

An aerial photograph of a city skyline at dusk. The sky is a mix of orange, pink, and blue. In the foreground, there's a parking lot with several cars and a white bus. A large white text box is overlaid on the right side of the image, containing the title and date. The background shows various city buildings, including a prominent tall, modern skyscraper with a grid-like facade.

# FY 2027 Budget Kickoff Meeting

**Multnomah County  
Central Budget Office**

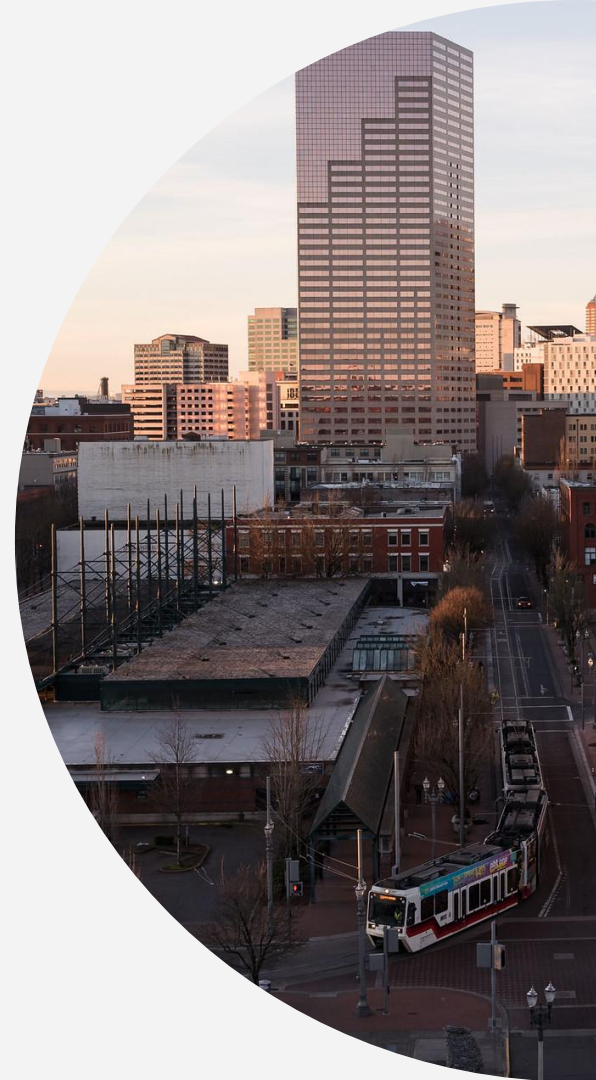
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December 3, 2025

**This meeting will be recorded and posted to the Central Budget Office website.**

**Please keep yourself muted. Please use the Google chat to post any questions you may have. We will answer questions in the chat if possible.**

You can find additional resources at [www.multco.us/budget](http://www.multco.us/budget).





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Welcome and Introductions

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Policy Guidance and Direction – Chair Vega Pederson

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Chief Operating Officer – Christopher Neal

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Equity in the Budget Process

5

Budget Process and What's New

6

Financial Context and Forecast

7

Q&A on Policy and Financial Context

8

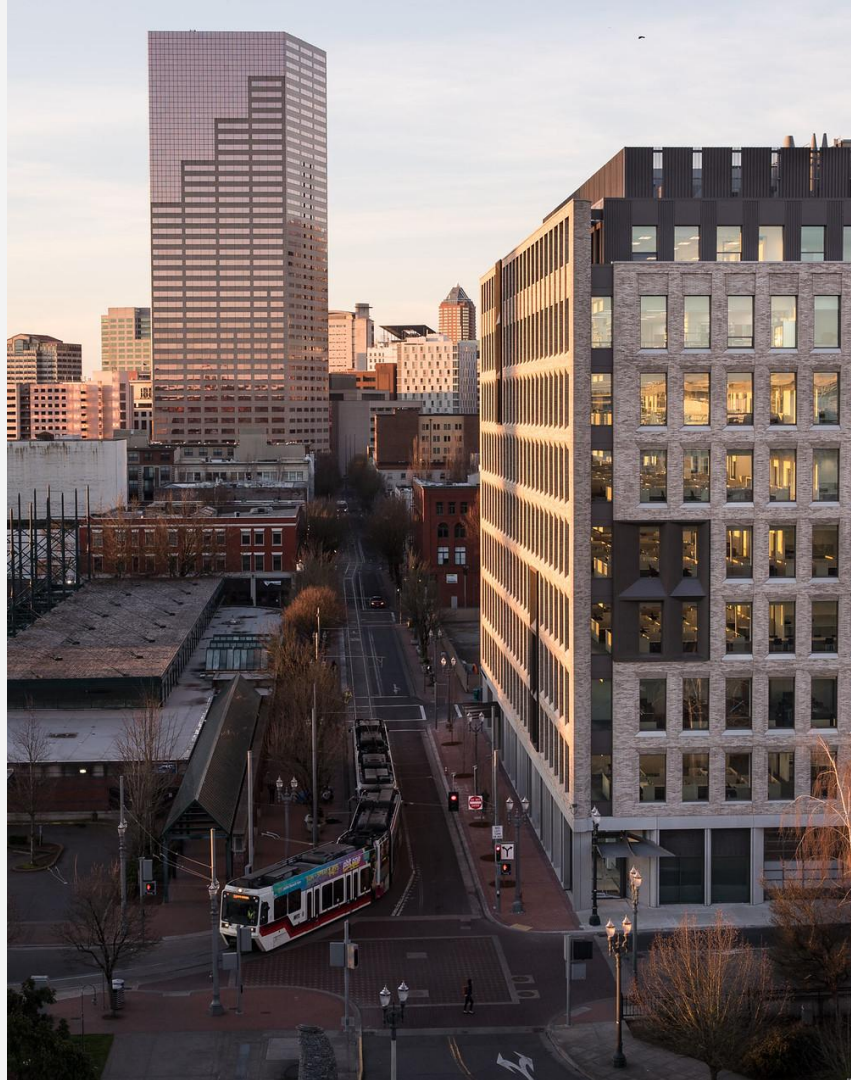
Updated Technical/Questica Info for FY 2027

9

Wrap Up and Final Questions



# Policy Guidance and Direction



# County Chair Policy and Guidance

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**Jessica Vega Pederson**  
County Chair

**County Mission Statement:** To improve the well-being of those in Multnomah County by providing accessible, high-quality, and innovative public services that create stability, enhance opportunities, and reduce disparities.

# Chair's Policy Guidance and Direction

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**“One-County” Solutions**



**Leading with County Values**



**Community Engagement**



**Measurable & Data-Driven Decision-Making**



**5% General Fund Constraint for all departments except Nondepartmental**

# Chief Operating Officer

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**Christopher Neal**  
Chief Operating Officer

# Chief Operating Officer

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- **Prioritize direct services:** Maximize direct services to County residents
- **Drive innovation and transformation:** Seek out opportunities for new approaches and improvements.
- **Conduct equity analyses:** Work with equity teams and consult with the Office of Diversity and Equity (ODE) during budget development
- **Analyze span of control and long-term vacancies:** Departments will need to justify the continued need for any long-term vacant positions.
- **Evaluate admin, training, professional and supplies costs:**  
Departments should evaluate current level and need for these resources in relation to maximizing services to the community



# One County Strategic Plan and FY 2027 Budget

- The [One County Strategic Plan](#) was finalized and presented to the BCC on December 2.
- Department transmittal letters for FY 2027 will include a table detailing Focus Areas and Outcomes for which they are responsible for data collection, tracking, and reporting.
- The SPARK Unit will provide resources to help staff, the Board and the public understand how the submitted budget connects to our strategic plan after February 6

# Equity in the Budget Process



# Our Budget Equity Process

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- County Budget as a Moral Document
- Budget preparation with equity impacts in mind
- How considering equity enables better informed decisions
- Program Offer Narratives

# Equity in the Budget Process

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- [Equity and Empowerment Lens](#) Support
- Equity and Empowerment Lens Focus Areas:
  - Program Level
  - Department Level
  - Strategic Outcomes
- [FY 2027 Budget Equity Tool](#)
- [FY 2027 Budget Equity Tool Worksheet](#)



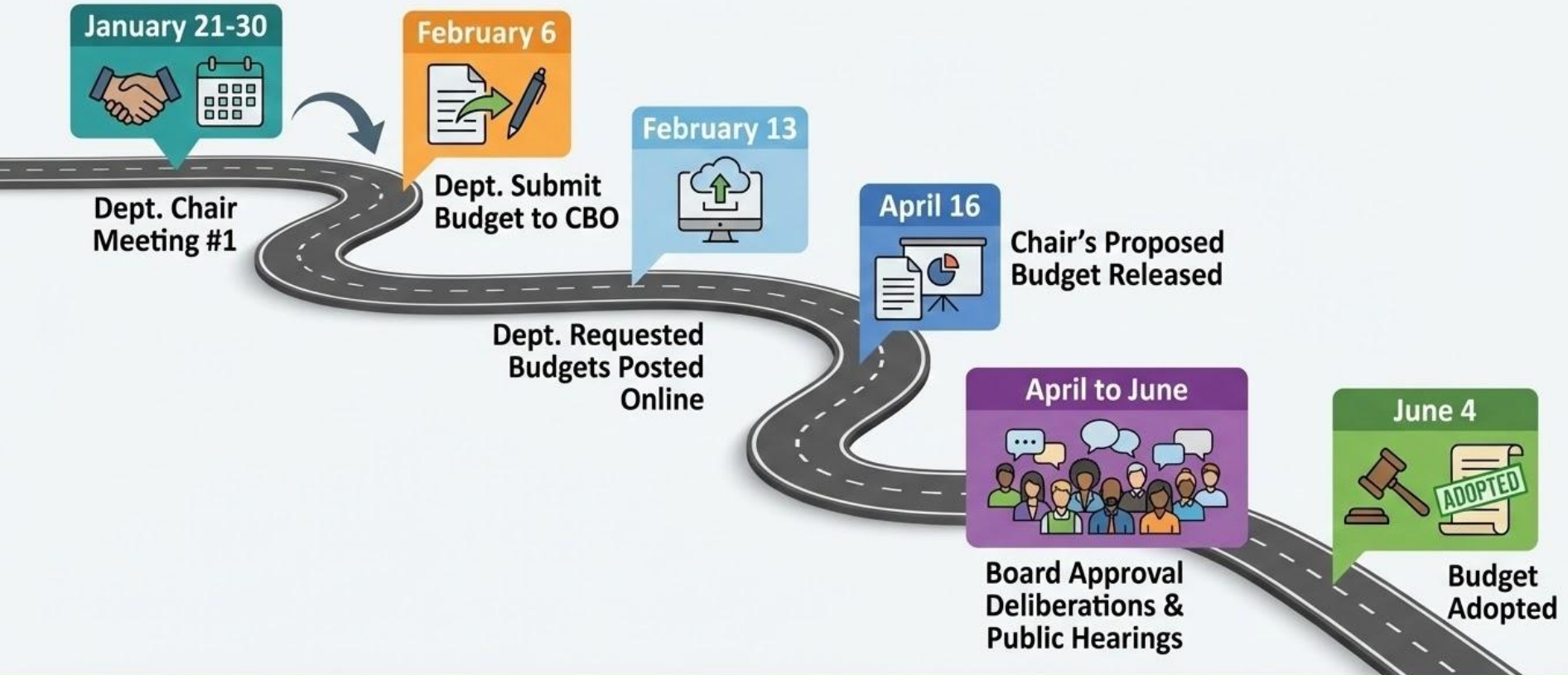
# FY 2027 Budget Process Highlights



# Budget Process Timeline



# Major Milestones





# New for FY 2027



## Reduction and Add Packages

Departments will submit a base budget, along with **5% General Fund reduction packages** based on the Chair's Guidance. Add packages will be considered in limited cases.



## Department and Division Narratives

Updated guidance. Must include division- level outcome statements and KPIs. Drafts due March 6; finalized for Proposed by March 25.



## Program Offer Changes

Reduced to one page to make the size of the budget more manageable. New Equity Statement section. Two output performance measures only.



## Transmittal Letter

Redesigned with a focus on data



## COLA for Human Services Contracts

3.3% for all General Funded services



## Department Amendments

Presented to the Board two weeks before adoption week, rather than one week before as in previous years.



## Budget Dashboards

Don't forget to check out our interactive [Budget Dashboards](#), which track spending by program offer and department.



## New for FY 2027: Program Offers



**Decreased to one page:**

Simplified format for focused clarity.



### Shorter Program Description:

Focus on what the program does and who it serves.



### New Equity Statement section:

Dedicated space for equity considerations.



## 2 Output Performance

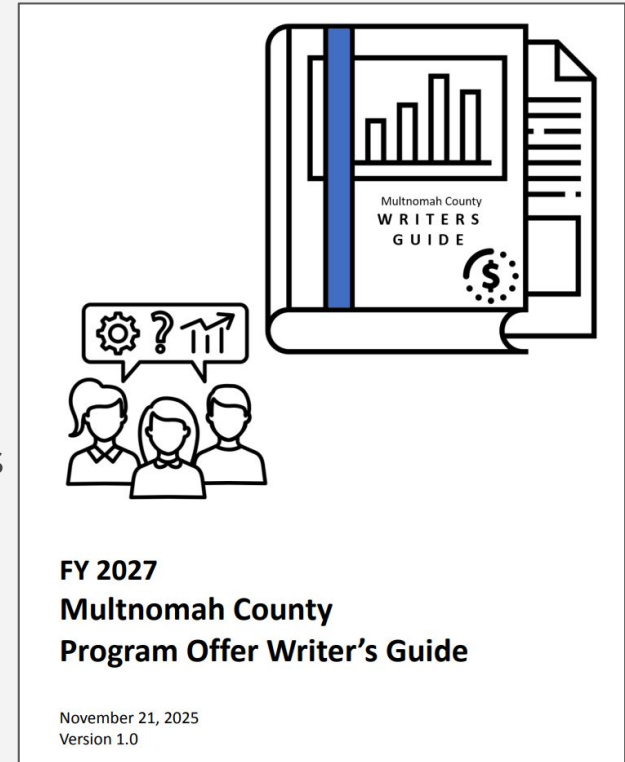
**Measures:** Streamlined tracking of key activities.

## New One-Page Format

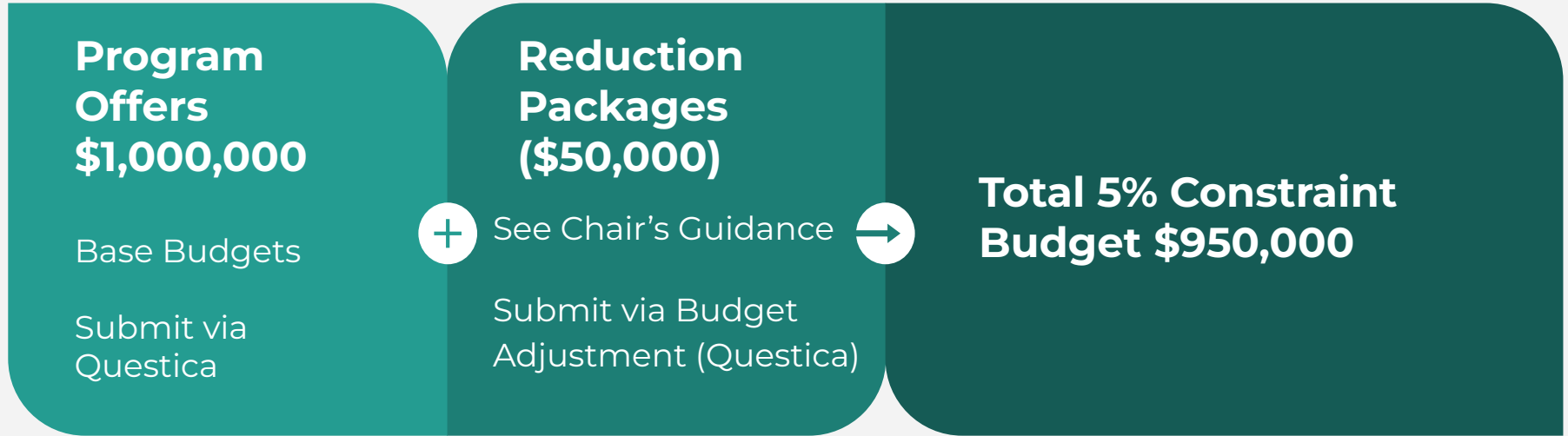
OC3   Program Roll18 - Example Program Offer Newly Assail Long bones for Report Summary							PT 020: Indicators	
Detective - Teenage/teen Program Characteristics:								
Program Description								
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
Financial Statement								
1								
2								
3								
4								
Revenue/Expense Detail								
	2004		2005		2006		2007	
	General Funds		Other Funds		General Funds		Other Funds	
Fellowship	00	\$7,100,000	00	\$7,100,000	00	\$7,100,000	00	\$7,100,000
Unilateral Offsets	00	\$4,000,000	00	\$4,000,000	00	\$4,000,000	00	\$4,000,000
Unilateral Surplus	00	\$0,000	00	\$0,000	00	\$0,000	00	\$0,000
Revenue Offsets	00	\$0,000	00	\$0,000	00	\$0,000	00	\$0,000
Other Funds	00	\$0,000	00	\$0,000	00	\$0,000	00	\$0,000
Fellowship Total	00	\$11,100,000	00	\$11,100,000	00	\$11,100,000	00	\$11,100,000
From Expenses	\$11,100,000		\$11,100,000		\$11,100,000		\$11,100,000	
Program Cost	100		100		100		100	
Program Revenues								
Unilateral Offsets	00	\$7,100,000	00	\$7,100,000	00	\$7,100,000	00	\$7,100,000
Unilateral Surplus	00	\$0,000	00	\$0,000	00	\$0,000	00	\$0,000
Revenue Offsets	00	\$0,000	00	\$0,000	00	\$0,000	00	\$0,000
Other Funds	00	\$0,000	00	\$0,000	00	\$0,000	00	\$0,000
Unilateral Offsets Capital	00	\$0,000	00	\$0,000	00	\$0,000	00	\$0,000
From Expenses	00	\$11,100,000	00	\$11,100,000	00	\$11,100,000	00	\$11,100,000
Performance Measures								
Performance Measures				PT18 Actual	PT18 Expected	PT18 Target		
1				1.00	1.00	1.00		
2				110	100	110		
3								
4								

# Program Offers - Reminders

- [Program Offer Writer's Guide](#)
- Program Offers should reflect **on-the-ground operations**
- **Consolidate** Program Offers when appropriate.
  - Combining unrelated activities to meet this financial threshold is not recommended
- Program Offers should typically not exceed the **\$8.0 million threshold** in General Fund or Internal Service Fund costs.



# FY 2027: Example of Reduction Package



# Requests for New Funding

New ongoing requests should be **prioritized within** a department's **base budget** by reallocating funding. If it's a **high enough priority** to be requested in this financial environment, we're **assuming that it's a higher priority than other services** you are currently providing.





# FY 2027: Add Packages - OTO & Ongoing

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- **One-Time-Only Requests**

- Programmatic
- Capital requests

- **Ongoing New Requests**

- Requested through a combination of program offers (words) and budget adjustments (funds and FTE)
- Package descriptions and summary numbers will be **published on February 13th** along with base budget program offers.
- **All requests must be prioritized**

# Department and Division Narratives



## Draft & Final Deadlines

**Draft** due on **March 6**;  
finalized for the Proposed  
budget **by March 25**.



## Review & Discussion Time

In light of changes to department narrative prompts and new requirements and prompts for division narratives, need to ensure adequate time for review by and discussion with the **Chair, Chief Operating Officer, and Budget Office**.



## Expanded Content Space

Division Narrative space limit has been removed to allow room for **outcome statements, and KPI data and information**.

# Budgeting for Results: Uplifting Performance Analysis

Performance analysis is hard work. We can simplify it by focusing on three questions...



**How much  
did we do?**



**How well did  
we do it?**



**Is anyone  
better off?**

# FY 2027: Budgeting for Results



## Division Outcome Statements

Building on FY 2026, Division narratives will include 1-4 outcome statements (i.e., the intended results of a division's great work!). Includes administrative divisions.



## Division Key Performance Indicators (KPIs)

*NEW:* Each outcome statement should be measured by 1-4 *Key Performance Indicators (KPIs)*, which answer the questions “How well did we do it?” and “Is anyone better off?”



## Linking Program Offers to Division Outcomes

*NEW:* How do we achieve Division Outcomes? By clearly linking Program Offers to each Division Outcome.

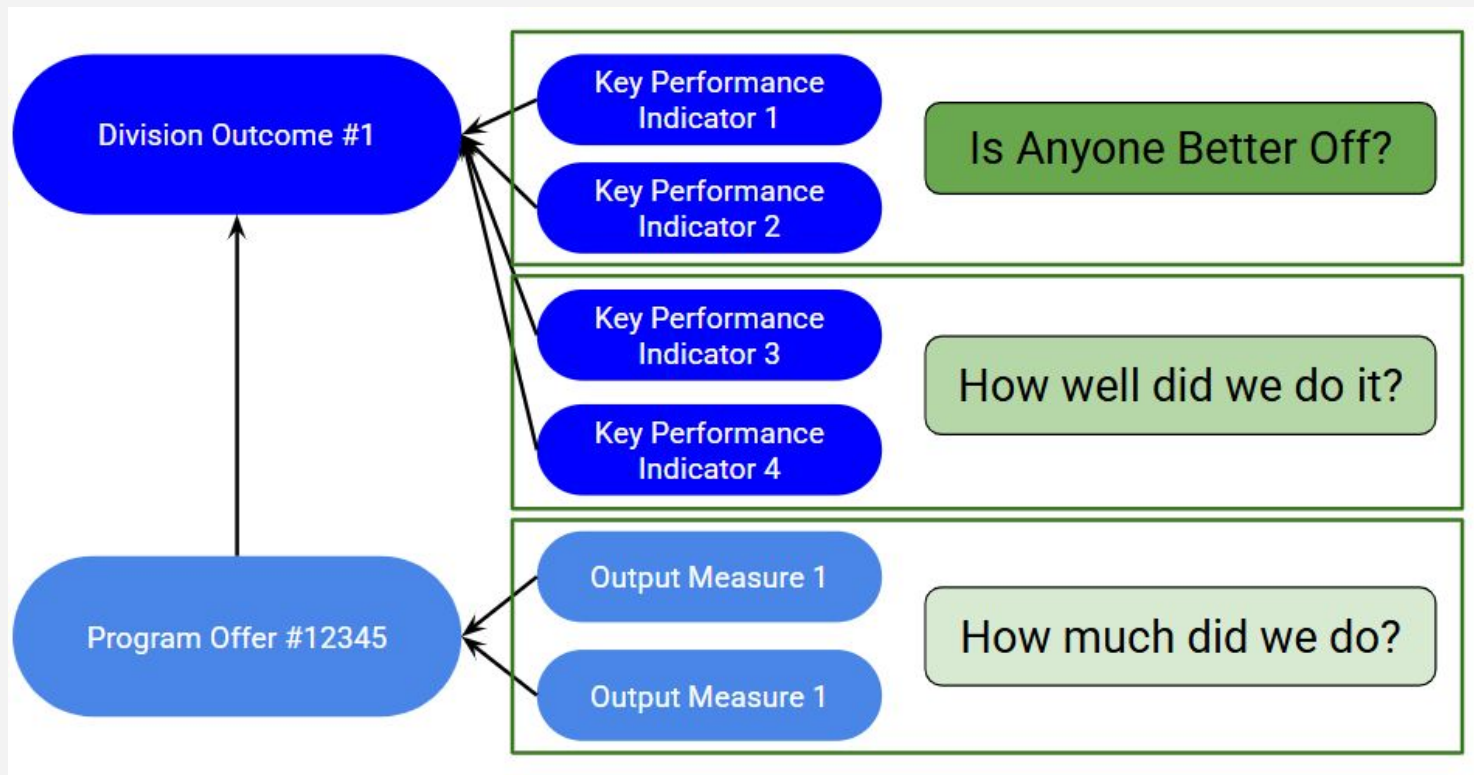


## Program Offer Output Measures

Program Offers must have two output measures, which answer the question “How much did we do?”



# FY 2027 Budgeting for Results Framework



# Transmittal Letter Update

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- Redesigned to have a **focus on data**
  - Comparative Data (year over year)
  - Supplemental Information in Appendices based on Board and Budget Survey feedback
- Focused on **constraint** budget
- The Budget Office will populate much (but not all) of the data in graphics/tables.
- Pay close attention to the instructions.

# Artificial Intelligence and the Budget

## AI-based Creative Writing Tools

Gemini W



## AI and Improving Written Content



### Human Responsibility

A human should always be responsible for the final content.



### Not Supported for Decisions

The County **does not support** the use of AI when making decisions, conclusions, and recommendations that impact staff and the community.



### Allowable Use & Policy

The use of Gemini or Writer for improving written content is allowable in [County Administrative Policy IT-4](#)

# Financial Context





# Budgetary Constraints

**Declining Downtown Property Values**  
are significant drag on revenue growth

**Open Labor Contracts** - these costs are  
a major driver for County expenditures  
and our community partners

**Fewer One-Time-Only (OTO) Resources**  
available than last several years

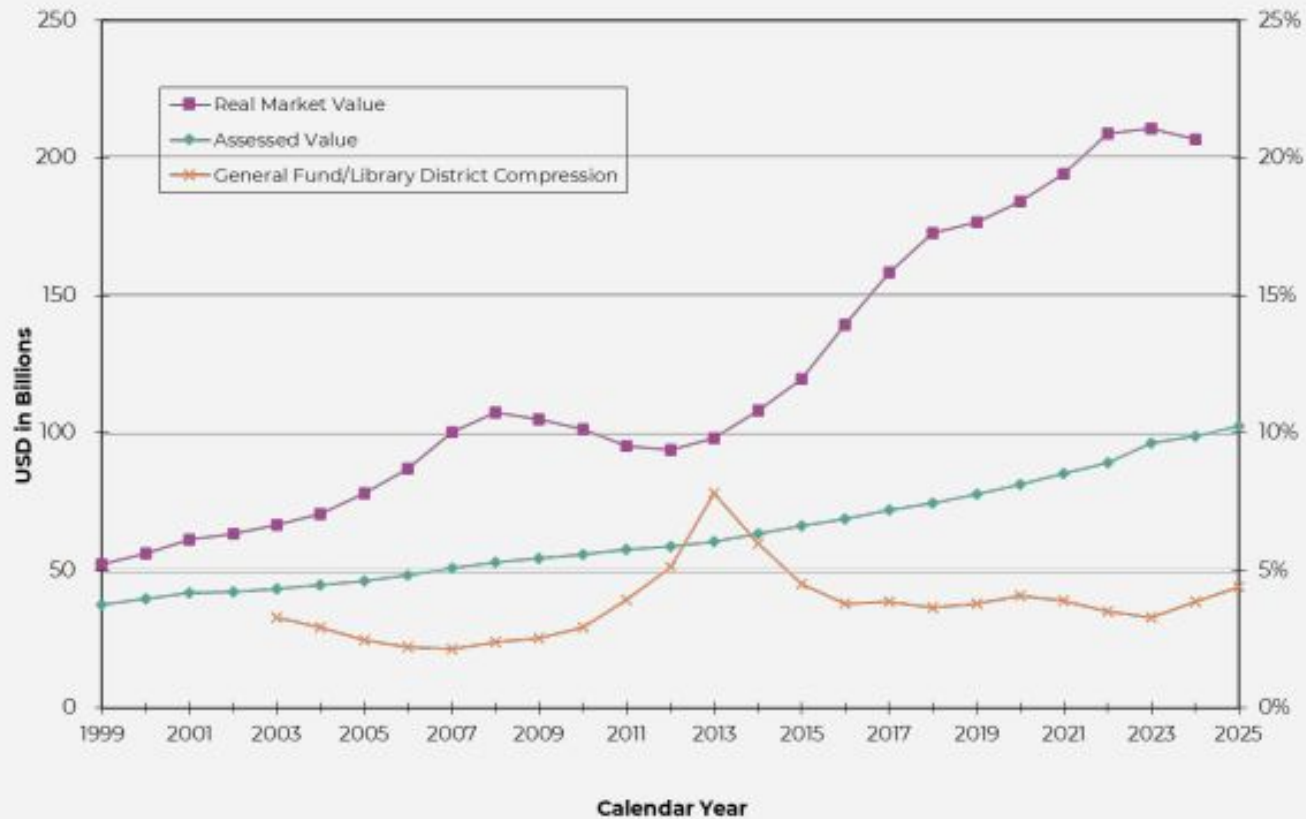
**Inflation and Labor and Market  
Business Cycle**



# 5-Year General Fund Forecast

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
<b>Revenues</b>	789,081,318	810,270,796	833,987,525	863,736,631	893,740,896
<b>Expenditures</b>	799,616,152	831,903,298	865,841,466	909,365,465	921,590,135
<b>November 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>
<b>Expected Deficit After Balancing FY 2027</b>	<b>0</b>	<b>(10,676,276)</b>	<b>(20,459,466)</b>	<b>(33,778,580)</b>	<b>(15,524,974)</b>

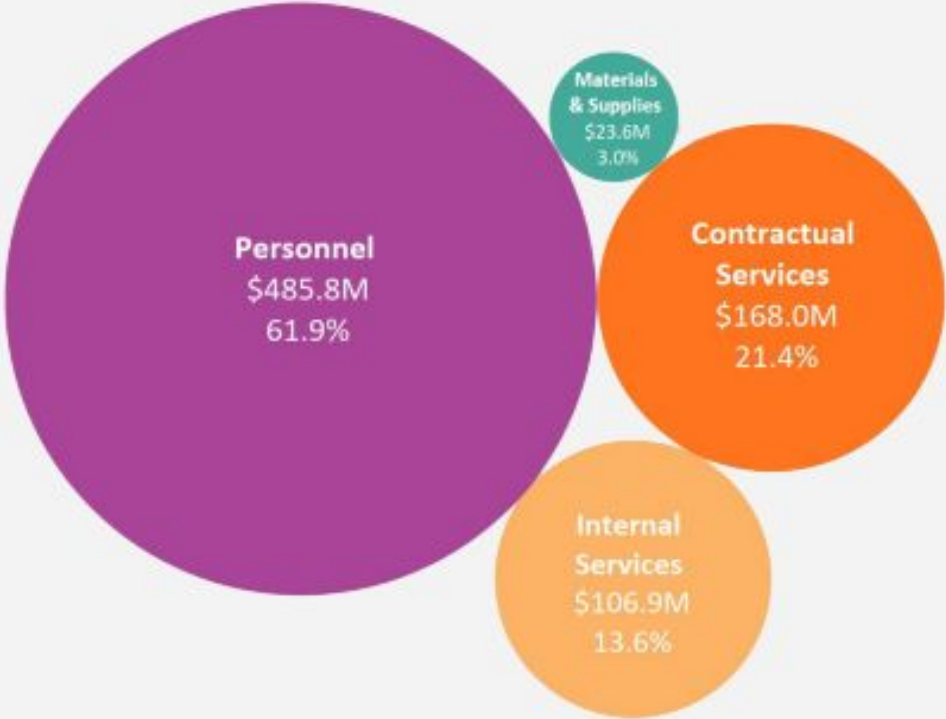
# MultCo Assessed & Real Market Value with Compression



# FY 2027 Cost Drivers

<b>Personnel/Labor Costs</b> (change in rates)	<b>4.98%</b>
COLA	3.30%
Step/Merit/Contract Changes	1.80%
Medical/Dental	5.00%
PERS	0.57%
Retiree Medical	-0.50%
Liability/Workers Comp/ TriMet	0.01%
<b>Materials and Supplies</b>	<b>3.30%</b>
<b>Contractual Services</b>	<b>3.30%</b>
<b>Internal Services*</b>	<b>4.96%</b>

\* Estimate to be updated later



FY 2026 General Fund Expenses

# FY 2027 Cost Drivers (continued)

<b>General Fund Cost Driver Notes</b>	A 1% increase in base pay = approx. \$4.1 million
	A 4% increase in medical/dental rates = approx. \$2.3 million
	A 1% (of base pay) increase in PERS = roughly \$2.9 million
<b>Reserve &amp; Contingency Assumptions</b>	<b>General Fund Contingency:</b> \$1.85 million
	<b>BIT Reserve:</b> 12% of BIT revenues (\$21.1 million)
	<b>General Fund Reserve:</b> 12% of corporate revenues (\$77.8 million)

# FY 2027 One-Time-Only Funds

Year-End as of November 13, 2025

FY 2026 Actual Beginning Balance <sup>3</sup>	166,307,602
FY 2026 Budgeted Beginning Balance	137,688,220
<b>Additional FY 2026 BWC (OTO)</b>	<b>27,619,382</b>
<i>Plus Additional FY 2026 Revenues</i>	2,168,860
<i>Less Amount to Maintain FY 2027 Reserves at Board Policy Level</i>	<u>(4,368,943)</u>
<b>OTO Funds for FY 2027 per Nov. Forecast</b>	<b>25,419,299</b>
 <i>50% Dedicated to County Facility/IT Projects per Board Policy</i>	 12,709,649
<i>Remaining 50% to be Allocated</i>	12,709,649

Includes **\$31.0 million** (4.2%) of departmental underspending

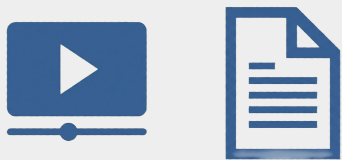
1. Assumes the FY 2026 General Fund Contingency is fully spent in FY 2026.

2. Assumes departments fully spend their FY 2026 appropriation.

3. Adjusted for additional restricted County Clerk BWC and Tax Title: Affordable Housing.



# Training



## Online Resources

Budget Manual, Guides, and more are available on [Budget Resources website](#).

Questica How-to Videos and Quick Reference Guides are available at [Questica Learning Resources](#).



## In-Person Training

Dec 10: 9-11AM at the Five Oak Building

Dec 11: 3:30-5PM at the Multnomah Building



## Custom Training

Schedule substantive or technical training for your teams by contacting your Central Budget Analyst (we come to you!)

# Questions on Budget Policy or Financial Context?

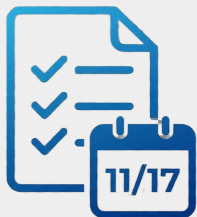
Please put your questions in the Q&A box.  
Budget Office staff will provide your  
questions to the presenters.



# Technical/ Questica Information



# Questica Updates



**Program offers** were available beginning 11/17 in Questica. See your department business manager for access or changes.



**Position costs**, including vacant, based on Workday data as of 10/24 and were available beginning 11/17.

# Program Offer Starting Point

- **One Page** Program Offer
  - New **equity statement** field
  - Only **two** performance measures
  - Narrative and performance measures cleared out for a clean start
- Questica-only fields **still required**
  - Legal/Contractual Obligations
  - Explanation of Revenues
  - Significant Changes (currently displayed on dashboards)
- Some Revenue and Expenditure detail is “Not Crosswalked”

DCS   Program #90019 - Example Program Offer Really Really Long Name for Report					FY 2026 Adopted
Testing					
Division: Transportation					
Program Characteristics:					
<b>Program Description</b>					
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
<b>Equity Statement</b>					
1					
2					
3					
4					
<b>Revenue/Expense Detail</b>					
	2025 General Fund	2025 Other Funds	2026 General Fund	2026 Other Funds	
Personnel	\$0	\$1,142,628	\$0	\$1,216,903	
Contractual Services	\$0	\$44,492,016	\$0	\$25,976,942	
Materials & Supplies	\$0	\$34,673	\$0	\$12,123	
Internal Services	\$0	\$5,600,081	\$0	\$5,619,048	
Capital Outlay	\$0	\$0	\$0	\$200,000	
<b>Total GF/non-GF</b>	<b>\$0</b>	<b>\$51,269,398</b>	<b>\$0</b>	<b>\$33,025,016</b>	
<b>Total Expenses:</b>	<b>\$51,269,398</b>		<b>\$33,025,016</b>		
<b>Program FTE</b>	0.00	5.30	0.00	4.95	
<b>Program Revenues</b>					
Fees, Permits & Charges	\$0	\$7,753,722	\$0	\$0	
Intergovernmental	\$0	\$22,500,000	\$0	\$0	
Financing Sources	\$0	\$0	\$0	\$20,100,542	
Interest	\$0	\$500,000	\$0	\$350,000	
Beginning Working Capital	\$0	\$20,515,676	\$0	\$12,574,474	
<b>Total Revenue</b>	<b>\$0</b>	<b>\$51,269,398</b>	<b>\$0</b>	<b>\$33,025,016</b>	
<b>Performance Measures</b>					
Performance Measure		FY24 Actual	FY25 Estimate	FY26 Target	
1		2,325	2,450	2,550	
2					
1		116	N/A	115	
2					



# Improving Contracted Services Data

A **Supplier** is required for all Contracted Services ledger accounts.

- Broad use of the 0-TBD supplier across a program is insufficient.
- Use the best information available at the time to identify the expected contract supplier and service used by your program.
- The **Description** field must clearly describe the services budgeted.

Supplier	Description
0 - TBD	Public Health and Technical Support of Public Health
00000 - Multnomah County	Public Health Support of Public Health

# Improving Beginning Working Capital Data

**Beginning Working Capital** budgets must document how it was calculated in the Description field:

- Attach additional documentation in Questica

2027

MULTNOMAH - FUND COMBINED REVENUE AND EXPENSE

Main (Active) ▾

Demote

Promote

Documents ?

×

Request Form

Budget

+

Add

[T]

Value Bar

⌵

Filter

⌄

Layout

🔗

Connect to Reporting

Description

↑

Resource

# Telework Allowance

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- The **Telework Allowance** (monthly and one-time) will now be **budgeted in 60120** (Premium).
  - Previously budgeted in 60200 (Communications).
- This aligns with how telework allowance charges will be mapped in Workday as of FY 2027.

# Cost Object/Program Offer Alignment

A cost object can only be budgeted in one program offer.

G50 0252 02  
JCULT

50058

A program offer may budget many cost objects.

50058




G50 0252 02  
JCULT

508300

M50 CHI AI&R  
JCULT

# Reductions and Adds

- Use **Budget Adjustment** forms in Questica
- **Prioritize** all Reductions and Adds
- Adds require a new program offer



2027

BudAdj-40040 - All Other - 004 - 001 - Item Report

Main (Active) ▾

General ▾

Operating ▾

Capital ▾

Reports ▾

Budget Adjustment

Budget Adjustment Type

▾

Budget Adjustment Priority

0

Budget Adjustment Description

Budget Adjustment Type

▾

Add - Addition

Reduction - Reduction

Chair - Chair Change



# Viewing Your Base and Constraint Budget

Use the **Request Form Type** and **Budget Adjustment Type** to filter your reports as shown below:

## Base Budget



Program Offer

## Constraint Budget



Program Offer + **Reduction**  
Budget Adjustments

## Requested Budget



Program Offer + **Reduction** and  
**Addition** Budget Adjustments

# Internal Service Inflation Factors

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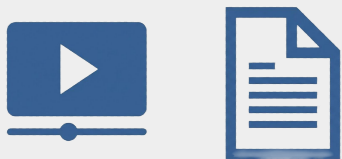
- Historically we used a countywide internal service rate (ISR) inflation factor on County General Fund (CGF) allocations
- FY 2027 Internal Service inflation factors are based on expected internal service cost increases with a floor of 2% and a ceiling of 3.66%.
- Partial move back to using one inflationary factor for all departments.

# Voter-Approved Initiatives

- Led by coordinating departments
- Alignment with the overarching program goals
- Strategy discussed with Chair
- Key component of Department Transmittal Letters
- Preschool for All must have stand alone program offers without any other funding sources included

Funding Stream	Program Contact	Budget
Supportive Housing Services (SHS)	Antoinette Payne	Revenue in HSD Expenses in relevant department
Preschool for All (PFA)	Robert Stoll	Revenue in DCHS Expenses in relevant department Stand alone program offers
Library General Obligation Bond	Kate Vance/Katie O'Dell	Revenue in DCA Expenses in DCA with limited FTE in Library

# Training



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## Custom Training

Schedule custom technical training for your teams by contacting your Central Budget Analyst (we come to you!)

## Technical Budget Questions?

Please put your questions in the Q&A box.  
Budget Office staff will provide your  
questions to the presenters.







## Resources

- [FY 2027 Budget Manual](#)
- [Program Offer Writer's Guide](#)
- [Budgeting for Results](#)
- [On-Demand Training Videos and Quick Reference Guides](#)
- Schedule time with a Central Budget Analyst:  
[multco.budget.office@multco.us](mailto:multco.budget.office@multco.us)
- Budget Office Website: [multco.us/budget](https://multco.us/budget)
  - [Current](#) & [Historical](#) Budgets
  - Budget [Dashboards](#)
  - [Calendars](#)
  - Budget Office [Contact](#) Information
  - Economic Forecasts ([current](#) and [historical](#))
  - Dept. of County Assets [Cost Allocations](#)
  - [Forms and Templates for Budget Submission](#)
- [Core Data Best Practices Guide](#) (and [Request Forms/Checklists](#))