

**MULTNOMAH COUNTY, OREGON
ANNUAL COMPREHENSIVE FINANCIAL REPORT**



FISCAL YEAR ENDED JUNE 30, 2021

About the Cover

Thousands of people in Multnomah County and the Metro region are facing housing instability and, increasingly, experiencing homelessness. The County and the City of Portland have formed the Joint Office of Homeless Services to respond to this crisis. Although progress is being made, the housing emergency continues in substantial degree and disproportionately affects some of the most vulnerable residents of our community. The number of people experiencing homelessness in the County who also report disabling conditions, including behavioral health issues such as mental illness and substance use disorders, has continued to grow faster than the number of people experiencing homelessness overall. More services and facilities specifically serving this population are needed.

The Multnomah County Health Department, in collaboration with our community partners, have identified the need in our community for a centrally located, dedicated behavioral health resource center providing services during the day, overnight shelter, and bridge housing to serve this vulnerable population. An executive project team was assembled to review the feasibility of purchasing the property at 333 SW Park Avenue and the adjacent parking lot on SW Oak Street. Through a series of feasibility analyses, the site was identified as an excellent location with a flexible interior and exterior space for this specific purpose. Additional analysis regarding the project delivery led to the path of renovating the current building for the new center. The Project Management Team (PMT) was formed with members including Multnomah County Behavioral Health Division (BHD), Facilities & Property Management (FPM), The Kloth Group (an owner's representative firm), Carleton Hart Architecture (CHA), and Mortenson Construction.

The Project Management Team has completed the programming and design for the new Behavioral Health Resource Center (BHRC). The project received Portland Design Commission approval in December 2020 and construction began in June 2021. The facility is expected to open and be operational by the fall of 2022.

MULTNOMAH COUNTY, OREGON
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021



Prepared by: Department of County Management
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INTRODUCTORY SECTION

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Department of County Management
Finance and Risk Management

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December 3, 2021

Honorable County Chair, Board of County Commissioners
and Citizens of Multnomah County, Oregon,

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of Multnomah County, Oregon, (the County) for the fiscal year ended June 30, 2021, together with the unmodified opinion of our independent certified public accountants, Moss Adams LLP.

The ACFR is published to provide the Board of County Commissioners, County staff, our residents, and other interested readers with detailed financial information that presents the County's financial position and activities of County departments. The Department of County Management is responsible for the preparation of this report as required by Oregon Revised Statutes (ORS 297.425). Also included are Audit Comments and Disclosures required under the *Minimum Standards for Audits of Oregon Municipal Corporations* of the Oregon Administrative Rules (OAR).

In addition, the County is required to have a comprehensive single audit of its Federal Assistance Programs in accordance with the Office of Management and Budget (OMB) 2 CFR Part 200 (Uniform Administrative Guidance) and the provisions of Government Auditing Standards promulgated by the U.S. Comptroller General as they pertain to financial and compliance audits. A report on the County's compliance with applicable Federal laws and regulations related to the OMB 2 CFR Part 200 is included with this reporting beginning on page 256.

This report presents fairly the financial position of the various funds of the County at June 30, 2021, and the operations of the various funds in conformance of accounting principles generally accepted in the United States of America (US GAAP). It is prepared under the guidelines for financial reporting developed by the Government Finance Officers Association of the United States and Canada (GFOA) and the principles established by the Governmental Accounting Standards Board (GASB), including all effective GASB pronouncements.

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

PROFILE OF MULTNOMAH COUNTY, OREGON

County Profile

Multnomah County, incorporated in 1854, is located in northwestern Oregon at the confluence of the Columbia and Willamette rivers, approximately 110 river miles and 80 highway miles from the Pacific Ocean. The County covers 465 square miles, and serves an estimated population as of April 1, 2020 of 812,428 residents. The cities of Portland and Gresham are the largest incorporated cities in the County.

Multnomah County is governed according to its Home Rule Charter. The County's charter, adopted in January 1967, has had several subsequent amendments. The County is governed by a Board of County Commissioners consisting of four non-partisan members elected from designated districts within the County and the Chair of the Board, elected at large. The Board of County Commissioners conducts all legislative business of the County.

Multnomah County provides a full range of services including, but not limited to:

- Law Enforcement
- Elections
- Adult and Juvenile Corrections
- Animal Control
- Public Health
- Construction and Maintenance of Roads, Bridges, and Other Infrastructure
- Parole and Probation
- Aging and Disability Services
- Health Services (Clinical and Dental Services)
- Mental Health and Addictions Services
- Homeless Services
- Internal Business Support

In November 2012, the voters of Multnomah County approved the creation of the Multnomah County Library District. The Library District formed in fiscal year 2014 and is supported by a dedicated Property Tax levy. It is legally separate from Multnomah County, although the Board of County Commissioners also serves as the Library District Board. The Library District is included in the County's financial statements, as is The Library Foundation, a tax-exempt foundation whose primary purpose is to support the County's libraries through raising, receiving, administering and disbursing funds, grants, bequests and gifts for the benefit of the County libraries.

Certain sanitary and lighting services are provided as legally separate Service District Authorities, which function, in essence, as departments of the County and therefore are included in the County's financial statements as component units. The County also maintains a Hospital Facilities Authority (Authority) whose primary purpose is to issue conduit debt for health care facilities. The Hospital Facilities Authority is also considered a component unit but it is not included in the County's financial statements as the activity of the Authority is not material to the County's financial statements.

Additional information on these legally separate entities can be found in Note I. *Summary of Significant Accounting Policies* of the *Notes to the Basic Financial Statements*.

PROFILE OF MULTNOMAH COUNTY, OREGON

Accounting System and Budget Control

This report consists of management's representations concerning the finances of the County. Management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's budget is prepared on the modified accrual basis of accounting. In accordance with State statutes, the County budgets all funds except custodial funds. The County budget is adopted by the Board of County Commissioners by department for each fund. The expenditure appropriations lapse at the end of the fiscal year. Additional unanticipated resources and corresponding appropriations may be added to the budget during the fiscal year through a supplemental budget process. Original and supplemental budgets may be modified during the fiscal year by the use of appropriation transfers between categories. Appropriation transfers must be approved by the Board of County Commissioners in public meetings prior to the related expenditures. During the fiscal year, eight supplemental budgets were adopted.

Budget to actual comparisons are provided in this report for each individual governmental and proprietary fund for which an appropriated annual budget has been adopted. The General Fund, the Federal/State Program Special Revenue Fund, and the Coronavirus (COVID-19) Response Special Revenue Fund budget to actual comparisons are provided on pages 55-57 as part of the basic financial statements for the governmental funds. For all other governmental funds with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 145.

ECONOMIC CONDITIONS AND FINANCIAL OUTLOOK

Economic Conditions and Financial Outlook

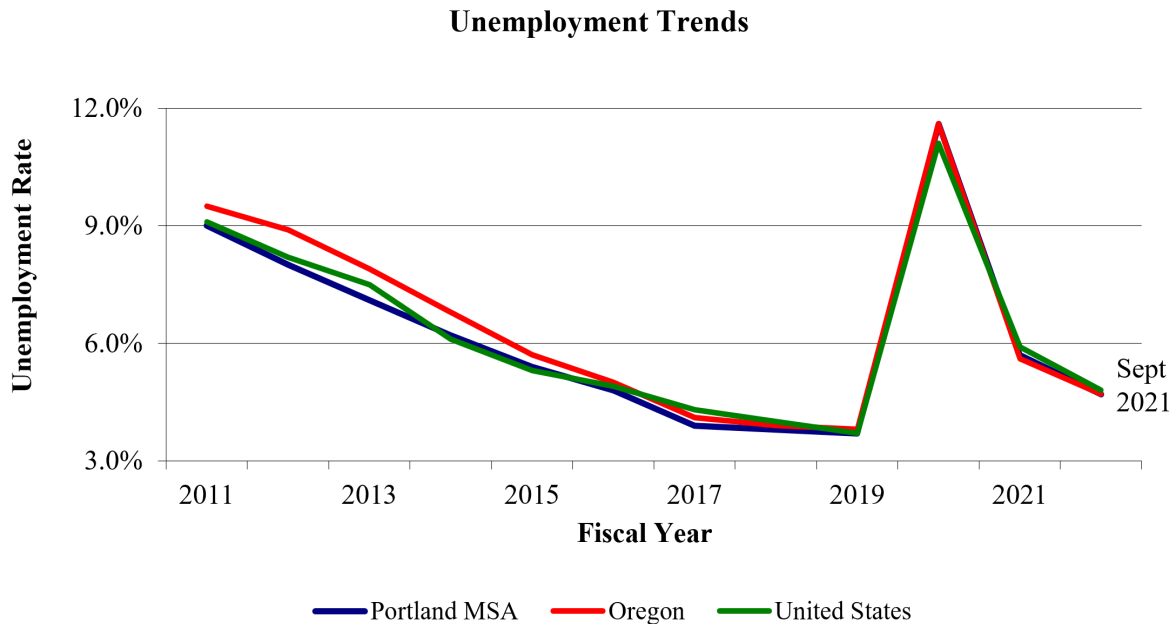
Local Economy: Multnomah County is in the “Greater Portland” metropolitan area, which include cities on both sides of the Columbia River. This metropolitan area is the financial, trade, transportation and service center for Oregon, southwest Washington and the Columbia River Basin. Its manufacturing base includes electronics, machinery, transportation equipment, and fabricated metals.

The national and local economic news has generally been more positive in comparison to the last year. With the State instituted shut down of broad sectors of the economy in order to slow the spread of COVID-19 in March 2020, the economy saw unprecedented amounts of unemployment claims filed weekly with the peak unemployment rate in Portland hitting 13.1 percent in April of 2020. The massive disruption to the national and local economy has been significantly aided by extraordinary federal action through unemployment payments, direct assistance to households/businesses, and support to the healthcare industry. The unemployment rate in Portland metropolitan area as of September 2021 was 4.7 percent a 3 percent decrease from September 2020 and an 8.4 percent decrease from peak unemployment rate. Gross Domestic Product (GDP) – the output of goods and services produced in the United States – increased at an annual rate of 33.4 percent and 4.3 percent in the last two quarters of 2020 and more recently in quarters two and three of 2021 increased by 6.7 percent and 2.1 percent respectively. The Federal Reserve has continued to maintain interest rates at a low level while the unemployment rate continues to improve and other sectors of the economy strengthen. However, in recent months the Federal Reserve has signaled the possibility of a rate hike in 2022 as the economy continues to improve and inflation increases.

The Federal government took extraordinary measures to combat the economic disruption of the pandemic. In March of 2020, US Congress passed economic relief package, Coronavirus Aid, Relief, and Economic Security (CARES) Act and more recently in March of 2021 passed The American Rescue Plan Act (ARPA). Both of these legislative actions have provided direct economic assistance to workers and small businesses, in addition to providing financial support to local governments to combat the impacts of COVID-19. Multnomah County received a direct allocation of \$28 million from CARES Act in fiscal year 2020 and \$78.9 million (one of two tranches) from ARPA in late fiscal year 2021. Though the pace of economic recovery to pre-pandemic levels is still uncertain, the economic outlook has greatly improved.

ECONOMIC CONDITIONS AND FINANCIAL OUTLOOK

The chart below displays how unemployment rates have steadily declined since the great recession of 2008, with the local rates being slightly below the national average. The economic impact of the global pandemic has resulted in the local unemployment rates peaking in 2020 slightly above national rates (11.6 vs 11.1 percent) but decreasing to 4.7 percent in September 2021 slightly below national average of 4.8 percent.



Locally, the residential real estate market has seen a return to quickly increasing prices, more closely matching activity across most major western cities. This has resulted from demographic changes combined with increased interest in having more space and home offices during the pandemic. There is still uncertainty about the degree of work shifting to home offices on permanent basis but we expect some telework (routine or hybrid) to remain. As measured by S&P Case-Shiller Home Price Index for Portland metro area, home prices increased by almost 10% during 2020. Multifamily housing rents have increased in the broader Portland Metro area but decreased in the City of Portland during pandemic. The local rental market continues to be impacted by local eviction moratorium, it remains unclear how renters that owe significant back rent will be able to make payment and at what level the federal assistance will help resolve backup.

The Oregon Economic and Revenue Forecast (dated September 2021) shows a very positive economic outlook as the State and Local economy see strong post pandemic growth. This outlook is primarily driven by strong household incomes (savings) and federal assistance during the pandemic. Oregon is set to add the most new jobs on record this year. Wages are rising quickly as businesses seek to attract and retain workers in order to meet increased consumer demand/spending. The key to growth is continued consumer spending primarily in the hardest hit sectors of the economy. The business sector though greatly improving is struggling with supply chain constraints and tight labor markets. The supply chain gaps though expected to be short-term in nature could slow the pace of economic recovery. State personal income tax, corporate income tax, and lottery sales tax collections are very strong. In fiscal year 2021, personal income tax withholdings were up 17 percent from prior year, primarily driven by high earners. The Oregon kicker is expected to be about \$1.9 billion for tax year 2021. Oregon corporate income tax is up 44 percent in fiscal year 2021, which is substantially higher than expected.

ECONOMIC CONDITIONS AND FINANCIAL OUTLOOK

The reopening of many sectors of the economy as we ease out of the pandemic and certain supply shortages (e.g. auto industry) have driven growth in inflation. Inflation is substantially above Federal Reserve targets, creating inflationary risks/concerns to the economy. The percentage change to Consumer Price Index (CPI) West Region-Class A from October 2020 to 2021 is above 5 percent, a significant increase. Inflation is important because County labor contracts have wage escalators that are based on the Consumer Price Index (CPI-W). Current contracts cap the cost-of-living adjustment at 4 percent and the financial forecast assumes wage growth at approximately 4.3 percent over the next few years. The County will be renegotiating seven open labor contracts next year.

Financial Outlook: A number of years ago the County’s Budget Office identified a “structural deficit” in the General Fund. This represents the ongoing gap that exists before any actions by the Board of County Commissioners to balance revenues and expenditures. It is an estimate that takes into account the rate of inflation, growth in employee benefits, and long-term fixed costs.

This gap is chiefly the result of property tax limitation measures passed by Oregon voters in 1990 and 1997. Property taxes on individual properties generally cannot grow by more than 3 percent a year. Since property taxes make up a significant percentage of General Fund revenues, the property tax limits have the effect of constraining overall revenue growth. The volatility of the Business Income Tax (BIT) is also a constraint on revenues but the past few years have seen record levels of tax collections. On the expenditure side, the cost of providing benefits – healthcare and pension payments – to employees typically grows faster than revenues.

At the beginning of March 2020, the Board of County Commissioners facing a \$7.8 million General Fund budget deficit for fiscal year 2021 approved an amendment to the County Business Income Tax (BIT) code that increased the BIT rate beginning with tax year 2020 from 1.45 percent to 2.00 percent. In addition, the change included an increase to the BIT gross receipt exemption and owner compensation deduction to provide relief to small businesses. At the time, it was estimated this rate increase would solve the structural deficit over a 5-year period. The global pandemic significantly altered the County’s financial picture by reducing forecasted tax revenues (business income and motor vehicle rental taxes) and creating a need for additional resources to respond to the pandemic (public health, shelter services, client assistance, economic support, etc.) Fortunately for the County, the federal aid packages of 2020 and 2021 have driven a faster than expected economic recovery. Business income tax collections were up 31 percent in fiscal year 2021 and the latest general fund forecast projects them to be up another 5 percent in fiscal year 2022. Property and Motor Vehicle Rental Taxes are projected to be up 3.4 and 44 percent respectively in fiscal year 2022. The March 2021 5-year general fund forecast was projecting a \$2.5 million deficit in 2022 turning into a \$42.9 million surplus in fiscal year 2026. The November 2021 5-year general fund forecast is projecting an \$18.4 million surplus in 2022, which reflects a stronger than expected economic recovery and stronger than expected business income tax collections.

Beginning in fiscal year 2023, several large Urban Renewal Areas (URA) in the City of Portland will expire, returning Assessed Value (AV) above their frozen base back into the property tax rolls. In fiscal year 2023 and 2025, two of largest URA’s will return to the rolls, in those years AV growth is expected to nearly double.

ECONOMIC CONDITIONS AND FINANCIAL OUTLOOK

As the local Public Health Authority, Multnomah County has played a leading role in the regional COVID-19 response. Multnomah County has provided (and continues) to provide broad level supports to combat the pandemic and its economic impacts. Services include testing, contact tracing, isolation and quarantine, physical distancing shelters, rent assistance, food assistance, business relief, etc.). Both the health and economic impacts of COVID-19 have fallen disproportionately on communities of color. The County's COVID-19 response has been culturally-specific and has targeted resources to communities hardest hit by both the virus and the economic contraction. The County provides an equity lens to all policy decisions.

In fiscal year 2021, Multnomah County spent nearly \$157 million on its COVID-19 response. External funding has primarily funded Multnomah County's pandemic response: this included direct federal assistance (e.g. CARES Act) and new or enhanced grant funding. In May of 2021, Multnomah County received a direct ARPA allocation for \$78.9 million (one of two allocations over a two-year period) to be used on COVID-19 related expenditures. The funding will have an expiration date of December 31, 2024 and will start being used in fiscal year 2022. Below is summary of priority areas used by the County to allocate funding.

-  **Public Health Emergency Response**
Testing, tracing, outbreak response, vaccination, call center, emergency ops, communication, education & engagement.
-  **Core Services Supporting People in our Care**
Uphold the welfare of people in our direct care, particularly those in congregate settings like shelter, jail and juvenile detention.
-  **Restore Services Impacted by Budget Reductions**
Restore and continue important services that are impacted by budget cuts at the local, state or federal level.
-  **Crisis Response & Community Recovery**
Maintain the social service safety net, and make investments that address the negative impacts of the pandemic to help our community recover.
-  **Critical County Infrastructure**
Investments in key County infrastructure like improved air quality in our buildings and expanded technology.

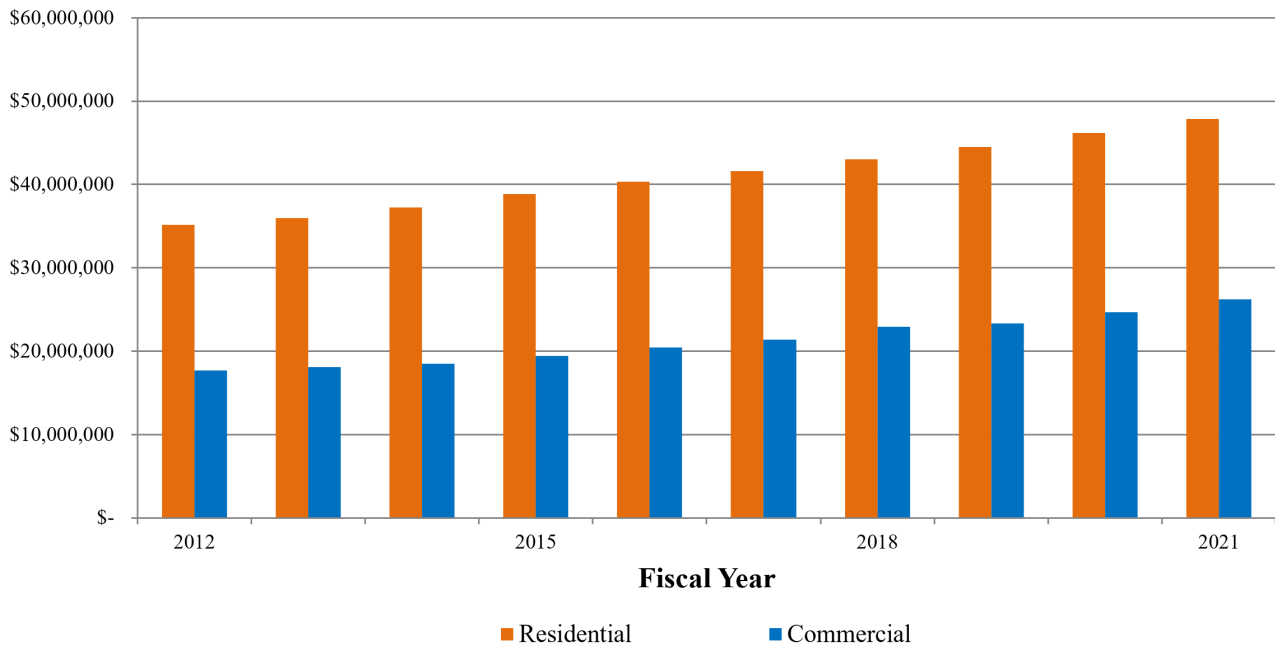
The financial outlook has significantly improved compared to the last year. The extraordinary action taken at the federal level has greatly supported the economic recovery from the disruptions of the pandemic. Though supply chain gaps and rising inflation present some short-term risks to continued recovery, the current forecasts assumes continued positive economic growth. Barring unexpected surges in the virus, the General Fund is forecasted to have a surplus at current service levels in fiscal year 2023, before the County Board makes any decisions.

ECONOMIC CONDITIONS AND FINANCIAL OUTLOOK

General Fund Revenues: As noted previously, property taxes are the largest single source of revenue in the County's General Fund. Property taxes account for more than 60 percent of General Fund revenues and have seen a consistent, slow increase over the past ten years despite significant increases in real estate values. Property taxes are governed by two state constitutional measures, Measure 5 and Measure 50, which set limits on the amount of tax that can be collected. In fiscal 2021, property taxes collections were up 4.65 percent and the forecasted growth is expected to decrease to about 3.4 percent in fiscal year 2022. Property Taxes are sensitive to taxable value growth and compression.

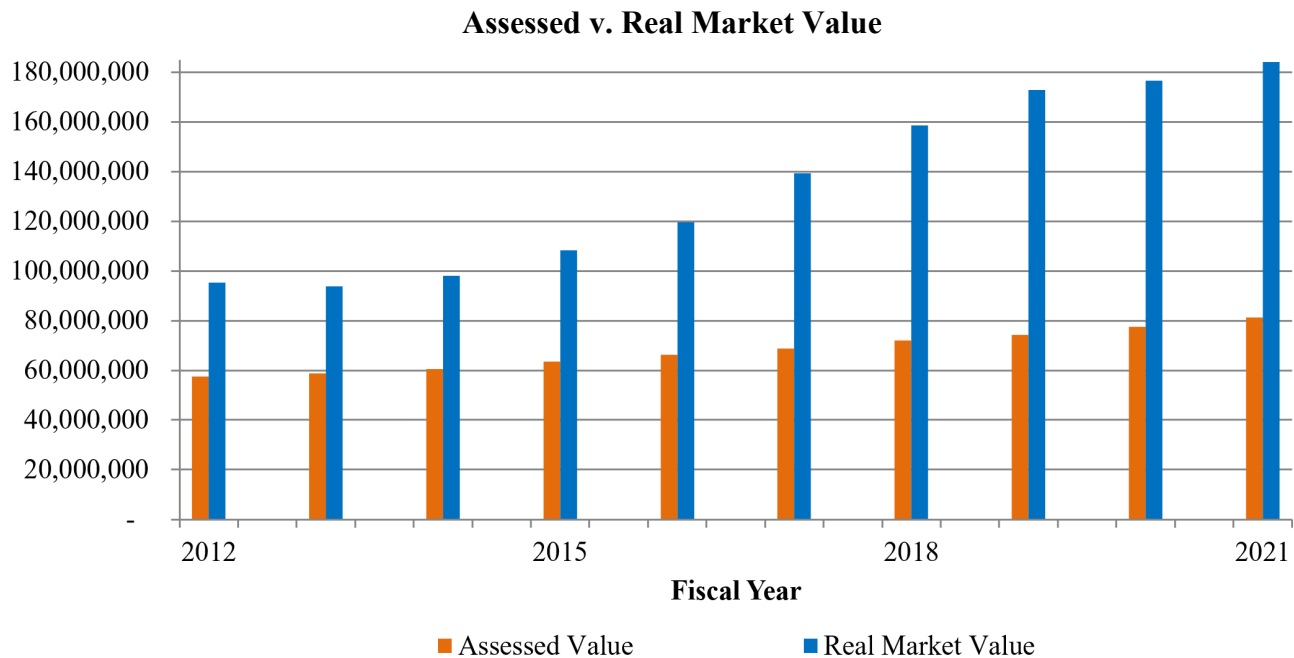
The following charts highlight the County's residential and commercial assessed values (AV) over the past ten years. Residential property has experienced a 36.1 percent increase in AV over a ten-year period compared to a 48.3 percent increase for commercial AV over the same period.

Assessed Values of Taxable Property



ECONOMIC CONDITIONS AND FINANCIAL OUTLOOK

The following chart highlights an interesting feature of Oregon's tax system. All new construction is placed on the tax rolls using what is known as a Changed Property Ratio (CPR). The CPR indexes all taxable property values to what they would have been in 1995, the effective year of Measure 50. As an example, a new house that sold in Multnomah County for \$500,000 would have an AV of about \$250,000 which could then only grow by 3 percent annually. A separate CPR is calculated for each class of properties. While the statutory limits on AV growth tend to restrict the growth in tax revenues, applying the CPR ensures that revenues are buffered somewhat during economic downturns.



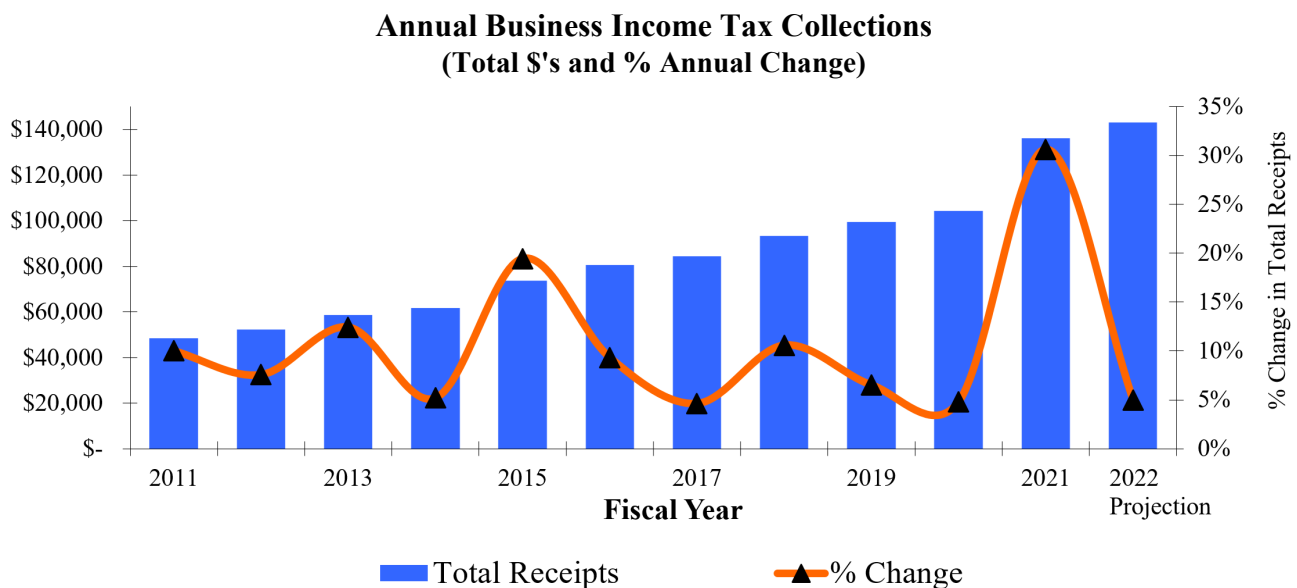
ECONOMIC CONDITIONS AND FINANCIAL OUTLOOK

Business income tax (BIT) is the second largest source of revenue in the General Fund and is set at a rate of 2.0 percent of net income. In March of 2020, the Board of County Commissioners approved an increase to the tax rate from 1.45 percent to 2.0 percent beginning with tax year 2020. The last permanent tax rate increase occurred in 1987. Unlike the State of Oregon’s corporate income tax, the BIT is assessed against all types of business entities. There are over 100,000 active business income accounts in Multnomah County. Tax collections generally parallel economic cycles. In fiscal year 2021, collections were \$136 million, a 31 percent increase over fiscal year 2020 and the highest level of BIT collections ever received. Since the end of the “great recession” BIT revenues have grown, on average, by 10 percent annually.

The current forecast assumes steady growth for fiscal year 2022, an increase of 5 percent from fiscal year 2021. The federal aid provided over the last two years has increased overall incomes boosting increased spending and aggregate demand. US household incomes have seen a boost in wages and available savings. Some of the largest payers of the County’s BIT have seen stronger than expected profits coming out of the pandemic. Average tax contributions from the top 10 payers from 2003-2017 tax years was about 11 percent, for tax year 2020 the contributions increased to almost 21 percent. For the same periods, average contributions from the top 100 payers went from 32 percent to 43 percent. In addition, we see many large businesses expecting potentially higher tax rates in the near future realizing greater profits. Current forecast assumes a 5 percent decline in fiscal year 2023 with moderate growth of 5 percent from 2024-2027. The County continues to plan conservatively with BIT, uncertainty remains if higher than expected business profits will slow in the post pandemic environment.

The County has taken proactive measures to establish a separate contingency amount in the General Fund to guard against downturns in the BIT. The “BIT Stabilization Reserve” is set at \$11.3 million in fiscal year 2022, which provides an additional 10 percent buffer.

The following chart highlights the volatility of BIT collections over the past eleven years.



ECONOMIC CONDITIONS AND FINANCIAL OUTLOOK

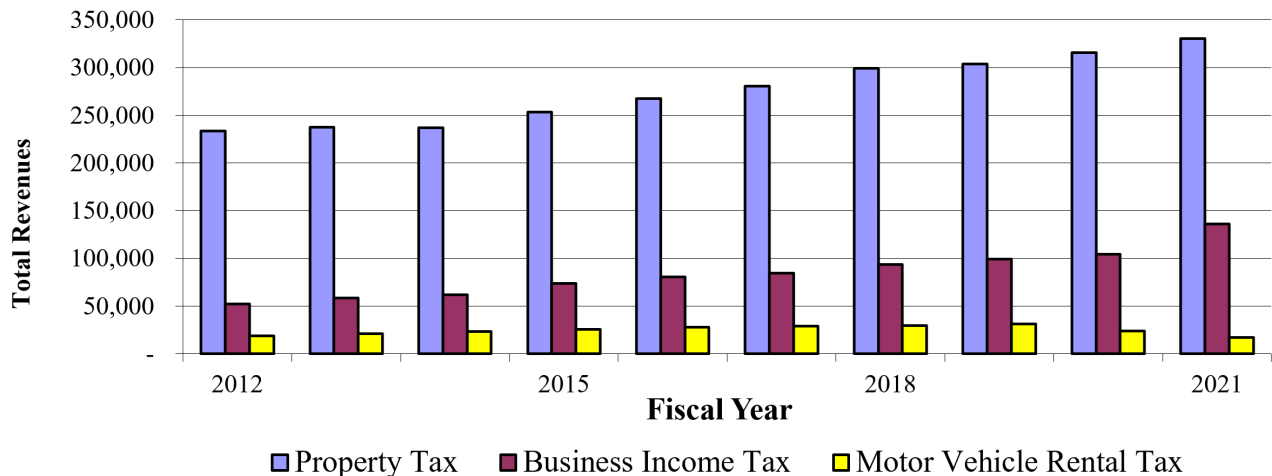
Motor vehicle rental taxes (MVRT) account for about 5 percent of General Fund tax revenues. In 2010, the tax rate on vehicle rental charges was increased from 12.5 percent to 17 percent, with the revenue from the 14.5 percent dedicated for use in the General Fund and the remaining 2.5 percent dedicated for use in a Visitors Development Trust Fund. MVRT collections are highly influenced by the economy.

The travel and tourism industry was particularly hard hit by the spread of COVID-19 with global declines in travel, major event cancellations, and hotel closures or reduced capacity. The pace and degree of the downturn was unprecedented, at the peak of the downturn, air travel at the Portland International Airport was down over 90 percent. Travel activity at the Portland International Airport has significantly improved in 2021 as strong local vaccination rates have made travel safer. We expect to see pre-pandemic levels at Portland International Airport in 2022. Year-over-year change in deplaned passengers at Portland International Airport is highly correlated to MVRT collections. Motor vehicle rental tax collections were down 23 percent in fiscal year 2020 and down 28 percent in fiscal year 2021. Current forecast assumes MVRT collections will increase by 44 percent in fiscal year 2022 and will recover to pre-pandemic levels in fiscal year 2023.

Prior to fiscal year 2020, MVRT collections over a 9-year period (2011-2019) had grown at an average rate of 7 percent annually which was reflective of the growing travel and tourism industry in Multnomah County.

The following graph highlights the major tax sources that make up the County's General Fund.

County General Fund Tax Revenues



ECONOMIC CONDITIONS AND FINANCIAL OUTLOOK

The State of Oregon provides over 30 percent of the County's total funding. Most of this revenue is recorded in the Federal/State Program Fund. While technically not a General Fund revenue source, the General Fund is used to leverage state support, and the County has used General Fund resources to backfill state funded programs. The State's General Fund is highly dependent upon economically sensitive income taxes. The State does not have a very diverse revenue base – Oregon is one of only five states that do not levy a sales tax – and over 80 percent of State General Fund revenue comes from Personal Income Tax. For the County's fiscal year 2022 and the State's 2021-2023 biennium, funding has been generally strong with increased State funding to continue addressing the impacts of the pandemic. As previously noted, the State has seen strong tax collections and has received substantial direct federal assistance.

The State of Oregon implemented Senate Bill 1049 in 2020, which aims to reduce PERS costs. The reform re-amortizes Tier One & Tier Two Unfunded Actuarial Liability (UAL) over a 22-year period, redirects a portion of the Individual Account Program (IAP) into an Employee Pension Stability Account (EPSA), limits final average salary for all members to \$195,000 (indexed), and eliminates hour limits and exceptions for work after retirement in calendar years 2020-2024. The changes present short and long financial impacts to the County. The majority of the impacts come from the re-amortization of the UAL and to a lesser extent the IAP redirect by providing short-term rate relief starting in fiscal year 2022. In the long term the re-amortization will result in higher PERS costs as system funding level will be lower than the previous policy. The change will also increase system risk due to longer exposure to the assumed earnings rate. The County is continuing to evaluate options to counteract the legislation's long-term risks like creating more PERS side accounts with short-term reform savings. The County's outstanding PERS Bond will be fully matured in fiscal year 2030, which will provide significant savings in the out years.

Oregon PERS board voted to reduce the assumed earnings rates from 7.2 percent to 6.9 percent beginning January 2022. The assumed earnings rate represents the rate the Oregon PERS Fund is expected to earn in investment return over 20 years. The change in assumption moderately impacted County PERS planning as the County had expected a reduction.

In fiscal year 2017, the County Board approved an effort to establish four side accounts with Oregon PERS over a four-year period (\$25 million annually) to mitigate rising PERS rates. In November of 2019, the County established its fourth side account and now has invested over \$100 million into PERS side accounts. These funds are invested by PERS and earn the same rate of return as the overall PERS portfolio. In addition, as established by SB 1049, the County participated in the PERS Employer Incentive Fund (EIF) match program. The PERS EIF provided a 25% match on qualifying side accounts made after June 2, 2018. The County received a full match on one side account totaling \$6.2 million.

ECONOMIC CONDITIONS AND FINANCIAL OUTLOOK

Financial and Budget Policies: The County has established financial and budget policies, which are reviewed and adopted annually by the Board of County Commissioners in connection with the budget process. Some of the goals of the financial policies include:

- Preserving capital through prudent budgeting and financial management,
- Achieving a stable balance between the County's ongoing financial commitments and the continuing revenues available to the County, and to
- Leveraging local dollars with Federal and State funding grants.

Consistent application of these financial policies has helped ensure that the County has appropriately recorded and accounted for transactions in its financial statements.

The County's adopted financial and budget policies generally provide for the County to use one-time-only resources for costs that will not recur in future years. However, the policies allow the use of one-time-only resources when, in the short term, it would be more beneficial to allocate such resources to the highest priority public services than to restrict them to non-recurring costs.

In fiscal year 2015, the Board of County Commissioners updated its use of one-time-only resources policy, directing that "after fully funding reserves as established by policy, 50 percent of any remaining one-time-only resources will be allocated to the capitalization, or recapitalization, of major County facilities projects." This policy refinement has limited one-time-only funds being used for recurring costs, while addressing long-term facility costs.

The fiscal year 2022 adopted budget includes approximately \$34.7 million of one-time only General Fund resources after fully funding the General Fund Reserves. The majority of these one-time only funds are used for one-time-only expenses:

Purpose	Amounts (in thousands)
Southeast Health Clinic	\$ 500
Behavioral Health Resource Center	13,700
Emergency Shelter Strategic Investment	2,050
Community Capacity Expansion	1,500
COVID-19 Contingency	1,000
BIT stabilization reserve	11,330

A complete list of the uses of one-time-only funds can be found on page 41 of the Budget Director's Message in the County's fiscal year 2022 adopted budget. The adopted budget document can be found online at: <https://www.multco.us/budget/fy-2022-adopted-budget>.

ECONOMIC CONDITIONS AND FINANCIAL OUTLOOK

By adopting the financial and budget policies, the Board of County Commissioners acknowledges that, to avoid financial instability, continuing requirements should be insulated from temporary fluctuations. Therefore, one of the goals of the Board of County Commissioners is to fund and maintain a reserve designated as unappropriated fund balance and set at 10 percent of budgeted “corporate” revenues (i.e., property taxes, business income taxes, and motor vehicle rental tax) of the General Fund. The reserve is to be used for periods where revenues experience significant declines or are used for non-recurring extreme emergencies such as disaster relief. Maintaining an appropriate reserve also helps the County achieve favorable bond ratings. Moody’s Investor Services currently rates the County as Aaa, and Standard & Poor’s recently upgraded the County to AAA, for general obligation debt and for full faith and credit debt indicating that the County’s financial capacity to repay its debt obligations is very strong.

Long-term financial planning: The County’s Chief Financial Officer and Budget Director work closely with the Board of County Commissioners and the Chair’s Chief Operating Officer to develop short-term and long-term financial goals and to address the financial stability of the County. The County’s Chief Financial Officer and Budget Director also meet with other local jurisdictions to confer on financial issues that either overlap or impact each entity.

Major initiatives: The County’s overall financial outlook has improved significantly since the end of the “great recession”. Prior to March 2020, the regional economy continued to perform at a high level for the fiscal year, as evidenced by the fact that receipts from the Business Income Tax reached a record high. The pandemic created significant disruption and uncertainty to the economy but federal financial assistance has stabilized and driven strong national and local economic recovery. As a result of improved economic conditions, the County has been able to focus on and continue longer-term initiatives.

The County has undertaken a number of major capital project initiatives over the past few years. Among those projects are the construction of a new Health Department headquarters. The completed building of approximately 157,000 square feet with nine floors of office, clinic, and laboratory space opened in March of 2019. The modern facility greatly enhanced service delivery for County residents. The total project costs came to approximately \$95 million, which includes new building and relocation costs. The General Fund contributed \$13.4 million, Prosper Portland in the form of a grant provided \$36.4 million and the remaining costs were supported by bond proceeds from a 2017 debt issue.

The County opened a new Central Courthouse in October of 2020. The new building replaces a 100-year-old facility that was structurally obsolete. The new Central Courthouse has 17 floors, 44 courtrooms, and meets all modern standards for court operations and security. The new building has approximately 455,000 square feet of space. The project is estimated to cost slightly above \$340 million when fully closed out. The County partnered with the State of Oregon and many other key stakeholders to complete this project. Under legislation passed in 2013 the State of Oregon will provide \$125 million toward the construction of the project. County General Fund contributed approximately \$110 million and \$90 million in bond proceeds issued in 2017. The 2015 legislature authorized surcharges on court and parking fines that will be used to support between \$25 and \$35 million of the long-term debt associated with the project.

ECONOMIC CONDITIONS AND FINANCIAL OUTLOOK

The County made capital improvements to Department of Community Justice East Campus that houses parole and probation services. The project consolidated four separate sites into a single County owned site campus in order to improve operational efficiency, align departmental points of services with their client base, and eliminate exposure to increasing lease rates. The project was substantially complete by the end of fiscal year 2020. The total project cost came to approximately \$14 million. The General Fund contributed \$6.7 million, proceeds from the sale of an asset provided \$1.7 million and the remaining costs were supported by bond proceeds from a 2017 debt issue.

The County undertook a feasibility study on the Burnside Bridge for the seismic rehabilitation or replacement that was completed in November of 2018. The bridge is not up to current seismic standards and is in need of rehabilitation or replacement to ensure it can serve as a lifeline corridor in an emergency. The study results were presented to the Board of County Commissioners in November of 2018. The project (“Earthquake Ready Burnside Bridge Project”) has now entered the environmental phase. In September of 2019, the County issued \$16 million in debt to support the National Environmental Policy Act (NEPA) review phase of the project. County vehicle registration fees will be used to cover debt service. The Design and Right of Way Phase of the project is anticipated to begin in fiscal year 2022. If the County board approves design scope, the County will look to issue debt in early fiscal year 2023, debt service would be completely supported by vehicle registration fees.

Three of the referenced projects use a significant portion of the County’s debt capacity (as measured by its internal General Fund restrictions) for the next several years. In 2016, in recognition of this fact and in response to an internal audit report, the County initiated a Strategic Capital Planning process to identify and prioritize future infrastructure investments. The planning process is an acknowledgement that the County should engage in a centralized planning effort that includes not only facilities capital projects but transportation (roads and bridges) and information technology projects as well. A steering committee comprised of the Chief Operating Officer, Chief Financial Officer, Budget Director, and department heads responsible for infrastructure planning was established and a 20-year strategic framework has been adopted by the Board of County Commissioners.

In April of 2019, the County purchased the Bushong & Co Building along with adjoining parking lot to be used as a Behavioral Health Resource Center (BHRC). The facility has been programed to provide peer support services, transitional housing for homeless people with behavior health issues, and assisting people with finding housing and treatment services. In May 2021, the County Board approved the construction phase of the project. The total project cost is estimated at \$26 million. The State of Oregon has committed to provide \$10 million in project funding and the remaining balance will be funded through County general fund. The facility is planned to be completed in the summer of 2022 and open for operations in fall of 2022.

ECONOMIC CONDITIONS AND FINANCIAL OUTLOOK

In November 2020, the voters approved two major Multnomah County ballot measures. Measure 26-211 approved a Library General Obligation Bond to expand and modernize certain library facilities and enhance library services across Multnomah County. In January 2021, the County issued general obligations bonds in the amount of \$387 million. The funding will support the following projects:

- Expansions and renovations to seven branch libraries: Albina, Belmont, Holgate, Midland, North Portland, Northwest, and St. Johns
- Building an East County Flagship Library
- Adding high speed internet to all libraries
- Creating a materials handling and distribution center

Groundbreaking and construction on the new sorting center “Operations Center” is scheduled to start in fiscal year 2022, with many other project components phased over the next several years. Estimated completion of project is in late fiscal year 2025.

The voters also approved ballot measure 26-214 Preschool for All Program that established a new and permanent personal income tax within Multnomah County to fund universal, tuition free, voluntary, and high quality preschool education for every three and four year old residing within Multnomah County. Beginning in tax year 2021, a tax of 1.5 percent was imposed on residents and non-resident earning taxable income within Multnomah County. The tax rate is applied on taxable income over \$125,000 for single filers and \$200,000 for joint filers. There is an additional tax of 1.5 percent on taxable income over \$250,000 for single filers and \$400,000 for joint filers. Tax collections are forecasted to exceed \$96 million in fiscal year 2022. In May 2020, Metro district area voters approved the Supportive Housing Services Measure (SHSM), which established a new personal income tax and business income tax to fund supportive housing services for people experiencing homelessness or at risk of experiencing homelessness. The new tax began in January 2021, Metro forecasts Multnomah County will receive \$52 million of SHSM revenues in fiscal year 2022.

The County is continuing to use its strong planning processes and financial policies to deal with the existing and future fiscal challenges that may arise. Though the economic outlook has greatly improved since the downturn caused by the pandemic many risks remain: will we see another COVID-19 surge that slows economic activity, will inflation and supply chain issues persist and hamper improved consumer spending, will the national and local economy remain strong as federal assistance is fully spent out, will higher than expected business profits slow or continue in a post pandemic environment, and will the hardest hit industries (e.g travel and hospitality) recover to pre-pandemic levels. These are a few key concerns that could impact our short and long term economy outlook, but the County remains conservative in its fiscal planning and rigid with its application of fiscal policies.

AWARDS AND ACKNOWLEDGEMENTS

Awards: The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its annual comprehensive financial report (ACFR) for the year ended June 30, 2020. The County has received this prestigious award for 36 consecutive years. In order to be awarded a Certificate of Achievement, the County published an easily readable and efficiently organized ACFR. This report satisfied both US GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements: The preparation of this report would not have been possible without the efficient and dedicated services of the employees in the Department of County Management who maintained the County's financial records and assisted in the preparation of this report. Special thanks are extended to the General Ledger Staff who were instrumental in preparing this report. Appreciation is also extended to the Chair of the Board, Board of County Commissioners, Department Directors, and other County personnel for their assistance and support in planning and conducting the financial operations of the County in a prudent manner.

Respectfully Submitted,



Eric J. Arellano
Chief Financial Officer



Cora Bell
Deputy Chief Financial Officer



Samina S. Gillum
Accounting Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Multnomah County
Oregon**

For its Annual Comprehensive
Financial Report
for the Fiscal Year Ended

June 30, 2020

Christopher P. Morrell

Executive Director/CEO

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ELECTED OFFICIALS – MULTNOMAH COUNTY OREGON



Sharon Meieran
Commissioner, District 1



Deborah Kafoury
County Chair



Susheela Jayapal
Commissioner, District 2



Jessica Vega Pederson
Commissioner, District 3



Lori Stegman
Commissioner, District 4



Jennifer McGuirk
Auditor



Michael Reese
Sheriff

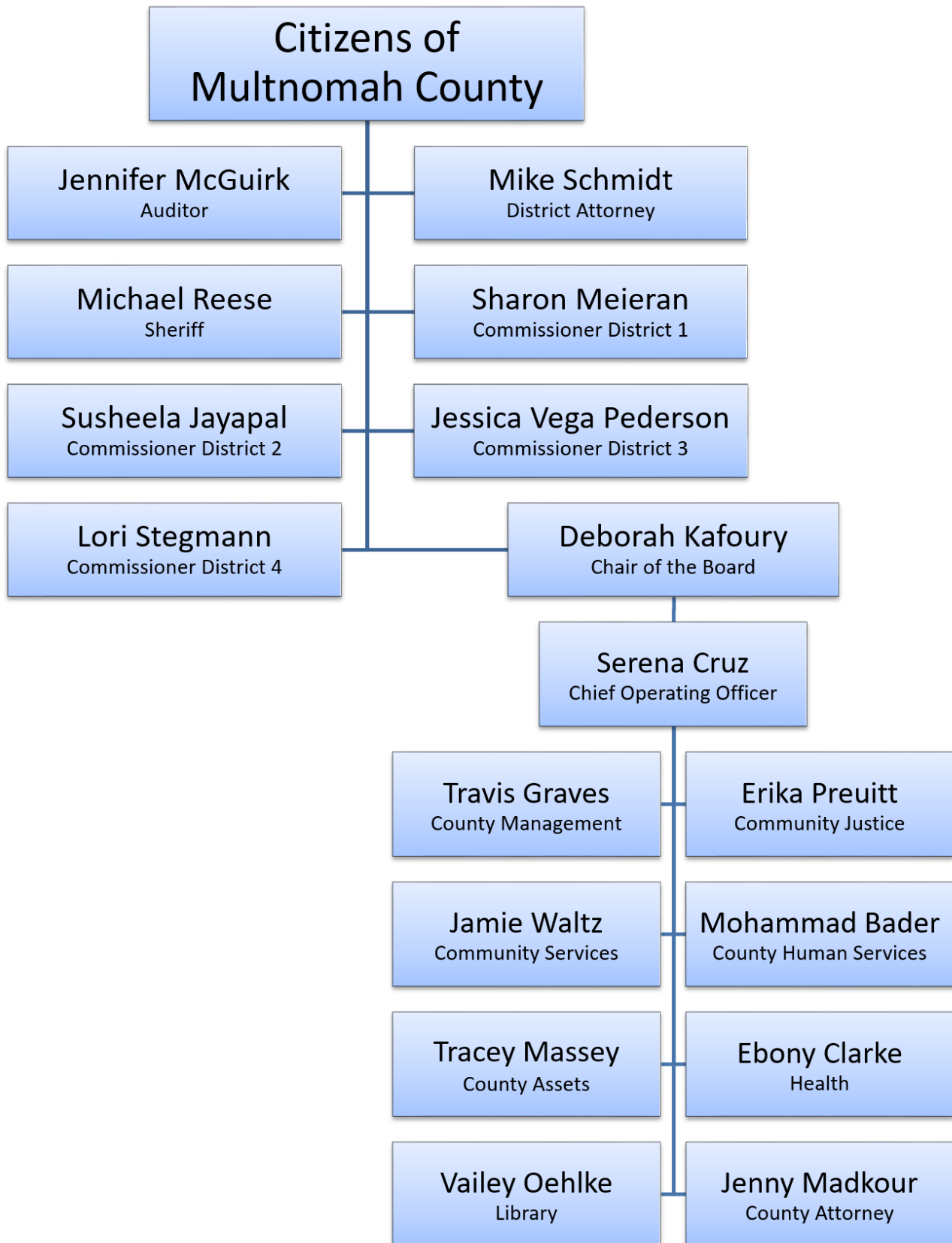


Mike Schmidt
District Attorney

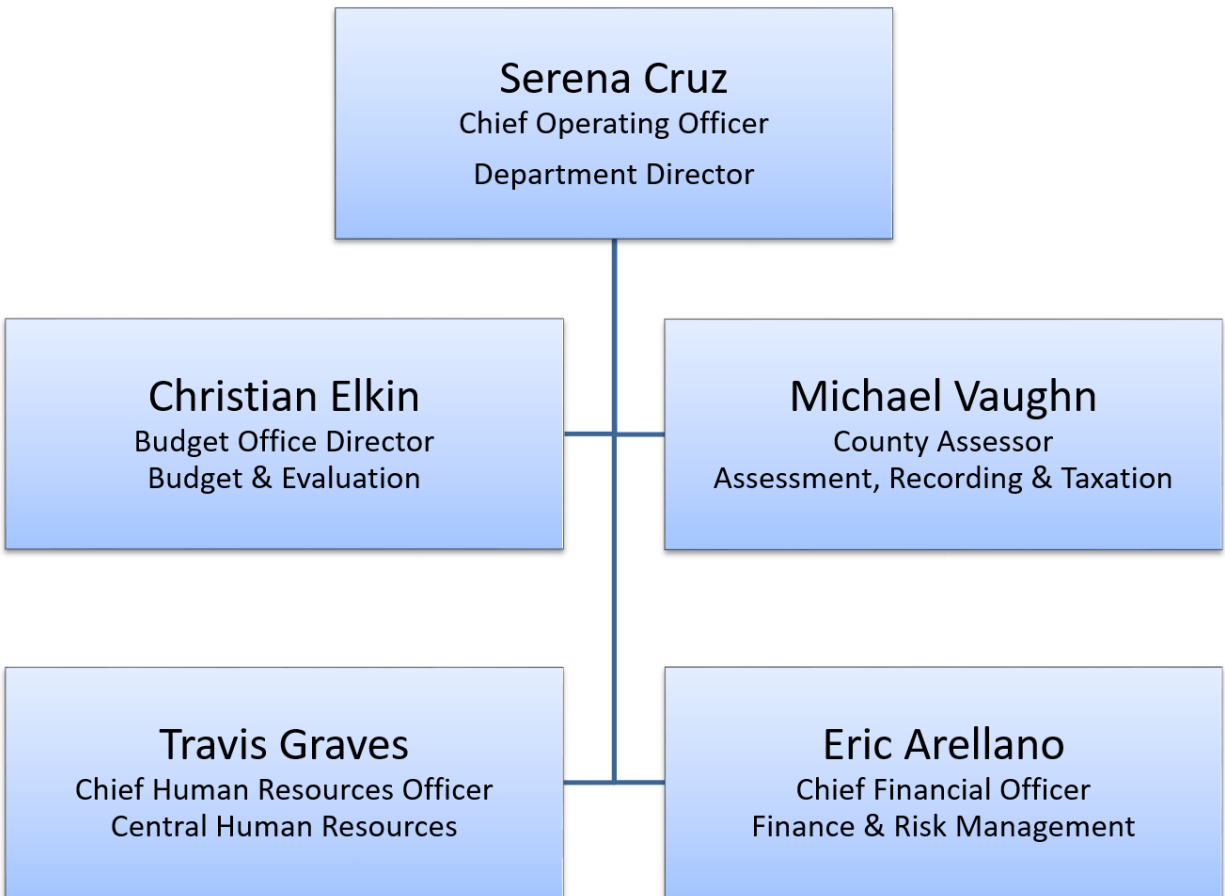
MULTNOMAH COUNTY, OREGON
For the Year Ended June 30, 2021
Principal Officers

Title	Name	Term Expires
<u>Board of County Commissioners</u>		
Chair of Board	Deborah Kafoury 501 SE Hawthorne Blvd, 6 th Floor Portland, OR 97214	12/31/2022
District No. 1	Sharon Meieran 501 SE Hawthorne Blvd, 6 th Floor Portland, OR 97214	12/31/2024
District No. 2	Susheela Jayapal 501 SE Hawthorne Blvd, 6 th Floor Portland, OR 97214	12/31/2022
District No. 3	Jessica Vega Pederson 501 SE Hawthorne Blvd, 6 th Floor Portland, OR 97214	12/31/2024
District No. 4	Lori Stegmann 501 SE Hawthorne Blvd, 6 th Floor Portland, OR 97214	12/31/2024
<u>Other Elected Officials</u>		
County Auditor	Jennifer McGuirk 501 SE Hawthorne Blvd, 6 th Floor Portland, OR 97214	12/31/2022
County District Attorney	Mike Schmidt 1021 SW 1st Avenue Portland, OR 97204	12/31/2024
County Sheriff	Michael Reese 501 SE Hawthorne Blvd, 3 rd Floor Portland, OR 97214	12/31/2022
<u>Other Appointed Officials</u>		
Chief Financial Officer	Eric Arellano	Not elected
County Attorney	Jenny Madkour	Not elected

MULTNOMAH COUNTY, OREGON



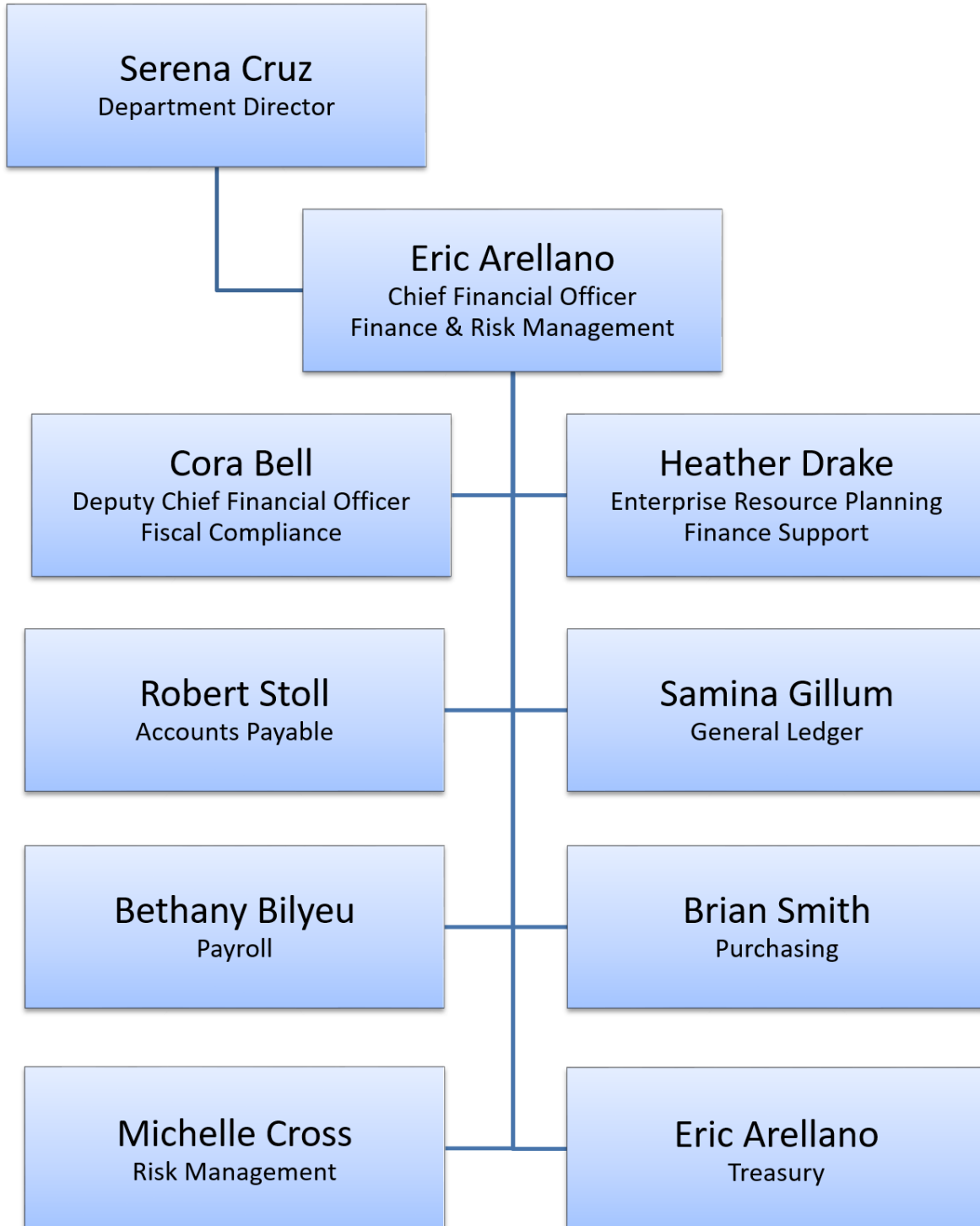
MULTNOMAH COUNTY, OREGON
Department of County Management



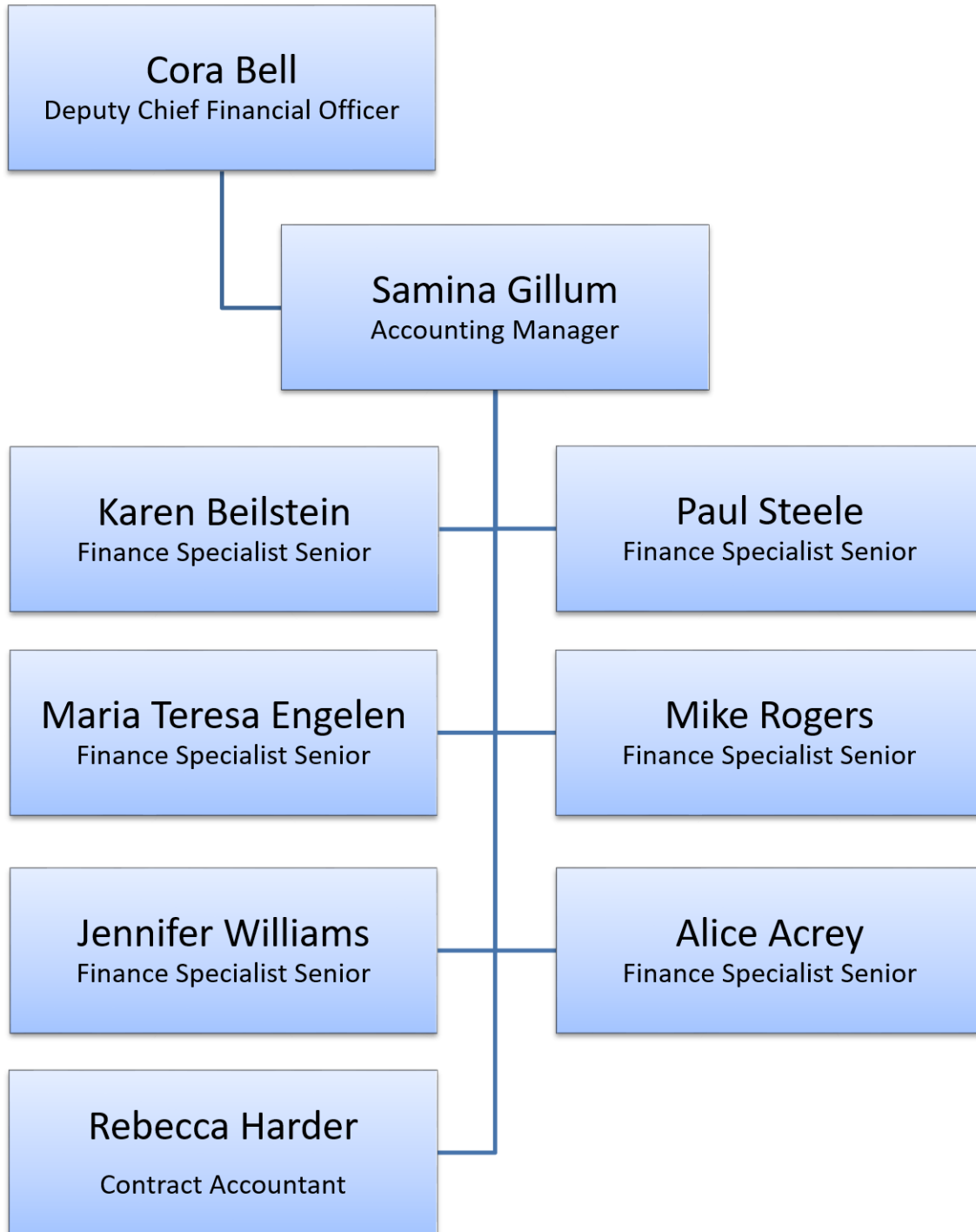
MULTNOMAH COUNTY, OREGON

Department of County Management

Finance & Risk Management



MULTNOMAH COUNTY, OREGON
Department of County Management
General Ledger



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FINANCIAL SECTION

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Report of Independent Auditors

The Board of Commissioners
Multnomah County, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the respective budgetary comparisons for the General Fund, the Federal/State Program Fund, and the Coronavirus COVID-19 Response Fund of Multnomah County, Oregon (the County), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of The Library Foundation, a discretely presented component unit, which represents 100% of the assets, net position, and revenues of the discretely presented component unit of the County. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for The Library Foundation, is based solely on the report of the other auditors. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of The Library Foundation were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of June 30, 2021, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended, and the respective budgetary comparisons for the General Fund, the Federal/State Program Fund, and the Coronavirus COVID-19 Response Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on this information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The other supplementary information and schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (collectively, supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section, each as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Report on Other Legal and Regulatory Requirements

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2021 on our consideration of the County'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

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

In accordance with the *Minimum Standards of Audits of Oregon Municipal Corporations*, we have issued our report dated December 3, 2021, on our consideration of the County'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.

A handwritten signature in cursive script that reads "Ashley Oster".

For Moss Adams LLP
Portland, Oregon
December 3, 2021

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MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
(dollar amounts expressed in thousands)

As management of Multnomah County, Oregon, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2021. The information presented here should be read in conjunction with the letter of transmittal, which can be found on pages 1-17 of this report.

Financial Highlights

- Multnomah County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2021, by \$912,192 (*the County's net position*). Of this total, the following amounts are restricted:

Library operations	\$ 53,617
Capital projects, buildings	443,189
Various community support programs	19,539
Document storage and retrieval	158
Improvements to roads, bridges, and bike path improvements	21,595

- The largest portion of the County's net position reflects an investment of \$1,081,163 or 118.5 percent in capital assets, net of any related outstanding debt and unspent bond proceeds used to acquire those assets. The high percentage of investment in capital assets, in relation to total net position, is largely a result of the offsetting deficit of \$707,069 (*the County's unrestricted net position*). This deficit is primarily due to the net effect of pension related balances of \$473,853 and other post-employment benefit (OPEB) related balances of \$113,752 discussed in detail below. The amortization of deferred inflows and outflows will have a more significant effect on the variance of the net position once a full five-year amortization of these amounts is included in the financial statements. The remaining deficit balance of net position is offset by the large increase in restricted net position for the unspent bond proceeds for the Multnomah County Library District Capital Construction Project Fund.
- For fiscal year 2021, the County reported \$728,099 for its proportionate share of the Oregon Public Employee Retirement System's (OPERS) net pension liability, pension related deferred outflows of resources of \$266,406, and pension related deferred inflows of resources of \$12,160. A net pension liability of \$581,413 was reported in the previous fiscal year ending June 30, 2020. Total pension expense for the fiscal year ending June 30, 2021 and June 30, 2020 was \$128,458 and \$37,018 respectively, which is a net increase of 247 percent.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

- For fiscal year ended June 30, 2021 the County reported other postemployment benefits (OPEB): a net asset of \$24,425 attributable to the OPERS Retirement Health Insurance Account (RHIA) and a total OPEB liability of \$126,633 associated with the Multnomah County Postretirement Medical and Life Insurance Plan. OPEB related deferred outflows of resources \$17,140 and OPEB related deferred inflows of resources of \$28,684 were also reported.
- Total capital assets for governmental activities decreased by \$24,241 or 1.8 percent over the prior year, of which is primarily due to changes in construction in progress and buildings that were capitalized during the year. These include the Downtown Courthouse, the mid-county facility for the Department of Community Justice, the remodel of the Foster Center homeless shelter, and other building projects. Depreciating capital assets increased \$278,051 or by 37 percent over the prior year, most of which were buildings. Non-depreciating assets (land, right-of-ways, construction in process) decreased by \$302,292 or 48 percent lower than fiscal year 2020. Current year additions to construction in process for major projects are described in the Capital Assets section.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$804,232. The net change in governmental fund balances during the year was an increase of \$530,728 or 194 percent over fiscal year 2020, which is primarily due to the unspent bond proceeds of \$429,388 for the Multnomah County Library Capital Construction Fund (see further discussion in *Note III.G. Long-term debt*).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$164,007, or approximately 28.5 percent of total General Fund expenditures and 33.8 percent of total "corporate" revenues of General Fund. Corporate revenues include property taxes, business income taxes, motor vehicle rental taxes, statewide revenue sharing, and interest earnings; revenues that are available for general use and over which the Board of County Commissioners has complete discretion. This balance is consistent with the County's finance and budget policies requiring a 10 percent reserve. The significant increase in the unassigned fund balance is primarily the result of better than expected business income tax collections. In fiscal year 2021, business income tax collections were up 30.6 percent. Prior to fiscal year 2021, the 10-year average growth in business income collections were slightly above 9 percent.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

Overview of the Financial Statements

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

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

The *Statement of Net Position* presents information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference 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 County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the County 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 of the County include general government, health and social services, public safety and justice, community services, libraries, and roads, bridges and bike path improvements. The business-type activities of the County include sanitary sewer and street lighting districts, and a behavioral health managed care operation.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also the legally separate library district, legally separate sanitary sewer district and a legally separate street lighting district, for which the County is financially accountable. The statements also include a legally separate, tax-exempt foundation whose purpose is to support the County's libraries through raising, receiving, administering and disbursing funds, grants, bequests and gifts for the benefit of the County libraries. Financial information for the three *blended component units* are each presented as separate funds with separately issued financial statements. The *discretely presented component unit* is reported separately from the financial information presented for the County itself.

The government-wide financial statements can be found on pages 46-48 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

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

Governmental funds: *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing 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 the *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both *Balance Sheet - Governmental Funds* and the *Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds* provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains 36 individual governmental funds. Information is presented 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, the Federal/State Program Fund, the Coronavirus (COVID-19) Response Fund, and the Multnomah County Library Capital Construction Fund, which are considered to be major governmental funds. Data from the remaining governmental funds (non-major governmental funds) are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget.

The basic governmental fund financial statements and respective reconciliations can be found on pages 49-57 of this report.

Proprietary funds: The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its sewer and lighting operations, and for behavioral health managed care services. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses *internal service funds* to account for its risk management activities, fleet operations, telephone and data processing systems, mail distribution, and facilities management operations. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide aggregate information for the sewer and lighting districts and the behavioral health fund. The internal service funds are also combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the proprietary and internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 58-60 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are *not* available to support County programs. The accounting used for fiduciary funds is similar to that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 61-62 of this report. The combining statement of position for fiduciary funds and combining statement of changes in fiduciary net position can be found on pages 211-214 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the financial data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 63 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found beginning on page 145 of this report.

Required Supplementary Information (RSI): In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's progress in funding its pension obligations and other postemployment healthcare benefits obligations. Required supplementary information can be found on pages 140-144

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the County's financial condition. The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$912,192 at the close of the most recent fiscal year.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

Multnomah County's Net Position

	Governmental Activities		Business- Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets:						
Current and other assets	\$ 1,237,078	\$ 586,634	\$ 8,166	\$ 10,087	\$ 1,245,244	\$ 596,721
Capital assets	1,356,777	1,381,018	6,079	5,885	1,362,856	1,386,903
Total assets	<u>2,593,855</u>	<u>1,967,652</u>	<u>14,245</u>	<u>15,972</u>	<u>2,608,100</u>	<u>1,983,624</u>
Deferred outflows of resources	<u>282,928</u>	<u>276,811</u>	<u>618</u>	<u>4,696</u>	<u>283,546</u>	<u>281,507</u>
Liabilities:						
Current liabilities	387,683	223,668	252	1,187	387,935	224,855
Noncurrent liabilities	1,540,013	1,028,876	1,871	11,691	1,541,884	1,040,567
Total liabilities	<u>1,927,696</u>	<u>1,252,544</u>	<u>2,123</u>	<u>12,878</u>	<u>1,929,819</u>	<u>1,265,422</u>
Deferred inflows of resources	<u>49,546</u>	<u>47,762</u>	<u>89</u>	<u>805</u>	<u>49,635</u>	<u>48,567</u>
Net position:						
Net investment in capital assets	1,075,084	1,086,931	6,079	5,770	1,081,163	1,092,701
Restricted for:						
Library operations	53,617	39,069	-	-	53,617	39,069
Capital projects	443,189	6,565	-	-	443,189	6,565
Roads, bridges and bike path improvements	21,595	13,128	-	-	21,595	13,128
Other programs	19,697	19,494	-	-	19,697	19,494
Unrestricted surplus (deficit)	(713,641)	(221,030)	6,572	1,279	(707,069)	(219,751)
Total net position	<u>\$ 899,541</u>	<u>\$ 944,157</u>	<u>\$ 12,651</u>	<u>\$ 7,049</u>	<u>\$ 912,192</u>	<u>\$ 951,206</u>

The largest portion of the County's net position reflects investment in capital assets (land, work construction in progress, buildings, improvements, machinery and equipment, bridges and infrastructure), net of accumulated depreciation, and the outstanding debt used to acquire the assets in the amount of \$1,081,163 as compared to \$1,092,701 from the previous year.

The County uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The County's restricted net position for capital projects, debt service, and various community support programs is \$538,098 as compared to \$78,256 a year ago. This increase is primarily due to the unspent bond proceeds from the issuance of General Obligation Bonds to finance capital costs to expand, modernize, rebuild and acquire land for library facilities. Restricted net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is a net deficit of \$707,069 due to the net effect of pension and other postemployment benefits (OPEB) related balance, \$473,853 and \$113,752 respectively. The remaining unrestricted deficit fund balance is offset by the large increase in restricted net position for the unspent bond proceeds for the Multnomah County Library Capital Construction Project Fund.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

Below is a summary of the County's changes in net position for fiscal years 2021 and 2020.

Multnomah County's Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 298,396	\$ 273,172	\$ 7,221	\$ 26,707	\$ 305,617	\$ 299,879
Operating grants and contributions	755,911	434,998	-	-	755,911	434,998
Capital grants and contributions	8,283	27,782	293	-	8,576	27,782
Total program revenues	1,062,590	735,952	7,514	26,707	1,070,104	762,659
General revenues:						
Taxes:						
Property	421,799	406,450	1,607	-	423,406	406,450
Personal income	-	3	-	-	-	3
Business income	136,242	104,300	-	-	136,242	104,300
Other	39,197	66,258	-	-	39,197	66,258
Payments in lieu of taxes	349	384	-	-	349	384
State government shared revenues	14,374	12,399	-	-	14,374	12,399
Grants and contributions not restricted to specific programs	2	8	-	-	2	8
Interest and investment earnings	3,880	12,742	-	-	3,880	12,742
Gain (loss) on investments	-	151	-	-	-	151
Miscellaneous	-	6,250	-	-	-	6,250
Gain (loss) on sale of capital assets	(64)	4	-	-	(64)	4
Total general revenues	615,779	608,949	1,607	-	617,386	608,949
Total revenues	1,678,369	1,344,901	9,121	26,707	1,687,490	1,371,608
Expenses:						
General government	262,987	358,021	-	-	262,987	358,021
Health services	308,078	268,679	-	-	308,078	268,679
Social services	634,338	215,204	-	-	634,338	215,204
Public safety and justice	171,090	186,941	-	-	171,090	186,941
Community services	79,932	57,867	-	-	79,932	57,867
Library services	124,511	119,455	-	-	124,511	119,455
Roads and bridges	111,752	92,592	-	-	111,752	92,592
Interest on long-term debt	30,297	30,499	-	-	30,297	30,499
Dunthorpe-Riverdale Service District No. 1	-	-	763	706	763	706
Mid County Service District No. 14	-	-	398	476	398	476
Behavioral Health Managed Care	-	-	2,358	27,399	2,358	27,399
Total expenses	1,722,985	1,329,258	3,519	28,581	1,726,504	1,357,839
Increase (decrease) in net position	(44,616)	15,643	5,602	(1,874)	(39,014)	13,769
Beginning net position	944,157	928,514	7,049	8,923	951,206	937,437
Ending net position	<u>\$ 899,541</u>	<u>\$ 944,157</u>	<u>\$ 12,651</u>	<u>\$ 7,049</u>	<u>\$ 912,192</u>	<u>\$ 951,206</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

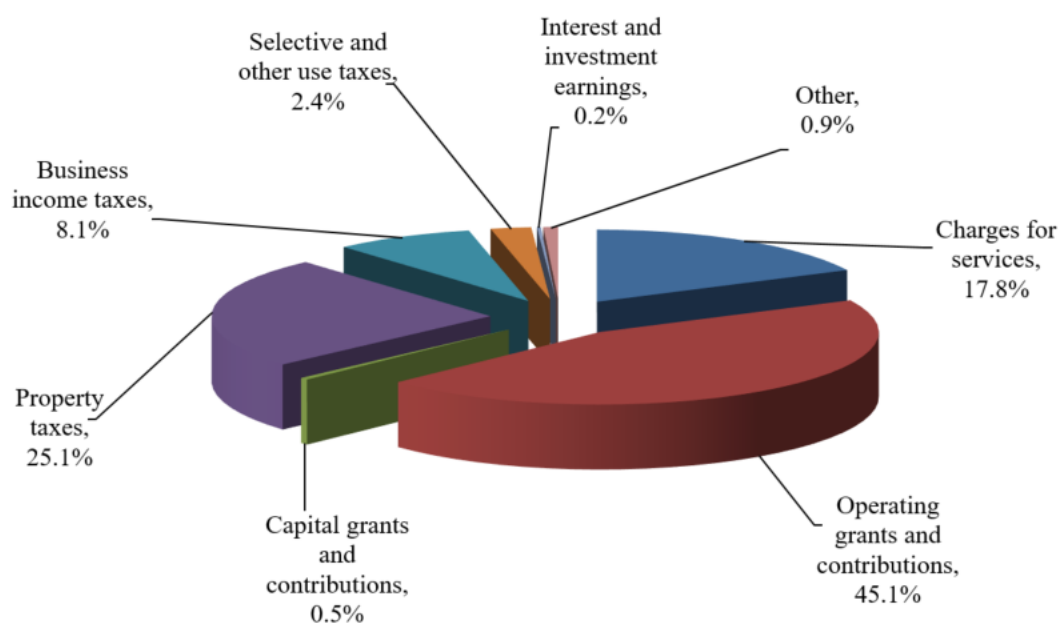
Governmental activities. Governmental activities decreased the County's net position by \$44,616; listed are noteworthy reasons for the change from prior year:

- Total program revenues increased 44.4 percent, on a year over year basis. Operating grants and contributions had the largest increase of \$320,913 from the prior year. The eXPRS program, which is a significant part of the Developmental Disability Program, has increased \$202,070 from the prior year and makes up a substantial portion of this increase.
- Tax revenues grew by 3.5 percent in the aggregate from fiscal year 2020. Property tax revenues were up by 15,349 or 3.8 percent as a result of increased assessed value growth of 4.3 percent and reduced Measure 50 compression. Business income taxes increased by \$31,942 or 30.6 percent. Other selective excise and use taxes decreased significantly, by \$27,061 or 40.8 percent. This is a result of Transient Lodging Tax (TLT) and Motor Vehicle Rental Tax decreases. Travel and tourism has been hit hard by the pandemic and TLT is struggling to recover. The overall increase in tax revenues is a reflection of the region's improving economy. The CARES Act and more recently ARPA, have done a lot to slow the economic disruption caused by the pandemic and boost a strong recovery. Direct federal assistance to households has boosted consumer spending, confidence, and demand. The County saw record profits from the top business income tax payers in tax year 2020. Measure 5 and 50 helps maintain steady growth in property tax collections.
- Interest and investment earnings decreased 69.5 percent, or \$8,862, from the prior fiscal year. This is attributed to the substantial decrease in interest rates in the economic environment. With rising concerns of inflation, the Federal Reserve has signed a rate hike in calendar year 2022 but interest rates are expected to remain low in the short term.

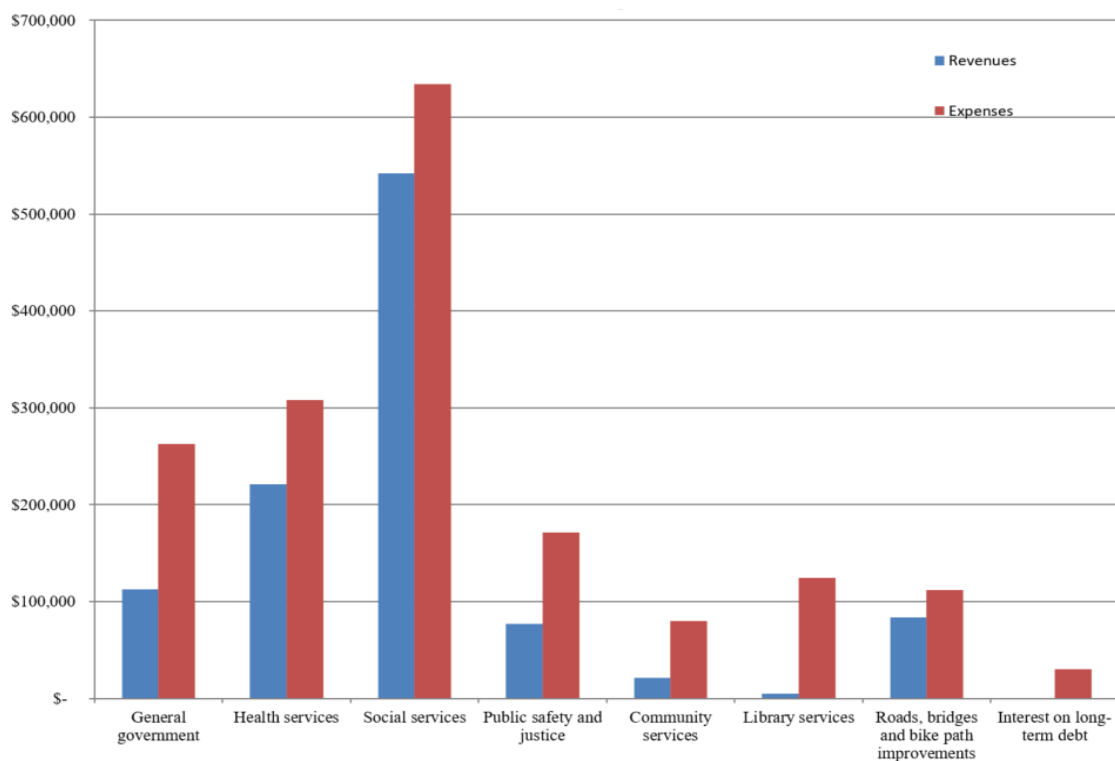
The following graphs show the County's Governmental Activities revenues by source and expenses by program area.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

Revenues by Source - Governmental Activities



Expenses and Program Revenues - Governmental Activities



MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

Business-type activities. Business-type activities increased the County's net position by \$5,602, which is attributed to the \$4,821 increase in net position in the Behavioral Health Managed Care Fund.

Operating revenues decreased in the Behavioral Health Managed Care Fund by \$19,454 and expenses decreased by \$25,041. These decreases were due to a transition in the program associated with Health Share Oregon (HSO). Beginning January 1, 2020, the Health Department was no longer operating as the Multnomah Mental Health (MMH) Risk-Accepting Entity as part of HSO.

Financial Analysis of the Government's Funds

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

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

Other restricted resources include grant programs, improvements to roads or bike paths, various community support or future debt service. The remainder of fund balance is either *committed* for resources constrained on use by the Board of County Commissioners via a County Ordinance or Board resolution or is *nonspendable* to indicate that it is not available for discretionary spending because it has already been dedicated to prepaid items and inventories. Additional information on the County's fund balances can be found in *Note III.H. Fund balances, governmental funds* of this report.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance was \$164,007 in the General Fund or approximately 92.1 percent of the total fund balance of \$178,151. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total General Fund expenditures of \$575,418. Unassigned fund balance of the General Fund represents 28.5 percent of total General Fund expenditures. This significant increase is attributed to stronger than expected business income tax collections in fiscal year 2021, a 30.6 percent increase. The local and national economic outlook has improved significantly. The change is reflected in unassigned fund balance and is attributed to larger than expected departmental general fund under spending (in certain areas) in fiscal year 2021. This is a result of some routine services being reprioritized to the County's pandemic response (e.g. Health Department).

The fund balance of the County's General Fund increased by \$65,976 or 58.8 percent from the prior fiscal year, reflecting revenues that were \$48,139 above the prior year and expenditures that were \$6,223 above the prior year. Tax revenues increased by \$40,573 or by 9.1 percent, and charges for services increased by \$13,069 or 22.2 percent.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

The Federal/State Program Special Revenue Fund has a total fund balance of \$11,402, of which only \$34 is nonspendable due to balances reported for prepaid items. The restricted balance of \$10,754 includes grants and other amounts received in advance that are restricted to specific purposes by external parties. In general, federal revenues are closely matched with federal expenditures. The fund balance of the Federal/State Program Fund decreased slightly, by \$243.

In general, federal revenues are closely matched with federal expenditures. The most significant increase was for intergovernmental revenues, which increased by \$217,721 or 72.4 percent. Expenditures for social services increased by \$226,731 or 147.5 percent over the prior fiscal year. This is due to the increase in providers in the eXPRS program.

The Coronavirus (COVID-19) Response Special Revenue Fund has a total fund balance of \$240 at the end of fiscal year June 30, 2021 and as in the previous year, federal revenues matched with federal expenditures, resulting in no remaining fund balance. The most significant revenues are intergovernmental for \$156,812, which is an increase of \$148,893 over the prior year. The County received over \$100 million in external funding for its COVID-19 response, primarily CARES Act funding. The County's COVID-19 response has been broad but has focused in a few areas: testing, contact tracing, isolation and quarantine, vaccination, non-congregate sheltering for the houseless, rent assistance, other client assistance, business relief, and other services aimed at stopping the spread of the virus and supporting residents economically impacted by the pandemic. The County's Health Department received provider relief funding for lost revenues of \$7,491 because of clinic closures during the peak of the pandemic.

The Multnomah County Library Capital Construction Project Fund is a new fund for fiscal year ending June 30, 2021. This capital project fund has a total fund balance of \$436,208, which is due to the issuance of general obligation debt for \$387,000 at a premium of \$50,739. The bonds were issued to finance capital costs to expand, modernize, and rebuild and acquire land for library facilities. Further information can be found in *Note III.G. Long-term debt*.

Proprietary funds: The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the proprietary funds at year end amounted to:

Dunthorpe-Riverdale Service District No. 1 Fund	\$ 1,855
Mid County Service District No. 14 Fund	397
Behavioral Health Managed Care Fund	4,320

The total change in net position for all proprietary funds was a increase of \$5,602. Other factors concerning the finances of these three funds have been addressed in the discussion of the County's business-type activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

General Fund Budgetary Highlights

The adjustments necessary to bring the expenditure budget into agreement with the revised revenue budget account for some of the differences between the original General Fund budget and the final adopted budget. Final budgeted revenues increased by \$3,618 and final budgeted expenditures increased by \$619 from the adopted budget.

The following are noteworthy changes from the original adopted budget to the final budget in the General Fund:

- Final budgeted expenditures for Nondepartmental increased by \$3,800. Most of this is attributed to an increase of \$2,200 in the final budget for the Joint Office of Homeless Services for shelter development. The remainder of the increase is spread across multiple cost centers, none of which received a significant increase.
- Contingency modifications accounted for increases in budgeted expenditures that were not anticipated at the time the budget was adopted and/or were not accompanied by increased revenues. Contingency may be used only when approved by the Board for a specific purpose and department. There was no effect on the ending General Fund budgetary fund balance as a result of these budget amendments. Contingency was reduced by \$3,541 from the original to the final budget and was primarily attributed to:
 - A contingency modification of \$3,000 that was identified by the Department of County Assets for construction activities for the Behavioral Health Resource Center. This budget modification was approved through the supplemental budget process.
 - The Board of County Commissioners approved the use of \$500 of General Fund contingency to stabilize programs that were reliant on the Video Lottery funding due to the shortfall of these revenues.

The following are noteworthy variances from the final budget to actual amounts in the General Fund revenues:

- Business income tax (BIT) revenues were budgeted at \$96,540 and actual BIT collections were \$136,242 in fiscal year 2021. The variance was \$39,702 or 41.1 percent more than budgeted. BIT revenues were higher than initially budgeted due to surprisingly good performance by income based taxes around the country. When the County's budget was adopted for fiscal year ending June 30, 2021, the area had just entered a massive recession and the County assumed that BIT revenues would be negatively affected. The intervention in the economy by the Federal Government for both households and businesses supported income and kept tax revenues at pre-pandemic levels.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

- Revenues from Motor Vehicle Registration Tax (MVRT) fees were budgeted at \$22,914 and actual MVR collections were \$17,330 during the fiscal year. This was 24.4 percent or \$5,584 less than expected. MVR taxes were negatively impacted by COVID-19 travel restrictions and the ensuing recession. At one point, deplaned passengers at the Portland International Airport (PDX) were down 93 percent year-over-year. Motor vehicle rentals are highly correlated with traffic into PDX. Deplaned passengers at PDX remain well below pre-pandemic levels.
- Though charges for services were budgeted for \$62,054, actual revenues were \$57,896, which is \$4,158 or 6.7 percent less than expected. Charges for services were lower for a variety of reasons mostly related to public health restrictions. Land use planning applications, health-related inspections, food handlers licenses were all affected as a variety of businesses and activities shut down during the pandemic.
- Non-government grant revenues were budgeted for \$6,858 and actual non-government grants received were \$11,807, which was \$4,949 or 72.2 percent more than expected.

The following are noteworthy variances from the final budget to actual amounts in the General Fund expenditures:

- Actual Department of Health Services expenditures were \$11,562 or 7.2 percent less than budgeted. This was due to a reduction in personal services which continued to shift and change as the Health Department navigated the pandemic. It was more difficult than expected, to recruit and fill new positions and the types of positions needed continued to evolve. Recruiting vacancies was and continues to be especially challenging for healthcare related positions. There is a nationwide shortage of nurses, doctors, dentists, hygienists, etc. Programs within the Health Department that experienced this scenario significantly include: Organizational Development, Behavioral Health, Public Health, Corrections Health, and Integrated Clinical Services.
- Actual Department of Community Justice (DCJ) expenditures were \$7,211 or 9.5 percent less than budgeted. Due to the pandemic, service providers were challenged not only in employing staff but delivering services. This resulted in contract services being underutilized by 73 percent, which equates to \$3.6 million. In addition, it was challenging to find equipment and supplies. While there are many building projects to be completed, there were constraints with contractors and obtaining materials and supplies; projects were not completed timely or not at all.
- Actual expenditures for the Department of Human Services were \$3,887 or 7 percent less than budgeted. The majority of under spending was due to staffing vacancies within the Department of Human Services and with contracted partners. This resulted in amounts for pass through to agencies being less than budgeted, especially in domestic violence services, SUN (Schools Uniting Neighborhoods) Community Schools, and Youth Advocacy. Agencies have reported unprecedented turnover during the pandemic.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

- Actual Nondepartmental expenditures were under budget by \$5,291 or 8 percent and can be attributed to the following:
 - Nondepartmental services house the Joint Office of Homeless Services (JOHS), as well as a variety of other County programs. The fiscal year 2021 budget for JOHS included a \$2,602 appropriation of Tax Title funding that was less than anticipated to be reserved for spending in future fiscal years in order to ensure the financial stability of programs supported by such funding, especially because additional Tax Title revenues were not anticipated in future years. Actual Tax Title funded program spending was less than anticipated resulting in additional Tax Title underspending of \$938, for a total of \$3,450. The JOHS budget also included a \$3,500 appropriation for emergency shelter strategic investments, of which \$2,200 was carried over into fiscal year 2022 because planned shelter projects are still in progress. JOHS had total expenditures that were \$6,018 less than what was expected.
 - The remaining amount of expenditures that were under budget was \$2,710 and was spread across all other Nondepartmental offices. The impact of COVID-19 was felt countywide throughout the year. The impact on Nondepartmental services included the redeployment of critical staff to the EOC and various pandemic focused efforts, the reduction in facilities related services and unfilled vacancies.

Capital Assets and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to \$1,362,856 (net of accumulated depreciation). This investment in capital assets includes land, right of ways, construction in progress, buildings and improvements, machinery and equipment, internally developed software, roads and bridges, sewer and street lighting systems, motor vehicles, and works of art. The total overall change in the County's investment in capital assets for the current fiscal year was a decrease of \$24,047 or approximately 1.7 percent.

The decrease in capital assets is primarily attributable to one project completing construction at the end of fiscal year 2021. The most significant addition to buildings during fiscal 2021 was \$298,680 for the Downtown Courthouse which likewise, decreased construction in progress. Another notable project completed was the Mid County Facility for the Department of County Justice for \$7,981.

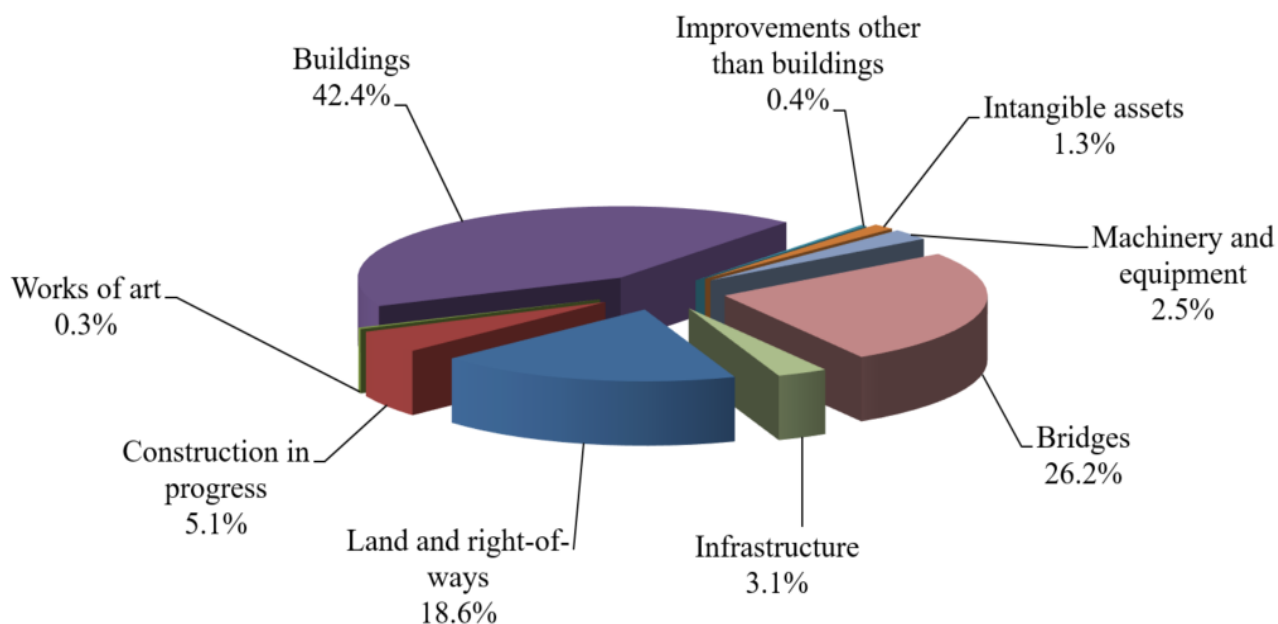
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

Multnomah County's Capital Assets
(net of depreciation, where applicable)

	Governmental Activities		Business- Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land and right of ways	\$ 253,991	\$ 248,904	\$ -	\$ -	\$ 253,991	\$ 248,904
Construction in process	68,465	375,860	1,144	1,037	69,609	376,897
Works of art	4,463	4,447	-	-	4,463	4,447
Buildings	577,397	281,696	-	-	577,397	281,696
Improvements other than buildings	435	475	4,935	4,848	5,370	5,323
Machinery & equipment	33,861	32,786	-	-	33,861	32,786
Bridges	357,214	367,764	-	-	357,214	367,764
Intangible assets, depreciating	18,344	21,082	-	-	18,344	21,082
Infrastructure	42,607	48,004	-	-	42,607	48,004
Total capital assets	<u>\$ 1,356,777</u>	<u>\$ 1,381,018</u>	<u>\$ 6,079</u>	<u>\$ 5,885</u>	<u>\$ 1,362,856</u>	<u>\$ 1,386,903</u>

The following chart indicates the County's capital assets as of June 30, 2021. Additional information on the County's capital assets can be found in *Note III.F. Capital assets* of this report.

Total Capital Assets, Net of Depreciation



MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

Long-term debt. At the end of the current fiscal year, the County had total debt outstanding of \$749,846. Of this amount, \$431,386 represents in general obligation bonds; \$311,700 in full faith and credit bonds; \$2,914 in loan obligations; \$2,730 in federally taxable non-revolving credit facility (referred to as a line of credit throughout the financial statements); and the remainder of \$1,116 represents capitalized leases. Full faith and credit bonds are obligations that pledge the full faith and credit of the County. Only governmental activities held long-term debt during fiscal year 2021.

Multnomah County's Outstanding Debt

	Governmental Activities	
	2021	2020
General obligation bonds	\$ 431,386	\$ -
Full faith and credit bonds	311,700	344,351
Capital leases	1,116	1,329
Loans	2,914	3,125
Line of credit	2,730	-
Total outstanding debt	<u>\$ 749,846</u>	<u>\$ 348,805</u>

The County's total debt increased by \$401,041 or approximately 114.2 percent during the current fiscal year. The net increase is attributable to the issuance of general obligation bonds and a line of credit, which is offset by reductions in principal payments associated with prior bond issues.

The County maintains an Aaa rating with a stable outlook from Moody's for general obligation debt and full faith and credit bonds. Similarly, Standard & Poor's rated the County's both general obligation and full faith and credit bonds as AAA.

State statutes limit the amount of general obligation debt a governmental entity may issue to two percent of the real market value of all taxable property within the government's boundaries. The current debt limitation for the County for general obligation debt is \$3,294,478, which is in excess of the County's outstanding general obligation debt.

State statutes also limit the amount of full faith and credit obligations to one percent of the real market value of all taxable property within the government's boundaries. The current debt limitation for the County for full faith and credit obligations is \$1,583,817 which is in excess of the County's outstanding full faith and credit debt. In addition, the County maintains an internal policy that limits full faith and credit debt payments to no more than 5 percent of General Fund revenues. This limit is much more restrictive than provided in statute.

Additional information on the County's long-term liabilities can be found in *Note III.G. Long-term debt* of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

Key Economic Factors and Budget Information for Next Year

- The unemployment rate for the Portland-Vancouver-Beaverton PMSA (Primary Metropolitan Statistical Area) at the close of the fiscal year had decreased to 5.7 percent. The unemployment rate was similar for the United States and the State of Oregon with 5.9 and 5.6 percent, respectively. This is a significant decrease from 2020, when the unemployment rate exceeded 11 percent. The CARES Act and more recently ARPA have greatly supported the recovery by providing unemployment benefits, direct financial assistance to households, financial relief to businesses, and job training and other supports.
- Property tax revenues are the single largest source of revenue in the General Fund and account for approximately 59.8 percent of ongoing revenues. General Fund growth is particularly sensitive to taxable value growth and compression. Property tax revenues are limited by state statute. Assessed value can generally not grow by more than 3 percent, although new construction can increase value growth above this limit. Property tax revenue is forecast to grow by 3.4 percent in 2022.

The forecast for fiscal year 2022, assumes the economy will remain strong. Business income tax (BIT) collections totaled \$136 million in fiscal year 2021, the highest annual level of collections ever recorded. This is attributed to federal assistance, strong profits from the largest payers, and businesses preferring to realize larger profits now anticipating future increases to corporate tax rates. The County is forecasting BIT collections to increase by 5 percent in fiscal year 2022. The BIT is highly sensitive to economic conditions and has historically been a volatile revenue source. The fiscal year 2022 budget includes a reserve equal to 10 percent of budgeted BIT revenues to guard against year over year volatility.

Health care transformation and the expansion of Medicaid continue to drive growth in the County's Health Department. The County is a founding member of Health Share, a Coordinated Care Organization (CCO) that establishes rates paid to support Medicaid programs throughout Oregon.

- The County's primary cost drivers are, like most governmental organizations, related to personnel. Expenditures for employee salary and benefits are forecast to grow by an estimated 4.3 percent in fiscal year 2022. Wages are established in labor contracts and wage growth is based on the change in the consumer price index (CPI). The CPI is a reflection of the strength of the regional economy. Inflation has become a short-term concern as supply chain issues have caused supply shortages and the labor markets have tightened with employers struggling to fill vacancies. The forecast assumes inflation will continue to grow in the short term before returning to normal levels in the long run.
- The County has taken a conservative approach to its pension liability and has taken proactive steps to limit rate increases established by the Oregon Public Employees Retirement System (OPERS). Accumulated reserves have been used to fund four "side accounts" totaling \$100,000 with OPERS. When fully amortized, these side accounts will reduce the OPERS rate by an estimated 3.0 percent of payroll and will help the County mitigate future rate increase. During fiscal year 2020, the County participated in the OPERS Employer Incentive Fund match program created by Senate Bill 1049. The County received a match on one side account totaling \$6,250. In

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
(dollar amounts expressed in thousands)

January 2021, the Oregon PERS Board reduced the assumed earnings rate from 7.2 percent to 6.9 percent, though impactful the change was not unexpected.

- In recent years, the County has been able to tackle some long-term capital needs. The new Multnomah County Central Courthouse opened to the public in October 2020 and is currently going through close out steps. The project was supported by the State of Oregon. Construction on a new Behavioral Health Resource Center (BHRC) began in the summer of 2021. The enhanced facility will provide transitional housing for homeless individuals with behavioral health issues and assist them in finding housing and treatment services. The facility is expected to open in the fall of 2022 and is being financed with State funding and the General Fund. In January 2021, the County issued general obligation bonds totaling \$387 million to finance capital costs to expand, modernize, rebuild, and acquire land for library facilities. The library project is set to be completed in late 2025. The County is currently in the process of refining the Earthquake Ready Burnside Bridge Project scope, but the design and right of way phase will be in late 2021. The project will be primarily funded with vehicle registration fees and other external funding. The total estimated cost for the project is above \$800 million (costs through construction phase). When completed these projects will add significantly to the County's asset base and reduce the amount of deferred capital maintenance.
- The American Rescue Plan Act of 2021 (ARPA) was signed into law on March 11, 2021, and provides \$350 billion in additional funding for state and local governments navigating the impacts of the COVID-19 outbreak. Funds were distributed by the U.S. Treasury to states and eligible local governments and are to be used to cover COVID-19 related expenses and impacts from the pandemic. Multnomah County will be receiving a total direct allocation of \$157.8 million. Funding will be provided to Multnomah County in two tranches: 50 percent or \$78.9 million received in May of 2021 and the remaining balance no earlier than 12 months from the date of the first payment. The funds are available to be spent through December 31, 2024. The County programmed its first allocation to be used in fiscal year 2022.

All of these factors were considered in preparing the County's budget for fiscal year 2022.

Requests for Information

This financial report is designed to provide a general overview of Multnomah County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for separately issued component unit reports should be directed to the following address:

Multnomah County
Department of County Management
501 SE Hawthorne Blvd. Suite 531
Portland, OR 97214

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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MULTNOMAH COUNTY, OREGON
Statement of Net Position
June 30, 2021
(amounts expressed in thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	The Library Foundation
ASSETS				
Current assets (unrestricted):				
Cash and investments	\$ 334,588	\$ 7,918	\$ 342,506	\$ 24,118
Receivables, net:				
Taxes	31,048	-	31,048	-
Accounts	16,287	105	16,392	-
Loans	83	-	83	-
Interest	2,352	-	2,352	-
Special assessments	-	33	33	-
Contributions	-	-	-	7
Inventories	2,242	40	2,282	-
Prepaid items	6,246	17	6,263	43
Split interest and other agreements	-	-	-	643
Current assets (restricted):				
Cash and investments	680,944	-	680,944	226
Receivables, net:				
Taxes	4,743	-	4,743	-
Accounts	129,792	-	129,792	-
Inventories	475	-	475	-
Total current assets	1,208,800	8,113	1,216,913	25,037
Noncurrent assets (unrestricted):				
Net OPEB asset - RHIA	24,372	53	24,425	-
Loans receivable	3,370	-	3,370	-
Capital assets:				
Capital assets, not being depreciated	326,919	1,144	328,063	-
Capital assets, net of accumulated depreciation	1,029,858	4,935	1,034,793	4
Noncurrent assets (restricted):				
Receivables, net:				
Loans	386	-	386	-
Contracts	150	-	150	-
Total noncurrent assets	1,385,055	6,132	1,391,187	4
Total assets	2,593,855	14,245	2,608,100	25,041
DEFERRED OUTFLOWS OF RESOURCES				
Unrestricted:				
OPEB - County Plan	13,931	32	13,963	-
OPEB - RHIA	3,170	7	3,177	-
Pension	265,827	579	266,406	-
Total deferred outflows of resources	282,928	618	283,546	-
LIABILITIES				
Current liabilities (payable from unrestricted assets):				
Accounts payable	51,206	252	51,458	532
Accrued salaries and benefits	14,338	-	14,338	-
Accrued interest payable	6,591	-	6,591	-
Gift annuity payable	-	-	-	4

MULTNOMAH COUNTY, OREGON
Statement of Net Position
June 30, 2021
(amounts expressed in thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	The Library Foundation
Current liabilities (payable from unrestricted assets, continued):				
Unearned revenue	1,030	-	1,030	-
Compensated absences	27,131	-	27,131	-
Bonds payable	69,559	-	69,559	-
Capital leases payable	224	-	224	-
Claims and judgments payable	11,998	-	11,998	-
Current liabilities (payable from restricted assets)				
Accounts payable	59,989	-	59,989	-
Accrued salaries and benefits	3,403	-	3,403	-
Loans payable	240	-	240	-
Lines of credit	2,730	-	2,730	-
Unearned revenue	139,244	-	139,244	-
Deferred compensation	-	-	-	226
Total current liabilities	387,683	252	387,935	762
Noncurrent liabilities (payable from unrestricted assets):				
Compensated absences	9,666	-	9,666	-
Bonds payable	673,527	-	673,527	-
Capital leases payable	892	-	892	-
Other accrued liabilities	393	-	393	-
Total OPEB liability - County Plan	126,345	288	126,633	-
Net pension liability	726,516	1,583	728,099	-
Noncurrent liabilities (payable from restricted assets):				
Loans payable	2,674	-	2,674	-
Total noncurrent liabilities	1,540,013	1,871	1,541,884	-
Total liabilities	1,927,696	2,123	1,929,819	762
DEFERRED INFLOWS OF RESOURCES				
Unrestricted:				
OPEB - County Plan	14,702	33	14,735	-
OPEB - RHIA	13,919	30	13,949	-
Pension	12,134	26	12,160	-
Unamortized gain on debt refunding	8,791	-	8,791	-
Total deferred inflows of resources	49,546	89	49,635	-
NET POSITION				
Net investment in capital assets	1,075,084	6,079	1,081,163	4
Restricted for:				
Nonexpendable - library operations	-	-	-	4,836
Expendable - library operations	53,617	-	53,617	6,764
Capital projects, buildings	443,189	-	443,189	-
Community support programs	19,539	-	19,539	-
Document storage and retrieval	158	-	158	-
Road, bridge and bike path improvements	21,595	-	21,595	-
Unrestricted	(713,641)	6,572	(707,069)	12,675
Total net position	\$ 899,541	\$ 12,651	\$ 912,192	\$ 24,279

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

MULTNOMAH COUNTY, OREGON
Statement of Activities
For the year ended June 30, 2021
(amounts expressed in thousands)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 262,987	\$ 108,075	\$ 4,827	\$ 55	\$ (150,030)	\$ -	\$ (150,030)	\$ -
Health services	308,078	113,412	107,915	-	(86,751)	-	(86,751)	-
Social services	634,338	7,585	527,188	6,880	(92,685)	-	(92,685)	-
Public safety and justice	171,090	26,108	50,590	-	(94,392)	-	(94,392)	-
Community services	79,932	16,617	4,286	7	(59,022)	-	(59,022)	-
Library	124,511	3,103	1,931	-	(119,477)	-	(119,477)	-
Roads, bridges, and bike path improvements	111,752	23,496	59,174	1,341	(27,741)	-	(27,741)	-
Interest on long-term debt	30,297	-	-	-	(30,297)	-	(30,297)	-
Total governmental activities	1,722,985	298,396	755,911	8,283	(660,395)	-	(660,395)	-
Business-type activities:								
Dunthorpe-Riverdale Service District No. 1	763	28	-	4	-	(731)	(731)	-
Mid County Service District No. 14	398	14	-	289	-	(95)	(95)	-
Behavioral health managed care	2,358	7,179	-	-	-	4,821	4,821	-
Total business-type activities	3,519	7,221	-	293	-	3,995	3,995	-
Total primary government	\$ 1,726,504	\$ 305,617	\$ 755,911	\$ 8,576	\$ (660,395)	\$ 3,995	\$ (656,400)	\$ -
Component unit:								
The Library Foundation	\$ 2,384	\$ -	\$ 1,427	\$ -	\$ -	\$ -	\$ -	\$ (957)
General revenues:								
Taxes:								
Property taxes, levied for general purposes					421,799	1,607	423,406	-
Business income taxes					136,242	-	136,242	-
Selective excise and use taxes					39,197	-	39,197	-
Payments in lieu of taxes					349	-	349	-
State government shared unrestricted revenues					14,374	-	14,374	-
Grants and contributions not restricted to specific programs					2	-	2	1,054
Interest and investment earnings					3,880	-	3,880	4,568
Gain (loss) on disposal of capital assets					(64)	-	(64)	-
Total general revenues					615,779	1,607	617,386	5,622
Change in net position					(44,616)	5,602	(39,014)	4,665
Net position - beginning					944,157	7,049	951,206	19,614
Net position - ending					\$ 899,541	\$ 12,651	\$ 912,192	\$ 24,279

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

FUND FINANCIAL STATEMENTS

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MULTNOMAH COUNTY, OREGON
Balance Sheet
Governmental Funds
June 30, 2021
(amounts expressed in thousands)

	General Fund	Federal/State Program Special Revenue Fund	Coronavirus (COVID-19) Response Special Revenue Fund	Multnomah County Library Capital Construction Project Fund
ASSETS				
Unrestricted:				
Cash and investments	\$ 119,566	\$ -	\$ -	\$ -
Receivables:				
Taxes	29,241	-	-	-
Accounts, net	14,874	-	-	-
Loans	3,201	-	-	-
Interest	2,352	-	-	-
Due from other funds	72,964	-	-	-
Inventories	460	-	-	-
Prepays and deposits	709	34	97	-
Restricted:				
Cash and investments	305	21,634	116,766	436,436
Receivables:				
Taxes	-	-	-	-
Accounts, net	397	71,443	47,365	-
Loans	-	386	-	-
Contracts	150	-	-	-
Inventories	-	475	-	-
Total assets	<u>\$ 244,219</u>	<u>\$ 93,972</u>	<u>\$ 164,228</u>	<u>\$ 436,436</u>
LIABILITIES				
Liabilities payable from unrestricted assets:				
Accounts payable	\$ 36,616	\$ -	\$ -	\$ -
Payroll payable	13,318	-	-	-
Unearned revenue	1,021	-	-	-
Liabilities payable from restricted assets:				
Accounts payable	8	23,548	9,303	228
Payroll payable	-	2,342	1	-
Due to other funds restricted	-	35,046	37,918	-
Unearned revenue	-	21,634	116,766	-
Total liabilities	<u>50,963</u>	<u>82,570</u>	<u>163,988</u>	<u>228</u>
DEFERRED INFLOWS OF RESOURCES				
Unrestricted:				
Resources not yet available:				
Clinic fees	7,775	-	-	-
Property taxes	7,330	-	-	-
Restricted:				
Resources not yet available:				
Property taxes	-	-	-	-
Total deferred inflows of resources	<u>15,105</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	1,169	34	97	-
Restricted	844	10,754	143	436,208
Committed	12,131	169	-	-
Assigned	-	445	-	-
Unassigned	164,007	-	-	-
Total fund balances	<u>178,151</u>	<u>11,402</u>	<u>240</u>	<u>436,208</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 244,219</u>	<u>\$ 93,972</u>	<u>\$ 164,228</u>	<u>\$ 436,436</u>

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

Other Governmental Funds	Total Governmental Funds
\$ 90,407	\$ 209,973
1,807	31,048
914	15,788
-	3,201
-	2,352
-	72,964
261	721
772	1,612
105,801	680,942
4,743	4,743
10,587	129,792
-	386
-	150
-	475
<u>\$ 215,292</u>	<u>\$ 1,154,147</u>
\$ 6,161	\$ 42,777
68	13,386
-	1,021
26,903	59,990
1,061	3,404
-	72,964
844	139,244
<u>35,037</u>	<u>332,786</u>
-	7,775
-	7,330
2,024	2,024
<u>2,024</u>	<u>17,129</u>
1,033	2,333
90,299	538,248
75,955	88,255
10,944	11,389
-	164,007
<u>178,231</u>	<u>804,232</u>
\$ 215,292	\$ 1,154,147

MULTNOMAH COUNTY, OREGON
Reconciliation of the Balance Sheet to the Statement of Net Position
Governmental Funds
As of June 30, 2021
(dollar amounts expressed in thousands)

Fund balances - governmental funds		\$	804,232
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:			
Governmental capital assets	2,094,794		
Less accumulated depreciation	<u>(761,411)</u>		1,333,383
Deferred outflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:			
Deferred outflows of resources - OPEB - County Plan	12,741		
Deferred outflows of resources - OPEB - RHIA	2,901		
Deferred outflows of resources - pension	<u>243,250</u>		258,892
Accrued interest payable			(6,591)
Long-term liabilities, not due and payable in the current period and, therefore, are not reported in the governmental funds:			
Bonds payable	(743,086)		
Capital leases payable	(1,116)		
Loans payable	(2,914)		
Line of credit payable	(2,730)		
Retainage payable	<u>(421)</u>		(750,267)
Accrued compensated absences are not due and payable in the current period and, therefore, are not reported in the funds			(33,458)
Long-term asset / (liabilities) related to future periods and, therefore, are not reported in the governmental funds:			
Total OPEB - County Plan	(115,554)		
Net OPEB - RHIA	22,302		
Net pension	<u>(664,814)</u>		(758,066)
Deferred inflows of resources are applicable to future periods and, therefore, are not reported in the governmental funds:			
Deferred inflows of resources - OPEB - County Plan	(13,447)		
Deferred inflows of resources - OPEB - RHIA	(12,737)		
Deferred inflows of resources - pension	(11,104)		
Deferred inflows of resources - unamortized gain on debt refunding	<u>(8,791)</u>		(46,079)
Other long-term assets and deferred inflows of resources are not available to fund current period expenditures and, therefore, are not reported in the governmental funds:			
Clinic fees	14,000		
Property taxes	8,582		
Loans receivable	252		
Mark to market on investments	<u>(1,098)</u>		21,736
Internal service funds are used by management to charge the costs of certain activities to individual funds. Net position of the internal service funds is reported with governmental activities.			<u>75,760</u>
Net position of governmental activities		\$	<u><u>899,542</u></u>

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

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MULTNOMAH COUNTY, OREGON
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	General Fund	Federal/State Program Special Revenue Fund	Coronavirus (COVID-19) Response Special Revenue Fund	Multnomah County Library Capital Construction Project Fund
REVENUES				
Taxes	\$ 484,584	\$ -	\$ -	\$ -
Payments in lieu of taxes	221	-	-	-
Intergovernmental	15,105	518,416	156,812	-
Licenses and permits	15,598	959	-	-
Charges for services	71,896	60,121	7	-
Interest	2,062	5	240	468
Non-governmental grants	11,807	4,744	62	-
Service reimbursements	36,486	-	-	-
Miscellaneous	1,937	418	-	-
Total revenues	<u>639,696</u>	<u>584,663</u>	<u>157,121</u>	<u>468</u>
EXPENDITURES				
Current:				
General government	107,667	403	-	1,089
Health services	148,606	155,087	396	-
Social services	74,039	380,433	149,107	-
Public safety and justice	244,712	46,398	-	-
Community services	-	2,302	-	-
Library services	-	-	-	193
Roads, bridges, and bike path improvements	-	29	-	-
Capital outlay	394	275	7,378	717
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>575,418</u>	<u>584,927</u>	<u>156,881</u>	<u>1,999</u>
Revenues over (under) expenditures	<u>64,278</u>	<u>(264)</u>	<u>240</u>	<u>(1,531)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,946	-	-	-
Transfers out	(4,248)	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Issuance of debt	-	21	-	387,000
Debt restructuring	-	-	-	-
Premium on long-term debt issuance	-	-	-	50,739
Refunded debt	-	-	-	-
Total other financing sources (uses)	<u>1,698</u>	<u>21</u>	<u>-</u>	<u>437,739</u>
Net change in fund balances	65,976	(243)	240	436,208
Fund balances - beginning	<u>112,175</u>	<u>11,645</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ 178,151</u>	<u>\$ 11,402</u>	<u>\$ 240</u>	<u>\$ 436,208</u>

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

	Other Governmental Funds	Total Governmental Funds
\$	117,576	\$ 602,160
	128	349
	68,334	758,667
	23,760	40,317
	10,587	142,611
	2,201	4,976
	1,901	18,514
	79,923	116,409
	1,114	3,469
	<u>305,524</u>	<u>1,687,472</u>
	681	109,840
	210	304,299
	8,142	611,721
	8,139	299,249
	31,850	34,152
	82,306	82,499
	72,218	72,247
	20,648	29,412
	23,600	23,600
	31,301	31,301
	<u>279,095</u>	<u>1,598,320</u>
	<u>26,429</u>	<u>89,152</u>
	98,459	104,405
	(99,760)	(104,008)
	10	10
	2,730	389,751
	89,580	89,580
	552	51,291
	<u>(89,453)</u>	<u>(89,453)</u>
	<u>2,118</u>	<u>441,576</u>
	28,547	530,728
	<u>149,684</u>	<u>273,504</u>
\$	<u><u>178,231</u></u>	<u><u>\$ 804,232</u></u>

MULTNOMAH COUNTY, OREGON
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities
Governmental Funds
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

Net change in fund balances - governmental funds		\$ 530,728
<p>Amounts reported for governmental activities in the Statement of Activities are different because the following activities are not current financial resources or uses:</p> <p>Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets are depreciated over their estimated useful lives:</p>		
Expenditures for capital assets	21,475	
Current year depreciation expense	<u>(46,206)</u>	(24,731)
Contributed and donated capital assets - received	1,341	
Net loss on disposal of capital assets	<u>(73)</u>	1,268
Premium issued on long-term debt is reported as an other financing source in governmental funds, but an increase of long-term liabilities in the Statement of Net Position:		
Premium liabilities reported under full accrual are amortized to interest expense in the Statement of Activities		1,004
Repayment of long-term debt are reported as expenditures, respectively in the governmental funds. but as reductions of long-term liabilities in the Statement of Net Position		24,360
Refunding of long-term debt is reported as expenditures, respectively in the governmental funds. but as reductions of long-term liabilities in the Statement of Net Position		89,453
Proceeds from the issuance of long-term debt (including defeased amounts) are reported as revenues, respectively, in the governmental funds, but as increases, respectively, of long-term liabilities in the Statement of Net Position		(530,622)
Some expenses reported in the Statement of Activities do not require use of current resources:		
Accrual of OPERS net pension liability not reported as an expenditure in governmental funds	(122,053)	
Accrual of other postemployment liability not reported as an expenditure in governmental funds	4,441	
Other accrued liabilities	<u>(3,496)</u>	(121,108)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. The net adjustment of these revenues recognized in different years for modified vs full accrual may result in a net increase or net decrease of revenue.		(12,930)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net position of the internal service funds is reported with governmental activities		<u>(2,038)</u>
Change in net position of governmental activities		<u><u>\$ (44,616)</u></u>

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

MAJOR GOVERNMENTAL FUNDS

Major governmental funds are defined as those funds whose revenues, expenditures or expenses, assets or liabilities (excluding extraordinary items) are at least ten percent of corresponding totals for all governmental funds for the same. The General Fund is always classified as a major fund. The modified accrual basis of accounting is used to record revenues and expenditures.

- **General Fund** - accounts for the financial operations of the County which are not accounted for in any other fund. The principal sources of revenues are property taxes, personal income taxes, business income taxes, motor vehicle rental taxes, service charges, intergovernmental revenue, fees and permits, and interest income. The majority of expenditures in the General Fund are made for general government, public safety, health services, aging services, and youth and family services.
- **Federal/State Program Fund** - accounts for the majority of grant restricted revenues and expenditures related to funding received from federal, state and local programs. This fund also includes some non-restricted operations revenues in the form of fees and licenses.
- **Coronavirus (COVID-19) Response Fund** - accounts for revenues and expenditures associated with the County's COVID-19 public health emergency response. Expenditures are restricted to public health services, medical services, human services, and measures taken to facilitate COVID-19 public health measures (e.g. care for homeless population). Revenues are primarily from Coronavirus Aid, Relief, and Economic Security (CARES Act), American Rescue Plan (ARPA), Federal Emergency Management Agency (FEMA), and other COVID-19 relief grant funds.
- **Multnomah County Library Capital Construction Fund** - accounts for expenditures for the planning, renovation, and construction of certain library facilities as approved by Multnomah County voters on November 3, 2020, as Ballot Measure 26-211. Resources are derived from debt issuance and interest on bond proceeds.

MULTNOMAH COUNTY, OREGON
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Taxes:				
Property	\$ 324,535	\$ 324,535	\$ 330,299	\$ 5,764
Business income	93,340	96,540	136,242	39,702
Motor vehicle rental	22,914	22,914	17,330	(5,584)
Transient lodging	-	-	66	66
Heavy equipment rental	-	-	648	648
Payments in lieu of taxes	69	69	221	152
Intergovernmental	14,706	14,706	15,105	399
Licenses and permits	15,401	15,401	15,598	197
Charges for services	62,130	62,054	57,896	(4,158)
Interest	1,372	1,372	1,911	539
Other:				
Non-governmental grants	6,782	6,858	11,807	4,949
Service reimbursements	38,826	39,245	36,486	(2,759)
Miscellaneous	1,902	1,902	1,937	35
Total revenues	<u>581,977</u>	<u>585,596</u>	<u>625,546</u>	<u>39,950</u>
EXPENDITURES				
Current:				
Community justice	76,226	76,161	68,950	7,211
Community services	18,774	18,775	18,063	712
County assets	8,963	8,377	8,239	138
County management	44,999	45,585	42,687	2,898
District attorney	30,854	30,879	30,033	846
Health services	159,884	160,208	148,646	11,562
Human services	55,701	55,825	51,938	3,887
Nondepartmental	62,446	66,246	60,955	5,291
Sheriff	146,472	146,423	145,909	514
Contingency	32,531	28,990	-	28,990
Total expenditures	<u>636,850</u>	<u>637,469</u>	<u>575,420</u>	<u>62,049</u>
Revenues over (under) expenditures	<u>(54,873)</u>	<u>(51,873)</u>	<u>50,126</u>	<u>101,999</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	6,387	6,387	5,946	(441)
Transfers out	(1,248)	(4,248)	(4,248)	-
Loan proceeds	223	223	234	11
Total other financing sources (uses)	<u>5,362</u>	<u>2,362</u>	<u>1,932</u>	<u>(430)</u>
Net change in fund balances	<u>(49,511)</u>	<u>(49,511)</u>	<u>52,058</u>	<u>101,569</u>
Fund balances - beginning	<u>103,963</u>	<u>103,963</u>	<u>130,667</u>	<u>26,704</u>
Fund balances - ending	<u>\$ 54,452</u>	<u>\$ 54,452</u>	<u>\$ 182,725</u>	<u>\$ 128,273</u>
Reconciliation to modified accrual basis:				
Loans receivable			3,201	
Certain clinic fee revenues are not considered available, and are reported as deferred inflows on the modified accrual basis:				
Prior year deferred inflows that became available during current year			(21,775)	
Current year clinic fees			(13,145)	
Current year payments received			<u>27,145</u>	
Fund balance as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances, Governmental Funds			<u>\$ 178,151</u>	

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

MULTNOMAH COUNTY, OREGON
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Federal/State Program Special Revenue Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Intergovernmental	\$ 309,609	\$ 318,680	\$ 298,970	\$ (19,710)
Licenses and permits	913	913	959	46
Charges for services	70,198	70,198	60,121	(10,077)
Interest	13	13	5	(8)
Non-governmental grants	7,002	7,995	4,744	(3,251)
Miscellaneous	241	241	418	177
Total revenues	<u>387,976</u>	<u>398,040</u>	<u>365,217</u>	<u>(32,823)</u>
EXPENDITURES				
Current:				
Community justice	30,217	29,457	28,061	1,396
Community services	1,530	2,152	945	1,207
District attorney	7,824	8,120	7,846	274
Health services	173,116	180,804	155,172	25,632
Human services	125,987	126,199	117,981	8,218
Nondepartmental	45,209	48,986	44,985	4,001
Sheriff	10,820	10,275	10,491	(216)
Total expenditures	<u>394,703</u>	<u>405,993</u>	<u>365,481</u>	<u>40,512</u>
Revenues over (under) expenditures	(6,727)	(7,953)	(264)	7,689
OTHER FINANCING SOURCES (USES)				
Issuance of debt	300	300	21	(279)
Total other financing sources (uses)	<u>300</u>	<u>300</u>	<u>21</u>	<u>(279)</u>
Net change in fund balances	(6,427)	(7,653)	(243)	7,410
Fund balances - beginning	<u>6,466</u>	<u>7,692</u>	<u>11,645</u>	<u>3,953</u>
Fund balances - ending	<u>\$ 39</u>	<u>\$ 39</u>	<u>11,402</u>	<u>\$ 11,363</u>

Reconciliation to modified accrual basis:

Some medical service providers through County programs are paid directly by the State, rather than funds flowing through the County. Under GAAP this activity is added as revenues and expenditures.

Intergovernmental Revenues	219,447
Payments to Service Providers	<u>(219,447)</u>
Fund balance as reported on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 11,402</u>

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

MULTNOMAH COUNTY, OREGON
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Coronavirus (COVID-19) Response Special Revenue Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Intergovernmental	\$ 95,049	\$ 175,088	\$ 156,812	\$ (18,276)
Charges for services	-	-	7	7
Interest	-	-	240	240
Non-governmental grants	-	-	62	62
Total revenues	95,049	175,088	157,121	(17,967)
EXPENDITURES				
Current:				
Community justice	710	1,429	1,336	93
Community services	-	525	429	96
District attorney	-	145	137	8
Health services	29,629	47,228	44,867	2,361
Human services	20,360	45,585	34,332	11,253
Nondepartmental	44,350	78,816	74,422	4,394
Sheriff	-	1,360	1,358	2
Total expenditures	95,049	175,088	156,881	18,207
Net change in fund balances	-	-	240	240
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ 240	\$ 240

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

PROPRIETARY FUNDS

The County utilizes eight proprietary funds made up of three enterprise funds and six internal service funds. See the *Combining and Individual Statements and Schedules - Proprietary Funds* section for the internal service funds; this section also includes the *Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual* for the enterprise funds.

These funds are used to finance and account for the acquisition, operation and maintenance of sewage treatment facilities, street lighting facilities and mental health claims administration, which are supported by user charges. The County accounts for certain expenditures of the enterprise funds for budgetary purposes on the modified accrual basis of accounting. For financial reporting purposes, the accrual basis of accounting is used. The difference in the accounting basis used relates primarily to the methods of accounting for depreciation and capital outlay.

Major Enterprise Funds:

- **Dunthorpe-Riverdale Service District No. 1 Fund** - accounts for the operations of the sanitary sewer system in southwest unincorporated Multnomah County. (A blended component unit of Multnomah County.)
- **Mid County Service District No. 14 Fund** - accounts for the operation of streetlights throughout unincorporated Multnomah County. (A blended component unit of Multnomah County).

Nonmajor Enterprise Fund:

- **Behavioral Health Managed Care Fund** - accounts for all financial activity associated with the State of Oregon's required behavioral health capitated services. This includes payments to providers with whom the County contracts for services. Revenues are fee for service payments from the State of Oregon to Multnomah County.

MULTNOMAH COUNTY, OREGON
Statement of Net Position
Proprietary Funds
June 30, 2021
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Dunthorpe-Riverdale Service District No. 1	Mid County Service District No. 14	Behavioral Health Managed Care	Total	
ASSETS					
Current assets:					
Cash and investments	\$ 1,997	\$ 353	\$ 5,568	\$ 7,918	\$ 120,259
Receivables:					
Accounts, net	-	2	103	105	498
Special assessments	22	11	-	33	-
Inventories	-	40	-	40	1,521
Prepaid items	-	17	-	17	4,635
Total current assets	2,019	423	5,671	8,113	126,913
Noncurrent assets:					
Net OPEB asset - RHIA	-	-	53	53	2,069
Capital assets:					
Construction in progress	543	601	-	1,144	1,640
Other capital assets (net of accumulated depreciation)	3,055	1,880	-	4,935	21,753
Total noncurrent assets	3,598	2,481	53	6,132	25,462
Total assets	5,617	2,904	5,724	14,245	152,375
DEFERRED OUTFLOWS OF RESOURCES					
OPEB - County Plan	-	-	32	32	1,190
OPEB - RHIA	-	-	7	7	269
Pension plan	-	-	579	579	22,577
Total deferred outflows of resources	-	-	618	618	24,036
LIABILITIES					
Current liabilities:					
Accounts payable	163	27	62	252	8,001
Payroll payable	-	-	-	-	951
Unearned revenue	-	-	-	-	9
Compensated absences	-	-	-	-	2,401
Claims and judgments payable	-	-	-	-	11,998
Total current liabilities	163	27	62	252	23,360
Noncurrent liabilities:					
Compensated absences	-	-	-	-	938
Other accrued payables	-	-	-	-	393
Total OPEB liability - County Plan	-	-	288	288	10,790
Net pension liability	-	-	1,583	1,583	61,702
Total noncurrent liabilities	-	-	1,871	1,871	73,823
Total liabilities	163	27	1,933	2,123	97,183
DEFERRED INFLOWS OF RESOURCES					
OPEB - County Plan	-	-	33	33	1,256
OPEB - RHIA	-	-	30	30	1,182
Pension plan	-	-	26	26	1,030
Total deferred inflows of resources	-	-	89	89	3,468
NET POSITION					
Investment in capital assets	3,599	2,480	-	6,079	23,001
Unrestricted	1,855	397	4,320	6,572	52,759
Total net position	\$ 5,454	\$ 2,877	\$ 4,320	\$ 12,651	\$ 75,760

MULTNOMAH COUNTY, OREGON
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Dunthorpe-Riverdale Service District No. 1	Mid County Service District No. 14	Behavioral Health Managed Care	Total	
OPERATING REVENUES					
Current assessments	\$ 1,148	\$ 451	\$ -	\$ 1,599	\$ -
Prior assessments	10	5	-	15	-
Charges for services	4	-	-	4	250,442
Intergovernmental charges for services	-	-	617	617	1,020
Insurance premiums	-	-	-	-	10,841
Licenses and permits	-	-	-	-	4
Miscellaneous	-	7	6,497	6,504	1,797
Total operating revenues	<u>1,162</u>	<u>463</u>	<u>7,114</u>	<u>8,739</u>	<u>264,104</u>
OPERATING EXPENSES					
Cost of sales and services	633	229	2,358	3,220	253,952
Administration	51	41	-	92	8,529
Depreciation and amortization	78	127	-	205	4,683
Total operating expenses	<u>762</u>	<u>397</u>	<u>2,358</u>	<u>3,517</u>	<u>267,164</u>
Operating income (loss)	<u>400</u>	<u>66</u>	<u>4,756</u>	<u>5,222</u>	<u>(3,060)</u>
NONOPERATING REVENUES (EXPENSES)					
Interest revenue	19	3	65	87	1,194
Gain (loss) on disposal of capital assets	-	-	-	-	170
Total nonoperating revenues	<u>19</u>	<u>3</u>	<u>65</u>	<u>87</u>	<u>1,364</u>
Income (loss) before contributions and transfers	419	69	4,821	5,309	(1,696)
Transfers in	-	-	-	-	935
Transfers out	-	-	-	-	(1,332)
Capital contributions in	-	293	-	293	55
Change in net position	<u>419</u>	<u>362</u>	<u>4,821</u>	<u>5,602</u>	<u>(2,038)</u>
Total net position - beginning	<u>5,035</u>	<u>2,515</u>	<u>(501)</u>	<u>7,049</u>	<u>77,798</u>
Total net position - ending	<u>\$ 5,454</u>	<u>\$ 2,877</u>	<u>\$ 4,320</u>	<u>\$ 12,651</u>	<u>\$ 75,760</u>

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

MULTNOMAH COUNTY, OREGON
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

	Business Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Dunthorpe - Riverdale Service District No. 1	Mid County Service District No. 14	Behavioral Health Manage Care	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 1,162	\$ 463	\$ 773	\$ 2,398	\$ 15,036
Receipts for interfund services provided	-	-	-	-	249,470
Payments to suppliers	(947)	(303)	(1,078)	(2,328)	(170,991)
Payments to employees	-	-	(1,516)	(1,516)	(58,159)
Receipts for interfund services used	51	28	(379)	(300)	(23,755)
Net cash provided by (used for) operating activities	266	188	(2,200)	(1,746)	11,601
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	-	-	-	-	935
Transfers out	-	-	-	-	(1,332)
Net cash provided by (used for) noncapital and related financing activities	-	-	-	-	(397)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital contributions in	-	293	-	293	55
Capital contributions out	-	-	-	-	-
Principal paid on capital leases	-	-	-	-	(213)
Acquisition of capital assets	81	(481)	-	(400)	(3,707)
Proceeds from sales of capital assets	-	-	-	-	170
Net cash provided by (used for) capital and related financing activities	81	(188)	-	(107)	(3,695)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest earnings	19	3	65	87	1,194
Net cash provided by (used for) investing activities	19	3	65	87	1,194
Net increase (decrease) in cash and cash equivalents	366	3	(2,135)	(1,766)	8,703
Cash and cash equivalents - beginning	1,631	350	7,703	9,684	111,556
Cash and cash equivalents - ending	\$ 1,997	\$ 353	\$ 5,568	\$ 7,918	\$ 120,259
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:					
Operating income (loss)	\$ 400	\$ 66	\$ 4,756	\$ 5,222	\$ (3,060)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation and amortization of capital assets	78	127	-	205	4,683
Changes in assets, liabilities, and deferred inflows/outflows:					
Receivables, net	-	(1)	152	151	407
Inventories	-	(9)	-	(9)	(386)
Prepaid items	-	-	68	68	1,465
Capital assets	-	-	-	-	(28)
Accounts payable	(212)	5	(729)	(936)	(4,120)
Claims and judgments payable	-	-	-	-	1,419
Payroll payable	-	-	-	-	(1)
Unearned revenue	-	-	-	-	(5)
Compensated absences	-	-	-	-	446
Other accrued payables	-	-	-	-	(14)
Total OPEB liability - County Plan	-	-	(1,694)	(1,694)	676
Deferred outflows - OPEB - County Plan	-	-	204	204	14
Deferred inflows - OPEB - County Plan	-	-	(266)	(266)	(274)
Net OPEB asset - RHIA	-	-	10	10	(1,744)
Deferred outflows - OPEB - RHIA	-	-	19	19	(136)
Deferred inflows - OPEB - RHIA	-	-	18	18	1,117
Net pension liability	-	-	(8,127)	(8,127)	12,862
Deferred outflows - pension	-	-	3,855	3,855	(273)
Deferred inflows - pension	-	-	(466)	(466)	(1,447)
Total adjustments	(134)	122	(6,956)	(6,968)	14,661
Net cash provided by (used for) operating activities	\$ 266	\$ 188	\$ (2,200)	\$ (1,746)	\$ 11,601
Noncash financing activities:					
None	\$ -	\$ -	\$ -	\$ -	\$ -

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

FIDUCIARY FUNDS

These funds account for resources received and held by the County in a fiduciary capacity. Disbursements from these funds are made in accordance with an agreement or applicable legislative enactment for each particular fund. The accrual basis of accounting is used to record transactions in the custodial funds. The funds included are:

- **Custodial Funds** - accounts for resources held by the County in a purely custodial capacity.

MULTNOMAH COUNTY, OREGON
Statement of Fiduciary Net Position
June 30, 2021
(amounts expressed in thousands)

	Custodial Funds
ASSETS	
Restricted assets:	
Cash and investments	\$ 51,552
Taxes receivable	45,024
Total assets	<u>96,576</u>
 LIABILITIES	
Liabilities payable from restricted assets:	
Accounts payable	12,072
Due to other governmental units	40,830
Total liabilities	<u>52,902</u>
 NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	43,674
Total net position	<u>\$ 43,674</u>

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

MULTNOMAH COUNTY, OREGON
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Custodial Funds
ADDITIONS	
Taxes collected	\$ 3,568,044
Taxes collected for other governments	30,346
Deposits held for others	7,032
Charges for services	699
Interest	1,075
Miscellaneous	3,751
Total additions	<u>3,610,947</u>
DEDUCTIONS	
Administrative Support	62
Payments of taxes to other governments	3,593,015
Payments paid to others	7,022
Distributions to others	575
Total deductions	<u>3,600,674</u>
Change in net position	10,273
Net position - beginning	<u>33,401</u>
Net position - ending	<u><u>\$ 43,674</u></u>

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS

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MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

Note I. Summary of significant accounting policies

A. Reporting entity

Multnomah County, Oregon (County), established in 1854, is organized under the Oregon Revised Statutes (ORS), chapter 201.260 as a municipal corporation. The Board of County Commissioners, comprised of an elected chair and four commissioners, forms the legislative branch of the County government.

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

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

Blended component units, although legally separate entities, are in substance part of the County's operations. Component units may also include organizations that are fiscally dependent on the County in that the County approves the budget, the issuance of debt or levying of taxes. Multnomah County has three blended component units, which are included in this report.

Blended component units. Dunthorpe-Riverdale Sanitary Service District No. 1 and Mid County Lighting Service District No. 14 serve residents within each district's geographical boundaries and are governed by a board comprised of the County's elected Board. The Board approves rates for user charges for both districts. Each district is reported as an enterprise fund. County management handles the management of the districts. Separate financial statements for the individual component units may be obtained at the Finance and Risk Management Division of the County's administrative offices.

The Library District of Multnomah County was created on July 1, 2013. In November 2012, the voters of Multnomah County approved a measure to form and fund a library district with a permanent rate dedicated to library services, operations, books, materials, programs, activities and oversight of the district. The Library District's permanent rate means library operations will have stable and dedicated funding. The Library District is reported as a special revenue fund and is governed by a board comprised of the County's elected Board. The County and the Library District have executed an intergovernmental agreement, which states that the County will be reimbursed by the Library District for the cost of library operations. Separate financial statements for the Library District may be obtained at the Finance and Risk Management Division of the County's administrative offices.

MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

The County also maintains a Hospital Facilities Authority (Authority) that issues conduit debt for health care facilities. The Authority is considered a blended component unit of the County because the board for the Authority consists of board members from the County. The balances and activity of the Authority are insignificant and therefore the financial statements of the County do not include the Authority. The County is not fiscally accountable for the Authority, nor do the County and the Authority have any financial benefit or burden between their relationships.

Discretely presented component unit. The Library Foundation (TLF) is a legally separate, tax-exempt component unit of the County. TLF's purpose is to support the County's libraries through raising, receiving, administering and disbursing funds, grants, bequests and gifts for the benefit of the County libraries. Although the County does not control the timing or amount of receipts from TLF, the majority of resources or income thereon that TLF holds and invests is restricted to the County libraries' activities by the donors. TLF is a discretely presented component unit as the nature and relationship with the County is significant, and to exclude TLF would cause the County's financial statements to be misleading. TLF is the beneficiary of a split-interest agreement; details are provided in TLF's *Notes to the Financial Statements*.

TLF is a private non-profit organization that reports under the Financial Accounting Standards Board (FASB) standards, including FASB Statement ASC 958, *Financial Reporting for Not-for-Profit Organizations*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to TLF's financial information in the County's financial reporting entity for these differences. TLF is an organization that is tax-exempt under Section 501(c) (3) of the Internal Revenue Code.

A complete copy of The Library Foundation's financial statements can be obtained by contacting: The Library Foundation, 620 SW Fifth Ave, Suite 1025, Portland, Oregon, 97204 or online at: <https://www.libraryfoundation.org/facts-and-financials>.

B. Government-wide and fund financial statements

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

The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function or business-type segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Segment information for the major funds, Dunthorpe-Riverdale Service District No 1, and the Mid County Service District No. 14, is provided in separate columns in the *Statement of Net Position Proprietary Funds*.

MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

In addition, functional expenses on the statement of activities include allocated indirect expenses.

Program revenues include:

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. 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 preparation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Custodial funds have no measurement focus, but do employ the *accrual basis of accounting* for purposes of asset and liability recognition. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS) plan and additions to/deductions from OPERS' fiduciary net position have been determined using the accrual basis of accounting, same as the OPERS plan. Plan member contributions are recognized in the period in which contributions are due. The County's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are recognized at fair value as determined by OPERS.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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Budget and actual statements are reported on the modified accrual basis, with minor differences in the classification of certain revenues, which are identified in the Reconciliation to GAAP Basis on the statements and schedules for the individual funds.

Property taxes, excise taxes, personal income taxes, business income taxes, intergovernmental revenue, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered susceptible to accrual as revenue of the current period. All other revenue items are considered measurable and available only when cash is received by the County.

Specific fund changes

During the fiscal year ended June 30, 2021, four new funds were established:

Special revenue fund: the *Preschool for All Program Fund* accounts for revenues and expenditures for the County Preschool for All Program. The primary source of revenue is personal income tax collections related to Ballot Measure 26-214 passed by the voters of Multnomah County on November 3, 2020, and effective January 1, 2021. Revenues are dedicated to fund universal, tuition-free, voluntary, and high quality preschool education within Multnomah County.

Special revenue fund: the *Community Health Center Fund* accounts for revenues and expenditures for the County's Community Health Center Program. The Community Health Centers are community based, patient governed organizations that provide comprehensive primary care and preventative care, including health, oral health, and mental health/substances abuse services. The primary source of revenue is the Consolidated Health Centers 330 grant, medical fees (e.g. Medicaid and Medicare), third party reimbursements, and other State and local program income. All program income is restricted to uses that further the objectives of the Community Health Center.

Debt service fund: the *General Obligation Bond Fund* accounts for the payment of principal and interest on General Obligation (GO) Bonds. The GO Bond Fund accounts for Series 2021 Library Bonds to expand, renovate, construct library branches/facilities, and improve safety. Proceeds are derived from property taxes and interest earned on the cash balances.

Capital project fund: the *Multnomah County Library Capital Construction Fund* accounts for expenditures for the planning, renovation, and construction of certain library facilities as approved by Multnomah County voters on November 3, 2020, as Ballot Measure 26-211. Resources are derived from debt issuance and interest from bond proceeds.

The County reports the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

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The *Federal/State Program Fund* is a special revenue fund that accounts for primarily grant resources (federal, state and local) and the related expenditures for those programs.

The *Coronavirus COVID-19 Response Fund* is a special revenue fund that accounts for primarily Coronavirus Relief Fund (CARES Act), American Rescue Plan (ARPA), other COVID-19 relief grant funds, and Federal Emergency Management Agency (FEMA).

The *Multnomah County Library Capital Construction Fund* is a capital project fund that accounts for expenditures for the planning, renovation, and construction of certain library facilities. Resources are derived from debt issuance and interest from bond proceeds.

Proprietary funds account for the operations of predominantly self-supporting activities. Proprietary funds are classified as either enterprise or internal service. *Enterprise funds* account for services rendered to the public on a user charge basis. The following are the County's major enterprise funds:

The *Dunthorpe-Riverdale Service District No. 1 Fund* accounts for the operations of the sanitary sewer system in southwest-unincorporated Multnomah County.

The *Mid County Service District No. 14 Fund* accounts for the operations of the street lighting system throughout unincorporated Multnomah County.

Additionally, the County reports the following fund types:

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

Debt service funds account for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

Capital projects funds account for expenditures on major construction projects or equipment acquisition. The principal sources of revenues are proceeds from certificates of participation issued to finance capital acquisitions, proceeds from the sale of County-owned property, general obligation bond proceeds, full faith and credit bonds, and revenue bonds.

Internal service funds account for activities and services performed primarily for other organizational units within the County. The County reports six internal service funds: Risk Management Fund, Fleet Management Fund, Fleet Asset Replacement Fund, Information Technology Fund, Mail Distribution Fund, and Facilities Management Fund.

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Fiduciary funds reporting focuses on net position and changes in net position. The fiduciary fund category is comprised of four fund types: three of which are only used to report activities of which assets are the subject of a legal trust or an equivalent agreement, and the fourth, custodial funds, which are not trusted agreements. The trusted fiduciary fund types are pension and other employee benefit trust funds, investment trust funds, and private-purpose trust funds. The County only reports custodial funds within the fiduciary fund type.

Custodial funds, previously known as agency funds, account for the resources received and held by the County in a fiduciary capacity for individuals, private organizations or other governments and therefore, are not available to support the County's own programs. Disbursements are made in accordance with the agreement or applicable legislative enactment for each particular fund.

The nature of the activities reported in the custodial funds are:

Client Custodian Funds - accounts for receipts and disbursements for individuals who are not capable of handling their own financial affairs.

Property Tax Funds - accounts for the collection of property taxes for all governmental entities located in Multnomah County and the disbursement of the collections to such entities.

Department of County Management Custodial Funds - accounts for the collection and disbursements of various monies held by Multnomah County in a fiduciary capacity.

Multnomah County Sheriff Custodial Funds - accounts for receipts and disbursements for individuals who are incarcerated.

Visitors' Facilities Trust Fund - accounts for collection and disbursement of motor vehicle rental tax and transient lodging tax used for visitor facilities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's sewer and lighting functions and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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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 sewer and lighting districts, and of the County's internal service funds are charges to customers for sales and services. The sewer district also recognizes as operating revenue the portion of connection fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

D. Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position or fund balances

Cash, cash equivalents, and investments

The County's cash and cash equivalents are comprised of cash on hand, demand deposits, and investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, each fund's share of pooled cash is treated as cash and cash equivalents.

State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, municipal bonds, banker's acceptances, repurchase agreements, and the State Treasurer's Local Government Investment Pool (LGIP). Investments for the County, as well as for its component units, are reported at fair value. The fair value of the County's position in the pool is the same as the value of the pool shares. The LGIP operates in accordance with appropriate state laws and regulations.

The County reports cash with fiscal agent, cash, and investments with special restrictions such as restricted bond proceeds or restrictions imposed by grantors or regulations from other governments as restricted cash and investments.

Accounts receivables

The activities between funds for which there are balances owing at year end for transactions occurring for which reimbursement has not yet been completed are referred to as "due to / from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property tax receivables are deemed substantially collectible or recoverable through foreclosure. Accordingly, no allowance for doubtful tax accounts is deemed necessary. All other receivables are shown net of an allowance for uncollectible accounts.

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Property taxes are assessed and become property liens on July 1. Property taxes are assessed in October and tax payments are due November 15 of the same year. Under the partial payment schedule, the first one-third of taxes is due November 15, the second one-third on February 15, and the remaining one-third on May 15. A three percent discount is allowed if full payment is made by November 15 and a two percent discount is allowed if two-thirds payment is made by November 15. Taxes become delinquent if not paid by the due date and interest accrues after each trimester at a rate of one percent per month. Property foreclosure proceedings are initiated four years after the tax due date.

Inventories and prepaid items

Inventories of materials and supplies are reported at cost, and included in nonspendable classification of fund balances with the exception of vaccine inventories. Inventories of materials and supplies are recorded as expenditures under the consumption method rather than when purchased.

Vaccine inventories are purchased with federal monies, are required to be used for health services and therefore are recorded as restricted inventory/restricted fund balance. The County is not eligible for reimbursement of costs until the inventory is properly used. Once used, the funds used to purchase the inventory are eligible for reimbursement; revenue is recorded at that time.

Payments in excess of \$10 to vendors, which reflect costs applicable to future accounting periods, are recorded as prepaid items in both government-wide and fund financial statements. Prepaids are recorded as expenditures under the consumption method rather than when purchased.

Capital assets

Capital assets, which include land, right of ways, construction in progress, works of art, buildings, machinery and equipment, infrastructure assets (e.g., roads, bridges, sidewalks, sewers, street lighting, and similar items), and property improvements, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined by the County as assets with an initial, individual cost of more than \$5 for equipment and \$100 for infrastructure and internally developed software with an estimated useful life of at least three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction phases of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the year, the County incurred no interest expense for capital assets for business-type activities.

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Capital assets are depreciated unless they are inexhaustible in nature, such as land and right of ways. The County, as well as the component units, depreciates property, plant, and equipment using the straight-line method with a half-year convention in the years of acquisition and disposition over the following estimated useful lives:

Asset Class	Asset Class (in years)	Threshold (in dollars)
Software	3 to 10	\$ 100,000
Vehicles and heavy equipment	3 to 10	5,000
Equipment	3 to 20	5,000
Street lighting	30	10,000
Buildings and improvements	40	100,000
Roads and bridges	40	100,000
Sewer systems	50	10,000
Federally funded assets	3 to 50	5,000

Deferred outflows and inflows of resources

In addition to assets, the *Statement of Net Position* will report a separate section for *deferred outflows of resources*. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that is applicable to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports deferred outflows of resources for pension-related and other postemployment benefits; depending on the plan, deferred outflows of resources may include: changes in assumptions, contributions made subsequent to the measurement date, changes in proportionate share, net difference between projected and actual earnings on investments, or the net difference between projected and actual experience.

In addition to liabilities, the *Statement of Net Position* will report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that is applicable to a future period and so will not be recognized as an inflow of resources (revenue) until then. The County reports deferred inflows of resources for pension-related and other postemployment benefits; depending on the plan, deferred inflows of resources may include: net difference between projected and actual earnings on investments, changes in proportionate share, and net differences between employer contributions and proportionate share of contributions. The County also reports deferred inflows of resources for resources received before time requirements are met and for the unamortized gain related to debt refunding. In the governmental fund financial statements, deferred inflows of resources also include revenues that are measurable but not available.

Unearned revenues

Unearned revenues will be recognized as revenue in the fiscal year earned in accordance with the accrual basis of accounting. Revenue is considered earned when measurable and all eligibility criteria are met.

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Compensated absences

It is the County's policy to permit employees to accumulate earned but unused vacation, compensatory and sick leave benefits. No liability has been recorded for unpaid accumulated sick leave since the County does not have a policy to pay any amounts when employees separate from service with the County. All vacation pay and compensatory time is accrued as a long-term liability when incurred in the government-wide statements and proprietary funds statements. A short-term liability is reported in governmental funds only if they have matured, for example, because of employee resignations and retirements at June 30. Employees can accumulate up to two years of vacation pay before losing any benefit. When employees separate from service and receive payment for accumulated leave benefits, liabilities for compensated absences are liquidated. All compensated absences are paid by the individual funds as they become due.

Pollution remediation obligations

When the County determines a pollution remediation obligation exists and management is able to make a reasonable and supportable estimation of expected outlays, a liability is recorded.

In the County's government-wide and proprietary fund financial statements, pollution remediation costs would be reported in the *Statement of Revenues, Expenses, and Changes in Fund Balance* as a program or operating expense (or as revenues for recoveries received after all remediation activities have been completed), special item or extraordinary item.

In the County's governmental fund financial statements, expenditures and liabilities are recognized upon receipt of goods and services. Estimated recoveries from insurers and other responsible parties reduce any associated pollution remediation expenditures when the recoveries are measurable and available.

Long-term obligations

In the government-wide financial statements and for proprietary fund types in the 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. When incurred, bond premiums and discounts are deferred and amortized over the life of the bonds using a method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

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Certain facility leases contain fluctuating or escalating payments, where the rent expense is recorded on a straight-line basis over the lease term. This liability is recorded on the *Statement of Net Position* as other accrued liabilities representing the cumulative difference between rent expense and rent payments.

Other postemployment benefits (OPEB)

The total OPEB asset / liability is recognized as a long-term asset / liability in the *Statement of Net Position*. Total OPEB liability will be liquidated by the fund in which an employee is paid.

Multnomah County Postretirement Medical and Life Insurance Plan - For purposes of measuring the total OPEB liability, deferred outflows and inflows of resources for OPEB, and OPEB expense, the County has relied on actuarial reports. County employees who are eligible to initiate a pension through OPERS at the time of separation from County employment may be eligible for a premium subsidy from the County. This liability is funded via internal service charges from the Risk Management internal service fund to all governmental funds that support personnel costs, via a rate charged to subject salary costs.

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

Pensions

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

Fund balances / net position

In the financial statements, assets in excess of liabilities are presented in one of two ways depending on the measurement focus of the statement.

On the *Balance Sheet – Governmental Funds*, assets and deferred outflows of resources in excess of liabilities and deferred inflows of resources are reported as fund balances, which are segregated into separate classifications indicating the extent to which the County is bound to honor constraints on the specific purposes for which those funds can be spent. The County's Finance and Budget Policies state that the County will spend restricted resources first, followed by committed, then assigned, with unassigned resources spent last.

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Fund balance is reported as ***Nonspendable*** when the resources cannot be spent because they either are in a nonspendable form, or are legally or contractually required to be maintained intact. Resources in nonspendable form include inventories and prepaid items, except for the vaccine inventory noted above, which is recorded as restricted.

Fund balance is reported as ***Restricted*** when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as ***Committed*** for resources constrained on use for specific purposes, authorized by the Board of County Commissioners (Board), the County's highest level of decision-making authority. This is accomplished through either a County ordinance or board resolution. Constraints over how resources are spent are considered an administrative action, which will generally be decided via Board resolution, while ordinances are used for legislative actions. Resolutions and ordinances are considered equally binding in that either can be repealed with a single vote from the Board. Resources will be committed prior to June 30 and the amount may be determined at a subsequent date.

Resources that are constrained by the County's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as ***Assigned*** fund balance. The Board expresses their intent to use a resource for a specific purpose by including that resource and associated appropriations in the adopted annual budget for funds outside of the General Fund. The Board may assign fund balances to cover a gap between estimated resources and expenditures in the subsequent year's appropriated budget. Assigned fund balances are not reported in the General Fund, as the County has not established a formal policy regarding the assignment of funds.

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

On the *Statement of Net Position* for government-wide reporting and for the proprietary funds and on the fiduciary funds' *Statement of Fiduciary Net Position*, net position is segregated into three categories: net investment in capital assets, restricted net position, and unrestricted net position.

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

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

Certain revenues derived from specific taxes or other earmarked revenue sources are considered restricted assets. Such revenues include dedicated property taxes, state gas tax, intergovernmental grants, and charges for services, which are legally restricted to finance particular functions or activities. In addition, proceeds from general obligation bonds, revenue bonds, and full faith and credit bonds are restricted to support the specific purpose for which the debt was issued.

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

Contributions

Contributions of cash, property or equipment received from other governments are credited to contribution revenue and recorded in the government-wide financial statements. The County also receives financial gifts and gifts in-kind from The Library Foundation. These in-kind donations from The Library Foundation are recorded at acquisition value upon receipt, as contribution revenue in the government wide and fund financial statements.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Reclassifications

Certain amounts from the financial statements of the discretely presented component unit have been reclassified to conform from nonprofit reporting requirements to the presentation requirements of the primary government's financial statements.

Revenue and expenditure naming conventions may differ in presentation from prior year. If so, current year naming conventions have been applied consistently throughout these statements and appropriately reflect the activity presented.

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E. Adoption of new accounting pronouncements and standards

During the fiscal year ended June 30, 2021, the County implemented the following Governmental Accounting Standards Board (GASB) pronouncement:

GASB Statement No. 90, *Majority Equity Interests*. This Statement is an amendment of GASB Statements No. 14 and No. 61 and it defines that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. For all other majority equity interest holdings in a legally separate organization, a government should report the legally separate organization as a component unit. The effective date of GASB Statement No. 90 for the County was originally required for reporting periods beginning after December 15, 2018. With the extension granted by GASB Statement No. 95, the effective date is for reporting periods beginning after December 15, 2019. The County has no majority equity interests in legally separate organizations resulting in no impact to the County's financial statements or disclosures.

GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments.

This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness. The requirements of this Statement are effective for fiscal years ending after December 15, 2021. Though the required implementation for the County is for fiscal year ending June 30, 2022, the County has adopted GASB Statement No. 98 for the fiscal year ended June 30, 2021.

F. Future adoption of accounting pronouncements and standards

The following pronouncements have been issued by the Governmental Accounting Standards Board (GASB), but are not effective as of June 30, 2021:

GASB Statement No. 87, *Leases*. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows or outflows of resources based on the payment provision of the contract. This Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an asset. Lessees will be required to recognize a lease liability and an intangible right to use an asset and lessors will be required to recognize a lease receivable and a deferred inflow of resources enhancing the relevance and consistency of information about a governments' leasing activities. The requirements of GASB Statement No. 87 were originally effective for reporting periods beginning after December 15, 2019, the County's fiscal year ending June 30, 2020. With the extension granted by GASB Statement No. 95, the new required implementation date for the County is fiscal year ending June 30, 2022.

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GASB Statement No. 89, *Accounting for Interest Costs Incurred before the End of a Construction Period*. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period, and to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The effective date of GASB Statement No. 89 for the County was originally required for fiscal year ending June 30, 2021. With the extension granted by GASB Statement No. 95, the new required implementation date for the County is fiscal year ending June 30, 2022.

GASB Statement No. 91, *Conduit Debt Obligations*. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definitions of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The effective date of GASB Statement No. 91 was originally required for the County for fiscal year ending June 30, 2022. With the extension granted by GASB Statement No. 95, the new required implementation date for the County is fiscal year ending June 30, 2023.

GASB Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature. The Statement addresses a variety of topics and includes specific provisions about leases, intra-entity transfers of assets, postemployment benefits, government acquisitions and reinsurance recoveries. Aspects of this standard that either the County adopted early or required implementation by the County prior to fiscal year ended June 30, 2021 are omitted in this section. The effective date of certain provisions contained in the following pronouncements, were postponed by one year:

- The updated guidance is intended to eliminate conflicting guidance for intra-entity transfers of assets between a government employer or nonemployee contributing entity and a pension plan or other postemployment benefit (OPEB) plan. This Statement was originally required for fiscal years beginning after June 15, 2020. With the extension granted by GASB Statement No. 95, the new implementation date is for fiscal years beginning after June 15, 2021. The required implementation date for the County is fiscal year ending June 30, 2023.

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- The amended guidance states that the liabilities and assets related to the acquired entity's asset retirement obligations (AROs) should be measured using the accounting and financial reporting requirements per GASB Statement No. 83, *Certain Asset Retirement Obligations*, when the AROs are within the scope. Originally required for reporting periods beginning after June 15, 2020, with the extension granted by GASB Statement No. 95, the new implementation date is for reporting periods beginning after June 15, 2021. The required implementation date for the County is fiscal year ending June 30, 2023.

GASB Statement No. 93, *Replacement of Interbank Offered Rates (IBOR)*. The objective of this statement is to address certain accounting and financial reporting implications of the replacement of an IBOR the most notable of which is the London Interbank Offered Rate (LIBOR) which is expected to cease to exist in its current form at the end of 2021. This will cause governments to amend or replace financial instruments by changing the reference rate or adding or changing fallback provisions related to the reference rate.

The original implementation date for the portion of the statement dealing with the removal of LIBOR as an appropriate benchmark was for reporting periods ending after December 31, 2021 while all other requirements of the statement were effective for reporting periods beginning after June 15, 2020. However, GASB 95 postpones the implementation date for all provisions except the portion of the statement dealing with the removal of LIBOR as an appropriate benchmark by one year to reporting periods beginning after June 15, 2021. The required implementation date for the County is fiscal year ending June 30, 2022.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this statement will improve financial reporting by establishing definitions of Public-Private or Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs) and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. The Statement will require governments to report assets and liabilities related to PPPs consistently and disclose important information about those PPP transactions. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. The required implementation date for the County is fiscal year ending June 30, 2023.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset, which is an intangible asset, and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. The required implementation date for the County is fiscal year ending June 30, 2023.

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GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The requirements of this Statement will result in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.

The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately.

The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. The required implementation date for the County is fiscal year ending June 30, 2022.

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

MULTNOMAH COUNTY, OREGON
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Note II. Stewardship, compliance, and accountability

A. Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the fiduciary funds. Any differences from the budgetary basis to the GAAP basis are reconciled on the budget to actual statement. All annual appropriations lapse at the end of the fiscal year.

During the month of February each year, all agencies of the County submit requests for appropriations to the County Chair so that a budget may be prepared. The proposed budget is presented to the County Board of Commissioners (Board) for approval no later than May 15. The Board holds public hearings and a final budget must be prepared and adopted no later than June 30.

The adopted budget is prepared by fund and department levels. County department managers may make transfers of appropriations within a department and fund. Transfers and changes (increases) of appropriations between departments or funds require approval of the Board prior to the related expenditures.

The legal level of budgetary control, (i.e., the level at which expenditures may not legally exceed appropriations) is the fund and department level. Current expenditures are reported by department in the *Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual* and include personnel services, contractual services, internal services, materials and supplies. The legal level of budgetary control for departments also include capital outlay and other financing uses.

Multnomah County budget documents are available at: <https://multco.us/budget>

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B. Expenditures in excess of appropriations

Oregon state law requires a supplemental budget to increase appropriations when unexpected additional resources become available. A supplemental budget is also required to transfer appropriations from a fund's operating contingency during the fiscal year. The supplemental budget process requires a public hearing, advance notice by newspaper publication, and approval by the Board of County Commissioners (the Board). The Board approved one supplemental budget and several other budgetary appropriations throughout the year.

Oregon state law requires disclosure of fund expenditures in excess of budgeted appropriations. For the year ended June 30, 2021, expenditures exceeded appropriations in the *Federal/State Program Fund* by \$216 and in the *Capital Debt Retirement Fund* by \$91,090. Budget modifications will be prepared for the 2022 fiscal year.

C. Deficit net position

Oregon state law requires fund disclosure of deficit fund balances/net position. At June 30, 2021, the following Funds reported deficit net positions, in the amounts shown, in the *Combining Statement of Net Position - Internal Service Funds*, and the *Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds*.

	Deficit
<u>Internal Service Funds:</u>	<u>Net Position</u>
Information Technology	\$ 9,294
Mail Distribution	516
Facilities Management	3,476

These Funds are managed on a modified accrual basis of accounting before considering the accrual entries for pension and other postemployment benefits (OPEB). Management, with Board approval, budgets for a targeted ending fund balance that is positive as reported in the appropriate *Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual* for the Funds shown. Long-term activity is not budgeted on an annual basis.

The deficit net position in these Funds is primarily attributed to the full accrual entries for total OPEB liability and the net pension liability (see *Note IV.C. Postemployment benefits other than pensions* and *Note IV.D. Employee retirement systems, pension plans and deferred compensation* for additional information).

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Note III. Detailed notes

A. Cash and investments

Multnomah County pools virtually all funds for investment purposes. All appropriate funds are allocated interest based on the average daily cash balance of the fund and the average monthly yield of the County's investment portfolio. Each fund's portion of this pool is displayed as "Cash and Investments."

Cash and investments for Multnomah County are reported in governmental and custodial activities. The balances at June 30, 2021 are:

	Primary Government	Fiduciary Activities	Total Government
Cash on hand	\$ 22	\$ -	\$ 22
Deposits with financial institutions	55,936	-	55,936
Investments	967,492	51,552	1,019,044
Total cash and investments	<u>\$ 1,023,450</u>	<u>\$ 51,552</u>	<u>\$ 1,075,002</u>

The County's unrestricted and restricted cash and investments are reported in governmental, business-type, and custodial activities:

	Unrestricted	Restricted	Total
Governmental activities	\$ 334,588	\$ 680,944	\$ 1,015,532
Business-type activities	7,918	-	7,918
Fiduciary activities	-	51,552	51,552
Total cash and investments	<u>\$ 342,506</u>	<u>\$ 732,496</u>	<u>\$ 1,075,002</u>

Deposit risk

Policies

Oregon Revised Statutes (ORS), Chapter 295 governs that the Office of the State Treasurer (OST) be given responsibility for overseeing collateralization of public funds held by depositories, banks and credit unions in Oregon. The Public Funds Collateralization Program (PFCP) requires well-capitalized depositories to pledge securities with a market value of at least 10 percent of their uninsured public deposits. The OST may require up to 110 percent be pledged for those banks that are poorly capitalized.

A list of depositories that may accept public deposits over the insurance limits can be found at:
<https://www.oregon.gov/treasury/public-financial-services/public-depository-information/pages/list-of-qualified-depositories.aspx>

Funds deposited with fiscal agents for the purpose of meeting the payment of principal or interest on bonds or like obligations are not required to be collateralized per ORS 295.005.

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Custodial risk

At June 30, 2021, the carrying amount of the County's deposits was \$55,936. Of this balance, \$2,980 was covered by depository insurance, Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA), and \$51,409 was collateralized by the PFCP. The remaining carrying amount of \$22 represents petty cash accounts that were uninsured and uncollateralized. The County does not have a policy related to custodial risk over cash.

Insured Deposits by Depository	Cash Balance	Credit Risk
Certificates of deposit (various)	\$ 1,715	Depository insurance FDIC/NCUA
Bank of America	250	Depository insurance FDIC/NCUA
JPMorgan	250	Depository insurance FDIC/NCUA
Umpqua	250	Depository insurance FDIC/NCUA
Washington Federal - money market (MM)	250	Depository insurance FDIC/NCUA
U.S. Bank	250	Depository insurance FDIC/NCUA
PayPal	15	Depository insurance FDIC/NCUA
Total insured deposits	<u>2,980</u>	
Uninsured Deposits by Depository		
Washington Federal - MM	34,647	Collateralized by PFCP, held by FHLB
Bank of America	8,152	Collateralized by PFCP, held by FHLB
JPMorgan	4,750	Collateralized by PFCP, held by FHLB
Umpqua	3,739	Collateralized by PFCP, held by FHLB
U. S. Bank	121	Collateralized by PFCP, held by FHLB
Subtotal collateralized by PFCP	<u>51,409</u>	
U.S. Bank	8,688	Securities held for retainage on capital projects per ORS 279.421
Outstanding transfers	<u>(7,141)</u>	
Total uninsured deposits	<u>52,956</u>	
Total deposits with financial institutions	<u>55,936</u>	
Cash on hand	22	Uncollateralized
Total cash and cash equivalents	<u>\$ 55,958</u>	

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Investment risk

Policies

ORS 294 authorizes the County to invest in obligations of the U.S. Treasury, U.S. Government Agencies and instrumentalities, bankers' acceptances guaranteed by a qualified financial institution, commercial paper, corporate bonds, repurchase agreements, State of Oregon Local Government Investment Pool (LGIP), and various interest-bearing bonds of Oregon and other municipalities.

The County's investments are governed by a written investment policy that is reviewed annually by the Multnomah County Investment Advisory Board, and is adopted annually by the Board of County Commissioners. The policy specifies the County's investment objectives, benchmarks, required diversification by security type and by maturity, investment restrictions, and the reporting requirements. A copy of the current policy is located at <http://multco.us/finance/investments>.

The County is authorized to invest in the LGIP, an open-ended, no-load diversified portfolio. The LGIP is commingled with other state funds in the Oregon Short-Term Fund (OSTF). These investments are governed by a written investment policy that is reviewed annually by the, Governor appointed, OSTF Board. The OSTF is not managed as a stable net asset value fund; therefore, preservation of principal is not assured. The OSTF financial statements and its portfolio rules can be obtained at www.ost.state.or.us. The LGIP is not rated by any national rating service.

Custodial risk

The County's investment policy requires that a third party be used for safekeeping of investment instruments. Investment securities purchased or sold pursuant to the County's investment policy are delivered via payment by book entry or physical delivery to a third party custodian. The investments are held in the County's name and therefore do not have custodial risk.

Credit risk

The County's investment policy seeks to minimize credit risk by establishing limits on the level of investments with financial institutions, municipalities, and issuers of corporate bonds and commercial paper. It stresses a fairly short maturity with highly rated securities.

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Concentration of credit risk

Policies

In addition to limiting its exposure to losses due to asset concentration, the County's investment policy and ORS limit asset concentration as follows:

1. Corporate indebtedness must be rated on the settlement date, A-1, AA- or better by Standard & Poor's Corporation, or P-1 Aa3 or better by Moody's Investors Service or the equivalent rating by any nationally recognized statistical rating organization.
2. Notwithstanding item one, corporate indebtedness must be rated A-2 or A- or better by Standard & Poor's or P-2 or A- by Moody's, or the equivalent rating by any nationally recognized statistical rating organization when issued by a business enterprise that has its headquarters in Oregon, employs more than 50 percent of its permanent workforce in Oregon, or has more than 50 percent of its tangible assets in Oregon.
3. Purchase of commercial paper and other corporate debt not insured by an agency of the U.S. Government up to 35 percent of the total investment portfolio is allowed.
4. U.S. Government agencies may be owned without limit.
5. Investments guaranteed by an agency of the U.S. Government (e.g., the U.S. Treasury or the FDIC) may be owned without limit.
6. Lawfully issued debt obligations of the agencies and instrumentalities of the State of Oregon and its political subdivisions that have a long-term debt rating of A or an equivalent rating or better or are rated on the settlement date in the highest category for short-term municipal debt by a nationally recognized statistical rating organization [ORS 294.035 (2)]. Also, lawfully issued debt obligations of the States of California, Idaho, Washington, and their political subdivisions if such obligations have a long-term rating of AA- or better or are rated on the settlement date in the highest category for short-term municipal debt by a nationally recognized statistical rating organization [ORS 294.035 (3)]. For these latter obligations, they are allowable subject to ORS 294.040.

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Additionally, to limit its exposure to asset concentration risk, the County restricts the total investment that can be made in the corporate indebtedness of a single corporate entity and its affiliates and subsidiaries to 5 percent of the total investment portfolio.

Investment Type / Issuer	Issuer Holding Greater than Five Percent		
	Fair Value	Percent of Total Portfolio	Policy Limit
Federal Home Loan Mortgage Corp.	\$ 71,618	6.7%	40%
Federal National Mortgage Assn.	68,823	6.4%	40%
Federal Farm Credit Bank	60,577	5.7%	40%

The County maintains cash with fiscal agent accounts to set aside for debt service requirements per the trustees and bond indentures. As of June 30, 2021, the County had the following investments and maturities with a portfolio weighted average maturity of 24.21 months, and a net portfolio yield of 0.83 percent (this table includes fiduciary activities).

Investment Type	Book Value	Fair Value	Risk Concentration	Weighted Average Maturity
U.S. Treasuries	\$ 513,441	\$ 511,902	47.6%	12.88
U.S. Agencies	222,625	222,933	20.7%	5.56
Corporate debt	192,831	192,566	17.9%	4.91
Municipal debt	43,160	43,557	4.0%	0.83
LGIP	42,632	42,632	4.0%	-
Cash and cash equivalents	46,009	46,009	4.3%	-
Deposit securities in lieu of retainage	8,688	8,688	0.8%	-
Certificate of deposit	6,715	6,715	0.6%	0.03
Total cash and investments	<u>\$ 1,076,101</u>	<u>\$ 1,075,002</u>	<u>100.0%</u>	<u>24.21</u>

Interest rate risk

Policies

As a means of limiting its exposure to fair value losses resulting from rising interest rates, the County's investment policy limits maturities as follows:

<u>Maturity</u>	<u>Cumulative Constraint</u>
Less than 30 days	10%
Less than 1 year	35%
Less than 5 years	100%

The County's investment policy limits the weighted average maturity of the total portfolio to 2.5 years.

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If the goals of maturity limits are exceeded by 5 percent or more for ten successive business days, prompt notification to the County's Chief Financial Officer and the County's Investment Advisory Board is required.

At June 30, 2021, the County had the following interest rate and concentration risk. Credit ratings are noted by Moody's and Standard & Poor's respectively:

Investment Type	Fair Value	Rating	Days to Maturity		
			0-90	91-365	366-1825
U.S. Treasuries	\$ 511,902	*	\$ 93,118	\$ 78,996	\$ 339,787
U.S. Agencies	222,933	*	5,752	40,551	176,630
LGIP	42,632	AA**	42,632	-	-
Corporate debt	59,525	Aaa/AAA	-	-	59,525
	37,595	Aa1/AA+	-	5,082	32,513
	25,070	P-1/A-1+	19,996	5,074	-
	22,996	A1/A+	22,996	-	-
	12,571	Aa3/A	-	-	12,571
	12,442	None/AAA	-	-	12,442
	10,748	Aaa/AA+	-	-	10,748
	5,075	A2/A-	-	5,075	-
	5,003	A1/AA	-	-	5,003
	1,541	Aa3/AA-	-	-	1,541
Municipal debt	10,619	Aa1/AAA	-	503	10,116
	10,441	P-1/None	10,441	-	-
	6,699	Aa1/AA+	-	-	6,699
	6,284	Aaa/AA+	2,000	-	4,284
	5,151	Aaa/AAA	-	5,151	-
	2,863	Aa2/AA-	-	-	2,863
	1,501	Aa1/None	-	-	1,501
Total	<u>\$ 1,013,591</u>		<u>\$ 196,935</u>	<u>\$ 140,432</u>	<u>\$ 676,223</u>
Percentage			19.4%	13.9%	66.7%

*Ratings not required for direct obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government.

**This represents the composite weighted average rating of the investments held by the LGIP.

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Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability between market participants at the measurement date (exit price). Observable inputs reflect market participants' assumptions in pricing the asset or liability and 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 or liability.

Multnomah County's investment custodial bank utilizes Interactive Data Pricing and Reference for daily security pricing on the following asset types: U.S. Treasuries, U.S. Federal agencies, U.S. Corporate debt, and Municipal debt.

Various inputs are used in determining the fair value of investments. These inputs are categorized into a fair value hierarchy. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels. The categorization is based on pricing transparency of the investments, and not an indication of the risks associated with investing in the security.

Level 1 – quoted prices (unadjusted) in active markets for identical assets at the measurement date.

Level 2 – quoted prices for similar assets in active or inactive markets, or inputs derived from observable (directly or indirectly) market data.

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

Investment Type	Totals as of June 30, 2021	Fair Value Measurements Using			Not Measured at
		Quoted Price in Active Markets for Identical <u>Assets</u> Level 1	Significant Other Observable <u>Inputs</u> Level 2	Significant Unobservable <u>Inputs</u> Level 3	Fair Value Amortized Cost Measurement *
U.S. Treasuries	\$ 511,902	\$ 511,902	\$ -	\$ -	\$ -
U.S. Agencies	222,933	222,933	-	-	-
Corporate debt	192,566	-	192,566	-	-
Municipal debt	43,558	-	43,558	-	-
LGIP	42,632	-	-	-	42,632
Money market accounts	38,886	-	-	-	38,886
Certificate of deposit	6,715	-	-	-	6,715
Total	<u>\$ 1,059,192</u>	<u>\$ 734,835</u>	<u>\$ 236,124</u>	<u>\$ -</u>	<u>\$ 88,233</u>

* Amortized cost approximates fair value for the LGIP investment.

U.S. Treasuries and U.S. Agencies are valued using quoted prices for identical assets in the active market. Corporate and municipal securities are valued using observable market data for comparable instruments. Balances held in the LGIP, certificates of deposit, and money market accounts are valued at amortized cost, the amount required to replace the asset. Demand deposits and other cash and equivalent accounts are reported at bank balance as of June 30, 2021.

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B. Receivables

Receivables as of June 30, 2021, are as follows:

	Governmental Funds					
	General Fund	Federal / State Program Fund	Coronavirus (COVID-19) Response Fund	Non-major Funds	Internal Service Funds	Governmental Activities
Receivables:						
Taxes:						
Property	\$ 8,786	\$ -	\$ -	\$ 4,743	\$ -	\$ 13,529
Other	20,455	-	-	1,807	-	22,262
Accounts	16,397	73,059	47,365	11,501	498	148,820
Loans	3,201	386	-	-	-	3,839
Interest	2,352	-	-	-	-	2,352
Contracts	150	-	-	-	-	150
Total receivables	51,341	73,445	47,365	18,051	498	190,952
Allowance for doubtful accounts	(1,126)	(1,616)	-	-	-	(2,741)
Receivables, net	<u>\$ 50,215</u>	<u>\$ 71,829</u>	<u>\$ 47,365</u>	<u>\$ 18,051</u>	<u>\$ 498</u>	<u>\$ 188,211</u>
Not scheduled for collection during the subsequent year	<u>\$ 3,268</u>	<u>\$ 386</u>	<u>\$ -</u>	<u>\$ 252</u>	<u>\$ -</u>	<u>\$ 3,906</u>

	Proprietary Funds			
	Dunthorpe-Riverdale Service District No. 1	Mid County Service District No. 14	Behavioral Health Managed Care	Business-type Activities
Receivables:				
Accounts	-	2	103	105
Special assessments	25	13	-	38
Total receivables	25	15	103	143
Allowance for doubtful accounts	(3)	(2)	-	(5)
Receivables, net	<u>\$ 22</u>	<u>\$ 13</u>	<u>\$ 103</u>	<u>\$ 138</u>
Not scheduled for collection during the subsequent year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Total uncollectible amounts related to revenues are all for prior periods.

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C. Unearned revenue and deferred outflows and inflows of resources

The County recognizes revenues when earned. Amounts received in advance of the period in which services are performed are recorded as a liability, “unearned revenue.” The various components of unearned revenue reported in the governmental activities at June 30, 2021 are as follows:

	Governmental Balance Sheet				Proprietary Statement of Net Position	Government-wide Statement of Net Position
	General Fund	Federal/State Program Fund	Coronavirus (COVID-19) Response Fund	Nonmajor Governmental Funds	Internal Service Funds	Total / Governmental Activities
Unearned Revenue						
Grant draws prior to meeting all eligibility requirements	\$ -	\$ 21,159	\$ 116,766	\$ 844	\$ -	\$ 138,769
Contracts receivable	150	-	-	-	-	150
Tax title land sales inventory	143	-	-	-	-	143
State vaccine inventory	-	475	-	-	-	475
Miscellaneous	728	-	-	-	9	737
Total unearned revenue	<u>\$ 1,021</u>	<u>\$ 21,634</u>	<u>\$ 116,766</u>	<u>\$ 844</u>	<u>\$ 9</u>	<u>\$ 140,274</u>

Governmental statements report deferred inflows of resources in connection with receivables for revenues that are not considered to be available within 60 days of year end to liquidate current liabilities. Proprietary and government-wide statements report deferred inflows and outflows of resources in connection with pension and other postemployment benefits (OPEB) activity.

For details regarding deferred outflows and inflows of resources related to pensions and OPEB, see Note IV.C. *Postemployment benefits other than pensions* and Note IV.D. *Employee retirement systems, pension plans and deferred compensation plan*.

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D. Operating leases

Operating leases for certain land, buildings and equipment used in governmental operations that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2021, are as follows:

Fiscal Year Ending June 30,	Amount
2022	\$ 6,002
2023	5,564
2024	5,667
2025	4,751
2026	4,484
2027	3,757
2028-2032	<u>5,512</u>
Total minimum payments	<u>\$ 35,737</u>

The County recorded \$6,015 in base rent expense for the year ended June 30, 2021. Total rent expense was \$17,509, which includes operating and maintenance costs.

For details on capital leases, see Note III.G. *Long-term debt*.

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E. Interfund receivables, payables, and transfers

Interfund transfers

The primary purposes of significant transfers include the following:

- The General Fund transferred \$48 to the Road Fund to be for work related to the sale of Edgefield.
- The General Fund transferred \$300 to the Animal Control Fund for work related to the new animal shelter.
- The General Fund transferred \$900 to the Capital Improvement Fund for the Justice Center critical electrical system upgrade.
- The General Fund transferred \$3,000 to the Behavioral Health Resource Center Capital Fund for renovation planning activities.
- The Animal Control Fund transferred \$1,296 to the General Fund to be utilized for animal license fees and other revenue to partially offset animal control program costs.
- The Library District Fund transferred \$80,511 to the Library Fund to reimburse the County for library operations; however this transfer is reported as intergovernmental revenue and current expenditures on the *Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*.
- The Library District Fund transferred \$4,939 to the Library District Capital Construction Fund for future capital asset construction.
- The Capital Debt Retirement Fund transferred \$4,304 to the Downtown Courthouse Capital Fund for project closeout activities.
- The Financed Projects fund transferred \$935 to the Information Technology Fund for the DART system upgrade.
- The Capital Improvement Fund transferred \$300 to the General Fund for the remainder of the Department of Community Justice East County Project.
- The Information Technology Capital Fund transferred \$950 to the General Fund to return funds following the delay of the Corporate Broadband Project.
- The Health Headquarters Capital Fund transferred \$3,400 to the General Fund for the Health Department Headquarters Project remainder.
- The Enterprise Resource Planning Project Fund transferred \$2,608 to the Capital Debt Retirement Fund for future debt offset.
- The Enterprise Resource Planning Project Fund transferred \$510 to the Downtown Courthouse Capital Fund for project closeout activities.
- The Facilities Management Fund transferred \$1,168 to the Capital Improvement Fund for external tenant capital fees and \$1,000 for the CIP Restoration for Detention Electronics Project.
- The Facilities Management Fund transferred \$164 to the Asset Preservation Fund for external tenant capital fees.

In the governmental activities column of the *Statement of Activities*, transfers between governmental funds and between governmental and internal service funds have been eliminated; no interfund transfers were made for business-type activities during the year.

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Interfund transfers and the reconciliation to the *Statement of Activities* for the year ended June 30, 2021, consisted of the following:

	Governmental Activities			Total
	General	Other	Internal	Transfers
	Fund	Nonmajor	Service	Out
	Funds	Funds	Funds	
<u>Governmental activities:</u>				
General fund	\$ -	\$ 4,248	\$ -	\$ 4,248
Other nonmajor funds	5,946	92,879	935	99,760
Internal service funds	-	1,332	-	1,332
Total transfers in:	<u>\$ 5,946</u>	<u>\$ 98,459</u>	<u>\$ 935</u>	<u>\$ 105,340</u>

Reconciliation:

Total internal service funds	(1,332)
Total governmental funds	(104,008)
Total transfers per Statement of Activities	<u>\$ -</u>

Due from / Due to other funds

The County records "due from" and "due to" transactions in order that individual funds will be able to meet cash flow needs at year end and prevent a fund from reporting a negative cash balance. The amount payable to the General Fund from the Federal/State Program Fund of \$35,046 and from the Coronavirus (COVID-19) Response Fund of \$37,918 is related to providing interim working capital financing. These balances are collected in the subsequent year.

MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
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F. Capital assets

Capital asset activity of the primary government, for the year ended June 30, 2021, is as follows:

	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Governmental activities:					
Capital assets, not being depreciated or amortized:					
Land	\$ 30,023	\$ 3,517	\$ 1,450	\$ -	\$ 34,990
Land use rights	218,881	25	110	(15)	219,001
Construction in progress	375,860	21,308	(320,648)	(8,055)	68,465
Works of art	4,447	16	-	-	4,463
Total capital assets, not being depreciated or amortized	629,211	24,866	(319,088)	(8,070)	326,919
Capital assets, being depreciated or amortized:					
Buildings	488,517	4,300	312,051	(4,039)	800,829
Improvements other than buildings	1,010	-	-	-	1,010
Machinery and equipment	109,269	10,694	407	(5,684)	114,686
Bridges	481,624	43	-	-	481,667
Intangible assets	46,095	12	1,652	(308)	47,451
Infrastructure	388,765	335	4,978	(10,959)	383,119
Total capital assets being depreciated or amortized	1,515,280	15,384	319,088	(20,990)	1,828,762
Less accumulated depreciation or amortization for:					
Buildings	(206,821)	(16,695)	-	84	(223,432)
Improvements other than buildings	(535)	(40)	-	-	(575)
Machinery and equipment	(76,483)	(9,429)	-	5,087	(80,825)
Bridges	(113,860)	(10,593)	-	-	(124,453)
Intangible assets	(25,013)	(4,392)	-	298	(29,107)
Infrastructure	(340,761)	(9,733)	-	9,982	(340,512)
Total accumulated depreciation or amortization	(763,473)	(50,882)	-	15,451	(798,904)
Total capital assets being depreciated or amortized, net	751,807	(35,498)	319,088	(5,539)	1,029,858
Governmental activities capital assets, net	<u>\$ 1,381,018</u>	<u>\$ (10,632)</u>	<u>\$ -</u>	<u>\$ (13,609)</u>	<u>\$ 1,356,777</u>
Business-type activities:					
Capital assets, not being depreciated or amortized:					
Construction in progress	\$ 1,037	\$ 107	\$ -	\$ -	\$ 1,144
Total capital assets, not being depreciated or amortized	1,037	107	-	-	1,144
Capital assets, being depreciated or amortized:					
Improvements other than buildings	9,115	293	-	-	9,408
Total capital assets being depreciated or amortized	9,115	293	-	-	9,408
Less accumulated depreciation or amortization for:					
Improvements other than buildings	(4,267)	(206)	-	-	(4,473)
Total accumulated depreciation or amortization	(4,267)	(206)	-	-	(4,473)
Total capital assets being depreciated or amortized, net	4,848	87	-	-	4,935
Business-type activities capital assets, net	<u>\$ 5,885</u>	<u>\$ 194</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,079</u>

MULTNOMAH COUNTY, OREGON
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Fully depreciated or amortized capital assets at June 30, 2021 totaled \$460,183, all of which were available to be used in governmental type activities. Capital assets are evaluated annually for impairment. Fully depreciated or amortized capital assets are comprised of:

	Acquisition Value
Buildings	\$ 7,685
Machinery & Equipment:	
Equipment, miscellaneous	29,132
Heavy equipment	1,546
Sewage facilities	1,419
Technology equipment	8,732
Vehicles	13,803
Bridges	58,343
Intangibles:	
Software, developed internally	4,545
Software, purchased	6,003
Infrastructure:	
Roads	328,975
Total	<u>\$ 460,183</u>

Depreciation or amortization expense was charged to functions/programs of the primary government as follows:

Function/program	Depreciation or Amortization Expense
Governmental activities:	
General government	\$ 14,024
Health services	2,320
Social services	234
Public safety and justice	4,636
Community services	2,681
Library	7,334
Roads, bridges, and bike path improvements	19,653
Total depreciation or amortization expense – governmental activities	<u>50,882</u>
Business-type activities:	
Sewer	78
Lighting	128
Total depreciation or amortization expense – business-type activities	<u>206</u>
Total	<u>\$ 51,088</u>

MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
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G. Long-term debt

For the fiscal year ended June 30, 2021, the County has issued full faith and credit bonds, had loan payable obligations, and entered into various lease/purchase agreements. The various types of debt are discussed below, and each debt type reports the range of maturities.

Full faith and credit bonds

On December 1, 1999, the County issued \$184,548 in taxable Revenue Pension Obligation Bonds with interest rates from 6.49 to 7.74 percent to fund the County's unfunded accrued actuarial liability (UAAL). Bonds were rated Aa2 by Moody's. The County estimates that by funding the actuarial liability, the County will receive a present value savings of \$35,776 between the amount calculated by the Oregon Public Employees Retirement System (OPERS) to retire the UAAL and the amount of the debt repayment. Payment of principal and interest, except for a term bond, are guaranteed by National Public Finance Guarantee. At June 30, 2021, \$42,066 of these bonds were outstanding.

On December 14, 2010, the County issued \$15,000 in Full Faith and Credit Obligations, Series 2010B, with interest rates from 4 to 4.7 percent. Bonds were rated Aa1 by Moody's. The proceeds from the sale of the obligations were used to finance the construction costs for the East County Courthouse (ECC). At June 30, 2021, \$13,650 of these bonds were outstanding.

On December 4, 2012, the County issued \$128,000 in Full Faith and Credit Obligations, Series 2012, at a premium of \$21,113, with interest rates from 3 to 5 percent. Bonds were rated Aa1 by Moody's and AA by Standard & Poor's. The obligations were issued to finance and refinance construction of the Sellwood Bridge. The obligations were issued to support construction of a new Sellwood Bridge along with upgrades to the east and west end approaches. On January 7, 2021, the County issued advance refunding bonds for a portion of the Series 2012 bonds. As a result, a portion of the refunded bonds are considered to be defeased, and \$84,250 of the bond liability and the premium, \$13,723, have been removed from the governmental activities column of the Statement of Net Position. (Additional information of the bond refunding is presented below.) At June 30, 2021, the outstanding balance on the Series 2012 bonds was \$5,805.

On December 14, 2017, the County issued \$164,110 in Full Faith and Credit Obligations, Series 2017, at a premium of \$16,715, with interest rates from 3 to 5 percent. Bonds were rated Aaa by Moody's and AAA by Standard & Poor's. The proceeds from the sale of the obligations were used to finance real or personal property related to the replacement of the Multnomah County Central Courthouse ("MCCH"), replacement of the Health Department administrative offices and downtown clinics ("HDHQ"), replacement of the Enterprise Resource Planning system ("ERP"), and improvements to County-owned facilities that house parole and probation services ("DCJ Campus"). At June 30, 2021, the outstanding balance on the Series 2017 bonds was \$135,425 and the balance on the unamortized premium was \$12,202.

MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

On September 12, 2019, the County issued \$16,075 in Full Faith and Credit Obligations, Series 2019, with an interest rate of 1.74 percent. Multnomah County entered into a ten year direct bank placement with DNT Asset Trust, a wholly owned subsidiary of JPMorgan Chase Bank, N.A. The issue will finance real or personal property related to the National Environmental Policy Act (NEPA) review phase of the Burnside Bridge Project and pay costs of issuance related to the financing. At June 30, 2021, the outstanding balance on the Series 2019 bonds was \$13,422.

On January 7, 2021, the County issued \$89,580 in Full Faith and Credit Refunding Obligations, Series 2021, at a premium of \$552, with interest rates from 1 to 2 percent. Bonds were rated Aaa by Moody's and AAA by Standard & Poor's. The net proceeds of \$89,452, from the sale of the obligations were placed in an irrevocable escrow account to be used to refinance a portion of the outstanding full faith and credit backed borrowings (FF&C Obligations, Series 2012) that helped finance the construction of the Sellwood Bridge. The refunding resulted in a net gain on debt refunding of \$8,791, which is reported as a deferred inflow of resources for governmental activities. The economic gain at closing was a net present value savings of 11.25 percent, a savings of \$10,143 over the remaining term of the bonds. At June 30, 2021 the outstanding balance on the Series 2021 bonds was \$88,620 and the balance on the unamortized premium was \$510.

Total full faith and credit bond obligations, excluding unamortized premiums, outstanding at year-end are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	1.74-7.74%	\$ 298,988

Annual debt service requirements to maturity for full faith and credit bonds are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 24,441	\$ 31,068
2023	25,170	31,878
2024	25,690	32,967
2025	19,449	34,130
2026	19,676	35,691
2027-2031	92,912	163,276
2032-2036	45,925	12,129
2037-2041	20,315	7,256
2042-2046	20,750	3,487
2047	4,660	186
Subtotal	298,988	\$ 352,068
Premiums on long-term debt	12,712	
Total	<u>\$ 311,700</u>	

MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
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The bonds are included in the bonds payable balance on the *Statement of Net Position*.

<u>Full Faith and Credit Bonds</u>	<u>Long-term</u>	<u>Current</u>	<u>Total</u>
Maturities	\$ 274,546	\$ 24,442	\$ 298,988
Premiums on long-term debt	11,541	1,171	12,712
Total	<u>\$ 286,087</u>	<u>\$ 25,613</u>	<u>\$ 311,700</u>

No assets were pledged as collateral for the County's full faith and credit bonds. In the event of default, the lender may exercise any remedy available under the law. The outstanding amounts are not subject to acceleration.

MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
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General Obligation Bonds

On January 12, 2021, the County issued \$154,680 in General Obligation Bonds, Series 2021A (Tax-Exempt), at a premium of \$50,507, with interest rates at 5 percent. bonds were rated Aaa by Moody's and AAA by Standard & Poor's. The bonds were issued to finance capital costs to expand, modernize, rebuild and acquire land for library facilities, and to pay the costs of issuance of the bonds. At June 30, 2021 the outstanding balance on the Series 2021 bonds was \$154,680 and the balance on the unamortized premium was \$44,193.

On January 12, 2021, the County issued \$232,320 in General Obligation Bonds, Series 2021B (Federally Taxable), at a premium of \$232, with interest rates from 0.25 to 0.9 percent. Bonds were rated Aaa by Moody's and AAA by Standard & Poor's. The bonds were issued to finance capital costs to expand, modernize, rebuild and acquire land for library facilities, and to pay the costs of issuance of the bonds. At June 30, 2021 the outstanding balance on the Series 2021 bonds was \$232,320 and the balance on the unamortized premium was \$193.

General obligation bond obligations outstanding at year-end are as follows:

Purpose	Interest Rates	Amount
Governmental activities	0.25-5.00%	<u>\$ 387,000</u>

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

Fiscal Year Ending June 30,	Principal	Interest
2022	\$ 37,595	\$ 12,341
2023	43,165	8,809
2024	45,150	8,658
2025	46,970	8,455
2026	48,870	8,220
2027-2029	165,250	16,514
Subtotal	387,000	<u>\$ 62,997</u>
Premiums on long-term debt	44,386	
Total	<u>\$ 431,386</u>	

The general obligation bonds are included in the bonds payable line item on the *Statement of Net Position*.

General obligation bonds	Long-term	Current	Total
Maturities	\$ 349,405	\$ 37,595	\$ 387,000
Premium on long-term debt	38,035	6,351	44,386
Total	<u>\$ 387,440</u>	<u>\$ 43,946</u>	<u>\$ 431,386</u>

MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021
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Capital leases

The County has entered into various lease/purchase agreements to acquire property and equipment. These lease agreements qualify as capital leases for accounting purposes and have been capitalized in accordance with accounting principles generally accepted in the United States of America. Total assets acquired through capital leases are as follows:

<u>Asset</u>	<u>Governmental Activities</u>
Buildings	\$ 3,114
Equipment	33
Less: Accumulated depreciation	(2,334)
Total	<u>\$ 813</u>

Capital lease obligations outstanding at year-end are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	1.50-10.31%	<u>\$ 1,116</u>

Future minimum lease payments are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 224	\$ 81
2023	229	73
2024	52	66
2025	57	61
2026	63	54
2027-2031	437	154
2032	54	2
Total	<u>\$ 1,116</u>	<u>\$ 491</u>

MULTNOMAH COUNTY, OREGON
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Loans payable

Levee Ready Columbia Project Financing

In April 2016, the County entered into an interim financing agreement with the State of Oregon, through the Oregon Infrastructure Finance Authority (IFA) for financing the Multnomah County Levee Accreditation Evaluation for “Levee Ready Columbia (LRC),” a regional project. The financing will provide funding for Phase II of the project, engineering analysis on the levees along the Columbia River, which are maintained by the Sauvie Island Drainage Improvement Company (SIDIC), Multnomah County Drainage District No. 1 (MCDD) and Sandy Drainage Improvement Company (SDIC), with the goal of FEMA recertification and accreditation.

The County was named the borrower for the IFA Phase II funding which will enable the County to access a package of loans and grants from the IFA. The IFA determines whether disbursements will be drawn from the loan or grant funding available.

The County’s obligations to make payments under the IFA financing contracts will be offset by revenues to be received by the County from the LRC project partners for over 95 percent of the amount borrowed. This will also provide one-time-only financing assistance to the Cities of Fairview and Troutdale in connection with their obligations to the LRC project, and pay a portion of expenses incurred by the LRC project for public outreach and facilitation.

The IFA extended the project, with a completion deadline of June 30, 2024. The IFA loan draws are not yet in repayment status; therefore, are excluded from the annual maturity schedule.

At June 30, 2021 the outstanding balance of the IFA is \$1,615. A prepayment of \$67 was made during the previous fiscal year ending June 30, 2020 as reflected in the accumulated prepayments column in the following table; no prepayments have been made during fiscal year ending June 30, 2021.

MULTNOMAH COUNTY, OREGON
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As of June 30, 2021, proceeds and obligations from the IFA for loan contracts are:

Oregon Infrastructure Finance Authority Contracts	Interest Rates	Maximum Available	Reimbursement Draws Received / Accumulative Obligation	Amount Available to Draw	Accumulative Prepayments Prior to Repayment Status	Net Obligation Not Yet in Repayment Status
MCDD loan draws (A)	0.00%	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ 1,000
MCDD loan draws (B)	1.84%	1,518	103	1,415	-	103
Total MCDD draws		2,518	1,103	1,415	-	1,103
SDIC loan draws (A)	0.00%	500	464	36	67	397
SDIC loan draws (B)	1.84%	450	-	450	-	-
Total SDIC draws		950	464	486	67	397
Total IFA No. X16001		3,468	1,567	1,901	67	1,500
SIDIC loan draws (C-1)	0.00%	191	115	76	-	115
SIDIC loan draws (C-2)	1.84%	142	-	142	-	-
Total SIDIC draws / IFA No. J16002		333	115	218	-	115
Totals - all contracts		\$ 3,801	\$ 1,682	\$ 2,119	\$ 67	\$ 1,615

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Transportation Improvements Financing

In fiscal year 2009, the County entered into a loan agreement with the Oregon Department of Transportation's Financial Services (ODOT) for the purpose of making capital improvements to the County's transportation system. The loan was re-amortized in fiscal year 2017, reducing the principal balance owed by \$93. The total outstanding under this agreement was \$1,299 at June 30, 2021.

The ODOT loan obligations outstanding at year-end are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	3.98%	<u>\$ 1,299</u>

Annual debt service requirements to maturity for the ODOT long-term loan outstanding at year-end is follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 240	\$ 52
2023	250	42
2024	260	32
2025	270	22
2026	279	11
Total	<u>\$ 1,299</u>	<u>\$ 159</u>

In the event of an "Event of Default" for all loan payable, the lender may accelerate payment immediately of the entire loan principal amount and other amounts due on the loan. In the event of default, the investors may exercise any remedy available at law or in equity or in bankruptcy or otherwise.

Line of Credit

In February 2021, the County entered into an interim financing agreement and issued a federally taxable non-revolving credit facility and bond (referred to as line of credit throughout the financial statements) of no more than \$15,000. This agreement provided interim financing for Pre-School for All program start-up costs. The County will pay a fee equal to the Daily Floating LIBOR Rate plus a spread of 49 basis points on the drawn amount and 0.35 percent on the actual daily unused amount of the facility. The total outstanding under this agreement was \$2,730 at June 30, 2021. As of June 30, 2021 the unused amount of the line of credit is \$12,270. Payments are made monthly of interest on the used portion and fees on the unused portion. The line of credit matures March 2022.

MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
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Compensated Absences

The County's policy relating to compensated absences is described in Note I. D. *Assets, deferred outflows, liabilities, deferred inflows, and net position or fund balances*. The long-term portion of compensated absences for governmental activities was \$9,666. The total amount outstanding at June 30, 2021 was \$36,797.

The long-term portion of compensated absences is expected to be paid in future years from future resources. In prior years, compensated absences have been liquidated primarily by the governmental and proprietary funds for which the employees who earned the benefits were assigned. Compensated absences are liquidated by select governmental funds (General Fund, Federal/State Program Fund, Animal Control Fund, Willamette River Bridges Fund, Library Fund, Land Corner Preservation Fund, Inmate Welfare Fund, Coronavirus (COVID-19) Response Fund, Justice Services Special Operations Fund, Preschool For All Program Fund, Information Technology Capital Fund, Asset Preservation Fund, and Multnomah County Library Capital Construction Fund) as well as the internal service funds.

Balances of compensated absences for governmental activities for the year ended June 30, 2021 were as follows:

	Governmental Funds	Internal Service Funds					Total Internal Service Funds	Total Governmental Activities
		Risk Management Fund	Fleet Management Fund	Information Technology Fund	Mail Distribution Fund	Facilities Management Fund		
Beginning balance	\$ 29,962	\$ 430	\$ 70	\$ 1,716	\$ 56	\$ 621	\$ 2,893	\$ 32,855
Earned	28,226	684	80	1,524	(51)	679	2,916	31,142
Used	(24,730)	(557)	(75)	(1,310)	58	(586)	(2,470)	(27,200)
Ending balance	<u>\$ 33,458</u>	<u>\$ 557</u>	<u>\$ 75</u>	<u>\$ 1,930</u>	<u>\$ 63</u>	<u>\$ 714</u>	<u>\$ 3,339</u>	<u>\$ 36,797</u>

MULTNOMAH COUNTY, OREGON
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Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2021 was as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Adjustments & Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Full faith and credit bonds	\$ 317,297	\$ 89,580	\$ 107,889	\$ 298,988	\$ 24,441
General obligation bonds	-	387,000	-	387,000	37,595
Unamortized premiums-bonds	27,054	51,291	21,247	57,098	7,523
Total bonds	344,351	527,871	129,136	743,086	69,559
Capital leases	1,329	-	213	1,116	224
Loans payable	3,125	21	232	2,914	240
Line of credit payable	-	2,730	-	2,730	2,730
Long-term debt before other long-term liabilities	348,805	530,622	129,581	749,846	72,753
Compensated absences	32,855	31,142	27,200	36,797	27,131
Governmental activities - long-term liabilities	<u>\$ 381,660</u>	<u>\$ 561,764</u>	<u>\$ 156,781</u>	<u>\$ 786,643</u>	<u>\$ 99,884</u>

MULTNOMAH COUNTY, OREGON
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Conduit financing

Multnomah County Conduit Financing

On December 1, 1999, the County issued \$9,830 in Higher Education Variable Rate Demand Revenue Bonds. The proceeds of these bonds were used to provide funds to reimburse Concordia University for the costs of acquiring, constructing and improving the educational facilities of the University (the Project), fund a debt service reserve fund and pay the costs of issuing the bonds.

The Higher Education Revenue Bonds have not been recognized as a liability of the County because the bonds are secured solely by the provisions of the bond indenture and payments are made by Concordia University. The County is not responsible for the repayment of conduit debt. As the County does not own any of the assets constructed or assume any liabilities associated with the Project, there is no balance sheet disclosure or recognition of revenues and expenditures within the County's financial statements.

As of June 30, 2021, \$4,850 of the Higher Education Variable Rate Demand Revenue Bonds remained outstanding.

Hospital Facilities Authority of Multnomah County Conduit Financing

On December 3, 1998, the County created a component unit, the Hospital Facilities Authority of Multnomah County, Oregon (the Authority). The Authority issues hospital revenue bonds for construction and improvements to health facilities in Multnomah County. The proceeds of these bonds were used by health care facilities to finance various capital projects and refund outstanding bonds.

The debt has not been recognized as a liability of the County or the Authority because the bonds are secured solely by the provisions of the bond indenture and payments are made by the health care facilities. The obligors have pledged the gross revenues of the health care facilities to secure payment of the bonds. The bonds shall not be payable from a charge upon any fund or asset, nor shall the County or the Authority be subject to any liability. No holder or holders of the bonds shall ever have the right to exercise the taxing power of the County to pay the bonds or the interest, nor to enforce payment against any property of the County.

Upon completion of the project, the assets constructed or purchased are owned by the respective health care facility. Since neither the County nor the Authority own any assets or assume any liabilities associated with the repayment, there is no balance sheet disclosure or recognition of revenues within the County's financial statements.

MULTNOMAH COUNTY, OREGON
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A summary of the Authority's conduit debt is as follows:

<u>Obligor (Health Care Facility), Debt Issue, Terms</u>	<u>Series</u>	<u>Issue Date</u>	<u>Original Amount</u>	<u>Balance at June 30, 2021</u>
Adventist Health System/West: Refunding Revenue Bonds, due March 1, 2040	2019	11/1/2019	\$ 52,535	\$ 52,535
Terwilliger Plaza: Revenue and Refunding Bonds, due serially through December 1, 2029	2012	1/1/2012	18,245	11,400
Odd Fellows Home-Friendship Health Center: Variable Rate Demand Revenue Refunding Bonds, due serially through September 15, 2020	2013A	7/12/2013	7,280	5,815
Parkview Christian Retirement Community Project: Variable Rate Revenue Refunding Bonds, due serially through November 1, 2034	2013	12/12/2013	7,315	5,563
Pacific Mirabella (at South Waterfront Project): Variable Rate Demand Revenue Refunding Bonds, due serially through October 1, 2049	2014A	9/30/2014	93,380	87,155
Terwilliger Plaza Inc.: Revenue Bonds, due serially August 1, 2022 through August 1, 2044	2019	8/1/2019	25,000	15,100
Terwilliger Plaza Inc.: Revenue Refunding Bonds, due serially through December 1, 2036	2016	6/15/2016	13,625	11,565
			<u>\$ 217,380</u>	<u>\$ 189,133</u>

MULTNOMAH COUNTY, OREGON
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H. Fund balances, governmental funds

On the *Balance Sheet – Governmental Funds*, the fund balances are reported in the aggregate in the classifications defined by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Fund balances by classification for the year ended June 30, 2021, were as follows:

Fund balances	General Fund	Federal/State Program Special Revenue Fund	Coronavirus (COVID-19) Response Special Revenue Fund	Multnomah County Library Capital Construction Project Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:						
Inventories	\$ 460	\$ -	\$ -	\$ -	\$ 261	\$ 721
Prepaid items	709	34	97	-	772	1,612
Restricted:						
Capital projects, buildings	-	-	-	436,208	6,981	443,189
Community support programs	536	10,754	143	-	8,106	19,539
Document storage and retrieval	158	-	-	-	-	158
Library operations	-	-	-	-	53,617	53,617
Roads, bridges, and bike path improvements	-	-	-	-	21,595	21,595
Committed:						
Capital projects, buildings	-	-	-	-	35,698	35,698
Capital projects, technology	-	-	-	-	3,355	3,355
Community support programs	12,131	169	-	-	4,152	16,452
Debt service	-	-	-	-	32,750	32,750
Assigned:						
Capital equipment acquisition	-	-	-	-	263	263
Community support programs	-	445	-	-	582	1,027
Library operations	-	-	-	-	7,278	7,278
Roads, bridges, and bike path improvements	-	-	-	-	2,821	2,821
Unassigned	164,007	-	-	-	-	164,007
Total fund balances	<u>\$ 178,001</u>	<u>\$ 11,402</u>	<u>\$ 240</u>	<u>\$ 436,208</u>	<u>\$ 178,231</u>	<u>\$ 804,082</u>

MULTNOMAH COUNTY, OREGON
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Note IV. Other information

A. Risk management

The County is exposed to various risks of loss related to torts and property damage including theft of, damage to, and destruction of assets, assertion of negligence, employee injury or illness, errors and omissions, and natural disasters. The County self-insures to \$1,000 and purchases excess insurance for large and catastrophic losses above the self-insurance for general liability, auto liability, medical malpractice, and workers' compensation liability. By self-insuring in areas that are fiscally cost effective, the County realizes savings by not paying overhead or profit margins that are built into insurance premium costs.

The County purchases a large deductible policy for property loss and specific policies for specialty coverage to cover losses where insurance is afforded. Motor vehicle property loss insurance coverage is only offered with a large deductible that historically, the majority of the County's loss costs do not reach.

Premiums are calculated on payroll expenses in all funds and are paid into the risk management fund, an internal service fund. The funds are available to pay claims, claim reserves, loss prevention efforts, and administrative costs. These interfund premiums are used to offset the amount of claims expenditures reported in the risk management fund. As of June 30, 2021, interfund premiums exceeded reimbursable expenditures.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are re-evaluated periodically to consider the effect of inflation, recent claim settlement trends (including frequency and amount of payouts), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Discount factors of 0.904 and 0.93 were used to estimate the year-end workers' compensation component and the liability component, respectively. Annually, the County submits workers' compensation fund liabilities to the State as per ORS 436-050-0185; surety bond exemption requirements for counties.

Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. The County's excess insurance coverage policies cover claims in excess of \$1,000 for workers' compensation and \$1,000 for all liability claims. Settlements have not exceeded coverages for each of the past three fiscal years. The County anticipates the balance in the claims liability account at year-end will be paid within the next fiscal year.

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Changes in the balances of claims liabilities during the past two years are as follows:

Changes in Claims Liabilities	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020
Unpaid claims, beginning of fiscal year	\$ 10,579	\$ 12,364
Incurred claims (including IBNRs)	37,187	33,616
Actuarial adjustment	(2,060)	(3,491)
Claim payments	(33,708)	(31,910)
Unpaid claims, end of fiscal year	<u>\$ 11,998</u>	<u>\$ 10,579</u>

B. Commitments and contingent liabilities

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

Lawsuits

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's legal counsel the resolution of these matters will not have a material adverse effect on the financial condition of the County.

Construction contracts

The County has entered into various construction and non-construction contracts at fiscal year-end. The commitments noted below are evidenced by signed purchase orders or contracts that were entered into prior to June 30, 2021.

Construction Commitments	Fiscal Year Ended June 30, 2021	Financing Sources
Buildings	\$ 20,171	State of Oregon reimbursements, long-term debt, intergovernmental agreements, internal service charges, grant funding, General Fund
Bridges	7,159	State motor vehicle fees, vehicle fuel taxes, grant funding, and internal loan proceeds
Technology	10,216	Internal service charges, General Fund, limited debt proceeds from long-term debt
Roads	4,680	State motor vehicle fees, vehicle fuel taxes, land development activity, grant funding, Oregon Department of Transportation loan agreement
Total	<u>\$ 42,226</u>	

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Labor agreements

There are twelve labor agreements between the County and its employees. Contracts may be viewed online at: <https://multco.us/employee-labor-relations/labor-contracts>. Four of the agreements have expired at June 30, 2021. Given the current pandemic, parties have agreed to a one-year extension rather than a full-scale renegotiation.

	<u>Effective Dates</u>
Oregon Nurses Association (ONA)	July 1, 2018 - June 30, 2022
Multnomah County Deputy Sheriff's Association (MCDA)	July 1, 2018 - June 30, 2022
Multnomah County Employees Union - Local 88, AFSCME AFL-CIO	July 1, 2021 - June 30, 2022
Federation of Oregon Parole and Probation Officers (FOPPO)	July 1, 2021 - June 30, 2024
Multnomah County Prosecuting Attorneys Association	July 1, 2021 - June 30, 2025
International Union of Operating Engineers - Local 701, AFL-CIO	July 1, 2017 - June 30, 2022
Multnomah County Corrections Deputy Association (MCCDA)	July 1, 2017 - June 30, 2022
International Union of Painters and Allied Trades District Council 5, Local 1094, AFL-CIO	July 1, 2016 - June 30, 2023
Multnomah County Employees Union, Physicians Unit - Local 88-2, AFSCME AFL-CIO	July 1, 2021 - June 30, 2022
International Brotherhood of Electrical Workers (IBEW) - Local 48, AFL-CIO	July 1, 2016 - June 30, 2023
Multnomah County Employees Union - Dentists, Local 88-5, AFSCME AFL-CIO	July 1, 2018 - June 30, 2022
Multnomah County Employees Union, Juvenile Custody Services Specialists Unit (JCSS), Local 88, AFSCME AFL-CIO	July 1, 2021 - June 30, 2023

Pollution remediation obligations

Pollution remediation obligations address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities, including pre-cleanup activities, cleanup activities, government oversight and enforcement-related activities, and post remediation monitoring.

The calculation for pollution remediation obligation is an estimate determined by management using the expected cash flow techniques and applying probabilities to the pollution remediation activities. Estimates of pollution remediation obligations are subject to changes resulting from price increases, decreases, changes in technology as well as changes in applicable laws and regulations; any recoveries would reduce the liability.

The County continues to monitor a former landfill, where low amounts of methane gas have been detected in prior years. Liabilities for monitoring and cleanup of a former landfill site have been satisfied and it has been established that no cleanup action is required at this time. The County does not have a pollution remediation liability for fiscal year 2021.

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C. Postemployment benefits other than pensions

The other postemployment benefits (OPEB) for the County combines two separate plans. The County makes contributions to the State of Oregon's Public Employees Retirement System (OPERS) Retirement Health Insurance Account, and provides the Multnomah County Postretirement Medical and Life Insurance Plan (County Plan).

State of Oregon Public Employees Retirement System - Retirement Health Insurance Account

Plan Description. The County contributes to the OPERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of 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 after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by telephone (503) 598-7377 or by writing to OPERS, PO Box 23700, Tigard, OR 97281-3700, online: <http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>.

Plan benefits

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

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Participating governments are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.05 percent of annual covered payroll for Tier One, Tier Two and for OPSRP employees. The OPERS Board of Trustees sets the employer contribution rate. The rate is based on the annual required contribution (ARC) of the combined participant employers. This is an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a closed period not to exceed 30 years.

Contributions. The County's contractually required contribution rate for the year ended June 30, 2021 was 0.05 percent of the covered payroll for Tier 1/Tier 2 employees, actuarially determined as an amount that is expected to finance the costs of the benefits earned by employees during the year. Employees are not required to contribute to the RHIA plan. Contributions by the County to the RHIA plan equaled the required contributions each year and were:

Fiscal Year Ended June 30,	RHIA Contributions
2017	\$ 1,678
2018	1,641
2019	1,006
2020	856
2021	70

RHIA OPEB asset, expenses, deferred outflows (inflows) of resources

For the fiscal year ended June 30, 2021, the County reported an asset of \$24,425 for its proportionate share of the collective net RHIA OPEB asset. The collective net RHIA OPEB asset was measured as of June 30, 2020 and the total RHIA OPEB asset used to calculate the collective net RHIA OPEB asset was determined by an actuarial valuation as of December 31, 2018. The County's proportionate share of the collective net RHIA OPEB asset was based on a projection of the County's long-term share of contributions to the RHIA OPEB plan relative to the projected contributions of all participating employers, actuarially determined. The County's proportionate share at June 30, 2021 and June 30, 2020 was 11.987 and 2.029 percent respectively, resulting in an increase of 9.958 percent.

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For the year ended June 30, 2021, the County recognized credits of \$8,900 for RHIA OPEB. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to RHIA OPEB from the following sources:

Schedule of Deferred Outflows / (Inflows) of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows / (Inflows) of Resources
Differences between expected and actual experience	\$ -	\$ (2,497)	\$ (2,497)
Changes of assumptions	-	(1,298)	(1,298)
Net difference between projected and actual earnings on investments	2,717	-	2,717
Changes in proportionate share	390	(10,154)	(9,764)
Total (prior to post-measurement date contributions)	3,107	(13,949)	(10,842)
Contributions made subsequent to measurement date	70	-	70
Net deferred outflows / (inflows) of resources	<u>\$ 3,177</u>	<u>\$ (13,949)</u>	<u>\$ (10,772)</u>

Deferred outflows of resources of \$70 were reported related to RHIA OPEB contributions subsequent to the measurement date and will be recognized as an increase of the collective net RHIA OPEB asset in the year ended June 30, 2022. Other amounts reported by the County as deferred outflows of resources and deferred inflows of resources related to RHIA OPEB will be recognized in RHIA OPEB expense in subsequent years as follows:

Fiscal Year Ending June 30,	Differences Between Expected and Actual Experience	Changes in Assumptions	Net Difference Between Projected and Actual Earnings on Investments	Changes in Proportionate Share	Net Deferred Outflows / (Inflows) of Resources
2022	\$ (1,888)	\$ (686)	\$ 138	(4,990)	\$ (7,426)
2023	(609)	(612)	717	(4,774)	(5,278)
2024	-	-	1,004	-	1,004
2025	-	-	858	-	858
Total	<u>\$ (2,497)</u>	<u>\$ (1,298)</u>	<u>\$ 2,717</u>	<u>\$ (9,764)</u>	<u>\$ (10,842)</u>

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Actuarial methods and assumptions used in developing total RHIA OPEB asset

The total RHIA OPEB asset based on the December 31, 2018 valuation was determined using the following actuarial methods and assumptions:

Valuation date	December 31, 2018
Measurement date	June 30, 2020
Experience study	2018, Published July 24, 2019
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.5 percent
Long-term expected rate of return	7.2 percent
Discount rate	7.2 percent
Projected salary increases	3.5 percent
Cost of living adjustments (COLA)	Blend of 2% COLA and graded COLA (1.25% / 0.15%) in accordance with Moro decision, blend based on service
Mortality	<i>Health retirees and beneficiaries:</i> 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. <i>Active Members:</i> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. <i>Disabled retirees:</i> Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

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.

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Discount rate

The discount rate used to measure the total RHIA OPEB asset was 7.2 percent. The projection of cash flows used to determine the discount rate assumed that contributions from County will be made at contractually required rates, actuarially determined. Based on this assumption, the RHIA OPEB plan's fiduciary net position was projected to be available to make all projected RHIA OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on RHIA OPEB plan investments was applied to all periods of projected benefit payments to determine the total RHIA OPEB asset.

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

Sensitivity analysis of the County's proportionate share of the net RHIA OPEB asset to changes in the discount rate

The following presents the County's proportionate share of the net RHIA OPEB asset calculated using the discount rate of 7.2 percent, as well as what the County's proportionate share of the net RHIA OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.2 percent) or 1-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.2)%	Current Discount Rate (7.2)%	1% Increase (8.2)%
County's proportionate share of the net OPEB liability (asset)	\$ (19,719)	\$ (24,425)	\$ (28,448)

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Long-term expected rate of return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the OPERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisers. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead on a forward-looking capital market economic model.

Asset Class	Target Allocation	20-Year Annualized Geometric Mean
Core Fixed Income	9.60%	4.07%
Short-Term Bonds	9.60%	3.68%
Bank/Leveraged Loans	3.60%	5.19%
High Yield Bonds	1.20%	5.74%
Large/Mid Cap US Equities	16.17%	6.30%
Small Cap US Equities	1.35%	6.68%
Micro Cap US Equities	1.35%	6.79%
Developed Foreign Equities	13.48%	6.91%
Emerging Market Equities	4.24%	7.69%
Non-US Small Cap Equities	1.93%	7.25%
Real Estate (REITS)	2.50%	6.69%
Real Estate (Property)	10.00%	5.55%
Timber	1.13%	5.61%
Farmland	1.13%	6.12%
Infrastructure	2.25%	6.67%
Private Equity	17.50%	8.33%
Commodities	1.13%	3.79%
Hedge Fund of Funds - Diversified	1.50%	4.06%
Hedge Fund - Event-driven	0.38%	5.59%
Portfolio - Net of Investment Expenses	100.00%	6.91%
Assumed Inflation - Mean		2.50%

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Multnomah County Postretirement Retiree Medical and Life Insurance Plan

Plan description. The County also administers a single-employer defined benefit healthcare and life insurance plan (the Plan) per the requirements of collective bargaining agreements. Benefit provisions are established through negotiations between the County and representatives of collective bargaining units. The Plan states the County shall pay 50 percent of the monthly medical insurance premium on behalf of a County retiree and his/her eligible dependents from the retiree's 58th birthday or date of retirement, whichever is later, until the retiree's 65th birthday, death or eligibility for Medicare, whichever is earlier. Retirees must have five years of continuous County service immediately preceding retirement at or after age 58, or ten years of continuous County service immediately preceding retirement prior to age 58. The Plan does not issue a publicly available financial report.

Plan benefits

Funding policy. A trust fund has not been established to hold resources for the payment of benefits for the total OPEB obligation. Contribution requirements are negotiated between the County and union representatives. The Plan offers retirees a health benefit equal to half of their monthly premium; retirees are required to pay the other half. The County's regular health care benefit providers underwrite the retirees' policies. Retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans. The County is contractually obligated by collective bargaining agreements to cover 50 percent of the annual premium costs, which are two percent of annual covered payroll to fund the Plan.

At the date of the last valuation, January 1, 2021, there were 505 retirees enrolled in the OPEB medical benefit and 2,399 retirees with life coverage. Retirees with medical insurance noted excludes post-age 65 retirees who are not covering their pre-age 65 spouses and/or dependents, as the County does not incur any liability from those participants. In addition, retirees may enroll in dental insurance at their own cost; the County does not incur any liability for retiree dental coverage.

The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2021, the County contributed \$6,638 to the Plan, of which \$3,263 was explicitly contributed as part of the contractual obligation described above; the remaining \$3,375 represents the implicit subsidy derived from active employee contributions. In addition, administrative expenses of \$418 are considered explicit contributions.

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Actuarial methods and assumptions used in developing total OPEB liability

The total OPEB liability based on the January 1, 2021 valuation was determined using the following actuarial methods and assumptions:

Measurement date	January 1, 2021
Actuarial assumptions:	
Discount rate:	
As of January 1, 2019	4.10 percent
As of January 1, 2020	2.74 percent
As of January 1, 2021	2.12 percent
	(Bond Buyer 20-Bond GO Index as of December 27, 2018, December 26, 2019, and December 31, 2020)
Healthcare cost trends	Ranges from 6.4 percent in 2021 decreasing to 4 percent in 2040
Wage inflation rate	3.50 percent per year
Salary merit increase rates	Rates used in 2020 OPERS experience study
Mortality	Rates used in 2020 OPERS experience study

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future employment, mortality and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members), which includes the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liability (AAL) and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2021 actuarial valuation, the entry age normal actuarial cost method was used. Under this method, the actuarial present value of the projected benefits of each individual is allocated on a level basis over the earnings or service of the individual between date of hire and assumed retirement date.

Changes since the last valuation

The discount rate was changed to match the yield on a 20-year general obligation bond.

Demographic assumptions including retirement rates, disability rates, termination rates, and mortality rates were updated to match the assumptions developed in the 2020 Oregon PERS experience study.

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The medical plan election assumption for future retirees was updated to better reflect recent experience.

Any change in total OPEB liability due to benefit changes is recognized immediately.

Changes in total OPEB liability

The table below shows the changes in the total OPEB liability during the measurement period ending on January 1, 2021.

<u>Changes in Total OPEB Liability</u>	<u>Total OPEB Liability</u>
Balance at January 1, 2020	\$ 121,091
Changes for the year:	
Service cost	7,422
Interest	3,329
Changes of benefits	-
Differences between expected and actual experience	1,257
Changes of assumptions	172
Benefit payments:	
Explicit subsidy	(3,263)
Implicit subsidy	(3,375)
Net changes	5,542
Balance at January 1, 2021	\$ 126,633

During the measurement year, the total OPEB liability increased by \$5,541. The service cost and interest cost increased the total OPEB liability by \$10,751 while benefit payments reduced the total OPEB liability by \$6,638.

There were no changes in benefits during the measurement year. There was a change in assumptions during the measurement year decreasing the discount rate, which increased the total OPEB liability by approximately \$172. There was a liability experience loss, primarily due to changes in health care costs as well as demographic changes, which increased the total OPEB liability by approximately \$1,256.

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Sensitivity analysis of the County's Plan for total OPEB liability to changes in the discount rate

Changes in the discount rate affect the measurement of the total OPEB liability. Lower discount rates produce a higher total OPEB liability and higher discount rates produce a lower total OPEB liability. The table below shows the sensitivity of the total OPEB liability to the discount rate.

	1% Decrease 1.12%	Current Discount Rate 2.12%	1% Increase 3.12%
Total OPEB liability	\$ 135,181	\$ 126,633	\$ 118,604

A one percent decrease in the discount rate increases the total OPEB liability by approximately 6.8 percent and a one percent increase in the discount rate decreases the total OPEB liability by approximately 6.3 percent.

Sensitivity analysis of the County's Plan for total OPEB liability to changes in the healthcare trends

Changes in the healthcare trends also affect the measurement of the total OPEB liability. Lower healthcare trends produce a lower total OPEB liability and higher healthcare trends produce a higher total OPEB liability. The table below shows the sensitivity of the total OPEB liability to the health care trends.

	1% Decrease	Healthcare Trend	1% Increase
Total OPEB liability	\$ 114,579	\$ 126,633	\$ 140,707

A one percent decrease in the healthcare trends decreases the total OPEB liability by approximately 9.5 percent and a one percent increase in the healthcare trends increases the total OPEB liability by approximately 11.1 percent.

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OPEB deferred inflows and outflows of resources

The table below summarizes the current balances of deferred outflows and inflows of resources related to the Plan along with the net recognition over the next five years and the total recognition thereafter, if any.

Schedule of Deferred Outflows / (Inflows) of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows / (Inflows) of Resources
Differences between expected and actual experience	\$ 1,434	\$ (10,937)	\$ (9,503)
Changes in assumptions	8,928	(3,798)	5,130
Subtotal	10,362	(14,735)	(4,373)
Contributions subsequent to the measurement date:			
Explicit subsidy	1,653	-	1,653
Implicit subsidy	1,711	-	1,711
Administrative expenses	237	-	237
Total contributions subsequent to measurement date	3,601	-	3,601
Net deferred outflows / (inflows) of resources	<u>\$ 13,963</u>	<u>\$ (14,735)</u>	<u>\$ (772)</u>

Amounts reported as deferred outflows due to contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Future Recognition of OPEB Expense
2022	\$ (1,328)
2023	(1,328)
2024	(1,328)
2025	(1,860)
2026	1,263
Thereafter	204
Total	<u>\$ (4,377)</u>

The impacts of experience gains or losses and assumption changes on the total OPEB liability are recognized in expense over the average expected remaining service life of all active and inactive members of the Plan. As of the measurement date, this recognition period was seven years.

During the year, actual experience differed from assumed experience increasing the total OPEB liability by \$1,256. Approximately \$179 is recognized in the current year and an identical amount will be recognized in each of the next six years. Unrecognized experience gains from prior years were \$13,083, of which \$2,503 is recognized in the current year.

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Unrecognized experience losses from prior years was \$476, of which \$119 is recognized in the current year. As of January 1, 2021 unrecognized experience gains and losses from the current and prior years result in deferred inflows of resources of approximately \$10,937 and a deferred outflow of resources of approximately \$1,434.

In addition, changes in assumptions increased the total OPEB liability by approximately \$172. Approximately \$25 is recognized in the current year and an identical amount will be recognized in each of the next six years. Unrecognized assumption changes from prior years that increased the total OPEB liability by \$6,122, of which \$996 is recognized in the current year. As of January 1, 2021, unrecognized assumption changes from the current and prior years result in a deferred outflow of resources of approximately \$8,926 and a deferred inflow of resources of approximately \$3,800.

Aggregated information on OPEB plans

For the year ended June 30, 2021, the County recognized a net OPEB revenue of \$6,492. The aggregate balance of the County's total OPEB liability, deferred outflows of resources, deferred inflows of resources, and expense related to other postemployment benefits for the County Plan and OPERS RHIA as of June 30, 2021 is as follows:

	County Plan	OPERS RHIA	Totals
Governmental activities:			
Net OPEB asset (liability)	\$ (126,345)	\$ 24,372	\$ (101,973)
Deferred outflows	13,931	3,170	17,101
Deferred inflows	(14,702)	(13,919)	(28,621)
OPEB Expense (Income)	4,164	(8,948)	(4,784)
Total governmental activities	<u>(122,952)</u>	<u>4,675</u>	<u>(118,277)</u>
Business-type activities:			
Net OPEB asset (liability)	(288)	53	(235)
Deferred outflows	32	7	39
Deferred inflows	(33)	(30)	(63)
OPEB Expense (Income)	(1,756)	48	(1,708)
Total business-type activities	<u>(2,045)</u>	<u>78</u>	<u>(1,967)</u>
Totals:			
Net OPEB asset (liability)	(126,633)	24,425	(102,208)
Deferred outflows	13,963	3,177	17,140
Deferred inflows	(14,735)	(13,949)	(28,684)
Expense related to OPEB	2,408	(8,900)	(6,492)
Totals	<u>\$ (124,997)</u>	<u>\$ 4,753</u>	<u>\$ (120,244)</u>

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D. Employee retirement systems, pension plans and deferred compensation plan

State of Oregon Public Employees Retirement System

Plan description. The County is a participating employer in the Oregon Public Employee Retirement System (OPERS), a cost-sharing multiple-employer defined benefit public employee pension plan. The County also maintains a defined contribution plan for the purpose of individual retirement savings through OPERS: the Individual Account Program (IAP). 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 is administered under Oregon Revised Statutes Chapter 238 and Internal Revenue Service 401(a) by the Public Employees Retirement Board (OPERS Board).

OPERS, a fiduciary fund of the State of Oregon, issues an annual comprehensive financial report that can be obtained from Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, Oregon 97281, or at: <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>.

Summary of significant accounting policies – basis of accounting and valuation of investments. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the OPERS plan and additions to/deductions from OPERS' fiduciary net position have been determined using the accrual basis of accounting, same as the OPERS plan. Plan member contributions are recognized in the period in which contributions are due, pursuant to legal (or statutory) requirements. The County's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are recognized at fair value as determined by OPERS.

Plan Benefits

All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A.

Tier One/Tier Two Retirement Benefits

Tier One/Tier Two Retirement Benefit plan is closed to new members hired on or after August 29, 2003.

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

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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 a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members 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 an OPERS employer at the time of death,
- The member died within 120 days after termination of OPERS-covered employment,
- The member died as a result of injury sustained while employed in an OPERS-covered job, or
- The member was on an official leave of absence from an OPERS-covered job at the time of death.

Disability benefits. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of OPERS-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 adjustments (COLA). Under current law, the cap on COLA is 2 percent, blended based on service, and graded (1.25 percent/0.5 percent).

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 percent 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 percent is multiplied by the number of years of service and the final average salary.

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- Normal retirement age for police and fire members are 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. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70-1/2 years.

Disability benefits. A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 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 adjustments (COLA). Under current law, the cap on COLA is 2 percent, blended based on service, and graded (1.25 percent/0.5 percent).

Contributions

Funding policy. OPERS funding policy provides for periodic member and employer contributions at rates established by the Public Employees Retirement Board, subject to limits set in statute. The rates established for member and employer contributions were approved based on the recommendations of the System's third-party actuary. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the OPERS defined benefit plan and the other postemployment plan.

Covered employees are required to contribute 6 percent 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 County has elected to contribute the 6 percent "pick-up" or \$18,702 of the employees' contribution for the year ended June 30, 2021. This "pick-up" is allocated to each employee's Individual Account Program (IAP).

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The County's employer contribution rates for the year ended June 30, 2021 were 19 percent for Tier One/Tier Two members, 10.74 percent for OPSRP General Service members, and 15.51 percent for OPSRP Police and Fire members. The County's total contributions, excluding the IAP 6 percent "pick-up," for the year ended June 30, 2021 were:

	<u>Contributions</u>
Pension benefits	\$ 43,440
OPSRP defined benefit	<u>26,944</u>
Subtotal	<u>70,384</u>
Side account	-
Side account amortization	<u>(10,465)</u>
Side account subtotal	<u>(10,465)</u>
Total defined benefit pension	<u><u>\$ 59,919</u></u>
OPSRP IAP benefits	\$ 18,702
RHIA benefits	\$ 70

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

For the fiscal year ended June 30, 2021, the County reported a liability of \$728,099 for its proportionate share of the collective OPERS net pension liability. The collective net pension asset/liability was measured as of June 30, 2020, using the actuarial valuation of December 31, 2018. The County's proportion of the collective net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The County's proportionate share at June 30, 2021 and June 30, 2020 was 3.336 and 3.361 percent respectively, resulting in a decrease of 0.0249 percent.

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For the year ended June 30, 2021, the County recognized a total pension expense of \$128,458. The balance of the County's net pension liability, deferred outflows of resources, deferred inflows of resources, and expense related to other postemployment benefits for the pension as of June 30, 2021 is as follows:

	<u>Pension</u>
Governmental activities:	
Net pension asset (liability)	\$ (726,516)
Deferred outflows	265,827
Deferred inflows	(12,134)
Expense related to pension	133,196
Total governmental activities	<u>(339,627)</u>
Business-type activities:	
Net pension asset (liability)	(1,583)
Deferred outflows	579
Deferred inflows	(26)
Expense related to pension	(4,738)
Total business-type activities	<u>(5,768)</u>
Totals:	
Net pension asset (liability)	(728,099)
Deferred outflows	266,406
Deferred inflows	(12,160)
Expense related to pension	128,458
Totals	<u><u>\$ (345,395)</u></u>

The County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Schedule of Deferred Outflows / (Inflows) of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net Deferred Outflows / (Inflows) of Resources</u>
Differences between expected and actual experience	\$ 32,045	\$ -	\$ 32,045
Changes of assumptions	39,075	(1,368)	37,707
Net difference between projected and actual earnings on investments	85,615	-	85,615
Changes in proportionate share	693	(9,658)	(8,965)
Differences between employer contributions and proportionate share of contributions	49,059	(1,134)	47,925
Total (prior to post-measurement date (MD) contributions)	206,487	(12,160)	194,327
Contributions subsequent to the MD	59,919	-	59,919
Net deferred outflows / (inflows) of resources	<u><u>\$ 266,406</u></u>	<u><u>\$ (12,160)</u></u>	<u><u>\$ 254,246</u></u>

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The total deferred outflows of resources of \$59,919 were reported related to pension contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability in the year ending June 30, 2022.

Though the County has made side account payments in prior years, no side account payments were made during fiscal year ending June 30, 2021. Side accounts are treated as a deferred outflow for contributions in excess of the County's proportionate share of contributions in subsequent years and amortized. There was an amortization of OPERS side accounts for a reduction of \$10,465.

Other amounts reported by the County as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense and a reduction of the net pension liability/collective net pension liability in subsequent years as follows:

Fiscal Year Ending June 30,	Differences Between Expected and Actual Experience	Changes in Assumptions	Net Difference Between Projected and Actual Earnings on Investments	Changes in Proportionate Share	Difference Between Employer Contributions and Proportionate Share of Contributions	Net Deferred Outflows/ (Inflows) of Resources
2022	\$ 11,010	\$ 21,508	\$ 2,562	\$ (3,798)	\$ 17,579	\$ 48,861
2023	8,861	14,055	23,434	(3,307)	13,664	56,707
2024	7,815	2,556	32,714	(1,017)	7,699	49,767
2025	3,592	(318)	26,905	(638)	6,894	36,435
2026	767	(94)	-	(205)	2,089	2,557
Total	<u>\$ 32,045</u>	<u>\$ 37,707</u>	<u>\$ 85,615</u>	<u>\$ (8,965)</u>	<u>\$ 47,925</u>	<u>\$ 194,327</u>

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Actuarial methods and assumptions used in developing total pension liability

The total pension liability based on the December 31, 2018 actuarial valuation was determined using the following actuarial methods and assumptions:

Valuation Date	December 31, 2018
Measurement date	June 30, 2020
Experience Study	2018, published July 24, 2019
Actuarial Cost Method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.5 percent
Long-Term Expected Rate of Return	7.2 percent
Discount rate	7.2 percent
Projected salary increases	3.5 percent
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision, blend based on service
Mortality	<p><i>Healthy retirees and beneficiaries:</i> Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><i>Active members:</i> Pub-2010 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><i>Disabled retirees:</i> 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.</p>

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 2018 Experience Study, which reviewed experience for January 1, 2017 to December 31, 2020.

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Discount rate

The discount rate used to measure the total pension liability of the Plan was 7.2 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the 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 Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

GASB 67 generally requires that a blended discount rate be used to measure the total pension liability. The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's fiduciary net position (fair value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where fiduciary net position is not projected to cover benefit payments and administrative costs.

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

The following presents the County's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.2 percent, as well as what the County'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 (6.2 percent) or 1-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease 6.2%	Current Discount Rate 7.2%	1% Increase 8.2%
County's proportionate share of the net pension liability	\$ 1,081,167	\$ 728,099	\$ 432,035

Long-term expected rate of return

To develop an analytical basis for the selection of the investment return assumption, in July 2021, the OPERS Board reviewed long-term real return outlooks developed by Milliman's capital market outlook team for each of the asset classes in which the plan is invested based on the Oregon Investment Council's (OIC) long-term target asset allocation, and combined those real return outlooks with a 2.4 percent inflation assumption to develop nominal expected returns. Since the OIC uses broader asset classes than those for which Milliman's investment professionals develop long-term assumptions, Milliman received assistance from Meketa, OIC's primary consultant, to map each OIC asset class to the classes shown below.

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Each asset class assumption is based on a consistent set of underlying assumptions, including the inflation assumption. These assumptions are not based on average historical returns, but instead are based on a forward-looking capital market economic model. Based on the target allocation and investment return assumptions for each of the asset classes, the model's 50th percentile output is developed as follows:

Asset Class	Target Allocation	20-Year Annualized Geometric Mean
Core Fixed Income	9.60%	4.07%
Short-Term Bonds	9.60%	3.68%
Bank/Leveraged Loans	3.60%	5.19%
High Yield Bonds	1.20%	5.74%
Large/Mid Cap US Equities	16.17%	6.30%
Small Cap US Equities	1.35%	6.68%
Micro Cap US Equities	1.35%	6.79%
Developed Foreign Equities	13.48%	6.91%
Emerging Market Equities	4.24%	7.69%
Non-US Small Cap Equities	1.93%	7.25%
Real Estate (REITS)	2.50%	6.69%
Real Estate (Property)	10.00%	5.55%
Timber	1.13%	5.61%
Farmland	1.13%	6.12%
Infrastructure	2.25%	6.67%
Private Equity	17.50%	8.33%
Commodities	1.13%	3.79%
Hedge Fund of Funds - Diversified	1.50%	4.06%
Hedge Fund - Events driven	0.38%	5.59%
Portfolio - Net of Investment Expenses	100.00%	6.91%
Assumed Inflation - Mean		2.50%

OPSRP Individual Account Program

The defined contribution pension plan (called the Individual Account Program or IAP) is provided to all members or their beneficiaries who are OPERS or OPSRP eligible. State statutes require covered employees to contribute 6 percent of their annual covered salary to the IAP plan effective January 1, 2004. Multnomah County has elected to pay all of the employees' required IAP contributions. Although OPERS members retain their existing OPERS account, all current member contributions are deposited into the member's IAP account. The liability outstanding at June 30, 2021 was \$1,044 for the amount associated with the final year-end payroll and is included in the net pension liability in the *Statement of Net Position*.

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Pension benefits. The IAP member becomes vested on the date the employee account is established or on the date when 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.

Record keeping. OPERS contracts with VOYA Financial to maintain IAP participant records.

Deferred Compensation Plan

Plan description. The County offers employees a voluntary deferred compensation plan (the Plan) administered by the County. The Plan is a defined contribution plan created in accordance with Internal Revenue Code Section 457. The County's deferred compensation committee has the authority to establish or amend the plan provisions. The Plan is available to any individual who is an elected official of the County or who is employed by the County in a regular 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 County.

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, 2021, the amount deferred and investment earnings thereon, adjusted to fair value, amount to \$630,424. The amounts accumulated under the Plan including investment earnings, are excluded from the financial statements of the County. Though the Plan is unaudited, private rulings by the Internal Revenue Service have been positive.

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E. Tax abatements

Tax abatements granted by other governments

Seven tax abatement programs administered by outside municipalities impact the County's property tax revenues.

Low Income Rental Housing Program (ORS 307.540 to 307.548)

The State of Oregon's Low Income Rental Housing program (LIRH) provides property tax abatements to encourage nonprofit organizations to help fill the need for low-income housing. The LIRH program allows a city or county to abate property taxes for low-income rental housing owned or being purchased by a nonprofit corporation. The property must be in use as housing or must be held for that purpose. Qualifying nonprofit corporations must be exempt from federal income tax [Section 501(c)(3) or (4) of the Internal Revenue Code] and upon liquidation distribute remaining assets to other tax-exempt charitable organizations or the State of Oregon. The nonprofit corporation must certify that the income level of each renter is at or below sixty percent of area median income, which is determined by the State Housing Council based on information from the U.S. Department of Housing and Urban Development. In addition, the nonprofit corporation must describe how the abatement will benefit project residents. This program will sunset as of June 30, 2027 (ORS 307.541).

Enterprise Zone Programs (ORS 285C.050-.255)

The State of Oregon's Enterprise Zone Programs (EZ) allow for property tax abatements on qualified real and personal property owned or leased and newly placed into service by a qualified business in an enterprise zone. Property taxes on qualified property are abated for three years; however, the abatement period may be increased to a total of four or five consecutive years.

In order to qualify for the abatement, the business must meet all of the conditions outlined in ORS 285C.135 and 285C.200, such as engaging in eligible business operations and increasing zone employment by the greater of one additional job or 10 percent. In order to be eligible, property of the business must satisfy applicable timing, lease, location and minimal cost requirements, described in ORS 285C.180. Property is disqualified if it is used for an ineligible activity, such as retail operations, or if the business substantially curtails operations or closes during the abatement period. If property becomes disqualified, prior abated taxes are billed for payment.

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New Housing Homebuyer Opportunity Limited Tax Exemption (ORS 307.651 to 307.687)

The City of Portland, Oregon's Homebuyer Opportunity Limited Tax Exemption (HOLTE) program abates the real property taxes billed on the residential improvement value for a 10-year period, while the land remains taxable. At the end of the 10-year abatement period, the taxes due will reflect the full assessed value of the property. Homes approved for the HOLTE program must sell for less than the annually established price cap to homebuyers who will live in the homes and meet program income requirements. There is a 100-unit cap on the number of new applications approved each year, although the cap does not apply to applications for properties including long-term affordability covenants.

Core Area Multi-Unit & Transit Oriented Development-GR/PDX (ORS 307.600 to 307.637)

This State of Oregon's Core Area Multi-Unit program (CAMU) provides property tax abatements to stimulate the construction of rental housing in the core areas of Oregon's urban centers to improve the balance between the residential and commercial nature of those areas. The CAMU program also encourages city programs emphasizing the development of vacant or underused sites in the core areas with rental rates accessible to a broad range of the general public. The CAMU program provides property tax abatements for multiple family rental housing (excluding land) in core, light rail station, and transit oriented areas for up to ten successive years. The abatement does not include the land or any improvements not part of the multiple unit housing, but may include parking constructed as part of the multiple unit housing construction, addition or conversion. In the case of a structure to which improvements are added or the structure is converted, only the addition or conversion value is abated. Construction is to be completed by January 1, 2022, but an extension is possible. This program will sunset as of January 1, 2022 (ORS 307.612).

Residential Rehabilitation Property (ORS 308.450 to 308.481)

The Residential Rehabilitation Housing Program (RRH) encourages the rehabilitation of existing units in substandard condition and the conversion of transient accommodations to permanent residential units. The RRH program also supports the conversion of nonresidential structures to permanent residential units in order to make these units sound additions to the housing stock of the state.

A city or county may abate property taxes on any value that is attributed to the rehabilitation of housing or conversion of buildings for housing (single or multifamily) for 10 years. If the housing is at least 25 years old at the time of application, it may qualify if it has undergone rehabilitation during or after September 13, 1975, and before January 1, 2017. The rehabilitation must have cost at least five percent of the assessed value of the property before rehabilitation. Regardless of the age of the housing, it may qualify if it has undergone rehabilitations (after October 3, 1989 and before January 1, 2017) that cost at least 50 percent of the assessed value of the property before rehabilitation.

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In addition, the property must satisfy these four conditions:

- Before rehabilitation, fail to comply with one or more standards of applicable building or housing codes
- Be residential units of which at least 50 percent are for non-transient occupants
- If owner-occupied, be in a distressed area as designated by the city or county
- Approved for abatement by the city or county.

A property's value is frozen at its value before rehabilitation for 10 years. However, if the owners of the property enter into a low-income rental assistance contract with a government agency during this time, and if the contract expires after the ten-year period, the property value remains frozen through the term of the contract. Generally, only city or county taxes on qualified property are abated. However, if districts representing at least 51 percent of the taxes on the property pass resolutions supporting the abatement, then the abatement applies to the taxes of all districts.

Historic Property (ORS 358.475 to 358.565)

The Historic Property Program allows qualified historic property to be specially assessed at a frozen value for 10 years. The specially assessed value is the assessed value at the time of application for abatement. The assessed value cannot exceed the assessed value at the time of application; increased value from improvements or inflation is exempt for 10 years. Applications for special assessment must be approved by the State Historical Preservation Officer. Applicants must pay a fee and file a plan for proposed rehabilitation and maintenance.

Property is dropped from this special assessment at the end of the 10-year period, but can qualify for a second 10-year period if reapplication is approved and the local government (city, or county if not located in a city) does not prohibit it (by resolution). Approval of reapplication requires plans for significant investment in seismic upgrades, energy conservation, or disability access. Following the second 10-year period, the property can no longer qualify.

If, during the course of a special assessment term, the historic property is disqualified, either at the owner's request or from failure to meet the requirements, the tax savings from having a frozen value must be repaid. The additional tax and interest is equal to the sum of the tax benefit received for each year of special assessment as historic property. In addition, a penalty of 15 percent of the back taxes and interest owed is levied upon the disqualified property owner. However, if the property is destroyed or substantially altered by acts of nature or other events for which the owner is not responsible, or transferred to a tax-exempt owner, or transferred to a new owner who expressly assents to and continues to implement the preservation plan in effect, no additional tax or penalty is charged.

MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

Senate Bill 192, passed in 2009, made several changes to the historic property tax special assessment program including:

- Special assessment period reduced from 15 years to 10
- As part of a submitted preservation plan, applicants must commit to expending ten percent of the property's real market value (at time of first year's special assessment) within the first five years of special assessment
- Property owners must now submit progress reports concerning the original preservation plan to the State Historic Preservation Officer in the third, sixth, and ninth years of special assessment
- The application fee was reduced from one-third of one percent of real market value to one-tenth of one percent of the assessed value of the property at time of application
- Qualifying properties no longer have to be open to public sight-seeing at least one day per year
- Restricted tax benefits for converting historic property to condominium use

Riparian Habitat Land (ORS 308A.350 to 308A.383)

The State of Oregon Riparian Habitat Land program specifies that property taxation for property designated as riparian land by the State Department of Fish and Wildlife is abated. Designated riparian land must be privately owned streambeds, and the land under adjacent vegetation influenced by the proximity to water, but which does not extend more than 100 feet from the stream bank.

The following types of designated riparian land qualify for the abatement:

- Lands located outside urban growth boundaries (UGB) and zoned as forest or agricultural (including range land) in compliance with statewide planning goals.
- Lands that were outside a UGB and zoned as forest or agricultural (including range land) as of July 1, 1997, but are no longer outside a UGB or so zoned, qualify. The landowner must apply for riparian designation within five years of the change.
- Lands within city and urban growth boundaries may qualify if the city and county authorize the abatement (ORS 308A.360).

The Department of Fish and Wildlife can designate land as riparian habitat land if the owner has developed and implemented a plan for continued protection of the land using approved rehabilitation techniques. The department cannot approve more than 200 miles (increased from 100 miles in 1997) of private stream bank in any one county per year.

The abatement continues until withdrawn by the owner or use is incompatible with riparian use. Upon withdrawal or disqualification, an additional tax equal to the sum of the tax benefit for each year abated (up to five years) is due.

The abatement value is based on farm use assessed value as the alternative to riparian abatement. When land is specially assessed as farm, forest, or open space before riparian designation, any additional tax for a change in designation to riparian is abated.

MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

For the fiscal year ended June 30, 2021, Multnomah County abated property taxes totaling \$21,548 under these programs:

Tax Abatement Programs	Taxes Abated Fiscal Year Ended June 30, 2021
Tax abatements granted by other governments:	
Low Income Rental Housing Program	\$ 7,534
Enterprise Loan Programs	5,160
New Housing Homebuyer Opportunity Limited Tax Exemptions	841
Core Area Multi-Unit and Transit Oriented Development	2,864
Historic Property (2 Term, 10 Year, and 15 Year)	5,144
Riparian Habitat Land	5
Total property taxes abated	<u>\$ 21,548</u>

F. Subsequent events

State of Oregon Public Employees Retirement System

Changes made subsequent to the measurement date. In July 2021, the Oregon Public Employees Retirement System Board made the decision to reduce the assumed rate of return on the fund from 7.2 percent to 6.9 percent, beginning with the 2020 valuation. The change will not impact payroll rates until the 2023-25 biennium.

Conduit Debt Activity

On July 22, 2021, The Hospital Facilities Authority of Multnomah County approved the request from Terwilliger Plaza, Inc., an Oregon nonprofit corporation (the “Borrower”), and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, to execute and deliver revenue bonds, in one or more series, in an aggregate principal amount not to exceed \$175,000. Proceeds of the bonds will be used in:

- The designing, constructing, improving, furnishing and equipping of an approximately 10-story building with approximately 127 additional independent living units and additional related amenities of the Borrower’s existing continuing care retirement facility (the “Parkview Expansion”);
- Paying capitalized interest;
- Refinancing the Authority’s Revenue Bonds, Series 2019 (Terwilliger Plaza, Inc.), originally issued on August 15, 2019, which funded certain pre-development expenses related to the Parkview Expansion;
- Funding debt service reserve funds, if required; and
- Paying certain costs of issuance of the bonds.

Bond closing date was September 1, 2021.

MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

Infrastructure Investment and Jobs Act

On November 15, 2021 the Infrastructure Investment and Jobs Act (IIJA) was signed into federal law. The bill authorizes \$1.2 trillion for transportation and infrastructure spending with \$550 billion of that figure going toward "new" investments and programs. There is no guarantee, however the County will be seeking funding for the Burnside Bridge project.

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REQUIRED SUPPLEMENTARY INFORMATION

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MULTNOMAH COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

I. Postemployment benefits other than pensions:

State of Oregon Public Employees Retirement System - Retirement Health Insurance Account:

Schedule of Proportionate Share of Net OPEB - RHIA (Asset) Liability
Other Post Employment Benefits
Last Five Fiscal Years*

Year Ended June 30,	(a) County's Proportion of the Net OPEB Liability (Asset)	(b) County's Proportionate Share of the Net OPEB Liability (Asset)	(c) County's Covered Payroll**	(b/c) County's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2021	11.98700%	\$ (24,425)	\$ 396,481	-6.16%	78.08%
2020	2.02880%	(3,920)	382,776	-1.02%	83.10%
2019	3.38934%	(3,783)	362,524	-1.04%	86.82%
2018	3.34736%	(1,397)	352,909	-0.40%	86.09%
2017	3.41600%	928	335,282	0.28%	80.53%

**This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.*

***As of the measurement date, which is one year in arrears.*

Schedule of OPEB - RHIA Contributions
Other Post Employment Benefits
Last Five Fiscal Years*

Year Ended June 30,	(a) Statutorily Required Contributions	(b) Contributions in Relation to the Statutorily Required Contribution	(a-b) Contribution Deficiency (Excess)	(c) County's Covered Payroll	(b/c) Contributions as a Percent of Covered Payroll
2021	\$ 70	\$ 70	\$ -	\$ 404,049	0.02%
2020	856	856	-	396,481	0.22%
2019	1,006	1,006	-	382,776	0.26%
2018	1,641	1,641	-	362,524	0.45%
2017	1,678	1,678	-	352,909	0.48%

**This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.*

MULTNOMAH COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

Multnomah County Postretirement Medical and Life Insurance Plan:

**Schedule of Changes
in Total OPEB Liability and Related Ratios
Last Four Years***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service cost	\$ 7,422	\$ 5,965	\$ 7,519	\$ 6,815
Interest	3,329	4,480	4,338	4,419
Changes of benefit terms	-	(98)	-	-
Differences between expected and actual experience	1,256	(3,143)	(15,208)	831
Changes of assumptions	172	10,558	(6,651)	2,889
Benefit payments	(6,638)	(5,921)	(6,221)	(5,993)
Net changes in total OPEB liability	<u>5,541</u>	<u>11,841</u>	<u>(16,223)</u>	<u>8,961</u>
 Total OPEB liability - beginning	 <u>121,091</u>	 <u>109,250</u>	 <u>125,473</u>	 <u>116,512</u>
Total OPEB liability - ending	<u>\$ 126,632</u>	<u>\$ 121,091</u>	<u>\$ 109,250</u>	<u>\$ 125,473</u>
 Covered payroll**	 \$ 406,492	 \$ 411,321	 \$ 375,508	 \$ 356,084
Total OPEB liability as a percentage of employee payroll	31.15%	29.44%	29.09%	35.24%

**This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend had been compiled, information is presented only for years for which the required supplementary information is available.*

***As of the measurement date, which is one year in arrears.*

Notes to the Schedule:

Changes in assumptions. The discount rate was changed to match the yield on a 20-year general obligation bond.

Demographic assumptions including retirement rates, disability rates, termination rates, and mortality rates were updated to match the assumptions developed in the 2020 Oregon PERS experience study.

The medical plan election assumption for future retirees was updated to better reflect recent experience.

MULTNOMAH COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

II . Employee retirement systems, pension plan:

State of Oregon Public Employees Retirement System:

Schedule of Proportionate Share of Net Pension Liability (Asset)
Oregon Public Employees Retirement System
Last Eight Fiscal Years*

Fiscal Year Ended June 30,	(a) County's Proportion of the Net Pension Liability (Asset)	(b) County's Proportionate Share of the Net Pension Liability (Asset)	(c) County's Covered Payroll**	(b/c) County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2021	3.34%	\$ 728,099	\$ 392,149	185.67%	78.08%
2020	3.36%	581,413	371,464	156.52%	83.10%
2019	3.35%	507,736	355,893	142.67%	86.82%
2018	3.49%	470,736	312,572	150.60%	86.09%
2017	3.51%	526,781	304,993	172.72%	80.53%
2016	3.59%	206,128	303,774	67.86%	91.88%
2015	3.42%	(77,474)	284,960	(27.19)%	103.59%
2014	3.42%	174,421	268,327	65.00%	91.97%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

**This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.*

***As of the measurement date, which is one year in arrears.*

MULTNOMAH COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

Schedule of Pension Contributions
Oregon Public Employees Retirement System
Last Eight Fiscal Years*

Year Ended June 30,	(a) Statutorily Required Contributions	(b) Contributions in Relation to the Statutorily Required Contribution	(a-b) Contribution Deficiency (Excess)**	(c) County's Covered Payroll	(b/c) Contributions as a Percent of Covered Payroll
2021	\$ 59,919	\$ 59,919	\$ -	\$ 404,049	14.83%
2020	91,682	122,932	(31,250)	392,149	31.35%
2019	30,347	55,347	(25,000)	371,464	14.90%
2018	50,244	75,244	(25,000)	355,893	21.14%
2017	37,962	62,962	(25,000)	312,572	20.14%
2016	36,661	36,661	-	304,993	12.02%
2015	29,772	29,772	-	303,774	9.80%
2014	28,158	28,158	-	284,960	9.88%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

**The schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.*

***Excess contributions represent contributions to side accounts which provide rate relief.*

III. Notes to required supplementary information - Employee retirement systems, pension plan:

State of Oregon Public Employees Retirement System:

Changes in actuarial methods and assumptions

A summary of key changes implemented since the December 31, 2018 valuation are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2018 Experience Study for the System, which was published in July 2019, and can be found at: https://www.oregon.gov/pers/Docements/Exp_Study_2018.pdf.

Allocation of liability for service segments:

For purposes of allocating Tier One/Tier Two member's actuarial accrued liability among multiple employers, the valuation uses a weighted average of the Money Match methodology and the Full Formula methodology used by OPERS when the member retires. The weights are determined based on the prevalence of each formula among the current Tier One/Tier Two population. For the December 31, 2016 and December 31, 2017 valuations, the Money Match was weighted 15 percent for General Service members and zero percent for Police and Fire members. For the December 31, 2018 and December 31, 2019 valuations, this weighting has been adjusted to 10 percent for General Service members and zero percent for Police and Fire members, based on a projection of the proportion of liability attributable to Money Match benefits at those valuation dates.

MULTNOMAH COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

Changes in economic assumptions:

Administrative expenses. The administrative expense assumptions were updated to \$32.5 million for Tier One/Tier Two and \$8 million per year for OPSRP. Previously these were assumed to be \$37.5 million per year and \$6.5 million per year, respectively.

Healthcare cost inflation. The healthcare cost inflation for the maximum RHIPA subsidy was updated based on analysis performed by Milliman's healthcare actuaries. This analysis includes the consideration of the excise tax that will be introduced in 2022 by the Patient Protection and Affordable Care Act.

Changes in demographic assumptions:

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

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

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

Changes subsequent to the measurement date:

In July 2021, the Oregon Public Employees Retirement System Board made the decision to reduce the assumed rate of return on the fund from 7.2 percent to 6.9 percent, beginning with the 2020 valuation. The change will not impact payroll rates until the 2023-25 biennium.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES GOVERNMENTAL FUNDS

General Fund*

Special Revenue Funds

- Federal/State Program Fund (Major)*
- Road Fund
- Bicycle Path Construction Fund
- Recreation Fund
- County School Fund
- Animal Control Fund
- Willamette River Bridges Fund
- Library Fund
- Special Excise Tax Fund
- Land Corner Preservation Fund
- Inmate Welfare Fund
- Coronavirus (COVID-19) Response Fund (Major)*
- Justice Services Special Operations Fund
- Oregon Historical Society Levy Fund
- Video Lottery Fund
- Library District Fund
- Supportive Housing Fund
- Preschool For All Program Fund

Debt Service Funds

- Capital Debt Retirement Fund
- PERS Bond Sinking Fund

Capital Projects Funds

- Multnomah County Library Capital Construction Fund (Major)*
- Downtown Courthouse Capital Fund
- Asset Replacement Revolving Fund
- Financed Projects Fund
- Capital Improvement Fund
- Information Technology Capital Fund
- Asset Preservation Fund
- Health Headquarters Capital Fund
- Sellwood Bridge Replacement Fund
- Hansen Building Replacement Fund
- Enterprise Resource Planning Project Fund
- Library District Capital Fund
- Burnside Bridge Fund
- Behavioral Health Resource Center Capital Fund

* Major funds are reported in Fund Financial Statements

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MULTNOMAH COUNTY, OREGON
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021
(amounts expressed in thousands)

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>Total</u>
ASSETS				
Unrestricted:				
Cash and investments	\$ 11,922	\$ 32,600	\$ 45,885	\$ 90,407
Receivables:				
Taxes	1,807	-	-	1,807
Accounts, net	489	150	275	914
Inventories	261	-	-	261
Prepays and deposits	534	-	238	772
Restricted:				
Cash and investments	48,811	-	56,990	105,801
Receivables:				
Taxes	4,743	-	-	4,743
Accounts, net	10,547	-	40	10,587
Total assets	<u>\$ 79,114</u>	<u>\$ 32,750</u>	<u>\$ 103,428</u>	<u>\$ 215,292</u>
LIABILITIES				
Liabilities payable from unrestricted assets:				
Accounts payable	\$ 2,511	\$ -	\$ 3,650	\$ 6,161
Payroll payable	37	-	31	68
Liabilities payable from restricted assets:				
Accounts payable	16,043	-	10,860	26,903
Payroll payable	1,061	-	-	1,061
Unearned revenue restricted	844	-	-	844
Total liabilities	<u>20,496</u>	<u>-</u>	<u>14,541</u>	<u>35,037</u>
DEFERRED INFLOWS OF RESOURCES				
Unrestricted:				
Resources not yet available:				
Restricted:				
Resources not yet available:				
Property taxes	2,024	-	-	2,024
Total deferred inflows of resources	<u>2,024</u>	<u>-</u>	<u>-</u>	<u>2,024</u>
FUND BALANCES				
Nonspendable	795	-	238	1,033
Restricted	44,129	-	46,170	90,299
Committed	1,154	32,750	42,051	75,955
Assigned	10,516	-	428	10,944
Total fund balances	<u>56,594</u>	<u>32,750</u>	<u>88,887</u>	<u>178,231</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 79,114</u>	<u>\$ 32,750</u>	<u>\$ 103,428</u>	<u>\$ 215,292</u>

MULTNOMAH COUNTY, OREGON
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
REVENUES				
Taxes	\$ 117,576	\$ -	\$ -	\$ 117,576
Payments in lieu of taxes	128	-	-	128
Intergovernmental	67,105	303	926	68,334
Licenses and permits	20,565	-	3,195	23,760
Charges for services	7,037	447	3,103	10,587
Interest	550	503	1,148	2,201
Non-governmental grants	1,901	-	-	1,901
Service reimbursements	233	62,395	17,295	79,923
Miscellaneous	42	-	1,072	1,114
Total revenues	<u>215,137</u>	<u>63,648</u>	<u>26,739</u>	<u>305,524</u>
EXPENDITURES				
Current:				
General government	-	681	-	681
Health services	-	-	210	210
Social services	8,142	-	-	8,142
Public safety and justice	5,848	-	2,291	8,139
Community services	22,077	-	9,773	31,850
Library services	80,376	-	1,930	82,306
Roads, bridges, and bike path improvements	56,785	-	15,433	72,218
Capital outlay	7,091	-	13,557	20,648
Debt service:				
Principal	-	23,600	-	23,600
Interest	-	31,301	-	31,301
Total expenditures	<u>180,319</u>	<u>55,582</u>	<u>43,194</u>	<u>279,095</u>
Revenues over (under) expenditures	<u>34,818</u>	<u>8,066</u>	<u>(16,455)</u>	<u>26,429</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	80,867	2,608	14,984	98,459
Transfers out	(86,753)	(4,304)	(8,703)	(99,760)
Proceeds from sale of capital assets	10	-	-	10
Issuance of debt	2,730	-	-	2,730
Debt restructuring	-	89,580	-	89,580
Premium on long-term debt issuance	-	552	-	552
Refunded debt	-	(89,453)	-	(89,453)
Total other financing sources (uses)	<u>(3,146)</u>	<u>(1,017)</u>	<u>6,281</u>	<u>2,118</u>
Net change in fund balances	31,672	7,049	(10,174)	28,547
Fund balances - beginning	<u>24,922</u>	<u>25,701</u>	<u>99,061</u>	<u>149,684</u>
Fund balances - ending	<u><u>\$ 56,594</u></u>	<u><u>\$ 32,750</u></u>	<u><u>\$ 88,887</u></u>	<u><u>\$ 178,231</u></u>

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NONMAJOR SPECIAL REVENUE FUNDS

These funds account for revenue derived from specific taxes or other earmarked revenue sources, including state gas tax, grants, and charges for services which are legally restricted to finance particular functions or activities. When a special revenue fund is not an operating fund, transfers are made from the special revenue fund to the operating funds authorized to make the expenditures. The modified accrual basis of accounting is used to record revenues and expenditures. Funds included are:

- **Road Fund** - accounts for revenues primarily from State motor vehicle fees and County gasoline taxes. Expenditures consist of construction, repair, maintenance, and operation of County highways and roads.
- **Bicycle Path Construction Fund** - accounts for revenue and expenditures for bicycle paths. Revenue is one percent of State motor vehicle fees.
- **Recreation Fund** - accounts for State revenues and the pass through disbursements to Metro for the operation of parks.
- **County School Fund** - accounts for forest reserve yield revenues from the State of Oregon which are apportioned to the County school districts.
- **Animal Control Fund** - accounts for revenues from dog and cat licenses, control fees and transfers to the General Fund which are utilized for animal control activities.
- **Willamette River Bridges Fund** - accounts for capital grants and contributions for County bridges, motor vehicle fees, and gasoline tax proceeds transferred from the Road Fund for bridge inspections and maintenance.
- **Library Fund** - accounts for the public library operations. Principal source of revenue is reimbursement from library district.
- **Special Excise Tax Fund** - accounts for transient lodging tax and motor vehicle tax collections to be used for convention center expenditures.
- **Land Corner Preservation Fund** - accounts for the collection of fees on all recordings of real property transactions and surveying activity. The fund makes expenditures to maintain public land corners.
- **Inmate Welfare Fund** - accounts for the proceeds from the sale of commissary items. Expenditures are made for supplies for inmates in County jails.
- **Justice Services Special Operations Fund** - accounts for revenues and expenditures dedicated to justice services in the community justice department, district attorney's office, and sheriff's office.
- **Oregon Historical Society Levy Fund** - accounts for the five year local option levy revenues collected on behalf of the Oregon Historical Society and four East County Historical Societies. The funding is passed through to support the history library, museum and educational programs.
- **Video Lottery Fund** - accounts for revenues received from the Oregon State Lottery. Expenditures are restricted to furthering economic development per House Bill 3188 passed during the Regular Session of the 76th Oregon Legislative Assembly.
- **Library District Fund** - accounts for the revenues and expenditures of the Multnomah Library District. The primary source of revenue is property tax collections related to the permanent rate passed by the voters of Multnomah County for the creation of the Multnomah County Library District on July 1, 2013. Additional sources of revenue include fines and grants. The expenditures are made pursuant to an intergovernmental agreement for library services provided to Multnomah County Library. Library operations will continue out of the Library Fund, with periodic reimbursements from the Library District Fund to the Library operations fund per the intergovernmental agreement.
- **Supportive Housing Fund** - accounts for proceeds from the disposition of the Wapato Facility. Funds are earmarked for use in providing housing services and funding comprehensive housing stabilization strategies.
- **Preschool For All Program Fund** - accounts for revenues and expenditures for the County Preschool for All Program. The primary source of revenue is personal income tax collections related to Ballot Measure 26-214 passed by the voters of Multnomah County on November 3, 2020, and effective January 1, 2021. Revenues are dedicated to fund universal, tuition-free, voluntary, and high quality preschool education within Multnomah County.

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MULTNOMAH COUNTY, OREGON
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2021
(amounts expressed in thousands)

	<u>Road</u>	<u>Bicycle Path Construction</u>	<u>Recreation</u>	<u>County School</u>	<u>Animal Control</u>
ASSETS					
Unrestricted:					
Cash and investments	\$ 427	\$ -	\$ -	\$ -	\$ 263
Receivables:					
Taxes	-	-	-	-	-
Accounts, net	74	-	-	-	1
Inventories	261	-	-	-	-
Prepays and deposits	61	-	-	-	-
Restricted:					
Cash and investments	10,687	580	29	-	2,016
Receivables:					
Taxes	2,290	-	-	-	-
Accounts, net	5,295	-	-	-	-
Total assets	<u>\$ 19,095</u>	<u>\$ 580</u>	<u>\$ 29</u>	<u>\$ -</u>	<u>\$ 2,280</u>
LIABILITIES					
Liabilities payable from unrestricted assets:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Payroll payable	-	-	-	-	-
Liabilities payable from restricted assets:					
Accounts payable	12,379	-	29	-	22
Payroll payable	114	-	-	-	-
Unearned revenue	2	-	-	-	-
Total liabilities	<u>12,495</u>	<u>-</u>	<u>29</u>	<u>-</u>	<u>22</u>
DEFERRED INFLOWS OF RESOURCES					
Restricted:					
Resources not yet available:					
Property taxes	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	322	-	-	-	-
Restricted	5,777	580	-	-	1,994
Committed	-	-	-	-	-
Assigned	501	-	-	-	264
Total fund balances	<u>6,600</u>	<u>580</u>	<u>-</u>	<u>-</u>	<u>2,258</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 19,095</u>	<u>\$ 580</u>	<u>\$ 29</u>	<u>\$ -</u>	<u>\$ 2,280</u>

<u>Willamette River Bridges</u>	<u>Library</u>	<u>Special Excise Tax</u>	<u>Land Corner Preservation</u>	<u>Inmate Welfare</u>	<u>Justice Services Special Operations</u>	<u>Oregon Historical Society Levy</u>
\$ 2,155	\$ 471	\$ 751	\$ -	\$ 51	\$ -	\$ -
-	-	1,807	-	-	-	-
-	-	45	-	-	366	-
-	-	-	-	-	-	-
60	413	-	-	-	-	-
11,988	3,702	-	3,478	-	2	64
-	85	-	12	-	-	89
3,073	18	-	3	-	76	-
<u>\$ 17,276</u>	<u>\$ 4,689</u>	<u>\$ 2,603</u>	<u>\$ 3,493</u>	<u>\$ 51</u>	<u>\$ 444</u>	<u>\$ 153</u>
\$ -	\$ -	\$ 2,451	\$ -	\$ 42	\$ 18	\$ -
-	-	-	-	7	30	-
193	1,602	-	416	-	9	-
72	823	-	17	-	17	-
-	842	-	-	-	-	-
<u>265</u>	<u>3,267</u>	<u>2,451</u>	<u>433</u>	<u>49</u>	<u>74</u>	<u>-</u>
-	85	-	-	-	-	74
-	<u>85</u>	-	-	-	-	<u>74</u>
60	413	-	-	-	-	-
14,796	453	-	3,060	-	52	79
-	-	152	-	2	-	-
2,155	471	-	-	-	318	-
<u>17,011</u>	<u>1,337</u>	<u>152</u>	<u>3,060</u>	<u>2</u>	<u>370</u>	<u>79</u>
<u>\$ 17,276</u>	<u>\$ 4,689</u>	<u>\$ 2,603</u>	<u>\$ 3,493</u>	<u>\$ 51</u>	<u>\$ 444</u>	<u>\$ 153</u>

(Continued)

MULTNOMAH COUNTY, OREGON
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2021
(amounts expressed in thousands)

	Video Lottery	Library District	Supportive Housing Fund	Preschool For All Program	Total
ASSETS					
Unrestricted:					
Cash and investments	\$ -	\$ 6,804	\$ 1,000	\$ -	\$ 11,922
Receivables:					
Taxes	-	-	-	-	1,807
Accounts, net	-	3	-	-	489
Inventories	-	-	-	-	261
Prepays and deposits	-	-	-	-	534
Restricted:					
Cash and investments	284	14,015	1,754	212	48,811
Receivables:					
Taxes	-	2,267	-	-	4,743
Accounts, net	1,538	-	544	-	10,547
Total assets	<u>\$ 1,822</u>	<u>\$ 23,089</u>	<u>\$ 3,298</u>	<u>\$ 212</u>	<u>\$ 79,114</u>
LIABILITIES					
Liabilities payable from unrestricted assets:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 2,511
Payroll payable	-	-	-	-	37
Liabilities payable from restricted assets:					
Accounts payable	1,242	-	147	4	16,043
Payroll payable	-	-	-	18	1,061
Unearned revenue	-	-	-	-	844
Total liabilities	<u>1,242</u>	<u>-</u>	<u>147</u>	<u>22</u>	<u>20,496</u>
DEFERRED INFLOWS OF RESOURCES					
Restricted:					
Resources not yet available:					
Property taxes	-	1,865	-	-	2,024
Total deferred inflows of resources	<u>-</u>	<u>1,865</u>	<u>-</u>	<u>-</u>	<u>2,024</u>
FUND BALANCES					
Nonspendable	-	-	-	-	795
Restricted	580	14,417	2,151	190	44,129
Committed	-	-	1,000	-	1,154
Assigned	-	6,807	-	-	10,516
Total fund balances	<u>580</u>	<u>21,224</u>	<u>3,151</u>	<u>190</u>	<u>56,594</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,822</u>	<u>\$ 23,089</u>	<u>\$ 3,298</u>	<u>\$ 212</u>	<u>\$ 79,114</u>

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MULTNOMAH COUNTY, OREGON
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	<u>Road</u>	<u>Bicycle Path Construction</u>	<u>Recreation</u>	<u>County School</u>	<u>Animal Control</u>
REVENUES					
Taxes	\$ 5,997	\$ -	\$ 29	\$ -	\$ -
Payments in lieu of taxes	96	-	-	32	-
Intergovernmental	53,675	107	-	21	-
Licenses and permits	113	-	-	-	1,324
Charges for services	444	-	-	-	17
Interest	96	5	-	-	20
Non-governmental grants	1	-	-	-	542
Service reimbursements	-	-	-	-	-
Miscellaneous	9	-	-	-	-
Total revenues	<u>60,431</u>	<u>112</u>	<u>29</u>	<u>53</u>	<u>1,903</u>
EXPENDITURES					
Current:					
Social services	-	-	-	-	-
Public safety and justice	-	-	-	-	-
Community services	-	-	29	53	217
Library services	-	-	-	-	-
Roads, bridges, and bike path improvements	48,439	-	-	-	-
Capital outlay	5,556	-	-	-	-
Total expenditures	<u>53,995</u>	<u>-</u>	<u>29</u>	<u>53</u>	<u>217</u>
Revenues over (under) expenditures	<u>6,436</u>	<u>112</u>	<u>-</u>	<u>-</u>	<u>1,686</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	48	-	-	-	300
Transfers out	-	-	-	-	(1,296)
Proceeds from sale of capital assets	-	-	-	-	-
Issuance of debt	-	-	-	-	-
Total other financing sources (uses)	<u>48</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(996)</u>
Net change in fund balances	6,484	112	-	-	690
Fund balances - beginning	<u>116</u>	<u>468</u>	<u>-</u>	<u>-</u>	<u>1,568</u>
Fund balances - ending	<u>\$ 6,600</u>	<u>\$ 580</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,258</u>

Willamette River Bridges	Library	Special Excise Tax	Land Corner Preservation	Inmate Welfare	Justice Services Special Operations	Oregon Historical Society Levy
\$ -	\$ 4	\$ 15,805	\$ -	\$ -	\$ -	\$ 3,454
-	-	-	-	-	-	-
5,363	462	-	-	-	-	-
17,247	-	-	-	-	1,868	-
60	-	-	2,422	1,230	2,843	-
-	28	3	32	1	1	2
-	1	-	-	-	-	-
-	35	-	-	-	198	-
6	-	-	-	-	-	-
<u>22,676</u>	<u>530</u>	<u>15,808</u>	<u>2,454</u>	<u>1,231</u>	<u>4,910</u>	<u>3,456</u>
-	-	-	-	-	-	-
-	-	-	-	1,252	4,596	-
-	-	15,744	-	-	-	3,412
-	80,376	-	-	-	-	-
6,500	-	-	1,846	-	-	-
1,366	157	-	-	-	12	-
<u>7,866</u>	<u>80,533</u>	<u>15,744</u>	<u>1,846</u>	<u>1,252</u>	<u>4,608</u>	<u>3,412</u>
<u>14,810</u>	<u>(80,003)</u>	<u>64</u>	<u>608</u>	<u>(21)</u>	<u>302</u>	<u>44</u>
-	80,519	-	-	-	-	-
-	-	-	-	-	-	-
-	3	-	-	-	7	-
-	-	-	-	-	-	-
<u>-</u>	<u>80,522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7</u>	<u>-</u>
14,810	519	64	608	(21)	309	44
2,201	818	88	2,452	23	61	35
<u>\$ 17,011</u>	<u>\$ 1,337</u>	<u>\$ 152</u>	<u>\$ 3,060</u>	<u>\$ 2</u>	<u>\$ 370</u>	<u>\$ 79</u>

(Continued)

MULTNOMAH COUNTY, OREGON
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Video Lottery	Library District	Supportive Housing Fund	Preschool For All Program	Total
REVENUES					
Taxes	\$ -	\$ 92,287	\$ -	\$ -	\$ 117,576
Payments in lieu of taxes	-	-	-	-	128
Intergovernmental	6,322	111	1,044	-	67,105
Licenses and permits	-	13	-	-	20,565
Charges for services	-	21	-	-	7,037
Interest	8	309	39	6	550
Non-governmental grants	-	1,357	-	-	1,901
Service reimbursements	-	-	-	-	233
Miscellaneous	17	10	-	-	42
Total revenues	<u>6,347</u>	<u>94,108</u>	<u>1,083</u>	<u>6</u>	<u>215,137</u>
EXPENDITURES					
Current:					
Social services	3,722	-	1,878	2,542	8,142
Public safety and justice	-	-	-	-	5,848
Community services	2,618	-	-	4	22,077
Library services	-	-	-	-	80,376
Roads, bridges, and bike path improvements	-	-	-	-	56,785
Capital outlay	-	-	-	-	7,091
Total expenditures	<u>6,340</u>	<u>-</u>	<u>1,878</u>	<u>2,546</u>	<u>180,319</u>
Revenues over (under) expenditures	<u>7</u>	<u>94,108</u>	<u>(795)</u>	<u>(2,540)</u>	<u>34,818</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	80,867
Transfers out	-	(85,457)	-	-	(86,753)
Proceeds from sale of capital assets	-	-	-	-	10
Issuance of debt	-	-	-	2,730	2,730
Total other financing sources (uses)	<u>-</u>	<u>(85,457)</u>	<u>-</u>	<u>2,730</u>	<u>(3,146)</u>
Net change in fund balances	7	8,651	(795)	190	31,672
Fund balances - beginning	<u>573</u>	<u>12,573</u>	<u>3,946</u>	<u>-</u>	<u>24,922</u>
Fund balances - ending	<u>\$ 580</u>	<u>\$ 21,224</u>	<u>\$ 3,151</u>	<u>\$ 190</u>	<u>\$ 56,594</u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Road Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Taxes	\$ 6,900	\$ 6,900	\$ 5,997	\$ (903)
Payments in lieu of taxes	-	-	96	96
Intergovernmental	60,464	60,464	53,675	(6,789)
Licenses and permits	70	70	113	43
Charges for services	465	465	444	(21)
Interest	150	150	96	(54)
Non-governmental grants	-	-	1	1
Service reimbursements	689	689	-	(689)
Miscellaneous	22	22	9	(13)
Total revenues	<u>68,760</u>	<u>68,760</u>	<u>60,431</u>	<u>(8,329)</u>
EXPENDITURES				
Current:				
Community services	<u>71,583</u>	<u>71,583</u>	<u>53,995</u>	<u>17,588</u>
Total expenditures	<u>71,583</u>	<u>71,583</u>	<u>53,995</u>	<u>17,588</u>
Revenues over (under) expenditures	<u>(2,823)</u>	<u>(2,823)</u>	<u>6,436</u>	<u>9,259</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>48</u>	<u>48</u>	<u>48</u>	<u>-</u>
Total other financing sources (uses)	<u>48</u>	<u>48</u>	<u>48</u>	<u>-</u>
Net change in fund balances	<u>(2,775)</u>	<u>(2,775)</u>	<u>6,484</u>	<u>9,259</u>
Fund balances - beginning	<u>2,775</u>	<u>2,775</u>	<u>116</u>	<u>(2,659)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,600</u>	<u>\$ 6,600</u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Bicycle Path Construction Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Intergovernmental	\$ 107	\$ 107	\$ 107	\$ -
Interest	5	5	5	-
Total revenues	112	112	112	-
EXPENDITURES				
Current:				
Community services	588	588	-	588
Total expenditures	588	588	-	588
Net change in fund balances	(476)	(476)	112	588
Fund balances - beginning	476	476	468	(8)
Fund balances - ending	\$ -	\$ -	\$ 580	\$ 580

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Recreation Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	
REVENUES				
Taxes	\$ 51	\$ 51	\$ 29	\$ (22)
Total revenues	<u>51</u>	<u>51</u>	<u>29</u>	<u>(22)</u>
EXPENDITURES				
Current:				
County management	<u>51</u>	<u>51</u>	<u>29</u>	<u>22</u>
Total expenditures	<u>51</u>	<u>51</u>	<u>29</u>	<u>22</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>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
County School Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Payments in lieu of taxes	\$ -	\$ -	\$ 32	\$ 32
Intergovernmental	80	80	21	(59)
Total revenues	80	80	53	(27)
EXPENDITURES				
Current:				
Nondepartmental	80	80	53	27
Total expenditures	80	80	53	27
Net change in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Animal Control Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Licenses and permits	\$ 1,729	\$ 1,729	\$ 1,324	\$ (405)
Charges for services	71	71	17	(54)
Interest	-	-	20	20
Non-governmental grants	115	115	542	427
Total revenues	<u>1,915</u>	<u>1,915</u>	<u>1,903</u>	<u>(12)</u>
EXPENDITURES				
Current:				
Community services	1,266	1,266	217	1,049
Contingency	792	792	-	792
Total expenditures	<u>2,058</u>	<u>2,058</u>	<u>217</u>	<u>1,841</u>
Revenues over (under) expenditures	<u>(143)</u>	<u>(143)</u>	<u>1,686</u>	<u>1,829</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	300	300	300	-
Transfers out	(1,737)	(1,737)	(1,296)	441
Total other financing sources (uses)	<u>(1,437)</u>	<u>(1,437)</u>	<u>(996)</u>	<u>441</u>
Net change in fund balances	<u>(1,580)</u>	<u>(1,580)</u>	<u>690</u>	<u>2,270</u>
Fund balances - beginning	<u>1,580</u>	<u>1,580</u>	<u>1,568</u>	<u>(12)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,258</u>	<u>\$ 2,258</u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Willamette River Bridges Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Intergovernmental	\$ 14,282	\$ 14,282	\$ 5,363	\$ (8,919)
Licenses and permits	4,834	4,834	17,247	12,413
Charges for services	10	10	60	50
Service reimbursements	368	368	-	(368)
Miscellaneous	-	-	6	6
Total revenues	<u>19,494</u>	<u>19,494</u>	<u>22,676</u>	<u>3,182</u>
EXPENDITURES				
Current:				
Community services	<u>21,327</u>	<u>21,327</u>	<u>7,866</u>	<u>13,461</u>
Total expenditures	<u>21,327</u>	<u>21,327</u>	<u>7,866</u>	<u>13,461</u>
Net change in fund balances	(1,833)	(1,833)	14,810	16,643
Fund balances - beginning	<u>1,833</u>	<u>1,833</u>	<u>2,201</u>	<u>368</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,011</u>	<u>\$ 17,011</u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Library Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Taxes	\$ -	\$ -	\$ 4	\$ 4
Intergovernmental	92,187	92,187	80,980	(11,207)
Interest	-	-	28	28
Non-governmental grants	-	-	1	1
Service reimbursements	35	35	35	-
Total revenues	<u>92,222</u>	<u>92,222</u>	<u>81,048</u>	<u>(11,174)</u>
EXPENDITURES				
Current:				
Library	<u>92,222</u>	<u>92,222</u>	<u>80,532</u>	<u>11,690</u>
Total expenditures	<u>92,222</u>	<u>92,222</u>	<u>80,532</u>	<u>11,690</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>516</u>	<u>516</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>519</u>	<u>519</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>818</u>	<u>818</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>1,337</u>	<u>\$ 1,337</u>
Reconciliation to modified accrual basis:				
Reimbursements from the Library District Fund are reported as Transfers In on the modified accrual basis, rather than as Intergovernmental Revenues				
Intergovernmental Revenues			80,511	
Transfers In			<u>(80,511)</u>	
Fund balances as reported on the Combining Statement of Revenues, Expenditures, and Changes in Fund Balances, Nonmajor Special Revenue Funds			<u>\$ 1,337</u>	

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Special Excise Tax Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Taxes	\$ 51,191	\$ 51,191	\$ 15,805	\$ (35,386)
Interest	8	8	3	(5)
Total revenues	<u>51,199</u>	<u>51,199</u>	<u>15,808</u>	<u>(35,391)</u>
EXPENDITURES				
Current:				
Nondepartmental	51,234	51,234	15,744	35,490
Total expenditures	<u>51,234</u>	<u>51,234</u>	<u>15,744</u>	<u>35,490</u>
Net change in fund balances	(35)	(35)	64	99
Fund balances - beginning	<u>35</u>	<u>35</u>	<u>88</u>	<u>53</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 152</u>	<u>\$ 152</u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Land Corner Preservation Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Charges for services	\$ 1,920	\$ 1,920	\$ 2,422	\$ 502
Interest	60	60	32	(28)
Service reimbursements	150	150	-	(150)
Total revenues	<u>2,130</u>	<u>2,130</u>	<u>2,454</u>	<u>324</u>
EXPENDITURES				
Current:				
Community services	<u>2,186</u>	<u>2,186</u>	<u>1,846</u>	<u>340</u>
Total expenditures	<u>2,186</u>	<u>2,186</u>	<u>1,846</u>	<u>340</u>
Net change in fund balances	(56)	(56)	608	664
Fund balances - beginning	<u>2,454</u>	<u>2,454</u>	<u>2,452</u>	<u>(2)</u>
Fund balances - ending	<u>\$ 2,398</u>	<u>\$ 2,398</u>	<u>\$ 3,060</u>	<u>\$ 662</u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Inmate Welfare Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Charges for services	\$ 1,242	\$ 1,242	\$ 1,230	\$ (12)
Interest	-	-	1	1
Total revenues	<u>1,242</u>	<u>1,242</u>	<u>1,231</u>	<u>(11)</u>
EXPENDITURES				
Current:				
Sheriff	<u>1,342</u>	<u>1,342</u>	<u>1,252</u>	<u>90</u>
Total expenditures	<u>1,342</u>	<u>1,342</u>	<u>1,252</u>	<u>90</u>
Net change in fund balances	(100)	(100)	(21)	79
Fund balances - beginning	<u>100</u>	<u>100</u>	<u>23</u>	<u>(77)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 2</u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Justice Services Special Operations Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Intergovernmental	\$ 20	\$ 20	\$ -	\$ (20)
Licenses and permits	1,605	1,605	1,868	263
Charges for services	4,121	4,121	2,843	(1,278)
Interest	-	-	1	1
Service reimbursements	385	385	198	(187)
Total revenues	<u>6,131</u>	<u>6,131</u>	<u>4,910</u>	<u>(1,221)</u>
EXPENDITURES				
Current:				
Community justice	1,111	1,111	966	145
Sheriff	5,452	5,452	3,642	1,810
Total expenditures	<u>6,563</u>	<u>6,563</u>	<u>4,608</u>	<u>1,955</u>
Revenues over (under) expenditures	<u>(432)</u>	<u>(432)</u>	<u>302</u>	<u>734</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	7	7
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>7</u>	<u>7</u>
Net change in fund balances	<u>(432)</u>	<u>(432)</u>	<u>309</u>	<u>741</u>
Fund balances - beginning	<u>432</u>	<u>432</u>	<u>61</u>	<u>(371)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 370</u>	<u>\$ 370</u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Oregon Historical Society Levy Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Taxes	\$ 3,385	\$ 3,585	\$ 3,454	\$ (131)
Interest	3	3	2	(1)
Total revenues	<u>3,388</u>	<u>3,588</u>	<u>3,456</u>	<u>(132)</u>
EXPENDITURES				
Current:				
Nondepartmental	3,410	3,610	3,412	198
Total expenditures	<u>3,410</u>	<u>3,610</u>	<u>3,412</u>	<u>198</u>
Net change in fund balances	(22)	(22)	44	66
Fund balances - beginning	<u>22</u>	<u>22</u>	<u>35</u>	<u>13</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79</u>	<u>\$ 79</u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Video Lottery Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Intergovernmental	\$ 4,629	\$ 4,629	\$ 6,322	\$ 1,693
Interest	-	-	8	8
Miscellaneous	-	-	17	17
Total revenues	<u>4,629</u>	<u>4,629</u>	<u>6,347</u>	<u>1,718</u>
EXPENDITURES				
Current:				
Community services	50	50	50	-
County assets	240	240	166	74
Nondepartmental	6,155	6,155	6,124	31
Contingency	543	543	-	543
Total expenditures	<u>6,988</u>	<u>6,988</u>	<u>6,340</u>	<u>648</u>
Net change in fund balances	(2,359)	(2,359)	7	2,366
Fund balances - beginning	<u>2,359</u>	<u>2,359</u>	<u>573</u>	<u>(1,786)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 580</u>	<u>\$ 580</u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Library District Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Taxes	\$ 90,900	\$ 90,900	\$ 92,287	\$ 1,387
Intergovernmental	100	100	111	11
Licenses and permits	90	90	13	(77)
Charges for services	527	527	21	(506)
Interest	200	200	309	109
Non-governmental grants	1,787	1,787	1,357	(430)
Miscellaneous	-	-	2	2
Total revenues	<u>93,604</u>	<u>93,604</u>	<u>94,100</u>	<u>496</u>
EXPENDITURES				
Current:				
Library	92,187	92,187	80,510	11,677
Contingency	500	500	-	500
Total expenditures	<u>92,687</u>	<u>92,687</u>	<u>80,510</u>	<u>12,177</u>
Revenues over (under) expenditures	<u>917</u>	<u>917</u>	<u>13,590</u>	<u>12,673</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(4,939)	(4,939)	(4,939)	-
Total other financing sources (uses)	<u>(4,939)</u>	<u>(4,939)</u>	<u>(4,939)</u>	<u>-</u>
Net change in fund balances	(4,022)	(4,022)	8,651	12,673
Fund balances - beginning	<u>13,112</u>	<u>13,112</u>	<u>12,573</u>	<u>(539)</u>
Fund balances - ending	<u>\$ 9,090</u>	<u>\$ 9,090</u>	<u>21,224</u>	<u>\$ 12,134</u>
Reconciliation to modified accrual basis:				
Reimbursements to the Library Fund are reported as Transfers Out on the modified accrual basis, rather than as Library District Expenditures				
Library District Expenditures			(80,511)	
Transfers In			<u>80,511</u>	
Fund balances as reported on the Combining Statement of Revenues, Expenditures, and Changes in Fund Balances, Nonmajor Special Revenue Funds			<u>\$ 21,224</u>	

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Supportive Housing Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 1,044	\$ 1,044
Interest	-	-	39	39
Total revenues	-	-	1,083	1,083
EXPENDITURES				
Current:				
Nondepartmental	4,300	6,300	1,878	4,422
Total expenditures	4,300	6,300	1,878	4,422
Revenues over (under) expenditures	(4,300)	(6,300)	(795)	5,505
OTHER FINANCING SOURCES (USES)				
Internal loan proceeds	-	2,000	-	(2,000)
Total other financing sources (uses)	-	2,000	-	(2,000)
Net change in fund balances	(4,300)	(4,300)	(795)	3,505
Fund balances - beginning	4,300	4,300	3,946	(354)
Fund balances - ending	\$ -	\$ -	\$ 3,151	\$ 3,151

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Preschool For All Program Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Interest	\$ -	\$ -	\$ 6	\$ 6
Total revenues	-	-	6	6
EXPENDITURES				
Current:				
Human services	-	10,787	2,546	8,241
Total expenditures	-	10,787	2,546	8,241
Revenues over (under) expenditures	-	(10,787)	(2,540)	8,247
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	10,787	2,730	(8,057)
Total other financing sources (uses)	-	10,787	2,730	(8,057)
Net change in fund balances	-	-	190	190
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ 190	\$ 190

DEBT SERVICE FUNDS

These funds account for the retirement of general obligation bonds, certificates of participation (capitalized leases) and other lease-purchase agreements. The modified accrual basis of accounting is used. Funds included are:

- **Capital Debt Retirement Fund** - accounts for lease-purchase and full faith credit principal and interest payments for buildings and major pieces of equipment acquired by the issuance of certificates of participation, lease-purchase agreements and full faith and credit bonds. Revenues consist of certificates of participation proceeds, bond proceeds, service reimbursements and cash transfers from other County funds.
- **PERS Bond Sinking Fund** - accounts for payment of principal and interest payments on pension obligation bonds that were issued to fund the County's unfunded liability with OPERS. Revenues consist of charges to departments and interest.

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MULTNOMAH COUNTY, OREGON
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2021
(amounts expressed in thousands)

	Capital Debt Retirement	PERS Pension Bond Sinking	Total
ASSETS			
Unrestricted:			
Cash and investments	\$ 4,952	\$ 27,648	\$ 32,600
Receivables:			
Accounts, net	150	-	150
Total assets	<u>\$ 5,102</u>	<u>\$ 27,648</u>	<u>\$ 32,750</u>
FUND BALANCES			
Committed	<u>\$ 5,102</u>	<u>\$ 27,648</u>	<u>\$ 32,750</u>
Total fund balances	<u>5,102</u>	<u>27,648</u>	<u>32,750</u>
Total liabilities and fund balances	<u><u>\$ 5,102</u></u>	<u><u>\$ 27,648</u></u>	<u><u>\$ 32,750</u></u>

MULTNOMAH COUNTY, OREGON
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Capital Debt Retirement	PERS Pension Bond Sinking	Total
REVENUES			
Intergovernmental	\$ 303	\$ -	\$ 303
Charges for services	447	-	447
Interest	197	306	503
Service reimbursements	25,787	36,608	62,395
Total revenues	<u>26,734</u>	<u>36,914</u>	<u>63,648</u>
EXPENDITURES			
Current:			
General government	681	-	681
Debt service:			
Principal	18,392	5,208	23,600
Interest	9,894	21,407	31,301
Total expenditures	<u>28,967</u>	<u>26,615</u>	<u>55,582</u>
Revenues over (under) expenditures	<u>(2,233)</u>	<u>10,299</u>	<u>8,066</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	2,608	-	2,608
Transfers out	(4,304)	-	(4,304)
Debt restructuring	89,580	-	89,580
Premium on long-term debt issuance	552	-	552
Refunded debt	(89,453)	-	(89,453)
Total other financing sources	<u>(1,017)</u>	<u>-</u>	<u>(1,017)</u>
Net change in fund balances	<u>(3,250)</u>	<u>10,299</u>	<u>7,049</u>
Fund balances - beginning	<u>8,352</u>	<u>17,349</u>	<u>25,701</u>
Fund balances - ending	<u><u>\$ 5,102</u></u>	<u><u>\$ 27,648</u></u>	<u><u>\$ 32,750</u></u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Capital Debt Retirement Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Intergovernmental	\$ 299	\$ 299	\$ 303	\$ 4
Charges for services	1,370	1,370	447	(923)
Interest	136	136	197	61
Service reimbursements	26,105	26,105	25,787	(318)
Total revenues	27,910	27,910	26,734	(1,176)
EXPENDITURES				
Current:				
Nondepartmental	3	3	681	(678)
Debt service:				
Principal	17,432	17,432	18,392	(960)
Interest expense	11,172	11,172	9,894	1,278
Total expenditures	28,607	28,607	28,967	(360)
Revenues over (under) expenditures	(697)	(697)	(2,233)	(1,536)
OTHER FINANCING SOURCES (USES)				
Transfers in	2,608	2,608	2,608	-
Transfers out	-	(4,304)	(4,304)	-
Debt restructuring	-	-	89,580	89,580
Premium on long-term debt issuance	-	-	552	552
Refunded debt	-	-	(89,453)	(89,453)
Total other financing sources (uses)	2,608	(1,696)	(1,017)	679
Net change in fund balances	1,911	(2,393)	(3,250)	(857)
Fund balances - beginning	6,949	11,253	8,352	(2,901)
Fund balances - ending	\$ 8,860	\$ 8,860	\$ 5,102	\$ (3,758)

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
PERS Pension Bond Sinking Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Interest	\$ 332	\$ 332	\$ 306	\$ (26)
Service reimbursements	36,464	36,464	36,608	144
Total revenues	36,796	36,796	36,914	118
EXPENDITURES				
Current:				
Nondepartmental	10,461	10,461	-	10,461
Debt service:				
Principal	5,208	5,208	5,208	-
Interest expense	21,407	21,407	21,407	-
Total expenditures	37,076	37,076	26,615	10,461
Net change in fund balances	(280)	(280)	10,299	10,579
Fund balances - beginning	16,596	16,596	17,349	753
Fund balances - ending	\$ 16,316	\$ 16,316	\$ 27,648	\$ 11,332

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CAPITAL PROJECTS FUNDS

These funds account for expenditures on major construction projects, proceeds from certificates of participation issued to finance capital acquisitions, proceeds from sale of County property, revenue bond proceeds, and library and public safety general obligation bond proceeds. The modified accrual basis of accounting is used to record revenues and expenditures. Funds included are:

Major Fund

- **Multnomah County Library Capital Construction Fund** - accounts for expenditures for the planning, renovation, and construction of certain library facilities as approved by Multnomah County voters on November 3, 2020, as Ballot Measure 26-211. Resources are derived from debt issuance. (Major funds are reported in Fund Financial Statements).

Nonmajor Funds

- **Downtown Courthouse Capital Fund** - accounts for the planning, land acquisition, and construction of a new County courthouse. Construction will be funded by a combination of County General Fund and debt issuance proceeds.
- **Asset Replacement Revolving Fund** - accounts for expenditures for small capital assets/ equipment that might otherwise need to be acquired through the issuance of debt. Resources in the fund are derived from one-time revenue. Expenditures will be reimbursed over time by loan payments charged to the budgets of programs for which the assets are purchased.
- **Financed Projects Fund** - accounts for purchases and construction of capital acquisition by entering into lease/purchase agreements.
- **Library Capital Construction Fund** - accounts for the capital improvement project fees collected from County libraries to provide for needed capital projects for the Library District.
- **Capital Improvement Fund** - accounts for the proceeds from the sale of County property and expenditures made to improve County property.
- **Information Technology Capital Fund** - accounts for the expenditures for information technology capital projects. Resources are derived from transfers from the Information Technology Internal Service and General Funds.
- **Asset Preservation Fund** - accounts for the expenditures for building scheduled maintenance projects such as boiler replacement, carpet replacement, roof replacement, etc. Resources are derived from an asset preservation fee that is part of the facilities charges assessed to building tenants.
- **Health Headquarters Capital Fund** - accounts for the construction and relocation of current Department operations to a new location. The location has been strategically selected to better serve the vulnerable citizens of the County. Funding sources are expected to be met by a combination of County General Fund, Prosper Portland, and issuance of debt.
- **Sellwood Bridge Replacement Fund** - accounts for expenditures for construction and replacement of the Sellwood Bridge. Resources are derived from Vehicle Registration Fees, City of Portland, Clackamas County, the State of Oregon, and a request for federal funds, debt issuance or other financing proceeds.
- **Hansen Building Replacement Fund** - accounts for planning, relocation, and construction of a new County Sheriff's Office operation facility. Resources are derived from debt issuance or other financing proceeds.
- **Enterprise Resource Planning Project Fund** - accounts for expenditures associated with the implementation of the new enterprise resource planning (ERP) system. Resources are derived from debt issuance and internal service reimbursements.
- **Library District Capital Construction Fund** - accounts for revenues transferred from the Multnomah County Library District General Fund. Revenues are transferred according to financial policies adopted by the Multnomah County Library District Board. Expenditures are dedicated to Library District capital projects, as defined by the Library District adopted financial policies. Normal Library Operations will continue out of the Library Fund.
- **Burnside Bridge Fund** - accounts for expenditures for rehabilitating or replacing the Burnside Bridge. Resources are derived from Vehicle Registration Fees. It is anticipated that a consortium of federal, state, and regional agencies, including Multnomah County, will fund the future environmental study, final design, and construction efforts.
- **Behavioral Health Resource Center Capital Fund** - accounts for expenditures for the planning and construction of a behavioral health resource center. The principal resources in the fund are derived from County General Fund.

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MULTNOMAH COUNTY, OREGON
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2021
(amounts expressed in thousands)

	Downtown Courthouse Capital	Asset Replacement Revolving	Financed Projects	Library Capital Construction	Capital Improvement
ASSETS					
Unrestricted:					
Cash and investments	\$ -	\$ 263	\$ 696	\$ -	\$ 14,980
Receivables:					
Accounts, net	-	-	-	-	275
Prepays and deposits	-	-	-	-	-
Restricted:					
Cash and investments	15,731	-	-	4,149	-
Receivables:					
Accounts, net	40	-	-	-	-
Total assets	<u>\$ 15,771</u>	<u>\$ 263</u>	<u>\$ 696</u>	<u>\$ 4,149</u>	<u>\$ 15,255</u>
LIABILITIES					
Liabilities payable from unrestricted assets:					
Accounts payable	\$ -	\$ -	\$ 692	\$ -	\$ 1,529
Payroll payable	-	-	-	-	22
Liabilities payable from restricted assets:					
Accounts payable	8,790	-	-	243	-
Total liabilities	<u>8,790</u>	<u>-</u>	<u>692</u>	<u>243</u>	<u>1,551</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	6,981	-	-	3,906	-
Committed	-	-	4	-	13,704
Assigned	-	263	-	-	-
Total fund balances	<u>6,981</u>	<u>263</u>	<u>4</u>	<u>3,906</u>	<u>13,704</u>
Total liabilities and fund balances	<u>\$ 15,771</u>	<u>\$ 263</u>	<u>\$ 696</u>	<u>\$ 4,149</u>	<u>\$ 15,255</u>

Information Technology Capital	Asset Preservation	Health Headquarters Capital	Sellwood Bridge Replacement	Hansen Building Replacement	Enterprise Resource Planning Project	Library District Capital Construction
\$ 3,433	\$ 18,550	\$ 1,658	\$ 165	\$ 2,811	\$ -	\$ -
-	-	-	-	-	-	-
103	-	-	-	135	-	-
-	-	371	10	-	-	34,841
-	-	-	-	-	-	-
<u>\$ 3,536</u>	<u>\$ 18,550</u>	<u>\$ 2,029</u>	<u>\$ 175</u>	<u>\$ 2,946</u>	<u>\$ -</u>	<u>\$ 34,841</u>
\$ 74	\$ 425	\$ 10	\$ -	\$ 589	\$ -	\$ -
4	5	-	-	-	-	-
-	-	371	10	-	-	-
78	430	381	10	589	-	-
103	-	-	-	135	-	-
-	-	-	-	-	-	34,841
3,355	18,120	1,648	-	2,222	-	-
-	-	-	165	-	-	-
3,458	18,120	1,648	165	2,357	-	34,841
<u>\$ 3,536</u>	<u>\$ 18,550</u>	<u>\$ 2,029</u>	<u>\$ 175</u>	<u>\$ 2,946</u>	<u>\$ -</u>	<u>\$ 34,841</u>

(Continued)

MULTNOMAH COUNTY, OREGON
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2021
(amounts expressed in thousands)

	Burnside Bridge	Behavioral Health Resource Center Capital	Total
ASSETS			
Unrestricted:			
Cash and investments	\$ -	\$ 3,329	\$ 45,885
Receivables:			
Accounts, net	-	-	275
Prepays and deposits	-	-	238
Restricted:			
Cash and investments	1,888	-	56,990
Receivables:			
Accounts, net	-	-	40
Total assets	<u>\$ 1,888</u>	<u>\$ 3,329</u>	<u>\$ 103,428</u>
LIABILITIES			
Liabilities payable from unrestricted assets:			
Accounts payable	\$ -	\$ 331	\$ 3,650
Payroll payable	-	-	31
Liabilities payable from restricted assets:			
Accounts payable	<u>1,446</u>	<u>-</u>	<u>10,860</u>
Total liabilities	<u>1,446</u>	<u>331</u>	<u>14,541</u>
FUND BALANCES			
Nonspendable	-	-	238
Restricted	442	-	46,170
Committed	-	2,998	42,051
Assigned	<u>-</u>	<u>-</u>	<u>428</u>
Total fund balances	<u>442</u>	<u>2,998</u>	<u>88,887</u>
Total liabilities and fund balances	<u>\$ 1,888</u>	<u>\$ 3,329</u>	<u>\$ 103,428</u>

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MULTNOMAH COUNTY, OREGON
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Downtown Courthouse Capital	Asset Replacement Revolving	Financed Projects	Library Capital Construction	Capital Improvement
REVENUES					
Intergovernmental	\$ 926	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Charges for services	2,701	-	-	-	402
Interest	159	10	9	38	166
Service reimbursements	-	-	-	2,844	5,903
Miscellaneous	939	122	-	-	9
Total revenues	<u>4,725</u>	<u>132</u>	<u>9</u>	<u>2,882</u>	<u>6,480</u>
EXPENDITURES					
Current:					
Health services	-	-	-	-	-
Public safety and justice	2,259	-	-	-	-
Community services	-	-	-	-	5,046
Library services	-	-	-	1,819	-
Roads, bridges, and bike path improvements	-	-	-	-	-
Capital outlay	3,769	-	-	150	4,012
Total expenditures	<u>6,028</u>	<u>-</u>	<u>-</u>	<u>1,969</u>	<u>9,058</u>
Revenues over (under) expenditures	<u>(1,303)</u>	<u>132</u>	<u>9</u>	<u>913</u>	<u>(2,578)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	4,813	-	-	-	2,068
Transfers out	-	-	(935)	-	(300)
Total other financing sources (uses)	<u>4,813</u>	<u>-</u>	<u>(935)</u>	<u>-</u>	<u>1,768</u>
Net change in fund balances	3,510	132	(926)	913	(810)
Fund balances - beginning	<u>3,471</u>	<u>131</u>	<u>930</u>	<u>2,993</u>	<u>14,514</u>
Fund balances - ending	<u>\$ 6,981</u>	<u>\$ 263</u>	<u>\$ 4</u>	<u>\$ 3,906</u>	<u>\$ 13,704</u>

Information Technology Capital	Asset Preservation	Health Headquarters Capital	Sellwood Bridge Replacement	Hansen Building Replacement	Enterprise Resource Planning Project	Library District Capital Construction
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	3,195	-	-	-
-	-	-	-	-	-	-
45	164	36	53	33	24	319
63	8,485	-	-	-	-	-
-	2	-	-	-	-	-
108	8,651	36	3,248	33	24	319
-	-	210	-	-	-	-
-	-	-	-	32	-	-
1,119	3,608	-	-	-	-	-
-	-	-	-	-	-	111
-	-	-	6,524	-	-	-
21	1,371	-	2,783	751	-	-
1,140	4,979	210	9,307	783	-	111
(1,032)	3,672	(174)	(6,059)	(750)	24	208
-	164	-	-	-	-	4,939
(950)	-	(3,400)	-	-	(3,118)	-
(950)	164	(3,400)	-	-	(3,118)	4,939
(1,982)	3,836	(3,574)	(6,059)	(750)	(3,094)	5,147
5,440	14,284	5,222	6,224	3,107	3,094	29,694
\$ 3,458	\$ 18,120	\$ 1,648	\$ 165	\$ 2,357	\$ -	\$ 34,841

(Continued)

MULTNOMAH COUNTY, OREGON
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Burnside Bridge	Behavioral Health Resource Center Capital	Total
REVENUES			
Intergovernmental	\$ -	\$ -	\$ 926
Licenses and permits	-	-	3,195
Charges for services	-	-	3,103
Interest	84	8	1,148
Service reimbursements	-	-	17,295
Miscellaneous	-	-	1,072
Total revenues	<u>84</u>	<u>8</u>	<u>26,739</u>
EXPENDITURES			
Current:			
Health services	-	-	210
Public safety and justice	-	-	2,291
Community services	-	-	9,773
Library services	-	-	1,930
Roads, bridges, and bike path improvements	8,909	-	15,433
Capital outlay	-	700	13,557
Total expenditures	<u>8,909</u>	<u>700</u>	<u>43,194</u>
Revenues over (under) expenditures	<u>(8,825)</u>	<u>(692)</u>	<u>(16,455)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	3,000	14,984
Transfers out	-	-	(8,703)
Total other financing sources (uses)	<u>-</u>	<u>3,000</u>	<u>6,281</u>
Net change in fund balances	(8,825)	2,308	(10,174)
Fund balances - beginning	<u>9,267</u>	<u>690</u>	<u>99,061</u>
Fund balances - ending	<u>\$ 442</u>	<u>\$ 2,998</u>	<u>\$ 88,887</u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Multnomah County Library Capital Construction Project Fund - Major Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Interest	\$ -	\$ -	\$ 468	\$ 468
Total revenues	-	-	468	468
EXPENDITURES				
Current:				
County assets	-	12,691	1,999	10,692
Total expenditures	-	12,691	1,999	10,692
Revenues over (under) expenditures	-	(12,691)	(1,531)	11,160
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	12,691	387,000	374,309
Premium on long-term debt issuance	-	-	50,739	50,739
Total other financing uses	-	12,691	437,739	425,048
Net change in fund balances	-	-	436,208	436,208
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ 436,208	\$ 436,208

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Downtown Courthouse Capital Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 926	\$ 926
Charges for services	-	-	2,701	2,701
Interest	-	-	159	159
Miscellaneous	-	-	939	939
Total revenues	-	-	4,725	4,725
EXPENDITURES				
Current:				
County assets	9,000	13,814	6,028	7,786
Total expenditures	9,000	13,814	6,028	7,786
Revenues over (under) expenditures	(9,000)	(13,814)	(1,303)	12,511
OTHER FINANCING SOURCES (USES)				
Transfers in	-	4,814	4,813	(1)
Total other financing sources (uses)	-	4,814	4,813	(1)
Net change in fund balances	(9,000)	(9,000)	3,510	12,510
Fund balances - beginning	9,000	9,000	3,471	(5,529)
Fund balances - ending	\$ -	\$ -	\$ 6,981	\$ 6,981

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Asset Replacement Revolving Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Interest	\$ -	\$ -	\$ 10	\$ 10
Miscellaneous	-	-	(1)	(1)
Total revenues	-	-	9	9
EXPENDITURES				
Current:				
County assets	131	131	-	131
Total expenditures	131	131	-	131
Revenues over (under) expenditures	(131)	(131)	9	140
OTHER FINANCING SOURCES (USES)				
Loan proceeds	-	-	123	123
Total other financing sources (uses)	-	-	123	123
Net change in fund balances	(131)	(131)	132	263
Fund balances - beginning	131	131	131	-
Fund balances - ending	\$ -	\$ -	\$ 263	\$ 263

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Financed Projects Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Variance</u>
REVENUES				
Interest	\$ -	\$ -	\$ 9	\$ 9
Total revenues	-	-	9	9
OTHER FINANCING SOURCES (USES)				
Transfers out	(935)	(935)	(935)	-
Total other financing sources (uses)	(935)	(935)	(935)	-
Net change in fund balances	(935)	(935)	(926)	9
Fund balances - beginning	935	935	930	(5)
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 4</u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Library Capital Construction Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Variance</u>
REVENUES				
Interest	\$ 80	\$ 80	\$ 38	\$ (42)
Service reimbursements	2,844	2,844	2,844	-
Total revenues	2,924	2,924	2,882	(42)
EXPENDITURES				
Current:				
County assets	5,982	5,982	1,969	4,013
Total expenditures	5,982	5,982	1,969	4,013
Net change in fund balances	(3,058)	(3,058)	913	3,971
Fund balances - beginning	3,058	3,058	2,993	(65)
Fund balances - ending	\$ -	\$ -	\$ 3,906	\$ 3,906

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Improvement Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Charges for services	\$ 482	\$ 482	\$ 402	\$ (80)
Interest	435	435	166	(269)
Service reimbursements	3,818	3,818	5,903	2,085
Miscellaneous	5,000	5,000	9	(4,991)
Total revenues	9,735	9,735	6,480	(3,255)
EXPENDITURES				
Current:				
County assets	25,678	25,678	9,058	16,620
Total expenditures	25,678	25,678	9,058	16,620
Revenues over (under) expenditures	(15,943)	(15,943)	(2,578)	13,365
OTHER FINANCING SOURCES (USES)				
Transfers in	2,068	2,068	2,068	-
Transfers out	(300)	(300)	(300)	-
Total other financing sources (uses)	1,768	1,768	1,768	-
Net change in fund balances	(14,175)	(14,175)	(810)	13,365
Fund balances - beginning	14,175	14,175	14,514	339
Fund balances - ending	\$ -	\$ -	\$ 13,704	\$ 13,704

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Information Technology Capital Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Charges for services	\$ 90	\$ 90	\$ -	\$ (90)
Interest	-	-	45	45
Service reimbursements	-	600	63	(537)
Total revenues	90	690	108	(582)
EXPENDITURES				
Current:				
County assets	4,589	5,189	1,140	4,049
Total expenditures	4,589	5,189	1,140	4,049
Revenues over (under) expenditures	(4,499)	(4,499)	(1,032)	3,467
OTHER FINANCING SOURCES (USES)				
Transfers out	(950)	(950)	(950)	-
Total other financing sources (uses)	(950)	(950)	(950)	-
Net change in fund balances	(5,449)	(5,449)	(1,982)	3,467
Fund balances - beginning	5,449	5,449	5,440	(9)
Fund balances - ending	\$ -	\$ -	\$ 3,458	\$ 3,458

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Asset Preservation Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Interest	\$ 304	\$ 304	\$ 164	\$ (140)
Service reimbursements	8,487	8,487	8,485	(2)
Miscellaneous	-	-	2	2
Total revenues	8,791	8,791	8,651	(140)
EXPENDITURES				
Current:				
County assets	24,050	24,050	4,979	19,071
Total expenditures	24,050	24,050	4,979	19,071
Revenues over (under) expenditures	(15,259)	(15,259)	3,672	18,931
OTHER FINANCING SOURCES (USES)				
Transfers in	164	164	164	-
Total other financing sources (uses)	164	164	164	-
Net change in fund balances	(15,095)	(15,095)	3,836	18,931
Fund balances - beginning	15,095	15,095	14,284	(811)
Fund balances - ending	\$ -	\$ -	\$ 18,120	\$ 18,120

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Health Headquarters Capital Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Interest	\$ -	\$ -	\$ 36	\$ 36
Total revenues	-	-	36	36
EXPENDITURES				
Current:				
County assets	2,100	2,100	210	1,890
Total expenditures	2,100	2,100	210	1,890
Revenues over (under) expenditures	(2,100)	(2,100)	(174)	1,926
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,400)	(3,400)	(3,400)	-
Total other financing sources (uses)	(3,400)	(3,400)	(3,400)	-
Net change in fund balances	(5,500)	(5,500)	(3,574)	1,926
Fund balances - beginning	5,500	5,500	5,222	(278)
Fund balances - ending	\$ -	\$ -	\$ 1,648	\$ 1,648

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Sellwood Bridge Replacement Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Licenses and permits	\$ -	\$ -	\$ 3,195	\$ 3,195
Interest	25	25	53	28
Total revenues	25	25	3,248	3,223
EXPENDITURES				
Current:				
Community services	10,226	10,226	9,307	919
Total expenditures	10,226	10,226	9,307	919
Net change in fund balances	(10,201)	(10,201)	(6,059)	4,142
Fund balances - beginning	10,201	10,201	6,224	(3,977)
Fund balances - ending	\$ -	\$ -	\$ 165	\$ 165

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Hansen Building Replacement Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Variance</u>
REVENUES				
Interest	\$ -	\$ -	\$ 33	\$ 33
Total revenues	-	-	33	33
EXPENDITURES				
Current:				
County assets	3,359	3,359	783	2,576
Total expenditures	3,359	3,359	783	2,576
Net change in fund balances	(3,359)	(3,359)	(750)	2,609
Fund balances - beginning	3,359	3,359	3,107	(252)
Fund balances - ending	\$ -	\$ -	\$ 2,357	\$ 2,357

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Enterprise Resource Planning Project Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Interest	\$ -	\$ 24	\$ 24	\$ -
Total revenues	-	24	24	-
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,608)	(3,118)	(3,118)	-
Total other financing sources (uses)	(2,608)	(3,118)	(3,118)	-
Net change in fund balances	(2,608)	(3,094)	(3,094)	-
Fund balances - beginning	2,608	3,094	3,094	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Library District Capital Construction Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Interest	\$ 150	\$ 150	\$ 319	\$ 169
Total revenues	150	150	319	169
EXPENDITURES				
Current:				
Library	1,871	1,871	111	1,760
Contingency	32,852	32,852	-	32,852
Total expenditures	34,723	34,723	111	34,612
Revenues over (under) expenditures	(34,573)	(34,573)	208	34,781
OTHER FINANCING SOURCES (USES)				
Transfers in	4,939	4,939	4,939	-
Total other financing sources (uses)	4,939	4,939	4,939	-
Net change in fund balances	(29,634)	(29,634)	5,147	34,781
Fund balances - beginning	29,634	29,634	29,694	60
Fund balances - ending	\$ -	\$ -	\$ 34,841	\$ 34,841

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Burnside Bridge Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Variance</u>
REVENUES				
Licenses and permits	\$ 19,066	\$ 19,066	\$ -	\$ (19,066)
Interest	150	150	84	(66)
Total revenues	<u>19,216</u>	<u>19,216</u>	<u>84</u>	<u>(19,132)</u>
EXPENDITURES				
Current:				
Community services	<u>18,393</u>	<u>18,393</u>	<u>8,909</u>	<u>9,484</u>
Total expenditures	<u>18,393</u>	<u>18,393</u>	<u>8,909</u>	<u>9,484</u>
Net change in fund balances	823	823	(8,825)	(9,648)
Fund balances - beginning	<u>10,818</u>	<u>10,818</u>	<u>9,267</u>	<u>(1,551)</u>
Fund balances - ending	<u>\$ 11,641</u>	<u>\$ 11,641</u>	<u>\$ 442</u>	<u>\$ (11,199)</u>

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Behavioral Health Resource Center Capital Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Interest	\$ -	\$ -	\$ 8	\$ 8
Total revenues	-	-	8	8
EXPENDITURES				
Current:				
County assets	1,700	4,700	700	4,000
Total expenditures	1,700	4,700	700	4,000
Revenues over (under) expenditures	(1,700)	(4,700)	(692)	4,008
OTHER FINANCING SOURCES (USES)				
Transfers in	-	3,000	3,000	-
Total other financing sources (uses)	-	3,000	3,000	-
Net change in fund balances	(1,700)	(1,700)	2,308	4,008
Fund balances - beginning	1,700	1,700	690	(1,010)
Fund balances - ending	\$ -	\$ -	\$ 2,998	\$ 2,998

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES PROPRIETARY FUNDS

Enterprise Funds

- Dunthorpe-Riverdale Service District No. 1 Fund (Major fund)
- Mid County Service District No. 14 Fund (Major fund)
- Behavioral Health Managed Care Fund

Internal Service Funds

- Risk Management Fund
- Fleet Management Fund
- Fleet Asset Replacement Fund
- Information Technology Fund
- Mail Distribution Fund
- Facilities Management Fund

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ENTERPRISE FUNDS*

The County's Enterprise Funds are listed below.

- **Dunthorpe-Riverdale Service District No. 1 Fund** (Major Fund) - accounts for the operation of the sanitary sewer system in southwest unincorporated Multnomah County. (A blended component unit of Multnomah County.)
- **Mid County Service District No. 14 Fund** (Major Fund) - accounts for the operation of streetlights throughout unincorporated Multnomah County. (A blended component unit of Multnomah County.)
- **Behavioral Health Managed Care Fund** - accounts for all financial activity associated with the State required behavioral health capitated services.

*See statements for Proprietary Funds Reported in Fund Financial Statements

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MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Dunthorpe-Riverdale Service District No. 1 Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Current assessments	\$ 994	\$ 994	\$ 1,147	\$ 153
Prior assessments	11	11	10	(1)
Charges for services	-	-	4	4
Interest	25	25	19	(6)
Total revenues	<u>1,030</u>	<u>1,030</u>	<u>1,180</u>	<u>150</u>
EXPENDITURES				
Current:				
Community services	1,141	1,141	603	538
Contingency	50	50	-	50
Total expenditures	<u>1,191</u>	<u>1,191</u>	<u>603</u>	<u>588</u>
Net change in fund balances	(161)	(161)	577	738
Fund balances - beginning	<u>852</u>	<u>852</u>	<u>1,260</u>	<u>408</u>
Fund balances - ending	<u>\$ 691</u>	<u>\$ 691</u>	<u>1,837</u>	<u>\$ 1,146</u>
Reconciliation to full accrual basis:				
Capital assets, net of accumulated depreciation and amortization			3,598	
Allowance for uncollectible accounts, assessments			(3)	
Assessment revenues that were not available to fund current expenditures and therefore were not reported in the budgetary basis schedule			<u>22</u>	
Net position as reported on the Statement of Revenues, Expenses and Changes in Net Position, Proprietary Funds			<u>\$ 5,454</u>	

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Mid County Service District No. 14 Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Current assessments	\$ 450	\$ 450	\$ 451	\$ 1
Prior assessments	4	4	5	1
Interest	4	4	3	(1)
Miscellaneous	-	-	7	7
Total revenues	458	458	466	8
EXPENDITURES				
Current:				
Community services	625	625	456	169
Total expenditures	625	625	456	169
Net change in fund balances	(167)	(167)	10	177
Fund balances - beginning	316	316	378	62
Fund balances - ending	\$ 149	\$ 149	388	\$ 239
Reconciliation to full accrual basis:				
Capital assets, net of accumulated depreciation and amortization			2,480	
Allowance for uncollectible accounts, assessments			(2)	
Assessment revenues that were not available to fund current expenditures and therefore were not reported in the budgetary basis schedule			11	
Net position as reported on the Statement of Revenues, Expenses and Changes in Net Position, Proprietary Funds			\$ 2,877	

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Behavioral Health Managed Care Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Intergovernmental charges for services	\$ 2,649	\$ 1,643	\$ 617	\$ (1,026)
Interest	-	-	65	65
Miscellaneous	-	-	4	4
Total revenues	<u>2,649</u>	<u>1,643</u>	<u>686</u>	<u>(957)</u>
EXPENDITURES				
Current:				
Health services	<u>3,895</u>	<u>2,889</u>	<u>2,312</u>	<u>577</u>
Total expenditures	<u>3,895</u>	<u>2,889</u>	<u>2,312</u>	<u>577</u>
Net change in fund balances	(1,246)	(1,246)	(1,626)	(380)
Fund balances - beginning	<u>1,246</u>	<u>1,246</u>	<u>7,235</u>	<u>5,989</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>5,609</u>	<u>\$ 5,609</u>
Reconciliation to full accrual basis:				
OPEB - County Plan:				
Deferred outflows - County Plan			32	
Net OPEB liability - County Plan			(288)	
Deferred inflows - County Plan			(33)	
OPEB - RHIA:				
Net OPEB asset - RHIA			53	
Deferred outflows - RHIA			7	
Deferred inflows - RHIA			(30)	
Pension Plan:				
Deferred outflows - pension			579	
Net pension liability			(1,583)	
Deferred inflows - pension			(26)	
Net position as reported on the Statement of Revenues, Expenses and Changes in Net Position, Proprietary Funds			<u>\$ 4,320</u>	

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NONMAJOR INTERNAL SERVICE FUNDS

These funds account for activities and services performed primarily for other organizational units within the County. Charges to the County agencies are calculated to recover costs and maintain capital. The County accounts for certain expenditures of the Internal Service Funds for budgetary purposes on the modified accrual basis of accounting. For financial reporting purposes, the accrual basis of accounting is used. Such differences relate to the methods of accounting for depreciation and capital outlay. Funds included are:

- **Risk Management Fund** - accounts for the County's risk management activities including insurance coverage.
- **Fleet Management Fund** - accounts for the County's motor vehicle fleet operations and electronics.
- **Fleet Asset Replacement Fund** -accounts for the County's replacement of motor vehicle fleet assets.
- **Information Technology Fund** - accounts for the County's data processing and telephone service operations.
- **Mail Distribution Fund** - accounts for the County's mail distribution and records management operations.
- **Facilities Management Fund** - accounts for the management of all County owned and leased property.

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MULTNOMAH COUNTY, OREGON
Combining Statement of Net Position
Internal Service Funds
June 30, 2021
(amounts expressed in thousands)

	Government Activities - Internal Service Funds			
	Risk Management	Fleet Management	Fleet Asset Replacement	Information Technology
ASSETS				
Current assets:				
Cash and investments	\$ 98,593	\$ 491	\$ 7,530	\$ 6,403
Accounts receivable, net	34	-	-	9
Inventories	-	682	-	-
Prepaid items	285	-	-	4,074
Total current assets	98,912	1,173	7,530	10,486
Noncurrent assets:				
Net OPEB asset - RHIA	323	56	-	1,128
Capital assets:				
Construction in progress	-	-	-	1,640
Other capital assets (net of accumulated depreciation)	-	1,144	4,189	10,306
Total noncurrent assets	323	1,200	4,189	13,074
Total assets	99,235	2,373	11,719	23,560
DEFERRED OUTFLOWS OF RESOURCES				
OPEB - County Plan	185	32	-	641
OPEB - RHIA	42	7	-	147
Pension plan	3,528	616	-	12,300
Total deferred outflows of resources	3,755	655	-	13,088
LIABILITIES				
Current liabilities:				
Accounts payable	1,704	222	47	2,188
Payroll payable	127	28	-	515
Unearned revenue	-	-	-	-
Compensated absences	380	67	-	1,310
Claims and judgments payable	11,998	-	-	-
Total current liabilities	14,209	317	47	4,013
Noncurrent liabilities:				
Compensated absences	177	8	-	621
Other accrued payables	-	-	-	-
Total OPEB liability - County Plan	1,680	290	-	5,812
Net pension liability	9,643	1,684	-	33,615
Total noncurrent liabilities	11,500	1,982	-	40,048
Total liabilities	25,709	2,299	47	44,061
DEFERRED INFLOWS OF RESOURCES				
OPEB - County Plan	196	34	-	676
OPEB - RHIA	185	32	-	644
Pension plan	161	28	-	561
Total deferred inflows of resources	542	94	-	1,881
NET POSITION				
Investment in capital assets	-	1,144	4,189	11,947
Unrestricted	76,739	(509)	7,483	(21,241)
Total net position	\$ 76,739	\$ 635	\$ 11,672	\$ (9,294)

Government Activities - Internal Service Funds		
Mail Distribution	Facilities Management	Total Internal Service Funds
\$ 588	\$ 6,654	\$ 120,259
-	455	498
106	733	1,521
93	183	4,635
<u>787</u>	<u>8,025</u>	<u>126,913</u>
48	514	2,069
-	-	1,640
6	6,108	21,753
54	6,622	25,462
<u>841</u>	<u>14,647</u>	<u>152,375</u>
27	305	1,190
6	67	269
529	5,604	22,577
<u>562</u>	<u>5,976</u>	<u>24,036</u>
62	3,778	8,001
27	254	951
-	9	9
58	586	2,401
-	-	11,998
<u>147</u>	<u>4,627</u>	<u>23,360</u>
4	128	938
-	393	393
244	2,764	10,790
1,444	15,316	61,702
<u>1,692</u>	<u>18,601</u>	<u>73,823</u>
<u>1,839</u>	<u>23,228</u>	<u>97,183</u>
28	322	1,256
28	293	1,182
24	256	1,030
<u>80</u>	<u>871</u>	<u>3,468</u>
6	5,715	23,001
(522)	(9,191)	52,759
<u>\$ (516)</u>	<u>\$ (3,476)</u>	<u>\$ 75,760</u>

MULTNOMAH COUNTY, OREGON
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Government Activities - Internal Service Funds			
	<u>Risk Management</u>	<u>Fleet Management</u>	<u>Fleet Asset Replacement</u>	<u>Information Technology</u>
OPERATING REVENUES				
Charges for services	\$ 118,047	\$ 5,249	\$ 2,612	\$ 62,156
Intergovernmental charges for services	-	-	-	-
Insurance premiums	10,841	-	-	-
Licenses and permits	4	-	-	-
Miscellaneous	1,370	57	14	-
Total revenues	<u>130,262</u>	<u>5,306</u>	<u>2,626</u>	<u>62,156</u>
OPERATING EXPENSES				
Cost of sales and services	123,343	4,538	46	61,865
Administration	1,804	751	-	3,950
Depreciation and amortization	-	744	1,047	2,656
Total operating expenses	<u>125,147</u>	<u>6,033</u>	<u>1,093</u>	<u>68,471</u>
Operating income (loss)	<u>5,115</u>	<u>(727)</u>	<u>1,533</u>	<u>(6,315)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest revenue	950	3	72	92
Gain (loss) on disposal of capital assets	-	170	-	-
Total nonoperating revenues	<u>950</u>	<u>173</u>	<u>72</u>	<u>92</u>
Income (loss) before contributions and transfers	6,065	(554)	1,605	(6,223)
Transfers in	-	-	-	935
Transfers out	-	-	-	-
Capital contributions in	-	-	-	55
Change in net position	<u>6,065</u>	<u>(554)</u>	<u>1,605</u>	<u>(5,233)</u>
Total net position - beginning	<u>70,674</u>	<u>1,189</u>	<u>10,067</u>	<u>(4,061)</u>
Total net position - ending	<u><u>\$ 76,739</u></u>	<u><u>\$ 635</u></u>	<u><u>\$ 11,672</u></u>	<u><u>\$ (9,294)</u></u>

Government Activities - Internal Service Funds		
Mail Distribution	Facilities Management	Total Internal Service Funds
\$ 3,664	\$ 58,714	\$ 250,442
-	1,020	1,020
-	-	10,841
-	-	4
-	356	1,797
<u>3,664</u>	<u>60,090</u>	<u>264,104</u>
3,554	60,606	253,952
419	1,605	8,529
5	231	4,683
<u>3,978</u>	<u>62,442</u>	<u>267,164</u>
<u>(314)</u>	<u>(2,352)</u>	<u>(3,060)</u>
6	71	1,194
-	-	170
<u>6</u>	<u>71</u>	<u>1,364</u>
(308)	(2,281)	(1,696)
-	-	935
-	(1,332)	(1,332)
-	-	55
<u>(308)</u>	<u>(3,613)</u>	<u>(2,038)</u>
<u>(208)</u>	<u>137</u>	<u>77,798</u>
<u>\$ (516)</u>	<u>\$ (3,476)</u>	<u>\$ 75,760</u>

MULTNOMAH COUNTY, OREGON
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

	Risk Management	Fleet Management	Fleet Asset Replacement	Information Technology
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 12,247	\$ 57	\$ 16	\$ 83
Receipts for interfund services provided	117,991	5,249	2,609	62,132
Payments to suppliers	(113,249)	(2,032)	(159)	(19,398)
Payments to employees	(9,947)	(1,599)	-	(30,317)
Receipts for interfund services used	1,192	(1,717)	-	(11,817)
Net cash provided by (used for) operating activities	<u>8,234</u>	<u>(42)</u>	<u>2,466</u>	<u>683</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	-	-	-	935
Transfers out	-	-	-	-
Net cash provided by (used for) noncapital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>935</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions in	-	-	-	55
Capital contributions out	-	-	-	-
Principal paid on capital leases	-	-	-	-
Acquisition of capital assets	-	(85)	(1,187)	(2,380)
Gain (Loss) on disposal of capital assets	-	170	-	-
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>85</u>	<u>(1,187)</u>	<u>(2,325)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest earnings	<u>950</u>	<u>3</u>	<u>72</u>	<u>92</u>
Net cash provided by (used for) investing activities	<u>950</u>	<u>3</u>	<u>72</u>	<u>92</u>
Net increase (decrease) in cash and cash equivalents	9,184	46	1,351	(615)
Cash and cash equivalents - beginning	<u>89,409</u>	<u>445</u>	<u>6,179</u>	<u>7,018</u>
Cash and cash equivalents - ending	<u><u>\$ 98,593</u></u>	<u><u>\$ 491</u></u>	<u><u>\$ 7,530</u></u>	<u><u>\$ 6,403</u></u>

<u>Mail Distribution</u>	<u>Facilities Management</u>	<u>Total Internal Service Funds</u>
\$ 1	\$ 2,632	\$ 15,036
3,664	57,825	249,470
(1,196)	(34,957)	(170,991)
(1,391)	(14,905)	(58,159)
(1,218)	(10,195)	(23,755)
<u>(140)</u>	<u>400</u>	<u>11,601</u>
-	-	935
<u>-</u>	<u>(1,332)</u>	<u>(1,332)</u>
-	(1,332)	(397)
-	-	55
-	-	-
-	(213)	(213)
-	(55)	(3,707)
<u>-</u>	<u>-</u>	<u>170</u>
<u>-</u>	<u>(268)</u>	<u>(3,695)</u>
6	71	1,194
<u>6</u>	<u>71</u>	<u>1,194</u>
(134)	(1,129)	8,703
<u>722</u>	<u>7,783</u>	<u>111,556</u>
<u>\$ 588</u>	<u>\$ 6,654</u>	<u>\$ 120,259</u>

(continued)

MULTNOMAH COUNTY, OREGON
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2020
(dollar amounts expressed in thousands)

	<u>Risk Management</u>	<u>Fleet Management</u>	<u>Fleet Asset Replacement</u>	<u>Information Technology</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 5,115	\$ (727)	\$ 1,533	\$ (6,315)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation and amortization of capital assets	-	744	1,047	2,656
Changes in assets, liabilities and deferred inflows/outflows:				
Receivables, net	(25)	-	-	73
Inventories	-	(161)	-	-
Prepaid items	279	-	-	1,195
Capital assets	-	(53)	18	(9)
Accounts payable	20	(163)	(132)	(3,161)
Claims and judgments payable	1,419	-	-	-
Payroll Payable	(9)	2	-	(2)
Unearned revenue	-	-	-	(14)
Compensated absences	127	5	-	214
Other accrued payables	-	-	-	-
Total OPEB liability - County Plan	(11)	20	-	382
Deferred outflows - OPEB - County Plan	16	-	-	5
Deferred inflows - OPEB - County Plan	(60)	(7)	-	(145)
Net OPEB asset - RHIA	(269)	(48)	-	(952)
Deferred outflows - OPEB - RHIA	(20)	(4)	-	(75)
Deferred inflows - OPEB - RHIA	174	31	-	609
Net pension liability	1,567	376	-	7,263
Deferred outflows - pension	160	(19)	-	(266)
Deferred inflows - pension	(249)	(38)	-	(775)
Total adjustments	3,119	685	933	6,998
Net cash provided by (used for) operating activities	<u>\$ 8,234</u>	<u>\$ (42)</u>	<u>\$ 2,466</u>	<u>\$ 683</u>
Noncash financing activities:				
None	\$ -	\$ -	\$ -	\$ -

<u>Mail Distribution</u>	<u>Facilities Management</u>	<u>Total Internal Service Funds</u>
\$ (314)	\$ (2,352)	\$ (3,060)
5	231	4,683
-	359	407
(30)	(195)	(386)
3	(12)	1,465
(6)	22	(28)
(112)	(572)	(4,120)
-	-	1,419
3	5	(1)
-	9	(5)
7	93	446
-	(14)	(14)
30	255	676
(1)	(6)	14
(4)	(58)	(274)
(42)	(433)	(1,744)
(3)	(34)	(136)
26	277	1,117
364	3,292	12,862
(35)	(113)	(273)
(31)	(354)	(1,447)
174	2,752	14,661
<u>\$ (140)</u>	<u>\$ 400</u>	<u>\$ 11,601</u>
\$ -	\$ -	\$ -

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Risk Management Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Charges for services	\$ 124,171	\$ 124,727	\$ 118,047	\$ (6,680)
Insurance premiums	10,150	10,150	10,841	691
Licenses and permits	-	-	4	4
Interest	1,700	1,700	950	(750)
Miscellaneous	1,045	1,045	1,370	325
Total revenues	<u>137,066</u>	<u>137,622</u>	<u>131,212</u>	<u>(6,410)</u>
EXPENDITURES				
Current:				
County management	128,556	129,112	116,673	12,439
Nondepartmental	6,473	6,473	5,618	855
Contingency	14,621	12,621	-	12,621
Total expenditures	<u>149,650</u>	<u>148,206</u>	<u>122,291</u>	<u>25,915</u>
Revenues over (under) expenditures	<u>(12,584)</u>	<u>(10,584)</u>	<u>8,921</u>	<u>19,505</u>
OTHER FINANCING SOURCES (USES)				
Internal loan remittances	-	(2,000)	-	2,000
Total other financing sources (uses)	<u>-</u>	<u>(2,000)</u>	<u>-</u>	<u>2,000</u>
Net change in fund balances	(12,584)	(12,584)	8,921	21,505
Fund balances - beginning	<u>83,892</u>	<u>83,892</u>	<u>88,160</u>	<u>4,268</u>
Fund balances - ending	<u>\$ 71,308</u>	<u>\$ 71,308</u>	<u>97,081</u>	<u>\$ 25,773</u>
Reconciliation to full accrual basis:				
Compensated absences			(557)	
Claims and judgments payable			(11,998)	
OPEB - County Plan:				
Deferred outflows - County Plan			185	
Total OPEB liability - County Plan			(1,680)	
Deferred inflows - County Plan			(196)	
OPEB - RHIA:				
Net OPEB asset - RHIA			323	
Deferred outflows - RHIA			42	
Deferred inflows - RHIA			(185)	
Pension Plan:				
Deferred outflows - pension			3,528	
Net pension liability			(9,643)	
Deferred inflows - pension			(161)	
Net position as reported on the Statement of Revenues, Expenses and Changes in Net Position, Proprietary Funds			<u>\$ 76,739</u>	

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Fleet Management Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Charges for services	\$ 6,363	\$ 6,367	\$ 5,249	\$ (1,118)
Interest	-	-	3	3
Miscellaneous	50	50	57	7
Total revenues	6,413	6,417	5,309	(1,108)
EXPENDITURES				
Current:				
County assets	6,677	6,939	5,302	1,637
Contingency	15	15	-	15
Total expenditures	6,692	6,954	5,302	1,652
Revenues over (under) expenditures	(279)	(537)	7	544
OTHER FINANCING SOURCES (USES)				
Proceeds from disposal of capital assets	-	-	379	379
Total other financing sources (uses)	-	-	379	379
Net change in fund balances	(279)	(537)	386	923
Fund balances - beginning	279	537	537	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	923	<u>\$ 923</u>
Reconciliation to full accrual basis:				
Capital assets, net of accumulated depreciation and amortization			1,144	
Compensated absences			(75)	
OPEB - County Plan:				
Deferred outflows - County Plan			32	
Total OPEB liability - County Plan			(290)	
Deferred inflows - County Plan			(34)	
OPEB - RHIA:				
Net OPEB asset - RHIA			56	
Deferred outflows - RHIA			7	
Deferred inflows - RHIA			(32)	
Pension Plan:				
Deferred outflows - pension			616	
Net pension liability			(1,684)	
Deferred inflows - pension			(28)	
Net position as reported on the Statement of Revenues, Expenses and Changes in Net Position, Proprietary Funds			<u>\$ 635</u>	

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Fleet Asset Replacement Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Charges for services	\$ 2,808	\$ 2,808	\$ 2,612	\$ (196)
Interest	-	-	72	72
Miscellaneous	-	-	14	14
Total revenues	<u>2,808</u>	<u>2,808</u>	<u>2,698</u>	<u>(110)</u>
EXPENDITURES				
Current:				
County assets	10,166	10,166	1,218	8,948
Total expenditures	<u>10,166</u>	<u>10,166</u>	<u>1,218</u>	<u>8,948</u>
Revenues over (under) expenditures	<u>(7,358)</u>	<u>(7,358)</u>	<u>1,480</u>	<u>8,838</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from disposal of capital assets	-	-	3	3
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
Net change in fund balances	(7,358)	(7,358)	1,483	8,841
Fund balances - beginning	<u>7,358</u>	<u>7,358</u>	<u>6,000</u>	<u>(1,358)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>7,483</u>	<u>\$ 7,483</u>
Reconciliation to full accrual basis:				
Capital assets, net of accumulated depreciation and amortization			<u>4,189</u>	
Net position as reported on the Statement of Revenues, Expenses and Changes in Net Position, Proprietary Funds			<u>\$ 11,672</u>	

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Information Technology Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Charges for services	\$ 63,557	\$ 65,358	\$ 62,156	\$ (3,202)
Interest	-	-	92	92
Total revenues	63,557	65,358	62,248	(3,110)
EXPENDITURES				
Current:				
County assets	72,961	74,762	61,888	12,874
Contingency	209	209	-	209
Total expenditures	73,170	74,971	61,888	13,083
Revenues over (under) expenditures	(9,613)	(9,613)	360	9,973
OTHER FINANCING SOURCES (USES)				
Transfers in	935	935	935	-
Total other financing sources (uses)	935	935	935	-
Net change in fund balances	(8,678)	(8,678)	1,295	9,973
Fund balances - beginning	8,678	8,678	6,488	(2,190)
Fund balances - ending	\$ -	\$ -	7,783	\$ 7,783
Reconciliation to full accrual basis:				
Capital assets, net of accumulated depreciation and amortization			11,946	
Compensated absences			(1,931)	
OPEB - County Plan:				
Deferred outflows - County Plan			641	
Total OPEB liability - County Plan			(5,812)	
Deferred inflows - County Plan			(676)	
OPEB - RHIA:				
Net OPEB asset - RHIA			1,128	
Deferred outflows - RHIA			147	
Deferred inflows - RHIA			(644)	
Pension Plan:				
Deferred outflows - pension			12,300	
Net pension liability			(33,615)	
Deferred inflows - pension			(561)	
Net position as reported on the Statement of Revenues, Expenses and Changes in Net Position, Proprietary Funds			\$ (9,294)	

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Mail Distribution Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Charges for services	\$ 3,716	\$ 3,867	\$ 3,664	\$ (203)
Interest	-	-	6	6
Total revenues	<u>3,716</u>	<u>3,867</u>	<u>3,670</u>	<u>(197)</u>
EXPENDITURES				
Current:				
County assets	4,380	4,531	3,669	862
Contingency	6	6	-	6
Total expenditures	<u>4,386</u>	<u>4,537</u>	<u>3,669</u>	<u>868</u>
Net change in fund balances	(670)	(670)	1	671
Fund balances - beginning	<u>670</u>	<u>670</u>	<u>697</u>	<u>27</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	698	<u>\$ 698</u>
Reconciliation to full accrual basis:				
Capital assets, net of accumulated depreciation and amortization			6	
Compensated absences			(62)	
OPEB - County Plan:				
Deferred outflows - County Plan			27	
Total OPEB liability - County Plan			(244)	
Deferred inflows - County Plan			(28)	
OPEB - RHIA:				
Net OPEB asset - RHIA			48	
Deferred outflows - RHIA			6	
Deferred inflows - RHIA			(28)	
Pension Plan:				
Deferred outflows - pension			529	
Net pension liability			(1,444)	
Deferred inflows - pension			(24)	
Net position as reported on the Statement of Revenues, Expenses and Changes in Net Position, Proprietary Funds			<u>\$ (516)</u>	

MULTNOMAH COUNTY, OREGON
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Facilities Management Fund
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
REVENUES				
Charges for services	\$ 63,608	\$ 64,801	\$ 58,714	\$ (6,087)
Intergovernmental charges for services	920	920	1,020	100
Interest	-	-	71	71
Miscellaneous	100	100	356	256
Total revenues	<u>64,628</u>	<u>65,821</u>	<u>60,161</u>	<u>(5,660)</u>
EXPENDITURES				
Current:				
County assets	65,593	66,786	59,542	7,244
Contingency	3,867	3,867	-	3,867
Total expenditures	<u>69,460</u>	<u>70,653</u>	<u>59,542</u>	<u>11,111</u>
Revenues over (under) expenditures	<u>(4,832)</u>	<u>(4,832)</u>	<u>619</u>	<u>5,451</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,332)</u>	<u>(1,332)</u>	<u>(1,332)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,332)</u>	<u>(1,332)</u>	<u>(1,332)</u>	<u>-</u>
Net change in fund balances	(6,164)	(6,164)	(713)	5,451
Fund balances - beginning	<u>6,164</u>	<u>6,164</u>	<u>4,697</u>	<u>(1,467)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>3,984</u>	<u>\$ 3,984</u>
Reconciliation to full accrual basis:				
Capital assets, net of accumulated depreciation and amortization			6,108	
Compensated absences			(714)	
Other accrued payables			(393)	
OPEB - County Plan:				
Deferred outflows - County Plan			305	
Total OPEB liability - County Plan			(2,764)	
Deferred inflows - County Plan			(322)	
OPEB - RHIA:				
Net OPEB asset - RHIA			514	
Deferred outflows - RHIA			67	
Deferred inflows - RHIA			(293)	
Pension Plan:				
Deferred outflows - pension			5,604	
Net pension liability			(15,316)	
Deferred inflows - pension			(256)	
Net position as reported on the Statement of Revenues, Expenses and Changes in Net Position, Proprietary Funds			<u>\$ (3,476)</u>	

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES FIDUCIARY FUNDS

Custodial Funds

These funds account for resources received and held by the County in a purely custodial capacity. Disbursements from these funds are made in accordance an agreement or applicable legislative enactment for each particular fund. The accrual basis of accounting is used to record transactions in the custodial funds. The funds included are:

- **Client Custodian Funds** - accounts for receipts and disbursements for individuals who are not capable of handling their own financial affairs.
- **Property Tax Funds** - accounts for the collection of property taxes for all governmental entities located in Multnomah County and the disbursement of the collections to such entities.
- **Department of County Management Custodial Funds** - accounts for the collection and disbursement of various monies held by Multnomah County in a fiduciary capacity.
- **Multnomah County Sheriff Custodial Funds** - accounts for receipts and disbursements for individuals who are incarcerated.
- **Visitors' Facilities Trust Fund** - accounts for collection and disbursement of motor vehicle rental tax and transient lodging tax used for visitor facilities.

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MULTNOMAH COUNTY, OREGON
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2021
(amounts expressed in thousands)

	Client Custodian Funds	Property Tax Funds	Department of County Management Custodial Funds	Multnomah County Sheriff Custodial Funds	Visitors Facility Trust Fund
ASSETS					
Restricted assets:					
Cash and investments	\$ 1,180	\$ 32,198	\$ 1,993	\$ 144	\$ 15,690
Taxes receivable	-	42,524	-	-	2,500
Total assets	1,180	74,722	1,993	144	18,190
LIABILITIES					
Liabilities payable from restricted assets:					
Accounts payable	51	9,631	1,988	118	284
Due to other governmental units	-	40,490	5	-	-
Total liabilities	51	50,121	1,993	118	284
NET POSITION					
Restricted for:					
Individuals, organizations, and other governments	1,129	24,601	-	26	17,906
Total net position	<u>\$ 1,129</u>	<u>\$ 24,601</u>	<u>\$ -</u>	<u>\$ 26</u>	<u>\$ 17,906</u>

MCSO Criminal Forfeiture Funds		Total
\$ 347		\$ 51,552
-		45,024
<u>347</u>		<u>96,576</u>
-		12,072
335		40,830
<u>335</u>		<u>52,902</u>
12		43,674
<u>\$ 12</u>		<u>\$ 43,674</u>

MULTNOMAH COUNTY, OREGON
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2021
(amounts expressed in thousands)

	Client Custodian Funds	Property Tax Funds	Department of County Management Custodial Funds	Multnomah County Sheriff Custodial Funds	Visitors Facility Trust Fund
ADDITIONS					
Taxes collected	\$ -	\$ 3,568,044	\$ -	\$ -	\$ -
Taxes collected for other governments	-	20,687	911	-	8,748
Deposits held for others	-	-	-	7,032	-
Charges for services	-	123	-	576	-
Interest	10	822	-	-	239
Miscellaneous	3,751	-	-	-	-
Total additions	3,761	3,589,676	911	7,608	8,987
DEDUCTIONS					
Administrative Support	1	-	-	-	61
Payments of taxes to other governments	3,332	3,574,923	911	-	13,849
Payments paid to others	-	-	-	7,022	-
Distributions to others	-	-	-	575	-
Total deductions	3,333	3,574,923	911	7,597	13,910
Net increase (decrease) in fiduciary net position	428	14,753	-	11	(4,923)
Total net position - beginning	701	9,848	-	15	22,829
Total net position - ending	\$ 1,129	\$ 24,601	\$ -	\$ 26	\$ 17,906

MCSO Criminal Forfeiture Funds		Total
<hr/>		
\$	-	\$ 3,568,044
	-	30,346
	-	7,032
	-	699
	4	1,075
	-	3,751
	<hr/>	<hr/>
	4	3,610,947
	<hr/>	
	-	62
	-	3,593,015
	-	7,022
	-	575
	<hr/>	<hr/>
	-	3,600,674
	<hr/>	
	4	10,273
	<hr/>	
	8	33,401
	<hr/>	
\$	12	\$ 43,674
	<hr/>	<hr/>

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OTHER FINANCIAL SCHEDULES

- Property Tax Collections and Outstanding Balances
- Capitalized Lease Obligations
- Loans Payable Outstanding
- Full Faith and Credit Bonds Outstanding
- General Obligation Bonds Outstanding

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MULTNOMAH COUNTY, OREGON
Schedule of Property Tax Collections and Outstanding Balances
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

Tax Year	Taxes Receivable June 30, 2020	Current Levy	Add (Deduct) Corrections and Adjustments	Add Interest on Delinquent Taxes	Deduct Discounts Allowed	Deduct Collections Including Interest on Delinquent Taxes	Taxes Receivable June 30, 2021
2020-21	\$ -	\$ 2,047,081	\$ (6,978)	\$ 591	\$ (53,672)	\$ (1,959,582)	\$ 27,440
2019-20	29,593	-	(2,463)	927	52	(16,763)	11,346
2018-19	11,714	-	(455)	833	11	(5,806)	6,297
2017-18	6,273	-	(203)	943	4	(4,410)	2,607
2016-17	2,425	-	(62)	601	-	(2,415)	549
2015-16 and prior	3,927	-	(78)	215	-	(560)	3,504
Total	\$ 53,932	\$ 2,047,081	\$ (10,239)	\$ 4,110	\$ (53,605)	\$ (1,989,536)	\$ 51,743

SUMMARY OF TAXES RECEIVABLE AT JUNE 30, 2021

	Current Years' Levy	Prior Years' Levies	Total Property Taxes	Other Taxes*	Total
General Fund	\$ 4,574	\$ 4,212	\$ 8,786	\$ 20,455	\$ 29,241
Special revenue funds:					
Road Fund	-	-	-	2,290	2,290
Library Fund	-	85	85	-	85
Special Excise Tax Fund	-	-	-	1,807	1,807
Land Corner Preservation Fund	-	-	-	12	12
Oregon Historical Society Levy Fund	48	41	89	-	89
Library District Fund	1,275	992	2,267	-	2,267
Total special revenue funds	1,323	1,118	2,441	4,109	6,550
Custodial funds	21,521	18,962	40,483	4,541	45,024
Subtotal taxes receivable	27,418	24,292	51,710	29,105	80,815
Special assessments:					
collected through taxes					
Dunthorpe-Riverdale Service District No. 1 Fund	15	8	23	-	23
Mid County Service District No. 14 Fund	6	4	10	-	10
Total special assessments	21	12	33	-	33
Total receivables	\$ 27,439	\$ 24,304	\$ 51,743	\$ 29,105	\$ 80,848

*Note: Other taxes include business income, transient lodging, motor vehicle, County gasoline, and other tax-related transactions.

MULTNOMAH COUNTY, OREGON
Schedule of Capitalized Lease Obligations
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

Fiscal Year of Maturity	Sellwood Lofts Dated 1/1/2002 10.31%		West Gresham Plaza Dated 6/15/2016 1.75%		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 42	\$ 76	\$ 179	\$ 5	\$ 221	\$ 81
2023	47	71	182	1	229	72
2024	52	66	-	-	52	66
2025	57	61	-	-	57	61
2026	64	55	-	-	64	55
2027	70	48	-	-	70	48
2028	78	40	-	-	78	40
2029	87	31	-	-	87	31
2030	96	22	-	-	96	22
2031	106	12	-	-	106	12
2032	57	2	-	-	57	2
Total	<u>\$ 756</u>	<u>\$ 484</u>	<u>361</u>	<u>\$ 6</u>	<u>\$ 1,117</u>	<u>\$ 490</u>

MULTNOMAH COUNTY, OREGON
Schedule of Loans Payable Outstanding
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

Fiscal Year of Maturity	OTIB*	
	Dated 9/4/2008	
	3.98%	
	Principal	Interest
2022	\$ 240	\$ 52
2023	250	42
2024	260	32
2025	270	22
2026	281	11
Total	<u>\$ 1,301</u>	<u>\$ 159</u>

*Amendment to loan agreement with Oregon Transportation Infrastructure Bank (OTIB) made September 1, 2016

Additional obligation: the County received loan draws through the Oregon Infrastructure Finance Authority for the Levee Ready Columbia Project. However, these loans are not yet in repayment status as of June 30, 2021. See Note III.G. *Long-term debt - Loans payable* for more detail.

MULTNOMAH COUNTY, OREGON
Schedule of Full Faith and Credit Bonds Outstanding
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

Fiscal Year of Maturity	Series 1999		Series 2010B		Series 2012	
	Date of Issue: 12/1/1999		Date of Issue 12/14/2010		Date of Issue 12/13/2012	
	6.49 to 7.74%		4.00 to 5.05%		3.00 to 5.00%	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 5,098	\$ 23,012	\$ 1,380	\$ 659	\$ 5,805	\$ 290
2023	4,989	24,687	1,410	600	-	-
2024	4,881	26,444	1,440	537	-	-
2025	4,772	28,285	1,475	471	-	-
2026	4,670	30,215	1,510	401	-	-
2027	4,566	32,234	1,545	325	-	-
2028	4,463	34,347	1,585	247	-	-
2029	4,362	36,563	1,630	167	-	-
2030	4,265	38,888	1,675	84	-	-
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
2039	-	-	-	-	-	-
2040	-	-	-	-	-	-
2041	-	-	-	-	-	-
2042	-	-	-	-	-	-
2043	-	-	-	-	-	-
2044	-	-	-	-	-	-
2045	-	-	-	-	-	-
2046	-	-	-	-	-	-
2047	-	-	-	-	-	-
Total	<u>\$ 42,066</u>	<u>\$ 274,675</u>	<u>\$ 13,650</u>	<u>\$ 3,491</u>	<u>\$ 5,805</u>	<u>\$ 290</u>

Series 2017		Series 2019		Series 2021			
Date of Issue 11/30/17		Date of Issue 9/12/19		Date of Issue 1/7/21			
3.00 to 5.00%		1.74%		1.00 to 2.00%		Total	
Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
\$ 9,205	\$ 5,756	\$ 1,578	\$ 234	\$ 1,375	\$ 1,116	\$ 24,441	\$ 31,068
9,670	5,296	1,606	206	7,495	1,089	25,170	31,878
10,145	4,813	1,634	178	7,590	995	25,690	32,967
3,875	4,305	1,662	150	7,665	919	19,449	34,130
4,065	4,112	1,691	121	7,740	843	19,676	35,691
4,270	3,908	1,720	91	7,820	765	19,921	37,324
4,480	3,695	1,750	61	7,900	687	20,178	39,037
4,710	3,471	1,781	31	7,980	604	20,463	40,836
4,940	3,235	-	-	8,085	500	18,965	42,708
5,185	2,988	-	-	8,200	383	13,385	3,371
5,450	2,729	-	-	8,320	260	13,770	2,989
5,665	2,511	-	-	8,450	135	14,115	2,646
5,835	2,341	-	-	-	-	5,835	2,341
6,015	2,166	-	-	-	-	6,015	2,166
6,190	1,986	-	-	-	-	6,190	1,986
6,375	1,800	-	-	-	-	6,375	1,800
3,305	1,545	-	-	-	-	3,305	1,545
3,405	1,442	-	-	-	-	3,405	1,442
3,545	1,306	-	-	-	-	3,545	1,306
3,685	1,164	-	-	-	-	3,685	1,164
3,830	1,016	-	-	-	-	3,830	1,016
3,985	863	-	-	-	-	3,985	863
4,145	704	-	-	-	-	4,145	704
4,310	538	-	-	-	-	4,310	538
4,480	366	-	-	-	-	4,480	366
4,660	188	-	-	-	-	4,660	188
<u>\$ 135,425</u>	<u>\$ 64,244</u>	<u>\$ 13,422</u>	<u>\$ 1,072</u>	<u>\$ 88,620</u>	<u>\$ 8,296</u>	<u>\$ 298,988</u>	<u>\$ 352,070</u>

MULTNOMAH COUNTY, OREGON
Schedule of General Obligation Bonds Outstanding
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)

Fiscal Year of Maturity	Series 2021 A Dated 1/12/21 5.00%		Series 2021 B Dated 1/12/21 0.25 to 0.90%		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ -	\$ 10,720	\$ 37,595	\$ 1,621	\$ 37,595	\$ 12,341
2023	-	7,734	43,165	1,075	43,165	8,809
2024	-	7,734	45,150	924	45,150	8,658
2025	-	7,734	46,970	721	46,970	8,455
2026	-	7,734	48,870	486	48,870	8,220
2027	40,405	7,734	10,570	95	50,975	7,829
2028	54,855	5,714	-	-	54,855	5,714
2029	59,420	2,971	-	-	59,420	2,971
Total	\$ 154,680	\$ 58,075	\$ 232,320	\$ 4,922	\$ 387,000	\$ 62,997

STATISTICAL INFORMATION SECTION (UNAUDITED)

This part of Multnomah County's comprehensive annual 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 County's overall financial health. This section contains the following tables and information:

- **Financial Trends** - These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.
- **Revenue Capacity** - These schedules contain information to help the reader assess the County's most significant local revenue sources: personal income tax, property tax, and business income tax.
- **Debt Capacity** - These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County'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 within which the County's financial activities take place.
- **Operating Information** - These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

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

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MULTNOMAH COUNTY, OREGON
Net Position by Component
Last Ten Fiscal Years
(dollar amounts expressed in thousands)
(accrual basis of accounting)
(unaudited)

	2021	2020	2019	2018
Governmental Activities:				
Net investment in capital assets	\$ 1,075,084	\$ 1,086,931	\$ 971,759	\$ 818,361
Restricted	538,098	78,256	114,253	186,049
Unrestricted	(713,641)	(221,030)	(157,498)	(179,240)
Total governmental activities net position	<u>\$ 899,541</u>	<u>\$ 944,157</u>	<u>\$ 928,514</u>	<u>\$ 825,170</u>
Business-Type Activities:				
Net investment in capital assets	\$ 6,079	\$ 5,770	\$ 6,001	\$ 5,688
Unrestricted	6,572	1,279	1,454	4,296
Total business-type activities net position	<u>\$ 12,651</u>	<u>\$ 7,049</u>	<u>\$ 7,455</u>	<u>\$ 9,984</u>
Primary Government:				
Net investment in capital assets	\$ 1,081,163	\$ 1,092,701	\$ 977,760	\$ 824,049
Restricted	538,098	78,256	114,253	186,049
Unrestricted	(707,069)	(219,751)	(156,044)	(174,944)
Total primary government net position	<u>\$ 912,192</u>	<u>\$ 951,206</u>	<u>\$ 935,969</u>	<u>\$ 835,154</u>

Source: Current and prior years' financial statements

2017	2016	2015	Restated 2014	2013	Restated 2012
\$ 959,484	\$ 850,159	\$ 768,977	\$ 705,519	\$ 670,483	\$ 686,874
88,143	81,351	100,186	29,565	29,565	29,565
(183,146)	(130,430)	1,360	74,009	74,009	74,009
<u>\$ 864,481</u>	<u>\$ 801,080</u>	<u>\$ 870,523</u>	<u>\$ 809,093</u>	<u>\$ 774,057</u>	<u>\$ 790,448</u>
\$ 5,589	\$ 5,315	\$ 3,775	\$ 3,672	\$ 3,752	\$ 3,612
3,027	1,529	19,550	18,241	13,402	17,442
<u>\$ 8,616</u>	<u>\$ 6,844</u>	<u>\$ 23,325</u>	<u>\$ 21,913</u>	<u>\$ 17,154</u>	<u>\$ 21,054</u>
\$ 965,073	\$ 855,474	\$ 772,752	\$ 709,191	\$ 674,235	\$ 690,486
88,143	81,351	100,186	29,565	29,565	29,565
(180,119)	(128,901)	20,910	92,250	87,411	91,451
<u>\$ 873,097</u>	<u>\$ 807,924</u>	<u>\$ 893,848</u>	<u>\$ 831,006</u>	<u>\$ 791,211</u>	<u>\$ 811,502</u>

MULTNOMAH COUNTY, OREGON
Changes in Net Position
Last Ten Fiscal Years
(dollar amounts expressed in thousands)
(accrual basis of accounting)
(unaudited)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Program Revenues				
Governmental activities:				
Fees, fines and charges for services:				
General government	\$ 108,075	\$ 90,752	\$ 94,345	\$ 73,551
Health services	113,412	107,636	110,503	95,628
Social services	7,585	7,321	941	619
Public safety and justice	26,108	34,103	26,220	28,786
Community services	16,617	14,503	14,593	11,283
Library	3,103	3,203	2,530	2,130
Roads, bridges, and bike path improvements	23,496	15,654	13,684	13,104
Operating grants and contributions	755,911	434,998	587,246	466,906
Capital grants and contributions	8,283	27,782	15,474	23,937
Total governmental activities program revenues	<u>1,062,590</u>	<u>735,952</u>	<u>865,536</u>	<u>715,944</u>
Business-type activities:				
Charges for services:				
Dunthorpe-Riverdale Service Dist. No. 1	28	50	889	722
Mid County Service Dist. No. 14	14	24	481	449
Behavioral Health Managed Care	7,179	26,633	37,268	37,169
Capital grants and contributions	293	-	-	-
Total business-type activities program revenues	<u>7,514</u>	<u>26,707</u>	<u>38,638</u>	<u>38,340</u>
Total primary government program revenues	<u>1,070,104</u>	<u>762,659</u>	<u>904,174</u>	<u>754,284</u>
Expenses				
Governmental activities:				
General government	262,987	358,021	269,029	420,189
Health services	308,078	268,679	278,820	242,155
Social services	634,338	215,204	193,215	217,044
Public safety and justice	171,090	186,941	254,494	221,307
Community services	79,932	57,867	244,965	94,327
Library	124,511	119,455	70,323	64,736
Roads, bridges, and bike path improvements	111,752	92,592	68,287	111,526
Interest on long-term debt	30,297	30,499	10,190	10,494
Total governmental activities expenses	<u>1,722,985</u>	<u>1,329,258</u>	<u>1,389,323</u>	<u>1,381,778</u>
Business-type activities:				
Dunthorpe-Riverdale Service Dist. No. 1	763	706	798	687
Mid County Service Dist. No. 14	398	476	384	416
Behavioral Health Managed Care	2,358	27,399	40,260	34,207
Total business-type activities expenses	<u>3,519</u>	<u>28,581</u>	<u>41,442</u>	<u>35,310</u>
Total primary government expenses	<u>1,726,504</u>	<u>1,357,839</u>	<u>1,430,765</u>	<u>1,417,088</u>

2017	2016	2015	2014	2013	2012
\$ 74,584	\$ 62,857	\$ 83,516	\$ 71,664	\$ 26,466	\$ 27,239
102,403	100,720	89,951	72,286	68,943	72,910
262	624	3,604	2,038	1,064	1,568
20,014	30,080	19,472	15,473	17,167	16,809
9,590	7,406	5,120	3,779	3,514	2,914
1,842	2,189	3,126	1,652	1,639	1,747
12,893	13,314	13,401	13,011	12,853	11,866
445,317	383,728	350,767	340,367	318,956	308,392
43,958	10,364	20,455	60,776	68	839
710,863	611,282	589,412	581,046	450,670	444,284
730	896	893	877	852	837
456	453	454	452	377	380
34,767	61,700	71,149	53,112	42,857	44,712
267	-	-	-	10	6
1,236,358	1,068,423	72,496	54,441	44,096	45,935
1,947,221	1,679,705	661,908	635,487	494,766	490,219
306,755	271,016	101,137	97,325	72,049	65,813
222,213	242,366	147,909	152,854	148,528	150,421
219,884	227,737	244,858	245,233	233,990	224,975
215,267	255,904	200,669	228,463	221,744	217,842
91,297	54,495	53,731	39,182	36,895	34,511
56,932	63,640	60,150	64,708	58,488	61,641
64,730	64,539	50,327	66,622	55,383	54,287
8,572	18,362	19,785	20,822	18,932	10,695
1,185,650	1,198,059	878,566	915,209	846,009	820,185
649	607	622	573	554	507
321	329	404	420	389	411
34,260	79,420	69,242	53,156	38,586	49,014
35,230	80,356	70,268	54,149	39,529	49,932
1,220,880	1,278,415	948,834	969,358	885,538	870,117

(Continued)

MULTNOMAH COUNTY, OREGON
Changes in Net Position
Last Ten Fiscal Years
(dollar amounts expressed in thousands)
(accrual basis of accounting)
(unaudited)

(continued)

	2021	2020	2019	2018
Net Revenue (Expense)				
Governmental activities	\$ (660,395)	\$ (593,306)	\$ (523,787)	\$ (665,834)
Business-type activities	3,995	(1,874)	(2,804)	3,030
Total primary government net expense	<u>(656,400)</u>	<u>(595,180)</u>	<u>(526,591)</u>	<u>(662,804)</u>
 General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property and other local taxes levied for:				
General purposes	421,799	406,450	390,396	383,074
Debt service	-	-	-	-
Personal income taxes	-	3	5	11
Business income taxes	136,242	104,300	99,500	93,400
Selective excise and use taxes	39,197	66,258	84,485	76,825
Payments in lieu of taxes	349	384	519	786
State government shared revenues	14,374	12,399	12,668	13,192
Grants and contributions not restricted to specific programs	2	8	9	2,958
Interest and investment earnings	3,880	12,742	14,954	6,235
Gain/(loss) on investments	-	151	-	-
Miscellaneous	-	6,250	-	-
Gain (loss) on sale of capital assets	(64)	4	24,595	29,811
Total governmental activities	<u>615,779</u>	<u>608,949</u>	<u>627,131</u>	<u>606,292</u>
Business-type activities:				
Property taxes, levied for general purposes	1,607	1,468	-	-
Interest and investment earnings	-	-	275	124
Miscellaneous	-	-	-	42
Total business-type activities	<u>1,607</u>	<u>1,468</u>	<u>275</u>	<u>166</u>
Total primary government	<u>617,386</u>	<u>610,417</u>	<u>627,406</u>	<u>606,458</u>
 Change in Net Position				
Governmental activities	(44,616)	15,643	103,344	(59,542)
Cumulative effect of change in accounting principle	-	-	-	-
Total governmental activities	<u>(44,616)</u>	<u>15,643</u>	<u>103,344</u>	<u>(59,542)</u>
Business-type activities	5,602	(406)	(2,529)	3,196
Total primary government change in net position	<u>\$ (39,014)</u>	<u>\$ 15,237</u>	<u>\$ 100,815</u>	<u>\$ (56,346)</u>

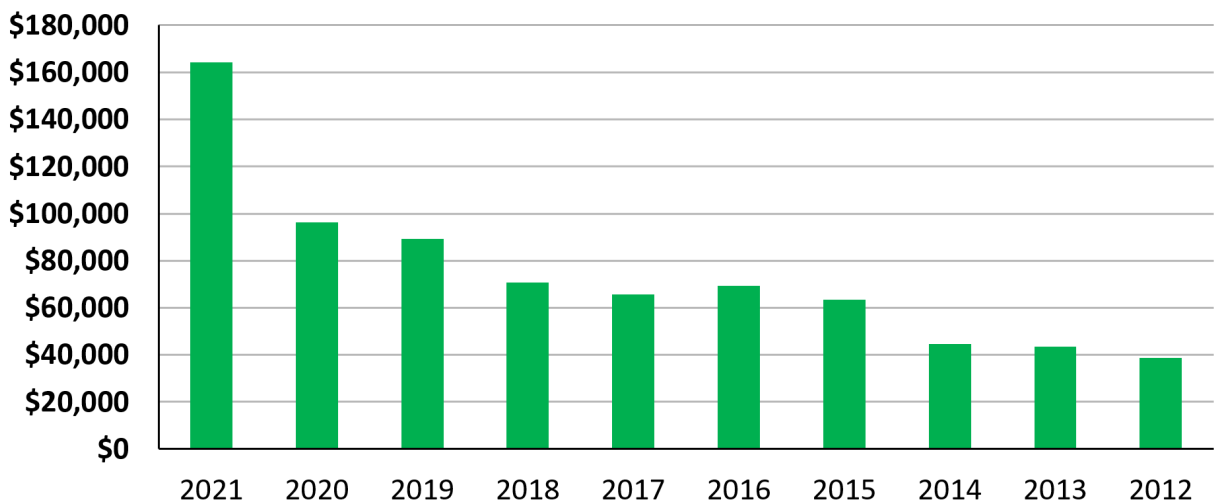
Source: Current and prior years' financial statements

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ (474,787)	\$ (586,777)	\$ (289,154)	\$ (334,163)	\$ (395,339)	\$ (375,901)
990	(17,307)	2,228	292	4,567	(3,997)
<u>(473,797)</u>	<u>(604,084)</u>	<u>(286,926)</u>	<u>(333,871)</u>	<u>(390,772)</u>	<u>(379,898)</u>
360,178	342,128	323,898	303,871	271,664	272,299
108	6,075	6,116	6,999	8,067	8,842
9	15	32	16	77	235
84,450	80,710	73,825	61,800	58,750	52,250
76,163	74,594	67,192	58,456	52,934	48,777
568	486	659	821	1,019	697
10,475	9,998	9,534	9,198	9,090	10,108
24	13	-	24	15	10
2,045	3,016	2,363	2,119	1,638	2,604
-	-	-	-	-	-
1,559	2,304	2,713	2,302	2,613	1,194
2,609	(2,005)	189	279	119	607
<u>538,188</u>	<u>517,334</u>	<u>486,521</u>	<u>445,885</u>	<u>405,986</u>	<u>397,623</u>
-	-	-	-	-	-
48	100	119	102	95	97
734	726	100	10	97	-
782	826	219	112	192	97
<u>538,970</u>	<u>518,160</u>	<u>486,740</u>	<u>445,997</u>	<u>406,178</u>	<u>397,720</u>
63,401	(69,443)	197,367	111,722	10,647	21,722
-	-	-	-	-	(504)
63,401	(69,443)	197,367	111,722	10,647	21,218
1,772	(16,481)	2,447	404	4,759	(3,900)
<u>\$ 65,173</u>	<u>\$ (85,924)</u>	<u>\$ 199,814</u>	<u>\$ 112,126</u>	<u>\$ 15,406</u>	<u>\$ 17,318</u>

MULTNOMAH COUNTY, OREGON
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(dollar amounts expressed in thousands)
(modified accrual basis of accounting)
(unaudited)

	2021	2020	2019	2018
General Fund:				
Nonspendable	\$ 1,169	\$ 883	\$ 979	\$ 595
Restricted	844	553	7,967	5,389
Committed	12,131	14,490	3,412	-
Unassigned	164,007	96,249	89,282	70,569
Total General Fund	178,151	112,175	101,640	76,553
All other governmental funds:				
Nonspendable	1,164	1,084	718	1,000
Restricted	537,404	77,704	106,286	180,660
Committed	76,124	73,185	90,829	93,872
Assigned	11,389	9,356	12,419	16,557
Unassigned	-	-	-	(2)
Total all other governmental funds	626,081	161,329	210,252	292,087
Total governmental funds	\$ 804,232	\$ 273,504	\$ 311,892	\$ 368,640

Unassigned or Unreserved General Fund Balance

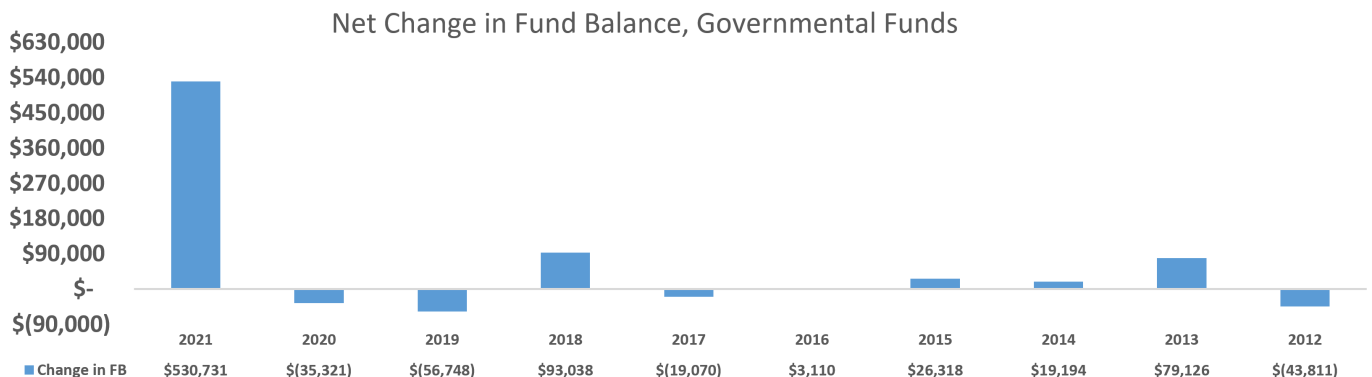


Source: Current and prior years' financial statements

2017	2016	2015	2014	2013	2012
\$ 682	\$ 619	\$ 781	\$ 622	\$ 576	\$ 364
5,152	3,427	176	254	429	534
3,802	-	-	-	-	42
65,647	69,302	63,388	44,477	43,503	38,717
75,283	73,348	64,345	45,353	44,508	39,657
855	1,378	1,358	1,115	1,269	1,418
82,991	84,111	106,261	104,838	105,341	28,506
101,025	117,925	104,004	99,651	86,123	86,457
15,475	18,335	15,594	14,494	9,255	11,282
(27)	(425)	-	(207)	(446)	(396)
200,319	221,324	227,217	219,891	201,542	127,267
\$ 275,602	\$ 294,672	\$ 291,562	\$ 265,244	\$ 246,050	\$ 166,924

MULTNOMAH COUNTY, OREGON
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(dollar amounts expressed in thousands)
(modified accrual basis of accounting)
(unaudited)

	2021	2020	2019	2018
Revenues				
Taxes	\$ 602,160	\$ 577,047	\$ 574,385	\$ 553,499
Payments in lieu of taxes	349	384	519	601
Intergovernmental	758,667	423,403	589,112	468,765
Licenses and permits	40,317	29,730	30,309	31,894
Charges for services	142,611	139,738	132,878	112,662
Interest	4,976	9,130	10,226	5,988
Miscellaneous	138,392	139,745	132,445	100,482
Total revenues	1,687,472	1,319,177	1,469,874	1,273,891
Expenditures				
Current:				
General government	109,840	148,955	128,807	142,156
Health services	304,299	293,347	284,840	267,459
Social services	611,721	243,530	221,836	262,382
Public safety and justice	299,249	308,522	289,023	276,142
Community services	34,152	56,816	237,941	92,331
Library	82,499	86,212	81,635	70,208
Roads, bridges, and bike path improvements	72,247	69,688	63,277	68,595
Capital outlay	29,412	107,972	199,990	142,965
Debt service:				
Principal	23,600	25,033	39,964	32,880
Interest	31,301	31,808	14,230	12,426
Total expenditures	1,598,320	1,371,883	1,561,543	1,367,544
Revenues over (under) expenditures	89,152	(52,706)	(91,669)	(93,653)
Other Financing Sources (Uses)				
Proceeds from issuance of debt	389,751	16,129	107	181,208
Premium on long-term debt	51,291	-	-	-
Issuance of capital lease	-	-	-	-
Proceeds from sale of capital assets	10	24	39,700	5,018
Debt Restructuring	89,580			
Transfers in	104,405	114,282	123,285	126,573
Transfers out	(104,008)	(113,050)	(128,171)	(126,108)
Total other financing sources (uses)	531,029	17,385	34,921	186,691
Net change in fund balances	\$ 620,181	\$ (35,321)	\$ (56,748)	\$ 93,038
Debt service as a percentage of noncapital expenditures	3.5%	4.5%	4.0%	3.7%



Source: Current and prior years' financial statements

2017	2016	2015	2014	2013	2012
\$ 519,718	\$ 503,745	\$ 470,486	\$ 429,539	\$ 391,722	\$ 379,334
568	517	659	858	1,019	697
456,252	376,935	369,654	401,312	318,878	312,588
31,999	30,059	29,113	27,244	27,685	27,727
125,090	129,206	86,212	85,153	87,307	80,001
3,172	1,898	2,024	1,796	1,315	1,180
101,207	99,840	98,031	64,816	64,816	56,823
1,238,006	1,142,200	1,056,179	1,010,718	892,742	858,350
128,043	77,333	79,363	73,641	69,384	61,380
273,545	257,759	171,896	159,095	155,451	156,344
246,614	237,085	259,391	247,007	236,253	226,460
261,961	261,326	240,126	231,694	225,707	221,094
90,065	52,927	42,226	38,833	34,517	34,137
67,682	65,206	62,673	58,193	52,438	55,088
59,320	55,292	53,269	55,419	44,704	43,623
94,026	86,450	74,973	100,355	79,769	80,888
35,368	22,437	22,731	48,931	60,212	28,526
11,130	20,785	22,407	23,253	19,702	10,583
1,267,754	1,136,600	1,029,055	1,036,421	978,137	918,123
(29,748)	5,600	27,124	(25,703)	(85,395)	(59,773)
1,432	1,000	-	22,530	153,262	15,101
-	-	-	2,562	21,113	-
-	-	-	-	-	-
3,837	9	276	15	20	1,713
107,493	106,193	103,198	75,187	21,870	37,351
(102,084)	(109,692)	(104,280)	(77,287)	(31,744)	(38,203)
10,678	(2,490)	(806)	23,007	164,521	15,962
\$ (19,070)	\$ 3,110	\$ 26,318	\$ (2,696)	\$ 79,126	\$ (43,811)
4.0%	4.1%	4.7%	7.7%	8.9%	4.7%

MULTNOMAH COUNTY, OREGON
Program Revenues by Function/Program
Last Ten Fiscal Years
(dollar amounts expressed in thousands)
(accrual basis of accounting)
(unaudited)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Function/Program				
Governmental activities:				
General government	\$ 112,957	\$ 113,539	\$ 102,776	\$ 74,698
Health services	221,327	233,547	203,720	178,702
Social services	541,653	176,498	147,255	248,955
Public safety and justice	76,698	119,135	139,242	100,627
Community services	20,910	17,995	195,611	13,358
Library	5,034	25,493	4,507	3,915
Roads and bridges	84,011	76,301	72,425	95,689
Total governmental activities	<u>1,062,590</u>	<u>762,508</u>	<u>865,536</u>	<u>715,944</u>
Business-type activities:				
Dunthorpe-Riverdale Service District No. 1	32	51	889	722
Mid County Service District No. 14	303	23	481	449
Behavioral Health Managed Care	7,179	193	37,268	37,169
Total business-type activities	<u>7,514</u>	<u>267</u>	<u>38,638</u>	<u>38,340</u>
Total primary government	<u>\$ 1,070,104</u>	<u>\$ 762,775</u>	<u>\$ 904,174</u>	<u>\$ 754,284</u>

Source: Current and prior years' financial statements

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 79,161	\$ 78,014	\$ 87,840	\$ 31,273	\$ 31,273	\$ 32,200
210,508	181,336	126,335	100,994	100,994	107,371
201,187	184,797	205,639	194,176	194,176	172,360
78,917	88,203	63,252	57,886	57,886	57,705
42,309	9,393	6,684	5,104	5,104	5,898
5,273	5,474	7,035	5,724	5,724	5,318
93,508	64,065	92,627	55,513	55,513	63,432
<u>710,863</u>	<u>611,282</u>	<u>589,412</u>	<u>450,670</u>	<u>450,670</u>	<u>444,284</u>
730	896	893	877	852	837
723	453	454	452	387	386
34,767	61,700	71,149	53,112	42,857	44,712
<u>36,220</u>	<u>63,049</u>	<u>72,496</u>	<u>54,441</u>	<u>44,096</u>	<u>45,935</u>
<u>\$ 747,083</u>	<u>\$ 674,331</u>	<u>\$ 661,908</u>	<u>\$ 505,111</u>	<u>\$ 494,766</u>	<u>\$ 490,219</u>

MULTNOMAH COUNTY, OREGON
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(dollar amounts expressed in thousands)
(modified accrual basis of accounting)
(unaudited)

Year	Property Taxes	Business Income Taxes	Transient Lodging Taxes	Motor Vehicle Rental Taxes	County Gasoline Taxes	Personal Income Taxes	Heavy Equipment Rental	Other Taxes	Total
2012	\$ 277,827	\$ 52,250	\$ 20,052	\$ 21,852	\$ 6,811	\$ 205	\$ -	\$ 1,034	\$ 380,031
2013	279,697	58,750	21,464	24,764	6,707	76	-	1,283	392,741
2014	309,024	61,800	24,268	27,435	6,753	34	-	1,083	430,397
2015	329,437	73,825	29,692	30,450	6,822	63	-	886	471,175
2016	348,238	80,710	34,341	33,039	7,215	15	-	711	504,269
2017	359,043	84,450	35,237	33,839	7,086	9	-	622	520,286
2018	383,075	93,400	34,806	35,018	6,970	11	-	786	554,066
2019	390,396	99,500	59,296	42,192	6,920	5	-	519	598,828
2020	406,450	104,300	31,860	28,206	6,192	3	-	384	577,395
2021	425,856	136,242	12,876	20,324	6,025	-	835	349	602,507

Source: Current and prior years' financial statements

MULTNOMAH COUNTY, OREGON
Assessed Valuation and Actual Values of Taxable Property
Last Ten Fiscal Years
(dollar amounts expressed in thousands)
(modified accrual basis of accounting)
(unaudited)

Year	Residential Property	Commercial Property	Public Utility Property	Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate (1)	Estimated Real Market Value
2012	\$ 35,156,964	\$ 17,653,597	\$ 2,641,653	\$ 2,089,271	\$ 57,541,485	5.01	\$ 95,354,432
2013	35,929,873	18,050,498	2,599,627	2,097,912	58,677,910	4.89	93,735,420
2014	37,261,960	18,518,408	2,718,960	2,123,276	60,622,604	5.27	98,078,710
2015	38,871,143	19,435,231	3,004,706	2,208,621	63,519,701	5.34	108,173,728
2016	40,298,453	20,452,051	3,095,038	2,296,521	66,142,063	5.43	119,581,740
2017	41,591,891	21,404,366	3,437,762	2,397,666	68,831,685	5.38	139,355,901
2018	42,999,453	22,889,841	3,725,018	2,498,622	72,112,934	5.38	158,551,847
2019	44,465,359	23,334,977	4,028,504	2,552,244	74,381,084	5.40	172,752,206
2020	46,166,387	24,692,491	3,974,266	2,775,834	77,608,978	5.42	176,570,949
2021	47,837,367	26,186,458	4,411,988	2,706,736	81,142,549	5.42	184,073,899

(1) See Property Tax Rates - Direct and Overlapping Governments, Total Direct Rates

MULTNOMAH COUNTY, OREGON
Property Tax Levies and Collections
Last Ten Fiscal Years
(dollar amounts expressed in thousands)
(modified accrual basis of accounting)
(unaudited)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year (Original Levy)		Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections Subsequent Years	Total Collections to Date						
					Amount	Percentage of Levy		Amount	Percentage of Levy					
2012	\$	288,355	\$	(8,686)	\$	279,669	\$	270,714	93.88 %	\$	7,661	\$	278,375	96.54 %
2013		287,384		(8,686)		278,698		271,302	94.40		7,305		278,607	96.95
2014		253,024		(8,212)		244,812		239,352	94.60		5,943		245,295	96.95
2015		269,118		(7,092)		262,026		255,164	94.81		5,702		260,866	96.93
2016		284,628		(7,620)		277,008		270,282	94.96		4,669		274,951	96.60
2017		292,298		(8,129)		284,169		278,093	95.14		3,735		281,828	96.42
2018		305,936		(8,575)		297,361		291,133	95.16		2,105		293,238	95.85
2019		315,817		(13,615)		302,202		302,313	95.72		2,578		304,891	96.54
2020		329,763		(11,013)		318,750		319,223	96.80		2,685		321,908	97.62
2021		344,366		(10,215)		334,151		329,937	95.81		-		329,937	95.81

Source: Current and prior years' financial statements, Multnomah County Division of Assessment and Taxation

MULTNOMAH COUNTY, OREGON
Property Tax Rates - Direct and Overlapping Governments (1)
Last Ten Fiscal Years
(Per \$1,000 of Assessed Valuation)
(unaudited)

Year	Multnomah County Direct Rates				Overlapping Rates						Total
	General	Special Revenue	Debt Service	Total	Cities	Special Purpose Districts	Education Districts	Water Districts	Rural Fire Districts	Urban Renewal Districts	
2012	4.21	0.64	0.16	5.01	6.39	0.62	7.45	0.01	0.08	1.97	21.53
2013	4.16	0.59	0.14	4.89	6.39	0.64	7.41	0.01	0.08	1.97	21.39
2014	4.03	1.12	0.12	5.27	6.30	0.67	8.24	0.01	0.08	2.05	22.62
2015	4.10	1.14	0.10	5.34	6.41	0.67	8.29	0.01	0.08	2.02	22.82
2016	4.17	1.17	0.09	5.43	6.46	0.61	8.41	0.01	0.08	1.99	22.99
2017	4.20	1.18	-	5.38	6.52	0.63	8.53	0.01	0.08	2.12	23.27
2018	4.20	1.18	-	5.38	6.66	0.65	9.59	0.01	0.08	2.31	24.68
2019	4.20	1.20	-	5.40	6.73	0.72	9.72	0.01	0.08	2.41	25.07
2020	4.21	1.21	-	5.42	6.65	0.92	9.62	0.01	0.07	2.40	25.09
2021	4.20	1.22	-	5.42	6.85	0.84	9.64	0.01	0.07	2.40	25.23

(1) These are average rates and are stated in dollars and cents.

MULTNOMAH COUNTY, OREGON
Principal Taxpayers
Current Calendar Year and Nine Years Ago
(dollar amounts expressed in thousands)
(unaudited)

December 31, 2020				
Taxpayer	Tax	Real Property Assessed Valuation (1)	Rank	Percentage of Total Assessed Valuation
Port of Portland	\$ 9,929	\$ 474,287	1	0.58 %
Portland General Electric Co.	6,352	395,740	2	0.49
Comcast Corporation	5,406	338,520	3	0.42
Pacificorp (PP&L)	5,076	315,637	4	0.39
Weston Investment Co. LLC	4,937	236,682	5	0.29
Qwest Corporation	3,516	217,505	6	0.27
Fred Meyers Stores Inc.	3,479	181,524	7	0.22
Evraz Inc NA	2,810	175,714	8	0.22
LC Portland LLC	3,667	168,334	9	0.21
Boeing Co	2,662	165,440	10	0.20
Totals	<u>\$ 47,834</u>	<u>\$ 2,669,383</u>		<u>3.29 %</u>
Total Assessed Valuation		<u>\$ 81,142,549</u>		

December 31, 2011				
Taxpayer	Tax	Real Property Assessed Valuation (1)	Rank	Percentage of Total Assessed Valuation
Port of Portland	\$ 12,566	\$ 615,232	1	1.07 %
Portland General Electric	6,506	406,993	2	0.71
Comcast Corporation	6,191	351,392	3	0.61
Pacificorp (PP&L)	5,111	319,636	4	0.56
Weston Investment Co. LLC	5,244	248,199	5	0.43
QWEST Corporation	3,539	220,328	6	0.38
LC Portland LLC	3,865	173,396	7	0.30
Evraz Inc NA	2,644	166,299	8	0.29
Fred Meyer Stores	3,251	163,369	9	0.28
Boeing Co	2,661	163,001	10	0.28
Totals	<u>\$ 51,578</u>	<u>\$ 2,827,845</u>		<u>4.91 %</u>
Total Assessed Valuation		<u>\$ 57,541,485</u>		

(1) Assessed valuation based on the valuation of property for tax collection years 2020-21 and 2011-12 respectively.

MULTNOMAH COUNTY, OREGON
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(dollar amounts expressed in thousands)
(unaudited)

Fiscal Year	Governmental Activities					Total Primary Government	Percentage of Personal Income (2)	Per Capita
	General Obligation Bonds (1)	Capitalized Lease Obligations	Full Faith and Credit Bonds (1)	Loans Payable	Lines of Credit Payable			
2012	\$ 35,274	\$ 1,597	\$ 199,363	\$ 18,164	\$ -	254,398	0.78 %	\$ 340
2013	27,718	1,468	337,075	3,133	-	369,394	1.11	488
2014	19,812	1,333	317,452	2,919	-	341,516	0.93	446
2015	12,961	1,191	299,648	2,723	-	316,523	0.81	407
2016	6,601	2,477	281,674	3,520	-	294,272	0.71	372
2017	-	2,016	252,520	3,289	-	257,825	0.58	321
2018	-	1,736	398,059	3,466	-	403,261	0.86	496
2019	-	1,536	355,698	3,358	-	360,592	0.67	403
2020	-	1,329	344,351	3,191	-	348,871	0.65	388
2021	431,386	1,116	311,700	2,914	2,730	749,846	1.44	919

Note: 2021 percentages calculated using 2020 personal income data, which is the most recent available.

(1) Amounts shown are net of associated discounts or premiums.

(2) See population and personal income data on Demographic and Economic Statistics schedule.

Source: Current and prior year financial statements, Multnomah County Division of Assessment and Taxation, Center for Population Research and Census at Portland State University and U.S. Department of Commerce - Bureau of Economic Analysis

MULTNOMAH COUNTY, OREGON
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(dollar amounts expressed in thousands, except per capita)
(unaudited)

Fiscal Year	General Obligation Bonds (1)	Less: Amounts Restricted to Repaying Principal	Total	Percentage of Personal Income (2)	Percentage of Actual Taxable Value of Property (3)	Per Capita (2)
2012	\$ 35,274	\$ (7,753)	\$ 27,521	0.08 %	0.04 %	\$ 32
2013	27,718	(7,714)	20,004	0.06	0.03	23
2014	19,812	(6,578)	13,234	0.06	0.02	14
2015	12,961	(5,947)	7,014	0.02	0.01	7
2016	6,601	(5,905)	696	-	-	-
2017	- (4)	-	-	-	-	-
2018	- (4)	-	-	-	-	-
2019	- (4)	-	-	-	-	-
2020	- (4)	-	-	-	-	-
2021	387,000	-	387,000	0.74	0.48	474

Note: 2021 percentage calculated using 2020 personal income data, which is the most recent available.

(1) Amounts shown are net of associated discounts or premiums.

(2) See population and personal income data on Demographic and Economic Statistics schedule.

(3) See taxable assessed value schedule on Assessed Valuation and Actual Values of Taxable Property schedule.

(4) No general obligation bonds outstanding

Source: Current and prior year financial statements, Multnomah County Division of Assessment and Taxation, Center for Population Research and Census at Portland State University, and US Department of Commerce-Bureau of Economic Analysis

MULTNOMAH COUNTY, OREGON
Pledged-Revenue Coverage
Last Ten Fiscal Years
(dollar amounts expressed in thousands)
(unaudited)

Fiscal Year	Revenue Bonds						
	Charges for Services	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	
				Principal	Interest		
2012	\$ 39	\$ 1	\$ 38	\$ 2,430	\$ 78	0.02 %	
2013	-	-	-	-	-	-	
2014	-	-	-	-	-	-	
2015	-	-	-	-	-	-	
2016	-	-	-	-	-	-	
2017	-	-	-	-	-	-	
2018	-	-	-	-	-	-	
2019	-	-	-	-	-	-	
2020	-	-	-	-	-	-	
2021	-	-	-	-	-	-	

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
Operating expenses do not include interest, depreciation or amortization expenses.

Source: Current and prior years' financial statements

MULTNOMAH COUNTY, OREGON
Legal Debt Margin Information
Last Ten Fiscal Years
(dollar amounts expressed in thousands)
(unaudited)

ORS 287A.100 provides a debt limit on general obligation bonds of 2 percent of the real market value of all taxable property within the County's boundaries. This became effective January 1, 2008 superseding ORS 287.054.

	2021	2020	2019	2018
Real market value	\$ 184,073,899	\$ 176,570,949	\$ 172,752,206	\$ 158,551,847
Debt limit rate	2.00%	2.00%	2.00%	2.00%
Debt limit	3,681,478	3,531,419	3,455,044	3,171,037
Less bonded debt at June 30	387,000	-	-	-
Legal debt margin	<u>\$ 3,294,478</u>	<u>\$ 3,531,419</u>	<u>\$ 3,455,044</u>	<u>\$ 3,171,037</u>
Total net debt applicable to the limit as a percentage of debt limit.	10.51 %	- %	- %	- %

ORS 287A.105 provides a debt limit on full faith and credit bonds of 1 percent of the real market value of all taxable property within the County's boundaries. This became effective January 1, 2008 superseding ORS 287.053.

Real market value	\$ 184,073,899	\$ 176,570,949	\$ 172,752,206	\$ 158,551,847
Debt limit rate	1.00%	1.00%	1.00%	1.00%
Debt limit	1,840,739	1,765,709	1,727,522	1,585,518
Less bonded debt at June 30	256,922	344,351	354,844	290,990
Legal debt margin	<u>\$ 1,583,817</u>	<u>\$ 1,421,358</u>	<u>\$ 1,454,082</u>	<u>\$ 1,294,528</u>
Total net debt applicable to the limit as a percentage of debt limit.	13.96 %	19.50 %	15.83 %	18.35 %

ORS 238.694 provides a debt limit on revenue bonds to finance pension liabilities of 5 percent of the real market value of all taxable property within the County's boundaries.

Real market value	\$ 184,073,899	\$ 176,570,949	\$ 172,752,206	\$ 158,551,847
Debt limit rate	5.00%	5.00%	5.00%	5.00%
Debt limit	9,203,695	8,828,547	8,637,610	7,927,592
Less bonded debt at June 30	42,066	47,274	52,593	74,793
Legal debt margin	<u>\$ 9,161,629</u>	<u>\$ 8,781,273</u>	<u>\$ 8,585,017</u>	<u>\$ 7,852,799</u>
Total net debt applicable to the limit as a percentage of debt limit.	0.46 %	0.54 %	0.61 %	0.94 %

Source: Current and prior years' financial statements, Multnomah County Division of Assessment and Taxation

2017	2016	2015	2014	2013	2012
\$ 139,355,901	\$ 119,581,740	\$ 108,173,728	\$ 98,078,710	\$ 93,735,420	\$ 95,354,432
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
2,787,118	2,391,635	2,163,475	1,961,574	1,874,708	1,907,089
-	5,905	11,570	17,725	24,935	31,795
\$ 2,385,730	\$ 2,385,730	\$ 2,151,905	\$ 1,943,849	\$ 1,849,773	\$ 1,875,294

- % 0.25 % 0.53 % 0.90 % 1.33 % 1.67 %

\$ 139,355,901	\$ 119,581,740	\$ 108,173,728	\$ 98,078,710	\$ 93,735,420	\$ 95,354,432
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
1,393,559	1,195,817	1,081,737	980,787	937,354	953,544
140,085	150,690	160,255	172,025	186,395	198,353
\$ 1,253,474	\$ 1,045,127	\$ 921,482	\$ 808,762	\$ 750,959	\$ 755,191

10.05 % 12.60 % 14.81 % 17.54 % 19.89 % 20.80 %

\$ 139,355,901	\$ 119,581,740	\$ 108,173,728	\$ 98,078,710	\$ 93,735,420	\$ 95,354,432
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
6,967,795	5,979,087	5,408,686	4,903,936	4,686,771	4,767,722
94,263	111,248	118,093	122,562	127,034	131,513
\$ 6,873,532	\$ 5,867,839	\$ 5,290,593	\$ 4,781,374	\$ 4,559,737	\$ 4,636,209

1.35 % 1.86 % 2.18 % 2.50 % 2.71 % 2.76 %

MULTNOMAH COUNTY, OREGON
Computation of Direct and Overlapping Debt
For the Year Ended June 30, 2021
(dollar amounts expressed in thousands)
(unaudited)

Overlapping District (1)	Gross (2) Property-tax Backed Debt	Net (3) Property-tax Backed Debt	Percent (4) Overlapping	Total Overlapping Debt
Burlington Water District	\$ 1,147	\$ 1,147	100.00 %	\$ 1,147
City of Fairview	6,631	6,631	100.00	6,631
City of Gresham	76,073	51,438	100.00	51,438
City of Lake Oswego	228,710	85,700	4.78	4,099
City of Milwaukie	37,647	34,997	0.70	245
City of Portland	759,328	423,864	99.70	422,606
City of Troutdale	10,230	10,230	100.00	10,230
City of Wood Village	3,435	3,435	100.00	3,435
Clackamas County ESD	23,805	23,805	0.05	12
Clackamas County RFPD #1	39,335	26,735	0.10	26
Clackamas County SD 7J (Lake Oswego)	255,973	255,973	0.28	726
Columbia County SD 1J (Scappoose)	21,315	21,315	18.90	4,029
Corbett Water District	573	573	100.00	573
Lusted Water District	555	555	100.00	555
Metro	958,580	920,585	51.58	474,852
Mt Hood Community College	49,620	19,160	82.86	15,876
Multnomah County RFPD 10	1,423	1,423	100.00	1,423
Multnomah County SD 10J (Gresham-Barlow)	322,925	322,925	81.78	264,084
Multnomah County SD 1 (Portland)	1,450,006	1,450,006	99.47	1,442,280
Multnomah County SD 28J (Centennial)	64,568	64,568	91.43	59,032
Multnomah County SD 3 (Parkrose)	68,336	68,336	100.00	68,336
Multnomah County SD 39 (Corbett)	5,654	5,654	100.00	5,654
Multnomah County SD 40 (David Douglas)	62,857	62,857	100.00	62,857
Multnomah County SD 51J (Riverdale)	15,411	15,411	95.00	14,641
Multnomah County SD 7 (Reynolds)	182,664	181,521	100.00	181,521
Multnomah ESD	23,395	-	98.16	-
Northwest Regional ESD	1,965	-	0.53	-
Pleasant Home Water District	1,305	1,305	93.72	1,223
Port of Portland	51,330	-	47.82	-
Portland Community College	607,975	545,535	50.05	273,065
Tualatin Valley Fire & Rescue District	26,035	17,325	1.36	235
Valley View Water District	1,233	1,233	100.00	1,233
Washington County SD 1J (Hillsboro 7 Bd)	264	264	-	11
Washington County SD 1J (Hillsboro)	556,907	556,907	-	22,833
Washington County SD 48J (Beaverton)	957,105	957,105	0.33	3,125
Subtotal, overlapping debt	\$ 6,874,315	\$ 6,138,518		\$ 3,398,033
Multnomah County direct debt	\$ 693,526	\$ 690,661	100.00	693,526
Total direct and overlapping debt				<u>\$ 4,091,559</u>

(1) The overlapping debt calculation was performed by Municipal Debt Advisory Commission as of June 30, 2021.

(2) Gross Property-tax Backed Debt includes all General Obligation (GO) bonds and Full Faith & Credit bonds, including premiums, capital lease obligations, and loans payable.

(3) Net Property-tax Backed Debt is Gross Property-tax Backed Debt less Self-supporting Unlimited Tax GO and less Self-supporting Full Faith & Credit debt.

(4) Percent overlapping equals the RMV of the overlapping area of the overlapping district divided by the RMV of the County.

Source: Municipal Debt Advisory Commission, Oregon State Treasury

MULTNOMAH COUNTY, OREGON
Demographic and Economic Statistics
Last Ten Fiscal Years
(dollar amounts expressed in thousands, except per capita)
(unaudited)

<u>June 30,</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Income (2)</u>	<u>PMSA* Unemployment Rate (3)</u>
2012	748,445	\$ 32,715,802	\$ 43,089	7.9 %
2013	756,530	33,376,029	43,564	7.3
2014	765,775	36,588,018	47,106	6.1
2015	777,490	38,906,295	49,230	5.4
2016	790,670	41,194,678	51,508	5.1
2017	803,000	44,261,075	54,726	3.8
2018	813,300	46,966,887	57,850	3.6
2019	821,730	49,399,774	60,773	3.9
2020	829,560	52,080,033 (4)	63,852 (4)	8.0
2021	816,310	N/A (4)	N/A (4)	4.7 (5)

N/A: Data was not available for this calendar year.

* Portland Metropolitan Statistical Area

(1) Population Research Center, PSU, 2021 data expected by 11/30/2021

(2) US BEA, Dept of Commerce, Bureau of Economic Analysis, 2021 data expected by 11/30/2021

(3) OLMIS, Oregon Labor Market Information System

(4) Most recent information available is November 2020

(5) Information available as of September 2021

MULTNOMAH COUNTY, OREGON
Principal Employers
Current Year and Nine Years Ago
(unaudited)

Employer	Fiscal Year 2020-201		
	Employees	Rank	Percentage of Total PMSA* Employment
Intel Corporation	21,000	1	1.87 %
Providence Health & Services	21,000	2	1.87
Oregon Health & Science University	18,048	3	1.61
Nike, Inc.	13,964	4	1.24
Legacy Health	13,120	5	1.17
Kaiser Permanente	11,163	6	0.99
Fred Meyer Stores	9,525	7	0.85
Portland Public Schools	6,847	8	0.61
City of Portland	6,635	9	0.59
Multnomah County	5,098	10	0.45
Total	126,400		11.25 %
Total PMSA* employment	<u>1,124,000</u>	(1)	

Employer	Fiscal Year 2011-12		
	Employees	Rank	Percentage of Total PMSA* Employment
State of Oregon	18,400	1	1.53 %
Intel Corporation	15,636	2	1.30
Providence Health System	14,089	3	1.17
U.S. Government	13,900	4	1.16
Oregon Health and Science University	12,000	5	1.00
Fred Meyer Stores	9,858	6	0.82
Legacy Health System	9,732	7	0.81
Kaiser Foundation Health Plan	9,039	8	0.75
City of Portland	8,876	9	0.74
Nike, Inc	7,000	10	0.58
Total	118,530		9.86 %
Total PMSA* employment	<u>1,202,787</u>		

* Portland Metropolitan Statistical Area
(1) As of August 2020

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MULTNOMAH COUNTY, OREGON
Full Time Equivalent (FTE) County Employees
by Function/Program and Bargaining Unit
(dollar amounts expressed in thousands)
(unaudited)

	2021	2020	2019	2018
Function/Program				
Governmental activities:				
General government	817	812	798	767
Health services	1,372	1,295	1,312	1,439
Social services	920	769	735	639
Public safety and justice	1,390	1,439	1,463	1,536
Community services	17	15	17	183
Library	340	354	369	545
Roads and bridges	95	115	124	102
Total governmental activities	4,951	4,799	4,818	5,211
Business-type activities:				
Behavioral health	-	-	-	1
Total business-type activities	-	-	-	1
Total primary government budgeted FTE	4,951	4,799	4,818	5,212
MULTNOMAH COUNTY EMPLOYEES				
Management and exempt	791	796	782	796
Bargaining units:				
Multnomah County Employees Union - Local 88 and Physicians Unit - Local 88-4, AFSCME AFL-CIO	3,648	3,112	3,260	3,081
International Brotherhood of Electrical Workers (IBEW) - Local 48, AFL-CIO	28	21	24	23
International Union of Operating Engineers - Local 701, AFL-CIO	15	15	15	16
International Union of Painters and Allied Trades - District Council 5, Local 1094, AFL-CIO	1	-	1	1
Multnomah County Corrections Deputy Association (MCCDA)	395	332	409	411
Multnomah County Deputy Sheriff's Association (MCDSA)	111	95	124	126
Oregon Nurses Association (ONA)	258	238	224	208
Multnomah County Employees Union - Juvenile Custody Services Specialists Unit (JCSS) - Local 86, AFSCME AFL-CIO	105	91	108	58
Multnomah County Prosecuting Attorneys Association	73	68	72	74
Federation of Oregon Parole and Probation Officers (FOPPO)	109	92	122	122
Total bargaining units	4,743	4,064	4,359	4,120
Temporary County employees	64	59	105	256
Total actual County employees	5,598	4,919	5,246	5,172

Source: Multnomah County payroll records

2017	2016	2015	2014	2013	2012
669	679	654	653	618	614
1,373	1,411	1,039	973	969	955
643	682	846	760	672	660
1,472	1,531	1,532	1,443	1,424	1,445
88	78	73	69	69	62
515	504	514	502	434	461
110	128	130	136	140	144
4,870	5,013	4,788	4,536	4,326	4,341
3	3	3	5	5	8
3	3	3	5	5	8
4,873	5,016	4,791	4,541	4,331	4,349
816	778	740	694	678	675
3,081	3,217	3,013	2,893	2,729	2,750
24	19	19	19	17	19
15	14	13	14	13	12
1	1	1	1	1	-
420	433	429	413	415	421
113	110	89	92	90	88
186	229	196	188	192	189
59	62	70	58	51	54
75	77	78	74	69	73
128	129	128	114	111	115
4,102	4,291	4,036	3,866	3,688	3,721
489	1,119	1,215	1,213	132	129
5,407	6,188	5,991	5,773	4,498	4,525

MULTNOMAH COUNTY, OREGON
Operating Indicators by Function/Program
Last Ten Fiscal Years
(unaudited)

FUNCTION/PROGRAM	2021	2020	2019
Governmental Activities:			
General Government			
Number of property tax accounts - residential	233,838	233,211	232,436
Number of property tax accounts - personal	11,544	11,988	12,228
Number of property tax accounts - commercial	14,327	14,450	14,586
Number of marriage licenses issued	4,551	5,891	6,825
Health Services			
Total clinic visits	N/A	N/A	289,493
County residents who rate their health good or better	N/A %	N/A %	84 %
Environmental health inspections	N/A	N/A	14,156
Women, infants, and children (WIC) served in the WIC program	N/A	N/A	21,290
Flu vaccinations at health clinics	N/A	N/A	15,225
Social Services			
Households that have received assistance with energy bills	18,834	14,567	18,156
Clients with developmental disabilities served	4,760	4,569	6,072
Senior and physically disabled clients served	N/A	216	N/A
Alcohol and drug treatment clients	2,205	N/A	3,953
Early childhood mental health clients	3,566	3,587	3,623
Families served in early childhood programs	8,936	1,505	869
Students enrolled in extended day school activities	75,837	19,202	22,598
Public Safety and Justice			
Sheriff			
Responses to calls for services (a)	55,369	60,026	64,426
Number of arrests (parts 1, 2 and 3 crimes)	2,639	3,174	3,657
Corrections			
Number of inmates booked	12,080	24,294	31,971
Average daily jail population	734	988	1,074
Average length of jail stay in days	20	14	13
Number of transports to courthouse	2,236	5,923	14,410
Juvenile			
Youth admitted to detention center	200	362	456
Monthly average length of stay in days in youth detention center	42.0	22.0	15.5
Community service hours completed	2,012	7,592	5,530
Monthly average number of youth on supervision/probation (b)	385	533	546

N/A: Data was not available for this fiscal year.

(a) Beginning in 2012, substantial increase due to equipment upgrades allowing for greater number of serving civil documents

(b) Beginning in 2013, switched from probation to supervision per month

Sources: Multnomah County Departments, Service Efforts and Accomplishments Social and Health Services, Service Efforts and Accomplishments Public Safety, current and prior year financial statements

2018	2017	2016	2015	2014	2013	2012
233,744	231,873	243,358	243,036	242,721	242,566	242,228
35,535	61,078	65,070	64,215	62,437	62,085	61,876
17,590	17,852	33,574	33,682	33,785	33,895	34,042
6,906	7,676	7,899	7,766	7,045	6,608	6,306
314,865	328,255	312,735	309,484	307,137	314,940	339,794
86 %	86 %	85 %	83 %	84 %	85 %	85 %
14,733	14,574	13,425	12,850	14,263	12,793	13,109
22,613	24,458	25,706	28,400	29,072	30,424	31,277
15,875	16,028	18,052	25,127	26,154	24,755	22,687
17,287	17,555	21,169	17,340	16,286	17,249	17,160
6,033	5,706	5,566	5,383	4,921	4,704	4,485
N/A	N/A	N/A	60,753	62,877	61,602	N/A
3,925	3,519	2,450	2,266	3,638	4,576	4,255
3,642	3,644	5,564	5,485	5,410	5,874	5,327
998	935	1,291	1,218	801	504	472
22,383	24,552	31,589	24,270	21,108	19,529	19,958
63,310	56,661	59,063	54,350	48,975	49,105	46,749
3,374	3,234	3,136	N/A	2,712	2,652	2,812
31,795	30,896	34,421	35,952	39,731	39,162	37,166
1,087	1,077	1,193	1,145	1,220	1,264	1,240
13	13	13	12	12	12	13
15,793	19,335	19,035	19,200	19,196	17,846	18,280
539	1,304	1,504	1,508	1,453	1,554	1,566
24.1	12	12	13	10	10	10
6,395	2,890	3,780	4,446	3,107	3,766	2,180
75	315	343	350	324	337	339

(continued)

MULTNOMAH COUNTY, OREGON
Operating Indicators by Function/Program
Last Ten Fiscal Years
(unaudited)

(continued)			
FUNCTION/PROGRAM	2021	2020	2019
Public Safety and Justice (continued)			
Adult			
Community service hours completed	576	19,897	31,424
Adults participating in educational classes	-	-	-
Clients receiving GEDs	-	-	-
Average no. adults on probation & post-prison supervision/month	5,535	7,366	7,615
District Attorney			
Cases of adult criminal activity prosecuted	5,873	10,375	12,525
Juvenile delinquency cases prosecuted	434	729	893
Hours of Community Court community service completed	8	1,010	2,260
Community Services			
Number of registered voters	571,448	539,385	531,729
Number of votes cast in last general election (a)	467,632	278,072	383,325
Percent of registered voters who voted in last general election	82 %	52 %	72 %
Animal control - total intake - dogs and cats	2,939	4,376	5,552
Library			
New library cards issued annually	52,555	47,847	52,554
Books circulated (total circulation) (b)	12,156,497	14,784,837	18,349,763
Borrowers who used their cards in last three years (c)	388,868	404,587	416,935
Library satisfaction (d)	N/A	N/A	98.0 %
Web site visits/hits (e)	2,747,237	2,885,016	3,717,521
Business-type Activities:			
Dunthorpe-Riverdale Service District No. 1			
Sewage disposal - number of accounts	568	567	565
Mid County Service District No. 14			
Lighting - number of accounts	7,895	7,895	7,923

(a) Community Service general elections are held in November on even years.

(b) Total circulation as of 2012.

(c) Cardholder count is lower due to correction of a long-standing overcount.

(d) Library satisfaction is from a patron survey beginning in 2012 (not taken in 2020 or 2021). Satisfaction rating is percent of respondents that found library materials of interest starting in fiscal year 2004.

(e) Website visits 2015 and prior include catalog visits

Sources: Multnomah County Departments, Service Efforts and Accomplishments Social and Health Services, Service Efforts and Accomplishments Public Safety, current and prior year financial statements

2018	2017	2016	2015	2014	2013	2012
30,915	38,273	59,580	73,787	N/A	89,204	98,240
-	203	225	450	689	689	801
-	29	27	14	125	93	85
8,125	8,463	8,666	8,823	9,351	8,300	8,284
12,562	12,870	15,111	16,273	25,880	26,932	26,137
855	838	808	666	491	528	550
2,916	2,925	3,589	7,471	11,930	10,380	14,295
513,498	505,145	466,964	441,157	434,898	437,729	451,659
157,932	404,059	302,584	302,584	367,992	370,142	284,104
31 %	80 %	69 %	69 %	85 %	83 %	70 %
5,382	5,810	5,728	6,433	6,894	6,740	7,563
52,685	56,019	59,026	66,884	60,715	57,592	69,198
18,554,896	18,728,761	19,221,448	20,268,163	19,486,176	21,984,923	24,794,942
465,828	444,459	436,476	444,231	432,685	441,505	444,618
96.0 %	96.5 %	97.0 %	96.8 %	97.0 %	96.9 %	98.4 %
3,868,361	4,267,424	4,810,497	5,476,348	6,230,998	6,629,449	6,888,701
566	595	595	563	563	595	593
7,928	7,894	7,934	7,952	7,942	7,944	7,986

MULTNOMAH COUNTY, OREGON
Capital Asset and Infrastructure Statistics by Function/Program
Last Ten Fiscal Years
(unaudited)

FUNCTION/PROGRAM	2021	2020	2019	2018
Governmental Activities:				
General Government				
Buildings owned	80	80	80	80
Buildings leased	62	62	62	61
Automobiles	268	270	287	293
Vehicles (excluding automobiles)	354	340	339	321
Heavy equipment	173	174	95	93
Health Services				
Health and dental centers	7	7	8	8
School based health centers	11	10	12	12
Social Services				
Aging and disability offices	6	9	9	8
Public Safety and Justice				
Sheriff				
Vehicular patrol units	96	92	90	78
Number of employees (sworn and civilian)	748	773	768	774
River patrol offices	4	3	4	3
Corrections				
Jails:				
Facilities	2	2	2	2
Population	1,117	1,192	1,074	1,086
Community Justice				
Adult probation and parole offices	5	5	5	6
Adult housing program offices	-	-	-	-
Juvenile counseling offices	2	2	2	2
Library				
Regional branches	5	5	5	5
Neighborhood branches	13	13	13	13
Leased branches	5	6	6	6
Roads & Bridges				
Miles of streets maintained by County				
Paved	263	274	274	274
Unpaved	6	24	24	24
Bridges				
Major	6	6	6	6
Minor	23	20	20	19
Business-type Activities:				
Dunthorpe-Riverdale Service District No. 1				
Pump stations	1	1	1	1
Miles of sewer (approximate)	15	15	15	15
Mid County Service District No. 14				
Street lighting - lights and poles	4,912	4,786	4,779	4,738

2017	2016	2015	2014	2013	2012
79	76	77	79	80	79
56	57	48	48	48	55
294	311	321	294	297	308
303	303	267	276	281	294
80	80	90	96	103	105
8	8	7	8	8	7
12	13	13	12	12	14
5	5	5	5	5	5
71	78	68	58	55	63
764	781	781	759	762	766
2	2	2	3	3	3
2	2	2	2	2	2
1,251	1,310	1,310	1,310	1,310	1,310
4	5	5	7	7	7
-	-	-	1	4	4
1	1	1	3	4	4
5	5	3	2	2	2
13	13	13	11	11	11
6	6	6	6	6	6
268	268	268	270	270	270
29	29	29	24	24	24
6	6	6	6	6	6
20	20	21	19	19	19
1	1	1	1	1	1
15	15	15	15	15	15
4,742	4,742	4,535	4,535	4,526	4,507

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AUDIT COMMENTS AND DISCLOSURES

- Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Oregon Minimum Audit Standards*

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**Report of Independent Auditors on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Oregon Minimum Audit Standards***

The Board of Commissioners
Multnomah County, 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 and the provision of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Oregon Secretary of State, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the respective budgetary comparisons for the General Fund, the Federal/State Program Fund, and the Coronavirus COVID-19 Response Fund of Multnomah County, Oregon (the County) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 3, 2021. Our report includes a reference to other auditors who audited the financial statements of The Library Foundation, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal controls over financial reporting or compliance and other matters that are reported on separately by those auditors.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules (OAR) 162-010-0000 to 162-010-0330, as set forth below, noncompliance with which could have a direct and material effect on the financial statements:

- The use of approved depositories to secure the deposit of public funds.
- The requirements relating to debt.
- The requirements relating to the preparation, adoption and execution of the annual budgets for fiscal years 2021 and 2022.
- The requirements relating to insurance and fidelity bond coverage.
- The appropriate laws, rules and regulations pertaining to programs funded wholly or partially by other governmental agencies.
- The requirements pertaining to the use of revenue from taxes on motor vehicle use fuel funds.
- The statutory requirements pertaining to the investment of public funds.
- The requirements pertaining to the awarding of public contracts and the construction of public improvements.

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 test disclosed an instance of noncompliance that is required to be reported under *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Oregon Secretary of State. The County experienced over-expenditures in two funds which are disclosed in the notes to the financial statements.

Internal Control Over Financial Reporting

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

Purpose of this Report

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

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

For Moss Adams LLP
Portland, Oregon
December 3, 2021

FEDERAL GRANT PROGRAMS

- Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
- Report of Independent Auditors on Compliance for Each Major Program and Report on Internal Control Over Compliance Required by the Uniform Guidance
- Schedule of Expenditures of Federal Awards
- Notes to Schedule of Expenditures of Federal Awards
- Schedule of Findings and Questioned Costs
- Management's View and Corrective Action Plan to Current Year Audit Findings and Questioned Costs
- Summary Schedule of Prior Audit Findings for the Fiscal Year Ending June 30, 2020

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Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of County Commissioners
Multnomah County, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the aggregate remaining fund information and the respective budgetary comparisons for the General Fund, the Federal/State Program Fund, and the Coronavirus COVID-19 Response Fund of Multnomah County, Oregon (the County) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 3, 2021. Our report includes a reference to other auditors who audited the financial statements of The Library Foundation, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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.

Moss Adams LLP

Portland, Oregon
December 3, 2021

Report of Independent Auditors on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

The Board of County Commissioners
Multnomah County, Oregon

Report on Compliance for Each Major Federal Program

We have audited Multnomah County, Oregon's (the County) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2021. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County 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, 2021.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2021-001 and 2021-002 that we consider to be significant deficiencies.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Moss Adams LLP

Portland, Oregon
December 3, 2021

MULTNOMAH COUNTY, OREGON
Schedule of Expenditures of Federal Awards (SEFA)
For the Year ended June 30, 2021

Federal Assistance Listing Number	Program Title	Grantor	Identifying Number	Federal Expenditures	Expenditures to Subrecipients
DEPARTMENT OF AGRICULTURE					
10.553	School Breakfast Program	STATE OF OREGON - DEPARTMENT OF EDUCATION	187OROR3N1099	\$ 30,085	\$ -
10.555	National School Lunch Program	STATE OF OREGON - DEPARTMENT OF EDUCATION	187OROR3N1099	63,782	-
		<i>Total Child Nutrition Cluster</i>		<u>93,867</u>	<u>-</u>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	STATE OF OREGON - PUBLIC HEALTH DIVISON	159825/154125	2,878,054	-
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	STATE OF OREGON - PUBLIC HEALTH DIVISON	187OROROS2514	123,045	-
		<i>Total SNAP Cluster</i>		<u>123,045</u>	<u>-</u>
TOTAL DEPARTMENT OF AGRICULTURE				\$ 3,094,966	\$ -
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
14.218	Community Development Block Grants/ Entitlement Grants	U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT	B-14-UC-41-0003/B-15-UC-41-0003/B-16-UC-41-0003/B-19-UC-41-0003	\$ 316,023	\$ 275,380
14.218	COVID-19 - Community Development Block Grants/ Entitlement Grants	CITY OF PORTLAND - BUREAU OF HOUSING	N/A	7,225,433	5,113,189
14.218	COVID-19 - Community Development Block Grants	U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT	N/A	37,001	37,001
	<i>Total Community Development Block Grants/Entitlement Grants Cluster</i>			<u>7,578,457</u>	<u>5,425,570</u>
14.231	Emergency Solutions Grant Program	STATE OF OREGON - DEPARTMENT OF HOUSING & COMMUNITY	E17-DC-41-0001	128,094	128,094
14.231	COVID-19 - Emergency Solutions Grant Program	STATE OF OREGON - DEPARTMENT OF HOUSING & COMMUNITY	E17-DC-41-0001	466,341	466,341
14.231	Emergency Solutions Grant Program	CITY OF PORTLAND - BUREAU OF HOUSING	E-19-MC-41-0003	620,675	448,645
14.231	COVID-19 - Emergency Solutions Grant Program	CITY OF PORTLAND - BUREAU OF HOUSING	N/A	6,638,707	5,429,094
	<i>Total Emergency Solutions Grant Program</i>			<u>7,853,817</u>	<u>6,472,174</u>

MULTNOMAH COUNTY, OREGON
Schedule of Expenditures of Federal Awards (SEFA)
For the Year ended June 30, 2021

Federal Assistance Listing Number	Program Title	Grantor	Identifying Number	Federal Expenditures	Expenditures to Subrecipients
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (continued)					
14.241	Housing Opportunities for Persons with AIDS	CITY OF PORTLAND - BUREAU OF HOUSING	ORH17F001 ORH18F001	1,662,694	1,661,003
14.241	COVID-19 - Housing Opportunities for Persons with AIDS	CITY OF PORTLAND - BUREAU OF HOUSING	N/A	243,428	243,428
	<i>Total Housing Opportunities for Persons with AIDS</i>			<u>1,906,122</u>	<u>1,904,431</u>
14.267	Continuum of Care Program	U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT	OR0241L0E011700/OR0026L0E011811/OR0028L0E011811/OR0026L0E011710/OR0046L0E011811/OR0255D0E011800/OR0026L0E011912	2,295,124	1,461,268
14.881	Moving to Work Demonstration	HOME FORWARD	N/A	31,261	-
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				\$ 19,664,781	\$ 15,263,443
DEPARTMENT OF THE INTERIOR					
15.227	Distribution of Receipts to State and Local Governments	U.S. DEPARTMENT OF INTERIOR	N/A	\$ 136,746	\$ -
TOTAL DEPARTMENT OF THE INTERIOR				\$ 136,746	\$ -
DEPARTMENT OF JUSTICE					
16.034	COVID-19 - Coronavirus Emergency Supplemental Funding Program	OREGON CRIMINAL JUSTICE COMMISSION	CESF-20-12	\$ 1,153,951	\$ 172,752
16.034	COVID-19 - Coronavirus Emergency Supplemental Funding Program	STATE OF OREGON - DEPARTMENT OF CORRECTIONS	N/A	\$ 70,346	\$ 70,346
	<i>Total Coronavirus Emergency Supplemental Funding Program</i>			<u>1,224,297</u>	<u>243,098</u>
16.529	Education, Training, and Enhanced Services to End Violence Against and Abuse of Women with Disabilities	STATE OF OREGON - DEPARTMENT OF CORRECTIONS	2015-FW-AX-K011	197,809	26,349
16.566	National Institute of Justice W.E.B DuBois Fellowship Program	U.S. DEPARTMENT OF JUSTICE - OFFICE OF JUSTICE PROGRAMS	2017-MU-MU-0055	154,055	-

MULTNOMAH COUNTY, OREGON
Schedule of Expenditures of Federal Awards (SEFA)
For the Year ended June 30, 2021

Federal Assistance Listing Number	Program Title	Grantor	Identifying Number	Federal Expenditures	Expenditures to Subrecipients
DEPARTMENT OF JUSTICE (continued)					
16.575	Crime Victim Assistance	STATE OF OREGON - DEPARTMENT OF JUSTICE	2017-VA-GX-0007/2015-VA-GX-0013/2016-VA-GX-0025	1,244,905	-
16.575	COVID-19 - Crime Victim Assistance	STATE OF OREGON - DEPARTMENT OF JUSTICE	2017-VA-GX-0007	1,864	-
		<i>Total Crime Victim Assistance</i>		<u>1,246,769</u>	<u>-</u>
16.588	Violence Against Women Formula Grants	STATE OF OREGON - DEPARTMENT OF JUSTICE	VAWA-C-2020-MultnomahCo.DAVAP-00008	128,159	-
16.590	Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	U.S. DEPARTMENT OF JUSTICE - OFFICE OF JUSTICE PROGRAMS	2017-WE-AX-0011	178,096	74,382
16.736	Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault	U.S. DEPARTMENT OF JUSTICE	2017-WH-AX-0033/ 2014-WH-AX-0056	69,584	69,584
16.738	Edward Byrne Memorial Justice Assistance Grant Program	OREGON CRIMINAL JUSTICE COMMISSION	2014-DJ-BX-1050	323,363	102,152
16.738	Edward Byrne Memorial Justice Assistance Grant Program	U.S. DEPARTMENT OF JUSTICE	2020-VD-BX-0475	75,000	-
		<i>Total Edward Byrne Memorial Justice Assistance Grant Program</i>		<u>398,363</u>	<u>102,152</u>
16.745	Criminal and Juvenile Justice and Mental Health Collaboration Program	CITY OF GRESHAM	2017-MO-BX-011/ 2020-MO-BX-0031	17,033	-
16.812	Second Chance Act Reentry Initiative	U.S. DEPARTMENT OF JUSTICE	2017-CZ-BX-0002/ 2018-SM-BX-0002	502,180	167,917
16.823	Emergency Planning for Juvenile Justice Facilities	U.S. DEPARTMENT OF JUSTICE	2017-EJ-FX-0001	16,573	-
16.825	Smart Prosecution Initiative	U.S. DEPARTMENT OF JUSTICE - OFFICE OF JUSTICE PROGRAMS	2020-YX-BX-0011	92,826	-
16.833	National Sexual Assault Kit Initiative	CITY OF PORTLAND - POLICE BUREAU	N/A	289,912	-
16.838	Comprehensive Opioid Abuse Site-Based Program	U.S. DEPARTMENT OF JUSTICE - OFFICE OF JUSTICE PROGRAMS	N/A	142,010	-
16.922	Equitable Sharing Program	U.S. DEPARTMENT OF JUSTICE	3317FAS170141	19,334	-
		TOTAL DEPARTMENT OF JUSTICE		<u>\$ 4,677,000</u>	<u>\$ 683,482</u>

MULTNOMAH COUNTY, OREGON
Schedule of Expenditures of Federal Awards (SEFA)
For the Year ended June 30, 2021

Federal Assistance Listing Number	Program Title	Grantor	Identifying Number	Federal Expenditures	Expenditures to Subrecipients
DEPARTMENT OF TRANSPORTATION					
20.205	Highway Planning and Construction	STATE OF OREGON - DEPARTMENT OF TRANSPORTATION	41C051094LS3E30/ 41C051099Z240/ 41C051105L24E	\$ 3,124,635	\$ -
20.224	Federal Lands Access Program	FEDERAL HIGHWAY ADMINISTRATION	N/A	184,861	-
		<i>Total Highway Planning and Construction Cluster</i>		<u>3,309,496</u>	<u>-</u>
20.232	Commercial Driver's License Program Improvement Grant	STATE OF OREGON - DEPARTMENT OF TRANSPORTATION	N/A	7,053	-
20.507	Federal Transit-Formula Grants	METRO	41LU205900221	39,436	-
		<i>Total Federal Transit Cluster</i>		<u>39,436</u>	<u>-</u>
TOTAL DEPARTMENT OF TRANSPORTATION				\$ 3,355,985	\$ -
DEPARTMENT OF TREASURY					
21.016	Equitable Sharing	U.S. DEPARTMENT OF THE TREASURY	N/A	\$ 27,451	\$ -
21.019	COVID-19 - Coronavirus Relief Fund	STATE OF OREGON - DEPARTMENT OF HOUSING & COMMUNITY	EASCR-20	13,386,969	4,415,382
21.019	COVID-19 - Coronavirus Relief Fund	STATE OF OREGON - PUBLIC HEALTH DIVISION	N/A	10,085,840	-
21.019	COVID-19 - Coronavirus Relief Fund	STATE OF OREGON - DEPARTMENT OF ADMINISTRATIVE SERVICES	N/A	7,617,246	2,672,752
21.019	COVID-19 - Coronavirus Relief Fund	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	N/A	2,144,428	907,082
21.019	COVID-19 - Coronavirus Relief Fund	STATE OF OREGON - SECRETARY OF STATE	N/A	428,726	-
21.019	COVID-19 - Coronavirus Relief Fund	U.S. DEPARTMENT OF THE TREASURY	N/A	18,440,372	5,412,958
21.019	COVID-19 - Coronavirus Relief Fund	CITY OF PORTLAND	N/A	17,500,000	779,423
21.019	COVID-19 - Coronavirus Relief Fund	CITY OF PORTLAND	N/A	25,531,630	17,312,627
		<i>Total COVID-19 - Coronavirus Relief Fund</i>		<u>95,135,211</u>	<u>31,500,224</u>

MULTNOMAH COUNTY, OREGON
Schedule of Expenditures of Federal Awards (SEFA)
For the Year ended June 30, 2021

Federal Assistance Listing Number	Program Title	Grantor	Identifying Number	Federal Expenditures	Expenditures to Subrecipients
DEPARTMENT OF TREASURY (continued)					
21.023	COVID-19 - Emergency Rental Assistance Program	STATE OF OREGON - DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT	N/A	19,724	-
TOTAL DEPARTMENT OF TREASURY				\$ 95,182,386	\$ 31,500,224
ENVIRONMENTAL PROTECTION AGENCY					
66.432	State Public Water System Supervision	STATE OF OREGON - PUBLIC HEALTH DIVISON	31218	\$ 6,815	\$ -
66.468	Capitalization Grants for Drinking Water State Revolving Funds	STATE OF OREGON - PUBLIC HEALTH DIVISON	98009017	8,174	-
<i>Total Drinking Water State Revolving Fund Cluster</i>				<i>8,174</i>	<i>-</i>
66.962	Columbia River Basin Resotration (CRBR) Program	U.S. ENVIRONMENTAL PROTECTION AGENCY	N/A	28,787	-
TOTAL ENVIRONMENTAL PROTECTION AGENCY				\$ 43,776	\$ -
DEPARTMENT OF ENERGY					
81.042	Weatherization Assistance for Low-Income Persons	STATE OF OREGON - DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT	DE-EE0007945	\$ 444,026	\$ -
TOTAL DEPARTMENT OF ENERGY				\$ 444,026	\$ -
DEPARTMENT OF EDUCATION					
84.287	Twenty-First Century Community Learning Centers	GRESHAM-BARLOW SCHOOL DISTRICT	S287C170037	\$ 160,215	\$ 160,215
TOTAL DEPARTMENT OF EDUCATION				\$ 160,215	\$ 160,215
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
93.043	Special Programs for the Aging-Title III, Part D-Disease Prevention and Health Promotion Services	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	18AAORT355	63,045	35,571

MULTNOMAH COUNTY, OREGON
Schedule of Expenditures of Federal Awards (SEFA)
For the Year ended June 30, 2021

Federal Assistance Listing Number	Program Title	Grantor	Identifying Number	Federal Expenditures	Expenditures to Subrecipients
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</u>					
93.048	Special Programs for the Aging-Title IV-and Title II-Discretionary Projects	STATE OF OREGON - DEPARTMENT OF CONSUMER & BUSINESS	90MPO212-02-00/90MPQ212-03-00	7,754	-
93.048	COVID-19 - Special Programs for the Aging-Title IV-and Title II-Discretionary Projects	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	N/A	19,208	-
	<i>Total Special Programs for the Aging-Title IV-and Title II-Discretionary Projects Program</i>			<u>26,962</u>	<u>-</u>
93.052	National Family Caregiver Support, Title III, Part E	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	18AAORT3FC	310,197	71,070
93.044	Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	18AAORT355	1,166,438	513,822
93.044	COVID-19 - Special Programs for the Aging_ Title III, Part B_ Grants for Supportive Services and Senior Centers	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	N/A	151,159	135,005
	<i>Total Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers</i>			<u>1,317,597</u>	<u>648,827</u>
93.045	Special Programs for the Aging-Title III, Part C-Nutrition Services	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	18AAORT3CM	1,788,324	1,776,152
93.045	COVID-19 - Special Programs for the Aging Title III, Part C_ Nutrition Services	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	N/A	954,665	954,665
	<i>Total Special Programs for the Aging-Title III, Part C-Nutrition Services</i>			<u>2,742,989</u>	<u>2,730,817</u>
93.053	Nutrition Services Incentive Program	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	18AAORNSIP	383,410	383,410
	<i>Total Aging Cluster</i>			<u>4,443,996</u>	<u>3,763,054</u>
93.069	Public Health Emergency Preparedness	STATE OF OREGON - PUBLIC HEALTH DIVISON	75-0958-1-1-550	160,389	-
93.071	Medicare Enrollment Assistance Program	STATE OF OREGON - DEPARTMENT OF CONSUMER & BUSINES	14OAAORMAAA	275,670	-
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	STATE OF OREGON - PUBLIC HEALTH DIVISON	U52PS004708/5NU62PS004959-04	13,675	-
93.136	Injury Prevention and Control Research and State and Community Based Programs	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	NH28CE002394	420,325	-
93.136	Injury Prevention and Control Research and State and Community Based Programs	STATE OF OREGON - PUBLIC HEALTH DIVISON	U17CE002751	174,381	-
	<i>Total Injury Prevention and Control Research and State and Community Based Programs</i>			<u>594,706</u>	<u>-</u>

MULTNOMAH COUNTY, OREGON
Schedule of Expenditures of Federal Awards (SEFA)
For the Year ended June 30, 2021

Federal Assistance Listing Number	Program Title	Grantor	Identifying Number	Federal Expenditures	Expenditures to Subrecipients
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</u>					
93.145	AIDS Education and Training Centers	UNIVERSITY OF WASHINGTON	5U10HA29296	85,000	-
93.150	Projects for Assistance in Transition from Homelessness (PATH)	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	SM016038-17	20,195	20,195
93.153	Coordinated Services and Access to Research for Women, Infants, Children, and Youth	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	H12HA24796	375,537	-
93.153	COVID-19 - Coordinated Services and Access to Research for Women, Infants, Children, and Youth	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	N/A	23,735	-
	<i>Total Coordinated Services and Access to Research for Women, Infants, Children, and Youth</i>			<u>399,272</u>	<u>-</u>
93.224	Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, Public Housing Primary Care, and School Based Health Centers)	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	H80CS00149	9,515,047	77,004
93.224	COVID-19 - Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, Public Housing Primary Care, and School Based Health Centers)	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	N/A	610,707	-
	<i>Total Health Center Program Cluster</i>			<u>10,125,754</u>	<u>77,004</u>
93.235	Affordable Care Act (ACA) Abstinence Education Program	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	75-1512-01-1-506	46,665	-
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	SP021987/1H79TI080163 /H79SP021987	108,604	65,795
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	STATE OF OREGON - PUBLIC HEALTH DIVISION	N/A	124,204	-
	<i>Total Substance Abuse and Mental Health Services Projects of Regional and National Significance</i>			<u>232,808</u>	<u>65,795</u>
93.268	Immunization Cooperative Agreements	STATE OF OREGON - PUBLIC HEALTH DIVISION	05-0305OR5048	193,528	-
93.268	COVID-19 - Immunization Cooperative Agreements	STATE OF OREGON - PUBLIC HEALTH DIVISION	N/A	202,306	-
	<i>Total Immunization Cooperative Agreements Program</i>			<u>395,834</u>	<u>-</u>

MULTNOMAH COUNTY, OREGON
Schedule of Expenditures of Federal Awards (SEFA)
For the Year ended June 30, 2021

Federal Assistance Listing Number	Program Title	Grantor	Identifying Number	Federal Expenditures	Expenditures to Subrecipients
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</u>					
93.276	Drug-Free Communities Support Program Grants	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	H79SP020521	53,879	-
93.279	Drug Abuse and Addiction Research Programs	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	5R01DA039293-03/2R01DA039293-04	226,418	-
93.297	Teenage Pregnancy Prevention Program	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	75-0120-0-1-551/75-20-0120	1,031,388	463,329
93.317	Emerging Infections Program	STATE OF OREGON - PUBLIC HEALTH DIVISON	CK000484-01/CK000389-03-06	217,368	-
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	STATE OF OREGON - PUBLIC HEALTH DIVISON	NU50CK000389-05-01/NU50CK000541/ 154125	14,399	-
93.323	COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	STATE OF OREGON - PUBLIC HEALTH DIVISON	NU50CK000541	3,866,348	959,936
	<i>Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) Program</i>			<u>3,880,747</u>	<u>959,936</u>
93.324	State Health Insurance Assistance Program	STATE OF OREGON - DEPARTMENT OF CONSUMER & BUSINESS NATIONAL ASSOCIATION COUNTY &	14AAORMSHI	291	-
93.421	Improve Social Determinants of Health - Getting Further Faster	CITY HEALTH OFFICER	N/A	6,864	-
93.498	COVID-19 - Provider Relief Fund	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	N/A	1,897,976	-
93.501	Affordable Care Act (ACA) Grants for School-Based Health Center Capital Expenditures	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	1 C12CS32585-01-00	39,489	-
93.505	Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	OREGON CHILD DEVELOPMENT COALITION	OCDC 06-041	877	-
93.556	Promoting Safe and Stable Families	UNITED WAY OF THE COLUMBIA-WILLAMETTE	G-1701ORFPSS	258,591	258,591
93.558	Temporary Assistance for Needy Families	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	1801ORTANF	411,774	79,140
93.558	Temporary Assistance for Needy Families	STATE OF OREGON - DEPARTMENT OF HOUSING & COMMUNITY	2001ORTANF	548,776	300,119
	<i>Total TANF Program</i>			<u>960,550</u>	<u>379,259</u>

MULTNOMAH COUNTY, OREGON
Schedule of Expenditures of Federal Awards (SEFA)
For the Year ended June 30, 2021

Federal Assistance Listing Number	Program Title	Grantor	Identifying Number	Federal Expenditures	Expenditures to Subrecipients
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</u>					
93.563	Child Support Enforcement	STATE OF OREGON - DEPARTMENT OF JUSTICE	1804ORCSES	2,911,059	-
93.568	Low-Income Home Energy Assistance	STATE OF OREGON - DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT	G-2001ORLIEA/ G-19B1ORLIEA/ 2001ORLIEA	6,224,916	944,536
93.568	COVID-19 - Low-Income Home Energy Assistance	STATE OF OREGON - DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT	2001ORE5C3/ 2001ORLIEA	4,040,821	110,933
		<i>Total Low-Income Home Energy Assistance Program</i>		<u>10,265,737</u>	<u>1,055,469</u>
93.569	Community Services Block Grant	STATE OF OREGON - DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT	G-18B2ORCOSR/G-1901ORCOSR	877,722	806,509
93.576	Refugee and Entrant Assistance-Discretionary Grants	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	90RX0290	2,080	-
93.597	Grants to States for Access and Visitation Programs	U.S. DEPARTMENT OF JUSTICE	1-936001740-A2	86,489	-
93.600	Head Start	OREGON CHILD DEVELOPMENT COALITION	OCDC 06-041	14,987	-
		<i>Total Head Start Cluster</i>		<u>14,987</u>	<u>-</u>
93.667	Social Services Block Grant	STATE OF OREGON - DEPARTMENT OF EDUCATION	1801ORSOSR	257,647	257,647
93.738	PPHF: Racial and Ethnic Approaches to Community Health Program financed solely by Public Prevention and Health Funds	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	NU58DP005955/NU58D P006576	737,116	187,327
93.738	COVID-19 - PPHF: Racial and Ethnic Approaches to Community Health Program financed solely by Public Prevention and Health Funds	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	N/A	340	-
		<i>Total PPHF Program</i>		<u>737,456</u>	<u>187,327</u>

MULTNOMAH COUNTY, OREGON
Schedule of Expenditures of Federal Awards (SEFA)
For the Year ended June 30, 2021

Federal Assistance Listing Number	Program Title	Grantor	Identifying Number	Federal Expenditures	Expenditures to Subrecipients
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</u>					
93.788	Opioid STR	STATE OF OREGON - PUBLIC HEALTH DIVISON	154125/TI080258	253,959	30,662
93.865	Child Health and Human Development Extramural	PORTLAND STATE UNIVERSITY	R21HD087734	15,301	-
93.870	Maternal, Infant and Early Childhood Home visiting Grant Program	STATE OF OREGON - PUBLIC HEALTH DIVISON	X10MC29499/X10MC32215	24,947	-
93.889	National Bioterrorism Hospital Preparedness Program	STATE OF OREGON - PUBLIC HEALTH DIVISON	U3REP190573	364,565	-
93.889	COVID-19 - National Bioterrorism Hospital Preparedness Program	STATE OF OREGON - PUBLIC HEALTH DIVISON	N/A	73,990	-
	<i>Total National Bioterrorism Hospital Preparedness Program</i>			<u>438,555</u>	-
93.914	HIV Emergency Relief Project Grants	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	H89HA00040	3,832,517	1,811,263
93.914	COVID-19 - HIV Emergency Relief Project Grants	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	N/A	145,395	130,851
	<i>Total HIV Emergency Relief Project Grants</i>			<u>3,977,912</u>	<u>1,942,114</u>
93.918	Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	H76HA00197	957,787	-
93.918	COVID-19 - Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	N/A	64,227	-
	<i>Total Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease</i>			<u>1,022,014</u>	-
93.924	Ryan White HIV/AIDS Dental Reimbursement and Community Based Dental Partnership Grants	OREGON HEALTH & SCIENCES UNIVERSITY - PROJECTS ADM	5H65HA00006	13,120	-
93.926	Healthy Start Initiative	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	H49MC00141	1,022,038	-
93.928	Special Projects of National Significance	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	N/A	106,623	9,844
93.940	HIV Prevention Activities- Health Dept. Based	STATE OF OREGON - PUBLIC HEALTH DIVISON	5NU62PS24543	366,678	235,637

MULTNOMAH COUNTY, OREGON
Schedule of Expenditures of Federal Awards (SEFA)
For the Year ended June 30, 2021

Federal Assistance Listing Number	Program Title	Grantor	Identifying Number	Federal Expenditures	Expenditures to Subrecipients
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</u>					
93.944	Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	STATE OF OREGON - PUBLIC HEALTH DIVISON	5NU62PS004959-04	423,692	-
93.958	Block Grants for Community Mental Health Services	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	SM010043-17	636,207	636,207
93.959	Block Grants for Prevention and Treatment of Substance Abuse	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	TI010043-18/5U79SP020705-3	3,981,273	3,463,122
93.977	Preventive Health Services Sexually Transmitted Diseases Control Grants	STATE OF OREGON - PUBLIC HEALTH DIVISON	N/A	8,599	-
93.977	Preventive Health Services Sexually Transmitted Diseases Control Grants	U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES	1 NH25PS005192-01-00	287,952	-
<i>Total Preventive Health Services Sexually Transmitted Diseases Control Grants</i>				<u>296,551</u>	<u>-</u>
93.982	COVID-19 - Mental Health Disaster Assistance and Emergency Mental Health	STATE OF OREGON - DEPARTMENT OF HUMAN SERVICES	N/A	258,047	258,047
93.994	Maternal and Child Health Services Block Grant to the States	STATE OF OREGON - PUBLIC HEALTH DIVISON	B04MC32566/154125	298,258	221,920
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES				<u>\$ 54,056,958</u>	<u>\$ 15,198,309</u>
<u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>					
94.011	Foster Grandparent Program	CORPORATION FOR NATIONAL & COMMUNITY SERVICE	16SFPOR004	\$ 195,336	\$ -
<i>Total Foster Grandparent/Senior Companion Cluster</i>				<u>195,336</u>	<u>-</u>
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				<u>\$ 195,336</u>	<u>\$ -</u>
<u>EXECUTIVE OFFICE OF THE PRESIDENT</u>					
95.001	High Intensity Drug Trafficking Areas Program	OREGON-IDAHO HIDTA	G17OR0003A	\$ 126,591	\$ -
TOTAL EXECUTIVE OFFICE OF THE PRESIDENT				<u>\$ 126,591</u>	<u>\$ -</u>
<u>DEPARTMENT OF HOMELAND SECURITY</u>					
97.012	Boating Safety Financial Assistance	STATE OF OREGON - MARINE BOARD	3317FAS170141	\$ 596,202	\$ -

MULTNOMAH COUNTY, OREGON
Schedule of Expenditures of Federal Awards (SEFA)
For the Year ended June 30, 2021

Federal Assistance Listing Number	Program Title	Grantor	Identifying Number	Federal Expenditures	Expenditures to Subrecipients
DEPARTMENT OF HOMELAND SECURITY (continued)					
97.036	Disaster Grants - Public Assistance	STATE OF OREGON - DEPARTMENT OF FORESTRY	N/A	45,190	-
97.042	Emergency Management Performance Grants	STATE OF OREGON - OFFICE OF EMERGENCY MANAGEMENT	EMS-2020-EP-00007-S01	353,012	-
97.067	Homeland Security Grant Program	CITY OF PORTLAND	70-0560-0-1-999/EMW-201-SS-00031-S01/DHS-18-G PD-067-00-01	93,503	-
97.067	Homeland Security Grant Program	STATE OF OREGON - OFFICE OF EMERGENCY MANAGEMENT	EMW-2018-SS-00072-S01	18,750	-
		<i>Total Homeland Security Grant Program</i>		<u>112,253</u>	-
		TOTAL DEPARTMENT OF HOMELAND SECURITY		<u>1,106,657</u>	-
		TOTAL FEDERAL FUNDING		<u>\$ 182,245,423</u>	<u>\$ 62,805,673</u>

MULTNOMAH COUNTY, OREGON
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

Note A – General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all Federal awards programs of Multnomah County, Oregon (the County) for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of the Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards* (Uniform Guidance). The County's reporting entity is defined in Note 1 to the County's June 30, 2021 basic financial statements.

Note B – Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified-accrual basis of accounting, as described in Note 1 to the County's basic financial statements. Expenditures reported on this schedule are recognized following the cost principles in the Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available. The County has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

The Highway Planning and Construction grant, Federal Assistance Listing Number 20.205, was reported on the cash basis due to the nature of this award. The Schedule provides the summary of expenditures of federal awards by program or program cluster (Federal Assistance Listing Number), by State Agency, if applicable, and by detailed pass through agency, if applicable. Federal Assistance Listing Numbers are from the Catalog of Federal Domestic Assistance published by the Office of Management and Budget and the General Services Administration.

Note C – Relationship to Basic Financial Statements

Federal financial assistance revenues reported in the County's basic financial statements are included with operating grants and contributions.

Note D – Non-cash and Non-federal Awards

The accompanying Schedule of Expenditures of Federal Awards includes two non-cash awards.

An award from the Oregon Department of Education provides food donations (CFDA #10.555 - Commodity Supplemental Food Program) for the Juvenile Detention Center. The value of the food is determined by the grantor: \$8,567. This amount is included in the total program value reported on the Schedule of Expenditures of Federal Awards of \$63,782.

An additional award from the Department of Health and Human Services is in the form of immunization vaccines (CFDA #93.268 – Childhood Immunization Grants). The value of the non-cash portion of the Childhood Immunization Grant award was determined by the granting agency and was determined as non-federal funds. The amount expended and advanced at June 30, 2021 is calculated on a proportionate basis; \$1,783,242. This amount is disclosed only and is not included in the Schedule of Expenditures of Federal Awards.

Multnomah County
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section I – Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☒ Yes ☐ None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☒ Yes ☐ No

Identification of major federal programs and type of auditor's report issued on compliance for major federal programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for Major Federal Programs</i>
14.218	CDBG – Entitlement Grants Cluster	Unmodified
14.231	COVID-19 – Emergency Solutions Grant Program	Unmodified
16.034	COVID-19 – Coronavirus Emergency Supplemental Funding Program	Unmodified
21.019	COVID-19 - Coronavirus Relief Fund	Unmodified
93.323	COVID-19 – Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	Unmodified
93.498	COVID-19 – Provider Relief Fund	Unmodified
93.914	COVID-19 - HIV Emergency Relief Project Grants	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$ 3,000,000

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

Multnomah County
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section II - Financial Statement Findings

None noted.

Section III – Federal Award Findings and Questioned Costs

FINDING 2021-001 – Allowable Costs – Significant Deficiency in Internal Controls over Compliance

<i>CFDA Number</i>	<i>Federal Agency/Pass-through Entity - Program Name</i>	<i>Award Number</i>	<i>Award year</i>	<i>Questioned Costs</i>
93.914	COVID-19 - HIV Emergency Relief Project Grants	N/A	2021	None Reported

Criteria or specific requirement: Costs charged to federal funds under the award must comply with the cost principles at 45 CFR part 75, subpart E.

Condition: We identified one instance in which a grant was overcharged for an employee's premium pay in July 2020. As noted below, this is a repeat finding. As a result of the identification of the finding in the prior year, the County worked to implement a fix within Workday to correct this issue which was completed in October 2020. There were no instances identified subsequent to the fix implemented by the County in October 2020.

Context: We selected 25 payroll charges from the entire population of payroll charges for the fiscal year. Of the items selected for testing, one error was identified. For one employee, we noted the employee received an additional \$16.64 of bilingual premium pay. This premium pay was calculated by the County's ERP system, Workday, in error.

Effect: Grants could be overcharged, and employees overpaid, for duplicate premium pay in certain circumstances. Management was unable to quantify the total error.

Cause: Subsequent to negotiations with the County's unions, a breakout was requested on the employee's timecard to reflect regular salaries and premium pay. When this change was made, an employee receiving a permanent premium pay who enters their time to a grant tag, cost center, or MOCS during a pay period where the employee also codes absent time, Workday may duplicate the premium pay paid to employees in some instances in error.

Repeat finding: Yes, see 2020-002.

Recommendation: We recommend the County work with Workday to identify a solution removing the duplicate premium pay.

Views of responsible officials: Management agrees with the finding and auditor recommendation.

Multnomah County
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section III – Federal Award Findings and Questioned Costs (continued)

FINDING 2021-002 – Allowable Costs – Significant Deficiency in Internal Controls over Compliance

<i>CFDA Number</i>	<i>Federal Agency/Pass-through Entity - Program Name</i>	<i>Award Number</i>	<i>Award year</i>	<i>Questioned Costs</i>
21.019	COVID-19 – Coronavirus Relief Fund	N/A	2021	None Reported

Criteria or specific requirement: Costs charged to federal funds under the award must comply with the cost principles at 45 CFR part 75, subpart E.

Condition: We identified one instance in which a grant was charged more hours than paid to the employee tested.

Context: We selected 40 payroll charges from the entire population of payroll charges for the fiscal year. Of the 40 items selected for testing, one error was identified resulting in the grant being overcharged by \$168.02. This charge to the grant was calculated by the County's ERP system, Workday, in error.

Effect: Grants could be overcharged in instances where non-exempt, salaried employees, code time within Workday in excess of 86.67 hours. Management was unable to quantify the total error.

Cause: When non-exempt, salaried employees code time within Workday, the system charges the hours worked at the employee's effective pay rate, for all hours coded. In cases where there are hours coded in excess of the total hours paid of 86.67, the charge automatically generated by Workday may be in-excess of the amount paid to the employee, resulting in an overcharge to the grant and a negative offsetting credit to the employee's home cost center resulting in the employee being paid the appropriate amount.

Repeat finding: No.

Recommendation: We recommend the County develop an internal policy to ensure hours coded by non-exempt employees in any given pay period do not exceed the hours paid.

Views of responsible officials: Management agrees with the finding and auditor recommendation.

Department of County Management
MULTNOMAH COUNTY OREGON

501 SE Hawthorne Blvd, Suite 531
Portland, Oregon 97214
(503) 988-3312 phone
(503) 988-3292 fax



December 3, 2021

As required by OMB Uniform Guidance, we have provided below our response and corrective action plan addressing the findings in the "Report on Federal Awards in Accordance with the OMB Uniform Guidance" for the year ended June 30, 2021.

Management's View and Corrective Action Plan to Current Year Audit Findings and Questioned Costs

Finding #2021-001: Allowable Costs – Significant Deficiency in Internal Controls over Compliance

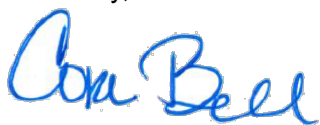
Management agrees with the finding and auditor's recommendation. Our HCM Workday Support team discovered this error in October 2020 and immediately implemented a new process to correct any duplicative premium pay. These items were resolved by June 30, 2021.

Finding #2021-002: Allowable Costs – Significant Deficiency in Internal Controls over Compliance

Management agrees with the finding and auditor's recommendation. Our HCM and Finance Workday Support team is working on a solution that would prevent Workday from charging more than 86.67 hours, regardless of the number of hours entered, for all non-exempt, salaried employees. Management anticipates these items will be resolved by June 30, 2022.

The Deputy CFO will be responsible for ensuring that the correcting actions take place as described. If you have any questions or require additional information, please feel free to contact me at (503-988-7966) or at cora.bell@multco.us.

Sincerely,



Cora Bell
Deputy CFO



Summary Schedule of Prior Audit Findings For the Fiscal Year Ending June 30, 2020

Finding #2020-001: Allowable Costs – Significant Deficiency in Internal Controls over Compliance

Federal Agency: Department of Treasury

Federal Program: COVID-19 Coronavirus Relief Fund

Condition: An instance was identified where there was no supervisor approval of employee time entry.

Recommendation: It was recommended that the County address internal controls regarding supervisor approval of time to ensure time entered and charged to the program is appropriate and consistent with actual hours worked.

Status of Finding: Resolved, beginning October 2020 a new process was implemented within Workday that sends a “To-Do” to all managers who were not able to approve time before the payroll cutoff and allows for any necessary alterations to the employee’s time and attendance.

Finding #2020-002: Allowable Costs – Significant Deficiency in Internal Controls over Compliance

Federal Agency: Department of Health and Human Services

Federal Program: Health Center Program Cluster

Condition: An instance was identified where a grant was overcharged for an employee’s premium pay.

Recommendation: It was recommended that the County work with Workday to identify a solution removing the duplicate premium pay.

Status of Finding: Partially resolved, see Finding 2021-001; The County’s HCM Workday Support team discovered this error in October 2020 and worked with Workday to identify a solution to remove the duplicate premium pay. No other instances were discovered after October 2020.

Finding #2020-003: Matching – Other Matters

Federal Agency: Department of Health and Human Services

Federal Program: Aging Cluster

Condition: An instance was identified where the County’s match was less than the required amount.

Recommendation: It was recommended that the County verify funds are budgeted to ensure match amounts are met on an annual basis.

Status of Finding: Resolved, Program established a tracking process and monitoring protocols to ensure future compliance.