

Memo

Date: June 1, 2026
 To: Supportive Housing Services Oversight Committee
 From: RJ Stangland, Finance Manager
 Subject: FY25-26 Q3 (July 2025 – March 2026) Financial Report

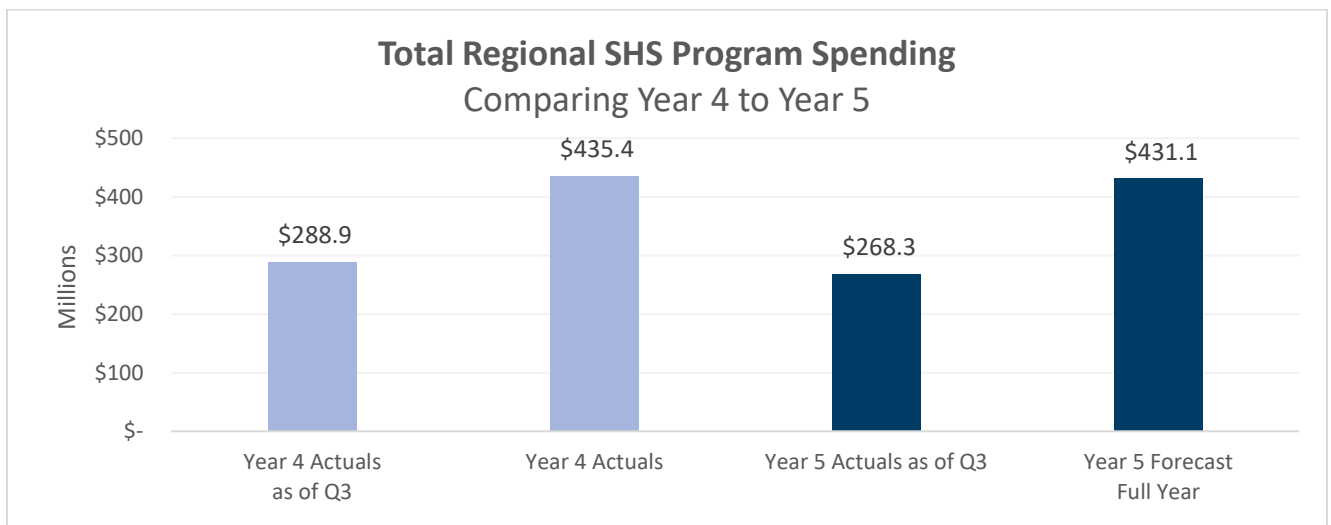
Metro designed this quarterly financial report to provide the information necessary for the SHS Oversight Committee to monitor financial aspects of program administration. It includes details on tax collections and tax collection costs, administrative costs, and program costs. County financial information comes from the quarterly finance reports provided by the counties as part of their quarterly progress reports, and any updates or additional information received from the counties.

Year 5 Quarter 3 Financial Overview

As noted last quarter, Metro’s 2025 Fall forecast for total tax collections in FY26 could be \$22.3 million higher than the original FY26 budget figure of \$328.8 million. Monthly tax collections remain between previous fiscal years’ collections; however, cumulatively FY26 tax collections continue to be above all previous years due to the spike in October’s tax collections caused by payments of prior years’ unpaid business taxes. Q3 reporting uses August to February tax collection figures due to the time taxes are collected, disbursed to the counties, and recognized as county revenue. At the end of Q3, a little over \$170 million was collected.

Since it’s the start of June, it’s relevant to understand the impact of April tax revenue (even though this will be reported on in Q4). Almost \$286 million has been collected after the main tax filing deadline for personal income, and the forecast is still tracking to end around \$351.1 million. Full forecast and additional analysis are available [here](#).

Spending as of FY26 Q3 is slightly lower than at this point last year. This demonstrates the continued focus to prioritize the most effective SHS programming as Metro and the counties face stagnant forecasted tax revenue growth paired with overall rising costs due to inflation and the unpredictability within the local and global economies.



For County specific data, see the “Year 4 – Year 5 Growth” charts in the County Snapshots below.

Supportive Housing Services Tax Overview

Key Takeaways:

- As noted above, the tax collection forecast has increased to \$351.1 million, about 7% higher than the original FY26 budget figure. This has a direct impact on Metro and Counties' Year-end Forecasts for revenue

Tax Revenue Summary					
	Budget	YTD Actuals	% of Budget	Year-end Forecast	% of Budget
Tax Revenue	328,800,000	170,805,821	52%	351,100,000	107%
Tax Collection Costs (Amount retained)	11,430,142	6,300,000	55%	11,430,142	100%
Net Tax Revenue	317,369,858	164,505,821	52%	339,669,858	107%
Metro Admin Allowance (5%)	15,868,493	8,225,291	52%	16,983,493	107%
County Partner Revenue	301,501,365	156,280,530	52%	322,686,365	107%
Multnomah County	136,680,619	70,847,173	52%	146,284,486	107%
Washington County	100,500,455	52,093,510	52%	107,562,122	107%
Clackamas County	64,320,291	33,339,846	52%	68,839,758	107%

Tax Collection Costs					
	Budget	YTD Actuals	% of Budget	Year-end Forecast	% of Budget
Tax Collection Costs	11,430,142	6,784,773	59%	11,430,142	100%
Personnel	5,335,240	3,673,653	69%	5,335,240	100%
Software	3,510,488	2,238,904	64%	3,510,488	100%
Other M&S	1,461,304	872,216	60%	1,461,304	100%
Contingency	1,123,110	-	0%	1,123,110	100%

Tax collections above are on an accrual accounting basis and reflect collections received by Metro and disbursed to county partners from September 2025 – March 2026. Tax collections by the tax administrator through July 2026, received by Metro and disbursed to county partners in August 2026, are recorded in FY26 since these tax payments are for income earned during that fiscal year.

The amount retained by Metro for tax collection costs is based on estimated costs; actual YTD tax collection costs are detailed in the second table.

Administration and Oversight Costs

The Supporting Housing Services Measure allows for up to 5% of net tax collections to cover the costs of Metro program administration and oversight. This includes the SHS team, as well as supporting operations like finance, legal, communications, IT, and HR. The costs associated with Metro program administration and oversight are detailed in the table below.

Key Takeaways:

- Metro entered this fiscal year with \$37.5 million in carryover from the prior year.
- Metro amended the budget in March to account for the \$32 million of admin carryover planned to be distributed to the counties to support budget gaps and urgent one-time investments.
- Additional Metro admin carryover funds will be used for both stabilization reserves and to provide necessary capacity for new and unforeseen programmatic opportunities.
- Metro expects to end this fiscal year with approximately \$8 million in carryover.

Metro Administrative Costs					
	Amended Budget	YTD Actuals	% of Budget	Year-end Forecast	% of Budget
Prior Year Carryover	30,192,511	37,528,757	124%	37,528,757	124%
YTD Admin Allowance (5%)	15,868,493	8,225,291	52%	16,983,493	107%
Interest Earnings	663,519	572,059	86%	730,000	110%
Total Resources	6,724,523	46,326,107	99%	55,242,250	118%
Direct Personnel	7,127,228	4,630,218	65%	6,482,305	91%
Materials & Services	36,486,896	27,498,976	75%	35,825,537	98%
Indirect Costs (Allocation Plan)	4,951,245	3,713,434	75%	4,951,245	100%
Contingency	3,387,686	-	0%	-	0%
Expense & Contingency	51,953,055	35,842,628	69%	47,920,446	92%
Carryover to next period	(5,228,532)	10,483,480		7,983,162	

Metro recommends that each county’s program administrative costs do not exceed 5% of SHS program revenue. These costs do not include the administrative costs of service providers or regional long-term rent assistance (RLRA). Due to timing differences in when revenue is recorded, this metric is not monitored on a quarterly basis. It will be reported in the annual report.

For quarterly monitoring, county administrative costs as a percentage of program costs are shown in the table below.

County Administrative Costs				
	Clackamas County	Multnomah County	Washington County	Total
County Administrative Costs	2,304,423	5,904,784	2,836,765	11,045,973
<i>% of SHS program costs</i>	5%	6%	4%	5%

County Partner Snapshots

The following pages summarize financial information by county, in both numerical and visual form. This provides a consistent format to compare the similar but unique programs of each county.

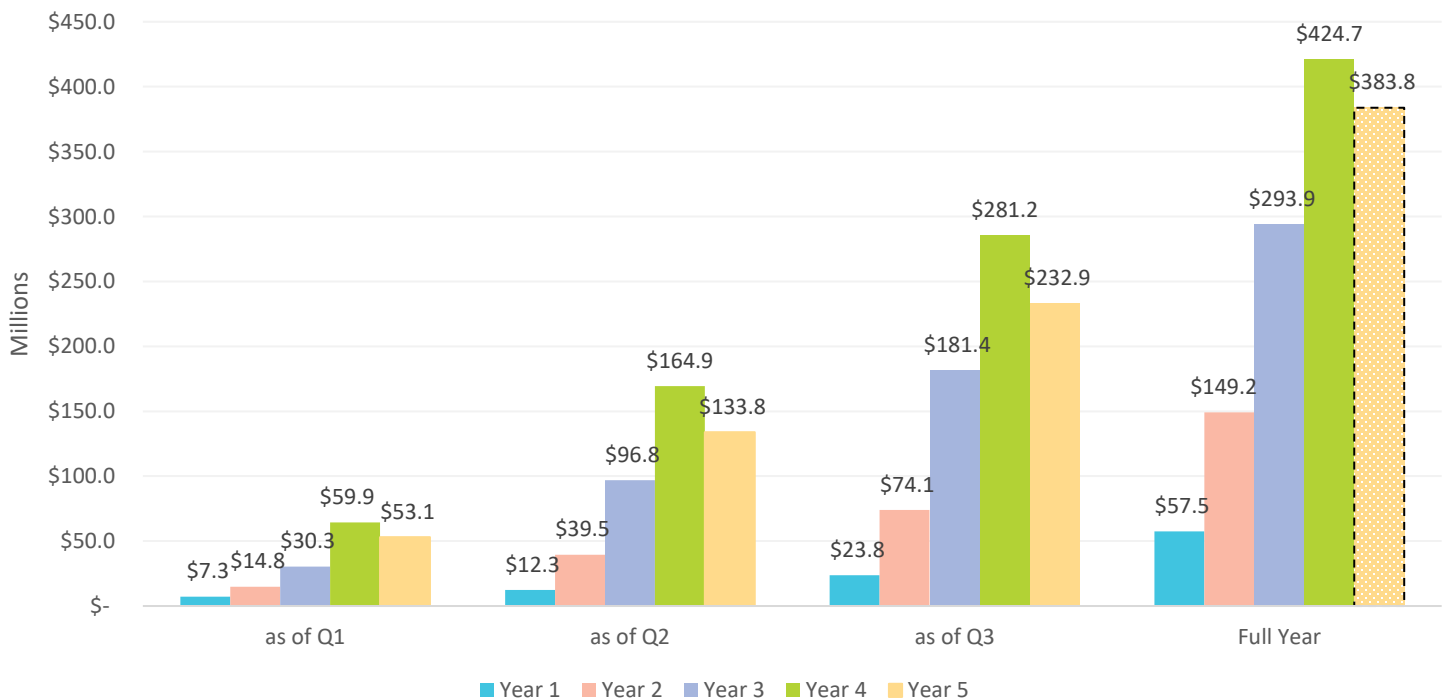
Note: SHS Program Revenue reported below is per the counties' financial reports. It may differ from the revenue reported above due to additional revenue, such as interest earnings, and differences in timing per each county's accounting policies.

Key Takeaways:

- Together, the counties have spent a combined total of \$232.9 million on SHS program costs as of the third quarter of Year 5 (July 2025 – March 2026), which is a significant decrease of \$48.3 million from the \$281.2 million spent in the prior year at this point.
- All counties continue to have more year-to-date expenses than program revenue collected in Q3, requiring prior year carryover to cover these deficits.

County Summary (in millions) <i>as of March 2026</i>				
	Clackamas County	Multnomah County	Washington County	Total
Prior Year Carryover	\$103.5	\$63.0	\$84.2	\$250.7
SHS Program Revenue	\$33.3	\$70.8	\$67.9	\$172.1
Interest Earnings	\$2.5	\$1.2	\$2.4	\$6.2
Other Revenue	-	-	\$10.0	\$10.0
Total Resources	\$139.3	\$135.1	\$164.6	\$439.0
Program Costs	\$46.7	\$105.9	\$80.3	\$232.9
Total Expense	\$46.7	\$105.9	\$80.3	\$232.9
Budgeted Reserves	\$13.3	\$4.2	\$60.9	\$78.3
Ending Balance (incl. Reserves)	\$92.6	\$29.2	\$84.3	\$206.1

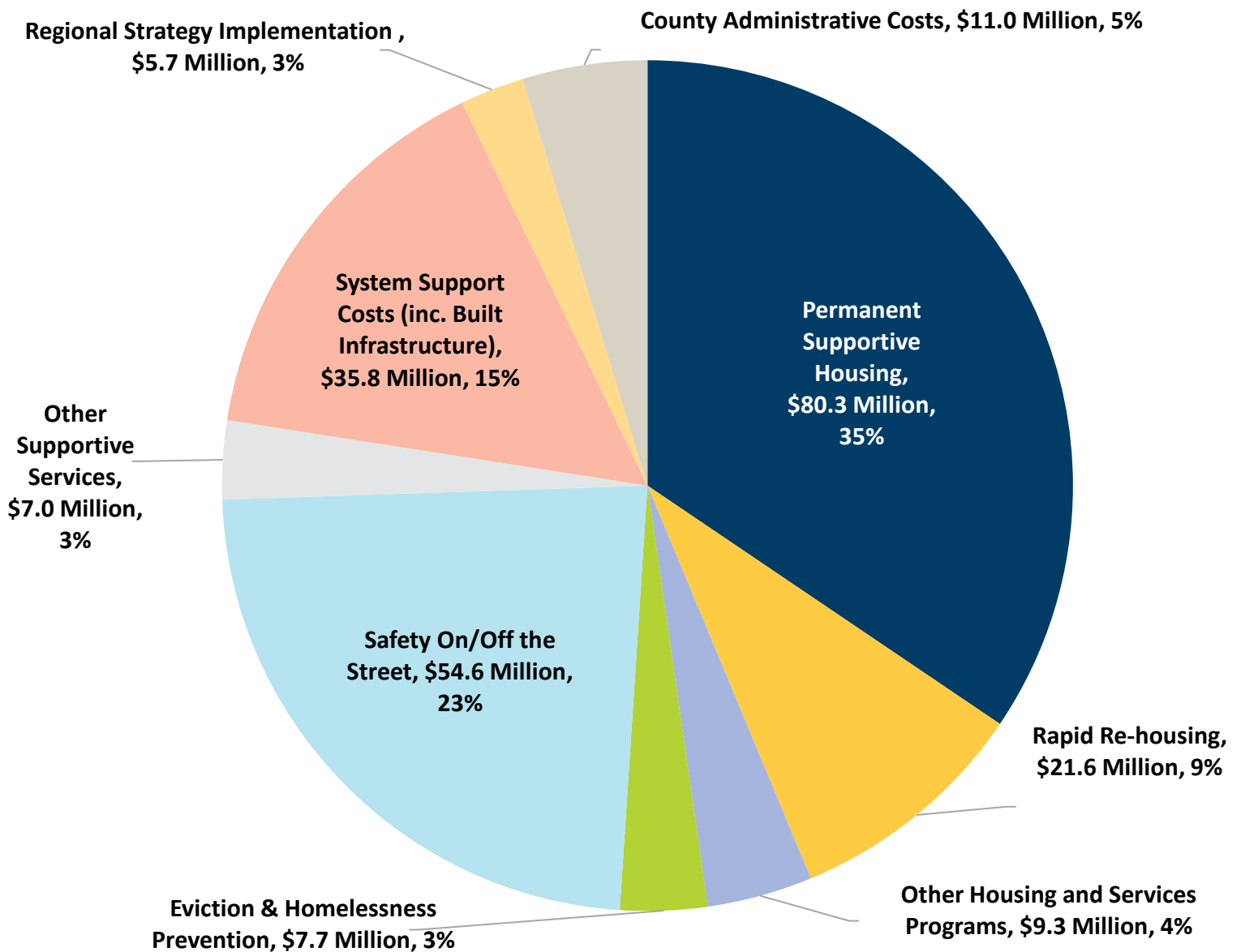
Combined County SHS Spending by Year



Regional SHS Spending by Program Category (All Counties Combined)

\$232.9 million

(Year 5 Q3: July 2025 – March 2026)



Clackamas County Snapshot

Overview

Clackamas County included estimated carryover of \$101.6 million in its FY26 budget, however actual carryover was updated to \$103.5 million after their county audit finalized the expenses and interest earnings for the prior fiscal year. Similarly, Clackamas County’s original budget for FY26 program revenue reflected Metro’s 2024 Fall forecast, which has since increased by \$4.5 million with Metro’s updated 2025 Fall Forecast. As a result, Clackamas County expects to end the year with over \$7 million more in resources (assuming their interest earnings continue) than initially budgeted.

Clackamas County reported \$46.7 million in expenses as of FY26 Q3, and based on its spend-down plan, expects to have \$90.3 million in total expenses this fiscal year. This would result in an ending balance of \$84.6 million for next fiscal year, of which \$13.3 million is budgeted as stabilization reserve and regional strategy implementation contingency.

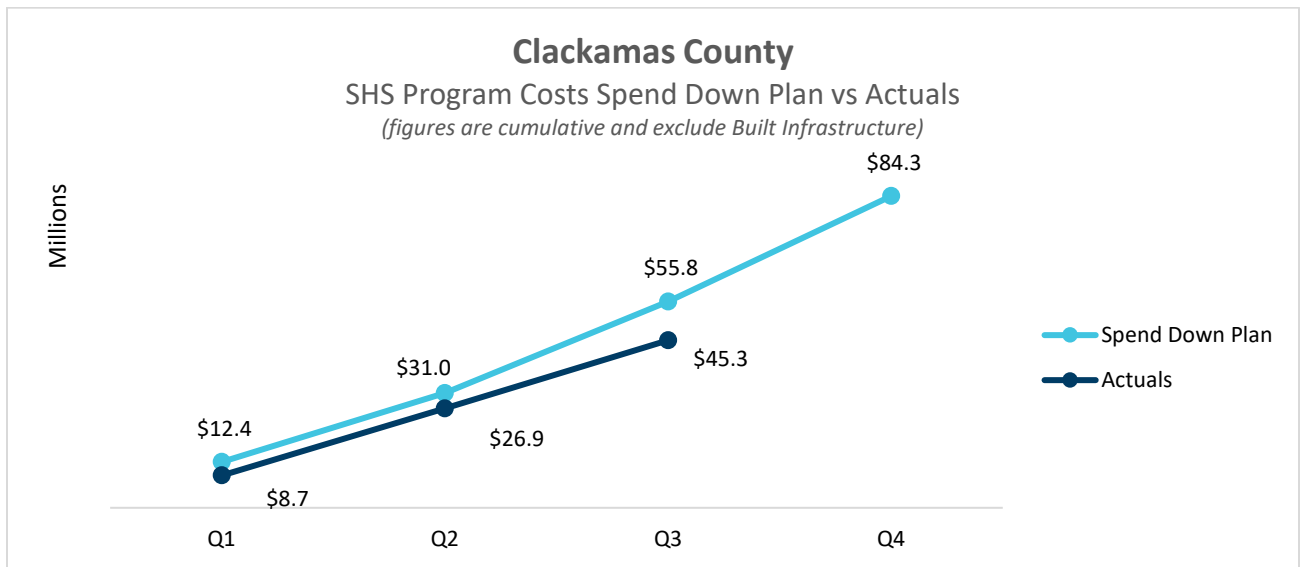
Clackamas County’s spend-down plan for carryover includes limited-term regional investments in coordinated entry and technical assistance, limited-term investments in system development and service provider capacity building, limited-term pilot programs (to close system gaps, address unmet needs, and test innovative system integrations and up-stream approaches), short-term rent assistance, the Move Forward program to support those transitioning off the RLRA program, reserves to slowly ramp down multiple programs over the course of three fiscal years to prevent shock to the system, and capital investments in built infrastructure.

Clackamas County					
	Budget	YTD Actuals	% of Budget	Year-end Forecast	% of Budget
Prior Year Carryover	101,616,275	103,505,192	102%	103,505,192	102%
SHS Program Revenue	64,320,000	33,339,846	52%	68,839,758	107%
Interest Earnings	2,000,000	2,494,540	125%	2,494,540	125%
Other Revenue	-	-	N/A	-	N/A
Total Resources	167,936,275	139,339,578	83%	174,839,489	104%
Program Costs (excluding Built Infrastructure)	123,949,281	45,290,546	37%	84,285,511	68%
Built Infrastructure	27,494,472	1,413,468	5%	6,000,000	22%
Contingency	3,216,000	-	0%	-	0%
Expense & Contingency	154,659,753	46,704,013	30%	90,285,511	58%
Reserves	13,276,522	13,276,522		13,276,522	
Ending Balance (incl. Reserves)	13,276,522	92,635,564		84,553,978	

Annual Spending

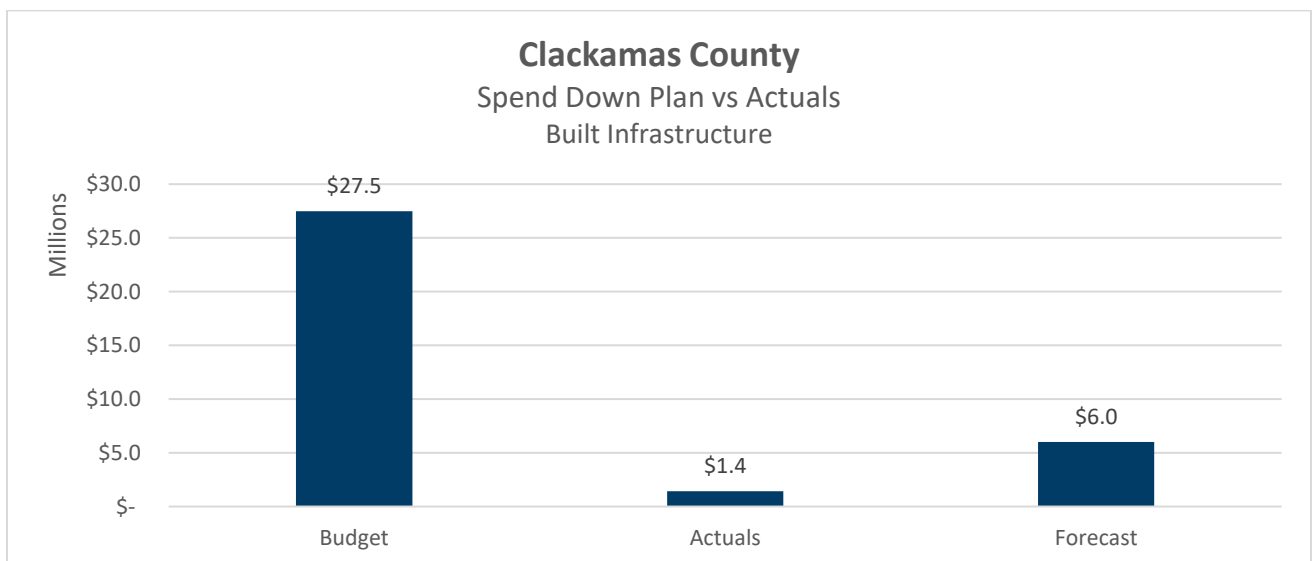
Total forecasted annual spending is \$90.3 million, which is about 24% more from the prior year and 31% more than the current year forecasted program revenue (excluding interest earnings).

The spend-down plan reflects estimated spending of the annual program budget by quarter and is compared to actual spending below. Clackamas County’s spend-down plan projects that it will spend 68% of its annual program budget in FY26, excluding built infrastructure. The graph shows a more linear track for actuals up to end of Q3. Actuals are slightly below the spend down plan; however, Q4 historically ends with significant increases in spending due to end of year invoicing from providers.



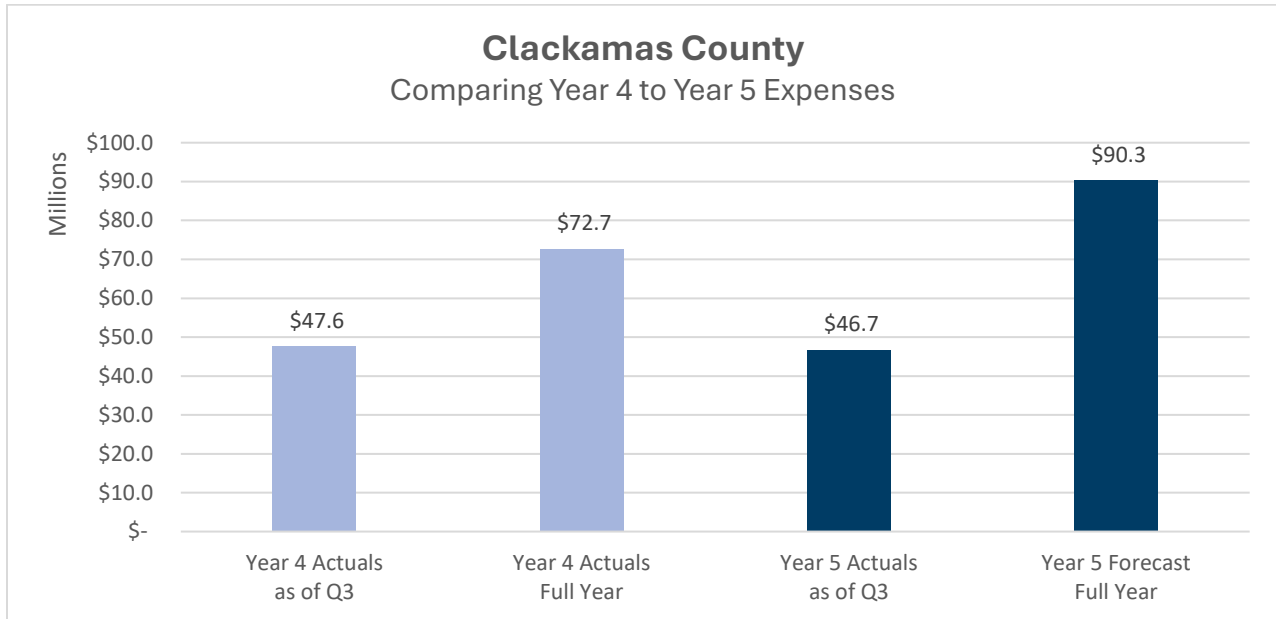
Built infrastructure is forecasted separately as these expenses tend to occur in large tranches as opposed to gradually over time. Clackamas County fully budgets multiyear investments.

The county anticipates spending approximately \$6 million on built infrastructure in FY26 and the remaining amount that is budgeted in future years.

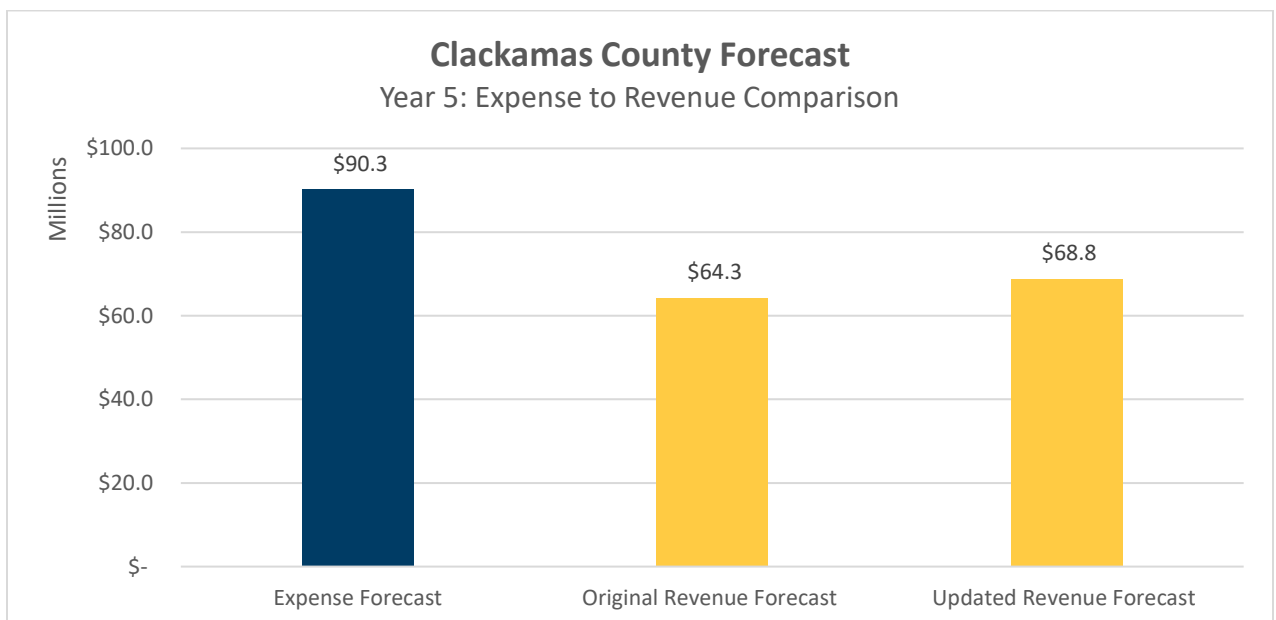


Year to Year Comparison

The following chart compares Year 4 spending with Year 5. Clackamas County has spent about 2% less in Year 5 as compared to this time in Year 4; however, when looking at full year actuals to forecasted expenses, Clackamas County is projected to spend about 24% more in Year 5 than by the end of last fiscal year.

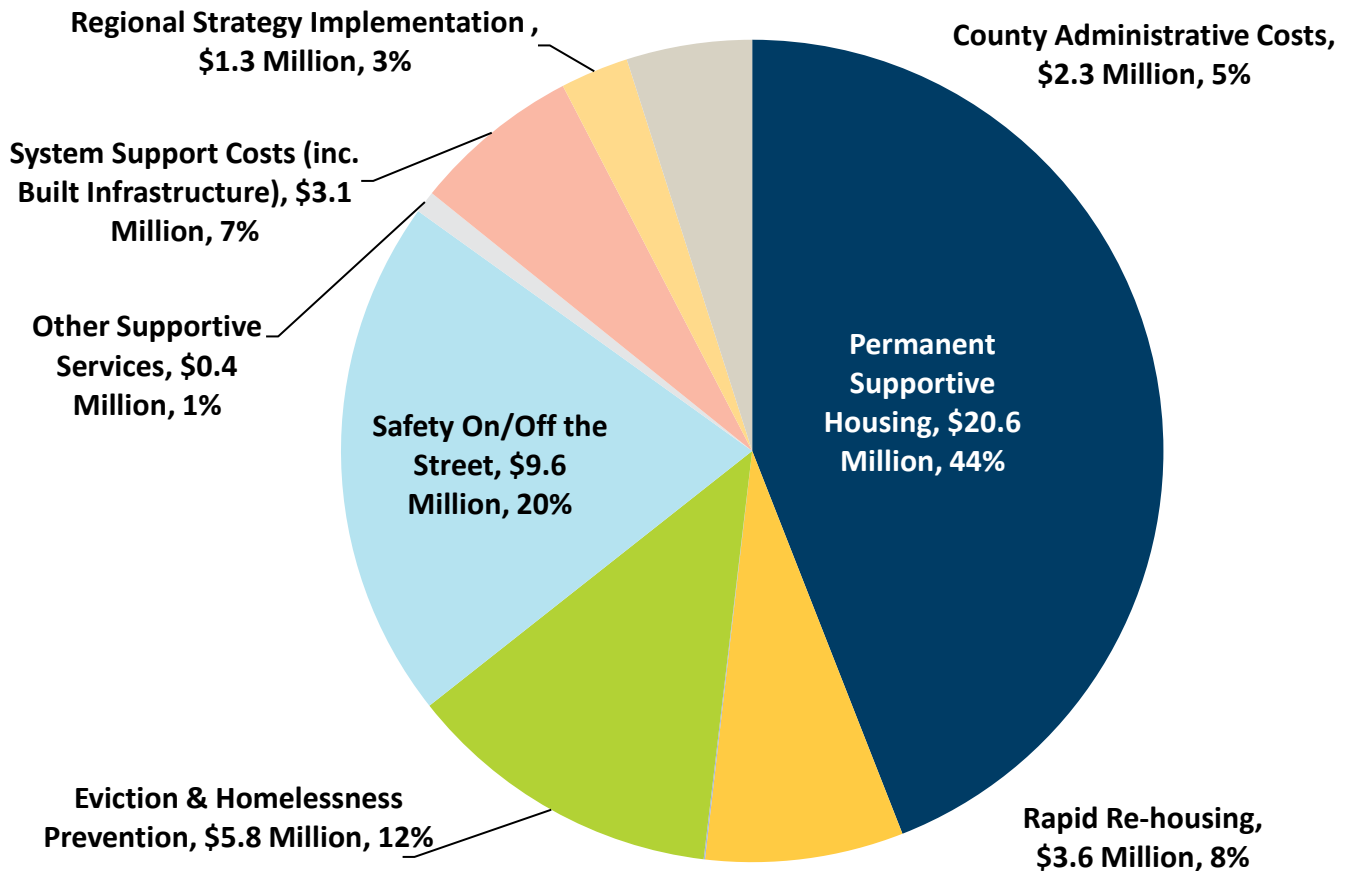


The chart below compares expense and revenue forecasts (original and updated). In year 5, there is now a deficit gap between program expense and revenue, as programs are fully ramped up while the latest revenue forecasts are lower than originally forecasted for FY26.

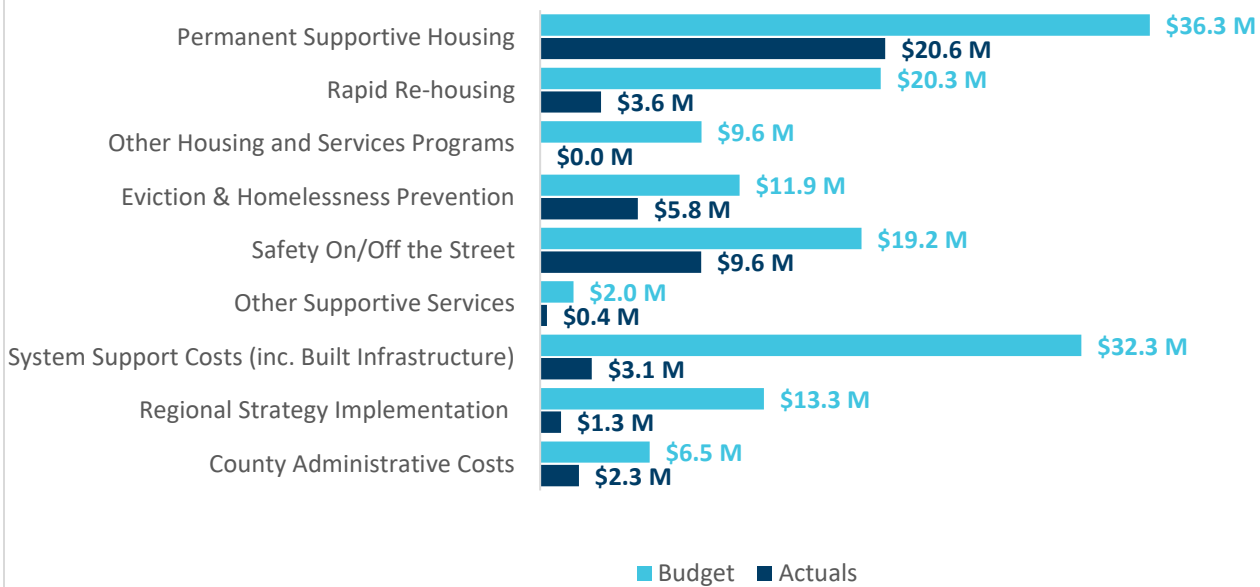


Clackamas County SHS Spending by Program Category

(Year 5 Q3: July 2025 – March 2026)



Clackamas County FY 2025-26 Program Expenditures



Multnomah County Snapshot

Overview

Multnomah County included \$63 million in carryover in its FY26 budget, which included Metro’s \$15 million carryover distribution in August (Multnomah County accounted for this accrual at the end of FY25). Multnomah County amended their original budget for FY26 to include their updated actual FY25 carryover after their audit. Additionally, there will be \$9.7 million in forecasted revenue based on Metro’s updated 2025 Fall Forecast. As a result, Multnomah County expects to end the year with \$10.9 million more in resources than initially budgeted.

Multnomah County reported \$105.9 million in expenses as of FY26 Q3, and based on its spend-down plan, expects to have \$157.7 million in total expenses this fiscal year. This would result in an ending balance of \$52.8 million for next fiscal year, of which \$4.2 million is budgeted as a stabilization reserve.

Multnomah County’s spend-down plan for carryover includes sustainment of current programming and service provider capacity levels, systems infrastructure, built infrastructure, regional strategy implementation, and building up stabilization reserves.

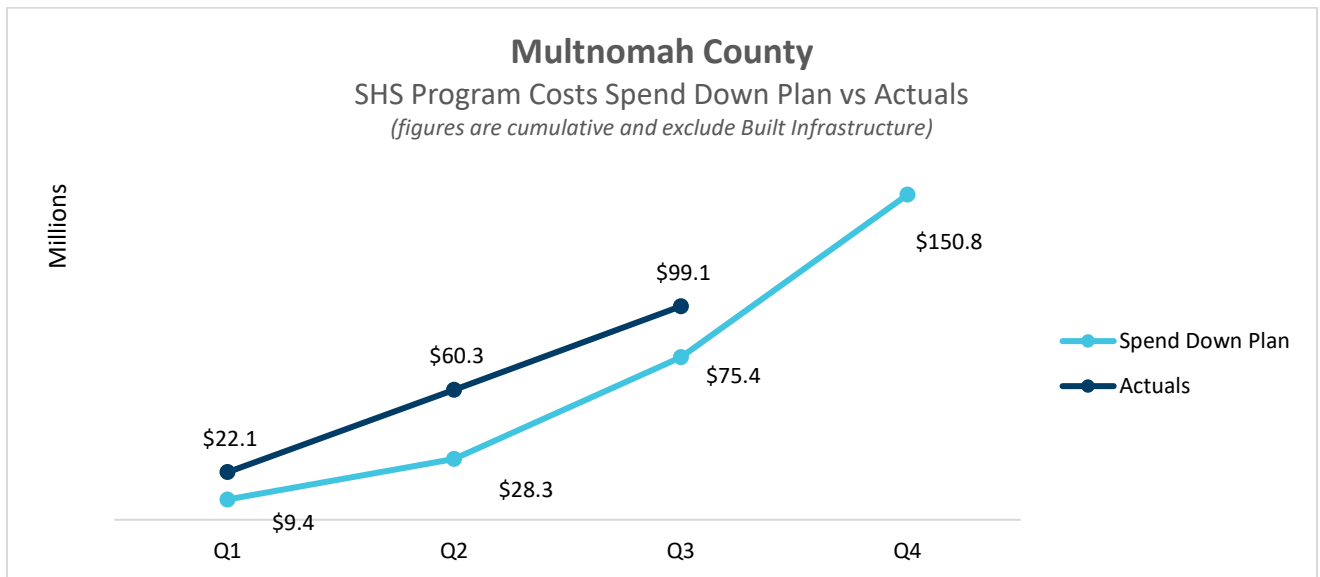
Multnomah County					
	Budget	YTD Actuals	% of Budget	Year-end Forecast	% of Budget
Prior Year Carryover	62,967,179	62,967,180	100%	62,967,180	100%
SHS Program Revenue	136,584,365	70,847,173	52%	146,284,486	107%
Interest Earnings	-	1,239,595	N/A	1,239,595	N/A
Other Revenue	-	-	N/A	-	N/A
Total Resources	199,551,544	135,053,948	68%	210,491,260	105%
Program Costs (excluding Built Infrastructure)	188,535,814	99,050,539	53%	150,828,651	80%
Built Infrastructure	6,850,000	6,850,000		6,850,000	100%
Contingency	-	-	N/A	-	N/A
Expense & Contingency	195,385,814	105,900,539	54%	157,678,651	81%
Reserves	4,165,730	4,165,730		4,165,730	
Ending Balance (incl. Reserves)	4,165,730	29,153,409		52,812,609	

Note: These budget figures are based on Multnomah County’s latest amended budget, which reflects an update from the budget figures originally reported in their Q1 report. Specifically, both prior year carryover and program expenses increased by \$7.1 million.

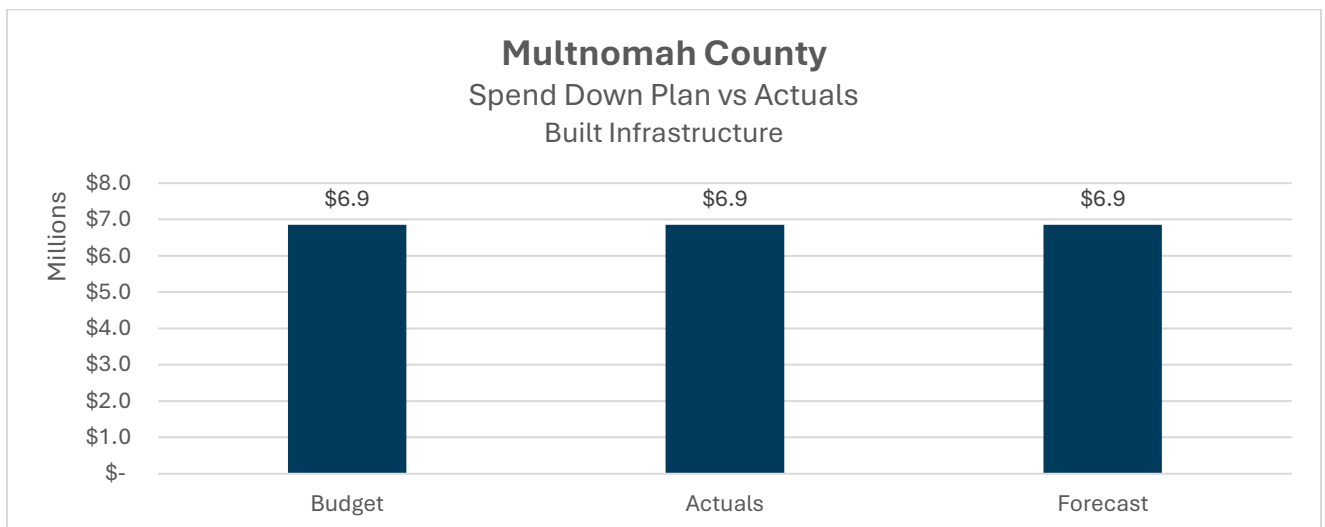
Annual Spending

Total forecasted annual spending is \$157.7 million, which is about 72% of the prior year amount and 8% more than the current year forecasted program revenue (excluding interest earnings).

The spend-down plan reflects estimated spending of the annual program budget by quarter and is compared to actual spending below. Multnomah County’s spend-down plan projects that it will spend 80% of its annual program budget in FY26, excluding built infrastructure. The graph shows a more linear track for actuals up to end of Q3. Actuals are above the spend down plan but show that they are on track with their spend down plan benchmarks for year end.

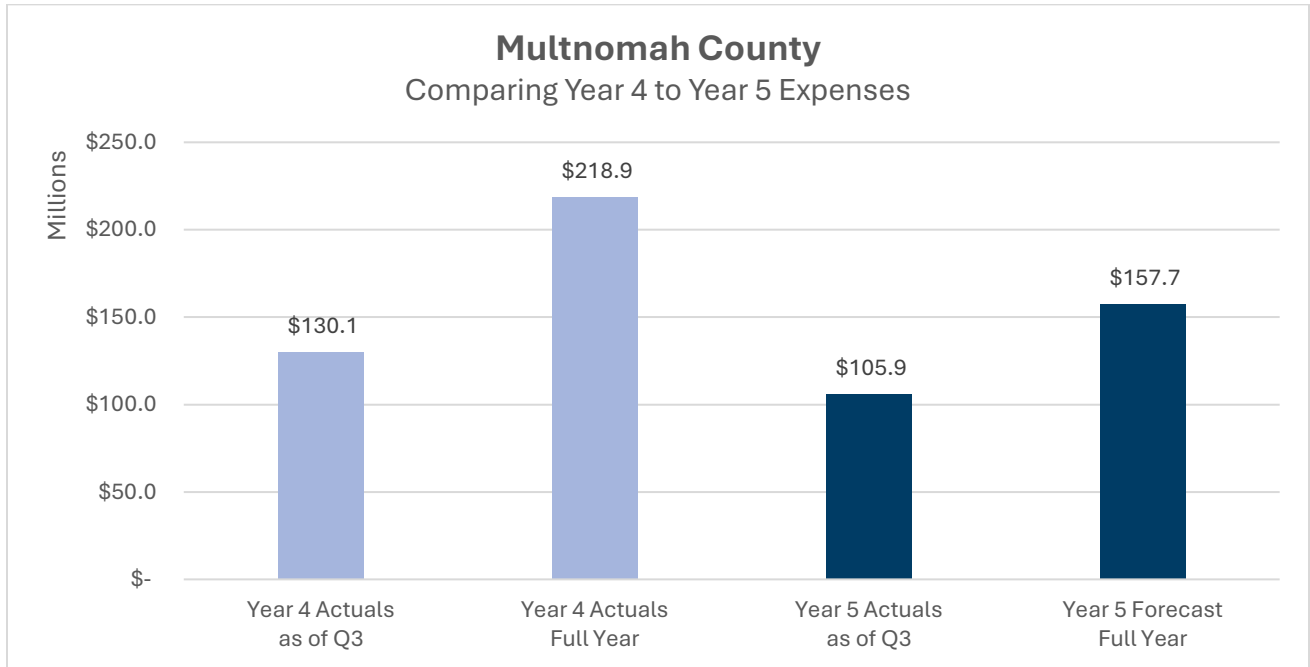


Built infrastructure is forecasted separately as these expenses tend to occur in large tranches as opposed to gradually over time. Multnomah County’s Q3 report did not comment on specifics for Built Infrastructure for FY26 and the forecast assumes only the budgeted amount will be expensed this fiscal year.



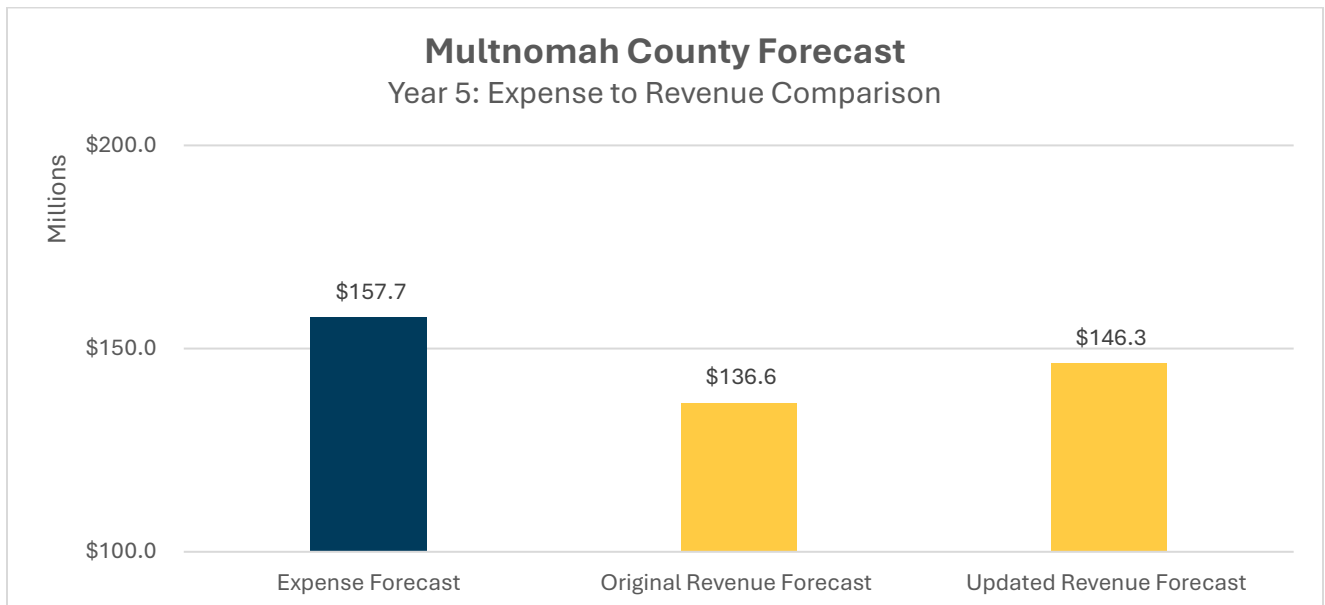
Year to Year Comparison

The following chart compares Year 4 spending with Year 5. Multnomah County has spent about 19% less in Year 5 as compared to this time in Year 4 and is forecasted to spend 28% less by the end of the year when compared to Year 4’s full year actuals.



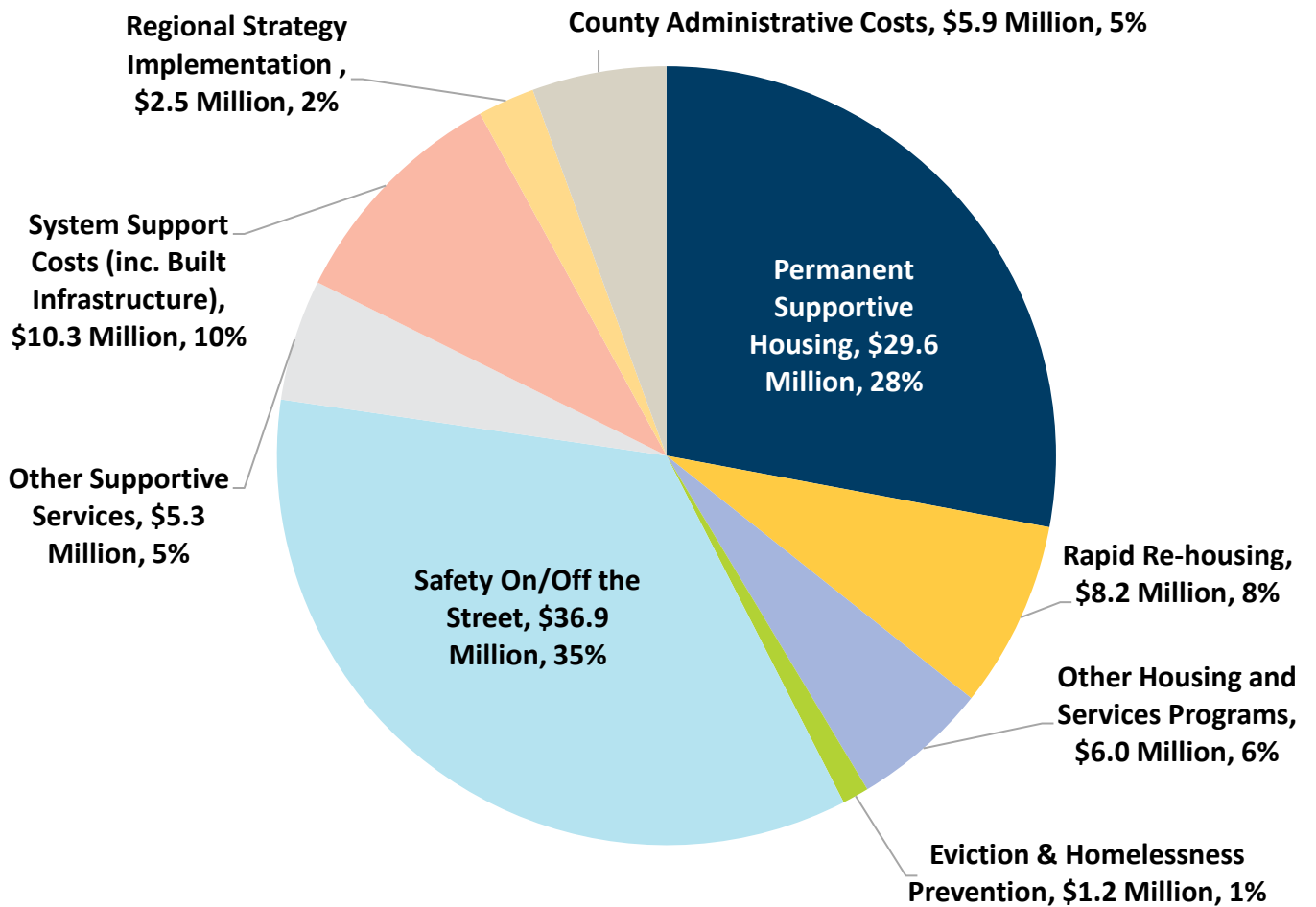
The chart below compares expense and revenue forecasts (original and updated). In year 5, there continues to be a deficit gap between program expense and revenue forecast, as programs are now fully ramped up while revenue forecasts show a leveling off.

Multnomah County shows a potential \$11.4 million deficit this fiscal year which will be covered by prior year carryover.

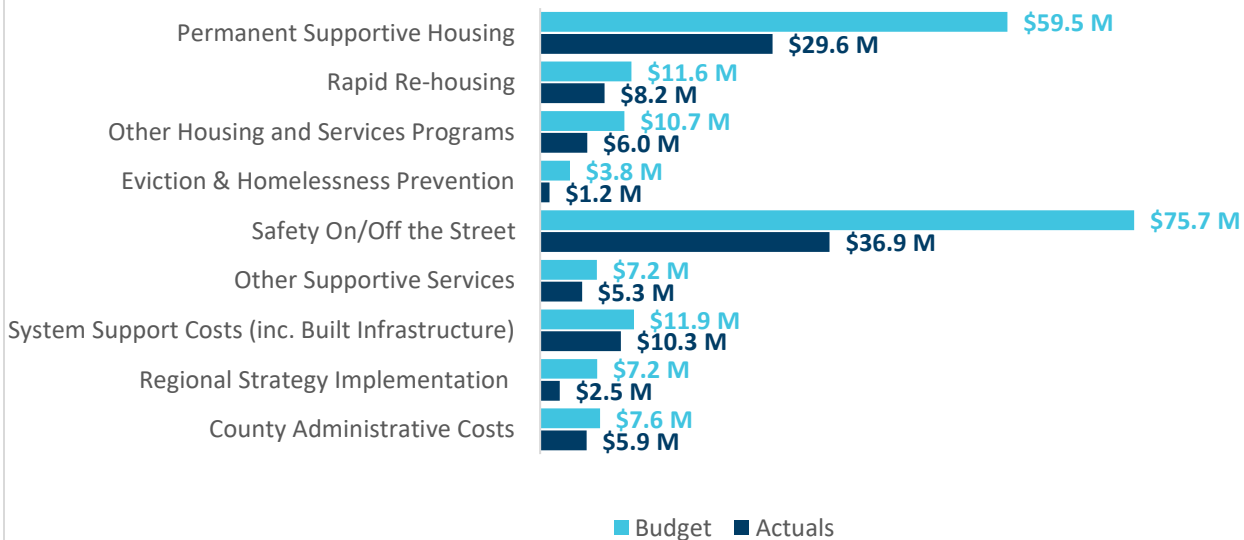


Multnomah County SHS Spending by Program Category

(Year 5 Q3: July 2025 – March 2026)



Multnomah County FY 2025-26 Program Expenditures



Washington County Snapshot

Overview

Washington County included estimated carryover of \$97.1 million in its FY26 budget, however actual carryover was lowered to \$84.2 million due to a mix between final expenses, interest earnings at the close of the prior fiscal year, and variance in when tax revenue is accounted. Washington County’s original budget for FY26 program revenue reflected Metro’s 2024 Fall forecast, which has since increased by \$7.2 million with Metro’s updated 2025 Fall Forecast. Additionally, Washington County received \$10 million in Metro admin carryover this quarter. As a result, Washington County expects to end the year with \$3.3 million more in resources than initially budgeted including interest earnings not originally budgeted.

Washington County reported \$80.3 million in expenses as of FY26 Q3, and based on its spend-down plan, expects to have \$135.8 million in total expenses this fiscal year. This would result in an ending balance of \$68.4 million for next fiscal year, of which \$60.9 million is budgeted as stabilization reserve, regional strategy implementation contingency, and other programmatic reserves.

Washington County’s spend-down plan for carryover includes sustainment of current programming and service provider capacity levels, significant investments in built infrastructure, and expansion of eviction prevention and short-term rent assistance.

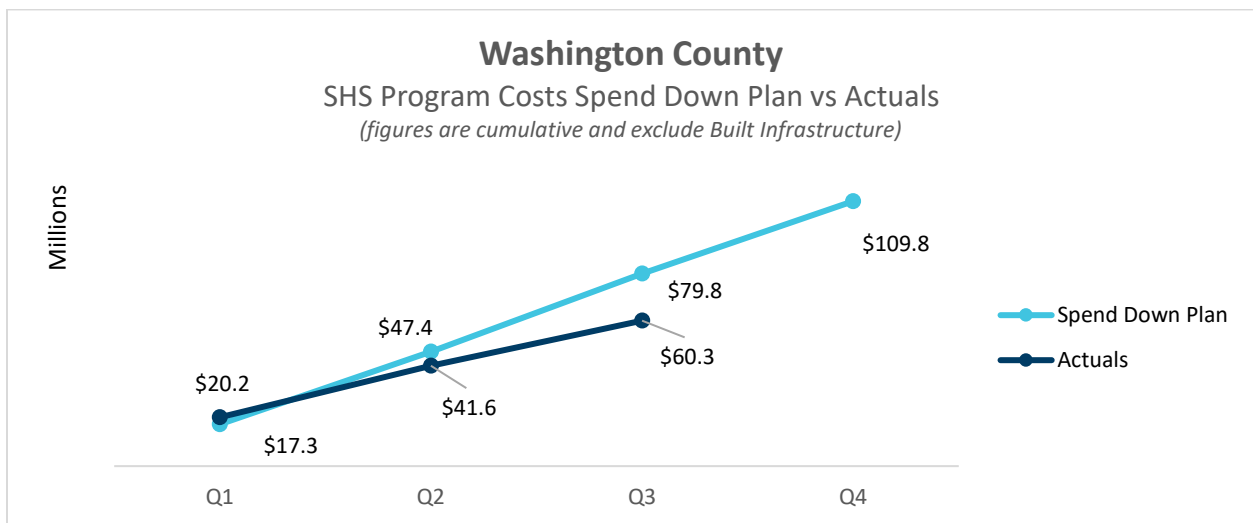
Washington County					
	Budget	YTD Actuals	% of Budget	Year-end Forecast	% of Budget
Prior Year Carryover	97,093,948	84,225,421	87%	84,225,421	87%
SHS Program Revenue	100,400,000	67,902,871	68%	107,562,122	107%
Interest Earnings	-	2,436,896	N/A	2,436,896	N/A
Other Revenue	10,000,000	10,000,000	N/A	10,000,000	N/A
Total Resources	207,493,948	164,565,188	79%	204,224,439	98%
Program Costs <small>(excluding Built Infrastructure)</small>	115,627,703	60,313,608	52%	109,846,318	95%
Built Infrastructure	25,981,321	19,972,109	77%	25,981,321	100%
Contingency	5,020,000	-	0%	-	0%
Expense & Contingency	146,629,024	80,285,717	55%	135,827,639	93%
Reserves	60,864,924	60,864,924		60,864,924	
Ending Balance (incl. Reserves)	60,864,924	84,279,471		68,396,800	

Note: Other Revenue of \$10 million is from Metro admin carryover disbursement in Q3.

Annual Spending

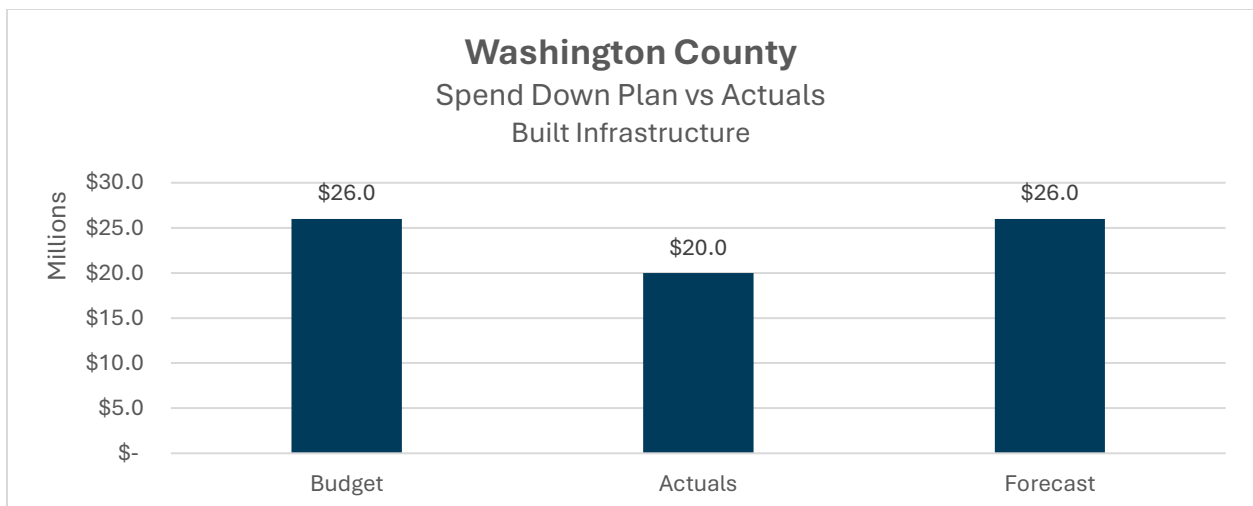
Total forecasted annual spending is \$135.8 million, which is a little over 2% more than the prior year amount and 26% more than the current year forecasted program revenue (excluding interest earnings).

The spend-down plan reflects estimated spending of the annual program budget by quarter and is compared to actual spending below. Washington County’s spend-down plan projects that it will spend 95% of its annual program budget in FY26, excluding built infrastructure. The graph shows linear tracks for both budget and actuals up to end of Q3. Actuals are below the spend down plan; however, Q4 historically ends with significant increases in spending due to end of year invoicing from providers.



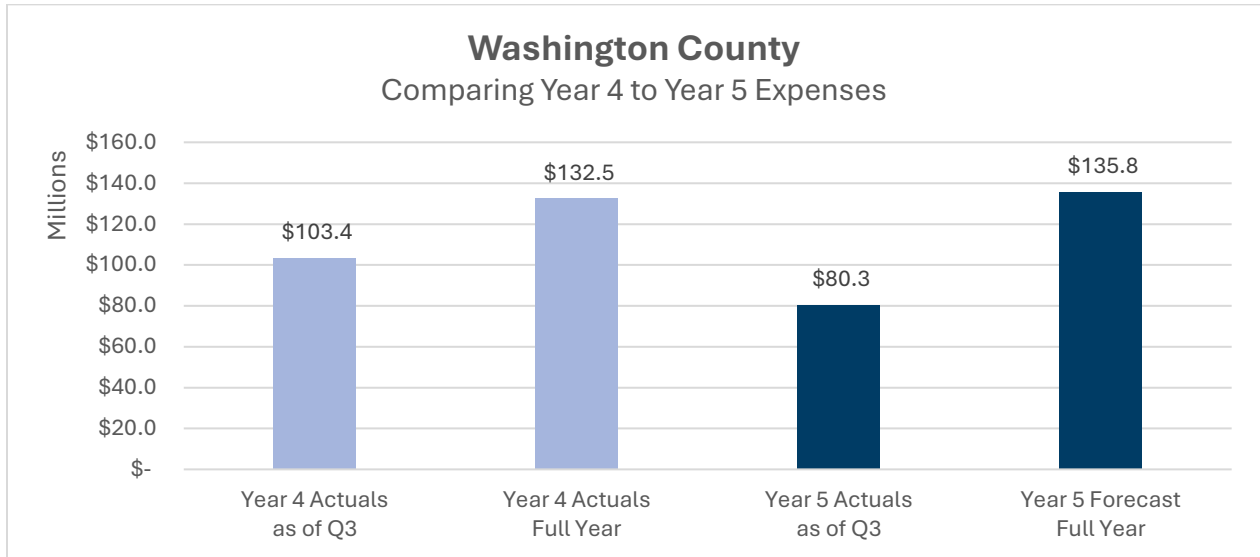
Built infrastructure is forecasted separately as these expenses tend to occur in large tranches as opposed to gradually over time.

Washington County’s Q3 report did not comment on specifics for Built Infrastructure for FY26 other than \$6 million of the \$10 million from Metro admin carryover would be added to the budget. The forecast assumes the budgeted amount will be fully expensed this fiscal year.



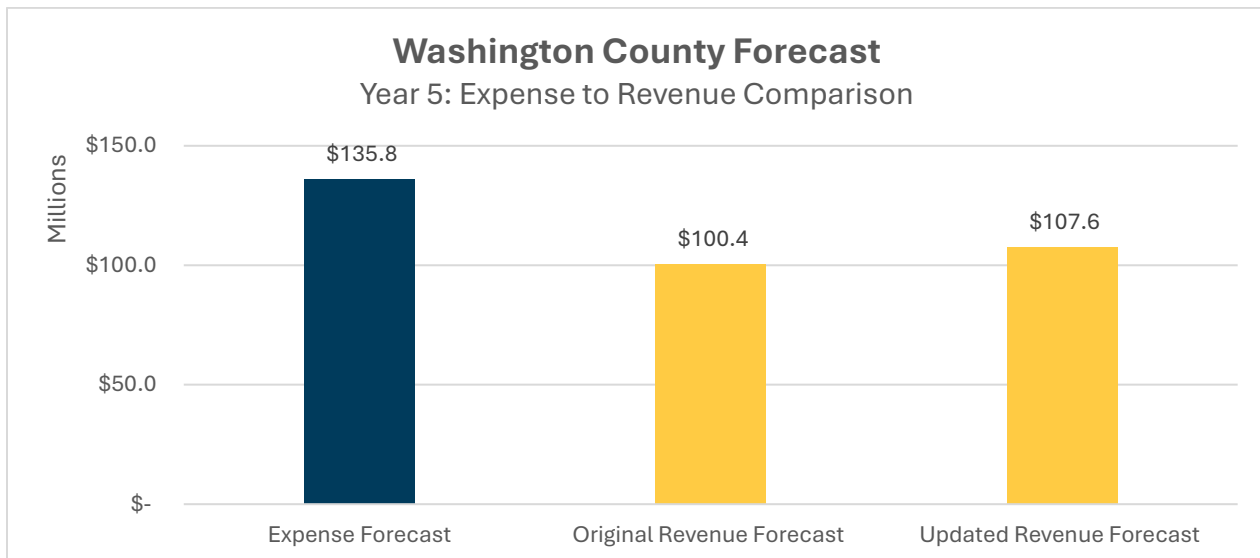
Year to Year Comparison

The following chart compares Year 4 spending with Year 5. Washington County has spent about 22% less in Year 5 as compared to this time in Year 4 and is forecasted to spend about 2.5% more by the end of the year when compared to last year.

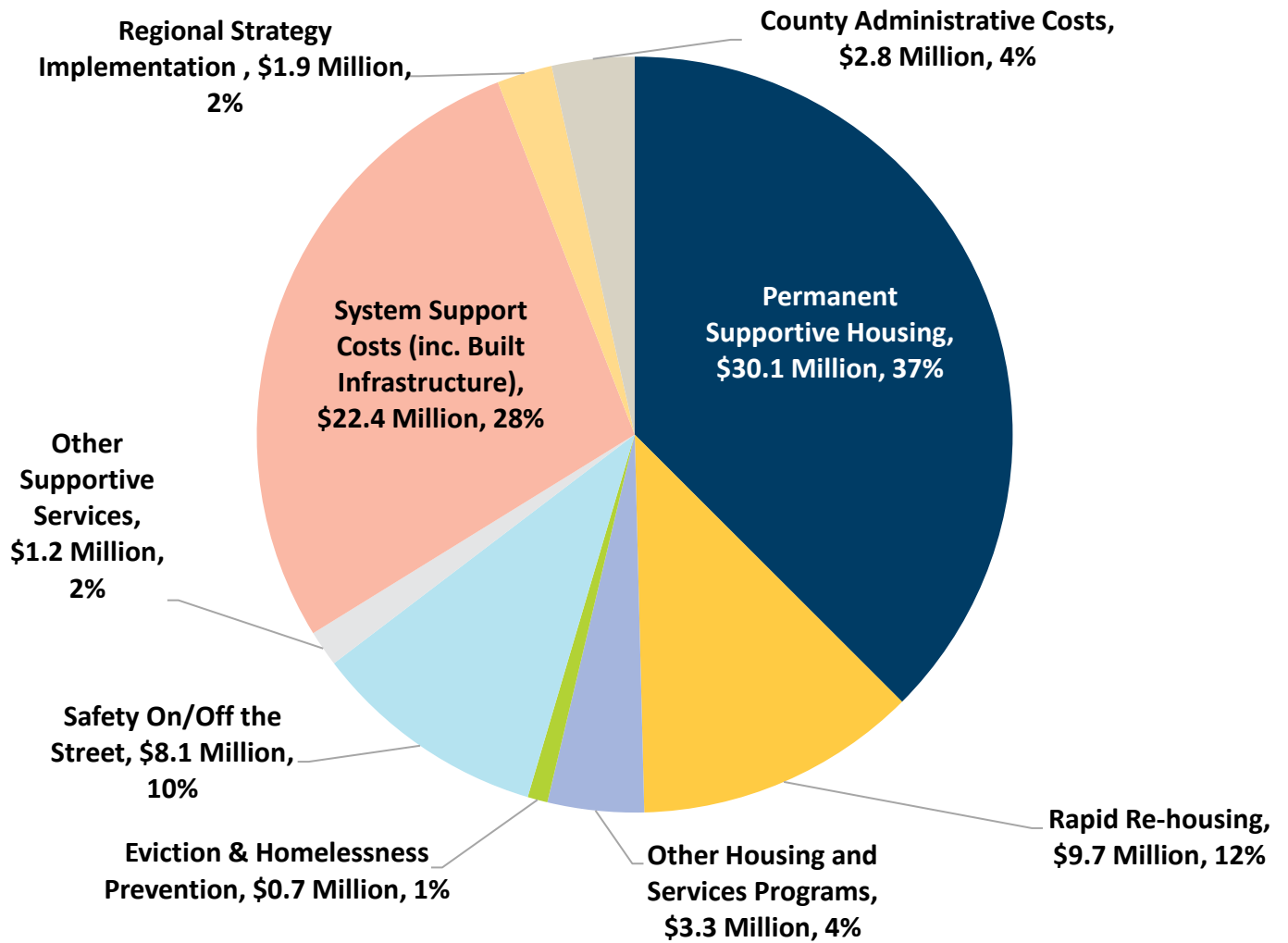


The chart below compares expense and revenue forecasts (original and updated). In year 5, there continues to be a deficit gap between program expense and revenue forecast, as programs are now fully ramped up while revenue forecasts show a leveling off.

Washington County shows a potential \$28.2 million deficit this fiscal year which will be covered by prior year carryover.



Washington County SHS Spending by Program Category (Year 5 Q3: July 2025 – March 2026)



Washington County FY 2025-26 Program Expenditures

