

Wednesday, October 6th, 1954.

Council reconvened. Present 5; Perdue, Hooker, Humiston, Goering, Stojack. Absent 3; Jensen, taking his seat at 8:05 P.M.; Battin, taking his seat at 10:05 P. M.; Bratrud, absent for the entire meeting; Tollefson, taking his seat at 8:05 P. M. In the absence of the Mayor, Mrs. Goering, Vice-chairman of the City Council, presided until the Mayor arrived, at which time he assumed chairmanship of the meeting.

UNFINISHED BUSINESS:

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

The Director of Finance submitted a list of "Budget Changes for Final Adoption" to be acted on by the City Council for adoption of the Final Budget.

1. Merit increases for 1955, the salaries and wages account of each department will need to be changed to reflect the additional money required. Mr. Backstrom reported that this item will amount to \$171,803 if all employees receive the merit increase and that money can be made available from Cum. Reserve Fund, M & O., Cum. Reserve Fd., Outlay and from various other sources he enumerated, and that he recommended this amount be included in the Budget. The question was raised as to when these merit increases would become effective and Mr. Backstrom replied that January 1, 1955 would be the effective date. It was moved by Dr. Humiston that the Final Budget be changed to reflect additional money for merit increases to become effective January 1, 1955. Seconded by Mr. Perdue and carried unanimously.

3. Page IX. Admission tax reduced from \$80,000 to \$61,000. As this was covered by Ordinance No. 15128, Amending ordinance No. 12387, entitled: "An ordinance levying an admission tax on persons admitted to certain places of amusement; fixing the amount and providing for the collection thereof; prescribing penalties for the violation hereof; declaring a public emergency and providing that this ordinance take effect immediately after publication." by amending Section 2 thereof, which was laid over to this date, the ordinance was brought up for consideration at this time and read by title. Mayor Tollefson brought up the thought that this was one particular field of taxing allowed the City by the State and if it was given up, the State or County could step in and take it. The abandoning of this tax would put the city in a very poor position for asking for more liquor or gas tax funds from the state, he claimed. Mr. Joseph Gordon, Attorney for the Theater owners, stated his clients were disappointed the reduction would not be more but felt it was a step in the right direction, and urged the Council to pass the amendment as revamped by Attorney Boyle. Mr. Mike Barovic, owner of the Riviera Theater, talked at length in asking the Council to give some consideration to relieving the over-taxed theater operators of a tax which he claimed was discriminatory. After further discussion roll was called on the passage of the ordinance as amended.

Roll call: Ayes 1; Stojack; Nays 6; Goering, Hooker, Humiston, Jensen, Perdue, Tollefson. Absent 2; Battin, Bratrud. Ordinance declared lost.

After the ordinance was declared lost, Dr. Humiston stated in his opinion the whole tax structure of the City should be re-examined, and this was a function of the City Manager's office and staff, and should be surveyed before next year's budget is compiled.

In view of the vote on the Admission tax amendment ordinance, it was not necessary to change the budget with regards to Item 3.

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8. Page 18. Determine salary paid by City for Police Judge. City Manager Backstrom read the salaries paid by other Cities for this position for Council's information and stated that \$250.00 is paid by the County and it is up to the Council to determine what the City is going to pay as its share of this officer's salary. The matter was discussed at length and it was decided that the salary should start at step 3, range 28, and that a merit increase be granted in the budget for 1956, or sooner. The following motion was made by Dr. Humiston, seconded by Mr. Perdue: "That the salary of the Police Judge start at step 3, Range 28 of the Compensation Plan, ie. \$660 per month, or \$7920 per year, City to contribute \$410.00 per month." Carried unanimously.

The following items from the schedule of Budget Changes submitted tonight by the Director of Finance were read and discussed:

2. Page IX. General Office Expense paid by Utilities. The \$165,070 figure will be reduced to reflect the lowering of legal expense from 57% to 42%.

3. Page XI. Emergency Ordinances- change from \$16,200 to \$221,200, which has no effect on the budget but should be made to properly reflect emergency ordinances passed during 1954.

4. Page XIV. Departmental expenditures will be entirely changed- but total will stay the same to reflect any merit increases granted by Council. Non-Departmental
(a) Reduce Hydrant rental to \$50,000
(b) Reduce independent audit to \$9,500.

5. Page 4. City Clerk. Add \$1,000 to advertising.

6. Page 14. Add \$1,400 to Expert Services for Medical Examinations that may be required and for which the City will now pay.

7. Page 25. Increase total salary account by \$523 to provide for salary increases that may be provided by electrical workers contract negotiation in February.

8. Page 33. Increase Police Patrolmen (3 wheel) from 12 to 13. Reduce vacation, sick leave, and overtime to \$3,153.

9. Page 33. Transfer \$2,800 from Vacation, Sick leave and overtime to page 39 Training Account Expert Services for use of Police Special Training, and \$750 for overtime in Records & Identification Account, page 38.

10. Page 45. Note Director of Health salary to be 2/3 by City and 1/3 by County, pay total being \$1,050 per month. City share \$690 per month.

11. Page 47. Public Health Educator should be \$480. instead of \$319. City to pay full share.

12. Page 49. Assistant Director of Health Salary should be 2/3 by City and 1/3 by County. Pay total being \$835. per month. City share to be \$513.

13. Page 59. Change .5 (Relief) Building Maintenance Man to 1 full time man.

14. Page 58. Appropriation from this account for director's salary should be \$6,757 to conform to the 85% of total salary coming from this account/

15. Page 108. Change Hydrant Rental from \$100,000 to \$50,000.

16. Page 108. Change Independent Audit from \$12,000 to \$9,500. (Contract Agreement)

17. Page L-2. Library. Director salary erroneously stated. Should be \$667.50 instead of \$565. Present salary in 1954, \$645.00.

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It was moved by Dr. Humiston that the above changes and corrections be approved by the City Council. Motion seconded by Col. Hooker and carried unanimously.

Mrs. Kathryn Webb appeared before the Council to protest the form in which the Library Budget was drawn up, claiming that it does not comply with State Law and alleging it was not to her way of thinking a legal budget, as each item should be itemized and the various positions clearly set forth.

City Attorney Clarence M. Boyle advised the Council that the 1955 Budget legally could be adopted at tonight's meeting if the Council so desired. As all revisions have been completed and the budget is ready for adoption, Clair Gaisford, Director of Finance, recommended that the budget be adopted now.

Mrs. Goering said that before the Budget is adopted she would like to have the Transit Problem considered again, as she had a new proposition she wished to present to the Council. She suggested that in order to provide an inducement to the new operators of the Transit Co., a franchise arrangement be set up so that the Gross earnings tax would remain at 4% with a maximum charge of \$60,000.00. By this action she felt the operators would be encouraged to carry on their proposed program for increasing bus patronage. Most of the Council members felt that the new operators deserve all the encouragement possible, but did not know whether this was the proper procedure to follow. After considerable discussion, it was moved by Dr. Battin that Mrs. Goering's proposition that the gross earnings tax of the Transit Co. remain at 4% with a maximum charge of \$60,000 be accepted by the Council. Motion seconded by Mr. Perdue. Mr. Stojack objected to "Railroading" this matter through and felt that the Bus Company representatives should be presented with the idea before the Council took any action, but other members of the Council could see nothing to be gained by conferring with Transit Company officers. The motion was lost on roll call: Ayes 3; Battin, Goering, Perdue. Nays 5; Hooker, Humiston, Jensen, Stojack, Tollefson. Absent 1; Bratrud.

It was moved by Col. Hooker that the Transit Company Gross earnings tax be reduced from 4% to 3%. Motion seconded by Mr. Jensen. The motion was discussed and roll call was as follows: Ayes 7; Nays 1; Humiston; Absent 1; Bratrud.

It was moved by Dr. Battin that the City of Tacoma budget as amended for the year 1955 be adopted and the City Attorney be instructed to bring in the necessary ordinances on October 11th. Motion seconded by Dr. Humiston and carried on roll call: Ayes 8; Nays 1; Stojack; Absent 1; Bratrud.

Upon motion, duly seconded and carried, Council then adjourned at 11:45 P. M.

H. M. TOLLEFSON

~~President of City Council.~~

Attest:

Josephine Melton
City Clerk.