



Austin City Council MINUTES

For SEPTEMBER 8, 1986 - 4:30 P.M.

Council Chambers, 307 West Second Street, Austin, Texas

City Council

Frank C. Cooksey
Mayor

John Treviño, Jr.
Mayor Pro Tem

Council Members
Mark Rose
Smoot Carl-Mitchell
Sally Shipman
George Humphrey
Charles E. Urdy

Jorge Carrasco
City Manager

Iden Aldridge
City Clerk

Memorandum To:

Mayor Cooksey called to order the meeting of the Council, noting the presence of all Councilmembers. The Mayor announced the purpose of the meeting was to have questions and answers on the operating budget.

Mayor Cooksey stated the City of Austin's financial situation is similar to the financial situation of the State of Texas, but not as severe. He said we are 1% behind in sales tax revenues, but if it were not for the Federal Revenue cuts by which we lose \$5,000,000, we would be in excellent shape to keep the present staffing and have no tax increase. Mayor Cooksey then went through a list of his proposed cuts and additions. Cuts would total \$909,000 and additions would total \$1,300,000. Mayor Cooksey said Council should consider a 5% tax increase in order to recover on the local level that which has been lost on the Federal level.

Councilmember Rose said the Council needs to first determine the amount of revenue the City will have. He said then they need to decide if there should be a tax increase. Councilmember Rose said he does not favor such an increase. He said the only change feasible is if the tax roll is so low, or sale tax revenue so low, that it would require tax increases.

Mayor Cooksey said we should protect our employees and functions. He said the level of revenue can be set without the priorities of departments but that would not be wise. He said he does not oppose eliminating positions whose work has decreased.

Councilmember Humphrey said he would not support a tax increase. Mayor Pro Tem Trevino said we need to set

our priorities and then tax accordingly. He said the situation concerning budgeting is harder than they thought and that they may have to come back and take other action concerning cuts in jobs.

Councilmember Urdy said the priorities need to be established and said no tax increase is a high priority, but the air should first be cleared of the issue of employees.

Mayor Cooksey suggested Council put the issue of a tax increase on the September 9, 1986 agenda and then vote. Then a discussion followed concerning the economy of Austin and whether or not people were being laid off from their jobs.

Councilmember Shipman said she would not support a tax increase and Councilmember Carl-Mitchell wants to see a priority list and leave the door open concerning tax increase.

ADJOURNMENT

Council adjourned its meeting at 6:25 p.m.