

For Immediate Release:
May 7, 2009

Contact:
Michelle McGurk, PIO
Office of Mayor Chuck Reed
(408) 535-4840 or (408) 655-7332 cell

Statement from Mayor Chuck Reed on San José Budget Shortfall and Layoffs

SAN JOSE, CALIF. – Mayor Chuck Reed today issued the following statement regarding the City’s \$77.5 million budget shortfall for the 2009-2010 fiscal year:

After seven straight years of budget shortfalls, San José has to make tough choices.

The City Manager has proposed a budget that could result in more than 150 layoffs. Most of these layoffs can be avoided if our City employees agree to take true zeroes this year – no wage increases, no step increases, no merit increases.

Leadership starts at the top, and when I became Mayor, I inherited a City that was in difficult fiscal circumstances. For that reason, I have voluntarily given up my own pay increases and car allowance since taking office. Additionally, the City Manager, City Attorney, City Clerk, and City Auditor have all agreed to forego raises and take a 3.75 percent pay cut in recognition of these tough economic times.

I’m calling for all our bargaining units to agree to true zeroes this year to avoid layoffs.

San José employees work hard and are committed to serving the residents of this great city. In times like these, we must pull together.

###