

Arguments in support or opposition of the proposed laws are the opinions of the authors.

Rebuttal to the Argument Against Measure G

Nobody likes to pay taxes, and Councilmembers don't like advocating tax increase, but our job is to be fiscally responsible and to insure a balanced budget going forward. Faced with ongoing pension expenses and planned 5-year infrastructure projects at a cost of \$49.5 million, we are doing just that.

Before casting your vote, please consider the following verifiable information, because facts matter:

- Every penny of Measure G requires independent citizens oversight and mandatory annual audits.
 - Opponents' claims that compensation increased by 11% is patently false. The actual budgeted to budgeted increase was 1.2%.
 - Per Council-approved financial policy, any budget surplus shall be placed in the Capital and Special Projects Reserve.
 - Of the Town's \$70M in operating funds the majority are assigned, committed or restricted including catastrophic reserve, accounts payable, other obligations, capital projects underway etc. (see http://www.town.los-gatos.ca.us/AgendaCenter/ViewFile/Agenda/_08062018-1329).
- MuniServices, the Town's Sales Tax Consultant, has calculated that a recession would reduce sales taxes by \$6.8M over five years versus what is currently budgeted.

If projections for a future recession are correct, Los Gatos could see a reduction in tax revenue, which would impact our budget and affect our ability to fund services.

After listening to the community and considering all of the information, 4 of the 5 Councilmembers voted to place this measure before the voters to make a final decision.

History suggests that current economic expansion can't last forever. Council has to plan for the inevitable rainy day. This measure will ensure that when it comes, Los Gatos is prepared.

Steven Leonardis, Vice Mayor Town of Los Gatos
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