

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 5, 2026

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

FROM: Ezequiel Vega, County Budget Director

Signed by:
Ezequiel Vega
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SUBJECT: Budget Process and Promoting Community Participation

Administration has created and updated several materials to further the public's awareness and understanding of the County's budget. We updated the County's existing Budget and Finance webpage to include translations in Spanish, Chinese, Vietnamese, and Tagalog, available at <https://www.santaclaracounty.gov/budget>.

Several years ago, we created a County Budgetary Process Timeline to provide a graphical overview of the budget on the County Budget and Finance website. That has been provided to the Board the last few years and is being provided again this year for the Board's awareness and help in sharing the information (Attachment A). The website also includes the FY 2025-2026 / 2026-2027 County Budget Calendar, which provides the specific dates for publication of information and this year's budget workshop and hearing.

We have also provided a slide presentation of the Fiscal Year (FY) 2026-2027 Recommended Budget (Attachment B), developed by the Office of Budget and Analysis (OBA), for Board Offices' use in any forthcoming community meetings. It includes a list of major services provided by the County, the budget process timeline, an overview of the County's revenue and cost estimates, and a high-level summary of future uncertainties and challenges for FY 2026-2027. The English version is attached to this memorandum; however, the presentation is also available in Spanish, Vietnamese, Chinese, and Tagalog and all versions are accessible on the Budget and Finance website (<https://www.santaclaracounty.gov/government/budget-and-finance>). Board

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Offices can directly use these materials in their community outreach or direct interested parties to the County's website to reference them.

Additionally, several years ago, OBA worked closely with the Office of Communications and Public Affairs (OCPA) to develop a two-and-a-half minute video explaining the budget process, which is available on both the Budget and Finance webpage as well as at <https://news.santaclaracounty.gov/your-tax-dollars-work-understanding-county-santa-clara-budget>.

And last year, a new page was created to highlight the impact of federal funding on the County's budget, available as a link from the Budget and Finance webpage and at <https://www.santaclaracounty.gov/federal-funding>.

Other options to further promote community participation include the following:

1. OCPA, Board Offices, and other County departments using social media can use their media outlets to share links to the community engagement materials, including the aforementioned County Budgetary Process Timeline, FY 2026-2027 Recommended Budget overview information slide deck, video, and the Recommended Budget document, which itself includes a great deal of useful information.
3. OCPA, Board Offices, and other County departments using social media can leverage their media outlets to invite interested public members to attend and engage in the County's budget workshops in May and the public hearing on the budget in June.

As in past years, OBA will continue to keep in regular contact with staff from each Board Office to ensure continued support for timely information sharing, community engagement, and well-informed decision making throughout the budget development process.

Attachments:

- A) County Budgetary Process Timeline
- B) Fiscal Year 2026-2027 Recommended Budget Presentation (English version)

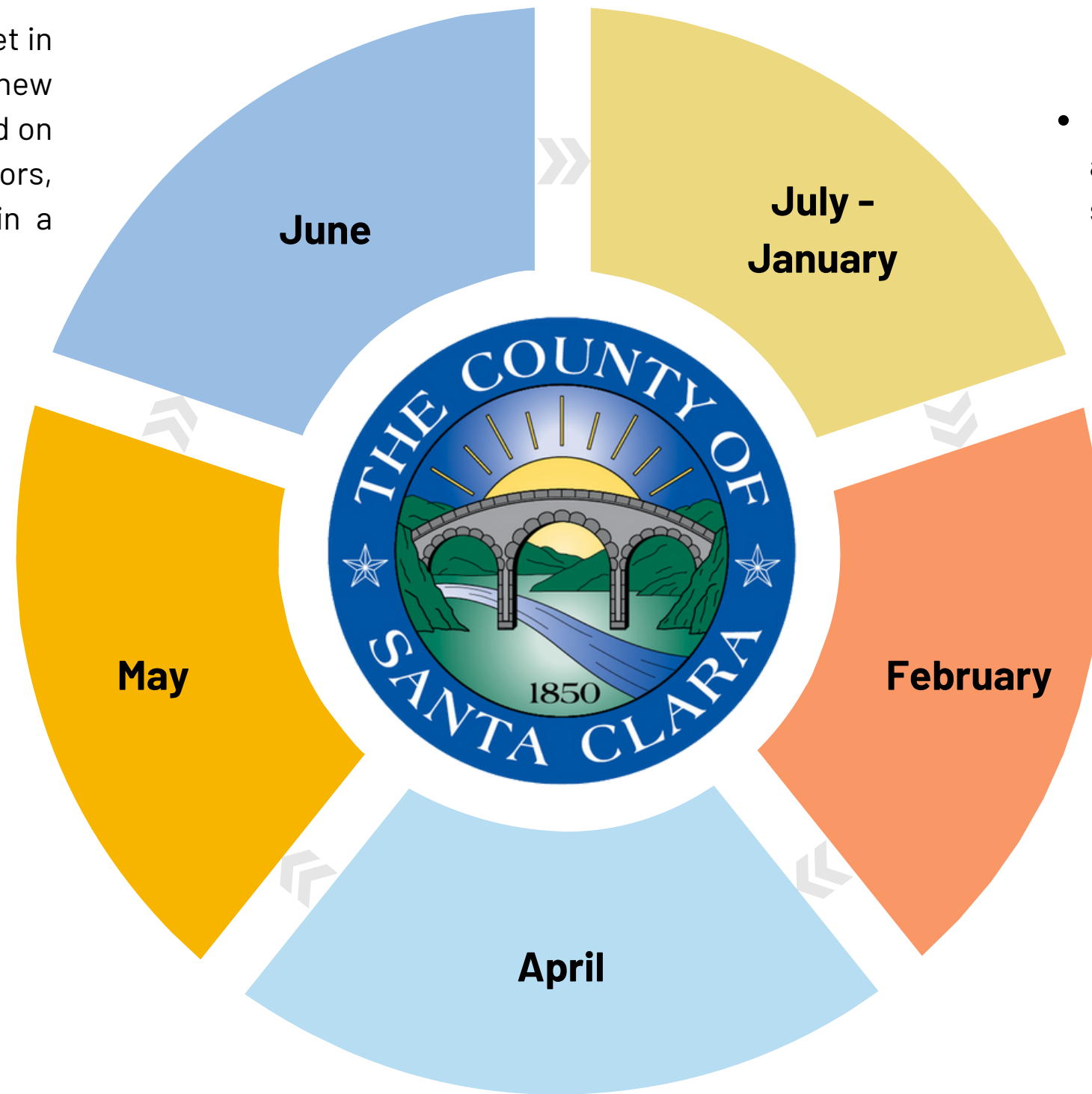
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c: Chief Board Aides
Greta S. Hansen, Chief Operating Officer
Curtis Boone, Clerk of the Board
Tony LoPresti, County Counsel
Kim Forrester, Special Assistant to the County Executive
Brian Darrow, Special Assistant to the County Executive
Thai-Vinh Huynh, Agenda Review Administrator
Jason McCluskey, Budget Analyst
Shawn Whiteman, Program Manager III
Truc T. Nguyen, Program Manager II

County Budgetary Process Timeline

THE FISCAL YEAR STARTS ON JULY 1, AND ENDS THE FOLLOWING JUNE 30

- A public hearing is held on the County budget in **mid-June** to receive public input, provide new information, and incorporate changes based on direction from the Board of Supervisors, ensuring the Adopted Budget will result in a balanced budget by July 1
- County Executive makes funding recommendations to the Board of Supervisors in the Recommended Budget released on **May 1**, for the following fiscal year
- The County holds a multi-day Budget Workshop in **May** so that community members and other stakeholders can learn about the Recommended Budget and voice their opinions



- Departments analyze their operations, and solicit feedback from community stakeholders & clients
- Departments submit their budget proposals to the County Executive in **early February**
- Also in February, the Board reviews & approves the mid-year budget adjustments

- Board Policy Committee Meetings throughout **April** include copies of department submitted budget proposals in the meeting agenda material

Fiscal Year 2026-2027 Recommended Budget

COUNTY OF SANTA CLARA, CALIFORNIA



Major Services Provided by the County



PUBLIC SAFETY AND JUSTICE

Criminal Prosecution and Defense

Jail Operation

Law Enforcement

Probation Supervision

Juvenile Hall

Cause of Death Investigations



HEALTH AND HOSPITAL

Operation of Four Hospitals

Operation of 15 Medical Clinics

Regulate Ambulance Services

Custodial Health Services

Public Health Services

Behavioral Health Services



HOUSING, LAND USE, ENVIRONMENT, AND TRANSPORTATION

Supportive Housing and
Homelessness Prevention

Operation of Two Airports

Road Construction and Maintenance

Park Operation and Maintenance

Planning and Zoning Enforcement

Major Services Provided by the County



FINANCE AND GOVERNMENT OPERATIONS

- 911 Emergency Calls
- Elections Administration
- Marriage, Birth, and Death Records
- Land Records
- Facility Maintenance and Improvement
- Distribution of Property Taxes to Other Local Governments



CHILDREN, SENIORS, AND FAMILIES

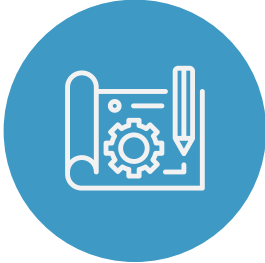
- Child Protective Services, Adoption Assistance, and Foster Care
- Medi-Cal, CalFresh, and CalWORKs administration
- Adult Protective Services
- Senior Nutrition Centers
- Child Support Collection and Enforcement

...and many others!

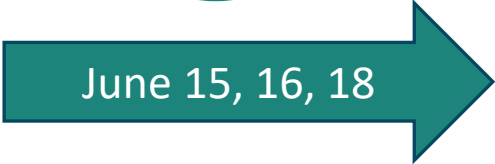
Budget Timeline



The County Executive releases a balanced Recommended Budget on May 1, for the fiscal year beginning July 1.



The County has a multi-day Budget Workshop on May 11-13, so that residents and other stakeholders can learn about the Recommended Budget and voice their opinions.



Public Hearing is held on the County Budget during June 15, 16, and 18 to take public input, incorporate new information and record changes from the Board of Supervisors, ensuring that a balanced budget will be adopted by July 1.



The County's Adopted Budget is published and made available online.

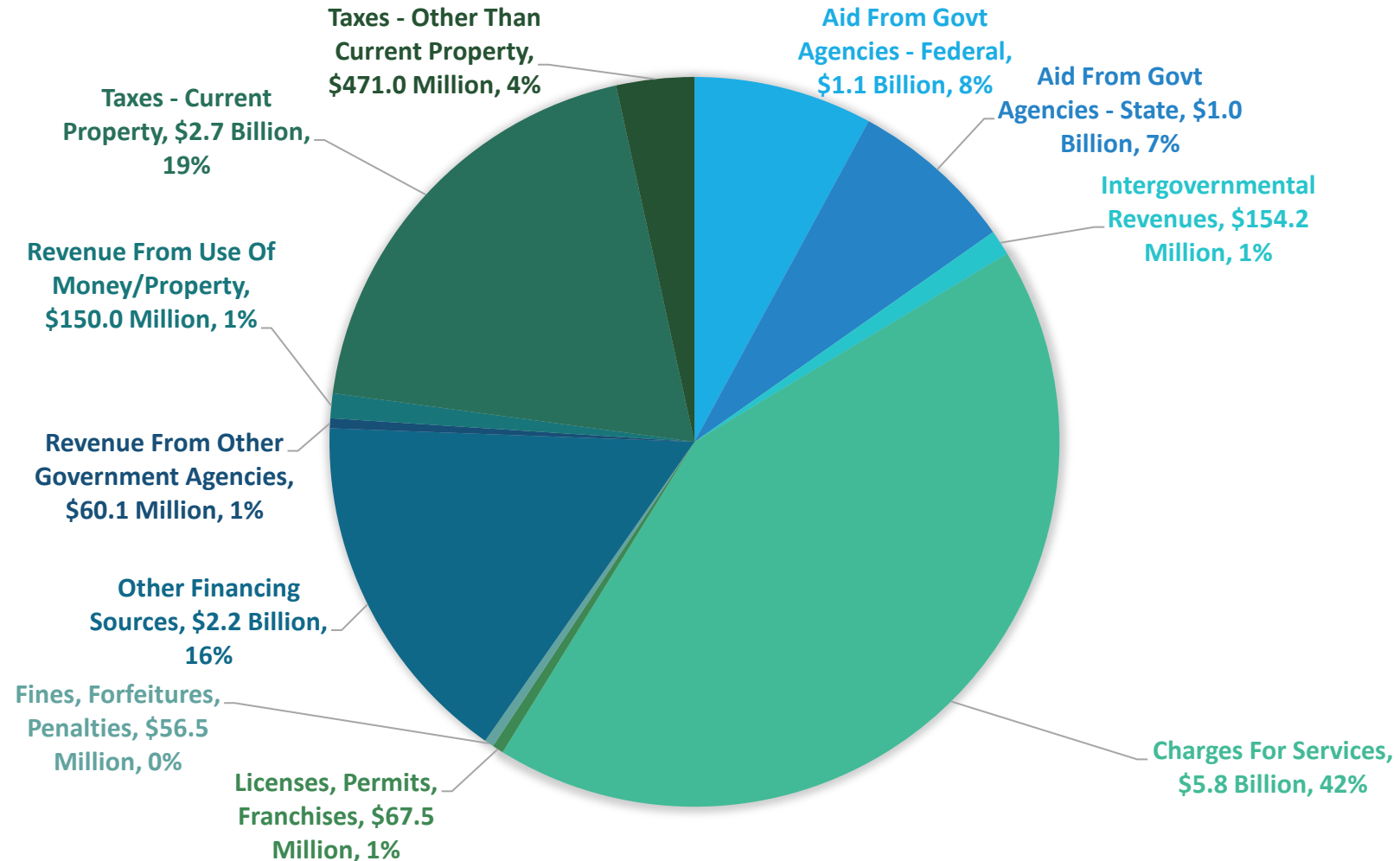
Where the Money Comes From

Most of the County's \$13.7 billion in budgeted revenues are legally required to be used for specific programs or are generated by the activities that they fund.

Approximately 30% of the County's revenues are derived directly or indirectly from the federal government.

Charges for Services, mostly related to the health system, is the largest category of revenue, and accounts for 42% of the County's budgeted revenues. It is primarily federally-funded Medicare and Medicaid payments for healthcare provided to elderly, families, and individuals without employer-paid health insurance.

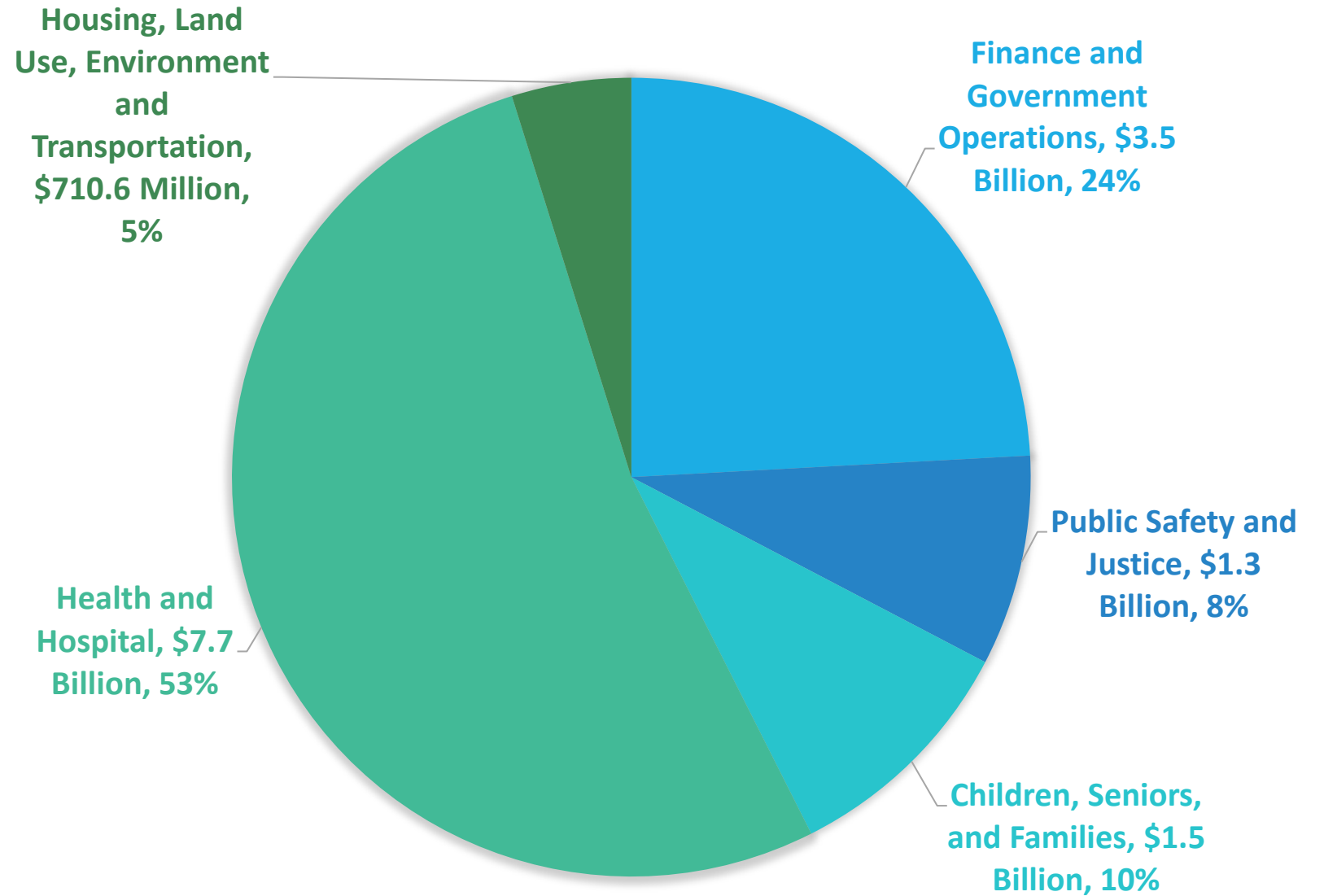
Aid From the State includes both a mix of State revenue and federal funding provided to the State but passed on to the County to operate programs on the State's behalf



Where the Money Goes

The County's Health and Hospital departments constitute approximately 53% of the County's \$14.7 billion in gross appropriations. This includes Behavioral Health (\$1.1B), Public Health (\$238M), the Hospital System (\$4.7B), Custody Health (\$179M), EMS (\$9.5M), and Valley Health Plan (\$1.5B).

Appropriations for the Hospital system include the operation of four hospitals and fifteen medical clinics.

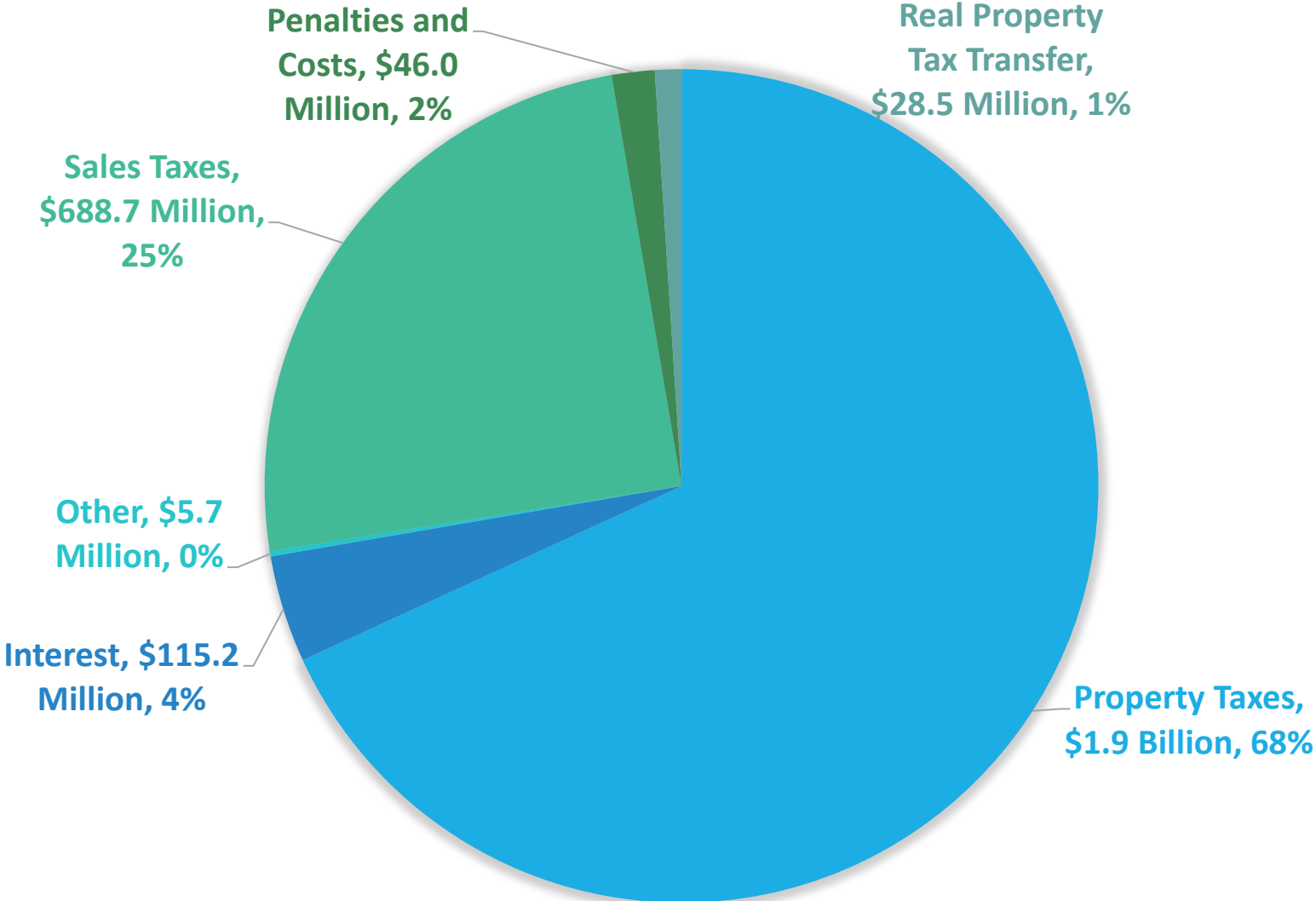


List of Committees and Departments

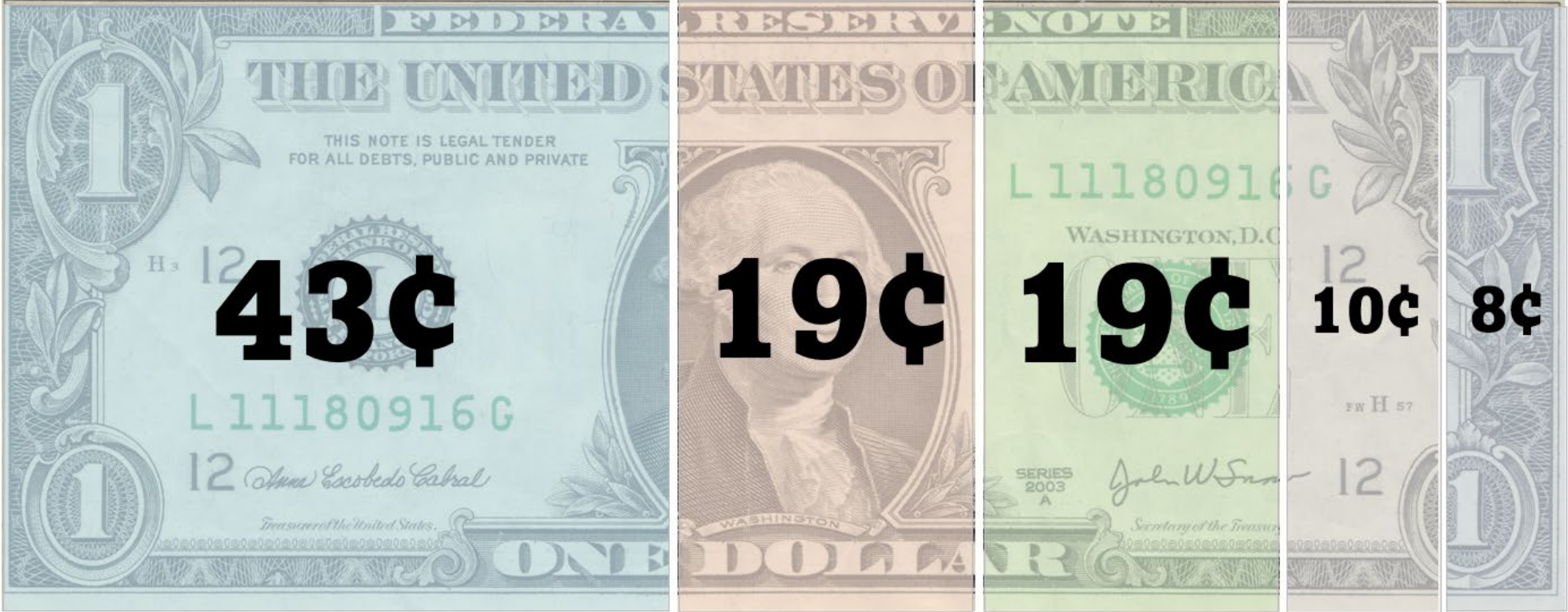
CSFC	FGOC	Health and Hospital (HHC)	HLUET	Public Safety and Justice (PSJC)
Categorical Aids Payments Department of Child Support Services	Appropriations for Contingencies Clerk of the Board	Behavioral Health Services Department Department of Environmental Health	Airports Department Consumer and Environmental Protection Agency	Criminal Justice System- Wide Costs Custody Bureau
In-Home Supportive Services	Controller-Treasurer	Emergency Medical Services Maddy Emergency Services	County Sanitation District 2-3	Office of Pretrial Services Office of the District
Social Services Agency	County Clerk-Recorder's Office	Fund-Health SB 12	Department of Planning And Development	Attorney Office of the Medical Examiner
SSA-1991 Realignment	County Communications County Debt Service County Library District Department of Tax & Collections Employee Services Agency Facilities and Fleet Department Fleet Services Information Services LAFCO Office of the Assessor Office of the County Counsel Office of the County Executive Procurement Registrar of Voters Risk Management Special Programs and Reserves Board of Supervisors	Public Health Department Santa Clara Valley Healthcare SCVH Custody Health Services Valley Health Plan	Los Altos Hills County Fire District Office of Supportive Housing Parks and Recreation Dept Roads Department Santa Clara County Central Fire Protection District South Santa Clara County Fire District Vector Control District	Office of the Public Defender Office of the Sheriff Probation Department Sheriff's Custody Bureau Contracts

Where Discretionary Revenue Comes From

68% of the County's \$2.8 billion in discretionary revenue comes from various types of property taxes.



Where Discretionary Revenue Goes



Public Safety & Justice

Hospital & Health Clinics

Behavioral Health, Homelessness &...

Facilities & Technology

Core Government Operations

43% of total discretionary revenue in the General Fund provides resources for Public Safety & Justice Services

Heightened Uncertainty for Budget

Great uncertainty in future revenue amounts and costs make budget development particularly difficult this budget cycle:

- Economic impacts from atypical federal actions (H.R. 1 and others)
- Federal and state funding cuts (state response to federal actions will be critical)
- Inflation or tariff-related increases in costs for goods and services
- Possibility of an economic recession

Major Challenges for Fiscal Year 2026-2027

The costs to provide the current level of services are growing faster than revenues, and fund balances are low compared to recent years, so there is no cushion to absorb a recession or revenue loss.

The federal government is cutting funding for services to the community, specially healthcare. The County is positioning itself to preserve as many of the County's services as possible, and particularly protective of safety net services to the most vulnerable populations.