

Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2025

If you picnic at Blue Lake or take your kids to the Oregon Zoo, enjoy symphonies at the Schnitz or auto shows at the convention center, put out your trash or drive your car – we’ve already crossed paths.

So, hello. We’re Metro – nice to meet you.

In a metropolitan area as big as Portland, we can do a lot of things better together. Join us to help the region prepare for a happy, healthy future.

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Lynn Peterson

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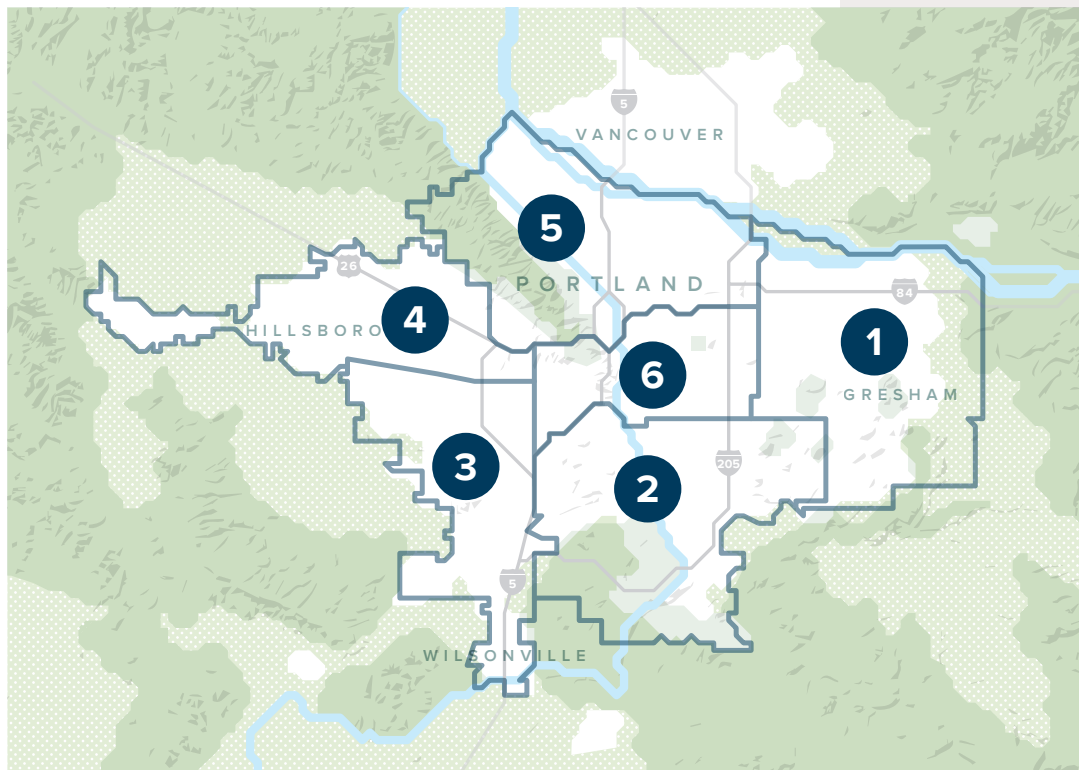
Juan Carlos González, District 4

Mary Nolan, District 5

Duncan Hwang, District 6

Auditor

Brian Evans





Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2025

Finance and Regulatory Services Department

Chief Financial Officer
Brian Kennedy

Deputy Chief Financial Officer
W. Caleb Ford, CPFO

Prepared by
Accounting Services Division

Controller
Melissa Weber, CPA

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Introductory Section

ARLENE SCHNITZER CONCERT HALL

CITY BACK
PORTLAND SIGN



600 NE Grand Ave.
Portland, OR 97232-2736
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December 8, 2025

To the Council and Residents of the Metro Region:

In accordance with ORS §297.425, we are pleased to present the Annual Comprehensive Financial Report of Metro for the fiscal year ended June 30, 2025, accompanied by the report of Metro's independent auditors, Baker Tilly US, LLP.

This Annual Comprehensive Financial Report (ACFR) presents the financial position of Metro and the results of its operations, as well as cash flows for its proprietary fund types, for the fiscal year ended June 30, 2025. The financial statements and supporting schedules have been prepared by management in accordance with accounting principles generally accepted in the United States of America (GAAP), meet the requirements of the standards as prescribed by the Oregon Secretary of State and are in conformance with the guidelines for financial reporting developed by the Government Finance Officers Association of the United States and Canada.

The ACFR provides meaningful financial information to legislative bodies, creditors, investors and the public. There are four main sections in this report, including a section with reports from our independent certified public accountants required by Oregon Administrative Rules and federal regulations. These reporting requirements are incorporated in the Minimum Standards for Audits of Municipal Corporations, as prescribed by the Secretary of State, Government Auditing Standards and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Metro management is responsible for the completeness and reliability of all the information and representations presented in this ACFR, based upon a comprehensive internal control framework established for this purpose. This framework is designed to provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition and that accounting transactions are executed in accordance with management's authorization and properly recorded, so that the financial statements can be prepared in conformity with GAAP. The design and operation of internal controls also ensures that federal and state financial assistance funds are expended in compliance with applicable laws and regulations related to those programs. Because the cost of internal controls should not outweigh their benefits, Metro's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

In accordance with Oregon law, Metro's financial statements have been audited by Baker Tilly US, LLP. The auditor issued an unmodified ("clean") opinion on Metro's financial statements for the year ended June 30, 2025 (see pages 13-16). The independent audit of the financial statements was performed in accordance with applicable auditing standards as described by Baker Tilly US, LLP in their reports included in this document.

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

Profile of Metro

Metro crosses city limits and county lines to make our communities safe, livable and ready for tomorrow. From protecting our region's air, water and natural beauty to supporting neighborhoods, businesses and farms that thrive, Metro makes our region a great place. Metro serves more than 1.8 million residents in Clackamas, Multnomah and Washington counties, and the 24 cities in the Portland, Oregon metropolitan area.

The voters of the region approved a constitutional amendment to allow the creation of a home rule regional government in the Portland metropolitan area in 1990, then a home rule charter for Metro in 1992 and a charter amendment in 2000. Metro is a directly elected regional government and is governed by a council president, elected region wide, and six councilors elected by district. The charter established the elected position of Metro Auditor. Ordinances are passed by a simple majority vote of the seven council members.

Services. The primary responsibility of Metro, as authorized by its charter, is to provide regional land use planning. The charter further recognizes the significant role Metro has in other regional issues. As such, Metro provides the following services that focus on issues that cross local boundaries:

- **Planning and Development:** Manages the regional urban growth boundary, prepares the Regional Transportation Plan, allocates federal highway and transit funds for the region, and conducts all regional transit and light rail planning. Coordinates data and research activities with governmental partners and develops regional economic and travel forecasts.
- **Housing:** Facilitates the creation of affordable housing across the region and funds the supportive housing services through administration and oversight of 2018 Affordable Housing Bond and 2020 Supportive Housing Services Measure.
- **Solid Waste Management:** Operates regional solid waste transfer stations, household hazardous waste facilities, and develops the Regional Solid Waste Management Plan.
- **Parks and Natural Areas:** Provides regional natural areas, parks, and trails, including historical cemeteries, a golf course, and marine facilities. Purchases land and restores natural habitats.
- **Visitor Venues:** Operates the Oregon Zoo, Oregon Convention Center, Portland Expo Center, and the Portland's Centers for the Arts.

Budget. The annual adopted budget serves as the foundation for Metro's financial planning and control. Metro prepares a budget for each fund in accordance with the modified accrual basis of accounting and legal requirements set forth in Oregon Local Budget Law, ORS §294.305 to §294.565. The Council adopts the budget for all funds by resolution prior to the beginning of Metro's fiscal year (July 1). Expenditures for each fund cannot legally exceed the appropriation levels set by the authorizing resolution. The legal level of budgetary control for each fund is set by department, with separate designations within the fund for the categories of debt service, interfund transfers and contingency. Unexpected additional resources and budget revisions may be added to the budget by use of a supplemental budget or, under certain conditions, by a resolution passed by the Council amending the budget. The original and any supplemental budgets require hearings before the public, publication in newspapers, and approval by the Council. Management may amend the budget within the appropriated levels of control without Council approval. Appropriations that have not been expended at year-end lapse and subsequent actual expenditures are charged against the ensuing year's appropriations.

Reporting entity. For financial reporting purposes, Metro is a primary government under the provisions of Governmental Accounting Standards Board (GASB) Statements No. 14, 39 and 61. This report includes all organizations and activities for which the elected officials exercise financial control. In addition, the Oregon Zoo Foundation (OZF) warrants inclusion in the report because of the nature and significance of its relationship with Metro, including its on-going financial support of Metro's Oregon Zoo. The OZF is a legally separate, tax-exempt

organization created to encourage and aid the development of the Oregon Zoo. The financial statements of OZF are included in this report as a discretely presented component unit.

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment within which Metro operates.

Local economy. The Portland metropolitan region (i.e., the Portland-Vancouver-Hillsboro, OR-WA Metropolitan Statistical Area (MSA)) is home to just under 2.6 million residents, with about 1.9 million residing within the Metro boundary. The Portland MSA continues to rank 25th among the nation's largest metropolitan areas. According to the U.S. Census Bureau, the region's population grew by only 0.3% in 2024, reflecting ongoing out-migration that offset natural increases and limited in-migration.

The economic region is comprised of five counties in Oregon and two in Washington State. It remains a hub for financial activities, domestic and international trade, transportation and services for Oregon, southwest Washington and the Columbia River basin. As of mid-2025, the Portland MSA reported nonfarm payroll employment of about 1.25 million jobs (Bureau of Labor and Statistics) with more than 80% of those jobs located inside the Metro boundary. The Metro Area unemployment rate averaged 5.1% in July 2025, rising to 5.3% in August, compared with the national rate of 4.2%.

During the pandemic recovery, the region initially outpaced the nation in job gains. However, since mid-2023, it has diverged from national trends. Employment growth fell -2.0% year-over-year in January 2024 and while there was some rebound, overall economic activity in the region has continued to underperform relative to historical trends. By August 2025, year-over-year job growth was just 0.2%, compared with 1.7% nationally. Oregon's overall employment growth has mirrored this weakness, ranking among the slowest growing states.

Industry performance has been uneven. The education and health services sector continued to lead, expanding by 4.8% year-over-year as of August 2025 and government employment grew by 2.1%, reflecting state and local hiring. Meanwhile, construction employment fell by 3.2%, and leisure and hospitality declined by 3.9%, both pressured by high interest rates and slower consumer spending. The information sector contracted by 5.3%, the steepest decline among major industries and largely driven by workforce reductions at Intel.

Wages remain a relative economic strength of the region. Average hourly earnings in the Portland MSA are above the national average. In particular, manufacturing wages rose 9% from January to August 2025, compared with a 5% national increase. This reflects both tight labor supply in skilled trades and cost-of-living adjustments.

Economic outlook. The Portland region's economy in the past year has faced notable challenges, including job losses, population stagnation, and housing affordability issues. However, the central city saw improvements in public safety and livability thanks to coordinated efforts between local and state governments. Crime rates declined, emergency shelter capacity expanded, and public perceptions of safety improved. These gains helped stabilize the city's image despite years of negative national media attention. However, the economic outlook remains fragile.

Slower population growth and housing affordability challenges continue to weigh heavily on the region. Multnomah County lost nearly 5,000 residents in 2023, driven by net out-migration despite a small natural increase. Housing production remains sluggish and affordability is a major concern, with much of the inventory inaccessible to households earning less than \$160,000 annually. Suburban and exurban areas are likely to continue outperforming the urban core. Regional leaders face mounting pressure to make Portland more competitive or risk deeper economic stagnation.

Portland's labor market has diverged from national trends. While the U.S. economy added jobs in 2024, the Portland metro lost 6,700 jobs in high-paying sectors like information, financial services, and professional services. This is a rare contraction during a national expansion and signals deeper structural challenges. The broader

Portland metro area showed mixed labor market signals. As of mid-2025, unemployment rates hovered around 4.4% for the metro area, slightly above the national average of 4.3%. Wages varied by county, with Multnomah and Washington counties showing relatively strong weekly earnings compared to national figures. Civic leaders are now shifting focus from crisis management to long-term competitiveness, aiming to avoid the risks of a downward spiral. The Federal Reserve's recent rate cut reflects easing inflation pressures and aims to support broader economic durability.

Ultimately, the national economic forces have helped prop up the near-term outlook for the region but that remains tenuous. The region may already be experiencing some economic contraction, but a national recession would put further downward pressure on the local economy.

Long-term financial planning. Metro's strong financial policies and disciplined practices have ensured operational stability, as evidenced by the necessary decisions made due to the COVID-19 pandemic as well as during the subsequent recovery. An important tool for building Metro's budget is the five-year forecast for all operating and bond funds. Each budget cycle begins with a review of how the funds are performing, what factors affect the funds that are global assumptions and what factors are related to the specific nature of the operations that result in individual assumptions. Metro adheres to common-sense operation practices such as maintaining its assets, using one-time funds for one-time purposes, and ensuring enterprise activities manage to the bottom line.

Significant effort goes into revenue projections, ensuring a balanced budget. Property taxes are a significant component, funding general government and parks operations as well as debt service. Metro is subject to tax abatements granted by the three counties in which Metro operates; more detail is available in Note IV.S to the financial statements. Metro's abated property taxes total \$15,504,620 for fiscal year 2024-25 and had no material effect on financial stability or service delivery.

The budget is anchored by Metro's Strategic Framework and Metro's guiding principles of Racial Justice, Climate Justice, and Shared Prosperity. Each of Metro's departments applies that framework to day-to-day decision-making and creating high level department specific goals in concert with budget development. These goals help each department to look ahead and identify key opportunities to make progress on the desired outcomes and ensure that choices made today will be sustainable and strategic for the next three to five years.

Within the Strategic Framework are Strategic Targets. Metro Council directed the Chief Operating Officer to develop ambitious yet achievable five-year targets in the areas of environment, economy, and housing. These targets are intended to help prioritize investments and focus areas for the organization, while fostering cross-departmental and regional collaboration to make progress. These were adopted in December 2023 and were used to frame decision-making and performance measures for the fiscal 2025-26 budget development.

Metro also prepares a five-year Capital Improvement Plan (CIP) with annual updates as part of its financial planning responsibilities. The Metro Council annually reviews Metro's capital asset management policies as part of the budget process.

Major initiatives. In response to economic and political headwinds, including uncertainty surrounding federal funding, the budget for fiscal year 2025-26 included material reductions in several external service departments and all centralized administrative departments. These decisions relied on the values and guiding principles set forth in the adopted Strategic Framework reference above. Metro is committed to the work it is doing - preserving natural areas for future generations, housing our communities and building stronger and more resilient infrastructure that will serve the region for decades to come. The 2025-26 budget includes:

Addressing housing affordability in the region. Metro plays a critical role in affordable housing policy and funding in our region. Through the Affordable Housing bond, Metro expects to create, once all funds are expended, an estimated 5,600 affordable homes including 2,000 deeply affordable units, achieving 125 percent of the original production targets. Additionally, Council allocated resources to support regional housing analyses, technical assistance for housing providers, and planning for the Regional Investment Strategy.

Improving economic prosperity. The 2024 Oregon Zoo Bond program will substantially increase activities in the coming year, budgeting \$25.1 million in improvements to visitor facilities and animal habitats. This construction supports living wage jobs in a contracting employment sector.

Caring for our environment. Addressing climate change and operating in a sustainable manner is central to Metro's work. Consequently, resources are dedicated across all Metro departments as part of their daily work, from implementing our Food Waste Requirements policy, to purchasing land and restoring natural areas, to replacing aging equipment with modern energy efficient technology.

Relevant financial policies. Comprehensive financial policies are reviewed annually and provide the basic framework for the overall fiscal management of the agency. The policies are designed to operate independently of changing circumstances and conditions and help safeguard Metro's assets, promote effective and efficient operations, and support the achievement of Metro's strategic goals. The policies were re-adopted by the Metro Council on June 12, 2025 (Resolution No. 25-5502), as published in the adopted budget.

Oregon Local Budget Law requires that total resources equal total requirements in each fund. In addition to this legal requirement, Metro considers a budget to be balanced whenever budgeted revenues equal or exceed budgeted expenditures. Metro's Council established financial policies to make significant investments in the future by using a disciplined "pay yourself first" rule to ensure that all funds maintain appropriate reserves to safeguard against dips in the economic climate and to protect the public's investment in Metro's physical assets. Metro policy provides that it will designate or assign fund balance amounts that are appropriate to the needs of each fund and that targeted assignment levels shall be established and reviewed annually as part of the budget review process. The policy requires that a new program or service be evaluated before it is implemented to determine its affordability and that Metro will annually prepare a five-year forecast of revenues, expenditures, other financing sources and uses and staffing needs for each of its major funds, identifying major anticipated changes and trends, and highlighting significant items which require the attention of the Metro Council.

Metro has set aside fund balance amounts within the General Fund for potential additional Public Employee Retirement System pension liabilities and for future debt service on the full faith and credit bonds issued to refinance Metro Regional Center. This fund balance also includes amounts for cash flow and fund stabilization. Metro's policies historically called for a minimum of 7 percent of operating revenues to be set aside for either contingency or stabilization to guard against unexpected downturns in revenues and to stabilize resulting budget actions. That target provided a 90 percent confidence level that revenues would only dip below this amount once every ten years. After weathering the economic impact from the COVID pandemic, the reserve policy was updated to require a minimum level of 16.5 percent of key general fund revenues be set aside.

Debt management policies provide that Metro shall issue long-term debt only to finance capital improvements (including land acquisition) that cannot be readily financed from current revenues or to reduce the cost of long-term financial obligations. Metro will not use short-term borrowing to finance operating needs unless specifically authorized by Council. Further, Metro will repay all debt issued within a period not to exceed the expected useful life of the improvements financed by the debt.

Metro's revenue policies provide that the agency will strive to maintain a diversified and balanced revenue system to protect it from short-term fluctuations in any one revenue source. A further detailed discussion of Metro's financial policies and plans for the future can be found in Metro's 2025-26 Adopted Budget.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Metro for its annual comprehensive financial report for the fiscal year ended June 30, 2024. This was the thirty-third consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report would not have been possible without the cooperation of employees across the Metro organization. We especially acknowledge Melissa Weber, Controller, Erica Gallucci, Financial Reporting Program Manager, and the staff in the Accounting Services Division of the Finance and Regulatory Services Department for their efforts in the preparation of this report. We wish to acknowledge the professional and technical assistance of the audit staff of Baker Tilly US, LLP. Finally, we extend our appreciation to the Metro Council, Metro Auditor, and the many Metro managers for their leadership and commitment to financial excellence.

Respectfully submitted,



Marissa Madrigal
Chief Operating Officer



Brian Kennedy
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**METRO
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrell

Executive Director/CEO

METRO

Elected Officials (as of June 30, 2025)

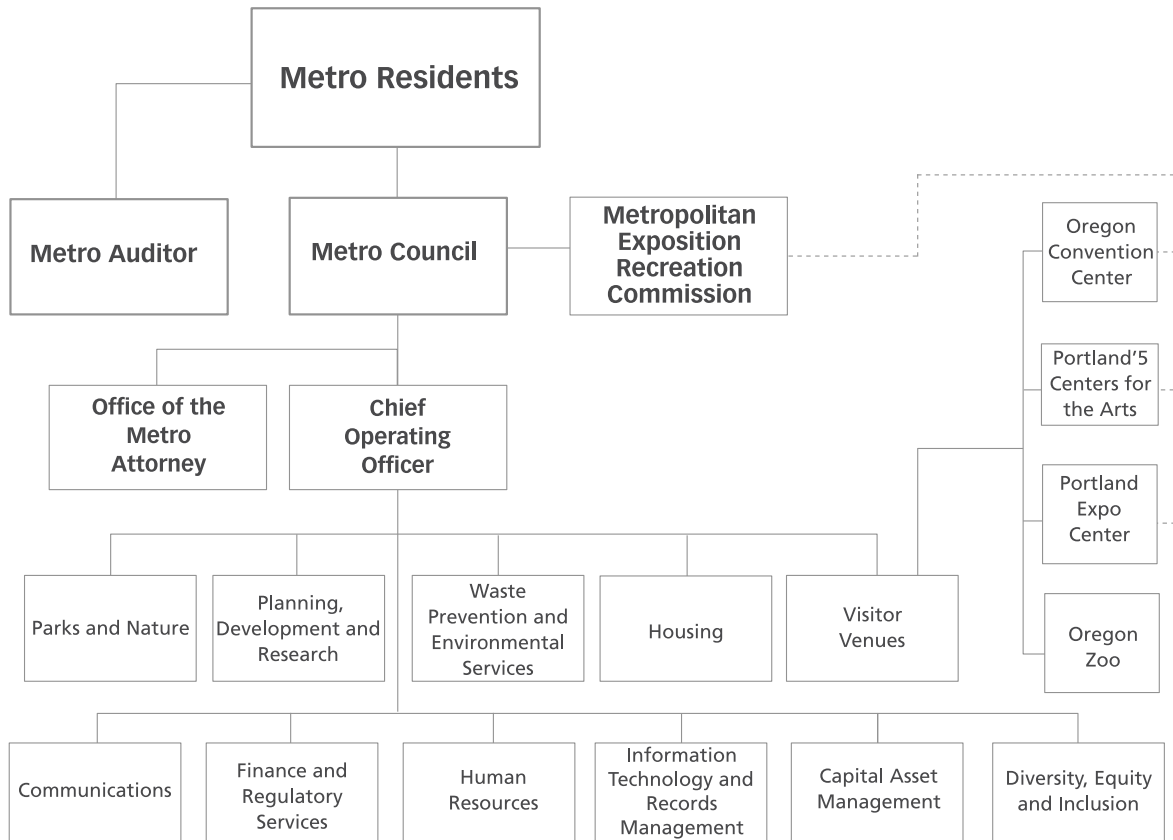
Name	Position	Term expires
Lynn Peterson	Metro Council President	January 2027
Ashton Simpson	Councilor-District 1	January 2027
Christine Lewis	Councilor-District 2	January 2027
Gerritt Rosenthal	Councilor-District 3	January 2029
Juan Carlos Gonzalez	Councilor-District 4	January 2027
Mary Nolan	Councilor-District 5	January 2029
Duncan Hwang	Councilor-District 6	January 2027
Brian Evans, CIA	Metro Auditor	January 2027

Appointed Officials

Name	Position
Marissa Madrigal	Chief Operating Officer
Andrew Scott	Deputy Chief Operating Officer
Holly Calhoun	Deputy Chief Operating Officer
Carrie MacLaren	Metro Attorney
Brian Kennedy	Chief Financial Officer
Julio Garcia	Human Resources Director
Ryan Kinsella	Capital Asset Management Director
Lia Waiwaiole	Communications Director
Jeffrey Baer	Chief Information Officer
Heidi Rahn	Oregon Zoo Director
Catherine Ciarlo	Planning, Development and Research Director
Sebrina Owens-Wilson	Diversity, Equity, and Inclusion Director
Liam Frost	Housing Director
Marta McGuire	Waste Prevention and Environmental Services Director
Jon Blasher	Parks and Nature Director
Craig Stroud	General Manager of Visitor Venues
Cindy Wallace	Oregon Convention Center Director
Cindy Wallace	Portland Expo Center Director
Rachael Lembo	Portland's 5 Centers for the Arts Director

Organizational Structure

as of June 30, 2025





Brian Evans
Metro Auditor

600 NE Grand Ave
Portland, OR 97232-2736
TEL 503 797 1892

December 8, 2025

To the Metro Council and Residents of the Metro Region:

Oregon State law requires an annual audit of Metro's financial records and transactions by independent certified public accountants. The Metro Auditor is required by Metro Code to appoint certified public accountants to conduct this audit. In 2025, after completing a competitive process, I appointed Baker Tilly US, LLP to conduct the audit of Metro. My office coordinated and monitored this audit.

Following this letter is the independent auditor's report on Metro's financial statements as of June 30, 2025. In addition to the above report, Metro is required to have an audit of its expenditures of federal awards in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the provisions of *Government Auditing Standards* issued by the Comptroller General of the United States. The necessary reports pertaining to Metro's compliance for the major federal programs and report on internal control required by the Uniform Guidance for the year ended June 30, 2025 are included in the last section of this report, Audit Comments and Disclosures.

I appreciate the work done by Metro employees and Baker Tilly US, LLP to make the audit process run smoothly.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Brian Evans".

Brian Evans
Metro Auditor



A photograph of a forest at sunset. The sun is low on the horizon, partially obscured by trees, creating a warm, golden glow. The sky is a mix of blue and orange. The foreground is filled with the silhouettes of evergreen and deciduous trees. A blue hexagonal shape is overlaid on the lower half of the image, containing the text 'Financial Section' in white.

Financial Section

Report of Independent Auditors

The Metro Council and Metro Auditor
Metro

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Metro's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of The Oregon Zoo Foundation, a discretely presented component unit, which represents 100% of the assets, net position, and revenues of the discretely presented component unit of Metro. Those financial statements were audited by other auditors, whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for The Oregon Zoo Foundation, is based solely on the report of the other auditors.

Basis for Opinions

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 (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 Metro and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of The Oregon Zoo Foundation were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, schedule of Agency's proportionate share of the net OPEB liability (asset), schedule of Agency's contributions, schedule of Agency's changes in total OPEB liability and related ratios, schedule of Agency's proportionate share of net pension liability, and schedule of Agency's contributions, and the notes to the required supplementary information (collectively, the required supplementary information) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The schedules of revenues, expenditures and changes in fund balances – budget and actual for the General Fund, Parks and Nature Operating Fund, Affordable Housing Fund, and Supportive Housing Services Fund, as listed in the table of contents under required supplementary information, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Metro's basic financial statements. The other supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

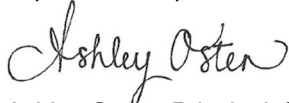
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2025, on our consideration of Metro'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 Metro'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 Metro's internal control over financial reporting and compliance.

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

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have also issued our report dated December 8, 2025, on our consideration of Metro's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Ashley Osten, Principal, for
Baker Tilly US, LLP
Portland, Oregon
December 8, 2025



Management's Discussion and Analysis

As management of Metro, Oregon, we provide readers of Metro's financial statements this narrative overview and analysis of the financial activities of Metro for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found on pages 1 - 6 of this report. This information is based upon currently known facts, decisions or conditions.

FINANCIAL HIGHLIGHTS

- Metro's assets and deferred outflows of resources exceed its liabilities and deferred inflows of resources (also defined as *net position*) by \$781,621,818 at June 30, 2025, which reflects a decrease of 18.7 percent or \$179,712,448 over the prior fiscal year.
- Metro completed the fiscal year with its governmental funds reporting *combined* fund balances of \$1,004,227,756. Of the total amount of governmental combined fund balance, \$42,016,154 or 4.2 percent, is considered available for spending at Metro's discretion (*unassigned* fund balance).
- At the end of fiscal year 2025, unrestricted spendable fund balance (the total of the *committed*, *assigned* and *unassigned* components of fund balance) in the general fund totaled \$57,853,079 and represents 108.5 percent of total general fund expenditures.
- Metro's total long-term liabilities increased by \$165,465,199 or 16.6 percent during the current fiscal year. This reflects debt issuances of \$200,000,000 as well as increases in the net pension liability, offset by repayment of existing debt and decreased estimates for pollution remediation liabilities.
- The regional supportive housing services program, approved by voters in May 2020, generated \$324,964,017 in personal and business income tax revenue this fiscal year, reflecting a 3.0 percent decrease from the previous year. This decline is attributed to the slowing local economy and weaker revenue growth compared to years past. This source of revenue is Metro's largest, surpassing charges for services and property taxes.
- Program revenues of Metro's business-type activities (Solid Waste, Oregon Zoo and MERC operations) totaled \$238,756,420, up \$9,133,323 or 4.0 percent, attributable to the increased activity at the Oregon Zoo and increased solid waste rates.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Metro's basic financial statements, which consist of the following three components: 1) the *government-wide financial statements*, 2) the *fund financial statements*, and 3) the *notes to the financial statements*. This report also includes *supplementary information* intended to furnish additional detail to support the basic financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of Metro's finances using accounting methods similar to those used by private-sector businesses. Government-wide financial statements provide both short-term *and* long-term information about Metro's overall financial status.

The *Statement of Net Position* includes all of Metro's assets, liabilities, and deferred outflows/inflows of resources, with the net difference between these elements reported as net position. Over time, increases or decreases in Metro's net position may serve as a useful indicator of whether the financial position of Metro is improving or deteriorating.

The *Statement of Activities* accounts for all of the current fiscal year's revenues and expenses. The statement presents information showing how Metro's net position changed during the fiscal year. Such changes are reported

Management Discussion and Analysis

For the fiscal year ended June 30, 2025

as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected property taxes and earned but unused vacation leave).

Each government-wide financial statement is divided into three categories:

Governmental activities – Activities supported principally by general revenue sources including various taxes that provide Metro’s basic governmental services. These services include *general government operations* functions of the Council office and various administrative functions; *planning, development and research* which includes regional transportation and land use planning; *housing* which includes affordable and supportive housing activities; *culture and recreation* which includes investments at the Oregon Zoo, regional parks and natural areas, community enhancement activities near Metro area solid waste facilities and management of Smith and Bybee Wetlands and Pioneer Cemeteries.

Business-type activities – Activities supported by charges for services and fees to customers to help cover the costs of certain services. These activities consist of the Solid Waste, Oregon Zoo, and Metropolitan Exposition-Recreation Commission (MERC) operations. Solid waste operations include the operation of two transfer stations and recycling centers (Metro South and Metro Central), household hazardous waste collection centers, a paint recycling center and other solid waste system programs. Oregon Zoo operations include zoo visitor experience, environmental education, and animal conservation and research. MERC operations include the Oregon Convention Center (OCC), Portland’s 5 Centers for the Arts (Portland’5) and Portland Expo Center (Expo) facilities.

Component unit – Metro includes The Oregon Zoo Foundation (OZF) as a discretely presented component unit. OZF is considered a component unit as the sole purpose of this legally separate non-profit organization is to provide support and significant additional funding for Metro’s Oregon Zoo.

The government-wide financial statements can be found on pages 33 - 36 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Like other state and local governments, Metro uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements – including bond covenants and Oregon local budget law. The funds of Metro can be classified into two categories:

- **Governmental funds** are used to account for essentially the same functions as reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, these statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of spendable resources available at the end of the fiscal year. Thus, the governmental funds statements provide a detailed short-term view that helps the reader determine the comparative level of financial resources that can be spent in the near future to finance Metro’s programs.

Because this information does not encompass the additional long-term focus of the government-wide statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of Metro’s near-term financing decisions. A reconciliation that follows the governmental funds statements explains the differences between the two statements to facilitate this comparison between *governmental funds* and *governmental activities*.

Metro maintains ten individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balance for the seven funds considered major: General, Parks and Nature Operating, Affordable Housing, Supportive Housing Services, General Obligation Bond Debt Service, Zoo Bond 24, and Parks and Nature Bond funds. Data from the other three governmental funds (Smith and Bybee Wetlands, Community

Enhancement, and Cemetery Perpetual Care) are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

Of special note, a portion of one budgetary fund (the General Revenue Bond Fund) and the entirety of one additional budgetary fund (General Asset Management Fund) are allocated to the General Fund and combined with those operating activities for reporting in conformance with generally accepted accounting principles (GAAP) in the governmental funds financial statements. The remaining portions of the budgetary General Revenue Bond Fund is allocated to the MERC Fund for proprietary fund presentation noted below.

The governmental funds financial statements can be found on pages 39 - 45 of this report.

- **Proprietary funds** provide the same type of information as the government-wide financial statements, only in more detail, including cash flows. Metro includes two different types:

Enterprise funds are used to report the same functions as *business-type activities* in the government-wide financial statements. Metro uses enterprise funds to account for its Solid Waste, Oregon Zoo and MERC operations, all three of which are considered major funds. The entire budgetary fund Oregon Zoo Asset Management Fund is combined with the Oregon Zoo Operating Fund for the proprietary fund presentation.

Internal service funds are an accounting device used to accumulate and allocate costs internally among Metro's various functions. Metro uses an internal service fund to account for the management of its retained risks. The revenues and expenses of the internal service fund that are duplicated in other funds through cost allocations are eliminated in the government-wide statements, with the remaining balances included in governmental activities in the government-wide financial statements.

The proprietary funds financial statements can be found on pages 46 - 51 of this report.

Notes to the financial statements. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 52 - 94 of this report.

Required Supplementary Information (RSI). In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budget-to-actual results for Metro's General Fund, its major special revenue funds, pension, and post-employment benefit disclosures. RSI can be found on pages 96 - 114.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 117 - 140.

FINANCIAL ANALYSIS OF METRO AS A WHOLE (Government-Wide)

Net position. As noted earlier, net position may serve as a useful indicator of a government's financial position over time. Metro's assets and deferred outflows of resources exceed liabilities and deferred inflows of resources (defined as *net position*) by \$781,621,818 at June 30, 2025. The table on the following page reflects the condensed Government-wide Statement of Net Position.

Metro's governmental activities account for net position of \$409,993,451 or 52.5 percent of the total primary government, whereas business-type activities account for \$371,628,367 or 47.5 percent.

Of Metro's total net position, 89.9 percent reflects its net investment in capital assets (e.g., headquarters offices, zoo exhibits, natural areas property, transfer stations, convention center, and other significant assets), less any related outstanding debt that was used to acquire those assets. Metro uses these capital assets to provide services

Management Discussion and Analysis

For the fiscal year ended June 30, 2025

to its residents, therefore, this amount is not available for future spending. Although Metro's investment in its capital assets is reported net of the related debt, it should be noted that the resources needed to repay this debt must come from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Metro's restricted net position (76.0 percent) represents resources that are subject to external restrictions on how they may be used. External restrictions for specific purposes include areas such as parks and natural areas local option levy, Transit-Oriented Development (TOD), Smith and Bybee Wetlands management plan, supportive housing initiatives, debt service, and capital projects funded by bond or restricted proceeds. The restricted component of net position increased \$60,552,754 or 11.3 percent from the amount at June 30, 2024, reflecting additional restricted funds obtained from debt issuances for Park and Nature and the Oregon Zoo bond programs offset by decreased advance balances to partner agencies of income tax revenue and bond funds restricted for Supportive and Affordable Housing as funds were spent down.

Metro's Net Position

	Governmental Activities		Business-type Activities		Total - Primary Government	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 1,052,574,386	1,082,721,854	157,699,853	167,900,393	1,210,274,239	1,250,622,247
Capital assets	446,150,254	428,893,741	334,646,168	339,146,160	780,796,422	768,039,901
Total assets	1,498,724,640	1,511,615,595	492,346,021	507,046,553	1,991,070,661	2,018,662,148
Total deferred outflows of resources	34,879,603	23,851,237	31,830,735	22,487,725	66,710,338	46,338,962
Long-term liabilities outstanding	1,072,942,697	916,233,845	86,791,774	78,035,427	1,159,734,471	994,269,272
Other liabilities	40,957,607	23,584,183	28,528,893	24,978,895	69,486,500	48,563,078
Total liabilities	1,113,900,304	939,818,028	115,320,667	103,014,322	1,229,220,971	1,042,832,350
Total deferred inflows of resources	9,710,488	15,558,457	37,227,722	45,276,037	46,938,210	60,834,494
Net position:						
Net investment in capital assets	392,059,202	370,582,164	324,097,588	324,080,339	702,384,062	670,933,826
Restricted	575,845,091	520,292,702	18,327,833	13,327,468	594,172,924	533,620,170
Unrestricted	(557,910,842)	(310,784,519)	29,202,946	43,836,112	(514,935,168)	(243,219,730)
Total net position	\$ 409,993,451	580,090,347	371,628,367	381,243,919	781,621,818	961,334,266

The remaining \$514,935,168 is an unrestricted deficit, which represents the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. Of this amount, there is a surplus of \$29,202,946 which is attributable to Metro's business-type activities and cannot be used to make up for the deficit reported in governmental activities. Unrestricted net position decreased \$247,126,323 (to a total deficit of \$557,910,842) in governmental activities primarily due to payments to other governments for affordable housing projects and supporting housing initiatives. A portion of this deficit can be attributed to the allocable proportion of the Oregon Public Employees Pension System liability, as discussed in Note IV.H.1. Metro has several bonds that are accounted for in governmental activities without a corresponding asset such as the proceeds from Dedicated Tax Revenue bonds for the Oregon Convention Center hotel which were distributed to the developer in prior years and there is no asset owned by Metro. Similar transactions contributed to the unrestricted net deficit such as the local share and capital grant components of the Parks and Nature bond, bond-funded construction at the Oregon Zoo, and housing projects funded by the Affordable Housing bond where no asset is built or owned by Metro's governmental activities resulting from the debt issuance. It should be noted that these bond issuances are supported by dedicated tax revenues (property taxes and site-specific transient lodging taxes) and current accounting standards only allow the recording of taxes as they are levied. Unrestricted net position in business-type activities decreased \$14,633,166 or 33.4 percent which is explained later in this analysis.

Changes in net position. Overall, Metro's net position decreased 18.7 percent or \$179,712,448 over the prior fiscal year. Governmental activities' net position decreased \$170,096,896, while business-type activities' net position decreased \$9,615,552 for the fiscal year ended June 30, 2025. The components of the change in net position are reflected in the condensed information from Metro's Statement of Activities presented in the table below. The reasons for the changes noted here are discussed in the following sections for governmental activities and business-type activities.

Governmental activities. Governmental activities program revenues increased \$7,248,944 or 24.6 percent and totaled \$36,747,135. This resulted from a timing-related increase in operating grants for regional planning.

Metro's Changes in Net Position

	Governmental Activities		Business-type Activities		Total - Primary Government	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues						
Charges for services	\$ 12,289,688	11,284,674	210,348,475	201,237,510	222,638,163	212,522,184
Operating grants and contributions	24,127,447	18,213,517	27,011,992	28,109,407	51,139,439	46,322,924
Capital grants and contributions	330,000	-	1,395,953	276,180	1,725,953	276,180
General revenues						
Property taxes	124,245,297	120,787,018	-	-	124,245,297	120,787,018
Personal and business income taxes	324,964,017	335,136,020	-	-	324,964,017	335,136,020
Excise taxes	22,580,785	20,121,244	-	-	22,580,785	20,121,244
Other	37,339,849	39,639,579	7,048,683	6,585,037	44,388,532	46,224,616
Total revenues	545,877,083	545,182,052	245,805,103	236,208,134	791,682,186	781,390,186
Expenses:						
General government operations	8,577,772	14,755,333	-	-	8,577,772	14,755,333
Planning, development and research	34,190,288	23,225,600	-	-	34,190,288	23,225,600
Housing	567,298,090	404,853,574	-	-	567,298,090	404,853,574
Culture and recreation	59,450,030	49,428,873	-	-	59,450,030	49,428,873
Interest	26,268,123	25,611,092	-	-	26,268,123	25,611,092
Solid Waste	-	-	122,666,373	111,401,035	122,666,373	111,401,035
Oregon Zoo	-	-	56,657,616	55,186,087	56,657,616	55,186,087
MERC	-	-	96,286,342	90,527,520	96,286,342	90,527,520
Total expenses	695,784,303	517,874,472	275,610,331	257,114,642	971,394,634	774,989,114
Increase (decrease) in net position before transfers	(149,907,220)	27,307,580	(29,805,228)	(20,906,508)	(179,712,448)	6,401,072
Transfers	(20,189,676)	(15,293,466)	20,189,676	15,293,466	-	-
Increase (decrease) in net position	(170,096,896)	12,014,114	(9,615,552)	(5,613,042)	(179,712,448)	6,401,072
Net Position, July 1	580,090,347	568,076,233	381,243,919	386,856,961	961,334,266	954,933,194
Net Position, June 30	\$ 409,993,451	580,090,347	371,628,367	381,243,919	781,621,818	961,334,266

Metro's general government operations expenses totaled \$8,577,772 or 0.9 percent of Metro's total program expenses, which was a decrease of \$6,177,561 or 41.9 percent from that reported in the prior fiscal year. The decrease in expenses is primarily due to higher cost-allocation plan collections from external departments, which exceeded actual expenses. The collections recoup prior-year general government operations costs related to expanded central services staffing and offerings, and are netted against current year government-wide operational expenses resulting in a net reduction for the line item. Although payroll expenses increased due to rising healthcare costs, employee progression, and cost-of-living adjustments, the overall expense still declined because the high rate of cost recovery offset these increases. Metro's planning, development and research program had total costs of \$34,190,288, up \$10,964,688 or a 47.2 percent increase from the prior fiscal year. This increase reflects additional funding allocated to other local government agencies for transportation-related projects, as well as staffing adjustments driven by heightened activity. Metro's housing program had total costs of \$567,298,090 during the fiscal year. This includes an increase of \$162,444,516 which is the result of increased projects and

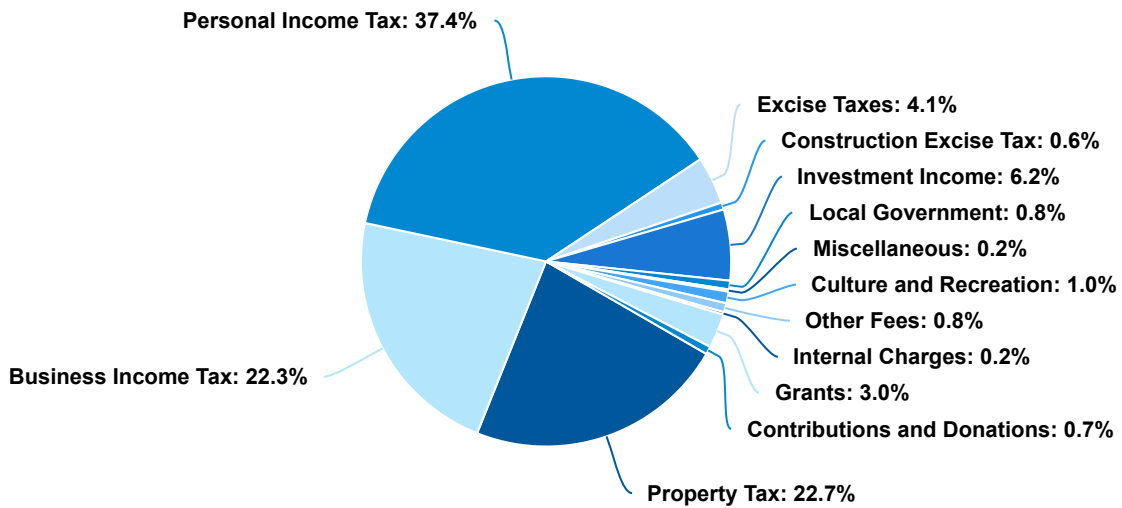
Management Discussion and Analysis

For the fiscal year ended June 30, 2025

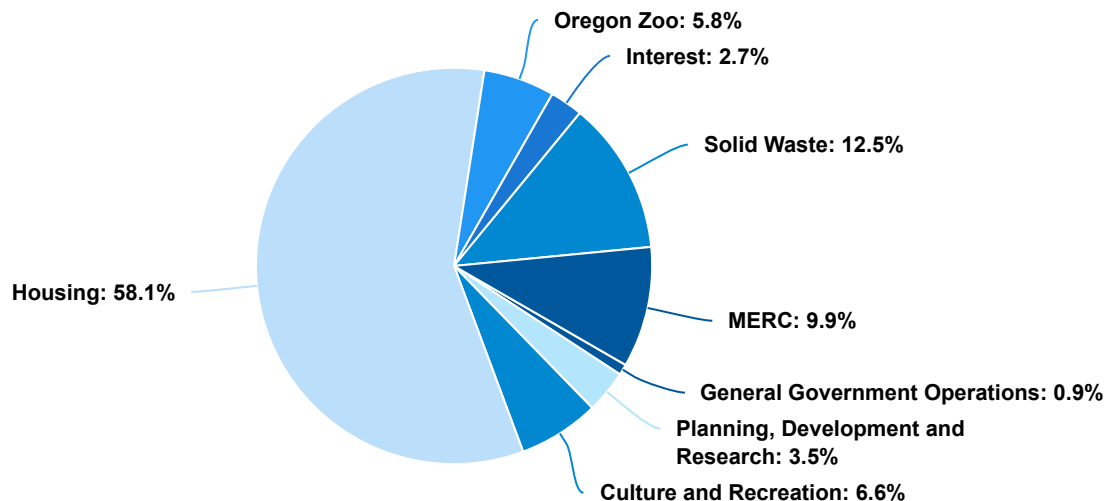
administrative costs for the affordable housing program and increased county spending of supportive housing tax proceeds. Metro's culture and recreation expenses totaled \$59,450,030 or 6.1 percent of Metro's total program expenses, which is up \$10,021,157 or 20.3 percent from that reported in the prior fiscal year. This reflects higher grant payments in the Parks and Nature portfolio, increased payroll costs from the new Zoo bond program, and greater central service allocations as the culture and recreation program expands. These cost increases are partially offset by a revised pollution remediation liability estimate, based on recent soil sampling results that lower expected cleanup costs for Metro at a contaminated site.

Interest on long-term debt increased by \$657,031 or 2.6 percent from the prior fiscal year and totaled \$26,268,123 or 2.7 percent of Metro's total program costs, down from 3.3 percent in the prior fiscal year, reflecting a relatively stable amount of debt and its corresponding repayment.

Metro Governmental Activities Sources of Revenue



Metro Function/Program Expenses



Business-type activities. Program revenues of Metro's business-type activities (Solid Waste, the Oregon Zoo and MERC operations) totaled \$238,756,420, up \$9,133,323 or 4.0 percent. The Oregon Zoo had a \$3,472,873 or 12.2 percent increase in charges for services revenue, resulting from higher attendance and increased ticket prices implemented during the fiscal year. The MERC fund had a \$2,187,784 or 3.7 percent decrease in charges for services revenue, resulting from decreased attendance and events and poor performance on food and beverage sales as recent trends include conventions opting out of catering, changing traditional models of revenue generation at several MERC sites. Tonnage at Metro-owned facilities decreased 3.0 percent over the prior year while rates increased 11.9 percent, to \$153.67 per ton. The Regional System Fee increased from \$31.41 to \$31.72. Corresponding with the rate increases, charges for services revenue increased \$7,825,876 or 6.9 percent despite decreased tonnage. Operating grants and contributions revenue decreased 3.9 percent compared to the prior fiscal year. This decline is primarily attributed to spending down state regional clean-up grants for Solid Waste.

Total expenses increased \$18,495,689 or 7.2 percent to a total of \$275,610,331. Solid Waste program expenses increased \$11,265,338, or 10.1 percent. This can be attributed to increased operating costs at the transfer stations and payroll for Solid Waste operational and administrative employees. Oregon Zoo program expenses increased \$1,471,529, or 2.7 percent due to higher staffing costs due to cost of living and healthcare related increases. This was partially offset by decreased facility maintenance as focus shifted to launching the new Zoo bond and related construction efforts. MERC expenses increased \$5,758,822, or 6.4 percent. These increases stem from higher staffing costs due to cost-of-living adjustments and rising healthcare costs, with FTE levels remaining stable. Administrative costs also rose as a larger share of the cost-allocation plan is now attributed to this program, following reduced contributions from MERC venues during the COVID-19 pandemic.

General revenues. Property taxes currently account for 15.7 percent of all primary government revenues. Property taxes are dedicated to the repayment of general obligation bond debt, for programs authorized by the Parks and Natural Areas Local Option Levy, transferred to the Zoo for operations, or allocated by the Council in support of governmental activities. The total amount of property taxes increased \$3,458,279 or 2.9 percent from the prior fiscal year. This change is based on the 3.0 percent maximum assessed value increase allowed in the Oregon Constitution, growth from new construction, and some material reductions in assessed value in Portland's urban core. Metro began to receive personal and business income tax revenue in the fiscal year ending June 30, 2021, and receipts grew substantially in the subsequent fiscal years. The prior fiscal year had \$335,136,020 recorded in income tax and the current year revenues are \$324,964,017, a 3.0 percent decrease. This decline is largely due to weaker local economic conditions compared to previous years, which have reduced the business income tax revenue base. Additionally, these local conditions may be discouraging the immigration of individuals with higher personal income levels, further impacting the personal income tax base.

FINANCIAL ANALYSIS OF METRO'S FUNDS

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

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

At June 30, 2025, Metro's governmental funds reported *combined* fund balances of \$1,004,227,756. This is down \$46,935,455 or 4.5 percent. The majority of this decrease is driven by the drawdown of Affordable Housing funds as capital project implementation advances were spent. Additionally, county partners have begun spending Supportive Housing Services tax revenues at a pace that exceeds current collections, leading to a reduction in the associated advances and fund balance. These declines are partially offset by increases in the Parks and

Management Discussion and Analysis

For the fiscal year ended June 30, 2025

Nature and Zoo Bond 24 funds, which reflect new debt issuances during the year. These circumstances resulted in increased restricted and decreased nonspendable fund balances netting to a decrease of \$48,236,358 or 4.9 percent. Of the total amount of governmental combined fund balance above, \$42,016,154 or 4.2 percent, is considered *unassigned* fund balance and available for spending at Metro's discretion.

The remainder of the fund balance is either *nonspendable*, *restricted*, *committed* or *assigned*. *Nonspendable* fund balance represents amounts not in spendable form and the corpus of the permanent fund, which totals \$243,298,772 at June 30, 2025. Fund balances *restricted* for particular purposes, such as parks and natural areas, bonded capital projects, the Willamette Falls Legacy project, debt service, and affordable and supportive housing totaled \$702,439,328. Metro has \$9,458,013 of fund balance *committed* by Metro Council resolution and consists of funds to be used in executing Transit-Oriented Development projects. *Assigned* fund balance totaled \$7,015,489 and is dedicated to cemetery and golf course maintenance, and encumbered as well as certain types of appropriated fund balance.

Note II.D.16 and IV.Q provide more information on Metro's fund balance classifications for all governmental funds. Note IV.V describes changes in restricted fund balance in fiscal year 2026 for the Willamette Falls Legacy project.

The General Fund is the primary operating fund of Metro. At the end of fiscal year 2025, unassigned fund balance of the general fund was \$42,016,154. Total fund balance decreased \$43,709 to a total of \$131,450,403. As a measure of the general fund's liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 78.8 percent of total general fund expenditures, while total fund balance represents 246.5 percent of that same amount.

The General Fund expended \$8,019,192 for general government operations. These operational expenditures included the general government share of costs for the Council Office, Metro Auditor, Office of Metro Attorney, Capital Asset Management, Communications, Diversity, Equity and Inclusion, Finance and Regulatory Services, Human Resources, and Information Technology. Expenditures decreased by \$5,716,523 compared to the previous year. This decrease is primarily due to higher cost-allocation plan collections, which offset general government operations expenses for a net decrease, as discussed earlier in the MD&A. These increased collections stem from expanded central service staffing and programmatic investments made in prior years, with associated costs being recovered in the current year.

Metro collected \$3,427,490 in Construction Excise Tax during the fiscal year ended June 30, 2025, down \$355,450 or 9.4 percent from the prior fiscal year. This tax is imposed on new construction within the region, with limited exceptions, and is intended to provide funds to local governments for the planning of future expansion areas, future urban reserves, and planning that enables redevelopment of centers, corridors and employment areas within the existing Urban Growth Boundary. Collections are down in the current year in line with reports of decreased construction activity and local economic decline.

Metro's other major governmental funds also include the Parks and Nature Operating Fund, Affordable Housing, Supportive Housing Services, the General Obligation Bond Debt Service Fund, Zoo Bond 24, and Parks and Nature Bond Funds. All of these funds carry assigned, restricted, or nonspendable fund balances because they were established for specific purposes by the passage of various ballot measures.

The restricted and nonspendable positions in other governmental funds changed from \$918,984,302 to \$872,140,776 or a decrease of \$46,843,526. The Affordable Housing and Supportive Housing funds had substantial reductions, driving the overall decrease in restricted and nonspendable fund balance. Local partners have been able to build affordable housing projects depleting the fund balance, while the supportive housing program has partner jurisdictions spending down advanced balances on eligible activities, leading to decreases in restricted and nonspendable net position. These decreases were offset by debt issuances in the Parks and Nature Bond and Zoo Bond 24 funds. The Parks and Nature Bond program, active since 2020, received a cash infusion from this

year's issuance, enabling continued progress on capital construction projects authorized by the 2019 voter-approved measure. The Zoo Bond 24 fund, established following a successful 2024 ballot initiative, supports capital projects at the Oregon Zoo. As the program is still in its early stages, most of the funds from the debt issuance remain in fund balance at year-end.

There was an increase in expenditures in the Affordable Housing fund, from \$88.8 million to \$118.1 million due to timing-related project reimbursement requests. The Supportive Housing Services fund had substantially higher activity with expenditures amounting to \$447.5 million as regional partners continue to increase their program offerings and execution in response to the local housing crisis.

The Zoo Bond 24 fund was new in the fiscal year. The related bond measure, which will fund capital projects at the Oregon Zoo, was passed in 2024. The fund had low spending of \$1.8 million, substantial ending fund balance, and bond authorization remaining as the program is in its infancy. Total expenditures in the Parks and Nature Bond fund increased from \$36.5 million to \$42.6 million, driven by active construction across multiple park infrastructure projects and another successful year for land acquisition. Additionally, many bond-funded capital grant programs saw significant advancement, as grantees made more substantial progress on their projects.

Proprietary funds. Metro's proprietary funds statements provide the same type of information found in the government-wide financial statements on pages 46 -51, but in more detail.

At the end of fiscal year 2025, *unrestricted net position* of the Solid Waste Fund, Oregon Zoo Fund, and MERC Fund amounted to \$21,073,800, \$9,925,866, and \$2,539,123, respectively. The total change in *unrestricted net position* for each fund equaled an increase of \$440,215 for Solid Waste, a decrease of \$2,406,281 for the Oregon Zoo, and a decrease of \$12,552,517 for MERC. Solid Waste increased its rates in line with program expenditures, resulting in a near-flat change in unrestricted fund balance. The Oregon Zoo and MERC faced rising wage-related and administrative costs that outpaced revenue growth, leading to a decline in their unrestricted net position. These cost increases included inflationary adjustments embedded in venue contracts and employee pay rates.

BUDGETARY HIGHLIGHTS

As noted earlier, Metro's General Fund is used to account for general government operations and the programs of planning, development and research and a small portion of housing and culture and recreation. Over the course of the fiscal year, the Metro Council revised the budget for the General Fund three times, and total appropriations came to \$177,389,785. The total budgeted appropriation for expenditures and transfers increased by \$17,445,542 from the previous year, reflecting investments in key general-funded programs after several years of pandemic-related fluctuations as well as increased transfers out to support various departments with budgetary shortfalls.

Revenue from grants was \$15,874,806, but budgeted at \$17,517,167; this difference is related to delays in the execution of several transportation planning related grants in the last quarter of the fiscal year. Other significant variances in estimated and actual revenues include miscellaneous revenue and investment income. Miscellaneous revenue came in higher than budget due to intentional efforts to collect PERS bond debt service via employee payroll at a rate exceeding current year debt service needs to provide budget savings in future years. Investment income increased due to favorable market trends in contrast to the conditions at the time the budget was prepared. Expenditures in planning, development and research were \$11,177,808 less than budgeted. Metro routinely budgets in a manner to ensure there is sufficient appropriation for potential TOD program purchases. All other departmental expenditures came in under budget due to uncertain financial outlook throughout the year and intentional efforts to curb spending to avoid budget cuts.

Year over year, the total revised budget across all funds was \$2,301,917,966, down 19.3 percent from Fiscal Year 2024. A large portion of this budget is unappropriated fund balance in the Affordable Housing, Parks and Nature Bond and Zoo Bond 24 funds. The Affordable Housing funds are fully committed and expected to be

Management Discussion and Analysis

For the fiscal year ended June 30, 2025

spent down in the next several years. The Parks and Nature Bond program is expecting to fully spend their voter approved bonding authority over the next eight to ten years. The Zoo Bond program forecasts that activities will be completed in about fourteen years. The unappropriated fund balance related to those programs will fluctuate as bonds are issued and funds expended.

Metro's Capital Assets
(Net of accumulated depreciation and amortization)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Land	\$ 333,970,842	323,919,615	26,194,419	26,194,419	360,165,261	350,114,034
Lease land	-	-	5,386,409	8,608,145	5,386,409	8,608,145
Intangible - easements	10,450,239	11,929,884	-	-	10,450,239	11,929,884
Artwork	484,645	484,645	1,184,358	1,184,358	1,669,003	1,669,003
Buildings and exhibits	31,917,816	20,746,658	243,376,650	254,561,508	275,294,466	275,308,166
Lease buildings and exhibits	16,303	211,921	4,174,885	4,585,529	4,191,188	4,797,450
Improvements	38,165,227	34,077,616	19,879,211	19,397,176	58,044,438	53,474,792
Equipment and vehicles	3,799,431	3,458,650	16,382,862	17,964,390	20,182,293	21,423,040
Lease equipment and vehicles	-	37,326	-	-	-	37,326
Intangible - software	1,856,421	2,419,929	198,488	95,887	2,054,909	2,515,816
Right to use asset - software	1,909,526	2,444,018	859,688	446,439	2,769,214	2,890,457
Office furniture/equipment	59,603	172,243	198,320	297,598	257,923	469,841
Railroad equipment/facilities	-	-	391,296	720,730	391,296	720,730
Construction in progress	23,520,201	28,991,236	16,419,582	5,089,981	39,939,783	34,081,217
Total	<u>\$ 446,150,254</u>	<u>428,893,741</u>	<u>334,646,168</u>	<u>339,146,160</u>	<u>780,796,422</u>	<u>768,039,901</u>

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Metro's capital assets for its governmental and business-type activities total \$780,796,422 (net of accumulated depreciation and amortization) as of June 30, 2025.

This investment includes land, buildings and exhibits, improvements, and various types of equipment. The total increase (including additions and deductions) in Metro's investment in capital assets for the current fiscal year was \$12,756,521 or 1.7 percent, net of accumulated depreciation and amortization. In the current fiscal year, there was an increase of \$17,256,513 or 4.0 percent in capital assets attributable to governmental activities and a decrease of \$4,499,992 or 1.3 percent in business-type activity capital assets (additions to capital assets, less increases in accumulated depreciation and amortization). Additional information on Metro's capital assets can be found in Note IV.E to the financial statements.

Long-term debt. At the end of the current fiscal year, Metro had total debt outstanding of \$997,410,084, net of unamortized premiums and discounts. Of this amount, \$915,408,907 comprises debt backed by property tax assessments and \$69,750,289 represents bonds secured by a broad pledge of Metro revenues, including property taxes used to support operations, and excise taxes levied on users of certain Metro services. Leases and subscription-based information technology arrangement (SBITA) payable make up the remainder of the balance.

The table below provides a summary of Metro's debt activity. Bonds are reflected net of unamortized premiums and discounts as disclosed in the notes to the financial statements.

Metro's total debt increased \$140,195,205 or 16.4 percent during the current fiscal year. This is reflective of debt issuances in the Parks and Nature and Zoo Bond 24 funds of \$125 million and \$75 million, respectively. Additionally, outstanding debt increased due to SBITA payable increases related to additional eligible software contracts executed during the year. The issuances and SBITA increases are offset by scheduled debt, lease, and SBITA repayments.

Metro's Outstanding Debt

	Governmental Activities		Business-type activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
General Obligation bonds	\$ 915,408,907	765,094,158	-	-	915,408,907	765,094,158
Full Faith & Credit/Revenue	69,750,289	74,593,602	-	1,043,797	69,750,289	75,637,399
Leases payable	17,730	260,861	10,108,150	13,642,768	10,125,880	13,903,629
SBITA payable	1,684,579	2,200,442	440,429	379,251	2,125,008	2,579,693
Total	<u>\$ 986,861,505</u>	<u>842,149,063</u>	<u>10,548,579</u>	<u>15,065,816</u>	<u>997,410,084</u>	<u>857,214,879</u>

In March 2020, both Standard & Poor's and Moody's reaffirmed Metro's top credit ratings (AAA and Aaa, respectively) for general obligation bonds, citing strong reserves, low debt, a broad tax base, and sound financial policies. In May 2020, Moody's also affirmed an Aa3 rating for Metro's 2017 Dedicated Tax Revenue Bonds, though assigned a negative outlook due to expected tourism declines from COVID-19. In April 2022, Moody's revised the outlook to stable, reflecting strong management, solid reserves, and improving hotel tax revenue. The Aa3 rating on special tax bonds and Aaa rating on general obligation bonds were reaffirmed at that time. In October 2024 and then again in March 2025, Moody's reaffirmed its Aaa rating on Metro's outstanding general obligation unlimited tax bonds and its Aa3 rating on dedicated tax revenue bonds. The ratings rationale in both reports cited solid reserve balances, favorable liquidity ratios, and a large tax base.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for Metro is \$44,715,795,934, which is significantly in excess of Metro's outstanding general obligation debt.

Additional information on Metro's long-term debt can be found in Notes IV.K through IV.N in the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

By law, Metro must present a balanced budget. When accounting for all resources and requirements, the budget for fiscal year 2026 totals \$1,857,050,606, down 19.3 percent from fiscal year 2025. A detailed discussion can be found in Metro's 2026 Adopted Budget.

Budgetary assumptions impacting Metro's budget are:

- Property taxes reflect Metro's permanent operating rate of \$0.0966/\$1,000 of assessed value; and the local option levy rate of \$0.0960/\$1,000 of assessed value. Fiscal year 2026 is the third year of the third five-year local option levy approved for renewal by voters in 2022. All levies assume a 3.0 percent increase in assessed value and a 94.5 percent collectible rate.
- Local government revenues include the Transient Lodging Tax (TLT) collected by Multnomah County to support operations of OCC and Portland's and capital funding for OCC and Expo, and the Visitor Facilities Trust Account (VFTA) allocations to OCC and Portland's. Those revenues have been struggling to recover post-pandemic in-line with local economic conditions.
- Enterprise revenues include a 0.7 percent increase at MERC, a 2.2 percent increase at the Oregon Zoo, and a 6.1 percent increase in solid waste revenues.
- Personnel services costs are budgeted to increase by 4.8 percent. A large percentage of Metro staff are represented and salary increases are based on specific collective bargaining agreements, contributing to the personnel services cost increase. Additionally, PERS and healthcare costs are expected to increase, outpacing the savings resulting from the FTE decrease referenced below.

Management Discussion and Analysis

For the fiscal year ended June 30, 2025

- The number of authorized positions decreased in the adopted fiscal year 2026 budget from the amended 2025 budget by a net 52.15 FTE to a total of 1,129.15 FTE as intentional FTE reductions were made across the departments struggling with budgetary shortfalls during fiscal year 2026 budget planning. The departments most impacted were MERC, Parks and Nature, Planning, Development and Research and many central services.
- Voters in greater Portland approved a supportive housing services tax in May 2020, levying a 1 percent tax on personal taxable income above \$125,000 for individuals and \$200,000 for those filing jointly, and a 1 percent tax on net business income for businesses with gross receipts in excess of \$5.0 million. The budget anticipates \$328.8 million in revenues and \$499.3 million in payments to other governmental agencies for the implementation of the supportive housing services program, related tax collection, and program administration and oversight.
- Significant capital and bond project expenditures in fiscal year 2026 include \$139.5 million to local partners for approved affordable housing projects and site acquisition, \$25 million in payments to grantees and other governmental agencies for parks and natural area projects, \$26 million for land acquisition and infrastructure work within the Metro parks and nature portfolio, \$8 million for solid waste facility capital upgrades at the Metro Central and Metro South transfer, and \$19 million for work at the Oregon Zoo for several guest experience and animal habitat construction projects funded by the recent voter-approved bond measure.

Metro's financial policies are the backbone of Metro's financial accountability and transparency. The fiscal year 2026 budget is a chance to prepare both for the coming fiscal year and for the longer term. Preparing for the future is a core element of Metro's charter and organizational culture.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Metro's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Metro, 600 NE Grand Avenue, Portland, Oregon, 97232-2736.

Basic Financial Statements

METRO | Annual Comprehensive Financial Report 2025





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Government-Wide Financial Statements

METRO
Statement of Net Position
June 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Oregon Zoo Foundation
ASSETS				
Equity in internal cash and investment pool	\$ 63,048,949	103,082,574	166,131,523	2,987,280
Investments	-	-	-	22,516,148
Receivables (net of allowance for uncollectibles):				
Property taxes	548,725	-	548,725	-
Trade	43,996	13,571,077	13,615,073	201,815
Other	2,621,303	10,868,592	13,489,895	758,163
Interest	380,728	592,999	973,727	-
Grants	-	137,882	137,882	-
Internal balances	4,335,843	(4,335,843)	-	-
Lease receivable	1,434,792	-	1,434,792	-
Public-private partnership receivable	-	30,886,581	30,886,581	-
Inventories	-	705,290	705,290	-
Prepaid items	1,489,718	468,229	1,957,947	104,602
Other assets	271,200	30,000	301,200	-
Restricted assets:				
Equity in internal cash and investment pool	228,264,373	472,846	228,737,219	-
Investments	429,290,395	-	429,290,395	-
Receivables (net of allowance for uncollectibles):				
Property taxes	2,719,295	-	2,719,295	-
Personal and business income taxes	51,724,299	-	51,724,299	-
Trade	31,605	-	31,605	-
Other	644,098	-	644,098	-
Interest	3,526,234	-	3,526,234	-
Grants	4,474,008	-	4,474,008	-
Lease receivable	33,001	-	33,001	-
Assets held for resale	12,655,935	-	12,655,935	-
Advances	241,690,791	-	241,690,791	-
Prepaid items	663,482	-	663,482	-
Loans receivable	427,043	-	427,043	-
Net OPEB asset	1,237,129	1,219,626	2,456,755	-
Other assets	1,017,444	-	1,017,444	-
Capital assets:				
Capital assets, non-depreciable	368,425,927	43,798,359	412,224,286	-
Capital assets, net of accumulated depreciation and amortization	77,724,327	290,847,809	368,572,136	19,500
Total assets	1,498,724,640	492,346,021	1,991,070,661	26,587,508
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension amounts	34,360,169	31,117,983	65,478,152	-
Deferred OPEB amounts	519,434	712,752	1,232,186	-
Total deferred outflows of resources	34,879,603	31,830,735	66,710,338	-
LIABILITIES				
Accounts payable	31,061,401	13,873,847	44,935,248	67,401
Accrued salaries and benefits	3,025,812	2,790,715	5,816,527	-
Contracts payable	649,537	914,836	1,564,373	3,253,666
Accrued interest payable	4,268,143	40,168	4,308,311	-
Accrued self-insurance claims	1,140,000	-	1,140,000	-
Unearned revenue	567,017	6,719,553	7,286,570	518,281
Deposits payable	15,239	3,254,393	3,269,632	-
Other liabilities	230,458	935,381	1,165,839	-

(Continued)

METRO
Statement of Net Position, *continued*
June 30, 2025

	Primary Government			Component Unit
	Governmental	Business-type	Total	Oregon Zoo Foundation
	Activities	Activities		
LIABILITIES, Continued				
Noncurrent liabilities:				
Due within one year:				
Leases payable	\$ 17,730	437,782	455,512	-
SBITA payable	1,099,872	128,445	1,228,317	-
Bonds payable	67,140,000	-	67,140,000	-
Post-closure costs payable	-	1,031,260	1,031,260	-
Pollution remediation obligation	327,682	-	327,682	-
Compensated absences	5,313,214	4,283,103	9,596,317	-
Due in more than one year:				
Leases payable	-	9,670,368	9,670,368	-
SBITA payable	584,707	311,984	896,691	-
Bonds payable (net of unamortized premium or discount)	918,019,196	-	918,019,196	-
Total OPEB liability	1,400,114	1,969,641	3,369,755	-
Pollution remediation obligation	2,725,718	130,000	2,855,718	-
Compensated absences	1,262,499	859,044	2,121,543	-
Net pension liability	75,051,965	67,970,147	143,022,112	-
Total liabilities	1,113,900,304	115,320,667	1,229,220,971	3,839,348
DEFERRED INFLOWS OF RESOURCES				
Deferred lease amounts	1,329,094	-	1,329,094	-
Deferred public-private partnership amounts	-	29,436,715	29,436,715	-
Deferred pension amounts	7,841,747	7,101,809	14,943,556	-
Deferred OPEB amounts	539,647	689,198	1,228,845	-
Total deferred inflows of resources	9,710,488	37,227,722	46,938,210	-
NET POSITION				
Net investment in capital assets (1)	392,059,202	324,097,588	702,384,062	19,500
Restricted for:				
Parks and natural areas operations:				
Expendable	6,391,942	-	6,391,942	-
Non-expendable	218,791	-	218,791	-
Supportive housing services	256,352,974	-	256,352,974	-
Transit-oriented development projects	23,882,411	-	23,882,411	-
Planning projects	27,233,626	-	27,233,626	-
Smith and Bybee Wetlands management plan	968,302	-	968,302	-
Community enhancement:				
Expendable	1,359,224	-	1,359,224	-
Non-expendable	212,017	-	212,017	-
Willamette Falls Legacy project	16,943,440	-	16,943,440	-
Debt service	4,408,352	-	4,408,352	-
Capital projects	235,889,136	17,108,207	252,997,343	-
OPEB asset	1,237,129	1,219,626	2,456,755	-
Perpetual care: Non-expendable	747,747	-	747,747	-
Zoo purposes:				
Expendable	-	-	-	908,594
Non-expendable	-	-	-	1,194,628
Unrestricted (deficit)	(557,910,842)	29,202,946	(514,935,168)	20,625,438
Total net position	\$ 409,993,451	371,628,367	781,621,818	22,748,160

(1) See Note II.D.16 in the notes to the financial statements

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

METRO
Statement of Activities
For the fiscal year ended June 30, 2025

		Program Revenues			
		Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
FUNCTIONS/PROGRAMS					
Primary Government:					
Governmental activities:					
General government operations	\$	8,577,772	989,206	3,618,187	-
Planning, development and research		34,190,288	2,259,370	19,597,977	-
Housing		567,298,090	2,130	-	-
Culture and recreation		59,450,030	9,038,982	911,283	330,000
Interest		26,268,123	-	-	-
Total governmental activities		695,784,303	12,289,688	24,127,447	330,000
Business-type activities:					
Solid Waste		122,666,373	121,913,442	177,750	-
Oregon Zoo		56,657,616	32,046,843	5,208,340	-
MERC		96,286,342	56,388,190	21,625,902	1,395,953
Total business-type activities		275,610,331	210,348,475	27,011,992	1,395,953
Total primary government	\$	971,394,634	222,638,163	51,139,439	1,725,953
Component Unit:					
Oregon Zoo Foundation	\$	10,828,581	6,677,441	3,761,094	-
General revenues:					
Property taxes					
Personal and business income taxes					
Excise taxes					
Construction excise tax					
Cemetery revenue surcharge					
Unrestricted investment earnings					
Transfers					
Total general revenues and transfers					
Change in net position					
Net position - July 1, 2024					
Net position - June 30, 2025					

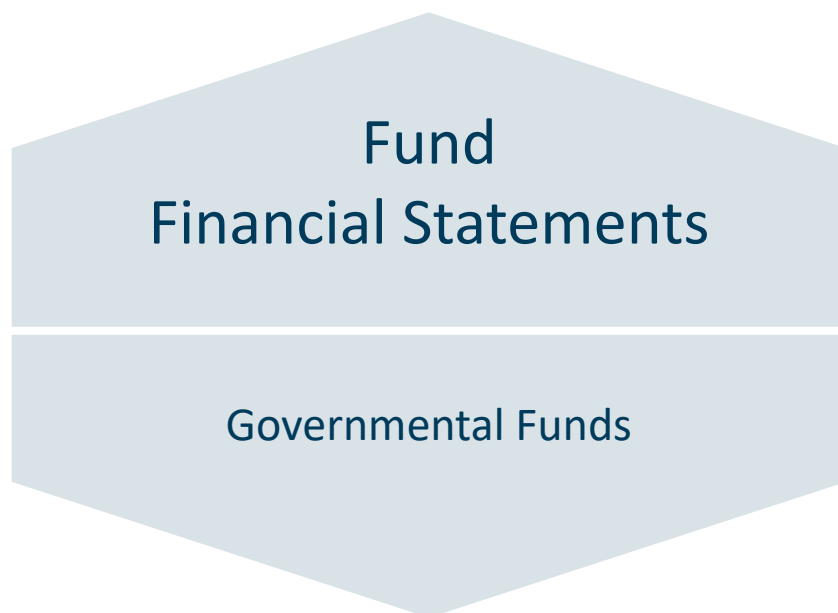
The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Oregon Zoo Foundation
(3,970,379)	-	(3,970,379)	
(12,332,941)	-	(12,332,941)	
(567,295,960)	-	(567,295,960)	
(49,169,765)	-	(49,169,765)	
(26,268,123)	-	(26,268,123)	
(659,037,168)	-	(659,037,168)	
-	(575,181)	(575,181)	
-	(19,402,433)	(19,402,433)	
-	(16,876,297)	(16,876,297)	
-	(36,853,911)	(36,853,911)	
(659,037,168)	(36,853,911)	(695,891,079)	
			(390,046)
124,245,297	-	124,245,297	-
324,964,017	-	324,964,017	-
22,580,785	-	22,580,785	-
3,427,490	-	3,427,490	-
80,985	-	80,985	-
33,831,374	7,048,683	40,880,057	2,209,740
(20,189,676)	20,189,676	-	-
488,940,272	27,238,359	516,178,631	2,209,740
(170,096,896)	(9,615,552)	(179,712,448)	1,819,694
580,090,347	381,243,919	961,334,266	20,928,466
\$ 409,993,451	371,628,367	781,621,818	22,748,160



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Fund Financial Statements



Major Funds

General Fund

The *General Fund* accounts for all activities not required to be accounted for in another fund. This fund accounts for Metro's primary governmental programs and support services including Council, Office of the Auditor, Office of Metro Attorney, Information Technology, Communications, Finance and Regulatory Services, Human Resources, Capital Asset Management (construction project management and Metro Regional Center building operations components), Planning, Development and Research (land use, urban growth management, research, and environmental and transportation planning), Housing, Diversity, Equity, and Inclusion, and special and non-departmental appropriations. The principal resources of the fund are charges for services, grants, property taxes, income taxes, construction excise tax, and excise taxes on Metro's facilities and services levied in accordance with the Metro Code.

The budgetary General Fund is combined with two other budgetary funds, the General Revenue Bond Fund – General and the General Asset Management Fund, to become one fund in accordance with accounting principles generally accepted in the United States of America.

Special Revenue Funds

Parks and Nature Operating Fund

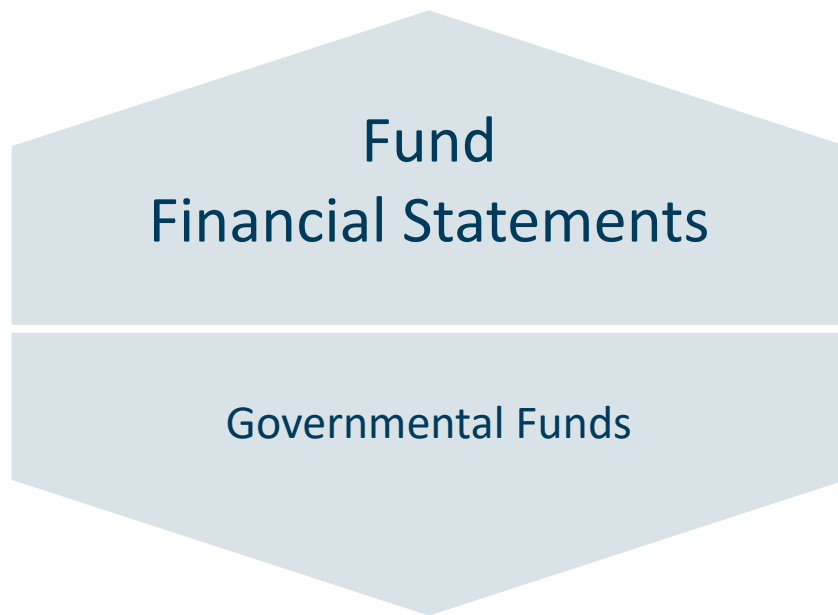
This fund accounts for a dedicated local option levy and other funding that is used to improve water quality and restore wildlife habitat, wetlands, and floodplains in the region, as well as needed upkeep to parks, nature education and community partnerships throughout the region.

Affordable Housing Fund

This fund was established to account for bond proceeds and expenditures related to the 2018 Affordable Housing Measure. Metro sold \$652.8 million in taxable bonds in May 2019 to fund affordable housing for low-income families, seniors, veterans and people with disabilities in the greater Portland region.

Supportive Housing Services Fund

This fund was established to account for income tax proceeds and expenditures related to the 2020 Supportive Housing Services Measure. Specifically, funds will provide funding for housing assistance and wraparound services. The principal source of revenue is personal and business income taxes.



Major Funds

Debt Service Fund

The General Obligation Bond Debt Service Fund accounts for payments of general obligation bond principal and interest to bondholders. The principal resources are property taxes and investment income.

Capital Projects Funds

Zoo Bond 24 Fund

This fund accounts for activities to protect animal health, provide conservation and education, and increase sustainability at the Oregon Zoo. The principal sources of revenue are bonds issued, premium on bonds issued, and investment income.

Parks and Nature Bond Fund

This fund accounts for activities to protect natural areas, water quality, and fish and wildlife habitat and connecting people to nature. The principal sources of revenue are bonds issued, premium on bonds issued, and investment income.

Nonmajor Funds

Other Governmental Funds

Other governmental funds include Smith and Bybee Wetlands Fund, Community Enhancement Fund, and Cemetery Perpetual Care Fund.

METRO
Balance Sheet and Reconciliation to Statement of Net Position
Governmental Funds
June 30, 2025

		Special Revenue		
	General	Parks and Nature Operating	Affordable Housing	Supportive Housing Services
ASSETS				
Equity in internal cash and investment pool	\$ 126,539,996	9,307,369	54,274,432	36,781,407
Investments	-	-	165,873,687	-
Receivables:				
Property taxes	548,725	504,219	-	-
Personal and business income taxes	-	-	-	51,724,299
Trade	18,701	52,648	-	-
Other	2,769,736	401,064	-	-
Interest	636,410	50,664	734,054	195,392
Grants	4,474,008	-	-	-
Lease receivable	483,593	984,200	-	-
Assets held for resale	3,413,140	-	9,242,795	-
Advances	-	-	71,594,174	170,060,214
Prepaid items	463,433	218,791	-	2,396
Other assets	-	209,922	-	1,000,000
Loans receivable	427,043	-	-	-
Restricted assets:				
Equity in internal cash and investment pool	3,368,617	-	-	-
Total assets	\$ 143,143,402	11,728,877	301,719,142	259,763,708
LIABILITIES				
Accounts payable	\$ 8,137,453	1,725,378	12,038,545	2,902,891
Accrued salaries and benefits	2,021,555	555,015	35,783	173,428
Contracts payable	30,568	-	-	-
Unearned revenue	245,125	321,892	-	-
Deposits payable	6,435	8,804	-	-
Other liabilities	223,696	6,637	-	-
Total liabilities	10,664,832	2,617,726	12,074,328	3,076,319
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	464,069	423,038	-	-
Unavailable revenue-other	146,121	89,401	-	-
Deferred lease amounts	417,977	911,117	-	-
Total deferred inflows of resources	1,028,167	1,423,556	-	-
FUND BALANCES				
Nonspendable	463,433	218,791	71,594,174	170,062,610
Restricted	73,133,891	6,864,496	218,050,640	86,624,779
Committed	9,458,013	-	-	-
Assigned	6,378,912	604,308	-	-
Unassigned	42,016,154	-	-	-
Total fund balances	131,450,403	7,687,595	289,644,814	256,687,389
Total liabilities, deferred inflows of resources and fund balances	\$ 143,143,402	11,728,877	301,719,142	259,763,708

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

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

The net pension liability, net OPEB asset, total OPEB liability, and related deferred outflows and inflows of resources are not available/payable in the current period and therefore are not reported in the funds.

Property taxes and certain other revenues are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the funds.

An internal service fund is used by management to charge the costs of insurance and risk management to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.

Long-term liabilities (including bonds payable) and related deferred inflows of resources, are not due and payable in the current period and therefore are not reported in the funds.

Net position of governmental activities

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

General Obligation Bond Debt Service	Capital Projects		Other Governmental Funds	Total Governmental Funds
	Zoo Bond 24	Parks and Nature Bond		
6,145,801	3,827,768	46,581,684	2,842,336	286,300,793
-	73,605,325	189,811,383	-	429,290,395
2,215,076	-	-	-	3,268,020
-	-	-	-	51,724,299
-	-	4,252	-	75,601
-	-	33,199	61,401	3,265,400
97,115	609,055	1,558,382	15,662	3,896,734
-	-	-	-	4,474,008
-	-	-	-	1,467,793
-	-	-	-	12,655,935
-	-	-	36,403	241,690,791
-	-	-	175,614	860,234
-	-	8,722	-	1,218,644
-	-	-	-	427,043
12	-	-	-	3,368,629
<u>8,458,004</u>	<u>78,042,148</u>	<u>237,997,622</u>	<u>3,131,416</u>	<u>1,043,984,319</u>
-	115,305	5,763,232	256,353	30,939,157
-	19,955	203,839	-	3,009,575
-	5,377	613,592	-	649,537
-	-	-	-	567,017
-	-	-	-	15,239
-	-	125	-	230,458
-	<u>140,637</u>	<u>6,580,788</u>	<u>256,353</u>	<u>35,410,983</u>
1,868,414	-	-	-	2,755,521
-	-	25,443	-	260,965
-	-	-	-	1,329,094
<u>1,868,414</u>	-	<u>25,443</u>	-	<u>4,345,580</u>
-	-	-	959,764	243,298,772
6,589,590	77,901,511	231,391,391	1,883,030	702,439,328
-	-	-	-	9,458,013
-	-	-	32,269	7,015,489
-	-	-	-	42,016,154
<u>6,589,590</u>	<u>77,901,511</u>	<u>231,391,391</u>	<u>2,875,063</u>	<u>1,004,227,756</u>
<u>8,458,004</u>	<u>78,042,148</u>	<u>237,997,622</u>	<u>3,131,416</u>	
				446,150,254
				(48,716,741)
				3,016,486
				6,075,266
				(1,000,759,570)
				<u>\$ 409,993,451</u>

METRO
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the fiscal year ended June 30, 2025

		Special Revenue		
	General	Parks and Nature Operating	Affordable Housing	Supportive Housing Services
REVENUES				
Property taxes	\$ 20,618,414	19,092,485	-	-
Excise taxes	22,580,785	-	-	-
Personal and business income taxes	-	-	-	324,964,017
Construction excise tax	3,427,490	-	-	-
Cemetery revenue surcharge	80,985	-	-	-
Investment income	7,008,185	545,531	13,455,204	2,699,033
Government fees	6,292	8,275	-	-
Culture and recreation fees	14,172	5,592,765	-	-
Solid waste fees	-	-	-	-
Other fees	1,225,236	1,691,518	-	-
Internal charges for services	1,241,852	-	-	-
Licenses and permits	534,650	-	-	-
Miscellaneous revenue	150,607	78,501	-	2,130
Grants	15,874,806	379,995	-	-
Local government shared revenues	3,603,087	528,460	-	-
Government contributions	3,738,271	-	-	-
Total revenues	80,104,832	27,917,530	13,455,204	327,665,180
EXPENDITURES				
Current:				
General government operations	8,019,192	-	-	-
Planning, development and research	33,538,757	-	-	-
Housing	58,004	-	118,102,105	447,522,220
Culture and recreation	333,112	34,206,014	-	-
Debt service:				
Principal	4,430,000	-	-	-
Interest	3,260,048	-	-	-
Capital outlay	3,687,743	527,526	-	-
Total expenditures	53,326,856	34,733,540	118,102,105	447,522,220
Revenues over (under) expenditures	26,777,976	(6,816,010)	(104,646,901)	(119,857,040)
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
SBITA	584,318	96,597	-	-
Sale of capital assets	29,405	58,415	-	-
Transfers in	2,943,665	7,404,073	950,000	-
Transfers out	(30,379,073)	(784,516)	(25,165)	(112,806)
Total other financing sources (uses)	(26,821,685)	6,774,569	924,835	(112,806)
Net change in fund balances	(43,709)	(41,441)	(103,722,066)	(119,969,846)
Fund balances - July 1, 2024	131,494,112	7,729,036	393,366,880	376,657,235
Fund balances - June 30, 2025	\$ 131,450,403	7,687,595	289,644,814	256,687,389

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

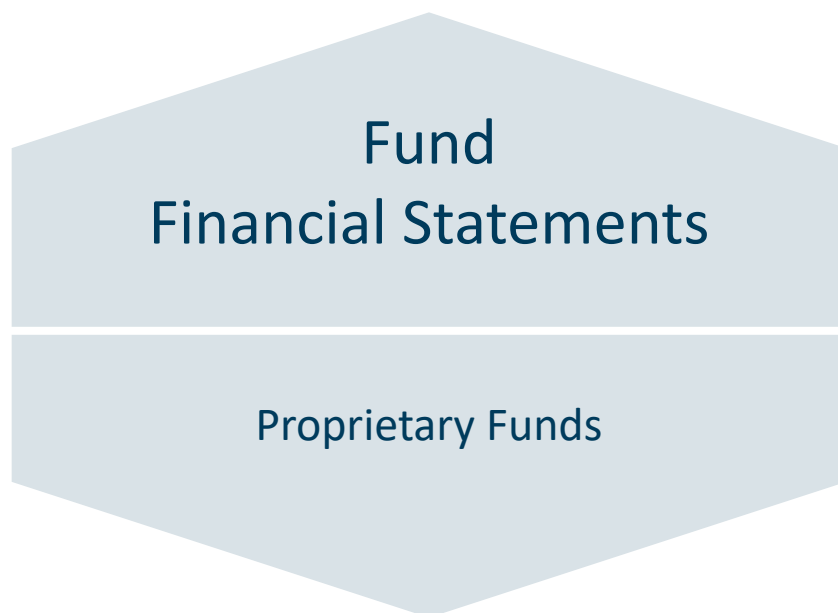
General Obligation Bond Debt Service	Capital Projects		Other Governmental Funds	Total Governmental Funds
	Zoo Bond 24	Parks and Nature Bond		
84,257,967	-	-	-	123,968,866
-	-	-	-	22,580,785
-	-	-	-	324,964,017
-	-	-	-	3,427,490
-	-	-	-	80,985
1,505,888	611,123	7,756,385	176,072	33,757,421
-	-	-	-	14,567
-	-	-	-	5,606,937
-	-	-	1,324,645	1,324,645
-	-	46,771	-	2,963,525
-	-	-	-	1,241,852
-	-	-	-	534,650
-	-	166,164	-	397,402
-	-	2,828	-	16,257,629
-	-	-	-	4,131,547
-	-	-	-	3,738,271
85,763,855	611,123	7,972,148	1,500,717	544,990,589
-	-	-	-	8,019,192
-	-	-	-	33,538,757
-	-	-	-	565,682,329
-	589,237	21,685,507	1,449,796	58,263,666
59,285,443	-	-	-	63,715,443
24,667,424	-	-	-	27,927,472
-	1,234,280	20,906,036	-	26,355,585
83,952,867	1,823,517	42,591,543	1,449,796	783,502,444
1,810,988	(1,212,394)	(34,619,395)	50,921	(238,511,855)
-	75,000,000	125,000,000	-	200,000,000
-	4,114,876	6,862,399	-	10,977,275
-	-	-	-	680,915
-	-	-	-	87,820
-	-	-	-	11,297,738
-	(971)	(136,917)	(27,900)	(31,467,348)
-	79,113,905	131,725,482	(27,900)	191,576,400
1,810,988	77,901,511	97,106,087	23,021	(46,935,455)
4,778,602	-	134,285,304	2,852,042	1,051,163,211
6,589,590	77,901,511	231,391,391	2,875,063	1,004,227,756

METRO
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the fiscal year ended June 30, 2025

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

Net change in fund balances-total governmental funds		\$ (46,935,455)
Governmental funds report capital outlays as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital outlays exceeded depreciation and amortization.		
Capital outlays	26,667,418	
Less current year depreciation and amortization	<u>(5,590,293)</u>	21,077,125
Modifications of right to use contracts result in expenditures for governmental funds while governmental activities report capital assets.		96,597
Governmental funds purchase capital assets that are subsequently transferred and then owned and depreciated by a proprietary fund in the statement of activities.		(9,026)
In the statement of activities, only the gain or loss on the disposal of capital assets is reported, while in governmental funds, the entire proceeds from sales increase financial resources. The change in net position differs from the change in fund balance by the book values of the assets disposed.		(3,863,808)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Change in unavailable revenue-property taxes	276,430	
Change in unavailable revenue-other	<u>206,111</u>	482,541
An internal service fund is used by management to charge the costs of insurance and risk management to individual funds. The net revenue of certain activities of the internal service fund is included in governmental activities in the statement of activities.		(6,989)
The issuance of long-term debt provides current financial resources to governmental funds, but issuance of debt increases long-term liabilities in the statement of net position. The repayment of principal on long-term debt uses current financial resources of governmental funds, but repayment of debt reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas premiums and discounts are deferred and amortized in the statement of activities. These are the effects of the differences in the treatment of long-term debt and related items.		
Bonds issued	(200,000,000)	
Premium on bonds issued	(10,977,275)	
Principal payments on bonds	63,715,443	
Amortization of unamortized premium or discount	1,790,394	
Leases payable	243,131	
SBITA payable	<u>471,311</u>	(144,756,996)
Expenses in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the funds.		
Pollution remediation liability	5,554,224	
Other postemployment benefits	233,661	
Compensated absences	(619,085)	
Amortization of deferred charge on refunding	1,951,781	
Accruals associated with pension related obligations	(2,281,656)	
Arbitrage payable on bonds	1,050,684	
Accrued interest payable	<u>(2,070,494)</u>	3,819,115
Change in net position of governmental activities		<u>\$ (170,096,896)</u>

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



Enterprise Funds

Major Funds

Solid Waste Fund

This fund accounts for revenues, primarily from charges for services for the disposal of solid waste, and expenses for the implementation, administration and enforcement of Metro's Solid Waste Management Plan. This fund also accounts for Metro South Station and Metro Central Station solid waste transfer and recycling facilities, and the closed St. Johns Landfill.

Oregon Zoo Fund

This fund accounts for revenues and expenses related to the management and operation of the Oregon Zoo. The principal sources of revenue are charges for services such as admission and membership fees, and food, beverage and gift sales. Expenses consist primarily of facility operation costs and payroll. This fund consists of two budgetary funds (Oregon Zoo Operating Fund and Oregon Zoo Asset Management Fund) that are combined as one Enterprise Fund to be in accordance with accounting principles generally accepted in the United States of America.

MERC Fund

This fund accounts for revenues and expenses related to the management and operation of facilities managed by MERC, including the OCC, Expo Center, and Portland's 5. The principal sources of revenue are charges for services and local government shared revenue. Expenses consist primarily of management, food and beverage and operation costs. This fund consists of two budgetary funds (MERC Fund and General Revenue Bond Fund-MERC) that are combined as one Enterprise Fund to be in accordance with accounting principles generally accepted in the United States of America.

Internal Service Fund

Major Funds

Risk Management Fund

This fund accounts for risk management and self-insurance programs performed for other organizational units within Metro. The primary revenue is charges for services to user funds. Primary expenses are insurance premiums, claims costs, and studies related to insurance issues.

METRO
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-type Activities-Enterprise Funds				Governmental Activities- Internal Service Fund Risk Management
	Solid Waste	Oregon Zoo	MERC	Total	
ASSETS					
Current assets:					
Equity in internal cash and investment pool	\$ 38,460,076	42,059,728	22,562,770	103,082,574	1,643,900
Receivables:					
Trade	8,732,763	1,912,278	2,926,036	13,571,077	-
Other	2,853,032	1,243,706	6,771,854	10,868,592	-
Interest	206,853	254,292	131,854	592,999	10,228
Grants	-	137,882	-	137,882	-
Public-private partnership receivable	-	2,766,598	1,429,769	4,196,367	-
Inventories	705,290	-	-	705,290	-
Prepaid items	215,340	215,570	37,319	468,229	1,292,967
Other assets	-	-	30,000	30,000	70,000
Total current assets	51,173,354	48,590,054	33,889,602	133,653,010	3,017,095
Noncurrent assets:					
Restricted equity in internal cash and investment pool	-	-	472,846	472,846	-
Public-private partnership receivable	-	16,020,316	10,669,898	26,690,214	-
OPEB asset	444,466	388,247	386,913	1,219,626	-
Capital assets, net	44,499,692	154,317,327	135,829,149	334,646,168	33,282
Total noncurrent assets	44,944,158	170,725,890	147,358,806	363,028,854	33,282
Total assets	96,117,512	219,315,944	181,248,408	496,681,864	3,050,377
DEFERRED OUTFLOWS OF RESOURCES					
Deferred pension amounts	10,694,730	9,737,602	10,685,651	31,117,983	-
Deferred OPEB amounts	314,250	210,926	187,576	712,752	-
Total deferred outflows of resources	11,008,980	9,948,528	10,873,227	31,830,735	-
LIABILITIES					
Current liabilities:					
Accounts payable	9,494,873	2,580,672	1,798,302	13,873,847	122,255
Accrued salaries and benefits	946,700	918,591	925,424	2,790,715	16,237
Contracts payable	135,629	299,249	479,958	914,836	-
Accrued interest payable	19,525	1,041	19,602	40,168	-
Accrued self-insurance claims	-	-	-	-	1,140,000
Unearned revenue	788,613	174,588	5,756,352	6,719,553	-
Deposits payable	-	-	3,254,393	3,254,393	-
Other liabilities	11,796	69	923,516	935,381	-
Leases payable-current	393,964	-	43,818	437,782	-
SBITA payable-current	90,348	16,584	21,513	128,445	-
Post-closure costs payable-current	1,031,260	-	-	1,031,260	-
Compensated absences-current	1,621,925	1,390,724	1,270,454	4,283,103	17,878
Total current liabilities	14,534,633	5,381,518	14,493,332	34,409,483	1,296,370

(Continued)

METRO
Statement of Net Position
Proprietary Funds, *continued*
June 30, 2025

	Business-type Activities-Enterprise Funds				Governmental Activities- Internal Service Fund Risk Management
	Solid Waste	Oregon Zoo	MERC	Total	
LIABILITIES, <i>continued</i>					
Noncurrent liabilities:					
Leases payable	\$ 4,002,992	-	5,667,376	9,670,368	-
SBITA payable	271,514	17,617	22,853	311,984	-
Total OPEB liability	877,861	580,111	511,669	1,969,641	-
Pollution remediation obligation	-	-	130,000	130,000	-
Compensated absences	85,520	430,619	342,905	859,044	14,584
Net pension liability	23,360,203	21,269,574	23,340,370	67,970,147	-
Total noncurrent liabilities	28,598,090	22,297,921	30,015,173	80,911,184	14,584
Total liabilities	43,132,723	27,679,439	44,508,505	115,320,667	1,310,954
DEFERRED INFLOWS OF RESOURCES					
Deferred pension amounts	2,440,773	2,222,335	2,438,701	7,101,809	-
Deferred public-private partnership amounts	-	17,923,206	11,513,509	29,436,715	-
Deferred OPEB amounts	293,856	206,888	188,454	689,198	-
Total deferred inflows of resources	2,734,629	20,352,429	14,140,664	37,227,722	-
NET POSITION					
Net investment in capital assets	39,740,874	154,283,129	130,073,585	324,097,588	33,283
Restricted for:					
Capital projects	-	16,635,362	472,845	17,108,207	-
OPEB asset	444,466	388,247	386,913	1,219,626	-
Unrestricted	21,073,800	9,925,866	2,539,123	33,538,789	1,706,140
Total net position	\$ 61,259,140	181,232,604	133,472,466	375,964,210	1,739,423
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(4,335,843)	
Net position of business-type activities				\$ 371,628,367	

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

METRO
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the fiscal year ended June 30, 2025

	Business-type Activities-Enterprise Funds				Governmental Activities- Internal Service Fund Risk Management
	Solid Waste	Oregon Zoo	MERC	Total	
OPERATING REVENUES					
Charges for services	\$ 121,913,442	32,046,843	56,388,190	210,348,475	210,574
Internal charges for services	-	-	-	-	4,940,350
Total operating revenues	121,913,442	32,046,843	56,388,190	210,348,475	5,150,924
OPERATING EXPENSES					
Payroll and fringe benefits	28,830,219	27,871,948	30,006,183	86,708,350	513,194
Depreciation and amortization	2,762,269	7,565,534	5,294,569	15,622,372	44,377
Administration	20,562,353	8,666,040	11,250,016	40,478,409	-
Facility operations	30,261,420	10,699,504	23,655,962	64,616,886	-
Marketing	-	-	5,731,422	5,731,422	-
Food and beverage	-	-	13,051,111	13,051,111	-
Disposal fees	11,358,397	-	-	11,358,397	-
Waste transport	16,089,869	-	-	16,089,869	-
Special waste disposal fees	1,435,699	-	-	1,435,699	-
Landfill post-closure	146,271	-	-	146,271	-
Consulting services	3,478,786	1,842,271	665,152	5,986,209	-
Charges for services	698,262	13,280	278,926	990,468	-
Insurance	-	-	-	-	3,700,613
Claims	-	-	-	-	676,684
Actuarial claims	-	-	-	-	363,000
Other materials and services	3,083,063	-	-	3,083,063	37,977
Total operating expenses	118,706,608	56,658,577	89,933,341	265,298,526	5,335,845
Operating income (loss)	3,206,834	(24,611,734)	(33,545,151)	(54,950,051)	(184,921)
NON-OPERATING REVENUES (EXPENSES)					
Investment income	2,230,210	2,749,661	2,068,813	7,048,684	73,953
Grants	177,750	1,328,217	170,023	1,675,990	770
Local government shared revenue	-	-	19,280,624	19,280,624	-
Government contributions	-	-	2,175,255	2,175,255	-
Contributions and donations	-	3,880,123	-	3,880,123	-
Contributions to other governments	-	-	(5,043,069)	(5,043,069)	-
Gain (loss) on disposal of capital assets	(240,221)	31,336	(1,027,269)	(1,236,154)	-
Waste reduction grants	(3,558,379)	-	-	(3,558,379)	-
Interest expense	(106,523)	(1,040)	(252,056)	(359,619)	(336)
Total non-operating revenues (expenses)	(1,497,163)	7,988,297	17,372,321	23,863,455	74,387
Income (loss) before transfers and capital contributions	1,709,671	(16,623,437)	(16,172,830)	(31,086,596)	(110,534)
Capital contributions	9,026	-	1,395,953	1,404,979	-
Transfers in	-	20,550,000	1,475,000	22,025,000	-
Transfers out	(633,932)	(577,204)	(633,214)	(1,844,350)	(11,040)
Change in net position	1,084,765	3,349,359	(13,935,091)	(9,500,967)	(121,574)
Total net position - July 1, 2024	60,174,375	177,883,245	147,407,557		1,860,997
Total net position - June 30, 2025	\$ 61,259,140	181,232,604	133,472,466		1,739,423
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(114,585)	
Change in net position of business-type activities				\$ (9,615,552)	

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

METRO
Statement of Cash Flows
Proprietary Funds
For the fiscal year ended June 30, 2025

	Business-type Activities- Enterprise Funds				Governmental Activities- Internal Service Fund
	Solid Waste	Oregon Zoo	MERC	Total	Risk Management
Cash flows from operating activities:					
Receipts from customers	\$ 119,886,512	31,562,053	55,784,403	207,232,968	210,574
Receipts from interfund services provided	-	-	-	-	4,940,350
Payments to suppliers for goods and services	(64,988,590)	(11,679,242)	(42,331,147)	(118,998,979)	(3,957,285)
Payments for claims	-	-	-	-	(676,684)
Payments to employees for services	(28,575,728)	(27,820,526)	(29,712,695)	(86,108,949)	(536,593)
Payments for interfund services used	(20,562,353)	(8,949,387)	(11,250,016)	(40,761,756)	-
Net cash provided by (used in) operating activities	5,759,841	(16,887,102)	(27,509,455)	(38,636,716)	(19,638)
Cash flows from noncapital financing activities:					
Grants received	177,750	1,272,791	170,064	1,620,605	770
Local government shared revenues	-	-	19,353,021	19,353,021	-
Government contributions	-	-	2,175,255	2,175,255	-
Contributions and donations	-	3,880,123	-	3,880,123	-
Contributions to other governments	-	-	(5,043,069)	(5,043,069)	-
Grants to others	(3,685,783)	-	-	(3,685,783)	-
Transfers from other funds	-	20,550,000	1,475,000	22,025,000	-
Transfers to other funds	(633,932)	(577,204)	(633,214)	(1,844,350)	(11,040)
Net cash provided by (used in) noncapital financing activities	(4,141,965)	25,125,710	17,497,057	38,480,802	(10,270)
Cash flows from capital and related financing activities:					
Capital grants and contributions	9,026	-	1,395,953	1,404,979	-
Principal payment on bonds	-	-	(1,005,000)	(1,005,000)	-
Principal payment on leases	(383,854)	-	(154,831)	(538,685)	-
Principal payment on SBITA	(522,887)	(15,596)	(264,901)	(803,384)	(44,552)
Interest payments	(95,579)	(1,515)	(308,331)	(405,425)	(448)
Acquisition and construction of capital assets	(2,595,534)	(8,235,768)	(3,658,604)	(14,489,906)	-
Net cash used in capital and related financing activities	(3,588,828)	(8,252,879)	(3,995,714)	(15,837,421)	(45,000)
Cash flows from investing activities:					
Investment income	2,237,718	2,761,209	2,149,389	7,148,316	75,496
Net cash provided by investing activities	2,237,718	2,761,209	2,149,389	7,148,316	75,496
Net increase (decrease) in cash including restricted amounts	266,766	2,746,938	(11,858,723)	(8,845,019)	588
Cash at beginning of year including restricted amounts	38,193,310	39,312,790	34,894,339	112,400,439	1,643,312
Cash at end of year including restricted amounts	\$ 38,460,076	42,059,728	23,035,616	103,555,420	1,643,900

(Continued)

METRO
Statement of Cash Flows
Proprietary Funds, *continued*
For the fiscal year ended June 30, 2025

	Business-type Activities- Enterprise Funds				Governmental Activities- Internal Service Fund
	Solid Waste	Oregon Zoo	MERC	Total	Risk Management
Equity in internal cash and investment pool	\$ 38,460,076	42,059,728	22,562,770	103,082,574	1,643,900
Restricted equity in internal cash and investment pool	-	-	472,846	472,846	-
Total	\$ 38,460,076	42,059,728	23,035,616	103,555,420	1,643,900
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 3,206,834	(24,611,734)	(33,545,151)	(54,950,051)	(184,921)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	2,762,269	7,565,534	5,294,569	15,622,372	44,377
Change in assets and liabilities:					
Trade/other accounts receivable	(2,026,929)	(484,788)	(603,786)	(3,115,503)	-
Public-private partnership	-	(376,776)	(188,669)	(565,445)	-
Inventories	473,595	-	-	473,595	-
Prepaid items	309,206	(123,797)	(1,814)	183,595	-
Other assets	-	97,998	-	97,998	(185,966)
Accounts payable	1,877,605	1,310,182	(2,501,014)	686,773	(32,729)
Accrued salaries, benefits and compensated absences	254,481	51,417	293,481	599,379	(23,399)
Contracts payable	(62,381)	299,249	158,543	395,411	-
Accrued self-insurance claims	-	-	-	-	363,000
Unearned revenue	(177,750)	(530,540)	2,090,339	1,382,049	-
Deposits payable	-	(83,541)	558,338	474,797	-
Other liabilities	787	(306)	900,709	901,190	-
Post-closure costs payable	(857,876)	-	-	(857,876)	-
Pollution remediation obligation	-	-	35,000	35,000	-
Total adjustments	2,553,007	7,724,632	6,035,696	16,313,335	165,283
Net cash provided by (used in) operating activities	\$ 5,759,841	(16,887,102)	(27,509,455)	(38,636,716)	(19,638)
Noncash investing, capital, and financing activities:					
Acquisition of capital assets by means of a SBITA	\$ 864,560	-	-	864,560	-
Non-cash portion of capital acquisitions	\$ 9,026	(40,489)	-	(31,463)	-

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

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Notes to the Financial Statements

I. HISTORICAL INTRODUCTION

Metro, the nation's only directly elected regional government, was organized under the provisions of Oregon Revised Statutes (ORS) Chapter 268 to make available, in the Portland, Oregon metropolitan area, public services not adequately available through previously authorized governmental agencies. Under the 1992 Metro Charter, Metro's primary function is regional planning services. Metro is also authorized to exercise the following functions and is permitted by Charter to assume additional functions if approved by ordinance:

- Acquisition, development, maintenance and operation of:
 - a metropolitan zoo,
 - public cultural, trade, convention, exhibition, sports, entertainment, and spectator facilities,
 - facilities for disposal of solid and liquid wastes, and
 - a system of parks, open spaces and recreational facilities of metropolitan concern
- Metropolitan aspects of natural disaster planning and response coordination
- Development and marketing of data
- Performance of any other function required by state law or assigned to Metro by voters

The Metro Council is the governing body and consists of six part-time councilors, each elected on a nonpartisan basis from a single district within the Metro area. The Council President, who both administers the agency and presides over the policymaking of the Council, is elected from the Metro area at large. A Chief Operating Officer, appointed by the Council President and confirmed by the Council, is responsible for the day-to-day administration of Metro, under the guidance of the Council President and the full Council. The Metro Auditor is elected at large, and that office performs financial and performance audits and makes reports to the Council and Chief Operating Officer.

The Metropolitan Exposition-Recreation Commission (MERC) was established by Metro ordinance to operate, maintain and renovate metropolitan convention, trade and spectator facilities pursuant to appropriate state statutes. The Commission consists of seven members, five recommended to the Council by local governments and two directly appointed by the Council President, and all confirmed by the Council. MERC is not legally separate from Metro.

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Metro have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following summary of Metro's significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies, as presented, should be viewed as an integral part of the accompanying financial statements.

A. THE REPORTING ENTITY

1. Primary Government

Metro is a municipal corporation governed by a Council President and six Councilors. As required by GAAP, Metro's financial statements present Metro (the primary government) and its component unit – the Oregon Zoo Foundation (OZF), a legally separate non-profit organization whose sole purpose is to provide support and

significant additional funding for Metro's Oregon Zoo (the Zoo). This discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from Metro. For materiality reasons, disclosures accompanying Metro's financial statements have generally been limited to those of the primary government.

2. Discretely Presented Component Unit

OZF - The legally separate OZF exists exclusively for the support and benefit of the Zoo. It is a public benefit corporation organized and operated under Section 501(c)(3) of the Internal Revenue Code. The OZF conducts fundraising efforts on behalf of the Zoo, receiving donations from both individuals and corporations that are provided as financial support to the Zoo. The OZF is included in Metro's report under the provisions of GASB Statement No. 39. Complete financial statements for OZF can be obtained from the Finance Manager at 4001 SW Canyon Road, Portland, OR 97221-2799.

B. BASIC FINANCIAL STATEMENTS

1. Government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component unit. For the most part, the effect of interfund activity has been eliminated from these statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The primary government is reported separately from its legally separate component unit.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and 3) capital grants and contributions. Taxes and other items not properly included among program revenues are reported instead as *general revenues*, as are internally dedicated resources.

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

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using an *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. All transactions affecting increases (revenues) and decreases (expenses) in total net position during the period are reported. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants are recognized as revenue when all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using a *current financial resources measurement focus* and the *modified accrual basis of accounting*. Governmental funds' operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) of fund balance during a period. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are both "measurable and available"). "Measurable" means the amount of the

transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Metro considers revenue arising from federal and state grants to be available in the period when the underlying related expenditures for reimbursement based grants have been incurred, if it is known that all eligibility requirements that allow for billing of the amount to the grantor agency under the applicable grant agreement have been satisfied. All other revenue is considered available if received within 60 days of fiscal year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on long-term debt, including lease liabilities, which are recorded when due and certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources. General capital asset acquisitions, including intangible right-to-use lease assets and subscription-based information technology arrangement assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes, income taxes, excise taxes, construction excise tax, cemetery revenue surcharges, grants, local government shared revenues, government contributions, charges for services, and investment income are susceptible to accrual. Contributions, donations and other receipts become measurable and available when cash is received and are recognized as revenue at that time.

The accounts of Metro are organized on the basis of funds, each of which is a separate accounting entity with self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues, and expenditures or expenses, as appropriate. The segregation by fund is for the purpose of carrying on specific activities or attaining certain objectives in accordance with ordinances, special regulations, restrictions or limitations. The various funds are grouped by fund type and classified into two broad fund categories: governmental and proprietary.

Major funds are those whose revenues, expenditures/expenses, assets plus deferred outflows of resources, or liabilities plus deferred inflows of resources (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. Additional funds may be reported as a major fund if Metro’s officials believe that fund is particularly important to financial statement users. Metro reports the following major governmental funds:

General Fund – This fund accounts for all activities not required to be accounted for in another fund: Metro’s primary governmental programs and support services including Council, Office of the Auditor, Office of Metro Attorney, Information Technology and Records Management, Communications, Finance and Regulatory Services, Diversity, Equity, and Inclusion, Human Resources, Capital Asset Management (construction project management and Metro Regional Center building operations components), Planning, Development, and Research (land use, urban growth management, and environmental and transportation planning), Housing, and special non-departmental appropriations. The budgetary General Fund is combined with two other budgetary funds, the General Revenue Bond Fund – General and the General Asset Management Fund, to become one fund in accordance with accounting principles generally accepted in the United States of America.

Special Revenue Funds – Special revenue funds account for revenues (other than fiduciary resources or major capital projects) that are legally restricted to expenditures for specific purposes. Metro’s major special revenue funds are:

Parks and Nature Operating Fund– This fund accounts for a dedicated local option levy and other funding that is used to improve water quality and restore wildlife habitat, wetlands, and floodplains in the region, as well as needed upkeep to parks, nature education and community partnerships throughout the region.

Affordable Housing Fund— This fund was established to account for bond proceeds and expenditures related to the 2018 Affordable Housing Measure. Metro sold \$652.8 million in taxable bonds in May 2019 to fund affordable housing for low-income families, seniors, veterans and people with disabilities in the greater Portland region.

Supportive Housing Services Fund— This fund was established to account for income tax proceeds and expenditures related to the 2020 Supportive Housing Services Measure. Specifically, funds will provide funding for housing assistance and wraparound services.

Debt Service Fund – The *General Obligation Bond Debt Service Fund* accounts for payments of general obligation bond principal and interest to bondholders.

Capital Projects Funds - This fund type is used to account for resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Metro's major capital projects funds are:

Zoo Bond 24 Fund – This fund accounts for activities to protect animal health, provide conservation and education, and increase sustainability at the Oregon Zoo.

Parks and Nature Bond Fund – This fund accounts for activities to protect natural areas, water quality, and fish and wildlife habitat and connecting people to nature.

Metro reports the following major proprietary funds:

Enterprise Funds - These funds account for the financing of predominantly self-supporting activities that are funded through service charges and user fees to customers. Metro's enterprise funds are:

Solid Waste Fund - This fund accounts for revenues, primarily from charges for services for the disposal of solid waste, and expenses for the implementation, administration and enforcement of Metro's Solid Waste Management Plan. This fund also accounts for Metro South Station and Metro Central Station solid waste transfer and recycling facilities, and the closed St. Johns Landfill.

Oregon Zoo Fund - This fund accounts for revenues and expenses related to the management and operation of the Oregon Zoo. The principal sources of revenue are charges for services such as admission and membership fees, and food, beverage and gift sales. Expenses consist primarily of facility operation costs and payroll. This fund consists of two budgetary funds (Oregon Zoo Operating Fund and Oregon Zoo Asset Management Fund) that are combined as one Enterprise Fund to be in accordance with accounting principles generally accepted in the United States of America.

MERC Fund - This fund accounts for revenues and expenses related to the management and operation of facilities managed by MERC, including the Metro-owned Oregon Convention Center (OCC) and the Portland Expo Center (Expo). In addition, under the provisions of an intergovernmental agreement with the City of Portland, MERC is responsible for the operation and management of the City-owned Portland's 5 Centers for the Arts (Portland's 5). This fund consists of two budgetary funds (MERC Fund and General Revenue Bond Fund-MERC) that are combined as one Enterprise Fund to be in accordance with accounting principles generally accepted in the United States of America.

Internal Service Fund - Internal service funds are used to account for activities or services furnished by designated departments to other organizational units. Charges are made to the user departments to support these activities. Metro's internal service fund is:

Risk Management Fund - This fund accounts for risk management and self-insurance programs performed for other organizational units within Metro.

Metro also reports *nonmajor* funds of the following fund types:

Special Revenue Funds

Permanent Fund - This fund type is used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions are direct charges for services between various funds that represent services provided and used. Elimination of these charges would distort the measurement of the cost of individual functional activities. Certain indirect costs for central administration and support have been included as part of program expenses reported for the various functions in the government-wide financial statements.

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

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCES

1. Cash and Investments

Metro maintains a cash and investment pool that is available for use by all funds for investment purposes, excluding the component unit. Interest earned on pooled investments is allocated monthly based upon each fund's average monthly cash balance. Investments are presented at fair value within the fair value hierarchy established by GAAP. Fair value is determined annually as of June 30.

For purposes of the statement of cash flows, cash is considered to be cash on hand, demand deposits, cash in restricted accounts and equity in the internal cash and investment pool. All pooled investment purchases and maturities are part of Metro's cash management activity and are considered cash and cash equivalents.

As authorized by State statutes, policies recommended by Metro's Investment Advisory Board and adopted by the Metro Council authorize Metro to invest in obligations of U.S. government agencies, U.S. Government Sponsored Enterprises (USGSE), the U.S. Treasury, certificates of deposit, repurchase agreements, money market investments, bankers' acceptances, commercial paper, certain corporate promissory notes, State of Oregon and local government securities, debt obligations of the states of California, Idaho and Washington and their political subdivisions, and the State Treasurer's Local Government Investment Pool (LGIP).

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at fiscal year-end are referred to as "due to/from other funds" (short-term) and "advances to/from other funds" (long-term) in the fund financial statements. The residual balances outstanding between governmental activities and business-type activities, along with the other interfund balances described above, are reported in the government-wide financial statements as "internal balances."

Uncollected property taxes receivable collected and remitted to Metro by county treasurers within approximately 60 days of fiscal year end are recognized as revenue. The remaining balance is recorded as unavailable revenue because it is not deemed available to finance operations of the current period. Under state law, county

governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic remittances of collections to entities levying taxes. Property taxes are assessed and become a lien against the property as of July 1 each year. Since property taxes may be collected by foreclosure, no allowance for doubtful accounts is deemed necessary. Property taxes are levied on November 15 and are payable in three installments that are due on November 15, February 15 and May 15. Taxes unpaid and outstanding after May 16 are considered delinquent.

Income tax receivable is considered measurable once received by the tax collector. Estimated payments received prior to the due date are recorded as revenue.

Other receivable consists primarily of contracts receivable, lodging tax receivable, and other miscellaneous receivable. The underlying revenue is recorded when earned and included in other receivable until collected.

Receivables are stated net of an allowance for uncollectibles when required.

Metro allocates indirect costs, primarily of an administrative nature, to grants in compliance with cost allocation plans that are subject to the approval of Metro's oversight agency. The plan in effect for fiscal year 2025 allocated indirect costs to grants at a rate of approximately 17.2 percent of the related direct personnel costs.

3. Public-Private Partnership (PPP) Receivable

PPP receivables and deferred inflows of resources are reported in the government-wide and proprietary fund financial statements. At the commencement of a PPP contract, the receivable is initially measured at the present value of payments expected to be received during the contract term. Subsequently, the PPP receivable is reduced by the principal portion of payments received. The deferred inflow of resources is initially measured as the initial amount of the PPP receivable, adjusted for payments received at or before the contract commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the contract term.

Metro uses its estimated incremental borrowing rate as the discount rate for PPPs where Metro is the transferor. The contract term includes the noncancellable period of the PPP. Receipts included in the measurement of the PPP receivable are composed of fixed payments to be received from the operator over the term of the contract.

4. Advances

Payments made to other jurisdictions or grantees in advance of spending on eligible activity are recorded as advances. Expenses and expenditures are recognized once funds are expended on the eligible purpose.

5. Inventories and Prepaid Items

Inventories are valued at lower of cost or market and are charged as expenses when consumed. The method used to determine the cost of inventory is first-in, first-out method. Payments to vendors for services that will benefit future periods are recorded as prepaid items using the consumption method.

6. Animal Collections

In accordance with industry practice, animal collections of the Zoo are recorded at the nominal amount of \$1, as there is no objective basis for establishing value. Differences in attributes such as species, age, sex, endangered status, and breeding potential make it impracticable to assign value. Acquisitions are recorded as expenses of the operating activity.

7. Transit-Oriented Development (TOD) Program Easements

Metro purchases easements on various TOD projects from developers. These easements contain property use conditions for periods of up to 30 years to accomplish the goals of the TOD program. Metro does not consider the substance of such easements as assets, but rather project funding and amounts paid are reflected as a period cost. This policy is based on the concept that assets are resources that Metro controls and that have a

present capacity to provide services, directly or indirectly. TOD easements, while a contractual or property right controlled by Metro, are entered into for the purposes of developing properties that increase transit ridership. The transit system is a service function of a wholly separate government entity. In the broadest sense, success of the program through TOD easements can enable the region and its individual government entities to maximize future resources. As such, there is no increase in Metro's present capacity to provide service and TOD easements are effectively contributions to the programs and service capacity of other governments.

8. Restricted Assets

Resources for future payment of bonds and certain long-term liabilities or activities have been classified as restricted assets on the statement of net position because their use is limited by certain applicable agreements or state laws. Assets of the Parks and Nature Operating Fund are restricted by Measure 26-225, a voter-approved five-year local option property tax levy. Assets of the Debt Service, Zoo Bond 24, Affordable Housing, and Parks and Nature Funds are restricted by state law controlling the use of bond proceeds. Assets of the Smith and Bybee Wetlands Fund, and portions of the General Fund related to the TOD program and Willamette Falls Legacy project are restricted by contractual agreements with third parties. Assets of the Community Enhancement, Construction Excise Tax, Supportive Housing Services, and the Cemetery Perpetual Care Funds are restricted by state law and/or Metro Code.

9. Capital Assets

Capital assets, which include land, intangible easements, artwork, construction in progress, buildings and exhibits, improvements, equipment and vehicles, lease assets, subscription-based information technology arrangements, intangible software, office furniture and equipment, and railroad equipment and facilities, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined as assets with an initial cost of \$50,000 or more, and an estimated useful life in excess of one year. Capital assets are recorded at cost (except for lease assets and subscription-based information technology arrangements assets, the measurement of which is discussed in notes 12 and 13 below), and donated capital assets are stated at acquisition value when received, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. Normal maintenance and repairs are charged to operations as incurred. Replacements exceeding \$50,000 that improve or extend the lives of property are capitalized.

Capital assets are recorded as capital outlay expenditures in the governmental funds statements when purchased. Capital assets in the enterprise and internal service funds are capitalized when purchased. Interest expense incurred before the end of a construction period is recognized as an expense in the period in which the cost is incurred and is not capitalized as part of the asset's historical cost.

Depreciation/amortization is computed using the straight-line method over the following estimated useful lives:

Asset	Years
Buildings and exhibits	20-50
Improvements	10-65
Equipment and vehicles	8-20
Intangible-software	5-20
Office furniture and equipment	5-20
Railroad equipment and facilities	10
Lease assets	1-60
SBITA assets	1-5

Pursuant to an intergovernmental agreement with the City of Portland, Metro (through MERC) operates and manages activities for Portland's, but capital assets purchased from funds derived from these operations become property of the City. As such, these expenses are reflected as contributions to other governments and are not capitalized.

10. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for *deferred outflows of resources*, which represents a consumption of net assets that applies to future periods and will *not* be recognized as an outflow of resources (expense/expenditure) until that time. Metro reports two items in the government-wide statement of net position: deferred pension amounts and deferred OPEB amounts. Deferred pension and OPEB amounts are contributions to the pension plan subsequent to the measurement date of the plan for reporting purposes and are recognized as outflows of resources in the following fiscal year.

In addition to liabilities, the statement of net position reports a separate section for *deferred inflows of resources*, which represents an acquisition of net assets that apply to future periods and will *not* be recognized as an inflow of resources (revenue) until that time. The government-wide statement of net position reports deferred pension and OPEB amounts which represent the net difference between projected and actual earnings on pension plan investments and the changes in proportionate share of contributions. The government-wide statement of net position also reports deferred lease amounts and deferred public-private partnership amounts which represents the net present value of future receipts. In addition, the government-wide statement of net position also reports a deferred charge on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Metro also has *unavailable revenue*, which arises only under a modified accrual basis of accounting and so is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: deferred leases, property taxes and other. All deferred inflows are recognized as inflows of resources in the period that the amounts become available.

11. Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (PERS) and additions to/deductions from PERS fiduciary net position have been determined on the same accrual basis as they are reported by PERS. For this purpose, revenues are recognized when earned. Contributions are recognized when due, pursuant to formal commitments, as well as statutory and PERS Board requirements. Expenses are recognized when incurred. Benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Withdrawals are recognized in the month they are due and payable. Investments are reported at fair value.

12. Leases

Lessee Arrangements: Lease liabilities and intangible right-to-use lease assets (lease assets) are reported in the government-wide and proprietary fund financial statements. Metro recognizes lease liabilities with an initial, individual value of \$50,000 or more. At the commencement of the lease, lease liabilities are measured at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

The interest rate charged by the lessor is used as the discount rate. When the interest rate charged by the lessor is not provided, Metro's estimated incremental borrowing rate is used. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that is reasonably certain to be exercised.

Lease assets are reported with capital assets and leases payables are reported as liabilities on the statement of net position.

Lessor Arrangements: Lease receivables and deferred inflows of resources are reported in the government-wide and fund financial statements. At the commencement of a lease, the lease receivable is initially measured at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Metro uses its estimated incremental borrowing rate as the discount rate for leases where Metro serves as the lessor. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments to be received from the lessee over the term of the lease.

13. Subscription-Based Information Technology Arrangements (SBITA)

SBITA liabilities and intangible right-to-use SBITA assets are reported in the government-wide and proprietary fund financial statements. Metro recognizes SBITA liabilities with an initial, individual value of \$50,000 or more. At the commencement of the agreement, SBITA liabilities are measured at the present value of payments expected to be made during the contract term. Subsequently, the SBITA liability is reduced by the principal portion of payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for payments made at or before the contract commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life.

The interest rate charged by the SBITA vendor is used as the discount rate. When the interest rate charged by the vendor is not provided, Metro's estimated incremental borrowing rate is used. The SBITA term includes the noncancellable period of the agreement. SBITA payments included in the measurement of the liability are composed of fixed or fixed in substance payments.

SBITA assets are reported with capital assets and SBITA payables are reported as liabilities on the statement of net position.

14. Long-term Obligations

In the government-wide financial statements, and in proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums, discounts, and deferred charge on refunding amounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported on the statement of net position net of the unamortized portion of premiums or discounts.

For governmental fund types in the fund financial statements, bond premiums, discounts and issuance costs are recognized in the period incurred. The face amount of debt issued plus any premium received on issuance is reported as other financing sources. Discounts on issuance are reported as other financing uses. Issuance costs are reported as expenditures.

15. Liability for Compensated Absences

Liability for compensated absences is recognized for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. Based on the criteria listed, two types of leave may qualify for liability recognition for compensated absences- vacation and sick leave, if deemed material. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured as the result of employee resignations or retirements. The liability for

compensated absences includes salary-related benefits, where applicable. The amount due within one year is estimated as a historical average of leave taken during a fiscal year.

16. Fund Balances and Net Position

Fund balance is classified in the governmental fund financial statements in five components to give users information necessary to understand any constraints imposed upon the resources and how those constraints may be modified or eliminated. Fund balance is classified as *nonspendable* when amounts cannot be spent because they are either in nonspendable form, such as prepaid expenditures, advances, long-term receivables, or inventory, or are legally required to remain intact, such as the corpus of a permanent fund. Amounts classified as *restricted* fund balance are amounts with constraints imposed externally by creditors, grantors, contributors, or the laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The Metro Council is the highest level of decision-making authority for Metro that can, by adopting an ordinance or resolution, place constraints on resources that are reported as *committed* fund balance. These commitments can be modified or rescinded only by Council adoption of subsequent ordinance or resolution. *Assigned* fund balances are amounts intended to be used for specific purposes but do not meet the criteria to be classified as committed. Metro Council has, by resolution, authorized the Chief Operating Officer to assign fund balance. Metro's assigned fund balance category also reflects the appropriation of a portion of existing fund balance to eliminate a projected deficit in the subsequent year's adopted budget, as well as the encumbered amounts that represent commitments of resources. *Unassigned* fund balance is available for other uses and only the general fund may report a positive unassigned fund balance amount. It is Metro's policy to use restricted resources first, then unrestricted resources as needed when both restricted and unrestricted resources are available for use. Within unrestricted amounts, committed amounts are considered to have been spent first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

In the government-wide statement of net position and the statement of net position for proprietary funds, limitations on how the net position may be used are reported as restrictions. Restrictions may be placed by an external party providing the resources, by enabling legislation, or by the nature of the asset.

The government-wide statement of net position includes the result of Metro financing capital assets for the business-type activities through the issuance of general obligation bonds, a governmental activities function. The amount of long-term debt outstanding on the bonds is reflected as a liability (and as a component of unrestricted net position) in the governmental activities column, whereas the associated capital assets financed by this debt are reflected as assets (and as a component of net investment in capital assets) in the business-type activities column. The primary government total column has been adjusted to match the debt against the assets in the net investment in capital assets category.

E. ADOPTION OF NEW GASB PRONOUNCEMENTS

During the fiscal year ended June 30, 2025, Metro implemented the following GASB statements that were applicable to Metro's operations:

GASB statement No. 101, *Compensated Absences*. Issued June 2022, the objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. This statement has no impact on Metro's beginning net position for the current fiscal year.

GASB statement No. 102, *Certain Risk Disclosures*. Issued December 2023, the objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. This statement has no impact on Metro's financial statements for the current fiscal year.

F. FUTURE ADOPTION OF GASB PRONOUNCEMENTS

Metro will implement future GASB pronouncements no later than the required effective date. Metro is currently evaluating the applicability of the following GASB pronouncements for their impact on Metro's financial statements in subsequent years:

- GASB Statement No. 103, *Financial Reporting Model Improvements*, effective for reporting periods beginning after June 15, 2025.
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*, effective for reporting periods beginning after June 15, 2025.

III. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between fund balance-total governmental funds and net position-governmental activities as reported in the government-wide statement of net position. Elements of that reconciliation explain that capital assets, net pension liability and related amounts, and long-term liabilities/deferred outflows are either not reported or are reported as unavailable in the funds. The details of these differences are:

	Capital assets	Net pension and OPEB liability and related amounts	Long-term liabilities/deferred inflows
Capital assets	\$ 496,001,676	-	-
Accumulated depreciation and amortization	(49,851,422)	-	-
Deferred pension amounts (deferred outflows)	-	34,360,169	-
Net pension liability	-	(75,051,965)	-
Deferred pension amounts (deferred inflows)	-	(7,841,747)	-
Net OPEB asset	-	1,237,129	-
Deferred OPEB amounts (deferred outflows)	-	519,434	-
Total OPEB liability	-	(1,400,114)	-
Deferred OPEB amounts (deferred inflows)	-	(539,647)	-
Accrued interest payable	-	-	(4,268,143)
Leases payable	-	-	(17,730)
SBITA payable	-	-	(1,717,861)
Bonds payable (net of unamortized premium/discount)	-	-	(985,159,196)
Pollution remediation obligation	-	-	(3,053,400)
Compensated absences	-	-	(6,543,240)
Net adjustment to fund balance-total governmental funds to arrive at net position-governmental activities	\$ 446,150,254	(48,716,741)	(1,000,759,570)

IV. DETAILED NOTES ON ALL FUNDS CASH AND INVESTMENTS

A. CASH AND INVESTMENTS

Metro pools virtually all funds for investment purposes. Each fund's portion of this pool is reported as "equity in internal cash and investment pool."

Policies adopted by Metro's Investment Advisory Board and the Metro Council authorize Metro to invest in obligations of U.S. government agencies, U.S. Government Sponsored Enterprises (USGSE), the U.S. Treasury, certificates of deposit, repurchase agreements, money market investments, bankers' acceptances, commercial paper, certain corporate promissory notes, State of Oregon and local government securities, debt obligations of the states of California, Idaho and Washington and their political subdivisions, and the State Treasurer's local government investment pool (LGIP). The LGIP is an external investment pool that is not rated by any national rating agency. LGIP investments are reported at fair value and are materially the same as the value of the pool shares. The State Treasurer's investment policies are governed by Oregon Revised Statutes and the Oregon Short Term Fund Board (OSTFB).

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

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

Level 2- Quoted prices for similar instruments in active markets; quoted prices for identical or similar investments in markets that are not active.

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

Equity in internal cash and investment pool on the Statement of Net Position includes the internal pool reported below. The OZF component unit does not participate in the internal investment pool of Metro. As of June 30, 2025, Metro had the following investments and maturities presented at fair value within the fair value hierarchy established by GAAP:

Notes to the Financial Statements

For the fiscal year ended June 30, 2025

Investment Type	Standard & Poor's Ratings	Held by		Fair Value		Investment Maturities (in months)		
		Individual funds	Internal pool	Level 1	Level 2	Less than 3	3-17	18-62
U.S. Treasuries	AA+	\$ 291,639,393	132,788,948	424,428,341	-	62,949,895	172,304,838	189,173,608
U.S. Government securities - USGSE	AA+	66,430,272	120,314,836	-	186,745,108	58,204,035	33,621,052	94,920,021
Corporate Debt	AA+	-	3,542,767	-	3,542,767	-	2,446,950	1,095,817
	AA-	-	3,964,840	-	3,964,840	-	3,964,840	-
	A	-	17,788,040	-	17,788,040	-	1,999,140	15,788,900
	A+	-	17,614,477	-	17,614,477	5,000,000	3,042,540	9,571,937
Commercial Paper	A-1	54,512,450	-	-	54,512,450	34,763,150	19,749,300	-
	Unrated	16,708,280	-	-	16,708,280	-	16,708,280	-
Municipal Bonds	AA	-	3,191,297	-	3,191,297	-	-	3,191,297
	AA+	-	4,138,161	-	4,138,161	-	4,138,161	-
	AAA	-	10,637,926	-	10,637,926	-	3,592,801	7,045,125
	AA-	-	2,244,009	-	2,244,009	-	2,244,009	-
	A+	-	750,000	-	750,000	750,000	-	-
Sub-total		429,290,395	316,975,301	424,428,341	321,837,355	161,667,080	263,811,911	320,786,705
State Treasurer's investment pool		-	61,573,465					
Total Investment		429,290,395	378,548,766					
Cash deposits		-	16,319,976					
Total cash and investments		\$ 429,290,395	394,868,742					
Per statement of net position:								
Unrestricted		\$ -	166,131,523					
Restricted		429,290,395	228,737,219					
Total		\$ 429,290,395	394,868,742					

Interest Rate Risk - As a means of limiting its exposure to fair value losses resulting from rising interest rates, Metro's investment policy allows only the purchase of investments that are intended to be held to maturity. However, securities may be sold prior to maturity in order to improve the quality, net yield, or maturity characteristics of the portfolio. The structure of the investment portfolio aims to fund cash needs of ongoing operations, thereby avoiding the need to sell securities. Metro uses a laddered or constant stream of maturing securities in constructing the portfolio to ensure ample liquidity to support business operations without the need to sell securities. Investments cannot be made predicated upon selling the security prior to maturity. Metro avoids purchasing callable investments unless liquidity needs can be met without relying on the call being exercised.

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted an investment policy that was submitted to and reviewed by the OSTFB. Metro's investment policy has been reviewed by the OSTFB. Metro limits investment maturities as follows:

Maturity	Minimum to mature
Under 3 months	10 percent minimum
Under 18 months	25 percent minimum
Under 63 months	100 percent minimum

Credit Risk - Metro's investment policy seeks to minimize credit risk by (1) limiting exposure to poor credits and concentrating investments in the safest types of securities, (2) diversification, (3) pre-qualification of the financial institutions, broker/dealers, and advisers with which Metro will do business, and (4) active monitoring of the portfolio. Neither Oregon Revised Statutes nor Metro investment policy limits investments as to credit rating for securities purchased from U.S. Government Agencies or from USGSE. Other allowed investments, by

Metro policy, must have a minimum rating as follows: bankers acceptances, A-1; corporate notes, AA-, or A- if an Oregon based entity; commercial paper, A-1, or A-2 if an Oregon entity; municipal debt, AA- for debt of the states of Idaho, California or Washington or their political subdivisions, or A- if the state of Oregon or its political subdivisions. Private placement or 144A securities and mortgage-backed securities are not allowed. The State Investment Pool is unrated.

Oregon Revised Statutes require bankers' acceptances to be guaranteed by and carried on the books of, a qualified financial institution, eligible for discount by the Federal Reserve System, and issued by a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one or more nationally recognized statistical rating organizations.

Custodial Credit Risk - Metro monitors custodial credit risk on deposits (the risk that if a bank failed, Metro's deposits would not be returned) in accordance with Metro investment policy which specifies the requirements of Oregon statutes. Oregon Revised Statutes Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Public Funds Collateralization Program, a collateral pool administered by the Oregon State Treasurer. Bank depositories are required to pledge collateral against any public funds deposits in excess of federal deposit insurance amounts. The Oregon Treasury monitors each depository bank and ensures compliance with collateralization requirements for all Oregon public fund deposits. Banks are able to pledge a reduced amount if they are well capitalized; and in turn, the banks are required to share in the liability of a failed institution, should it ever occur. Public entities are required to verify that deposit accounts in excess of federal deposit insurance limits are maintained only at financial institutions included on the list of qualified depositories found on the Treasurer's website. It is the responsibility of the public official to ensure compliance with these requirements in order to eliminate personal liability in the event of a bank loss. Metro also monitors its depository institutions for indications of financial health. At June 30, 2025, all of Metro's deposits were insured as described above.

For investments, custodial credit risk is the risk that, in the event of failure of the counterparty, Metro will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Metro's investment policy requires that all trades are executed by delivery vs. payment to ensure that securities are deposited for safekeeping in an eligible financial institution prior to the release of funds. As of June 30, 2025, Metro had no investments that were held by either counterparty or the counterparty's trust department agent. Therefore, Metro has no outstanding investments that were exposed to custodial credit risk.

Concentration of Credit Risk - To avoid incurring unreasonable risks inherent in over-investing in specific instruments or in individual financial institutions, Metro diversifies its portfolio and follows the Metro investment policy which sets maximum limits on the percentage of the portfolio that can be invested in any one type of security. In addition, Oregon Revised Statutes require no more than 25 percent of the moneys of a local government to be invested in bankers' acceptances of any qualified financial institution. At June 30, 2025, Metro was in compliance with all percentage restrictions. More than 5 percent of Metro's total investments are in securities by the following issuers:

Issuer	Percentage of Total Investments (Total Entity Concentration)	Policy Allowed Maximum	Fund Concentrations Exceeding Total Entity Concentration		
			Affordable Housing Fund	Parks and Nature Bond Fund	Zoo Bond 24 Fund
Federal Home Loan Bank (FHLB)	10.4%	40.0%	23.9%	-	-
Federal Farm Credit Banks Funding Corporation (FFCB)	8.2%	40.0%	-	-	-
State Treasurer's Investment Pool	7.6%	100.0%	-	-	-
U.S. Treasuries	52.5%	100.0%	-	87.7%	95.3%

Notes to the Financial Statements

For the fiscal year ended June 30, 2025

B. PUBLIC-PRIVATE PARTNERSHIP RECEIVABLE

The following changes occurred during fiscal year 2025 in public-private partnership (PPP) receivable:

	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025
Business-type activities:				
Food and beverage provider agreement; interest at 1%, principal and interest from \$249,583 to \$333,999 monthly, final payments due 2032	\$ 28,645,492	-	(2,901,520)	25,743,972
Gift shop operator agreement; interest at 4%, principal and interest of \$97,875 to \$120,749 monthly, final payments due 2029	6,213,559	-	(1,070,950)	5,142,609
Business-type activities				
Total public-private partnership receivable	\$ 34,859,051	-	(3,972,470)	30,886,581

Metro has entered into two public-private partnerships (PPP) as a transferor for gift shop operations and food and beverage provisions. The gift shop operator agreement conveys the right and related obligation to operate the Oregon Zoo's retail space for the sale of retail items as well as facilitation of stroller, wheelchair, and wagon rentals. The food and beverage provider agreement conveys the right and related obligation to manage all food and beverage concession services and operate the food preparation facilities at the Portland'5, Expo and Oregon Zoo venues. During the year ended June 30, 2025, Metro recognized \$4,537,915 in PPP revenue and \$496,242 in interest revenue. The PPP receivable is calculated based on fixed components of the underlying agreements, which only include the guaranteed minimum fees presently. Both PPP agreements also include variable payments which are not included in the measurement of the PPP receivable as they are based on a revenue share structure. These variable payments are considered inflows of resources in the period in which they relate. Total variable payments received during the year ended June 30, 2025 approximate \$1.2 million.

C. ASSETS HELD FOR RESALE

Acquisition and improvements to real property that is purchased with the intent to sell to private-sector purchasers meeting certain criteria under Metro's TOD and Housing programs are reported in governmental activities in the statement of net position as Assets Held for Resale. Such assets are reported at the lower of cost or net realizable value. The carrying value at June 30, 2025 is:

Property Name	Address	Amount
Gresham Civic	NW Civic Drive & NW 15th, Gresham, OR	\$ 2,648,104
Milwaukie Town Center	10700 SE McLoughlin Boulevard, Milwaukie, OR	409,186
The Crossings	Section 4, Township 1, South Range 3 East (Parcel 2), Gresham, OR	355,850
Barbur Value Inn	10450 SW Barbur Blvd, Portland, OR	4,250,000
Aloha 209th	3140 SW 209th Ave, Beaverton, OR	2,952,795
Lake Oswego Boones Ferry Rd	16719, 16731, 16745 & 16759 SW Boones Ferry Rd, 5110 & 5126 W Sunset Dr, Lake Oswego, OR	2,040,000
		<u>\$ 12,655,935</u>

D. LOANS RECEIVABLE**TOD Loans**

TOD loans receivable, reflected in the schedule below, are loans to developers who agree to develop projects in accordance with TOD program criteria. The loans are secured by the underlying property, which is subject to TOD use restrictions for a period of 30 years. Metro's security interest in the property is subordinate to other security interests on the property. These loans receivable are not discounted in accordance with guidance in GASB Statement No. 62.

Details on loans receivable at June 30, 2025 are as follows:

Maximum Term	Interest Rate	First Payment	Last Payment	Payment Frequency	TOD Loans
50 years	0 to 1%	03/01/28	03/01/58	annually	\$ 427,043

E. CAPITAL ASSETS

Capital asset balances and activity for fiscal year 2025 were as follows:

	Balance July 1, 2024	Increases	Decreases	Modifications	Reclassifications and Transfers	Balance June 30, 2025
Governmental activities:						
Capital assets, non-depreciable:						
Land	\$ 323,919,615	-	(19,426)	-	10,070,653	333,970,842
Intangible-easements	11,929,884	-	(1,685,527)	-	205,882	10,450,239
Artwork	484,645	-	-	-	-	484,645
Construction in progress	28,991,236	26,083,099	(1,207,405)	-	(30,346,729)	23,520,201
Total non-depreciable	365,325,380	26,083,099	(2,912,358)	-	(20,070,194)	368,425,927
Capital assets, depreciable:						
Buildings and exhibits	41,614,694	-	(826,224)	-	12,641,185	53,429,655
Lease buildings and exhibits	798,775	-	-	-	-	798,775
Improvements	52,206,060	-	(2,520,942)	-	6,635,475	56,320,593
Equipment and vehicles	7,814,455	-	(322,926)	-	738,409	8,229,938
Lease equipment and vehicles	228,913	-	(228,913)	-	-	-
Intangible-software	4,369,401	-	(286,069)	-	-	4,083,332
Right to use asset-software	3,542,104	584,319	-	96,597	-	4,223,020
Office furniture and equipment	551,974	-	(61,538)	-	-	490,436
Total depreciable	111,126,376	584,319	(4,246,612)	96,597	20,015,069	127,575,749
Accumulated depreciation:						
Buildings and exhibits	(20,868,036)	(1,245,381)	601,578	-	-	(21,511,839)
Lease buildings and exhibits	(586,854)	(195,618)	-	-	-	(782,472)
Improvements	(18,128,444)	(1,926,908)	1,899,986	-	-	(18,155,366)
Equipment and vehicles	(4,355,805)	(425,678)	304,877	-	46,099	(4,430,507)
Lease equipment and vehicles	(191,587)	(37,327)	228,914	-	-	-
Intangible-software	(1,949,472)	(503,459)	226,020	-	-	(2,226,911)
Right to use asset-software	(1,098,086)	(1,215,408)	-	-	-	(2,313,494)
Office furniture and equipment	(379,731)	(84,889)	33,787	-	-	(430,833)
Total accumulated depreciation	(47,558,015)	(5,634,668)	3,295,162	-	46,099	(49,851,422)
Total capital assets, depreciable, net	63,568,361	(5,050,349)	(951,450)	96,597	20,061,168	77,724,327
Governmental activities capital assets, net	\$ 428,893,741	21,032,750	(3,863,808)	96,597	(9,026)	446,150,254

Notes to the Financial Statements

For the fiscal year ended June 30, 2025

	Balance July 1, 2024	Increases	Decreases	Modifications	Reclassifications and Transfers	Balance June 30, 2025
Business-type activities:						
Capital assets, non-depreciable:						
Land	\$ 26,194,419	-	-	-	-	26,194,419
Artwork	1,184,358	-	-	-	-	1,184,358
Construction in progress	5,089,981	14,521,369	(211,441)	-	(2,980,327)	16,419,582
Total non-depreciable	32,468,758	14,521,369	(211,441)	-	(2,980,327)	43,798,359
Capital assets, depreciable:						
Lease land	10,539,734	-	-	(3,413,270)	-	7,126,464
Buildings and exhibits	492,688,193	-	(3,335,678)	-	-	489,352,515
Lease buildings and exhibits	5,817,456	-	-	-	-	5,817,456
Improvements	47,107,273	-	(608,168)	-	1,835,383	48,334,488
Equipment and vehicles	35,613,908	-	(1,674,500)	-	1,060,658	35,000,066
Intangible-software	1,419,989	-	(6,214)	-	139,410	1,553,185
Right to use asset-software	986,180	864,560	-	-	-	1,850,740
Office furniture and equipment	1,444,856	-	(212,517)	-	-	1,232,339
Railroad equipment and facilities	3,658,683	-	-	-	-	3,658,683
Total depreciable	599,276,272	864,560	(5,837,077)	(3,413,270)	3,035,451	593,925,936
Accumulated depreciation:						
Lease land	(797,043)	(225,804)	-	-	-	(1,022,847)
Buildings and exhibits	(238,126,685)	(10,485,658)	2,636,478	-	-	(245,975,865)
Lease buildings and exhibits	(1,231,927)	(410,644)	-	-	-	(1,642,571)
Improvements	(27,710,097)	(1,353,348)	608,168	-	-	(28,455,277)
Equipment and vehicles	(17,649,518)	(2,236,974)	1,315,386	-	(46,098)	(18,617,204)
Intangible-software	(1,324,102)	(36,498)	5,903	-	-	(1,354,697)
Right to use asset-software	(539,741)	(451,311)	-	-	-	(991,052)
Office furniture and equipment	(1,147,258)	(92,701)	205,940	-	-	(1,034,019)
Railroad equipment and facilities	(2,937,953)	(329,434)	-	-	-	(3,267,387)
Total accumulated depreciation	(291,464,324)	(15,622,372)	4,771,875	-	(46,098)	(302,360,919)
Total capital assets, depreciable, net	307,811,948	(14,757,812)	(1,065,202)	(3,413,270)	2,989,353	291,565,017
Business-type activities capital assets, net	\$ 340,280,706	(236,443)	(1,276,643)	(3,413,270)	9,026	335,363,376

In 1984, a lease-leaseback agreement was entered into for theater land. In a lease-leaseback transaction, each party is a lessor and a lessee. Since each portion of the transaction is with the same counterparty, a right of offset exists. The lease-leaseback is presented net on the Statement of Net Position in accordance with GASB Statement No. 87, *Leases*. As such, the Capital Assets footnote total for business-type activities is \$717,208 higher than the amount shown on the Statement of Net Position. The difference consists of the June 30, 2025 balance in deferred inflows related to leases, which is netted with capital assets on the Statement of Net Position.

Additional note disclosure of the gross amounts of the lease and leaseback provide essential information about the magnitude of each portion of the transaction. See Note IV.K.1.

An agreement between the City of Portland and Metro regarding the real property at the Zoo provides that the property must be used for zoo or zoo related purposes and, if such property ceases to be used for such purposes or is used for other purposes, title reverts to the City. Metro was in compliance with this agreement for the fiscal year ended June 30, 2025.

Bond proceeds accounted for in the Zoo Bond 24 capital projects fund in governmental activities are expended for the benefit of the Oregon Zoo enterprise fund, and the resulting assets are owned and depreciated by the enterprise fund. This asset activity is shown as transfers from governmental activities to business-type activities.

Capital assets for MERC are those of Metro-owned facilities. Capital assets used in operating the Portland's are not included in the statement of net position of Metro as title to the assets remains with the City in accordance with

an intergovernmental consolidation agreement. These capital assets are included in the Annual Comprehensive Financial Report of the City of Portland.

Depreciation and amortization expense was charged to functions/programs as follows:

Governmental activities:	
General government operations	\$ 2,010,474
Planning, development and research	171,827
Housing	3,177
Culture and recreation	3,449,190
Total depreciation and amortization expense - governmental activities	\$ 5,634,668
Business-type activities:	
Solid Waste	\$ 2,762,269
Oregon Zoo	7,565,534
MERC	5,294,569
Total depreciation and amortization expense - business-type activities	\$ 15,622,372

F. UNEARNED REVENUE

Unearned revenue is reported for resources that have been received, but not yet earned. The details of these amounts at June 30, 2025 were:

	Governmental Activities	Business-type Activities
Advance ticket sales/registrations	\$ 63,311	5,818,996
Unredeemed gift certificates	104,446	109,619
Advance park reservations	154,135	-
Grant and contract drawdowns prior to meeting all eligibility requirements	245,125	790,938
Total	\$ 567,017	6,719,553

G. DEFERRED COMPENSATION PLAN

Metro offers its employees a 401(k) deferred compensation plan in accordance with Internal Revenue Code provisions. The plan is available to all Metro employees and permits employees to contribute a portion of their salary to the plan to obtain favorable tax treatment for amounts contributed. Moneys accumulated under the plan are deposited with a trustee for the exclusive benefit of the participants and are invested in mutual funds that are self-directed by participants. The deferred compensation is not available to participants until termination, retirement, death, or certain hardship conditions. In accordance with authoritative guidance, the plan is not included in Metro's financial statements.

H. PENSION PLAN

1. Defined Benefit Plan Description

Name of pension plan - Metro participates in the Oregon Public Employees Retirement System (PERS) which is a cost-sharing multiple employer defined benefit pension plan.

Description of benefit terms - Benefit provisions and other requirements of the system are established by the State of Oregon legislature pursuant to Oregon Revised Statutes, Chapters 238 and 238A.

a. Tier One/Tier Two Retirement Benefit (Chapter 238). This segment of the plan is closed to new members hired on or after August 29, 2003.

Pension benefits. The PERS retirement allowance is payable monthly for life. It may be selected from thirteen retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic

benefit is most commonly based on years of service and final average salary. A percentage (1.67 percent for General Service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if they have contributions in each of five calendar years or have reached at least 50 years of age before ceasing employment with a participating employer. General Service employees may retire after reaching age 55. Tier One General Service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60.

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

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

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

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

Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living adjustments (COLA), which are capped at 2.0 percent per year.

- b. Oregon Public Service Retirement Plan (OPSRP).** This pension program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003.

Pension benefits. OPSRP provides a life pension funded by employer contributions and earnings. Benefits are calculated with the following formula for General Service members who attain normal retirement age: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for General Service members is age 65, or age 58 with 30 years of retirement credit.

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

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

Disability benefits. A member who has accrued ten or more years of retirement credits before the member

becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Benefit changes after retirement. Under ORS 238A.210, monthly benefits are adjusted annually through cost-of-living adjustments.

Contributions - PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the PERS Retirement Health Insurance Account described in Note IV.H.2.

Employer contribution rates during the period were based on the December 31, 2021 actuarial valuation. The rates, based on a percentage of payroll, first became effective July 1, 2023. Metro has previously made a lump sum payment to establish a side account, and its rates have been reduced. Metro's actuarially determined contribution rate for the Tier One/Tier Two and OPSRP plans was 20.19 percent and 16.97 percent of subject payroll, respectively. Employer contributions recognized by PERS for the fiscal year ended June 30, 2025 were \$19,828,405.

A ten year schedule of Defined Benefit Pension Plan Contributions can be found in the Required Supplementary Information section of this report.

Pension plan ACFR - Both the PERS and OPSRP plans are administered by the Oregon Public Employees Retirement Board (OPERB), which issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, Oregon 97281-3700, by calling 1-888-320-7377, or by accessing the PERS web site at <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

Actuarial valuation - The employer contribution rates effective July 1, 2023, through June 30, 2025, were set using the entry age normal actuarial cost method. This method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), and (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized as described in the following table.

Actuarial methods and assumptions used to measure the total pension liability -

Valuation Date	December 31, 2022
Experience Study Report	2022, published July 24, 2023
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of combined payroll; Tier One/Tier Two Unfunded Actuarial Liability (UAL) is amortized over 20 years and OPSRP pension UAL is amortized over 16 years.
Asset valuation method	Fair value of assets
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Projected salary increases	3.40 percent
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Notes to the Financial Statements

For the fiscal year ended June 30, 2025

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2022 Experience Study which reviewed experience for the four-year period ending on December 31, 2022.

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

The assumed asset allocation and the Oregon Investment Council's (OIC) target are provided in the table below:

Asset Class/strategy	Low Range	High Range	OIC Target
Debt securities	20.0%	30.0%	25.0%
Public equity	22.5	32.5	27.5
Real estate	7.5	17.5	12.5
Private equity	15.0	27.5	20.0
Real assets	2.5	10.0	7.5
Diversifying strategies	2.5	10.0	7.5
Opportunity portfolio	0.0	5.0	0.0
Total			100.0%

Long-Term Expected Rate of Return. To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the PERS Board reviewed long-term assumptions developed by both the actuary's capital market assumptions team and the OIC's investment advisors. The table below shows the actuary's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns but instead are based on a forward-looking capital market economic model.

Asset Class	Target	Compound Annual Return (Geometric)
Global equity	27.5%	7.1%
Private equity	25.5	8.8
Core fixed income	25.0	4.5
Real estate	12.2	5.8
Master limited partnerships	0.8	6.0
Infrastructure	1.5	6.5
Hedge fund of funds- multistrategy	1.3	6.3
Hedge fund equity- hedge	0.6	6.5
Hedge fund- macro	5.6	4.8
Assumed inflation - mean		2.4

Sensitivity of Metro's proportionate share of the net pension liability to changes in the discount rate- The following presents Metro's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what Metro's proportionate share of the net pension liability would be if it were calculated using a discount rate that was one percentage point lower or one percentage point higher than the current rate:

Metro's Net Pension Liability	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Defined benefit pension plan	\$ 225,611,575	143,022,112	73,849,404

Determination of Metro's proportionate share - Metro's actuarially determined proportionate share of the plan amounts was 0.64345414 percent for the fiscal year ended June 30, 2024 (measurement date). Metro's share of pension balances are determined by rolling forward the total net pension liability (actuarially determined at December 31, 2022) to the measurement date of June 30, 2024 and subtracting the plan's net position as of June 30, 2024.

The basis for Metro's proportion is actuarially determined by comparing Metro's projected long-term contribution effort to the plan with the total projected long-term contribution effort for all employers. The rate for every employer has at least two major components; Normal Cost Rate and Unfunded Actuarial Liability (UAL) Rate.

The projected long-term effort is estimated by projecting the present value of all future Normal Cost Rate Contributions (PVFNC). The PVFNC represents the portion of the projected long-term contribution effort related to future service.

An employer's PVFNC depends on both the Normal Cost Rates charged on the employer's payrolls, and on the underlying demographics of the respective payrolls. For PERS funding, employers may have three different payrolls, each with a different Normal Cost Rate:

- Tier 1/Tier 2 payroll
- OPSRP General Service payroll
- OPSRP Police and Fire payroll

A UAL exists when Plan assets are less than the actuarial liability as measured by the Plan's actuarial funding valuations. UAL can arise in a biennium when an event such as experience differing from the assumptions used in the actuarial valuation occurs. An amortization schedule is established to eliminate the UAL that arises in a given biennium over a fixed period of time if future experience follows assumption. The UAL Rate is the upcoming year's component of the cumulative amortization schedules, stated as a percentage of payroll. The UAL represents the portion of the projected long-term contribution effort related to past service.

The projected long-term contribution effort is equal to the sum of the PVFNC and the UAL. After Metro's projected long-term contribution effort is calculated, that amount is reduced by the value of Metro's supplemental lump-sum payments, known as side accounts. Side accounts decrease Metro's projected long-term contribution effort because side accounts are effectively prepaid contributions.

The preparation of these amounts in conformity with GAAP requires management to make estimates and assumptions that affect certain amounts and disclosures. Actual results could differ from those estimates.

Pension plan's fiduciary net position - Detailed information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources and fiduciary net position can be found in the separately issued ACFR for the plan which is available as noted above.

Payables to the pension plan - At June 30, 2025, Metro reported a payable of \$749,632 for the outstanding amount of legally required pension contributions to the pension plan for the fiscal year ended June 30, 2025.

Pension Expense, Net Pension Liability or Asset, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the fiscal year ended June 30, 2025, Metro recognized a net pension liability of \$143,022,112 and a pension expense of \$22,671,585. At June 30, 2025, Metro reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Governmental activities		Business-type activities		Net Deferred Outflows/ (Inflows) of Resources
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	
Differences between expected and actual experience in the measurement of the total pension liability	\$ 4,446,135	179,124	4,026,602	162,223	8,131,390
Changes in assumptions	7,545,748	9,668	6,833,742	8,755	14,361,067
Net difference between projected and actual earnings on pension plan investments	4,767,898	-	4,318,005	-	9,085,903
Changes in the employer's proportion	6,562,999	4,737,481	5,943,721	4,290,458	3,478,781
Differences between employer contributions and employer's proportionate share of system contributions	632,279	2,915,474	572,618	2,640,373	(4,350,950)
Total (prior to post-measurement date contributions)	23,955,059	7,841,747	21,694,688	7,101,809	30,706,191
Contributions subsequent to the measurement date	10,405,110	-	9,423,295	-	19,828,405
Net deferred outflows/(inflows) of resources	\$ 34,360,169	7,841,747	31,117,983	7,101,809	50,534,596

The \$19,828,405 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in subsequent years as follows (outflows and inflows netted):

Fiscal year ended June 30:	Governmental activities	Business-type activities	Total
2026	\$ (583,969)	(528,866)	(1,112,835)
2027	7,767,621	7,034,678	14,802,299
2028	4,849,237	4,391,669	9,240,906
2029	3,387,902	3,068,224	6,456,126
2030	692,521	627,174	1,319,695
Total	\$ 16,113,312	14,592,879	30,706,191

2. Defined Contribution Pension Plan

Beginning January 1, 2004, PERS active Tier One and Tier Two members became members of the Individual Account Program (IAP) of OPSRP. Although existing PERS members retain their existing PERS account, all current member contributions are deposited into the member's IAP, a defined contribution pension plan. Accounts are credited with earnings and losses net of administrative expenses. The IAP, as part of OPSRP, is administered by the PERS Board which is directed to adopt any rules necessary to administer OPSRP. The IAP is provided to all members or their beneficiaries who are PERS or OPSRP eligible.

State statutes require covered employees to contribute six percent of their annual covered salary to the IAP plan effective January 1, 2004. Metro pays for the IAP contribution for all employees. An IAP member becomes vested on the date the employee account is established. If Metro makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

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

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

Metro paid contributions to the IAP of \$6,738,516 for the fiscal year ended June 30, 2025, which is included in payroll and fringe benefits expense. At June 30, 2025, a payable to the IAP portion of the plan in the amount of \$275,814 for the contractually required contributions for the month of June 2025 is included in accrued salaries and benefits.

I. OTHER POSTEMPLOYMENT BENEFITS

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

1. Metro Retiree Health Insurance Plan - Implicit Rate Subsidy

Plan Description - All employees of Metro retiring from active service with a pension benefit payable immediately under Oregon PERS are eligible for other postemployment benefits (OPEB) relating to health care. As required by state law, retirees of Metro and their dependents under age 65 are allowed to receive the same health care coverage at tiered premium rates as offered to active Metro employees, resulting in an implicit rate subsidy (health care premiums priced only for retirees would be more expensive than tiered premiums because retirees have higher health care claims on average). The implicit rate subsidy is only measured for retirees and spouses younger than age 65, at which point such retirees and spouses typically become eligible for Medicare. Metro has not established a trust that meets the criteria in paragraph 4 of GASB Statement 75 for the accumulation of assets. Metro's single-employer OPEB plan does not issue a publicly available financial report.

Benefits Provided - The plan provides eligible retirees and their dependents under age 65 the same health care coverage at the same premium rates as offered to active employees. The retiree is responsible for the premiums.

As of the valuation date July 1, 2023, the following number of employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	20
Active employees	977
Total	997

Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - Metro's total OPEB Liability of \$3,369,755 was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2023. The actuarial report did not provide classification of the liability between current and long-term. For the fiscal year ended June 30, 2025, Metro recognized OPEB expense from this plan of \$288,078.

Notes to the Financial Statements

For the fiscal year ended June 30, 2025

At June 30, 2025, Metro reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

Sources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 235,673	292,972
Changes in assumptions	648,975	605,797
Benefit payments	262,751	-
Total	\$ 1,147,399	898,769

Deferred outflows of resources related to OPEB of \$262,751 resulting from Metro's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal year ended June 30:	
2026	\$ (41,681)
2027	(29,957)
2028	(29,738)
2029	(45,507)
2030	(12,198)
Thereafter	144,960
Total	\$ (14,121)

Actuarial Assumptions and Other Inputs - The total OPEB liability in the July 1, 2023 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Salary increases	3.40 percent
Mortality	Pub-2010 General Service Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees. Future mortality improvement is projected generationally with unisex 2019 Social Security data scale.
Discount rate	3.93 percent (change from 3.65 percent in previous measurement period)
Healthcare cost trend rate	Medical and vision: 11.3 percent in the first year, 6.4 percent in the second year, and varying from 5.7 to 3.8 percent over the remainder of the projection period. Dental: 4.00 percent per year

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

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of June 30, 2024	\$ 3,310,490
Changes for the year:	
Service cost	219,088
Interest on total OPEB liability	124,851
Effect of assumptions changes or inputs	(64,715)
Benefit payments	(219,959)
Balance as of June 30, 2025	\$ 3,369,755

Changes in assumptions are the result of the change in the discount rate from 3.65 percent to 3.93 percent.

Sensitivity of the Total OPEB Liability - The following presents Metro's total OPEB liability, as well as what the liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93 percent) or 1-percentage-point-higher (4.93 percent) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

Discount Rate:	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability	\$ 3,604,662	3,369,755	3,149,887

Healthcare Cost Trend Rate:	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	\$ 3,071,929	3,369,755	3,716,355

2. PERS Retirement Health Insurance Account

Plan Description - Metro contributes to the PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums for eligible retirees. ORS 238.420 established this trust fund. The authority to establish and amend the benefit provisions of RHIA resides with the Oregon Legislature. The plan is closed to new entrants on or after August 29, 2003. PERS issues publicly available financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, Oregon 97281-3700, by calling 1-888-320-7377, or by accessing the PERS website at <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

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

Contributions - PERS funding policy provides for employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates for the period were based on the December 31, 2021 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2023. Metro's contribution rates for the period were 0.00% for Tier One/Tier Two members, and 0.00% for OPSRP members. Metro's total contribution for the year ended June 30, 2025 was -\$242.

Total OPEB Assets, Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - At June 30, 2025, Metro reported an asset of \$2,456,755 for its proportionate share of the OPERS net OPEB asset. The net OPEB asset was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2022. Metro's proportion of the net OPEB asset was based on Metro's contributions to the RHIA program during the measurement period relative to contributions from all participating employers. At June 30, 2025, Metro's proportionate share was 0.6082% which is an increase from its proportion of 0.4731% as of June 30, 2024.

Notes to the Financial Statements

For the fiscal year ended June 30, 2025

For the year ended June 30, 2025, Metro recognized OPEB income from this plan of \$533,831. At June 30, 2025, Metro reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

Sources	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on investments	\$ 69,367	-
Changes of assumptions	-	31,075
Changes in proportionate share	15,420	250,709
Differences between expected and actual experience	-	48,050
Contributions subsequent to the measurement date	-	242
Total	\$ 84,787	330,076

Deferred inflows of resources related to OPEB of \$242 resulting from Metro's contribution credits subsequent to the measurement date will be recognized as a reduction in the net OPEB asset in the year ending June 30, 2026. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal year ended June 30:	
2026	\$ (351,758)
2027	61,173
2028	37,528
2029	8,010
Total	\$ (245,047)

Actuarial Assumptions and Other Inputs - The total OPEB asset based on the December 31, 2022 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	December 31, 2022
Measurement date	June 30, 2024
Experience study	2022, published July 24, 2023
Actuarial assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Long-term expected rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Healthcare cost trend rate	Not applicable
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

All other actuarial methods and assumptions are consistent with those disclosed in the OPERS Pension Plan. See Note IV.H.1, for additional information on Actuarial Assumptions and Methods, the Long-Term Expected Rate of Return, and the Discount Rate.

Sensitivity of Metro's proportionate share of the net OPEB asset to changes in the discount rate - The following presents Metro's proportionate share of the net OPEB asset, calculated using the discount rate of 6.90%, as well as what Metro's proportionate share of the net OPEB asset would be if it were calculated using a discount rate of 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Net OPEB Asset	\$ (2,274,209)	(2,456,755)	(2,613,933)

OPEB Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

J. COMMITMENTS

1. Columbia Ridge Landfill

Metro has waste disposal service agreements with the owner and operator of Columbia Ridge Landfill in Gilliam County, Oregon for disposal of solid waste from the transfer stations owned by Metro. The monthly disposal rate will be adjusted annually by an amount equivalent to 90 percent of the annual change of CPI on July 1 each year until the contract expires on December 31, 2029. The rate for fiscal year 2025 is \$19.78 per ton. The estimated increased rate for fiscal year 2026 is \$20.30 per ton.

2. Waste Transport

Solid waste transport from Metro facilities to Columbia Ridge Landfill and other disposal sites is privately contracted through December 31, 2029. For fiscal year 2025, the unit price is \$719.13 per load (equivalent to about \$21.34 per ton). The current contract will adjust the per load unit price by a percentage equal to 95 percent of the annual percent change of CPI every July 1. The additional unit prices for the contract includes a mile tax of \$77.95 not subject to the CPI increases.

The contract calls for Metro to reimburse the contractor for the cost of shuttle fuel used at the transfer stations. The fuel price is highly variable and tied to a weekly index, but historically has added \$10 to \$15 to the cost of each load.

Renewable bulk fuel is purchased through a State of Oregon cooperative contract.

3. Metro South Station

The operation of Metro South, a solid waste transfer station and materials recovery facility is privately contracted through December 31, 2026. Monthly payments for personnel costs, maintenance, and equipment are on a reimbursed basis within agreed parameters plus a gross margin. There are prices for putrescible and non-putrescible waste and other waste materials that are subject to CPI adjustments annually and performance adjustments.

4. Metro Central Station

The operation of Metro Central, a solid waste transfer station and materials recovery facility is privately contracted through December 31, 2028. The contractor receives incentives for materials recovered from the waste stream and not sent to Columbia Ridge Landfill. The cost of transfer, transport and processing at remote composting sites is also included. The contractor provides transfer services and arranges for transport and processing. All payments are adjusted annually on July 1 in an amount equal to CPI.

Notes to the Financial Statements

For the fiscal year ended June 30, 2025

5. Summary

The following table presents approximate annual commitments based on forecasted refuse tons and assumed annual inflation equal to the average of the preceding four fiscal years for all of the previously described contracts. The figures for Metro South and Metro Central reflect costs and tonnage as estimated at contract prices and tonnage from the tonnage forecast and at various contract expiration dates.

Fiscal year ending June 30:	Columbia Ridge Landfill	Waste Transport	Metro South	Metro Central
2026	\$ 12,336,201	14,169,828	12,202,790	13,127,566
2027	12,666,049	14,527,567	6,238,968	13,510,077
2028	12,872,934	14,817,643	-	13,776,467
2029	13,172,014	15,140,792	-	7,056,650
2030	6,737,572	7,726,429	-	-
Total	\$ 57,784,770	66,382,259	18,441,758	47,470,760

6. Construction Projects

Metro is committed under a number of contracts for construction services. The amount of major uncompleted contracts is approximately \$4,270,000 at June 30, 2025.

7. Affordable Housing

Metro Council has approved the following projects under the Affordable Housing Bond program. The projects fund affordable housing for low-income families, seniors, veterans and people with disabilities in the Metro region.

Housing Partner	Project	Commitment
City of Beaverton	Senior Housing on 5th	\$ 10,500,000
Clackamas County	Hillside Park, Bldg D & E	5,500,000
Clackamas County	Clackamas Heights	15,000,000
City of Gresham	Civic Drive Family Housing	2,100,000
Metro Site Acquisition Program (Gresham)	SAP - Gresham Civic NE Parcel	2,950,000
City of Portland	Barbur Apartments	18,559,384
City of Portland	Abbey Townhomes	1,200,000
City of Portland	Jamii Court (former Portland Value Inn)	6,155,974
	SAP - Jamii Court (former Portland Value Inn)	
Metro Site Acquisition Program (Portland)		7,336,006
City of Portland	Carey Boulevard	6,087,267
City of Portland	Gooseberry Trails (former Capitol Hill)	5,451,773
City of Portland	Broadway Corridor	40,250,000
Total		\$ 121,090,404

K. LEASES**1. Lease Receivable**

The following changes occurred during fiscal year 2025 in lease receivable:

	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025
Governmental activities:				
Restaurant building lease; interest at 2%, principal and interest from \$6,214 to \$8,042 monthly, final payments due 2037	\$ 1,004,900	-	(55,756)	949,144
Cell tower land lease; interest at 1%, principal and interest of \$2,057 monthly, final payments due 2026	50,863	-	(24,282)	26,581
Office building sub-lease, interest at 4%, principal and interest of \$8,504 monthly, final payments due 2025	108,012	-	(99,536)	8,476
Parking garage lease, interest at 4%, principal and interest of \$21,000 monthly, final payments due 2027	711,286	-	(227,694)	483,592
Governmental activities				
Total lease receivable	\$ 1,875,061	-	(407,268)	1,467,793
Business-type activities:				
Theater land leaseback; interest at 4%, principal and interest of \$2,812 monthly, final payments due 2083	\$ 1,168,505	-	(406,941)	761,564
Business-type activities				
Total lease receivable (1)	\$ 1,168,505	-	(406,941)	761,564

During the year ended June 30, 2025, Metro recognized \$387,056 in lease revenue and \$45,602 in interest revenue for governmental activities. Additionally, during the year ended June 30, 2025, Metro recognized \$14,570 in lease revenue and \$32,004 in interest revenue for business-type activities. During the fiscal year, there were no inflows of resources related to variable or other payments not previously included in the measurement of the lease receivable.

2. Leases Payable

Metro has entered into various lease agreements to use nonfinancial assets when ownership does not make sense or is feasible. Specific lease agreements include large equipment, buildings, office space, parking lots, and land. The related obligations are presented in the amount equal to the present value of lease payments payable during the remaining lease term. The associated lease assets are presented in Note IV.E as part of Capital Assets. Contract terms range from 1 to 60 years and interest rates used to calculate the net present value range from 1 to 5 percent.

During the fiscal year, there were no outflows of resources related to variable payments not previously included in the measurement of the lease liability. Additionally, there were no associated impairment losses.

Future minimum lease payments under lease agreements and the present value of the net minimum lease payments are shown below as of June 30, 2025:

Governmental activities:		
Fiscal year ending June 30:	Principal	Interest
2026	\$ 17,730	15
Total future payments	\$ 17,730	15

Notes to the Financial Statements

For the fiscal year ended June 30, 2025

Business-type activities:

Fiscal year ending June 30:	Principal	Interest
2026	\$ 441,128	342,100
2027	431,430	332,876
2028	440,744	323,561
2029	450,272	314,033
2030	460,018	304,288
2031-35	2,454,291	1,367,232
2036-40	308,844	1,200,873
2041-45	280,005	1,149,994
2046-50	341,886	1,088,114
2051-55	417,441	1,012,559
2056-60	509,694	920,306
2061-65	622,335	807,665
2066-70	759,869	670,131
2071-75	927,797	502,203
2076-80	1,132,837	297,163
2081-84	891,123	62,210
Total future payments	<u>\$ 10,869,714</u>	<u>10,695,308</u>

(1) Due to the netting of the lessee and lessor portions of the Theater Land Lease-Leaseback, the lease receivable and leases payable totals within this footnote do not tie to the Statement of Net Position. The following reconciliation has been prepared in order to illustrate the difference.

Business-type activities:

Lease receivable - government-wide statement of net position	\$ -
Theater land leaseback receivable, netted with leases payable on statement of net position	761,564
<u>Total lease receivable per footnote</u>	<u>\$ 761,564</u>
Leases payable due within one year - government-wide statement of net position	\$ 437,782
Leases payable due in more than one year - government-wide statement of net position	9,670,368
Theater land leaseback receivable, netted in leases payable on statement of net position	761,564
<u>Total leases payable per footnote</u>	<u>\$ 10,869,714</u>

L. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

Metro has entered into subscription-based information technology arrangements (SBITA) to facilitate cloud computing arrangements and software as a service. Specific SBITAs include computer operating systems, point-of-sale systems, data hosting, and various software such as mapping, event management, asset management, public records, and timekeeping. The related obligations are presented in the amounts equal to the present value of subscription payments payable during the remaining SBITA term. The associated right to use assets are presented in Note E as part of Capital Assets. Contract terms range from 1 to 5 years and interest rates used to calculate the net present value range from 1 to 5 percent.

During the fiscal year, there were no outflows of resources related to variable payments not previously included in the measurement of the SBITA liability. Additionally, there were no associated impairment losses nor any commitments under SBITAS before the commencement of the subscription term.

Future minimum payments under SBITAs and the present value of the net minimum payments are shown below as of June 30, 2025:

Governmental activities:

Fiscal year ending June 30:	Principal	Interest
2026	\$ 1,099,872	66,179
2027	401,240	23,735
2028	183,467	7,475
Total future payments	<u>\$ 1,684,579</u>	<u>97,389</u>

Business-type activities:

Fiscal year ending June 30:	Principal	Interest
2026	\$ 128,445	14,587
2027	132,241	12,219
2028	88,077	7,323
2029	91,666	3,735
Total future payments	<u>\$ 440,429</u>	<u>37,864</u>

M. BONDS PAYABLE

Metro issues a variety of long-term debt types to finance capital projects and some capital equipment. The Tax Reform Act of 1986 requires that governmental entities issuing tax-exempt debt after August 1986 calculate and rebate arbitrage earnings to the federal government. Metro's tax-exempt debt is in compliance with all Internal Revenue Service arbitrage regulations. The various debt issues are discussed below.

Governmental Activities

1. 2012A and 2018 Series Natural Areas General Obligation Bonds

In prior years, the region's voters granted authority for a total of \$227.4 million in general obligation bonds to fund activities to acquire and preserve natural areas and stream frontages, maintain and improve water quality, and protect fish and wildlife habitat. Metro issued \$124,295,000 of 2007 Series Natural Areas General Obligation Bonds and an additional \$75,000,000 of 2012A Series bonds. Metro issued \$28,105,000 of Series 2018 bonds which was the final issuance of bonds authorized under the 2006 voter-approved measure.

In prior years, Metro issued \$57,955,000 of General Obligation Refunding Bonds, Series 2014 to refund all callable outstanding 2007 Series Natural Areas General Obligation Bonds. The defeased bonds have been called and paid and the escrow account for the defeasance is closed.

In prior years, Metro issued \$26,568,048 of General Obligation Refunding Bonds, Series 2023 to refund all callable outstanding 2012A Series Natural Areas General Obligation Bonds. The net proceeds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent until the bonds' optional redemption date of July 27, 2023. The remaining non-callable bonds were paid off in fiscal year 2025.

The bonds are to be repaid with proceeds of Metro's *ad valorem* property tax levied each year. Interest rates on individual bonds range from 3.96 percent to 5.0 percent.

Bond principal and interest outstanding at June 30 and the corresponding maturities are:

Fiscal year ending June 30:	2012A Series		2018 Series	
	Principal	Interest	Principal	Interest
2026	\$ 3,107,000	240,403	2,450,000	122,500
Unamortized premium	298,160		294,380	
Per statement of net position	<u>\$ 3,405,160</u>		<u>2,744,380</u>	

2. 2012A and 2018 Series Oregon Zoo Infrastructure and Animal Welfare General Obligation Bonds

In prior years, the region's voters granted authority for a total of \$125 million in general obligation bonds to fund Oregon Zoo capital projects to protect animal health and safety, conserve and recycle water and to improve access to conservation education. The first and second series of this bond, issued as taxable Build America Bonds (BABs), for \$5,000,000 and \$15,000,000 were issued and paid off in prior fiscal years. Also in prior years, Metro issued \$65,000,000 of 2012A Series bonds and \$30,000,000 of 2016 Series bonds. Metro issued \$10,000,000 of Series 2018 bonds which was the final issuance of bonds authorized under the 2008 voter-approved measure.

In prior years, Metro issued \$14,305,572 of General Obligation Refunding Bonds, Series 2023 to refund all callable outstanding 2012A Series Oregon Zoo Infrastructure and Animal Welfare General Obligation Bonds. The net proceeds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent until the bonds' optional redemption date of July 27, 2023. The remaining non-callable bonds were paid off in fiscal year 2025.

The bonds are to be repaid with proceeds of Metro's *ad valorem* property tax levied each year. Interest rates on individual bonds range from 3.0 percent to 5.0 percent.

Bond principal and interest outstanding at June 30 and the corresponding maturities are:

Fiscal year ending June 30:	2012A Series		2018 Series	
	Principal	Interest	Principal	Interest
2026	\$ 1,673,000	129,448	1,150,000	187,750
2027	-	178,650	1,250,000	130,250
2028	5,955,000	178,650	1,355,000	67,750
	7,628,000	486,748	3,755,000	385,750
Unamortized premium	763,576		438,961	
Per statement of net position	\$ 8,391,576		4,193,961	

3. 2019 Series Affordable Housing General Obligation Bonds

On November 6, 2018, the region's voters granted authority for a total of \$652.8 million in general obligation bonds to fund affordable housing projects for low-income families, seniors, veterans and people with disabilities in the Metro region which includes Washington, Clackamas, and Multnomah counties. On May 15, 2019, Metro issued \$652,800,000 of federally taxable Series 2019 bonds authorized under the 2018 voter-approved measure.

The bonds are to be repaid with proceeds of Metro's *ad valorem* property tax levied each year. Interest rates on individual bonds range from 3.0 percent to 3.5 percent.

Bond principal and interest outstanding at June 30 and the corresponding maturities are:

Fiscal year ending June 30:	Principal	Interest
2026	\$ 23,425,000	18,146,629
2027	25,435,000	17,385,316
2028	27,545,000	16,558,679
2029	29,765,000	15,663,466
2030	32,020,000	14,770,516
2031-35	198,435,000	57,421,428
2036-39	214,400,000	19,328,640
	551,025,000	159,274,674
Unamortized premium	1,826,217	
Per statement of net position	\$ 552,851,217	

4. Full Faith and Credit Bonds 2018 Series

On May 24, 2018, Metro issued \$13,290,000 of Full Faith and Credit Bonds, Series 2018 to fund renovations, upgrades and repairs to the existing Metro Regional Center (MRC) building. The MRC building projects include exterior and interior replacements and upgrades and Information Services infrastructure.

The bonds are payable from existing Metro revenues which include assessments on departments to pay for their share of the MRC building upgrade costs along with other General Fund revenues. Interest rates on individual bonds range from 3.0 percent to 5.0 percent.

Bond principal and interest outstanding at June 30 and the corresponding maturities are:

Fiscal year ending June 30:	Principal	Interest
2026	\$ 1,170,000	477,700
2027	1,230,000	419,200
2028	1,290,000	357,700
2029	1,355,000	293,200
2030	1,420,000	225,450
2031-33	4,650,000	297,100
	11,115,000	2,070,350
Unamortized premium	965,575	
Per statement of net position	\$ 12,080,575	

5. Dedicated Tax Revenue Bonds OCC Hotel Project 2017 Series

On August 8, 2017, Metro issued \$52,260,000 in Dedicated Tax Revenue Bonds, Oregon Convention Center Hotel project, Series 2017, to fund a contribution to the construction of a 600-room hotel adjacent to the OCC, a project to assist in marketing the OCC for national conventions.

Metro negotiated with a development partner who committed to design and construct the hotel which was finished in 2022. The developer and operator provided approximately \$166 million of the estimated \$240 million cost. As part of the Development and Financing Agreement, Metro committed to provide a portion of the funding, consisting of the revenue bonds, \$4 million contributed by the MERC Proprietary Fund and \$10 million received previously from the State of Oregon lottery funds. Metro has transferred these funding sources to the developer.

The bonds are backed by site specific transient lodging tax revenue. Interest rates on individual bonds range from 3.0 percent to 5.0 percent.

Bond principal and interest outstanding at June 30 and the corresponding maturities are:

Fiscal year ending June 30:	Principal	Interest
2026	\$ 1,160,000	2,235,750
2027	1,220,000	2,177,750
2028	1,280,000	2,116,750
2029	1,345,000	2,052,750
2030	1,410,000	1,985,500
2031-35	8,190,000	8,795,500
2036-40	10,455,000	6,532,750
2041-45	13,340,000	3,644,750
2046-47	6,315,000	477,500
	44,715,000	30,019,000
Unamortized premium	6,459,714	
Per statement of net position	\$ 51,174,714	

6. Pension Obligation Bonds Metro Limited Tax Series 2005

In prior years, Metro, along with certain other Oregon cities, counties and special districts issued Limited Tax Pension Bonds Series 2005 to finance their PERS unfunded actuarial liabilities. The proceeds of Metro's \$24,290,000 in bonds were paid to PERS and resulted in a new, lower employer contribution rate.

The bonds are to be repaid through assessments on Metro departments in exchange for the lower pension cost. The individual bonds have interest rates ranging from 4.859 percent to 5.004 percent.

Bond principal and interest outstanding at June 30 and the corresponding maturities are:

Fiscal year ending June 30:	Principal	Interest
2026	\$ 2,430,000	325,010
2027	2,660,000	203,413
2028	1,405,000	70,306
Per statement of net position	<u>\$ 6,495,000</u>	<u>598,729</u>

7. 2020A, 2020B, and 2025 Series Parks and Nature General Obligation Bonds

In prior years, the region's voters granted authority for a total of \$475 million in general obligation bonds to fund programs designed to protect natural areas and connect people to nature. In May 2020, Metro issued \$200,000,000 of 2020 Series Parks and Nature General Obligation Bonds. On April 8, 2025, Metro issued \$125,000,000 of Series 2025 bonds.

The bonds are to be repaid with proceeds of Metro's *ad valorem* property tax levied each year. Interest rates on individual bonds range from 1.2 percent to 6.0 percent.

Bond principal and interest outstanding at June 30 and the corresponding maturities are:

Fiscal year ending June 30:	2020 Series		2025 Series	
	Principal	Interest	Principal	Interest
2026	\$ 3,000,000	3,786,279	17,235,000	6,864,548
2027	3,000,000	3,741,279	20,530,000	5,121,875
2028	3,000,000	3,691,779	18,765,000	4,095,375
2029	3,000,000	3,638,979	1,545,000	3,157,125
2030	3,000,000	3,583,179	1,770,000	3,079,875
2031-35	45,975,000	13,690,043	12,765,000	13,730,125
2036-40	64,025,000	5,139,279	20,935,000	9,773,625
2041-45	-	-	31,455,000	4,138,650
	125,000,000	<u>37,270,817</u>	125,000,000	<u>49,961,198</u>
Unamortized premium	7,970,957		6,783,869	
Per statement of net position	<u>\$132,970,957</u>		<u>131,783,869</u>	

8. 2025 Series Zoo General Obligation Bonds

In April 2025, Metro issued \$75,000,000 of 2025 Series Zoo General Obligation Bonds. The bonds were issued by Metro under authority granted by voters for a total of \$380 million in general obligation bonds to fund Oregon Zoo capital projects to protect animal health and safety, conserve and recycle water and to improve access to conservation education.

The bonds are to be repaid with proceeds of Metro's *ad valorem* property tax levied each year. Interest rates on individual bonds range from 4.0 percent to 6.0 percent.

Bond principal and interest outstanding at June 30 and the corresponding maturities are:

Fiscal year ending June 30:	Principal	Interest
2026	\$ 10,340,000	4,118,442
2027	12,315,000	3,072,925
2028	11,255,000	2,457,175
2029	930,000	1,894,425
2030	1,055,000	1,847,925
2031-35	7,650,000	8,241,625
2036-40	12,560,000	5,869,125
2041-45	18,895,000	2,485,612
	75,000,000	29,987,254
Unamortized premium	4,067,787	
Per statement of net position	\$ 79,067,787	

N. CHANGES IN LONG-TERM LIABILITIES

The following changes occurred during fiscal year 2025 in long-term liabilities:

	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 752,250,443	200,000,000	(59,285,443)	892,965,000	62,380,000
Full faith and credit bonds	12,230,000	-	(1,115,000)	11,115,000	1,170,000
Dedicated tax revenue bonds	45,820,000	-	(1,105,000)	44,715,000	1,160,000
Pension obligation bonds	8,705,000	-	(2,210,000)	6,495,000	2,430,000
Less unamortized amounts:					
For premium or discount	20,682,317	10,977,275	(1,790,396)	29,869,196	-
Total bonds payable	839,687,760	210,977,275	(65,505,839)	985,159,196	67,140,000
Leases payable	260,861	-	(243,131)	17,730	17,730
SBITA payable	2,200,442	680,915	(1,196,778)	1,684,579	1,099,872
Pollution remediation obligation	8,607,624	900	(5,555,124)	3,053,400	327,682
Total OPEB liability	1,349,583	182,958	(132,427)	1,400,114	-
Compensated absences *	5,974,672	601,041	-	6,575,713	5,313,214
Net pension liability	58,152,903	27,304,173	(10,405,111)	75,051,965	-
Governmental activities					
Long-term liabilities	\$ 916,233,845	239,747,262	(83,038,410)	1,072,942,697	73,898,498
Business-type activities:					
Bonds payable:					
Full faith and credit bonds	\$ 1,005,000	-	(1,005,000)	-	-
Less unamortized amounts:					
For premium or discount	38,797	-	(38,797)	-	-
Total bonds payable	1,043,797	-	(1,043,797)	-	-
Leases payable	14,811,273	-	(3,941,559)	10,869,714	441,128
SBITA payable	379,251	424,660	(363,482)	440,429	128,445
Post-closure costs payable	1,889,135	146,271	(1,004,146)	1,031,260	1,031,260
Pollution remediation obligation	95,000	35,000	-	130,000	-
Total OPEB liability	1,960,907	139,058	(130,324)	1,969,641	-
Compensated absences *	4,851,519	290,628	-	5,142,147	4,283,103
Net pension liability	54,173,050	23,220,392	(9,423,295)	67,970,147	-
Business-type activities					
Long-term liabilities	\$ 79,203,932	24,256,009	(15,906,603)	87,553,338	5,883,936

* The change in compensated absences above is a net change for the year.

The internal service fund predominantly serves the governmental funds. Accordingly, long-term liabilities for it are included as part of the above totals for governmental activities. For governmental activities, compensated absences and net pension liabilities are generally liquidated by the General Fund and net other postemployment benefits are charged to the General Fund.

In 1984, a lease-leaseback agreement was entered into for theater land. In a lease-leaseback transaction, each party is a lessor and a lessee. Since each portion of the transaction is with the same counterparty, a right of offset exists. The lease-leaseback is presented net on the Statement of Net Position in accordance with GASB Statement No. 87, *Leases*. As such, the Changes in Long-Term Liabilities footnote total for business-type activities is \$761,564 higher than the face of the financials. The difference consists of the June 30, 2025 balance in lease receivable related to the leaseback, which is netted with leases payable on the Statement of Net Position.

Additional note disclosure of the gross amounts of the lease and leaseback provide essential information about the magnitude of each portion of the transaction. See Note IV.K.

O. POST-CLOSURE COST PAYABLE

The St. Johns Landfill was closed for operations in a prior year. Closure and post-closure care costs were originally recognized while the St. Johns Landfill was still in operation based on the then current estimate of total costs to complete such efforts, regardless of when cash disbursements were to be made. Such costs include methane gas and leachate collection systems, final cover, seeding, roads, drainage, groundwater monitoring wells, liner systems, stormwater management, and operations and maintenance costs. State and federal laws and regulations require Metro to perform certain post-closure maintenance and monitoring functions for thirty years after closure. At June 30, 2025, there was one year remaining until the post-closure care requirement is completed in fiscal year 2026.

The total post-closure cost of the St. Johns Landfill as of June 30, 2025 is estimated to be \$51,869,307 under current Federal and state regulations, an increase of \$146,271 in the current fiscal year in the estimated total liability. Actual cost may vary due to inflation or deflation, changes in technology, or changes in regulations. During the fiscal year, Metro paid \$1,004,147 in closure costs as the closure process continued (\$50,838,047 cumulative to date), reducing the remaining estimated liability to \$1,031,260 at June 30, 2025.

Metro is required by state and federal laws and regulations to provide financial assurance for the coverage of these overall post-closure care estimated costs. Metro is currently providing this financial assurance through an Alternative Financial Assurance Mechanism which has been approved by the Oregon Department of Environmental Quality (DEQ) and consists of its Solid Waste Fund, a post-closure funding guarantee of future revenues to cover these costs and a Landfill Post-Closure Account. Metro is required to submit annual re-certifications of this mechanism and Metro is currently awaiting DEQ approval for this year's annual recertification.

P. POLLUTION REMEDIATION OBLIGATION

Metro follows the requirements of GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* to account for its pollution remediation liabilities. Various Metro properties have pollution remediation obligations where obligating events have occurred and amounts are estimated using the expected cash flows technique.

Governmental Activities

Estimable pollution remediation obligations are present at what is referred to as the Texaco site on McLoughlin Boulevard in Milwaukie, Oregon. DEQ includes this site in the Underground Storage Tank (UST) Cleanup program and the incomplete nature of cleanup activities by the prior owners constitutes an obligating event. Metro

entered into a Prospective Purchaser Agreement (PPA) with DEQ which called for the decommissioning of USTs and remediation of soil contamination exceeding DEQ tolerances. Initial remediation work, including UST removal, has been completed. Some shallow soil contamination remains. A cost estimate was developed for remaining DEQ oversight costs and cleanup of the remaining soil contamination during future site development work, as notified by DEQ in 2006. The estimated pollution remediation obligation for this site is estimated to be \$3,400, which includes an increase of \$900 from the prior fiscal year in the estimated total liability. This value is reflected in governmental activities on the government-wide statement of net position.

Other Metro properties fall within the Initial Study Area of the Portland Harbor Superfund site adjacent to the Portland Harbor. The area has been under investigation by the Lower Willamette Group (LWG) under a 2001 Environmental Protection Agency (EPA) Administrative Order on Consent. For the entire Portland Harbor Superfund site, the LWG has been conducting a remedial investigation in the Willamette River (in water) since 2001 with oversight from EPA. EPA issued a Record of Decision outlining the Selected Remedy in January 2017, which includes dredging, capping, and enhanced natural recovery, estimated to take 13 years to complete. Costs associated with investigations and studies as they pertain to Metro properties and the allocation of such costs among potentially responsible parties (PRPs) are still being determined. The PRPs have engaged an allocator to develop a method for allocation of costs associated with the remedial investigation and feasibility study. Based upon the uncertainty of the Portland Harbor Superfund site remediation and allocation approach, pollution remediation obligations for the in-water remedy at Willamette Cove are not considered estimable. For the upland portion of the site, Metro's share of the pollution remediation obligation is estimated to be \$3,050,000, which includes a decrease of \$5,236,056 from the prior fiscal year in the estimated total liability. The gain resulting from the decreased liability is netted with culture and recreation expenses in the statement of activities. The total liability is reflected in governmental activities on the government-wide statement of net position. During the fiscal year, Metro paid \$319,068 in remediation costs toward this liability.

Business-type Activities

At the St. Johns Landfill, work associated with pollution remediation for sediment located adjacent to the landfill levees and potentially shallow groundwater includes: completion of a remedial investigation (RI)/feasibility study (FS) and remedial design; remedial action implementation; and remedial action performance monitoring. The work associated with the RI has been completed and the final RI report has been accepted by DEQ. The work associated with the FS component was completed during fiscal year 2013. DEQ signed and issued a Record of Decision on July 9, 2014, which includes DEQ's selected remedial action. Work going forward is based on the Draft Remedial Action Work Plan (RAWP) for implementation of the preferred alternative which calls for activated carbon pellets to be spread across the sediment surface in the risk-based areas. Metro has elected to expand the treatment area to provide greater coverage of the Westside Mud Flat to reduce uncertainty. Metro received DEQ approval and certification of these results during the fiscal year ended June 30, 2022. There is no liability related to this site recorded as of June 30, 2025.

For Metro Central Station, Metro received a request from the EPA and recommendation from DEQ to perform an expanded Preliminary Assessment. Metro then entered into an agreement with DEQ regarding the source control evaluation for the property. Metro contracted with AECOM to update the station's stormwater treatment system to satisfy Tier 2 correction actions related to the DEQ's recommendation. Site improvements have been completed and Metro received approval from the City of Portland during the fiscal year ended June 30, 2023. There is no liability related to this site recorded as of June 30, 2025.

Current information on estimable pollution remediation obligations at Expo, which is adjacent to a designated Superfund site, is limited. Therefore, the cost associated with work beyond the initial preliminary study is not yet estimable. The pollution remediation obligation estimate for the DEQ recommended preliminary assessment, which is recorded in the MERC Fund, is \$130,000, which includes a \$35,000 increase from the prior fiscal year.

Notes to the Financial Statements

For the fiscal year ended June 30, 2025

in the estimated total liability.

The total pollution remediation obligation on the government-wide statement of net position for governmental activities is \$3,053,400 and for business-type activities \$130,000. See Note IV.W for more information on the related change in estimate.

Q. FUND BALANCE CLASSIFICATIONS

Fund balance classifications as presented on the governmental funds balance sheet are further detailed below:

	General	Parks and Nature Operating	Affordable Housing	Supportive Housing Services	General Obligation Bond Debt Service	Zoo Bond 24	Parks and Nature Bond	Other Governmental Funds	Total
Fund balances:									
Nonspendable:									
Not in spendable form:									
Prepaid items	\$ 463,433	218,791	-	2,396	-	-	-	175,614	860,234
Advances	-	-	71,594,174	170,060,214	-	-	-	36,403	241,690,791
Corpus of permanent fund	-	-	-	-	-	-	-	747,747	747,747
Total nonspendable	463,433	218,791	71,594,174	170,062,610	-	-	-	959,764	243,298,772
Restricted for:									
Construction excise tax for									
development planning	22,696,335	-	-	-	-	-	-	-	22,696,335
TOD projects	23,882,411	-	-	-	-	-	-	-	23,882,411
Planning IGA	4,391,171	-	-	-	-	-	-	-	4,391,171
Glendoveer capital	1,405,130	-	-	-	-	-	-	-	1,405,130
Parks and Natural Areas	-	6,864,496	-	-	-	-	-	-	6,864,496
Debt service on bonds	3,370,908	-	-	-	6,589,590	-	-	-	9,960,498
Smith & Bybee Wetlands mgmt plan	-	-	-	-	-	-	-	968,302	968,302
Community Enhancement	444,496	-	-	-	-	-	-	914,728	1,359,224
Willamette Falls Legacy project	16,943,440	-	-	-	-	-	-	-	16,943,440
Affordable Housing	-	-	218,050,640	-	-	-	-	-	218,050,640
Supportive Housing Services	-	-	-	86,624,779	-	-	-	-	86,624,779
Capital projects	-	-	-	-	-	77,901,511	231,391,391	-	309,292,902
Total restricted	73,133,891	6,864,496	218,050,640	86,624,779	6,589,590	77,901,511	231,391,391	1,883,030	702,439,328
Committed to:									
TOD projects	9,458,013	-	-	-	-	-	-	-	9,458,013
Total committed	9,458,013	-	-	-	-	-	-	-	9,458,013
Assigned to:									
Appropriated fund balance	3,611,765	-	-	-	-	-	-	-	3,611,765
Encumbered fund balance	2,340,938	-	-	-	-	-	-	-	2,340,938
Parks cemetery	426,209	-	-	-	-	-	-	32,269	458,478
Glendoveer	-	604,308	-	-	-	-	-	-	604,308
Total assigned	6,378,912	604,308	-	-	-	-	-	32,269	7,015,489
Unassigned	42,016,154	-	-	-	-	-	-	-	42,016,154
Total fund balances	\$ 131,450,403	7,687,595	289,644,814	256,687,389	6,589,590	77,901,511	231,391,391	2,875,063	1,004,227,756

R. INTERFUND TRANSFERS

Interfund balances at June 30, 2025 were due to the consolidation of internal service fund activities for the government-wide statements of \$4,335,843.

Interfund transfers for the fiscal year by fund were:

<i>Transfers out</i>	<i>Transfers in</i>						<i>Total</i>
	<i>General</i>	<i>Parks and Nature Operating</i>	<i>Affordable Housing</i>	<i>Parks and Nature Bond</i>	<i>Oregon Zoo</i>	<i>MERC</i>	
General	\$ -	7,404,073	950,000	-	20,550,000	1,475,000	30,379,073
Parks and Nature Operating	784,516	-	-	-	-	-	784,516
Affordable Housing	25,165	-	-	-	-	-	25,165
Supportive Housing Services	112,806	-	-	-	-	-	112,806
Zoo Bond 24	971	-	-	-	-	-	971
Parks and Nature Bond	136,917	-	-	-	-	-	136,917
Cemetery Perpetual Care	27,900	-	-	-	-	-	27,900
Solid Waste	633,932	-	-	-	-	-	633,932
Oregon Zoo	577,204	-	-	-	-	-	577,204
MERC	633,214	-	-	-	-	-	633,214
Risk Management	11,040	-	-	-	-	-	11,040
Total	\$ 2,943,665	7,404,073	950,000	-	20,550,000	1,475,000	33,322,738

The transfers detailed above are transfers of resources from one fund to another that are not based upon a cost allocation plan or any expectation of payment for services provided, but rather to provide resources for other uses. These include General Fund support to Parks and Nature Bond for capital project funding, Affordable Housing for administrative support, Parks and Nature Operating for operations and maintenance, and to Oregon Zoo for general allocations and renewal and replacement of capital assets.

S. TAX ABATEMENTS

Metro has not entered into any tax abatement programs. However, Metro is subject to tax abatements granted by the three counties in which Metro operates. Metro's abated property taxes total \$15,504,620 for fiscal year 2025. The following two tax abatement programs account for 97 percent of the abated property taxes:

Strategic Investment Program

The Strategic Investment Program (SIP) was adopted by the Oregon legislature in 1993 under ORS 285C.600. The purpose of this program is to attract and keep companies that provide good jobs in Oregon, particularly capital-intensive, high-technology employers. It allows "traded-sector" businesses, such as manufacturing firms, and local governments to negotiate alternative property tax agreements if these businesses are willing to invest at least \$100 million at an urban site or at least \$25 million at a rural location in Oregon. "Traded sector" is defined in Oregon law as "industries in which member firms sell their goods or services into markets for which national and international competition exists." The project must either receive local approval through a custom agreement with the county/city or be located in a pre-established "Strategic Investment Zone."

SIP allows for tax exemptions on project property for fifteen years. In exchange for receiving a property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor (Washington County).

Oregon Enterprise Zone

The Enterprise Zone program (E-Zone) was adopted by the Oregon legislature under ORS 285C.175. The purpose of this program is to encourage business investment through property tax relief, in specific areas of the state. Relevant areas for Metro include Clackamas, Multnomah, and Washington County. In exchange for locating or expanding into an Enterprise Zone, eligible (generally non-retail) businesses receive total exemption from the property taxes normally assessed on new property, plant and equipment. Subject to local authorization, timely filings and criteria the benefits include:

Notes to the Financial Statements

For the fiscal year ended June 30, 2025

- Construction-in-Process Enterprise Zone Exemption-For up to two years before qualified property is placed in service, it can be exempt from local taxes, which can cover more property than the regular exemption for commercial facilities under construction.
- Three to five consecutive years of full relief from property taxes on qualified property, after it is in service.
- Depending on the zone, local incentives also may be available.

Metro's property tax abatements under these programs for the fiscal year ended June 30, 2025 were:

Tax Abatement Program	Amount of Taxes Abated
SIP	\$ 12,067,000
E-Zone	2,976,531
Subtotal major abatement program	15,043,531
Other immaterial abatement programs	461,089
Total	\$ 15,504,620

T. INSURED RISKS

Metro is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Metro has established a Risk Management Fund (an internal service fund) to account for risk management activities, including payment of insurance policy premiums, payment of claims, and to finance its uninsured risks of loss. Under this program, the Risk Management Fund provides risk of loss coverage as follows:

- General liability, bodily injury to or property damage of third parties resulting from the negligence of Metro or its employees and errors and omissions risks: these risks are fully covered by the Risk Management Fund. Metro is protected by ORS Chapter 30, the Oregon Tort Claims Act, which contains statutory claim limits of \$855,200 for a single claimant and \$1,710,200 per multiple claimants. These statutory limits are indexed and change every year on July 1. Metro participates in a risk pool as a means of purchasing excess liability coverage, which covers claims up to \$9 million after \$1 million of self-retention.
- Property damage to Metro-owned facilities: this risk is covered with a commercial property insurance policy. The property policy insures \$1,415,036,049 of property values with a \$500,000,000 limit blanket policy and a \$500,000 deductible.
- Workers' compensation, bodily injury or illness to an employee while in the course of employment: this risk is covered through a guaranteed cost program from SAIF Corporation, a commercial carrier, in amounts that meet statutory requirements.

Metro has not experienced settlements in excess of insurance coverage in any of the last three fiscal years. An independent actuary prepared an actuarial valuation and estimate of liabilities for unpaid claims as of June 30, 2025. Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. Metro also monitors risk activity to ensure that proper reserves are maintained. All operating funds of Metro participate in the program and make payments to the Risk Management Fund based upon actuarial estimates of the amounts needed to pay prior and current year claims and to establish sufficient reserves.

The estimated claims liability of \$1,140,000 reported as accrued self-insurance claims in the Risk Management Fund at June 30, 2025 was established in accordance with the requirements of GASB Statement No. 30, *Risk Financing Omnibus*, which requires that a liability for total estimated claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Metro considers the liability

to be current in nature. Liabilities include an amount for claims that have been incurred but not reported. A portion of the loss reserves have been discounted, using an assumed average investment rate of 1.025 percent in preparing the estimates. Metro does not purchase annuity contracts from commercial insurers to pay any aggregate amount of outstanding claims liabilities.

Changes in Risk Management Fund claims liability for the previous and current fiscal year were:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2023-24	\$ 733,000	133,000	89,000	777,000
2024-25	777,000	428,000	65,000	1,140,000

U. CONTINGENT LIABILITIES

1. Reviews by Grantor Agencies

Grant costs are subject to review by the grantor agencies. Any costs disallowed as the result of the review would be borne by Metro and may require the return of such amount to the grantor agency. Should costs be disallowed on a grant for which Metro acts in a pass-through capacity, Metro should be able to require repayment of amounts disallowed from the subgrantees.

2. Legal Matters

Metro is involved as a defendant in several claims and disputes that are normal to Metro's activities. Management intends to vigorously contest these matters and does not believe their ultimate resolution will have a material effect upon its financial position or operations.

V. SUBSEQUENT EVENTS

In July 2025, the contractual agreement with a third party funding partner for the Willamette Falls Legacy Project expired. As a result, approximately \$15 million previously held for the project was returned during fiscal year 2026. This transaction will reduce the restricted net position of governmental activities as reported on the government-wide statement of net position and the restricted fund balance of the General Fund as presented in the governmental funds balance sheet in the subsequent fiscal year by approximately \$15 million.

W. CHANGE IN ACCOUNTING ESTIMATE

During the fiscal year ended June 30, 2025, Metro received an updated valuation of its pollution remediation liabilities. This valuation was prepared by a contracted environmental engineering firm and incorporated updated cost projections based on prevailing industry trends and recent soil sampling results. The updated valuation resulted in decreased expected remediation costs for governmental activities and increased expected remediation costs for business-type activities. The updated estimates resulted in the following financial statement impacts:

- Governmental activities: Metro recognized a reduction in expenses of \$5,235,156 within the culture and recreation program, accompanied by a corresponding decrease in the pollution remediation liability.
- Business-type activities: Metro recognized an increase in expenses of \$35,000 within the MERC program, with a corresponding increase in the pollution remediation liabilities.

Metro applied this change prospectively and did not restate prior period financial statements.



Required Supplementary Information

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

General Fund

Special Revenue Funds:

Parks and Nature Operating Fund

Affordable Housing Fund

Supportive Housing Services Fund

Postemployment benefits other than pensions Retirement Health Insurance Account

Schedule of Agency's Proportionate Share of the Net OPEB Liability (Asset)

Schedule of Agency's Contributions

Postemployment benefits other than pensions Implicit Rate Subsidy

Schedule of Agency's Changes in Total OPEB Liability and Related Ratios

Oregon Public Employees Retirement System, Pension Plan

Schedule of Agency's Proportionate Share of Net Pension Liability

Schedule of Agency's Contributions

Notes to Required Supplementary Information

METRO
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
Program revenues:				
Charges for services:				
Government fees	\$ 1,000	1,000	6,292	5,292
Culture and recreation fees	-	-	14,172	14,172
Other fees	1,856,263	1,856,263	1,268,247	(588,016)
Internal charges for services	1,813,959	1,813,959	1,241,852	(572,107)
Licenses and permits	590,000	590,000	534,650	(55,350)
Miscellaneous revenue	2,758,899	2,782,899	4,014,095	1,231,196
Operating grants and contributions:				
Grants	17,508,443	17,517,167	15,874,806	(1,642,361)
Local government shared revenue	77,600	77,600	211,326	133,726
Government contributions	3,819,635	3,819,635	3,738,271	(81,364)
General revenues:				
Taxes:				
Property taxes	20,450,000	20,450,000	20,618,414	168,414
Excise taxes	21,933,000	21,933,000	22,580,785	647,785
Construction excise tax	3,848,000	3,848,000	3,427,490	(420,510)
Investment income	1,343,850	1,343,850	3,417,500	2,073,650
Total revenues	76,000,649	76,033,373	76,947,900	914,527
EXPENDITURES				
Council	12,138,086	12,138,086	10,321,281	1,816,805
Capital asset management	7,723,876	7,927,876	6,810,948	1,116,928
Communications	3,149,172	3,149,172	2,950,774	198,398
Diversity, equity and inclusion	3,155,512	3,155,512	2,288,612	866,900
Finance and regulatory services	14,607,513	14,607,513	13,437,647	1,169,866
Housing	150,000	150,000	58,004	91,996
Human resources	7,274,015	7,474,015	7,238,379	235,636
Information services	9,970,230	9,970,230	9,216,034	754,196
Office of the auditor	1,293,729	1,293,729	1,136,325	157,404
Office of Metro attorney	4,275,293	4,275,293	4,183,233	92,060
Planning, development and research	43,501,147	43,839,906	32,662,098	11,177,808
Special appropriations	2,117,735	2,117,735	1,220,988	896,747
Non-departmental:				
Debt service	2,645,599	2,645,599	2,645,598	1
Contingency	28,503,175	25,401,067	-	25,401,067
Total expenditures	140,505,082	138,145,733	94,169,921	43,975,812
Revenues over (under) expenditures	(64,504,433)	(62,112,360)	(17,222,021)	44,890,339
OTHER FINANCING SOURCES (USES)				
Transfers in	52,107,101	52,107,101	51,702,924	(404,177)
Transfers out	(36,851,979)	(39,244,052)	(38,894,052)	350,000
Total other financing sources (uses)	15,255,122	12,863,049	12,808,872	(54,177)

(Continued)

METRO
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting), *continued*
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
Revenues and other sources over (under) expenditures and other uses	\$ (49,249,311)	(49,249,311)	(4,413,149)	44,836,162
Beginning fund balance available for appropriation - July 1, 2024	93,127,467	93,127,467	89,965,683	(3,161,784)
Unappropriated ending fund balance - June 30, 2025	\$ 43,878,156	43,878,156	85,552,534	41,674,378
Reconciliation to Governmental GAAP basis:				
Excess of revenues and other financing sources over (under) expenditures and other financing uses on the basis of budgeting:				
General Fund, as presented above			\$ (4,413,149)	
General Revenue Bond Fund-General			25,595	
General Asset Management Fund			2,833,742	
Additional (decrease to) revenues required by Governmental GAAP:				
Adjustment to value investments at fair value			2,328,343	
Adjustment to value lessor arrangements at present value			(19,463)	
Accrual of interest receivable on TOD loans			3,650	
Decrease to (additional) expenses required by Governmental GAAP:				
Loss on sale of assets held for resale			(802,427)	
Net change in fund balance as reported on the statement of revenues, expenditures and changes in fund balances-governmental funds			\$ (43,709)	

METRO
Parks and Nature Operating Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts			Variance with final budget
	Original	Final	Actual Amounts	
REVENUES				
Program revenues:				
Charges for services:				
Government fees	\$ 16,000	16,000	8,275	(7,725)
Culture and recreation fees	4,792,423	4,792,423	5,591,965	799,542
Other fees	1,192,067	1,292,067	1,716,324	424,257
Miscellaneous revenue	100,000	100,000	78,501	(21,499)
Operating grants and contributions:				
Grants	15,200	223,700	379,995	156,295
Local government shared revenue	625,000	625,000	528,460	(96,540)
Government contributions	225,500	225,500	-	(225,500)
General revenues:				
Taxes:				
Property taxes	19,197,221	19,197,221	19,092,485	(104,736)
Investment income	208,500	208,500	354,606	146,106
Total revenues	26,371,911	26,680,411	27,750,611	1,070,200
EXPENDITURES				
Parks and nature	30,521,936	31,697,509	29,495,146	2,202,363
Contingency	5,191,254	4,641,254	-	4,641,254
Total expenditures	35,713,190	36,338,763	29,495,146	6,843,617
Revenues over (under) expenditures	(9,341,279)	(9,658,352)	(1,744,535)	7,913,817
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	58,415	58,415
Transfers in	8,041,341	8,358,414	8,045,584	(312,830)
Transfers out	(6,592,824)	(6,592,824)	(6,567,824)	25,000
Total other financing sources (uses)	1,448,517	1,765,590	1,536,175	(229,415)
Revenues and other sources over (under) expenditures and other uses	(7,892,762)	(7,892,762)	(208,360)	7,684,402
Beginning fund balance available for appropriation - July 1, 2024	7,892,762	7,892,762	7,793,867	(98,895)
Unappropriated ending fund balance - June 30, 2025	\$ -	-	7,585,507	7,585,507

Reconciliation to Governmental GAAP basis:

Excess of revenues and other financing sources over (under) expenditures and other financing uses on the basis of budgeting per above	\$ (208,360)
Additional (decrease to) revenue required by Governmental GAAP:	
Adjustment to value lessor arrangements at present value	(1,952)
Adjustment to value investments at fair value	168,871
Net change in fund balance as reported on the statement of revenues, expenditures and changes in fund balances-governmental funds	\$ (41,441)

METRO
Affordable Housing Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
General revenues:				
Investment income	\$ 1,655,000	1,655,000	12,862,297	11,207,297
Total revenues	1,655,000	1,655,000	12,862,297	11,207,297
EXPENDITURES				
Housing	262,779,932	262,779,932	115,218,310	147,561,622
Contingency	50,000,000	50,000,000	-	50,000,000
Total expenditures	312,779,932	312,779,932	115,218,310	197,561,622
Revenues over (under) expenditures	(311,124,932)	(311,124,932)	(102,356,013)	208,768,919
OTHER FINANCING SOURCES (USES)				
Transfers in	950,000	950,000	950,000	-
Transfers out	(1,498,959)	(1,498,959)	(1,498,959)	-
Total other financing sources (uses)	(548,959)	(548,959)	(548,959)	-
Revenues and other sources over (under) expenditures and other uses	(311,673,891)	(311,673,891)	(102,904,972)	208,768,919
Beginning fund balance available for appropriation - July 1, 2024	359,955,310	359,955,310	383,168,467	23,213,157
Unappropriated ending fund balance - June 30, 2025	\$ 48,281,419	48,281,419	280,263,495	231,982,076

Reconciliation to Governmental GAAP basis:

Excess of revenues and other financing sources over (under) expenditures and other financing uses on the basis of budgeting per above	\$ (102,904,972)
Additional (decrease to) revenue required by Governmental GAAP:	
Adjustment to value investments at fair value	592,906
Budget requirements not qualifying as expenses under Governmental GAAP:	
Purchase of assets held for resale	(1,410,000)
Net change in fund balance as reported on the statement of revenues, expenditures and changes in fund balances-governmental funds	\$ (103,722,066)

METRO
Supportive Housing Services Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
Program revenues:				
Charges for Services:				
Miscellaneous Revenue	\$ -	-	2,130	2,130
General revenues:				
Taxes:				
Business income taxes	187,250,000	187,250,000	121,288,785	(65,961,215)
Personal income taxes	187,250,000	187,250,000	203,675,232	16,425,232
Investment income	880,000	880,000	2,096,457	1,216,457
Total revenues	375,380,000	375,380,000	327,062,604	(48,317,396)
EXPENDITURES				
Supportive housing	466,856,937	466,856,937	443,178,578	23,678,359
Contingency	336,284,780	336,284,780	-	336,284,780
Total expenditures	803,141,717	803,141,717	443,178,578	359,963,139
Revenues over (under) expenditures	(427,761,717)	(427,761,717)	(116,115,974)	311,645,743
OTHER FINANCING SOURCES (USES)				
Transfers out	(4,456,449)	(4,456,449)	(4,456,449)	-
Total other financing sources (uses)	(4,456,449)	(4,456,449)	(4,456,449)	-
Revenues and other sources over (under) expenditures and other uses	(432,218,166)	(432,218,166)	(120,572,423)	311,645,743
Beginning fund balance available for appropriation - July 1, 2024	432,218,166	432,218,166	377,151,193	(55,066,973)
Unappropriated ending fund balance - June 30, 2025	\$ -	-	256,578,770	256,578,770
Reconciliation to Governmental GAAP basis:				
Excess of revenues and other financing sources over (under) expenditures and other financing uses on the basis of budgeting per above			\$ (120,572,423)	
Additional (decrease to) revenue required by Governmental GAAP:				
Adjustment to value investments at fair value			602,577	
Net change in fund balance as reported on the statement of revenues, expenditures and changes in fund balances-governmental funds			\$ (119,969,846)	



METRO
Schedule of Agency's Proportionate Share of the Net OPEB Liability (Asset)
Oregon Public Employees' Retirement System, Retirement Health Insurance Account
Last Nine Fiscal Years

	2017	2018	2019
Metro's proportion of the net OPEB liability (asset)	0.6214%	0.6037%	0.6165%
Metro's proportionate share of the net OPEB liability (asset)	\$ 168,747	(251,939)	(688,163)
Metro's covered payroll**	\$ 60,051,593	62,262,783	66,236,964
Metro's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	0.3%	-0.4%	-1.0%
Plan fiduciary net position as a percentage of the total OPEB liability	94.2%	108.9%	124.0%

This schedule is presented to illustrate Metro's proportionate share of net OPEB liability over the last 10 years. However, until a full 10-year trend is compiled, Metro presents information for those years for which information is available.

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

2020	2021	2022	2023	2024	2025
0.6388%	0.3558%	0.3828%	0.5113%	0.4731%	0.6082%
(1,234,363)	(724,882)	(1,314,537)	(1,816,656)	(1,732,202)	(2,456,755)
69,412,840	70,340,490	60,103,526	70,193,764	82,310,557	99,638,887
-1.8%	-1.0%	-2.2%	-2.6%	-2.1%	-2.5%
144.4%	150.1%	183.9%	194.6%	201.6%	220.6%

METRO
Schedule of Agency's Contributions
Oregon Public Employees' Retirement System, Retirement Health Insurance Account
Last Nine Fiscal Years

	2017	2018	2019
Contractually required contribution	\$ 317,059	298,503	316,595
Contributions in relation to the contractually required contribution	317,059	298,503	316,595
Contribution deficiency (excess)	\$ -	-	-
Metro's covered payroll	\$ 62,262,783	66,236,964	69,412,840
Contribution as a percentage of covered payroll	0.5%	0.5%	0.5%

This schedule is presented to illustrate Metro's OPEB contributions over the last 10 years.
However, until a full 10-year trend is compiled, Metro presents information for those years for which information is available.

2020	2021	2022	2023	2024	2025
25,405	10,242	12,601	9,322	445	(242)
25,405	10,242	12,601	9,322	445	(242)
-	-	-	-	-	-
70,340,490	60,103,526	70,193,764	82,310,557	99,638,887	113,566,506
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

METRO
Schedule of Agency's Changes in Total OPEB Liability and Related Ratios
Implicit Rate Subsidy Plan
Last Eight Fiscal Years

Total OPEB Liability	2018	2019	2020
Service cost	\$ 188,084	176,683	177,807
Interest on total OPEB liability	83,594	102,623	113,004
Changes of assumptions or other inputs	(168,115)	(66,972)	47,547
Economic/demographic gains or losses	-	-	(16,637)
Benefit payments	(162,251)	(155,404)	(164,866)
Net change in total OPEB liability	(58,688)	56,930	156,855
Total OPEB liability, beginning of year	2,825,591	2,766,903	2,823,833
Total OPEB liability, end of year	<u>\$ 2,766,903</u>	<u>2,823,833</u>	<u>2,980,688</u>
Metro's covered-employee payroll	N/A	N/A	N/A
Total OPEB liability as a percentage of covered-employee payroll	N/A	N/A	N/A

This schedule is presented to illustrate Metro's changes in total OPEB liability over the last 10 years.
However, until a full 10-year trend is compiled, Metro presents information for those years for which information is available.

2021	2022	2023	2024	2025
202,330	246,402	158,498	131,253	219,088
109,231	78,204	51,984	79,814	124,851
200,089	(708,759)	(227,787)	724,983	(64,715)
-	(533,513)	-	308,189	-
(125,359)	(150,368)	(102,095)	(113,294)	(219,959)
386,291	(1,068,034)	(119,400)	1,130,945	59,265
2,980,688	3,366,979	2,298,945	2,179,545	3,310,490
3,366,979	2,298,945	2,179,545	3,310,490	3,369,755
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A

METRO
Schedule of Agency's Proportionate Share of Net Pension Liability
Oregon Public Employees' Retirement System, Pension Plan
Last Ten Fiscal Years

	2016	2017	2018
Metro's proportion of the net pension liability	0.5501435%	0.5465773%	0.5920128%
Metro's proportionate share of the net pension liability	\$ 31,586,277	82,053,939	79,803,544
Metro's covered payroll**	\$ 55,726,726	60,051,593	62,262,783
Metro's proportionate share of the net pension liability as a percentage of its covered payroll	56.7%	136.6%	128.2%
Plan fiduciary net position as a percentage of the total pension liability	91.9%	80.5%	83.1%

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

2019	2020	2021	2022	2023	2024	2025
0.5989718%	0.6323848%	0.6394909%	0.6525487%	0.5339088%	0.5996895%	0.6434541%
90,736,337	109,387,421	139,558,908	78,087,113	81,752,142	112,325,953	143,022,112
66,236,964	69,412,840	70,340,490	60,103,526	70,193,764	82,310,557	99,638,887
137.0%	157.6%	198.4%	129.9%	116.5%	136.5%	143.5%
82.1%	80.2%	75.8%	87.6%	84.5%	81.7%	79.3%

METRO
Schedule of Agency's Contributions
Oregon Public Employees' Retirement System, Pension Plan
Last Ten Fiscal Years

	2016	2017	2018
Contractually required contribution	\$ 4,729,515	5,315,109	7,594,605
Contributions in relation to the contractually required contribution	4,729,515	5,315,109	7,594,605
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>
Metro's covered Payroll	<u>\$ 60,051,593</u>	<u>62,262,783</u>	<u>66,236,964</u>
Contribution as a percentage of covered payroll	7.9%	8.5%	11.5%

2019	2020	2021	2022	2023	2024	2025
8,097,797	11,296,142	9,591,373	12,296,540	15,167,944	17,355,356	19,828,405
8,097,797	11,296,142	9,591,373	12,296,540	15,167,944	17,355,356	19,828,405
-	-	-	-	-	-	-
69,412,840	70,340,490	60,103,526	70,193,764	82,310,557	99,638,887	113,566,506
11.7%	16.1%	16.0%	17.5%	18.4%	17.4%	17.5%

METRO
Notes to Required Supplementary Information
For the fiscal year ended June 30, 2025

BUDGETARY INFORMATION**1. BUDGETS**

A budget is prepared for each fund in accordance with the modified accrual basis of accounting and legal requirements set forth in the Oregon Local Budget Law. This basis differs from GAAP. The Council adopts the original budget for all funds by resolution prior to the beginning of Metro's fiscal year. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. The legal level of control for each fund is set by department, with separate designations within the fund for the categories of debt service, interfund transfers and contingency.

The General Revenue Bond Fund is a budgetary fund comprised of two components that are separated and combined with other budgetary funds for reporting under GAAP. The General Asset Management Fund is a budgetary fund that is combined with the General Fund for reporting under GAAP. The Oregon Zoo Asset Management Fund is a budgetary fund that is combined with the Oregon Zoo Operating Fund for reporting under GAAP.

The detail budget document is required to contain more specific, detailed information about the aforementioned expenditure categories. Appropriations that have not been expended at year-end lapse and subsequent actual expenditures are charged against ensuing year appropriations. Encumbrances are recorded in Metro's internal accounting records for management reporting and control. Encumbrances are closed at June 30 and re-established in the ensuing fiscal year against appropriations for that year.

Unexpected additional resources and budget revisions may be added to the budget through the use of a supplemental budget or by a resolution passed by the Council amending the budget. A supplemental budget requires hearings before the public, publication in newspapers and approval by the Council. Original, amended and supplemental budgets may be modified by the use of appropriation transfers between the levels of control, with approval of the Council. Management may amend the budget within the appropriated levels of control without Council approval.

2. RECONCILIATION OF BASIS OF BUDGETING TO GAAP BASIS

Oregon Local Budget Law, as adopted by Metro, requires accounting for certain transactions to be on a basis other than GAAP. The Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis of Budgeting) for each fund as presented in supplementary information is presented on the basis of budgeting and is adjusted to the GAAP basis for presentation in the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. The accounting for the reclassification of interfund transfers as operating transactions causes no difference between the excess of revenues and other sources over expenditures and other uses on the basis of budgeting and such amounts on a GAAP basis. Other reconciliations as necessary are presented on the face of the budgetary schedules.

PENSION PLAN INFORMATION**1. CHANGES IN BENEFIT TERMS**

The 2013 Oregon Legislature made a series of changes to PERS that lowered projected future benefit payments from the System. These changes included reductions to future Cost of Living Adjustments (COLA) made through Senate Bills 822 and 861. Senate Bill 822 also required the contribution rates scheduled to be in effect from July 2013 to June 2015 to be reduced. The Oregon Supreme Court decision in *Moro vs. State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future

System Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the total pension liability as of June 30, 2015 compared to June 30, 2014 pension liability.

2. CHANGES IN ASSUMPTIONS

The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability and June 30, 2018 total pension liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50 percent and lowering of the assumed inflation to 2.50 percent. For June 30, 2018, the long-term expected rate of return was lowered to 7.20 percent. For June 30, 2021, the long-term expected rate of return was lowered to 6.90 percent, and the inflation rate was lowered from 2.5 to 2.4 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay were updated.

OTHER POSTEMPLOYMENT BENEFITS (OPEB) INFORMATION-OREGON PUBLIC EMPLOYEES' RETIREMENT SYSTEM, RETIREMENT HEALTH INSURANCE ACCOUNT

1. CHANGES IN BENEFIT TERMS

There were no changes of benefit terms between the periods shown in the schedules.

There were no changes in the size or composition of the population covered by the benefit terms.

2. CHANGES IN ASSUMPTIONS

The PERS Board adopted assumption changes that were used to measure the June 30, 2021 total OPEB liability. The changes include the lowering of the long-term expected rate of return from 7.20 to 6.90 percent and the inflation rate from 2.5 to 2.4 percent. In addition, the healthy healthcare participation and healthy mortality assumptions were changed to reflect an updated trends and mortality improvement scale for all groups.

OTHER POSTEMPLOYMENT BENEFITS (OPEB) INFORMATION-IMPLICIT RATE SUBSIDY PLAN

1. CHANGES IN BENEFIT TERMS

There were no changes of benefit terms between the periods shown in the schedules.

There were no changes in the size or composition of the population covered by the benefit terms.

2. CHANGES IN ASSUMPTIONS

In the July 1, 2023 actuarial valuation, the OPEB liability discount rate increased from 3.54 percent to 3.65 percent for results as of the June 30, 2023 measurement date. In the July 1, 2023 actuarial valuation, expected claims and premiums were updated to reflect changes in available benefits and premium levels. Expected retiree and dependent costs were updated to reflect current health care cost guidelines. In the July 1, 2023 actuarial valuation, the Health Care Cost Trend was revised to reflect recent economic conditions. In the July 1, 2023 actuarial valuation, the mortality, retirement and withdrawal rates were updated to reflect assumptions used in the Oregon December 31, 2022 actuarial valuation.

3. ASSETS IN TRUST

There are no assets accumulated in a trust that meets the criteria of GASB 75 to pay related benefits.



Other Supplementary Information

METRO | Annual Comprehensive Financial Report 2025

Combining Statements

Nonmajor Governmental Funds

Budgetary Comparison Schedules

Other Major Governmental Funds

Nonmajor Governmental Funds

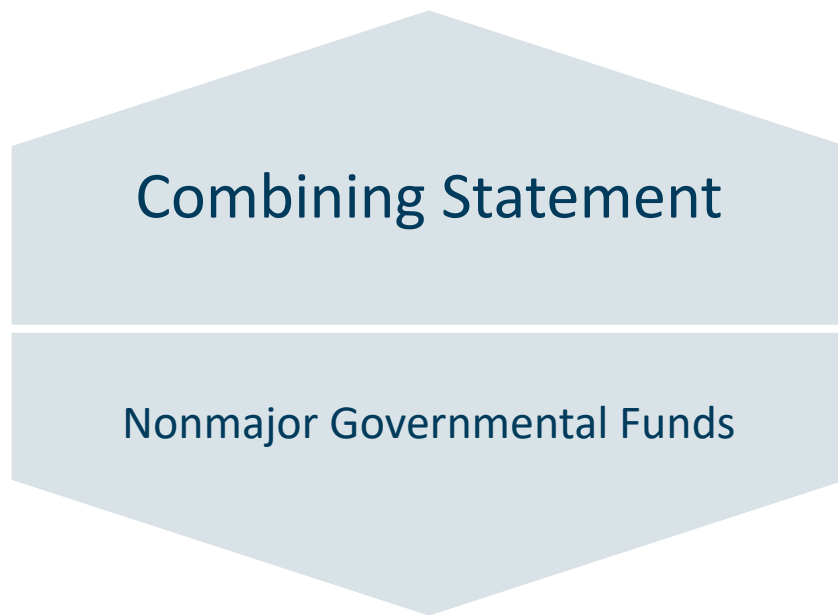
Proprietary Funds

Other Budgetary Funds



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Combining Statements



Special Revenue Funds

Smith and Bybee Wetlands Fund

This fund accounts for development and management of the Smith and Bybee Wetlands Natural Resource Management plan, which calls for Smith and Bybee Wetlands to be managed as environmental and recreational resources for the region. The principal source of revenue is investment income.

Community Enhancement Fund

This fund accounts for special fees collected on solid waste disposal. The funds are used for community enhancement projects in the areas around various solid waste disposal facilities and for administration of the enhancement program.

Permanent Fund

Cemetery Perpetual Care Fund

This fund accounts for amounts provided to build a permanent investment of principal from which the earnings will be used to provide long-term maintenance of pioneer cemeteries under Metro's management. The principal resource is investment earnings.

METRO
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue			Permanent	Total Nonmajor Governmental Funds
	Smith and Bybee Wetlands	Community Enhancement	Total	Cemetery Perpetual Care	
ASSETS					
Equity in internal cash and investment pool	\$ 974,074	1,092,455	2,066,529	775,807	2,842,336
Receivables:					
Other	-	61,401	61,401	-	61,401
Interest	5,195	6,258	11,453	4,209	15,662
Advances	-	36,403	36,403	-	36,403
Prepaid items	-	175,614	175,614	-	175,614
Total assets	979,269	1,372,131	2,351,400	780,016	3,131,416
LIABILITIES					
Accounts payable	10,967	245,386	256,353	-	256,353
Total liabilities	10,967	245,386	256,353	-	256,353
FUND BALANCES					
Nonspendable	-	212,017	212,017	747,747	959,764
Restricted	968,302	914,728	1,883,030	-	1,883,030
Assigned	-	-	-	32,269	32,269
Total fund balances	968,302	1,126,745	2,095,047	780,016	2,875,063
Total liabilities and fund balances	\$ 979,269	1,372,131	2,351,400	780,016	3,131,416

METRO
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the fiscal year ended June 30, 2025

	Special Revenue			Permanent	Total Nonmajor Governmental Funds
	Smith and Bybee Wetlands	Community Enhancement	Total	Cemetery Perpetual Care	
REVENUES					
Investment income	\$ 56,442	75,573	132,015	44,057	176,072
Solid waste fees	-	1,324,645	1,324,645	-	1,324,645
Total revenues	56,442	1,400,218	1,456,660	44,057	1,500,717
EXPENDITURES					
Current:					
Culture and recreation	103,447	1,346,349	1,449,796	-	1,449,796
Total expenditures	103,447	1,346,349	1,449,796	-	1,449,796
Revenues over (under) expenditures	(47,005)	53,869	6,864	44,057	50,921
OTHER FINANCING SOURCES					
Transfers out	-	-	-	(27,900)	(27,900)
Total other financing sources	-	-	-	(27,900)	(27,900)
Net change in fund balances	(47,005)	53,869	6,864	16,157	23,021
Fund balances - July 1, 2024	1,015,307	1,072,876	2,088,183	763,859	2,852,042
Fund balances - June 30, 2025	\$ 968,302	1,126,745	2,095,047	780,016	2,875,063



Budgetary Comparison Schedules

Oregon Administrative Rules 162-010-0050 through 162-010-0330 incorporated in the Minimum Standards for Audits of Oregon Municipal Corporations, as prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, requires an individual schedule of revenues, expenditures, and changes in fund balances, budget and actual be presented for each fund for which a legally adopted budget is required.

In accordance with GASB Statement No. 34, Metro's General Fund and major special revenue funds, the Affordable Housing Fund, Supportive Housing Services Fund, and Parks and Nature Operating Fund are presented as required supplementary information. Budgetary comparisons for all other funds are displayed in the following pages.



Budgetary Comparison Schedules

Other Major Governmental Funds

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

Debt Service Fund

General Obligation Bond Debt Service Fund

Capital Projects Funds

Zoo Bond 24 Fund

Parks and Nature Bond Fund

METRO
General Obligation Bond Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts			Variance with final budget
	Original	Final	Actual Amounts	
REVENUES				
General revenues:				
Taxes:				
Property taxes	\$ 82,948,815	82,948,815	84,257,967	1,309,152
Investment income	200,000	200,000	1,422,766	1,222,766
Total revenues	83,148,815	83,148,815	85,680,733	2,531,918
EXPENDITURES				
Debt service:				
Principal	59,285,444	59,285,444	59,285,443	1
Interest	24,667,425	24,667,425	24,667,424	1
Total expenditures	83,952,869	83,952,869	83,952,867	2
Revenues over (under) expenditures	(804,054)	(804,054)	1,727,866	2,531,916
Beginning fund balance available for appropriation - July 1, 2024	804,054	804,054	4,844,044	4,039,990
Unappropriated ending fund balance - June 30, 2025	\$ -	-	6,571,910	6,571,906
Reconciliation to Governmental GAAP basis:				
Excess of revenues and other financing sources over (under) expenditures and other financing uses on the basis of budgeting per above			\$ 1,727,866	
Additional (decrease to) revenue required by Governmental GAAP:				
Adjustment to value investments at fair value			83,122	
Net change in fund balance as reported on the statement of revenues, expenditures and changes in fund balances-governmental funds			\$ 1,810,988	

METRO
Zoo Bond 24 Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
General revenues:				
Investment income	\$ -	-	681,438	681,438
Total revenues	-	-	681,438	681,438
EXPENDITURES				
Zoo	-	4,117,650	1,824,487	2,293,163
Contingency	-	1,892,888	-	1,892,888
Total expenditures	-	6,010,538	1,824,487	4,186,051
Revenues over (under) expenditures	-	(6,010,538)	(1,143,049)	4,867,489
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	75,000,000	75,000,000	-
Premium on bonds issued	-	-	4,114,876	4,114,876
Total other financing sources (uses)	-	75,000,000	79,114,876	4,114,876
Revenues and other sources over (under) expenditures and other uses	-	68,989,462	77,971,827	8,982,365
Beginning fund balance available for appropriation - July 1, 2024	-	-	-	-
Unappropriated ending fund balance - June 30, 2025	\$ -	68,989,462	77,971,827	8,982,365
Reconciliation to Governmental GAAP basis:				
Excess of revenues and other financing sources over (under) expenditures and other financing uses on the basis of budgeting per above			\$ 77,971,827	
Additional (decrease to) revenue required by Governmental GAAP:				
Adjustment to value investments at fair value			(70,316)	
Net change in fund balance as reported on the statement of revenues, expenditures and changes in fund balances-governmental funds			\$ 77,901,511	

METRO
Parks and Nature Bond Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
Program revenues:				
Charges for services:				
Other fees	\$ -	-	46,771	46,771
Miscellaneous revenue	-	-	166,164	166,164
Operating grants and contributions:				
Grants	-	-	2,828	2,828
General revenues:				
Investment income	2,227,539	2,227,539	4,607,782	2,380,243
Total revenues	2,227,539	2,227,539	4,823,545	2,596,006
EXPENDITURES				
Parks and nature	58,321,489	60,521,489	39,109,190	21,412,299
Contingency	8,670,750	8,670,750	-	8,670,750
Total expenditures	66,992,239	69,192,239	39,109,190	30,083,049
Revenues over (under) expenditures	(64,764,700)	(66,964,700)	(34,285,645)	32,679,055
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	125,000,000	125,000,000	-
Premium on bonds issued	-	-	6,862,399	6,862,399
Transfers out	(3,692,640)	(3,692,640)	(3,619,269)	73,371
Total other financing sources (uses)	(3,692,640)	121,307,360	128,243,130	6,935,770
Revenues and other sources over (under) expenditures and other uses	(68,457,340)	54,342,660	93,957,485	39,614,825
Beginning fund balance available for appropriation - July 1, 2024	144,580,611	144,580,611	137,550,386	(7,030,225)
Unappropriated ending fund balance - June 30, 2025	\$ 76,123,271	198,923,271	231,507,871	32,584,600

Reconciliation to Governmental GAAP basis:

Excess of revenues and other financing sources over (under) expenditures and other financing uses on the basis of budgeting per above	\$ 93,957,485
Additional (decrease to) revenue required by Governmental GAAP:	
Adjustment to value investments at fair value	3,148,602
Net change in fund balance as reported on the statement of revenues, expenditures and changes in fund balances-governmental funds	\$ 97,106,087



Budgetary Comparison Schedules

Nonmajor Governmental Funds

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

Special Revenue Funds

Smith and Bybee Wetlands Fund
Community Enhancement Fund

Permanent Fund

Cemetery Perpetual Care Fund

METRO
Smith and Bybee Wetlands Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actuals (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
General revenues:				
Investment income	\$ 15,024	15,024	37,778	22,754
Total revenues	15,024	15,024	37,778	22,754
EXPENDITURES				
Parks and nature	225,000	225,000	103,447	121,553
Contingency	400,000	400,000	-	400,000
Total expenditures	625,000	625,000	103,447	521,553
Revenues over (under) expenditures	(609,976)	(609,976)	(65,669)	544,307
OTHER FINANCING SOURCES (USES)				
Transfers out	(67,622)	(67,622)	-	67,622
Total other financing sources (uses)	(67,622)	(67,622)	-	67,622
Revenues and other sources over (under) expenditures and other uses	(677,598)	(677,598)	(65,669)	611,929
Beginning fund balance available for appropriation - July 1, 2024	1,001,567	1,001,567	1,031,094	29,527
Unappropriated ending fund balance - June 30, 2025	\$ 323,969	323,969	965,425	641,456
Reconciliation to Governmental GAAP basis:				
Excess of revenues and other financing sources over (under) expenditures and other financing uses on the basis of budgeting per above			\$ (65,669)	
Additional (decrease to) revenue required by Governmental GAAP:				
Adjustment to value investments at fair value			18,664	
Net change in fund balance as reported on the combining statement of revenues, expenditures and changes in fund balances-nonmajor governmental funds			\$ (47,005)	

METRO
Community Enhancement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
Program revenues:				
Charges for services:				
Solid waste fees	\$ 1,106,112	1,106,112	1,324,645	218,533
General revenues:				
Investment income	5,446	5,446	49,935	44,489
Total revenues	1,111,558	1,111,558	1,374,580	263,022
EXPENDITURES				
Waste prevention and environmental services	1,517,426	1,517,426	1,296,349	221,077
Contingency	93,226	93,226	-	93,226
Total expenditures	1,610,652	1,610,652	1,296,349	314,303
Revenues over (under) expenditures	(499,094)	(499,094)	78,231	577,325
OTHER FINANCING SOURCES (USES)				
Transfers out	(50,000)	(50,000)	(50,000)	-
Total other financing sources (uses)	(50,000)	(50,000)	(50,000)	-
Revenues and other sources over (under) expenditures and other uses	(549,094)	(549,094)	28,231	577,325
Beginning fund balance available for appropriation - July 1, 2024	660,069	660,069	1,095,288	435,219
Unappropriated ending fund balance - June 30, 2025	\$ 110,975	110,975	1,123,519	1,012,544
Reconciliation to Governmental GAAP basis:				
Excess of revenues and other financing sources over (under) expenditures and other financing uses on the basis of budgeting per above			\$ 28,231	
Additional (decrease to) revenue required by Governmental GAAP:				
Adjustment to value investments at fair value			25,638	
Net change in fund balance as reported on the combining statement of revenues, expenditures and changes in fund balances-nonmajor governmental funds			\$ 53,869	

METRO
Cemetery Perpetual Care Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
General revenues:				
Investment income	\$ 11,425	11,425	29,978	18,553
Total revenues	11,425	11,425	29,978	18,553
Revenues over (under) expenditures	11,425	11,425	29,978	18,553
OTHER FINANCING SOURCES (USES)				
Transfers out	(40,000)	(40,000)	(27,900)	12,100
Total other financing sources (uses)	(40,000)	(40,000)	(27,900)	12,100
Revenues and other sources over (under) expenditures and other uses	(28,575)	(28,575)	2,078	30,653
Beginning fund balance available for appropriation - July 1, 2024	755,015	755,015	775,647	20,632
Unappropriated ending fund balance - June 30, 2025	\$ 726,440	726,440	777,725	51,285
Reconciliation to Governmental GAAP basis:				
Excess of revenues and other financing sources over (under) expenditures and other financing uses on the basis of budgeting per above			\$ 2,078	
Additional (decrease to) revenue required by Governmental GAAP:				
Adjustment to value investments at fair value			14,079	
Net change in fund balance as reported on the combining statement of revenues, expenditures and changes in fund balances-nonmajor governmental funds			\$ 16,157	



Budgetary Comparison Schedules

Proprietary Funds

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

Enterprise Funds

Solid Waste Revenue Fund
Oregon Zoo Operating Fund
MERC Fund

Internal Service Fund

Risk Management Fund

Reconciliation of Enterprise Fund Fund Balances (Basis of Budgeting) to Statement of Net Position Proprietary Funds (GAAP Basis)

METRO
Solid Waste Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
Program revenues:				
Charges for services:				
Government fees	\$ 1,500,000	1,500,000	930,609	(569,391)
Culture and recreation fees	-	-	11,092	11,092
Solid waste fees	124,142,793	124,142,793	120,603,079	(3,539,714)
Other fees	-	-	750	750
Miscellaneous revenue	482,000	482,000	183,881	(298,119)
Operating grants and contributions:				
Grants	392,000	392,000	177,750	(214,250)
General revenues:				
Investment income	774,092	774,092	1,524,658	750,566
Total revenues	127,290,885	127,290,885	123,431,819	(3,859,066)
EXPENDITURES				
Waste prevention and environmental services	115,138,575	118,814,396	103,375,152	15,439,244
Contingency	15,008,837	11,333,016	-	11,333,016
Total expenditures	130,147,412	130,147,412	103,375,152	26,772,260
Revenues over (under) expenditures	(2,856,527)	(2,856,527)	20,056,667	22,913,194
OTHER FINANCING SOURCES (USES)				
Transfers in	50,000	50,000	50,000	-
Transfers out	(20,661,990)	(20,661,990)	(20,612,353)	49,637
Total other financing sources (uses)	(20,611,990)	(20,611,990)	(20,562,353)	49,637
Revenues and other sources over (under) expenditures and other uses	(23,468,517)	(23,468,517)	(505,686)	22,962,831
Beginning fund balance available for appropriation - July 1, 2024	34,884,593	34,884,593	40,003,947	5,119,354
Unappropriated ending fund balance - June 30, 2025	\$ 11,416,076	11,416,076	39,498,261	28,082,185

METRO
Oregon Zoo Operating Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
Program revenues:				
Charges for services:				
Culture and recreation fees	\$ 28,603,882	28,603,882	31,762,053	3,158,171
Other fees	6,000	6,000	13,789	7,789
Miscellaneous revenue	30,000	30,000	190,519	160,519
Operating grants and contributions:				
Grants	900,700	900,700	754,079	(146,621)
Contributions and donations	2,929,529	2,929,529	3,830,259	900,730
General revenues:				
Investment income	360,000	360,000	838,887	478,887
Total revenues	32,830,111	32,830,111	37,389,586	4,559,475
EXPENDITURES				
Visitor venues-Oregon Zoo	42,986,905	43,193,068	39,273,888	3,919,180
Contingency	13,627,166	13,421,003	-	13,421,003
Total expenditures	56,614,071	56,614,071	39,273,888	17,340,183
Revenues over (under) expenditures	(23,783,960)	(23,783,960)	(1,884,302)	21,899,658
OTHER FINANCING SOURCES (USES)				
Sale of Capital Asset	-	-	40,490	40,490
Transfers in	20,450,000	20,450,000	20,450,000	-
Transfers out	(21,666,040)	(21,666,040)	(21,666,040)	-
Total other financing sources (uses)	(1,216,040)	(1,216,040)	(1,175,550)	40,490
Revenues and other sources over (under) expenditures and other uses	(25,000,000)	(25,000,000)	(3,059,852)	21,940,148
Beginning fund balance available for appropriation - July 1, 2024	25,000,000	25,000,000	28,173,205	3,173,205
Unappropriated ending fund balance - June 30, 2025	\$ -	-	25,113,353	25,113,353

**METRO
MERC Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)**

For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
Program revenues:				
Charges for services:				
Culture and recreation fees	\$ 51,718,035	51,718,035	52,032,153	314,118
Other fees	5,222,981	5,222,981	4,617,649	(605,332)
Miscellaneous revenue	139,000	139,000	112,886	(26,114)
Operating grants and contributions:				
Grants	-	-	170,023	170,023
Local government shared revenue	21,843,530	21,843,530	19,280,624	(2,562,906)
Government contributions	1,125,135	2,125,135	2,175,255	50,120
Contributions and donations	109,580	109,580	-	(109,580)
Capital grants and contributions:				
Capital contributions and donations	1,465,000	1,465,000	1,192,754	(272,246)
General revenues:				
Investment income	751,460	751,460	1,300,486	549,026
Total revenues	82,374,721	83,374,721	80,881,830	(2,492,891)
EXPENDITURES				
MERC	86,129,586	87,094,586	83,002,348	4,092,238
Contingency	14,587,294	15,622,294	-	15,622,294
Total expenditures	100,716,880	102,716,880	83,002,348	19,714,532
Revenues over (under) expenditures	(18,342,159)	(19,342,159)	(2,120,518)	17,221,641
OTHER FINANCING SOURCES (USES)				
Transfers in	825,000	1,825,000	1,475,000	(350,000)
Transfers out	(12,448,414)	(12,448,414)	(12,234,554)	213,860
Total other financing sources (uses)	(11,623,414)	(10,623,414)	(10,759,554)	(136,140)
Revenues and other sources over (under) expenditures and other uses	(29,965,573)	(29,965,573)	(12,880,072)	17,085,501
Beginning fund balance available for appropriation - July 1, 2024	29,965,573	29,965,573	32,357,438	2,391,865
Unappropriated ending fund balance - June 30, 2025	\$ -	-	19,477,366	19,477,366

METRO
Risk Management Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
Program revenues:				
Charges for services:				
Other fees	\$ -	-	120,188	120,188
Miscellaneous revenue	100,000	100,000	90,386	(9,614)
Operating grants and contributions:				
Grants	-	-	770	770
General revenues:				
Investment income	12,000	12,000	43,593	31,593
Total revenues	112,000	112,000	254,937	142,937
EXPENDITURES				
Finance and regulatory services	5,564,501	5,564,501	5,365,554	198,947
Contingency	787,849	787,849	-	787,849
Total expenditures	6,352,350	6,352,350	5,365,554	986,796
Revenues over (under) expenditures	(6,240,350)	(6,240,350)	(5,110,617)	1,129,733
OTHER FINANCING SOURCES (USES)				
Transfers in	4,940,350	4,940,350	4,940,350	-
Total other financing sources (uses)	4,940,350	4,940,350	4,940,350	-
Revenues and other sources over (under) expenditures and other uses	(1,300,000)	(1,300,000)	(170,267)	1,129,733
Beginning fund balance available for appropriation - July 1, 2024	1,300,000	1,300,000	1,904,013	604,013
Unappropriated ending fund balance - June 30, 2025	\$ -	-	1,733,746	1,733,746

METRO
Reconciliation of Enterprise Fund
Fund Balances (Basis of Budgeting) to Statement of Net Position- Proprietary Funds (GAAP Basis)
For the fiscal year ended June 30, 2025

	Enterprise Funds				Internal Service Fund
	Solid Waste	Oregon Zoo	MERC	Total	Risk Management Fund
Unappropriated ending fund balance on the basis of budgeting:					
Solid Waste Revenue Fund	\$ 39,498,261	-	-	39,498,261	-
Oregon Zoo Operating Fund	-	25,113,353	-	25,113,353	-
Oregon Zoo Asset Management Fund	-	16,572,822	-	16,572,822	-
MERC Fund	-	-	19,477,366	19,477,366	-
Risk Management Fund	-	-	-	-	1,733,746
Additional Statement of Net Position items:					
Interest receivable	-	28,512	9,282	37,794	-
Public-private partnership receivable-current	-	2,766,598	1,429,769	4,196,367	-
Public-private partnership receivable	-	16,020,316	10,669,898	26,690,214	-
OPEB asset	444,466	388,247	386,913	1,219,626	-
Capital assets, net	44,499,692	154,317,327	135,829,149	334,646,168	33,282
Deferred pension amounts-outflow	10,694,730	9,737,602	10,685,651	31,117,983	-
Deferred OPEB amounts-outflow	314,250	210,926	187,576	712,752	-
Accrued interest payable	(19,525)	(1,041)	(19,602)	(40,168)	-
Leases payable-current	(393,964)	-	(43,818)	(437,782)	-
SBITA payable-current	(90,348)	(16,584)	(21,513)	(128,445)	-
Post-closure costs payable-current	(1,031,260)	-	-	(1,031,260)	-
Compensated absences-current	(1,621,925)	(1,390,724)	(1,270,454)	(4,283,103)	(17,878)
Leases payable	(4,002,992)	-	(5,667,376)	(9,670,368)	-
SBITA payable	(271,514)	(17,617)	(22,853)	(311,984)	-
Total OPEB liability	(877,861)	(580,111)	(511,669)	(1,969,641)	-
Pollution remediation obligation	-	-	(130,000)	(130,000)	-
Compensated absences	(85,520)	(430,619)	(342,905)	(859,044)	(14,584)
Net pension liability	(23,360,203)	(21,269,574)	(23,340,370)	(67,970,147)	-
Deferred pension amounts-inflow	(2,440,773)	(2,222,335)	(2,438,701)	(7,101,809)	-
Deferred PPP amounts-inflow	-	(17,923,206)	(11,513,509)	(29,436,715)	-
Deferred OPEB amounts-inflow	(293,856)	(206,888)	(188,454)	(689,198)	-
Adjustments to Statement of Net Position items:					
Cumulative fair value adjustment to Equity in internal cash and investment pool	113,451	124,200	67,979	305,630	4,857
Recognition of Revenue considered unavailable in the basis of budgeting	184,031	11,400	240,107	435,538	-
Total net position as reported on the Statement of Net Position-Proprietary Funds	\$ 61,259,140	181,232,604	133,472,466	375,964,210	1,739,423



Budgetary Comparison Schedules

Other Budgetary Funds

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

General Revenue Bond Fund

This fund is a budgetary fund comprised of two components that are separated and combined with other budgetary funds for reporting under GAAP.

General Asset Management Fund

This fund is a budgetary fund that is combined with another budgetary fund for reporting under GAAP.

Oregon Zoo Asset Management Fund

This fund is a budgetary fund that is combined with another budgetary fund for reporting under GAAP.

Schedule of Revenues, Expenditures and Changes in Fund Balances

General Revenue Bond Fund

This fund is a budgetary fund comprised of two components that are separated and combined with other budgetary funds for reporting under GAAP.

METRO
General Revenue Bond Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
Program revenues:				
Operating grants and contributions:				
Local government shared revenue	\$ 3,396,000	3,396,000	3,391,761	(4,239)
General revenues:				
Investment income	20,217	20,217	29,841	9,624
Total revenues	3,416,217	3,416,217	3,421,602	5,385
EXPENDITURES				
Debt service	6,064,525	6,064,525	6,064,525	-
Total expenditures	6,064,525	6,064,525	6,064,525	-
Revenues over (under) expenditures	(2,648,308)	(2,648,308)	(2,642,923)	5,385
OTHER FINANCING SOURCES (USES)				
Transfers in	2,668,525	2,668,525	2,667,988	(537)
Total other financing sources (uses)	2,668,525	2,668,525	2,667,988	(537)
Revenues and other sources over (under) expenditures and other uses	20,217	20,217	25,065	4,848
Beginning fund balance available for appropriation - July 1, 2024	4,129,416	4,129,416	4,137,774	8,358
Unappropriated ending fund balance - June 30, 2025	\$ 4,149,633	4,149,633	4,162,839	13,206

Note: This schedule demonstrates compliance with budget at the legal level of control.

METRO
General Asset Management Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
Program revenues:				
Charges for services:				
Miscellaneous revenue	\$ 67,000	67,000	91,361	24,361
General revenues:				
Investment income	337,700	337,700	1,208,961	871,261
Total revenues	404,700	404,700	1,300,322	895,622
EXPENDITURES				
Asset Management Program	12,292,067	14,343,415	5,024,885	9,318,530
Contingency	8,251,055	8,251,055	-	8,251,055
Total expenditures	20,543,122	22,594,470	5,024,885	17,569,585
Revenues over (under) expenditures	(20,138,422)	(22,189,770)	(3,724,563)	18,465,207
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	29,405	29,405
Transfers in	5,791,000	6,766,000	6,728,900	(37,100)
Transfers out	(400,000)	(400,000)	(200,000)	200,000
Total other financing sources (uses)	5,391,000	6,366,000	6,558,305	192,305
Revenues and other sources over (under) expenditures and other uses	(14,747,422)	(15,823,770)	2,833,742	18,657,512
Beginning fund balance available for appropriation - July 1, 2024	29,309,846	30,386,194	34,621,996	4,235,802
Unappropriated ending fund balance - June 30, 2025	\$ 14,562,424	14,562,424	37,455,738	22,893,314

METRO
Oregon Zoo Asset Management Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget and Actual (Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
REVENUES				
Program revenues:				
Charges for services:				
Miscellaneous revenue	\$ -	-	66,148	66,148
Operating grants and contributions:				
Grants	250,000	250,000	574,138	324,138
Contributions and donations	-	-	49,864	49,864
Capital grants and contributions:				
Capital contributions and donations	400,000	400,000	-	(400,000)
General revenues:				
Investment income	-	-	808,138	808,138
Total revenues	650,000	650,000	1,498,288	848,288
EXPENDITURES				
Visitor venues-Oregon Zoo	22,953,600	23,053,600	9,628,303	13,425,297
Total expenditures	22,953,600	23,053,600	9,628,303	13,425,297
Revenues over (under) expenditures	(22,303,600)	(22,403,600)	(8,130,015)	14,273,585
OTHER FINANCING SOURCES (USES)				
Transfers in	13,000,000	13,100,000	13,100,000	-
Transfers out	(396,400)	(396,400)	(283,347)	113,053
Total other financing sources (uses)	12,603,600	12,703,600	12,816,653	113,053
Revenues and other sources over (under) expenditures and other uses	(9,700,000)	(9,700,000)	4,686,638	14,386,638
Beginning fund balance available for appropriation - July 1, 2024	9,700,000	9,700,000	11,886,184	2,186,184
Unappropriated ending fund balance - June 30, 2025	\$ -	-	16,572,822	16,572,822

METRO
General Revenue Bond Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances-
(Non-GAAP Basis of Budgeting)
For the fiscal year ended June 30, 2025

	General	MERC	Total
REVENUES			
Program revenues:			
Operating grants and contributions:			
Local government shared revenue	\$ 3,391,761	-	3,391,761
General revenues:			
Investment income	29,834	7	29,841
Total revenues	3,421,595	7	3,421,602
EXPENDITURES			
Debt service	5,044,450	1,020,075	6,064,525
Total expenditures	5,044,450	1,020,075	6,064,525
Revenues over (under) expenditures	(1,622,855)	(1,020,068)	(2,642,923)
OTHER FINANCING SOURCES (USES)			
Transfers in	1,648,450	1,019,538	2,667,988
Total other financing sources (uses)	1,648,450	1,019,538	2,667,988
Revenues and other sources over (under) expenditures and other uses	25,595	(530)	25,065
Beginning fund balance available for appropriation - July 1, 2024	4,137,244	530	4,137,774
Unappropriated ending fund balance - June 30, 2025	\$ 4,162,839	-	4,162,839

Note: This schedule presents the activity of the two components of the fund.





Statistical Section



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This section of Metro’s annual comprehensive financial report presents detailed data regarding the current and prior fiscal years for assistance in understanding what the information in the financial statements, note disclosures, and required supplementary information says about Metro’s overall financial health.

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

METRO
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting), Unaudited

	2016	2017	2018
GOVERNMENTAL ACTIVITIES			
Net investment in capital assets (1)	\$ 237,716,303	267,856,359	265,925,123
Restricted	141,591,292	128,141,074	132,860,263
Unrestricted	(151,660,696)	(141,181,696)	(189,495,054)
Total governmental activities net position	\$ 227,646,899	254,815,737	209,290,332
BUSINESS-TYPE ACTIVITIES			
Net investment in capital assets	\$ 311,325,512	310,527,670	311,737,639
Restricted	19,991,871	24,326,517	24,100,994
Unrestricted	53,779,562	55,130,008	60,498,533
Total business-type activities net position	\$ 385,096,945	389,984,195	396,337,166
PRIMARY GOVERNMENT			
Net investment in capital assets (1)	\$ 501,174,344	533,080,026	532,358,759
Restricted	161,583,163	152,467,591	156,961,257
Unrestricted	(50,013,663)	(40,747,685)	(83,692,518)
Total primary government net position	\$ 612,743,844	644,799,932	605,627,498

(1) These balances include the result of Metro financing capital assets for the business-type activities through the issuance of general obligation bonds. The amount of long-term debt outstanding on these bonds is reflected as a liability of the governmental activities in which repayment of the bonds occurs, whereas the associated capital assets financed by this debt are reflected with the business-type activities. The primary government totals have been adjusted to match the debt against the assets. These balances increase over time as a result of increases in capital assets, decreases in related long-term debt outstanding, and reductions in the amount of related unspent bond proceeds.

2019	2020	2021	2022	2023	2024	2025
281,246,439	294,848,252	324,068,485	331,538,185	344,469,479	370,582,164	392,059,202
122,522,041	138,330,011	122,154,281	334,925,580	502,757,659	520,292,702	575,845,091
(151,303,822)	(130,469,211)	(177,771,010)	(258,211,437)	(279,150,905)	(310,784,519)	(557,910,842)
<u>252,464,658</u>	<u>302,709,052</u>	<u>268,451,756</u>	<u>408,252,328</u>	<u>568,076,233</u>	<u>580,090,347</u>	<u>409,993,451</u>
321,159,565	338,396,545	343,691,434	333,384,655	326,037,270	324,080,339	324,097,588
38,698,873	6,410,761	7,506,843	7,480,840	5,523,549	13,327,468	18,327,833
24,855,194	22,788,471	12,197,703	44,764,019	55,296,142	43,836,112	29,202,946
<u>384,713,632</u>	<u>367,595,777</u>	<u>363,395,980</u>	<u>385,629,514</u>	<u>386,856,961</u>	<u>381,243,919</u>	<u>371,628,367</u>
570,027,275	591,873,688	621,205,786	623,668,341	647,808,583	670,933,826	702,384,062
161,220,914	144,740,772	129,661,124	342,406,420	508,281,208	533,620,170	594,172,924
(94,069,899)	(66,309,631)	(119,019,174)	(172,192,919)	(201,156,597)	(243,219,730)	(514,935,168)
<u>637,178,290</u>	<u>670,304,829</u>	<u>631,847,736</u>	<u>793,881,842</u>	<u>954,933,194</u>	<u>961,334,266</u>	<u>781,621,818</u>

METRO
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting), Unaudited

	2016	2017	2018
EXPENSES			
Governmental activities:			
General government operations (1)	\$ 21,833,274	16,571,054	92,414,695
Planning, development and research (3)	16,311,836	18,252,248	18,694,103
Housing (2)	-	-	-
Culture and recreation	29,221,523	33,156,498	34,237,180
Interest	7,071,050	6,766,723	8,150,951
Total governmental activities expenses	74,437,683	74,746,523	153,496,929
Business-type activities:			
Solid Waste	64,542,514	67,359,647	70,581,702
Oregon Zoo	51,633,613	46,636,849	51,803,762
MERC	69,110,637	69,090,836	74,435,547
Total business-type activities expenses	185,286,764	183,087,332	196,821,011
Total primary government expenses	\$ 259,724,447	257,833,855	350,317,940
PROGRAM REVENUES			
Governmental activities:			
Charges for services:			
General government operations	\$ 2,132,646	3,133,150	2,764,649
Planning, development and research (3)	789,058	1,485,757	1,172,496
Housing (2)	-	-	-
Culture and recreation	8,851,083	9,616,244	10,483,073
Operating grants and contributions	13,145,776	16,845,537	18,750,842
Capital grants and contributions	261,290	313,816	7,675,000
Total governmental activities program revenues	25,179,853	31,394,504	40,846,060
Business-type activities:			
Charges for services:			
Solid Waste	68,196,150	70,798,890	71,897,428
Oregon Zoo	23,741,859	26,062,207	29,390,534
MERC	50,972,855	47,876,192	51,011,674
Operating grants and contributions	23,414,591	28,801,808	27,284,520
Capital grants and contributions	609,917	1,293,000	1,687,660
Total business-type activities program revenues	166,935,372	174,832,097	181,271,816
Total primary government program revenues	\$ 192,115,225	206,226,601	222,117,876

2019	2020	2021	2022	2023	2024	2025
18,419,574	26,670,161	23,947,617	10,172,047	9,665,907	14,755,333	8,577,772
26,623,652	29,178,474	79,863,702	167,988,989	22,085,632	23,225,600	34,190,288
-	-	-	-	258,576,138	404,853,574	567,298,090
31,389,370	33,858,568	36,625,998	43,987,029	39,097,568	49,428,873	59,450,030
11,408,272	29,756,452	32,096,042	29,286,520	27,331,869	25,611,092	26,268,123
87,840,868	119,463,655	172,533,359	251,434,585	356,757,114	517,874,472	695,784,303
76,879,522	84,882,301	95,968,724	91,608,851	105,381,938	111,401,035	122,666,373
47,446,196	50,169,271	37,511,393	37,814,691	50,082,803	55,186,087	56,657,616
106,849,882	84,868,082	29,584,071	55,992,846	74,517,626	90,527,520	96,286,342
231,175,600	219,919,654	163,064,188	185,416,388	229,982,367	257,114,642	275,610,331
319,016,468	339,383,309	335,597,547	436,850,973	586,739,481	774,989,114	971,394,634
4,942,275	3,677,685	4,954,137	744,833	823,350	987,660	989,206
1,562,666	2,287,732	2,012,481	2,640,799	1,940,465	2,021,865	2,259,370
-	-	-	-	14,400	-	2,130
10,922,080	9,998,063	7,598,326	7,314,054	8,052,173	8,275,149	9,038,982
26,137,387	25,671,383	24,471,667	34,802,948	20,033,360	18,213,517	24,127,447
425,138	338,894	693,456	34,755	41,946	-	330,000
43,989,546	41,973,757	39,730,067	45,537,389	30,905,694	29,498,191	36,747,135
74,185,046	72,174,379	77,213,288	96,647,343	105,294,626	114,087,566	121,913,442
29,994,324	23,013,687	17,881,058	23,809,146	24,918,459	28,573,970	32,046,843
56,921,768	37,937,166	4,594,458	35,648,511	51,285,504	58,575,974	56,388,190
30,313,581	27,786,467	23,297,033	38,683,686	31,670,020	28,109,407	27,011,992
1,595,833	788,333	1,506,667	371,155	895,053	276,180	1,395,953
193,010,552	161,700,032	124,492,504	195,159,841	214,063,662	229,623,097	238,756,420
237,000,098	203,673,789	164,222,571	240,697,230	244,969,356	259,121,288	275,503,555

(Continued)

METRO
Changes in Net Position, *continued*
Last Ten Fiscal Years
(accrual basis of accounting), Unaudited

	2016	2017	2018
NET (EXPENSE)/REVENUE			
Governmental activities	\$ (49,257,830)	(43,352,019)	(112,650,869)
Business-type activities	(18,351,392)	(8,255,235)	(15,549,195)
Total primary government net expense	<u>\$ (67,609,222)</u>	<u>(51,607,254)</u>	<u>(128,200,064)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION			
Governmental activities:			
Property taxes	\$ 55,546,801	59,711,015	64,162,251
Personal and business income taxes	-	-	-
Excise taxes	18,144,766	18,830,032	18,343,257
Construction excise tax	3,338,479	3,561,675	3,792,595
Cemetery revenue surcharge	46,711	47,095	51,479
Unrestricted investment earnings (loss)	1,383,708	857,777	1,711,821
Transfers	(156,056,075)	(12,486,737)	(20,896,055)
Total governmental activities	<u>(77,595,610)</u>	<u>70,520,857</u>	<u>67,165,348</u>
Business-type activities:			
Unrestricted investment earnings (loss)	891,412	655,748	1,182,066
Transfers	156,056,075	12,486,737	20,896,055
Total business-type activities	<u>156,947,487</u>	<u>13,142,485</u>	<u>22,078,121</u>
Total primary government	<u>\$ 79,351,877</u>	<u>83,663,342</u>	<u>89,243,469</u>
CHANGE IN NET POSITION			
Governmental activities	\$ (126,853,440)	27,168,838	(45,485,521)
Business-type activities	138,596,095	4,887,250	6,528,927
Total primary government	<u>\$ 11,742,655</u>	<u>32,056,088</u>	<u>(38,956,594)</u>
Prior period adjustment/cumulative change in accounting principle	<u>\$ -</u>	<u>-</u>	<u>(215,840)</u>

(1) The large change in General government operations governmental activities expense between fiscal years 2017 and 2018 is due to the approximately \$74 million Convention Center Hotel project bond proceeds which were transferred to the developer of the project in fiscal year 2018.

(2) In fiscal year 2023, Metro began reporting the activities of the Supportive housing services and Affordable housing as a separate program. Prior to this, activities were reported as part of the Planning, development and research program.

(3) In fiscal year 2023, Metro renamed the Regional planning and development program to Planning, development, and research program to more accurately describe the function/program.

2019	2020	2021	2022	2023	2024	2025
(43,851,322)	(77,489,898)	(132,803,292)	(205,897,196)	(325,851,420)	(488,376,281)	(659,037,168)
(38,165,048)	(58,219,622)	(38,571,684)	9,743,453	(15,918,705)	(27,491,545)	(36,853,911)
(82,016,370)	(135,709,520)	(171,374,976)	(196,153,743)	(341,770,125)	(515,867,826)	(695,891,079)
78,203,583	114,176,644	106,525,202	108,386,146	112,919,912	120,787,018	124,245,297
-	-	1,524,473	242,650,036	347,044,362	335,136,020	324,964,017
18,587,682	16,916,905	18,704,633	21,631,175	20,439,427	20,121,244	22,580,785
3,583,092	3,627,232	3,318,783	3,877,675	3,598,048	3,782,940	3,427,490
39,854	45,533	55,300	67,195	60,039	53,353	80,985
9,205,677	30,268,742	2,750,741	(16,119,074)	15,956,736	35,803,286	33,831,374
(22,594,240)	(37,300,764)	(34,333,138)	(14,795,385)	(14,343,199)	(15,293,466)	(20,189,676)
87,025,648	127,734,292	98,545,994	345,697,768	485,675,325	500,390,395	488,940,272
3,947,274	3,801,003	38,749	(2,305,304)	2,802,953	6,585,037	7,048,683
22,594,240	37,300,764	34,333,138	14,795,385	14,343,199	15,293,466	20,189,676
26,541,514	41,101,767	34,371,887	12,490,081	17,146,152	21,878,503	27,238,359
113,567,162	168,836,059	132,917,881	358,187,849	502,821,477	522,268,898	516,178,631
43,174,326	50,244,394	(34,257,298)	139,800,572	159,823,905	12,014,114	(170,096,896)
(11,623,534)	(17,117,855)	(4,199,797)	22,233,534	1,227,447	(5,613,042)	(9,615,552)
31,550,792	33,126,539	(38,457,095)	162,034,106	161,051,352	6,401,072	(179,712,448)
-	-	-	-	-	-	-

METRO
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting), Unaudited

	2016	2017	2018
General Fund			
Nondisposable	\$ 1,013,709	798,952	42,693
Restricted	37,683,525	42,309,999	52,899,445
Committed	11,135,969	12,316,557	10,522,814
Assigned	-	-	-
Unassigned	17,162,433	21,133,911	29,180,618
Total General Fund	\$ 66,995,636	76,559,419	92,645,570
All other governmental funds			
Nondisposable (2)	\$ 528,748	555,580	607,059
Restricted (1)	89,903,244	62,107,158	86,678,277
Committed	-	-	-
Assigned	37,398	60,859	16,612
Unassigned	-	-	-
Total all other governmental funds	\$ 90,469,390	62,723,597	87,301,948

(1) Changes in Restricted fund balance of all other governmental funds between 2017 and 2018, and between 2018 and 2019 is due primarily to the issuance of bonds in 2018 and 2019; subsequent year changes are primarily due to the spend down of the proceeds.

(2) Changes in Nondisposable fund balance of all other governmental funds between 2019 and 2020, and between 2021 and 2022 is due primarily to advance payments made within the Affordable housing and Supportive housing programs.

2019	2020	2021	2022	2023	2024	2025
186,438	296,426	228,507	199,946	427,003	362,735	463,433
64,016,351	63,313,745	65,824,929	73,239,624	70,127,790	74,627,421	73,133,891
12,493,221	14,740,429	-	12,167,202	9,900,092	9,743,146	9,458,013
15,529,940	-	306,762	1,437,105	661,541	1,053,324	6,378,912
9,988,598	24,836,760	25,371,310	34,080,876	44,992,123	45,707,486	42,016,154
<u>102,214,548</u>	<u>103,187,360</u>	<u>91,731,508</u>	<u>121,124,753</u>	<u>126,108,549</u>	<u>131,494,112</u>	<u>131,450,403</u>
647,996	15,735,447	15,724,486	223,995,155	388,020,024	349,923,518	242,835,339
725,292,232	910,772,093	867,763,459	708,776,914	612,851,241	569,060,784	629,305,437
-	-	-	-	-	-	-
36,772	64,430	67,401	-	-	684,797	636,577
-	-	-	(10,229)	(11,352)	-	-
<u>725,977,000</u>	<u>926,571,970</u>	<u>883,555,346</u>	<u>932,761,840</u>	<u>1,000,859,913</u>	<u>919,669,099</u>	<u>872,777,353</u>

METRO
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting), Unaudited

	2016	2017	2018
REVENUES			
Property taxes	\$ 55,397,507	59,562,937	64,369,020
Excise taxes	18,144,768	18,830,032	18,343,257
Personal and business income taxes	-	-	-
Construction excise tax	3,338,479	3,561,675	3,792,595
Cemetery revenue surcharge	46,711	47,095	51,479
Investment income	1,358,919	846,966	1,688,487
Government fees	76,236	85,353	96,500
Culture and recreation fees	4,592,527	4,612,352	4,821,013
Solid waste fees	985,486	1,033,211	1,053,525
Other fees	1,485,642	1,951,142	1,985,501
Internal charges for services	3,969,961	5,477,184	5,145,553
Licenses and permits	507,560	558,504	593,228
Miscellaneous revenue	177,329	540,483	730,850
Grants	8,569,740	11,733,942	11,595,479
Local government shared revenues	761,253	766,318	3,954,656
Government contributions	3,814,143	4,345,277	3,200,708
Contributions and donations	640	-	-
Capital grants	238,790	107,046	175,000
Capital contributions and donations	22,500	206,770	7,500,000
Total revenues	103,488,191	114,266,287	129,096,851
EXPENDITURES			
Current:			
General government operations	12,583,030	13,885,115	88,524,517
Planning, development and research (2)	13,304,049	16,814,210	17,666,404
Housing (1)	-	-	-
Culture and recreation	24,568,215	28,730,153	30,295,557
Debt service:			
Principal	23,770,000	24,315,000	30,165,000
Interest	9,354,224	10,321,223	11,131,207
Capital outlay	30,098,540	29,097,093	16,635,087
Total expenditures	113,678,058	123,162,794	194,417,772
Excess of revenues over (under) expenditures	(10,189,867)	(8,896,507)	(65,320,921)

2019	2020	2021	2022	2023	2024	2025
79,370,064	114,101,431	106,520,166	108,248,252	113,147,010	120,208,696	123,968,866
18,587,682	16,916,905	18,704,633	21,631,175	20,439,429	20,121,244	22,580,785
-	-	1,524,473	242,650,036	347,044,362	335,136,020	324,964,017
3,583,093	3,627,232	3,318,783	3,877,675	3,598,048	3,782,940	3,427,490
39,854	45,534	55,300	67,195	60,039	53,353	80,985
9,072,979	30,084,653	2,728,902	(16,043,479)	15,874,590	35,750,077	33,757,421
83,043	85,692	71,874	68,273	15,805	18,080	14,567
5,156,720	4,066,569	4,530,790	4,487,130	5,245,485	5,342,610	5,606,937
1,077,086	1,086,468	1,126,754	1,275,830	1,313,889	1,329,478	1,324,645
1,971,267	1,975,668	865,159	1,442,744	1,698,550	2,545,718	2,963,525
7,989,975	7,079,106	6,284,090	1,775,729	1,205,481	1,300,357	1,241,852
577,621	583,115	587,595	583,490	587,155	556,105	534,650
579,426	1,092,948	869,588	958,779	975,168	287,902	397,402
9,130,571	11,539,100	12,167,332	8,192,666	13,757,472	13,981,051	16,257,629
3,863,885	4,185,973	4,263,289	4,257,600	4,279,018	4,221,731	4,131,547
13,142,245	9,917,660	334,919	28,426,493	28,812	3,607,563	3,738,271
-	28,650	-	-	-	-	-
261,638	44,334	268,456	34,755	16,946	-	-
178,510	294,560	-	-	-	3,546	-
154,665,659	206,755,598	164,222,103	411,934,343	529,287,259	548,246,471	544,990,589
15,877,682	20,930,455	12,877,761	6,937,209	11,610,464	13,735,715	8,019,192
25,444,323	27,184,653	75,449,202	170,652,884	24,017,210	25,219,976	33,538,757
-	-	-	-	258,539,755	402,950,115	565,682,329
28,049,868	28,746,257	26,683,691	32,193,318	37,433,410	46,082,239	58,263,666
40,740,000	56,290,000	48,705,000	60,670,000	64,630,000	59,328,477	63,715,443
12,780,341	33,513,011	35,382,628	33,551,564	30,849,801	29,780,279	27,927,472
25,515,599	35,181,744	24,984,317	15,895,908	15,579,259	34,361,598	26,355,585
148,407,813	201,846,120	224,082,599	319,900,883	442,659,899	611,458,399	783,502,444
6,257,846	4,909,478	(59,860,496)	92,033,460	86,627,360	(63,211,928)	(238,511,855)

(Continued)

METRO
Changes in Fund Balances, Governmental Funds, *continued*
Last Ten Fiscal Years
(modified accrual basis of accounting), Unaudited

	2016	2017	2018
OTHER FINANCING SOURCES (USES)			
Bonds issued	\$ 30,000,000	-	103,655,000
Refunding bonds issued	-	-	-
Premium on bonds issued	3,479,164	-	14,710,080
Leases (as lessee)	-	-	-
SBITA	-	-	-
Sale of capital assets	348,744	430,096	933,046
Transfers in	5,779,685	6,815,333	2,485,448
Payment to refunded bond escrow agent	-	-	-
Transfers out	(20,145,434)	(16,530,932)	(15,798,151)
Total other financing sources (uses)	19,462,159	(9,285,503)	105,985,423
Net change in fund balances	\$ 9,272,292	(18,182,010)	40,664,502
Debt service as a percentage of noncapital expenditures	39.6%	36.8%	23.2%

(1) In fiscal year 2023, Metro began reporting the activities of the Supportive housing services and Affordable housing as a separate program. Prior to this, activities were reported as part of the Planning, development and research program.

(2) In fiscal year 2023, Metro renamed the Regional planning and development program to Planning, development and research program to more accurately describe the function/program.

2019	2020	2021	2022	2023	2024	2025
652,800,000	200,000,000	27,500,000	-	-	-	200,000,000
-	-	-	-	40,873,920	-	-
2,630,335	10,922,405	-	-	-	-	10,977,275
-	-	-	943,561	-	36,152	-
-	-	-	-	1,613,801	2,781,465	680,915
64,909	23,655	9,800	91,807	45,300	13,366	87,820
1,904,259	1,449,821	3,732,520	16,897,853	17,108,692	6,710,381	11,297,738
-	-	-	-	(41,750,751)	-	-
(15,413,317)	(15,737,577)	(25,854,300)	(31,366,942)	(31,436,453)	(22,134,687)	(31,467,348)
641,986,186	196,658,304	5,388,020	(13,433,721)	(13,545,491)	(12,593,323)	191,576,400
648,244,032	201,567,782	(54,472,476)	78,599,739	73,081,869	(75,805,251)	(46,935,455)
43.5%	53.9%	42.2%	31.0%	22.4%	15.4%	12.1%



METRO
Solid Waste Tonnage by Waste Type and Destination (1)
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Waste (2)				Organic (3)	ECU (4)	Regional Total
	Metro-Owned Facilities	Total Per Ton Rate	Privately- Owned Facilities	Total Per Ton Rate	Metro-Owned Facilities	Privately- Owned Facilities	All Waste Types
2016	509,286	\$ 94.98	769,584	\$ 29.87	76,970	348,428	1,704,268
2017	523,199	96.25	827,734	30.24	79,533	384,283	1,814,748
2018	532,333	94.95	887,888	28.93	74,525	279,730	1,774,476
2019	549,143	97.45	915,259	30.22	77,630	196,651	1,738,684
2020	495,164	97.45	919,025	30.15	83,610	290,444	1,788,244
2021	544,510	98.35	911,385	31.05	86,246	229,645	1,771,787
2022	576,342	115.15	951,572	39.45	77,598	243,543	1,849,055
2023	557,405	123.45	1,008,970	42.17	71,650	163,642	1,801,667
2024	545,353	137.30	953,895	44.69	76,734	200,182	1,776,164
2025	529,020	153.67	980,588	46.41	74,029	221,484	1,805,121

(1) Waste generated in the Metro region and delivered to solid waste facilities for disposal. The figures represent tons of solid waste from which Metro derives revenue.

(2) "Waste" is mixed solid waste on which Metro levies a Public Goods Charge that generates revenue for the Solid Waste Fund and pays for solid waste programs, and on which an Excise Tax that generates revenue for the General Fund is levied. Waste delivered to Metro's own transfer stations also incurs a user charge that is deposited in the Solid Waste Revenue Fund to pay for station operation, transport, and disposal.

(3) "Organic" is source-separated wood waste, yard debris and compostable food wastes delivered to Metro's own transfer stations. Metro levies a user charge and host fee only on the food waste portion of this group of wastes.

(4) "ECU" or "Environmental Clean-Up" material is soil and cleanup media contaminated by hazardous substances (though not itself a hazardous waste), including petroleum-contaminated soils. Metro levies a reduced-rate Public Goods Charge and Excise Tax only on ECU.

Source: Metro Waste Prevention and Environmental Services Department, solid waste information system.

METRO
Solid Waste Disposal Rates
Last Ten Fiscal Years
Unaudited

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
METRO FACILITIES										
Disposal fee	\$ 62.87	63.19	63.20	64.41	64.41	64.41	72.81	78.39	89.72	104.37
Regional system fee	18.39	18.48	18.12	17.81	18.58	18.58	25.65	29.37	31.41	31.72
Excise tax	11.48	11.76	10.81	12.41	11.57	12.47	13.80	12.80	13.28	14.69
Community & enhancement/host fee	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
DEQ fees - orphan sites	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
DEQ fees - promotion	1.11	1.69	1.69	1.69	1.76	1.76	1.76	1.76	1.76	1.76
Total rate per ton (1)	\$ 94.98	96.25	94.95	97.45	97.45	98.35	115.15	123.45	137.30	153.67
Transaction fee-scalehouse	\$ 12.00	10.00	10.00	10.00	10.00	10.00	14.75	18.00	24.00	27.00
Transaction fee-automated	\$ 3.00	2.00	2.00	2.00	2.00	2.00	2.75	4.25	6.75	7.25
PRIVATELY-OWNED FACILITIES										
Regional system fee	\$ 18.39	18.48	18.12	17.81	18.58	18.58	25.65	29.37	31.41	31.72
Excise tax	11.48	11.76	10.81	12.41	11.57	12.47	13.80	12.80	13.28	14.69
Total rate per ton	\$ 29.87	30.24	28.93	30.22	30.15	31.05	39.45	42.17	44.69	46.41

(1) Rates are per ton of mixed waste disposal. For fiscal year 2025, minimum charge is \$45.00 for 240 pounds or less. DEQ rates are set by the State of Oregon Department of Environmental Quality.

Source: Metro Waste Prevention and Environmental Services Department.

METRO
Principal Solid Waste Fee Payers
Current Year and Nine Years Ago
Unaudited

Customer/Payer	2025			2016		
	Fees Paid (1)	Rank	Percentage of Total Solid Waste Fee Revenue	Fees Paid (1)	Rank	Percentage of Total Solid Waste Fee Revenue
Waste Management of Oregon	\$ 20,210,049	1	16.90%	\$ 15,072,435	1	23.84%
Miller's Sanitary Service Inc.	5,026,180	2	4.20	-	-	-
Oregon City Garbage Company	4,857,359	3	4.06	3,035,894	2	4.80
Allied Waste Services of Portland	3,822,272	4	3.20	2,276,654	6	3.60
Heiberg Garbage Service	3,450,146	5	2.88	2,167,147	7	3.43
Portland Disposal & Recycling	2,532,134	6	2.12	2,729,892	4	4.32
Arrow Sanitary Services	2,416,737	7	2.02	2,923,414	3	4.62
Walker Garbage Service Inc.	1,673,424	8	1.40	1,096,680	9	1.73
Sunset Garbage Collection Inc.	1,423,667	9	1.19	892,296	10	1.41
City Sanitary Service	1,379,310	10	1.15	-	-	-
AGG Recology Inc.	-	-	-	2,501,582	5	3.96
Trashco Services Inc.	-	-	-	2,133,689	8	3.38
Total	\$ 46,791,278		39.12%	\$ 34,829,683		55.09%

(1) Customers pay a per ton rate for solid waste disposal. The per ton rate includes various fee components which change each fiscal year. See Solid Waste Disposal Rates table for rate detail.

Sources: Metro Waste Prevention and Environmental Services Department and Metro Accounting Division.

METRO
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities					
	General Obligation Bonds (2)	Full Faith and Credit Refunding Bonds (2)	Dedicated Tax Revenue Bonds (2)	Pension Obligation Bonds (2)	Leases Payable	SBITA Payable
2016	\$ 217,472,440	\$ 9,125,000	\$ -	\$ 20,155,000	\$ -	\$ -
2017	191,285,127	7,880,000	-	19,225,000	-	-
2018	202,515,140	21,721,580	60,048,719	18,170,000	-	-
2019	816,251,155	20,319,463	58,889,720	16,985,000	-	-
2020	970,079,966	18,902,344	57,700,721	15,660,000	-	-
2021	925,901,419	41,275,229	56,476,722	14,180,000	-	-
2022	878,162,868	27,943,112	55,217,723	12,535,000	723,596	-
2023	821,771,917	14,500,995	53,918,724	10,715,000	478,343	787,812
2024	765,094,158	13,318,877	52,569,725	8,705,000	260,861	2,200,442
2025	915,408,907	12,080,575	51,174,714	6,495,000	17,730	1,684,579

(1) See Demographic and Economic Statistics table for personal income and population data.

(2) Presented net of original issuance discounts and premiums.

Data reflects revisions to previous years and therefore may not match previously published reports.

* Not available

Business-type Activities				Percentage of Personal Income (1)	Per Capita (1)
Full Faith and Credit Bonds (2)	Leases Payable	SBITA Payable	Total Primary Government		
\$ 8,988,560	\$ -	\$ -	\$ 255,741,000	0.21%	\$ 143.74
7,895,584	-	-	226,285,711	0.17	124.89
7,017,472	-	-	309,472,911	0.22	168.28
6,099,360	-	-	918,544,698	0.63	494.22
5,141,247	-	-	1,067,484,278	0.68	581.71
4,158,135	-	-	1,041,991,505	0.60	570.15
3,145,022	15,465,305	-	993,192,626	0.56	541.27
2,101,909	14,753,779	618,702	919,647,181	0.49	499.48
1,043,797	13,642,768	379,251	857,214,879	N/A*	463.76
-	10,108,150	440,429	997,410,084	N/A*	537.37

METRO
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding				Real Market Value (1)	Percentage of Actual Real Market Value of Property	Per Capita (2)
	General Obligation Bonds (3)	Pension Obligation Bonds (3)	Less: Amounts Restricted to Repaying Principal	Net General Bonded Debt			
2016	\$ 217,472,440	\$ 20,155,000	\$ 495,726	\$ 237,131,714	\$ 232,729,794,715	0.10%	\$ 133.28
2017	191,285,127	19,225,000	814,903	209,695,224	266,256,751,631	0.08	115.73
2018	202,515,140	18,170,000	847,417	219,837,723	299,124,101,408	0.07	119.54
2019	816,251,155	16,985,000	3,178,629	830,057,526	326,072,241,004	0.25	446.61
2020	970,079,966	15,660,000	3,539,568	982,200,398	336,012,820,952	0.29	535.24
2021	925,901,419	14,180,000	3,933,561	936,147,858	353,506,458,459	0.26	512.23
2022	878,162,868	12,535,000	2,829,578	887,868,290	376,897,140,782	0.24	483.87
2023	821,771,917	10,715,000	3,412,782	829,074,135	423,733,033,399	0.20	450.29
2024	765,094,158	8,705,000	4,778,602	769,020,556	448,178,871,542	0.17	416.05
2025	915,408,907	6,495,000	6,589,590	915,314,317	447,157,959,343	0.20	493.14

Sources:

(1) The Departments of Assessment and Taxation for Multnomah, Clackamas and Washington counties.

(2) See Demographic and Economic Statistics table for population data.

(3) Presented net of original issuance discounts and premiums.

Data reflects revisions to previous years and therefore may not match previously published reports.

METRO
Direct and Overlapping Governmental Activities Debt
As of June 30, 2025
Unaudited

Overlapping Government	Net Property Tax Backed Debt	Percent within Metro	Share of Overlapping Debt
City of Beaverton	\$ 27,525,000	99.87%	\$ 27,488,419
City of Cornelius	1,726,835	95.20	1,643,995
City of Fairview	5,363,175	100.00	5,363,175
City of Gladstone	6,395,937	100.00	6,395,937
City of Gresham	20,717,290	100.00	20,717,290
City of Hillsboro	66,770,000	98.72	65,913,341
City of Lake Oswego	78,360,000	100.00	78,360,000
City of Milwaukie	51,835,287	100.00	51,835,287
City of Oregon City	10,810,000	99.82	10,790,564
City of Portland	369,220,000	100.00	369,217,415
City of Sherwood	59,323,319	99.97	59,304,158
City of Tigard	10,818,145	99.81	10,797,201
City of Troutdale	3,110,000	100.00	3,110,000
City of Tualatin	25,979,954	100.00	25,979,954
City of West Linn	24,420,000	100.00	24,420,000
City of Wilsonville	14,978,600	99.91	14,965,209
City of Wood Village	1,875,000	100.00	1,875,000
Clackamas Community College	232,085,031	72.60	168,488,163
Clackamas County	88,689,500	72.80	64,566,754
Clackamas County ESD	26,816,648	72.99	19,573,579
Clackamas County RFPD 1	19,634,532	85.04	16,696,735
Clackamas County SD 115 (Gladstone)	16,001,933	100.00	16,001,933
Clackamas County SD 12 (North Clackamas)	576,755,981	98.64	568,904,601
Clackamas County SD 3J (West Linn-Wilsonville)	432,502,321	94.81	410,052,423
Clackamas County SD 46 (Oregon Trail)	62,000,487	6.13	3,801,808
Clackamas County SD 62 (Oregon City)	411,515,969	69.88	287,564,479
Clackamas County SD 7J (Lake Oswego)	372,682,000	100.00	372,682,000
Clackamas County SD 86 (Canby)	86,235,000	11.78	10,159,432
Clackamas Soil & Water Conservation	4,643,000	72.80	3,380,146
Columbia County SD 1J (Scappoose)	12,275,000	9.65	1,184,930
Corbett Water District	73,576	22.96	16,897
Lusted Water District	320,000	97.07	310,618
Mt. Hood Community College	65,925,000	84.85	55,937,362
Multnomah County	440,658,398	99.01	436,276,491
Multnomah County RFPD 10	89,857	84.48	75,910
Multnomah County RFPD 14	4,380,000	19.05	834,447
Multnomah County SD 10J (Gresham-Barlow)	255,770,271	96.23	246,130,801
Multnomah County SD 1J (Portland)	1,751,093,000	99.60	1,744,151,667
Multnomah County SD 28J (Centennial)	61,155,932	100.00	61,155,932
Multnomah County SD 3 (Parkrose)	82,022,035	100.00	82,022,035
Multnomah County SD 40 (David Douglas)	175,013,784	100.00	175,013,784
Multnomah County SD 51J (Riverdale)	8,375,326	100.00	8,375,326
Multnomah County SD 7 (Reynolds)	132,852,667	100.00	132,852,667
Multnomah ESD	58,415,817	99.07	57,873,485

(Continued)

METRO
Direct and Overlapping Governmental Activities Debt, *continued*
As of June 30, 2025
Unaudited

Overlapping Government	Net Property Tax Backed Debt	Percent within Metro	Share of Overlapping Debt
Northwest Regional ESD	\$ 12,395,000	73.67%	\$ 9,131,669
Oak Lodge Water Services District	204,000	100.00	204,000
Pleasant Home Water District	905,000	57.90	524,017
Portland Community College	569,075,000	91.67	521,668,207
Rivergrove Water District 14J	3,098,662	100.00	3,098,662
Tualatin Hills Park & Recreation District	32,063,520	99.91	32,036,202
Tualatin Valley Fire & Rescue District	42,025,000	89.21	37,491,847
Urban Flood Safety & Water Quality District	15,137,066	99.75	15,099,299
Valley View Water District	704,129	100.00	704,129
Washington County	112,639,172	93.50	105,319,203
Washington County SD 15 (Forest Grove)	171,091,925	81.87	140,073,644
Washington County SD 1J (Hillsboro)	428,080,000	86.53	370,427,898
Washington County SD 23J (Tigard-Tualatin)	270,265,000	99.82	269,787,442
Washington County SD 48J (Beaverton)	1,391,124,020	99.89	1,389,643,865
Washington County SD 88J (Sherwood)	267,176,543	82.05	219,227,705
Subtotal, overlapping debt	<u>\$ 9,473,195,644</u>		8,836,699,139
Metro direct debt			<u>986,861,505</u>
Total direct and overlapping debt			<u>\$ 9,823,560,644</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of Metro. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of Metro. "Net property tax backed debt" is gross property tax backed debt less self-supporting unlimited-tax general obligation, self-supporting full faith and credit debt, and revenue bonds.

Source: The Municipal Debt Advisory Commission, State of Oregon.

METRO
Legal Debt Margin Information
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of the Debt Limit
2016	\$ 23,272,979,472	\$ 190,565,000	\$ 23,082,414,472	0.82 %
2017	26,625,675,163	168,425,000	26,457,250,163	0.63
2018	29,912,410,141	179,415,000	29,732,995,141	0.60
2019	32,607,224,100	794,805,000	31,812,419,100	2.44
2020	33,781,364,510	942,030,000	32,839,334,510	2.79
2021	35,350,645,846	900,740,000	34,449,905,846	2.55
2022	37,689,714,078	855,890,000	36,833,824,078	2.27
2023	42,373,303,340	807,453,920	41,565,849,420	1.91
2024	44,817,887,154	752,250,443	44,065,636,711	1.68
2025	44,715,795,934	892,965,000	43,822,830,934	2.00

Legal Debt Margin Calculation for Fiscal Year 2025

True cash value	\$ 447,157,959,343
Debt limit (10% of true cash value)	44,715,795,934
Debt applicable to limit:	
Gross bonded debt principal	\$ 955,290,000
Less legal deductions from debt limit:	
Full Faith and Credit Bonds 2018 Series	(11,115,000)
Dedicated Tax Revenue OCC Hotel Project Bonds 2017 Series	(44,715,000)
Metro Limited Tax Pension Obligation Bonds Series 2005	(6,495,000)
Total net debt applicable to limit	892,965,000
Legal debt margin	\$ 43,822,830,934

Note: ORS 268.520 sets a debt limit of 10% of the true cash value of all taxable property within the district.

Source: The Departments of Assessment and Taxation for Multnomah, Clackamas and Washington Counties.

METRO
Revenue Support for Dedicated Tax Revenue Bonds, Series 2017 (OCC Hotel Project)
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Multnomah County Transient Lodging Tax (TLT) Collections		Visitor Facilities Trust Account (VFTA) TLT Net Revenue			
	3% Excise Tax Fund (ETF) TLT(1)	2.5% VFTA TLT(2)	VFTA TLT Net Revenue (3)	City of Portland Bonds VFTA Existing Debt Service (4)	VFTA Payments Available for Series 2017 Bonds (5) (7)	VFTA Payments Transferred to Metro (5)
2016	\$ 18,713,326	15,594,438	15,587,195	8,480,753	7,106,442	-
2017	19,193,769	15,999,832	15,999,832	9,574,819	6,425,013	6,425,013
2018	18,978,594	15,800,071	15,800,071	8,777,222	7,022,849	6,963,788
2019	22,251,356	18,515,110	18,515,110	9,030,659	9,484,451	4,942,458
2020	17,283,587	14,381,807	14,381,807	9,306,196	5,075,612	5,842,244
2021	6,996,146	5,824,674	5,824,674	8,571,735	(2,747,061)	3,885,047
2022	13,452,244	12,058,261	12,058,261	7,575,913	4,482,348	4,620,489
2023	16,924,363	16,164,618	16,164,618	7,201,884	8,962,734	4,990,116
2024	16,477,783	16,255,146	16,255,146	7,786,500	8,468,646	5,238,277
2025	16,206,462	15,880,652	15,880,652	7,790,250	8,090,402	5,601,261

(1) A component of 3% ETF TLT transferred by Multnomah County to Metro for OCC operating support, including the payment of debt service of the Series 2017 Bonds, defined as "ETF Payments."

(2) A component of 2.5% VFTA TLT transferred by Multnomah County to Metro for payment of debt service of the Series 2017 Bonds, defined as "VFTA Payments."

(3) Excludes VFTA Vehicle Registration Tax (VRT) Revenue.

(4) Debt service on the City of Portland OCC and Stadium bonds and Full Faith and Credit Loan Agreement (PCPA Refunding, defeased in Fiscal Year 2016).

(5) Pledged for repayment of the Series 2017 Bonds, effective date of issuance fiscal year 2018.

(6) Debt service begins fiscal year 2018.

(7) Negative amounts represent the use of reserves for the VFTA payments.

ETF Payments to Metro (5)	Total Pledged Revenue (VFTA Payments plus ETF Payments) (5)	Pledged Revenue Used to Pay Debt Service (6)	Debt Service Requirements		
			Principal	Interest	Coverage
10,185,853	-	-	-	-	-
10,898,863	17,323,876	-	-	-	-
11,193,132	18,215,981	2,896,215	725,000	2,171,215	6.29
11,634,142	21,118,593	3,396,550	865,000	2,531,550	6.22
12,448,532	17,524,144	3,400,600	895,000	2,505,600	5.15
12,805,464	10,058,403	3,399,800	930,000	2,469,800	2.96
13,015,285	17,497,633	3,397,600	965,000	2,432,600	5.15
13,926,355	22,889,089	3,399,000	1,005,000	2,394,000	6.73
14,901,200	23,369,846	3,398,750	1,055,000	2,343,750	6.88
15,389,609	23,480,011	3,396,000	1,105,000	2,291,000	6.91

METRO
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Population (1)	Total Personal Income (in thousands) (2)	Per Capita Personal Income (2)	Portland Metropolitan Unemployment Rate (2)
2016	1,779,245	\$ 122,490,579	\$ 50,367	5.0%
2017	1,811,860	130,352,553	52,962	4.2
2018	1,839,005	139,580,730	56,285	3.9
2019	1,858,560	146,249,446	58,551	3.9
2020	1,835,065	157,527,834	62,557	10.2
2021	1,827,575	173,993,617	69,099	5.0
2022	1,834,929	178,227,657	71,037	3.7
2023	1,841,192	188,084,378	74,992	3.6
2024	1,848,390	N/A*	N/A*	4.4
2025	1,856,093 (3)	N/A*	N/A*	5.1

* Not available

(1) For Clackamas, Multnomah and Washington counties. Data reflects revisions to previous years and therefore may not match previously published reports.

(2) Portland-Vancouver-Hillsboro OR-WA MSA. Data reflects revisions to previous years and therefore may not match previously published reports.

(3) Preliminary estimate.

Sources:

Population Research Center, Portland State University.

Oregon Employment Department.

U.S. Department of Commerce, Bureau of Economic Analysis (BEA).

**METRO
Principal Employers (1)
Current Year and Nine Years Ago
Unaudited**

Employer	2025			2016		
	Employees	Rank	Percentage of Total Metropolitan Area Employment	Employees	Rank	Percentage of Total Metropolitan Area Employment
Oregon Health & Science University	20,947	1	1.57%	14,963	5	1.34%
Intel Corporation	20,000	2	1.50	18,600	2	1.67
Providence Health System	19,221	3	1.44	16,139	4	1.45
US Government	18,500	4	1.39	18,000	3	1.61
State Government	13,700	5	1.03	25,700	1	2.30
Kaiser Permanente	13,308	6	1.00	11,898	6	1.07
Amazon	11,000	7	0.83	-	-	-
Nike, Inc.	10,500	8	0.79	8,500	9	0.76
Portland Public Schools	7,195	9	0.54	-	-	-
Beaverton School District	5,685	10	0.43	-	-	-
Fred Meyer Stores	-	-	-	10,813	7	0.97
City of Portland	-	-	-	5,481	10	0.49
Legacy Health System	-	-	-	8,700	8	0.78
Total	140,056		10.52%	138,794		12.44%

(1) Portland-Vancouver-Hillsboro OR-WA MSA

Source: Piper Sandler & Co.



METRO
Full-Time Equivalent Employees by Function/Program
Last Ten Fiscal Years
Unaudited

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
FUNCTIONS/PROGRAMS										
Primary Government:										
<i>Governmental activities:</i>										
General government operations	183.20	170.85	175.77	179.66	193.40	177.00	246.40	280.40	304.40	293.40
Planning, development and research	76.30	85.30	84.80	93.06	93.80	90.50	80.10	76.00	81.10	90.15
Housing (8)	-	-	-	-	-	-	-	22.50	41.40	46.35
Culture and recreation (8)	92.10	99.80	103.95	112.06	121.90	135.90	127.20	138.50	139.30	142.70
Total governmental activities	351.60	355.95	364.52	384.78	409.10	403.40	453.70	517.40	566.20	572.60
<i>Business-type activities:</i>										
Solid Waste	107.45	114.16	121.79	139.96	179.76	181.96	192.80	195.25	191.90	202.30
Oregon Zoo	198.65	200.60	207.60	209.25	209.00	186.55	182.85	192.35	192.85	202.60
MERC	186.35	189.95	195.65	200.97	201.70	194.95	197.85	197.10	202.50	203.80
Total business-type activities	492.45	504.71	525.04	550.18	590.46	563.46	573.50	584.70	587.25	608.70
Total primary government	844.05	860.66	889.56	934.96	999.56	966.86	1,027.20	1,102.10	1,153.45	1,181.30
	(1)		(2)	(3)	(4)	(5)	(6)	(7)	(9)	(10)

(1) Increase over previous fiscal year is due to conversion of temporary to permanent positions. Increased service demands at the venues and in parks management also led to the addition of staff.

(2) Increase over previous fiscal year is primarily due to an increase in service demand for visitor venues, central services, solid waste operations and parks management.

(3) Increase over previous fiscal year is due to planning staff needed for the Affordable Housing Bond projects, increase in service demand for solid waste operations, and MetroPaint staff converted from contracted to permanent positions.

(4) General governmental operations increased primarily due to Construction Project Management group being moved to the general fund. Culture and recreation increased due to new Parks and Nature Bond passing.

(5) COVID impacted the organization and nearly every department had to make personnel reductions in this fiscal year. The most substantial impact of COVID was on FTE for the visitor venues, Zoo, and MERC.

(6) Increase over previous fiscal year is primarily due to adding back COVID staffing cuts, increases in staffing levels to support housing programs, and transitioning some contracted labor to Metro FTE.

(7) Increase over previous fiscal year is primarily due to adding back COVID Zoo staffing cuts, increases in staffing levels to support housing programs, tribal affairs, community investments and central services. Housing was separated from planning, development and research during the fiscal year resulting in a decrease to planning, development and research FTE.

(8) In fiscal year 2023, Metro began reporting the activities of the Supportive housing services and Affordable housing as a separate program. Prior to this, activities were reported as part of the Planning, development and research program.

(9) Increases in FTE were driven by Housing as there was increased demand for implementation assistance for county Supportive housing services projects as well as central services and MERC which were still rebuilding post-pandemic.

(10) General government operations decreased as communications staff were reallocated to the departments they support. Increases in other areas reflect operational needs in Solid Waste (transfer station and call center), Oregon Zoo facilities, and the formation of a team for the new Zoo Bond 24.

Source: Metro Adopted Budget documents.

METRO
Operating Indicators by Functions/Programs
Last Ten Fiscal Years
Unaudited

FUNCTIONS/PROGRAMS	2016	2017	2018
Primary Government:			
<i>Governmental activities:</i>			
General government operations:			
Business licenses issued	3,079	3,019	3,207
General obligation bond rating:			
Moody's	Aaa	Aaa	Aaa
Standard and Poor's	AAA	AAA	AAA
Planning, development and research:			
Data Resource Center sales of maps and aerials (8)	\$ 70,467	65,305	77,675
Culture and recreation:			
Visitors to Blue Lake Park, Oxbow Park and Chinook Landing (5)	850,623	847,453	1,027,604
Volunteer visits (9)	3,370	5,508	2,841
Volunteer hours (9)	15,349	15,083	12,080
Acres acquired in Open Spaces and Natural Areas land target areas	180	507	183
<i>Business-type activities:</i>			
Solid Waste:			
Recycling Information Center calls/hits on website (3)	146,708	169,444	184,084
Students reached in elementary and secondary school presentations (6)	45,150	51,519	54,723
Regional recovery rate (1)	47.0%	46.6%	44.7%
Hazardous waste net cost per pound	\$ 1.04	1.04	1.13
Gallons of recycled paint produced	220,016	203,421	176,489
Latex paint revenue	\$ 1,286,638	1,149,852	1,064,213
PaintCare revenue (management of post-consumer paint) (4)	\$ 1,567,449	1,481,844	1,650,050
Oregon Zoo (2):			
Adult admission price	\$ 14.95	14.95	17.95
Annual attendance	1,494,316	1,549,394	1,704,918
Volunteer hours	98,722	91,911	93,174
Enterprise revenue as percentage of operating revenue	59.5%	62.6%	70.2%
Contributions and donations as percent of total revenue	3.8%	6.2%	6.2%
MERC:			
Annual attendance			
Oregon Convention Center (7)	632,823	624,538	619,068
Portland Expo Center	398,705	385,184	392,760
Portland's Centers for the Arts (7)	928,151	946,691	958,064
Number of events/performance			
Oregon Convention Center (7)	74	70	77
Portland Expo Center	121	109	114
Portland's Centers for the Arts (7)	964	971	946
Capacity			
Occupancy rate (75% considered maximum)			
Oregon Convention Center (7)	58%	48%	45%

*Not available

(1) Regional recovery rate is calculated by taking total waste generated in the region divided by amount recycled plus DEQ credits up to 6% for waste prevention, reuse, and home composting. 2016 rate reflects DEQ no longer adding the 6% in recovery credits.

(2) In fiscal year 2016, Metro began reporting the activities of the Zoo in the Oregon Zoo enterprise fund. Prior to this, activities of the Zoo were reported as part of the General Fund, in governmental activities.

(3) In November 2018, the Recycling Information updated the phone system moving from a Cisco-VOIP system supported by Metro's information services department to a cloud-based hosted service (aka interaction routing strategy) managed by CenturyLink. The data tracking for the year was split between the two systems and tracked similarly with some differences.

(4) PaintCare revenues derived from a project for the management of post-consumer paint.

(5) Car counter was not in place at Blue Lake from January 2015 through June 2015 due to new entry construction.

(6) The Metro Youth Education team adapted to distance learning by continuing to reach youth virtually over the 2020-21 school year.

(7) Oregon Convention Center and Portland's had no activity to report for fiscal year 2021 as the venues were shuttered due to COVID.

(8) In fiscal year 2023, Metro made the RLIS subscription offerings free which resulted in a decrease in revenue for maps and aerials.

(9) Volunteer visits and hours are no longer tracked in culture and recreation as the model has shifted away from volunteerism towards nature education as of fiscal year 2023.

Source: Various Metro departments. Data reflects revisions to previous years and therefore may not match previously published reports.

2019	2020	2021	2022	2023	2024	2025
3,122	3,152	3,176	3,154	3,174	3,006	2,890
Aaa AAA	Aaa AAA	Aaa AAA	Aaa AAA	Aaa AAA	Aaa AAA	Aaa AAA
67,245	64,095	64,215	57,115	10,725	8,695	16,613
993,133	841,942	727,144	537,582	531,676	522,275	862,891
3,459	1,865	234	576	N/A*	N/A*	N/A*
10,576	5,703	887	2,872	N/A*	N/A*	N/A*
246	213	101	240	188	296	699
231,000	224,380	220,535	207,180	180,482	217,082	N/A*
42,998	24,642	11,405	6,533	28,513	20,776	18,977
46.8%	46.5%	44.2%	43.9%	N/A*	N/A*	N/A*
0.99	1.36	1.39	1.96	1.59	2.15	1.97
201,895	161,041	145,035	156,824	238,428	224,885	241,786
1,205,964	941,447	876,610	857,673	904,888	1,118,167	930,442
1,792,651	1,459,255	1,635,153	1,393,020	1,349,037	1,333,629	1,581,213
22.95	17.95	24.00	24.00	24.00	24.00	26.00
1,529,078	977,639	901,315	1,246,800	1,217,068	1,321,154	1,442,520
78,113	64,666	6,665	12,546	16,636	10,874	26,394
68.5%	54.9%	60.7%	72.9%	61.2%	52.2%	52.2%
4.9%	9.3%	17.6%	5.7%	5.9%	8.7%	10.2%
697,923	435,612	-	449,580	300,873	486,903	396,360
471,400	247,815	60,462	347,794	245,848	212,430	341,053
917,425	672,246	-	560,333	712,608	801,510	798,347
70	46	-	43	61	68	55
121	90	83	66	76	109	80
983	648	-	586	713	789	710
51%	47%	0%	41%	49%	52%	51%

METRO
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
Unaudited

	2016	2017	2018
FUNCTIONS/PROGRAMS			
Primary Government:			
<i>Governmental activities:</i>			
General government operations:			
Regional Center facilities	1	1	1
Square footage	110,000	196,960	196,960
Parking spaces - Regional Center garage	162	162	162
Parking spaces - Irving Street garage	485	485	485
Culture and recreation:			
Regional park facilities	8	8	8
Acres (including acres acquired using Natural areas bond proceeds)	2,305	2,305	2,305
Cemeteries	14	14	14
Acres	67	67	67
Golf facilities	1	1	1
Acres	232	232	232
18-hole courses	2	2	2
Marine facilities	3	3	3
Natural areas acquired from Multnomah County	7	7	7
Acres	2,422	2,422	2,422
Open Spaces land target areas	20	20	20
Acres	7,684	7,684	7,684
Natural areas acquired using bond proceeds	27	27	27
Acres	5,090	5,596	5,778
<i>Business-type activities:</i>			
Solid Waste:			
Transfer stations (including hazardous waste facilities)	2	2	2
Latex paint facilities	1	1	1
Closed landfills maintained	1	1	1
RID Deployment Center	-	-	-
Oregon Zoo:			
Acres	65	65	65
Buildings and exhibits	67	68	68
Railways	2	2	2
MERC:			
Convention Centers	1	1	1
Square footage	907,000	907,000	907,000
Parking spaces	716	716	791
Exposition Centers	1	1	1
Square footage	330,000	333,000	333,000
Parking spaces	2,256	2,556	2,556

Note: No capital asset indicators are available for the planning, development and research program.

Source: Various Metro departments. Data reflects revisions to previous years and therefore may not match previously published reports.

2019	2020	2021	2022	2023	2024	2025
1	1	1	1	1	1	1
196,960	196,960	196,960	196,960	196,960	196,960	196,960
162	162	162	162	162	162	162
485	485	485	485	485	485	485
8	8	8	8	8	8	8
2,305	2,305	2,305	2,305	2,305	2,305	2,305
14	14	14	14	14	14	14
67	67	67	67	67	67	67
1	1	1	1	1	1	1
232	232	232	232	232	232	232
2	2	2	2	2	2	2
3	3	3	3	3	3	3
7	7	7	7	7	7	7
2,422	2,422	2,422	2,422	2,422	2,422	2,422
20	20	20	20	24	24	24
7,684	7,684	7,684	7,684	7,684	7,684	7,684
27	27	27	27	27	27	27
6,024	6,237	6,338	6,578	6,766	7,062	7,761
2	2	2	2	2	2	2
1	1	1	1	1	1	1
1	1	1	1	1	1	1
-	-	-	-	-	1	1
65	65	65	65	65	65	65
68	68	68	68	68	68	68
2	2	2	2	2	2	2
1	1	1	1	1	1	1
907,000	907,000	907,000	907,000	907,000	907,000	907,000
791	791	791	791	791	791	791
1	1	1	1	1	1	1
333,000	333,000	333,000	333,000	333,000	333,000	333,000
2,556	2,556	2,556	2,556	2,556	2,556	2,556

METRO
Property Tax Levies and Collections (1)
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Total Collections to Date		Total Uncollected Taxes for the Fiscal Year
		Tax Collections	Percentage of Levy		Tax Collections	Percentage of Levy	
2016	\$ 56,981,126	\$ 54,251,668	95.2%	\$ 907,462	\$ 55,159,130	96.8%	\$ 3,355,651
2017	61,417,731	58,526,399	95.3	846,997	59,373,396	96.7	3,523,722
2018	66,623,193	63,459,709	95.3	839,204	64,298,913	96.5	3,392,641
2019	80,232,825	76,823,359	95.8	1,033,963	77,857,322	97.0	2,184,005
2020	118,129,185	112,972,917	95.6	1,511,547	114,484,464	96.9	2,403,194
2021	109,569,884	105,001,839	95.8	1,207,042	106,208,881	96.9	2,406,117
2022	111,354,054	106,713,185	95.8	1,075,951	107,789,136	96.8	2,418,035
2023	116,417,354	111,481,104	95.8	849,126	112,330,230	96.5	2,486,787
2024	124,162,584	118,303,563	95.3	705,382	119,008,945	95.8	2,947,338
2025	128,231,015	122,486,256	95.5	-	122,486,256	95.5	3,268,020

(1) Property tax levies provide operating revenue for the General Fund and the Parks and Nature Operating Fund and debt service for Metro's general obligation bonds.

Source: The Departments of Assessment and Taxation for Multnomah, Clackamas and Washington counties. Data reflects revisions to previous years and therefore may not match previously published reports.

METRO
Taxable Property Values
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Total Assessed Valuation		AV used to Calculate Rates	
	Real Market Value (1)	(AV)	Urban Renewal Excess	(2)
Metro – Total Area				
2016	\$ 232,729,794,715	157,332,876,813	7,692,366,115	149,640,510,698
2017	266,256,751,631	164,726,153,314	8,800,597,517	155,925,555,797
2018	299,124,101,408	173,009,992,753	9,598,803,019	163,411,189,734
2019	326,072,241,004	179,748,438,545	10,330,532,400	169,417,906,145
2020	336,012,820,952	187,871,290,559	11,037,634,600	176,833,655,959
2021	353,506,458,459	196,522,905,777	11,731,215,064	184,791,690,713
2022	376,897,140,782	203,819,569,151	10,707,037,199	193,112,531,952
2023	423,733,033,399	213,198,170,547	11,422,397,296	201,775,773,251
2024	448,178,871,542	223,001,150,790	8,139,256,387	214,861,894,403
2025	447,157,959,343	230,699,240,462	7,459,007,813	223,240,232,649
Portion of Metro Located in Multnomah County				
2016	\$ 118,439,572,417	71,365,034,261	6,080,696,726	65,284,337,535
2017	138,109,555,282	74,755,397,687	6,804,941,684	67,950,456,003
2018	157,192,504,703	78,638,078,635	7,438,667,311	71,199,411,324
2019	171,296,770,318	81,401,405,120	7,939,555,685	73,461,849,435
2020	175,102,627,961	84,962,241,690	8,295,865,811	76,666,375,879
2021	182,501,863,490	88,820,136,360	8,672,590,819	80,147,545,541
2022	192,519,602,742	91,514,626,280	7,247,261,158	84,267,365,122
2023	206,962,138,926	95,281,450,380	7,165,195,789	88,116,254,591
2024	208,698,379,333	99,092,190,940	3,707,868,623	95,384,322,317
2025	204,639,562,517	101,529,106,970	2,491,919,996	99,037,186,974
Portion of Metro Located in Washington County				
2016	\$ 72,210,640,850	53,190,401,212	308,315,912	52,882,085,300
2017	80,476,887,028	55,606,866,466	528,351,591	55,078,514,875
2018	89,533,841,337	58,356,654,076	660,442,801	57,696,211,275
2019	97,859,133,163	60,798,329,166	802,404,836	59,995,924,330
2020	102,088,763,082	63,665,739,901	1,020,055,114	62,645,684,787
2021	107,528,977,578	66,677,697,092	1,177,844,163	65,499,852,929
2022	115,239,115,251	69,595,064,434	1,447,495,303	68,147,569,131
2023	136,030,329,810	73,310,084,012	1,966,849,817	71,343,234,195
2024	142,291,665,217	77,380,141,194	2,602,002,178	74,778,139,016
2025	144,101,326,630	80,859,442,238	3,046,003,260	77,813,438,978
Portion of Metro Located in Clackamas County				
2016	\$ 42,079,581,448	32,777,441,340	1,303,353,477	31,474,087,863
2017	47,670,309,321	34,363,889,161	1,467,304,242	32,896,584,919
2018	52,397,755,368	36,015,260,042	1,499,692,907	34,515,567,135
2019	56,916,337,523	37,548,704,259	1,588,571,879	35,960,132,380
2020	58,821,429,909	39,243,308,968	1,721,713,675	37,521,595,293
2021	63,475,617,391	41,025,072,325	1,880,780,082	39,144,292,243
2022	69,138,422,789	42,709,878,437	2,012,280,738	40,697,597,699
2023	80,740,564,663	44,606,636,155	2,290,351,690	42,316,284,465
2024	97,188,826,992	46,528,818,656	1,829,385,586	44,699,433,070
2025	98,417,070,196	48,310,691,254	1,921,084,557	46,389,606,697

(1) Value represents the Real Market Value of taxable properties, including the reduction in Real Market Value of specially assessed properties such as farm and forestland. This value is also commonly referred to as the Measure 5 Real Market Value by county assessors.

(2) Assessed value of property in Metro on which the Permanent Rate is applied to derive ad valorem property taxes, excluding urban renewal, exempt property within enterprise zones and any other offsets.

Source: The Departments of Assessment and Taxation for Multnomah, Clackamas and Washington counties.

METRO
Property Tax Rates by Type of Levy
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Permanent Rate	Local Option Levy Rate	General Obligation Bond Levy Rate (1)	Total Rate
2016	\$ 0.0966	0.0960	0.2056	0.3982
2017	0.0966	0.0960	0.2163	0.4089
2018	0.0966	0.0960	0.2802	0.4728
2019	0.0966	0.0960	0.4703	0.6629
2020	0.0966	0.0960	0.3974	0.5900
2021	0.0966	0.0960	0.3774	0.5700
2022	0.0966	0.0960	0.3736	0.5662
2023	0.0966	0.0960	0.3821	0.5747
2024	0.0966	0.0960	0.3807	0.5733
2025	0.0966	0.0960	0.3951	0.5877

(1) General obligation (GO) bond levy rate is a calculation of total GO levy divided by Assessed Value used to calculate rates. Data reflects revisions to previous years and, therefore, may not match previously published reports.

Source: The Departments of Assessment and Taxation for Multnomah, Clackamas and Washington counties.

METRO
Principal Property Tax Taxpayers within the District by County
(amounts expressed in thousands)
June 30, 2025
Unaudited

Taxpayer Account	Type of Business	Assessed Valuation	Percent of Total Valuation
MULTNOMAH COUNTY			
Portland General Electric	Electric utility	\$ 833,984	0.84%
Pacificorp	Electric utility	808,643	0.82
Port of Portland	Marine and aviation facilities	806,553	0.81
Boeing Company	Aircraft manufacturing	552,334	0.56
Alaska Airlines Inc	Air Travel	362,298	0.37
Comcast Corporation	Telecommunications	359,910	0.36
Weston Investment Co LLC	Nonresidential construction	359,265	0.36
Fred Meyer Stores Inc	Retailer	243,151	0.25
Northwest Natural Gas	Natural gas utility	221,867	0.22
Kaiser Foundation	Health Care	215,531	0.22
All other taxpayers	-	94,273,650	95.19
	Total	\$ 99,037,186	100.00%
WASHINGTON COUNTY			
Intel Corporation	Computer electronics	\$ 1,894,826	2.44%
Nike Inc	Athletic apparel	1,545,143	1.99
Portland General Electric Co	Electric utility	1,425,868	1.83
Comcast Corporation	Telecommunications	463,267	0.60
Northwest Natural Gas Co	Natural gas utility	501,532	0.64
Pacific Realty Associates	Real estate	461,565	0.59
Maxim Integrated Products Inc	Semiconductor manufacturing	360,971	0.46
Genentech Inc	Biotechnology	347,907	0.45
LI Cortez LLC	Multifaceted company	306,800	0.39
Verizon Communications Inc	Telecommunications	282,941	0.36
All other taxpayers	-	70,222,618	90.25
	Total	\$ 77,813,438	100.00%
CLACKAMAS COUNTY			
Portland General Electric Co	Electric utility	\$ 454,307	0.98%
General Growth Properties Inc	Real estate	313,648	0.68
PCC Structurals Inc	Metal castings and machining	307,794	0.66
Fred Meyer Stores Inc	Retailer	242,409	0.52
Northwest Natural Gas Co	Natural gas utility	218,424	0.47
Shorenstein Properties LLC	Real estate	212,583	0.46
B10 Mountain A OR LLC	Financial Servcies	172,672	0.37
Comcast Corporation	Telecommunications	132,777	0.29
Twist Bioscience	Biotechnology company	82,807	0.18
Kaiser Foundation Hospital	Health Care	79,478	0.17
All other taxpayers	-	44,172,707	95.22
	Total	\$ 46,389,606	100.00%

Source: The Departments of Assessment and Taxation for Multnomah, Clackamas and Washington counties.



A white goat with long, shaggy fur and curved horns stands in a rocky, grassy area. The goat is facing slightly to the right. A dark blue hexagonal overlay is positioned in the lower center of the image, containing the text "Audit Comments and Disclosures" in white.

Audit Comments and Disclosures



Introduction

AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE AND FEDERAL REGULATIONS

Oregon Administrative Rules 162-010-0000 through 162-010-0330 incorporated in the Minimum Standards for Audits of Oregon Municipal Corporations, as prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments and disclosures required in audit reports. The required financial statements and schedules are set forth in the preceding sections of this report.

Metro is the recipient of Federal Grant Awards and requires an audit subject to the requirements of Title 2 U.S. *Code of Federal Regulations* Par 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). As a result, Metro's audit is also required to be performed in compliance with Generally Accepted Government Audit Standards.

Comments and disclosures required by the above rules and regulations are set forth on the following pages.

Report of Independent Auditors Required by Oregon State Regulations

The Metro Council and Metro Auditor
Metro

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Metro as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Metro's basic financial statements, and have issued our report thereon dated December 8, 2025. Our report includes a reference to other auditors who audited the financial statements of The Oregon Zoo Foundation, a discretely presented component unit, as described in our report on Metro's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Compliance

As part of obtaining reasonable assurance about whether Metro's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules (OAR) 162-010-0000 to 162-010-0330, of the Minimum Standards for Audits of Oregon Municipal Corporations, 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.

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

- Accounting records and internal control
- Public fund deposits
- Indebtedness
- Budget
- Insurance and fidelity bonds
- Programs funded from outside sources
- Highway funds
- Investments
- Public contracts and purchasing

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

In connection with our testing, nothing came to our attention that caused us to believe Metro was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of ORS as specified in OAR 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations.

Internal Control Over Financial Reporting

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

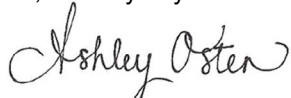
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination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

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. Accordingly, this communication is not suitable for any other purpose.

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



Ashley Osten, Principal, for
Baker Tilly US, LLP
Portland, Oregon
December 8, 2025

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

The Metro Council and Metro Auditor
Metro

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Metro as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Metro's basic financial statements, and have issued our report thereon dated December 8, 2025. Our report includes a reference to other auditors who audited the financial statements of The Oregon Zoo Foundation, a discretely presented component unit, as described in our report on Metro's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

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

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Baker Tilly US, LLP

Portland, Oregon
December 8, 2025

Report of Independent Auditors on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

The Metro Council and Metro Auditor
Metro

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Metro's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Metro's major federal programs for the year ended June 30, 2025. Metro's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Metro complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

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Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Baker Tilly US, LLP

Portland, Oregon
December 8, 2025



METRO
Schedule of Expenditures of Federal Awards
For the fiscal year ended June 30, 2025

Grantor and Program Title	Federal Assistance Listing Number	Grant/Pass-Through Number	Federal Expenditures
U. S. DEPARTMENT OF COMMERCE			
National Oceanic and Atmospheric Administration-			
Passed through Oregon Watershed Enhancement Board:			
Pacific Coast Salmon Recovery Pacific Salmon Treaty Program	11.438	222-8207-22468	\$ 175,500
Total U. S. Department of Commerce			175,500
U. S. DEPARTMENT OF THE INTERIOR			
Fish and Wildlife Service-			
Direct Programs:			
Endangered Species Recovery Implementation Funds	15.657	F23AP01396-00	574,138
Endangered Species Recovery Implementation Funds	15.657	F22AP00326-02	343,198
Total Endangered Species Recovery Implementation Funds			917,336
Fish and Wildlife Cluster-			
Passed through The Peregrine Fund Inc:			
Wildlife Restoration and Basic Hunter Education and Safety	15.611	3110-115045-2 // ODFW#331-24	265,213
Total Fish and Wildlife Cluster			265,213
Passed through Oregon Department of Parks and Recreation:			
Cooperative Endangered Species Conservation Fund	15.615	FY24-E28TW24OZ // F23AP01795-01	70,182
Passed through The Peregrine Fund Inc:			
Multistate Conservation Grant	15.628	240709-01 // F24AP00461	17,307
Passed through Washington Department of Fish and Wildlife:			
State Wildlife Grants	15.634	F23AP03499	10,479
National Park Service-			
Passed through The Peregrine Fund Inc:			
Natural Resource Stewardship Program	15.944	240708-01 // P22AC02054-01	10,874
Total U. S. Department of the Interior			1,291,391
U. S. DEPARTMENT OF TRANSPORTATION			
Federal Highway Administration-			
Highway Planning and Construction-			
Passed through Oregon Department of Transportation:			
PL Funds - Lead (federal share)	20.205	ODOT- 73000-00034565-01	1,620,841
PL Funds - Safe & Accessible Transportation	20.205	ODOT- 73000-00034565-01	27,500
STBG Funds - In Lieu of Dues	20.205	ODOT- 73000-00034565-01	745,616
STBG Funds - Freight / Econ Value Atlas	20.205	ODOT- 73000-00034565-01	35,758
STBG Funds - Next Corridor	20.205	ODOT- 73000-00034565-01	551,476
STBG Funds - TSMO	20.205	ODOT- 73000-00034565-01	146,528
STBG Funds - Carbon Reduction Program (CRP)	20.205	ODOT- 73000-00034565-01	207,053
STBG Funds - Aerial Photo / LiDAR	20.205	ODOT- 73000-00034565-01	229,959
STBG Funds - Redistribution Funds	20.205	ODOT- 73000-00034565-01	279,071
Section 5303 Funds	20.205	ODOT- 73000-00034565-01	904,861
"State" STBG Funds - Lead (federal share)	20.205	ODOT- 73000-00034565-01	201,893
Transportation Options Service Delivery 2025-2027	20.205	ODOT- 73000-00008348	29,879
Passed through to subrecipients:			
Westside Transportation Alliance Inc			29,311
Transportation Options Service Delivery 2025-2027	20.205	ODOT- 73000-00039680	55,937
Passed through to subrecipients:			
Westside Transportation Alliance Inc			20,477
Total Highway Planning and Construction			5,036,372

(Continued)

METRO
Schedule of Expenditures of Federal Awards, *continued*
For the fiscal year ended June 30, 2025

<u>Grantor and Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Grant/Pass-Through Number</u>	<u>Federal Expenditures</u>
U. S. DEPARTMENT OF TRANSPORTATION, <i>continued</i>			
Federal Transit Administration-			
Federal Transit Cluster-			
Federal Transit Capital Investment Grants-			
Direct Programs:			
SWEDS II	20.500	OR-2021-058	\$ 298,852
Passed through to subrecipients:			
Prosper Portland			28,423
The Immigrant & Refugee Community			2,114
HAKI Community Organization			68,257
Unite Oregon			28,720
Federal Transit Formula Grants-			
Direct Programs:			
Surface Transportation Funds-			
Tualatin Valley (TV) Highway Corridor	20.507	OR-2023-003	131,259
Regional Travel Options Program	20.507	OR-2024-059	2,839,398
Passed through to subrecipients:			
Beaverton School District 48			45,144
City of Gresham			9,179
City of Portland			182,744
City of Tigard			40,320
City of Wilsonville			85,735
Clackamas Community College			20,037
Clackamas County			15,337
Community Cycling Center			150,003
Division Midway Alliance			23,331
Forth			102,824
Go Lloyd			57,441
Lloyd EcoDistrict			29,155
Northwest Housing Alternatives			13,800
Oregon Walks			85,164
p:ear			110,004
Portland Community College			34,151
Portland Indigenous Marketplace			18,673
Ride Connection Inc			235,905
The Street Trust Community Fund			98,999
Trash for Peace			10,267
Tri Met			425,036
Washington Park Transportation			74,092
Westside Transportation Alliance Inc			187,979
Safe Routes to Schools (SRTS)	20.507	OR-2024-010	546,364
Passed through to subrecipients:			
City of Hillsboro			56,801
City of Portland			37,536
City of Wilsonville			93,890
Multnomah County			61,070
p:ear			37,298
The Street Trust Community Fund			97,877
82nd Avenue Bus Rapid Transit	20.507	OR-2025-019	1,915,848
Passed through to subrecipients:			
TriMet			1,000,000
Transit Demand Management (TDM)	20.507	OR-2025-033	47,369
Passed through to subrecipients:			
City of Portland			47,369

(Continued)

METRO
Schedule of Expenditures of Federal Awards, *continued*
For the fiscal year ended June 30, 2025

Grantor and Program Title	Federal Assistance Listing Number	Grant/Pass-Through Number	Federal Expenditures
U. S. DEPARTMENT OF TRANSPORTATION, <i>continued</i>			
Regional Travel Options / Safe Routes	20.507	OR-2025-026	\$ 2,758,349
Passed through to subrecipients:			
Beaverton School District 48			55,089
City of Gresham			5,449
City of Hillsboro			58,645
City of Portland			795,239
City of Tigard			35,701
City of Wilsonville			64,161
Clackamas Community College			49,039
Clackamas County			27,134
Community Cycling Center			83,022
Division Midway Alliance			59,375
Forth			29,729
Go Lloyd			28,480
Lloyd EcoDistrict			8,388
Multnomah County			26,369
Northwest Housing Alternatives			12,030
Oregon Walks			51,945
Pear			54,879
Portland Community College			35,209
Portland Indigenous Marketplace			17,163
Ride Connection Inc			176,538
The Street Trust Community Fund			49,556
Trash for Peace			4,643
Tri Met			441,740
Washington Park Transportation			20,901
Westside Transportation Alliance Inc			100,305
Total Federal Transit Cluster			8,537,439
Federal Highway Administration-			
Direct Programs:			
Safe Streets and Roads for All (SS4A)	20.939	693JJ32340560	916,968
Passed through to subrecipients:			
City of Tigard			173,966
Multnomah County			225,440
Washington County			210,480
Total U.S. Department of Transportation			14,490,779
U.S. DEPARTMENT OF THE TREASURY			
American Rescue Plan Act-			
Passed through Participatory Budgeting Oregon:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Youth Voice, Youth Vote	94,675
Total U. S. Department of the Treasury			94,675
U.S. ENVIRONMENTAL PROTECTION AGENCY			
Climate Pollution Reduction Grant (CPRG)	66.046	5D-02J36101-0	421,891
Brownfields Assessment and Cleanup Grant Program-			
Brownfield Assessment FY21-23	66.818	BF-01J86401-0	6,940
Brownfield Assessment FY24	66.818	BF-02J87701-0	149,142
Total Brownfields Assessment and Cleanup Grant Program			156,082
Total U. S. Environmental Protection Agency			577,973

(Continued)

METRO
Schedule of Expenditures of Federal Awards, *continued*
For the fiscal year ended June 30, 2025

<u>Grantor and Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Grant/Pass-Through Number</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
Homeland Security Grant Program			
Passed through City of Portland, Bureau of Emergency Management (PBEM):			
Urban Area Security Initiative	97.067	CoP # 32003380	\$ 64,278
Total U. S. Department of Homeland Security			64,278
Total Expenditures of Federal Awards			\$ 16,694,596

The accompanying notes are an integral part of this schedule.

METRO
Notes to Schedule of Expenditures of Federal Awards
For the fiscal year ended June 30, 2025

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes all federal grant activity of Metro, under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because this Schedule presents only a selected portion of the operations of Metro, it is not intended to and does not present the financial position, changes in net position or cash flows of Metro.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in note II.C to Metro's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenses are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where applicable. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – ELECTION OF DE MINIMIS INDIRECT RATE

During the year ended June 30, 2025, Metro did not elect to use the de minimis indirect cost rate allowed under the Uniform Guidance.

Metro
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Section I – Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ Yes ☒ No

Identification of major federal programs and type of auditor's report issued on compliance for major federal programs:

<i>Federal Assistance Listing Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for Major Federal Programs</i>
20.205	Highway Planning and Construction	Unmodified
20.939	Safe Streets and Roads for All	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

Metro
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Section II – Financial Statement Findings

None noted

Section III – Federal Award Findings and Questioned Costs

None noted

Metro
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2025

No findings identified in the prior year.

