

For Immediate Release
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Mayor Liccardo Releases March Budget Message

*Liccardo calls for a prudent, disciplined approach to FY 16-17 spending given fiscal uncertainties;
Public safety investments remain the focus of budget recommendations*

San Jose, Calif. – Mayor Sam Liccardo has released his March Budget Message, calling on city leaders to “tap the brakes on spending” and take a prudent approach in the FY 2016-17 budget.

In particular, this March Budget Message urges fiscal discipline by focusing on two key strategies:

1. Save

With economic uncertainty and potential future deficits on the horizon, Mayor Liccardo is calling for the City to put aside some funding to protect against the possibility of future service reductions.

“Given the economic and fiscal landscape, now is not the time for new programs requiring ongoing spending commitments,” Mayor Liccardo said. “Until our future fiscal condition is clearer, we need to tap the brakes on spending and continue tightening our belts.”

In particular, the Mayor calls for:

- Setting aside the modest \$5.7 million surplus in FY 16-17, plus additional one-time funds, to help cover a projected deficit the following year.
- Accelerating efforts to build-up the city’s depleted safety net reserves with a goal to reach 10 percent of general fund operating expenditures.

2. Invest & Innovate to Improve Public Safety

Mayor Liccardo’s Budget Message also recommends a few targeted “one-time” investments, which largely leverage outside dollars or technological innovations, to improve basic city services.

These recommendations are primarily focused on public safety, such as:

- Allocating funds to support a robust police officer recruitment plan that capitalizes on the Department’s improving competitiveness following last year’s new wage agreement and pension reform settlement.
- 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.”
- Implementing a number of modest investments in technology that will improve our public safety capacities. For example, the Budget Message recommends purchase of a new Fire Department alert system (which utilized an IP-based, text-to-speech technology) that has been shown to reduce response times by more than 30 seconds in other similarly-sized departments.

[View a list of all of the spending priorities outlined in the March Budget Message](#)

“Improving public safety remains our highest spending priority, and this Budget Message will allow us to continue to make progress on that critical goal,” continued Mayor Liccardo. “However, restoring core city services to the levels our residents expect and deserve will require us to grow revenues.”

With San Jose voters set to vote in June on a ¼ cent sales measure that would raise an estimated \$40 million per year (\$30 million in FY 16-17 due to the October 1 implementation), the Mayor’s March Budget Message also directs the City Manager to prepare an alternative budget proposal that prioritizes any additional funding that may become available from the sales tax measure on police, fire, gang prevention, and street repair and maintenance.

The Mayor’s March Budget Message provides the initial direction and framework needed for the City Manager to develop a detailed budget proposal for the City Council’s consideration.

The City Council will hold a public hearing on the Mayor’s March Budget Message on March 28 at 7:00 p.m., and then debate and vote on the Budget Message at its regular March 29 City Council meeting.

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