

CITY OF
GRESHAM
OREGON

For the
Fiscal Year
Ended
June 30, 2024



ANNUAL COMPREHENSIVE FINANCIAL REPORT

CITY OF GRESHAM, OREGON

ANNUAL COMPREHENSIVE FINANCIAL REPORT For the Fiscal Year Ended June 30, 2024

Prepared by
Budget and Finance Department

CITY OF
GRESHAM
GOING BEYOND

**City Of Gresham, Oregon
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2024**

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CITY OF
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GOING BEYOND

December 30, 2024

To Mayor Travis Stovall, Council Members, and the Citizens of Gresham:

The Department of Budget and Finance is pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Gresham, Oregon for the fiscal year ended June 30, 2024. The report is published in accordance with Oregon Revised Statutes which require all municipal corporations to publish audited financial statements within six months after the close of the fiscal year.

The ACFR includes information on the financial condition and operations of the City, and management is responsible for the contents. Our assertions are based upon a comprehensive framework of internal control that provides reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The certified public accounting firm Isler CPA performed an audit of the basic financial statements and other information using generally accepted auditing standards and governmental auditing standards. Their unmodified opinion on the basic financial statements is located in the front of the financial section of the ACFR.

Management’s discussion and analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. It provides additional information to this letter and this letter should be read in conjunction with it.

CITY PROFILE

The City of Gresham is located in northwestern Oregon, in the eastern part of the Portland metropolitan area, in Multnomah County. It is comprised of approximately 23.3 square miles reaching north to the Columbia River and south to the county line. With an estimated population of 115,233, Gresham is the fourth largest city in Oregon. Major manufacturing industries include aircraft frames, integrated circuits for the microelectronics industry, industrial equipment and food processing.

Gresham was incorporated in 1905. It is a “home rule city” operating under a city charter adopted in 1978 and last amended in 2012. The City Charter and City Code are consistent with the Oregon constitution and statutes. The Council-Manager form of government is vested in an elected seven-member City Council, which includes the Mayor. The Mayor and Council members provide community leadership and develop policies to guide the City by setting goals, passing ordinances and adopting resolutions, appointing advisory committees, authorizing contracts, adopting budgets, and hiring and overseeing the work of the City Manager and City Attorney.

The City Manager is the administrative head of the City and is responsible for ensuring that Council policies are implemented using appropriated resources to achieve desired service results in the community. The City Manager also oversees the day-to-day operations of the City. The City Attorney provides legal advice to the Council and staff and defends the City in litigation.

The City provides a full range of services which are delivered by thirteen departments: Police, Fire & Emergency Services, Community Livability, Economic Development & Housing Services, Urban Renewal, Urban Design & Planning, Environmental Services, Parks, Budget & Finance, Information Technology, Citywide Services, City Manager’s Office and City Attorney’s Office. The functions of each department are outlined in an organization chart in the Introductory Section.

Budget Process. The City’s annual budget is prepared in accordance with the provisions of Oregon Local Budget Law. Under the applicable provisions, there must be public participation in the budget process and the adopted budget must be balanced. The City Council must adopt the budget no later than June 30. The annual budget serves as the foundation for the City’s financial planning and control.

Budgetary Control. The City maintains ongoing budgetary control throughout the year using its financial management system. Budgetary control (expenditures cannot legally exceed appropriated amounts) is established at the department level within each fund. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end.

Component Unit. On November 4, 2003, Gresham voters approved the formation of the Rockwood-West Gresham Urban Renewal Area. The Area is an urban renewal agency within the City of Gresham and was organized to undertake projects and activities pursuant to the Rockwood-West Gresham Renewal Plan. In May 2022, voters approved extending the Area until 2029, providing six additional years for projects. The Gresham Redevelopment Commission, which also serves as the Gresham City Council, oversees the 1,211-acre area. The Area is a blended component unit of the City and is therefore, an integral part of the reporting entity.

Factors Impacting the City’s Financial Condition

The Mayor and City Council have firmly established the City’s commitment to progressive and responsive government. Under their direction the City continues to emphasize efficient delivery of prioritized services and planning for a higher standard of living for residents. The continued mixed performance of economic factors at the national and regional levels remains a challenge for the City as it works to maintain a sound financial condition to meet the service needs of the community.

Local Economy. The local economy has rebounded from the worst of the pandemic impact. However, labor shortages and inflation are working to temper growth. In addition to being a concern for local economic growth, inflationary increases impact the City directly, as many City contracts, including labor union contracts, have built in inflation adjustments. Inflationary growth has been slowing over the last year. The CPI-W, rose 2.9% over the first six months of calendar year 2024 while the twelve-month CPI-W was 2.4% as of October 2024.

Gresham has continued expanded programming, technical support, and outreach services in our Small Business Center, and continues to focus on a rapid response team and expedited review timelines to support recruitment of mid-to-large commercial projects. These and similar projects target City Council priorities to ensure quality design, develop the City’s three town centers; Central Rockwood, Civic Neighborhood, and Downtown, and to make Gresham the easiest and most attractive place in the region to start and grow any size business.

Employment growth continues to remain modest. The Oregon unemployment rate was at 4.1% as of November 2024 and has remained steady over 2024 calendar year hovering around 4%. The continuing tightness in labor markets may hamper future job gains.

Increasing interest rates over the last year have slowed the real estate market and new construction. This trend is expected to continue in the short term.

The Oregon constitution establishes a limit of 3 percent annual increase in the taxable assessed value of existing property, the primary funding source for local government. A strong construction environment coupled with new properties being added to the tax rolls have contributed to increases in property tax revenue; this along with the upcoming expiration of significant Enterprise Zone abatements will continue to enhance property tax

revenue. Future revenue growth potential is being tracked closely as trends related to the construction industry are analyzed.

The 2025 budget continues a strategy of cost containment and revenue enhancement combined with maximizing innovative and ambitious strategies for quality service.

Long-term Financial Planning. The city is committed to updating and maintaining its long-term financial forecasts on a regular basis to provide relevant financial information and long-term planning tools for the variety of business functions that the city performs, and range in length from 5 to 20 years depending on the business function. These plans are designed to provide enhanced fiscal sustainability for each program as well as throughout the city.

State-wide property tax limitation measures enacted in the 1990's continue to have a negative impact on the General Fund balance. Over the last 5-10 years, deficits have been forecast in multiple programs. In part, this acted as a catalyst for city leadership to take action to address the financial challenges of the city through cost containment, strategic service reductions, and economic development efforts, in response to the limited property tax revenue. To this end, the City continues to have a strong presence in discussions regarding property taxes at the state legislative level and has provided information and presentations around the state.

The City has also taken actions to increase revenues in areas other than property taxes. The City increased and/or modified utility license fees, most recently in 2020, to provide additional revenues to the General Fund. In October 2020, Council also approved a temporary increase to the Police, Fire and Parks Fee, which is charged to household, business and industrial customers to supplement public safety and parks funding. The temporary increase of \$7.50 per month generates \$4.0 million per year. Council action taken during fiscal year 2024 removed the sunset of this increase, allowing the City to align financial sustainability long term planning efforts with a strategic planning process led by City Council. To this end, in September 2022, Council adopted a Financial Road Map that provides a three year plan for General Fund resources which included a local option levy to be proposed to voters to support Fire and Police services. The Gresham voter's passed the Local Option Levy in May 2024. The first revenue from the Levy was received in November 2024.

Actions to sustain funding for services outside of the General Fund have also been implemented. In September 2021, Council approved a five-year utility rate package to support infrastructure development, maintenance and operations. Building, rental inspection and development related fees have also updated in recent years to address inflationary cost increases. Additional revenue changes in the coming year are discussed in Management's Discussion and Analysis with information about the City's financial condition and the next year's budget and rates.

Financial Policies. The City has a series of financial policies detailed each year in the adopted budget, which encompass debt usage, revenue sources, budgeting, and accounting. Investing and portfolio management policies are contained in the City's Investment Policy.

The City's Investment Policy defines eligible types of securities and transactions with the following objectives: preservation of capital and protection of investment principal, sufficient liquidity to meet operating needs, diversification to avoid risks regarding security types or individual financial institutions, and maximization of risk-optimized portfolio return throughout economic and fiscal cycles. Careful adherence to policy has protected the City's investments from the enormous volatility in the market particularly in the past several years. Overall, the City's investment portfolio continues to outperform the benchmarks established in the policy and comparable jurisdictions on a risk adjusted basis.

Major Initiatives. The Mayor and Council’s commitment to responsive and efficient service delivery is evidenced in the Gresham Strategic Plan. For the first time in many years the City adopted a long-term strategic plan. The strategic plan, adopted in August of 2022, highlights five critical priorities: financial sustainability, community safety, thriving economy, housing for all, and community vibrancy. The strategic plan is used to craft annual action plans. The 2025 Action Plan gives each critical priority a list of projects or actions.

Significant projects in the 2025 Action Plan include items for each of the critical priorities identified in the strategic plan. Financial sustainability projects are aligned with objectives to implement a financial road map that supports budget needs long-term, responsible care of City resources, and the goals of the strategic plan. Community safety objectives include exploring creative ways to supply community safety that maintain core service levels, developing a public safety relationship with the community to build rapport and trust, improve livability and increase the community’s sense of safety and security, and enhance safety around the City’s public infrastructure. Thriving economy objectives include promoting economic growth by supporting business owners, creating partnerships, and developing a strong local workforce. Housing for all objectives include promoting and supporting housing development that is affordable to the Gresham community across all housing types, and providing resources to those experiencing homelessness or housing insecurity through collaboration and partnership with other government agencies, nonprofits, and the private sector. Community vibrancy objectives include supporting and increasing a mix of recreational, arts, and cultural programming for youth and adults to foster community well-being for everyone.

AWARDS AND ACKNOWLEDGEMENTS

Awards. For the 44th consecutive year, the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Gresham for its Annual Comprehensive Financial Report (ACFR) for the Fiscal Year Ended June 30, 2023. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR that satisfies both generally accepted accounting principles and applicable legal requirements.

We believe this ACFR meets the Certificate of Achievement Program’s requirements and are submitting it to the GFOA for review.

Acknowledgements. The preparation of the annual comprehensive financial report was made possible by the staff of the Finance and Accounting Services division with assistance and collaboration from the Budget and Financial Planning division. Trang Nguyen, Alyona Sultanova, Alexis Zmitrovich, Terryl Aguon, Orion Jarrell, Elizabeth McCann and Susan Brown deserve special recognition for their work. All of the staff of the Budget & Finance Department has our sincere appreciation for their assistance and contributions to the completion of the report.

Without the leadership and support of the City Council, preparation of the report would not have been possible.

Respectfully submitted,



Sharron Monohon
Budget and Finance Director

CITY OF
GRESHAM
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City of Gresham, Oregon
Gresham City Hall
1333 NW Eastman Parkway
Gresham, Oregon 97030
GreshamOregon.gov

Mayor and City Council

	Name	Position	Term Expires
Mayor:	Travis Stovall Travis.Stovall@GreshamOregon.gov		December 2026
Councilors:	Dina DiNucci Dina.DiNucci@GreshamOregon.gov	1	December 2024
	Eddy Morales Eddy.Morales@GreshamOregon.gov	2	December 2026
	Vincent Jones-Dixon Vincent.JonesDixon@GreshamOregon.gov	3	December 2024
	Jerry Hinton Jerry.Hinton@GreshamOregon.gov	4	December 2026
	Sue Piazza Sue.Piazza@GreshamOregon.gov	5	December 2024
	Janine Gladfelter Janine.Gladfelter@GreshamOregon.gov	6	December 2026

Principal Officials:

- Eric Schmidt, City Manager**
- Elizabeth Coffey, Assistant City Manager
- Steve Fancher, Assistant City Manager
- Ashley Miller, Urban Design & Planning Director
- Jose Rodriguez, Information Technology Director
- Scott Lewis, Fire Chief
- Sharron Monohon, Director of Budget & Finance
- Michelle Cole, Human Resources Director
- Ellen Van Riper, City Attorney
- Travis Gullberg, Police Chief
- Vacant, Economic Development Director

Officials noted are as of June 30, 2024.

The Mayor, City Council, and Principal Officials can be reached at the City Hall address above.



Councilor Janine Gladfelter



Mayor Travis Stovall



Councilor Eddy Morales



Councilor Vincent Jones-Dixon

*Gresham's
Leadership*



Councilor Jerry Hinton



Councilor Dina DiNucci



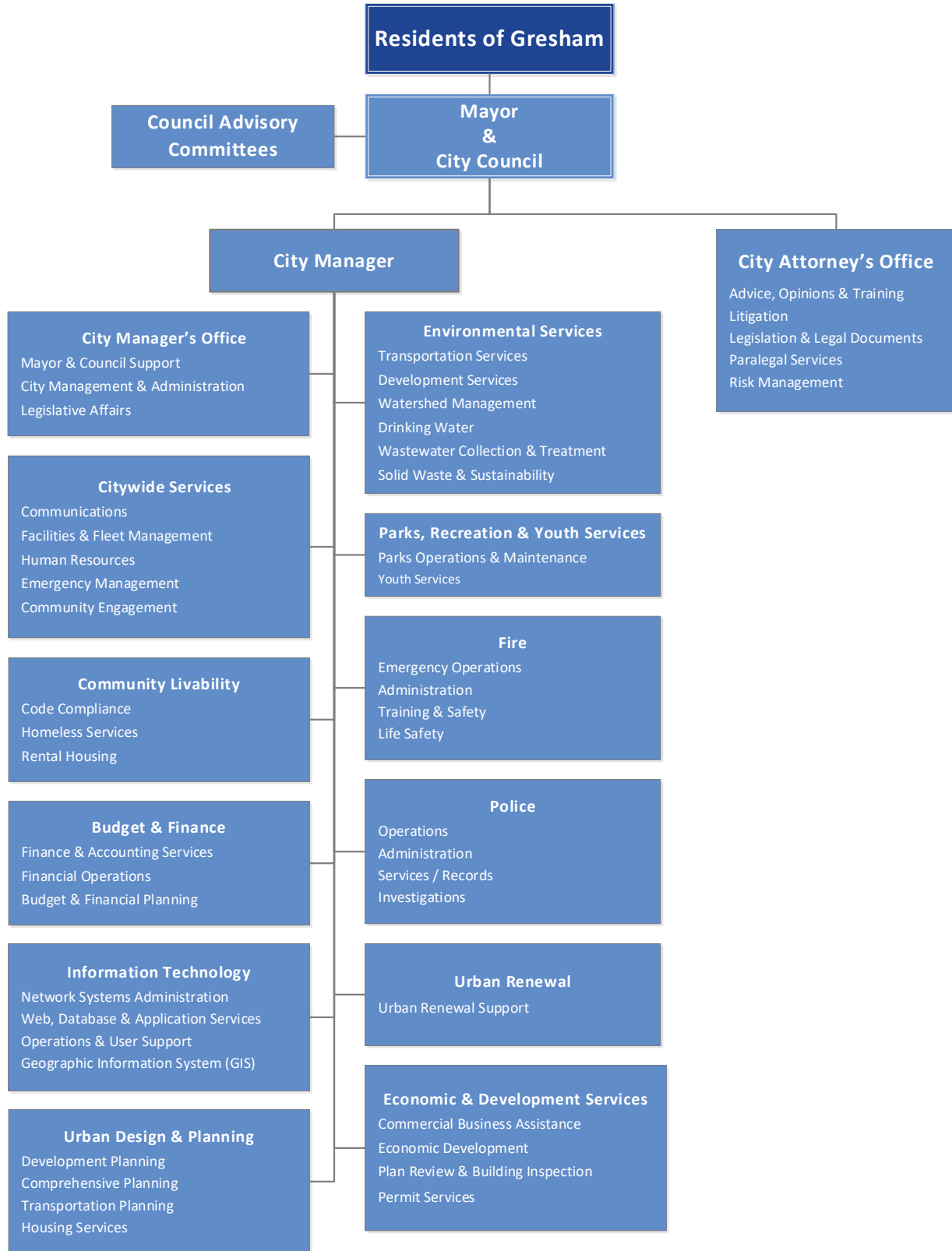
Councilor Sue Piazza



City Manager Eric Schmidt

City of Gresham, Oregon Departments and Programs

Year Ended June 30, 2024





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Gresham
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

CITY OF
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INDEPENDENT AUDITOR'S REPORT



To the Honorable Mayor and Members of the City Council
City of Gresham, Oregon

920 Country Club Road, Suite 200A
Eugene, OR 97401
541.342.5161
www.islercpa.com

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gresham, Oregon, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Gresham, Oregon's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gresham, Oregon, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Gresham, Oregon's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Gresham, Oregon's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedules of Revenues, Expenditures and Changes in Fund Balances – budget and actual of the General Fund, the Designated Purpose Fund, the System Development Charges Fund, the Transportation Fund, (the "budgetary schedules"); the Schedule of the Changes in the City's Total OPEB Liability and Related Ratios Implicit Rate Subsidy Plan; the Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset) – Oregon Public Employee's Retirement System, Retirement Health Insurance Account; the Schedule of the City's Contributions – Oregon Public Employee's Retirement System; and the Schedule of the City's Proportionate Share of the Net Pension Liability (Asset) – Oregon Public Employee's Retirement System, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the Management's Discussion and Analysis and the pension and OPEB schedules referred to above in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Gresham, Oregon's basic financial statements. The information contained in the budgetary schedules referred to above is the responsibility of management and is derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Gresham, Oregon's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (budgetary schedules), and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2024, on our consideration of the City of Gresham, Oregon's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Gresham, Oregon's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Gresham, Oregon's internal control over financial reporting and compliance.

Other Required Legal and Regulatory Reporting

In accordance with the Minimum Standards of Audits of Oregon Municipal Corporations, we have issued our report dated December 30, 2024 on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Isler CPA



By Gatlin Hawkins, CPA
A member of the firm
Eugene, Oregon
December 30, 2024

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GRESHAM
GOING BEYOND

CITY OF GRESHAM, OREGON MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

As the financial management of the City of Gresham, Oregon we offer readers this narrative overview and analysis of the City's financial activities during the fiscal year. It focuses on the year's financial activities, significant changes in the City's financial position, deviations from the approved budget, and individual fund issues.

The Management's Discussion and Analysis (MD&A) should be read in conjunction with the information provided in the Letter of Transmittal and the Basic Financial Statements included in the Annual Comprehensive Financial Report (ACFR).

FINANCIAL HIGHLIGHTS

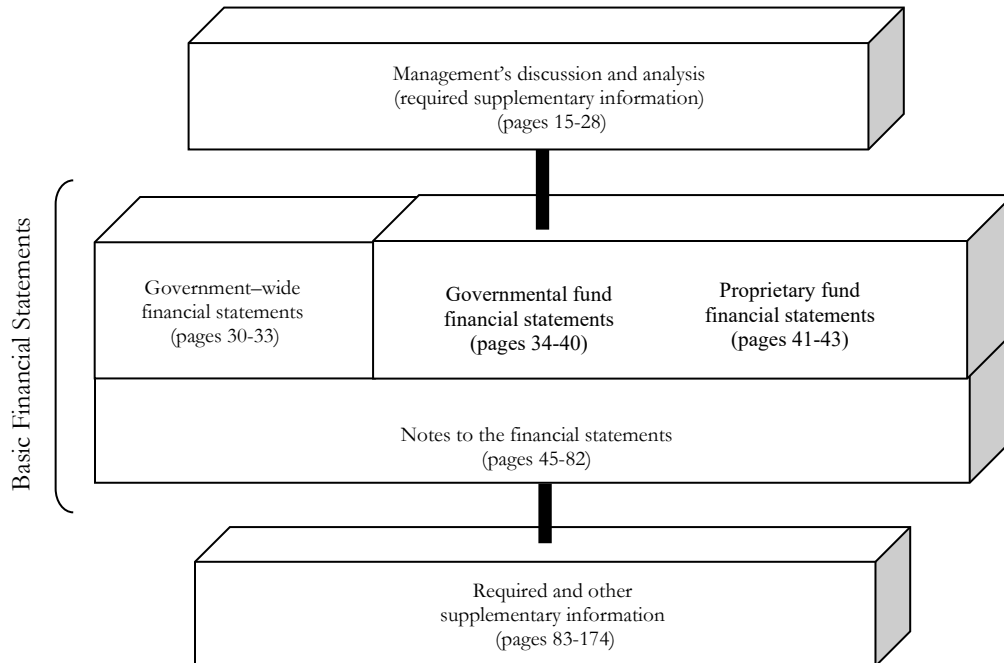
- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$1,114.5 million (net position). Of this amount, \$129 million in unrestricted net position (primarily intended for utility infrastructure replacement) may be used to meet the City's ongoing obligations to citizens and creditors.
- On a government-wide basis, the City's deferred outflows of resources increased by \$31.6 million primarily due to changes in pension differences recognized through actuarial studies of the pension system.
- On a government-wide basis, the City's total net position increased by \$44.8 million. Governmental activities showed an increase of \$14.4 million, primarily the result of increased permit and system development charges, and investment earnings. Business-type activities net position increased by \$30.4 million due to increased volumes and containing costs and resources received during the year through an agreement with a major industrial customer, which will be used on a series of capital improvements to the City's wastewater treatment plant.
- On a fund basis, the City's governmental funds reported combined ending fund balances of \$158.4 million, a \$15.4 million increase over the prior year primarily due to increased taxes, licenses and permits, charges for services and shared intergovernmental revenues while continuing to maintain service levels and contain costs.
- At year-end, the unassigned fund balance for the General Fund was \$44.0 million or 50.8% of General Fund operating expenditures during the year. The fund balance for the General Fund includes amounts due from other funds. The ratio is up from 50.0% in the prior year.
- Long term liabilities in the City increased by \$37.8 million primarily due to increases in net pension liability, offset by debt repayment. Long term liability levels in the City increased by \$34.8 million for governmental activities and increased by \$3.0 million for business-type activities. Increases include a \$45.2 million increase in the Net Pension Liability as well as increases in compensated absences and the OPEB liability, offset by regularly scheduled debt payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

Report Layout

This discussion and analysis is intended to serve as an introduction to the City’s basic financial statements. The basic financial statements are included within the financial section of the ACFR and are comprised of three components: 1) government-wide financial statements, 2) fund-based financial statements, and 3) notes to the financial statements. The financial section also contains supplementary information.

The graphic below is provided to help in understanding how the financial section is presented and to direct the reader to the pages where specific components can be found.



Government-wide Financial Statements

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include General Government (administration and support services), Public Safety, Transportation, Urban Design and Planning, Economic Development and Housing Services, Community Livability, Environmental Services (Solid Waste), Parks Operations, and Urban Renewal. The business-type activities include Water, Stormwater, and Wastewater.

Fund Financial Statements

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

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

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

The City reports information separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Designated Purpose Fund, System Development Charges Fund, Transportation Fund, and GRDC Rockwood Debt Service Fund, all of which are considered major funds under Generally Accepted Accounting Principles. Data from the City's other governmental funds are aggregated into a column titled "Nonmajor Governmental Funds."

Proprietary funds are classified as enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its facilities and fleet services, workers' compensation and liability reserves, health and dental reserves, equipment replacement reserves, legal services, and general management and administration.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water, stormwater, and wastewater operations, all of which are accounted for as major funds. The internal service funds are aggregated into one column and presented in the proprietary fund financial statements.

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

Notes to the Financial Statements and Supplementary Information

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. Combining statements and budgetary comparison schedules are presented for all governmental funds, enterprise funds, internal service funds, and fiduciary funds as supplementary information immediately following the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following paragraphs provide an analysis of the City's overall financial position and results of operations. To reduce complexity, dollar amounts are presented in millions. Insignificant rounding difference may exist between amounts presented here and amounts presented in the financial statements.

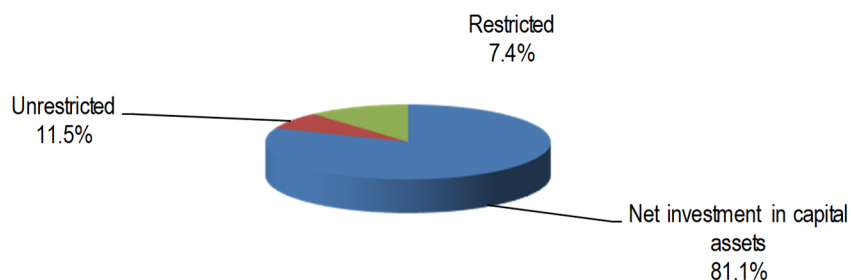
CITY OF GRESHAM, OREGON

Financial Position

As mentioned earlier, net position serves as a useful indicator of a government’s financial position. The following table shows a summary of the statements of net position at fiscal year-end and for the previous year-end:

City of Gresham, Oregon Summary of the Statements of Net Position (in millions)						
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
ASSETS						
Current and other assets	\$ 239.7	\$ 228.6	\$ 178.8	\$ 167.4	\$ 418.5	\$ 396.0
Capital assets	656.1	651.1	312.7	281.9	968.8	933.0
Total assets	895.8	879.7	491.5	449.3	1,387.3	1,329.0
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflow related to pension/OPEB	51.2	36.9	10.5	8.6	61.7	45.5
LIABILITIES						
Current and other liabilities	43.8	44.8	19.8	7.7	63.6	52.5
Long-term liabilities	178.8	144.0	68.8	65.8	247.6	209.8
Total liabilities	222.6	188.8	88.6	73.5	311.2	262.3
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions/OPEB	15.3	33.1	8.0	9.4	23.3	42.5
NET POSITION						
Net investment in capital assets	629.0	619.3	273.6	252.0	902.6	871.3
Restricted	80.3	76.1	2.6	2.4	82.9	78.5
Unrestricted	(0.2)	(0.7)	129.2	120.6	129.0	119.9
Total net position	\$ 709.1	\$ 694.7	\$ 405.4	\$ 375.0	\$ 1,114.5	\$ 1,069.7

**Net Position
June 30, 2024**



The City ended the year with \$1,114.5 million in total net position. Approximately 81.1% of that amount reflects the City’s investment in capital assets (land, infrastructure, buildings, improvements, machinery and equipment) less any related outstanding debt used to acquire those assets. The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Another 7.4% of the City’s net position is subject to external restrictions on how they may be used. This category includes restrictions for the purchase and construction of growth-related infrastructure systems, transportation system construction and maintenance, utility systems rate stabilization and debt requirements, and building reviews and inspections. The remaining 11.5% of net position, referred to as unrestricted, may be used to meet ongoing obligations to citizens and creditors. The majority of these funds are intended for longer-term utility system infrastructure replacement and maintenance.

During the fiscal year, the overall financial position of the City improved. This is primarily attributable to increases in capital assets with less related debt outstanding, as well as changes in pension related deferred inflows and outflows offsetting the increased pension liability. A more detailed analysis of both governmental and business-type net position follows.

Governmental Activities. Total net position of governmental activities increased 2.1% or \$14.4 million. Current and other assets (primarily cash and investments) increased by \$11.1 million. The increase in working capital is primarily a result of increased fund balances in multiple funds.

The City added \$23.6 million in governmental capital assets during the year. However, this was offset by depreciation of \$18.6 million of which, depreciation on infrastructure comprised \$13.3 million. The net effect to capital assets is an increase of \$5.0 million. See the notes to the financial statements for more detailed information on capital assets.

Current liabilities decreased by \$1 million primarily due to reduced balances in accounts payable, offset by smaller increases in deposits, accrued claims payable and other accrued liabilities. Long term liabilities increased by \$34.8 million primarily due to the \$41.1 million increase in the actuarial determined net pension liability. Long-term debt balances were reduced by scheduled payments. See the notes to the financial statements for more detailed information on debt and pension liabilities.

Business-type Activities. Total net position of business-type activities increased 8.1% or \$30.4 million. Current and other assets increased by \$11.4 million. This change was primarily due to increased cash balances from rate increases as well as increased accounts receivable balances at year-end.

Business-type activities added \$42.8 million in capital assets. As discussed in the Capital Asset section, this investment was primarily for utility infrastructure with some equipment purchases. Depreciation on utility systems capital assets was \$12.0 million for the year. The net effect of capital asset activity was an increase of \$30.8 million and reflects business type activities adding new infrastructure in addition to replacement of existing depreciated infrastructure.

Long-term liabilities of business-type activities increased by a net \$3.0 million primarily due to changes in the net pension liability offset by a decrease in bonds and notes payable. The City made all scheduled debt service payments. Current and other liabilities increased by \$12.1 million primarily due to unearned revenues related to the agreement noted above with a major industrial customer, as well as increased balances in accounts payable.

Results of Operations

In addition to the analysis of net position provided above, it is useful to analyze the financial operations that took place during the year. The following table provides a summary of the changes in the City's net position:

CITY OF GRESHAM, OREGON

City of Gresham, Oregon Summary of Changes in Net Position (in millions)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
REVENUES						
Program Revenues:						
Charges for services	\$ 45.5	\$ 38.6	\$ 67.2	\$ 63.3	\$ 112.7	\$ 101.9
Operating grants and contributions	22.4	35.3	-	-	22.4	35.3
Capital grants and contributions	8.7	9.7	9.0	13.1	17.7	22.8
General Revenues:						
Property taxes	43.8	41.3	-	-	43.8	41.3
Franchise and license fees	24.6	23.3	-	-	24.6	23.3
Business income taxes	9.4	10.8	-	-	9.4	10.8
Other taxes	2.0	2.0	-	-	2.0	2.0
Gain on sale of capital assets	0.2	-	-	-	0.2	-
Unrestricted grants and contributions	3.7	4.2	-	-	3.7	4.2
Unrestricted interest and investment earnings	10.5	3.9	7.5	2.6	18.0	6.5
Total revenues	170.8	169.1	83.7	79.0	254.5	248.1
EXPENSES						
General government	4.6	3.4	-	-	4.6	3.4
Public safety	89.2	75.7	-	-	89.2	75.7
Transportation	24.2	22.6	-	-	24.2	22.6
Urban design and planning	4.1	3.4	-	-	4.1	3.4
Economic, development, & housing services	12.9	5.3	-	-	12.9	5.3
Parks operation	6.0	4.8	-	-	6.0	4.8
Environmental services	6.5	4.8	-	-	6.5	4.8
Community Livability	3.0	8.2	-	-	3.0	8.2
Urban renewal	4.5	3.0	-	-	4.5	3.0
Interest on long-term debt	1.4	1.9	-	-	1.4	1.9
Water	-	-	16.7	16.3	16.7	16.3
Stormwater	-	-	12.7	11.1	12.7	11.1
Wastewater	-	-	23.9	22.8	23.9	22.8
Total expenses	156.4	133.1	53.3	50.2	209.7	183.3
Excess (deficit) before transfers	14.4	36.0	30.4	28.8	44.8	64.8
Transfers, Net	-	(0.6)	-	0.6	-	-
Change in net position	14.4	35.4	30.4	29.4	44.8	64.8
Net position - beginning	694.7	659.3	375.0	345.6	1,069.7	1,004.9
Net position - ending	\$ 709.1	\$ 694.7	\$ 405.4	\$ 375.0	\$ 1,114.5	\$ 1,069.7

The City-wide net position increased by \$44.8 million as a result of activity and external factors. The impact of operations from governmental activities is much different from those of business-type activities due to the difference in funding mechanisms.

Governmental Activities. Net position of governmental activities increased by \$14.4 million as a result of operations. Revenues increased by \$1.7 million, primarily related to higher interest earnings, increased charges for services for permits and system development charges, and higher property taxes and franchise fees, offset by reduced operating grants and capital grants across multiple functions. Expenses increased by \$23.3 million, with overall increases primarily in public safety and economic, development and housing services, and higher pension expense of \$6.5 million across multiple functions, most notably public safety. Some year-to-year changes are the result of organizational restructuring, especially between Economic, development and housing services and Community livability.

MANAGEMENT'S DISCUSSION & ANALYSIS

Unrestricted net position increased by \$6.7 million to \$6.0 million while net position invested in capital assets increased by \$4.9 million.

Revenues of governmental activities are primarily tax based rather than fee based. The property tax structure in Oregon significantly limits this source of revenue for public safety activities. Gresham's permanent tax rate of \$3.61 per \$1,000 of assessed value is one of the lowest rates in Oregon for large cities. The taxable assessed value of existing properties is limited to 3% growth per year, irrespective of changes to real market value. New construction is valued near existing property rather than at real market value.

The relatively low permanent tax rate and valuation method for new construction have long been identified as structural challenges that significantly hinder the ability to meet basic services. The growth in taxable assessed value has remained consistently near the statutory 3% growth cap. Future property tax revenue growth will be dependent on growth in the fair market value of property. In 2024 property tax revenue increased by 6.1%.

Franchise and license fees increased 5.6% or \$1.3 million, with most of the increase coming from the electrical, solid waste and water utility license fees. Increases in underlying utility rates and use, as well as increased license rates resulted in these higher license fees.

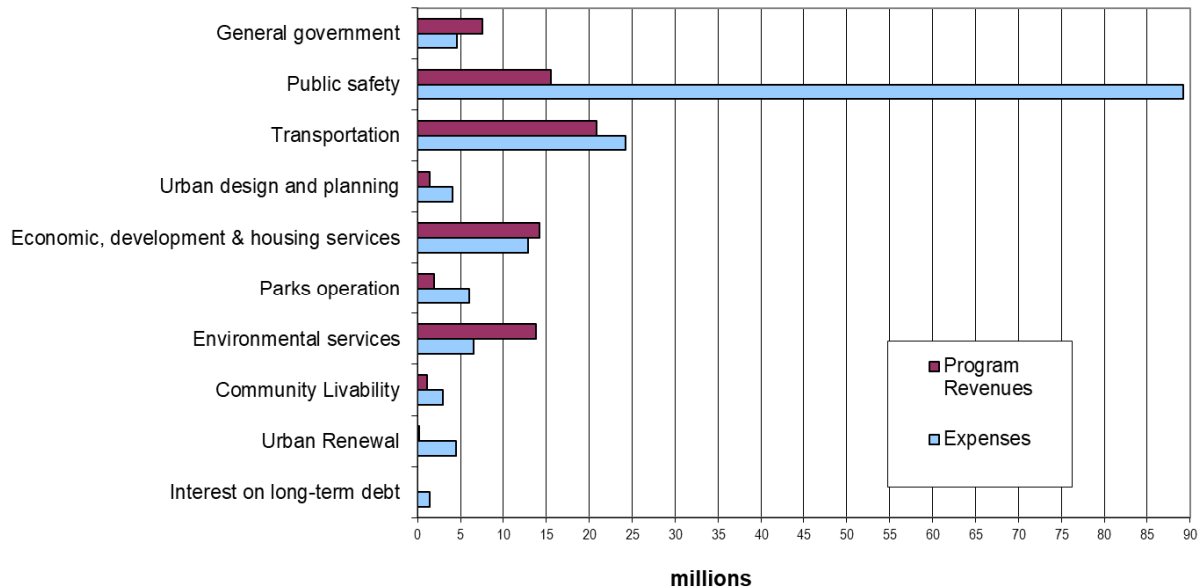
Unrestricted interest and investment earnings increased by \$6.6 million over the prior year, a result of higher cash balances available for investment as well as a significantly improved rate environment.

Transportation functions are largely funded by gas tax shared by the state. On January 1, 2011, the state gas tax was increased for the first time since 1991 (an increase of 6 cents per gallon to 30 cents per gallon). Gas tax revenue has been rising slowly since the tax increase, however, depreciation on transportation infrastructure continued to outpace available revenues resulting in a \$3.3 million net loss for Transportation. It should be noted that maintenance and future replacement costs of transportation assets are only partially reflected in annual depreciation. Capital assets are depreciated based on historical (original) cost; current maintenance and replacement costs are much higher.

Environmental services charges for services revenues include system development charges, which increased by 16.2% or \$1.2 million in 2024 as multiple subdivision single family homes have come online in the current year to meet the demands of the housing shortage. The increase continues to bring activity back in line with pre-pandemic patterns. In accordance with financial reporting requirements, resources from the collection of business-type system development charges are reported as governmental activities. During the year \$2.6 million of these resources were transferred to business-type activities for the construction of utility capital assets and debt service. New system development revenues from housing and commercial development were higher than expenses for infrastructure construction. As a result, net position restricted for system development increased by \$5.2 million.

The following graph shows the expenses of each governmental function compared to the program revenues generated specifically from its operations:

FY 2024 Expenses and Program Revenues - Governmental Activities



General government support services (administrative, financial, legal, and management services) generate some external revenues, but are primarily funded from charges to the functions they support. The public safety function (Police, Fire and Emergency Services) generates program revenues as well, but property taxes, business income taxes, state shared revenues, and utility license fee revenues fund the majority of its costs. City policy requires that all general property taxes be used for public safety services. For the fiscal year, general property taxes accounted for 49% (down from 55% in 2023) of the total revenues needed to support public safety.

Transportation programs are funded with the City’s share of gas tax revenues, intergovernmental revenues (primarily county gas taxes) and various other revenue sources such as grants and system development charges. When depreciation on capital assets is added to other operating expenses, costs far exceed program revenues. Capital grants and developer contributions (included in program revenues) added new capital assets that will need to be maintained by the City using existing resources.

Community livability services functions include code compliance, homeless services, and mediation services. Activities are primarily funded with grant revenues and code compliance.

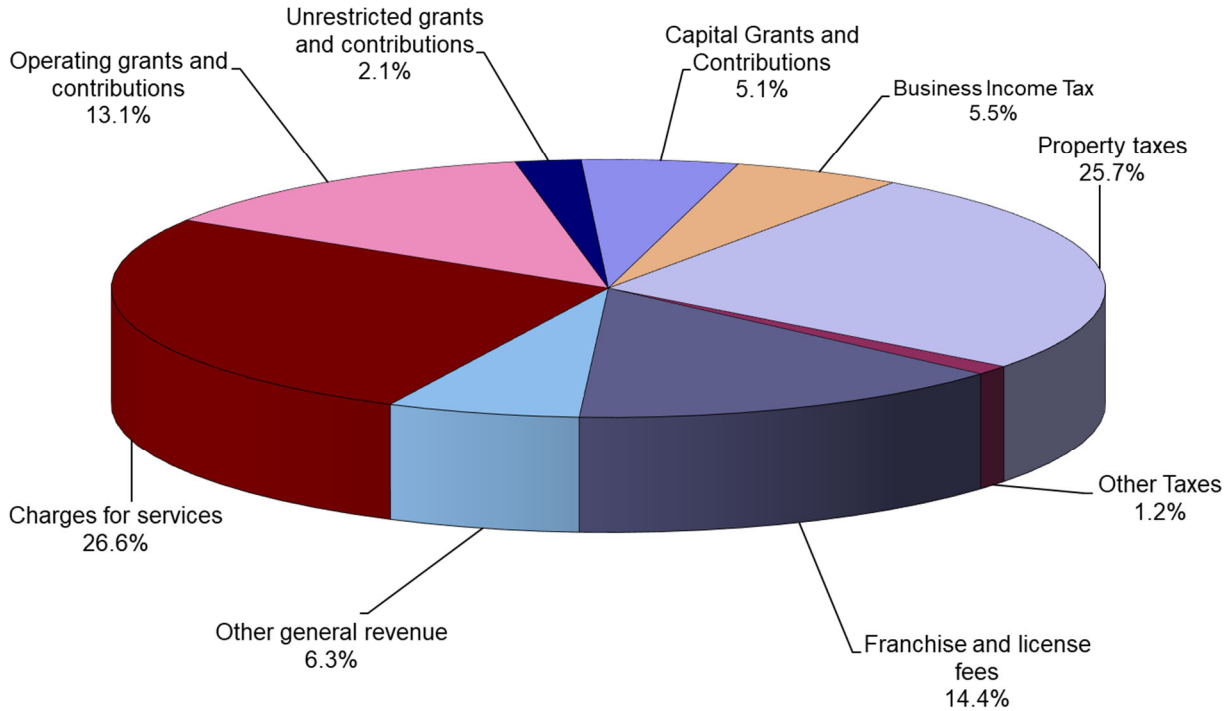
Economic, development and housing services provide a variety of growth and development services, as well as rental housing inspections. Activities are funded with charges for building permits, development planning and inspection fees, Federal Housing and Urban Development Department and other grants, as well as community service fees.

Environmental services in governmental activities, which is primarily System Development Charges and the Solid Waste and Recycling program receive the majority of support from service fees.

Parks operation is budgeted as a separate department. Maintenance and operations in parks operations is funded by general revenues and the per-household and commercial business Police Fire and Parks fee.

The graph below is a visual representation of the various sources of revenues used to support governmental activities:

**Revenues by Source -
Governmental Activities**



Business-type Activities. Net position for business-type activities increased by \$30.4 million during the fiscal year. Utility payments and service fees of \$67.2 million were higher than direct expenses for water, stormwater, and wastewater of \$53.3 million. Capital grants and contributions of \$9.0 million consist primarily of easements and developer contributed capital assets.

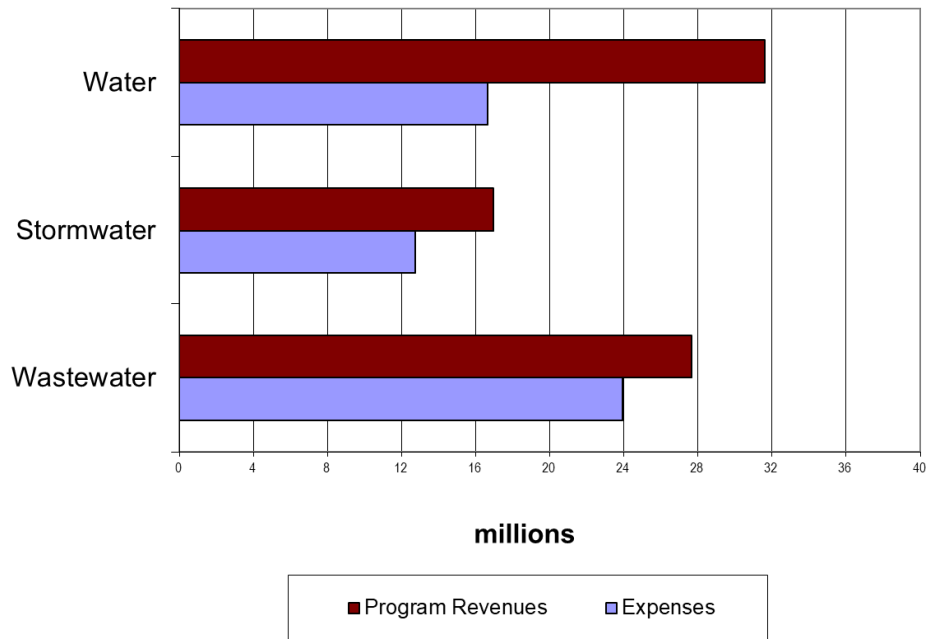
Business-type activities received \$2.6 million in transfers from system development charge resources reported as governmental activities. The funds were used for a variety of capacity increasing purposes and for the payment of debt.

Unrestricted investment earnings of \$7.5 million were recorded for business-type activities. The City has not relied on investment earnings to fund operations, however, earnings on reserves help fund future utility infrastructure projects.

CITY OF GRESHAM, OREGON

The following graph shows the expenses and program revenues generated by each business-type function:

FY 2024 Expenses and Program Revenues - Business-type Activities



Water, Stormwater, and Wastewater program revenues are the rates and charges received from the City's utility customers and are used for systems operation, maintenance, and system replacement. Additional program revenues include capital grants from private developers (constructed utility infrastructure to benefit specific developments) and grant funds from external agencies.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The following paragraphs analyze the City's *major* governmental and proprietary funds on an individual basis. The financial statements of governmental funds show more detail than related governmental activities and focus on near-term inflows, outflows, and ending balances of spendable resources. The statements of proprietary funds show detail for each utility included in business-type activities, with the same focus used in government-wide reporting.

At the end of the fiscal year, the combined fund balances for governmental funds was \$158.4 million, of which \$119.0 million (75%) was in the major funds. Fund balances of all governmental funds increased by \$15.4 million from the prior year. This is the net result of changes in a variety of funds including increases in taxes and shared intergovernmental revenues, purchase of capital assets, and the result of operations.

MANAGEMENT'S DISCUSSION & ANALYSIS

Operations results reflect a focus on maintaining public trust with consistent service levels while containing costs.

The General Fund had an ending balance of \$44.0 million, an increase of \$3.3 million from prior year. Revenues increased by \$1.5 million while expenditures increased by \$5.0 million. Total tax revenues in the general fund decreased by 0.6% from the prior year. Property tax receipts increased 3.1% or \$1.1 million. Business Income Tax (BIT) decreased \$1.3 million or %. State-shared intergovernmental revenues had decreases in State revenue sharing and shared revenue for liquor taxes totaling \$521 thousand or 12.5%.

The Designated Purpose Fund had an ending balance of \$13.3 million, an increase of \$3.5 million over last year. Revenues increased \$5.8 million as expenditures increased \$3.6 million, with increased State grant revenues related to housing insecurity and gang outreach and intervention, and increased funding from the Metro Affordable Housing Bond program.

The System Development Charges Fund is statutorily required and accounts for transportation, park, water, stormwater, and wastewater system connection impact charges. The ending balance in this fund increased by \$5.2 million to \$25.4 million. About \$10.4 million in system development charges (SDC) and related interest were collected during the year while the fund transferred \$5.2 million to construction funds for infrastructure development. SDC charges increased primarily due to multiple subdivision single family homes have coming online in the current year to meet the demands of the housing shortage. The increase continues to bring activity back in line with pre-pandemic patterns.

The Transportation Fund ending balance increased \$693 thousand. \$9.0 million in gas tax revenue was received during the year to provide for road maintenance, which is a \$0.1 million increase from the prior year. Gas tax revenue is determined by statewide fuel tax revenue collections. An intergovernmental agreement with Multnomah County for maintenance of roads provided \$4.7 million of revenue, a decrease of \$0.3 million over the prior year. Transfers out of \$8.7 million included \$1.8 million provided to the Transportation Construction Fund for capital improvement projects and \$5.7 million related to debt service payments.

The GRDC - Rockwood Debt Service Fund had an ending balance of \$1.2 million. The Rockwood West-Gresham Urban Renewal Area is a separate legal entity and is budgeted separately from the City under Oregon budget law. For financial reporting purposes, the Area's funds are blended with the City's. The City makes loans to the Area for development projects and is paid back through collection of tax increment. Property tax revenue increased by \$1.5 million to \$8.3 million in 2024.

Net position for the enterprise funds increased by \$30.4 million. The Water Fund, Stormwater Fund and Wastewater fund reported operating income of \$13.6 million, \$1.0 million and \$1.0 million respectively. The result of operations for the enterprise funds was net operating income of \$15.5 million. Changes in OPEB and pension funded status impact operating expenses in enterprise funds. Net position in utility funds is accumulated over time for replacement of infrastructure in addition to operations.

Combined transfers in for the utility funds were \$3.0 million, which were offset by transfers out of \$3.0 million. Transfers out consisted primarily of payments for central city services and permits while transfers in consisted of monies from the System Development Charges Fund. The transfer proceeds were used to acquire capital assets and repay outstanding debt, and so contributed significantly to the improved net positions of the funds.

Restrictions on the use of net position of proprietary funds are mostly related to the requirements of debt agreements. Since the resources are intended for use on the restricted purposes, the restrictions do not adversely affect the availability of fund resources for future use.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund budget for the fiscal year was designed to contain costs while meeting service level needs and increasing efficiency through targeted investments. There was one supplemental budget and other modifications during the year. City Council approval is required to make appropriation changes during the year.

Revenue in the General Fund exceeded budget by \$467 thousand due to collection of certain revenues over expectations, including business income taxes, utility license fees, and investment earnings, offset by business income tax revenue under budgeted amounts.

On the expenditure side, budget and actual differences for operating departments reflect a continued City-wide effort to maintain costs. Public safety expenses continue to be supplemented by the Police, Fire, and Parks fee, which ensures that service levels for these functions were maintained.

During the year, department staff continued focusing on lean operations by limiting materials and services expenditures. Expenditures in Police, Fire, Community Livability, Parks, and Economic, Development and Housing Services were kept under budget by \$4.5 million, \$1.9 thousand, \$100 thousand, \$426 thousand and \$309 thousand respectively.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of year-end, the City had \$968 million invested in a broad range of capital assets, including public safety vehicles and equipment, software, buildings, park facilities, land, easements, roads, bridges, and water, stormwater, and wastewater systems. This amount includes a net increase (including additions, deletions, and depreciation) of \$30.5 million from last year.

Governmental activities' capital assets increased by a net \$22.2 million before depreciation. This was primarily attributed to the work on street surfacing improvements, full pavement reconstruction on local streets, intersection improvements, pedestrian safety enhancements and improvement, development of Gradin Sports Park, as well as the purchase of two buildings. Additionally, developer contributions, right-of-way dedications, and replacement of aging equipment and vehicles comprised most of the remaining increase. Depreciation on government type assets was \$18.6 million.

Business-type activities' assets increased by a net \$42.1 million before depreciation. Capital improvement projects include: ongoing upsizing or replacement of aging utility infrastructure throughout the City, wastewater treatment plant projects for the refurbishment and replacement of aging equipment, gravity belt thickener refurbishment and improvements of secondary digester, overhead Johnson Creek crossing seismic upgrade, development and construction of groundwater system, along with local street reconstruction coordination project, as well as the replacement of Gabbert Hill pipelines, enhancing the capacity of the water lines, and re-construction of stormwater facilities and pipe systems, comprised most of the increase. Private developer contributions and replacement of aging machinery and equipment also contributed to the increase in assets. Depreciation on business-type assets was \$12 million.

Additional information on the City's capital assets can be found in the notes to the financial statements in the section titled Capital Assets.

Long-term Debt

City of Gresham, Oregon						
Outstanding Bonds and Notes Payable						
(in millions)						
	Governmental		Business-type		Total	
	Activities		Activities			
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Notes Payable & Other Long-term Debt	\$ 32.7	\$ 40.7	\$ 9.9	\$ 10.8	\$ 42.6	\$ 51.5
Revenue Bonds	-	-	41.5	41.5	41.5	41.5
Total	<u>\$ 32.7</u>	<u>\$ 40.7</u>	<u>\$ 51.4</u>	<u>\$ 52.3</u>	<u>\$ 84.1</u>	<u>\$ 93.0</u>

As of year-end, the City had \$84.1 million in bonds and notes outstanding. Of that amount, \$8.3 million is considered due within one year. Bonds and notes payable decreased by \$8.8 million due to \$16.2 million in payments offset by \$7.4 million in new issuance.

Long term debt from governmental activities decreased by \$7.9 million. During the year, the City made all regularly scheduled payments.

Business-type activities debt decreased by \$0.8 million due to regularly scheduled payments. There were no new issuances this fiscal year.

Detailed information on the City’s long-term debt activity can be found in the notes to the financial statements in the section titled Long-term Liabilities.

The City’s underlying bond ratings were unchanged during the year. The Aa2 rating from Moody’s Investors Service reflect the strong financial underpinnings that support the City’s Full Faith and Credit obligations. The City received a rating of AA- from Standard and Poors for a 2021 Water Revenue Bonds issuance.

FINANCIAL CONDITIONS AND NEXT YEAR’S BUDGETS AND RATES

- Due to the property tax and revenue structure, revenues are not projected to keep pace with the cost of providing the current levels of service in the City. Despite attempting to maximize the value of tax dollars, the widening gap between revenue and current-service-level expenses has caused the city to seek alternate revenue sources and make targeted investments in efficiencies.
- Property tax regulations set permanent rates for each jurisdiction in the State of Oregon as well as limit the growth of taxable assessed value to a maximum of 3% per year. Gresham’s permanent rate is \$3.6129 per \$1,000 of tax assessed value. For fiscal year 2023/24 Gresham’s total assessed value was \$10,748,618,860, a 4.5% increase from the previous year.
- The City continues to aggressively seek and use federal grants to supplement services and improve infrastructure. During the fiscal year the City spent \$13.4 million in federal program funds of which \$0.4 million of Department of Transportation grants were used for infrastructure. \$2.5 million of funding was received from HUD of which \$1.6 was passed through to sub-recipients. \$6.5 million was spent in Coronavirus State and Local Fiscal Recovery Funds from the Department of the Treasury. \$2.9 million is spending on projects to be funded by a Water Infrastructure Finance and Innovation (WIFIA) loan from the Environmental Protection Agency.

CITY OF GRESHAM, OREGON

- The City regularly reviews utility rates and business fees to evaluate their effectiveness in supporting operating and capital needs. Following a five-year utility rate package approved in January 2017, the City approved an additional five-year utility rate schedule in October 2021, increasing rates in order to keep pace with inflationary expenses and end-of-life infrastructure replacements, with additional annual rate increases approved through January 1, 2027. A temporary increase in the City's Police, Fire and Parks fee that became effective January 1, 2021 was extended through fiscal year 2024. After Council action taken in April 2024 the sunset date for the temporary fee increase was removed.
- Major capital projects budgeted for 2024-25 include: \$54.2 million for wastewater services including treatment plant upgrade of existing facilities and utilities such as control system improvements, upper plant nitrification improvement, belt press replacement, disinfection equipment improvements, outfall diffuser improvements, ongoing systematic sanitary sewer pipeline rehabilitation, maintenance and expansion, including seismic upgrades to sewer line crossing over Johnson Creek; \$78.7 million for water projects including replacement of aging waterlines throughout the city, development and construction of new wells and infrastructure and distribution pipelines for new groundwater system, Regner reservoir seismic piping and retrofitting, repair and replacement of water meters; \$48.9 million for various transportation, street and footpath related projects which will preserve existing infrastructure, increase roadway capacity, and enhance neighborhood livability, which includes full pavement reconstruction on local streets, street surfacing improvement for pavement preservations, various intersection improvements, enhancement of pedestrian and bicycle facilities on Division street Corridor, Hogan-Powell to Burnside as well as NE Cleveland (Stark – Burnside), pedestrian safety enhancements on 181st and 182nd avenue which include pedestrian-activated crossing signals and implementation of missing sidewalk links and improved access and safety to local destinations; \$22.8 million for park projects including design and construction of additional softball or soccer fields at Gradin Sports Park, design and construction of park or trail improvements and amenities associated with Metro Local Share Park project, construction of multi-sport surfaces and renovation of various basketball surfaces using ARPA funds, \$11.3 million for stormwater projects including repair and new construction to replace deficient stormwater system to eliminate flooding and improve drainage; and \$4.4 million for urban renewal projects such as continued construction of Catalyst site/Downtown Rockwood and Rockwood Urban Plaza, development of Sunrise site and various property acquisitions to attract new capital intensive industrial development, safety improvements for pedestrians between Yamhill and 182nd Ave, as well as preparation and planning for development/replacement of Fire Station 74.

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. Questions about this report or requests for additional financial information should be addressed to the City of Gresham Budget and Finance Department, Finance and Accounting Services Division, 1333 NW Eastman Parkway, Gresham, Oregon 97030-3813

Basic Financial Statements

CITY OF
GRESHAM
GOING BEYOND

City of Gresham, Oregon
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 226,024,073	\$ 152,822,007	\$ 378,846,080
Property taxes receivable	1,274,996	-	1,274,996
Receivables, net	16,005,252	13,048,036	29,053,288
Internal balances	(7,809,226)	7,809,226	-
Other assets	1,512,332	1,045,222	2,557,554
Net OPEB asset	1,562,270	-	1,562,270
Restricted cash and investments	1,105,478	4,076,768	5,182,246
Capital assets:			
Non-depreciable	501,218,700	66,503,271	567,721,971
Depreciable, net	154,884,767	246,181,639	401,066,406
Total assets	<u>895,778,642</u>	<u>491,486,169</u>	<u>1,387,264,811</u>
DEFERRED OUTFLOWS OF RESOURCES			
Related to pension	49,927,847	10,315,562	60,243,409
Related to OPEB	1,279,053	162,682	1,441,735
Total deferred outflows of resources	<u>51,206,900</u>	<u>10,478,244</u>	<u>61,685,144</u>
LIABILITIES			
Accounts payable	7,196,543	9,228,274	16,424,817
Deposits	3,250,623	1,024,996	4,275,619
Accrued interest payable	166,130	131,179	297,309
Accrued claims payable	6,594,334	-	6,594,334
Other accrued liabilities	2,004,427	108,637	2,113,064
Unearned revenue	14,683,580	8,000,000	22,683,580
Long-term liabilities:			
Due within one year			
Bonds and notes payable	7,451,097	1,040,235	8,491,332
Lease payable	142,493	-	142,493
SBITA payable	575,114	52,116	627,230
Compensated absences	1,650,900	213,900	1,864,800
Due in more than one year			
Bonds and notes payable	25,401,808	52,529,091	77,930,899
Lease payable	146,173	-	146,173
SBITA payable	303,065	113,445	416,510
Compensated absences	9,355,400	1,212,800	10,568,200
Net pension liability	133,952,027	14,443,883	148,395,910
Total OPEB liability	9,650,961	536,901	10,187,862
Total liabilities	<u>222,524,675</u>	<u>88,635,457</u>	<u>311,160,132</u>
DEFERRED INFLOWS OF RESOURCES			
Related to pension	14,579,211	7,513,071	22,092,282
Related to OPEB	726,405	434,788	1,161,193
Total deferred inflows of resources	<u>15,305,616</u>	<u>7,947,859</u>	<u>23,253,475</u>
NET POSITION			
Net investment in capital assets	628,966,103	273,656,484	902,622,587
Restricted for:			
Transportation system construction and maintenance	32,269,889	-	32,269,889
System development	25,415,765	-	25,415,765
Building development review and inspection	11,251,845	-	11,251,845
Utility and public facilities construction	-	1,652,479	1,652,479
Loan covenant requirement	-	7,214	7,214
Urban renewal	730,089	-	730,089
Law enforcement equipment	34,053	-	34,053
Other post employment benefits	1,437,140	-	1,437,140
Debt service	9,225,524	880,003	10,105,527
Unrestricted	(175,157)	129,184,917	129,009,760
Total net position	<u>\$ 709,155,251</u>	<u>\$ 405,381,097</u>	<u>\$ 1,114,536,348</u>

The notes to the basic financial statements are an integral part of this statement.

City of Gresham, Oregon
Statement of Activities
For the Fiscal Year Ended June 30, 2024

Functions	Direct Expenses	Indirect Expenses Allocation	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:					
General government	\$ 51,341,980	\$ (46,721,002)	\$ 7,355,318	\$ 225,367	\$ -
Public safety	58,302,460	30,878,868	15,122,098	412,466	-
Urban renewal	4,538,223	-	159,696	17,814	-
Urban design and planning	2,676,468	1,435,749	1,235,447	127,599	-
Economic, development, & housing services	8,331,225	4,504,727	9,364,057	4,830,757	-
Community livability	1,865,091	1,103,870	-	1,093,564	-
Parks	3,747,031	2,242,618	101,171	1,011,051	747,054
Environmental services	4,461,867	2,065,590	11,682,406	1,055,957	1,175,024
Transportation	19,746,238	4,489,580	476,463	13,661,205	6,768,905
Interest on long-term debt	1,352,372	-	-	-	-
Total governmental activities	156,362,955	-	45,496,656	22,435,780	8,690,983
Business-type activities:					
Water	16,642,178	-	29,120,668	-	2,488,495
Stormwater	12,706,723	-	13,708,922	1,962	3,231,554
Wastewater	23,924,119	-	24,369,624	-	3,285,075
Total business-type activities	53,273,020	-	67,199,214	1,962	9,005,124
Total government	\$ 209,635,975	\$ -	\$ 112,695,870	\$ 22,437,742	\$ 17,696,107

General Revenues:

Taxes:

- Property taxes
- Franchise and license fees
- Business income taxes
- Hotel and motel taxes
- Other taxes

- Unrestricted grants and contributions
- Unrestricted interest and investment earnings
- Gain on sale of capital assets

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

The notes to the basic financial statements are an integral part of this statement.

**Net (Expense) Revenue and
Changes in Net Position**

Governmental Activities	Business-type Activities	Total
\$ 2,959,707	\$ -	\$ 2,959,707
(73,646,764)	-	(73,646,764)
(4,360,713)	-	(4,360,713)
(2,749,171)	-	(2,749,171)
1,358,862	-	1,358,862
(1,875,397)	-	(1,875,397)
(4,130,373)	-	(4,130,373)
7,385,930	-	7,385,930
(3,329,245)	-	(3,329,245)
(1,352,372)	-	(1,352,372)
<u>(79,739,536)</u>	<u>-</u>	<u>(79,739,536)</u>
-	14,966,985	14,966,985
-	4,235,715	4,235,715
-	3,730,580	3,730,580
-	22,933,280	22,933,280
<u>\$ (79,739,536)</u>	<u>\$ 22,933,280</u>	<u>\$ (56,806,256)</u>
43,837,365	-	43,837,365
24,550,971	-	24,550,971
9,412,941	-	9,412,941
1,271,371	-	1,271,371
726,438	-	726,438
3,656,667	-	3,656,667
10,482,022	7,474,176	17,956,198
245,159	-	245,159
38,626	(38,626)	-
<u>94,221,560</u>	<u>7,435,550</u>	<u>101,657,110</u>
14,482,024	30,368,830	44,850,854
694,673,227	375,012,267	1,069,685,494
<u>\$ 709,155,251</u>	<u>\$ 405,381,097</u>	<u>\$ 1,114,536,348</u>

City of Gresham, Oregon
Balance Sheet
Governmental Funds
June 30, 2024

	General Fund	Designated Purpose Fund	System Development Charges Fund
ASSETS			
Cash and investments	\$ 27,652,242	\$ 25,944,989	\$ 35,740,929
Property taxes receivable, net	1,051,536	-	-
Receivables, net	5,461,213	1,735,838	933,814
Other assets	183,154	172,255	234,182
Due from other funds	11,563,486	-	-
Restricted cash and investments	-	11,220	-
Total assets	<u>\$ 45,911,631</u>	<u>\$ 27,864,302</u>	<u>\$ 36,908,925</u>
LIABILITIES			
Accounts payable	\$ 921,876	\$ 586,354	\$ -
Other accrued liabilities	-	-	-
Deposits	210	151,712	-
Unearned revenue	-	344,111	10,560,351
Due to other funds	-	-	-
Total liabilities	<u>922,086</u>	<u>1,082,177</u>	<u>10,560,351</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	955,625	-	-
Unavailable revenue - loans receivable	-	-	932,809
Unavailable revenue - other	-	13,451,238	-
Total deferred inflows of resources	<u>955,625</u>	<u>13,451,238</u>	<u>932,809</u>
FUND BALANCES			
Restricted	-	8,678,414	25,415,765
Committed	-	-	-
Assigned	-	4,652,473	-
Unassigned	44,033,920	-	-
Total fund balances	<u>44,033,920</u>	<u>13,330,887</u>	<u>25,415,765</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 45,911,631</u>	<u>\$ 27,864,302</u>	<u>\$ 36,908,925</u>

The notes to the basic financial statements are an integral part of this statement.

<u>Transportation Fund</u>	<u>GRDC - Rockwood Debt Service Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 30,341,976	\$ 1,178,221	\$ 41,025,031	\$ 161,883,388
-	223,460	-	1,274,996
2,134,029	-	5,443,651	15,708,545
198,173	9,791	287,447	1,085,002
3,431,418	-	747,873	15,742,777
-	-	1,094,258	1,105,478
<u>\$ 36,105,596</u>	<u>\$ 1,411,472</u>	<u>\$ 48,598,260</u>	<u>\$ 196,800,186</u>
\$ 557,026	\$ -	\$ 2,994,181	\$ 5,059,437
-	-	26,661	26,661
566,794	-	2,531,907	3,250,623
-	-	2,901,651	13,806,113
-	-	300,000	300,000
<u>1,123,820</u>	<u>-</u>	<u>8,754,400</u>	<u>22,442,834</u>
-	202,784	-	1,158,409
-	-	-	932,809
-	-	373,629	13,824,867
<u>-</u>	<u>202,784</u>	<u>373,629</u>	<u>15,916,085</u>
34,981,776	1,208,688	25,297,367	95,582,010
-	-	926,779	926,779
-	-	13,246,085	17,898,558
-	-	-	44,033,920
<u>34,981,776</u>	<u>1,208,688</u>	<u>39,470,231</u>	<u>158,441,267</u>
<u>\$ 36,105,596</u>	<u>\$ 1,411,472</u>	<u>\$ 48,598,260</u>	<u>\$ 196,800,186</u>

City of Gresham, Oregon
Reconciliation of the Balance Sheet of Governmental Funds to Governmental Activities on the Statement of Net Position
June 30, 2024

Total fund balances - governmental funds \$ 158,441,267

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:

Governmental capital assets	1,443,221,003	
Less: Accumulated depreciation & amortization	<u>(787,117,536)</u>	656,103,467

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position:

Internal service funds total net position	17,002,206	
Capital assets included in total above	(11,353,121)	
Accrued Interest payable	31,429	
Leases payable	33,313	
SBITA payable	767,807	
Pension amounts included in totals below	20,045,197	
OPEB amounts included in totals below	1,427,915	
Compensated absences included in total below	<u>2,071,300</u>	30,026,046

Pension assets or liabilities, with related deferred outflows of resources and deferred inflows of resources, are not reported in governmental funds, but are reported on the statement of net position. The amounts included in governmental activities on the statement of net position:

Net pension liability	(133,952,027)	
Net OPEB asset	1,562,270	
Total OPEB liability	(9,650,961)	
Deferred outflows of resources related to pensions	64,603,710	
Deferred outflows of resources related to OPEB	1,985,552	
Deferred inflows of resources related to pensions	(29,255,074)	
Deferred inflows of resources related to OPEB	<u>(1,432,904)</u>	(106,139,434)

Assets not available to pay for current-period expenditures are unavailable in the governmental funds, but are to be fully accrued on the statement of net position:

Unavailable revenue from taxes, loans, and assessments		15,916,085
--	--	------------

Liabilities not due and payable in the current period are not reported in the governmental funds, but are reported on the statement of net position. Accrued interest on bonds and notes payable is recognized in the governmental funds as an expenditure when due:

Bonds and notes payable	(32,713,136)	
Bond premiums, net of accumulated amortization	(139,769)	
Leases payable	(288,666)	
SBITA payable	(878,179)	
Accrued interest payable	(166,130)	
Compensated absences	<u>(11,006,300)</u>	(45,192,180)

Total net position - governmental activities \$ 709,155,251

CITY OF
GRESHAM
GOING BEYOND

City of Gresham, Oregon
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024

	General Fund	Designated Purpose Fund	System Development Charges Fund
REVENUES			
Taxes	\$ 46,807,990	\$ -	\$ -
Licenses and permits	531,926	-	-
Intergovernmental	10,028,830	12,057,517	-
Charges for services	8,563,281	567,222	8,711,030
License fees	21,075,180	-	-
Miscellaneous	2,250,603	3,880,073	1,639,147
Internal service charges	1,129,963	-	-
Total revenues	<u>90,387,773</u>	<u>16,504,812</u>	<u>10,350,177</u>
EXPENDITURES			
Current:			
General government	-	3,476,755	-
Public safety	79,026,663	526,750	-
Urban renewal	-	-	-
Urban design and planning	-	111,481	-
Economic, development, & housing services	1,282,478	3,208,361	-
Community livability	1,454,819	1,389,089	-
Parks	4,778,948	998,721	-
Environmental services	-	623,584	-
Transportation	-	-	-
Capital outlay	-	-	-
Debt service	-	-	-
Total expenditures	<u>86,542,908</u>	<u>10,334,741</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,844,865</u>	<u>6,170,071</u>	<u>10,350,177</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Proceeds from sale of assets	202,041	-	-
Transfers in	3,275,000	992,055	-
Transfers out	<u>(4,053,158)</u>	<u>(3,621,385)</u>	<u>(5,186,785)</u>
Total other financing sources (uses)	<u>(576,117)</u>	<u>(2,629,330)</u>	<u>(5,186,785)</u>
Net change in fund balances	<u>3,268,748</u>	<u>3,540,741</u>	<u>5,163,392</u>
Fund balances - beginning	<u>40,765,172</u>	<u>9,790,146</u>	<u>20,252,373</u>
Fund balances - ending	<u>\$ 44,033,920</u>	<u>\$ 13,330,887</u>	<u>\$ 25,415,765</u>

The notes to the basic financial statements are an integral part of this statement.

Transportation Fund	GRDC - Rockwood Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 8,270,102	\$ -	\$ 55,078,092
-	-	4,650,079	5,182,005
13,804,023	2,871	8,549,199	44,442,440
224,615	-	6,015,902	24,082,050
1,755,527	-	1,720,264	24,550,971
1,453,772	101,560	2,108,939	11,434,094
1,670,069	-	3,297,330	6,097,362
<u>18,908,006</u>	<u>8,374,533</u>	<u>26,341,713</u>	<u>170,867,014</u>
-	-	-	3,476,755
-	-	-	79,553,413
-	-	5,829,151	5,829,151
-	-	3,587,447	3,698,928
-	-	7,114,715	11,605,554
-	-	-	2,843,908
-	-	-	5,777,669
-	-	4,698,010	5,321,594
11,074,287	-	492,245	11,566,532
-	-	16,304,667	16,304,667
-	7,389,900	8,889,740	16,279,640
<u>11,074,287</u>	<u>7,389,900</u>	<u>46,915,975</u>	<u>162,257,811</u>
7,833,719	984,633	(20,574,262)	8,609,203
-	-	7,389,900	7,389,900
51,582	-	6,975	260,598
1,475,061	-	16,351,197	22,093,313
(8,667,806)	-	(1,409,718)	(22,938,852)
<u>(7,141,163)</u>	<u>-</u>	<u>22,338,354</u>	<u>6,804,959</u>
692,556	984,633	1,764,092	15,414,162
<u>34,289,220</u>	<u>224,055</u>	<u>37,706,139</u>	<u>143,027,105</u>
\$ <u>34,981,776</u>	\$ <u>1,208,688</u>	\$ <u>39,470,231</u>	\$ <u>158,441,267</u>

City of Gresham, Oregon
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to Governmental Activities on the Statement of Activities
For the Fiscal Year Ended June 30, 2024

Net change in fund balances - governmental funds \$ 15,414,162

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds, which include internal service funds report capital outlays as expenditures and do not report capital asset contributions. In the statement of activities, those contributions are reported as revenues. However, in the statement of activities the cost of capital assets is allocated as depreciation and amortization expense over the assets estimated useful lives:

Capital asset expenditures and contributions		
Capitalized expenditures	16,867,732	
Contributions	6,765,037	
Less:		
Depreciation & amortization expense	<u>(18,595,394)</u>	5,037,375

Governmental funds report dispositions and proceeds from sales of capital assets, while such proceeds are offset with net capitalized assets resulting in gains and losses in the statement of activities:

Gain and Loss on disposition of capital assets	201,160	
Proceeds from disposition of capital assets	<u>(262,097)</u>	(60,937)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Detail of the impact of these transactions are as follows:

Proceeds from governmental debt issuance	(7,389,900)	
Debt principal repayments from governmental funds	15,328,544	
SBITA proceeds	(667,404)	
Principal payment on SBITA	708,072	
Principal payment on lease	<u>336,653</u>	8,315,965

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net expense of most activities of internal service funds is reported with governmental activities.

Internal service fund change in net position	(316,714)	
Change in capital asset activity included in total above	445,734	
Change in bonds and notes payable included in total above	(435,739)	
Change in leases payable	(198,540)	
Change in SBITA payable	(151,041)	
Pension expense included in total below	1,505,869	
OPEB expense included in total below	8,427	
Accrued interest reversal and accrual included in total below	(6,636)	
Change in compensated absences included in total below	<u>232,100</u>	1,083,460

Some revenues reported in the statement of activities do not provide current financial resources and, therefore, are not reported in governmental funds. Some revenues reported in governmental funds are not reported in the statement of activities because they did not provide current financial resources in prior years:

Change in property tax receivable	170,023	
Change in miscellaneous receivables	<u>(5,240,919)</u>	(5,070,896)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Amortization of premiums and discounts	14,732	
Change in accrued interest	43,198	
Pension expense	(9,016,937)	
OPEB expense	(131,898)	
Change in compensated absences	<u>(1,146,200)</u>	<u>(10,237,105)</u>

Change in net position - governmental activities \$ 14,482,024

City of Gresham, Oregon
Statement of Net Position
Proprietary Funds
June 30, 2024

Enterprise Funds					
	Water	Stormwater	Wastewater	Total	Internal Service Funds
ASSETS					
Current assets:					
Cash and investments	\$ 56,815,352	\$ 26,024,054	\$ 69,982,601	\$ 152,822,007	\$ 64,140,685
Receivables, net	6,546,575	2,193,919	4,307,542	13,048,036	296,707
Due from other funds	2,392,008	1,893,452	3,523,766	7,809,226	1,991,653
Total current assets	<u>65,753,935</u>	<u>30,111,425</u>	<u>77,813,909</u>	<u>173,679,269</u>	<u>66,429,045</u>
Noncurrent assets:					
Other assets	390,087	176,090	479,045	1,045,222	427,330
Restricted cash and investments	1,069,060	500,000	2,507,708	4,076,768	-
Capital assets:					
Non-depreciable	45,363,491	9,638,847	11,500,933	66,503,271	2,399,969
Depreciable, net	72,134,016	56,841,255	117,206,368	246,181,639	8,953,152
Total noncurrent assets	<u>118,956,654</u>	<u>67,156,192</u>	<u>131,694,054</u>	<u>317,806,900</u>	<u>11,780,451</u>
Total assets	<u>184,710,589</u>	<u>97,267,617</u>	<u>209,507,963</u>	<u>491,486,169</u>	<u>78,209,496</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflow related to pension	3,485,913	3,424,467	3,405,182	10,315,562	18,427,294
Deferred outflow related to OPEB	12,254	36,439	113,989	162,682	236,852
Total deferred outflows of resources	<u>3,498,167</u>	<u>3,460,906</u>	<u>3,519,171</u>	<u>10,478,244</u>	<u>18,664,146</u>
LIABILITIES					
Current liabilities:					
Accounts payable	6,761,216	296,183	2,170,875	9,228,274	2,137,106
Other accrued liabilities	108,629	-	8	108,637	68,589
Accrued claims payable	-	-	-	-	6,594,334
Accrued interest payable	109,404	189	21,586	131,179	31,429
Other liabilities	-	-	-	-	1,909,177
Deposits	1,024,996	-	-	1,024,996	-
Unearned revenue	-	-	8,000,000	8,000,000	877,467
Due to other funds	-	-	-	-	25,243,656
Lease payable	-	-	-	-	33,313
Compensated absences	74,600	70,900	68,400	213,900	310,700
Bonds, notes and loans payable	358,736	246,780	434,719	1,040,235	-
SBITA payable	17,372	17,372	17,372	52,116	540,371
Total current liabilities	<u>8,454,953</u>	<u>631,424</u>	<u>10,712,960</u>	<u>19,799,337</u>	<u>37,746,142</u>
Noncurrent liabilities:					
Net pension liability	4,899,891	4,740,458	4,803,534	14,443,883	25,460,743
Total OPEB liability	92,710	244,508	199,683	536,901	1,219,487
Compensated absences	423,000	401,900	387,900	1,212,800	1,760,600
Bonds, notes and loans payable	46,589,977	3,084,758	2,854,356	52,529,091	-
SBITA payable	37,815	37,815	37,815	113,445	227,436
Total noncurrent liabilities	<u>52,043,393</u>	<u>8,509,439</u>	<u>8,283,288</u>	<u>68,836,120</u>	<u>28,668,266</u>
Total liabilities	<u>60,498,346</u>	<u>9,140,863</u>	<u>18,996,248</u>	<u>88,635,457</u>	<u>66,414,408</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pension	2,525,635	2,472,926	2,514,510	7,513,071	13,011,748
Deferred inflows related to OPEB	297,914	90,018	46,856	434,788	445,280
Total deferred inflows of resources	<u>2,823,549</u>	<u>2,562,944</u>	<u>2,561,366</u>	<u>7,947,859</u>	<u>13,457,028</u>
NET POSITION					
Net investment in capital assets	85,320,219	63,033,301	125,302,964	273,656,484	10,585,315
Restricted for:					
Construction	-	-	1,652,479	1,652,479	-
Loan requirement	-	-	7,214	7,214	-
Rate stabilization	-	-	-	-	-
Debt service	89,614	213,318	577,071	880,003	-
Unrestricted	39,477,028	25,778,097	63,929,792	129,184,917	6,416,891
Total net position	<u>\$ 124,886,861</u>	<u>\$ 89,024,716</u>	<u>\$ 191,469,520</u>	<u>\$ 405,381,097</u>	<u>\$ 17,002,206</u>

The notes to the basic financial statements are an integral part of this statement.

City of Gresham, Oregon
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2024

	Enterprise Funds				Internal Service Funds
	Water	Stormwater	Wastewater	Total	
OPERATING REVENUES					
Charges for services	\$ 29,116,617	\$ 13,729,476	\$ 24,788,977	\$ 67,635,070	\$ 43,473,083
Miscellaneous	-	-	-	-	128,137
Total operating revenues	<u>29,116,617</u>	<u>13,729,476</u>	<u>24,788,977</u>	<u>67,635,070</u>	<u>43,601,220</u>
OPERATING EXPENSES					
Personnel services	1,598,630	4,403,617	3,677,084	9,679,331	21,415,767
Professional and technical services	123,119	903,905	4,785,044	5,812,068	3,910,748
Property services	718,217	76,590	120,104	914,911	1,224,952
Other services	101,296	63,124	91,220	255,640	551,798
Supplies	167,682	154,571	313,627	635,880	3,274,455
Water purchase	3,948,871	-	-	3,948,871	-
Incentive programs	15,800	186,488	-	202,288	238,797
Insurance claims	-	-	-	-	14,368,266
Internal services	4,689,692	3,462,910	6,128,375	14,280,977	8,682
Other materials and services	581,884	825,572	2,982,212	4,389,668	3,351,115
Depreciation and amortization	3,605,471	2,629,946	5,730,515	11,965,932	862,329
Total operating expenses	<u>15,550,662</u>	<u>12,706,723</u>	<u>23,828,181</u>	<u>52,085,566</u>	<u>49,206,909</u>
Operating income (loss)	<u>13,565,955</u>	<u>1,022,753</u>	<u>960,796</u>	<u>15,549,504</u>	<u>(5,605,689)</u>
NONOPERATING REVENUES (EXPENSES)					
Miscellaneous revenue (expense)	(6,404)	(17,517)	49,115	25,194	8,692,756
Interest and investment income	2,933,816	1,233,599	3,306,760	7,474,175	2,862,300
Interest expense	(1,091,516)	-	(95,938)	(1,187,454)	(19,412)
Interagency loan	-	-	-	-	(7,389,900)
Gain/(loss) on disposition of capital assets	10,456	27,900	31,853	70,209	(5,151)
Total nonoperating revenues (expenses)	<u>1,846,352</u>	<u>1,243,982</u>	<u>3,291,790</u>	<u>6,382,124</u>	<u>4,140,593</u>
Income (loss) before contributions and transfers	<u>15,412,307</u>	<u>2,266,735</u>	<u>4,252,586</u>	<u>21,931,628</u>	<u>(1,465,096)</u>
Capital contributions	2,488,495	3,202,579	2,784,754	8,475,828	-
Transfers in	1,368,740	762,402	855,997	2,987,139	1,863,412
Transfers out	(619,000)	(1,740,600)	(666,165)	(3,025,765)	(715,030)
Change in net position	<u>18,650,542</u>	<u>4,491,116</u>	<u>7,227,172</u>	<u>30,368,830</u>	<u>(316,714)</u>
Total net position - beginning	<u>106,236,319</u>	<u>84,533,600</u>	<u>184,242,348</u>	<u>375,012,267</u>	<u>17,318,920</u>
Total net position - ending	<u>\$ 124,886,861</u>	<u>\$ 89,024,716</u>	<u>\$ 191,469,520</u>	<u>\$ 405,381,097</u>	<u>\$ 17,002,206</u>

The notes to the basic financial statements are an integral part of this statement.

City of Gresham, Oregon
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2024

	Enterprise Funds				Internal Service Funds
	Water	Stormwater	Wastewater	Total	
Cash flows from operating activities:					
Receipts from customers	\$ 25,384,737	\$ 13,560,985	\$ 24,711,120	\$ 63,656,842	\$ 937,035
Receipts for internal services provided	-	-	-	-	42,594,285
Payments to suppliers for goods and services	(5,334,323)	(5,744,453)	(13,593,089)	(24,671,865)	(27,601,082)
Payments to employees for services	(1,399,063)	(4,141,373)	(3,448,962)	(8,989,398)	(19,664,170)
Other operating receipts (payments)	290,393	(17,517)	6,049,115	6,321,991	8,870,044
Net cash provided by (used in) operating activities	<u>18,941,744</u>	<u>3,657,642</u>	<u>13,718,184</u>	<u>36,317,570</u>	<u>5,136,112</u>
Cash flows from noncapital financing activities:					
Receipts from other funds	319,910	119,109	274,242	713,261	4,815,080
Payments to other funds	(837,394)	(1,982,675)	(1,115,044)	(3,935,113)	(8,254,867)
Net cash provided by (used in) noncapital financing activities	<u>(517,484)</u>	<u>(1,863,566)</u>	<u>(840,802)</u>	<u>(3,221,852)</u>	<u>(3,439,787)</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(27,153,671)	(1,196,248)	(5,892,706)	(34,242,625)	(586,973)
Receipts from system development charges	1,048,830	643,293	581,755	2,273,878	-
Principal portion of debt service	(243,750)	(246,780)	(373,002)	(863,532)	(490,122)
Interest portion of debt service	(1,190,843)	188	(139,978)	(1,330,633)	28,335
Proceeds from disposition of capital assets	10,456	27,900	31,853	70,209	-
Net cash provided by (used in) capital and related financing activities	<u>(27,528,978)</u>	<u>(771,647)</u>	<u>(5,792,078)</u>	<u>(34,092,703)</u>	<u>(1,048,760)</u>
Cash flows from investing activities:					
Change in investments	3,676,060	(2,013,759)	(6,937,210)	(5,274,909)	(3,154,072)
Interest on investments	2,933,816	1,178,038	3,135,042	7,246,896	2,734,045
Net cash provided by (used in) investing activities	<u>6,609,876</u>	<u>(835,721)</u>	<u>(3,802,168)</u>	<u>1,971,987</u>	<u>(420,027)</u>
Net increase (decrease) in cash and cash equivalents	(2,494,842)	186,708	3,283,136	975,002	227,538
Cash and cash equivalents - beginning	11,351,323	1,646,792	10,667,177	23,665,292	2,420,655
Cash and cash equivalents - ending	<u>\$ 8,856,481</u>	<u>\$ 1,833,500</u>	<u>\$ 13,950,313</u>	<u>\$ 24,640,294</u>	<u>\$ 2,648,193</u>
Classified on the Statement of Net Position as:					
Cash and investments	\$ 8,635,934	\$ 1,785,250	\$ 12,736,833	\$ 23,158,017	\$ 2,648,193
Restricted cash and cash equivalents	220,547	48,250	1,213,480	1,482,277	-
	<u>\$ 8,856,481</u>	<u>\$ 1,833,500</u>	<u>\$ 13,950,313</u>	<u>\$ 24,640,294</u>	<u>\$ 2,648,193</u>
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ 13,565,955	\$ 1,022,753	\$ 960,796	\$ 15,549,504	\$ (5,605,689)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:					
Depreciation and amortization	3,605,471	2,629,946	5,730,515	11,965,932	862,329
Pension adjustments	202,116	249,941	177,466	629,523	1,505,869
OPEB adjustments	(40,149)	(1,897)	13,556	(28,490)	8,427
Other	(6,404)	(17,517)	49,115	25,194	8,692,755
Changes in assets and liabilities:					
Receivables	(3,731,880)	(168,491)	(77,857)	(3,978,228)	51,788
Accounts payable	4,903,529	(126,480)	808,577	5,585,626	(1,231,906)
Lease payable	-	-	-	-	(33,313)
SBITA	55,187	55,187	55,187	165,561	(151,041)
Other liabilities	387,919	14,200	6,000,829	6,402,948	1,036,893
Net cash provided by (used in) operating activities	<u>\$ 18,941,744</u>	<u>\$ 3,657,642</u>	<u>\$ 13,718,184</u>	<u>\$ 36,317,570</u>	<u>\$ 5,136,112</u>
Noncash investing, capital, and financing activities:					
Contributed capital assets	\$ 2,488,495	\$ 3,202,579	\$ 2,784,754	\$ 8,475,828	\$ -
Increase (Decrease) in fair value of investments	(1,235,269)	(557,617)	(1,516,969)	(3,309,855)	(1,353,203)
SBITA proceeds	72,091	72,091	72,091	216,273	523,222

The notes to the basic financial statements are an integral part of this statement.

CITY OF
GRESHAM
GOING BEYOND

City of Gresham, Oregon
Notes to the Financial Statements
June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The City of Gresham, Oregon (City) is a municipal corporation governed by an elected mayor and six-member council, elected for staggered terms of four years. The Mayor, who serves as chairperson and an additional voting member of the Council, is also elected to serve a term of four years. The affairs of the City are conducted under the administration of the City Manager who is appointed by the Council.

The City is a primary government since it has a separately elected governing body, is a legally separate entity, and is fiscally independent. The City has one component unit that is a legally separate entity, which is in substance, a part of the City's operation and therefore blended into the basic financial statements. There are other governmental agencies, school districts, and special service districts that provide services within the City's boundaries. However, since the City is not financially accountable for these entities, they do not qualify as component units and are not included in the basic financial statements.

Blended Component Unit

The Rockwood-West Gresham Urban Renewal Area (Area) was created in the fall of 2003, when voters approved the creation of an urban renewal area for 20 years with maximum principal indebtedness of \$92.0 million. In May 2022, Gresham voters approved the extension of the Area through 2029. The City of Gresham Council members serve as the Area's governing body, known as the Gresham Redevelopment Commission (Commission) and City staff perform all operational functions of the Area.

An Intergovernmental Agreement (IGA) exists between the City and the Commission for urban renewal project funding, internal service charges and debt issuance and repayment. The Area has remaining debt capacity of \$24,039,332 at fiscal year-end 2024. The Commission's activities are reported in the Rockwood UR Capital Projects Fund and the Rockwood UR Debt Service Fund.

Complete financial statements for the Area may be obtained from the City's website (www.GreshamOregon.gov) or the City of Gresham, Finance and Accounting Services Division, 1333 NW Eastman Parkway, Gresham, OR 97030.

B. Basic Financial Statements

The basic financial statements include both government-wide and fund financial statements. The government-wide financial statements report information on all non-fiduciary activities of the City and its component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

CITY OF GRESHAM, OREGON

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as *general revenues*.

Fund financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they become both measurable and available. Revenues are available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty days from the end of the current fiscal year. In the governmental fund financial statements, expenditures are generally recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Major revenue sources recognized under the City's availability policy include property taxes, license fees, business income taxes, as well as significant state shared revenues. Grant revenues are an exception to the policy and are recognized as soon as all eligibility requirements have been met. Interest income is considered subject to accrual and is recognized as revenue when earned. Licenses, permits, and other revenue items are considered measurable and available when cash is received by the City. The City reports the following funds as major governmental funds:

The *General Fund* is the City's primary operating fund. The principal sources of revenue are property taxes, state shared revenue, business income tax, license fees, and charges for services. General Fund expenditures are for police, fire, emergency medical services, community and economic development, and parks maintenance.

The *Designated Purpose Fund* accounts for monies donated to the City to support specific activities. Some grant funded expenditures are reported in this fund. Resources include intergovernmental revenue, and donations from businesses and individuals.

The *System Development Charge Fund* accounts for collections of: transportation, parks, water, stormwater, and wastewater system connection impact charges that are transferred to other funds for use on system development.

NOTES TO THE FINANCIAL STATEMENTS

The *Transportation Fund* accounts primarily for State of Oregon shared gas tax revenues used to construct, maintain, and repair streets.

The *Rockwood UR Debt Service Fund* accounts for debt service on funding for the Rockwood-West Gresham Urban Renewal Area.

The City reports the following funds as major proprietary funds:

The *Water Fund* accounts for the activities of the City's water system.

The *Stormwater Fund* accounts for the activities of the City's stormwater system.

The *Wastewater Fund* accounts for the activities of the City's wastewater system.

Additionally, the City has the following fund types:

The *special revenue funds* account for proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes.

The *capital projects funds* account for financial resources used for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

The *debt service funds* account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The *internal service funds* account for: property management, vehicle maintenance, legal, self-insurance, equipment replacement, information technology and administrative services provided to other departments of the City on a cost reimbursement basis.

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation and/or amortization of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

CITY OF GRESHAM, OREGON

D. New Accounting Pronouncements and Accounting Standards

During the fiscal year ended June 30, 2024, the City implemented the following GASB pronouncement:

GASB Statement No. 100, Accounting Changes and Error Corrections

This statement provides guidance to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement has no impact on the City's financial statements for the current fiscal year.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Cash Equivalents, and Investments

The City's cash and cash equivalents consists of cash on hand, demand deposits, and shares of the Local Government Investment Pool. Investments for the City, as well as for its component unit, are reported at fair value based on market prices, when available, as of year-end. Interest earned on cash and investments is allocated monthly based on each fund's average cash balance as a proportion of the City's total cash and investments.

Receivables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other fund" where repayment is expected over a short-term period and "advances from/to other funds" when the anticipated repayment time frame is long-term. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property taxes are levied and become a lien against the property on July 1st. Property tax statements are mailed no later than October 25th. Tax payments are due November 15th (and February 15th and May 15th if paying in thirds). A three percent discount is allowed if full payment is made by November 15th and a two percent discount is allowed if two-thirds payment is made by November 15th. Taxes unpaid and outstanding on May 16th are considered delinquent but are deemed to be substantially collectible or recoverable through liens.

Inventories

The cost of inventories is recorded as expenditure/expense when purchased.

Restricted Net Position

Assets with restricted use are reported separately on the Statement of Net Position. Restrictions are made by debt agreements, contracts, requirements imposed by federal and state agencies, and by contributors.

NOTES TO THE FINANCIAL STATEMENTS

Capital Assets

Capital assets, which include property, plant, equipment, infrastructure, easements, and software assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at acquisition value on the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are expensed when incurred and not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The City's capital assets are depreciated or amortized using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building and building improvements	10-50
Land improvements	10-50
Water, stormwater, and wastewater systems	10-50
Transportation systems	10-50
Machinery and equipment	3-40
Software	3-20

Deferred Outflows/Inflows of Resources

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

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

Compensated Absences

It is the City's policy to permit employees to accumulate earned, but unused vacation, holiday, and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not pay these amounts when employees separate from service with the City. Vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. The City recognizes accrued compensation balance changes as a budgetary expense. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

CITY OF GRESHAM, OREGON

Long-term Debt

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Premiums, discounts, and deferred refunding amounts are accumulated and amortized as interest expense over the life of the debt using the straight-line method.

In the fund financial statements, governmental fund types, expense bond discounts and issuance costs while recognizing bond premiums during the current period. The par value of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether withheld or not from the actual proceeds received, are reported as debt service expenditures.

The Tax Reform Act of 1986 requires that governmental entities issuing tax-exempt debt after August 1986 calculate and rebate arbitrage earnings to the federal government. Specifically, the excess of the aggregated amount earned on investments purchased with bond proceeds over the amount that would have been earned if the proceeds were invested at a rate equal to the bond yield, is rebated to the federal government. On June 30, 2024, five of the City's long-term debt issues were subject to federal arbitrage regulations, but no rebate liability was incurred this fiscal year. The issues which are not subject to rebate are either issued as taxable obligations or are monies borrowed from non-bond sources.

Lease payable

The City reports a lease payable for the liability associated with contracts granting the City the right to use a nonfinancial asset such as land, buildings, or equipment. The City has also recorded an intangible asset for the right to use the nonfinancial asset.

Subscription payable

The City reports a subscription payable for the liability associated with contracts granting the City the right to use a nonfinancial asset such as subscription-based information technology. The City has also recorded an intangible asset for the right to use the nonfinancial asset.

Other post-employment benefits (OPEB)

The City reports its proportionate share of the Net OPEB Asset of the Oregon Public Employees Retirement System (OPERS) in the government-wide financial statements. For purposes of measuring the net OPEB liability or asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of OPERS and additions to/deductions from OPERS's fiduciary net position have been determined on the same basis as they are reported by OPERS. Investments are reported at fair value.

The City also reports a Total OPEB liability in the government-wide and proprietary fund financial statements for the City's Implicit Rate Subsidy OPEB Plan.

NOTES TO THE FINANCIAL STATEMENTS

Net Pension Liability

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

Fund Balance

Fund balances, presented in the governmental fund financial statements, represent a resource for future periods that is the difference between assets and liabilities reported in a governmental fund. Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City evaluated each of its funds at June 30, 2024 and classified fund balances into the following five categories:

Non-spendable - amounts that cannot be spent because they are not in spendable form, such as inventory, or required to be maintained intact.

Restricted – amounts constrained to specific purposes by their providers or by enabling legislation.

Committed - amounts that have been committed by formal action by the entity's "highest level of decision-making authority", which the City considers to be a Council Resolution. Committed amounts may not be used for any other purpose unless City Council removes the constraint by similar resolution.

Assigned – amounts that have been allocated by the City action where the government's intent is to use the funds for a specific purpose. Assigned fund balance is established by City Council through adoption or amendment of the budget as intended for specific purpose.

Unassigned – amounts that have no restrictions on them in the general fund or any deficit fund balances.

The City reduces restricted amounts first when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available. The City reduces committed amounts first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Indirect Expenses Allocation

In the fund financial statements, the City accounts for certain general government expenses in internal services funds. Costs are mainly recovered through internal service charges to direct operating funds. In the Statement of Activities, these costs are reported as expenses of the general government function and allocated to direct functions in a separate column titled Indirect Expenses Allocation. The remaining net expense in the general government function represents direct activity of that function including its share of allocated indirect costs.

CITY OF GRESHAM, OREGON

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The City prepares its budget in accordance with the legal requirements set forth in Oregon Local Budget Law. The City Council adopts the budget, makes appropriations, and declares the tax levy no later than June 30th before the year budgeted.

In accordance with State law, annual budgets are adopted for all funds. Budgets are prepared similar to the modified accrual basis of accounting for all fund types.

The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total expenditures by department, as well as non-operating functions such as debt service and interfund transfers, are the legal level of control. All changes and amendments to total department expenditures for each fund require the approval of the City Council.

Unexpected additional resources may be added to the budget through the use of a supplemental budget, an appropriation or contingency transfer, or an appropriation of additional resources. These additions require the approval of the City Council. During the fiscal year, the City adopted one supplemental budget, one contingency transfer, and made a number of appropriation transfers and additional resource appropriations.

B. Deficit Fund Equity

The Legal Services Fund and the Administrative Services Fund had deficit net position of \$949,652 and \$8,297,745 respectively on June 30, 2024. The deficits in net position were a result of net pension liability valuation. These funds are internal service funds and operate primarily on a cost reimbursement basis.

NOTE 3. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash, Cash Equivalents, and Investments

Cash with financial institutions primarily consist of bank demand deposits. The total book balance in deposits at year-end was \$5,595,651. The total bank balance was \$6,178,859. Of these deposits, \$250,000 was fully covered by the federal depository insurance's general deposit rules and \$5,928,859 was in a qualified depository bank and collateralized in compliance with ORS 295. The City does not have a policy related to custodial risk over cash. The difference between the book balance and the bank balance represents outstanding items at year-end.

The City's investment policy is reviewed annually by the City's Budget and Finance Department and the City's Finance Committee. Material changes to the policy require submission to the Oregon Short-Term Fund Board (OSTF) for review. Once OSTF completes its review, the investment policy is then presented to the City Council for final adoption. The Oregon Short-Term Fund Board consists of the State Treasurer and four members appointed by the Governor and State Treasurer. At year-end, the City was in compliance with all investment policy requirements.

NOTES TO THE FINANCIAL STATEMENTS

State of Oregon statutes and the City's investment policies authorize the City to invest in U.S. Treasury obligations, U.S. Agency obligations, certain federal instrumentality securities, commercial paper, corporate bonds, banker's acceptances, Oregon Short-Term Fund, repurchase agreements, obligations of certain states and municipalities, time deposits, certificates of deposit, and savings accounts.

The City invests in the Local Government Investment Pool (LGIP). The LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. The Oregon Revised Statutes and the Oregon Investment Council govern the LGIP's investment policies. The State Treasurer is the investment officer for the LGIP and is responsible for all funds in the LGIP. These funds must be invested, and the investments managed, as a prudent person would, exercising reasonable care, skill, and caution. Investments in the LGIP are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The Oregon Audits Division audits the LGIP annually. The Division's most recent audit report on the LGIP was unmodified. The fair value of pool shares is equal to the City's proportionate position in the pool.

Interest Rate Risk

In accordance with its investment policy, the City manages its exposure to declines in fair value resulting from changes in interest rates by limiting the weighted average maturity (WAM) of its investment portfolio to less than forty-two months. To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The City does not actively trade investments, usually holding them to maturity. At year-end, the City had the following investments and maturities at fair value:

Investments	Risk Concentration	Weighted Average Final Maturity (Days)	Fair Value+Accrued
Cash/LGIP	10.9%	1	\$ 42,006,949
Corporate Obligations	17.9%	179	68,576,020
Municipal Obligations	4.4%	45	16,940,625
US Treasury	35.6%	297	136,895,150
US Treasury Bill	1.6%	1	5,972,880
US Agency Securities	29.6%	311	113,636,702
	100.0%	232	\$ 384,028,326
Shown on the Statement of Net Position as: Cash and investments			\$ 378,846,080
Restricted cash and investments			5,182,246
			\$ 384,028,326

CITY OF GRESHAM, OREGON

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or price paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – Unadjusted quoted prices for identical instruments in active markets.

Level 2 – Based on matrix pricing, synthesizing multiple market inputs to determine a fair value price derived from altered or indirectly observable prices.

Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

Fair Value Measurements Value as of June 30, 2024

	Level 1	Level 2	Level 3	Total
Investments:				
Currency	\$ 379,531	\$ -	\$ -	\$ 379,531
US Treasury	142,232,758	-	-	142,232,758
US Agency Securities	-	112,855,090	-	112,855,090
Corporate Obligations	-	67,972,473	-	67,972,473
Municipal Obligations	-	16,783,033	-	16,783,033
Total	<u>\$ 142,612,289</u>	<u>\$ 197,610,596</u>	<u>\$ -</u>	<u>\$ 340,222,885</u>

Concentration Risk and Credit Risk

The City's investment policy does not allow for an investment in any one issuer to exceed 5 percent of the City's total investments, with the exception of US Treasuries, US Agencies and Instrumentalities. Credit risk is a ratings-based assessment of the likelihood of an issuer defaulting on its repayment obligations. The City mitigates its exposure to credit risk by limiting purchases to the highest ratings groups at time of purchase. At year end the City held 32.7 percent of its portfolio in securities subject to normal credit risk considerations. Investments held at year-end are categorized by credit rating and concentration as follows:

NOTES TO THE FINANCIAL STATEMENTS

Investment-Type	Minimum Allowable Credit Quality Criteria			Fair Value June 30, 2024	Percentage of Total FV
	(at the time of purchase)	S&P	Moody's		
Cash/LGIP	- / -	-	-	\$ 42,006,949	10.9%
Corporate Bonds	AA-/Aa3	AAA	Aaa	2,444,729	0.6%
Corporate Bonds	AA-/Aa3	A	A1	4,793,613	1.2%
Corporate Bonds	AA-/Aa3	A	A1	2,371,329	0.6%
Corporate Bonds	AA-/Aa3	AAA	Aaa	2,816,611	0.7%
Corporate Bonds	AA-/Aa3	AA+	Aaa	5,334,340	1.4%
Corporate Bonds	AA-/Aa3	A	A1	5,062,238	1.3%
Corporate Bonds	AA-/Aa3	AA	A1	2,468,955	0.6%
Corporate Bonds	AA-/Aa3	A	A1	4,014,449	1.0%
Corporate Bonds	AA-/Aa3	A	A1	4,038,628	1.1%
Corporate Bonds	AA-/Aa3	A-	A1	5,190,661	1.4%
Corporate Bonds	AA-/Aa3	AA	A1	4,830,450	1.3%
Corporate Bonds	AA-/Aa3	A+	Aa3	2,409,378	0.6%
Corporate Bonds	AA-/Aa3	AA	Aa2	4,946,644	1.3%
Corporate Bonds	AA-/Aa3	AA	A1	2,490,904	0.6%
Corporate Bonds	AA-/Aa3	A-	A1	5,132,348	1.3%
Corporate Bonds	AA-/Aa3	A+	Aa3	5,210,949	1.4%
Corporate Bonds	AA-/Aa3	A+	Aa2	5,019,794	1.3%
Municipal - CA	AA-/Aa3	AA-	Aa2	4,829,425	1.3%
Municipal- OR	A-/A3	AA+	Aa1	699,040	0.2%
Municipal- OR	A-/A3	AAA	Aa1	1,081,260	0.3%
Municipal - CA	AA-/Aa3	AA+	Aaa	5,209,567	1.4%
Municipal - CA	AA-/Aa3	AA	Aa2	5,121,333	1.3%
US Instrumentality: FFCB	AA+/Aaa	AA+	Aaa	36,574,934	9.5%
US Instrumentality: FHLB	AA+/Aaa	AA+	Aaa	54,719,743	14.2%
US Instrumentality: FHLMC	AA+/Aaa	AA+	Aaa	4,772,083	1.2%
US Instrumentality: FNMA	AA+/Aaa	AA+	Aaa	12,621,893	3.3%
US Instrumentality: TVA	AA+/Aaa	AA+	Aaa	4,948,049	1.3%
US Treasury	AA+/Aaa	AA+	Aaa	136,895,150	35.6%
US Treasury Bill	A-1+/P-1	A-1+	P-1	5,972,880	1.6%
				\$ 384,028,326	100.0%

CITY OF GRESHAM, OREGON

B. Receivables

The composition of receivables at fiscal year-end for the City's individual major funds and aggregated nonmajor and internal service funds were as follows:

	<u>Accounts</u>	<u>Taxes</u>	<u>Gross Receivables</u>	<u>for Doubtful Accounts</u>	<u>Receivables, Net</u>
Governmental Activities					
General	\$ 5,596,766	\$ 1,051,536	\$ 6,648,302	\$ (135,554)	\$ 6,512,748
Designated purpose	2,137,180	-	2,137,180	(401,342)	1,735,838
Transportation	2,413,140	-	2,413,140	(279,111)	2,134,029
System development charges	933,815	-	933,815	-	933,815
Rockwood UR debt service	-	223,460	223,460	-	223,460
Nonmajor governmental	5,531,742	-	5,531,742	(88,091)	5,443,651
Internal service	304,720	-	304,720	(8,013)	296,707
	<u>\$16,917,363</u>	<u>\$ 1,274,996</u>	<u>\$ 18,192,359</u>	<u>\$ (912,111)</u>	<u>\$ 17,280,248</u>
Business-Type Activities					
Water	\$ 6,563,487	\$ -	\$ 6,563,487	\$ (16,912)	\$ 6,546,575
Stormwater	2,213,482	-	2,213,482	(19,563)	2,193,919
Wastewater	4,322,936	-	4,322,936	(15,394)	4,307,542
	<u>\$13,099,905</u>	<u>\$ -</u>	<u>\$ 13,099,905</u>	<u>\$ (51,869)</u>	<u>\$ 13,048,036</u>
			Total receivables		<u>\$ 30,328,284</u>
			Shown on the Statement of Net Position as:		
			Receivables, net		\$ 29,053,288
			Property taxes receivable, net		1,274,996
					<u>\$ 30,328,284</u>

Wastewater and stormwater charges collected by the Multnomah County Tax Assessor's office are not considered taxes receivable.

C. Capital Assets

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

NOTES TO THE FINANCIAL STATEMENTS

Capital asset activity during the fiscal year was as follows:

	Beginning Balance	Increases	Decreases	Reclassifications	Ending Balance
Governmental Activities					
Non-depreciated & non-amortized:					
Land	\$ 36,276,018	\$ -	\$ -	\$ -	\$ 36,276,018
Construction in progress	9,330,670	4,866,018	-	(2,696,716)	11,499,972
Easements	453,036,378	384,332	-	-	453,420,710
Licenses	22,000	-	-	-	22,000
Total non-depr. & non-amort.	<u>498,665,066</u>	<u>5,250,350</u>	<u>-</u>	<u>(2,696,716)</u>	<u>501,218,700</u>
Depreciated & amortized:					
Buildings	27,810,019	3,124,936	-	-	30,934,955
Improvements	31,743,923	840,598	-	-	32,584,521
Machinery and equipment	30,925,175	2,049,606	(1,410,401)	2,696,716	34,261,096
Infrastructure	825,355,561	11,699,875	-	-	837,055,436
Software	3,025,353	-	-	-	3,025,353
Intangible Rights to Use - Buildings	1,131,270	-	-	-	1,131,270
Intangible Rights to Use - Software	1,468,555	667,404	-	-	2,135,959
Total depr. & amort. at historical cost	<u>921,459,856</u>	<u>18,382,419</u>	<u>(1,410,401)</u>	<u>2,696,716</u>	<u>941,128,590</u>
Less accumulated depr. & amort. for:					
Buildings	(16,384,304)	(572,422)	-	-	(16,956,726)
Improvements	(12,520,967)	(1,376,084)	-	-	(13,897,051)
Machinery and equipment	(21,995,369)	(2,267,697)	1,349,464	-	(22,913,602)
Infrastructure	(714,826,758)	(13,327,768)	-	-	(728,154,526)
Software	(2,204,676)	(85,210)	-	-	(2,289,886)
Intangible Rights to Use - Buildings	(531,799)	(341,915)	-	-	(873,714)
Intangible Rights to Use - Software	(534,020)	(624,298)	-	-	(1,158,318)
Total accumulated depr. & amort.	<u>(768,997,893)</u>	<u>(18,595,394)</u>	<u>1,349,464</u>	<u>-</u>	<u>(786,243,823)</u>
Depreciated & amortized, net	<u>152,461,963</u>	<u>(212,975)</u>	<u>(60,937)</u>	<u>2,696,716</u>	<u>154,884,767</u>
Governmental Activities capital assets, net	<u>\$ 651,127,029</u>	<u>\$ 5,037,375</u>	<u>\$ (60,937)</u>	<u>\$ -</u>	<u>\$ 656,103,467</u>
Depreciation and amortization expense was charged to governmental activities as follows:					
General government					\$ 129,784
Public safety					1,712,845
Transportation					13,479,098
Community development					56,639
Environmental services					1,062,629
Internal service funds					1,462,598
Urban renewal					691,801
Total depreciation and amortization expense					<u>\$ 18,595,394</u>

CITY OF GRESHAM, OREGON

	Beginning Balance	Increases	Decreases	Reclassifications	Ending Balance
Business-Type Activities					
Non-depreciated & non-amortized:					
Land	\$ 8,264,078	\$ -	\$ -	\$ -	\$ 8,264,078
Construction in progress	26,008,605	32,212,364	-	(7,351,807)	50,869,162
Easements	6,570,413	799,618	-	-	7,370,031
Total non-depr. & non-amort.	40,843,096	33,011,982	-	(7,351,807)	66,503,271
Depreciated & amortized:					
Buildings	13,341,007	-	-	-	13,341,007
Improvements	16,568	-	-	-	16,568
Machinery and equipment	12,555,919	487,721	(584,166)	855,978	13,315,452
Infrastructure	440,243,106	9,038,523	-	6,495,829	455,777,458
Software	393,829	-	-	-	393,829
Intangible Rights to Use - Software	-	216,274	-	-	216,274
Total depr. & amort. at historical cost	466,550,429	9,742,518	(584,166)	7,351,807	483,060,588
Less accumulated depr. & amort. for:					
Buildings	(5,040,284)	(467,487)	-	-	(5,507,771)
Improvements	(16,568)	-	-	-	(16,568)
Machinery and equipment	(8,496,391)	(714,983)	584,166	-	(8,627,208)
Infrastructure	(211,559,764)	(10,744,320)	-	-	(222,304,084)
Software	(348,129)	(39,143)	-	-	(387,272)
Intangible Rights to Use - Software	-	(36,046)	-	-	(36,046)
Total accumulated depr. & amort.	(225,461,136)	(12,001,979)	584,166	-	(236,878,949)
Depreciated & amortized, net	241,089,293	(2,259,461)	-	7,351,807	246,181,639
Business-Type Activities capital assets, net	\$281,932,389	\$ 30,752,521	\$ -	\$ -	\$312,684,910

Depreciation and amortization expense was charged to business-type activities as follows:

Water	\$ 3,617,487
Stormwater	2,641,961
Wastewater	5,742,530
Total depreciation and amortization expense	\$ 12,001,979

D. Interfund Receivables, Payables and Transfers

Interfund receivables and payables consists of resources accumulated in the Equipment Replacement Fund for the purchase of capital assets for other funds, and for miscellaneous transfers between funds.

Interfund due to/from other funds balances and advances at fiscal year-end were as follows:

Due to/Advance from	Due from/Advance to	Amount	
General	Nonmajor Governmental	\$ 300,000	
	Internal Service	11,263,486	\$ 11,563,486
Transportation	Internal Service	3,431,418	3,431,418
Nonmajor Governmental	Internal Service	747,873	747,873
Water	Internal Service	2,392,008	2,392,008
Stormwater	Internal Service	1,893,452	1,893,452
Wastewater	Internal Service	3,523,766	3,523,766
Internal Service	Various Internal Service Components	1,991,653	1,991,653
			\$ 25,543,656

NOTES TO THE FINANCIAL STATEMENTS

Interfund transfers during the fiscal year were as follows:

Transfer To	Transfer From	Amount	Purpose
General	Water, Stormwater, and Wastewater	75,000	Confined space
	Designated Purpose	<u>3,200,000</u>	Community service fee support
		\$ 3,275,000	
Designated Purpose	Wastewater	47,165	Library permit fees
	Internal Service	197,554	Program contributions, grant match
	General	218,960	Small business program transfers, grant matches
	Nonmajor Governmental	<u>528,376</u>	Small business program transfers, library permit fee
		992,055	
Transportation	Nonmajor Governmental	112,000	Operation of streetlight program
	System Development Charge	241,461	SDC improvement
	Stormwater	<u>1,121,600</u>	Funding for vegetation and street sweeping
		1,475,061	
Nonmajor Governmental	Designated Purpose	336,381	ARPA funded park projects
	Nonmajor Governmental	769,342	EnerGov support, streetlights, debt service
	Water, Stormwater, and Wastewater	1,395,000	Green business programs, dev eng and public works transfers
	System Development Charge	2,301,482	CIP, SDC funded projects, debt service
	General	3,010,186	Planning services, EnerGov support, debt service
	Transportation	<u>8,538,806</u>	Transportation services, dev eng & public works, CIP transfers, debt service
		16,351,197	
Water	Internal Service	14,000	Unused project funds
	System Development Charge	<u>1,354,740</u>	SDC funded debt, interest payment, and credits
		1,368,740	
Stormwater	Internal Service	11,000	Unused project funds
	Designated Purpose	21,004	CIP project transfer
	System Development Charge	<u>730,398</u>	SDC funded debt, interest payment, and credits
		762,402	
Wastewater	Internal Service	33,076	Unused project funds, Big Eddy contract
	System Development Charge	<u>822,921</u>	SDC funded debt, interest payment, and credits
		855,997	
Internal Service	Designated Purpose	64,000	Electric vehicles grant
	Transportation	129,000	DES support of BSA internal transfers
	Water, Stormwater, and Wastewater	387,000	DES support of BSA internal transfers
	Internal Service	459,400	Administrative support, equipment replacement func
	General	<u>824,012</u>	Fire facilities, fire district 10 maintenance, Weston property, utility customer assistance
		1,863,412	
		<u>\$26,943,864</u>	

CITY OF GRESHAM, OREGON

E. Long-term Liabilities

Long-term liability activity during the fiscal year was as follows below. Deferred outflows, while not a liability, are included at the bottom of the schedule due to the close relationship with debt.

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due in More Than One Year
Governmental Activities¹						
Bonds and notes payable	\$ 40,651,780	\$ 7,389,900	\$ 15,328,544	\$ 32,713,136	\$ 7,436,365	\$ 25,276,771
Premiums	154,501	-	14,732	139,769	14,732	125,037
Total bonds and notes payable	40,806,281	7,389,900	15,343,276	32,852,905	7,451,097	25,401,808
Other liabilities:						
Compensated absences	9,860,100	11,008,484	9,862,284	11,006,300	1,650,900	9,355,400
Other post-employment benefits liability	9,308,943	1,861,667	1,519,649	9,650,961	-	9,650,961
Net pension liability	92,814,908	74,901,517	33,764,398	133,952,027	-	133,952,027
Governmental Activities Long-Term Liabilities	\$ 152,790,232	\$ 95,161,568	\$ 60,489,607	\$ 187,462,193	\$ 9,101,997	\$ 178,360,196
Business-Type Activities						
Bonds and notes payable	\$ 10,780,775	\$ -	\$ 863,532	\$ 9,917,243	\$ 901,723	\$ 9,015,520
Revenue bonds	41,455,000	-	-	41,455,000	-	41,455,000
Premiums	2,335,595	-	138,512	2,197,083	138,512	2,058,571
Total bonds and notes payable	54,571,370	-	1,002,044	53,569,326	1,040,235	52,529,091
Other liabilities:						
Compensated absences	1,337,800	1,435,533	1,346,633	1,426,700	213,900	1,212,800
Other post-employment benefits liability	566,348	130,910	160,357	536,901	-	536,901
Net pension liability	10,387,647	7,631,720	3,575,484	14,443,883	-	14,443,883
Business-Type Activities Long-Term Liabilities	\$ 66,863,165	\$ 9,198,163	\$ 6,084,518	\$ 69,976,810	\$ 1,254,135	\$ 68,722,675

¹ Governmental debt also includes debt obligations of Property Management Fund

Governmental Activities include long-term debt and other liabilities of governmental funds and internal service funds. Most pension liabilities, other post-employment benefits, and compensated absence liabilities are incurred and paid by the General, Transportation, Building and Administrative Services Funds with the remainder covered by internal service and other governmental funds.

Bonds and Notes Payable

The City had \$42.6 million in outstanding bonds and notes (excluding Revenue bonds) to fund the following:

\$ 24,613,136	Property, buildings and infrastructure
7,650,000	Pension bonds
-	Equipment
450,000	Miscellaneous other
<u>32,713,136</u>	Governmental activities bonds and notes payable
3,104,455	Wastewater system improvements
3,481,250	Water system improvements
3,331,538	Stormwater system improvements
<u>9,917,243</u>	Business-Type activities notes payable
<u>\$ 42,630,379</u>	Total outstanding bonds and notes payable

NOTES TO THE FINANCIAL STATEMENTS

Projects constructed and repayment sources for each bond and note issue are as follows:

Bonds and Notes	Project	Repayment Source
Governmental Activities		
2004 Limited Tax Obligation	Pension obligation	City operations, proportionately
2013 Full Faith & Credit Obligations Series B	Fire Engines, Equipment, Roof Replacement	General Fund and Int. Svc. Chgs
2013 Full Faith & Credit Obligations Series C	Streetlight Replacement	Utility license fees
2015 FF&C Obligations	Transportation and Bikes and Footpaths	Gas Taxes & Transportation Fees
2022 Transportation FF&C	Local street reconstruction	Transportation Revenues
Business-Type Activities		
Second Clarifier	Wastewater improvements	Wastewater Revenues and SDCs
2015 FF&C Obligations	Wastewater improvements	Wastewater Revenues and SDCs
2015 FF&C Obligations	Water improvements	Water Revenues and SDCs
Stormwater UIC-SRF	Stormwater underground injection controls	Stormwater Revenues and SDCs
2021 Water Revenue Bond	Water infrastructure and improvements	Water Revenues
2022 WIFIA**	Water infrastructure and improvements	Water Revenues

** No outstanding balance as of 6/30/24 for 2022 WIFIA - draws not taken FY 24

Bond and note principal transactions during the fiscal year were as follows:

	Coupon Rates on Outstanding	Original Issue	Amount Outstanding Beginning	Issued	Matured/ Redeemed	Amount Outstanding Ending
Governmental Activities						
<i>Bonds Payable</i>						
Governmental Funds						
2004 Limited Tax Obligations	6.015% to 6.095%	\$ 19,280,000	\$ 9,360,000	\$ -	\$ 1,710,000	\$ 7,650,000
2013 Full Faith & Credit Obligations Series B	3.25% to 4.25%	4,655,000	970,000	-	520,000	450,000
2013 Full Faith & Credit Obligations Series C*	3.05% to 4.85%	7,610,000	2,290,000	-	375,000	1,915,000
2015 Full Faith & Credit Obligations	3.25% to 5.00%	8,951,250	2,335,000	-	151,250	2,183,750
Total bonds payable		40,496,250	14,955,000	-	2,756,250	12,198,750
<i>Notes Payable</i>						
Governmental Funds						
2018 Property Purchase	5.05%	1,593,000	350,740	-	350,740	-
2022 Transportation	2.40%	30,000,000	25,346,040	-	4,831,654	20,514,386
2023 GRDC IGA	0.00%	7,389,900	-	7,389,900	7,389,900	-
Total notes payable		38,982,900	25,696,780	7,389,900	12,572,294	20,514,386
Total Governmental Activities bonds and notes payable		\$ 79,479,150	\$ 40,651,780	\$ 7,389,900	\$ 15,328,544	\$ 32,713,136
Business-Type Activities						
Wastewater - Second Clarifier	2.98%	\$ 407,058	\$ 162,457	\$ -	\$ 23,002	\$ 139,455
2015 FF&C Obligations - Wastewater	3.25% to 5.00%	5,670,000	3,315,000	-	350,000	2,965,000
2015 FF&C Obligations - Water	3.25% to 5.00%	5,338,750	3,725,000	-	243,750	3,481,250
2017 State of Oregon Stormwater UIC	0.00%	4,935,608	3,578,318	-	246,780	3,331,538
2021 Water Revenue Bond	2.00% to 5.00%	41,455,000	41,455,000	-	-	41,455,000
2022 WIFIA	3.22%	34,078,873	-	-	-	-
Total Business-Type Activities bonds and notes payable		\$ 91,885,289	\$ 52,235,775	\$ -	\$ 863,532	\$ 51,372,243

* 2013 Full Faith & Credit Obligations Series C are energy conservation bonds and receive an issuer subsidy up to 70% of the tax credit rate of 5.27%.

CITY OF GRESHAM, OREGON

Debt service requirements to maturity for bonds and notes payable are as follows:

Governmental Activities

Fiscal Year	2004 Limited Tax Obligation (Pension Bonds)		2015 Gresham/URA FF&C		2013 FF&C Obligations	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	1,910,000	466,268	163,750	82,648	415,000	90,143
2026	2,125,000	349,853	170,000	74,461	420,000	73,693
2027	2,360,000	220,334	177,500	65,961	420,000	56,523
2028	1,255,000	76,492	188,750	57,086	420,000	38,733
2029 - 2033	-	-	1,025,000	188,796	635,000	46,188
2034 - 2036	-	-	458,750	24,106	55,000	1,169
	<u>\$ 7,650,000</u>	<u>\$ 1,112,947</u>	<u>\$ 2,183,750</u>	<u>\$ 493,058</u>	<u>\$ 2,365,000</u>	<u>\$ 306,449</u>

Fiscal Year	Principal	Interest
2025	4,947,616	492,345
2026	5,066,358	373,602
2027	5,187,951	252,010
2028	5,312,461	127,499
	<u>\$ 20,514,386</u>	<u>\$ 1,245,456</u>

Business-Type Activities

Fiscal Year	Wastewater - Second Clarifier		Wastewater - 2015 FF&C		Water - 2015 FF&C	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	23,693	4,678	370,000	117,994	261,250	131,733
2026	24,405	3,848	390,000	99,494	270,000	118,670
2027	25,138	2,993	410,000	79,994	282,500	105,170
2028	25,892	2,113	430,000	59,494	296,250	91,045
2029 - 2033	40,327	1,479	1,365,000	92,601	1,640,000	301,054
2034 - 2038	-	-	-	-	731,250	38,544
	<u>\$ 139,455</u>	<u>\$ 15,111</u>	<u>\$ 2,965,000</u>	<u>\$ 449,577</u>	<u>\$ 3,481,250</u>	<u>\$ 786,216</u>

Fiscal Year	Storm-Underground Injection Control		Water 2021 Revenue Bond	
	Principal	Interest*	Principal	Interest
2025	246,780	16,658	-	1,047,113
2026	246,780	15,424	-	1,047,113
2027	246,780	14,190	-	1,047,113
2028	246,780	12,956	-	1,047,113
2029 - 2033	1,233,900	46,270	8,525,000	4,440,711
2034 - 2038	1,110,518	15,425	9,880,000	3,085,410
2039 - 2040	-	-	10,915,000	2,054,329
2044 - 2048	-	-	12,135,000	831,152
	<u>\$ 3,331,538</u>	<u>\$ 120,923</u>	<u>\$ 41,455,000</u>	<u>\$ 14,600,054</u>

* The Storm-Underground Injection Control is an interest free loan with a 0.5% (of unpaid principal) fee which is treated as interest.

NOTES TO THE FINANCIAL STATEMENTS

Summary of City of Gresham Non-Public Debt Outstanding

The following schedule outlines non-public debt issued by the City of Gresham or its component unit (GRDC). Future payments can be found in the “Debt Service to Maturity” footnote above. Following the table are descriptions of the covenants and/or terms that are unique or unusual.

<u>Privately Issued Debt</u>			
<u>Governmental Activities</u>			
	<u>6/30/2024</u>	<u>Maturity</u>	<u>Covenants/ Terms</u>
2022 Transportation	\$ 20,514,386	6/1/2028	(a)
Total Governmental Activities	<u>\$ 20,514,386</u>		
<u>Business-Type Activities</u>			
	<u>6/30/2024</u>	<u>Maturity</u>	<u>Covenants & Terms</u>
2010 Wastewater - Second Clarifier	\$ 139,455	8/1/2029	(b)
2017 State of Oregon - Stormwater	3,331,538	8/1/2037	(c)
Total Business Activities	<u>\$ 3,470,993</u>		
Grand Total	<u>\$ 23,985,379</u>		

(a) Full Faith and Credit notes with no reserve requirements or other restrictions.

(b) State of Oregon Dept. of Environmental Quality loan. The loan requires a \$7,214 loan reserve and a 125% revenue stream coverage. Maintenance of constructed asset is required and disposal is restricted. A default can result in other unrelated State revenues being withheld.

(c) State of Oregon Dept. of Environmental Quality loan. The loan requires a \$123,390 loan reserve and a 125% revenue stream coverage. Maintenance of constructed asset is required and disposal is restricted. A default can result in other unrelated State revenues being withheld.

Revenue Bonds

The City issues revenue bonds to satisfy a variety of capital financing requirements. The bonds are backed solely by fees and charges collected for services provided, generally through usage. Revenue bonds outstanding are Water Revenue Bonds. All the Water Revenue Bonds are paid from the Water Debt Service Fund.

The City’s revenue bonds are insured and third-party sureties satisfy the related debt reserve requirements. The City complied with its bond covenants during the fiscal year and at year-end. Principal debt service transactions during the fiscal year were as follows:

	<u>Coupon Rates on Outstanding</u>	<u>Original Issue</u>	<u>Amount Outstanding Beginning</u>	<u>Issued</u>	<u>Matured/ Redeemed</u>	<u>Amount Outstanding Ending</u>
Business-Type Activities						
Water Revenue Bonds						
Series 2022	2.00% - 5.00%	\$ 41,455,000	\$ 41,455,000	\$ -	\$ -	\$ 41,455,000

CITY OF GRESHAM, OREGON

Debt service requirements to maturity for revenue bonds are as follows:

Fiscal Year	2021 Water	
	Principal	Interest
2025	\$ -	1,047,113
2026	-	1,047,113
2027	-	1,047,113
2028	-	1,047,113
2029-2033	8,525,000	4,440,711
2034-2038	9,880,000	3,085,410
2039-2043	10,915,000	2,054,330
2044-2048	12,135,000	831,152
	<u>\$ 41,455,000</u>	<u>\$ 14,600,055</u>

Section 108 Loans and Loan Guarantees

During 2016 the City Council approved HUD Section 108 Loan Guarantees for a loan to Open Meadow Alternative School for \$727,000 to be repaid over 20 years. In the event that the borrower is unable to make required payments in the future, the City would be required to either make the payments or have its annual Community Development Block Grant funding reduced.

A loan completed in 2010 created, by City Council resolution, a City guarantee for Human Solutions, a not-for-profit entity. This transaction was a New Market Tax Credits deal. Human Solutions has made all required payments to date. In the unlikely event that Human Solutions is unable to make required payments in the future, the City would be required to either make the payments or have its annual Community Development Block Grant funding reduced. The balance on this guaranteed loan is \$852 thousand which will be repaid over the remaining term of 7 years.

WIFIA Loan Agreement

In May 2022, the City entered into a loan agreement with the United States EPA for a Water Infrastructure Finance and Innovation Act loan of up to \$34 million. As of June 30, 2024, there have been no draws on the loan. The City took out a draw of \$15 million in September 2024, with the related projects scheduled to be completed in 2025.

Intergovernmental Loan Agreement

The City and the Gresham Redevelopment Commission (GRDC) entered into an agreement for the City to provide credit facility services. The agreement allows direct lending from the City to GRDC with repayment occurring the following day from GRDC's tax increment financing revenues. The 2024 borrowing and repayment amount was \$7,389,900.

NOTES TO THE FINANCIAL STATEMENTS

F. Leases and Subscriptions

Leases

For the year ended June 30, 2024, the City has reported the following lease activity consistent with GASB Statement 87, with activity reported based on the facts in place as of the beginning of the period.

As of June 30, 2024, the City had four active leases, for buildings used for functions including a fleet shop, a signal shop, a fire logistics facility, and a police training facility. The leases have payments that range from \$19,800 to \$198,985 and interest rates that range from 0.5770% to 2.6820%. As of June 30, 2024, the total combined value of the lease liability is \$288,666, and the short-term lease liability if \$179,486. The combined value of the right to use assets, as of June 30, 2024 of \$1,131,270 with accumulated amortization of \$873,713 is included within the Lease Class activities table found below.

The principal and interest commitments, stated below, include a lease modification that has a commencement date subsequent to the reporting date. In August 2024, the City amended it's lease for the Fleet Shop, extending the term of the lease through August 3, 2026, with no further options to renew.

Amount of Lease Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end	
	Lease Asset Value	Accumulated Amortization
Buildings	\$ 1,131,270	\$ 873,713
Total Leases	\$ 1,131,270	\$ 873,713

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 349,386	\$ 7,244	\$ 356,630
2026	250,679	3,302	253,981
2027	78,166	1,349	79,516
2028	25,906	232	26,138
	\$ 704,137	\$ 12,127	\$ 716,265

Subscriptions

For the year ended June 30, 2024, the City has reported the following subscription activity consistent with the adoption of GASB Statement 96, with activity reported based on the facts in place as of the beginning of the period.

As of July 1, 2022, the City had 33 months remaining on an agreement for the right to use enterprise software managing the City's financial and budget activity, human resources and payroll, permits, business licenses and code enforcement. An initial subscription liability was recorded in the amount of \$1,468,555. As of June 30, 2024, the value of the subscription liability is \$396,501. The City is required to make annual fixed payments of \$542,415. The subscription has an interest rate of 2.1840%. The value of the right to use asset as of June 30, 2024 of \$1,468,555 with accumulated amortization of \$1,068,040 is included with Software on the Subscription Class activities table found below.

On November 1, 2023, the City entered into an agreement for 36 months for the right to use enterprise software to apply Geographic Information System technology. An initial

NOTES TO THE FINANCIAL STATEMENTS

subscription liability was recorded in the amount of \$246,170. As of June 30, 2024, the value of the subscription liability is \$161,170. The City is required to make annual fixed payments of \$85,000. The subscription has an interest rate of 3.6310%. The value of the right to use asset as of June 30, 2024 of \$246,170 with accumulated amortization of \$54,704 is included with Software on the Subscription Class activities table found below.

As of January 1, 2024, the City had 36 months remaining on an agreement for the right to use enterprise software managing the City’s major infrastructure assets, including water systems, stormwater systems, wastewater systems, transportation and parks assets. An initial subscription liability was recorded in the amount of \$360,457. The City is required to make annual payments of \$84,525, increasing by 5.0% annually. The subscription has an interest rate of 0.6860%. The value of the right to use asset as of June 30, 2024 of \$360,457 with accumulated amortization of \$60,076 is included with Software on the Subscription Class activities table found below.

On May 10, 2024, the City had 48 months remaining on an agreement for the righth to use enterprise software managing the City’s utility billing systems. An initial subscription liability was recorded in the amount of \$277,052. As of June 30, 2024, the value of the subscription liability is \$210,137. The City is required to make annual payments of \$66,915, increasing by 5.0% annually. The subscription has an interest rate of 2.6360%. The value of the right to use asset as of June 30, 2024 of \$277,052 with accumulated amortization of \$11,544 is included with Software on the Subscription Class activities table found below.

Amount of Subscription Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end	
	Subscription Asset Value	Accumulated Amortization
Software	\$ 2,352,233	\$ 1,194,364
Total Subscriptions	\$ 2,352,233	\$ 1,194,364

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 575,114	\$ 20,808	\$ 595,922
2026	188,719	7,330	196,049
2027	114,346	2,256	116,602
	\$ 878,179	\$ 30,394	\$ 908,573

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 52,116	\$ 1,136	\$ 53,252
2026	55,136	778	55,914
2027	58,309	400	58,709
	\$ 165,561	\$ 2,314	\$ 167,875

NOTES TO THE FINANCIAL STATEMENTS

G. Pension Plan

Plan Description

Substantially all City employees are members in the Oregon Public Employees Retirement System (OPERS); a cost-sharing multiple-employer defined benefit pension plan that acts as a common investment and administrative agent for government units in the State of Oregon. Employees hired before August 29, 2003, belong to the Tier One/Tier Two Retirement Benefit Program (established pursuant to ORS Chapter 238), while employees hired on or after August 29, 2003 belong to the OPSRP Pension Program (established pursuant to ORS Chapter 238A). OPERS produces an independently audited ACFR which can be found at:

http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx.

Benefits Provided

Tier One/Tier Two Retirement Benefit

Pension Benefits. The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0% for police and fire employees, 1.67% for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results. Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of Final Average Salary will be limited for all members beginning in 2020. The limit was \$232,976 in 2024 and will be indexed with inflation in later years.

A member is considered vested and will be eligible at a minimum retirement age for a service retirement allowance if he or she has had contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

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

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

CITY OF GRESHAM, OREGON

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

Benefit Changes After Retirement. Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA for creditable service earned before October 2013 is 2.00%. The COLA for creditable service earned after October 2013 is calculated as 1.25% on the first \$60,000 of annual benefit and 0.15% on amounts above \$60,000 of annual benefit.

OPSRP Pension Program

Pension Benefits. The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated by formula for members who attain normal retirement age. For general service members, 1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit. For police and fire members, 1.8% is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

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

Death Benefits. Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

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

Benefit Changes After Retirement. Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA for creditable service earned before October 2013 is 2.00%. The COLA for creditable service earned after October 2013 is calculated as 1.25% on the first \$60,000 of annual benefit and 0.15% on amounts above \$60,000 of annual benefit.

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OPSRP Individual Account Program (IAP)

Pension Benefits. The IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

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

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

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

Contributions

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 for the period were based on the December 31, 2021 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2023. The City's contribution rates for the period were 27.88% for Tier One/Tier Two members, 20.01% for OPSRP General Service members, and 24.80% for OPSRP Police and Fire members. The City's total for the year ended June 30, 2024 contributions exclusive of the 6% "pick-up" was \$15,227,994.

Covered employees are required to contribute 6% of their salary to the Plan, but the employer is allowed to pay any or all of the employees' contribution in addition to the required employers' contribution. The City has elected to contribute the 6% "pick-up" or \$3,779,581 of the employees' contribution.

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

At June 30, 2024, the City reported a liability of \$148,395,910 for its proportionate share of the OPERS net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to June 30, 2023. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the City's proportion was 0.7923%, which is an increase from its proportion of 0.6740% measured as of June 30, 2022.

For the year ended June 30, 2024, the City recognized pension expense of \$24,874,454. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF GRESHAM, OREGON

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,257,013	\$ 588,403
Changes of assumptions	13,182,615	98,290
Net difference between projected and actual earnings on investments	2,667,282	-
Changes in proportionate share	21,908,505	-
Differences between employer contributions and employer's proportionate share of system contributions	-	21,405,589
Contributions subsequent to the measurement date	15,227,994	-
Total	\$ 60,243,409	\$ 22,092,282

Deferred outflows of resources related to pensions of \$15,227,994 resulting from the City's contributions subsequent to the measurement date will be recognized as either a reduction of the net pension liability or an increase in the net pension asset in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2025	\$ 2,893,934
2026	(3,392,730)
2027	15,832,582
2028	6,451,289
2029	1,138,058
Total	\$ 22,923,133

Actuarial Methods and Assumptions

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

Actuarial Cost Method	Entry Age Normal
Amortization Method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset Valuation Method	Market value of assets
Actuarial Assumptions:	
Inflation Rate	2.40%
Investment Rate of Return	6.90%
Projected Salary Increases	3.40% overall payroll growth; salaries for individuals are assumed to grow at 3.40% plus assumed rates of merit/longevity increases based on service

NOTES TO THE FINANCIAL STATEMENTS

Mortality

Healthy retirees and beneficiaries:

Pub-2010 Healthy retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Active members:

Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Disabled retirees:

Pub-2010 Disabled retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2020 experience study which reviewed experience for the four-year period ending on December 31, 2020.

Long-Term Expected Rate of Return

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

Asset Class	Target Allocation	20-Year Annualized Geometric Mean
Global Equity	27.50%	7.07%
Private Equity	25.50	8.83
Core Fixed Income	25.00	4.50
Real Estate	12.25	5.83
Master Limited Partnerships	0.75	6.02
Infrastructure	1.50	6.51
Hedge Fund of Funds – Multistrategy	1.25	6.27
Hedge Fund Equity – Hedge	0.63	6.48
Hedge Fund – Macro	5.62	4.83
Assumed Inflation – Mean		2.35

CITY OF GRESHAM, OREGON

Discount Rate

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

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

The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.90%, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability (asset)	\$ 245,122,102	\$ 148,395,910	\$ 67,446,338

Pension Plan Fiduciary Net Position

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

H. Post Employment Benefits Other than Pensions

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

Financial Statement Presentation

The City's two OPEB plans are presented in the aggregate on the Statement of Net Position. The amounts on the financial statements relate to the plans as follows:

NOTES TO THE FINANCIAL STATEMENTS

	<u>Implicit Rate Subsidy Plan</u>	<u>PERS RHIA Plan</u>	<u>Total OPEB on Financials</u>
Net OPEB Asset	\$ -	\$ 1,562,270	\$ 1,562,270
Deferred Outflows of Resources			
Contributions After the Measurement Date	532,252	2,234	534,486
Change in Proportionate Share	-	22,609	22,609
Difference in Earnings	-	4,431	4,431
Difference in Experience	712,712	-	712,712
Change in Assumptions	167,497	-	167,497
Total OPEB Liability	10,187,862	-	10,187,862
Deferred Inflows of Resources			
Change in Proportionate Share	-	98,338	98,338
Change in Assumptions	1,006,789	16,845	1,023,634
Difference in Experience	-	39,221	39,221
OPEB Expense (Included in program expenses on Statement of Activities)	907,119	(269,225)	637,894

Implicit Rate Subsidy

Plan Description

The City's single-employer defined benefit postemployment healthcare plan is administered by Allegiance. Benefit provisions are established through negotiations between the City and representatives of collective bargaining units or through resolutions passed by City Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

The City's postemployment healthcare plan administrator issues a financial report that includes financial statements and required supplementary information for tax reporting. This report may be obtained by contacting Allegiance at 2806 S. Garfield St. PO Box 3018 Missoula, MT 59806 or calling 800-877-1122.

Benefits Provided

The plan provides eligible retirees and their dependents under age 65 the same health care coverage at the same premium rates as offered to active employees. The retiree is responsible for the premiums. As of the valuation date of July 1, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	70
Active employees	589
	659

Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The City's total OPEB liability of \$10,187,862 was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022.

CITY OF GRESHAM, OREGON

For the fiscal year ended June 30, 2024, the City recognized OPEB expense from this plan of \$907,119. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 167,497	\$ 1,006,789
Differences between expected and actual experience	712,712	-
Contributions subsequent to the measurement date	532,252	-
Total	<u>\$ 1,412,461</u>	<u>\$ 1,006,789</u>

Deferred outflows of resources related to OPEB of \$532,252 resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:

2025	\$ (21,463)
2026	(21,463)
2027	(11,354)
2028	21,804
2029	(46,406)
Thereafter	(47,698)
Total	<u>\$ (126,580)</u>

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2022 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry age normal
Inflation	2.4%
Salary increases	3.4%
Healthy mortality	Pub-2010 General and Safety Employee and Healthy Retiree tables, sex-distinct for members and dependents, with a one-year setback for male general service employees and female safety employees.
Discount rate	3.65% (change from 3.54% in previous measurement period)
Healthcare cost trend rate	Medical and vision: 6.50% per year, decreasing to 3.75% Dental: 4.00% per year, decreasing to 3.75% after 2072

The discount rate was based on Bond Buyer 20-Year General Obligation Bond Index.

NOTES TO THE FINANCIAL STATEMENTS

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of June 30, 2023	\$ 9,875,291
Changes for the year:	
Service cost	568,071
Interest on Total OPEB Liability	360,511
Effect of economic/demographic gains or losses	-
Effect of assumptions changes or inputs	(92,572)
Benefit payments	(523,439)
Balance as of June 30, 2024	\$ 10,187,862

Changes in assumptions is primarily related to the change in the discount rate from 3.54 to 3.65.

Sensitivity of the Total OPEB Liability

The following presents the City's total OPEB liability, as well as what the liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65 percent) or 1-percentage-point higher (4.65 percent) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

Discount Rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability	\$ 11,059,982	\$ 10,187,862	\$ 9,388,065

Healthcare Cost Trend:

	1% Decrease (5.50% decreasing to 2.75%)	Current Healthcare Trend Rate (6.50% decreasing to 3.75%)	1% Increase (7.50% decreasing to 4.75%)
Total OPEB Liability	\$ 9,099,004	\$ 10,187,862	\$ 11,479,531

PERS Retirement Health Insurance Account

Plan Description

The City contributes to the PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums for eligible retirees. ORS 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants hired after August 29, 2003. PERS issues publicly available financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700, or online at http://Oregon.gov/PERS/section/financial_reports/financials.shtml.

CITY OF GRESHAM, OREGON

Benefits Provided

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the RHIA established by the employer, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost, the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Contributions

PERS funding policy provides for 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 for the period were based on the December 31, 2021 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2023. The City's contribution rates for the period were 0.00% for Tier One/Tier Two members, and 0.00% for OPSRP members. The City's total contributions for the year ended June 30, 2024 was \$2,234.

OPEB Assets, Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2024, the City reported an asset of \$1,562,270 for its proportionate share of the OPERS net OPEB asset. The net OPEB asset was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2021 rolled forward to June 30, 2023. The City's proportion of the net OPEB asset was based on the City's contributions to the RHIA program during the measurement period relative to contributions from all participating employers. At June 30, 2023, the City's proportionate share was 0.4267%, which is an increase from its proportion of 0.3705% as of June 30, 2022.

For the year ended June 30, 2024, the City recognized an OPEB expense reduction from this plan of \$269,225. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

NOTES TO THE FINANCIAL STATEMENTS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 39,221
Changes of assumptions	-	16,845
Net difference between projected and actual earnings on	4,431	-
Changes in proportionate share	22,609	98,338
Contributions subsequent to the measurement date	2,234	-
Total	\$ 29,274	\$ 154,404

Deferred outflows of resources related to OPEB of \$2,234 resulting from the City's contributions subsequent to the measurement date will be recognized as either a reduction of the net OPEB liability or an increase in the net OPEB asset in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:

2024	\$ (124,364)
2025	(81,443)
2026	57,736
2027	20,707
Total	\$ (127,364)

Actuarial Methods and Assumptions

All actuarial methods and assumptions are consistent with those disclosed for the OPERS Pension Plan. See Note 3.G. for additional information on Actuarial Assumptions and Methods, the Long-Term Expected Rate of Return, and the Discount Rate. A healthcare cost trend rate is not applicable to this plan because the cost is fixed by statute.

Sensitivity of the City's proportionate share of the net OPEB liability (asset) to changes in the discount rate

The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 6.90%, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Net OPEB Asset	\$ 1,420,107	\$ 1,562,270	\$ 1,684,246

OPEB Plan Fiduciary Net Position

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

CITY OF GRESHAM, OREGON

I. *Deferred Compensation Plan*

Plan Description

The City offers employees a voluntary deferred compensation plan (the Plan) administered by the City. The plan is a defined contribution plan created in accordance with Internal Revenue Code (the Code) Section 457. The City's deferred compensation committee has the authority to establish or amend the plan provisions. The Plan is available to any individual who is employed by the City in a benefit eligible (medical & dental) position after completing 30 days of service and permits them to defer a portion of their salary until future years.

Participation in the plan is voluntary. Contributions are made through salary withholdings from participating employees up to the amounts specified in the Code. No contributions are required from the City.

Amounts deferred are not available to employees until termination, retirement, death, or unforeseeable emergency. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. No plan assets have been used for purposes other than the payment of benefits. At June 30, 2024, the amount deferred and investment earnings thereon, adjusted to fair market value, amount to \$88,296,760. The amounts accumulated under the Plan, including investment earnings, are excluded from the financial statements of the City.

J. *Fund Balance Components*

Fund balances at fiscal year-end were categorized as follows:

Fund Balances	General Fund	Designated Purpose Fund	System Development Charge Fund	Transportation Fund	GRDC -	Nonmajor Governmental Funds	Total Governmental Funds
					Rockwood Debt Service Fund		
Restricted:							
Transportation Projects	\$ -	\$ -	\$ -	\$ 34,981,776	\$ -	\$ -	\$ 34,981,776
City System Development	-	-	25,415,765	-	-	-	25,415,765
Streetlights	-	-	-	-	-	6,348,266	6,348,266
Building Inspection & Permits	-	-	-	-	-	11,251,845	11,251,845
Urban Renewal Area	-	-	-	-	1,208,688	7,551,630	8,760,318
Misc. Grants and Programs	-	8,678,414	-	-	-	145,626	8,824,040
Total Restricted Fund Balances	-	8,678,414	25,415,765	34,981,776	1,208,688	25,297,367	95,582,010
Committed:							
Rental Inspections	-	-	-	-	-	926,779	926,779
Assigned:							
Infrastructure Development	-	-	-	-	-	5,070,864	5,070,864
Urban Design and Planning	-	-	-	-	-	1,879,596	1,879,596
Solid Waste	-	-	-	-	-	906,088	906,088
Misc. Grants and Programs	-	4,652,473	-	-	-	192,085	4,844,558
Capital Projects	-	-	-	-	-	4,002,157	4,002,157
Debt Service	-	-	-	-	-	1,195,295	1,195,295
Total Assigned Fund Balances	-	4,652,473	-	-	-	13,246,085	17,898,558
Unassigned:							
	44,033,920	-	-	-	-	-	44,033,920
Total Fund Balances	\$44,033,920	\$ 13,330,887	\$ 25,415,765	\$ 34,981,776	\$ 1,208,688	\$ 39,470,231	\$ 158,441,267

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries commercial insurance.

The City is self-insured for workers' compensation claims. The City purchases excess insurance for any claim that exceeds \$500,000. The operations of the self-insurance program are reported in the Workers' Compensation Fund, an Internal Service Fund. Revenues are generated from charges to other funds for insurance coverage, while expenses consist of reported and estimated claims, administrative operating costs and the premium for excess insurance. Settled claims have not triggered excess coverage in any of the past three years.

The City purchases commercial insurance for general liability; automobile liability; auto physical damage; property; volunteer liability; cyber liability; and crime. Operating resources for the year consist mainly of charges to other funds and interest income. Settled claims have not exceeded insurance coverage in any of the last three fiscal years.

Effective August 1, 2013 the City became self-insured for health insurance for some employees. Premiums are paid into the Health Insurance Benefits Fund. Claims are managed by a third-party management company UMR. The City carries supplemental insurance to manage health insurance risk. The policy limits the City's liability to \$250,000 per covered life and \$8,178,782 annually.

Changes in the workers' compensation, general liability, health insurance and dental insurance claims during the current and prior fiscal year were as follows:

Workers' Compensation Claims

Fiscal Year	Beginning Balance	New claims and changes in estimates	Claim payments	Ending Balance
2023	\$ 3,805,000	\$ 614,281	\$ (361,281)	\$ 4,058,000
2024	4,058,000	1,868,004	(1,441,808)	4,484,196

Liability Claims

Fiscal Year	Beginning Balance	New claims and changes in estimates	Claim payments	Ending Balance
2023	\$ 851,140	\$ 195,292	\$ (195,137)	\$ 851,295
2024	851,295	185,620	(37,777)	999,138

Health Insurance Claims

Fiscal Year	Beginning Balance	New claims and changes in estimates	Claim payments	Ending Balance
2023	\$ 725,000	\$ 9,023,247	\$ (8,521,247)	\$ 1,227,000
2024	1,227,000	8,092,456	(8,245,456)	1,074,000

Dental Insurance Claims

Fiscal Year	Beginning Balance	New claims and changes in estimates	Claim payments	Ending Balance
2023	\$ 27,000	\$ 573,668	\$ (578,668)	\$ 22,000
2024	22,000	648,109	(633,109)	37,000

CITY OF GRESHAM, OREGON

B. Contingent Liabilities

The City is a defendant in various lawsuits. Most of these lawsuits are covered by the City's insurance policies. Although the outcome of these lawsuits is not presently determinable, it is the opinion of management that resolution of these matters will not have a material adverse effect on the financial condition of the City.

Claims not covered by the City's insurer are recognized when it appears probable that the loss has been incurred and the amount can be reasonably estimated.

C. Construction Commitments

The City has entered into contracts for construction, as follows:

Project Description	Contract Commitment	Expended as of June 30, 2024	Remaining Commitment
WWTP Maintenance Project	\$ 36,808,910	\$ 18,164,518	\$ 18,644,392
WWTP Uppr Plnt Secondary Clarifer5	955,261	381,657	573,604
WWTP Disinfection Improvements	1,512,332	978,093	534,239
WWTP Upper Plant Nitrification Impr	1,658,469	1,419,082	239,387
ARTS 2015: COG Safety Project	583,695	298,904	284,791
Gradin Sports Park Devel (SW)	3,000,000	505,823	2,494,177
Div St (Birdsdlle-Wallula-RFFA Grnt)	950,502	712,840	237,662
Columbia South Shore Connection	2,952,264	489,253	2,463,011
Gresham's Well #5	1,595,289	449,237	1,146,052
Gresham's Well #2	9,478,303	7,195,588	2,282,715
Groundwater Secondary Trans Main	15,491,666	11,452,113	4,039,553
Catalyst Site	2,597,305	2,290,375	306,930
Totals	\$ 77,583,996	\$ 44,337,483	\$ 33,246,513

D. Pledged Revenue

Revenues of the City are pledged to debt service of the 2021 Water Revenue Bond. During 2024 the City recorded \$10,600,788 of net revenues that were pledged to debt service and debt service remains interest only through 2028. The obligation subject to the pledged revenue commitments are as follows:

	Water 2021 Revenue Bond	
	Principal	Interest
2025	\$ -	\$ 1,047,113
Total	\$ -	\$ 1,047,113

NOTES TO THE FINANCIAL STATEMENTS

E. Tax Abatements

As of June 30, 2024, the City provides property tax abatements through one Enterprise Zone program.

Enterprise Zone

The City's Enterprise Zone is authorized by Oregon Revised Statute (ORS) 285C.050 – 285C.250, the Oregon Enterprise Zone Act (the Act). The City originally created the Gresham Enterprise Zone (EZ) with Resolution No. 2825, approved by Council on March 21, 2006. The City subsequently added an electronic commerce zone overlay on the EZ via Resolution No. 3222 on October 6, 2015 and redesignated the EZ and electronic commerce zone overlay with Resolution No. 3237 on April 5, 2016. ORS 285C.255 defines the sunset of all enterprise zone programs, terminating existing programs as of June 30, 2025.

Applications go through a series of reviews by the City and by the county assessor, including a preauthorization consultation and review of written application materials. For approved applications for an extended five year abatement, City Council takes formal action via adoption of a resolution finding that the business is eligible for the exemption under the Act, and that the size of the proposed investment, the employment at the facility of the firm or the nature of the activities undertaken by the firm within the EZ will significantly enhance the local economy, promote the purposes for which the zone was created and increase employment within the zone. Applications for a three year abatement are approved administratively by the Enterprise Zone manager.

Taxes are abated via an exemption of assessed value from applicable tax levies, for a period of three tax years from when the property is placed in service. Applicable tax levies include the permanent rate levies and operating levies for taxing districts that include the property, which may include the City, county, school districts and other special districts depending on the location of the property within the EZ. If the business requests an additional two years of abatement with their application, a community service fee equal to 25% of the total abated taxes will be payable to the City for years four and five of the abatement. Investments greater than \$25 million will have the community service fee for all five tax years when an extension is requested. Any community service fees received by the City from participating businesses are restricted for use on economic development activities.

Abated taxes can be reassessed for reasons defined in ORS 285C.240, including if a qualifying business or the subject property is sold or transported for use outside of the EZ, if the business closes or significantly reduces their operations, if the business fails to meet the statutory requirements or those additional requirements of the City, or if they use the property to conduct activities that are not eligible activities. When the county assessor is notified of a disqualification, any previously abated taxes will be assessed in the subsequent assessment year, less any amounts that have been paid to the City as a community service fee.

Recipients of the EZ tax abatement make commitments to the City in their application in a number of areas, including statutory requirements for an increase in full-time employment of 10%, no concurrent job losses in Oregon within 30 miles of the EZ, maintenance of employment levels during the exemption period, and first-source agreements with local job training providers. The City places additional requirements for a minimum investment of \$1

CITY OF GRESHAM, OREGON

million, a procurement plan demonstrating a good faith effort to increase purchasing with Gresham companies, and requirements related to compensation, benefits, and training opportunities.

For the fiscal year ended June 30, 2024, the City's property tax revenues were reduced by an estimated \$1,504,525 as a result of the Enterprise Zone program. Community service fees of \$1,692,807 were collected from participating businesses during the fiscal year.

Tax Abatements granted by other governments

The City's property tax revenues were impacted in previous fiscal years by one tax abatement program administered by Multnomah County (County), for their Strategic Investment Program. The Strategic Investment Program established a property tax exemption for large capital investments made by a business. To qualify for this exemption, a business promised to pay a community service fee to the County, abide by any other requirements imposed by the County, and engage in certain hiring practices.

For the fiscal year ended June 30, 2024, there were not any active participants in this program, and no impact to estimated tax revenues.

F. Subsequent Events

Subsequent to June 30, 2024, the City approved two property purchases. The first was approved and completed in October of 2024 for a \$1.5 million land purchase. The second property was approved in December of 2024 for a \$3.5 million building purchase, with closing in January 2025.

In December of 2024, the Rockwood-West Gresham Urban Renewal Area approved and completed the purchase of a \$1.43 million piece of property.

Required Supplementary Information

CITY OF
GRESHAM
GOING BEYOND

Required Schedules

Schedules required for pension and other postemployment benefit plans.

- Schedule of the Changes in the City's Total OPEB Liability and Related Ratios
Implicit Rate Subsidy

- Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset) -
Oregon Public Employees Retirement System, Retirement Health Insurance
Account

- Schedule of the City's Contributions - Oregon Public Employees Retirement
Health Insurance Account

- Schedule of the City's Proportionate Share of the Net Pension Liability (Asset) -
Oregon Public Employees Retirement System

- Schedule of the City's Contributions - Oregon Public Employees Retirement
System

City of Gresham, Oregon
Schedule of the Changes in the City's Total OPEB Liability and Related Ratios
Implicit Rate Subsidy Plan
Last Seven Fiscal Years ^{1,2}

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB Liability				
Service cost	\$ 568,071	\$ 634,382	\$ 615,461	\$ 602,967
Interest	360,511	212,354	208,379	339,214
Changes in benefit terms experience	-	-	-	-
Changes of assumptions or other inputs	(92,572)	106,355	-	543,254
Benefit payments	(523,439)	(39,370)	38,981	(1,244,551)
Benefit payments	<u>(523,439)</u>	<u>(467,995)</u>	<u>(490,740)</u>	<u>(539,876)</u>
Net change in OPEB liability	312,571	445,726	372,081	(298,992)
Total OPEB Liability - beginning	<u>9,875,291</u>	<u>9,429,565</u>	<u>9,057,484</u>	<u>9,356,476</u>
Total OPEB Liability - ending	<u><u>10,187,862</u></u>	<u><u>9,875,291</u></u>	<u><u>9,429,565</u></u>	<u><u>9,057,484</u></u>
City's Covered-Employee Payroll	\$ 60,644,941	\$ 56,978,722	\$ 55,145,912	\$ 54,179,317
Total OPEB Liability as a percentage of its covered-employee payroll	16.8%	17.3%	17.1%	16.7%

¹ 10-year trend information required by GASB Statement 75 will be presented prospectively

² Amounts presented are for the measurement period reported during the fiscal year, which for FY 2024 is July 1, 2022 - June 30, 2023

NOTES TO SCHEDULE

Changes in Assumptions

The change in assumptions in fiscal year 2018 is the result of the change in the discount rate from 2.85% to 3.58%. Similarly, the change in assumptions subsequent fiscal years includes the impact from the change in the discount rate from year to year, reflected below:

Discount Rate:	3.65%	3.54%	2.16%	2.21%
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The change in assumptions in fiscal year 2021 also includes the impact of the Further Consolidated Appropriations Act, which became law on December 20, 2019. This law repeals the Cadillac Tax completely and removes the Health Insurer Fee permanently beginning in 2021.

There are no assets accumulated in a trust that meets the criteria of GASB codification P52.101 to pay related benefits for the OPEB plan.

	<u>2020</u>	<u>2019</u>	<u>2018</u>
\$	535,072	\$ 488,313	\$ 527,273
	348,060	281,973	226,913
	-	-	-
	-	794,837	-
	284,520	(76,043)	(495,221)
	(534,746)	(304,424)	(307,149)
	<u>632,906</u>	<u>1,184,656</u>	<u>(48,184)</u>
	<u>8,723,570</u>	<u>7,538,914</u>	<u>7,587,098</u>
	<u>9,356,476</u>	<u>8,723,570</u>	<u>7,538,914</u>
\$	52,717,193	\$ 48,351,316	\$ 45,518,553
	17.7%	18.0%	16.6%

3.50%

3.87%

3.58%

City of Gresham, Oregon
Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset)
Oregon Public Employees Retirement System, Retirement Health Insurance Account
Last Eight Fiscal Years ^{1,2}

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
City's proportion of the net OPEB liability (asset)	0.4267%	0.3705%	0.4150%	0.3016%
City's proportionate share of the net OPEB liability (asset)	\$ (1,562,270)	\$ (1,316,343)	\$ (1,425,029)	\$ (614,469)
City's covered payroll	\$ 60,644,941	\$ 56,978,722	\$ 55,145,912	\$ 54,179,317
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-2.6%	-2.3%	-2.6%	-1.1%
Plan fiduciary net position as a percentage of the total OPEB liability	201.6%	194.6%	183.9%	150.1%

¹ 10-year trend information required by GASB Statement 75 will be presented prospectively

² Amounts presented are for the measurement period reported during the fiscal year, which for FY 2024 is July 1, 2022 - June 30, 2023

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
0.4841%	0.4573%	0.4422%	0.4524%
\$ (935,438)	\$ (510,468)	\$ (184,537)	\$ 122,862
\$ 52,717,193	\$ 48,351,316	\$ 45,518,553	\$ 43,126,740
-1.8%	-1.1%	-0.4%	0.3%
144.4%	124.0%	108.9%	94.2%

City of Gresham, Oregon
Schedule of the City's Contributions
Oregon Public Employees Retirement System, Retirement Health Insurance Account
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually required contributions	\$ 9,125	\$ 8,408	\$ 9,130
Contributions in relation to the contractually required contribution	<u>(9,125)</u>	<u>(8,408)</u>	<u>(9,130)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 64,566,836	\$ 60,644,941	\$ 56,978,722
Contributions as a percentage of covered payroll	0.01%	0.01%	0.02%

NOTES TO SCHEDULE

Actuarial Assumptions and Methods Used to Actuarially Determine Contributions:

Actuarial Valuation	December 31, 2021	December 31, 2019
Effective	July 2023 - June 2025	July 2021 - June 2023
Actuarial cost method:	Entry Age Normal	Entry Age Normal
Actuarial valuation method:	Market Value	Market Value
Actuarial assumption:		
Inflation rate	2.40 percent	2.40 percent
Projected salary increases	3.40 percent	3.40 percent
Investment rate of return	6.90 percent	6.90 percent

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 11,103	\$ 21,535	\$ 239,926	\$ 221,425	\$ 222,487	\$ 212,695	\$ 225,666
<u>(11,103)</u>	<u>(21,535)</u>	<u>(239,926)</u>	<u>(221,425)</u>	<u>(222,487)</u>	<u>(212,695)</u>	<u>(225,666)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 55,145,912	\$ 54,179,317	\$ 52,717,193	\$ 48,351,316	\$ 45,518,553	\$ 43,126,740	\$ 41,316,121
0.02%	0.04%	0.46%	0.46%	0.49%	0.49%	0.55%

December 31, 2017
July 2019 - June 2021
Entry Age Normal
Market Value

2.50 percent
3.50 percent
7.20 percent

December 31, 2015
July 2017 - June 2019
Entry Age Normal
Market Value

2.50 percent
3.50 percent
7.50 percent

December 31, 2013
July 2015 - June 2017
Entry Age Normal
Market Value

2.75 percent
3.75 percent
7.75 percent

December 31, 2011
July 2013 - June 2015
Projected Unit Credit
Market Value

2.75 percent
3.75 percent
8.00 percent

City of Gresham, Oregon
Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)
Oregon Public Employees Retirement System
Last Ten Fiscal Years ¹

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
City's proportion of the net pension liability (asset)	0.7923%	0.6740%	0.6435%	0.5955%
City's proportionate share of the net pension liability (asset)	\$ 148,395,910	\$ 103,202,555	\$ 77,003,641	\$ 129,959,351
City's covered payroll	\$ 60,644,941	\$ 56,978,722	\$ 55,145,912	\$ 54,179,317
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	244.7%	181.1%	139.6%	239.9%
Plan fiduciary net position as a percentage of the total pension liability	81.7%	84.5%	87.6%	75.8%

¹ Amounts presented are for the measurement period reported during the fiscal year, which for FY 2024 is July 1, 2022 - June 30, 2023

NOTES TO SCHEDULE

Changes in Benefit Terms

Senate Bill 822 was enacted during the 2013 Oregon regular legislative session to lower the cap on the cost-of-living adjustment (COLA) from 2 percent to 1.5 percent for 2013, and eliminated the tax remedy benefit for recipients who do not pay Oregon state income taxes because they do not reside in Oregon. Senate Bill 861 was enacted during the 2013 Oregon special legislative session, further lowering the post-retirement COLA for years beyond 2013 to 1.25% on the first \$60,000 of annual benefit and 0.15% on annual benefits above \$60,000. The combined impact of these Senate Bills are reflected in the June 30, 2014 total pension liability, resulting in a net pension asset reported by the City for fiscal year 2015.

The Oregon Supreme Court (Court) ruled in *Moro v. State of Oregon* on April 30, 2015 that certain provisions of Senate Bill 822 and Senate Bill 861 were unconstitutional. The Court ruled that benefits could be modified prospectively, but not retrospectively. As a result, those who retired before the bills were passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a 2% increase annually. OPERS members who have accrued benefits before and after the effective dates of the 2013 legislation will have a blended COLA rate when they retire. The impact of the Court's decision is reflected in the June 30, 2015 total pension liability, which contributes to the net pension liability reported by the City for fiscal year 2016.

2020	2019	2018	2017	2016	2015
0.5858%	0.5463%	0.5250%	0.5176%	0.5178%	0.4564%
\$ 101,336,965	\$ 82,752,686	\$ 70,776,159	\$ 77,701,855	\$ 29,730,233	\$ (10,345,364)
\$ 52,717,193	\$ 48,351,316	\$ 45,518,553	\$ 43,126,740	\$ 41,316,121	\$ 40,497,083
192.2%	171.1%	155.5%	180.2%	72.0%	-25.5%
80.2%	82.1%	83.1%	80.5%	91.9%	103.6%

Changes in Assumptions

The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability, which contributes to the net pension liability reported by the City for fiscal year 2017. The changes include the lowering of the long-term expected rate of return to 7.50 percent and lowering the assumed inflation to 2.50 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay.

The June 30, 2018 total pension liability includes the effect of PERS Board adopting a change to the long-term expected rate of return, reducing it from 7.50 to 7.20 percent. This contributes to the net pension liability reported by the City for fiscal year 2019.

The June 30, 2021 total pension liability includes the effect of the PERS Board adopting a change to the long-term expected rate of return, reducing it from 7.20 percent to 6.90 percent. This contributes to the net pension liability reported by the City for fiscal year 2022.

City of Gresham, Oregon
Schedule of the City's Contributions
Oregon Public Employees Retirement System
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually required contributions	\$ 15,227,994	\$11,405,596	\$10,579,023
Contributions in relation to the contractually required contribution	<u>(15,227,994)</u>	<u>(11,405,596)</u>	<u>(10,579,023)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 64,566,836	\$60,644,941	\$56,978,722
Contributions as a percentage of covered payroll	23.58%	18.81%	18.57%

NOTES TO SCHEDULE

Actuarial Assumptions and Methods Used to Actuarially Determine Contributions:

Actuarial Valuation	December 31, 2021	December 31, 2019
Effective	July 2023 - June 2025	July 2021 - June 2023
Actuarial cost method:	Entry Age Normal	Entry Age Normal
Actuarial valuation method:	Market Value	Market Value
Actuarial assumption:		
Inflation rate	2.40 percent	2.40 percent
Projected salary increases	3.40 percent	3.40 percent
Investment rate of return	6.90 percent	6.90 percent

2021	2020	2019	2018	2017	2016	2015
\$ 7,234,969	\$ 7,073,362	\$ 5,194,350	\$ 4,877,479	\$ 3,670,758	\$ 3,536,948	\$ 2,709,239
<u>(7,234,969)</u>	<u>(7,073,362)</u>	<u>(5,194,350)</u>	<u>(4,877,479)</u>	<u>(3,670,758)</u>	<u>(3,536,948)</u>	<u>(2,709,239)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$55,145,912	\$54,179,317	\$52,717,193	\$48,351,316	\$45,518,553	\$43,126,740	\$ 41,316,121
13.12%	13.06%	9.85%	10.09%	8.06%	8.20%	6.56%

December 31, 2017
July 2019 - June 2021
Entry Age Normal
Market Value

2.50 percent
3.50 percent
7.20 percent

December 31, 2015
July 2017 - June 2019
Entry Age Normal
Market Value

2.50 percent
3.50 percent
7.50 percent

December 31, 2013
July 2015 - June 2017
Entry Age Normal
Market Value

2.75 percent
3.75 percent
7.75 percent

December 31, 2011
July 2013 - June 2015
Projected Unit Credit
Market Value

2.75 percent
3.75 percent
8.00 percent

CITY OF
GRESHAM
GOING BEYOND

Major Funds – General and Special Revenue

General Fund – Accounts for police, fire, emergency medical services, community and economic development, and parks maintenance expenditures and is the City’s main operating fund. The principal sources of revenue are property taxes, state shared revenue, business income tax, license fees, and charges for services.

Designated Purpose Fund – Accounts for monies donated for specific purposes, most importantly for public safety.

System Development Charge Fund – Accounts for collections of water, stormwater, wastewater, transportation impact, and parks system development and/or improvement fees. Requirements consist of transfers to the enterprise, special revenue, and capital improvement funds within which the revenues will be expended.

Transportation Fund – Accounts primarily for gasoline tax apportionments from the State of Oregon used for transportation operations.

Budgetary Basis – The basis of budgeting for all major funds is the modified accrual basis of accounting. The resolution authorizing appropriations for each fund sets the legal level of control by which expenditures cannot legally exceed appropriations. Total expenditures by department, as well as non-operating functions such as debt service and interfund transfers, are the legal level of control. The budgetary comparison schedules report Final Budget and Actual balances at the legal level of control to demonstrate compliance with Oregon budget law.

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Taxes	\$ 48,552,000	\$ 48,552,000	\$ 46,807,990	\$ (1,744,010)
Licenses and permits	451,000	451,000	531,926	80,926
Intergovernmental	10,198,000	10,306,000	10,028,830	(277,170)
Charges for services	7,940,000	7,940,000	8,563,281	623,281
License fees	20,453,000	20,453,000	21,075,180	622,180
Miscellaneous	631,000	631,000	1,872,661	1,241,661
Internal service charges	1,209,754	1,209,754	1,129,963	(79,791)
Total revenues	<u>89,434,754</u>	<u>89,542,754</u>	<u>90,009,831</u>	<u>467,077</u>
EXPENDITURES				
Police	50,299,391	50,299,391	45,813,546	4,485,845
Fire	34,674,479	34,758,479	34,756,623	1,856
Economic, development, & housing services	1,593,427	1,593,427	1,284,167	309,260
Community livability	1,585,886	1,585,886	1,485,788	100,098
Parks	5,297,515	5,297,515	4,871,699	425,816
Operating contingency	1,280,000	1,127,000	-	1,127,000
Total expenditures	<u>94,730,698</u>	<u>94,661,698</u>	<u>88,211,823</u>	<u>6,449,875</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,295,944)</u>	<u>(5,118,944)</u>	<u>1,798,008</u>	<u>6,916,952</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,275,000	3,275,000	3,275,000	-
Transfers out	(4,263,200)	(4,416,200)	(4,053,158)	363,042
Total other financing sources (uses)	<u>(988,200)</u>	<u>(1,141,200)</u>	<u>(778,158)</u>	<u>363,042</u>
Net change in fund balances	(6,284,144)	(6,260,144)	1,019,850	7,279,994
Fund balances - beginning	<u>26,474,000</u>	<u>26,474,000</u>	<u>31,414,685</u>	<u>4,940,685</u>
Fund balances - ending	<u>\$ 20,189,856</u>	<u>\$ 20,213,856</u>	<u>\$ 32,434,535</u>	<u>\$ 12,220,679</u>
Accrued compensation			645,466	
Due from other funds			11,263,486	
Unrealized gain (loss) on investments			<u>(309,567)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 44,033,920</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Designated Purpose Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Intergovernmental	\$ 15,279,700	\$ 17,375,200	\$ 5,943,135	\$ (11,432,065)
Charges for services	548,200	588,200	567,222	(20,978)
Miscellaneous	1,401,700	1,436,700	3,334,602	1,897,902
Total revenues	<u>17,229,600</u>	<u>19,400,100</u>	<u>9,844,959</u>	<u>(9,555,141)</u>
EXPENDITURES				
City manager's office	7,000	7,000	7,000	-
Citywide services	15,936,623	15,971,623	3,469,755	12,501,868
Police	1,296,600	2,204,600	484,606	1,719,994
Fire	395,100	553,100	42,144	510,956
Urban design and planning	85,000	419,500	111,481	308,019
Economic, development, & housing services	18,305,500	18,305,500	3,208,361	15,097,139
Community livability	2,743,092	3,210,092	1,389,089	1,821,003
Parks	2,217,000	2,217,000	998,721	1,218,279
Environmental services	1,580,000	2,001,000	623,584	1,377,416
Total expenditures	<u>42,565,915</u>	<u>44,889,415</u>	<u>10,334,741</u>	<u>34,554,674</u>
Excess of expenditures over revenue	<u>(25,336,315)</u>	<u>(25,489,315)</u>	<u>(489,782)</u>	<u>24,999,533</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,374,450	1,527,450	992,055	(535,395)
Transfers out	(3,836,168)	(3,836,168)	(3,621,385)	214,783
Total other financing sources (uses)	<u>(2,461,718)</u>	<u>(2,308,718)</u>	<u>(2,629,330)</u>	<u>(320,612)</u>
Net change in fund balances	(27,798,033)	(27,798,033)	(3,119,112)	24,678,921
Fund balances - beginning	<u>30,407,494</u>	<u>30,407,494</u>	<u>30,118,233</u>	<u>(289,261)</u>
Fund balances - ending	<u>\$ 2,609,461</u>	<u>\$ 2,609,461</u>	<u>\$ 26,999,121</u>	<u>\$ 24,389,660</u>
Unavailable revenue			(13,451,238)	
Unrealized gain (loss) on investments			<u>(216,996)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 13,330,887</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
System Development Charges Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Charges for services	\$ 17,827,400	\$ 17,827,400	\$ 8,711,030	\$ (9,116,370)
Miscellaneous	261,600	261,600	897,573	635,973
Total revenues	<u>18,089,000</u>	<u>18,089,000</u>	<u>9,608,603</u>	<u>(8,480,397)</u>
EXPENDITURES				
Total expenditures	-	-	-	-
Excess of revenues over expenditures	<u>18,089,000</u>	<u>18,089,000</u>	<u>9,608,603</u>	<u>(8,480,397)</u>
OTHER FINANCING (USES)				
Transfers out	(29,591,500)	(29,591,500)	(5,186,785)	24,404,715
Total other financing (uses)	<u>(29,591,500)</u>	<u>(29,591,500)</u>	<u>(5,186,785)</u>	<u>24,404,715</u>
Net change in fund balances	(11,502,500)	(11,502,500)	4,421,818	15,924,318
Fund balances - beginning	<u>29,265,800</u>	<u>29,265,800</u>	<u>21,209,137</u>	<u>(8,056,663)</u>
Fund balances - ending	<u>\$ 17,763,300</u>	<u>\$ 17,763,300</u>	<u>\$ 25,630,955</u>	<u>\$ 7,867,655</u>
Unrealized gain (loss) on investments			<u>(215,190)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 25,415,765</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Transportation Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Intergovernmental	\$ 13,860,800	\$ 13,860,800	\$ 13,804,023	\$ (56,777)
Charges for services	61,600	61,600	224,616	163,016
License fees	1,711,200	1,711,200	1,755,527	44,327
Miscellaneous	297,600	297,600	877,810	580,210
Internal service charges	996,600	996,600	1,670,069	673,469
Total revenues	<u>16,927,800</u>	<u>16,927,800</u>	<u>18,332,045</u>	<u>1,404,245</u>
EXPENDITURES				
Environmental services	12,082,864	12,082,864	11,449,365	633,499
Operating contingency	1,812,000	1,812,000	-	1,812,000
Total expenditures	<u>13,894,864</u>	<u>13,894,864</u>	<u>11,449,365</u>	<u>2,445,499</u>
Excess of revenues over expenditures	<u>3,032,936</u>	<u>3,032,936</u>	<u>6,882,680</u>	<u>3,849,744</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,483,800	1,483,800	1,475,061	(8,739)
Transfers out	(19,353,100)	(19,353,100)	(8,667,806)	10,685,294
Total other financing sources (uses)	<u>(17,869,300)</u>	<u>(17,869,300)</u>	<u>(7,192,745)</u>	<u>10,676,555</u>
Net change in fund balances	(14,836,364)	(14,836,364)	(310,065)	14,526,299
Fund balances - beginning	<u>28,581,600</u>	<u>28,581,600</u>	<u>31,698,112</u>	<u>3,116,512</u>
Fund balances - ending	<u>\$ 13,745,236</u>	<u>\$ 13,745,236</u>	<u>\$ 31,388,047</u>	<u>\$ 17,642,811</u>
Accrued compensation			708,800	
Due from other funds			3,431,418	
Unrealized gain (loss) on investments			<u>(546,489)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 34,981,776</u>	

Major Funds – Debt Service

GRDC - Rockwood Debt Service Fund – Accounts for debt service on funding for the Rockwood-West Gresham Urban Renewal Area.

Budgetary Basis – The basis of budgeting for all major funds is the modified accrual basis of accounting. The resolution authorizing appropriations for each fund sets the legal level of control by which expenditures cannot legally exceed appropriations. Total expenditures by department, as well as non-operating functions such as debt service and interfund transfers, are the legal level of control. The budgetary comparison schedules report Final Budget and Actual balances at the legal level of control to demonstrate compliance with Oregon budget law.

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
GRDC - Rockwood Debt Service Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Taxes	\$ 7,389,900	\$ 7,389,900	\$ 8,270,102	\$ 880,202
Intergovernmental	-	-	2,871	2,871
Miscellaneous	176,900	176,900	70,557	(106,343)
Total revenues	<u>7,566,800</u>	<u>7,566,800</u>	<u>8,343,530</u>	<u>776,730</u>
EXPENDITURES				
Debt service	7,389,900	7,389,900	7,389,900	-
Total expenditures	<u>7,389,900</u>	<u>7,389,900</u>	<u>7,389,900</u>	<u>-</u>
Excess of revenues over expenditures	<u>176,900</u>	<u>176,900</u>	<u>953,630</u>	<u>776,730</u>
Net change in fund balances	176,900	176,900	953,630	776,730
Fund balances - beginning	<u>439,200</u>	<u>439,200</u>	<u>590,660</u>	<u>151,460</u>
Fund balances - ending	<u>\$ 616,100</u>	<u>\$ 616,100</u>	<u>\$ 1,544,290</u>	<u>\$ 928,190</u>
Unrealized gain (loss) on investments			<u>(335,602)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 1,208,688</u>	

City of Gresham, Oregon
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds	Capital Project Funds	Debt Service Funds	Total
ASSETS				
Cash and investments	\$ 28,247,546	\$ 11,590,085	\$ 1,187,400	\$ 41,025,031
Receivables, net	4,293,293	1,150,358	-	5,443,651
Other assets	193,142	86,410	7,895	287,447
Due from other funds	747,873	-	-	747,873
Restricted cash and investments	1,094,258	-	-	1,094,258
Total assets	<u>\$ 34,576,112</u>	<u>\$ 12,826,853</u>	<u>\$ 1,195,295</u>	<u>\$ 48,598,260</u>
LIABILITIES				
Accounts payable	\$ 2,041,545	\$ 952,636	\$ -	\$ 2,994,181
Other accrued liabilities	-	26,661	-	26,661
Deposits	2,526,118	5,789	-	2,531,907
Unearned revenue	2,901,651	-	-	2,901,651
Due to other funds	300,000	-	-	300,000
Total liabilities	<u>7,769,314</u>	<u>985,086</u>	<u>-</u>	<u>8,754,400</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - other	-	373,629	-	373,629
Total deferred inflows of resources	<u>-</u>	<u>373,629</u>	<u>-</u>	<u>373,629</u>
FUND BALANCES				
Restricted	17,831,386	7,465,981	-	25,297,367
Committed	926,779	-	-	926,779
Assigned	8,048,633	4,002,157	1,195,295	13,246,085
Total fund balances	<u>26,806,798</u>	<u>11,468,138</u>	<u>1,195,295</u>	<u>39,470,231</u>
Total liabilities and fund balances	<u>\$ 34,576,112</u>	<u>\$ 12,826,853</u>	<u>\$ 1,195,295</u>	<u>\$ 48,598,260</u>

City of Gresham, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2024

	Special Revenue Funds	Capital Project Funds	Debt Service Funds	Total
REVENUES				
Licenses and permits	\$ 4,650,079	\$ -	\$ -	\$ 4,650,079
Intergovernmental	3,709,572	4,839,627	-	8,549,199
Charges for services	5,512,754	503,148	-	6,015,902
License fees	1,720,264	-	-	1,720,264
Miscellaneous	1,437,384	606,737	64,818	2,108,939
Internal service charges	893,929	-	2,403,401	3,297,330
Total revenues	<u>17,923,982</u>	<u>5,949,512</u>	<u>2,468,219</u>	<u>26,341,713</u>
EXPENDITURES				
Current:				
Urban renewal	1,314,151	4,515,000	-	5,829,151
Urban design and planning	3,587,447	-	-	3,587,447
Economic, development, & housing services	7,114,715	-	-	7,114,715
Environmental services	4,698,010	-	-	4,698,010
Transportation	492,245	-	-	492,245
Capital outlay	-	16,304,667	-	16,304,667
Debt service	-	-	8,889,740	8,889,740
Total expenditures	<u>17,206,568</u>	<u>20,819,667</u>	<u>8,889,740</u>	<u>46,915,975</u>
Excess (deficiency) of revenues over (under) expenditures	<u>717,414</u>	<u>(14,870,155)</u>	<u>(6,421,521)</u>	<u>(20,574,262)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	7,389,900	-	7,389,900
Proceeds from sale of assets	6,975	-	-	6,975
Transfers in	4,734,671	5,007,778	6,608,748	16,351,197
Transfers out	(1,409,718)	-	-	(1,409,718)
Total other financing sources (uses)	<u>3,331,928</u>	<u>12,397,678</u>	<u>6,608,748</u>	<u>22,338,354</u>
Net change in fund balances	<u>4,049,342</u>	<u>(2,472,477)</u>	<u>187,227</u>	<u>1,764,092</u>
Fund balances - beginning	<u>22,757,456</u>	<u>13,940,615</u>	<u>1,008,068</u>	<u>37,706,139</u>
Fund balances - ending	<u>\$ 26,806,798</u>	<u>\$ 11,468,138</u>	<u>\$ 1,195,295</u>	<u>\$ 39,470,231</u>

CITY OF
GRESHAM
GOING BEYOND

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. Funds included in this fund type are:

Urban Design & Planning Fund – Accounts for revenues and operations of the City’s development planning functions. Development planning fees supply revenue for this fund, in addition to interfund transfers from the General Fund and Urban Renewal Fund.

Solid Waste & Recycling Fund – Accounts for the receipt of solid waste fees and their related expenditures.

Rental Inspection Fund – Accounts for revenues and operations of mandatory inspections of rental units in Gresham to address concerns of substandard housing.

Infrastructure Development Fund – Accounts for revenues and operations of development engineering, public works construction inspections, and surveying.

Streetlight Fund – Accounts for license fee revenues collected for streetlight repair and maintenance.

CDBG & HOME Fund – Accounts for the receipt of CDBG and HOME grants and their related expenditures.

Building Fund – Accounts for the revenue received from building inspections and construction permits. Expenditures are primarily for customer service, code enforcement, and administration.

Urban Renewal Support Fund – Accounts for services that the City provides to the Rockwood-West Gresham Urban Renewal Area.

City of Gresham, Oregon
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2024

	<u>Urban Design & Planning Fund</u>	<u>Solid Waste & Sustainability Fund</u>	<u>Rental Inspection Fund</u>	<u>Infrastructure Development Fund</u>
ASSETS				
Cash and investments	\$ 1,841,144	\$ 844,286	\$ 689,354	\$ 6,288,787
Receivables, net	129,399	77,072	130,511	44,727
Other assets	12,083	5,609	4,630	47,833
Due from other funds	-	-	110,591	226,786
Restricted cash and investments	11,080	-	-	885,828
Total assets	<u>\$ 1,993,706</u>	<u>\$ 926,967</u>	<u>\$ 935,086</u>	<u>\$ 7,493,961</u>
LIABILITIES				
Accounts payable	\$ 26,246	\$ 20,879	\$ 8,307	\$ 14,897
Deposits	87,864	-	-	2,408,200
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>114,110</u>	<u>20,879</u>	<u>8,307</u>	<u>2,423,097</u>
FUND BALANCES				
Restricted	-	-	-	-
Committed	-	-	926,779	-
Assigned	1,879,596	906,088	-	5,070,864
Total fund balances	<u>1,879,596</u>	<u>906,088</u>	<u>926,779</u>	<u>5,070,864</u>
Total liabilities and fund balances	<u>\$ 1,993,706</u>	<u>\$ 926,967</u>	<u>\$ 935,086</u>	<u>\$ 7,493,961</u>

<u>Streetlight Fund</u>	<u>CDBG & HOME Fund</u>	<u>Building Fund</u>	<u>Urban Renewal Fund</u>	<u>Total</u>
\$ 6,055,974	\$ 81,730	\$ 12,343,929	\$ 102,342	\$ 28,247,546
252,398	3,581,332	77,854	-	4,293,293
40,108	521	81,668	690	193,142
-	68,160	342,336	-	747,873
-	197,350	-	-	1,094,258
<u>\$ 6,348,480</u>	<u>\$ 3,929,093</u>	<u>\$ 12,845,787</u>	<u>\$ 103,032</u>	<u>\$ 34,576,112</u>
\$ 214	\$ 389,731	\$ 1,563,888	\$ 17,383	\$ 2,041,545
-	-	30,054	-	2,526,118
-	2,901,651	-	-	2,901,651
-	300,000	-	-	300,000
<u>214</u>	<u>3,591,382</u>	<u>1,593,942</u>	<u>17,383</u>	<u>7,769,314</u>
6,348,266	145,626	11,251,845	85,649	17,831,386
-	-	-	-	926,779
-	192,085	-	-	8,048,633
<u>6,348,266</u>	<u>337,711</u>	<u>11,251,845</u>	<u>85,649</u>	<u>26,806,798</u>
<u>\$ 6,348,480</u>	<u>\$ 3,929,093</u>	<u>\$ 12,845,787</u>	<u>\$ 103,032</u>	<u>\$ 34,576,112</u>

City of Gresham, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2024

	Urban Design & Planning Fund	Solid Waste & Sustainability Fund	Rental Inspection Fund	Infrastructure Development Fund
REVENUES				
Licenses and permits	\$ 167,796	\$ -	\$ 780,254	\$ -
Intergovernmental	3,128	313,358	-	-
Charges for services	1,064,672	816,900	333	1,136,204
License fees	-	-	-	-
Miscellaneous	78,388	43,746	150,965	341,267
Internal service charges	-	-	-	893,929
Total revenues	<u>1,313,984</u>	<u>1,174,004</u>	<u>931,552</u>	<u>2,371,400</u>
EXPENDITURES				
Current:				
Urban renewal	-	-	-	-
Urban design and planning	3,587,447	-	-	-
Economic, development, & housing services	-	-	961,960	-
Environmental services	-	1,231,626	-	3,466,384
Transportation	-	-	-	-
Total expenditures	<u>3,587,447</u>	<u>1,231,626</u>	<u>961,960</u>	<u>3,466,384</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,273,463)</u>	<u>(57,622)</u>	<u>(30,408)</u>	<u>(1,094,984)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	-	-	-	1,395
Transfers in	2,750,671	120,000	-	1,700,000
Transfers out	(66,000)	-	(16,000)	(66,000)
Total other financing sources (uses)	<u>2,684,671</u>	<u>120,000</u>	<u>(16,000)</u>	<u>1,635,395</u>
Net change in fund balances	<u>411,208</u>	<u>62,378</u>	<u>(46,408)</u>	<u>540,411</u>
Fund balances - beginning	<u>1,468,388</u>	<u>843,710</u>	<u>973,187</u>	<u>4,530,453</u>
Fund balances - ending	<u>\$ 1,879,596</u>	<u>\$ 906,088</u>	<u>\$ 926,779</u>	<u>\$ 5,070,864</u>

Streetlight Fund	CDBG & HOME Fund	Building Fund	Urban Renewal Fund	Total
\$ -	\$ -	\$ 3,702,029	\$ -	\$ 4,650,079
73,398	2,094,790	259,898	965,000	3,709,572
32,234	3,275	2,459,136	-	5,512,754
1,720,264	-	-	-	1,720,264
263,248	2,202	551,049	6,519	1,437,384
-	-	-	-	893,929
<u>2,089,144</u>	<u>2,100,267</u>	<u>6,972,112</u>	<u>971,519</u>	<u>17,923,982</u>
-	-	-	1,314,151	1,314,151
-	-	-	-	3,587,447
-	2,023,675	4,129,080	-	7,114,715
-	-	-	-	4,698,010
492,245	-	-	-	492,245
<u>492,245</u>	<u>2,023,675</u>	<u>4,129,080</u>	<u>1,314,151</u>	<u>17,206,568</u>
<u>1,596,899</u>	<u>76,592</u>	<u>2,843,032</u>	<u>(342,632)</u>	<u>717,414</u>
-	-	5,580	-	6,975
-	-	164,000	-	4,734,671
<u>(733,342)</u>	<u>-</u>	<u>(522,033)</u>	<u>(6,343)</u>	<u>(1,409,718)</u>
<u>(733,342)</u>	<u>-</u>	<u>(352,453)</u>	<u>(6,343)</u>	<u>3,331,928</u>
<u>863,557</u>	<u>76,592</u>	<u>2,490,579</u>	<u>(348,975)</u>	<u>4,049,342</u>
<u>5,484,709</u>	<u>261,119</u>	<u>8,761,266</u>	<u>434,624</u>	<u>22,757,456</u>
<u>\$ 6,348,266</u>	<u>\$ 337,711</u>	<u>\$ 11,251,845</u>	<u>\$ 85,649</u>	<u>\$ 26,806,798</u>

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Urban Design & Planning Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Licenses and permits	\$ 134,000	\$ 134,000	\$ 167,796	\$ 33,796
Intergovernmental	-	-	3,128	3,128
Charges for services	700,000	700,000	1,064,672	364,672
Miscellaneous	7,000	7,000	40,127	33,127
Total revenues	<u>841,000</u>	<u>841,000</u>	<u>1,275,723</u>	<u>434,723</u>
EXPENDITURES				
Urban design and planning	4,230,494	4,230,494	3,584,847	645,647
Total expenditures	<u>4,230,494</u>	<u>4,230,494</u>	<u>3,584,847</u>	<u>645,647</u>
Excess of expenditures over revenue	<u>(3,389,494)</u>	<u>(3,389,494)</u>	<u>(2,309,124)</u>	<u>1,080,370</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,779,000	2,779,000	2,750,671	(28,329)
Transfers out	(66,000)	(66,000)	(66,000)	-
Total other financing sources (uses)	<u>2,713,000</u>	<u>2,713,000</u>	<u>2,684,671</u>	<u>(28,329)</u>
Net change in fund balances	(676,494)	(676,494)	375,547	1,052,041
Fund balances - beginning	<u>690,000</u>	<u>690,000</u>	<u>1,259,725</u>	<u>569,725</u>
Fund balances - ending	<u>\$ 13,506</u>	<u>\$ 13,506</u>	<u>\$ 1,635,272</u>	<u>\$ 1,621,766</u>
Accrued compensation			229,000	
Unrealized gain (loss) on investments			<u>15,324</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 1,879,596</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Solid Waste & Sustainability Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Intergovernmental	\$ 339,500	\$ 339,500	\$ 313,358	\$ (26,142)
Charges for services	816,400	816,400	816,900	500
Miscellaneous	12,400	12,400	25,984	13,584
Total revenues	<u>1,168,300</u>	<u>1,168,300</u>	<u>1,156,242</u>	<u>(12,058)</u>
EXPENDITURES				
Environmental services	1,336,848	1,336,848	1,229,726	107,122
Operating contingency	134,000	134,000	-	134,000
Total expenditures	<u>1,470,848</u>	<u>1,470,848</u>	<u>1,229,726</u>	<u>241,122</u>
Excess of expenditures over revenue	<u>(302,548)</u>	<u>(302,548)</u>	<u>(73,484)</u>	<u>229,064</u>
OTHER FINANCING SOURCES				
Transfers in	120,000	120,000	120,000	-
Total other financing sources	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>	<u>-</u>
Net change in fund balances	(182,548)	(182,548)	46,516	229,064
Fund balances - beginning	<u>825,700</u>	<u>825,700</u>	<u>813,637</u>	<u>(12,063)</u>
Fund balances - ending	<u>\$ 643,152</u>	<u>\$ 643,152</u>	\$ 860,153	<u>\$ 217,001</u>
Accrued compensation			54,400	
Unrealized gain (loss) on investments			<u>(8,465)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 906,088</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Rental Inspection Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Licenses and permits	\$ 756,000	\$ 756,000	\$ 780,254	\$ 24,254
Charges for services	-	-	333	333
Miscellaneous	13,000	13,000	136,304	123,304
Total revenues	<u>769,000</u>	<u>769,000</u>	<u>916,891</u>	<u>147,891</u>
EXPENDITURES				
Economic, development, & housing services	1,267,639	1,267,639	955,574	312,065
Operating contingency	75,000	75,000	-	75,000
Total expenditures	<u>1,342,639</u>	<u>1,342,639</u>	<u>955,574</u>	<u>387,065</u>
Excess of expenditures over revenue	<u>(573,639)</u>	<u>(573,639)</u>	<u>(38,683)</u>	<u>534,956</u>
OTHER FINANCING (USES)				
Transfers out	<u>(16,000)</u>	<u>(16,000)</u>	<u>(16,000)</u>	<u>-</u>
Total other financing (uses)	<u>(16,000)</u>	<u>(16,000)</u>	<u>(16,000)</u>	<u>-</u>
Net change in fund balances	(589,639)	(589,639)	(54,683)	534,956
Fund balances - beginning	<u>590,000</u>	<u>590,000</u>	<u>808,485</u>	<u>218,485</u>
Fund balances - ending	<u>\$ 361</u>	<u>\$ 361</u>	<u>\$ 753,802</u>	<u>\$ 753,441</u>
Accrued compensation			76,900	
Due from other funds			110,591	
Unrealized gain (loss) on investments			<u>(14,514)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 926,779</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Infrastructure Development Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Charges for services	\$ 938,000	\$ 938,000	\$ 1,136,204	\$ 198,204
Miscellaneous	59,200	59,200	191,193	131,993
Internal service charges	418,100	418,100	893,929	475,829
Total revenues	<u>1,415,300</u>	<u>1,415,300</u>	<u>2,221,326</u>	<u>806,026</u>
EXPENDITURES				
Environmental services	3,825,878	3,825,878	3,492,501	333,377
Operating contingency	574,000	574,000	-	574,000
Total expenditures	<u>4,399,878</u>	<u>4,399,878</u>	<u>3,492,501</u>	<u>907,377</u>
Excess of expenditures over revenue	<u>(2,984,578)</u>	<u>(2,984,578)</u>	<u>(1,271,175)</u>	<u>1,713,403</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,700,000	1,700,000	1,700,000	-
Transfers out	(66,000)	(66,000)	(66,000)	-
Total other financing sources (uses)	<u>1,634,000</u>	<u>1,634,000</u>	<u>1,634,000</u>	<u>-</u>
Net change in fund balances	(1,350,578)	(1,350,578)	362,825	1,713,403
Fund balances - beginning	<u>3,946,600</u>	<u>3,946,600</u>	<u>4,279,032</u>	<u>332,432</u>
Fund balances - ending	<u>\$ 2,596,022</u>	<u>\$ 2,596,022</u>	<u>\$ 4,641,857</u>	<u>\$ 2,045,835</u>
Accrued compensation			299,600	
Due from other funds			226,786	
Unrealized gain (loss) on investments			<u>(97,379)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 5,070,864</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Streetlight Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Intergovernmental	\$ 77,500	\$ 77,500	\$ 73,398	\$ (4,102)
Charges for services	-	-	32,234	32,234
License fees	1,512,700	1,512,700	1,720,264	207,564
Miscellaneous	65,600	65,600	136,240	70,640
Total revenues	<u>1,655,800</u>	<u>1,655,800</u>	<u>1,962,136</u>	<u>306,336</u>
EXPENDITURES				
Environmental services	572,588	572,588	492,245	80,343
Operating contingency	103,000	103,000	-	103,000
Total expenditures	<u>675,588</u>	<u>675,588</u>	<u>492,245</u>	<u>183,343</u>
Excess of revenues ove expenditures	<u>980,212</u>	<u>980,212</u>	<u>1,469,891</u>	<u>489,679</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	142,000	142,000	-	(142,000)
Transfers out	<u>(1,438,000)</u>	<u>(1,438,000)</u>	<u>(733,342)</u>	<u>704,658</u>
Total other financing sources (uses)	<u>(1,296,000)</u>	<u>(1,296,000)</u>	<u>(733,342)</u>	<u>562,658</u>
Net change in fund balances	(315,788)	(315,788)	736,549	1,052,337
Fund balances - beginning	<u>4,370,100</u>	<u>4,370,100</u>	<u>5,655,370</u>	<u>1,285,270</u>
Fund balances - ending	<u>\$ 4,054,312</u>	<u>\$ 4,054,312</u>	<u>\$ 6,391,919</u>	<u>\$ 2,337,607</u>
Unrealized gain (loss) on investments			<u>(43,653)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 6,348,266</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CDBG & HOME Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Intergovernmental	\$ 4,833,000	\$ 4,833,000	\$ 2,094,790	\$ (2,738,210)
Charges for services	-	-	3,275	3,275
Miscellaneous	-	-	550	550
Total revenues	<u>4,833,000</u>	<u>4,833,000</u>	<u>2,098,615</u>	<u>(2,734,385)</u>
EXPENDITURES				
Economic, development, & housing services	4,208,043	4,208,043	2,094,735	2,113,308
Total expenditures	<u>4,208,043</u>	<u>4,208,043</u>	<u>2,094,735</u>	<u>2,113,308</u>
Excess of revenues over expenditures	<u>624,957</u>	<u>624,957</u>	<u>3,880</u>	<u>(621,077)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	20,000	20,000	-	(20,000)
Transfers out	(634,000)	(634,000)	-	634,000
Total other financing sources (uses)	<u>(614,000)</u>	<u>(614,000)</u>	<u>-</u>	<u>614,000</u>
Net change in fund balances	10,957	10,957	3,880	(7,077)
Fund balances - beginning	-	-	228,316	228,316
Fund balances - ending	<u>\$ 10,957</u>	<u>\$ 10,957</u>	\$ 232,196	<u>\$ 221,239</u>
Accrued compensation			34,900	
Due from other funds			68,160	
Unrealized gain (loss) on investments			<u>2,455</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 337,711</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Building Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Licenses and permits	\$ 2,170,000	\$ 2,170,000	\$ 3,702,029	\$ 1,532,029
Intergovernmental	251,000	251,000	259,898	8,898
Charges for services	1,430,000	1,430,000	2,459,136	1,029,136
Miscellaneous	71,000	71,000	298,016	227,016
Total revenues	<u>3,922,000</u>	<u>3,922,000</u>	<u>6,719,079</u>	<u>2,797,079</u>
EXPENDITURES				
Economic, development, & housing services	5,515,608	5,515,608	4,169,003	1,346,605
Operating contingency	552,000	552,000	-	552,000
Total expenditures	<u>6,067,608</u>	<u>6,067,608</u>	<u>4,169,003</u>	<u>1,898,605</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,145,608)</u>	<u>(2,145,608)</u>	<u>2,550,076</u>	<u>4,695,684</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	164,000	164,000	164,000	-
Transfers out	(530,000)	(530,000)	(522,033)	7,967
Total other financing sources (uses)	<u>(366,000)</u>	<u>(366,000)</u>	<u>(358,033)</u>	<u>7,967</u>
Net change in fund balances	(2,511,608)	(2,511,608)	2,192,043	4,703,651
Fund balances - beginning	<u>7,060,000</u>	<u>7,060,000</u>	<u>8,450,048</u>	<u>1,390,048</u>
Fund balances - ending	<u>\$ 4,548,392</u>	<u>\$ 4,548,392</u>	<u>\$ 10,642,091</u>	<u>\$ 6,093,699</u>
Accrued compensation			339,400	
Due from other funds			342,336	
Unrealized gain (loss) on investments			<u>(71,982)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 11,251,845</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Urban Renewal Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Intergovernmental	\$ 2,407,300	\$ 2,407,300	\$ 965,000	\$ (1,442,300)
Miscellaneous	-	-	4,333	4,333
Total revenues	<u>2,407,300</u>	<u>2,407,300</u>	<u>969,333</u>	<u>(1,437,967)</u>
EXPENDITURES				
Urban renewal	2,287,665	2,287,665	1,314,151	973,514
Operating contingency	89,000	89,000	-	89,000
Total expenditures	<u>2,376,665</u>	<u>2,376,665</u>	<u>1,314,151</u>	<u>1,062,514</u>
Excess (deficiency) of revenues over (under) expenditures	<u>30,635</u>	<u>30,635</u>	<u>(344,818)</u>	<u>(375,453)</u>
OTHER FINANCING (USES)				
Transfers out	<u>(40,000)</u>	<u>(40,000)</u>	<u>(6,343)</u>	<u>33,657</u>
Total other financing (uses)	<u>(40,000)</u>	<u>(40,000)</u>	<u>(6,343)</u>	<u>33,657</u>
Net change in fund balances	(9,365)	(9,365)	(351,161)	(341,796)
Fund balances - beginning	<u>10,000</u>	<u>10,000</u>	<u>386,999</u>	<u>376,999</u>
Fund balances - ending	<u>\$ 635</u>	<u>\$ 635</u>	<u>\$ 35,838</u>	<u>\$ 35,203</u>
Accrued compensation			52,400	
Unrealized gain (loss) on investments			<u>(2,589)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 85,649</u>	

CITY OF
GRESHAM
GOING BEYOND

Capital Projects Funds

Capital projects funds are used to account for financial resources used for the acquisition and construction of major capital facilities other than those financed by proprietary funds. Funds included in this fund type are:

Parks Capital Improvement Fund – Accounts for revenues earmarked for park capital improvements including transfers of system development charges, transfers of grants and donations from other funds, and investment income. Expenditures consist of various park, trail development and open space acquisition projects.

General Development Capital Improvement Fund – Accounts for the acquisition or construction of general capital facilities and infrastructure improvements in the Pleasant Valley and Springwater areas.

Transportation Capital Improvement Fund – Accounts for the acquisition and construction of streets, footpaths and bike routes.

Urban Renewal Capital Improvement Fund – Accounts for City-backed Urban Renewal Area improvements.

GRDC – Rockwood Capital Improvement Fund – Accounts for the Urban Renewal Area operations.

City of Gresham, Oregon
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2024

	Parks Capital Improvement Fund	General Development Capital Improvement Fund	Transportation Capital Improvement Fund
ASSETS			
Cash and investments	\$ 3,002,067	\$ -	\$ 1,148,231
Receivables, net	613,443	-	439,455
Other assets	22,388	-	14,934
Total assets	<u>\$ 3,637,898</u>	<u>\$ -</u>	<u>\$ 1,602,620</u>
LIABILITIES			
Accounts payable	\$ 552,937	\$ -	\$ 285,134
Other accrued liabilities	-	-	26,661
Deposits	-	-	-
Total liabilities	<u>552,937</u>	<u>-</u>	<u>311,795</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - other	370,917	-	2,712
Total deferred inflows of resources	<u>370,917</u>	<u>-</u>	<u>2,712</u>
FUND BALANCES			
Restricted	-	-	-
Assigned	2,714,044	-	1,288,113
Total fund balances	<u>2,714,044</u>	<u>-</u>	<u>1,288,113</u>
Total liabilities and fund balances	<u>\$ 3,637,898</u>	<u>\$ -</u>	<u>\$ 1,602,620</u>

Urban Renewal Capital Improvement Fund	GRDC - Rockwood Capital Improvement Fund	Total
\$ 693,804	\$ 6,745,983	\$ 11,590,085
59,700	37,760	1,150,358
5,501	43,587	86,410
<u>\$ 759,005</u>	<u>\$ 6,827,330</u>	<u>\$ 12,826,853</u>
\$ 114,565	\$ -	\$ 952,636
-	-	26,661
-	5,789	5,789
<u>114,565</u>	<u>5,789</u>	<u>985,086</u>
-	-	373,629
-	-	373,629
644,440	6,821,541	7,465,981
-	-	4,002,157
<u>644,440</u>	<u>6,821,541</u>	<u>11,468,138</u>
<u>\$ 759,005</u>	<u>\$ 6,827,330</u>	<u>\$ 12,826,853</u>

City of Gresham, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Fund
For the Fiscal Year Ended June 30, 2024

	Parks Capital Improvement Fund	General Development Capital Improvement Fund	Transportation Capital Improvement Fund
REVENUES			
Intergovernmental	\$ 406,164	\$ -	\$ 870,558
Charges for services	23	-	449,125
Miscellaneous	141,798	-	110,619
Total revenues	<u>547,985</u>	<u>-</u>	<u>1,430,302</u>
EXPENDITURES			
Current:			
Urban renewal	-	-	-
Capital outlay	1,499,573	362,592	8,840,166
Total expenditures	<u>1,499,573</u>	<u>362,592</u>	<u>8,840,166</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(951,588)</u>	<u>(362,592)</u>	<u>(7,409,864)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of debt	-	-	-
Transfers in	822,787	362,592	3,822,399
Total other financing sources (uses)	<u>822,787</u>	<u>362,592</u>	<u>3,822,399</u>
Net change in fund balances	<u>(128,801)</u>	<u>-</u>	<u>(3,587,465)</u>
Fund balances - beginning	<u>2,842,845</u>	<u>-</u>	<u>4,875,578</u>
Fund balances - ending	<u>\$ 2,714,044</u>	<u>\$ -</u>	<u>\$ 1,288,113</u>

Urban Renewal Capital Improvement Fund	GRDC - Rockwood Capital Improvement Fund	Total
\$ 3,562,905	\$ -	\$ 4,839,627
-	54,000	503,148
17,593	336,727	606,737
<u>3,580,498</u>	<u>390,727</u>	<u>5,949,512</u>
-	4,515,000	4,515,000
5,602,336	-	16,304,667
<u>5,602,336</u>	<u>4,515,000</u>	<u>20,819,667</u>
<u>(2,021,838)</u>	<u>(4,124,273)</u>	<u>(14,870,155)</u>
-	7,389,900	7,389,900
-	-	5,007,778
-	7,389,900	12,397,678
<u>(2,021,838)</u>	<u>3,265,627</u>	<u>(2,472,477)</u>
<u>2,666,278</u>	<u>3,555,914</u>	<u>13,940,615</u>
<u>\$ 644,440</u>	<u>\$ 6,821,541</u>	<u>\$ 11,468,138</u>

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Parks Capital Improvement Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget- Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 9,000,700	\$ 9,000,700	\$ 747,054	\$ (8,253,646)
Charges for services	-	-	23	23
Miscellaneous	19,100	19,100	70,904	51,804
Total revenues	<u>9,019,800</u>	<u>9,019,800</u>	<u>817,981</u>	<u>(8,201,819)</u>
EXPENDITURES				
Capital improvement	17,165,300	17,165,300	1,499,573	15,665,727
Total expenditures	<u>17,165,300</u>	<u>17,165,300</u>	<u>1,499,573</u>	<u>15,665,727</u>
Excess of expenditures over revenue	<u>(8,145,500)</u>	<u>(8,145,500)</u>	<u>(681,592)</u>	<u>7,463,908</u>
OTHER FINANCING SOURCES				
Transfers in	7,235,300	7,235,300	822,787	(6,412,513)
Total other financing sources	<u>7,235,300</u>	<u>7,235,300</u>	<u>822,787</u>	<u>(6,412,513)</u>
Net change in fund balances	(910,200)	(910,200)	141,195	1,051,395
Fund balances - beginning	<u>2,277,900</u>	<u>2,277,900</u>	<u>2,925,193</u>	<u>647,293</u>
Fund balances - ending	<u>\$ 1,367,700</u>	<u>\$ 1,367,700</u>	<u>\$ 3,066,388</u>	<u>\$ 1,698,688</u>
Unavailable revenue			(370,917)	
Unrealized gain (loss) on investments			<u>18,573</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 2,714,044</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Development Capital Improvement Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Capital improvement	9,967,000	9,967,000	362,592	9,604,408
Total expenditures	<u>9,967,000</u>	<u>9,967,000</u>	<u>362,592</u>	<u>9,604,408</u>
Excess of expenditures over revenue	<u>(9,967,000)</u>	<u>(9,967,000)</u>	<u>(362,592)</u>	<u>9,604,408</u>
OTHER FINANCING SOURCES				
Transfers in	9,967,000	9,967,000	362,592	(9,604,408)
Total other financing sources	<u>9,967,000</u>	<u>9,967,000</u>	<u>362,592</u>	<u>(9,604,408)</u>
Net change in fund balances	-	-	-	-
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Transportation Capital Improvement Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Intergovernmental	\$ 13,658,600	\$ 13,658,600	\$ 865,233	\$ (12,793,367)
Charges for services	-	-	449,125	449,125
Miscellaneous	5,900	5,900	63,329	57,429
Total revenues	<u>13,664,500</u>	<u>13,664,500</u>	<u>1,377,687</u>	<u>(12,286,813)</u>
EXPENDITURES				
Capital improvement	42,384,100	42,384,100	8,840,166	33,543,934
Total expenditures	<u>42,384,100</u>	<u>42,384,100</u>	<u>8,840,166</u>	<u>33,543,934</u>
Excess of expenditures over revenue	<u>(28,719,600)</u>	<u>(28,719,600)</u>	<u>(7,462,479)</u>	<u>21,257,121</u>
OTHER FINANCING SOURCES				
Transfers in	22,955,468	22,955,468	3,822,399	(19,133,069)
Total other financing sources	<u>22,955,468</u>	<u>22,955,468</u>	<u>3,822,399</u>	<u>(19,133,069)</u>
Net change in fund balances	(5,764,132)	(5,764,132)	(3,640,080)	2,124,052
Fund balances - beginning	<u>16,156,289</u>	<u>16,156,289</u>	<u>5,344,727</u>	<u>(10,811,562)</u>
Fund balances - ending	<u>\$ 10,392,157</u>	<u>\$ 10,392,157</u>	<u>\$ 1,704,647</u>	<u>\$ (8,687,510)</u>
Unavailable revenue			(2,712)	
Unrealized gain (loss) on investments			<u>(413,822)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 1,288,113</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Urban Renewal Capital Improvement Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Intergovernmental	\$ 3,246,500	\$ 3,246,500	\$ 3,562,905	\$ 316,405
Miscellaneous	-	-	173	173
Total revenues	<u>3,246,500</u>	<u>3,246,500</u>	<u>3,563,078</u>	<u>316,578</u>
EXPENDITURES				
Capital improvement	6,874,000	6,874,000	5,602,336	1,271,664
Total expenditures	<u>6,874,000</u>	<u>6,874,000</u>	<u>5,602,336</u>	<u>1,271,664</u>
Excess of expenditures over revenue	<u>(3,627,500)</u>	<u>(3,627,500)</u>	<u>(2,039,258)</u>	<u>1,588,242</u>
Net change in fund balances	(3,627,500)	(3,627,500)	(2,039,258)	1,588,242
Fund balances - beginning	<u>3,650,000</u>	<u>3,650,000</u>	<u>2,826,260</u>	<u>(823,740)</u>
Fund balances - ending	<u>\$ 22,500</u>	<u>\$ 22,500</u>	\$ 787,002	<u>\$ 764,502</u>
Unrealized gain (loss) on investments			<u>(142,562)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 644,440</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
GRDC - Rockwood Capital Improvement Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget- Positive (Negative)</u>
REVENUES				
Charges for services	\$ 120,000	\$ 120,000	\$ 54,000	\$ (66,000)
Miscellaneous	6,900	6,900	198,702	191,802
Total revenues	<u>126,900</u>	<u>126,900</u>	<u>252,702</u>	<u>125,802</u>
EXPENDITURES				
Urban renewal	7,653,800	7,653,800	4,515,000	3,138,800
Total expenditures	<u>7,653,800</u>	<u>7,653,800</u>	<u>4,515,000</u>	<u>3,138,800</u>
Excess of expenditures over revenue	<u>(7,526,900)</u>	<u>(7,526,900)</u>	<u>(4,262,298)</u>	<u>3,264,602</u>
OTHER FINANCING SOURCES				
Issuance of debt	7,389,900	7,389,900	7,389,900	-
Total other financing sources	<u>7,389,900</u>	<u>7,389,900</u>	<u>7,389,900</u>	<u>-</u>
Net change in fund balances	(137,000)	(137,000)	3,127,602	3,264,602
Fund balances - beginning	<u>3,304,200</u>	<u>3,304,200</u>	<u>3,574,483</u>	<u>270,283</u>
Fund balances - ending	<u>\$ 3,167,200</u>	<u>\$ 3,167,200</u>	<u>\$ 6,702,085</u>	<u>\$ 3,534,885</u>
Unrealized gain (loss) on investments			<u>119,456</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 6,821,541</u>	

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Funds included in this fund type are:

General Government Debt Service Fund – Accounts for debt service payments on obligations of governmental funds.

Pension Bond Debt Service Fund – Accounts for debt service on pension bonds issued as a means of reducing the cost of City payments to the Public Employees Retirement System.

City of Gresham, Oregon
Combining Balance Sheet
Nonmajor Debt service Funds
June 30, 2024

	<u>General Government Debt Service Fund</u>	<u>Pension Bond Debt Service Fund</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 248,952	\$ 938,448	\$ 1,187,400
Other assets	1,681	6,214	7,895
Total assets	<u>\$ 250,633</u>	<u>\$ 944,662</u>	<u>\$ 1,195,295</u>
Accounts payable	\$ -	\$ -	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Assigned	\$ 250,633	\$ 944,662	\$ 1,195,295
Total fund balances	<u>250,633</u>	<u>944,662</u>	<u>1,195,295</u>
Total fund balances	<u>\$ 250,633</u>	<u>\$ 944,662</u>	<u>\$ 1,195,295</u>

City of Gresham, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt service Fund
For the Fiscal Year Ended June 30, 2024

	General Government Debt Service Fund	Pension Bond Debt Service Fund	Total
REVENUES			
Miscellaneous	\$ 5,323	\$ 59,495	\$ 64,818
Internal service charges	-	2,403,401	2,403,401
Total revenues	<u>5,323</u>	<u>2,462,896</u>	<u>2,468,219</u>
EXPENDITURES			
Debt service	6,609,248	2,280,492	8,889,740
Total expenditures	<u>6,609,248</u>	<u>2,280,492</u>	<u>8,889,740</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,603,925)</u>	<u>182,404</u>	<u>(6,421,521)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	6,608,748	-	6,608,748
Total other financing sources (uses)	<u>6,608,748</u>	<u>-</u>	<u>6,608,748</u>
Net change in fund balances	<u>4,823</u>	<u>182,404</u>	<u>187,227</u>
Fund balances - beginning	<u>245,810</u>	<u>762,258</u>	<u>1,008,068</u>
Fund balances - ending	<u>\$ 250,633</u>	<u>\$ 944,662</u>	<u>\$ 1,195,295</u>

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Government Debt Service Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget- Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Debt service	6,618,000	6,618,000	6,609,248	8,752
Total expenditures	<u>6,618,000</u>	<u>6,618,000</u>	<u>6,609,248</u>	<u>8,752</u>
Excess of expenditures over revenue	<u>(6,618,000)</u>	<u>(6,618,000)</u>	<u>(6,609,248)</u>	<u>8,752</u>
OTHER FINANCING SOURCES				
Transfers in	6,618,000	6,618,000	6,608,748	(9,252)
Total other financing sources	<u>6,618,000</u>	<u>6,618,000</u>	<u>6,608,748</u>	<u>(9,252)</u>
Net change in fund balances	-	-	(500)	(500)
Fund balances - beginning	<u>57,000</u>	<u>57,000</u>	<u>257,688</u>	<u>200,688</u>
Fund balances - ending	<u>\$ 57,000</u>	<u>\$ 57,000</u>	<u>\$ 257,188</u>	<u>\$ 200,188</u>
Unrealized gain (loss) on investments			<u>(6,555)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 250,633</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Pension Bond Debt Service Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Miscellaneous	\$ 12,000	\$ 12,000	\$ 39,820	\$ 27,820
Internal service charges	2,269,000	2,269,000	2,403,401	134,401
Total revenues	<u>2,281,000</u>	<u>2,281,000</u>	<u>2,443,221</u>	<u>162,221</u>
EXPENDITURES				
Debt service	2,281,000	2,281,000	2,280,492	508
Total expenditures	<u>2,281,000</u>	<u>2,281,000</u>	<u>2,280,492</u>	<u>508</u>
Excess of revenues ove expenditures	<u>-</u>	<u>-</u>	<u>162,729</u>	<u>162,729</u>
Net change in fund balances	-	-	162,729	162,729
Fund balances - beginning	<u>649,000</u>	<u>649,000</u>	<u>788,094</u>	<u>139,094</u>
Fund balances - ending	<u>\$ 649,000</u>	<u>\$ 649,000</u>	<u>\$ 950,823</u>	<u>\$ 301,823</u>
Unrealized gain (loss) on investments			<u>(6,161)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 944,662</u>	

Enterprise Funds

Major Business-Type Funds

Enterprise funds are used to account for activities for which fees are charged to external customers for goods or services. The City reports three major enterprise funds in the basic financial statements under generally accepted accounting principles. For budgetary and operating purposes, a combination of separately budgeted funds account for activities relating to water, stormwater, and wastewater services.

Water Fund

Water Fund—Accounts for the City’s water utility operations.

Water Construction Fund—Accounts for projects to expand or improve the City’s water system infrastructure.

Water Debt Service Bond Fund—Bond sinking fund for the payment of water revenue bonds.

Stormwater Fund

Stormwater Fund—Accounts for the City’s stormwater utility operations.

Stormwater Construction Fund—Accounts for projects to expand or improve the City’s stormwater system infrastructure.

Stormwater Debt Service Fund—Bond sinking fund for the payment of stormwater revenue bonds.

Wastewater Fund

Wastewater Fund—Accounts for the City’s wastewater utility operations.

Wastewater Construction Fund—Accounts for projects to expand or improve the City’s wastewater system infrastructure.

Wastewater Debt Service Fund—Accounts for debt service on the City’s wastewater financing.

City of Gresham, Oregon
Combining Schedule of Net Position
Water Fund
June 30, 2024

	Water Fund	Water Capital Improvement Fund	Water Debt Service Fund	Total
ASSETS				
Current assets:				
Cash and investments	\$ 43,911,792	\$ 12,704,965	\$ 198,595	\$ 56,815,352
Receivables, net	2,936,885	3,609,690	-	6,546,575
Due from other funds	2,392,008	-	-	2,392,008
Total current assets	<u>49,240,685</u>	<u>16,314,655</u>	<u>198,595</u>	<u>65,753,935</u>
Noncurrent assets:				
Other assets	297,974	90,800	1,313	390,087
Restricted cash and investments	1,069,060	-	-	1,069,060
Capital assets:				
Non-depreciable	45,363,491	-	-	45,363,491
Depreciable, net	72,134,016	-	-	72,134,016
Total noncurrent assets	<u>118,864,541</u>	<u>90,800</u>	<u>1,313</u>	<u>118,956,654</u>
Total assets	<u>168,105,226</u>	<u>16,405,455</u>	<u>199,908</u>	<u>184,710,589</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow related to pension	3,485,913	-	-	3,485,913
Deferred outflow related to OPEB	12,254	-	-	12,254
Total deferred outflows of resources	<u>3,498,167</u>	<u>-</u>	<u>-</u>	<u>3,498,167</u>
LIABILITIES				
Current liabilities:				
Accounts payable	411,801	6,348,336	1,079	6,761,216
Other accrued liabilities	-	108,629	-	108,629
Accrued interest payable	189	-	109,215	109,404
Deposits	1,024,996	-	-	1,024,996
Compensated absences	74,600	-	-	74,600
Bonds, notes and loans payable	358,736	-	-	358,736
SBITA	17,372	-	-	17,372
Total current liabilities	<u>1,887,694</u>	<u>6,456,965</u>	<u>110,294</u>	<u>8,454,953</u>
Noncurrent liabilities:				
Net pension liability	4,899,891	-	-	4,899,891
Net OPEB liability	92,710	-	-	92,710
Compensated absences	423,000	-	-	423,000
Bonds, notes and loans payable	46,589,977	-	-	46,589,977
SBITA	37,815	-	-	37,815
Total noncurrent liabilities	<u>52,043,393</u>	<u>-</u>	<u>-</u>	<u>52,043,393</u>
Total liabilities	<u>53,931,087</u>	<u>6,456,965</u>	<u>110,294</u>	<u>60,498,346</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pension	2,525,635	-	-	2,525,635
Deferred inflows related to OPEB	297,914	-	-	297,914
Total deferred inflows of resources	<u>2,823,549</u>	<u>-</u>	<u>-</u>	<u>2,823,549</u>
NET POSITION				
Net investment in capital assets	85,320,219	-	-	85,320,219
Debt service	-	-	89,614	89,614
Unrestricted	29,528,538	9,948,490	-	39,477,028
Total net position	<u>\$ 114,848,757</u>	<u>\$ 9,948,490</u>	<u>\$ 89,614</u>	<u>\$ 124,886,861</u>

City of Gresham, Oregon
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position
Water Fund
For the Fiscal Year Ended June 30, 2024

	Water Fund	Water Capital Improvement Fund	Water Debt Service Fund	Eliminations	Total
OPERATING REVENUES					
Charges for services	\$ 20,482,236	\$ 8,634,381	\$ -	\$ -	\$ 29,116,617
Total operating revenues	<u>20,482,236</u>	<u>8,634,381</u>	<u>-</u>		<u>29,116,617</u>
OPERATING EXPENSES					
Personnel services	1,598,630	-	-		1,598,630
Professional and technical services	123,119	-	-		123,119
Property services	718,217	-	-		718,217
Other services	101,296	-	-		101,296
Supplies	167,682	-	-		167,682
Water purchase	3,948,871	-	-		3,948,871
Incentive programs	15,800	-	-		15,800
Internal services	4,689,692	-	-		4,689,692
Other materials and services	-	581,884	-		581,884
Depreciation and amortization	3,605,471	-	-		3,605,471
Total operating expenses	<u>14,968,778</u>	<u>581,884</u>	<u>-</u>		<u>15,550,662</u>
Operating income (loss)	<u>5,513,458</u>	<u>8,052,497</u>	<u>-</u>		<u>13,565,955</u>
NONOPERATING REVENUES (EXPENSES)					
Miscellaneous revenue (expense)	7,925	-	(14,329)		(6,404)
Interest and investment income	2,037,469	887,037	9,310		2,933,816
Interest expense	-	-	(1,091,516)		(1,091,516)
Gain/(loss) on disposition of capital assets	10,456	-	-		10,456
Total nonoperating revenues (expenses)	<u>2,055,850</u>	<u>887,037</u>	<u>(1,096,535)</u>		<u>1,846,352</u>
Income (loss) before contributions and transfers	<u>7,569,308</u>	<u>8,939,534</u>	<u>(1,096,535)</u>		<u>15,412,307</u>
Capital contributions	2,488,495	-	-		2,488,495
Transfers in	28,281,743	1,713,874	1,350,547	(29,977,424)	1,368,740
Transfers out	<u>(3,637,047)</u>	<u>(26,715,627)</u>	<u>(243,750)</u>	29,977,424	<u>(619,000)</u>
Change in net position	<u>34,702,499</u>	<u>(16,062,219)</u>	<u>10,262</u>		<u>18,650,542</u>
Total net position - beginning	<u>80,146,258</u>	<u>26,010,709</u>	<u>79,352</u>		<u>106,236,319</u>
Total net position - ending	<u>\$ 114,848,757</u>	<u>\$ 9,948,490</u>	<u>\$ 89,614</u>		<u>\$ 124,886,861</u>

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Water Fund

For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Intergovernmental	\$ 125,000	\$ 125,000	\$ 101,040	\$ (23,960)
Charges for services	19,642,900	19,642,900	20,381,196	738,296
Miscellaneous	559,600	559,600	1,112,271	552,671
Internal service charges	2,567,800	2,567,800	2,755,340	187,540
Total revenues	<u>22,895,300</u>	<u>22,895,300</u>	<u>24,349,847</u>	<u>1,454,547</u>
EXPENDITURES				
Environmental services	15,637,229	15,637,229	14,298,205	1,339,024
Operating contingency	2,346,000	2,346,000	-	2,346,000
Total expenditures	<u>17,983,229</u>	<u>17,983,229</u>	<u>14,298,205</u>	<u>3,685,024</u>
Excess of revenues over expenditures	<u>4,912,071</u>	<u>4,912,071</u>	<u>10,051,642</u>	<u>5,139,571</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	669,400	669,400	1,062,830	393,430
Transfers out	(5,601,700)	(5,601,700)	(3,734,533)	1,867,167
Total other financing sources (uses)	<u>(4,932,300)</u>	<u>(4,932,300)</u>	<u>(2,671,703)</u>	<u>2,260,597</u>
Net change in fund balances	(20,229)	(20,229)	7,379,939	7,400,168
Fund balances - beginning	<u>37,027,700</u>	<u>37,027,700</u>	<u>39,227,082</u>	<u>2,199,382</u>
Fund balances - ending	<u>\$ 37,007,471</u>	<u>\$ 37,007,471</u>	<u>\$ 46,607,021</u>	<u>\$ 9,599,550</u>
Accrued interest			(189)	
Capital assets, net of depreciation			117,497,507	
Debt payable, net			(46,948,713)	
Due from other funds			2,392,008	
Pension asset/liability, net			(3,939,613)	
OPEB asset/liability, net			(378,370)	
SBITA			(55,187)	
Unrealized gain (loss) on investments			<u>(325,707)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 114,848,757</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Water Capital Improvement Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Intergovernmental	\$ 21,582,700	\$ 21,582,700	\$ 8,634,381	\$ (12,948,319)
Miscellaneous	56,900	56,900	599,506	542,606
Total revenues	<u>21,639,600</u>	<u>21,639,600</u>	<u>9,233,887</u>	<u>(12,405,713)</u>
EXPENDITURES				
Capital improvement	88,300,200	88,300,200	27,297,511	61,002,689
Total expenditures	<u>88,300,200</u>	<u>88,300,200</u>	<u>27,297,511</u>	<u>61,002,689</u>
Excess of expenditures over revenue	<u>(66,660,600)</u>	<u>(66,660,600)</u>	<u>(18,063,624)</u>	<u>48,596,976</u>
OTHER FINANCING SOURCES				
Issuance of debt	38,804,700	38,804,700	-	(38,804,700)
Transfers in	1,697,200	1,697,200	1,713,874	16,674
Total other financing sources	<u>40,501,900</u>	<u>40,501,900</u>	<u>1,713,874</u>	<u>(38,788,026)</u>
Net change in fund balances	(26,158,700)	(26,158,700)	(16,349,750)	9,808,950
Fund balances - beginning	<u>31,614,200</u>	<u>31,614,200</u>	<u>27,398,411</u>	<u>(4,215,789)</u>
Fund balances - ending	<u>\$ 5,455,500</u>	<u>\$ 5,455,500</u>	\$ 11,048,661	<u>\$ 5,593,161</u>
Unrealized gain (loss) on investments			<u>(1,100,171)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 9,948,490</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Water Debt Service Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget- Positive (Negative)
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 5,151	\$ 5,151
Total revenues	<u>-</u>	<u>-</u>	<u>5,151</u>	<u>5,151</u>
EXPENDITURES				
Debt service	2,895,000	2,895,000	1,449,112	1,445,888
Total expenditures	<u>2,895,000</u>	<u>2,895,000</u>	<u>1,449,112</u>	<u>1,445,888</u>
Excess of expenditures over revenue	<u>(2,895,000)</u>	<u>(2,895,000)</u>	<u>(1,443,961)</u>	<u>1,451,039</u>
OTHER FINANCING SOURCES				
Transfers in	3,296,200	3,296,200	1,448,033	(1,848,167)
Total other financing sources	<u>3,296,200</u>	<u>3,296,200</u>	<u>1,448,033</u>	<u>(1,848,167)</u>
Net change in fund balances	401,200	401,200	4,072	(397,128)
Fund balances - beginning	<u>287,000</u>	<u>287,000</u>	<u>195,826</u>	<u>(91,174)</u>
Fund balances - ending	<u>\$ 688,200</u>	<u>\$ 688,200</u>	<u>\$ 199,898</u>	<u>\$ (488,302)</u>
Accrued interest			(109,215)	
Unrealized gain (loss) on investments			<u>(1,069)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 89,614</u>	

City of Gresham, Oregon
Combining Schedule of Net Position
Stormwater Fund
June 30, 2024

	Stormwater Fund	Stormwater Capital Improvement Fund	Stormwater Debt Service Fund	Total
ASSETS				
Current assets:				
Cash and investments	\$ 11,959,265	\$ 13,852,880	\$ 211,909	\$ 26,024,054
Receivables, net	2,193,919	-	-	2,193,919
Due from other funds	1,893,452	-	-	1,893,452
Total current assets	<u>16,046,636</u>	<u>13,852,880</u>	<u>211,909</u>	<u>30,111,425</u>
Noncurrent assets:				
Other assets	83,114	91,567	1,409	176,090
Restricted cash and investments	500,000	-	-	500,000
Capital assets:				
Non-depreciable	9,638,847	-	-	9,638,847
Depreciable, net	56,841,255	-	-	56,841,255
Total noncurrent assets	<u>67,063,216</u>	<u>91,567</u>	<u>1,409</u>	<u>67,156,192</u>
Total assets	<u>83,109,852</u>	<u>13,944,447</u>	<u>213,318</u>	<u>97,267,617</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow related to pension	3,424,467	-	-	3,424,467
Deferred outflow related to OPEB	36,439	-	-	36,439
Total deferred outflows of resources	<u>3,460,906</u>	<u>-</u>	<u>-</u>	<u>3,460,906</u>
LIABILITIES				
Current liabilities:				
Accounts payable	242,925	53,258	-	296,183
Accrued interest payable	189	-	-	189
Compensated absences	70,900	-	-	70,900
Bonds, notes and loans payable	246,780	-	-	246,780
SBITA	17,372	-	-	17,372
Total current liabilities	<u>578,166</u>	<u>53,258</u>	<u>-</u>	<u>631,424</u>
Noncurrent liabilities:				
Net pension liability	4,740,458	-	-	4,740,458
Net OPEB liability	244,508	-	-	244,508
Compensated absences	401,900	-	-	401,900
Bonds, notes and loans payable	3,084,758	-	-	3,084,758
SBITA	37,815	-	-	37,815
Total noncurrent liabilities	<u>8,509,439</u>	<u>-</u>	<u>-</u>	<u>8,509,439</u>
Total liabilities	<u>9,087,605</u>	<u>53,258</u>	<u>-</u>	<u>9,140,863</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pension	2,472,926	-	-	2,472,926
Deferred inflows related to OPEB	90,018	-	-	90,018
Total deferred inflows of resources	<u>2,562,944</u>	<u>-</u>	<u>-</u>	<u>2,562,944</u>
NET POSITION				
Net investment in capital assets	63,033,301	-	-	63,033,301
Restricted for:				
Debt service	-	-	213,318	213,318
Unrestricted	11,886,908	13,891,189	-	25,778,097
Total net position	<u>\$ 74,920,209</u>	<u>\$ 13,891,189</u>	<u>\$ 213,318</u>	<u>\$ 89,024,716</u>

City of Gresham, Oregon
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position
Stormwater Fund
For the Fiscal Year Ended June 30, 2024

	Stormwater Fund	Stormwater Capital Improvement Fund	Stormwater Debt Service Fund	Eliminations	Total
OPERATING REVENUES					
Charges for services	\$ 13,729,476	\$ -	\$ -	\$ -	\$ 13,729,476
Total operating revenues	<u>13,729,476</u>	<u>-</u>	<u>-</u>		<u>13,729,476</u>
OPERATING EXPENSES					
Personnel services	4,403,617	-	-		4,403,617
Professional and technical services	903,905	-	-		903,905
Property services	76,590	-	-		76,590
Other services	63,124	-	-		63,124
Supplies	154,571	-	-		154,571
Incentive programs	186,488	-	-		186,488
Internal services	3,462,910	-	-		3,462,910
Other materials and services	9,756	815,816	-		825,572
Depreciation and amortization	2,629,946	-	-		2,629,946
Total operating expenses	<u>11,890,907</u>	<u>815,816</u>	<u>-</u>		<u>12,706,723</u>
Operating income (loss)	<u>1,838,569</u>	<u>(815,816)</u>	<u>-</u>		<u>1,022,753</u>
NONOPERATING REVENUES (EXPENSES)					
Miscellaneous revenue (expense)	375	-	(17,892)		(17,517)
Interest and investment income	632,172	591,516	9,911		1,233,599
Gain/(loss) on disposition of capital assets	27,900	-	-		27,900
Total nonoperating revenues (expenses)	<u>660,447</u>	<u>591,516</u>	<u>(7,981)</u>		<u>1,243,982</u>
Income (loss) before contributions and transfers	<u>2,499,016</u>	<u>(224,300)</u>	<u>(7,981)</u>		<u>2,266,735</u>
Capital contributions	3,202,579	-	-		3,202,579
Transfers in	1,724,640	3,161,928	264,672	(4,388,838)	762,402
Transfers out	(5,063,772)	(818,886)	(246,780)	4,388,838	(1,740,600)
Change in net position	<u>2,362,463</u>	<u>2,118,742</u>	<u>9,911</u>		<u>4,491,116</u>
Total net position - beginning	<u>72,557,746</u>	<u>11,772,447</u>	<u>203,407</u>		<u>84,533,600</u>
Total net position - ending	<u>\$ 74,920,209</u>	<u>\$ 13,891,189</u>	<u>\$ 213,318</u>		<u>\$ 89,024,716</u>

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Stormwater Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget- Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 1,962	\$ 1,962
Charges for services	13,646,800	13,646,800	13,727,514	80,714
Miscellaneous	195,100	195,100	397,255	202,155
Internal service charges	389,900	389,900	439,871	49,971
Total revenues	<u>14,231,800</u>	<u>14,231,800</u>	<u>14,566,602</u>	<u>334,802</u>
EXPENDITURES				
Environmental services	10,738,059	10,738,059	10,012,170	725,889
Operating contingency	1,611,000	1,611,000	-	1,611,000
Total expenditures	<u>12,349,059</u>	<u>12,349,059</u>	<u>10,012,170</u>	<u>2,336,889</u>
Excess of revenues over expenditures	<u>1,882,741</u>	<u>1,882,741</u>	<u>4,554,432</u>	<u>2,671,691</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	230,000	230,000	654,293	424,293
Transfers out	(5,128,100)	(5,128,100)	(5,063,772)	64,328
Total other financing sources (uses)	<u>(4,898,100)</u>	<u>(4,898,100)</u>	<u>(4,409,479)</u>	<u>488,621</u>
Net change in fund balances	(3,015,359)	(3,015,359)	144,953	3,160,312
Fund balances - beginning	<u>13,012,400</u>	<u>13,012,400</u>	<u>14,052,744</u>	<u>1,040,344</u>
Fund balances - ending	<u>\$ 9,997,041</u>	<u>\$ 9,997,041</u>	<u>\$ 14,197,697</u>	<u>\$ 4,200,656</u>
Accrued interest			(189)	
Capital assets, net of depreciation			66,480,102	
Debt payable, net			(3,331,538)	
Due from other funds			1,893,452	
Pension asset/liability, net			(3,788,917)	
OPEB asset/liability, net			(298,087)	
SBITA			(55,187)	
Unrealized gain (loss) on investments			<u>(177,124)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 74,920,209</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Stormwater Capital Improvement Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Miscellaneous	\$ 102,900	\$ 102,900	\$ 301,556	\$ 198,656
Total revenues	<u>102,900</u>	<u>102,900</u>	<u>301,556</u>	<u>198,656</u>
EXPENDITURES				
Capital improvement	10,495,900	10,495,900	1,634,702	8,861,198
Total expenditures	<u>10,495,900</u>	<u>10,495,900</u>	<u>1,634,702</u>	<u>8,861,198</u>
Excess of expenditures over revenue	<u>(10,393,000)</u>	<u>(10,393,000)</u>	<u>(1,333,146)</u>	<u>9,059,854</u>
OTHER FINANCING SOURCES				
Transfers in	4,680,900	4,680,900	3,161,928	(1,518,972)
Total other financing sources	<u>4,680,900</u>	<u>4,680,900</u>	<u>3,161,928</u>	<u>(1,518,972)</u>
Net change in fund balances	(5,712,100)	(5,712,100)	1,828,782	7,540,882
Fund balances - beginning	<u>12,665,200</u>	<u>12,665,200</u>	<u>12,151,679</u>	<u>(513,521)</u>
Fund balances - ending	<u>\$ 6,953,100</u>	<u>\$ 6,953,100</u>	<u>\$ 13,980,461</u>	<u>\$ 7,027,361</u>
Unrealized gain (loss) on investments			<u>(89,272)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 13,891,189</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Stormwater Debt Service Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 5,448	\$ 5,448
Total revenues	<u>-</u>	<u>-</u>	<u>5,448</u>	<u>5,448</u>
EXPENDITURES				
Debt service	265,000	265,000	264,672	328
Total expenditures	<u>265,000</u>	<u>265,000</u>	<u>264,672</u>	<u>328</u>
Excess of expenditures over revenue	<u>(265,000)</u>	<u>(265,000)</u>	<u>(259,224)</u>	<u>5,776</u>
OTHER FINANCING SOURCES				
Transfers in	265,000	265,000	264,672	(328)
Total other financing sources	<u>265,000</u>	<u>265,000</u>	<u>264,672</u>	<u>(328)</u>
Net change in fund balances	-	-	5,448	5,448
Fund balances - beginning	<u>176,000</u>	<u>176,000</u>	<u>210,237</u>	<u>34,237</u>
Fund balances - ending	<u>\$ 176,000</u>	<u>\$ 176,000</u>	\$ 215,685	<u>\$ 39,685</u>
Unrealized gain (loss) on investments			<u>(2,367)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 213,318</u>	

City of Gresham, Oregon
Combining Schedule of Net Position
Wastewater Fund
June 30, 2024

	Wastewater Fund	Wastewater Capital Improvement Fund	Wastewater Debt Service Fund	Total
ASSETS				
Current assets:				
Cash and investments	\$ 18,418,597	\$ 50,969,674	\$ 594,330	\$ 69,982,601
Receivables, net	4,307,542	-	-	4,307,542
Due from other funds	3,523,766	-	-	3,523,766
Total current assets	<u>26,249,905</u>	<u>50,969,674</u>	<u>594,330</u>	<u>77,813,909</u>
Noncurrent assets:				
Other assets	138,625	336,282	4,138	479,045
Restricted cash and investments	2,500,494	-	7,214	2,507,708
Capital assets:				
Non-depreciable	11,500,933	-	-	11,500,933
Depreciable, net	117,206,368	-	-	117,206,368
Total noncurrent assets	<u>131,346,420</u>	<u>336,282</u>	<u>11,352</u>	<u>131,694,054</u>
Total assets	<u>157,596,325</u>	<u>51,305,956</u>	<u>605,682</u>	<u>209,507,963</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow related to pension	3,405,182	-	-	3,405,182
Deferred outflow related to OPEB	113,989	-	-	113,989
Total deferred outflows of resources	<u>3,519,171</u>	<u>-</u>	<u>-</u>	<u>3,519,171</u>
LIABILITIES				
Current liabilities:				
Accounts payable	1,187,378	983,497	-	2,170,875
Other accrued liabilities	-	8	-	8
Accrued interest payable	189	-	21,397	21,586
Unearned revenue	-	8,000,000	-	8,000,000
Compensated absences	68,400	-	-	68,400
Bonds, notes and loans payable	434,719	-	-	434,719
SBITA	17,372	-	-	17,372
Total current liabilities	<u>1,708,058</u>	<u>8,983,505</u>	<u>21,397</u>	<u>10,712,960</u>
Noncurrent liabilities:				
Net pension liability	4,803,534	-	-	4,803,534
Net OPEB liability	199,683	-	-	199,683
Compensated absences	387,900	-	-	387,900
Bonds, notes and loans payable	2,854,356	-	-	2,854,356
SBITA	37,815	-	-	37,815
Total noncurrent liabilities	<u>8,283,288</u>	<u>-</u>	<u>-</u>	<u>8,283,288</u>
Total liabilities	<u>9,991,346</u>	<u>8,983,505</u>	<u>21,397</u>	<u>18,996,248</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pension	2,514,510	-	-	2,514,510
Deferred inflows related to OPEB	46,856	-	-	46,856
Total deferred inflows of resources	<u>2,561,366</u>	<u>-</u>	<u>-</u>	<u>2,561,366</u>
NET POSITION				
Net investment in capital assets	125,302,964	-	-	125,302,964
Restricted for:				
Construction	1,652,479	-	-	1,652,479
Loan requirement	-	-	7,214	7,214
Debt service	-	-	577,071	577,071
Unrestricted	21,607,341	42,322,451	-	63,929,792
Total net position	<u>\$ 148,562,784</u>	<u>\$ 42,322,451</u>	<u>\$ 584,285</u>	<u>\$ 191,469,520</u>

City of Gresham, Oregon
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position
Wastewater Fund
For the Fiscal Year Ended June 30, 2024

	Wastewater Fund	Wastewater Capital Improvement Fund	Wastewater Debt Service Fund	Eliminations	Total
OPERATING REVENUES					
Charges for services	\$ 24,309,851	\$ 479,126	\$ -	\$ -	\$ 24,788,977
Total operating revenues	<u>24,309,851</u>	<u>479,126</u>	<u>-</u>		<u>24,788,977</u>
OPERATING EXPENSES					
Personnel services	3,677,084	-	-		3,677,084
Professional and technical services	4,785,044	-	-		4,785,044
Property services	120,104	-	-		120,104
Other services	91,220	-	-		91,220
Supplies	313,627	-	-		313,627
Internal services	6,128,375	-	-		6,128,375
Other materials and services	18,641	2,963,571	-		2,982,212
Depreciation and amortization	5,730,515	-	-		5,730,515
Total operating expenses	<u>20,864,610</u>	<u>2,963,571</u>	<u>-</u>		<u>23,828,181</u>
Operating income (loss)	<u>3,445,241</u>	<u>(2,484,445)</u>	<u>-</u>		<u>960,796</u>
NONOPERATING REVENUES (EXPENSES)					
Miscellaneous revenue (expense)	49,927	-	(812)		49,115
Interest and investment income	1,218,927	2,058,675	29,158		3,306,760
Interest expense	-	-	(95,938)		(95,938)
Gain/(loss) on disposition of capital assets	31,853	-	-		31,853
Total nonoperating revenues (expenses)	<u>1,300,707</u>	<u>2,058,675</u>	<u>(67,592)</u>		<u>3,291,790</u>
Income (loss) before contributions and transfers	<u>4,745,948</u>	<u>(425,770)</u>	<u>(67,592)</u>		<u>4,252,586</u>
Capital contributions	2,784,754	-	-		2,784,754
Transfers in	6,742,986	13,741,918	513,980	(20,142,887)	855,997
Transfers out	(14,897,245)	(5,497,779)	(414,028)	20,142,887	(666,165)
Change in net position	<u>(623,557)</u>	<u>7,818,369</u>	<u>32,360</u>		<u>7,227,172</u>
Total net position - beginning	<u>149,186,341</u>	<u>34,504,082</u>	<u>551,925</u>		<u>184,242,348</u>
Total net position - ending	<u>\$ 148,562,784</u>	<u>\$ 42,322,451</u>	<u>\$ 584,285</u>		<u>\$ 191,469,520</u>

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Wastewater Fund

For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Licenses and permits	\$ 14,300	\$ 14,300	\$ 22,504	\$ 8,204
Intergovernmental	180,300	180,300	188,985	8,685
Charges for services	23,709,000	23,709,000	24,098,362	389,362
Miscellaneous	385,500	385,500	861,728	476,228
Internal service charges	1,066,700	1,066,700	974,995	(91,705)
Total revenues	<u>25,355,800</u>	<u>25,355,800</u>	<u>26,146,574</u>	<u>790,774</u>
EXPENDITURES				
Environmental services	18,576,497	18,576,497	16,706,497	1,870,000
Operating contingency	2,786,000	2,786,000	-	2,786,000
Total expenditures	<u>21,362,497</u>	<u>21,362,497</u>	<u>16,706,497</u>	<u>4,656,000</u>
Excess of revenues over expenditures	<u>3,993,303</u>	<u>3,993,303</u>	<u>9,440,077</u>	<u>5,446,774</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	425,000	425,000	831,179	406,179
Transfers out	(14,922,100)	(14,922,100)	(14,897,245)	24,855
Total other financing sources (uses)	<u>(14,497,100)</u>	<u>(14,497,100)</u>	<u>(14,066,066)</u>	<u>431,034</u>
Net change in fund balances	(10,503,797)	(10,503,797)	(4,625,989)	5,877,808
Fund balances - beginning	<u>25,703,000</u>	<u>25,703,000</u>	<u>28,506,967</u>	<u>2,803,967</u>
Fund balances - ending	<u>\$ 15,199,203</u>	<u>\$ 15,199,203</u>	<u>\$ 23,880,978</u>	<u>\$ 8,681,775</u>
Accrued interest			(189)	
Capital assets, net of depreciation			128,707,301	
Debt payable, net			(3,289,075)	
Due from other funds			3,523,766	
Pension asset/liability, net			(3,912,862)	
OPEB asset/liability, net			(132,550)	
SBITA			(55,187)	
Unrealized gain (loss) on investments			<u>(159,398)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 148,562,784</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Wastewater Capital Improvement Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Intergovernmental	\$ 682,100	\$ 682,100	\$ 371,280	\$ (310,820)
Charges for services	-	-	107,846	107,846
Miscellaneous	6,336,200	6,336,200	6,993,789	657,589
Total revenues	<u>7,018,300</u>	<u>7,018,300</u>	<u>7,472,915</u>	<u>454,615</u>
EXPENDITURES				
Capital improvement	37,557,000	37,557,000	8,461,350	29,095,650
Total expenditures	<u>37,557,000</u>	<u>37,557,000</u>	<u>8,461,350</u>	<u>29,095,650</u>
Excess of expenditures over revenue	<u>(30,538,700)</u>	<u>(30,538,700)</u>	<u>(988,435)</u>	<u>29,550,265</u>
OTHER FINANCING SOURCES				
Transfers in	14,657,400	14,657,400	13,741,918	(915,482)
Total other financing sources	<u>14,657,400</u>	<u>14,657,400</u>	<u>13,741,918</u>	<u>(915,482)</u>
Net change in fund balances	(15,881,300)	(15,881,300)	12,753,483	28,634,783
Fund balances - beginning	<u>39,813,000</u>	<u>39,813,000</u>	<u>37,724,082</u>	<u>(2,088,918)</u>
Fund balances - ending	<u>\$ 23,931,700</u>	<u>\$ 23,931,700</u>	\$ 50,477,565	<u>\$ 26,545,865</u>
Unearned revenue			(8,000,000)	
Unrealized gain (loss) on investments			<u>(155,114)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 42,322,451</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Wastewater Debt Service Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget- Positive (Negative)
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 16,053	\$ 16,053
Total revenues	<u>-</u>	<u>-</u>	<u>16,053</u>	<u>16,053</u>
EXPENDITURES				
Debt service	517,000	517,000	513,980	3,020
Total expenditures	<u>517,000</u>	<u>517,000</u>	<u>513,980</u>	<u>3,020</u>
Excess of expenditures over revenue	<u>(517,000)</u>	<u>(517,000)</u>	<u>(497,927)</u>	<u>19,073</u>
OTHER FINANCING SOURCES				
Transfers in	517,000	517,000	513,980	(3,020)
Total other financing sources	<u>517,000</u>	<u>517,000</u>	<u>513,980</u>	<u>(3,020)</u>
Net change in fund balances	-	-	16,053	16,053
Fund balances - beginning	<u>596,000</u>	<u>596,000</u>	<u>617,264</u>	<u>21,264</u>
Fund balances - ending	<u>\$ 596,000</u>	<u>\$ 596,000</u>	\$ 633,317	<u>\$ 37,317</u>
Accrued interest			(21,397)	
Unrealized gain (loss) on investments			<u>(27,635)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 584,285</u>	

CITY OF
GRESHAM
GOING BEYOND

Internal Service Funds

Internal service funds are used to account for activity that provides goods and services primarily to other funds and departments within the City. Funds included in this fund type are:

Facilities & Fleet Management Fund—Accounts for occupancy expenses, construction, and bond transactions of all City owned and leased administrative buildings. For budgetary and operating purposes, the activities of the Facilities & Fleet Management Fund, City Facility Capital Improvement Fund, and City Hall Debt Service Fund are accounted for separately.

Legal Services Fund—Accounts for all City legal services.

Administrative Services Fund—Accounts for general City administrative services.

Enterprise System Replacement Fund—Accounts for the activities involved in replacing the enterprise resource planning software.

Equipment Replacement Fund—Accounts for annual charges, accumulation of resources for, and eventual replacement of vehicles and other capital equipment.

Workers Comp & Liability Management Fund—Accounts for risk management activities of the City, including operation of the workers compensation, general, and auto liability self-insurance program.

COG Health and Dental Plans Fund—Accounts for the City's health and dental insurance program.

City of Gresham, Oregon
Combining Statement of Net Position
Internal Service Funds
June 30, 2024

	Facilities & Fleet Management Fund	Legal Services Fund	Administrative Services Fund
ASSETS			
Current assets:			
Cash and investments	\$ 6,075,599	\$ 545,106	\$ 10,696,264
Receivables, net	-	-	253,338
Due from other funds	363,849	-	1,627,804
Total current assets	<u>6,439,448</u>	<u>545,106</u>	<u>12,577,406</u>
Noncurrent assets:			
Other assets	40,903	3,676	71,009
Capital assets:			
Non-depreciable	2,399,969	-	-
Depreciable, net	6,952,981	-	1,996,664
Total noncurrent assets	<u>9,393,853</u>	<u>3,676</u>	<u>2,067,673</u>
Total assets	<u>15,833,301</u>	<u>548,782</u>	<u>14,645,079</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow related to pension	2,005,951	1,336,077	14,343,338
Deferred outflow related to OPEB	59,481	-	177,371
Total deferred outflows of resources	<u>2,065,432</u>	<u>1,336,077</u>	<u>14,520,709</u>
LIABILITIES			
Current liabilities:			
Accounts payable	474,264	9,378	1,420,977
Other accrued liabilities	-	-	67,810
Accrued claims payable	-	-	-
Accrued interest payable	17,945	-	13,484
Other liabilities	-	-	1,909,177
Unearned revenue	-	-	-
Due to other funds	-	-	-
Lease payable	33,313	-	-
Compensated absences	23,000	21,000	254,700
SBITA	-	-	540,371
Total current liabilities	<u>548,522</u>	<u>30,378</u>	<u>4,206,519</u>
Noncurrent liabilities:			
Net pension liability	2,749,970	1,771,194	19,996,627
Net OPEB liability	252,659	-	966,828
Compensated absences	130,000	118,800	1,443,400
SBITA	-	-	227,436
Total noncurrent liabilities	<u>3,132,629</u>	<u>1,889,994</u>	<u>22,634,291</u>
Total liabilities	<u>3,681,151</u>	<u>1,920,372</u>	<u>26,840,810</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension	1,332,509	914,139	10,247,524
Deferred inflows related to OPEB	70,081	-	375,199
Total deferred inflows of resources	<u>1,402,590</u>	<u>914,139</u>	<u>10,622,723</u>
NET POSITION			
Net investment in capital assets	9,352,950	-	1,228,857
Unrestricted	3,462,042	(949,652)	(9,526,602)
Total net position	<u>\$ 12,814,992</u>	<u>\$ (949,652)</u>	<u>\$ (8,297,745)</u>

Enterprise System Replacement Fund	Equipment Replacement Fund	Workers Comp & Liability Management Fund	COG Health & Dental Plans Fund	Total
\$ 641,062	\$ 25,802,344	\$ 11,254,820	\$ 9,125,490	\$ 64,140,685
-	-	-	43,369	296,707
-	-	-	-	1,991,653
<u>641,062</u>	<u>25,802,344</u>	<u>11,254,820</u>	<u>9,168,859</u>	<u>66,429,045</u>
4,236	172,306	74,414	60,786	427,330
-	-	-	-	2,399,969
-	-	3,507	-	8,953,152
<u>4,236</u>	<u>172,306</u>	<u>77,921</u>	<u>60,786</u>	<u>11,780,451</u>
<u>645,298</u>	<u>25,974,650</u>	<u>11,332,741</u>	<u>9,229,645</u>	<u>78,209,496</u>
-	-	741,928	-	18,427,294
-	-	-	-	236,852
<u>-</u>	<u>-</u>	<u>741,928</u>	<u>-</u>	<u>18,664,146</u>
2,401	196,718	12,104	21,264	2,137,106
-	-	-	779	68,589
-	-	5,483,334	1,111,000	6,594,334
-	-	-	-	31,429
-	-	-	-	1,909,177
-	-	-	877,467	877,467
-	25,243,656	-	-	25,243,656
-	-	-	-	33,313
-	-	12,000	-	310,700
-	-	-	-	540,371
<u>2,401</u>	<u>25,440,374</u>	<u>5,507,438</u>	<u>2,010,510</u>	<u>37,746,142</u>
-	-	942,952	-	25,460,743
-	-	-	-	1,219,487
-	-	68,400	-	1,760,600
-	-	-	-	227,436
<u>-</u>	<u>-</u>	<u>1,011,352</u>	<u>-</u>	<u>28,668,266</u>
<u>2,401</u>	<u>25,440,374</u>	<u>6,518,790</u>	<u>2,010,510</u>	<u>66,414,408</u>
-	-	517,576	-	13,011,748
-	-	-	-	445,280
<u>-</u>	<u>-</u>	<u>517,576</u>	<u>-</u>	<u>13,457,028</u>
-	-	3,508	-	11,353,122
642,897	534,276	5,034,795	7,219,135	5,649,084
<u>\$ 642,897</u>	<u>\$ 534,276</u>	<u>\$ 5,038,303</u>	<u>\$ 7,219,135</u>	<u>\$ 17,002,206</u>

City of Gresham, Oregon
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2024

	Facilities & Fleet Management Fund	Legal Services Fund	Administrative Services Fund
OPERATING REVENUES			
Charges for services, internal	\$ 5,827,405	\$ 1,695,714	\$ 19,709,339
Charges for services, external	77,421	671	115,807
Miscellaneous	20,817	-	104,349
Total operating revenues	<u>5,925,643</u>	<u>1,696,385</u>	<u>19,929,495</u>
OPERATING EXPENSES			
Personnel services	2,367,827	1,499,052	16,593,673
Professional and technical services	1,070,591	241,527	2,203,557
Property services	708,438	3,000	513,514
Other services	24,930	21,774	500,680
Supplies	1,308,413	4,596	1,867,411
Incentive programs	84,642	-	154,155
Insurance claims	-	-	45,312
Internal services	8,682	-	-
Other materials and services	574,379	-	14,157
Depreciation and amortization	665,868	-	195,459
Total operating expenses	<u>6,813,770</u>	<u>1,769,949</u>	<u>22,087,918</u>
Operating income (loss)	<u>(888,127)</u>	<u>(73,564)</u>	<u>(2,158,423)</u>
NONOPERATING REVENUES (EXPENSES)			
Miscellaneous revenue (expense)	73,942	-	267,920
Interest and investment income	284,906	23,354	443,219
Interest expense	(19,412)	-	-
Interagency loan	-	-	-
Gain/(loss) on disposition of capital assets	-	-	(5,151)
Total nonoperating revenues (expenses)	<u>339,436</u>	<u>23,354</u>	<u>705,988</u>
Income (loss) before contributions and transfers	<u>(548,691)</u>	<u>(50,210)</u>	<u>(1,452,435)</u>
Transfers in	649,819	-	974,193
Transfers out	<u>(160,007)</u>	<u>-</u>	<u>(221,023)</u>
Change in net position	<u>(58,879)</u>	<u>(50,210)</u>	<u>(699,265)</u>
Total net position - beginning	<u>12,873,871</u>	<u>(899,442)</u>	<u>(7,598,480)</u>
Total net position - ending	<u>\$ 12,814,992</u>	<u>\$ (949,652)</u>	<u>\$ (8,297,745)</u>

Enterprise System Replacement Fund	Equipment Replacement Fund	Workers Comp & Liability Management Fund	COG Health & Dental Plans Fund	Total
\$ -	\$ 1,146,521	\$ 5,100,149	\$ 9,115,156	\$ 42,594,284
-	30,154	-	654,746	878,799
-	-	2,971	-	128,137
-	1,176,675	5,103,120	9,769,902	43,601,220
-	-	955,215	-	21,415,767
-	-	118,290	276,783	3,910,748
-	-	-	-	1,224,952
-	-	4,414	-	551,798
-	92,921	1,114	-	3,274,455
-	-	-	-	238,797
-	-	4,586,828	9,736,126	14,368,266
-	-	-	-	8,682
434,394	2,328,185	-	-	3,351,115
-	-	1,002	-	862,329
434,394	2,421,106	5,666,863	10,012,909	49,206,909
(434,394)	(1,244,431)	(563,743)	(243,007)	(5,605,689)
-	7,479,553	109,947	761,394	8,692,756
34,837	1,162,600	501,827	411,557	2,862,300
-	-	-	-	(19,412)
-	(7,389,900)	-	-	(7,389,900)
-	-	-	-	(5,151)
34,837	1,252,253	611,774	1,172,951	4,140,593
(399,557)	7,822	48,031	929,944	(1,465,096)
-	239,400	-	-	1,863,412
(50,000)	-	-	(284,000)	(715,030)
(449,557)	247,222	48,031	645,944	(316,714)
1,092,454	287,054	4,990,272	6,573,191	17,318,920
\$ 642,897	\$ 534,276	\$ 5,038,303	\$ 7,219,135	\$ 17,002,206

City of Gresham, Oregon
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2024

	Facilities & Fleet Management Fund	Legal Services Fund	Administrative Services Fund
Cash flows from operating activities:			
Receipts from customers	\$ 77,421	\$ 3,307	\$ 115,807
Receipts for internal services provided	5,827,405	1,695,714	19,709,339
Payments to suppliers for goods and services	(3,662,561)	(286,673)	(5,211,536)
Payments to employees for services	(2,131,665)	(1,411,572)	(15,222,295)
Other operating receipts (payments)	94,759	-	413,184
Net cash provided by (used in) operating activities	<u>205,359</u>	<u>776</u>	<u>(195,501)</u>
Cash flows from noncapital financing activities:			
Receipts from other funds	649,819	-	974,193
Payments to other funds	(201,276)	-	(329,691)
Net cash provided by (used in) noncapital financing activities	<u>448,543</u>	<u>-</u>	<u>644,502</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(426,411)	-	(160,562)
Principal portion of debt service	(490,122)	-	-
Interest portion of debt service	34,919	-	(6,584)
Proceeds from disposition of capital assets	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>(881,614)</u>	<u>-</u>	<u>(167,146)</u>
Cash flows from investing activities:			
Change in investments	(49,391)	(20,423)	(688,358)
Interest on investments	274,240	19,678	421,699
Net cash provided by (used in) investing activities	<u>224,849</u>	<u>(745)</u>	<u>(266,659)</u>
Net increase (decrease) in cash and cash equivalents	(2,863)	31	15,196
Cash and cash equivalents - beginning	101,288	787	215,843
Cash and cash equivalents - ending	<u>\$ 98,425</u>	<u>\$ 818</u>	<u>\$ 231,039</u>
Classified on the Statement of Net Position as:			
Cash and investments	<u>\$ 98,425</u>	<u>\$ 818</u>	<u>\$ 231,039</u>
	<u>\$ 98,425</u>	<u>\$ 818</u>	<u>\$ 231,039</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	\$ (888,127)	\$ (73,564)	\$ (2,158,423)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
Depreciation and amortization	665,868	-	195,459
Pension adjustments	188,234	97,380	1,172,178
OPEB adjustments	13,628	-	(5,201)
Other	73,942	-	267,920
Changes in assets and liabilities:			
Receivables	-	2,636	40,915
Accounts payable	150,827	(15,776)	(68,883)
Lease payable	(33,313)	-	-
SBITA	-	-	(151,041)
Other liabilities	34,300	(9,900)	511,575
Net cash provided by (used in) operating activities	<u>\$ 205,359</u>	<u>\$ 776</u>	<u>\$ (195,501)</u>
Noncash investing, capital, and financing activities:			
Increase (Decrease) in fair value of investments	\$ (129,527)	(11,640)	(224,860)
SBITA proceeds	-	-	523,222

Enterprise System Replacement Fund	Equipment Replacement Fund	Workers Comp & Liability Management Fund	COG Health & Dental Plans Fund	Total
\$ -	\$ 30,154	\$ -	\$ 710,346	\$ 937,035
-	1,146,521	5,100,150	9,115,156	42,594,285
(431,993)	(3,653,552)	(4,223,638)	(10,131,129)	(27,601,082)
-	-	(898,638)	-	(19,664,170)
-	7,479,553	112,917	769,631	8,870,044
(431,993)	5,002,676	90,791	464,004	5,136,112
-	3,191,068	-	-	4,815,080
(50,000)	(7,389,900)	-	(284,000)	(8,254,867)
(50,000)	(4,198,832)	-	(284,000)	(3,439,787)
-	-	-	-	(586,973)
-	-	-	-	(490,122)
-	-	-	-	28,335
-	-	-	-	-
-	-	-	-	(1,048,760)
444,040	(1,732,098)	(551,840)	(556,002)	(3,154,072)
35,890	1,109,279	480,025	393,234	2,734,045
479,930	(622,819)	(71,815)	(162,768)	(420,027)
(2,063)	181,025	18,976	17,236	227,538
3,153	1,583,855	313,041	202,688	2,420,655
\$ 1,090	\$ 1,764,880	\$ 332,017	\$ 219,924	\$ 2,648,193
\$ 1,090	\$ 1,764,880	\$ 332,017	\$ 219,924	\$ 2,648,193
\$ 1,090	\$ 1,764,880	\$ 332,017	\$ 219,924	\$ 2,648,193
\$ (434,394)	\$ (1,244,431)	\$ (563,743)	\$ (243,007)	\$ (5,605,689)
-	-	1,002	-	862,329
-	-	48,077	-	1,505,869
-	-	-	-	8,427
-	7,479,553	109,946	761,394	8,692,755
-	-	-	8,237	51,788
2,401	(1,232,446)	(87,030)	19,001	(1,231,906)
-	-	-	-	(33,313)
-	-	-	-	(151,041)
-	-	582,539	(81,621)	1,036,893
\$ (431,993)	\$ 5,002,676	\$ 90,791	\$ 464,004	\$ 5,136,112
(13,413)	(545,632)	(235,644)	(192,487)	(1,353,203)
-	-	-	-	523,222

City of Gresham, Oregon
Combining Schedule of Net Position
Facilities & Fleet Management
June 30, 2024

	Facilities & Fleet Management Fund	City Facility Capital Improvement Fund	City Facility Debt Service Fund	Total
ASSETS				
Current assets:				
Cash and investments	\$ 4,128,383	\$ 1,947,216	\$ -	\$ 6,075,599
Due from other funds	363,849	-	-	363,849
Total current assets	<u>4,492,232</u>	<u>1,947,216</u>	<u>-</u>	<u>6,439,448</u>
Noncurrent assets:				
Other assets	27,699	13,204	-	40,903
Capital assets:				
Non-depreciable	2,399,969	-	-	2,399,969
Depreciable, net	6,952,981	-	-	6,952,981
Total noncurrent assets	<u>9,380,649</u>	<u>13,204</u>	<u>-</u>	<u>9,393,853</u>
Total assets	<u>13,872,881</u>	<u>1,960,420</u>	<u>-</u>	<u>15,833,301</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow related to pension	2,005,951	-	-	2,005,951
Deferred outflow related to OPEB	59,481	-	-	59,481
Total deferred outflows of resources	<u>2,065,432</u>	<u>-</u>	<u>-</u>	<u>2,065,432</u>
LIABILITIES				
Current liabilities:				
Accounts payable	225,377	247,996	891	474,264
Accrued interest payable	9	-	17,936	17,945
Lease payable	33,313	-	-	33,313
Compensated absences	23,000	-	-	23,000
Total current liabilities	<u>281,699</u>	<u>247,996</u>	<u>18,827</u>	<u>548,522</u>
Noncurrent liabilities:				
Net pension liability	2,749,970	-	-	2,749,970
Net OPEB liability	252,659	-	-	252,659
Compensated absences	130,000	-	-	130,000
Total noncurrent liabilities	<u>3,132,629</u>	<u>-</u>	<u>-</u>	<u>3,132,629</u>
Total liabilities	<u>3,414,328</u>	<u>247,996</u>	<u>18,827</u>	<u>3,681,151</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pension	1,332,509	-	-	1,332,509
Deferred inflows related to OPEB	70,081	-	-	70,081
Total deferred inflows of resources	<u>1,402,590</u>	<u>-</u>	<u>-</u>	<u>1,402,590</u>
NET POSITION				
Net investment in capital assets	9,352,950	-	-	9,352,950
Unrestricted	1,768,445	1,712,424	(18,827)	3,462,042
Total net position	<u>\$ 11,121,395</u>	<u>\$ 1,712,424</u>	<u>\$ (18,827)</u>	<u>\$ 12,814,992</u>

City of Gresham, Oregon
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position
Facilities & Fleet Management Fund
For the Fiscal Year Ended June 30, 2024

	Facilities & Fleet Management Fund	City Facility Capital Improvement Fund	City Facility Debt Service Fund	Eliminations	Total
OPERATING REVENUES					
Charges for services, internal	\$ 5,827,405	\$ -	\$ -	\$ -	\$ 5,827,405
Charges for services, external	77,421	-	-	-	77,421
Miscellaneous	20,817	-	-	-	20,817
Total operating revenues	<u>5,925,643</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,925,643</u>
OPERATING EXPENSES					
Personnel services	2,367,827	-	-	-	2,367,827
Professional and technical services	1,070,591	-	-	-	1,070,591
Property services	708,438	-	-	-	708,438
Other services	24,930	-	-	-	24,930
Supplies	1,308,413	-	-	-	1,308,413
Incentive programs	84,642	-	-	-	84,642
Internal services	8,682	-	-	-	8,682
Other materials and services	540	573,839	-	-	574,379
Depreciation and amortization	665,868	-	-	-	665,868
Total operating expenses	<u>6,239,931</u>	<u>573,839</u>	<u>-</u>	<u>-</u>	<u>6,813,770</u>
Operating income (loss)	<u>(314,288)</u>	<u>(573,839)</u>	<u>-</u>	<u>-</u>	<u>(888,127)</u>
NONOPERATING REVENUES (EXPENSES)					
Miscellaneous revenue (expense)	74,052	-	(110)	-	73,942
Interest and investment income	186,571	97,577	758	-	284,906
Interest expense	-	-	(19,412)	-	(19,412)
Total nonoperating revenues (expenses)	<u>260,623</u>	<u>97,577</u>	<u>(18,764)</u>	<u>-</u>	<u>339,436</u>
Income (loss) before contributions and transfers	<u>(53,665)</u>	<u>(476,262)</u>	<u>(18,764)</u>	<u>-</u>	<u>(548,691)</u>
Transfers in	667,106	290,000	411,423	(718,710)	649,819
Transfers out	<u>(442,978)</u>	<u>-</u>	<u>(435,739)</u>	<u>718,710</u>	<u>(160,007)</u>
Change in net position	<u>170,463</u>	<u>(186,262)</u>	<u>(43,080)</u>	<u>-</u>	<u>(58,879)</u>
Total net position - beginning	<u>10,950,932</u>	<u>1,898,686</u>	<u>24,253</u>	<u>-</u>	<u>12,873,871</u>
Total net position - ending	<u>\$ 11,121,395</u>	<u>\$ 1,712,424</u>	<u>\$ (18,827)</u>	<u>-</u>	<u>\$ 12,814,992</u>

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Facilities & Fleet Management Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget- Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 75,000	\$ 75,000	\$ 72,626	\$ (2,374)
Miscellaneous	94,800	94,800	198,519	103,719
Internal service charges	5,827,405	5,827,405	5,827,405	-
Total revenues	<u>5,997,205</u>	<u>5,997,205</u>	<u>6,098,550</u>	<u>101,345</u>
EXPENDITURES				
Citywide services	6,387,274	6,387,274	5,642,412	744,862
Fire	270,000	270,000	230,832	39,168
Operating contingency	461,000	461,000	-	461,000
Total expenditures	<u>7,118,274</u>	<u>7,118,274</u>	<u>5,873,244</u>	<u>1,245,030</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,121,069)</u>	<u>(1,121,069)</u>	<u>225,306</u>	<u>1,346,375</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	270,000	270,000	231,367	(38,633)
Transfers out	(489,931)	(489,931)	(442,978)	46,953
Total other financing sources (uses)	<u>(219,931)</u>	<u>(219,931)</u>	<u>(211,611)</u>	<u>8,320</u>
Net change in fund balances	(1,341,000)	(1,341,000)	13,695	1,354,695
Fund balances - beginning	<u>1,341,000</u>	<u>1,341,000</u>	<u>3,846,747</u>	<u>2,505,747</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,860,442</u>	<u>\$ 3,860,442</u>
Accrued interest			(9)	
Capital assets, net of depreciation			9,352,950	
Due from other funds			363,849	
Lease payable			(33,313)	
Pension asset/liability, net			(2,076,528)	
OPEB asset/liability, net			(263,259)	
Unrealized gain (loss) on investments			<u>(82,737)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 11,121,395</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
City Facility Capital Improvement Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Intergovernmental	\$ 780,000	\$ 780,000	\$ -	\$ (780,000)
Miscellaneous	-	-	55,764	55,764
Total revenues	<u>780,000</u>	<u>780,000</u>	<u>55,764</u>	<u>(724,236)</u>
EXPENDITURES				
Capital improvement	2,817,000	2,817,000	573,839	2,243,161
Total expenditures	<u>2,817,000</u>	<u>2,817,000</u>	<u>573,839</u>	<u>2,243,161</u>
Excess of expenditures over revenue	<u>(2,037,000)</u>	<u>(2,037,000)</u>	<u>(518,075)</u>	<u>1,518,925</u>
OTHER FINANCING SOURCES				
Transfers in	300,000	300,000	290,000	(10,000)
Total other financing sources	<u>300,000</u>	<u>300,000</u>	<u>290,000</u>	<u>(10,000)</u>
Net change in fund balances	(1,737,000)	(1,737,000)	(228,075)	1,508,925
Fund balances - beginning	<u>1,737,000</u>	<u>1,737,000</u>	<u>2,000,727</u>	<u>263,727</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	\$ 1,772,652	<u>\$ 1,772,652</u>
Unrealized gain (loss) on investments			<u>(60,228)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 1,712,424</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
City Facility Debt Service Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget- Positive (Negative)</u>
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 758	\$ 758
Total revenues	<u>-</u>	<u>-</u>	<u>758</u>	<u>758</u>
EXPENDITURES				
Debt service	457,000	457,000	455,261	1,739
Total expenditures	<u>457,000</u>	<u>457,000</u>	<u>455,261</u>	<u>1,739</u>
Excess of expenditures over revenues	<u>(457,000)</u>	<u>(457,000)</u>	<u>(454,503)</u>	<u>2,497</u>
OTHER FINANCING SOURCES				
Transfers in	457,000	457,000	411,423	(45,577)
Total other financing sources	<u>457,000</u>	<u>457,000</u>	<u>411,423</u>	<u>(45,577)</u>
Net change in fund balances	-	-	(43,080)	(43,080)
Fund balances - beginning	<u>27,000</u>	<u>27,000</u>	<u>43,080</u>	<u>16,080</u>
Fund balances - ending	<u>\$ 27,000</u>	<u>\$ 27,000</u>	<u>\$ -</u>	<u>\$ (27,000)</u>
Accrued interest			(17,936)	
Unrealized gain (loss) on investments			<u>(891)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ (18,827)</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Legal Services Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Charges for services	\$ -	\$ -	\$ 671	\$ 671
Miscellaneous	-	-	11,714	11,714
Internal service charges	1,695,714	1,695,714	1,695,714	-
Total revenues	<u>1,695,714</u>	<u>1,695,714</u>	<u>1,708,099</u>	<u>12,385</u>
EXPENDITURES				
City attorney's office	1,677,714	1,677,714	1,672,569	5,145
Operating contingency	252,000	252,000	-	252,000
Total expenditures	<u>1,929,714</u>	<u>1,929,714</u>	<u>1,672,569</u>	<u>257,145</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(234,000)</u>	<u>(234,000)</u>	<u>35,530</u>	<u>269,530</u>
Net change in fund balances	(234,000)	(234,000)	35,530	269,530
Fund balances - beginning	<u>234,000</u>	<u>234,000</u>	<u>377,803</u>	<u>143,803</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	\$ 413,333	<u>\$ 413,333</u>
Pension asset/liability, net			(1,349,256)	
Unrealized gain (loss) on investments			<u>(13,729)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ (949,652)</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Administrative Services Fund
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget- Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 443	\$ 443
Charges for services	105,000	105,000	115,364	10,364
Miscellaneous	125,000	125,000	590,626	465,626
Internal service charges	20,729,030	20,729,030	19,709,339	(1,019,691)
Total revenues	<u>20,959,030</u>	<u>20,959,030</u>	<u>20,415,772</u>	<u>(543,258)</u>
EXPENDITURES				
City manager's office	3,332,343	3,332,343	2,901,139	431,204
Budget and finance	7,920,029	7,920,029	7,088,979	831,050
Information technology	7,627,142	7,627,142	6,978,713	648,429
Citywide services	4,758,797	4,758,797	4,183,505	575,292
Operating contingency	732,000	732,000	-	732,000
Total expenditures	<u>24,370,311</u>	<u>24,370,311</u>	<u>21,152,336</u>	<u>3,217,975</u>
Excess of expenditures over revenue	<u>(3,411,281)</u>	<u>(3,411,281)</u>	<u>(736,564)</u>	<u>2,674,717</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,061,000	1,061,000	974,193	(86,807)
Transfers out	(289,719)	(289,719)	(221,023)	68,696
Total other financing sources (uses)	<u>771,281</u>	<u>771,281</u>	<u>753,170</u>	<u>(18,111)</u>
Net change in fund balances	(2,640,000)	(2,640,000)	16,606	2,656,606
Fund balances - beginning	<u>3,205,000</u>	<u>3,205,000</u>	<u>6,017,284</u>	<u>2,812,284</u>
Fund balances - ending	<u>\$ 565,000</u>	<u>\$ 565,000</u>	<u>\$ 6,033,890</u>	<u>\$ 5,468,890</u>
Accrued interest			(13,484)	
Capital assets, net of depreciation			1,996,664	
Due from other funds			1,627,804	
Pension asset/liability, net			(15,900,813)	
OPEB asset/liability, net			(1,164,656)	
SBITA			(767,807)	
Unrealized gain (loss) on investments			<u>(109,343)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ (8,297,745)</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Enterprise System Replacement Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 21,424	\$ 21,424
Total revenues	<u>-</u>	<u>-</u>	<u>21,424</u>	<u>21,424</u>
EXPENDITURES				
Capital improvement	790,000	790,000	434,394	355,606
Total expenditures	<u>790,000</u>	<u>790,000</u>	<u>434,394</u>	<u>355,606</u>
Excess of expenditures over revenue	<u>(790,000)</u>	<u>(790,000)</u>	<u>(412,970)</u>	<u>377,030</u>
OTHER FINANCING (USES)				
Transfers out	(50,000)	(50,000)	(50,000)	-
Total other financing (uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net change in fund balances	(840,000)	(840,000)	(462,970)	377,030
Fund balances - beginning	<u>1,088,000</u>	<u>1,088,000</u>	<u>1,108,753</u>	<u>20,753</u>
Fund balances - ending	<u>\$ 248,000</u>	<u>\$ 248,000</u>	\$ 645,783	<u>\$ 397,783</u>
Unrealized gain (loss) on investments			<u>(2,886)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 642,897</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Equipment Replacement Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget- Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ 31,000	\$ 30,154	\$ (846)
Miscellaneous	7,671,900	7,671,900	8,096,519	424,619
Internal service charges	2,101,492	2,101,492	4,098,192	1,996,700
Total revenues	<u>9,773,392</u>	<u>9,804,392</u>	<u>12,224,865</u>	<u>2,420,473</u>
EXPENDITURES				
Citywide services	8,207,300	8,207,300	2,421,106	5,786,194
Total expenditures	<u>8,207,300</u>	<u>8,207,300</u>	<u>2,421,106</u>	<u>5,786,194</u>
Excess of revenues over expenditures	<u>1,566,092</u>	<u>1,597,092</u>	<u>9,803,759</u>	<u>8,206,667</u>
OTHER FINANCING SOURCES				
Interagency loan	(7,389,900)	(7,389,900)	(7,389,900)	-
Transfers in	239,400	239,400	239,400	-
Total other financing sources	<u>(7,150,500)</u>	<u>(7,150,500)</u>	<u>(7,150,500)</u>	<u>-</u>
Net change in fund balances	(5,584,408)	(5,553,408)	2,653,259	8,206,667
Fund balances - beginning	<u>18,800,000</u>	<u>18,800,000</u>	<u>23,517,919</u>	<u>4,717,919</u>
Fund balances - ending	<u>\$ 13,215,592</u>	<u>\$ 13,246,592</u>	<u>\$ 26,171,178</u>	<u>\$ 12,924,586</u>
Due to other funds			(25,243,656)	
Unrealized gain (loss) on investments			<u>(393,246)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 534,276</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Workers Comp & Liability Management Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Miscellaneous	\$ 171,000	\$ 171,000	\$ 379,102	\$ 208,102
Internal service charges	5,069,998	5,069,998	5,100,149	30,151
Total revenues	<u>5,240,998</u>	<u>5,240,998</u>	<u>5,479,251</u>	<u>238,253</u>
EXPENDITURES				
City attorney's office	7,102,307	7,977,307	5,617,784	2,359,523
Operating contingency	875,000	-	-	-
Total expenditures	<u>7,977,307</u>	<u>7,977,307</u>	<u>5,617,784</u>	<u>2,359,523</u>
Excess of expenditures over revenue	<u>(2,736,309)</u>	<u>(2,736,309)</u>	<u>(138,533)</u>	<u>2,597,776</u>
Net change in fund balances	(2,736,309)	(2,736,309)	(138,533)	2,597,776
Fund balances - beginning	<u>3,452,000</u>	<u>3,452,000</u>	<u>6,000,309</u>	<u>2,548,309</u>
Fund balances - ending	<u>\$ 715,691</u>	<u>\$ 715,691</u>	<u>\$ 5,861,776</u>	<u>\$ 5,146,085</u>
Capital assets, net of depreciation			3,507	
Pension asset/liability, net			(718,600)	
Unrealized gain (loss) on investments			<u>(108,380)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 5,038,303</u>	

City of Gresham, Oregon
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
COG Health & Dental Plans Fund
For the Fiscal Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance With Final Budget- Positive (Negative)
REVENUES				
Miscellaneous	\$ 1,723,000	\$ 1,723,000	\$ 1,635,210	\$ (87,790)
Internal service charges	10,917,000	10,917,000	9,115,156	(1,801,844)
Total revenues	<u>12,640,000</u>	<u>12,640,000</u>	<u>10,750,366</u>	<u>(1,889,634)</u>
EXPENDITURES				
Citywide services	11,921,700	11,921,700	10,012,909	1,908,791
Operating contingency	1,832,000	1,832,000	-	1,832,000
Total expenditures	<u>13,753,700</u>	<u>13,753,700</u>	<u>10,012,909</u>	<u>3,740,791</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,113,700)</u>	<u>(1,113,700)</u>	<u>737,457</u>	<u>1,851,157</u>
OTHER FINANCING (USES)				
Transfers out	<u>(284,000)</u>	<u>(284,000)</u>	<u>(284,000)</u>	<u>-</u>
Total other financing (uses)	<u>(284,000)</u>	<u>(284,000)</u>	<u>(284,000)</u>	<u>-</u>
Net change in fund balances	(1,397,700)	(1,397,700)	453,457	1,851,157
Fund balances - beginning	<u>7,370,000</u>	<u>7,370,000</u>	<u>6,922,267</u>	<u>(447,733)</u>
Fund balances - ending	<u>\$ 5,972,300</u>	<u>\$ 5,972,300</u>	<u>\$ 7,375,724</u>	<u>\$ 1,403,424</u>
Unrealized gain (loss) on investments			<u>(156,589)</u>	
Fund balances - generally accepted accounting principles basis, ending			<u>\$ 7,219,135</u>	

Other Schedules

City of Gresham, Oregon
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2024

Federal Grantor/ Pass-through Grantor Program Title or Cluster Title	Assistance Listing Number	Agency or Pass-Through Number	Expenditures of Federal Awards	Amounts Provided to Sub Recipients
U.S. Department of Housing and Urban Development				
Direct Assistance:				
Community Development Block Grants/Entitlement Grants	14.218	B-23-MC-41-0006	\$ 811,712	\$ 603,709
COVID-19 - Community Development Block Grants/Entitlement Grants Subtotal for CFDA 14.218	14.218	B-23-MW-41-0006	824 <u>812,536</u>	- <u>603,709</u>
Economic Development Initiative, Community Project Funding, and Miscellaneous Grants	14.251	B-22-CP-OR-0743	381,660	-
Pass-through assistance:				
City of Portland				
Home Investment Partnerships Program	14.239	30008590	288,088	110,000
Home Investment Partnerships Program - ARP Subtotal for CFDA 14.239	14.239	30008218	994,165 <u>1,282,253</u>	885,668 <u>995,668</u>
Total U.S. Department of Housing and Urban Development			<u>2,476,449</u>	<u>1,599,377</u>
U.S. Department of Justice				
Direct Assistance:				
Criminal and Juvenile Justice and Mental Health Collaboration Program - 2020	16.745	2020-MO-BX-0031	136,989	136,989
Criminal and Juvenile Justice and Mental Health Collaboration Program - 2023 Subtotal for CFDA 16.745	16.745	15PBJA-23-GG-02160-MENT	42,891 <u>179,880</u>	42,891 <u>179,880</u>
Equitable Sharing Program	16.922	N/A	118,017	-
Pass-through assistance:				
City of Portland				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-02081-JAGX	45,891	-
Total U.S. Department of Justice			<u>343,788</u>	<u>179,880</u>
U.S. Department of Transportation				
Pass-through assistance:				
Oregon Department of Transportation				
Highway Planning and Construction - NW Division Complete St - Phase 1: Wallula Ave - Birdsedale Ave	20.205	16986	281,501	-
Highway Planning and Construction - Sandy Blvd: NE 181st Ave to East Gresham City Limit	20.205	19279	12,905	-
Highway Planning and Construction - City of Gresham Safety Project	20.205	20303	23,471	-
Highway Planning and Construction - NE Cleveland Ave: SE Stark St - NE Burnside	20.205	20808	68,822	-
Highway Planning and Construction - 181st Ave Safety Upgrades: SE Stark St to E Burnside St Subtotal for CFDA 20.205	20.205	23555	29,955 <u>416,654</u>	- <u>-</u>
Metro				
Federal Transit Formula Grants - Gresham Rockwood Bike Route	20.507	936707	9,236	-
Federal Transit Formula Grants - Davis Park Traffic Playground Subtotal for CFDA 20.507	20.507	938625	2,038 <u>11,274</u>	- <u>-</u>
Highway Safety Cluster:				
Oregon Department of Transportation				
State and Community Highway Safety - Safety Belt Overtime Grants	20.600	N/A	2,131	-
Oregon Impact				
National Priority Safety Programs - Driving Under the Influence of Intoxicants	20.616	N/A	2,554	-
National Priority Safety Programs - Distracted Driving Grant	20.616	N/A	2,521	-
National Priority Safety Programs - Pedestrian Safety Enforcement Grant	20.616	N/A	1,517	-
National Priority Safety Programs - Speed Enforcement Grant Subtotal for CFDA 20.616	20.616	N/A	5,779 <u>12,371</u>	- <u>-</u>
Total Highway Safety Cluster			<u>14,502</u>	<u>-</u>
Total U.S. Department of Transportation			<u>442,430</u>	<u>-</u>

City of Gresham, Oregon
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2024

Federal Grantor/ Pass-through Grantor Program Title or Cluster Title	Assistance Listing Number	Agency or Pass-Through Number	Expenditures of Federal Awards	Amounts Provided to Sub Recipients
Department of the Treasury				
Direct Assistance:				
Coronavirus State and Local Fiscal Recovery Funds	21.027	SLT-3322	6,496,614	-
Total Department of the Treasury			6,496,614	-
Environmental Protection Agency				
Direct Assistance:				
Water Infrastructure Finance and Innovation (WIFIA)	66.958	WIFIA-N20153OR	2,886,976	-
Columbia River Basin Restoration (CRBR) Program	66.962	R10-OW-CRBRP-2022-01/02	245,764	-
Total Environmental Protection Agency			3,132,740	-
Department of Health and Human Services Centers for Disease Control and Prevention				
Pass-through assistance:				
Multnomah County				
PPHF: Racial and Ethnic Approaches to Community Health Program				
Financed Solely by Public Prevention and Health Funds	93.738	HD-IGA-E-12089-2020	15,000	-
Total Department of Health and Human Services Centers for Disease Control and Prevention			15,000	-
U.S. Department of Homeland Security				
Direct Assistance:				
Assistance to Firefighters Grant (AFG) and Fire Prevention & Safety (FP&S) - 2021	97.044	EMW-2021-FG-06873	8,000	-
Assistance to Firefighters Grant (AFG) and Fire Prevention & Safety (FP&S) - 2022	97.044	EMW-2022-FP-00593	31,755	-
Subtotal for CFDA 97.044			39,755	-
Pass-through assistance:				
Oregon Office of Emergency Management				
Emergency Management Performance Grants	97.042	EMS-2023-EP-00005	88,329	-
BRIC: Building Resilient Infrastructure and Communities	97.047	EMS-2021-PC-0002	371,280	-
Total U.S. Department of Homeland Security			499,364	-
Total Federal Expenditures			\$ 13,406,385	\$ 1,779,257

City of Gresham, Oregon
Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2023

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Gresham under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of 2 CFR 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flow of the City.

Note 2. Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. Expenditures reported on this schedule are recognized following the cost principles in 2 CFR 200, where certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3. Indirect Cost Rate

The City does not qualify to use the 10% de minimus rate per 2 CFR 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* because a negotiated rate exists.

Statistical Section

This part of the City of Gresham's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance has changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity

These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment where the City's financial activities take place and to help make comparisons over time.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Gresham, Oregon
Net Position by Component
for the last ten fiscal years
 (accrual basis of accounting)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental activities				
Net investment in capital assets	\$ 716,667,046	\$ 681,572,417	\$ 688,607,182	\$ 615,299,091
Restricted	42,700,948	46,864,238	49,493,800	47,562,955
Unrestricted	<u>(5,567,160)</u>	<u>(22,236,961)</u>	<u>(55,927,410)</u>	<u>(10,610,161)</u>
Total governmental activities net position	<u>753,800,834</u>	<u>706,199,694</u>	<u>682,173,572</u>	<u>652,251,885</u>
Business-type activities				
Net investment in capital assets	207,475,404	208,952,590	214,549,637	212,138,253
Restricted	5,530,116	5,513,755	5,663,183	12,938,449
Unrestricted	<u>84,669,268</u>	<u>88,354,709</u>	<u>87,848,527</u>	<u>90,209,099</u>
Total business-type activities net position	<u>297,674,788</u>	<u>302,821,054</u>	<u>308,061,347</u>	<u>315,285,801</u>
Primary government				
Net investment in capital assets	924,142,450	890,525,007	903,156,819	827,437,344
Restricted	48,231,064	52,377,993	55,156,983	60,501,404
Unrestricted	<u>79,102,108</u>	<u>66,117,748</u>	<u>31,921,117</u>	<u>79,598,938</u>
Total primary government net position	<u><u>\$ 1,051,475,622</u></u>	<u><u>\$ 1,009,020,748</u></u>	<u><u>\$ 990,234,919</u></u>	<u><u>\$ 967,537,686</u></u>

Information derived from current and past years' Annual Comprehensive Financial Reports.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 595,420,402	\$ 589,574,607	588,448,433	594,939,492	619,307,352	628,966,103
64,175,811	84,559,497	84,521,286	87,849,650	76,101,429	80,364,305
<u>(25,564,149)</u>	<u>(36,119,104)</u>	<u>(39,822,759)</u>	<u>(23,488,670)</u>	<u>(735,554)</u>	<u>(175,157)</u>
<u>634,032,064</u>	<u>638,015,000</u>	<u>633,146,960</u>	<u>659,300,472</u>	<u>694,673,227</u>	<u>709,155,251</u>
219,895,246	220,619,246	224,287,293	206,189,180	252,051,858	273,656,484
11,853,063	11,141,221	10,099,100	1,942,468	2,394,188	2,539,696
93,469,113	98,919,275	103,860,494	137,501,071	120,566,221	129,184,917
<u>325,217,422</u>	<u>330,679,742</u>	<u>338,246,887</u>	<u>345,632,719</u>	<u>375,012,267</u>	<u>405,381,097</u>
815,315,648	810,193,853	812,735,726	801,128,672	871,359,210	902,622,587
76,028,874	95,700,718	94,620,386	89,792,118	78,495,617	82,904,001
67,904,964	62,800,171	64,037,735	114,012,401	119,830,667	129,009,760
<u>\$ 959,249,486</u>	<u>\$ 968,694,742</u>	<u>\$ 971,393,847</u>	<u>\$ 1,004,933,191</u>	<u>\$ 1,069,685,494</u>	<u>\$ 1,114,536,348</u>

City of Gresham, Oregon
Changes in Net Position
for the last ten fiscal years
 (accrual basis of accounting)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Expenses				
Governmental activities:				
General government	\$ 27,229,600	\$ 33,371,670	\$ 34,548,635	\$ 34,781,828
Public safety	21,713,792	44,825,834	35,570,784	40,292,312
Transportation	45,661,889	48,409,354	48,175,064	43,807,972
Urban design and planning	957,688	2,117,987	1,992,752	2,548,099
Community development ¹	2,590,182	4,446,844	3,817,693	4,468,594
Economic development services ¹	391,025	1,248,089	782,765	523,019
Parks operation	1,505,531	1,508,485	1,405,582	2,002,434
Environmental services	1,481,087	3,135,670	2,704,270	2,818,835
Economic, development, & housing services ¹	-	-	-	-
Community livability	-	-	-	-
Urban renewal	10,334,396	3,066,437	5,472,373	2,079,618
Interest on long-term debt	2,375,332	2,635,798	2,385,663	2,217,715
Total governmental activities expenses	<u>114,240,522</u>	<u>144,766,168</u>	<u>136,855,581</u>	<u>135,540,426</u>
Business-type activities:				
Water	9,907,852	13,321,861	12,486,828	13,856,477
Stormwater	5,818,448	7,802,970	8,225,600	8,835,420
Wastewater	14,914,216	17,609,484	17,255,130	19,079,128
Total business-type activities expenses	<u>30,640,516</u>	<u>38,734,315</u>	<u>37,967,558</u>	<u>41,771,025</u>
Total government expenses	<u>\$ 144,881,038</u>	<u>\$ 183,500,483</u>	<u>\$ 174,823,139</u>	<u>\$ 177,311,451</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 4,727,746	\$ 4,483,991	\$ 4,583,748	\$ 5,126,082
Public safety	9,496,947	10,175,747	10,507,044	11,302,429
Transportation	3,919,783	4,111,318	4,169,029	4,266,299
Urban design and planning	653,708	761,785	1,040,149	908,382
Community development ¹	4,628,102	3,051,610	3,883,470	4,654,328
Economic development services ¹	-	-	-	-
Parks operations	221,240	241,634	246,548	250,107
Environmental services	5,658,899	6,141,968	6,590,650	8,259,424
Economic, development, & housing services ¹	-	-	-	-
Community livability	-	-	-	-
Urban renewal	8,724,220	1,582,585	3,697,421	69,938
Operating grants and contributions	10,515,883	10,056,115	11,006,815	12,817,532
Capital grants and contributions	4,093,377	5,450,478	4,691,150	1,877,424
Total governmental activities program revenues	<u>52,639,905</u>	<u>46,057,231</u>	<u>50,416,024</u>	<u>49,531,945</u>
Business-type activities				
Charges for services:				
Water	11,419,158	13,298,124	13,208,556	14,173,310
Stormwater	6,933,480	8,958,410	8,001,761	8,286,851
Wastewater	14,459,367	16,488,480	18,010,136	18,473,667
Operating grants and contributions	-	124,918	-	-
Capital grants and contributions	391,284	2,574,730	2,430,750	6,189,170
Total business-type activities program revenues	<u>33,203,289</u>	<u>41,444,662</u>	<u>41,651,203</u>	<u>47,122,998</u>
Total government program revenues	<u>85,843,194</u>	<u>87,501,893</u>	<u>92,067,227</u>	<u>96,654,943</u>

¹ Community development and economic development services combined into Economic, development, & housing services department in FY23.

Information derived from current and past years' Annual Comprehensive Financial Reports.

	2019	2020	2021	2022	2023	2024
\$	41,942,083	\$ 42,553,953	\$ 43,059,687	\$ 41,563,762	\$ 47,943,207	\$ 51,341,980
	41,598,297	48,656,343	53,776,887	43,271,375	45,736,768	58,302,460
	33,337,155	15,291,969	17,942,322	18,519,518	18,305,919	19,746,238
	2,331,719	2,848,473	2,935,646	2,161,911	2,082,601	2,676,468
	4,145,004	4,965,073	16,911,682	5,507,407	-	-
	491,227	1,058,414	733,525	404,413	-	-
	1,833,193	1,737,992	1,812,865	2,211,198	2,914,128	3,747,031
	3,023,306	3,697,987	3,959,372	4,543,619	2,849,663	4,461,867
	-	-	-	-	3,262,264	8,331,225
	337,859	377,035	251,712	357,496	5,049,925	1,865,091
	8,448,044	1,843,211	10,973,647	5,292,529	2,986,170	4,538,223
	2,398,404	2,337,423	2,215,312	2,019,789	1,940,298	1,352,372
	<u>139,886,291</u>	<u>125,367,873</u>	<u>154,572,657</u>	<u>125,853,017</u>	<u>133,070,943</u>	<u>156,362,955</u>
	15,740,141	15,184,878	15,032,417	17,590,381	16,303,072	16,642,178
	10,428,543	10,164,466	10,131,077	10,761,512	11,149,204	12,706,723
	19,769,908	20,950,403	17,740,282	22,123,457	22,767,980	23,924,119
	<u>45,938,592</u>	<u>46,299,747</u>	<u>42,903,776</u>	<u>50,475,350</u>	<u>50,220,256</u>	<u>53,273,020</u>
\$	<u>185,824,883</u>	<u>\$ 171,667,620</u>	<u>\$ 197,476,433</u>	<u>\$ 176,328,367</u>	<u>\$ 183,291,199</u>	<u>\$ 209,635,975</u>
\$	5,921,164	\$ 7,232,725	\$ 6,013,553	\$ 3,220,836	\$ 6,445,096	\$ 7,355,318
	11,461,167	11,190,312	13,300,542	15,591,061	14,739,707	15,122,098
	4,324,129	192,132	435,679	192,615	255,134	476,463
	1,141,846	558,186	652,837	812,552	1,186,322	1,235,447
	7,631,613	5,423,429	3,720,232	5,512,671	-	-
	916,397	2,443,050	2,221,712	1,959,764	-	-
	226,783	233,254	324,917	67,731	65,752	101,171
	8,924,045	12,883,093	6,620,584	12,031,075	9,109,367	11,682,406
	-	-	-	-	5,876,247	9,364,057
	557,301	388,325	250,238	36,118	882,726	-
	90,205	62,216	5,155,613	3,740,391	67,911	159,696
	11,454,437	15,841,587	36,210,330	32,141,996	35,279,252	22,435,780
	5,682,032	5,291,148	2,824,610	7,080,074	9,711,355	8,690,983
	<u>58,331,119</u>	<u>61,739,457</u>	<u>77,730,847</u>	<u>82,386,884</u>	<u>83,618,869</u>	<u>76,623,419</u>
	14,795,502	15,200,656	16,370,699	16,405,388	20,191,106	29,120,668
	8,861,833	10,122,042	10,607,226	11,483,555	12,526,874	13,708,922
	19,061,257	19,875,064	20,284,110	21,342,415	30,638,464	24,369,624
	-	-	184,906	18,622	1,223	1,962
	8,060,045	2,243,294	3,886,303	1,170,828	13,073,196	9,005,124
	<u>50,778,637</u>	<u>47,441,056</u>	<u>51,333,244</u>	<u>50,420,808</u>	<u>76,430,863</u>	<u>76,206,300</u>
	<u>109,109,756</u>	<u>109,180,513</u>	<u>129,064,091</u>	<u>132,807,692</u>	<u>160,049,732</u>	<u>152,829,719</u>

Changes in Net Position continued

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Net (Expense) Revenue				
Governmental activities	(61,600,617)	(98,708,937)	(86,439,557)	(86,008,481)
Business-type activities	2,562,773	2,710,347	3,683,645	5,351,973
Total net expenses	<u>(59,037,844)</u>	<u>(95,998,590)</u>	<u>(82,755,912)</u>	<u>(80,656,508)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes, levied for general purposes	29,746,987	30,145,355	31,294,955	32,185,065
License fees	9,117,451	9,324,117	20,309,911	11,889,588
Business income taxes	5,406,445	6,874,811	6,423,412	7,226,463
Hotel and motel taxes	808,826	977,317	1,046,122	994,578
Other taxes	95,254	115,545	257,704	407,668
Grants and contributions	2,669,644	2,669,472	2,867,087	3,548,018
Interest and investment earnings	962,189	1,644,731	872,940	1,020,669
Gain on sale of capital assets	98,765	164,749	99,211	79,239
Transfers	<u>(3,711,628)</u>	<u>(808,300)</u>	<u>(757,907)</u>	<u>(1,777,219)</u>
Total governmental activities revenues	<u>45,193,933</u>	<u>51,107,797</u>	<u>62,413,435</u>	<u>55,574,069</u>
Business-type activities:				
Interest and investment earnings	1,053,440	1,627,619	798,741	877,567
Transfers	<u>3,711,628</u>	<u>808,300</u>	<u>757,907</u>	<u>1,777,219</u>
Total business-type activities revenue (expense)	<u>4,765,068</u>	<u>2,435,919</u>	<u>1,556,648</u>	<u>2,654,786</u>
Total government revenues	<u>\$ 49,959,001</u>	<u>\$ 53,543,716</u>	<u>\$ 63,970,083</u>	<u>\$ 58,228,855</u>
Change in Net Position				
Governmental activities	\$ (16,406,684)	\$ (47,601,140)	\$ (24,026,122)	\$ (30,434,412)
Cumulative effect of change in accounting principle	(29,047,074)	-	-	512,725
Business-type activities	7,327,841	5,146,266	5,240,293	8,006,759
Cumulative effect of change in accounting principle	<u>(2,689,024)</u>	<u>-</u>	<u>-</u>	<u>(782,305)</u>
Total government	<u>\$ (40,814,941)</u>	<u>\$ (42,454,874)</u>	<u>\$ (18,785,829)</u>	<u>\$ (22,697,233)</u>

Information derived from current and past years' Annual Comprehensive Financial Reports.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
(81,555,172)	(63,628,416)	(76,841,810)	(43,466,133)	(49,452,074)	(79,739,536)
4,840,045	1,141,309	8,429,468	(54,542)	26,210,607	22,933,280
<u>(76,715,127)</u>	<u>(62,487,107)</u>	<u>(68,412,342)</u>	<u>(43,520,675)</u>	<u>(23,241,467)</u>	<u>(56,806,256)</u>
34,381,162	35,803,461	37,194,154	39,285,513	41,280,847	43,837,365
12,563,826	13,403,183	17,749,623	20,939,072	23,326,249	24,550,971
8,289,994	6,897,295	9,321,460	10,926,627	10,743,852	9,412,941
968,036	854,107	870,432	1,226,711	1,310,302	1,271,371
421,070	531,554	747,807	684,379	707,157	726,438
3,500,367	3,809,427	4,103,442	3,777,610	4,178,008	3,656,667
4,543,258	6,118,456	568,318	-	3,851,810	10,482,022
107,646	57,089	78,658	220,107	19,197	245,159
(1,440,008)	136,780	1,339,876	(7,440,374)	(592,593)	38,626
<u>63,335,351</u>	<u>67,611,352</u>	<u>71,973,770</u>	<u>69,619,645</u>	<u>84,824,829</u>	<u>94,221,560</u>
3,651,568	4,457,791	477,553	-	2,576,348	7,474,176
1,440,008	(136,780)	(1,339,876)	7,440,374	592,593	(38,626)
5,091,576	4,321,011	(862,323)	7,440,374	3,168,941	7,435,550
<u>\$ 68,426,927</u>	<u>\$ 71,932,363</u>	<u>\$ 71,111,447</u>	<u>\$ 77,060,019</u>	<u>\$ 87,993,770</u>	<u>\$ 101,657,110</u>
\$ (18,219,821)	\$ 3,982,936	\$ (4,868,040)	\$ 26,153,512	\$ 35,372,755	\$ 14,482,024
-	-	-	-	-	-
9,931,621	5,462,320	7,567,145	7,385,832	29,379,548	30,368,830
-	-	-	-	-	-
<u>\$ (8,288,200)</u>	<u>\$ 9,445,256</u>	<u>\$ 2,699,105</u>	<u>\$ 33,539,344</u>	<u>\$ 64,752,303</u>	<u>\$ 44,850,854</u>

City of Gresham, Oregon

Fund Balances of Governmental Funds^{1,2}

for the last ten fiscal years

(modified accrual basis of accounting)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund				
Unassigned	\$ 16,242,524	\$ 17,407,220	\$ 26,563,568	\$ 26,554,424
Total General Fund	<u>16,242,524</u>	<u>17,407,220</u>	<u>26,563,568</u>	<u>26,554,424</u>
Designated Purpose Fund				
Restricted	-	-	-	-
Assigned	-	-	-	-
Total Designated Purpose Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation Fund				
Restricted	<u>14,531,483</u>	<u>15,787,346</u>	<u>17,564,409</u>	<u>19,449,673</u>
Total Transportation Fund	<u>14,531,483</u>	<u>15,787,346</u>	<u>17,564,409</u>	<u>19,449,673</u>
System Development Charge Fund				
Restricted	<u>7,978,841</u>	<u>10,781,925</u>	<u>13,035,598</u>	<u>15,594,217</u>
Total System Development Charges Fund	<u>7,978,841</u>	<u>10,781,925</u>	<u>13,035,598</u>	<u>15,594,217</u>
CDBG and Home Fund ³				
Restricted	-	-	-	-
Assigned	-	-	-	743,929
Total CDBG and HOME Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>743,929</u>
City Backed Urban Renewal Fund				
Nonspendable	-	-	-	-
Restricted	904	-	-	-
Assigned	<u>17,930,173</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total City Backed Urban Renewal Fund	<u>17,931,077</u>	<u>-</u>	<u>-</u>	<u>-</u>
General Government Debt Service Fund				
Assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government Debt Service Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Rockwood UR Debt Service Fund				
Restricted	-	-	978,730	3,509,320
Unassigned	<u>(9,327,503)</u>	<u>(7,057,486)</u>	<u>-</u>	<u>-</u>
Total Rockwood UR Debt Service Fund	<u>(9,327,503)</u>	<u>(7,057,486)</u>	<u>978,730</u>	<u>3,509,320</u>
Nonmajor Governmental Funds				
Restricted	14,672,998	13,508,228	9,466,281	11,324,298
Committed	742,438	713,856	777,980	820,577
Assigned	10,183,132	26,384,613	19,622,437	17,591,543
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Nonmajor Governmental Funds	<u>25,598,568</u>	<u>40,606,697</u>	<u>29,866,698</u>	<u>29,736,418</u>
Total all funds	<u>\$ 72,954,990</u>	<u>\$ 77,525,702</u>	<u>\$ 88,009,003</u>	<u>\$ 95,587,981</u>

¹ Includes all governmental type funds

² Individual funds included when major for the fiscal year. If not major, it is included in Nonmajor Governmental Funds.

³ The Dedicated Revenue Fund changed its name to the CDBG and HOME fund in FY 2020.

2019	2020	2021	2022	2023	2024
\$ 22,857,805	\$ 19,421,845	\$ 27,750,396	\$ 36,841,001	\$ 40,765,172	\$ 44,033,920
22,857,805	19,421,845	27,750,396	36,841,001	40,765,172	44,033,920
-	-	6,307,118	6,029,126	7,787,986	8,678,414
-	-	332,098	743,782	2,002,160	4,652,473
-	-	6,639,216	6,772,908	9,790,146	13,330,887
23,446,993	27,829,159	31,234,162	35,016,191	34,289,220	25,415,765
23,446,993	27,829,159	31,234,162	35,016,191	34,289,220	25,415,765
18,989,060	27,551,044	24,172,834	18,299,709	20,252,373	34,981,776
18,989,060	27,551,044	24,172,834	18,299,709	20,252,373	34,981,776
-	145,626	145,626	-	-	-
766,165	103,064	119,685	-	-	-
766,165	248,690	265,311	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	245,863	-	-
-	-	-	245,863	-	-
4,949,130	8,989,523	11,706,603	9,654,706	224,055	1,208,688
-	-	-	-	-	-
4,949,130	8,989,523	11,706,603	9,654,706	224,055	1,208,688
14,707,627	20,114,763	13,844,117	17,721,479	21,048,417	25,297,367
914,316	974,026	1,121,617	953,324	973,187	926,779
16,040,433	16,406,440	15,959,482	19,934,883	15,684,535	13,246,085
-	-	-	-	-	-
31,662,376	37,495,229	30,925,216	38,609,686	37,706,139	39,470,231
\$ 102,671,529	\$ 121,535,490	\$ 132,693,738	\$ 145,440,064	\$ 143,027,105	\$ 158,441,267

City of Gresham, Oregon
Changes in Fund Balances of Governmental Funds
for the last ten fiscal years
(modified accrual basis of accounting)

	2015	2016	2017	2018
Revenues				
Taxes	\$ 35,268,843	\$ 37,876,770	\$ 38,789,436	\$ 41,052,961
Licenses and permits	2,601,458	2,868,139	2,762,215	3,351,012
Intergovernmental	36,284,744	27,703,501	30,313,399	30,224,230
Charges for services	11,551,188	12,849,976	13,409,046	15,688,696
License fees	9,117,450	9,324,117	20,309,912	11,889,588
Miscellaneous	1,483,901	2,189,992	1,995,894	2,831,874
Contributions and donations	-	100	5,000	-
Internal service charges	3,735,489	3,526,244	3,395,097	4,448,399
Total revenues	<u>100,043,073</u>	<u>96,338,839</u>	<u>110,979,999</u>	<u>109,486,760</u>
Expenditures				
Current:				
General government	36,327	121,549	390,185	488,079
Public safety	46,063,033	49,528,990	53,367,814	57,625,177
Urban renewal	9,658,420	2,467,469	4,854,590	2,944,694
Urban design and planning	2,132,148	2,425,750	3,065,661	3,724,108
Community development ¹	5,028,741	5,369,228	5,827,958	6,556,409
Economic development services ¹	690,642	1,379,573	1,248,395	751,702
Economic, development, & housing services ¹	-	-	-	-
Community livability	-	-	-	-
Parks	2,362,206	2,419,159	2,477,379	2,677,575
Environmental services	2,565,785	2,612,337	3,072,076	3,438,271
Transportation	7,607,574	7,501,485	7,447,012	7,980,413
Debt service:				
Interest	4,551,954	6,185,825	5,882,948	5,728,221
Principal	11,158,057	3,692,811	5,521,001	3,703,036
Capital outlay	9,704,079	7,219,611	7,645,272	8,495,480
Total expenditures	<u>101,558,966</u>	<u>90,923,787</u>	<u>100,800,291</u>	<u>104,113,165</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,515,893)</u>	<u>5,415,052</u>	<u>10,179,708</u>	<u>5,373,595</u>
Other financing sources (uses)				
Debt/refunding proceeds	16,728,777	-	605,000	5,644,000
Asset sale proceeds	-	325,000	650,000	-
Lease proceeds	-	-	-	-
Transfers in	28,138,566	17,626,838	20,787,604	14,008,862
Transfers out	(31,739,005)	(18,796,178)	(21,739,011)	(17,447,479)
Total other financing sources (uses)	<u>13,128,338</u>	<u>(844,340)</u>	<u>303,593</u>	<u>2,205,383</u>
Net change in fund balances	<u>\$ 11,612,445</u>	<u>\$ 4,570,712</u>	<u>\$ 10,483,301</u>	<u>\$ 7,578,978</u>
Governmental capital expenditures	9,764,061	8,188,166	9,136,825	10,221,292
Debt service as a percentage of noncapital expenditures	17.1%	11.9%	12.4%	10.0%

¹ Community development and economic development combined into Economic, development, & housing services department in FY23.

Information derived from current and past years' Annual Comprehensive Financial Reports

2019	2020	2021	2022	2023	2024
\$ 44,778,408	\$ 44,090,377	\$ 48,167,243	\$ 52,121,431	\$ 53,950,910	\$ 55,078,092
4,088,553	3,651,927	2,851,887	3,561,925	3,880,102	5,182,005
38,079,121	32,333,003	57,135,314	42,906,414	42,520,437	44,442,440
17,009,318	20,227,608	14,706,479	23,943,756	21,666,786	24,082,050
12,563,828	13,403,184	17,749,623	20,780,669	23,326,249	24,550,971
4,911,661	6,919,896	3,266,034	1,994,065	5,071,928	11,434,094
-	-	-	-	-	-
4,699,604	4,779,051	5,339,926	5,066,395	5,882,296	6,097,362
<u>126,130,493</u>	<u>125,405,046</u>	<u>149,216,506</u>	<u>150,374,655</u>	<u>156,298,708</u>	<u>170,867,014</u>
64,317	65,806	59,111	4,610,938	2,301,900	3,476,755
62,787,415	61,880,198	62,438,704	68,163,272	75,016,815	79,553,413
9,591,430	2,157,176	7,164,967	5,934,874	2,497,350	5,829,151
3,455,288	3,664,944	3,372,359	3,386,330	3,347,707	3,698,928
6,502,729	6,390,223	23,009,768	8,011,975	-	-
755,124	1,567,741	870,238	655,578	-	-
579,201	613,316	393,144	524,163	5,063,651	11,605,554
3,118,728	2,805,319	2,648,792	3,333,383	7,887,429	2,843,908
3,636,960	3,625,208	3,637,941	4,460,414	4,580,833	5,777,669
8,829,454	8,845,732	9,131,947	9,674,901	4,923,494	5,321,594
7,650,372	2,719,699	2,453,946	2,287,416	10,765,604	11,566,532
11,049,666	7,211,689	8,188,975	37,839,973	2,186,677	1,382,844
16,655,496	13,899,717	19,763,660	26,399,657	27,069,294	14,896,796
<u>134,676,180</u>	<u>115,446,768</u>	<u>143,133,552</u>	<u>175,282,874</u>	<u>161,639,240</u>	<u>162,257,811</u>
<u>(8,545,687)</u>	<u>9,958,278</u>	<u>6,082,954</u>	<u>(24,908,219)</u>	<u>(5,340,532)</u>	<u>8,609,203</u>
17,632,800	11,428,400	7,206,600	38,300,200	3,000,000	7,389,900
-	-	-	225,567	286,157	260,598
-	-	-	254,025	57,537	-
16,441,028	15,421,064	21,630,911	30,035,016	24,333,058	22,093,313
<u>(18,444,593)</u>	<u>(17,943,786)</u>	<u>(23,762,217)</u>	<u>(31,160,263)</u>	<u>(24,749,179)</u>	<u>(22,938,852)</u>
<u>15,629,235</u>	<u>8,905,678</u>	<u>5,075,294</u>	<u>37,654,545</u>	<u>2,927,573</u>	<u>6,804,959</u>
<u>\$ 7,083,548</u>	<u>\$ 18,863,956</u>	<u>\$ 11,158,248</u>	<u>\$ 12,746,326</u>	<u>\$ (2,412,959)</u>	<u>\$ 15,414,162</u>
14,592,866	14,922,982	15,058,972	18,999,281	21,450,056	23,632,769
15.6%	9.9%	8.3%	25.7%	20.9%	11.7%

City of Gresham, Oregon
Tax Revenues by Source, Governmental Funds
for the last ten fiscal years
(modified accrual basis of accounting)

Fiscal Year	Property Taxes	Hotel and Motel Taxes	Business Income Tax	Other Taxes	Total Taxes
2015	29,051,146	808,826	5,406,445	2,509	35,268,926
2016	30,019,240	977,317	6,874,811	5,402	37,876,770
2017	31,185,226	1,046,122	6,423,412	134,676	38,789,436
2018	32,503,307	994,578	7,226,463	328,613	41,052,961
2019	35,093,756	968,036	8,289,994	426,622	44,778,408
2020	35,807,421	854,107	6,897,295	531,554	44,090,377
2021	37,227,545	870,432	9,321,460	747,806	48,167,243
2022	39,351,279	1,226,711	10,926,627	616,814	52,121,431
2023	41,122,033	1,310,302	10,743,852	774,723	53,950,910
2024	43,667,342	1,271,371	9,412,941	726,438	55,078,092

Information derived from current and past years' Annual Comprehensive Financial Reports.

City of Gresham, Oregon

**Assessed Value and Estimated Real Market Value of Taxable Property
for the last ten fiscal years**

Fiscal Year	Real Property	Personal Property	Public Utility Property	Total Assessed Value	Total Direct Tax Rate	Estimated Real Market Value (RMV)	Assessed Value as a Percentage of RMV
2015	6,970,891,870	281,369,921	233,868,800	7,486,130,591	3.61	10,841,379,559	69.05%
2016	7,210,632,020	289,381,277	231,165,800	7,731,179,097	3.61	11,719,951,231	65.97%
2017	7,394,949,020	295,395,622	238,820,800	7,929,165,442	3.61	12,964,718,943	61.16%
2018	7,708,546,630	336,896,480	248,523,166	8,293,966,276	3.61	14,684,246,877	56.48%
2019	8,097,671,350	325,059,520	179,819,800	8,602,550,670	3.61	16,268,459,937	52.88%
2020	8,413,807,310	330,488,190	190,495,200	8,934,790,700	3.61	16,836,411,973	53.07%
2021	8,800,226,690	343,631,610	219,645,500	9,363,503,800	3.61	17,831,383,551	52.51%
2022	9,168,182,480	381,631,520	215,356,900	9,765,170,900	3.61	19,225,159,363	50.79%
2023	9,640,211,850	418,379,550	229,505,500	10,288,096,900	3.61	21,130,695,861	48.69%
2024	10,048,788,460	441,880,630	257,949,770	10,748,618,860	3.61	22,336,919,213	48.12%

Source: Multnomah County Assessor's Office

City of Gresham, Oregon
Property Tax Rates - Direct and Overlapping Governments
for the last ten fiscal years
(rate per \$1,000 of assessed value)

Fiscal year	City Direct Rates			Overlapping Rates		
	Permanent Rate	General Obligation Debt Service	Total Direct Rate	Mt. Hood Community College	Multnomah County	Multnomah County Library
2015	3.61	-	3.61	0.49	4.49	1.18
2016	3.61	-	3.61	0.49	4.49	1.18
2017	3.61	-	3.61	0.49	4.39	1.18
2018	3.61	-	3.61	0.49	4.39	1.18
2019	3.61	-	3.61	0.49	4.39	1.20
2020	3.61	-	3.61	0.49	4.39	1.21
2021	3.61	-	3.61	0.49	4.39	1.22
2022	3.61	-	3.61	0.49	4.99	1.22
2023	3.61	-	3.61	0.49	4.98	1.22
2024	3.61	-	3.61	0.49	4.97	1.22

Source: Multnomah County Assessors Office.

¹ Portions of Centennial School District No. 28 and Reynolds School District No. 7 also reside in the City of Gresham but are not included. Their tax rates are similar to School District No. 10.

Multnomah County ESD	School District No. 10¹	Port of Portland	Tri-Met & Metro Service District	E Mult. Soil & Water Conserv.	Total Direct & Overlapping Rate
0.46	5.56	0.07	0.46	0.10	16.42
0.46	5.55	0.07	0.39	0.10	16.34
0.46	5.51	0.07	0.40	0.10	16.21
0.46	7.14	0.07	0.41	0.10	17.85
0.46	7.27	0.07	0.47	0.10	18.07
0.46	7.40	0.07	0.66	0.10	18.40
0.46	7.41	0.07	0.59	0.10	18.34
0.46	7.42	0.07	0.57	0.10	18.93
0.46	7.35	0.07	0.57	0.10	18.85
0.46	7.33	0.07	0.57	0.10	18.83

City of Gresham, Oregon
Principal Property Taxpayers
Current year and nine years ago

Company Name	2024			2015		
	Assessed Value	Rank	Percent of Total Value	Assessed Value	Rank	Percent of Total Value
Boeing Company	\$ 524,562,530	1	48.26%	262,518,810	1	38.58%
Microchip Technology Inc	153,976,190	2	14.17%	138,423,340	2	20.34%
Semiconductor Components Industries	107,188,510	3	9.86%	33,083,650	6	4.86%
RREEF CPIF 17505 NE San Rafael LLC	60,669,990	4	5.58%	-	-	-
US National Bank of Oregon	51,826,950	5	4.77%	39,789,060	5	5.85%
HIP Gresham Station LLC	44,122,880	6	4.06%	-	-	-
NVIDIA Corporation	39,873,870	7	3.67%	-	-	-
Blue Lake Corporate Park LLC	35,666,460	8	3.28%	-	-	-
AMFP VI Lumina LLC	34,644,270	9	3.19%	-	-	-
IP Eat One LLC	34,481,920	10	3.17%	-	-	-
GE Capital	-	-	-	52,437,500	3	7.71%
ABS OR-O DC LLC	-	-	-	45,989,670	4	6.76%
Westlake Gresham Center LLC	-	-	-	28,643,140	7	4.21%
Cascade Corporation	-	-	-	27,034,300	8	3.97%
F&F/WC Holly Ridge	-	-	-	26,552,010	9	3.90%
Owens Corning Foam	-	-	-	26,014,560	10	3.82%
Total	\$ 1,087,013,570		100.01%	\$ 680,486,040		100.00%
Total Gresham Assessed Value	\$ 10,748,618,860			\$ 7,486,130,591		

Largest Public Utilities
Current year and nine years ago

Company Name	2024			2015		
	Assessed Value	Rank	Percent of Total Value	Assessed Value	Rank	Percent of Total Value
Portland General Electric Co	\$ 124,728,700	1	1.16%	\$ 64,539,870	2	0.86%
Northwest Fiber LLC	36,178,580	2	0.34%	-	-	-
Comcast Corporation	32,576,930	3	0.30%	92,922,000	1	1.24%
Frontier Communications	-	-	0.00%	35,791,000	3	0.48%

Sources: Multnomah County Assessors Office

City of Gresham, Oregon
Property Tax Levies and Collections
for the last ten fiscal years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected & Adjusted Within the Fiscal Year of the Levy		Collections & Adjustments in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 29,945,588	\$ 29,240,886	97.65%	\$ 703,331	\$ 29,944,217	100.00%
2016	30,966,452	30,290,117	97.82%	674,344	30,964,461	99.99%
2017	32,204,477	31,584,209	98.07%	617,500	32,201,709	99.99%
2018	33,755,330	33,243,271	98.48%	508,106	33,751,377	99.99%
2019	35,290,714	34,759,802	98.50%	525,009	35,284,811	99.98%
2020	37,042,008	36,479,108	98.48%	545,206	37,024,314	99.95%
2021	38,378,306	37,863,884	98.66%	451,615	38,315,499	99.84%
2022	40,406,367	39,942,221	98.85%	335,542	40,277,763	99.68%
2023	42,586,573	41,993,886	98.61%	322,580	42,316,466	99.37%
2024	45,443,674	44,726,275	98.42%	-	44,726,275	98.42%

Source: Current and prior years' Annual Comprehensive Financial Reports and Multnomah County Assessor's Office.

City of Gresham, Oregon
Ratios of Outstanding Debt by Type
for the last ten fiscal years

Governmental Activities						
Fiscal Year	General Obligation Bonds	Full Faith & Credit Bonds	Other Notes	Leases & SBITA	Pension Bonds	Lines of Credit
2015	-	32,809,589	13,207,854	-	17,452,898	-
2016	-	30,170,533	11,781,240	-	16,873,066	-
2017	-	24,270,219	10,296,027	-	16,195,000	605,000
2018	-	21,069,491	10,691,622	-	15,398,402	5,249,000
2019	-	18,107,576	16,029,262	-	14,483,570	8,256,800
2020	-	15,091,222	15,333,839	-	13,435,000	18,185,200
2021	-	12,025,886	16,199,570	-	12,240,000	21,611,800
2022	-	39,882,996	9,710,739	286,373	10,885,000	-
2023	-	31,095,539	350,739	1,544,166	9,360,000	-
2024	-	25,202,902	-	1,166,845	7,650,000	-

Business-type Activities							
Fiscal Year	Water Revenue Bonds	Water Bonds & Notes**	Stormwater Rev Bonds, Notes & LOC**	Wastewater Bonds & Notes**	Total (Governmental & Business)	Percentage of Personal Income	Per Capita
2015	-	7,682,126	2,989,012	17,208,774	91,350,253	0.08%	853
2016	-	7,393,176	4,053,920	15,224,435	85,496,370	0.07%	791
2017	-	7,560,568	7,001,608	12,909,061	78,837,483	0.06%	718
2018	-	8,945,547	6,374,954	11,363,309	79,092,325	0.06%	716
2019	-	10,608,978	5,628,082	9,213,285	82,327,554	0.06%	736
2020	-	12,944,720	4,856,210	6,997,667	86,843,858	0.06%	771
2021	-	17,461,909	4,071,878	4,826,971	88,438,014	0.05%	773
2022	43,662,434	3,960,000	3,825,098	4,101,462	116,314,102	0.07%	1,013
2023	43,564,948	3,725,000	3,578,318	3,703,103	96,921,813	0.05%	841
2024	43,467,463	3,463,878	3,314,166	3,271,702	87,536,956	*	760

*Personal Income information for 2024 is unavailable at this time.

** Includes SBITA liabilities.

Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Information derived from current and past years' Annual Comprehensive Financial Reports.

City of Gresham, Oregon
Ratios of General Bonded Debt Outstanding
for the last ten fiscal years

Fiscal Year	Population	Assessed Value	Gross General Obligation Bonded Debt	Less Debt Service Fund	Net Bonded Debt	Coverage %	Net Bonded Debt Per Capita
2015	107,065	7,486,130,591	-	-	-	-	-
2016	108,150	7,731,179,097	-	-	-	-	-
2017	109,820	7,929,165,442	-	-	-	-	-
2018	110,505	8,293,966,276	-	-	-	-	-
2019	111,810	8,602,550,670	-	-	-	-	-
2020	112,660	8,934,790,700	-	-	-	-	-
2021	114,361	9,363,503,800	-	-	-	-	-
2022	114,833	9,765,170,900	-	-	-	-	-
2023	115,212	10,288,096,900	-	-	-	-	-
2024	115,233 *	10,748,618,860	-	-	-	-	-

Information derived from current and past years' Annual Comprehensive Financial Reports.
 *Source: Population Research Center, Portland State University

City of Gresham, Oregon

Direct and Overlapping Governmental Activities Debt

as of June 30, 2024

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Lusted Water District	\$ 385,000	0.79%	\$ 3,036
Metro	765,485,443	4.47%	34,188,876
Mt. Hood Community College	69,765,000	30.19%	21,065,402
Multnomah County	509,757,429	9.26%	47,223,928
Multnomah County School District 10J (Gresham-Barlow)	276,270,271	77.11%	213,038,912
Multnomah County School District 28J (Centennial)	62,246,644	37.19%	23,146,912
Multnomah County School District 7 (Reynolds)	146,835,941	36.81%	54,052,219
Multnomah ESD	59,432,417	9.13%	5,428,438
Other debt			
Metro	8,705,000	4.47%	388,792
Mt. Hood Community College	26,465,000	30.19%	7,991,054
Multnomah County School District 7 (Reynolds)	285,715	36.81%	105,175
Multnomah ESD	16,245,000	9.13%	1,483,786
Port of Portland	32,210,000	4.06%	1,308,370
Subtotal, overlapping debt	<u>\$ 1,974,088,860</u>		<u>\$ 409,424,900</u>
City direct debt			<u>\$ 32,852,902</u>
Total direct and overlapping debt			<u>\$ 442,277,802</u>

Source: Oregon State Treasury, Debt Management Division

Note:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. The State of Oregon provides overlapping debt data based on real market valuation of properties for each jurisdiction.

CITY OF
GRESHAM
GOING BEYOND

City of Gresham, Oregon
Legal Debt Margin Information
for the last ten fiscal years

	Fiscal Year			
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Debt limit	\$ 325,241,387	\$ 351,598,537	\$ 388,941,568	\$ 440,527,406
Total net debt applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 325,241,387</u>	<u>\$ 351,598,537</u>	<u>\$ 388,941,568</u>	<u>\$ 440,527,406</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Note: Oregon Revised Statutes Section 287A.050 provides a debt limit of 3% of real market value of all taxable property within City boundaries for general obligation debt.

Source: Current and prior years' Annual Comprehensive Financial Reports and Multnomah County Assessor's Office.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 488,053,798	\$ 505,092,359	\$ 534,941,507	\$ 576,754,781	\$ 633,920,876	\$ 670,107,576
-	-	-	-	-	-
<u>\$ 488,053,798</u>	<u>\$ 505,092,359</u>	<u>\$ 534,941,507</u>	<u>\$ 576,754,781</u>	<u>\$ 633,920,876</u>	<u>\$ 670,107,576</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

City of Gresham, Oregon
Pledged Revenue Coverage
for the last ten fiscal years

Water Revenue Bonds

Fiscal Year	Gross Revenues	Less Operating Expenses	Net Available Revenue	Debt Service Requirements		Coverage %
				Principal	Interest	
2015 ⁽¹⁾	12,658,156	8,874,201	3,783,955	951,555	197,847	3.29
2016	13,653,330	9,011,762	4,641,568	269,061	253,610	8.88
2017	13,597,345	9,593,994	4,003,351	284,519	260,652	7.34
2018	14,669,775	10,442,299	4,227,476	296,326	274,762	7.40
2019	15,420,595	10,554,563	4,866,032	303,464	310,656	7.92
2020	15,800,698	11,468,252	4,332,446	315,468	367,438	6.34
2021	17,030,666	11,694,721	5,335,945	328,820	365,825	7.68
2022 ⁽²⁾	17,522,154	11,945,068	5,577,086	425,615	821,065	4.47
2023	19,655,074	12,873,295	6,781,779	235,000	1,047,112	5.29
2024	21,594,507	14,298,205	7,296,302	243,750	1,047,112	5.65

Stormwater Revenue Bonds

Fiscal Year	Gross Revenues	Less Operating Expenses	Net Available Revenue	Debt Service Requirements		Coverage %
				Principal	Interest	
2015	7,466,394	5,081,162	2,385,232	395,000	138,052	4.47
2016	7,811,665	5,571,777	2,239,888	420,000	148,080	3.94
2017	8,204,059	5,702,425	2,501,634	440,000	113,700	4.52
2018	8,521,607	6,292,334	2,229,273	664,390	93,222	2.94
2019	9,232,732	6,623,837	2,608,895	731,780	68,450	3.26
2020	10,533,140	7,327,676	3,205,464	756,780	44,200	4.00
2021	10,877,321	7,501,112	3,376,209	776,780	22,525	4.22
2022	11,667,253	7,893,679	3,773,574	246,780	-	15.29
2023	12,840,793	8,895,520	3,945,273	246,780	-	15.99
2024	14,126,731	10,012,170	4,114,561	246,780	-	16.67

Wastewater Revenue Bonds & Notes

Fiscal Year	Gross Revenues	Less Operating Expenses	Net Available Revenue	Debt Service Requirements		Coverage %
				Principal	Interest	
2015 ⁽¹⁾	17,983,466	11,782,087	6,201,379	2,081,113	643,396	2.28
2016	17,850,267	11,790,666	6,059,601	2,062,656	592,153	2.28
2017	18,515,111	12,361,414	6,153,697	2,103,200	542,291	2.33
2018	19,103,845	12,710,443	6,393,402	2,164,762	474,630	2.42
2019	19,821,720	12,652,612	7,169,108	2,228,341	403,357	2.72
2020	20,611,342	13,252,111	7,359,231	2,293,936	329,134	2.81
2021	20,969,925	13,725,296	7,244,629	2,360,550	239,994	2.79
2022	21,689,726	14,109,643	7,580,083	341,682	181,953	14.48
2023	23,148,477	15,590,070	7,558,407	357,333	152,244	14.83
2024	25,171,579	16,706,497	8,465,082	373,002	135,494	16.65

Gross revenues are composed of Charges for Services, Interest and Investment earnings, and other revenues available for debt service payments. Internal Service Charges and Transfers are normally excluded.

⁽¹⁾ Water and Wastewater funds refunded previously issued debt in late 2015. The principal and interest requirements were maintained at the pre-refunding amounts so as not to distort the coverage calculations for FY 2015.

⁽²⁾ Water funds refunded previously issued Line of Credit and 2009 water meter loan in FY 2022.

City of Gresham, Oregon
Demographic and Economic Statistics
for the last ten fiscal years

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate ⁽¹⁾
2015	107,065	115,690,881	48,422	5.4%
2016	108,150	122,433,633	50,489	5.2%
2017	109,820	131,861,400	53,751	3.9%
2018	110,505	141,269,900	56,991	3.8%
2019	111,810	149,346,827	59,921	3.9%
2020	112,660	157,150,249	62,603	11.8%
2021	114,361	171,728,750	68,374	5.0%
2022	114,833	174,245,501	69,435	3.5%
2023	115,212	188,084,378	74,992	3.3%
2024	115,233	*	*	3.9%

Sources:

2023 Annual Comprehensive Financial Report

Population Research Center, Portland State University

Personal income: Bureau of Economic Analysis. Information for the Portland - Vancouver - Hillsboro Oregon/Washington area.

Per capita income: Bureau of Economic Analysis. Information for the Portland - Vancouver - Hillsboro Oregon/Washington area.

Unemployment rate: U.S. Department of Labor, Bureau of Labor Statistics, not seasonally adjusted.

⁽¹⁾ As of June 30.

* Information unavailable at this time

City of Gresham, Oregon
Principal Employers
current year and nine years ago

Employer	2024			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Boeing of Portland	1,299	1	2.43%	1,810	1	3.61%
Gresham Barlow School District	1,121	2	2.09%	957	4	1.91%
Mt. Hood Community College	1,018	3	1.90%	1,004	3	2.00%
US Bank of Oregon Columbia Center	733	4	1.37%	1,636	2	3.26%
Centennial School District	706	5	1.32%	633	7	1.26%
Microchip Technology Inc.	704	6	1.31%	558	9	1.11%
City of Gresham	681	7	1.27%	533	10	1.06%
On Semiconductor	600	8	1.31%	666	6	1.33%
Albertson's Distribution Center	497	9	0.93%	-	-	0.00%
Division of Brooks Automation, Inc.	341	10	0.64%	-	-	0.00%
Xerox Commercial Solutions	-	-	-	680	5	1.36%
Mt. Hood Medical Center	-	-	-	601	8	1.20%
Total	<u>7,700</u>		<u>14.57%</u>	<u>9,078</u>		<u>18.10%</u>
Total of employees in Gresham	53,555			50,143		

Sources:

- 2015 Annual Comprehensive Financial Report
- City of Gresham Business Licensing Division
- City of Gresham Budget Division
- Adopted budgets for Mt. Hood Community College, Centennial School District and Gresham-Barlow School District
- U.S. Department of Labor, Bureau of Labor Statistics

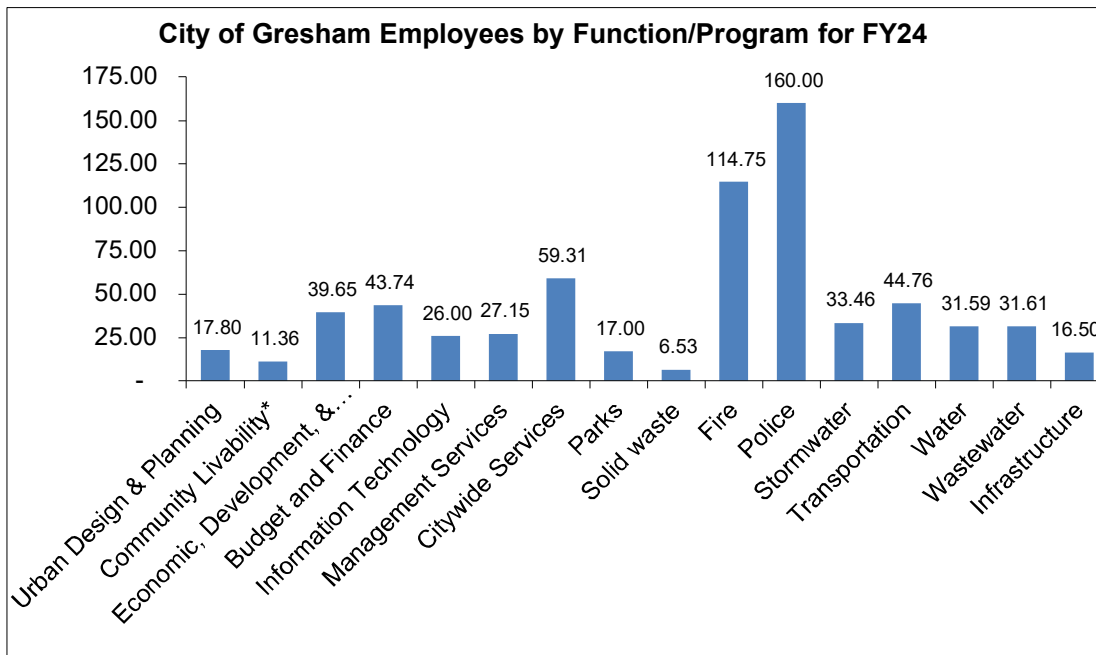
CITY OF
GRESHAM
GOING BEYOND

City of Gresham, Oregon
Full-time Equivalent City Government Employees by Function
for the last ten fiscal years

Function/Program	Full-time equivalent employees				
	2015	2016	2017	2018	2019
General government					
Urban Design & Planning	12.50	13.00	15.80	17.80	17.80
Community Development	25.00	25.00	29.00	35.00	32.00
Economic Development	3.75	3.75	4.00	3.00	3.00
Community Livability*	-	-	-	-	8.00
Economic, Development, & Housing**	-	-	-	-	-
Budget and Finance	24.40	24.40	24.40	25.40	25.50
Information Technology	18.00	19.00	19.00	21.00	22.00
Management Services	30.80	30.80	30.80	32.80	31.70
Citywide Services	23.50	23.50	24.00	23.00	20.00
Parks	8.30	8.30	8.30	8.30	11.30
Solid waste	4.41	4.46	4.46	4.96	5.96
Public safety					
Fire	95.50	96.75	96.75	103.75	111.75
Police	152.00	157.00	159.00	165.00	166.00
Stormwater	25.40	24.77	24.77	25.10	25.10
Transportation	39.20	38.76	35.96	36.96	36.96
Water	28.53	27.93	27.93	27.75	27.75
Wastewater	29.76	28.43	28.43	28.28	28.28
Infrastructure	11.50	11.50	14.50	14.50	15.50
Total	532.55	537.35	547.10	572.60	588.60

* New department in 2018/2019

** New department in 2022/2023 - made up of Community development and Economic development.



Source: City of Gresham Budget Division

2020	2021	2022	2023	2024
17.80	17.80	16.80	17.80	17.80
35.00	35.00	37.75	-	-
3.00	3.00	3.00	-	-
8.00	8.00	13.48	-	11.36
-	-	-	53.13	39.65
25.50	25.50	38.00	42.25	43.74
25.00	14.00	20.00	25.00	26.00
30.70	30.00	23.25	26.15	27.15
21.00	28.00	37.25	52.75	59.31
11.30	10.00	12.32	16.06	17.00
5.96	5.96	5.93	6.38	6.53
111.75	114.75	118.75	118.75	114.75
166.00	160.00	156.00	160.00	160.00
27.10	26.10	27.28	30.77	33.46
37.96	37.96	46.15	46.51	44.76
27.75	27.75	27.92	29.42	31.59
27.78	28.78	29.75	31.26	31.61
16.00	16.00	17.50	17.50	16.50
597.60	588.60	631.13	673.73	681.21

City of Gresham, Oregon
Operating Indicators by Function
For the last ten years

Function/Program	Fiscal Year			
	2015	2016	2017	2018
Governmental activities:				
Community development				
Residential building permits applications issued	767	713	709	797
Valuation	\$ 66,156,164	\$ 53,612,230	\$ 41,814,606	\$ 81,402,290
Commercial building permits application issued	690	850	745	418
Valuation	\$ 92,421,494	\$243,011,292	\$ 95,422,482	\$ 10,277,185
Building inspections conducted	10,866	13,577	13,320	14,158
Police				
Part I crimes	4,144	3,743	4,036	4,274
Part II crimes	4,131	3,786	3,548	2,816
Calls for service	73,951	74,875	73,012	74,147
Fire				
Emergency responses	14,601	16,000	16,869	16,357
Fire inspections	2,166	2,100	1,811	1,750
Business-type activities				
Water				
Accounts	16,656	16,734	16,844	16,986
Average daily consumption (millions of gallons)	7	7	6	7
Stormwater				
Accounts	24,038	24,123	24,028	24,177
Wastewater				
Accounts	24,006	24,093	23,966	24,114
Average daily sewage treatment (millions of gallons)	13	13	13	12

* Variance in data due to system crossover from H T E to Munis Energov.

Sources:

- City of Gresham Community Development
- City of Gresham Police Department
- City of Gresham Fire Department
- City of Gresham Budget & Finance Department
- City of Gresham Office of Governance and Management
- City of Gresham Department of Environmental Services

2019	2020	2021	2022	2023	2024
854	792	2,794 *	560	327	361
\$104,593,157	\$127,434,862	\$ 76,399,774 *	\$126,007,497	\$ 89,540,133	\$122,188,849
718	889	1,780 *	1,843	1,730	1,648
\$519,865,616	\$217,965,315	\$188,971,791 *	\$171,004,512	\$383,388,245	\$441,429,185
21,824	23,246	17,816 *	25,948	22,003	21,554
4,169	1,060	3,528	2,970	3,589	2,618
3,332	4,763	2,545	2,187	2,790	2,450
71,619	67,200	55,777	50,613	51,086	44,296
16,457	16,335	18,073	16,208	17,268	17,293
2,461	2,429	1,631	1,738	1,343	1,624
17,292	17,297	17,346	17,593	17,929	18,325
7	6	6	6	7	6
24,450	24,635	24,691	24,993	25,264	25,413
24,454	24,583	24,621	24,821	25,177	25,450
12	10	11	11	11	11

City of Gresham, Oregon
Capital Assets Statistics by Function
For the last ten years

Function/Program	Fiscal Year			
	2015	2016	2017	2018
Governmental activities:				
General government				
City-owned building facilities	14	14	14	14
Police				
Police station	2	2	2	2
Community police office	1	1	1	1
K9 officers	2	2	3	3
Police patrol cars	23	26	25	32
Police motorcycles	5	5	3	3
Fire				
Fire stations	6	6	6	6
Fire vehicles				
Ladder trucks	1	1	1	1
Engines (In service)	7	7	6	7
Specialized emergency vehicles	6	6	5	7
Parks				
Acres of parks & trails (developed & undeveloped)	278	293	294	294
Acres of natural area	963	956	964	964
Acres from other providers	621	624	659	659
Playgrounds	16	16	16	16
Baseball/softball diamonds	14	14	14	14
Soccer/football fields	10	10	10	10
Business-type activities:				
Water				
Local storage capacity (in millions of gallons)	27.2	27.2	27.2	27.2
Stormwater				
Catch basins	8,198	7,958	7,925	8,006
Drywells	1,117	1,105	1,105	1,120
Wastewater				
Wastewater plant capacity (millions of gallons per day)	20	20	20	20
Transportation				
Street lights	8,386	8,306	8,490	8,494
Traffic signals	103	103	104	104
Transportation signs*	15,828	16,897	17,288	17,767
Miles of streets **	901	905	907	909

*These include City owned signs maintained by the Count

**In 2009, the Transportation Department changed to a more accurate method of calculating miles of streets. They are now calculated using lane miles instead of center lane miles.

Sources:

- City of Gresham Police Department
- City of Gresham Fire Department
- City of Gresham Department of Environmental Services
- City of Gresham GIS Department
- City of Gresham Budget & Finance Department

2019	2020	2021	2022	2023	2024
14	14	14	14	14	14
2	2	2	2	2	2
1	1	1	1	1	1
3	3	3	4	4	4
36	38	38	43	54	52
3	3	3	3	4	4
6	6	6	6	6	6
1	1	1	1	1	1
6	7	7	7	7	7
5	6	5	6	6	6
294	344	347	328	324	322
964	932	933	933	949	949
659	648	645	654	654	654
16	18	18	18	18	18
14	14	14	14	14	14
10	15	15	15	15	15
27.2	27.2	27.2	27.2	27.2	27.2
8,022	8,083	8,091	8,172	8,191	8,385
1,126	1,124	1,126	1,126	1,125	1,136
20	20	20	20	20	20
8,552	8,587	8,600	8,654	8,827	8,902
104	104	104	104	104	104
19,030	18,617	19,030	21,133	21,887	22,080
913	917	920	931	936	936

City of Gresham, Oregon
Miscellaneous Statistics
Current Year

Elections:

Number of registered voters for last primary election (May 21, 2024)	71,067
Number of votes cast in last primary election	19,866
Percentage of registered voters voting in the last primary election	28%
Number of registered voters for last general election (November 3, 2022)	70,239
Number of votes cast in last general election	51,835
Percentage of registered voters voting in the last general electio	74%

Census population count for the last six decades

1970	9,875
1980	33,005
1990	68,235
2000	90,205
2010	105,594
2020	114,247

Age distribution of population for the last six decades

Year	Percent Under 18	Percent 18-64	Percent Over 65
1970	36.8	53.8	9.4
1980	30.5	61.3	8.2
1990	27.4	62.6	10.0
2000	27.5	62.7	9.8
2010	26.4	62.9	10.7
2020	31.0	55.4	13.6

Income level of population for the last six decades

1970	Median (family)	10,933
1980	Median (family)	24,266
1990	Median (family)	36,664
2000	Median (family)	51,126
2010	Median (family)	47,515
2020	Median (family)	54,084

Historical Data:

City Founded	1905
City Incorporated	1905
First Charter Adopted	1948
Present Charter Adopted	1978
Present Charter Amended	1980, 1983, 1984, 1986, 1994 1996, 1998, 2005, 2012
Form of Government	Council-Manager
Area - Square Miles	23.43

Sources:

U.S. Census Bureau
 Elections information: Multnomah County Elections Division
 Area - Square Miles: City of Gresham Information Technology Department
 All other information: 2022-2023 Annual Comprehensive Financial Report

Reports Required by Statutes

INDEPENDENT AUDITORS' REPORT
REQUIRED BY OREGON STATE REGULATIONS



To the Honorable Mayor, Members of the
City Council and the City Manager
City of Gresham, Oregon

920 Country Club Road, Suite 200A
Eugene, OR 97401
541.342.5161
www.islercpa.com

We have audited the basic financial statements of City of Gresham, Oregon as of and for the year ended June 30, 2024, and have issued our report thereon dated December 30, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*.

Compliance

As part of obtaining reasonable assurance about whether City of Gresham's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-000 to 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Highway revenues used for public highways, roads, and streets.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

In connection with our testing nothing came to our attention that caused us to believe City of Gresham was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered City of Gresham's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Gresham's internal control. Accordingly, we do not express an opinion on the effectiveness of the City internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report is intended solely for the information and use of the Honorable Mayor, members of the City Council, the City Manager, management for the City of Gresham and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than those specified parties.

ISLER CPA

A handwritten signature in black ink that reads "Gatlin Hawkins". The signature is written in a cursive, flowing style.

By: Gatlin Hawkins, CPA
A member of the firm
Eugene, Oregon
December 30, 2024

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS



920 Country Club Road, Suite 200A
Eugene, OR 97401
541.342.5161
www.islercpa.com

To the Honorable Mayor and
City of Gresham, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Gresham, Oregon, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise City of Gresham, Oregon's basic financial statements, and have issued our report thereon dated December 30, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Gresham, Oregon's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Gresham, Oregon's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Gresham, Oregon's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Gresham, Oregon's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Isler CPA

A handwritten signature in cursive script that reads "Gatlin Hawkins".

By Gatlin Hawkins, CPA
A member of the firm
Eugene, Oregon
December 30, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE



To the Honorable Mayor and Members of the City Council
City of Gresham, Oregon

920 Country Club Road, Suite 200A
Eugene, OR 97401
541.342.5161
www.islercpa.com

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Gresham, Oregon's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Gresham, Oregon's major federal programs for the year ended June 30, 2024. City of Gresham, Oregon's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Gresham, Oregon complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Gresham, Oregon and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Gresham, Oregon's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City of Gresham, Oregon's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Gresham, Oregon's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Gresham, Oregon's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Gresham, Oregon's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Gresham, Oregon's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Gresham, Oregon's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Isler CPA



By Gatlin Hawkins, CPA
A member of the firm
Eugene, Oregon
December 30, 2024

City of Gresham, Oregon
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered material weakness?	No
Noncompliance material to financial statements noted?	No

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	No
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 516(a) of the Uniform Guidance?	No

Identification of Major Programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

City of Gresham, Oregon
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2024

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.

Section IV - Summary Schedule of Prior Audit Findings

None.

CITY OF
GRESHAM
GOING BEYOND

Continuing Disclosure

CITY OF
GRESHAM
GOING BEYOND

ANNUAL DISCLOSURE INFORMATION FOR FULL FAITH & CREDIT OBLIGATIONS

In conformance with SEC Rule 15c2-12, as amended (17 CFR Part 240 § 240.15c2-12) (the "Rule"), the City will provide annually the type of information presented in the tables of this section to EMMA (the permanent electronic repository of the MSRB). See "FORM OF CONTINUING DISCLOSURE CERTIFICATE" in bond transcripts for more information.

Outstanding Obligations as of June 30, 2024

	Dated Date	Maturity Date	Principal Issued	Principal Outstanding as of 6/30/2024
Full Faith and Credit Obligations				
2004 Pension Obligation Bonds	5/27/2004	6/1/2028	\$ 19,280,000	\$ 7,650,000
2013 Full Faith & Credit Obligations Series B	7/30/2013	7/1/2033	4,655,000	450,000
2013 Full Faith & Credit Obligations Series C	7/30/2013	7/1/2033	7,610,000	1,915,000
2015 Full Faith & Credit City of Gresham/Urban Renewal	5/27/2015	5/1/2035	8,957,582	2,183,750
2018 Weston Property Loan	7/31/2018	7/31/2023	1,770,000	-
2022 Transportation	4/28/2022	6/1/2028	30,000,000	20,514,385
Total Full Faith and Credit Obligations			<u>72,272,582</u>	<u>32,713,135</u>
		Total Direct Debt	<u>72,272,582</u>	<u>32,713,135</u>
Debt Backed by Water Revenue				
2015 Full Faith & Credit - Water	5/27/2015	5/1/2035	5,332,418	3,481,250
2021 Water Revenue Bonds	12/29/2021	6/1/2048	41,455,000	41,455,000
Total Debt Backed by Water Revenue			<u>46,787,418</u>	<u>44,936,250</u>
Debt Backed by Stormwater Revenue				
State of Oregon SRF UIC Improvements	4/4/2017	8/1/2037	4,935,608	3,331,538
Total Debt Backed by Stormwater Revenue			<u>4,935,608</u>	<u>3,331,538</u>
Debt Backed by Wastewater Revenue				
R39190 Wastewater Second Clarifier	10/15/2009	8/1/2029	407,058	139,455
2015 Full Faith & Credit - Wastewater	5/27/2015	5/1/2031	5,670,000	2,965,000
Total Debt Backed by Wastewater Revenue			<u>6,077,058</u>	<u>3,104,455</u>
		Total Utility Obligations	<u>57,800,084</u>	<u>51,372,243</u>
Total Outstanding Obligations			<u>* \$ 130,072,666</u>	<u>\$ 84,085,378</u>

* Outstanding obligations on the table above does not include premiums and discounts on issuance

Overlapping Debt as of June 30, 2024

Governmental Unit	Total Net Debt	Percent Within City	City's Pro-Rata Share
Debt repaid with property taxes			
Lusted Water District	\$ 385,000	0.79%	\$ 3,036
Metro	765,485,443	4.47%	34,188,876
Mt. Hood Community College	69,765,000	30.19%	21,065,402
Multnomah County	509,757,429	9.26%	47,223,928
Multnomah County School District 10J (Gresham-Barlow)	276,270,271	77.11%	213,038,912
Multnomah County School District 28J (Centennial)	62,246,644	37.19%	23,146,912
Multnomah County School District 7 (Reynolds)	146,835,941	36.81%	54,052,219
Multnomah ESD	59,432,417	9.13%	5,428,438
Other debt			
Metro	8,705,000	4.47%	388,792
Mt. Hood Community College	26,465,000	30.19%	7,991,054
Multnomah County School District 7 (Reynolds)	285,715	36.81%	105,175
Multnomah ESD	16,245,000	9.13%	1,483,786
Port of Portland	32,210,000	4.06%	1,308,370
	<u>\$ 1,974,088,860</u>		<u>\$ 409,424,900</u>

Debt Ratios

	Values	Per Capita	Percent of RMV
Estimated Population	115,233	-	-
Real Market Value (RMV)	\$ 22,336,919,213	\$ 193,841	-
Total Direct Debt	32,713,135	284	0.15%
Overlapping Debt	409,424,900	3,553	1.83%
Total Direct Debt and Overlapping Debt	<u>\$ 442,138,035</u>	<u>\$ 3,837</u>	1.99%

Ten Largest Taxpayers

Business		Assessed Value	Percentage of Total Assessed Value
Boeing Company	Aircraft Frame Structures	\$ 524,562,530	4.88%
Microchip Technology Inc.	Microelectronics Products	153,976,190	1.43%
Semiconductor Components Industries	Microelectronics Products	107,188,510	1.00%
RREEF CPIF 17505 NE San Rafael LLC	Property Management	60,669,990	0.56%
U.S. National Bank of Oregon	Financial Services	51,826,950	0.48%
HIP Gresham Station LLC	Property Development	44,122,880	0.41%
NVIDIA Corporation	Microelectronics Products	39,873,870	0.37%
Blue Lake Corporate Park LLC	Industrial Development	35,666,460	0.33%
AMFP VI Lumina LLC	Property Management	34,644,270	0.32%
IP Eat One LLC	Property Development	34,481,920	0.32%
		\$ 1,087,013,570	10.11%

Total Assessed Value, City of Gresham

\$ 10,748,618,860

General Fund Consecutive Balance Sheet -- As of June 30, 2024

	2020	2021	2022	2023	2024
ASSETS					
Cash & investments	\$ 10,094,256	\$ 14,649,873	\$ 20,400,939	\$ 25,097,166	\$ 27,652,242
Receivables, net	4,180,634	5,972,440	6,075,970	5,792,970	5,461,213
Property taxes receivable, net	877,187	835,188	762,559	902,105	1,051,536
Due from other funds	6,127,023	8,449,170	11,265,152	10,708,394	11,563,486
Other assets	55,118	50,285	60,281	124,054	183,154
Total assets	<u>\$ 21,334,218</u>	<u>\$ 29,956,956</u>	<u>\$ 38,564,901</u>	<u>\$ 42,624,689</u>	<u>\$ 45,911,631</u>
LIABILITIES					
Accounts payable	\$ 1,126,624	\$ 1,437,089	\$ 958,223	\$ 1,028,985	\$ 921,876
Other accrued liabilities	147	-	-	-	-
Deposits	210	11,329	210	210	210
Total liabilities	<u>1,126,981</u>	<u>1,448,418</u>	<u>958,433</u>	<u>1,029,195</u>	<u>922,086</u>
DEFERRED INFLOWS OF RESOURCES ⁽¹⁾					
Unavailable revenue	785,392	758,142	765,467	830,322	955,625
Total deferred inflows of resources	<u>785,392</u>	<u>758,142</u>	<u>765,467</u>	<u>830,322</u>	<u>955,625</u>
FUND BALANCES					
Unassigned	19,421,845	27,750,396	36,841,001	40,765,172	44,033,920
Total fund balances	<u>19,421,845</u>	<u>27,750,396</u>	<u>36,841,001</u>	<u>40,765,172</u>	<u>44,033,920</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 21,334,218</u>	<u>\$ 29,956,956</u>	<u>\$ 38,564,901</u>	<u>\$ 42,624,689</u>	<u>\$ 45,911,631</u>

(1) The Governmental Accounting Standards Board (GASB) issued Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and Statement No. 65, Items Previously Reported as Assets and Liabilities. The City implemented GASB Statement No. 63 and 65 in the year ending June 30, 2013.

General Fund Consecutive Statement of Revenues and Expenditures -- For year ended June 30, 2024

	2020	2021	2022	2023	2024
Revenues					
Taxes	\$ 38,141,211	\$ 42,312,872	\$ 45,479,874	\$ 47,159,360	\$ 46,807,990
Licenses and permits	512,243	471,790	473,841	503,259	531,926
Intergovernmental revenues	10,512,297	13,559,200	11,010,147	10,394,490	10,028,830
Charges for services	4,604,117	6,116,524	8,298,509	8,466,723	8,563,281
License fees	11,180,201	14,812,890	18,020,274	20,036,757	21,075,180
Miscellaneous revenues	997,084	413,024	257,234	877,231	2,250,603
Internal service charges	415,127	490,204	552,082	1,042,160	1,129,963
Total revenues	<u>66,362,280</u>	<u>78,176,504</u>	<u>84,091,961</u>	<u>88,479,980</u>	<u>90,387,773</u>
Expenditures					
Public safety	59,955,541	61,569,784	67,413,474	74,361,009	79,026,663
Community livability	614,006	542,251	696,243	1,510,805	1,454,819
Economic development & housing services	693,741	686,621	655,578	1,040,142	1,282,478
Parks	2,786,119	2,648,792	3,333,383	4,539,128	4,778,948
Capital Outlay	-	-	254,025	57,537	-
Total expenditures	<u>64,049,407</u>	<u>65,447,448</u>	<u>72,352,703</u>	<u>81,508,621</u>	<u>86,542,908</u>
Excess of revenues over (under) expenditures	<u>2,312,873</u>	<u>12,729,056</u>	<u>11,739,258</u>	<u>6,971,359</u>	<u>3,844,865</u>
Other financing sources (uses)					
Issuance of debt	-	-	-	-	-
Operating transfers in	75,000	1,219,000	1,775,000	1,425,000	3,275,000
Operating transfers out	(5,892,912)	(5,619,505)	(4,865,660)	(4,554,649)	(4,053,158)
Lease proceeds	-	-	254,025	57,537	-
Proceeds from sale of assets	-	-	187,982	24,924	202,041
	<u>(5,817,912)</u>	<u>(4,400,505)</u>	<u>(2,648,653)</u>	<u>(3,047,188)</u>	<u>(576,117)</u>
Fund balances					
Beginning of year	<u>22,926,884</u>	<u>19,421,845</u>	<u>27,750,396</u>	<u>36,841,001</u>	<u>40,765,172</u>
End of year	<u>\$ 19,421,845</u>	<u>\$ 27,750,396</u>	<u>\$ 36,841,001</u>	<u>\$ 40,765,172</u>	<u>\$ 44,033,920</u>

Five-Year Stormwater Fund Revenues, Expenses and Debt Service Coverage

	2020	2021	2022	2023	2024
Gross Revenues					
Charges for services	\$ 10,163,022	\$ 10,674,046	\$ 11,499,693	\$ 12,540,540	\$ 13,729,476
Net operating transfers included for coverage	925,583	1,275,083	1,636,800	1,549,700	1,611,600
Other revenues	3,942	13,605	4,547	10,721	375
Interest earnings	975,447	115,356	-	425,205	1,233,599
Total Gross Revenues	<u>12,067,994</u>	<u>12,078,090</u>	<u>13,141,040</u>	<u>14,526,166</u>	<u>16,575,050</u>
Operating Expenses					
Environmental services	7,305,529	6,211,954	7,251,396	7,881,347	9,246,524
Total Operating Expenses	<u>7,305,529</u>	<u>6,211,954</u>	<u>7,251,396</u>	<u>7,881,347</u>	<u>9,246,524</u>
Net Coverage Revenues	\$ 4,762,465	\$ 5,866,136	\$ 5,889,644	\$ 6,644,819	\$ 7,328,526
Debt Service ⁽¹⁾	\$ 823,807	\$ 822,148	\$ 267,139	\$ 265,905	\$ 264,672
Debt Service Coverage	5.78	7.14	22.05	24.99	27.69

(1) - 2006 Stormwater refunding paid off in FY 21

Five-Year Wastewater Fund Revenues, Expenses and Debt Service Coverage

	2020	2021	2022	2023	2024
Gross Revenues					
Charges for services	\$ 19,840,820	\$ 20,440,781	\$ 21,341,818	\$ 22,809,065	\$ 24,788,977
Net operating transfers included for coverage	229,941	(391,960)	7,084,422	657,428	189,832
Other revenues	34,243	14,299	7,190	8,032,403	49,115
Interest earnings	1,996,101	351,243	-	1,010,190	3,306,760
Total Gross Revenues	<u>22,101,105</u>	<u>20,414,363</u>	<u>28,433,430</u>	<u>32,509,086</u>	<u>28,334,684</u>
Operating Expenses					
Environmental services	15,253,924	12,046,116	14,650,502	16,978,757	18,097,666
Total Operating Expenses	<u>15,253,924</u>	<u>12,046,116</u>	<u>14,650,502</u>	<u>16,978,757</u>	<u>18,097,666</u>
Net Coverage Revenues	\$ 6,847,181	\$ 8,368,247	\$ 13,782,928	\$ 15,530,329	\$ 10,237,018
Debt Service ⁽²⁾	\$ 2,623,070	\$ 2,600,544	\$ 868,135	\$ 514,918	\$ 513,980
Debt Service Coverage	2.61	3.22	15.88	30.16	19.92

(2) -2009 Wastewater refunding paid off in FY 21

ANNUAL DISCLOSURE INFORMATION FOR WATER OBLIGATIONS

In conformance with SEC Rule 15c2-12, as amended (17 CFR Part 240 § 240.15c2-12) (the "Rule"), the City will provide annually the type of information presented in the tables of this section to EMMA (the permanent electronic repository of the MSRB). See "FORM OF CONTINUING DISCLOSURE CERTIFICATE" in bond transcripts for more information.

Water Revenue Bonds⁽¹⁾				
Projected Debt Service Requirements				
Fiscal Year	2021 Water Revenue Bonds		Total	
	Principal	Interest	Debt Service	
2025		1,047,112		1,047,112
2026		1,047,112		1,047,112
2027		1,047,112		1,047,112
2028		1,047,112		1,047,112
2029	\$ 1,545,000	1,047,112		2,592,112
2030	1,625,000	969,862		2,594,862
2031	1,705,000	888,612		2,593,612
2032	1,790,000	803,362		2,593,362
2033	1,860,000	731,762		2,591,762
2034	1,900,000	694,562		2,594,562
2035	1,935,000	656,563		2,591,563
2036	1,975,000	617,863		2,592,863
2037	2,015,000	578,363		2,593,363
2038	2,055,000	538,063		2,593,063
2039	2,095,000	496,963		2,591,963
2040	2,140,000	455,063		2,595,063
2041	2,180,000	412,263		2,592,263
2042	2,225,000	368,663		2,593,663
2043	2,275,000	321,381		2,596,381
2044	2,320,000	273,038		2,593,038
2045	2,375,000	220,838		2,595,838
2046	2,425,000	167,400		2,592,400
2047	2,480,000	112,838		2,592,838
2048	2,535,000	57,038		2,592,038
	\$ 41,455,000	\$ 14,600,057	\$	56,055,057

(1) At the time they were issued, the 2021 Bonds were the only issue outstanding secured by a pledge of Net Revenues. The City uses Net Revenues to pay debt service on a portion of its Full Faith and Credit Obligations, Series 2015, however Net Revenues are not pledged to repay the issue.

The following table shows the breakdown of the City’s Water System customers by type of accounts.

**Number of Water Accounts by Customer Class
(Fiscal Years)**

Account Type	2020	2021	2022	2023	2024
Residential (Includes Multi-Family and Other)	16,637	16,678	16,812	17,185	17,108
Business and Industrial	728	731	546	741	659
Public Entities ⁽¹⁾	129	126	77	114	134
Wholesale	1	1	1	1	1
Total	17,495	17,536	17,436	18,041	17,902

(1) Category includes City parks, the school district and other public entities. Each building or location is entered as a separate account, therefore one public entity can have multiple accounts

The following table shows the City’s ten largest water customers by amount billed.

**Major Water Accounts
(Fiscal Year 2024)**

Name	Description	Consumption in Hundred Cubic Feet	Percent of Total Consumption	Total Annual Charges	Percent of Total Charges
OnSemi Conductor	Industrial	598,331	20.29%	2,096,668	10.48%
Mt Hood Community College	Community College	31,067	1.05%	144,133	0.72%
Berry Ridge	Apartment Complex	22,193	0.75%	82,369	0.41%
Gelt Silverwood	Apartment Complex	22,169	0.75%	82,289	0.41%
Springwater Crossing	Apartment Complex	21,989	0.75%	89,659	0.45%
Townfair Terrace	Apartment Complex	18,726	0.63%	75,252	0.38%
AMFP VI Lumina	Apartment Complex	16,002	0.54%	64,479	0.32%
Parkside	Apartment Complex	15,656	0.53%	59,928	0.30%
Aspen Highlands	Apartment Complex	14,434	0.49%	51,503	0.26%
Total Top 10		760,567	25.79%	\$ 2,746,280	13.73%
Totals		2,949,238		\$ 19,999,712	

Historical Net Revenues and Debt Service Coverage
Water Fund
(Fiscal Years)

	2020	2021	2022	2023	2024
Gross Revenues					
Intergovernmental revenues	\$ 87,377	\$ 164,477	\$ 130,354	\$ 72,475	\$ 101,040
Charges for services	14,634,548	16,082,123	16,439,100	18,464,767	19,999,712
Interest Income	595,143	466,285	367,958	708,788	1,093,888
Miscellaneous income	483,630	317,781	584,781	409,045	399,866
Internal service charges	605,461	952,871	841,169	1,145,194	2,755,340
System Development Charges	972,132	398,632	1,015,805	678,959	1,168,147
Total Gross Revenues	<u>17,378,291</u>	<u>18,382,169</u>	<u>19,379,167</u>	<u>21,479,228</u>	<u>25,517,993</u>
Operating Expenses					
Operation, Maintenance & Replacements	11,468,252	11,694,721	11,945,068	12,873,295	14,298,205
Transfers to other funds	686,448	791,583	696,725	508,800	619,000
Total Operating Expenses	<u>12,154,700</u>	<u>12,486,304</u>	<u>12,641,793</u>	<u>13,382,095</u>	<u>14,917,205</u>
Net Revenues	\$ 5,223,591	\$ 5,895,865	\$ 6,737,374	\$ 8,097,133	\$ 10,600,788
Coverage Revenues (no SDC's)	4,251,459	5,497,233	5,721,569	7,418,174	9,432,641
Debt Service & Coverage:					
Debt Service	\$ 158,712	\$ 158,712	\$ 442,114	\$ 1,503,515	\$ 1,449,112
Debt Service Coverage with Net Revenues ⁽¹⁾	32.91	37.15	15.24	5.39	7.32
Debt Service Coverage with Coverage Revenues ⁽¹⁾	26.79	34.64	12.94	4.93	6.51

(1) The 2021 Water Revenue Bond requires a rate covenant of 1.25 for Net Revenues and 1.15 for Coverage Revenues