

**CITY COUNCIL BUDGET HEARING**

Monday, October 5, 1964

City Council Chambers, 7:00 P. M.

Present on roll call 6: Bott, Cvitanich, Haley, Johnson, Price and Mayor Tollefson. Absent 3: Finnigan, Herrmann and Murtland. Mr. Finnigan and Dr. Herrmann arriving at 7:10 P. M. and Mr. Murtland at 8:20 P. M. Mr. Cvitanich left the hearing at 8:45 P. M.

**THIS IS THE DATE SET BY STATE LAW FOR THE HEARING ON  
THE BUDGET FOR 1965**

Mayor Tollefson greeted the audience and thanked them for showing an interest in the operating plan for 1965. He said the Council would welcome any questions or suggestions anyone would like to make relative to the budget. 57-392

Mr. Rowlands explained, it is the normal procedure at the first hearing to outline the various items for the 1965 budget. He added, the goals for 1965 are as follows:

Item No. 1 - Strengthening the City's Financial Position. 57-398

Mr. Rowlands said he hoped that some consideration will be given to the City's financial needs through the Legislature next year, as approximately 6 cents of every tax dollar remains in the Cities. He felt that the Cities have a justifiable need for further consideration. 57-405

Item No. 2 - Meeting the Personnel and Manpower Challenge.

He said the importance of recruiting, training and retaining competent employees cannot be over-emphasized, since it is only through the effective utilization of the City's manpower resources that more work, in most situations, can be accomplished with the same number of people.

Item No. 3 - Re-activation of an Effective Equipment Replacement Fund.

It would be desirable to be able to have the monies available for equipment replacement when it is needed.

Item No. 4 - Solving the Transit Crises in 1965

The Transit budget is \$188,000 out of balance. A suggestion has been made by some of the Council members of the possibility of obtaining some type of enabling legislation that will help the Cities.

Item No. 5 - Expanding Tacoma's Safety Activities

If there are any additional funds, a recommendation should be made for additional patrolmen. Mr. Rowlands, added that crime nationwide has risen and the trend appears to be gaining momentum.

Item No. 6 - Continue the Airport Improvement Program.

Additional money is needed for the installation of an instrument landing system which would make the airport an all-weather facility. This will cost approximately \$1,000,000, half of which will be matching funds from the Federal Government.

Item No. 7 - Seeking the development of a quality City.

Ideas are being presented by Universities and organizations such as Allied Arts and other associations working with the City, to keep abreast with the time whereby creating a proper environment in which people will be willing to live and work.

Item No. 8 - Meeting Tacoma's Legislative Needs

Legislators will be urged to consider the financial needs of the Cities. In the State of California, Cities receive approximately \$20.00 per person from the sales tax, whereas the Cities in Washington do not receive one cent; also they have a more receptive property tax for the Cities.

Mr. Rowlands asked Mr. Gaisford, Director of Finance, to present the estimated revenues for 1965.

Mr. Gaisford said he would speak on revenues for General Government Purposes, which excludes the Utilities Dept. He added, the total amount is \$12,203,029, which is 2.6% increase over the year 1964. Ordinarily revenue increases by 3.5% per year; the reason the 3.5% was not realized in 1965 was because the City had an unexpended balance in surplus which amounts to approximately 1% of the total revenue.

ESTIMATED REVENUES

	<u>1964</u>	<u>1965</u>	<u>% Increase 1965 over 1964</u>
Property Tax	4,733,738	4,271,045	5.9

He said the property tax is \$4,271,045, a 5.9% increase over 1964 and is for the General Fund, Firemen's Pension Fund and for the payment of principal and interest of the general obligation bonds that are outstanding.

Licenses, Fees, Permits	1,967,501	1,989,786	1.1
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Licenses, fees and permits amount to \$1,989,786, a 1.1% increase over 1964.

Utilities - Gross Earnings Tax	1,787,311	1,844,937	3.2
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There is an 8% charge on the gross income of all utilities except the Belt line, which is 5%; the total amounts to \$1,844,937, an 3.2% increase over last year.

Liquor Tax	931,941	983,450	5.5
Motor Vehicle Excise Tax	365,459	396,406	8.5
Gasoline Tax	654,931	664,207	1.4

These three items are predicated on a per-capita base which amounts to a little over \$13.00 per person throughout the City of Tacoma. The City will realize \$983,450 from the liquor tax, \$396,406 from the motor vehicle excise tax and \$664,207 from the gasoline tax.

Fines & Forfeitures	608,000	608,500	-
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An estimate from the Police Court for Fines & Forfeitures is \$608,500.

Miscellaneous	519,236	487,307	(6.1)
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Miscellaneous which is a 6.1% decrease for 1965 is \$487,307.

Interdepartmental Charges	323,714	343,596	6.1
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The Interdepartmental Charge is not a fixed figure at this time; it amounts to \$343,596 at present.

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Use of Property & Money 297,777                      316,100                      6.2

This is the rental of City property, and use of money is the investment of surplus cash which amounts to \$316,100, an increase of 6.2%.

Parking Meter Collections 201,200                      207,847                      3.3

Parking meter collections have been reduced from the budget since it was compiled from \$232,847 to \$207,847, a 3.3% increase over last year.

Unexpended Balances (Surplus)  
134,901                      20,800                      (84.6)

From all indications the City will come up with a \$10,000 unexpended balance in the General Fund and \$10,800 in the Library Fund.

Lift Bridge Recovery 67,080                      69,048                      2.9

These are secondary highway bridges, in other words this revenue will also be an expenditure, and is just a revolving fund.

TOTALS 11,892,789                      12,203,029                      2.6

Expenditures exceed Revenues 24,989

This leaves the budget unbalanced at present in the amount of \$24,989.00.

	<u>PROPOSED EXPENDITURES</u>		<u>% Increase 1965 over 1964</u>
	<u>1964</u>	<u>1965</u>	
City Council	67,270	80,081	19.

Mr. Rowlands explained the Proposed Expenditures. He added, the City Council has a 19% increase, amounting to \$80,081. The reason for the increase is due to the legislative year and monies have to be set aside for legislative activities.

City Clerk 90,088                      52,300                      (41.9)

The City Clerk has a 41.9% decrease as there is not an election next year which normally costs \$52,300.

City Manager 60,750                      62,535                      2.9

There is a 2.9% increase in the City Manager's expenditures, the total is \$62,535. The reason for the increase is that they hope to have, during the summer months an Administrative Aid from one of the Universities.

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Municipal Court	108,540	106,727	(1.7)
Legal	180,443	173,154	(4.)

The Municipal Court shows a decrease of 1.7% , their expenditures amounting to \$106,727.

The Legal Department has a 4% decrease, they will try to get along with one less attorney, the expenditure amounts to \$173,154.

City Planning	115,267	122,721	6.5
Personnel	98,545	102,980	4.5
Urban Renewal	32,802	32,751	-
Tax & License	86,026	86,283	-
Finance	351,842	419,954	19.4

The Finance Department increase is due to the IBM equipment.

Police	2,126,874	2,146,607	-
Fire	2,220,646	2,217,232	-

Mr. Sankovich, Assistant City Manager, explained the balance of the proposed expenditures.

Civil Defense	47,123	37,492	(20.4)
Health & Welfare	362,416	358,444	(1.1)

He explained the amount of money budgeted for the Civil Defense Dept. has decreased because of one less employee. The same applies to the Health Dept. as there is also a reduction of one person.

Public Works	1,861,839	1,936,219	4.
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This increase is due to the addition of (4) employees in the Public Works Dept., and also due to the increased costs of supplies and materials.

Airport	42,500	54,530	28.3
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There is an increase here from 4 1/2 people to 6 people.

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Metropolitan Parks	507,879	520,930	2.6
Library	666,453	708,670	6.3

An increase in the Library Dept. is due, as they budgeted a full step increase for all of their personnel.

Police Pension	226,500	241,700	6.7
Fire Pension	496,380	511,540	3.1
Interest & Debt Redemption	1,711,132	1,781,588	4.1

Non-Departmental	431,474	473,580	9.8
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<b>TOTALS</b>	<b>11,892,789</b>	<b>12,228,018</b>	<b>2.8</b>
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Mr. Sankovich explained, the over-all picture shows a \$12,228,018 total expenditure which is a 2.8% increase and the revenue increase is only 2.6% estimated at this point.

Mr. Sankovich continued, that under the 1965 proposed budget the total amount is \$42,829,780. He then read from the chart the following figures.

CITY OF TACOMA  
1965 PROPOSED BUDGET

	<u>1964</u>	<u>1965</u>
General Departments	8,519,424	8,698,680
Non Departmental	1,662,233	1,747,750
Interest & Debt Redemption	1,711,132	1,781,588

<b>Total-General Government</b>	<b>11,892,789</b>	<b>12,228,018</b>
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Arterial Street	708,970	522,723
Employees Retirement	1,968,192	2,003,296
Revolving Funds	1,248,034	1,244,836
Garbage & Refuse	1,197,736	1,205,436
Sewer	1,348,600	1,506,425
Transit	1,581,480	1,628,426
Light	18,354,489	18,917,100
Water	3,561,080	3,005,220
Belt Line	546,798	568,300

<b>Total-City of Tacoma</b>	<b>42,408,168</b>	<b>42,829,780</b>
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Mr. Rowlands said, this briefly summarizes the budget. He said he would be happy to answer any questions.

Mayor Tollefson asked Mr. Rowlands how they were going to take care of the Transit System.

Mr. Rowlands replied that they should consider the Transit System as a Utility, as it is a necessity in a City of this size. Therefore, he thought the Transit System should be supported on a stand-by basis by everyone living in the City. He thought that some type of enabling legislation should be obtained for local subsidy. In the event this does not materialize, then the alternative would be to drastically cut services.

Mr. Finnigan asked for Mr. Rowland's opinion on the increase of the Library's request for funds.

Mr. Rowlands said the Library Board under State Law must request certain funds which are reviewed by the City Council who then makes the determination. They have requested a  $\pm 1/2\%$  increase for the Library employees under the jurisdiction of the Library Board. They wanted to make sure in the event other City employees received an increase that the Library employees wage increase was also budgeted.

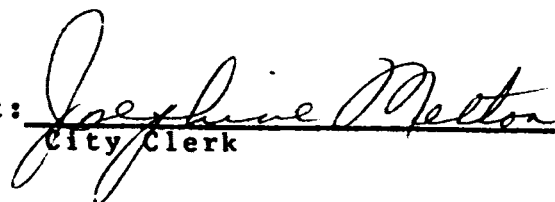
Dr. Minton requested that the City Council budget funds to demolish the old City Hall building on Pacific Ave. and convert the vacant lot into a parking area or turn it over to the Metropolitan Park Board for a park.

Mayor Tollefson said the City Council has not made any decision concerning the old City Hall, however, he would be advised when it was decided.

Mr. Cvitanich left the meeting at 8:45 P. M.

Following a discussion by the City Council and members of the audience concerning various subjects, the hearing on the Budget was continued until Tuesday which will be heard after the Council conducts their meeting which convenes at 4:00 P. M.

  
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Mayor of the City Council

Attest:   
City Clerk