

San Jose budget: City must maintain tight fiscal discipline

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Mayor Chuck Reed and fiscally responsible council members are to be applauded for working tirelessly to put San Jose on a sound financial footing. Were it not for their resolve, San Jose would be headed toward becoming another Detroit, San Bernardino, Stockton, or Vallejo -- bankrupt and fighting to stay viable. Due to fiscal mismanagement in those cities, crime skyrocketed, housing prices collapsed and economic vitality atrophied.

However, after two years of austerity, the sacrifices made by many hardworking people and residents are paying off. San Jose employee salary cuts and municipal services are being partially restored, the police recruitment pipeline is filled, city hiring has resumed and our economic climate is robust and growing. Instead of a one-time "kick-the-can-down-the-road" fix, elected officials made tough but sensible choices to avoid future fiscal train wrecks.

Some politicians, however, continue to ignore reality and the dangers of financial mismanagement. As an example, a recent opinion piece in the Mercury News by Councilman Ash Kalra accused the city of waging a battle against its own employees, in part by defending itself against a union lawsuit over Measure B, the initiative for sensible pension reform. He rightfully decried the cost to the city to defend the plan to put our finances on sound footing, and he called for a stop to this litigation.

That's simple to do. The union can drop the lawsuit against the city and honor the decision of voters who approved Measure B. Everyone agrees the funds to defend the initiative are a tragic waste, and that they threaten to undermine the fiscal solvency of the city. Instead, all sides should be focused on making the plan work.

We hope Kalra is serious about wanting to improve San Jose's services, fiscal condition and employee morale. If so, then he should join other council members and the mayor and push to accelerate Measure B implementation. He and others should also start focusing on practical cost-saving programs to free up additional funding for our core city services.

There are many examples of such programs that could immediately save money. Here are just three:

1. Reactivate San Jose's employee suggestion award program. This program saved millions of dollars and rewarded employees with 15 percent of the first-year savings.
2. Expand competitive job bidding. Other cities and counties have saved millions by outsourcing some types of work while insourcing others.
3. Have SJPD officers prevent and solve crime instead of directing traffic at construction sites. Flagpersons are a much more cost-effective solution.

There is still much work to be done. City officials will need to be diligent in fulfilling their fiscal

responsibilities so we don't return to the same precarious situation in the future. And we certainly don't need pejorative language and unfounded accusations from our elected officials or city administration that will only create further acrimony and impede progress.

What we do need is a spirit of cooperation, framed in a recognition of reality, so that we can continue to implement necessary programs that are affordable and fair for everyone -- employees and taxpayers alike.

It's only under those conditions that we will be able to move forward in an environment where everyone wins -- and no one has to lose.