

### Table of Contents

- Introduction..... 4
- Policy Direction from the Chair ..... 5
- Balancing the General Fund ..... 6
- Planning for FY 2027..... 8
  - Financial Context ..... 8
  - Economic Climate ..... 9
  - Forecasting the General Fund..... 13
  - Local Revenues ..... 15
  - Cost Drivers..... 17
- Overview of Additions, Reductions, Backfill, and Reallocations..... 19
  - Health and Human Services** ..... 19
    - Department of County Human Services (DCHS)..... 19
      - New** Ongoing and One-Time-Only Programs ..... 19
      - Reductions - General Fund ..... 20
      - Reductions - Other Funds..... 22
      - Reallocations ..... 22
    - Homeless Services Department (HSD)..... 24
      - New** One-Time-Only Programs..... 24
      - Reductions - General Fund ..... 24
      - Reductions - Other Funds..... 24
    - Health Department (HD) ..... 27
      - New** One-Time-Only Programs and Backfill ..... 27
      - Reductions..... 27
      - Reallocations ..... 30
  - Public Safety**..... 32
    - District Attorney's Office (MCDA) ..... 32
      - New** Ongoing Programs..... 32
      - Reductions..... 32
      - Reallocations ..... 33
    - Department of Community Justice (DCJ)..... 34
      - New** Ongoing Programs..... 34
      - Reductions..... 34
      - Reallocations ..... 35

# Budget Director's Message

FY 2027 Proposed Budget

Sheriff's Office (MCSO) .....	36
<b>New</b> Ongoing Programs and Backfill .....	36
Reductions and Reallocations.....	36
<b>General Government</b> .....	38
Department of Community Services (DCS).....	38
<b>New</b> One-Time-Only Programs.....	38
Reductions.....	38
Reallocations .....	39
Department of County Management (DCM).....	40
Reductions.....	40
Reallocations .....	41
Library (LIB).....	42
Reductions.....	42
Reallocations .....	42
Nondepartmental (NOND).....	43
<b>New</b> Ongoing and One-Time-Only Programs .....	43
Reductions.....	43
Reallocations .....	44
Department of County Assets (DCA) .....	45
<b>New</b> One-Time-Only Programs.....	45
Internal Service Fund Additions and Reductions.....	45
<b>Video Lottery</b> .....	47
Budget Overview All Funds .....	49
Department Revenues All Funds (\$3.4 billion) .....	50
Fund Comparison: Year over Year.....	52
Department Expenditures All Funds (\$2.9 billion).....	54
The General Fund .....	55
General Fund Revenues (\$845.9 million).....	55
General Fund Expenditures and Reserves (\$918.2 million) .....	56
General Fund Reserves .....	59
Use of One-Time-Only (OTO) Funds .....	59
One-Time-Only Resources for Contingency & the Business Income Tax Reserve - \$24.7 million....	60
One-Time-Only Resources for Capital Projects (per financial policy) - \$15.1 million .....	61
One-Time-Only Resources for One-Time Expenditures - \$13.5 million.....	62

Voter Approved Initiatives.....	63
Metro Supportive Housing Services Measure (SHS Measure) - \$172.0 million.....	63
Preschool for All (PFA) - \$841.6 million, 7,500 preschool slots.....	66
Multnomah County - Library General Obligation Bond - \$55.1 million .....	67
Policy Issues and Opportunities .....	68
Federal Landscape .....	68
State Funding Update - Mid-Year Rebalance .....	68
Pretrial Redesign.....	69
Labor and Personnel Costs .....	69
Deflection and Sobering Services .....	69
Climate Resilience.....	70
2024-2028 Workforce Equity Strategic Plan (WESP).....	70
Countywide Strategic Planning.....	71
Burnside Bridge Replacement .....	72
Multnomah County Organization Chart .....	73
Appreciation.....	74

## Introduction

The \$3.9 billion FY 2027 Proposed Budget is a direct reflection of Multnomah County's commitment to the programs and services our community relies on every day. More than just a financial ledger, this budget translates shared priorities into action, fulfilling the County's role as the region's primary safety net for our most vulnerable neighbors.

The development of the FY 2027 budget is taking place during a period of significant fiscal headwinds. While we continue to prioritize community well-being and safety, we are navigating a complex economic environment characterized by declining revenues and growing expenses which is creating an \$11.1 million deficit in the General Fund, alongside a sharp \$67 million decline in funding for Homeless Services. Additionally, this budget incorporates the state and federal rebalance reductions initiated in FY 2026, necessitating a leaner, more disciplined approach to spending.

With major revenues slowing or declining across programs, expenses continue to outpace revenue, driven largely by the necessary costs of labor agreements and the anticipated impacts of ongoing bargaining.

This context underscores the critical nature of governmental budgeting. We must carefully balance increasing community expectations with decreasing or flat resources. Our current trajectory—where personnel and operational costs outstrip revenue growth—indicates a structural deficit that will likely persist for the foreseeable future.

These hard choices are essential to maintaining the integrity of our core services. We are focused on making strategic, equitable decisions to ensure that every resident is served, particularly those who rely most heavily on the County for survival and stability.

The budget process provides the Board of County Commissioners an opportunity to demonstrate prudent stewardship of public resources. In this challenging climate, the budget becomes a vital tool for stabilization, allowing us to prioritize essential services while laying the groundwork for future resilience.

The FY 2027 budget is a comprehensive response to the diverse needs of our community. It demonstrates a steadfast commitment to fiscal responsibility and equity as we adapt to a new economic reality.

Within this document, you will find:

- A comprehensive analysis of the current economic environment and financial projections.
- Detailed breakdowns of revenue streams and expenditure drivers.
- Specific departmental data and countywide financial summaries.
- A transparent discussion of the policy challenges and opportunities that will define our path forward.

### Policy Direction from the Chair

In order to maintain as many County services as possible in the face of a second year consecutive year of General Fund cuts, Chair Vega-Pederson directed departments to submit budgets that reflected a 5% reduction in General Fund from the amount needed to maintain current service levels.

There were a few exceptions including the Nondepartmental offices and agencies, Board of County Commissioners and the Auditor and the Division of Assessment, Recording and Taxation (which generates revenue). Reduction packages were prioritized by departments to show the order in which they wished for them to be restored, as well as reductions that the department was committed to making without a request for restoration.

Chair Vega-Pederson told department directors and elected officials:

Right when it feels like demand for our services is reaching new heights, when people need us the most, we're heading into another year with a constrained budget. Our County economist is now forecasting a \$11.1 million deficit in our General Fund (updated from November). Meanwhile, forces outside our control are making this crisis worse. Falling property tax revenues, ongoing inflation, state budget shortfalls and federal unpredictability all mean relief may not be coming any time soon.

I know this is deeply challenging news to bear, coming after a painful budget process this spring, followed by our rebalancing work this fall. You've had to work hard — month after month after month — to find the least damaging solutions for this crisis while never wavering in your focus to preserve our most important and impactful safety net services.

And as we stare down yet another season of those kinds of decisions, I want to be clear that my staff and I will be standing right beside you. There's no escaping the reality that cuts will once again be required across the County, and that once more we will be asked to do more for our community with less.

But at the same time, this moment also presents opportunities — for innovation, collaboration, and transformation — as we resolutely fulfill our ultimate goal of delivering the highest-quality services possible for the people of Multnomah County.

Departments were asked to prioritize new ongoing activities within their base current service level budgets on the understanding that if an activity was a high enough priority to be requested it would be a higher priority than other services the department was already providing. In limited circumstances, departments were also able to make new ongoing requests through addition packages. Departments were also able to submit requests for one-time-only (OTO) resources, although the amount available for FY 2027 is significantly less than in the last several years.

Additionally, the Chair asked that the “work to prepare our Fiscal Year 2027 budget be rooted in Multnomah County’s values and guided by the following principles:”

- Equity in Budgeting
- Strategic Alignment to Maximize Direct Services
- Comprehensive Community Engagement

For more details, see [Chair Vega Pederson's FY 2027 Budget Guidance](#).

## Balancing the General Fund

Based on the March 2026 General Fund Forecast update, the starting point for the Chair’s decision making process was a \$11.1 million deficit. The Chair requested that departments submit cut packages equal to 5% of their ongoing budgets, with the exception of NonDepartmental

The Chair chose to accept \$24.2 million of these ongoing General Fund cuts. These changes combined with small adjustments in the department’s budget submittals allowed the Chair to prioritize \$9.7 million of ongoing programming, which included converting Rent Eviction resources, the Stabilization and Readiness Program (SARP), the DA’s Digital Evidence Expansion, and MCSO’s HR Expansion to ongoing funding, as well as backfilling MCSO’s 1145 cuts. A detailed list of cuts, adds, and reallocations by department are found later in the Budget Director’s Message. The following table shows how the General Fund was balanced.<sup>1</sup>

---

<sup>1</sup> This summary table is slightly different than the sum of the departmental tables later in the Budget Director’s Message because the component parts of reallocations have been treated as separate adds and cuts.

# Budget Director's Message

FY 2027 Proposed Budget

<b>How We Balanced the General Fund</b>	
<b>Budget Gap</b>	
Deficit from March 2026 Forecast	(11,113,853)
Additional Programmatic Needs	(9,730,492)
<b>Total Budget Gap</b>	<b>(20,844,345)</b>
<b>Actions Taken to Close the Gap</b>	
Programmatic Reductions	24,168,643
Ongoing Used as OTO for Capital (Sobering Crisis Center)	(3,324,298)
<b>Total Actions Taken to Close the Gap</b>	<b>20,844,345</b>

## Planning for FY 2027

### Financial Context

Even by recent standards, the level of uncertainty in the economy is high. Progress on controlling inflation has been reversed by spiking oil prices due to the war with Iran. The Federal Reserve has reversed forward guidance suggesting consecutive quarters of rate decreases, and may now be considering increasing rates to prevent a return to high inflation. Nationally, there has not been a large increase in layoffs, but hiring also remains low. As of March 2026, the median number of weeks an unemployed person has been unemployed has climbed to over 11 weeks. This is up from 8 weeks in the first part of 2022. Nationally, employment remains strong but recent data revisions have lowered estimates of the total number of jobs.

Although the County's General Fund revenue mechanisms are not directly tied to employment, the local employment picture remains troubling. As of the end of 2025, local employment was approximately 37,100 jobs below its pre-pandemic peak and job growth has remained stagnant for the last three years. Several of the region's largest employers like Intel and Nike have recently gone through layoff cycles. For employment growth, the Portland Metro region has underperformed most other comparable metros in the U.S. More concerning for County revenues is the high level of vacancy in downtown office buildings and its impact on property values. Because the two property values considered in Oregon's property tax system - assessed value (AV) and real market value (RMV) - are so far apart, the County's property tax revenues generally do not experience declines during economic downturns. RMV swings while AV (which is what tax revenues are based on) remains steady. The severity of the recent downturn in downtown office property values has in some cases been enough to reduce AV and significantly increase revenue loss due to compression. Property taxes are over 60% of the County Board's discretionary revenue.

The County will continue to follow sound financial planning practices in order to ensure that it is capable of responding to emerging community needs. The essential services provided by the County are continued in this budget, with over 5,700 County full-time equivalent employees (FTE) providing services ranging from health care and law enforcement to bridge maintenance and elections in FY 2027.

As the community's social safety net provider, the County relies on sound financial practices to ensure that resources are used wisely. The County's prudent management of its financial resources has been noted by the credit rating agencies. Both S&P Global Ratings and Moody's Investor Services have awarded Multnomah County the highest possible rating (AAA and Aaa, respectively) for our long-term debt associated with the new County Courthouse, Health Department Headquarters building, and the Library Bond projects. S&P noted the County's "strong management, with good financial policies and practices" and the County's strong budgetary performance and flexibility.

Beginning in FY 2023, the County began a multi-year process of increasing both its General Fund and Business Income Tax (BIT) reserves from 10% to 15%. The FY 2027 budget keeps both reserves at 12%.

Increasing the reserve targets has the benefit of bringing the County in line with evolving best practices and providing greater stability during economic downturns.

The following pages of the FY 2027 budget contain more information on the County's financial picture, and operational and investment plans.

## Economic Climate

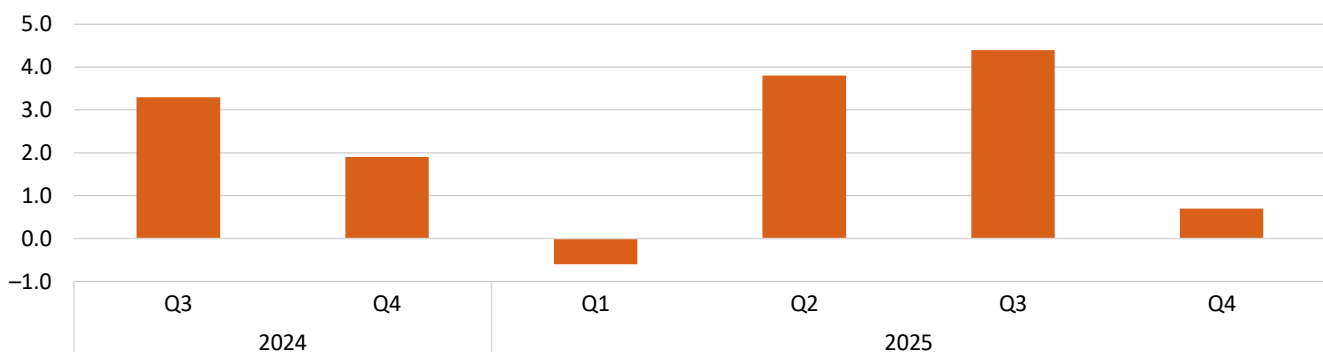
Multnomah County revenues are tied to issues that impact the national economy as a whole, such as inflation and unemployment, but the specific ways some of our revenue streams are designed mean that there will be times when our revenues increase or decrease in ways that don't follow national economic trends. Corporate profits (the basis of the County's Business Income Tax (BIT) collections) reached record highs during the pandemic. In 2023 and 2024, these profits fell but have now returned to growth. The employment level does not directly impact County revenues, but will be an early warning that the economy may be contracting due to tariffs or policy uncertainty. The macroeconomic factor that the County is most exposed to is the level of inflation. The County's labor contracts tie annual cost of living adjustments (COLAs) to official measures of inflation, and drive expenditure trends. Due to constitutional property tax limitations, property tax revenues will not keep pace with high inflation. If inflation remains at high levels, it will increase deficits in the future.

### Gross Domestic Product (GDP)

At the national level, Gross Domestic Product (GDP) – the output of goods and services produced in the U.S. – increased at an annualized rate of 4.4% and 0.7% in the last quarters of 2025. Economic growth continues but the extreme level of economic uncertainty created by tariffs and the increase in oil prices during the war with Iran, are reflected in stock market volatility. Recent output forecasts by the Federal Reserve and Wall Street firms assume a lower level of growth going forward.

### Real GDP, Percent Change From Preceding Quarter

Seasonally adjusted annual rates

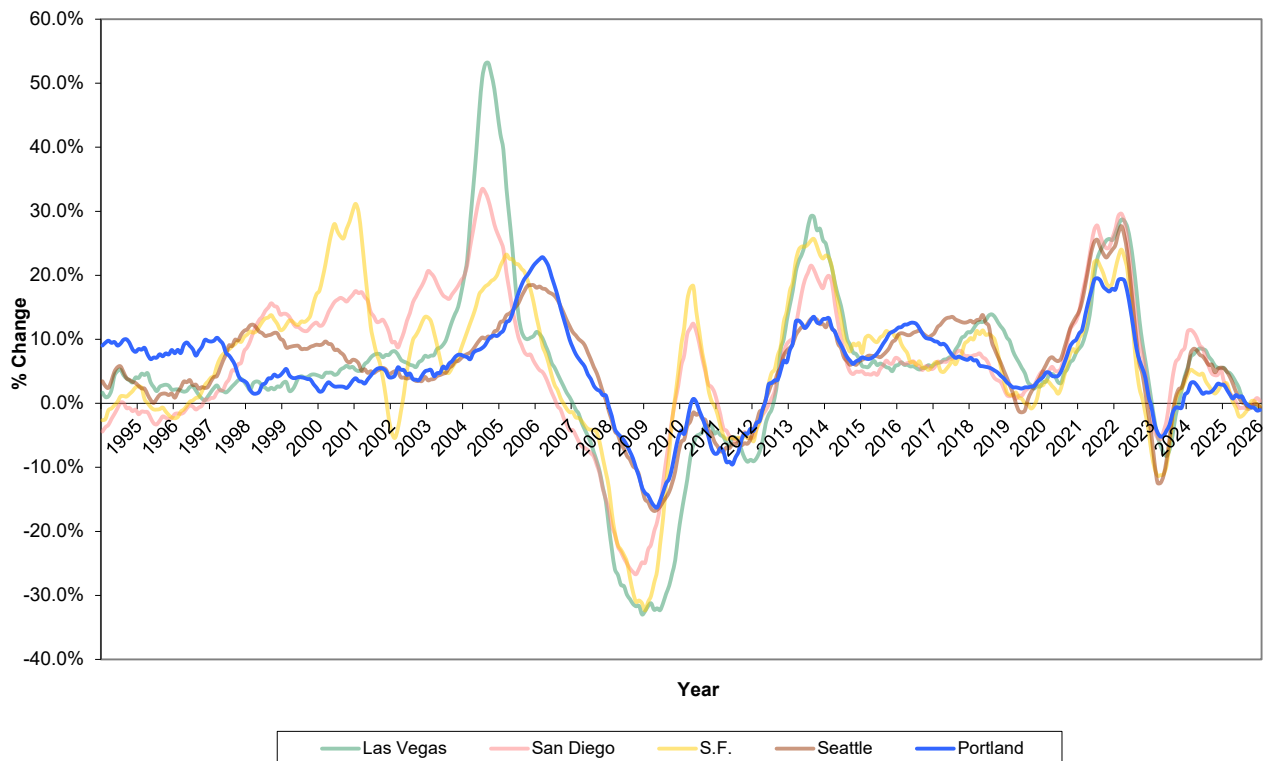


GDP Gross domestic product  
U.S. Bureau of Economic Analysis

### Housing Market

Despite the recent declines in commercial property values, residential property values (which are approximately 60% of the property value on the tax roll) in Multnomah County have been resilient. The expected path of interest rate decreases may be in doubt due to inflationary pressure from new tariffs and surging oil prices. As measured by the S&P Case-Shiller Home Price Index for the Portland metropolitan area, home prices declined by 1.1% during 2025. Applications for permits for new multifamily housing projects from the City of Portland's Bureau of Development Services decreased during the pandemic due to uncertainty, and in the summer of 2023 fell significantly further. There has been no recovery and the timing of an expected increase has been repeatedly pushed out by Portland Permitting staff. Permitting is an early indicator of future development (and therefore property tax growth). Development is what increases property tax growth above the 3% growth allowed by the Oregon constitution. Even if permitting recovers in the near term, the pause in activity means that increasing rents will not be moderated by new apartment supply for one to two years.

**Monthly Year-Over-Year % Change**  
*Based on S&P/Case-Shiller Home Price Index Thru January 2026*



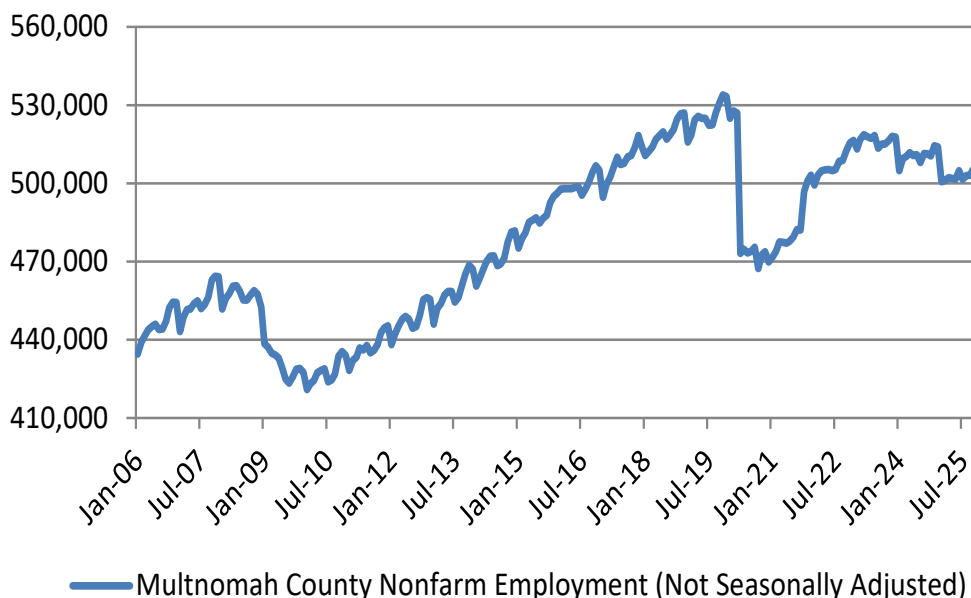
### Population

According to Census data released in March 2026, in the year ending July 1, 2025, Multnomah County's population grew by 919. Updated data shows that the County experienced a sharp drop in population early in the pandemic, but has been roughly flat or growing slowly in the last three years. The County's population remains 20,007 (2.5%) below its pre-pandemic population. During the pandemic and recovery, urban cores around the country saw declines in population. Housing affordability will present a challenge to population growth recovery in the most expensive metro areas.

### Employment

As of January 2026, the U.S. unemployment rate stood at 4.3% vs. 4.0% a year earlier. For Oregon, the January 2026 rate was 5.2% vs. 4.8% a year earlier. In Multnomah County, the unemployment rate increased to 5.2% from 4.2% last year. Nonfarm employment in Multnomah County is 501,200 as of December 2025. This is 37,100 jobs (or 6.9%) lower than pre-pandemic levels. Like many metro core counties, job recovery from the pandemic started later than other non-metro counties, but then experienced strong job growth. Job recovery has now plateaued in Multnomah County with some areas (downtown in particular) remaining well below pre-pandemic levels. Multnomah County job growth currently lags national trends and the Portland Metro has been one of the worst performing Metros for job growth in the country.

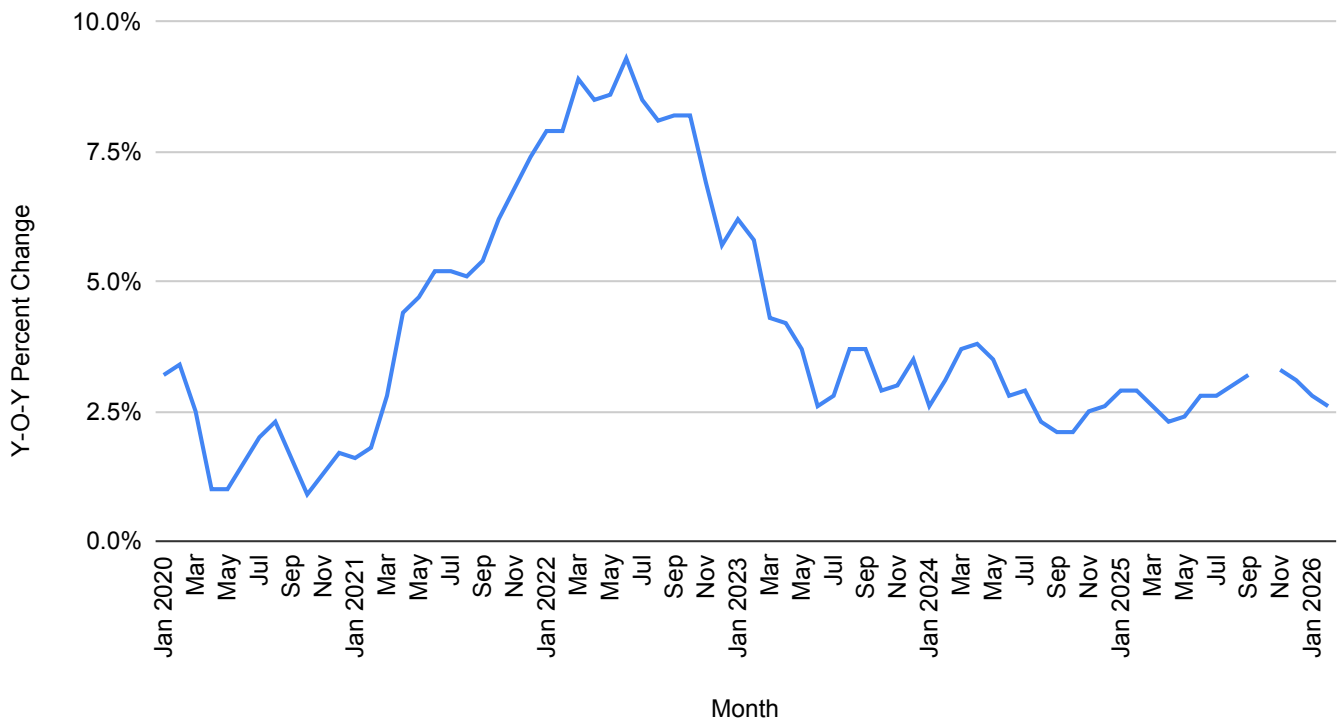
**Multnomah County Nonfarm Employment (Not SA)**



### Inflation

Oregon's constitutional limits on property tax growth make inflation an area of particular concern for the County. Personnel costs are the County's biggest expense, and the tendency of these costs to grow faster than property tax revenues create a structural deficit for County General Funds. While headline inflation (the total inflation in the economy) has decreased in response to the Federal Reserve increasing interest rates, this progress has stalled (and maybe even reversed) due to inflationary pressure from the Trump Administration's tariff policies and surging oil prices due to the war with Iran. Recent Federal Reserve talking points have indicated that concern about increasing inflation has grown on the bank's rate setting panel. According to the CPI-W West Size A (which measures headline inflation in large cities in the Western U.S.), year-over-year inflation in February 2026 was 2.6% compared to 2.9% a year earlier, but increasing oil prices have not yet shown up in the data.

### CPI-W West Size A Year-Over-Year Percent Change



### Forecasting the General Fund

Multnomah County uses ongoing financial forecasting and monitoring to estimate revenues and expenditures in the General Fund, the County's largest source of discretionary revenues. Forecasts are made for a five-year time horizon and updated quarterly. The forecast helps form the basis on which the County builds its annual budget.

At the beginning of the FY 2027 budget process, a \$10.5 million deficit was forecast for the General Fund. The primary driver of this deficit was a combination of weak property tax revenue growth and high personnel cost increases. The Budget Office's March 2025 five-year forecast update made relatively small changes to the assumptions which left the expected FY 2027 deficit at \$11.1 million. Without changes, the deficit would increase to \$45.6 million in FY 2030, before declining in FY 2031 due to the end of the County's PERS Bond payments.

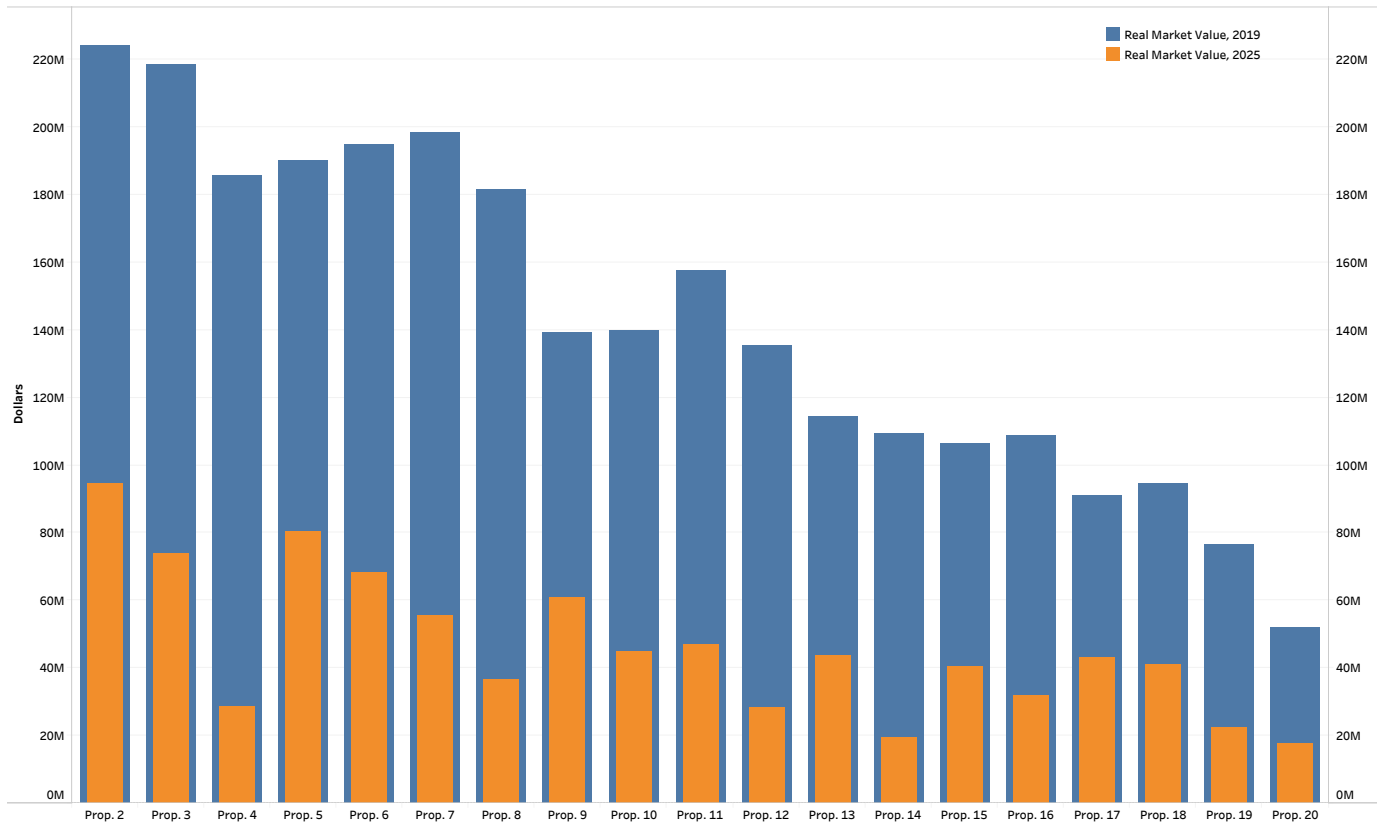
#### Forecasted Ongoing General Fund Expenditures, Revenues, and Balance

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenues	789,081,318	810,270,796	833,987,525	863,736,631	893,740,896
Expenditures	799,616,152	831,903,298	865,841,466	909,365,465	921,590,135
<b>Nov. Forecast Ongoing Surplus/(Deficit)</b>	<b>(10,534,833)</b>	<b>(21,632,502)</b>	<b>(31,853,941)</b>	<b>(45,628,834)</b>	<b>(27,849,239)</b>
<i>Bargaining Impacts*</i>	<i>(4,809,824)</i>	<i>(4,466,716)</i>	<i>(4,645,384)</i>	<i>(4,831,200)</i>	<i>(5,024,448)</i>
<i>USM/Liquor Reduction</i>	<i>(702,757)</i>	<i>(702,757)</i>	<i>(702,757)</i>	<i>(702,757)</i>	<i>(702,757)</i>
<i>DCA ISR Constraint</i>	2,897,000	3,012,880	3,133,395	3,258,731	3,389,080
<i>Post-Submittal Validation</i>	2,036,380	2,117,835	2,202,549	2,290,651	2,382,277
<b>March Forecast Ongoing Deficit</b>	<b>(11,113,853)</b>	<b>(21,671,078)</b>	<b>(31,865,957)</b>	<b>(45,613,227)</b>	<b>(27,804,905)</b>
<b>Expected Deficit After Balancing FY 2027</b>	<b>0</b>	<b>(10,648,172)</b>	<b>(20,402,134)</b>	<b>(33,690,852)</b>	<b>(15,405,635)</b>

Note: Revenues/Expenditures include video lottery, but excludes reserves and one-time resources  
 \*Includes contracts that have been settled or begun mediation since November Forecast Update

There are several factors driving the increasing deficits:

- Commercial property makes up a small percentage of total property value relative to residential properties (21.4% of Assessed Value (AV) for commercial compared to 68.4% of AV for Residential and Multifamily combined), but the precipitous decline in values of high-rise office buildings (which represented 3% of total Multnomah County value before the Pandemic) in the downtown core are creating a drag on overall revenue growth. The following graph shows the decline in value between 2019 and 2025 for the twenty highest value office buildings in Downtown Portland (one building was reclassified in 2025 and is missing from the graph). These properties have declined by as much as 89% during this period.



- Higher than normal personnel cost growth is primarily responsible for the reduction in surpluses forecast in recent years. The annual cost of living adjustment (COLA) is tied to inflation which has declined from its pandemic-era peak but remains high by historical standards. The forecast assumes that personnel cost growth remains elevated through FY 2028 and recent increases in oil prices will only exacerbate this issue.
- The forecast also assumes an increase in the Oregon Public Employees Retirement System (PERS) costs in FY 2028 due to low PERS Portfolio returns and the passage of HB 4045 which lowers the retirement age for police officers. FY 2030, the amortized benefit from the County's surplus at the time of the pooling of PERS investment resources expires.

More information about the forecast can be found below and on the [Economic Forecasts website](#).

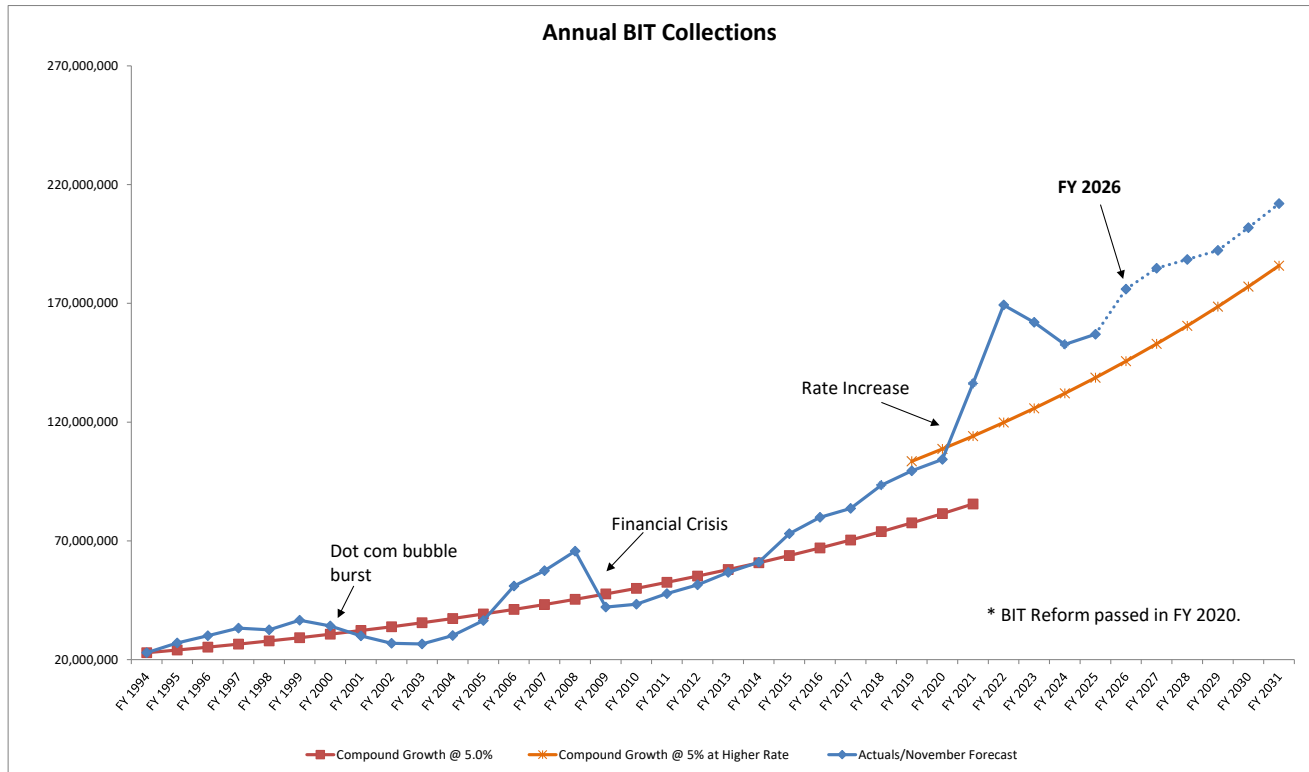
### Local Revenues

Property tax is the single largest discretionary source of revenue in the General Fund, accounting for approximately 66% of ongoing corporate revenues. General Fund growth is particularly sensitive to taxable value growth and compression. As measured from the FY 2026 Adopted budget, ongoing General Fund resources for FY 2027 are projected to increase by 4.2%.

The FY 2027 budget assumes the following rates of growth (as measured from the FY 2026 Adopted budget) for each revenue source:

- Property Tax – An increase of 4.4% (includes the return of the last major URA)
- Business Income Tax (BIT) – An increase of 5.0%
- Motor Vehicle Rental Tax – An increase of 2.5%
- Recording Fees/CAFFA Grant – A increase of 12.9%
- U.S. Marshal Jail Bed Rental – A decrease of 20.0%

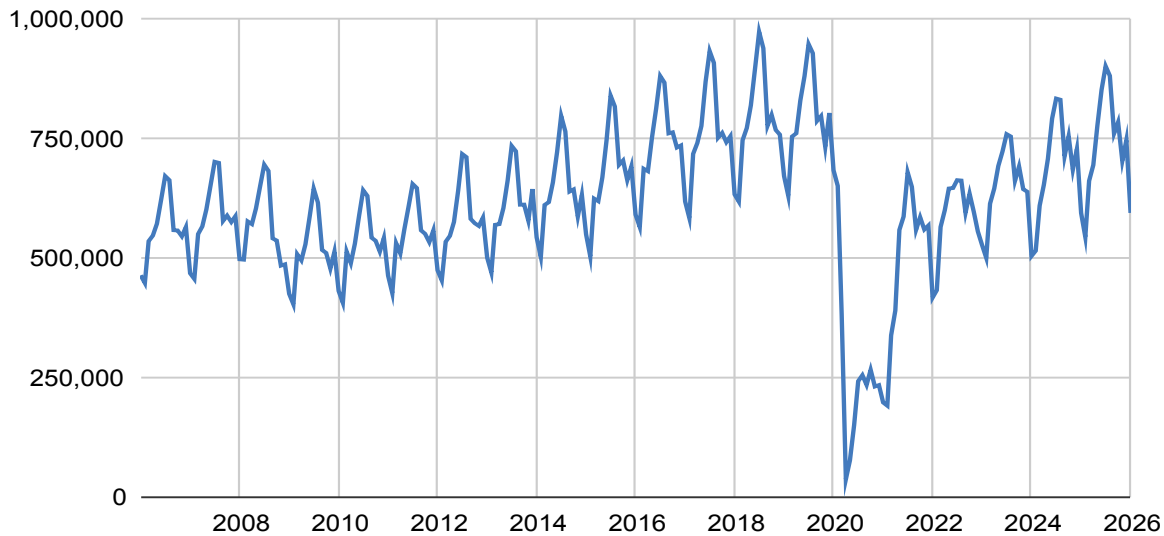
The following graph shows historical business income tax (BIT) revenues (solid blue line) and the current forecast through FY 2031 (dotted blue line). Three recessions are shown on the graph, which followed separate paths of decline (or no decline in the most recent case). The recession at the beginning of the century played out over a longer period with the County experiencing three years of decline. The Great Recession impact occurred in one year, followed by a decade of increasing revenues. The pandemic recession did not impact BIT revenues, which actually went up during this period due to the Board passing a rate increase in February 2020. Looking ahead, new tariffs are creating an immense amount of uncertainty for these revenues. BIT is the General Fund revenue with the most exposure to the business cycle and could decline rapidly in the event of an economic downturn.



The County revenue most directly impacted by COVID-19 was motor vehicle rental taxes (MVRT), which are responsible for approximately 6% of General Fund revenues. In the first year of the pandemic, revenues were down more than 50% relative to pre-pandemic levels. In April 2020, deplaned passengers at Portland International Airport (PDX) were down 93% relative to April 2019. The following graph shows the deplaned passengers by month at PDX, which is highly correlated with motor vehicle rental tax revenues. Based on current trends, deplaned passengers are expected to exceed pre-pandemic levels in Summer 2026.

Beginning in early 2022, revenues started to rapidly improve. Motor vehicle rental revenue has been helped by rental car shortages pushing up prices and overall inflation. The County also invested resources in increased compliance which added approximately \$2.0 million of ongoing revenue. These revenues have experienced strong growth due to increases in the number of passengers flying into PDX and increased rental activity related to the University of Oregon's move to the Big 10 athletic conference.

### PDX Domestic Deplaned Passengers



### Cost Drivers

The County's General Fund expenditures are forecast to grow at roughly 1.3% to 5.0% annually through FY 2031, a rate of growth that takes into account inflation, employee compensation, and long-term fixed costs. For FY 2027, the cost of providing current service levels is expected to grow at 4.2%. The growth is driven by personnel costs, which are forecast to grow at 4.98%. Specifically, the personnel cost increase is driven by:

- Cost of Living Adjustment (COLA): 3.3% (of base pay)
- Step/Merit Increases/Contract Adjustments: 1.8% (of base pay)
- Medical/Dental: 5.0%
- PERS: 0.6% (of base pay)

The November Forecast presentation and the departments' General Fund allocations assumed an estimated COLA of 3.3%. The Federal Government Shutdown in late 2025 disrupted Consumer Price Index (the measure used to calculate the County's COLA) data collection. Applying the County's normal COLA rule would have resulted in a 3.1% COLA for employees. Given the disruption, County Staff believed that 3.3% was a more accurate reflection of cost increases, and the actual COLA was left at 3.3%.

Annual increases of the County's pension costs via the Public Employees Retirement System (PERS) have moderated since the passage of SB 1049, the PERS reform bill. The County's annual PERS costs are a significant portion of overall personnel costs (over 25% of base pay), but no longer increase by 2% or more every year.

This is driven by four basic factors, with a fifth factor (SB 1049 PERS Reforms) offsetting the increases:

1. In April 2015, the Oregon Supreme Court in the Moro case invalidated the majority of the 2013 reforms passed by the Oregon Legislature.
2. The PERS Board has steadily reduced the assumed earnings rate from 8.0% to 6.9%.
3. The impact of using collared rates.
4. The PERS Board updated its mortality assumptions.
5. SB 1049 PERS reform package in the 2020 Legislative Session.

The impact of these decisions and events increased the County's unfunded liability (UAL) from \$89.2 million as of December 2013 to \$830.9 million as of the December 2024 valuation, which is mostly unchanged from the previous valuation.

The County's PERS rates are set biennially, and FY 2026 was the start of a new biennium. The County has historically "smoothed" the internal rates it charges to departments to provide predictability, stability, and mitigate risk. For several biennia before SB 1049, PERS rates rose steadily, and there was some amount of certainty about the need to increase rates over time due to the large unfunded liability. During the 2020 Oregon Legislative Session, SB 1049 was passed, which was intended to slow the growth of PERS rates. Based on these reforms, the County reached its top rate in FY 2022, subject to ongoing stock market performance.

For FY 2027, the rates charged to departments are increased by 0.57% of base pay. The County's PERS rate is made up of two pieces: PERS rates to collect funds paid into the PERS system and an internal rate to collect payments to service the County's PERS bond debt. The FY 2027 increase assumes that in FY 2028 (the beginning of the next biennium), the County's PERS rates will increase by 1.12%. Under the County's smoothing policy, half of the increase is taken mid-biennium. The County's internal PERS Bond rate remained unchanged at 4.85% in FY 2027 and beyond. This rate is revisited every year to ensure that the rate of collections is on track to make escalating debt service payments.

More information on PERS can be found on [Oregon's PERS website](#) and in the [County's Annual Comprehensive Financial Report](#).

For FY 2027, internal service rates (ISRs) charged to departments for items such as information technology and facilities services were anticipated to increase 4.96% before DCA went through a constraint exercise. The constraint resulted in a total of \$6.8 million in cuts relative to current service level. As a result, the General Fund ISRs cost increased by only 2.2%. The Chair subsequently asked DCA to make additional reductions as part of finalizing the Proposed budget.

### Overview of Additions, Reductions, Backfill, and Reallocations

The budget includes a number of General Fund and Other Funds additions, reductions, backfill and reallocations. The following tables summarize significant changes by department and include both ongoing and one-time-only (OTO) funds. These tables are focused on changes in the General Fund and some significant reductions in Other Funds.

#### Health and Human Services

##### Department of County Human Services (DCHS)

###### New Ongoing and One-Time-Only Programs

The Department of County Human Services (DCHS) reduced their ongoing General Fund budget by \$4.8 million and added \$2.5 million in new ongoing programming for a net General Fund reduction of \$2.3 million. Their budget also includes \$0.6 million in one-time-only programs (see tables below).

The budget adds \$3.5 million in new ongoing funding for Eviction Prevention (\$2.5 million in General Fund and \$1.0 million in Supportive Housing Services funding), to provide 500 households with emergency rent assistance and case management (25133B).

Other Fund additions include \$3.9 million from the State Mental Health Grant (SMHG) in the Intellectual and Developmental Disabilities Services Division (25010, 25012, 25013) and \$5.3 million from Medicaid in the Aging, Disability, and Veterans Services Division (25023 & 25038). These additions were also reflected as part of the FY 2026 State/Federal Rebalance process.

Prog. #	Program Offer Name	General Fund Additions Ongoing	General Fund Additions OTO	Total Additions	FTE Addition
25004	Immigrant Family Resilience and Stability Program	0	350,000	350,000	0.00
25133B	YFS - Eviction Prevention	2,500,000	0	2,500,000	3.50
25133D	Medicaid 1115 Health Related Social Needs Rapid Rehousing	0	200,000	200,000	0.00
<b>Total</b>		<b>2,500,000</b>	<b>550,000</b>	<b>3,050,000</b>	<b>3.50</b>

# Budget Director's Message

## FY 2027 Proposed Budget

Prog. #	Program Offer Name	SHS Additions	Other Funds Additions	Total Additions	FTE Addition
25010 <sup>1</sup>	IDDS Administration & Support	0	1,295,578	1,295,578	7.00
25012 <sup>1</sup>	IDDS Services for Adults	0	1,650,309	1,650,309	10.50
25013 <sup>1</sup>	IDDS Services for Children and Young Adults	0	965,965	965,965	6.00
25023 <sup>1,2</sup>	ADVSD Long Term Services & Supports (Medicaid)	0	3,555,452	3,555,452	(1.90)
25038 <sup>1</sup>	ADVSD Community Participation and Program Operations	0	1,735,614	1,735,614	6.50
25133B	YFS - Eviction Prevention	1,000,000	0	1,000,000	0.00
25133C	Medicaid 1115 Health Related Social Needs Housing Waiver	0	4,525,088	4,525,088	0.00
<b>Total</b>		<b>1,000,000</b>	<b>13,728,006</b>	<b>14,728,006</b>	<b>28.10</b>

<sup>1</sup> Increase also included as part of the FY 2026 State/Federal Rebalance process.

<sup>2</sup> Decrease in FTE due to a reduction in General Fund available for match.

### Reductions - General Fund

This first table below reflects \$2.5 million in reductions taken due to Countywide budget reductions. The Youth and Family Services Division had the largest amount in reductions which includes eliminating regional services within the Multnomah Stability Initiative (MSI) program at \$1.1 million. This reduces housing stability and case management to 228 of the 400 households typically served (25139). SUN Community Schools is decreased by \$1.2 million and eliminates 9 SUN Community School Sites, reducing the total number of SUN Community School sites from 92 to 83 (25145).

Prog. #	Program Offer Name	General Fund Reductions	FTE Red.
25010	IDDS Administration & Support	(98,826)	0.00
25036	ADVSD Safety Net Program	(100,000)	0.00
25139	YFS - Multnomah Stability Initiative (MSI)	(1,075,064)	0.00
25145	YFS - SUN Community Schools	(1,247,631)	0.00
<b>Total</b>		<b>(2,521,521)</b>	<b>0.00</b>

The second table below reflects \$2.3 million in General Fund reductions due to a decrease in department indirect revenue. The department's indirect rate is reduced from the FY 2026 rate of 10.22% to 7.20% in FY 2027, resulting in less indirect revenue in the General Fund for DCHS. This also reduces Other Funds by \$1.8 million, primarily because it reduces General Fund Match that is used

# Budget Director's Message

## FY 2027 Proposed Budget

to purchase Title XIX Medicaid dollars. The reductions in General Fund due to decreased department indirect by division are as follows:

- \$0.1 million - DCHS Administration
- \$0.5 million - Intellectual and Developmental Disabilities Services Division (IDDSD)
- \$1.2 million - Aging, Disability, and Veterans Services Division (ADVSD)
- \$0.4 million - Youth and Family Services Division (YFS)

Prog. #	Program Offer Name	General Fund Indirect Reductions	Other Funds Reductions	Total Reductions	FTE Red.
25002	DCHS Business Services	(142,764)	0	(142,764)	(1.00)
25012	IDDSD Services for Adults	(281,832)	0	(281,832)	0.00
25013	IDDSD Services for Children and Young Adults	(161,416)	0	(161,416)	0.00
Multiple	General Fund Match Project across multiple Intellectual and Developmental Disabilities Services Division (IDDSD) programs.	(87,889)	0	(87,889)	0.00
25022	ADVSD Adult Care Home Program	(124,365)	(318,885)	(443,250)	(2.00)
25023	ADVSD Long Term Services & Supports (Medicaid)	(171,489)	(439,715)	(611,204)	(3.00)
25024	ADVSD Adult Protective Services	(96,904)	(248,472)	(345,376)	(2.00)
25027	ADVSD Administration	(108,742)	(147,951)	(256,693)	(1.00)
25028	ADVSD Multi-Disciplinary Team	(147,601)	(148,944)	(296,545)	(1.00)
25029A	ADVSD LTSS Nursing Homes and Homeless Services (Medicaid)	(112,413)	(288,239)	(400,652)	(2.00)
25035	ADVSD Case Management & In-Home Services (Community Services)	(237,242)	(46,768)	(284,010)	(1.00)
25036	ADVSD Safety Net Program	(79,334)	0	(79,334)	0.00
25039	ADVSD Family Caregiver Program	(33,553)	0	(33,553)	0.00
Multiple	Materials & Supplies (M&S) across Multiple Aging, Disability, and Veterans Services Division (ADVSD) programs.	(108,926)	(116,495)	(225,421)	0.00
25044	YFS - Domestic and Sexual Violence Coordination	(36,706)	0	(36,706)	(0.20)
25118	YFS - Youth & Family Services Administration	(129,161)	0	(129,161)	(1.00)
25160*	YFS - Data and Evaluation Services	(237,774)	0	(237,774)	(1.00)
<b>Total</b>		<b>(2,298,111)</b>	<b>(1,755,469)</b>	<b>(4,053,580)</b>	<b>(15.20)</b>

\* Program centralized and moved to the DCHS Administration Division (25009)

### Reductions - Other Funds

Additional reductions include \$1.0 million in Supportive Housing Services (SHS) funding, a transfer of \$3.9 million back to the Homeless Services Department who will administer the Regional Long-Term Rental Assistance program and \$2.3 million in Other Funds.

\$2.1 million in ADVSD Veteran Services (25025) is Federal funding for the Veterans Directed Care (VDC) program. DCHS is a statewide coordinator and the program operates a “hub-and-spoke” model which means DCHS coordinates with spokes in several other counties. Due to the reductions, Multnomah County will no longer participate in this model, but clients will continue to be served through providers in their local area without disruption in services.

Prog. #	Program Offer Name	SHS Reductions	Other Funds Reductions	Total Reductions	FTE Red.
25012 <sup>1</sup>	IDDS Services for Adults	(172,096)	0	(172,096)	(1.00)
25025	ADVSD Veterans Services	0	(2,089,005)	(2,089,005)	0.00
25029A <sup>1</sup>	ADVSD LTSS Nursing Homes and Homeless Services (Medicaid)	(124,713)	0	(124,713)	0.00
25038	ADVSD Community Participation and Program Operations	0	(191,367)	(191,367)	(1.00)
25050	YFS - Gateway Center	(461,548)	0	(461,548)	0.00
25131C	YFS - Eviction Prevention Support	(210,164)	0	(210,164)	0.00
25139 <sup>2</sup>	YFS - Multnomah Stability Initiative (MSI)	(3,867,515)	0	(3,867,515)	0.00
<b>Total</b>		<b>(4,836,036)</b>	<b>(2,280,372)</b>	<b>(7,116,408)</b>	<b>(2.00)</b>

<sup>1</sup> DCHS reallocated General Fund in order to maintain these services in FY 2027.

<sup>2</sup> Not a reduction countywide. In FY 2027, SHS funding for the Regional Long-Term Rent Assistance (RLRA) housing vouchers moved to the Homeless Services Department (HSD).

### Reallocations

DCHS made a variety of reallocations, as shown in the tables on the next page. DCHS reallocated General Fund to cover two of the Supportive Housing Services (SHS) reductions; 1) \$161,169 to maintain 1.00 FTE Program Specialist focused on housing in the Intellectual and Developmental Disabilities Services Division (25012) and 2) \$100,000 in direct client assistance for the Homeless Mobile Intake Team (HMIT) in the Aging, Disability, and Veterans Services Division (25029A).

Additional State funding in the 2025-2027 biennium allowed the Intellectual and Developmental Disabilities Services Division to reduce General Fund used for Match by \$443,248 while maintaining current service levels, with 3.22 FTE moved from the General Fund to the Federal/State Fund.

# Budget Director's Message

## FY 2027 Proposed Budget

Prog. #	Program Offer Name and Description	General Fund Reallocated	FTE Reallocated
<b>County Human Services</b>			
<b>Made these reductions</b>			
25010	IDDSD Administration & Support	(161,169)	0.00
<b>To fund these programs</b>			
25012	IDDSD Services for Adults	161,169	1.00
<b>Made these reductions</b>			
25139	YFS - Multnomah Stability Initiative (MSI)	(110,000)	0.00
<b>To fund these programs</b>			
25133A	YFS - Housing Stabilization & Eviction Prevention	110,000	1.00
<b>Made these reductions</b>			
25011	IDDSD Budget and Operations Support	(100,000)	0.00
<b>To fund these programs</b>			
25029A	ADVSD LTSS Nursing Homes and Homeless Services (Medicaid)	100,000	0.00
<b>Total</b>		<b>0</b>	<b>2.00</b>

Prog. #	Program Offer Name	General Fund Reallocated	Other Funds Reallocated	FTE Reallocated
<b>County Human Services</b>				
<b>Made these reductions</b>				
25012	IDDSD Services for Adults	(281,832)	0	(2.00)
<b>To fund these programs</b>				
25012	IDDSD Services for Adults	0	281,832	2.00
<b>Made these reductions</b>				
25013	IDDSD Services for Children and Young Adults	(161,416)	0	(1.22)
<b>To fund these programs</b>				
25013	IDDSD Services for Children and Young Adults	0	161,416	1.22
<b>Total</b>		<b>(443,248)</b>	<b>443,248</b>	<b>0.00</b>

### Homeless Services Department (HSD)

The Homeless Services Department is facing significant budget constraints for the second year in a row brought about by reductions and volatility in major funding sources. These changes include a \$28.0 million mid-year FY 2026 state revenue reduction, the lack of FY 2027 funding from the City of Portland resulting in a \$29.6 million gap, and the decrease in available carryover funding from the Supportive Housing Services Measure.

#### New One-Time-Only Programs

The budget allocates \$10.0 million of one-time-only County General Fund to increase the number of people placed in permanent housing from shelters. This investment is designed to increase shelter efficiency and ensure that more people move into housing after exiting a shelter.

Prog. #	Program Offer Name	General Fund Additions Ongoing	General Fund Additions OTO	FTE Addition
30302B	Housing Placement & Retention - Additional Placement out of Shelter	0	10,000,000	0.00
<b>Total</b>		<b>0</b>	<b>10,000,000</b>	<b>0.00</b>

#### Reductions - General Fund

This table reflects \$2.4 million of reductions taken due to Countywide budget reductions. HSD's General Fund reductions were all in one program. The Proposed budget also added \$947,830 of SHS funding to this program.

Prog. #	Program Offer Name	General Fund Reductions	FTE Red.
30600	Employment Programs	(2,437,850)	0.00
<b>Total</b>		<b>(2,437,850)</b>	<b>0.00</b>

#### Reductions - Other Funds

The Homeless Services budget includes \$67.5 million in reductions in Other Funds compared to the FY 2026 Revised budget, as detailed in the following table. This table does not show changes made as a result of the FY 2026 mid-year state rebalance, which addressed a \$28.0 million revenue reduction. Those changes have already been implemented.

# Budget Director's Message

## FY 2027 Proposed Budget

Prog. #	Program Offer Name	SHS Reductions	Other Reductions	Total Reductions	FTE Red.
30000	Director Office, Administration and Operations	0	(498,791)	(498,791)	(3.00)
30001	Business Services	0	(434,505)	(434,505)	(1.00)
30002	Human Resources	0	(224,357)	(224,357)	(1.00)
30003	Data, Research, & Evaluation	(319,663)	(307,522)	(627,185)	(2.00)
30004	Policy & Planning	(341,013)	0	(341,013)	(1.00)
30005	Equity-Focused System Development & Capacity Building	(307,522)	0	(307,522)	(1.00)
30006B	Regional Coordination- Regional Strategies Implementation Fund	(1,533,124)	0	(1,533,124)	(2.00)
30100	System Access, Assessment, & Navigation	(498,430)	(153,385)	(651,815)	0.00
30200A	Adult Shelter	(15,222,252)	(14,253,794)	(29,476,046)	(1.00)
30201	Women's Shelter	(129,806)	0	(129,806)	0.00
30202	Alternative Shelter for Adults	(3,019,938)	(375,025)	(3,394,963)	(3.00)
30203	Family Shelter	(1,650,345)	(1,650,345)	(3,300,690)	0.00
30204	Domestic Violence Shelter	(479,570)	0	(479,570)	0.00
30205	Youth Shelter	(250,000)	0	(250,000)	0.00
30206	Winter Shelter & Severe Weather	0	(146,235)	(146,235)	0.00
30207	Bridge Housing	(160,754)	0	(160,754)	0.00
30210	Safety on the Streets	(1,328,269)	(875,225)	(2,203,494)	0.00
30300A	Housing Placement & Retention- Adults & Women	(2,880,087)	(1,454,678)	(4,334,765)	0.00
30301	Housing Placement & Retention- Families	(1,011,600)	(14,875)	(1,026,475)	0.00
30302A	Placement Out of Shelter	0	(286,280)	(286,280)	0.00
30303	Housing Placement & Retention- Domestic Violence	(361,615)	0	(361,615)	0.00
30304	Emergency Rent Assistance	(1,026,455)	(1,984,505)	(3,010,960)	0.00
30305	Housing Placement & Retention- Medical/Aging	(100,000)	0	(100,000)	0.00
30306	Housing Placement & Retention- Youth Services	(242,950)	0	(242,950)	0.00
30400A	Supportive Housing	(570,800)	(228,855)	(799,655)	(1.00)

# Budget Director's Message

## FY 2027 Proposed Budget

Prog. #	Program Offer Name	SHS Reductions	Other Reductions	Total Reductions	FTE Red.
30400C	Local Bond Units and Site-Based Commitments	(179,990)	0	(179,990)	0.00
30401B	Behavioral Health/Medical Housing-Service Coordination Team	(68,990)	(2,671,095)	(2,740,085)	0.00
30404	Supportive Housing- Youth	(20,000)	0	(20,000)	0.00
30600	Employment Programs	(2,739,800)	0	(2,739,800)	0.00
<b>Total Homeless Services Dept. Reductions</b>		<b>(34,442,973)</b>	<b>(25,559,472)</b>	<b>(60,002,445)</b>	
30999	Supportive Housing Services Revenue for Other Departments	(7,513,041)	0	(7,513,041)	0.00
<b>Total</b>		<b>(41,956,014)</b>	<b>(25,559,472)</b>	<b>(67,515,486)</b>	<b>(16.00)</b>

### Health Department (HD)

#### New One-Time-Only Programs and Backfill

The Health Department's budget includes a \$362,000 addition to continue the Ambulance Service Plan assessment, and \$150,000 for Specialized Street-based Outreach Services. The budget also adds \$1.0 million of funding to backfill the loss of other funds in Gun Violence response and School Based Mental Health Services.

Prog. #	Program Offer Name	General Fund Additions Ongoing	General Fund Additions OTO	FTE Addition
40004B	Ambulance Service Plan Continuation	0	362,000	0.00
40106	Specialized Street-based Outreach Services	0	150,000	0.00
<b>Total</b>		<b>0</b>	<b>512,000</b>	<b>0.00</b>

Prog. #	Program Offer Name	General Fund Backfill Ongoing	General Fund Backfill OTO	FTE Backfill
40047*	Corrections Health Transition Services	677,023	0	5.00
40080B	Gun Violence	541,320	0	3.00
40082	School Based Mental Health Services	417,808	0	2.84
<b>Total</b>		<b>1,636,151</b>	<b>0</b>	<b>10.84</b>

\*This partially backfills a reallocation made by the Health Department.

#### Reductions

The Health Department had reductions from a variety of sources. These included Other Funds reductions including Supportive Housing Services (SHS) funds reductions, an internal General Fund reduction taken during department submission because their indirect revenue decreased from FY 2026 (the rate decreased from 11.50% to 10.94%), and General Fund reductions to their base budget.

These reductions eliminate mobile outreach services in the Harm Reduction program. The Culturally Specific Mobile Outreach and Stabilization Treatment program is also eliminated. The Preschool for All Early Childhood Mental Health program is not being funded in the Health Department in FY 2027. Instead, the Department of County Human Services will retain this program by using a different model or provider. The tables on the following pages show details of the Health Department's reductions.

# Budget Director's Message

## FY 2027 Proposed Budget

Prog. #	Program Offer Name	General Fund Reductions	FTE Red.
40000A	Health Department Director's Office	(526,284)	(2.79)
40018	Women Infants & Children (WIC)	(432,353)	(3.60)
40039	Human Resources	(241,104)	(1.00)
40040	Financial and Business Management Services	(203,632)	(1.00)
40042	Contracts & Procurement	(168,950)	(1.00)
40059	Corrections Health Behavioral Health Services	(874,458)	(3.40)
40061	Harm Reduction	(1,140,704)	(5.80)
40069	Behavioral Health Crisis Services	(77,621)	0.00
40080	Community Based Mental Health Services for Children & Families	(657,761)	(3.90)
40084A	Culturally Specific Mental Health Services	(105,393)	0.00
40084B*	Culturally Specific Mobile Outreach and Stabilization Treatment Program	(744,607)	0.00
40089	Addictions Detoxification & Post Detoxification Housing	(24,210)	0.00
40099	Early Childhood Mental Health Program	(469,878)	(2.00)
40104	Deflection and Sobering Program	(323,496)	0.00
40105A/B	Behavioral Health Resource Center	(323,494)	0.00
<b>Total</b>		<b>(6,313,945)</b>	<b>(24.49)</b>

\*Program has been eliminated

Division	General Fund Indirect Reductions	FTE Red.
Director's Office	(462,148)	(2.00)
Financial and Business Management	(319,452)	(1.00)
Operations	(432,273)	(2.00)
Behavioral Health	(1,239,430)	0.00
Public Health	(772,258)	(4.30)
<b>Total</b>	<b>(3,225,561)</b>	<b>(9.30)</b>

# Budget Director's Message

## FY 2027 Proposed Budget

Prog. #	Program Offer Name	SHS Reductions	Other Funds Reductions	Total Reductions	FTE Red.
Various	CareOregon Reductions in various Behavioral Health Programs	0	(4,487,376)	(4,487,376)	(13.34)
40010A	Communicable Disease Prevention and Control	0	(92,835)	(92,835)	0.00
40010B	STI Clinical and Community Services	0	(233,433)	(233,433)	0.00
40011	Services for Persons Living with HIV - Regional Education and Outreach	0	(257,499)	(257,499)	0.00
40018	Women, Infants, and Children (WIC)	0	(166,223)	(166,223)	0.00
40037	Environmental Health Community Programs	0	(121,263)	(121,263)	0.00
40048	Epidemiology, Evaluation, and Policy Research	0	(127,916)	(127,916)	0.00
40053	Prevention and Health Promotion	0	(1,006,041)	(1,006,041)	(2.20)
40061	Harm Reduction	0	(936,557)	(936,557)	0.00
40067	Medical Records for Behavioral Health Division	0	(60,002)	(60,002)	0.00
40068	Behavioral Health Quality Management	0	(300,909)	(300,909)	(1.88)
40069	Behavioral Health Crisis Services	(548,795)	(168,759)	(717,554)	(1.00)
40070*	Mental Health Crisis Assessment & Treatment Center (CATC)	0	(317,047)	(317,047)	0.00
40074	Mental Health Residential Services	0	(687,798)	(687,798)	(1.50)
40075	Choice Model	0	(84,280)	(84,280)	(0.60)
40081	Multnomah County Care Coordination	0	(1,031,913)	(1,031,913)	(0.90)
40082	School Based Mental Health Services	0	(417,809)	(417,809)	(0.67)
40084A	Culturally Specific Mental Health Services	(556,970)	0	(556,970)	0.00
40085	Adult Addictions Treatment Continuum	0	(150,000)	(150,000)	0.00
40086	Addictions Services Gambling Treatment & Prevention	0	(30,015)	(30,015)	(0.20)
40088	Coordinated Diversion for Justice Involved Individuals	0	(300,672)	(300,672)	(2.00)
40090*	Family & Youth Addictions Treatment Continuum	0	(69,121)	(69,121)	0.00
40091*	Family Involvement Team	0	(331,995)	(331,995)	0.00

# Budget Director's Message

## FY 2027 Proposed Budget

Prog. #	Program Offer Name	SHS Reductions	Other Funds Reductions	Total Reductions	FTE Red.
40097	Parent, Child, and Family Health Management	0	(519,382)	(519,382)	0.00
40099B**	Preschool for All Early Childhood Mental Health	0	(2,016,968)	(2,016,968)	(10.73)
40101	Promoting Access to Hope (PATH) Care Coordination	(551,167)	0	(551,167)	(2.15)
40105A/B	Behavioral Health Resource Center	(825,690)	0	(825,690)	0.00
40112	Shelter, Housing and Supports	(1,431,557)	0	(1,431,557)	0.00
40113	Substance Use Disorder Stabilization Center Capital (one-time-only)	(6,850,000)	0	(6,850,000)	0.00
<b>Total</b>		<b>(10,764,179)</b>	<b>(13,915,813)</b>	<b>(24,679,992)</b>	<b>(37.17)</b>

\*Program has been eliminated

\*\* DCHS is retaining this program and will provide these services using a different model.

## Reallocations

Corrections Health made reallocations to increase the budget for premium pay and professional services to better match what is actually spent in these categories. The Health Department also reallocated consistent underspending in Behavioral Health contracts to other priorities.

Prog. #	Program Offer Name and Description	General Fund Reallocated	FTE Reallocated
<b>Health Department</b>			
<b>Made these reductions</b>			
Various	Behavioral Health Contract Underspend Reallocation	(1,651,000)	0.00
<b>To fund these programs</b>			
40000B	Overdose Prevention and Response	612,614	1.00
40052	Medical Examiner	267,590	0.00
40105A	Behavioral Health Resource Center	451,000	0.00
<b>Made these reductions</b>			
40010A	Communicable Disease Prevention and Control	(330,770)	(2.00)
40000A	Director's Office	(361,539)	(2.00)
<b>To fund these programs</b>			
40046	Health Operations Administration	166,766	1.00
40096	Public Health Office of the Director	250,000	0.00
40039	Human Resources	262,715	2.00

# Budget Director's Message

## FY 2027 Proposed Budget

Prog. #	Program Offer Name and Description	General Fund Reallocated	FTE Reallocated
<b>Made these reductions</b>			
40051	Corrections Health Inverness Jail (MCIJ) Clinical Services	(401,494)	(2.30)
40050	Corrections Health Multnomah County Detention Center (MCDC) Clinical Services	(109,259)	(1.20)
40049	Corrections Health Juvenile Clinical Services	(120,035)	(0.60)
40045	Corrections Health Operations	(780,645)	0.00
40047	Corrections Health Transition Services	(1,495,077)	(10.00)
40040	Financial and Business Management Services	(288,662)	(1.00)
Various	Behavioral Health Contract Underspend Reallocation	(300,000)	0.00
<b>To fund these programs</b>			
Various	Various Corrections Health Program Offers - Premium	1,060,021	0.00
Various	Various Corrections Health Program Offers - Professional Services	2,435,151	0.00
<b>Total</b>		<b>(332,624)</b>	<b>(15.10)</b>

### Public Safety

#### District Attorney's Office (MCDA)

##### New Ongoing Programs

The District Attorney's Office added \$870,000 and 2.75 FTE in new Ongoing General Fund in the Digital Evidence Management Unit - Expansion (15403B) program. This additional ongoing funding expands the investigation capacity for body-worn camera footage and other digital evidence. Expanded capacity for Digital Evidence Management was previously funded with one-time-only funding.

Prog. #	Program Offer Name	General Fund Additions Ongoing	General Fund Additions OTO	FTE Addition
15403B	Digital Evidence Management Unit - Expansion	870,000	0	2.75
<b>Total</b>		<b>870,000</b>	<b>0</b>	<b>2.75</b>

##### Reductions

The District Attorney's Office (MCDA) reduced their ongoing General Fund budget by \$2.3 million and 10.00 FTE. Reductions include 3.00 FTE Legal Assistant Seniors and 6.00 FTE Deputy District Attorneys, and 1.00 FTE Finance Specialist Senior.

Prog. #	Program Offer Name	General Fund Reductions	Other Funds Reductions	Total Reductions	FTE Red.
15003	Finance Unit	(189,115)	0	(189,115)	(1.00)
15021	Justice Integrity Unit	(198,411)	0	(198,411)	(1.00)
15101	Juvenile Unit	(128,701)	0	(128,701)	(1.00)
15203	Property & Narcotics Unit	(362,179)	0	(362,179)	(2.00)
15206	Strategic Prosecution Unit	(1,033,588)	0	(1,033,588)	(3.00)
15209	Treatment Court Unit	(222,680)	0	(222,680)	(1.00)
15302	Robbery, Traffic, & Guns Unit	(128,701)	0	(128,701)	(1.00)
<b>Total</b>		<b>(2,263,375)</b>	<b>0</b>	<b>(2,263,375)</b>	<b>(10.00)</b>

### Reallocations

MCDA's significant General Fund reallocations include various department-wide reductions to fund 3.00 FTE Legal Assistant Seniors in the Juvenile Unit (15101), the Property & Narcotics Unit (15203), and the Robbery, Traffic, & Guns Unit (15302).

Prog. #	Program Offer Name and Description	General Fund Reallocated	FTE Reallocated
<b>District Attorney's Office</b>			
<b>Made these reductions</b>			
15000, 15203, 15402	Management Services, Property & Narcotics Unit, and Investigations Unit	(448,403)	(2.50)
<b>To fund these programs</b>			
15101, 15203, 15302	Juvenile Unit, Property & Narcotics Unit, and Robbery, Traffic, & Guns Unit	448,403	3.00
<b>Made these reductions</b>			
Various	Various Program Offers	(805,000)	0.00
<b>To fund these programs</b>			
15002	Information Technology Unit	805,000	0.00
<b>Total</b>		<b>0</b>	<b>0.50</b>

### Department of Community Justice (DCJ)

#### New Ongoing Programs

The Department of Community Justice added \$1,154,090 and 7.00 FTE in new Ongoing General Fund (budgeted in the Video Lottery fund) in the Adult Stabilization and Readiness Program (SARP 50041) . This program was previously funded with one-time-only General Fund.

Prog. #	Program Offer Name or Addition Description	General Fund Additions Ongoing	General Fund Additions OTO	FTE Addition
50041*	Adult Stabilization and Readiness Program (SARP)	1,154,090	0	7.00
<b>Total</b>		<b>1,154,090</b>	<b>0</b>	<b>7.00</b>

\* Budgeted in the Video Lottery Fund

#### Reductions

The Department of Community Justice reduced their ongoing General Fund budget by \$4.1 million and 27.00 FTE and eliminated two whole programs: Adult Pretrial Services (PSP 50018) and Juvenile Culturally Responsive Youth and Family Treatment Services (50064).

**Adult Pretrial Services (PSP) (50018):** \$1,314,387 and 9.00 FTE will be eliminated. The Recognizance and Pre-sentence Investigations functions of pretrial services will be reallocated to Adult Custody and Release Services (50019). An additional \$445,388 and 4.00 FTE that previously supported pretrial services will be reduced from Adult Records and Administrative Services (50017). See the NOND program offer Pretrial Transition and Monitoring (10031) for more information about next steps in this process.

Juvenile Culturally Responsive Youth and Family Treatment Services (50064): \$514,665 and 3.00 FTE will be eliminated. This was a new program offer that was in the process of being established to address the gap left by the FY 2026 closure of the Juvenile Assessment and Evaluation Program (50063).

Prog. #	Program Offer Name or Reduction Description	General Fund Reductions	Other Funds Reductions	Total Reductions	FTE Red.
50000	DCJ Director's Office	(115,697)	0	(115,697)	0.00
50001	DCJ Business Services	(140,378)	0	(140,378)	(1.00)
50002	DCJ Business Applications and Technology	(25,668)	0	(25,668)	0.00
50003	DCJ Victim and Survivor Services	(142,332)	0	(142,332)	(1.00)
50013	Adult Culturally Responsive Supervision	(4,976)	0	(4,976)	(0.02)
50017	Adult Records and Administrative Services	(713,880)	0	(713,880)	(6.00)

# Budget Director's Message

## FY 2027 Proposed Budget

Prog. #	Program Offer Name or Reduction Description	General Fund Reductions	Other Funds Reductions	Total Reductions	FTE Red.
50018*	Adult Pretrial Services Program (PSP)	(1,314,387)	0	(1,314,387)	(9.00)
50019	Adult Custody Release Services (CRS)	(287,833)	0	(287,833)	(2.00)
50027	Adult Women and Family Services Unit	(119,387)	0	(119,387)	(0.48)
50029	Adult Electronic Monitoring	(270,566)	0	(270,566)	(2.00)
50030	Adult Specialty Treatment Courts	(131,894)	0	(131,894)	(1.00)
50031	Adult and Juvenile Community Service	(124,367)	0	(124,367)	(0.50)
50057	Juvenile Pre-Adjudication and Informal Supervision Unit	(145,810)	0	(145,810)	(1.00)
50064*	Juvenile Culturally Responsive Youth and Family Treatment Services	(514,665)	0	(514,665)	(3.00)
<b>Total</b>		<b>(4,051,840)</b>	<b>0</b>	<b>(4,051,840)</b>	<b>(27.00)</b>

\* Program has been eliminated

## Reallocations

In FY 2026, DCJ temporarily reallocated 2.00 FTE Parole and Probation Officers (PPOs) to 2.00 FTE Human Resource Analysts to focus on boosting recruitment and hiring of PPOs. This effort was successful and, therefore, DCJ is reallocating the 2.00 FTE HR Analysts back to 2.00 FTE PPOs in FY 2027.

Prog. #	Program Offer Name and Description	General Fund Reallocated	FTE Reallocated
<b>Community Justice</b>			
<b>Made these reductions</b>			
50005	DCJ Human Resources	(320,808)	(2.00)
<b>To fund these programs</b>			
50023	Adult Field Supervision - Generic	320,808	2.00
<b>Total</b>		<b>0</b>	<b>0.00</b>

# Budget Director's Message

## FY 2027 Proposed Budget

### Sheriff's Office (MCSO)

MCSO's FY 2027 budget maintains current staffing to operate a capacity of 1,130 jail beds.

### New Ongoing Programs and Backfill

The budget for the Sheriff's Office increased by \$0.5 million for an expansion to Human Resources. This expansion was funded with one-time-only American Rescue Plan interest earnings in FY 2026. The FY 2027 budget also backfills a \$1.3 million reduction in SB 1145 Community Corrections funding.

Prog. #	Program Offer Name or Addition Description	General Fund Additions Ongoing	General Fund Additions OTO	FTE Addition
60125B	Human Resources Expansion	482,568	0	3.00
<b>Total</b>		<b>482,568</b>	<b>0</b>	<b>3.00</b>

Prog. #	Program Offer Name or Addition Description	General Fund Backfill Ongoing	General Fund Backfill OTO	FTE Backfill
60330G	MCIJ SB1145 Backfill Restoration	1,316,650	0	6.00
<b>Total</b>		<b>1,316,650</b>	<b>0</b>	<b>6.00</b>

### Reductions and Reallocations

In FY 2027, the Sheriff's Office made several reallocations and reductions to fund 3.00 FTE in the Human Resources Expansion program (above the 3.00 FTE new investment shown above) and 3.00 FTE in the MCSO Records program. The Close Street program was also eliminated, but \$0.8 million of Other Funds is budgeted as rampdown funding.

Prog. #	Program Offer Name and Description	General Fund Reallocated & Reduced	FTE Reallocated & Reduced
<b>Sheriff's Office</b>			
<b>Made these reductions</b>			
60125A	Human Resources	(154,872)	(1.00)
60130	Time & Attendance Unit	(335,087)	(2.00)
60390*	Close Street	(2,119,244)	(8.00)
60430	MCSO Records	(274,764)	(1.00)
60560	Homeless Outreach and Programs Engagement (HOPE) Team (1.00 FTE moved to Trimet Funding, not eliminated)	(668,987)	(3.00)

# Budget Director's Message

## FY 2027 Proposed Budget

Prog. #	Program Offer Name and Description	General Fund Reallocated & Reduced	FTE Reallocated & Reduced
<b>To fund these programs</b>			
60125B	Human Resources Expansion	420,556	3.00
60200	Business Services Admin	11,350	0.00
60430	MCSO Records	501,804	3.00
<b>Total</b>		<b>(2,619,244)</b>	<b>(9.00)</b>

\* Program has been eliminated

### General Government

#### Department of Community Services (DCS)

The Department of Community Services reduced their ongoing General Fund budget by \$0.7 million and added \$0.7 million in new ongoing programming for a net General Fund reduction of \$48,462 (see tables below). In addition, the Transportation division added 2.00 FTE in Maintenance and Operations (90015).

#### New One-Time-Only Programs

Investment in Elections Ranked Choice Voting include the operational costs, printing, mailing and processing of the ballots (90010C) and voter education and outreach (90010D). Land Use Planning Zoning Code Improvement Project (90021B) is the final year of a three year project.

Prog. #	Program Offer Name or Addition Description	General Fund Additions Ongoing	General Fund Additions OTO	FTE Addition
90010C	Ranked Choice Voting Operations	0	340,000	0.00
90010D	Ranked Choice Voting Outreach	0	260,515	0.00
90021B	Zoning Code Improvement Project	0	100,000	0.00
<b>Total</b>		<b>0</b>	<b>700,515</b>	<b>0.00</b>

#### Reductions

The Department of Community Services reduced their ongoing General Fund budget by \$0.7 million and 4.00 FTE.

Prog. #	Program Offer Name or Reduction Description	General Fund Reductions	Other Funds Reductions	Total Reductions	FTE Red.
90001	Human Resources	(193,697)	0	(193,697)	(1.00)
90005	Animal Services Client Services	(118,534)	0	(118,534)	(1.00)
90006	Animal Services Field Services	(121,874)	0	(121,874)	(1.00)
90007	Animal Service Animal Care	(170,654)	0	(170,654)	(1.00)
90010A	Elections	(42,000)	0	(42,000)	0.00
90000, 90001, 90002	Professional Services, Travel & Training and Materials & Supplies	(102,218)	0	(102,218)	0.00
<b>Total</b>		<b>(748,977)</b>	<b>0</b>	<b>(748,977)</b>	<b>(4.00)</b>

### Reallocations

A management analyst position was reallocated from the director's office to the transportation division.

Prog. #	Program Offer Name	General Fund Reallocated	Other Funds Reallocated	FTE Reallocated
<b>Community Services</b>				
<b>Made these reductions</b>				
90000	Director's Office	(208,174)	0	(1.00)
<b>To fund these programs</b>				
90017	Transportation Administration	0	208,174	1.00
<b>Total</b>		<b>(208,174)</b>	<b>208,174</b>	<b>0.00</b>

### Department of County Management (DCM)

In addition to the reductions and reallocations below, DCM added 2.00 new FTE (1.00 HR Analyst Sr and 1.00 HR Analyst 2) in the newly created centrally administered Americans with Disabilities Act (ADA) compliance team in Central HR Employee Benefits & Wellness Program (72020). The new positions are funded in the Risk Fund.

### Reductions

The Department of County Management reduced their ongoing General Fund budget by \$1.3 million and 5.00 FTE. DCM chose to make smaller reductions across a wide range of programs.

Prog. #	Program Offer Name or Reduction Description	General Fund Reductions	Other Funds Reductions	Total Reductions	FTE Red.
72000	Office of the COO/DCM Director	(106,510)	0	(106,510)	0.00
72001	Budget Office	(225,753)	0	(225,753)	(1.00)
72004	FRM General Ledger	(41,000)	0	(41,000)	0.00
72005	FRM Purchasing	(202,986)	0	(202,986)	(1.00)
72014	Evaluation & Research Unit	(8,000)	0	(8,000)	0.00
72015	DCM Business Services	(143,730)	0	(143,730)	(1.00)
72017	Central HR Services	(276,133)	0	(276,133)	(1.00)
72022	Workday Support - Central Human Resources	(11,525)	0	(11,525)	0.00
72049	DCM/NonD Human Resource Team	(167,617)	0	(167,617)	(1.00)
72051	College to County Interns	(130,000)	0	(130,000)	0.00
<b>Total</b>		<b>(1,313,254)</b>	<b>0</b>	<b>(1,313,254)</b>	<b>(5.00)</b>

### Reallocations

A 1.00 Program Specialist that supports labor compliance which was previously funded with the General Fund has been moved to Construction and Diversity and Equity funds (which are restricted funds budgeted in the General Fund). In FY 2027 the Youth Opportunity and Workforce Development program (10009C) is moving to the Department of County Management (72051B) at \$604,589. This program is budgeted in the Video Lottery Fund. There is no reduction to this program.

Prog. #	Program Offer Name	Restricted General Fund Reallocated	FTE Reallocated
<b>County Management</b>			
<b>Made these reductions</b>			
72044A	FRM Construction Diversity and Equity	(174,442)	0.00
<b>To fund these programs</b>			
72047	FRM Labor Compliance	174,442	0.00
<b>Total</b>		<b>0</b>	<b>0.00</b>

Prog. #	Program Offer Name and Description	General Fund Reallocated	FTE Reallocated
<b>Nondepartmental made these reductions</b>			
10009C	Youth Opportunity and Workforce Development	(604,589)	0.00
<b>To fund these programs in County Management</b>			
72051B	Youth Opportunity and Workforce Development	604,589	0.00
<b>Total</b>		<b>0</b>	<b>0.00</b>

### Library (LIB)

#### Reductions

The combination of declining downtown property values and persistently high inflation is having the same impact on the Library that it is having on the County General Fund. In FY 2027, the Library had to close a \$2.0 million budget gap. The following table summarizes the reductions the Library will implement.

Prog. #	Program Offer Name and Description	Library Fund Reductions	FTE Reductions
80022	Public Services Division Management - Security Changes	(330,307)	0.00
80020	Integrated Library Services - E-Book Budget Reduction	(350,000)	0.00
80018	Library IT - Sunset Mobile App Exploration	(27,700)	0.00
80017, 80020	Human Resources/Integrated Services - Travel/Training Reduction	(20,000)	0.00
Multiple	Multiple - Materials and Supplies	(586,267)	0.00
80022	Public Services Division Management - Substitute Staffing	(582,186)	0.00
80014	Library Facilities - Internal Rate Charges	(159,615)	0.00
<b>Total</b>		<b>(2,056,075)</b>	<b>0.00</b>

#### Reallocations

The following allocations increase Access Services Assistants at the central Sorting Center by reducing administrative positions in other programs. This is in line with the Library's Future Staffing Plan.

Prog. #	Program Offer Name	Library Fund Reallocated	FTE Reallocated
<b>Library</b>			
<b>Made these reductions</b>			
80017	Human Resources	(80,432)	(0.50)
80019	Marketing & Communications	(114,124)	(0.50)
80022	Public Services Division Management	(142,160)	(1.00)
<b>To fund these programs</b>			
80020	Integrated Library Services	346,211	3.50
<b>Total</b>		<b>9,495</b>	<b>1.50</b>

### Nondepartmental (NOND)

Nondepartmental reduced their ongoing General Fund budget by \$321K and added \$30K in new ongoing programming for a net General Fund reduction of \$291K. Their budget also includes \$1.7 million in one-time-only investments (see tables below).

### New Ongoing and One-Time-Only Programs

New investments include \$214,900 for Charter Review Committee Support (10010B). The Multnomah County Home Rule Charter provides that every six years, a Charter Review Committee will be convened for the purpose of making a comprehensive study of the Charter and, if it chooses, to submit Charter amendments to the voters of Multnomah County. This is year one of two years of one-time-only General Fund for this program. Pretrial Transition and Monitoring (10031) provides \$1.0 million in one-time-only General Fund for monitoring services and the transition of monitoring responsibilities from the County to the Multnomah County Circuit Court, with a percentage of funds reserved for victim/survivor services.

Prog. #	Program Offer Name or Addition Description	General Fund Additions Ongoing	General Fund Additions OTO	Total Additions	FTE Addition
10010B	Charter Review Committee Support	0	214,900	214,900	0.00
10016B	Local Tribal Nations Summit	0	20,000	20,000	0.00
10018	Office of Sustainability - Sustainability Coordinator	29,700	0	29,700	0.25
10030	Elected Official Office Transition	0	475,000	475,000	0.00
10031	Pretrial Transition and Monitoring	0	1,000,000	1,000,000	0.00
<b>Total</b>		<b>29,700</b>	<b>1,709,900</b>	<b>1,739,600</b>	<b>0.25</b>

### Reductions

The Chair's Office reduction includes 1.00 FTE Senior Policy Advisor and \$50,000 in contractual services for the Chair's security detail (10000A).

Supportive Housing Services (SHS) funding is reduced by \$2.1 million and 5.00 FTE in Nondepartmental. In the Logistics program this reduces emergency severe weather shelter capacity by 200 people; from 1,300 in FY 2026 to 1,100 in FY 2027 (10012B). Countywide Severe Weather Response is decreased by \$0.6 million, however \$500,000 is earmarked in General Fund contingency for these efforts, if needed. This program funds equipment, supplies, and services to support severe weather responses (10012C).

# Budget Director's Message

## FY 2027 Proposed Budget

Prog. #	Program Offer Name	General Fund Reductions	SHS Reductions	Total Reductions	FTE Red.
10000A	Chair's Office	(258,167)	0	(258,167)	(1.00)
10012B	Logistics	0	(1,468,092)	(1,468,092)	(5.00)
10012C	Countywide Severe Weather Response	0	(625,697)	(625,697)	0.00
10021	State Mandated Expenses	(63,004)	0	(63,004)	0.00
<b>Total</b>		<b>(321,171)</b>	<b>(2,093,789)</b>	<b>(2,414,960)</b>	<b>(6.00)</b>

### Reallocations

In FY 2027 the Youth Opportunity and Workforce Development program (10009C) is moving to the Department of County Management (72051B) at \$604,589. This program is budgeted in the Video Lottery Fund. There is no reduction to this program.

Prog. #	Program Offer Name	General Fund Reallocated	FTE Reallocated
<b>Nondepartmental made these reductions</b>			
10009C	Youth Opportunity and Workforce Development	(604,589)	0.00
<b>To fund these programs in County Management</b>			
72051B	Youth Opportunity and Workforce Development	604,589	0.00
<b>Total</b>		<b>0</b>	<b>0.00</b>

### Department of County Assets (DCA)

#### New One-Time-Only Programs

The FY 2027 Budget invests \$15.1 million of one-time-only General Funds for capital investments shown below.

The table below shows only new funding for these programs.

Prog. #	Program Offer Name or Addition Description	General Fund Additions Ongoing	General Fund* Additions OTO	FTE Addition
78235	Walnut Park Redevelopment Planning	0	250,000	0.00
78249B	Sobering and Crisis Intervention Center - FY 2027 Investment	0	12,397,579	0.00
78256	Vector Control Relocation Project	0	2,500,000	0.00
<b>Total</b>		<b>0</b>	<b>15,147,579</b>	<b>0.00</b>

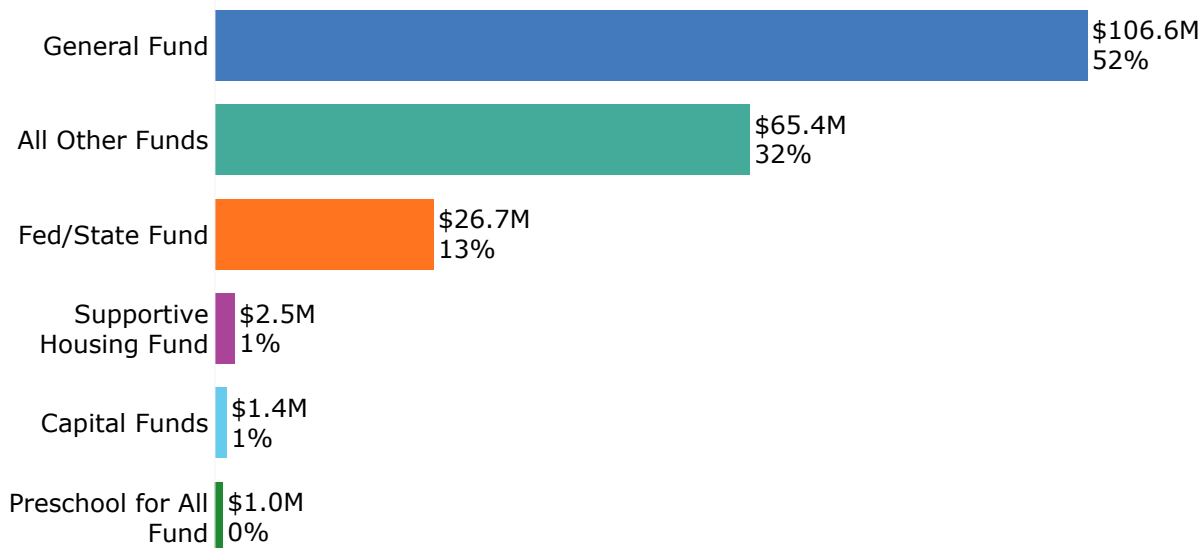
\*Funded by the General Fund and budgeted in Other Funds.

#### Internal Service Fund Additions and Reductions

The Department of County Assets examines countywide internal service needs, including facilities, IT, fleet, motor pool, mail/distribution, and records/archives before the beginning of the annual budget cycle. This results in strategic investments and reductions to internal service fund budgets that determine the internal service rates paid by all County departments. Departments pay for internal services using a variety of funding sources, and changes to internal service fund budgets have a countywide impact. As shown below, the General Fund pays for 52% of internal services.

# Budget Director's Message

## FY 2027 Proposed Budget



DCA reduced their ongoing General Fund by \$604,316 and 3.00 FTE in Business Services. This includes reductions to Human Resources and Business Services. DCA internal services budgets were reduced by \$8.6 million in total, distributed between multiple divisions. Facilities & Property Management was reduced by \$3.6 million and 4.00 FTE, Information Technology was reduced by \$4.8 million and 8.00 FTE, and Fleet, Records, Distribution, and Motor Pool were reduced by \$308,260 and 1.00 FTE. These savings will be passed through to departments and across funds as lower internal service costs.

Prog. #	Program Offer Name or Reduction Description	General Fund Reductions	Internal Service Funds Reductions	Total Reductions	FTE Reductions
78001	DCA Human Resources	(225,036)	0	<b>(225,036)</b>	(1.00)
78105	DCA Business Services	(379,280)	0	<b>(379,280)</b>	(2.00)
<b>DCA Administrative Total</b>		<b>(604,316)</b>	<b>0</b>	<b>(604,316)</b>	<b>(3.00)</b>
78200	Facilities Director's Office	0	(96,414)	<b>(96,414)</b>	(0.50)
78202	Facilities Operations and Maintenance	0	(1,287,439)	<b>(1,287,439)</b>	(2.00)
78203	Facilities Client & Support Services	0	(2,074,754)	<b>(2,074,754)</b>	(1.00)
78245	Facilities Capital Improvement Program	0	(96,414)	<b>(96,414)</b>	(0.50)
<b>Facilities &amp; Property Management Total</b>		<b>0</b>	<b>(3,555,021)</b>	<b>(3,555,021)</b>	<b>(4.00)</b>
78303	IT Help Desk Services	0	(80,000)	<b>(80,000)</b>	0.00
78304	IT Telecommunications Services	0	(200,000)	<b>(200,000)</b>	0.00

# Budget Director's Message

## FY 2027 Proposed Budget

Prog. #	Program Offer Name or Reduction Description	General Fund Reductions	Internal Service Funds Reductions	Total Reductions	FTE Reductions
78306	IT Network Services	0	(250,000)	<b>(250,000)</b>	(1.00)
78308	IT Asset Replacement	0	(1,290,729)	<b>(1,290,729)</b>	0.00
78316	IT Division Administration	0	(447,496)	<b>(447,496)</b>	0.00
78341	IT Enterprise Architecture	0	(805,000)	<b>(805,000)</b>	(1.00)
78342	IT Application & Data Services	0	(1,000,000)	<b>(1,000,000)</b>	(4.00)
78343	IT Portfolio Services	0	(700,000)	<b>(700,000)</b>	(2.00)
<b>Information Technology Total</b>		<b>0</b>	<b>(4,773,225)</b>	<b>(4,773,225)</b>	<b>(8.00)</b>
78400	Fleet Services	0	(81,841)	<b>(81,841)</b>	0.00
78401	Fleet Vehicle Replacement	0	(44,681)	<b>(44,681)</b>	0.00
78402	Motor Pool	0	(34,915)	<b>(34,915)</b>	0.00
78403	Distribution Services	0	(143,708)	<b>(143,708)</b>	(1.00)
78404	Records & Archives	0	(3,115)	<b>(3,115)</b>	0.00
<b>Fleet, Records, Distribution Services, &amp; Motor Pool Total</b>		<b>0</b>	<b>(308,260)</b>	<b>(308,260)</b>	<b>(1.00)</b>
<b>Total Department of County Assets</b>		<b>(604,316)</b>	<b>(8,636,506)</b>	<b>(9,240,822)</b>	<b>(16.00)</b>

## Video Lottery

For budgeting purposes, the County maintains Video Lottery funds in a dedicated, separate fund. However, for long-range planning and forecasting, these resources are treated as part of the County General Fund and are integrated into all General Fund discussions and projections throughout this document.

The County receives these funds as a pass-through from the State specifically for economic development. While they are delineated here for transparency, they are considered an ongoing resource and are included in various departments' General Fund allocations. These programs primarily focus on:

- **Workforce Development:** Training, job retention, and employment preparation.
- **Business Support:** Improving the physical environment for businesses.

The table below outlines the specific department budgets for Video Lottery funds in FY 2027.

# Budget Director's Message

## FY 2027 Proposed Budget

Prog. #	Program Offer Name and Description	Video Lottery Fund
10011	Office of the Board Clerk (Greater Portland Inc Payment)	30,000
10021	State Mandated Expenses (East County Courthouse Debt Service)	1,731,232
25131D	YFS - Record and Fee Expungement Program (Project Reset)	428,250
30300A	Housing Placement & Retention - Adults & Women Households	717,850
30100	System Access, Assessment & Navigation (Housing Access)	1,401,427
30200A	Safety Off the Streets - Adult Shelter (Bud Clark Commons)	295,685
50034	Adult Transition Services Units (TSU) (Flip the Script)	413,200
50041	Adult Stabilization and Readiness Program (SARP)	1,154,090
72051	College to County Interns	204,793
72051B	Youth Opportunity and Workforce Development	604,589
95000	Fund Level Transactions (Video Lottery Contingency)	683,826
<b>Total</b>		<b>7,664,942</b>

### Budget Overview All Funds

The County's Total Budget is our legal budget, totaling \$3.9 billion in FY 2027. We are required by Oregon Budget Law to report the budget at this level. It includes all of the resources that we know about and balances our expenses against these total resources. The County will always provide budget information at this level because of our legal obligations, but doing it this way overstates what we actually plan to spend on programming in the fiscal year. The total budget includes unappropriated balances (which is how we budget reserves), contingencies (funds that we will hopefully not have to use), and cash transfers from one fund to another (which counts the same resource twice - once in each fund).

This budget document will often focus on the Operating Budget (a subset of the total budget) because it avoids some double counting and provides a clearer picture of what the County or a department expects to spend in a year. The operating budget excludes unappropriated balances, contingencies, and cash transfers. At the countywide level, the operating budget does not completely eliminate double counting because it reflects costs when one department provides a service to another ("internal service reimbursements") - although looking at the operating budget for a single department will not have such double counting. In addition, the County budgets all of the resources for major capital projects in the relevant capital fund, even if they will be spent down over several years.

FY 2027 Budget	
<b>Operating Budget</b>	<b>2,896,126,498</b>
Contingency (All Funds)	153,854,607
Internal Cash Transfers	26,464,962
Reserves (Unappropriated Balances)	855,631,004
<b>Total Budget</b>	<b>3,932,077,071</b>

### Department Revenues All Funds (\$3.4 billion)

Total direct resources, or “revenues,” for FY 2027 are \$3.4 billion, a \$56.8 million decrease from FY 2026 (excluding service reimbursements and cash transfers between funds). The County’s two main resources for ongoing expenditures are intergovernmental revenues and taxes, while beginning working capital (i.e. funds that were not spent in a prior fiscal year) is also a significant resource.

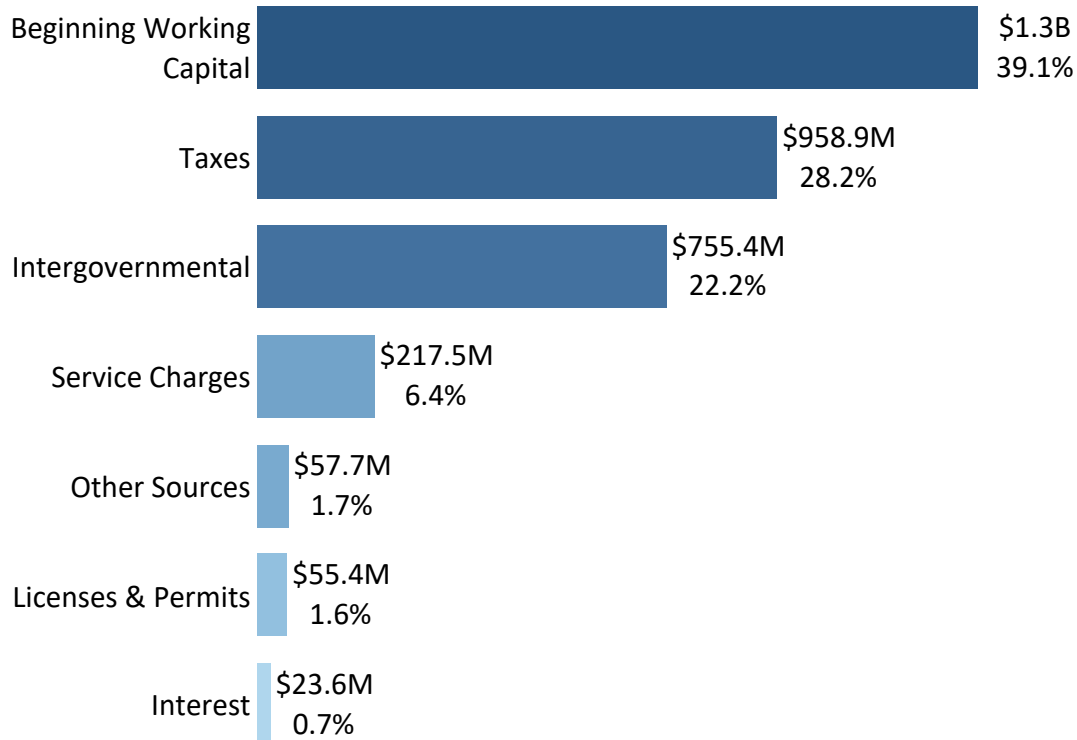
Intergovernmental revenues are the County’s third largest revenue category at \$755.4 million or 22.2%. This reflects a \$99.4 million or 11.6% decrease from FY 2026. In the Health Department, \$13.4 million of the decrease is due to a one-time FY 2026 cash transfer for the Sobering and Crisis Stabilization Center ending. In addition, mid-FY 2026 reductions from CareOregon resulted in an annualized \$8.6 million decrease in FY 2027. The Homeless Services Department experienced large decreases, including a \$35.0M decrease in Federal/State Funding. This is primarily due to a mid-year State revenue reduction in FY 2026. In addition, the HSD does not anticipate receiving any City of Portland funds for FY 2027, resulting in a \$29.6M decrease compared to the FY 2026 Adopted budget. Intergovernmental revenues include any revenue transferred from another government entity to the County to support County-provided services. These revenues fund a variety of services from bridge operations and HIV harm reduction to nutrition assistance and weatherization.

Taxes constitute the second largest revenue source at 28.2% and include Property Tax, Business Income Tax (BIT), Motor Vehicle Rental Tax, Transient Lodging Tax, County Gas Tax, and the Preschool for All Income Tax. Tax collections are anticipated to increase 4.7% from \$916.2 million in FY 2026 to \$958.9 million in FY 2027. The increase is driven by BIT growth after two years of decline, and an increase in Preschool for All Personal Income Tax revenue.

Beginning working capital (BWC) is the County’s largest resource for FY 2027, at \$1.3 billion or 39.1%. BWC decreased by 1.0% from \$1.3 billion. There were significant year-over-year decreases in BWC in the General Fund due to declining departmental underspending, the SHS Fund due to decreased carryover as the Homeless Services Department spends down one-time SHS resources, and the Library Bond Fund due to the advanced stage of the bond projects. These were offset by increases in BWC in the Preschool for All Fund and the Health Department’s FQHC Fund.

# Budget Director's Message

## FY 2027 Proposed Budget



The following table provides details on the budgeted amounts by revenue type for the FY 2026 Adopted budget as compared to the FY 2027 Proposed budget.

Revenue Type	FY 2026 Adopted	FY 2027 Proposed	Change from FY 2026	% Change
Beginning Working Capital	1,342,600,741	1,329,874,477	(12,726,264)	(0.9%)
Taxes	916,226,201	958,945,137	42,718,936	4.7%
Intergovernmental	854,830,110	755,433,626	(99,396,484)	(11.6%)
Service Charges	205,881,092	217,466,541	11,585,449	5.6%
Licenses & Permits	53,820,706	55,429,577	1,608,871	3.0%
Other Sources	61,013,671	57,687,542	(3,326,129)	(5.5%)
Interest	20,878,586	23,640,500	2,761,914	13.2%
<b>Total Revenue</b>	<b>3,455,251,107</b>	<b>3,398,477,400</b>	<b>(56,773,707)</b>	<b>(1.6%)</b>

### Fund Comparison: Year over Year

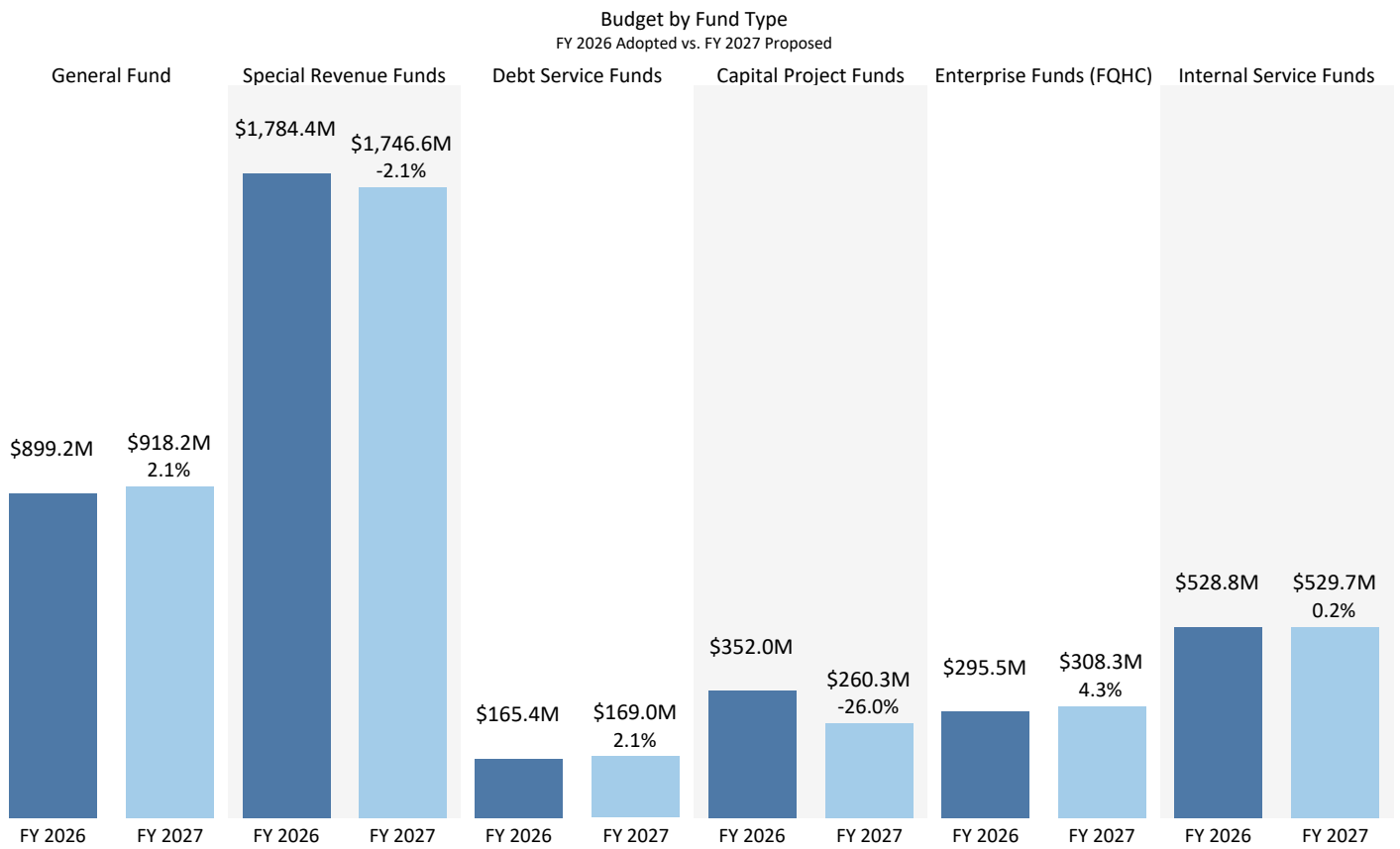
The FY 2027 budget (including internal charges, transfers, and loans) has decreased by \$93.3 million (2.3%) under the FY 2026 Adopted budget. The changes are due to a variety of factors, the most notable of which are decreases in the Federal/State Program Fund, Supportive Housing Fund and Multnomah County Library Capital Construction (GO Bond) Fund which are offset by increases in Beginning Working Capital (BWC) in the Preschool for All Fund and the Health Department FQHC Fund. A few changes worth noting include:

- **Federal/State Fund:** The \$94.2 million decrease is primarily from a \$64.7 million decrease in the Homeless Services Department (HSD) and a \$29.8 million reduction in the Health Department (HD). The majority of this increase was realized in mid-FY 2026 through a State and Federal Rebalance. The Health Department's rebalance included an annualized loss of \$8.6 million due to a nonrenewal from CareOregon. Also, HD's FY 2027 budget decreased by \$13.4 million due to a one-time cash transfer budgeted in FY 2026 for the Sobering and Crisis Stabilization Center capital project. A major part of the decrease for the Homeless Services Department is the lack of funding from the City of Portland, resulting in a \$29.6 million reduction.
- **Supportive Housing Fund:** The \$20.4 million decrease in this fund is a combination of Metro's most recent forecast which was revised downward by \$2.4 million and a reduction in assumed carryover. For FY 2027 Metro is forecasting \$143.0 million ongoing revenue.
- **Preschool for All Program Fund:** 17.8% increase due to \$108.3 million of additional beginning working capital (mostly related to the Dedicated Savings strategy), an additional \$14.0 million in tax revenue, and \$4.7 million in interest earnings.
- **Multnomah County Library Capital Construction (GO Bond) Fund:** The significant decrease of \$85.0 million in this fund from the FY 2026 Adopted Budget is expected spending down of the Library Capital Bond Funds.

The following graphic shows the year over year change by fund type, while a detailed table in the Financial Summaries tab of Volume 1 shows the year over year change by individual fund (Fund Comparison: Year over Year).

# Budget Director's Message

## FY 2027 Proposed Budget

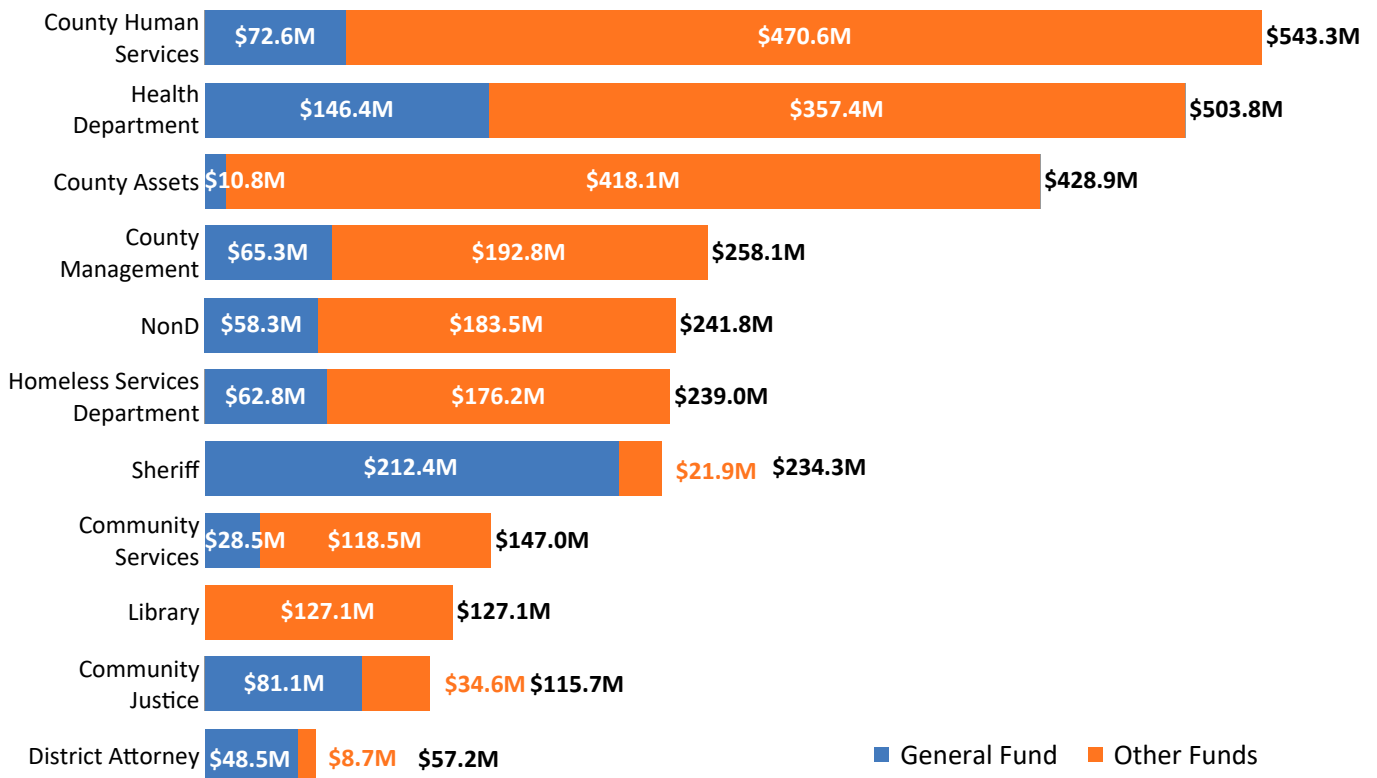


### Department Expenditures All Funds (\$2.9 billion)

Department expenditures for all funds, excluding cash transfers, contingencies, and unappropriated balances, decreased to \$2.9 billion from \$3.0 billion in the FY 2026 Adopted Budget.

The bar chart below shows appropriations by department in millions of dollars for both the General Fund and Other Funds. These figures include internal service payments, and thus represent some double-counting.

The Library General Obligation (GO) Bond capital projects (\$55.1 million) and the actual GO Bond (\$58.8 million) financing are budgeted in the Department of County Assets and Nondepartmental (respectively), greatly increasing the size of those departments' budgets. The Health Department's budget includes \$218.7 million in the Federally Qualified Health Center (FQHC) enterprise fund that accounts for the County's community health clinics.



## The General Fund

Multnomah County's revenue is divided into two types: legally restricted funds and unrestricted revenue in the General Fund. Nearly 77% of total revenue is legally restricted to fund specific services, and about 23% is unrestricted General Fund.

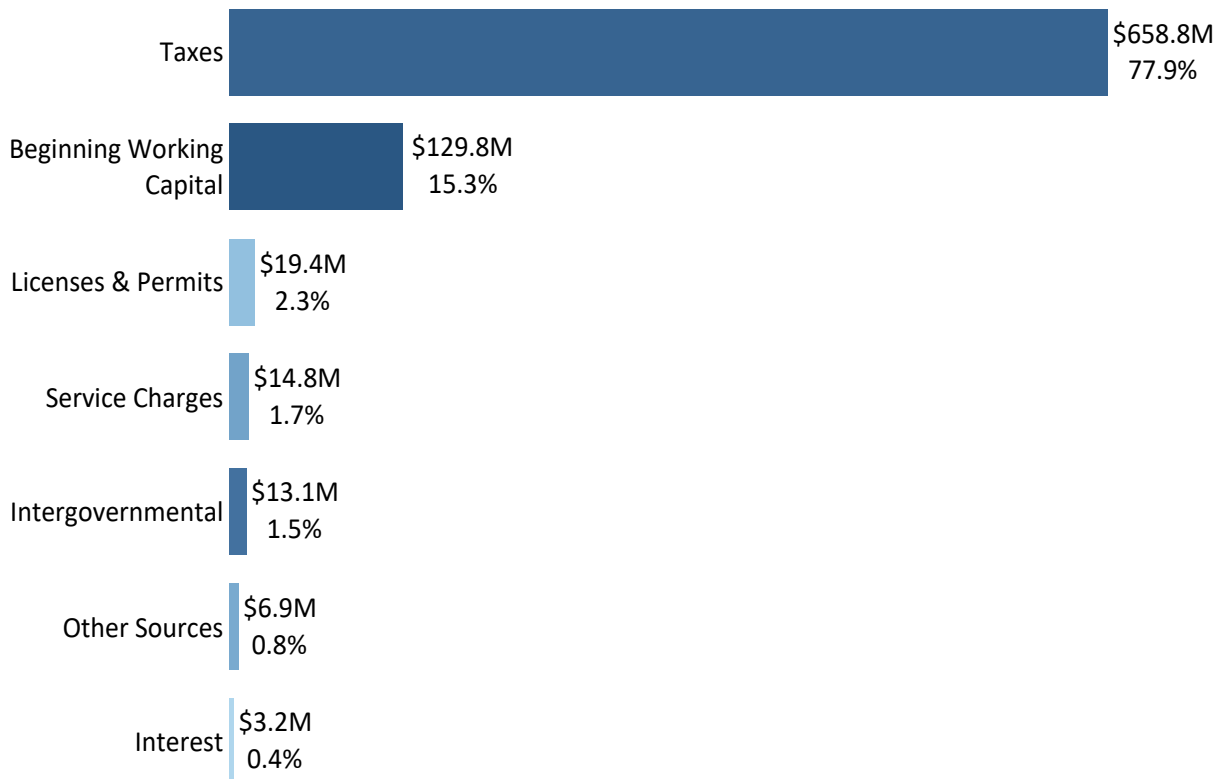
Restricted funds can only be used for specific purposes outlined in the law. For example, vehicle registration fees can only be spent on roads and bridges, but General Fund revenues have fewer restrictions and can be used to fund services to address the County's needs. In Multnomah County, nearly 50% of the General Fund supports public safety, including the Sheriff's Office, District Attorney's Office, and the Department of Community Justice. The rest of the General Fund is divided among other services.

## General Fund Revenues (\$845.9 million)

General Fund resources for FY 2027 (excluding \$72.2 million of service reimbursements and cash transfers) have increased by 2.4% from FY 2026. Direct resources are budgeted at \$845.9 million – a \$20.2 million increase over FY 2026.

As shown in the following graph, taxes make up the majority of General Fund revenues. If one excludes Beginning Working Capital (BWC) and service reimbursements, taxes account for nearly all of the Board's discretionary ongoing funds. Taxes include:

- **Property taxes**, accounting for \$431.3 million, are budgeted to increase by \$18.3 million or 4.4%. Underlying Assessed Value (AV) growth is expected to be slow indefinitely due to slowing development and declining downtown property values.
- **Business income taxes (BIT)**, accounting for \$184.8 million, are budgeted to be up \$12.8 million or 5.0% due to continued strong corporate profits.
- **Motor vehicle rental taxes (MVRT)**, accounting for \$42.2 million, are budgeted to increase by \$1.0 million or 2.5%. Most of this increase is due to an increase in passengers flying into PDX. Deplaned passengers flying into PDX are expected to fully recover to pre-pandemic levels in Summer 2026.



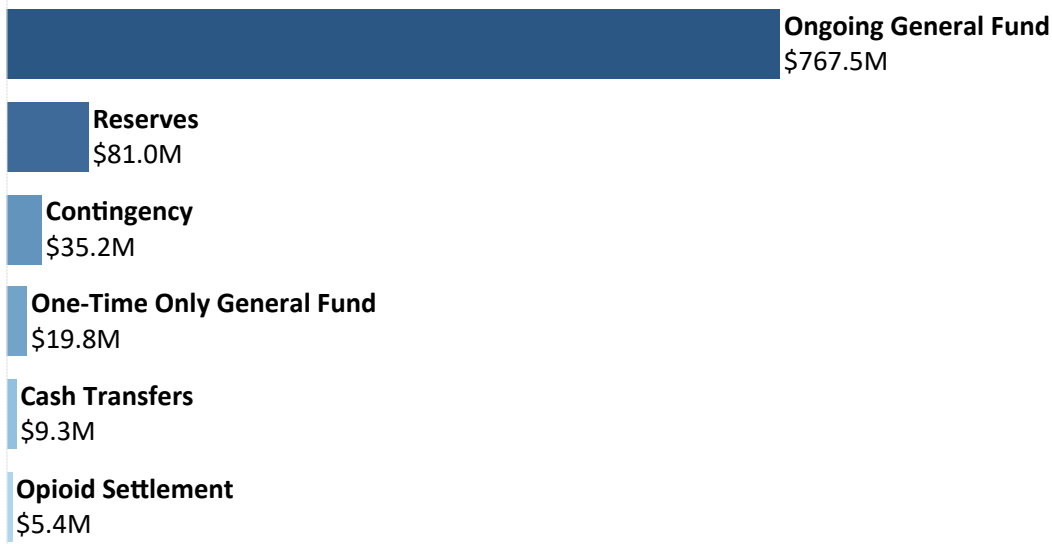
## General Fund Expenditures and Reserves (\$918.2 million)

The \$918.2 million General Fund comprises 23.4% of the County's budget. It is the largest pool of discretionary funds that the Board of County Commissioners can allocate. The General Fund also includes \$5.4 million in Opioid Settlement Funds in the Health Department.

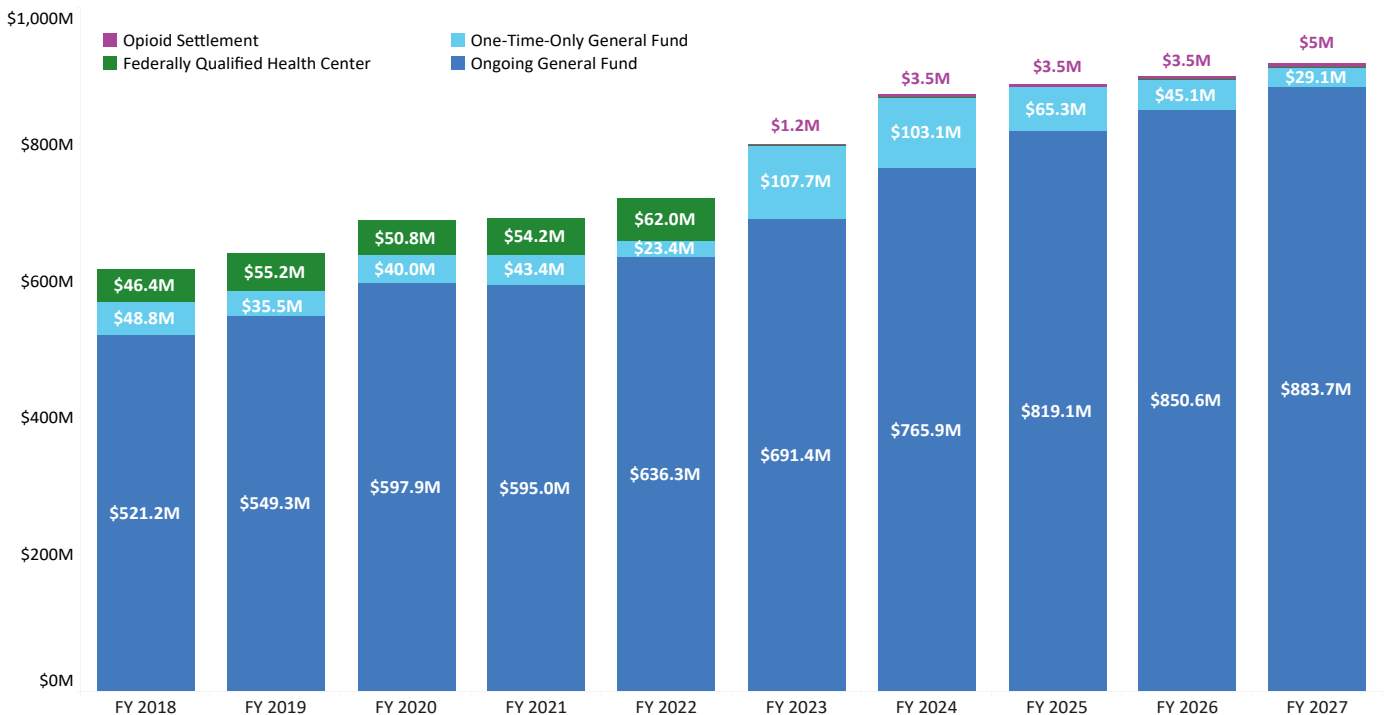
While the vast majority of General Fund expenditures support departments (referred to as "operating expenses"), the budget also includes contingency, reserves, and cash transfers. Reserves are set by Board policy and the majority of the Contingency is the BIT Reserve which is also set by Board policy. Cash Transfers generally come from One-time-only resources. Even after adding Cash Transfers and One-Time-Only General Funds in the following table, the amount of One-Time-Only resources are significantly less than they have been post-Pandemic. This is due to declining departmental underspending and more accurate revenue forecasts.

# Budget Director's Message

## FY 2027 Proposed Budget

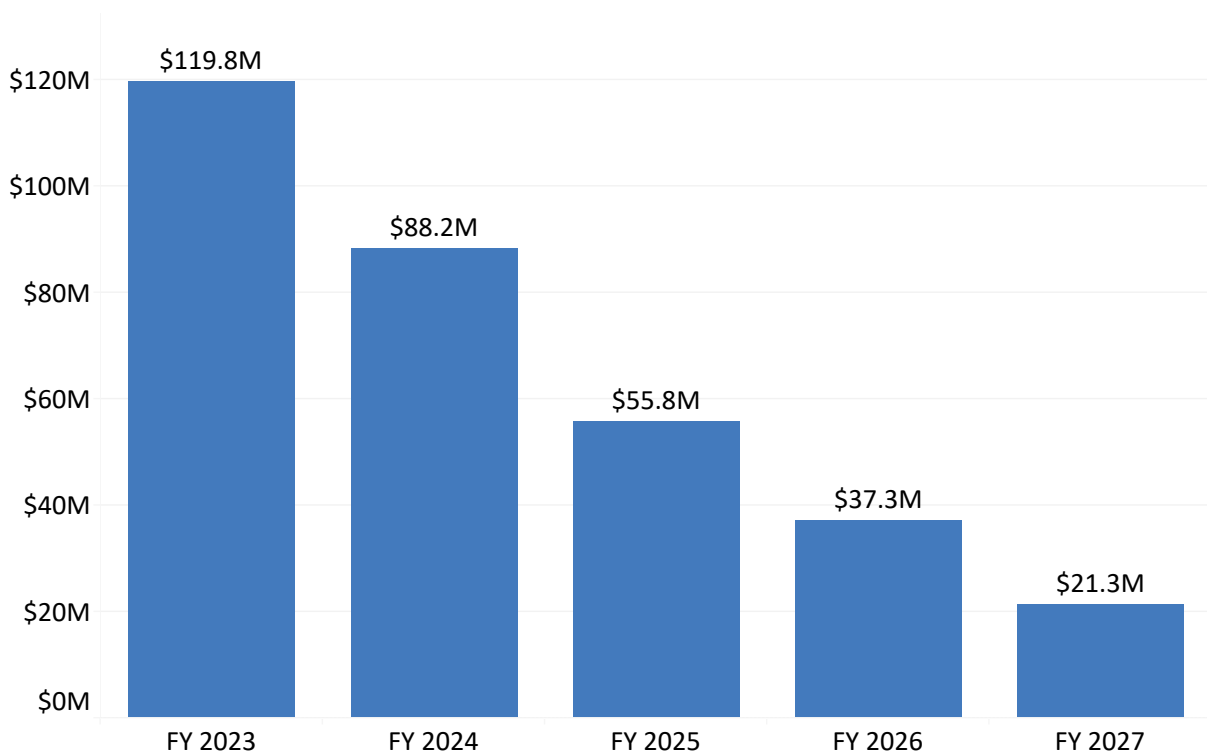


The following graph shows total General Fund “spending,” including cash transfers, service reimbursements, contingencies, and unappropriated balances (reserves), from FY 2018 through FY 2027. The graph details how much one-time-only (OTO) and ongoing funding was budgeted. Combining each segment provides the total General Fund. The FY 2022 Adopted budget was the last year that the General Fund included Federally Qualified Health Center (FQHC)/Alternative Payment Method (APM) Medicaid reimbursement funds. In mid-FY 2022, these funds were moved to the newly created Health Department FQHC Enterprise Fund for easier reporting. Starting in FY 2023, resources from Opioid Settlements were added to the General Fund.



The total amount of one-time-only shown in the following graph differs from the FY 2027 breakout above because of a difference in how the resources funding reserves and contingency are defined. The normal sources of OTO in the General Fund available for the Board to allocate include departmental underspending and revenue collections above the forecast from the most recently closed fiscal year, combined with the change in revenues in the forecast for the current fiscal year. This is sometimes supplemented by other sources, like remaining resources allocated to a completed capital project, but these are the primary sources of OTO over time. The table below shows the amount of OTO available in the last five fiscal years. OTO has reduced significantly as departmental underspending and forecast error return to normal levels following spikes during the Pandemic.

### General Fund One-Time-Only Resources



### General Fund Reserves

The County maintains General Fund reserves as outlined in the County's Financial and Budget Policies. In FY 2027, reserves in the General Fund are 12% of ongoing "corporate" General Fund revenues – resources that the Board has wide discretion over, such as property taxes.

The FY 2027 budget fully funds the General Fund reserves at \$81.0 million and is in compliance with the Financial and Budget Policies. The level of General Fund reserves is considered a fundamental measure of financial health. The FY 2027 budget also includes the Business Income Tax (BIT) reserve at \$22.2 million (12% of BIT revenues). This stabilization reserve is in addition to the General Fund reserve and is specifically intended to mitigate the risk of an unexpected downturn in the regional economy as the BIT is a volatile revenue source.

The County continuously reexamines its financial policies and strives to remain in line with best practices related to financial stability. The County is engaged in a multi-year project to raise the level of General Fund reserves to 15%.

### Use of One-Time-Only (OTO) Funds

The tables on the next pages summarize the \$29.1 million in one-time-only (OTO) General Fund investments for FY 2027.

The tables are in the following order:

- One-Time-Only for Contingency & Reserves
- One-Time-Only for Capital Projects
- One-Time-Only for One-time Expenditures

After excluding the Business Income Tax (BIT) Reserve from the table, there are a total of \$29.1 million in new, one-time investments after fully funding the County's General Fund reserves and contingencies. The major sources of OTO revenues include:

- \$27.6 million of additional Beginning Working Capital (BWC) in FY 2026 from departmental underspending and higher revenues in FY 2025.
- Less \$2.2 million in November 2025 Forecast adjustments, mainly from increased interest revenue offset by resources needed to fully fund FY 2027 reserves.
- Less \$1.5 million in reduced revenue from the March 2026 Forecast update, offset by \$1.0 million of remaining Tax Title Settlement funds.
- Release \$2.0 million of the DCJ East Remodel, \$1.4 million of the Hansen Deconstruction, and \$0.8 million DCJ Juvenile Project funds no longer needed.
- \$1.2 million of Opioid Settlement revenue - The County has received \$1.2 million of one-time payments related to the opioid settlements that are not part of the distribution plan for the larger lawsuit settlements. In FY 2027, this funding is used to fund the Overdose Prevention

& Response (40000B) program. This allowed previously allocated regular General Fund to be treated as a one-time resource. In FY 2028, program 40000B will return to being funded with regular General Fund.

One-time resources do not necessarily match one-time expenditures due to how reserves and contingencies are budgeted.

### One-Time-Only Resources for Contingency & the Business Income Tax Reserve - \$24.7 million

Fully funding our contingencies is a key strategy for managing risk. Given the amount of uncertainty both locally and nationally, contingencies and set asides give the Board opportunities to make decisions in a thoughtful way, rather than reacting quickly in the moment. These contingencies include the BIT Contingency at \$22.2 million (12% of expected BIT revenues), and a regular contingency at \$2.0 million. The earmarks are for specific potential projects that can be allocated during the fiscal year, often after the Board receives additional information.

Prog #	Program Name	Dept.	OTO General Fund
95000	<b>General Fund Contingency</b>	<b>Countywide</b>	
	~Regular Contingency		2,000,000
	~Contingency for Severe Weather Earmark		500,000
95000	<b>BIT Reserve at 12%</b>		22,176,799
	<b>Total One-Time-Only for Contingency &amp; Reserves</b>		<b>24,676,799</b>

### One-Time-Only Resources for Capital Projects (per financial policy) - \$15.1 million

The County's financial and budget policies state that after fully funding reserves, the Board should consider allocating 50% of any remaining one-time-only resources to the capitalization, or recapitalization, of major County facilities and/or information technology projects. Based on the FY 2027 General Fund forecast, that goal is \$10.7 million.

Prog #	Program Name	Dept.	OTO General Fund
95000	<b>General Fund Cash Transfers*</b>	<b>Countywide</b>	
	~Walnut Park Redevelopment (78235)		250,000
	~Vector Control Relocation (78256)		2,500,000
	~Sobering and Crisis Intervention Center (78249B)		12,397,579
	<b>Total One-Time-Only for Capital Projects</b>		<b>15,147,579</b>

\*Amounts are from the General Fund but budgeted in Other Funds.

### One-Time-Only Resources for One-Time Expenditures - \$13.5 million

The accompanying table details programs that the County has funded with one-time-only resources. This funding approach presumes that these programs will either scale down or conclude in the next fiscal year, absent the County securing additional ongoing funding for their continuation.

Prog #	Program Name	Dept.	OTO General Fund
10010B	Charter Review Committee Support	NOND	214,900
10016B	Local Tribal Nations Summit	NOND	20,000
10030	Elected Official Office Transition	NOND	475,000
10031	Pretrial Transition and Monitoring	NOND	1,000,000
25004	Immigrant Family Resilience and Stability Program	DCHS	350,000
25133D	Medicaid 1115 Health Related Social Needs Rapid Rehousing	DCHS	200,000
30302B	Housing Placement & Retention - Additional Placement out of Shelter	HSD	10,000,000
40004B	Ambulance Service Plan Continuation	HD	362,000
40106	Specialized Street-based Outreach Services	HD	150,000
90010C	Elections Ranked Choice Voting Ballots	DCS	340,000
90010D	Elections Ranked Choice Voting	DCS	260,515
90021B	LUP Zoning Code Improvement Project	DCS	100,000
<b>Total One-Time-Only</b>			<b>13,472,415</b>

### Voter Approved Initiatives

In 2020, local voters passed two new taxes and approved a General Obligation (GO) Bond detailed below.

Voter Initiative	Operating Budget	Reserves, Contingencies, Cash Transfers, & Dedicated Savings	Total Budget
Supportive Housing Services (SHS) Measure	166,088,389	5,924,472	<b>172,012,861</b>
Preschool for All	280,364,977	561,264,014	<b>841,628,991</b>
Library Capital Bond	55,117,144	0	<b>55,117,144</b>

#### Metro Supportive Housing Services Measure (SHS Measure) - \$172.0 million

The Metro Supportive Housing Services (SHS) Measure provides ongoing funding to reduce chronic and episodic homelessness through strategies that lead with racial equity. The \$20.4 million decrease from the FY 2026 Adopted budget is primarily a reduction in one-time-only carryover. Beginning working capital decreased by \$26.8 million<sup>1</sup> and ongoing revenue increased by \$6.4 million. For FY 2027 Metro is forecasting \$143.0 million ongoing revenue.

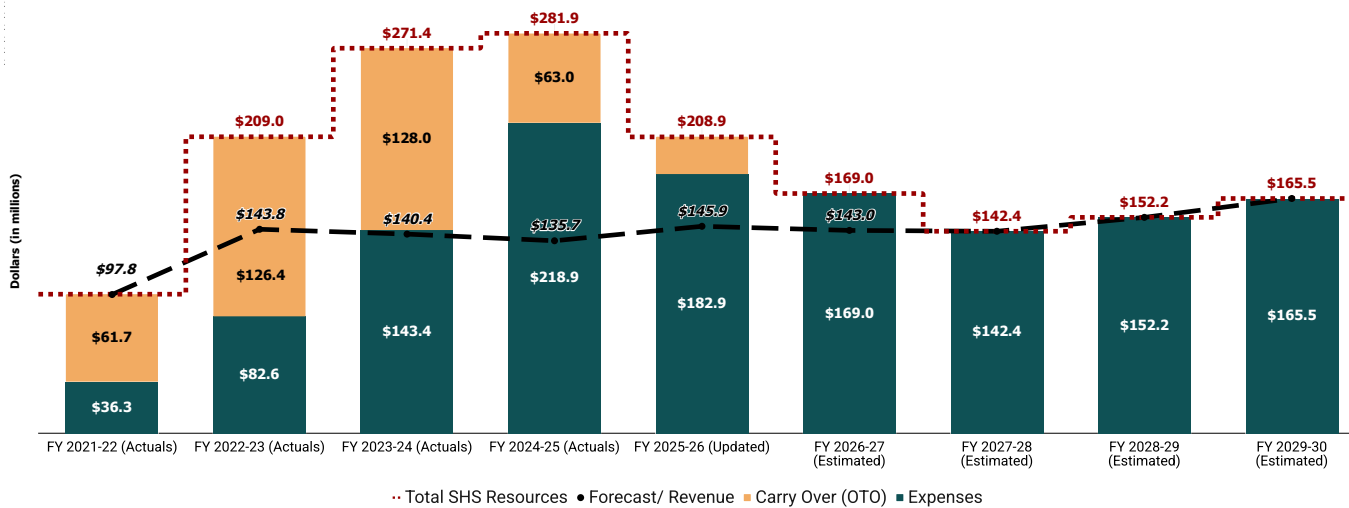
This is the second year in a row of major reductions for the SHS fund and the Homeless Services Department (HSD). With revenue forecasts decreasing and community needs increasing, HSD has used significant amounts of SHS carryover to fund services in recent fiscal years. These one-time-only funds are now greatly diminished.

You can see the decreasing amount of SHS carryover in the chart below. The total SHS fund for each fiscal year is the red dotted line at the top of the bar and the black dashed line shows the ongoing revenue for that year. The dark green section of each bar is the expenses for that year. The yellow section of the bar shows how much of that year's funding will be unspent and carried over to the next fiscal year.

<sup>1</sup> \$3.0 million is Multnomah County's Visitor Development Fund allocation. The FY 2027 budgeted amount is technically accounted for as beginning working capital, but will be an ongoing resource.

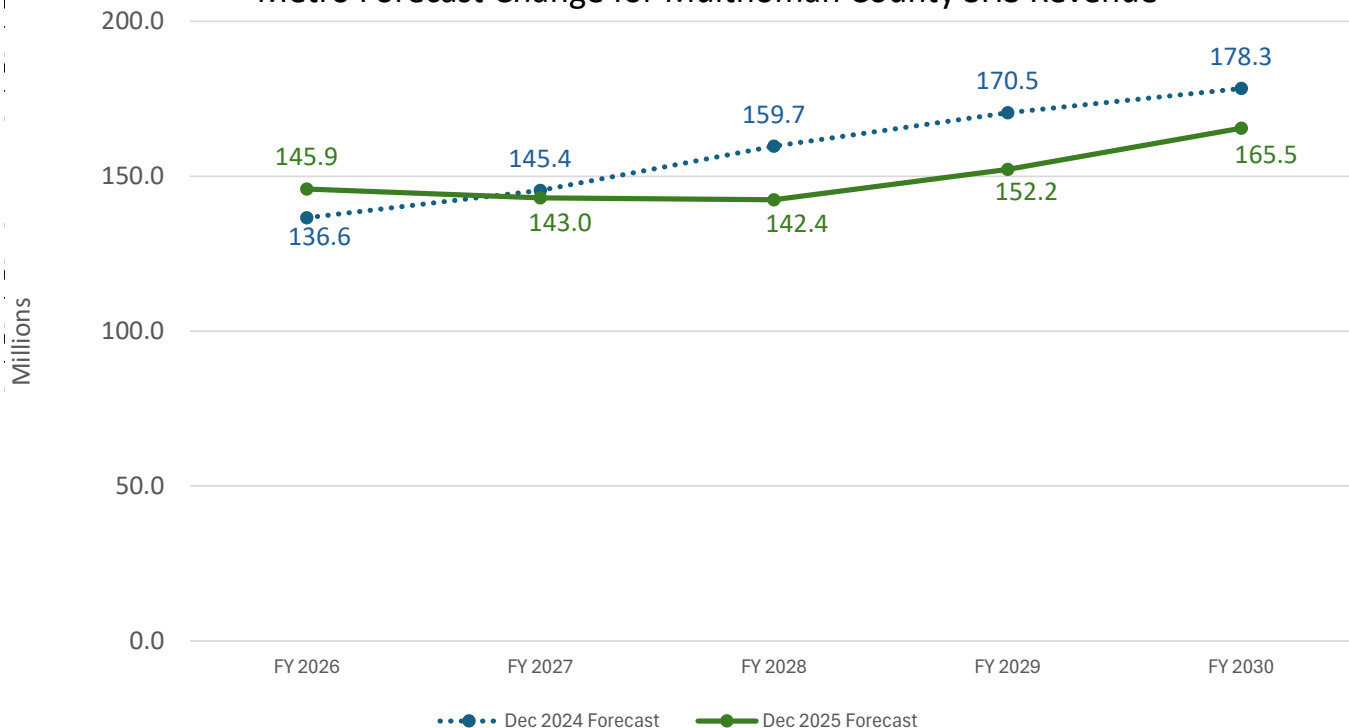
# Budget Director's Message

## FY 2027 Proposed Budget



Per the intergovernmental agreement with Metro, after collections cost and Metro administration, the revenue allocation is split Multnomah County 45.3%, Washington County 33.3% and Clackamas County 21.3%. The budget includes \$172.0 million (including \$4.1 million of contingency) of SHS Measure-funded programming. The most recent SHS forecast in December 2025 increased revenue for FY 2026 and reduced revenue for FY 2027 through FY 2030. The increased FY 2026 revenue was incorporated into beginning working capital for FY 2027.

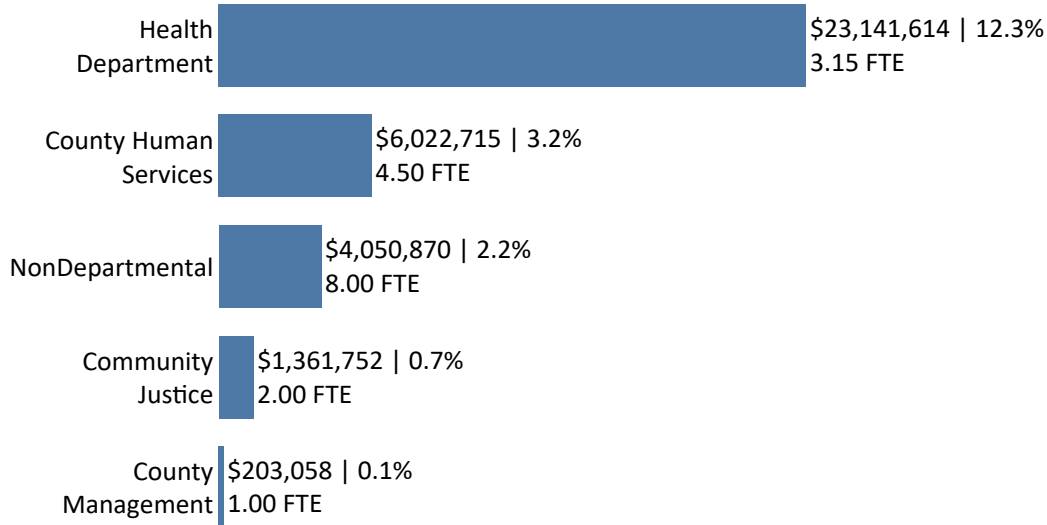
### Metro Forecast Change for Multnomah County SHS Revenue



# Budget Director's Message

## FY 2027 Proposed Budget

The Homeless Services Department partners with other County departments and community providers on coordination and implementation serving our houseless neighbors. The budget appropriations included with the various department partners are shown in the bar chart and table below. Of the \$172.0 million SHS operating budget, \$155.3 million (90%) is budgeted in the Homeless Services Department and \$16.8 million (10%) budgeted in partner departments.



### Supportive Housing Services - Partner Departments

Prog. #	Program Name	SHS Fund	General Fund	Other Funds	Total Cost	SHS FTE
<b>Nondepartmental</b>						
10000B	Homelessness Response System and Action Plan	686,631	0	0	686,631	2.00
10012B	Logistics	999,959	1,019,854	0	2,019,813	1.00
10012C	Countywide Severe Weather Response	250,000	0	0	250,000	0.00
<b>Total Nondepartmental</b>		<b>1,936,590</b>	<b>1,019,854</b>	<b>0</b>	<b>2,956,444</b>	<b>3.00</b>
<b>County Human Services</b>						
25009	DCHS Data and Evaluation Services	226,415	1,738,423	0	1,964,838	1.50
25011	IDDS Budget and Operations Support	450,885	650,855	6,596,049	7,697,789	1.00
25012	IDDS Services for Adults	61,980	1,291,758	10,902,682	12,256,420	0.00
25029A	ADVSD LTSS Nursing Homes and Homeless Services (Medicaid)	303,235	664,692	7,171,669	8,139,596	0.00

# Budget Director's Message

## FY 2027 Proposed Budget

Prog. #	Program Name	SHS Fund	General Fund	Other Funds	Total Cost	SHS FTE
25050	YFS - Gateway Center	151,405	1,133,595	1,111,039	2,396,039	1.00
25133B	YFS - Eviction Prevention	1,000,000	2,500,000		3,500,000	0.00
<b>Total County Human Services</b>		<b>2,193,920</b>	<b>7,979,323</b>	<b>25,781,439</b>	<b>35,954,682</b>	<b>3.50</b>
<b>Health</b>						
40069	Behavioral Health Crisis Services	451,205	2,840,380	15,846,210	19,137,795	0.00
40085	Adult Addictions Treatment Continuum	2,082,390	2,164,125	8,207,033	12,453,548	0.00
40105B	Behavioral Health Resource Center (BHRC) - Shelter/Housing	1,726,045	1,872,170	0	3,598,215	0.00
40112	Shelter, Housing and Supports	8,184,320	51,012	0	8,235,332	1.00
<b>Total Health</b>		<b>12,443,960</b>	<b>6,927,687</b>	<b>24,053,243</b>	<b>43,424,890</b>	<b>1.00</b>
<b>County Management</b>						
72012B	FRM Fiscal Compliance Supportive Housing Services	181,747	0	0	181,747	1.00
<b>Total All Partner Departments</b>		<b>16,756,217</b>	<b>15,926,864</b>	<b>49,834,682</b>	<b>82,517,763</b>	<b>8.50</b>

HSD maintains a public [Data dashboard](#) that shows the number of people experiencing homelessness and how many people are being served with housing, shelter, support services, and eviction prevention.

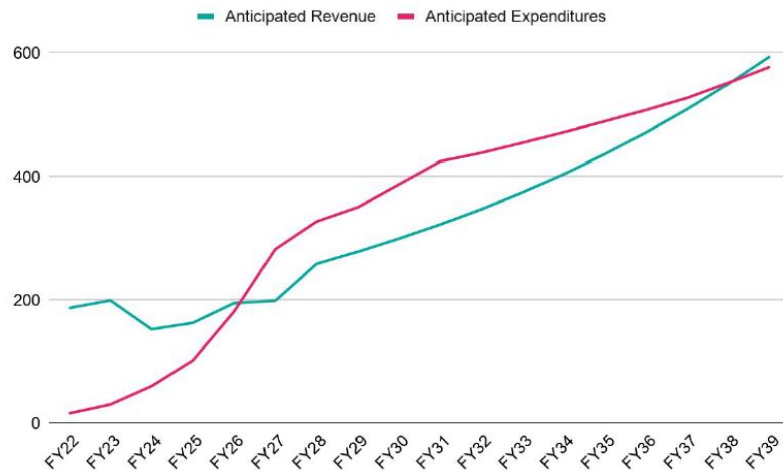
## Preschool for All (PFA) - \$841.6 million, 7,500 preschool slots

The Preschool for All (PFA) Measure provides ongoing funding to connect 3- and 4-year-olds in Multnomah County to free early education. The FY 2027 budget includes \$189.0 million in new funding from FY 2027 tax collections. The remaining resources come from interest (\$10.0 million) and carryover from previous fiscal years (\$642.6 million) which seeds the program's Dedicated Savings set aside to address expected future deficits, program contingencies and reserves. Based on current revenue and cost estimates, there will be an 11-year period from FY 2027 to FY 2037 when costs are higher than the anticipated revenue. This happens as the program nears universal preschool access. Over time, the gap between revenues and expenses narrows as the pace of slot growth slows.

### PFA Revenue & Expenditures

Revenues and Expenses are matched over the full implementation of the program.

Earlier surpluses are saved to offset expected future deficits.

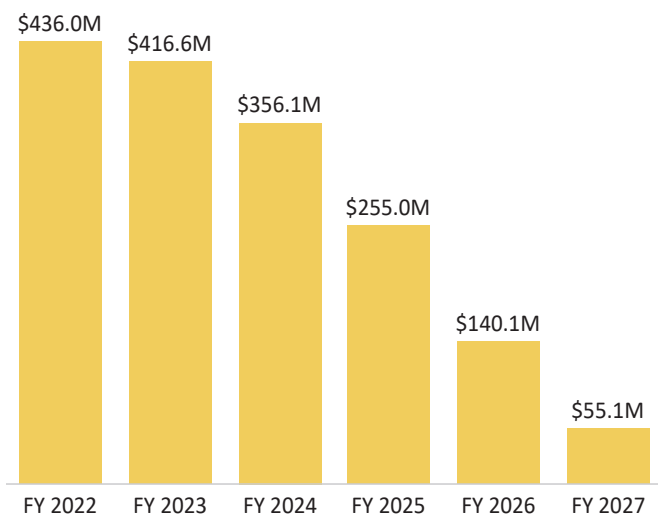


### Multnomah County - Library General Obligation Bond - \$55.1 million

The Library General Obligation Bond funds capital projects to expand and modernize library spaces. Voters approved over \$387 million in new bonding capacity, which will fund eight major Library projects when completed, including the new East County Flagship Library. Already completed projects include the Library Sort Center, and the Holgate, Albina, Midland, North Portland, and Northwest Libraries.

In FY 2027, three major library projects are expected to be completed: Belmont, East County, and St. Johns.

The graph below shows the history of available funds by fiscal year for the Library Capital Bond Fund.



For more information about individual bond projects and timelines, see DCA Program Offers 78228A-J.

### Policy Issues and Opportunities

The FY 2027 budget is based on the best information available at the time of development. The budget document lays out the County's plan to address community needs within budgetary limits, but there are issues that cannot be addressed in one year, or emerging issues that the County is tracking when planning for the future.

### Federal Landscape

In FY 2027, the County budget estimates it will receive \$107.5 million from the Federal Government (either directly or passed-through the State, not including Medicaid). The current uncertainty around Federal funding creates risks for County programming. The County has formed a taskforce to track the rapidly changing Federal landscape and regularly report out to the Board and the public about emerging risks. More information can be found on the [Federal Impacts website](#).

### State Funding Update - Mid-Year Rebalance

In September 2025, the County implemented a mid-year State and Federal Rebalance process to update budget assumptions. This resulted in several mid-year reductions (shown in the table below) that are already in effect.

While these cuts will be visible when comparing the FY 2026 Adopted budget to the FY 2027 Proposed budget, we have not listed them in detail in the department sections since the actions have already been completed.

Department	FY 2026 Fed/State/Other Change	FTE Change
<b>Health Department</b>		
<i>CareOregon Reductions (Annualized)</i>	(8,561,220)	(21.50)
<i>Behavioral Health Division</i>	977,342	(0.20)
<i>Integrated Clinical Services Division</i>	(353,109)	(0.83)
<i>Public Health Division</i>	(513,671)	0.01
<b>Health Department Total</b>	<b>(8,450,658)</b>	<b>(22.52)</b>
<b>Homeless Services Department</b>	<b>(28,031,277)</b>	<b>0.00</b>
<b>County Human Services</b>		
<i>Aging, Disability, and Veterans Services Division (ADVSD)</i>	1,748,073	10.80
<i>Intellectual and Developmental Disabilities Services Division (IDDSD)</i>	3,770,673	4.00
<i>Youth and Family Services Division (YFS)</i>	(4,901,668)	(3.50)
<b>County Human Services Total</b>	<b>617,078</b>	<b>11.30</b>
<b>Sheriff's Office</b>	<b>(1,451,297)</b>	<b>(2.00)</b>
<b>Community Justice</b>	<b>(982,749)</b>	<b>0.00</b>
<b>Total</b>	<b>(38,298,903)</b>	<b>(13.22)</b>

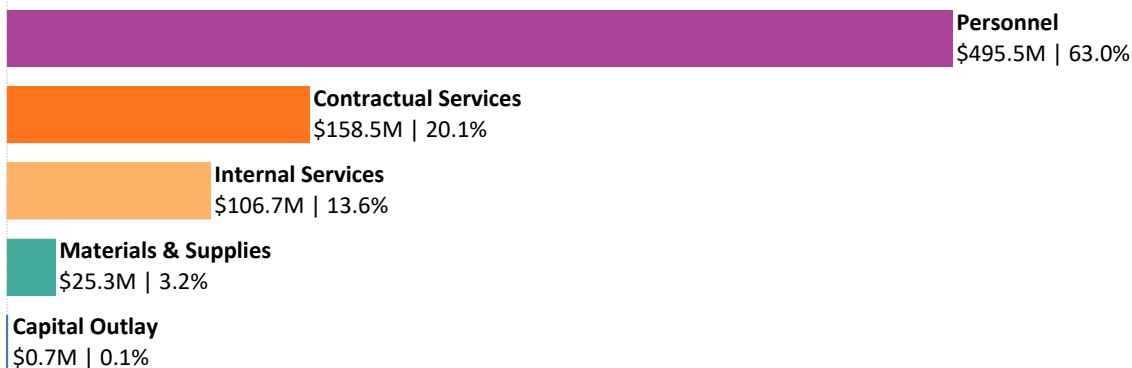
### Pretrial Redesign

A Pretrial Subcommittee was started in May 2024 to bring local justice leaders together to improve how the county supports people waiting for trial. The goal is to make the system more efficient, keep the community safe, and ensure people show up for their court dates. The group includes members from the Sheriff's Office, District Attorney, Portland Police, Judges, and Public Defenders. Together, they are working to improve the County's bifurcated model of pretrial monitoring to better serve individuals in the community on pretrial release, improve court appearance rates and protect community safety.

### Labor and Personnel Costs

Personnel costs make up 63.2% of General Fund expenses. Approximately half of Contracted Services go to community partners where it mostly supports staff salaries, and even internal services are largely the cost of employees providing IT and Facilities support. As a result, the County's expenditure trajectory is driven by personnel cost changes which are based primarily on inflation, medical costs, and PERS. The following graph shows the breakdown of costs in the General Fund for the FY 2027 budget.

#### FY 2027 General Fund Expenses



The FY 2027 budget includes costs related to recently settled bargaining contracts for: Multnomah County Prosecuting Attorneys and AFSCME Local 88, Physicians, and Pharmacists. Additionally, the County currently has five open labor contracts: Multnomah County Corrections Deputies, Multnomah County Deputy Sheriff's Association, Oregon Nurses Association(reached tentative agreement as this budget is going to the printer), Juvenile Custody Specialists, and Dentists.

### Deflection and Sobering Services

The County is continuing development of a permanent 24/7 Sobering and Crisis Stabilization Center located at 440 SE Stephens Street, Portland. The facility will provide trauma-informed care featuring an intake area, a sobering area with up to 18 stations for care up to 24 hours, and a withdrawal

management area with up to 29 stations for care exceeding 24 hours. Services will also include medication-assisted treatment, deflection, and sheltering.

The total capital renovation budget for the project is \$29.8 million. Funding is comprised of a mix of state allocations and County General Fund resources:

- State Allocation: Of the \$25 million provided by the Oregon State Legislature in 2024, \$15.5 million is available for this project.
- Sobering and Crisis Intervention Center (78249B): To address the remaining funding need of \$14.2 million, this budget includes \$12.4 million in new one-time-only General Fund for FY 2027 and will make an additional ask for \$1.8M in FY 2028.

Once construction is finalized, services currently housed at the Coordinated Care Pathway Center, will be transferred to this permanent location.

## Climate Resilience

More information about the draft Plan can be found on the [Climate Justice Plan website](#).

In September 2025, the County Commissioners were updated on the next steps related to the draft plan of the County's first-ever Climate Justice Plan. The briefing followed the conclusion of the plan's public comment period. The draft Climate Justice Plan is meant to address the needs of Multnomah County residents who have experienced — and will continue to experience — the worst harms from climate change, including heat waves, wildfires, smoke and other extreme weather. These events have intensified in recent years due to the country and community's continued reliance on burning fossil fuels.

## 2024-2028 Workforce Equity Strategic Plan (WESP)

More information can be found in the [2024-2028 Workforce Equity Strategic Plan](#).

The 2024-2028 Workforce Equity Strategic Plan (WESP) offers a road map for renewing and growing the County's internal equity efforts over the next four years, embracing a forward-looking strategy to continue building a more equitable workplace environment and experience.

The WESP focus areas and recommendations are aimed at meaningfully addressing inequities, employee experiences and organizational practices that harm employees of color and other marginalized groups. The plan builds on the infrastructure, practices and other improvements. plan. It consists of 33 action benchmarks across eight categories to be implemented over the course of a four-year cycle.

### Countywide Strategic Planning

More information can be found on the [Strategic Plan website](#).

Multnomah County's strategic plan is a visionary roadmap that aligns our priorities, resources and actions to facilitate long-term success. It connects our organization's everyday work to larger County goals.

The strategic plan clearly defines Multnomah County's highest operational priorities, providing a valuable framework for ensuring our essential services remain accessible and effective, even and especially in the face of financial challenges. Through the measurable goals set out in the plan, we can identify solutions and foster collaboration across County departments and with our community partners. The plan will help Multnomah County adapt to a changing environment without compromising our core mission. The Strategic Plan is concentrated in six key Focus Areas:

<b>01</b>	<b>Support Community Health and Wellness</b> This Focus Area is about being a trusted and reliable source of information and providing community-centered safety net services, especially for those most impacted by inequities.
<b>02</b>	<b>Create a Safe and Just Community</b> Our goal is to support individuals impacted by crime, including survivors and those in the justice system, and to create safer communities for everyone.
<b>03</b>	<b>Strengthen Community Vitality &amp; Resilience</b> This Focus Area is about building our capacity to prepare and respond to crises, and strengthening diverse partnerships and building a thriving local economy.
<b>04</b>	<b>Be Accountable, Collaborative &amp; Transparent</b> We are committed to making transparent, data-driven decisions and fostering better collaboration both internally and with the community.
<b>05</b>	<b>Improve Operational Excellence</b> This Focus Area is all about our workforce. We want to ensure employees feel connected to our mission, are proud of their work, and embrace a culture of continuous improvement.
<b>06</b>	<b>Invest in Our Future</b> This Focus Area concentrates on creating a coordinated, equitable, and effective system for youth and families.

### Burnside Bridge Replacement

More project information can be found on the [Earthquake Ready Burnside Bridge website](#).

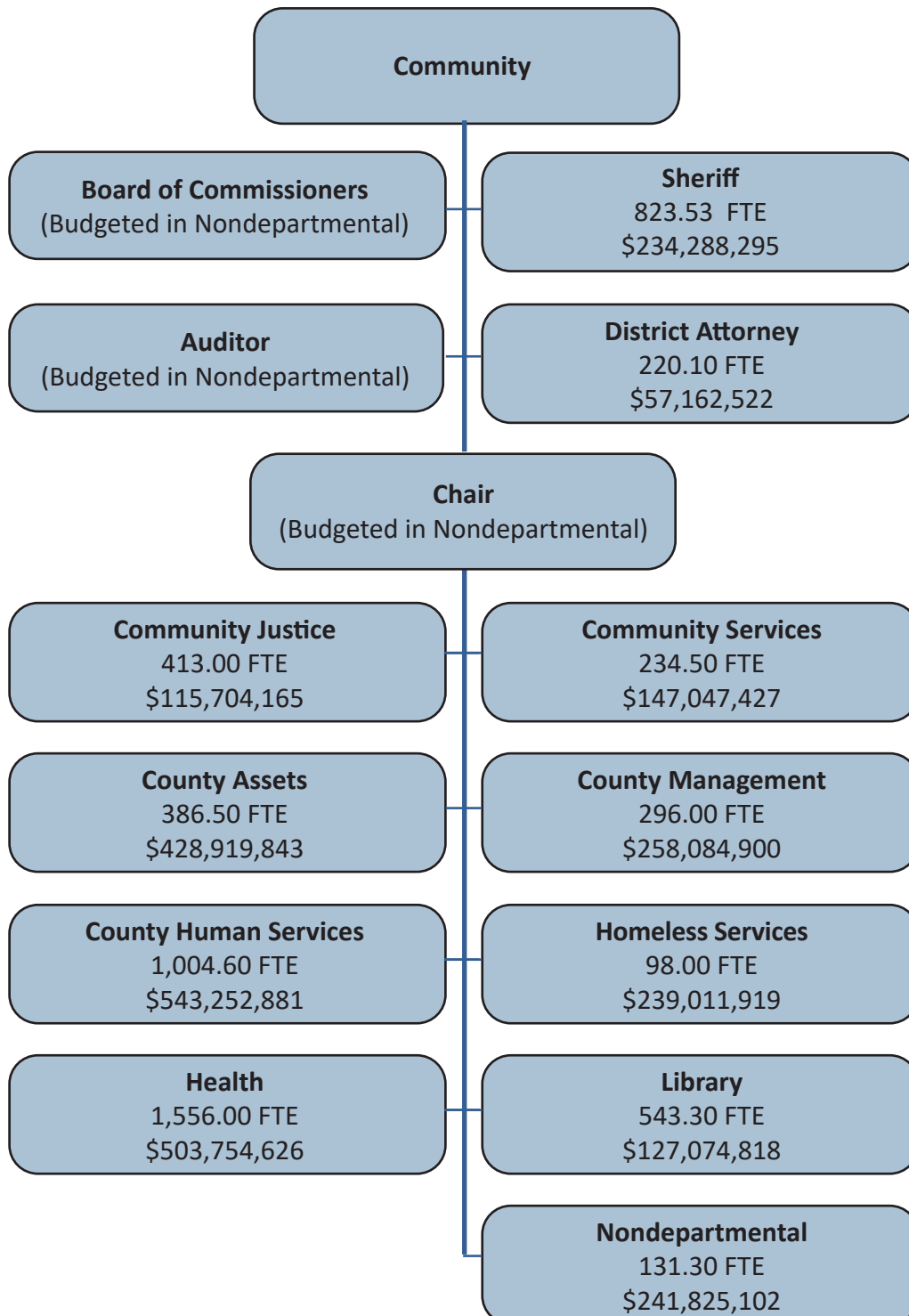
Built in 1926, the Burnside Bridge has been designated as an official emergency transportation lifeline route by Metro. As such, it is the Transportation Division's highest priority to ensure that the bridge meets seismic standards to withstand the anticipated magnitude 9.0 Cascadia Subduction Zone. The bridge is not up to current seismic standards and needs rehabilitation or replacement in order to ensure it can meet its obligation to serve as the lifeline corridor. In response, the Board approved [Resolution 2018-114](#) to create a seismically resilient Burnside Bridge project.

While Multnomah County works to complete key design work for the Earthquake Ready Burnside Bridge Project, the County will need to push out the start of construction in light of ongoing uncertainty around the availability of federal funds. Previously the County assumed construction would start in 2028; a new date has not yet been determined. The project in the meantime will reach the 60% design milestone by summer 2026. Completing this work will ensure the project is construction-ready. It's a proactive approach that will ensure the County is well-prepared to move quickly once the necessary federal funding becomes available. Receiving federal funding is a necessary step that will allow the project to bring family wage jobs to the region and improve seismic resiliency on a regional lifeline route.



### Multnomah County Organization Chart

Multnomah County delivers its services through 11 departments, including two managed by independently elected officials, Sheriff Nicole Morrissey O'Donnell and District Attorney Nathan Vasquez, and County Auditor Jennifer McGuirk (whose office resides in Nondepartmental). There are 5,706.83 full time equivalent (FTE) positions in this budget.



## Appreciation

Every year, the Multnomah County budget is the result of many hours of analysis, collaboration, and dedication by our departments, offices, and staff. I would like to personally thank each of you for your contributions. My gratitude also extends to the community members who participated in our public process; your voices directly shape the services we provide.

As we present the FY 2027 budget, I want to share a special acknowledgement for **County Chair Jessica Vega Pederson** as she delivers her final budget. Throughout her tenure, the Chair has brought a steady and judicious approach to the complex task of managing our public resources while facing significant budget reductions. Her deep care for this community and the essential services we provide is evident in every page of this document. She truly embodies the principles of fiscal stewardship and accountability, ensuring that even in the face of significant challenges, the County remains a reliable foundation for those we serve.

I also wish to recognize the leadership team within the Chair's Office for their guidance throughout this fiscal year: Chief of Staff, Jenny Smith, Deputy Chief of Staff, Stacy Borke and Budget & Strategic Partnerships Director Sara Ryan.

I would also like to thank Chief Operating Officer Christopher Neal and Deputy Chief Operating Officers Jeston Black, Sara Morrissey, and Tracey Massey for their operational oversight and strategic partnership.

My sincere appreciation goes to our department leaders and constitutional officers including Auditor McGuirk, Sheriff Morrissey O'Donnell and District Attorney Vasquez. Along with their dedicated budget teams and staff, they have shown remarkable cooperation and flexibility in navigating the difficult trade-offs required by this year's fiscal environment.

Finally, I want to acknowledge the exceptional teamwork of the Central Budget Office. Their technical expertise and tireless effort were instrumental in bringing this document to fruition:

Brooke Chilton Timmons, Althea Gregory, Leah Isaac, Dianna Kaady, Aaron Kaufman, Evan Kersten, Ash Manning, Jeff Renfro, Erin Russell, Anchal Sharda, and Chris Yager.

It is a profound honor to work alongside such dedicated public servants who remain steadfast in their mission to serve our County.

Christian Elkin  
Multnomah County Budget Director



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Multnomah County  
Oregon**

For the Fiscal Year Beginning

**July 01, 2025**

*Christopher P. Morrill*

**Executive Director**

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Multnomah County for its annual budget. In order to receive this award, a government must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communication device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.