

CITY COUNCIL BUDGET HEARING

City Council Chambers
Monday, October 7th, 1968

The meeting was called to order by Mayor Rasmussen at 7:30 P. M.

Present on roll call 6: Banfield, Bott, Cvitanich, Finnigan, Zatkovich and Mayor Rasmussen. Absent 3: Herrmann, Johnson and Murtland.

This is the date set by State Law for the hearing on the budget for 1969.

Mayor Rasmussen greeted the audience and thanked them for showing an interest in the operating plan for 1969.

Mr. Rowlands, City Manager, explained that the normal procedure at the first hearing is to outline the various items for the 1969 budget. The theme this year in the budget message is Tacoma's Role in a Changing Society. The three particular dimensions are Social Change, Physical Change and Administrative Change. He added, in his opinion the most significant change occurring, not only in Tacoma, but throughout the United States, is the area of social change. The nation is in a social revolution, changing ideas and thinking and relationships between people. In this regard, Tacoma has initiated a number of significant programs. These include the Police Department's Community Relations Unit, which is aimed at meeting the challenges posed by the President's Commission on Law Enforcement. Tacoma should also be proud of the various employment programs which have been initiated by the City Council this past year, namely, the Trainee Corps, Operation Mainstream Program and the Neighborhood Youth Corps. He hoped that more funds could be appropriated in this year's budget to accentuate these particular programs.

Another area which he felt should not be overlooked, is the Urban Coalition-Human Relations Program, particularly in developing an understanding in the community and placing hard-core persons in positions with an opportunity for upward mobility. The City should be proud of the many men and women who have worked so diligently in these activities. He mentioned the Model City program which has been approved. The Tacoma-Pierce County Opportunity & Development Inc. has also made a fine contribution.

The City Council plans to cooperate in the Tacoma Centennial Celebration during the year 1969 and it is hoped that most of the residents of the City will be involved in these activities.

Mr. Rowlands felt that under the dimension of Physical Change, many changes will be taking place this coming year involving the activities of the Parks and Recreation and the Dept. of Transit as well as the complete face lifting of Downtown Tacoma. The Downtown Tacoma project has been a fine example of a cooperative venture among public and private agencies.

Mr. Rowlands continued, the Urban Arterial Street Program which is also in the dimension of Physical Change. Tacoma has been fortunate in obtaining funds because of the increase in the gas tax due to the drive by the cities in 1967. It is hoped that the citizens of Tacoma will vote for the bond issue of \$4,000,000 on Nov. 5th which is vital to the City. If this measure is passed, matching funds will

be available for the urban arterial street program as well as the continuation of the local improvement district participation program by the City.

Mr. Rowlands distributed a report - attachment A, which is attached hereto, on the Distribution of Funds between Salaries, Wages and Employee Benefits, other Maintenance and Operation, and Capital Outlay, proposed in the 1969 Budget. He noted the total General Government expenditures proposed in the Preliminary Budget for 1969 in the amount of \$25,104,120. One of the reasons for the substantial increase stems from the Urban Arterial Bond Program which is budgeted at \$6,606,106. which is considerably more than \$323,000. which was budgeted in 1968.

Mr. Rowlands continued, during the last ten days and since the Preliminary Budget had been presented to the Council, Mr. Gaisford, Director of Finance, the staff and he have checked the anticipated revenues, additional anticipated revenues and additional anticipated expenditures. Meetings have been held with a number of business agents representing various employee unions in the City. Additional recommendations for funds from the Library and Parks indicate that adjustments should be made in the budget in the amount of \$800,000.

Mr. Rowlands reviewed possible adjustments in the revenue category. These included building fees as there was the greatest boon in the history of the City through the end of August 1968. The building permit fees have exceeded the entire year of 1967 ; the building fee revenues can be adjusted upward by \$40,000. It is recommended to the Council that no payment on the urban arterial program be made until 1970. One other fortunate occurrence took place, connected with monies received from the State through the appropriation made by the State Legislature approximately \$22,000,000, there was the stipulation that \$3,000,000 allotted to the Counties of the State if the Counties would raise their assessed valuation 25%. The Counties did not do that, therefore, the cities of the State had a windfall of about \$2,000,000; from that the City of Tacoma picked up approximately \$152,000. Further additional cuts in departmental budgets will have to be made.

Mr. Rowlands said he was pleased to hear both Governor Evans and Attorney General John O'Connell in a debate the other evening endorsing the cities need for additional funds. Mayor Braman of Seattle also felt the cities should revitalize their efforts to secure the \$60,000,000 which they had hoped to receive two years ago.

Mr. Rowlands asked Mr. Hamilton, Acting City Attorney, to explain the procedures to be followed by the Council this week in adopting the 1969 budget.

Mr. Robert Hamilton, Acting City Attorney, explained that the State Statutes provide that the hearings on the budget for cities of the First Class, under 300,000, commence on the first Monday in October of each year, at which time the Council meets for the express purpose of fixing the final budget and making tax levies. The hearings may be continued from day to day not exceeding a total of five days at which time the officials in charge of the several offices, departments, divisions shall be present at the time the revenues for their respective offices are under consideration and may be questioned by the Council, Mayor or by any taxpayer present concerning such estimates.

Mr. Hamilton, continued, the final budget must be adopted by ordinance which requires an affirmative vote of at least five (5) members of the Council.

Mayor Rasmussen asked what would happen if the five affirmative votes are not obtained.

Mr. Hamilton explained he had checked with the Bureau of Governmental Research at the University as well as with the State Law and he found no instance where this has happened. The legal staff has definitely concluded that if the Council should

not adopt the budget, then it would be necessary any time when money is spent during the ensuing year to appropriate such money by emergency ordinance out of the General Fund.

Mayor Rasmussen remarked, at the last session of the Legislature, this did happen, but the Council is not divided as to parties.

Mr. Clif Erdahl, Director of Public Utilities, stated that the preliminary draft of the Department of Public Utilities Budget Estimates for the year 1969 is presented to the City Council for their review in conformance with provisions of the City Charter and the State Law.

Mr. Erdahl further stated, the Utilities budget of \$27.9 million represents an 1.7 percent increase over the 1968 budget estimates. He added one reason for this is a 6.4 percent increase in City Light's estimated operating revenues for next year. He said that the Utilities Dept. is Pierce County's largest taxpayer and it pays 26.8 percent of the City's General Government expense.

Mayor Rasmussen said, the Council will now hear from the public on the budget in general.

The Rev. E. S. Brazill, residing at 1723 So. K, and President of the Human Relations Commission, spoke in favor of the requested budget for the Human Relations' Dept. in the amount of \$32,781. He felt there are times that more emphasis, not less, should be given to human relation's improvement by every level of government. There has been great progress during the last year and it is due to tireless work by the staff, commissioners and many citizens of good will in the community. They believed now is the time to strengthen, not weaken, this new department.

Mr. Victor L. Lyon, residing at 1705 No. Juniper, a member of the Human Relations Commission, explained that the Human Relations Commission is composed of thirteen persons of diverse backgrounds with two things upon which they all agree. The first, that Tacoma should be the finest City in which to live and secondly, that all of its citizens should have an equal opportunity to enjoy the benefits of Tacoma. During the first year time was spent in organizing, however, their greatest step forward was the organization of the Tacoma Area Urban Coalition. Their request for a budget increase of \$10,800. is composed of three categories; salaries and wages in the approximate amount of \$2900 which are normal steps and increases; items of contractual services to be a realistic figure; a clerk-typist, as the duties of the Human Relations Dept. have increased greatly with the growing emphasis on the Tacoma Area Urban Coalition. This employee would assist in the volume of typing and answering the telephone inquiries which are received every day.

Mr. Lyon added, it is hoped that these requests will be granted to allow the Department to do a better job in the coming year.

A number of citizens spoke urging the continuation of the Human Relations Commission.

Sgt. Wallace Walker, residing at 2336 So. M., a member of the Progressive Improvement Association also urged the City Council to give the amount of money requested by the Commission.

James J. Patterson, residing at 23 Idaho, Temporary Chairman of Lincoln Heights Park Improvement Committee, requested the City Council to utilize the property which is owned by the Metropolitan Park Board for playgrounds in that area. He added, it is hoped that their children will, in the future, be able to play safely and without harm as there are two thousand residents in the Lincoln Heights area. He also noted there are no stop signs or speed signs in the area and, is in unsafe place for the children to play in the streets.

Mr. Patterson also noted that a delegation of approximately fifty residents of the Lincoln Heights area are in the audience. He asked that a building on Sprague Ave. be used for a recreational hall.

A number of Council members stated, they were reluctant to advise the Park Board how to use the City appropriation because the Board has a professional staff and is doing a good job.

Mrs. Eva Stewart, Chairman of the Park Board, announced that the Board had voted earlier in the day to initiate improvements in the Lincoln Heights area. She presented the Council members with the Park Board's complete preliminary budget. She noted that \$50,000 extra had been requested in the budget for wages for their employees so their salaries would be comparable to the wages paid to the employees of the City of Tacoma. She added, however, in reviewing their budget the past week, the figure is now revised to \$75,722. to allow one more person to be added to the Recreational Department.

Senator John Petrick, 815 No. G, a member of the Board of Trustees of the Tacoma-Pierce County Mental Health Clinic, asked for a contribution from the City of \$14,000 to supplement their budget due to the fact that this clinic helps many city residents.

Mr. Rowlands, City Manager, explained that a recommendation on this particular request will be forthcoming from Dr. Harlan McNutt, City-County Health Director.

Mayor Rasmussen requested that the original Fawcett Ave. Urban Renewal plan be furnished to the Council for their perusal.

Mayor Rasmussen also requested copies of the summer payrolls that include salaries for instructors in the black culture program held in the Hilltop area. He felt that the payroll information is necessary for consideration of the final budget.

Mr. Bott also asked for the list of organizations that had responsibilities parallel with the Human Relations Commission.

Mr. Cvitanich requested the figures on how much revenue is anticipated from fees received from rezones. He asked that the Planning Department submit statistics for increasing the fees for filing petitions for vacations to \$300.00.

Mrs. Banfield asked if the City is subsidizing the limousine service to the Tacoma Industrial Airport.

Mr. Phillips, Manager of the Airport, said that AirWest airline takes care of that service.

Mayor Rasmussen asked Mr. Johnston, Chairman of the Planning Commission, what was his feeling relative to placing Urban, Renewal, Comprehensive Planning, Model Cities and improved planning, all under the Planning Commission. He wondered if this could be handled under the present budget.

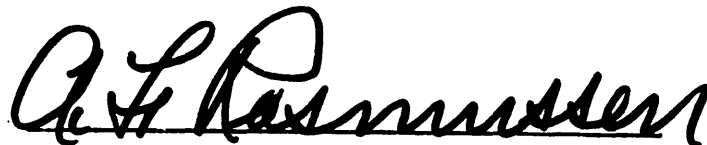
Mr. Johnston stated he did not see how it could be done.

Mayor Rasmussen felt it could be handled if they are placed under one department head as there would probably be a reduction in the total of all budgets.

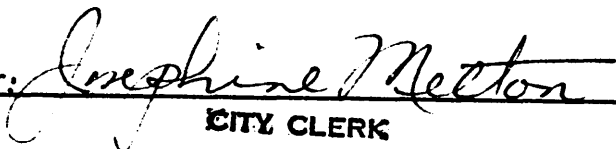
Mr. Johnston stated he was not prepared to answer this, but he did feel it would be increasing the work load of the staff so heavily that he could not conceive of such an arrangement.

Mr. Cvitanich moved that the budget hearing be continued after the Council meeting Tuesday evening, October 8th, 1968. Seconded by Mr. Bott, Voice vote taken. Motion carried.

The Council then recessed at 10:20 P. M.



A. L. RASMUSSEN, MAYOR

ATTEST: 
CITY CLERK

9/5/68

**DISTRIBUTION OF FUNDS BETWEEN
SALARIES, WAGES AND EMPLOYEE BENEFITS, OTHER
MAINTENANCE AND OPERATION, AND CAPITAL OUTLAY,
PROPOSED 1969 BUDGET.**

City Govt. Departments	Salaries & Wages & Employee Benefits	Other Maintenance & Operation	Capital Outlay
City Council	\$ 51,056	\$ 97,713	\$ 2,430
City Clerk	36,642	49,625	1,120
City Manager	80,702	12,871	310
Municipal Court	111,516	28,163	280
Police	212,294	15,600	1,785
City Planning	178,456	18,685	963
Fire Marshal (includes Trainee Corps)	221,444	43,508	3,375
Public Works Renewal	33,292	3,770	---
Public Works License	136,798	19,573	2,087
Human Relations	26,311	5,750	720
Finance	432,550	119,058	7,099
Police	2,622,641	431,655	57,356
Police	3,016,112	170,042	45,592
Police Defense	25,691	15,765	6,150
Health & Welfare	392,757	138,289	10,265
Public Works (General Fund)	666,616	136,079	3,868
City Street	1,497,211	553,079	28,929
Arterial Street	170,247	9,000	698,063
Urban Arterial Street	323,894	70,000	6,606,106
Library	726,316	184,723	10,450
Airport	42,380	26,031	4,000
Totals	\$11,004,926	\$2,148,979	\$7,490,948
Total \$20,644,853	(53.3% of Total)	(10.4% of Total)	(36.3% of Total)

If you remove the Arterial Street and Urban Arterial Street items from the totals (both programs are funded from earmarked state funds) you obtain a somewhat more realistic picture of the percentage distribution of money between Salaries and wages, Maintenance and Operation, and Capital Outlay, these totals are as follows:

Salaries & Wages & Employee Benefits	Other Maintenance & Operation	Capital Outlay
\$10,510,785 (82.3%)	\$2,148,979 (16.2%)	\$186,779 (1.5%)

DISTRIBUTION OF FUNDS...2

The remainder of the General Government Budget items are as follows:

Non-Departmental	\$ 1,252,838
Police and Fire Pension	1,151,426
Cumulative Reserve (M & O & Capital Outlay)	20,000
Building Demolition Fund	---
Interest and Debt Redemption	1,289,311
Non-Departmental (loan repayment)	674,537
Airport (loan repayment)	18,000
Available for Appropriation	<u>53,155</u>
Subtotal	\$ 4,459,267
Subtotal--Genl. Govt. Departments	<u>\$20,644,853</u>
Total General Government	\$25,104,120