TO: Chair Jessica Vega Pederson
        Jenny Smith, Chief of Staff
        Travis Graves, Interim Chief Operating Officer
        Christian Elkin, Budget Director

FROM: Department Director Name, Department Name

DATE: February 14, 2025

RE: FY 2026 Requested Budget Transmittal Letter

[General instruction: The transmittal letter formally conveys the department's budget request to the County Chair. It should be used as a guide or map to the department's budget submission and decisionmaking. Departments may need to add additional topics/areas as necessary to explain their budget. **Please keep in mind that this template is updated every year, so departments will want to read all the bullets to make sure they are covering key points.** *For departments with different instructions regarding reduction packages, please modify text/tables as needed. Keep in mind that department transmittal letters will be posted online; please provide adequate context to ensure that readers beyond the Chair will understand the discussion.*

The prompts below each heading are for departments to consider; however, departments will need to tailor their transmittal letter to reflect their unique operations and approaches.]

Department Overview

- Briefly explain the main work of your department and its role at the County.
- Explain how your department contributes to achieving the County's Mission, Vision, and Values.
- Describe the department's mission, vision, and/or values. Concisely articulate the long-range goals that guide the direction for the department's programs and services.
- Identify key 3 to 5 successes of the **current** fiscal year.

FY 2026 Budget Priorities and Key Issues

- Identify and explain key policy priorities.
- Explain budget priorities and values and describe how they can be measured and/or data-driven. (See the new [Budgeting for Results](#) guide for more information.)
- Identify issues and challenges that span multiple budget years and suggest strategies to deal with them.
- Note emerging issues that have gained importance over time and identify program offers that specifically address them. If no program offers address the emerging issues, explain why.
- Give the strategic context for the department's baseline budget and reduction packages budget submission.
- **Chair's Budget Focus on "One County" Solutions:** Where relevant, explain how the department is coordinating with other departments to develop "One County" solutions to fill the gaps our community faces. If other departments or programs provide similar services, explain how you are looking at desired outcomes and community and client needs through a holistic lens to see where the County as a whole can be more streamlined in our approach. The descriptions should directly connect to the department's and County's overall strategy, and include program-specific information for your department (Program Offer Number, Total Dollar Request, Total FTE, Performance Measure Targets), as well as references to other departments' relevant program offers. Key cross-departmental issues to address include:
  - Response to our housing and homelessness crises,
  - Approach to community safety, and
  - Need for increased behavioral health and substance abuse support.
- Explain how programs and services help the department reach long-range goals.

FY 2026 Equity in Budgeting

- Describe how the Workforce Equity Strategic Plan's goals and action items are being supported and prioritized within the department and how the department inclusively leads with race both internally with staff and externally with clients and community.
- Describe how the department has incorporated an equity lens in budgetary decision-making.

- **FY 2026 Equity Budget**: Please provide a table of the equity positions and other equity-related funding like professional services, training, etc., including budget items supporting the positions that are included in your base budget. Add a brief note in the "Equity JCN & Position Title or Budget Category" column if the item is eliminated in one or more of the reduction packages; you can provide a detailed explanation in the relevant reduction section(s) further down in this letter.

FY 2026 Equity Budget				
Offer Number	Program Name	Equity JCN & Position Title or Budget Category	Total Equity Funding*	FTE
Total				

* Equity investment may only represent a portion of the total program offer budget.
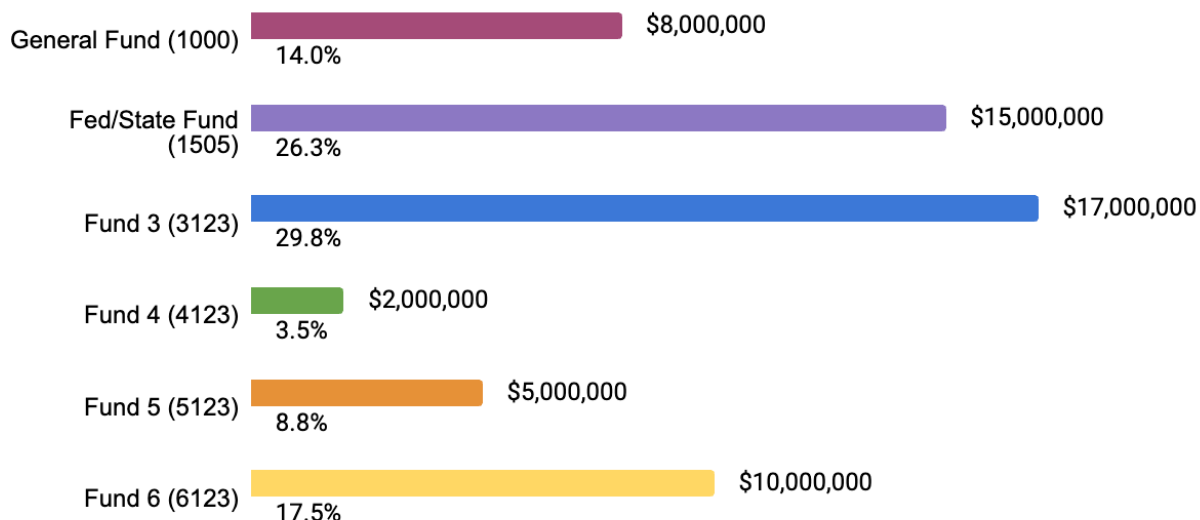
Budget Overview - Base Budget

The forecast for FY 2026 projected a $21.2 million deficit in the General Fund driven by slowing property tax revenue growth due to declining downtown property values and personnel cost increases that remain above sustainable levels. For the FY 2026 budget submission, departments were required to submit base budgets, along with three General Fund reduction packages. Maintaining the Department of X's base budget would require $X and X.XX FTE for FY 2026. This includes sufficient General Fund to maintain FY 2025 ongoing programs, as well as programs supported by Other Funds. Reduction packages of 8%, 10%, and 12% were required to be submitted in order to provide options to address the General Fund deficit while meeting the most critical needs of Multnomah County residents. In limited cases, departments were also allowed to submit Add packages for additional requests not funded within the department's base budget. The submissions are detailed in the table below, which shows the total allocation at base budget level and at the three levels of reduction packages, but excludes Add packages.

FY 2026 Dept. X Budget Submission				
	FY 2026 General Fund*	**FY 2026 Other Funds**	**Total Funds**	**Total FTE**
Base Budget Programs				
Programs with a 8% General Fund Reduction				
Programs with a 10% General Fund Reduction				
Programs with a 12% General Fund Reduction				

*Includes both the General Fund and Video Lottery Fund.

The Department of X is primarily funded by [insert appropriate statement: General Fund, Federal/State Funds, a balanced mix of both, etc.]. The bar chart below shows the budget by fund for **base budget programs**.

FY 2026 Base Budget by Fund $XXX,XXX,XXX

General Fund (1000) — $8,000,000 — 14.0%
Fed/State Fund (1505) — $15,000,000 — 26.3%
Fund 3 (3123) — $17,000,000 — 29.8%
Fund 4 (4123) — $2,000,000 — 3.5%
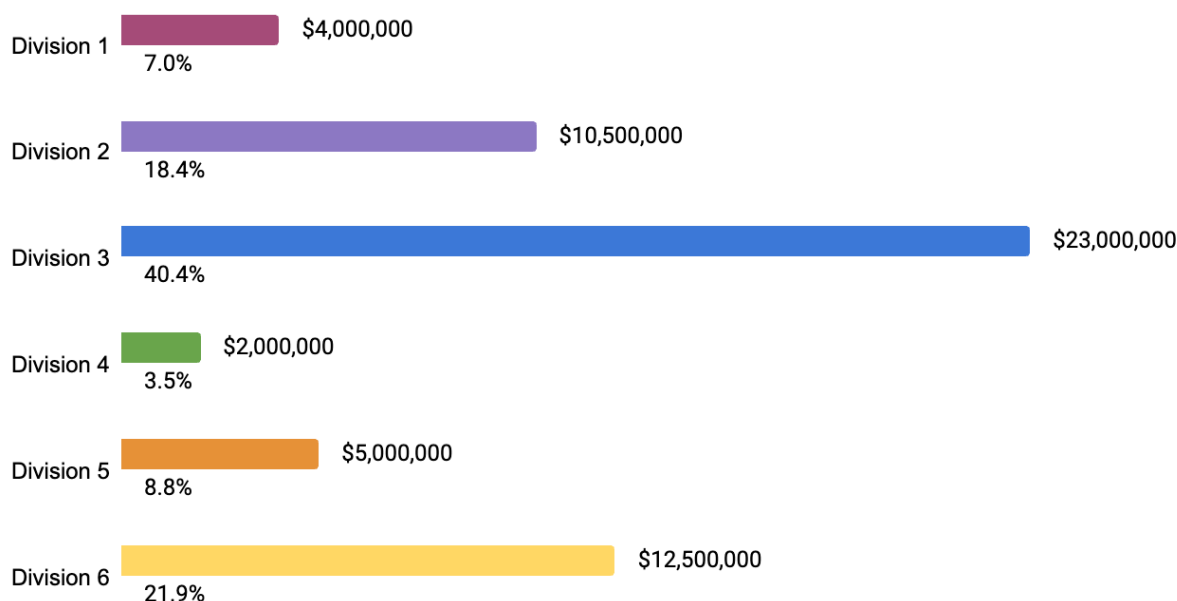Fund 5 (5123) — $5,000,000 — 8.8%
Fund 6 (6123) — $10,000,000 — 17.5%

[Department instructions for bar chart: Use a copy of the FY 2026 Transmittal Letter Spreadsheets Google spreadsheet to populate the chart information and copy/paste the chart

into this Google Doc. You can add or delete rows, change the existing text/numbers, etc. Please refer to funds by name (a shortened or abbreviated name is acceptable if it will be generally understood), rather than by number. If you have too many 4-digit funds to fit legibly in the bar chart, or need to show them in a different way, please work with your Central Budget Office analyst. The $ amount you insert in the title should tie to the preceding table.]

Division Overview - Base Budget

The Department of X has Y divisions, with the **base budget** distributed as shown in the bar chart below.

FY 2026 Base Budget by Division All Funds $XXX,XXX,XXX

Division	Amount	Percent
Division 1	$4,000,000	7.0%
Division 2	$10,500,000	18.4%
Division 3	$23,000,000	40.4%
Division 4	$2,000,000	3.5%
Division 5	$5,000,000	8.8%
Division 6	$12,500,000	21.9%

[Department instructions for bar chart: Use a copy of the FY 2026 Transmittal Letter Spreadsheets Google spreadsheet to populate the chart information and copy/paste the chart into this Google Doc. You can add or delete rows, change the existing text/numbers, etc. The $ amount you insert in the title should match the preceding bar chart.]

The core work of these divisions and their goals for community change are:

- Insert 1 bullet per division with a sentence or two describing what the division does (high-level summary) and sub-bullets for each division listing a few strategic goals/outcomes (if possible). Keep in mind that goals/outcomes are the community change you are trying to achieve through the outputs of your program offer activities (i.e. the products and services provided through program offers). For more details, see Budgeting for Results.

Reallocations within the Base Budget

FY 2026 Significant Departmental Changes (Reallocations)				
Offer Number	Program Name	General Fund	Other Funds	FTE
10001	Program 1	(20,000)		0.00
10002	Program 2	(175,000)	(50,000)	(2.00)
10003	Program 3	195,000	50,000	
Total				

The following bullets should be discussed as part of this section:

- If General Fund resources are significantly reallocated to fund new, expanded, or reconstituted programs within the department's base budget, describe the reason for the reallocation and impacts to services, program outcomes, and equity. Create an individual bullet for each program describing the services, program outcomes, equity impacts, and rationale for the addition. If applicable, describe the services the program offer is replacing. How will the changes reduce disparities and impact outcomes for Black, Indigenous, communities of color, and other marginalized communities?
- Describe the General Fund relationship to other funding sources and any significant changes.
- For programs that are significantly reduced or eliminated in order to add or expand other programs, create an individual bullet for each reduced/eliminated program describing the impacts to services, program outcomes, equity impacts, and rationale for cut.

General Fund Reductions

For the FY 2026 budget submission, departments were asked to submit three levels of reduction packages to provide options to cover the County's forecasted deficit while meeting the most critical needs of Multnomah County residents. The reduction packages are listed in order of the department's priority for restoration (so Package 1 would be the first package the department would want restored). Packages with a "0" priority are reductions that the department will make, and are not prioritizing. Below are the details of these three packages.

8% Reduction

Proposal for Reductions to Meet 8% FY 2026 General Fund Target Allocation			
Reduction Package # in priority order for restoration	**Brief Description and Program Offers**	**General Fund Reduction**	**FTE Reduction**
1	Eliminated Program 1 (Program Offer Number - Name)	(200,000)	0.00
2	Eliminated Program 2 (Program Offer Number - Name)	(375,000)	(2.00)
Total			

- For major reductions to or the elimination of a single program, create an individual bullet that very briefly describes the program and then focuses on describing the impacts to services, program outcomes, and equity impacts. Please note the reduction package number so a reader can connect it with the table.
- For a major reduction to or the elimination of a program that will also result in significantly reduced or eliminated Other Funds, explain that impact.
- Keep in mind the best practices set out in the Chair's Budget Guidance regarding reductions.

10% Reduction

Proposal for Reductions to Meet 10% FY 2026 General Fund Target Allocation			
Reduction Package # in priority order for restoration	**Brief Description and Program Offers**	**General Fund Reduction**	**FTE Reduction**
1	Eliminated Program 1 (Program Offer Number - Name)	(200,000)	0.00
2	Eliminated Program 2 (Program Offer Number - Name)	(375,000)	(2.00)
Total			

- See instructions above for the 8% package.
- If the 10% reduction package incorporates all changes from the 8% reduction package and adds to them, be sure to duplicate all rows from the 8% table. It is acceptable to reference the 8% bullets rather than repeat them here. However, if there are differences (e.g. a program offer was reduced by 50% in the 8% reduction package, but is eliminated completely in the 10% reduction package), please provide a bullet highlighting and explaining that difference.

12% Reduction

Proposal for Reductions to Meet 12% FY 2026 General Fund Target Allocation			
Reduction Package # in priority order for restoration	Brief Description and Program Offers	General Fund Reduction	FTE Reduction
1	Eliminated Program 1 (Program Offer Number - Name)	(200,000)	0.00
2	Eliminated Program 2 (Program Offer Number - Name)	(375,000)	(2.00)
Total			

- See instructions above for the 8% and 10% packages.
- If the 12% reduction package incorporates all changes from the 10% reduction package and adds to them, be sure to duplicate all rows from the 10% table. It is acceptable to reference the 10% bullets rather than repeat them here. However, if there are differences (e.g. a program offer was reduced by 50% in the 10% reduction package, but is eliminated completely in the 12% reduction package), please provide a bullet highlighting and explaining that difference.

Add Package Requests

Ongoing Requests

The following table lists the [Name] Department's ongoing requests above the base budget in order of priority:

FY 2026 Add Package Requests (Ongoing)					
Add Package # in Priority Order	**Brief Description**	**General Fund**	**Other Funds**	**FTE**	**New/ Existing/ Backfill**
1	Brief Description of Program	120,000	0	1.00	New
2	Brief Description of Program	75,000	10,000	0.50	Backfill
3	Brief Description of Program	200,000	0	0	Existing
Total					

- List the requests in order of priority.
- Keep in mind that, in general, new ongoing budget requests should be prioritized within the department's base budget by reallocating funding. There will be limited exceptions where new requests can be made through an add package. Please see the Chair's Budget Guidance for more details.
- Briefly explain the rationale behind each new request, including how it contributes to the larger County priorities and is tied directly to increasing outcomes. Also, describe any existing services the request is replacing. Include information on equity considerations for the requested program.
- For backfill requests (i.e. using General Fund to support a program previously funded by a different source in the prior fiscal year), label the request as backfill and describe the program outcomes, clients, and communities served; other programs providing similar services; and impacts of discontinuing the program.
- If any programs include a request to add internal services, describe the request and how it's being funded.

One-Time-Only Requests

The following table lists the [Name] Department's one-time-only requests in order of priority:

FY 2026 Add Package Requests (One-Time-Only)					
Add Package # in Priority Order	**Brief Description**	**General Fund**	**Other Funds**	**FTE**	**New/ Existing/ Backfill**
1	Brief Description of Program	120,000	0	1.00	New

FY 2026 Add Package Requests (One-Time-Only)					
Add Package # in Priority Order	Brief Description	General Fund	Other Funds	FTE	New/ Existing/ Backfill
2	Brief Description of Program	75,000	10,000	0.50	Backfill
3	Brief Description of Program	200,000	0	0	Existing
Total					

- List the requests in order of priority.
- Briefly describe the capital project or program outcomes, clients, and communities served, and justification for the one-time-only request.
- Explain the associated ongoing or future costs, including those for maintenance, staff, internal services, and licenses; and explain how the department will support these in the future.

Homelessness Response Action Plan (HRAP)

In FY 2024, Multnomah County and the City of Portland launched the Homelessness Response System (HRS) and the Homelessness Response Action Plan (HRAP), a strategic reset of the community's response to homelessness. The collaborative work of the HRAP is organized under 9 primary goals areas, with 120 distinct action items, each with identified responsible parties and due dates designed to increase transparency of roles, clarity to support collaboration, and mutual accountability to progress. The following table lists the department's HRAP-related program offers and funding, followed by bullets describing their FY 2025 estimated outcomes (progress on, or completion of, goals and/or action items described in the HRAP) and FY 2026 target outcomes.

FY 2026 HRAP-Related Program Offers and HRAP Funding					
Offer #	Program Name	FY 2026 Base General Fund	FY 2026 Other Funds (not SHS)	FY 2026 SHS Funding	Total HRAP Related Funding*
			Total		

* HRAP investment may only represent a portion of the total program offer budget.

- This table should include all HRAP-related funding that is included in your baseline budget by funding source.
- Briefly explain the HRAP goals, action items, and programs including (if applicable) how many people are estimated to be served and the outcomes for FY 2025 (if applicable) and FY 2026.
- If you are adding **new** HRAP-related activities in FY 2026 that did not exist in FY 2025, please be sure to identify them as new programs and briefly describe the rationale.
- If your department coordinated with other departments to develop these programs, explain the coordination process.
- **If your department does not have any HRAP-related programs, please delete this section.**

Voter Initiatives - (SHS, PFA, Library Bond)

FY 2026 Voter Initiatives - [*choose one:* SHS/PFA/Library Bond]				
Offer Number	Program Name	Initiative Funds	FTE	New or Existing
10001	Program 1	120,000	1.00	
10002	Program 2	50,000	0.50	
Total				

- If you are the coordinating department for the Metro Supportive Housing Services (SHS) Measure, Preschool for All (PFA), or Multnomah County Library General Obligation Bond, explain the assumptions used and any major increases or decreases in revenue sources
- Identify the relevant program offers for your department and how they are in alignment with the overarching program goals for SHS, PFA, or the Library Bond.
- Explain how your department coordinated with other departments to develop these programs (i.e. if you are the coordinating department, such as JOHS for SHS, explain your process of working with departments receiving funding; if you are the department receiving funds, explain how you worked with the coordinating department and other departments).
- If your department has program offers addressing more than one voter initiative, provide a separate table and set of bullets for each initiative.
- **If your department does not have any SHS, PFA, or Library Bond programs, please delete this section.**

State, Federal, and Other Funds

FY 2026 Significant Other Fund Changes					
Offer Number	**Program Name**	**General Fund**	**Other Funds**	**FTE**	**GF Backfill Requested**
10001	Program 1		120,000	1.00	
10002	Program 2		(50,000)	(0.50)	45,000
Total					

- Explain the assumptions used and any major increases or decreases in revenue sources. Include a very brief explanation of what the revenue is. Identify and describe any matching funds that are at risk.
  - For revenue sources that cross departments, confirm that the other departments are using the same assumptions.
- Explain major changes in State funding assumptions and how they impact program operations and outcomes; describe any equity impacts resulting from the changes.
- For programs with General Fund backfill, provide an explanation of services to be bought back, FTE changes, equity impacts, and changes to program outcomes. If the backfill

request is an ongoing or one-time-only add request, remember to include it in the relevant Add Package Requests table. If no backfill is requested, feel free to delete the column.

Other Significant Program Changes

- Identify and explain any programs from FY 2025 that are not included in the FY 2026 base budget that are not explained elsewhere in this letter.
- If relevant, use this section to describe significant mid-FY 2025 changes that impacted the department and will not otherwise be evident from other sections of this letter.

Risks and Other Issues

- Optional space to describe other impacts to the department in FY 2026.

Division Level Organization Chart (Base Budget)

- **Describe any changes in organizational structure and management.** Include an organization chart down to the division level; below is a template to demonstrate the desired information. Dollars and FTE shown in the chart should be only the *base budget* items. The Budget Office will include a simplified version of the chart in the published budget. For an example, please see the FY 2022 DCHS Transmittal Letter.
- **Include the span of control ratio for the divisions.** Discuss any changes from last year. Instructions on how to calculate the span of control are at multco.us/file/33777/download.
- Please keep in mind digital accessibility issues such as color contrast in the organization chart (and in other charts/tables in this letter).
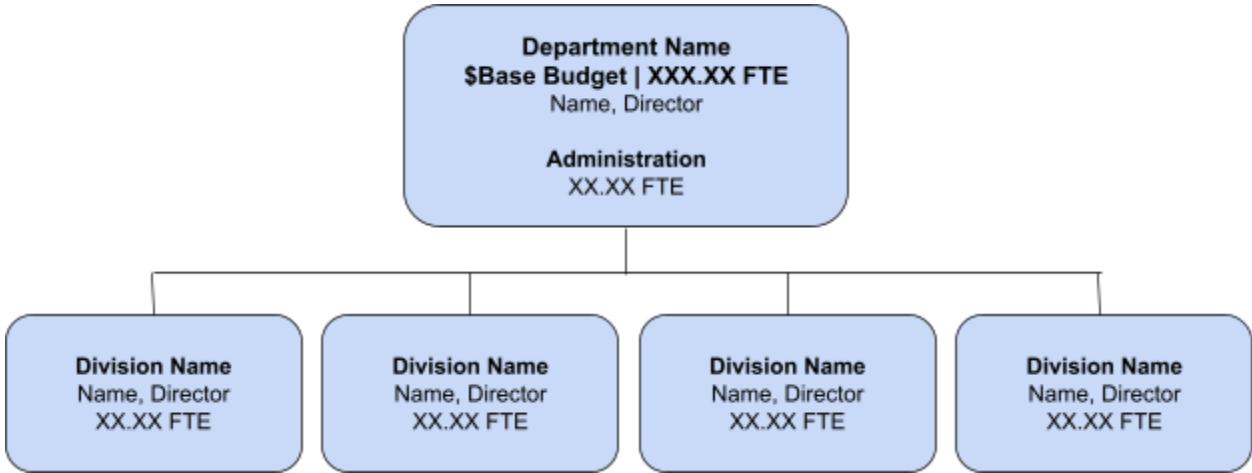
List of Program Offers

The attached table lists the [Name] Department's base budget program offers by division.

[Department instructions for attachment: Use a copy of the FY 2026 List of Program Offers Google spreadsheet. Please review the instructions tab carefully.]