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Budget vs ACFR

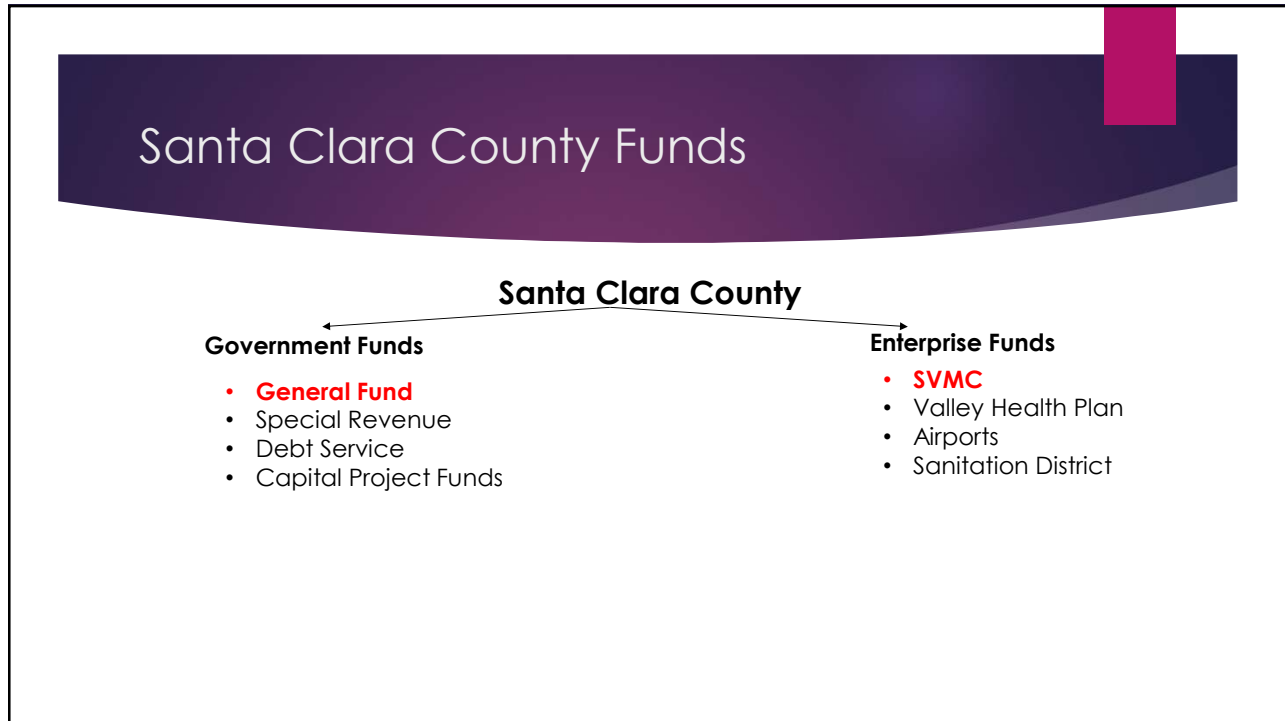
ACFR

- Audited financial report from governmental entity that complies with accounting requirements
- Best estimate of government's current and past financial performance
- Good source of information to verify employer's claims on revenue, expenses, fund balance and other financial position related questions

Budget (also midyear budget reports)

- Unaudited fiscal projections of revenues and proposed spending for the upcoming fiscal year
- A forecast or a plan for spending developed by government staff that reflects the priorities and goals of the current political leaders
- A good source of information when you anticipate that the employer could reduce staffing or services in the upcoming days

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Things to look for in Santa Clara County FY24-25 Statement of Revenue and Expenditure

	General Fund	
Revenues:		
Taxes	\$ 1,980,327	<p>← Name of fund</p> <p>Which revenue categories does the county primarily rely on?</p>
Licenses and permits	19,766	
Fines, forfeitures, and penalties	81,737	
Interest and investment income	179,330	
Intergovernmental revenues	2,541,159	
Charges for services	145,803	
Other revenue	66,100	
Total revenues	5,014,222	← Total revenue
Expenditures:		
Current:		
General government	350,002	<p>Which categories constitute the county's biggest expenditure?</p>
Public protection	1,191,098	
Public ways and facilities	-	
Health and sanitation	1,140,104	
Public assistance	1,384,533	
Education	-	
Recreation and culture	-	
Capital outlay	26,061	
Debt service:		
Principal retirement	125,443	<p>← Total expenditure</p>
Interest and fiscal charges	46,577	
Total expenditures	4,263,818	
Excess (deficiency) of revenues over (under) expenditures	750,404	← Surplus/Deficit
Other financing sources (uses):		
Proceeds from sale of capital assets	2,004	<p>← Total other financing including net transfer</p> <p>← Net change in fund balance</p>
Lease and SBITA financing	26,061	
Bond premium	-	
Bonds issuance	-	
Transfers in	166,820	
Transfers out	(969,472)	
Total other financing sources (uses)	(774,587)	
Net change in fund balances	(24,183)	
Fund balances, beginning of year	1,214,449	
Fund balances, end of year	\$ 1,190,266	

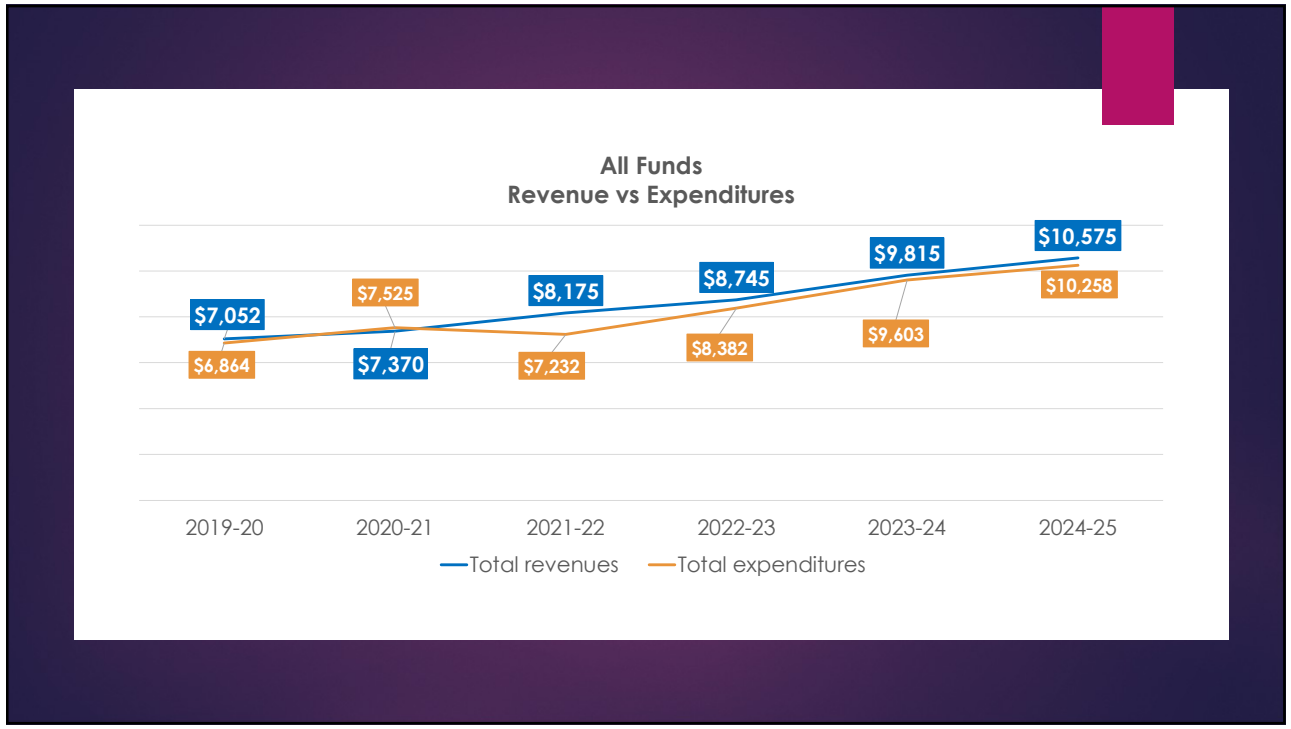
Revenue

- Expenses

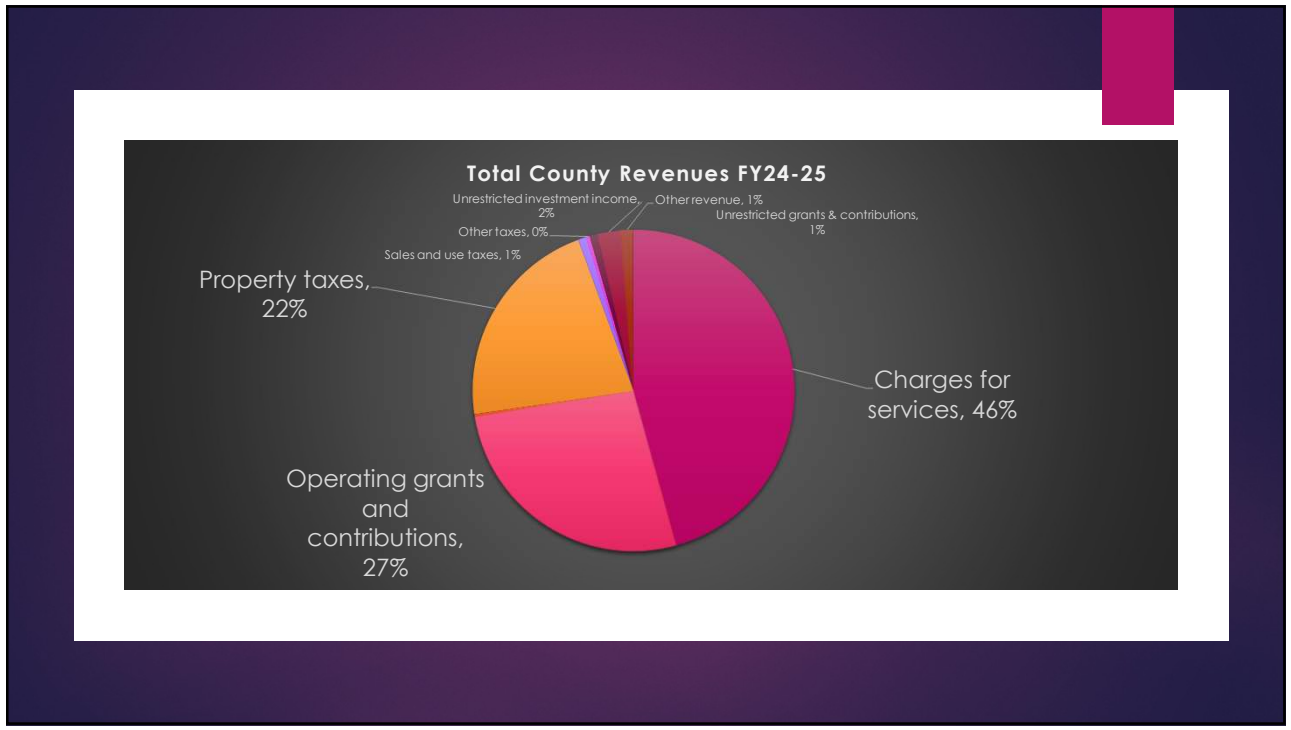
+ Other Financing Sources

= Net Change in Fund Balance

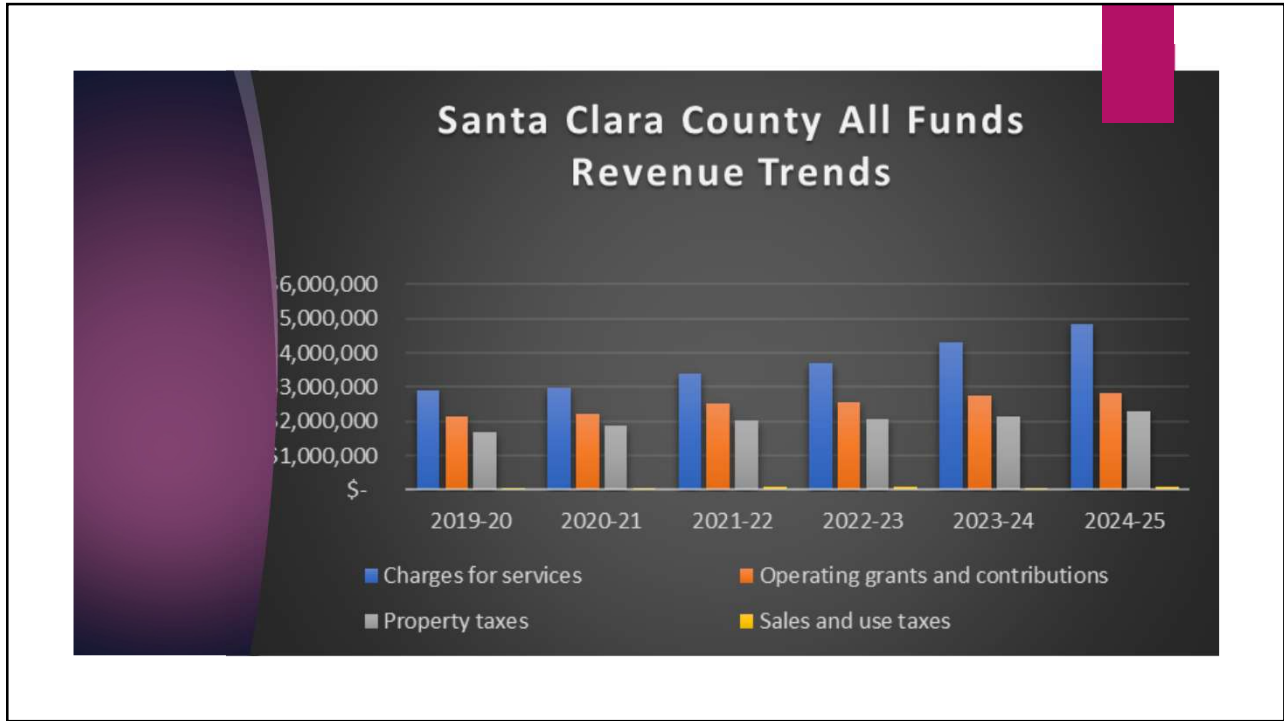
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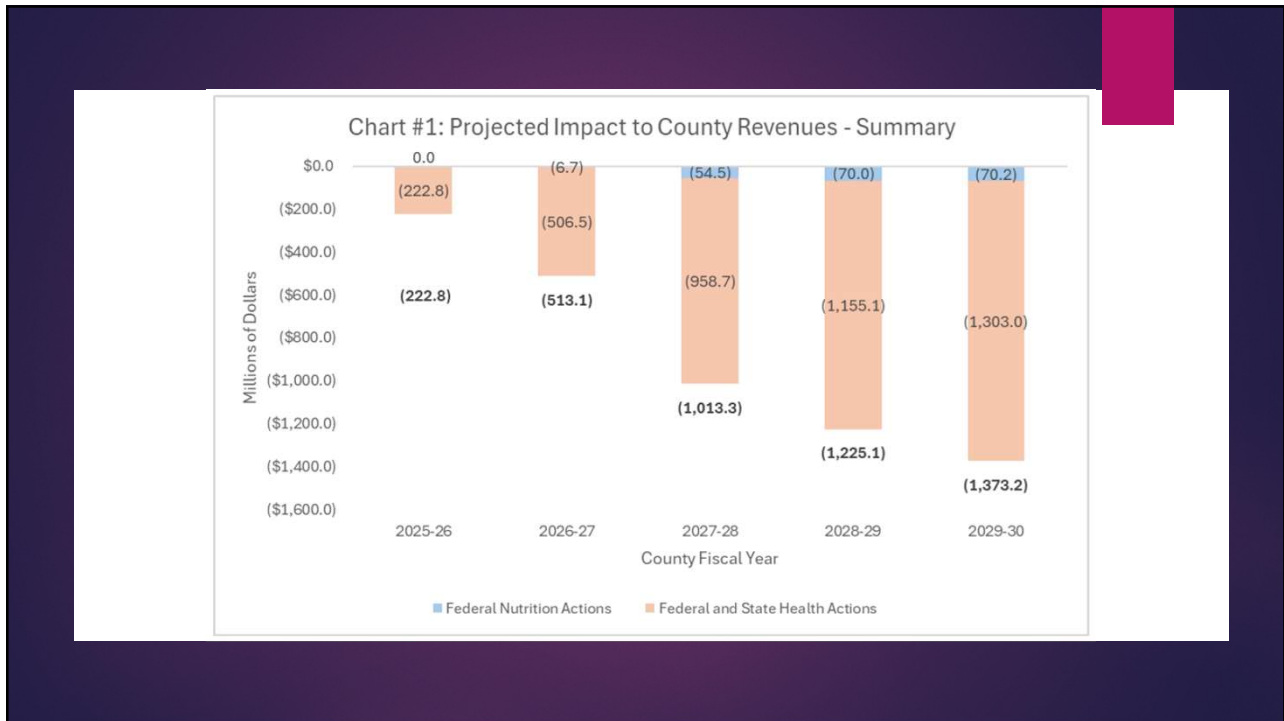
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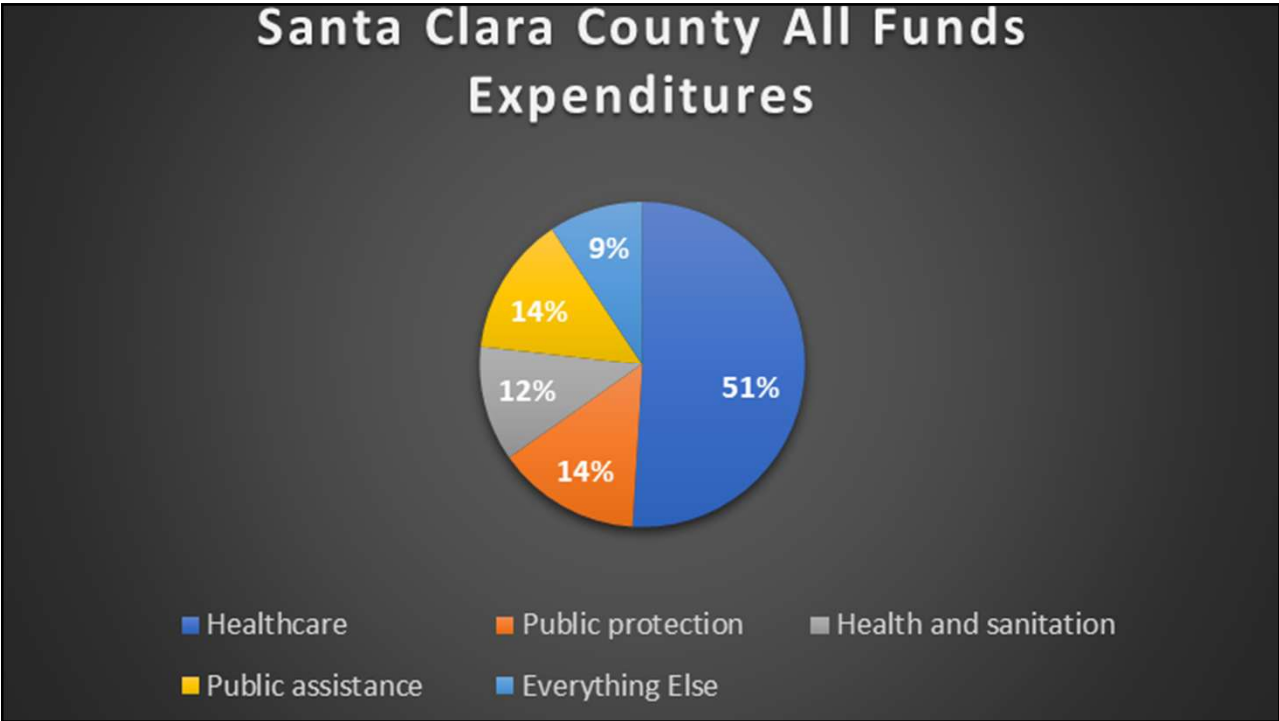
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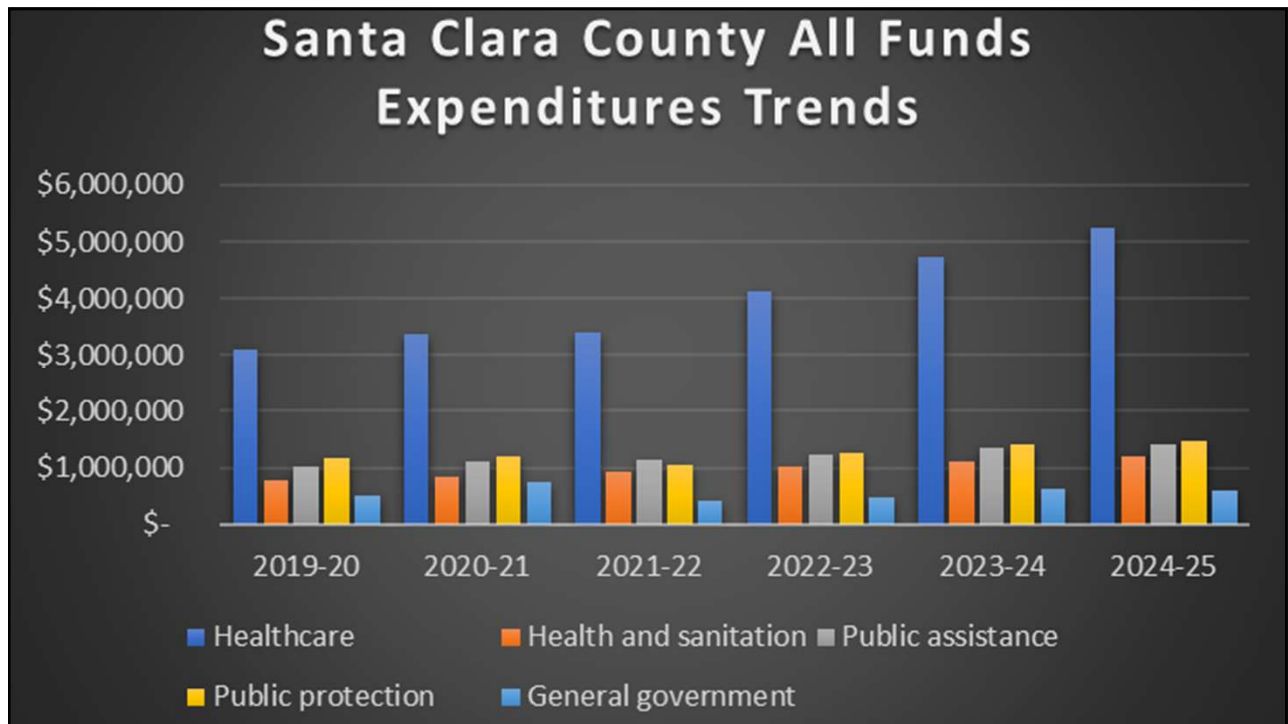
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- Freeze and reduction in Medicaid provider taxes, estimated revenue loss of \$114.1 million
- Freeze and reduction in Medicaid Directed Payments, estimated revenue loss of \$275.3 million
- Other provisions of H.R. 1, primarily Medicaid work requirements, estimated revenue loss of \$474.1 million
- Expiration of federal disproportionate share funding and related cuts, estimated revenue loss of \$115.9 million
- Enrollment impacts to State-only Medi-Cal Program from both direct State changes and federal immigration enforcement, estimated revenue loss of \$323.5 million

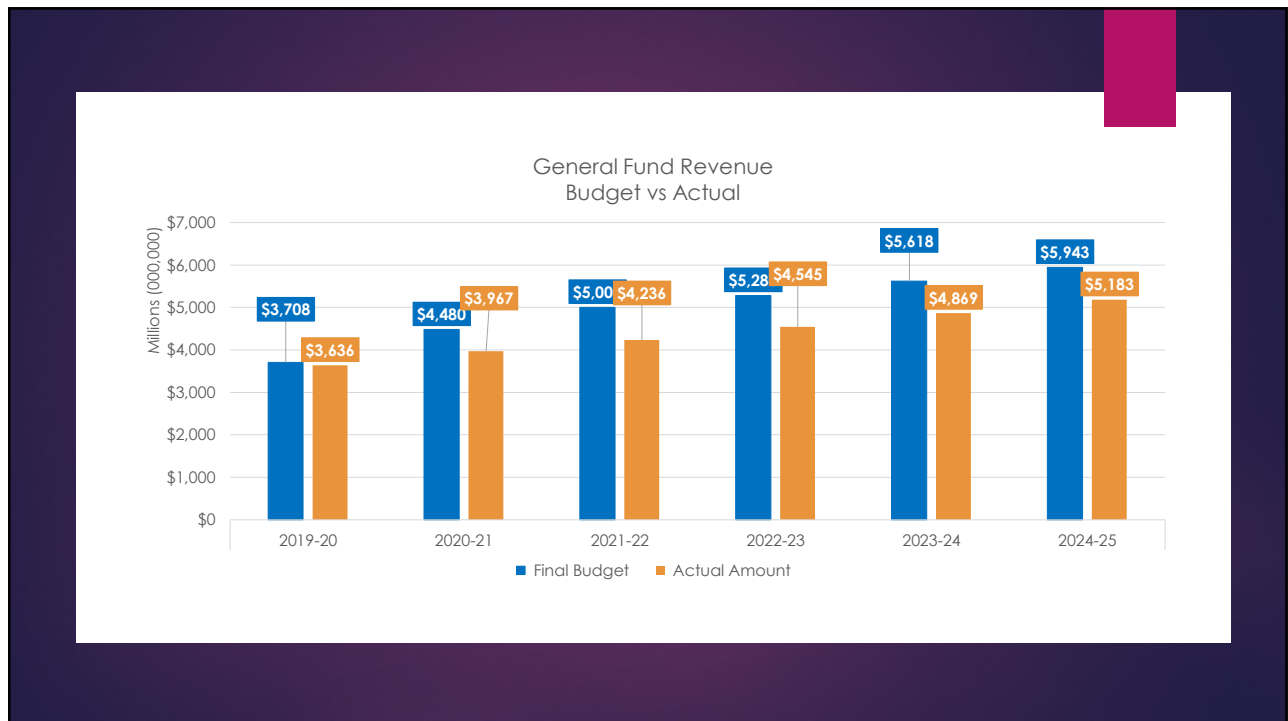
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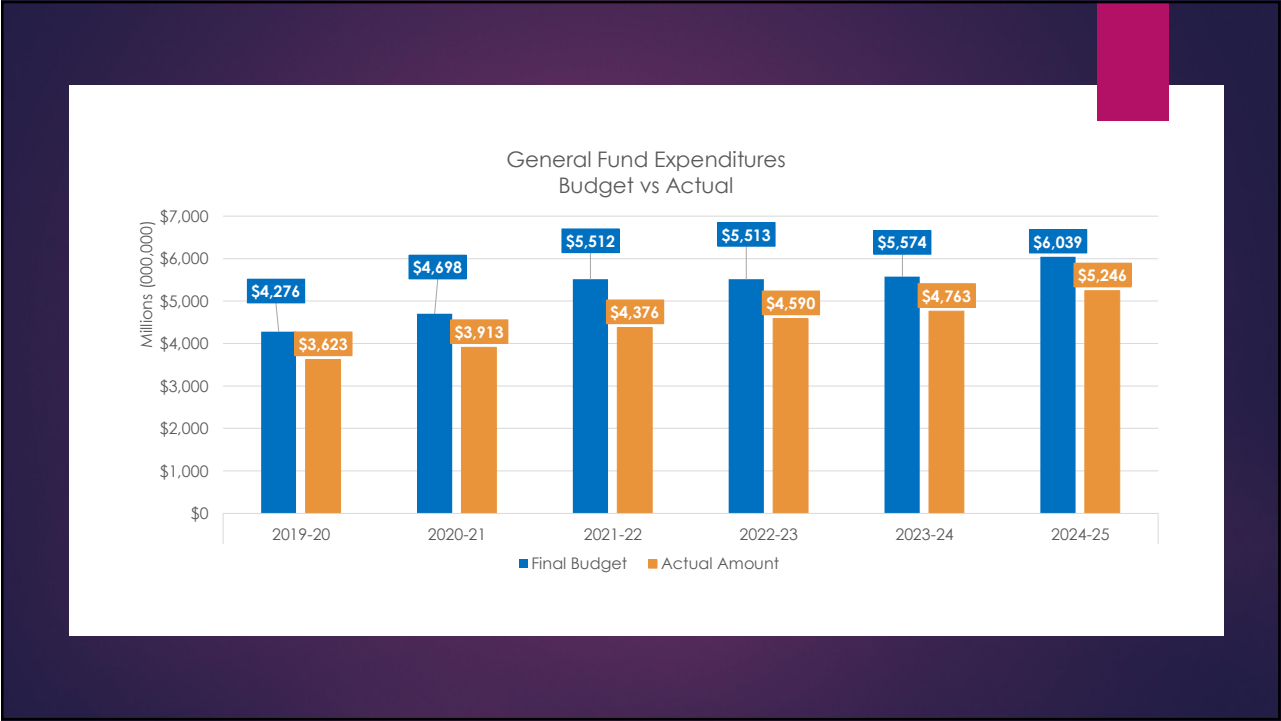
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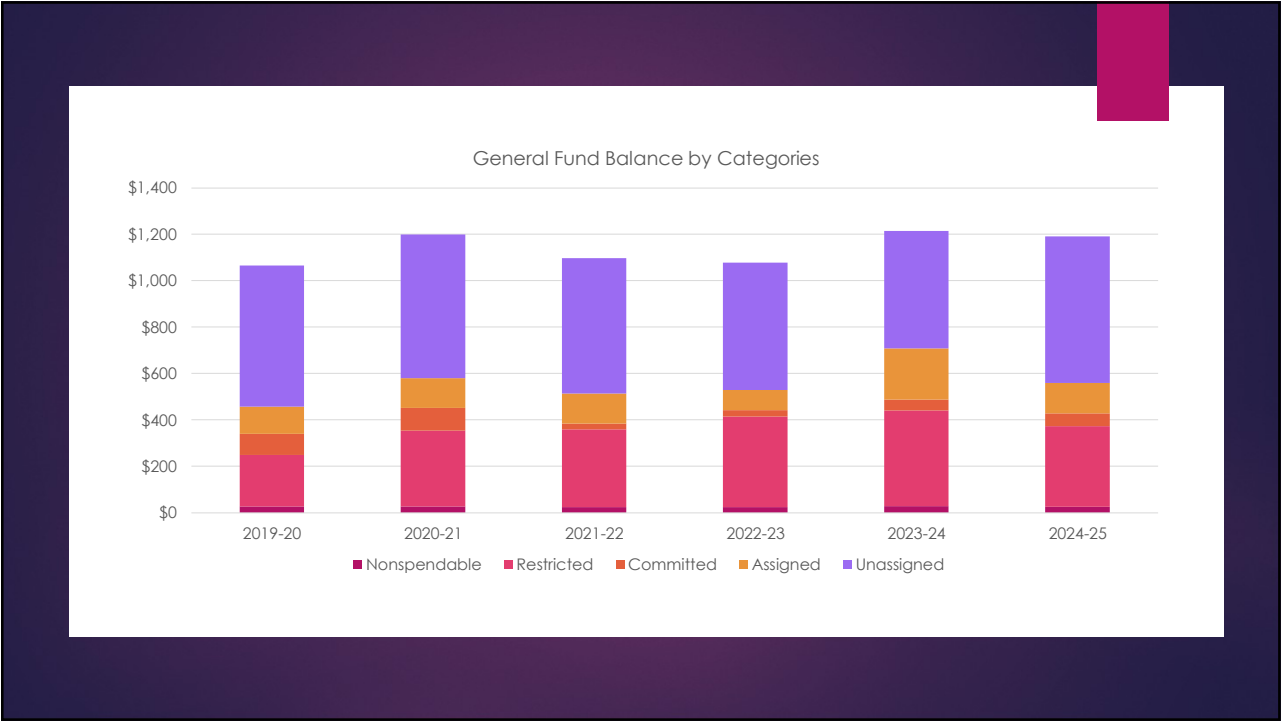
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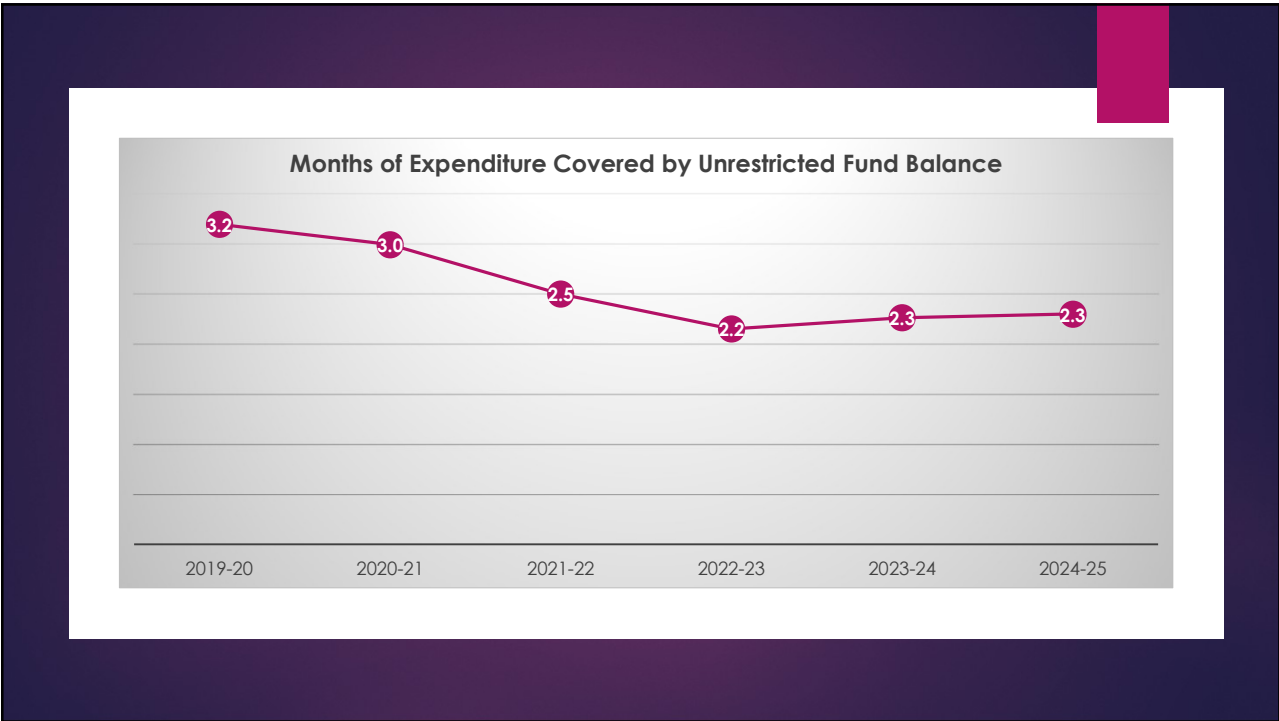
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Financial Indicators:
General Fund Balance to Expenditure Ratio

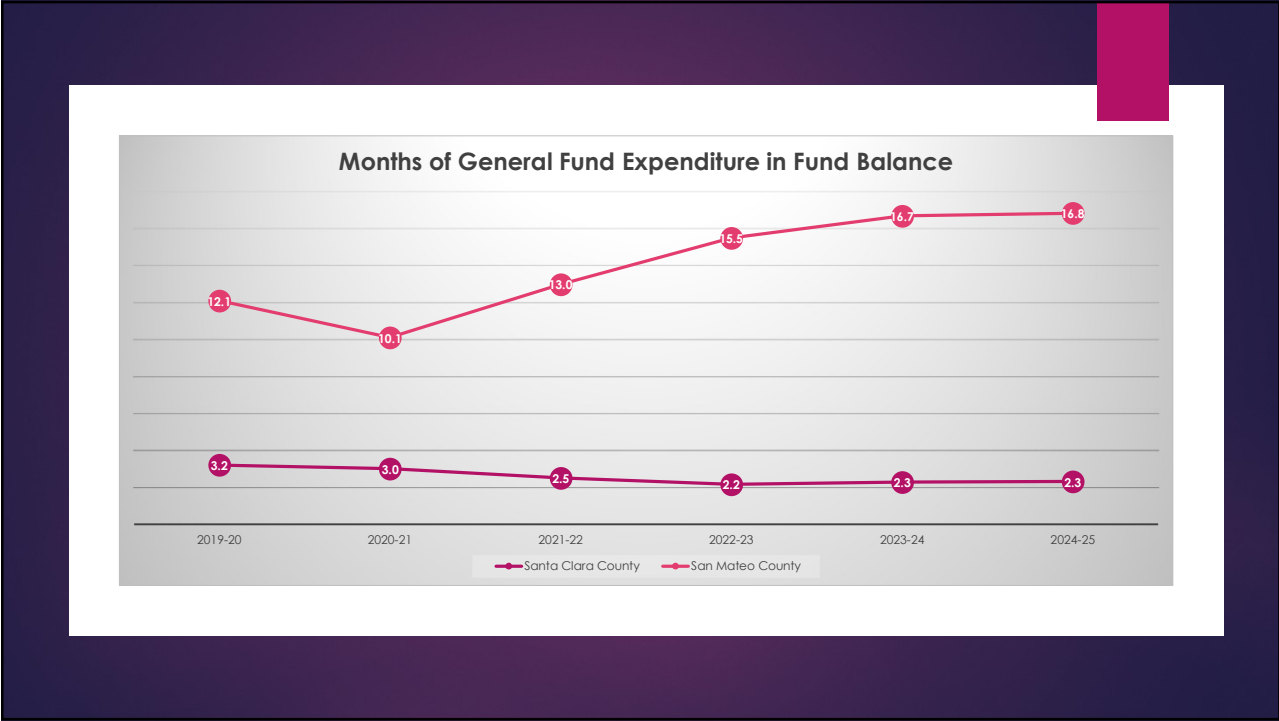
▶ Government Finance Officers Association recommends counties maintain unrestricted fund balance in their general fund of no less than two months of regular general fund operating expenditures. Santa Clara County has 2.3 months of general fund operating expenditures in the latest available data.

(in thousands)	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Total Expenditures	\$3,062,421	\$3,385,506	\$3,537,996	\$3,696,998	\$4,100,324	\$4,263,818
Unrestricted Fund Balance (unassigned, assigned, committed)	\$816,462	\$844,997	\$737,522	\$663,279	\$773,805	\$817,695
# Months of GF Expenditure covered by Unrestricted Fund Balance	3.2	3.0	2.5	2.2	2.3	2.3

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Key Takeaways/Open Questions

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