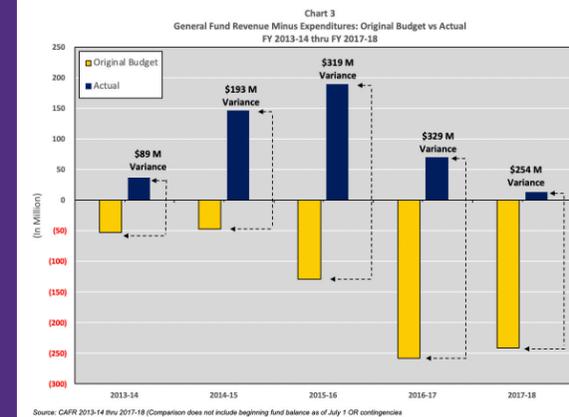


So, what's really going on with the County budget?

Over the past 5 years, Santa Clara County's budget has been off by over \$1.1 billion dollars (see chart 3). It's clear that the County has a long pattern of underbudgeting their revenues and overbudgeting their expenses.



This effectively denies Santa Clara County residents and workers the chance to gain an accurate understanding of the true budget projections. Our County needs to be more transparent with workers and the public about their budgeting process.

For County management and the Board of Supervisors to meaningfully partner with workers and residents to make Santa Clara County a better place to live, work, and raise a family, it's critical for us to have an accurate picture of the County's budget.

What needs to happen next?

What's clear from an analysis of Santa Clara County's budget is that our County can and should do more to provide critical services and quality jobs. For our community to truly work for the many and not just the few, it's more important than ever for us to make a strong investment in public services.

Data shows, and we know firsthand, that the cost of basic needs such as housing, child care, and more are out of reach for far too many County workers and residents. This is the reality for many while a select few in our County are amassing unimaginable wealth and power. This is shameful.

For Santa Clara County to continue playing an important role in leading our region into a bright future, they must fully-fund County services. The best way to counter the damage of extreme income inequality and ensure the health and safety of every County resident is through a robust investment in the public services County workers provide.



Review of the budget shows that Santa Clara County has had the resources to increase their investment in our community for years. In addition, it's clear that our County budget process needs to be improved to ensure residents and workers have an accurate picture of our County's finances.

It's time. Let's make Santa Clara County work for everyone.



"Working with patients in need of care within our safety-net hospital system in Silicon Valley, I see the extreme ends of income inequality and how it harms our community. Working, healthy families are falling behind and slipping through the cracks as the cost of living rises. That's why we must invest in public services and make #OurSantaClara County a place where everyone can live with dignity."

-Ruben "Armas" Armas
Medical Assistant, Valley Speciality Center



What's happening in Santa Clara County?

During the Great Recession, the wealthiest got richer while public services went underfunded. County workers took concessions, and we saw high turnover and diminished services for those in the greatest need. Today, billionaires shamefully control more wealth and power than ever before while the economic recovery has left working families behind.

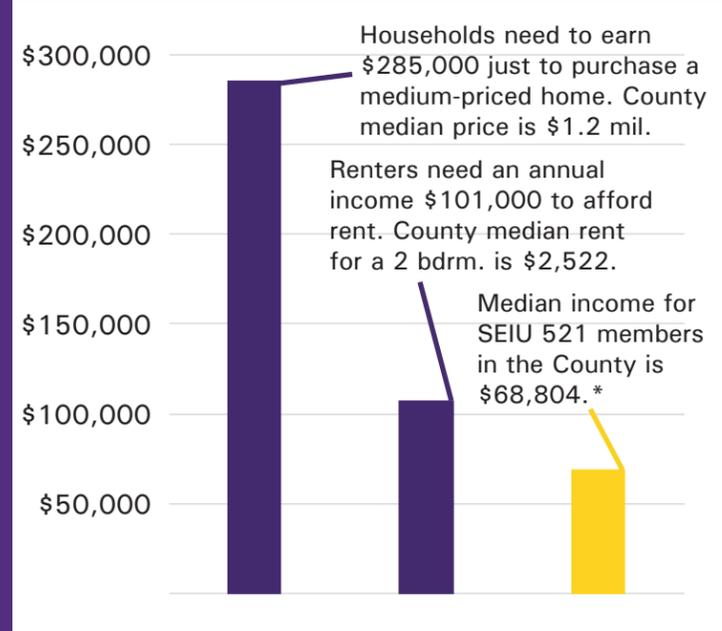
We believe #OurSantaClara can be a place where all working people—whether Black, brown, Asian, or white—should be able to keep a roof over our heads and food on the table for our loved ones.

Santa Clara County plays an important role in creating a region that works for all residents. For our County to continue leading Silicon Valley towards a bright future, our budget analysis shows that we can and must do more for working families.

The truth is, workers and residents are suffering.

Santa Clara County's economic boom disproportionately benefits billionaires and corporations while leaving workers in our community behind. This is largely driven by the technology sector's economic model that concentrates wealth for a few while wages and standard of living for the majority decline.

The skyrocketing cost of housing further enriches corporate, private equity, and millionaire landlords. This causes a severe shortage of low- and moderate-cost housing for working people.



*Based off of the assumption that everyone works 2,080 hours in a year.

Expensive Bay Area housing creates longer commutes.

Working families are increasingly forced to live farther and farther from their place of work, which puts a severe strain on our region's transportation infrastructure. **With companies like Google planning major expansions in downtown San Jose, transportation and housing conditions will only worsen.**



"County workers are tiring of long commutes, a lack of quality home life, and the financial insecurity of living here. We struggle to pay for child care, food, rent, and more. We commute hours from more affordable areas, have multiple jobs, or consider resigning—leading to inadequate staffing and burnout for those who stay. It's a vicious cycle that hurts workers, services, and our community."

-Vaughn Flaming, Library Assistant II

A lack of affordable child care also hurts working families.



"Becoming a County worker was a step up for me, but also meant no longer qualifying for subsidized child care. The overwhelming cost of \$12,000/yr. meant my dad had to move down from Stockton, take CPR classes, and get certified as an IHSS worker to help care for my son, who has adaptive needs. Quality child care is an essential for working families but is sadly out of reach for so many County residents."

-Lilia Jacobo, Senior Health Service Representative

County Job Classification	Annual Salary	% of Salary for Child Care	% of Salary for 2 bdrm apartment	Combined % of Salary
Food Service Worker I	\$42,768	53%	71%	124%
Janitor	\$45,828	49%	66%	115%
Accounting Clerk I	\$52,368	43%	58%	101%
Park Maintenance Worker I	\$54,492	41%	56%	97%
Administrative Assistant	\$58,200	39%	52%	91%
Eligibility Worker I	\$59,484	38%	51%	89%
Child Support Officer I	\$67,668	33%	45%	78%

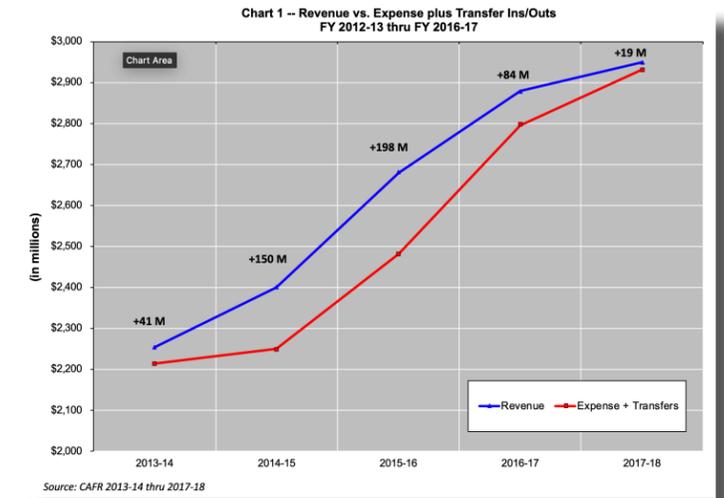
Santa Clara County can afford to do more.

In each of the seven years since the Great Recession of 2008, the County has posted an annual surplus (from Fiscal Year 2010-11 through FY2017-18). In the last five years, the General Fund had year-end net surpluses amounting to a cumulative total of \$492 million.

According to their own mid-year report, the County is on track to add approximately **\$62.9 million more** to the General Fund this fiscal year alone due to operational savings.

A significant reason for this year-after-year annual surplus is Santa Clara County's continuous budgetary practices, where budgetary appropriations are greater than actual expenditures and actual revenue exceeds their estimates.

Said plainly, this means that **Santa Clara County is routinely bringing in tens of millions of dollars more than it is spending, as illustrated here (see Chart 1).**



Our County can increase services and invest in quality jobs.

As Chart 1 shows, Santa Clara County continuously brings in more revenue to the General Fund than the expenses needed to deliver the level and types of services we provide.

As of June 30, 2018, the General Fund's fund balance was at \$816 million, the highest level in the last five years. **Over those five years, the fund balance has increased by 123%.** Of this amount, \$507 million can technically be used for any purpose (see Chart 2).

"I've been a probation counselor for the County for 27 years, working with mentally ill minors who have committed very violent crimes. Due to the high cost of housing, I moved to Los Banos years ago and drive to Morgan Hill every day for work. To reduce recidivism and help these young people becoming healthy and productive members of our community, we need to increase staffing to address the many challenges we face. But recruiting and retaining dedicated staff is a challenge due to the high cost of living. Our community deserves better."

-Thaddeus Bangle, Probation Counselor II

