



Memorandum

TO: CITY COUNCIL

FROM: Mayor Chuck Reed

**SUBJECT: 2011 BUDGET PRIORITIES
SURVEY REPORT**

DATE: January 28, 2011

Approved

Chuck Reed

Date

1/29/11

RECOMMENDATION

Accept report on the results of the 2011 Budget Priorities Survey conducted January 13-20, 2011.

BACKGROUND

Attached are the topline survey results of the 2011 Community Budget Survey conducted by Fairbank, Maslin, Maullin, Metz and Associates (FM3) from January 13 to January 20, 2011. A follow-up report discussing the survey's findings in greater detail will be provided by FM3 on Wednesday, February 2. This year's survey explored residents' perceptions of City services, their funding priorities, potential compensation and pension changes, and their support for or opposition to increase revenue or budget reductions. The 2011 Community Budget Survey is a telephone survey of 903 San José residents.

San José Budget

Residents were asked how they would divide a hypothetical \$100 of City spending among five different goals. On average they indicated they would spend the \$100 as follows: a safe city (\$23.80), a prosperous economy (\$23.60), a reliable well-maintained infrastructure (\$20.20), a green sustainable city (\$16.60), and an attractive vibrant community (\$15.80).

Employee Compensation and Retirement Benefits

When asked about the minimum retirement age for public safety employees, 68% of respondents supported increasing the minimum retirement age.

When asked about the minimum retirement age for non-public safety employees, 67% of respondents supported increasing the minimum retirement age.

When asked about receiving up to 90% maximum of their highest annual salary as a retirement benefit, 65% of respondents supported lowering this benefit.

When presented with potential changes to how City employees are managed and compensated, there was overwhelming support to reduce costs and lower benefits.

- 80% of respondents support giving raises based on performance rather than seniority.
- 79% of respondents support slowing the pace of City employee pay raises.
- 79% of respondents support making decision on layoffs based on employee performance rather than seniority.
- 73% of respondents support eliminating the traditional pension plan and replacing it with a 401k style retirement.
- 73% of respondents support limiting the amount of union business that union leaders can conduct while on City time.
- 70% of respondents support ending the policy of paying overtime to Police Captains and Fire Battalion Chiefs.
- 69% of respondents support lowering the maximum level of annual pension benefits employees can receive.
- 65% of respondents support ending the policy of paying employees for a portion of their unused sick leave.

Budget Cuts

When presented with three different strategies for addressing the City's budget deficit, most (45%) recommended the City first pursue reducing employee compensation, rather than reducing City services (15%) or raising additional revenue (20%). When asked about contracting out services to private companies to reduce expenses, 62% of respondents supported this.

A majority of respondents found the following potential reductions in public safety spending "somewhat" or "completely" acceptable to cut:

- Reducing public information desk hours at the police station. (74%)
- Deferring the opening of the newly constructed South San José Police Substation. (65%)
- Eliminating responses to non-injury accidents and other low-priority calls. (60%)

A majority of respondents found the following potential reductions in neighborhood services spending "somewhat" or "completely" acceptable to cut:

- Reducing the number of days or hours that community centers are open. (67%)
- Reducing the number of park rangers for the City's regional parks. (63%)
- Reducing money the City gives non-profits and charities to support their services. (63%)
- Reducing the number of days that libraries are open. (61%)
- Reducing maintenance and upkeep of parks. (60%)
- Reducing adult and family literacy and learning programs. (60%)

Revenue Generation

The attached report contains topline data from all respondents which include both voters and non-voting residents. The follow-up report from FM3 will extract and analyze revenue measures based solely on likely voters as these measures require voter approval. That report will be released on Wednesday, February 2.

2011 CITY OF SAN JOSÉ COMMUNITY BUDGET SURVEY
320-440-WT
A/B SPLITS
N=903

Time Began _____

Time Ended _____

Minutes _____

Hello, I'm _____ from F-M-3, a public opinion research company. We're conducting a public opinion survey about issues that interest residents of the City of San José. **(IF RESPONDENT REPLIES IN SPANISH OR VIETNAMESE, OR DESIRES TO SPEAK ONE OF THESE LANGUAGES, FOLLOW THE ESTABLISHED PROCEDURE FOR HANDING OFF TO AN INTERVIEWER WHO SPEAKS THE APPROPRIATE LANGUAGE.)** We are definitely not trying to sell anything, and we are only interested in your opinions.

(FOR LISTED SAMPLE, READ THE FOLLOWING INTRO:)

May I speak to _____? **(YOU MUST SPEAK TO THE VOTER LISTED. VERIFY THAT THE VOTER LIVES AT THE ADDRESS LISTED, OTHERWISE TERMINATE.)**

(FOR BOTH RDD SAMPLES, READ THE FOLLOWING INTRO:)

May I speak with the adult in your household who celebrated a birthday most recently? **(IF NOT AVAILABLE, ASK:)** May I speak to another adult member of your household who is 18 years old or older?"

(RESUME ASKING ALL RESPONDENTS IN ALL SAMPLES)

1. Before we begin, I need to know if I have reached you on a cell phone, and if so, are you in a place where you can talk safely? **(IF NOT ON A CELL PHONE, ASK: Do you own a cell phone?)**

- Yes, cell and can talk safely ----- **(ASK Q2) - 18%**
- Yes, cell not cannot talk safely ----- **TERMINATE**
- No, not on cell, but own one ----- **(ASK Q2) - 50%**
- No, not on cell and do not own one ----- **(SKIP Q2) - 32%**
- (DON'T READ) DK/NA/REFUSED ----- TERMINATE**

(ASK ONLY IF CODES 1 OR 2 "OWN A CELL PHONE" IN Q1)

2. Would you say you use your cell phone to make and receive all of your phone calls, most of your phone calls, do you use your cell phone and home landline phone equally or do you mostly use your home landline phone to make and receive calls?

- All cell phone ----- 12%
- Mostly cell phone ----- 29%
- Cell and landline equally ----- 39%
- Mostly landline ----- 20%

(RESUME ASKING ALL RESPONDENTS IN BOTH RDD SAMPLES)

3. I will not need to know your exact address, but in order to help me verify that you live within the boundaries of our interviewing area, could you please tell me what the ZIP code is for your current residence? **(TERMINATE ALL WHOSE ZIP CODE IS NOT ON THE LIST OF SAN JOSÉ ZIPS)**

(RECORD ZIP CODE) _____

4. Do you live in the City of San José or in some other city?

San José -----100%
All other responses ----- **TERMINATE**
(DON'T KNOW/NA) ----- **TERMINATE**

(RESUME ASKING ALL RESPONDENTS IN ALL SAMPLES)

NOW I WOULD LIKE TO ASK YOU ABOUT SOME DIFFERENT MEASURES THAT MAY APPEAR ON AN UPCOMING CITY OF SAN JOSÉ BALLOT IN A FUTURE ELECTION. PLEASE LISTEN CAREFULLY TO THE DESCRIPTION OF EACH ONE, AND THEN TELL ME HOW YOU THINK YOU MIGHT VOTE.

5. The first measure is entitled **The City of San José Vital City Services Measure**, and reads as follows:

“To provide temporary emergency funding to preserve essential City services such as: maintaining neighborhood police patrols; keeping 9-1-1 emergency response times low; keeping fire stations open; encouraging economic development and job creation; and maintaining streets, parks and library hours; shall the City enact a **(SPLIT SAMPLE A: quarter percent sales tax)** **(SPLIT SAMPLE B: one-quarter cent sales tax)**, limited to 15 years, dedicated to City services and protected from State raids, subject to existing financial audits?”

If there were an election today, do you think you would vote “yes” in favor of this measure or “no” to oppose it? **(IF YES/NO, ASK: “Is that definitely or just probably?”)** **(IF UNDECIDED, DON'T KNOW, NO ANSWER, ASK: “Do you lean toward voting yes or no?”)**

	<u>¼ PERCENT</u>	<u>¼ CENT</u>	<u>TOTAL</u>
	<u>SALES TAX</u>	<u>SALES TAX</u>	
TOTAL YES -----	58%	62%	60%
Definitely yes -----	32%	39%	36%
Probably yes -----	20%	16%	18%
Undecided, lean yes -----	6%	7%	6%
 TOTAL NO -----	 36%	 32%	 34%
Undecided, lean no -----	3%	4%	3%
Probably no -----	9%	6%	7%
Definitely no -----	25%	22%	24%
 (DON'T READ) DK/NA -----	 6%	 6%	 6%

(RESUME ASKING ALL RESPONDENTS)

6. Now I would like to ask you about four other measures that may appear on a future City of San José ballot. After I read each one, please tell me whether you would you vote yes to support it, or no to oppose it? **(IF YES/NO, ASK:)** “Is that definitely **(YES/NO)** or just probably?” **(IF UNDECIDED, ASK:)** Well, do you lean towards voting yes or no? **(RANDOMIZE)**

DEF **PROB** **LEAN** **LEAN** **PROB** **DEF** **(DK/**
YES **YES** **YES** **NO** **NO** **NO** **NA)**

[]a. A measure to protect and maintain essential City services like police patrols, 9-1-1 emergency response, fire protection, libraries, and streets and parks maintenance by increasing and changing the method used for calculating the tax that businesses pay, and regularly adjusting the tax for inflation. -----30%----- 19% ----- 9%-----4% ----- 10% -----22%-----7%

[]b. A measure to protect and maintain **(SPLIT SAMPLE A: public safety services like police patrols, 9-1-1 emergency response, and fire protection)** by establishing an annual parcel tax of 95 dollars for no more than ten years. -----20%----- 15% ----- 9%-----4% ----- 11% -----36%-----5%

A measure to protect and maintain **(SPLIT SAMPLE B: City infrastructure services like libraries, street and park maintenance, traffic signals and roadway markings maintenance)** by establishing an annual parcel tax of 95 dollars for no more than ten years. -----23%----- 16% ----- 7%-----6% ----- 12% -----30%-----6%

[]c. A measure to protect and maintain essential City services like police patrols, 9-1-1 emergency response, fire protection, libraries, and streets and parks maintenance by increasing the tax paid by owners of waste disposal facilities on waste dumped at landfills in San Jose from 13 dollars per ton to seventeen dollars per ton; by applying the tax to more kinds of waste; and regularly adjusting the tax for inflation. -----31%----- 18% ----- 6%-----5% ----- 10% -----23%-----7%

[]d. A measure to help maintain City library services by continuing until 2024 the existing annual parcel tax, adjusted annually for inflation. -----32%----- 19% ----- 6%-----4% ----- 10% -----24%-----6%

7. Next, another way the City could generate revenue for essential City services would be to allow the Municipal Water system – which provides water to parts of Evergreen and North San José – to transfer additional money from the municipal water service to the City. This transfer would not exceed the rate of return authorized by the Public Utilities Commission for San José Water Company, which serves the majority of residents in San Jose. Does this sound like something you would support or oppose? **(IF SUPPORT/OPPOSE, ASK: Is that strongly SUPPORT/OPPOSE or just somewhat?)**

TOTAL SUPPORT -----54%
 Strongly support----- 30%
 Somewhat support ----- 24%

TOTAL OPPOSE -----28%
 Somewhat oppose-----9%
 Strongly oppose ----- 19%

(DON'T READ) DK/NA ----- 18%

MY NEXT QUESTIONS DEAL WITH SAN JOSÉ'S CITY GOVERNMENT BUDGET.

8. **(T)** First, I am going to ask you to imagine you are in charge of San José's city budget. The City of San José has five major priority goals and I would like you to tell me how you would prioritize City spending to achieve these goals. For this exercise, assume you have 100 dollars to spend on all five. After I read you all of the goals, please tell me how many dollars out of 100 you would spend on each goal, keeping in mind that the total must add up to 100 dollars. **(READ RANDOMIZED LIST OF GOALS; RE-READ INSTRUCTIONS AS NECESSARY AND ENSURE THAT THE TOTAL DOLLAR AMOUNT EQUALS \$100)**

	<u>\$0-\$10</u>	<u>\$11-\$20</u>	<u>\$21-\$30</u>	<u>\$31-\$40</u>	<u>\$41+</u>	<u>MEAN \$ AMOUNT</u>
<input type="checkbox"/> A safe City -----	15%	48%	22%	6%	9%	23.8
<input type="checkbox"/> A prosperous economy -----	16%	50%	18%	8%	8%	23.6
<input type="checkbox"/> An attractive vibrant community -----	39%	50%	8%	1%	2%	15.8
<input type="checkbox"/> A green sustainable City -----	38%	48%	11%	1%	2%	16.6
<input type="checkbox"/> A reliable well-maintained infrastructure-----	25%	48%	17%	4%	5%	20.2
TOTAL -----						\$100

(RESUME ASKING ALL RESPONDENTS; ROTATE Q9 AND Q10)

9. Next, I am going to read you a list of some specific public safety services provided by the City of San José. It is likely that some of these services will need to be reduced next year given the City's projected budget shortfall. Please tell me whether you would find each of the following public safety budget cuts to be completely acceptable, somewhat acceptable, or not at all acceptable as a way of helping to balance the City's budget. **(RANDOMIZE)**

(SPLIT SAMPLE A ONLY)		COMP.	SMWT	NOT	(DK/
		ACC.	ACC.	ACC.	NA)
[]a.	(T) Reducing public information desk hours at the police station -----	30%	44%	25%	1%
[]b.	(T) Eliminating police-based after-school athletic programs for young people -----	18%	31%	49%	2%
[]c.	Reducing enforcement of traffic laws that protect the safety of drivers, bikers, and pedestrians -----	20%	27%	52%	1%
[]d.	(T) Reducing investigation of robberies -----	9%	19%	70%	1%
[]e.	(T) Reducing the SWAT team that provides special skills and equipment to address critical incidents involving threats to life -----	14%	22%	63%	2%
[]f.	(T) Reducing the police canine unit for detecting drugs and explosives -----	13%	26%	59%	2%
[]g.	(T) Reducing police officers dedicated to maintaining school safety -----	14%	21%	64%	2%
[]h.	Eliminating responses to non-injury accidents and other low priority calls -----	23%	37%	38%	2%

(SPLIT SAMPLE B ONLY)

[]i.	Reducing the minimum number of firefighters assigned to fire engines or trucks below current levels -----	15%	20%	61%	3%
[]j.	(T) Reducing hours dedicated to non-emergency response community police patrols -----	22%	34%	42%	2%
[]k.	Deferring the opening of the newly constructed South San José Police Substation near the highway 101 and 85 interchange -----	32%	33%	31%	5%
[]l.	(T) Reducing crossing guards that protect students walking to school -----	18%	19%	61%	2%
[]m.	(T) Reducing investigation of property-related crimes like theft and burglary -----	10%	25%	64%	1%
[]n.	Eliminating the police helicopter that supports criminal pursuits and other police activities -----	16%	24%	58%	2%
[]o.	(T) Reducing the number of firefighters and fire-fighting equipment assigned to certain stations -----	11%	23%	63%	3%

(RESUME ASKING ALL RESPONDENTS; ROTATE Q9 AND Q10)

10. Next, I am going to read you a list of specific neighborhood services provided by the City of San José. It is also likely that some of these services will need to be reduced next year given the City's projected budget shortfall. Please tell me whether you would find each of the following neighborhood service budget cuts to be completely acceptable, somewhat acceptable, or not at all acceptable as a way of helping to balance the City's budget. **(RANDOMIZE)**

	<u>COMP.</u> <u>ACC.</u>	<u>SMWT</u> <u>ACC.</u>	<u>NOT</u> <u>ACC.</u>	<u>(DK/</u> <u>NA)</u>
(SPLIT SAMPLE A ONLY)				
<input type="checkbox"/> a. (T) Reducing maintenance and upkeep of parks-----	17%	43%	39%	1%
<input type="checkbox"/> b. Reducing sports fitness and recreation programs-----	22%	37%	39%	2%
<input type="checkbox"/> c. (T) Closing restrooms in parks-----	11%	23%	65%	1%
<input type="checkbox"/> d. Reducing the number of days that libraries are open-----	21%	40%	37%	2%
<input type="checkbox"/> e. (T) Reducing graffiti removal services-----	20%	38%	40%	2%
<input type="checkbox"/> f. Closing nearly all Community Centers-----	10%	25%	64%	1%
<input type="checkbox"/> g. (T) Reducing the number of park rangers for the City's regional parks-----	21%	42%	33%	4%

(SPLIT SAMPLE B ONLY)

<input type="checkbox"/> h. (T) Reducing recreational and therapeutic services for residents with mental illnesses and physical disabilities-----	14%	25%	59%	1%
<input type="checkbox"/> i. Reducing the number of days or hours that Community Centers are open-----	25%	42%	32%	1%
<input type="checkbox"/> j. (T) Reducing adult and family literacy and learning programs-----	23%	37%	38%	2%
<input type="checkbox"/> k. (T) Reducing anti-gang and at-risk youth programs-----	12%	23%	63%	2%
<input type="checkbox"/> l. Reducing code enforcement services to address only life safety complaints-----	20%	32%	44%	5%
<input type="checkbox"/> m. Reducing money the City gives non-profits and charities to support their services-----	28%	35%	33%	3%

(RESUME ASKING ALL RESPONDENTS)

11. (T) Next, the City currently provides many services to its residents, but will not generate enough revenue to continue providing services at current levels in the future. Please tell me which one of the following three strategies the City of San José should place the highest priority on to address its budget shortfall: **IF FIRST CHOICE MADE, FOLLOW UP BY ASKING:** And which should be the City's second highest priority? **(RANDOMIZE)**

	<u>FIRST</u>	<u>SECOND</u>
	<u>PRIORITY</u>	<u>PRIORITY</u>
[]a. Reducing City's employees' compensation and retirement benefits-----	45%	17%
[]b. Reducing existing City services-----	15%	33%
[]c. Raising additional revenue, including taxes or fees-----	20%	20%
(DON'T READ) All-----	8%	1%
(DON'T READ) None-----	7%	6%
(DON'T READ) Don't Know-----	4%	22%

12. (T) Next, even if the City and its employees agree upon substantial reductions to employees' compensation and retirement benefits, San José will still face a large budget shortfall. With that in mind, in making decisions about the budget, should the City of San José place a higher priority on: **(RANDOMIZE)**

[] Reducing existing City services to reduce the need to raise additional revenue, including taxes or fees----- 40%

OR

[] Raising additional revenue, including taxes or fees, to reduce the need to cut existing City services----- 34%

(DON'T READ)

(BOTH)----- 9%

(NEITHER)----- 11%

(DON'T KNOW/NA)----- 6%

13. Next, another strategy the City of San José could pursue to reduce expenses is contracting out some City services to private companies, and eliminating the positions of City workers who currently provide those services. Does this sound like something you would support or oppose? **(IF SUPPORT/OPPOSE, ASK: Is that strongly SUPPORT/OPPOSE or just somewhat?)**

TOTAL SUPPORT -----62%
 Strongly support----- 37%
 Somewhat support ----- 24%

TOTAL OPPOSE -----30%
 Somewhat oppose----- 11%
 Strongly oppose ----- 19%

(DON'T READ) DK/NA -----8%

14. Now I am going to read you some potential changes to how City employees are managed and compensated. After hearing each one, please tell me whether you would support or oppose the City making that change. **(IF SUPPORT/OPPOSE, ASK: Is that strongly SUPPORT/OPPOSE or just somewhat?) (RANDOMIZE)**

STR SMWHT SMWHT STR (DK/NA)
SUPP. SUPP. OPP. OPP.

(SPLIT SAMPLE A ONLY)

[]a.	Giving City employees raises based upon performance, rather than seniority -----	64%	-----16%	----- 5%	----- 11%	----- 4%
[]b.	Keeping the City's traditional pension plan for newly-hired City employees, but lowering the cost of living adjustments applied to their pension benefits -----	34%	-----27%	----- 10%	----- 18%	-----12%
[]c.	Slowing the pace of City employee pay raises -----	56%	-----23%	----- 7%	----- 9%	----- 5%
[]d.	Eliminating the City's traditional pension plan for newly-hired City employees – which pays a specific guaranteed annual benefit – and replacing it with a 401-K style retirement plan. This would also require the City to make Social Security contributions for newly-hired employees, which it does not do for employees in the existing pension plan. -----	50%	-----23%	----- 8%	----- 11%	----- 8%

STR **SMWHT** **SMWHT** **STR**
SUPP. SUPP. OPP. OPP. **(DK/NA)**

[]e. Further limiting the amount of union business union leaders can conduct while on City time ----- 54% ----- 19% ----- 7% ----- 12% ----- 8%

(SPLIT SAMPLE B ONLY)

[]f. Making decisions about layoffs based upon employee performance, rather than seniority ----- 62% ----- 17% ----- 5% ----- 12% ----- 3%

[]g. Keeping the City's traditional pension plan for newly-hired City employees, but lowering the maximum level of annual pension benefits they may receive ----- 47% ----- 22% ----- 11% ----- 15% ----- 6%

[]h. Removing the option for City police officers and firefighters to have an independent third-party arbitrator decide their disciplinary cases ----- 38% ----- 16% ----- 12% ----- 23% ----- 11%

[]i. Ending the policy of paying overtime to police captains and fire battalion chiefs ----- 55% ----- 15% ----- 9% ----- 17% ----- 4%

[]j. Ending the policy of paying City employees for a portion of their unused sick leave ----- 48% ----- 17% ----- 11% ----- 19% ----- 4%

(RESUME ASKING ALL RESPONDENTS)

15. Next, City police officers and firefighters currently can retire at 50 years of age. Would you prefer to maintain that policy, or increase the minimum retirement age for police officers and firefighters beyond age 50? **(IF RESPONSE GIVEN, ASK: Do you feel strongly that way, or just somewhat?)**

TOTAL MAINTAIN -----28%
 Maintain policy, strongly ----- **(SKIP Q16) --- 22%**
 Maintain policy, somewhat ----- **(SKIP Q16) ---- 7%**

TOTAL INCREASE -----68%
 Increase age, somewhat ----- **(ASK Q16) ---- 22%**
 Increase age, strongly ----- **(ASK Q16) ---- 46%**

(DON'T READ) DK/NA ----- (SKIP Q16) ---- 3%

(ASK IF INCREASE – CODES 3 OR 4 – IN Q15)

16. What do you think the minimum retirement age for police officers and firefighters should be? **(READ LIST)**

55 ----- 24%
 60 ----- 27%
 62 ----- 22%
 65 ----- 25%
(DON'T READ) Other ----- 1%
(DON'T READ) DK/NA ----- 1%

(RESUME ASKING ALL RESPONDENTS)

17. Next, all other City employees – except police officers and firefighters – currently can retire at 55 years of age. Would you prefer to maintain that policy, or increase the minimum retirement age for these employees beyond age 55? **(IF RESPONSE GIVEN, ASK: Do you feel strongly that way, or just somewhat?)**

TOTAL MAINTAIN -----32%
 Maintain policy, strongly ----- **(ASK Q18)**---- 23%
 Maintain policy, somewhat----- **(ASK Q18)**-----9%

TOTAL INCREASE-----67%
 Increase age, somewhat ----- **(SKIP Q18)** --- 19%
 Increase age, strongly ----- **(SKIP Q18)** --- 48%

(DON'T READ) DK/NA ----- (SKIP Q18) -----2%

(ASK IF INCREASE – CODES 3 OR 4 – IN Q17)

18. What do you think the minimum retirement age for these employees should be? **(READ LIST)**

60----- 27%
 62----- 43%
 67----- 27%
(DON'T READ) Other -----2%
(DON'T READ) DK/NA -----1%

(RESUME ASKING ALL RESPONDENTS)

19. Next, the City's current retirement system allows public safety employees – such as police officers and firefighters – to receive pensions equaling up to 90 percent of their highest annual salaries. Would you prefer to maintain this policy, or lower the maximum pension for all newly-hired public safety employees? **(IF RESPONSE GIVEN, ASK: Do you feel strongly that way, or just somewhat?)**

TOTAL MAINTAIN -----31%
 Maintain policy, strongly ----- **(SKIP Q20)** --- 22%
 Maintain policy, somewhat----- **(SKIP Q20)** -----9%

TOTAL LOWER-----65%
 Lower pension, somewhat ----- **(ASK Q20)**---- 19%
 Lower pension, strongly ----- **(ASK Q20)**---- 46%

(DON'T READ) DK/NA ----- (SKIP Q20) -----4%

(ASK IF LOWER – CODES 3 OR 4 – IN Q19)

20. What do you think the maximum pensions should be for newly-hired public safety employees: 75 percent of their highest annual salaries, 60 percent, 50 percent or less than 50 percent? **(READ LIST)**

75% -----	24%
60% -----	21%
50% -----	32%
Less than 50% -----	18%
(DON'T READ) Other -----	2%
(DON'T READ) DK/NA -----	3%

(RESUME ASKING ALL RESPONDENTS)

NOW LET ME GIVE YOU SOME MORE INFORMATION ABOUT THIS YEAR'S CITY BUDGET. OVER THE PAST NINE YEARS, IN ORDER TO BALANCE THE BUDGET, THE CITY HAS IMPLEMENTED OVER 565 MILLION DOLLARS IN CUTS – ELIMINATING OR REDUCING A VARIETY OF CITY SERVICES, AND CUTTING MORE THAN 16 HUNDRED POSITIONS. HOWEVER, THE CITY STILL FACES A ROUGHLY 90 MILLION DOLLAR BUDGET SHORTFALL IN NEXT YEAR'S BUDGET.

MY NEXT QUESTIONS DEAL WITH ONE OF THE POTENTIAL BALLOT MEASURES I MENTIONED EARLIER, WHICH WOULD HELP PRESERVE ESSENTIAL CITY SERVICES SUCH AS: MAINTAINING POLICE PATROLS; KEEPING FIRE STATIONS OPEN, ENCOURAGING ECONOMIC DEVELOPMENT; AND MAINTAINING STREETS, PARKS AND LIBRARY HOURS BY ENACTING A

(SPLIT SAMPLE A: QUARTER PERCENT SALES TAX).

(SPLIT SAMPLE B: ONE-QUARTER CENT SALES TAX).

21. First, I am going to read you a statement from people who support this measure.

Supporters of this measure say San José has already done all the cost cutting it can to address the City’s budget deficit – including eliminating more than sixteen hundred jobs – and is working with remaining employees to reduce their compensation by ten percent. But it is not enough to balance the budget. This tax measure – some of which would be paid by out-of-town people visiting the City – would help prevent deeper cuts in vital services like public safety, libraries, and street repair, and would subject all spending to audits and full public review.

Now that you have heard more about it, do you think you would vote “yes” in favor of this measure or “no” to oppose it? **(IF YES/NO, ASK: “Is that definitely or just probably?”)** **(IF UNDECIDED, DON’T KNOW, NO ANSWER, NEED MORE INFORMATION ASK:)** “Do you lean toward voting yes or no?”)

	<u>¼ PERCENT</u>	<u>¼ CENT</u>	
	<u>SALES TAX</u>	<u>SALES TAX</u>	<u>TOTAL</u>
TOTAL YES -----	62%	64%	63%
Definitely yes -----	31%	33%	32%
Probably yes -----	23%	18%	21%
Undecided, lean yes-----	9%	12%	10%
 TOTAL NO -----	 32%	 29%	 30%
Undecided, lean no-----	2%	3%	3%
Probably no -----	6%	4%	5%
Definitely no -----	23%	22%	23%
 (DON’T READ) DK/NA -----	 7%	 7%	 7%

22. Next, I am going to read you a statement from people who oppose this measure.

Opponents of this measure say that the City should balance the budget by further cutting wasteful spending eliminating unnecessary contracts and reducing city bureaucracy instead of taxing hard-working San José residents during the worst economy in a generation. We cannot allow the City to raise taxes further, with unemployment rates as high as they are and no guarantee that city politicians and bureaucrats won't just continue wasting and mismanaging the funds.

Now that you have heard more about it, let me ask you one last time, do you think you would vote "yes" in favor of this measure or "no" to oppose it? **(IF YES/NO, ASK: "Is that definitely or just probably?") (IF UNDECIDED, DON'T KNOW, NO ANSWER, NEED MORE INFORMATION ASK:)** "Do you lean toward voting yes or no?"

	<u>¼ PERCENT</u>	<u>¼ CENT</u>	
	<u>SALES TAX</u>	<u>SALES TAX</u>	<u>TOTAL</u>
TOTAL YES -----	59%	62%	60%
Definitely yes -----	30%	34%	32%
Probably yes -----	22%	20%	21%
Undecided, lean yes -----	6%	8%	7%
 TOTAL NO -----	 34%	 31%	 33%
Undecided, lean no -----	3%	4%	3%
Probably no -----	8%	6%	7%
Definitely no -----	23%	22%	22%
 (DON'T READ) DK/NA -----	 7%	 7%	 7%

HERE ARE MY FINAL QUESTIONS. THEY ARE JUST FOR STATISTICAL PURPOSES.

23. **(T)** Do you live in a single-residence detached home, or do you live in a multi-family apartment, mobile home park, or condo building?

- Single family detached house ----- 78%
- Multi-family apt/condo ----- 19%
- Mobile home park ----- 2%
- (DON'T READ) Don't know/Refused --- 1%**

24. (T) Do you own or rent the house or apartment where you live?

Own ----- 76%
 Rent ----- 23%
(DON'T READ) Don't know/Refused --- 1%

25. (T) Are there any children under the age of 18 living in your household?

Yes ----- 38%
 No ----- 61%
(DK/NA)----- 0%

26. (T) What was the last level of school you completed?

Grades 1-8 ----- 2%
 Grades 9-11 ----- 2%
 High school graduate (12) ----- 18%
 Some college ----- 23%
 Business/Vocational school ----- 4%
 College graduate (4) ----- 38%
 Post-graduate work/Professional school 13%
(DON'T READ) DK/Refused ----- 1%

27. (T) Please stop me when I come to the category that best describes the ethnic or racial group with which you identify yourself. Is it....?

Hispanic/Latino ----- 19%
 African-American----- 3%
 Asian/Pacific Islander ----- 19%
 Caucasian/White ----- 50%
 Native American/Indian ----- 2%
 Some other group or identification ----- 5%
(DON'T READ) Refused ----- 2%

28. (T) In what year were you born?

1993-1987 (18-24)----- 6%
 1986-1982 (25-29)----- 4%
 1981-1977 (30-34)----- 6%
 1976-1972 (35-39)----- 10%
 1971-1967 (40-44)----- 12%
 1966-1962 (45-49)----- 10%
 1961-1957 (50-54)----- 10%
 1956-1952 (55-59)----- 9%
 1951-1947 (60-64)----- 10%
 1946-1937 (65-74)----- 10%
 1936 or earlier (75 & over)----- 8%
(DON'T READ) DK/Refused----- 5%

29. (T) I don't need to know the exact amount but I'm going to read you some categories for household income. Would you please stop me when I have read the category indicating the total combined income for all the people in your household before taxes in 2010?

- \$30,000 and under ----- 14%
- \$30,001 - \$60,000----- 22%
- \$60,001 - \$75,000----- 11%
- \$75,001 - \$100,000 ----- 12%
- \$100,001 - \$150,000 ----- 11%
- More than \$150,000 -----6%
- (DON'T READ) Refused ----- 24%

(ASK Q30-Q31 OF BOTH RDD SAMPLES ONLY)

30. Are you a registered voter in the City of San José?

- Yes -----(CONTINUE TO Q31 AND Q32) -- 87%
- No ----- (SKIP TO Q33) -- 12%
- (DON'T READ) Refused ----- (SKIP TO Q33) ----1%

(IF "YES" IN Q30 ASK:)

31. Are you registered as a Democrat, as a Republican, as a member of another political party, or as declining to state a party affiliation?

- Democrat----- 48%
- Republican----- 18%
- Other/Declining to State ----- 26%
- (DON'T READ) Refused -----8%

(ASK ALL RESPONDENTS WHO ARE "YES" IN Q30, AND ASK ALL VOTERS ON THE LISTED SAMPLE)

32. Which of the following best describes how often you vote in local elections: (READ LIST)

- I never miss an election ----- 52%
- I vote in almost all elections----- 32%
- I vote in most major elections, but occasionally miss one ----- 10%
- I only vote in some elections, or -----4%
- I rarely vote -----2%
- (DON'T READ) Refused -----0%

(RESUME ASKING ALL RESPONDENTS IN ALL SAMPLES)

33. Here is my final question. Could you tell me the cross streets of the main intersection near where you live? (WRITE IN STREET NAMES)

Street _____

with

Street _____

THANK YOU VERY MUCH FOR YOUR TIME AND ATTENTION TO MY QUESTIONS.

Gender by observation:

Male----- 48%
Female----- 52%

Language by observation:

English ----- 93%
Spanish ----- 5%
Vietnamese ----- 2%

Sample:

Standard RDD----- 44%
Cell Phone RDD ----- 6%
Voter List ----- 50%

Phone # _____

Date _____

City _____

Interviewer _____

Verified by _____

ZIP _____

County _____

Cluster # _____

Page # _____

(RECORD BELOW FOR VOTER LIST SAMPLE ONLY)

Party: From file

Democrat	-----	49%
Republican	-----	27%
Decline-to-state	-----	21%
Other party	-----	3%

Name _____

Page # _____

Address _____

Voter ID # _____

City _____

Precinct _____

Zip _____

Interviewer _____

FLAGS

R03	-----	65%
P04	-----	54%
G04	-----	76%
N05	-----	69%
P06	-----	61%
G06	-----	80%
F08	-----	79%
P08	-----	52%
G08	-----	96%
M09	-----	64%
P10	-----	69%
G10	-----	92%
Blank	-----	1%

VOTE BY MAIL

1	-----	6%
2	-----	8%
3+	-----	68%
BLANK	-----	19%

PERMANENT ABSENTEE

Yes	-----	75%
No	-----	25%

CITY COUNCIL DISTRICT

1	-----	10%
2	-----	10%
3	-----	7%
4	-----	10%
5	-----	6%
6	-----	13%
7	-----	7%
8	-----	11%
9	-----	13%
10	-----	13%