

# County of Santa Clara

Office of the County Executive

County Government Center, East Wing  
70 West Hedding Street  
San Jose, California 95110  
(408) 299-5105



**DATE:** May 1, 2026

**TO:** Honorable Board of Supervisors  
James R. Williams, County Executive

**FROM:** Ezequiel Vega, County Budget Director

**SUBJECT:** General Fund Discretionary Funding Allocated to General Fund Departments

Signed by:  
*Ezequiel Vega*  
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At the October 21, 2025 Board of Supervisors meeting (Item No. 17), Supervisor Ellenberg requested that Administration provide information relating to discretionary funding allocated to General Fund departments, and associated state and federal mandated functions.

## Background

General Fund revenues are essential for financing the County's core governmental activities and services for residents. These revenues come from various sources, including restricted aid from federal and state governments, fees for County services, and general-purpose revenue that the County can use at its discretion.

However, most of this discretionary revenue must be used to pay for programs, services, and costs that do not otherwise have dedicated revenue streams. For instance, the County must provide resources for the District Attorney, Public Defender, Assessor, Sheriff, Registrar of Voters, and many other programs pursuant to State law. Administrative functions such as Employee Services, Finance, Procurement, County Counsel, Facilities and Fleet, and Technology Services and Solutions have few, if any, direct revenue sources and must be supported by the County's discretionary revenue as well.

General purpose revenue, such as property tax and sales tax receipts, fund many County services and programs, but also must be used to contribute to State-mandated maintenance of effort (MOE) obligations (e.g., In-Home Supportive Services) and provide matching funds for a variety of grants.

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## **Fiscal Year 2025-2026 Discretionary Revenue**

Discretionary revenues are, for the most part, budgeted and recorded in the Finance Agency. While there is no formal allocation of these revenues to operating departments, a General Fund department's net cost (expenditures minus the department's revenue) typically represents discretionary funding.

The attachment to this report provides estimated FY 2025-2026 discretionary revenue allocations by department. This estimate is calculated using the FY 2025-2026 Adopted Budget's net cost by budget unit with the following adjustments:

- Removing one-time allocations. Removing one-time resources from the calculation ensures a better representation of ongoing utilization of discretionary revenue for the provision of services.
- Removing discretionary revenue from budget units where it is recorded. Discretionary revenue is recorded in a few budget units. To ensure consistent reporting, the Office of Budget and Analysis (OBA) backed out this revenue to ensure the true net cost is reflected for all budget units.
- Removing cost plan reimbursements from the Controller-Treasurer Department (Budget Unit 110) and allocating cost plan reimbursements to the budget units for departments providing internal services. Certain County departments in the General Fund (e.g., Employee Services Agency and Technology Services and Solutions) provide administrative and support services to other departments, and the cost for these services is charged to the receiving departments through the cost allocation plan. The County has a practice of recording reimbursements for these services in the Controller-Treasurer Department. To provide better net cost estimates for General Fund departments providing such services, OBA reallocated these reimbursements from the Controller-Treasurer Department to the departments providing such services. OBA used the FY 2025-2026 cost allocation plan's total current allocations as a basis to reallocate \$258 million in reimbursements across departments providing these services.

As stated above, much of the discretionary revenue is used to fund mandated services that have no other dedicated revenue stream. Some departments' resources are significantly devoted to state and federal mandates, including regulatory or compliance-driven work, while other departments have more program/project-based work that may stem from state/federal funding or past Board referrals/initiatives. At the September 30, 2025 Board meeting (Item No. 17), Administration provided a high-level summary of each department's mandated activities, new mandates being implemented, Board-directed activities (including activities based on local ordinances), and non-mandated activities.

Attachment: General Fund Discretionary Revenue Totals by Department as a Percentage of Total Discretionary Revenue and Total Net Expenditure Budget

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c: Chiefs of Staff  
Greta S. Hansen, Chief Operating Officer  
Tony LoPresti, County Counsel  
Curtis Boone, Clerk of the Board  
Kim Forrester, Special Assistant to the County Executive  
Brian Darrow, Special Assistant to the County Executive  
Tony Filice, Budget and Financial Planning Manager  
Erica Kelly, Budget and Financial Planning Manager  
Debbie Dills-Thompson, Agenda Review Administrator  
Shawn Whiteman, Program Manager III  
Truc T. Nguyen, Program Manager II

## General Fund Discretionary Revenue Totals by Department as a Percentage of Total Discretionary Revenue and Total Net Expenditure Budget

Budget Unit	Department/ Agency Name	Discretionary Revenue	Discretionary Revenue as Percent of Total Discretionary Revenue	Net Expenditure	Discretionary Revenue as Percent of Net Expenditures
415	Behavioral Health Services Department	\$ 51,292,921	1.94%	\$ 857,793,303	5.98%
101-105	Board of Supervisors	\$ 13,132,100	0.50%	\$ 13,132,100	100.00%
106	Clerk of the Board	\$ 10,974,382	0.41%	\$ 15,033,944	73.00%
262	Consumer and Environmental Protection Agency	\$ 12,832,537	0.49%	\$ 22,309,362	57.52%
110	Controller-Treasurer	\$ (17,892,031)	-0.68%	\$ 25,142,924	-71.16%
114	County Clerk-Recorder's Office	\$ 5,353,445	0.20%	\$ 13,234,232	40.45%
190	County Communications	\$ 15,170,643	0.57%	\$ 20,562,954	73.78%
810	County Debt Service	\$ 55,097,655	2.08%	\$ 79,501,822	69.30%
217	Criminal Justice System-Wide Costs	\$ 34,899,917	1.32%	\$ 49,892,665	69.95%
240	Custody Bureau	\$ 90,483,662	3.42%	\$ 95,338,298	94.91%
261	Department of Environmental Health	\$ 294,112	0.01%	\$ 294,112	100.00%
260	Department of Planning And Development	\$ 14,055,068	0.53%	\$ 29,441,768	47.74%
111	Department of Tax & Collections	\$ 25,974,420	0.98%	\$ 32,568,070	79.75%
420	Emergency Medical Services	\$ 2,962,914	0.11%	\$ 8,357,040	35.45%
130	Employee Services Agency	\$ 24,397,976	0.92%	\$ 26,735,501	91.26%
263	Facilities and Fleet Department	\$ 177,370,039	6.70%	\$ 181,813,183	97.56%
145	Information Services	\$ 31,906,611	1.21%	\$ 31,906,611	100.00%
116	In-Home Supportive Services	\$ 144,439,559	5.46%	\$ 360,126,999	40.11%
168	Office of Supportive Housing	\$ 94,427,775	3.57%	\$ 108,624,531	86.93%
115	Office of the Assessor	\$ 55,552,190	2.10%	\$ 55,712,340	99.71%
120	Office of the County Counsel	\$ 33,454,036	1.26%	\$ 36,967,007	90.50%
107-108	Office of the County Executive	\$ 30,094,912	1.14%	\$ 40,768,529	73.82%
202	Office of the District Attorney	\$ 151,566,260	5.73%	\$ 184,463,036	82.17%
293	Office of the Medical Examiner	\$ 10,709,786	0.40%	\$ 11,210,153	95.54%
210	Office of Pretrial Services	\$ 5,335,052	0.20%	\$ 22,602,221	23.60%
204	Office of the Public Defender	\$ 85,217,951	3.22%	\$ 90,549,577	94.11%
230	Office of the Sheriff	\$ 144,216,705	5.45%	\$ 241,994,290	59.60%
246	Probation Department	\$ 157,556,800	5.96%	\$ 242,143,444	65.07%
118	Procurement	\$ 12,458,376	0.47%	\$ 13,637,376	91.35%
410	Public Health Department	\$ 132,986,814	5.03%	\$ 184,981,968	71.89%
140	Registrar of Voters	\$ 44,106,122	1.67%	\$ 52,358,816	84.24%
921	Santa Clara Valley Healthcare <sup>2</sup>	\$ 530,427,397	20.05%	\$ 4,631,068,507	11.45%
414	SCVH Custody Health Services	\$ 157,111,320	5.94%	\$ 175,754,856	89.39%
235	Sheriff's Custody Bureau Contracts	\$ 226,044,674	8.54%	\$ 244,163,041	92.58%
501,511,520	Social Services Agency <sup>3</sup>	\$ 81,343,873	3.07%	\$ 1,001,373,503	8.12%
<b>Totals<sup>1</sup></b>		<b>\$ 2,645,355,973</b>	<b>100.00%</b>	<b>\$ 9,201,558,082</b>	<b>28.75%</b>
1 Total excludes reserves					
2 Net Expenditures for Santa Clara Valley Healthcare are not part of the General Fund but are shown here for illustrative purposes					
3 Combines units 501, 511 and 520					