

Council Chambers, 7:30P.M.  
Friday October 5, 1956

27.

Council reconvened. Present 6; Battin, Goering, Humiston, Perdue, Stojack, Anderson. Absent 3; Bratrud, Jensen, Tollefson.

This being the date to which hearing on the Preliminary Budget was continued, the matter was taken up at this time.

Mr. Rowlands presented Exhibit "B" which had been prepared by the Staff, listing additional changes in the Preliminary Budget.

The Library Budget was brought up at this time for further discussion. Mr. Rowlands stated that the Library Budget is 8½% higher this year than last and that Library salaries are up 7.6% in comparison with other City employees' salaries which are being increased only between 4 and 5%. Mr. Perdue reminded Council that Mr. Roberts of the Library Board had stated on October 3rd that they would not use all the money budgeted unless it was absolutely necessary. The practice of appropriating more money for a department than is actually required, thus permitting a surplus to be built up which can only be used by that particular department, was discussed. It was the consensus that it is not good budgetary practice to allow a department to build up a surplus in their funds. The recommendation on the item of \$13,000 for unexpended balances (listed in Exhibit B) in the Library Fund (Page XXVII) was explained by Mr. Gaisford as a bookkeeping item, which fixes the City's General Fund Transfer to the Library Fund at \$442,804 and add \$13,000 in the Unexpended Balances Item, leaving the total Library Budget at \$478,404.00 as originally set up. Mr. Perdue asked Mr. Ibbotson what the effect would be of a \$10,000 reduction in the Library Budget and what items would be reduced. Mr. Ibbotson said he could not speak for the Library Board, but it would be his recommendation that the salary scale remain as proposed and that all other expenditures be reduced to make up this deficit with the exception of the Book Fund. He also stated that he did not believe a reduction of \$10,000 would curtail services rendered by the Library or unduly hamper operations. Moved by Dr. Battin, seconded by Dr. Humiston that the Library Budget be reduced by \$10,000 to \$468,404 and that it be adopted in that amount. Carried on roll call: Ayes 6; Nays 0; Absent 3; Bratrud, Jensen, Tollefson.

The recommendation in Exhibit "B" (page LXXI of the Budget) to delete Guaranty Fund Loan - Fircrest Sewer \$26,505, was discussed next. Mr. Gaisford explained that it was unnecessary to make a repayment on the loan until 1958, being that funds would not be needed until sometime during the year 1957, thus saving the General Fund interest costs during 1957. It will take an amendment of the appropriating ordinance for the Fircrest sewer to change the dates to conform, Mr. Gaisford added.

Mr. Gaisford stated that certain items in the Park Board Budget would not be legal under our Budget Law, i. e., (1) the \$32,500 reserve fund which was cut from the amount appropriated by the City by vote of the Council last night; and (2) the \$12,000 additional which had been included for L I D's which may come due next year. If the latter amount were placed in a fund to be used exclusively for L I D's it would be a legal item under our Budget Law. It was moved by Dr. Humiston, seconded by Dr. Battin that the Park Board appropriation be reduced by \$12,000. Carried on roll call: Ayes 5; Nays 1; Stojack; Absent 3, Bratrud, Jensen, Tollefson.

The question of an additional reduction in the amount of the General Fund appropriation or grant to the Park Board was discussed at length. Mrs. Goering said she felt the amount should be cut, perhaps as much as \$35,000 in view of the 1 Mill levy for Maintenance and Operation which was approved for the Park Board by

the taxpayers recently. Dr. Humiston said he felt, if it had been Council's intention to make further cuts in the Park Board grant, it should have been done last night, when the Park Board Representatives were present.

It was moved by Dr. Humiston that on page (3) of the budget the item budgeted for City Manager's salary be fixed at \$18,000 (instead of \$16,800). Motion seconded by Mr. Perdue. Dr. Humiston pointed out that this is only the first of 2 or 3 steps to be taken to straighten this matter out and the next step will have to be an amendment to remove the City Manager and Director of Utility Classifications from the Compensation Plan. Motion carried unanimously.

It was moved by Dr. Humiston to transfer \$7,073 from Construction Outlay City Street Fund to General Fund account #7,036.31- materials. Motion seconded by Dr. Battin and carried unanimously.

Moved by Mr. Stojack, seconded by Dr. Battin that \$10,000, which was cut from the Library Budget, be placed in "Depreciation Reserve Fund for Equipment" Dr. Humiston said he would rather see this amount transferred to L I D Participation Fund, which he felt was a most worthwhile enterprise. Roll was called on the motion resulting as follows: Ayes 5; Nays 1; Humiston; Absent 3, Bratrud, Jensen and Tollefson.

It was moved by Dr. Humiston that \$10,000 of the \$26,505 deleted for Guaranty Fund Loan - Fircrest Sewer - be placed in the L I D Participation Fund and the balance amounting to \$16,505 be placed in "Depreciation Reserve Fund for Equipment". NO SECOND.

It was moved by Mr. Stojack, seconded by Dr. Humiston that \$26,505 for Guaranty Fund Loan - Fircrest Sewer - which was deleted, be placed in "Depreciation Reserve Fund for Equipment." Motion carried unanimously.

Mrs. Goering again brought up the Park Board Budget, saying she did not feel the argument advanced earlier in the meeting by Humiston, that action should have been taken on this matter when the Park Board was present, was a valid argument. She pointed out that in a previous action tonight the Council had cut the Library Board \$10,000 when only one present was Director Ibbotson. It was moved by Mrs. Goering that the Park Board grant be reduced by \$21,824 to bring the contribution down to \$250,000, which would make it the same as last year. Dr. Humiston said he was afraid that any cut would reflect in the salaries and wages of the employees, as has been the Board's practice over the years. Mrs. Goering said she felt it was basic that the Park Board employees be brought up at least to the bottom scale paid City employees for comparable work, and she would not want to do anything to jeopardize this.

It was moved by Mr. Stojack, seconded by Dr. Humiston, that the City grant to the Park Board (Item 786, page 91) be approved in the amount of \$227,32 Motion carried unanimously.

It was moved by Dr. Battin, seconded by Mr. Stojack, that \$12,000 cut from the Park Board grant for overstatement of L I D Obligations be placed in "Depreciation Reserve Fund for Equipment". Dr. Humiston pointed out that the pressure on this fund does not come in the first year, and he said he felt the Council should not put any more money in the fund this year than is necessary to make it operative. Dr. Battin said the setting up of such a fund was standard accounting procedure, and he did not see why the Council should oppose it. In reply to a question from Dr. Humiston as to what the maximum number of years is, in which this fund must be accomplished, Mr. Rowland replied that there was no set time, but the sooner the City can reserve this money, the better it will be. Mayor Anderson said he thought Dr. Humiston's point was well taken. Roll was called on the motion, resulting as follows: Ayes 4; Battin, Goering, Perdue, Stojack, Nays 2; Humiston, Anderson. Absent 3; Bratrud, Jensen, Tollefson.

It was moved by Dr. Humiston, seconded by Dr. Battin that "Exhibit B" as specifically amended (presented tonight for additional changes in Preliminary Budget) except for Item 7 ( page 102 - increase "Depreciation Reserve Fund for Equipment" to \$89,184.00) which is to be deleted, be adopted. Motion carried unanimously.

It was moved by Dr. Humiston, seconded by Mr. Perdue, that "Exhibit A" (Changes which have occurred since Preliminary Budget was presented to Council, dated Oct 2, 1956) be incorporated into the Budget. Mr. Stojack asked if any change had been made in painters' salaries, some of whom claimed there were getting only a 7¢ increase rather than 12¢ as stated by the City Manager. Mr. Bixel, Director of Personnel, explained that these employees were actually receiving 5¢ per hour more than the going scale when the Compensation plan went into effect, but they were not cut in conformity with the Council's policy; that no one was to receive a pay cut. Roll was called on the motion which carried unanimously.

The Utility Budget was brought up for discussion at this time. The distribution Policy of "Reflections", the "Reporter" and the "News-Letter" was explained to the Council by Director Barline. The "News-Letter" goes out with the Financial Report when it is mailed out to Financial Houses monthly; "Reflections" is mailed to the Employees at their homes, (approximately 1500 monthly distribution) and the "Reporter" is placed at strategic places around the building for employees to pick up, if they wish and is also mailed to firms with which the Department has business, with a circulation of 1500 weekly. He pointed out that the majority of Cities, public utility districts and private utilities have similar publications. Mr. Barline advised the Council that "Reflections" has not entirely met with his approval for some time, but has been receiving opposition from employees in his attempt to curtail the costs. The Council has his recommendation to cut the publication costs of "Reflections" to \$6,280 (from \$9800) by reducing printing to \$4,800 (from \$5,000); engraving to \$1,120 (from \$2000) and photos to \$360 (from \$2,800), Mr. Barline stated. It was moved by Dr. Humiston, seconded by Dr. Battin that page 28 "Reflections" of the Utility Budget be so amended. Motion carried unanimously.

It was moved by Dr. Humiston, seconded by Dr. Battin, that page 104- Operating Revenues Water Division - Item R-5. Municipal Fire Service be reduced to \$80,000.00 (from \$140,000) to conform to the amount set up in the General Fund Budget for this item. Mr. Stojack asked Mr. Barline if the Water Department could operate efficiently with this reduction in revenues. Mr. Barline replied that he would be obliged to make a recommendation to the Utility Board that rates be increased to cover this deficit. Roll was called on the motion, resulting as follows: Ayes 5; Nays 1; Stojack; Absent 3, Bratrud, Jensen, Tollefson.

It was moved by Dr. Humiston, seconded by Dr. Battin that page 6, Salaries and Wages - Item 0092 A, Director of Utilities, be reduced to \$18,000 ( instead of \$18,600) . Motion carried unanimously.

Mr. Rowlands called attention to Item 603.1 - City Energy- page 58 page 58 which is \$30,000, while the General Fund Budget appropriates only \$25,000 for this expense. It was moved by Dr. Humiston, Seconded by Dr. Battin that Item 603.1 - City Energy, be reduced to \$25,000. Motion carried unanimously.

Moved by Dr. Humiston, seconded by Mrs. Goering, that the Budget submitted to the City Clerk by the Utilities Department earlier to-day, containing the extensions to the salary ranges be approved as submitted. Motion carried unanimously.

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The necessity for including monies received from Cowlitz Bond Sales and sale of other bonds (page 49) as a part of the revenues in the Budget was discussed at length, but no decision was made on this point.

It was moved by Dr. Humiston, seconded by Dr. Battin to adopt the budget of the City of Tacoma for 1957 as revised, in the total amount of \$46,392,525.00. Motion carried on roll call: Ayes 6; Nays 01 Absent 3; Bratrud, Jensen, Tallefson.

Upon motion, duly seconded and carried, Council then adjourned at 10:20 P.M.

Attest:

*Josephine Melton*  
City Clerk

*Charles O. Battin*

VICE MAYOR