

AC 04-27-2026

Oral  
Communications

Written  
Communications



# Report for Audit Committee

Committee Member Moore

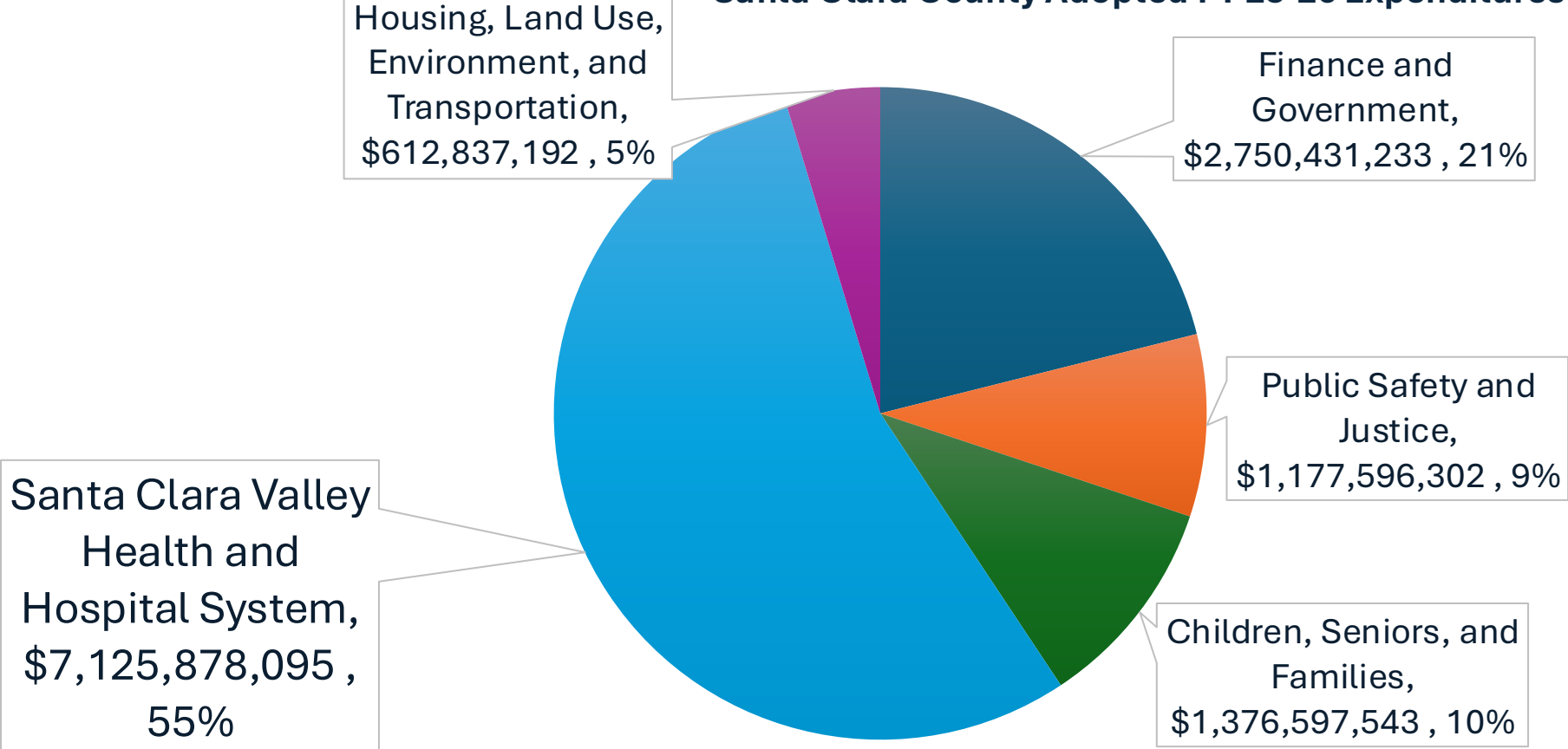
April 27, 2026



# Santa Clara County Budget Review



### Santa Clara County Adopted FY 25-26 Expenditures by Policy Area

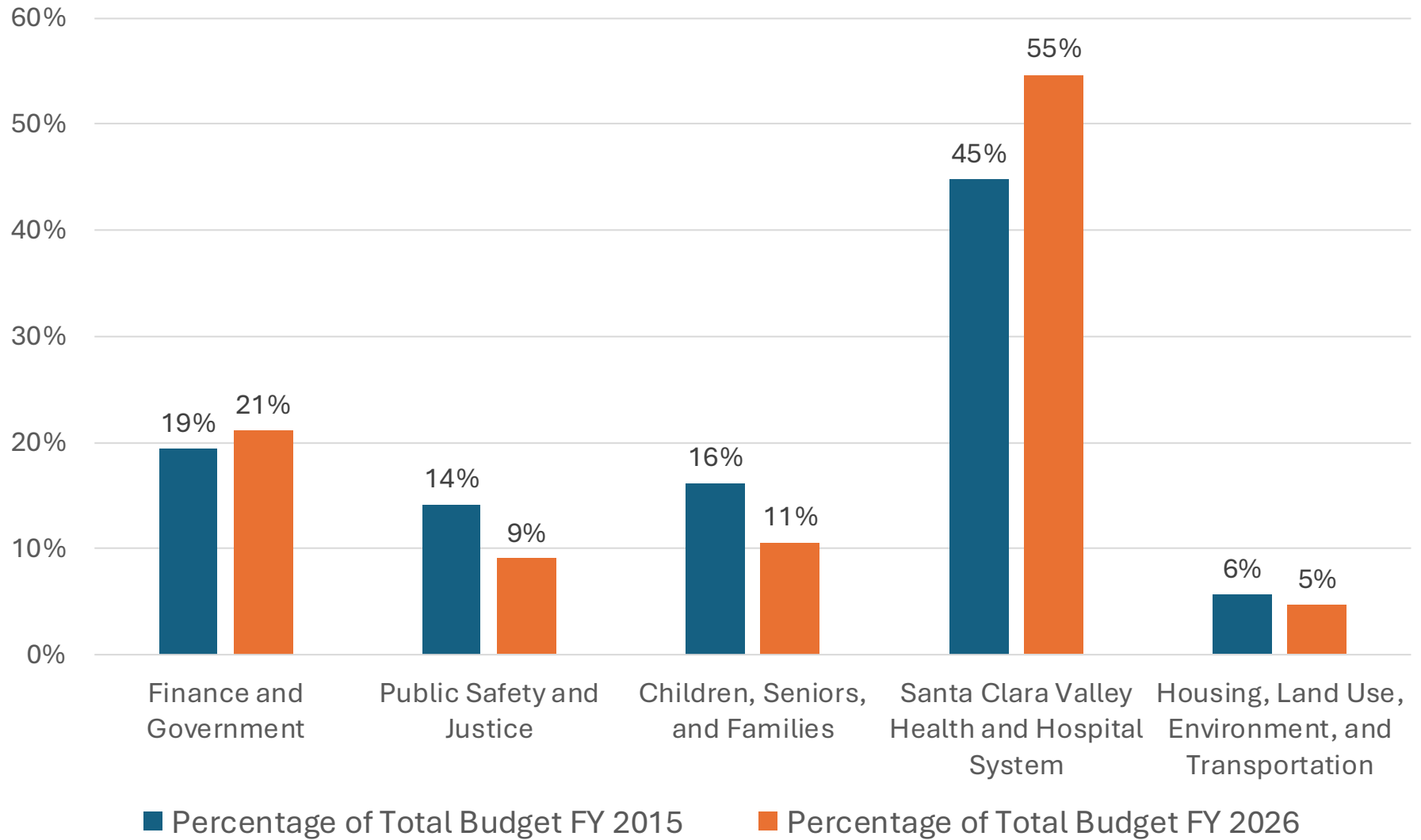


- Finance and Government
- Public Safety and Justice
- Children, Seniors, and Families
- Santa Clara Valley Health and Hospital System
- Housing, Land Use, Environment, and Transportation



# 11 Year Budget Trends Santa Clara County

## Santa Clara County Spending Trends FY 2025-FY 2026



FY 2025-2026  
County  
Comparisons

County	Total Budget (Billions)	Healthcare Spend (Billions)	% of Budget	Provider Model
Santa Clara	\$13.7	\$7.15 - \$7.5	55.0%	Owns/Operates 4 Hospitals
Orange	\$10.8	\$2.9	26.9%	Contracts most care
Riverside	\$10.0	\$2.8	28.0%	One county hospital
San Bernardino	\$10.5	\$2.7	25.7%	Mixed model
Sacramento	\$9.2	\$2.3	25.0%	Contracts most care
Alameda	\$5.1	\$1.32	25.9%	Public hospital authority

**Staffing:** Over **52% of all county employees** (approx. 12,000+ people) work directly for the Health and Hospital System. In most other counties, health workers typically make up less than 30% of the workforce.



**Cupertino is a donor  
city**

# Where Does Cupertino's Sales Tax Go?

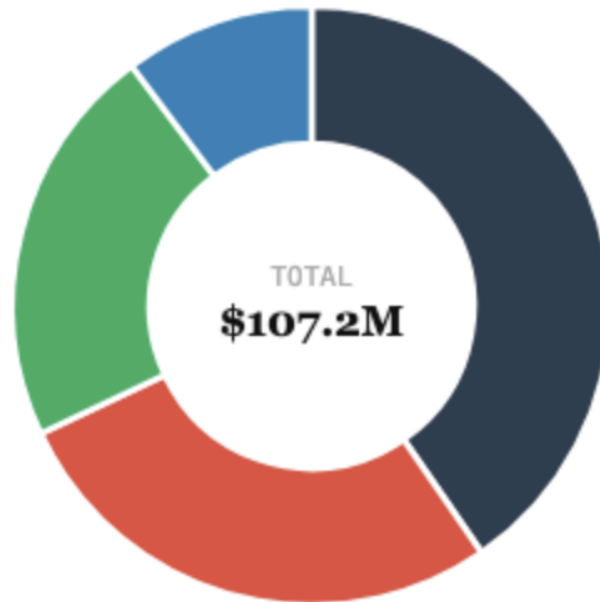
FY2026 · Post Measure A · 9.75% Total Rate · \$107.2M Total Revenue

MONEY LEAVING CUPERTINO

**\$96.2M (89.7%)**

Only \$11.0M (10.3%) stays in the City of Cupertino General Fund

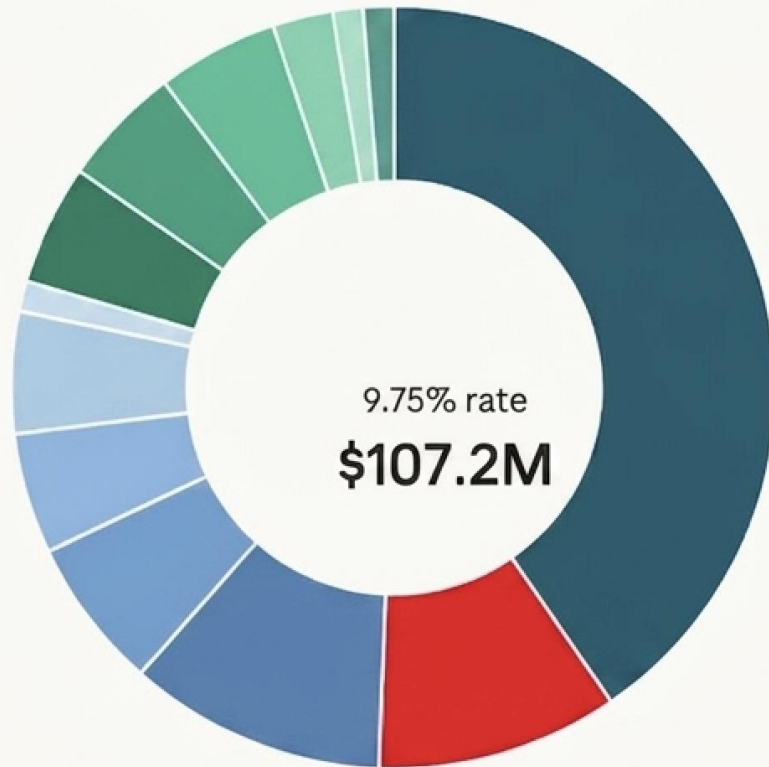
## BY CATEGORY



State	\$43.3M	40.4%
County	\$29.6M	27.6%
Transit	\$23.3M	21.7%
City of Cupertino	\$11M	10.3%

## City of Cupertino — 9.75% sales tax allocation

City's 1% Bradley-Burns share = \$11M · Total collected across all entities ~\$107.2M · Measure A expires Mar 31, 2031



### STATE

State General Fund \$43.3M 3.9375%

### CITY

City of Cupertino (Bradley-Burns) \$11.0M 1%

### COUNTY

2011 Realignment \$11.7M 1.0625%

Measure A — County General Fund \$6.9M 0.625%

1991 Realignment \$5.5M 0.5%

County Public Safety (Prop 172) \$5.5M 0.5%

SC County Retail TUT \$1.4M 0.125%

### TRANSIT

SV Transport Solutions \$5.5M 0.5%

VTA BART Extension \$5.5M 0.5%

SC County Transit (VTA) \$5.5M 0.5%

Local Transport Fund (VTA) \$2.7M 0.25%

VTA BART Ops & Maint. \$1.4M 0.125%

Caltrain (Measure RR) \$1.4M 0.125%

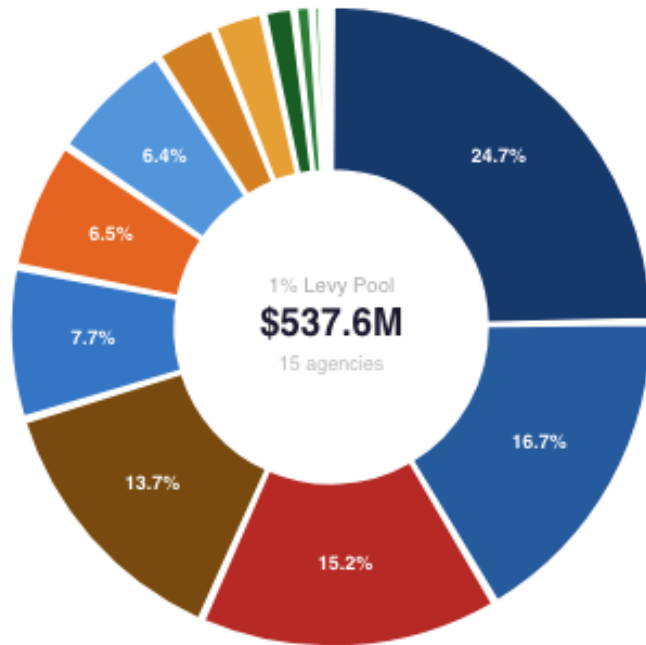
# Cupertino Property Tax Distribution

Two separate calculations on different bases — percentages across charts are *not* addable. City of Cupertino revenue: **\$35,000,000** · Source: Cupertino Tax Bill, FY2026

## 1% Base Levy Distribution

Applied to total levy pool · Shares sum to 100%

Total pool: **\$537,634,409** · Derived from: City of Cupertino \$35M ÷ 6.51% share ÷ 1% rate = \$53.76B total assessed value × 1%

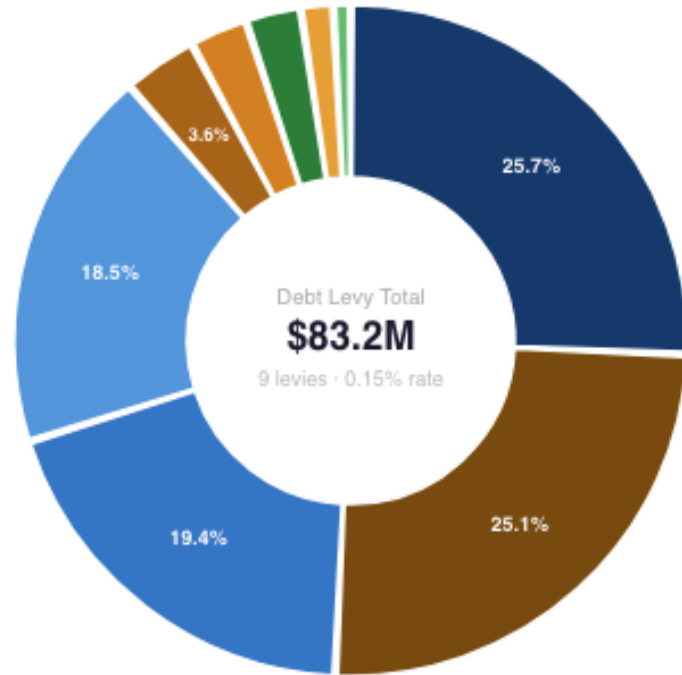


AGENCY	SHARE	EST. FY26
<b>EDUCATION — \$298.6M (55.5%)</b>		
■ Cupertino Union Elementary	24.75%	\$133,064,516
■ Fremont Union High	16.71%	\$89,838,710
■ Educ. Revenue Augmentation Fund	7.70%	\$41,397,849
■ Foothill-DeAnza Comm. College	6.38%	\$34,301,075
<b>FIRE / SAFETY — \$81.6M (15.2%)</b>		
■ Central Fire Protection District	15.18%	\$81,612,903
<b>COUNTY — \$104.1M (19.4%)</b>		
■ Santa Clara County	13.68%	\$73,548,387
■ SC County Office of Education	3.11%	\$16,720,430
■ Santa Clara County Library	2.57%	\$13,817,204
<b>CITY — \$35.0M (6.5%)</b>		
■ City of Cupertino	6.51%	\$35,000,000
<b>WATER / REGIONAL — \$18.3M (3.4%)</b>		
■ Midpeninsula Regional Open Space	1.55%	\$8,333,333
■ SCV Water District N.C. Zone	0.90%	\$4,838,710
■ SC County Importation Water-Misc	0.49%	\$2,634,409
■ Bay Area Air Quality Mgmt Dist.	0.18%	\$967,742
■ Santa Clara Valley Water Dist.	0.16%	\$860,215
■ SCV Water District W. Zone 4	0.13%	\$698,925
<b>TOTAL</b>	<b>100.00%</b>	<b>\$537,634,409</b>

Shares are each agency's portion of the \$537.6M 1% levy pool.

**Debt Levy Distribution** Separate levy on total assessed value - Independent of 1% above

Total debt levy: **\$83,172,043** · Applied to total assessed value of ~\$53.76B · Combined rate: **0.15%** (\$154.70 per \$100K AV) · *These percentages are shares of debt levy total only — not comparable to 1% figures above*



AGENCY	/\$100K AV	RATE	SHARE	EST. FY26
<b>EDUCATION — \$52.8M (63.5%)</b>				
■ High School Bonds	\$39.70	0.04%	<b>25.66%</b>	\$21,344,086
■ Elem/Unif School Bonds	\$30.00	0.03%	<b>19.39%</b>	\$16,129,032
■ Community College Bonds	\$28.60	0.03%	<b>18.49%</b>	\$15,376,344
<b>COUNTY — \$27.4M (33.0%)</b>				
■ CO Retirement Levy	\$38.80	0.04%	<b>25.08%</b>	\$20,860,215
■ CO Bond 2008 Hosp Facility	\$5.50	0.01%	<b>3.56%</b>	\$2,956,989
■ CO Housing Bond 2016	\$4.30	0.00%	<b>2.78%</b>	\$2,311,828
■ CO Library Retirement	\$2.40	0.00%	<b>1.55%</b>	\$1,290,323
<b>WATER / REGIONAL — \$2.9M (3.5%)</b>				
■ SCVWD – State Water Project	\$4.10	0.00%	<b>2.65%</b>	\$2,204,301
■ Mid Peninsula Open Space 2014	\$1.30	0.00%	<b>0.84%</b>	\$698,925
<b>TOTAL</b>	<b>\$154.70</b>	<b>0.15%</b>	<b>100.00%</b>	<b>\$83,172,043</b>

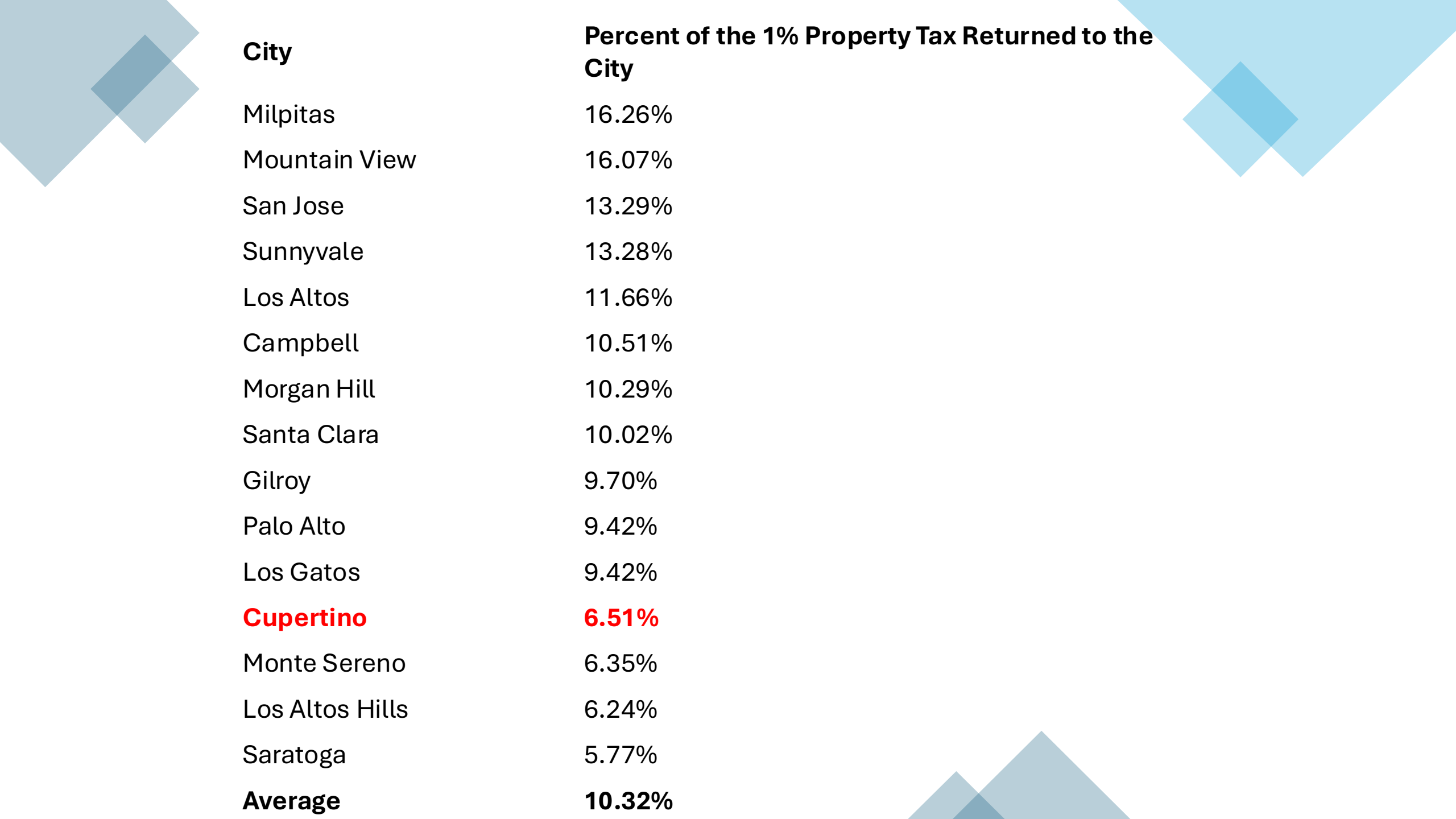
*Shares shown are each levy's portion of the \$83.2M debt levy total. Revenue = per \$100K rate x (\$53.76B ÷ \$100,000). Rates are independent of and additive to the 1% base levy.*

# 4 Cities have Historically Low Property Taxes Returned to them

Based on 1978 land uses

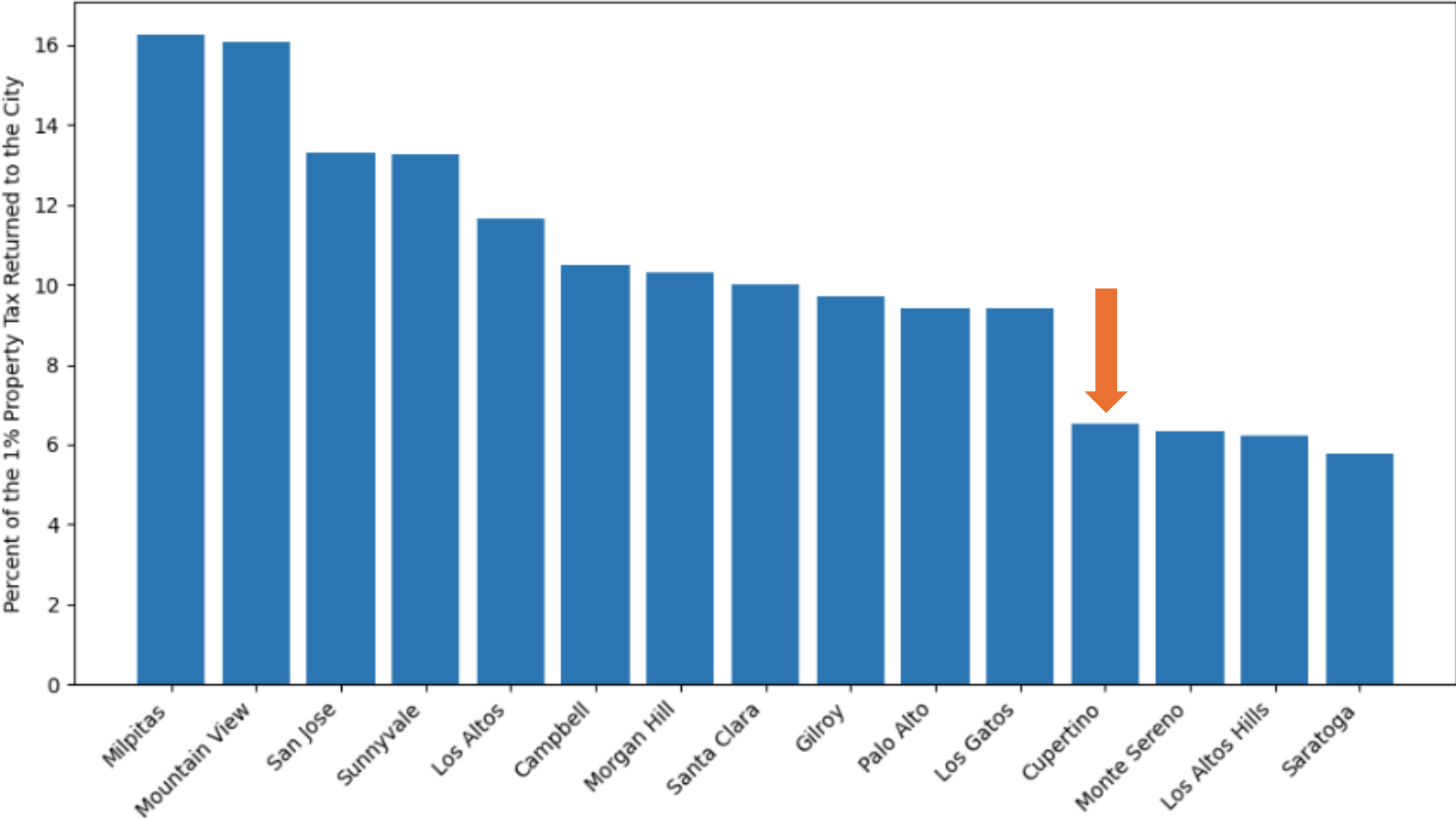


4 Cities have Historically Low  
Property Taxes Returned to them  
Based on 1978 land uses



<b>City</b>	<b>Percent of the 1% Property Tax Returned to the City</b>
Milpitas	16.26%
Mountain View	16.07%
San Jose	13.29%
Sunnyvale	13.28%
Los Altos	11.66%
Campbell	10.51%
Morgan Hill	10.29%
Santa Clara	10.02%
Gilroy	9.70%
Palo Alto	9.42%
Los Gatos	9.42%
<b>Cupertino</b>	<b>6.51%</b>
Monte Sereno	6.35%
Los Altos Hills	6.24%
Saratoga	5.77%
<b>Average</b>	<b>10.32%</b>

City Share of the 1% Property Tax in Santa Clara County



# Cupertino Is a Donor City

The County collects **\$129,277,419** from Cupertino taxpayers while Cupertino's General Fund retains only **\$46,000,000** — the County extracts **2.8x what Cupertino keeps**.

## CUPERTINO RETAINS

1% Property Tax  
City Share (6.51%)



Sales Tax  
City Share (10.3%)



**TOTAL RETAINED**

**\$46.0M**

**2.8x**  
COUNTY  
EXTRACTS

## COUNTY EXTRACTS

1% Property Tax  
County Share (13.68%)



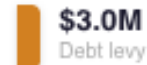
CO Retirement  
Levy (Debt)



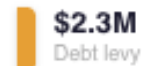
Sales Tax  
County Share (27.6%)



CO Bond 2008  
Hosp Facility



CO Housing  
Bond 2016



**TOTAL EXTRACTED**

**\$129.3M**