

**PROSPER PORTLAND**

Portland, Oregon

**RESOLUTION NO. 7591**

**ACCEPTING AND APPROVING THE ANNUAL COMPREHENSIVE  
FINANCIAL REPORT FOR FISCAL YEAR 2023-24 AND ACCEPTING THE  
COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE**

**WHEREAS**, Oregon Revised Statute 297.425(1) requires that “the accounts and fiscal affairs of every municipal corporation shall be audited and reviewed at least once each calendar or fiscal year;”

**WHEREAS**, the Portland City Charter Chapter 15-104(9) requires that Prosper Portland shall provide for an annual comprehensive independent audit of all funds and accounts of the Commission by a qualified Certified Public Accountant or firm of such accountants selected with the approval of the City of Portland Auditor;

**WHEREAS**, the Prosper Portland Board of Commissioners (“Board”) through Resolution No. 6112 delegated authority to the Prosper Portland Audit Committee to, among other things, “review and comment on management’s response to audit findings and recommendations, and provide the Prosper Portland Board with recommendations on addressing issues identified by the auditor and/or management;” and

**WHEREAS**, Moss Adams, LLP (“Moss Adams”) has been contracted with by the City of Portland to conduct an annual comprehensive independent audit of all funds and accounts of Prosper Portland for the fiscal year (“FY”) 2023-24.

**NOW, THEREFORE, BE IT RESOLVED**, that the Prosper Portland Board, acting as the Prosper Portland Audit Committee, hereby accepts and approves the FY 2023-24 Annual Comprehensive Financial Report (attached hereto as Exhibit A) on behalf of Prosper Portland;

**BE IT FURTHER RESOLVED**, that the Prosper Portland Audit Committee hereby accepts Moss Adams’ Communication with Those Charged with Governance (attached hereto as Exhibit B); and

**BE IT FURTHER RESOLVED**, that with the affirmative vote of no fewer than four Commissioners for this resolution and of all those present, this resolution shall become effective immediately upon its adoption, and otherwise it will take effect thirty days after adoption.

Exhibit A includes this cover page and contains 195 pages

- Prosper Portland Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2024



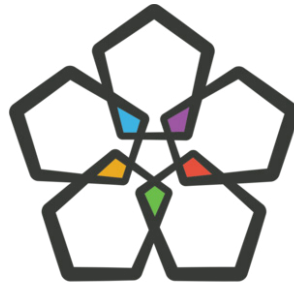
**PROSPER  
PORTLAND**

A Component Unit of the City of Portland, Oregon

# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
June 30, 2024**





**PROSPER**  
PORTLAND

**Building an Equitable Economy**



# Annual Comprehensive Financial Report

## **PROSPER PORTLAND**

A Component Unit of the City of Portland, Oregon

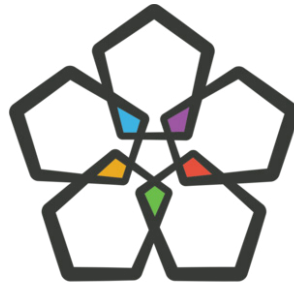
**Prepared by Prosper Portland**

**Administrative Services Department**

Shea Flaherty Betin, Interim Executive Director

Tony Barnes, Chief Financial Officer

For the fiscal year ended June 30, 2024



**PROSPER**  
PORTLAND

**Building an Equitable Economy**



## 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**

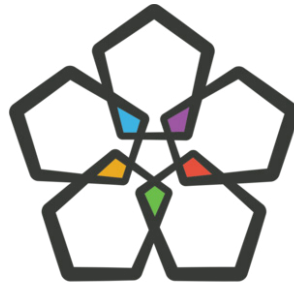
# Table of Contents

<b>INTRODUCTORY SECTION</b>		<b>FINANCIAL SECTION (Continued)</b>	
<b>Letter of Transmittal from Interim Executive Director and Chief Financial Officer</b>	I	IV. Other Information	68
<b>Governing Board</b>	VII	A. Pension Plans	68
<b>Organizational Chart</b>	VIII	B. Other Post-Employment Benefits	74
<b>2024 Tax Increment Financing District Map</b>	IX	C. OPERS Retirement Health Insurance Account (RHIA)	76
<b>FY 23 GFOA Certificate of Achievement</b>	X	D. Commitments	80
		E. Contingencies	80
		F. Risk Management	80
		G. Reviews by Grantor Agencies	82
		<b>Required Supplementary Information:</b>	
		Schedule of Proportionate Share of Net Pension Liability (Asset)	86
		Schedule of Contributions to Oregon Public Retirement System	87
		Schedule of Changes in Total Other Post-Employment Benefits Liability and Related Ratios	88
		Schedule of the Proportionate Share of the Net OPEB Liability (Asset)	89
		Schedule of Contributions to OPERS Retirement Health Insurance Account	89
		<b>SUPPLEMENTARY DATA (Combining Statements and Schedules, Budgetary Schedules, and Schedules of Capital Assets Used in the Operation of Governmental Funds):</b>	
		Combining Balance Sheet – Nonmajor Governmental Funds	93
		Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	94
		Combining Balance Sheet – Nonmajor Special Revenue Funds	95
		Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds	96
		Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
		Housing and Community Development Contract Fund	97
		Community Opportunities and Enhancements Program Fund	98
		Affordable Commercial Tenanting Fund	99
		American Rescue Plan Act Fund	100
		Other Federal Grants Fund	101
		Enterprise Zone Fund	102
		Ambassador Program Fund	103
		Combining Balance Sheet – Nonmajor Capital Projects Funds	105
		Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds	107
<b>FINANCIAL SECTION</b>			
<b>Report of Independent Auditors</b>	2		
<b>Management’s Discussion and Analysis</b>	8		
<b>Basic Financial Statements</b>			
<b>Government-wide Financial Statements:</b>			
Statement of Net Position	23		
Statement of Activities	25		
<b>Fund Financial Statements:</b>			
Balance Sheet - Governmental Funds	27		
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	30		
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	31		
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	33		
Statement of Revenues, Expenditures, and Changes in Fund Balance:			
General Fund (adopted as Urban Redevelopment Fund)	34		
Statement of Net Position - Proprietary Funds	35		
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	36		
Statement of Cash Flows – Proprietary Funds	37		
<b>Notes to the Financial Statements:</b>			
I. Summary of Significant Accounting Policies	40		
II. Stewardship, Compliance, and Accountability	45		
III. Detailed Notes on All Funds	46		
A. Cash and Cash Equivalents and Cash with City of Portland Investment Pool	46		
B. Internal Balances and Transfers	50		
C. Loans Receivable	51		
D. Restricted Net Position	55		
E. Property Held for Sale	56		
F. Capital Assets	57		
G. Leases	59		
H. Changes in Long-Term Liabilities and Debt	65		
I. Amounts Due To and From the City of Portland	66		
J. Revenue	67		



# Table of Contents

<b>FINANCIAL SECTION (Continued)</b>	
<b>Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual</b>	
Neighborhood Prosperity Initiative Tax Increment Financing Fund	108
Downtown Waterfront Tax Increment Financing Fund	109
North Macadam Tax Increment Financing Fund	110
River District Tax Increment Financing Fund	111
Cully Tax Increment Financing Fund	113
South Park Blocks Tax Increment Financing Fund	114
Convention Center Tax Increment Financing Fund	115
Central Eastside Tax Increment Financing Fund	116
Lents Town Center Tax Increment Financing Fund	117
Interstate Corridor Tax Increment Financing Fund	118
Gateway Regional Center Tax Increment Financing Fund	119
Airport Way Tax Increment Financing Fund	120
Willamette Industrial Tax Increment Financing Fund	121
<b>Statement of Net Position, Nonmajor Proprietary Funds</b>	123
<b>Statement of Revenues, Expenses, and Changes in Net Position, Nonmajor Proprietary Funds</b>	124
<b>Combining Statement of Cash Flows, Nonmajor Proprietary Funds</b>	125
<b>Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:</b>	
Strategic Investment Fund	126
<b>Combining Schedule of Net Position – for Components of the Strategic Investment Fund</b>	127
<b>Combining Schedule of Revenues, Expenses, and Changes in Net Position – for Components of the Strategic Investment Fund</b>	128
<b>Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:</b>	
Business Management Fund	129
Risk Management Fund	130
<b>Capital Assets Used in the Operation of Governmental Funds:</b>	
Schedule by Source	133
Schedule of Changes by Function and Activity	134
Schedule by Function and Activity	135
<b>Schedule of Activity of Real Property and Capital Assets Held by the Commission</b>	136
<b>Fund Balances of Governmental Funds Last Ten Fiscal Years</b>	147
<b>Changes in Fund Balances of Governmental Funds for the Last Ten Fiscal Years</b>	148
<b>General Government Revenues for the Last Ten Fiscal Years</b>	149
<b>General Government Expenditures for the Last Ten Fiscal Years</b>	150
<b>Tax Increment Districts Consolidated Tax Rates for the Last Ten Fiscal Years</b>	151
<b>Tax Increment Financing and Redevelopment Bonds – Future Bond Principal Requirements</b>	153
<b>Tax Increment Financing and Redevelopment Bonds – Future Bond Interest Requirements</b>	154
<b>Indebtedness Summary by Tax Increment Financing District</b>	155
<b>Tax Increment Financing Funds</b>	
Cully Boulevard Tax Increment Financing Fund	156
North Macadam Tax Increment Financing Fund	157
Central Eastside Tax Increment Financing Fund	158
Lents Town Center Tax Increment Financing Fund	159
Interstate Corridor Tax Increment Financing Fund	160
Gateway Regional Center Tax Increment Financing Fund	161
<b>Financial Assistance Activity for the Last Ten Fiscal Years</b>	162
<b>Total Personal Income, Per Capita Income, Population Trends, and Unemployment Rates</b>	163
<b>Organizational Chart with Detail</b>	164
<b>Miscellaneous Statistics - June 30, 2024</b>	165
<b>AUDIT COMMENTS &amp; DISCLOSURES</b>	
<b>GAGAS Report</b>	168
<b>OMS Report</b>	170
<b>STATISTICAL SECTION</b>	
<b>Net Position by Component Last Ten Fiscal Years</b>	144
<b>Changes in Net Position Last Ten Fiscal Years</b>	145



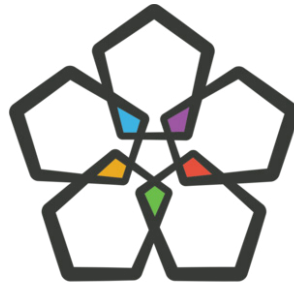
**PROSPER**  
PORTLAND

**Building an Equitable Economy**



# Introductory Section





**PROSPER**  
PORTLAND

**Building an Equitable Economy**





October 25, 2024

Gustavo J. Cruz, Jr.  
Commission Chair

Marcelino J. Alvarez  
Commissioner

Felisa Hagins  
Commissioner

Michi Slick  
Commissioner

Serena Stoudamire Wesley  
Commissioner

Ted Wheeler  
Mayor

Shea Flaherty Betin  
Interim 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, 2024. This report is published to provide the Prosper Portland Board of Commissioners (Board), 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.

Chapter 15 of the City 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) 2023-24 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, 2024, 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.

[prosperportland.us](http://prosperportland.us)

220 NW Second Ave.,  
Suite 200, Portland, OR  
97209-3943

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, Chapter 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 Board, 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. In FY 2023-24, Prosper Portland managed 15 tax increment financing (TIF) districts (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 Act (ARPA) funds. Of the 15 tax increment districts, six collected tax increment proceeds in FY 2023-24. In FY 2024-25, the Prosper Portland Board approved and recommended to City Council to terminate eight districts and amend three continuing districts. Four districts are proposed to continue without termination or amendment.

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 the Prosper Portland Board approved dissolution of the component unit in July 2024.

Prosper Portland's work is guided by [Advance Portland: A Call to Action for Inclusive Economic Growth](#) (Advance Portland) 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 investments in current Tax Increment Finance districts and related Action Plans; exploration of six new TIF districts in East Portland and the Central City; preserving affordable ground commercial space through the Affordable Commercial Tenanting Program; partnerships with the Neighborhood Prosperity Network and Venture

Portland; events navigation and activation; and, investments in large scale public-private partnership projects like Broadway Corridor.

- **Connect Portlanders to High Quality Jobs** through workforce development and initiatives like Portland Means Progress.

The Prosper Portland Board's business is conducted at monthly public meetings, and all activities are guided by Advance Portland and the annual budget. Developed in conjunction with public and private community partners, the budget is appropriated by fund and business line. Each fund and business line includes specific allocations of resources by 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 for review, adoption, and subsequent amendment as necessary.

#### **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 58 percent of local, non- government jobs in 2023.

Through 2020 and 2021, Multnomah County experienced unemployment as high as 13.8%. By August 2024, the Multnomah County seasonally adjusted unemployment rate dropped to 3.9%, somewhat higher than the pre-pandemic low of 2.9% in December 2019. Overall, the recovery in the region has been noticeably slower than most major metropolitan regions. Employment in the Portland metropolitan region grew by just 0.4% from the pre-COVID level in February of 2020 to August 2024. By comparison, United States employment has grown by 4.7% over the same time frame.

At \$38,250 per capita, income in Portland's BIPOC community is noticeably lower than the citywide figure of \$52,577. However, this gap has narrowed since 2017. Portland's BIPOC per capita income increased by 41% from 2017 to 2022, as the overall level for the city increased by 21%.

Despite regional economic momentum stabilizing, people of color continue to experience disproportionately higher unemployment, lower income, and less economic wealth. Among Portland residents in 2023, white households had a median income of \$94,159, while Black or African American households had a median income of \$55,760, and Hispanic households had a median income of \$67,517.

### **Relevant Financial Policies**

The City Charter prescribes that Prosper Portland 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. The Charter requires Prosper Portland to deposit its cash the City's investment pool and invested by the City Treasurer in accordance with Oregon Revised Statutes (ORS) 294.035 and 294.046. In addition, special accounts may be maintained if required, for example, by debt covenants.

### **Long-term Financial Planning**

Historically, tax increment financing through established TIF districts provided most of the funding for Prosper Portland. The recent and imminent expiration of a generation of TIF districts established 30 to 40 years ago represents a structural shift in how economic development is funded in the City of Portland.

The Prosper Portland Board adopted a Ten-Year Financial Sustainability Plan (FSP) in July 2018 that created a comprehensive framework for funding agency programs, projects, and initiatives 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 FSP. In response, staff developed an update to the FSP that was approved by the Prosper Portland Board in March 2023.

The updated FSP emphasizes the need for new and different funding to implement Advance Portland. Implementation of the updated FSP began in 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.

In July 2023, City Council directed Prosper Portland staff to explore opportunities for new TIF districts. As a result of that work, staff and community-based steering committees for the Central City and East Portland recommended six new tax increment districts to support economic development, affordable housing, and infrastructure investments over the next 30 years. If the proposed districts are approved by City Council in October 2024, work will begin to implement the districts in FY 2025-26.

ORS 457 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. With the



expiration of existing districts, total assessed value and acreage in the three remaining active districts will be approximately three percent of the City's assessed value and acreage. If approved, the six proposed districts will bring the total property included in TIF districts to approximately 14 percent of the City's assessed value and 12 percent of the City's acreage.

Prosper Portland annually forecasts projected revenues and expenditures for each TIF district. This effort results in a five-year forecast of project and program budget requirements for associated funds. Non-TIF district revenues and expenditure requirements are largely dependent on the annual allocation of resources from external funding providers such as the City and loan repayments in the newly established Strategic Investment Fund. Staff also review progress on the FSP annually, identifying progress on implementation and related impacts to the budget.

### Major Initiatives

Major initiatives cited in this section are highlights based on budgeted project dollars in the adopted budget for the FY ending in June 2025.

Prosper Portland's [FY 2024-25 Adopted Budget](#) includes \$22 million in City General Fund and Cannabis Tax resources as well as \$2.2 million in federal CDBG funds, and \$2 million of final ARPA grant resources allocated by City Council. General Fund resources include \$7.6 million in new, ongoing allocation from returning property tax revenues from expired TIF districts allocated by City Council to provide ongoing support for citywide economic and urban development efforts as identified in the FSP. Key investments include the Inclusive Business Resource Network, workforce development, implementation of the Small Business Office, citywide business and commercial real estate lending, and ongoing support for the Office of Events and Film and the Business Advancement Team that help retain and grow businesses in Portland.

While most TIF 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 2024-25, Prosper Portland has budgeted approximately \$138 million across remaining TIF districts to support projects and programs. Most of these allocations are part of key action plans including the Old Town Action Plan in the River District and Downtown Waterfront TIF 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 the Central Eastside TIF District, 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 properties. Property management activities include holding costs for properties anticipated for sale including at Broadway

Corridor, as well as operating costs for properties that may be held for operating purposes and related income revenues, including four parking garages, the Inn at Convention Center, and ground floor commercial space in several Prosper Portland held properties. TIF district budgets also include \$47 million earmarked for the Affordable Housing Set Aside Policy to support affordable housing projects and programs managed by the City of 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, 2023. Prosper Portland has received a Certificate of Achievement for the last 36 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.

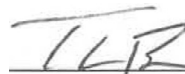
A Certificate of Achievement is valid for a period of one year only. Prosper Portland’s management believes that its current report continues to meet the Certificate of Achievement Program requirements and Prosper Portland will submit it to GFOA to determine its eligibility for another certificate.

The preparation of Prosper Portland's ACFR for the fiscal year ended June 30, 2024, would not have been possible without the dedicated service of the entire Prosper Portland staff and the agency's Administrative Services Department. A special thanks to Keith Padilla, Courtney Cohn, Kao SaeChao, Brad Reynolds, Trevor A. Brandon, 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 Prosper Portland Board for its unflinching support for maintaining the highest standards of professionalism in the management of Prosper Portland's finances.

Respectfully Submitted









Shea Flaherty Betin, Interim Executive Director

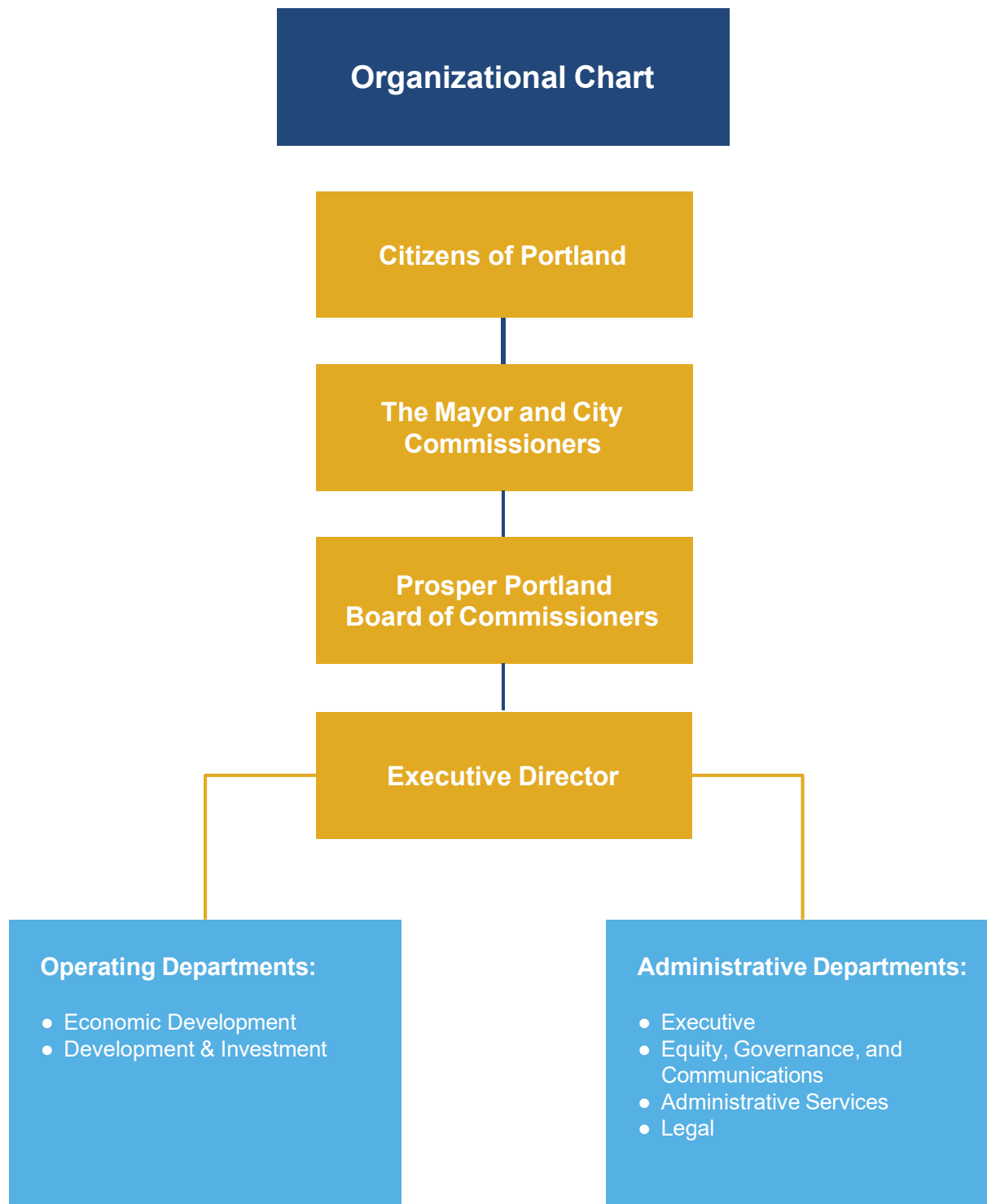


Tony Barnes, Chief Financial Officer

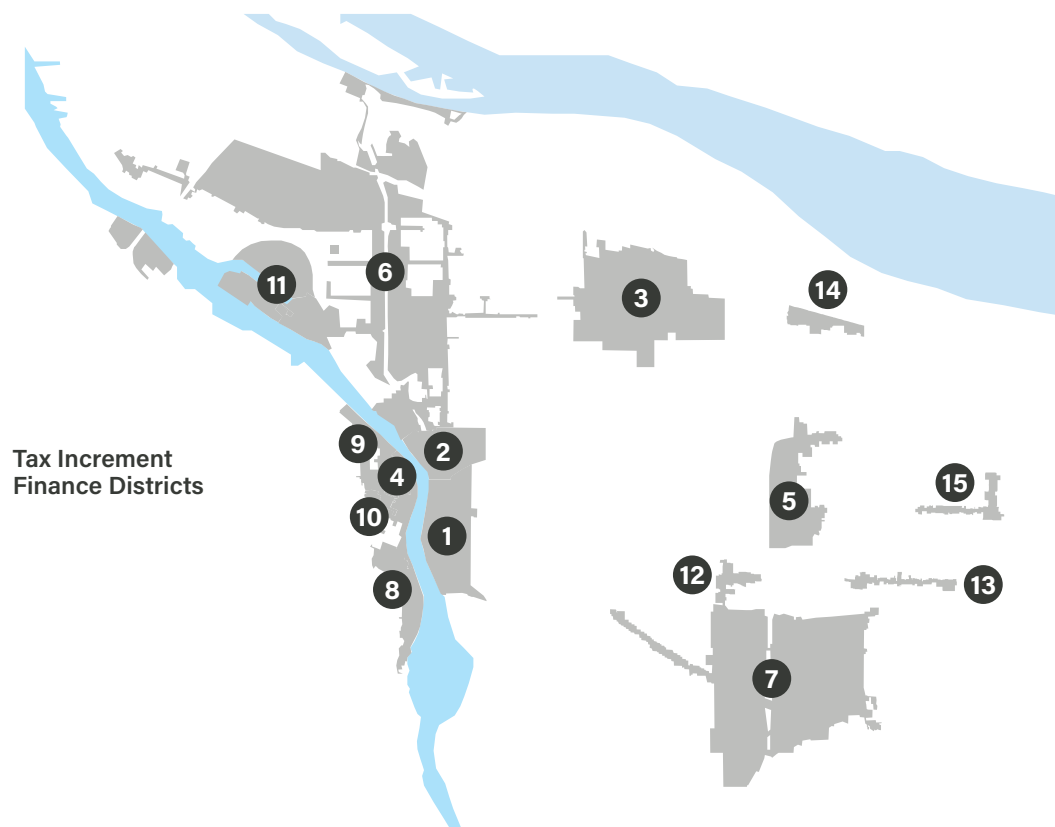
# ProsperPortland

## A Component Unit of the City of Portland, Oregon

	<b>Governing Board</b> (As of June 30, 2024)	<b>Term Expires</b>
	<b>Gustavo J. Cruz Jr., Chair</b> <i>Senior Counsel</i> Farleigh Wada Witt 121 SW Morrison St., #600 Portland, OR 97204 <a href="mailto:gacruz@fwwlaw.com">gacruz@fwwlaw.com</a>	June, 2024
	<b>William Myers, Vice Chair</b> <i>Executive Secretary Treasurer</i> Columbia Pacific Building Trades Council 3535 SE 86 <sup>th</sup> Avenue Portland, OR 97266 <a href="mailto:Willy@cpbctc.com">Willy@cpbctc.com</a>	June, 2024
	<b>Serena Stoudamire Wesley</b> <i>Youth Development Director</i> Oregon Department of Education 2010 NE Blue Heron Drive Portland, OR 97211 <a href="mailto:serena.stoudamire@oregon.gov">serena.stoudamire@oregon.gov</a>	July, 2025
	<b>Michi Slick</b> <i>Principal</i> Killian Pacific 1615 SE 3rd Avenue Portland, OR 97214 <a href="mailto:michi@killianpacific.com">michi@killianpacific.com</a>	September, 2026
	<b>Marcelino Alvarez</b> <i>CEO</i> Photon Marine 660 SE St Andrews Dr Portland, OR 97202 <a href="mailto:marcelino.alvarez@gmail.com">marcelino.alvarez@gmail.com</a>	September, 2026
	<b>Agency Executive</b>  <b>Kimberly Branam</b> <i>Executive Director</i> Prosper Portland 220 NW 2 <sup>nd</sup> Ave, Second Floor Portland, OR 97209 <a href="mailto:BranamK@prosperportland.us">BranamK@prosperportland.us</a>	September, 2024
	<b>Registered Agent</b> None	







### Prosper Portland's Tax Increment Finance Districts

Prosper Portland managed 15 districts in FY 2023-24, however, only six of the districts received new tax increment revenues. Districts receiving new resources in FY 2023-24 included Central Eastside, Cully, Interstate, Lents, Gateway, and North Macadam. As many of the districts have reached maximum indebtedness, the Prosper Portland Board of Commissioners has approved the termination of eight districts and amendment of three districts in FY 2024-25. Cully, Gateway and North Macadam will continue to receive new tax increment proceeds in FY 2024-25.

- 1 Central Eastside
- 2 Convention Center
- 3 Cully District
- 4 Downtown Waterfront
- 5 Gateway Regional Center
- 6 Interstate Corridor
- 7 Lents Town Center
- 8 North Macadam
- 9 River District
- 10 South Parks Block
- 11 Willamette Industrial

#### *Neighborhood Prosperity Districts*

- 12 Jade District (82nd Avenue)
- 13 Division-Midway Alliance
- 14 Historic Parkrose
- 15 Rosewood Initiative

X



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Prosper Portland  
Oregon**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

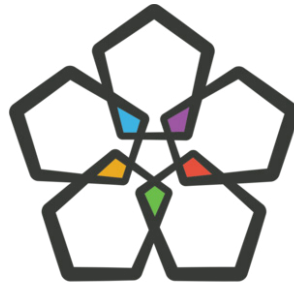
*Christopher P. Morrill*

Executive Director/CEO



# Financial Section





**PROSPER**  
PORTLAND

**Building an Equitable Economy**



## 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, 2024, 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, 2024, 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 Prosper Portland's basic financial statements. The supplementary data as listed in the table of contents is presented for purposes of additional analysis and is 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***

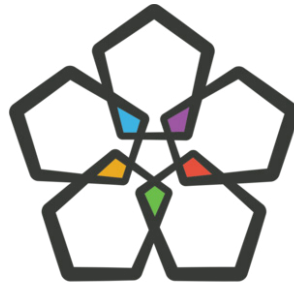
In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2024, on our consideration of Prosper Portland's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements 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 25, 2024, 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.



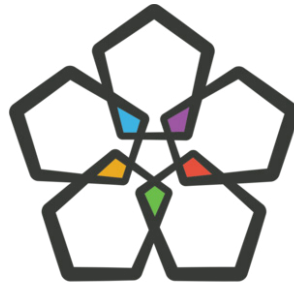
Keith Simovic, Partner,  
for Moss Adams LLP  
October 25, 2024



**PROSPER**  
PORTLAND

**Building an Equitable Economy**

# Management's Discussion and Analysis



**PROSPER**  
PORTLAND

**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, 2024. 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, 2024 by \$459,591,779 (net position).
- > Prosper Portland’s total net position decreased by \$9,480,321 or (2.0%) (see page 25) when compared to the financial statements at June 30, 2023. In addition, Prosper Portland’s governmental funds reported a combined ending fund balance of \$410,746,495 (see page 31) a decrease of \$49,239,248 from the prior year. The decrease in fund balance is generally due to the continued spend down of existing tax increment district resources. The decrease in fund balance for governmental funds is largely due to the transfer of residual tax increment district program income to provide working capital to the Strategic Investment Fund; The Strategic Investment Fund is a Proprietary Fund that serves as Prosper Portland’s primary revolving loan fund.
- > At the end of the 2023-24 fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$3,104,306, or 14.8% of total general fund expenditures (see page 27). Most of this increase is related to a short-term operating loan to manage cash and will be repaid in FY 2024-25.
- > Capital assets used in the operation of governmental funds decreased from \$72,594,183 to \$70,850,640. The net change is primarily related to depreciation on existing assets.
- > Gross loans receivable increased \$1,983,643 from \$77,264,417 to \$79,248,060 agency-wide, or 2.6%. The loan loss allowance decreased by 1.8% from \$41,578,170 to \$40,826,009, from the prior year’s allowance. The change in loan gross loans receivable represents new loan activity that exceeded principal repayments and payoffs. The change in loan loss allowance represents the net change due to increased loans receivable and a more conservative allowance for some types of loans.

### 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 23 - 25 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 22 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 27 -34 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.

*Strategic Investment Fund.* The Strategic Investment Fund is used to account for revolving loan programs and activity related to real estate that is not funded by tax increment debt proceeds or other public funding sources. 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 and provide short-term working capital and interfund loans for Prosper Portland’s General Fund, Special Revenue Funds and TIF District predevelopment activities.

*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 35 - 37 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 40 - 82 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 86 - 89 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 94 - 136 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 \$459,591,779 for all governmental and business-type funds at the close of the most recent fiscal year.

#### Prosper Portland's Net Position For Years as Stated

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Assets</b>						
Current and other assets	\$ 443,076,588	\$ 476,266,850	\$ 63,559,875	\$ 17,081,235	\$ 506,636,463	\$ 493,348,085
Capital assets	70,850,640	72,594,183	2,406,084	2,543,545	73,256,724	75,137,728
<b>Total assets</b>	<b>513,927,228</b>	<b>548,861,033</b>	<b>65,965,959</b>	<b>19,624,780</b>	<b>579,893,187</b>	<b>568,485,813</b>
Deferred outflow of resources	6,631,840	6,232,567	-	-	6,631,840	6,232,567
<b>Liabilities</b>						
Current and other liabilities	26,785,234	24,670,283	15,307	8,570	26,800,541	24,678,853
Long-term liabilities	92,351,029	69,595,760	-	-	92,351,029	69,595,760
<b>Total liabilities</b>	<b>119,136,263</b>	<b>94,266,043</b>	<b>15,307</b>	<b>8,570</b>	<b>119,151,570</b>	<b>94,274,613</b>
Deferred inflow of resources	7,382,703	10,652,572	398,975	719,095	7,781,678	11,371,667
<b>Net position</b>						
Net investment in capital assets	69,840,212	62,971,036	2,406,084	2,543,545	72,246,296	65,514,581
Restricted	357,466,932	412,624,138	3,000,000	3,000,000	360,466,932	415,624,138
Unrestricted	(33,267,042)	(25,420,189)	60,145,593	13,353,570	26,878,551	(12,066,619)
<b>Total net position</b>	<b>\$ 394,040,102</b>	<b>\$ 450,174,985</b>	<b>\$ 65,551,677</b>	<b>\$ 18,897,115</b>	<b>\$ 459,591,779</b>	<b>\$ 469,072,100</b>

The largest portion of Prosper Portland's combined governmental and business-type total net position is \$360,466,932 of restricted net position. This accounts for 78.4% 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 decreased 13.3% from the fiscal year ended June 30, 2023 due to continued spend down of existing tax increment district resources.

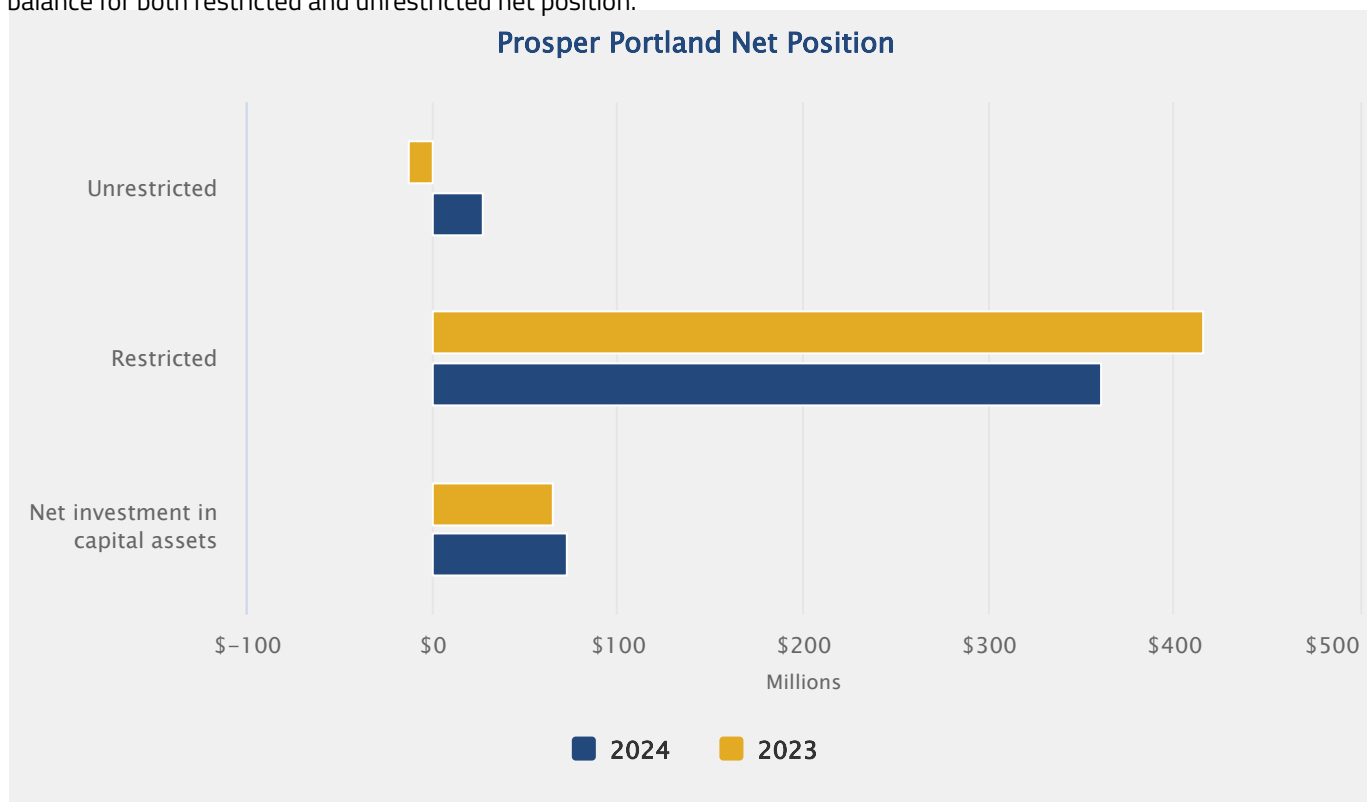
The next largest portion of Prosper Portland's combined governmental and business-type total net position is \$72,246,296 or 15.7% of the total and reflects its investment in capital assets (e.g., land, buildings, vehicles, equipment, and software). These capital assets are used to provide services to citizens; consequently, these assets are *not* available for future spending. The investment in capital assets increased 10.28%. The net increase 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 increased \$399,273 or increased 6.4% 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 \$26,878,551. 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 in tax increment district funds.

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.

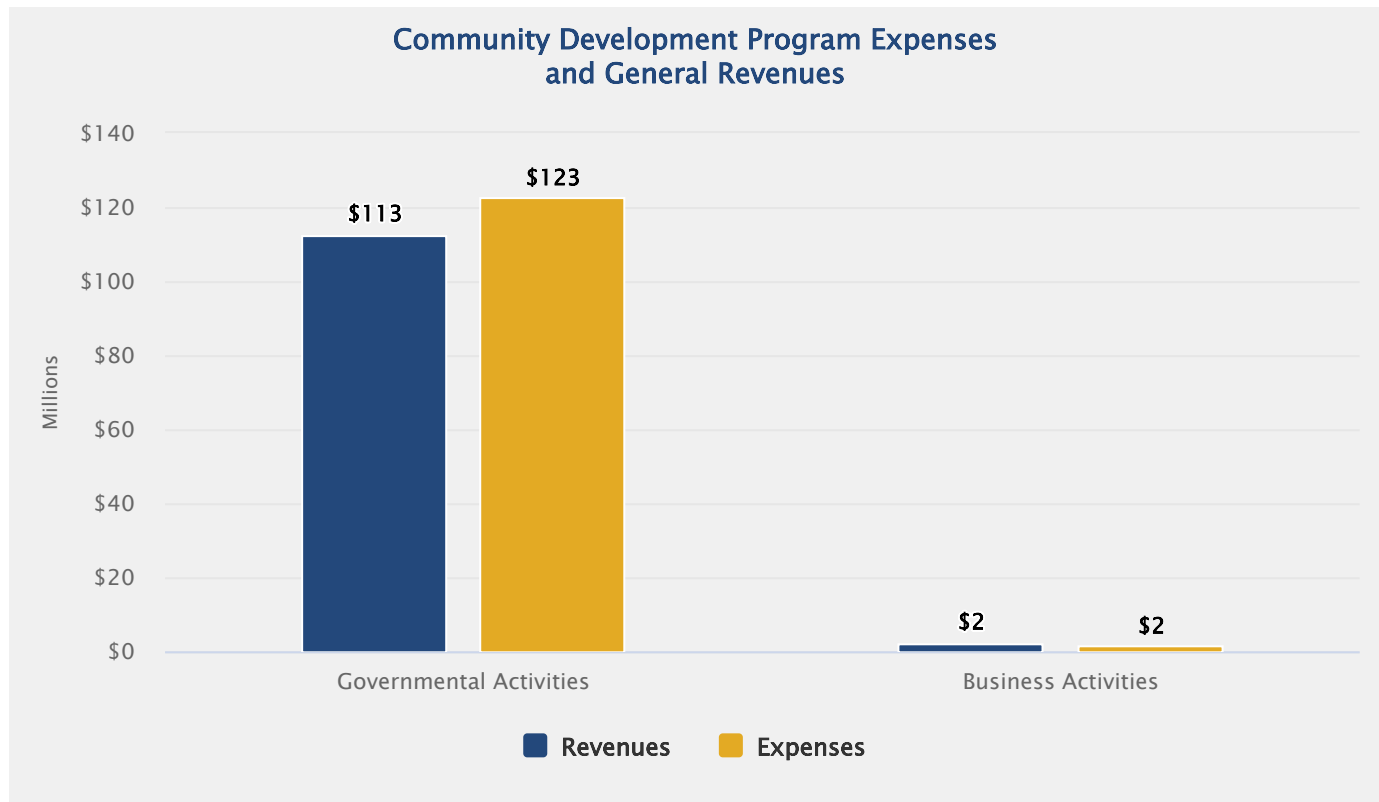


Prosper Portland’s overall net position decreased \$9,480,321 from the prior fiscal year. The changes are discussed in the following sections for governmental activities and business-type activities.

**Governmental Activities.** During the current fiscal year, net position for governmental activities decreased \$56,134,883 from the prior fiscal year for an ending balance of \$394,040,102. The change in governmental activities is due primarily to the transfer of residual program income in tax increment districts to the Strategic Investment Fund and continued spending of final tax increment debt proceeds. Overall, Community Development expenditures increased 23.1% from the prior year due to a combination of project spending in tax increment districts and significant one-time resources related to General Fund and Special Revenue Fund economic development programs.

**Prosper Portland's Changes in Net Position  
For Fiscal Years as Stated**

	Governmental Activities		Business Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 16,233,390	\$ 19,618,070	\$ 597,845	\$ 736,263	\$ 16,831,235	\$ 20,354,333
Operating grants and contributions	27,665,678	24,692,644	-	-	27,665,678	24,692,644
General revenues						
Tax-increment debt proceeds (in lieu of tax-increment revenue)	57,787,139	56,887,188	-	-	57,787,139	56,887,188
City of Portland debt proceeds for operations	-	-	-	-	-	-
Unrestricted investment income	8,490,891	5,191,474	1,546,708	157,540	10,037,599	5,349,014
Miscellaneous	2,517,034	12,179,446	144,624	506,780	2,661,658	12,686,226
<b>Total revenues</b>	<b>112,694,132</b>	<b>118,568,822</b>	<b>2,289,177</b>	<b>1,400,583</b>	<b>114,983,309</b>	<b>119,969,405</b>
<b>Expenses</b>						
Community development	122,851,366	99,818,171	-	-	122,851,366	99,818,171
Enterprise loans	-	-	672,187	612,992	672,187	612,992
Business management	-	-	940,077	1,380,432	940,077	1,380,432
<b>Total expenses</b>	<b>122,851,366</b>	<b>99,818,171</b>	<b>1,612,264</b>	<b>1,993,424</b>	<b>124,463,630</b>	<b>101,811,595</b>
Increase (Decrease) in net position before transfers	(10,157,234)	18,750,651	676,913	(592,841)	(9,480,321)	18,157,810
Transfers	(45,977,649)	3,323	45,977,649	(3,323)	-	-
<b>Increase (Decrease) in net position</b>	<b>(56,134,883)</b>	<b>18,753,974</b>	<b>46,654,562</b>	<b>(596,164)</b>	<b>(9,480,321)</b>	<b>18,157,810</b>
<b>Beginning net position</b>	<b>450,174,985</b>	<b>431,421,011</b>	<b>18,897,115</b>	<b>19,493,279</b>	<b>469,072,100</b>	<b>450,914,290</b>
<b>Ending net position</b>	<b>\$ 394,040,102</b>	<b>\$ 450,174,985</b>	<b>\$ 65,551,677</b>	<b>\$ 18,897,115</b>	<b>\$ 459,591,779</b>	<b>\$ 469,072,100</b>



**Business-type Activities.** For Prosper Portland’s business-type activities, overall net position increased \$46,654,562 or 246.89% for an ending balance of \$65,551,677. The majority of the increase is due to the creation of the Strategic Investment Fund, where residual program income from expiring tax increment districts was transferred in FY 2023–24 to create a citywide revolving loan fund to support small business and commercial real estate lending in accordance with implementation of Advance Portland goals and Prosper Portland’s Financial Sustainability Plan.

**Changes in Business-type Activities Expenses  
For Fiscal Years as Stated**

Expenses	2024	2023	Change
Personal services	\$ 185,751	\$ 101,078	\$ (84,673)
Professional services	445,197	1,150,930	705,733
Financial assistance	319,736	168,156	(151,580)
Internal service reimbursements	519,044	436,724	(82,320)
Miscellaneous expenses	142,536	136,536	(6,000)
<b>Totals</b>	<b>\$ 1,612,264</b>	<b>\$ 1,993,424</b>	<b>\$ 381,160</b>

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 increased \$1,983,643 or 2.6%. The loan loss allowance decreased by 1.8% or (\$752,161). 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 completing program goals.

**Changes in Loans Receivable  
For Fiscal Years as Stated**

	2024	2023	Change	% Change
Gross loans receivable	\$ 79,248,060	\$ 77,264,417	\$ 1,983,643	2.6%
Allowance	(40,826,009)	(41,578,170)	752,161	-1.8%
<b>Total, net</b>	<b>\$ 38,422,051</b>	<b>\$ 35,686,247</b>	<b>\$ 2,735,804</b>	<b>7.7%</b>
Current portion	\$ 1,547,434	\$ 1,072,229	\$ 475,205	44.3%
Non-current portion	21,885,644	19,625,049	2,260,595	11.5%
<b>Total, net</b>	<b>\$ 23,433,078</b>	<b>\$ 20,697,278</b>	<b>\$ 2,735,800</b>	<b>13.2%</b>

*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 2024 and a balance of \$14,379,667 in fiscal year 2023.*

**Financial Analysis of Governmental Funds**

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

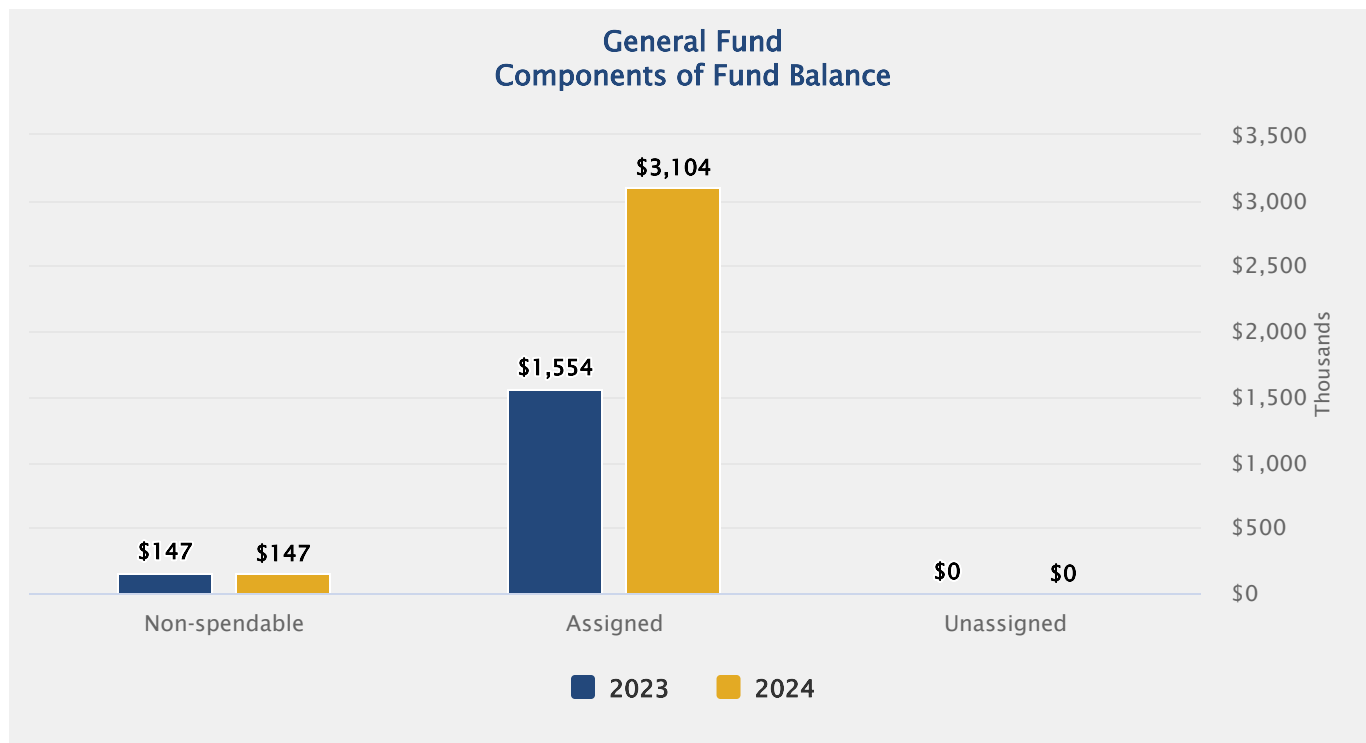
**Governmental Funds.** The focus of Prosper Portland’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Prosper Portland’s financing requirements.

At June 30, 2024, Prosper Portland’s governmental funds reported combined fund balances of \$410,746,495, a decrease of \$49,239,248 in comparison with the prior year. The majority of the decrease is related to the transfer or residual program income in expiring tax increment districts to the Strategic Investment Fund, a Proprietary Fund. Prosper Portland had unassigned fund balance of (\$15,400,953) 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 3) 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 increased to \$3,251,060. As a measure of the general fund’s liquidity, the total fund balance represents approximately 14.8% of total 2024 fiscal year general fund expenditures.

The fund balance of Prosper Portland’s general fund increased by \$1,550,436 during the current fiscal year ended June 30, 2024. Key factors include:

- > Revenues increased by \$2,779,442 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 \$555,520 and financial assistance with an increase of \$5,913,822 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 a decrease of \$3,571,726 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 2024 increased slightly from the prior fiscal year, primarily due to the addition of the first year of tax increment for the Cully District and the use of tax increment to pay down existing debt balances in FY 2022-23. Tax-increment financing will continue to decrease over the next several years as existing districts reach maximum indebtedness. Several districts (North Macadam, Cully, and Gateway) will continue to receive new tax increment debt proceeds.

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

Year	Amount	Change	%
2020	\$ 80,975,700	\$ 0	-%
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%
2024	57,787,139	899,951	1.6%
	<b>\$ 344,548,752</b>	<b>\$ (23,188,561)</b>	

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. 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 2023-24, all TIF Districts with exception of North Macadam, Gateway and Cully TIF Districts have reached maximum indebtedness and have paid off all indebtedness. Further information on tax increment indebtedness and the current life cycle status can be found on page 155 of the Statistical Section.



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

**Prosper Portland’s  
Schedule of Other Major Fund Balances  
For Fiscal Years as Stated**

<b>Fund</b>	<b>2024</b>	<b>2023</b>	<b>Change</b>	<b>% Change</b>
9101Foster LLC	(15,400,953)	(15,394,215)	(6,738)	0.0%
North Macadam Tax Increment Financing Fund	49,257,813	49,493,320	(235,507)	-0.5%
River District Tax Increment Financing Fund	98,504,837	122,648,721	(24,143,884)	-19.7%
Interstate Corridor Tax Increment Financing Fund	96,257,914	86,445,943	9,811,971	11.4%
Total Governmental Funds	228,619,611	243,193,769	(14,574,158)	-6.0%
Strategic Investment Fund	53,096,768	5,974,408	47,122,360	788.7%
Total Proprietary Funds	53,096,768	5,974,408	47,122,360	788.7%
<b>Total</b>	<b>\$ 281,716,379</b>	<b>\$ 249,168,177</b>	<b>\$ 32,548,202</b>	<b>13.06%</b>

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 2024 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 decreased by \$235,507 or -0.5%. Community development expenses increased by \$1,422,402 from the prior year. This increase was primarily due to ongoing work on district infrastructure and affordable housing. The overall decrease in fund balance is due to project expenditures exceeding new tax increment debt proceeds in FY 2023-24.

In the River District Tax Increment Financing area, there was a (\$24,143,884) or a 19.7% net decrease in fund balance in fiscal year 2024. The majority of the change is due to large capital outlays, including demolition of the United States Postal Service buildings at Broadway Corridor. There were no new tax increment debt proceeds for the districts since the district reached maximum indebtedness. Final district fund balance is reserved for ongoing pre-development activity at Broadway Corridor project and the Old Town Action Plan, which includes redevelopment of several parcels held by Prosper Portland and ongoing lending and grant activity to support commercial development and small businesses.

The Interstate Corridor Tax Increment Financing Fund ended the year with an increase in fund balance of \$9,811,971 or 11.4%. The increase is substantially due to ongoing receipt of tax increment debt proceeds in excess of development expenditures for FY 2023-24. Community development expenditures had an increase of \$578,241 or 4.7%. The increase in community development expenditures was related to timing of housing project expenditures as well as property development activity. Financial assistance also had a decrease of \$8,025,687. The higher financial assistance in the prior year was related to a write-off of a redevelopment loan.

**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 Strategic Investment Fund was established to account for activity related to lending and real estate that is not funded by tax increment debt proceeds and anticipated to generate returns over time. Net position in the Strategic Investment Fund increased by \$47,122,360 or 788.7%. While revenue increased slightly from the prior year, the level of expenditures and transfers continued in the fund. Expenditures were \$672,187, mostly related to small business and commercial real estate lending activity.

**General Fund Budgetary Highlights**

The difference between the original and final amended budget was a \$7,317,248 increase in community development expenditure appropriations. The major differences for the increased budget include an increase in General Fund resources towards purchase and renovation of the ground floor commercial space for the Fairfield apartments that was previously funded by American Rescue Plan resources and funding for business retention grants from residual tax increment district program income transferred to the General Fund. Funding also was increased for events and activations based on new

contracts and cash on hand. Expenditures ended the year \$7,458,823 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 2024-25. Some of the variance was also related to savings in personnel and other general administrative costs that will be incorporated to fund commitments and activities that have moved to the FY 2024-25 budget.

	<b>Change in Original Budget to Final Budget</b>	<b>Comments</b>
<b>Revenue increase</b>	<b>\$3,861,626</b>	<p><b>Largest components of variance are:</b></p> <ul style="list-style-type: none"> <li>▪ \$1,832,220 increase in Intergovernmental Revenues mostly related to a budget increase allocated by City Council for the Fairfield apartments ground floor commercial project that was swapped from American Rescue Plan resources.</li> <li>▪ \$1,450,367 increase in Contractual Service Charges related to contracts not related to the City General Fund including Travel Portland, Multnomah County, and Travel Oregon.</li> </ul>
<b>Expenditure increase</b>	<b>\$7,317,248</b>	<p><b>Components of variance are:</b></p> <ul style="list-style-type: none"> <li>▪ \$1,921,249 increase in Property Redevelopment, primarily related to one-time funding for the Fairfield project that was swapped with American Rescue Plan resources. Additional appropriations were also added to fund the Winter Ice Rink and Every Wednesday activation campaign.</li> <li>▪ \$4,579,141 increase in Economic Development, primarily related to business retention grant increase transferred from residual tax increment district program income and an increase in events and activations funded by City General Fund and other organizations including Travel Portland.</li> <li>▪ \$822,858 increase in Administration to incorporate one-time human resource, training, and personnel requirements.</li> </ul>

Differences between the actual revenues and expenditures and other financing sources (uses) resulted in a \$3,189,436 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
<b>Revenue variance</b>	<b>\$(5,068,483)</b>	<b>Largest component of variance:</b>
		<ul style="list-style-type: none"> <li>\$4,364,939 lower City General Fund revenue due to actual invoices to City for completed economic development and development programs during the year.</li> <li>\$541,524 lower Contractual Service Charges revenue related to contracts not related to the City.</li> </ul> <p>Revenues are anticipated to be reappropriated in FY 2024-25 to continue planned programming.</p>
<b>Expenditure variance</b>	<b>\$7,458,823</b>	<b>Largest component of variance:</b>
		<ul style="list-style-type: none"> <li>\$1,894,208 lower Property Development activity related primarily to the Fairfield project which is anticipated to carryover to FY 2024-25.</li> <li>\$4,869,754 lower Economic Development activity related to timing of program spending during the year; balance of budget anticipated to carryover to FY 2024-25</li> <li>\$694,861 variance in administration expenditures due to savings associated with Prosper Portland’s overhead and vacancies</li> </ul>

- > Budgeted contingency funds of \$658,160 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, 2024, capital assets \$70,850,640 amounted to (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, 2024 was \$1,816,174 or (2.50%).

**Prosper Portland’s Capital Assets  
(net of accumulated depreciation)  
For Fiscal Years as Stated**

Asset type	Governmental activities		
	2024	2023	Change
Land	\$ 14,126,930	\$ 14,126,930	\$ -
Work in progress	4,398,739	4,226,692	172,047
Buildings	44,363,776	45,518,853	(1,155,077)
Right to use assets	7,163,257	7,964,820	(801,563)
Equipment	224,859	151,547	73,312
Intangible software	528,562	605,341	(76,779)
Subscription-based assets	44,517	72,631	(28,114)
<b>Total asset</b>	<b>\$ 70,850,640</b>	<b>\$ 72,666,814</b>	<b>\$ (1,816,174)</b>

Additional information on Prosper Portland’s capital assets can be found in note F. on page 57 of this report, and in the Supplementary Data on pages 134-136.

**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, 2024.

**Prosper Portland’s  
Real Property Held for Sale  
For the Fiscal Year Ended June 30, 2024**

Funding Source	Balance July 1, 2023	Additions	Disposals/ Adjustments	Balance June 30, 2024
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
Other Governmental Funds*	31,712,617	-	214	31,712,403
<b>Subtotal Governmental Funds</b>	<b>103,794,742</b>	<b>-</b>	<b>214</b>	<b>103,794,528</b>
Other Business-type funds	965,788	-	-	965,788
<b>Total Property Held for Sale</b>	<b>\$ 104,760,530</b>	<b>\$ -</b>	<b>\$ 214</b>	<b>\$ 104,760,316</b>

*\*Amortization is recorded as a reduction in the value of the asset. This reflects the current year amortization of intangible assets.*

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 56-57 of this report, and in the Supplementary Data on pages 134-136.

**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. In FY 2023-24, Prosper Portland entered into an agreement with the City of Portland to repay long-term debt associated with implementing River District projects including the purchase, demolition and site prep for the USPS/Broadway Corridor project. Prosper Portland includes a due-to of \$15 million to the City of Portland for this agreement. 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**

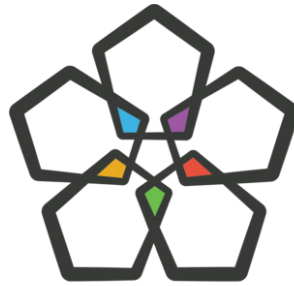
- > The Multnomah County seasonally adjusted unemployment rate for July 2024 was 4.0% compared to 3.5% in July 2023 and 3.6% in 2022. The unemployment rate for the United States for July 2023 was 3.5%.
- > Meanwhile, job growth in the Portland metro area was up slightly by 0.7% year over year ending in July 2024. Transportation and warehousing was a growth sector with a 1.0% employment increase. Retail trade (-2.4%) and construction (-1.3%) are among the major industries with the steepest employment declines over the year.
- > After peaking in 2019, average commercial real estate lease rates have generally declined in Portland. Office rents in the first quarter of 2024 were \$26 per square foot, a decline of 21% from 2019 (adjusted for inflation). Retail properties declined in rent by 8% to \$28 per square foot in the first quarter of 2024. Average rents for industrial real estate properties are at \$10 per square foot, a slight increase of 4% from 2019.
- > The Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers (CPI-U) increased 2.9% for the 12 months ending in June 2024. This rate of inflation is slightly slower than the rate ending in June 2023 of 3.1, and noticeably less than the 9.0% rate from the summer of 2022.

- > 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. In FY 2023-24, program revenues related to lease and parking revenue continue to improve but have not reached pre-pandemic operating levels. The FY 2024-25 Adopted Budget and Five-Year Forecast includes ongoing improvements to revenue for assets continued to be held by Prosper Portland. Some assets are anticipated to be disposed of and therefore will reduce operating revenue, but also associated operating expenditures that often resulted in negative net operating income in prior years. New loans increased substantially in FY 2023-24 and are projected to continue in the budget and forecast, resulting in higher loan repayment income in forecast years.
- > There were no major, immediate impacts in the FY 2023-24 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. Most existing tax increment districts are anticipated to spend remaining resources over the next two years as they sunset and are terminated. Final, major projects being completed include infrastructure and predevelopment of the former USPS site at Broadway Corridor, multiple projects associated with the Old Town Action Plan and Lents Action Plan, as well as the North/Northeast Action Plan in the Interstate Corridor TIF District. Active districts include Gateway, North Macadam, and Cully. City Council recently adopted a new Gateway Action Plan that will guide investments of the final resources through the end of the decade. North Macadam is programmed to spend final resources to support district infrastructure and affordable housing over the next five years, and the Cully District received its first tax increment resources in FY 2023-24 to help assist with development and implementation of a Cully Action Plan.
- > 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. FY 2023-24 was the first year implementing the Strategic Investment Fund to support small business and commercial real estate lending across the City using residual program income from expiring districts. The FY 2023-24 Budget and Five-Year Forecast implements City Council's decisions to increase the allocation of General Fund resources from returning TIF to support Citywide Economic Development. In October, 2024, City Council will determine whether to approve six new Tax Increment Districts. If approved, the three Central City districts and three East Portland districts are anticipated to receive first tax increment debt resources in FY 2025-26.

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, 2025.

## 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.



**PROSPER**  
PORTLAND

**Building an Equitable Economy**



# Basic Financial Statements

**Prosper Portland**  
**A Component Unit of the City of Portland, Oregon**  
**Statement of Net Position**  
**June 30, 2024**

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Current assets:			
Cash with City of Portland investment pool	\$ 293,545,863	\$ 52,140,502	\$ 345,686,365
Cash and cash equivalents	1,044,409	-	1,044,409
Receivables:			
Due from City of Portland	11,648,854	-	11,648,854
Accounts, net	3,202,591	296,316	3,498,907
Internal balances	(2,746,000)	2,746,000	-
Loans, net	1,347,166	200,268	1,547,434
Interest	2,486,705	461,095	2,947,800
Loan interest	2,230,190	54,100	2,284,290
Leases	307,128	43,317	350,445
Prepays and other	1,373,299	1,241	1,374,540
Property held for sale	103,794,528	965,788	104,760,316
<b>Total current assets</b>	<b>418,234,733</b>	<b>56,908,627</b>	<b>475,143,360</b>
Non-current assets:			
Receivables:			
Loans, net	18,676,343	3,209,304	21,885,647
Leases	5,191,553	441,944	5,633,497
Contract	852,586	-	852,586
Other post-employment benefits assets, net	121,373	-	121,373
Escrow deposit	-	3,000,000	3,000,000
Capital assets not being depreciated:			
Land	14,126,930	-	14,126,930
Work in progress	4,398,739	-	4,398,739
Capital assets net of accumulated depreciation/amortization:			
Buildings and improvements	44,363,777	-	44,363,777
Equipment	224,859	-	224,859
Leasehold Improvements	-	2,406,084	2,406,084
Intangible software	528,562	-	528,562
Right to use assets, net	7,163,257	-	7,163,257
Subscription-based assets	44,516	-	44,516
Net capital assets	70,850,640	2,406,084	73,256,724
<b>Total non-current assets</b>	<b>95,692,495</b>	<b>9,057,332</b>	<b>104,749,827</b>
<b>Total assets</b>	<b>513,927,228</b>	<b>65,965,959</b>	<b>579,893,187</b>
Deferred outflow of resources			
Deferred outflow related to other post-employment benefits	169,052	-	169,052
Deferred outflow related to pensions	6,462,788	-	6,462,788
<b>Total deferred outflow of resources</b>	<b>6,631,840</b>	<b>-</b>	<b>6,631,840</b>
<b>Total assets and deferred outflow of resources</b>	<b>\$ 520,559,068</b>	<b>\$ 65,965,959</b>	<b>\$ 586,525,027</b>

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

AUDIT COMMENTS & DISCLOSURES

	Governmental Activities	Business-type Activities	Total
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	\$ 5,576,443	\$ 15,307	\$ 5,591,750
Accrued liabilities	539,940	-	539,940
Due to City of Portland	3,095,466	-	3,095,466
Due to other entities	609,703	-	609,703
Unearned revenue	135,675	-	135,675
Long-term liabilities due within one year:			
Pollution remediation	15,500,000	-	15,500,000
Notes payable	8,766	-	8,766
Lease payable	383,980	-	383,980
Subscription-based payable	10,188	-	10,188
Vacation accrual	925,073	-	925,073
Total current and long-term liabilities due within one year	26,785,234	15,307	26,800,541
<b>Non-current liabilities:</b>			
Long-term liabilities:			
Pollution remediation	50,076,212	-	50,076,212
Notes payable	965,912	-	965,912
Lease payable	7,928,108	-	7,928,108
Lease due to City of Portland	155,160	-	155,160
Other post-employment benefits	412,894	-	412,894
Vacation accrual	867,445	-	867,445
Net pension liability	16,795,398	-	16,795,398
Long-term payable, due to City of Portland	15,149,900	-	15,149,900
Total non-current liabilities	92,351,029	-	92,351,029
<b>Total liabilities</b>	<b>119,136,263</b>	<b>15,307</b>	<b>119,151,570</b>
<b>Deferred inflow of resources</b>			
Deferred inflow related to other post-employment benefits	56,971	-	56,971
Deferred inflow related to pensions	1,346,059	-	1,346,059
Deferred inflow related to leases	5,979,673	398,975	6,378,648
<b>Total deferred inflow of resources</b>	<b>7,382,703</b>	<b>398,975</b>	<b>7,781,678</b>
<b>Total liabilities and inflow of resources</b>	<b>126,518,966</b>	<b>414,282</b>	<b>126,933,248</b>
<b>Net position</b>			
Net investment in capital assets	69,840,212	2,406,084	72,246,296
Restricted for:			
Tax increment funds	347,674,241	-	347,674,241
Property clean up	-	3,000,000	3,000,000
Other	9,792,691	-	9,792,691
Unrestricted	(33,267,042)	60,145,593	26,878,551
<b>Total net position</b>	<b>394,040,102</b>	<b>65,551,677</b>	<b>459,591,779</b>
<b>Total liabilities, deferred inflows of resources, and net position</b>	<b>\$ 520,559,068</b>	<b>\$ 65,965,959</b>	<b>\$ 586,525,027</b>

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

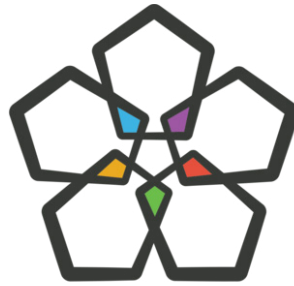
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2024**

	Program Revenues			Net Income (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	\$ 122,851,366	\$ 16,233,390	\$ 27,665,678	\$ (78,952,298)	\$ -	\$ (78,952,298)
<b>Subtotal Governmental Activities:</b>	<b>122,851,366</b>	<b>16,233,390</b>	<b>27,665,678</b>	<b>(78,952,298)</b>	<b>-</b>	<b>(78,952,298)</b>
Business-type activities:						
Enterprise loans	672,187	267,147	-	-	(405,040)	(405,040)
Business management	940,077	330,698	-	-	(609,379)	(609,379)
<b>Subtotal Business-type Activities:</b>	<b>1,612,264</b>	<b>597,845</b>	<b>-</b>	<b>-</b>	<b>(1,014,419)</b>	<b>(1,014,419)</b>
<b>Total</b>	<b>\$ 124,463,630</b>	<b>\$ 16,831,235</b>	<b>\$ 27,665,678</b>	<b>\$ (78,952,298)</b>	<b>\$ (1,014,419)</b>	<b>(79,966,717)</b>

**General Revenues:**

Tax-increment debt proceeds (in lieu of tax-increment revenue) -						
intergovernmental revenues, unrestricted			\$ 57,787,139	\$ -	\$ 57,787,139	
Unrestricted investment income			8,490,891	1,546,708	10,037,599	
Miscellaneous revenues			2,517,034	144,624	2,661,658	
Transfers			(45,977,649)	45,977,649	-	
<b>Total general revenues and transfers</b>			<b>22,817,415</b>	<b>47,668,981</b>	<b>70,486,396</b>	
<b>Change in net position</b>			<b>(56,134,883)</b>	<b>46,654,562</b>	<b>(9,480,321)</b>	
Net position - July 1, 2023			450,174,985	18,897,115	469,072,100	
<b>Net position - June 30, 2024</b>			<b>\$ 394,040,102</b>	<b>\$ 65,551,677</b>	<b>\$ 459,591,779</b>	

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



**PROSPER**  
PORTLAND

**Building an Equitable Economy**

**Balance Sheet**  
**Governmental Funds**  
**June 30, 2024**

	Special Revenue Funds		Capital Projects Funds	
	General Fund	Component Unit 9101 Foster LLC	North Macadam Tax Increment Financing Fund	River District Tax Increment Financing Fund
<b>Assets</b>				
Cash with City of Portland				
investment pool	\$ 87,248	\$ -	\$ 47,668,377	\$ 32,526,223
Cash and cash equivalents	400	468,219	-	-
Receivables:				
Due from City of Portland	8,590,384	-	-	698,149
Accounts, net	182,110	23,359	129,131	1,499,225
Internal balances	-	-	-	-
Loans, net	-	-	-	8,533,939
Interest	5,365	-	363,952	299,731
Loan interest	-	-	-	6,239
Leases, net	-	-	-	3,784,789
Note	-	-	-	-
Due from other Funds	-	-	-	-
Property held for sale	146,754	-	1,892,705	70,042,666
Other	2,386	144,199	5,224	495,857
<b>Total Assets</b>	<b>\$ 9,014,647</b>	<b>\$ 635,777</b>	<b>\$ 50,059,389</b>	<b>\$ 117,886,818</b>
<b>Liabilities, deferred inflow and fund balances</b>				
Liabilities:				
Accounts payable	\$ 3,023,888	\$ 2,136	\$ 158,538	\$ 361,827
Accrued liabilities	539,395	-	-	-
Due to City of Portland	98,983	-	643,038	105,323
Due to other entities	1,321	70,946	-	(29,558)
Unearned revenues	-	-	-	-
Notes payable other	-	15,963,648	-	-
Internal balances	2,100,000	-	-	-
Long-term payable, due to City of Portland	-	-	-	15,149,900
<b>Total liabilities</b>	<b>5,763,587</b>	<b>16,036,730</b>	<b>801,576</b>	<b>15,587,492</b>
<b>Deferred inflows</b>				
Deferred inflows related to leases and contracts	-	-	-	3,794,489
<b>Total deferred inflows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,794,489</b>
<b>Fund balances</b>				
Non-spendable				
Property held for sale	146,754	-	-	-
Restricted				
Loans receivable	-	-	-	8,533,939
Property held for sale	-	-	1,892,705	70,042,666
Urban renewal	-	-	47,365,108	19,928,232
Contractual obligations	-	-	-	-
Assigned				
Subsequent year's expenditures	3,104,306	-	-	-
Unassigned				
Ending fund balance	-	(15,400,953)	-	-
<b>Total fund balances</b>	<b>3,251,060</b>	<b>(15,400,953)</b>	<b>49,257,813</b>	<b>98,504,837</b>
<b>Total liabilities, deferred inflows, and fund balances</b>	<b>\$ 9,014,647</b>	<b>\$ 635,777</b>	<b>\$ 50,059,389</b>	<b>\$ 117,886,818</b>

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



**Balance Sheet**  
**Governmental Funds**  
**June 30, 2024**

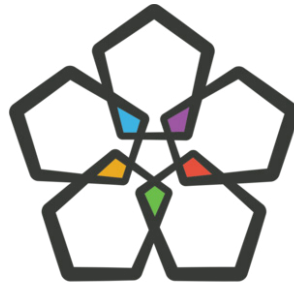
<b>Capital Projects Funds (cont.)</b>			
	<b>Interstate Corridor Tax Increment Financing Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$	96,379,158 \$	116,738,764 \$	293,399,770
	-	575,390	1,044,009
	-	2,360,321	11,648,854
	658,303	710,463	3,202,591
	-	937,000	937,000
	339,604	26,138,936	35,012,479
	777,542	1,038,822	2,485,412
	6,760	2,217,191	2,230,190
	894,934	818,957	5,498,680
	-	852,586	852,586
	-	-	-
	-	31,712,403	103,794,528
	38,296	687,337	1,373,299
<b>\$</b>	<b>99,094,597 \$</b>	<b>184,788,170 \$</b>	<b>461,479,398</b>
\$	6,830 \$	2,023,224 \$	5,576,443
	-	-	539,395
	1,893,734	354,388	3,095,466
	1,000	565,994	609,703
	135,675	-	135,675
	-	-	15,963,648
	-	1,583,000	3,683,000
	-	-	15,149,900
	<b>2,037,239</b>	<b>4,526,606</b>	<b>44,753,230</b>
	799,444	1,385,740	5,979,673
	<b>799,444</b>	<b>1,385,740</b>	<b>5,979,673</b>
	-	-	146,754
	339,604	24,224,188	33,097,731
	-	31,592,008	103,527,379
	95,918,310	113,474,804	276,686,454
	-	9,584,824	9,584,824
	-	-	3,104,306
	-	-	(15,400,953)
	<b>96,257,914</b>	<b>178,875,824</b>	<b>410,746,495</b>
<b>\$</b>	<b>99,094,597 \$</b>	<b>184,788,170 \$</b>	<b>461,479,398</b>

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

AUDIT COMMENTS & DISCLOSURES



**PROSPER**  
PORTLAND

**Building an Equitable Economy**

**Reconciliation of the Governmental Funds Balance Sheet  
 to the Statement of Net Position  
 June 30, 2024**

<b>Fund balances - total governmental funds</b>	<b>\$ 410,746,495</b>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
The following assets used in governmental activities are not financial resources, and therefore, are not reported in the funds:	
Capital assets not being depreciated	
Land	14,126,930
Work in progress	4,398,739
Capital Assets net of depreciation/amortization	
Buildings and improvements	44,363,777
Equipment	224,859
Intangible software	528,562
Right to use assets, net	7,163,257
Subscription-based asset	44,516
Capital assets and lease assets	70,850,639
Leases payable liability	(8,467,244)
SBITA payable	(10,736)
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	121,373
Deferred outflow of resources	169,052
Post-employment benefit health insurance continuation liability	(412,894)
Deferred inflow of resources	(56,971)
Total other post-employment benefits	(179,440)
Pension	
Deferred outflow of resources	6,462,788
Net pension liability	(16,795,398)
Deferred inflow of resources	(1,346,059)
Total pension	(11,678,669)
Net vacation accrual obligation reported on the Statement of Net Position	(1,792,518)
Pollution remediation liability	(65,576,212)
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	
	147,787
<b>Net position of governmental activities</b>	<b>\$ 394,040,102</b>

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, 2024**

	Special Revenue Funds			
	General Fund	Component Unit 9101 Foster LLC	North Macadam Tax Increment Financing District	River District Tax Increment Financing District
<b>Revenues</b>				
Intergovernmental revenues	\$ 18,627,079	\$ -	\$ -	\$ -
Charges for services	1,088,843	604,283	213,308	2,553,898
Loan collections	-	-	-	73,866
Interest (loss) on investments	23,621	-	1,001,236	1,294,281
Miscellaneous	1,027,922	17,642	-	916,655
Tax-increment debt proceeds (in lieu of tax-increment revenue)	-	-	22,488,665	-
<b>Total revenues</b>	<b>20,767,465</b>	<b>621,925</b>	<b>23,703,209</b>	<b>4,838,700</b>
<b>Expenditures</b>				
Current:				
Community development	6,138,621	604,348	3,231,178	12,824,456
Capital expenditures for urban renewal	-	-	-	15,812,778
Financial assistance	14,617,940	-	907,538	529,583
Debt service	-	17,841	-	15,149,900
Capital Outlay	182,819	6,474	-	-
<b>Total expenditures</b>	<b>20,939,380</b>	<b>628,663</b>	<b>4,138,716</b>	<b>44,316,717</b>
Excess (deficiency) of revenues over (under) expenditures	(171,915)	(6,738)	19,564,493	(39,478,017)
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,000,000	-	-	15,334,134
Transfers out	(277,649)	-	(19,800,000)	-
<b>Total other financing sources (uses)</b>	<b>1,722,351</b>	<b>-</b>	<b>(19,800,000)</b>	<b>15,334,134</b>
Net change in fund balances	1,550,436	(6,738)	(235,507)	(24,143,883)
<b>Fund Balances - July 1, 2023</b>	<b>1,700,624</b>	<b>(15,394,215)</b>	<b>49,493,320</b>	<b>122,648,720</b>
<b>Fund Balances (Deficit) - June 30, 2024</b>	<b>\$ 3,251,060</b>	<b>\$ (15,400,953)</b>	<b>\$ 49,257,813</b>	<b>\$ 98,504,837</b>

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

<b>Capital Projects Fund (cont.)</b>			
	<b>Interstate Corridor Tax Increment Financing Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$	-	\$ 9,038,599	\$ 27,665,678
	368,487	6,691,493	11,520,312
	18,377	2,555,460	2,647,703
	2,443,862	3,723,407	8,486,407
	145,052	2,496,671	4,603,942
	28,820,274	6,478,200	57,787,139
	<b>31,796,052</b>	<b>30,983,830</b>	<b>112,711,181</b>
	12,870,109	17,286,962	52,955,674
	-	896,534	16,709,312
	1,113,972	13,781,727	30,950,760
	-	-	15,167,741
	-	-	189,293
	<b>13,984,081</b>	<b>31,965,223</b>	<b>115,972,780</b>
	17,811,971	(981,393)	(3,261,599)
	-	805,160	18,139,294
	(8,000,000)	(36,039,294)	(64,116,943)
	<b>(8,000,000)</b>	<b>(35,234,134)</b>	<b>(45,977,649)</b>
	9,811,971	(36,215,527)	(49,239,248)
	<b>86,445,943</b>	<b>215,091,351</b>	<b>459,985,743</b>
\$	<b>96,257,914</b>	\$ <b>178,875,824</b>	\$ <b>410,746,495</b>

**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, 2024**

<b>Net change in fund balances - total governmental funds</b>	<b>\$ (49,239,248)</b>
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	296,025
Less current year depreciation	(2,112,199)
Capital asset dispositions (sales and disposals)	(22,500)
Accumulated depreciation related capital asset dispositions	(22,500)
<b>Total change in capital assets</b>	<b>(1,861,174)</b>
Leases	357,784
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	(3,439,393)
Current year deferred outflows for pension	(13,885)
Current year deferred inflows for pension	2,646,009
Prior year deferred outflow reversed for amount paid to OPERS	(1,917,261)
Current year deferred outflow for amount paid to OPERS	2,329,684
<b>Total change in pension</b>	<b>(394,846)</b>
Current year adjustment for change in net other post-employment benefits payable in the Statement of Net Position	(167,341)
Current year adjustment for change in vacation accrual	57,404
Current year adjustment for change in pollution remediation	(4,891,947)
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	4,485
<b>Change in net position of governmental activities</b>	<b>\$ (56,134,883)</b>

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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental revenues-				
State and local	\$ 100,000	\$ 320,730	\$ 121,243	\$ (199,487)
City of Portland, General Fund	21,038,555	22,870,775	18,505,836	(4,364,939)
Contractual service charges	180,000	1,630,367	1,088,843	(541,524)
Interest (loss) on investments	-	-	23,621	23,621
Reimbursements	-	10,000	10,000	-
Other	136,700	485,009	498,855	13,846
<b>Total revenues</b>	<b>21,455,255</b>	<b>25,316,881</b>	<b>20,248,398</b>	<b>(5,068,483)</b>
<b>Expenditures</b>				
Current:				
Community development:				
Property redevelopment	1,742,974	3,664,223	1,770,015	1,894,208
Economic development	19,229,919	23,803,060	18,933,306	4,869,754
Administration	16,627,610	17,450,468	16,755,607	694,861
<b>Total community development</b>	<b>37,600,503</b>	<b>44,917,751</b>	<b>37,458,928</b>	<b>7,458,823</b>
Contingency	1,508,464	658,160	-	658,160
<b>Total expenditures</b>	<b>39,108,967</b>	<b>45,575,911</b>	<b>37,458,928</b>	<b>8,116,983</b>
Excess (deficiency) of revenues over expenditures	(17,653,712)	(20,259,030)	(17,210,530)	3,048,500
<b>Other Financing Sources (Uses)</b>				
Internal service reimbursements in	16,556,560	17,498,665	17,467,564	(31,101)
Transfers in	50,000	2,001,000	4,100,000	2,099,000
Internal service reimbursements out	(412,917)	(427,651)	(428,949)	(1,288)
Transfers out	-	(827,845)	(738,649)	89,196
<b>Total other financing sources (uses)</b>	<b>16,193,643</b>	<b>18,244,159</b>	<b>20,399,966</b>	<b>2,155,807</b>
Net change in fund balance	(1,460,069)	(2,014,871)	3,189,436	5,204,307
<b>Fund Balance - July 1, 2023</b>	<b>1,460,069</b>	<b>2,014,871</b>	<b>2,014,870</b>	<b>(1)</b>
<b>Fund Balance - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>5,204,306</b>	<b>\$ 5,204,306</b>
Adjustments to generally accepted accounting principles basis-				
Interfund advances			(2,100,000)	
Property held for sale			146,754	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>			<b>\$ 3,251,060</b>	

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



**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2024**

	Business-type Activities			Governmental Activities - Risk Management Fund **
	Strategic Investment Fund	Business Management Fund **	Total	
<b>Assets</b>				
Current assets:				
Cash with City of Portland				
investment pool	\$ 49,214,606	\$ 2,925,895	\$ 52,140,501	\$ 146,494
Receivables:				
Accounts	500	295,816	296,316	-
Internal balances	-	3,683,000	3,683,000	-
Loans, net	200,268	-	200,268	-
Interest	417,990	43,105	461,095	1,293
Loans interest	54,100	-	54,100	-
Leases, net	-	43,317	43,317	-
Other	-	1,242	1,242	-
Property held for sale	-	965,788	965,788	-
Internal balances	-	(937,000)	(937,000)	-
<b>Total current assets</b>	<b>49,887,464</b>	<b>7,021,163</b>	<b>56,908,627</b>	<b>147,787</b>
Noncurrent assets:				
Loans, net	3,209,304	-	3,209,304	-
Leases, net	-	441,944	441,944	-
Capital asset	-	2,406,084	2,406,084	-
Escrow deposit	-	3,000,000	3,000,000	-
<b>Total noncurrent assets</b>	<b>3,209,304</b>	<b>5,848,028</b>	<b>9,057,332</b>	<b>-</b>
<b>Total assets</b>	<b>\$ 53,096,768</b>	<b>\$ 12,869,191</b>	<b>\$ 65,965,959</b>	<b>\$ 147,787</b>
<b>Liabilities, Deferred Inflow and Net Position</b>				
Liabilities:				
Current liabilities:				
Accounts payable	-	15,307	15,307	-
<b>Total liabilities</b>	<b>-</b>	<b>15,307</b>	<b>15,307</b>	<b>-</b>
Deferred Inflow				
Deferred Inflow related to leases	-	398,975	398,975	-
<b>Total deferred inflows</b>	<b>-</b>	<b>398,975</b>	<b>398,975</b>	<b>-</b>
<b>Total liabilities and deferred inflows</b>	<b>-</b>	<b>414,282</b>	<b>414,282</b>	<b>-</b>
<b>Net Position</b>				
Net investment in capital assets	-	2,406,084	2,406,084	-
Restricted	-	3,000,000	3,000,000	-
Unrestricted	53,096,768	7,048,825	60,145,593	147,787
<b>Total net position</b>	<b>53,096,768</b>	<b>12,454,909</b>	<b>65,551,677</b>	<b>147,787</b>
<b>Total liabilities, deferred inflows of resources, and net position</b>	<b>\$ 53,096,768</b>	<b>\$ 12,869,191</b>	<b>\$ 65,965,959</b>	<b>\$ 147,787</b>

\*\* Non-major fund

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, 2024**

	Business-type Activities			Governmental Activities - Risk Management Fund **
	Strategic Investment Fund	Business Management Fund **	Total	
<b>Operating Revenues:</b>				
Charges for services	\$ 126,425	\$ 161,092	\$ 287,517	\$ -
Loan collections	140,722	-	140,722	-
Miscellaneous revenues	144,065	170,165	314,230	-
<b>Total operating revenues</b>	<b>411,212</b>	<b>331,257</b>	<b>742,469</b>	<b>-</b>
<b>Operating Expenses:</b>				
Personal services	163,045	22,706	185,751	-
Professional services	15,323	429,874	445,197	-
Financial assistance	319,736	-	319,736	-
Internal service reimbursements	173,831	345,213	519,044	-
Miscellaneous expenses	252	-	252	-
Depreciation	-	142,284	142,284	-
<b>Total operating expenses</b>	<b>672,187</b>	<b>940,077</b>	<b>1,612,264</b>	<b>-</b>
Operating income (loss)	(260,975)	(608,820)	(869,795)	-
<b>Non-Operating Revenues (Expense):</b>				
Interest on investments	1,405,686	141,022	1,546,708	4,485
<b>Total non-operating revenues (expense)</b>	<b>1,405,686</b>	<b>141,022</b>	<b>1,546,708</b>	<b>4,485</b>
Income before transfers	1,144,711	(467,798)	676,913	4,485
Transfers in	46,977,649	-	46,977,649	-
Transfers out	(1,000,000)	-	(1,000,000)	-
Change in net position	47,122,360	(467,798)	46,654,562	4,485
<b>Net position - July 1, 2023</b>	<b>5,974,408</b>	<b>12,922,707</b>	<b>18,897,115</b>	<b>143,302</b>
<b>Net position - June 30, 2024</b>	<b>\$ 53,096,768</b>	<b>\$ 12,454,909</b>	<b>\$ 65,551,677</b>	<b>\$ 147,787</b>

\*\* Non-major fund

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

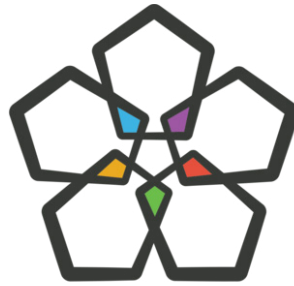
**Statement Of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2024**

	Business-type Activities			Governmental Activities - Risk Management Fund **
	Strategic Investment Fund	Business Management Fund **	Total	
<b>Cash flows from operating activities:</b>				
Loan collections from borrowers	\$ 60,610	\$ -	\$ 60,610	\$ -
Interest on loans from borrowers	94,899	-	94,899	-
Loan fees from customers	126,425	-	126,425	-
Other fees from customers	-	559	559	-
Rent income	-	296,350	296,350	-
Increase in accounts receivable	(10,247)	9,770	(477)	-
Payments to employees	(163,045)	(22,706)	(185,751)	-
Payments to vendors	(15,574)	(427,961)	(443,535)	-
Payments for interfund services used	(173,831)	(345,213)	(519,044)	-
Loans to borrowers	(3,004,379)	-	(3,004,379)	-
<b>Net cash provided/(used) by operating activities</b>	<b>(3,085,142)</b>	<b>(489,201)</b>	<b>(3,574,343)</b>	<b>-</b>
<b>Cash flows from noncapital financing activities:</b>				
Repayment of interfund borrowing	46,977,649	3,630,000	50,607,649	-
Interfund borrowing	(1,000,000)	(3,683,000)	(4,683,000)	-
<b>Net cash provided by noncapital financing activities</b>	<b>45,977,649</b>	<b>(53,000)</b>	<b>45,924,649</b>	<b>-</b>
<b>Cash flows from investing activities:</b>				
Interest received from investing	1,037,291	108,537	1,145,828	4,252
<b>Net cash increase (decrease) in cash and cash equivalents</b>	<b>43,929,798</b>	<b>(433,664)</b>	<b>43,496,134</b>	<b>4,252</b>
<b>Cash and cash equivalents-July 1, 2023</b>	<b>5,284,808</b>	<b>3,359,559</b>	<b>8,644,367</b>	<b>142,242</b>
<b>Cash and cash equivalents-June 30, 2024</b>	<b>\$ 49,214,606</b>	<b>\$ 2,925,895</b>	<b>\$ 52,140,501</b>	<b>\$ 146,494</b>
<b>Cash with City of Portland investment pool from the Statement of Net Position</b>	<b>\$ 49,214,606</b>	<b>\$ 2,925,895</b>	<b>\$ 52,140,501</b>	<b>\$ 146,494</b>
<b>Reconciliation of operating income to net cash provided/(used) by operating activities:</b>				
Net operating income (loss)	(260,975)	(608,820)	(869,795)	-
<b>Adjustments to reconcile net operating income to net cash provided/(used) by operating activities:</b>				
Increase in receivables	(10,247)	-	(10,247)	-
Decrease in loans receivable	(2,813,920)	-	(2,813,920)	-
Decrease in non-cash capital asset	-	9,770	9,770	-
Decrease in loan interest receivable	-	(32,435)	(32,435)	-
Depreciation and amortization	-	142,284	142,284	-
<b>Total adjustments</b>	<b>(2,824,167)</b>	<b>119,619</b>	<b>(2,704,548)</b>	<b>-</b>
<b>Net cash provided/(used) by operating activities</b>	<b>\$ (3,085,142)</b>	<b>\$ (489,201)</b>	<b>(3,574,343)</b>	<b>\$ -</b>

\*\* Non-major fund

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 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.



*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:

*Strategic Investment Fund* - these proprietary funds account for the activities of Prosper Portland’s loan and real estate programs outside of tax increment districts.

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 Strategic Investment Fund in the amount of 519,067. 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 Strategic Investment 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	36-50
Leasehold improvements	15-20
Equipment	5-15
Computer software	10
Computer equipment	5

**5. Lease Assets**

Lease assets are assets which Prosper Portland leases for a term of more than one year. The value of leases is determined by the net present value of the leases at Prosper Portland’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 Prosper Portland, 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 (GASB) 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 ended June 30, 2024 was \$925,073.

**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, 2024, 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. 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 2024.

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 2025.

GASB Statement No. 102, *Certain Risk Disclosures*, was issued in December 2023 and is effective for fiscal years beginning after June 15, 2024. This Statement requires governments to assess and disclose as to whether a concentration or constraint makes it vulnerable to the risk of substantial impact in the ability to acquire resources or control spending. Prosper Portland will implement this in Fiscal Year 2025.

GASB Statement No. 103, *Financial Reporting Model Improvements*, was issued in April 2024 and is effective for fiscal years beginning after June 15, 2025. This Statement requires governments to provide specific analysis regarding events in the MD&A and also includes other enhancements to improve the quality of year over year comparisons. Prosper Portland will implement this in Fiscal Year 2026.

## 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	\$ 20,248,398
Internal services revenues from business-type funds	519,067
Revenues—GAAP basis	\$ 20,767,465
Expenditures—budgetary basis	\$ 37,458,928
Internal service reimbursements between governmental funds for funds other than the General Fund	(16,519,548)
Expenditures—GAAP basis	\$ 20,939,380

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, 2024 the 9101 Foster LLC Fund, a component unit of Prosper Portland, had a deficit balance of \$(15,400,953). 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, 2024 is \$12,379,440, which is directly attributable to the 9101 Foster LLC operation.

## **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 brokers/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, 2024 is composed of the following:

Cash type	Total
Cash and cash equivalents	
Cash on Hand	\$ 400
Deposits with Financial Institutions	1,044,009
Cash with City of Portland investment pool	345,686,365
<b>Total</b>	<b>\$ 346,730,774</b>

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	\$ 1,044,409	\$ -	\$ 1,044,409
Cash with City of Portland investment pool	293,545,863	52,140,502	345,686,365
<b>Total</b>	<b>\$ 294,590,272</b>	<b>\$ 52,140,502</b>	<b>\$ 346,730,774</b>

### **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, 2024, 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 \$1,044,409 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, 2024, the weighted average maturity of the City's investment portfolio was 1.56 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, 2024, 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, 2024, 69.91 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
	General Fund	Downtown Waterfront TIF	Non-major Governmental Funds	Non-major Business-type funds	
<b>Governmental Funds</b>					
General Fund				\$ (2,100,000)	\$ (2,100,000)
Downtown Waterfront TIF		\$ -	\$ -	\$ 937,000	\$ 937,000
Non-major Governmental Funds			- (1,583,000)	-	(1,583,000)
<b>Total Governmental Funds assets (liabilities)</b>		<b>-</b>	<b>(1,583,000)</b>	<b>(1,163,000)</b>	<b>(2,746,000)</b>
<b>Business-type Funds</b>					
Non-major Business-type funds	2,100,000	(937,000)		1,583,000	2,746,000
<b>Total Business-type Funds assets (liabilities)</b>	<b>2,100,000</b>	<b>(937,000)</b>	<b>-</b>	<b>1,583,000</b>	<b>2,746,000</b>
<b>Total interfund receivable (payable)</b>	<b>\$ 2,100,000</b>	<b>\$ (937,000)</b>	<b>\$ (1,583,000)</b>	<b>\$ 420,000</b>	<b>\$ -</b>

Total interfund receivable sits at \$2,746,000 in the non-major business-type funds for fiscal year 2024. 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				Business-type Fund			
	General Fund	North Macadam TIF	River District TIF	Interstate Corridor TIF	Non-major Governmental Funds	Strategic Investment Fund	Non-major Proprietary Fund	
<b>Governmental funds</b>								
General fund	\$ -	\$ -	\$ -	\$ -	\$ -	277,649	\$ -	<b>277,649</b>
North Macadam TIF	-	-	11,000,000	-	800,000	8,000,000	-	<b>19,800,000</b>
Interstate Corridor TIF	1,000,000	-	-	-	-	7,000,000	-	<b>8,000,000</b>
Non-major governmental funds	-	-	4,334,134	-	5,160	31,700,000	-	<b>36,039,294</b>
<b>Business-type funds</b>								
Strategic Investment Fund	1,000,000	-	-	-	-	-	-	<b>1,000,000</b>
<b>Total Transfers In</b>	<b>\$ 2,000,000</b>	<b>\$ -</b>	<b>\$ 15,334,134</b>	<b>\$ -</b>	<b>805,160</b>	<b>\$ 46,977,649</b>	<b>\$ -</b>	<b>\$ 65,116,943</b>

**C. Loans Receivable**

Loans receivable are 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
<b>Major Funds</b>				
<b>River District Tax Increment Financing Fund:</b>				
Amortized loans	23 yrs	1% to 12%	2,587,871	132,681
Deferred payment loans	17 yrs	0%	8,105,001	2,026,250
<b>Total Gross River District Tax Increment Financing Fund</b>			<b>\$ 10,692,872</b>	<b>\$ 2,158,931</b>
<b>Total Net River District Tax Increment Financing Fund</b>				<b>\$ 8,533,941</b>
<b>Interstate Corridor Tax Increment Financing Fund:</b>				
Amortized loans	16 yrs	2% to 8.25%	932,267	617,245
Pre-Dev-CPRL	2 yrs	4% to 6.25%	122,915	98,332
<b>Total Gross Interstate Corridor Tax Increment Financing Fund</b>			<b>\$ 1,055,182</b>	<b>\$ 715,577</b>
<b>Total Net Interstate Corridor Tax Increment Financing Fund</b>				<b>\$ 339,605</b>
<b>Total Gross Major Funds</b>			<b>\$ 11,748,054</b>	<b>\$ 2,874,508</b>
<b>Total Net Major Funds</b>				<b>\$ 8,873,546</b>

Fund and Program	Maximum Term	Interest Rate	Gross Loans Receivable	Allowance And Discount
<b>Other Governmental Funds:</b>				
<b>EDA Revolving Loan Fund</b>				
Amortized Loans	11 yrs	4.75% to 8.5%	1,418,553	303,879
<b>Total Gross EDA Revolving Loan Fund</b>			<b>\$ 1,418,553</b>	<b>\$ 303,879</b>
<b>Total Net EDA Revolving Loan Fund</b>				<b>\$ 1,114,674</b>
<b>EDA Special Award Fund</b>				
Amortized Loans	11 yrs	2.44% to 11.25%	1,116,496	316,422
<b>Total Gross EDA Special Award Fund</b>			<b>\$ 1,116,496</b>	<b>\$ 316,422</b>
<b>Total Net EDA Special Award Fund</b>				<b>\$ 800,074</b>
<b>Ezone WFBD Fund</b>				
Amortized loans	5 yrs	0%	79,133	18,021
<b>Total Gross Ezone WFBD Fund</b>			<b>\$ 79,133</b>	<b>\$ 18,021</b>
<b>Total Net Ezone WFBD Fund</b>				<b>\$ 61,112</b>
<b>Downtown Waterfront Tax Increment Financing Fund:</b>				
Amortized loans	20 yrs	1% to 3.25%	180,407	9,021
<b>Total Gross Downtown Waterfront Tax Increment Financing Fund</b>			<b>\$ 180,407</b>	<b>\$ 9,021</b>
<b>Total Net Downtown Waterfront Tax Increment Financing Fund</b>				<b>\$ 171,386</b>
<b>South Park Blocks Tax Increment Financing Fund:</b>				
Amortized loans	14 yrs	3.25% to 3.5%	213,912	10,696
<b>Total Gross South Park Blocks Tax Increment Financing Fund</b>			<b>\$ 213,912</b>	<b>\$ 10,696</b>
<b>Total Net South Park Blocks Tax Increment Financing Fund</b>				<b>\$ 203,216</b>
<b>Convention Center Tax Increment Financing Fund:</b>				
Amortized loans	22 yrs	0.41% to 6%	8,734,245	4,167,073
Cash flow loans	43 yrs	0.5% to 9%	2,960,655	2,812,622
<b>Total Gross Convention Center Tax Increment Financing Fund</b>			<b>\$ 11,694,900</b>	<b>\$ 6,979,695</b>
<b>Total Net Convention Center Tax Increment Financing Fund</b>				<b>\$ 4,715,205</b>

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

AUDIT COMMENTS & DISCLOSURES

Fund and Program	Maximum Term	Interest Rate	Gross Loans Receivable	Allowance And Discount
<b>Central Eastside Tax Increment Financing Fund:</b>				
Amortized loans	20 yrs	1% to 9%	913,154	156,825
<b>Total Gross Central Eastside Tax Increment Financing Fund</b>			<b>\$ 913,154</b>	<b>\$ 156,825</b>
<b>Total Net Central Eastside Tax Increment Financing Fund</b>			<b>\$</b>	<b>756,329</b>
<b>Lents Town Center Tax Increment Financing Fund:</b>				
Amortized loans	20 yrs	3% to 7%	3,127,852	504,494
Cash flow loans	40 yrs	0% to 3.25%	37,245,097	26,040,911
<b>Total Gross Lents Town Center Tax Increment Financing Fund</b>			<b>\$ 40,372,949</b>	<b>\$ 26,545,405</b>
<b>Total Net Lents Town Center Tax Increment Financing Fund</b>			<b>\$</b>	<b>13,827,544</b>
<b>Gateway Regional Tax Increment Financing Fund:</b>				
Amortized loans	7 yrs	0% to 7.5%	1,897,046	94,852
Cash flow loans	40 yrs	2.5%	4,044,737	3,066,473
<b>Total Gross Gateway Regional Tax Increment Financing Fund</b>			<b>\$ 5,941,783</b>	<b>\$ 3,161,325</b>
<b>Total Net Gateway Regional Tax Increment Financing Fund</b>			<b>\$</b>	<b>2,780,458</b>
<b>Airport Way Tax Increment Financing Fund:</b>				
Amortized loans	22 yrs	0% to 8%	806,879	40,344
Deferred payment loans	22 yrs	0% to 2%	992,000	49,600
<b>Total Gross Airport Way Tax Increment Financing Fund</b>			<b>\$ 1,798,879</b>	<b>\$ 89,944</b>
<b>Total Net Airport Way Tax Increment Financing Fund</b>			<b>\$</b>	<b>1,708,935</b>
<b>Total Gross Other Governmental Funds</b>			<b>\$ 63,730,166</b>	<b>\$ 37,591,233</b>
<b>Total Net Other Governmental Funds</b>			<b>\$</b>	<b>26,138,933</b>
<b>Total Gross Governmental Funds</b>			<b>\$ 75,478,220</b>	<b>\$ 40,465,741</b>
<b>Total Net Governmental Funds</b>				<b>35,012,479</b>



Fund and Program	Maximum Term	Interest Rate	Gross Loans Receivable	Allowance And Discount
<b>Business-type Funds:</b>				
<b>Small Business Fund:</b>				
Amortized loans	15 yrs	3% to 12%	3,543,457	316,368
Deferred payment loans	10 yrs	4%	34,296	34,296
<b>Total Gross Small Business Fund</b>			<b>\$ 3,577,753</b>	<b>\$ 350,664</b>
<b>Total Small Business Fund</b>				<b>\$ 3,227,089</b>
<b>NPI Opportunity Fund:</b>				
Amortized loans	3 yrs	5.5%	192,087	9,604
<b>Total Gross NPI Opportunity Fund</b>			<b>\$ 192,087</b>	<b>\$ 9,604</b>
<b>Total Net NPI Opportunity Fund</b>				<b>\$ 182,483</b>
<b>Total Gross Business-type Funds</b>			<b>\$ 3,769,840</b>	<b>\$ 360,268</b>
<b>Total Net Business-type Funds</b>				<b>\$ 3,409,572</b>
<b>Total Gross All Funds</b>			<b>\$ 79,248,060</b>	<b>\$ 40,826,009</b>
<b>Total Net All Funds</b>				<b>\$ 38,422,051</b>

**The combined loan portfolio is composed of the following:**

Fund and Program	Current Year Gross Loan Percentages	Gross Loans Receivable	Allowance And Discount
<b>Urban Development:</b>			
Amortized loans	32.48%	\$ 25,743,359	\$ 6,697,525
Cash flow loans	55.84%	44,250,490	31,920,006
PreDev-CPRL loans	0.16%	122,915	98,332
Deferred payment loans	11.52%	9,131,296	2,110,146
<b>Urban development totals</b>	<b>100%</b>	<b>\$ 79,248,060</b>	<b>\$ 40,826,009</b>
<b>Total Gross Loans</b>	<b>100%</b>	<b>\$ 79,248,060</b>	<b>\$ 40,826,009</b>
<b>Total Net Loans</b>			<b>\$ 38,422,051</b>
<b>Summary Loans Receivable Aging:</b>			
Current loans receivable, net		1,547,434	
Noncurrent loans receivable, net		21,885,644	
<b>Total Net Loans</b>		<b>\$ 23,433,078</b>	

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:

<b>Restricted by:</b>	
Enabling legislation:	
Tax increment funds	\$ 347,674,241
Contributors:	
Property clean up	3,000,000
Contractual obligations	9,792,691
<b>Total</b>	<b>\$ 360,466,932</b>

**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:

<b>Governmental activities:</b>	
General Fund	\$ 146,754
9101 Foster LLC	-
North Macadam Tax Increment Financing Fund	1,892,705
River District Tax Increment Financing Fund	70,042,666
Interstate Corridor Tax Increment Financing Fund	-
Other governmental funds	31,712,403
<b>Total governmental activities</b>	<b>\$ 103,794,528</b>
<b>Business-type Activities:</b>	
Business type funds	965,788
<b>Total property held for sale</b>	<b>\$ 104,760,316</b>

## 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
<b>Governmental Activity</b>					
<b>Capital assets, not being depreciated:</b>					
Land	\$ 14,126,930	\$ -	\$ -	\$ -	14,126,930
Work in progress-Halsey 106 and Fairfield	4,226,693	172,046	-	-	4,398,739
<b>Total Capital assets, not being depreciated:</b>	<b>18,353,623</b>	<b>172,046</b>	<b>-</b>	<b>-</b>	<b>18,525,669</b>
<b>Capital assets, being depreciated or amortized:</b>					
Buildings and improvements	53,610,521	-	-	-	53,610,521
Equipment	467,455	123,979	22,500	-	568,934
Intangible software	1,194,768	-	-	-	1,194,768
Right to Use assets					
Leases, lessee	9,581,947	-	-	-	9,581,947
Subscription-based assets	84,346	-	-	-	84,346
<b>Total capital assets, being depreciated or amortized</b>	<b>64,939,037</b>	<b>123,979</b>	<b>22,500</b>	<b>-</b>	<b>65,040,516</b>
<b>Total capital assets before depreciation</b>	<b>83,292,660</b>	<b>296,025</b>	<b>22,500</b>	<b>-</b>	<b>83,566,185</b>
<b>Less accumulated depreciation or amortization for Community Development:</b>					
Buildings and improvements	(8,091,669)	(1,155,075)	-	-	(9,246,744)
Equipment	(315,908)	(50,667)	(22,500)	-	(344,075)
Intangible software	(589,427)	(76,779)	-	-	(666,206)
Right to Use Assets					
Leases, lessee	(1,617,128)	(801,562)	-	-	(2,418,690)
Subscription-based assets	(11,714)	(28,116)	-	-	(39,830)
<b>Total accumulated depreciation or amortization</b>	<b>(10,625,846)</b>	<b>(2,112,199)</b>	<b>(22,500)</b>	<b>-</b>	<b>(12,715,545)</b>
<b>Total capital assets, being depreciated or amortized, net</b>	<b>54,313,191</b>	<b>(1,988,220)</b>	<b>-</b>	<b>-</b>	<b>52,324,971</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 72,666,814</b>	<b>\$ (1,816,174)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>70,850,640</b>

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Business-type activity</b>					
<b>Capital assets, being depreciated or amortized:</b>					
Leasehold improvements	\$ 2,816,139	\$ 4,825	\$ -	\$ -	2,820,964
<b>Total capital assets, being depreciated or amortized</b>	<b>2,816,139</b>	<b>4,825</b>	<b>-</b>	<b>-</b>	<b>2,820,964</b>
<b>Total capital assets before depreciation</b>	<b>2,816,139</b>	<b>4,825</b>	<b>-</b>	<b>-</b>	<b>2,820,964</b>
<b>Less accumulated depreciation or amortization for:</b>					
Leasehold improvements	(272,595)	(142,284)	-	-	(414,880)
<b>Total accumulated depreciation or amortization</b>	<b>(272,595)</b>	<b>(142,284)</b>	<b>-</b>	<b>-</b>	<b>(414,880)</b>
<b>Total capital assets, being depreciated or amortized, net</b>	<b>2,543,544</b>	<b>(137,459)</b>	<b>-</b>	<b>-</b>	<b>2,406,084</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 2,543,544</b>	<b>\$ (137,459)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>2,406,084</b>

**G. Leases**

In fiscal year 2024 Prosper Portland implemented GASB 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, 2023	Additions	Decrease	Outstanding June 30, 2024
<b>Governmental Activities:</b>					
220 Building; interest at 9%, principal and interest ranges from \$67,003 to \$101,348, due 2036.	\$ 7,437,606	\$ 7,508,746	\$ 44,097	\$ 176,092	\$ 7,376,751
Majestic Alberta Commons; interest at 9%, principal and interest ranges from \$15,640 to \$23,302, due 2028.	1,557,609	1,013,957	-	233,517	780,440
Riverplace Marina; interest at 5.25%, principal and interest ranges from \$1,150 to \$20,573, due 2032.	646,051	72,904	90,500	10,977	152,427
City of Portland Utility Vault; interest at 5.25%, principal and interest ranges from \$5,100 to \$10,258, due 2108.	147,566	157,855	2,065	2,290	157,630
	<b>\$ 9,788,832</b>	<b>\$ 8,753,462</b>	<b>\$ 136,662</b>	<b>\$ 422,876</b>	<b>\$ 8,467,248</b>
<b>Current portion</b>				<b>\$</b>	<b>383,980</b>
<b>Long-term portion, due to others</b>				<b>\$</b>	<b>7,928,108</b>
<b>Long-term portion, due to City of Portland</b>				<b>\$</b>	<b>155,160</b>
<b>Total long-term portion</b>				<b>\$</b>	<b>8,083,268</b>

Future maturities are as follows:

FY Ended June 30,	Governmental Activities	
	Principal	Interest
2025	383,980	769,546
2026	465,296	724,233
2027	557,286	669,523
2028	613,408	604,409
2029	460,675	552,782
2030-2034	3,538,391	1,957,291
2035-2039	2,262,472	279,197
2040-2044	(1,870)	49,146
2045-2049	2,268	49,022
2050-2054	2,929	48,361
2055-2059	3,783	47,507
2060-2064	4,886	46,404
2065-2069	6,311	44,979
2070-2074	8,150	43,139
2075-2079	10,526	40,763
2080-2084	13,595	37,694
2085-2089	17,559	33,731
2086-2094	22,678	28,611
2095-2099	29,290	21,999
2100-2104	37,830	13,460
2105-2109	27,805	2,969
<b>TOTALS</b>	<b>\$ 8,467,248</b>	<b>\$ 6,064,766</b>



**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, 2023	Additions	Decrease	Outstanding June 30, 2024
<b>Governmental Activities</b>					
<b>River District Tax Increment Financing Fund</b>					
Pearl Office Building; interest at 5%, principal and interest of \$19,800 monthly, due 2056.	\$ 4,184,416	\$ 3,898,146	\$ -	\$ 116,791	\$ 3,781,355
Amtrak; interest at 9%, principal and interest ranges from \$26,675 to \$63,167, due 2023.	4,941,863	460,005	-	460,005	-
<b>Total River District Tax Increment Financing Fund</b>	<b>9,126,279</b>	<b>4,358,151</b>	<b>-</b>	<b>576,796</b>	<b>3,781,355</b>
<b>Interstate Corridor Tax Increment Financing Fund</b>					
Victory Lane dba Champion's Barbershop; interest at 12%, principal and interest ranges from \$2,916 to \$4,220, due 2029.	245,218	260,970	-	80,991	179,979
Figure Plant, LLC.; interest at 10%, principal and interest ranges from \$5,232 to \$11,984, due 2026.	729,241	246,949	-	19,482	227,467
Spar-Tek Industries, Inc.; interest at 9%, principal and interest ranges from \$9,123 to \$16,001, due 2031.	833,471	-	833,471	-	833,471
<b>Total Interstate Corridor Tax Increment Financing Fund</b>	<b>1,807,930</b>	<b>507,919</b>	<b>833,471</b>	<b>100,473</b>	<b>1,240,917</b>
<b>Total major governmental funds</b>	<b>10,934,209</b>	<b>4,866,070</b>	<b>833,471</b>	<b>677,269</b>	<b>5,022,272</b>
<b>Non-major governmental funds</b>					
<b>Downtown Waterfront Tax Increment Financing Fund</b>					
Riverplace Marina ; interest at 9%, principal and interest ranges from \$16,301 to \$10,377 due 2032.	\$ 93,180	\$ 66,016	\$ -	\$ 9,349	\$ 56,667
NPB; interest at 9%, principal and interest ranges from \$16,301 to \$10,377 due 2032.	93,180	66,016	-	9,349	56,667
<b>Total Downtown Waterfront Tax Increment Financing Fund</b>	<b>186,360</b>	<b>132,032</b>	<b>-</b>	<b>18,698</b>	<b>113,334</b>
<b>Gateway Tax Increment Financing Fund</b>					
Gateway Halsey Limited Partnership; interest at 12%, principal and interest ranges from \$55,205 to \$625,562, due 2118.	644,491	618,191	30,941	-	649,132
<b>Total Gateway Tax Increment Financing Fund</b>	<b>644,491</b>	<b>618,191</b>	<b>30,941</b>	<b>-</b>	<b>649,132</b>
<b>Total non-major governmental funds</b>	<b>830,851</b>	<b>750,223</b>	<b>30,941</b>	<b>18,698</b>	<b>762,466</b>
<b>Total governmental funds</b>	<b>11,765,060</b>	<b>5,616,293</b>	<b>864,412</b>	<b>695,967</b>	<b>5,784,738</b>
Add:					
Interest					71,013
Allowance for Uncollectible AR					(357,070)
<b>Total Governmental Lease Receivables</b>	<b>\$ 11,765,060</b>	<b>\$ 5,616,293</b>	<b>\$ 864,412</b>	<b>\$ 695,967</b>	<b>\$ 5,498,681</b>

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

AUDIT COMMENTS & DISCLOSURES

Lease Receivables	Original Amount	Outstanding July 1, 2023	Additions	Decrease	Outstanding June 30, 2024
<b>Business-type Activities</b>					
<b>Non-major business-type activities</b>					
Abbey Creek Vinyard, LLC; interest at 9%, principal and interest ranges from \$578 to \$2199, due 2025.	\$ 91,043	\$ 48,566	-	\$ 48,566	-
Amity Alshref Design and Print, LLC; interest at 9%, principal and interest ranges from \$361 to \$1,929 due 2026.	78,920	56,051	-	19,102	36,949
Compound (Uplift); interest at 9%, principal and interest ranges from \$904 to \$5,688 due 2037.	448,241	461,298	4,170	27,835	437,633
Orox Leather; interest at 9%, principal and interest ranges from \$578 to \$3,397, due 2030.	214,504	205,119	-	205,119	-
<b>Total non-major business type activities</b>	<b>832,708</b>	<b>771,034</b>	<b>4,170</b>	<b>300,622</b>	<b>474,582</b>
Add:					
Interest					10,679
<b>Total Business-type Lease Receivables</b>	<b>\$ 832,708</b>	<b>\$ 771,034</b>	<b>\$ 4,170</b>	<b>\$ 300,622</b>	<b>\$ 485,261</b>

Future maturities are as follows:

FY Ended June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 258,062	\$ 386,640	\$ 32,637	\$ 41,400
2026	274,961	361,350	31,575	38,308
2027	194,322	342,407	17,547	36,229
2028	220,970	325,612	20,535	34,529
2029	250,967	306,179	23,843	32,547
2030-2034	606,340	1,327,821	182,427	120,854
2035-2039	346,719	1,255,342	166,018	22,943
2040-2044	460,980	1,194,048		
2045-2049	609,814	1,105,267		
2050-2054	803,404	979,803		
2055-2059	241,533	866,605		
2060-2064	(195,473)	955,838		
2065-2069	(218,407)	1,078,581		
2070-2074	(241,547)	1,215,211		
2075-2079	(262,590)	1,365,372		
2080-2084	(277,115)	1,526,879		
2085-2089	(276,917)	1,694,089		
2086-2094	(247,054)	1,855,004		
2095-2099	(160,646)	1,986,124		
2100-2104	30,316	2,043,321		
2105-2109	411,170	1,945,718		
2110-2114	1,133,153	1,547,205		
2115-2119	1,821,778	586,179		
<b>TOTALS</b>	<b>\$ 5,784,740</b>	<b>\$ 26,250,595</b>	<b>\$ 474,582</b>	<b>\$ 326,810</b>

**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, 2024
<b>Governmental Activities:</b>					
Air Table ; interest at 2.57%, principal and interest ranges from \$9,000 to \$18,000 due 2026.	\$ 80,104	\$ 26,070	- \$	17,329 \$	8,741
EZ Lease; interest at 2.57%, principal and interest are 1,450 due 2026.	4,243	2,825	-	1,378	1,447
	\$ 84,347	\$ 28,895	- \$	18,707 \$	10,188

Future maturities are as follows:

FY Ended June 30,	Governmental Activities	
	Principal	Interest
2025	\$ 10,188	\$ 262
<b>TOTALS</b>	\$ 10,188	\$ 262

### 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	\$ 999,352	\$ 987	\$ 25,661	\$ 974,678	\$ 965,912	\$ 8,766
Lease payable	8,656,247	-	344,159	8,312,088	7,928,108	383,980
Subscription based asset payable	28,895		18,707	10,188	-	10,188
Lease due to City of Portland	155,160	-	-	155,160	155,160	-
Other post-employment benefits	409,528	3,366	-	412,894	412,894	-
Net pension liability	13,356,005	3,439,393	-	16,795,398	16,795,398	-
Pollution remediation	61,419,175	4,386,309	229,272	65,576,212	50,076,212	15,500,000
Vacation accrual	867,557	924,961	-	1,792,518	867,445	925,073
Line of credit, due to City of Portland	-	15,149,900	-	15,149,900	15,149,900	-
<b>Total</b>	<b>\$ 85,891,919</b>	<b>\$ 23,904,916</b>	<b>\$ 617,799</b>	<b>\$ 109,179,036</b>	<b>\$ 92,351,029</b>	<b>\$ 16,828,007</b>

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

Debt service requirements on direct borrowing at June 30, 2024, are as follows:

Year Ending, June 30,	Principal	Interest
2025	\$ 8,766	\$ 14,270
2026	33,944	13,765
2027	34,457	13,252
2028	34,978	12,732
2029	35,506	12,204
2030-2034	185,737	52,810
2035-2039	200,194	38,353
2040-2044	215,776	22,772
2045-2049	225,320	6,201
<b>Total</b>	<b>\$ 974,678</b>	<b>\$ 186,359</b>

In August 2023, Prosper Portland and the City of Portland signed a 0% long-term payable agreement granted for the redevelopment of the USPS Property. Scheduled payments begin in FY 2034. This appears on the Statement of Net Position in Long-term Liabilities as a long-term payable due to the City of Portland for \$15,149,900.

Debt service requirements on direct borrowing at June 30, 2024, are as follows:

Year Ending, June 30,	Principal
2034	\$ 881,650
2035	\$ 2,038,400
2036	\$ 2,037,250
2037	\$ 2,040,350
2038	\$ 2,037,700
2039	\$ 2,039,300
2040	\$ 2,040,100
2041	\$ 2,035,150
<b>Total</b>	<b>\$ 15,149,900</b>

**I. Amounts Due To and From the City of Portland**

The City of Portland owes Prosper Portland \$11,648,854 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, 2024 are as follows:

	Accounts Payable
Governmental Funds	
General Fund	\$ 98,983
Downtown Waterfront Tax Increment Financing Fund	842
North Macadam Tax Increment Financing Fund	643,038
River District Tax Increment Financing Fund	105,323
South Park Blocks Tax Increment Financing Fund	725
Convention Center Tax Increment Financing Fund	842
Central Eastside Tax Increment Financing Fund	22,171
Lents Town Center Tax Increment Financing Fund	313,925
Interstate Corridor Tax Increment Financing Fund	1,893,734
Gateway Tax Increment Financing Fund	15,040
Airport Way Tax increment Financing Fund	842
<b>Total</b>	<b>\$ 3,095,465</b>

**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:

<b>Governmental funds</b>	<b>Loan Loss Adjustment</b>	<b>Reimbursement</b>	<b>Land/ Personal Property Sales/ Transfers</b>	<b>Other</b>	<b>Total</b>
General Fund	\$ -	\$ 10,000	\$ -	\$ 1,017,922	\$ 1,027,922
Component Unit 9101 Foster LLC	-	17,642	-	-	17,642
Downtown Waterfront Tax Increment Financing Fund	-	-	-	-	-
North Macadam Tax Increment Financing Fund	-	-	-	-	-
River District Tax Increment Financing Fund	-	906,926	-	9,729	916,655
North Macadam Tax Increment Financing Fund	-	-	-	-	-
Interstate Corridor Tax Increment Financing Fund	-	138,710	-	6,342	145,052
Other Non-Major Governmental Funds	-	429,786	65,767	2,001,118	2,496,671
<b>Total governmental funds</b>	<b>-</b>	<b>1,503,064</b>	<b>65,767</b>	<b>3,035,111</b>	<b>4,603,942</b>
<b>Business-type funds</b>					
Strategic Investment Funds	144,065	-	-	-	144,065
Non-major business-type funds	-	136,719	-	33,446	170,165
<b>Total business-type funds</b>	<b>-</b>	<b>136,719</b>	<b>-</b>	<b>33,446</b>	<b>170,165</b>
<b>Total</b>	<b>\$ -</b>	<b>\$ 1,639,783</b>	<b>\$ 65,767</b>	<b>\$ 3,068,557</b>	<b>\$ 4,774,107</b>

## 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 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/3lIEyX9>

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 have 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 adjustment (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 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, 2024 were \$2,329,684, excluding amounts to fund employer specific liabilities. The contribution rates on subject salary in effect for the fiscal year ended June 30, 2024 for each pension program were: Tier1/Tier 2 – 23.6%, OPSRP – 20.12%.

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

At June 30, 2024, 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, 2023. 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, 2024, the City's proportionate share of OPERS pension liability was 4.9444% and Prosper Portland's portion of the City's OPERS pension liability was 1.6633%.

For the year ended June 30, 2024, Prosper Portland recognized a pension expense of \$382,876. At June 30, 2024, 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	\$ 812,050	\$ 61,469	\$ 750,581
Difference between projected and actual earnings on investments	276,868	-	276,868
Changes of assumptions	1,767,517	11,417	1,756,100
Differences between employer contributions and proportionate share of contributions	-	1,273,173	(1,273,173)
Changes in proportionate share	1,276,669	-	1,276,669
Subtotal	4,133,104	1,346,059	2,787,045
<hr/>			
Contributions made subsequent to the measurement dates	2,329,684	-	2,329,684
<b>Total</b>	<b>\$ 6,462,788</b>	<b>\$ 1,346,059</b>	<b>\$ 5,116,729</b>

Prosper Portland deferred \$2,329,684 for contributions made after the measurement date of June 30, 2023 and before the end of fiscal year 2024, 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	Net Difference between Projected and Actual Earnings on Investments	Total
2024	\$ 298,512	\$ 693,068	\$ 453,180	\$ 108,552	<b>1,553,312</b>
2025	223,479	693,068	369,133	71,408	<b>1,357,088</b>
2026	143,878	334,038	254,656	71,408	<b>803,980</b>
2027	104,415	47,343	154,053	25,500	<b>331,311</b>
2028	41,766	-	45,647	-	<b>87,413</b>
<b>Total</b>	<b>\$ 812,050</b>	<b>\$ 1,767,517</b>	<b>\$ 1,276,669</b>	<b>\$ 276,868</b>	<b>4,133,104</b>

Deferred Inflow of Resources						
Fiscal Year Ending June 30, 2024	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
2024	\$ 17,562	\$ 8,782	\$ -	\$ 405,391	\$ -	431,735
2025	17,562	2,635	-	362,400	-	382,597
2026	17,562	-	-	325,794	-	343,356
2027	8,781	-	-	169,007	-	177,788
2028	2	-	-	10,581	-	10,583
<b>Total</b>	<b>\$ 61,469</b>	<b>\$ 11,417</b>	<b>\$ -</b>	<b>\$ 1,273,173</b>	<b>\$ -</b>	<b>1,346,059</b>

Net Deferred Outflow/Inflow of Resources			
Fiscal Year Ending June 30,	Total Deferred Outflows	Total Deferred Inflows	Total
2024	\$ 1,553,312	\$ 431,735	<b>1,121,577</b>
2025	1,357,088	382,597	<b>974,491</b>
2026	803,980	343,356	<b>460,624</b>
2027	331,311	177,788	<b>153,523</b>
2028	87,413	10,583	<b>76,830</b>
<b>Total</b>	<b>\$ 4,133,104</b>	<b>\$ 1,346,059</b>	<b>2,787,045</b>

**Actuarial Methods and Assumptions:**

*Actuarial Valuations.* The employer contribution rates effective July 1, 2023, through June 30, 2024, 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, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation date:	December 31, 2021
Measurement date:	June 30, 2023
Experience study:	2021, published July 20, 2021
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	20.0%	30.0%	25.0%
Public equity	22.5%	32.5%	27.5%
Private equity	17.5%	27.5%	20.0%
Real estate	9.0%	16.5%	12.5%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
<b>Total</b>			<b>100.0%</b>

*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 2023 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	20 -Year Annualized Geometric Mean
Global equity	27.50%	7.1%
Private Equity	25.5%	8.8%
Core Fixed Income	25.0%	4.5%
Real Estate	12.3%	5.8%
Master Limited Partnerships	0.75	6.0%
Infrastructure	1.5%	6.5%
Hedge Fund of Funds - multistrategy	1.3%	6.3%
Hedge fund equity - Hedge	0.63	6.5%
Hedge Fund - Macro	5.6%	4.8%
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)	\$ 25,444,088	\$ 16,795,398	\$ 7,001,044

*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, 2022 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 \$64 million per year added to the total system normal cost and allocated between Tier 1/Tier 2 and OPSRP based on valuation payroll.

**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 Disabled 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 2024 Prosper Portland paid \$669,457.

*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 \$412,894 was measured as of June 30, 2023 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, 2023
Inflation	2.40%
Salary increases	3.40%
Actuarial cost method	Entry Age Normal
Discount rate	3.65%
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

- July 1, 2022 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, 2024.

**Changes in Total OPEB Liability**

<b>Balance as of June 30, 2023</b>	<b>\$ 409,528</b>
Changes for the year:	
Service cost	22,266
Interest on total OPEB liability	14,741
Effect of economic/demographic gains or losses	-
Effect of assumptions changes or inputs	(2,600)
Benefit payments	(31,041)
<b>Balance as of June 30, 2024</b>	<b>\$ 412,894</b>

**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 3.65%, 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 (2.7%) or one percentage point higher (4.7%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
<b>Total OPEB liability</b>	<b>\$ 437,883</b>	<b>\$ 412,894</b>	<b>\$ 389,094</b>

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

	1% Decrease	Current Trend Rate	1% Increase
<b>Total OPEB liability</b>	<b>\$ 381,025</b>	<b>\$ 412,894</b>	<b>\$ 448,962</b>



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

For the year ended June 30, 2024, Prosper Portland recognized an OPEB expense of \$38,244. At June 30, 2024, 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	\$ 109,183	\$ (7,278)	\$ 101,905
Changes of assumptions or inputs	2,952	(43,986)	(41,034)
	112,135	(51,264)	60,871
Benefit payments after the measurement date	30,460	-	30,460
<b>Total</b>	<b>\$ 142,595</b>	<b>\$ (51,264)</b>	<b>\$ 91,331</b>

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
2025	\$ 3,783
2026	11,447
2027	10,711
2028	14,777
2029	14,647
Thereafter	5,506
<b>Total</b>	<b>\$ 60,871</b>

**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 Prosper Portland were \$439 for the year ended June 30, 2024. 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, 2024, Prosper Portland reported an asset of \$121,373 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation date as of December 31, 2021. 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, 2023 was 0.038%.

For the year ended June 30, 2024, Prosper Portland recognized an OPEB expense of \$18,365. At June 30, 2024, 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	\$ 415	\$ (1,517)	\$ 1,932
Change of Assumptions	(169)	667	(836)
Difference between expected and actual experience	-	572	(572)
Changes in proportionate share	25,772	5,985	19,787
<b>Total (prior to post-measurement date contributions)</b>	<b>\$ 26,018</b>	<b>\$ 5,707</b>	<b>\$ 20,311</b>
Contributions made subsequent to measurement date	439	-	439
Net deferred outflow/(inflows) of resources	\$ 26,457	\$ 5,707	\$ 20,750

Deferred outflows of resources resulting from contributions subsequent to the measurement date of \$439 will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. 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 Inflow	Difference between expected and actual experience	Changes in Proportionate Share (inflow)	Changes in Proportionate Share (outflow)	Net Deferred Outflows/ (Inflows) of resources
2025	\$ (9,485)	\$ (836)	\$ (477)	\$ (18,422)	\$ 19,825	\$ (9,395)
2026	(22,780)	-	(95)	12,437	5,947	(4,491)
2027	25,170	-	-	-	-	25,170
2028	9,027	-	-	-	-	9,027
2029	-	-	-	-	-	-
<b>Total</b>	<b>\$ 1,932</b>	<b>\$ (836)</b>	<b>\$ (572)</b>	<b>\$ (5,985)</b>	<b>\$ 25,772</b>	<b>\$ 20,311</b>

**Actuarial Methods & Assumptions:**

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial methods and assumptions:

Valuation date	December 31, 2021
Measurement date	June 30, 2023
Experience study	2021, published July 24, 2022
Actuarial assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.40%
Long-term expected rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Retiree healthcare participation	Healthy retirees: 27.5%; Disabled retirees: 15.0%
Healthcare cost trend rate	Not applicable
Mortality	Healthy retirees and beneficiaries: RP-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.  Active Members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.  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, 2023 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	20.0%	30.0%	25.0%
Public equity	22.0%	32.5%	27.5%
Private equity	17.5%	27.5%	20.0%
Real estate	9.0%	16.5%	12.5%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
<b>Total</b>			<b>100.0%</b>

*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	27.50%	7.1%
Private Equity	25.5%	8.8%
Core	25.0%	4.5%
Real Estate	12.3%	5.8%
Master limited partnerships	0.75%	6.0%
Infrastructure	1.5%	6.5%
Hedge Fund of Funds - multistrategy	1.3%	6.3%
Hedge fund equity - Hedge	0.63%	6.5%
Hedge Fund - Macro	5.6%	4.8%
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)	\$ (132,986)	\$ (121,373)	\$ (157,721)

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, 2024:

	Deferred Outflow of Resources - OPEB	Deferred (Inflow) of Resources - OPEB	Net OPEB Liability/(Asset)	OPEB Expense
RHIA	\$ 26,457	\$ (5,707)	\$ (121,373)	\$ (18,365)
HIC	142,595	(51,264)	412,894	38,244
<b>Total</b>	<b>\$ 169,052</b>	<b>\$ (56,971)</b>	<b>\$ 291,521</b>	<b>\$ 19,879</b>

**D. Commitments**

Contractual and other commitments for subsequent years’ expenditures amounting to \$61,292,252 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	\$ -	\$ 15,877,439	\$ 15,877,439
9101 Foster	-	\$ 68,288	\$ 68,288
North Macadam TIF District	12,700,234	-	12,700,234
River District TIF District	825,414	-	825,414
Interstate TIF District	13,195,251	-	13,195,251
Other governmental funds	15,395,704	-	15,395,704
Business-type activities:			
Strategic Investment Fund	-	\$ 3,228,634	\$ 3,228,634
Non-major proprietary funds	-	\$ 1,288	\$ 1,288
<b>Total</b>	<b>\$ 42,116,603</b>	<b>\$ 19,175,649</b>	<b>\$ 61,292,252</b>

**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 \$500,000 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. Additionally, Prosper Portland also has Bridgeway Insurance Company for general liability for its specialty properties (i.e. Centennial Mills, Union Station, ICC Hotel, and Action Sports) as well as StarStone National Insurance for Marine general liability insurance for RiverPlace Marina in the amount of \$1 million per occurrence, \$10 million general aggregate. Insurance for public officials and employment practices liability is \$5 million each claim and \$5 million in aggregate and is provided by ironshore Specialty Insurance Company. Prosper Portland insures for excess liability, which provides an additional \$5 million liability per occurrence and in the general aggregate.

Prosper Portland is insured by Certain Underwriters at Lloyd’s London for Cyber Liability with a limit of \$2 million.

Prosper Portland’s real property, with an estimated total insured value (TIV) of approximately \$150 million, is insured by Certain Underwriters at Lloyd’s 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 National Union Fire Insurance Company of Pittsburgh, PA in the amount of \$500,000 for employee theft and \$500,000 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 \$147,787 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 an increase in the liability of \$3,458,739. At June 30, 2024, Prosper Portland had a total outstanding pollution remediation liability of \$65,576,212. The estimated current portion is \$15,500,000.

### Portland Harbor Superfund

In January 2008, the City of Portland, and subsequently Prosper Portland, were notified by the Environmental Protection Agency (EPA) of a CERCLA 104 records request and of liability with respect to the Portland Harbor Superfund Site. The Portland Harbor Superfund Site may include 46 current and previously owned Prosper Portland parcels on or adjacent to the lower reach of the Willamette River.

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

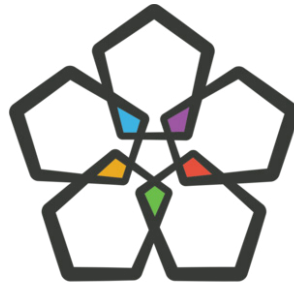
In December 2018, EPA provided notice that it expected parties to begin remedial design within a year or face enforcement. In response the City entered into agreements with EPA to perform or fund remedial design activities in Portland Harbor. To be consistent with EPA's implementation timeline, the Office of Management and Finance established the Citywide Obligations Reserve Fund, a central reserve, and each year funds are collected from the City General Fund, Water Bureau, Bureau of Environmental Services, Bureau of Transportation, and Prosper Portland for long-term City-wide obligations, including certain Portland Harbor obligations. The City General Fund, Water Bureau, Bureau of Environmental Services, Bureau of Transportation and Prosper Portland each agreed to provide funding to the Citywide Obligations Reserve Fund, based on their respective obligations for remediation associated with properties owned or operated by each bureau or agency. The City believes that an estimate of maximum exposure of the Portland Harbor cleanup cannot be made but could be material to the period in which it is recorded. Prosper Portland is not currently accruing a liability for this under GASB 49.

### 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.

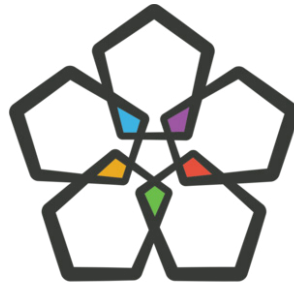


**PROSPER**  
PORTLAND

**Building an Equitable Economy**



# Required Supplementary Information



**PROSPER**  
PORTLAND

**Building an Equitable Economy**

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Prosper Portland’s proportion of the net pension liability <sup>(1)</sup>	0.0896%	0.0872	0.0783%	0.0742%	0.0869%	0.0717%	0.0733%	0.0736%	0.0721%	0.0892%
Prosper Portland’s proportionate share of the net pension liability (asset)	\$ 16,795,398	\$ 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)
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	172.5202%	155.5590%	141.9051%	244.4315%	181.0148%	150.8421%	122.6967%	134.1333%	48.1553%	-24.1748%
<b>Plan fiduciary net position as a percentage of total pension liability</b>	<b>81.70%</b>	<b>84.50%</b>	<b>87.57%</b>	<b>75.79%</b>	<b>82.07%</b>	<b>82.07%</b>	<b>83.10%</b>	<b>80.50%</b>	<b>91.90%</b>	<b>103.59%</b>

<sup>(1)</sup> 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**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 2,329,684	\$ 1,917,261	\$ 1,709,526	\$ 1,503,123	\$ 1,491,359	\$ 941,781	\$ 915,327	\$ 673,628	\$ 736,024	\$ 596,226
Contributions in relation to the actuarially determined contribution	2,329,684	1,917,261	1,709,526	1,503,123	1,491,359	941,781	915,327	673,628	736,024	596,226
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 11,157,616	\$ 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
Contributions as a percentage of covered payroll	20.88%	19.69%	19.91%	20.48%	21.38%	12.94%	12.70%	8.37%	8.94%	6.94%

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

	2024	2023	2022	2021	2020	2019	2018
Health Insurance Continuation							
<b>Total OPEB liability, beginning</b>	<b>409,528</b>	<b>271,308</b>	<b>254,609</b>	<b>290,002</b>	<b>280,843</b>	<b>336,842</b>	<b>359,090</b>
Service Cost	\$ 22,266	\$ 24,442	\$ 23,767	\$ 18,703	\$ 16,758	\$ 21,045	\$ 21,990
Interest on total OPEB liability	\$ 14,741	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	\$ (2,600)	(38,635)	1,000	(18,636)	8,362	(39,972)	(18,548)
Benefit payments	\$ (31,041)	(3,558)	(14,066)	(33,048)	(26,961)	(35,525)	(36,041)
<b>Net change in total OPEB liability</b>	<b>3,366</b>	<b>138,220</b>	<b>16,699</b>	<b>(35,393)</b>	<b>9,159</b>	<b>(55,999)</b>	<b>(22,248)</b>
<b>Total OPEB liability, ending</b>	<b>412,894</b>	<b>409,528</b>	<b>271,308</b>	<b>254,609</b>	<b>290,002</b>	<b>280,843</b>	<b>336,842</b>
Covered-employee payroll	9,735,325	8,585,812	7,337,744	6,975,483	7,275,570	8,405,438	7,851,891
<b>Total OPEB liability as a % of covered payroll*</b>	<b>4.2412%</b>	<b>4.7698%</b>	<b>3.6974%</b>	<b>3.6501%</b>	<b>3.9860%</b>	<b>3.3412%</b>	<b>4.2899%</b>

<sup>(1)</sup>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<sup>(1)</sup>**

	2024	2023	2022	2021	2020	2019	2018	2017
<b>OPERS Retirement Health Insurance Account</b>								
Proportion of the OPEB Liability	0.0332%	4.6600%	0.0327%	0.0150%	0.0495%	0.0472%	0.0435%	0.0443%
Proportionate share of the net OPEB liability (asset)	\$ (121,373)	\$ (165,609)	\$ (113,169)	\$ (30,144)	\$ (95,832)	\$ (52,218)	\$ (18,170)	\$ 12,021
Covered-employee 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
Proportionate share of OPEB liability (asset) as a percentage of covered payroll	-1.2467%	-1.9289%	-1.3181%	-0.4321%	-1.3172%	-0.7248%	-0.2257%	0.1460%
<b>Plan net position as a percentage of the total OPEB liability</b>	<b>201.60%</b>	<b>194.60%</b>	<b>183.90%</b>	<b>150.10%</b>	<b>144.40%</b>	<b>124.00%</b>	<b>108.90%</b>	<b>94.20%</b>

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

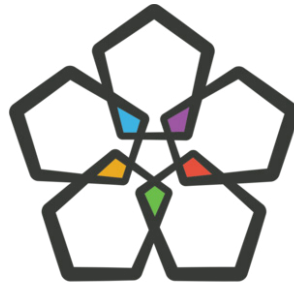
**Schedule of Contributions to OPERS Retirement Health Insurance Account**  
**Last Ten Fiscal Years or Since Inception<sup>(1)</sup>**

	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ 439	\$ 399	\$ 1,956	\$ 1,424	\$ 4,232	\$ 31,449	\$ 33,160	\$ 34,512
Contributions in relation to the actuarially determined contribution	439	399	1,956	1,424	4,232	31,449	33,160	34,512
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered-employee payroll	\$ 11,157,616	\$ 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	0.0039%	0.0041%	0.0228%	0.0194%	0.0607%	0.4323%	0.4603%	0.4300%

<sup>(1)</sup>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



**PROSPER**  
PORTLAND

**Building an Equitable Economy**



## 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.

*Cully Tax Increment Financing Fund* — accounts for resources used in the redevelopment of the Cully 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.

*Lents Town Center Tax Increment Financing Fund* — accounts for resources used in the development and improvement of the Lents Town Center.

*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, 2024**

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
<b>Assets</b>			
Cash with City of Portland			
investment pool	\$ 7,581,529	\$ 109,157,235	\$ 116,738,764
Cash and cash equivalents	-	575,390	575,390
Receivables:			
Due from City of Portland	2,360,321	-	2,360,321
Accounts	226,935	483,528	710,463
Internal balances	-	937,000	937,000
Loans, net	1,975,861	24,163,075	26,138,936
Interest	67,714	971,109	1,038,823
Loan interest	11,555	2,205,636	2,217,191
Lease, net	-	818,957	818,957
Note	-	852,586	852,586
Property held for sale	-	31,712,403	31,712,403
Other	-	687,336	687,336
<b>Total assets</b>	<b>\$ 12,223,915</b>	<b>\$ 172,564,255</b>	<b>\$ 184,788,170</b>
<b>Liabilities Deferred Inflow And Fund Balances</b>			
Liabilities:			
Accounts payable	\$ 994,978	\$ 1,028,246	\$ 2,023,224
Due to City of Portland	-	354,388	354,388
Due to other entities	-	565,994	565,994
Internal balances	1,583,000	-	1,583,000
<b>Total liabilities</b>	<b>2,577,978</b>	<b>1,948,628</b>	<b>4,526,606</b>
<b>Deferred Inflows</b>			
Deferred Inflows	-	1,385,740	1,385,740
<b>Total deferred inflows</b>	<b>-</b>	<b>1,385,740</b>	<b>1,385,740</b>
<b>Fund Balances</b>			
Non-spendable			
Restricted			
Loans receivable	61,113	24,163,075	24,224,188
Property held for sale	-	31,592,008	31,592,008
Tax increment financing	-	113,474,804	113,474,804
Contractual obligations	9,584,824	-	9,584,824
<b>Total fund balances</b>	<b>9,645,937</b>	<b>169,229,887</b>	<b>178,875,824</b>
<b>Total liabilities, deferred inflows, and fund balances</b>	<b>\$ 12,223,915</b>	<b>\$ 172,564,255</b>	<b>\$ 184,788,170</b>

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

AUDIT COMMENTS & DISCLOSURES

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For The Fiscal Year Ended June 30, 2024**

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Intergovernmental revenues	\$ 9,038,599	\$ -	\$ 9,038,599
Charges for services	2,567,424	4,124,069	6,691,493
Loan collections	109,612	2,445,848	2,555,460
Interest on investments	228,427	3,494,980	3,723,407
Miscellaneous	60,808	2,435,930	2,496,738
Tax-increment debt proceeds (in lieu of tax-increment revenue)	-	6,478,200	6,478,200
<b>Total revenues</b>	<b>12,004,870</b>	<b>18,979,027</b>	<b>30,983,897</b>
<b>Expenditures</b>			
Current:			
Community development	1,779,993	15,506,969	17,286,962
Capital expenditures for urban renewal	-	896,533	896,533
Financial assistance	10,073,795	3,707,933	13,781,728
<b>Total expenditures</b>	<b>11,853,788</b>	<b>20,111,435</b>	<b>31,965,223</b>
Excess (deficiency) of revenues over expenditures	151,082	(1,132,475)	(981,393)
<b>Other Financing Sources (Uses)</b>			
Transfers in	5,160	800,000	805,160
Transfers out	(5,160)	(36,034,134)	(36,039,294)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(35,234,134)</b>	<b>(35,234,134)</b>
Net change in fund balances	151,082	(36,366,609)	(36,215,527)
<b>Fund Balances - July 1, 2023</b>	<b>9,494,855</b>	<b>205,596,496</b>	<b>215,091,351</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ 9,645,937</b>	<b>\$ 169,229,887</b>	<b>\$ 178,875,824</b>

**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2024**

	Housing and Community Development Contract Fund	Community Opportunities and Enhancements Program Fund	Affordable Commercial Tenanting Fund	American Rescue Plan Act Fund	Other Federal Grants Fund	Enterprise Zone Fund	Ambassador Program Fund	Total
<b>Assets</b>								
Cash with City of Portland								
investment pool	\$ 808	\$ 685	\$ 512,491	\$ 1,978	\$ 1,668,221	\$ 5,384,459	\$ 12,887	\$ 7,581,529
Receivables:								
Due from City of Portland	613,753	921,324	-	825,246	-	-	-	2,360,323
Accounts	220,434	-	-	-	249	6,253	-	226,936
Loans, net	-	-	-	-	1,914,748	61,113	-	1,975,861
Interest	-	-	4,522	-	14,576	48,500	113	67,711
Loan interest	-	-	-	-	11,555	-	-	11,555
<b>Total assets</b>	<b>\$ 834,995</b>	<b>\$ 922,009</b>	<b>\$ 517,013</b>	<b>\$ 827,224</b>	<b>\$ 3,609,349</b>	<b>\$ 5,500,325</b>	<b>\$ 13,000</b>	<b>\$ 12,223,915</b>
<b>Liabilities and Fund Balances</b>								
<b>Liabilities</b>								
Liabilities:								
Accounts payable	373,579	524,080	-	51,206	-	46,113	-	994,978
Internal balances	461,000	363,000	-	759,000	-	-	-	1,583,000
<b>Total liabilities</b>	<b>834,579</b>	<b>887,080</b>	<b>-</b>	<b>810,206</b>	<b>-</b>	<b>46,113</b>	<b>-</b>	<b>2,577,978</b>
<b>Fund Balances</b>								
Non-spendable								
Loans receivable	-	-	-	-	-	61,113	-	61,113
Contractual obligations	416	34,929	517,013	17,018	3,609,349	5,393,099	13,000	9,584,824
<b>Total fund balances</b>	<b>416</b>	<b>34,929</b>	<b>517,013</b>	<b>17,018</b>	<b>3,609,349</b>	<b>5,454,212</b>	<b>13,000</b>	<b>9,645,937</b>
<b>Total liabilities, deferred inflows, and fund balances</b>	<b>\$ 834,995</b>	<b>\$ 922,009</b>	<b>\$ 517,013</b>	<b>\$ 827,224</b>	<b>\$ 3,609,349</b>	<b>\$ 5,500,325</b>	<b>\$ 13,000</b>	<b>\$ 12,223,915</b>

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

AUDIT COMMENTS & DISCLOSURES

**Combining Statement of Revenues, Expenditures, and Changes In Fund Balances**  
**Nonmajor Governmental Funds**  
**Nonmajor Special Revenue Funds**  
**For The Fiscal Year Ended June 30, 2024**

	Housing and Community Development Contract Fund	Community Opportunities and Enhancements Program Fund	Affordable Commercial Tenanting Fund	American Rescue Plan Act Fund	Other Federal Grants Fund	Enterprise Zone Fund	Ambassador Program Fund	Total
<b>Revenues</b>								
Intergovernmental revenues	\$ 2,262,907	\$ -	\$ -	\$ 6,719,536	\$ 56,157	\$ -	\$ -	\$ 9,038,600
Charges for services	-	2,035,640	-	-	10,109	521,678	-	2,567,427
Loan collections	-	-	-	-	109,612	-	-	109,612
Interest on investments	-	-	15,693	-	51,510	160,829	396	228,428
Miscellaneous	-	-	-	-	55,505	5,298	-	60,803
<b>Total revenues</b>	<b>2,262,907</b>	<b>2,035,640</b>	<b>15,693</b>	<b>6,719,536</b>	<b>282,893</b>	<b>687,805</b>	<b>396</b>	<b>12,004,870</b>
<b>Expenditures</b>								
Current:								
Community development	-	94,210	-	1,323,210	99,127	263,134	312	1,779,993
Financial assistance	2,262,851	1,907,486	-	5,295,881	277,736	329,841	-	10,073,795
<b>Total expenditures</b>	<b>2,262,851</b>	<b>2,001,696</b>	<b>-</b>	<b>6,619,091</b>	<b>376,863</b>	<b>592,975</b>	<b>312</b>	<b>11,853,788</b>
<b>Excess (deficiency) of revenues</b>								
over (under) expenditures	56	33,944	15,693	100,445	(93,970)	94,830	84	151,082
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	-	5,160	-	5,160
Transfers out	-	-	-	-	(5,160)	-	-	(5,160)
Internal service reimbursements in								
Internal service reimbursements out								
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,160)</b>	<b>5,160</b>	<b>-</b>	<b>-</b>
Net change in fund balances	56	33,944	15,693	100,445	(99,130)	99,990	84	151,082
<b>Fund Balances - July 1, 2023</b>	<b>360</b>	<b>985</b>	<b>501,320</b>	<b>(83,427)</b>	<b>3,708,479</b>	<b>5,354,222</b>	<b>12,916</b>	<b>9,494,855</b>
<b>Fund Balances - June 30, 2024 (GAAP Basis)</b>	<b>\$ 416</b>	<b>\$ 34,929</b>	<b>\$ 517,013</b>	<b>\$ 17,018</b>	<b>\$ 3,609,349</b>	<b>\$ 5,454,212</b>	<b>\$ 13,000</b>	<b>\$ 9,645,937</b>

**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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental revenues-				
Housing and Community				
Development contract	\$ 2,262,907	\$ 2,262,547	\$ 2,262,907	\$ 360
<b>Total revenues</b>	<b>2,262,907</b>	<b>2,262,547</b>	<b>2,262,907</b>	<b>360</b>
<b>Expenditures</b>				
Current:				
Community development:				
Economic development	2,262,907	2,262,907	2,262,851	56
<b>Total community development</b>	<b>2,262,907</b>	<b>2,262,907</b>	<b>2,262,851</b>	<b>56</b>
<b>Total expenditures</b>	<b>2,262,907</b>	<b>2,262,907</b>	<b>2,262,851</b>	<b>56</b>
<b>Excess (deficiency) of revenues over expenditures</b>	-	(360)	56	416
Other Financing Sources (Uses)				
Transfers in	-	-	461,000	461,000
Transfers out	-	(703,000)	(703,000)	-
<b>Total other financing sources (uses)</b>	-	<b>(703,000)</b>	<b>(242,000)</b>	<b>461,000</b>
Net change in fund balance	-	(703,360)	(241,944)	461,416
<b>Fund Balances - July 1, 2023</b>	-	<b>703,360</b>	<b>703,360</b>	-
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 461,416</b>	<b>\$ 461,416</b>
Adjustments to generally accepted accounting principles basis-				
Interfund advances			(461,000)	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>		<b>\$</b>	<b>416</b>	

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

AUDIT COMMENTS & DISCLOSURES

**Community Opportunities and Enhancements Program Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**For The Fiscal Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services-				
Contractual service charges	\$ 1,186,829	\$ 2,325,000	\$ 2,035,640	\$ (289,360)
Miscellaneous revenue-				
<b>Total revenues</b>	<b>1,186,829</b>	<b>2,325,000</b>	<b>2,035,640</b>	<b>(289,360)</b>
<b>Expenditures</b>				
Current:				
Community development:				
Economic development	1,149,533	2,287,704	1,983,623	304,081
<b>Total community development</b>	<b>1,149,533</b>	<b>2,287,704</b>	<b>1,983,623</b>	<b>304,081</b>
<b>Total expenditures</b>	<b>1,149,533</b>	<b>2,287,704</b>	<b>1,983,623</b>	<b>304,081</b>
Excess (deficiency) of revenues over expenditures	37,296	37,296	52,017	14,721
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	363,000	363,000
Transfers out	-	(688,000)	(688,000)	-
Internal Service Reimbursements out	(37,296)	(38,282)	(18,073)	20,209
<b>Total other financing sources (uses)</b>	<b>(37,296)</b>	<b>(726,282)</b>	<b>(343,073)</b>	<b>383,209</b>
Net change in fund balance	-	(688,986)	(291,056)	397,930
<b>Fund Balances - July 1, 2023</b>	<b>-</b>	<b>688,986</b>	<b>688,985</b>	<b>(1)</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 397,929</b>	<b>\$ 397,929</b>
<b>Adjustments to generally accepted accounting principles basis-</b>				
Interfund advances			(363,000)	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>			<b>\$ 34,929</b>	

**Affordable Commercial Tenanting Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**For The Fiscal Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services-				
Loan collections:				
Interest on investments	\$ -	\$ -	15,693	15,693
Miscellaneous:				
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>15,693</b>	<b>15,693</b>
<b>Expenditures</b>				
Current:				
Community development:				
Contingency	495,529	501,321	-	501,321
<b>Total expenditures</b>	<b>495,529</b>	<b>501,321</b>	<b>-</b>	<b>501,321</b>
Excess (deficiency) of revenues over expenditures	(495,529)	(501,321)	15,693	517,014
Other Financing Uses				
Transfers out-				
Net change in fund balance	(495,529)	(501,321)	15,693	517,014
<b>Fund Balances - July 1, 2023</b>	<b>495,529</b>	<b>501,321</b>	<b>501,320</b>	<b>(1)</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>517,013</b>	<b>517,013</b>



**American Rescue Plan Act Fund**  
**Schedule Of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**For The Fiscal Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental revenues:				
Federal grants	\$ 10,296,200	\$ 8,508,435	\$ 6,719,536	\$ 1,788,899
Charges for services:				
Application fees and charges	-	-	-	-
Contractual service charges	-	-	-	-
Interest on investments	-	-	-	-
<b>Total revenues</b>	<b>10,296,200</b>	<b>8,508,435</b>	<b>6,719,536</b>	<b>1,788,899</b>
<b>Expenditures</b>				
Current:				
Community development:				
Economic development	1,194,435	1,580,414	1,236,945	343,469
Property redevelopment	9,022,935	6,758,329	5,295,881	1,462,448
<b>Total community development</b>	<b>10,217,370</b>	<b>8,338,743</b>	<b>6,532,826</b>	<b>1,805,917</b>
<b>Total expenditures</b>	<b>10,217,370</b>	<b>8,338,743</b>	<b>6,532,826</b>	<b>1,805,917</b>
Excess (deficiency) of revenues over expenditures	78,830	169,692	186,710	17,018
Other Financing Sources (Uses)				
Transfers in	-	-	759,000	759,000
Internal service reimbursement	(78,830)	(86,265)	(86,265)	-
Transfers out	-	(1,747,000)	(1,747,000)	-
<b>Total other financing sources and (uses)</b>	<b>(78,830)</b>	<b>(1,833,265)</b>	<b>(1,074,265)</b>	<b>759,000</b>
Net change in fund balance	-	(1,663,573)	(887,555)	776,018
<b>Fund Balances - July 1, 2023</b>	<b>-</b>	<b>1,663,573</b>	<b>1,663,573</b>	<b>-</b>
<b>Fund Balances - June 30, 2024</b>	<b>-</b>	<b>-</b>	<b>776,018</b>	<b>776,018</b>
Adjustments to generally accepted accounting principles basis:				
Interfund advances			(759,000)	
<b>Fund Balances - June 30, 2024 (GAAP Basis)</b>		<b>\$</b>	<b>17,018</b>	

**Other Federal Grants Fund**  
**Schedule Of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**For The Fiscal Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental revenues:				
Federal grants	\$ 40,000	\$ 56,158	\$ 56,158	\$ -
Charges for services:				
Application fees and charges	-	-	10,109	10,109
Loan collections:				
Principal	163,964	171,321	140,738	(30,583)
Interest	74,953	96,517	103,055	6,538
Interest on investments	-	-	51,510	51,510
Miscellaneous:				
<b>Total revenues</b>	<b>278,917</b>	<b>323,996</b>	<b>361,570</b>	<b>37,574</b>
<b>Expenditures</b>				
Current:				
Community development:				
Economic development	511,041	1,135,878	472,818	663,060
<b>Total community development</b>	<b>511,041</b>	<b>1,135,878</b>	<b>472,818</b>	<b>663,060</b>
Contingency	919,767	982,412	-	982,412
<b>Total expenditures</b>	<b>1,430,808</b>	<b>2,118,290</b>	<b>472,818</b>	<b>1,645,472</b>
Excess (deficiency) of revenues over expenditures	(1,151,891)	(1,794,294)	(111,248)	1,683,046
Other Financing Sources (Uses)				
Internal service reimbursements out	-	(12,576)	(10,019)	2,557
Transfers out	-	(32,603)	(35,160)	(2,557)
Total other financing sources and (uses)	-	(45,179)	(45,179)	-
Net change in fund balance	(1,151,891)	(1,839,473)	(156,427)	1,683,046
<b>Fund Balances - July 1, 2023</b>	<b>1,151,891</b>	<b>1,839,473</b>	<b>1,839,473</b>	<b>-</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>1,683,046</b>	<b>\$ 1,683,046</b>
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			1,914,748	
Loan interest receivable			11,555	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>			<b>\$ 3,609,349</b>	

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

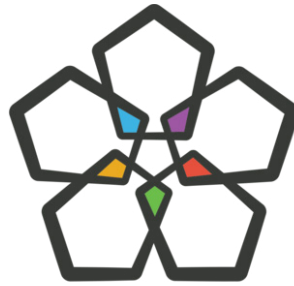
AUDIT COMMENTS & DISCLOSURES

**Enterprise Zone Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**For The Fiscal Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services:				
Application fees and charges	\$ 15,000	\$ 15,000	\$ 101,156	\$ 86,156
Contractual service charges	465,230	418,719	420,522	1,803
Loan collections:				
Principal	209,413	204,410	204,035	(375)
Interest on investments	24,183	70,835	160,829	89,994
Miscellaneous:				
<b>Total revenues</b>	<b>713,826</b>	<b>708,964</b>	<b>886,542</b>	<b>177,578</b>
<b>Expenditures</b>				
Current:				
Community development:				
Economic development	1,260,124	1,421,844	545,919	875,925
<b>Total community development</b>	<b>1,260,124</b>	<b>1,421,844</b>	<b>545,919</b>	<b>875,925</b>
Contingency	3,360,341	4,337,040	-	4,337,040
<b>Total expenditures</b>	<b>4,620,465</b>	<b>5,758,884</b>	<b>545,919</b>	<b>5,212,965</b>
Excess (deficiency) of revenues over expenditures	(3,906,639)	(5,049,920)	340,623	5,390,543
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	2,603	5,160	2,557
Internal service reimbursements out	(35,856)	(37,896)	(37,896)	-
Total other financing uses	(35,856)	(35,293)	(32,736)	2,557
Net change in fund balance	(3,942,495)	(5,085,213)	307,887	5,393,100
<b>Fund Balances - July 1, 2023</b>	<b>3,942,495</b>	<b>5,085,213</b>	<b>5,085,212</b>	<b>(1)</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,393,099</b>	<b>\$ 5,393,099</b>
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			61,113	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>			<b>\$ 5,454,212</b>	

**Ambassador Program Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**For The Fiscal Year Ended June 30, 2024**

	Budgeted Amounts			Actual	Variance with Final Budget
	Original	Final			
<b>Revenues</b>					
Interest on investments	\$ -	\$ -	396	\$	396
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>396</b>		<b>396</b>
<b>Expenditures</b>					
Current:					
Community development:					
Economic development	8,368	94,116	312		93,804
<b>Total community development</b>	<b>8,368</b>	<b>94,116</b>	<b>312</b>		<b>93,804</b>
Contingency	-	-	-		-
<b>Total expenditures</b>	<b>8,368</b>	<b>94,116</b>	<b>312</b>		<b>93,804</b>
Excess (deficiency) of revenues over expenditures					
	(8,368)	(94,116)	84		94,200
Other Financing Sources (Uses)					
Transfers in	-	81,200	-		(81,200)
Total other financing sources (uses)	-	81,200	-		(81,200)
Net change in fund balance	(8,368)	(12,916)	84		13,000
<b>Fund Balances - July 1, 2023</b>	<b>8,368</b>	<b>12,916</b>	<b>12,916</b>		<b>-</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>13,000</b>	<b>\$</b>	<b>13,000</b>



**PROSPER**  
PORTLAND

**Building an Equitable Economy**

**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**Nonmajor Capital Projects Funds**  
**June 30, 2024**

	Neighborhood Prosperity Initiative Tax Increment Financing Fund	Downtown Waterfront Tax Increment Financing Fund	Cully Tax Increment Financing Fund	South Park Blocks Tax Increment Financing Fund	Convention Center Tax Increment Financing Fund
<b>Assets</b>					
Cash with City of Portland					
investment pool	\$ 367,842	\$ 24,933,052	\$ 80,457	\$ 818,121	\$ 2,877,691
Cash and cash equivalents	-	-	-	-	575,390
Receivables:					
Accounts	-	14,081	-	-	254,894
Internal balances	-	937,000	-	-	-
Loans, net	-	171,387	-	203,216	4,715,203
Interest	3,219	221,429	842	7,371	25,741
Loan interest	-	362	-	526	292,923
Lease, net	-	118,407	-	-	-
Note	-	852,586	-	-	-
Property held for sale	-	9,033,499	-	-	5,580,314
Other	-	-	-	-	403,557
<b>Total Assets</b>	<b>371,061</b>	<b>36,281,803</b>	<b>81,299</b>	<b>1,029,234</b>	<b>14,725,713</b>
<b>Liabilities, Deferred Inflow and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts payable	371,061	3,923	-	250,000	149,251
Due to City of Portland	-	842	-	725	842
Due to other entities	-	(4,715)	-	-	537,415
<b>Total liabilities</b>	<b>371,061</b>	<b>50</b>	<b>-</b>	<b>250,725</b>	<b>687,508</b>
<b>Deferred Inflows</b>					
Deferred inflows	-	1,001,719	-	-	-
<b>Total deferred inflows</b>	<b>-</b>	<b>1,001,719</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>					
Restricted					
Property held for sale	-	9,033,499	-	-	5,580,314
Loans receivable	-	171,387	-	203,217	4,715,204
Tax increment financing	-	26,075,148	81,299	575,292	3,742,687
<b>Total fund balances</b>	<b>-</b>	<b>35,280,034</b>	<b>81,299</b>	<b>778,509</b>	<b>14,038,205</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 371,061</b>	<b>\$ 36,281,803</b>	<b>\$ 81,299</b>	<b>\$ 1,029,234</b>	<b>\$ 14,725,713</b>

**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**Nonmajor Capital Projects Funds**  
**June 30, 2024**

Central Eastside Tax Increment Financing Fund	Lents Town Center Tax Increment Financing Fund	Gateway Regional Center Tax Increment Financing Fund	Airport Way Tax Increment Financing Fund	Willamette Industrial Tax Increment Financing Fund	Total
\$ 24,051,850	\$ 24,367,286	\$ 22,481,337	\$ 4,812,651	\$ 4,366,948	\$ 109,157,235
-	-	-	-	-	575,390
34,296	49,224	66,033	65,000	-	483,528
-	-	-	-	-	937,000
756,329	13,827,545	2,780,457	1,708,936	-	24,163,073
230,792	211,108	188,838	43,117	38,653	971,110
4,503	1,544,052	132,461	230,809	-	2,205,636
-	-	700,550	-	-	818,957
-	-	-	-	-	852,586
2,845,001	2,768,428	4,108,319	7,376,842	-	31,712,403
65,481	39,626	22,710	155,962	-	687,336
<b>27,988,252</b>	<b>42,807,269</b>	<b>30,480,705</b>	<b>14,393,317</b>	<b>4,405,601</b>	<b>172,564,254</b>
471	-	250,865	2,672	-	1,028,243
22,171	313,925	15,041	842	-	354,388
19,181	1,500	12,613	-	-	565,994
<b>41,823</b>	<b>315,425</b>	<b>278,519</b>	<b>3,514</b>	<b>-</b>	<b>1,948,625</b>
-	-	384,021	-	-	1,385,740
-	-	<b>384,021</b>	-	-	<b>1,385,740</b>
2,845,001	2,768,428	4,108,319	(184,228)	-	24,151,333
756,330	13,827,544	2,780,458	1,708,935	-	24,163,075
24,345,098	25,895,872	22,929,388	12,865,096	4,405,601	120,915,481
<b>27,946,429</b>	<b>42,491,844</b>	<b>29,818,165</b>	<b>14,389,803</b>	<b>4,405,601</b>	<b>169,229,889</b>
<b>\$ 27,988,252</b>	<b>\$ 42,807,269</b>	<b>\$ 30,480,705</b>	<b>\$ 14,393,317</b>	<b>\$ 4,405,601</b>	<b>\$ 172,564,254</b>

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

AUDIT COMMENTS & DISCLOSURES

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

**Nonmajor Governmental Funds**

**Nonmajor Capital Projects Funds**

**For The Fiscal Year Ended June 30, 2024**

	Neighborhood Prosperity Initiative Tax Increment Financing Fund	Downtown Waterfront Tax Increment Financing Fund	Cully Tax Increment Financing Fund	South Park Blocks Tax Increment Financing Fund	Convention Center Tax Increment Financing Fund	Central Eastside Tax Increment Financing Fund	Lents Town Center 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
<b>Revenues</b>											
Charges for services	\$ -	\$ 16,489	\$ -	\$ -	\$ 3,477,311	\$ 89,818	\$ 44,585	\$ 433,438	\$ 62,428	\$ -	\$ 4,124,069
Loan collections	-	5,583	-	8,148	444,365	47,926	1,697,044	213,358	29,424	-	2,445,848
Interest on investments	26,443	803,865	844	29,386	94,442	857,636	780,536	612,575	153,267	135,986	3,494,980
Miscellaneous	-	102,539	-	2,006	536,460	118,099	171,941	1,500,745	4,141	-	2,435,931
(in lieu of tax-increment revenue)	-	-	144,392	-	-	-	2,235,873	4,097,935	-	-	6,478,200
<b>Total revenues</b>	<b>26,443</b>	<b>928,476</b>	<b>145,236</b>	<b>39,540</b>	<b>4,552,578</b>	<b>1,113,479</b>	<b>4,929,979</b>	<b>6,858,051</b>	<b>249,260</b>	<b>135,986</b>	<b>18,979,028</b>
<b>Expenditures</b>											
Current:											
Community development	16,206	2,081,173	63,937	218,131	4,785,552	2,869,514	3,617,088	1,237,292	444,664	173,412	15,506,969
Capital expenditures for tax increment financing	-	9,800	-	-	210,860	83,133	-	579,828	12,912	-	896,533
Financial assistance	964,785	435,932	-	250,000	281,925	687,269	972,869	115,219	-	-	3,707,999
<b>Total expenditures</b>	<b>980,991</b>	<b>2,526,905</b>	<b>63,937</b>	<b>468,131</b>	<b>5,278,337</b>	<b>3,639,916</b>	<b>4,589,957</b>	<b>1,932,339</b>	<b>457,576</b>	<b>173,412</b>	<b>20,111,501</b>
<b>Excess (deficiency) of revenues</b>											
over (under) expenditures	(954,548)	(1,598,429)	81,299	(428,591)	(725,759)	(2,526,437)	340,022	4,925,712	(208,316)	(37,426)	(1,132,473)
<b>Other financing sources</b>											
Transfers in:	\$ -	\$ -	\$ -	\$ -	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800,000
Transfers out	-	(4,334,134)	-	(1,000,000)	-	(9,700,000)	(20,000,000)	(1,000,000)	-	-	(36,034,134)
<b>Total other financing sources</b>	<b>-</b>	<b>(4,334,134)</b>	<b>-</b>	<b>(1,000,000)</b>	<b>800,000</b>	<b>(9,700,000)</b>	<b>(20,000,000)</b>	<b>(1,000,000)</b>	<b>-</b>	<b>-</b>	<b>(35,234,134)</b>
Net change in fund balances	(954,548)	(5,932,563)	81,299	(1,428,591)	74,241	(12,226,437)	(19,659,978)	3,925,712	(208,316)	(37,426)	(36,366,607)
<b>Fund Balances - July 1, 2023</b>	<b>954,548</b>	<b>41,212,597</b>	<b>-</b>	<b>2,207,100</b>	<b>13,963,964</b>	<b>40,172,866</b>	<b>62,151,822</b>	<b>25,892,453</b>	<b>14,598,119</b>	<b>4,443,027</b>	<b>205,596,496</b>
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>	<b>\$ -</b>	<b>\$ 35,280,034</b>	<b>\$ 81,299</b>	<b>\$ 778,509</b>	<b>\$ 14,038,205</b>	<b>\$ 27,946,429</b>	<b>\$ 42,491,844</b>	<b>\$ 29,818,165</b>	<b>\$ 14,389,803</b>	<b>\$ 4,405,601</b>	<b>\$ 169,229,889</b>



**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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental revenues-				
State and local	\$ -	\$ -	\$ -	-
Interest on investments	\$ -	\$ 36,000	\$ 27,377	(8,623)
Tax increment debt proceeds (in lieu of tax increment revenue)	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>36,000</b>	<b>27,377</b>	<b>(8,623)</b>
<b>Expenditures</b>				
Current:				
Community development:				
Economic development	418,007	964,719	964,719	-
<b>Total community development</b>	<b>418,007</b>	<b>964,719</b>	<b>964,719</b>	<b>-</b>
Contingency	203,368	-	-	-
<b>Total expenditures</b>	<b>621,375</b>	<b>964,719</b>	<b>964,719</b>	<b>-</b>
Excess (deficiency) of revenues over expenditures	(621,375)	(928,719)	(937,342)	(8,623)
<b>Other Financing Uses</b>				
Internal service reimbursements	-	(25,829)	(16,206)	9,623
Transfers out:	-	(1,000)	(1,000)	-
<b>Total other financing uses</b>	<b>-</b>	<b>(26,829)</b>	<b>(17,206)</b>	<b>9,623</b>
Net change in fund balance	(621,375)	(955,548)	(954,548)	1,000
<b>Fund Balances - July 1, 2023</b>	<b>621,375</b>	<b>955,548</b>	<b>954,548</b>	<b>(1,000)</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

AUDIT COMMENTS & DISCLOSURES

**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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental revenue-				
State and local	\$ -	\$ -	\$ -	-
Charges for services-				
Application fees and charges	-	-	-	-
Rental income	\$ 2,646	\$ 2,646	\$ 6,638	\$ 3,992
Loan collections-				
Principal	14,970	14,973	15,441	468
Interest	5,350	5,347	5,259	(88)
Interest on investments	145,944	640,672	803,866	163,194
Notes payable draws	-	-	-	-
Miscellaneous:				
Reimbursements	20,000	20,000	36,000	16,000
Sale of property	63,266	68,511	65,767	(2,744)
Tax-increment debt proceeds	5,016,500	5,016,500	-	(5,016,500)
<b>Total revenues</b>	<b>5,268,676</b>	<b>5,768,649</b>	<b>932,971</b>	<b>(4,835,678)</b>
<b>Expenditures</b>				
Current:				
Community development:				
Housing	-	-	-	-
Infrastructure	200,000	450,000	-	450,000
Property redevelopment	21,680,631	22,631,228	614,025	22,017,203
Economic development	200,000	200,000	29,284	170,716
Administration	12,121	2,500	842	1,658
Debt service:	-	-	-	-
<b>Total community development</b>	<b>22,092,752</b>	<b>23,283,728</b>	<b>644,151</b>	<b>22,639,577</b>
Contingency	7,531,681	8,301,613	-	8,301,613
<b>Total expenditures</b>	<b>29,624,433</b>	<b>31,585,341</b>	<b>644,151</b>	<b>30,941,190</b>
Excess (deficiency) of revenues over expenditures	(24,355,757)	(25,816,692)	288,820	26,105,512
<b>Other Financing Sources and (Uses)</b>				
Internal service reimbursements	(1,783,133)	(1,882,755)	(1,882,755)	-
Transfers out	(4,334,134)	(4,334,134)	(4,334,134)	-
<b>Total other financing sources and (uses)</b>	<b>(6,117,267)</b>	<b>(6,216,889)</b>	<b>(6,216,889)</b>	<b>-</b>
Net change in fund balance	(30,473,024)	(32,033,581)	(5,928,069)	26,105,512
<b>Fund Balances - July 1, 2023</b>	<b>30,473,024</b>	<b>32,033,581</b>	<b>32,033,581</b>	<b>-</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>26,105,512</b>	<b>\$ 26,105,512</b>
<b>Adjustments to generally accepted accounting principles basis-</b>				
Loans receivable, net			171,387	
Loan interest receivable			362	
Lease and contract receivable, net			970,993	
Interfund advances			-	
Property held for sale			9,033,499	
Note payable			-	
Deferred inflows related to leases and contracts			(1,001,719)	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>		<b>\$</b>	<b>35,280,034</b>	

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

AUDIT COMMENTS & DISCLOSURES

**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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services-				
Rental income	\$ 173,600	\$ 218,306	\$ 213,308	\$ (4,998)
Interest on investments	318,031	952,012	1,001,236	49,224
Miscellaneous				
Tax increment debt proceeds (in lieu of tax increment revenue)	23,045,366	25,735,795	22,488,665	(3,247,130)
<b>Total revenues</b>	<b>23,536,997</b>	<b>26,906,113</b>	<b>23,703,209</b>	<b>(3,202,904)</b>
<b>Expenditures</b>				
Current:				
Community development:				
Housing	10,770,676	10,773,691	1,481,714	9,291,977
Infrastructure	-	1,449,000	750,566	698,434
Property redevelopment	25,200,647	646,791	289,597	357,194
Administration	20,000	57,036	55,447	1,589
<b>Total community development</b>	<b>35,991,323</b>	<b>12,926,518</b>	<b>2,577,324</b>	<b>10,349,194</b>
Contingency	4,320,212	40,218,818	-	40,218,818
<b>Total expenditures</b>	<b>40,311,535</b>	<b>53,145,336</b>	<b>2,577,324</b>	<b>50,568,012</b>
Excess (deficiency) of revenues over expenditures	(16,774,538)	(26,239,223)	21,125,885	47,365,108
<b>Other Financing Sources and (Uses)</b>				
Internal service reimbursements out	(1,478,774)	(1,561,392)	(1,561,392)	-
Transfers out	(19,800,000)	(19,800,000)	(19,800,000)	-
<b>Total other financing sources and (uses)</b>	<b>(21,278,774)</b>	<b>(21,361,392)</b>	<b>(21,361,392)</b>	<b>-</b>
Net change in fund balance	(38,053,312)	(47,600,615)	(235,507)	47,365,108
<b>Fund Balances - July 1, 2023</b>	<b>38,053,312</b>	<b>47,600,615</b>	<b>47,600,615</b>	<b>-</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 47,365,108</b>	<b>\$ 47,365,108</b>
<b>Adjustments to generally accepted accounting principles basis-</b>				
Property held for sale			1,892,705	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>			<b>\$ 49,257,813</b>	

**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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental revenues-				
Charges for services-				
Application fees and charges	\$ -	\$ -	2,245	\$ 2,245
Rental income	2,367,318	2,904,189	2,557,073	(347,116)
Loan collections-				
Principal	30,142	58,998	58,655	(343)
Interest	60,748	69,083	69,068	(15)
Interest on investments	14,473	880,424	1,294,281	413,857
Miscellaneous:				
Reimbursements	14,521	71,434	906,926	835,492
Sale of Property	2,000,000	-	-	-
Other	-	1,375	1,375	-
Tax increment debt proceeds				
<b>Total revenues</b>	<b>4,487,202</b>	<b>3,985,503</b>	<b>4,889,623</b>	<b>904,120</b>
<b>Expenditures</b>				
Current:				
Community development:				
Housing	2,175,133	2,565,778	2,495,619	70,159
Infrastructure	260,545	300,645	5,526	295,119
Property redevelopment	39,084,465	42,046,652	21,028,340	21,018,312
Economic development	150,000	873,536	2,820	870,716
Administration	33,098	2,500	873	1,627
<b>Total community development</b>	<b>41,703,241</b>	<b>45,789,111</b>	<b>23,533,178</b>	<b>22,255,933</b>
Contingency	-	11,921,541	-	11,921,541
<b>Total expenditures</b>	<b>41,703,241</b>	<b>57,710,652</b>	<b>23,533,178</b>	<b>34,177,474</b>
Excess (deficiency) of revenues				
over expenditures	(37,216,039)	(53,725,149)	(18,643,555)	35,081,594

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

AUDIT COMMENTS & DISCLOSURES

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Other Financing Sources and (Uses)</b>				
Transfers in	15,334,134	15,334,134	15,334,134	-
Internal service reimbursements out	(5,332,266)	(5,630,174)	(5,630,174)	-
<b>Total other financing sources and (uses)</b>	<b>10,001,868</b>	<b>9,703,960</b>	<b>9,703,960</b>	-
Net change in fund balance	(27,214,171)	(44,021,189)	(8,939,595)	35,081,594
<b>Fund Balances - July 1, 2023</b>	<b>27,214,171</b>	<b>44,021,189</b>	<b>44,021,188</b>	<b>(1)</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>35,081,593</b>	<b>\$ 35,081,593</b>
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			8,533,939	
Loan interest receivable			6,239	
Lease receivable, net			3,784,789	
Property held for sale			70,042,666	
Long-term payable, due to City of Portland			(15,149,900)	
Deferred inflows related to leases and contracts			(3,794,489)	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>			<b>\$ 98,504,837</b>	

**Cully Tax Increment Financing Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**For The Fiscal Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental revenues-				
Charges for services-				
Loan collections-				
Interest on investments	\$ -	\$ -	\$ 844	\$ 844
Miscellaneous:				
Tax increment debt proceeds				
(in lieu of tax increment revenue)	537,794	226,550	144,392	(82,158)
<b>Total revenues</b>	<b>537,794</b>	<b>226,550</b>	<b>145,236</b>	<b>(81,314)</b>
<b>Expenditures</b>				
Current:				
Community development:				
Housing	114,827	79,500	18,834	60,666
Property redevelopment	212,688	60,000	6,241	53,759
Economic development	150,000	60,500	38,862	21,638
<b>Total community development</b>	<b>477,515</b>	<b>200,000</b>	<b>63,937</b>	<b>136,063</b>
Contingency	10,279	26,550	-	26,550
<b>Total expenditures</b>	<b>487,794</b>	<b>226,550</b>	<b>63,937</b>	<b>162,613</b>
Excess (deficiency) of revenues				
over expenditures	50,000	-	81,299	81,299
<b>Other Financing Sources and (Uses)</b>				
Transfers out:	(50,000)	-	-	-
<b>Total transfers out</b>	<b>(50,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total other financing sources and (uses)</b>	<b>(50,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balance	-	-	81,299	81,299
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 81,299</b>	<b>\$ 81,299</b>
Adjustments to generally accepted accounting principles basis-				
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>		<b>\$</b>	<b>81,299</b>	

**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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental revenues-				
Charges for services-				
Loan collections-				
Principal	\$ 37,966	\$ 38,191	\$ 40,126	\$ 1,935
Interest	7,998	7,773	8,256	483
Interest on investments	19,105	39,303	29,386	(9,917)
Tax increment debt proceeds				
<b>Total revenues</b>	<b>65,069</b>	<b>85,267</b>	<b>77,768</b>	<b>(7,499)</b>
<b>Expenditures</b>				
Current:				
Community development:				
Property redevelopment	-	250,000	250,000	-
Administration	-	2,500	2,500	-
<b>Total community development</b>	<b>-</b>	<b>252,500</b>	<b>252,500</b>	<b>-</b>
Contingency	492,760	582,265	-	582,265
<b>Total expenditures</b>	<b>492,760</b>	<b>834,765</b>	<b>252,500</b>	<b>582,265</b>
Excess (deficiency) of revenues over expenditures	(427,691)	(749,498)	(174,732)	574,766
<b>Other Financing Sources and (Uses)</b>				
Internal service reimbursements	(204,221)	(215,631)	(215,631)	-
Transfers out	(1,000,000)	(1,000,000)	(1,000,000)	-
<b>Total other financing sources and (uses)</b>	<b>(1,204,221)</b>	<b>(1,215,631)</b>	<b>(1,215,631)</b>	<b>-</b>
Net change in fund balance	(1,631,912)	(1,965,129)	(1,390,363)	574,766
<b>Fund Balances - July 1, 2023</b>	<b>1,631,912</b>	<b>1,965,129</b>	<b>1,965,129</b>	<b>-</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>574,766</b>	<b>\$ 574,766</b>
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			203,217	
Loan interest receivable			526	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>		<b>\$</b>	<b>778,509</b>	

**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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental revenues-				
Charges for services-				
Application fees and charges	\$ -	\$ -	21,979	\$ 21,979
Rental income	3,419,344	3,723,789	3,455,334	(268,455)
Loan collections-				
Principal	218,365	125,517	221,193	95,676
Interest	121,693	114,587	161,586	46,999
Interest on investments	4,346	66,252	94,442	28,190
Miscellaneous:				
Reimbursements	-	-	379,025	379,025
Other	-	-	30	30
<b>Total revenues</b>	<b>3,763,748</b>	<b>4,030,145</b>	<b>4,333,589</b>	<b>303,444</b>
<b>Expenditures</b>				
Current:				
Community development:				
Property redevelopment	4,251,689	5,615,149	4,499,590	1,115,559
Administration	12,121	2,500	842	1,658
<b>Total community development</b>	<b>4,263,810</b>	<b>5,617,649</b>	<b>4,500,432</b>	<b>1,117,217</b>
Contingency	141,391	2,029,103	-	2,029,103
<b>Total expenditures</b>	<b>4,405,201</b>	<b>7,646,752</b>	<b>4,500,432</b>	<b>3,146,320</b>
Excess (deficiency) of revenues over expenditures	(641,453)	(3,616,607)	(166,843)	3,449,764
<b>Other Financing Sources and (Uses)</b>				
Transfers in	800,000	800,000	800,000	-
Internal service reimbursements	(469,737)	(495,981)	(495,981)	-
<b>Total other financing sources and (uses)</b>	<b>330,263</b>	<b>304,019</b>	<b>304,019</b>	<b>-</b>
Net change in fund balance	(311,190)	(3,312,588)	137,176	3,449,764
<b>Fund Balances - July 1, 2023</b>	<b>311,190</b>	<b>3,312,588</b>	<b>3,312,588</b>	<b>-</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>3,449,764</b>	<b>\$ 3,449,764</b>
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			4,715,204	
Loan interest receivable			292,923	
Property held for sale			5,580,314	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>		<b>\$</b>	<b>14,038,205</b>	



**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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental revenue-				
Charges for services-				
Application fees and charges	\$ -	\$ -	830	\$ 830
Rental income	90,671	73,109	88,988	15,879
Loan collections-				
Principal	103,912	122,768	128,875	6,107
Interest	9,729	44,763	47,085	2,322
Interest on investments	264,527	729,192	857,636	128,444
Miscellaneous-				
Other miscellaneous	-	130	130	-
<b>Total revenues</b>	<b>468,839</b>	<b>969,962</b>	<b>1,123,544</b>	<b>153,582</b>
<b>Expenditures</b>				
Current:				
Community development:				
Housing	2,040,512	1,965,811	113,906	1,851,905
Infrastructure	2,500,000	3,000,000	-	3,000,000
Property redevelopment	5,078,858	5,127,180	1,638,984	3,488,196
Economic development	12,755	433,855	35,801	398,054
Administration	6,650	9,455	8,006	1,449
<b>Total community development</b>	<b>9,638,775</b>	<b>10,536,301</b>	<b>1,796,697</b>	<b>8,739,604</b>
Contingency	8,763,094	15,447,409	-	15,447,409
<b>Total expenditures</b>	<b>18,401,869</b>	<b>25,983,710</b>	<b>1,796,697</b>	<b>24,187,013</b>
Excess (deficiency) of revenues over expenditures	(17,933,030)	(25,013,748)	(673,153)	24,340,595
<b>Other Financing Sources and (Uses)</b>				
Internal service reimbursements	(1,653,471)	(1,745,848)	(1,745,848)	-
Transfers out	(8,000,000)	(9,700,000)	(9,700,000)	-
<b>Total other financing sources and (uses)</b>	<b>(9,653,471)</b>	<b>(11,445,848)</b>	<b>(11,445,848)</b>	<b>-</b>
Net change in fund balance	(27,586,501)	(36,459,596)	(12,119,001)	24,340,595
<b>Fund Balances - July 1, 2023</b>	<b>27,586,501</b>	<b>36,459,596</b>	<b>36,459,596</b>	<b>-</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>24,340,595</b>	<b>\$ 24,340,595</b>
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			756,330	
Loan interest receivable			4,503	
Property held for sale			2,845,001	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>			<b>\$ 27,946,429</b>	

**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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services-				
Application fees and charges	\$ -	\$ -	1,083	\$ 1,083
Rental income	60,000	140,000	43,502	(96,498)
Loan collections-				
Principal	110,765	141,771	148,877	7,106
Interest	176,230	147,562	154,822	7,260
Interest on investments	361,329	901,281	780,536	(120,745)
Miscellaneous:				
Reimbursements	21,913	24,329	4,834	(19,495)
Tax increment debt proceeds				
(in lieu of tax increment revenue)	2,366,671	2,235,762	2,235,873	111
<b>Total revenues</b>	<b>3,096,908</b>	<b>3,590,705</b>	<b>3,369,527</b>	<b>(221,178)</b>
<b>Expenditures</b>				
Current:				
Community development:				
Housing	2,211,753	2,221,056	1,775,601	445,455
Property redevelopment	1,129,327	12,778,032	769,660	12,008,372
Economic development	156,000	314,500	25,012	289,488
Administration	20,000	56,494	54,905	1,589
<b>Total community development</b>	<b>3,517,080</b>	<b>15,370,082</b>	<b>2,625,178</b>	<b>12,744,904</b>
Contingency	16,882,785	11,828,093	-	11,828,093
<b>Total expenditures</b>	<b>20,399,865</b>	<b>27,198,175</b>	<b>2,625,178</b>	<b>24,572,997</b>
Excess (deficiency) of revenues over expenditures	(17,302,957)	(23,607,470)	744,349	(24,351,819)
<b>Other Financing Sources and Uses</b>				
Internal service reimbursements	(1,379,531)	(1,456,604)	(1,456,604)	
Transfers out	(20,000,000)	(20,000,000)	(20,000,000)	
<b>Total other financing uses</b>	<b>(21,379,531)</b>	<b>(21,456,604)</b>	<b>(21,456,604)</b>	
Net change in fund balance	(38,682,488)	(45,064,074)	(20,712,255)	
<b>Fund Balances - July 1, 2023</b>	<b>38,682,488</b>	<b>45,064,074</b>	<b>45,064,075</b>	
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>24,351,820</b>	
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			13,827,544	
Loan interest receivable			1,544,052	
Property held for sale			2,768,428	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>			<b>\$ 42,491,844</b>	

**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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services-				
Application fees and charges	\$ -	\$ -	497	\$ 497
Rental income	597,733	242,334	286,999	44,665
Loan collections-				
Principal	62,803	159,880	161,650	1,770
Interest	18,870	21,147	20,060	(1,087)
Interest on investments	740,475	1,718,417	2,443,862	725,445
Miscellaneous:				
Reimbursements	168,318	139,117	138,710	(407)
Tax increment debt proceeds (in lieu of tax increment revenue)	28,926,984	28,806,165	28,820,274	14,109
<b>Total revenues</b>	<b>30,515,183</b>	<b>31,087,060</b>	<b>31,872,052</b>	<b>784,992</b>
<b>Expenditures</b>				
Current:				
Community development:				
Housing	18,704,805	20,237,697	9,343,682	10,894,015
Property redevelopment	6,381,736	10,222,112	1,942,519	8,279,593
Economic development	300,038	440,526	358,911	81,615
Administration	32,610	166,880	162,013	4,867
<b>Total community development</b>	<b>25,419,189</b>	<b>31,067,215</b>	<b>11,807,125</b>	<b>19,260,090</b>
Contingency	71,600,092	75,770,977	-	75,770,977
<b>Total expenditures</b>	<b>97,019,281</b>	<b>106,838,192</b>	<b>11,807,125</b>	<b>95,031,067</b>
Excess (deficiency) of revenues over expenditures	(66,504,098)	(75,751,132)	20,064,927	95,816,059
<b>Other Financing Sources and (Uses)</b>				
Internal service reimbursements	(2,054,896)	(2,169,701)	(2,169,701)	-
Transfers out	(7,000,000)	(8,000,000)	(8,000,000)	-
<b>Total other financing sources and (uses)</b>	<b>(9,054,896)</b>	<b>(10,169,701)</b>	<b>(10,169,701)</b>	<b>-</b>
Net change in fund balance	(75,558,994)	(85,920,833)	9,895,226	95,816,059
<b>Fund Balances - July 1, 2023</b>	<b>75,558,994</b>	<b>85,920,833</b>	<b>85,920,834</b>	<b>1</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>95,816,060</b>	<b>\$ 95,816,060</b>
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			339,604	
Loan interest receivable			6,760	
Lease receivable, net			894,934	
Deferred inflows related to leases and contracts			(799,444)	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>			<b>\$ 96,257,914</b>	

**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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services-				
Application fees and charges	\$ -	\$ -	4,310	\$ 4,310
Rental income	60,687	83,922	85,753	1,831
Loan collections-				
Principal	43,080	16,026	36,915	20,889
Interest	17,190	15,819	81,325	65,506
Interest on investments	86,442	409,534	612,575	203,041
Miscellaneous	-	9,163	9,927	764
Tax increment debt proceeds (in lieu of tax increment revenue)	10,237,588	4,128,507	4,097,935	(30,572)
<b>Total revenues</b>	<b>10,444,987</b>	<b>4,662,971</b>	<b>4,928,740</b>	<b>265,769</b>
<b>Expenditures</b>				
Current:				
Community development:				
Housing	4,720,657	4,722,482	86,768	4,635,714
Infrastructure	3,300,000	-	-	-
Property redevelopment	4,566,027	2,251,052	1,048,164	1,202,888
Economic development	216,000	530,000	30,659	499,341
Administration	10,000	36,439	25,499	10,940
<b>Total community development</b>	<b>12,812,684</b>	<b>7,539,973</b>	<b>1,191,090</b>	<b>6,348,883</b>
Contingency	5,739,306	15,865,745	-	15,865,745
<b>Total expenditures</b>	<b>18,551,990</b>	<b>23,405,718</b>	<b>1,191,090</b>	<b>22,214,628</b>
Excess (deficiency) of revenues over expenditures	(8,107,003)	(18,742,747)	3,737,650	22,480,397
<b>Other Financing Sources and (Uses)</b>				
Transfers in	-	-	-	-
Internal service reimbursements	(695,102)	(733,937)	(733,937)	-
Transfers out	(1,000,000)	(1,000,000)	(1,000,000)	-
<b>Total other financing sources and (uses)</b>	<b>(1,695,102)</b>	<b>(1,733,937)</b>	<b>(1,733,937)</b>	<b>-</b>
Net change in fund balance	(9,802,105)	(20,476,684)	2,003,713	22,480,397
<b>Fund Balances - July 1, 2023</b>	<b>9,802,105</b>	<b>20,476,684</b>	<b>20,476,685</b>	<b>1</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>22,480,398</b>	<b>\$ 22,480,398</b>
<i>Adjustments to generally accepted accounting principles basis-</i>				
Loans receivable, net			2,780,458	
Loan interest receivable			132,461	
Lease receivable, net			700,550	
Interfund advances			-	
Property held for sale			4,108,319	
Note payable			-	
Deferred inflows related to leases and contracts			(384,021)	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>			<b>\$ 29,818,165</b>	

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

AUDIT COMMENTS & DISCLOSURES

**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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services-				
Application fees and charges	\$ -	\$ -	2,427	\$ 2,427
Rental income	60,000	60,000	60,000	-
Loan collections-				
Principal	92,447	92,820	95,806	2,986
Interest	20,738	20,365	21,376	1,011
Interest on investments	22,189	104,214	153,267	49,053
Miscellaneous-				
<b>Total revenues</b>	<b>195,374</b>	<b>277,399</b>	<b>332,876</b>	<b>55,477</b>
<b>Expenditures</b>				
Current:				
Community development:				
Property redevelopment	207,723	217,602	159,527	58,075
Economic development	19,000	129,000	20,558	108,442
Administration	7,821	10,321	842	9,479
<b>Total community development</b>	<b>234,544</b>	<b>356,923</b>	<b>180,927</b>	<b>175,996</b>
Contingency	1,761,904	4,841,744	-	4,841,744
<b>Total expenditures</b>	<b>1,996,448</b>	<b>5,198,667</b>	<b>180,927</b>	<b>5,017,740</b>
Excess (deficiency) of revenues over expenditures	(1,801,074)	(4,921,268)	151,949	5,073,217
<b>Other Financing Sources and (Uses)</b>				
Internal service reimbursements	(274,112)	(289,426)	(289,426)	-
<b>Total other financing sources and (uses)</b>	<b>(274,112)</b>	<b>(289,426)</b>	<b>(289,426)</b>	<b>-</b>
Net change in fund balance	(2,075,186)	(5,210,694)	(137,477)	5,073,217
<b>Fund Balances - July 1, 2023</b>	<b>2,075,186</b>	<b>5,210,694</b>	<b>5,210,694</b>	<b>-</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>5,073,217</b>	<b>\$ 5,073,217</b>
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			1,708,935	
Loan interest receivable			230,809	
Property held for sale			7,376,842	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>		<b>\$</b>	<b>14,389,803</b>	

**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, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services-				
Rental income	\$ -	\$ -	\$ -	-
Interest on investments	\$ 29,016	\$ 88,861	\$ 135,986	47,125
Miscellaneous-				
Reimbursements	-	-	-	-
<b>Total revenues</b>	<b>29,016</b>	<b>88,861</b>	<b>135,986</b>	<b>47,125</b>
<b>Expenditures</b>				
Current:				
Community development:				
Property redevelopment	4,007,949	4,007,949	3,749	4,004,200
Economic development	-	-	-	-
<b>Total community development</b>	<b>4,007,949</b>	<b>4,007,949</b>	<b>3,749</b>	<b>4,004,200</b>
Contingency	246,962	354,276	-	354,276
<b>Total expenditures</b>	<b>4,254,911</b>	<b>4,362,225</b>	<b>3,749</b>	<b>4,358,476</b>
Excess (deficiency) of revenues over expenditures	(4,225,895)	(4,273,364)	132,237	4,405,601
<b>Other Financing Sources and (Uses)</b>				
Net change in fund balance	(4,386,581)	(4,443,027)	(37,426)	4,405,601
<b>Fund Balances - July 1, 2023</b>	<b>4,386,581</b>	<b>4,443,027</b>	<b>4,443,027</b>	<b>-</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,405,601</b>	<b>\$ 4,405,601</b>

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

AUDIT COMMENTS & DISCLOSURES

## 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.

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

*Small Business Loan Fund*

*Real Estate Lending Fund*

*Net Operating Income 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* - Includes several non-TIF District property assets and activities and provides short-term operating loans to other Prosper Portland funds.

### 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**  
**Nonmajor Proprietary Funds**  
**June 30, 2024**

	Business Management Fund	Risk Management Fund	Total Non-major Enterprise Funds
<b>Assets</b>			
Current assets:			
Cash with City of Portland			
investment pool	\$ 2,925,896	\$ 146,494	\$ 3,072,390
Receivables:			
Accounts	295,816	-	295,816
Internal balances	2,746,000	-	2,746,000
Interest	43,105	1,293	44,398
Lease, net	43,317	-	43,317
Property held for sale	965,788	-	965,788
Other	1,241	-	1,241
<b>Total current assets</b>	<b>7,021,163</b>	<b>147,787</b>	<b>7,168,950</b>
Noncurrent assets:			
Lease receivable, net	441,944	-	441,944
Capital Asset, net	2,406,084	-	2,406,084
Other: Escrow deposit	3,000,000	-	3,000,000
<b>Total noncurrent assets</b>	<b>5,848,028</b>	<b>-</b>	<b>5,848,028</b>
<b>Total assets</b>	<b>12,869,191</b>	<b>147,787</b>	<b>13,016,978</b>
<b>Liabilities, Deferred Inflows And Net Position</b>			
Liabilities:			
Current liabilities:			
Accounts payable	\$ 15,307	\$ -	\$ 15,307
<b>Total current liabilities</b>	<b>15,307</b>	<b>-</b>	<b>15,307</b>
Deferred Inflows			
Deferred Inflows	398,975	-	398,975
<b>Total deferred inflows</b>	<b>398,975</b>	<b>-</b>	<b>398,975</b>
<b>Total liabilities</b>	<b>414,282</b>	<b>-</b>	<b>414,282</b>
<b>Net Position</b>			
Net investment in capital assets	2,406,084	-	2,406,084
Restricted	3,000,000	-	3,000,000
Unrestricted	7,048,825	147,787	7,196,612
<b>Total net position</b>	<b>12,454,909</b>	<b>147,787</b>	<b>12,602,696</b>
<b>Total liabilities, deferred inflows and net position</b>	<b>\$ 12,869,191</b>	<b>\$ 147,787</b>	<b>\$ 13,016,978</b>



**Statement of Revenues, Expenses, and Changes in Net Position**  
**Nonmajor Proprietary Funds**  
**For The Fiscal Year Ended June 30, 2024**

	Business Management Fund	Risk Management Fund	Total Non-major Enterprise Funds
<b>Operating Revenues:</b>			
Charges for services	\$ 161,092	\$ -	\$ 161,092
Miscellaneous revenues	170,165	-	170,165
<b>Total operating revenues</b>	<b>331,257</b>	<b>-</b>	<b>331,257</b>
<b>Operating Expenses:</b>			
Personal services	22,706	-	22,706
Professional services	429,874	-	429,874
Internal service reimbursements	345,213	-	345,213
Depreciation	142,284	-	142,284
<b>Total operating expenses</b>	<b>940,077</b>	<b>-</b>	<b>940,077</b>
Operating income (loss)	(608,820)	-	(608,820)
<b>Non-Operating Revenues (Expense):</b>			
Interest on investments	141,022	4,485	145,507
<b>Total non-operating revenues (expense)</b>	<b>141,022</b>	<b>4,485</b>	<b>145,507</b>
Income before transfers	(467,798)	4,485	(463,313)
Change in net position	(467,798)	4,485	(463,313)
<b>Net position - July 1, 2023</b>	<b>12,922,707</b>	<b>143,302</b>	<b>13,066,009</b>
<b>Net position - June 30, 2024</b>	<b>\$ 12,454,909</b>	<b>\$ 147,787</b>	<b>\$ 12,602,696</b>

**Combining Statement of Cash Flows**  
**Nonmajor Proprietary Funds**  
**For The Fiscal Year Ended June 30, 2024**

	Business Management Fund	Risk Management Fund	Total
<b>Cash flows from operating activities:</b>			
Other fees from customers	\$ 559	\$ -	\$ 559
Rent income	296,350	-	296,350
Increase in accounts receivable	9,770	-	9,770
Payments to employees	(22,706)	-	(22,706)
Payments to vendors	(427,961)	-	(427,961)
Payments for interfund services used	(345,213)	-	(345,213)
<b>Net cash provided/(used) by operating activities</b>	<b>(489,201)</b>	<b>-</b>	<b>(489,201)</b>
<b>Cash flows from noncapital financing activities:</b>			
Repayment of interfund borrowing	3,630,000	-	3,630,000
Interfund borrowing	(3,683,000)	-	(3,683,000)
<b>Net cash provided by noncapital financing activities</b>	<b>(53,000)</b>	<b>-</b>	<b>(53,000)</b>
<b>Cash flows from investing activities:</b>			
Interest received from investing	108,538	4,252	112,790
<b>Net cash increase (decrease) in cash and cash equivalents</b>	<b>(433,663)</b>	<b>4,252</b>	<b>(429,411)</b>
<b>Cash and cash equivalents-July 1, 2023</b>	<b>3,359,559</b>	<b>142,242</b>	<b>3,501,801</b>
<b>Cash and cash equivalents-July 30, 2024</b>	<b>\$ 2,925,896</b>	<b>\$ 146,494</b>	<b>\$ 3,072,390</b>
<b>Cash with City of Portland investment pool from the Statement of Net Position</b>	<b>\$ 2,925,896</b>	<b>\$ 146,494</b>	<b>\$ 3,072,390</b>
Reconciliation of operating income to net cash provided/(used) by operating activities:			
Net operating income(loss)	\$ (608,820)	-	(608,820)
<b>Adjustments to reconcile net operating income to net cash provided/(used) by operating activities:</b>			
Increase in due from other entities (due to)	9,770	-	9,770
Decrease in loan interest receivable	(32,435)	-	(32,435)
Depreciation and amortization	142,284	-	142,284
<b>Total adjustments</b>	<b>119,619</b>	<b>-</b>	<b>119,619</b>
<b>Net cash provided/(used) by operating activities</b>	<b>\$ (489,201)</b>	<b>\$ -</b>	<b>(489,201)</b>

**Strategic Investment Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**For The Fiscal Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services:				
Application fees and charges	\$ 50,000	\$ 50,000	\$ 126,426	\$ 76,426
Loan collections:				
Principal	84,851	55,896	60,610	4,714
Interest	31,157	64,200	94,899	30,699
Interest on investments	33,922	140,263	1,405,686	1,265,423
Miscellaneous revenues:				
Other	-	-	583,752	583,752
<b>Total revenues</b>	<b>199,930</b>	<b>310,359</b>	<b>2,271,373</b>	<b>1,961,014</b>
<b>Expenditures</b>				
Current:				
Community development:				
Economic development	3,425,943	25,375,943	3,182,999	22,192,944
<b>Total community development</b>	<b>3,425,943</b>	<b>25,375,943</b>	<b>3,182,999</b>	<b>22,192,944</b>
Contingency	45,988,352	26,070,886	-	26,070,886
<b>Total expenditures</b>	<b>49,414,295</b>	<b>51,446,829</b>	<b>3,182,999</b>	<b>48,263,830</b>
Excess (deficiency) of revenues over expenditures	(49,214,365)	(51,136,470)	(911,626)	50,224,844
<b>Other Financing Sources (Uses)</b>				
Internal service reimbursements	(164,633)	(173,831)	(173,831)	-
Transfers in	45,000,000	46,985,645	46,977,649	(7,996)
Other Funds				
<b>Total transfers in:</b>	<b>45,000,000</b>	<b>46,985,645</b>	<b>46,977,649</b>	<b>(7,996)</b>
Transfers out	-	(1,000,000)	(1,000,000)	-
<b>Total other financing sources (uses)</b>	<b>44,835,367</b>	<b>45,811,814</b>	<b>45,803,818</b>	<b>(7,996)</b>
Net change in fund balance	(4,378,998)	(5,324,656)	44,892,192	50,216,848
<b>Fund Balances - July 1, 2023</b>	<b>4,378,998</b>	<b>5,324,656</b>	<b>5,324,656</b>	<b>-</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,216,848</b>	<b>\$ 50,216,848</b>
Adjustments to generally accepted accounting principles basis-				
Loans receivable, net			2,825,820	
Loan interest receivable			54,100	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>			<b>\$ 53,096,768</b>	

**Combining Schedule of Net Position  
 For Components of the Strategic Investment Fund  
 June 30, 2024**

	Small Business Loan Fund	Real Estate Lending Fund	NOI Fund	NPI Opportunity Fund	Workforce Training/Hiring Fund	Total Strategic Investment Fund
<b>Assets</b>						
Current assets:						
Cash with City of Portland						
Investment pool	\$ 9,595,203	\$ 18,015,022	\$ 20,402,907	\$ 822,115	\$ 379,360	\$ 49,214,607
Receivables:						
Accounts receivable	500	-	-	-	-	500
Loans, net	3,227,090	-	-	182,483	-	3,409,573
Interest	83,500	143,916	179,976	7,252	3,346	417,990
Loan interest	32,679	-	-	21,420	-	54,099
<b>Total current assets</b>	<b>12,938,972</b>	<b>18,158,938</b>	<b>20,582,883</b>	<b>1,033,270</b>	<b>382,706</b>	<b>53,096,769</b>
Noncurrent assets:						
<b>Total assets</b>	<b>12,938,972</b>	<b>18,158,938</b>	<b>20,582,883</b>	<b>1,033,270</b>	<b>382,706</b>	<b>53,096,769</b>
<b>Liabilities, deferred inflows and net position</b>						
Net position:						
Unrestricted	12,938,972	18,158,938	20,582,883	1,033,270	382,706	53,096,769
<b>Total liabilities, deferred inflows and net position</b>	<b>\$ 12,938,972</b>	<b>\$ 18,158,938</b>	<b>\$ 20,582,883</b>	<b>\$ 1,033,270</b>	<b>\$ 382,706</b>	<b>\$ 53,096,769</b>

INTRODUCTORY SECTION

FINANCIAL SECTION

STATISTICAL SECTION

AUDIT COMMENTS & DISCLOSURES

**Combining Schedule of Revenues, Expenses, and Changes in Net Position  
For Components of the Strategic Investment Fund  
For The Fiscal Year Ended June 30, 2024**

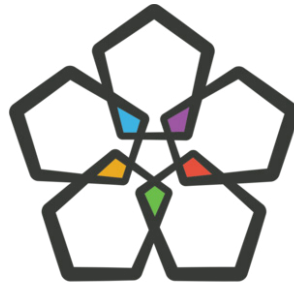
	Small Business Loan Fund	Real Estated Lending Fund	NOI Fund	NPI Opportunity Fund	Workforce Training/Hiring Fund	Total Strategic Investment Fund
<b>Operating Revenues:</b>						
Charges for services	\$ 126,425	\$ -	\$ -	\$ -	\$ -	126,425
Interest on loans	119,302	-	-	21,420	-	140,722
Miscellaneous revenues	-	-	-	144,065	-	144,065
<b>Total operating revenues</b>	<b>245,727</b>	<b>-</b>	<b>-</b>	<b>165,485</b>	<b>-</b>	<b>411,212</b>
<b>Operating Expenses:</b>						
Personal services	329,641	7,235	-	-	-	336,876
Professional services	15,253	-	-	70	-	15,323
Financial assistance	204,484	-	-	115,252	-	319,736
Miscellaneous	252	-	-	-	-	252
<b>Total operating expenses</b>	<b>549,630</b>	<b>7,235</b>	<b>-</b>	<b>115,322</b>	<b>-</b>	<b>672,187</b>
Operating income (loss)	(303,903)	(7,235)	-	50,163	-	(260,975)
<b>Non-Operating Revenues (Expense):</b>						
Interest on investment	319,847	466,173	582,883	25,170	11,614	1,405,687
<b>Total non-operating revenues (expense)</b>	<b>319,847</b>	<b>466,173</b>	<b>582,883</b>	<b>25,170</b>	<b>11,614</b>	<b>1,405,687</b>
Income (loss) before transfers	15,944	458,938	582,883	75,333	11,614	1,144,712
Transfers	8,277,649	17,700,000	20,000,000	-	-	45,977,649
Change in net position	8,293,593	18,158,938	20,582,883	75,333	11,614	47,122,361
<b>Net position - July 1, 2023</b>	<b>4,645,379</b>	<b>-</b>	<b>-</b>	<b>957,937</b>	<b>371,092</b>	<b>5,974,408</b>
<b>Net position - July 30, 2024</b>	<b>\$ 12,938,972</b>	<b>\$ 18,158,938</b>	<b>\$ 20,582,883</b>	<b>\$ 1,033,270</b>	<b>\$ 382,706</b>	<b>\$ 53,096,769</b>

**Business Management Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**For The Fiscal Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services				
Rental income	\$ 64,602	\$ (37,031)	\$ 126,744	\$ 163,775
Interest on investments	95,521	114,629	141,022	26,393
Miscellaneous				
Reimbursements	39,610	144,923	136,721	(8,202)
Other	30,000	45,333	33,446	(11,887)
<b>Total revenues</b>	<b>229,733</b>	<b>267,854</b>	<b>437,933</b>	<b>170,079</b>
<b>Expenditures</b>				
Current				
Community development:				
Property redevelopment	587,439	514,824	457,405	57,419
<b>Total community development</b>	<b>587,439</b>	<b>514,824</b>	<b>457,405</b>	<b>57,419</b>
Contingency	8,734,584	8,768,253	-	8,768,253
<b>Total expenditures</b>	<b>9,322,023</b>	<b>9,283,077</b>	<b>457,405</b>	<b>8,825,672</b>
Excess (deficiency) of revenues over expenditures	(9,092,290)	(9,015,223)	(19,472)	8,995,751
<b>Other Financing Sources (Uses)</b>				
Internal service reimbursements out	(341,100)	(345,213)	(345,213)	-
Transfers in	-	3,629,000	3,630,000	1,000
Transfers out	-	-	(3,683,000)	(3,683,000)
<b>Total other financing sources (uses)</b>	<b>(341,100)</b>	<b>3,283,787</b>	<b>(398,213)</b>	<b>(3,682,000)</b>
Net change in fund balance	(9,433,390)	(5,731,436)	(417,685)	5,313,751
<b>Fund Balances - July 1, 2023</b>	<b>9,433,390</b>	<b>5,731,436</b>	<b>5,731,435</b>	<b>(1)</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,313,750</b>	<b>\$ 5,313,750</b>
Adjustments to generally accepted accounting principles basis-				
Lease receivable, net			86,286	
Interfund advances			3,683,000	
Property held for sale			965,788	
Capital assets			2,406,085	
<b>Fund Balance - June 30, 2024 (GAAP Basis)</b>		<b>\$</b>	<b>12,454,909</b>	

**Risk Management Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**For The Fiscal Year Ended June 30, 2024**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues</b>				
Interest on investments	\$ -	\$ -	4,485	\$ 4,485
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>4,485</b>	<b>4,485</b>
<b>Expenditures</b>				
Current:				
Community development:				
Administration	-	-	-	-
<b>Total community development</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Contingency	140,942	143,302	-	143,302
<b>Total expenditures</b>	<b>140,942</b>	<b>143,302</b>	<b>-</b>	<b>143,302</b>
Excess (deficiency) of revenues over expenditures	(140,942)	(143,302)	4,485	147,787
Net change in fund balance	(140,942)	(143,302)	4,485	147,787
<b>Fund Balances - July 1, 2023</b>	<b>140,942</b>	<b>143,302</b>	<b>143,302</b>	<b>-</b>
<b>Fund Balances - June 30, 2024</b>	<b>\$ -</b>	<b>\$ -</b>	<b>147,787</b>	<b>\$ 147,787</b>



**PROSPER**  
PORTLAND

**Building an Equitable Economy**



# 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, 2024**

<b>Governmental funds capital assets:</b>	
Land	\$ 14,126,930
Work in process	4,398,739
Equipment	568,934
Buildings and improvements	53,610,521
Intangible software	1,194,768
Right to use assets	9,581,947
Subscription-based assets	84,346
Accumulated depreciation	(12,715,545)
<b>Total</b>	<b>\$ 70,850,640</b>
<b>Investment in governmental funds capital assets by source:</b>	
General Fund	\$ 11,429,998
Special Revenue Fund	12,379,440
Capital Projects Funds	59,756,747
Accumulated depreciation	(12,715,545)
<b>Total</b>	<b>\$ 70,850,640</b>

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, 2024**

<b>Function and Activity</b>	<b>Land</b>	<b>Buildings</b>	<b>Right to Use Assets</b>	<b>Equipment</b>	<b>Software</b>	<b>Work in Process</b>	<b>Total</b>
<b>Community development</b>							
Revitalization	\$ 14,126,930	\$ 53,610,522	\$ 7,163,257	\$ 84,346	\$ -	\$ 4,398,739	\$ 79,383,794
Administration	-	-	-	-	568,934	528,562	1,097,496
<b>Total community development</b>	<b>14,126,930</b>	<b>53,610,522</b>	<b>7,163,257</b>	<b>84,346</b>	<b>568,934</b>	<b>528,562</b>	<b>80,481,290</b>
Less: accumulated depreciation	-	(9,246,745)	-	(39,830)	(344,075)	-	(9,630,650)
<b>Total governmental funds capital assets</b>	<b>\$ 14,126,930</b>	<b>\$ 44,363,777</b>	<b>\$ 7,163,257</b>	<b>\$ 44,516</b>	<b>\$ 224,859</b>	<b>\$ 528,562</b>	<b>\$ 70,850,640</b>

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, 2024**

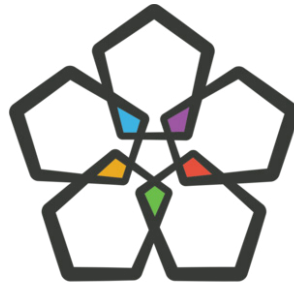
<b>Function and Activity</b>	<b>Governmental Capital Assets July 1, 2023</b>	<b>Additions</b>	<b>Deductions</b>	<b>Governmental Capital Assets June 30, 2024</b>
Community development				
Revitalization	\$ 80,001,594	\$ 172,046	\$ -	\$ 80,173,640
Administration	1,072,796	123,979	22,500	1,174,275
<b>Total community development</b>	<b>81,074,390</b>	<b>296,025</b>	<b>22,500</b>	<b>81,347,915</b>
Less: accumulated depreciation	8,407,576	2,112,199	22,500	10,497,275
<b>Total governmental funds capital assets</b>	<b>\$ 72,666,814</b>	<b>\$ (1,816,174)</b>	<b>\$ -</b>	<b>\$ 70,850,640</b>

**Schedule of Activity of Real Property and Capital Assets  
 Held by the Commission  
 For The Fiscal Year Ended June 30, 2024**

<b>Funding Source</b>	<b>Balance July 1, 2023</b>	<b>Additions</b>	<b>Sales/ Adjustment</b>	<b>Balance June 30, 2024</b>
<b>Held For Sale Assets:</b>				
<b>General Fund (Urban Redevelopment Fund):</b>				
Woodstock & Foster Rd-Dagel-LTC	\$ 100,000	\$ -	\$ -	100,000
9330 SE Harold St-Boys & Girls Club-LTC	46,754	-	-	46,754
<b>Total</b>	<b>146,754</b>	<b>-</b>	<b>-</b>	<b>146,754</b>
<b>Downtown Waterfront Tax Increment Financing Fund:</b>				
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
<b>Total</b>	<b>9,033,499</b>	<b>-</b>	<b>-</b>	<b>9,033,499</b>
<b>North Macadam Tax Increment Financing Fund:</b>				
Pascuzzi Site	-	-	-	-
South Waterfront Development	1,892,705	-	-	1,892,705
<b>Total</b>	<b>1,892,705</b>	<b>-</b>	<b>-</b>	<b>1,892,705</b>
<b>River District Tax Increment Financing Fund:</b>				
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
<b>Total</b>	<b>70,042,666</b>	<b>-</b>	<b>-</b>	<b>70,042,666</b>
<b>Convention Center Tax Increment Financing Fund:</b>				
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
<b>Total</b>	<b>5,580,315</b>	<b>-</b>	<b>-</b>	<b>5,580,315</b>
<b>Central Eastside tax Increment Financing Fund:</b>				
ODOT Blocks	2,845,000	-	-	2,845,000
** WIP Clinton Triangle	-	-	-	-
<b>Total</b>	<b>2,845,000</b>	<b>-</b>	<b>-</b>	<b>2,845,000</b>
<b>Lents Town Center Tax Increment Financing Fund:</b>				
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
<b>Total</b>	<b>2,768,428</b>	<b>-</b>	<b>-</b>	<b>2,768,428</b>

Funding Source	Balance July 1, 2023	Additions	Sales/ Adjustment	Balance June 30, 2024
<b>Gateway Regional Center Tax Increment Financing Fund:</b>				
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
<b>Total</b>	<b>4,108,319</b>	<b>-</b>	<b>-</b>	<b>4,108,319</b>
<b>Airport Way Tax Increment Financing Fund:</b>				
Cascade Station Lease Rights	7,377,056	-	214	7,376,842
<b>Total</b>	<b>7,377,056</b>	<b>-</b>	<b>214</b>	<b>7,376,842</b>
<b>Business Management Fund</b>				
BLOCK 25-3RD/4TH & NW FLANDERS/GLISAN	965,788	-	-	965,788
US Postal Site-715 NW Hoyt St	-	-	-	-
<b>Total</b>	<b>965,788</b>	<b>-</b>	<b>-</b>	<b>965,788</b>
<b>Total all HFS funds</b>	<b>104,760,530</b>	<b>-</b>	<b>214</b>	<b>104,760,316</b>
<b>Not Held For Sale Assets (Capital Assets):</b>				
<b>General Fund (Urban Redevelopment Fund):</b>				
South Auditorium Park Block C	2	-	-	2
<b>Total</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>
<b>9101 Foster LLC Fund:</b>				
Lents Commons-9101 SE Foster RD	11,550,440	-	-	11,550,440
Lents Commons-9101 SE Foster RD	829,000	-	-	829,000
<b>Total</b>	<b>12,379,440</b>	<b>-</b>	<b>-</b>	<b>12,379,440</b>
<b>Downtown Waterfront Tax Increment Financing Fund:</b>				
Union Station Parcels-South of Union St	632,260	-	-	632,260
<b>Total</b>	<b>632,260</b>	<b>-</b>	<b>-</b>	<b>632,260</b>
<b>North Macadam Tax Increment Financing Fund:</b>				
1852 SW River Dr-River Place Garage	4,175,080	-	-	4,175,080
<b>Total</b>	<b>4,175,080</b>	<b>-</b>	<b>-</b>	<b>4,175,080</b>
<b>River District Tax Increment Financing Fund:</b>				
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	9,281,922	-	-	9,281,922
Fairfield Commercial	500,000	-	-	500,000
<b>Total</b>	<b>22,933,613</b>	<b>-</b>	<b>-</b>	<b>22,933,613</b>
<b>Convention Center Tax Increment Financing Fund:</b>				
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
<b>Total</b>	<b>24,885,284</b>	<b>-</b>	<b>-</b>	<b>24,885,284</b>
<b>Central Eastside Tax Increment Financing Fund:</b>				
240 NE MLK Blvd	157,556	-	-	157,556
<b>Total</b>	<b>157,556</b>	<b>-</b>	<b>-</b>	<b>157,556</b>

Funding Source	Balance July 1, 2023	Additions	Sales/ Adjustment	Balance June 30, 2024
<b>Interstate Corridor Tax Increment Financing Fund:</b>				
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
<b>Total</b>	<b>3,074,216</b>	<b>-</b>	<b>-</b>	<b>3,074,216</b>
<b>Gateway Regional Center Tax Increment Financing Fund:</b>				
106 & Halsey	3,726,693	172,046	-	3,898,739
<b>Total</b>	<b>3,726,693</b>	<b>172,046</b>	<b>-</b>	<b>3,898,739</b>
<b>Business Management Fund</b>				
10th & Yamhill (Leasehold)	2,816,139	4,825	-	2,820,964
<b>Total</b>	<b>2,816,139</b>	<b>4,825</b>	<b>-</b>	<b>2,820,964</b>
<b>Total all NHFS funds</b>	<b>74,780,283</b>	<b>176,871</b>	<b>-</b>	<b>74,957,154</b>
<b>Total all real property assets</b>	<b>179,540,810</b>	<b>176,871</b>	<b>214</b>	<b>179,717,467</b>
<b>Capital Assets:</b>				
<b>Add:</b>				
Equipment	467,455	123,979	22,500	568,934
Intangible Software	1,194,768	-	-	1,194,768
Right to Use Assets	9,581,947	-	-	9,581,947
Subscription-based Assets	84,346	-	-	84,346
Accumulated depreciation-NHFS	(10,898,441)	(2,254,483)	(22,500)	(13,130,424)
<b>Total Capital Assets</b>	<b>179,970,885</b>	<b>(1,953,633)</b>	<b>214</b>	<b>178,017,038</b>



**PROSPER**  
PORTLAND

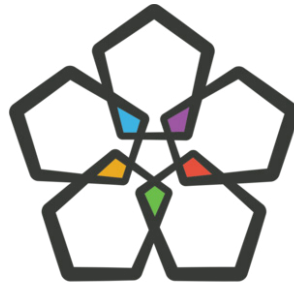
**Building an Equitable Economy**





# Statistical Section





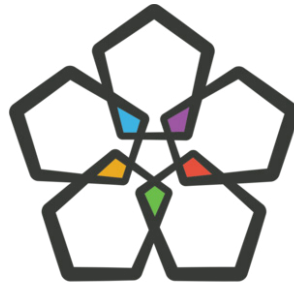
**PROSPER**  
PORTLAND

**Building an Equitable Economy**

# 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.

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b>	144
These schedules contain trend information to help the reader understand how the Commission’s financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	151
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).	
<b>Debt Capacity</b>	153
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.	
<b>Operating Information</b>	162
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.	



**PROSPER**  
PORTLAND

**Building an Equitable Economy**

**Net Position By Component**  
**Last Ten Fiscal Years**

(Unaudited)

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Governmental activities</b>										
Net investment in capital assets	\$ 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	\$ 69,840,212
Restricted	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	357,466,932
Unrestricted	(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)	(33,267,042)
<b>Total governmental activities net position</b>	<b>328,349,543</b>	<b>388,436,484</b>	<b>384,031,718</b>	<b>427,897,365</b>	<b>440,091,874</b>	<b>427,575,871</b>	<b>438,223,080</b>	<b>431,421,011</b>	<b>450,174,978</b>	<b>394,040,102</b>
<b>Business-type activities</b>										
Net investment in capital assets	-	-	-	-	-	-	-	2,591,278	2,543,545	2,406,084
Restricted	-	-	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Unrestricted	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	60,145,593
<b>Total business type activities net position</b>	<b>7,263,709</b>	<b>12,450,539</b>	<b>12,226,591</b>	<b>15,821,294</b>	<b>15,678,603</b>	<b>15,412,175</b>	<b>16,769,028</b>	<b>19,493,279</b>	<b>18,897,115</b>	<b>65,551,677</b>
<b>Total government</b>										
Net investment in capital assets	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	72,246,296
Restricted	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	360,466,932
Unrestricted	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)	26,878,551
<b>Total government net position</b>	<b>\$ 335,613,252</b>	<b>\$ 400,887,023</b>	<b>\$ 396,258,309</b>	<b>\$ 443,718,659</b>	<b>\$ 455,770,477</b>	<b>\$ 442,988,046</b>	<b>\$ 454,992,108</b>	<b>\$ 450,914,290</b>	<b>\$ 469,072,093</b>	<b>\$ 459,591,779</b>

<sup>(1)</sup> 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)**

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Expenses</b>										
Governmental activities:										
Community development	\$ 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	\$ 122,851,366
Business-type activities:										
Enterprise loans	365,839	63,104	47,240	329,863	154,113	232,562	285,252	104,252	612,992	672,187
Business management	1,203,460	1,177,944	537,901	589,648	601,153	569,828	277,245	204,785	1,380,432	940,077
<b>Total expenses</b>	<b>70,124,195</b>	<b>69,342,433</b>	<b>150,419,210</b>	<b>122,165,157</b>	<b>124,492,347</b>	<b>123,153,284</b>	<b>114,971,247</b>	<b>102,305,094</b>	<b>101,811,595</b>	<b>124,463,630</b>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services	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	16,233,390
Operating grants and contributions	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	27,665,678
<b>Total governmental activities program revenues</b>	<b>15,104,475</b>	<b>39,578,839</b>	<b>19,046,873</b>	<b>17,824,284</b>	<b>18,329,197</b>	<b>18,733,840</b>	<b>33,043,884</b>	<b>25,596,937</b>	<b>44,310,712</b>	<b>43,899,068</b>
Business-type activities:										
Charges for services										
Enterprise Loans	333,883	13,562	5,021	2,602	1,674	10,534	9,840	54,278	428,466	267,147
Business management	1,093,796	5,114,402	59,633	48,000	63,028	201,545	1,521,810	69,410	307,797	330,698
Operating grants and contributions	-	871,000	-	-	-	-	-	-	-	-
<b>Total business-type activities program revenues</b>	<b>1,427,679</b>	<b>5,998,964</b>	<b>64,654</b>	<b>50,602</b>	<b>64,702</b>	<b>212,079</b>	<b>1,531,650</b>	<b>123,688</b>	<b>736,263</b>	<b>597,845</b>
<b>Total revenues</b>	<b>16,532,154</b>	<b>45,577,803</b>	<b>19,111,527</b>	<b>17,874,886</b>	<b>18,393,899</b>	<b>18,945,919</b>	<b>34,575,534</b>	<b>25,720,625</b>	<b>45,046,975</b>	<b>44,496,913</b>
<b>Net (expense)/revenue:</b>										
Governmental activities	(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)	(78,952,298)
Business-type activities	(141,620)	4,757,916	(520,487)	(868,909)	(690,564)	(590,311)	969,153	(185,349)	(1,257,161)	(1,014,419)
<b>Total net expenses</b>	<b>(53,592,041)</b>	<b>(23,764,630)</b>	<b>(131,307,683)</b>	<b>(104,290,271)</b>	<b>(106,098,448)</b>	<b>(104,207,365)</b>	<b>(80,395,713)</b>	<b>(76,584,469)</b>	<b>(56,764,618)</b>	<b>(79,966,717)</b>

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Tax-increment debt proceeds (in lieu of tax-increment revenue)	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	57,787,139
City of Portland debt proceeds for operations	-	-	17,372,202	-	9,499,409	-	-	-	-	-
Unrestricted investment income	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	8,490,891
Miscellaneous	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	2,517,034
Special Item - Historic Monument Transfer 511 NW Broadway	-	-	-	-	-	-	-	-	-	-
Transfers	(79,621)	(138,203)	(99,018)	-	(31,387)	42,779	-	797	3,323	(45,977,649)
<b>Total governmental activities</b>	<b>72,653,750</b>	<b>88,609,487</b>	<b>126,382,430</b>	<b>147,263,350</b>	<b>117,602,393</b>	<b>91,101,051</b>	<b>92,012,075</b>	<b>69,597,051</b>	<b>74,261,431</b>	<b>22,817,415</b>
Business-type activities:										
Unrestricted investment income	36,527	102,954	152,615	138,711	266,853	228,660	109,009	74,799	157,540	1,546,708
Miscellaneous	-	187,757	44,906	4,324,901	249,633	138,002	278,691	2,835,598	506,780	144,624
Transfers	79,621	138,203	99,018	-	31,387	(42,779)	-	(797)	(3,323)	45,977,649
<b>Total business-type activities</b>	<b>116,148</b>	<b>428,914</b>	<b>296,539</b>	<b>4,463,612</b>	<b>547,873</b>	<b>323,883</b>	<b>387,700</b>	<b>2,909,600</b>	<b>660,997</b>	<b>47,668,981</b>
<b>Total</b>	<b>72,769,898</b>	<b>89,038,401</b>	<b>126,678,969</b>	<b>151,726,962</b>	<b>118,150,266</b>	<b>91,424,934</b>	<b>92,399,775</b>	<b>72,506,651</b>	<b>74,922,428</b>	<b>70,486,396</b>
<b>Changes in Net Position</b>										
Governmental activities	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	(56,134,883)
Business-type activities	(25,472)	5,186,830	(223,948)	3,594,703	(142,691)	(266,428)	1,356,853	2,724,251	(596,164)	46,654,562
<b>Total</b>	<b>\$ 19,177,857</b>	<b>\$ 65,273,771</b>	<b>\$ (4,628,714)</b>	<b>\$ 47,436,691</b>	<b>\$ 12,051,818</b>	<b>\$ (12,782,431)</b>	<b>\$ 12,004,062</b>	<b>\$ (4,077,818)</b>	<b>\$ 18,157,810</b>	<b>\$ (9,480,321)</b>

<sup>(1)</sup>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)**

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>General Fund</b>										
Non-spendable	\$ 859,630	\$ 302,609	\$ 247,518	\$ 244,069	\$ 146,754	\$ 146,754	\$ 146,754	\$ 146,754	\$ 146,754	\$ 146,754
Assigned	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	3,104,306
Unassigned	535,759	-	-	-	-	-	-	-	-	-
<b>Total general fund</b>	<b>\$ 2,298,005</b>	<b>\$ 1,775,169</b>	<b>\$ 1,568,824</b>	<b>\$ 1,494,744</b>	<b>\$ 1,518,639</b>	<b>\$ 1,372,274</b>	<b>\$ 1,483,267</b>	<b>\$ 1,751,042</b>	<b>\$ 1,700,624</b>	<b>\$ 3,251,060</b>
<b>All other governmental funds</b>										
<b>Restricted</b>										
Special revenue funds	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	9,645,937
Capital projects funds	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	413,250,451
<b>Unassigned</b>										
Special revenue funds	-	-	(6,150,877)	(15,279,155)	(15,035,998)	(14,737,270)	(14,807,811)	(15,334,152)	(15,394,215)	(15,400,953)
<b>Total all other governmental funds</b>	<b>\$ 322,403,968</b>	<b>\$ 385,481,820</b>	<b>\$ 386,601,591</b>	<b>\$ 420,705,033</b>	<b>\$ 416,906,353</b>	<b>\$ 407,688,861</b>	<b>\$ 435,704,204</b>	<b>\$ 439,203,404</b>	<b>\$ 459,985,743</b>	<b>\$ 407,495,435</b>

<sup>(1)</sup> 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)**

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Revenues</b>										
Intergovernmental revenues	\$ 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	\$ 27,665,678
Charges for services	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	11,520,312
Loan collections	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	2,647,703
Interest on investments	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	8,486,407
City of Portland debt issued operations	-	6,878,755	17,372,202	-	9,499,409	9,499,409	-	-	-	-
Miscellaneous	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	4,603,942
Tax-increment debt proceeds (in lieu of tax-increment revenue)	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	57,787,139
<b>Total revenues</b>	<b>85,377,729</b>	<b>128,307,427</b>	<b>145,486,325</b>	<b>164,648,486</b>	<b>136,024,629</b>	<b>109,815,711</b>	<b>116,327,102</b>	<b>95,305,765</b>	<b>117,861,267</b>	<b>112,711,181</b>
<b>Expenditures</b>										
Community development	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	52,955,674
Capital expenditures for urban renewal	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	16,709,312
Financial assistance	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	30,950,760
Debt service -	-	-	-	-	14,257	15,461	14,886	14,336	77,728	15,167,741
Capital Outlay	241,008	406,187	6,755,078	13,290,386	23,104,785	4,994,518	807,914	1,230,268	3,763,028	189,293
<b>Total expenditures</b>	<b>72,203,155</b>	<b>65,614,208</b>	<b>144,473,881</b>	<b>130,619,124</b>	<b>139,768,027</b>	<b>119,222,347</b>	<b>96,932,206</b>	<b>91,539,587</b>	<b>98,833,293</b>	<b>115,972,780</b>
Excess of revenues over (under) expenditures	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	(3,261,599)
<b>Other financing sources (uses)</b>										
Internal service reimbursements	-	-	-	-	-	-	-	-	-	-
Transfers in	306,267	-	-	-	-	122,070	65,000	27,101	14,801	18,139,294
Transfers out	(385,888)	(138,203)	(99,018)	-	(31,387)	(79,291)	(65,000)	(26,304)	(11,478)	(64,116,943)
<b>Total other financing sources (uses)</b>	<b>(79,621)</b>	<b>(138,203)</b>	<b>(99,018)</b>	<b>-</b>	<b>(31,387)</b>	<b>42,779</b>	<b>-</b>	<b>797</b>	<b>3,323</b>	<b>(45,977,649)</b>
<b>Net change in fund balances</b>	<b>\$ 13,094,953</b>	<b>\$ 62,555,016</b>	<b>\$ 913,426</b>	<b>\$ 34,029,362</b>	<b>\$ (3,774,785)</b>	<b>\$ (9,363,857)</b>	<b>\$ 19,394,896</b>	<b>\$ 3,766,975</b>	<b>\$ 19,031,297</b>	<b>\$ (49,239,248)</b>
Debt service as a percentage of noncapital expenditures	0.000%	0.000%	0.000%	0.000%	0.011%	0.014%	0.017%	0.018%	0.093%	15.280%

<sup>(1)</sup> 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
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 <sup>(4)</sup>	-	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
2023-24	27,665,678	11,520,312	2,647,703	8,486,407	4,603,942	-	57,787,139	112,711,181

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

<sup>(1)</sup>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(1,2)	Financial Assistance (3)	Debt Service	Internal Service Reimbursement	Total
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	24,370,157	-	-	85,555,350
2016-17	11,773,156	61,624,590	93,273,152	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
2023-24	16,905,557	36,050,117	16,898,605	30,950,760	15,167,741	-	115,972,780

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

<sup>(1)</sup> FY2015-16 \$20,142,771 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.

<sup>(2)</sup> 2016-17 \$93,273,152 Post office purchase

<sup>(3)</sup> FY2023-24 \$15,167,741 IGA River District

**Tax Increment Districts Consolidated Tax Rates**  
**For The Last Ten Fiscal Years**  
**(Unaudited)**

Districts Common to All Areas									
Fiscal Year	Multnomah County	Multnomah Library District <sup>(6)</sup>	City of Portland	Port of Portland	Metro Service District	Multnomah County ESD	Subtotal	City of Portland Urban Renewal <sup>(1)</sup>	Portland Public School District #1 <sup>(2)</sup>
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
2016-17	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
2023-24	4.3434	1.2200	7.2156	0.0701	0.0966	0.4576	13.4033	-	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.

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

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

<sup>(3)</sup> Applies to Gateway Regional Center and Airport Way urban renewal areas

<sup>(4)</sup> Applies only to the Airport Way Urban Renewal Area.

<sup>(5)</sup> 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

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

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

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

<sup>(9)</sup> 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 <sup>(3)</sup>	Reynolds School District #7 <sup>(4)</sup>	David Douglas School District #40 <sup>(8)</sup>	East Multnomah County Soil & Water Conservation District <sup>(5)</sup>	West Multnomah County Soil & Water Conservation District <sup>(6)</sup>	Portland Community College <sup>(2)</sup>	Mt. Hood Community College <sup>(7)</sup>
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	4.4626	4.6394	0.1000	0.0750	0.2828	0.1917
4.8906	4.4626	4.6394	0.1000	0.0750	0.2828	0.1917

**Tax Increment Financing and Redevelopment Bonds  
Future Bond Principal Requirements  
As of June 30, 2024  
(Unaudited)**

Fiscal Year	Gateway Tax Increment Financing Bonds		North Macadam Tax Increment Financing Bonds
		2022 Series A	2010 Series B
2024-25		1,685,000	3,840,000
2025-26		1,750,000	3,995,000
2026-27		1,815,000	4,150,000
2027-28		1,885,000	4,320,000
2028-29		1,960,000	4,500,000
2029-30		2,040,000	4,725,000
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	-
<b>Total</b>	<b>\$</b>	<b>44,240,000 \$</b>	<b>25,530,000</b>

**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, 2024  
(Unaudited)**

Fiscal Year	Gateway Tax Increment Financing Bonds	North Macadam Urban Renewal Bonds
	2022 Series A	2010 Series B
2024-25	2,054,292	1,124,250
2025-26	1,992,773	970,650
2026-27	1,926,518	810,850
2027-28	1,855,987	644,850
2028-29	1,781,190	461,250
2029-30	1,701,458	236,250
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	-
<b>Total</b>	<b>\$ 23,110,400</b>	<b>\$ 4,248,100</b>

**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.

### Indebtedness Summary by Tax Increment Financing District

As of June 30, 2024

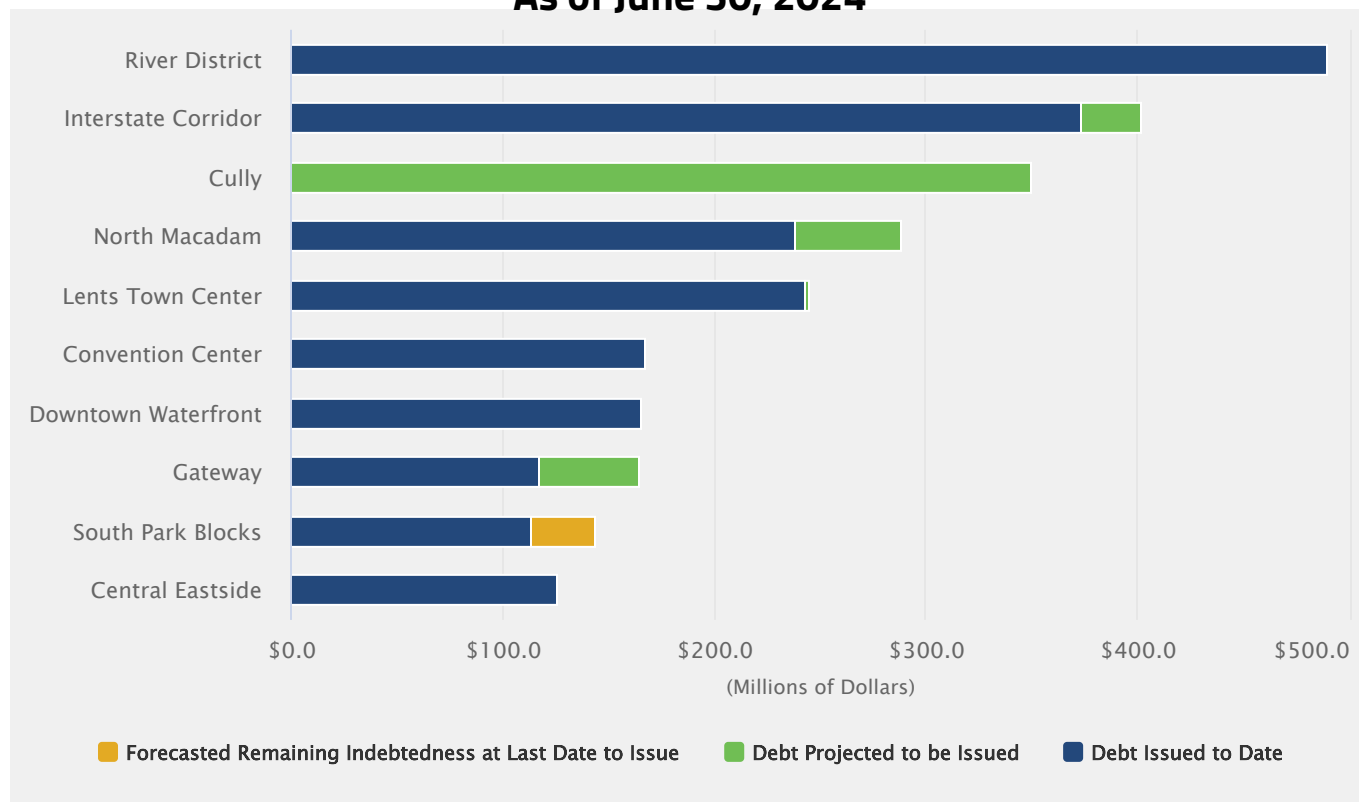
In Millions

(Unaudited)

Tax Increment Financing District	Maximum Indebtedness	Indebtedness Issued as of 06/30/24	Indebtedness Remaining as of June 30, 2024	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	143.60	113.50	30.10	0.00	30.10	2008
Convention Center	167.50	167.50	0.00	0.00	0.00	2013
Lents Town Center	245.00	242.80	2.20	2.20	0.00	2024
River District	489.50	489.50	0.00	0.00	0.00	2021
Gateway	164.20	117.60	46.60	46.60	0.00	2022
Central Eastside	126.00	126.00	0.00	0.00	0.00	2023
North Macadam	288.60	238.00	50.60	50.60	0.00	2025
Interstate Corridor	402.00	373.20	28.80	28.80	0.00	N/A
Cully	350.00	0.00	350.00	350.00	0.00	N/A
Neighborhood Prosperity Initiative <sup>(6)</sup>	\$ 7.5	\$ 7.5	\$ -	\$ -	-	N/A

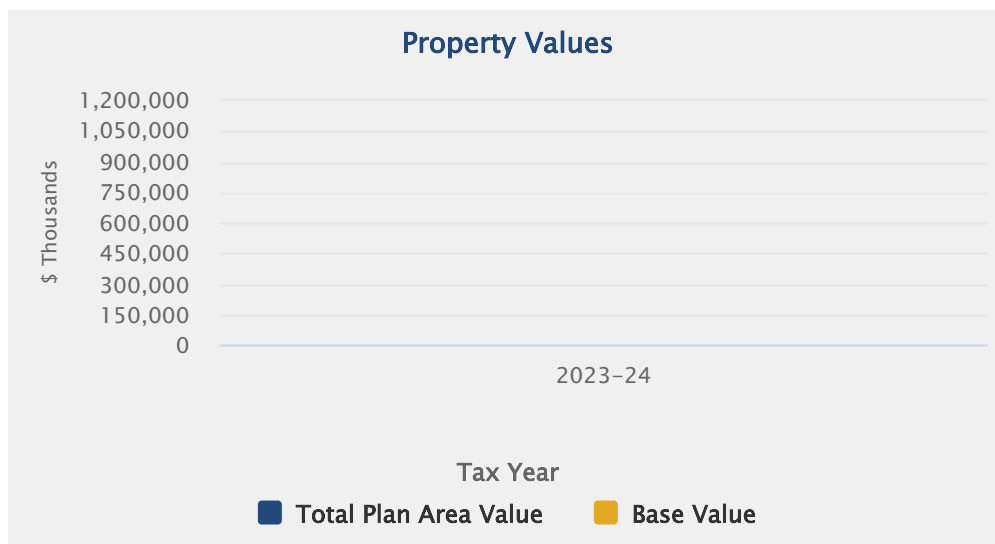
### Indebtedness Summary by TIF District

As of June 30, 2024





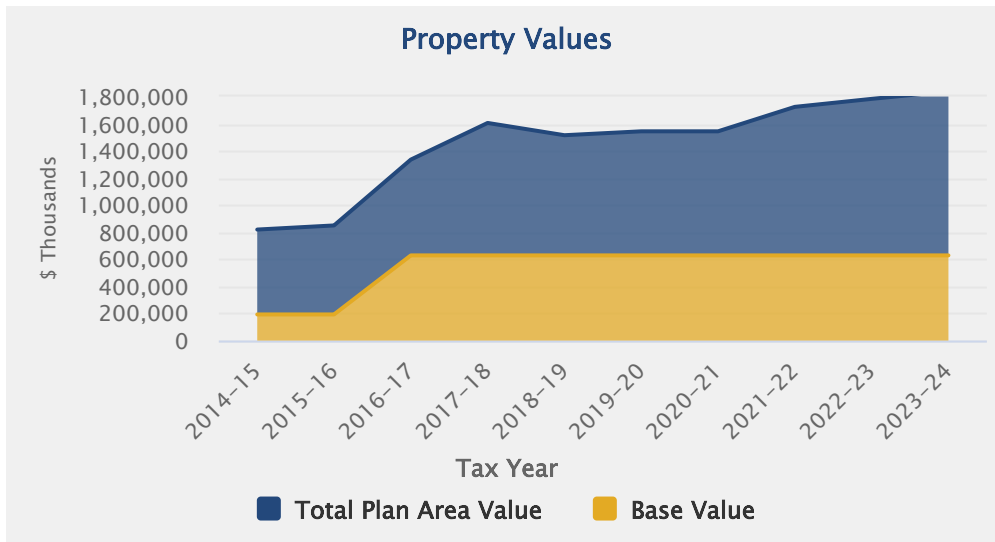
**Cully Boulevard  
 Property Values and Tax Increment  
 For the Last Ten Fiscal Years or Since Inception  
 (Unaudited)**



Tax Year	Tax Rate <sup>(1)</sup>	Base Value	Increased Value	Tax Revenue for Urban Renewal Debt <sup>(1)</sup>
2023-24	15.21	1,103,117,468	10,756,152	157,153

Source: Multnomah County Division of Assessment and Taxation

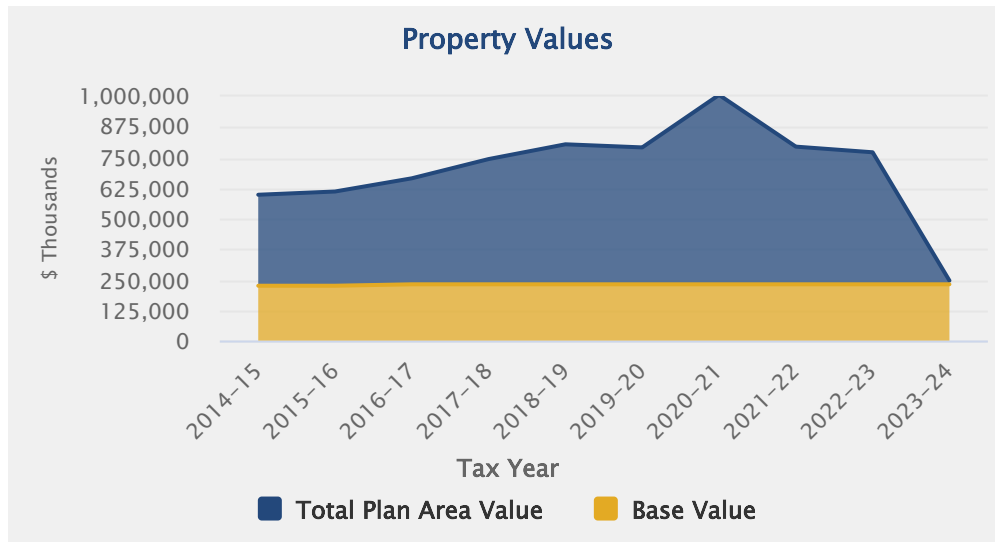
**North Macadam Tax Increment Financing Fund  
 Property Values and Tax Increment  
 For the Last Ten Fiscal Years or Since Inception  
 (Unaudited)**



Tax Year	Tax Rate <sup>(1)</sup>	Base Value	Increased Value	Urban Renewal Debt <sup>(1)</sup>
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
2023-24	23.03	628,094,444	1,210,122,316	26,773,642

Source: Multnomah County Division of Assessment and Taxation

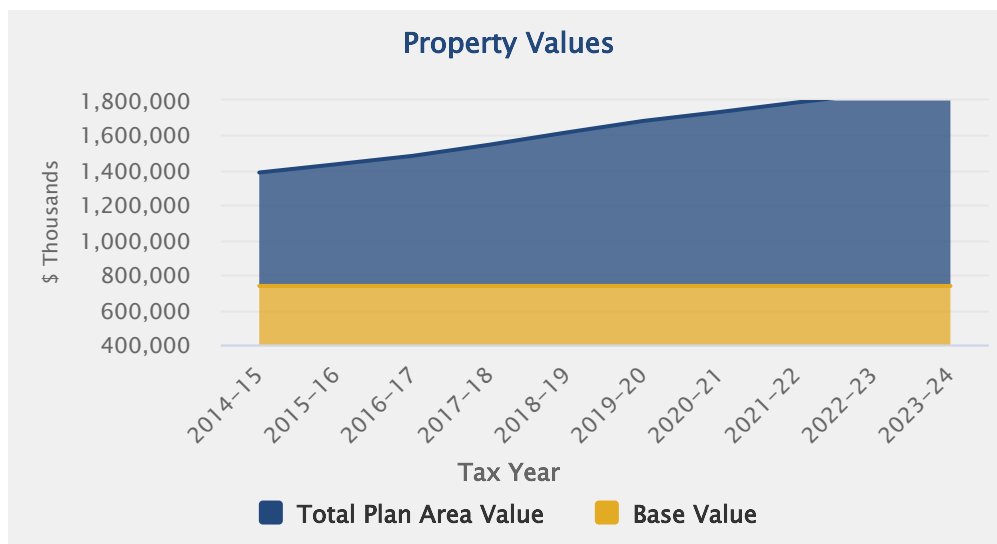
**Central Eastside Tax Increment Financing Fund  
 Property Values and Tax Increment  
 For the Last Ten Fiscal Years or Since Inception  
 (Unaudited)**



Tax Year	Tax Rate <sup>(1)</sup>	Base Value	Increased Value	Tax Revenue for Urban Renewal Debt <sup>(1)</sup>
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
2023-24	16.48	230,541,190	15,176,200	240,280

Source: Multnomah County Division of Assessment and Taxation

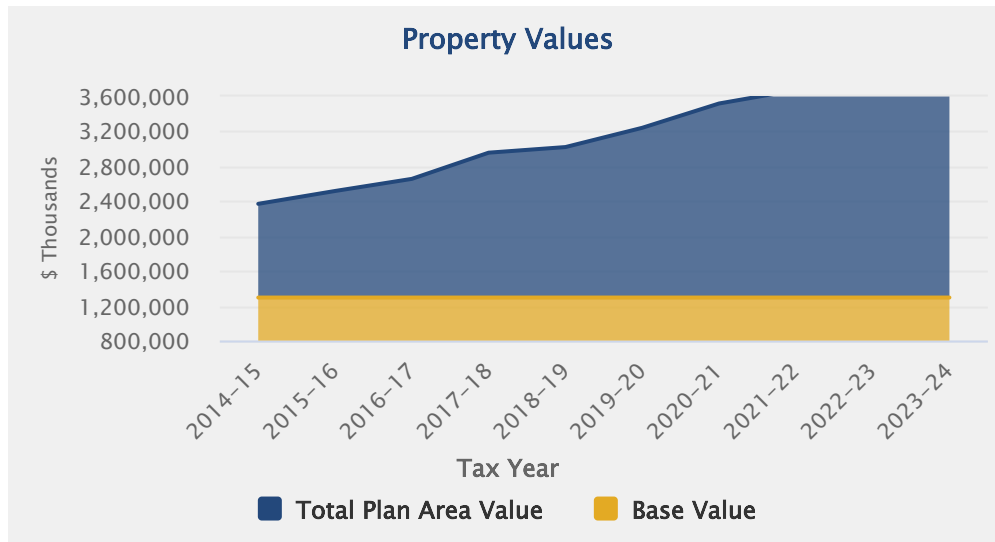
**Lents Town Center Tax Increment Financing Fund  
Property Values and Tax Increment  
For the Last Ten Fiscal Years or Since Inception  
(Unaudited)**



Tax Year	Tax Rate <sup>(1)</sup>	Base Value	Increased Value	Tax Revenue for Urban Renewal Debt <sup>(1)</sup>
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
2023-24	22.75	736,224,033	1,169,781,387	25,605,170

Source: Multnomah County Division of Assessment and Taxation

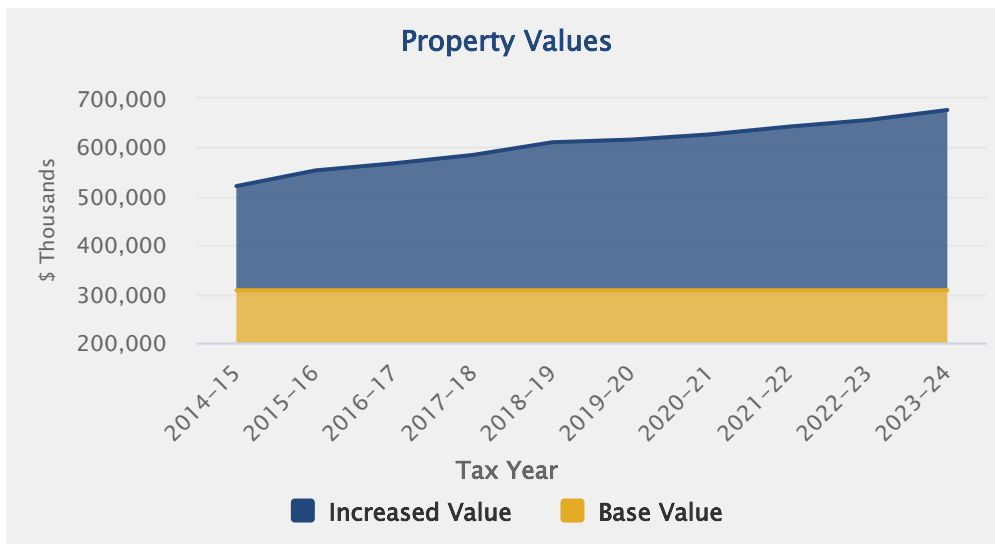
**Interstate Corridor Tax Increment Financing Fund  
 Property Values and Tax Increment  
 For the Last Ten Fiscal Years or Since Inception  
 (Unaudited)**



Tax Year	Tax Rate <sup>(1)</sup>	Base Value	Increased Value	Tax Revenue for Urban Renewal Debt <sup>(1)</sup>
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
2023-24	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 <sup>(1)</sup>	Base Value	Increased Value	Tax Revenue for Urban Renewal Debt <sup>(1)</sup>
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
2023-24	21.89	307,174,681	369,401,829	7,789,636

**Source:** Multnomah County Division of Assessment and Taxation

**Financial Assistance**  
**For The Last Ten Fiscal Years**  
**(Unaudited)**

<b>Fiscal Year</b>	<b>Number of loans and grants</b>	<b>Dollar Amount</b>
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
2023-24	172	25,628,271

**Source:** Prosper Portland's 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
2009	\$ 86,335	\$ 134,392	\$ 12,058,253	\$ 39,123	\$ 35,286	\$ 39,307
2010	88,505	137,926	12,547,501	39,646	35,941	40,557
2011	94,312	145,345	13,299,818	41,660	37,531	42,649
2012	100,368	152,602	13,905,749	43,824	39,128	44,237
2013	101,560	154,851	14,063,283	43,895	39,462	44,401
2014	108,555	165,172	14,778,160	46,243	41,653	46,287
2015	116,717	177,478	15,467,113	48,916	44,166	48,060
2016	122,491	186,105	15,884,741	50,367	45,467	48,971
2017	130,353	197,262	16,658,962	52,962	47,565	51,004
2018	139,581	240,045	17,514,402	56,285	50,209	53,309
2019	146,231	219,983	18,343,601	58,544	52,178	55,547
2020	157,503	239,863	19,609,985	62,550	56,504	59,151
2021	172,142	262,382	21,392,812	68,356	61,643	64,427
2022	174,246	264,174	21,820,248	69,435	62,314	65,473
2023	NA	276,973	22,952,028	NA	65,426	68,531

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

Year	Population Trends			Unemployment Rates		
	Portland <sup>(1)</sup>	Portland/ Vancouver/ Hillsboro MSA <sup>(2)</sup>	Oregon <sup>(2)</sup>	U.S. Total <sup>(2)</sup>	Portland Unemployment % Rate <sup>(3)</sup>	Oregon Unemployment % Rate <sup>(3)</sup>
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	2,509,489	4,240,137	333,287,557	3.9	4.2
2023	630,498	NA	4,233,358	334,914,895	3.6	3.7

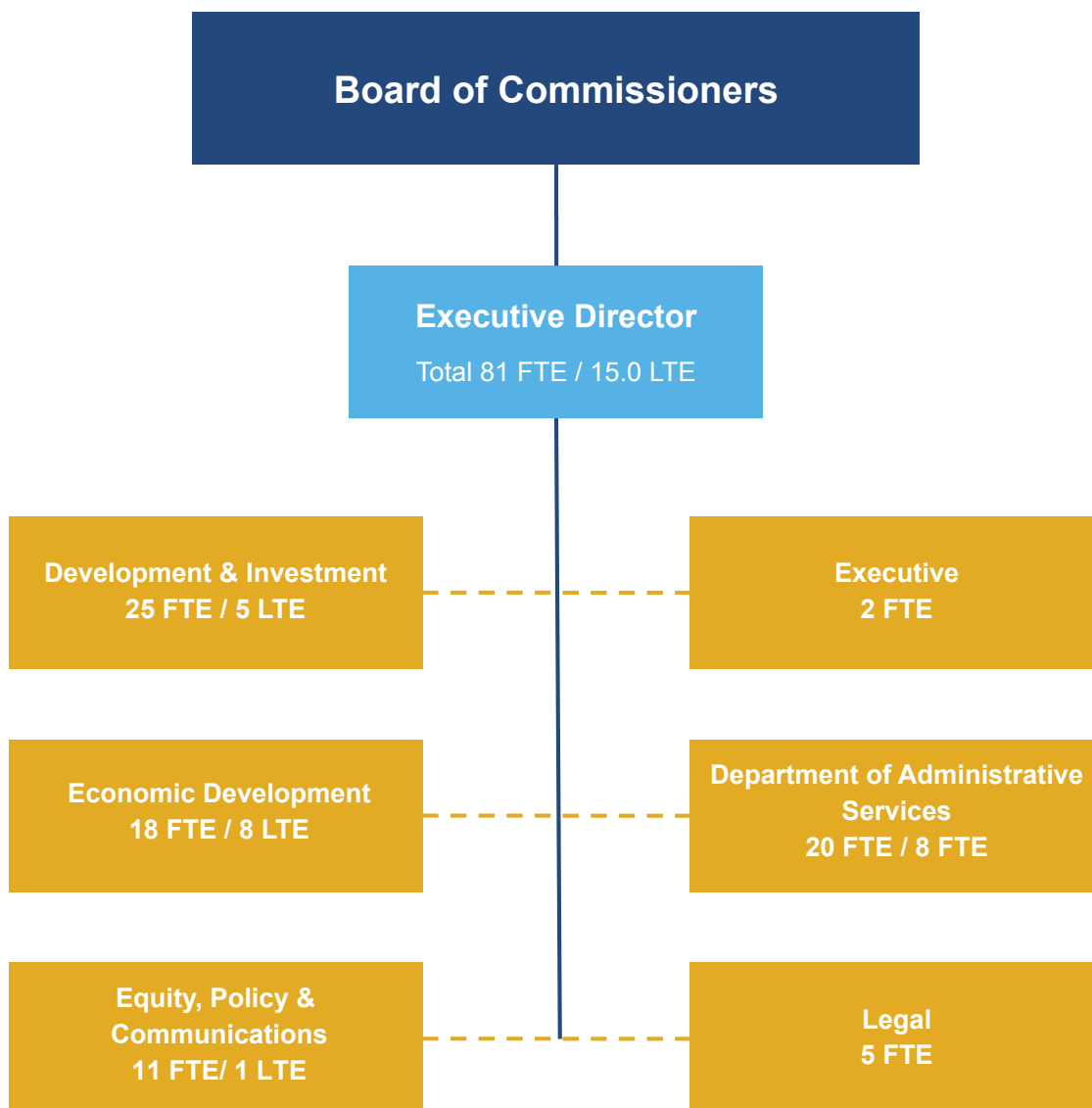
Source: <sup>(1)</sup> U.S. Census Bureau

<sup>(2)</sup> U.S. Department of Commerce, Bureau of Economic Analysis

<sup>(3)</sup> U.S. Bureau of Labor Statistics

Note: NA = Information Not Available





### Miscellaneous Statistics

As of June 30, 2024

(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:**

As of June 30	FY2020-21	FY2021-22		FY2022-23		FY2023-24	
	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	-	11.0	1.0
Legal	5.0	5.0	-	5.0	-	5.0	-
Development and Investment	27.0	27.0	3.0	25.0	5.0	25.0	5.0
Economic Development	17.0	18.0	4.0	17.0	9.0	18.0	8.0
Finance and Business Operations	18.0	17.0	-	-	-	-	-
Human Resources	2.0	2.0	1.0	-	-	-	-
Department of Administrative Services	-	-	-	19.0	2.0	20.0	1.0
<b>Total</b>	<b>81.0</b>	<b>81.0</b>	<b>9.0</b>	<b>78.0</b>	<b>16.0</b>	<b>81.0</b>	<b>15.0</b>

### Tax Increment Financing District Land Area and Base Values

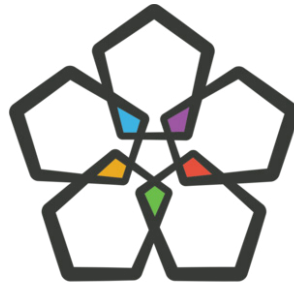
As of June 30, 2024

District	Acres	Base Value
Central Eastside	708	\$ 230,541,190
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
Cully	1,623	1,103,117,468
<b>Total URA Land Data</b>	<b>10,278</b>	<b>\$ 4,298,611,913</b>
Total Assessed Value, City of Portland		\$ 82,579,177,264
Incremental Excess of Tax Increment Financing Districts		2,987,093,884
Incremental Value Not Used		10,804,698,309
<b>Total Assessed Value of City Minus Incremental Excess</b>		<b>\$ 68,787,385,071</b>
<b>Total Acreage, City of Portland</b>		<b>92,768</b>
<b>Percent in Tax Increment Financing Districts</b>		<b>11.08%</b>
		<b>6.25%</b>



# Audit Comments and Disclosures





**PROSPER**  
PORTLAND

**Building an Equitable Economy**



## **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, 2024, 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 25, 2024.

### **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 25, 2024



## 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, 2024, 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 25, 2024.

### 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 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 have not been identified.

### **Purpose of this Report**

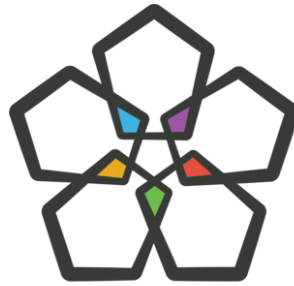
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. Accordingly, this communication is not suitable for any other 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 25, 2024





**PROSPER**  
PORTLAND

**Building an Equitable Economy**





Exhibit B includes this cover page and contains 6 pages

- Communication with Those Charged with Governance



Communications with the Board of Commissioners

**Prosper Portland**  
**Portland, Oregon**

June 30, 2024



## **Communications with Those Charged with Governance**

The Board of Commissioners  
Prosper Portland  
(A Component Unit of the City of Portland), and  
Simone Rede, Auditor, City of Portland

We have audited the financial statements of Prosper Portland (a Component Unit of the City of Portland, Oregon) (Prosper Portland) as of and for the year ended June 30, 2024, and have issued our report thereon dated October 25, 2024. Professional standards require that we provide you with the following information related to our audit.

### **Our Responsibility under Auditing Standards Generally Accepted in the United States of America**

As stated in the City of Portland Agreement of Professional, Technical, or Expert Services Contract #30008009 effective April 1, 2022, we are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and *Government Auditing Standards*. As part of an audit conducted in accordance with U.S. GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Prosper Portland's internal control over financial reporting. Accordingly, we considered Prosper Portland's internal control solely for the purposes of determining our audit procedures and not to provide assurance concerning such internal control.

The supplementary information including the budgetary schedules, combining fund schedules, and capital assets used in the operation of governmental funds schedules were subject to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.

### **Planned Scope and Timing of the Audit**

We performed the audit according to the planned scope and timing previously communicated to you in our planning meeting held with you on June 5, 2024.

## **Significant Audit Findings and Issues**

### ***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Prosper Portland are described in Note I to the financial statements. During the year ended June 30, 2024, no new accounting policies were adopted and there were no changes in the application of existing policies during fiscal year 2024. We noted no transactions entered into by Prosper Portland during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

### ***Significant Accounting Estimates***

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- The determination of the allowance for discounts and uncollectible loans and other receivables
- Useful lives of property and equipment
- Claims liability
- Employee benefit plan accruals
- Pollution remediation costs
- Discount rate for leases

Based on our audit procedures, we concur with the significant estimates and assumptions made by management in the preparation of the financial statements.

### ***Financial Statement Disclosures***

The disclosures in the financial statements are consistent, clear, and understandable. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Loans receivable and the related allowances
- Properties held for sale
- Employee pension plan disclosures
- Contingent liabilities
- Environmental risk

### ***Significant Unusual Transactions***

We encountered no significant unusual transactions during our audit of Prosper Portland's financial statements.

### ***Significant Difficulties Encountered in Performing the Audit***

Professional standards require us to inform you of any significant difficulties encountered in performing the audit. No significant difficulties were encountered during our audit of Prosper Portland's financial statements.

### ***Disagreements with Management***

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of our audit.

### ***Circumstances that Affect the Form and Content of the Auditor's Report***

There may be circumstances in which we would consider it necessary to include additional information in the auditor's report in accordance with accounting principles generally accepted in the United States of America. There were no circumstances that affected the form and content of the auditor's report.

### ***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all factual and judgmental misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements made subsequent to the start of audit final fieldwork. An audit adjustment may or may not indicate matters that could have a significant effect on Prosper Portland's financial reporting process (that is, cause future financial statements to be materially misstated). We did not identify any audit adjustment during the course of our audit procedures.

Passed adjustments are those entries found during the course of the audit that management has decided to not post to the financial statements. We identified no passed audit adjustments during the course of our audit procedures.

### ***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated October 25, 2024.

### ***Management Consultation with Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Prosper Portland's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

***Other Significant Audit Findings or Issues***

We are required to communicate to you other findings or issues arising from the audit that are, in our professional judgment, significant and relevant to your oversight of the financial reporting process. There were no such items identified.

This information is intended solely for the use of the Board of Commissioners, City Auditor, and management of Prosper Portland and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Moss Adams LLP". The signature is written in a cursive, flowing style.

Portland, Oregon  
October 25, 2024