	82,586	58,011
Miscellaneous:				
Total revenues	818,654	695,017	1,036,591	341,574
Expenditures				
Current:				
Community development:				
Economic development	1,420,657	1,596,657	801,853	794,804
Total community development	1,420,657	1,596,657	801,853	794,804
Contingency	3,196,940	3,942,495	-	3,942,495
Total expenditures	4,617,597	5,539,152	801,853	4,737,299
Excess (deficiency) of revenues over expenditures	(3,798,943)	(4,844,135)	234,738	5,078,873
Other Financing Uses				
Internal service reimbursements	(65,718)	(70,939)	(64,600)	6,339
Transfers out-				
Total other financing uses	(65,718)	(70,939)	(64,600)	6,339
Net change in fund balance	(3,864,661)	(4,915,074)	170,138	5,085,212
Fund Balances - July 1, 2022	3,864,661	4,915,074	4,915,074	-
Fund Balances - June 30, 2023	\$ -	\$ -	5,085,212	\$ 5,085,212
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			269,010	
Fund Balance - June 30, 2023 (GAAP Basis)		\$	5,354,222	

Ambassador Program Fund
Schedule of Revenues, Expenditures, and
Changes In Fund Balance - Budget And Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Interest on investments	\$ -	\$ -	213	213
Total revenues	-	-	213	213
Expenditures				
Current:				
Community development:				
Economic development	4,335	4,335	-	4,335
Total community development	4,335	4,335	-	4,335
Contingency	619	8,368	-	8,368
Total expenditures	4,954	12,703	-	12,703
Excess (deficiency) of revenues over expenditures	(4,954)	(12,703)	213	12,916
Net change in fund balance	(4,954)	(12,703)	213	12,916
Fund Balances - July 1, 2022	4,954	12,703	12,703	-
Fund Balances - June 30, 2023	\$ -	\$ -	12,916	12,916

Combining Balance Sheet
Nonmajor Governmental Funds
Nonmajor Capital Projects Funds
June 30, 2023

	Neighborhood Prosperity Initiative Tax Increment Financing Fund	Downtown Tax Increment Financing Fund	South Park Blocks Tax Increment Financing Fund	Convention Center Tax Increment Finance Fund	Central Eastside Tax Increment Financing Fund	Gateway Regional Center Tax Increment Financing Fund	Airport Way Tax Increment Financing Fund	Willamette Industrial Tax Increment Financing Fund	Total
Assets									
Cash with City of Portland									
investment pool	\$ 1,003,803	\$ 30,863,574	\$ 1,954,650	\$ 2,657,163	\$ 36,291,608	\$ 20,282,681	\$ 5,088,535	\$ 4,410,157	102,552,171
Cash and cash equivalents	-	-	-	773,611	-	-	-	-	773,611
Receivables:									
Accounts	-	6,197	-	-	1,549	11,814	5,000	-	24,560
Internal balances	-	937,000	-	-	-	-	-	-	937,000
Loans, net	-	186,056	241,338	5,060,918	864,606	1,333,867	1,787,609	-	9,474,394
Interest	7,466	231,698	14,683	18,225	273,862	145,687	38,418	32,870	762,909
Loan interest	-	38	633	10,144	3,663	430	222,760	-	237,668
Lease, net	-	132,030	-	-	-	727,351	-	-	859,381
Note	-	852,586	-	-	-	-	-	-	852,586
Property held for sale	-	9,033,499	-	5,580,314	2,845,001	4,108,319	7,377,056	-	28,944,189
Other	-	-	-	507,169	-	76,153	78,741	-	662,063
Total Assets	1,011,269	42,242,678	2,211,304	14,607,544	40,280,289	26,686,302	14,598,119	4,443,027	146,080,532
Liabilities, Deferred Inflow and Fund Balances									
Liabilities:									
Accounts payable	55,721	-	912	166,976	97,432	29,568	-	-	350,609
Due to City of Portland	-	4,847	3,292	4,342	8,740	10,082	-	-	31,303
Due to other entities	-	41	-	472,262	1,251	-	-	-	473,554
Internal balances	1,000	-	-	-	-	-	-	-	1,000
Total liabilities	56,721	4,888	4,204	643,580	107,423	39,650	-	-	856,466

	Neighborhood Prosperity Initiative Tax Increment Financing Fund	Downtown Tax Increment Financing Fund	South Park Blocks Tax Increment Financing Fund	Convention Center Tax Increment Finance Fund	Central Eastside Tax Increment Financing Fund	Gateway Regional Center Tax Increment Financing Fund	Airport Way Tax Increment Financing Fund	Willamette Industrial Tax Increment Financing Fund	Total
Deferred Inflows									
Deferred Inflows	-	1,025,193	-	-	-	533,410	-	-	1,558,603
Total deferred inflows	-	1,025,193	-	-	-	533,410	-	-	1,558,603
Fund Balances									
Restricted									
Property held for sale	-	9,033,499	-	5,580,314	2,845,001	4,108,319	7,377,056	-	28,944,189
Loans receivable	-	186,056	241,338	5,060,918	864,606	1,333,867	1,787,609	-	9,474,394
Urban renewal	954,548	31,993,042	1,965,762	3,322,732	36,463,259	20,671,056	5,433,454	4,443,027	105,246,880
Total fund balances	954,548	41,212,597	2,207,100	13,963,964	40,172,866	26,113,242	14,598,119	4,443,027	143,665,463
Total liabilities, deferred inflows and fund balances	\$ 1,011,269	\$ 42,242,678	\$ 2,211,304	\$ 14,607,544	\$ 40,280,289	\$ 26,686,302	\$ 14,598,119	\$ 4,443,027	\$ 146,080,532

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

Nonmajor Capital Projects Funds

For The Fiscal Year Ended June 30, 2023

	Neighborhood Prosperity Initiative Tax Increment Financing Fund	Downtown Waterfront Tax Increment Financing Fund	South Park Blocks Tax Increment Financing Fund	Convention Center Tax Increment Finance Fund	Central Eastside Tax Increment Financing Fund	Gateway Regional Center Tax Increment Financing Fund	Airport Way Tax Increment Financing Fund	Willamette Industrial Tax Increment Financing Fund	Total Governmental Funds
Revenues									
Charges for services	-	32,614	-	3,085,183	77,804	243,416	39,000	-	3,478,017
Loan collections	-	5,914	7,328	140,173	19,015	64,502	44,062	-	280,994
Interest on investments	18,086	551,564	34,818	43,200	621,927	304,786	87,137	73,267	1,734,785
Miscellaneous	-	34,290	2,296	1,729,417	13,571	212,521	203,219	-	2,195,314
Tax-increment debt proceeds									
(in lieu of tax-increment revenue)	15,712	-	-	-	-	3,848,952	-	-	3,864,664
Total revenues	33,798	624,382	44,442	4,997,973	732,317	4,674,177	373,418	73,267	11,553,774
Expenditures									
Current:									
Community development	82,891	1,945,902	678,864	4,698,866	2,238,934	1,632,499	612,451	10,743	11,901,150
Capital expenditures for urban renewal	-	-	-	46,761	16,653	96,020	-	-	159,434
Financial assistance	302,021	342,400	-	-	353,066	63,693	-	-	1,061,180
Debt service	-	61,276	-	-	-	-	-	-	61,276
Total expenditures	384,912	2,349,578	678,864	4,745,627	2,608,653	1,792,212	612,451	10,743	13,183,040
Excess (deficiency) of revenues									
over (under) expenditures	(351,114)	(1,725,196)	(634,422)	252,346	(1,876,336)	2,881,965	(239,033)	62,524	(1,629,266)
Other financing sources									
Lents Commons Tax Increment Financing Fund	-	-	-	-	11,478	-	-	-	11,478
Total other financing sources	-	-	-	-	11,478	-	-	-	11,478
Net change in fund balances	(351,114)	(1,725,196)	(634,422)	252,346	(1,864,858)	2,881,965	(239,033)	62,524	(1,617,788)
Fund Balances - July 1, 2022	1,305,662	42,937,793	2,841,522	13,711,618	42,037,724	23,231,277	14,837,152	4,380,503	145,283,251
Fund Balance - June 30, 2023 (GAAP Basis)	\$ 954,548	\$ 41,212,597	\$ 2,207,100	\$ 13,963,964	\$ 40,172,866	\$ 26,113,242	\$ 14,598,119	\$ 4,443,027	\$ 143,665,463

Neighborhood Prosperity Initiative Tax Increment Financing Fund
Schedule of Revenues, Expenditures, and
Changes In Fund Balance - Budget And Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental revenues-				
State and local	\$ -	\$ -	\$ -	-
Interest on investments	-	6,550	18,086	11,536
Tax increment debt proceeds				
(in lieu of tax increment revenue)	61,899	61,899	15,712	(46,187)
Total revenues	61,899	68,449	33,798	(34,651)
Expenditures				
Current:				
Community development:				
Economic development	656,891	664,625	302,021	362,604
Total community development	656,891	664,625	302,021	362,604
Contingency	419,243	621,375	-	621,375
Total expenditures	1,076,134	1,286,000	302,021	983,979
Excess (deficiency) of revenues				
over expenditures	(1,014,235)	(1,217,551)	(268,223)	949,328
Other Financing Uses				
Internal service reimbursements	(78,523)	(88,112)	(82,891)	5,221
Interfund loan	-	-	-	-
Transfers out:				
General Fund	-	-	-	-
Other Federal Grants Business Fund	-	-	-	-
Business Management Fund	-	-	-	-
Enterprise Loans Fund	-	-	-	-
Other Funds	-	-	-	-
Total transfers out	-	-	-	-
Total other financing uses	(78,523)	(88,112)	(82,891)	5,221
Net change in fund balance	(1,092,758)	(1,305,663)	(351,114)	954,549
Fund Balances - July 1, 2022	1,092,758	1,305,663	1,305,662	(1)
Fund Balances - June 30, 2023	\$ -	\$ -	954,548 \$	954,548



PROSPER
PORTLAND

Building an Equitable Economy

Downtown Waterfront Tax Increment Financing Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental revenue-				
State and local	\$ -	\$ -	\$ -	-
Charges for services-				
Application fees and charges	-	-	-	-
Rental income	15,546	20,496	28,334	7,838
Loan collections-				
Principal	7,658	8,592	14,534	5,942
Interest	308	3,262	5,875	2,613
Interest on investments	159,533	188,522	551,562	363,040
Notes payable draws	-	-	-	-
Miscellaneous:				
Reimbursements	20,000	20,000	9,881	(10,119)
Sale of property	63,266	61,428	68,539	7,111
Other	-	-	-	-
Total revenues	266,311	302,300	678,725	376,425
Expenditures				
Current:				
Community development:				
Housing	-	-	-	-
Infrastructure	200,052	250,052	-	250,052
Property redevelopment	16,424,302	1,215,645	494,430	721,215
Economic development	104,836	64,836	59,023	5,813
Administration	12,121	24,350	20,349	4,001
Debt service:	-	4,080,000	4,061,276	18,724
Total community development	16,741,311	5,634,883	4,635,078	999,805
Contingency	18,634,799	30,473,024	-	30,473,024
Total expenditures	35,376,110	36,107,907	4,635,078	31,472,829
Excess (deficiency) of revenues over expenditures	(35,109,799)	(35,805,607)	(3,956,353)	31,849,254
Other Financing Sources and (Uses)				
Internal service reimbursements	(1,759,073)	(1,898,827)	(1,714,500)	184,327
Total other financing sources and (uses)	(1,759,073)	(1,898,827)	(1,714,500)	184,327
Net change in fund balance	(36,868,872)	(37,704,434)	(5,670,853)	32,033,581
Fund Balances - July 1, 2022	36,868,872	37,704,434	37,704,434	-
Fund Balances - June 30, 2023	\$ -	\$ -	32,033,581	\$ 32,033,581
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			186,056	
Loan interest receivable			38	
Lease and contract receivable, net			984,616	
Interfund advances			-	
Property held for sale			9,033,499	
Note payable			-	
Deferred inflows related to leases and contracts			(1,025,193)	
Fund Balance - June 30, 2023 (GAAP Basis)		\$	41,212,597	

North Macadam Tax Increment Financing Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts				Variance with Final Budget
	Original	Final	Actual		
Revenues					
Charges for services-					
Rental income	\$ 184,183	\$ 167,378	\$ 234,897	\$	67,519
Interest on investments	79,651	189,769	678,436		488,667
Miscellaneous					
Tax increment debt proceeds					
(in lieu of tax increment revenue)	16,983,000	9,600,000	11,033,954		1,433,954
Total revenues	17,246,834	9,957,147	11,947,287		1,990,140
Expenditures					
Current:					
Community development:					
Housing	4,225,230	4,225,230	115,508		4,109,722
Infrastructure	3,750,000	3,750,000	492,889		3,257,111
Property redevelopment	9,874,223	187,476	164,687		22,789
Administration	15,337	32,400	25,999		6,401
Total community development	17,864,790	8,195,106	799,083		7,396,023
Contingency	32,712,621	38,053,312	-		38,053,312
Total expenditures	50,577,411	46,248,418	799,083		45,449,335
Excess (deficiency) of revenues over expenditures	(33,330,577)	(36,291,271)	11,148,204		47,439,475
Other Financing Sources and (Uses)					
Internal service reimbursements	(1,540,176)	(1,662,540)	(1,501,400)		161,140
Total other financing sources and (uses)	(1,540,176)	(1,662,540)	(1,501,400)		161,140
Net change in fund balance	(34,870,753)	(37,953,811)	9,646,804		47,600,615
Fund Balances - July 1, 2022	34,870,753	37,953,811	37,953,811		-
Fund Balances - June 30, 2023	\$ -	\$ -	47,600,615	\$	47,600,615
Adjustments to generally accepted accounting principles basis-					
Property held for sale			1,892,705		
Fund Balance - June 30, 2023 (GAAP Basis)		\$	49,493,320		

River District Tax Increment Financing Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental revenues-				
Federal grants	\$ -	\$ -	85,689	\$ 85,689
Charges for services-				
Application fees and charges	2,110	2,110	7,786	5,676
Contractual service charges	-	-	8,560,000	8,560,000
Rental income	2,432,235	2,442,581	1,423,020	(1,019,561)
Loan collections-				
Principal	171,819	11,692	44,886	33,194
Interest	505,926	34,107	68,062	33,955
Interest on investments	95,475	307,556	855,922	548,366
Miscellaneous:				
Reimbursements	14,098	14,098	14,671	573
Other	-	-	680	680
Tax increment debt proceeds				
Total revenues	3,221,663	2,812,144	11,060,716	8,248,572
Expenditures				
Current:				
Community development:				
Housing	6,380,290	9,280,290	4,490,156	4,790,134
Infrastructure	120,188	45,728	538	45,190
Property redevelopment	35,958,242	22,953,255	19,901,937	3,051,318
Economic development	151,470	116,470	85,406	31,064
Administration	33,098	10,375	7,422	2,953
Total community development	42,643,288	32,406,118	24,485,459	7,920,659
Contingency	6,712,313	27,214,171	-	27,214,171
Total expenditures				
49,355,601	59,620,289	24,485,459	35,134,830	
Excess (deficiency) of revenues				
over expenditures	(46,133,938)	(56,808,145)	(13,424,743)	43,383,402

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Other Financing Sources and (Uses)				
Transfers in:				
Internal service reimbursements out	(4,172,119)	(4,503,585)	(4,065,800)	437,785
Transfers out:				
Enterprise Loans Fund	-	(200,000)	-	200,000
Total transfers out	(4,172,119)	(4,703,585)	(4,065,800)	637,785
Total other financing sources and (uses)	(4,172,119)	(4,703,585)	(4,065,800)	637,785
Net change in fund balance	(50,306,057)	(61,511,730)	(17,490,543)	44,021,187
Fund Balances - July 1, 2022	50,306,057	61,511,730	61,511,731	1
Fund Balances - June 30, 2023	\$ -	\$ -	44,021,188	\$ 44,021,188
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			8,587,705	
Loan interest receivable			1,441	
Lease receivable, net			4,007,339	
Property held for sale			70,042,666	
Deferred inflows related to leases and contracts			(4,015,183)	
Fund Balance - June 30, 2023 (GAAP Basis)		\$	122,645,156	

South Park Blocks Tax Increment Financing Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental revenues-				
Charges for services-				
Loan collections-				
Principal	-	21,922	45,922	24,000
Interest	-	4,891	6,696	1,805
Interest on investments	5,210	12,783	34,817	22,034
Tax increment debt proceeds				
Total revenues	5,210	39,596	87,435	47,839
Expenditures				
Current:				
Community development:				
Housing	400,000	400,000	400,000	-
Property redevelopment	3,984	253,984	-	253,984
Administration	7,821	14,670	11,464	3,206
Total community development	411,805	668,654	411,464	257,190
Contingency	1,848,069	1,631,912	-	1,631,912
Total expenditures	2,259,874	2,300,566	411,464	1,889,102
Excess (deficiency) of revenues				
over expenditures	(2,254,664)	(2,260,970)	(324,029)	1,936,941
Other Financing Sources and (I)ses				
Internal service reimbursements	(273,834)	(295,589)	(267,400)	28,189
Total other financing sources and (uses)	(273,834)	(295,589)	(267,400)	28,189
Net change in fund balance	(2,528,498)	(2,556,559)	(591,429)	1,965,130
Fund Balances - July 1, 2022	2,528,498	2,556,559	2,556,558	(1)
Fund Balances - June 30, 2023	\$ -	\$ -	1,965,129	\$ 1,965,129
Adjustments to generally accepted				
accounting principles basis-				
Loans receivable, net			241,338	
Loan interest receivable			633	
Fund Balance - June 30, 2023 (GAAP Basis)		\$	2,207,100	

Convention Center Tax Increment Financing Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental revenues-				
Charges for services-				
Application fees and charges	-	-	12,316	12,316
Rental income	3,889,000	2,887,028	3,072,867	185,839
Loan collections-				
Principal	137,125	165,049	402,991	237,942
Interest	71,133	51,708	135,622	83,914
Interest on investments	104,370	20,761	43,198	22,437
Miscellaneous:				
Reimbursements	-	-	67,114	67,114
Sale of real property	-	-	172,004	172,004
Total revenues	4,201,628	3,124,546	3,906,112	781,566
Expenditures				
Current:				
Community development:				
Property redevelopment	5,998,404	6,338,478	4,185,098	2,153,380
Economic development	601	1,601	1,034	567
Administration	12,121	23,430	15,495	7,935
Total community development	6,011,126	6,363,509	4,201,627	2,161,882
Contingency	299,149	311,190	-	311,190
Total expenditures	6,310,275	6,674,699	4,201,627	2,473,072
Excess (deficiency) of revenues over expenditures	(2,108,647)	(3,550,153)	(295,515)	3,254,638
Other Financing Sources and (Uses)				
Internal service reimbursements	(557,646)	(601,950)	(544,000)	57,950
Total other financing sources and (uses)	(557,646)	(601,950)	(544,000)	57,950
Net change in fund balance	(2,666,293)	(4,152,103)	(839,515)	3,312,588
Fund Balances - July 1, 2022	2,666,293	4,152,103	4,152,103	-
Fund Balances - June 30, 2023	\$ -	\$ -	3,312,588	\$ 3,312,588
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			5,060,918	
Loan interest receivable			10,144	
Property held for sale			5,580,314	
Fund Balance - June 30, 2023 (GAAP Basis)		\$	13,963,964	

Central Eastside Tax Increment Financing Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
Revenues				
Intergovernmental revenue-				
Charges for services-				
Application fees and charges	-	-	6,498	6,498
Rental income	225,682	91,187	71,306	(19,881)
Loan collections-				
Principal	101,523	59,599	110,917	51,318
Interest	12,118	6,692	16,346	9,654
Interest on investments	263,242	193,186	621,928	428,742
Miscellaneous-				
Other miscellaneous	-	-	1,093	1,093
Tax increment debt proceeds				
Total revenues	602,565	350,664	828,088	477,424
Expenditures				
Current:				
Community development:				
Housing	4,154,991	4,154,991	50,230	4,104,761
Infrastructure	1,500,000	1,500,000	-	1,500,000
Property redevelopment	4,028,220	3,184,700	607,796	2,576,904
Economic development	407,879	461,879	461,879	-
Administration	6,650	15,100	15,026	74
Total community development	10,097,740	9,316,670	1,134,931	8,181,739
Contingency	24,894,289	27,586,501	-	27,586,501
Total expenditures	34,992,029	36,903,171	1,134,931	35,768,240
Excess (deficiency) of revenues				
over expenditures	(34,389,464)	(36,552,507)	(306,843)	36,245,664
Other Financing Sources and (Uses)				
Transfers in-				
Lents Town Center Tax Increment Finance Fund	-	-	11,478	11,478
Total transfers in	-	-	11,478	11,478
Internal service reimbursements	(1,931,316)	(2,084,754)	(1,882,300)	202,454
Total other financing sources and (uses)	(1,931,316)	(2,084,754)	(1,870,822)	213,932
Net change in fund balance	(36,320,780)	(38,637,261)	(2,177,665)	36,459,596
Fund Balances - July 1, 2022	36,320,780	38,637,261	38,637,261	-
Fund Balances - June 30, 2023	\$ -	\$ -	36,459,596	\$ 36,459,596
Adjustments to generally accepted				
accounting principles basis-				
Loans receivable, net			864,606	

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Loan interest receivable			3,663	
Property held for sale			2,845,001	
Fund Balance - June 30, 2023 (GAAP Basis)		\$	40,172,866	

Lents Town Center Tax Increment Financing Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Charges for services-				
Application fees and charges	\$ -	\$ 150	\$ 573	\$ 423
Rental income	-	126,000	123,502	(2,498)
Loan collections-				
Principal	132,707	496,514	593,601	97,087
Interest	164,382	120,279	331,261	210,982
Interest on investments	258,504	160,368	602,639	442,271
Miscellaneous:				
Reimbursements	19,669	21,410	23,425	2,015
Tax increment debt proceeds				
(in lieu of tax increment revenue)	14,147,499	14,147,499	14,995,918	848,419
Total revenues	14,722,761	15,072,220	16,670,919	1,598,699
Expenditures				
Current:				
Community development:				
Housing	4,483,684	4,483,684	1,764,234	2,719,450
Infrastructure	218	1,218	339	879
Property redevelopment	4,260,771	2,406,698	714,851	1,691,847
Economic development	267,279	283,779	33,222	250,557
Administration	38,243	34,201	23,956	10,245
Total community development	9,050,195	7,209,580	2,536,602	4,672,978
Contingency	34,194,922	38,682,488	-	38,682,488
Total expenditures	43,245,117	45,892,068	2,536,602	43,355,466
Excess (deficiency) of revenues				
over expenditures	(28,522,356)	(30,819,848)	14,134,317	(44,954,165)
Other Financing Sources and Uses				
Transfers in-				
Internal service reimbursements	(1,161,416)	(1,253,688)	(1,132,300)	121,388
Transfers out:				
Central Eastside Tax Increment Finance Fund	-	-	(11,478)	(11,478)
Total transfers out	-	-	(11,478)	(11,478)
Total other financing uses	(1,161,416)	(1,253,688)	(1,143,778)	109,910
Net change in fund balance	(29,683,772)	(32,073,536)	12,990,539	45,064,075
Fund Balances - July 1, 2022	29,683,772	32,073,536	32,073,536	-
Fund Balances - June 30, 2023	\$ -	\$ -	45,064,075	45,064,075
Adjustments to generally accepted accounting principles basis-				

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Loans receivable, net			14,317,488	
Loan interest receivable			1,831	
Property held for sale			2,768,428	
Fund Balance - June 30, 2023 (GAAP Basis)		\$	62,151,822	

Interstate Corridor Tax Increment Financing Fund
Schedule of Revenues, Expenditures, and
Changes In Fund Balance - Budget And Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services-				
Application fees and charges	\$ -	\$ 150	\$ 5,205	\$ 5,055
Rental income	447,582	523,063	443,109	(79,954)
Loan collections-				
Principal	34,406	30,419	64,888	34,469
Interest	25,073	15,247	30,650	15,403
Interest on investments	386,711	352,819	1,203,368	850,549
Miscellaneous:				
Reimbursements	125,240	170,308	189,287	18,979
Other	-	-	312	312
Tax increment debt proceeds				
(in lieu of tax increment revenue)	26,973,000	26,973,000	26,992,652	19,652
Total revenues	27,992,012	28,065,006	28,929,471	864,465
Expenditures				
Current:				
Community development:				
Housing	22,107,197	13,464,945	8,313,783	5,151,162
Infrastructure	-	170,372	-	170,372
Property redevelopment	4,476,485	6,563,838	2,767,388	3,796,450
Economic development	833,595	590,499	439,062	151,437
Administration	47,296	110,794	93,585	17,209
Total community development	27,464,573	20,900,448	11,613,818	9,286,630
Contingency	45,939,271	75,558,994	-	75,558,994
Total expenditures	73,403,844	96,459,442	11,613,818	84,845,624
Excess (deficiency) of revenues over expenditures	(45,411,832)	(68,394,436)	17,315,653	85,710,089
Other Financing Sources and (Uses)				
Internal service reimbursements	(2,009,773)	(2,169,445)	(1,958,700)	210,745
Total other financing sources and (uses)	(2,009,773)	(2,169,445)	(1,958,700)	210,745
Net change in fund balance	(47,421,605)	(70,563,881)	15,356,953	85,920,834
Fund Balances - July 1, 2022	47,421,605	70,563,881	70,563,881	-
Fund Balances - June 30, 2023	\$ -	\$ -	85,920,834	\$ 85,920,834
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			502,167	
Loan interest receivable			8,443	
Lease receivable, net			507,919	
Deferred inflows related to leases and contracts			(493,420)	
Fund Balance - June 30, 2023 (GAAP Basis)		\$	86,445,943	

Gateway Regional Center Tax Increment Financing Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Charges for services-				
Application fees and charges	\$ -	\$ -	1,150	\$ 1,150
Rental income	180,075	180,075	48,324	(131,751)
Loan collections-				
Principal	27,268	8,740	68,324	59,584
Interest	4,577	9,837	64,734	54,897
Interest on investments	174,343	89,931	304,786	214,855
Miscellaneous	31,582	31,582	4,582	(27,000)
Tax increment debt proceeds				
(in lieu of tax increment revenue)	8,000,000	5,004,649	3,848,952	(1,155,697)
Total revenues	8,417,845	5,324,814	4,340,852	(983,962)
Expenditures				
Current:				
Community development:				
Housing	5,637,316	4,883,636	731,773	4,151,863
Infrastructure	2,009,244	9,244	3,558	5,686
Property redevelopment	6,684,008	7,590,250	544,526	7,045,724
Economic development	410,924	437,424	40,666	396,758
Administration	5,589	14,380	10,980	3,400
Total community development	14,747,081	12,934,934	1,331,503	11,603,431
Contingency	6,081,977	9,802,105	-	9,802,105
Total expenditures	20,829,058	22,737,039	1,331,503	21,405,536
Excess (deficiency) of revenues				
over expenditures	(12,411,213)	(17,412,225)	3,009,349	20,421,574
Other Financing Sources and (Uses)				
Internal service reimbursements	(531,764)	(574,011)	(518,900)	55,111
Total other financing sources and (uses)	(531,764)	(574,011)	(518,900)	55,111
Net change in fund balance	(12,942,977)	(17,986,236)	2,490,449	20,476,685
Fund Balances - July 1, 2022	12,942,977	17,986,236	17,986,236	-
Fund Balances - June 30, 2023	\$ -	\$ -	20,476,685	\$ 20,476,685
Adjustments to generally accepted				
accounting principles basis-				
Loans receivable, net			1,333,867	
Loan interest receivable			430	
Lease receivable, net			727,351	
Interfund advances			-	
Property held for sale			4,108,319	
Note payable			-	
Deferred inflows related to leases and contracts			(533,410)	
Fund Balance - June 30, 2023 (GAAP Basis)		\$	26,113,242	

Airport Way Tax Increment Financing Fund
Schedule of Revenues, Expenditures, and
Changes In Fund Balance - Budget And Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services-				
Rental income	42,000	42,000	39,000	(3,000)
Loan collections-				
Principal	90,020	59,031	96,387	37,356
Interest	23,164	13,842	25,092	11,250
Interest on investments	31,857	27,476	87,140	59,664
Miscellaneous-				
Total revenues	187,041	142,349	247,619	105,270
Expenditures				
Current:				
Community development:				
Property redevelopment	3,035,298	3,065,128	184,157	2,880,971
Economic development	12,153	112,153	127	112,026
Administration	7,821	700	-	700
Total community development	3,055,272	3,177,981	184,284	2,993,697
Contingency	1,983,252	2,075,186	-	2,075,186
Total expenditures	5,038,524	5,253,167	184,284	5,068,883
Excess (deficiency) of revenues				
over expenditures	(4,851,483)	(5,110,818)	63,335	5,174,153
Other Financing Sources and (Uses)				
Internal service reimbursements	(356,144)	(384,438)	(347,900)	36,538
Total other financing sources and (uses)	(356,144)	(384,438)	(347,900)	36,538
Net change in fund balance	(5,207,627)	(5,495,256)	(284,565)	5,210,691
Fund Balances - July 1, 2022	5,207,627	5,495,256	5,495,259	3
Fund Balances - June 30, 2023	\$ -	\$ -	5,210,694	\$ 5,210,694
Adjustments to generally accepted				
accounting principles basis-				
Loans receivable, net			1,787,609	
Loan interest receivable			222,760	
Property held for sale			7,377,056	
Fund Balance - June 30, 2023 (GAAP Basis)		\$	14,598,119	

Willamette Industrial Tax Increment Financing Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Charges for services-				
Rental income	\$ -	\$ -	\$ -	-
Interest on investments	32,074	21,903	73,267	51,364
Miscellaneous-				
Reimbursements	-	-	-	-
Total revenues	32,074	21,903	73,267	51,364
Expenditures				
Current:				
Community development:				
Property redevelopment	1,500,824	15,824	10,743	5,081
Economic development	-	-	-	-
Total community development	1,500,824	15,824	10,743	5,081
Contingency	2,802,688	4,386,581	-	4,386,581
Total expenditures	4,303,512	4,402,405	10,743	4,391,662
Excess (deficiency) of revenues				
over expenditures	(4,271,438)	(4,380,502)	62,524	4,443,026
Other Financing Sources and (Uses)				
Net change in fund balance	(4,271,438)	(4,380,502)	62,524	4,443,026
Fund Balances - July 1, 2022	4,271,438	4,380,502	4,380,503	1
Fund Balances - June 30, 2023	\$ -	\$ -	4,443,027	\$ 4,443,027

Proprietary Funds

Enterprise Funds

Enterprise funds are used to report an activity for which a fee is charged to external users for goods or services.

Prosper Portland has three Enterprise type funds.

Enterprise Loans Fund - this fund accounts for the various loan programs which are not required to be accounted for in another fund.

Small Business Loan Fund

Business Development Loan Fund

Working Capital Fund

NPI Opportunity Fund

Workforce Training/Hiring Fund

Combining Schedules are presented by loan program. These include a Combining Schedule of Net Position and a Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position.

Business Management Fund - provides for the activity track and manage non-URA property assets and activities and fee generation activities.

Internal Service Fund

Internal service funds are used to report any activity that provides services to other funds on a cost reimbursement basis.

Risk Management Fund – this fund was established to set aside resources that would be used to meet insurance policy deductibles, if necessary.

Statement of Net Position
Proprietary Funds
June 30, 2023

	Enterprise Loans Fund	Business Management Fund	Total Enterprise Funds
Assets			
Current assets:			
Cash with City of Portland			
investment pool	\$ 5,284,808	\$ 3,359,559	\$ 8,644,367
Receivables:			
Accounts	500	78,618	79,118
Internal balances	-	3,630,000	3,630,000
Loans, net	62,740	-	62,740
Interest	39,348	10,619	49,967
Loan interest	8,277	-	8,277
Lease, net	-	45,341	45,341
Property held for sale	-	965,788	965,788
Other	-	228,209	228,209
Total current assets	5,395,673	8,318,134	13,713,807
Noncurrent assets:			
Loans receivable, net	578,735	-	578,735
Lease receivable, net	-	725,693	725,693
Capital Asset, net	-	2,543,545	2,543,545
Other: Escrow deposit	-	3,000,000	3,000,000
Total noncurrent assets	578,735	6,269,238	6,847,973
Total assets	5,974,408	14,587,372	20,561,780
Liabilities, Deferred Inflows And Net Position			
Liabilities:			
Current liabilities:			
Accounts payable	\$ -	\$ 8,570	\$ 8,570
Internal balances	-	937,000	937,000
Total current liabilities	-	945,570	945,570
Deferred Inflows			
Deferred Inflows	-	719,095	719,095
Total deferred inflows	-	719,095	719,095
Total liabilities	-	1,664,665	1,664,665
Net Position			
Net investment in capital assets	-	2,543,545	2,543,545
Restricted for pollution remediation	-	3,000,000	3,000,000
Unrestricted	5,974,408	7,379,162	13,353,570
Total net position	5,974,408	12,922,707	18,897,115
Total liabilities, deferred inflows and net position	\$ 5,974,408	\$ 14,587,372	\$ 20,561,780

Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For The Fiscal Year Ended June 30, 2023

	Enterprise Loans Fund	Business Management Fund	Total Enterprise Funds
Operating Revenues:			
Charges for services	\$ 365,580	\$ 205,231	\$ 570,811
Interest on loans	62,884	-	62,884
Miscellaneous revenues	506,780	102,566	609,346
Total operating revenues	935,244	307,797	1,243,041
Operating Expenses:			
Personal services	50,032	51,046	101,078
Professional services	371,619	779,311	1,150,930
Financial assistance	168,156	-	168,156
Internal service reimbursements	23,024	413,700	436,724
Miscellaneous expense	160	-	160
Total operating expenses	612,991	1,244,057	1,857,048
Operating income (loss)	322,253	(936,260)	(614,007)
Non-Operating Revenues (Expense):			
Interest on investments	86,953	70,587	157,540
Depreciation	-	(136,375)	(136,375)
Total non-operating revenues (expense)	86,953	(65,788)	21,165
Income before transfers	409,206	(1,002,048)	(592,842)
Transfer in (out)	-	(3,323)	(3,323)
Change in net position	409,206	(1,005,371)	(596,165)
Net position - July 1, 2022	5,565,202	13,928,078	19,493,280
Net position - June 30, 2023	\$ 5,974,408	\$ 12,922,707	\$ 18,897,115

Combining Statement of Cash Flows
Proprietary Funds
For The Fiscal Year Ended June 30, 2023

	Major Business- type Activities- Enterprise Funds	Non-Major Business-type Activities	
	Business Management Fund	Enterprise Loans Fund	Total Business-type Activities
Cash flows from operating activities:			
Loan collections from borrowers	\$ -	\$ 277,247	\$ 277,247
Interest on loans from borrowers	-	66,745	66,745
Loan fees from customers	-	15,580	15,580
Other fees from customers	-	350,000	350,000
Rent income	255,859	-	255,859
Increase in accounts receivable	(147,728)	(500)	(148,228)
Payments to employees	(51,046)	(50,032)	(101,078)
Payments to vendors	(859,390)	(1,930)	(861,320)
Payments for interfund services used	(413,700)	(23,024)	(436,724)
Loans to borrowers	-	(420,479)	(420,479)
Net cash provided/(used) by operating activities	(1,216,005)	213,607	(1,002,398)
Cash flows from noncapital financing activities:			
Repayment of interfund borrowing	1,427,000	-	1,427,000
Interfund borrowing	(3,633,323)	-	(3,633,323)
Net cash provided by noncapital financing activities	(2,206,323)	-	(2,206,323)
Cash flows from investing activities:			
Interest received from investing	77,152	49,068	126,220
Net cash increase (decrease) in cash and cash equivalents	(3,345,176)	262,675	(3,082,501)
Cash and cash equivalents-July 1, 2022	6,704,735	5,022,133	11,726,868
Cash and cash equivalents-July 30, 2023	\$ 3,359,559	\$ 5,284,808	\$ 8,644,367
Cash with City of Portland investment pool from the Statement of Net Position	\$ 3,359,559	\$ 5,284,808	\$ 8,644,367
Reconciliation of operating income to net cash provided/(used) by operating activities:			
Net operating income(loss)	\$ (936,261)	\$ 322,253	(614,008)
Adjustments to reconcile net operating income to net cash provided/(used) by operating activities:			
Increase in accounts receivable	(64,867)	(500)	(65,367)
Increase in loans receivable	-	(112,004)	(112,004)
Increase in due from other entities (due to)	(136,475)	10,246	(126,229)
Increase in non-cash capital asset transfer	(39,832)	-	(39,832)
Decrease in loan interest receivable	-	(6,388)	(6,388)

Decrease in accounts payable	(8,570)	-	(8,570)
Total adjustments	(249,744)	(108,646)	(358,390)
Net cash provided/(used) by operating activities	\$ (1,186,005)	\$ 213,607	\$ (972,398)

Enterprise Loans Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services-				
Application fees and charges	\$ -	\$ 3,573	\$ 15,580	\$ 12,007
Contractual service charges	-	350,000	350,000	-
Loan collections-				
Principal	113,836	352,207	277,247	(74,960)
Interest	20,086	50,141	56,495	6,354
Interest on investments	-	10,260	86,953	76,693
Miscellaneous revenues-				
Total revenues	133,922	766,181	786,275	20,094
Expenditures				
Current:				
Community development:				
Economic development	1,188,003	1,598,003	472,440	1,125,563
Total community development	1,188,003	1,598,003	472,440	1,125,563
Contingency	2,704,808	4,378,998	-	4,378,998
Total expenditures	3,892,811	5,977,001	472,440	5,504,561
Excess (deficiency) of revenues over expenditures	(3,758,889)	(5,210,820)	313,835	5,524,655
Other Financing Sources (Uses)				
Internal service reimbursements	(21,329)	(23,024)	(23,024)	-
Transfers in:				
Working Capital Fund	-	(1,205,377)	1,196,264	2,401,641
Business Development Loan Fund	-	(1,685,823)	1,679,107	3,364,930
River District Tax Incremental Financing Fund	-	(200,000)	-	200,000
Total transfers in:	-	(3,091,200)	2,875,371	5,966,571
Transfers out:				
Housing and Community Development Fund	-	-	(28)	(28)
Total other financing sources (uses)	(21,329)	(6,005,424)	(23,025)	5,982,399
Net change in fund balance	(3,780,218)	(11,216,244)	290,810	11,507,054
Fund Balances - July 1, 2022	3,780,218	5,033,844	5,033,846	2
Fund Balances - June 30, 2023	\$ -	\$ (6,182,400)	\$ 5,324,656	\$ 11,507,056
Adjustments to generally accepted accounting principles basis-				

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Loans receivable, net			641,475	
Loan interest receivable			8,277	
Fund Balance - June 30, 2023 (GAAP Basis)		\$	5,974,408	

Combining Schedule of Net Position
For Components of the Enterprise Loans Fund
June 30, 2023

	Small Business Loan Fund	Business Development Loan Fund	Working Capital fund	NPI Opportunity Fund	Workforce Training/Hiring Fund	Total Enterprise Loans Fund
Assets						
Current assets:						
Cash with City of Portland						
Investment pool	\$ 4,118,229	\$ -	\$ -	798,325	368,348	5,284,902
Receivables:						
Accounts receivable	\$ 500	\$ -	\$ -	\$ -	\$ -	500
Loans, net	\$ 487,806	\$ -	\$ -	153,670	\$ -	641,476
Interest	\$ 30,567	\$ -	\$ -	5,942	2,744	39,253
Loan interest	\$ 8,277	\$ -	\$ -	\$ -	\$ -	8,277
Total current assets	4,645,379	-	-	957,937	371,092	5,974,408
Noncurrent assets:						
Total assets	4,645,379	-	-	957,937	371,092	5,974,408
Liabilities, Deferred Inflows And Net Position						
Net Position:						
Unrestricted	\$ 4,645,379	\$ -	\$ -	957,937	371,092	5,974,408

Combining Schedule of Revenues, Expenses, and Changes in Net Position
For Components of the Enterprise Loans Fund
For The Fiscal Year Ended June 30, 2023

	Small Business Loan Fund	Business Development Loan Fund	Working Capital Fund	NPI Opportunity Fund	Workforce Training/Hiring Fund	Total Enterprise Loans Fund
Operating Revenues:						
Charges for services	9,073	790	5,180	537	350,000	365,580
Interest on loans	31,782	11,236	11,246	8,623	-	62,887
Miscellaneous revenues	402,309	47,127	57,021	323	-	506,780
Total operating revenues	443,164	59,153	73,447	9,483	350,000	935,247
Operating Expenses:						
Personal services	68,388	3,091	1,578	-	-	73,057
Professional services	1,850	79	-	-	-	1,929
Financial assistance	84,131	42,534	12,500	28,990	-	168,155
Miscellaneous	-	77,974	291,876	-	-	369,850
Total operating expenses	154,369	123,678	305,954	28,990	-	612,991
Operating income (loss)	288,795	(64,525)	(232,507)	(19,507)	350,000	322,256
Non-Operating Revenues (Expense):						
Interest on investment	50,855	10,308	7,109	13,169	5,509	86,950
Total non-operating revenues (expense)	50,855	10,308	7,109	13,169	5,509	86,950
Income (loss) before transfers	339,650	(54,217)	(225,398)	(6,338)	355,509	409,206
Transfers	2,875,371	(1,679,107)	(1,196,264)	-	-	-
Change in net position	3,215,021	(1,733,324)	(1,421,662)	(6,338)	355,509	409,206
Net position - July 1, 2022	1,430,358	1,733,324	1,421,662	964,275	15,583	5,565,202
Net position - July 30, 2023	\$ 4,645,379	\$ -	\$ -	\$ 957,937	\$ 371,092	\$ 5,974,408

Business Management Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Charges for services				
Rental income	\$ 137,258	\$ 7,401	\$ 153,293	\$ 145,892
Interest on investments	184,582	44,720	70,586	25,866
Miscellaneous				
Reimbursements	38,638	43,093	90,555	47,462
Other	30,000	30,000	12,010	(17,990)
Total revenues	390,478	125,214	326,444	201,230
Expenditures				
Current				
Community development:				
Property redevelopment	195,936	1,105,201	918,998	186,203
Total community development	195,936	1,105,201	918,998	186,203
Contingency	10,160,217	8,933,390	-	8,933,390
Total expenditures	10,356,153	10,038,591	918,998	9,119,593
Excess (deficiency) of revenues over expenditures	(9,965,675)	(9,913,377)	(592,554)	9,320,823
Other Financing Sources (Uses)				
Internal service reimbursements out	(423,953)	(457,635)	(413,700)	43,935
Transfers in:				
Housing and Community Development Fund	-	555,000	555,000	-
COEP Fund	-	173,000	173,000	-
American Rescue Plan Act Fund	-	699,000	699,000	0
Total transfers in:	-	1,427,000	1,427,000	0
Transfers out:				
General Fund	-	-	(464,323)	(464,323)
Housing and Community Development Fund	-	-	(703,000)	(703,000)
COEP Fund	-	-	(688,000)	(688,000)
American Rescue Plan Act Fund	-	-	(1,747,000)	(1,747,000)
Other Federal Grants Fund	-	-	(30,000)	(30,000)
Neighborhood Prosperity Initiative Tax Increment Financing Fund	-	-	(1,000)	(1,000)
Total transfers out	-	-	(3,633,323)	(3,633,323)
Total other financing sources (uses)	(423,953)	969,365	(2,620,023)	(3,589,388)
Net change in fund balance	(10,389,628)	(8,944,012)	(3,212,577)	5,731,435
Fund Balances - July 1, 2022	10,389,628	8,944,012	8,944,012	-
Fund Balances - June 30, 2023	\$ -	\$ -	5,731,435	\$ 5,731,435

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Adjustments to generally accepted accounting principles basis-				
Lease receivable, net			51,939	
Interfund advances			3,630,000	
Property held for sale			965,788	
Capital assets			2,543,545	
Fund Balance - June 30, 2023 (GAAP Basis)		\$	12,922,707	

Risk Management Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Interest on investments	\$ -	\$ -	2,360 \$	2,360
Total revenues	-	-	2,360	2,360
Expenditures				
Current:				
Community development:				
Administration	-	-	-	-
Total community development	-	-	-	-
Contingency	138,669	140,942	-	140,942
Total expenditures	138,669	140,942	-	140,942
Excess (deficiency) of revenues over expenditures	(138,669)	(140,942)	2,360	143,302
Net change in fund balance	(138,669)	(140,942)	2,360	143,302
Fund Balances - July 1, 2022	138,669	140,942	140,942	-
Fund Balances - June 30, 2023	\$ -	\$ -	143,302 \$	143,302

Capital Assets Used In The Operation Of Governmental Funds

Capital Assets Used in the Operation of Governmental Funds
Schedule by Source
For The Fiscal Year Ended June 30, 2023

Governmental funds capital assets:		
Land		14,126,930
Buildings and improvements		53,610,521
Right to use assets, net		7,976,532
Equipment		467,455
Intangible software, net		605,341
Work in process		4,226,692
Accumulated depreciation		(8,407,576)
Total	\$	72,605,895
Investment in governmental funds capital assets by source:		
General Fund	\$	9,037,615
Special Revenue Fund		12,379,440
Capital Projects Funds		59,584,701
Accumulated depreciation		(8,407,576)
Total	\$	72,594,180

This schedule presents only the capital assets balances related to governmental funds.

Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
For The Fiscal Year Ended June 30, 2023

Function and Activity	Land	Buildings	Right to Use Assets	Equipment	Software	Work in Process	Total
Community development							
Revitalization	\$ 14,126,930	\$ 53,610,521	\$ 7,964,820	\$ -	\$ -	\$ 4,226,692	\$ 79,928,963
Administration	-	-	-	467,455	605,341	-	1,072,796
Total community development	14,126,930	53,610,521	7,964,820	467,455	605,341	4,226,692	81,001,759
Less: accumulated depreciation	-	(8,091,668)	-	(315,908)	-	-	(8,407,576)
Total governmental funds capital assets	\$ 14,126,930	\$ 45,518,853	\$ 7,964,820	\$ 151,547	\$ 605,341	\$ 4,226,692	\$ 72,594,183

This schedule presents only the capital assets balances related to governmental funds

Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
For The Fiscal Year Ended June 30, 2023

Function and Activity	Governmental Capital Assets July 1, 2022	Additions	Deductions	Governmental Capital Assets June 30, 2023
Community development				
Revitalization	\$ 80,187,209	\$ 550,317	\$ 808,563	\$ 79,928,963
Administration	920,744	169,953	17,901	1,072,796
Total community development	81,107,953	720,270	826,464	81,001,759
Less: accumulated depreciation	(7,128,869)	(1,167,718)	110,989	(8,407,576)
Total governmental funds capital assets	\$ 73,979,084	\$ (447,448)	\$ 937,453	\$ 72,594,183

Schedule of Activity of Real Property and Capital Assets

Held by the Commission

For The Fiscal Year Ended June 30, 2023

Funding Source	Balance July 1, 2022	Additions	Sales/ Adjustment	Balance June 30, 2023
Held For Sale Assets:				
General Fund (Urban Redevelopment Fund):				
Woodstock & Foster Rd-Dagel-LTC	100,000	-	-	100,000
9330 SE Harold St-Boys & Girls Club-LTC	46,754	-	-	46,754
Total	146,754	-	-	146,754
Downtown Waterfront Tax Increment Financing Fund:				
NW Naito Parkway	73,597	-	-	73,597
South Waterfront Development	96,472	-	-	96,472
411 NW Flanders Unit 100	800,000	-	-	800,000
411 NW Flanders Parking (10 spaces)	62,000	-	-	62,000
Block 24	8,001,430	-	-	8,001,430
Total	9,033,499	-	-	9,033,499
North Macadam Tax Increment Financing Fund:				
Pascuzzi Site	-	-	-	-
South Waterfront Development	1,892,705	-	-	1,892,705
Total	1,892,705	-	-	1,892,705
River District Tax Increment Financing Fund:				
NW Naito Parkway	289,937	-	-	289,937
Block 25	20,933	-	-	20,933
Broadway Hoyt/Glisan/6th-Block R	72,283	-	-	72,283
1362 NW Naito Prkwy-Centennial Mills	2,650,000	-	-	2,650,000
9th & Lovejoy-Station Place	38,412	-	-	38,412
4th & West Burnside	1,201,636	-	-	1,201,636
Union Station-Old Fire Station	469,463	-	-	469,463
US Postal Site	65,300,002	-	-	65,300,002
Total	70,042,666	-	-	70,042,666
Convention Center Tax Increment Financing Fund:				
831-834 NE MLK Blvd-Sizzler	2,784,187	-	-	2,784,187
84 NE Weidler St-B & K	876,128	-	-	876,128
910 NE MLK-Menashe	1,920,000	-	-	1,920,000
Total	5,580,315	-	-	5,580,315
Central Eastside tax Increment Financing Fund:				
ODOT Blocks	2,845,000	-	-	2,845,000
** WIP Clinton Triangle	-	-	-	-
Total	2,845,000	-	-	2,845,000
Lents Town Center Tax Increment Financing Fund:				
9330 SE Harold St-Boys and Girls Club	1,280,941	-	-	1,280,941
9231 SE Foster Rd-Arch Iron Wrks	630,000	-	-	630,000
9320 SE Ramona St-Tate	120,970	-	-	120,970
7104-7120, 7126-7130, 7238 SE Foster Rd-Metro	736,516	-	-	736,516
Total	2,768,428	-	-	2,768,428

Funding Source	Balance July 1, 2022	Additions	Sales/ Adjustment	Balance June 30, 2023
Gateway Regional Center Tax Increment Financing Fund:				
1111-1125 NE 99th-Oregon Clinic	887,894	-	-	887,894
10520 NE Halsey St	1,152,811	-	-	1,152,811
10506-10512 NE Halsey St	2,067,614	-	-	2,067,614
Total	4,108,319	-	-	4,108,319
Airport Way Tax Increment Financing Fund:				
Cascade Station Lease Rights	7,457,323	40,128	120,395	7,377,056
Total	7,457,323	40,128	120,395	7,377,056
Business Management Fund				
BLOCK 25-3RD/4TH & NW FLANDERS/GLISAN	965,788	-	-	965,788
US Postal Site-715 NW Hoyt St	-	-	-	-
Total	965,788	-	-	965,788
Total all HFS funds	104,840,797	40,128	120,395	104,760,530
Not Held For Sale Assets (Capital Assets):				
General Fund (Urban Redevelopment Fund):				
South Auditorium Park Block C	2	-	-	2
Total	2	-	-	2
9101 Foster LLC Fund:				
Lents Commons-9101 SE Foster RD	11,550,440	-	-	11,550,440
Lents Commons-9101 SE Foster RD	829,000	-	-	829,000
Total	12,379,440	-	-	12,379,440
Downtown Waterfront Tax Increment Financing Fund:				
Union Station Parcels-South of Union St	632,260	-	-	632,260
Total	632,260	-	-	632,260
North Macadam Tax Increment Financing Fund:				
1852 SW River Dr-River Place Garage	4,175,080	-	-	4,175,080
Total	4,175,080	-	-	4,175,080
River District Tax Increment Financing Fund:				
Union Station Parcels	6,864,652	-	-	6,864,652
511 NW Broadway-PNCA	5,800,000	-	-	5,800,000
800 NW 6th Ave Parking Site-Block Y	487,039	-	-	487,039
Station Place Garage	9,281,563	359	-	9,281,922
Fairfield Commercial	-	500,000	-	500,000
Total	22,433,254	500,359	-	22,933,613
Convention Center Tax Increment Financing Fund:				
Block 49 Parking Garage	19,237,530	-	-	19,237,530
1st/Multnomah /2nd/Holladay-Block 49	1,747,754	-	-	1,747,754
420 Holladay St-Inn @ Convention Center	3,900,000	-	-	3,900,000
Total	24,885,284	-	-	24,885,284
Central Eastside Tax Increment Financing Fund:				
240 NE MLK Blvd	157,556	-	-	157,556
Total	157,556	-	-	157,556

Funding Source	Balance July 1, 2022	Additions	Sales/ Adjustment	Balance June 30, 2023
Interstate Corridor Tax Increment Financing Fund:				
4500 N Albina-Albina Triangle	6,410	-	-	6,410
3620 NE MLK Blvd-Parking Lot	61,888	-	-	61,888
8411 N Denver Ave	1,575,093	-	-	1,575,093
2221 N Argyle St	1,430,825	-	-	1,430,825
Total	3,074,216	-	-	3,074,216
Gateway Regional Center Tax Increment Financing Fund:				
106 & Halsey	3,676,734	49,959	-	3,726,693
Total	3,676,734	49,959	-	3,726,693
Business Management Fund				
10th & Yamhill (Leasehold)	2,727,498	88,641	-	2,816,139
Total	2,727,498	88,641	-	2,816,139
Total all NHFS funds	74,141,324	638,959	-	74,780,283
Total all real property assets	178,982,118	679,087	120,395	179,540,810
Capital Assets:				
Add:				
Equipment	353,592	131,764	17,901	467,455
Intangible Software, net	567,151	110,370	72,180	605,341
Right to Use Assets, net	8,773,383	-	808,564	7,964,819
Accumulated depreciation-NHFS	(7,393,978)	(1,304,093)	(17,901)	(8,680,170)
		-	-	
Total Capital Assets	181,282,266	(382,872)	1,001,139	179,898,255



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Statistical Section





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Statistical Section

This part of Prosper 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 information says about the Commission’s overall financial health.

Contents	Page
Financial Trends	150
These schedules contain trend information to help the reader understand how the Commission’s financial performance and well-being have changed over time.	
Revenue Capacity	157
These schedules contain information to help the reader assess the Commission’s most significant local revenue source, tax increment debt proceeds (in lieu of tax increment revenue).	
Debt Capacity	159
These schedules present information to help the reader assess the affordability of the Commission’s current levels of understanding debt and its ability to issue additional debt in the future.	
Operating Information	172
These schedules contain service data to help the reader understand how the information in the Commission’s financial report relates to the services the Commission provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

Net Position By Component

Last Ten Fiscal Years

(Unaudited)

	2013-14 (As Restated) (1)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Governmental activities										
Net investment in capital assets	\$ 14,507,557	\$ 14,279,722	\$ 13,371,303	\$ 45,116,399	\$ 57,606,056	\$ 79,623,433	\$ 79,571,055	\$ 70,706,755	\$ 73,979,084	\$ 62,971,036
Restricted	297,804,184	315,138,288	378,814,692	350,670,021	391,726,468	382,668,262	371,515,177	393,433,243	392,680,006	412,624,131
Unrestricted	(3,165,527)	(1,068,467)	(3,749,511)	(11,754,702)	(21,435,159)	(22,199,821)	(23,510,361)	(25,916,918)	(35,238,079)	(25,420,189)
Total governmental activities net position	309,146,214	328,349,543	388,436,484	384,031,718	427,897,365	440,091,874	427,575,871	438,223,080	431,421,011	450,174,978
Business-type activities										
Net investment in capital assets	-	-	-	-	-	-	-	-	2,591,278	2,543,545
Restricted	-	-	-	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Unrestricted	7,289,181	7,263,709	12,450,539	9,226,591	12,821,294	12,678,603	12,412,175	13,769,028	13,902,001	13,353,570
Total business type activities net position	7,289,181	7,263,709	12,450,539	12,226,591	15,821,294	15,678,603	15,412,175	16,769,028	19,493,279	18,897,115
Total government										
Net investment in capital assets	14,507,557	14,279,722	13,371,303	45,116,399	57,606,056	79,623,433	79,571,055	70,706,755	76,570,362	65,514,581
Restricted	297,804,184	315,138,288	378,814,692	353,670,021	394,726,468	385,668,262	374,515,177	396,433,243	395,680,006	415,624,131
Unrestricted	4,123,654	6,195,242	8,701,028	(2,528,111)	(8,613,865)	(9,521,218)	(11,098,186)	(12,147,890)	(21,336,078)	(12,066,619)
Total government net position	\$ 316,435,395	\$ 335,613,252	\$ 400,887,023	\$ 396,258,309	\$ 443,718,659	\$ 455,770,477	\$ 442,988,046	\$ 454,992,108	\$ 450,914,290	\$ 469,072,093

⁽¹⁾ Implementation of GASB Statement No. 62 Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements

Changes In Net Position
Last Ten Fiscal Years
(Unaudited)

	2013-14 (as restated)(1)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Expenses										
Governmental activities:										
Community development	\$ 64,855,696	\$ 68,554,896	\$ 68,101,385	\$ 149,834,069	\$ 121,245,646	\$ 123,737,081	\$ 122,350,894	\$ 114,408,750	\$ 101,996,057	\$ 99,818,171
Business-type activities:										
Enterprise loans	79,814	365,839	63,104	47,240	329,863	154,113	232,562	285,252	104,252	612,992
Enterprise management	1,052,367	1,203,460	1,177,944	537,901	589,648	601,153	569,828	277,245	204,785	1,380,432
Total expenses	65,987,877	70,124,195	69,342,433	150,419,210	122,165,157	124,492,347	123,153,284	114,971,247	102,305,094	101,811,595
Program Revenues										
Governmental activities:										
Charges for services	8,735,896	5,957,476	23,012,140	10,738,238	7,969,592	8,717,863	7,517,968	6,836,028	9,137,560	19,618,068
Operating grants and contributions	7,641,493	9,146,999	16,566,699	8,308,635	9,854,692	9,611,334	11,215,872	26,207,856	16,459,377	24,692,644
Total governmental activities program revenues	16,377,389	15,104,475	39,578,839	19,046,873	17,824,284	18,329,197	18,733,840	33,043,884	25,596,937	44,310,712
Business-type activities:										
Charges for services										
Enterprise Loans	163,255	333,883	13,562	5,021	2,602	1,674	10,534	9,840	54,278	428,466
Enterprise management	6,836,340	1,093,796	5,114,402	59,633	48,000	63,028	201,545	1,521,810	69,410	307,797
Operating grants and contributions	-	-	871,000	-	-	-	-	-	-	-
Total business-type activities program revenues	6,999,595	1,427,679	5,998,964	64,654	50,602	64,702	212,079	1,531,650	123,688	736,263
Total revenues	23,376,984	16,532,154	45,577,803	19,111,527	17,874,886	18,393,899	18,945,919	34,575,534	25,720,625	45,046,975
Net (expense)/revenue:										
Governmental activities	(48,478,307)	(53,450,421)	(28,522,546)	(130,787,196)	(103,421,362)	(105,407,884)	(103,617,054)	(81,364,866)	(76,399,120)	(55,507,457)
Business-type activities	5,867,414	(141,620)	4,757,916	(520,487)	(868,909)	(690,564)	(590,311)	969,153	(185,349)	(1,257,161)
Total net expenses	(42,610,893)	(53,592,041)	(23,764,630)	(131,307,683)	(104,290,271)	(106,098,448)	(104,207,365)	(80,395,713)	(76,584,469)	(56,764,618)

	2013-14 (as restated)(1)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
General Revenues and Other Changes in Net Position										
Governmental activities:										
Tax-increment debt proceeds (in lieu of tax-increment revenue)	59,718,111	54,233,796	82,062,888	91,394,288	116,187,078	93,748,968	80,975,700	83,768,443	65,130,282	56,887,188
City of portland debt proceeds for operations	-	-	-	17,372,202	-	9,499,409	-	-	-	-
Unrestricted investment income	838,080	1,076,076	1,711,929	2,246,957	3,350,550	6,108,557	5,818,369	2,785,059	1,756,719	5,191,474
Miscellaneous	5,966,992	17,423,499	4,972,873	15,468,001	27,725,722	8,276,846	4,264,203	5,458,573	2,709,253	12,179,446
Special Item - Historic Monument Transfer 511 NW Broadway	5,800,000	-	-	-	-	-	-	-	-	-
Transfers	2,227,027	(79,621)	(138,203)	(99,018)	-	(31,387)	42,779	-	797	3,323
Total governmental activities	74,550,210	72,653,750	88,609,487	126,382,430	147,263,350	117,602,393	91,101,051	92,012,075	69,597,051	74,261,431
Business-type activities:										
Unrestricted investment income	27,889	36,527	102,954	152,615	138,711	266,853	228,660	109,009	74,799	157,540
Miscellaneous	-	-	187,757	44,906	4,324,901	249,633	138,002	278,691	2,835,598	506,780
Transfers	(2,227,027)	79,621	138,203	99,018	-	31,387	(42,779)	-	(797)	(3,323)
Total business-type activities	(2,199,138)	116,148	428,914	296,539	4,463,612	547,873	323,883	387,700	2,909,600	660,997
Total	72,351,072	72,769,898	89,038,401	126,678,969	151,726,962	118,150,266	91,424,934	92,399,775	72,506,651	74,922,428
Changes in Net Position										
Governmental activities	26,071,903	19,203,329	60,086,941	(4,404,766)	43,841,988	12,194,509	(12,516,003)	10,647,209	(6,802,069)	18,753,974
Business-type activities	3,668,276	(25,472)	5,186,830	(223,948)	3,594,703	(142,691)	(266,428)	1,356,853	2,724,251	(596,164)
Total	\$ 29,740,179	\$ 19,177,857	\$ 65,273,771	\$ (4,628,714)	\$ 47,436,691	\$ 12,051,818	\$ (12,782,431)	\$ 12,004,062	\$ (4,077,818)	\$ 18,157,810

⁽¹⁾ Implementation of GASB Statement No. 62 Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements

Fund Balances Of Governmental Funds

Last Ten Fiscal Years

(Unaudited)

	2013-14 (as restated) (1)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
General Fund										
Non-spendable	\$ 806,471	\$ 859,630	\$ 302,609	\$ 247,518	\$ 244,069	\$ 146,754	\$ 146,754	\$ 146,754	\$ 146,754	\$ 146,754
Assigned	1,936,241	902,616	1,472,560	1,321,306	1,250,675	1,371,885	1,225,520	1,336,513	1,604,288	1,553,870
Unassigned	(19,680)	535,759	-	-	-	-	-	-	-	-
Total general fund	\$ 2,723,032	\$ 2,298,005	\$ 1,775,169	\$ 1,568,824	\$ 1,494,744	\$ 1,518,639	\$ 1,372,274	\$ 1,483,267	\$ 1,751,042	\$ 1,700,624
All other governmental funds										
Restricted										
Special revenue funds	5,101,586	5,133,963	5,203,434	6,033,781	6,619,291	6,637,440	750,000	10,075,776	9,108,691	9,494,855
Capital projects funds	303,782,402	317,270,005	380,278,386	386,718,687	429,364,897	425,304,911	421,676,131	440,436,239	445,428,865	465,885,103
Unassigned										
Special revenue funds	-	-	-	(6,150,877)	(15,279,155)	(15,035,998)	(14,737,270)	(14,807,811)	(15,334,152)	(15,394,215)
Total all other governmental funds	\$ 308,883,988	\$ 322,403,968	\$ 385,481,820	\$ 386,601,591	\$ 420,705,033	\$ 416,906,353	\$ 407,688,861	\$ 435,704,204	\$ 439,203,404	\$ 459,985,743

⁽¹⁾ Implementation of GASB Statement No. 62 Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 2019 FASB and AICPA Pronouncements.

Changes In Fund Balances Of Governmental Funds

Last Ten Fiscal Years

(Unaudited)

	2013-14 (as restated)(1)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Revenues										
Intergovernmental revenues	\$ 7,641,493	\$ 9,146,999	\$ 9,687,944	\$ 8,308,635	\$ 9,854,692	\$ 9,611,334	\$ 11,215,872	\$ 26,207,857	\$ 16,459,376	\$ 24,692,644
Charges for services	8,735,896	5,957,476	23,012,140	10,738,238	7,969,592	8,717,863	7,517,968	6,836,028	8,371,785	17,615,696
Loan collections	1,241,522	5,169,226	2,550,478	3,448,954	1,225,070	1,005,275	1,096,495	2,641,253	879,171	811,168
Interest on investments	836,822	1,074,653	1,710,068	2,267,507	3,348,717	6,105,655	5,815,586	2,783,715	1,755,897	5,189,118
City of Portland debt issued operations			6,878,755	17,372,202		9,499,409				
Miscellaneous	10,173,615	9,795,579	2,405,154	11,956,501	26,063,337	7,336,125	3,194,090	2,821,246	2,709,252	12,665,453
Tax-increment debt proceeds (in lieu of tax-increment revenue)	59,718,111	54,233,796	82,062,888	91,394,288	116,187,078	93,748,968	80,975,700	75,037,003	65,130,284	56,887,188
Total revenues	88,347,459	85,377,729	128,307,427	145,486,325	164,648,486	136,024,629	109,815,711	116,327,102	95,305,765	117,861,267
Expenditures										
Community development	32,577,253	41,931,774	39,872,743	73,538,917	63,600,619	75,764,645	71,229,908	55,524,357	58,365,137	49,298,670
Capital expenditures for urban renewal	15,100,936	8,110,216	14,865,593	32,665,931	13,870,705	9,805,703	10,557,905	10,844,331	12,827,327	15,451,571
Financial assistance	22,467,023	21,920,157	10,469,685	31,513,955	39,857,414	31,078,637	32,424,555	29,740,718	19,102,519	30,242,296
Debt service -	-	-	-	-	-	14,257	15,461	14,886	14,336	77,728
Capital Outlay	373,615	241,008	406,187	6,755,078	13,290,386	23,104,785	4,994,518	807,914	1,230,268	3,763,028
Total expenditures	70,518,827	72,203,155	65,614,208	144,473,881	130,619,124	139,768,027	119,222,347	96,932,206	91,539,587	98,833,293
Excess of revenues over (under) expenditures	17,828,632	13,174,574	62,693,219	1,012,444	34,029,362	(3,743,398)	(9,406,636)	19,394,896	3,766,178	19,027,974
Other financing sources (uses)										
Internal service reimbursements	-	-	-	-	-	-	-	-	-	-
Transfers in	2,783,306	306,267	-	-	-	-	122,070	65,000	27,101	14,801
Transfers out	(556,279)	(385,888)	(138,203)	(99,018)	-	(31,387)	(79,291)	(65,000)	(26,304)	(11,478)
Total other financing sources (uses)	2,227,027	(79,621)	(138,203)	(99,018)	-	(31,387)	42,779	-	797	3,323
Net change in fund balances	\$ 20,055,659	\$ 13,094,953	\$ 62,555,016	\$ 913,426	\$ 34,029,362	\$ (3,774,785)	\$ (9,363,857)	\$ 19,394,896	\$ 3,766,975	\$ 19,031,297
Debt service as a percentage of noncapital expenditures	0.000%	0.000%	0.000%	0.000%	0.000%	0.011%	0.014%	0.017%	0.018%	0.093%

(1) Implementation of GASB Statement No. 62 Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements

General Government Revenues
For The Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Inter-Governmental Revenues	Charges for Services	Loan Collections ⁽¹⁾	Investment Income	Miscellaneous	Notes Payable Draws	Tax-increment Debt Proceeds (in lieu of tax-increment revenue)	Total
2013-14	7,641,493	9,774,616	5,670,941	865,970	14,462,252		59,718,111	98,133,383
2014-15	9,146,999	7,047,902	23,289,142	1,112,599	6,085,646		53,877,036	100,559,324
2015-16	10,558,944	28,103,854 ⁽³⁾	14,989,913	1,774,970	12,019,278 ⁽²⁾		82,062,888	149,509,842
2016-17	8,308,635	10,760,230	23,822,421	2,862,402	43,643,995 ⁽⁴⁾		91,394,288	180,791,967
2017-18	9,854,692	7,841,526	8,347,629	3,476,552	26,518,135		116,187,078	172,225,612
2018-19	9,611,334	8,030,495	4,371,725	6,357,578	17,342,620		93,748,968	139,462,720
2019-20	11,215,872	6,972,572	2,914,261	6,047,029	3,158,456		80,975,700	111,283,890
2020-21	26,207,857	7,624,333	3,680,814	2,894,067	2,109,084	4,000,000	83,768,443	130,284,598
2021-22	16,459,376	8,371,785	879,171	1,755,897	2,709,252	-	65,130,284	95,305,765
2022-23	24,692,644	17,615,696	811,168	5,189,118	12,665,453	-	56,887,188	117,861,267

Source: Prosper Portland records on a budgetary basis for all funds.

⁽¹⁾Interest earned on loans is included in Loan Collections

General Government Expenditures
For The Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Personal Services	Materials and Services	Capital Outlay ⁽¹⁾	Financial Assistance	Debt Service	Internal Service Reimbursement	Total
2013-14	13,590,294	20,065,873	8,291,982	22,700,709		-	64,648,858
2014-15	11,918,561	31,409,309	8,147,325	23,422,050		-	74,897,245
2015-16	12,556,208	28,486,217	20,142,771 ⁽¹⁾	24,370,157		-	85,555,350
2016-17	11,773,156	61,624,590	93,273,152 ⁽²⁾	58,664,156		-	225,335,050
2017-18	12,372,624	51,266,545	13,227,943	37,282,161		-	114,149,273
2018-19	12,882,306	62,936,443	32,607,784	31,634,303		-	140,060,836
2019-20	14,209,484	57,141,260	19,019,788	24,571,053		-	114,941,585
2020-21	14,075,437	39,013,758	13,559,079	30,039,427		12,968,480	109,656,181
2021-22	15,328,437	42,860,392	4,935,513	19,291,116		14,976,010	97,391,468
2022-23	16,615,318	32,189,294	19,734,440	23,851,497	4,061,276	14,915,400	111,367,225

Source: Prosper Portland records on a budgetary basis for all funds.

⁽¹⁾ Increase due principally to increased work in the River District Urban Renewal area largely around the upcoming acquisition of the US Post Office property and Centennial Mills demolition.

⁽²⁾ Post office purchase

Urban Renewal Area Consolidated Tax Rates
For The Last Ten Fiscal Years
(Unaudited)

Districts Common to All Areas									
Fiscal Year	Multnomah County	Multnomah Library District ⁽⁹⁾	City of Portland	Port of Portland	Metro Service District	Multnomah County ESD	Subtotal	City of Portland Urban Renewal ⁽¹⁾	Portland Public School District #1 ⁽²⁾
2013-14	4.5113	1.2400	8.2560	0.0701	0.0966	0.4576	14.4637	0.2759	8.3571
2014-15	4.4912	1.1800	8.1557	0.0701	0.4585	0.4576	14.8131	0.2642	8.3535
2015-16	4.4872	1.1800	8.0153	0.0701	0.3883	0.4576	14.5985	0.2527	8.3632
2015-16	4.3934	1.1800	7.9705	0.0701	0.3970	0.4576	14.4686	0.2405	8.3304
2017-18	4.3434	1.2400	4.5770	0.0701	0.0966	0.4576	10.7847	0.2283	5.2781
2018-19	4.3434	1.2400	4.5770	0.0701	0.0966	0.4576	10.7847	0.2203	5.2781
2019-20	4.3434	1.2100	7.2444	0.0701	0.0966	0.4576	13.4221	0.2203	4.7743
2020-21	4.3434	1.2200	7.3350	0.0701	0.0966	0.4576	13.5227	0.2203	4.7743
2021-22	4.3434	1.2200	7.3350	0.0701	0.0966	0.4576	13.5227	0.2203	4.7743
2022-23	4.3434	1.2200	7.3051	0.0701	0.0966	0.4576	13.4928	0.1887	4.7743

Tax rates are expressed in terms of dollars and cents per \$1,000 of assessed value. Multnomah County collects all property taxes and distributes the taxes collected to each taxing district at least monthly. No charges are made to the taxing districts for these services. The sequestered tax increment revenue property taxes are recorded in the debt service funds of the City of Portland and are disclosed in the City's annual financial report.

⁽¹⁾ Special levy applied only to Option 3 urban renewal areas: Oregon Convention Center, South Park Blocks, Downtown Waterfront, and Airport Way.

⁽²⁾ Applies to all areas except Gateway Regional Center Urban Renewal Area with the exception of a small number of properties.

⁽¹⁾ Special levy applied only to Option 3 urban renewal areas: Oregon Convention Center, South Park Blocks, Downtown Waterfront, and Airport Way.

⁽²⁾ Applies to all areas except Gateway Regional Center Urban Renewal Area with the exception of a small number of properties.

⁽³⁾ Applies to Gateway Regional Center and Airport Way urban renewal areas

⁽⁴⁾ Applies only to the Airport Way Urban Renewal Area.

⁽⁵⁾ Applies to the following urban renewal areas: Lents Town Center, Gateway Regional Center, Interstate Corridor, Willamette Industrial, Airport Way, Oregon Convention Center, and Central Eastside

⁽⁶⁾ Applies to the following urban renewal areas: River District, North Macadam, South Park Blocks, and Downtown Waterfront.

⁽⁷⁾ Applies to the Lents Town Center, Gateway Regional Center, and Airport Way urban renewal areas.

⁽⁸⁾ Applies to Lents Town Center, and Gateway Regional Center urban renewal areas.

⁽⁹⁾ District established by voters in November 2013 general election Multnomah County Tax Supervising and Conservation Commission Annual Reports.

Source: Multnomah County Tax Supervising and Conservation Commission Annual Reports.

Parkrose School District #3 ⁽³⁾	Reynolds School District #7 ⁽⁴⁾	David Douglas School District #40 ⁽⁸⁾	East Multnomah County Soil & Water Conservation District ⁽⁵⁾	West Multnomah County Soil & Water Conservation District ⁽⁶⁾	Portland Community College ⁽²⁾	Mt. Hood Community College ⁽⁷⁾
6.0605	6.0188	6.3267	0.1000	0.0750	0.7342	0.4917
5.8804	5.8140	6.4139	0.1000	0.0750	0.7222	0.4917
5.9151	5.9701	6.4058	0.1000	0.0750	0.5855	0.4917
5.8333	6.0517	6.4207	0.1000	0.0750	0.6785	0.4917
4.8906	4.4626	4.6394	0.1000	0.0750	0.2828	0.4917
4.8906	4.4626	4.6394	0.1000	0.0750	0.2828	0.4917
4.8906	4.4626	4.6394	0.1000	0.0750	0.2828	0.4917
4.8906	4.4626	4.6394	0.1000	0.0750	0.2828	0.4917
4.8906	4.4626	4.6394	0.1000	0.0750	0.2828	0.4917
4.8906	-	4.6394	0.1000	0.0750	0.2828	0.1917

Tax Increment Financing And Redevelopment Bonds
Future Bond Principal Requirements
As of June 30, 2023
(Unaudited)

Fiscal Year	Downtown Waterfront Tax Increment Financing Bonds	Gateway Tax Increment Financing Bonds	Convention Center Tax Increment Financing Bonds	South Park Blocks Tax Increment Financing Bonds	Lents Town Center Tax Increment Financing Bonds	Central Eastside Tax Increment Financing Bonds	North Macadam Tax Increment Financing Bonds
	2008 Series A	2022 Series A	2012 Series A	2019 Series A	2020 Series A & B	2011 Series A & B	2020 Series A & B
2023-24	-	1,635,000	-	-	2,632,571	-	3,830,320
2024-25	-	1,685,000	-	-	2,681,536	280,000	3,904,580
2025-26	-	1,750,000	-	-	2,731,413	-	3,979,386
2026-27	-	1,815,000	-	-	2,782,217	-	4,049,399
2027-28	-	1,885,000	-	-	-	-	4,129,527
2028-29	-	1,960,000	-	-	-	-	4,203,563
2029-30	-	2,040,000	-	-	-	-	4,282,590
2030-31	-	2,125,000	-	-	-	-	-
2031-32	-	2,215,000	-	-	-	-	-
2032-33	-	2,305,000	-	-	-	-	-
2033-34	-	2,410,000	-	-	-	-	-
2034-35	-	2,515,000	-	-	-	-	-
2035-36	-	2,630,000	-	-	-	-	-
2036-37	-	2,770,000	-	-	-	-	-
2037-38	-	2,910,000	-	-	-	-	-
2038-39	-	3,060,000	-	-	-	-	-
2039-40	-	3,220,000	-	-	-	-	-
2040-41	-	3,385,000	-	-	-	-	-
2041-42	-	3,560,000	-	-	-	-	-
Total	\$ -	\$ 45,875,000	\$ -	\$ -	\$ 10,827,737	\$ 280,000	\$ 28,379,365

Source: Amortization schedule for each bond.

Note 1: Bonds are debt of the City of Portland and are disclosed in the City's Annual Comprehensive Financial Report. This information is included in this report to assist the reader in determining future financing capacity.

Tax Increment Financing And Redevelopment Bonds
Future Bond Interest Requirements
As of June 30, 2023
(Unaudited)

Fiscal Year	Downtown Waterfront Urban Renewal Bonds	Gateway Tax Increment Financing Bonds	Convention Center Urban Renewal Bonds	South Park Blocks Urban Renewal Bonds	Lents Town Center Urban Renewal Bonds	Central Eastside Urban Renewal Bonds	North Macadam Urban Renewal Bonds
	2008 Series A	2022 Series A	2012 Series A	2019 Series A	2020 Series A & B	2011 Series A & B	2020 Series A & B
2023-24	-	2,107,152	-	-	201,396	13,300	533,532
2024-25	-	2,054,292	-	-	152,430	13,300	461,522
2025-26	-	1,992,773	-	-	102,554	-	388,116
2026-27	-	1,926,518	-	-	51,749	-	313,303
2027-28	-	1,855,987	-	-	-	-	237,175
2028-29	-	1,781,190	-	-	-	-	159,540
2029-30	-	1,701,458	-	-	-	-	80,513
2030-31	-	1,617,042	-	-	-	-	-
2031-32	-	1,528,047	-	-	-	-	-
2032-33	-	1,434,176	-	-	-	-	-
2033-34	-	1,333,032	-	-	-	-	-
2034-35	-	1,224,871	-	-	-	-	-
2035-36	-	1,109,483	-	-	-	-	-
2036-37	-	973,986	-	-	-	-	-
2037-38	-	831,275	-	-	-	-	-
2038-39	-	681,352	-	-	-	-	-
2039-40	-	523,701	-	-	-	-	-
2040-41	-	357,806	-	-	-	-	-
2041-42	-	183,411	-	-	-	-	-
Total	\$ -	25,217,552 \$	- \$	- \$	508,129 \$	26,600 \$	2,173,701

Source: Amortization schedule for each bond.

Note 1: Bonds are debt of the City of Portland and are disclosed in the City's Annual Comprehensive Financial Report. This information is included in this report to assist the reader in determining future financing capacity.

Urban Renewal Indebtedness Summary

As of June 30, 2023

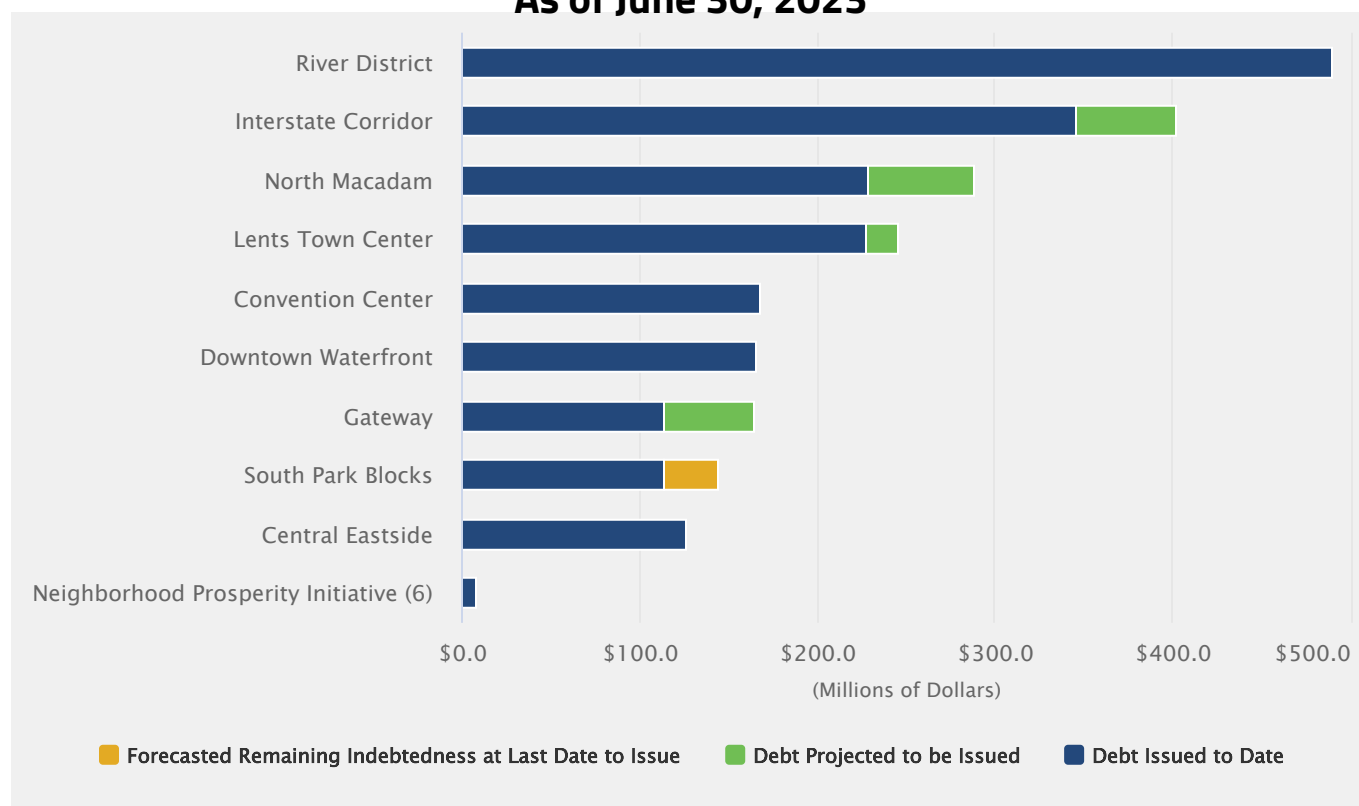
In Millions

(Unaudited)

TIF District	Maximum Indebtedness	Indebtedness Issued as of 06/30/23	Indebtedness Remaining as of June 30, 2023	Projected Indebtedness to Be Issued	Projected Indebtedness Not Issued	Last Date to Issue Long Term Debt
Downtown Waterfront	\$ 165.0	\$ 165.0	\$ -	\$ -	-	2008
South Park Blocks	\$ 143.6	\$ 113.5	\$ 30.1	\$ -	30.1	2008
Convention Center	\$ 167.5	\$ 167.5	\$ -	\$ -	-	2013
Lents Town Center	\$ 245.0	\$ 227.8	\$ 17.2	\$ 17.2	-	2024
River District	\$ 489.5	\$ 489.5	\$ -	\$ -	-	2021
Gateway	\$ 164.2	\$ 113.8	\$ 50.4	\$ 50.4	-	2022
Central Eastside	\$ 126.0	\$ 126.0	\$ -	\$ -	-	2023
North Macadam	\$ 288.6	\$ 228.4	\$ 60.2	\$ 60.2	-	2025
Interstate Corridor	\$ 402.0	\$ 346.2	\$ 55.8	\$ 55.8	-	N/A
Neighborhood Prosperity Initiative ⁽⁶⁾	\$ 7.5	\$ 7.5	\$ -	\$ -	-	N/A

Urban Renewal Indebtedness Summary

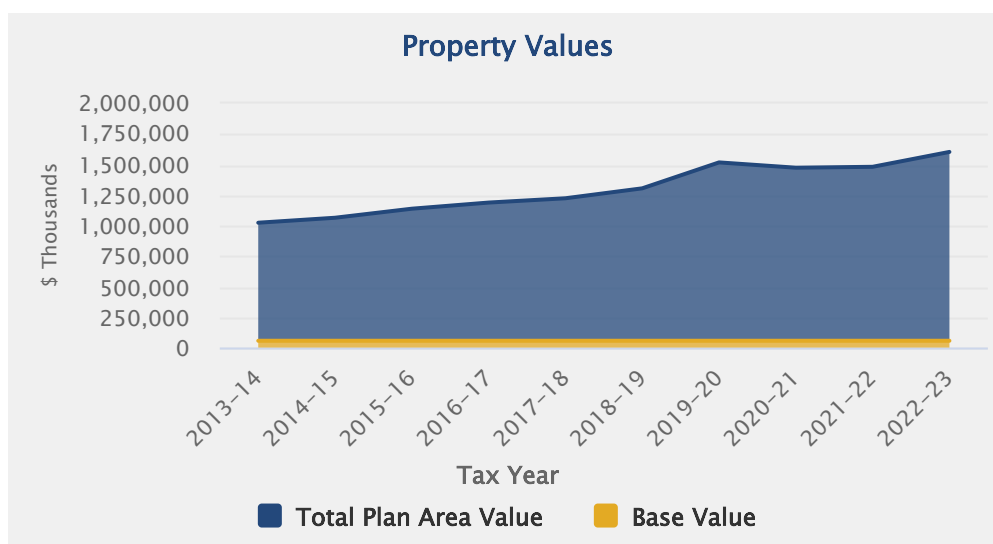
As of June 30, 2023



Neighborhood Prosperity Initiative Urban Renewal Fund
Property Values, Tax Increment
for the Last Ten Fiscal Years or Since Inception
(Unaudited)

	42nd Ave NPI District	82nd Ave NPI District	Cully Blvd NPI District	Division-Midway NPI District	Parkrose NPI District	Rosewood NPI District
Frozen Base						
2014-15	\$ 83,203,598	\$ 83,686,505	\$ 83,187,490	\$ 82,343,462	\$ 85,053,706	\$ 81,232,730
2015-16	83,203,598	83,686,505	83,187,490	82,343,462	85,053,706	81,232,730
2016-17	83,203,598	83,686,505	83,187,490	82,343,462	85,053,706	81,232,730
2017-18	83,203,598	83,686,505	83,187,490	82,343,462	85,053,706	81,232,730
2018-19	83,203,598	83,686,505	83,187,490	82,343,462	85,053,706	81,232,730
2019-20	83,203,598	83,686,505	83,187,490	82,343,462	85,053,706	81,232,730
2020-21	83,203,598	83,686,505	83,187,490	82,343,462	85,053,706	81,232,730
2021-22	83,203,598	83,686,505	83,187,490	82,343,462	85,053,706	81,232,730
2022-23	83,203,598	83,686,505	83,187,490	82,343,462	85,053,706	81,232,730
Excess Value Used						
2014-15	\$ 7,768,582	\$ 4,352,305	\$ 8,907,120	\$ 8,166,278	\$ 3,050,294	\$ 5,974,000
2015-16	2,152,071	3,758,446	2,942,349	878,088	2,776,723	2,193,052
2016-17	6,779,639	5,959,886	6,796,865	6,292,173	5,889,740	8,493,867
2017-18	6,815,643	8,579,009	6,815,746	6,344,007	10,843,402	6,517,263
2018-19	6,648,527	6,634,256	6,648,527	6,257,562	6,502,567	6,350,756
2019-20	6,680,697	6,680,697	6,680,697	6,276,587	6,566,574	6,373,833
2020-21	6,731,463	6,731,458	3,206,571	6,612,860	6,615,605	6,633,967
2021-22	-	6,654,000	-	-	-	5,350,000
2022-23	-	3,400,000	-	-	-	5,350,000
Excess Value Not Used						
2014-15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015-16	8,863,101	2,798,799	9,350,151	9,161,980	4,081,721	7,303,428
2016-17	8,402,453	3,443,809	9,013,315	6,233,265	6,557,924	3,174,913
2017-18	-	-	-	-	-	-
2018-19	17,552,225	9,449,093	18,270,263	13,138,076	15,856,787	13,317,184
2019-20	22,777,365	11,721,718	22,880,823	19,128,431	19,428,680	16,758,097
2020-21	27,993,649	14,224,567	31,029,979	21,890,338	24,430,019	16,273,703
2021-22	39,729,142	23,767,065	37,592,590	31,616,858	31,600,664	21,265,890
2022-23	45,527,292	30,584,405	42,422,660	35,081,868	35,625,724	29,401,630
Total Plan Area Value						
2014-15	\$ 90,972,180	\$ 88,038,810	\$ 92,094,610	\$ 90,509,740	\$ 88,104,000	\$ 87,206,730
2015-16	94,218,770	90,243,750	95,479,990	92,383,530	91,912,150	90,729,210
2016-17	98,385,690	93,090,200	98,997,670	94,868,900	97,501,370	92,901,510
2017-18	90,019,241	92,265,514	90,003,236	88,687,469	95,897,108	87,749,993
2018-19	107,404,350	99,769,854	108,106,280	101,739,100	91,556,273	100,900,670
2019-20	112,661,660	102,088,920	112,749,010	107,748,480	111,048,960	104,364,660
2020-21	117,928,710	104,642,530	117,424,040	110,846,660	116,099,330	104,140,400
2021-22	122,932,740	114,107,570	120,780,080	113,960,320	116,654,370	107,848,620
2022-23	128,730,890	117,670,910	125,610,150	117,425,330	120,679,530	110,634,360
Taxes Imposed						
2014-15	\$ 109,627	\$ 59,635	\$ 134,183	\$ 129,370	\$ 39,831	\$ 89,720
2015-16	20,601	42,059	37,359	4,316	40,970	22,157
2016-17	94,997	90,043	94,997	103,144	92,970	136,102
2017-18	94,733	123,921	94,733	105,793	169,978	104,213
2018-19	98,168	98,168	98,168	108,411	101,644	105,838
2019-20	99,731	104,441	102,551	102,551	104,682	102,135
2020-21	99,731	99,731	32,885	102,249	100,857	101,168
2021-22	-	89,599	-	-	-	83,412
2022-23	-	-	-	-	-	-
Measure 5 Loss						
2014-15	\$ 8,359	\$ 4,531	\$ 10,216	\$ 12,959	\$ 4,175	\$ 9,675
2015-16	1,105	2,361	2,110	318	3,188	1,754
2016-17	4,488	4,271	4,488	4,728	6,353	7,017
2017-18	4,640	6,058	4,640	4,523	11,696	4,767
2018-19	4,525	4,525	4,525	4,324	6,799	4,447
2019-20	5,154	4,887	4,887	4,248	7,374	4,287
2020-21	5,154	5,154	1,668	4,715	4,621	4,700
2021-22	-	4,404	-	-	-	3,636
2022-23	-	-	-	-	-	-

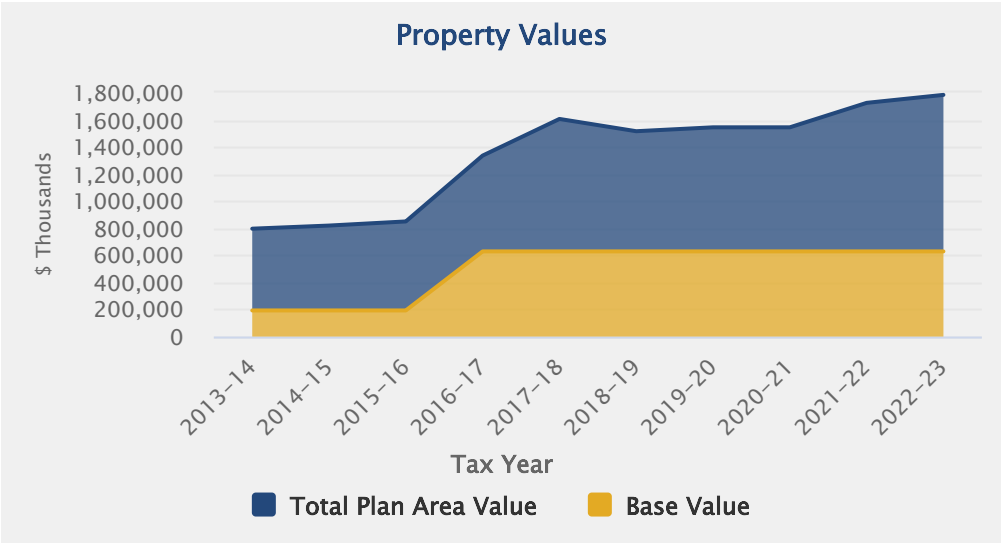
**Downtown Waterfront Tax Increment Financing Fund
Property Values and Tax Increment
For the Last Ten Fiscal Years or Since Inception
(Unaudited)**



Tax Year	Tax Rate ⁽¹⁾	Base Value	Increased Value	Tax Revenue for Urban Renewal Debt ⁽¹⁾
2013-14	23.63	55,674,313	967,422,027	6,647,962
2014-15	23.02	55,674,313	1,008,259,957	6,910,084
2015-16	20.75	55,674,313	1,082,330,397	7,247,591
2016-17	20.67	55,674,313	1,132,664,663	7,324,037
2017-18	22.09	55,674,313	1,167,916,519	7,306,489
2018-19	22.35	55,674,313	1,249,335,927	7,304,693
2019-20	22.39	55,674,313	1,461,853,577	7,301,505
2020-21	22.59	55,674,313	1,418,447,480	7,270,477
2021-22	23.27	55,674,313	1,425,849,247	7,284,916
2022-23	22.95	55,674,313	1,547,762,647	7,322,550

Source: Multnomah County Division of Assessment and Taxation

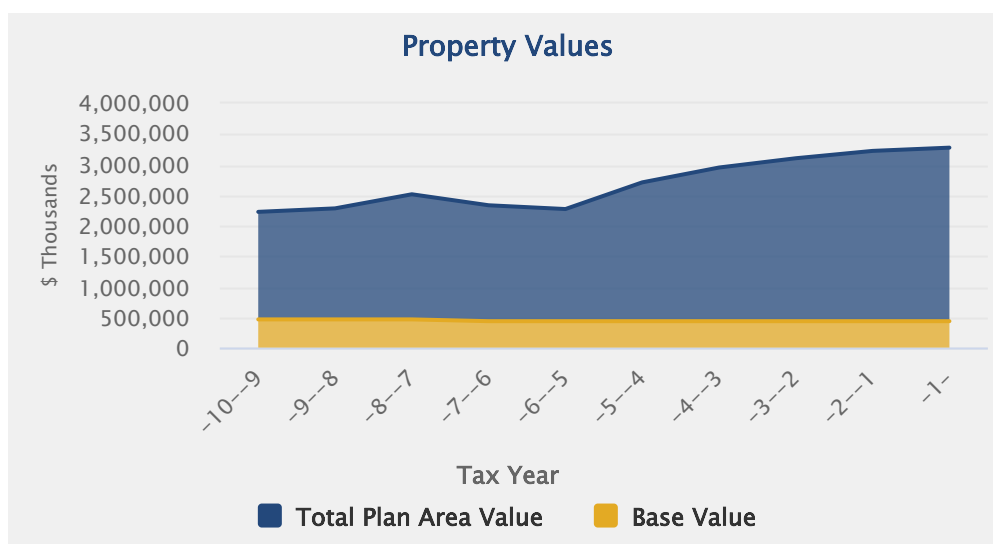
North Macadam Tax Increment Financing Fund
Property Values and Tax Increment
For the Last Ten Fiscal Years or Since Inception
(Unaudited)



Tax Year	Tax Rate ⁽¹⁾	Base Value	Increased Value	Urban Renewal Debt ⁽¹⁾
2013-14	23.74	192,609,397	603,130,306	12,445,073
2014-15	23.10	192,609,397	626,124,703	13,063,427
2015-16	20.80	192,609,397	656,547,113	12,916,053
2016-17	20.70	628,094,444	706,794,276	13,972,086
2017-18	22.18	628,094,444	977,148,976	20,665,475
2018-19	22.44	628,094,444	886,608,116	19,025,778
2019-20	22.48	628,094,444	915,380,706	19,646,889
2020-21	19.76	628,094,444	915,380,706	19,646,889
2021-22	23.37	628,094,444	1,095,791,326	24,420,823
2022-23	23.04	628,094,444	1,154,713,806	25,495,768

Source: Multnomah County Division of Assessment and Taxation

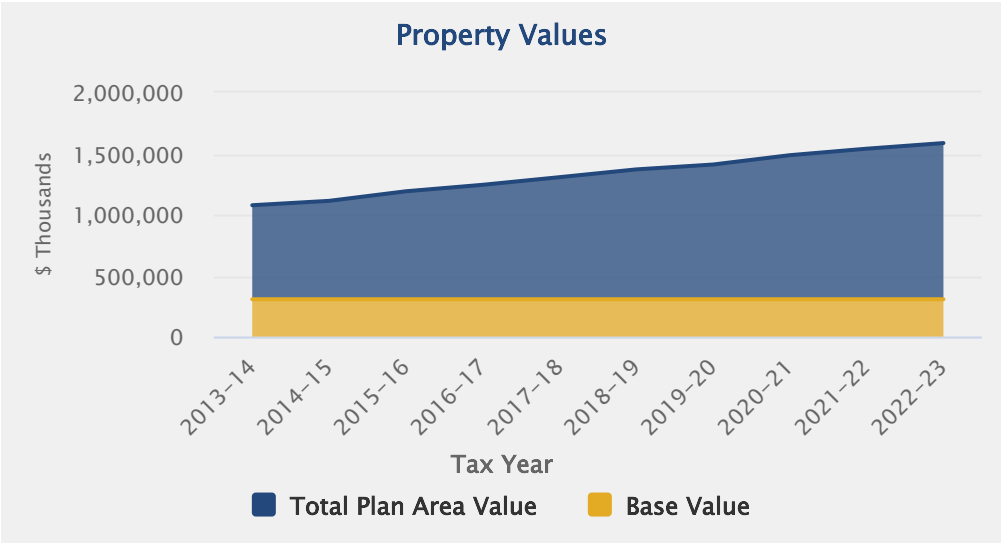
**River District Tax Increment Financing Fund
Property Values and Tax Increment
For the Last Ten Fiscal Years or Since Inception
(Unaudited)**



Tax Year	Tax Rate ⁽¹⁾	Base Value	Increased Value	Tax Revenue for Urban Renewal Debt ⁽¹⁾
-10--9	23.79	461,577,974	1,762,885,437	32,611,642
-9--8	23.16	461,577,974	1,819,898,297	29,808,542
-8--7	20.84	461,577,974	2,051,122,151	30,600,151
-7--6	20.75	432,292,135	1,900,139,920	37,649,099
-6--5	22.20	432,292,135	1,838,197,433	38,901,101
-5--4	22.48	432,292,135	2,275,669,645	47,209,037
-4--3	22.50	432,292,135	2,518,882,445	46,643,845
-3--2	22.70	432,292,135	2,671,013,485	46,821,169
-2--1	22.21	432,292,135	2,791,533,845	10,218,290
-1-	-	432,292,135	2,844,650,565	-

Source: Multnomah County Division of Assessment and Taxation

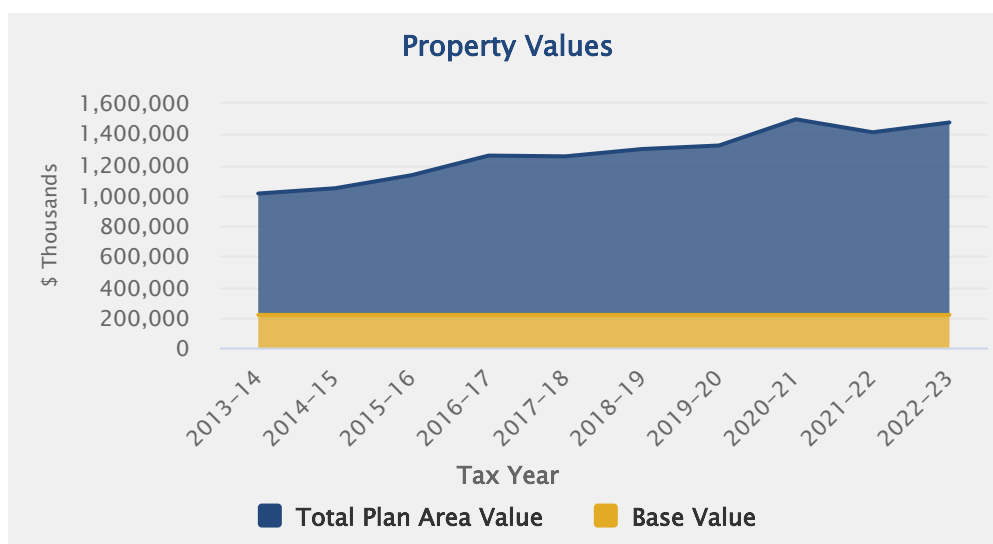
South Park Blocks Tax Increment Financing Fund
Property Values and Tax Increment
For the Last Ten Fiscal Years or Since Inception
(Unaudited)



Tax Year	Tax Rate ⁽¹⁾	Base Value	Increased Value	Tax Revenue for Urban
				Renewal Debt ⁽¹⁾
2013-14	23.62	305,692,884	770,670,660	4,876,124
2014-15	23.02	305,692,884	806,476,673	5,072,572
2015-16	20.73	305,692,884	884,961,826	5,314,364
2016-17	20.61	305,692,884	938,026,116	5,362,116
2017-18	31.20	305,692,884	1,000,595,563	5,341,073
2018-19	22.26	305,692,884	1,064,257,686	5,341,986
2019-20	22.32	305,692,884	1,104,310,256	5,343,828
2020-21	22.53	305,692,884	1,180,877,096	5,324,054
2021-22	23.20	305,692,884	1,234,014,586	5,332,177
2022-23	22.84	305,692,884	1,280,188,216	5,351,874

Source: Multnomah County Division of Assessment and Taxation

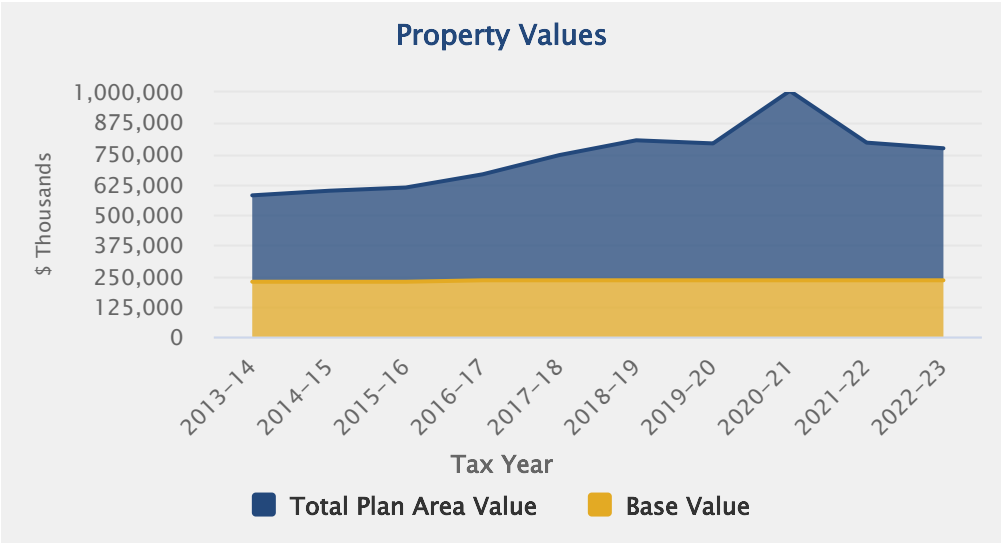
**Convention Center Tax Increment Financing Fund
Property Values and Tax Increment
For the Last Ten Fiscal Years or Since Inception
(Unaudited)**



Tax Year	Tax Rate ⁽¹⁾	Base Value	Increased Value	Tax Revenue for Urban Renewal Debt ⁽¹⁾
2013-14	23.67	214,100,689	796,003,675	4,952,060
2014-15	23.03	214,100,689	830,451,071	5,139,852
2015-16	20.70	214,100,689	916,482,391	5,375,306
2016-17	20.66	214,100,689	1,044,786,006	5,443,597
2017-18	22.05	214,100,689	1,039,709,754	5,424,623
2018-19	22.29	214,100,689	1,087,718,161	5,424,680
2019-20	22.36	214,100,689	1,110,928,481	5,423,332
2020-21	22.54	214,100,689	1,282,685,541	5,394,275
2021-22	23.27	214,100,689	1,197,637,491	5,419,133
2022-23	22.87	214,100,689	1,261,888,031	5,427,586

Source: Multnomah County Division of Assessment and Taxation

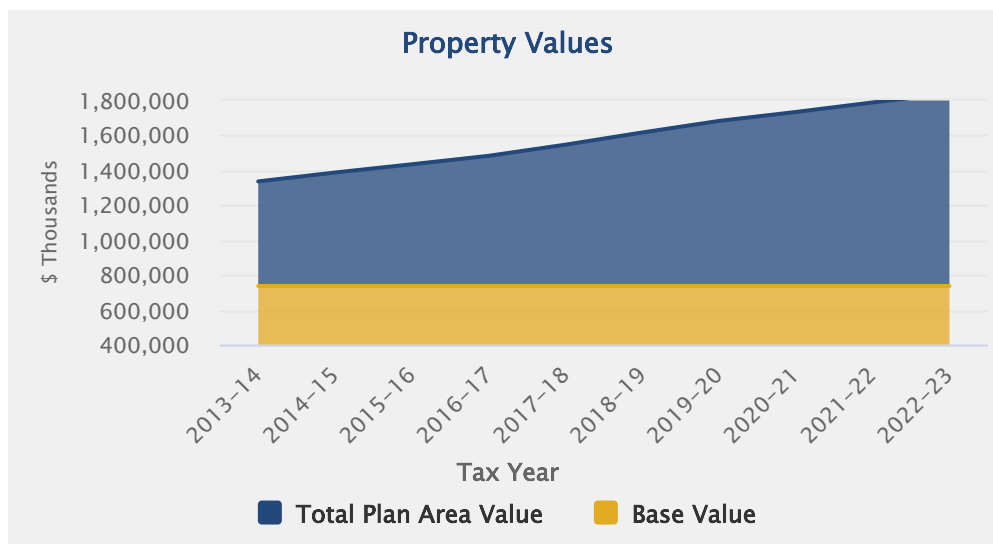
Central Eastside Tax Increment Financing Fund
Property Values and Tax Increment
For the Last Ten Fiscal Years or Since Inception
(Unaudited)



Tax Year	Tax Rate ⁽¹⁾	Base Value	Increased Value	Tax Revenue for Urban Renewal Debt ⁽¹⁾
2013-14	19.16	224,626,739	354,036,136	6,157,007
2014-15	18.94	224,626,739	372,895,947	6,560,153
2015-16	18.46	224,626,739	386,173,918	6,744,094
2016-17	18.38	230,541,190	434,403,878	7,622,430
2017-18	18.53	230,541,190	513,235,852	9,064,105
2018-19	18.56	230,541,190	573,756,063	10,178,307
2019-20	18.50	230,541,190	561,016,722	9,907,248
2020-21	18.62	230,541,190	776,257,230	9,986,171
2021-22	18.85	230,541,190	564,194,053	10,136,524
2022-23	18.54	230,541,190	541,034,423	9,610,212

Source: Multnomah County Division of Assessment and Taxation

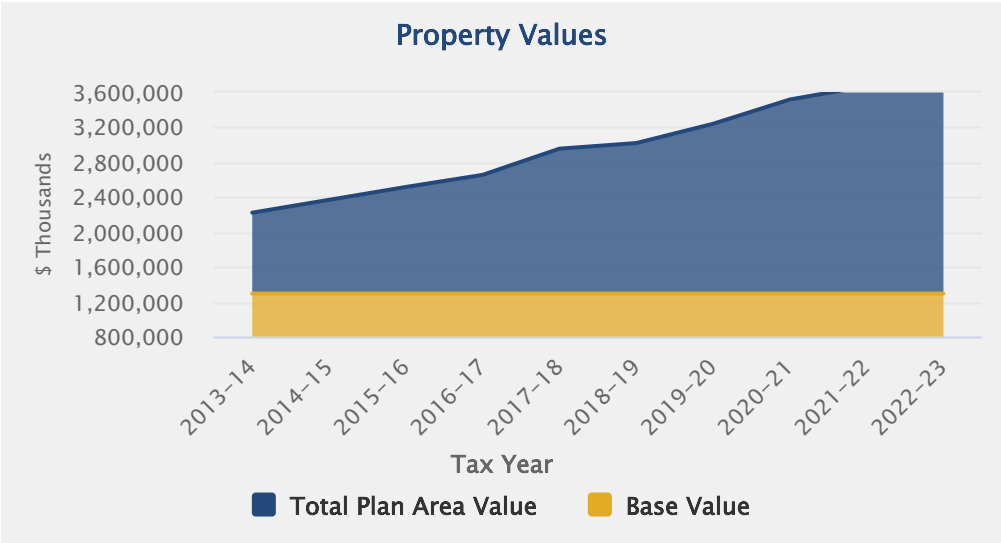
**Lents Town Center Tax Increment Financing Fund
Property Values and Tax Increment
For the Last Ten Fiscal Years or Since Inception
(Unaudited)**



Tax Year	Tax Rate ⁽¹⁾	Base Value	Increased Value	Tax Revenue for Urban Renewal Debt ⁽¹⁾
2013-14	23.03	736,224,033	599,867,032	12,003,585
2014-15	22.46	736,224,033	650,846,315	13,229,753
2015-16	20.81	736,224,033	698,111,797	13,700,744
2016-17	20.69	736,224,033	746,610,587	14,751,575
2017-18	21.66	736,224,033	810,553,020	16,762,546
2018-19	21.94	736,224,033	880,519,647	18,495,581
2019-20	22.01	736,224,033	946,816,977	19,897,906
2020-21	22.13	736,224,033	998,233,677	21,038,716
2021-22	22.85	736,224,033	1,052,928,597	22,961,608
2022-23	22.53	736,224,033	1,103,739,857	23,848,091

Source: Multnomah County Division of Assessment and Taxation

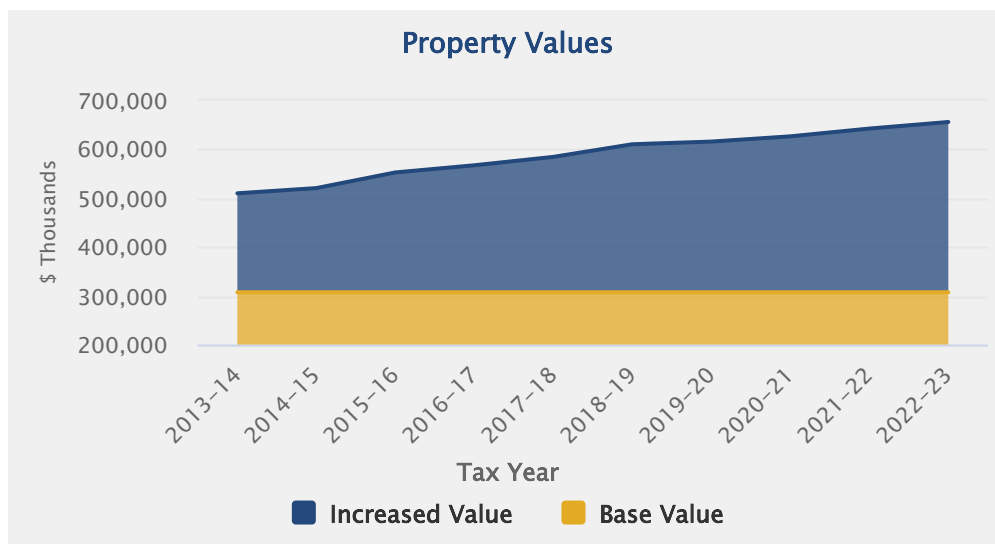
Interstate Corridor Tax Increment Financing Fund
Property Values and Tax Increment
For the Last Ten Fiscal Years or Since Inception
(Unaudited)



Tax Year	Tax Rate ⁽¹⁾	Base Value	Increased Value	Tax Revenue for Urban Renewal Debt ⁽¹⁾
2013-14	23.78	1,293,389,062	928,040,273	19,182,025
2014-15	23.18	1,293,389,062	1,075,480,078	22,520,074
2015-16	20.86	1,293,389,062	1,222,834,128	24,121,728
2016-17	20.77	1,293,389,062	1,361,889,768	27,009,707
2017-18	22.22	1,293,389,062	1,662,446,085	35,213,331
2018-19	22.50	1,293,460,097	1,726,799,363	37,150,414
2019-20	22.51	1,293,460,097	1,947,841,353	41,864,209
2020-21	22.73	1,293,460,097	2,226,758,383	48,144,336
2021-22	19.37	1,293,460,097	2,380,490,753	43,955,104
2022-23	19.09	1,293,460,097	2,677,027,513	47,798,587

Source: Multnomah County Division of Assessment and Taxation

**Gateway Regional Center Tax Increment Financing Fund
Property Values and Tax Increment
For the Last Ten Fiscal Years or Since Inception
(Unaudited)**



Tax Year	Tax Rate ⁽¹⁾	Base Value	Increased Value	Tax Revenue for Urban Renewal Debt ⁽¹⁾
2013-14	21.33	307,174,681	202,760,459	3,755,877
2014-15	20.83	307,174,681	213,423,949	4,044,323
2015-16	20.63	307,174,681	245,514,959	4,745,960
2016-17	20.46	307,174,681	260,170,089	5,072,692
2017-18	20.51	307,174,681	277,397,571	5,436,331
2018-19	20.63	307,174,681	303,269,319	5,997,667
2019-20	20.67	307,174,681	308,744,919	6,113,222
2020-21	20.82	307,174,681	319,474,099	6,339,945
2021-22	21.50	307,174,681	335,399,529	6,885,523
2022-23	21.23	307,174,681	348,875,119	7,107,826

Source: Multnomah County Division of Assessment and Taxation

Financial Assistance
For The Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Number of loans and grants	Dollar Amount
2013-14	155	10,495,351
2014-15	157	48,530,924
2015-16	300	20,769,972
2016-17	269	10,631,493
2017-18	234	14,203,451
2018-19	264	33,764,995
2019-20	187	24,547,960
2020-21	214	30,562,749
2021-22	173	20,361,470
2022-23	199	35,758,428

Source: Commission loan system.

Notes: Financial assistance may include assistance for building repair, facility expansion, new equipment, storefront improvements, or working capital as well as a myriad of other small assistance programs.

**Total Personal Income, Per Capita Income,
Population Trends, And Unemployment Rates
Portland/Vancouver/Hillsboro Msa, Oregon, And The United States
(Unaudited)**

Year	Personal Income (Millions)			Per Capita Income		
	Portland/ Vancouver/ Hillsboro MSA	Oregon	U.S. Total	Portland/ Vancouver/ Hillsboro MSA	Oregon	U.S. Total
2008	\$ 90,567	\$ 139,412	\$ 12,475,898	\$ 41,681	\$ 36,992	\$ 41,026
2009	86,362	134,493	12,073,407	39,136	35,313	39,356
2010	88,700	138,292	12,586,509	39,735	36,036	40,683
2011	94,441	145,596	13,330,436	41,728	37,596	42,747
2012	100,973	153,548	14,003,346	44,108	39,371	44,548
2013	102,398	156,130	14,189,228	44,288	39,788	44,798
2014	109,817	167,077	14,989,527	46,823	42,134	46,887
2015	118,149	179,600	15,681,233	49,573	44,694	48,725
2016	123,978	188,283	16,092,713	51,049	45,999	49,613
2017	131,480	198,996	16,845,028	53,507	47,983	51,573
2018	140,499	211,415	17,681,159	56,762	50,536	53,817
2019	146,910	221,186	18,402,004	58,941	52,464	55,724
2020	157,150	238,847	19,607,447	62,603	56,311	59,147
2021	171,729	257,641	21,294,800	68,374	60,676	64,143
2022	NA	268,139	21,777,200	NA	62,767	65,423

Source: U.S. Department of Commerce, Bureau of Economic Analysis

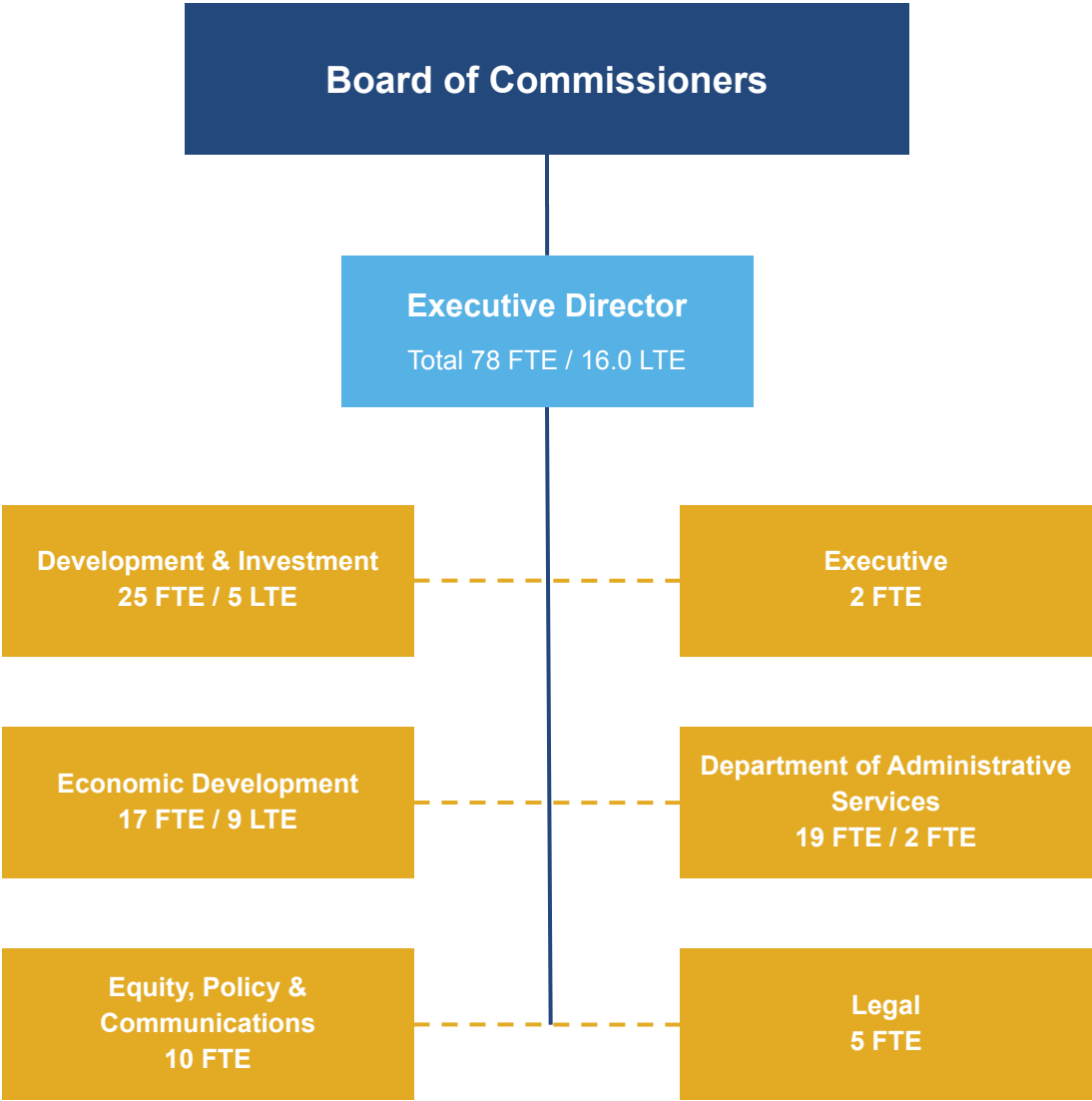
	Population Trends			Unemployment Rates		
	Portland ⁽¹⁾	Portland/ Vancouver/ Hillsboro MSA ⁽²⁾	Oregon ⁽²⁾	U.S. Total ⁽²⁾	Portland Unemployment % Rate ⁽³⁾	Oregon Unemployment % Rate ⁽³⁾
2008	557,706	2,172,853	3,768,748	304,093,966	5.9	6.6
2009	582,130	2,206,737	3,808,600	306,771,529	10.6	11.3
2010	583,776	2,232,270	3,837,611	309,378,433	9.4	10.6
2011	595,325	2,263,267	3,872,655	311,841,632	8.1	9.5
2012	603,650	2,289,205	3,900,071	314,344,331	7.4	8.8
2013	611,134	2,312,095	3,924,064	316,735,375	6.5	7.9
2014	619,445	2,345,353	3,965,387	319,270,047	5.7	6.8
2015	632,187	2,383,354	4,018,466	321,829,327	4.7	5.6
2016	639,635	2,428,626	4,093,179	324,367,742	4.1	4.8
2017	648,121	2,457,258	4,147,186	326,623,063	3.6	4.1
2018	652,573	2,475,249	4,183,414	328,542,157	3.5	4.1
2019	653,467	2,492,479	4,215,976	330,233,102	3.2	3.8
2020	652,503	2,510,259	4,241,544	331,511,512	8.7	7.6
2021	642,218	2,511,612	4,246,155	332,031,554	5.5	5.2
2022	635,067	NA	4,240,137	333,287,557	3.9	4.2

Source: ⁽¹⁾ U.S. Census Bureau

⁽²⁾ U.S. Department of Commerce, Bureau of Economic Analysis

⁽³⁾ U.S. Bureau of Labor Statistics

Note: NA = Information Not Available



Miscellaneous Statistics

As of June 30, 2023

(Unaudited)

Date of Charter Amendment creating agency

May 16, 1958

Form of Government

Commission, appointed by City Mayor
Approved by City Council

Number of Employees:

	FY2019-20	FY2020-21		FY2021-22		FY2022-23	
As of June 30	FTE	FTE	LTE	FTE	LTE	FTE	LTE
Executive	2.0	2.0	-	2.0	-	2.0	-
Equity, Governance & Communications	10.0	10.0	1.0	10.0	1.0	10.0	-
Legal	5.0	5.0	-	5.0	-	5.0	-
Development and Investment	24.0	27.0	3.0	27.0	3.0	25.0	5.0
Economic Development	21.0	17.0	0.6	18.0	4.0	17.0	9.0
Finance and Business Operations	18.7	18.0	-	17.0	-	-	-
Human Resources	2.0	2.0	1.0	2.0	1.0	-	-
Department of Administrative Services	-	-	-	-	-	19.0	2.0
Total	82.7	81.0	5.6	81.0	9.0	78.0	16.0

Tax Increment Financing District Land Area and Base Values

As of June 30, 2023

District	Acres	Base Value
Central Eastside	708	\$ 230,541,190
Downtown Waterfront	233	55,674,313
Gateway Regional Center	659	307,174,681
Interstate Corridor	3,995	1,293,460,097
Lents Town Center	2,846	736,224,033
North Macadam	447	628,094,444
Oregon Convention Center	410	214,100,689
River District	315	-
Neighborhood Prosperity Initiatives	245	83,686,505
Cully	1,623	1,071,144,885
South Park Blocks	98	305,692,884
Total URA Land Data	11,579	\$ 4,925,793,721
Total Assessed Value, City of Portland		\$ 79,478,847,606
Incremental Excess of Urban Renewal Areas		6,590,118,660
Incremental Value Not Used		7,732,793,988
Total Assessed Value of City Minus Incremental Excess		\$ 65,155,934,958
Total Acreage, City of Portland	92,768	



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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 Board of Commissioners
Prosper Portland
(A Component Unit of the City of Portland)

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, each major fund, the budgetary statement for the general fund, and the aggregate remaining fund information of Prosper Portland (a Component Unit of the City of Portland) ("Prosper Portland") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Prosper Portland's basic financial statements, and have issued our report thereon dated October 24, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Prosper Portland'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 Prosper Portland's internal control. Accordingly, we do not express an opinion on the effectiveness of Prosper Portland'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 Prosper Portland'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 24, 2023



Report of Independent Auditors Required by Oregon State Regulations

The Board of Commissioners
Prosper Portland
(A Component Unit of the City of Portland)

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, each major fund, the budgetary statement for the general fund, and the aggregate remaining fund information of Prosper Portland (a Component Unit of the City of Portland) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Prosper Portland's basic financial statements, and have issued our report thereon dated October 24, 2023.

Compliance

As part of obtaining reasonable assurance about whether Prosper Portland'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
- Budget
- Insurance and fidelity bonds
- Investments
- Public contracts and purchasing

In connection with our testing, nothing came to our attention that caused us to believe Prosper Portland 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 prosper Portland'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 Prosper Portland's internal control. Accordingly, we do not express an opinion on the effectiveness of the Prosper Portland'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 Board of Commissioners and management of Prosper Portland 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 24, 2023



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