

**Division:** Preschool & Early Learning

**Program Characteristics:** One-Time-Only Request

### Program Description

Preschool for All (PFA) is funded by a personal income tax on the highest earners who live or work in Multnomah County. About 8% of county tax payers pay the PFA tax. This revenue fluctuates annually and the program is still new, so it's important to plan for unpredictable or one-time expenses. The program goal is to secure reserve and contingency funds to help provide ongoing fiscal stability for the initiative.

Reserve and contingency funds support consistent services despite year-to-year revenue variability. They protect the program from unexpected revenue declines due to economic fluctuations and from unexpected costs. This allows PFA to be nimble and adaptive during the implementation stage. These fiscal stability approaches are informed by the best practices of government accounting and by Multnomah County's Financial and Budget Policies.

The reserve and contingency funds were established in FY 2022. Each year, funding is added to the reserve so that the total amount is 15% of anticipated PFA tax revenue for that fiscal year. The reserve fund helps ensure the long-term financial stability of the program. These funds will be used in future years if PFA tax revenue is lower than anticipated.

PFA tax revenue will also be added to the contingency fund so that the total is 10% of anticipated PFA tax revenue for that fiscal year. The contingency fund will allow the Preschool & Early Learning Division to address unforeseen expenses during FY 2027.

### Equity Statement

By stabilizing Preschool for All (PFA) funding, this program protects services for families most impacted by economic shifts. Maintaining reserves ensures consistent access to preschool across income levels and communities. Fiscal resilience also supports smaller providers who rely on timely, predictable payments. These efforts strengthen equitable, countywide access to high-quality early learning.

### Revenue/Expense Detail

	2026 General Fund	2026 Other Funds	2027 General Fund	2027 Other Funds
Unappropriated & Contingency	\$0	\$43,750,000	\$0	\$47,250,000
<b>Total GF/non-GF</b>	<b>\$0</b>	<b>\$43,750,000</b>	<b>\$0</b>	<b>\$47,250,000</b>
<b>Total Expenses:</b>	<b>\$43,750,000</b>		<b>\$47,250,000</b>	
<b>Program FTE</b>	0.00	0.00	0.00	0.00
<b>Total Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Performance Measures

Performance Measure	FY25 Actual	FY26 Estimate	FY27 Target
Percent of reserve goal met	100%	100%	100%
Percent of contingency goal met	100%	100%	100%