

CITY OF AUSTIN, TEXAS
TENTATIVE BUDGET
For the Year 1949

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SECTION I

LETTER OF TRANSMITTAL

COUNCIL

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CITY OF AUSTIN

FOUNDED BY CONGRESS, REPUBLIC OF TEXAS, 1839

GUION MORGAN, CITY MANAGER



November 30, 1948

The Honorable Mayor and
Members of the City Council

Submitted herewith for your consideration is the Budget for the City of Austin for the fiscal year beginning January 1, 1949. Working papers showing all revenue and expense statements, departmental appropriations, general obligation and revenue bonds authorizations, etc. have been filed with the City Clerk. Mimeograph copies will be available for study as soon as stencils can be cut and the copies made.

Operating costs, as distinguished from new construction jobs, have been held to as low a figure in each instance as was deemed advisable considering the necessary services to be carried on. As much money as possible has been allocated to extensions and improvements to the water, electric, and sewer systems and for paving, storm sewers, traffic lights and other similar permanent improvements. The particular needs and most important jobs are noted specifically in each of the respective sections of the budget.

Total revenues from tax sources, departmental and utility earnings are greater than similar revenues for 1948, but increased payroll and material costs, departmental expansion and other factors more than equal the revenue increases.

No major building projects other than the hospital job are included. This is \$1,500,000.00 for additions to the building and for equipment. One million is from general bond funds of the City and \$500,000 is a grant from the Federal Government.

Section I consists of this letter and exhibits.

Section II is a combined statement of receipts, disbursements and balances of all funds for the years 1948 and 1949.

Section III covers all General Fund operations showing receipts, disbursements and balances and itemized appropriations by departments.

Section IV includes Utility Fund operations showing receipts, disbursements and balances and itemized appropriations by departments.

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Section V is a statement of the Interest and Sinking Fund showing receipts, disbursements and balances and a statement of general obligation bonds, the amount, date, and purpose of each original issue and the amounts now outstanding.

Section VI shows independently of all other funds the recommended general obligation bond projects.

Section VII shows independently of all other funds the recommended revenue bond projects.

Payments to and costs incurred directly for the Austin Public School System are as follows and are shown in budget appropriations:

Payments to the Public Schools from Utility Funds (Payable in 12 monthly installments.)	\$ 175,000.00
Pro rata cost of assessing and collecting school taxes (paid by City)	38,500.00
Free Water and Lights to schools (shown by reduction in City income)	40,000.00
Interest and Principal payments on school bonds including Zilker Park notes (paid by City from Interest and Sinking Fund)	270,661.00
Total costs incurred for the schools & direct payments to the schools	<u>\$ 524,161.00</u>
Ad valorem taxes collected and paid directly to the School System	\$1,475,000.00

Figures in this letter and in the budget are with reference to operations of the City government only, and the figures with reference to costs and payments to the schools are only shown where they constitute a cost or expense and must therefore be budgeted. This is true of all of the above figures except the ad valorem taxes which are paid directly to the schools and do not show anywhere in the budget of the City proper.

The 1949 budget is predicated on a few basic fundamentals. The first of these is that water, adequate in supply, with adequate treatment, pumping and distribution facilities to all parts of the City, is the most important consideration. A Considerable amount of work has been done during the past few years in order to meet a successively increasing demand and the 1949 budget contemplates extensive further expansion of the water treatment, pumping and distribution system to again meet the peak load for next summer. Any construction along this line that will come in 1950 and subsequent years is believed to be scheduled in a logical sequence and the program for this year is about all that can be done financially and all that can be properly handled by the engineering staff of the City. Secondly, the improvement and extension of the sanitary sewer system has been considered the next important problem and the maximum amount of money and resources available of all kinds has been allocated for this purpose. Third and by far the largest in point of money in 1949 is the expansion of the electric plant and the strengthening of the electric distribution system. The utility program and the specific jobs contemplated will be commented on in detail in the respective parts of this letter and will be found fully itemized in the budget schedule of appropriations for these utilities.

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It has been the basic purpose in allocating the funds herein recommended to the end that the operating costs and capital improvements to the other departments of the City will be balanced and sound and that none of the services which the City is called upon to render will be impaired by unduly heavy appropriations to some other department or function. The amounts scheduled for Public Health, Public Safety, Public Works, Recreation, the Hospital, the proper control of the financial affairs of the City, Planning, Traffic, etc. have all be carefully considered and the real needs weighed one with another. The figures and amounts recommended are the result of considerable study and analysis, they have been revised in some instances many times, and the net result for all purposes is within the available resources which the City can reasonably expect. The amounts do not meet all of the needs of these departments and services either from the standpoint of the public generally nor with respect to the normal demands of the departments concerned. In every instance where necessary, appropriations higher than 1948 are included and it appears that most of the basic needs are met and much work of an essential and worthwhile character will be possible during 1949.

As everyone realizes, Austin is a rapidly growing City. The income from which the City operates necessarily lags behind the demands for public improvements and the desired expenditure of public money for nearly every purpose. As a result of this growth and as clear evidence of where the greatest demands lie, the totals of building permits and the total number of active utility accounts furnish a very clear picture.

TOTAL BUILDING PERMITS BY YEARS

	<u>1944</u>	<u>1945</u>	<u>1946</u>	<u>1947</u>	Est. <u>1948</u>
Residences-Apartments	572,787	3,721,381	14,938,045	16,098,480	19,368,450
Commercial Bldgs.	35,010	1,273,684	1,035,090	2,198,077	2,370,244
Public (Federal, State City)	105,058	77,140	1,754,462	2,174,184	4,569,764
TOTAL	712,855	5,072,205	17,727,597	20,470,741	26,308,458

TOTAL UTILITY ACCOUNTS BY YEARS

	<u>1944</u>	<u>1945</u>	<u>1946</u>	<u>1947</u>	Est. <u>1948</u>
Electric Customers	24,528	25,467	28,172	30,479	34,000
Water Customers	22,337	23,450	25,311	27,116	29,700
Gas Customers	20,431	21,057	22,579	24,844	26,500

From the above figures it can be seen that the total of all building permits in Austin for 1948 is nearly 29% above 1947 and is nearly four million dollars more than 1945 and 1946 combined. The net result of this expansion in all parts of the City has resulted in a heavy increase in utility demands and in increased requirements from practically every service department of the City.

The number of utility consumers increased at the rate of approximately 4% to 5% between 1945, at an average rate of nearly 10% between 1945 and 1946 and at about the same rate between 1946 and 1947. During 1948 the increase jumped to 12% on Electric and 10% on water. In addition to the actual increase in the number of customers the consumer load itself has increased through the installation of air conditioning and other appliances and uses.

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These increases and also a considerable increase in population mean additional demands for sanitation and garbage removal, added police and fire costs, more books in the public library, additional recreation and public health inspection services, higher street maintenance costs, additional bridge, paving and right of way expenditures, more demands on the hospital, and a general increase throughout the entire structure of the City government to serve this constantly increasing number of people.

The basic income of the City is from ad valorem tax revenues including both current and delinquent collections, the receipts from franchises and gross receipts taxes, and licenses which are revenue calculations listed under the general heading of tax income. The second major source of income to the City is from what is termed departmental income. This income is from a number of varied sources such as the recreation department, the hospital, abattoir, cemeteries, court and library fines, parking meters, and miscellaneous sources. A third source of income which is highly variable is from payments by property owners toward street paving and other improvements which are a direct cost to the property owner, proceeds from the sale of property, federal grants, and other sources for specific purposes. The fourth major source of income is listed under the head of utility income and is the gross revenue derived from the operations of the electric, water, and sewer systems, the latter being negligible as most of the cost of operation of the sanitary sewer system is carried by earnings from electric and water sales. Austin does not have any direct sewer charge. Sewer income is mainly what property owners pay to the City for connections to the sewer system and this amount is often less than actual cost.

These earnings and the comparison between these amounts for the years 1945 to 1949, inclusive, are shown in the following tables.

COMPARISON OF TAX INCOME BY YEARSBasis for Ad Valorem Tax Collections for all purposes

Levied as of January 1

Collectible during

	1944	1945	1946	Est. 1947	Est. 1948
	<u>1945</u>	<u>1946</u>	<u>1947</u>	<u>1948</u>	<u>1949</u>
Total Assessed					
Valuations	76,684,990	77,731,700	81,082,385	132,000.00	140,000,000
Tax Rate per \$100					
Valuations	235	235	250	230	275
Total amount of taxes					
Levied	1,781,762	1,805,717	2,006,005	3,028,872	3,850,000
Percent of Tax Roll					
Collected during					
year payable	93.47%	93.24%	92.02%	91.00%	90.00%

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Tax Rates per \$100

Valuation	1944	1945	1946	1947	1948
General Fund (City)	1.00	1.00	1.00	1.00	1.00
School Fund	.70	.70	.70	.70	1.15
Interest & Sinking Fund (City & Schools)	.65	.65	.80	.60	.60
	2.35	2.35	2.50	2.30	2.75

Tax Revenue to City for

General & Sinking Funds	1945	1946	1947	Est. 1948	Est. 1949
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Ad Valorem	1,288,770	1,277,320	1,400,166	2,014,552	2,098,000
Franchise-Gross Receipts	36,338	37,680	47,731	72,994	82,500
Licenses	22,522	34,207	35,982	52,259	47,270
TOTAL	1,347,630	1,349,207	1,483,879	2,139,805	2,227,770

DEPARTMENTAL INCOME

	1945	1946	1947	Est. 1948	Est. 1949
Court & Library	41,487	90,511	121,214	124,450	130,000
Parking Meters	57,476	64,760	96,591	109,000	110,000
Rents	18,652	22,813	38,025	31,500	27,500
From Other Agencies	62,083	45,292	17,047	32,197	13,420
General Miscellaneous	475	245	687	225	225
Inspection Fees	2,714	7,752	9,877	11,500	11,000
Cemeteries	46,539	53,932	44,467	50,000	50,000
Airport	28,045	49,172	58,437	53,000	53,000
Rodent Control	9,877	9,892	7,780	4,500	4,500
Abattoir	133,442	193,753	195,761	186,200	173,500
Hospital	255,750	330,174	341,532	374,000	374,000
Recreation	32,005	45,107	84,326	86,416	83,610
TOTAL	688,545	913,403	1,015,744	1,062,988	1,030,755

MISCELLANEOUS INCOME

	1945	1946	1947	Est. 1948	Est. 1949
Private payments toward					
Street paving	46,630	107,438	88,313	60,000	62,500
Sale of Property	12,273	20,537	8,147	81,358	27,500
Federal Grant					500,000
TOTAL	58,903	127,975	96,460	141,358	590,000

UTILITY INCOME

	1945	1946	1947	Est. 1948	Est. 1949
Electric	1,888,220	1,993,227	2,380,462	2,772,500	3,062,500
Water	725,175	790,724	1,065,547	1,208,500	1,135,800
Sewer	8,793	24,821	47,984	57,000	52,000
TOTAL	2,622,188	2,808,772	3,493,993	4,038,000	4,250,300

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With reference to the table showing tax income, the difference between the 1946 assessed valuations, which is the basis for taxes payable in 1947, and the 1947 assessed valuations which formed the basis for 1948 tax payments is a result of the general equalization program which revised and brought up to date tax valuations which had not been done since 1927.

As to tax rates, the general fund remains at \$1.00 which has been the constant figure throughout the five year period shown and is the basis for all General Fund operations but the amount of taxes received is inadequate and must be supplemented by not only all of the departmental earnings but by a portion of the revenues from the utility department as well. The rate for Interest and Sinking Fund for the five years shown was increased from 65¢ in the first two years to 80¢ in 1946 and was reduced to 60¢ in 1947 and was the same in 1948. This represents the sum total of money with which the City meets interest payments on the City's bonded debt and retires this debt as the bonds mature and are due for payment. The school tax rate has remained at 70¢ for the first four years of this five years, and is increased to \$1.15 as instructed by the School Board of the Austin Independent School District in accordance with an election in the summer of 1948, at which the people of Austin voted this increase.

Departmental earnings have increased slowly, and the fact that this is slightly less in 1949 than in 1948 is due to special payments made to the City which will not be paid in 1949.

Miscellaneous income also shows certain variables. The principal reason why the figure for 1949 is high is that included in it is a federal grant of \$500,000.00 which will be available during the year toward the \$1,500,000.00 expansion program approved for Brackenridge Hospital. This grant is under an act of the United States Congress making available appropriations not to exceed \$500,000.00 and not to exceed 1/3 the cost of building or improving hospitals.

Utility income has shown a steady increase with the increase in the number of customers which is helping to provide money for the necessary expansion but the figures hereafter noted for additional facilities will show that a substantial part of the earnings during the next ten years will be required to pay for these improvements. The necessity for setting up a reserve for the retirement of revenue bonds which will be required to finance electric and water additions will affect the amount of utility funds which can be made available to supplement the general fund costs of the City government.

As to finances generally and revenues of all kinds, it appears that Austin is in an excellent position, is sound as to its bonded debt, tax collections, utility revenues and all other sources of income. It is difficult at this time to make the resources meet all the pressing needs, but considered over the past few years and the next five to ten years, Austin should be able to finance its essential building and developing in an orderly manner and on a sound financial basis.

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The sum total of the City's resources, including balances available at the beginning of any fiscal year in its operating funds and from the sale of bonds, plus earnings from all sources including further bond sales, is the gross amount which can be allocated to the various departments and various projects which, on the basis of considered planning, need to be undertaken. The following table shows a comparison of total City income and resources for the period 1945 to 1949 inclusive.

COMPARISON OF TOTAL CITY INCOME AND RESOURCES
For Five Year Period 1945 - 1949, Inclusive.

	1945	1946	1947	Est. 1948	Est. 1949
Resources, beginning of year	1,161,301	1,309,026	143,248	1,052,281	1,655,961
Tax Income (Exclusive of Schools)	1,347,630	1,349,207	1,483,879	2,139,805	2,227,770
Dept. and Special Income	747,448	1,041,378	1,112,204	1,204,346	1,620,755
Utility Earnings	2,611,927	2,808,771	3,493,993	4,232,300	4,275,300
Sale of Bonds-General			2,900,000	2,553,000	950,000
Sale of Bonds-Revenue					2,650,000
TOTAL	5,868,306	6,508,382	9,133,324	11,181,732	13,379,786

Considering the first item under the 1949 column, which is the estimated cash balance on hand, most of this amount is bond funds available only for specific purposes, and money in the Interest and Sinking Fund for debt service retirement, and only a small amount can be considered as operating funds. Adding to this the other indicated sources of revenue including the sale of general obligation bonds and the sale of revenue bonds, gives the City the greatest resources available in any one year in Austin's history. Concurrently, however, with the great amount of money needed for utility expansion, the expenditures as hereafter outlined will also be greater than any year in the City's history.

The item of revenue bonds in the amount of \$2,650,000.00 needs specific comment. During the year a study of the water, electric and sewer system was completed, covering an improvement plan for the next ten years, and copies of this study were placed in the hands of the City Council and with the representatives of the press and radio. This program will intensively be carried on during 1949, 1950, 1951 and 1952 and will be continued, but at a less rapid rate, until about 1958. This program generally must contemplate the addition of steam turbines, condensers, boilers, water intakes, and all of the required accessory electric and mechanical equipment at the City electric power generating plant. Installed capacity there, plus all of the available electric energy which we can secure elsewhere, is now barely equal to the demands of the City

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for electric light and power. Concurrently with the expansion of the plant must be an expansion in the electric distribution system, high voltage transmission lines, feeder lines, electric substations, transformer banks, and all of the appertenances necessary toward a properly functioning distribution system with adequate voltage and adequate controls. Also the demands are great for expansion of the water treatment facilities, pumping capacity, and distribution mains. The sewage disposal plant during this period must be doubled in size and additional pump stations and mains added to the existing sanitary sewer system. A substantial part of this cost must be provided by issuance of revenue bonds. These bonds will have to be retired over a ten year period, commencing in each instance with the date of issue. The added revenues to the City due to the increased consumption of water and electricity help pay for these improvements and a ten year analysis of the City's finances and revenue of all kinds including the servicing of the bonded debt and of the estimated operating costs for this ten year period, together with the estimated costs of the improvements under discussion indicate that these requirements can be met and can be financed in the manner proposed.

A major item in each Annual Budget is the amount necessary to meet the interest and sinking fund payments on the outstanding bonded debt of the City. The following table shows a comparison of the outstanding bonded debt and the amounts required for principal and interest payments for the period 1945 to 1949, inclusive.

BONDED DEBT AND DEBT SERVICE

Bonds Outstanding					
January 2	<u>1945</u>	<u>1946</u>	<u>1947</u>	<u>1948</u>	<u>1949</u>
General Obligation					
Bonds	5,342,000	4,983,500	4,656,000	8,501,500	12,470,000

BONDED DEBT PAYMENTS

	<u>1945</u>	<u>1946</u>	<u>1947</u>	<u>1948</u>	<u>1949</u>
Principal	358,500	327,500	304,500	307,500	483,500
Interest	207,040	192,860	228,712	267,106	376,225*
Total	565,540	520,360	533,212	574,606	859,725

*Includes \$45,000 Interest for nine months on \$2,000,000 new bonds.

The present bonded indebtedness is itemized in the budget proper and shows the amount and purposes of each bond issue as voted by the people of Austin, the interest rate, and the amount of each issue outstanding at this time. The issuance of bonds in 1947-1948 have been for such purposes as water, electric, and sewer extensions, street and bridge construction, schools, hospital and recreation purposes, and a further issue of bonds in the spring of 1949 is contemplated. This amount should be approximately \$2,000,000 and will include the sale of \$900,000 Hospital Bonds for the expansion plans now being prepared.

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The remainder of this letter will attempt to analyze the appropriations being recommended for 1949. The tables in each instance which follow show comparative costs of each unit of the City Government for the same five year period for 1945 to 1949, inclusive.

GENERAL FUND COSTS

The General Fund will be considered first by sections as set out for budget and accounting purposes. Under the first group is listed the Administrative and General Costs of the City Government which includes the items as shown.

GENERAL FUND EXPENSESADMINISTRATION AND
GENERAL:

	<u>1945</u>	<u>1946</u>	<u>1947</u>	EST. <u>1948</u>	EST. <u>1949</u>
City Manager	22,462	20,954	20,410	19,760	19,398
Municipal Court	8,677	11,182	16,702	17,934	17,523
Accounting	55,031	57,956	57,381	59,300	63,529
Tax Office	55,332	47,648	134,923	94,366	76,967
Purchasing	11,941	14,573	14,635	13,966	16,442
City Attorney	14,165	21,320	18,310	21,423	21,815
Municipal Building	31,158	28,117	30,194	32,333	30,898
General Division	<u>122,430</u>	<u>75,943</u>	<u>89,155</u>	<u>88,163</u>	<u>82,105</u>
TOTAL	321,196	277,693	381,710	347,245	328,677

These are operating expenses, and each is itemized in the budget proper showing a break-down of recommended expenditures which make up the total estimate shown in the 1949 column. There are certain yearly fluctuations due to specific costs incurred in those year, but this portion of the costs of the City Government for 1949 is only slightly more than two percent higher than in 1945 and is actually less than for 1948 and 1947.

PUBLIC SAFETY

	<u>1945</u>	<u>1946</u>	<u>1947</u>	EST. <u>1948</u>	EST. <u>1949</u>
Police	292,788	338,665	454,430	440,816	447,352
Fire	<u>333,540</u>	<u>364,723</u>	<u>384,067</u>	<u>491,063</u>	<u>459,414</u>
TOTAL	626,328	703,388	838,497	931,879	906,766

The Public Safety portion of the General Fund Budget includes the Police and Fire Departments. The above table shows a five-year comparison of the total costs of each of these Departments which necessarily have increased. Salaries have been increased progressively in these different years, and the costs of materials, supplies, equipment, gasoline, tires and other items have also gone up in price.

With respect to the Fire Department, two new stations (one in the northwestern and one in the southwestern parts of the City) are now under construction, and these stations will require fourteen additional men beginning in January 1949. Also two pumpers have been purchased and have been delivered to permit the reassignment of trucks and pumpers to adequately equip all stations. \$4,800.00 will be required for the purchase of new fire hose and \$4,000.00 will be needed to replace district cars 1 and 2 which are 1932 and 1935 models. The Fire Department is now equipped with two-way radio communication. Under regulations of the Federal Communications Commission, the City's radio communication system will have to be converted into a FM system prior to the summer of 1950. Some of this work was done in 1948, but

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In view of other more pressing needs, communication equipment costs were eliminated from the 1949 budget. The total Fire Department costs for 1948 shown above are higher than the figure for 1949 because it included \$100,000.00 of bond money for the building of two new stations, for the purchase of two pumpers and for the necessary equipment to put these two stations in operation. The increase in the number of stations and in the number of men, will require four additional captains.

Only a small increase in the total appropriation for the Police Department as compared to 1948 totals has been recommended. Last year about twelve officers were added, and the Crime Prevention Division was increased from two to four men by the transfer of two men from the Detective Division. The 1949 budget provides only for two additional detectives which are really only replacements for the men transferred and the addition of a stenographer to handle the reports filled by the Detective Division and to save the time of these officers.

Appropriations are included for the replacement during the year of nine cars with excessive mileage with new cars and for the purchase of two motorcycles one of which is a replacement.

Additional traffic signal light installations are listed and appropriations provided for under the Electric Distribution Budget.

PUBLIC WORKS

	1945	1946	1947	EST. 1948	EST. 1949
Engineering	62,080	88,771	99,854	108,396	109,637
Street and Bridge	297,092	648,762	1,261,603	1,569,956	999,203
Rash & Garbage	140,307	173,032	198,739	279,766	269,928
Cemeteries	45,153	62,321	57,165	60,950	72,038
General Parks	46,951	56,377	53,163	59,314	66,889
Public Market	8,010	7,797	8,175	8,387	8,215
Harbor	36,451	20,061	28,089	44,162	73,440
Inspections	28,076	33,271	37,354	40,042	40,029
Planning	1,346	2,391	2,615	2,682	2,575
Planning	8,859	8,424	12,593	24,400	16,878
Total	673,825	1,101,207	1,759,350	2,198,055	1,658,832

Under the Engineering Division of the Public Works Department, the total appropriations are substantially the same as for 1948. This includes all engineering payrolls and incidental expenses, all design and drafting work, the preparation of plans and specifications and construction supervision, for the entire Public Works Department. Requests for additional draftsmen and surveying personnel could not be approved. The work load on this Department is heavy, but it appears to be unavoidable that it operate on the total amount of money shown.

Under Street and Bridge Division, the total amount shown is less than for last year, but included in last year were considerable amounts for the purchase of right-of-way on East 7th, East Avenue, and Lamar, and much less for these purposes will be required in 1949. The Street and Bridge maintenance portion is being carried at approximately \$240,000 which is almost exactly the same as for 1948. Austin has a nearly increasing mileage of streets and numbers of bridges, storm sewers, etc., to maintain, but it has not appeared possible to increase the number of men and equipment for general maintenance work. Within the money available, it will be necessary to get the maximum amount of results, but it probably will be necessary to

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increase the maintenance appropriations in 1950. A considerable amount of requests for resurfacing badly worn pavements and for other needed maintenance has had to be eliminated from the total amount recommended.

The total of \$759,000 is being included in the 1949 Street and Bridge Budget for new construction and for the completion of right-of-way purposes which is broken down as follows:

- \$93,000.00 for the remaining right-of-way purchases on East Avenue and Lamar Boulevard.
- 40,000.00 for the additional one-half of the City's part of the cost of the low water bridge below the Dam which is in addition to the \$50,000 of bond money which was voted for this same purpose.
- 49,500.00 is being included for the construction of various culverts at different locations.
- 10,000.00 is being included for the excavation of drainage channels as needed and as may be authorized during the year.
- 101,000.00 is included for the construction of storm sewers in various locations as required and as approved.
- 5,400.00 is included for curb and gutter construction by the City where same are not a part of abutting property in connection with new paving.
- 330,000.00 is included for the construction of Lamar Boulevard in its entirety from 24th to 45th Street. This job was intended to start about September 1948, but right-of-way difficulties have held it up necessitating its continuance as a 1949 appropriation.
- 100,000.00 is included for contract residential paving in various parts of the City as these jobs come along, and the property owners agree to their part of the costs and as may be approved throughout the year.
- 50,000.00 is included for miscellaneous paving work probably in small jobs throughout the City and which may be done by city forces and with city equipment.
- 15,000.00 is included for resurfacing certain old pavements. Some of this work can not be postponed any further.
- 15,000.00 also is included for scarifying and reshaping certain residential pavement which is now worn beyond the point where maintenance can do any further good. Both of the two preceding amounts are far less than needed and far less than the Department requested, but the total is probably all that the 1949 budget will permit.

Almost all of the items for construction have been reduced greatly from the schedules submitted by the Engineering Department. As a matter of fact, the total being recommended is over a million dollars less than was outlined by the Department for consideration.

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The Trash and Garbage Division is being recommended for a little more operating money than was available in 1948, but the sum total is slightly less, the difference being in the cost of repairs to the incinerator. These costs are being held down under what had to be spent in 1948. The budget herein recommended does provide a special sum of \$8,000 for trucking and labor costs for a special clean-up job next year in an effort to hold down the incidence of Polio and other communicable diseases. This is exclusive of a special appropriation noted under the Public Health Budget.

\$14,450.00 of the Trash and Garbage Budget is for the purchase of a new hoist mechanism at the incinerator. The furnaces have been entirely rebricked this year at a considerable cost and will eliminate the interruptions caused during the past few years by the failure of these furnaces. The hoisting mechanism is giving trouble, but a new replacement cannot be delivered until July or August, 1949. In the meantime the old crane hoist mechanism and bucket will require \$4,500 for repairs which will have to be done in order to keep this in operation without which the incinerator will again be out of service causing a disruption in the entire garbage collection schedule.

\$10,100.00 is included in the Budget for the replacement of as many trucks as possible. Again this entire overall appropriation could have been substantially increased, but almost every appropriation had to be reduced and all of the needs of the Sanitary Department could not be provided.

The appropriations for the Cemeteries, General Park Maintenance, Public Market are not materially different. The amount recommended for the Cemeteries is \$12,000 higher than 1948, but this appears to be unavoidable due to the necessity of opening up a new area and for excavation, part of which is in rock. The highest of these appropriations is as large as the Departments requested.

The Airport Budget as far as operating costs are concerned is almost identical with 1948. The increase shown is from bond funds available for the improvement of taxi ways, ramps, and other work which is badly needed and on which it is hoped \$50,000 Federal appropriation through the Civil Aeronautic Administration will be possible. This will make \$100,000 available for these improvements, and new construction involved, and is in itself less than the total amount which could be spent and probably should be spent.

The remaining items covering building, sewer and electrical inspection; costs of Zoning Board and Planning Commission, do not call for any particular comments. The amount for the Planning Commission is less than 1948, but greater than any of the preceding years of the period shown in the table above, the reason being that in 1948 the land use map costs were authorized and this work is substantially complete. The total Public Works Budget is \$540,000 less than 1948, principally represented by cost of right-of-way, but is at the same time almost a million dollars higher than these same costs in 1945, which is again an indication of the rapid growth of Austin and the very heavy demands for money for nearly every operation carried on under the general heading of Public Works.

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PUBLIC HEALTH AND WELFARE

	1945	1946	1947	Est. 1948	Est. 1949
Health Office	75,934	105,569	106,911	116,461	114,383
Hospital	514,459	562,701	648,027	727,246	2,239,701
Welfare	94,758	82,213	71,425	79,947	89,772
Total	685,151	750,483	826,363	923,654	2,443,856

The appropriations for the Public Health and Welfare Division are comparable to the appropriations for these same purposes for 1948.

The Public Health Budget which covers Public Health Nursing, Dairy, Food, and Sanitary inspections, Vital Statistics, and Community Public Health work generally has not been expanded. It does include \$12,000 for spraying and special polio prevention work including an item of \$6,000.00 for DDT. It is hoped that Austin and the country as a whole will not experience in 1949 the polio incidence that was unfortunately the case this year, but the amounts for preventive work are left without any reduction.

The operating costs for General Welfare are almost exactly the same as for 1948, but the \$10,000.00 additional represents the special costs for the cerebral palsy clinic which is urgently needed for the treatment of these unfortunate children and is an appropriation which could not be postponed.

The Hospital shows an increase of about \$1,510,000 over 1948. \$1,500,000 of this is included, however, in the program for the general expansion of the building, equipment and facilities which will be financed by \$1,000,000 of City General Revenue Bonds voted for this purpose, and a \$500,000 grant from the United States Government. The actual operating costs of the Hospital are increased only 10,000 over the amount estimated to be spent in 1948. During 1948 some additional personnel was authorized, and the increase shown can not be avoided. Primarily this increase is for additional nurses and nurses aides needed for the operation of the Premature Nursery, and it is possible that additional nursing costs will be incurred but must be avoided if possible. The amount recommended for the Hospital is considerable less than requested; but with the number of employees now authorized and the specific amounts appropriated it is believed that the Hospital will be in a position to render entirely adequate services to the people of Austin both pay and charity.

BATTOIR

	1945	1946	1947	Est. 1948	Est. 1949
total	149,471	270,909	157,938	139,943	130,768

The total appropriation for the operation of the Abattoir is less than any of the other four years shown in the above schedule. Part of this is explained by the fact that a major construction job had to be done in 1946 and a part of this cost was carried over in to 1947. Every economy is being made in the operation; and while the appropriation is reduced, it is believed this amount of money will permit a satisfactory job in the inspection and slaughter of animals brought in and consigned to the local market.

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RECREATION

	1945	1946	1947	Est. 1948	Est. 1949
Total	201,640	491,150	291,496	363,936	419,306

The total amount shown for the Recreation Department during 1948 and 1949 are considerably above the previous year 1947, but these amounts include Bond Funds for the construction of the Recreation and Livestock coliseum and for certain other capital investments and improvements to the park and playground system. The operating costs included in the above figures for the Recreation Department are only slightly more than similar amounts for 1948 and in fact are only about 10% greater than was expended by this Department in 1945. The value of Austin's recreation system including the neighborhood playgrounds and swimming pools, athletic fields, and other programs cannot be measured in dollars. It is a vital factor in the general question of public health and particularly with respect to that intangible known as juvenile delinquency. Some of the specific improvements covered by the appropriation recommended are for work such as additional lighting of the softball and tennis courts at Westenfield, the softball field at Gillis Playground, the East Avenue Play area, the softball field at Metz, the softball and tennis area at Shipe, the building of about 100 additional park benches for general distribution, the construction of a fence and other improvements for the negro baseball field and other incidental jobs throughout the City. It has also been necessary to add personnel to service the new Caswell Tennis Center which is just now being put in operation and to provide for the maintenance of the Recreation and Livestock Coliseum which should be completed by the early part of February. The appropriation also includes the construction of tennis courts at Ramsey Playground.

LIBRARIES

	1945	1946	1947	Est. 1948	Est. 1949
Total	33,953	40,676	53,339	63,467	65,699

The total appropriation recommended for the Main and Carver Branch Libraries are slightly more than the appropriations for 1948, but less than was requested. Again it seemed unavoidable that these costs be reduced to a minimum figure. The principal increases authorized were a greater allowance for the purchase of books and a sufficient sum for a cooling system for the trailer library which is being extensively used at each of the stops on its schedule.

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UTILITIESWATER, LIGHT & SEWER

	1945	1946	1947	Est. 1948	Est. 1949
Electric Plant	349,144	408,924	436,991	517,383	2,810,684
Electric System	357,309	583,311	1,037,359	1,033,557	944,131
Water Plant-Pumping and Filtration	97,527	129,785	189,904	298,368	380,105
Water System	163,546	468,692	738,517	668,343	891,159
Sewer Plant	48,740	59,589	39,749	56,264	56,644
Sewer System	88,201	295,315	771,389	624,439	538,804
Office	82,506	96,793	94,787	121,538	117,330
Administrative & General	126,439	97,486	128,283	55,571	55,750
TOTAL	1,313,412	2,139,895	3,436,979	3,375,463	5,794,607

The Electric Plant improvements in 1949 will be very high as the above figures show. Exclusive of operating costs including salaries, fuel, maintenance and repairs, the following are the major improvements scheduled and recommended in the Budget appropriation:

\$100,000 for engineering costs covering designs, plans, specifications per agreement with Burns and McDonnell of Kansas City under contract authorized by the City Council in 1948.

30,000 for the purchase of additional land which will be needed for the location of the new Power Plant building, particularly a part of the turbine building.

600,000 for an additional screening tower and water intake at the river, including additional water pumping station, circulating water tunnels, boiler and turbine building, building foundations and other structural work.

620,000 for boiler plant equipment including two 200,000 pound per hour steam boilers, feed water piping, bleeder heaters, evaporators, drain pump, boiler feed pumps, regulators, water treating equipment, draft fans, breeching, oil and gas fuel burning equipment, firing controls, etc.

600,000 for steam turbine generator foundation and buildings, including two 17,000 square foot condensers, four 12,000 GPM circulating water pumps, cooling water piping, steam piping, lubrication systems, valves, circulating water screens, priming pumps, fire extinguishing system, etc.

150,000 for accessory electric equipment for the new generators, including station equipment, oil circuit breakers, relays, conduit, meters, voltage regulators, synchronizing equipment, etc.

100,000 for necessary mechanical equipment, scheduled and an integral part of this power generating installation.

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ELECTRIC DISTRIBUTION SYSTEM

The electric distribution system's recommended appropriations are about \$90,000 less than the past two years, 1947 and 1948, but constitute fairly heavy expenditures for the strengthening and expansion of the system.

Operating costs are slightly higher than in 1948, and in addition, the principal new construction jobs provided for are as follows:

- \$248,000 for miscellaneous extensions to the present electric service lines, including poles, wire, transformers, meters, and domestic and commercial service. This work will consist of several thousand small extension jobs through the City to serve new customers as required.
- 69,000 for the same type of extension work in the ten-mile area just outside the City limits which the City serves with electricity to connect new customers as this work is required to be done.
- 75,000 for the construction of 12 KV feeder lines in the Ridgeway area and between the Airport and Clark Substation including two 7200 volt regulators and extension of a 12 KV No. 2 copper line in the Fiskville, North Loop, Burnet Road area.
- 88,600 is included for a 12 KV feeder circuit for the South Austin area including a 11,000 volt oil circuit breaker, four 11,000 to 7,200 volt transformers and a four wire three phase copper line. Also included in this job is a 12,000 volt regulator in the Barton Springs crossing and Missouri Pacific Railroad.
- 16,600 for the completion of the rebuilding of the Clark Substation and the replacement of oil circuit breakers, part of which was done in 1948.
- 41,500 is included for the Varsity Substation and the extension of two 11,000 volt underground feeders west of the University, and the construction of an underground substation at 24th and San Antonio streets. This is necessary to relieve the overload condition on the North Substation and to furnish a connection with the North and University Substations.
- 65,000 is included for capacitors for voltage correction on the 12 KV radial feeder line.
- 24,000 is included for the extension of a network system at 9th and Lavaca covering the installation of a new vault and 500 KVA network transformer.
- 40,000 is included for the installation during the year of approximately 300 mast arm type street lights at various locations as approved including the necessary extensions to the street light circuits.

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37,000 is included for the installation of the following traffic signal control lights at the intersections named.

Airport Boulevard at 51st Street
Guadalupe at 1st, 7th, 8th, 9th, 10th, 11th, 15th, Nueces
Barton Springs at South 1st Street
Barton Springs at West Riverside Drive
Neches at 5th, 6th, 7th Streets
San Jacinto at Duval, 26th, Park Place
Lamar at 10th, 29th, 34th, 45th Streets
Burnet Road at 45th Street
Congress Avenue at 3rd Street
Red River at 1st, 5th, 11th, 15th Streets
Colorado at 11th Street
South Congress Avenue at Live Oak
South Congress Avenue at Mary
South 1st Street at Mary
San Antonio at 5th Street

Grouped under the pumping at the Filtration Plant are total expenditures of \$380,000. Eliminating operating costs, including salaries, chemicals, and other plant operation items, the improvements for treating, pumping, and handling an additional volume of water are as follows:

- \$ 5,000 for the enlargement of the Woodrow Street pumping station, including a new 1,500 GPM pump.
- 1,150 for the addition of a new raw water line on the west side of Shoal Creek to the Filter Plant. This is needed to get additional raw water to the plant as required.
- 11,500 is included for the installation of wash water pumps at the Filter Plant, as the present method of operation has been inadequate, and this change is necessary for more efficient cleaning of the filters and the maintenance of a more uniform pressure in the distribution mains.
- 1,100 is included for the installation of a cooling system in the main pump room in the Filter Plant. The additional high service pumps purchased and put into operation during 1947 and 1948 have increased the temperatures in the pump room, and this equipment is absolutely essential to prevent overheating of bearings and possible serious damage to equipment and interruption to pumping capacities.
- 10,200 is included for the purchase and installation of three new raw water Venturi meters. The meters on the two existing raw water lines are inadequate and have to be replaced and the additional line will require an additional meter.

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- \$ 15,600 is included for a new high service pump discharge line and meter on the treating side of the plant. The existing south high service pump discharge line will have to be removed, and an additional 24" line built to conform to the construction of the 30" force main which is also a 1949 budget job.
- 130,100 also included for the Water Purification Plant is the construction of a new three million gallon clear well now under contract. The clear wells are the reservoirs at the Water Plant from which all high service pumps draw water after final treatment for pumping into the City's distribution system. The present clear well has a capacity of 500,000 gallons, and the pumps which have been added during the past three years pump more water than can be handled through this clear well, and this additional capacity is badly needed and it will increase the overall pumping capacity by a total of three million gallons during each 24 hour period or at the rate of six million gallons during the 12 hour daylight peak load.
- 5,000 is also included for a new lime machine as the present equipment is worn out.

WATER DISTRIBUTION SYSTEM.

In addition to operating costs which are itemized in the Budget proper, the major new construction covered in the Water Distribution Budget is as follows:

- \$380,000 for the laying of 19,800' of 30" prestressed steel cylinder concrete pipe from the Filter Plant west across Shoal Creek through the Electric Plant grounds, under the Missouri-Pacific Railroad and west across the Sand Beach Reserve to 6th Street west of the underpass, thence north following the Missouri-Pacific right-of-way to 35th Street. This job is needed to get more water away from the Plant to feed the main distribution lines in the west and north parts of the City and to furnish a connection to the present mains feeding the reservoir on the Dallas Highway. Two previous jobs, a 24" cast iron line in Barton Springs Road and south on Kinney Avenue in the vicinity of Fredericksburg Road, built in 1948, were needed for the same purpose in the southwestern part of the City; and a similar 24" line out East 1st, north on Navasota, and East Avenue to the University area was built in 1947 to serve the East and northeast sections of the City with more water.
- 126,700 is included for a 24" cast iron pipe from the end of the 30" line previously mentioned extending east from 35th Street to Kirby Lane and then north to 38th Street, then east to Guadalupe to provide the needed connections to two 20" mains now feeding the reservoir. Pressure difficulties in the north, northeast, and extreme southwest parts of the City have been materially improved during the past two years, but further work is needed.

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- \$ 9,250 for 1700' of 12" cast iron pipe on North Loop from Grover Avenue to Highway 81, which will tie in with the 12" mains laid this year and which will connect with the booster pump station and should further improve pressures in Ridgetop and the northeast section.
- 26,400 for 4,800' of 12" cast iron pipe in East 52nd from Avenue F to Airport Boulevard to further improve pressure conditions in the Ridgetop area and to connect to the north booster station. This job is also a continuation of similar work done in 1947.
- 140,000 is included for miscellaneous extensions, replacements, installation of fire hydrants and odd jobs throughout the city to connect new houses and to extend fire protection to new areas. This work will be done as new homes and business houses are completed, and as these services are required.
- 50,000 is being included for the cost of connections from water mains to the property line to serve new customers as required.
- 40,000 is included for the purchase of water meters of various sizes to serve new customers and for replacements of meters which will wear out during the year.
- 4,000 is included for the replacement of two 1937 trucks which have already been used longer than economical.

SANITARY SEWER DIVISION.

Additional maintenance costs of the system and plant now in operation and contemplates the following major additions;


- \$150,000 for the building of a 30" sanitary sewer line in Waller Creek from 7th to 26th Streets as the present 20" line is badly overloaded. The old 20" line will be left in service and will be supplemented by the new 30" line, and these two lines together should be adequate for any load which they may be called on to carry.
- 50,000 for the construction of a new 24" line from Shoal Creek between 12th and San Gabriel Streets to supplement the existing 18" line which is overloaded but which will remain in service. These two lines should be adequate for a good many years.
- 45,000 for the building of a new 20" line at Brazos from Colorado to 6th to relieve the overloaded conditions of the present line which also will remain in service, and these two lines together should be adequate.
- 108,400 is included for miscellaneous extensions of both six and eight inch laterals throughout the City as new connections are required and as this work is authorized during the year.

SEWAGE TREATMENT PLANT.

The Sewage Treatment Plant shows an appropriation for about the same as last year and there are no specific jobs which deserve comment. In the overall utility program which is required in the last few years the capacity of the Sewage Treatment Plant will have to be doubled, but this does not have to be undertaken at this time.

The Office and Administrative Sections of this budget are operating costs and include an appropriation for the water and light, accounting office, slightly less than the total amount for 1948. Similarly the administrative and general costs are approximately the same as last year and the items for both of these are detailed in the budget proper.

Respectfully submitted,


Guiton Morgan
City Manager

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