

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Recessed Meeting
of the
SPECIAL MEETING
(June 24, 1953)

July 1, 1953
9:30 A.M.

Council Chamber, City Hall

The meeting was called back to order with Mayor McAden presiding.

Roll Call:

Present: Councilmen Long, Pearson, Thompson, White, Mayor McAden
Absent: None

At this point the Council stood in memory of CAPTAIN TED KLAUS.

The Council made a close study of the payroll for the city employees, budgeted, and temporary and part-time. Councilman Long felt there were 99 vacancies that could be kept vacant. Councilman Thompson stated that for the five months' period where there were a number of vacancies there had been extra help hired to spend the budget up to this point of 38.7. Councilman Long stated \$17,000 had been divered from contract work; \$48,000 for overtime. Councilman Thompson noted those two figures would not equal 38.7% of the figure \$5,625,524, and asked about the difference. The City Manager explained the figures for the last pay period where there were 2345 people. For personal services \$247,043.50 was paid out which included overtime and additional money for increase to the Trash and Garbage Department. He listed the payrolls for every pay period through June 18th, the total pay being \$2,831,332; but through the five months' period it was \$2,345,326.00. He explained the difference in the figures of \$2,345,326 and \$2,175,310, as being due to distribution in the Utility Section to other Departments like the Hospital, Abattoir, etc.; to \$95,117 Bond money, and \$72,852 set up in the Clearing Account.

Councilman Long thought money could be obtained from the Hospital Fund as there was \$20,000 cash that had not been anticipated and the expenses would be decreased due to construction. The City Manager stated when construction started a temporary building would have to be set up, and the personnel would be divided, and inconveniences would be more and personnel could not be cut down.

Councilman Long inquired about \$66,000 in the Water Distribution Department for water on South 1st Street. The City Manager stated they did not have enough money now to take care of the complaints. MR. ALBERT DAVIS explained the projects in the water Distribution Department due this year. Councilman Long was interested in knowing what was to be started and completed this year. Mr. Davis outlined the projects as follows:

Homewood Heights	- to be started in July
St. John's Addn.	- to be started in August
Laurel Lane	- sometime during 1953
Woodland Hills	- to be completed in October or November
Goodwin Avenue	- to be completed July 15
South 1st	- September

The Council recessed until 2:30 P.M.

Recessed Meeting:

2:30 P.M.

The Mayor called the meeting back to order.

Councilman Long submitted the following proposal and alternate proposal:

	Net for Salary Increase
"1. Reduce inventories \$182,000 from Jan 1, 1952 (Recommended by Manager on Page 8 of State- ments of Expenditures and Estimates)	\$20,000
2. Abolish four jobs recommended by Manager in Exhibit 1.1 -- List of Positions Vacant--6 mos. salary	6,072
3. Revise budget estimate on Brackenridge Income up by (or expense down by same amount)	25,000
4. Transfer balance from unappropriated income	<u>52,786</u>
	104,858
-0-	
5. Revise revised estimate of new residential light connections downward by 440 @ \$245 each	107,800

Basis for this:

1952 home starts.....2800

1952 connections.....2094 or 74%

Predicted 1953 starts..... 2200

74% of 2200 starts..... 1728 connections

Manager's revised estimate... 2168

which is more than 1952 and 98% of home builders' estimates
of starts in 1953

Reduce the revised estimate to 1728 and you cut off
440 expected connections.

During first 7 months 1018 connections cost \$250,312, an
average of \$245 each.

Multiply 440 by \$245 and you get \$107,800

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6. Leave only 30 of the present 83 vacancies unfilled \$36,000
(30 times \$200 a month times 6 months)

TOTAL OF SIX ITEMS \$241,658

350 policemen and firemen at \$30 a month, 6 months \$63,000

1658 fulltime employees at \$20 a month of 10¢ an hour \$198,960

Choice by departments of pay raise or 40 hour week.

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ALTERNATE PROPOSAL

The Mayor's revenue raising proposal will produce only \$125,000 during the coming six months.

Take the first four of my items, for \$104,000

Hold the electric increase to 5% and make it apply to all residential and commercial, instead of just those who pay on time, and maintain the penalty for late payment, and then give all employees other than firemen and policemen \$20 a month or a 40-hour week."

Councilman Pearson inquired if Councilman Long felt all the questions had been answered satisfactorily. She stated she believed that not one penny of additional money would have to be raised except from collection of delinquent taxes, etc., and that the City Manager, Mr. Huffman, Mr. Davis and others had been very cooperative in bringing in this material.

Councilman Thompson pointed out there were some other projects that had not be discussed yet. It was stated those projects were from bond money. Councilman Long reviewed cutting back the inventory \$182,000 and obtaining \$20,000 to divert to the fund; collections at the hospital. Councilman Pearson, after more discussion, believed more revenue would be needed to meet the pay increases. Councilman Thompson did not think the administration should be stripped of any extra dollars to take care of the exigencies.

The Mayor suggested, since the proposal of Councilman Long was still insufficient of bringing in enough money, and to keep from stripping the administration of every dollar that might be needed, that the rate be raised from 5% to 7½%. Councilman Long stated she would not vote for anything above a 5% increase. The Mayor felt that the city would be crippled if the money were taken out of the budget. The Mayor stated he would withdraw his suggestion of eliminating the discount and the 40-hour week, and \$30.00 for the Fire and Police. Discussion was held on 40-hour week. Councilman White stated he favored giving the people a 40-hour week if that was what they wanted, or if they wanted a little increase, give it to them. The City Manager reported the results of a 40-hour week--if the Power Plant, Water Plant and some others went 40 hours, that means putting on extra people.

Councilman Thompson did not want to take any action this date, as he would like to check with what the Auditor thought of stripping the Administration of every dollar to provide this increase. He was assured that the figures Councilman Long had presented were not correct; that the figures she stated were available were not proven to be a fact. A review of the figures was held.

The City Manager explained how the cross-the-board raise would apply to the Fire Department and Police Department; and how a 40-hour week would apply, increasing the base rate of pay 10%, but the same take-home pay. Those left on the regular work week would get about 3½%. It would take \$142,000 to be used on additional employees. In lieu of getting additional employees, we would take \$142,000 and distribute that to those we now have, not changing the hours, and that would amount to 3½%. The City Manager stated the ones that would take the 40-hour week would be the utility and hospital, the very places where there was the most difficulty in getting help--nurses, etc. Councilman Pearson inquired how much it would take to give all employees a 10% increase. The City Manager replied it would take \$250,000 for the next six months, and would necessitate a 15% increase in the electric rate. He stated if the Council said there was \$25,000 or \$268,000, \$120,000 would go to Fire and Police, and \$140 would go to the others. It would be distributed percentage-wise fairly to each. Councilman Thompson was interested in knowing how each department felt about the 40-hour week. The City Manager stated 50 additional employees would be needed if the Power Plant, Water Plant, Sewer Plant and Hospital went 40-hour. That would cost \$140,000. Before the matter were put before the employees, the City Manager stated it would be necessary to know exactly what would be offered to them.

Councilman Thompson insisted on having the money available if any commitments were made. Councilman Pearson felt sure that it would be necessary to raise new revenue. Councilman White thought there might be some left over in the budget. Councilman Long stated that if the City ran out, the tax rate could be set next year to take care of the matter. Councilman Thompson again expressed his desire to have the Auditor's opinion on stripping the budget of any surplus.

Councilman Thompson inquired if the 10% raise was made, would any section of the city employees be paid in excess of the prevailing wages for like work in other cities, state departments, federal government, and commercial concerns? Councilman Long stated they were 17% under. More discussion was held on different departments going on a 40-hour week - hiring extra help, etc. Discussion was held on distributing the pay increase on a percentage basis rather than a flat increase in order to keep the job evaluation system straight.

Councilman Pearson moved that a survey be made, and that the Council listen to the Auditor the first part of the week, and then propose to the employees an option of 5% increase in pay or 40-hour week. (Motion lost for lack of a second)

Councilman Long moved that 10¢ an hour be paid as a basis of an overall increase for the employees, and the firemen and policemen be paid \$30.00 a month. (Motion lost for lack of a second)

Councilman Pearson moved then that the departments be asked, "Would you like to have a 5% increase in your pay or move back to a 40-hour a week at exactly the same pay you are receiving?" It would give a majority of them a nice raise that they would be very happy to receive. I wanted to make the comments that as much as we would like to do it, it is not possible for the City nor any business firm--we do have a cut-back; and within a year a job with the City would become very valuable. The people appreciate their jobs now, but they will appreciate them much more a year from now. There was no second to this motion.

Discussion was held on those not included in the proposed pay-increase: those making over \$5,000. Mayor McAden stated there were about 30.

Councilman Pearson moved that the City employees be asked if they wished a 7½% increase in wages or move back to a 40-hour week, as he thought personally, it would not be possible to raise them 10%. The motion was not seconded.

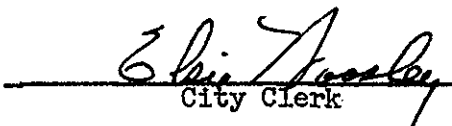
The City Manager suggested talking to the Auditor before any decision was made.

The Council then recessed until 10:00 A.M., Monday morning, July 6, 1953.

APPROVED


Mayor

ATTEST:


City Clerk