

Program #25200C - PEL - Dedicated Savings
FY 2026 Proposed

Department: County Human Services **Program Contact:** Leslee Barnes
Program Offer Type: Revenue/Fund Level/Tech **Program Offer Stage:** Proposed
Related Programs: 40099B, 72052A, 72052B, 78335, 10000A, 10007B
Program Characteristics: One-Time-Only Request

Program Description

ISSUE: Over the full implementation of Preschool for All (PFA), revenues and expenses are aligned. However, there are individual years in which expenses are expected to significantly exceed revenues. Revenue from surpluses in the early years will be set aside as dedicated savings to fund seats during future years.

PROGRAM GOAL: Dedicated savings help ensure long-term stability and consistent service levels for PFA. Dedicated savings allow PFA to: 1) Create universal preschool in Multnomah County by 2030 and 2) Offer enough seats for all interested families in the future.

PROGRAM ACTIVITY: PFA gives 3- and 4-year-olds in Multnomah County access to free early education. The program was designed to grow over time. The number of children served increases each year until universal preschool is achieved in 2030. PFA continues to be on track to meet this goal. Dedicated savings are an important fiscal strategy to ensure PFA's stability and growth.

Dedicated savings have been an important part of PFAs financial planning since the initiative began. In the early years of the program, there are fewer preschool seats and the costs are lower. Unspent revenue during these early years is put aside as dedicated savings.

As PFA implementation progresses and the number of seats increases, expenditures start to outpace annual revenue. Over time, the gap between revenues and expenses narrows and projected revenue catches up with anticipated expenses.

PROGRAM OUTPUTS:

- Ensures financial projections are updated yearly, based on revenue and cost estimates.
- Adds to PFA dedicated savings.
- Provides funding for future PFA seats.
- Aligns PFA revenue and cost projections over the full implementation of the program.

Performance Measures

Measure Type	Performance Measure	FY24 Actual	FY25 Budgeted	FY25 Estimate	FY26 Target
Output	Financial projections updated based on most recent revenue and cost estimates ¹	N/A	N/A	Yes	Yes
Output	Based on projections, program is on track to cover future expenses	Yes	Yes	Yes	Yes

Performance Measures Descriptions

¹This is a new performance measure for FY 2026.

Revenue/Expense Detail

	Adopted General Fund	Adopted Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2025	2025	2026	2026
Unappropriated & Contingency	\$0	\$425,212,827	\$0	\$498,506,817
Total GF/non-GF	\$0	\$425,212,827	\$0	\$498,506,817
Program Total:	\$425,212,827		\$498,506,817	
Program FTE	0.00	0.00	0.00	0.00

Program Revenues				
Total Revenue	\$0	\$0	\$0	\$0

Explanation of Revenues

Significant Program Changes

Last Year this program was: FY 2025: 25200C PEL - Dedicated Savings