ANNUAL DISCLOSURE INFORMATION

Pertaining to

City of Portland, Oregon

General Obligation Bonds
(Base CUSIP 736679)

Limited Tax Revenue Bonds
(Base CUSIP 736740)

Limited Tax Housing Revenue Bond
(Base CUSIP 736704)

Limited Tax Improvement Bond
(Base CUSIP 736679)

Limited Tax Pension Obligation Revenue Bonds
(Base CUSIP 736679)

(as more fully defined herein)

December 31, 2018

CITY OF PORTLAND, OREGON
1851

TABLE OF CONTENTS

CITY FINANCIAL AND OPERATING INFORMATION

FINANCIAL OPERATIONS

Basis of Accounting

The governmental fund types are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The economic resources measurement focus and the accrual basis of accounting is used for all proprietary fund and fiduciary fund financial statements. The City's accounting practices conform to Generally Accepted Accounting Principles (GAAP) as interpreted by the Governmental Accounting Standards Board (the "GASB").

Fiscal Year

July 1 to June 30.

Audits

The Oregon Municipal Audit Law (ORS 297.405 - 297.555) requires an audit and examination be made of the accounts and financial affairs of every municipal corporation at least once each year. The audit shall be made by accountants whose names are included on the roster prepared by the State Board of Accountancy. Moss Adams LLP has performed auditing services for FY 2002-03 through FY 2017-18.

A complete copy of the City's FY 2017-18 audit is available on the EMMA system for municipal securities disclosure established by the MSRB and accessible at http://emma.msrb.org. Excerpts of the City's audited financial statements for the General Fund on a GAAP basis are found in Appendix B.

FINANCIAL REPORTING

The City has been awarded the Government Finance Officers Association ("GFOA") Certificate of Achievement for Excellence in Financial Reporting every year since 1982. According to the GFOA, the Certificate of Achievement is the "highest form of recognition in the area of governmental financial reporting." To be awarded the certificate, a governmental unit must publish an easily readable and efficiently organized comprehensive financial report whose content conforms to program requirements and satisfies both generally accepted accounting principles and applicable legal requirements.

GENERAL FUND

Overview

The General Fund includes all activities of the City that are supported by property taxes and other non-dedicated revenues, including utility license fees, business license fees, transient lodging taxes, state shared revenues (from cigarette and liquor taxes), interest income, and miscellaneous revenues and beginning cash balances. General Fund resources are used to support such City services as police, fire and parks, as well as planning, community development and administrative support services.

No Material Liens

The City has not granted any material liens on amounts in the General Fund. The limited tax bonds of the City and the salaries and other expenses of the City that are paid from the General Fund all have an unsecured claim to amounts in the General Fund.

General Fund Revenues

Major categories of revenues that are accounted for in the General Fund are described below. Table 1, excerpted from the City's annual financial statements, presents a Schedule of Revenues and Expenditures on a budgetary basis.

Taxes. Taxes consist of two categories: property taxes and transient lodging taxes. Property taxes constitute the largest revenue source, representing 40.4 percent of total General Fund revenues in FY 2017-18. Property taxes consist of current year and prior years' property taxes collected from the City's \$4.5770/\$1,000 permanent rate levy (\$245.4 million). See "PROPERTY TAX INFORMATION" herein.

The transient lodging tax is a tax on transient lodgers, which are daily or weekly renters at hotels, motels and other lodging establishments. The tax rate within Multnomah County currently is 11.5 percent. Of the 11.5 percent transient lodging tax collected within the City, 6.0 percent is allocated to the City, with 5.0 percent going to the City's General Fund and 1.0 percent going to Travel Portland (formerly the Portland Visitors Association). The remaining 5.5 percent is allocated to Multnomah County. Transient lodging taxes were 5.7 percent of General Fund revenues in FY 2017-18, or \$34.8 million.

Licenses and Permits. Licenses and permits represented \$223.1 million, or 36.7 percent of the General Fund revenues, in FY 2017-18. Within this category are business license fee revenues collected from firms doing business within the City. The City's business license fee is based upon net apportioned income, and must be paid in advance for each year of business. Utility license fees, which are paid by public utilities such as electric, natural gas, communications, and cable providers, doing business in Portland, are another major revenue source. Additionally, utility license fee revenues are derived from fees charged to their customers by the City's water and sewer utilities.

Intergovernmental Revenues. Intergovernmental revenues (5.9 percent of the FY 2017-18 General Fund revenues, or about \$35.9 million) consist largely of State-shared revenues (including taxes on cigarettes and liquor), and also include revenues from Multnomah County and other local governments for their shares of expenses of specific programs or activities that are administered by the City. The City (along with the State and Multnomah County) also receives a share of revenues from traffic court fines, classified as local shared revenues.

Charges for Services. Charges for services were \$27.2 million, or 4.5 percent of General Fund revenues in FY 2017-18. This category includes rents and reimbursements received for use of City-owned property such as City Hall and other facilities, and parks and recreation facilities fees.

Other Sources. The General Fund receives revenues from a variety of other sources. Approximately 5.7 percent of its revenues are received from City bureaus and agencies related to specific services that are paid from this fund. Other sources include investment earnings and intrafund revenue.

Table 1
CITY OF PORTLAND, OREGON
General Fund Statement of Revenues and Expenditures
(Actual Results Reported on a Budgetary Basis)

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
REVENUES					
Taxes:					
Current/prior year property taxes	$196,641,917	$210,759,067	$224,778,855	$235,913,405	$245,416,138
Lodging taxes	22,317,995	27,006,075	33,070,664	32,849,121	34,768,146
Payment in lieu of taxes				925,534	1,420,541
Total taxes	218,959,912	237,765,142	257,849,519	269,688,060	281,604,825
Licenses and permits:					
Business licenses, net	81,020,111	97,883,936	109,191,833	117,864,765	134,322,893
Public utility licenses	80,934,161	81,864,957	84,551,294	89,935,334	83,525,983
Other	5,926,077	5,132,236	5,235,519	5,577,313	5,215,313
Total licenses and permits	167,880,349	184,881,129	198,978,646	213,377,412	223,064,189
Intergovernmental					
Federal cost sharing	412,646	234,784	176,437	236,325	150,216
State sources	15,158,113	15,847,105	16,509,707	17,380,938	24,737,256
County sources	2,233,646	2,413,115	2,267,527	2,393,143	2,311,929
Local sources	9,396,013	9,968,546	10,854,187	8,756,516	8,660,737
Total intergovernmental	27,200,418	28,463,550	29,807,858	28,766,922	35,860,138
Charges for services:					
Rents and reimbursements	4,738,380	4,686,789	4,831,542	4,866,766	4,892,848
Parks and recreation facilities fees	11,222,573	12,619,131	12,367,535	11,946,886	12,937,070
Other	4,075,303	5,121,560	6,339,729	8,815,781	9,329,902
Total charges for services	20,036,256	22,427,480	23,538,806	25,629,433	27,159,820
Billings to other funds for services	22,652,985	23,697,573	26,099,803	28,438,210	34,536,614
Billings to other funds for general and overhea	26,820,138	22,631,517	24,212,401	-	-
Other	4,555,266	4,716,135	4,666,567	4,515,443	5,500,205
TOTAL REVENUES	$488,105,324	$524,582,526	$565,153,600	$570,415,480	$607,725,791

Table 1 (continued)
CITY OF PORTLAND, OREGON
General Fund Statement of Revenues and Expenditures
(Actual Results Reported on a Budgetary Basis)

EXPENDITURES	**FY 2013-14**	**FY 2014-15**	**FY 2015-16**	**FY 2016-17**	**FY 2017-18**
Public Safety	$263,575,204	$283,790,905	$296,280,704	$307,805,057	$331,798,800
Parks, Recreation and Culture	62,880,816	69,099,478	77,334,972	81,809,345	87,631,347
Community Development	31,941,264	36,809,631	45,307,344	52,748,842	56,742,601
Legislative/Admin. Support Services	77,082,813	78,552,089	78,308,815	81,481,873	88,403,391
Debt service and related costs	6,824,590	7,452,062	8,190,788	8,991,917	9,856,184
Capital outlay	684,239	-	-	-	-
TOTAL EXPENDITURES	442,988,926	475,704,165	505,422,623	532,837,034	574,432,323
Revenues Over / (Under) Expenditures	45,116,398	48,878,361	59,730,977	37,578,446	33,293,468
OTHER FINANCING SOURCES/(USES)					
Transfers from other funds (1) (2)	10,936,309	4,850,709	1,466,330	30,386,589	29,574,815
Transfers to other funds	(48,217,980)	(43,415,208)	(63,100,264)	(59,517,702)	(56,704,740)
Internal loan proceeds/remittances	(136,491)	(1,323,735)	-	-	-
Sale of capital asset	-	300	1,188	5,463	-
TOTAL OTHER FINANCING SOURCES / (USES)	(37,418,162)	(39,887,934)	(61,632,746)	(29,125,650)	(27,129,925)
Net Change in Fund Balance	7,698,236	8,990,427	(1,901,769)	8,452,796	6,163,543
Beginning Fund Balance, Budgetary Basis	29,369,078	37,067,314	46,057,741	44,155,972	52,608,768
Ending Fund Balance, Budgetary Basis	$37,067,314	$46,057,741	$44,155,972	$52,608,768	$58,772,311
Adjustments to GAAP basis:					
General Reserve Fund budgeted as separate fund	$60,077,408	$58,885,208	$56,495,175	$58,916,535	$60,757,082
Campaign finance budgeted as separate fund	-	-	-	-	242,441
Internal loans	695,000	725,000	224,724	375,880	339,717
Unrealized gain (loss) on investments	152,182	125,955	408,673	(219,573)	(1,001,976)
Inventories	299,864	286,027	270,633	252,251	365,483
Internal loans payable	(1,323,735)	-	-	-	-
Ending Fund Balance, GAAP basis	$96,968,033	$106,079,931	$101,555,177	$111,933,861	$119,475,058

Notes:

(1) Beginning in FY 2016-17, general fund overhead is reported in the category "OTHER FINANCING SOURCES/(USES)—Transfers from other funds" to align the financial statements presented in the Comprehensive Annual Financial Report with the City's budgetary presentation.

(2) Beginning in FY 2013-14, utility license fees generated from sewer and water are now included in the Public Utility License category instead of as a transfer from the Sewer Operating Fund and the Water Fund.

Source: City of Portland.

CITY BUDGET PROCESS

The City prepares annual budgets for all its bureaus and funds in accordance with provisions of Oregon Local Budget Law. The law provides standard procedures for the preparation, presentation, administration, and public notice for public sector budgets. At the outset of the process, the Mayor or the full City Council reviews overall goals, establishes priorities, and provides direction to bureaus. The City Council conducts an extensive public information process to obtain direct public input on City service priorities, and most bureaus include key stakeholders in developing their budget requests.

In addition to this public outreach process, in January 2014, the City Council approved a five-year contract with the Citizens' Utility Board of Oregon (the "CUB"), an independent consumer advocacy nonprofit organization, to provide input regarding the City's water and sewer bureaus on behalf of residential customers. The CUB provides recommendations to the City Council on capital spending, rates, and customer service issues. On June 10, 2015, the City Council approved creation of the Portland Utility Board, a new citizen oversight panel that replaced the Portland Utility Review Board and budget advisory committees for the Portland Water Bureau and Bureau of Environmental Services. The Portland Utility Board, which is staffed by a dedicated financial analyst, advises the City Council regarding operations of the two utility bureaus, including development of bureau budgets and financial plans, capital spending, and rate setting.

A five-year General Fund financial forecast, which serves as the basis for determining resources available for budgeting, is also provided to the City Council along with budget requests. Major City bureaus generally prepare and submit five-year financial plans and capital improvement plans. The City Budget Office, which was created by the City Council in December 2012, coordinates the budget development process.

Bureau budget requests are reviewed by the Mayor and Council members, as well as a panel of community advisors. The Mayor develops a Proposed Budget that addresses City Council priorities, public input, and balancing requirements. Following presentation of the Proposed Budget, a community hearing is scheduled wherein public testimony is taken. A budget summary and notice of hearing are published prior to the hearings. The City Council, sitting as the Budget Committee, considers the testimony from the community and can alter the budget proposal before voting to approve the budget.

The City Council transmits the Approved Budget to the Tax Supervising and Conservation Commission (the "TSCC"), an oversight board appointed by the governor, for public hearing and review for compliance with budget law. Upon certification by the TSCC, the City Council holds a final public hearing prior to adoption. Final adoption of the City's budget is required to be through a vote of the Council no later than June 30. All committee meetings and budget hearings are open to the public.

INSURANCE

The City is exposed to various risks of loss related to theft, damage and destruction of assets, tort claims (general and fleet liability), injuries to employees, acts of terrorism, and natural disasters. The City is self-insured for workers' compensation, fleet and general liability claims and certain employees' medical coverage in internal service funds.

The City estimates liability for incurred losses for reported and unreported claims for workers' compensation, general and fleet liability and employee medical coverage (included in accrued self-insurance claims in the combined statement of net position). Workers' compensation, general and fleet liability estimates are primarily based on individual case estimates for reported claims and through historical data for unreported claims as determined by the City's Risk Management Services Division and independent actuarial studies. Liabilities are based on an estimated ultimate cost of settling claims, including effects of inflation and other societal and economic factors. The estimated liability is then discounted by the City's expected rate of return and anticipated timing of cash outlays to determine present value of the liability. For fiscal year ended June 30, 2018, the expected rate of return used was 1.35 percent. For fiscal year ending June 30, 2019, and subsequent years, the expected rate of return used was 1.80 percent and 2.25 percent respectively. The Bureau of Human Resources and the employee benefits consultant determines relevant employees' medical coverage estimates.

The City provides insurance coverage deemed as adequate, appropriate, and actuarially sound. It meets all the City's anticipated settlements, obligations and outstanding liabilities. An excess liability coverage insurance policy covers individual claims in excess of $1 million to policy limits, police law enforcement claims in excess of $2.5 million for claims occurring after November 12, 2013, to policy limits and an excess workers' compensation coverage insurance policy covers claims in excess of $850,000 for occurrences after July 1, 2012. The City purchases commercial insurance for claims in excess of coverage provided by the self-insurance fund. The City's limits of coverage on the excess liability policy is $10 million per claim above the self-insurance retention for covered torts. The City does not have any claims reserved above the current self-insurance retention and excess layer. In the City's last three excess renewals, there have been no material changes in retention, coverage or conditions. Furthermore, current levels of accrued claims and case reserve estimates are viewed as reasonable provisions for expected future losses.

Per ORS 30.272 limitations on liability of public bodies for personal injury to any single claimant for causes of action arising on or after July 1, 2017, and before July 1, 2018, limitations are $706,000 for single claimant and $1.412 million for multiple claimants. For causes of action arising on or after July 1, 2018 limits increased to $727,200 for a single claimant and $1,454,300 for multiple claimants.

Per ORS 30.273 limitations on liability of public bodies for property damage arising on or after July 1, 2017 and before July 1, 2018, limitations increase to $115,800 for single claimant and $579,000 for multiple claimants. For causes of action arising on or after July 1, 2018, limits increased to $119,300 for single claimants and $596,400 for multiple claimants.

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

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

	Fiscal Year Ended June 30, 2018	**Fiscal Year Ended June 30, 2017**
Balance, beginning of fiscal year	$28,068,818	$26,796,392
Incurred claims and adjustments	64,839,071	60,331,926
Claim cash payments	(61,186,489)	(59,059,500)
Unpaid claims, end of fiscal year	$31,721,400	$28,068,818

CYBERSECURITY

The City, like other large public and private entities, relies on a large and complex technology environment to conduct its operations, and consequently faces the threat of cybersecurity incidents. Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the City's information technology systems to misappropriate assets or information or to cause operational disruption and damage. To reduce and mitigate the risk of business operations impact and/or damage from cybersecurity incidents, the City has invested in multiple forms of cybersecurity and operational safeguards, including adopting the National Institute of Standards and Technology Cybersecurity Framework to support, maintain, and prioritize securing critical infrastructure and data systems, manage risk, and improve cybersecurity event detection and remediation. Under the leadership of the City's Chief Information Security Officer, the City's Bureau of Technology Services has established a cybersecurity team which is responsible for identifying, evaluating, responding, and reporting on information security risks in a manner that meets compliance and regulatory requirements, and which aligns with and supports the cybersecurity risk posture of the City. Additionally, all information security related policies and administrative rules are reviewed annually.

As a recipient and provider of personal and confidential information, the City has been the subject of cybersecurity incidents that have resulted in, or could have resulted in, adverse consequences to the City's confidential information and technologies and that required a response action to mitigate potential consequences. For example, during 2018, the City was subject to several phishing attacks against our Microsoft-hosted email system which briefly disrupted some email services and exposed several employee e-mail accounts to unauthorized entities or individuals. The scope of impact was limited to a small number of accounts and the attacks were quickly contained and mitigated. The City has no evidence that any City or individual's confidential information was exfiltrated, but there is a possibility of exfiltration. The City has thoroughly investigated these incidents and where appropriate, will offer the potentially impacted individuals a year of free credit monitoring.

The City's cybersecurity and operational safeguards are periodically internally tested and assessed by external auditors, however the City cannot assure that these measures will prevent all potential cybersecurity attacks, and accompanying disruptions and costs. To offset some of the potential financial costs and risks associated with a breach, the City's Risk Management office is exploring options for obtaining a cyber-liability insurance policy.

PENSION PLANS: OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM

Overview

The Oregon Public Employees Retirement System ("PERS" or "the Statewide PERS System") provides statewide defined benefit retirement plans for units of state government, political subdivisions, community colleges, and school districts. Most public employers in Oregon, including the City, participate in PERS. PERS is administered under Oregon Revised Statutes (ORS) Chapter 238, Chapter 238A, and Internal Revenue Code Section 401(a) by the Public Employees Retirement Board (the "PERS Board"). The PERS Board is responsible for setting policies and for providing administrative direction to PERS. Benefits provided through PERS are paid from the Oregon Public Employees' Retirement Fund ("OPERF"). PERS is a cost-sharing, multiple-employer public employee retirement system.

City employees (other than certain fire and police personnel), after six months of employment, participate in one of three retirement pension benefit programs provided through PERS as described below. The three PERS pension programs include two closed defined benefit programs and one program that has features of both defined benefit and defined contribution plans. In a defined benefit plan, the investment risk for the plan assets is borne by the employer. In a defined contribution plan, the investment risk for the plan assets is borne by the employee. A combination of participating employer contributions (determined by the PERS Board based upon the results of actuarial valuations), investment earnings and employee-paid contributions (currently, for the City, six percent of salaries and nine percent for police and fire employees) fund these pension programs. See "—Employer Contribution Rates and Amounts" and "—PENSION PLANS: FIRE AND POLICE DISABILITY AND RETIREMENT FUND" below.

Benefit Programs

Employees hired before January 1, 1996, are known as "Tier 1" participants. The retirement benefits applicable to Tier 1 participants are based on a defined benefit model. Tier 1 has a normal retirement age of 58 and, effective January 1, 2018, an assumed earnings rate guarantee of 7.20 percent. PERS maintains a "Tier One Rate Guarantee Reserve" which is credited with investment earnings in excess of the assumed earnings rate guarantee and used to offset the effects of investment earnings below the assumed earnings rate guarantee. As of June 30, 2017, the balance of this reserve was $448.8 million. As of June 30, 2017, there were 24,528 active plan members, 125,344 retired plan members or their beneficiaries currently receiving benefits, and 14,037 inactive plan members entitled to but not yet receiving benefits, for a total of 163,909 Tier One members in the Statewide PERS System.

Employees hired on or after January 1, 1996, and before August 29, 2003, are known as "Tier 2" participants. The Tier 2 program also provides a defined benefit but with lower expected costs to employers than under the Tier 1 benefit. There is no assumed earnings rate guarantee and Tier 2 has a higher normal retirement age of 60. As of June 30, 2017, there were 37,097 active plan members, 12,234 retired plan members or their beneficiaries currently receiving benefits, and 15,692 inactive plan members entitled to but not yet receiving benefits, for a total of 65,023 Tier 2 members in the Statewide PERS System.

Employees hired on or after August 29, 2003, are participants in a successor retirement program to the Tier 1 and Tier 2 retirement programs (the "T1/T2 Pension Programs") known as the Oregon Public Service Retirement Plan ("OPSRP"). OPSRP consists of a defined benefit plan and also offers the Individual Account Program ("IAP"), which offers a defined contribution benefit. As of June 30, 2017, there were 111,680 active plan members, 3,437 retired plan members or their beneficiaries currently receiving benefits, 4,215 inactive plan members entitled to but not yet receiving benefits, and 11,765 inactive plan members not eligible for refund or retirement, for a total of 131,097 OPSRP Pension Program members.

Effective January 1, 2004, all active Tier 1 and Tier 2 employees also became members of the IAP. Tier 1 and Tier 2 employees retain their existing T1/T2 Pension Program account, but member contributions are now deposited into the member's IAP account, not into the member's PERS account.

Apportionment of City Assets and Liabilities

The City is pooled with the State of Oregon and other Oregon local government and community college public employers for its T1/T2 Pension Programs (the "State and Local Government Rate Pool" or "SLGRP"), and the SLGRP's assets and liabilities are pooled. These assets and liabilities are not tracked or calculated on an employer basis or allocated to individual employers. The City's portion of the SLGRP's assets and liabilities is based on the City's proportionate share of SLGRP's pooled covered payroll. OPSRP's assets and liabilities are pooled on a program-wide basis. These assets and liabilities are not tracked or calculated on an employer basis or allocated to individual employers. The City's share of OPSRP's assets and liabilities is based on the City's proportionate share of OPSRP's pooled covered payroll. The City's proportionate liability of the T1/T2 Pension Programs and OPSRP may increase if other pool participants fail to pay their full employer contributions.

Employer Asset Valuation and Liabilities

Oregon statutes require an actuarial valuation of the Statewide PERS System by a competent actuary at least once every two years. The current PERS actuary is Milliman, Inc. ("Milliman"). Under current practice, actuarial valuations are performed annually, but only valuations as of the end of each odd-numbered year are used to determine annual required employer contribution rates that employers will be required to pay to fund the obligations of T1/T2 Pension Programs, OPSRP and the PERS-sponsored Retirement Health Insurance Account Plan ("RHIA"). For a description of RHIA, see "OTHER POST-EMPLOYMENT RETIREMENT BENEFITS" below. Valuations are released approximately one year after the valuation date.

An employer's unfunded actuarial liability ("UAL") is the excess of the actuarially determined present value of the employer's benefit obligations to employees over the existing actuarially determined assets available to pay those benefits. At its July 28, 2017, meeting, the PERS Board modified certain methods and assumptions which were to be used for the 2016 and 2017 valuations. The following table shows certain methods and assumptions adopted by the PERS Board, which are the basis for the actuarial valuations.

Table 2
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Actuarial Assumptions and Methods

ASSUMPTION/ METHOD	2014 & 2015 VALUATIONS	2016 & 2017 VALUATIONS (1)
Actuarial Cost Method:	Entry Age Normal	Entry Age Normal
UAL Method:		
T1/T2 Programs	Level Percentage of Payroll over 20 years (fixed)	Unchanged
OPSRP	Level Percentage of Payroll over 16 years (fixed)	Unchanged
Asset Valuation Method:	Market Value (2)	Unchanged
Investment Rate of Return:	7.50%	7.20%
Payroll Growth Rate:	3.50%	Unchanged
Inflation Level:	2.50%	Unchanged
Contribution Rate Stabilization Method:	Contribution rate may increase or decrease by 3% of payroll or by 20% of the previous rate; whichever is greater, when an employer's funded status is between 70% and 130%. At a funded status of 60% or less, or 140% or more, the limitation doubles to 6% of payroll or 40% of the previous rate, whichever is greater. At a funded status between 60% and 70% or 130% and 140%, the limitation increases in increments between 3%-6% of payroll or 20%-40% of the previous rate, whichever is greater.	Unchanged

Notes:

(1) Assumptions and methods adopted by the PERS Board on July 28, 2017, that apply to actuarial valuations as of December 31, 2016, and December 31, 2017.

(2) Market value of assets reduced by value of assets in statutory reserves (contingency, capital preservation and rate guarantee reserves).

Source: Oregon Public Employees Retirement System.

Milliman released its 2015 valuation for the Statewide PERS System as of December 31, 2015, (the "2015 System Valuation") on September 27, 2016, its 2016 valuation for the Statewide PERS System as of December 31, 2016 (the "2016 System

Valuation") on December 6, 2017, and its 2017 valuation for the Statewide PERS System as of December 31, 2017 (the "2017 System Valuation") on September 28, 2018. These reports include system-wide actuarial valuations for the T1/T2 Pension Programs and OPSRP.

Milliman released the City's individual 2015 valuation report as of December 31, 2015, (the "2015 City Report") on October 11, 2016, its individual 2016 valuation as of December 31, 2016, (the "2016 City Report") on December 7, 2017, and its 2017 valuation as of December 31, 2017, (the "2017 City Report") on October 17, 2018. These valuation reports provide the City's portion of (a) the SLGRP based on the City's proportionate share of the total SLGRP covered payroll as of the valuation date, (b) OPSRP based on the City's proportionate share of total OPSRP covered payroll as of the valuation date, and (c) the RHIA based on the City's proportionate share of the total RHIA covered payroll as of the valuation date.

The tables below provide historical summary valuation information for the Statewide PERS System and for the City.

Table 3
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Summary of Statewide PERS System Funding Levels
($ in Millions) (1)

STATEWIDE PERS SYSTEM				
Calendar Year	**Actuarial Value of Assets (2)**	**Actuarial Liability**	**Unfunded Actuarial Liability**	**Funded Ratio (%)**
2008	$38,386.1	$54,259.5	$15,873.4	70.7
2009	43,238.8	56,810.6	13,571.8	76.1
2010	46,004.4	59,329.5	13,325.1	77.5
2011	43,238.8	61,198.4	17,959.6	76.1
2012 (3)	49,265.9	60,405.2	11,139.3	81.6
2013 (3)	54,090.1	62,593.6	8,503.5	86.4
2014 (4)	55,518.2	73,458.9	17,940.7	75.6
2015	54,365.8	76,196.6	21,830.8	71.3
2016	55,670.2	80,970.3	25,300.1	68.8
2017	61,764.9	84,056.1	22,291.2	73.5

Notes:

(1) Composed of Tier 1/Tier 2 and OPSRP pensions but excluding retiree healthcare subsidies of RHIA.
(2) Does not take into account offsets for deposits made by individual employers from bond proceeds or cash on hand in side accounts
(3) Reflects savings that were anticipated from the 2013 PERS Bills, but will not be realized because most of the 2013 PERS Bills were invalidated. See "—Recent Developments Related to PERS" below.
(4) Reflects the Oregon Supreme Court decision invalidating most of the 2013 PERS Bills. See "—Recent Developments Related to PERS" below.

Source: Oregon Public Employees Retirement System.

Table 4
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Summary of City Funding Levels
($ in Millions) (1)

Calendar Year	Actuarial Value of Assets	Actuarial Liability	Unfunded Actuarial Liability	Funded Ratio (%)
2008	$1,280.6	$1,539.9	$259.2	83.2
2009	1,424.0	1,606.0	182.0	88.7
2010	1,499.8	1,672.5	172.7	89.7
2011	1,459.0	1,724.2	265.3	84.6
2012 (2)	1,624.8	1,744.3	119.5	93.2
2013 (2)	1,762.8	1,804.7	41.9	97.7
2014 (3)	1,844.1	2,210.1	366.0	83.4
2015	1,820.6	2,335.5	514.9	78.0
2016	1,891.4	2,540.2	648.8	74.4
2017	2,171.1	2,776.3	605.2	78.2

Notes:

(1) Composed of Tier 1/Tier 2 and OPSRP pensions but excluding retiree healthcare subsidies of RHIA. City information is calculated separately for the SLGRP and OPSRP using the City's payroll as a percentage of combined payroll of the respective rate pools. SLGRP values include adjustments made to maintain comparability among employers entering the SLGRP.

(2) Reflects savings that were anticipated from the 2013 PERS Bills, but will not be realized because most of the 2013 PERS Bills were invalidated. See "—Recent Developments Related to PERS" below.

(3) Reflects the Oregon Supreme Court decision invalidating most of the 2013 PERS Bills. See "—Recent Developments Related to PERS" below.

Source: Oregon Public Employees Retirement System.

The following table presents a history of the City's member payroll, unfunded actuarial liability and ratio of unfunded actuarial liability to payroll.

Table 5
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
City Payroll for PERS Members and Unfunded Actuarial Liability

Calendar Year	Payroll	Unfunded Actuarial Liability	Unfunded Liability to Payroll Ratio
2008	$289,371,762	$259,241,423	90%
2009	303,851,551	182,019,126	60%
2010	307,538,429	172,726,579	56%
2011	303,508,135	265,267,189	87%
2012	311,688,601	119,477,128	38%
2013	313,291,592	41,882,231	13%
2014	335,113,826	365,964,877	109%
2015	350,158,915	514,861,639	147%
2016	362,850,562	648,861,639	179%
2017	384,409,335	605,231,941	157%

Source: Oregon Public Employees Retirement System.

The funded status of the pension programs may change depending on the market performance of the securities that the OPERF is invested in, future changes in compensation and benefits of covered employees, demographic characteristics of members and methodologies and assumptions used by the actuary in estimating the assets and liabilities of PERS. Additionally, the market value of the investments held in the OPERF is determined using various sources.

State Investment Policy

The Oregon State Treasury is the investment officer for the state of Oregon. Investment standards are established in ORS 293.726 and require funds to be managed as a prudent investor would do. The Oregon Investment Council ("OIC") establishes policies for the investment and reinvestment of moneys in PERS investment funds. Policies are established based on the primary investment asset class of each investment manager. The OIC has approved the following asset classes for the OPERF: Short-Term Investing, Fixed Income, Real Estate, Public and Private Equities, and Alternative Investments. In addition, OPERF invests in the Opportunity Portfolio, which may be populated with investment approaches across a wide range of investment opportunities with no limitation as to asset classes or strategies. The target investment portfolio mix at fair market value was revised at the OIC meeting of June 3, 2015, and currently is 37.5 percent public equity, 17.5 percent private equity, 20 percent debt securities, 12.5 percent real estate, and 12.5 percent alternative equity.

The following table presents a 10-year history of investment returns for the OPERF.

Table 6
OREGON PUBLIC EMPLOYEES RETIREMENT FUND
Oregon PERS Investment Returns (1)

Fiscal Year Ending June 30	Net Returns (%)
2009	-22.2
2010	17.0
2011	22.3
2012	1.6
2013	12.7
2014	16.6
2015	4.3
2016	1.2
2017	11.9
2018	9.4

Notes:

(1) Total fund performance, excluding variable account.

Source: Oregon Public Employees Retirement Fund System Comprehensive Annual Financial Report for the fiscal years ended June 30, 2009 through June 30, 2018.

The following table presents annualized investment returns over the most recent 1-year, 3-year and 5-year periods. Calculations were prepared using a time-weighted rate of return based on market rates in accordance with the Global Investment Performance Standards performance presentation standards.

Table 7
OREGON PUBLIC EMPLOYEES RETIREMENT FUND
Annualized Investment Results (1)

	Annualized		
Periods Ending June 30, 2018	1-Year	3-Year	5-Year
Total Portfolio, Excluding Variable	9.4%	7.5%	8.6%

Notes:

(1) Total fund performance, regular account. Excludes variable account.

Source: Oregon Public Employees Retirement Fund System Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018.

Employer Contribution Rates and Amounts

The PERS Board is required by State statute to determine liabilities of the Statewide PERS System from time to time and to set contributions of participating employers at a level that ensures liabilities of the Statewide PERS System will be funded no more than 40 years after the date on which the determination is made. ORS 238.225 requires participating public employers to pay the amounts the PERS Board determines to be actuarially necessary to fund benefits provided to employees.

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates are based upon the current and projected cost of benefits and the anticipated level of funding available from the OPERF, including known and anticipated investment performance of the OPERF.

At the end of each odd-numbered year, actuarial valuations determine the employer contribution rates that are officially set by the PERS Board. All employers participating in PERS are required to make their contribution to PERS based on the employer contribution rates set by the PERS Board. The City's employer contribution rates were derived using a rate stabilization methodology (the "Rate Collar") designed to cap rate increases and reduce large fluctuations in employer contribution rates. Such rate increases are shifted to future biennia. See Table 2 for a summary of the Rate Collar in effect. Because of the Rate Collar, the PERS Board-approved employer contribution rates for some employers, including the City, are currently less than the actuarially required contribution ("ARC").

T1/T2 Pension Programs employees and OPSRP employees are required by state statute to contribute six percent of their annual salary to the respective programs. Employers are allowed to pay the employees' contribution in addition to the required employers' contribution. The City has elected to make the employee contribution. An employer also may elect via written employment policy or agreement to make additional employer contributions to its employees' IAP accounts in an amount that can range from not less than one percent of salary to no more than six percent of salary and must be a whole percentage. Employers may make this policy or agreement for specific groups of their employees. The City has elected to make an optional contribution to the IAP accounts of public safety employees hired after January 1, 2007, of an additional three percent of their annual salary.

The table below shows the City's current employer contribution rates for the 2017-19 biennium that ends on June 30, 2019. The table also shows the City's employer adopted rates for the 2019-21 biennium that begins on July 1, 2019, as reported in the 2017 System Valuation. The rates reported in the table do not include the six percent and nine percent employee contribution rates for contributions to the IAP paid by the City.

Table 8
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Employer Contribution Rates for the City
Percentage of Covered Payroll (1) (2)

Payrolls Paid	Current Rates 2017-19	Adopted Rates 2019-21
T1/T2	17.62%	21.86%
OPSRP General Services	10.69%	15.53%
OPSRP Police and Fire	15.46%	20.16%

Notes:

(1) Includes contribution rates to fund RHIA. See "OTHER POST-EMPLOYEE RETIREMENT BENEFITS – PERS Program." For FY 2017-18, one percent of the City's covered payroll for the three pension benefit programs was approximately: $1,356,707 for T1/T2 Pension Programs; $2,121,673 for OPSRP general services; and $577,879 for OPSRP police and fire.

(2) Includes adjustments for side accounts and pre-SLGRP liabilities.

Source: City of Portland, Oregon Public Employees Retirement System.

The City's contribution rates may increase or decrease due to a variety of factors, including the investment performance of the OPERF, the use of pension-related reserves, further changes to system valuation methodology and assumptions and decisions by the PERS Board, and changes in benefits resulting from legislative modifications. The City cannot predict whether any legislation or related actions will attempt to further modify the PERS System or whether such attempts would withstand legal challenge.

The City's financial plan has been updated to incorporate higher growth assumptions for PERS employer rates. For each of the next two biennia (FYs 2020 and 2021 and FYs 2022 and 2023), the financial plan assumes increases in rates for both T1/T2 and OPSRP of approximately five percentage points.

City Funding Policy

In August 2014, the City Council approved a policy regarding funding of its PERS pension liability. The policy requires the City to make contributions at no less than the rate established by the PERS Board and required by ORS 238.225. The City has always funded its full employer contribution as required by ORS 238.225. See "—Employer Contribution Rates and Amounts" above.

Pension Obligation Bonds

In addition to their PERS contribution, City bureaus in existence as of November 10, 1999, (the issue date of the bonds) are required to make a contribution to pay debt service on outstanding Limited Tax Pension Obligation Revenue Bonds (the "Pension Obligation Bonds"), which were issued to fund the City's share of the unfunded actuarial liabilities of PERS as of December 31, 1997. The Pension Obligation Bonds were issued in three series: one series of fixed rate bonds in an amount of $150,848,346 and two series of auction rate securities in an aggregate amount of $150,000,000. The final maturity of the fixed rate Pension Obligation Bonds is June 1, 2029. Pension Obligation Bonds issued as auction rate securities mature on June 1, 2019. Proceeds of the Pension Obligation Bonds were deposited with PERS. Table 9 below shows the debt service paid by the City on its Pension Obligation Bonds.

Total City Pension Contribution

The following table shows the amount of City contributions paid to PERS for the three pension programs including amounts paid by the City for the employee contribution. Contributions include the payments from the Fire and Police Disability and Retirement Fund for pensions of police and firefighters participating in the T1/T2 Pension Programs and OPSRP. Fire and Police Disability and Retirement Fund contributions are funded from a dedicated Citywide property tax levy. See "—PENSION PLANS: FIRE AND POLICE DISABILITY AND RETIREMENT FUND" below. In FY 2017-18, approximately 68 percent of the total cash contribution was for the employer share and 32 percent was for the employee share. The City made its required contribution for its pension obligation in all years. See "—Employer Contribution Rates and Amounts" above.

Table 9
CITY OF PORTLAND, OREGON
City Contribution Related to PERS

Fiscal Year Ending June 30	City's Required Cash Contribution to PERS (1)	Debt Service on Pension Obligation Bonds	Total Cash Contribution for Pension Costs
2009	$35,326,820	$16,059,937	$51,386,757
2010	32,598,608	15,223,638	47,822,246
2011	33,622,080	16,416,215	50,038,295
2012	45,229,731	17,740,796	62,970,527
2013	45,278,556	19,433,725	64,712,281
2014	45,868,558	21,129,361	66,997,919
2015	46,969,145	23,074,692	70,043,837
2016	55,530,023	25,350,317	80,880,340
2017	58,637,409	27,853,142	86,490,551
2018	76,185,383	30,540,190	106,725,574

Notes:

(1) Includes City's statutorily required employer contribution for T1/T2 and OPSRP pension program and its pension contribution on behalf of employees. Includes contributions from FPDR property tax levy and other non-General Fund bureaus such as the Water Bureau and the Bureau of Environmental Services.

Source: Oregon Public Employees Retirement System and City of Portland; Oregon.

Recent Developments Related to PERS

During the 2013 Legislative Session and the 2013 Special Session the Legislative Assembly enacted Senate Bills 822, 861, and 862 (the "2013 PERS Bills") that were expected to: limit annual benefits cost of living adjustments ("COLAs"), for PERS retirees, eliminate a benefit increase for out-of-state retirees based on Oregon income tax, exclude salary increases given to pay for insurance costs from the final average salary used to calculate pension benefits, and reduce legislators' participation in PERS. The 2013 PERS Bills were expected to reduce the amount of future benefit payments from the Statewide PERS System and reduce the unfunded actuarial liability of the Statewide PERS System by approximately $5 billion.

In addition to legislative actions, in 2013 the PERS Board made other adjustments that were estimated by PERS to increase the unfunded actuarial liability of the Statewide PERS System by approximately $2.5 billion. Several lawsuits were filed challenging the 2013 PERS Bills. On April 30, 2015, the Oregon Supreme Court released its decision in these cases. According to its decision, the Supreme Court invalidated the limits on COLAs insofar as they apply to benefits that members earned before the effective dates of the 2013 PERS Bills and upheld the elimination of the benefit increase for out-of-state retirees.

In May 2017, Governor Kate Brown appointed a seven-member task force comprised of business leaders and individuals with public sector experience (the "Task Force") to find ways to reduce the PERS unfunded liability by at least $5 billion over the next five years. Specifically, the Governor asked the Task Force to consider (1) assets that could be monetized, (2) one-time funding streams that could be redirected, (3) capital from other accounts that could be invested or loaned, and (4) ways to leverage similar funds from other PERS employers. The Task Force released a report on November 1, 2017, identifying options it judged to be reasonable and likely to deliver "a material reduction" in the liability, including increasing state excise taxes on alcohol sales; capturing excess state reserve funds; dedicating one-time financial "windfall" revenues to PERS; and selling one or more state universities to a private, not-for-profit entity. The City cannot predict whether any of the options identified by the Task Force will be implemented or the impact on the PERS unfunded liability.

PENSION PLANS: FIRE AND POLICE DISABILITY AND RETIREMENT PLAN

Overview

The following discussion pertains to the City's Fire and Police Disability, Retirement and Death Benefit Plan (the "FPDR Plan"). The FPDR Plan was established in 1942 to provide disability, retirement and death benefits for sworn members of the City's Bureaus of Fire and Police and their survivors. The FPDR Plan is governed by a Board of Trustees (the "FPDR Board"), composed of the Mayor or Mayor's designee, two active members of the Fire and Police Bureaus and two citizens appointed by the Mayor and confirmed by the City Council. The Fire and Police member trustees are elected by the active members of the Fire Bureau and Police Bureau, respectively. The citizen trustees must have relevant experience in pension or disability matters. The Plan is administered by the Bureau of Fire and Police Disability and Retirement, led by the Fund Administrator.

The FPDR Plan's authority for vesting and benefit provisions is provided by Chapter 5 of the City Charter. Most amendments require majority approval of the voters in the City. Ten revisions have been passed by the voters since the creation of the plan. The most recent voter revision, comprised of eleven different plan amendments, was passed November 6, 2012. City Council may provide by ordinance any additional benefits that the City is required by law to extend to the members and may also change benefits by ordinance to maintain the FPDR Plan's tax-qualified status. The most recent amendments by the City Council occurred in 2016.

Benefit Programs

The FPDR Plan consists of three tiers, two of which are now closed to new employees. The retirement plans for FPDR One, the original plan, and FPDR Two, in which most active fire and police personnel participate, are single-employer, defined-benefit plans administered by the FPDR Board. In addition to retirement benefits for FPDR One and FPDR Two members, the FPDR Plan provides service-connected, nonservice-connected, and occupational disability benefits for FPDR One, FPDR Two and FPDR Three members. FPDR Plan members do not participate in Social Security and do not receive Social Security benefits for their years of service.

FPDR One. Sworn members of the Police and Fire Bureaus subject to the FPDR Plan as constituted prior to July 1, 1990, are included in the FPDR One tier. All FPDR One members are now retired or receiving long-term disability benefits. Under FPDR One, retirement benefits are provided upon termination of employment on or after attaining age 50 (with 25 or more years of service) or 55 (with 20 years or more of service). Retirement benefits are paid to members at two percent of current top-step pay for a police officer or firefighter for each year of active service (up to 60 percent); therefore, FPDR One members receive postretirement benefit increases equal to increases in current top-step police officer or firefighter pay.

FPDR Two. Sworn members of the Police and Fire Bureaus subject to the FPDR Plan as constituted after June 30, 1990, and first sworn before January 1, 2007, are included in the FPDR Two tier. Under FPDR Two, retirement benefits are provided upon termination of employment on or after attaining age 55, or on or after attaining age 50 if the member has 25 or more years of service. Members become 100 percent vested after five years of service. Benefits are paid using a formula tied to years of service and the highest one-year base pay the member received during the final three years of employment. The FPDR Board has the authority to grant postretirement benefit increases to FPDR Two members, so long as the increases do not exceed increases awarded to sworn retirees of PERS. Members enrolled in the FPDR Plan and still working prior to July 1, 1990, were required to make an election as to whether they wished to fall under the provisions of the FPDR Plan as constituted prior to July 1, 1990 (now called FPDR One) or become subject to the new FPDR Two provisions after June 30, 1990.

FPDR Three. Sworn members of the Police and Fire Bureaus hired on or after January 1, 2007, are included in the FPDR Three tier; those sworn on or after January 1, 2013, become FPDR Three members after six months of service. These participants are part of OPSRP for retirement benefits and are under the FPDR Plan for disability and pre-retirement death benefits, offset by any benefits received on account of disability or death under OPSRP. Retirement benefits for these participants are pre-funded, and the FPDR levy pays the employee and employer portions of the OPSRP contribution. For information regarding OPSRP and the employee and employer contribution rates for OPSRP, see "PENSION PLANS: OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM," above.

Funding

The FPDR Fund receives the proceeds of a special property tax levy which cannot exceed two and eight-tenth mills on each dollar of valuation of property ($2.80 per $1,000 of Real Market Value) that is not exempt from such levy. The FPDR property tax levy has been sufficient in all years to meet required annual benefit payments. In the event that collections from this special property tax levy are less than the amount required for payment of benefits in any particular year, the FPDR Fund could receive advances from the FPDR Reserve Fund first and then from other City funds to make up the difference. While the FPDR Fund has not experienced any funding shortfalls to date, future funding is dependent on the availability of property tax revenues and, in the absence of sufficient property tax revenues, other legally available City funds.

Although the City Charter provides the FPDR Plan with dedicated property tax levy authority, the Oregon state constitution caps each property's general government taxes at $10 per $1,000 of Real Market Value. After reaching this point, all levies, including the FPDR levy, are subject to Measure 5 compression to fit within the $10 limit. For this reason, it is unlikely that FPDR could collect the full $2.80 per $1,000 of Real Market Value on each property. In FY 2017-18, the tax loss due to Measure 5 compression was $7.5 million, or 5.1 percent of the FPDR tax levy.

Retirement Plan Asset Valuation and Liabilities

The table below shows key assumptions for the most recent valuation of the FPDR Plan. Mortality and other assumptions are regularly reviewed and updated as needed. The discount rate has changed over time to reflect economic conditions. Beginning with the June 30, 2014, valuation, the discount rate is equal to the June 30 value of the Bond Buyer General Obligation 20-Bond Municipal Bond Index each year, in accordance with the requirement of Governmental Accounting Standards Board Statement No. 67 ("GASB 67") that plans use a risk-free discount rate for the portion of the plan's liability that is not prefunded.

Table 10
CITY OF PORTLAND, OREGON
FPDR Plan -- Actuarial Assumptions and Methods
For the June 30, 2016, Valuation

Actuarial Cost Method	Entry Age Normal
Actuarial Value of Assets	Market Value
Funding Policy	Pay-As-You-Go
Discount Rate	2.85%
Payroll Growth Rate	3.75%

Source: Milliman Inc., City of Portland Fire & Police Disability & Retirement (FPDR) Fund, Pension Actuarial Valuation Report as of June 30, 2016, dated January 16, 2017.

As distinguished from the pension plan for FPDR Three members, assets generally are not accumulated in the current year to pay for benefit payments in future years for the FPDR Plan. The table below shows funding levels for the FPDR Plan over the past ten fiscal years. In accordance with the Charter's provisions, there are no requirements to fund the FPDR Plan using actuarial techniques. The FPDR Plan is funded on a pay-as-you-go basis. Each year's benefits and expenses are paid for with employer contributions derived from dedicated property tax revenue received during that year. Because of the FPDR Plan's pay-as-you-go funding basis, the unfunded actuarial accrued pension liability and net pension liability (the new terminology per GASB 67 implemented by the City effective June 30, 2014), do not reflect the value of dedicated future revenues from the property tax levy. See "—Levy Adequacy" below. As reflected in the City's CAFR for its fiscal year ended June 30, 2018, and required by GASB 68, the net pension liability for the FPDR Plan is a primary factor in the City's unrestricted net position deficit for governmental activities for the fiscal year ended June 30, 2018, and contributed to the City's total net position decrease from FY 2012-13 to FY 2013-14. See table entitled "Net Position by Component Last Ten Fiscal Years (accrual basis of accounting)" on page 338 of the City's CAFR for its fiscal year ended June 30, 2018, which is available on the EMMA website.

Table 11
CITY OF PORTLAND, OREGON
FPDR Plan --Summary of Funding Levels (1)

Fiscal Year	Actuarial Value of Assets	Actuarial Liability	Unfunded Actuarial Liability (1)	Funded Ratio (2)
2009 (3)	$11,571,074	$2,279,923,000	$2,268,351,926	0.51%
2010	16,542,896	2,549,479,088	2,532,936,192	0.65%
2011 (3)	25,648,253	2,610,360,794	2,584,712,541	0.98%
2012 (3)	20,287,803	2,674,072,175	2,653,784,372	0.76%

Fiscal Year (3)	Plan Net Position, Ending	Total Pension Liability	Net Pension Liability (2)	Net Position as Percent of Total Liability (2)
2013	$17,155,015	$2,517,096,534	$2,499,941,519	0.68%
2014	20,532,924	2,473,970,866	2,453,437,942	0.83%
2015	21,876,942	2,896,894,767	2,875,017,825	0.76%
2016	17,425,353	3,391,461,315	3,374,035,962	0.51%
2017	14,150,087	3,367,105,729	3,352,955,642	0.42%
2018	17,790,774	3,295,142,974	3,277,352,200	0.54%

Notes:

(1) Table reflects transition to new accounting classifications as required by the Governmental Accounting Standards Board beginning with the fiscal year ending June 30, 2013.
(2) Does not include value of future dedicated FPDR property tax collections.
(3) Amounts are calculated by rolling forward prior actuarial valuations. See Table 12 below for a summary of the June 30, 2014, and June 30, 2016, valuations.

Source: City of Portland audited financial statements.

Overall the total pension liability increased from $2.47 billion on June 30, 2014, to $3.67 billion on June 30, 2016, as shown in Table 12 below. Note that these valuations differ from results shown in Table 11 above because they are based on actual results prepared by Milliman and are not roll-forward amounts of prior valuations.

Table 12
CITY OF PORTLAND, OREGON
FPDR Plan--Summary of Most Recent Actuarial Valuations

Fiscal Year	Plan Assets	Total Pension Liability	Net Pension Liability
2014	$20,532,924	$2,488,261,858	$2,467,728,934
2016	17,425,353	3,689,965,110	3,672,539,757

Source: Milliman Inc., City of Portland Fire & Police Disability & Retirement (FPDR) Fund, Pension Actuarial Valuation Report as of June 30, 2016, dated January 16, 2017.

The single largest driver of the higher liability is the discount rate (the June 30 value of the Bond Buyer General Obligation 20-Bond Municipal Bond Index each year). The rate dropped from 4.29 percent on June 30, 2014, to 2.85 percent on June 30, 2016, resulting in a $574 million increase in the plan liability. As described above, the FPDR Plan provides that FPDR Two postretirement benefit increases cannot exceed the postretirement benefit increases for PERS sworn retirees. For the 2014 valuation, these adjustments were based on the PERS COLA as modified by the 2013 PERS Bills, which reduced the maximum COLA from 2.0 percent to 1.25 percent. However, the lower COLA was invalidated by the Oregon Supreme Court in 2015, insofar as it applies to benefits that members earned before the effective dates of the 2013 changes (see "—Recent Developments Related to PERS"). The PERS Board subsequently adopted a blended COLA, which applies up to 2.0 percent for the percentage of service credited before October 2013 and 1.25 percent for later service. The FPDR Board chose a similar COLA methodology beginning in 2015 and directed the actuaries to assume this methodology continues for purposes of the 2016 valuation. The higher COLA assumption increased the liability by $289 million between June 30, 2014, and June 30, 2016. A final significant change was an update to the plan's mortality assumptions, which the FPDR Board has decided will mirror the mortality experience in the larger pool of PERS sworn members. Longer life expectancies for retirees increased the liability by another $147 million.

FPDR Fund and Levy Adequacy

A critical measure of the FPDR Fund's financial health is whether the dedicated property tax will ever be insufficient to fully cover expenditures both for the pay-as-you-go FPDR Plan and the pre-funded OPSRP plan. The table below compares the certified tax levy for FPDR Plan contributions (for FPDR One and FPDR Two participants) and OPSRP contributions (for FPDR Three participants) with the amount authorized based on the $2.80/$1,000 Charter limitation. Between FY 2008-09 and FY 2017-18, Real Market Value of property subject to taxation has grown by a compounded annual rate of approximately 4.8 percent.

Table 13
CITY OF PORTLAND, OREGON
FPDR Fund--Certified Levies Compared with Maximum Levies Authorized

FYE June 30	Tax Levy per $1,000 RMV	Certified Tax Levy (1)	Maximum Levy Authorized ($2.80/1,000 RMV)	Amount Available to be Certified from Authorized Levy
2009	$1.23	$111,152,436	$253,003,644	$141,851,208
2010	1.29	114,980,456	249,261,909	134,281,453
2011	1.37	118,526,184	241,849,105	123,322,921
2012	1.41	114,264,711	227,257,618	112,992,907
2013	1.55	123,564,952	223,709,460	100,144,508
2014	1.62	136,383,540	235,325,707	98,942,167
2015	1.48	136,883,230	259,331,341	122,448,111
2016	1.30	133,795,013	287,358,793	153,563,780
2017	1.15	138,900,728	338,199,473	199,298,745
2018	1.13	155,551,693	384,951,394	229,399,701

Notes:

(1) Before Measure 5 compression, delinquencies and discounts.

Source: City of Portland.

The table below shows historical taxes imposed (after Measure 5 compression) and historical expenditures for retirement benefits and death and disability benefits. As fire and police retirement benefits transition from a pay-as-you-go system to a pre-funded system through OPSRP, the FPDR levy will be funding two generations of FPDR members simultaneously: FPDR One and FPDR Two members who are funded on a pay-as-you-go basis during their retirement years and FPDR Three members whose retirement benefits are pre-funded through OPSRP during their working careers. Costs for disability benefits will continue to be paid on a pay-as-you go basis. As described below, higher costs are expected over approximately the next 20 years, with the potential for higher tax levy rates.

Table 14
CITY OF PORTLAND, OREGON
FPDR Fund--Imposed Levies and Expenditures for Pension Benefits and Death/Disability Benefits

FYE June 30	Imposed Tax Levy (1)	FPDR One & Two Pension Benefits	FPDR Three OPSRP Contributions	Disability & Funeral Benefits	Total FPDR Benefit Contributions
2009	$107,869,880	$85,079,520	$1,774,991	$9,241,784	$96,096,295
2010	111,376,678	89,038,110	2,210,250	9,075,988	100,324,348
2011	114,217,070	90,464,611	2,865,737	7,938,636	101,268,984
2012	108,666,428	94,708,986	4,735,637	7,064,187	106,508,810
2013	115,752,880	99,417,595	5,265,815	6,725,710	111,409,120
2014	123,304,615	103,506,696	5,998,321	7,410,977	116,915,994
2015	126,777,805	103,355,638	6,952,685	6,219,646	116,527,969
2016	126,376,817	107,074,899	8,699,501	6,420,506	122,194,906
2017	132,477,613	113,826,622	9,672,695	6,525,351	130,024,668
2018	148,214,877	119,616,359	13,318,516	6,050,635	138,985,510

Notes:

(1) Amount after Measure 5 compression but not adjusted for delinquencies and discounts.

Source: City of Portland.

The FPDR Board assesses the FPDR Plan's long-term financial condition in part by projecting the future availability of revenues from the dedicated property tax (the "Levy Adequacy Analysis"), which are the source of employer contributions under the Charter. The most recent Levy Adequacy Analysis, completed by an independent actuary in connection with the actuarial valuation of the fund, was as of June 30, 2016. The Levy Adequacy Analysis found that, under a wide range of simulated economic scenarios over the next 20 years, the future FPDR Fund levy would remain under \$2.80 per \$1,000 of Real Market Value, but the levy exceeded the \$2.80 threshold in at least one year in fewer than three percent of modeled scenarios. This represents a decline from approximately four percent of modeled scenarios in the prior analysis as of June 30, 2014. Real Market Values in the City's tax base have grown by more than enough to offset more expensive plan benefits. The first year in which the percent of scenarios exceeding the levy limit reaches the one percent level is FY 2031-32. Pay-as-you-go costs peak in FY 2036-37 in nominal terms; the peak on an inflation-adjusted basis is in FY 2031-32.

The table below shows projected levy rates and taxes levied at the 50th and 5th percentiles for FY 2016-17 through FY 2035-36 as included in the 2016 Levy Adequacy Analysis. Note that the actual levy rate per \$1,000 of Real Market Value was \$1.15 for FY 2016-17 and \$1.13 for FY 2017-18.

Table 15
CITY OF PORTLAND, OREGON
FPDR Fund--Projected Levy Rate, Taxes and Requirements

Fiscal Year Ended June 30	Levy Rate at 50th Percentile	Taxes Levied at 50th Percentile	Levy Rate at 5th Percentile	Taxes Levied at 5th Percentile
2017	\$1.18	\$143,100,000	\$1.18	\$143,100,000
2018	1.13	150,100,000	1.13	150,100,000
2019	1.13	157,300,000	1.27	158,700,000
2020	1.18	170,300,000	1.39	173,800,000
2021	1.19	179,100,000	1.45	183,500,000
2022	1.23	194,400,000	1.59	203,700,000
2023	1.24	204,400,000	1.65	215,200,000
2024	1.25	216,700,000	1.75	234,000,000
2025	1.26	229,000,000	1.82	248,400,000
2026	1.28	243,000,000	1.91	267,700,000
2027	1.30	257,000,000	1.95	284,800,000
2028	1.31	271,100,000	2.03	304,100,000
2029	1.31	284,900,000	2.07	321,900,000
2030	1.37	311,600,000	2.22	354,300,000
2031	1.37	325,900,000	2.26	372,100,000
2032	1.36	339,000,000	2.32	392,700,000
2033	1.35	352,200,000	2.34	409,800,000
2034	1.33	362,200,000	2.38	428,700,000
2035	1.30	372,400,000	2.37	443,000,000
2036	1.21	361,700,000	2.27	437,600,000

Notes:

(1) Results are expressed as a probability distribution. Amounts shown in table are median values within percentile categories. Actual rates for FY 2016-17 and FY 2017-18 are found in the table entitled "FPDR Fund—Certified Levies Compared with Maximum Levies Authorized."

Source: Milliman, Inc., FPDR Levy Adequacy Analysis as of June 30, 2016, dated January 24, 2017.

The current analysis extends through FY 2035-36 and encompasses all facts, decisions and conditions pertaining to the FPDR Plan known at the time the analysis was completed. Future actuarial measurements may differ significantly from the measurements presented herein due to factors such as changes in economic or demographic assumptions (including changes in Real Market Value); changes related to PERS, performance of investments, and changes in FPDR Plan benefit provisions or applicable law.

OTHER POST-EMPLOYMENT RETIREMENT BENEFITS ("OPEB")

The City's OPEB liability includes two separate plans. The City provides a contribution to the State of Oregon PERS cost-sharing multiple-employer defined benefit plan and an implicit rate subsidy for retiree Health Insurance Continuation premiums.

PERS Program

Retirees who receive pension benefits through the T1/T2 Pension Programs and are enrolled in certain PERS-administered health insurance programs may also receive a subsidy towards the payment of health insurance premiums. Under ORS 238.420, retirees may receive a subsidy for Medicare supplemental health insurance of up to $60 per month towards the cost of their health insurance premiums under the RHIA program. RHIA's assets and liabilities are pooled on a system-wide basis. These assets and liabilities are not tracked or calculated on an employer basis. The City's allocated share of the RHIA program's assets and liabilities is based on the City's proportionate share of the program's pooled covered payroll. According to the 2017 City Report, the City's allocated share of the RHIA program's UAL was ($4,404,636) as of December 31, 2017.

The City's current employer contribution rate to fund RHIA benefits during the 2017-19 biennium for T1/T2 employees is 0.50 percent and for OPSRP general services and police and fire employees is 0.43 percent. According to the 2017 City Report, the adopted rate to fund RHIA benefits during the 2019-21 biennium for T1/T2 employees is 0.06 percent and for OPSRP general services and policy and fire employees is 0.00 percent. These employer contribution rates to fund RHIA are included in the rates described in Table 8 above.

Health Insurance Continuation Option

Distinct from the PERS program, Oregon municipalities, including the City, are required to allow retirees and their dependents to continue to receive health insurance by paying the premiums themselves at a rate that is blended with the rate for current employees until retirees and spouses are eligible for federal Medicare coverage and until children reach the age of 18 (the "Health Insurance Continuation Option" or "HIC"). GASB 45 refers to this as an implicit subsidy and therefore requires the corresponding liability to be determined and reported.

The OPEB liability associated with the Health Insurance Continuation Option is an actuarially-determined amount calculated in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The valuation is prepared using the Entry Age Normal actuarial cost method and amortized over an open period of 30 years using the level percentage of projected pay. Other assumptions include a discount rate of 3.60 percent, 2.2 percent inflation rate, annual healthcare cost trend rates of 4.5 to 7.5 percent, and retirees' share of benefit-related costs of 26 percent of estimated program costs. The City's unfunded actuarial accrued liability for OPEB is solely attributable to the Health Insurance Continuation Option and at the valuation date of July 1, 2017 (the date of the most recent actuarial valuation), is estimated to be $100,197,951. The unfunded actuarial accrued liability as a percentage of covered payroll is 23 percent. Actuarial valuations for the Health Insurance Continuation Option are undertaken every two years. A new valuation study will be undertaken for reporting the OPEB liability as of July 1, 2019.

The City's annual OPEB cost is calculated based on the actuarially-determined service cost, which represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded liability over a period of 30 years. For FY 2017-18, the changes to the total OPEB liability is calculated as follows:

Balance at 6/30/17	$104,746,377
Changes for the year:	
Service cost	4,140,465
Interest	3,086,463
Changes of assumptions	(6,825,794)
Benefit payments	(4,949,560)
Net Changes	(4,548,426)
Balance at 6/30/18	$100,197,951

The City expects to use a pay-as-you-go approach to fund its actuarial accrued liability and OPEB obligation, but will monitor its OPEB liability and assess whether a different approach is needed in future years.

Implementation of Governmental Accounting Standards Board Statement No. 75

As reflected in its CAFR for the fiscal year ended June 30, 2018, the City implemented Governmental Accounting Standards Board Statement No. 75, which changed employer reporting of OPEB for state and local governments. Under this new standard, for the fiscal year ending June 30, 2018, the City has reported in its CAFR the following balances:

	Deferred Outflow/(Inflow) of Resources	Net OPEB Liability/(Asset)	OPEB Expense
RHIA	($695,350)	($1,476,036)	$3,580
HIC	(5,876,449)	100,197,951	6,277,583
Total	($6,571,799)	$98,721,915	$6,281,163

OVERVIEW OF CITY INDEBTEDNESS

Debt Management Policy

In April 1984, the City Council adopted Resolution No. 33661, which places centralized responsibility for Debt Management in the Office of Management and Finance and establishes standards and procedures for the issuance of debt. The City's debt policy, which is included as FIN 2.12 in the Comprehensive Financial Management Policies of the City, includes more restrictive limits on City debt issuance than required by State law. This policy has subsequently been updated and expanded. The most recent updates to the debt policy were included in Resolution 37086, which was adopted as binding City policy by the City Council on August 6, 2014. Among the general provisions in the debt policy are types of debt that may be issued and limitations on their use, selection of finance professionals, methods of sale, structure and term of City indebtedness, issuance of conduit debt, and refunding outstanding debt.

Debt Payment History

The City has met all principal and interest payments on its indebtedness in a timely manner and in the required amounts.

Debt Limitation

Oregon statutes limit the amount of general obligation debt which an Oregon city may have outstanding at any time to three percent of the real market value of the taxable property within the City, although revenue bonds, general obligation improvement bonds, sewer and water bonds are among the types of bonds legally exempt from the debt limitation. The City is in compliance with all statutory debt limitations.

Outstanding Debt

The City issues a variety of debt types for the purpose of carrying out its capital financing activities. These various debt types are shown in the table below entitled "Debt Statement." Outstanding debt amounts are as of December 31, 2018.

Unlimited Tax General Obligation Bonds

The City has $137,330,000 of outstanding tax-supported general obligation bonds. These bonds were originally issued for the purpose of funding emergency facilities, public safety improvements, parks improvements, and affordable housing projects. The City is authorized to levy unlimited *ad valorem* property taxes outside the limitations of Article XI, Sections 11 and 11b of the Oregon Constitution to pay these bonds.

Table 16
CITY OF PORTLAND, OREGON
Debt Statement as of December 31, 2018 (1)

Type of Obligation	Amount Outstanding
I. UNLIMITED TAX GENERAL OBLIGATION BONDS	
General Obligation Parks Bonds	$40,635,000
General Obligation Public Safety Bonds	47,450,000
General Obligation Emergency Facilities Bonds	15,195,000
General Obligation Housing Bonds	34,050,000
Total Unlimited Tax General Obligation Bonds	$137,330,000
II. BONDS PAID AND/OR SECURED BY THE GENERAL FUND	
A. Non-Self-Supporting	
Limited Tax Revenue Bonds	$140,100,000
Limited Tax Pension Obligation Revenue Bonds (General Fund share)	59,242,982
Limited Tax Housing Revenue Bonds	12,370,000
General Fund-Secured Lines of Credit	43,268,965
Total Bonds Secured and Paid from the General Fund (1)	$254,981,947
B. Self-Supporting	
Limited Tax Pension Obligation Revenue Bonds (Non-General Fund share)	$100,335,364
Limited Tax Revenue Bonds (Streetcar)	9,855,000
Limited Tax Revenue Bonds (Convention Center)	70,305,382
Limited Tax Revenue Bonds (Stadium Project)	13,153,000
Limited Tax Revenue Bonds (MLS Line Takeout)	12,000,000
Limited Tax Revenue Bonds (PMLRT)	28,410,000
Limited Tax Revenue Bonds (Sellwood Bridge I & II)	67,505,000
Limited Tax Improvement Bonds	37,825,000
State Loan (Levee IFA)	691,885
FPD&R TAN's	35,725,000
General Fund-Secured Lines of Credit	42,257,454
Total Self-Supporting Bonds Secured by the General Fund	$418,063,084
III. REVENUE BONDS	
First Lien Sewer Revenue Bonds	$444,135,000
Second Lien Sewer Revenue Bonds	1,086,625,000
Sewer SRF Loans	11,479,477
First Lien Water Revenue Bonds	421,915,000
Second Lien Water Revenue Bonds	192,690,000
Urban Renewal Bonds	357,231,200
Urban Renewal Lines of Credit (Non-General Fund secured)	48,220,839
Gas Tax Revenue Bonds	7,890,000
Total Revenue Bonds	$2,570,186,516
TOTAL - ALL OUTSTANDING DEBT	$3,380,561,547

Notes:

(1) Excludes contingent loan agreements, which are described in "—BONDS PAID OR SECURED BY THE GENERAL FUND, Non-Self Supporting General Fund Obligations—Contingent Loan Agreements," below.

Source: City of Portland.

Bonds Paid and/or Secured by the General Fund

The following obligations are secured by the full faith and credit of the City. The City is obligated to pay these obligations from any taxes or other revenues available to the City that may legally be applied to pay them. The City is not authorized to levy *ad valorem* property taxes outside the limitations of Article XI, Sections 11 and 11b of the Oregon Constitution to pay these obligations.

Non Self-Supporting General Fund Obligations

Non self-supporting General Fund obligations are either paid from lawfully available funds or are otherwise considered to be non self-supporting based upon factors including, but not limited to, length of history of the payment revenue source, debt service coverage, revenue volatility and classification of such debt by bond rating agencies. Outstanding obligations that have been determined to be non self-supporting are as follows.

Limited Tax Revenue Bonds. As of December 31, 2018, the City has $140.1 million of outstanding limited tax revenue bonds that are paid primarily from General Fund resources. The City has issued limited tax revenue bonds to satisfy a variety of capital financing requirements. The City expects to issue Limited Tax Revenue Bonds in January 2019, which will include non self-supporting bonds estimated at approximately $14.2 million.

Limited Tax Pension Obligation Revenue Bonds. The City issued $300.8 million of Limited Tax Pension Obligation Revenue Bonds in November 1999 to finance the City's December 31, 1997, unfunded actuarial accrued pension liability with the State of Oregon Public Employees Retirement System. Approximately forty percent of the debt service on these bonds is expected to be paid from resources of the General Fund. The remaining sixty percent is expected to be paid by non-General Fund bureaus of the City. (See "Self-Supporting General Fund Obligations" below.) Approximately $59.2 million of outstanding principal remains on the portion of the bonds projected to be repaid with General Fund resources.

Limited Tax Housing Revenue Bonds. The City has outstanding a total of $12.4 million of Limited Tax Housing Revenue Bonds. This amount includes $7.9 million issued for the Headwaters Apartment Project and $4.5 million issued for the Housing Opportunity Program.

Non Self-Supporting Lines of Credit. On April 4, 2017, the City closed on a $190 million line of credit, which will be used to renovate the Portland Building. The balance on this line of credit as of December 31, 2018, is $9.5 million. Additionally, $33.8 million is outstanding on a River District urban renewal area line of credit secured by the City's full faith and credit, which expires on June 30, 2021. This line of credit is expected to be repaid from proceeds of the sale of property purchased by PDC from the U.S. Postal Service.

Contingent Loan Agreements. The City has made a limited, subject-to-appropriation, pledge of its General Fund to restore reserve fund balances on six conduit housing revenue bond issues. As of December 31, 2018, the City had not received any requests to appropriate funds to restore the reserve fund balances of these issues. The original par amount of these issues is $29.695 million, of which $23.4 million remains outstanding.

Self-Supporting General Fund Obligations

Self-supporting General Fund obligations are secured by the General Fund, but paid from non-General Fund revenues that are considered to be stable and reliable. Outstanding self-supporting General Fund obligations are as follows.

Limited Tax Pension Obligation Revenue Bonds. Of the total outstanding Limited Tax Pension Obligation Revenue Bonds described above, approximately $100.3 million is expected to be fully self-supporting and paid from non-General Fund bureaus of the City.

Limited Tax Revenue Bonds (Visitor Development Initiative). The City has issued bonds pursuant to an intergovernmental agreement known as the Visitor Development Initiative for various projects. While ultimately secured by the General Fund, these bonds are expected to be repaid in whole or in part with revenues generated from surcharges on the transient lodging tax and the motor vehicle rental tax. The City has $70.3 million of outstanding limited tax revenue bonds for the Oregon Convention Center Completion Project and $13.2 million of outstanding bonds for the Stadium Project.

Limited Tax Revenue Bonds (Central City Streetcar Project). The City has $9.9 million of outstanding limited tax revenue bonds for the Central City Streetcar Project. These bonds are ultimately secured by the City's General Fund, but the City expects to pay the debt service on these bonds with revenues from the City's parking facilities and meters. A portion of these bonds are expected to be refunded with proceeds of bonds issued in January 2019.

Limited Tax Revenue Bonds (JELD-WEN Field Project). In April 2012, the City issued limited tax revenue bonds to refinance improvements for major league soccer at Providence Park (formerly known as JELD-WEN Field). While secured by the City's General Fund, the City expects to pay the debt service with revenues from its Spectator Facilities Fund. The City has $12.0 million of these bonds outstanding.

Limited Tax Revenue Bonds (Portland-Milwaukie Light Rail Project). In September 2012, the City issued limited tax revenue bonds to finance a portion of the Portland-Milwaukie Light Rail Project. While secured by the City's General Fund, the City expects to pay the debt service with transportation revenues, including parking revenues, gas tax revenues and system development charges. The City has $28.4 million of these bonds outstanding.

Limited Tax Revenue Bonds (Sellwood Bridge Project). In June 2014, the City issued limited tax revenue bonds to finance a portion of the costs of the Sellwood Bridge Project. While secured by the City's General Fund, the City expects to pay the debt service with transportation revenues, including parking revenues, gas tax revenues and system development charges. The City has $38.3 million of these bonds outstanding. In June 2017, the City issued bonds to finance an additional portion of its contribution to the Sellwood Bridge Project, of which $29.2 million is outstanding.

Limited Tax Improvement Bonds. The City had $37.8 million of outstanding limited tax improvement bonds. These bonds are issued for the purpose of financing local improvement projects. These bonds are expected to be fully self-supporting from assessment payments received from property owners benefiting from the improvement projects. In addition, the City has pledged its full faith and credit to pay the bonds, and the bonds are payable from all legally available revenues, taxes and other funds of the City.

Urban Renewal and Other Self-Supporting Lines of Credit. The City has established lines of credit for various programs that are secured in full or in part by the City's full faith and credit. Lines of credit have been established for five urban renewal areas. The City borrows on these lines of credit to provide interim financing for capital projects, then repays the debt with the proceeds of urban renewal and redevelopment bonds secured solely by the tax increment revenues of the districts for which the bonds are issued. The total balance on the urban renewal lines of credit is $40.7 million.

A line of credit secured by the City's full faith and credit has also been established to fund projects in local improvement districts, which had an outstanding balance of approximately $1.55 million as of December 31, 2018.

Other Obligations. The City has $691,885 outstanding on a State loan for the Columbia River Levee Project. Also, under an agreement with the Oregon Department of Energy, the City has an obligation to make payments related to a $5 million loan guarantee. This obligation requires monthly payments by the City of $119,000 per month through October 2020, and is expected to be paid from parking meter revenues of the City.

Revenue Bonds

The City issues revenue bonds to satisfy a variety of capital financing requirements backed solely by the fees derived from the provision of certain services. Included among the purposes for which these types of revenue bonds have been issued are sewer system facilities, water system facilities, parking system facilities, golf facilities, environmental remediation activities, road improvements and hydroelectric generation facilities. In these cases, fees and charges are collected for the individual services provided, generally on the basis of usage. The types and amounts of outstanding revenue bonds are shown in the above table titled "Debt Statement."

Urban Renewal Bonds

A total of $357.2 million of Urban Renewal and Redevelopment Bonds are outstanding for nine urban renewal areas. All of these obligations are paid from tax increment revenues generated from the respective urban renewal areas. No additional City revenues are pledged to the repayment of these bonds.

Urban Renewal Lines of Credit

In April 2016, the City executed a line of credit secured by the tax increment revenues of the River District urban renewal area to provide interim financing for River District improvements. The outstanding balance is $32.1 million. The line of credit is expected to be repaid from long-term River District urban renewal bonds. The City also has lines of credit for four other urban renewal areas secured only by the tax increment revenues of the areas benefitting from these lines. A total $16.1 million is outstanding on these lines of credit, which expire in December 2019. No additional City revenues are pledged to the repayment of this debt.

Cash Flow Borrowings

The City may borrow for General Fund operating purposes through the issuance of short-term tax anticipation notes ("TANs"). State law limits the amount of TANs that a political subdivision may sell annually to no more than 80 percent of the amount of the annual tax levy, and all TANs must be retired within thirteen months after they were issued. In order to fund cash flow deficits in the FPDR Fund caused by the timing mismatch between when benefit payments are required to be made and when property tax collections are received. The City has $35.7 million of TANs outstanding to fund cash flow deficits in the FPDR Fund. These notes are scheduled to be repaid on June 26, 2019.

Conduit Financings

The City issues revenue bonds for certain private activities under specific statutory authority. This debt is payable solely from private sources and is not an obligation of the City. These bonds are not reported in this document.

Concurrent Debt Issues

The City is currently in the process of or planning for the issuance of additional debt over the next six months. The following table identifies issues that are presently under consideration, and includes the estimated issuance amounts, planned issue dates, and the expected type of issue. The City may also obtain lines of credit for various facilities and equipment in amounts to be determined. These plans are subject to change.

Table 17
CITY OF PORTLAND, OREGON
Future Debt Issues

Purpose	Estimated Amount	Planned Issue Date	Type of Issue
4th & Montgomery/Streetcar Refunding	$22 million	January 2019	Full faith and credit
Technology Project	$5 million	Winter 2019	Full faith and credit
South Park Blocks urban renewal bond refunding	$30 million	Spring 2019	Urban renewal and redevelopment bonds
River District urban renewal line of credit refinancing	$32 million	Spring 2019	Urban renewal and redevelopment bonds
General Obligation Bonds (Affordable Housing Projects)	$37 million	Spring 2019	General obligation
General Obligation Refunding Bonds (Public Safety)	$27 million	Spring 2019	General obligation
Fueling Stations Project	$8.5 million	Spring 2019	Full faith and credit
Water system capital improvements	$150 million	Fall 2019	Water revenue bonds

Source: City of Portland.

City General Obligation Debt

Tables 18-20 below set forth the City's general obligation capital debt ratios, the overlapping debt among various taxing districts in the City, and outstanding direct general obligation debt of the City incurred for capital purposes.

Table 18
CITY OF PORTLAND, OREGON
Debt Ratios
as of December 31, 2018

	Amount	Per Capita	Percent of Market Value	Percent of Assessed Value
July 1, 2018 Population	648,740			
2018-19 Market Value (Measure 5) (1)	$149,692,154,041	$230,743		
2018-19 Assessed Value (2)	$68,079,542,502	$104,941	45.48%	
Gross Bonded Debt (3)	$810,375,031	$1,249	0.54%	1.19%
Net Direct Debt (4)	$392,311,947	$605	0.26%	0.58%
Net Overlapping Debt (as of 6/30/2018) (5)	$1,827,419,871	$2,817	1.22%	2.68%
Net Direct and Overlapping Debt	$2,219,731,818	$3,422	1.48%	3.26%

Notes:

(1) Market Value reported in this table encompasses City of Portland values within Multnomah, Washington, and Clackamas Counties, including estimated urban renewal incremental real market values. Market Value reported in this table and in the table titled "Historical Trends in Assessed and Market Values" are "Measure 5 Values," which represent the real market value of properties that are not specially assessed; and the value of specially assessed properties, including farm and forestland and exempt property which are less than full real market value. In FY 2018-19 the Measure 5 Market Value represented about 82 percent of full real market value. For information regarding historical Market Value, see table titled "Historical Trends in Assessed and Market Values" herein.
(2) Includes urban renewal incremental assessed value. For information regarding historical assessed values, see table titled "Historical Trends in Assessed and Market Values" herein.
(3) Includes City's outstanding general obligation bonds, limited tax improvement bonds, and limited tax revenue bonds. Also includes general fund-supported lines of credit and tax anticipation notes.
(4) Net direct debt includes non-self-supporting limited tax revenue bonds secured by the City's General Fund as well as general obligation bonds paid from a separate, unlimited *ad valorem* tax.
(5) See table entitled "Overlapping Debt" below for information on overlapping debt.

Sources: Portland State University Population Research Center; Multnomah County Department of Assessment, Recording and Taxation; Municipal Debt Advisory Commission, Oregon State Treasury; City of Portland.

Table 19
CITY OF PORTLAND, OREGON
Overlapping Debt
As of June 30, 2018

			Overlapping Debt	
TAXING DISTRICT	Real Market Value	Percent Overlapping	Gross Property Tax Backed (1)	Net Property Tax Backed (2)
Multnomah Cty SD 1J (Portland)	$123,680,930,280	97.93%	$961,750,714	$961,750,714
Multnomah County	161,490,084,458	86.53%	320,059,488	320,059,488
Portland Community College	243,528,863,890	49.86%	270,803,994	229,912,364
Metro	304,749,597,459	45.99%	102,968,312	94,612,383
Multnomah Cty SD 40 (David Douglas)	6,640,025,509	100.00%	81,261,913	81,261,913
Multnomah Cty SD 3 (Parkrose)	7,412,980,971	98.47%	55,889,393	55,889,393
Multnomah Cty SD 7 (Reynolds)	9,754,301,374	23.95%	49,831,493	49,352,541
Multnomah Cty SD 28J (Centennial)	4,272,108,024	54.03%	11,095,929	11,095,929
Mt Hood Community College	43,987,140,423	42.32%	23,901,137	9,292,725
Multnomah Cty Drainage District 1	288,922,775	100.00%	4,500,000	4,500,000
Washington Cty SD 48J (Beaverton)	46,325,707,956	0.28%	2,922,515	2,922,515
Clackamas Cty SD 12 (North Clackamas)	21,069,876,153	0.46%	2,798,594	2,794,736
Columbia Cty SD 1J (Scappoose)	2,419,269,243	6.12%	1,613,210	1,613,210
Multnomah Cty SD 51J (Riverdale)	991,635,815	5.16%	941,585	941,585
Washington County	96,374,391,275	0.26%	628,768	561,375
Clackamas County	71,989,650,457	0.23%	315,753	315,753
Washington Cty SD 23J (Tigard-Tualatin)	17,482,814,471	0.10%	254,164	254,164
Clackamas Community College	52,968,772,411	0.18%	229,182	181,949
Clackamas Cty SD 7J (Lake Oswego)	12,295,331,345	0.02%	55,544	55,544
Clackamas Cty ESD	68,611,360,692	0.15%	32,465	32,465
Tualatin Hills Park & Rec District	39,343,488,680	0.02%	19,038	19,038
Northwest Regional ESD	118,979,762,933	0.25%	9,766	87
Multnomah ESD	163,731,919,235	85.35%	24,069,631	0
Port Of Portland	329,856,659,850	42.49%	25,636,702	0
Rockwood Water PUD	6,278,394,648	30.67%	1,508,777	0
			$1,943,098,067	$1,827,419,871

Notes:

(1) Gross Property-tax Backed Debt includes all unlimited-tax General Obligation bonds and Bonds Paid and/or secured by the General Fund.

(2) Net Property-tax Backed Debt is Gross Property-tax Backed Debt less Self-supporting Unlimited-tax General Obligation debt and less Self-supporting General Fund Obligations.

Source: Municipal Debt Advisory Commission, Oregon State Treasury.

Table 20
CITY OF PORTLAND, OREGON
Projected Debt Service on Outstanding General Fund Obligations (1)

	PAID FROM GENERAL FUND			SELF-SUPPORTING BONDS SECURED BY GENERAL FUND			
Fiscal Year Ending June 30	Limited Tax Revenue Bonds (2)	Limited Tax Pension Obligation Revenue Bonds (3)	Total Non-Self Supporting Bonds/ Gen. Fund (2)	Limited Tax Improve. Bonds (4)	Limited Tax Pension Obligation Revenue Bonds (5)	Other Limited Tax Revenue Bonds (6)	Total Self Supporting Bonds/ Gen. Fund
2019	$7,760,800	$12,573,783	$20,334,583	$1,986,980	$21,295,267	$20,248,391	$43,530,638
2020	11,316,925	13,081,663	24,398,588	2,512,539	22,155,425	21,681,424	46,349,388
2021	15,551,856	13,604,648	29,156,505	2,272,539	23,041,165	22,012,846	47,326,550
2022	15,552,288	14,150,222	29,702,509	2,257,539	23,965,162	22,146,165	48,368,866
2023	13,933,313	14,716,231	28,649,544	2,216,789	24,923,769	21,882,093	49,022,651
2024	13,928,806	15,304,658	29,233,464	2,136,539	25,920,342	22,461,963	50,518,844
2025	13,930,250	15,917,215	29,847,465	1,553,789	26,957,785	20,588,100	49,099,674
2026	13,176,050	16,553,904	29,729,954	1,553,789	28,036,096	20,591,875	50,181,760
2027	10,667,750	17,214,723	27,882,473	17,308,789	29,155,277	20,587,150	67,051,215
2028	10,670,500	17,905,243	28,575,743	766,039	30,324,757	17,329,875	48,420,671
2029	9,880,250	18,619,893	28,500,143	3,871,039	31,535,107	17,423,200	52,829,345
2030	8,946,250	-	8,946,250	9,607,889	-	17,431,425	27,039,314
2031	8,949,000	-	8,949,000	304,320	-	8,240,025	8,544,345
2032	8,943,250	-	8,943,250	1,224,320	-	8,237,025	9,461,345
2033	8,938,750	-	8,938,750	267,520	-	8,239,450	8,506,970
2034	8,939,750	-	8,939,750	2,887,520	-	5,740,000	8,627,520
2035	8,895,250	-	8,895,250	162,720	-	2,334,200	2,496,920
2036	8,256,750	-	8,256,750	162,720	-	2,336,200	2,498,920
2037	8,253,250	-	8,253,250	162,720	-	2,334,800	2,497,520
2038	8,253,750	-	8,253,750	162,720	-	-	162,720
2039	8,252,250	-	8,252,250	4,682,720	-	-	4,682,720
2040	8,253,000	-	8,253,000	-	-	-	-
Total	$231,250,038	$169,642,184	$400,892,222	$58,061,537	$287,310,152	$281,846,206	$627,217,896

Notes:

(1) Excludes debt service on the City's Unlimited Tax General Obligation Bonds, which are secured by, and payable from, ad valorem taxes on property within the City. Excludes debt service on the City's Tax Anticipation Notes, Series 2017 (Fire and Police Disability and Retirement Fund), which are payable from a dedicated property tax levy. Totals may not sum due to rounding.

(2) Includes Limited Tax Revenue Bonds paid from General Fund sources and Limited Tax Housing Revenue Bonds.

(3) Reflects General Fund portion of the Limited Tax Pension Obligation Revenue Bonds, 1999 Series C, D & E. Amounts shown include projected debt service on the variable rate 1999 Series D & E Bonds and are subject to change.

(4) Actual debt service may differ substantially from schedule above due to mandatory redemption provisions of Limited Tax Improvement Bonds.

(5) Reflects non-General Fund portion of the Limited Tax Pension Obligation Revenue Bonds, 1999 Series C, D & E. A portion of the debt service on the bonds is expected to be paid from capitalized interest. Amounts shown include projected debt service on the variable rate 1999 Series D & E Bonds (auction rate securities) and are subject to change.

(6) Includes debt service on bonds issued for the Central City Streetcar Project, the Convention Center Expansion Project, Civic Stadium (2001), JELD-WEN Field (2012), Portland-Milwaukie Light Rail (2012), and the Sellwood Bridge Project (2014 and 2017). The Central City Streetcar bonds are expected to be paid from parking facility and meter revenues. Bonds issued for Convention Center expansion and Civic Stadium will be repaid in whole or in part from transient lodging tax and vehicle rental tax surcharges imposed by Multnomah County. Bonds issued for Portland Mall Revitalization Project expected to be repaid with meter revenues. Bonds issued for JELD-WEN Field are expected to be paid from Spectator Facilities Fund revenues. Bonds issued for Portland-Milwaukie Light Rail Project and the Sellwood Bridge Project are expected to be repaid with various transportation revenues.

Source: City of Portland.

TRENDS IN PROPERTY VALUATION AND TAXATION

The following tables present trends in property valuation and taxation for the City.

Table 21
CITY OF PORTLAND, OREGON
Historical Trends in Assessed and Market Values (1)
(000s)

Assessed Value

Fiscal Year	Inside Multnomah County	Outside Multnomah County	Urban Renewal Incremental Value	Total Assessed Value	Percent Change
2009-10	$41,109,227	$211,157	$7,056,631	$48,377,015	4.34%
2010-11	42,160,414	214,998	7,462,728	49,838,140	3.02%
2011-12	43,543,881	215,497	7,493,903	51,253,281	2.84%
2012-13	44,401,735	221,758	7,875,076	52,498,569	2.43%
2013-14	45,913,168	228,953	8,210,399	54,352,520	3.53%
2014-15	47,828,360	239,309	8,704,286	56,771,955	4.45%
2015-16	49,745,000	245,505	9,362,187	59,352,691	4.55%
2016-17	52,757,989	255,063	9,355,762	62,368,814	5.08%
2017-18	54,835,805	264,657	10,586,196	65,686,658	5.32%
2018-19	52,077,578	273,848	15,728,117	68,079,543	3.64%

Market Value (Measure 5) (2)

Fiscal Year	Inside Multnomah County	Outside Multnomah County	Total Market Value	Percent Change
2009-10	$88,691,826	$330,284	$89,022,110	-1.48%
2010-11	86,062,318	312,362	86,374,680	-2.97%
2011-12	80,872,627	290,808	81,163,435	-6.03%
2012-13	79,611,406	284,830	79,896,236	-1.56%
2013-14	83,745,200	299,696	84,044,896	5.19%
2014-15	92,289,836	328,499	92,618,336	10.20%
2015-16	102,284,607	343,534	102,628,140	10.81%
2016-17	120,400,957	384,569	120,785,526	17.69%
2017-18	137,071,252	411,389	137,482,641	13.82%
2018-19	149,246,036	446,118	149,692,154	8.88%

Notes:

(1) Under the provisions of Ballot Measure 50, beginning with FY 1997-98, Real Market Value and Assessed Value are no longer the same. Measure 50 rolled back the Assessed Value of each property for tax year 1997-98 to its 1995-96 Real Market Value, less ten percent. The Measure further limits any increase in Assessed Value to three percent for tax years after 1997-98, except for property that is substantially improved, rezoned, or subdivided, or property which ceases to qualify for a property tax exemption. This property will be assigned a new Assessed Value equal to the Assessed Value of comparable property in the area.

(2) Measure 5 Market Values are not calculated separately for urban renewal incremental value by the county assessor. Market Value reported in this table is "Measure 5 Value," which represents the real market value of properties that are not specially assessed; and the value of specially assessed properties, including farm and forestland and exempt property which are less than full real market value. In 2018-19, the Measure 5 Market Value of City of Portland properties within Multnomah County represented about 82 percent of full real market value.

Sources: Multnomah County Division of Assessment, Recording and Taxation; City of Portland.

Table 22
CITY OF PORTLAND, OREGON
Consolidated Tax Rate: Fiscal Year 2018-19
Levy Code 201 (1)

Taxing District	Permanent Tax Rate Per $1,000 A.V.	Local Option And Other Tax Rates (2) Per $1,000 A.V.	General Obligation Debt Tax Rate Per $1,000 A.V.	Total Tax Rate Per $1,000 A.V.
City of Portland	$4.5770	$3.1089	$0.2937	$7.9796
Urban Renewal Special Levy	0.0000	0.2203	0.0000	0.2203
Multnomah County	4.3434	0.0500	0.0000	4.3934
Multnomah County Library	1.2000	0.0000	0.0000	1.2000
Metro	0.0966	0.0960	0.2801	0.4727
Port of Portland	0.0701	0.0000	0.0000	0.0701
East Multnomah Soil & Conservation	0.0956	0.0000	0.0000	0.0956
Subtotal - General Government	10.3827	3.4752	0.5738	14.4317
Portland School District	5.2781	1.9900	2.4890	9.7571
Portland Community College	0.2828	0.0000	0.4046	0.6874
Multnomah Co. Education Svc. Dist.	0.4576	0.0000	0.0000	0.4576
East Multnomah Soil & Conservation	0.0044	0.0000	0.0000	0.0044
Subtotal - Schools	6.0229	1.9900	2.8936	10.9065
Totals	$16.4056	$5.4652	$3.4674	$25.3382

Notes:

(1) Levy code area 201 includes approximately 37 percent of the City's assessed value, and is the largest levy code area within the City

(2) Includes the City Fire and Police Disability and Retirement pension levy, the City children's local option levy, the Metro natural areas local option levy, the Multnomah County historical society levy, and the Portland Public Schools local option levy. Does not include impact of urban renewal division of tax rates.

Source: Multnomah County Division of Assessment, Recording and Taxation.

State statutes limit taxes on any property to $10 per $1,000 of real market value for general government and $5 per $1,000 of real market value for education. If the amount of taxes to be raised, calculated by multiplying tax rates in each category by the assessed value of a property, exceeds these limits, then the tax burden for that property is reduced to fit within the limits. This reduction is known as Measure 5 compression. See "PROPERTY TAX INFORMATION—TAX RATE COMPRESSION" herein. The following table provides a ten-year history of Measure 5 compression for the City's general levy and Fire and Police Disability and Retirement levy.

Table 23
CITY OF PORTLAND, OREGON
Historical Trends in Measure 5 Compression (1)

Fiscal Year	Taxes to Raise (2) (3)	Loss due to Compression and Other Factors	Percent Loss	Taxes Imposed (4)
2009-10	$314,065,487	$(9,943,163)	3.2%	$304,122,325
2010-11	323,076,449	(11,822,996)	3.7%	311,253,452
2011-12	324,830,012	(15,998,964)	4.9%	308,831,048
2012-13	339,036,075	(21,536,768)	6.4%	317,499,307
2013-14	359,304,753	(34,707,746)	9.7%	324,597,007
2014-15	370,294,495	(27,485,079)	7.4%	342,809,417
2015-16	377,363,933	(21,084,537)	5.6%	356,279,396
2016-17	394,629,327	(18,270,182)	4.6%	376,359,145
2017-18	421,756,068	(19,735,622)	4.7%	402,020,446
2018-19	438,679,135	(19,350,654)	4.4%	419,328,481

Notes:

(1) Taxes shown are for the City's permanent rate levy and its Fire and Police Disability and Retirement levy. Results shown are taxes collected by the City from properties in Multnomah County only. The City also collects taxes from properties located in Washington and Clackamas Counties; historically, taxes from these counties represent less than one percent of total taxes.

(2) Before Measure 5 compression.

(3) Includes small losses due to miscellaneous adjustments made by the county assessor.

(4) Before losses due to delinquencies and discounts.

Source: Multnomah County Division of Assessment, Recording and Taxation.

Table 24
CITY OF PORTLAND, OREGON
Tax Collection Record for the Last Ten Years (1)

Fiscal Year	Total Levy (000) (2)	Collected Yr. of Levy (3)	Collected as of 6/30/2018 (3)
2008-09	$397,822	96.3%	100.0%
2009-10	436,246	96.8%	99.6%
2010-11	445,239	97.1%	99.6%
2011-12	445,044	96.8%	99.4%
2012-13	452,453	97.2%	99.5%
2013-14	467,516	97.3%	99.4%
2014-15	490,540	97.6%	99.3%
2015-16	516,334	97.8%	99.4%
2016-17	551,135	98.0%	99.3%
2017-18	600,155	98.4%	98.4%

Notes:

(1) Tax collection information is for Multnomah County, which represents approximately 99.6% of the City's Assessed Value. Small portions of Washington and Clackamas Counties are also included in the City's Assessed Value.

(2) Amount is collected all counties. Includes urban renewal special levy and levy amounts allocated to urban renewal divide the taxes. Levy amounts shown are after Measure 5 compression.

(3) Collections are calculated as payments received less adjustments for cancellation of taxes and allowed discounts, plus taxes added to tax roll due to omissions and corrections. Discounts currently represent the largest adjustment to the tax levy. Discounts currently represent the largest adjustment to the tax levy. Discounts associated with the FY 2017-18 tax levy represented about 2.6% of that year's levy. Discounts effectively reduce the amount of a fiscal year's levy remaining to be collected in future years.

Sources: Multnomah County Division of Assessment, Recording and Taxation and City of Portland.

Table 25
CITY OF PORTLAND, OREGON
Assessed and Market Value of City Property in Multnomah County (1)
by Property Type (FY 2018-19)

Property Type	Assessed Value	Percent of Total	Market Value (Measure 5)	AV/RMV Ratio
Real Property				
Residential	$40,290,912,720	59.4%	$86,988,334,500	46.3%
Commercial/Industrial (County Assessed)	14,231,675,460	21.0%	38,534,385,031	36.9%
Industrial (State Assessed)	496,650,230	0.7%	536,998,520	92.5%
Multiple Family Housing	4,995,390,750	7.4%	14,944,357,470	33.4%
Other	58,807,780	0.1%	104,923,950	56.0%
Subtotal	60,073,436,940	88.6%	141,108,999,471	
Personal Property	2,409,954,870	3.6%	2,443,384,630	98.6%
Machinery and Equipment	1,206,282,620	1.8%	1,216,072,190	99.2%
Manufactured Property	93,357,150	0.1%	183,560,900	50.9%
Utilities	4,022,662,790	5.9%	4,294,018,824	93.7%
Total	$67,805,694,370	100.0%	$149,246,036,015	

Notes:

(1) Excludes Clackamas and Washington County resulting in differences from other tables reporting Assessed Value and Market Value in this disclosure document.

Source: Multnomah County Division of Assessment, Recording and Taxation.

Table 26
CITY OF PORTLAND, OREGON
Top Ten Property Taxpayer Accounts (1)

Taxpayer Account	Type of Business	FY 2018-19 Assessed Value	Percent of Total Assessed Value
Total City Assessed Value		$68,079,542,502	100.00%
Alaska Airlines Inc.	Airline	487,260,400	0.72%
Portland General Electric Co.	Energy	399,732,120	0.59%
CenturyLink	Communications	394,638,000	0.58%
Pacificorp (PP&L)	Energy	356,135,000	0.52%
Weston Investment Co. LLC	Real estate (office)	267,517,630	0.39%
AT&T Inc.	Communications	244,586,400	0.36%
Southwest Airlines	Airline	232,662,700	0.34%
Comcast	Communications	197,228,200	0.29%
CAPREF Lloyd Center LLC	Real estate (retail)	188,068,990	0.28%
Delta Air Lines	Airline	183,100,000	0.27%
Total		$2,950,929,440	4.34%

Notes:

(1) Excludes Assessed Value of various properties totaling about $632.7 million that are owned and leased by the Port of Portland to various tenants subject to property taxation.

Source: Multnomah County Division of Assessment, Recording and Taxation.

LITIGATION

Members of the public and advocacy groups from time to time assert that they intend to file a legal action against the City challenging certain programs, laws or actions that the City, its officers or bureaus have taken. Because the City cannot be certain as to whether such actions will actually be filed, the legal assertions that may be made in a potential action or the remedy sought in terms of the amount of damages or performance requested of the City, the City includes as threatened litigation only situations in which the City is engaged in active settlement negotiations with a person or group in order to pre-empt filing of a lawsuit.

The City discloses only pending or threatened litigation that the City has determined may have a materially adverse impact on the City's financial position. The current level of materiality involves litigation where the damages or performance sought has a reasonable probability of imposing liability of $5 million or more against the City's Available General Funds.

There is no litigation pending or threatened against the City which impairs the City's ability to make principal and interest payments on the City's full faith and credit obligations when due. Except as noted in the following paragraphs, there is no litigation pending or threatened against the City which would materially and adversely affect the financial condition of the City.

On December 6, 2011, the City was sued by a group of water and sewer ratepayers in Anderson et al. v. City of Portland, Multnomah County Circuit Court Case No. 1112-15957 (the "Anderson Case"). Plaintiffs challenged certain expenditures by the City's Water Bureau and Bureau of Environmental Services, alleging that the expenditures were not authorized by the City Charter and seeking to reimburse the Water Fund and Sewage Disposal Fund. The City vigorously defended this lawsuit, and on January 5, 2017, the Court rendered an opinion on the last of the issues before it. The City has prevailed on most of the claims. A remedy decision was released by the Court on June 22, 2017. The Court concluded that the City is required to restore $14,016,147 to the Water Fund and $3,045,575 to the Sewage Disposal Fund pursuant to the Anderson Case. On December 20, 2017, Council passed an ordinance authorizing the Mayor to settle this lawsuit for a total of $10 million, $3 million of which shall be paid to the plaintiffs' attorneys by December 29, 2017, from General Fund resources. The remaining $7 million must be reimbursed to the water and sewer funds by September 30, 2019, also from General Fund resources. There will be no appeal of the lawsuit, it and will be dismissed from the Circuit Court with prejudice, meaning these plaintiffs cannot bring these or similar claims against the City in the future.

In 2000, Portland Harbor, a 10-mile industrial stretch of the Lower Willamette River outside of the City's urban center, was listed by the EPA as a Superfund site. The EPA notified the City that it may have liability for releases of contaminants in the Willamette River. The City may also have liabilities to Natural Resource Trustees of the Willamette River (including tribes, and federal and state resource agencies) for damages to natural resources in Portland Harbor. The City's FY 2017-18 Adopted Budget identified expenditures for the Portland Harbor Superfund of $6.1 million.

On January 6, 2017, the EPA issued its Record of Decision of final cleanup plan for the Portland Harbor Superfund Site. The EPA estimated capital costs to implement the selected remedy of approximately $1.05 billion in 2017 dollars, estimated by the EPA to be $1.7 billion in actual future dollars. The EPA is requiring an additional phase of environmental sampling before remedy implementation. The time frame for that work is unknown and the work may change the expected costs of the remedy. The costs associated with the remedy have not been allocated among the numerous potentially liable parties.

The Natural Resource Trustees have not made a final determination of the total damages to natural resources and those costs have not been allocated among the numerous potentially liable parties.

The City is participating in voluntary, negotiated settlement processes to determine how cleanup costs can be allocated among all responsible parties. These processes cannot be concluded until the parties reach an agreement or the liabilities are litigated. The City will defend against a significant allocation of liability to the City. Under Superfund law, responsible parties that fail to enter into agreements to remediate and restore Superfund sites become subject to legal action by the EPA for cleanup and restoration, including imposition of fines. Once initiated, the remedial design and implementation phase is expected to be conducted and funded over many years. The City expects to have an extended period to identify funding strategies and to fund its share of the remedy.

PROPERTY TAX INFORMATION

Oregon's property tax system is established by statewide statutes and limited by two constitutional amendments created by citizen initiatives. Voter approval is required to authorize new property taxes. Taxes are levied by individual local governments, but are imposed, collected and distributed by the counties in which the local governments are located.

PROPERTY VALUATION

Oregon law requires property to be assessed at its "Assessed Value." Assessed Values are calculated by the county assessor and are based on 90 percent of the Real Market Value of property in FY 1997-1998. New and changed property is assigned an Assessed Value based on the Assessed Value of comparable property in the area. Assessed Values cannot increase by more than three percent each year unless the property changes because it is substantially improved, rezoned, subdivided, annexed, or ceases to qualify for a property tax exemption. In addition, Assessed Value cannot exceed Real Market Value.

Permanent tax rate levies and rate-based local option levies are imposed on Assessed Value. If Assessed Value increased, collections from those levies will increase, and if Assessed Values decrease collections from those levies will decrease. Local governments instruct the county assessor to collect a dollar amount for general obligation bond levies and fixed-dollar local option levies; for those levies changes in Assessed Value has little effect on collections. See "—TYPES OF PROPERTY TAXES—Local Option Levies" below.

"Real Market Value" is the county assessor's estimate of the current market value of property. Real Market Value limits Assessed Value and is often used in Oregon law to set debt limits. However, the primary use of Real Market Value is to determine whether there is Tax Rate Compression. See "—Tax Rate Compression" below. Some properties such as farm and forestland are assigned special assessments in lieu of Real Market Value that are below Real Market Value to reduce their taxes. In this Official Statement "Market Value" refers to the Real Market Value of properties that are not specially assessed, and to the special assessment value of properties that are specially assessed.

Assessed Value and Real Market Value of certain transportation, communication and utility properties is determined centrally by the State of Oregon. The Assessed Value and Real Market Value of other property is determined locally by the county assessors.

TYPES OF PROPERTY TAXES

Permanent Tax Rate Levies

The City and other local governments levying taxes for operations in FY 1997-1998 received permanent tax rates in connection with the approval of Article XI, Section 11 of the Oregon Constitution. The City has a permanent tax rate of $4.5770/$1,000 of

Assessed Value. Revenues from imposing the permanent tax rate can be spent for any lawful purpose. Permanent tax rates cannot be increased. Governments that have not levied property taxes in the past may be authorized by their voters to impose new permanent tax rate levies. Permanent tax rate levies are subject to Tax Rate Compression.

Local Option Levies

Oregon law allows voters of local governments to authorize "local option levies." Local option levies are limited term levies. Local option levies that only finance capital costs can have a term of up to ten years. Local option levies cannot have a term of more five years if levy revenues are used to finance operating costs. Voters can approve "fixed-rate levies" that permit the government to impose a tax rate each year of the levy, or "fixed-dollar levies" that allow the government to levy a specified dollar amount each year. Local option levies are subject to Special Tax Rate Compression.

In 2013, the Oregon State Legislature approved and the Governor signed a bill that excludes local option taxes approved after January 1, 2013, from the consolidated billing tax rate for purposes of computing urban renewal division of taxes for certain urban renewal plans. The legislation authorizes inclusion of local option taxes if the City files a certificate with the county assessor stating that exclusion of local option taxes would impair contracts between the City and Bond holders. The legislation became effective beginning on July 1, 2014.

The FPDR Levy

The Oregon Constitution allows the City to impose the FPDR levy described in the Charter in addition to other City levies authorized by Oregon law. Other local governments are not authorized to impose similar, additional levies. The FPDR levy is subject to Tax Rate Compression as described below. The FPDR levy is not subject to Special Tax Rate Compression, described further below.

General Obligation Bond Levies

Oregon law allows voters of local governments to authorize general obligation bonds to finance capital costs. General obligation bond levies are not subject to Tax Rate Compression.

Special Levies for Urban Renewal Areas

Some urban renewal areas that existed when Measure 50 was adopted are authorized to impose taxes throughout the boundaries of their creating city or county. Special urban renewal levies are subject to Tax Rate Compression. The City has five urban renewal areas with this taxing authority.

TAX RATE COMPRESSION

Article XI, Section 11b of the Oregon Constitution requires that property taxes (other than taxes for general obligation bonds) be divided into two categories: "non-school taxes," which fund the operations of local governments other than schools, and "school taxes," which fund operations of the public school system and community colleges. Total non-school taxes on a parcel are not permitted to exceed $10 per $1,000 of Real Market Value and total school taxes on a parcel are not permitted to exceed $5 per $1,000 of Real Market Value.

If the combined tax rates within a category exceed the rate limit for the category, taxes within the category are reduced until total taxes for the category do not exceed the rate limit for the category. This reduction is called "Tax Rate Compression." All local option levies are reduced first and proportionally, to zero if required. This reduction of local option levies is called "Special Tax Rate Compression." If there are no local option levies, or local option levies have been reduced to zero, the remaining taxes in the category are reduced proportionally until total taxes in the category do not exceed the category limit.

Taxes levied to pay general obligation bonds are not subject to Tax Rate Compression.

Article XI, Section 11b of the Oregon Constitution also limits the ability of the City and other local governments to impose certain other charges on property and property ownership.

VOTER APPROVAL

New local option levies, levies for new general obligation bonds (but not refunding bonds), and permanent rate limits for governments that have not previously levied operating taxes must be approved at an election that is held in May or November, or at another election in which not less than 50 percent of the eligible registered voters cast ballots.

COLLECTION

The county tax collectors extend authorized levies, compute tax rates, bill and collect all taxes and make periodic remittances of collections to the city and other taxing districts. County tax collectors also calculate Tax Rate Compression.

Tax collections are segregated into two pools, one for school taxes and one for non-school taxes. Each taxing body shares in its pool on the basis of its tax rate and the Assessed Value of property in its boundaries (after adjustment for Tax Rate Compression), regardless of the actual collection experience for property taxes imposed within each taxing body's boundaries. This causes each taxing body to have the same tax collection rate as other taxing bodies within the county. For example, if the county tax collector collects 90 percent of the property taxes imposed on property in the county, each taxing body will receive 90 percent of the taxes it imposed (after adjustment for Tax Rate Compression).

Taxes are levied and become a lien on July 1 and tax payments are due November 15 of the same calendar year. Under the partial payment schedule the first third of taxes are due November 15, the second third on February 15 and the remaining third on May 15. A three-percent discount is allowed if full payment is made by the due date, two-percent for a two-thirds payment. Late payment interest accrues at a rate of 1.33 percent per month. Property is subject to foreclosure three years after the taxes become delinquent.

The State of Oregon operates a property tax deferral program for certain senior or disabled taxpayers. The State pays the deferred taxes to the county assessors when they are due, and the program does not adversely affect city tax collections.

PROPERTY TAX EXEMPTION PROGRAMS

The Oregon Enterprise Zone program is a State of Oregon economic development program that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by State statues and the local sponsor. The Portland Development Commission (now known as "Prosper Portland") is the local sponsor for the Portland Enterprise Zone program.

Oregon statutes authorize a wide variety of full and partial property tax exemptions, including exemptions for property owned or used by cities, counties, schools and other local governments, property of the federal government, property used by religious and charitable entities, property used for low income housing, historical property, property located in enterprise zones, and transit oriented property. The City promotes and administers some of these property tax exemptions, but many exemptions are available to property owners without the consent of the City.

APPENDIX A
SCHEDULES OF REMAINING MATURITIES

CITY OF PORTLAND, OREGON

1851

APPENDIX A

SCHEDULES OF REMAINING MATURITIES:

Bond Issue	Due Date	Principal Amount	Interest Rate	CUSIP
GENERAL OBLIGATION BONDS				
$14,560,000				
General Obligation Emergency Facilities Refunding Bonds, 2009 Series A				
Dated July 7, 2009				
	June 1, 2019	$1,650,000	4.000%	736679 SL6
		$1,650,000		
$25,835,000				
General Obligation Public Safety Bonds, 2011 Series A				
Dated May 19, 2011				
	June 1, 2019	$1,705,000	3.000%	736679 TP6
	June 1, 2020	1,755,000	3.000%	736679 TQ4
	June 1, 2021	1,805,000	3.000%	736679 TR2
	June 1, 2022	1,860,000	3.000%	736679 TS0
	June 1, 2023	1,915,000	3.250%	736679 TT8
	June 1, 2024	1,980,000	3.375%	736679 TU5
	June 1, 2025	2,045,000	4.000%	736679 TV3
	June 1, 2026	2,130,000	4.125%	736679 TW1
		$15,195,000		
$29,795,000				
General Obligation Bonds, 2014 Series A				
Public Safety and Emergency Facilities Refunding				
Dated March 27, 2014				
	June 15, 2019	$2,025,000	5.000%	736679 UM1
	June 15, 2020	2,120,000	5.000%	736679 UN9
	June 15, 2021	2,230,000	5.000%	736679 UP4
	June 15, 2022	2,345,000	3.000%	736679 UQ2
	June 15, 2023	2,410,000	5.000%	736679 UR0
	June 15, 2024	2,550,000	5.000%	736679 US8
	June 15, 2025	1,740,000	2.500%	736679 UT6
	June 15, 2026	1,785,000	3.000%	736679 UU3
	June 15, 2027	1,840,000	3.000%	736679 UV1
	June 15, 2028	1,895,000	3.000%	736679 UW9
	June 15, 2029	1,950,000	3.000%	736679 UX7
		$22,890,000		

APPENDIX A
SCHEDULES OF REMAINING MATURITIES:

Bond Issue	Due Date	Principal Amount	Interest Rate	CUSIP
$17,145,000				
General Obligation Public Safety Bonds, 2015 Series A				
Dated June 2, 2015				
	June 15, 2019	$1,005,000	5.000%	736679 VK4
	June 15, 2020	1,055,000	5.000%	736679 VL2
	June 15, 2021	1,110,000	5.000%	736679 VM0
	June 15, 2022	1,165,000	5.000%	736679 VN8
	June 15, 2023	1,220,000	5.000%	736679 VP3
	June 15, 2024	1,280,000	5.000%	736679 VQ1
	June 15, 2025	1,345,000	5.000%	736679 VR9
	June 15, 2026	1,415,000	3.000%	736679 VS7
	June 15, 2027	1,455,000	3.000%	736679 VT5
	June 15, 2028	1,500,000	3.000%	736679 VU2
	June 15, 2029	1,545,000	3.000%	736679 VV0
		$14,095,000		
$23,850,000				
General Obligation Bonds, 2015 Series C				
Parks Improvements - Tax Exempt				
Dated July 30, 2015				
	June 15, 2019	$1,410,000	5.000%	736679 WA5
	June 15, 2020	1,480,000	2.000%	736679 WB3
	June 15, 2021	1,510,000	5.000%	736679 WC1
	June 15, 2022	1,585,000	5.000%	736679 WD9
	June 15, 2023	1,665,000	5.000%	736679 WE7
	June 15, 2024	1,750,000	5.000%	736679 WF4
	June 15, 2025	1,835,000	5.000%	736679 WG2
	June 15, 2026	1,925,000	3.000%	736679 WH0
	June 15, 2027	1,985,000	3.000%	736679 WJ6
	June 15, 2028	2,045,000	3.000%	736679 WK3
		$17,190,000		

APPENDIX A

SCHEDULES OF REMAINING MATURITIES:

Bond Issue	Due Date	Principal Amount	Interest Rate	CUSIP
$35,085,000 General Obligation Bonds, 2017 Series A Dated May 18, 2017				
	June 15, 2019	$1,185,000	5.000%	736679 WV9
	June 15, 2020	1,245,000	5.000%	736679 WW7
	June 15, 2021	1,305,000	5.000%	736679 WX5
	June 15, 2022	1,375,000	5.000%	736679 WY3
	June 15, 2023	1,440,000	5.000%	736679 WZ0
	June 15, 2024	1,515,000	5.000%	736679 XA4
	June 15, 2025	1,590,000	5.000%	736679 XB2
	June 15, 2026	1,670,000	5.000%	736679 XC0
	June 15, 2027	1,750,000	5.000%	736679 XD8
	June 15, 2028	1,840,000	2.500%	736679 XE6
	June 15, 2029	1,885,000	2.750%	736679 XF3
	June 15, 2030	1,940,000	3.000%	736679 XG1
	June 15, 2031	1,995,000	3.000%	736679 XH9
	June 15, 2032	2,055,000	3.000%	736679 XJ5
	June 15, 2033	2,115,000	3.000%	736679 XK2
	June 15, 2034	2,180,000	3.125%	736679 XL0
	June 15, 2035	2,250,000	3.125%	736679 XM8
	June 15, 2036	2,320,000	3.250%	736679 XN6
	June 15, 2037	2,395,000	3.375%	736679 XP1
		$34,050,000		
$23,445,000 General Obligation Bonds, 2018 Series A (Parks Improvement Projects) Dated January 18, 2018				
	June 15, 2019	$1,910,000	3.000%	736679 XR7
	June 15, 2020	1,265,000	2.000%	736679 XS5
	June 15, 2021	1,290,000	3.000%	736679 XT3
	June 15, 2022	1,325,000	5.000%	736679 XU0
	June 15, 2023	1,395,000	5.000%	736679 XV8
	June 15, 2024	1,465,000	2.000%	736679 XW6
	June 15, 2025	1,490,000	2.000%	736679 XX4
	June 15, 2026	1,520,000	3.000%	736679 XY2
	June 15, 2027	1,565,000	3.000%	736679 XZ9
	June 15, 2028	1,615,000	3.000%	736679 YA3
	June 15, 2029	4,240,000	3.000%	736679 YB1
	June 15, 2030	4,365,000	3.000%	736679 YC9
		$23,445,000		

APPENDIX A
SCHEDULES OF REMAINING MATURITIES:

Bond Issue	Due Date	Principal Amount	Interest Rate	CUSIP
$8,815,000				
General Obligation Refunding Bonds, 2018 Series B (Emergency Facilities Projects)				
Dated April 19, 2018				
	June 1, 2019	$650,000	5.000%	736679 YD7
	June 1, 2020	745,000	5.000%	736679 YE5
	June 1, 2021	780,000	5.000%	736679 YF2
	June 1, 2022	815,000	5.000%	736679 YG0
	June 1, 2023	860,000	5.000%	736679 YH8
	June 1, 2024	905,000	5.000%	736679 YJ4
	June 1, 2025	950,000	5.000%	736679 YK1
	June 1, 2026	995,000	5.000%	736679 YL9
	June 1, 2027	1,045,000	2.500%	736679 YM7
	June 1, 2028	1,070,000	2.500%	736679 YN5
		$8,815,000		

APPENDIX A
SCHEDULES OF REMAINING MATURITIES:

Bond Issue	Due Date	Principal Amount	Interest Rate	CUSIP

LIMITED TAX REVENUE BONDS

$18,058,888.25 Original Principal Amount ($39,475,000 Maturity Amount)
Limited Tax Revenue Bonds, 2001 Series B (Deferred Interest Bonds)
(Oregon Convention Center Completion Project)
Dated February 13, 2001

Due Date	Principal	Maturity Amount	Approximate	CUSIP
June 1, 2019	$1,549,480.00	$4,000,000.00	5.250%	736740 CY5
June 1, 2020	1,457,480.00	4,000,000.00	5.300%	736740 CZ2
June 1, 2021	1,031,250.00	3,000,000.00	5.330%	736740 DA6
June 1, 2022	802,172.25	2,475,000.00	5.360%	736740 DB4
	$4,840,382.25	$13,475,000.00		

$21,450,000

Limited Tax Revenue Refunding Bonds, 2009 Series A
(Central City Streetcar Project)
Dated May 21, 2009

April 1, 2019	$1,485,000	4.000%	736740 KG5
April 1, 2020	1,550,000	4.000%	736740 KH3
April 1, 2021	1,600,000	4.000%	736740 KJ9
April 1, 2022	1,675,000	4.000%	736740 KK6
April 1, 2023	1,740,000	4.000%	736740 KL4
April 1, 2024	1,805,000	4.000%	736740 KM2
	$9,855,000		

$7,745,000
Limited Tax Revenue Refunding Bonds, 2010 Series A
Dated April 22, 2010

April 1, 2019	$440,000	3.000%	736740 LE9
April 1, 2020	455,000	3.125%	736740 LF6
	$895,000		

APPENDIX A

SCHEDULES OF REMAINING MATURITIES:

Bond Issue	Due Date	Principal Amount	Interest Rate	CUSIP
$67,015,000				
Limited Tax Revenue Refunding Bonds, 2011 Series A				
(Oregon Convention Center Completion Project)				
Dated October 6, 2011				
	June 1, 2019	$490,000	5.000%	736740 LP4
	June 1, 2020	860,000	5.000%	736740 LQ2
	June 1, 2021	2,255,000	5.000%	736740 LR0
	June 1, 2022	3,005,000	5.000%	736740 LS8
	June 1, 2023	6,140,000	5.000%	736740 LT6
	June 1, 2024	6,445,000	5.000%	736740 LU3
	June 1, 2025	6,770,000	5.000%	736740 LV1
	June 1, 2026	7,115,000	5.000%	736740 LW9
	June 1, 2027	7,465,000	5.000%	736740 LX7
	June 1, 2028	7,840,000	5.000%	736740 LY5
	June 1, 2029	8,330,000	5.000%	736740 LZ2
	June 1, 2030	8,750,000	5.000%	736740 MA6
		$65,465,000		
$5,445,000				
Limited Tax Revenue Bonds, 2011 Series B				
(Emergency Coordination Center)				
Dated December 15, 2011				
	June 1, 2019	$380,000	3.000%	736740 MH1
	June 1, 2020	390,000	3.000%	736740 MJ7
	June 1, 2021	405,000	2.375%	736740 MK4
	June 1, 2022	415,000	2.500%	736740 ML2
	June 1, 2023	425,000	2.625%	736740 MM0
	June 1, 2024	435,000	2.875%	736740 MN8
	June 1, 2025	450,000	3.000%	736740 MP3
	June 1, 2026	460,000	3.000%	736740 MQ1
		$3,360,000		
$12,000,000				
Limited Tax Revenue Bonds, 2012 Series A				
(JELD-WEN Field Project) (Federally Taxable)				
Dated April 24, 2012				
	June 1, 2024	$2,855,000	3.250%	736740 MR9
	June 1, 2025	2,950,000	3.250%	736740 MS7
	June 1, 2026	3,045,000	3.500%	736740 MT5
	June 1, 2027	3,150,000	3.500%	736740 MU2
		$12,000,000		

APPENDIX A
SCHEDULES OF REMAINING MATURITIES:

Bond Issue	Due Date	Principal Amount	Interest Rate	CUSIP
\$21,865,000				
Limited Tax Revenue and Refunding Bonds, 2012 Series B				
(Police Training Facility Project)				
Dated May 24, 2012				
	June 1, 2019	\$1,375,000	4.000%	736740 NB3
	June 1, 2020	1,435,000	4.000%	736740 NC1
	June 1, 2021	1,490,000	4.000%	736740 ND9
	June 1, 2022	1,550,000	4.000%	736740 NE7
		\$5,850,000		
\$36,160,000				
Limited Tax Revenue Bonds, 2012 Series C				
(Portland-Milwaukie Light Rail Project)				
Dated September 20, 2012				
	September 1, 2019	\$1,585,000	4.000%	736740 NM9
	September 1, 2020	1,645,000	4.000%	736740 NN7
	September 1, 2021	1,725,000	5.000%	736740 NP2
	September 1, 2022	1,810,000	5.000%	736740 NQ0
	September 1, 2023	1,885,000	3.000%	736740 NR8
	September 1, 2024	1,940,000	3.000%	736740 NS6
	September 1, 2025	2,000,000	3.000%	736740 NT4
	September 1, 2026	2,060,000	3.000%	736740 NU1
	September 1, 2027	2,125,000	3.000%	736740 NV9
	September 1, 2028	2,190,000	3.000%	736740 NW7
	September 1, 2029	2,255,000	3.000%	736740 NX5
	September 1, 2030	2,325,000	3.000%	736740 NY3
	September 1, 2031	2,395,000	3.000%	736740 NZ0
	September 1, 2032	2,470,000	3.000%	736740 PA3
		\$28,410,000		

APPENDIX A
SCHEDULES OF REMAINING MATURITIES:

Bond Issue	Due Date	Principal Amount	Interest Rate	CUSIP
$44,215,000 **Limited Tax Revenue Bonds, 2014 Series A** **(Sellwood Bridge Project)** **Dated June 17, 2014**				
	June 1, 2019	$1,635,000	5.000%	736740 PF2
	June 1, 2020	1,715,000	5.000%	736740 PG0
	June 1, 2021	1,800,000	5.000%	736740 PH8
	June 1, 2022	1,890,000	5.000%	736740 PJ4
	June 1, 2023	1,985,000	5.000%	736740 PK1
	June 1, 2024	2,085,000	5.000%	736740 PL9
	June 1, 2025	2,190,000	5.000%	736740 PM7
	June 1, 2026	2,300,000	5.000%	736740 PN5
	June 1, 2027	2,415,000	5.000%	736740 PP0
	June 1, 2028	2,535,000	5.000%	736740 PQ8
	June 1, 2029	2,660,000	5.000%	736740 PR6
	June 1, 2030	2,795,000	4.000%	736740 PS4
	June 1, 2031	2,905,000	4.000%	736740 PT2
	June 1, 2032	3,020,000	4.000%	736740 PU9
	June 1, 2033	3,140,000	4.000%	736740 PV7
	June 1, 2034	3,270,000	4.000%	736740 PW5
		$38,340,000		
$16,220,000 **Limited Tax Revenue Bonds, 2016 Series A** **(Green Bonds - Lighting Efficiency Project)** **Dated November 29, 2016**				
	April 1, 2019	$1,375,000	5.000%	736740 PZ8
	April 1, 2020	1,445,000	5.000%	736740 QA2
	April 1, 2021	1,520,000	5.000%	736740 QB0
	April 1, 2022	1,595,000	5.000%	736740 QC8
	April 1, 2023	1,675,000	5.000%	736740 QD6
	April 1, 2024	1,755,000	5.000%	736740 QE4
	April 1, 2025	1,845,000	5.000%	736740 QF1
	April 1, 2026	1,940,000	5.000%	736740 QG9
		$13,150,000		

APPENDIX A
SCHEDULES OF REMAINING MATURITIES:

Bond Issue	Due Date	Principal Amount	Interest Rate	CUSIP
$35,780,000 **Limited Tax Revenue Bonds, 2017 Series A** **(Sellwood Bridge and Archives Space Projects)** **Dated June 15, 2017**				
	April 1, 2019	$490,000	4.000%	736740 QJ3
	April 1, 2020	1,590,000	4.000%	736740 QK0
	April 1, 2021	1,650,000	5.000%	736740 QL8
	April 1, 2022	1,740,000	5.000%	736740 QM6
	April 1, 2023	1,820,000	5.000%	736740 QN4
	April 1, 2024	1,915,000	5.000%	736740 QP9
	April 1, 2025	2,015,000	5.000%	736740 QQ7
	April 1, 2026	2,110,000	5.000%	736740 QR5
	April 1, 2027	2,220,000	5.000%	736740 QS3
	April 1, 2028	2,330,000	4.000%	736740 QT1
	April 1, 2029	1,640,000	4.000%	736740 QU8
	April 1, 2030	1,710,000	4.000%	736740 QV6
	April 1, 2031	1,775,000	4.000%	736740 QW4
	April 1, 2032	1,845,000	4.000%	736740 QX2
	April 1, 2033	1,920,000	4.000%	736740 QY0
	April 1, 2034	2,000,000	4.000%	736740 QZ7
	April 1, 2035	2,075,000	4.000%	736740 RA1
	April 1, 2036	2,160,000	4.000%	736740 RB9
	April 1, 2037	2,245,000	4.000%	736740 RC7
		$35,250,000		
$7,900,000 **Limited Tax Revenue Bonds, 2018 Series A** **(Ellington Apartments Project)** **Dated June 28,2018**				
	March 1, 2019	$670,000	5.000%	736740 SL6
	March 1, 2020	575,000	5.000%	736740 SM4
	March 1, 2021	605,000	5.000%	736740 SN2
	March 1, 2022	635,000	5.000%	736740 SP7
	March 1, 2023	665,000	5.000%	736740 SQ5
	March 1, 2024	700,000	5.000%	736740 SR3
	March 1, 2025	730,000	5.000%	736740 SS1
	March 1, 2026	770,000	5.000%	736740 ST9
	March 1, 2027	810,000	5.000%	736740 SU6
	March 1, 2028	850,000	5.000%	736740 SV4
	March 1, 2029	890,000	5.000%	736740 SW2
		$7,900,000		

APPENDIX A
SCHEDULES OF REMAINING MATURITIES:

Bond Issue	Due Date	Principal Amount	Interest Rate	CUSIP
$102,860,000				
Limited Tax Revenue Bonds, 2018 Series B				
(Portland Building Project)				
Dated November 29, 2018				
	June 15, 2021	$3,110,000	5.000%	736740 SX0
	June 15, 2022	3,265,000	5.000%	736740 SY8
	June 15, 2023	3,430,000	5.000%	736740 SZ5
	June 15, 2024	3,600,000	5.000%	736740 TA9
	June 15, 2025	3,780,000	5.000%	736740 TB7
	June 15, 2026	3,970,000	5.000%	736740 TC5
	June 15, 2027	4,170,000	5.000%	736740 TD3
	June 15, 2028	4,380,000	5.000%	736740 TE1
	June 15, 2029	4,595,000	5.000%	736740 TF8
	June 15, 2030	4,825,000	5.000%	736740 TG6
	June 15, 2031	5,070,000	5.000%	736740 TH4
	June 15, 2032	5,320,000	5.000%	736740 TJ0
	June 15, 2033	5,585,000	5.000%	736740 TK7
	June 15, 2034	5,865,000	5.000%	736740 TL5
	June 15, 2035	6,160,000	5.000%	736740 TM3
	June 15, 2036	6,470,000	5.000%	736740 TN1
	June 15, 2037	6,790,000	5.000%	736740 TP6
	June 15, 2038	7,130,000	5.000%	736740 TQ4
	June 15, 2039	7,485,000	5.000%	736740 TR2
	June 15, 2040	7,860,000	5.000%	736740 TS0
		$102,860,000		

APPENDIX A
SCHEDULES OF REMAINING MATURITIES:

Bond Issue	Due Date	Principal Amount	Interest Rate	CUSIP
LIMITED TAX HOUSING REVENUE BONDS				
$10,480,000				
Limited Tax Housing Revenue Bonds, 2005 Series A				
(Headwaters Apartment Project)				
Dated April 18, 2005				
	April 1, 2025	$2,560,000	4.500%	736704 AJ6
	**	**	**	**
	April 1, 2035	5,315,000	4.710%	736704 AK3
		$7,875,000		
$6,975,000				
Limited Tax Housing Revenue Bonds, 2005 Series D (Tax-Exempt)				
(Housing Opportunity Program)				
Dated June 21, 2005				
	June 1, 2019	$570,000	4.000%	736704 BB2
	June 1, 2020	590,000	4.000%	736704 BC0
	June 1, 2021	615,000	4.000%	736704 BD8
	June 1, 2022	640,000	4.000%	736704 BE6
	June 1, 2023	665,000	4.000%	736704 BF3
	June 1, 2024	695,000	4.000%	736704 BG1
	June 1, 2025	720,000	4.125%	736704 BH9
		$4,495,000		

APPENDIX A
SCHEDULES OF REMAINING MATURITIES:

Bond Issue	Due Date	Principal Amount	Interest Rate	CUSIP
LIMITED TAX IMPROVEMENT BONDS				
\$41,745,000				
Limited Tax Improvement Bonds, 2007 Series A				
Dated June 28, 2007				
	June 1, 2027	\$15,755,000	5.000%	736679 RD5
		\$15,755,000		
\$22,305,000				
Limited Tax Improvement Bonds, 2010 Series A				
Dated April 29, 2010				
	June 1, 2030	8,935,000	4.125%	736679 TE1
		\$8,935,000		
\$3,400,000				
Limited Tax Improvement Bonds, 2011 Series A				
Dated December 13, 2011				
	June 1, 2032	920,000	4.000%	736679 UE9
		\$920,000		
\$7,385,000				
Limited Tax Improvement Bonds, 2014 Series A				
Dated June 26, 2014				
	June 1, 2019	\$430,000	4.000%	736679 VC2
	**	**	**	**
	June 1, 2034	2,620,000	4.000%	736679 VE8
		\$3,050,000		
\$10,800,000				
Limited Tax Improvement Bonds, 2018 Series A				
Dated November 1, 2018				
	June 1, 2020	\$800,000	5.000%	736679 YQ8
	June 1, 2021	600,000	5.000%	736679 YR6
	June 1, 2022	615,000	5.000%	736679 YS4
	June 1, 2023	605,000	5.000%	736679 YT2
	June 1, 2024	555,000	5.000%	736679 YU9
	**	**	**	**
	June 1, 2029	3,105,000	3.000%	736679 YV7
	**	**	**	**
	June 1, 2039	4,520,000	3.600%	736679 YW5
		\$10,800,000		

APPENDIX A
SCHEDULES OF REMAINING MATURITIES:

LIMITED TAX PENSION OBLIGATION BONDS

$150,848,345.70
Limited Tax Pension Obligation Revenue Bonds, 1999 Series C

Current Interest Bonds Dated November 1, 1999

Due Date	Principal Amount	Interest Rate	CUSIP
June 1, 2022	$94,820,000	7.701%	736679 KX8

Capital Appreciation Bonds Dated November 10, 1999

Due Date	Initial Principal Amount	Maturity Amount	Approximate Yield to Maturity	CUSIP
June 1, 2023	$6,345,174.80	$39,640,000.00	7.930%	736679 KZ3
June 1, 2024	6,105,422.50	41,225,000.00	7.930%	736679 LA7
June 1, 2025	5,874,732.50	42,875,000.00	7.930%	736679 LB5
June 1, 2026	5,652,228.40	44,590,000.00	7.930%	736679 LC3
June 1, 2027	5,438,273.60	46,370,000.00	7.930%	736679 LD1
June 1, 2028	5,232,955.00	48,230,000.00	7.930%	736679 LE9
June 1, 2029	5,034,558.90	50,155,000.00	7.930%	736679 LF6
	$39,683,345.70	$313,085,000.00		

$75,000,000
Limited Tax Pension Obligation Revenue Bonds, 1999 Series D (Federally Taxable)
Periodic Auction Reset Securities (PARS^{SM})
Dated November 10, 1999

Due Date	Principal Amount	Interest Rate	CUSIP
June 1, 2019	$23,775,000	Variable	736679 MC2

$75,000,000
Limited Tax Pension Obligation Revenue Bonds, 1999 Series E (Federally Taxable)
Periodic Auction Reset Securities (PARS^{SM})
Dated November 10, 1999

Due Date	Principal Amount	Interest Rate	CUSIP
June 1, 2019	$23,750,000	Variable	736679 MD0

CITY OF PORTLAND, OREGON
1851

APPENDIX B
EXCERPTS FROM AUDITED FINANCIAL STATEMENTS

CITY OF PORTLAND, OREGON

1851

INTRODUCTION TO EXCERPTS OF FINANCIAL STATEMENTS

The financial statements of the City have been audited by independent certified public accountants for the fiscal years 2014, 2015, 2016, 2017, and 2018. Copies of these financial statements containing the reports of the independent certified public accountants are available on the City's website at:

https://www.portlandoregon.gov/omf/26053

The following pages in this Appendix B are excerpted from the City's Comprehensive Annual Financial Reports of the City for Fiscal Years ending June 30, 2014 through June 30, 2018. The notes that follow the tabular data have been prepared by the City and have not been reviewed by the independent auditor.

A CONSENT OF THE INDEPENDENT AUDITOR WAS NOT REQUESTED. THE AUDITOR WAS NOT REQUESTED TO PERFORM AND HAS NOT PERFORMED ANY SERVICE IN CONNECTION WITH THIS OFFICIAL STATEMENT AND IS THEREFORE NOT ASSOCIATED WITH THIS ANNUAL DISCLOSURE DOCUMENT.

CITY OF PORTLAND, OREGON
1851

CITY OF PORTLAND, OREGON
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Generally Accepted Accounting Principles Basis
for Fiscal Year Ended June 30

	2014	2015	2016	2017	2018
Revenues					
Taxes	338,338,808	360,355,397	380,144,273	396,842,948	422,674,507
Payments in lieu of taxes	924,647	586,440	698,417	925,534	1,420,541
Rents and reimbursements	4,738,380	4,686,789	4,831,542	4,866,766	4,892,848
Licenses and fees	167,880,349	184,881,129	198,978,646	213,377,412	223,064,189
Intergovernmental revenues	27,200,418	28,463,550	29,807,858	28,923,286	35,860,138
Charges for services	12,395,309	13,899,341	13,825,116	13,159,071	15,122,570
Interagency	48,238,550	44,969,245	49,045,819	55,062,892	61,076,933
Miscellaneous service charges	2,494,754	3,382,288	4,473,354	7,215,001	6,694,994
Investment earnings	1,279,286	1,382,154	1,996,603	1,533,230	1,801,332
Other miscellaneous revenues	3,243,842	3,521,445	3,120,724	3,344,321	4,166,242
Total revenues	606,734,343	646,127,778	686,922,352	725,250,461	776,774,294
Expenditures					
Public safety	386,756,653	406,094,441	421,507,535	432,959,906	470,912,771
Parks/recreation/cultural	63,842,686	69,068,004	77,497,187	86,828,104	92,537,178
Community development	36,329,749	42,826,296	51,901,948	55,334,799	59,329,122
Support svcs./legis./admin.	63,226,710	64,893,554	68,033,585	71,197,778	81,344,595
Capital outlay	6,815,692	6,233,281	1,544,189	3,441,946	2,461,790
Debt service and related costs	6,824,590	7,452,062	8,190,788	8,991,917	9,856,184
Total expenditures	563,796,080	596,567,638	628,675,232	658,754,450	716,441,640
Revenues over (under) expenditures	42,938,263	49,560,140	58,247,120	66,496,011	60,332,654
Other Financing Sources (Uses)					
Transfers in	10,348,435	4,850,709	1,064,081	2,164,446	1,293,264
Transfers out	(35,609,531)	(45,299,251)	(63,837,143)	(58,287,236)	(54,084,721)
Proceeds from sale of capital assets	0	300	1,188	5,463	0
Total other sources (uses)	(25,261,096)	(40,448,242)	(62,771,874)	(56,117,327)	(52,791,457)
Net change in fund balances	17,677,167	9,111,898	(4,524,754)	10,378,684	7,541,197
Fund balance, beginning	79,290,866	96,968,033	106,079,931	101,555,177	111,933,861
Reclassifications					
Special revenue fund to general fund per GASB 54	-	-	-	-	-
Fund balances, ending	$96,968,033	$106,079,931	$101,555,177	$111,933,861	$119,475,058

Source: City of Portland. Information presented for Fiscal Years 2014 through 2018 are derived from City of Portland audited annual financial statements.

CITY OF PORTLAND, OREGON
General Fund
Consecutive Balance Sheets as of June 30

	2014	2015	2016	2017	2018
ASSETS:					
Unrestricted:					
Cash and investments	$73,099,421	$80,235,981	$80,667,323	$93,431,942	$98,872,008
Receivables:					
Taxes	14,192,434	15,131,852	14,276,702	16,046,561	18,570,996
Accounts, net	30,446,842	32,336,325	32,298,959	32,494,604	34,622,036
Accrued interest, advances	1,633,590	647,339	903,891	1,551,589	2,336,910
Notes and loans, net	0	0	224,724	375,880	339,717
Assessments	19,876	16,336	6,621	2,178	3,162
Due from component units	318,277	232,755	0	124,901	154,686
Internal loans	695,000	725,000	86,433	0	0
Inventories	299,864	286,027	270,633	252,251	365,483
Prepaid Items	245,429	227,747	182,389	152,359	176,614
Restricted:					
Cash and investments	5,881,293	5,966,918	6,778,179	7,204,523	8,845,991
Receivables:					
Taxes	8,231,915	7,398,731	6,437,733	7,330,174	9,155,346
Total assets	$135,063,941	$143,205,011	$142,133,587	$158,966,962	$173,442,949
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:					
Liabilities payable from unrestricted assets:					
Accounts payable	$7,729,597	$8,775,467	$12,968,489	$15,716,359	$16,176,237
Unearned revenue	152,320	156,593	166,276	209,186	291,040
Internal loans payable	1,323,735	-	-	-	-
Due to component unit	1,255,384	994,181	1,483,531	1,905,251	1,932,029
Other liabilities	32,866	32,866	32,866	-	-
Liabilities payable from restricted assets:					
Due to fiduciary fund	8,231,915	7,398,731	6,437,733	7,330,174	9,155,346
Other liabilities	5,881,293	5,966,918	6,778,179	7,204,523	8,845,991
Total liabilities	24,607,110	23,324,756	27,867,074	32,365,493	36,400,643
Deferred inflows of resources					
Unavailable revenue - unrestricted	13,488,798	13,800,324	12,711,336	14,667,608	17,567,248
Total deferrred inflows of resources	13,488,798	13,800,324	12,711,336	14,667,608	17,567,248
Fund balance					
Nonspendable	545,293	513,774	453,022	404,610	542,097
Committed	60,077,408	58,885,208	56,495,175	58,916,535	60,999,524
Assigned	7,444,423	30,220,861	17,351,152	13,028,310	-
Unassigned	28,900,909	16,460,088	27,255,828	39,584,406	57,933,437
Total fund balance	96,968,033	106,079,931	101,555,177	111,933,861	119,475,058
Total liabilities, deferred inflows of resources and fund balances	$135,063,941	$143,205,011	$142,133,587	$158,966,962	$173,442,949

Source: City of Portland. Information presented for Fiscal Years 2014 through 2017 are derived from City of Portland audited annual financial statements.

APPENDIX C

ADDITIONAL INFORMATION PERTAINING TO:
LIMITED TAX REVENUE BONDS 2001 SERIES B AND
LIMITED TAX REVENUE REFUNDING BONDS, 2011 SERIES A

NET REVENUES OF THE VISITOR DEVELOPMENT INITIATIVE ("VDI")

The VDI is a consortium consisting of the City, Multnomah County (the "County"), the Metropolitan Service District, the Metropolitan Exposition-Recreation Commission and the tourism industry, in particular, Travel Portland (formerly, the Portland Oregon Visitors Association) and representatives of the hotel industry and the rental car industry. In accordance with the Visitor Facilities Intergovernmental Agreement signed by the governmental bodies participating in the VDI, 2.5 percent surcharges on the transient lodging tax and the motor vehicle rental tax were enacted by the County effective April 1, 2000. The two surcharges and earnings thereon, less the County's costs of collection and administration, constitute "Net Revenues" which are collected by the County and deposited into the Visitors Facilities Trust Account ("VFTA") held by the County. These revenues are referred to as the "VFTA Net Revenues."

The first priority of expenditures from the VFTA is the repayment of the Limited Tax Revenue Bonds, 2001 Series B (Oregon Convention Center Completion Project) and the Limited Tax Revenue Refunding Bonds, 2011 Series A (Oregon Convention Center Completion Project).

The second priority of expenditures from the VFTA is the repayment of bonds issued to fund improvement to the Portland Center for Performing Arts ("PCPA"). The PCPA bonds were fully repaid on December 1, 2016.

The third priority of expenditures from the VFTA is the payment of a portion of the Limited Tax Revenue Bonds, 2001 Series D (Civic Stadium Project) (the "Stadium Bonds"). The Stadium Bonds were refunded in December 2013 with a loan privately placed with a commercial bank. This loan matures June 1, 2023 and is currently outstanding in the amount of $15,096,000.

Effective October 25, 2013 the parties involved in the VDI entered into an amended and restated Visitor Facilities Intergovernmental Agreement (the "VFIGA"). The amended VFIGA retains repayment of the City's bonds as the top three priorities as described above. Among other changes, the amended VFIGA replaces the prior Revenue Stabilization Subaccount ("RSS") with a two-tier Restricted Reserve (the "RR") and Bond Redemption Reserve (the "BRR") (collectively, "VFTA Reserves"). The RR will be used to make disbursements in future years if Net Revenues are insufficient to pay all disbursements required under the VFIGA, including payment of the City's bonds. The minimum amount to be established and maintained in the RR shall be reviewed annually and is targeted to be equal to 1.5 times the maximum annual payments forecast to be expended for all required allocations (after payment of bonds) during the next five fiscal years. Amounts in the BRR are intended to be applied towards early redemption of outstanding bonds paid from VTFA Net Revenues, subject to agreement by representatives of the parities to the VFIGA. The anticipated minimum RR amount for FY 2018-19 is currently estimated at $10.27 million.

CITY OF PORTLAND, OREGON
VFTA Net Revenues (1)
(FY 2008-09 through FY 2017-18)

Fiscal Year Ending June 30	VFTA Net Revenues (1)	VFTA Reserves Balance (2)
2009	$10,545,607	$2,739,180
2010	9,939,689	1,970,055
2011	11,285,586	2,234,093
2012	12,268,542	4,098,244
2013	13,333,197	5,552,284
2014	14,996,033	7,763,812
2015	17,893,622	12,295,478
2016	20,411,834	18,515,198
2017	21,019,043	20,431,468
2018	21,126,829	21,750,598

Notes:

(1) VFTA Net Revenues were formerly referred to as "VDI Net Revenues".

(2) Prior to amendment to the VFIGA in FY 2013-14, the VFTA Reserves were referred to as the Rate Stabilization Subaccount.

Source: Multnomah County.

APPENDIX D

ADDITIONAL INFORMATION PERTAINING TO: LIMITED TAX REVENUE REFUNDING BONDS, 2016 SERIES A (GREEN BONDS — LIGHTING EFFICIENCY PROJECT)

HISTORICAL RESULTS—ENERGY SAVINGS FROM LED INSTALLATIONS

The table below shows historical energy savings from the Lighting Efficiency Project as lights have been converted. The number of street lights has varied each year, depending on lights being added or removed or other adjustments affecting the number of lights billed to the City. Such adjustments have, over time, increased the total number of lights relative to the baseline. Note that because the Portland Bureau of Transportation collects data on energy use on a combined basis for all street lights, the table below shows savings in relation to all street lighting billed to the City.

CITY OF PORTLAND, OREGON
Historical Energy Savings from LED Installations
(FY 2011-12 through FY 2017-18) (1)

Fiscal Year	LED Lights	Non-LED Lights to be Converted	Other Non-LED Lights	Total Lights (3)	Kilowatt Hours/Light/Year	Total Kilowatt Hours/Year	Baseline	Savings in Kilowatt Hours/Year
FY 2011-12 (2)	0	54,285	988	55,273	728.8	40,285,497	40,285,497	-
FY 2012-13	201	54,083	1,203	55,487	724.7	40,209,847	40,285,497	75,650
FY 2013-14	816	53,831	1,243	55,890	719.5	40,214,714	40,285,497	70,783
FY 2014-15	10,029	44,666	1,240	55,935	643.6	35,998,154	40,285,497	4,287,343
FY 2015-16	32,129	23,523	1,249	56,901	450.7	25,646,671	40,285,497	14,638,826
FY 2016-17	46,794	8,195	1,222	56,210	283.8	15,954,018	40,285,497	24,331,479
FY 2017-18	53,248	2,107	1,171	56,525	216.2	12,223,288	40,285,497	28,062,209

Notes:

(1) Data in fiscal years prior to FY 2017-18 have been updated from prior disclosure documents for accuracy.

(2) FY 2011-12 serves as the baseline and is used to measure energy savings.

(3) The number of street lights varies from the baseline, depending on lights being added or removed or other billing adjustments.

Source: City of Portland, Portland Bureau of Transportation.

APPENDIX E
ADDITIONAL INFORMATION PERTAINING TO:
LIMITED TAX REVENUE REFUNDING BONDS,
2009 SERIES A (CENTRAL CITY STREETCAR PROJECT)

CITY OF PORTLAND, OREGON
1851

PARKING FACILITY AND METER FINANCIAL OPERATIONS

The primary revenue sources pledged to the repayment of the Limited Tax Revenue Refunding Bonds, 2009 Series A (Central City Streetcar Project) (the "2009 Series A Bonds") are Pledged Facilities Revenues and Pledged Meter Revenues (after payment of operating costs and debt service on Prior Facilities Obligations and Prior Meter Obligations as defined in Ordinance 173244). The City has no outstanding Prior Facilities Obligations and Prior Meter Obligations. The Limited Tax Revenue Bonds, 2007 Series B Bonds (Transit Mall Revitalization Project), which the City had committed to pay from the Available Net Meter Revenues, were fully repaid on May 4, 2016.

Revenues from six City owned garages (the "Parking Facilities") are accounted for in the Parking System and are pledged to the repayment of the 2009 Series A Bonds. The budgetary and financial reporting activity for the City's Parking Facilities is accounted for in the City's Parking Facilities Fund. Each parking facility is accounted for separately within the fund.

Short-term parking rates are approved by the City Council. Commercial space rents are negotiated at current market rates. Until November 2008, all other rates had been set by the City's Office of Management and Finance, Facilities Services Division. Effective November 2008, the Parking Facilities are managed by the Portland Bureau of Transportation ("PBOT"), and PBOT assumed the responsibility of rate-setting for the Parking Facilities. Parking Facilities rates are established to encourage short-term parking. The rates are structured to provide annual revenues sufficient to pay operating and maintenance expenses of the Parking Facilities, to pay debt service on the 2009 Series A Bonds, to fund capital improvements, and to meet other obligations.

Parking meter revenues are accounted for in the Transportation Operating Fund. Parking meter revenues include meter receipts, parking permit fees, and parking citation fines. Parking meter revenues support transportation related activities, including installation, operation, and maintenance of the meters, and regulation, enforcement, control, engineering and construction in connection with vehicle and pedestrian traffic within the City.

PARKING FACILITY AND METER HISTORICAL FINANCIAL RESULTS

The following table shows historical financial results for the Parking Facilities and parking meters, including amounts to pay debt service on the 2009 Series A Bonds.

Parking Facility Financial Results. From FY 2013-14 to FY 2017-18, the compound annual growth rate of Net Facilities Revenues was 1.1 percent. Contributing to the slow growth in net revenues were the changes to on-street street parking that resulted in an increase in on-street meter revenue. Time limits for on-street Smart Meters were increased from one hour to two hours. Also, PBOT implemented a mobile application, Parking Kitty, that gave the parking public a way to pay for parking and to pay for increasing their time stay through their mobile devices. Both changes offered more convenience for parkers using on-street parking.

Included in the Net Facilities Revenue is rental income from commercial space at the Parking Facilities. This represents approximately five percent of total Parking Facilities annual revenues.

Parking Meter Financial Results. Between FY 2013-14 and FY 2017-18, the compound annual growth rate of Net Meter Revenues was 12.4 percent. Contributing factors in this growth are increased time limits for on-street Smart Meters from one hour to two hours; implementation of a mobile application, Parking Kitty, that gave the parking public a way to pay for parking and to pay for increasing their time stay through their mobile devices; an increase in the number of reserved parking permits; and expansion of some existing area parking permit zones.

Meter Operating Expenses grew over the five-year period by a compound annual growth rate of 9.1 percent. The additional operating expenses are due primarily to the cost of the software used in the Smart Meters, the paper used for printing the parking validation receipt, bank transaction fees for customers using their credit or debit cards to pay for parking, and staffing costs related to the expanded hours and permit areas. Going forward, PBOT expects that the growing use of the mobile application to pay for parking will reduce the expense to pay for the parking validation receipts.

CITY OF PORTLAND, OREGON
Historical Revenues and Expenses
(Parking Facilities and Parking Meters) (1)

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Gross Facilities Revenues					
3rd & Alder	$3,493,051	$3,994,909	$4,178,743	$3,363,435	$3,341,196
10th & Yamhill	2,434,265	3,171,479	3,558,719	3,317,642	2,745,184
Naito & Davis	1,265,719	1,564,207	1,847,755	1,921,542	2,013,856
O'Bryant Square	267,753	254,908	245,700	218,685	56,659
4th & Yamhill	2,483,024	1,988,317	2,194,273	2,303,438	2,522,825
1st and Jefferson	1,792,296	2,748,922	3,122,120	3,254,182	3,864,254
Interest Income	37,099	53,663	101,559	164,927	248,274
Total	$11,773,207	$13,776,405	$15,248,869	$14,543,851	$14,792,248
Facilities Operating Expenses					
3rd & Alder	$1,243,844	$1,697,406	$1,864,143	$1,919,195	$1,873,207
10th & Yamhill	1,003,699	1,137,741	1,423,333	1,475,167	1,294,887
Naito & Davis	1,014,822	712,167	853,149	1,234,984	1,042,764
O'Bryant Square	209,768	240,757	225,397	225,604	140,683
4th & Yamhill	727,771	974,949	1,201,454	1,213,628	1,265,917
1st and Jefferson	411,894	1,193,074	1,225,740	1,130,035	1,548,565
General Fund Overhead	68,313	68,313	191,094	164,382	203,021
Total	$4,680,111	$6,024,407	$6,984,311	$7,362,995	$7,369,044
Net Facilities Revenues	$7,093,096	$7,751,998	$8,264,558	$7,180,856	$7,423,204
Gross Meter Revenues					
Meter Collections	$22,170,156	$24,572,543	$28,772,577	$33,594,745	$36,186,091
Citation Fines	6,574,294	6,438,629	7,957,472	7,206,634	6,928,776
Misc. Fees/Permit	4,611,772	5,646,422	7,626,535	9,190,375	12,490,626
Total	$33,356,222	$36,657,594	$44,356,584	$49,991,754	$55,605,493
Meter Operating Expenses					
Parking Patrol Program	$5,030,953	$5,626,573	$5,543,956	$5,287,549	$6,645,695
Parking Op./Mgt. Program	5,522,933	5,927,310	6,986,805	8,010,963	8,726,787
Meter Maintenance	0	0	0	0	0
Total	$10,553,886	$11,553,883	$12,530,761	$13,298,512	$15,372,482
Net Meter Revenues	$22,802,336	$25,103,711	$31,825,823	$36,693,242	$40,233,011
Net Revenues	$29,895,432	$32,855,709	$40,090,381	$43,874,098	$47,656,215
Available Revenues for Payment of 2009 Bonds	$29,895,432	$32,855,709	$40,090,381	$43,874,098	$47,656,215

Notes:

(1) Totals may not sum due to rounding.

Source: City of Portland.

APPENDIX F
ADDITIONAL INFORMATION PERTAINING TO:
LIMITED TAX IMPROVEMENT BONDS

Table F-1
CITY OF PORTLAND, OREGON
Schedule of Term Bond Redemptions
Limited Tax Improvement Bonds, 2007 Series A

	Term Bonds Maturing 6/1/17 Original Par Amount: $11,210,000		Term Bonds Maturing 6/1/27 Original Par Amount: $19,680,000	
Redemption Date	Bonds Redeemed	Balance After Redemption	Bonds Redeemed	Balance After Redemption
12/1/07	$705,000	$10,505,000	$0	$19,680,000
6/1/08	665,000	9,840,000	0	19,680,000
12/1/08	590,000	9,250,000	0	19,680,000
6/1/09	255,000	8,995,000	0	19,680,000
12/1/09	275,000	8,720,000	0	19,680,000
6/1/10	0	8,720,000	0	19,680,000
12/1/10	105,000	8,615,000	0	19,680,000
6/1/11	0	8,615,000	0	19,680,000
12/1/11	0	8,615,000	0	19,680,000
6/1/12	50,000	8,565,000	0	19,680,000
12/1/12	1,125,000	7,440,000	0	19,680,000
6/1/13	1,075,000	6,365,000	0	19,680,000
12/1/13	1,070,000	5,295,000	0	19,680,000
6/1/14	1,045,000	4,250,000	0	19,680,000
12/1/14	1,080,000	3,170,000	0	19,680,000
6/1/15	1,035,000	2,135,000	0	19,680,000
12/1/15	1,155,000	980,000	0	19,680,000
6/1/16	980,000	0	80,000	19,600,000
12/1/16	0	0	960,000	18,640,000
6/1/17	0	0	1,000,000	17,640,000
12/1/17	0	0	945,000	16,695,000
6/1/18	0	0	940,000	15,755,000
12/1/18	0	0	945,000	14,810,000

Source: City of Portland.

Table F-2
CITY OF PORTLAND, OREGON
Schedule of Term Bond Redemptions
Limited Tax Improvement Bonds, 2010 Series A

	Term Bonds Maturing 6/1/20 Original Par Amount: $5,885,000		Term Bonds Maturing 6/1/30 Original Par Amount: $9,950,000	
Redemption Date	Bonds Redeemed	Balance After Redemption	Bonds Redeemed	Balance After Redemption
12/1/10	$915,000	$4,970,000	$0	$9,950,000
6/1/11	270,000	4,700,000	0	9,950,000
12/1/11	240,000	4,460,000	0	9,950,000
6/1/12	0	4,460,000	0	9,950,000
12/1/12	370,000	4,090,000	0	9,950,000
6/1/13	40,000	4,050,000	0	9,950,000
12/1/13	145,000	3,905,000	0	9,950,000
6/1/14	30,000	3,875,000	0	9,950,000
12/1/14	130,000	3,745,000	0	9,950,000
6/1/15	50,000	3,695,000	0	9,950,000
12/1/15	950,000	2,745,000	0	9,950,000
6/1/16	1,680,000	1,065,000	0	9,950,000
12/1/16	495,000	570,000	0	9,950,000
6/1/17	570,000	0	15,000	9,935,000
12/1/17	0	0	460,000	9,475,000
6/1/18	0	0	540,000	8,935,000
12/1/18	0	0	430,000	8,505,000

Source: City of Portland.

Table F-3
CITY OF PORTLAND, OREGON
Schedule of Term Bond Redemptions
Limited Tax Improvement Bonds, 2011 Series A

	Term Bonds Maturing 6/1/22 Original Par Amount: $1,360,000		Term Bonds Maturing 6/1/32 Original Par Amount: $1,120,000	
Redemption Date	Bonds Redeemed	Balance After Redemption	Bonds Redeemed	Balance After Redemption
6/1/12	$195,000	$1,165,000	$0	$1,120,000
12/1/12	120,000	1,045,000	0	1,120,000
6/1/13	0	1,045,000	0	1,120,000
12/1/13	95,000	950,000	0	1,120,000
6/1/14	165,000	785,000	0	1,120,000
12/1/14	55,000	730,000	0	1,120,000
6/1/15	0	730,000	0	1,120,000
12/1/15	100,000	630,000	0	1,120,000
6/1/16	130,000	500,000	0	1,120,000
12/1/16	155,000	345,000	0	1,120,000
6/1/17	130,000	215,000	0	1,120,000
12/1/17	215,000	0	135,000	985,000
6/1/18	0	0	65,000	920,000
12/1/18	0	0	85,000	835,000

Source: City of Portland.

Table F-4
CITY OF PORTLAND, OREGON
Schedule of Term Bond Redemptions
Limited Tax Improvement Bonds, 2014 Series A

	Term Bonds Maturing 6/1/24 Original Par Amount: $2,245,000		Term Bonds Maturing 6/1/34 Original Par Amount: $3,000,000	
Redemption Date	Bonds Redeemed	Balance After Redemption	Bonds Redeemed	Balance After Redemption
12/1/14	$345,000	$1,900,000	$0	$3,000,000
6/1/15	880,000	1,020,000	0	3,000,000
12/1/15	415,000	605,000	0	3,000,000
6/1/16	360,000	245,000	0	3,000,000
12/1/16	210,000	35,000	0	3,000,000
6/1/17	35,000	0	200,000	2,800,000
12/1/17	0	0	30,000	2,770,000
6/1/18	0	0	150,000	2,620,000
12/1/18	0	0	175,000	2,445,000

Source: City of Portland.

APPENDIX G

ADDITIONAL INFORMATION PERTAINING TO:
LIMITED TAX PENSION OBLIGATION REVENUE BONDS

CITY OF PORTLAND, OREGON
1851

PAYMENT OF DEBT SERVICE ON THE LIMITED TAX PENSION OBLIGATION REVENUE BONDS, 1999 SERIES C, D & E BONDS (THE "BONDS")

To protect the City's general fund and the creditworthiness of existing and future full faith and credit obligations of the City, the City requires each bureau to budget and to pay that bureau's allocated share of the costs of debt service on the Bonds. The following table shows each bureau's share of the debt service and related expenses for FY 2017-18.

CITY OF PORTLAND, OREGON
Actual Bureau Share of FY 2017-18 Debt Service Payments and Related Expenses for the Limited Tax Pension Obligation Bonds, 1999 Series C, D & E Bonds

GENERAL FUND CONTRIBUTION	
Parks	$2,241,651
Police	2,173,687
Management & Finance	1,536,671
Fire	1,134,649
Planning/Community Development	534,494
Cable	55,293
Attorney	423,909
Auditor	387,048
Energy	57,596
Mayor/Commissioners	343,274
Licenses	246,512
Procurement Services	178,549
Office of Neighborhood Involv.	259,184
Intergovernmental Affairs	42,621
Transportation (general fund portion)	66,812
Emergency Comm. (general fund portion)	968,771
Buildings (general fund portion)	734,930
Internal Business Services (general fund portion)	133,624
TOTAL	$11,519,275

NON-GENERAL FUND CONTRIBUTION	
Transportation	$5,643,013
Water	4,165,244
Environmental Services	4,010,409
Planning & Development (OPDR)	1,465,155
Portland Development Commission	842,535
Fleet Operating	586,683
Golf	251,153
Facilities Services	249,660
Printing/Distribution	198,815
Parks Construction	141,463
Refuse Disposal	77,991
Portland International Raceway	48,348
Hydroelectric Power	30,738
Technology Services	697,284
Emergency Communications	291,938
Local Improvement District Construction	104,506
Fire & Police Disability & Retirement	62,549
Insurance & Claims Operating	109,553
Worker's Compensation Operating	102,473
Spectator Facilities	22,962
Health Insurance Fund	46,358
Environmental Remediation	1,800.52
TOTAL	$19,150,631

Source: City of Portland

CITY OF PORTLAND, OREGON
1851