

Tri-County Metropolitan Transportation District of Oregon
Annual Comprehensive Financial Report
For the Fiscal Years Ended June 30, 2025 and 2024





Annual Comprehensive Financial Report For the Fiscal Years Ended June 30, 2025 and 2024



www.TriMet.org

Prepared by the Financial Services Department 101 SW Main Street, Suite 700 Portland, Oregon 97204

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Introductory Section





October 13, 2025

TriMet Board of Directors and citizens of Multnomah, Clackamas, and Washington Counties

We are pleased to present the Annual Comprehensive Financial Report for Tri-County Metropolitan Transportation District of Oregon (TriMet or the District) for the fiscal years ended June 30, 2025, and June 30, 2024. This transmittal letter provides a summary of the District's finances, services, achievements, and economic prospects. Readers may refer to the Management's Discussion and Analysis (MD&A) portion of the Financial Section of this report for a more detailed discussion of the District's financial results. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the MD&A.

The accuracy of the District's financial statements and the completeness and fairness of their presentation is the responsibility of District management. To the best of our knowledge, we believe this report to be complete and reliable in all material respects. To provide a reasonable basis for making this representation, we have established a comprehensive system of internal controls designed to protect the District's assets from loss, to identify and record transactions accurately, and to compile the information necessary to produce financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not exceed the likely benefits, the District's internal control system intends to provide reasonable, but not absolute, assurance that the financial statements are free from material misstatement.

The District's financial statements have been audited by Eide Bailly LLP, Certified Public Accountants. The firm is based in Menlo Park, CA, and is licensed to practice in the State of Oregon. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal years ended June 30, 2025, and June 30, 2024, are free of material misstatement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's basic financial statements for the fiscal year ended June 30, 2025, are fairly presented in all material respects in conformity with GAAP. Financial statements and the auditor's opinion can be found in the Financial Section of this report.

The District is responsible for the preparation of the Annual Comprehensive Financial report as required by Oregon Revised Statutes (ORS 297.425). Also included are Audit Comments and Disclosures required under the Minimum Standards for Audits of Oregon Municipal Corporations of the Oregon Administrative Rules (OAR).

In addition, the District is required to undergo an annual single audit of its Federal Assistance Programs in conformity with the provisions of 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) and the provisions of Governmental Auditing Standards promulgated by the U.S. Comptroller General as they pertain to financial and compliance audits. The results of this audit can be found in a separately issued Single Audit Report.

Profile of TriMet

TriMet is a public agency established in 1969 by the Oregon legislature under the provisions of Oregon Revised Statutes (ORS) 267. TriMet provides transportation services within three counties of the Portland metropolitan area, which has a total population of 1.8 million across 533 square miles, compared to the District's service area that covers 354 square miles and more than 1.56 million people. Under the provisions of Oregon Revised Statutes (ORS) 267, TriMet is a governmental proprietary enterprise fund.

TriMet is governed by a seven-member board of directors who are appointed by the Governor of the State of Oregon to serve four-year terms and each Board member must reside in the geographical district they

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represent. The board is responsible for agency policy, oversees the District's annual budget, enacts legislation (taxing and policy ordinances), reviews most contracts greater than two million dollars and directs the activities of the General Manager (GM). The GM reports to the Board of Directors and oversees the Executive Directors. The Executive Directors are responsible for directing and overseeing the District activities, management of District employees, and for providing support to the General Manager and the Board of Directors. TriMet also has a number of advisory committees with objectives that include the interests and needs of current and future customers, extending the agency's transit equity strategy, promoting safety, and programs for seniors and people with disabilities.

The overall purpose of the District is to plan, develop, finance, operate, and maintain a coordinated system of transportation that meets local mobility demands and promotes growth and economic development for the greater Portland region. TriMet provides bus, light rail, commuter rail service, and paratransit services to connect people with their community, while easing traffic congestion and reducing air pollution — making our region a better place to live.

History

TriMet is the most recent in a long line of transit pioneers in the Portland area. The region was once served by one of the nation's most extensive networks of streetcars and interurban lines, complemented by mainline railroads, and river ferries. Early advances in electric power and coordinated transit service foreshadowed the development of the extensive transit system that serves the region today.

Upon its creation in 1969, TriMet replaced Rose City Transit Company, which operated private bus routes in the three counties in Portland's urban area: Multnomah, Washington, and Clackamas Counties. TriMet has been profoundly influential in shaping the growth and character of the Portland region. Through innovations in policy development, system design and technological advancement, the agency continues to set benchmarks for the transit industry at home and abroad. For more on the transit history of our region please see TriMet History & Interactive Timeline.

TriMet operates 79 bus lines and one high-capacity bus for Frequent Express (FX). TriMet's paratransit service program known as LIFT started in 1976 to provide demand response transportation services to people experiencing disability or disabling health conditions. The LIFT Program currently operates origin to destination service according to service standards that exceed or are equal to the standards established by the Americans with Disabilities Act. In 1986, TriMet began operating the Metropolitan Area Express (MAX) light rail system. The first MAX line (Blue Line or the Banfield Light Rail) connected a 15 mile alignment from the suburb of the City of Gresham to downtown Portland. Today, there are five MAX lines on 60 miles of track with 97 stations serving the tri-county region. In 2009, TriMet's Westside Express Service (WES) commuter heavy rail line began operations of approximately 15 miles between Beaverton and Wilsonville. The WES commuter rail line involved a joint use agreement with Portland & Western Railroad that allowed TriMet and the freight railroad to use the same tracks under complex operating arrangements. TriMet's high-capacity 15 mile bus line, FX, launched in fall of 2022.

TriMet also provides the operators and maintenance personnel for the city of Portland-owned Portland Streetcar system. For more history on the City of Portland's streetcar, please see Streetcar History - Portland Streetcar.

Budgetary Control

TriMet is authorized to levy taxes, charge fares to pay for operations, and to issue general obligation and revenue bonds.

State law requires the District to adopt an annual budget by resolution of the Board of Directors. As required by ORS 294.456, TriMet appropriates resources at the organizational unit (Divisions) and program (Other Post-Employment Benefits (OPEB), Other Non-Operating Requirements, Debt Service, and Contingency) level. The legal level of budgetary control is at the organizational unit. TriMet uses one major budgetary fund to account for all its activities. Once the budget is adopted, the Board of Directors retains the authority

to amend it, and any increase in expenditures requires their approval. Division managers monitor budget-to-actual performance on a monthly basis.

TriMet budgets on the cash basis whereas TriMet's financials are issued on the full accrual basis of accounting or Generally Accepted Accounting Principles (GAAP). Differences in revenues and expenses from budgetary basis to full accrual GAAP include capital asset activities, bond transactions, OPEB and related deferred amounts, defined benefit pensions, claims liabilities, lease-leaseback amounts, and compensated absences. The Financial Section of this report includes a supplemental schedule that compares actual results on a budgetary basis of accounting to the final adopted budgets.

FINANCIAL AND ECONOMIC CONDITIONS

Local Economy

TriMet's service area covers the majority of the three counties in the greater Portland metropolitan area, Multnomah County, Clackamas County and Washington County. TriMet's service area is outlined in orange in the map below. As of July 2025 Approximately 47 percent of Oregon's population lives in the Portland Metropolitan area, with Multnomah County as the most populous county in the State with 779,968 residents followed by Washington County with 596,423 residents and Clackamas County with 423,283 residents.

TriMet Service District Area



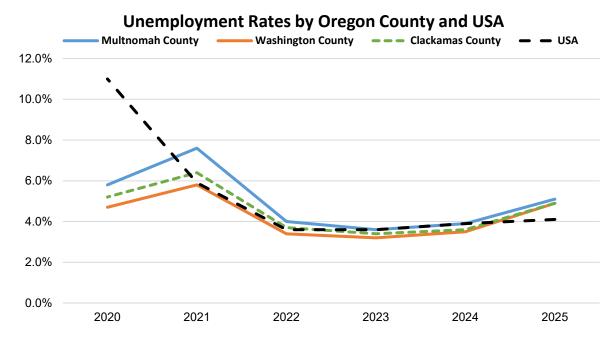
The Portland downtown area is far from pre-pandemic economic activity, especially as it relates to core downtown office vacancy rates which directly impacts the District's business model. In downtown Portland, the office vacancy rate reached about 35 percent in 2025, which by some measure is among the highest in the nation. Downtown Portland commute workers have historically represented a large demographic of TriMet's ridership.

The local and state-wide economy also impacts the District's finances. For fiscal years 2023 through 2025, inflation in housing, consumer goods and services, and job market trends remain key factors influencing the Portland economy. On employment, despite ongoing headwinds in select industries, income growth continued to demonstrate resilience through 2024 and into 2025; however recent indicators now point to a softening labor market, with the Portland are unemployment reaching approximately 5.0 percent in July

2025 – the highest level since early in the post-pandemic recovery. In mid-2025, salary growth has begun to moderate as the job market cools and employers adjust to higher operating costs and economic uncertainty. Elevated interest rates have continued to cool the housing market and slow property development in the region. While the Federal Reserve's rate hikes throughout 2023 and 2024 helped bring down headline inflation (including food and energy), core inflation has remained persistently above target. In response to easing inflation and a softening labor market, the Federal Reserve has signaled plans to gradually lower interest rates in the fall of 2025.

Oregon's unemployment tends to increase correspondingly with the national average trends during a recession. For a moderate recession, Oregon typically experiences a one to two percentage point increase in the unemployment rate, compared to a five to six percentage point increase during severe recessions. According to the state of Oregon Employment Department, the Portland metropolitan area unemployment rate was 4.5 percent in June 2025, up from 3.9 percent in June 2024, signaling a gradual cooling in the regional labor market. The State's revenue outlook notes a slowdown in income growth and a decline in business income. TriMet's payroll tax revenues are closely tied to the region's salary growth. Through fiscal year 2024, payroll tax revenues remained stable. January 1, 2025 was the final rate increase in the employer payroll tax revenues.

The chart below displays unemployment rates over the last six years for the three counties the District operates compared to the USA. The economic impact of the global pandemic has resulted in the local unemployment rates peaking in 2020 slightly below national rate of 11.1 percent and then decreasing to around 5.0 percent in June 2025, which is slightly above national average of 4.1 percent.

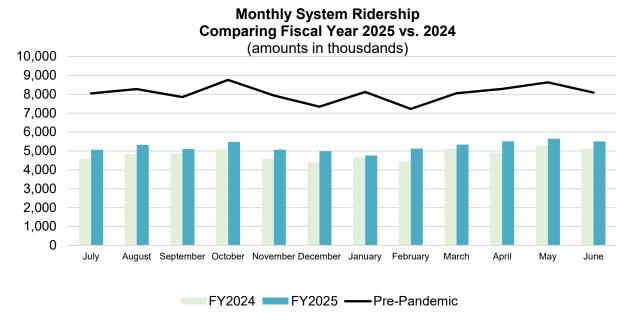


Personnel costs are the District's largest expenditure. TriMet and the Amalgamated Transit Union (ATU) Local 757 have a new Working and Wage Agreement in effect from December 1, 2024 through November 30, 2028. The agreement provides a 13.6 percent wage increase over four years. The first wage increase was 4 percent on December 1, 2024 and 3 percent increases in each subsequent year. Details on TriMet's union can be found here <u>ATU Local 757 (atu757.org)</u>.

Almost 90 percent of TriMet's revenues come from three sources: passenger revenues, payroll tax revenues, and grants from federal and state programs.

Passenger Revenues

TriMet's ridership has been gradually recovering since the COVID-19 pandemic (the pandemic), though it continues to be challenged by the impacts of remote work and shifting commuting preferences. TriMet's LIFT paratransit program was hard hit by the pandemic, however recent years have seen significant improvements in LIFT ridership. At the end of fiscal year 2025, LIFT ridership was 22.3 percent below prepandemic levels. Fixed route (bus, rail, and commuter rail, excluding paratransit services) ridership for fiscal year 2025 was up 4.5 percent compared to fiscal year 2024. Total ridership at the end of fiscal year 2025 is down 32.0 percent compared to pre-pandemic level. Looking at fixed route ridership for fiscal year 2024 compared to fiscal year 2023, ridership increased 12.6 percent, but was down by 32.4 percent compared to pre-pandemic data. The chart below shows monthly ridership for fiscal year 2025 compared to fiscal year 2024 along with monthly ridership before the pandemic.



On January 1, 2024, the District increased fares for the first time in a decade of \$0.35 for Adult, and \$0.15 for Honored Citizens and youth reduced fares. Fiscal year 2025 is the first full year of these fare increases. Fiscal year 2026 passenger revenues are forecasted based on ridership activity since the pandemic began and are estimated to be \$62.7 million. The continuation of the reduced fare based on income, Hop Fastpass ® market penetration, and continued on-time performance will have positive effects on returning ridership.

In fiscal year 2018, Hop Fastpass ® launched, bringing the region's riders a state-of-the-art fare collection system, serving TriMet, C-TRAN, and Portland Streetcar customers. C-TRAN provides public transportation throughout the region of Clark County, Washington. Since then, adoption of the electronic fare system has increased dramatically. More than 85 percent of TriMet's passenger revenues flow through the Hop system.

TriMet has continued to innovate with Hop payments since its initial launch, partnering with Apple and Google to introduce the first virtual transit cards in North America for both platforms. Riders can also simply tap a contactless credit or debit card – or use a mobile wallet such as Apply Pay, Google Pay or Samsung Pay on Hop readers to pay fares. These advancements make it easier than ever to ride while benefitting from fare-capping. With this progressive electronic payment feature, riders can earn a day or month pass as they ride – without needing to pay the full cost of a pass upfront.

With fare capping, Honored Citizen riders – including among others, those who qualify with a household income up to 200 percent of the federal poverty level, receive a fifty percent reduction on tickets and day passes, as well as unlimited rides within a calendar month for twenty eight dollars. For riders without access

to banking or similar financial services, Hop also provides convenient options: TriMet's retail network includes hundreds of locations where cash can easily be converted into Hop Fastpass ® value.

Also reported with passenger revenues are State and Federal revenue sources dedicated to LIFT Paratransit Services.

Auxiliary Transportation and Other Revenue

Auxiliary transportation and other revenue includes the District's accessible transportation program or LIFT paratransit services as well as rental revenue and other local governmental transactions.

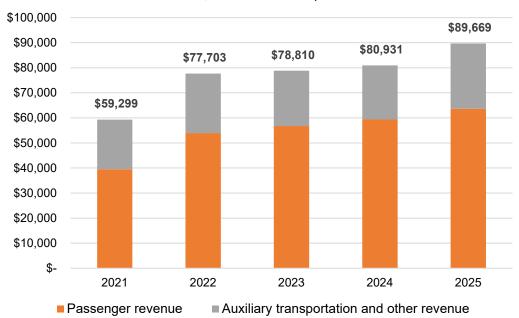
The City of Portland and TriMet have entered into an intergovernmental agreement (IGA) to operate and maintain the Portland Streetcar. Service Contract revenues under this IGA are reported in the line item for auxiliary transportation and other revenue. The revenues are from the contract with the City of Portland Streetcar reimbursing TriMet for TriMet's operating personnel. Revenues from the contract with the City to operate the Portland Streetcar were \$10.4 million in fiscal year 2025 and \$9.7 million in fiscal year 2024. In fiscal year 2026, these revenues are projected to be \$10.9 million.

Advertising revenue from local vendors advertising on TriMet buses and light rail vehicles is reported in the line item for auxiliary transportation and other revenue. Fiscal year 2025 reported \$2.0 million in transit advertising revenues and \$1.2 million in fiscal year 2024. Transit advertising is projected to be \$2.0 million in fiscal year 2026.

The chart below presents operating revenues over the past five years, focusing on passenger revenues and auxiliary transportation and other revenue. Fiscal year 2021 reflects the significant impact of the pandemic on passenger revenues, as discounts were offered to encourage employers to maintain annual pass programs, and reimbursements for on-demand paratransit services declined sharply. Auxiliary transportation and other revenue, particularly transit advertising, was also heavily affected but began to recover in fiscal year 2022, showing early signs of rebounding from the pandemic. Revenues continued to stabilize in fiscal year 2024, with steady improvement in both passenger revenues and auxiliary sources. By fiscal year 2025 with the pandemic effects no longer a significant factor, stronger growth was realized, with increases in passenger revenues, rental income, and transit advertising.

Operating Revenues

(dollars in thousands)



Payroll Tax Revenues

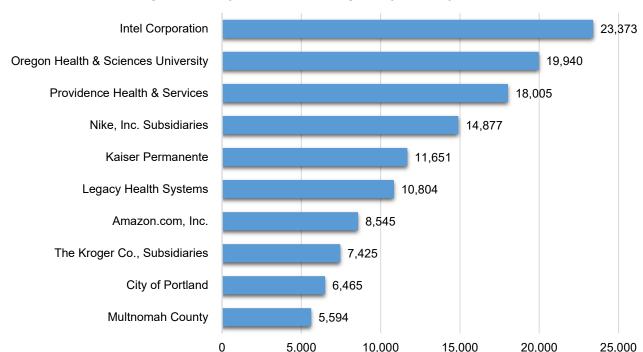
TriMet's payroll and self-employment tax is levied wages and earnings within the District's boundaries and provides operating revenue for TriMet. The Oregon Legislature, under Oregon Revised Statutes Chapter 267, authorized the District to impose an excise tax on employer based on wages paid to employees. The same authority also permits the District to levy an equivalent tax on self-employed individuals. Over time, the allowable rate has been gradually increased through statutory amendments and by the authority of the District's Board of Directors.

The tax is administered and collected by the State of Oregon Department of Revenue (DOR). The transit payroll tax (PRT) is reported and paid quarterly through the Oregon Combined Payroll Tax Report (Form OQ), which includes total employer-paid wages, wages subject to PRT, and state income tax withholdings. The PRT is based on where the work is performed and whether that location is within the TriMet District boundary. The most recent rate increase took effect on January 1, 2025, bringing the payroll tax rate to 0.8237 percent of both employer-paid wages and net earnings from self-employment.

The fiscal year 2026 forecast assumes a total growth rate of 5.6 percent for payroll tax revenues, indicating employment in the region may be softening. Payroll tax revenues were not significantly affected by the pandemic and demonstrated resiliency as employment remained strong.

The table below notes the top ten largest employers based on the total employee count. This data is from the 2023 Quarterly Census of Employment Wages, the most recent available.

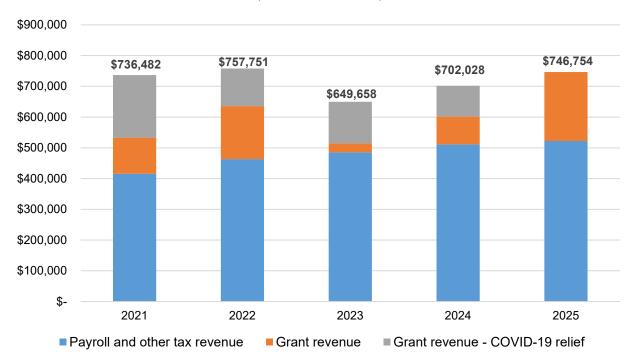
Largest Employers in TriMet Region by Employee Count



For the District's non-operating revenues, the chart below displays the last five years grant revenues (Federal, state and other), COVID-19 relief grants, and total payroll tax revenues.

Non-Operating Revenues

(dollars in thousands)



Federal and State Grant Revenues

TriMet participates in Federal and State grant programs. For fiscal year 2026, budgeted federal operating funds totaled \$147.5 million or 16.2 percent of TriMet's resources for operations. This includes Section 5307 Urbanized Area Formula of \$63.2 million, Section 5337 State of Good Repair of \$56.7 million, 5310 Enhanced Mobility of Seniors & Individuals with Disabilities of \$2.4 million, and other smaller federal grants of \$5.9 million. Additionally, TriMet plans about \$19.2 million in fiscal year 2026 of federal highway program funds through the Surface Transportation Block Grant (STBG) Program and Congestion Mitigation & Air Quality (CMAQ) Program to pay for regional rail capital bonded debt service.

The Federal government took extraordinary measures to combat the economic disruption of the pandemic. In response to COVID, the Federal government awarded the District approximately \$669.7 million in grants via the Coronavirus Aid, Relief, and Economic Security (CARES) Act and Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) funding and the American Rescue Plan Act (ARP). These Federal funds are a one-time-only resource used to prevent, prepare for and respond to the pandemic and allows TriMet to continue providing service that would otherwise need to be cut due to overall lost revenues resulting from the pandemic and orders to work-from-home. In fiscal year 2024, TriMet had received all of the pandemic relief funds, CARES Act, CRRSAA, and ARP Federal Funds.

In 2017, the state legislature passed House Bill 2017 (HB 2017 or STIF). Section 122 of HB 2017 known as "Keep Oregon Moving" established funding intended to support improvements in public transportation in Oregon to help build vibrant economies with good jobs, increased quality of life, clean environment, and safe and healthy people. The fund provides a dedicated statewide resource for transit and is funded by an employee payroll tax of one-tenth of one percent. TriMet received its first allocation of STIF grant funds in May 2019 and has since received regular quarterly allocations. In fiscal year 2026, TriMet is budgeted to utilize \$83.7 million in STIF formula funding for fixed route service and subsidized fare programs.

Budgeting & Financial Planning

For fiscal year 2026, TriMet expects to receive about \$555 million in payroll taxes; \$63 million in passenger fares; \$147 million from federal operating grants, and \$84 million in State of Oregon Department of Transportation revenues. The District expects to receive a small portion of funding from accessible transportation and service contracts, advertising, and other miscellaneous revenues. The fiscal year 2026 budget also includes consideration for a bond issuance of up to \$150 million to fund various capital projects.

The District is contending with a growing operating budget gap, including a projected \$300 million deficit over the next 15 years driven by pandemic-related revenue declines and rising costs and inflation affecting vehicles, construction, and healthcare. A lack of legislative action to increase payroll tax revenues will further deepen the shortfall. To address these challenges, TriMet has announced service changes beginning in December 2025 and is planning other future budget reductions.

FINANCIAL POLICIES

TriMet follows a set of Board-adopted financial policies that guide day-to-day operations and support long-term financial sustainability. The Strategic Financial Plan, amended and restated in June 2025 (Resolution 25-06-33 2025 Strategic Financial Plan.pdf), establishes the financial and operational framework for navigating near-term challenges and achieving a sustainable future. A brief description of certain Board adopted financial policies that affect the District's financial position include:

- Fare Policy Balances ridership growth with passenger revenue by requiring a fare review at least every two years. The Board strongly considers fare adjustments at least every four years to ensure pricing aligns with service costs.
- **Debt Management Policy** Governs the issuance and administration of all debt and capital lease financings. The policy authorizes various debt types while limiting annual senior lien payroll tax debt service to 7.5 percent of continuing revenues.
- Unrestricted Fund Balance and Contingency Policy Establishes guidelines to maintain adequate reserves for unanticipated costs or revenue shortfalls. The policy sets a minimum fund balance of two to two and a half months of operating expenses and appropriates annual contingency at no less than 3 percent of operating requirements. Corrective action is required if these thresholds are not met.
- Reserves Policy Directs management to evaluate unrestricted revenues exceeding operating
 expenditures and, when available, set aside funds to address future economic downturns or capital
 needs.
- **Investment Policy** Provides standards for managing cash and investment portfolios to ensure security, maintain liquidity, achieve market-based returns, and comply with Oregon statutes governing public funds.
- Pension and Other Post-Employment Benefits Funding (OPEB) To maintain its pension plans at a funding level between 80 and 90 percent. If the funded status falls below 80 percent, the District will increase contributions until the plan is restored to that threshold. Conversely, if the funded status exceeds 90 percent, contributions may be reduced to avoid creating an unnecessary surplus. Retiree healthcare benefits (OPEB) are primarily funded on a pay-as-you-go basis, with supplemental contributions to the OPEB Trust once pension contributions are met. As the OPEB Trust grows, retiree health costs will be met through a balanced approach of pay-as-you-go funding and trust assets.

The amended and restated Strategic Financial Plan also includes fiscal guidelines for the District, including guidance to grow and maintain revenue, manage operations for cost efficiency, manage capital assets for long-term sustainability and manage economic risk.

MAJOR INITIATIVES

Transit Service

The adopted \$1.96 billion budget for fiscal year 2026 continues to provide the financial framework to grow ridership and improve the customer experience. It includes nearly \$918 million for daily operations; \$165 million for capital investments; and about \$24 million in pass-through and funding exchange requirements, and \$77 million in contingency funds. It also includes \$771 million in ending fund balance totals, which are unappropriated and unavailable for spending in fiscal year 2026.

As Oregon's largest public transportation provider, our proposed fiscal year 2026 budget focuses on providing exceptional transit service and proposes service improvements guided by our Forward Together service concept. In 2026, the District will work to streamline routes and discontinue service with less ridership and demand.

Climate Action and Bus Electrification

In response to global warming and the ongoing climate crisis, TriMet uses renewable diesel, which reduces emissions by nearly 70 percent. TriMet is continuing to research and prepare for a zero-emissions bus fleet and developing maintenance facility improvements necessary to support zero-emissions buses with comparable performance and availability, allowing replacement of diesel buses as appropriate. Efforts toward a zero emission bus fleet have been stymied by technological limitations, shifting federal support for zero-emission initiatives and capital funding challenges.

Safety & Security

The Safety & Security budget for fiscal year 2026 is \$83.7 million, which is 2.5 times the fiscal year 2022 budget of \$32.5 million. This increase demonstrates TriMet's commitment to enhancing safety and security across the transit system and improving the overall ridership experience. TriMet has expanded the number of unarmed safety and security personnel who provide presence, assistance, and resources system wide. Additional improvements include infrastructure enhancements based on crime prevention through environmental design principles and expanded CCTV coverage. Today, more than 350 unarmed security personnel, the most in TriMet's history, are providing direct support to riders. Among them is the innovative Safety Response Team, whose members carry Narcan, an FDA-approved, life-saving nasal spray that reverses the effects of an opioid overdose. The expansion of the Safety Response Team, along with other initiatives, is a direct result of TriMet's Reimagining Public Safety on Transit efforts.

To further support these initiatives, TriMet had made numerous infrastructure enhancements based on Crime Prevention through Environmental Design principles, expanded CCTV coverage, and established a Security Operations Center that received a 2025 American Public Transportation Association Gold Medal Award. Serving as the nerve center of TriMet's safety program, the Safety Operations Center coordinates the work of hundreds of personnel and thousands of cameras to ensure rapid response to security concerns throughout the system. Riders can reach the team 24 hours a day by texting or calling 503-238-7433 (RIDE) or by using the security button on our homepage, www.trimet.org. Through these initiatives, TriMet is addressing key safety concerns while charting a path forward to improve the rider experience and build trust across the transit system.

Capital Investment and State of Good Repair

TriMet's capital projects are focused on our commitment to investing in infrastructure through major corridor projects and ongoing system upgrades that supports safe, reliable, and efficient transit service. This includes continued development of the 82nd Avenue transit project as TriMet's next FX bus line, improving access, speed and reliability through transit priority elements along this high-ridership route as well as transit access and safety enhancements on Tualatin Valley Highway. System wide, TriMet is also planning on replacing aging infrastructure, vehicles, and equipment to maintain safety and ensure long-term reliability.

TriMet is considered a mature transit agency operating multiple modes of transportation, with aging bus and rail facilities, almost 40 years old or older. Sections of the MAX light rail system have been in operation since 1986. Certain portions of the District's light rail track segments, substations, and light rail vehicles are in need of replacement or significant overhaul. In the 2026 budget and going forward, the District is putting significant focus on our existing asset with nearly \$82.9 million, approximately 50 percent of the total Capital Improvement Program (CIP) budget, is dedicated for State of Good Repair.

Future Debt Issuance

In fiscal year 2026, TriMet anticipates issuing up to \$150 million in senior lien payroll tax revenue bonds to finance light rail vehicles, buses, alternative fuels infrastructure, the 82nd bus rapid transit project, the Tualatin Valley Highway bus rapid transit and the Columbia Bus Base facility. Prior to issuing the bonds, the Board of Directors will approve a resolution with the intent to issue up to \$150 million.

TriMet 2030

TriMet has adopted a new <u>Strategic Plan: TriMet 2030</u>. This plan contains five goals and seventeen strategies, aimed at connecting people with valued mobility options that are safe, convenient, reliable, accessible and welcoming for all. This plan will chart TriMet's course over the next five years. The five goals are:

- 1. Elevate the Customer Experience deliver clean, safe, accessible and reliable service that attracts ridership.
- 2. Ensure Financial Stability and Stewardship drive organizational efficiencies, optimize decision-making processes and safeguard our assets to ensure the long-term financial health of the organization.
- 3. Increase Investment in Safe and Reliable Infrastructure strengthen and fund maintenance of our transit assets.
- 4. Advance TriMet's Value to the Region leverage our role as a trusted regional leader and effectively tell our story about the benefits of public transit and the promise of our regional future.
- 5. Continue to Build an Adaptable, Safe and Thriving Workforce emphasize collaboration, communication, streamlined processes and timely decision-making to foster a high-performing environment where employees feel motivated and valued.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting which is a prestigious national award that recognizes conformance with the highest standards for the preparation of a state or local government financial report. To be eligible for the award, a government must publish an easily readable and efficiently organized report along with adhering to both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements. TriMet received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year 2024 Annual Comprehensive Financial Report (ACFR). We believe our current ACFR meets the Certificate of Achievement Program's requirements.

I would like to express my appreciation to all TriMet staff who assisted and contributed to the preparation of this report. The preparation of this report would not have been possible without the efficient and dedicated services of several departments, especially Financial Services. Special thanks are extended to Cara Fitzpatrick, Eric Mireiter, and Kingston Sprague of Financial Services. The preparation of the ACFR demonstrates the staff's dedication to improving the standard of reporting to the Board of Director's and TriMet's stakeholders. We express our appreciation to Eide Bailly, certified public accountants. We also wish to compliment the Board of Directors for their interest and support in planning and conducting the District's financial operations responsibly.

Respectfully submitted,

Mancy Young-Oliver, CPA, CPFO, CFE, CISA

Chief Financial Officer



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

TRIMET Oregon

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

Board of Directors and District Service Area Map as of June 30, 2025



Thomas Kim Vice-President District 1: Washington County



JT Flowers
District 5: N and NE Portland



Erin GrahamDistrict 2: NW & portions of SW Portland



Dr. LaVerne Lewis PresidentDistrict 6: E Multnomah County



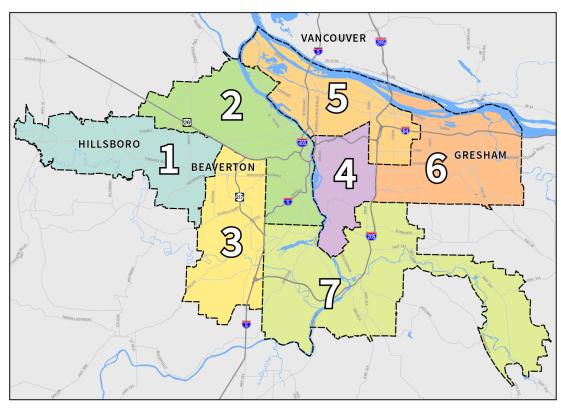
Robert Kellogg
District 3: SW Portland and
Washington County



Kathy Wai Secretary/Treasurer District 7: Clackamas County



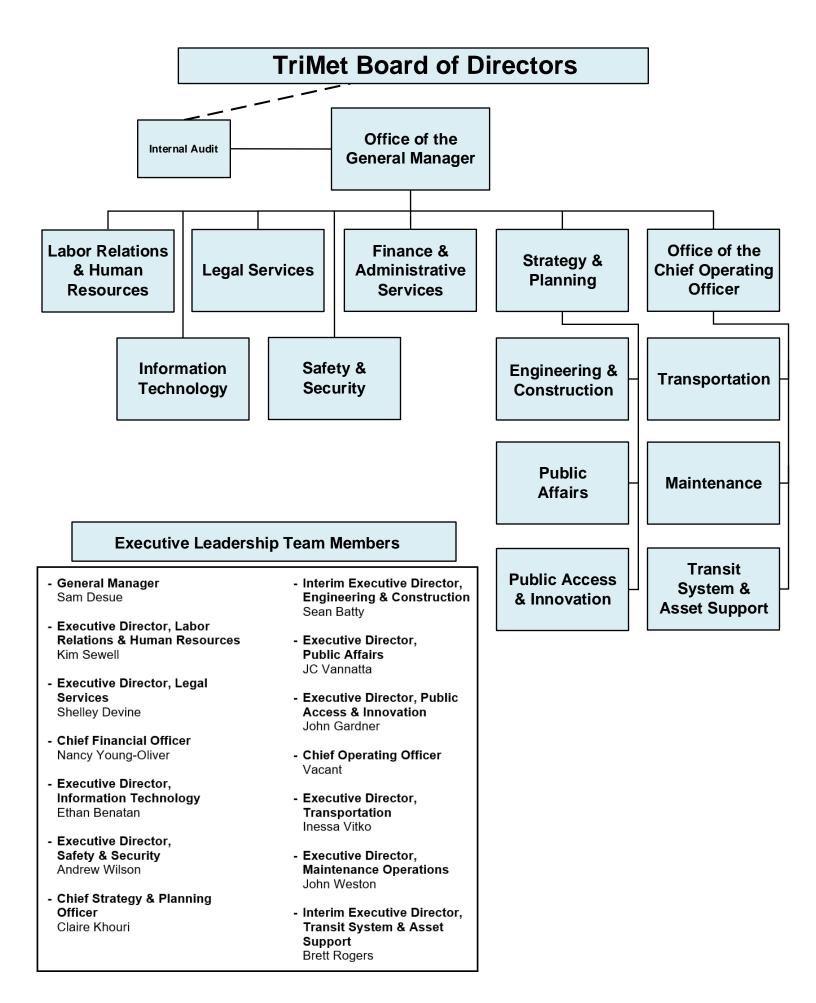
Tyler FrisbeeDistrict 4: SE Portland



TriMet Board of Director Districts









Financial Section





Independent Auditor's Report

The Board of Directors
Tri-County Metropolitan Transportation District of Oregon
Portland, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and fiduciary activities of the Tri-County Metropolitan Transportation District of Oregon (District) as of and for the years ended June 30, 2025 and June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary activities of the District, as of June 30, 2025 and June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of changes in net pension liability and related ratios, schedules of pension contributions and investment returns, and schedules of changes in the District's net OPEB liability and investment returns, 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 GAAS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The reconciliation of revenues and expenses (budget basis) to schedule of revenues and expenses (GAAP basis), the reconciliation of fund balance (budget basis) to net position (GAAP basis), the schedule of revenues and expenses budget (budget basis) and actual – general fund and the schedule of bonds payable obligations outstanding 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 GAAS. In our opinion, the reconciliation of revenues and expenses (budget basis) to schedule of revenues and expenses (GAAP basis), the reconciliation of fund balance (budget basis) to net position (GAAP basis), the schedule of revenues and expenses budget (budget basis) and actual – general fund and the schedule of bonds payable obligations outstanding are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the 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 October 13, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated October 13, 2025, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Ahmad Gharaibeh, Partner, for

Eide Bailly, LLP

Menlo Park, California

October 13, 2025

Tri-County Metropolitan Transportation District of Oregon

Management's Discussion and Analysis

(dollars in thousands)

This section provides an overview and analysis of key data presented in the basic financial statements of Tri-County Metropolitan Transportation District of Oregon ("TriMet" or "the District") for the fiscal years ended June 30, 2025 and 2024, including the District operations within the Enterprise Fund, the TriMet Defined Benefit Retirement Plan for Management and Staff Employees Trust Fund, the Pension Plan for Bargaining Unit Employees of TriMet Trust Fund ("the Trust funds") and the Trust Fund for Other Post-Employment Benefits (OPEB). The Enterprise Fund reports transit activities and operations of the District except for the activities included within the Trust funds and the District's Other Post-Employment Benefits Trust Fund. The TriMet Defined Benefit Retirement Plan for Management and Staff Employees Trust Fund accounts for the non-union employee benefit plan. The Pension Plan for Bargaining Unit Employees of TriMet Trust Fund accounts for the resources held for the union employee benefit plan. The Other Post-Employment Benefits Trust Fund accounts for the resources held for the OPEB benefit plan. Information within this section should be used in conjunction with the basic financial statements and accompanying notes. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

OVERVIEW OF THE FINANCIAL STATEMENTS

TriMet, a public corporation in the State of Oregon, is a regional transit authority providing a high-capacity transportation system throughout parts of Multnomah, Washington and Clackamas Counties through light rail ("MAX"), bus transportation systems, commuter rail ("WES"), paratransit service ("LIFT") and providing operators to the City of Portland owned Streetcar system.(owned by the City of Portland, operated by TriMet).

In accordance with requirements set forth by the Governmental Accounting Standards Board (GASB), the District's financial statements employ the accrual basis of accounting in recognizing increases and decreases in economic resources. Accrual accounting recognizes all revenues and expenses incurred during the year, regardless of when cash is received or paid.

The basic financial statements, presented on a comparative format for the years ended June 30, 2025 and 2024, are comprised of:

Statements of Net Position – The District presents its statement of net position using the balance sheet format. The statement reflects assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the District. Net position is separated into: net investment in capital assets, net position – restricted for debt service, net position – restricted for capital projects and net position – unrestricted.

Statements of Revenues, Expenses and Changes in Net Position – This statement reflects the transactions that have increased or decreased the District's total economic resources during the fiscal year. Revenues are presented net of allowances and are summarized by major source. Revenues and expenses are classified as operating or non-operating based on the nature of the transaction.

Statements of Cash Flows – This statement presents the sources and uses of cash separated into four categories of activities: operating, noncapital financing, capital and related financing, and investing.

Statements of Fiduciary Net Position – This statement presents the Plan's assets and liabilities and the resulting net position restricted for pensions and net position restricted for other post-employment benefits. The statement reflects the Plan's investments, at fair value, along with cash and cash equivalents, receivables and other assets and liabilities.

Statements of Changes in Fiduciary Net Position – This statement reflects the transactions that have increased or decreased net position for the fiscal year for the pension plans and for the District's other post-employment benefits. This statement reflects District contributions and investment earnings along with deductions for retirement benefits and administrative expenses.

The Notes to the Financial Statements, presented at the end of the basic financial statements, are considered an integral part of the District's presentation of financial position, results of operations, and changes in cash flows.

continued (dollars in thousands)

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's progress in funding its obligations to provide pension and OPEB benefits to its employees. Additional information is presented in the supplementary section of the basic financial statements related to the District's budget and bond compliance.

ENTERPRISE FUND FINANCIAL HIGHLIGHTS

Financial Highlights for Fiscal Year 2025

• Total net position serves over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$1,851,042 at June 30, 2025, a \$69,056 or 3.6 percent decrease from June 30, 2024.

The largest portion of the District's net position is \$2,202,890 or 119.0 percent at June 30, 2025, that represents its investment in capital assets (i.e., track, guideway, buses, light rail vehicles, buildings, improvements, and equipment), net of accumulated depreciation reduced by the amount of related debt outstanding used to acquire those capital assets.

The restricted portion of the District's net position is \$62,909 or 3.4 percent at June 30, 2025, that represents resources that are subject to external restrictions imposed by creditors (debt covenants), grantors, contributors, or laws or regulations of other governments that restrict the use of net position. The unrestricted deficit in net position was (\$414,757) at June 30, 2025. The unrestricted deficit improved slightly by \$11,809 over the prior fiscal year, largely due to a reduction in the net other post-employment benefits liability due to an increase in the discount rate used in the December 31, 2024 actuarial valuation.

- Total operating revenues were \$89,669 for fiscal year 2025. This is an increase by \$8,738 or 10.8 percent from 2024. Both passenger revenues and auxiliary transportation revenue increased over the prior year. Passenger revenue was up by \$4,253 or 7.2 percent over the prior year due to a fare increase that went into effect on January 1, 2024. Total system-wide ridership for fiscal year 2025 increased 4.6 percent compared to fiscal year 2024. However overall ridership at the end of fiscal year 2025 is down 31.9 percent compared to prepandemic levels. Further discussion on passenger revenues and ridership is highlighted in Operating Revenues of the Management Discussion and Analysis.
- Payroll and other tax revenues were \$522,194 for fiscal year 2025. This is an increase of \$10,771 or 2.1 percent
 over the prior fiscal year. The increase is due to the .01 percent increase in the employer payroll tax rate that
 was effective on January 1, 2025. Management closely monitors payroll tax revenues to assess any long-term
 impact from the pandemic and local employment trends.
- Total grant revenue increased by \$33,955 or 17.8 percent over the prior fiscal year. The increase is primarily due to an increase in spending on programs in the Statewide Transportation Improvement Fund (HB2017/STIF) formula funds, specifically focused on service levels, and LIFT operations. Spending on the District's STIF programs also includes service expansion and preservation, Low Income Fare subsidies, purchases of electrical vehicles and installation of charging infrastructure, support for the Safety Response Team, and enhanced transit concepts such as bus transit priority. June 30, 2025 represents the second year of the two year biennium for the STIF grant program.
- Total operating expenses were \$944,316, which is an increase of \$12,532 or 1.3 percent over the prior fiscal year. Salaries and wages were \$291,703, which is an increase of \$31,621 or 12.2 percent over the prior year due to hiring additional operators and overall wage growth for both union and non-union positions. Fringe benefits was \$183,267, which is a decrease of \$31,275 or 14.6 percent from 2024 due to changes resulting from the actuarial valuations over other post-retirement benefit obligations.

Financial Highlights for Fiscal Year 2024

• The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$1,920,098 at June 30, 2024, a \$74,552 or 3.7 percent decrease from June 30, 2023.

The largest portion of the District's net position is \$2,285,824 or 119.0 percent at June 30, 2024, that represents its investment in capital assets (i.e., track, guideway, buses, light rail vehicles, buildings, improvements, and

continued (dollars in thousands)

equipment), net of accumulated depreciation reduced by the amount of related debt outstanding used to acquire those capital assets.

The restricted portion of the District's net position is \$60,840 or 3.2 percent at June 30, 2024, that represents resources that are subject to external restrictions imposed by creditors (debt covenants), grantors, contributors, or laws or regulations of other governments that restrict the use of net position. The unrestricted deficit in net position was (\$426,566) at June 30, 2024. The unrestricted deficit grew or deteriorated by \$61,659 over the prior fiscal year primarily due to an increase in the net other post-employment benefits liability.

- Total operating revenues were \$80,931 for fiscal year 2024. This is an increase by \$2,121 or 2.7 percent from 2023. The increase is noted in passenger revenues which was up by \$2,645 or 4.7 percent over the prior year due to a fare increase that went into effect on January 1, 2024. Total system-wide ridership for fiscal year 2024 increased 12.6 percent compared to fiscal year 2023. However overall ridership at end of fiscal year 2024 is down 32.4 percent compared to pre-pandemic levels.
- Payroll and other tax revenues were \$511,423 for fiscal year 2024. This is an increase of \$26,241 or 5.4 percent over the prior fiscal year. The increase is due to the .01 percent increase in the employer payroll tax revenues that was effective on January 1, 2024.
- Grant revenue was \$89,880, which is an increase of \$60,504 over the prior fiscal year. The increase is due an
 increase in the Statewide Transportation Improvement Fund (HB2017/STIF) formula funds. Spending on the
 District's STIF programs range from service expansion and service preservation to electrical vehicle charging
 infrastructure and enhanced transit concepts. STIF funds were also used to purchase battery electric buses in
 fiscal year 2024. June 30, 2024 represents the first year of the two year biennium for the STIF grant program.
- Grant revenue CARES, CRRSAA, ARP for fiscal year 2024 was \$100,725, which is a decrease of \$34,375 or 25.4 percent compared to the prior fiscal year. This line item highlights Federal operating grants the District received to operate, maintain and manage bus, rail and paratransit transportation systems through the COVID-19 pandemic. In response to COVID, the federal government awarded the District approximately \$669,677 in grants via the Coronavirus Aid, Relief, and Economic Security ("CARES") Act and Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) funding and the American Rescue Plan Act (ARP).
 - Fiscal year 2024 includes \$100,725 in ARP revenues and fiscal year 2023 includes \$125,570. By May 2024, the District had exhausted all COVID relief grant funds. The expenses related to these federal grants are subject to audit by the grantor under the Uniform Guidance.
- Total operating expenses were \$931,784 per the Statements of Revenues, Expenses and Changes in Net Position. This is an increase of \$110,138 or 13.4 percent from fiscal year 2023. The largest increases are noted in salaries and wages and materials and services. Salaries and wages increased by \$31,506 or 13.8 percent over the prior year primarily due to a 4.0 percent scheduled pay increase on December 1, 2023 for union represented employees as a result of the August 2022 revisions to the Working Wage Agreement. See TriMet's Labor Contract Material and services increased by \$47,073 or 28.8 percent in part due to an increase in security services as the District entered into contracts to ensure safety on the system. The increase in material and services is also due to costs for the light rail vehicle overhaul activities and expenses for light rail and track structures for maintenance of way work on the Banfield track rehabilitation project.
- Purchased transportation expenses in fiscal year 2024 were \$40,879, which is an increase of \$10,679 or 35.4 percent from fiscal year 2023 as the District's Accessible Transportation Program (ATP or LIFT) continues to rebound from the pandemic. Fiscal year 2024 includes an increase in service hours and an increase in the hourly rate for TriMet's contract for operators and dispatch services for the LIFT program that provides paratransit services for people who are unable to use regular buses or trains due to a disability or disabling health condition. As many of these riders are in the high-risk group for COVID, demand for paratransit services dropped about 75.0 percent at the start of the pandemic. At June 30, 2024, LIFT ridership was at 33.5 percent below pre-pandemic levels.

continued (dollars in thousands)

ENTERPRISE FUND FINANCIAL SUMMARY

Statements of Net Position

The following reflects a condensed summary of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of TriMet as of June 30, 2025, 2024 and 2023.

Net Position As of June 30 (dollars in thousands)

				Increase (decrease)					
					2025 - 2024			2024 - 2023	
	2025	2024	2023		\$	%		\$	%
Assets									
Current and other assets	\$ 933,886	\$ 1,092,755	\$ 1,154,750	\$	(158,869)	(14.5)%	\$	(61,995)	(5.4)%
Capital assets, net	3,148,333	3,216,239	3,193,617		(67,906)	(2.1)%		22,622	0.7 %
Total assets	4,082,219	4,308,994	4,348,367		(226,775)	(5.3)%		(39,373)	(0.9)%
Deferred outflows of resources	150,512	188,504	192,945		(37,992)	(20.2)%		(4,441)	(2.3)%
Total assets and deferred outflows									
of resources	\$ 4,232,731	\$ 4,497,498	\$ 4,541,312	\$	(264,767)	(5.9)%	\$	(43,814)	(1.0)%
1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -									
Liabilities	Ф 007 440	Ф 004.040	Ф 040 070	Φ.	(54.400)	(40.0)0/	•	40.004	00.0.0/
Current liabilities	\$ 237,418	\$ 291,840	\$ 242,876	\$	(54,422)	(18.6)%	\$	48,964	20.2 %
Noncurrent liabilities	1,810,893	1,941,906	1,897,182		(131,013)	(6.7)%		44,724	2.4 %
Total liabilities	2,048,311	2,233,746	2,140,058		(185,435)	(8.3)%		93,688	4.4 %
Deferred inflows of resources	333,378	343,654	406,604		(10,276)	(3.0)%		(62,950)	(15.5)%
Net position					(== == t)	/a a\a/			
Net investment in capital assets	2,202,890	2,285,824	2,314,337		(82,934)	(3.6)%		(28,513)	(1.2)%
Restricted	62,909	60,840	45,220		2,069	3.4 %		15,620	34.5 %
Unrestricted deficit	(414,757)	(426,566)	(364,907)		11,809	(2.8)%		(61,659)	16.9 %
Total net position	1,851,042	1,920,098	1,994,650		(69,056)	(3.6)%		(74,552)	(3.7)%
Total liabilities, deferred inflows of									
resources, and net position	\$ 4,232,731	\$ 4,497,498	\$ 4,541,312	\$	(264,767)	(5.9)%	\$	(43,814)	(1.0)%

Current and other assets decreased \$158,869 or 14.5 percent, in 2025. Most of the decrease is noted in current and noncurrent restricted investments, which decreased \$148,367 or 65.0 percent from fiscal year 2024 due to spending related to capital projects funded by bond proceeds and an increase in STIF spending from included service expansion and preservation expenses.

Current and other assets decreased \$61,995 or 5.4 percent, in 2024. Unrestricted cash and cash equivalents and investments decreased \$38,514 or 6.7 percent from fiscal year 2023. The decrease in cash and investments, unrestricted is primarily due to the sunset of the District's COVID grant revenues as of May 2024.

Deferred outflows of resources decreased by \$37,992 or 20.2 percent at June 30, 2025 due to the annual amortization occurring of the prior balances. Deferred outflows related to Net Other Post-Employment Benefits (OPEB) decreased by \$29,016 or 17.5 percent from June 30, 2024 due to an increase in the discount rate used to measure the OPEB obligation as of December 31, 2024. The discount rate used in the valuation was 4.1 percent, which was an increase of 0.8 percent over the prior year's valuation of 3.3 percent.

Deferred outflows of resources related to Net Other Post-Employment Benefits (OPEB) increased by \$27,527 or almost 20.0 percent from June 30, 2024 due to a decrease in the discount rate used in the actuarial valuation to measure the OPEB obligation on January 1, 2024. The discount rate was 3.3 percent, which was a decrease of 0.4 percent over the 2023 discount rate of 3.7 percent. The District's OPEB liability and related deferred amounts are sensitive to changes

continued (dollars in thousands)

in actuarial assumptions, especially the discount rate. A small change in the discount rate used in the actuarial valuation can result in a significant changes in the reported OPEB obligation.

Liabilities expected to be paid within one year are recorded in current liabilities which consists primarily of accounts payable, accrued payroll, unearned revenue, unearned capital project revenue, accrued interest, as well as current portions of bonds payable, leases, subscription liabilities, other long term liabilities, compensated absences, and net other post-employment benefits liability. At June 30, 2025, current liabilities decreased by \$54,422 or 18.6 percent. The decrease is noted in accounts payable and unearned capital project revenue. Accounts payable at fiscal year-end 2024 included significant milestone payments for Type VI Light rail vehicles (LRV) to replace the District's oldest LRV fleet and amounts owed to contractors for work on various capital programs and purchases for battery electric buses. Fiscal year 2025 was the end of the two year biennium for the Statewide Transportation Improvement Fund (STIF) program, therefore spending on the STIF program increased throughout the year, resulting in a decrease in unearned capital project revenue at the fiscal year end.

June 30, 2024 current liabilities increased by \$48,964 or 20.2 percent over the prior fiscal year. The increase is noted in accounts payable and unearned capital project revenue from fiscal year 2023. Accounts payable at June 30, 2024 includes milestone payments for Type VI Light rail vehicles (LRV) to replace the District's oldest LRV fleet and amounts owed to contractors for work on various capital programs and purchases for battery electric buses. Fiscal year 2024 was the start of a two year biennium for the Statewide Transportation Improvement Fund (STIF) program, receipts from Oregon Department of Transportation are recorded to unearned capital project revenue.

Noncurrent liabilities consist primarily of long-term debt, long-term portions of leases, subscription liabilities, compensated absences, arbitrage liability, net pension liabilities, and other post-employment benefits (OPEB) liability. In fiscal year 2025, noncurrent liabilities decreased \$131,013 or 6.7 percent from the prior year. The decrease is primarily due to reduction in the OPEB liability, as the discount rate used in the current actuarial valuation increased compared to the prior year's valuation. Additional decreases in noncurrent liabilities resulted from principal and interest payments of outstanding long-term debt and a decrease in the net pension liability due to favorable investment returns net of benefit payments and expenses.

At June 30, 2024 noncurrent liabilities increased \$44,724 or 2.4 percent from fiscal year 2023. The increase is mainly from the OPEB liability as the discount rate used in the actuarial valuation decreased from the prior year's valuation discount rate, thereby increasing the liability.

At June 30, 2025 deferred inflows of resources decreased by \$10,276 or 3.0 from the prior year, primarily due to a reduction in OPEB related deferred inflows of resources.

At fiscal year-end 2024, deferred inflows of resources decreased by \$62,950 or 15.5 percent from fiscal year 2023. Deferred inflows of resources related to OPEB decreased by \$78,198 or 20.0 percent from fiscal year 2023 due to amortization of actuarial experience gains and assumption changes from the prior year's valuation. Deferred outflows related to pensions increased by \$15,992 from fiscal year 2023 due greater than expected investment returns.

Unrestricted net position was reported as a deficit balance for the last three fiscal years, primarily due to the other post-employment benefits (OPEB) liability in the District's financial statements. The OPEB liability, current and noncurrent, recorded on the statement of net position totaled \$645,387 and \$710,911 for the years ended June 30, 2025 and 2024, respectively. The OPEB plan is closed to non-union employees and remains open for union employees. Also contributing to the deficit in unrestricted net position is the balance for the net pension liabilities. At June 30, 2025, the net pension liability was \$171,035 as compared to \$199,819 as of June 30, 2024. The decrease in the net pension liability is due to favorable investment returns and contributions to the plan by the District.

Changes in Net Position

The District's total revenues increased by \$47,753 or 5.7 percent, during fiscal year 2025. Auxiliary transportation revenue increased \$4,485 or 20.8 percent over fiscal year 2024 due to increases in transit advertising revenues and rental income from leases. Passenger revenue increased \$4,253 or 7.2 percent, reflecting a slight increase in ridership. The increase appears to be consistent with trends of more employers requiring in-person work. Payroll and other tax revenue increased slightly by \$10,771 or 2.1 percent, noting the region's unemployment levels continued to remain low

continued (dollars in thousands)

throughout fiscal year 2025. Grant revenues increased \$134,680 over fiscal year 2024 due to an increase in STIF programs as fiscal year June 30, 2025 was the end of the two year STIF biennium. The District used all of the COVID relief grants in the prior fiscal year, resulting in a decrease of \$100,725 in grant revenue – CARES Act, CRRSAA, ARP.

Fiscal year 2024 total revenues increased by \$68,095 or 8.9 percent and passenger revenue increased \$2,645 or 4.7 percent from fiscal year 2023. Ridership continues to be slow to recover and ridership is still far from pre-pandemic levels. Payroll and other tax revenue increased \$26,241 or 5.4 percent over fiscal 2023 demonstrating stability in PRT and the region's low unemployment levels. Grant revenues increased \$60,504 or 206.0 percent from fiscal year 2023. The Federal award for the Red Line Extension saw an increase in activities and related the FTA grant revenues in fiscal year 2024 as well as an increase in STIF program revenues over fiscal year 2023. Grant revenue – CARES, CRRSAA, ARP decreased \$34,375, or 25.4 percent over 2023, driven by the end of the District's COVID relief funding.

TriMet continues to provide essential transit service to the Portland tri-county metropolitan area while navigating the challenge to restore ridership and address operator and mechanic shortages. The District will continue to adapt to our environment and is committed to ensuring safety for passengers and its employees.

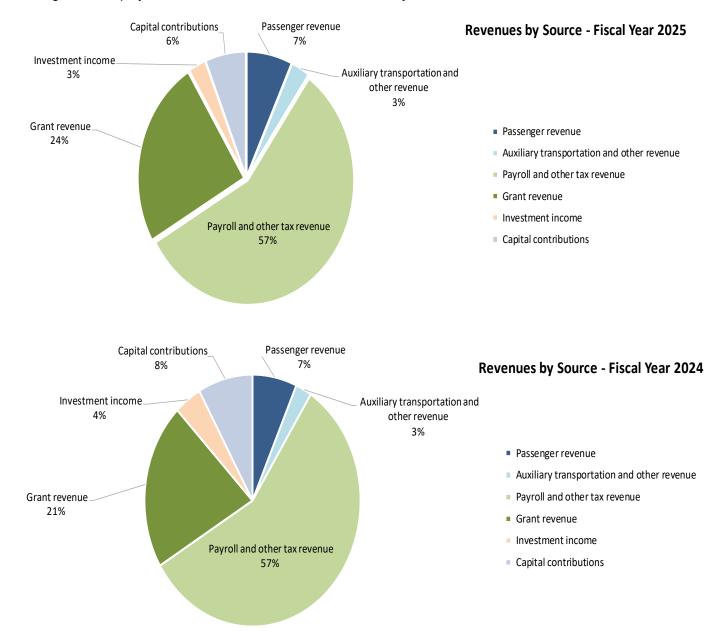
Changes in Net Position For the Years Ended June 30

(dollars in thousands)

					Increase (decrease)				
					2025 -	2024	2024 - 2023		
	2025	2024	2	023	\$	%	\$	%	
Operating revenues									
Passenger revenue	\$ 63,650	\$ 59,397	\$	56,752	\$ 4,253	7.2 %	\$ 2,645	4.7 %	
Auxiliary transportation and other	26,019	21,534		22,058	4,485	20.8 %	(524)	(2.4)%	
Total operating revenues	89,669	80,931		78,810	8,738		2,121		
Non-operating revenues									
Payroll and other tax revenue	522,194	511,423		485,182	10,771	2.1 %	26,241	5.4 %	
Grant revenue	224,560	89,880		29,376	134,680	149.8 %	60,504	206.0 %	
Grant revenue-CARES, CRRSAA, ARP	-	100,725		135,100	(100,725)	(100.0)%	(34,375)	(25.4)%	
Gain (loss) on disposal of capital assets	(170)	498		1,301	(668)	(134.1)%	(803)	(61.7)%	
Pass through revenue	20,737	16,407		14,137	4,330	26.4 %	2,270	16.1 %	
Investment income	24,401	36,310		26,392	(11,909)	(32.8)%	9,918	(100.0)%	
Net leveraged lease loss	1,512	(1,024)		(3,243)	2,536	(247.7)%	2,219	(68.4)%	
Total non-operating revenues	793,234	754,219		688,245	39,015		65,974		
Total revenues	882,903	835,150		767,055	47,753	5.7 %	68,095	8.9 %	
Operating expenses									
Salaries and wages	291,703	260,082		228,576	31,621	12.2 %	31,506	13.8 %	
Fringe benefits	183,267	214,542		213,150	(31,275)	(14.6)%	1,392	0.7 %	
Materials and services	211,024	210,280		163,207	744	0.4 %	47,073	28.8 %	
Utilities	16,201	13,508		12,815	2,693	19.9 %	693	5.4 %	
Purchased transportation	47,934	40,879		30,200	7,055	17.3 %	10,679	35.4 %	
Depreciation expense	173,975	169,507		151,730	4,468	2.6 %	17,777	11.7 %	
Other operating expense	20,212	22,986		21,968	(2,774)	(12.1)%	1,018	4.6 %	
Total operating expenses	944,316	931,784		821,646	12,532		110,138		
Non-operating expenses				<u>.</u>	-				
Pass through expense	20,737	16,407		14,137	4,330	26.4 %	2,270	16.1 %	
Interest and other expense	29,947	30,172		30,286	(225)	(0.7)%	(114)	(0.4)%	
Funding exchanges and other payments	3,708	4,493		2,161	(785)	(17.5)%	2,332	107.9 %	
Capital contributions to other governments	9,887				9,887	0.0 %		0.0 %	
Total non-operating expenses	64,279	51,072		46,584	13,207		4,488		
Total expenses	1,008,595	982,856		868,230	25,739	2.6 %	114,626	13.2 %	
Income (loss) before contributions	(125,692)	(147,706)	(101,175)	22,014	(14.9)%	(46,531)	46.0 %	
Capital contributions	56,636	73,154		62,369	(16,518)	(22.6)%	10,785	17.3 %	
Increase (decrease) in net position	(69,056)	(74,552)		(38,806)	5,496	(7.4)%	(35,746)	92.1 %	
Net position - beginning of year	1,920,098	1,994,650	2,	033,456	(74,552)	(3.7)%	141,754	(1.9)%	
Total net position - end of year	\$ 1,851,042	\$1,920,098	\$ 1,	994,650	\$ (69,056)	(3.6)%	\$ 106,008	(3.7)%	

continued (dollars in thousands)

The following charts display the allocation of District revenues for fiscal years 2025 and 2024:



- Total operating and non-operating revenues, including capital contributions were \$918,802 for fiscal year 2025, an increase of 3.0 percent from fiscal year 2024.
- Total operating and non-operating revenues, including capital contributions were \$891,897 for fiscal year 2024, an increase of 9.4 percent from fiscal year 2023.
- Total payroll and other tax revenues increased \$10,771 or 2.1 percent, totaling \$522,194 for fiscal year 2025. Of that amount, Employer payroll tax revenue (PRT) is the largest tax source and increased \$9,577, or approximately 2.0 percent. Self-employment and other tax revenues (SET) are also reported in this line item. January 2025 was the final rate increase of the local transit tax. Employer payroll tax revenues are closely tied to job growth in the Portland area. As payroll tax revenues note modest increases, it may indicate the local economy is starting to slow.

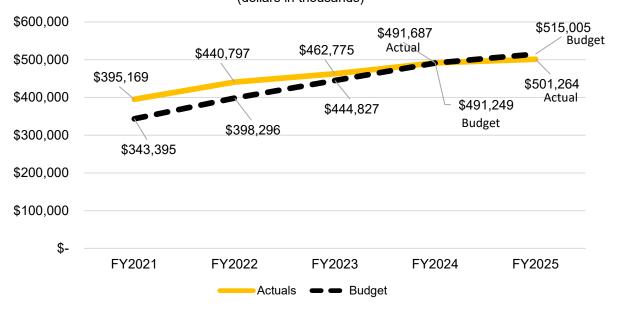
continued (dollars in thousands)

For fiscal year 2024, total payroll and other tax revenues increased \$26,241 or 5.4 percent, totaling \$511,423, over fiscal year 2023. Of that amount, Employer payroll tax revenue increased \$21,978, or 5.0 percent as regional employment conditions remained stable throughout the 2024 fiscal year and the rate increased on January 2024.

In 2004, the TriMet Board of Directors (Board) adopted Ordinance No. 279 increasing TriMet's local transit tax rate that taxes employer payroll and self-employment earnings. The increase went into effect January 1, 2005 and was phased in over a 10 year period by a .0001 rate increase each January 1st. In 2009, the Legislative Assembly gave the Board the authority to increase the local transit tax rate by an additional .001, in addition to any increases resulting from service area withdrawals. That legislation requires that the additional increases be phased in over ten years, prohibits any annual increase from exceeding .0002, and requires the TriMet Board to find, before implementing any additional increase, that the economy in the District has recovered to an extent sufficient to warrant the increase in tax. Effective January 1, 2016, the TriMet Board approved a 0.0001 increase as authorized by the 2009 legislation. The January 1, 2024 effective rate was 0.8137 percent and on January 1, 2025, the effective rate increased to 0.8237 percent as a result of the 2009 legislation. January 1, 2025 marked the final local transit tax rate increase. Additional information on TriMet's local transit tax is noted at: Payroll and Self-Employment Tax Information (trimet.org)

The graph below shows the change in employer payroll tax revenues for the last five fiscal years, comparing the budget to actuals.

Employer Payroll Tax Revenues - Budget vs. Actuals by Fiscal Year (dollars in thousands)



- In fiscal year 2025, Grant revenue increased \$134,680 compared to fiscal year 2024. Revenues in this category include the Statewide Transportation Improvement Funds (STIF) and FTA preventative maintenance funds and other operating support. Much of the increase from the prior fiscal year is due to an increase in the STIF grant program revenues as service was added in fiscal year 2025 and June 30, 2025 was the end of the two year biennium, causing increased efforts in grant spending before the end of the biennium. Grant revenue CARES Act, CRRSAA did not report revenues as these COVID relief programs were exhausted in fiscal year 2024.
- In fiscal year 2024, Grant revenue increased \$60,504 compared to fiscal year 2023. Revenues in this category include the Statewide Transportation Improvement Funds and FTA awards for certain transit projects such as Red Line Extension and low-no emission buses. FTA grant revenues for congestion mitigation and air quality and surface transportation block grant are part of this line item. Grant revenue CARES, CRRSAA and ARP decreased by \$34,375 or 25.4 percent compared to fiscal year 2023, reflecting the sunsetting of the District's COVID relief grants.

continued (dollars in thousands)

Passenger revenue was \$63,650 for the fiscal year 2025, an increase of \$4,253 or 7.2 percent. Passenger revenues are down approximately 45 percent from pre-pandemic levels. Fixed route ridership (bus, rail and commuter rail; excluding paratransit services) for fiscal year 2025 was up 4.6 percent compared to fiscal year 2024. However, fixed route ridership for June 2025 is down by 31.9 percent compared to pre-pandemic data.

Passenger revenue was \$59,397 for the fiscal year 2024, an increase of \$2,465 or 4.7 percent over fiscal year 2023. Fixed route ridership (bus, rail and commuter rail; excluding paratransit services) for fiscal year 2024 was up 12.5 percent compared to fiscal year 2023. However, fixed route ridership for June 2024 is down by 32.4 percent compared to pre-pandemic data.

- Total net position at June 30, 2025 was \$1,851,042, a decrease of \$69,056 or 3.6 percent from 2024. The change in net position is primarily attributable to the following factors:
 - Salaries and wages expenses increased \$31,621, or 12.2 percent, compared to fiscal year 2024. The increase reflects wage growth for both union and non-union positions, increases from the result of a new union contract implemented December 2024, and greater incentive expenses to recruit new operators and mechanics that resulted in growth in the number of employees in those positions.
 - Purchased transportation expenses increased \$7,055, or 17.3 percent, compared to fiscal year 2024. The increase reflects both higher service hours for paratransit under the Accessible Transportation Programs (ATP) and an increase in the contracted hourly rate with the provider for operators, dispatch, and eligibility determination services.
- Total net position at June 30, 2024 was \$1,920,098, a decrease of \$74,552 or 3.7 percent from 2023. The change in net position is primarily attributable to the following factors:
 - Salaries and wages increased \$31,506 or 13.8 percent, compared to fiscal year 2023, reflecting wage increases for both union and non-union employees.
 - Materials and services expenses increased \$47,073 or 28.8 percent over 2023. The increase was
 driven by higher contracted services for security and transit police, as well as higher expenses related
 to the light rail vehicle overhaul and maintenance-of-way costs for light rail track for the Banfield track
 rehabilitation project.
 - Purchased transportation expenses increased \$10,679, or 35.4 percent, compared to fiscal year 2023.
 The increase reflects an increase in service hours for paratransit under the Accessible Transportation Programs (ATP) and an increase in the contracted hourly rate with the provider for operators, dispatch, and eligibility determination services.

Operating Revenues

Operating revenues are composed of passenger fares and other revenue related to operations.

Passenger Revenue

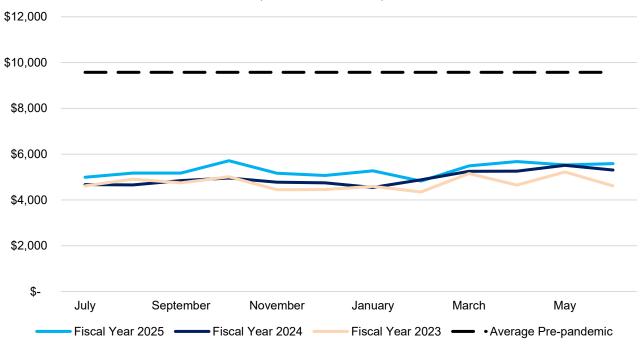
Passenger revenue includes fares earned from riders for the sale of tickets and passes, and employer paid other group fare revenue programs. In fiscal year 2025, passenger revenues increased 7.2 percent over the prior year and in fiscal year 2024, passenger revenues increased 4.7 percent over 2023.

Prior to the pandemic, monthly passenger revenues averaged \$9,500 per month. In fiscal year 2025, average monthly passenger revenues increased to \$5,304 and throughout fiscal year 2024, average passenger revenues was \$4,950, a slight increase over the fiscal year 2023 average. The following chart shows actual monthly passenger revenues for fiscal years ending June 30, 2025, 2024, and 2023 with a dotted line for passenger revenues before the pandemic.

continued (dollars in thousands)

Passenger Revenues by Month by Fiscal Year

(dollars in thousands)



Auxiliary Transportation and Other Revenue

Auxiliary Transportation and Other Revenue includes revenue from LIFT paratransit service, Streetcar operating revenues, and operating assistance from other local governments as well as advertising revenues. In fiscal year 2025, auxiliary transportation and other revenues increased by \$4,485 or 20.8 percent due to an increase in transit advertising revenue and rental income related to fiber optic leases and other lease revenues. Fiscal year 2024 noted a slight decrease of \$524, or down 2.4 percent from fiscal year 2023.

Non-operating Revenues

Non-operating revenues include Payroll and other tax revenue, Grant revenue, Pass-through revenues, Gain on disposal of capital assets and Investment income. The largest increase in fiscal year 2025 in non-operating revenues is noted in grant revenue, representing the Statewide Transportation Improvement Fund (STIF) and FTA funded programs, including preventative maintenance. The largest increase in fiscal year 2024 in non-operating revenues is noted in payroll tax and other tax revenue and grant revenue-CARES, CRRSAA, ARP.

Payroll and Other Tax Revenues

Payroll tax revenues are the District's main source of revenue. Payroll and other tax revenues increased \$10,771, or 2.1 percent in fiscal year 2025. In fiscal year 2024, payroll and other tax revenues increased \$26,411, or 5.4 percent, compared to fiscal year 2023. The pandemic did not negatively impacted payroll tax revenues and this non-operating revenue source has remained stable. The following chart displays trends in Operating and Non-operating Revenues for the last three fiscal years:

continued (dollars in thousands)

Operating and Non-operating Revenues



2025 2024 2023

Operating and Other Expenses

Operating and Other Expenses includes direct and indirect costs in providing operating multi-modal transportation services. Such expenses includes transportation operations and maintenance costs, general and administrative expenses, purchased transportation costs associated with the LIFT program, depreciation of capital assets, , and other supporting activity costs. Non-Operating Expenses consists of all other all other expenses including interest on outstanding debt, pass through grant expenses, funding exchanges, and capital contributions or donated capital assets to other government entities.

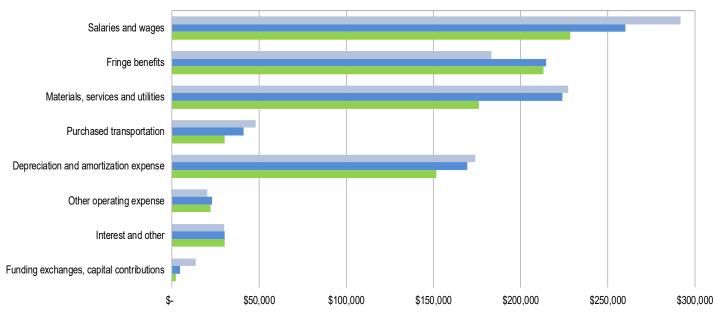
Total expenses increased \$25,739 or 2.6 percent to \$1,008,595, during fiscal year 2025. Salaries and wages increased \$31,621, or 12.2 percent due to overall wage growth, a new union contract implemented December 2024, incentives to hire operators and mechanics resulting in a greater number of operators hired compared to the prior fiscal year. Included in non-operating expenses is capital contributions to other governments of \$9,887, representing the transfer of the Gideon Bridge, now known as the Bob Stacey Bridge, to the City of Portland. TriMet Board of Directors approve the bridge transfer to the City at the June 2025 board meeting. Fringe benefits decreased \$31,275, or 14.6 percent due to a decrease in the OPEB liability resulting from changes in the actuarial assumptions used in the December 31, 2024 actuarial valuation.

In fiscal year 2024, total operating and non-operating expenses increased \$114,626 or 13.2 percent to \$982,856. Salaries and wages increased \$31,506 or 13.8 percent due to scheduled pay increases for union employees and overall increase in non-union salaries from fiscal year 2023. Materials and services increased by \$47,073 or 28.8 percent in fiscal year 2024 due to maintenance of way projects for track rehabilitation, light rail vehicle overhaul, and increases in spending on security services and transit police. Purchased transportation increased \$10,679 or 35.4 percent in fiscal year 2024 due to an increase in the hourly rate for the District's contract for operators and dispatch services for the LIFT program (ADA paratransit).

The following chart displays trends in Operating and Other expenses during the last three fiscal years:

continued (dollars in thousands)

Operating and Other Expenses



2025 2024 2023

Capital Contributions (Revenue)

Capital contributions received includes federal grants and other local government contributions restricted for purchase or construction of capital assets. Capital contributions are funded by Federal and State grants. In fiscal year 2025, capital contributions decreased \$16,518 due to the completion of the Red Line rail extension project during the prior fiscal year. In fiscal year 2024, capital contributions increased by \$10,785 or 17.3 percent from contributions restricted to fund the Red Line rail extension project.

Capital Assets

At June 30, 2025, the District had invested \$3,148,333, in total capital assets, net of accumulated depreciation and amortization (see Note 4).

Capital Assets As of June 30 (net of accumulated depreciation, dollars in thousands)

				Increase (decrease)				
					2025 - 20)24	2024 - 2	023
	2025	2024	2023		\$	%	\$	%
Land and other	\$ 253,435	\$ 233,614	\$ 230,154	\$	19,821	8.5 %	\$ 3,460	1.5 %
Rail right-of-way and stations	1,105,191	1,164,072	1,222,079		(58,881)	(5.1)%	(58,007)	(4.7)%
Buildings and structures	809,629	759,008	512,614		50,621	6.7 %	246,394	48.1 %
Transportation equipment	301,375	315,312	348,728		(13,937)	(4.4)%	(33,416)	(9.6)%
Furniture and other equipment	125,841	128,901	118,986		(3,060)	(2.4)%	9,915	8.3 %
Construction in progress	506,778	570,375	720,661		(63,597)	(11.2)%	(150,286)	(20.9)%
Right to use assets	46,084	44,957	40,395		1,127	2.5 %	4,562	100.0 %
Total capital assets	\$ 3,148,333	\$ 3,216,239	\$ 3,193,617	\$	(67,906)	(2.1)%	\$ 22,622	0.7 %

Total capital assets net of depreciation and amortization decreased \$67,906, or 2.1 percent, during fiscal year 2025. Included in the decrease is the capital contribution of the Bob Stacey Bridge to the City of Portland. The bridge was recorded in building and structures. The decrease in rail right-of-way and stations is due to normal depreciation.

continued (dollars in thousands)

Buildings and structures increased in fiscal year 2025 mainly from the Materials Management Center located at the Columbia facility of \$62 million being placed into service. The Materials Management Center also accounts for the decrease in Construction in progress in fiscal year 2025. Capital assets net of depreciation and amortization increased \$22,622 or 0.7 percent during fiscal year 2024. The largest increase of \$246,394 or 48.1 percent is due to the completion of the Powell bus garage recorded at \$160,129.

Long-Term Debt

Long-term debt includes revenue bonds guaranteed by payroll tax and grant receipt revenues. At June 30, 2025, the District had \$931,460 in revenue bonds outstanding (see Note 7). This is a decrease of \$33,025 or 3.4 percent from the prior year. At June 30, 2024, total bonds outstanding were \$964,485, which is a decrease of \$31,545 or 3.2 percent from fiscal year 2023.

The information below represents the District's bond ratings on its long-term debt as rated by Moody's Investor Services, Inc. (Moody's), Standard & Poor's and Kroll credit rating agencies:

As of June 30 (dollars in thousands)

Revenue Bonds Payroll Tax Revenue Bonds:		Original issue		alance at e 30, 2025	Moody's	Standard & Poor's	Kroll	
•		amount		<u> </u>				
2009 Series A and B Payroll Tax	\$	49,550	\$	12,530	Aaa	AAA	AAA	
2015 Series A and B Payroll Tax		134,590		16,395	Aaa	AAA	AAA	
2016 Series A Payroll Tax		74,800		50,395	Aaa	AAA	AAA	
2017 Series A Payroll Tax		97,430		29,080	Aaa	AAA	AAA	
2018 Series A Payroll Tax		148,245		37,215	Aaa	AAA	AAA	
2019 Series A and B Payroll Tax		237,815		234,115	Aaa	AAA	AAA	
2021 Series A and B Payroll Tax		409,640		403,025	Aaa	AAA	AAA	
Total Payroll Tax Revenue Bonds	\$	1,152,070	\$	782,755				
Grant Receipt Revenue Bonds:								
2017 Capital Grant Receipt Revenue Refunding, Series A		76,015		40,785	A3	Α	Not Rated	
2018 Capital Grant Receipt, Series A		113,900		107,920	A3	Α	Not Rated	
Total Capital Grant Receipt Revenue Bonds	\$	189,915	\$	148,705				
Total Revenue Bonds	\$	1,341,985	\$	931,460				

Lease-leaseback Transactions

In 2005 TriMet entered into a lease-leaseback and sale-leaseback transactions with investors. During fiscal year 2016, the District received a put option related to the remaining sale-leaseback. In fiscal year 2021, the District implemented GASB Statement No. 87, *Leases*. Further details on the impact of Statement No. 87 are disclosed in Note 10. The District is not aware of any default, event of default or event of loss under any of the operative lease documents at June 30, 2025.

FIDUCIARY FUND STATEMENTS

Retirement Plan for Management and Staff Employees Trust Fund

The TriMet Defined Benefit Retirement Plan for Management and Staff Employees Trust Fund accounts for the assets of the employee benefit plan held by TriMet in a trustee capacity. The plan covers most TriMet non-union employees hired before April 27, 2003. Covered employees who retire at or after age 62, with five years of service, are entitled to an annual retirement benefit, payable monthly for life, with annual cost of living increases. TriMet is required to maintain funds under the plan sufficient to pay benefits when due. Further details on the Retirement Plan for Management and Staff Employees are disclosed in Note 14.

continued (dollars in thousands)

Pension Plan for Bargaining Unit Employees of TriMet Trust Fund

The Pension Plan for Bargaining Unit Employees of TriMet Trust Fund accounts for the assets of the employee benefit plan held by TriMet in a trustee capacity. The plan covers all full-time and part-time employees represented by the Amalgamated Transit Union hired before August 1, 2012. Benefits under the plan are 100 percent vested after 10 years of service. Under the terms of the Bargaining Unit Pension Plan and Permanent Disability Agreement, covered members retiring at or after age 58 with 10 or more years of service will receive a monthly benefit for life with annual cost of living adjustments. TriMet is required to maintain funds under the plan sufficient to pay benefits when due. Further details on the Pension Plan for Bargaining Unit Employees are disclosed in Note 15.

Other Post-Employment Benefits Plan Trust Fund

The District's Other Post Employment Benefit Plan Trust Fund (OPEB) accounts for the assets for post-employment benefits held by TriMet in a trustee capacity. The OPEB plan is a single employer defined benefit plan providing healthcare and life insurance benefits for eligible employees and their qualified dependents. The OPEB plan covers most non-union employees hired before May 1, 2009 and union employees hired before October 24, 2014. Union employees hired after October 24, 2014 receive a monthly stipend to cover healthcare costs. In general, OPEB benefits under the plan are 100 percent vested after 10 years of service. Further details on the Other Post-Employment Benefits plan is disclosed in Note 13.

Fiduciary Schedule of Net Position and Schedules of Changes in Fiduciary Net Position

The following table displays assets, liabilities, and fiduciary net position for both pension trust funds and the OPEB trust as well as the funded status of the plan based on the respective actuarial valuation dates, as of June 30, 2025, 2024, and 2023 for the pension plans and December 31, 2024, 2023, and 2022 for the OPEB plan (reported with the respective subsequent June 30th period):

Statement of Fiduciary Net Position As of June 30 (dollars in thousands)

	2025			2024	2023
Trust assets	\$	930,875	\$	896,491	\$ 854,419
Trust liabilities		<u>-</u> _		13_	20
Net position	\$	930,875	\$	896,478	\$ 854,399
Total pension and OPEB liabilities	\$	1,747,298	\$ 1,807,207		\$ 1,699,298
Funded percentage		53%		50%	50%

Net position as of June 30, 2025 increased by \$34,397 or 3.8 percent (see Note 15). Net position as of June 30, 2024 increased by \$42,079 or 4.9 percent due to an increase in District contributions to the plan over fiscal year 2023. In July 2014, TriMet's board adopted a Strategic Financial Plan (SFP) via resolution 14-07-37 to provide a strategy for funding both defined benefits pension plans and an OPEB trust. In December 2019, the board updated the SFP via resolution 19-12-89. In 2023, the board adopted resolutions 23-06-24 and 23-09-41 to allow for a more flexible funding policy for the defined benefit pension plans and incorporating funding for the OPEB trust. In June 2025, the board adopted an amended and restated Strategic Financial Plan via resolution 25-06-33 TriMet Strategic Financial Plan - Adopted by Board Resolution; Res 25-06-33 2025 Strategic Financial Plan.pdf

continued (dollars in thousands)

The following displays changes in fiduciary net position for the years ended June 30, 2025, 2024, and 2023:

Changes in Fiduciary Net Position For the years ended June 30

		2025 2024		2025 2		 2023
Employer contributions	\$	44,024	\$	48,708	\$ 53,246	
Investment earnings		83,890		81,641	 48,027	
Total additions		127,914		130,349	101,273	
Benefit payments		93,217		87,946	61,491	
Administrative expenses		300		324	389	
Total deductions		93,517		88,270	61,880	
Change in net position		34,397		42,079	39,393	
Net position, beginning		896,478		854,399	815,006	
Net position, ending	\$	930,875	\$	896,478	\$ 854,399	

Schedules for Combining Fiduciary Statements of Net Position and the Statements of Changes in Fiduciary Net Position for the pension trust funds for the Retirement Plan for Management and Staff Employees, the Pension Plan for Bargaining Unit Employees and the Other Post-Employment Benefit Plan are included in Note 15 to the financial statements.

ECONOMIC FACTORS AND FISCAL YEAR 2026 BUDGET

The District's Board of Directors adopted the fiscal year 2026 budget on May 28, 2025. The fiscal year 2026 budget includes \$1,185,242 in total appropriations, a 5.4 percent increase from fiscal year 2025. From the approved budget on March 26, 2025 to the final adopted budget in May, adjustments were made to reflect updated personnel costs, including the addition of new positions to support service enhancements and anticipated increases in maintenance and repair. Materials and Services increased to account for rate adjustments, expanded maintenance and community programs funded through STIF and grants. Capital Improvement Program requirements decreased due to project reprioritization and alignment with agency objectives and debt capacity. Pass-through payments increased with updated STIF projections, while Debt Service remained unchanged. Contingency and Ending Fund Balance increased to reflect updated resources and expenditure adjustments. On the resource side, changes were made to beginning fund balance, operating revenue, and grants to align with the most recent projections.

Fiscal year 2026 is highlighted by a continued focus on financial responsibility, with the long-term goal of achieving a balanced budget by fiscal year 2028. TriMet remains committed to providing essential transit service across the tricounty area, while concentrating investments on mission-critical projects and priorities. These include sustained investments in safety and security for riders and employees, and dedicated accessibility improvements to make transit easier for all. Ridership continues to recover but remains below historical levels. Concerns about safety are prompting substantial, unprecedented investments to protect riders and employees. Payroll taxes remain strong, with projected growth of 2.7% in fiscal year 2026. From January 2016 through January 2025, TriMet benefited from scheduled tax rate increases. Beginning in fiscal year 2026, projections no longer assume additional rate increases, contributing to the slower growth compared to prior years. No fare increases are included in the fiscal year 2026 adopted budget.

The fiscal year 2026 adopted budget can be found online under "Financial Information" and "Budgets" at: https://trimet.org/about/accountability.htm

The fiscal year 2026 adopted budget includes funding for 87.7 additional net full-time equivalent positions to address changing service demands, along with costs for operating and maintaining the existing transit system, providing fixed-route bus and rail service to sustain headways and capacity, delivering ADA complementary paratransit service, making capital investments in infrastructure, and meeting debt service obligations.

continued (dollars in thousands)

Highlights from the \$1,185,242 adopted budget include:

- Operating and tax revenues total \$644,152.
- Total day-to-day operating requirements of \$918,058, which includes \$552,516 for all activities required to operate the system, \$236,558 in general and administrative costs, \$54,463 for other post-employment benefits and \$74,521 for debt service.
- TriMet will continue to monitor existing service lines and evaluate service utilization of individual routes
 throughout fiscal year 2026, with a focus on ensuring efficiency, effectiveness, and alignment with
 organizational fiscal health. While the fiscal year 2026 adopted budget includes planned service improvements,
 adjustments may be necessary to optimize resources and maintain long-term financial sustainability.
- Capital Improvement Program (CIP) requirements of \$165,329. The CIP includes targeted infrastructure
 investments along high-impact corridors, including 82nd avenue frequent express (FX) bus line and Better Bus
 initiatives, planning support for Interstate Bridge Replacement, transit and safety enhancements along TV
 Highway, access and safety upgrades on Powell-Division and Highway 8.
- The fiscal year 2026 adopted budget reflects a strategic shift from rapid expansion toward long-term asset management. Accordingly, TriMet will undertake replacements and upgrades to its core infrastructure as part of the State of Good Repair program, including improvements to maintenance facilities, tracks, substations, and the acquisition of new light rail vehicles to replace the aging fleet.
- Pass-through requirements, funding exchange payments and special payments totaling \$24,313 under which TriMet receives funds required to be provided to other governmental agencies.
- Contingency is an appropriated amount of a minimum of 3.0 percent of operating requirements and is adjusted for risks and those activities unknown at the time of budget adoption. Fiscal year 2026 contingency totals \$77.452.
- Budgeted ending fund balance totals \$771,381 and is unappropriated and not available for spending in fiscal
 year 2026. Fund balance includes \$166,907 in restricted bond proceeds and other restrictions to be spent after
 fiscal year 2026; \$47,610 restricted for future debt service payments; and \$556,864 in unrestricted fund balance,
 which meets the 2.0 to 2.5 months operating reserves required per the TriMet Board of Directors Strategic
 Financial Plan.
- Carbon Reduction: In alignment with Oregon's Climate Smart Strategies, TriMet continues to reduce emissions
 through renewable energy and sustainable fuels. All light rail service and TriMet-owned facilities are powered
 by renewable electricity, and all diesel buses, diesel LIFT vehicles, and WES trains now operate on renewable
 diesel which provide emissions reductions by nearly 70 percent over conventional diesel. TriMet is also
 investing in infrastructure and vehicle technology to support its transition to a zero-emission bus fleet. More on
 TriMet's sustainability work is posted here https://trimet.org/bettertransit/environment.htm.
- Organizational Restructuring: As part of broader structural changes, the Chief Operating Officer (COO) division
 was reclassified as a department and integrated into the Transportation Division. Additionally, the Inclusion,
 Diversity, Equity, and Accessibility (IDEA) Division was redesigned to become Public Access & Innovation (PAI)
 to better reflect its revised role, focusing on Title VI regulation, and agency innovation. These changes improve
 operational alignment and support key priorities in the Business Plan.

The District continues to experience the long-term impact of the pandemic through reduced ridership while prioritizing the safety of riders and employees. Fiscal year 2026 focuses on fiscal responsibility while advancing mission-critical initiatives: maintaining critical infrastructure, reducing carbon emissions, replacing an aging fleet, improving accessibility and safety system wide, and enhancing reliability in major corridors. Safety and Security, operator and mechanic availability, and system cleanliness will remain paramount in fiscal year 2026.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide readers with a general overview of the District's finances and to show the District's accountability for the funding it receives. If you have questions about this report or need additional financial information, please contact:

TriMet
Attn: Finance & Administrative Services
101 SW Main Street, Suite 700
Portland, OR 97204
www.trimet.org

Enterprise Fund Statements of Net Position

June 30, 2025 and 2024 (dollars in thousands)

Assets	2025		 2024
Current assets:			
Cash and cash equivalents	\$	157,697	\$ 171,989
Cash and cash equivalents - restricted		3,459	2,159
Investments		330,083	367,343
Investments - restricted		77,170	124,004
Taxes and other receivables, net		150,928	156,625
Grants receivable		27,634	44,434
Leases receivable		554	437
Prepaid expenses		13,421	9,569
Materials and supplies		78,629	76,501
Total current assets		839,575	 953,061
Noncurrent assets:			
Investments		4,982	-
Leases receivable		14,708	14,783
Prepaid lease expenses		49	61
Restricted assets:			
Cash and cash equivalents		71,151	19,698
Investments		2,994	104,527
Interest receivables		427	625
Capital assets:			
Land and other, not being depreciated		253,435	233,614
Construction in process		506,778	570,375
Capital assets, net of accumulated depreciation		2,342,036	2,367,293
Right to use assets, net of accumulated amortization		46,084	 44,957
Net capital assets		3,148,333	 3,216,239
Total noncurrent assets		3,242,644	 3,355,933
Total assets		4,082,219	4,308,994
Deferred outflows of resources			
Pension related		-	6,563
Debt refunding related		13,699	16,112
OPEB related		136,813	 165,829
Total deferred outflows of resources		150,512	 188,504
Total assets and deferred outflows of resources	\$	4,232,731	\$ 4,497,498

Enterprise Fund Statements of Net Position

June 30, 2025 and 2024 (dollars in thousands) Continued

Liabilities	2025		2024		
Current liabilities:					
Accounts payable	\$	60,545	\$	83,820	
Accrued payroll		24,314		21,462	
Current portion of claims liabilities		10,530		11,485	
Unearned revenue		21,348		19,609	
Lease and subscription liabilities		4,831		4,015	
Current portion of long-term debt		38,165		33,025	
Unearned capital project revenue		30,737		76,544	
Accrued interest payable on long-term debt		9,994		10,476	
Compensated absences		8,560		5,532	
Net other post-employment benefits liability (OPEB)		28,394		25,872	
Total current liabilities		237,418		291,840	
Noncurrent liabilities:					
Claims liabilities		7,876		7,717	
Lease and subscription liabilities		42,949		43,675	
Arbitrage liability		4,037		-	
Compensated absences		41,639		33,566	
Long-term debt		923,924		968,138	
Lease leaseback obligation, net		2,440		3,952	
Net pension liability		171,035		199,819	
Net other post-employment benefits liability (OPEB)		616,993		685,039	
Total noncurrent liabilities		1,810,893		1,941,906	
Total liabilities		2,048,311		2,233,746	
Deferred inflows of resources					
Pension related		25,641		22,360	
Leases related		16,538		16,859	
OPEB related		291,199		304,435	
Total deferred inflows of resources		333,378		343,654	
Net position					
Net investment in capital assets		2,202,890		2,285,824	
Restricted for debt service requirements		39,798		37,836	
Restricted for capital projects		23,111		23,004	
Unrestricted (deficit)		(414,757)		(426,566)	
Total net position		1,851,042		1,920,098	
Total liabilities, deferred inflows of resources and net position	\$	4,232,731	\$	4,497,498	

Enterprise Fund Statements of Revenues, Expenses and Changes in Net Position

For the Years Ended June 30, 2025 and 2024 (dollars in thousands)

		2025	2024		
Operating revenues					
Passenger revenue	\$	63,650	\$	59,397	
Auxiliary transportation and other revenue	·	26,019	•	21,534	
Total operating revenues		89,669		80,931	
Operating expenses					
Salaries and wages		291,703		260,082	
Fringe benefits		183,267		214,542	
Materials and services		211,024		210,280	
Utilities		16,201		13,508	
Purchased transportation		47,934		40,879	
Depreciation and amortization expense		173,975		169,507	
Other operating expense		20,212		22,986	
Total operating expenses		944,316		931,784	
Operating loss		(854,647)		(850,853)	
Non-operating revenues (expenses)					
Payroll and other tax revenue		522,194		511,423	
Grant revenue		224,560		89,880	
Grant revenue - CARES Act, CRRSAA, ARP		-		100,725	
Investment income		24,401		36,310	
Net leveraged lease income (loss)		1,512		(1,024)	
Gain (loss) on disposal of capital assets		(170)		498	
Pass through revenue		20,737		16,407	
Pass through expense		(20,737)		(16,407)	
Interest and other expense		(29,947)		(30,172)	
Funding exchanges and other payments		(3,708)		(4,493)	
Capital contributions to other governments		(9,887)			
Total non-operating revenues, net		728,955		703,147	
Loss before contributions		(125,692)		(147,706)	
Capital contributions		56,636		73,154	
Changes in net position		(69,056)		(74,552)	
Net position - beginning of year		1,920,098		1,994,650	
Net position - end of year	\$	1,851,042	\$	1,920,098	

Enterprise Fund Statements of Cash Flows

For the Years Ended June 30, 2025 and 2024 (dollars in thousands)

	2025	2024
Cash flows from operating activities		
Receipts from passengers	\$ 70,126	\$ 58,478
Receipts from other sources	25,108	ψ 33,473 21,871
Payments to employees	(529,595)	(459,439)
Payments to suppliers	(325,525)	(272,447)
Funding exchange payments	(3,708)	(4,493)
Net cash used in operating activities	(763,594)	(656,030)
Cash flows from noncapital financing activities		
Receipts from payroll taxes	523,300	494,818
Receipts from operating grants	175,992	214,126
Net cash provided by noncapital financing activities	699,292	708,944
Cash flows from capital and related financing activities		
Receipts from capital grants	76,197	73,743
Proceeds from sales of capital assets	287	498
Acquisition and construction of capital assets	(109,083)	(182,612)
Principal payments on long-term debt	(33,025)	(31,545)
Interest payments on long-term debt	(32,540)	(34,067)
Receipts from leases	765	1,193
Payment on leases	(4,135)	(879)
Payment on subscription based IT arrangements (SBITAs)	(4,158)	(1,415)
Net cash used in capital and related financing activities	(105,692)	(175,084)
Cash flows from investing activities		
Purchases of investment securities	(853,906)	(1,251,083)
Proceeds from sales and maturities of investment securities	1,056,741	1,307,703
Interest received	5,620	1,347
Net cash provided by investing activities	208,455	57,967
Net (decrease) increase in cash and cash equivalents	38,461	(64,203)
Cash and cash equivalents, beginning of year	193,846	258,049
Cash and cash equivalents, end of year	\$ 232,307	\$ 193,846
Reconciliation of cash and cash equivalents		
Unrestricted cash and cash equivalents	\$ 157,697	\$ 171,989
Restricted cash and cash equivalents	74,610	21,857
Total cash and cash equivalents	\$ 232,307	\$ 193,846

Enterprise Fund Statements of Cash Flows

For the Years Ended June 30, 2025 and 2024 (dollars in thousands)

Continued

Reconciliation of operating loss to net cash used in operating activities

	 2025	 2024
Operating loss	\$ (854,647)	\$ (850,853)
Adjustments to reconcile operating loss to net cash used in		
operating activities:		
Depreciation expense	173,975	169,507
Decrease in funding exchanges	(3,708)	(4,493)
Increase (decrease) in net pension liability and related deferrals	(18,940)	23,215
Decrease in OPEB and related deferrals	(49,745)	(17,642)
Decrease in deferred inflows on leases	(774)	(744)
(Increase) decrease in other receivables	4,591	(2,285)
(Increase) decrease in prepaid expenses and other assets	(3,840)	(823)
(Increase) decrease in materials, supplies and other	(2,128)	(9,395)
(Decrease) increase in accounts payable	(23,274)	22,890
(Decrease) increase in accrued payroll	2,851	(193)
Increase in unearned revenue	1,739	2,474
(Decrease) increase in other liabilities	(795)	6,077
Increase in compensated absence liability	 11,101	 6,235
Total adjustments	91,053	 194,823
Net cash used in operating activities	\$ (763,594)	\$ (656,030)

Supplemental Disclosures of Non-Cash Investing, Capital and Financing Activities

(dollars in thousands)

	2025		2024	
Right to use assets acquired through leases as lessee	\$	3,105	\$	7,517
Right to use assets acquired through subscription based IT arrangements		4.070		2.000

Trust Fund Statements of Fiduciary Net Position

June 30, 2025 and 2024 (dollars in thousands)

	2025		2024		
Assets					
Cash and cash equivalents	\$	8,377	\$	9,371	
Receivables - Accrued Income		28		70	
Investments:					
Domestic large/mid cap equity		227,434		255,356	
International equity		233,515		203,808	
Principal protection		160,393		115,606	
Systematic trend following		65,075		79,840	
Real estate		77,202		75,627	
Alternative risk premia		68,570		64,758	
Long duration treasuries		55,649		44,053	
Domestic small cap equity		14,980		26,952	
Private equity		18,295		19,299	
Private credit		1,357		1,751	
Total investments		922,470		887,050	
Total assets		930,875		896,491	
Liabilities					
Accounts payable				13	
Total liabilities				13_	
Net position					
Restricted for pension benefits		930,420		896,042	
Restricted for other post-employment benefits		455		436	
Total net position	\$	930,875	\$	896,478	

Trust Fund Statements of Changes in Fiduciary Net Position For the Years Ended June 30, 2025 and 2024

(dollars in thousands)

	2025	2024		
Additions				
Employer contributions	\$ 44,024	\$	48,708	
Investment income (loss):				
Interest	1,108		734	
Dividends	10,853		6,265	
Other income	3,692		4,629	
Net change in fair value of investments	69,111		71,258	
Less investment expense	(874)		(1,245)	
Net investment income	83,890		81,641	
Total additions	 127,914		130,349	
Deductions				
Benefits paid to plan members	93,217		87,946	
Administrative expenses	300		324	
Total deductions	93,517		88,270	
Change in net position	34,397		42,079	
Net position:				
Beginning of year	896,478		854,399	
End of year	\$ 930,875	\$	896,478	

1. Organization and Summary of Significant Accounting Policies

The Tri-County Metropolitan Transportation District of Oregon ("TriMet" or "the District") was organized under the provisions of Oregon Revised Statutes (ORS) Chapter 267 to provide mass transit services to the Portland metropolitan area. Formation of the District, which includes parts of Multnomah, Clackamas, and Washington counties, was effective October 14, 1969 with the assumption of the operations of a privately owned bus system. Under ORS 267, the District is authorized to levy taxes and charge fares to pay for the operations of the District. TriMet is also authorized to issue general obligation bonds and revenue bonds.

The District is governed by a seven-member Board of Directors appointed by the Governor of the State of Oregon. Board members represent and must live in certain geographical sub-districts. The Board of Directors set District policy, levy taxes, appropriate funds, adopt budgets, serve as contract board, and perform other duties required by state and federal law.

The District uses one budgetary fund to account for its operating activities: General. The General Fund accounts for the financial resources associated with operating the District. Principle sources of revenue in the General Fund are passenger fares, employer payroll and self-employment taxes, State of Oregon payroll assessments ("in lieu"), federal grants, and interest. Primary expenditures in the General Fund are personal services, materials and services, and principal and interest on debt secured by General Fund revenues.

The fiduciary fund is used to account for assets held by the District as a trustee. These assets cannot be used to support the District's programs. TriMet's trust funds includes the Defined Benefit Plan for Management and Staff Employees Trust Fund, the Pension Plan for Bargaining Unit Employees of TriMet Trust Fund and the Other Post-Employment Benefits Trust Fund. The investments, funding and benefit payment activity of these funds, and the funds' net position are reported in the Trust Fund.

(a) Financial reporting entity

Accounting principles generally accepted in the United States of America require that the reporting entity include the primary government, all organizations for which the primary government is financially accountable and other organizations that, by the nature and significance of their relationship with the primary government, would cause the financial statements to be incomplete or misleading if excluded. Based on these criteria, TriMet is considered a primary government and is not a component unit of any other government.

(b) Basis of accounting and presentation

The accounting policies of the District conform to generally accepted accounting principles (GAAP) as applicable to proprietary and fiduciary funds of governments. Under GAAP, the District accounts for activity under the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The District has a fiduciary responsibility for the two defined benefit pension plans. The financial activities of the pension plans are included in the trust fund statements in the financial section of this report. In addition, the District has a fiduciary responsibility for the other post-employment benefit plan (OPEB).

The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The District has applied all applicable GASB pronouncements in the financial statements.

(c) Revenue recognition

Proprietary funds distinguish operating revenues and expense from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connections with a proprietary fund's principal ongoing operations. The principal operating revenues of the General Fund are charges to customers for services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Federal planning assistance, operating and preventative maintenance grants are received from the Federal Transit Administration (FTA) and are recognized as revenue and receivable during the period in which the related expenses are incurred and eligibility requirements are met.

Statewide Transportation funding for House Bill 2017 that went into effect on July 1, 2017 (STIF or HB2017) is a 0.1 percent employee payroll tax collected by the State and distributed to the District quarterly. Revenues are recognized as expenses are incurred with unspent resources recorded to unearned revenues.

(d) Restricted Assets

Restricted assets are assets set aside to meet externally imposed legal and contractual obligations. Restricted assets are used in accordance with their requirements and where both restricted and unrestricted resources are available for use, restricted resources are used first, and then unrestricted resources as they are needed. Restricted assets include certain proceeds of the District's revenue bonds, investments held in trust for the 2005 lease leaseback transaction and capital contributions restricted for costs of certain capital projects.

(e) Tax revenues

Funding of day-to-day operations is primarily provided by the payroll tax imposed by TriMet pursuant to ORS 267.380 and the self-employment tax imposed by TriMet pursuant to ORS 267.385. The payroll tax is imposed on employers with respect to wages earned within the TriMet service district. An employer is not permitted to deduct any portion of the tax from the wages of an employee. The self-employment tax is imposed on self-employed individuals with respect to their net earnings generated within the TriMet service district. TriMet currently imposes these taxes at a rate of 0.8237 percent as of January 1, 2025 and 0.8137 as of January 1, 2024 of the wages paid to individuals (for the payroll tax) and the net earnings from self-employed individuals (for the self-employment tax). The State in Lieu rate is 0.6 percent assessed on wages paid to State employees within the District's tax boundaries. The taxes are collected on TriMet's behalf by the Department of Revenue of the State of Oregon under an agreement entered into pursuant to ORS 305.620. Imposed tax revenues are recorded as assets and revenues in the period that the obligation is incurred by the employers and the self-employed individuals. Amounts accrued are estimated based upon historical trends in payroll tax cash receipts. TriMet records an allowance for past due amounts that have not been collected by the state as of year-end.

(f) Use of estimates

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

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, and shares of the State of Oregon Local Government Investment Pool and financial institutions, and marketable securities with original maturities of three months or less.

(h) Investments

ORS Chapter 294 authorizes the District to invest in obligations of the U.S. Treasury and U.S. Government agencies and instrumentalities, certain bankers' acceptances and corporate indebtedness, and repurchase agreements. The District records all investments at fair value based upon quoted market rates, with changes in unrealized gains and losses reported as investment income.

Changes in fair value that occur during a fiscal year are recognized as unrealized gains or losses and reported for that fiscal year. Investment earnings comprise interest earnings, changes in fair value and any gains or losses realized upon the liquidation or sale of investments.

(i) Materials and supplies

Materials and supplies inventory consists primarily of maintenance parts and supplies for the system and light rail vehicles. Materials and supplies inventory are stated at cost determined on a moving average basis. Materials and supplies are expensed as consumed.

(j) Prepaid expenses

Certain payments to vendors reflects costs or deposits applicable to future accounting periods and are recorded as prepaid expenses.

(k) Receivables

Taxes and other receivables. Taxes and other receivables are shown net of an allowance for uncollectible accounts. Uncollectible amounts for payroll taxes, self-employment taxes and property taxes are based on the District's experience and management's judgment over recent years. The allowance for returns for trade accounts are based upon the District's experience of returns in the most recent year.

Grants receivable. Grants receivable are recorded in accordance with the non-exchange guidance. Accordingly, receivables are recorded when TriMet has the contractual right to grant resources, generally when the grant has been awarded to the District. Resources are offset with unearned revenues if the receivable has not yet been earned.

(I) Lease-leaseback

In the District's lease leaseback transaction, each party is a lessor and a lessee. Because of 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*. 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 10.

(m) Capital assets and depreciation (excluding lease and subscription-based IT arrangement assets)

Capital assets (excluding lease and subscription-based IT arrangement assets) are reported at cost, except for donated capital assets, which are stated at the acquisition value on the date of donation. Capital outlay for additions and improvements, with a value in excess of \$5 and a useful life of more than one year, are capitalized. Expenses for maintenance, repairs and minor improvements are charged to operating expense as incurred. Upon disposal of capital assets, the accounts are relieved of the related costs and accumulated depreciation and the resulting gains or losses are stated in the statement of revenues, expenses and changes in net position.

Depreciation of capital assets is recorded using the straight-line method over the estimated useful lives of the assets.

Capital assets are assigned the following estimated useful lives:

Rail right-of-way and stations	5-70 years
Buildings and structures	40 years
Transportation equipment	5-30 years
Furniture and other equipment	3-20 years
Right to use leased assets	1-80 years
Right to use subscription based IT assets	1-6 years

(n) Right to use assets – leases (Lessee and Lessor)

The District is a lessee for various non-cancellable leases. For leases with a maximum possible term of twelve months or less at commencement, the District recognizes an expense based on the provisions of the lease contract. For all other leases, the District recognizes a lease liability and a right-to-use lease asset.

At lease commencement, the District measures the lease liability 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, less lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. The lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. If the District is reasonably certain of exercising a purchase option contained in a lease, the lease asset will be amortized over the useful life of the underlying asset.

The District is also a lessor for various noncancelable leases. For leases with a maximum possible term of twelve months or less at commencement, the District recognizes revenue based on the provisions of the lease contract. For all other leases, the District initially recognizes a lease receivable at the present value of lease payments expected to be received during the lease term. It also recognizes a deferred inflow of resources at the amount of the initial measurement of the lease receivable, adjusted for any lease payments received prior to the commencement of the lease term.

To measure the lease liability, the District generally uses its estimated incremental borrowing rate as the discount rate unless the lease contract contains an explicit rate. The District's incremental borrowing rate is based on the rate of interest it would need to pay if it issued bonds, or similar, to borrow an amount equal to the payments under similar terms at the commencement or remeasurement date. The term includes the noncancellable period, plus any additional periods covered by an option to extend for which it is reasonably certain to be exercised, or by an option to terminate for which it is reasonably certain not to be exercised. Periods in which both the District and the lessor/vendor have a unilateral option to terminate (or if both parties must agree to extend) are excluded from the lease. The District evaluates payments to determine if they should be included in the measurement of the lease liabilities, including those payments that require a determination of whether they are reasonably certain to be made. The District monitors leases for possible changes that may require remeasurement if they could materially affect the amount of the liability and related asset that should be recognized.

Lease receivables and the related deferred inflows of resources are reported in the financial statements and further disclosed in Note 5.

(o) Right to use assets - subscription-based Information Technology (IT) arrangements

The District has non-cancellable subscription-based IT arrangements for the right-to-use information technology software. For subscription-based IT arrangements with a maximum possible term of twelve months or less at commencement, the District recognizes an expense based on the provisions of the subscription-based IT arrangements. For all other subscription-based IT arrangements, the District recognizes a subscription-based IT liability and right to use asset.

At subscription commencement, the District initially measures the subscription-based IT liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription-based IT liability is reduced by the principal portion of subscription payments made. The subscription-based IT asset is initially measured as the initial amount of the subscription-based IT liability, less subscription payments made at or before the subscription commencement date, less any vendor incentives received at or before the subscription commencement date, plus the capitalizable implementation costs. The subscription-based IT arrangement asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying hardware or software.

To measure the subscription-based IT arrangement liability, the District generally uses its estimated incremental borrowing rate as the discount rate unless the subscription-based IT arrangement contains an explicit rate. The District's incremental borrowing rate is based on the rate of interest it would need to pay if it issued bonds, or similar, to borrow an amount equal to the payments under similar terms at the commencement or remeasurement date. The term includes the noncancellable period, plus any additional periods covered by an option to extend for which it is reasonably certain to be exercised, or by an option to terminate for which it is reasonably certain not to be exercised. Periods in which both the District and the lessor/vendor have a unilateral option to terminate (or if both parties must agree to extend) are excluded from the subscription term. The District evaluates payments to determine if they should be included in the measurement of the subscription-based IT liabilities, including those payments that require a determination of whether they are reasonably certain to be made. The District monitors subscription-based IT arrangements for possible changes that may require remeasurement if they could materially affect the amount of the liability and related asset that should be recognized.

Subscription-based IT arrangements, right-to-use asset and the related accumulated amortization are disclosed in Note 6

(p) Deferred outflows and inflows of resources

In addition to assets, the Statement of Net Position will report a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense) until that time. The District reports deferred outflows of resources for pension-related and other post-employment benefits (OPEB); depending on the plan, deferred outflows of resources may include: changes in assumptions, contributions made subsequent to the measurement date, net difference between projected and actual earnings on investments, or the net difference between projected and actual experience. Unamortized loss on refunded debt is also reported in deferred outflows of resources, which represents the unamortized loss on bond refundings that is deferred and amortized over the shorter of the remaining life of the old debt or the life of the new debt.

In addition to liabilities, the Statement of Net Position will report a separate section for deferred inflows of resources. Deferred inflows of resources represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred inflows of resources for pension-related and other post-employment benefits (OPEB); depending on the plan, deferred inflows of resources may include the: net difference between projected and actual earning on investments. Deferred inflows related to leases is also reported in deferred inflows of resources where the District is the Lessor and recognizes the present value of lease payments to be received in the future. Deferred lease inflows are recognized as revenues over the lease term based on the payment provisions in the contracts.

(q) Self-insurance liabilities

Liabilities for workers' compensation, employee dental insurance, and public liability and property damage claims are recognized as incurred on the basis of the estimated cost to the District upon resolution. Estimated liabilities for injury and damage claims are charged to operations in the year the claim event occurs.

Self-insured liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Since self-insured claims depend on complex factors such as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are evaluated on a case-by-case basis and are re-evaluated periodically to take into consideration historical experience of recently settled claims, the frequency of claims, and other economic and social factors.

(r) Compensated absences

The District provides sick and vacation leave to eligible employees, based on position classification and date of hire. Nonunion employees can carry over a maximum of 320 hours of unused vacation into their next anniversary year, plus their next annual vacation accrual. Union employees can carry over an unlimited amount of vacation leave. Upon termination, unused vacation leave is paid at the employee's then current hourly rate.

Sick leave accrues up to a maximum of 1700 hours for all employees. On an annual basis, TriMet will pay to an employee 50% of the value of any unused accumulated sick leave in excess of 1700 hours. For defined contribution pension plan participants, upon separation TriMet contributes 60 percent of unused sick leave to an employee's 401a plan account. If the amount of this payment would cause the employee to exceed the annual IRS limit for contributions to 401 plans, the difference is paid directly to the employee. Sick leave that factors into the calculation of employee's benefits for TriMet's defined benefit pension plans are included in the valuation of the respective net pension liabilities for each plan.

The District has recognized liabilities for compensated absences for leave which (1) is attributable to services already rendered, (2) accumulates, and (3) is more likely than not be used for time off or otherwise paid in cash or settled through noncash means. Details of the compensated absence liabilities recognized by the District can be found in Note 13.

(s) Bond discounts, premiums and refundings

Unamortized bond discounts and premiums are amortized to interest expense, using the effective interest method, over the term of the bonds. The excess of costs incurred over the carrying value of bonds refunded on early extinguishment of debt is amortized, using the effective interest method, over the shorter of the remaining life of the old bonds or the life of the new issue and recorded as a deferred outflow of resources.

(t) Funding exchanges and other payments

Funding exchanges are intergovernmental agreements between TriMet and another local government, where a local agency obligates Federal Transit Administration funds, such as federal Surface Transportation Program (STP) funds for transit purposes in exchange for the same amount of TriMet's unrestricted general fund. Also included in this line item are one-time payments under agreements with local governments to fund certain projects for which TriMet benefits.

(u) Capital contributions to other governments

In fiscal year 2025, TriMet transferred the Gideon Bridge, now known as the Bob Stacey Bridge, to the City of Portland. With the contribution, \$9,887 reduced buildings and structures in total capital assets.

(v) Capital contributions

Contributions received for the construction of capital assets are initially recorded as unearned revenue, then reclassified to revenue (contributed capital) when the associated capital projects are constructed or acquired.

(w) Net position

Net position is categorized as follows:

- Net investment in capital assets This consists of capital assets, net of accumulated depreciation, less
 the outstanding balances of any bonds or other borrowings that are attributable to the acquisition,
 construction, or improvements of those capital assets.
- Restricted net position This consists of constraints placed on net position imposed by grantors, contributors or laws. When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first and then unrestricted resources when they are needed
- Unrestricted net position This consists of net position that does not meet the definition of "Restricted" or "Net investment in capital assets."

The District's policy on use of restricted assets states that restricted assets will be used strictly for their designated purpose, as required by external regulations, contracts or funding agreements. When both restricted and unrestricted resources are available for an expenditure, restricted funds will be used first.

(x) Stewardship, compliance and accountability

The annual budget is adopted on a basis consistent with generally accepted accounting principles (GAAP), with the exception of the accounting for defined benefit pension plans, other post-employment benefits, the depreciation of capital assets and long-term debt transactions that are budgeted on a cash basis. Differences from the budgetary basis to the GAAP basis are noted on the Reconciliation of Revenues and Expenses (Budget Basis) to Schedule of Revenues and Expenses (GAAP Basis). The District's legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is at the fund and divisional level and include expenses for operating, operating projects and capital projects. All annual appropriations lapse at fiscal year-end. The Board of Directors approved any budgetary modifications to the adopted fiscal year 2024 budget throughout the year. For fiscal year-end June 30, 2025, the District was in budget compliance at all division levels.

(y) Reclassification for Financial Presentation

Reclassifications of certain amounts from the prior year were necessary in order to conform to the current year presentation with the implementation of GASB Statement 101, Compensated Absences.

(z) Accounting Pronouncements Implemented

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of the 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. The District implemented GASB for the fiscal year ending June 30, 2025; the pronouncement did not have a material effect on the District's prior year statements and therefore earlier periods were not restated.

GASB Statement No. 102, Certain Risk Disclosures. 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 District implemented GASB 102 for the District's fiscal year ending June 30, 2025. There was not a significant impact to the District's financial statements.

(aa) Future Adoption of Accounting Pronouncements

The following pronouncements have been issued by the Governmental Accounting Standards Board (GASB), but are not effective as of June 30, 2025:

GASB Statement No. 103, Financial Reporting Model Improvements. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information

that is essential for decision making and assessing a government's accountability. GASB 103 will be effective for the District's fiscal year ending June 30, 2026. The District is evaluating the impact of this standard to the financial statements.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. GASB 103 will be effective for the District's fiscal year ending June 30, 2026. The District is evaluating the impact of this standard to the financial statements.

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

2. Cash and Investments

Cash and Investments at June 30, 2025 and 2024, consisted of the following:

		2025	2024				
			Weighted average maturity			Weighted average maturity	
	Fair value	% of portfolio	(years)	Fair value	% of portfolio	(years)	
Cash and cash equivalents:		70 01 politicae	() 50.5)		70 01 portione	() 54.5)	
Cash on hand	\$ 117	0.0 %	-	\$ 335	0.0 %	-	
Demand deposits with financial institutions	111,742	17.3 %	-	83,250	10.5 %	-	
Oregon local government investment pool (LGIP)	60,083	9.3 %	-	56,606	7.2 %	-	
U.S. Treasuries	3,051	0.5 %	0.16	33,492	4.2 %	0.02	
U.S. Treasuries - Demand Deposit SLGS	57,314	8.9 %	-	-	0.0 %		
Commercial paper	-	0.0 %	-	20,163	2.6 %	0.07	
Total cash and cash equivalents	232,307			193,846	•		
Investments:							
U.S. Agencies - Federal Home Loan Bank	164,231	25.4 %	0.39	156,759	19.9 %	0.50	
U.S. Agencies - Farm Credit	9,936	1.5 %	0.06	4,020	0.5 %	0.63	
U.S. Treasuries	185,272	28.6 %	0.28	314,901	39.9 %	0.28	
Commercial Paper	50,808	7.8 %	0.15	120,194	15.2 %	0.27	
Corporate Bonds	4,982	0.8 %	1.13	120,104	0.0 %	0.27	
Total investments	415,229	0.0 70	1.10	595,874	. 0.0 /0		
Total cash, cash equivalents and investments	\$ 647,536			\$ 789,720			
Cash and investments are reflected in the Statemen	ts of Net Position	n as follows:					
Cash and cash equivalents							
Unrestricted - current	\$ 157,697			\$ 171,989			
Restricted - current	3,459			2,159			
Restricted - noncurrent	71,151			19,698			
Total cash and cash equivalents	232,307			193,846			
Investments							
Unrestricted - current	330,083			367,343			
Unrestricted - noncurrent	4,982			-			
Restricted - current	77,170			124,004			
Restricted - noncurrent	2,994			104,527			
Total investments	415,229			595,874			
Total cash, cash equivalents, and investments	\$ 647,536			\$ 789,720			

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability between market participants at the measurement date (exit price). Observable inputs reflect market participants' assumptions in pricing the asset or liability and are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset or liability. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on

the valuation inputs used to measure the fair value of an asset. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels as noted in the tables below for June 30, 2025 and 2024. The categorization is based on pricing transparency of the investments, and not an indication of the risks associated with investing in the security. For Level 2 investments, the District uses matrix pricing to value its investments.

				Fair V						
Investment Type		Balance at June 30, 2025		oted Prices on Active arkets for dentical Assets Level 1)	OI	gnificant Other oservable Inputs Level 2)	Unob Ir	nificant servable iputs evel 3)	Not Measure At Fair Value	
U.S. Treasuries	\$	188,323	\$	188,323	\$	-	\$	-	\$	
U.S. Treasuries Demand Deposit SLGS		57,314		-		57,314		-		-
U.S. Agencies (FHLB)		164,231		-		164,231		-		-
U.S. Agencies (Farm Credit)		9,936		-		9,936		-		-
Commercial Paper		50,808		-		50,808		-		-
Corporate Bonds		4,982		-		4,982		-		-
LGIP		60,083		-		-		-		60,083
Demand deposits		111,742		-		-		-		111,742
Cash on hand		117								117
Total	\$	647,536	\$	188,323	\$	287,271	\$		\$	171,942

			Fair V					
Investment Type	 llance at e 30, 2024	ii Ma	oted Prices on Active arkets for dentical Assets Level 1)	Significant Other Observable Inputs (Level 2)		Significant Unobservable Inputs (Level 3)		 Measured air Value
U.S. Treasuries	\$ 348,393	\$	348,393	\$	-	\$	-	\$ -
U.S. Agencies (FHLB)	156,759		-		156,759		-	-
U.S. Agencies (Farm Credit)	4,020		-		4,020		-	-
Commercial Paper	140,357		-		140,357		-	-
LGIP	56,606		-		-		-	56,606
Demand deposits	83,250		-		-		-	83,250
Cash on hand	 335							 335
Total	\$ 789,720	\$	348,393	\$	301,136	\$		\$ 140,191

TriMet's demand deposits are covered by the Federal Deposit Insurance Corporation ("FDIC") or by collateral held by the State of Oregon. Cash held in the State of Oregon Local Government Investment Pool (LGIP) is managed by the State of Oregon Treasurer's office. The LGIP is an open-ended no-load diversified portfolio offered to any agency, political subdivision or public corporation of the State who by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon Legislature established the Oregon Short-Term Fund Board, which is not registered with the U.S. Securities and Exchange Commission as an investment company. The purpose of the Board is to advise the Oregon State Treasury in the management and investment of the LGIP. The Oregon State Treasurer is responsible for oversight of the Oregon Short-Term Fund Board. The Oregon Audits Division of the Secretary of State's Office audits the LGIP annually. The Division's most recent audit report on the LGIP was unmodified. The fair value of pool shares is equal to TriMet's proportionate position in the pool. The balance is available for withdrawal on demand, and is based on the accounting records maintained by LGIP, which are recorded on a cost basis. The LGIP is not rated by any national rating service. The most recent audited financial statements are available at Oregon Short Term Fund Audited Financial Statements June 30, 2024

Interest rate risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, TriMet manages its exposure to declines in fair values by limiting the maximum maturity of its investment portfolio to 5 years, with a weighted average maturity of less than 2.5 years. The investment policy also states the District will not directly invest unrestricted funds in securities maturing more than 5 years from the date of purchase. Restricted investments will be invested to match the expected requirements. The District complied with policy at year-end June 30, 2025.

Credit risk. Credit risk is the risk that an issuer will fail to pay principal or interest in a timely manner, or that negative perceptions of the issuer's ability to make these payments will cause the fair value of the investment to decline.

TriMet's investment policy, which is in compliance with Oregon State law (ORS 294 and 295), limits investment in corporate indebtedness on the settlement date to a rating of P-1 or Aa3 or better by Moody's Investors Service or A-1 or AA- or better by Standard & Poor's (S&P) Corporation or equivalent rating by any nationally recognized statistical rating organization. All investments identified in the ORS are included as permitted investments in the District's investment policy. The District's investment policy is posted to TriMet-Investment-Policy.pdf

As of June 30, 2025 and 2024, TriMet's investments were rated as follows:

	Mod	ody's	Standard	l & Poor's	Fai	r Value at	Fair Value at		
Investment Type	Long-term	Short-term	Long-term	Short-term	June 30, 2025		June 30, 2024		
U.S. Treasuries	Aa1	P-1	AA+	A-1+	\$	188,323	\$	348,393	
U.S. Treasuries Demand Deposit SLGS	Aa1	P-1	AA+	A-1+		57,314		-	
U.S. Agencies (FHLB)	Aa1	P-1	AA+	A-1+		164,231		156,759	
U.S. Agencies (Federal Farm Credit)	Aa1	P-1	AA+	A-1+		9,936		4,020	
Commercial Paper	N/A	P-1	N/A	A-1+/A-1		50,808		140,357	
Corporate Bonds	Aa2	N/A	AA+	N/A		4,982		-	
					\$	475,594	\$	649,529	

Concentration of credit risk. Concentration of credit risk is the risk associated with the lack of diversification or having too much invested in a few individual issues. TriMet's investment policy sets forth the procedures, guidelines, and criteria for the operation of TriMet's investment program. This policy governs the investment of all TriMet funds, except funds held in trust for pensions and deferred compensation. The investment policy establishes maximum amounts, either as a percentage of total portfolio or fixed dollar amount, that may be invested in investment types and any single issuer.

Mavimum

Maximum

	Maximum		vestment in
Investment Type per Investment Policy	Maturity		One Issuer
U.S. Treasury Obligations	5 years	100%	100%
U.S. Agency Obligations	5 years	90%	35%
Commercial Paper & Corporate Bonds	5 years	35%	5%
Bankers' Acceptance	5 years	10%	5%
Oregon Short Term Fund	5 years	Maximum per ORS 294.8	10
Time Deposits, Certificates of Deposit, Savings	5 years	50%	25%
Municipal Debt Obligations	5 years	10%	5%

At June 30, 2025, the District had 37.9% percent of its portfolio invested in U.S. government securities, 26.9 percent in agency securities, 8.6 percent in commercial paper/corporate bonds, 17.3 percent in demand deposits and 9.3 percent in the Oregon local government investment pool. As of June 30, 2025, there were no instances of investments in commercial paper exceeding the 5.0 percent per issuer.

At June 30, 2024, the District had 44.1 percent invested in U.S. government securities, 20.4 percent in agency securities, 17.8 percent in commercial paper, 10.5 percent in demand deposits and 7.2 percent in the Oregon local government investment pool. As of June 30, 2024, the District held commercial paper with Lloyd's Bank at 5.9 percent and MUFG Bank at 5.2 percent of the total portfolio. At year-end, these investments complied with the District's investment policy as their relative percentage of the portfolio only exceeded the 5.0 percent maximum per issuer constraint due to a decrease in the size of the portfolio after the securities initial purchase.

Custodial credit risk - deposits and investments. There is a risk that, in the event of a bank failure, the District's deposits may not be returned. The District's deposit policy is in accordance with ORS 295. All deposits are collateralized with eligible securities in amounts determined by the Oregon State Treasury (OST). The OST's custodian, Federal Home Loan Bank of Des Moines, is the agent of the depository bank. The securities pledged are designated as subject to the Pledge Agreement between the Depository Bank, Custodian Bank and OST and are held for the benefit of the OST on behalf of the public depositors. The District's deposit policy requires that all deposits are covered by the Federal Deposit Insurance Corporation (FDIC), and/or are collateralized as required by and in compliance with ORS 295. The FDIC's standard insurance amount is \$250 per depositor, per insured bank, for each account ownership category.

All banks holding funds in TriMet's name, that are not held in trust for debt service, are included on the list of qualified depositories maintained by the Oregon State Treasurer. The carrying amount of the District's deposits (excluding amounts held in trust for debt service) was \$111,127 and \$83,542 and the bank balance was \$113,810

and \$93,559 for June 30, 2025 and 2024 respectively. Of this bank balance, \$500 and \$508 was covered by the federal depository insurance's general deposit rules and \$113,310 and \$93,051 was collateralized by the PFCP for June 30, 2025 and 2024 respectively.

All investments purchased by the District are held and registered in TriMet's name by a safekeeping bank acting as safekeeping agent. A portion of TriMet's funds are invested in an external investment pool, held by the State of Oregon in the Local Government Investment Pool (LGIP), as described above. TriMet also deposits funds in four bank savings accounts. Balances in these accounts are in compliance with TriMet investment policy limits and are collateralized in accordance with ORS Chapter 295.

3. Receivables

At June 30, 2025 and 2024, the District had the following receivables under various federal and state grant agreements:

Balance at June 30, 2025	
Other federal	\$ 23,179
State and local grants	 4,455
	\$ 27,634
Balance at June 30, 2024	
Other federal	\$ 38,560
State and local grants	 5,874
	\$ 44,434

Taxes and other receivables at June 30, 2025 and 2024, including the applicable allowances for uncollectible accounts, are as follows:

			ance for			
			unco	llectible		Net
Balance as June 30, 2025	Re	eceivable	ac	counts	re	ceivable
Unrestricted:						
Payroll tax	\$	139,706	\$	6,900	\$	132,806
Self-employment tax		10,379		940		9,439
Trade accounts		3,055		10		3,045
Other		5,638		-		5,638
Total unrestricted		158,778		7,850		150,928
Restricted:						
Other		427		-		427
Total taxes and other receivables	\$	159,205	\$	7,850	\$	151,355
				ance for		
				ance for		Net
Balance as June 30, 2024	_Re	eceivable	uncc		_re	Net ceivable
Unrestricted:			unco ac	ollectible counts		ceivable
Unrestricted: Payroll tax	Re	138,330	uncc	ollectible counts 4,700	<u>re</u> \$	133,630
Unrestricted:		138,330 11,047	unco ac	ollectible counts		133,630 10,187
Unrestricted: Payroll tax		138,330	unco ac	ollectible counts 4,700		133,630
Unrestricted: Payroll tax Self-employment tax		138,330 11,047	unco ac	ollectible counts 4,700 860		133,630 10,187
Unrestricted: Payroll tax Self-employment tax Trade accounts		138,330 11,047 3,459	unco ac	ollectible counts 4,700 860		133,630 10,187 3,449
Unrestricted: Payroll tax Self-employment tax Trade accounts Other		138,330 11,047 3,459 9,359	unco ac	4,700 860 10		133,630 10,187 3,449 9,359
Unrestricted: Payroll tax Self-employment tax Trade accounts Other Total unrestricted		138,330 11,047 3,459 9,359	unco ac	4,700 860 10		133,630 10,187 3,449 9,359
Unrestricted: Payroll tax Self-employment tax Trade accounts Other Total unrestricted Restricted:		138,330 11,047 3,459 9,359 162,195	unco ac	4,700 860 10		133,630 10,187 3,449 9,359 156,625

4. Capital Assets

Capital assets at June 30, 2025 and 2024 consisted of the following:

	Beginning									Ending
For Fiscal Year Ended June 30, 2025		balance		Additions		eletions		Transfers		balance
Conital access, not being depresented										
Capital assets, not being depreciated Land and other	\$	233,614	\$		\$	(327)	\$	20,148	\$	253,435
Construction in process	Ф	570,375	Φ	109,083	Φ	(327)	Φ	(172,680)	Φ	506,778
Total capital assets not being depreciated		803,989		109,083		(327)		(152,532)		760,213
Total capital assets not being depreciated		000,909		100,000		(321)		(102,002)		700,213
Capital assets being depreciated										
Rail right-of-way and stations		2,457,480		-		-		2,202		2,459,682
Buildings and structures		1,120,406		-		(14,956)		95,830		1,201,280
Transportation equipment		814,865		_		(13,085)		33,182		834,962
Furniture and other equipment		372,512		_		(3,056)		21,318		390,774
Total capital assets being depreciated		4,765,263		-		(31,097)		152,532		4,886,698
Less accumulated depreciation for										
Rail right-of-way and stations	((1,293,408)		(61,083)		-		-		(1,354,491)
Buildings and structures		(361,398)		(35,323)		5,070		-		(391,651)
Transportation equipment		(499,553)		(47,067)		13,033		-		(533,587)
Furniture and other equipment		(243,611)		(24,300)		2,978		-		(264,933)
Total accumulated depreciation and		(2,397,970)		(167,773)		21,081		-		(2,544,662)
Total capital assets being depreciated, net		2,367,293		(167,773)		(10,016)		152,532		2,342,036
Right to use assets being amortized										
Leased office space and other leases		48,451		3,259		(931)		_		50,779
Subscription based IT arrangements		5,813		4,070		(301)				9,883
Total Right to use assets being amortized		54,264		7,329		(931)				60,662
Total Hight to use assets being amortized		34,204		1,020	-	(301)				00,002
Less accumulated amortization for										
Leased office space and other leases		(7,121)		(4,198)		931		_		(10,388)
Subscription based IT arrangements		(2,186)		(2,004)		-		_		(4,190)
Total accumulated amortization		(9,307)	-	(6,202)		931		_		(14,578)
Total Right to use assets being amortized, net		44,957		1,127		-		-		46,084
g		,		-,						,
Assets, net of depreciation and amortization	\$	3,216,239	\$	(57,563)	\$	(10,343)	\$	-	\$	3,148,333

Capital assets (continued) consist of the following:

For Fiscal Year Ended June 30, 2024	Beginning balance	Additions	Deletions	Transfers	Ending balance
Carital access, not being depresented					
Capital assets, not being depreciated	ф 000.4 <i>E</i> .4	ф 2.400	¢.	ф Б 4	ф 000 C44
Land and other	\$ 230,154	\$ 3,409	\$ -	\$ 51	\$ 233,614
Construction in process	720,661	175,859		(326,145)	570,375
Total capital assets, not being depreciated	950,815	179,268		(326,094)	803,989
Capital assets being depreciated					
Rail right-of-way and stations	2,454,132	3,348	-	-	2,457,480
Buildings and structures	841,307	-	(4,350)	283,449	1,120,406
Transportation equipment	825,284	-	(23,154)	12,735	814,865
Furniture and other equipment	343,024	-	(422)	29,910	372,512
Total capital assets being depreciated	4,463,747	3,348	(27,926)	326,094	4,765,263
		_			
Less accumulated depreciation for					
Rail right-of-way and stations	(1,232,053)	(61,355)	-	-	(1,293,408)
Buildings and structures	(328,693)	(37,055)	4,350	-	(361,398)
Transportation equipment	(476,556)	(46,151)	23,154	_	(499,553)
Furniture and other equipment	(224,038)	(19,995)	422		(243,611)
Total accumulated depreciation	(2,261,340)	(164,556)	27,926		(2,397,970)
Total capital assets being depreciated, net	2,202,407	(161,208)		326,094	2,367,293
Right to use assets bring amortized					
Leased office space and other leases	46,923	7,517	(5,989)	_	48,451
Subscription based IT arrangements	4,147	2,000	(334)		5,813
Total Right to use assets being amortized	51,070	9,517	(6,323)		54,264
rotarraght to ase assets being amortized	01,070	5,517	(0,020)		04,204
Less accumulated amortization for					
Leased office space and other leases	(9,348)	(3,762)	5,989	-	(7,121)
Subscription based IT arrangements	(1,327)	(1,193)	334_		(2,186)
Total accumulated amortization	(10,675)	(4,955)	6,323		(9,307)
Total Right to use assets being amortized, net	40,395	4,562			44,957
Assets, net of depreciation and amortization	\$ 3,193,617	\$ 22,622	\$ -	\$ -	\$ 3,216,239

Included in the line item for Depreciation and amortization expense on the Statement of Revenues, Expenses and Changes in Net Position is \$6,203 and \$4,955 for amortization related to leases and subscription based information technology agreements for fiscal years ended June 30, 2025 and 2024, respectively.

5. Leases

The District has several leasing arrangements accounted for under GASB No. 87, Leases, summarized below.

Lessee Activities

The District has accrued liabilities as a lessor for office space, parking spots, radio tower space, a land and a bridge (subleased). Below is a schedule of the changes in the right to use assets with the accumulated amortization for the fiscal years ended June 30, 2025 and June 30, 2024:

Right to use assets	Ве	ginning						Ending
For Fiscal Year-End June 30, 2025		alance	Ad	Iditions	Del	etions		palance
Office space	\$	41,301	\$	3,105	\$	(931)	\$	43,475
Parking	·	1,544	•	-	·	-	•	1,544
Radio towers		1,833		154		-		1,987
Bridge		3,121		-		_		3,121
Land		652		-		-		652
Total right to use assets	\$	48,451	\$	3,259	\$	(931)	\$	50,779
Ç		<u> </u>		<u> </u>		<u>, , , , , , , , , , , , , , , , , , , </u>		·
Accumulated amortization	Ве	ginning					ı	Ending
For Fiscal Year-End June 30, 2025	b	alance	Ad	Iditions	Del	etions	b	oalance
Office space	\$	(4,921)	\$	(3,773)	\$	931	\$	(7,763)
Parking		(392)		(78)		-		(470)
Radio towers		(600)		(135)		-		(735)
Bridge		(909)		(181)		-		(1,090)
Land		(299)		(31)				(330)
Total accumulated amortization	\$	(7,121)	\$	(4,198)	\$	931	\$	(10,388)
Total right to use assets, net	\$	41,330	\$	(939)	\$	_	\$	40,391
Right to use assets For Fiscal Year-End June 30, 2024		eginning palance	۸	dditions	D	eletions		Ending balance
Office space	- '	39,773	<u> </u>	7,517	\$	(5,989)	- \$	
•	φ	•	φ	7,517	Φ	(3,969)	φ	,
Parking		1,544		-		-		1,544
Radio towers		1,833		-		-		1,833
Bridge		3,121		-		-		3,121
Land		652		7.547		(5,000)		652
Total right to use assets	\$	46,923	\$	7,517	\$	(5,989)	<u>\$</u>	48,451
Accumulated amortization	R	eginning						Ending
For Fiscal Year-End June 30, 2024		palance	Λ	dditions	D	eletions		balance
Office space	- '	(7,559)	\$	(3,351)	\$	5,989		(4,921)
Parking	Ψ	(314)	φ	(3,331)	φ	3,909	Ψ	
_		, ,		` ,		-		(392)
Radio towers		(480)		(120)		-		(600)
Bridge		(727)		(182)		-		(909)
Land	ф.	(268)	<u> </u>	(31)	ф	- E 000	· —	(299)
Total accumulated amortization	\$	(9,348)	\$	(3,762)	\$	5,989	<u>\$</u>	(7,121)
Total right to use assets, net	\$	37,575	\$	3,755	\$	_	<u>\$</u>	41,330

Below is a schedule of the changes in the lease obligations for the fiscal years ended June 30, 2025 and June 30, 2024. The District used its incremental borrowing rate of 2.17 percent to value its right to use assets and lease obligations.

Lease Obligations

Ecase Obligations												
	В	eginning		Ending		Current		In	terest			
For Fiscal Year-End June 30, 2025	t	alance	A	Additions Repayments		balance		Portion		Expense		
Office space	\$	40,564	\$	3,105	\$	(2,780)	\$	40,889	\$	3,286	\$	878
Parking		1,201		-		(39)		1,162		39		32
Radio towers		1,398		154		(112)		1,440		232		39
Bridge		2,345		-		(168)		2,177		173		60
Land		40		-		(20)		20		20		1
Total Lease Obligations	\$	45,548	\$	3,259	\$	(3,119)	\$	45,688	\$	3,750	\$	1,010

Lease Obligations

	Beginning						Ŀ	nding	C	urrent	Inte	erest
For Fiscal Year-End June 30, 2024	balance		Additions		Repayments		b	alance	F	ortion	Exp	ense
Office space	\$	32,654	\$	8,244	\$	(334)	\$	40,564	\$	2,794	\$	790
Parking		1,276		-		(75)		1,201		39		33
Radio towers		1,493		-		(95)		1,398		101		38
Bridge		2,509		-		(164)		2,345		168		64
Land		60		_		(20)		40		20		1_
Total Lease Obligations	\$	37,992	\$	8,244	\$	(688)	\$	45,548	\$	3,122	\$	926

The District's schedule of future payments included in the measurement of leases payable is as follows:

Fiscal Year Ending June 30,	P	rincipal	In	terest	Total			
2026	\$	3,750	\$	989	\$	4,739		
2027		3,951		903		4,854		
2028		4,188		813		5,001		
2029		4,415		718		5,133		
2030		4,640		618		5,258		
2031 - 2035		20,761		1,533		22,294		
2036 - 2040		2,447		343		2,790		
2041 - 2045		167		185		352		
2046 - 2050		(81)		189		108		
2051 - 2055		(75)		200		125		
2056 - 2060		(64)		209		145		
2061 - 2065		(49)		217		168		
2066 - 2070		(28)		223		195		
2071 - 2075		1		225		226		
2076 - 2080		39		223		262		
2081 - 2085		89		215		304		
2086 - 2090		153		200		353		
2091 - 2095		233		175		408		
2096 - 2100		335		138		473		
2101 - 2105		463		86		549		
2106 - 2108		353		19		372		
Totals	\$	45,688	\$	8,421	\$	54,109		

Lessor Activities

The District has accrued receivables for leases related office space, land, telecommunications (radio tower) space, and conduit space. Below is a schedule of the changes in the leases receivable for the fiscal years ended June 30, 2025 and June 30, 2024:

Leases receivable For Fiscal Year-End June 30, 2025		eginning alance	Ado	ditions	Del	etions		Ending palance		within Year
Office space	\$	449	\$	-	\$	(40)	\$	409	\$	43
Land	*	640	*	141	•	(46)	•	735	*	59
Radio towers		_		312		(56)		256		59
Conduit space		14,028		_		(268)		13,760		291
Total Lease Receivable	\$	15,117	\$	453	\$	(410)	\$	15,160	\$	452
Less current portion								(452)		
Long-term leases receivable, net							\$	14,708		
Leases receivable	Ве	eginning					E	Ending	Due	within
For Fiscal Year-End June 30, 2024	b	alance	Add	ditions	Del	etions	b	alance	One	Year
Office space	\$	487	\$	-	\$	(38)	\$	449	\$	40
Land		664		-		(24)		640		26
Radio towers		61		-		(61)		-		-

Interest receivable of \$102 and \$103 is included in the current portion of leases receivable on the Statement of Net position for fiscal years ending June 30, 2025 and 2024 respectively.

(711)

(834)

\$

15,117

14,783

(334)

268

334

Below is a schedule of the changes in the deferred inflows related to lessor activities for the fiscal years ended June 30, 2025 and June 30, 2024:

Deferred Inflows related to Leases

Conduit space

Total Lease Receivable

Long-term leases receivable, net

Less Current Portion

	Ве	eginning			Amo	rtization		Ending	Inte	erest	
For Fiscal Year-End June 30, 2025	b	balance		ditions	Re	venue	b	alance	Revenue		
Office space	\$	(390)	\$	-	\$	45	\$	(345)	\$	11	
Land		(2,632)		(141)		77		(2,696)		23	
Radio towers		-		(311)		62		(249)		8	
Conduit space		(13,837)				589		(13,248)		312	
Total	\$	(16,859)	\$	(452)	\$	773	\$	(16,538)	\$	354	

15,951

Deferred Inflows related to Leases

	Be	ginning			Amor	tization		Ending	Inte	erest
For Fiscal Year-End June 30, 2024	b	balance		Additions		enue	b	alance	Rev	enue
Office space	\$	(435)	\$	-	\$	45	\$	(390)	\$	13
Land		(2,686)		-		54		(2,632)		21
Radio towers		(55)		-		55		-		1
Conduit space		(14,426)				589		(13,837)		319
Total	\$	(17,602)	\$	-	\$	743	\$	(16,859)	\$	354

6. Subscription-Based Information Technology Arrangements

The District has several subscription arrangements accounted for under GASB No. 96, *Subscriptions Based Information Technology Arrangements*. These arrangements are summarized below.

The District has accrued liabilities for eleven subscription based information technology (IT) arrangements as of June 30, 2025. Software subscriptions accrued provide TriMet with remote desktops capabilities, ride scheduling, vendor integration, voice calling, relational database systems, and enterprise application functionality. Below is a schedule of the changes in the right to use subscription IT assets with the accumulated amortization for the fiscal years ended June 30, 2025 and June 30, 2024:

	Beginning			Ending
For Fiscal Year-End June 30, 2025	_balance_	Additions	Deletions	balance
Right to Use Subscription Software	\$ 5,813	4,070	-	\$ 9,883
Accumulated Amortization on Subscription Software	(2,186)	(2,004)		(4,190)
Right to use software, net	\$ 3,627	\$ 2,066	\$ -	\$ 5,693
For Fiscal Year-End June 30, 2024 Right to Use Subscription Software Accumulated Amortization on Subscription Software	Beginning balance \$ 4,147 (1,327)	Additions 2,000 (1,193)	Deletions (334) 334	Ending balance \$ 5,813 (2,186)
Right to use software, net	\$ 2,820	\$ 807	\$ -	\$ 3,627

Below is a schedule of the changes in subscription based IT obligations for the fiscal years ended June 30, 2025 and June 30, 2024. The District used its incremental borrowing rate of 2.17 percent to value its right to use assets and subscription based IT obligations.

	Ве	ginning					E	Ending	Cı	urrent	Inte	erest
For Fiscal Year-End June 30, 2025	b	balance A		Additions		Deletions		alance	Po	ortion	Exp	ense
Subscription IT Obligations	\$	1,967	\$	4,070	\$	(4,112)	\$	1,925	\$	914	\$	44
			-									
	Ве	ginning					E	Ending	Cı	urrent	Inte	rest
For Fiscal Year-End June 30, 2024	balance		Additions		Deletions		b	alance	Po	ortion	Exp	ense
Subscription IT Obligations	\$	1,353	\$	1,317	\$	(703)	\$	1,967	\$	719	\$	24

The District's schedule of future payments included in the measurement of subscription liability is as follows:

Fiscal Year Ending June 30:	Pri	incipal	Int	erest	 Total
2026	\$	914	\$	27	\$ 941
2027		446		18	464
2028		388		11	399
2029		62		3	65
2030		66		2	68
2031		49		1_	50
Totals	\$	1,925	\$	62	\$ 1,987

The tables below summarize the amounts reported on the Statement of Net Position for lessee leases and subscription based information technology arrangements (SBITAs) as of June 30, 2025 and June 30, 2024, respectively.

		Current	Noncurrent
		Lease and	Lease and
	Right to Use	Subscription	Subscription
For fiscal year-end June 30, 2025	Assets (net)	Liabilities	Liabilities
Lessee leases	\$ 40,391	\$ 3,908	\$ 41,938
Subscription software	5,693	923	1,011
Total per Statement of Net Position	\$ 46,084	\$ 4,831	\$ 42,949
	·		
		Current	Noncurrent
		Current Lease and	Noncurrent Lease and
	Right to Use	Lease and	
For fiscal year-end June 30, 2024	Right to Use Assets (net)	Lease and Subscription	Lease and
For fiscal year-end June 30, 2024 Lessee leases		Lease and Subscription Liabilities	Lease and Subscription
	_Assets (net)	Lease and Subscription Liabilities \$ 3,286	Lease and Subscription Liabilities

The amount for lessee leases reported in the column for current lease and subscription liabilities includes \$158 and \$164 of interest payable as of June 30, 2025 and June 30, 2024, respectively. The amount for subscription software reported in the column for current lease and subscription liabilities includes \$9 and \$10 of interest payable as of June 30, 2025 and June 30, 2024, respectively.

7. Long-Term Debt

Long-Term Debt at June 30, 2025 and 2024 consists of the following:

	Beginning			Ending	Due within
For Fiscal Year End June 30, 2025	balance	Additions	Reductions	balance	one year
Payroll Tax Bonds:					
2009 Senior Lien Payroll Tax Bonds, Series A and B	\$ 12,530	\$ -	\$ -	\$ 12,530	\$ -
2015 Senior Lien Revenue and Refunding Bonds, Series A and B	22,520	-	(6,125)	16,395	6,430
2016 Senior Lien Revenue Refunding Bonds, Series A	54,095	-	(3,700)	50,395	3,890
2017 Senior Lien Payroll Tax Bonds, Series A	32,025	-	(2,945)	29,080	3,095
2018 Senior Lien Payroll Tax Bonds, Series A	39,205	-	(1,990)	37,215	2,100
2019 Senior Lien Revenue and Refunding Bonds, Series A and B	234,885	-	(770)	234,115	785
2021 Senior Lien Revenue and Refunding Bonds, Series A and B	406,415		(3,390)	403,025	7,070
Subtotal Payroll Tax Bonds	801,675		(18,920)	782,755	23,370
Capital Grant Receipt Revenue Bonds:					
2017 Capital Grant Receipt Revenue Refunding Bonds, Series A	53,105	-	(12,320)	40,785	12,940
2018 Capital Grant Receipt Revenue Bonds, Series A	109,705		(1,785)	107,920	1,855
Subtotal Capital Grant Receipt Revenue Bonds	162,810	-	(14,105)	148,705	14,795
Total	\$ 964,485	\$ -	\$ (33,025)	\$ 931,460	\$ 38,165
Add (deduct):					
Unamortized bond premium	36,678		(6,049)	30,629	
Current portion of long-term debt	(33,025))	, ,	(38,165)	
Long-term debt, due in more than one year	\$ 968,138	_		\$ 923,924	
				- "	D '11'
For Figure Voor End June 20, 2024	Beginning	A dditions	Deductions	Ending	Due within
For Fiscal Year End June 30, 2024	Beginning balance	Additions	Reductions	Ending balance	Due within one year
Payroll Tax Bonds:	balance			balance	one year
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B	\$ 12,530	Additions -	\$ -	\$ 12,530	one year
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B	\$ 12,530 28,420		\$ - (5,900)	\$ 12,530 22,520	one year \$ - 6,125
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B 2016 Senior Lien Revenue Refunding Bonds, Series A	\$ 12,530 28,420 57,645		\$ - (5,900) (3,550)	\$ 12,530 22,520 54,095	• one year \$ - 6,125 3,700
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B 2016 Senior Lien Revenue Refunding Bonds, Series A 2017 Senior Lien Payroll Tax Bonds, Series A	\$ 12,530 28,420 57,645 34,840		\$ - (5,900) (3,550) (2,815)	\$ 12,530 22,520 54,095 32,025	\$ - 6,125 3,700 2,945
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B 2016 Senior Lien Revenue Refunding Bonds, Series A 2017 Senior Lien Payroll Tax Bonds, Series A 2018 Senior Lien Payroll Tax Bonds, Series A	\$ 12,530 28,420 57,645 34,840 41,040		\$ - (5,900) (3,550) (2,815) (1,835)	\$ 12,530 22,520 54,095 32,025 39,205	\$ - 6,125 3,700 2,945 1,990
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B 2016 Senior Lien Revenue Refunding Bonds, Series A 2017 Senior Lien Payroll Tax Bonds, Series A 2018 Senior Lien Payroll Tax Bonds, Series A 2019 Senior Lien Revenue and Refunding Bonds, Series A and B	\$ 12,530 28,420 57,645 34,840 41,040 235,640		\$ - (5,900) (3,550) (2,815) (1,835) (755)	\$ 12,530 22,520 54,095 32,025 39,205 234,885	\$ - 6,125 3,700 2,945 1,990 770
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B 2016 Senior Lien Revenue Refunding Bonds, Series A 2017 Senior Lien Payroll Tax Bonds, Series A 2018 Senior Lien Payroll Tax Bonds, Series A 2019 Senior Lien Revenue and Refunding Bonds, Series A and B 2021 Senior Lien Revenue and Refunding Bonds, Series A and B	\$ 12,530 28,420 57,645 34,840 41,040 235,640 409,640	\$ - - - - - -	\$ - (5,900) (3,550) (2,815) (1,835) (755) (3,225)	\$ 12,530 22,520 54,095 32,025 39,205 234,885 406,415	\$ - 6,125 3,700 2,945 1,990 770 3,390
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B 2016 Senior Lien Revenue Refunding Bonds, Series A 2017 Senior Lien Payroll Tax Bonds, Series A 2018 Senior Lien Payroll Tax Bonds, Series A 2019 Senior Lien Revenue and Refunding Bonds, Series A and B 2021 Senior Lien Revenue and Refunding Bonds, Series A and B Subtotal Payroll Tax Bonds	\$ 12,530 28,420 57,645 34,840 41,040 235,640		\$ - (5,900) (3,550) (2,815) (1,835) (755)	\$ 12,530 22,520 54,095 32,025 39,205 234,885	\$ - 6,125 3,700 2,945 1,990 770
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B 2016 Senior Lien Revenue Refunding Bonds, Series A 2017 Senior Lien Payroll Tax Bonds, Series A 2018 Senior Lien Payroll Tax Bonds, Series A 2019 Senior Lien Revenue and Refunding Bonds, Series A and B 2021 Senior Lien Revenue and Refunding Bonds, Series A and B Subtotal Payroll Tax Bonds Capital Grant Receipt Revenue Bonds:	\$ 12,530 28,420 57,645 34,840 41,040 235,640 409,640 819,755	\$ - - - - - -	\$ - (5,900) (3,550) (2,815) (1,835) (755) (3,225) (18,080)	\$ 12,530 22,520 54,095 32,025 39,205 234,885 406,415 801,675	\$ - 6,125 3,700 2,945 1,990 770 3,390 18,920
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B 2016 Senior Lien Revenue Refunding Bonds, Series A 2017 Senior Lien Payroll Tax Bonds, Series A 2018 Senior Lien Payroll Tax Bonds, Series A 2019 Senior Lien Revenue and Refunding Bonds, Series A and B 2021 Senior Lien Revenue and Refunding Bonds, Series A and B Subtotal Payroll Tax Bonds Capital Grant Receipt Revenue Bonds: 2017 Capital Grant Receipt Revenue Refunding Bonds, Series A	\$ 12,530 28,420 57,645 34,840 41,040 235,640 409,640 819,755	\$ - - - - - -	\$ - (5,900) (3,550) (2,815) (1,835) (755) (3,225) (18,080)	\$ 12,530 22,520 54,095 32,025 39,205 234,885 406,415 801,675	\$ - 6,125 3,700 2,945 1,990 770 3,390 18,920
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B 2016 Senior Lien Revenue Refunding Bonds, Series A 2017 Senior Lien Payroll Tax Bonds, Series A 2018 Senior Lien Payroll Tax Bonds, Series A 2019 Senior Lien Revenue and Refunding Bonds, Series A and B 2021 Senior Lien Revenue and Refunding Bonds, Series A and B Subtotal Payroll Tax Bonds Capital Grant Receipt Revenue Bonds: 2017 Capital Grant Receipt Revenue Refunding Bonds, Series A 2018 Capital Grant Receipt Revenue Bonds, Series A	\$ 12,530 28,420 57,645 34,840 41,040 235,640 409,640 819,755 64,840 111,435	\$ - - - - - -	\$ - (5,900) (3,550) (2,815) (1,835) (755) (3,225) (18,080) (11,735) (1,730)	\$ 12,530 22,520 54,095 32,025 39,205 234,885 406,415 801,675	\$ - 6,125 3,700 2,945 1,990 770 3,390 18,920 12,320 1,785
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B 2016 Senior Lien Revenue Refunding Bonds, Series A 2017 Senior Lien Payroll Tax Bonds, Series A 2018 Senior Lien Payroll Tax Bonds, Series A 2019 Senior Lien Revenue and Refunding Bonds, Series A and B 2021 Senior Lien Revenue and Refunding Bonds, Series A and B Subtotal Payroll Tax Bonds Capital Grant Receipt Revenue Bonds: 2017 Capital Grant Receipt Revenue Refunding Bonds, Series A 2018 Capital Grant Receipt Revenue Bonds, Series A Subtotal Capital Grant Receipt Revenue Bonds	\$ 12,530 28,420 57,645 34,840 41,040 235,640 409,640 819,755 64,840 111,435 176,275	\$ - - - - - - - -	\$ - (5,900) (3,550) (2,815) (1,835) (755) (3,225) (18,080) (11,735) (1,730) (13,465)	\$ 12,530 22,520 54,095 32,025 39,205 234,885 406,415 801,675 53,105 109,705 162,810	\$ - 6,125 3,700 2,945 1,990 770 3,390 18,920 12,320 1,785 14,105
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B 2016 Senior Lien Revenue Refunding Bonds, Series A 2017 Senior Lien Payroll Tax Bonds, Series A 2018 Senior Lien Payroll Tax Bonds, Series A 2019 Senior Lien Revenue and Refunding Bonds, Series A and B 2021 Senior Lien Revenue and Refunding Bonds, Series A and B Subtotal Payroll Tax Bonds Capital Grant Receipt Revenue Bonds: 2017 Capital Grant Receipt Revenue Refunding Bonds, Series A 2018 Capital Grant Receipt Revenue Bonds, Series A Subtotal Capital Grant Receipt Revenue Bonds Total	\$ 12,530 28,420 57,645 34,840 41,040 235,640 409,640 819,755 64,840 111,435	\$ - - - - - -	\$ - (5,900) (3,550) (2,815) (1,835) (755) (3,225) (18,080) (11,735) (1,730)	\$ 12,530 22,520 54,095 32,025 39,205 234,885 406,415 801,675	\$ - 6,125 3,700 2,945 1,990 770 3,390 18,920 12,320 1,785
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B 2016 Senior Lien Revenue Refunding Bonds, Series A 2017 Senior Lien Payroll Tax Bonds, Series A 2018 Senior Lien Payroll Tax Bonds, Series A 2019 Senior Lien Revenue and Refunding Bonds, Series A and B 2021 Senior Lien Revenue and Refunding Bonds, Series A and B 3021 Senior Lien Revenue Bonds 3021 Senior Lien Revenue Bonds 3032 Capital Grant Receipt Revenue Refunding Bonds, Series A 2017 Capital Grant Receipt Revenue Refunding Bonds, Series A 2018 Capital Grant Receipt Revenue Bonds, Series A 3042 Series A 3053 Series A 3054 Series A 3055 Series A 3056 Series A 3057 Capital Grant Receipt Revenue Bonds, Series A 3057 Series A 3058 Series A 3068 Series A 3078 Series A 30	\$ 12,530 28,420 57,645 34,840 41,040 235,640 409,640 819,755 64,840 111,435 176,275 \$ 996,030	\$ - - - - - - - -	\$ - (5,900) (3,550) (2,815) (1,835) (755) (3,225) (18,080) (11,735) (1,730) (13,465) \$ (31,545)	\$ 12,530 22,520 54,095 32,025 39,205 234,885 406,415 801,675 53,105 109,705 162,810 \$ 964,485	\$ - 6,125 3,700 2,945 1,990 770 3,390 18,920 12,320 1,785 14,105
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B 2016 Senior Lien Revenue Refunding Bonds, Series A 2017 Senior Lien Payroll Tax Bonds, Series A 2018 Senior Lien Payroll Tax Bonds, Series A 2019 Senior Lien Revenue and Refunding Bonds, Series A and B 2021 Senior Lien Revenue and Refunding Bonds, Series A and B 2021 Senior Lien Revenue and Refunding Bonds, Series A and B 2021 Senior Lien Revenue Bonds Capital Grant Receipt Revenue Bonds: 2017 Capital Grant Receipt Revenue Refunding Bonds, Series A 2018 Capital Grant Receipt Revenue Bonds, Series A Subtotal Capital Grant Receipt Revenue Bonds Total Add (deduct): Unamortized bond premium	\$ 12,530 28,420 57,645 34,840 41,040 235,640 409,640 819,755 64,840 111,435 176,275 \$ 996,030	\$ - - - - - - - - - - - - - - - - - - -	\$ - (5,900) (3,550) (2,815) (1,835) (755) (3,225) (18,080) (11,735) (1,730) (13,465)	\$ 12,530 22,520 54,095 32,025 39,205 234,885 406,415 801,675 53,105 109,705 162,810 \$ 964,485	\$ - 6,125 3,700 2,945 1,990 770 3,390 18,920 12,320 1,785 14,105
Payroll Tax Bonds: 2009 Senior Lien Payroll Tax Bonds, Series A and B 2015 Senior Lien Revenue and Refunding Bonds, Series A and B 2016 Senior Lien Revenue Refunding Bonds, Series A 2017 Senior Lien Payroll Tax Bonds, Series A 2018 Senior Lien Payroll Tax Bonds, Series A 2019 Senior Lien Revenue and Refunding Bonds, Series A and B 2021 Senior Lien Revenue and Refunding Bonds, Series A and B 3021 Senior Lien Revenue Bonds 3021 Senior Lien Revenue Bonds 3032 Capital Grant Receipt Revenue Refunding Bonds, Series A 2017 Capital Grant Receipt Revenue Refunding Bonds, Series A 2018 Capital Grant Receipt Revenue Bonds, Series A 3042 Series A 3053 Series A 3054 Series A 3055 Series A 3056 Series A 3057 Capital Grant Receipt Revenue Bonds, Series A 3057 Series A 3058 Series A 3068 Series A 3078 Series A 30	\$ 12,530 28,420 57,645 34,840 41,040 235,640 409,640 819,755 64,840 111,435 176,275 \$ 996,030	\$ - - - - - - - - - - - - - - - - - - -	\$ - (5,900) (3,550) (2,815) (1,835) (755) (3,225) (18,080) (11,735) (1,730) (13,465) \$ (31,545)	\$ 12,530 22,520 54,095 32,025 39,205 234,885 406,415 801,675 53,105 109,705 162,810 \$ 964,485	\$ - 6,125 3,700 2,945 1,990 770 3,390 18,920 12,320 1,785 14,105

Total interest cost on all outstanding bonds was \$28,421 and \$29,221 in fiscal years 2025 and 2024, respectively. The following table presents outstanding bonds at year-end with principal and interest paid during the fiscal year and the related pledged revenues on the debt.

	June 30, 2025										
Description of Debt:		pal and interest o maturity	Principa paid	Pledged revenue for the year							
Payroll Tax Bonds - pledged: Employer payroll, self											
employment tax, and state in lieu revenue											
2009 Revenue Bonds, Series B	\$	17,607	\$	718							
2015 Revenue Bonds, Series A and B		21,951		6,996							
2016 Revenue Bonds, Series A		61,912		5,533							
2017 Revenue Bonds, Series A		36,585		4,218							
2018 Revenue Bonds, Series A		58,890		3,610							
2019 Revenue Bonds, Series A and B		352,029		8,173							
2021 Revenue Bonds, Series A and B		554,000		14,875							
	\$	1,102,974	\$	44,123	\$506,194						
Capital Grant Receipt Revenue Bonds - pledged: Section 5307, STP, and CMAQ grant receipts											
2017 Capital Grant Receipt Revenue Refunding Bonds, Series A		43,910		14,667							
2018 Capital Grant Receipt Revenue Bonds, Series A		138,375		6,775							
					A 400 = 40						
	\$	182,285	\$	21,442	\$ 126,742						
	\$		\$ June 30,								
			June 30,	2024	Pledged						
Description of Dahr	Princi	ipal and interest	June 30,	2024 al and interest	Pledged revenue for						
Description of Debt: Payroll Tax Bonds - pledged: Employer payroll, self employment tax, and state in lieu revenue	Princi		June 30,	2024	Pledged						
Payroll Tax Bonds - pledged: Employer payroll, self	Princi	ipal and interest	June 30,	2024 al and interest	Pledged revenue for						
Payroll Tax Bonds - pledged: Employer payroll, self employment tax, and state in lieu revenue	Princi	ipal and interest to maturity	June 30, Princip paid	2024 al and interest in the year	Pledged revenue for						
Payroll Tax Bonds - pledged: Employer payroll, self employment tax, and state in lieu revenue 2009 Revenue Bonds, Series B 2015 Revenue Bonds, Series A and B 2016 Revenue Bonds, Series A	Princi	ipal and interest to maturity 18,325	June 30, Princip paid	2024 al and interest in the year 718	Pledged revenue for						
Payroll Tax Bonds - pledged: Employer payroll, self employment tax, and state in lieu revenue 2009 Revenue Bonds, Series B 2015 Revenue Bonds, Series A and B	Princi	ipal and interest to maturity 18,325 28,948	June 30, Princip paid	2024 al and interest in the year 718 7,040	Pledged revenue for						
Payroll Tax Bonds - pledged: Employer payroll, self employment tax, and state in lieu revenue 2009 Revenue Bonds, Series B 2015 Revenue Bonds, Series A and B 2016 Revenue Bonds, Series A	Princi	ipal and interest to maturity 18,325 28,948 67,444	June 30, Princip paid	2024 al and interest in the year 718 7,040 5,547	Pledged revenue for						
Payroll Tax Bonds - pledged: Employer payroll, self employment tax, and state in lieu revenue 2009 Revenue Bonds, Series B 2015 Revenue Bonds, Series A and B 2016 Revenue Bonds, Series A 2017 Revenue Bonds, Series A	Princi	ipal and interest to maturity 18,325 28,948 67,444 40,803	June 30, Princip paid	2024 al and interest in the year 718 7,040 5,547 4,218	Pledged revenue for						
Payroll Tax Bonds - pledged: Employer payroll, self employment tax, and state in lieu revenue 2009 Revenue Bonds, Series B 2015 Revenue Bonds, Series A and B 2016 Revenue Bonds, Series A 2017 Revenue Bonds, Series A 2018 Revenue Bonds, Series A	Princi	18,325 28,948 67,444 40,803 62,499	June 30, Princip paid	2024 al and interest in the year 718 7,040 5,547 4,218 3,550	Pledged revenue for						
Payroll Tax Bonds - pledged: Employer payroll, self employment tax, and state in lieu revenue 2009 Revenue Bonds, Series B 2015 Revenue Bonds, Series A and B 2016 Revenue Bonds, Series A 2017 Revenue Bonds, Series A 2018 Revenue Bonds, Series A 2019 Revenue Bonds, Series A and B	Princi	18,325 28,948 67,444 40,803 62,499 360,202	June 30, Princip paid	2024 al and interest in the year 718 7,040 5,547 4,218 3,550 8,173	Pledged revenue for						
Payroll Tax Bonds - pledged: Employer payroll, self employment tax, and state in lieu revenue 2009 Revenue Bonds, Series B 2015 Revenue Bonds, Series A and B 2016 Revenue Bonds, Series A 2017 Revenue Bonds, Series A 2018 Revenue Bonds, Series A 2019 Revenue Bonds, Series A and B	Princi	18,325 28,948 67,444 40,803 62,499 360,202 568,875	June 30, Princip paid	2024 al and interest in the year 718 7,040 5,547 4,218 3,550 8,173 14,875	Pledged revenue for the year						
Payroll Tax Bonds - pledged: Employer payroll, self employment tax, and state in lieu revenue 2009 Revenue Bonds, Series B 2015 Revenue Bonds, Series A and B 2016 Revenue Bonds, Series A 2017 Revenue Bonds, Series A 2018 Revenue Bonds, Series A 2019 Revenue Bonds, Series A 2019 Revenue Bonds, Series A and B 2021 Revenue Bonds, Series A and B Capital Grant Receipt Revenue Bonds - pledged: Section 5307,	Princi	18,325 28,948 67,444 40,803 62,499 360,202 568,875	June 30, Princip paid	2024 al and interest in the year 718 7,040 5,547 4,218 3,550 8,173 14,875	Pledged revenue for the year						
Payroll Tax Bonds - pledged: Employer payroll, self employment tax, and state in lieu revenue 2009 Revenue Bonds, Series B 2015 Revenue Bonds, Series A and B 2016 Revenue Bonds, Series A 2017 Revenue Bonds, Series A 2018 Revenue Bonds, Series A 2019 Revenue Bonds, Series A 2019 Revenue Bonds, Series A and B 2021 Revenue Bonds, Series A and B Capital Grant Receipt Revenue Bonds - pledged: Section 5307, STP, and CMAQ grant receipts	Princi	18,325 28,948 67,444 40,803 62,499 360,202 568,875 1,147,096	June 30, Princip paid	2024 al and interest in the year 718 7,040 5,547 4,218 3,550 8,173 14,875 44,121	Pledged revenue for the year						

The District is required to comply with certain bond covenants related to the operations of the District. Significant covenants include timely payment of principal and interest, and to budget appropriate funds needed to pay all debt service obligations.

Under U.S. Treasury Department regulations, all governmental tax-exempt debt issued after August 31, 1986 is subject to arbitrage rebate requirements. The requirements stipulate, in general, that the yield on earnings from the investment of tax-exempt bond proceeds, which exceeds the yield on related bonds, must be remitted to the Federal Government on every fifth anniversary of each bond issue. The District has evaluated each bond issue and has recognized an arbitrage liability of \$4,037 as of June 30, 2025. This amount relates to the 2021A payroll tax revenue bonds and will come due in the fiscal year ending June 30, 2027.

Payroll Tax Bonds

TriMet has the following Revenue Bonds outstanding which are backed by Payroll Tax Revenues: 2009 Revenue Bonds Series B, 2012 Senior Lien Payroll Tax Revenue Bonds Series A, 2015 Revenue Bonds Series A and B, 2016 Revenue Bonds Series A, 2017 Revenue Bonds Series A, 2018 Revenue Bonds Series A, 2019 Revenue Bonds Series A and B and 2021 Revenue Bonds, Series A and B. The Revenue Bonds are payable from and secured by a pledge of the employer payroll and self-employment taxes levied by the District. The Payroll Tax Revenue Bonds are not general obligations of the District.

2009 Revenue Bonds, Series B

On October 27, 2009, TriMet issued \$12,530 in 2009 Build America Bonds, Series B (2009 Revenue Bonds) to fund the District's repayment of funds drawn on interim financing and other capital projects.

The 2009 Series B Revenue Bonds mature September 1, 2033, and are subject to mandatory sinking fund requirements annually on September 1, 2030 through 2033. Interest is payable semiannually on March 1 and September 1 and fixed interest rates range from 3.0 percent to 5.73 percent on outstanding maturities. The 2009 Series B Revenue Bonds are subject to redemption prior to maturity in whole or in part at the option of TriMet at the higher of 100 percent of outstanding principal or the present value of the outstanding principal and interest payment remaining at redemption.

2012 Senior Lien Payroll Tax Bonds, Series A

On August 30, 2012, TriMet issued \$93,290 in Senior Lien Payroll Tax Revenue Bonds, Series 2012A to fund the District's share of Portland Milwaukie Light Rail (PMLR) and other capital projects.

The 2012 Revenue Bonds mature serially each September 1, beginning September 1, 2013 through 2032, with \$28,705 in term bonds maturing on September 1, 2037. Interest is payable semiannually on March 1 and September 1 and fixed interest rates range from 1.0 percent to 5.0 percent on outstanding maturities. On May 11, 2016, TriMet defeased in substance future principal and interest payments on a portion of its 2012 Senior Lien Payroll Tax Bonds, Series A. Final payment on the 2012 bonds occurred on September 1, 2022.

2015 Revenue Bonds, Series A and B

On September 9, 2015, TriMet issued \$71,885 in Senior Lien Payroll Tax Revenue Bonds, Series A to fund capital projects. TriMet also issued \$62,705 in Senior Lien Payroll Tax Revenue Refunding Bonds, Series B to refinance certain series of revenue bonds outstanding.

The 2015 Revenue Bonds mature serially each September 1, beginning September 1, 2016 through 2040, with \$25,430 in term bonds maturing on September 1, 2040. Interest is payable semiannually on March 1 and September 1 and fixed interest rates range from 2.0 percent to 5.0 percent on outstanding maturities. The 2015 Revenue Bonds are subject to redemption prior to maturity in whole or in part at the option of TriMet on any date on or after September 1, 2025, at a price of par (100%) plus accrued interest thereon to the date of redemption.

On October 9, 2019 and again on October 27, 2021, TriMet defeased in substance future principal and interest payments on a portion of its 2015 Senior Lien Payroll Tax Bonds, Series A and B. As of June 30, 2025, there were \$66,285, in defeased bonds with scheduled maturities annually on September 1, 2026 through 2040.

2016 Revenue Refunding Bonds, Series A

On May 11, 2016, TriMet issued \$74,800 in Senior Lien Payroll Tax Revenue Refunding Bonds, Series A to refinance certain series of revenue bonds currently outstanding.

The 2016 Revenue Bonds mature serially each September 1, beginning September 1, 2017 through 2034, with \$17,915 in term bonds maturing on September 1, 2037. Interest is payable semiannually on March 1 and September 1 and fixed interest rates range from 1.5 percent to 5.0 percent on outstanding maturities. The 2016 Revenue Bonds are subject to redemption prior to maturity in whole or in part at the option of TriMet on any

date on or after September 1, 2026, at a price of par (100%) plus accrued interest thereon to the date of redemption.

On October 27, 2021, TriMet defeased in substance future principal and interest payments on a portion of its 2016 Senior Lien Payroll Tax Bonds. As of June 30, 2025, there were \$14,910 in defeased bonds with scheduled maturities annually on September 1, 2029 through 2032.

2017 Revenue Bonds, Series A

On February 22, 2017, TriMet issued \$97,430 in Senior Lien Payroll Tax Revenue Bonds to fund capital projects.

The 2017 Revenue Bonds mature serially each September 1, beginning September 1, 2018 through 2041, with \$24,400 in term bonds maturing on September 1, 2041. Interest is payable semiannually on March 1 and September 1 and fixed interest rates range from 2.0 percent to 5.0 percent on outstanding maturities. The 2017 Revenue Bonds are subject to redemption prior to maturity in whole or in part at the option of TriMet on any date on or after September 1, 2026, at a price of par (100%) plus accrued interest thereon to the date of redemption.

On October 27, 2021, TriMet defeased in substance future principal and interest payments on a portion of its 2017 Senior Lien Payroll Tax Bonds. As of June 30, 2025, there were \$50,215 in defeased bonds with scheduled maturities annually on September 1, 2029 through 2041.

2018 Revenue Bonds, Series A

On June 20, 2018, TriMet issued \$148,245 in Senior Lien Payroll Tax Revenue Bonds to fund capital projects including the Powell Garage, replacement of buses, a 4th bus base, and replacement of light rail vehicles.

The 2018 Revenue Bonds mature serially each September 1, beginning September 1, 2019 through 2038, with \$38,770 in term bonds maturing on September 1, 2043, and \$51,555 maturing on September 1, 2048. Interest is payable semiannually on March 1 and September 1 and fixed interest rates range from 3.25 percent to 5.0 percent on outstanding maturities. The 2018 Revenue Bonds are subject to redemption prior to maturity in whole or in part at the option of TriMet on any date on or after September 1, 2028, at a price of par (100%) plus accrued interest thereon to the date of redemption.

On October 27, 2021, TriMet defeased in substance future principal and interest payments on a portion of its 2018 Senior Lien Payroll Tax Bonds. As of June 30, 2025, there were \$100,680 in defeased bonds with scheduled maturities annually on September 1, 2030 through 2044.

2019 Revenue Bonds, Series A and B

On October 9, 2019, TriMet issued \$188,390 in Senior Lien Payroll Tax Revenue Bonds, Series A to fund capital projects including Columbia Bus Base, replacement of buses and light rail vehicles, the Red Line extension to the fair complex, division transit, and ruby junction expansion. TriMet also issued \$49,425 in Senior Lien Payroll Tax Revenue Refunding Bonds, Series B (taxable) to refinance certain series of revenue bonds currently outstanding. The District completed this advance refunding to reduce its total debt service payments over the next 21 years by \$2,937 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$2,263.

The 2019 Revenue Bonds mature serially each September 1, beginning September 1, 2020 through 2049, with \$16,235 in term bonds maturing on September 1, 2049. Interest is payable semiannually on March 1 and September 1 and fixed interest rates range from 1.8 percent to 5.0 percent on outstanding maturities. The 2019 Revenue Bonds are subject to redemption prior to maturity in whole or in part at the option of TriMet on any date on or after September 1, 2029, at a price of par (100%) plus accrued interest thereon to the date of redemption.

2021 Revenue Bonds, Series A and B

On October 27, 2021, TriMet issued \$180,610 in Senior Lien Payroll Tax Revenue Bonds, Series A to fund capital projects including replacement of light rail vehicles, the Red Line extension to the fair complex, and the Powell garage project. TriMet also issued \$229,030 in Senior Lien Payroll Tax Revenue Refunding Bonds, Series B (taxable) to refinance certain series of revenue bonds currently outstanding. The District completed this advance refunding to reduce its total debt service payments over the next 28 years by \$22,345 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$18,948.

The 2021 Revenue Bonds mature serially each September 1, beginning September 1, 2023 through 2041, with \$39,080 in term bonds maturing on September 1, 2049 and another \$44,150 in term bonds maturing September 1, 2051. Interest is payable semiannually on March 1 and September 1 and fixed interest rates range from 0.95 percent to 5.0 percent on outstanding maturities. The 2021 Revenue Bonds are subject to redemption prior to maturity in whole or in part at the option of TriMet on any date on or after September 1, 2031, at a price of par (100%) plus accrued interest thereon to the date of redemption.

Capital Grant Receipt Bonds

TriMet has issued three series of Capital Grant Receipt Revenue Bonds: 2011 Capital Grant Receipt Revenue Bonds, 2017 Capital Grant Receipt Revenue Refunding Bonds (Series A), and 2018 Capital Grant Receipt Revenue Bonds. The Grant Receipt Revenue Bonds are payable from and secured solely by a pledge of Section 5307, Surface Transportation Program (STP), and Congestion Mitigation and Air Quality (CMAQ) federal grants, or replacement grant programs and amounts credited to a debt service account.

2017 Capital Grant Receipt Revenue Refunding Bonds, Series A

On August 30, 2017, TriMet issued \$76,015 in Capital Grant Receipt Revenue Refunding Bonds, Series A to refinance certain series of revenue bonds then outstanding.

The 2017 Capital Grant Receipt Revenue Refunding Bonds mature serially each October 1, beginning October 1, 2022 through 2027. Interest is payable semiannually on April 1 and October 1 and the interest rate is 5.0 percent on outstanding maturities. The 2017 Revenue Bonds are not subject to optional or mandatory redemption prior to maturity.

2018 Capital Grant Receipt Revenue Bonds, Series A

On February 6, 2018, TriMet issued \$113,900 in 2018 Capital Grant Receipt Revenue Bonds to pay for a portion of the costs of capital projects, including the Southwest Corridor, Division Transit, and Powell Garage projects among others.

The 2018 Capital Grant Receipt Revenue Bonds mature serially each October 1, beginning October 1, 2020 through 2034. Interest is payable semiannually on April 1 and October 1 and fixed interest rates range from 3.25 percent to 5.0 percent on outstanding maturities. The 2018 Capital Grant Receipt Revenue Bonds are subject to redemption prior to maturity in whole or in part at the option of TriMet on any date on or after April 1, 2028 at a price of par (100%) plus accrued interest thereon to the date of redemption.

Bond Debt Service Requirements to Maturity:

The District's various bonds outstanding and related interest requirements as of June 30, 2025, are as follows:

	Payroll Tax Bonds						Capital Grant Receipt Bonds							<u>Total All Bonds</u>				
Fiscal Year ending June 30,	F	Principal		<u>Interest</u>		<u>Total</u>	<u> </u>	Principal	<u>li</u>	nterest		<u>Total</u>	<u> </u>	Principal		<u>Interest</u>		<u>Total</u>
2026	\$	23,370	\$	24,241	\$	47,611	\$	14,795	\$	6,615	\$	21,410	\$	38,165	\$	30,856	\$	69,021
2027		24,210		23,400		47,610		15,515		5,857		21,372		39,725		29,257		68,982
2028		24,980		22,634		47,614		16,270		5,062		21,332		41,250		27,696		68,946
2029		25,895		21,721		47,616		12,620		4,340		16,960		38,515		26,061		64,576
2030		26,745		20,865		47,610		13,235		3,694		16,929		39,980		24,559		64,539
2031 - 2035		146,900		91,151		238,051		76,270		8,012		84,282		223,170		99,163		322,333
2036 - 2040		173,270		64,770		238,040		-		-		-		173,270		64,770		238,040
2041 - 2045		158,625		37,260		195,885		-		-		-		158,625		37,260		195,885
2046 - 2050		160,435		13,716		174,151		-		-		-		160,435		13,716		174,151
2051 - 2052		18,325		461		18,786		-		-		-		18,325		461		18,786
Totals	\$	782,755	\$	320,219	\$	1,102,974	\$	148,705	\$	33,580	\$	182,285	\$	931,460	\$	353,799	\$ ′	1,285,259

8. Risk Management

In conjunction with its normal operations, the District is exposed to various risks related to the damage or destruction of its assets, tort/liability claims, injuries to personnel, and errors and omissions. To this end, the District has developed a comprehensive risk management program, utilizing insurance and self-insurance resources, to provide protection from these exposures.

The Oregon Tort Claims Act (the Act) is the common law sovereign immunity from suit for public bodies in Oregon, including TriMet. Prior to July 1, 2009, the Act capped the liability of public bodies, including TriMet, at \$200 for individual claims. In addition, the public body may be substituted as a defendant in lieu of individual employees of the public body, thereby limiting recovery for claims against individual employees to the limits applicable to public bodies. Under the Act, TriMet currently indemnifies its employees for any liability that they incur within the scope of their work. The limits are subject to per claims per occurrence based on changes to the consumer price index. At June 30, 2025, the single claimant limit was \$855 and the multiple claimants was \$1,660. Effective July 1, 2025 those limits raise to \$879 for single claimant and \$1,710 for multiple claimants.

The District is self-insured for all personal injury and property damage, also referred to as public liability claims, subject to the limits of the Oregon Tort Claims Act. For third party liability claims related to heavy rail or Portland-Milwaukie Light Rail (PMLR) operations, the District is self-insured to the extent of the first \$3,000 per occurrence, with excess insurance coverage up to \$323,000 inclusive of the self-insured retention. The \$323,000 coverage reflects the federal liability cap established by Congress, which sets the maximum aggregate amount of damages that may be awarded in connection with a rail accident, regardless of the number of claims.

For all other covered third party liability claims, the District has a \$5,000 self-insured retention per occurrence with excess insurance coverage up to \$25,000 inclusive of the self-insured retention. No settled claims have exceeded the coverage described during the past three fiscal years.

The District provides for the estimated losses on pending and potential claims resulting from industrial and public liability accidents occurring prior to year-end. The District's policy is to record claims incurred but not reported at the estimated amount of the undiscounted liability. These liabilities are based on the ultimate expected cost of settling the claims, including the effects of inflation and other legal and economic factors.

The District is also self-insured for workers' compensation claims, also referred to as industrial accident claims, with a retention of \$2,000 per claim and maintains excess insurance for the next \$1,000 per statutory requirements.

Changes in the District's public liability and industrial accident claims liabilities (reported in other accrued liabilities on the Statement of Net Position) are as follows as of and for the years ended June 30, 2025 and 2024 and 2023:

	For the Year Ended June 30, 2025				For the Year Ended June 30, 2024				For the Year Ended June 30, 2023			
	Industrial accident claims		Public liability		Industrial accident claims		Public liability		Industrial accident claims		Public liability	
Liability at beginning of year Current year claims	\$	7,807 2.906	\$	8,363 526	\$	6,441 3,127	\$	6,451 3,283	\$	5,962 4,271	\$	3,930 1,309
Changes in estimates for claims of prior periods Payments of claims		2,365 (5,843)		473 (2,256)		3,969 (5,730)		1,158 (2,529)		1,874 (5,666)		2,457 (1,245)
Liability at end of year	\$	7,235	\$	7,106	\$	7,807	\$	8,363	\$	6,441	\$	6,451

Based on historical experience, the District has classified \$6,457 and \$8,455 of the industrial accident and public liability claims liabilities as current liabilities, at June 30, 2025 and 2024, respectively.

9. Other Long-term Liabilities

Other long-term liabilities include public liability, industrial accident claims liabilities and employee dental and health insurance as follows:

For Fiscal Year-End June 30, 2025	Beginning balance		A	dditions	Re	ductions	Ending balance		Due within one year	
Uninsured claims liability:	Φ.	7.007	Φ.	E 074	Φ	(F.040)	Φ	7.005	Φ	0.040
Industrial accident claims	\$	7,807	\$	5,271	\$	(5,843)	\$	7,235	\$	2,643
Employee dental insurance		309		285		-		594		594
Employee health insurance		2,723		748		-		3,471		3,471
Public liability		8,363		999		(2,256)		7,106		3,822
Total claims liability		19,202	\$	7,303	\$	(8,099)		18,406	\$	10,530
Current portion		(11,485)	-					(10,530)		
Noncurrent portion of claims liabilities	\$	7,717					\$	7,876		
For Fiscal Year-End June 30, 2024	Beginning balance		Additions		Reductions		Ending balance		Due within one year	
Uninsured claims liability: Industrial accident claims	\$	C 444	\$	7.006	•	(F 700)		7.007		3.376
									a.	
	φ	6,441	φ	7,096	\$	(5,730)	\$	7,807	\$	-,
Employee dental insurance	Ψ	306	φ	3	\$	(5,730)	\$	309	\$	309
Employee dental insurance Employee Health Insurance	Ψ	306 2,309	Ψ	3 414	\$	-	\$	309 2,723	\$	309 2,721
Employee dental insurance Employee Health Insurance Public liability	Ψ 	306 2,309 6,451		3 414 4,441		(2,529)	\$ 	309 2,723 8,363		309 2,721 5,079
Employee dental insurance Employee Health Insurance	Ψ	306 2,309	\$	3 414	\$	- (2,529)	\$ 	309 2,723	\$	309 2,721
Employee dental insurance Employee Health Insurance Public liability	Ψ 	306 2,309 6,451		3 414 4,441		(2,529)	\$ 	309 2,723 8,363		309 2,721 5,079

10. Lease-leaseback Transaction

2005 Lease transaction

In November 2005, the District entered into a series of agreements related to 28 light rail vehicles. In simultaneous transactions, the District leased the 28 light rail vehicles (the Head Lease) to a trust (TriMet 2005 Statutory Trust) for the benefit of a third party investor (2005 Equity Investor) for a basic term of 28 or 29 years, depending on the age of the vehicles. The Head Lease qualified for accounting treatment as a capital lease prior to implementing GASB Statement No. 87, *Leases*. The trust subleased all 28 vehicles back to the District (the Lease Agreement) for a period of 28 or 29 years. The District received all required lease payments totaling

\$123,700, which have been recorded in the accompanying statement of net position as unamortized gain of \$12,557 (before expenses of \$911) and a long-term lease liability for lease payments of \$111,143. The liability is reduced as lease payments are made over the term of the lease. The District's net benefit from the 2005 transactions was \$11,646. The Federal Transit Administration reviewed the operative documents and approved the transaction.

TriMet used \$111,143 of the proceeds from the Head Lease transaction to fully fund three payment agreements (\$84,382 to Premier International Funding Co. for the Series A Payment Agreement and \$26,761 to MBIA Inc. for the Equity Payment Undertaking Agreement and the Debt Payment Undertaking Agreement). The obligations of Premier International Funding Co. are unconditionally and irrevocably guaranteed by Financial Security Assurance Inc. (FSA), which has subsequently been acquired by Assured Guaranty Ltd. In February 2009, TriMet terminated the MBIA Equity Payment Undertaking agreement and received \$28,033 and terminated the Debt Payment Undertaking Agreement and received \$14,528. Simultaneously, TriMet purchased and placed in trust US Treasury securities for \$28,399 to collateralize all future equity payment obligations. The debt payment obligations have not been collateralized and are general obligations of TriMet. Net of transaction expenses, the 2009 MBIA termination created \$13,954 in net benefit.

The District's prepayment of the payment agreements is recorded as a prepaid lease expense and is reduced as payments are made over the term of the lease. The payment agreements do not constitute legal defeasance.

The 2005 leases include the following trigger events relating to TriMet: (1) outstanding General Obligation Bond ratings are downgraded by Standard & Poor's below "A+" or by Moody's below "A1", or if General Obligation Bonds are no longer rated, long-term senior payroll tax revenue bonds are downgraded by Standard & Poor's below "A+" or by Moody's below "A1", or (2) TriMet becomes eligible to be a debtor under Bankruptcy code, or (3) TriMet loses its taxing authority related to payroll and self-employment taxes. If a trigger event occurs, TriMet is required to provide equity strip collateral in amounts defined in the lease agreements. TriMet's long-term senior lien payroll tax revenue bonds are rated AAA by Standard & Poor's, Aaa by Moody's and AAA by Kroll at June 30, 2025. As of June 30, 2025, TriMet is not aware of any default, event of default or event of loss under any of the operative documents. The total outstanding future lease obligations under the 2005 leases are as follows:

		FSA	US	S Treasuries			Tot	tal payment
Fiscal Year Ending June 30,	uncol	lateralized		in trust	TriMe	t obligation	0	bligations
2026	\$	-	\$	-	\$	-	\$	-
2027		-		-		-		-
2028		-		27		-		27
2029		-		108		-		108
2030		-		-		-		-
2031-2035		14,876		33,085		9,586		57,547
2036		56,686		35,475		-		92,161
	\$	71,562	\$	68,695	\$	9,586	\$	149,843

Legislative and regulatory activities

Pursuant to the terms of the tax indemnity agreements of TriMet's 2005 and 2009 lease transactions, unless an indemnification event occurs, the District bears no liability for the related adverse U.S. federal income tax consequence to the domestic investors. As of June 30, 2025, no indemnity claims have been made against TriMet. With respect to TriMet's 2005 and 2009 lease transactions, the Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA), as codified in Section 4965 of the Internal Revenue Code of 1986 as amended (Code), the guidance provided by the Internal Revenue Service (IRS) in IRS Notice 2007-18 published on February 7, 2007 and the Proposed and Temporary Regulations released on July 6, 2007 subsequently thereto, TriMet does not have a TIPRA excise tax liability.

Financial Statement Summary

In connection with the implementation of GASB No. 87, *Leases*, the 2005 lease-leaseback is recorded on the Statement of Net Position as a net long-term restricted lease-leaseback. The following is a summary of amounts related to the lease-leaseback as of June 30:

Assets:	2025	2024
Restricted Cash and Investments - Lease Collateral	\$ 52,568	\$ 49,553
Prepaid lease expense	 39,295	36,851
Total assets	\$ 91,863	\$ 86,404
Liabilities and unamortized gain:		
Long-term lease liability	\$ 84,977	\$ 80,118
Total liabilities	\$ 84,977	\$ 80,118
Unamortized gain on leases	\$ 9,326	\$ 10,238
Total liabilities and deferred inflows	\$ 94,303	\$ 90,356
Net long-term restricted lease-leaseback	\$ (2,440)	\$ (3,952)
Net leveraged lease revenue (expense)	\$ 1,512	\$ (1,024)

11. Commitments and Contingencies

TriMet has authorized commitments unexpended as of June 30, 2025 of \$800,739 that represent contracts awarded with future performance obligations. The most significant commitments include contracts for security services, contracted demand response operations, administrative office space, fuel purchases, along with other capital projects and funding commitments. Resources used for the District's commitments include grant funding sources, debt, and unrestricted resources.

The District is a defendant in various legal actions resulting from normal transit operations. Although the outcome of such actions cannot presently be determined, it is the opinion of management and legal counsel that settlement of these matters will not have a material adverse effect on the District's financial position, results of operations or cash flows.

12. Pension Benefits

Union Defined Contribution Plan

TriMet contributes to a single employer defined contribution plan - the TriMet Defined Contribution Retirement Plan for Union Employees ("the Union DC Plan"). A third party administrator, ICMA-RC, provides administration of the Union DC Plan trust. The TriMet Board of Directors ("Board") has appointed a committee to oversee the Union DC Plan. Funding of the defined contribution plan is performed on a perpetual basis as part of the District's normal payroll processes.

Plan description

Effective July 13, 2012, the District adopted the Union DC Plan in accordance with Internal Revenue Code (IRC) Section 401(a). Participation in the Union DC Plan is mandatory for all union employees hired on or after August 1, 2012. Under the Union DC Plan, the District will contribute 9.0 percent of considered compensation each pay period. Considered compensation is taxable compensation plus employee elected pre-tax deferrals, less overtime pay, bonuses, commissions, or other extraordinary pay and cash-out of unused vacation. Within 30 days of becoming eligible for the Union DC Plan, employees make a one-time irrevocable election to contribute between zero and 15 percent of their compensation to the Plan on a pretax basis. Due to tax laws, the pre-tax election must

be made within 30 days after an employee becomes eligible to participate in the DC Plan and the election cannot be changed for as long as the employee is eligible. In addition, the employee can elect to make voluntary, after-tax, contributions, up to 15 percent of compensation. The employee may adjust the after-tax contribution election at any time. Plan participants fully vest in the District's contributions after three years of service with the District. Upon severance from employment, TriMet will contribute sixty percent of the employee's unused sick leave (up to a maximum of 1,700 hours) to the employee's account. The TriMet Board has authority over amendments to plan benefit and contribution provisions, in conjunction with the Working and Wage Agreement.

Method used to value investments

As of June 30, 2025 and 2024, there were 2,385 and 2,078 active employees, respectively, covered by the Union DC Plan. The District contributed 100 percent of the required contributions to the Union DC Plan. District contributions were \$13,566 and \$10,408 for the years ended June 30, 2025 and 2024, respectively. Employee contributions to the Union DC Plan were \$9,496 and \$7,883 for the years ended June 30, 2025 and 2024, respectively.

Management Defined Contribution Plan

TriMet contributes to a single employer defined contribution plan - the TriMet Defined Contribution Retirement Plan for Management and Staff Employees ("the Management DC Plan"). A third party administrator, ICMA-RC, provides administration of the Management DC Plan trust. The TriMet Board of Directors ("Board") has appointed a committee to oversee the Management DC Plan. Funding of the defined contribution plan is done on a perpetual basis as part of the District's normal payroll processes.

Plan description

Effective April 27, 2003, the District adopted the Management DC Plan in accordance with Internal Revenue Code (IRC) Section 401(a). Participation in the Management DC Plan is mandatory for all non-union employees hired after April 26, 2003. All non-union employees hired before April 27, 2003 were required to make an irrevocable election to (1) stay in TriMet Defined Benefit Retirement Plan for Management and Staff Employees ("the Management DB Plan"), (2) freeze their credited service as of April 27, 2003 in the Management DB Plan (but not their final average salary) and be covered by the Management DC Plan for all service after April 26, 2003, or (3) transfer the present value of their accrued benefit under the Management DB Plan as of April 27, 2003 to the Management DC Plan and be covered by the Management DC Plan for all service after April 26, 2003.

Under the Management DC Plan, the District contributes 10.0 percent of considered compensation each pay period. Considered compensation is taxable compensation plus employee elected pre-tax deferrals, less overtime pay, bonuses, commissions, or other extraordinary pay and cash-out of unused vacation. Within thirty days of becoming eligible for the Management DC Plan, employees make a one-time irrevocable election to contribute between zero and fifteen percent of their compensation to the Plan on a pretax basis. Due to tax laws, the pre-tax election must be made within thirty days after an employee becomes eligible to participate in the DC Plan and the election cannot be changed for as long as the employee is eligible. In addition, the employee can elect to make voluntary, after-tax, contributions, up to fifteen percent of compensation. The after-tax contribution election may be adjusted by the employee at any time. Plan participants fully vest in the District's contributions after three years of service with the District. Upon severance from employment, TriMet will contribute sixty percent of the employee's unused sick leave (up to a maximum of 1,700 hours) to the employee's account. The TriMet Board has authority over amendments to plan benefit and contribution provisions.

As of June 30, 2025 and 2024 there were 686 and 637 active employees, respectively, covered by the Management DC Plan. The District contributed 100 percent of the required contributions to the Management DC Plan. District contributions were \$8,795 and \$7,587 for the years ended June 30, 2025 and 2024, respectively. Employee contributions to the Management DC Plan were \$4,271 and \$3,402 for the years ended June 30, 2025 and 2024, respectively.

13. Other Employee Benefits

Deferred compensation plan

The District offers all employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457(b). The plan permits employees to defer a portion of their current salary until termination, retirement, death or financial hardship. All assets and income of the plan are in a trust for the exclusive benefit of the participants and their beneficiaries. The employee participants determine plan participant investments. The Board appoints a committee to perform the administrative and fiduciary responsibilities of the employer under the plan.

Compensated absences

Union employees receive paid vacation benefits and sick leave in accordance with the Working and Wage Agreement. Employees are eligible for one to six weeks of vacation depending on their years of service with the District. Non-union employees receive similar vacation and sick leave benefits as prescribed by TriMet's personnel policies. Compensated absences for the years ending June 30, 2025 and 2024 were as follows:

	Ве	eginning			E	Ending	Du	e within
For Fiscal Year-End June 30, 2025	b	alance	Net	change	b	alance	or	e year
Sick leave	\$	14,330	\$	5,873	\$	20,203	\$	6,562
Vacation		24,768		5,228		29,996		1,998
Total compensated absences		39,098	\$	11,101		50,199	\$	8,560
Current portion		(5,532)				(8,560)		
Noncurrent portion of compensated absences	\$	33,566			\$	41,639		
	Ве	eginning			E	Ending	Du	e within
For Fiscal Year-End June 30, 2024	b	alance	Net	change	b	alance	on	ie year
Sick leave	\$	11,953	\$	2,377	\$	14,330	\$	3,839
Vacation		20,910		3,858		24,768		1,693
Total compensated absences		32,863	\$	6,235		39,098	\$	5,532
Current portion		(11,426)				(5,532)		
Noncurrent portion of compensated absences	\$	21,437				33,566		

General Information about the Other Post-Employment Benefits (OPEB) Plan

Plan description. The District's defined benefit OPEB plan provides healthcare and life insurance benefits for eligible employees and their qualified dependents. The District's plan is a single employer defined benefit OPEB plan administered by the TriMet Board. The authority to establish and amend the benefit terms and financing is accomplished through contractual agreement with union employees and through board adopted personnel policies for non-union employees.

Benefits provided. The District's plan provides healthcare and life insurance benefits for retirees and their dependents. The benefit terms vary depending on whether the employee is union or non-union, and the employee's date of hire. Below is a brief summary of employee eligibility and the benefits provided:

	Eligibility for OPEB				
Union	Employee must be at least 55 and have 1	0 years of continuous service.			
Non- Union	Hired prior to April 27, 2003	Must be at least 55 and have 5 years of credited service			
Non- Union	Hired on or after April 27, 2003 and before May 1, 2009	Must be at least 55 and have 10 years of credited service.			
Non- Union	Hired after May 1, 2009	Must be at least 62 and have 3 years of credited service.			

	Union Benefits Offered						
Relevant Dates	Prior to Medicare Eligibility	Medicare Eligible					
Retired prior to 02/01/1992	Medical, prescription drug, and dental provided to all retirees, spouses, and domestic partners.	Medical, prescription drug, and dental provided to all retirees, spouses, and domestic partners. Some retirees are reimbursed for Medicare Part B premiums.					
Retired after 02/01/1992 and hired before 10/24/2014	Medical, prescription drug, and dental are provided to all retirees. The retirees contribute a portion of the premium depending on the plan selected.	Employees receive coverage through a Medicare Advantage Plan (for which they contribute, in part) or a monthly stipend (HRA VEBA). Retirees are reimbursed for Medicare Part B if they enroll Medicare Advantage plan or the HRA VEBA (a stipend).					
Hired after 10/24/2014	Employees receive a monthly stipend to be used for healthcare purposes.	No benefits through TriMet.					

Non-Union Benefits Offered					
Relevant Dates	Prior to Medicare Eligibility	Medicare Eligible			
Hired Prior to 05/01/2009	Full time employees contribute a portion of the premium cost of medical, dental, and vision benefits.	Employee must enroll in a Medicare Advantage plan (employees contribute a portion of the premiums).			
Hired after 05/01/2009	Employee can contribute 100% of the premium amount paid by TriMet and receive healthcare coverage.	No benefits through TriMet.			

Eligible retirees are also provided a \$10 whole life insurance benefit fully paid by TriMet. On an annual basis, the monthly stipend for union employees is increased with inflation.

Employees covered by benefit terms. At December 31, 2024 and 2023, the following employees (union and non-union) were covered by the benefit terms:

As of December 31,	2024	2023
Inactive employees or beneficiaries currently receiving benefit payments	2,172	2,147
Inactive employees entitled to but not yet receiving benefits	-	-
Active employees	3,577	3,214
Total	5,749	5,361

Summary of accounting policies

The financial statements are prepared using the accrual basis of accounting. Benefits are recognized when due and payable in accordance with the terms of the plan.

OPEB Trust Investments

In June 2012, TriMet placed \$400 in a trust, which meets the criteria of paragraph 4 of GASB Statement 75. This initial amount has continuously reinvested in short term fixed income securities through June 30, 2025. TriMet currently pays for post-employment benefits other than pensions on a pay as you go basis.

Plan investments are reported at fair value. The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Below are the amounts of TriMet's OPEB Trust

investments as of December 31, 2025 and December 31, 2024, respectively. For Level 2 investments, the District uses matrix pricing to value its investments.

			Fair Value Measurement Using					
	Balance at December 31, 2024		Quoted Prices in Active Markets for Significant Other Identical Assets Observable Inputs (Level 1) (Level 2)		ble Inputs	Significant Unobservable Inputs (Level 3)		
Measured at Fair Value Level								
Cash	\$	455	\$	455	\$	-	\$	
				Fair \	/alue Meas	surement Usir	ng	
				I all	value Meas	surement Osn	iy	
		nce at er 31, 2023	Active M Identic	Prices in larkets for al Assets vel 1)	Observa	cant Other able Inputs vel 2)	Unobs In	ificant ervable outs vel 3)
Measured at Fair Value Level								
Federal Home Loan Banks	\$	426	\$	-	\$	426	\$	

Rate of Return

For the years ended December 31, 2025 and December 31, 2024, respectively, the annual money-weighted rate of return on OPEB plan investments, net of plan investment expense, was 4.36 percent and 5.08 percent. The money-weighted return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Investment Policy

The plan trustees have not yet established an investment policy with targeted returns and diversification goals due to the small size of the trust and current practice of financing OPEB on a pay as you go basis. Since inception of the trust, TriMet has invested its entire balance in short term obligations of the US government as well as short-term obligations of US governmental sponsored entities (GSEs). As of December 31, 2024 and December 31, 2023, the plan had investments of more than 5% of the total Plan fiduciary net position, as follows:

	December 31, 2024	December 31, 2023
Federal Home Loan Banks	0%	100%

Funding policy and Net OPEB liability

The OPEB Trust does not currently have a funding policy beyond making pay-as-you go benefit payments. As the District begins to contribute to the trust to fund future OPEB costs, an investment policy will be adopted. The components of the net OPEB liability were as follows:

Net OPEB liability	As of December 31,					
		2024		2023		
Total OPEB liability	\$	645,842	\$	711,347		
Plan fiduciary net position		455		436		
Net OPEB liability	\$	645,387	\$	710,911		
Plan fiduciary net position as a percent of total OPEB liability		0.1%		0.1%		
Covered employee payroll	\$	331,426	\$	282,313		
Net OPEB liability as a percentage of covered employee payroll		194.7%		251.8%		

Net OPEB Liability

The District's net OPEB liability of \$645,387 was measured as of December 31, 2024, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability for the December 31, 2024 and 2023 actuarial valuations was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Inflation:	2.75%	2.75%
Salary Increases:	3.0 - 3.25%	3.0 - 3.25%
Discount Rate:	4.08%	3.26%

The discount rate was based on Bond Buyer 20-Bond GO Index, December 26, 2024 and December 28, 2023 respectively.

Healthcare cost trend rates:

	Union Plans	Non Union Plans		
Pre-Medicare	Medicare	Medicare Part B	Pre-Medicare	Medicare
8% in 2025 trending down to 4.03% in 2045 and thereafter.	7% in 2025 trending down to 4.03% in 2045 and thereafter.	1.03% in 2025 and 10.97% in 2026 then trending down to 4.03% in 2045 and thereafter.	10% in 2025 trending down to 4.03% in 2045 and thereafter.	7% in 2025 trending down to 4.03% in 2045 and thereafter.

Retirees' share of benefit related costs:

Union: Individuals who retired prior to February 1, 1992 do not contribute for coverage. Retirees who retire on or after February 1, 1992 and were hired on or before October 2014 contribute according to the following table:

Plan Selected	Premium Contribution
Regence 90/10	Retirees pay the difference between the Regence 90/10- and TriMet's employer contribution for the Regence PPO 80/20
Regence 80/20	Retirees pay 5% of the premium cost
Regence HSA	Retirees receive deposit from TriMet equal to the difference between the HSA premium and TriMet's employer contribution for the Regence PPO 80/20
All other Medical and Dental	Retirees pay 5% of the premium cost

Retirees hired on or after October 25, 2014 only receive a monthly stipend. This benefit ceases when the employee turns 65.

Non-Union: Employees contribute according to hire and retirement dates as detailed below:

Dates	Premium Contribution
Retired prior to January 1, 1988	No contribution
Hired before May 1, 2009	6% for full time employees up to 25% for part-time employees
Hired on or after May 1, 2009	100% Contribution

Mortality rates were based on the tables as detailed below:

Employee Class	Mortality Tables
Union Healthy	2016 Cheiron ATU employee mortality table with generational projection using SOA Scale MP-2020
Union Disabled	2016 Cheiron ATU disabled mortality table with generational projection using SOA Scale MP-2020
Non-Union Healthy	PubG-2010(A) Healthy Retiree projected fully generational with SOA Scale MP-2019.
Non-Union Disabled	PubG-2010(A) Healthy Retiree projected fully generational with SOA Scale MP-2019.

Changes in the Net OPEB Liability

	For th	ne Years End 2024	ed Ded	ember 31, 2023
Total OPEB liability				
Service cost	\$	18,399	\$	16,459
Interest cost		23,093		23,064
Differences between actual and expected experience		(23,783)		(5,842)
Changes in assumptions or other inputs		(58,816)		77,446
Benefit Payments		(24,398)		(23,024)
Net Change in Total OPEB Liability		(65,505)		88,103
Total OPEB liability, beginning		711,347		623,244
Total OPEB liability, ending		645,842	-	711,347
Plan fiduciary net position				
Contributions		24,398		23,024
Net Investment Income		19		21
Benefit payments		(24,398)		(23,024)
Net change in plan fiduciary net position		19		21
Plan fiduciary net position, beginning		436		415
Plan fiduciary net position, ending		455_		436
Net OPEB liability, ending	\$	645,387	\$	710,911
Plan fiduciary net position as a percent of total OPEB liability		0.07%		0.06%
Covered employee payroll	\$	331,426	\$	282,313
Net OPEB liability as a percent of covered payroll		194.73%		251.82%

In the current fiscal year, the differences between expected and actual experience noted a decrease of \$23,783 due to population and claims experience. In the prior fiscal year, the differences between expected and actual experience noted a large decrease of \$5,842 due to population and claims experience.

There were no changes to benefit terms during either measurement period. Changes of assumptions and other inputs reflect a change in the discount rate from 3.72 percent as of December 31, 2022 to 3.26 percent as of December 31, 2023, and to 4.08 percent as of December 31, 2024. Benefit payments in the measurement period included amounts for the purchase of allocated insurance contracts of \$13,613 during the measurement period ending December 31, 2024 and \$12,972 during the measurement period ended December 31, 2023. Such benefits included employee medical, dental, and life insurance. The obligation for the payment of benefits covered by allocated insurance contracts has been transferred from the District to one or more insurance companies.

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage point higher than the current discount rate:

	1%	Decrease	Discount Rate	19	√ Increase
as of December 31, 2024		3.08%	4.08%		5.08%
Net OPEB Liability	\$	728,547	\$ 645,387	\$	576,106
	1%	Decrease	Discount Rate	19	% Increase
as of December 31, 2023		2.26%	3.26%		4.26%
Net OPEB Liability	\$	810,918	\$ 710,911	\$	628,487

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

as of January 1, 2025	1%	<u>Decrease</u>	ecrease Healthcare Trend			√ Increase
Net OPEB Liability	\$	572,553	\$	645,387	\$	733,763
as of January 1, 2024	1%	1% Decrease		hcare Trend	19	6 Increase
Net OPEB Liability	\$	624,389	\$	710,911	\$	817,190

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

For the years ended June 30, 2025 and 2024, the District recognized OPEB expense (credit) of (\$4,138) and \$6,082, respectively. At June 30, 2025 and 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>D</u> €	eferred Outflov	vs of R	esources
		2025		2024
Changes of assumptions or other inputs	\$	103,267	\$	153,491
Contributions subsequent to the measurement date		33,546		12,338
Total	\$	136,813	\$	165,829
	<u>D</u>	Deferred Inflow 2025	s of Re	esources 2024
Differences between actual and expected experience	\$	162.553	\$	197,187
			•	
Changes of assumptions or other inputs		128,624		107,239
Changes of assumptions or other inputs Net difference between projected and actual earnings on OPEB plan investments		128,624 22		107,239 9

At June 30, 2025, \$33,546 is reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in expense as follows:

Fiscal Year		
Ending June 30,	Am	ortization
2026	\$	31,510
2027		51,976
2028		53,093
2029		27,753
2030		11,800
Thereafter		11,800
	\$	187,932

14. TriMet Defined Benefit Retirement Plan for Management and Staff Employees Trust Fund

The TriMet Defined Benefit Retirement Plan for Management and Staff Employees Trust Fund accounts for the assets of the employee benefit plan held by TriMet in a trustee capacity. TriMet is the sole administrator for the TriMet Defined Benefit Retirement Plan for Management and Staff Employees ("Management DB Plan"). The Management DB Plan is a governmental plan maintained and operated solely by TriMet. The TriMet Board has appointed four people to oversee the Management DB Plan.

TriMet recorded (\$185) in pension credit and \$4,450 in pension expense for the Management DB Plan in the years ended June 30, 2025 and 2024, respectively.

Plan description

The Management DB Plan is a single-employer defined benefit plan. The plan covers all TriMet non-union employees hired before April 27, 2003 who are not covered by the Management DC Plan. The plan is closed to new enrollment. Participation began at the date of hire with benefits being 100 percent vested after five years of service. Covered employees who retire at or after age 62, with five years of service, are entitled to an annual retirement benefit, payable monthly for life. Benefits vary based on final average salary, job classification and date of hire. Vested non-union employees convert unused sick leave to monthly pension benefits at a rate of final average salary (stated on an hourly basis) multiplied by one-half of unused sick leave (up to a maximum of 850 hours) divided by 101.9. Benefits in payout status are increased annually by 90 percent of the percentage increase in the U.S. Consumer Price Index. The Management DB Plan is a plan document originally adopted on December 7, 1970 and as amended restated as of July 1, 2013. The TriMet Board of Directors authorizes amendments to the plan. TriMet is required to maintain funds under the Management DB Plan sufficient to pay benefits when due. No employee contributions are required or permitted under the Management DB Plan.

The following is a summary of plan participants at June 30, 2025 and 2024:

	2025	2024
Active employees	49	55
Retirees and beneficiaries		
Receiving benefits	365	361
Deferred Retirement benefits		
Terminated employees	37	40
Total Participants	451	456

Summary of accounting policies

The financial statements are prepared using the accrual basis of accounting. TriMet contributions are recognized in the period in which the contributions are earned. Benefits are recognized when due and payable in accordance with the terms of the plan.

Investment policy and method to value investments

The Management DB Plan investment policy allows the plan to utilize multiple professional investment management firms to implement the investment program. The long-term performance objective of the plan is to achieve a compound rate of return on invested assets consistent with the forward looking return assumptions adopted annually by the trustees of the plan. Eligible investments include the following: Principal protection, US equity, international equity, long duration treasuries, systematic trend following, alternative risk premia, private real estate, private equity, private credit, and inflation protection

Plan investments are reported at fair value. The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value of securities is determined by the plan asset managers at quoted market price, where available, except for securities, which are not actively traded, which are valued at net asset value by the asset manager.

The following presents a summary of the Plan's investments by type as of June 30, 2025, at fair value:

			Fair Value Measurement Using						
	Balance at June 30, 2025		Quoted Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)		Unobs In	nificant servable puts vel 3)	
Measured at Fair Value Level				<u> </u>		<u> </u>			
Principal protection	\$	37,420	\$	-	\$	37,420	\$	-	
U.S. large-mid cap equities		28,349		-		28,349		-	
U.S. small cap equities		1,487		-		1,487		-	
International equity		22,011				22,011		-	
	\$	89,267	\$		\$	89,267	\$		
Measured at Net Asset Value									
Long duration treasuries		9,810							
Systematic trend following		12,253							
Alternative risk premia		16,942							
Private real estate		12,449							
Private equity		3,458							
Private credit		656							
		55,568							
Total	\$	144,835							

The following presents a summary of the Plan's investments by type as of June 30, 2024, at fair value:

			Fair Value Measurement Using					
	Balance at June 30, 2024		Quoted Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)		Significant Unobservabl Inputs (Level 3)	
Measured at Fair Value Level							•	
Principal protection	\$	35,234	\$	-	\$	35,234	\$	-
U.S. large-mid cap equities		15,828		-		15,828		-
U.S. small cap equities		2,781		-		2,781		-
International equity		12,121	-			12,121	-	-
	\$	65,964	\$		\$	65,964	\$	
Measured at Net Asset Value								
International Equity		12,259						
US Large-mid cap equities		14,635						
Inflation protection		_						
Long duration treasuries		4,917						
Systematic trend following		14,775						
Alternative risk premia		17,020						
Private real estate		12,405						
Private equity		3,638						
Private credit		879						
		80,528						
Total	\$	146,492						

For Level 2 investments, the District uses matrix pricing to value its investments.

Investments measured at Net Asset Value ("NAV")

International Equity includes assets in commingled investments or mutual funds investing in marketable common stocks and other rights to acquire or receive stock of foreign (non-US) corporate issuers. Exposure may be achieved through a combination of both actively and passively managed portfolios. Fair values are determined using the NAV per share of the Plan's ownership interest.

US Equity includes assets in commingled investments or mutual funds investing in marketable common stocks and other rights to acquire or receive stock of domestic corporate issuers or American Depositary Receipts (ADR) traded on established US and Canadian exchanges. Exposure may be achieved through a combination of both actively and passively managed portfolios. Fair values are determined using the NAV per share of the Plan's ownership interest.

Long Duration Treasuries are longer dated (long-term) US Government bonds invested through a passive commingled vehicle tracking the Bloomberg US Long Treasury Index. It is expected to provide material exposure to interest rate risk and provide meaningful diversification during deflationary risk-off market scenarios. Fair values are determined using the NAV per share of the Plan's ownership interest.

Systematic Trend Following includes investments in private offering funds (typically structured as limited partnerships) with exposure to time series momentum utilizing both cash and derivatives-based instruments provide meaningful diversification during broad market drawdowns. Fair values are determined in a monthly basis as the Plan's ownership interest in the NAV of the partnership or the NAV per share of the Plan's ownership interest.

Alternative Risk Premia includes investments in private offering funds (typically structured as limited partnerships) with the goal of generation of consistent positive returns with lower levels of volatility and low levels of correlation to traditional stocks and bonds. Fair values are determined in a monthly basis as the Plan's ownership interest in the NAV of the partnership or the NAV per share of the Plan's ownership interest.

Private Real Estate includes investments in commingled investment vehicles (typically structured as limited partnerships) with a goal of generating consistent, low volatility returns. It is implemented through core real estate equity and real estate-related debt strategies. Core real estate equity investments are in high quality, well-leased properties, with a focus on income generation. Fair values are determined in a quarterly basis using the NAV per unit of the Plan's ownership interest in the partnership. Real estate-related debt security investments focus on debt instruments with significant coverage ratios that have exposures to global public and private residential and commercial real estate markets.

Private Equity includes investments in private offering, funds-of-funds (typically structured as limited partnerships). Fair values are determined quarterly as the Plan's ownership interest in the NAV of the partnerships. Current investments in Private Equity are in liquidation or exit phase; distributions will be received as the underlying investments are liquidated. Fair values are determined using the NAV per share of the Plan's ownership interest.

Private Credit includes investments in private offering funds (typically structured as limited partnerships), which invest globally utilizing less liquid or illiquid credit market instruments. Fair values are determined quarterly as the Plan's ownership interest in the NAV of the partnership. Current investments in Private Credit are in liquidation phase; distributions will be received as the underlying investments are liquidated.

Outstanding commitments and redemption limitations for each applicable investment class as of June 30, 2025 and 2024 are as follows:

Measured at Net Asset Value	Fa	Fair Value		funded mitments	Redemption Frequency	Redemption Notice Period	
As of June 30, 2025:							
Private real estate	\$	12,449	\$	-	Quarterly	45 days	
Private equity	\$	3,458	\$	29	N/A	N/A	
Private credit	\$	656	\$	2,936	N/A	N/A	
As of June 30, 2024:							
Private real estate	\$	12,405	\$	-	Quarterly	45 days	
Private equity	\$	3,638	\$	45	N/A	N/A	
Private credit	\$	879	\$	2,936	N/A	N/A	

Rate of Return

For the years ended June 30, 2025 and 2024, respectively, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.20 percent and 8.78 percent. The money-weighted return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Investments – concentration of credit risk

The plan trustees have adopted an Investment Policy, which defines target allocations in each class of investment. The target allocations are based upon asset liability studies, which are performed every five years. The following are the trustee adopted asset allocation policies as of June 30, 2025 and 2024.

Management DB Plan	Allocation Policy		
Investment Class	2025	2024	
Private equity	0.0%	1.0%	
US Large cap equity	19.0%	20.0%	
US Small cap equity	1.0%	2.0%	
International equity	14.0%	15.0%	
Public credit	8.0%	0.0%	
Private real estate	5.0%	12.0%	
Principal protection	25.0%	20.0%	
Alternative risk premia	10.0%	15.0%	
Systematic trend following	8.0%	10.0%	
Long duration treasuries	10.0%	5.0%	
Total	100.0%	100.0%	

As of June 30, 2025 and 2024, the plan had investments of more than 5% of the total Plan fiduciary net position, as follows:

Pension Fund Manager	2025	2024
Baird Core Bond Fund	25.4%	23.8%
Graham Tactical Trend	8.3%	10.0%
State Street RAFI US 1000 Fund	6.7%	13.2%
Vanguard Russell 1000 Index Fund	19.3%	10.7%
Vanguard Total International Stock Fund	15.0%	8.2%
RREEF America REIT II	6.7%	6.8%
Capital Guardian International Fund	0.0%	8.3%
AQR Enhanced Style Premia Fund, L.P.	6.0%	5.6%
Two Sigma	6.6%	5.9%

Funding policy and net pension liability

The funding policy of the Management DB Plan provides for an actuarially determined contribution (ADC) calculated using the individual entry age normal actuarial cost method. The ADC consists of normal cost and an amortization of the unfunded actuarial accrued liability. The normal cost is determined as the level percentage of pay basis over the service of the active employees between entry age and assumed exit age. Past service liabilities are amortized over a closed ten-year period. The components of the net pension liability of the Management DB Plan were as follows:

Net Pension Liability as of June 30,		2025	 2024
Total pension liability	\$	170,643	\$ 171,133
Plan fiduciary net position		147,237	147,814
Net pension liability		23,406	23,319
Plan fiduciary net position as a percent of total pension liability	<u> </u>	86.3%	 86.4%
Annual covered payroll	\$	7,278	\$ 7,404
Net pension liability as a percentage of covered payroll		321.6%	315.0%

Actuarial methods and assumptions

Significant actuarial assumptions used in the June 30, 2025 valuation include a rate of return on the investment of present and future assets of 6.0 percent, price inflation of 2.75 percent, annual salary increases of 3.0 percent, and an annual post-retirement benefit increase of 2.475 percent. Mortality rates were based on the PubG-2010(A) with generational projection using MP-2019. All participants are assumed to retire by the age of 67, with a certain percentage of active participants assumed to elect retirement beginning at age 55. Net pension liability has been measured and reported as of June 30, 2025.

Significant actuarial assumptions used in the June 30, 2024 valuation include a rate of return on the investment of present and future assets of 6.0 percent, price inflation 2.75 percent, annual salary increases of 3.0 percent and an annual post-retirement benefit increase of 2.48 percent. Mortality rates were based on the PubG-2010(A) with generational projection using MP-2019. All participants are assumed to retire by the age of 67, with a certain percentage of active participants assumed to elect retirement beginning at age 55. The net pension liability has been measured and reported as of June 30, 2024.

The 2025 and 2024 long-term expected rate of return on pension plan investments of 6.0 percent was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are then combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage.

Estimated real rates of return by asset class were as follows at June 30, 2025 and June 30, 2024:

Long-Term Expected Real Rate of Return

2025	2024
Expected	Expected
<u>Return</u>	<u>Return</u>
8.4%	9.6%
9.2%	11.2%
8.7%	10.3%
7.1%	N/A
5.3%	4.9%
8.5%	9.1%
5.8%	5.4%
4.9%	5.7%
5.7%	5.6%
3.1%	2.5%
	Expected Return 8.4% 9.2% 8.7% 7.1% 5.3% 8.5% 5.8% 4.9% 5.7%

The discount rate used to measure the total pension liability was 6.0 percent for both the 2025 and 2024 valuations. The projection of cash flows used to determine the discount rate assumed that District contributions will be made consistent with the current funding plan. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

The following table presents the changes in the net pension liability:

Retirement Plan for Management and Staff Employees

For the Years Ended June 30,

		2025		2024
Total pension liability				
Service cost	\$	503	\$	514
Interest cost		9,958		9,783
Benefit payments		(11,499)	((10,352)
Experience (gain) loss		548		3,547
Net change in total pension liability		(490)		3,492
Total pension liability, beginning		171,133	1	67,641
Total pension liability, ending		170,643	1	71,133
Plan fiduciary net position				
Contributions		727		700
Net Investment Income		10,274		12,390
Benefit payments		(11,499)	((10,352)
Administrative Expense		(79)		(86)
Net change in plan fiduciary net position		(577)		2,652
Plan fiduciary net position, beginning		147,814	1	45,162
Plan fiduciary net position, ending	_	147,237	_	47,814
Net pension liability, ending	\$	23,406	\$	23,319
not portion maximy, origing	<u> </u>	20,100	<u> </u>	20,010
Plan fiduciary net position as a percent of total pension liability		86%		86%
Covered payroll	\$	7,278	\$	7,404
Net pension liability as a percent of covered payroll		322%		315%

Sensitivity of the net pension liability to changes in the discount rate

The following table presents the sensitivity of the net pension liability calculation to a one percent increase or decrease in the discount rate used to measure the total pension liability:

Net pension liability			
\$	42,299		
\$	23,406		
\$	7,457		
Net p	ension liability		
Net po	ension liability 42,804		
	\$		

Deferred Inflows and Outflows of Resources

The following table presents the components of deferred inflows and outflows of resources for the Management DB Plan for the years ended June 30, 2025 and 2024:

<u>Deferred inflows of resources:</u>	20	25	 2024
Differences between projected and actual earnings	\$	419	1,418
Total deferred inflows of resources	\$	419	\$ 1,418

The following table presents the future amortization of deferred inflows and outflows of resources for the Management DB Plan:

For the Year	Deferre	ed outflows and
Ended June 30,	(inflow	s) of resources
2026	\$	(1,674)
2027		609
2028		1,139
2029		345
	\$	419

15. Pension Plan for Bargaining Unit Employees of TriMet Trust Fund

The Pension Plan for Bargaining Unit Employees of TriMet Trust Fund accounts for the assets of the employee benefit plan held by TriMet in a trustee capacity. TriMet is the sole administrator for the Pension Plan for Bargaining Unit Employees of TriMet ("Bargaining Unit DB Plan"). The Bargaining Unit DB Plan is a governmental plan maintained and operated solely by TriMet. Three trustees appointed by the TriMet Board and three union representatives appointed by the Amalgamated Transit Union ("Union") oversee the Bargaining Unit DB Plan.

TriMet recorded \$871 and \$44,449 in pension expense for the Bargaining Unit DB Plan in the years ended June 30, 2025 and 2024, respectively.

Plan description

The Bargaining Unit DB Plan is a single-employer defined benefit plan. The Bargaining Unit DB Plan covers all fulltime and part-time employees represented by the Amalgamated Transit Union hired in a union position before August 1, 2012. Eligible union employees begin to participate on their date of hire, with benefits being 100 percent vested after 10 years of service. Under the terms of the Bargaining Unit Pension Plan and Permanent Disability Agreement, covered members retiring at or after age 58 with 10 or more years of service will receive a monthly benefit for life with annual cost of living adjustments. Pension benefits for covered members retiring after February 1, 2016 are \$83.78 per month, per year of service. Effective with the current Working and Wage agreement, each February 1, the retirement benefit is adjusted based on the amount of any general wage adjustments received by bargaining unit employees during the previous 12 months. Pension benefits for retirees in payout status are adjusted each February 1, also based on the general wage adjustments during the prior 12 months. Effective July 12, 2012, pension benefits for retirees in payout status will be adjusted each May 1, based upon the U.S. Urban Wage Earners and Clerical Workers Consumer Price Index (CPI) (annual average). Provisions of the Working and Wage Agreement between TriMet and the Union effective December 1, 2009, requires vested union employees to convert any unused accumulated sick leave (up to a maximum of 1,700 hours) to monthly pension benefits at a rate of 25 cents per hour. Amendments to the plan are made under provision in the Working and Wage Agreement. No employee contributions are required or permitted under the Bargaining Unit DB Plan. Benefit provisions are established and amended through provisions of the Working and Wage Agreement between TriMet and the Union.

The following is a summary of plan participants at June 30, 2025 and 2024:

	2025	2024
Active employees	656	700
Retirees and beneficiaries		
Receiving benefits	2,259	2,264
Deferred Retirement benefits	133_	140_
Total Participants	3,048	3,104

Summary of accounting policies

The financial statements are prepared using the accrual basis of accounting. TriMet contributions are recognized in the period in which the contributions are earned. Benefits are recognized when due and payable in accordance with the terms of the plan.

Investment policy and method to value investments

The Bargaining Unit DB Plan investment policy allows the plan to utilize multiple professional investment management firms to implement the investment program. The long-term performance objective of the plan is to achieve a compound rate of return on invested assets consistent with the forward-looking return assumptions adopted annually by the trustees of the plan. Eligible investments include the following: US equity, international equity, principal protection, systematic trend following, alternative risk premia, long duration treasuries, private real estate, private equity, private credit, and inflation protection.

Plan investments are reported at fair value. The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value of securities is determined by the plan asset managers at quoted market prices, where available, except for securities, which are not actively traded, which are valued at net asset value by the asset manager.

The following table presents a summary of the Plan's investments by type as of June 30, 2025, at fair value.

			in A Mark Ide	d Prices Active tets for ntical	•	ficant Other oservable	Unob	nificant servable
Measured at Fair Value Level	_	alance at ne 30, 2025		sets vel 1)	,	Inputs Level 2)	Inputs (Level 3)	
Principal protection	\$	41,157	\$	-	\$	41,157	\$	-
U.S. large-mid cap equities	Ψ	199,085	Ψ	_	Ψ	199,085	Ψ	_
U.S. small cap equities		13,493		_		13,493		_
International equity		211,504		-		211,504		-
	\$	465,239	\$		\$	465,239	\$	
Measured at Net Asset Value								
Principal protection		81,815						
Systematic trend following		52,822						
Alternative risk premia		51,628						
Long duration treasuries		45,839						
Private real estate		64,754						
Private equity		14,837						
Private credit		701						
	\$	312,396						
Total	\$	777,635						

The following table presents a summary of the Plan's investments by type as of June 30, 2024, at fair value.

Measured at Fair Value Level U.S. large-mid cap equities U.S. small cap equities International Equity	 alance at le 30, 2024 118,823 24,171 90,500 233,494	in A	d Prices Active kets for ntical ssets vel 1)	OI	ificant Other oservable Inputs Level 2) 118,823 24,171 90,500 233,494	Unobs In	nificant servable puts vel 3) - - -
Measured at Net Asset Value Principal protection International Equity US large-mid cap equities Systematic trend following Alternative risk premia Long duration treasuries Private real estate Private equity Private credit	\$ 80,372 88,928 106,070 65,065 47,738 38,710 63,222 15,661 872 506,638						
Total	\$ 740,132						

For Level 2 investments, the District uses matrix pricing to value its investments.

Investments measured at Net Asset Value ("NAV")

Principal Protection includes assets in commingled investments or mutual funds investing in marketable investment grade bonds, preferred stock, and other fixed income obligations of corporations, treasuries and obligations of US Government and its agencies, and investment grade fixed income synthetics—such as mortgage-backed securities (MBS), commercial mortgage-backed securities (CMBS), or asset-backed securities (ABS). Fair values are determined using the NAV per share of the Plan's ownership interest.

International Equity includes assets in commingled investments or mutual funds investing in marketable common stocks and other rights to acquire or receive stock of foreign (non-US) corporate issuers. Exposure may be achieved through a combination of both actively and passively managed portfolios. Fair values are determined using the NAV per share of the Plan's ownership interest.

US Equity includes assets in commingled investments or mutual funds investing in marketable common stocks and other rights to acquire or receive stock of domestic corporate issuers or American Depositary Receipts (ADR) traded on established US and Canadian exchanges. Exposure may be achieved through a combination of both actively and passively managed portfolios. Fair values are determined using the NAV per share of the Plan's ownership interest.

Systematic Trend Following includes investments in private offering funds (typically structured as limited partnerships) with exposure to time series momentum utilizing both cash and derivatives-based instruments provide meaningful diversification during broad market drawdowns. Fair values are determined in a monthly basis as the Plan's ownership interest in the NAV of the partnership or the NAV per share of the Plan's ownership interest.

Alternative Risk Premia includes investments in private offering funds (typically structured as limited partnerships) with the goal of generation of consistent positive returns with lower levels of volatility and low levels of correlation to traditional stocks and bonds. Fair values are determined in a monthly basis as the Plan's ownership interest in the NAV of the partnership or the NAV per share of the Plan's ownership interest.

Long Duration Treasuries are longer dated (long-term) US Government bonds invested through a passive commingled vehicle tracking the Bloomberg US Long Treasury Index. It is expected to provide material exposure to interest rate risk and provide meaningful diversification during deflationary risk-off market scenarios. Fair values are determined using the NAV per share of the Plan's ownership interest.

Private Real Estate includes investments in commingled investment vehicles (typically structured as limited partnerships) with a goal of generating consistent, low volatility returns. It is implemented through core real estate equity and real estate-related debt strategies. Core real estate equity investments are in high quality, well-leased properties, with a focus on income generation. Fair values are determined in a quarterly basis using the NAV per unit of the Plan's ownership interest in the partnership. Real estate-related debt security investments focus on debt instruments with significant coverage ratios that have exposures to global public and private residential and commercial real estate markets.

Private Equity includes investments in private offering, funds-of-funds (typically structured as limited partnerships). Fair values are determined quarterly as the Plan's ownership interest in the NAV of the partnerships. Current investments in Private Equity are in liquidation or exit phase; distributions will be received as the underlying investments are liquidated. Fair values are determined using the NAV per share of the Plan's ownership interest.

Private Credit includes investments in private offering funds (typically structured as limited partnerships), which invest globally utilizing less liquid or illiquid credit market instruments. Fair values are determined quarterly as the Plan's ownership interest in the NAV of the partnership. Current investments in Private Credit are in liquidation phase; distributions will be received as the underlying investments are liquidated.

Outstanding commitments and redemption limitations for each investment class as of June 30, 2025 and 2024 are as follows:

Measured at Net Asset Value	Unfunded red at Net Asset Value Fair Value Commitments			Redemption Frequency	Redemption Notice Period	
As of June 30, 2025:						
Private real estate	\$	64,754	\$	-	Quarterly	45 days
Private equity	\$	14,837	\$	536	N/A	N/A
Private credit	\$	701	\$	2,245	N/A	N/A
As of June 30, 2024:						
Private real estate	\$	63,222	\$	-	Quarterly	45 days
Private equity	\$	15,661	\$	593	N/A	N/A
Private credit	\$	872	\$	2,245	N/A	N/A

Rate of Return

For the years ended June 30, 2025 and 2024, respectively, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.02 percent and 9.88 percent. The money-weighted return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Investments – concentration of credit risk

The plan trustees have adopted an Investment Policy, which defines target allocations in each class of investment. The target allocations are based upon asset liability studies, which are performed every five years. The following is the trustee adopted asset allocation policy as of June 30, 2025 and 2024:

Bargaining Unit DB Plan	Allocation Policy		
	2025 2024		
Private equity	0.0%	2.0%	
US Large cap equity	25.0%	27.0%	
US Small cap equity	2.0%	3.0%	
International equity	24.0%	22.0%	
Public credit	8.0%	0.0%	
Private real estate	8.0%	12.0%	
Principal protection	15.0%	12.0%	
Alternative risk premia	6.0%	8.0%	
Systematic trend following	6.0%	10.0%	
Long duration treasuries	6.0%	4.0%	
Total	100.0%	100.0%	

As of June 30, 2025 and 2024, the plan had the following investments of more than 5% of the total Plan fiduciary net position:

	2025	2024
State Street RAFI US 1000 Index Fund	5.9%	19.4%
Vanguard Russell 1000 Index Fund	25.4%	15.9%
Vanguard Total International Stock Index Fund	27.0%	12.1%
Capital Guardian International All Countries Equity Class Db	0.0%	11.9%
AFL/CIO Housing Trust	10.5%	10.7%
RREEF America REIT II	5.3%	5.6%
Baird Core Bond Fund	5.3%	0.0%

Funding policy and annual pension cost

Pursuant to the terms of the Working and Wage Agreement, TriMet is required to fund the Bargaining Unit DB Plan in accordance with actuarial principles, amortizing past service liabilities over a period of 40 years or less. The funding policy of the Bargaining Unit DB Plan provides for an actuarially determined contribution (ADC) calculated using the individual entry age normal actuarial cost method. The ADC consists of normal cost and an amortization of the unfunded actuarial accrued liability. The normal cost is determined as the level percentage of pay basis over the service of active employees between entry age and assumed exit age. Past service liabilities are amortized over a closed fifteen-year period. The components of the net pension liability of the Bargaining Unit DB Plan were as follows:

Net pension liability as of June 30,	2025		2024
Total pension liability	\$	930,812	\$ 924,728
Plan fiduciary net position		783,183	 748,228
Net pension liability	\$	147,629	\$ 176,500
Plan fiduciary net position as a percent of total pension liability		84.1%	80.9%
Annual covered payroll	\$	66,216	\$ 69,741
Net Pension Liability as a percentage of covered payroll		223.0%	253.1%

Actuarial methods and assumptions

Significant actuarial assumptions used in the 2025 valuation were based on an experience study as of June 30, 2019. From the experience study, the long-term rate of return on the investment of present and future assets is at 6.25 percent, price inflation of 2.75 percent and annual salary increases of 3.25 percent. The benefit cost of living increase is 2.75 percent annually for participants who retired prior to August 1, 2012 and 2.48 percent annually for participants who retire after August 1, 2012. Mortality rates were based on the 2016 Cheiron ATU mortality tables. The net pension liability has been measured and reported as of June 30, 2025.

Significant actuarial assumptions used in the 2024 valuation were based on an experience study as of June 30, 2019. From the experience study, the long-term rate of return on the investment of present and future assets is at 6.25 percent, price inflation of 2.75 percent and annual salary increases of 3.25 percent. The benefit cost of living increase is 2.75 percent annually for participants who retired prior to August 1, 2012 and 2.48 percent annually for participants who retire after August 1, 2012. Mortality rates were based on the 2016 Cheiron ATU mortality tables. The net pension liability has been measured and reported as of June 30, 2024.

The 2025 long-term expected rate of return on pension plan investments of 6.25 percent was determined using a building-block method in which best estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are then combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation:

Long-Term	Expected	Real F	Rate of	Return
-----------	----------	--------	---------	--------

Risk Based Class/Components	2025	2024
US large cap equity	8.4%	9.6%
US small cap equity	9.2%	11.2%
International equity	8.7%	10.3%
Public credit	7.1%	N/A
Private real estate	8.5%	9.1%
Principal protection	5.3%	4.9%
Alternative risk premia	5.8%	5.4%
Systematic trend following	4.9%	5.7%
Long duration treasuries	5.7%	5.6%
Cash equivalents	3.1%	2.5%

The discount rate used to measure the total pension liability was 6.25 percent for both the 2025 valuation and the 2024 valuation. The projection of cash flows used to determine the discount rate assumed that District contributions will be made consistent with the current funding plan. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

Changes in net pension liability

The following table presents the changes in the net pension liability for the years ended June 30, 2025 and 2024:

Pension Plan for Bargaining Unit Employees

For the Years Ended June 30,

	 2025		2024
Total pension liability			
Service cost	\$ 7,234	\$	7,859
Interest cost	56,483		55,588
Effect of economic/demographic gains	(313)		7,438
Benefit payments	 (57,320)		(54,570)
Net change in total pension liability	6,084		16,315
Total pension liability, beginning	924,728	,	908,413
Total pension liability, ending	930,812		924,728
Plan fiduciary net position			
Contributions	18,899		24,984
Net investment income	73,597		69,230
Benefit payments	(57,320)		(54,570)
Administrative expense	(221)		(238)
Net change in plan fiduciary net position	 34,955		39,406
Plan fiduciary net position, beginning	748,228		708,822
Plan fiduciary net position, ending	783,183		748,228
Net pension liability, ending	\$ 147,629	\$	176,500
Plan fiduciary net position as a percent of total pension liability	84%		81%
Covered payroll	66,216	\$	69,741
Net pension liability as a percent of covered payroll	223%		253%

Sensitivity of the net pension liability to changes in the discount rate

The following table presents the sensitivity of the net pension liability calculation to a one percent increase or decrease in the discount rate used to measure the total pension liability:

Discount rate as of June 30, 2025	Net pension liability			
1% decrease (5.25%)	\$	250,599		
Current discount rate (6.25%)	\$	147,629		
1% increase (7.25%)	\$	60,587		
Discount rate as of June 30, 2024	Net p	ension liability		
Discount rate as of June 30, 2024 1% decrease (5.25%)	Net p	ension liability 280,505		
1% decrease (5.25%)	\$	280,505		

Deferred Inflows and Outflows of Resources

The following table presents the components of deferred inflows and outflows of resources for the Bargaining Unit DB Plan at June 30, 2025 and 2024:

Deferred outflows of resources	2025		 2024
Differences between expected and actual experience		-	6,563
Total deferred outflows	\$	-	\$ 6,563
Deferred inflows of resources			
Differences between projected and actual earnings	\$	25,093	\$ 20,942
Differences between expected and actual experience		129	
Total deferred inflows	\$	25,222	\$ 20,942

The following table presents the future amortization of deferred inflows and outflows of resources for the Bargaining Unit DB Plan:

For the	Deferred	Deferred Outflows and				
Year Ended	Inflows	Inflows of Resources				
2026	\$	(2,786)				
2027		11,631				
2028		10,774				
2029		5,604				
	\$	25,223				

For the District's two defined benefit pension plans, the amounts reported on the financial statements for each plan is as follows:

		Fiscal Year 2025							
	Net Pension Liability		Deferred Outflows of Resources		Deferred Inflows of Resources		Pension Expense		
Management & Staff Employees	\$	23,406	\$	-	\$	419	\$	(185)	
Bargaining Unit Employees		147,629				25,222		871	
Total pension plans	\$	171,035	\$		\$	25,641	\$	686	

	Fiscal Year 2024							
	Net Pension Liability		Deferred Outflows of Resources		Deferred Inflows of Resources		Pension Expense	
Management & Staff Employees	\$	23,319	\$	-	\$	1,418	\$	4,450
Bargaining Unit Employees		176,500		6,563		20,942		44,450
Total pension plans	\$	199,819	\$	6,563	\$	22,360	\$	48,900

The following schedules present the combining Fiduciary Statement of Net Position and the Statement of Changes in Fiduciary Net Position for fiscal years ending June 30, 2025 and 2024 for the Retirement Plan for Management and Staff Employees, the Pension Plan for Bargaining Unit Employees and the Other Post-Employment Benefits Trust.

Schedules of Fiduciary Net Position:

	As of June 30, 2025 Pension Trust:				December , 2024		
	Management		Per	sion Trust:	Othe	er Post-	
	а	nd Staff	Barg	gaining Unit	Emp	loyment	
	Er	nployees	Er	nployees	Bene	fits Trust	Total
Assets							
Cash and cash equivalents	\$	2,397	\$	5,525	\$	455	\$ 8,377
Receivables Accrued Income		5		23		-	28
Investments:							
Domestic large/mid cap equity		28,349		199,085		-	227,434
International equity		22,011		211,504		-	233,515
Principal protection		37,421		122,972		-	160,393
Systematic trend following		12,253		52,822		-	65,075
Real estate		12,448		64,754		-	77,202
Alternative risk premia		16,942		51,628		-	68,570
Long duration treasuries		9,810		45,839		-	55,649
Domestic small cap equity		1,487		13,493		-	14,980
Private equity		3,458		14,837		-	18,295
Private credit		656		701		-	1,357
Total investments		144,835		777,635			922,470
Total assets		147,237		783,183		455	 930,875
Liabilities							
Accounts payable		-		-		-	-
Total liabilities							
Net position							
Restricted for pension benefits		147,237		783,183		-	930,420
Restricted for other post-employment benefits		-		-		455	455
Total net position	\$	147,237	\$	783,183	\$	455	\$ 930,875

Schedules of Fiduciary Net Position (continued):

	As of June 30, 2024					December , 2023	
	Pension Trust: I Management and Staff Employees		Pension Trust: Bargaining Unit Employees		Other Post- Employment Benefits Trust		Total
Assets							
Cash and cash equivalents	\$	1,309	\$	8,052	\$	10	\$ 9,371
Receivables Accrued Income		15		55		-	70
Investments:							
Domestic large/mid cap equity		30,463		224,893		_	255,356
International equity		24,380		179,428		_	203,808
Principal protection		35,234		80,372		_	115,606
Systematic trend following		14,775		65,065			79,840
Real estate		12,405		63,222		_	75,627
Alternative risk premia		17,020		47,738		-	64,758
Long duration treasuries		4,917		38,710		426	44,053
Domestic small cap equity		2,781		24,171		-	26,952
Private equity		3,638		15,661		_	19,299
Private credit		879		872		-	1,751
Total investments		146,492		740,132		426	887,050
Total assets		147,816		748,239		436	 896,491
Liabilities							
Accounts payable		2		11		-	13
Total liabilities		2		11		-	13
Net position							
Restricted for pension benefits		147,814		748,228		-	896,042
Restricted for other post-employment benefits		-		-		436	436
Total net position	\$	147,814	\$	748,228	\$	436	\$ 896,478

Schedules of Changes in Fiduciary Net Position:

	Fisc	al Year Endec	Lluno	30 2025	Dece	Year Ended ember 31, 2024		
		sion Trust:	Julie	30, 2023		2024		
		nagement	Dor	nsion Trust:	Oth	or Boot		
		nd Staff		gaining Unit	Other Post- Employment			
		nployees	,	mployees	Benefits Trust			Total
Additions		Tiployees		Tiployees	Delle	TILS TIUSE		TOTAL
Employer contributions	\$	727	\$	18,899	\$	24,398	\$	44,024
Employer contributions	_Ψ	121	Ψ	10,099	Ψ	24,390	Ψ_	44,024
Investment income (loss):								
Interest		87		1,021		-		1,108
Dividends		2,457		8,396		-		10,853
Other income		295		3,397		-		3,692
Net increase in fair value of investments		7,574		61,518		19		69,111
Less investment expense		(139)		(735)		_		(874)
Net investment income		10,274		73,597		19		83,890
Total additions		11,001		92,496		24,417		127,914
Deductions								
Benefit expenses		11,499		57,320		24,398		93,217
Administrative expenses		79		221		-		300
Total deductions		11,578		57,541		24,398		93,517
Change in net position		(577)		34,955		19		34,397
Net position:								
Beginning of year		147,814		748,228		436		896,478
End of year	\$	147,237	\$	783,183	\$	455	\$	930,875

Schedules of Changes in Fiduciary Net Position (continued):

				Dec	Year Ended ember 31,			
		al Year Ended	<u>June</u>	30, 2024		2023		
		sion Trust:						
		ınagement		nsion Trust:	Other Post-			
	_	and Staff		gaining Unit		ployment		
	E	mployees	E	mployees	Bene	efits Trust	 Total	
Additions								
Employer contributions	\$	700	\$	24,984	\$	23,024	\$ 48,708	
Investment income (loss):								
Interest		87		647		-	734	
Dividends		1,620		4,645		-	6,265	
Other income		463		4,166		-	4,629	
Net increase (decrease) in fair value of investments		10,404		60,833		21	71,258	
Less investment expense		(184)		(1,061)		-	(1,245)	
Net investment income (loss)		12,390		69,230		21	81,641	
Total additions		13,090		94,214		23,045	 130,349	
Deductions								
Benefit expenses		10,352		54,570		23,024	87,946	
Administrative expenses		86		238			324	
Total deductions		10,438		54,808		23,024	 88,270	
Change in net position		2,652		39,406		21	42,079	
Net position:								
Beginning of year		145,162		708,822		415	 854,399	
End of year	\$	147,814	\$	748,228	\$	436	\$ 896,478	

16. Subsequent Events – Contractor Agreement

In fiscal year 2024, the District terminated a contract with a contractor to provide services to overhaul certain light rail vehicles. Discussions with the contractor are ongoing and the District anticipates closing out the contract in fiscal year 2026.



Required Supplementary Information



Schedule of Changes in Net Pension Liability and Related Ratios (dollars in thousands)

Management and Staff Employees Defined Benefit Pension Plan

		2025		2024		2023		2022		2021	2020		2019		2018		2017	2016
Total pension liability																		
Service cost	\$	503	\$	514	\$	554	\$	548	\$	633	\$ 650	\$	685	\$	919	\$	1,162	\$ 1,224
Interest cost		9,958		9,783		9,402		8,531		8,604	8,939		8,784		8,621		8,309	8,327
Benefit payments		(11,499)		(10,352)		(8,969)		(8,750)		(8,513)	(7,563)		(7,197)		(6,211)		(5,286)	(4,502)
Changes of benefit terms		-		-		-		-		(32)	-		-		-		-	-
Change in assumptions		-		-		-		7,170		-	(959)		-		-		-	474
Experience (gain) loss		548		3,547		6,096		7,111		(1,697)	 928		397		(29)		1,441	 (1,293)
Net change in total pension liability		(490)		3,492		7,083		14,610		(1,005)	1,995		2,669		3,300		5,626	4,230
Total pension liability, beginning		171,133		167,641		160,558		145,948		146,953	144,958		142,289		138,988		133,362	129,132
Total pension liability, ending	_	170,643	_	171,133		167,641	_	160,558	_	145,948	 146,953	_	144,958		142,288		138,988	 133,362
Plan fiduciary net position																		
Contributions		727		700		-		522		6,250	2,327		6,240		6,497		6,330	7,036
Net Investment Income		10,274		12,390		5,978		(2,137)		29,802	1,727		3,787		8,108		7,990	1,460
Benefit payments		(11,499)		(10,352)		(8,969)		(8,750)		(8,513)	(7,563)		(7,197)		(6,211)		(5,286)	(4,502)
Administrative Expense		(79)		(86)		(108)		(95)		(110)	(145)		(137)		(97)		(76)	(97)
Net change in plan fiduciary net position		(577)		2,652		(3,099)		(10,460)		27,429	(3,654)		2,693		8,297		8,958	3,897
Plan fiduciary net position, beginning		147,814	1	145,162		148,261		158,721		131,292	134,946		132,253		123,956		114,998	111,101
Plan fiduciary net position, ending		147,237		147,814		145,162		148,261		158,721	131,292		134,946		132,253		123,956	 114,998
Net pension liability, ending	\$	23,406	\$	23,319	\$	22,479	\$	12,297	\$	(12,773)	\$ 15,661	\$	10,012	\$	10,035	\$	15,032	\$ 18,364
Plan fiduciary net position as a percent of total pension	,																	
liability	ı	86%		86%		87%		92%		109%	89%		93%		93%		89%	86%
Covered payroll	\$	7,278	\$	7,404	\$	7,641	\$	7,463	\$	7,965	\$ 8,105	\$	8,280	\$	9,446	\$	10,593	\$ 12,722
Net pension liability as a percent of covered payroll		322%		315%		294%		165%		-160%	193%		121%		106%		142%	144%
Measurement Date	6	/30/2025	6/	30/2024	6	5/30/2023	6	/30/2022	6	/30/2021	6/30/2020	(6/30/2019	6	6/30/2018	6	6/30/2017	6/30/2016

Schedule of Changes in Net Pension Liability and Related Ratios (dollars in thousands)

Bargaining Unit Employees Defined Benefit Pension Plan

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost	\$ 7,234	\$ 7,859	\$ 7,943	\$ 7,796	\$ 8,150	\$ 8,675	\$ 9,643	\$ 9,875	\$ 10,851	\$ 10,703
Interest cost	56,483	55,588	53,091	49,410	48,272	47,372	46,537	43,494	43,889	43,372
Effect of plan changes	-	-	-	900	-		-	3,286	-	-
Changes of assumptions	-	-	-	68,817	3,945	34,129	-	-	-	18,776
Effect of economic/demographic (gains) losses	(313)	7,438	33,434	12,727	3,365	(5,375)	(2,453)	21,274	(19,615)	(8,967)
Benefit payments	(57,320)	(54,570)	(54,309)	(46,782)	(44,963)	(41,940)	(38,905)	(36,394)	(34,163)	(32,680)
Net change in total pension liability	6,084	16,315	40,159	92,868	18,769	42,861	14,822	41,535	962	31,204
Total pension liability, beginning	924,728	908,413	868,254	775,386	756,617	713,756	698,934	657,399	656,437	625,233
Total pension liability, ending	930,812	924,728	908,413	868,254	775,386	756,617	713,756	698,934	657,399	656,437
Plan fiduciary net position										
Contributions	18,899	24,984	51,268	6.041	33,929	37,755	34,718	35,228	35,862	38,027
Net investment income	73,597	69,230	45,828	(26,352)	170,880	3,683	18,329	41,479	46,645	1,948
Benefit payments	(57,320)	(54,570)	(54,309)	(46,782)	(44,963)	(41,940)	(38,905)	(36,394)	(34,163)	(32,680)
Administrative expense	(221)	(238)	(281)	(203)	(289)	(363)	(104)	(357)	(246)	(281)
Net change in plan fiduciary net position	34,955	39,406	42,506	(67,296)	159,557	(865)	14,038	39,955	48,098	7,014
Plan fiduciary net position, beginning	748,228	708,822	666,316	733,612	574,055	574,920	560,882	520,927	472,829	465,815
Plan fiduciary net position, ending	783,183	748,228	708,822	666,316	733,612	574,055	574,920	560,882	520,927	472,829
Net pension liability, ending	\$ 147,629	\$ 176,500	\$ 199,591	\$ 201,938	\$ 41,774	\$ 182,562	\$ 138,836	\$ 138,052	\$ 136,472	\$ 183,608
Plan fiduciary net position as a percent of total pension liability	n 84%	81%	78%	77%	95%	76%	81%	80%	79%	72%
Covered payroll	\$ 66,216	\$ 69,741	\$ 74,468	\$ 78,431	\$ 83,542	\$ 90,089	\$ 97,406	\$ 109,924	\$ 106,596	\$ 117,666
Net pension liability as a percent of covered payroll	223%	253%	268%	257%	50%	203%	143%	126%	128%	156%
Measurement Date	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016

Schedules of Pension Contributions

(dollars in thousands)

Management & Staff Employees Defined Benefit Pension Plan

	Actuar determ	,			С	ontribution			Contributions as a percentage of
Fiscal Year	contribu	ution	Contrib	utions		excess	Cover	ed payroll	covered payroll
June 30, 2025	\$	727	\$	727	\$	-	\$	7,278	10%
June 30, 2024		664		700		36		7,404	9%
June 30, 2023		-		-		-		7,641	0%
June 30, 2022		197		522		325		7,463	7%
June 30, 2021		3,570		6,250		2,680		7,965	78%
June 30, 2020		2,327		2,327		-		8,105	29%
June 30, 2019		2,443		6,240		3,797		8,280	75%
June 30, 2018		3,253		6,497		3,244		9,446	69%
June 30, 2017		3,735		6,330		2,595		10,593	60%
June 30, 2016		4,242		7,036		2,794		12,722	55%

Bargaining Unit Employees Defined Benefit Pension Plan

		tuarially ermined			C	ontribution			Contributions as a percentage of
Fiscal Year	cor	ntribution	Cor	Contributions		excess	Cove	red payroll	covered payroll
June 30, 2025	\$	18,560	\$	18,899	\$	339	\$	66,216	29%
June 30, 2024		25,000		24,983		(17)		69,741	36%
June 30, 2023		40,658		51,268		10,610		74,468	69%
June 30, 2022		26,460		6,041		(20,419)		78,431	8%
June 30, 2021		28,790		33,929		5,139		83,542	41%
June 30, 2020		25,173		37,755		12,582		90,089	42%
June 30, 2019		26,040		34,718		8,678		97,406	36%
June 30, 2018		24,566		35,228		10,662		109,924	32%
June 30, 2017		28,498		35,862		7,364		106,596	34%
June 30, 2016		28,030		38,027		9,997		117,666	32%

Schedules of Pension Trust Investment Returns

Annual Money-Weighted Rate of Return, Net of Investment Expense

Year ended June 30:	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Management DB Plan	7.20%	8.78%	4.15%	-1.31%	22.95%	1.41%	2.97%	6.62%	6.92%	1.30%
Bargaining Unit DB Plan	10.02%	9.88%	6.94%	-3.64%	30.07%	0.71%	3.40%	8.04%	9.85%	0.42%

Schedule of Changes in the District's Net OPEB Liability

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service cost	\$ 18,399	\$ 16,459	\$ 26,073	\$ 37,111	\$ 34,524	\$ 27,059	\$ 33,512
Interest cost	23,093	23,064	16,489	20,149	24,849	29,811	27,236
Change in assumptions	(58,816)	77,446	(136,869)	4,557	91,128	165,525	(66,328)
Experience (gain) loss	(23,783)	(5,842)	(58,317)	(181,903)	(83,329)	(22,272)	(32,503)
Benefit Payments	(24,398)	(23,024)	(23,132)	(25,618)	(24,312)	(23,715)	(23,022)
Net change in total OPEB liability	(65,505)	88,103	(175,756)	(145,704)	42,860	176,408	(61,105)
Total OPEB liability, beginning	711,347	623,244	799,000	944,704	901,844	725,436	786,541
Total OPEB liability, ending	\$ 645,842	\$ 711,347	\$ 623,244	\$ 799,000	\$ 944,704	\$901,844	\$725,436
Plan fiduciary net position							
Contributions	\$ 24.398	\$ 23,024	\$ 23.132	\$ 25,618	\$ 24,312	\$ 23.715	\$ 23,022
Investment Income	Ψ 24 ,030	21	(13)	(3)	φ 24,512	13	Ψ 20,022
Benefit payments	(24,398)	(23,024)	(23,132)	(25,618)	(24,312)	(23,715)	(23,022)
Net change in plan fiduciary net position	19	21	(13)	(3)	7	13	8
			,	,			
Plan fiduciary net position, beginning	436	415	428	431	424	411	403
Plan fiduciary net position, ending	\$ 455	\$ 436	\$ 415	\$ 428	\$ 431	\$ 424	\$ 411
Net OPEB liability, ending	\$ 645,387	\$ 710,911	\$ 622,829	\$ 798,572	\$ 944,273	\$901,420	\$725,025
· · · · · · · · · · · · · · · · · · ·	-	+	+	7,	7,=	Ţ = = :, · = =	Ţ:==;;==
Plan fiduciary net position as a percent							
of the total pension liability	0.07%	0.06%	0.07%	0.05%	0.05%	0.05%	0.06%
Covered-employee payroll	\$ 331.426	\$ 282.313	\$ 251.643	\$ 242.737	\$ 234,230	\$236,032	\$219,240
Covered-employee payroll	\$ 331,420	φ 202,313	φ 251,0 4 5	Φ 242,131	φ 234,230	φ230,032	\$219,240
Net OPEB liability as a % of covered employee payroll	194.73%	251.82%	247.50%	328.99%	403.14%	381.91%	330.70%
Measurement date	12/31/2024	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018
Discount rate	4.08%	3.26%	3.72%	2.06%	2.12%	2.74%	4.10%

Schedule of OPEB Trust Investment Returns

Annual Money-Weighted Rate of Return, Net of Investment Expense

Year ended December 31:	2024	2023	2022	2021	2020	2019	2018
OPEB Plan	4.36%	5.08%	-3.08%	-0.72%	1.53%	3.28%	1.98%

Schedule of OPEB Contributions

Fiscal Year Ending	R	ntractually equired ntribution	uired		 ribution cess	е	Covered mployee payroll	Contributions as a percentage of covered employee payroll
June 30, 2025	\$	45,606	\$	45,606	\$ -	\$	347,727	13%
June 30, 2024		23,724		23,724	-		299,284	8%
June 30, 2023		23,017		23,017	-		265,774	9%
June 30, 2022		24,318		24,318	-		247,365	10%
June 30, 2021		25,206		25,206	-		235,977	11%
June 30, 2020		24,328		24,328	-		244,859	10%
June 30, 2019		22,543		22,543	-		230,339	10%

Ten-year information is not available as GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions was implemented for fiscal year-ending June 30, 2018.



Supplementary Information



Reconciliation of Revenues and Expenses (Budget Basis) to Schedule of Revenues and Expenses (GAAP Basis) For The Year Ended June 30, 2025

(dollars in thousands)

Budget basis

Revenues	\$	942,156
Expenses		1,037,680
Revenues over expenses		(95,524)
Add budget activity not qualifying as revenues/		
expenses under GAAP:		
Par value of debt retired		33,025
Capital asset additions		109,083
Capital asset additions		109,003
Add (subtract) adjustments required by GAAP:		
Pension costs accounted for under GASB No. 68		18,940
Depreciation expense		(167,772)
Leases accounted for under GASB No. 87		(711)
Net leveraged lease revenue (loss)		1,512
SBITAs accounted for under GASB No. 96		2,110
Change in compensated absences		(11,031)
Change in interest payable		483
Claims liability changes		1,830
Net book value of assets retired		(10,345)
Arbitrage rebate costs		(4,037)
OPEB Costs accounted for under GASB No. 75		49,745
Differences due to bond premiums		6,049
Differences due to deferred losses on refunding		(2,413)
GAAP basis income presented in statement of		
revenues, expenses and changes in net position	\$_	(69,056)

Reconciliation of fund balance (Budget Basis) to Net position (GAAP Basis) June 30, 2025 (dollars in thousands)

Budget basis ending fund balance	\$ 777,616
Reconciliation to GAAP basis:	
Net capital assets	3,102,249
Leases and SBITAs (GASBs No. 87 and 96)	(2,973)
Bonds payable and related amounts	(958,384)
Other postemployment benefits and deferred amounts	(799,773)
Net pension liability and deferred amounts	(196,676)
Claims liability	(14,341)
Arbitrage liability	(4,037)
Compensated absences	(50,199)
Lease leaseback and deferred amounts	(2,440)
GAAP basis net position	\$ 1,851,042

Schedule of Revenues and Expenses Budget (Budget Basis) and Actual

For The Year Ended June 30, 2025 (dollars in thousands)

General Fund

P	Original budget	Final budget	Actual	Variance from final budget Positive (Negative)
Revenues	A 00.700	A 00.700	* • • • • • • • • • • • • • • • • • • •	4 (0.000)
Passenger revenue	\$ 69,739	\$ 69,739	\$ 63,647	\$ (6,092)
Tax revenue	540,430	540,430	522,194	(18,236)
Operating grant and other revenue	245,031	245,031	229,373	(15,658)
Capital program resources	94,331	94,331	56,637	(37,694)
Gain on disposal of capital assets	-	-	287	287
Interest income (expense)	305	305	28,084	27,779
Other revenue	21,237	21,237	21,197	(40)
Pass through revenue	19,408	19,408	20,737	1,329
Total revenues	990,481	990,481	942,156	(48,325)
Expenses				
Office of the general manager	2,056	2,056	1,842	214
Public affairs	21,301	22,271	22,126	145
Safety and security	86,479	75,479	73,869	1,610
Information technology	46,261	47,261	44,565	2,696
Finance and administration	48,646	47,146	44,436	2,710
Labor relations and human resources	11,476	11,476	11,330	146
Public Access and Innovation	2,840	2,840	2,665	175
Strategy and Planning	6,552	6,552	4,370	2,182
Legal services	11,647	11,647	9,971	1,676
Chief operating officer	1,122	1,622	1,493	129
Transportation	335,908	338,008	337,926	82
Maintenance	259,753	267,003	248,577	18,426
Engineering and construction	81,265	80,545	62,424	18,121
Transit Systems and Asset Support	20,711	21,611	20,758	853
Retiree benefits	62,867	62,867	62,361	506
Debt service	65,565	66,065	66,037	28
Other Non-Operating Requirements	23,117	23,117	22,930	187
Contingency	36,792	36,792	-	36,792
Total expenses	1,124,358	1,124,358	1,037,680	86,678
Revenues over (under) expenses	(133,877)	(133,877)	(95,524)	38,353
Beginning fund balance	847,810	847,810	873,140	25,330
Ending fund balance	\$ 713,933	\$ 713,933	\$ 777,616	\$ 63,683

Schedule of Bonds Payable Obligation

June 30, 2025 (dollars in thousands)

	Payroll Tax Revenue (PRT) Bonds												
Fiscal	2009 B	onds	2015 Bo			Bonds	2017 Bonds						
<u>Year</u>	Principal	Interest	Principal	Interest	Principal	Interest	<u>Principal</u>	Interest					
2026	\$ -	\$ 718	\$ 6,430	\$ 559	\$ 3,890	\$ 1,643	\$ 3,095	\$ 1,122					
2027	-	718	-	399	4,085	1,505	3,255	963					
2028	-	718	-	399	4,170	1,360	3,425	796					
2029	-	718	-	399	4,385	1,146	3,600	620					
2030	-	718	-	399	-	1,037	-	530					
2031	2,870	636	-	399	4,850	940	-	530					
2032	3,040	466	-	399	-	843	-	530					
2033	3,215	287	-	399	-	843	-	530					
2034	3,405	98	-	399	5,470	767	-	530					
2035	-	-	-	399	5,630	615	-	530					
2036	-	-	-	399	5,790	451	5,060	448					
2037	-	-	-	399	5,970	274	5,230	278					
2038	-	-	3,140	336	6,155	92	5,415	95					
2039	-	-	3,320	207	-	-	-	-					
2040	-	-	3,505	70	-	-	-	-					
2041	-	-	-	-	-	-	-	-					
2042	-	-	-	-	-	-	-	-					
2043	-	-	-	-	-	-	-	-					
2044	-	-	-	-	-	-	-	-					
2045	-	-	-	-	-	-	-	-					
2046	-	-	-	-	-	-	-	-					
2047	-	-	-	-	-	-	-	-					
2048	-	-	-	-	-	-	-	-					
2049	-	-	-	-	-	-	-	-					
2050	-	-	-	-	-	-	-	-					
2051	-	-	-	-	-	-	-	-					
2052	-	-	-	-	-	-	-						
Totals	\$ 12,530	\$ 5,077	\$ 16,395	\$ 5,556	\$ 50,395	\$ 11,516	\$ 29,080	\$ 7,502					

Schedule of Bonds Payable Obligation (continued)

June 30, 2025 (dollars in thousands)

	Payroll Tax Revenue (PRT) Bonds (continued)											
	2018 B	onds		Bonds		Bonds		Total PRT Bonds				
Pr	incipal	Interest	Principal			Principal Interest		<u>Principal</u> In				
\$	2,100	\$ 1,517	\$ 785	\$ 7,387	\$ 7,070	\$ 11,294	\$ 23,370	\$	24,241			
	2,145	1,411	800	7,370	13,925	11,034	24,210		23,400			
	2,325	1,300	820	7,352	14,240	10,709	24,980		22,634			
	2,445	1,180	8,200	7,247	7,265	10,411	25,895		21,721			
	2,580	1,055	8,385	7,050	15,780	10,076	26,745		20,865			
	-	990	5,910	6,876	13,945	9,669	27,575		20,039			
	-	990	4,440	6,746	20,965	9,191	28,445		19,165			
	-	990	3,480	6,643	22,615	8,603	29,310		18,297			
	-	990	3,580	6,549	17,805	8,019	30,260		17,353			
	-	990	11,070	6,266	14,610	7,499	31,310		16,298			
	-	990	8,690	5,900	12,860	7,020	32,400		15,207			
	-	990	8,905	5,636	13,330	6,601	33,435		14,177			
	-	990	9,210	5,281	10,640	6,260	34,560		13,054			
	4,620	915	9,605	4,829	18,270	5,838	35,815		11,788			
	-	840	9,985	4,403	23,570	5,231	37,060		10,544			
	-	840	10,280	4,053	27,980	4,450	38,260		9,343			
	-	840	12,770	3,708	16,010	3,741	28,780		8,288			
	-	840	13,160	3,319	16,505	3,249	29,665		7,408			
	-	840	13,560	2,918	16,955	2,800	30,515		6,558			
	3,835	763	13,970	2,505	13,600	2,394	31,405		5,662			
	4,005	607	14,395	2,079	13,945	2,034	32,345		4,720			
	4,190	443	14,835	1,641	14,295	1,664	33,320		3,748			
	4,385	271	15,290	1,189	14,660	1,280	34,335		2,740			
	4,585	92	15,755	723	15,035	881	35,375		1,696			
	-	-	16,235	244	8,825	568	25,060		812			
	-	-	-	-	9,050	345	9,050		345			
	-	-	-	-	9,275	116	9,275		116			
\$	37,215	\$ 21,675	\$ 234,115	\$ 117,914	\$ 403,025	\$ 150,975	\$ 782,755	\$	320,219			

Schedule of Bonds Payable Obligation (concluded)

June 30, 2025 (dollars in thousands)

	Capital Grant Receipt (CGR) Revenue Bonds														
Fiscal	<u>2017</u>	Bor	nds	2018 Bonds Total CGR			R B	Bonds Totals							
<u>Year</u>	<u>Principal</u>	<u>Ir</u>	<u>iterest</u>	<u>Pr</u>	incipal	<u>Ir</u>	<u>iterest</u>	<u>Principal</u>		<u>Ir</u>	<u>nterest</u>	<u> </u>	<u>Principal</u>	<u>Ir</u>	nterest
2026	\$ 12,940	\$	1,716	\$	1,855	\$	4,899	\$	14,795	\$	6,615	\$	38,165	\$	30,856
2027	13,585		1,053		1,930		4,804		15,515		5,857		39,725		29,257
2028	14,260		357		2,010		4,706		16,270		5,062		41,250		27,697
2029	-		-		12,620		4,340		12,620		4,340		38,515		26,061
2030	-		-		13,235		3,694		13,235		3,694		39,980		24,559
2031	-		-		13,875		3,016		13,875		3,016		41,450		23,055
2032	-		-		14,550		2,305		14,550		2,305		42,995		21,470
2033	-		-		15,245		1,561		15,245		1,561		44,555		19,857
2034	-		-		15,990		860		15,990		860		46,250		18,212
2035	-		-		16,610		270		16,610		270		47,920		16,568
2036	-		-		-		-		-		-		32,400		15,207
2037	-		-		-		-		-		-		33,435		14,177
2038	-		-		-		-		-		-		34,560		13,054
2039	-		-		-		-		-		-		35,815		11,788
2040	-		-		-		-		-		-		37,060		10,544
2041	-		-		-		-		-		-		38,260		9,343
2042	-		-		-		-		-		-		28,780		8,288
2043	-		-		-		-		-		-		29,665		7,408
2044	-		-		-		-		-		-		30,515		6,558
2045	-		-		-		-		-		-		31,405		5,662
2046	-		-		-		-		-		-		32,345		4,720
2047	-		-		-		-		-		-		33,320		3,748
2048	-		-		-		-		-		-		34,335		2,740
2049	-		-		-		-		-		-		35,375		1,696
2050	-		-		-		-		-		-		25,060		812
2051	-		-		-		-		-		-		9,050		345
2052	-		_				-		_		_		9,275		116
Totals	\$ 40,785	\$	3,125	\$ 1	07,920	\$:	30,455	\$ '	148,705	\$	33,580	\$	931,460	\$ 3	353,799



Statistical Section



Tri-County Metropolitan Transportation District of Oregon

Statistical Section Financial Trends Statement of Net Position, Last Ten Years

(dollars in thousands)

	2025	2024	2023	2022
Assets				
Current assets and other assets	\$ 933,886	\$ 1,092,755	\$ 1,154,750	\$ 1,261,869
Capital assets, net of depreciation	3,148,333	3,216,239	3,193,617	3,155,024
Total Assets	4,082,219	4,308,994	4,348,367	4,416,893
Deferred Outflows of Resources	150,512	188,504	192,945	248,131
Liabilities				
Current liabilities	237,418	277,497	218,595	260,992
Noncurrent liabilities	1,810,893	1,956,249	1,921,463	2,089,831
Total Liabilities	2,048,311	2,233,746	2,140,058	2,350,823
Deferred Inflows of Resources	333,378	343,654	406,604	280,745
Net Position				
Net investment in capital assets	2,202,890	2,285,824	2,314,337	2,355,020
Restricted	62,909	60,840	45,220	69,205
Unrestricted (deficit)	(414,757)	(426,566)	(364,907)	(390,769)
Total Net Position	\$ 1,851,042	\$ 1,920,098	\$ 1,994,650	\$ 2,033,456

Source: The information presented in this section is obtained from the District's audited financial statements for the years presented.

Statistical Section Financial Trends

Statement of Net Position, Last Ten Years (Continued)

(dollars in thousands)

2021	2020	2019	2018	2017	2016
\$ 923,316	\$ 876,770	\$ 754,383	\$ 923,625	\$ 658,856	\$ 581,040
3,064,806	3,086,878	3,014,250	2,981,825	2,997,401	3,044,386
3,988,122	3,963,648	3,768,633	3,905,450	3,656,257	3,625,426
234,207	235,293	54,296	58,882	61,502	86,810
221,411	214,523	195,800	197,720	193,557	210,594
1,869,831	2,029,100	1,684,283	1,829,665	1,428,745	1,443,811
2,091,242	2,243,623	1,880,083	2,027,385	1,622,302	1,654,405
242,410	102,422	111,088	36,527	70,953	66,607
2,332,282	2,459,273	2,495,838	2,586,479	2,509,481	2,502,486
66,022	42,124	63,209	17,777	35,892	11,296
(509,627)	(648,501)	(727,289)	(703,836)	(520,869)	(522,558)
\$ 1,888,677	\$ 1,852,896	\$ 1,831,758	\$ 1,900,420	\$ 2,024,504	\$ 1,991,224

Statistical Section Financial Trends Net Position and Changes in Net Position, Last Ten Years (dollars in thousands)

	2025	2024	2023	2022
Operating Revenues				
Passenger revenue	\$ 63,650	\$ 59,397	\$ 56,752	\$ 53,941
Auxiliary transportation and other revenue	26,019	21,534	22,058	23,762
Total Operating Revenue	89,669	80,931	78,810	77,703
Operating Expenses				
Salaries and wages	291,703	260,082	228,576	208,233
Fringe benefits	183,267	214,542	213,150	238,057
Materials and services	211,024	210,280	163,207	117,035
Utilities	16,201	13,508	12,815	11,150
Purchased transportation	47,934	40,879	30,200	24,047
Depreciation expense	173,975	169,507	151,730	145,216
Other operating expense	20,212	22,986	21,968	16,762
Total operating expense	944,316	931,784	821,646	760,500
Operating Loss	(854,647)	(850,853)	(742,836)	(682,797)
Nonoperating Revenues (Expenses)				
Payroll and other tax revenue	522,194	511,423	485,182	463,534
Grant revenue	224,560	89,880	29,376	172,308
Grant revenue - COVID Relief	224,000	100,725	135,100	121,909
Interest income (loss)	24,401	36,310	26,392	(749)
Net leveraged lease income (expense)	1,512	(1,024)	(3,243)	(8,076)
Interest and other expense	(29,947)		(30,286)	(31,242)
Gain (loss) on disposal of capital assets	(170)	• • • •	1,301	132
Pass through revenue	20,737	16,407	14,137	6,686
Pass through revenue Pass through expense	(20,737)	,	(14,137)	(6,686)
Funding exchanges and other payments	(3,708)		(2,161)	(18,253)
Capital contributions to other governments	(9,887)	(4,490)	(2,101)	(10,233)
Impairment of Capital Assets	(9,007)	-	-	-
Total nonoperating revenues, net	728,955	703,147	641,661	699,563
Net income (loss) before capital contributions	(125,692)		(101,175)	16,766
Capital contributions	56,636	73,154	62,369	128,013
Change In Net Position	(69,056)		(38,806)	144,779
Change in Accounting Principle	- (00,000)	- (11,002)	- (00,000)	-
N (B) W				
Net Position			0.044.00=	
Net investment in capital assets	2,202,890	2,285,824	2,314,337	2,355,020
Restricted	62,909	60,840	45,220	69,205
Unrestricted	(414,757)	(426,566)	(364,907)	(390,769)
Net Position	\$ 1,851,042	\$ 1,920,098	\$ 1,994,650	\$ 2,033,456

Source and Notes:

The information presented in this section is obtained from the District's audited financial statements for the years presented.

⁽¹⁾ 2018 restatement due to implementation of GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* .

 $^{^{(2)}\,2020}$ restatement due to implementation of GASB 87, Leases .

Statistical Section Financial Trends

Net Position and Changes in Net Position, Last Ten Years (Continued)

(dollars in thousands)

2021	2020 (2)	2019	2018 ⁽¹⁾	2017	2016
\$ 39,528	\$ 93,558	\$ 114,894	\$ 113,836	\$ 118,639	\$ 118,069
19,771	21,282	20,928	26,245	26,000	25,704
59,299	114,840	135,822	140,081	144,639	143,773
209,425	199,933	194,641	182,834	166,117	155,069
205,137	225,604	190,732	191,097	181,795	190,385
116,974	120,193	124,317	115,423	99,904	89,581
10,928	10,886	10,412	9,986	10,647	9,488
14,981	26,497	30,577	30,950	30,301	27,979
142,919	137,472	132,943	131,914	129,750	132,999
 14,887	17,931	 17,632	13,454	 10,597	10,181
 715,251	738,516	701,254	 675,658	 629,111	615,682
(655,952)	(623,676)	(565,432)	(535,577)	(484,472)	(471,909)
415,529	398,353	372,751	359,470	337,206	325,074
117,450	110,065	99,668	119,207	92,708	72,550
203,503	118,200	-	-	-	-
937	9,446	14,490	5,972	1,388	803
(5,627)	9,373	906	741	1,119	278
(28,707)	(28,792)	(25,384)	(19,454)	(18,830)	(16,227)
463	4,599	6,144	-	-	-
10,701	13,258	4,563	-	-	-
(10,701)	(13,258)	(4,563)	-	-	-
(1,900)	(14,189)	(11,882)	-	-	-
-	-	-	-	-	-
 (58,579)		 	 	 	
643,069	607,055	456,693	465,936	413,591	382,478
(12,883)	(16,621)	(108,739)	(69,641)	(70,881)	(89,431)
 48,664	35,581	 40,077	113,870	 104,161	129,676
35,781	18,960	(68,662)	44,229	33,280	40,245
	2,178	-	(168,313)	-	-
2,332,282	2,459,273	2,495,838	2,586,479	2,509,481	2,502,486
66,022	42,124	63,209	17,777	35,892	11,296
(509,627)	(648,501)	 (727,289)	(703,836)	(520,869)	(522,558)
\$ 1,888,677	\$ 1,852,896	\$ 1,831,758	\$ 1,900,420	\$ 2,024,504	\$ 1,991,224

Statistical Section Revenue Capacity

Revenue Base: Payroll Tax Revenues, Last Ten Years

(dollars in thousands, except where noted)

Wages subject to TriMet Payroll Tax Programs ⁽¹⁾		TriMet Payroll Payroll Tax Tax Programs (1) Revenue		Tri-County Population ⁽²⁾	Tax Boundary Employed Individuals ⁽³⁾	Average Wage Within Tax Boundaries (Not rounded) ⁽⁴⁾	
\$	61,639,475	\$	522,194	1,799,674	889,898	\$	69,266
	61,832,862		511,423	1,805,705	898,251		68,837
	60,422,165		485,182	1,811,736	898,212		67,269
	58,097,823		463,534	1,818,436	892,775		65,076
	53,249,331		415,529	1,831,850	884,535		60,200
	50,450,389		398,353	1,840,012	863,798		58,405
	50,015,562		372,751	1,829,652	922,107		54,241
	47,795,146		359,043	1,820,344	917,517		52,092
	45,490,273		336,131	1,811,620	890,226		51,100
	44,723,235		323,999	1,794,721	870,610		51,370
	Tri Tax	TriMet Payroll Tax Programs (1) \$ 61,639,475 61,832,862 60,422,165 58,097,823 53,249,331 50,450,389 50,015,562 47,795,146 45,490,273	TriMet Payroll Tax Programs (1) \$ 61,639,475 \$ 61,832,862 60,422,165 58,097,823 53,249,331 50,450,389 50,015,562 47,795,146 45,490,273	TriMet Payroll Tax Programs (1) \$ 61,639,475 \$ 522,194 61,832,862 511,423 60,422,165 485,182 58,097,823 463,534 53,249,331 415,529 50,450,389 398,353 50,015,562 372,751 47,795,146 359,043 45,490,273 336,131	TriMet Payroll Payroll Tax Tri-County \$ 61,639,475 \$ 522,194 1,799,674 61,832,862 511,423 1,805,705 60,422,165 485,182 1,811,736 58,097,823 463,534 1,818,436 53,249,331 415,529 1,831,850 50,450,389 398,353 1,840,012 50,015,562 372,751 1,829,652 47,795,146 359,043 1,820,344 45,490,273 336,131 1,811,620	TriMet Payroll Tax Programs (1) Payroll Tax Revenue Tri-County Population (2) Employed Individuals (3) \$ 61,639,475 \$ 522,194 1,799,674 889,898 61,832,862 511,423 1,805,705 898,251 60,422,165 485,182 1,811,736 898,212 58,097,823 463,534 1,818,436 892,775 53,249,331 415,529 1,831,850 884,535 50,450,389 398,353 1,840,012 863,798 50,015,562 372,751 1,829,652 922,107 47,795,146 359,043 1,820,344 917,517 45,490,273 336,131 1,811,620 890,226	Wages subject to TriMet Payroll Tax Programs (1) Payroll Tax Revenue Tri-County Population (2) Tax Boundary Employed Individuals (3) With Payroll (Not 1) \$ 61,639,475 \$ 522,194 1,799,674 889,898 \$ 61,832,862 511,423 1,805,705 898,251 898,251 60,422,165 485,182 1,811,736 898,212 898,212 58,097,823 463,534 1,818,436 892,775 898,251 53,249,331 415,529 1,831,850 884,535 884,535 50,450,389 398,353 1,840,012 863,798 922,107 47,795,146 359,043 1,829,652 922,107 47,795,146 359,043 1,820,344 917,517 45,490,273 336,131 1,811,620 890,226

Calendar		State-in-Lieu
Year	Payroll Tax Rate	Rate
2025	0.8237%	0.6000%
2024	0.8137%	0.6000%
2023	0.8037%	0.6000%
2022	0.7937%	0.6000%
2021	0.7837%	0.6000%
2020	0.7737%	0.6000%
2019	0.7637%	0.6000%
2018	0.7537%	0.6000%
2017	0.7437%	0.6000%
2016	0.7337%	0.6000%

Sources:

⁽¹⁾ Employer wages subject to the TriMet employer tax program provided by the State of Oregon Department of Revenue; self-employed and state-in-lieu wages are calculated based on the revenues received for the related tax programs

⁽²⁾ Information from US Bureau of Economic Analysis (agency of US Department of Commerce) for the respective county presented on a calendar year basis except for years 2025 and 2024 which are estimated.

⁽³⁾ Tax boundary employed individuals are estimated amounts based on the most recent data through 2023 from the Bureau of Labor Statistics, Quarterly Census of Employment and Wages. Fiscal years 2025 and 2024 are estimates based on regional employment growth since 2023.

⁽⁴⁾ Average wage figures calculated based on the wages subject to TriMet payroll tax programs and estimated number of employees within TriMet tax boundaries.

Statistical Section Revenue Capacity

Principal revenues; Passenger Revenues and Grant Revenues, Last Ten Years

(dollars in thousands)

Passenger Revenues:

Fiscal		Tickets		ATP		
Year-End	Cash	and	Employer	Program	Special Events	Total Fare
June 30,	Fares	Passes	Programs	Revenues	Programs	Revenues
2025	\$ 7,052	\$ 39,319	\$ 8,637	\$ 7,926	\$ 716	\$ 63,650
2024	7,585	35,404	8,387	7,575	445	59,396
2023	7,499	33,028	9,020	6,904	301	56,752
2022	6,786	29,835	12,300	4,773	247	53,941
2021	3,360	25,730	10,156	191	91	39,528
2020	10,708	51,117	23,739	7,539	455	93,558
2019	22,361	59,945	23,907	8,243	438	114,894
2018	30,048	57,405	25,755	7,788	447	121,443
2017	34,187	56,227	25,844	7,934	478	124,670
2016	37,496	55,237	24,615	7,355	554	125,257

Grant Revenues and Capital Contributions by Funding Source

Fiscal Year-End	Fadaval	Federal Grants:		State:	Total Grants and Capital		
June 30,	Federal	COVID	and Local	HB 2017	Contributions		
2025	\$ 178,712	\$ -	\$ 684	\$ 101,800	\$ 281,196		
2024	97,700	103,107	3,056	59,897	263,760		
2023	45,908	135,100	3,623	42,214	226,845		
2022	221,018	121,909	19,211	60,092	422,230		
2021	133,496	203,503	6,378	26,240	369,617		
2020	125,509	118,200	1,622	18,515	263,846		
2019	135,633	-	435	3,677	139,745		
2018	228,086	-	4,991	-	233,077		
2017	194,716	-	3,153	-	197,869		
2016	178,599	_	23,627	-	202,226		

Sources: TriMet Financial Services Department

Tri-County Metropolitan Transportation District of Oregon

Statistical Section Debt Capacity

Outstanding Debt Per Capita and As a Percent of Personal Income, Last Ten Years

(dollars in thousands)

Outstanding Outstanding Outstand Revenue Lease SBITA Fiscal Year Bonds ⁽¹⁾ Obligations ⁽²⁾ Obligation						Total TriMet Total s (2) Debt Population (3)			Cumulative Personal Income for Multnomah, Washington, and Per Clackamas Counties (3) Out:			As a Percent of Personal Income	
2025	\$ 962,089	\$	45,688	\$	1,925	\$ 1,009,702	1,799,674	\$	149,797,258	\$	561	0.674%	
2024	1,001,163		45,548		1,967	1,048,678	1,805,705		145,434,231		581	0.721%	
2023	1,039,626		37,992		1,353	1,078,971	1,811,736		141,198,283		596	0.764%	
2022	1,074,349		9,244		1,768	1,085,361	1,817,916		134,256,072		597	0.808%	
2021	893,355		11,145		2,158	906,658	1,831,576		131,694,699		495	0.688%	
2020	925,491		13,155		-	938,646	1,840,059		119,809,398		510	0.783%	
2019	777,968		15,557		-	793,525	1,829,705		110,949,837		434	0.715%	
2018	911,943		-		-	911,943	1,820,400		106,438,997		501	0.857%	
2017	740,715		-		-	740,715	1,811,681		99,627,250		409	0.743%	
2016	763,133		-		-	763,133	1,794,721		93,636,209		425	0.815%	

Source and Notes:

This table presents the relationship between the revenue bonds and the total personal income of the residents

⁽¹⁾ Amounts for outstanding bonds include unamortized premiums and discounts, figures sourced from the District's prior years audited financial statements.

 $^{^{(2)}}$ GASB No. 87 *Leases* was implemented on 07/01/2018. GASB 96 SBITAs was implemented on 07/01/2020.

⁽³⁾ Information from US Bureau of Economic Analysis (agency of US Department of Commerce) for the respective county presented on a calendar year basis except for years 2023 and 2024 which are estimated.

Statistical Section Debt Capacity

Pledged Revenue Coverage, Last Ten Years

(dollars in thousands)

Daht

Payroll Tax Bonds and Related Secured Revenues

									Dept
	Speci	ified Payroll					To	tal Debt	Service
Fiscal Year	Tax	Revenue	Pı	rincipal	lı	nterest	S	Service	Coverage
2025	\$	522,194	\$	18,920	\$	25,203	\$	44,123	11.83
2024		511,423		18,080		26,041		44,121	11.59
2023		485,182		14,225		26,754		40,979	11.84
2022		463,534		13,575		24,364		37,939	12.22
2021		415,529		13,000		25,552		38,552	10.78
2020		398,354		11,815		23,069		34,884	11.42
2019		372,751		14,380		21,548		35,928	10.37
2018		359,043		11,590		21,163		32,753	10.96
2017		336,131		11,000		19,461		30,461	11.03
2016		324,000		9,165		21,113		30,278	10.70

Capital Grant Bonds and Related Secured Revenues

									Dept	
	-	ital Grant					To	tal Debt	Service	
Fiscal Year	Re	venue ⁽¹⁾	Pi	rincipal	In	terest	S	ervice	Coverage	
2025	\$	126,742	\$	14,105	\$	7,337	\$	21,442	5.91	
2024		122,555		13,465		8,027		21,492	5.70	
2023		125,570		12,835		8,684		21,519	5.84	
2022		195,219		11,800		9,296		21,096	9.25	
2021		265,419		11,245		9,866		21,111	12.57	
2020		180,128		10,380		10,380		20,760	8.68	
2019		61,727		9,900		10,854		20,754	2.97	
2018		56,113		9,450		6,977		16,427	3.42	
2017		54,268		11,900		6,686		18,586	2.92	
2016		53,186		10,150		7,180		17,330	3.07	

Source and Notes:

TriMet Financial Services Department, Continuing Disclosures on Revenue Bonds

⁽¹⁾ FY2020 through FY2024 Section 5307 receipts include Coronavirus Aid, Relief, and Economic Security (CARES) Act funds, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) funds, and American Rescue Plan (ARP) funds as these are also 5307 receipts

Statistical Section Demographic and Economic Information Principle Employers within Operating Boundaries

2023 (1) (2) 2016 (2) % of Total % of Total **Employees Within Employees Within** Fiscal Year **Tax Boundary** Rank Employees **Tax Boundary** Rank **Employees** Intel Corporation 2.60% 2.22% 1 23 373 1 19 286 16,913 Oregon Health & Sciences University 2 19.940 2.22% 2 1 94% Providence Health & Services 3 18,005 2.00% 3 14.980 1 72% Nike, Inc. Subsidiaries 4 14,877 1.66% 4 12,184 1.40% 5 5 Kaiser Permanente 11,651 1.30% 9,848 1.13% Legacy Health Systems 6 10,804 1.20% 6 8,168 0.94% Amazon.com, Inc. 7 8,545 0.95% n/a n/a n/a The Kroger Co., Subsidiaries 8 7.425 0.83% 7 7.484 0.86% City of Portland 9 6.465 0.72% 8 7.024 0.81% Multnomah County 10 5.594 0.62% 9 5.626 0.65% Albertsons Companies, Inc. Subsidiaries 11 5,058 0.56% 10 5.548 0.64% 0.36% Veteran Affairs Medical Center 12 3,822 0.43% 17 3.117 United Parcel Service, Inc. 13 3,804 0.42% 18 3,045 0.35% FedEx Corporation 14 3,507 0.39% n/a n/a n/a 0.30% Clackamas County 15 3,351 0.37% 21 2,622 Portland Community College 16 3,309 0.37% 3,804 0.44% 11 Daimler Trucks North America, LLC 20 0.32% 17 3,184 0.35% 2,745 Portland State University 18 3,181 0.35% 12 3,733 0.43% TriMet 3,078 22 0.30% 19 0.34% 2,603 United States Postal Service 20 2,922 0.33% 15 3,486 0.40% Lam Research Corporation 21 2,760 0.31% n/a n/a n/a PCC Structurals, Inc. 22 2,568 0.29% 19 0.33% 2.862 Wal-Mart Associates, Inc. 23 2,519 0.28% 23 2,468 0.28% 2,483 0.28% Oregon Department of Human Services 24 n/a n/a n/a 25 2,380 0.26% 0.27% The Home Depot 24 2.367 Wells Fargo Bank, National Association 13 0.42% n/a n/a n/a 3,686 **US Bank National Association** n/a n/a n/a 14 3,679 0.42% New Seasons Market, Inc. n/a n/a n/a 16 0.36% 3,157 Portland General Electric n/a n/a n/a 25 2,188 0.25% Total 174.605 152.623 Estimated Total Employees within TriMet's Payroll Tax 898,212 870,610 Boundaries (2) 1,648,360 Estimated Total Population within Payroll Tax Boundary 1,555,957

Sources and Notes:

⁽¹⁾ Largest employer data supplied from the Oregon Employment Division in Mid-October of each year for the proceeding calendar year. At time of the release of the Annual Consolidated Financial Report, 2023 was the latest year where data is available.

⁽²⁾ Reported number of employees might not live within the TriMet district or Tri-County boundaries. n/a - Employer is not within top 25 largest employers for reporting year.

Statistical Section Demographic and Economic Information Population, Personal Income, Per Capita Income, and Unemployment Rate by Operating County

Fiscal Year		2025		2024		2023		2022
Population (1)								
Multnomah County		779,968		784,833		789,698		794,563
Washington County		596,423		597,644		598,865		600,176
Clackamas County		423,283		423,228		423,173		423,177
Total		1,799,674	_	1,805,705	_	1,811,736	_	1,817,916
Cumulative Personal Inc	ome (in thousands) ⁽¹⁾					
Multnomah County	\$	63,481,204	\$	61,632,237	\$	59,837,123	\$	57,089,807
Washington County		50,279,587		48,815,133		47,393,333		45,084,175
Clackamas County		36,036,468		34,986,862		33,967,827		32,082,090
Total	\$	149,797,258	\$	145,434,231	\$	141,198,283	\$	134,256,072
Per Capita Income (1) Multnomah County Washington County Clackamas County Weighted Average	\$	81,389 84,302 85,136 83,236	\$	78,529 81,679 82,667 80,542	\$	75,772 79,139 80,269 77,935	\$	69,954 73,380 73,129 73,852
Unemployment Rate (2) Multnomah County Washington County Clackamas County Weighted Average		5.1% 4.9% 4.9% 5.0%		3.9% 3.5% 3.6% 3.7%		3.6% 3.2% 3.4% 3.4%		4.0% 3.4% 3.7% 3.7%

Sources and Notes:

TriMet's operating boundaries are within the Multnomah County and portions of the most populous areas of Washington and Clackamas counties with a few exceptions. As a result, demographics and economic statistics are presented for each respective county.

⁽¹⁾ Information from US Bureau of Economic Analysis (agency of US Department of Commerce) for the respective county presented on a calendar year basis except for years 2024 and 2025 which are estimated.

⁽²⁾ Unemployment information is from Bureau of Labor Statistics (agency of US Department of Labor) for the respective county presented at fiscal year end.

Statistical Section Demographic and Economic Information

Population, Personal Income, Per Capita Income, and Unemployment Rate by Operating County (Continued)

2021	 2020	2019	2018	2017	2016
805,319	816,514	812,660	809,645	808,365	803,716
602,494	601,101	598,363	594,746	589,970	583,646
423,763	422,444	418,682	416,009	413,346	407,359
1,831,576	1,840,059	1,829,705	1,820,400	1,811,681	1,794,721
\$ 56,326,074	\$ 52,053,380	\$ 48,296,666	\$ 45,948,844	\$ 43,285,444	\$ 40,655,168
45,012,261	40,453,056	36,989,651	36,151,811	33,729,045	31,500,937
30,356,364	27,302,962	25,663,520	24,338,342	22,612,761	21,480,104
\$ 131,694,699	\$ 119,809,398	\$ 110,949,837	\$ 106,438,997	\$ 99,627,250	\$ 93,636,209
\$ 69,829	\$ 62,954	\$ 59,426	\$ 56,756	\$ 53,551	\$ 50,584
71,530	67,693	61,816	60,785	57,171	53,973
 71,666	 64,848	61,282	58,504	 54,707	52,730
\$ 71,902	\$ 65,112	\$ 60,638	\$ 58,470	\$ 54,992	\$ 52,173
7.6%	5.8%	3.6%	3.6%	3.8%	4.4%
5.8%	4.7%	3.3%	3.4%	3.6%	4.3%
 6.4%	5.2%	3.7%	 3.7%	 3.9%	4.6%
6.7%	5.3%	3.5%	3.6%	3.8%	4.4%

Statistical Section Demographic and Economic Information Operating Information: Number of Employees, Service Information, and Ridership, Last Ten Years

_	2025	2024	2023	2022
Active Employees by Mode of Transportation	(1)			
Light Rail Operations and Maintenance	717	655	634	576
Bus Operations and Maintenance	1,991	1,817	1,727	1,663
Commuter Rail Admin Maintenance	16	16	16	13
Demand Response	9	8	5	11
Streetcar Operators and Maintenance	72	72	74	72
Facilities Maintenance	157	135	117	136
Other and Administrative (2)	775	732	600	507
Total	3,737	3,435	3,173	2,978
Service Information (2) (3)				_
Service Area Population	1,648,360	1,652,513	1,526,171	1,558,315
Service Area Square Miles	354	354	378	383
Originating Rides (4)				
Bus	35,745,600	34,457,158	30,079,200	26,065,200
Light Rail (MAX)	19,942,942	18,826,648	18,998,064	16,339,200
Commuter Rail (WES)	72,939	68,196	69,360	60,696
Demand Response (LIFT)	747,303	639,570	539,530	437,916
Total	56,508,784	53,991,572	49,686,154	42,903,012
Boarding Rides (4)				
Bus	42,180,389	40,659,708	35,495,212	30,758,660
Light Rail (MAX)	22,760,132	21,487,021	21,682,316	18,647,585
Commuter Rail (WES)	123,468	115,935	117,926	103,177
Demand Response (LIFT)	747,303	639,570	539,530	437,916
Total	65,811,292	62,902,234	57,834,984	49,947,338

Sources:

⁽¹⁾ Employee figures are represented on the fiscal year end date (June 30th) for the respective year and may vary slightly from the figures on principle employers schedule. Source is TriMet payroll department within Financial Services.

⁽²⁾ Operating and service information is from Federal Transportation Authority through the National Transit Database at: https://www.transit.dot.gov/ntd/transit-agency-profiles/tri-county-metropolitan-transportation-district-oregon

 $^{^{(3)}}$ Estimated data for 2025 until the NTD submission is completed.

⁽⁴⁾ Ridership Data is from TriMet Service and Ridership Information webpage at: https://trimet.org/about/pdf/trimetridership.pdf

Statistical Section Demographic and Economic Information

Operating Information: Number of Employees, Service Information, and Ridership, Last Ten Years (Continued)

2021	2020	2019	2018	2017	2016
617	616	634	659	614	576
1,877	1,957	1,957	1,834	1,788	1,709
16	15	15	14	12	13
12	12	14	14	14	14
74	69	75	73	71	71
104	105	97	94	87	92
506	525	500	431	464	454
3,206	3,299	3,292	3,119	3,050	2,929
1,577,164	1,570,254	1,565,010	1,551,531	1,536,207	1,560,803
383	382	383	382	378	534
21,164,400	39,598,800	43,515,600	43,704,000	44,538,000	45,061,200
12,967,200	26,974,800	30,963,600	31,035,600	31,668,000	31,766,400
49,620	160,272	244,812	265,668	287,520	351,520
268,152	722,568	962,220	1,009,080	1,017,648	1,064,568
34,449,372	67,456,440	75,686,232	76,014,348	77,511,168	78,243,688
24,974,990	46,729,260	56,492,524	56,737,466	57,820,520	60,002,000
14,798,155	30,780,230	38,817,600	38,906,694	39,699,760	40,019,560
84,345	272,455	377,700	414,432	448,530	457,210
268,152	722,568	962,220	1,009,080	1,017,647	1,064,562
40,125,642	78,504,513	96,650,044	97,067,672	98,986,457	101,543,332

Statistical Section Demographic and Economic Information Operating Information: Ridership, Vehicles, and Certain Capital Asset Information, Last Ten Years

	2025	2024	2023	2022
Annual Passenger Miles Traveled (1) (3)				
Bus	142,612,166	110,945,620	113,234,575	96,334,242
Light Rail (MAX)	114,238,671	107,467,324	112,827,685	100,621,469
Commuter Rail (WES)	985,355	914,603	912,166	836,725
Demand Response (LIFT)	6,418,472	5,348,152	3,847,851	3,631,550
Total	264,254,664	224,675,700	230,822,277	201,423,986
Annual Vehicle Revenue Miles (1) (3)				
Bus	21,238,785	20,688,446	19,427,427	20,225,984
Light Rail (MAX)	8,314,590	7,395,676	8,053,659	8,232,882
Commuter Rail (WES)	82,691	73,967	93,759	103,837
Demand Response (LIFT)	6,324,720	5,571,182	4,034,878	3,873,288
Total	35,960,786	33,729,271	31,609,723	32,435,991
Vehicles (1) (3)				_
Bus	668	685	685	696
Light Rail (MAX)	152	142	141	141
Commuter Rail (WES)	6	6	6	6
Demand Response (LIFT)	289	343	262	281
Total	1,115	1,176	1,094	1,124
Stations, Stops, and Facilities (4)				
Bus Stops	6,128	6,046	6,207	6,425
Light Rail (MAX) stations	95	95	94	94
Commuter Rail (WES) Stations	5	5	5	5
Transit Centers (2)	15	16	16	16
Park and Rides ⁽²⁾	53	54	56	59
Commuter Rail Maintenance Garage	1	1	1	1
Demand Response Maintenance Garages	1	1	1	1
Light Rail Maintenance Garages	2	2	2	2
Bus Maintenance Garages	3	3	3	3

Sources:

⁽¹⁾ Operating and service information is from Federal Transportation Authority through the National Transit Database at: https://www.transit.dot.gov/ntd/transit-agency-profiles/tri-county-metropolitan-transportation-district-oregon

⁽²⁾ Transit Centers are major transit hubs served by several bus or rail lines that offer transfers between routes. Park and Rides are parking lots/garages that are leased or owned and offer free parking for 24 hours for customers using the transit system. Due to the nature and use of each type of facility, some facilities maybe counted in both Transit Centers and Park and Rides.

⁽³⁾ Estimated data for 2025 until the NTD submission is completed.

⁽⁴⁾ Data from TriMet's Facilities, Maintenance, and Service systems.

Statistical Section Demographic and Economic Information Operating Information: Ridership, Vehicles, and Certain Capital Asset Information, Last Ten Years (Continued)

2021	2020	2019	2018	2017	2016
98,687,208	160,875,204	200,008,788	203,723,813	282,061,298	277,385,619
77,157,997	159,458,488	207,967,836	210,180,550	215,622,682	216,465,191
375,964	2,231,666	3,173,984	3,534,689	3,801,325	3,884,138
2,091,286	6,636,810	9,166,907	9,667,055	9,602,378	10,032,985
178,312,455	329,202,168	420,317,515	427,106,107	511,087,683	507,767,933
	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·	, ,		, ,
20,633,760	21,965,871	22,096,462	21,327,681	20,948,228	20,698,766
8,172,915	8,864,217	9,047,431	8,932,446	8,881,841	8,856,111
112,881	141,871	159,891	161,503	161,886	163,721
2.654.080	5,522,110	6,836,830	7,147,038	7,468,164	7,611,900
31,573,636	36,494,069	38,140,614	37,568,668	37,460,119	37,330,498
		· · · · · · · · · · · · · · · · · · ·	<u> </u>		
674	644	684	670	658	648
142	142	143	145	143	143
6	6	6	6	6	6
280	323	318	322	336	338
1,102	1,115	1,151	1,143	1,143	1,135
6,482	6,529	6,608	6,628	6,584	6,642
94	94	97	97	97	97
5	5	5	5	5	5
16	16	16	16	16	16
61	61	63	62	63	61
1	1	1	1	1	1
1	1	1	1	1	1
2	2	2	2	2	2
3	3	3	3	3	3



Compliance Section





Independent Auditor's Report Required by Oregon State Regulations

The Board of Directors
Tri-County Metropolitan Transportation District of Oregon
Portland, Oregon

We have audited the basic financial statements of the Tri-County Metropolitan Transportation District of Oregon (District) as of and for the year ended June 30, 2025 and have issued our report thereon dated October 13, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-330 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

		Instance of Non-
OAR	Section	Compliance Identified
162-010-0000	Preface	Not Applicable
162-010-0010	Definitions	Not Applicable
162-010-0020	General Requirements	None Noted
162-010-0030	Contracts	None Noted
162-010-0050	Financial Statements	None Noted
162-010-0115	Required Supplementary Information (RSI)	None Noted
162-010-0120	Supplementary Financial Information	None Noted
162-010-0130	Schedule of Revenues, Expenditures / Expenses, and Changes in	
	Balances / Net Position, Budget and Actual (Each Fund)	None Noted

		Instance of Non-
OAR	Section	Compliance Identified
162-010-0140	Schedule of Accountability for Independently Elected Officials	None Noted
162-010-0190	Other Financial or Statistical Information	None Noted
162-010-0200	Independent Auditor's Review of Fiscal Affairs	None Noted
162-010-0230	Accounting Records and Internal Control	None Noted
162-010-0240	Public Fund Deposits	None Noted
162-010-0250	Indebtedness	None Noted
162-010-0260	Budget	None Noted
162-010-0270	Insurance and Fidelity Bonds	None Noted
162-010-0280	Programs Funded from Outside Sources	None Noted
162-010-0295	Highway Funds	None Noted
162-010-0300	Investments	None Noted
162-010-0310	Public Contracts and Purchasing	None Noted
162-010-0315	State School Fund	Not Applicable
162-010-0316	Public charter Schools	Not Applicable
162-010-0320	Other Comments and Disclosures	Not Applicable
162-010-0330	Extensions of Time to Deliver Audit Reports	Not Applicable

In connection with our testing nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-330 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-010-0230 Internal Control

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District'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.

Report on Compliance and Other Matters

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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State, and 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.

Ahmad Gharaibeh, Partner, for

Eide Bailly, LLP

Menlo Park, California

October 13, 2025