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Media Contact: David Low, 408-535-4840 or [david.low@sanjoseca.gov](mailto:david.low@sanjoseca.gov)

## Mayor Liccardo Releases June Budget Message

*Latest FY 16-17 budget recommendations continues a prudent and disciplined approach to spending with targeted investments focused on enhancing public safety and quality of life*

*San Jose, Calif.* – Late last Friday, Mayor Sam Liccardo released his [June Budget Message](#), outlining his latest recommendations for adopting a final, balanced budget for the 2016-17 fiscal year.

“With this Budget Message, we continue to take a fiscally-prudent approach that prioritizes saving for an uncertain future and bolstering our city’s long-term fiscal stability,” said Mayor Sam Liccardo. “At the same time, we are in a position to make some limited one-time expenditures that focus on improving public safety and our quality of life.”

The June Budget Message recommends adoption of the [City Manager’s Proposed Budget](#) which, following direction from the unanimously-approved March Budget Message, focuses the limited new dollars available this year on bolstering reserves and smart, targeted, one-time investments that will help improve basic city services. These actions include:

- **Saving:** Increasing the city’s budget reserves to help cover a projected deficit in FY 17-18 and to protect against unexpected fluctuations in city finances.
- **Investing in Police:** Allocating additional funding to support a robust police officer recruitment effort and for additional police officer overtime to help backfill for vacant positions.
- **Investing in Emergency Fire & Medical Response:** Realigning resources to restore Fire Engine Companies 30 and 40, and investing in technological improvements like a new IP-based alert system that has been shown to reduce response times by an average of 30 seconds per call in other similarly-sized fire departments.
- **Investing in Youth:** Expanding the “San Jose Works” program to provide 1,000 kids in gang-impacted neighborhoods with jobs that will help them “build a resume rather than a rap sheet.”

The Mayor’s June Budget Message also includes a number of additional recommendations and adjustments to the proposed budget, such as:

- Adding an additional \$1.3 million to the Budget Stabilization Reserve, which will bring the City’s collective “safety net” funds up to 5.8% of the city budget.
- Allocating an additional \$1 million in one-time funds to improve traffic safety via neighborhood traffic calming programs, additional crossing guards and other related efforts.
- Enhancing the City’s emergency preparedness by reinstating the Community Emergency Response Team training program, investing in our mass warning/alert system and other related infrastructure improvements.

[View all of the spending proposals included in Mayor Liccardo’s June Budget Message](#)

“We continue to make gradual progress towards restoring both our city’s fiscal health and the critical city services that our residents deserve,” continued Mayor Liccardo. “Unfortunately, given the projected deficits in future years, we are not yet in a position to significantly enhance services that carry ongoing costs.”

San Jose voters will vote Tuesday on a ballot measure that would increase the current sales tax by ¼ cent and generate approximately \$40 million in additional revenue each year (note: only \$30 million would be generated in FY 2016-17 given that the increase would not take effect until October).

In late May, the City Manager released a [provisional sales tax spending proposal](#), outlining the Administration’s recommendations for how any new revenues approved by the voters should be allocated during FY 2016-17. This proposal recommending focusing any such new sales tax revenues towards repairing roads and enhancing public safety, and will be presented to the City Council should the voters approve the ballot measure on Tuesday.

The City Council will vote on the Mayor’s Budget Message (and if applicable, a sales tax spending proposal) at its June 14 meeting. The City Council will also be holding a final public hearing on the budget on the evening of Monday, June 13.

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