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MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Special Meeting

September 27, 1972

5:00 P. M.

COUNCIL CHAMBERS, CITY HALL

Mayor Butler called the meeting to order and announced that this was a Special Session called for the purpose of adopting a Resolution approving 1972 Tax Rolls, passing an Ordinance adopting the 1972-73 Budget, and passing an Ordinance establishing the Tax Rate.

Roll Call:

Present: Councilmen Dryden, Nichols, Mayor Pro Tem Love, Councilmen Lebermann, Friedman, Handcox, Mayor Butler

Absent: None

At the request of Councilman Dryden, the Council heard a group from the Austin Cerebral Palsy Center, lead by Dr. Burnham.

Dr. Burnham, along with Mr. Rooster Andrews, representing the Austin Cerebral Palsy Center, outlined the work of this Center, stating there are not therapists available in Travis County to take care of the heavy load. This Center receives some funds from the United Fund and some from the Easter Seals. No funds are received from the United Cerebral Palsy Organization which is a fund raising agency for research. Some money comes from the Austin Independent School District for the educational phase of the program, but does not provide therapists. Their operation for 1972-73 will result in a deficit of about \$25,000.

Mayor Butler was disappointed that the Council had not had this matter earlier so that it could analyze it and work with the Center.

Dr. Burnham's specific request was for \$23,000 or \$25,000 to help make up this deficit in the coming budget. Their main need is for therapists.

Councilman Dryden urged doing something to help this important activity, and suggested that \$20,000 be found in some way, as there is a long waiting list now. City Manager Davidson stated the Council had not completed its consideration of the list it had been reviewing. Councilman Lebermann had one concern apart from this particular consideration, noting there is a variety of locally oriented ancillary health and rehabilitation organizations in the City. A list of United Fund projects was read. He noted there were many fine organizations doing outstanding jobs for afflicted people. He expressed concern also that if one activity is helped there would be a precedent to help with the rest. He asked when is the line drawn in as far as ancillary health activities are concerned.

Motion

After discussion, Councilman Dryden moved that \$20,000 for this project be supplied in the budget. Councilman Lebermann seconded the motion.

Substitute Motion

Mayor Pro Tem Love made a substitute motion that \$5,000 be appropriated to the Austin Cerebral Palsy Center. Councilman Nichols seconded the motion which failed to carry by the following vote:

Ayes: Councilman Nichols, Mayor Pro Tem Love, Mayor Butler
Noes: Councilmen Dryden, Lebermann, Friedman, Handcox

Second Substitute Motion

Councilman Friedman made a substitute motion to amend the motion to \$12,500. The motion, seconded by Councilman Handcox, carried by the following vote:

Ayes: Councilmen Lebermann, Friedman, Handcox, Mayor Butler, Councilman Dryden
Noes: Councilman Nichols, Mayor Pro Tem Love

Mayor Butler stated the project was a worthy one, but he would have preferred this not having had to be done at the 11th hour. Councilman Lebermann concurred, but stated this seemed to have been an emergency.

Councilman Nichols and Mayor Pro Tem Love made the matter a unanimous decision of the Council, stating they too would have preferred deciding on a matter of this type with more notice and opportunity to have gone into it further.

Mayor Butler suggested that in the next budget year, that all interested parties present their requests earlier so that the Council could learn more about the projects and also that a moratorium be set to hear these requests.

TAX ROLL FOR 1972 APPROVED

Councilman Nichols moved the Council adopt a resolution approving and adopting the tax assessment roll showing a total of \$1,346,919,710 valuation, subject to such adjustments as may be found necessary by reason of appeals pending. The motion, seconded by Mayor Pro Tem Love, carried by the following vote:

Ayes: Mayor Pro Tem Love, Councilmen Lebermann, Friedman, Handcox, Mayor Butler, Councilmen Dryden, Nichols
Noes: None

1972-1973 BUDGET ADOPTED

Mayor Butler introduced the following ordinance:

AN ORDINANCE ADOPTING AND APPROVING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 1972, AND TERMINATING SEPTEMBER 30, 1973, MAKING APPROPRIATIONS FOR EACH DEPARTMENT, PROJECT AND ACCOUNT; AND DECLARING AN EMERGENCY.

Councilman Nichols moved the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance effective immediately. The motion, seconded by Councilman Handcox, carried by the following vote:

Ayes: Councilmen Lebermann, Friedman, Handcox, Mayor Butler, Councilmen Dryden, Nichols, Mayor Pro Tem Love

Noes: None

The Mayor announced that the ordinance had been finally passed.

City Manager Davidson reported a meeting with the Board of Directors of Downtown Austin Unlimited, to explain the proposal to increase parking meter revenues. The Board asked that their appreciation be expressed to the Council for this plan and they are 100% behind this new concept.

Mayor Butler stated this proposal would raise revenues and make the new transit system more effective.

1972 TAX RATE ORDINANCE ADOPTED

Mayor Butler introduced the following ordinance:

AN ORDINANCE FIXING AND LEVYING MUNICIPAL AD VALOREM TAXES FOR THE CITY OF AUSTIN, TEXAS, FOR THE YEAR 1972; AND FOR EACH YEAR THEREAFTER UNTIL OTHERWISE PROVIDED; DIRECTING THE ASSESSMENT AND COLLECTION THEREOF; AND DECLARING AN EMERGENCY.

Councilman Nichols made a statement at this time that the Council had been considering for several weeks an operating budget to meet the needs of the City. Several changes had complimented the City Manager's recommendations. Recently the Capital Improvements Program was approved followed by the Bond Election promising the citizens of Austin that the new bonds would not require a tax increase. This operating budget likewise calls for no tax increase. He stated after careful study, it was his view that this City Council could reduce the tax rates and still maintain a high level of municipal services, which all want and expect. He firmly believed that the citizens of Austin are due this reduction and they deserve to benefit by reduced taxes if the money is not needed.

Councilman Nichols moved a two cent reduction in the operation Tax Rate from 95¢ to 93¢, leaving the service rate at 34¢, thus operating by reducing the tax rate from \$1.29 to \$1.27. Councilman Handcox seconded the motion..

Discussion to the motion ensued. Councilman Friedman was concerned about how closely run this City Budget would be if 2¢ were cut off the rate. He referred to a Memorandum from the City Manager which was read.

City Manager Davidson stated the question was asked if the 1972-73 budget as recommended could be financed if the tax levy were reduced by 2¢ and the memo stated the answer was yes. He said as the Council deliberates this decision he felt it to be imperative to be aware of certain facts. He reviewed comments in the memorandum concerning the assumption of minimal increases in tax revenue for 1973-74 due to the new biennial appraisal system; assumption of responsibility for the H.O.CO; a decline in the General Fund ending balance; assumption of a sophisticated airport security system which cost was not in the C.I.P. or proposed budget; the C.I.P. financing the City's requirements is of value to the bond rating firms which place a high value on financial stability and quality management. He discussed the effects of a reduced tax one year and an increase in the following year or the year after.

The Finance Director, Mr. Norman Barker, stated the City had high credence in New York because of the fact that it had levied 34¢ for debt service administration for 17 years. He reviewed the tax set up from the 81¢ - 92¢ - \$1.00 and the reduction of 5¢ when the sales tax came in.

Mayor Butler's philosophy was if the funds are not required to operate the City, they should be passed back to the taxpayers who are entitled to all of the relief they can have these days. The needs would change from year to year; the assets will be larger next year. He would hope each Council in future years would continue to lower the tax rate even though costs may escalate. The tax basis is increasing; the City Government is beginning to operate on the basis that those who receive the services pay for them. It was pointed out there will be some revenue sharing that will take effect. Councilman Dryden questioned the reduction. Mayor Pro Tem Love noted a caution and doubt about the lowering the taxes.

Roll call on Councilman Nichols' motion, Councilman Handcox's second, to pass the ordinance effective immediately, waiving the three readings and declaring and emergency, received the following vote:

Ayes: Councilman Handcox, Mayor Butler, Councilmen Dryden, Nichols
Noes: Councilmen Friedman, Lebermann, Mayor Pro Tem Love

The Mayor announced that the ordinance had been finally passed.

PAY INCREASE

Councilman Nichols moved the Council approve a 3.92% or \$35.00 (whichever is larger) pay increase for all city employees. The motion, seconded by Councilman Dryden, carried by the following vote:

Ayes: Councilman Handcox, Mayor Butler, Councilmen Dryden, Nichols,
Mayor Pro Tem Love, Councilmen Lebermann, Friedman
Noes: None

ADJOURNMENT

The Council then adjourned.

APPROVED: 
Mayor

ATTEST: _____

City Clerk