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**Contact:**

**Armando Gomez, Budget Director  
Office of Mayor Chuck Reed  
(408) 535-4830 or (408) 667-0823 cell**

**Statement from Mayor Chuck Reed  
Regarding Tax Revenue Estimates**

*Mayor Chuck Reed released the following statement today regarding the updated information released from the County Assessors Office related to San Jose's expected property tax revenue in the 2009-2010 Fiscal Year*

Over the past months we have all become accustomed to hearing ever worsening projections for economic forecasts which in turn force us to confront ever bleaker budgetary outlooks. Against this tide of bad news I am pleased to highlight one aspect of good news; property tax revenue is expected to decline less than was anticipated when the 2009-2010 Proposed Operating Budget was released on May 1<sup>st</sup>.

The City's budget projections are based on property tax roll data maintained by the County Assessor's Office. Based on this information, our budget anticipated a decline in secured property tax revenue of approximately 6.5%. However based on new figures released by the Assessor's Office on June 1<sup>st</sup>, the budget projections now only foresee a 4.0% decline in secured property tax revenue. This amounts to approximately \$4.78 million dollars more in city coffers than previously estimated.

In my Budget Message I will propose that these funds be directed towards the reinstatement of essential community services. In every community meeting or hearing on the budget the public has listed public safety services as their number one priority. Therefore I shall propose using the \$4.78 million tax revenue revision to maintain full service at Fire Stations 30 and 33 and help maintain the Park Ranger Program. The funding of these programs will help maintain our City's commitment to the safety of all our residents.

Although it is certainly good news that these revenue projections have increased, it is important to view this in light of the larger budget picture. Property Tax receipts are still significantly down and there remains a great deal of economic uncertainty. Although this has improved our budget condition, it has not eliminated the need for tough decisions and shared sacrifice across all segments of our City and community.

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