

Annual Financial Report

Enterprise Funds of
the State of Oregon

Housing and Community Services
Department

For the Year Ended June 30, 2024

Andrea Bell
Director

Dean Criscola
Controller

Prepared by:
Roger Schmidt
Siora Arce
Lindsay Lott



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Financial Section



Kip Memmott
Division Director

Independent Auditor's Report

The Honorable Tina Kotek
Governor of Oregon

Andrea Bell, Executive Director
Oregon Housing and Community Services Department

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Elderly and Disabled Housing Fund and Housing Finance Fund, which collectively comprise the Housing and Community Service Fund, an enterprise fund of the State of Oregon, Housing and Community Services Department (department) as of and for the year ended June 30, 2024, and the related notes to the 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 financial position of the Housing and Community Services Fund as of June 30, 2024, and the changes in its financial position and 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. 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 department, 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.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Elderly and Disabled Housing Fund and Housing Finance Fund and do not purport to, and do not, present fairly the financial position of the State of Oregon or the department as of June 30, 2024, the changes in its financial position or its cash flows for the

255 Capitol St NE, Ste 180
Salem, Oregon 97310

LaVonne Griffin-Valade
Oregon Secretary of State

Cheryl Myers
Deputy Secretary & Tribal Liaison

Information (503) 986-2255
sos.oregon.gov/audits

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

Auditor's Responsibility 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 opinion. 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 the 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 department's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Elderly and Disabled Housing Fund and Housing Finance Fund's basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and

was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements 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 report. The other information comprises the statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does 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 issue our report dated October 28, 2024, on our consideration of the department'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 department'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 department's internal control over financial reporting and compliance.

Office of the Secretary of State, Audits Division

State of Oregon

October 28, 2024

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Oregon Housing & Community Services Department
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-Type Activities - Enterprise Funds		
	Elderly and Disabled Housing Fund	Housing Finance Fund	Total
Assets and Deferred Outflows of Resources			
Assets			
Current Assets			
Cash and Cash Equivalents	\$ 788,645	\$ 47,698,036	\$ 48,486,681
Cash and Cash Equivalents - Restricted	1,986,726	95,854,037	97,840,763
Investments - Restricted	-	12,651,998	12,651,998
Securities Lending Cash Collateral	104,742	92,626	197,368
Accounts Receivable	925	376,667	377,592
Accrued Interest Receivable	270,525	6,295,750	6,566,275
Due from Governmental Funds	40,936	185,002	225,938
Loans Receivable	2,852,193	26,625,693	29,477,886
Acquired Property	-	188,995	188,995
Total Current Assets	6,044,692	189,968,804	196,013,496
Noncurrent Assets			
Cash and Cash Equivalents - Restricted	64,392,115	99,296,482	163,688,597
Investments - Restricted	1,213,867	110,813,649	112,027,516
Loans Receivable	34,222,832	931,726,375	965,949,207
Swap Fair Value Asset	-	19,603,929	19,603,929
Other Derivative Instruments	-	104,910	104,910
Net Other Postemployment Benefits Asset	30,210	173,314	203,524
Capital Assets (Net)	22,480	421,823	444,303
Total Noncurrent Assets	99,881,504	1,162,140,482	1,262,021,986
Total Assets	105,926,196	1,352,109,286	1,458,035,482
Deferred Outflows of Resources			
Loss on Debt Refundings	-	309,452	309,452
Related to Pensions	439,786	3,356,548	3,796,334
Related to Other Postemployment Benefits	1,007	6,882	7,889
Total Deferred Outflows of Resources	440,793	3,672,882	4,113,675
Total Assets and Deferred Outflows of Resources	\$ 106,366,989	\$ 1,355,782,168	\$ 1,462,149,157

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

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	Business-Type Activities - Enterprise Funds		
	Elderly and Disabled Housing Fund	Housing Finance Fund	Total
Liabilities, Deferred Inflows of Resources, and Net Position			
Liabilities			
Current Liabilities			
Accounts Payable	\$ 27,039	\$ 1,003,734	\$ 1,030,773
Accrued Interest Payable	375,504	19,257,905	19,633,409
Obligations Under Securities Lending	104,742	92,626	197,368
Due to Governmental Funds	24,340	319,526	343,866
Unearned Revenue	582	343,546	344,128
Compensated Absences Payable	31,410	311,490	342,900
Subscription-Based IT Obligations	7,008	110,872	117,880
Bonds Payable	1,105,000	72,735,000	73,840,000
Arbitrage Rebate Liability	-	294,522	294,522
Pension-related Debt Payable	10,891	39,025	49,916
Total Current Liabilities	1,686,516	94,508,246	96,194,762
Noncurrent Liabilities			
Compensated Absences Payable	16,913	167,725	184,638
Subscription-Based IT Arrangement Obligations	14,471	339,469	353,940
Bonds Payable	17,923,831	1,020,993,117	1,038,916,948
Arbitrage Rebate Liability	-	129,622	129,622
Pension-related Debt Payable	30,693	109,969	140,662
Net Pension Liability	1,348,271	8,157,757	9,506,028
Total Other Postemployment Benefits Liability (PEBB)	10,994	133,872	144,866
Total Noncurrent Liabilities	19,345,173	1,030,031,531	1,049,376,704
Total Liabilities	21,031,689	1,124,539,777	1,145,571,466
Deferred Inflows of Resources			
Accumulated Increase in Fair Value of Hedging Derivatives	-	19,603,929	19,603,929
Gain on Debt Refundings	-	3,623	3,623
Deferred Loan Origination Fees	229,434	3,999,533	4,228,967
Related to Pensions	106,607	645,029	751,636
Related to Other Postemployment Benefits	10,106	92,384	102,490
Total Deferred Inflows of Resources	346,147	24,344,498	24,690,645
Net Position			
Net Investment in Capital Assets	1,002	(28,519)	(27,517)
Restricted for Residential Assistance	-	1,158,463	1,158,463
Restricted for Other Postemployment Benefits	30,210	173,314	203,524
Restricted by Trust Indentures	84,498,300	162,653,559	247,151,859
Unrestricted	459,641	42,941,076	43,400,717
Total Net Position	84,989,153	206,897,893	291,887,046
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 106,366,989	\$ 1,355,782,168	\$ 1,462,149,157

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

Oregon Housing & Community Services Department
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds		
	Elderly and Disabled Housing Fund	Housing Finance Fund	Total
Operating Revenues			
Interest on Loans	\$ 3,002,032	\$ 37,199,728	\$ 40,201,760
Investment Income	3,171,357	14,505,119	17,676,476
Other Derivative Income	-	62,726	62,726
Administrative Charges and Fees	108,269	5,337,537	5,445,806
Low Income Housing Tax Credit Fees	-	4,506,936	4,506,936
Gain on Sale of Foreclosed Property	-	204,615	204,615
Gain (Loss) on Debt Extinguishment	-	3,024,206	3,024,206
Miscellaneous Revenue	-	4,381	4,381
Total Operating Revenues	6,281,658	64,845,248	71,126,906
Operating Expenses			
Personal Services	852,832	9,309,467	10,162,299
Services and Supplies	269,594	3,595,393	3,864,987
Mortgage Service Fees	14,155	3,330,279	3,344,434
Foreclosure Costs	-	80,342	80,342
Interest Expense - Bonds	913,783	32,539,157	33,452,940
Interest Expense - Securities Lending	10,991	13,180	24,171
Other Related Program Expenses	-	3,592,409	3,592,409
Depreciation/Amortization	11,520	224,599	236,119
Total Operating Expenses	2,072,875	52,684,826	54,757,701
Operating Income	4,208,783	12,160,422	16,369,205
Nonoperating Revenues (Expenses)			
Interest Expense - Pension-related Debt	(2,940)	(10,533)	(13,473)
Interest Expense - Leased Assets	(2)	(5)	(7)
Interest Expense - Subscription-Base IT Assets	(769)	(14,899)	(15,668)
Total Nonoperating Revenues (Expenses)	(3,711)	(25,437)	(29,148)
Income Before Transfers	4,205,072	12,134,985	16,340,057
Transfers from Other Funds	-	7,500,000	7,500,000
Transfers to Other State Agencies	(25,070)	(332,493)	(357,563)
Increase in Net Position	4,180,002	19,302,492	23,482,494
Net Position - Beginning	80,809,151	187,595,401	268,404,552
Net Position - Ending	\$ 84,989,153	\$ 206,897,893	\$ 291,887,046

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

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Oregon Housing & Community Services Department
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds		
	Elderly and Disabled Housing Fund	Housing Finance Fund	Total
Cash Flows from Operating Activities			
Received from Customers	\$ 108,194	\$ 10,463,296	\$ 10,571,490
Program Loan Principal Repayments	2,786,019	57,711,720	60,497,739
Program Loan Interest Received	1,959,480	35,887,116	37,846,596
Program Loans Made	-	(147,619,925)	(147,619,925)
Payments to Employees for Services	(930,825)	(10,526,483)	(11,457,308)
Payments to Suppliers for Goods and Services	(324,316)	(6,718,839)	(7,043,155)
Other Receipts (Payments)	-	(1,535,726)	(1,535,726)
Net Cash Provided (Used) in Operating Activities	3,598,552	(62,338,841)	(58,740,289)
Cash Flows from Noncapital Financing Activities			
Proceeds from Bond Sales	-	230,718,707	230,718,707
Principal Payments - Bonds	(1,045,000)	(90,085,000)	(91,130,000)
Interest Payments - Bonds	(934,708)	(29,173,868)	(30,108,576)
Bond Issuance Costs	-	(2,064,247)	(2,064,247)
Other Derivative Receipts	-	30,061	30,061
Principal Payments - Pension-related Debt	(12,355)	(44,267)	(56,622)
Interest Payments - Pension-related Debt	(2,940)	(10,533)	(13,473)
Transfers from Other Funds	-	7,500,000	7,500,000
Transfers to Other State Agencies	(28,954)	(347,695)	(376,649)
Net Cash Provided (Used) in Noncapital Financing Activities	(2,023,957)	116,523,158	114,499,201
Cash Flows from Capital and Related Financing Activities			
Leased Assets Principal Payments	(251)	(1,191)	(1,442)
Leased Assets Interest Payments	(2)	(5)	(7)
Subscription-Based IT Assets Principal Payments	(4,928)	(86,928)	(91,856)
Net Cash Provided (Used) in Capital and Related Financing Activities	(5,181)	(88,124)	(93,305)
Cash Flows from Investing Activities			
Purchase of Investments	-	(363,247,896)	(363,247,896)
Proceeds from Sales and Maturities of Investments	-	311,296,579	311,296,579
Interest on Cash and Investments	3,226,210	10,311,678	13,537,888
Investment Income on Securities Lending	10,991	13,180	24,171
Interest Paid on Securities Lending	(10,991)	(13,180)	(24,171)
Net Cash Provided (Used) in Investing Activities	3,226,210	(41,639,639)	(38,413,429)
Net Increase (Decrease) in Cash and Cash Equivalents	4,795,624	12,456,554	17,252,178
Cash and Cash Equivalents Balance - Beginning	62,371,862	230,392,001	292,763,863
Cash and Cash Equivalents Balance - Ending	\$ 67,167,486	\$ 242,848,555	\$310,016,041
Cash and Cash Equivalents	\$ 788,645	\$ 47,698,036	\$ 48,486,681
Cash and Cash Equivalents - Restricted (Current)	1,986,726	95,854,037	97,840,763
Cash and Cash Equivalents - Restricted (Noncurrent)	64,392,115	99,296,482	163,688,597
Total Cash and Cash Equivalents	\$ 67,167,486	\$ 242,848,555	\$310,016,041

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

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	Business-Type Activities - Enterprise Funds		
	Elderly and Disabled Housing Fund	Housing Finance Fund	Total
Reconciliation of Operating Income to			
Net Cash Provided by Operating Activities			
Operating Income	\$ 4,208,783	\$ 12,160,422	\$ 16,369,205
Adjustments to Reconcile Operating Income to			
Net Cash Provided by Operating Activities			
Capital Asset Depreciation/Amortization	11,520	224,599	236,119
Investment Income Reported as Operating Revenue	(3,171,357)	(14,505,119)	(17,676,476)
Other Derivative Income Reported as Operating Revenue	-	(62,726)	(62,726)
Interest Expense Reported as Operating Expense	924,774	32,552,337	33,477,111
Bond Issuance Costs Reported as Operating Expense	-	1,956,112	1,956,112
(Gain) Loss on Debt Extinguishment	-	(3,024,205)	(3,024,205)
(Increase)/Decrease in Assets:			
Loan Interest Receivable	(2,953)	(623,302)	(626,255)
Accounts Receivable	(75)	(77,987)	(78,062)
Interfund Receivable	-	47,806	47,806
Due from Governmental Funds	(39,269)	122,434	83,165
Prepaid Expenses	-	21,147	21,147
Loans Receivable	1,777,697	(90,645,233)	(88,867,536)
Acquired Property	-	591,344	591,344
Net Other Postemployment Benefits Asset	(3,028)	6,950	3,922
(Increase)/Decrease in Deferred Outflows of Resources:			
Related to Pensions	27,411	(134,269)	(106,858)
Related to Other Postemployment Benefits	2,944	17,676	20,620
Increase/(Decrease) in Liabilities:			
Accounts Payable	(8,248)	(270,922)	(279,170)
Interfund Payable	(47,806)	-	(47,806)
Due to Governmental Funds	(105,067)	(278,936)	(384,003)
Unearned Revenue	(505)	(87,614)	(88,119)
Compensated Absences Payable	(54,971)	(2,454)	(57,425)
Net Pension Liability	323,582	839,233	1,162,815
Total Other Postemployment Benefits Liability	(5,141)	41,271	36,130
Increase/(Decrease) in Deferred Inflows of Resources:			
Deferred Loan Origination Fees	(30,773)	365,097	334,324
Related to Pensions	(200,392)	(1,547,621)	(1,748,013)
Related to Other Postemployment Benefits	(8,574)	(24,881)	(33,455)
Net Cash Provided (Used) in Operating Activities	\$ 3,598,552	\$ (62,338,841)	\$ (58,740,289)
Noncash Investing, Capital, and Financing Activities			
Net Change in Fair Value of Investments	\$ (65,869)	\$ 4,311,591	\$ 4,245,722
Foreclosed Property	-	409,412	409,412
Loan Modifications	1,008,322	324,870	1,333,192
SBITAs Initiated	33,158	643,084	676,242
Total Noncash Investing, Capital, and Financing Activities	\$ 975,611	\$ 5,688,957	\$ 6,664,568

Oregon Housing & Community Services Department
Notes to the Financial Statements
Enterprise Funds
June 30, 2024

NOTE 1. Summary of Significant Accounting Policies

The accompanying financial statements of the Oregon Housing and Community Services Department (OHCS D) have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).

A. Reporting Entity

OHCS D is a part of the State of Oregon reporting entity. OHCS D currently operates under the provisions of Sections 456.515 to 456.725 of the Oregon Revised Statutes.

Through sales of bonds, OHCS D finances home ownership and multi-family housing units for elderly, disabled, and lower to moderate income persons. OHCS D has issued revenue bonds for the Single-Family Mortgage Program (Mortgage Revenue Bonds) and Multifamily Housing Revenue Bonds. OHCS D has issued State of Oregon general obligation bonds for the Elderly and Disabled Housing Program. State of Oregon general obligation bonds are authorized by Oregon Constitution Article XI-I(2).

The financial statements and notes include only the bonded debt financial activity of OHCS D's housing bond programs. OHCS D operates governmental fund programs which are not included in this report.

B. Basis of Presentation - Fund Accounting

OHCS D programs and accounts are organized by "funds," each of which is a separate accounting entity. Each major program utilizes a separate set of self-balancing accounts to record the assets, deferred outflows, liabilities, deferred inflows, net position, revenues, and expenses of their activities. OHCS D's housing bond programs are classified in proprietary funds. Proprietary funds contain two types of funds: Enterprise Funds and Internal Service Funds. All housing bond programs of OHCS D are accounted for in the Enterprise Funds.

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises. OHCS D utilizes two enterprise funds which are differentiated primarily by the type of bond financing employed to support their respective programs:

- (1) The Elderly and Disabled Housing Fund accounts for programs that are supported by State of Oregon General Obligation Bonds. Bond proceeds are used to finance elderly housing and residential facilities for elderly households, disabled persons, and their family members. OHCS D is responsible for the administration of this program.
- (2) The Housing Finance Fund accounts for programs that are supported by revenue bond financing, including the Multifamily Housing and Single-Family Mortgage Programs. Revenue bond proceeds are used to finance home ownership and multi-family units for lower and moderate income persons. Also part of the Housing Finance Fund are the Combined Program Account and the Housing Finance Account. The Combined Program Account is maintained to act as a reserve against possible deficiencies that may arise in the payment of debt service or related expenses of the Single-Family Mortgage Program. General and administrative costs of these programs are accounted for in the Housing Finance Account. In addition, fees or other monies received by OHCS D in carrying out the responsibilities outlined under Oregon Revised Statutes 456.548 to 456.725 are also included in the Housing Finance Account.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All proprietary funds are accounted for using the flow of economic resources measurement focus and are maintained on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned

and expenses are recorded at the time related liabilities are incurred. All assets and liabilities associated with the operations of these funds are included on the Statement of Net Position. Assets and liabilities are segregated between current and non-current. Net Position is segregated into Net Investment in Capital Assets, Restricted, and Unrestricted. The Proprietary fund Statement of Revenues, Expenses, and Changes in Fund Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in net position. This statement segregates operating revenue, operating expenses, non-operating revenue and expense, and capital contributions and transfers.

D. Budgets

The Oregon Legislature approves budgets for a biennial period. Operating expenses are subject to limitation and bond related expenses are subject to administrative limitation. Both types of limitation lapse at the end of the biennium. Budgets are adopted on a basis which differs from generally accepted accounting principles and financial reporting standards in the treatment of bond proceeds and loan purchases. For budgetary purposes, these transactions are treated on a cash basis and other operating revenues and expenses are on an accrual basis.

E. Cash Equivalents

For purposes of the Statement of Cash Flows, all OHCS D moneys held in the State Treasury Oregon Short-Term Fund and moneys held in money market mutual funds are considered to be cash equivalents. The money market mutual funds do not have a floating net asset value (NAV). OHCS D records investments with original maturities of three months or less as investments, not cash equivalents.

F. Investments

OHCS D's investments are stated at fair value. Investment fair value is determined using quoted market prices or quoted market prices for similar investments.

G. Receivables

Receivables included are amounts due that represent revenues earned or accrued in the current period. Types included in this classification relate to interest, mortgage loans receivable, and other miscellaneous receivables. If the last day or days of the fiscal year are on a weekend and an investment matures that weekend, an accounts receivable in the amount of the matured investment is included in the Statement of Net Position.

H. Short-term Interfund Receivable/Payable and Due from/to Governmental Funds

During the course of operations, transactions occur between individual funds for various reasons. Receivable and payable transactions between OHCS D's enterprise funds are classified as "Interfund Receivable" and "Interfund Payable" on the Statement of Net Position. Receivables and payables between OHCS D's enterprise funds and OHCS D's governmental funds are classified as "Due from Governmental Funds" and "Due to Governmental Funds" on the Statement of Net Position.

I. Acquired Property

Acquired properties resulting from mortgage foreclosures are stated at the cost. Cost is defined as the outstanding balance of the mortgage loan, plus major repairs, less any mortgage insurance payments received. Costs relating to the acquisition of such properties are charged to expense as they are incurred.

J. Capital Assets

Capital assets are reported at historical cost or estimated historical cost if the original cost is not determinable. Donated capital assets are reported at their estimated fair market value at the time received. Capital assets costing less than \$5,000 or having a useful life of less than one year are not capitalized.

Depreciation or amortization of capital assets is charged as an expense against operations over the estimated useful life using the straight-line method of depreciation. The estimated useful life of OHCS D's capital assets is from three to ten years.

K. Rebatable Arbitrage

Internal Revenue Code (IRC) Section 148(f) requires issuers of tax-exempt bonds to rebate investment income earned from bond proceeds that exceeds limits established for each bond issue. These limits are based on the bond yield as calculated for federal tax purposes for each bond issue and are subject to certain exceptions. Arbitrage rebate payments are due not later than 60 days after the end of the fifth anniversary of each bond issue (or other date in compliance with IRC Section 148(f)) and every five years thereafter in an amount at least equal to 90% of the calculated arbitrage liability. Final arbitrage rebate payments are due not later than 60 days after the final retirement of all bonds in an issue in an amount equal to 100% of the calculated arbitrage liability. OHCS D records rebatable arbitrage as a reduction of investment revenue.

L. Compensated Absences

Employees accumulate earned but unused vacation and sick leave benefits. Accumulated vacation leave (compensated absences) is recorded as an expense and a liability as the benefits accrue to the employees. Employees are not paid for unused sick leave benefits when leaving State service, so no liability is recorded for accumulated sick leave benefits.

M. Bond Discounts and Premiums

Bond discount or premium arising from the sale of serial or term bonds is charged or credited to interest expense over the life of the related bond issue using the bonds-outstanding method of amortization. The removal of unamortized bond discount or bond premium for bonds that are called is recorded in Gain (Loss) on Debt Extinguishment on the Statement of Revenues, Expenses, and Changes in Fund Net Position. Bond discounts and premiums are included in Bonds Payable on the Statement of Net Position.

N. Deferred Debt Refundings

Deferred debt refunding gains or losses are amortized over the shorter of the life of the new debt or the remaining life of the old debt using the bonds-outstanding method of amortization. The bonds-outstanding method of amortization most closely approximates the effective-interest method. The removal of unamortized deferred debt refunding gains or losses for bonds that are called is recorded in Gain (Loss) on Debt Extinguishment on the Statement of Revenues, Expenses, and Changes in Fund Net Position. Loss on Debt Refundings is shown as a Deferred Outflow of Resources and Gain on Debt Refundings is shown as a Deferred Inflow of Resources on the Statement of Net Position.

O. Deferred Loan Origination Fees

Loan origination fees related to points are deferred and recognized as an adjustment to interest revenue over the life of the loan. Deferred loan origination fees are amortized using the interest method and are shown as a Deferred Inflow of Resources and on the Statement of Net Position.

P. Restricted Assets

The use of all cash, cash equivalents, and investments of the Enterprise Fund are generally restricted as to purpose and use by the Bond Declarations and Indentures of Trust. The bond program funds are restricted for acquisition of loans, payment of debt service, and payment of operating costs. Individual reserve accounts have been established to meet certain requirements and the balances of these accounts as of June 30, 2024 were sufficient to meet all legal requirements. When both restricted and unrestricted resources are available to use, it is OHCS D's policy to use restricted resources before using unrestricted resources.

Q. Operating Revenues and Expenses

Operating revenues include interest and fees on program loans as well as earnings on cash and investments related to OHCS D's loan programs. Since the principal activity of OHCS D's Enterprise Funds is lending and bond proceeds that have not yet been loaned and required bond reserves are invested, investment income is reported as operating revenue. Administrative expenses, depreciation and amortization of capital assets, and bond program related expenses are considered operating expenses. Nonoperating revenues and expenses include interest expense for pension-related debt, leases, and subscription-based information technology arrangements (SBITA).

NOTE 2. Cash and Cash Equivalents, Investments, and Securities Lending

Deposits

On June 30, 2024, the book balance of cash and cash equivalents was \$310,016,041 and the bank balance was \$310,965,999. Monies held in demand accounts with the State Treasurer and amounts in the Oregon Short-Term Fund totaled \$126,766,325. Additional information about the Oregon Short-Term Fund can be found at www.oregon.gov/treasury/public-financial-services/oregon-short-term-funds/Pages/default.aspx.

The June 30, 2024 bank balance includes \$183,865,672 in money market mutual funds held at OHCS D's trustee. OHCS D considers money market mutual funds to be cash equivalents, not investments, and includes them in Cash and Cash Equivalents – Restricted on the Statement of Net Position. Information about OHCS D's money market mutual funds is included in the Investments section of this note.

A total of \$334,002 is held in money market deposit accounts by OHCS D's Bond Trustee as agent. These deposits are insured by FDIC up to \$250,000. Anything above \$250,000 is uninsured and uncollateralized. The uninsured and uncollateralized deposits are subject to custodial credit risk. Custodial credit risk is the risk that, in the event of a bank failure, deposits may not be returned.

OHCS D does not have a deposit policy.

Investments

OHCS D's Bond Indentures of Trust and investment policy authorize OHCS D to invest in the following types of investments: insured or registered securities explicitly or implicitly guaranteed by the U.S. Government; variable rate demand obligations of state agencies and Housing Finance Authorities outside of Oregon; and investment agreements, collateralized or uncollateralized, with institutions that are rated by nationally recognized rating agencies and rated at least equal to the initial rating on the bonds.

Investments with OHCS D's Trustee consisted of \$69,896,870 in U.S. Treasury securities, \$2,097,633 in Government National Mortgage Association (GNMA) mortgage-backed securities, \$51,471,144 in U.S. Agency securities, and \$183,865,672 in money market mutual funds. The investments are held by OHCS D's Bond Trustee in OHCS D's name.

Investments with the State Treasurer consisted of \$778,418 in U.S. Treasury Securities and \$435,449 in U.S. Agency securities. OHCS D's investments with the State Treasurer are held with the State Treasurer's agent in the name of the State of Oregon and segregated in the Treasurer's records in OHCS D's name.

Notes to the Financial Statements (Continued)
June 30, 2024

Fair value is categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of an investment. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. OHCS D's money market mutual funds are Level 1 and all other investments are Level 2.

Interest Rate Risk Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. OHCS D's investment policy specifies that, in order to mitigate interest rate risk, the investment portfolio shall be structured so that securities mature to meet cash requirements, limiting the need to sell securities on the open market before maturity. As of June 30, 2024, OHCS D had the following investments and maturities:

Investment Type	Credit Rating		Fair Value	Investment Maturities (in Years)			
	Moody's	Standard & Poor's		Less than 1	1-5	6-10	More than 10
U.S. Treasury securities	Exempt from Disclosure		\$ 70,675,288	\$ 69,896,870	\$ -	\$ -	\$ 778,418
GNMA	Exempt from Disclosure		2,097,633	-	-	-	2,097,633
U.S. Agency securities	Aaa	AA+	47,671,975	11,446,141	11,272,820	6,772,762	18,180,252
U.S. Agency securities	Not Rated	Not Rated	4,234,618	4,234,618	-	-	-
Subtotal			124,679,514	\$ 85,577,629	\$ 11,272,820	\$ 6,772,762	\$ 21,056,303
Money Market Mutual Funds **	Aaa-mf	AAAm	183,865,672				
Total			\$ 308,545,186				

** Included in Cash and Cash Equivalents - Restricted on the Statement of Net Position

Credit Risk Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. According to OHCS D's investment policy, to mitigate credit risk, funds shall be invested in U.S. Treasury securities, securities backed by the U.S. Government, or variable rate demand obligations of state agencies and Housing Finance Authorities outside of Oregon. Investments in U.S. Treasury securities and GNMA are explicitly guaranteed by the U.S. government and are exempt from credit risk disclosure requirements.

Concentration of Credit Risk Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. On June 30, 2024, 56.69% of OHCS D's total investments are U.S. Treasury securities, 15.81% are Federal Home Loan Bank securities, 10.64% are Federal Farm Credit Bank securities, 8.56% are Federal National Mortgage Association (Fannie Mae) securities, and 5.78% are Tennessee Valley Authority securities.

Securities Lending

In accordance with State of Oregon investment policies, state agencies may participate in securities lending. OHCS D is involved in securities lending only with cash balances invested in the Oregon Short-Term Fund (OSTF). As of June 30, 2024, amounts allocated to OHCS D's Enterprise Funds are as follows:

	Fair Value
Securites on loan	\$ 1,528,351
Securites lending cash and noncash collateral	\$ 1,559,550
Investments purchased with cash collateral	\$ 197,393

Securities on loan from the OSTF included U.S. Agency securities (87.39%) and domestic fixed income securities (12.61%). Additional information about the Oregon Short-Term Fund and securities lending can be found in the Oregon Short-Term Fund financial statements at www.oregon.gov/treasury/public-financial-services/oregon-short-term-funds/Pages/default.aspx.

Notes to the Financial Statements (Continued)
 June 30, 2024

NOTE 3. Loans Receivable

Loans receivable on June 30, 2024 consisted of:

	<u>Loans Receivable</u>
Elderly and Disabled Housing Fund	\$ 37,075,025
Housing Finance Fund:	
Mortgage Revenue Bonds	930,527,059
Multifamily Housing Revenue Bonds	24,910,875
Housing Finance Account	<u>2,914,134</u>
Total Housing Finance Fund	958,352,068
Total	<u><u>\$ 995,427,093</u></u>

The Elderly and Disabled Housing Program provides interim and permanent mortgage financing for the construction, acquisition, or rehabilitation of structures or facilities which serve elderly or disabled persons and their families.

Mortgage Revenue Bonds provide financing for single-family homes for at or below median income home buyers. Loans are collateralized by first lien mortgages on the applicable real estate. Of the total mortgage principal balance outstanding on June 30, 2024, 58.55% is federally insured or guaranteed, 0.17% is covered by pool insurance and/or private mortgage insurance, and 41.28% is uninsured. Based on prior experience, OHCS D does not anticipate any material loss in the collection of mortgage loans receivable or in the disposition of acquired properties.

Multifamily Housing Revenue Bonds provide interim and permanent mortgage financing for the construction, acquisition, or rehabilitation of multi-family housing developments within the State that primarily contain housing units for persons or families of lower and moderate income.

Loans in the Housing Finance Account provide financing for the construction, acquisition and/or rehabilitation of affordable housing and down payment assistance loans for lower and moderate income home buyers in Oregon.

Notes to the Financial Statements (Continued)
June 30, 2024

NOTE 4. Capital Assets

A summary of OHCS's capital assets on June 30, 2024 is presented in the table below. OHCS has subscription-based information technology Arrangements (SBITA) but has no other outstanding debt related to capital assets:

	Elderly and Disabled Housing Fund				Housing Finance Fund			
	Beginning Balance	Increases	Decreases	Ending Balance	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets:								
Equipment	\$ 1,494	\$ -	\$ -	\$ 1,494	\$ 3,905	\$ -	\$ -	\$ 3,905
Software	26,370	-	-	26,370	151,416	-	9,225	142,191
Subtotal	27,864	-	-	27,864	155,321	-	9,225	146,096
Right To Use Assets:								
Leased Equipment	4,688	-	4,688	-	22,562	-	22,562	-
Subscription-Based IT Assets	-	33,158	-	33,158	-	643,084	-	643,084
Subtotal	4,688	33,158	4,688	33,158	22,562	643,084	22,562	643,084
Less Accumulated Depreciation/Amortization:								
Equipment	(896)	(150)	-	(1,046)	(2,344)	(390)	-	(2,734)
Software	(26,370)	-	-	(26,370)	(150,798)	(618)	(9,225)	(142,191)
Leased Equipment	(4,344)	(244)	(4,588)	-	(20,923)	(1,159)	(22,082)	-
Subscription-Based IT Assets	-	(11,126)	-	(11,126)	-	(222,432)	-	(222,432)
Total Accumulated Depr/Amort	(31,610)	(11,520)	(4,588)	(38,542)	(174,065)	(224,599)	(31,307)	(367,357)
Capital Assets, Net	\$ 942	\$ 21,638	\$ 100	\$ 22,480	\$ 3,818	\$ 418,485	\$ 480	\$ 421,823

NOTE 5. Transfers

In fiscal year 2024, \$7,500,000 was transferred to the Housing Finance Account from OHCS's general fund. The funds are to be used to make down payment assistance loans to lower and moderate income home buyers in Oregon.

NOTE 6. Lease and Subscription-based Information Technology Arrangements (SBITA) Obligations

Lease Obligations

OHCS had lease obligations for office equipment at the beginning of fiscal year 2024. The lease obligations reached their end date during the fiscal year and were not renewed. Equal monthly payments to the lessor were made for the life of the lease agreements.

Subscription-based Information Technology Arrangements (SBITA) Obligations

OHCS has entered into SBITAs to obtain the right to use various information technology assets instead of purchasing them. Annual payments to the lessors are to be made each lease year for the life of the agreements.

The SBITAs include variable payments which are not included in the calculation of the SBITA obligation. The variable payments are determined by evaluating the deliverables outlined in the SBITA agreement. Variable payments excluded from the obligation include fees based on the number of users. Additionally, the variable portion of a fee structure that bills beyond a certain amount based on volume is also excluded, while the fixed component of the fee is included in the obligation.

Notes to the Financial Statements (Continued)
June 30, 2024

The following table summarizes, as of June 30, 2024, the amounts needed to pay future SBITA principal and interest payments for each fiscal year:

Fiscal Year Ending June 30	Principal	Interest	Total
2025	\$ 117,880	\$ 12,671	\$ 130,551
2026	123,467	9,471	132,938
2027	112,469	6,154	118,623
2028	118,004	3,150	121,154
Total	<u>\$ 471,820</u>	<u>\$ 31,446</u>	<u>\$ 503,266</u>

NOTE 7. Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Bond Principal	\$ 953,780,000	\$ 228,560,000	\$ 90,930,000	\$ 1,091,410,000	\$ 73,635,000
Bond Principal (Direct Placements)	5,005,000	-	200,000	4,805,000	205,000
Bond Premium	18,156,798	2,158,707	3,758,510	16,556,995	
Bond Discount	(16,389)	-	(1,342)	(15,047)	
Bonds Payable	<u>976,925,409</u>	<u>230,718,707</u>	<u>94,887,168</u>	<u>1,112,756,948</u>	<u>73,840,000</u>
Compensated Absences Payable	584,963	459,730	517,155	527,538	342,900
Lease Obligations	2,022	-	2,022	-	-
SBITA Obligations	-	676,242	204,422	471,820	117,880
Arbitrage Rebate Liability	117,931	388,509	82,296	424,144	294,522
Pension-related Debt Payable	247,200	-	56,622	190,578	49,916
Net Pension Liability	8,343,213	2,710,543	1,547,728	9,506,028	-
Total OPEB Liability	108,736	50,816	14,686	144,866	-
Total Long Term Liabilities	<u>\$ 986,329,474</u>	<u>\$ 235,004,547</u>	<u>\$ 97,312,099</u>	<u>\$ 1,124,021,922</u>	<u>\$ 74,645,218</u>

NOTE 8. Pension-Related Debt

Prior to the formation of the PERS State and Local Government Rate Pool (SLGRP), the State and community colleges were pooled together in the State and Community College Pool (SCCP), while local government employers participated in the Local Government Rate Pool (LGRP). These two pools were combined to form the SLGRP effective January 1, 2002. The unfunded actuarial liability attributable to the SCCP at the time the SLGRP was formed is maintained separately from the SLGRP and is reduced by contributions and increased for interest charges at the assumed interest rate. The pre-SLGRP liability is essentially a debt owed to the SLGRP by the SCCP employers. The balance of the pre-SLGRP pooled liability attributable to the State is being amortized over the period ending December 31, 2027.

The following table summarizes the amounts necessary to pay OHCS D's share of future pension-related debt principal and interest requirements as of June 30, 2024 for each fiscal year until the final principal and interest payment are made in fiscal year 2028:

Fiscal Year Ending June 30	Principal	Interest	Total
2025	\$ 49,916	\$ 12,304	\$ 62,220
2026	53,420	8,800	62,220
2027	57,170	5,050	62,220
2028	30,072	1,037	31,109
Total	<u>\$ 190,578</u>	<u>\$ 27,191</u>	<u>\$ 217,769</u>

Notes to the Financial Statements (Continued)
June 30, 2024

NOTE 9. Long-Term Debt

The following table summarizes outstanding bonds by program and series as of June 30, 2024:

General Obligation Bonds

Elderly and Disabled Housing Fund

Original Issue				Bonds Outstanding				Due Within One Year
Series	Due Dates	Interest Range	Amount	Beginning Balance	Increases	Decreases	Ending Balance	
1993 C	1994-2026	2.850 5.650%	\$ 13,915,000	\$ 855,000	\$ -	\$ 220,000	\$ 635,000	\$ 230,000
1994 B	1996-2026	4.200 6.300%	24,400,000	5,000	-	-	5,000	-
1995 A	1996-2026	4.000 6.000%	14,100,000	10,000	-	-	10,000	-
1995 B	1997-2027	4.000 5.700%	24,240,000	930,000	-	175,000	755,000	180,000
1997 A	1999-2028	4.050 5.375%	8,475,000	5,000	-	-	5,000	-
1998 B	2001-2030	3.550 4.875%	10,285,000	5,000	-	-	5,000	-
1999 B	2000-2031	3.350 5.250%	4,485,000	5,000	-	-	5,000	-
1999 E	2001-2031	5.000 6.250%	19,105,000	10,000	-	-	10,000	-
2001 C	2002-2032	2.700 5.300%	25,325,000	5,000	-	-	5,000	-
2002 B	2003-2024	1.400 4.700%	37,905,000	10,000	-	-	10,000	10,000
2002 C	2003-2043	1.600 5.050%	13,595,000	990,000	-	-	990,000	5,000
2007 A	2008-2048	3.650 4.750%	26,300,000	17,240,000	-	650,000	16,590,000	680,000
Subtotal				20,070,000	-	1,045,000	19,025,000	1,105,000
Direct Placements								
2003 C	2013-2034	4.350 5.100%	2,930,000	5,000	-	-	5,000	-
Subtotal				5,000	-	-	5,000	-
<i>Total General Obligation Bonds</i>				\$ 20,075,000	\$ -	\$ 1,045,000	\$ 19,030,000	\$ 1,105,000

Revenue Bonds

Mortgage Revenue Bonds

Original Issue				Bonds Outstanding				Due Within One Year
Series	Due Dates	Interest Range	Amount	Beginning Balance	Increases	Decreases	Ending Balance	
2013 A	2020-2043	2.200 4.050%	\$ 21,885,000	\$ 6,360,000	\$ -	\$ 1,760,000	\$ 4,600,000	\$ 780,000
2013 B	2014-2034	0.450 5.000%	29,095,000	620,000	-	620,000	-	-
2013 C	2014-2033	0.350 3.564%	61,300,000	2,155,000	-	1,530,000	625,000	625,000
2013 D	2018-2043	1.650 4.200%	33,225,000	4,685,000	-	1,425,000	3,260,000	725,000
2013 F	2033	3.900 3.900%	8,335,000	4,445,000	-	-	4,445,000	-
2014 A	2019-2044	1.550 4.000%	57,710,000	18,660,000	-	2,500,000	16,160,000	2,380,000
2014 B	2015-2044	0.300 4.000%	29,960,000	1,410,000	-	660,000	750,000	750,000
2014 C	2015-2044	0.200 3.750%	30,900,000	9,730,000	-	1,060,000	8,670,000	500,000
2015 A	2019-2036	1.500 3.500%	79,195,000	7,665,000	-	3,765,000	3,900,000	2,320,000
2015 C	2045	***	33,600,000	33,600,000	-	-	33,600,000	-
2016 A	2017-2047	0.550 4.000%	56,275,000	7,080,000	-	3,125,000	3,955,000	1,455,000
2016 B	2033	***	13,140,000	13,140,000	-	-	13,140,000	-
2016 C	2037	***	15,000,000	15,000,000	-	-	15,000,000	-
2017 A	2018-2047	0.940 4.000%	81,510,000	15,985,000	-	5,140,000	10,845,000	2,400,000
2017 C	2039	***	44,000,000	41,605,000	-	-	41,605,000	3,340,000
2017 D	2022-2048	1.400 3.500%	87,390,000	40,080,000	-	4,675,000	35,405,000	3,065,000
2017 E	2018-2040	0.950 3.500%	22,775,000	4,310,000	-	1,245,000	3,065,000	565,000
2017 F	2042-2048	3.650 3.750%	11,440,000	6,450,000	-	-	6,450,000	-

Continued on the next page

Notes to the Financial Statements (Continued)
June 30, 2024

Revenue Bonds
Mortgage Revenue Bonds

Continued from the previous page

Original Issue				Bonds Outstanding				Due Within One Year
Series	Due Dates	Interest Range	Amount	Beginning Balance	Increases	Decreases	Ending Balance	
2017 G	2018-2040	1.400 4.000%	43,730,000	15,800,000	-	2,055,000	13,745,000	925,000
2017 H	2023-2028	2.100 2.800%	16,105,000	14,820,000	-	2,565,000	12,255,000	2,620,000
2018 A	2019-2049	1.750 4.500%	62,590,000	29,250,000	-	5,455,000	23,795,000	3,220,000
2018 B	2035-2043	2.900 2.900%	30,000,000	16,080,000	-	-	16,080,000	-
2018 C	2020-2049	1.600 4.500%	87,420,000	42,060,000	-	5,170,000	36,890,000	2,305,000
2018 D	2020-2050	1.900 4.750%	82,885,000	41,550,000	-	7,390,000	34,160,000	4,315,000
2018 E	2043	***	41,000,000	41,000,000	-	-	41,000,000	-
2019 A	2020-2050	1.050 4.000%	99,000,000	79,710,000	-	6,425,000	73,285,000	4,660,000
2020 A	2021-2051	0.300 3.500%	47,905,000	33,260,000	-	4,710,000	28,550,000	2,555,000
2020 B	2037	***	24,500,000	24,500,000	-	-	24,500,000	-
2020 C	2021-2052	0.200 3.000%	60,000,000	55,670,000	-	4,365,000	51,305,000	1,990,000
2021 A	2022-2052	0.070 3.000%	99,000,000	96,780,000	-	3,875,000	92,905,000	2,525,000
2022 A	2025-2051	2.250 4.000%	77,900,000	77,215,000	-	2,045,000	75,170,000	2,395,000
2022 B	2023-2026	2.650 3.400%	7,000,000	7,000,000	-	2,000,000	5,000,000	2,000,000
2022 C	2024-2053	4.592 5.661%	24,810,000	24,810,000	-	480,000	24,330,000	1,210,000
2022 D	2047	***	21,000,000	21,000,000	-	-	21,000,000	-
2022 E	2023	3.625 3.625%	15,000,000	15,000,000	-	15,000,000	-	-
2023 A	2024-2053	2.800 5.500%	40,005,000	40,005,000	-	415,000	39,590,000	1,220,000
2023 B	2025-2036	4.724 5.482%	11,210,000	11,210,000	-	-	11,210,000	-
2023 C	2025-2053	5.295 6.250%	127,665,000	-	127,665,000	-	127,665,000	1,235,000
2023 D	2024	3.550 3.550%	20,000,000	-	20,000,000	-	20,000,000	20,000,000
2024 A	2025-2053	3.350 6.500%	38,690,000	-	38,690,000	-	38,690,000	-
2024 B	2025-2054	4.996 6.105%	42,205,000	-	42,205,000	-	42,205,000	-
<i>Total Mortgage Revenue Bonds</i>				\$ 919,700,000	\$ 228,560,000	\$ 89,455,000	\$ 1,058,805,000	\$ 72,080,000

*** Interest rates are adjusted weekly based on the weekly rate determined by the Remarketing Agent, not to exceed 12.00%. The interest rate at the end of the fiscal year was 3.93% for 2015 C; 3.86% for 2016 B; 3.88% for 2016 C and 2017 C; 3.90% for 2018 E and 2020 B; and 5.45% for 2022 D.

Multifamily Housing Revenue Bonds

Original Issue				Bonds Outstanding				Due Within One Year
Series	Due Dates	Interest Range	Amount	Beginning Balance	Increases	Decreases	Ending Balance	
2005 A	2007-2047	3.050 5.000%	9,855,000	\$ 305,000	\$ -	\$ 10,000	\$ 295,000	\$ 10,000
2010 A	2011-2042	0.900 5.150%	77,705,000	3,095,000	-	145,000	2,950,000	155,000
2010 B	2013-2052	0.950 4.875%	16,425,000	8,205,000	-	135,000	8,070,000	140,000
2012 A	2013-2032	0.300 3.250%	1,425,000	780,000	-	70,000	710,000	75,000
2012 B	2013-2043	0.550 4.125%	35,335,000	1,625,000	-	70,000	1,555,000	70,000
Subtotal				14,010,000	-	430,000	13,580,000	450,000
Direct Placements								
2004 A	2014-2045	4.300 5.100%	5,120,000	3,700,000	-	90,000	3,610,000	90,000
2006 A	2036	4.620 4.620%	5,680,000	1,300,000	-	110,000	1,190,000	115,000
Subtotal				5,000,000	-	200,000	4,800,000	205,000
<i>Total Multifamily Housing Revenue Bonds</i>				\$ 19,010,000	\$ -	\$ 630,000	\$ 18,380,000	\$ 655,000
<i>Total Revenue Bonds</i>				\$ 938,710,000	\$ 228,560,000	\$ 90,085,000	\$ 1,077,185,000	\$ 72,735,000
<i>Total General Obligation and Revenue Bonds</i>				\$ 958,785,000	\$ 228,560,000	\$ 91,130,000	\$ 1,096,215,000	\$ 73,840,000

Notes to the Financial Statements (Continued)
June 30, 2024

Bonds Payable

Bonds payable are presented on the Statement of Net Position at their carrying value. The carrying value is the outstanding bond principal plus unamortized bond premium less unamortized bond discount. Bonds payable balances on June 30, 2024 are summarized below:

	Principal	Principal (Direct Placements)	Premium	Discount	Bonds Payable
General Obligation Bonds:					
Elderly and Disabled Housing Fund	\$ 19,025,000	\$ 5,000	\$ -	\$ (1,169)	\$ 19,028,831
Revenue Bonds (Housing Finance Fund):					
Mortgage Revenue Bonds	1,058,805,000	-	16,556,995	-	1,075,361,995
Multifamily Housing Revenue Bonds	13,580,000	4,800,000	-	(13,878)	18,366,122
Total Revenue Bonds	1,072,385,000	4,800,000	16,556,995	(13,878)	1,093,728,117
Total General Obligation and Revenue Bonds	\$ 1,091,410,000	\$ 4,805,000	\$ 16,556,995	\$ (15,047)	\$ 1,112,756,948

Debt Service Requirements to Maturity

The following table summarizes the amounts necessary to pay all future bonded debt principal and interest requirements as of June 30, 2024 for each of the next five fiscal years and in five year increments thereafter:

Fiscal Year Ending June 30	Bonds				
	Principal	Interest	Direct Placements		Total
			Principal	Interest	
General Obligation Bonds					
2025	\$ 1,105,000	\$ 881,471	\$ -	\$ 255	\$ 1,986,726
2026	1,155,000	825,779	-	255	1,981,034
2027	1,160,000	768,901	-	255	1,929,156
2028	995,000	716,985	-	255	1,712,240
2029	845,000	673,886	-	255	1,519,141
2030-2034	4,940,000	2,734,702	-	1,275	7,675,977
2035-2039	6,340,000	1,439,094	5,000	127	7,784,221
2040-2044	1,710,000	345,187	-	-	2,055,187
2045-2049	775,000	85,619	-	-	860,619
Subtotal	\$ 19,025,000	\$ 8,471,624	\$ 5,000	\$ 2,677	\$ 27,504,301
Revenue Bonds					
2025	\$ 72,530,000	\$ 39,393,729	\$ 205,000	\$ 235,379	\$ 112,364,108
2026	32,930,000	39,868,906	220,000	225,359	73,244,265
2027	32,895,000	38,939,659	290,000	214,122	72,338,781
2028	32,705,000	37,982,936	305,000	200,084	71,193,020
2029	33,510,000	36,982,232	315,000	185,460	70,992,692
2030-2034	179,670,000	166,679,186	905,000	776,205	348,030,391
2035-2039	201,740,000	131,569,085	1,040,000	527,495	334,876,580
2040-2044	194,755,000	92,971,101	1,125,000	263,543	289,114,644
2045-2049	170,315,000	54,158,018	395,000	20,272	224,888,290
2050-2054	119,815,000	14,306,674	-	-	134,121,674
2055-2059	1,520,000	46,398	-	-	1,566,398
Subtotal	\$ 1,072,385,000	\$ 652,897,924	\$ 4,800,000	\$ 2,647,919	\$ 1,732,730,843
Total	\$ 1,091,410,000	\$ 661,369,548	\$ 4,805,000	\$ 2,650,596	\$ 1,760,235,144

Notes to the Financial Statements (Continued)
June 30, 2024

The interest stated in the previous table includes coupon interest OHCS D expects to pay over the life of the bonds outstanding. Coupon interest for revenue bonds is paid semiannually on January 1 and July 1. Coupon interest for general obligation bonds is paid February 1 and August 1.

The Mortgage Revenue Bond indenture identifies the following events that would lead to a default; payment of principal is not made when due, payment of interest is not made when due, or OHCS D defaults in the performance of any other covenants or agreements included in the bond or indenture and such default continues for 90 days after written notice for remedy has been provided to OHCS D by the Trustee. The Trustee may give such notice at their discretion or at the written request of the owners of not less than 25% in aggregate of the principal amount of the outstanding bonds.

If a default does occur for Mortgage Revenue Bonds the Trustee may, or upon the written direction of the owners of not less than 51% of the bonds outstanding the Trustee shall, declare via written notice to OHCS D that any principal and interest related to that bond is due and payable immediately.

The Multifamily Housing Revenue Bond indenture identifies the following events that would lead to a default; payment of principal is not made when due, payment of interest is not made when due, or OHCS D defaults in the performance of any other covenants or agreements included in the bond or indenture and such default continues for 60 days after written notice for remedy has been provided to OHCS D by the Trustee, or written notice provided to OHCS D and the Trustee by the owners of not less than 25% in aggregate of the principal amount of the outstanding bonds.

If a default does occur for Multifamily Housing Revenue Bond the Trustee may, or upon the written direction of the owners of not less than 25% of the bonds outstanding the Trustee shall, proceed, in its own name, to protect and enforce the rights of the bond owners. Protecting and enforcing the rights of the bond owners could include declaring all outstanding bonds due and payable.

As of June 30, 2024, various statutory or constitutional provisions limited the amount of bonds outstanding to \$2,500,000,000 in revenue bonds and \$5,116,158,652 in general obligation bonds.

Demand Bonds

Included in OHCS D's long-term debt is \$189,845,000 in variable rate demand bonds. OHCS D's variable rate demand bonds are remarketed weekly by a remarketing agent. Bondholders may elect to tender their bonds by providing written notice to the remarketing agent as specified in the Official Statement for the series. On the date that bonds are tendered, the remarketing agent will use its best effort to sell the bonds or may purchase the bonds for its own account.

OHCS D has entered into standby bond purchase agreements with State Street Bank and Trust Company and U.S. Bancorp Investments, Inc., together with U.S. Bank Municipal Products Group, a division of U.S. Bank National Association and a standby letter of credit and reimbursement agreement with Sumitomo Mitsui Banking Corporation (the "liquidity facilities") to provide liquidity in the event that the remarketing agent is unable to sell the tendered bonds and does not choose to buy the bonds for its own account. The liquidity facilities require the liquidity provider to provide funds for the purchase of the tendered bonds. On the purchase date the bonds become known as liquidity provider bonds or bank bonds and bear interest at the bank rate in accordance with the relevant liquidity facility. The maximum rate for the liquidity facilities is 12%. The bonds remain bank bonds until they are sold by the remarketing agent or the remarketing agent purchases them for its own account. If the bonds are not remarketed or purchased by the remarketing agent for its own account, mandatory redemption installments are to be paid commencing on the first business day of the eighteenth full month following the date the bonds became liquidity provider bonds in an amount equal to three-tenths of the initial amount of the liquidity provider bonds outstanding, with seven semiannual installments due thereafter in an amount equal to one-tenth of the initial amount of liquidity provider bonds outstanding. There were no bank bonds on June 30, 2024.

Notes to the Financial Statements (Continued)
June 30, 2024

Certain terms of the liquidity facilities and remarketing agreements are listed in the following table:

Series	Outstanding Amount	Liquidity Provider	Expiration Date	Commitment Fee	Remarketing Agent	Remarketing Fee
MRB [*] 2015 C	\$ 33,600,000	Sumitomo Mitsui Banking Corporation	01/27/2025	0.2700%	J.P. Morgan Securities LLC	0.07%
MRB 2016 B	13,140,000	State Street Bank and Trust Company	01/26/2025	0.3000%	Bank of America Securites, Inc.	0.07%
MRB 2016 C	15,000,000	State Street Bank and Trust Company	01/26/2025	0.3000%	Bank of America Securites, Inc.	0.07%
MRB 2017 C	41,605,000	State Street Bank and Trust Company	01/26/2027	0.3300%	J.P. Morgan Securities LLC	0.07%
MRB 2018 E	41,000,000	Sumitomo Mitsui Banking Corporation	01/27/2025	0.2700%	Bank of America Securites, Inc.	0.07%
MRB 2020 B	24,500,000	Sumitomo Mitsui Banking Corporation	01/27/2027	0.3100%	Bank of America Securites, Inc.	0.07%
MRB 2022 D	21,000,000	U.S. Bank National Association	10/27/2027	0.2200%	**	0.07%

^{*} Mortgage Revenue Bonds

^{**} U.S. Bancorp Investments, Inc., together with U.S. Bank Municipal Products Group, a division of U.S. Bank National Association

NOTE 10. Interest Rate Swaps

OHCS D has entered into pay-fixed, receive-variable interest rate swaps to hedge against changes in variable rate interest and to lower borrowing costs compared to fixed-rate bonds. OHCS D had seven swaps at the end of the fiscal year.

The fair values were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap. This methodology is believed to be consistent with accepted practice in the market for interest rate swaps. The fair value is categorized as Level 2 within the fair value hierarchy described in Note 2.

The fair value of the swaps on June 30, 2024 totaled \$19,708,839 and the notional amount totaled \$192,240,000. The fair value of hedging derivatives totaled \$19,603,929. Hedging derivative instrument swaps with positive fair values are shown on the Statement of Net Position as Swap Fair Value Asset and Accumulated Increase in Fair Value of Hedging Derivatives. During the fiscal year the fair value of hedging derivatives increased by \$2,761,770.

A portion of the MRB 2017 C swap was reclassified from hedging derivative instruments to other derivative instruments in a prior fiscal year when the associated bonds were called (OHCS D's other derivative instrument was classified as an investment derivative instrument before the implementation of Statement No. 99 of the Governmental Accounting Standards Board in fiscal year 2024). The fair value of the other derivative instrument on June 30, 2024 was \$104,910. During the fiscal year the fair value of the other derivative instrument increased by \$14,749.

Notes to the Financial Statements (Continued)
June 30, 2024

The following table lists the terms, fair values, counterparty, and credit ratings of the outstanding swaps as of June 30, 2024:

Series	Notional Amounts	Effective Date	Fixed Rate Paid	Variable Rate Received	Fair Values	Swap Termination Date	Counterparty	Counterparty Rating **
Hedging Derivative Instruments								
MRB* 2015 C	\$ 33,600,000	9/6/2018	2.751%	70.0% of SOFR [@] +.130136%	\$ 2,502,813	7/1/2045	Royal Bank of Canada	Aa1 / AA- / AA-
MRB 2016 B	13,140,000	1/1/2019	1.710%	66.5% of SOFR +.1561292%	870,439	1/1/2033	Royal Bank of Canada	Aa1 / AA- / AA-
MRB 2016 C	15,000,000	1/1/2019	2.000%	66.5% of SOFR +.2261292%	1,361,280	7/1/2037	Royal Bank of Canada	Aa1 / AA- / AA-
MRB 2017 C	41,605,000	7/1/2019	2.407%	70.0% of SOFR +.130136%	1,822,449	7/1/2039	Bank of America, N.A.	Aa1 / A+ / AA
MRB 2018 E	41,000,000	5/4/2020	1.120%	@@	8,338,827	7/1/2043	Bank of America, N.A.	Aa1 / A+ / AA
MRB 2020 B	24,500,000	7/13/2020	0.899%	@@@	3,697,960	7/1/2037	Royal Bank of Canada	Aa1 / AA- / AA-
MRB 2022 D	21,000,000	10/27/2022	4.417%	100% of SOFR + 0.15%	1,010,161	7/1/2047	Royal Bank of Canada	Aa1 / AA- / AA-
	189,845,000				19,603,929			
Other Derivative Instruments								
MRB 2017 C	2,395,000	7/1/2019	2.407%	70.0% of SOFR +.130136%	104,910	7/1/2039	Bank of America, N.A.	Aa1 / A+ / AA
	2,395,000				104,910			
	<u>\$ 192,240,000</u>				<u>\$ 19,708,839</u>			

* Mortgage Revenue Bonds

** Moody's / S&P / Fitch

@ Secured Overnight Financing Rate

@@ USD SIFMA (Securities Industry and Financial Markets Association) Municipal Swap Index from the Effective Date weekly to, but excluding, January 1, 2028 and 70% of SOFR + .080136% thereafter.

@@@ USD SIFMA (Securities Industry and Financial Markets Association) Municipal Swap Index from the Effective Date weekly to, but excluding, July 1, 2026 and 70% of SOFR + .080136% thereafter.

The swaps include options giving OHCS D the right to call (cancel) the swaps in whole or in part, depending on the exercise date, semiannually on or after July 1, 2023 (2016 B and 2016 C), January 1, 2025 (2015 C), July 1, 2026 (2017 C and 2020 B), January 1, 2028 (2018 E), and January 1, 2031 (2022 D). These options provide flexibility to manage the prepayments of loans and the related bonds.

Basis Risk Basis risk is the risk that arises when variable interest rates on a derivative instrument and the associated bond are based on different indexes. All variable interest rates on OHCS D's tax exempt bonds are determined weekly by a Remarketing Agent. OHCS D is exposed to basis risk when the variable rates received, which are based on the SOFR rate or the SIFMA rate, do not offset the variable rates paid on the bonds. As of June 30, 2024, the SOFR rate was 5.44969% and the SIFMA rate was 3.88%. OHCS D's variable interest rates as of June 30, 2024 can be found in Note 9.

Termination Risk Termination risk is the risk of an unscheduled termination of a swap prior to its planned maturity. OHCS D or the counterparty may terminate any of the swaps if the other party fails to perform under the terms of the swap agreement. If any of the swaps are terminated, the associated variable-rate bonds would no longer carry synthetic fixed interest rates and OHCS D would then be exposed to interest rate risk. Also, if any of the swaps had a negative value at termination, OHCS D would be liable to the counterparty for a payment equal to the fair value of the swap.

Rollover Risk Rollover risk is the risk that occurs when the swap termination date does not extend to the maturity date of the associated debt. OHCS D is not exposed to rollover risk because the swap termination dates match the associated bond maturity dates.

Notes to the Financial Statements (Continued)
June 30, 2024

Hedging Derivative Instrument Payments and Hedged Debt Using rates as of June 30, 2024, the following table summarizes the debt service requirements of variable-rate debt with interest rate swaps and the net swap payments for each of the next five fiscal years and in five year increments thereafter:

Fiscal Year Ending June 30	Variable-Rate Bonds		Net Swap Payments	Total
	Principal	Interest	(Receipts)	
2025	\$ 3,340,000	\$ 7,351,055	\$ (3,816,865)	\$ 6,874,190
2026	4,010,000	7,554,443	(4,129,930)	7,434,513
2027	4,120,000	7,397,779	(4,036,000)	7,481,779
2028	4,240,000	7,236,749	(3,891,200)	7,585,549
2029	4,680,000	7,071,289	(3,789,994)	7,961,295
2030-2034	41,310,000	31,188,678	(16,575,727)	55,922,951
2035-2039	67,460,000	20,392,676	(10,536,018)	77,316,658
2040-2044	47,915,000	8,313,857	(4,133,960)	52,094,897
2045-2049	12,770,000	974,552	(498,983)	13,245,569
Total	\$ 189,845,000	\$ 97,481,078	\$ (51,408,677)	\$ 235,917,401

Contingencies OHCS D's swaps include provisions that require collateral to be posted if the rating on the senior bonds issued under the 1988 indenture (Mortgage Revenue Bonds) is not above either Baa1 as determined by Moody's or BBB+ as determined by Standard and Poor's. If the bonds are at or below these levels, collateral in the amount of the current swap fair value (rounded to the nearest \$10,000) is required to be posted. The minimum transfer amount is \$100,000 or \$0 if neither rating agency rates the bonds. The total fair value on June 30, 2024 of swaps that include these provisions is \$19,708,839. As of June 30, 2024 the bonds subject to these provisions are rated Aa2 by Moody's and are not rated by Standard & Poor's.

NOTE 11. Conduit Debt Obligations

OHCS D issues conduit debt to facilitate the building of multifamily affordable housing. Bonds issued under the Housing Development Revenue Bond program are limited obligations of OHCS D payable only out of the trust estate specifically pledged to each bond issue. As of June 30, 2024, the total aggregate amount of Housing Development Revenue Bonds outstanding is \$1,354,395,538. No recourse may be taken against any properties, funds, or assets of OHCS D for the payment of any amounts owing with respect to these bonds. Bond owners will have no right to compel the payment of any amount owing with respect to these bonds out of any tax revenues, funds, or other assets of OHCS D or the State of Oregon, other than the security pledged to each bond issue.

Notes to the Financial Statements (Continued)
June 30, 2024

NOTE 12. Segment Information

OHCS D issues revenue bonds to finance mortgage loans. Summary financial information for OHCS D's revenue bonds is presented below:

	Mortgage Revenue Bonds	Multifamily Housing Revenue Bonds
Condensed Statement of Net Position		
Assets:		
Current Assets	\$ 137,997,417	\$ 3,376,479
Noncurrent Assets	1,084,222,782	53,758,041
Total Assets	<u>1,222,220,199</u>	<u>57,134,520</u>
Deferred Outflows of Resources	<u>269,980</u>	<u>39,472</u>
Liabilities:		
Current Liabilities	91,892,861	1,091,683
Noncurrent Liabilities	1,003,411,617	17,711,122
Total Liabilities	<u>1,095,304,478</u>	<u>18,802,805</u>
Deferred Inflows of Resources	<u>23,412,159</u>	<u>194,926</u>
Net Position		
Restricted by Trust Indentures	<u>103,773,542</u>	<u>38,176,261</u>
Total Net Position	<u>\$ 103,773,542</u>	<u>\$ 38,176,261</u>
Condensed Statement of Revenues, Expenses, and Changes in Net Position		
Interest on Loans	\$ 35,609,094	\$ 1,531,758
Investment Income	9,750,143	1,515,471
Other Operating Revenues	3,295,928	-
Operating Expenses	(38,967,241)	(942,822)
Operating Income	9,687,924	2,104,407
Transfers In	105,000	-
Transfers Out	(2,000,000)	-
Increase (Decrease) in Net Position	7,792,924	2,104,407
Beginning Net Position	95,980,618	36,071,854
Ending Net Position	<u>\$ 103,773,542</u>	<u>\$ 38,176,261</u>
Condensed Statement of Cash Flows		
Net Cash Provided (Used) by:		
Operating Activities	\$ (59,718,558)	\$ 3,090,906
Noncapital Financing Activities	109,039,248	(1,508,595)
Investing Activities	(44,310,736)	1,535,215
Net Increase (Decrease)	5,009,954	3,117,526
Beginning Cash and Cash Equivalents	160,519,414	25,963,112
Ending Cash and Cash Equivalents	<u>\$ 165,529,368</u>	<u>\$ 29,080,638</u>

Notes to the Financial Statements (Continued)
June 30, 2024

NOTE 13. Restricted Assets

Restricted asset account balances are as follows:

<u>Purpose:</u>	Elderly and Disabled Housing Fund	Housing Finance Fund
Loan Acquisition	\$ -	\$ 111,778,307
Current Debt Service	1,986,726	108,547,244
Future Debt Service	60,474,718	23,570,063
Debt Reserves	5,131,264	30,881,566
Insurance Reserves	-	23,112,934
Combined Program Account	-	20,519,541
Residential Assistance	-	206,511
Total	<u>\$ 67,592,708</u>	<u>\$ 318,616,166</u>
 <u>Statement of Net Position Amounts:</u>		
Restricted Cash and Cash Equivalents – Current	\$ 1,986,726	\$ 95,854,037
Restricted Cash and Cash Equivalents – Noncurrent	64,392,115	99,296,482
Restricted Investments – Current	-	12,651,998
Restricted Investments - Noncurrent	1,213,867	110,813,649
Total	<u>\$ 67,592,708</u>	<u>\$ 318,616,166</u>

NOTE 14. Employee Retirement Plans

The Oregon Public Employees Retirement System (PERS) provides defined benefit and defined contribution retirement plans for OHCS D employees. PERS is administered by the Public Employees Retirement Board as required by Chapters 238 and 238A of the Oregon Revised Statutes (ORS). PERS is a cost-sharing multiple-employer defined benefit pension plan. The Tier One/Tier Two Retirement Benefit Plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The Oregon Public Service Retirement Plan (OPSRP), established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. The Individual Account Program (IAP) is a defined contribution plan. Beginning January 1, 2004, member contributions are deposited into the member’s IAP account. The pension plans provide pension benefits, death benefits and disability benefits.

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. The rates in effect for the fiscal year ended June 30, 2024 were 21.78% for Tier One and Tier Two General Service Members and 18.28% for OPSRP Pension Program General Service Members.

The Oregon Public Employees Retirement System annual financial report and Actuarial Valuation is located at www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx.

At June 30, 2024, the State of Oregon reported a liability of \$5.6 billion for its proportionate share of the net pension liability. The State’s proportion of the net pension liability was based on a projection of the State’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the State’s proportion was 30.23% (the State’s proportion at June 30, 2023 was 27.77%). The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. As part of the State of Oregon, OHCS D’s enterprise funds were allocated 0.17008419% of the State’s proportionate share. OHCS D’s allocated amount of the proportionate share of the net pension liability at the measurement date for its enterprise funds was \$9,506,028. For the year ended June 30, 2024, OHCS D recognized pension expense of \$582,241.

Notes to the Financial Statements (Continued)
June 30, 2024

At June 30, 2024, OHCS D reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between fund contributions and proportionate share of contributions	\$ 1,041,841	\$ 707,648
Difference between expected and actual experience	464,874	37,692
Net difference between projected and actual earnings on investments	170,862	-
Changes in Assumptions	844,459	6,296
Subtotal	<u>2,522,036</u>	<u>751,636</u>
Net Deferred Outflows (Inflows) of Resources before contributions subsequent to measurement date	1,770,400	
Contributions subsequent to measurement date	<u>1,274,298</u>	
Net Deferred Outflows (Inflows) of Resources	<u><u>3,044,698</u></u>	

NOTE 15. Other Postemployment Benefit Plans

OHCS D's employees may be eligible to participate in health insurance plans and other benefit plans after retirement, collectively known as Other Postemployment Benefits (OPEB). OPEB plans are offered through the Public Employees Retirement System (PERS) as established by Oregon Revised Statutes (ORS) 238.410 and the Public Employees Benefit Board (PEBB) as established by ORS 243.302. The Oregon Public Employees Retirement System annual financial report is located at www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx.

At June 30, 2024, OHCS D reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between fund contributions and proportionate share of contributions	\$ 3,067	\$ 596
Difference between expected and actual experience	42	44,136
Net difference between projected and actual earnings on investments	1,694	-
Change in Assumptions	<u>3,086</u>	<u>57,758</u>
Subtotal	<u>7,889</u>	<u>102,490</u>
Net Deferred Outflows (Inflows) of Resources	<u><u>(94,601)</u></u>	

Retirement Health Insurance Account plan

The Retirement Health Insurance Account (RHIA) is a cost-sharing multiple-employer defined benefit OPEB plan administered by the Public Employees Retirement Board. The plan provides a payment of up to \$60 toward the monthly cost of health insurance for eligible PERS members. OHCS D is required by statute to contribute actuarially computed amounts as determined by PERS. The rate in effect for Tier One and Tier Two General Service Members and for OPSRP Pension Program General Service Members for the fiscal year ended June 30, 2024 was zero.

At June 30, 2024, the State of Oregon reported an asset of \$125.9 million for its proportionate share of the net OPEB asset. The State's proportion of the net OPEB asset is determined by comparing the State's actual, legally required contributions made during the fiscal year with the total actual contributions made in the fiscal year of all employers. At June 30, 2023, the State's proportion was 35.68% (the State's proportion at June 30, 2022 was 34.85%). The net OPEB asset was measured as of June 30, 2023 and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as

Notes to the Financial Statements (Continued)
June 30, 2024

of December 31, 2021. As part of the State of Oregon, OHCS D's enterprise funds were allocated 0.11133879 % of the State's proportionate share. OHCS D's allocated amount of the proportionate share of the net OPEB asset at the measurement date for its enterprise funds was \$140,176. It is shown on the Statement of Net Position as Net Other Postemployment Benefits Asset. For the year ended June 30, 2024, OHCS D recognized OPEB income of \$7,336 for RHIA.

Retiree Health Insurance Premium Account plan

The Retiree Health Insurance Premium Account (RHIPA) is a single-employer OPEB plan administered by the Oregon Public Employees Retirement Board (Board). The plan provides for payment of the average difference between the health insurance premiums paid by retired state employees, under contracts entered into by the Board, and health insurance premiums paid by active state employees. OHCS D is required by statute to contribute actuarially computed amounts as determined by PERS. The rate in effect for Tier One and Tier Two General Service Members and for OPSRP Pension Program General Service Members for the fiscal year ended June 30, 2024 was zero.

At June 30, 2024, the State of Oregon reported a net OPEB asset of \$44.1 million. The net OPEB asset was measured as of June 30, 2023 and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2021. As part of the State of Oregon, OHCS D's enterprise funds were allocated 0.14375386 % of the State's internal allocation, which was based on fiscal year 2023 actual contributions. OHCS D's share of the net OPEB asset for the RHIPA plan on June 30, 2024 for its enterprise funds was \$63,348. It is shown on the Statement of Net Position as Net Other Postemployment Benefits Asset. For the year ended June 30, 2024, OHCS D recognized OPEB income of \$8,814 for RHIPA.

Public Employees' Benefit Board Plan

The Public Employees' Benefit Board (PEBB) plan is a single-employer plan administered by the Oregon Public Employees' Benefit Board. The PEBB plan allows qualifying retired employees to continue their "active" health insurance coverage on a self-pay basis until they are eligible for Medicare. Participating retirees pay their own monthly premiums. The premium amount is based on a blended rate that is determined by pooling the qualifying retirees with active employees, thus, creating an "implicit" rate subsidy. PEBB does not issue a separate, publicly available financial report.

At June 30, 2024, the State of Oregon reported a total OPEB liability of \$108.1 million. As part of the State of Oregon, OHCS D's enterprise funds were allocated 0.13403159% of the State's total. The State's internal allocation of the total OPEB liability is based on fiscal year 2024 health insurance premium costs. The total OPEB liability is based upon an actuarial valuation performed as of July 1, 2022. OHCS D's share of the total OPEB liability for its enterprise funds on June 30, 2024 was \$144,866. It is shown on the Statement of Net Position as Total Other Postemployment Benefits Liability (PEBB). For the year ended June 30, 2024, OHCS D recognized OPEB expense of \$50,774 for the PEBB plan.

NOTE 16. Other Commitments

As of June 30, 2024, OHCS D had made commitments for personal services contracts totaling \$736,250 and for loans in the Single-Family Mortgage Program totaling \$45,633,678.

Notes to the Financial Statements (Continued)
June 30, 2024

NOTE 17. Risk Financing

The State or Oregon Department of Administrative Services directs and manages all risk management and insurance programs of state government except for employee benefit insurance programs. The state uses both self-insurance and commercial insurance policies to insure its risk of loss.

For more information about risk financing, see the Risk Financing note in the State of Oregon Annual Comprehensive Financial Report found at www.oregon.gov/DAS/Financial/Acctng/pages/index.aspx.

NOTE 18. Subsequent Events

On July 1, 2024, OHCS D called the following Mortgage Revenue Bonds prior to maturity:

	<u>Amount Called</u>		<u>Amount Called</u>
2013 Series A	\$ 220,000	2018 Series C	\$ 1,220,000
2013 Series C	570,000	2018 Series D	2,765,000
2014 Series A	755,000	2019 Series A	2,430,000
2014 Series B	750,000	2020 Series A	480,000
2015 Series A	2,320,000	2020 Series C	340,000
2016 Series A	1,455,000	2022 Series A	1,335,000
2017 Series A	2,400,000	2022 Series C	490,000
2017 Series D	1,355,000	2023 Series A	360,000
2017 Series E	565,000	2023 Series C	355,000
2017 Series G	925,000	2023 Series D	20,000,000
2018 Series A	2,020,000		

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Supplementary Information

Oregon Housing & Community Services Department
Combining Statement of Net Position - Housing Finance Fund
June 30, 2024

	Mortgage Revenue Bonds	Multifamily Housing Revenue Bonds	Combined Program Account
Assets and Deferred Outflows of Resources			
Assets			
Current Assets			
Cash and Cash Equivalents	\$ -	\$ -	\$ -
Cash and Cash Equivalents - Restricted	94,346,696	1,507,341	-
Investments - Restricted	12,651,998	-	-
Securities Lending Cash Collateral	9,923	7,008	-
Accounts Receivable	29,143	-	-
Accrued Interest Receivable	5,951,339	131,424	184,215
Due from Governmental Funds	-	-	-
Loans Receivable	24,819,323	1,730,706	-
Acquired Property	188,995	-	-
Total Current Assets	137,997,417	3,376,479	184,215
Noncurrent Assets			
Cash and Cash Equivalents - Restricted	71,182,672	27,573,297	334,002
Investments - Restricted	87,623,535	3,004,575	20,185,539
Loans Receivable	905,707,736	23,180,169	-
Swap Fair Value Asset	19,603,929	-	-
Other Derivative Instruments	104,910	-	-
Net Other Postemployment Benefits Asset	-	-	-
Capital Assets (Net)	-	-	-
Total Noncurrent Assets	1,084,222,782	53,758,041	20,519,541
Total Assets	1,222,220,199	57,134,520	20,703,756
Deferred Outflows of Resources			
Loss on Debt Refundings	269,980	39,472	-
Related to Pensions	-	-	-
Related to Other Postemployment Benefits	-	-	-
Total Deferred Outflows of Resources	269,980	39,472	-
Total Assets and Deferred Outflows of Resources	\$1,222,490,179	\$ 57,173,992	\$ 20,703,756

<u>Housing Finance Account</u>	<u>Total</u>
\$ 47,698,036	\$ 47,698,036
-	95,854,037
-	12,651,998
75,695	92,626
347,524	376,667
28,772	6,295,750
185,002	185,002
75,664	26,625,693
-	188,995
48,410,693	189,968,804
206,511	99,296,482
-	110,813,649
2,838,470	931,726,375
-	19,603,929
-	104,910
173,314	173,314
421,823	421,823
3,640,118	1,162,140,482
52,050,811	1,352,109,286
-	309,452
3,356,548	3,356,548
6,882	6,882
3,363,430	3,672,882
\$ 55,414,241	\$1,355,782,168

Continued on the next page

Oregon Housing & Community Services Department
Combining Statement of Net Position - Housing Finance Fund
June 30, 2024

Continued from the previous page

	Mortgage Revenue Bonds	Multifamily Housing Revenue Bonds	Combined Program Account
Liabilities, Deferred Inflows of Resources, and Net Position			
Liabilities			
Current Liabilities			
Accounts Payable	\$ 662,638	\$ 188	\$ -
Accrued Interest Payable	18,828,418	429,487	-
Obligations Under Securities Lending	9,923	7,008	-
Due to Governmental Funds	-	-	-
Unearned Revenue	17,360	-	-
Compensated Absences Payable	-	-	-
Subscription-Based IT Arrangement Obligations	-	-	-
Bonds Payable	72,080,000	655,000	-
Arbitrage Rebate Liability	294,522	-	-
Pension-related Debt Payable	-	-	-
Total Current Liabilities	91,892,861	1,091,683	-
Noncurrent Liabilities			
Compensated Absences Payable	-	-	-
Subscription-Based IT Asset Obligations	-	-	-
Bonds Payable	1,003,281,995	17,711,122	-
Arbitrage Rebate Liability	129,622	-	-
Pension-related Debt Payable	-	-	-
Net Pension Liability	-	-	-
Total Other Postemployment Benefits Liability	-	-	-
Total Noncurrent Liabilities	1,003,411,617	17,711,122	-
Total Liabilities	1,095,304,478	18,802,805	-
Deferred Inflows of Resources			
Accumulated Increase in Fair Value of Hedging Derivatives	19,603,929	-	-
Gain on Debt Refundings	3,623	-	-
Deferred Loan Origination Fees	3,804,607	194,926	-
Related to Pensions	-	-	-
Related to Other Postemployment Benefits	-	-	-
Total Deferred Inflows of Resources	23,412,159	194,926	-
Net Position			
Net Investment in Capital Assets	-	-	-
Restricted for Residential Assistance	-	-	-
Restricted for Other Postemployment Benefits	-	-	-
Restricted by Trust Indentures	103,773,542	38,176,261	20,703,756
Unrestricted	-	-	-
Total Net Position	103,773,542	38,176,261	20,703,756
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$1,222,490,179	\$ 57,173,992	\$ 20,703,756

<u>Housing Finance Account</u>	<u>Total</u>
\$ 340,908	\$ 1,003,734
-	19,257,905
75,695	92,626
319,526	319,526
326,186	343,546
311,490	311,490
110,872	110,872
-	72,735,000
-	294,522
39,025	39,025
<u>1,523,702</u>	<u>94,508,246</u>
167,725	167,725
339,469	339,469
-	1,020,993,117
-	129,622
109,969	109,969
8,157,757	8,157,757
133,872	133,872
<u>8,908,792</u>	<u>1,030,031,531</u>
<u>10,432,494</u>	<u>1,124,539,777</u>
-	19,603,929
-	3,623
-	3,999,533
645,029	645,029
92,384	92,384
<u>737,413</u>	<u>24,344,498</u>
(28,519)	(28,519)
1,158,463	1,158,463
173,314	173,314
-	162,653,559
42,941,076	42,941,076
<u>44,244,334</u>	<u>206,897,893</u>
<u>\$ 55,414,241</u>	<u>\$1,355,782,168</u>

Oregon Housing & Community Services Department
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position -
Housing Finance Fund
For the Year Ended June 30, 2024

	Mortgage Revenue Bonds	Multifamily Housing Revenue Bonds	Combined Program Account
Operating Revenues			
Interest on Loans	\$ 35,609,094	\$ 1,531,758	\$ -
Investment Income	9,750,143	1,515,471	942,217
Other Derivative Income	62,726	-	-
Administrative Charges and Fees	-	-	-
Low Income Housing Tax Credit Fees	-	-	-
Gain on Sale of Foreclosed Property	204,615	-	-
Gain (Loss) on Debt Extinguishment	3,024,206	-	-
Miscellaneous Revenue	4,381	-	-
Total Operating Revenues	<u>48,655,165</u>	<u>3,047,229</u>	<u>942,217</u>
Operating Expenses			
Personal Services	-	-	-
Services and Supplies	299,605	63,032	-
Mortgage Service Fees	3,325,609	4,670	-
Foreclosure Costs	80,342	-	-
Interest Expense - Bonds	31,664,911	874,246	-
Interest Expense - Securities Lending	4,365	874	-
Other Related Program Expenses	3,592,409	-	-
Depreciation/Amortization	-	-	-
Total Operating Expenses	<u>38,967,241</u>	<u>942,822</u>	<u>-</u>
Operating Income (Loss)	<u>9,687,924</u>	<u>2,104,407</u>	<u>942,217</u>
Nonoperating Revenues (Expenses)			
Interest Expense - Pension-related Debt	-	-	-
Interest Expense - Leased Assets	-	-	-
Interest Expense - Subscription-Based IT Assets	-	-	-
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) Before Transfers	9,687,924	2,104,407	942,217
Transfers from Other Funds	105,000	-	-
Transfers to Other Funds	(2,000,000)	-	-
Transfers to Other State Agencies	-	-	-
Increase (Decrease) in Net Position	<u>7,792,924</u>	<u>2,104,407</u>	<u>942,217</u>
Net Position - Beginning	95,980,618	36,071,854	19,761,539
Net Position - Ending	<u>\$ 103,773,542</u>	<u>\$ 38,176,261</u>	<u>\$ 20,703,756</u>

Housing Finance Account	Total
\$ 58,876	\$ 37,199,728
2,297,288	14,505,119
-	62,726
5,337,537	5,337,537
4,506,936	4,506,936
-	204,615
-	3,024,206
-	4,381
<u>12,200,637</u>	<u>64,845,248</u>
9,309,467	9,309,467
3,232,756	3,595,393
-	3,330,279
-	80,342
-	32,539,157
7,941	13,180
-	3,592,409
224,599	224,599
<u>12,774,763</u>	<u>52,684,826</u>
<u>(574,126)</u>	<u>12,160,422</u>
(10,533)	(10,533)
(5)	(5)
(14,899)	(14,899)
<u>(25,437)</u>	<u>(25,437)</u>
(599,563)	12,134,985
9,500,000	9,605,000 **
(105,000)	(2,105,000) **
(332,493)	(332,493)
<u>8,462,944</u>	<u>19,302,492</u>
35,781,390	187,595,401
<u>\$ 44,244,334</u>	<u>\$ 206,897,893</u>

** Transfers within the Housing Finance Fund totaling \$2,105,000 are not included in the Statement of Revenues, Expenses, and Changes in Fund Net Position on page 8.

Oregon Housing & Community Services Department
Combining Statement of Cash Flows - Housing Finance Fund
For the Year Ended June 30, 2024

	Mortgage Revenue Bonds	Multifamily Housing Revenue Bonds	Combined Program Account
Cash Flows from Operating Activities			
Received from Customers	\$ 729,507	\$ -	\$ -
Program Loan Principal Repayments	56,028,457	1,641,300	-
Program Loan Interest Received	34,319,318	1,517,337	-
Program Loans Made	(145,901,323)	-	-
Payments to Employees for Services	-	-	-
Payments to Suppliers for Goods and Services	(3,540,291)	(67,731)	-
Other Receipts (Payments)	(1,354,226)	-	-
Net Cash Provided (Used) in Operating Activities	(59,718,558)	3,090,906	-
Cash Flows from Noncapital Financing Activities			
Proceeds from Bond Sales	230,718,707	-	-
Principal Payments - Bonds	(89,455,000)	(630,000)	-
Interest Payments - Bonds	(28,295,273)	(878,595)	-
Bond Issuance Costs	(2,064,247)	-	-
Other Derivative Receipts	30,061	-	-
Principal Payments - Pension-related Debt	-	-	-
Interest Payments - Pension-related Debt	-	-	-
Transfers from Other Funds	105,000	-	-
Transfers to Other Funds	(2,000,000)	-	-
Transfers to Other State Agencies	-	-	-
Net Cash Provided (Used) in Noncapital Financing Activities	109,039,248	(1,508,595)	-
Cash Flows from Capital and Related Financing Activities			
Leased Assets Principal Payments	-	-	-
Leased Assets Interest Payments	-	-	-
Subscription-Based IT Assets Principal Payments	-	-	-
Net Cash Provided (Used) in Capital and Related Financing Activities	-	-	-
Cash Flows from Investing Activities			
Purchase of Investments	(313,679,207)	(43,146,954)	(6,421,735)
Proceeds from Sales and Maturities of Investments	263,018,321	43,666,658	4,611,600
Interest on Cash and Investments	6,350,150	1,015,511	656,670
Investment Income on Securities Lending	4,365	874	-
Interest Paid on Securities Lending	(4,365)	(874)	-
Net Cash Provided (Used) in Investing Activities	(44,310,736)	1,535,215	(1,153,465)
Net Increase (Decrease) in Cash and Cash Equivalents	5,009,954	3,117,526	(1,153,465)
Cash and Cash Equivalents Balance - Beginning	160,519,414	25,963,112	1,487,467
Cash and Cash Equivalents Balance - Ending	\$ 165,529,368	\$ 29,080,638	\$ 334,002
Cash and Cash Equivalents	\$ -	\$ -	\$ -
Cash and Cash Equivalents - Restricted (Current)	94,346,696	1,507,341	-
Cash and Cash Equivalents - Restricted (Noncurrent)	71,182,672	27,573,297	334,002
Total Cash and Cash Equivalents	\$ 165,529,368	\$ 29,080,638	\$ 334,002

Housing Finance Account	Total	
\$ 9,733,789	\$ 10,463,296	
41,963	57,711,720	
50,461	35,887,116	
(1,718,602)	(147,619,925)	
(10,526,483)	(10,526,483)	
(3,110,817)	(6,718,839)	
(181,500)	(1,535,726)	
<u>(5,711,189)</u>	<u>(62,338,841)</u>	
-	230,718,707	
-	(90,085,000)	
-	(29,173,868)	
-	(2,064,247)	
-	30,061	
(44,267)	(44,267)	
(10,533)	(10,533)	
9,500,000	9,605,000	**
(105,000)	(2,105,000)	**
(347,695)	(347,695)	
<u>8,992,505</u>	<u>116,523,158</u>	
(1,191)	(1,191)	
(5)	(5)	
<u>(86,928)</u>	<u>(86,928)</u>	
<u>(88,124)</u>	<u>(88,124)</u>	
-	(363,247,896)	
-	311,296,579	
2,289,347	10,311,678	
7,941	13,180	
(7,941)	(13,180)	
<u>2,289,347</u>	<u>(41,639,639)</u>	
5,482,539	12,456,554	
42,422,008	230,392,001	
<u>\$ 47,904,547</u>	<u>\$ 242,848,555</u>	
\$ 47,698,036	\$ 47,698,036	
-	95,854,037	
206,511	99,296,482	
<u>\$ 47,904,547</u>	<u>\$ 242,848,555</u>	

Continued on the next page

** Transfers within the Housing Finance Fund totaling \$2,105,000 are not included in the Statement of Cash Flows on page 10.

Oregon Housing & Community Services Department
Combining Statement of Cash Flows - Housing Finance Fund
For the Year Ended June 30, 2024

Continued from the previous page

	Mortgage Revenue Bonds	Multifamily Housing Revenue Bonds	Combined Program Account
Reconciliation of Operating Income to			
Net Cash Provided by Operating Activities			
Operating Income (Loss)	\$ 9,687,924	\$ 2,104,407	\$ 942,217
Adjustments to Reconcile Operating Income to			
Net Cash Provided by Operating Activities			
Capital Asset Depreciation/Amortization	-	-	-
Investment Income Reported as Operating Revenue	(9,750,143)	(1,515,471)	(942,217)
Other Derivative Income Reported as Operating Revenue	(62,726)	-	-
Interest Expense Reported as Operating Expense	31,669,276	875,120	-
Bond Issuance Costs Reported as Operating Expense	1,956,112	-	-
(Gain) Loss on Debt Extinguishment	(3,024,205)	-	-
(Increase)/Decrease in Assets:			
Loan Interest Receivable	(622,041)	7,153	-
Accounts Receivable	(29,143)	-	-
Interfund Receivable	-	-	-
Due from Governmental Funds	-	-	-
Prepaid Expenses	-	-	-
Loans Receivable	(90,609,894)	1,641,300	-
Acquired Property	591,344	-	-
Net Other Postemployment Benefits Asset	-	-	-
(Increase)/Decrease in Deferred Outflows of Resources:			
Related to Pensions	-	-	-
Related to Other Postemployment Benefits	-	-	-
Increase/(Decrease) in Liabilities:			
Accounts Payable	88,297	(30)	-
Due to Governmental Funds	-	-	-
Unearned Revenue	(29)	-	-
Compensated Absences Payable	-	-	-
Net Pension Liability	-	-	-
Total Other Postemployment Benefits Liability	-	-	-
Increase/(Decrease) in Deferred Inflows of Resources:			
Deferred Loan Origination Fees	386,670	(21,573)	-
Related to Pensions	-	-	-
Related to Other Postemployment Benefits	-	-	-
Net Cash Provided (Used) in Operating Activities	\$ (59,718,558)	\$ 3,090,906	\$ -
Noncash Investing, Capital, and Financing Activities			
Net Change in Fair Value of Investments	\$ 3,537,291	\$ 506,100	\$ 268,200
Foreclosed Property	409,412	-	-
Loan Modifications	324,870	-	-
SBITAs Initiated	-	-	-
Total Noncash Investing, Capital, and Financing Activities	\$ 4,271,573	\$ 506,100	\$ 268,200

Housing Finance Account	Total
\$ (574,126)	\$ 12,160,422
224,599	224,599
(2,297,288)	(14,505,119)
-	(62,726)
7,941	32,552,337
-	1,956,112
-	(3,024,205)
(8,414)	(623,302)
(48,844)	(77,987)
47,806	47,806
122,434	122,434
21,147	21,147
(1,676,639)	(90,645,233)
-	591,344
6,950	6,950
(134,269)	(134,269)
17,676	17,676
(359,189)	(270,922)
(278,936)	(278,936)
(87,585)	(87,614)
(2,454)	(2,454)
839,233	839,233
41,271	41,271
-	365,097
(1,547,621)	(1,547,621)
(24,881)	(24,881)
<u>\$ (5,711,189)</u>	<u>\$ (62,338,841)</u>
\$ -	\$ 4,311,591
-	409,412
-	324,870
643,084	643,084
<u>\$ 643,084</u>	<u>\$ 5,688,957</u>

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Statistical Section

The Statistical Section presents information as a context for understanding what the information in the financial statements and note disclosures says about OHCS D's overall financial health.

Financial Trends

Pages 46-53 contain trend information to help the reader understand how OHCS D's financial performance has changed over time.

Revenue Capacity

Pages 54 and 55 contain information to help the reader understand OHCS D's most significant revenue source, Interest on Loans.

Debt Capacity

Pages 56 and 57 contain information to help the reader assess OHCS D's current levels of outstanding debt and the capacity to issue debt in the future.

Demographic and Economic Information

Pages 58 and 59 contain demographic, economic, and employment data to help the reader understand the environment OHCS D operates in.

Operating Information

Pages 60-67 contain information to help the reader understand how the information in the financial report relates to activities of OHCS D.

Oregon Housing & Community Services Department
Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflow of Resources, and Net Position
Enterprise Funds
Last Ten Fiscal Years

	2024	2023	2022	2021
Assets				
Cash and Cash Equivalents	\$ 48,486,681	\$ 43,368,149	\$ 27,541,346	\$ 19,753,000
Cash and Cash Equivalents - Restricted	261,529,360	249,395,714	123,017,393	120,381,648
Investments - Restricted	124,679,514	68,572,636	182,989,422	254,568,169
Securities Lending Cash Collateral	197,368	47,499	580,028	301,531
Accounts Receivable	377,592	299,530	321,701	361,983
Accrued Interest Receivable	6,566,275	5,294,590	3,343,179	3,880,856
Interfund Receivable	-	47,806	127,293	22,099
Due from Governmental Funds	225,938	302,655	573,246	131,442
Due from Other State Agencies	-	-	-	-
Prepaid Expenses	-	21,147	-	115
Acquired Property	188,995	780,339	-	122,985
Loans Receivable (Net)	995,427,093	906,559,557	839,633,718	855,740,724
Swap Fair Value Asset	19,603,929	16,842,159	12,368,910	2,687,321
Other Derivative Instruments	104,910	-	-	-
Net Pension Asset	-	-	-	-
Net Other Postemployment Benefits Asset	203,524	207,446	159,246	20,903
Capital Assets (Net)	444,303	4,760	13,634	7,024
Total Assets	1,458,035,482	1,291,743,987	1,190,669,116	1,257,979,800
Deferred Outflows of Resources				
Accumulated Decrease in Fair Value of Hedging Derivatives	-	-	-	6,386,956
Loss on Debt Refunding	309,452	387,788	464,599	674,944
Related to Pensions	3,796,334	3,689,476	2,937,464	2,430,234
Related to Other Postemployment Benefits	7,889	28,509	27,513	32,363
Total Deferred Outflows of Resources	4,113,675	4,105,773	3,429,576	9,524,497
Total Assets and Deferred Outflows of Resources	\$ 1,462,149,157	\$ 1,295,849,760	\$ 1,194,098,692	\$ 1,267,504,297

Unaudited

2020	2019	2018	2017	2016	2015
\$ 13,886,704	\$ 12,630,562	\$ 9,388,621	\$ 9,915,911	\$ 8,730,328	\$ 10,077,977
154,695,669	65,370,939	68,372,203	59,447,712	80,466,457	66,585,531
223,223,166	277,597,803	244,508,334	232,640,617	278,624,844	229,912,957
1,248,701	2,101,856	1,191,697	357,168	2,041,190	4,032,437
266,455	139,932	29,182,712	409,631	131,122	177,215
4,518,523	4,133,592	3,924,987	3,729,012	4,209,653	4,618,750
12,862	81,079	80,220	16,939	6,780	607
391,789	114,050	24,797	82,468	23,931	1,795
88,521	-	-	-	-	-
-	4,563	1,140	514	28,996	675
817,484	1,016,875	1,841,751	2,995,957	3,766,377	4,407,890
982,544,056	954,607,414	834,207,159	804,071,640	847,251,131	918,003,978
-	-	1,514,014	899,578	-	-
-	-	-	-	-	-
-	-	-	-	-	558,607
72,037	31,100	11,451	-	-	-
10,214	43,223	51,674	59,925	62,637	70,549
<u>1,381,776,181</u>	<u>1,317,872,988</u>	<u>1,194,300,760</u>	<u>1,114,627,072</u>	<u>1,225,343,446</u>	<u>1,238,448,968</u>
10,726,213	5,221,906	137,728	1,864,021	6,906,793	11,379,103
1,107,604	1,435,973	1,942,159	1,761,830	2,092,930	2,344,757
1,951,568	1,386,060	1,183,656	2,170,765	407,457	206,746
18,462	40,861	26,968	-	-	-
<u>13,803,847</u>	<u>8,084,800</u>	<u>3,290,511</u>	<u>5,796,616</u>	<u>9,407,180</u>	<u>13,930,606</u>
<u>\$ 1,395,580,028</u>	<u>\$ 1,325,957,788</u>	<u>\$ 1,197,591,271</u>	<u>\$ 1,120,423,688</u>	<u>\$ 1,234,750,626</u>	<u>\$ 1,252,379,574</u>

Continued on the next page

Oregon Housing & Community Services Department
 Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflow of Resources, and Net Position
 Enterprise Funds
 Last Ten Fiscal Years

Continued from the previous page

	2024	2023	2022	2021
Liabilities				
Accounts Payable	\$ 1,030,773	\$ 1,430,947	\$ 1,374,030	\$ 1,139,884
Accrued Interest Payable	19,633,409	15,143,968	12,064,921	14,575,857
Obligations Under Securities Lending	197,368	47,499	580,028	301,531
Interfund Payable	-	47,806	127,293	22,099
Due to Governmental Funds	343,866	599,404	174,415	24,370
Due to Other Governments	-	-	41,180	5,776
Unearned Revenue	344,128	432,247	527,315	643,867
Compensated Absences Payable	527,538	584,963	135,646	286,347
Lease Obligations	-	2,022	8,926	-
Subscription-Based IT Obligations	471,820	-	-	-
Bonds Payable	1,112,756,948	976,925,409	904,114,640	979,686,245
Swap Fair Value Liability	-	-	-	6,386,956
Arbitrage Rebate Liability	424,144	117,931	-	-
Pension-related Debt Payable	190,578	247,200	315,405	371,238
Net Pension Liability	9,506,028	8,343,213	4,102,944	7,030,726
Net Other Postemployment Benefits Liability	-	-	-	11,590
Total Other Postemployment Benefits Liability	144,866	108,736	120,295	161,281
Net Other Postemployment Benefits Obligation	-	-	-	-
Total Liabilities	1,145,571,466	1,004,031,345	923,687,038	1,010,647,767
Deferred Inflows of Resources				
Accumulated Increase in Fair Value of Hedging Derivatives	19,603,929	16,842,159	12,368,910	2,687,321
Gain on Debt Refunding	3,623	41,467	79,652	40,482
Deferred Loan Origination Fees	4,228,967	3,894,643	3,657,125	3,801,580
Related to Pensions	751,636	2,499,649	3,203,301	159,733
Related to Other Postemployment Benefits	102,490	135,945	136,153	35,963
Total Deferred Inflows of Resources	24,690,645	23,413,863	19,445,141	6,725,079
Net Position				
Net Investment in Capital Assets	(27,517)	2,738	4,708	7,024
Restricted for Residential Assistance	1,158,463	1,141,817	1,130,120	1,256,957
Restricted for Other Postemployment Benefits	203,524	207,446	159,246	20,903
Restricted by Trust Indentures	247,151,859	231,592,674	224,461,170	229,688,722
Unrestricted	43,400,717	35,459,877	25,211,269	19,157,845
Total Net Position	291,887,046	268,404,552	250,966,513	250,131,451
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 1,462,149,157	\$ 1,295,849,760	\$ 1,194,098,692	\$ 1,267,504,297

Unaudited

	2020	2019	2018	2017	2016	2015
\$	1,347,392	\$ 1,292,103	\$ 609,703	\$ 808,431	\$ 626,684	\$ 495,218
	16,540,642	16,741,051	13,660,865	13,031,173	15,411,597	17,957,672
	1,248,701	2,101,856	1,191,697	357,168	2,041,190	4,032,437
	12,862	81,079	80,220	16,939	6,780	607
	54,126	64,554	53,689	6,959	50,880	101,511
	-	-	-	-	-	-
	754,469	878,196	998,823	1,130,510	1,265,880	1,402,406
	284,985	289,020	344,492	271,186	252,162	276,849
	-	-	-	-	-	-
	-	-	-	-	-	-
	1,107,569,224	1,053,780,476	943,483,358	869,050,314	979,243,468	997,155,163
	10,726,213	5,221,906	137,728	1,864,021	6,906,793	11,379,103
	-	-	-	-	-	-
	421,318	463,993	501,032	531,182	556,146	575,223
	5,804,785	3,180,583	3,275,674	4,116,951	1,580,442	-
	32,005	33,673	41,439	-	-	-
	153,434	182,434	124,593	-	-	-
	-	-	-	87,445	85,234	92,770
	1,144,950,156	1,084,310,924	964,503,313	891,272,279	1,008,027,256	1,033,468,959
	-	-	1,514,014	899,578	-	-
	-	-	-	-	-	-
	4,445,934	4,597,314	4,261,350	4,354,736	4,733,476	5,281,561
	276,737	178,767	27,367	39,119	384,804	1,077,887
	40,745	14,773	8,471	-	-	-
	4,763,416	4,790,854	5,811,202	5,293,433	5,118,280	6,359,448
	10,214	43,223	51,674	59,925	62,637	70,549
	1,257,239	2,058,567	2,089,298	2,074,043	2,098,015	2,029,118
	72,037	31,100	11,451	-	-	-
	228,197,707	220,241,383	212,669,994	207,706,209	213,665,954	201,453,112
	16,329,259	14,481,737	12,454,339	14,017,799	5,778,484	8,998,388
	245,866,456	236,856,010	227,276,756	223,857,976	221,605,090	212,551,167
	<u>\$ 1,395,580,028</u>	<u>\$ 1,325,957,788</u>	<u>\$ 1,197,591,271</u>	<u>\$ 1,120,423,688</u>	<u>\$ 1,234,750,626</u>	<u>\$ 1,252,379,574</u>

Oregon Housing & Community Services Department
Revenue, Expenses, and Changes in Net Position
Enterprise Funds
Last Ten Fiscal Years

	2024	2023	2022	2021
Operating Revenues				
Interest on Loans	\$ 40,201,760	\$ 32,687,523	\$ 32,323,454	\$ 35,074,849
Investment Income (Loss)	17,676,476	8,246,716	(4,637,184)	339,398
Other Derivative Income	62,726	-	-	-
Administrative Charges and Fees	5,445,806	8,040,684	9,644,406	7,650,839
Low Income Housing Tax Credit Fees	4,506,936	8,028,128	9,508,721	5,256,621
Gain (Loss) on Sale of Foreclosed Property	204,615	-	(12,461)	-
Gain on Debt Extinguishment	3,024,206	1,327,661	4,417,587	2,694,649
Miscellaneous Revenue	4,381	1,722	4,911	26,459
Total Operating Revenues	71,126,906	58,332,434	51,249,434	51,042,815
Operating Expenses				
Personal Services	10,162,299	14,067,608	8,845,625	7,863,929
Services and Supplies	3,864,987	3,904,573	4,313,509	2,901,533
Mortgage Service Fees	3,344,434	3,011,236	2,844,886	2,958,124
Foreclosure Costs	80,342	24,621	45,154	143,493
Interest Expense - Bonds	33,452,940	26,448,189	26,373,449	29,815,332
Interest Expense - Securities Lending	24,171	18,115	5,344	2,266
Other Related Program Expenses	3,592,409	3,026,250	4,683,512	2,870,685
Depreciation/Amortization	236,119	8,874	10,776	3,190
Bad Debt Expense	-	-	-	-
Total Operating Expenses	54,757,701	50,509,466	47,122,255	46,558,552
Operating Income (Loss)	16,369,205	7,822,968	4,127,179	4,484,263
Nonoperating Revenue/(Expenses)				
Interest Expense - Pension-related Debt	(13,473)	(17,304)	(18,378)	(29,168)
Interest Expense - Leased Assets	(7)	(64)	(149)	-
Interest Expense - Subscription-Based IT Assets	(15,668)	-	-	-
Gain/(Loss) on Disposition of Capital Assets	-	-	-	-
Federal Grant Subsidy	-	-	-	74,857
Total Nonoperating Revenue/(Expenses)	(29,148)	(17,368)	(18,527)	45,689
Transfers				
Transfers from Other Funds	7,500,000	10,000,000	-	-
Transfers to Other Funds	-	-	(2,899,555)	-
Transfers from Other State Agencies	-	-	-	-
Transfers to Other State Agencies	(357,563)	(367,561)	(374,035)	(264,957)
Total Transfers	7,142,437	9,632,439	(3,273,590)	(264,957)
Increase (Decrease) in Net Position	\$ 23,482,494	\$ 17,438,039	\$ 835,062	\$ 4,264,995
Net Position - Beginning	268,404,552	250,966,513	250,131,451	245,866,456
Prior Period Adjustment	-	-	-	-
Change in Accounting Principle	-	-	-	-
Net Position - Beginning (Restated)	268,404,552	250,966,513	250,131,451	245,866,456
Net Position - Ending	\$ 291,887,046	\$ 268,404,552	\$ 250,966,513	\$ 250,131,451

Unaudited

	2020	2019	2018	2017	2016	2015
\$	40,963,239	\$ 40,504,975	\$ 36,644,795	\$ 39,626,363	\$ 46,381,931	\$ 50,954,045
	11,696,263	11,846,649	3,650,448	332,374	6,767,972	3,484,174
	-	-	-	-	-	-
	5,162,478	4,358,237	3,295,836	2,537,227	2,111,542	2,444,692
	3,080,015	3,364,208	2,924,199	1,604,511	1,126,415	3,174,641
	78,721	45,379	146,174	373,502	314,222	288,970
	1,939,403	984,697	1,129,267	1,039,870	1,034,419	1,311,768
	9,004	6,938	93,062	358,328	115,962	60,801
	<u>62,929,123</u>	<u>61,111,083</u>	<u>47,883,781</u>	<u>45,872,175</u>	<u>57,852,463</u>	<u>61,719,091</u>
	8,697,614	5,712,702	5,206,618	5,126,065	5,828,772	3,868,949
	3,727,327	2,886,332	3,084,561	2,508,940	2,437,292	2,392,345
	3,200,538	2,931,395	2,394,668	2,264,580	2,393,209	2,619,687
	13,605	215,168	438,500	616,407	422,662	324,684
	33,161,052	31,556,074	27,235,723	28,487,108	33,287,518	38,491,579
	39,099	95,991	21,699	1,974	22,326	12,347
	4,850,144	7,832,586	5,778,673	4,346,935	4,169,306	2,740,696
	5,821	8,451	8,452	7,910	7,912	4,394
	-	-	-	33,583	-	-
	<u>53,695,200</u>	<u>51,238,699</u>	<u>44,168,894</u>	<u>43,393,502</u>	<u>48,568,997</u>	<u>50,454,681</u>
	<u>9,233,923</u>	<u>9,872,384</u>	<u>3,714,887</u>	<u>2,478,673</u>	<u>9,283,466</u>	<u>11,264,410</u>
	(32,788)	(31,857)	(32,996)	(38,010)	(37,729)	(39,019)
	-	-	-	-	-	-
	-	-	-	-	-	-
	(27,188)	-	-	-	-	-
	-	-	-	-	-	-
	<u>(59,976)</u>	<u>(31,857)</u>	<u>(32,996)</u>	<u>(38,010)</u>	<u>(37,729)</u>	<u>(39,019)</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
	88,521	-	-	-	-	-
	(252,022)	(261,273)	(184,404)	(187,777)	(191,814)	(211,415)
	<u>(163,501)</u>	<u>(261,273)</u>	<u>(184,404)</u>	<u>(187,777)</u>	<u>(191,814)</u>	<u>(211,415)</u>
\$	9,010,446	\$ 9,579,254	\$ 3,497,487	\$ 2,252,886	\$ 9,053,923	\$ 11,013,976
	236,856,010	227,276,756	223,857,976	221,605,090	212,551,167	202,554,116
	-	-	-	-	-	2,979
	-	-	(78,707)	-	-	(1,019,904)
	<u>236,856,010</u>	<u>227,276,756</u>	<u>223,779,269</u>	<u>221,605,090</u>	<u>212,551,167</u>	<u>201,537,191</u>
\$	<u>245,866,456</u>	<u>\$ 236,856,010</u>	<u>\$ 227,276,756</u>	<u>\$ 223,857,976</u>	<u>\$ 221,605,090</u>	<u>\$ 212,551,167</u>

Oregon Housing & Community Services Department
Cash Flows
Enterprise Funds
Last Ten Fiscal Years

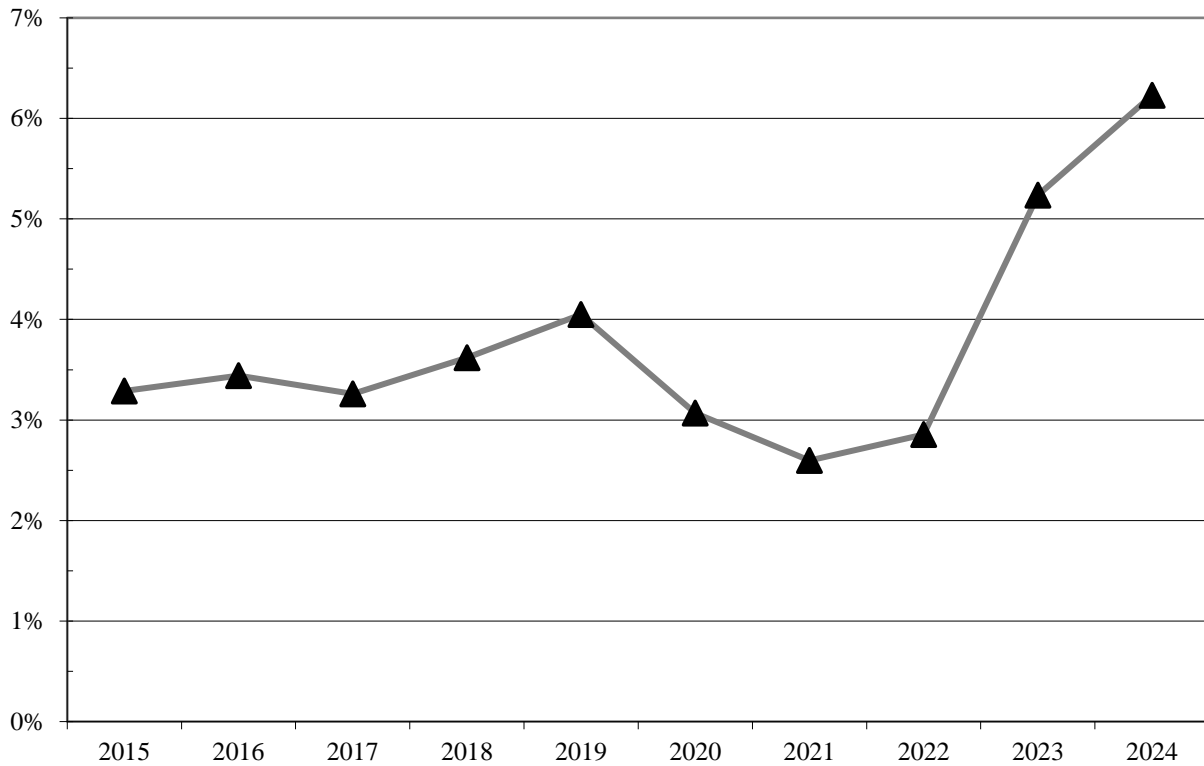
	2024	2023	2022
Cash Flows from Operating Activities			
Received from Customers	\$ 10,571,490	\$ 16,666,871	\$ 19,837,627
Program Loan Principal Repayments	60,497,739	69,330,450	167,842,514
Program Loan Interest Received	37,846,596	31,480,471	31,016,791
Program Loans Made	(147,619,925)	(136,638,159)	(150,727,831)
Payments to Employees for Services	(11,457,308)	(10,508,230)	(9,350,644)
Payments to Suppliers for Goods and Services	(7,043,155)	(6,709,107)	(7,487,876)
Other Receipts (Payments)	(1,535,726)	(1,937,619)	(3,008,841)
Net Cash Provided (Used) in Operating Activities	(58,740,289)	(38,315,323)	48,121,740
Cash Flows from Noncapital Financing Activities			
Proceeds from Bond Sales	230,718,707	114,018,169	188,634,844
Principal Payments - Bonds	(91,130,000)	(39,075,000)	(258,705,000)
Interest Payments - Bonds	(30,108,576)	(25,352,727)	(29,742,816)
Bond Issuance Costs	(2,064,247)	(989,191)	(1,572,368)
Bond Call Costs	-	-	(277)
Other Derivative Receipts	30,061	-	-
Principal Payments - Pension-related Debt	(56,622)	(68,205)	(55,833)
Interest Payments - Pension-related Debt	(13,473)	(17,304)	(18,378)
Federal Grant Subsidy	-	-	-
Transfers from Other Funds	7,500,000	10,000,000	-
Transfers to Other Funds	-	-	(2,899,555)
Transfers from Other State Agencies	-	-	-
Transfers to Other State Agencies	(376,649)	(386,836)	(337,482)
Net Cash Provided (Used) in Noncapital Financing Activities	114,499,201	58,128,906	(104,696,865)
Cash Flows from Capital and Related Financing Activities			
Acquisition of Capital Assets	-	-	-
Leased Assets Principal Payments	(1,442)	(7,611)	(7,753)
Leased Assets Interest Payments	(7)	(74)	(139)
Subscription-Based IT Assets Principal Payments	(91,856)	-	-
Net Cash Provided (Used) in Capital and Related Financing Activities	(93,305)	(7,685)	(7,892)
Cash Flows from Investing Activities			
Purchase of Investments	(363,247,896)	(130,692,371)	(305,323,565)
Proceeds from Sales and Maturities of Investments	311,296,579	246,326,867	369,503,258
Interest on Cash and Investments	13,537,888	6,764,730	2,827,415
Investment Income on Securities Lending	24,171	18,115	5,344
Interest Paid on Securities Lending	(24,171)	(18,115)	(5,344)
Net Cash Provided (Used) in Investing Activities	(38,413,429)	122,399,226	67,007,108
Net Increase (Decrease) in Cash and Cash Equivalents	17,252,178	142,205,124	10,424,091
Cash and Cash Equivalents Balance - Beginning	292,763,863	150,558,739	140,134,648
Cash and Cash Equivalents Balance - Ending	\$ 310,016,041	\$ 292,763,863	\$ 150,558,739

Unaudited

2021	2020	2019	2018	2017	2016	2015
\$ 13,175,428	\$ 8,763,454	\$ 8,876,105	\$ 7,079,496	\$ 4,163,809	\$ 3,569,340	\$ 5,721,238
222,941,663	139,616,140	113,960,119	126,654,062	138,955,178	142,159,092	145,611,724
34,258,797	39,340,959	38,764,669	35,717,096	38,803,932	44,151,928	50,261,428
(95,332,814)	(167,580,729)	(233,252,858)	(156,182,704)	(97,014,283)	(71,715,430)	(54,220,431)
(7,366,769)	(6,488,553)	(5,930,708)	(5,025,280)	(4,707,259)	(4,609,749)	(4,587,915)
(5,684,303)	(6,787,757)	(5,841,075)	(5,422,079)	(4,650,950)	(4,923,555)	(5,064,173)
(2,057,220)	(3,391,482)	(5,473,021)	(3,658,826)	(791,680)	47,139	941,970
159,934,782	3,472,032	(88,896,769)	(838,235)	74,758,747	108,678,765	138,663,841
61,927,675	177,018,587	216,176,306	280,205,736	134,026,831	211,033,001	31,377,604
(185,740,000)	(120,100,000)	(103,615,000)	(203,460,000)	(242,255,000)	(227,045,000)	(202,930,000)
(32,682,384)	(34,221,158)	(29,029,187)	(27,367,083)	(31,402,394)	(36,186,445)	(40,849,857)
(803,477)	(1,424,262)	(1,677,569)	(1,763,294)	(774,512)	(1,514,836)	(565,215)
(596)	-	-	-	-	-	-
-	-	-	-	-	-	-
(50,080)	(42,675)	(37,039)	(30,150)	(24,964)	(19,077)	(22,487)
(29,168)	(32,788)	(31,857)	(32,996)	(38,010)	(37,729)	(39,019)
74,857	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
88,521	-	-	-	-	-	-
(270,459)	(249,712)	(243,488)	(203,500)	(188,958)	(191,894)	(209,314)
(157,485,111)	20,947,992	81,542,166	47,348,713	(140,657,007)	(53,961,980)	(213,238,288)
-	-	-	5,445	(10,844)	-	(52,603)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	5,445	(10,844)	-	(52,603)
(380,551,164)	(413,127,785)	(510,891,434)	(498,137,269)	(368,836,911)	(441,963,836)	(289,867,498)
346,112,454	473,542,274	512,301,216	456,787,746	411,676,140	396,996,896	370,368,568
3,541,314	5,746,359	6,185,498	3,230,801	3,236,713	2,783,432	1,946,456
2,266	39,099	95,991	21,699	1,974	22,326	12,347
(2,266)	(39,099)	(95,991)	(21,699)	(1,974)	(22,326)	(12,347)
(30,897,396)	66,160,848	7,595,280	(38,118,722)	46,075,942	(42,183,508)	82,447,526
(28,447,725)	90,580,872	240,677	8,397,201	(19,833,162)	12,533,277	7,820,476
168,582,373	78,001,501	77,760,824	69,363,623	89,196,785	76,663,508	68,843,032
\$ 140,134,648	\$ 168,582,373	\$ 78,001,501	\$ 77,760,824	\$ 69,363,623	\$ 89,196,785	\$ 76,663,508

Oregon Housing & Community Services Department
 Weighted Average Interest Rate - New Mortgage Loans - Mortgage Revenue Bonds
 Enterprise Funds
 Last Ten Fiscal Years

Unaudited



<u>Fiscal Year</u>	<u>Weighted Average Interest Rate</u>
2024	6.23%
2023	5.24%
2022	2.86%
2021	2.60%
2020	3.07%
2019	4.05%
2018	3.62%
2017	3.26%
2016	3.44%
2015	3.29%

Weighted average interest rate is calculated by multiplying each loan amount by the interest rate on the loan, adding all results together, then dividing by the total amount of new loans.

Oregon Housing & Community Services Department
Principal Program Loan Interest Payers
Enterprise Funds
Current Year and Nine Years Ago

Unaudited

	Fiscal Year 2024			Fiscal Year 2015		
	Rank	Program Loan Interest Received	Percent of Total Program Loan Interest Received	Rank	Program Loan Interest Received	Percent of Total Program Loan Interest Received
Emerald Pointe	1	\$ 1,005,487	2.66%	1	\$ 1,139,144	2.27%
Beaver State Apartments	2	520,117	1.37%	6	566,621	1.13%
The Hazelwood	3	289,551	0.76%	9	344,442	0.69%
Autumn Park	4	248,414	0.65%			
Gateway Park Apartments	5	199,433	0.53%			
Fifth Avenue Court Apartments	6	162,555	0.43%			
The Oak Apartments	7	72,232	0.19%			
Rosemont Town Homes	8	57,221	0.15%			
Forest Park Apartments	9	51,302	0.14%			
Oakwood Manor Apartments	10	48,109	0.13%			
West Ridge Meadows Apartments				2	820,509	1.63%
Willamette Gardens				3	810,614	1.61%
Woodridge Apartments				4	774,791	1.54%
Troutdale Terrace Apartments				5	691,721	1.38%
Lake Crest Apartments				7	470,697	0.94%
Cascadia Village Retirement Center				8	361,255	0.72%
Buckman Heights Apartments				10	314,463	0.63%
Total		<u>\$ 2,654,421</u>	<u>7.01%</u>		<u>\$ 6,294,257</u>	<u>12.54%</u>

Oregon Housing & Community Services Department
Ratio of Outstanding Debt
Enterprise Fund
Last Ten Fiscal Years

Unaudited

Fiscal Year	Business-Type Activities - Enterprise Funds			Percentage of Personal Income ⁽³⁾	Per Capita ⁽³⁾
	General Obligation Bonds ⁽¹⁾	Revenue Bonds ⁽²⁾	Total		
2024	\$ 19,030,000	\$ 1,077,185,000	\$ 1,096,215,000	0.38%	\$ 259
2023	20,075,000	938,710,000	958,785,000	0.35%	226
2022	21,650,000	864,185,000	885,835,000	0.33%	208
2021	22,985,000	937,655,000	960,640,000	0.40%	226
2020	28,865,000	1,057,515,000	1,086,380,000	0.49%	258
2019	30,400,000	1,004,675,000	1,035,075,000	0.49%	247
2018	36,915,000	890,470,000	927,385,000	0.47%	224
2017	44,710,000	812,105,000	856,815,000	0.46%	209
2016	50,810,000	917,700,000	968,510,000	0.55%	241
2015	85,480,000	904,220,000	989,700,000	0.60%	250

⁽¹⁾ Elderly and Disabled Housing Bonds

⁽²⁾ Mortgage Revenue Bonds, Housing Revenue Bonds (FY 2015 - FY 2021), and Multifamily Housing Revenue Bonds

⁽³⁾ Personal Income and Population Source: Bureau of Economic Analysis, U.S. Department of Commerce (SAINC1)
<https://apps.bea.gov/itable/?ReqID=70&step=1>

Population and Personal Income information can be found on page 58.

Oregon Housing & Community Services Department
 Legal Debt Margin Information
 Enterprise Fund
 Last Ten Fiscal Years

Unaudited

Fiscal Year	Debt Limit	Debt Applicable to Limit	Legal Debt Margin	Percentage of Debt Limit
<u>General Obligation Bonds</u>				
2024	\$ 5,116,158,652	\$ 19,030,000	\$ 5,097,128,652	0.37%
2023	4,823,464,807	20,075,000	4,803,389,807	0.42%
2022	4,118,468,847	21,650,000	4,096,818,847	0.53%
2021	3,783,733,523	22,985,000	3,760,748,523	0.61%
2020	3,578,984,548	28,865,000	3,550,119,548	0.81%
2019	3,384,375,594	30,400,000	3,353,975,594	0.90%
2018	3,104,548,584	36,915,000	3,067,633,584	1.19%
2017	2,795,635,633	44,710,000	2,750,925,633	1.60%
2016	2,530,877,318	50,810,000	2,480,067,318	2.01%
2015	2,347,393,704	85,480,000	2,261,913,704	3.64%
<u>Revenue Bonds</u>				
2024	\$ 2,500,000,000	\$ 1,077,185,000	\$ 1,422,815,000	43.09%
2023	2,500,000,000	938,710,000	1,561,290,000	37.55%
2022	2,500,000,000	864,185,000	1,635,815,000	34.57%
2021	2,500,000,000	937,655,000	1,562,345,000	37.51%
2020	2,500,000,000	1,057,515,000	1,442,485,000	42.30%
2019	2,500,000,000	1,004,675,000	1,495,325,000	40.19%
2018	2,500,000,000	890,470,000	1,609,530,000	35.62%
2017	2,500,000,000	812,105,000	1,687,895,000	32.48%
2016	2,500,000,000	917,700,000	1,582,300,000	36.71%
2015	2,500,000,000	904,220,000	1,595,780,000	36.17%

Legal Debt Margin for Fiscal Year 2024

General Obligation Bonds

True cash value of all taxable property in the state	\$ 1,023,231,730,458
Debt Limit (0.5% of true cash value)	5,116,158,652
Less: Debt applicable to the limit (Elderly and Disabled Housing Bonds)	(19,030,000)
Legal Debt Margin	<u><u>\$ 5,097,128,652</u></u>

Revenue Bonds

The legal debt margin for OHCS D's revenue bonds is set by statute (Oregon Revised Statute 456.661).

Oregon Housing & Community Services Department
 Demographic and Economic Data - State of Oregon
 Last Ten Years

Unaudited

Calendar Year	Population ⁽¹⁾	Personal Income ⁽¹⁾ (in millions)	Per Capita Personal Income ⁽¹⁾	Annual Unemployment Rate ⁽²⁾
2023	4,233,358	\$ 287,182.5	\$ 67,838	3.7%
2022	4,239,379	271,773.2	64,107	3.9%
2021	4,256,465	265,378.9	62,347	5.2%
2020	4,245,044	240,173.7	56,577	7.6%
2019	4,215,976	220,029.4	52,189	3.7%
2018	4,183,414	210,044.9	50,209	4.0%
2017	4,147,186	197,262.3	47,565	4.1%
2016	4,093,179	186,105.0	45,467	4.7%
2015	4,018,466	177,478.1	44,166	5.5%
2014	3,965,387	165,171.9	41,653	6.7%

⁽¹⁾ Source: Bureau of Economic Analysis, U.S. Department of Commerce (SAINC1) - <https://apps.bea.gov/itable/?ReqID=70&step=1>

⁽²⁾ Source: Oregon Employment Department
www.qualityinfo.org/uesti?IfAreacode=4101000000&IfAdjusted=1&IfMeasure=unemprate&IfSyear=2013&IfRpt=summary&IfYear=2024

Oregon Housing & Community Services Department
Employment Data - State of Oregon
Current Year and Nine Years Ago

Unaudited

	Calendar Year 2022 ⁽¹⁾		Calendar Year 2014		Change
	Number of Employees	Percent of Total	Number of Employees	Percent of Total	
Health Care and Social Assistance	312,843	11.77%	267,614	11.52%	16.90%
Retail Trade	264,677	9.96%	242,856	10.45%	8.99%
Manufacturing	206,906	7.78%	195,438	8.41%	5.87%
Accommodation and Food Services	190,276	7.16%	174,508	7.51%	9.04%
Professional, Scientific, and Technical Services	187,980	7.07%	148,856	6.41%	26.28%
Construction	153,517	5.77%	112,782	4.85%	36.12%
Real Estate and Rental and Leasing	143,199	5.39%	106,499	4.58%	34.46%
Administrative and Support Services and Waste Management and Remediation Services	136,310	5.13%	124,616	5.36%	9.38%
Transportation and Warehousing	132,623	4.99%	67,332	2.90%	96.97%
Finance and Insurance	108,772	4.09%	91,807	3.95%	18.48%
Wholesale Trade	86,064	3.24%	84,086	3.62%	2.35%
Arts, Entertainment, and Recreation	60,435	2.27%	58,336	2.51%	3.60%
Farm Employment	57,344	2.16%	63,448	2.73%	-9.62%
Management of Companies and Enterprises	52,792	1.99%	41,864	1.80%	26.10%
Educational Services	50,885	1.91%	58,611	2.52%	-13.18%
Information	49,275	1.85%	40,851	1.76%	20.62%
Forestry, Fishing, and Related Activities	32,859	1.24%	32,892	1.43%	-0.10%
Utilities	5,299	0.20%	4,794	0.21%	10.53%
Mining, quarrying, and oil and gas extraction	4,621	0.17%	5,584	0.24%	-17.25%
Other Services	129,476	4.87%	123,000	5.29%	5.27%
Federal Government (Civilian)	27,876	1.05%	27,491	1.18%	1.40%
Military	10,604	0.40%	11,913	0.51%	-10.99%
State Government	43,172	1.62%	62,200	2.68%	-30.59%
Local Government	210,480	7.92%	176,061	7.58%	19.55%
Total Employment	2,658,285	100.00%	2,323,439	100.00%	14.41%

⁽¹⁾ 2022 was the most recent year available at the time this was prepared

Source: Bureau of Economic Analysis, U.S. Department of Commerce (SAEMP25N) - www.bea.gov/data/employment/employment-by-state

Oregon Housing & Community Services Department
Loans Outstanding - By Interest Rate
Enterprise Funds
Current Year and Nine Years Ago

Unaudited

Interest Rate	June 30, 2024				June 30, 2015			
	Number of Loans	Percent	Principal Amount	Percent	Number of Loans	Percent	Principal Amount	Percent
<u>Single Family Loans</u> ⁽¹⁾								
0.00 - 2.99%	1,081	20.29%	\$ 239,550,769	25.70%	28	0.48%	\$ 833,618	0.13%
3.00 - 3.99%	1,605	30.12%	264,671,175	28.39%	1,201	20.76%	172,026,034	26.30%
4.00 - 4.99%	1,061	19.91%	156,171,887	16.75%	1,755	30.34%	196,004,285	29.97%
5.00 - 5.99%	912	17.12%	146,220,273	15.68%	2,059	35.59%	227,653,997	34.81%
6.00 - 6.99%	498	9.35%	114,721,012	12.31%	544	9.40%	50,482,361	7.72%
7.00 - 7.99%	91	1.71%	9,789,183	1.05%	173	2.99%	6,760,007	1.03%
8.00 - 8.99%	76	1.43%	1,045,659	0.11%	23	0.40%	271,640	0.04%
9.00 - 9.99%	4	0.07%	55,396	0.01%	1	0.02%	3,436	0.00%
10.00 - 10.99%	-	-	-	-	1	0.02%	1,197	0.00%
Total	5,328	<u>100.00%</u>	\$ 932,225,354	<u>100.00%</u>	5,785	<u>100.00%</u>	\$ 654,036,575	<u>100.00%</u>
<u>Multi-Family Loans</u> ⁽²⁾								
0.00 - 2.99%	30	18.07%	\$ 3,924,569	6.21%	56	15.82%	\$ 6,952,867	2.61%
3.00 - 3.99%	6	3.61%	1,166,191	1.85%	8	2.26%	4,695,784	1.76%
4.00 - 4.99%	19	11.45%	4,425,151	7.00%	5	1.41%	3,160,033	1.19%
5.00 - 5.99%	17	10.24%	37,118,412	58.73%	35	9.89%	108,891,896	40.87%
6.00 - 6.99%	39	23.49%	15,807,094	25.01%	79	22.32%	95,571,356	35.87%
7.00 - 7.99%	49	29.52%	662,760	1.05%	76	21.47%	36,153,093	13.57%
8.00 - 8.99%	6	3.62%	97,562	0.15%	91	25.70%	7,412,531	2.78%
9.00 - 9.99%	-	-	-	-	4	1.13%	3,585,465	1.35%
Total	166	<u>100.00%</u>	\$ 63,201,739	<u>100.00%</u>	354	<u>100.00%</u>	\$ 266,423,025	<u>100.00%</u>
Grand Total	<u>5,494</u>		<u>\$ 995,427,093</u>		<u>6,139</u>		<u>\$ 920,459,600</u>	

⁽¹⁾ Mortgage Revenue Bonds, Housing Revenue Bonds (June 30, 2015). and down payment assistance loans in Housing Finance Account (June 30, 2024)

⁽²⁾ Elderly and Disabled Housing Fund, Multifamily Housing Revenue Bond, and multi-family loans in Housing Finance Account

Oregon Housing & Community Services Department
Loans Outstanding - By Monthly Payment Amount
Enterprise Funds
Current Year and Nine Years Ago

Unaudited

Monthly Payment ⁽¹⁾	June 30, 2024				June 30, 2015			
	Number of Loans	Percent	Principal Amount	Percent	Number of Loans	Percent	Principal Amount	Percent
<u>Single Family Loans ⁽²⁾</u>								
\$ 0 - \$ 200	147	2.76%	\$ 2,028,503	0.22%	45	0.78%	\$ 1,104,331	0.17%
\$ 201 - \$ 400	213	4.00%	8,534,826	0.92%	508	8.78%	21,866,789	3.34%
\$ 401 - \$ 600	778	14.60%	50,881,909	5.46%	1,628	28.16%	127,631,047	19.51%
\$ 601 - \$ 800	1,024	19.22%	108,844,388	11.68%	1,812	31.32%	210,026,853	32.11%
\$ 801 - \$1,000	958	17.98%	156,156,366	16.75%	1,089	18.82%	160,546,737	24.55%
\$1,001 - \$1,200	764	14.34%	164,613,964	17.66%	474	8.19%	84,695,040	12.95%
\$1,201 - \$1,400	497	9.33%	127,863,795	13.72%	179	3.09%	36,219,086	5.54%
\$1,401 - \$1,600	274	5.14%	78,588,098	8.43%	43	0.74%	10,129,017	1.55%
\$1,601 - \$1,800	206	3.86%	64,425,471	6.91%	7	0.12%	1,817,675	0.28%
\$1,801 - \$2,000	173	3.25%	56,798,397	6.09%	-	-	-	-
\$2,001 - \$2,200	107	2.01%	36,870,391	3.95%	-	-	-	-
\$2,201 - \$2,400	91	1.71%	34,819,524	3.73%	-	-	-	-
\$2,401 - \$2,600	43	0.81%	17,350,674	1.86%	-	-	-	-
\$2,601 - \$2,800	28	0.52%	12,060,466	1.29%	-	-	-	-
\$2,801 - \$3,000	8	0.15%	3,730,581	0.40%	-	-	-	-
\$3,001 - \$3,200	10	0.19%	4,969,735	0.53%	-	-	-	-
\$3,201 - \$3,400	4	0.07%	2,039,382	0.22%	-	-	-	-
\$3,401 - \$3,600	2	0.04%	1,098,808	0.12%	-	-	-	-
\$3,601 - \$3,800	1	0.02%	550,076	0.06%	-	-	-	-
Total	5,328	100.00%	932,225,354	100.00%	5,785	100.00%	654,036,575	100.00%
<u>Multi-Family Loans ⁽³⁾</u>								
\$ 0 - \$ 1,000	100	60.24%	1,945,780	3.08%	208	58.76%	6,581,145	2.47%
\$ 1,001 - \$ 5,000	36	21.69%	7,206,098	11.40%	55	15.54%	17,093,043	6.42%
\$ 5,001 - \$10,000	14	8.43%	6,065,897	9.60%	22	6.22%	19,861,586	7.45%
\$10,001 - \$15,000	5	3.01%	3,255,418	5.15%	23	6.50%	27,834,471	10.45%
\$15,001 - \$20,000	3	1.81%	2,662,060	4.21%	13	3.67%	24,808,982	9.31%
\$20,001 - \$25,000	-	-	-	0.00%	11	3.11%	27,875,871	10.46%
\$25,001 - \$30,000	2	1.21%	5,652,473	8.94%	6	1.69%	20,242,723	7.60%
\$30,001 or more	4	2.41%	35,429,301	56.06%	14	3.95%	121,115,454	45.46%
Due at Maturity	2	1.20%	984,712	1.56%	2	0.56%	1,009,750	0.38%
Total	166	100.00%	63,201,739	100.00%	354	100.00%	266,423,025	100.00%
Grand Total	5,494		\$ 995,427,093		6,139		\$ 920,459,600	

⁽¹⁾ Principal and Interest only. Does not include taxes or insurance.

⁽²⁾ Mortgage Revenue Bonds, Housing Revenue Bonds (June 30, 2015), and down payment assistance loans in Housing Finance Account (June 30, 2024)

⁽³⁾ Elderly and Disabled Housing Fund, Multifamily Housing Revenue Bond, and multi-family loans in Housing Finance Account

Oregon Housing & Community Services Department

Loans Outstanding - By County

Enterprise Funds

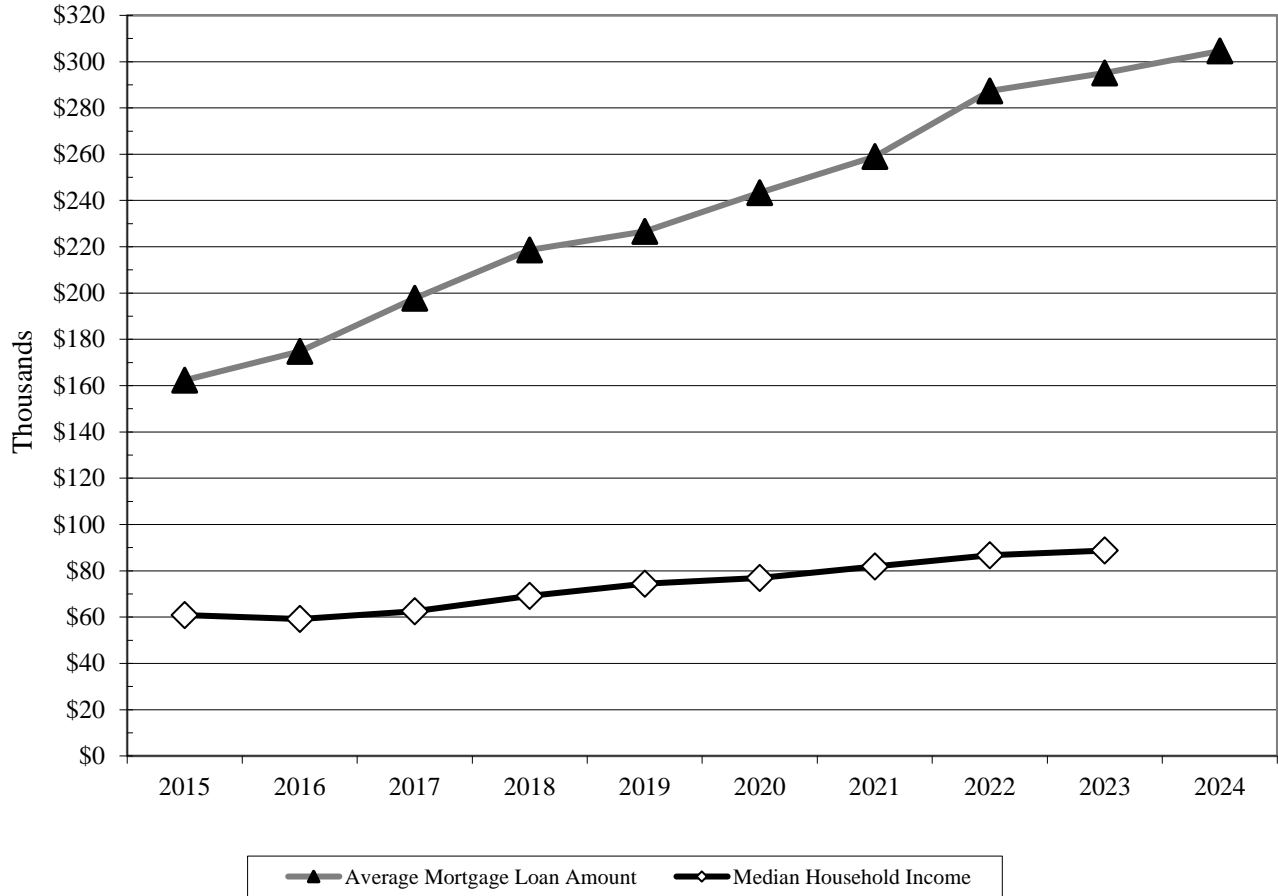
June 30, 2024

County	Elderly and Disabled Housing Program		Mortgage Revenue Bonds		Multifamily Housing Revenue Bonds	
	Number of Loans	Principal Amount	Number of Loans	Principal Amount	Number of Loans	Principal Amount
Baker	1	\$ 49,240	26	\$ 3,373,961	-	\$ -
Benton	4	1,078,387	43	5,452,481	-	-
Clackamas	10	133,397	285	61,064,475	1	3,892,990
Clatsop	1	15,376	12	1,838,006	-	-
Columbia	3	170,343	124	32,440,712	1	802,746
Coos	2	2,667	132	24,163,689	-	-
Crook	0	-	99	24,640,365	-	-
Curry	0	-	6	1,002,676	-	-
Deschutes	2	46,219	376	76,130,064	-	-
Douglas	2	26,871	134	20,631,726	1	693,414
Gilliam	2	29,981	1	287,036	-	-
Grant	0	-	5	1,049,436	-	-
Harney	2	507,203	14	1,524,474	-	-
Hood River	0	-	11	1,596,984	-	-
Jackson	2	2,534	305	54,974,977	1	711,114
Jefferson	0	-	110	24,840,602	-	-
Josephine	3	303,649	355	65,093,870	-	-
Klamath	0	-	140	14,871,836	-	-
Lake	1	47,823	18	2,155,522	-	-
Lane	10	420,437	222	25,437,903	1	830,171
Lincoln	4	1,516,775	34	3,713,007	-	-
Linn	7	727,512	135	22,755,963	-	-
Malheur	1	584,971	31	2,602,406	-	-
Marion	32	18,331,324	356	43,717,909	1	126,863
Morrow	0	-	17	1,508,880	-	-
Multnomah	39	11,053,428	1,423	270,358,400	7	9,590,927
Polk	3	395,403	68	11,702,179	-	-
Sherman	1	118,399	1	151,717	-	-
Tillamook	0	-	21	4,525,266	-	-
Umatilla	0	-	116	11,941,043	-	-
Union	2	89,558	45	5,384,621	-	-
Wallowa	1	482,082	4	454,283	1	8,262,650
Wasco	0	-	8	1,408,457	-	-
Washington	4	99,966	394	81,151,162	-	-
Wheeler	0	-	1	182,462	-	-
Yamhill	4	841,480	130	26,398,509	-	-
Total	143	\$ 37,075,025	5,202	\$ 930,527,059	14	\$ 24,910,875

Housing Finance Account		Total	
Number of Loans	Principal Amount	Number of Loans	Principal Amount
-	\$ -	27	\$ 3,423,201
1	12,559	48	6,543,427
5	83,022	301	65,173,884
1	11,797	14	1,865,179
3	55,683	131	33,469,484
-	-	134	24,166,356
4	55,178	103	24,695,543
-	-	6	1,002,676
2	24,726	380	76,201,009
6	69,756	143	21,421,767
-	-	3	317,017
1	11,537	6	1,060,973
-	-	16	2,031,677
-	-	11	1,596,984
6	760,712	314	56,449,337
8	250,277	118	25,090,879
1	12,486	359	65,410,005
4	43,168	144	14,915,004
1	8,739	20	2,212,084
8	113,477	241	26,801,988
4	47,273	42	5,277,055
3	43,434	145	23,526,909
-	-	32	3,187,377
25	354,953	414	62,531,049
2	22,454	19	1,531,334
18	249,013	1,487	291,251,768
7	99,694	78	12,197,276
-	-	2	270,116
1	12,423	22	4,537,689
10	108,166	126	12,049,209
-	-	47	5,474,179
-	-	6	9,199,015
3	306,643	11	1,715,100
7	102,573	405	81,353,701
-	-	1	182,462
4	54,391	138	27,294,380
135	\$ 2,914,134	5,494	\$ 995,427,093

Oregon Housing & Community Services Department
 Average New Mortgage Loan Amount Versus Median Household Income -
 Single Family Mortgage Program
 Enterprise Funds
 Last Ten Years

Unaudited

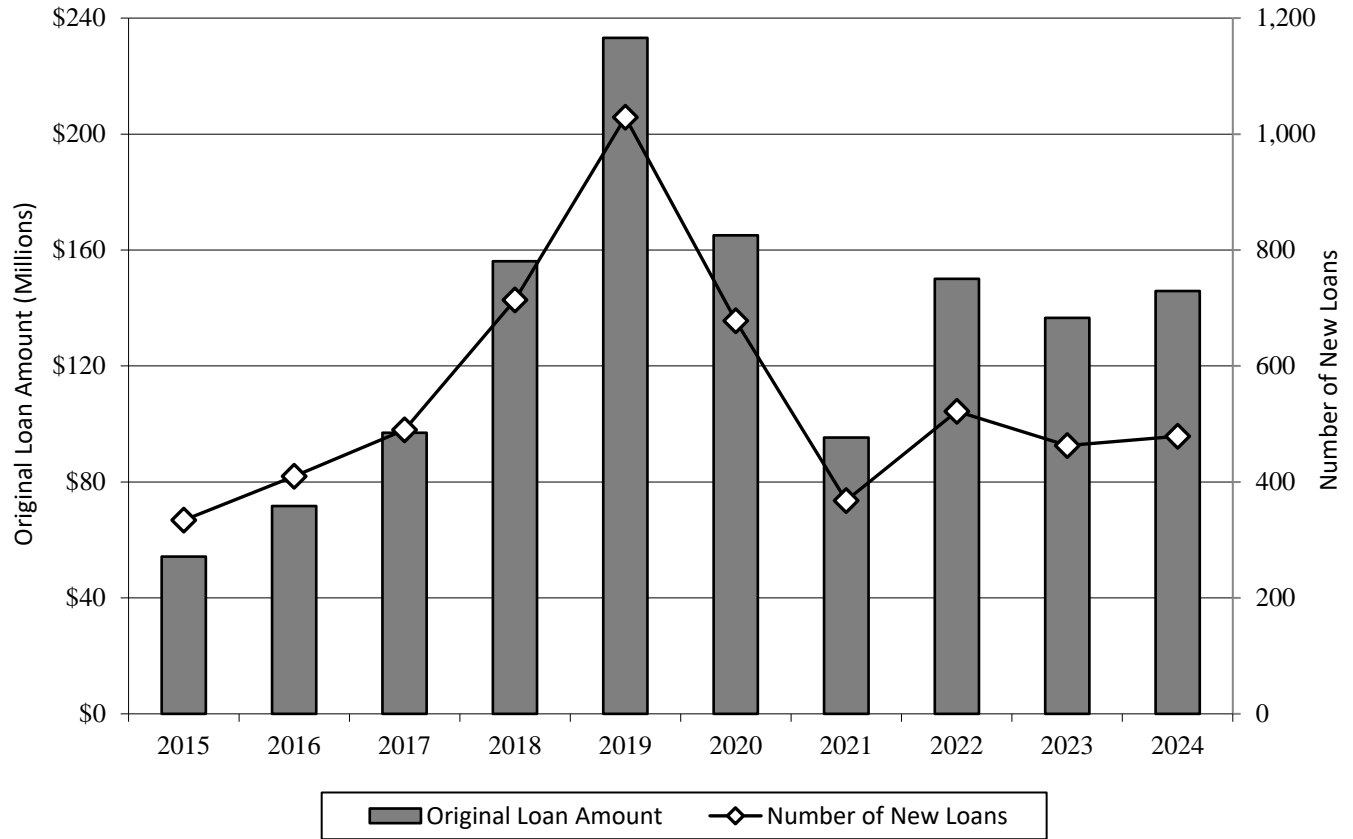


<u>Fiscal Year</u>	<u>Average Loan Amount</u>	<u>Calendar Year</u>	<u>Median Household Income in the State of Oregon</u> ⁽¹⁾
2024	\$ 304,596		
2023	295,115	2023	\$ 88,740
2022	287,410	2022	86,780
2021	259,057	2021	81,850
2020	243,410	2020	76,850
2019	226,631	2019	74,410
2018	218,672	2018	69,170
2017	197,785	2017	62,500
2016	174,792	2016	59,140
2015	162,334	2015	60,830

⁽¹⁾ Source: US Census Bureau (Table H-8) - www.census.gov/data/tables/time-series/demo/income-poverty/historical-income-households.html

Oregon Housing & Community Services Department
 New Mortgage Loans - Single-Family Mortgage Program
 Enterprise Funds
 Last Ten Fiscal Years

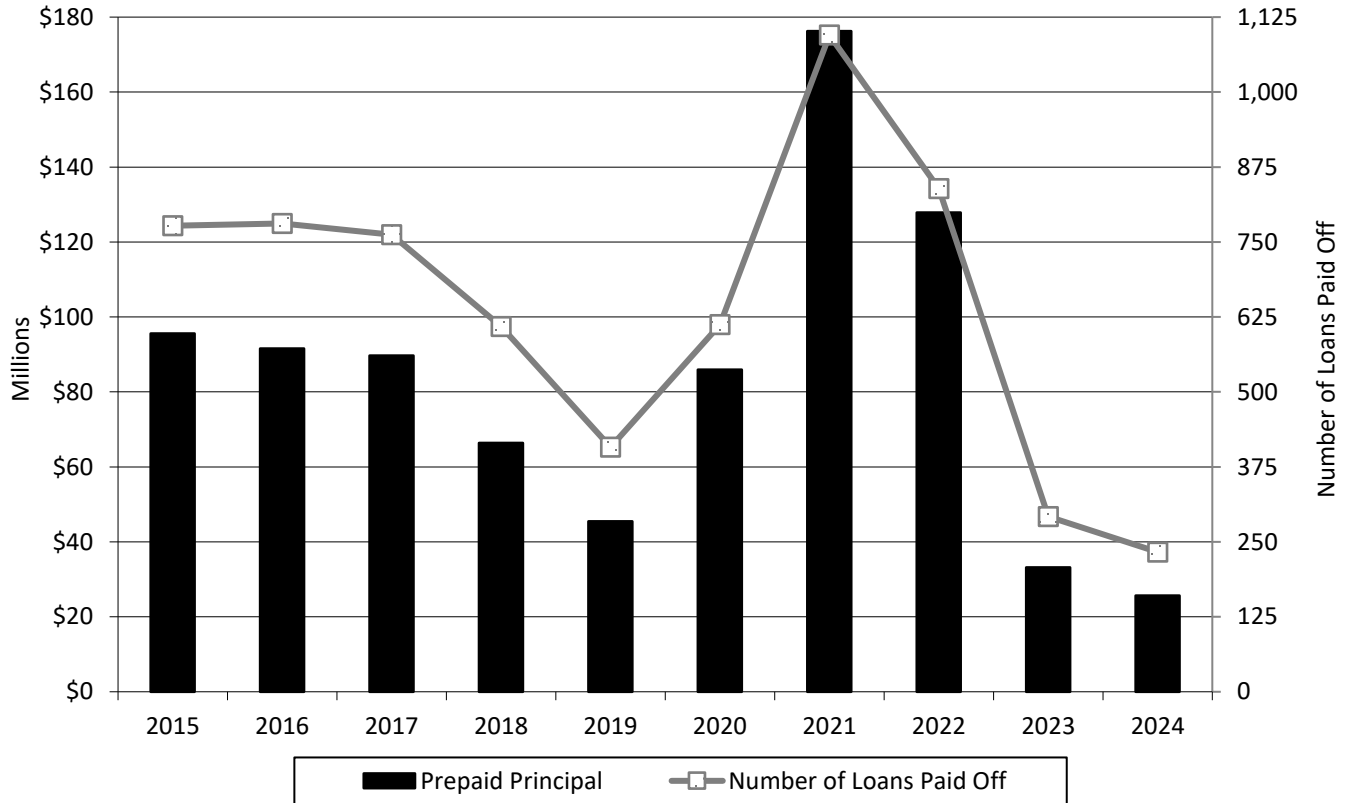
Unaudited



<u>Fiscal Year</u>	<u>Number of New Loans</u>	<u>Original Loan Amount</u>
2024	479	\$ 145,901,323
2023	463	136,638,159
2022	522	150,027,831
2021	368	95,332,814
2020	678	165,032,101
2019	1,029	233,203,348
2018	714	156,131,888
2017	490	96,914,554
2016	410	71,664,632
2015	334	54,219,431

Oregon Housing & Community Services Department
Mortgage Loans Paid Off - Single-Family Mortgage Program
Enterprise Funds
Last Ten Fiscal Years

Unaudited



<u>Fiscal Year</u>	<u>Number of Loans Paid Off</u>	<u>Prepaid Principal</u>
2024	233	\$ 25,674,721
2023	292	33,150,016
2022	839	127,881,513
2021	1,095	176,269,997
2020	612	85,890,206
2019	408	45,414,416
2018	609	66,400,638
2017	762	89,704,744
2016	781	91,544,807
2015	777	95,583,596

Oregon Housing & Community Services Department

Number of Employees

Last Ten Fiscal Years

Unaudited

	Full-Time-Equivalent Employees as of June 30									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Director's Office	13.0	12.0	10.0	4.0	3.0	3.0	3.0	13.0	11.0	10.0
Deputy Director's Office	10.0	11.0	12.0	63.0	52.0					
Central Services Division	84.0	72.0	66.0							
Public Affairs Division	17.0	20.0	17.0	10.0	11.0	9.0	9.0	7.0	7.0	10.0
Housing Stabilization Division	58.0	52.0	32.0	30.0	25.8	32.8	32.8	29.5	23.5	27.8
Homeownership Division	35.0	36.0	34.0	21.0	24.0					
Affordable Rental Housing Division	130.0	96.0	81.0	71.0	60.0					
Disaster Recovery & Resiliency	28.0	22.0	6.0							
Housing Finance Division						79.0	71.0	65.5	51.5	53.5
Chief Financial Office						19.0	19.0	22.0	21.0	20.0
Chief Operations Office						21.0	18.0			
Total	375.0	321.0	258.0	199.0	175.8	163.8	152.8	137.0	114.0	121.3

OHCS's divisions were reorganized in 2020.

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Other Reports



Kip Memmott
Division Director

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

The Honorable Tina Kotek
Governor of Oregon

Andrea Bell, Executive Director
Oregon Housing and Community Services Department

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Elderly and Disabled Housing Fund and the Housing Finance Fund, which collectively comprise the Housing and Community Services Fund, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Housing and Community Service Fund's basic financial statements, and have issued our report thereon dated October 28, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing and Community Services Department's (department) 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control. Accordingly, we do not express an opinion on the effectiveness of the department'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

255 Capitol St NE, Ste 180
Salem, Oregon 97310

LaVonne Griffin-Valade
Oregon Secretary of State

Cheryl Myers
Deputy Secretary & Tribal Liaison

Information (503) 986-2255
sos.oregon.gov/audits

weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the department'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 department'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 department's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Office of the Secretary of State, Audits Division

State of Oregon

October 28, 2024