

ANNUAL COMPREHENSIVE FINANCIAL REPORT 2023

For the fiscal year ended June 30, 2023 | Portland, OR



**Portland
Community
College**



PORTLAND COMMUNITY COLLEGE

PORTLAND, OREGON

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the year ended June 30, 2023

Dr. Adrien L Bennings
President

Eric Blumenthal, MBA
Executive Vice President Administration and Finance

Dina Farrell, MBA
Associate Vice President of Finance

James Crofts, CPA
Accounting Director

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PORTLAND COMMUNITY COLLEGE

12000 Southwest 49th Avenue
Portland, OR 97219

For the year ended June 30, 2023

<u>ZONE</u>	<u>BOARD OF DIRECTORS</u>	<u>TERM EXPIRES</u>
1	Laurie Cremona Wagner	June 30, 2025
2	Tiffani Penson	June 30, 2027
3	Kien Truong	June 30, 2027
4	Mari Watanabe	June 30, 2025
5	Dan Saltzman	June 30, 2025
6	Greg Mckelvey	June 30, 2027
7	Kristi Wilson	June 30, 2027

ADMINISTRATION

Dr. Adrien L. Bennings, President
Eric Blumenthal, MBA, Executive Vice President Administration and Finance
Dina Farrell, MBA, Associate Vice President of Finance
James Crofts, CPA, Accounting Director

PORTLAND COMMUNITY COLLEGE

PORTLAND, OREGON

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION:	
Letter of Transmittal	i
Certificate of Achievement for Excellence in Financial Reporting	vii
Organization Chart	viii
 FINANCIAL SECTION:	
 INDEPENDENT AUDITOR'S REPORT	 1
 MANAGEMENT'S DISCUSSION AND ANALYSIS	 5
 BASIC FINANCIAL STATEMENTS:	
Statements of Net Position	13
Statements of Revenues, Expenses, and Changes in Net Position	14
Statements of Cash Flows	15
Notes to Basic Financial Statements	17
 REQUIRED SUPPLEMENTARY INFORMATION:	
PERS Pension Plan	
Schedule of Proportionate Share of the Net Pension Liability	57
Schedule of Contributions	58
PERS OPEB Plan	
Schedule of Proportionate Share of the Net OPEB Liability	59
Schedule of Contributions	60
College's Post Employment Health Care Plan (OPEB)	
Schedule of Total OPEB liability	61
College's Early Retirement Stipend	
Schedule of Total Pension liability	62
Notes to Required Supplementary Information	63

PORTLAND COMMUNITY COLLEGE

PORTLAND, OREGON

TABLE OF CONTENTS (CONTINUED)

FINANCIAL SECTION (CONTINUED):

Page

OTHER SUPPLEMENTARY INFORMATION:

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual by Fund

General Fund	65
Continuing and Community Education Fund	67
Auxiliary Fund	68
Student Activities Fund	69
Contracts and Grants Fund	70
Student Financial Aid Fund	71
General Obligation (G.O.) Bond Fund	72
PERS Debt Service Fund	73
Capital Projects Fund	74
Capital Construction Fund	75
Food Services Fund	76
Bookstore Fund	77
Transportation and Parking Services Fund	78
Print Center Fund	79
Risk Management Fund	80
PERS Internal Service Fund	81
Early Retirement Fund	82

Other Financial Schedules:

Schedule of Long-Term Debt Principal and Interest Requirements	
- General Obligation Bonds	83
- Limited Tax Pension Bonds	84

STATISTICAL SECTION:

Financial Trends:

Net Position by Component	85
Changes in Net Position	87

Revenue Capacity:

Revenues by Sources	90
Assessed and Real Market Value of Taxable Property	92
Schedule of Property Tax Transactions	94
Largest Property Taxpayers within District	96
Property Tax Levies and Collections – All Funds	97

PORTLAND COMMUNITY COLLEGE

PORTLAND, OREGON

TABLE OF CONTENTS (CONTINUED)

STATISTICAL SECTION (CONTINUED):

Debt Capacity:	
Ratios of Outstanding Debt by Type	99
Ratios of General Bonded Debt Outstanding	101
Legal Debt Margin	103
Direct and Overlapping Gross Bonded Debt	105
Demographic and Economic Information:	
Largest Employers within District	106
Demographic Statistics	107
Operating Information:	
State Allocations per FTE	109
Enrollment Statistics	111
Campus Facilities and Operating Information	113
Certificates and Degrees Granted	115
Tuition and Fees	117
Property Value, Construction and Bank Deposits	119
Miscellaneous Information	121

AUDIT SECTION:

Audit Comments and Disclosures required by State Regulations	122
Independent Auditor's Comments Required by Oregon State Regulations	123
Disclosures in Accordance with Government Auditing Standards the Uniform Guidance	
Independent Auditor's Report on the Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed In Accordance with <i>Government Auditing Standards</i>	125
Independent Auditor's Report on Compliance for each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance	127
Schedule of Expenditures of Federal Awards	130
Notes to Schedule of Expenditures of Federal Awards	135
Schedule of Findings and Questioned Costs	136

INTRODUCTORY SECTION



December 15, 2023

Board of Directors
Portland Community College
Portland, Oregon

Introduction

We are pleased to submit the Annual Comprehensive Financial Report of Portland Community College ("College") for the fiscal year ended June 30, 2023 together with the audit opinion thereon of our auditors as required by Oregon State Laws. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the College. We believe the financial statements and related information are stated fairly in all material aspects in reflecting the financial position and results of operations of the College.

This report consists of management's representations concerning finances of the College. To provide a reasonable basis for making these representations, the College maintains a comprehensive internal control framework designed both to protect the College's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the College's financial statements. Because the cost of internal controls should not outweigh their benefit, the College's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The College's Annual Comprehensive Financial Report has been prepared in accordance with accounting principles generally accepted in the United States of America as set forth by the Governmental Accounting Standards Board, the Financial Accounting Standards Board, the American Institute of Certified Public Accountants, and other recognized standard setting bodies. A summary of significant accounting policies is found in the notes accompanying the basic financial statements.

Independent Audits

The provisions of Oregon Revised Statutes, Section 297.405 to 297.555 require an independent audit of the fiscal affairs of the College. The firm of Eide Bailly LLP has completed their examination of the College's basic financial statements and, accordingly, has included their Independent Auditor's Report in the Financial Section of this report.

The Single Audit Act and OMB Compliance Supplement require state and local governments that receive and expend directly or indirectly certain amounts in federal assistance to have an audit conducted for that year. In addition, the College issues a separate report on the requirements of the Single Audit Act. Included in this report are a Schedule of Expenditures of Federal Awards, required reports on internal controls and compliance with laws and regulations, and a schedule of findings and questioned costs.

Management Discussion and Analysis

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.

The College

Portland Community College, with a District of over 1,500 square miles, serves all or part of Multnomah, Washington, Yamhill, Clackamas and Columbia counties. The College was originally chartered in 1961 as a part of Portland School District No. 1, and was established as an independent entity in 1968, pursuant to Oregon Revised Statutes Chapter 341.

An elected seven-member Board of Directors establishes the policies of the College. Each member of the Board of Directors is elected for a four-year term. The Portland Community College Board has statutory charge and control of all activities, operations and programs of the College including its property, personnel and finances. The District President is the Chief Executive Officer of the College and the administrative staff is responsible for the College's daily operations.

The Oregon State Board of Education sets educational policies and standards for Oregon's public school districts, education service districts, and community college districts. The State of Oregon's Higher Education Coordinating Commission (HECC) is the primary state entity responsible for ensuring pathways to postsecondary education success for Oregonians statewide, and serves as a convener of the groups and institutions working across the public and private higher education arena. HECC provides one strategic vision for Oregon higher education planning, funding, and policy. HECC authorizes postsecondary programs and degrees, administers key Oregon financial aid, workforce, and other programs, as well as evaluates and reports on the success of higher education efforts.

Mission, Vision and Values. The College's mission, as adopted by the Board of Directors, is to support student success by delivering access to quality education while advancing economic development and promoting sustainability in a collaborative culture of diversity, equity, and inclusion. The vision of the College is building futures for our students and communities.

The College believes that certain fundamental values characterize the institution and guide the institution in the accomplishment of the mission and goals. These values are:

- Effective teaching and student development programs that prepare students for their roles as citizens in a democratic society in a rapidly changing global economy
- An environment that is committed to diversity as well as the dignity and worth of the individual
- Leadership through innovation, continuous improvement, efficiency, and sustainability
- Leadership through the effective use of technology in learning and all College operations
- Being a responsible member of the communities we serve by actively participating in their development
- Quality, lifelong learning experiences that helps students to achieve their personal and professional goals
- Continuous professional and personal growth of our employees and students including emphasis on fit and healthy lifestyles that decrease disease and disability
- Academic Freedom and Responsibility - creating a safe environment where competing beliefs and ideas can be openly discussed and debated
- Collaboration predicated upon a foundation of mutual trust and support
- An agile learning environment that is responsive to the changing educational needs of our students and the communities we serve
- The public's trust by effective and ethical use of public and private resources

These priorities reflect the College president's commitment to advancing the College's mission, ensuring the success of its students, optimizing its operations, fostering an inclusive culture, and building strong relationships within the community.

The President's Workplan

In the President's Workplan for 2023-2024, the President commits to lead the charge to:

- Ensure equitable access, opportunity, affordability, and successful outcomes for all students;
- Balance commitment to quality learning experiences, economic and workforce development, performance outcomes, and strategic priorities;
- Preserve the authenticity of our reputation and articulate the value of our institution throughout the community, region, and state;
- Cultivate an environment where the tenets of diversity, equity, and inclusion are intentional, consistent, and effective.

The plan focuses on student success, operational excellence, culture and college relations. Student success priorities include elevating the well-being and achievements of our students through Key priorities including, Guided Pathways, Academic Program Sustainability, Strategic Enrollment Planning and Student Basic Needs.

Strategic Plan

The 2020-2025: Discovering New Possibilities Strategic Plan prepares Portland Community College for the future of higher education. It addresses both the long-term impacts of the pandemic on academic life and positions the college to adapt to future enrollment and demographic shifts. Our strategic plan and associated projects reflect our commitment to equitable student success, to fulfill the mission of delivering access to quality education in a collaborative culture of diversity, equity, and inclusion.

The revised strategic plan builds upon the College's Yes to Equitable Student Success (YESS) efforts, a framework that establishes inclusive systems and quality support for students throughout their journey at PCC. This alignment will ensure a comprehensive and coordinated approach to help students achieve their goals and improve equitable student outcomes. Building on the foundations of YESS and the college reorganization, our strategic plan ushers in a culture shift at PCC. The 2020-2025 plan takes YESS, the reorganization, and our strategic goals and threads them together throughout our everyday work. Our strategic plan is not separate from the college's work; implementing the projects associated with our plan is the college's work. To achieve these goals, the college has allocated more than \$6.5M in strategic investment funds to support the identified project work associated with the plan.

The strategic plan is built around four themes:

- Belonging: Transforming our learning culture toward creating a sense of belonging and well-being for every student.
- Delivery: Redefining time, place, and systems of educational delivery to create a more learner-centric ecosystem.
- Enterprise: Cultivating a long-term sustainable college enterprise.
- Workforce: Responding to community and workforce needs by developing a culture of agility.

Beginning in January 2024, the college will focus on updating the Strategic Plan for 2025-2028. The planning and development process will gather student and staff input, conduct focus groups, as well as solicit input from other external partners and collaborators.

Economic Outlook & Long-Term Financial Planning

In their latest quarterly forecast, the Oregon Office of Economic Analysis notes that Oregon's economy is rebalancing and is not expected to experience significant volatility. Local economic growth is driven by a return to full employment combined with stronger business investment and productivity gains. Recently

released Census data confirm that the economic recovery from the pandemic has been inclusive and broad-based. The forecast projects a modest rebound in migration in the years ahead that will allow local businesses to hire and expand faster than the national pace. The forecast does note that should migration not return as expected, Oregon's economy will grow at a slower rate than predicted. A brighter note in the 2022 migration data is 18-24 year olds continue to move to Oregon in greater numbers than move away, increasing the pool of potential students.

Oregon's state revenue outlook appears to have stabilized. Aside from persistently strong corporate income taxes and large insurance tax payments, collections in recent months have tracked closely with the prior state quarterly forecast. General Fund revenue collections are expected to decline significantly in the months ahead as corporate profits and business income return to trend. The revenue increases seen during 2021 are not projected to repeat, with collections expected to revert back to their long-term trends.

Historically, College enrollment has tended to move inversely with employment trends. Broadly speaking, the near-term employment outlook calls for a relatively slow pace of employment growth, keeping in-line with the changes in the potential labor force. At the industry level, many of the industries expected to see above average gains in the next year or two are those that have seen slower pandemic recoveries, while those expected to see below average increases have seen stronger pandemic recoveries and/or face structural changes. As a result, the pattern of growth continues to see the overall economy moving toward normalization when compared with pre-pandemic trends.

The Oregon Employment Department reports the unemployment rate for Portland is 3.4% for September 2023, down from 4.3% from one year ago. Over the past 12 months, nonfarm payrolls added 22,200 jobs, a 1.8 % increase.

Budget

The key financial plan for the College is the biennial budget. The budget is both a legal and operational plan. Through the budget process, the Board adopts the two-year budget or appropriation plan for the College. It is conducted based on the state-set biennium budget period and is adopted prior to July 1 of each biennial period by the Board of Directors after consideration by the Multnomah County Tax Supervising and Conservation Commission, as well as the College Budget Planning Committee. After adoption, the budget may be revised periodically through supplemental budget procedures specified by state statute and board policy. Budgetary controls are maintained through monitoring expenditures on various legally adopted appropriation levels. Depending upon the budget structure, the appropriation levels may be classified by cost centers, such as campus and division; by programs; by fund source, such as federal or state grants; or by object classification, such as personal services, materials and supplies, capital outlay, operating transfers and contingency. Budget-to-actual comparisons are provided in this report as part of the Other Supplementary Information in the Financial Section.

The College manages its budget based on reasonable projections of future funding and enrollment. This enables the College to continue to meet its student-centered mission. An internal College Budget Planning Committee serves as part of the College's budget development process with committee membership including students, faculty, staff, and members of the President's Cabinet. Additional detail regarding next year's budget and economic factors is available in Management's Discussion and Analysis in the Financial Section of this report.

A combination of continued efforts to reduce expenses in fiscal year 2022-2023 and higher than budgeted State Support funding has led to a smaller than assumed decrease in the College's general fund ending balance at the end of the fiscal year. This will be beneficial as a beginning budgetary resource going into the 2023-2025 biennium budget cycle.

However, significant challenges lie ahead for the District as it begins the 2023-2025 biennium. The revenue picture continues to be unclear, a result of uncertain enrollment throughout the biennium. The College is committed to growing enrollment and meeting the needs of students in course offerings and modality. It is

in the process of implementing a Strategic Enrollment Plan (SEP) to guide the College through these challenging times. Students are taking fewer classes/credits per student overall, generating less tuition revenue, while requiring more in student support at the same time. The SEP process includes market research and high-level enrollment forecasting. As a result of this work, new enrollment strategy and tactics have already begun to work, evidenced by improved enrollment numbers.

The College continues several budget reduction efforts in fiscal year 2023-2024. While expenditures have increased and continue to increase due to inflation and other factors, potential increases in salary and benefit costs contribute to an uncertain overall budget picture, especially after the current 2023-2025 biennium. The College continues efforts to eliminate redundancies and inefficiencies by identifying non-essential programs and initiatives to position PCC for this biennium and to sustain an ending fund balance to support the 2025-2027 biennium. Although the budget reductions have better aligned potential future expenditures with future revenues, due to potential expenditure increases especially in personnel and benefits, additional budget reduction efforts may be necessary if revenues do not increase adequately.

Accreditation

The Northwest Commission on Colleges and Universities (NWCCU) granted accreditation to Portland Community College in 1970. The NWCCU reaffirmed the accreditation of the College based on a comprehensive, full-scale evaluation and visit that took place in spring 2022. The Oregon Department of Education has approved all of the career-technical programs and college transfer courses. Professional associations have also accredited those career-technical programs requiring approval. Future evaluations include the Ad-hoc Report Fall 2024 Evaluation of Institutional Effectiveness, Mid-cycle Review Spring 2025 Evaluation of Institutional Effectiveness followed by the Year 6 Standard 2 Policies, Regulations and Financial Review Spring 2028 and Year 7 Evaluation of Institutional Effectiveness Spring 2029.

Awards

The Government Finance Officers Association of the United States of America and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Portland Community College for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. The College has achieved this prestigious award every year since 1992. In order to be awarded a Certificate of Achievement, the College must publish an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents conform to program standards. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current Annual Comprehensive Financial Report 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

We wish to express our appreciation to the entire Financial Services staff for their efforts and contributions to this Annual Comprehensive Financial Report. We greatly appreciate the representatives from the College Bookstore and the Print Center for their support in the preparation of this report. We further extend our thanks to the staff of Eide Bailly LLP for their efforts during this audit. We would also like to thank the members of the Board of Directors, the College President, the President's Cabinet, faculty, and staff for their continued support and dedication to the financial operations of the College.

Respectfully submitted,

Eric Blumenthal
Executive Vice President Administration and Finance

Dina Farrell
Associate Vice President of Finance

James Crofts
Accounting Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Portland Community College
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

BOARD OF DIRECTORS

**Laurie Cremona
Wagner**
Zone 1

Tiffani Penson
Zone 2

Kien Truong
Zone 3

Serin Bussell
Zone 4

Dan Saltzman
Zone 5

Greg McKelvey
Zone 6

Kristi Wilson
Zone 7

Nathaniel Kung
Student Trustee

Adrien Benning
College President

Jennifer Hamlin
Exec Coord/Pres & Board

Eric Blumenthal
Exec VP/Administration & Finance

Katy Ho
VP/Academic Affairs

Jose Dela Cruz
VP/Student Affairs

Steven Nakana
VP/People Strategy, Equity &
Culture

Kurt Simonds
VP/Strategy, Policy & Integrated
Planning

FINANCIAL SECTION





Independent Auditor's Report

To the Board of Directors
Portland Community College
Portland, Oregon

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities of Portland Community College (the College), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the College, as of June 30, 2023, and the respective changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Adoption of New Accounting Standard

As discussed in Notes 1 and 14 to the financial statements, the College has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, for the year ended June 30, 2023. Accordingly, a restatement has been made to the net position as of July 1, 2022, to restate beginning net position. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of contributions and proportionate share of the net pension liability, the schedules of contributions and proportionate share of net OPEB liability, and the schedules of total OPEB liability and total pension liability 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 or preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the College's basic financial statements. The schedules of revenues, expenditures, and changes in fund balances – budget and actual by fund, the other financial schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of revenues, expenditures, and changes in fund balances – budget and actual by fund, the other financial schedules, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If,

based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2023 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 15, 2023, on our consideration of the College's compliance with certain provisions of laws and regulations, including 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.



Eide Bailly LLP

By:



Kristin Diggs, CPA
Boise, Idaho
December 15, 2023



MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Portland Community College's (the College) Annual Comprehensive Financial Report presents an analysis of the financial activities of the College for the fiscal years ended June 30, 2023 and June 30, 2022, respectively. This discussion is prepared by management along with the financial statements and related footnote disclosures and should be read in conjunction with them. Management assumes full responsibility for the completeness and reliability of all the information presented in this report. This discussion is designed to focus on current activities, known facts, and any resulting changes.

FINANCIAL HIGHLIGHTS

Significant events of fiscal year ended June 30, 2023 that affected the College are as follows:

- Full-time equivalent students (FTE) decreased 5.3% from 19,009 in 2022 to 17,999 in 2023. The total headcount of students increased 0.3% from 50,884 in 2022 to 51,033 in 2023. More information about enrollment is available in the Statistical Section of this Annual Comprehensive Financial Report.
- Capital assets, net of depreciation, increased 5.5% from \$689.1 million in 2022 to \$727.0 million in 2023. Significant projects completed in fiscal year 2023 include the district wide improvements to technology, data centers, and facility infrastructure, Southeast Campus public safety equipment, Sylvania building improvements, and the Oregon Manufacturing Innovation Center (OMIC) Training Center in Scappoose.
- Net position decreased by \$12.6 million, or 3.0% from \$421.2 million in 2022 to \$408.6 million in 2023. Total revenues decreased by \$94.6 million, or 21.3% from \$444.7 million in 2022 to \$350.1 million in 2023. Operating expenses decreased by \$3.6 million, or 1.0% from \$348.1 million in 2022 to \$344.5 million in 2023. Details of these changes are found in the following pages under the Analysis of Net Position and the Analysis of Changes in Net Position section, respectively.
- GASB Statement Nos. 68, 73, and 75 relating to pension and other postemployment benefits impacts the operating expenses reported by the College. Operating expenses without the effects of GASB 68, 73, and 75 would be a \$1.6 million increase, or 0.5% from \$316.6 million in 2022 to \$318.2 million in 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to Portland Community College's basic financial statements, which include entity-wide financial statements prepared in accordance with the accrual basis of accounting and notes to the basic financial statements. Following the basic financial statements is the Required Supplementary Information followed by Other Supplementary Information in the Financial Section, along with a Statistical Section and an Audit Section.

The entity-wide financial statements are designed to provide readers with a broad overview of the College's finances, in a manner similar to a private-sector business. These entity-wide statements consist of (1) Statement of Net Position, (2) Statement of Revenues, Expenses, and Changes in Net Position and (3) Statement of Cash Flows, which are described and analyzed in the following sections of the overview. Notes to Basic Financial Statements are required to complete the entity-wide statements, and are an integral component of the basic financial statements.

Analysis of Net Position

The Statement of Net Position (page 13) presents a snapshot of the College's assets, deferred outflows, liabilities, and deferred inflows under the accrual basis of accounting at the end of each fiscal year presented. Over time, increases or decreases in net position are indicators of the improvement or erosion of the College's financial health when considered along with non-financial facts, such as enrollment levels and the condition of the facilities. In the current year, GASB 96 was implemented and there was no effect on beginning net position as a result of the implementation.

Net Position (in millions)

	2023	As Restated 2022	Increase (decrease) 2023-22
Assets			
Current assets	\$ 326.9	\$ 338.7	\$ (11.8)
Capital assets, net of depreciation	734.3	695.3	39.0
Other noncurrent assets	214.2	73.4	140.8
Total assets	1,275.4	1,107.4	168.0
Deferred outflows	84.3	123.4	(39.1)
Total assets and deferred outflows	\$ 1,359.7	\$ 1,230.8	\$ 128.9
Liabilities			
Current liabilities	\$ 119.1	\$ 121.5	\$ (2.4)
Noncurrent liabilities	725.1	535.8	189.3
Total liabilities	844.2	657.3	186.9
Deferred Inflows	106.9	152.3	(45.4)
Net Position			
Net investment in capital assets	453.3	426.7	26.6
Net position: restricted	14.3	44.5	(30.2)
Net position: unrestricted	(59.0)	(50.0)	(9.0)
Total net position	408.6	421.2	(12.6)
Total liabilities, deferred inflows and net position	\$ 1,359.7	\$ 1,230.8	\$ 128.9

Fiscal year 2023 compared to Fiscal year 2022. Net Position decreased \$12.6 million from \$421.2 million in 2022 to \$408.6 million in 2023. Current assets of \$326.9 million are sufficient to cover current liabilities of \$119.1 million. This represents a current ratio of 2.7. Current assets decreased by \$11.8 million primarily due to a \$17.1 million decrease in cash and cash equivalents offset by a \$4.8 million increase in receivables. Other noncurrent assets increased \$140.8 million primarily due to a \$179.6 million increase in long-term investments offset by a \$38.5 million decrease in net pension and OPEB assets. Due to implementation of GASB 96 in the current fiscal year, capital assets, net of depreciation includes right of use subscription IT assets (SBITA), net of accumulated amortization of \$6.4 million in 2023, and \$5.0 million in the restated net position of 2022. Currently, \$453.3 million is the net investment in capital assets and reflects an increase of \$26.6 million from the prior year. Construction in progress had a net increase of \$42.9 million in the current fiscal year, with a balance of \$120.4 million of projects yet to be completed. Capital assets being depreciated had a net increase of \$24.8 million. The College uses capital assets to provide services to students. Consequently, these assets are not available for future spending. Although the College's investment in its capital assets is reported net of related debt, it should be noted that the 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 College's current liabilities consist primarily of payroll, accounts payable, unearned revenue, compensated absences and the current portion of long-term debt. Current liabilities decreased \$2.4 million primarily driven by a decrease in current portion of long-term debt of \$9.8 million, offset by an increase in accounts payable of \$3.4 million and SBITA liability of \$3.1 million. Noncurrent liabilities increased \$189.3 million primarily due to an increase of \$197.7 million in bond related liabilities stemming mostly from current year bond issuance, offset by a \$2.6 million decrease in SBITA liability, and a \$5.9 million decrease in pension and OPEB related liabilities.

Analysis of Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position (page 14) presents the revenues earned and the expenses incurred during the year. All changes in net position are reported under the accrual basis of accounting, or as soon as the underlying event giving rise to the change occurs, regardless of the timing of when the cash is received or disbursed. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. The utilization of long-lived assets is reflected in the financial statement as depreciation, which amortizes the cost of the capital asset over the expected useful life of the asset. Revenues and expenses are reported as either operating or non-operating, with operating revenues primarily coming from tuition and fees, auxiliary services, and federal contracts. State appropriations, property taxes, and student financial aid, both federal and state, are classified as the primary non-operating revenues. Because of the College's dependency on state aid (FTE reimbursement) and property tax revenue, this statement presents an operating loss, while the non-operating revenues significantly offset the operating loss on overall net position. The prior year was not restated for the implementation of GASB 96 in the Statement of Changes in Net Position.

Changes in Net Position (In Millions)

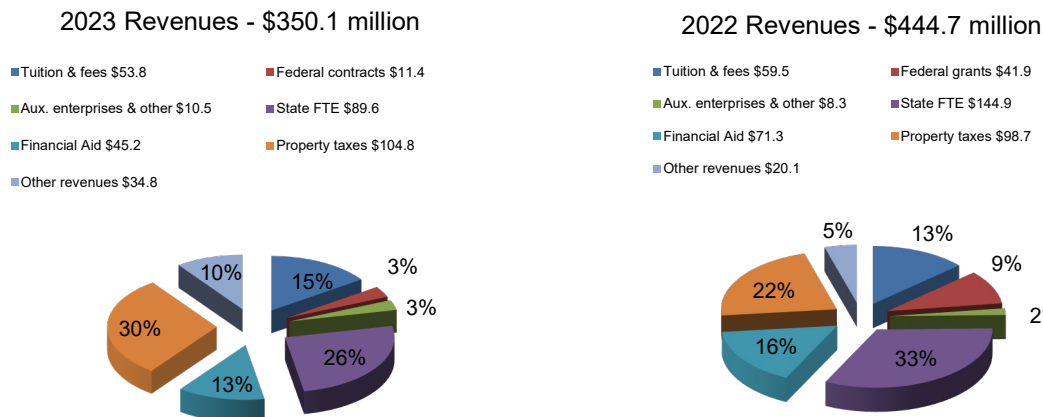
	2023	2022**	Increase (decrease) 2023-22
Operating revenues			
Student tuition and fees	\$ 53.8	\$ 59.5	\$ (5.7)
Federal contracted programs	11.4	41.9	(30.5)
Auxiliary enterprises and other	10.5	8.3	2.2
Total operating revenues	<u>75.7</u>	<u>109.7</u>	<u>(34.0)</u>
Nonoperating revenues			
State FTE reimbursement	89.6	144.9	(55.3)
Property taxes	104.8	98.7	6.1
Student financial aid	45.2	71.3	(26.1)
Other nonoperating revenues	34.8	20.1	14.7
Total nonoperating revenues	<u>274.4</u>	<u>335.0</u>	<u>(60.6)</u>
Total revenues	<u>350.1</u>	<u>444.7</u>	<u>(94.6)</u>
Operating expenses			
Campus educational and general	139.0	131.1	7.9
Other educational and general	105.5	106.2	(0.7)
Grants and contracted programs	29.2	22.6	6.6
Auxiliary enterprises	8.7	7.8	0.9
Depreciation and amortization	34.6	29.5	5.1
Other support services	27.5	50.9	(23.4)
Total operating expenses	<u>344.5</u>	<u>348.1</u>	<u>(3.6)</u>
Nonoperating expenses			
Other nonoperating expenses	<u>18.8</u>	<u>20.2</u>	<u>(1.4)</u>
Total expenses	<u>363.3</u>	<u>368.3</u>	<u>(5.0)</u>
Income (loss) before capital contribution	(13.2)	76.4	(89.6)
Capital contributions	0.6	2.5	(1.9)
Increase (decrease) in net position	<u>(12.6)</u>	<u>78.9</u>	<u>(91.5)</u>
Net position, beginning of year	421.2	342.3	78.9
Net position, end of year	<u>\$ 408.6</u>	<u>\$ 421.2</u>	<u>\$ (12.6)</u>

** The 2022 column has not been restated to include the implementation of GASB 96.

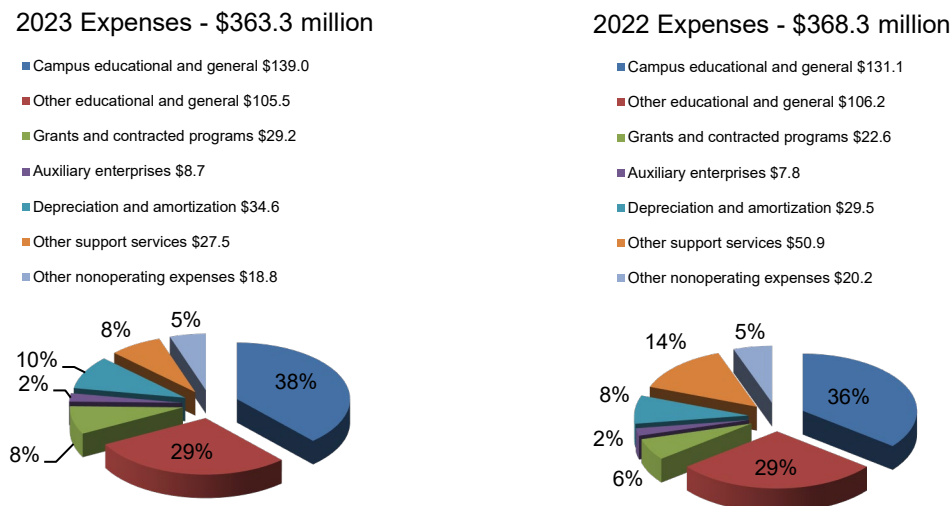
Portland Community College
Fiscal year ended June 30, 2023

The Statement of Revenues, Expenses, and Changes in Net Position show the operating results of the College, as well as the non-operating revenues and expenses. Annual FTE reimbursements, property taxes, and student federal financial aid, while budgeted for operations, are considered non-operating revenues according to accounting principles generally accepted in the United States of America (GAAP).

The following graphics show the allocation of total revenues for fiscal years 2023 and 2022:



The following graphics show the allocation of total expenses for fiscal years 2023 and 2022:



Fiscal year 2023 compared to Fiscal year 2022. The most significant source of operating revenues is student tuition and fees, which decreased \$5.7 million or 9.6%. Revenues from federal contracted programs decreased by \$30.5 million as federal funding during the COVID-19 pandemic has winded down. Revenues for auxiliary enterprises and other is showing a \$2.2 million or 26.5% increase coming out of the pandemic.

Portland Community College
Fiscal year ended June 30, 2023

The largest non-operating revenue sources are property taxes followed by state FTE reimbursement and student financial aid. The \$55.3 million decrease in FTE reimbursement is due to the recognition of three quarters of FTE in 2023 compared to five quarters in fiscal year 2022. Student financial aid decreased \$26.0 million from prior year predominantly due to depletion of the COVID-19 Education Stabilization Fund for students.

Operating expenses decreased in net by \$3.6 million. Campus educational and general expenses is the largest single line item followed by other educational and general expenses. In fiscal year 2023, there was an increase of \$7.2 million in Campus educational and other educational and general expenses combined. This combined amount includes a \$5.2 million decrease in expenses related to pension and other postemployment benefit transactions in comparison to prior fiscal year. Student financial aid expenses, included in other support services, decreased \$25.0 million and is mainly due to the tapering off of federal COVID-19 funds for students.

Analysis of Cash Flows

The primary purpose of the Statement of Cash Flows (page 15 & 16) is to provide relevant information about the College's sources and uses of cash during the fiscal year. The Statement of Cash Flows presents information on cash flows from operating activities, non-capital financing activities, capital financing activities, and investing activities. The prior year was not restated for the implementation of GASB 96 in the Statement of Cash Flows.

Cash Flow (in millions)			
	2023	2022**	Increase (decrease) 2023-22
Cash provided by (used in)			
Operating activities	\$ (209.3)	\$ (199.3)	\$ (10.0)
Noncapital financing activities	178.6	261.0	(82.4)
Capital financing activities	184.2	(60.0)	244.2
Investing activities	<u>(147.4)</u>	<u>(119.4)</u>	<u>(28.0)</u>
Net increase (decrease) in cash	6.1	(117.7)	123.8
Cash and cash equivalents, beginning of year	<u>69.0</u>	<u>186.7</u>	<u>(117.7)</u>
Cash and cash equivalents, end of year	<u>\$ 75.1</u>	<u>\$ 69.0</u>	<u>\$ 6.1</u>

** The 2022 column has not been restated to include the implementation of GASB 96.

Fiscal year 2023 compared to Fiscal year 2022. Operating Activities: The College's major sources of cash included in operating activities are student tuition and fees, federal grants and contracts, and non-government grants and contracts. Major uses of cash were payments made to employees, students for financial aid, and suppliers for goods and services. The College used \$10.0 million more cash in its operating activities in fiscal year 2023 than in fiscal year 2022, primarily driven by a \$3.9 million decrease in cash provided by tuition and fees, a \$13.6 million decrease in cash provided by federal grants and contracts, a \$54.7 million increase in cash usage in payments to suppliers, offset by a \$38.3 million decrease in cash usage for payments to employees and a \$25.0 million decrease in cash usage for payments to students for financial aid and scholarships.

Noncapital Financing Activities: Proceeds from state FTE reimbursements, student financial aid, and property taxes are the primary sources of noncapital financing for fiscal year 2023. Cash provided by noncapital financing activity decreased by \$82.4 million. The decrease in cash provided is largely attributed to the decrease of \$55.3 million in state FTE this year, a \$32.0 million decrease in cash provided by student financial aid grants, and is partially offset by a \$5.7 million increase in cash provided from state and local government grants and contracts and property taxes. Accounting standards require that these sources of revenue be reported as non-operating even though the College depends on these revenues to continue the current level of operations.

Capital Financing Activities: Cash provided by capital financing activities increased \$244.2 million compared to last fiscal year. Notable cash activity includes cash received from new bond issuance and related premium of \$253.5 million and an increase of \$10.7 million in cash used for acquisition and construction of capital assets. Due to implementation of GASB 96, payments on SBITAs were added to the capital financing activities section in the statement of cash flows.

Investing Activities: Total cash used by investing activities increased by \$28.0 million compared to fiscal year 2022. The increase in cash used is due to a \$166.7 million increase in cash used for purchases of investments, offset by an increase in cash provided by a \$129.9 million increase in proceeds from sales of investments, and an increase of \$8.8 million in cash provided from interest on investments.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The College's net invested in capital assets as of June 30, 2023 was \$734.3 million. Investment in capital assets includes land, buildings, improvements, machinery and equipment, right to use lease and SBITA assets, art and historical treasures, library collections, and infrastructure.

Additional information on the College's capital assets may be found in Notes 3, 6, and 7 of the Notes to Basic Financial Statements.

Debt Administration. At the end of the current fiscal year, the College had debt instruments with a total outstanding principal of \$756.6 million. All of the current debt is backed by the full faith and credit of the College within the limitation of Sections 11 and 11(b) of Article XI of the Oregon Constitution.

State statutes limit the amount of general obligation debt the College may issue to 1.5% of Real Market Value of properties within the College district. The current legal debt limit is approximately \$5.1 billion, which is significantly higher than the College's outstanding general obligation debt. The College's outstanding general obligation debt is roughly 14.9% of the legal debt limit. Additional information on the College's long-term debt and legal debt limit may be found in Note 5 of the Notes to Basic Financial Statements and the Legal Debt Margin of the Statistical Section.

ECONOMIC IMPACTS AND NEXT YEAR'S BUDGET

- The College continues to adjust its blend of remote, online and in-person classes and is beginning to see enrollment increases in in-person classes, including in-person hybrid classes.
- State support funding increased by 1.6% in FY23 from FY22, and will increase 12.9% in FY24 from FY23.
- While enrollment is beginning to increase, the College assumed enrollment will decrease 3% in its FY24 adopted budget as a conservative estimate.
- A \$5 per credit increase in tuition rate was adopted in FY24, following FY23, which had no increase from FY22.
- Property tax income is predicted to be stable in FY24.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Portland Community College's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Financial Services
Portland Community College
P.O. Box 19000
Portland, OR 97280-0990

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

STATEMENT OF NET POSITION

June 30, 2023

(In Thousands)

ASSETS	
Current assets:	
Cash and cash equivalents	\$ 75,121
Short-term investments	228,949
Receivables, net of allowance	
Taxes	2,240
Accounts	9,410
Student accounts	6,734
Federal programs	834
Interest	862
Current portion of Leases	410
Inventory and prepaid items	2,360
Total current assets	<u>326,920</u>
Noncurrent assets:	
Long-term investments	180,570
Net OPEB asset	3,132
Net Pension asset	29,903
Lease receivable net of current portion	581
Capital assets- Right to use lease assets, net of accumulated amortization	932
Capital assets- Right to use subscription IT assets, net of accumulated amortization	6,367
Capital assets - non-depreciable	174,630
Capital assets - depreciable	826,833
Less: Accumulated depreciation	(274,455)
Total noncurrent assets	<u>948,493</u>
TOTAL ASSETS	<u>1,275,413</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferral of amounts on refunding	2,042
Pension related	79,759
OPEB related	2,517
TOTAL DEFERRED OUTFLOWS	<u>84,318</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 1,359,731</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 12,333
Payroll liabilities	26,022
Lease liability	407
SBITA liability	3,084
Accrued interest payable	1,823
Unearned revenue	12,393
Compensated absences	9,140
Other current liabilities	2,644
Current portion of long-term debt	51,245
Total current liabilities	<u>119,091</u>
Noncurrent liabilities:	
Noncurrent liabilities	776,328
Less: Current portion of long-term debt	(51,245)
Total noncurrent liabilities	<u>725,083</u>
TOTAL LIABILITIES	<u>844,174</u>
DEFERRED INFLOWS OF RESOURCES	
Deferral of amounts on refunding	1,418
Lease related	946
Pension related	99,148
OPEB related	5,434
TOTAL DEFERRED INFLOWS	<u>106,946</u>
NET POSITION	
Net investment in capital assets	453,265
Net position - restricted: student financial aid	1,222
Net position - restricted: OPEB	2,658
Net position- restricted: Pension	10,476
Net position: unrestricted	(59,010)
Total net position	<u>408,611</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 1,359,731</u>

See notes to basic financial statements.

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Year ended June 30, 2023

(In Thousands)

OPERATING REVENUES	
Student tuition and fees, net of scholarship allowances	\$ 53,787
Federal contracted programs	11,418
Nongovernment grants and contracts	4,987
Auxiliary enterprises:	
Food services	1,259
Bookstore, net of scholarship allowances	2,542
Parking operation	1,540
Other operating revenues	138
Total operating revenues	<u>75,671</u>
OPERATING EXPENSES	
Educational and general:	
Sylvania Campus	49,944
Rock Creek Campus	40,276
Cascade Campus	28,623
Southeast Campus	14,834
Extended Learning Centers	5,375
President and Governing Board	18,090
Academic and Student Affairs Services	43,653
Administrative Services and Physical Plant	43,768
Other support services:	
Student Activities	2,751
Grants and contracted programs	29,242
Student financial aid, net of tuition and textbooks	21,371
Auxiliary enterprises:	
Food services	1,948
Bookstore	4,836
Parking operation	1,867
Materials, supplies and minor equipment expense	3,384
Depreciation expense	31,043
Amortization of SBITA assets	2,792
Amortization of right to use lease assets	717
Total operating expenses	<u>344,514</u>
Operating income (loss)	<u>(268,843)</u>
NONOPERATING REVENUES (EXPENSES)	
Student financial aid	45,256
State FTE reimbursement	89,599
State and local government grants and contracts	24,181
Property taxes	104,770
Investment income (loss)	9,567
Gain on the disposal of capital assets	1,062
Bond issuance costs	(1,240)
Interest expense	(17,595)
Net nonoperating revenues (expenses)	<u>255,600</u>
Income (loss) before capital contributions	(13,243)
Capital contributions	649
Increase (decrease) in net position	<u>(12,594)</u>
NET POSITION	
Net position - beginning of the year	<u>421,205</u>
Net position - end of the year	<u>\$ 408,611</u>

See notes to basic financial statements.

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

STATEMENT OF CASH FLOWS
Year ended June 30, 2023
(In Thousands)

CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and fees	\$ 53,654
Federal grants and contracts	10,745
Non-government grants and contracts	1,770
Payments to suppliers for goods and services	(73,373)
Payments to employees	(186,245)
Payments for student financial aid and other scholarships	(21,371)
Cash received from customers	5,341
Other cash receipts	137
	<hr/>
Net cash used by operating activities	(209,342)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Student financial aid grants	44,930
State and local government grants and contracts	24,029
Cash received from property taxes	43,101
Cash received from State FTE reimbursement	89,599
Interest paid on limited tax pension bonds	(9,589)
Principal paid on limited tax pension bonds	(13,470)
	<hr/>
Net cash provided by noncapital financing activities	178,600
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Cash received from property taxes	61,468
Principal paid on long-term debt	(47,595)
Receipts on leases	223
Principal payments on leases	(710)
Principal payments on SBITAs	(3,620)
Interest paid on SBITA and Leases	(22)
Proceeds from disposition of capital assets	2,202
Acquisition and construction of capital assets	(68,100)
Proceeds from bonds payable	225,000
Proceeds from bond premium	28,541
Cash paid for bond issuance costs	(1,240)
Interest paid on long-term debt	(11,953)
	<hr/>
Net cash provided by capital financing activities	184,194
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	9,057
Purchases of investments	(770,299)
Proceeds from sales of investments	613,878
	<hr/>
Net cash used by investing activities	\$ (147,364)

See notes to basic financial statements.

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

STATEMENT OF CASH FLOWS (CONTINUED)
Year ended June 30, 2023
(In Thousands)

NET INCREASE IN CASH	\$ 6,088
Cash and cash equivalents - beginning of the year	69,033
Cash and cash equivalents - end of year	<u>\$ 75,121</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating loss	\$ (268,843)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation expense	31,043
Amortization expense	3,509
Change in pension liability	(410)
Change in pension transition liability	(2,632)
Change in pension asset	38,511
Change in OPEB asset	(16)
Change in OPEB liability	(2,834)
Change in deferred outflows of resources	38,677
Change in deferred inflows of resources	(44,963)
(Increases) decreases in current assets used in operations:	
Accounts receivable	(3,457)
Student accounts receivable	(371)
Inventory and prepaid items	(424)
Increases (decreases) in current liabilities used in operations:	
Accounts payable	2,118
Payroll liabilities	527
Unearned revenue	(434)
Other current liabilities	661
Compensated absences	(4)
Net cash used by operating activities	<u>\$ (209,342)</u>
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	
Contributed capital assets	\$ 649
Gain/loss on capital asset	1,062
Right to use asset lease	467
Right to use asset SBITA	4,189
Liability for the acquisition of a right to use lease asset	(467)
Liability for the acquisition of a right to use SBITA asset	<u>\$ (4,189)</u>

See notes to basic financial statements.



**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The College

Portland Community College (the College) is organized under the general laws of the State of Oregon and, as such, is a public institution under the general supervision of the State Board of Education through the Department of Community Colleges and Workforce Development. The College defines itself as a primary government because it has a separately elected governing body, it is a legally separate entity, and it is fiscally independent. There are various governmental agencies, cities, school districts, and special service districts, which provide services within the College's boundaries. However, since the College is not financially accountable for any of these entities, they do not qualify as component units of the College, and therefore are not included in the basic financial statements.

Basis of Presentation

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The College follows the "business-type activities" reporting requirements of GASB Statement No. 35 that provides a comprehensive one-column look at the College's financial activities.

Basis of Accounting

The basic financial statements are accounted for on the flow of economic resources measurement focus and are prepared on the accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Property taxes are recognized as revenues in the years for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the grantor have been met. The financial statements of the College have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

New Accounting Pronouncement – GASB Statement No. 96

As of July 1, 2022, the College adopted the Governmental Accounting Standards Board (GASB) Statement No.96, *Subscription-Based Information Technology Arrangements (SBITAs)*. The implementation of this standard establishes that a SBITA results in a right to use subscription IT asset – an intangible asset – and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The Statement requires recognition of certain SBITA assets and liabilities for SBITAs that previously were recognized as outflows of resources based on the payment provision of the contract. As a result of these adjustments there was no effect on beginning net position. The additional disclosures required by this standard included in Notes 7 and 14.

Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Included in this category is the employer deferred pension obligation, the deferred other postemployment benefit obligation (OPEB), and deferred charge on debt refunding. See Notes 9 and 10 for more information.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. This includes deferred leases, the employer deferred pension obligation, the deferred OPEB obligation and the deferred gain on debt refunding. See Notes 6, 9, and 10 for more information.

Use of Estimates

The preparation of basic financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows, disclosure of contingent assets and liabilities at the date of the basic financial statements, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Use of Restricted Resources

The College receives resources restricted to specific uses by debt covenants, grants, contracts, laws and regulations, and enabling legislation. Unrestricted resources are available for any College purpose.

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

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, the Oregon Local Government Investment Pool (LGIP), and short-term investments with original maturities of three months or less from the date of acquisition. The LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. Participants' fair value is the net position divided by participants' account balances. This varies from year to year.

Investments

Oregon Revised Statutes authorize investment in general obligations of the U.S. government and its agencies, certain bonded obligations of Oregon municipalities, repurchase agreements, and bankers' acceptances. The College has an investment policy that is more restrictive than the Oregon Revised Statutes. As of June 30, 2023, and for the year then ended, the College was in compliance with the aforementioned State of Oregon statutes and its own internal investment policies. Investments are stated at fair value, which is based on the individual investment's quoted market price as of June 30, 2023. Unrealized gains or losses on investments are reported as investment activity in the Statement of Revenue, Expenditures, and Changes in Net Position.

Receivables

All accounts, student loans, grants and property taxes receivable are shown net of an allowance for uncollectable accounts. The allowance for uncollectable accounts is determined based upon the aged receivable balance. At June 30, 2023 the allowance for uncollectable accounts is \$2.2 million.

Property taxes are levied and become a lien on all taxable property as of July 1. Taxes are payable on November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Student loan receivables are recorded as tuition as assessed or as amounts are advanced to students under various federal student financial assistance programs.

Unreimbursed expenses from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenses are incurred. Grant funds received prior to the occurrence of qualifying expenses are recorded as unearned revenue.

Inventory

Inventories of supplies are stated at average cost. All inventories held for resale are stated at the lower of cost or market.

Capital Assets

Capital assets include land and land improvements, buildings and building improvements, equipment and machinery, works of art and historical treasures, infrastructure, which includes utility systems, library collections, and construction in progress. The College's capitalization policy is to capitalize all assets with a life of one year or more and minimum threshold of \$5 thousand except for buildings and building improvements, infrastructure assets, land and land improvements, which have a capitalization threshold of \$50 thousand. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition cost at the date of donation. The costs of normal maintenance and repairs that do not add to the value or functionality of an asset's life are not capitalized, but are expensed as incurred.

Buildings and building improvements, equipment and machinery, infrastructure, library collections, leasehold improvements, and land improvements of the College are depreciated using the straight-line method over the following useful lives:

Buildings and building improvements	25-60 years
Equipment and machinery	5-20 years
Infrastructure	25-100 years
Library collections	10 years
Land improvements	10-25 years

Compensated Absences

It is College policy to permit employees to accumulate vacation and sick leave. Unused vacation pay is recognized as an expense and accrued when earned. The College does not have a policy to pay accumulated sick leave when employees separate from service. The College's employment contracts state that vacation leave earned during the academic year must be taken before the end of the following year. Because of this policy, the College recognizes all compensated absences as current liabilities.

Unearned Revenue

Unearned revenue consists primarily of students' tuition received in advance for the summer term and advances from contract and grants for services the College will render after year-end. The College also has notes receivable for Federal Perkins and Nursing loan programs which are offset with unearned revenue because the loans are for federal government programs.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

Net position is the difference between the College's total assets and deferred outflows and total liabilities and deferred inflows. Net position is subdivided into three categories: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets represents capital assets, less accumulated depreciation and outstanding principal and premiums of capital asset related debt, plus cash held for construction. Net position subject to restrictions by external parties is categorized as restricted. This category represents student financial aid grant and loan programs in the amount of \$1.2 million, Pension asset of \$10.5 million and OPEB asset in the amount of \$2.7 million.

Long-term Debt

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are reported as outflow of resources (expenses) in the period incurred.

Leases

Right to use lease assets are recognized at the lease commencement date and represent the College's right to use an underlying asset for the lease term. Right to use lease assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to please the lease asset into service. Right to use lease assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 2 to 5 years. Right to use lease assets are considered capital assets and are included with noncurrent capital assets net of amortization.

Lease receivables are recorded by the College as the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received are discounted based on the interest rate the College charges the lessee. Lease receivables are presented with both current and long-term receivables.

Lease liabilities represent the College's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the College. Lease liabilities are presented with both current and long-term liabilities.

Deferred inflows related to leases where the College is the lessor are reported in the governmental funds balance sheet and statement of net position. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue) on straight-line basis over the term of the lease. See Note 6 for more information.

Subscription-Based Information Technology Arrangements (SBITAs)

Right to use subscription-based IT (SBITA) assets are recognized at the subscription commencement date and represent the College's right to use the underlying IT asset for the subscription term. Right to use

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

SBITA assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the SBITA asset into service. Right to use SBITA assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 5 years. Right to use SBITA assets are considered capital assets and are included with noncurrent capital assets net of amortization.

SBITA liabilities represent the College's obligation to make subscription payments arising from the subscription contract. SBITA liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of SBITA payments are discounted based on a borrowing rate determined by the College. SBITA liabilities are presented with both current and long-term liabilities.

Operating and Nonoperating Revenues and Expenses

Operating revenues and expenses generally result from providing services to students. Principal operating revenues include tuition, charges for services, and sales of educational material. Operating expenses include the cost of faculty, administration, sales and services for food services and Bookstore operations, and depreciation. All other revenues, including state educational support, financial aid and state grants, and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Federal Direct Student Loan Program

The College receives proceeds from the Federal Direct Student Loan Program. The College passes the awards directly to the students, without having administrative or direct financial involvement in the program. Federal student loans of \$28.7 million were received by the College's students during the fiscal year, but they were not reported in operations.

Pensions

For purposes of measuring the net pension liability, net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (PERS), and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. 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. The College also maintains a single-employer, defined benefit early retirement incentive program for qualifying Faculty, Academic Professionals (AP), and Classified Employees.

Other Postemployment Benefits Other Than Pensions

The College administers two single employer OPEB plans. Both OPEB plans utilized employee census data and benefits provided by the College for purposes of measuring the net OPEB liability or total OPEB liability, deferred outflow of resources and deferred inflow of resources related to OPEB, and OPEB expense. Benefit payments (including refunds of employee contributions) are financed on a pay-as-you-go basis. For the RHIA plan, the net OPEB asset, deferred outflow of resources and deferred inflow of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by PERS. Therefore, 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.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Scholarship Allowances

Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Accordingly, some types of student financial aid, such as Pell grants and scholarships awarded by the College, are considered to be scholarship allowances. These allowances are netted against tuition and fees revenues in the statement of revenues, expenses and changes in net position. The scholarship allowances for the year ended June 30, 2023 are \$23 million.

Federal Financial Assistance Program

The College participates in various federally funded programs including Pell Grants, SEOG Grants, Federal Work-Study, Federal Direct Lending, and Perkins Loans programs. In addition, the College receives a variety of federal grants including Dislocated Workers Grants, ABE/GED, and Perkins Title 1 Federal programs are audited in accordance with the Single Audit Act 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).

2. CASH AND INVESTMENTS

The primary investment objectives of the College's investment activities are preservation of capital, liquidity, diversification, and yield. The following schedule comprises the combined value of the College's cash and investment portfolio at June 30, 2023 (in thousands):

	<u>Year Ended June 30, 2023</u>
Cash and cash equivalents:	
Cash on hand	\$ 57
Demand deposits	37,482
Cash held by county treasurer	377
Oregon Local Government Investment Pool	<u>37,205</u>
Total cash and cash equivalents basic statements	<u>75,121</u>
Investments:	
Government and agency obligations	409,049
Bank obligations	<u>470</u>
Total investments	<u>409,519</u>
Total cash and investments	<u><u>\$ 484,640</u></u>

The Oregon Local Government Investment Pool, certificates of deposit, and some repurchase agreements are unrated. Other investments held at June 30, 2023 are categorized by rating as follows (in thousands):

	<u>Year Ended June 30, 2023</u>
Investments categorized by Standard and Poor's rating:	
Government sponsored (Treasury & Federal Agencies), AA+	\$ 409,049
Bank obligations (certificates of deposit) "unrated"	<u>470</u>
Total investments	<u><u>\$ 409,519</u></u>

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

2. CASH AND INVESTMENTS (Continued)

Cash and investments in the amount of \$288.2 million, which are included in short term and long-term investments, are restricted per bond covenants for future bond construction projects.

The Oregon Local Government Investment Pool (LGIP) is subject to regulatory oversight by the Oregon Short-Term Fund Board and the Oregon Short-Term Investment Council and does not receive credit quality ratings from nationally recognized statistical rating organizations. The State of Oregon Treasury administers the LGIP. It is an open-ended no-load diversified portfolio offered to any agency, political subdivision or public corporation of the state that by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. Participants' account balances in the pool are determined calculated, and accrued daily on each participants' account based on the ending account balance and a variable interest rate determined periodically by the Oregon Short-Term Fund. PFM Asset Management LLC provides support for the Local Government Investment Pool. Account information is available and initiating transactions are done by logging into Connect.

The College's investments in government and agency obligations and corporate securities are reported at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets and are valued based on prices quoted in active markets for those securities; Level 2 inputs are significant other observable inputs and are valued based on prices obtained from reputable pricing vendors, using models that are market-based measurements representing their good faith opinion as to the exit value of the investment in an orderly transaction under current market conditions in an inactive market; Level 3 inputs are significant unobservable inputs.

The College's investments are measured or disclosed at fair value on a recurring basis. The College does not have any financial assets that are measured at fair value on a non-recurring basis. The summary table represents the College's investments for the fiscal year ended June 30, 2023 as follows (in thousands):

	Fair Value Hierarchy			Total
	Level 1	Level 2	Level 3	
Debt Securities				
US Treasuries	\$ 337,325	\$ -	\$ -	\$ 337,325
US Government Agencies	-	71,724	-	71,724
Time Certifies of Deposit*	-	-	-	470
	<u>\$ 337,325</u>	<u>\$ 71,724</u>	<u>\$ -</u>	<u>\$ 409,519</u>

* Time Certificates of Deposits are not included in the Fair Value Hierarchy.

Credit Risk:

In accordance with ORS Chapter 294 and the College's investment guidelines, investment in commercial paper must be rated A1 by Standard & Poor's or P1 by Moody's, or an equivalent rating by any nationally recognized rating agency. Corporate securities, bonds, and debentures must be rated at settlement date AA or better by Standard & Poor's, Aa or better by Moody's, or an equivalent rating by any nationally recognized rating agency.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

2. CASH AND INVESTMENTS (Continued)

Concentration of credit risk:

In accordance with GASB 40, the College is required to report all non-federal investments in any one issuer which exceed 5% of total invested funds. There are no investments that exceed this threshold as of June 30, 2023.

Custodial credit risk – deposits:

In the 2008 legislative session, new regulations were enacted for collateralizing public funds under ORS 295.004. The statute established a shared liability concept to protect public entities and eliminated personal liability of public officials for balances in excess of the collateral certificates. It also reduced over collateralization and defined qualified depository institutions and addressed collateralization of public funds over \$250 thousand. Finally, it specified the types of instruments that are allowed as collateral and required qualified bank depositories to sign a pledge agreement approved by the board of directors or loan committee. Under ORS 295.004, governmental entities can maintain balances with such bank depositories following their investment policies. On June 30, 2023, the College bank balances were \$41.1 million, which includes time CDs and bank accounts. Of these deposits, \$1.0 million on deposit with four banks were covered by FDIC and the remaining balance was covered by the procedures for collateralizing public funds.

Custodial credit risk – investments:

The College has a Board approved investment policy which states that the President shall appoint an Investment Officer who will perform specific investment functions for the College. Should a counter-party fail, there is a risk that the College would not be able to recover the value of its investments that are held by an outside party. To minimize this risk, securities purchased through any of the authorized non-bank broker-dealers are held in a bank investment safekeeping division.

As of June 30, 2023, the College had \$409.5 million in various investment instruments including time deposits. The College has no custodial credit risk as all investments are held in safekeeping with US Bank.

Interest Rate Risk:

In accordance with the objectives of the College's investment guidelines, interest rate risk is mitigated by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations. As of June 30, 2023, 44.4% of investments held by the College (excluding Local Government Investment Pool balances) are to mature within a 180 day timeline and have investment ratings of AA or higher. Weighted average maturities of investments in the Local Government Investment Pool at June 30, 2023 were: 65.5% mature within three months, 19.5% mature from three months to one year, and 15.0% mature from over one year to over three years from settlement date.

All Other Investments maturing after 180 days (in thousands)

All Other Investments	Rating	Maturity Date	Market Value
US Treasury Note	AA+, Aaa	01-31-2024	\$ 974
Heritage Bank CD	NR	04-18-2024	240
US Treasury Note	AA+, Aaa	05-15-2024	19,114

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

2. CASH AND INVESTMENTS (Continued)

Bond Investments maturing after 180 days (in thousands)

Bond Investments	Rating	Maturity Date	Market Value
US Treasury Note	AA+, Aaa	12-31-2023	\$ 1,954
US Treasury Strip	AA+, Aaa	01-31-2024	2,423
US Treasury Note	AA+, Aaa	01-31-2024	1,963
US Treasury Note	AA+, Aaa	02-29-2024	2,436
US Treasury Note	AA+, Aaa	03-31-2024	2,929
US Treasury Strip	AA+, Aaa	04-30-2024	2,867
US Treasury Note	AA+, Aaa	04-30-2024	3,408
US Treasury Note	AA+, Aaa	05-31-2024	3,391
US Treasury Note	AA+, Aaa	06-30-2024	5,303
US Treasury Note	AA+, Aaa	07-31-2024	7,308
US Treasury Note	AA+, Aaa	08-31-2024	9,532
US Treasury Note	AA+, Aaa	09-30-2024	9,534
US Treasury Note	AA+, Aaa	10-31-2024	8,083
US Treasury Note	AA+, Aaa	11-15-2024	6,579
US Treasury Note	AA+, Aaa	12-31-2024	6,652
US Treasury Note	AA+, Aaa	01-31-2025	8,154
US Treasury Note	AA+, Aaa	02-28-2025	6,558
US Treasury Note	AA+, Aaa	03-31-2025	6,009
US Treasury Note	AA+, Aaa	04-30-2025	6,738
US Treasury Note	AA+, Aaa	05-31-2025	6,860
US Treasury Note	AA+, Aaa	06-30-2025	9,128
US Treasury Note	AA+, Aaa	07-31-2025	9,550
US Treasury Note	AA+, Aaa	08-31-2025	10,883
US Treasury Note	AA+, Aaa	09-30-2025	9,506
US Treasury Note	AA+, Aaa	10-31-2025	9,616
US Treasury Note	AA+, Aaa	11-30-2025	5,864
US Treasury Note	AA+, Aaa	12-31-2025	5,406
US Treasury Note	AA+, Aaa	01-31-2026	4,486
US Treasury Note	AA+, Aaa	02-28-2026	4,041
US Treasury Note	AA+, Aaa	03-31-2026	2,710
US Treasury Note	AA+, Aaa	04-30-2026	1,800
US Treasury Note	AA+, Aaa	05-31-2026	1,795
US Treasury Note	AA+, Aaa	06-30-2026	1,801
US Treasury Note	AA+, Aaa	07-31-2026	1,781
US Treasury Note	AA+, Aaa	08-31-2026	2,228
US Treasury Note	AA+, Aaa	09-30-2026	2,236
US Treasury Note	AA+, Aaa	10-31-2026	2,247
US Treasury Note	AA+, Aaa	11-30-2026	2,252
US Treasury Note	AA+, Aaa	12-31-2026	1,799
US Treasury Note	AA+, Aaa	01-31-2027	1,811
US Treasury Note	AA+, Aaa	02-28-2027	1,832
US Treasury Note	AA+, Aaa	03-31-2027	1,745
US Treasury Note	AA+, Aaa	04-30-2027	1,889
US Treasury Note	AA+, Aaa	05-31-2027	1,296
US Treasury Note	AA+, Aaa	06-30-2027	862

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

3. CAPITAL ASSETS

The balances of capital assets are as follows (in thousands):

	Balance 30-Jun-22	Increase	Decrease	Balance 30-Jun-23
Capital assets not being depreciated:				
Land	\$ 52,718	\$ -	\$ -	\$ 52,718
Art and historical treasure	1,530	-	-	1,530
Construction in progress	77,449	66,254	(23,321)	120,382
Total capital assets not being depreciated	131,697	66,254	(23,321)	174,630
Capital assets being depreciated:				
Land improvements	10,493	-	-	10,493
Building and improvements	686,277	14,242	(1,573)	698,946
Equipment and machinery	29,034	7,623	(228)	36,429
Library collections	1,060	67	(159)	968
Infrastructure	75,120	4,877	-	79,997
Total capital assets being depreciated	801,984	26,809	(1,960)	826,833
Less accumulated depreciation for:				
Land improvements	10,605	46	(210)	10,441
Building and improvements	201,919	27,149	(446)	228,622
Equipment and machinery	23,565	2,463	(216)	25,812
Library collections	692	105	(234)	563
Infrastructure	7,737	1,280	-	9,017
Total accumulated depreciation	244,518	31,043	(1,106)	274,455
Total capital assets being depreciated, net	557,466	(4,234)	(854)	552,378
Total capital assets, net	\$ 689,163	\$ 62,020	\$ (24,175)	\$ 727,008

The balance schedules for Capital assets Right to use Lease and Subscription Based IT Arrangements can be found in Footnotes 6 and 7.

4. UNEARNED REVENUE

At June 30, 2023, The College's unearned revenue consisted of the following (in thousands):

	Amount
Prepaid Tuition	\$ 7,928
Perkins and Nursing Loans	1,210
Contract and Grant Revenues	3,255
Total	\$ 12,393

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

5. LONG-TERM LIABILITIES

Transactions for the fiscal year ended June 30, 2023 are as follows (in thousands):

Bonds	Original Amount	Outstanding June 30, 2022	Increases	Decreases	Outstanding June 30, 2023	Due Within One Year
2023 General obligation bonds, interest 5.00%, Maturity June 15, 2038	\$ 225,000	\$ -	\$ 225,000	\$ -	\$ 225,000	\$ 10,220
2020 General obligation refunding bonds, interest ranges from 4.00% - 5.00%, Maturity June 15, 2033	119,365	111,050	-	(23,500)	87,550	8,365
2018 General obligation bonds, interest ranges from 4.00% - 5.00%, Maturity June 15, 2033	185,000	117,675	-	(4,840)	112,835	6,265
2016 General obligation refunding bonds, interest ranges from 2.00% - 5.00%, Maturity June 15, 2029	118,630	88,750	-	(10,900)	77,850	11,445
2013 General obligation bonds, interest ranges from 3.00% - 5.00%, Maturity June 15, 2033	177,495	8,355	-	(8,355)	-	-
2018 Limited tax pension bonds, interest ranges from 2.97% - 4.64%, Maturity June 1, 2038	171,865	159,900	-	(4,560)	155,340	5,125
2003 Limited tax pension bonds, interest ranges from 1.07% - 4.81%, Maturity June 1, 2027	119,995	54,390	-	(8,910)	45,480	9,825
Premium on General obligation bonds	95,556	28,544	28,541	(4,590)	52,495	-
	<u>\$ 1,212,906</u>	<u>\$ 568,664</u>	<u>\$ 253,541</u>	<u>\$ (65,655)</u>	<u>\$ 756,550</u>	<u>\$ 51,245</u>

Additional Long-Term Liabilities, net of any current portion, for the fiscal year ended June 30, 2023 are as follows (in thousands):

<u>Other Long-Term Liabilities</u>	<u>Outstanding June 30, 2023</u>
Lease liability	\$ 542
SBITA liability	2,455
Transition liability - pre SLGRP	7,699
Total pension liability	928
OPEB liability	8,154
	<u>\$ 19,778</u>

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

5. LONG-TERM LIABILITIES (Continued)

Future maturities of principal and interest of long-term debts are as follows (in thousands):

Year Ending June 30,	Total	
	Principal	Interest
2024	\$ 51,245	\$ 33,701
2025	58,890	28,815
2026	64,230	26,326
2027	69,945	23,556
2028	61,855	20,494
2029-2033	213,165	71,693
2034-2038	184,725	27,586
	<u>\$ 704,055</u>	<u>\$ 232,171</u>

General Obligation Bonds are direct obligations and pledge the full faith and credit of the College.

On November 8, 2022 Portland voters approved a \$450 million bond measure to update classrooms, technology, facilities, and equipment, modernize and expand workforce training facilities, and improve building safety and accessibility across the College's campuses. In March 2023, the College issued General Obligation Bonds, Series 2023 in the amount of \$225 million.

As of June 30, 2023, \$70.0 million of the General Obligation Bonds, Series 2009 and \$107.9 million of the General Obligation Bonds, Series 2013 are outstanding and considered defeased.

The Tax Reform Act of 1986 requires governmental entities issuing tax-exempt bonds to refund to the U.S. Treasury interest earnings on bond proceeds in excess of the yield on those bonds. Governmental entities must comply with arbitrage rebate requirements in order for their bonds to maintain tax-exempt status. Entities are required to remit arbitrage rebate payments for non-purpose interest to the federal government at least once every five-year period that the debt is outstanding and at maturity. Arbitrage liabilities are recorded as a reduction in investment earnings in the general fund. As of June 30, 2023, the College had no arbitrage rebate liabilities.

6. LEASES

The College has several leasing arrangements, summarized below:

Lessee:

In a prior year, the College entered into a lease agreement as lessee for the use of trailers. As of June 30, 2023 the contract was extended. As of June 30, 2023, the value of the lease liability was \$48 thousand. The College is required to make monthly principal and interest payments of \$2 thousand through April 2025. The lease has an interest rate of 1.2%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2021. The total amount of right to use leased assets, and the related accumulated amortization on right to use leased assets was \$101 thousand and \$53 thousand, as of June 30, 2023, respectively.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

6. LEASES (Continued)

In a prior year, the College entered into a lease agreement as lessee for the use of two buildings. As of June 30, 2023, the value of the lease liability was \$46 thousand. The College is required to make monthly principal and interest payments of \$21 thousand through September 2023. The interest rate on the leases ranged between 1.3 -1.9%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2021. The total amount of right to use leased assets, and the related accumulated amortization on right to use leased assets was \$534 thousand and \$489 thousand, as of June 30, 2023, respectively.

In a prior year, the College entered into a lease agreement as lessee for the use of office space. As of June 30, 2023 the contract was extended. As of June 30, 2023, the value of the lease liability was \$327 thousand. The College is required to make monthly principal and interest payments of \$14 thousand through June 2025. The lease has an interest rate of 1.2%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2021. The total amount of right to use leased assets, and the related accumulated amortization on right to use leased assets was \$649 thousand and \$332 thousand, as of June 30, 2023, respectively.

In a prior year, the College entered into several lease agreements as lessee for the use printer and copier machines. As of June 30, 2023, the value of the lease liability was \$504 thousand. The College is required to make monthly principal and interest payments of up to \$13 thousand through March 2027. The interest rate on the leases ranged from 1.1% to 3.4%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2021. The total amount of right to use leased assets, and the related accumulated amortization on right to use leased assets was \$758 thousand and \$263 thousand, as of June 30, 2023, respectively.

During the year ended June 30, 2023, the College entered into a lease agreement as lessee for the use of VR Headsets. As of June 30, 2023, the value of the lease liability was \$23 thousand. The College is required to make a one-time payment for principal and interest of \$49 thousand. Lease terminates August 2024. The lease has an interest rate of 3.9%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2022. The total amount of right to use leased assets, and the related accumulated amortization on right to use leased assets was \$48 thousand and \$22 thousand, as of June 30, 2023, respectively.

Changes in Long-Term Lease Liabilities during the year ended June 30, 2023 are as follows (in thousands):

Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023	Due Within One Year
\$ 1,192	\$ 467	\$ (710)	\$ 949	\$ 407
\$ 1,192	\$ 467	\$ (710)	\$ 949	\$ 407

Remaining obligations associated with these leases are as follows (in thousands):

Year Ending June 30,	Total	
	Principal	Interest
2024	\$ 407	\$ 17
2025	327	10
2026	143	4
2027	72	1
Total	\$ 949	\$ 32

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

6. LEASES (Continued)

During the fiscal year, the College amortized the right to use lease assets are as follows (in thousands):

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Capital Assets- Right to use lease assets:				
Building	\$ 982	\$ 419	\$ (117)	\$ 1,284
Equipment	790	48	(32)	806
Total right to use lease assets	<u>1,772</u>	<u>467</u>	<u>(149)</u>	<u>2,090</u>
Less Accumulated amortization for:				
Building	471	520	(117)	874
Equipment	119	197	(32)	284
Total accumulated amortization	<u>590</u>	<u>717</u>	<u>(149)</u>	<u>1,158</u>
Total right to use lease assets, net	<u>\$ 1,182</u>	<u>\$ (250)</u>	<u>\$ -</u>	<u>\$ 932</u>

Lessor:

The College has accrued a receivable for two classroom/office and two cell tower leases. The remaining receivable for these leases was \$991 thousand for the year ended June 30, 2023. Deferred inflows related to these leases were \$946 thousand as of June 30, 2023. Interest revenue recognized on these leases was \$23 thousand for the year ended June 30, 2023. Principal receipts of \$401 thousand were recognized during the fiscal year. The interest rate on the leases is 2%. Final receipt is expected in fiscal year 2027.

The balance of deferred inflows of lease receipts are as follows:

Deferred Inflows	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Lease agreements	\$ 1,185	\$ 162	\$ (401)	\$ 946
Total deferred inflows of lease	<u>\$ 1,185</u>	<u>\$ 162</u>	<u>\$ (401)</u>	<u>\$ 946</u>

Remaining amounts to be received associated with these leases are as follows:

Year Ending June 30,	Lease Revenue
2024	\$ 410
2025	289
2026	280
2027	12
<u>Total</u>	<u>\$ 991</u>

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

The College has several SBITAs, summarized below:

In a prior year, the College entered into a SBITA contract for the use of collaborative membership & software. As of June 30, 2023, the value of the subscription liability was \$104 thousand. The College is required to make annual principal and interest payments of \$215 thousand through December 2023. The subscription has an interest rate of 3.8%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$318 thousand and \$212 thousand, as of June 30, 2023, respectively.

In a prior year, the College entered into a SBITA contract for the use of Chrome River, travel & expense management cloud software. As of June 30, 2023, the value of the subscription liability was \$109 thousand. The College is required to make annual principal and interest payments of \$58 thousand through June 2025. The subscription has an interest rate of 3.9%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$167 thousand and \$56 thousand, as of June 30, 2023, respectively.

In a prior year, the College entered into a SBITA contract for the use of college admission management software. As of June 30, 2023, the value of the subscription liability was \$26 thousand. The College is required to make annual principal and interest payments of \$81 thousand through October 2023. The subscription has an interest rate of 3.8%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$107 thousand and \$80 thousand, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of construction management software. As of June 30, 2023, the value of the subscription liability was \$720 thousand. The College is required to make annual principal and interest payments of \$390 thousand through June 2026. The subscription has an interest rate of 5.2%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of May 30, 2023. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$1.1 million and \$32 thousand, as of June 30, 2023, respectively.

In a prior year, the College entered into a SBITA contract for the use of a learning management system. As of June 30, 2023, the value of the subscription liability was \$383 thousand. The College is required to make annual principal and interest payments of \$203 thousand through June 2025. The subscription has an interest rate of 3.9%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$586 thousand and \$195 thousand, as of June 30, 2023, respectively.

In a prior year, the College entered into a SBITA contract for the use of a customized technology platform. As of June 30, 2023, the value of the subscription liability was \$11 thousand. The College is required to make annual principal and interest payments of \$28 thousand through December 2023. The subscription has an interest rate of 3.8%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$39 thousand and \$28 thousand, as of June 30, 2023, respectively.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (Continued)

During the current year, the College entered into a SBITA contract for the use of creative cloud, document cloud and software. As of June 30, 2023, the value of the subscription liability was \$233 thousand. The College is required to make annual principal and interest payments of \$126 thousand through November 2025. The subscription has an interest rate of 5.2%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of November 29, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$359 thousand and \$70 thousand, as of June 30, 2023, respectively.

In a prior year, the College entered into a SBITA contract for the use of building OS platform. As of June 30, 2023, the value of the subscription liability was \$24 thousand. The College is required to make annual principal and interest payments of \$31 thousand through April 2024. The subscription has an interest rate of 3.9%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$55 thousand and \$31 thousand, as of June 30, 2023, respectively.

In a prior year, the College entered into a SBITA contract for the use of Banner Student (includes Student Self-Service and Faculty and Advisor Self-Service). As of June 30, 2023, the value of the subscription liability was \$955 thousand. The College is required to make annual principal and interest payments of \$799 thousand through September 2024. The subscription has an interest rate of 3.8%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$1.8 million and \$780 thousand, as of June 30, 2023, respectively.

In a prior year, the College entered into a SBITA contract for the use of database enterprise software. As of June 30, 2023, the value of the subscription liability was \$361 thousand. The College is required to make annual principal and interest payments of \$268 thousand through November 2024. The subscription has an interest rate of 3.9%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$629 thousand and \$260 thousand, as of June 30, 2023, respectively.

In a prior year, the College entered into a SBITA contract for the use of cloud master software-ASP services. As of June 30, 2023, the value of the subscription liability was \$811 thousand. The College is required to make annual principal and interest payments of \$252 thousand through January 2027. The subscription has an interest rate of 3.9%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$1.1 million and \$236 thousand, as of June 30, 2023, respectively.

In a prior year, the College entered into a SBITA contract for the use of eSignature business software. As of June 30, 2023, the value of the subscription liability was \$20 thousand. The College is required to make annual principal and interest payments of \$17 thousand through September 2024. The subscription has an interest rate of 3.8%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$37 thousand and \$17 thousand, as of June 30, 2023, respectively.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (Continued)

In a prior year, the College entered into a SBITA contract for the use of live transcription and notes software for Zoom. As of June 30, 2023, the value of the subscription liability was \$7 thousand. The College is required to make annual principal and interest payments of \$17 thousand through November 2023. The subscription has an interest rate of 3.8%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$23 thousand and \$17 thousand, as of June 30, 2023, respectively.

In a prior year, the College entered into a SBITA contract for the use of parking management systems. As of June 30, 2023, the value of the subscription liability was \$47 thousand. The College is required to make annual principal and interest payments of \$61 thousand through April 2024. The subscription has an interest rate of 3.9%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$108 thousand and \$60 thousand, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of online training platform. As of June 30, 2023, the value of the subscription liability was \$19 thousand. The College is required to make annual principal and interest payments of \$20 thousand through March 2025. The subscription has an interest rate of 5.1%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of March 31, 2023. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$40 thousand and \$5 thousand, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of chemical management software. As of June 30, 2023, the value of the subscription liability was \$37 thousand. The College is required to make annual principal and interest payments of \$11 thousand through June 2027. The subscription has an interest rate of 4.9%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of October 4, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$48 thousand and \$7 thousand, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of Microsoft enrollment for education solutions. As of June 30, 2023, the value of the subscription liability was \$596 thousand. The College is required to make annual principal and interest payments of \$315 thousand through July 2025. The subscription has an interest rate of 3.9%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of August 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$912 thousand and \$279 thousand, as of June 30, 2023, respectively.

In a prior year, the College entered into a SBITA contract for the use of web-based reporting tool software. As of June 30, 2023, the value of the subscription liability was \$56 thousand. The College is required to make annual principal and interest payments of \$28 thousand through July 2025. The subscription has an interest rate of 3.9%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$84 thousand and \$27 thousand, as of June 30, 2023, respectively.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (Continued)

During the current year, the College entered into a SBITA contract for the use of lease management software. As of June 30, 2023, the value of the subscription liability was \$4 thousand. The College is required to make annual principal and interest payments of \$1 thousand through July 2027. The subscription has an interest rate of 4.0%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of July 26, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$5 thousand and \$1 thousand, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of perceptive content upgrade software. As of June 30, 2023, the value of the subscription liability was \$120 thousand. The College is required to make annual principal and interest payments of \$108 thousand through November 2024. The subscription has an interest rate of 4.5%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of September 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$228 thousand and \$87 thousand as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of portfolio management software. As of June 30, 2023, the value of the subscription liability was \$110 thousand. The College is required to make annual principal and interest payments of \$62 thousand through September 2025. The subscription has an interest rate of 4.9%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of September 21, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$172 thousand and \$45 thousand, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of cloud document management resources. As of June 30, 2023, the value of the subscription liability was \$260 thousand. The College is required to make annual principal and interest payments of \$160 thousand through June 2025. The subscription has an interest rate of 5.2%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of October 1, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$420 thousand and \$115 thousand, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of Adobe creative cloud software. As of June 30, 2023, the value of the subscription liability was \$305 thousand. The College is required to make annual principal and interest payments of \$165 thousand through November 2025. The subscription has an interest rate of 5.2%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of November 30, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$471 thousand and \$92 thousand, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of manage engine password manager software. As of June 30, 2023, the value of the subscription liability was \$1 thousand. The College is required to make annual principal and interest payments of \$26 thousand through January 2024. The subscription has an interest rate of 5.6%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of December 20, 2022. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$26 thousand and \$13 thousand, as of June 30, 2023, respectively.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (Continued)

During the current year, the College entered into a SBITA contract for the use of GoPrint software for student printing. As of June 30, 2023, the value of the subscription liability was \$13 thousand. The College is required to make annual principal and interest payments of \$14 thousand through December 2024. The subscription has an interest rate of 5.4%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of January 2, 2023. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$27 thousand and \$7 thousand, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of COBID workforce tracking software. As of June 30, 2023, the value of the subscription liability was \$2 thousand. The College is required to make annual principal and interest payments of \$27 thousand through February 2024. The subscription has an interest rate of 4.8%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of January 16, 2023. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$29 thousand and \$12 thousand, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of ADA compliance comprehensive transition plan software. As of June 30, 2023, the value of the subscription liability was \$42 thousand. The College is required to make annual principal and interest payments of \$12 thousand through December 2027. The subscription has an interest rate of 5.0%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of January 4, 2023. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$54 thousand and \$5 thousand, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of social annotation software. As of June 30, 2023, the value of the subscription liability was \$15 thousand. The College is required to make annual principal and interest payments of \$8 thousand through December 2025. The subscription has an interest rate of 5.2%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of January 1, 2023. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$23 thousand and \$4 thousand, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of Wordfence, a web application firewall. As of June 30, 2023, the value of the subscription liability was \$4 thousand. The College is required to make annual principal and interest payments of \$2 thousand through February 2026. The subscription has an interest rate of 5.1%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of February 5, 2023. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$6 thousand and \$1 thousand, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of slate information management system. As of June 30, 2023, the value of the subscription liability was \$30 thousand. The College is required to make annual principal and interest payments of \$42 thousand through December 2024. The subscription has an interest rate of 4.9%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of April 5, 2023. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$72 thousand and \$10 thousand, as of June 30, 2023, respectively.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (Continued)

During the current year, the College entered into a SBITA contract for the use of cyber security curriculum Platform. As of June 30, 2023, the value of the subscription liability was \$3 thousand. The College is required to make annual principal and interest payments of \$73 thousand through June 2024. The subscription has an interest rate of 6.1%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of May 21, 2023. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$76 thousand and \$8 thousand, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of WP migrate database. As of June 30, 2023, the value of the subscription liability was \$5 thousand. The College is required to make annual principal and interest payments of \$117 through June 2026. The subscription has an interest rate of 5.2%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of June 9, 2023. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$6 thousand and \$113, as of June 30, 2023, respectively.

During the current year, the College entered into a SBITA contract for the use of NG web solutions dynamic forms. As of June 30, 2023, the value of the subscription liability was \$106 thousand. The College is required to make annual principal and interest payments of \$1 thousand through June 2026. The subscription has an interest rate of 5.2%. The College used a discount rate based on the Treasury Securities State and Local Government Series Daily Rate table as of June 20, 2023. The total amount of right to use subscription assets, and the related accumulated amortization on right to use subscription assets was \$107 thousand and \$1 thousand, as of June 30, 2023, respectively.

Changes in Long-Term Subscription-Based Information Technology Arrangements (SBITA) Liabilities during the year ended June 30, 2023 are as follows (in thousands):

(Restated)				
Balance			Balance	Due Within
June 30, 2022	Additions	Deletions	June 30, 2023	One Year
\$ 4,970	\$ 4,189	\$ (3,620)	\$ 5,539	\$ 3,084
\$ 4,970	\$ 4,189	\$ (3,620)	\$ 5,539	\$ 3,084

Remaining obligations associated with these SBITAs are as follows (in thousands):

Year Ending June 30,	Total	
	Principal	Interest
2024	\$ 3,084	\$ 234
2025	2,012	107
2026	300	18
2027	143	6
Total	\$ 5,539	\$ 365

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (Continued)

During the fiscal year, the College amortized the right to use SBITA assets as follows (in thousands):

	(Restated) Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Capital Assets Right to use assets:				
SBITA	\$ 4,970	\$ 4,189	\$ -	\$ 9,159
Total right to use SBITA assets	4,970	4,189	-	9,159
Less Accumulated amortization for:				
SBITA	-	2,792	-	2,792
Total accumulated amortization	-	2,792	-	2,792
Total right to use assets SBITA, net	\$ 4,970	\$ 1,397	\$ -	\$ 6,367

8. RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which it carries commercial insurance.

The College retains the risk of liability claims under \$806,000 per occurrence. There has been no significant reduction in insurance coverage during the year ended June 30, 2023 and no insurance settlement exceeded insurance coverage for the past four years. Liability insurance generally covers casualty losses in excess of \$806,000 per occurrence. Excess insurance above the Self Insured Retention has a limit of \$20 million per occurrence and \$20 million in the aggregate. The College's property insurance total loss limit is \$200 million with a \$25 thousand deductible. Earthquake and flood coverage has a loss limit of \$100 million per occurrence and annual aggregate with a \$100,000 deductible.

The College self-insures for workers' compensation and employers liability to pay claims, maintain claims reserves and pay administrative expenses for work-related injuries and illnesses. Liabilities for workers' compensation are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The College has obtained an excess coverage insurance policy to cover workers' compensation claims in excess of \$550 thousand with a loss limit consistent with Oregon statutes. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claims liabilities are calculated considering the effects of inflation, medical costs, state rules, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors. Changes in the balances of claims liabilities are as follows (in thousands):

	Year Ended June 30, 2023	Year Ended June 30, 2022
Unpaid claims, July 1	\$ 288	\$ 403
Incurred claims	503	458
Claim payments	(592)	(573)
Unpaid claims, June 30	\$ 199	\$ 288

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

9. PENSION PLANS

Pension Liability (Asset) for the fiscal year ended June 30, 2023 are as follows (in thousands):

	Total Pension Liability (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
PERS Pension	\$ (29,903)	\$ 79,242	\$ 98,669	\$ 29,938
PCC Stipend	928	517	479	86
Total Pension Plans	<u>\$ (28,975)</u>	<u>\$ 79,759</u>	<u>\$ 99,148</u>	<u>\$ 30,024</u>

Detailed disclosures for each plan follow.

OREGON PUBLIC RETIREMENT SYSTEM (PERS)

Plan Description

The College contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the College's contribution for qualifying employees who were hired before August 29, 2003, and is a cost-sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: The Pension Program and the Individual Account Program.

The Pension Program is defined benefit portion of the plan which applies to qualifying College employees hired after August 29, 2003. The Pension Program benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service. The Individual Account Program (IAP) is the defined contribution portion of the plan. Beginning January 1, 2004, all PERS member contributions go into the IAP. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

Starting July 1, 2020, Senate Bill 1049 required IAP member contributions to be redirected to the Defined Benefit fund. If the member earns more than \$2,500 a month, 0.75% for OPSRP members and 2.5% for Tier One and Tier Two members' salaries that were previously contributed to the member's IAP began funding the new Employee Pension Stability Accounts to help fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account.

Both PERS plans provide retirement and disability benefits, postemployment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained at:

<https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

Benefits Provided

A. Tier One/Tier Two Retirement Benefit ORS Chapter 238

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

9. PENSION PLANS (Continued)

Pension Benefits

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

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of Final Average Salary is limited for all members beginning in 2021. The limit was equal to \$210,582 as of January 1, 2022, and is indexed with inflation every year.

A member is considered vested and will be eligible at 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. General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Death Benefits

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

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

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 (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 when determining the monthly benefit.

Benefit Changes After Retirement

Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations caused by changes in the fair value of the underlying global equity investments of that account.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2%.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

9. PENSION PLANS (Continued)

B. OPSRP Pension Program (OPSRP DB)

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 with the following formula for members who attain normal retirement age:

General service: 1.50% 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.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary is limited for all members beginning in 2021. The limit was equal to \$210,582 as of January 1, 2022, and is indexed with inflation every year.

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

Death Benefits

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50% of the pension that would otherwise have been paid to the deceased member. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.

Disability Benefits

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

C. OPSRP Individual Account Program (OPSRP IAP)

Pension Benefits

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

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

9. PENSION PLANS (Continued)

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

Death Benefits

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

Recordkeeping

PERS contracts with Voya Financial to maintain IAP participant records.

Contributions

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2020 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2021. Employer contributions for the year ended June 30, 2023 to the Tier One/Tier Two and OPSRP plans totaled \$5.8 million, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2023 were 6.78% for Tier One/Tier Two General Service Members and 3.14% for OPSRP Pension Program General Service Members, net of 20.61% of side account rate relief. An additional 6% contribution is required for the OPSRP Individual Account Program and totaled \$7.0 million for the year ended June 30, 2023.

Pension Liabilities, Pension Assets, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At June 30, 2023, the College reported net pension liability (asset) of (\$29.9) million for its proportionate share of PERS net pension liability (asset). The net pension asset was determined by an actuarial valuation as of December 31, 2020 rolled forward to June 30, 2022. The College's proportion of the net pension asset was based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities actuarially determined. PERS has established side accounts for employers that made lump sum payments to the plan in excess of their actuarially required contributions. Since different contribution rates are assessed to employers based on the value of the side accounts, the side account values were reflected separately in the proportionate share calculation. On June 30, 2022 and 2021, the College's proportion were 1.12% and 1.11%, respectively.

For the year ended June 30, 2023, the College recognized aggregate pension expense of \$29.9 million. At June 30, 2023, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

9. PENSION PLANS (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,334	\$ 1,071
Changes in assumptions	26,938	246
Net difference between projected and actual earnings on investments	-	30,694
Changes in proportionate share	2,145	10,828
Changes in proportion and differences between employer contributions and proportionate share of contributions	35,981	55,830
College's contributions subsequent to the measurement date	5,844	-
Year Ended June 30, 2023	<u>\$ 79,242</u>	<u>\$ 98,669</u>

There is \$5.8 million reported as deferred outflows of resources related to pensions resulting from the College contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

Year Ending June 30,	Amount
2024	\$ 13,379
2025	(14,544)
2026	(26,603)
2027	5,613
2028	(3,116)
Total	<u>\$ (25,271)</u>

Actuarial Assumptions

The employer contribution rates effective July 1, 2021 to June 30, 2023 were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years. For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years. The total pension asset in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

9. PENSION PLANS (Continued)

Valuation date	December 31, 2020
Measurement date	June 30, 2022
Experience Study	2020, published by July 20, 2021
Actuarial assumptions:	
Actuarial cost method	Entry Age Normal
Inflation Rate	2.40%
Long-term expected rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Cost-of-living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service.
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active Members: Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010, Disabled Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

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

Long-Term Expected Rate of Return

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

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

9. PENSION PLANS (Continued)

Asset Class	Target Allocation	Annualized Geometric Mean
Global Equity	30.62 %	5.85 %
Private Equity	25.50	7.71
Core Fixed Income	23.75	2.73
Real Estate	12.25	5.66
Master Limited Partnerships	0.75	5.71
Infrastructure	1.50	6.26
Commodities	0.63	3.10
Hedge Fund of Funds - Multistrategy	1.25	5.11
Hedge Fund Equity - Hedge	0.63	5.31
Hedge Fund - Macro	5.62	5.06
US Cash	-2.50	1.76
Total	100.00 %	
Assumed Inflation - Mean		2.40 %

Source: OPERS Annual Comprehensive Financial Report, For the Fiscal Year Ended June 30, 2022.

Discount Rate

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

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

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
College's proportionate share of the net pension liability (asset)	\$ 102,879	\$ (29,903)	\$ (141,035)

Pension Plan Fiduciary Net Position

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

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

9. PENSION PLANS (Continued)

Transition Liability

The College reports a separate liability to the plan with a balance of \$7.7 million at June 30, 2023. The liability represents the College's allocated share of the pre-SLGRP pooled liability. The College is being assessed an employer contribution rate of 1.52% of covered payroll for payment of this transition liability.

EARLY RETIREMENT INCENTIVE (STIPEND)

Plan Description

The College maintains a single-employer, defined benefit early retirement incentive program for qualifying Faculty, Academic Professionals (AP), and Classified Employees. The Board has authority to set benefit provisions and funding policy for the plan. The management employee portion of this plan was replaced in fiscal year 2000 by a 2.0% employer contributed 403(b) plan. The actuarial information is from an actuarial valuation report as of June 30, 2023.

Retirement eligibility:

Faculty and Academic Professional:

10 consecutive years of service immediately preceding retirement
30 years of PERS service OR age 58
Retire prior to age 65

Classified employees

10 consecutive years of service immediately preceding retirement
30 years of PERS service OR age 55
Retire prior to age 62

Supplemental early retirement benefits description:

Faculty and Academic Professionals: \$400 payable monthly for four years, but not beyond age 65.

Eligible faculty and academic professionals can elect to an equivalent benefit as a lump sum, calculated using a 6% annual discount rate.

Classified employees: \$270 payable monthly for four years, but not beyond age 62.

Surviving Spouse Benefits:

No benefits are payable to a beneficiary upon the death of a retiree receiving a stipend.

Special Classified Employees Benefits:

Eligible Classified employees retiring between October 1, 2017 and June 30, 2019 are eligible to receive a monthly benefit of \$525. Eligible Classified employees retiring between December 19, 2019 and December 31, 2021 are eligible to receive a monthly benefit of \$773. This benefit may be taken as stipend or applied toward health insurance premiums. This benefit lasts for four years, but not beyond age 65.

At June 30, 2023, 58 retirees received benefits and 1,950 current active employees are covered.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

9. PENSION PLANS (Continued)

Contributions and Funding:

The Early Retirement Incentive Plan is currently unfunded as defined by current GASB statements. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB 73.

The benefits from this program are fully paid in accordance with the Plan by the College and, consequently, no contributions by employees are required. In accordance with the terms of the plan, benefit payments are recognized when due and payable in the financial statements. There are no administrative costs attributable to the plan and the plan's activities are reported in the financial statements. For the year ended June 30, 2023, changes in the pension liability are as follows (in thousands):

	<u>Total Stipend Liability</u>
Beginning of Year, 7/1/2022	\$ 1,338
Benefit Payments	(144)
Service Cost	37
Interest on Stipend Liability	27
Change in Assumptions	(363)
Experience (Gain)/Loss	33
<u>End of Year, 6/30/2023</u>	<u>\$ 928</u>

Actuarial valuations:

The actuarial information is from an actuarial valuation report as of June 30, 2023.

The actuarial funding method used to determine the cost of the Supplemental Early Retirement Program is the Entry Age Normal Cost Method (Level Percent of Pay). The objective under this method is to fund all participants' benefits under the plan as payments which are a level dollar amount each year, starting at their original participation dates and continuing until their assumed exit age. This method is used for both the Early Retirement Incentive Plan and Postemployment Healthcare Plan.

A detailed description of the calculation follows:

- The actuarial present value of the projected benefits of each active employee included in the valuation is allocated on a level percentage of pay basis over the service of the active employee between assumed entry age (date of hired) and assumed exit age(s).
- The portion of this actuarial present value allocated to the valuation year is the Service Cost for that active employee, and the sum of these individuals service costs is the Plan's Service Cost for the valuation year.
- The present value of benefits for current retirees plus the accumulated value of all prior Service Costs is the Total Pension Liability.

Under this method, the actuarial gains (losses), as they occur, reduce (increase) the Total Pension Liability.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

9. PENSION PLANS (Continued)

Basis of Accounting:

The actuarial calculations are consistent with accounting principles generally accepted in the United States of America and GASB No.73.

Asset Valuation Method:

The actuarial value of assets is equal to the fair value of the assets.

Basic actuarial assumptions:

1. Discount rate 3.65% is the June 30, 2023 rate in the 20-Year General Obligation Municipal Bond Index published by Bond Buyer.

2. Mortality **Healthy retirees and beneficiaries:** Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

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

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

	Discount Rate Sensitivity		
	(in thousands)		
	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Total Stipend Liability on 6/30/2023	\$ 975	\$ 928	\$ 883

Stipend Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Stipend

For the year ended June 30, 2023, the College recognized aggregate stipend expense of \$86 thousand. As of June 30, 2023, the College reported deferred outflows of resources and deferred inflows of resources related to the Stipend from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 254	\$ 43
Changes of assumptions or other inputs	263	436
Total	<u>\$ 517</u>	<u>\$ 479</u>

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

9. PENSION PLANS (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to Stipend will be recognized in Pension expense for the year ended June 30, 2023 as follows (in thousands):

Year Ended June 30,	Amount
2024	\$ 22
2025	22
2026	24
2027	49
2028	29
All Subsequent Years	(108)
Total	<u>\$ 38</u>

OTHER RETIREMENT PLAN

The College contributes to a defined contribution pension plan (403(b) plan) for its management employees with at least one year of service. The College administers the plan and does not publish a stand-alone financial report for the plan. The Board has authority to set benefit provisions and funding policy for the plan. The required contribution amount is 2.0% of covered salary for those who have joined the plan. The expense for the plan for the year ended June 30, 2023 was \$0.3 million.

10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

OPEB Liability (Asset) for the fiscal year ended June 30, 2023 are as follows (in thousands):

	Total OPEB Liability (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
PCC OPEB	\$ 8,154	\$ 2,438	\$ 4,881	\$ 215
PERS OPEB (RHIA)	(3,132)	79	553	(337)
Total OPEB Plans	<u>\$ 5,022</u>	<u>\$ 2,517</u>	<u>\$ 5,434</u>	<u>\$ (122)</u>

Detailed disclosures for each plan follow.

Plan Description

The College operates a single-employer retiree benefit plan OPEB that provides postemployment health, dental, vision, and prescription coverage benefits to eligible employees and their eligible dependents. This OPEB is not a stand-alone plan and therefore does not issue its own financial statements. This plan has no assets accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement 75.

The College contributes to the premiums for eligible faculty and academic professional employees and their eligible dependents up to the employer paid maximum at the time of retirement (College Paid-Cap). The maximum monthly employer paid premium contribution at June 30, 2023 is \$1,416 and is based on the number of dependents covered by a medical plan at the time of retirement. This maximum amount may

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

change based on the contract negotiations process or if dependents come off of the plan. If the insurance premium exceeds the college contribution, the balance is then paid by the employee.

To be eligible, retired employees must be receiving pension benefits from Oregon PERS and the duration of College's contribution towards benefits is up to 72 months or until the attainment of age 65, if earlier.

Benefits and eligibility for faculty, academic professionals, and classified staff are established and amended through collective bargaining with the recognized bargaining agent for each group. Benefits and eligibility for administrators and confidential support staff are established and amended by the governing body.

The College is required by Oregon Revised Statutes 243.303 to provide retirees with group health and dental insurance from the date of retirement to age 65 at the same rate provided to current employees. Retired employees who are eligible for the College Paid-Cap and whose benefit ends prior to age 65 may continue enrollment in the health plans on a self-pay basis until age 65. Retired employees who are not eligible for the College Paid-Cap may continue enrollment in the health plans on a self-pay basis until age 65.

At June 30, 2023, 58 retirees received benefits and 1,950 current active employees are covered.

The College's total OPEB liability of \$8.2 million was measured as of June 30, 2023 and was determined by an actuarial valuation report as of that date.

Actuarial assumptions and other inputs:

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.5%
Discount rate	3.65%

Health care trend rates Assumed annual increases in health premiums and the College Cap are listed in the table below. All insurance trends include the assumed general inflation rate of 2.5%.

Year	Moda Medical	Kaiser Medical	Dental	Vision	College Cap*
2024+	5.0%	4.0%	3.0%	3.0%	5.0%

* Applied only to Academic Professionals and Faculty Retirees

The discount rate was based on the June 30, 2023 rate in the 20-Year General Obligation Municipal Bond Index published by Bond Buyer.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Changes in the Total OPEB Liability

	Total OPEB Liability (in thousands)
Beginning of Year, 7/1/2022	\$ 10,988
Benefit Payments - Explicit Medical	(444)
Benefit Payments - Implicit Medical	(333)
Service Cost	390
Interest on Total OPEB Liability	229
Change in Assumptions	(2,738)
Experience (Gain)/Loss	62
End of Year, 6/30/2023	\$ 8,154

Sensitivity of the total OPEB liability to changes in the discount rate

The total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current discount rate for the year ended June 30, 2023 are as follows (in thousands):

	Discount Rate Sensitivity		
	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability	\$ 8,732	\$ 8,154	\$ 7,612

Sensitivity of the total OPEB liability to changes in the healthcare trend rates

The total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates for the year ended June 30, 2023 are as follows (in thousands):

	Current Health Care		
	1% Decrease	Trend Rates	1% Increase
Total OPEB Liability	\$ 7,458	\$ 8,154	\$ 8,933

OPEB Expense and Deferred Outflow of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the College recognized aggregate OPEB expense of \$215 thousand. At June 30, 2023, on the following page, the College reported deferred outflows and inflows of resources related to OPEB from the following sources (in thousands):

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 583	\$ 1,117
Changes of assumptions or other inputs	1,855	3,764
Total	<u>\$ 2,438</u>	<u>\$ 4,881</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands):

Year Ended June 30,	Amount
2024	\$ (404)
2025	(404)
2026	(404)
2027	(13)
2028	(109)
All Subsequent Years	(1,109)
Total	<u>\$ (2,443)</u>

Actuarial Methods and Assumptions:

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

PUBLIC RETIREMENT SYSTEM

Plan Description

The College contributes to an OPEB plan administered by the Oregon Public Employees Retirement System (PERS). The Retiree Health Insurance Account (RHIA) is a cost-sharing multiple-employer defined benefit plan established under Oregon Revised Statute 238.420, which grants the authority to manage the plan to the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained at:

<https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

Benefits Provided

Eligible PERS members can receive a payment of up to \$60 from RHIA toward the monthly cost of health insurance. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired before May 1, 1991. The plan was closed to new entrants hired on or after August 29, 2003.

Contributions

PERS funding policy provides for monthly employer contributions at an actuarially determined rate. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates during the period were based on the December 31, 2020 actuarial valuation. The rates, based on a percentage of payroll, first became effective July 1, 2021. Employer contributions for the year ended June 30, 2023 were \$16 thousand. The rates in effect for the fiscal year ended June 30, 2023 were 0.05% for Tier One/Tier Two General Service Members and 0% for OPSRP Pension Program General Service Members. Employees are not required to contribute to the RHIA Program.

OPEB Assets, OPEB Expenses, OPEB Income, and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB

At June 30, 2023, the College reported an asset of \$3.1 million for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2022 and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2020. The College's proportion of the net OPEB asset was based on a projection of the College's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating entities actuarially determined. On June 30, 2022 and 2021, the College's proportion were 0.88% and 0.91%, respectively.

For the year ended June 30, 2023, the College recognized aggregate OPEB expense (income) of approximately (\$337) thousand. At June 30, 2023, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (in thousands):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 85
Changes of assumptions	24	104
Net difference between projected and actual earnings on investments	-	239
Changes in proportionate share	39	125
College's contributions subsequent to the measurement date	<u>16</u>	<u>-</u>
Year Ended June 30, 2023	<u>\$ 79</u>	<u>\$ 553</u>

Contributions subsequent to the measurement date of \$16 thousand reported as deferred outflows of resources will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

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

Year Ended June 30,	Amount
2024	\$ (283)
2025	(132)
2026	(151)
2027	76
Total	<u>\$ (490)</u>

Actuarial assumptions

The employer contribution rates effective July 1, 2021, through June 30, 2023, were set using the entry age normal actuarial cost method. This method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees

during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years.

The total OPEB asset in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	December 31, 2020
Measurement date	June 30, 2022
Experience Study	2020, published by July 20, 2021
Actuarial assumptions:	
Actuarial cost method	Entry Age Normal
Inflation Rate	2.40%
Long-term expected rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Retiree healthcare participation	Healthy retirees: 27.5%; Disabled retirees: 15.0%
Healthcare cost trend rate	Not applicable
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active Members: Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010, Disabled retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

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

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table on the following page shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is

based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Annualized Geometric Mean
Global Equity	30.62 %	5.85 %
Private Equity	25.50	7.71
Core Fixed Income	23.75	2.73
Real Estate	12.25	5.66
Master Limited Partnerships	0.75	5.71
Infrastructure	1.50	6.26
Commodities	0.63	3.10
Hedge Fund of Funds - Multistrategy	1.25	5.11
Hedge Fund Equity - Hedge	0.63	5.31
Hedge Fund - Macro	5.62	5.06
US Cash	-2.50	1.76
Total	100.00 %	
Assumed Inflation - Mean		2.40 %

Source: OPERS Annual Comprehensive Financial Report, For the Fiscal Year Ended June 30, 2022.

Discount Rate

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

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Sensitivity of the College's proportionate share of the net OPEB asset to changes in the discount rate

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

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
College's proportionate share of the net OPEB liability (asset)	\$ (2,823)	\$ (3,132)	\$ (3,397)

OPEB Plan Fiduciary Net Position

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

11. RELATED ORGANIZATION

The Portland Community College Foundation (the Foundation) is a legally separate, tax-exempt related organization of the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources or income thereon that the Foundation holds are restricted to activities of the College by the donors. Even though the resources held by the Foundation are primarily for the benefit of the College, such resources are not significant to the College. Accordingly, the Foundation is not considered a component unit of the College, as defined by GASB No. 39.

Summarized financial information from the Foundation's audited financial statements as of and for the year ended June 30, 2023 is as follows (in thousands):

	<u>June 30, 2023</u>
Total assets	\$ 27,330
Total net assets	26,365
Total support and revenues	8,063
Total expenses	7,894

12. ESTIMATED TAX ABATEMENTS

The College's property tax revenues were reduced by \$13.3 million under agreements entered into by the five counties within the College's district. The amounts on the following page abated by county are as follows (in thousands):

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS
Year ended June 30, 2023**

12. ESTIMATED TAX ABATEMENTS (Continued)

	Year Ended June 30, 2023
Clackamas County	\$ 455
Columbia County	48
Multnomah County	557
Washington County	12,221
Yamhill County	4
	<u>\$ 13,285</u>

All data is estimated based on tax roll values.

13. COMMITMENTS AND CONTINGENCIES

Construction Commitments

The College has approximately \$32.9 million in on-going construction commitments as of June 30, 2023. About eighty-seven percent of this total consists of construction contracts based on guaranteed maximum amounts with the construction manager/general contractors, and design build selected for each of the five main campuses and other centers. Remaining commitments include consulting contracts for architectural and engineering services, moving services, geotechnical, materials testing, commissioning, surveying and other services. Projects are ongoing at the Sylvania campus, Cascade campus, Rock Creek campus, and Opportunity Center at 42nd Avenue. Projects also include district-wide deferred maintenance, upgrading district-wide technology infrastructure, and upgrading district-wide security projects.

Federal Issues

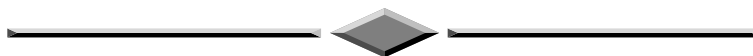
Amounts received or receivable from grantor agencies are subject to audit and adjustment by these agencies, principally the federal government. Any disallowed costs, including amounts already collected, may constitute a liability for the College. The amount, if any, of expenses which may be disallowed by the grantor cannot be determined at this time, although College management expects such amounts, if any, to be immaterial to the basic financial statements.

14. RESTATEMENT OF NET POSITION

Based on implementation for GASB No. 96, the College retroactively restated the beginning net position. The effect of this adjustment as follows (in thousands):

Net position at June 30, 2022, as previously reported at	\$ 421,205
Add Right of use SBITA under GASB Statement No. 96 at June 30, 2022	4,970
Less SBITA liability under GASB Statement No. 96 at June 30, 2022	<u>(4,970)</u>
Net position at June 30, 2022, as restated	<u>\$ 421,205</u>

REQUIRED SUPPLEMENTARY INFORMATION





**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**Public Employees Retirement System (PERS) Pension Plan
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the last ten fiscal years***

Fiscal Year Ended <u>June 30,</u>	(a) College's proportion of the net pension liability (asset)	(b) College's proportionate share of the net pension liability (asset)	(c) College's covered payroll**	(b/c) College'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
2023	1.12123137%	\$ (29,902,769)	\$ 134,629,627	-22.21%	84.55%
2022	1.10959750%	(68,413,411)	134,936,648	-50.70%	87.57%
2021	1.16143555%	51,471,627	134,716,374	38.21%	75.79%
2020	1.19359871%	13,786,961	134,216,139	10.27%	80.23%
2019	1.19835063%	148,267,124	133,230,694	111.29%	82.07%
2018	1.21675270%	134,346,989	132,954,016	101.05%	83.12%
2017	1.26411636%	165,656,749	126,377,544	131.08%	80.53%
2016	1.28316214%	45,769,547	129,194,652	35.43%	91.88%
2015	1.36089339%	(71,099,790)	125,347,002	-56.72%	103.60%
2014	1.36089339%	29,987,921	124,011,129	23.92%	91.97%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date, which is a date one year earlier than the fiscal year-end date above.

** Employer's covered payroll is equal to the amount reported to PERS in the proceeding year.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

Public Employees Retirement System (PERS) Pension Plan

SCHEDULE OF CONTRIBUTIONS

For the last ten fiscal years*

Fiscal Year Ended June 30,	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)***	(c) College's covered payroll**	(b/c) Contributions as a percent of covered payroll
2023	\$ 23,481,959	\$ 5,844,203	\$ 17,637,756	\$ 145,163,389	4.03%
2022	8,622,123	4,328,621	4,293,502	134,629,627	3.22%
2021	12,406,968	4,375,520	8,031,448	134,936,648	3.24%
2020	6,646,833	176,450,043	(169,803,210)	134,716,374	130.98%
2019	12,709,999	12,709,999	-	134,216,139	9.47%
2018	8,955,713	8,955,713	-	133,230,694	6.72%
2017	8,996,796	8,996,796	-	132,954,016	6.77%
2016	8,876,145	8,876,145	-	126,377,544	7.02%
2015	8,772,893	8,772,893	-	129,194,652	6.79%
2014	8,566,476	8,566,476	-	125,347,002	6.83%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date, which is a date one year earlier than the fiscal year-end date above. However, the contributions above represent contributions during the respective fiscal year indicated above.

** Employer's covered payroll is equal to the amount report to PERS during the fiscal year presented. The amount includes adjustments from prior year's covered payroll.

*** Contribution in excess was created when the College paid excess funds toward the PERS total liability using a Pension Bond in FY18.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**Public Employees Retirement System (PERS) OPEB Plan
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
For the last ten fiscal years***

Fiscal Year Ended June 30,*	(a) College's proportion of the net OPEB liability (asset)	(b) College's proportionate share of the net OPEB liability (asset)	(c) College's covered payroll**	(b/c)	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
				College's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	
2017	1.33071417%	\$ 361,372	\$ 126,377,544	0.285946370%	93.84%
2018	1.29452634%	(540,259)	132,954,016	-0.406350268%	108.89%
2019	1.26553093%	(1,412,676)	133,230,694	-1.060323232%	123.99%
2020	1.24721207%	(2,410,064)	134,216,139	-1.795658866%	144.36%
2021	0.65933032%	(1,343,453)	134,716,374	-0.997245517%	150.07%
2022	0.90735329%	(3,115,856)	134,936,648	-2.309125094%	183.86%
2023	0.88144072%	(3,132,069)	134,629,627	-2.326433691%	194.66%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date, which is a date one year earlier than the fiscal year-end date above.

*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.

** Employer's covered payroll is equal to the amount reported to PERS in the proceeding year.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**Public Employees Retirement System (PERS) OPEB Plan
SCHEDULE OF CONTRIBUTIONS
For the last ten fiscal years***

Fiscal Year Ended June 30,*	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)***	(c) College's covered payroll**	(b/c) Contributions as a percent of covered payroll
2017	\$ 593,338	\$ 593,338	-	\$ 132,954,016	0.446%
2018	644,489	644,489	-	133,230,694	0.484%
2019	607,428	607,428	-	134,216,139	0.453%
2020	618,809	618,809	-	134,716,374	0.459%
2021	41,931	41,931	-	134,936,648	0.031%
2022	26,888	26,888	-	134,629,627	0.020%
2023	21,670	21,670	-	145,163,389	0.015%

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date, which is a date one year earlier than the fiscal year-end date above. However, the contributions above represent contributions made during the respective fiscal year indicated above.

*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.

** Employer's covered payroll is equal to the amount report to PERS during the fiscal year presented. The amount includes adjustments from prior year's covered payroll.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**College's Post Employment Health Care Plan (OPEB)
SCHEDULE OF TOTAL OPEB LIABILITY
For the last 10 fiscal years****

	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability							
Service cost	\$ 389,688	\$ 606,874	\$ 586,352	\$ 437,649	\$ 422,849	\$ 342,240	\$ 330,667
Interest	228,955	228,173	231,434	380,934	267,082	277,697	444,454
Changes of benefit terms		-	124,103	-	71,650	-	-
Differences between expect and actual experience	61,702	-	(1,328,830)	-	1,113,642	-	(610,802)
Changes of assumptions or other inputs	(2,737,669)	-	1,130,790	-	2,251,587	-	(4,170,669)
Benefit payments	(776,590)	(821,180)	(968,462)	(1,007,266)	(740,513)	(751,349)	(551,945)
Net change in total OPEB liability	(2,833,914)	13,867	(224,613)	(188,683)	3,386,297	(131,412)	(4,558,295)
Total OPEB liability beginning	10,988,041	10,974,174	11,198,787	11,387,470	8,001,173	8,132,585	12,690,880
Total OPEB liability ending	<u>\$ 8,154,127</u>	<u>\$ 10,988,041</u>	<u>\$ 10,974,174</u>	<u>\$ 11,198,787</u>	<u>\$ 11,387,470</u>	<u>\$ 8,001,173</u>	<u>\$ 8,132,585</u>
Covered employee payroll***	\$ 136,266,828	\$ 132,584,970	\$ 128,101,420	\$ 128,565,535	\$ 124,217,908	\$ 116,193,942	\$ 112,264,678
Total OPEB liability as a percentage of covered employee payroll ***	6.0%	8.3%	8.6%	8.7%	9.2%	6.9%	7.2%

**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.

Assumes all actuarial assumptions are exactly realized.

*** Since these amounts are not driven by payroll the term "covered employee" is included.

**PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON**

**College's Early Retirement Incentive Plan (Stipend)
SCHEDULE OF TOTAL PENSION LIABILITY
For the last ten fiscal years****

	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability								
Service cost	\$ 36,210	\$ 62,442	\$ 60,330	\$ 37,609	\$ 36,337	\$ 28,796	\$ 27,822	\$ 47,419
Interest	27,342	28,440	25,847	45,868	27,041	32,729	46,007	41,345
Changes of benefit terms	-	-	56,634	-	25,837	-	-	-
Differences between expect and actual experience	33,211	-	(61,859)	-	402,402	-	98,745	-
Changes of assumptions or other inputs	(362,555)	-	205,577	-	244,663	-	(366,543)	-
Benefit payments	(144,152)	(139,252)	(193,760)	(200,996)	(195,681)	(210,650)	(143,160)	(220,495)
Net change in total Pension liability	(409,944)	(48,370)	92,769	(117,519)	540,599	(149,125)	(337,129)	(131,731)
Total Pension liability beginning	1,337,906	1,386,276	1,293,507	1,411,026	870,427	1,019,552	1,356,681	1,488,412
Total Pension liability ending	<u>\$ 927,962</u>	<u>\$ 1,337,906</u>	<u>\$ 1,386,276</u>	<u>\$ 1,293,507</u>	<u>\$ 1,411,026</u>	<u>\$ 870,427</u>	<u>\$ 1,019,552</u>	<u>\$ 1,356,681</u>
Covered employee payroll ***	\$ 52,889,002	\$ 49,230,414	\$ 47,565,617	\$ 45,501,302	\$ 43,962,611	\$ 43,137,258	\$ 41,678,510	\$ 44,442,240
Total Pension liability as a percentage of covered employee payroll ***	1.8%	2.7%	2.9%	2.8%	3.2%	2.0%	2.4%	3.1%

**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.

*** Since these amounts are not driven by payroll the term "covered employee" is included.

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON
Notes to Required Supplementary Information
June 30, 2023

PERS Pension Plan

Changes in Plan Provisions

Key changes in plan provisions are described in the Oregon Public Employees Retirement System's GASB 68 Disclosure Information which was published on September 18, 2013 and can be found at: <http://www.oregon.gov/pers/EMP/Documents/GASB/2014/GASB-Disclosure-Information.pdf> and in a letter from the plan's actuary dated May 23, 2016 which can be found at: <http://www.oregon.gov/pers/EMP/Documents/GASB/2015/Letter-From-Actuary-5-23-16.pdf>

Changes in Assumptions

Key changes in assumptions for the December 31, 2012 and 2013 valuations are described in the Oregon Public Employees Retirement System's 2012 Experience Study (Updated) which was published on September 18, 2013 and can be found at: <http://www.oregon.gov/PERS/Documents/Financials/Actuarial/2013/Experience-Study-Updated.pdf>

Key changes in assumptions for the December 31, 2014 and 2015 valuations are described in the Oregon Public Employees Retirement System's 2014 Experience Study which was published on September 23, 2015 and can be found at: <http://www.oregon.gov/PERS/Documents/Financials/Actuarial/2015/Experience-Study.pdf>

Key changes in assumptions for the December 31, 2016 and 2017 valuations are described in the Oregon Public Employees Retirement System's 2016 Experience Study which was published on July 26, 2017 and can be found at: <https://www.oregon.gov/pers/Documents/2016-Exp-Study.pdf>

Key changes in assumptions for the December 31, 2018 and 2019 valuations are described in the Oregon Public Employees Retirement System's 2018 Experience Study which was published on July 24, 2019 and can be found at: https://www.oregon.gov/pers/Documents/Exp_Study_2018.pdf

Key changes in assumptions for the December 31, 2020 and 2021 valuations are described in the Oregon Public Employees Retirement System's 2020 Experience Study which was published on July 20, 2021 and can be found at: <https://www.oregon.gov/pers/Documents/Financials/Actuarial/2021/2020-Experience-Study.pdf>

PERS Post Employment Health Care Plan (OPEB)

The College also participates in Oregon PERS Retirement Health Insurance Account which is a cost-sharing multiple-employer plan under the GASB Statement 75. This plan does have stand-alone financial statements available here: <https://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

Changes in Plan or Assumptions

Key changes in assumptions for the December 31, 2015 valuations are described in the Oregon Public Employees Retirement System's 2014 Experience Study which was published on September 23, 2015 and can be found at: <http://www.oregon.gov/PERS/Documents/Financials/Actuarial/2015/Experience-Study.pdf>

Key changes in assumptions for the December 31, 2016 and 2017 valuations are described in the Oregon Public Employees Retirement System's 2016 Experience Study which was published on July 26, 2017 and can be found at: <https://www.oregon.gov/pers/Documents/2016-Exp-Study.pdf>

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON
Notes to Required Supplementary Information
June 30, 2023

Key changes in assumptions for the December 31, 2018 and 2019 valuations are described in the Oregon Public Employees Retirement System's 2018 Experience Study which was published on July 24, 2019 and can be found at: https://www.oregon.gov/pers/Documents/Exp_Study_2018.pdf

Key changes in assumptions for the December 31, 2020 and 2021 valuations are described in the Oregon Public Employees Retirement System's 2020 Experience Study which was published on July 20, 2021 and can be found at: <https://www.oregon.gov/pers/Documents/Financials/Actuarial/2021/2020-Experience-Study.pdf>

College's Post Employment Health Care Plan (OPEB)

The College OPEB plan is not a stand-alone plan and therefore does not issue its own financial statements. The plan does not have assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Changes in Plan or Assumptions

No material changes in the census or plan provision have occurred.

There were no significant changes that would impact the actuarial assumptions.

College's Early Retirement Incentive Plan (Stipend)

This Stipend plan is not a stand-alone plan and therefore does not issue its own financial statements. The plan does not have assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73.

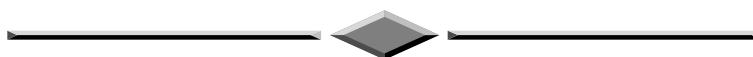
Changes in Plan or Assumptions

No material changes in the census or plan provision have occurred.

There were no significant changes that would impact the actuarial assumptions.

There are no assets accumulated in a trust to pay related benefits for pension/ OPEB.

Other SUPPLEMENTARY INFORMATION



Individual funds
and other financial schedules



Individual Funds

General Fund

The General Fund is the College's primary operating fund. It accounts for all major instructional programs and services supporting these programs. Principal sources of revenue are property taxes, tuition and community college funding from the State of Oregon. For budgetary compliance, expenditures are budgeted by campus and non-campus programs. For reporting purposes, expenditures are further categorized into instruction, instructional support, student support, college support, facilities maintenance and operations, and transfers to other funds.

Continuing and Community Education Fund

This fund was established to provide a separate accounting of revenues and expenditures for self-improvement, non-credit and non-traditional credit courses. Programs in this fund are to be financially self-supporting. Registration fees and other charges provide the majority of revenue in this fund.

Auxiliary Fund

This fund accounts for a variety self-supporting College sponsored activities which cannot be accounted for in other funds or in the General Fund. Major sources of revenue include facilities usage charges and a variety of campus activities. Major program expenditures include management of campus facility rental activities and other College sponsored activities.

Student Activities Fund

This fund was established to account for programs and activities related to student functions. The resources for this fund come from student fees and from fund raising activities. Programs under this fund are Child Care, Student Government, intramural activities, and other student activities.

Contracts and Grants Fund

This fund accounts for Federal, State, and Local grants and contracts that fund various training programs, the development and operation of experimental grant-funded programs. This fund is dependent on grants and contract awards that will be received during the fiscal year and that require external reporting. The major source of revenue is from federal, state, and local contracts and grants.

Student Financial Aid Fund

This fund was established to provide for a separate accounting of student financial assistance. Federal and state student aid programs provide the majority of revenue in this fund.

General Obligation Bond Fund

This fund was established to account for the accumulation of resources for the payment of principal and interest on long-term general obligation bonds. The principal sources of revenues are property taxes and earnings on investments.

P.E.R.S. Debt Service Fund

This fund was established to account for the accumulation of resources for the payment of principal and interest on the Limited Tax Pension Bonds. The primary source of revenue is a transfer from the P.E.R.S./Reserve Fund.

Capital Projects Fund

This fund was established to account for expenditures for minor construction projects, remodeling, major maintenance of facilities, and replacement of major equipment. The major source of funding is a transfer from the General Fund.

Capital Construction Fund

This fund accounts for all activities relating to major construction projects not accounted for in the Capital Projects Fund, including acquisition of real property, construction of new facilities and major renovations of existing facilities. This fund was established in 1992 to account for projects provided for by the voter approved bond authority. The major source of funding is bond proceeds.

Food Services Fund

This fund accounts for the operation of the cafeterias and related food services. The principal source of revenue is from food sales.

Bookstore Fund

The College Bookstore operation provides students and staff with books and instructional supplies needed to carry out their educational programs. The principal source of revenue is from sales of merchandise.

Parking Operations Fund

This fund accounts for the College parking program. Resources are expended for alternative transportation options and maintenance of the parking lots. The major sources of revenue are from parking permits and parking fines.

Print Center Fund

This fund was established to account for the College's expenses relating to printing and photocopying. The primary source of revenue is from charges for services to the College's operating funds.

Risk Management Fund

This fund accounts for the expenses relating to the College's management of its self-insurance operation which includes property, casualty, unemployment and worker's compensation insurance. The primary source of revenue is from charges to the College's operating funds.

P.E.R.S. Internal Service Fund

This fund was established to centrally manage and account for the additional Public Employees Retirement System's employer rate. The primary source of revenue is from charges to the College's operating funds on all salaries subject to P.E.R.S. The primary expenditure in this fund is a transfer of accumulated charges to the P.E.R.S. Debt Service Fund.

Early Retirement Fund

This fund was established to account for the accumulation of resources to meet future obligations and expenses related to the College's early retirement program. Principal sources of revenue are a transfer from the General Fund and interest earnings from investments.

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended June 30, 2023

	<u>GENERAL FUND</u>				
	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
From local sources:					
District tax levy:					
Current	\$ 79,273,369	\$ 40,756,212	\$ 42,653,748	\$ 83,409,960	\$ 4,136,591
Prior	2,014,307	479,824	455,976	935,800	(1,078,507)
Total district tax levy	81,287,676	41,236,036	43,109,724	84,345,760	3,058,084
Tuition and fees	175,545,530	78,962,418	72,334,640	151,297,058	(24,248,472)
Other sources:					
Interest from investments	2,601,210	478,379	4,192,446	4,670,825	2,069,615
Other local sources	4,274,956	1,334,274	3,913,538	5,247,812	972,856
Total other sources	6,876,166	1,812,653	8,105,984	9,918,637	3,042,471
Total from local sources	263,709,372	122,011,107	123,550,348	245,561,455	(18,147,917)
From state sources:					
FTE reimbursement	224,435,452	117,715,619	119,563,138	237,278,757	12,843,305
Other state sources	-	18,131	74,950	93,081	93,081
Total from state sources	224,435,452	117,733,750	119,638,088	237,371,838	12,936,386
TOTAL REVENUES, BUDGETARY BASIS	488,144,824	239,744,857	243,188,436	482,933,293	(5,211,531)

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL

For the year ended June 30, 2023

<u>GENERAL FUND</u>					
	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
EXPENDITURES:					
Campus program areas:					
Sylvania campus	\$ 98,324,391	\$ 41,641,396	\$ 45,200,239	\$ 86,841,635	\$ 11,482,756
Rock Creek campus	77,154,108	33,664,412	36,642,245	70,306,657	6,847,451
Cascade campus	55,529,211	23,419,889	26,057,762	49,477,651	6,051,560
Southeast campus	30,874,198	12,496,681	13,421,910	25,918,591	4,955,607
Total Campus program areas	261,881,908	111,222,378	121,322,156	232,544,534	29,337,374
Non-campus program areas:					
Office of the President	7,451,537	2,821,703	2,753,722	5,575,425	1,876,112
Office of the Executive Vice President	30,785,355	12,458,642	13,634,739	26,093,381	4,691,974
Finance & Administration	136,718,750	61,245,852	63,617,500	124,863,352	11,855,398
Academic Affairs	45,316,902	18,969,265	22,603,723	41,572,988	3,743,914
Student Affairs	37,228,240	16,146,556	17,582,001	33,728,557	3,499,683
Total Non-campus program areas	257,500,784	111,642,018	120,191,685	231,833,703	25,667,081
Contingencies	35,880,838	-	-	-	35,880,838
TOTAL EXPENDITURES	555,263,530	222,864,396	241,513,841	464,378,237	90,885,293
REVENUES OVER (UNDER) EXPENDITURES, BUDGETARY BASIS	(67,118,706)	16,880,461	1,674,595	18,555,056	85,673,762
OTHER FINANCING SOURCES (USES):					
Transfers in	23,041,819	16,687,342	2,417,800	19,105,142	(3,936,677)
Transfers out	(35,015,423)	(17,876,466)	(15,112,468)	(32,988,934)	2,026,499
Bond proceeds	1,172,079	-	1,172,079	1,172,079	-
Bond issuance costs	-	-	(1,239,501)	(1,239,501)	(1,239,501)
TOTAL OTHER FINANCING SOURCES (USES)	(10,801,525)	(1,189,124)	(12,762,090)	(13,951,214)	(3,149,689)
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES, BUDGETARY BASIS	(77,920,231)	15,691,337	(11,087,495)	4,603,842	82,524,073
Beginning fund balance	101,209,081	101,209,081	116,900,418	101,209,081	-
Ending fund balance - budgetary basis	\$ 23,288,850	\$ 116,900,418	\$ 105,812,923	\$ 105,812,923	\$ 82,524,073

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

CONTINUING AND COMMUNITY EDUCATION FUND

	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
Other local sources	\$ 623,350	\$ 550,929	\$ 663,362	\$ 1,214,291	\$ 590,941
Tuition and fees	8,878,958	3,665,105	4,199,459	7,864,564	(1,014,394)
TOTAL REVENUES	9,502,308	4,216,034	4,862,821	9,078,855	(423,453)
EXPENDITURES:					
Workforce/Continuing Education	13,744,154	4,186,242	4,858,884	9,045,126	4,699,028
Cascade campus	94,378	7,440	2,740	10,180	84,198
Contingency	2,340,041	-	-	-	2,340,041
TOTAL EXPENDITURES	16,178,573	4,193,682	4,861,624	9,055,306	7,123,267
REVENUES OVER (UNDER) EXPENDITURES	(6,676,265)	22,352	1,197	23,549	6,699,814
OTHER FINANCING SOURCES (USES):					
Transfers in	3,061,594	1,561,594	-	1,561,594	(1,500,000)
Transfers (out)	(406,000)	(17,875)	(189,407)	(207,282)	198,718
TOTAL OTHER FINANCING SOURCES (USES)	2,655,594	1,543,719	(189,407)	1,354,312	(1,301,282)
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(4,020,671)	1,566,071	(188,210)	1,377,861	5,398,532
Beginning fund balance	4,020,671	4,020,671	1,566,071	4,020,671	-
Ending fund balance - budgetary basis	\$ -	\$ 1,566,071	\$ 1,377,861	\$ 1,377,861	\$ 5,398,532

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

	<u>AUXILIARY FUND</u>				
	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
Facilities usage	\$ 1,454,000	\$ 403,212	\$ 401,030	\$ 804,242	\$ (649,758)
Campus activities	414,490	404,172	893,658	1,297,830	883,340
TOTAL REVENUES	1,868,490	807,384	1,294,688	2,102,072	233,582
EXPENDITURES:					
Facilities usage	1,588,486	100,060	195,086	295,146	1,293,340
Campus activities	1,221,580	292,766	1,050,846	1,343,612	(122,032)
Sustainability projects	200,000	-	-	-	200,000
Contingency	396,754	-	-	-	396,754
TOTAL EXPENDITURES	3,406,820	392,826	1,245,932	1,638,758	1,768,062
REVENUES OVER (UNDER) EXPENDITURES	(1,538,330)	414,558	48,756	463,314	2,001,644
OTHER FINANCING SOURCES (USES):					
Transfers:					
Transfers in	472,756	241,236	-	241,236	(231,520)
Transfers (out)	(48,150)	(2,481)	(6,870)	(9,351)	38,799
TOTAL OTHER FINANCING SOURCES (USES)	424,606	238,755	(6,870)	231,885	(192,721)
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(1,113,724)	653,313	41,886	695,199	1,808,923
Beginning fund balance	2,154,211	2,154,211	2,807,524	2,154,211	-
Ending fund balance - budgetary basis	\$ 1,040,487	\$ 2,807,524	\$ 2,849,410	\$ 2,849,410	\$ 1,808,923

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

STUDENT ACTIVITIES FUND

	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
Interest from investments	\$ 9,000	\$ 7,801	\$ 96,390	\$ 104,191	\$ 95,191
Federal sources	-	-	3,000	3,000	3,000
From local sources:					
Student activities fees	4,186,322	1,986,134	1,846,198	3,832,332	(353,990)
Other local sources	470,000	20,376	47,738	68,114	(401,886)
Total from local sources	4,656,322	2,006,510	1,893,936	3,900,446	(755,876)
TOTAL REVENUES	4,665,322	2,014,311	1,993,326	4,004,637	(660,685)
EXPENDITURES:					
Sylvania campus programs	975,153	85,102	260,206	345,308	629,845
Rock Creek campus programs	931,857	102,710	254,634	357,344	574,513
Cascade campus programs	734,048	77,882	276,892	354,774	379,274
Southeast campus programs	669,885	84,928	280,843	365,771	304,114
District-wide programs	2,175,287	604,195	893,787	1,497,982	677,305
Contingency	1,141,889	-	-	-	1,141,889
TOTAL EXPENDITURES	6,628,119	954,817	1,966,362	2,921,179	3,706,940
REVENUES OVER (UNDER) EXPENDITURES	(1,962,797)	1,059,494	26,964	1,083,458	3,046,255
OTHER FINANCING SOURCES (USES):					
Transfers in	68,984	68,984	-	68,984	-
TOTAL OTHER FINANCING SOURCES (USES)	68,984	68,984	-	68,984	-
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(1,893,813)	1,128,478	26,964	1,152,442	3,046,255
Beginning fund balance	1,893,813	1,893,813	3,022,291	1,893,813	-
Ending fund balance - budgetary basis	\$ -	\$ 3,022,291	\$ 3,049,255	\$ 3,046,255	\$ 3,046,255

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

CONTRACTS AND GRANTS FUND

	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
Local sources	\$ 13,654,813	\$ 5,134,795	\$ 5,388,179	\$ 10,522,974	\$ (3,131,839)
State sources	25,402,594	10,429,547	17,067,519	27,497,066	2,094,472
Federal sources	38,636,368	41,923,873	11,414,949	53,338,822	14,702,454
TOTAL REVENUES	77,693,775	57,488,215	33,870,647	91,358,862	13,665,087
EXPENDITURES:					
Local contracts	12,658,800	5,023,651	5,067,857	10,091,508	2,567,292
State grants	24,452,016	9,457,417	15,349,207	24,806,624	(354,608)
Federal grants	23,524,564	8,653,330	10,693,764	19,347,094	4,177,470
Contingency	-	-	-	-	-
TOTAL EXPENDITURES	60,635,380	23,134,398	31,110,828	54,245,226	6,390,154
REVENUES OVER (UNDER) EXPENDITURES	17,058,395	34,353,817	2,759,819	37,113,636	20,055,241
OTHER FINANCING SOURCES (USES):					
Transfers in	394,000	193,486	150,000	343,486	(50,514)
Transfers (out)	(18,690,491)	(16,407,444)	(1,836,164)	(18,243,608)	446,883
TOTAL OTHER FINANCING SOURCES (USES)	(18,296,491)	(16,213,958)	(1,686,164)	(17,900,122)	396,369
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(1,238,096)	18,139,859	1,073,655	19,213,514	20,451,610
Beginning fund balance	1,238,096	(16,331,191)	1,808,668	(16,331,191)	(17,569,287)
Ending fund balance - budgetary basis	\$ -	\$ 1,808,668	\$ 2,882,323	\$ 2,882,323	\$ 2,882,323

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

STUDENT FINANCIAL AID FUND

	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
From local sources:					
Interest from investments	\$ 25,200	\$ 2,045	\$ 13,496	\$ 15,541	\$ (9,659)
Private scholarships	1,355,500	-	-	-	(1,355,500)
Total from local sources	1,380,700	2,045	13,496	15,541	(1,365,159)
From federal sources	171,050,000	89,998,862	58,346,988	148,345,850	(22,704,150)
From state sources	30,000,000	13,859,428	16,039,481	29,898,909	(101,091)
TOTAL REVENUES	202,430,700	103,860,335	74,399,965	178,260,300	(24,170,400)
EXPENDITURES:					
College funded programs	799,200	90,129	27,544	117,673	681,527
Federal programs	170,173,125	89,909,012	58,346,722	148,255,734	21,917,391
State programs	32,500,000	13,859,428	16,039,481	29,898,909	2,601,091
Short term student loan program	276,000	-	-	-	276,000
Contingency	-	-	-	-	-
TOTAL EXPENDITURES	203,748,325	103,858,569	74,413,747	178,272,316	25,476,009
REVENUES OVER (UNDER) EXPENDITURES	(1,317,625)	1,766	(13,782)	(12,016)	1,305,609
OTHER FINANCING SOURCES (USES):					
Transfers in	244,455	-	-	-	(244,455)
Transfers (out)	(409,693)	(132,146)	(116,764)	(248,910)	160,783
TOTAL OTHER FINANCING SOURCES (USES)	(165,238)	(132,146)	(116,764)	(248,910)	(83,672)
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(1,482,863)	(130,380)	(130,546)	(260,926)	1,221,937
Beginning fund balance	1,482,863	1,482,863	1,352,483	1,482,863	-
Ending fund balance - budgetary basis	\$ -	\$ 1,352,483	\$ 1,221,937	\$ 1,221,937	\$ 1,221,937

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

GENERAL OBLIGATION (G.O.) BOND FUND

	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
From local sources:					
Proceeds from tax levies - current year	\$ 115,230,212	\$ 56,843,456	\$ 60,885,305	\$ 117,728,761	\$ 2,498,549
Proceeds from tax levies - prior year	300,000	660,172	582,394	1,242,566	942,566
Interest from investments	25,092	118,689	708,073	826,762	801,670
 TOTAL REVENUES	 115,555,304	 57,622,317	 62,175,772	 119,798,089	 4,242,785
EXPENDITURES:					
Principal payments	93,480,000	45,885,000	47,595,000	93,480,000	-
Interest payments	25,883,082	13,929,181	11,953,901	25,883,082	-
 TOTAL EXPENDITURES	 119,363,082	 59,814,181	 59,548,901	 119,363,082	 -
 REVENUES OVER (UNDER) EXPENDITURES	 (3,807,778)	 (2,191,864)	 2,626,871	 435,007	 4,242,785
 REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	 (3,807,778)	 (2,191,864)	 2,626,871	 435,007	 4,242,785
 Beginning fund balance	 9,091,696	 9,091,696	 6,899,832	 9,091,696	 -
 Ending fund balance - budgetary basis	 \$ 5,283,918	 \$ 6,899,832	 \$ 9,526,703	 \$ 9,526,703	 \$ 4,242,785

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

P.E.R.S. DEBT SERVICE FUND

	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
EXPENDITURES:					
Principal payments	\$ 25,555,000	\$ 12,085,000	\$ 13,470,000	\$ 25,555,000	\$ -
Interest payments	19,703,373	10,113,884	9,589,489	19,703,373	-
TOTAL EXPENDITURES	45,258,373	22,198,884	23,059,489	45,258,373	-
REVENUES OVER (UNDER) EXPENDITURES	(45,258,373)	(22,198,884)	(23,059,489)	(45,258,373)	-
OTHER FINANCING SOURCES (USES):					
Transfer from PERS Reserve Fund	45,258,373	22,198,884	23,059,489	45,258,373	-
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	-	-	-	-	-
Beginning fund balance	-	-	-	-	-
Ending fund balance - budgetary basis	\$ -	\$ -	\$ -	\$ -	\$ -

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

<u>CAPITAL PROJECTS FUND</u>					
	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
Interest from investments	\$ 65,600	\$ 28,535	\$ 543,947	\$ 572,482	\$ 506,882
Other revenues	250,000	502,868	132,426	635,294	385,294
TOTAL REVENUES	315,600	531,403	676,373	1,207,776	892,176
EXPENDITURES:					
Capital outlay	8,110,000	2,332,326	1,142,484	3,474,810	4,635,190
Contingency	1,389,937	-	-	-	1,389,937
TOTAL EXPENDITURES	9,499,937	2,332,326	1,142,484	3,474,810	6,025,127
REVENUES OVER (UNDER) EXPENDITURES	(9,184,337)	(1,800,923)	(466,111)	(2,267,034)	6,917,303
OTHER FINANCING SOURCES (USES):					
Transfers in	11,580,391	5,500,000	6,080,391	11,580,391	-
TOTAL OTHER FINANCING SOURCES (USES)	11,580,391	5,500,000	6,080,391	11,580,391	-
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	2,396,054	3,699,077	5,614,280	9,313,357	6,917,303
Beginning fund balance	8,603,946	8,603,946	12,303,023	8,603,946	-
Ending fund balance - budgetary basis	<u>\$ 11,000,000</u>	<u>\$ 12,303,023</u>	<u>\$ 17,917,303</u>	<u>\$ 17,917,303</u>	<u>\$ 6,917,303</u>

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

CAPITAL CONSTRUCTION FUND

	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
Interest from investments	\$ 1,922,325	\$ 356,255	\$ 4,454,749	\$ 4,811,004	\$ 2,888,679
State sources	8,000,000	6,307,684	959,366	7,267,050	(732,950)
Miscellaneous income	30,000	213,706	137,539	351,245	321,245
TOTAL REVENUES	9,952,325	6,877,645	5,551,654	12,429,299	2,476,974
EXPENDITURES:					
Sylvania campus	66,000,000	25,881,307	31,408,526	57,289,833	8,710,167
Cascade campus	3,600,000	1,227,235	886,842	2,114,077	1,485,923
Rock Creek campus	14,500,000	7,824,373	4,074,433	11,898,806	2,601,194
Southeast campus	4,200,000	1,619,599	1,231,375	2,850,974	1,349,026
District-wide projects	294,171,876	19,420,230	29,163,363	48,583,593	245,588,283
Contingency	13,196,554	-	-	-	13,196,554
TOTAL EXPENDITURES	395,668,430	55,972,744	66,764,539	122,737,283	272,931,147
REVENUES OVER (UNDER) EXPENDITURES	(385,716,105)	(49,095,099)	(61,212,885)	(110,307,984)	275,408,121
OTHER FINANCING SOURCES (USES):					
Bonds issued	223,827,922	-	223,827,921	223,827,921	(1)
Premium on bonds issued	28,541,309	-	28,541,309	28,541,309	-
TOTAL OTHER FINANCING SOURCES (USES)	252,369,231	-	252,369,230	252,369,230	(1)
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(133,346,874)	(49,095,099)	191,156,345	142,061,246	275,408,120
Beginning fund balance	139,602,403	139,602,403	90,507,304	139,602,403	-
Ending fund balance - budgetary basis	\$ 6,255,529	\$ 90,507,304	\$ 281,663,649	\$ 281,663,649	\$ 275,408,120

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

<u>FOOD SERVICES FUND</u>					
	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
Food sales	\$ 5,976,937	\$ 272,174	\$ 1,258,758	\$ 1,530,932	\$ (4,446,005)
TOTAL REVENUES	5,976,937	272,174	1,258,758	1,530,932	(4,446,005)
EXPENDITURES:					
Food services operations	8,576,163	1,099,905	1,960,275	3,060,180	5,515,983
Contingency	2,892,889	-	-	-	2,892,889
TOTAL EXPENDITURES	11,469,052	1,099,905	1,960,275	3,060,180	8,408,872
REVENUES OVER (UNDER) EXPENDITURES	(5,492,115)	(827,731)	(701,517)	(1,529,248)	3,962,867
OTHER FINANCING SOURCES (USES):					
Interest from investments	(5,675)	8,045	127,998	136,043	141,718
Transfers in	3,002,000	1,500,000	1,502,000	3,002,000	-
Transfers (out)	(50,682)	(2,722)	(12,588)	(15,310)	35,372
TOTAL OTHER FINANCING SOURCES (USES)	2,945,643	1,505,323	1,617,410	3,122,733	177,090
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(2,546,472)	677,592	915,893	1,593,485	4,139,957
Beginning fund balance	2,546,472	2,546,472	3,224,064	2,546,472	-
Ending fund balance - budgetary basis	\$ -	\$ 3,224,064	\$ 4,139,957	\$ 4,139,957	\$ 4,139,957

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

	<u>BOOKSTORE FUND</u>				
	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
Bookstore sales	\$ 11,365,693	\$ 3,326,422	\$ 3,313,691	\$ 6,640,113	\$ (4,725,580)
Miscellaneous income	201,289	171,783	79,626	251,409	50,120
TOTAL REVENUES	<u>11,566,982</u>	<u>3,498,205</u>	<u>3,393,317</u>	<u>6,891,522</u>	<u>(4,675,460)</u>
EXPENDITURES:					
Bookstore operations	13,803,896	5,242,733	5,223,980	10,466,713	3,337,183
Contingency	7,368,577	-	-	-	7,368,577
TOTAL EXPENDITURES	<u>21,172,473</u>	<u>5,242,733</u>	<u>5,223,980</u>	<u>10,466,713</u>	<u>10,705,760</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(9,605,491)</u>	<u>(1,744,528)</u>	<u>(1,830,663)</u>	<u>(3,575,191)</u>	<u>6,030,300</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	3,934,076	2,183,678	1,750,398	3,934,076	-
Transfers (out)	(340,970)	(99,793)	(99,411)	(199,204)	141,766
Interest from investments	60,000	34,573	216,079	250,652	190,652
TOTAL OTHER FINANCING SOURCES (USES)	<u>3,653,106</u>	<u>2,118,458</u>	<u>1,867,066</u>	<u>3,985,524</u>	<u>332,418</u>
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	<u>(5,952,385)</u>	<u>373,930</u>	<u>36,403</u>	<u>410,333</u>	<u>6,362,718</u>
Beginning fund balance	<u>5,952,385</u>	<u>5,952,385</u>	<u>6,326,315</u>	<u>5,952,385</u>	<u>-</u>
Ending fund balance - budgetary basis	<u>\$ -</u>	<u>\$ 6,326,315</u>	<u>\$ 6,362,718</u>	<u>\$ 6,362,718</u>	<u>\$ 6,362,718</u>

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

TRANSPORTATION & PARKING SERVICES FUND

	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
Parking permits	\$ 4,067,755	\$ 4,242	\$ 1,060,353	\$ 1,064,595	\$ (3,003,160)
Parking fines	234,527	12,455	97,219	109,674	(124,853)
Other revenue	2,064,302	35,231	382,116	417,347	(1,646,955)
TOTAL REVENUES	6,366,584	51,928	1,539,688	1,591,616	(4,774,968)
EXPENDITURES:					
Parking operations	10,215,912	1,058,375	1,927,909	2,986,284	7,229,628
Contingency	5,474,739	-	-	-	5,474,739
TOTAL EXPENDITURES	15,690,651	1,058,375	1,927,909	2,986,284	12,704,367
REVENUES OVER (UNDER) EXPENDITURES	(9,324,067)	(1,006,447)	(388,221)	(1,394,668)	7,929,399
OTHER FINANCING SOURCES (USES):					
Interest from investments	63,571	19,696	271,902	291,598	228,027
Transfers in	3,568,098	1,748,966	1,819,132	3,568,098	-
Transfers (out)	(475,720)	(2,142)	(127,901)	(130,043)	345,677
TOTAL OTHER FINANCING SOURCES (USES)	3,155,949	1,766,520	1,963,133	3,729,653	573,704
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(6,168,118)	760,073	1,574,912	2,334,985	8,503,103
Beginning fund balance	6,168,118	6,168,118	6,928,191	6,168,118	-
Ending fund balance - budgetary basis	\$ -	\$ 6,928,191	\$ 8,503,103	\$ 8,503,103	\$ 8,503,103

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

<u>PRINT CENTER FUND</u>					
	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
Charges for services-internal	\$ 828,307	\$ 331,780	\$ 327,368	\$ 659,148	\$ (169,159)
Charges for services-external	47,000	16,107	69,263	85,370	38,370
Copy machine income	772,327	186,187	320,555	506,742	(265,585)
Miscellaneous income	5,200	34,393	186	34,579	29,379
TOTAL REVENUES	<u>1,652,834</u>	<u>568,467</u>	<u>717,372</u>	<u>1,285,839</u>	<u>(366,995)</u>
EXPENDITURES:					
Print center operations	2,901,294	1,156,003	1,289,955	2,445,958	455,336
Contingency	359,389	-	-	-	359,389
TOTAL EXPENDITURES	<u>3,260,683</u>	<u>1,156,003</u>	<u>1,289,955</u>	<u>2,445,958</u>	<u>814,725</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,607,849)</u>	<u>(587,536)</u>	<u>(572,583)</u>	<u>(1,160,119)</u>	<u>447,730</u>
OTHER FINANCING SOURCES (USES):					
Interest from investments	-	1,597	24,340	25,937	25,937
Transfers in	1,325,000	675,000	650,000	1,325,000	-
Transfers (out)	(120,113)	(22,739)	(28,695)	(51,434)	68,679
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,204,887</u>	<u>653,858</u>	<u>645,645</u>	<u>1,299,503</u>	<u>94,616</u>
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	<u>(402,962)</u>	<u>66,322</u>	<u>73,062</u>	<u>139,384</u>	<u>542,346</u>
Beginning fund balance	<u>641,571</u>	<u>641,571</u>	<u>707,893</u>	<u>641,571</u>	<u>-</u>
Ending fund balance - budgetary basis	<u>\$ 238,609</u>	<u>\$ 707,893</u>	<u>\$ 780,955</u>	<u>\$ 780,955</u>	<u>\$ 542,346</u>

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

	<u>RISK MANAGEMENT FUND</u>				
	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
Department charges & other revenues	\$ 6,490,000	\$ 2,512,117	\$ 2,913,242	\$ 5,425,359	\$ (1,064,641)
Insurance reimbursement	150,000	-	-	-	(150,000)
TOTAL REVENUES	6,640,000	2,512,117	2,913,242	5,425,359	(1,214,641)
EXPENDITURES:					
Self-insurance & risk administration	13,001,587	3,363,559	3,203,344	6,566,903	6,434,684
Contingency	1,765,774	-	-	-	1,765,774
TOTAL EXPENDITURES	14,767,361	3,363,559	3,203,344	6,566,903	8,200,458
REVENUES OVER (UNDER) EXPENDITURES	(8,127,361)	(851,442)	(290,102)	(1,141,544)	6,985,817
OTHER FINANCING SOURCES (USES):					
Interest from investments	326,000	39,027	472,931	511,958	185,958
Transfers in	4,026,500	2,062,500	1,964,000	4,026,500	-
TOTAL OTHER FINANCING SOURCES (USES)	4,352,500	2,101,527	2,436,931	4,538,458	185,958
REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(3,774,861)	1,250,085	2,146,829	3,396,914	7,171,775
Beginning fund balance	11,362,680	11,362,680	12,612,765	11,362,680	-
Ending fund balance - budgetary basis	\$ 7,587,819	\$ 12,612,765	\$ 14,759,594	\$ 14,759,594	\$ 7,171,775

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

P.E.R.S. INTERNAL SERVICE FUND

	2021-23 ADJUSTED BUDGET	1st YEAR ACTUAL	2nd YEAR ACTUAL	TOTAL ACTUALS	VARIANCE FROM BUDGET
REVENUES:					
Department PERS charges	\$ 45,258,373	\$ 20,324,263	\$ 21,605,580	\$ 41,929,843	\$ (3,328,530)
TOTAL REVENUES	45,258,373	20,324,263	21,605,580	41,929,843	(3,328,530)
OPERATING EXPENSES:					
Contingency	1,250,000	-	-	-	1,250,000
TOTAL OPERATING EXPENSES	1,250,000	-	-	-	1,250,000
OTHER FINANCING SOURCES (USES):					
Transfers in	1,250,000	1,250,000	-	1,250,000	-
Transfers (out)	(47,758,373)	(22,198,884)	(23,059,489)	(45,258,373)	2,500,000
Interest from investments	96,399	77,865	659,444	737,309	640,910
TOTAL OTHER FINANCING SOURCES (USES)	(46,411,974)	(20,871,019)	(22,400,045)	(43,271,064)	3,140,910
REVENUES OVER (UNDER) OTHER FINANCING SOURCES (USES)	(2,403,601)	(546,756)	(794,465)	(1,341,221)	1,062,380
Beginning fund balance	17,805,994	17,805,994	17,259,238	17,805,994	-
Ending fund balance - budgetary basis	\$ 15,402,393	\$ 17,259,238	\$ 16,464,773	\$ 16,464,773	\$ 1,062,380

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
For the year ended June 30, 2023

	<u>EARLY RETIREMENT FUND</u>				
	<u>2021-23 ADJUSTED BUDGET</u>	<u>1st YEAR ACTUAL</u>	<u>2nd YEAR ACTUAL</u>	<u>TOTAL ACTUALS</u>	<u>VARIANCE FROM BUDGET</u>
REVENUES:					
Interest from investments	\$ 47,600	17,561	7,075	24,636	(22,964)
TOTAL REVENUES	47,600	17,561	7,075	24,636	(22,964)
OPERATING EXPENSES:					
Other post-retirement benefits	2,148,560	603,447	583,327	1,186,774	961,786
TOTAL OPERATING EXPENSES	2,148,560	603,447	583,327	1,186,774	961,786
OTHER FINANCING SOURCES (USES):					
Transfers in	2,087,569	891,022	1,196,547	2,087,569	-
TOTAL OTHER FINANCING SOURCES (USES)	2,087,569	891,022	1,196,547	2,087,569	-
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) OPERATING EXPENSES	(13,391)	305,136	620,295	925,431	938,822
Beginning fund balance	13,391	13,391	318,527	13,391	-
Ending fund balance - budgetary basis	\$ -	\$ 318,527	\$ 938,822	\$ 938,822	\$ 938,822

OTHER FINANCIAL SCHEDULES

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF LONG-TERM DEBT PRINCIPAL AND INTEREST REQUIREMENTS
June 30, 2023

GENERAL OBLIGATION BONDS

FISCAL YEAR	<u>SERIES 2018, ISSUED 04/02/2018</u>		TOTAL REQUIREMENTS
	PRINCIPAL	INTEREST	
2023-24	\$ 6,265,000	\$ 5,641,750	\$ 11,906,750
2024-25	7,785,000	5,328,500	13,113,500
2025-26	9,435,000	4,939,250	14,374,250
2026-27	11,190,000	4,467,500	15,657,500
2027-28	13,085,000	3,908,000	16,993,000
2028-29	15,100,000	3,253,750	18,353,750
2029-30	10,790,000	2,498,750	13,288,750
2030-31	11,880,000	1,959,250	13,839,250
2031-32	13,035,000	1,365,250	14,400,250
2032-33	14,270,000	713,500	14,983,500
TOTALS	<u>\$ 112,835,000</u>	<u>\$ 34,075,500</u>	<u>\$ 146,910,500</u>

FISCAL YEAR	<u>SERIES 2020, ISSUED 12/17/2020</u>		TOTAL REQUIREMENTS
	PRINCIPAL	INTEREST	
2023-24	\$ 8,365,000	\$ 1,133,826	\$ 9,498,826
2024-25	8,415,000	1,085,979	9,500,979
2025-26	8,470,000	1,028,588	9,498,588
2026-27	8,550,000	952,443	9,502,443
2027-28	8,635,000	862,754	9,497,754
2028-29	8,750,000	750,671	9,500,671
2029-30	8,870,000	628,346	9,498,346
2030-31	9,010,000	491,926	9,501,926
2031-32	9,160,000	339,837	9,499,837
2032-33	9,325,000	176,056	9,501,056
TOTALS	<u>\$ 87,550,000</u>	<u>\$ 7,450,426</u>	<u>\$ 95,000,426</u>

FISCAL YEAR	<u>SERIES 2023, ISSUED 03/15/2023</u>		TOTAL REQUIREMENTS
	PRINCIPAL	INTEREST	
2023-24	\$ 10,220,000	\$ 14,031,250	\$ 24,251,250
2024-25	14,130,000	10,739,000	24,869,000
2025-26	15,470,000	10,032,500	25,502,500
2026-27	16,895,000	9,259,000	26,154,000
2027-28	18,410,000	8,414,250	26,824,250
2028-29	-	7,493,750	7,493,750
2029-30	7,655,000	7,493,750	15,148,750
2030-31	8,530,000	7,111,000	15,641,000
2031-32	9,470,000	6,684,500	16,154,500
2032-33	10,470,000	6,211,000	16,681,000
2033-34	19,125,000	5,687,500	24,812,500
2034-35	20,830,000	4,731,250	25,561,250
2035-36	22,635,000	3,689,750	26,324,750
2036-37	24,560,000	2,558,000	27,118,000
2037-38	26,600,000	1,330,000	27,930,000
TOTALS	<u>\$ 225,000,000</u>	<u>\$ 105,466,500</u>	<u>\$ 330,466,500</u>

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF LONG-TERM DEBT PRINCIPAL AND INTEREST REQUIREMENTS
June 30, 2023

FISCAL YEAR	SERIES 2016, ISSUED 03/28/2015		TOTAL REQUIREMENTS
	PRINCIPAL	INTEREST	
2023-24	\$ 11,445,000	\$ 3,892,500	\$ 15,337,500
2024-25	12,020,000	3,320,250	15,340,250
2025-26	12,615,000	2,719,250	15,334,250
2026-27	13,250,000	2,088,500	15,338,500
2027-28	13,910,000	1,426,000	15,336,000
2028-29	14,610,000	730,500	15,340,500
TOTALS	<u>\$ 77,850,000</u>	<u>\$ 14,177,000</u>	<u>\$ 92,027,000</u>

LIMITED TAX PENSION BONDS

FISCAL YEAR	SERIES 2003, ISSUED 6/12/2003		TOTAL REQUIREMENTS
	PRINCIPAL	INTEREST	
2023-24	\$ 9,825,000	\$ 2,187,588	\$ 12,012,588
2024-25	10,810,000	1,715,006	12,525,006
2025-26	11,860,000	1,195,045	13,055,045
2026-27	12,985,000	624,579	13,609,579
TOTALS	<u>\$ 45,480,000</u>	<u>\$ 5,722,218</u>	<u>\$ 51,202,218</u>

FISCAL YEAR	SERIES 2018, ISSUED 11/27/18		TOTAL REQUIREMENTS
	PRINCIPAL	INTEREST	
2023-24	\$ 5,125,000	\$ 6,813,730	\$ 11,938,730
2024-25	5,730,000	6,626,667	12,356,667
2025-26	6,380,000	6,411,792	12,791,792
2026-27	7,075,000	6,163,610	13,238,610
2027-28	7,815,000	5,882,733	13,697,733
2028-29	8,610,000	5,568,570	14,178,570
2029-30	9,465,000	5,210,394	14,675,394
2030-31	10,380,000	4,807,185	15,187,185
2031-32	11,365,000	4,354,617	15,719,617
2032-33	12,420,000	3,850,011	16,270,011
2033-34	13,550,000	3,291,111	16,841,111
2034-35	14,770,000	2,662,797	17,432,797
2035-36	16,060,000	1,977,912	18,037,912
2036-37	17,440,000	1,233,210	18,673,210
2037-38	9,155,000	424,517	9,579,517
TOTALS	<u>\$ 155,340,000</u>	<u>\$ 65,278,856</u>	<u>\$ 220,618,856</u>

STATISTICAL SECTION



STATISTICAL SECTION

This part of Portland Community College's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information conveys regarding the College's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the College's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the College's most significant revenue sources, tuition and property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the College's current levels of outstanding debt and the College'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 College's financial activities take place.

Operating Information

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

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

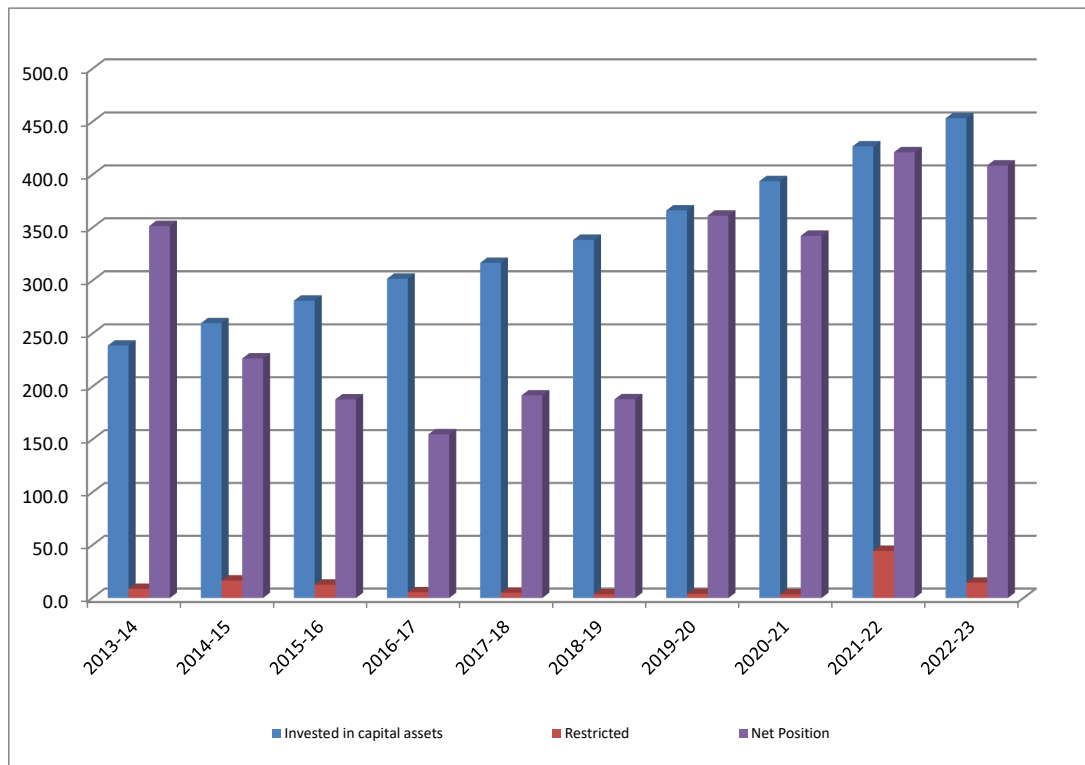


PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS (in Thousands)

	2022-23	2021-22	2020-21	2019-20
Net invested in capital assets	\$ 734,307	\$ 689,163	\$ 657,582	\$ 623,142
Less related debt	(281,042)	(262,429)	(263,704)	(256,851)
Net investment in capital assets	453,265	426,734	393,878	366,291
Net position, restricted	14,356	44,461	3,397	3,805
Net position, unrestricted	(59,010)	(49,990)	(54,966)	(8,770)
TOTAL NET POSITION	\$ 408,611	\$ 421,205	\$ 342,309	\$ 361,326

Note: Restated in 2015 and 2014 for GASB 68, no prior year restatement for GASB 87 or 96.



<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>
\$ 605,712 (267,231)	\$ 584,314 (267,661)	\$ 586,034 (284,189)	\$ 575,232 (294,173)	\$ 534,021 (274,240)	\$ 497,577 (258,913)
338,481	316,653	301,845	281,059	259,781	238,664
3,489	4,995	5,422	12,552	16,497	8,596
(154,015)	(130,060)	(152,347)	(105,818)	(49,776)	104,248
<u>\$ 187,955</u>	<u>\$ 191,588</u>	<u>\$ 154,920</u>	<u>\$ 187,793</u>	<u>\$ 226,502</u>	<u>\$ 351,508</u>

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (in Thousands)

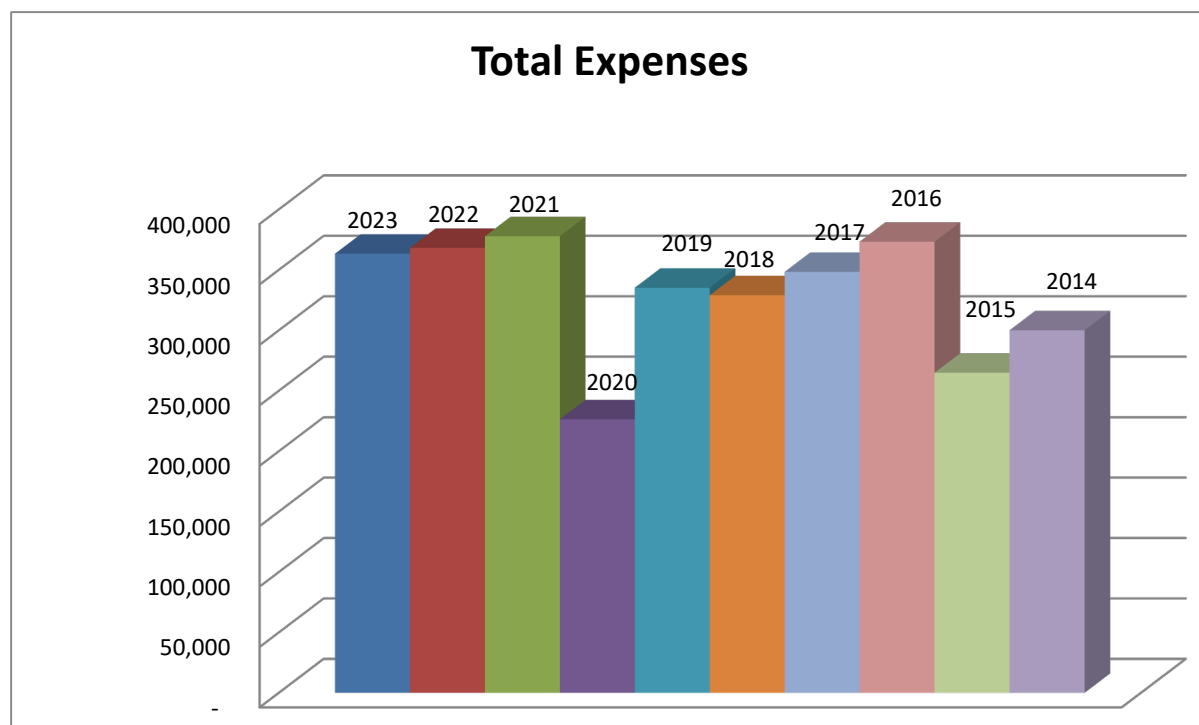
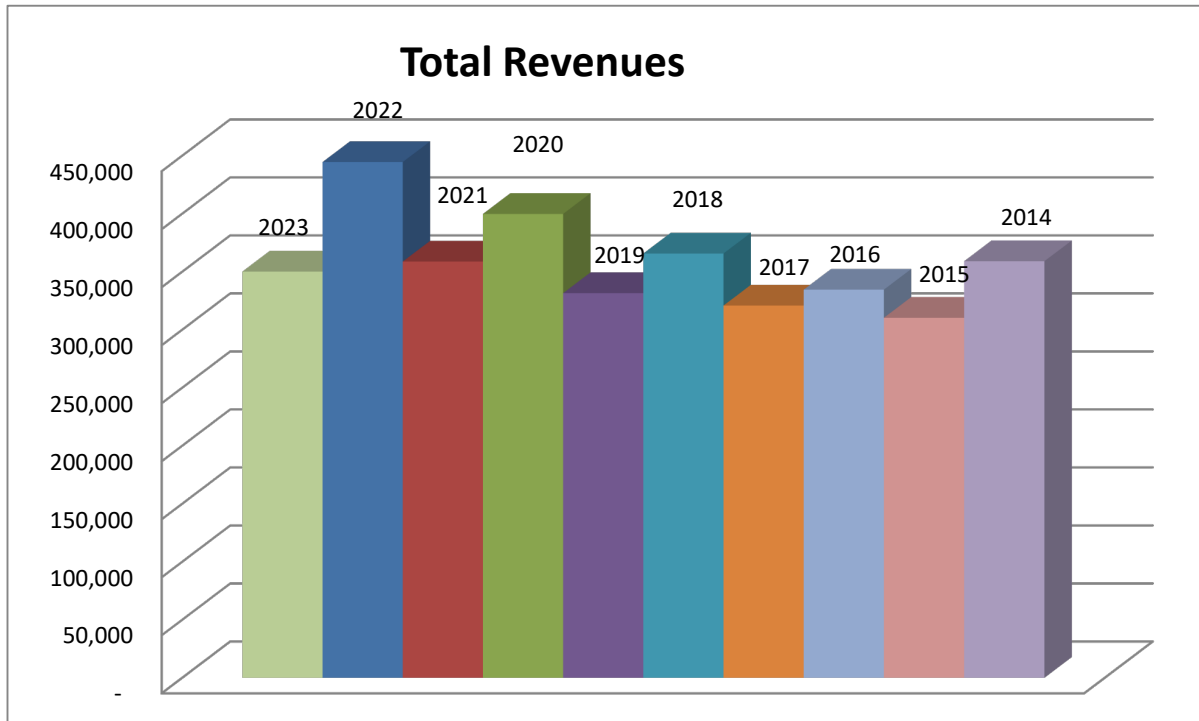
	2022-23	2021-22	2020-21	2019-20
Operating revenues				
Student tuition and fees, net	\$ 53,787	\$ 59,499	\$ 65,992	\$ 68,850
Grants and contracted programs	16,405	47,059	34,493	11,491
Auxiliary enterprises	5,341	2,946	3,097	8,608
Other operating revenues	138	256	572	150
Total operating revenues	75,671	109,760	104,154	89,099
Nonoperating revenues				
State FTE reimbursement	89,599	144,935	81,043	132,346
Property taxes	104,770	98,732	95,393	91,952
Federal financial aid	45,256	71,248	55,517	58,640
State and local grants and contracts	24,181	19,971	21,789	19,468
Investment income (loss)	9,567	(143)	849	8,228
Investment gain on pension asset	-	-	-	-
Sale of equipment	-	-	-	54
Gain on disposal of assets	1,062	-	-	-
Gain on legal settlement	-	-	-	-
Total nonoperating revenues	274,435	334,743	254,591	310,688
Total Revenues	350,106	444,503	358,745	399,787
Operating expenses				
Campus educational and campus general	139,052	131,067	152,049	76,259
Other educational and general	105,512	106,182	113,333	35,918
Grants and contracted programs	29,242	22,630	24,962	21,307
Auxiliary enterprises	8,651	7,759	9,067	13,208
Student financial aid, net tuition and textbooks	21,371	46,341	24,903	24,740
Other support services	6,135	4,588	4,637	5,676
Depreciation and amortization	34,552	25,371	20,303	18,222
Total operating expenses	344,515	343,938	349,254	195,330
Nonoperating expenses				
Interest expense	17,595	24,179	27,478	31,047
Bond issuance costs	1,239	-	749	-
Loss on disposal of assets	-	-	281	39
Total nonoperating expenses	18,834	24,179	28,508	31,086
Total Expenses	363,349	368,117	377,762	226,416
Capital contributions	649	2,510	-	-
TOTAL INCREASE (DECREASE) IN NET POSITION	\$ (12,594)	\$ 78,896	\$ (19,017)	\$ 173,371

Note: Restated in 2015 and 2014.

2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
\$ 69,908	\$ 68,398	\$ 66,752	\$ 65,901	\$ 63,196	\$ 63,775
16,446	17,260	20,478	16,725	17,194	16,416
12,852	14,548	15,820	16,701	18,717	17,731
11	75	10	239	638	606
99,217	100,281	103,060	99,566	99,745	98,528
71,543	116,888	67,933	102,767	53,710	78,243
87,948	76,405	80,013	66,165	77,393	74,246
49,176	56,869	56,860	56,448	65,488	69,780
12,482	10,214	11,941	8,196	12,809	15,583
11,166	2,265	996	1,316	1,136	2,388
-	-	-	-	-	20,273
-	-	-	-	-	-
-	-	15	48	-	-
-	2,750	-	-	-	-
232,315	265,391	217,758	234,940	210,536	260,513
331,532	365,672	320,818	334,506	310,281	359,041
156,782	136,919	144,870	169,754	100,927	131,068
69,052	90,977	97,588	108,034	61,590	78,008
22,500	21,850	26,149	21,277	23,881	21,906
15,847	18,575	19,962	20,812	23,256	22,747
19,363	21,186	22,038	18,325	19,630	20,092
6,381	5,382	4,856	5,245	4,009	4,149
14,292	12,546	12,213	8,202	7,975	6,428
304,217	307,435	327,676	351,649	241,268	284,398
29,792	20,518	19,964	21,566	23,469	15,583
1,155	755	638	-	166	-
1	297	-	-	-	-
30,948	21,570	20,602	21,566	23,635	15,583
335,165	329,005	348,278	373,215	264,903	299,981
-	-	-	-	-	-
\$ (3,633)	\$ 36,667	\$ (27,460)	\$ (38,709)	\$ 45,378	\$ 59,060

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

CHANGES IN NET POSITION (Cont.)
LAST TEN FISCAL YEARS (in Thousands)



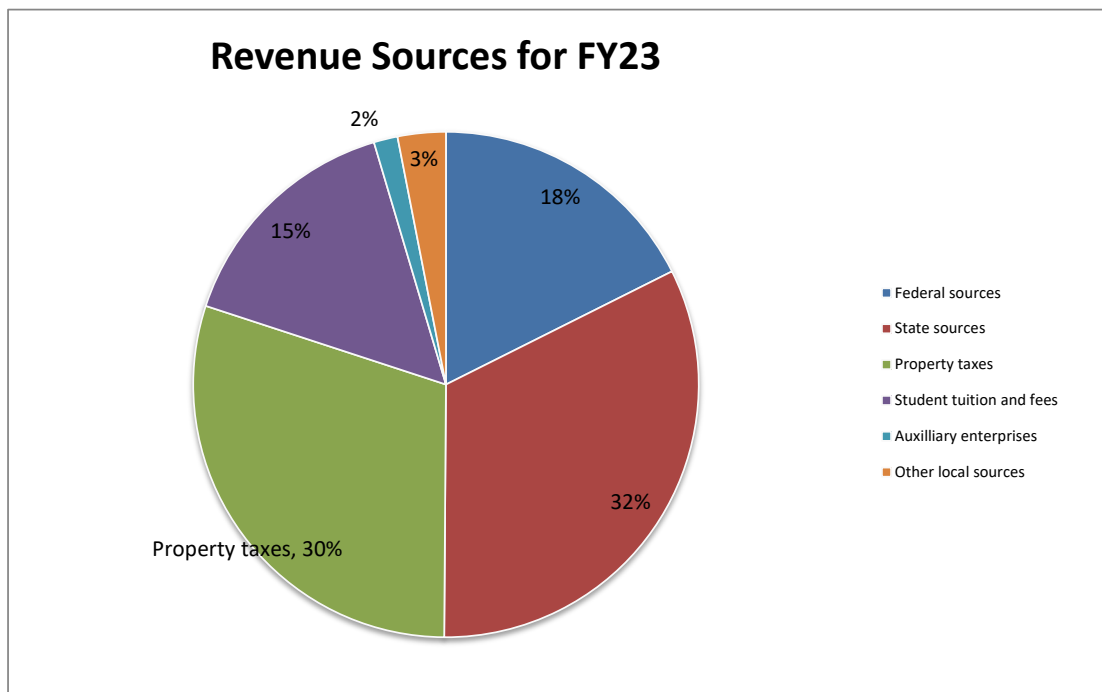
PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

REVENUES BY SOURCES
LAST TEN FISCAL YEARS (in Thousands)

	2022-23	2021-22	2020-21	2019-20
Federal financial aid	\$ 45,256	\$ 71,248	\$ 55,517	\$ 58,640
Other federal grants and contracts	16,405	47,059	34,493	11,491
Federal sources	\$ 61,661	\$ 118,307	\$ 90,010	\$ 70,131
State FTE reimbursement	89,599	144,935	81,043	132,346
Other state grants and contracts	24,181	19,971	21,789	19,468
State sources	113,780	164,906	102,832	151,814
Local sources:				
Property taxes (2)	104,770	98,732	95,393	91,952
Student tuition and fees, net	53,787	59,499	65,992	68,850
Auxiliary enterprise	5,341	2,946	3,097	8,608
Food Services	1,259	272	11	2,083
Bookstore, net of scholarship allowance	2,542	2,622	3,030	3,958
Parking Operation	1,540	52	56	2,567
Other local sources	10,767	113	1,421	8,432
Investment income (loss)	9,567	(143)	849	8,228
Sale of equipment	-	-	-	54
Gain on disposal of capital assets	1,062	-	-	-
Investment gain on pension asset	-	-	-	-
Other local sources	138	256	572	150
Legal settlement	-	-	-	-
Total local sources	174,665	161,290		177,842
Total revenues (1)	\$ 350,106	\$ 444,503	\$ 192,842	\$ 399,787

(1) Restated in 2015 and 2014.

(2) Most significant own-source revenue for Portland Community College.

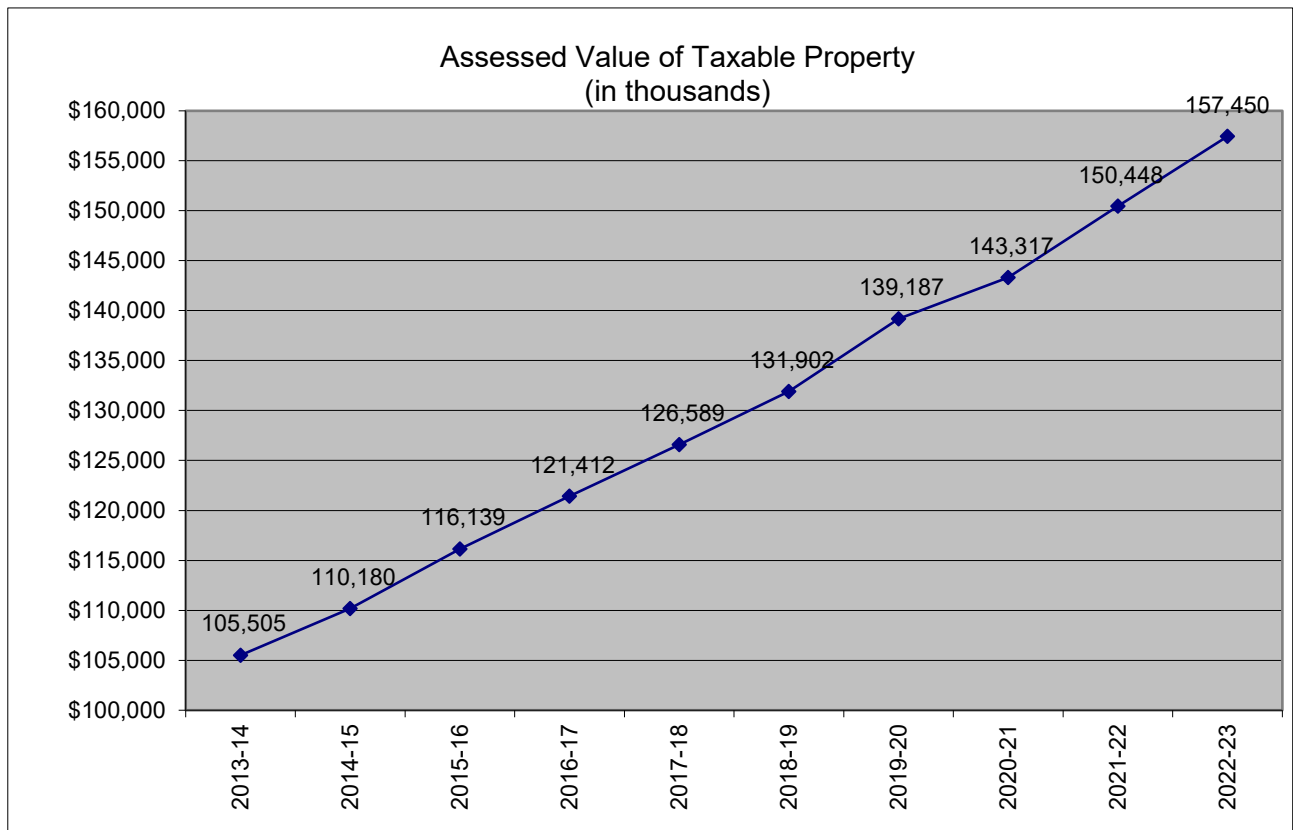


	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
\$	49,176 16,446	\$ 56,869 17,260	\$ 56,860 20,478	\$ 56,448 16,725	\$ 65,488 17,194	\$ 69,780 16,416
\$	65,622	\$ 74,129	\$ 77,338	\$ 73,173	\$ 82,682	\$ 86,196
	71,543 12,482	116,888 10,214	67,933 11,941	102,767 8,196	53,710 12,809	78,243 15,583
	84,025	127,102	79,874	110,963	66,519	93,826
	87,948	76,405	80,013	66,165	77,393	74,246
	69,908	68,398	66,752	65,901	63,196	63,775
	12,852	14,548	15,820	16,701	18,717	17,731
	3,271	3,628	4,024	4,315	4,606	4,571
	5,334	6,128	6,940	7,585	9,464	8,048
	4,247	4,792	4,856	4,801	4,647	5,112
	11,177	5,090	1,021	1,603	1,774	23,267
	11,166	2,265	996	1,316	1,136	2,388
	-	-	-	-	-	-
	-	-	15	48	-	-
	-	-	-	-	-	20,273
	11	75	10	239	638	606
	-	2,750	-	-	-	-
	181,885	164,441	163,606	150,370	161,080	179,019
\$	331,532	\$ 365,672	\$ 320,818	\$ 334,506	\$ 310,281	\$ 359,041

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

ASSESSED AND REAL MARKET VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS (in Thousands)

	2022-23	2021-22	2020-21	2019-20
Net Assessed Valuation (1)	\$ 157,449,732	\$ 150,447,609	\$ 143,317,354	\$ 139,186,819
Percentage Increased (decreased)	4.7%	5.0%	3.0%	5.5%
Direct Tax Rate (2)	\$ 0.670	\$ 0.663	\$ 0.680	\$ 0.685
Real Market Valuation	\$ 338,121,391	\$ 300,682,899	\$ 282,679,399	\$ 269,739,841
Percentage Increased (decreased)	12.5%	6.4%	4.8%	3.4%
Ratio of Assessed Valuation to Real Market Valuation	46.6%	50.0%	50.7%	51.6%



(1) Property taxes are based on taxable assessed value. This is defined as the lower of maximum assessed value (MAV) or real market value. MAV is limited to 3% annual increases. The net levy is the actual imposed tax after adjustments and property tax limitations due to the passing of Measure 5 in 1990 and Measure 50 in 1997. Voter approved bond levies are not subject to these limitations.

(2) Rates per \$1,000 of assessed value. This is the combined rate of the General and Debt Service Funds.

Source: Tax Supervising and Conservation Commission, Portland, Oregon

2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
\$ 131,902,424	\$ 126,589,172	\$ 121,411,734	\$ 116,139,150	\$ 110,179,585	\$ 105,504,924
4.2%	4.3%	4.5%	5.4%	4.4%	3.4%
\$ 0.687	\$ 0.605	\$ 0.679	\$ 0.586	\$ 0.722	\$ 0.734
\$ 260,781,492	\$ 240,182,547	\$ 213,829,495	\$ 186,844,997	\$ 170,320,945	\$ 154,652,630
8.6%	12.3%	14.4%	9.7%	10.1%	5.1%
50.6%	52.7%	56.8%	62.2%	64.7%	68.2%

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS
LAST TEN FISCAL YEARS (in Thousands)

	2022-23	2021-22	2020-21	2019-20
Levy extended by assesor (1)	<u>\$ 107,721</u>	<u>\$ 101,380</u>	<u>\$ 98,189</u>	<u>\$ 94,660</u>
Reduction of taxes receivable: (2) (3)				
Current year	<u>\$ 106,422</u>	<u>\$ 100,239</u>	<u>\$ 96,998</u>	<u>\$ 93,394</u>
First year prior	696	763	798	723
Second year prior	184	226	242	214
Third year prior	132	143	130	147
Fourth year prior	66	60	65	67
Fifth year prior	9	10	7	15
Sixth year prior and earlier	<u>11</u>	<u>13</u>	<u>9</u>	<u>37</u>
Total prior	<u>1,098</u>	<u>1,215</u>	<u>1,251</u>	<u>1,203</u>
Total Property Taxes	<u>\$ 107,520</u>	<u>\$ 101,454</u>	<u>\$ 98,249</u>	<u>\$ 94,597</u>

(1) Extended levy after additions and offsets by the county assessor.

(2) Amounts include collections, interest on deficiencies, discount allowed for early payment and adjustments and cancellations made by the county assessors.

(3) Amounts are based upon the tax collection year July 1 to June 30.
Revenues as recorded in the financial statements are recognized when measurable and available.

(4) Fiscal year 2019 included collection on Comcast settlement in September 2018 for tax years 2009/10 through 2017/18. The distribution collected was approximately \$1.7 million more than normal.

Sources: Departments of Assessment and Taxation for Clackamas, Columbia, Multnomah, Washington and Yamhill counties
Portland Community College financial records
Tax Supervising and Conservation Commission

<u>2018-19 (4)</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2013-14</u>
<u>\$ 90,572</u>	<u>\$ 76,978</u>	<u>\$ 82,318</u>	<u>\$ 68,035</u>	<u>\$ 67,620</u>
<u>\$ 89,369</u>	<u>\$ 75,901</u>	<u>\$ 80,793</u>	<u>\$ 66,673</u>	<u>\$ 75,599</u>
650	769	648	772	839
518	272	232	256	262
354	193	194	195	236
452	94	81	72	108
362	11	10	12	13
913	30	14	9	17
<u>3,249</u>	<u>1,369</u>	<u>1,179</u>	<u>1,316</u>	<u>1,475</u>
<u>\$ 92,618</u>	<u>\$ 77,270</u>	<u>\$ 81,972</u>	<u>\$ 67,989</u>	<u>\$ 77,074</u>

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON
LARGEST PROPERTY TAXPAYERS WITHIN DISTRICT
(in Thousands)

	2023		
	ASSESSED VALUATION	RANK	PERCENT OF TOTAL DISTRICT'S ASSESSED VALUATION
Portland General Electric	\$ 2,464,235	1	1.57 %
Intel Corporation	1,895,003	2	1.20
Nike	1,464,501	3	0.93
NW Natural Gas	996,905	4	0.63
Pacificorp	612,363	5	0.39
Verizon	577,540	6	0.37
Comcast	484,100	7	0.31
Pacific Realty Assoc	440,232	8	0.28
Fred Meyer Stores Inc	365,910	9	0.23
Genetech Inc	328,239	10	0.21
	9,629,028		6.12
ALL OTHER TAXPAYERS	147,820,704		93.88
TOTAL	\$ 157,449,732		100.00 %

	2014		
	ASSESSED VALUATION	RANK	PERCENT OF TOTAL DISTRICT'S ASSESSED VALUATION
Intel Corporation	\$ 1,269,465	1	1.20 %
Portland General Electric	1,103,342	2	1.05
Northwest Natural Gas	597,231	3	0.57
Nike	566,111	4	0.54
Comcast	534,525	5	0.51
Fred Meyer Stores Inc.	314,205	6	0.30
Pacific Realty Associates	308,313	7	0.29
PacifiCorp	282,405	8	0.27
Frontier Communications	252,846	9	0.24
Weston Investment	229,181	10	0.22
	5,457,624		5.17
ALL OTHER TAXPAYERS	100,047,300		94.83
TOTAL	\$ 105,504,924		100.00 %

Source: Multnomah County Assessment, Recording & Taxation
Washington County Assessment and Taxation Department
Yamhill County Assessment and Taxation
Columbia County Assessor's Office
Clackamas County Assessment and Taxation

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

PROPERTY TAX LEVIES AND COLLECTIONS - ALL FUNDS
LAST TEN FISCAL YEARS (in Thousands)

	2022-23	2021-22	2020-21	2019-20	2018-19
Current tax levy	\$ 107,721	\$ 101,380	\$ 98,189	\$ 94,660	\$ 90,572
Current tax collections	\$ 103,135	\$ 97,268	\$ 94,117	\$ 90,554	\$ 86,725
Current collections as a percentage of current levy	95.7%	95.9%	95.9%	95.7%	95.8%
Delinquent tax collections	\$ 1,064	\$ 1,267	\$ 1,251	\$ 1,126	\$ 2,820
Total tax collections	\$ 104,199	\$ 98,535	\$ 95,368	\$ 91,680	\$ 89,545
Total tax collections as a percentage of current levy	96.7%	97.2%	97.1%	96.9%	98.9%
Uncollected tax	\$ 2,240	\$ 2,039	\$ 2,113	\$ 2,173	\$ 2,110
Uncollected percentage of current levy	2.1%	2.0%	2.2%	2.3%	2.3%

Sources: Clackamas, Columbia, Washington, Multnomah and Yamhill Departments of Assessment and Taxation.

<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>
\$ 76,978	\$ 82,318	\$ 68,035	\$ 79,676	\$ 77,437
\$ 73,303	\$ 78,392	\$ 64,757	\$ 75,788	\$ 73,400
95.2%	95.2%	95.2%	95.1%	94.8%
\$ 1,067	\$ 1,153	\$ 1,353	\$ 1,504	\$ 1,504
\$ 74,370	\$ 79,545	\$ 66,110	\$ 77,292	\$ 74,904
96.6%	96.6%	97.2%	97.0%	96.7%
\$ 4,157	\$ 4,449	\$ 4,103	\$ 4,058	\$ 3,957
5.4%	5.4%	6.0%	5.1%	5.1%

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS (in Thousands)

	2022-23	2021-22	2020-21	2019-20
Outstanding Debt				
General obligation bonds (1)	\$ 555,730	\$ 354,374	\$ 404,374	\$ 447,363
Limited tax pension bonds	200,820	214,290	226,375	237,165
Certificate of participation	-	-	-	-
Note payable	-	-	-	-
SBITA (2)	5,539	-	-	-
Leases (3)	949	1,192	-	412
Total Outstanding Debt	\$ 763,038	\$ 569,856	\$ 630,749	\$ 684,940
Student population	51	51	51	60
Total Debt per student (in dollars)	\$ 15,100	\$ 11,277	\$ 12,471	\$ 11,409
Personal income (4)	N/A	N/A	\$ 171,728,750	\$ 157,150,249
Total Debt to personal income	N/A	N/A	0.37%	0.44%

(1) General obligation bonds are reported including premiums.

(2) Beginning in fiscal year 2022, the 'Lease' category replaced 'Capital leases.' This change was due to the implementation of GASB Statement No. 87, *Leases*, under, which lease previously considered operating are now treated as financing of the right to use asset and, thus included on this schedule.

(3) Beginning in fiscal year 2023, the college had a new category of SBITA. This change was due to the implementation of GASB Statement No. 96, *Subscription Based Information Technology Arrangements* under, which, software subscriptions which were previously considered operating are now treated as financing a right to use asset, and thus included on this schedule.

(4) Personal income is not available specifically for the District. The best estimate available and used above is the Portland metropolitan area. Data for fiscal year 2022-23 and 2021-22 is not available at this time.

Sources: Portland Community College - Institutional Effectiveness
Portland Community College financial and statistical records
Bureau of Economic Analysis, Regional Economic Information System

2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
\$ 484,542	\$ 517,550	\$ 340,728	\$ 366,132	\$ 393,636	\$ 419,600
246,750	82,005	87,170	91,760	95,820	99,385
-	-	-	-	-	-
520	1,041	1,561	-	-	-
-	-	-	-	-	-
1,429	2,481	1,935	-	-	83
\$ 733,241	\$ 603,077	\$ 431,394	\$ 457,892	\$ 489,456	\$ 519,068
68	71	74	79	85	88
\$ 10,849	\$ 8,481	\$ 5,813	\$ 5,811	\$ 5,738	\$ 5,887
\$ 149,346,827	\$ 141,269,916	\$ 131,861,400	\$ 122,433,633	\$ 115,690,881	\$ 107,536,731
0.49%	0.43%	0.33%	0.37%	0.42%	0.48%

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS (in Thousands)

	2022-23	2021-22	2020-21	2019-20
General Bonded Debt Outstanding:				
General obligation bonds (1)	\$ 555,730	\$ 354,374	\$ 404,374	\$ 447,363
Limited tax pension bonds	200,820	214,290	226,375	237,165
Certificate of participation	-	-	-	-
Total General bonded Debt	\$ 756,550	\$ 568,664	\$ 630,749	\$ 684,528
Less: Amounts set aside to repay general debt	(9,527)	(6,900)	(9,162)	(7,630)
Net General Bonded Debt	\$ 747,023	\$ 561,764	\$ 621,587	\$ 676,898
Taxable Assessed Property Value (2)	\$ 157,449,732	\$ 150,447,609	\$ 143,317,354	\$ 139,186,819
Population Estimate (3)	N/A	1,395	1,401	1,426
Net bonded debt to assessed value	0.47%	0.37%	0.43%	0.49%
Net bonded debt per capita (in dollars)	N/A	\$ 403	\$ 444	\$ 475

(1) General obligation bonds are reported including premiums.

(2) Taxable assessed property value comes from the Tax Supervising and Conservation Commission, Portland, Oregon.

(3) District population for fiscal year 2022-2023 was not available at the time of this report. District population includes all of Washington and Columbia Counties and parts of Multnomah, Clackamas and Yamhill Counties. Population estimates from Portland State University, Population Research Center.

2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
\$ 484,542 246,750 -	\$ 517,550 82,005 -	\$ 340,728 87,170 -	\$ 366,132 91,760 -	\$ 393,636 95,820 -	\$ 419,600 99,385 -
\$ 731,292	\$ 599,555	\$ 427,898	\$ 457,892	\$ 489,456	\$ 518,985
(5,886)	(3,778)	(5,980)	(1,460)	(8,604)	(3,486)
\$ 725,406	\$ 595,777	\$ 421,918	\$ 456,432	\$ 480,852	\$ 515,499
\$ 131,902,424 1,412	\$ 126,589,172 1,396	\$ 121,411,734 1,374	\$ 116,139,150 1,351	\$ 110,179,585 1,324	\$ 105,504,924 1,303
0.55% \$ 514	0.47% \$ 427	0.35% \$ 307	0.39% \$ 338	0.44% \$ 363	0.49% \$ 396

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS (in Thousands)

	2022-23	2021-22	2020-21	2019-20
Legal debt limit (1)	\$ 5,071,821	4,510,243	4,240,191	4,046,098
Net general bonded debt applicable to debt limit	<u>\$ 747,023</u>	<u>561,764</u>	<u>621,587</u>	<u>676,898</u>
Legal debt margin	<u>\$ 4,324,798</u>	<u>\$ 3,948,479</u>	<u>\$ 3,618,604</u>	<u>\$ 3,369,200</u>
Legal debt margin as a percentage of the debt limit	85.27%	87.54%	85.34%	83.27%

Legal Debt Margin Calculation for Fiscal Year 2023

Real Market Value (2)	\$ 338,121,391	
Applicable percentage	1.5%	
Legal Debt Limit	<u>\$ 5,071,821</u>	
Bonded Debt Outstanding	\$ 756,550	
Less: Amounts set aside to repay general debt	<u>(9,527)</u>	
Total Applicable Debt	<u>\$ 747,023</u>	
Legal Debt Margin	<u>\$ 4,324,798</u>	

(1) The community college district bonded indebtedness shall not exceed 1.5% of the real market value of all taxable property within district in accordance with ORS 341.675.

(2) Real market value used in calculation of debt margin comes from the Tax Supervising and Conservation Commission, Portland, Oregon.

<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>
3,911,722	3,602,738	3,207,442	2,802,675	2,554,814	2,319,789
<u>725,406</u>	<u>595,777</u>	<u>421,918</u>	<u>456,432</u>	<u>480,852</u>	<u>515,499</u>
<u>\$ 3,186,316</u>	<u>\$ 3,006,961</u>	<u>\$ 2,785,524</u>	<u>\$ 2,346,243</u>	<u>\$ 2,073,963</u>	<u>\$ 1,804,290</u>
81.46%	83.46%	86.85%	83.71%	81.18%	77.78%

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

DIRECT AND OVERLAPPING GROSS BONDED DEBT
June 30, 2023
(dollars in Thousands)

	PERCENT OVERLAP	OVERLAPPING GROSS BONDED DEBT
<u>OVERLAPPING DISTRICT</u>		
DIRECT DEBT		
Portland Community College	100.0%	\$ 763,038
OVERLAPPING DISTRICT		
Chehalem Park & Recreation District	100.0%	20,750
City of Beaverton	100.0%	30,045
City of Hillsboro	100.0%	80,890
City of Lake Oswego	99.1%	205,127
City of Newberg	100.0%	9,226
City of Portland	86.7%	598,046
City of Sherwood	100.0%	66,597
City of St. Helens	100.0%	18,830
City of Tigard	100.0%	18,078
City of Tualatin	91.0%	31,685
Clackamas County	16.6%	17,400
Clackamas County School District 7J (Lake Oswego)	98.8%	377,700
Columbia County School District 1J (Scappoose)	100.0%	17,185
Columbia County School District 47J (Vernonia)	100.0%	17,231
Columbia County School District 502 (St Helens)	99.9%	117,638
Metro	73.9%	615,593
Multnomah County	76.4%	445,518
Multnomah County School District 1J (Portland)	100.0%	2,008,256
Multnomah County School District 51J (Riverdale)	100.0%	11,723
Multnomah ESD	75.4%	59,716
Northwest Regional ESD	84.8%	12,287
Port of Portland	69.8%	27,464
Tualatin Hills Park & Rec. District	100.0%	47,826
Tualatin Valley Fire & Rescue District	86.3%	52,571
Washington County	100.0%	164,629
Washington County School District 15 (Forest Grove)	100.0%	150,139
Washington County School District 1J (Hillsboro)	100.0%	497,841
Washington County School District 23J (Tigard-Tualatin)	97.3%	290,894
Washington County School District 48J (Beaverton)	100.0%	1,155,459
Washington County School District 511J (Gaston)	82.9%	11,433
Washington County School District 88J (Sherwood)	94.1%	275,537
Yamhill County School District 29J (Newberg)	98.2%	157,526
Other Overlapping Districts under \$9,000,000	100.0%	74,596
Total Overlapping Debt		7,685,436
TOTAL DIRECT AND OVERLAPPING DEBT		\$ 8,448,474

Source: Oregon State Treasury

The Oregon State Treasurer compiles a report based on districts that overlap the College's District.

Overlapping gross bonded debt is determined by the percentage of overlap within the other districts.

Overlapping Gross Bonded Debt includes all General Obligation (GO) bonds and Full Faith & Credit bonds.

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

LARGEST EMPLOYERS WITHIN PORTLAND METROPOLITAN AREA (1)

2023				
	EMPLOYEES	RANK	PERCENT OF TOTAL DISTRICT'S EMPLOYMENT	
Intel Corporation	22,328	1	1.11	%
Providence Health & Services	19,687	2	0.98	
Oregon Health & Science University	19,136	3	0.95	
Nike Inc.	15,125	5	0.75	
Legacy Health	13,087	4	0.65	
Kaiser Permanente	12,262	6	0.61	
Fred Meyer Stores	9,374	7	0.47	
Portland Public Schools	6,814	9	0.34	
City of Portland	6,483	8	0.32	
Multnomah County	5,307	10	0.26	
SUB TOTAL	129,603		6.46	
ALL OTHER EMPLOYERS	1,875,397		93.54	
TOTAL	2,005,000		100.00	%

2014				
	EMPLOYEES	RANK	PERCENT OF TOTAL DISTRICT'S EMPLOYMENT	
Intel Corporation	17,500	1	1.58	%
U.S. Federal Government	17,500	2	1.58	
Providence Health & Services	15,239	3	1.37	
Oregon Health & Science University	14,616	4	1.32	
State of Oregon	14,200	5	1.28	
Kaiser Permanente Northwest	11,881	6	1.07	
Legacy Health System	10,436	7	0.94	
Fred Meyer Stores	10,237	8	0.92	
City of Portland	8,558	9	0.77	
Nike Inc.	8,000	10	0.72	
SUB TOTAL	128,167		11.55	
ALL OTHER EMPLOYERS	981,181		88.45	
TOTAL	1,109,348		100.00	%

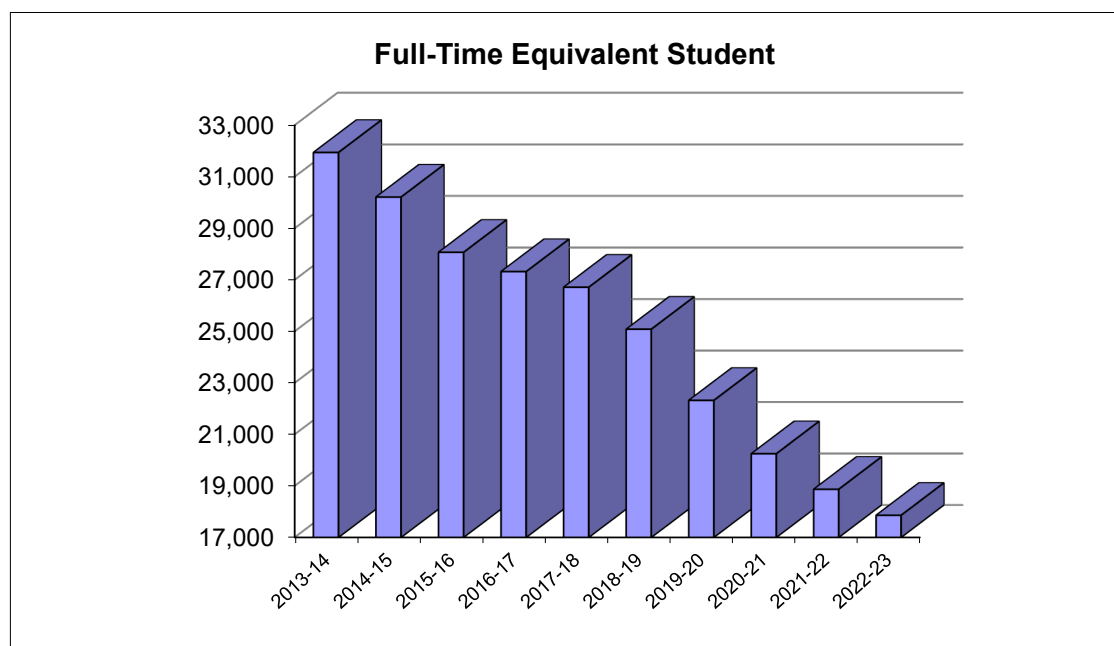
(1) Specific data for the District is not available.

Sources: Oregon Employment Department, Current Employment Estimates
Portland Business Journal October 14, 2022

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

	2022-23	2021-22	2020-21	2019-20	2018-19
District population (estimated) (1)	N/A	1,394,742	1,401,291	1,426,010	1,411,895
Personal income (estimated, in millions) (2)	N/A	N/A	171,729	157,150	\$ 149,347
Per capita income (estimated, in dollars) (2)	N/A	N/A	68,374	62,603	\$ 59,921
FTE (3) student enrollment	17,857	18,867	20,248	22,320	25,084
Unemployment rate (estimated) (4)	3.3%	3.6%	5.0%	11.4%	3.8%



(1) District population for fiscal year 2022-23 was not available at the time of this report. District population includes all of Washington and Columbia Counties and parts of Multnomah, Clackamas and Yamhill Counties.

(2) Personal income and Per capita personal income is not available for the District. The best estimate available and used above is the Portland-Vancouver-Hillsboro metropolitan area. Fiscal year 2022-23 & 2021-22 data is not available at this time.

(3) FTE represents Full Time Equivalency enrollment. This FTE includes reimbursable and non-reimbursable FTE.

(4) Unemployment rate is for the Portland-Vancouver-Hillsboro, OR-WA metropolitan area. Rate dropped due to Covid-19 Pandemic related reopening and improving.

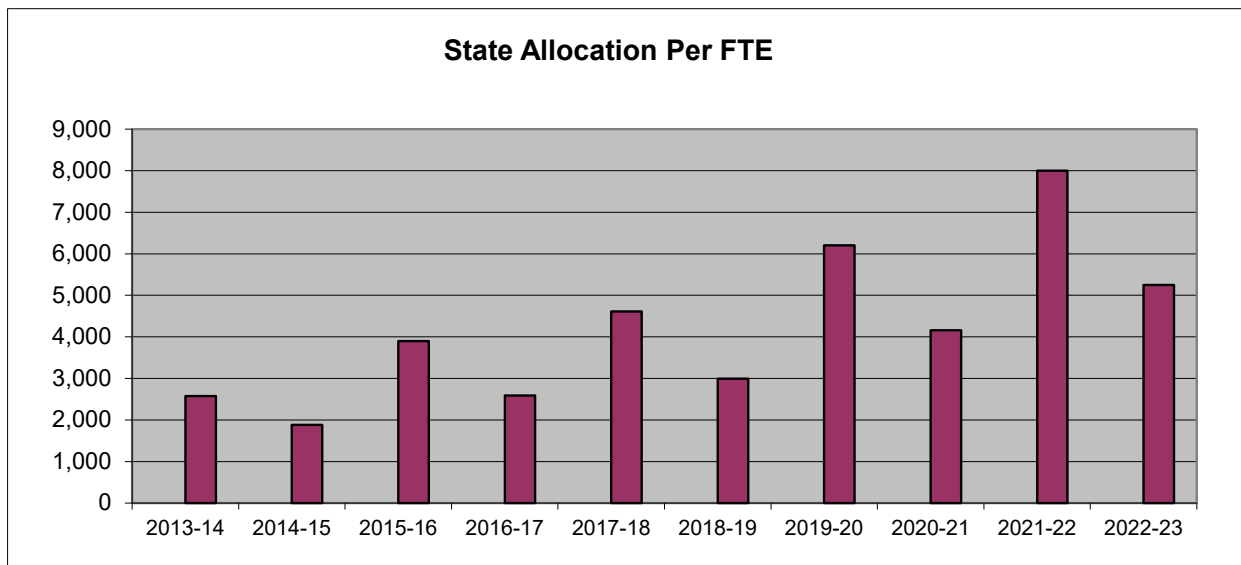
Sources: Portland State University, Population Research Center
Portland Community College, Office of Institutional Effectiveness, Enrollment Reporting - Preliminary Final.
Bureau of Economic Analysis, Regional Economic Information System
Oregon Employment Department, Local Area Unemployment Statistics Report Tool

<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>
1,395,790	1,374,279	1,350,756	1,324,490	1,302,694
\$ 141,270	\$ 131,861	\$ 122,434	\$ 115,691	\$ 107,537
\$ 56,991	\$ 53,751	\$ 50,489	\$ 48,422	\$ 45,794
26,712	27,319	28,068	30,210	31,940
3.8%	4.1%	4.9%	5.4%	6.1%

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

STATE ALLOCATIONS PER FTE
LAST TEN FISCAL YEARS

	2022-23	2021-22	2020-21	2019-20	2018-19
Allocations per FTE	\$ 5,253	\$ 7,997	\$ 4,161	\$ 6,203	\$ 2,995
Annual State Funding (in thousands)	\$ 89,599	\$ 144,935	\$ 81,043	\$ 132,346	\$ 71,543
Total Reimbursable FTE	17,058	18,123	19,479	21,335	23,888



Note: Total reimbursable FTE does not include total student population.

Source: Office of Institutional Effectiveness, Enrollment Reporting - Preliminary Final.

<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>
\$ 4,609	\$ 2,588	\$ 3,901	\$ 1,879	\$ 2,576
\$ 116,888	\$ 66,846	\$ 102,767	\$ 53,710	\$ 78,243
25,361	25,830	26,341	28,577	30,371

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

ENROLLMENT STATISTICS
LAST TEN FISCAL YEARS

	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>
Total operating expenses (in thousands)	\$ 344,515	\$ 343,937	\$ 349,254	\$ 195,330	\$ 304,217
District population (estimated) (2) (in thousands)	N/A	\$ 1,395	\$ 1,401	1,426	1,412
FTE student enrollment (3)	17,857	18,867	20,248	22,320	25,084
Percent of FTE to district population	N/A	1.35%	1.44%	1.6%	1.8%
Cost per FTE (1)	\$ 19,293	\$ 18,230	\$ 17,249	\$ 8,751	\$ 12,128
Number of employees	3,411	3,037	2,977	3,060	3,798
Ratio of employees to FTE	1:5	1:6	1:7	1:7	1:7

(1) Operating costs per full time equivalent student, includes student enrollment in reimbursable and non-reimbursable courses.

(2) District population for fiscal year 2022-23 was not available. District population includes all of Washington and Columbia Counties and parts of Multnomah, Clackamas and Yamhill Counties.

(3) FTE represents Full Time Equivalency enrollment. This FTE includes reimbursable and non-reimbursable FTE.

Sources: Portland Community College - Office of Institutional Effectiveness, Enrollment Reporting- Preliminary Final.
Portland State University, Population Research Center

<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>
\$ 307,435	\$ 351,649	\$ 351,649	\$ 241,268	\$ 284,398
1,396	1,351	1,351	1,324	1,303
26,712	28,068	28,068	30,210	31,940
1.9%	2.1%	2.1%	2.3%	2.5%
\$ 11,509	\$ 12,528	\$ 12,528	\$ 7,986	\$ 8,904
3,859	3,871	3,871	3,913	3,979
1:7	1:7	1:7	1:8	1:8

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

CAMPUS FACILITIES AND OPERATING INFORMATION
LAST TEN FISCAL YEARS

	2022-23	2021-22	2020-21	2019-20	2018-19
Sylvania Campus					
Buildings/leases	17	17	17	16	15
Gross square feet	911,939	911,939	911,939	900,829	888,227
Campus expenditures (1)	\$ 49,944	\$ 47,389	\$ 55,333	\$ 27,321	\$ 51,695
Cascade Campus					
Buildings/leases	13	13	13	13	13
Gross square feet	485,282	485,282	485,282	485,282	485,282
Campus expenditures (1)	\$ 28,623	\$ 26,553	\$ 31,962	\$ 16,045	\$ 30,891
Rock Creek Campus					
Buildings/leases	14	14	14	13	12
Gross square feet	652,685	652,685	652,685	636,133	644,996
Campus expenditures (1)	\$ 40,276	\$ 38,137	\$ 42,791	\$ 21,147	\$ 39,328
Southeast Campus (2)					
Buildings/leases	6	6	6	6	6
Gross square feet	228,455	228,455	228,455	228,455	228,455
Campus expenditures (1)	\$ 14,834	\$ 14,215	\$ 16,851	\$ 8,535	\$ 15,316
Extended Learning Centers (2)					
Buildings/leases	14	13	13	10	10
Gross square feet	330,060	330,313	330,313	272,177	272,177
Campus expenditures (1)	\$ 5,375	\$ 4,773	\$ 5,112	\$ 3,211	\$ 6,405

(1) In Thousands

(2) Beginning fiscal year 2015-16, Southeast Campus was reported separate from Extended Learning Centers.

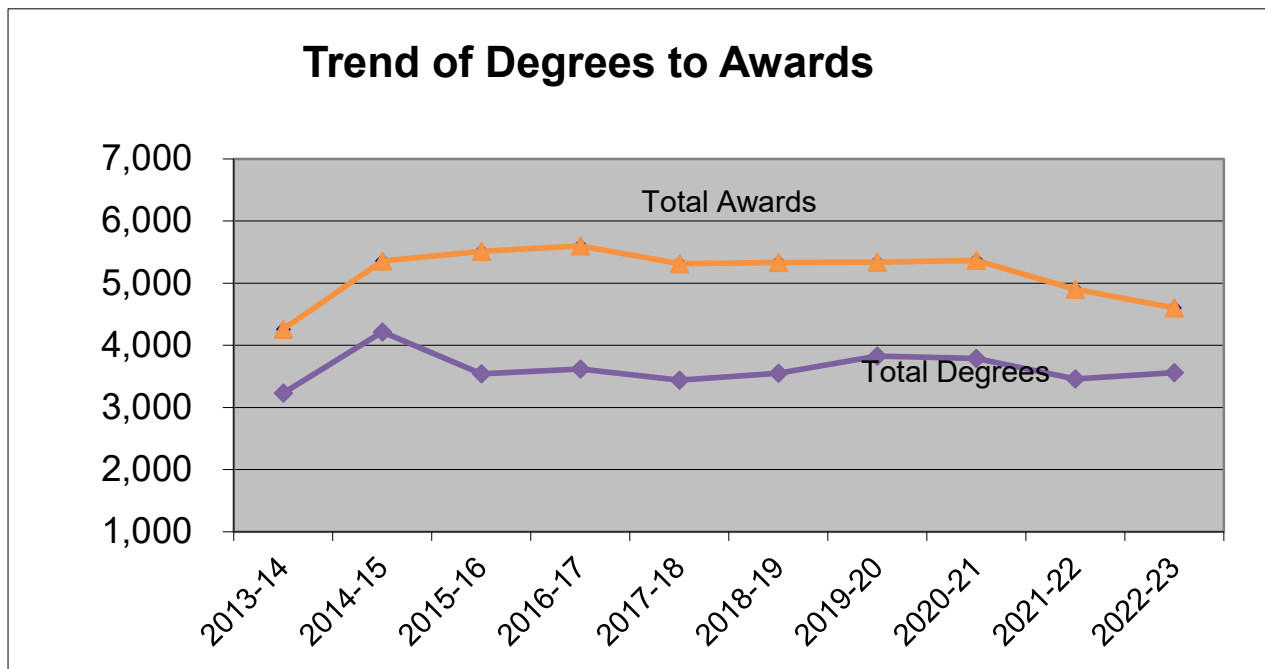
Source: Facilities Management Services Manager

<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>
15	15	15	17	17
888,227	886,286	886,286	887,556	887,556
\$ 50,048	\$ 54,195	\$ 63,059	\$ 37,474	\$ 49,904
13	13	13	11	11
485,282	485,282	485,382	420,588	420,588
\$ 28,924	\$ 30,624	\$ 35,704	\$ 21,499	\$ 28,146
12	12	12	11	11
635,702	635,702	595,026	574,684	574,684
\$ 37,219	\$ 37,779	\$ 44,295	\$ 25,896	\$ 33,780
6	6	6	N/A (2)	N/A (2)
228,455	228,455	228,455		
\$ 14,573	\$ 15,417	\$ 17,798		
11	11	11	17	16
271,623	271,623	272,238	500,481	484,193
\$ 6,155	\$ 6,855	\$ 8,898	\$ 16,057	\$ 19,169

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

CERTIFICATES AND DEGREES GRANTED
LAST TEN FISCAL YEARS

	2022-23	2021-22	2020-21	2019-20
Certificates				
One-Year	289	308	323	264
Two-Year	24	41	28	52
Others	1,299	934	688	1,125
Total Certificates	1,612	1,283	1,039	1,441
Degrees				
Associate of Arts, Oregon Transfer (AAORT)	492	582	601	540
Associate of Science, Oregon Transfer (ASORT)	32	29	64	63
Associate of Science (AS)	685	765	973	933
Associate of General Studies (AGEN)	876	877	993	972
Associate of Applied Science (AAS)	835	937	932	954
Total Degrees	2,920	3,190	3,563	3,462
High School Diplomas	-	-	-	-
Total Awards	4,532	4,473	4,602	4,903



Source: Portland Community College, Office of Institutional Effectiveness

<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>
409	414	520	551	494	513
68	100	96	110	153	96
<u>1,102</u>	<u>997</u>	<u>1,163</u>	<u>1,208</u>	<u>1,308</u>	<u>1,311</u>
<u>1,579</u>	<u>1,511</u>	<u>1,779</u>	<u>1,869</u>	<u>1,955</u>	<u>1,920</u>
550	626	549	560	600	618
76	85	73	112	127	110
1,042	975	870	731	767	722
1,060	1,014	954	940	937	1,020
<u>1,059</u>	<u>1,129</u>	<u>1,108</u>	<u>1,097</u>	<u>1,188</u>	<u>1,074</u>
<u>3,787</u>	<u>3,829</u>	<u>3,554</u>	<u>3,440</u>	<u>3,619</u>	<u>3,544</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>27</u>	<u>51</u>
<u><u>5,366</u></u>	<u><u>5,340</u></u>	<u><u>5,333</u></u>	<u><u>5,313</u></u>	<u><u>5,601</u></u>	<u><u>5,515</u></u>

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

TUITION AND FEES
LAST TEN FISCAL YEARS

Portland Community College (1)

	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>
Per Credit Hour				
General Tuition	\$ 128	\$ 123	\$ 123	\$ 116
Fees	11	9	9	9
Combined Per Credit Total	<u>\$ 139</u>	<u>\$ 132</u>	<u>\$ 132</u>	<u>\$ 125</u>
Per Term - College Service & Transportation Fee (2)	\$ 15	\$ 15	\$ 15	\$ 23
Annual cost (45 credit hours)	\$ 6,289	\$ 5,972	\$ 5,972	\$ 5,681

National and Statewide Comparisons

	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>
PCC District				
Annual Cost (45 credit hours)	\$ 6,289	\$ 5,972	\$ 5,972	\$ 5,681
Percentage Change	5%	0%	5%	5%
National Community College Average (3)				
Annual Cost	N/A	\$ 3,564	\$ 3,501	\$ 3,377
Percentage Change		2%	4%	2%
Oregon Universities Average (4)				
Annual Cost (45 credit hours)	\$ 11,963	\$ 11,291	\$ 10,895	\$ 10,440
Percentage Change	6%	4%	4%	6%

(1) District tuition and fees are obtained from PCC website. Annual tuition is based on 15 credit hours per fall, winter and spring term.

(2) College Service & Transportation Fee is assessed once per term to all credit students. The fee combines multiple small dollar fees commonly assessed to students and enhances transportation options.

(3) U.S. Department of Education, National Center for Education Statistics, Digest of Education Statistics, Student Charges, Average tuition and required fees for full-time students.

(4) Eastern Oregon Univ., OIT, SOU, WOU, OSU, PSU and UO websites, Annual Tuition and Fee Rates based on 15 credit hours for fall, winter and spring term.

N/A - 2022-23 Annual Costs for 2-year colleges are not available at this time.

<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>
\$ 111	\$ 104	\$ 97	\$ 96	\$ 93	\$ 88
8	8	7	7	6	6
<u>\$ 119</u>	<u>\$ 112</u>	<u>\$ 104</u>	<u>\$ 103</u>	<u>\$ 99</u>	<u>\$ 94</u>
\$ 23	\$ 23	\$ 23	\$ 23	\$ 19	\$ 19
\$ 5,408	\$ 5,093	\$ 4,736	\$ 4,691	\$ 4,521	\$ 4,296

<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>
\$ 5,408	\$ 5,093	\$ 4,736	\$ 4,691	\$ 4,521	\$ 4,296
6%	8%	1%	4%	5%	7%
\$ 3,313	\$ 3,242	\$ 3,156	\$ 3,038	\$ 2,955	\$ 2,882
2%	3%	4%	3%	3%	3%
\$ 9,874	\$ 9,655	\$ 9,117	\$ 8,791	\$ 8,210	\$ 7,964
2%	6%	4%	7%	3%	1%

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL YEARS (in Thousands)

	2022-23	2021-22	2020-21	2019-20	2018-19
Residential Construction (1)					
Permits	13.8	13.5	13.4	16.1	15.0
Value	\$ 3,243,750	\$ 3,409,331	\$ 3,208,508	\$ 3,273,357	\$ 3,055,717
Bank Deposits (2)	N/A	67,192,000	66,034,000	59,972,000	46,418,000
Property Values (3)					
Assessed Values:					
Real Property	\$ 154,135,039	\$ 147,218,889	\$ 141,736,743	\$ 135,678,705	\$ 129,513,143
Personal Property	5,688,548	5,616,730	5,442,227	5,405,325	4,953,038
Manufactured Structures	217,494	210,662	194,157	182,925	182,265
Public Utility	6,082,604	5,576,456	5,284,143	4,589,393	4,490,760
Total Assessed Value	166,123,685	158,622,737	152,657,270	145,856,348	139,139,206
Total Real Market Value	\$ 337,861,076	\$ 300,473,853	\$ 282,604,963	\$ 269,857,837	\$ 260,713,118

(1) For the Portland, Vancouver, Hillsboro Metropolitan Area.

(2) For all of Clackamas, Columbia, Multnomah, Washington and Yamhill counties. Specific data for the District is not available.

(3) Real market values are used by the assessor to determine Measure 5 limitations. Taxes, however are computed based upon net assessed value. These amounts represent real market value of the taxable portion of properties on the tax roll.

Sources: U.S. Census Bureau, Housing Units Authorized by Building Permits
Oregon Department of Revenue, Research and Statistical Reports, Property Tax Annual Statistics
Federal Deposit Insurance Corporation

<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>
16.5	15.3	14.9	12.7	11.8
\$ 3,217,155	\$ 3,158,656	\$ 2,900,448	\$ 2,468,921	\$ 2,257,252
45,339,837	\$ 43,988,737	\$ 40,657,736	\$ 37,468,000	\$ 35,589,000
\$ 124,479,160	\$ 118,714,575	\$ 113,554,257	\$ 107,625,199	\$ 103,179,134
5,049,679	4,601,052	4,349,460	4,081,805	3,911,730
171,220	188,095	162,324	139,864	129,150
4,353,038	4,123,037	3,881,839	3,804,319	3,611,064
<u>134,053,097</u>	<u>127,626,759</u>	<u>121,947,880</u>	<u>115,651,187</u>	<u>110,831,078</u>
\$ 240,170,507	\$ 213,806,259	\$ 186,837,348	\$ 170,619,869	\$ 154,652,556

PORTLAND COMMUNITY COLLEGE
PORTLAND, OREGON

MISCELLANEOUS INFORMATION
June 30, 2023

DATE OF INCORPORATION: July 1, 1969

CENTRAL MAILING ADDRESS:

Portland Community College
P.O. Box 19000
Portland, OR 97280-0990
Telephone: (971) 722-6111

MAIN CAMPUSES AND CENTERS:

Sylvania Campus
12000 SW 49th
Portland, OR 97219

Willow Creek Center
Workforce Training Center
241 SW Edgeway Dr.
Beaverton, OR 97006

Newberg Center
135 Werth Blvd.
Newberg, OR 97132

Cascade Campus
705 N Killingsworth
Portland, OR 97217

CLIMB Center
1626 SE Water Avenue
Portland, OR 97214

Downtown Center
722 S.W. 2nd Ave.
Portland, OR 97204

Rock Creek Campus
17705 NW Springville Road
Portland, OR 97229

Portland Metropolitan
Workforce Training Center
5600 NE 42nd
Portland, OR 97218

Hillsboro Center
775 SE Baseline Street
Hillsboro, OR 97123

Southeast Campus
2305 SE 82nd
Portland, OR 97216

Swan Island Trades Center
6400 N Cutter Circle
Portland, OR 97217

Columbia County
34001 NE Wagner Ct.
Scappoose, OR 97056

Maritime Welding Training Center
5555 N Channel Avenue
Portland, OR 97217

Vanport Building
1810 SW 5th Ave
Portland, OR 97201



AUDIT SECTION



AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS

Oregon Administrative Rules 162-10-050 through 162-10-320 incorporated in the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, and comments and disclosures required in audit reports. The required statements and schedules are set forth in the preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth in the following pages.





Independent Auditor's Report Required by Oregon State Regulations

To the Board of Directors
Portland Community College
Portland, Oregon

We have audited the basic financial statements of Portland Community College (the College) as of and for the year ended June 30, 2023, and have issued our report thereon dated December 15, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State.

Compliance

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

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

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

In connection with our testing nothing came to our attention that caused us to believe the College was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-

000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except as follows:

- The College's expenditures exceeded appropriations for one of the four appropriations in the College's auxiliary fund.
- The College's expenditures exceeded appropriations for one of the three appropriations in the College's contracts and grants fund.

OAR 162-10-0230 Internal Control

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

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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

This report is intended solely for the information and use of the Board of Directors, management, and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

For Eide Bailly, LLP

By:



Kristin Diggs, CPA
Boise, Idaho
December 15, 2023

**DISCLOSURES IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS AND THE UNIFORM GUIDANCE**





Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
Portland Community College
Portland, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the business-type activities of Portland Community College (the College) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated December 15, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College'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 College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College'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.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Boise, Idaho
December 15, 2023



Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Directors
Portland Community College
Portland, Oregon

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Portland Community College's (the College) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2023. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the 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, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP".

Boise, Idaho
December 15, 2023

PORTLAND COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

FEDERAL AWARDS BY CLUSTERS	Assistance Listing Number	Pass Through Number	Total Expenditures
STUDENT FINANCIAL ASSISTANCE CLUSTER			
Federal Supplemental Educational Opportunity Grants	84.007	N/A	1,206,184
Federal Work-Study Program	84.033	N/A	386,960
Federal Pell Grant Program	84.063	N/A	27,681,042
Federal Perkins Loan Program	84.038	N/A	471,723
Direct Loans Program	84.268	N/A	28,724,943
Nursing Student Loans	93.364	N/A	1,272,852
Federal Iraq Afghanistan Service Grant	84.408	N/A	6,501
Total Student Financial Assistance Cluster			59,750,205
477 CLUSTER			
TANF NextGen YEP Multnomah County	93.558	22-10210	25,884
TANF NextGen YEP Washington County	93.558	22-10210	4,672
Total 477 Cluster			30,556
WIOA CLUSTER			
WIA/WIOA Adult Program - Hillsboro	17.258	21-11200/2	44,144
WIA/WIOA Adult Program - Hillsboro Liaison	17.258	21-11202	40,621
WIOA Adult Program Allocation	17.258	21-11114	17,038
WIOA Formula Youth-Hillsboro Liaison	17.259	22-10210	50,144
WIA/WIOA Dislocated Worker Formula Grants -Hillsboro Liaison - DWP	17.278	21-11202	268,472
WIA/WIOA Dislocated Worker Formula Grants-WSI: DWP Program Hillsboro	17.278	21-11200/2	73,967
WIOA Dislocated Worker HECC Strategic Innovation	17.278	21-11204	51,493
WIOA Dislocated Worker Program Allocation	17.278	21-11114	35,213
Total WIOA Cluster			581,092
FEDERAL TRANSIT CLUSTER			
Federal Transit—Formula Grants	20.507	936290	31,335
Total Transit Cluster			31,335
TRIO CLUSTER			
TRIO - Student Support Services	84.042A	N/A	259,697
Total TRIO Cluster			259,697
RESEARCH AND DEVELOPMENT CLUSTER			
OSGC OSU/NASA OFRIP	43.008	80NSSC20M0035	6,955
Education and Human Resources - NSF RETA	47.076	N/A	30,114
Education and Human Resources - Mentoring in Manufacturing Technology	47.076	N/A	35,753
Education and Human Resources - NSF ATE eGIST	47.076	N/A	169,674
Education and Human Resources - S-STEM SE Campus	47.076	N/A	281,056
Education and Human Resources - NSF IUSE	47.076	N/A	49,254
Education and Human Resources - NSF ATE eGIST 2	47.076	N/A	90,960
Education and Human Resources - NSF ATE MNT-EC	47.076	B210055	147,000
Total Research and Development Cluster			810,766
SUBTOTAL CLUSTER PROGRAMS			61,463,651
NON-CLUSTER PROGRAMS			7,794,017
TOTAL FEDERAL FINANCIAL ASSISTANCE			69,257,668

See notes to schedule of expenditures of federal awards

PORTLAND COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

FEDERAL AWARDS BY FEDERAL AGENCY	Assistance Listing Number	Pass Through Number	Total Expenditures
U.S. DEPARTMENT OF EDUCATION:			
Direct Programs:			
Federal Supplemental Educational Opportunity Grants	84.007	N/A	1,206,184
Federal Work-Study Program	84.033	N/A	386,960
Federal Pell Grant Program	84.063	N/A	27,681,042
Federal Perkins Loan Program	84.038	N/A	471,723
Direct Loans Program	84.268	N/A	28,724,943
Federal Nursing Student Loans	93.364	N/A	1,272,852
Federal Iraq Afghanistan Service Grant	84.408	N/A	6,501
Title III - PCC RISES Re-imagining Integrated Support for Equitable Success	84.031A	N/A	269,085
TRIO - Student Support Services	84.042A	N/A	259,697
Career and Technical Education - National Programs Oregon High School CTE Teacher Pathway	84.051D	N/A	4,910
Artificial Intelligence Community Funding Project	84.116Z	N/A	521,308
Migrant Education - High School Equivalency Program	84.141A	N/A	528,908
Migrant Education - College Assistance Migrant Program	84.149A	N/A	387,981
Child Care Means Parents in School - CCAMPIS	84.335A	N/A	240,009
Child Care Means Parents in School - CCAMPIS	84.335A	N/A	113,700
Total Direct Programs			62,075,803
Passed through Office of Community Colleges and Workforce Development:			
Adult Education - Basic Grants to States - Program Improvement	84.002A	21-112K	26,912
Adult Education - State Grant Program - TOPS Accountability	84.002A	21-112K	191,063
Adult Education - State Grant Program - Comprehensive Services	84.002A	21-112K	550,574
Adult Education - Learning Standards State Trainers	84.002A	20-081H	11,453
Total passed through Office of Community Colleges and Workforce Development			780,002
Passed through State of Oregon, Department of Education:			
Career & Technical Education - Basic Grants to States - Perkins Reserve	84.048	75135	427,285
Career & Technical Education - Basic Grants to States - Perkins Reserve	84.048	66187	55,537
Career & Technical Education - Basic Grants to States - Region 2A Consortium	84.048	72339	292,239
Career & Technical Education - Basic Grants to States - Region 2A Consortium	84.048	66150	12,938
Career & Technical Education - Basic Grants to States - Perkins	84.048	72346	2,154,229
Total passed through State of Oregon, Department of Education			2,942,228
Passed through Oregon Institute of Technology/OMIC, R&D:			
OMIC Virtual Reality Pre-Trade / CTE Training for Columbia County	84.215K	S215K220210	1,847
Total passed through Oregon Institute of Technology/OMIC, R&D			1,847
Passed through State of Oregon, Department of Human Services:			
Disability Innovation Fund - DOE ODHS VR ICAP	84.421C	173455-2	1,358,700
Total passed through State of Oregon, Department of Human Services			1,358,700
Passed through Higher Education Coordinating Commission:			
Covid 19 - Education Stabilization Fund - HECC TIE GEER II	84.425C	19-151A-001	4,042
Covid 19 - Education Stabilization Fund - HECC GEER Retention and Completion	84.425C	N/A	74,400
Total passed through Higher Education Coordinating Commission			78,442
TOTAL U.S. DEPARTMENT OF EDUCATION			67,237,022

See notes to schedule of expenditures of federal awards

PORTLAND COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

FEDERAL AWARDS BY FEDERAL AGENCY	Assistance Listing Number	Pass Through Number	Total Expenditures
U.S. DEPARTMENT OF THE INTERIOR:			
Direct Programs:			
USGS Research & Data Collection Cooperative	15.808	G22AC00454	14,162
Total Direct Programs			14,162
TOTAL U.S. DEPARTMENT OF THE INTERIOR			14,162
U.S. DEPARTMENT OF JUSTICE:			
Direct Programs			
Office of Violence Against Women	16.588	15JOVW-22-GG-03168-CAMP	16,767
Total Direct Programs			16,767
Passed through Oregon Department of Justice:			
VOCA 2020-2022	16.575	VOCA 20-22	61,864
Total Passed through Oregon Department of Justice			61,864
TOTAL U.S. DEPARTMENT OF JUSTICE			78,631
U.S. DEPARTMENT OF LABOR:			
Passed through Worksystems, Inc:			
WIA/WIOA Adult Program - Hillsboro	17.258	21-11200/2	44,144
WIA/WIOA Adult Program - Hillsboro Liaison	17.258	21-11202	40,621
WIOA Adult Program Allocation	17.258	21-11114	17,038
Total Passed through Worksystems, Inc.			101,803
WIOA Formula Youth-Hillsboro Liaison	17.259	22-10210	50,144
Total Passed through Worksystems, Inc.			50,144
Passed through Mt. Hood Community College:			
Strengthening Community College's Training Grant	17.261	MI-35897-21-60-A-41	48,964
Total Passed through Mt. Hood Community College			48,964
Passed through Worksystems, Inc:			
WIA/WIOA National Dislocated Worker Grants- Career National DW Grant	17.277	22-11200	27,084
Total Passed through Worksystems, Inc.			27,084
WIA/WIOA Dislocated Worker Formula Grants -Hillsboro Liaison - DWP	17.278	21-11202	268,472
WIA/WIOA Dislocated Worker Formula Grants-WSI: DWP Program Hillsboro	17.278	21-11200/2	73,967
HECC Strategic Innovation Dislocated Worker	17.278	21-11204	51,493
WIOA Dislocated Worker Program Allocation	17.278	21-11114	35,213
Total Passed through Worksystems, Inc.			429,145
TOTAL U.S. DEPARTMENT OF LABOR			657,140

See notes to schedule of expenditures of federal awards

PORTLAND COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

FEDERAL AWARDS BY FEDERAL AGENCY	Assistance Listing Number	Pass Through Number	Total Expenditures
U.S. DEPARTMENT OF TRANSPORTATION:			
Passed through TriMet:			
Federal Transit Formula Grants	20.507	936290	31,335
Total Passed through TriMet			31,335
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			31,335
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION:			
Passed through Oregon State University:			
OSGC OSU/NASA OFRIP	43.008	80NSSC20M0035	6,955
Total Passed through Oregon State Univeristy			6,955
TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			6,955
NATIONAL SCIENCE FOUNDATION:			
Direct Programs:			
Education and Human Resources - NSF RETA	47.076	N/A	30,114
Education and Human Resources - Mentoring in Manufacturing Technology	47.076	N/A	35,753
Education and Human Resources - NSF ATE eGIST	47.076	N/A	169,674
Education and Human Resources - S-STEM SE Campus	47.076	N/A	281,056
Education and Human Resources - NSF IUSE	47.076	N/A	49,254
Education and Human Resources - NSF ATE eGIST 2	47.076	N/A	90,960
Total Direct Programs			656,811
Passed through Pasadena City College:			
Education and Human Resources - NSF ATE MNT-EC	47.076	B210055	147,000
Total Passed through Pasadena City College			147,000
TOTAL NATIONAL SCIENCE FOUNDATION			803,811
NATIONAL SECURITY AGENCY:			
Direct Programs:			
2022 GenCyber Grant - Portland Community College	12.905	H98230-22-1-0028	86,625
Total Direct Programs			86,625
Passed through Towson University:			
Department of Defense - NSA CyberSecurity Core Curriculum	12.905	H98230-21-1-0175	29,822
Total Passed through Towson University			29,822
TOTAL NATIONAL SECURITY AGENCY			116,447

See notes to schedule of expenditures of federal awards

PORTLAND COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

FEDERAL AWARDS BY FEDERAL AGENCY	Assistance Listing Number	Pass Through Number	Total Expenditures
SMALL BUSINESS ADMINISTRATION:			
Passed through Lane Community College:			
Small Business Development Center - SBDC	59.037	SBA-2023-152	114,433
Small Business Development Center - SBDC SBA Center#20	59.037	SBA-2023-160	48,397
COVID-19 - Small Business Development Center - SBDC	59.037	SBAHQ-20-C-0074-152	5,000
Total Passed through Lane Community College			167,830
TOTAL SMALL BUSINESS ADMINISTRATION			167,830
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Passed through Portland State University:			
Trans-NIH Research Support - Exito	93.310	2RL5GM118963-06	50,458
Total Passed through Portland State University			50,458
Passed through Worksystems, Inc.:			
NextGen YEP Multnomah County	93.558	22-10210	25,884
NextGen YEP Washington County	93.558	22-10210	4,672
Total Passed through Worksystems, Inc.			30,556
Passed through Oregon Health Sciences University:			
Ryan White HIV/AIDS Dental Reimbursement and Community Based Dental Partnership Grants	93.924	5H65HA00006-21-00	3,025
Total Passed through Oregon Health Sciences University			3,025
Passed through the State of Oregon Health Authority:			
Oregon Health Authority - Diverse Healthcare Providers - Addiction Counseling Associates Degree	93.959	175100	60,296
Total Passed through the State of Oregon Health Authority			60,296
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			144,335
TOTAL FEDERAL FINANCIAL ASSISTANCE			69,257,668

See notes to schedule of expenditures of federal awards

PORTLAND COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

Note A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of Portland Community College (the College) under programs of the federal government for the year ended June 30, 2023. The information is presented in accordance with 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). Because the schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position, or cash flows of the College.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting, except for subrecipient expenditures, which are recorded on the cash basis. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Direct loans are loans held by the Federal Government and are not included in loans receivable for the College. Direct loans disbursed during the year are included in the federal expenditures presented in the Schedule. The College has elected not to use the ten percent de minimus indirect cost rate as allowed under the Uniform Guidance.

Note C - LOANS RECEIVABLE

The federal student loan programs listed subsequently are administered directly by the College, and balances and transactions relating to these programs are included in the College's basic financial statements. Perkins and Nursing loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at June 30, 2023 consists of:

	Assistance Listing Number	Loans Receivable
Gross loans receivable at June 30, 2023 including the institutional match, totaled:		
Federal Perkins Loan Program	84.038	\$ 209,114
Federal Nursing Student Loans	93.364	1,118,730
		<u>\$ 1,327,844</u>

Note D - PERKINS LOAN PROGRAM - EXCESS LIQUID CAPITAL

Section 466 (c) of the Higher Education Act requires institutions to return to the Department of Education (the Department) the Federal share of any Excess Liquid Capital (ELC) from the institution's Federal Perkins Loan Revolving Fund (Fund). ELC is the amount of the Fund's "Cash On Hand" that is in excess of the institution's estimated immediate needs for the Perkins Loan Program. In Fiscal Year 2023 the College had excess liquid capital and returned it to the Department.

	Assistance Listing Number	Expenditures
Federal share returned	84.038	\$ 197,749
		<u>\$ 197,749</u>

Note E - SUBRECIPIENTS

Of the federal expenditures presented in the schedule, Portland Community College provided federal awards to subrecipients as follows:

Description	Assistance Listing Number	Expenditures
Portland State University - S-STEM SE MESA	47.076	105,376
		<u>\$ 105,376</u>



Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified?	No
Significant deficiency identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs	
Material weaknesses identified?	No
Significant deficiency identified not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No

Identification of major programs:

<u>Name of Federal Program</u>	<u>Financial Assistance Number</u>
Student Financial Assistance Cluster	
Federal Supplemental Educational Opportunity Grant	84.007
Federal Work-Study Program	84.033
Federal Pell Grant	84.063
Federal Direct Student Loans	84.268
Federal Perkins Loan Program	84.038
Federal Nursing Student Loans	93.364
Federal Iraq Afghanistan Service Grant	84.408
Research and Development Cluster	
Education and Human Resources	47.076
OSGC OSU/NASA OFRIP	43.008
Disability Innovation Fund	84.421C
Career and Technical Education	84.048A
Adult Education	84.002
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

No findings reported.

Section III – Federal Award Findings and Questioned Costs

No findings reported.



