

MINUTES OF THE CITY COUNCIL
CITY OF AUSTIN, TEXAS
Special Called Council Meeting

August 31, 1981
3:30 P.M.

Council Chambers
301 West Second Street

The meeting was called to order with Mayor McClellan presiding.

Roll Call:

Present: Mayor McClellan, Mayor Pro Tem Trevino, Councilmembers
Deuser, Mullen, Urdy

Absent: Councilmembers Duncan, Goodman

Mayor McClellan stated that this was a Special Called Meeting for the following purposes:

1. Canvassing the returns and declaring the results of the August 29, 1981 Special Municipal Election;
2. City Manager's Report on the Proposed 1981-82 Annual Budget;
3. Transmit to Council the Proposed 1981-82 Annual Budget;
4. Consider setting a Public Hearing on the Proposed 1981-82 Annual Budget;
5. Consider amending the 1980-85 Capital Improvements Program by appropriating \$900,000 for acquisition of the Rebekah Baines Johnson Facility and surrounding property.

CANVASSING OF ELECTION RESULTS

The Council then canvassed the results of the Special Municipal Election of August 29, 1981 by reviewing the following precincts:

Councilman Mullen	Precinct 254 - okay Precinct 141 - okay
Mayor McClellan	Precinct 324 - okay Precinct 445 - okay
Councilmember Mullen	Precinct 246 - okay Precinct 247 - okay
Mayor McClellan	Precinct 447 - okay
Councilman Urdy	Precinct 147 - okay
Councilman Mullen	Precinct 138 - okay Precinct 424 - okay
Councilman Urdy	Precinct 323 - okay
Mayor McClellan	Precinct 139 - okay
Councilman Urdy	Precinct 148 - okay
Councilman Deuser	Precinct 253 - okay Precinct 326 - okay
Mayor McClellan	Precinct 143 - okay
Councilman Urdy	Precinct 327 - okay Precinct 451 - okay Precinct 328 - okay Precinct 233 - okay
Mayor McClellan	Precinct 331 - okay
Councilman Deuser	Precinct 257 - okay
Councilman Urdy	Precinct 343 - okay Precinct 346 - okay
Mayor Pro Tem Trevino	Precinct 325 - It was noted that there was a discrepancy of five votes.

Mr. Jimmy Barho, Presiding Judge, Central Counting Station, stated that the precinct was tabulated twice and that apparently 5 people failed to sign the roster.

Councilman Deuser

Precinct 256 - okay
Precinct 146 - okay

Mayor Pro Tem Trevino

Precinct 329 - It was noted that there was a discrepancy of 1 vote.

Motion

Mayor Pro Tem Trevino moved that the Council adopt a resolution verifying the results of the Special Municipal Election held August 29, 1981. The motion, seconded by Councilmember Deuser, carried by the following vote:

Ayes: Councilmembers Mullen, Urdy, Mayor McClellan, Mayor Pro Tem Trevino, Councilmember Deuser

Noes: None

Absent: Councilmembers Duncan, Goodman

BOND PROPOSIITONS

PROPOSITION NUMBER 1

"THE ISSUANCE OF \$41,655,000 GENERAL
OBLIGATION STREET AND DRAINAGE BONDS"

FOR	15,613 votes
AGAINST	14,321 votes
TOTAL VOTES CAST	29,934 votes

PROPOSITION NUMBER 2

"THE ISSUANCE OF \$1,000,000 GENERAL
OBLIGATION SANITARY LANDFILL BONDS"

FOR	15,423 votes
AGAINST	14,396 VOTES
TOTAL VOTES CAST	29,819 votes

PROPOSITION NUMBER 3

"THE ISSUANCE OF \$1,845,000 GENERAL
OBLIGATION HEALTH AND EMERGENCY MEDICAL
SERVICE BUILDING BONDS"

FOR	15,766 votes
AGAINST	14,114 votes
TOTAL VOTES CAST	29,880 votes

PROPOSITION NUMBER 4

"THE ISSUANCE OF \$4,425,000 GENERAL
OBLIGATION FIRE STATION BUILDING BONDS"

FOR	16,299 votes
AGAINST	13,555 votes
TOTAL VOTES CAST	29,854 votes

PROPOSITION NUMBER 5

"THE ISSUANCE OF \$190,000 GENERAL
OBLIGATION NEIGHBORHOOD CENTER BUILDING
BONDS"

FOR	11,923 votes
AGAINST	17,909 votes
TOTAL VOTES CAST	29,832 votes

PROPOSITION NUMBER 6

"THE ISSUANCE OF \$1,070,000 GENERAL
OBLIGATION LIBRARY BUILDING BONDS"

FOR	13,530 votes
AGAINST	16,401 votes
TOTAL VOTES CAST	29,931 votes

PROPOSITION NUMBER 7

"THE ISSUANCE OF \$15,120,000 GENERAL
OBLIGATION PARK BONDS"

FOR	14,707 votes
AGAINST	15,221 votes
TOTAL VOTES CAST	29,928 votes

PROPOSITION NUMBER 8

"THE ISSUANCE OF \$2,490,000 GENERAL
OBLIGATION TRAFFIC SIGNAL BONDS"

FOR	15,279 votes
AGAINST	14,599 votes
TOTAL VOTES CAST	29,878 votes

PROPOSITION NUMBER 9

"THE ISSUANCE OF \$1,475,000 GENERAL
OBLIGATION TRANSIT SYSTEM BUILDING
AND EQUIPMENT BONDS"

FOR	12,660 votes
AGAINST	17,222 votes
TOTAL VOTES CAST	29,882 votes

PROPOSITION NUMBER 10

"THE ISSUANCE OF \$630,000 GENERAL
OBLIGATION TRANSIT SYSTEM VEHICLE BONDS"

FOR	13,693 votes
AGAINST	16,238 votes
TOTAL VOTES CAST	29,931 votes

PROPOSITION NUMBER 11

"THE ISSUANCE OF \$3,100,000 GENERAL
OBLIGATION PUBLIC WORKS SERVICE
FACILITY BUILDING BONDS"

FOR	11,998 votes
AGAINST	17,789 votes
TOTAL VOTES CAST	29,787 votes

PROPOSITION NUMBER 12

"THE ISSUANCE OF \$180,000 GENERAL
OBLIGATION VEHICLE AND EQUIPMENT
SERVICES BUILDING BONDS"

FOR	11,933 votes
AGAINST	17,861 votes
TOTAL VOTES CAST	29,794 votes

PROPOSITION NUMBER 13

"THE ISSUANCE OF \$34,045,000 REVENUE
BONDS FOR ELECTRIC LIGHT AND POWER
SYSTEM EXTENSIONS AND IMPROVEMENTS"

FOR	11,575 votes
AGAINST	18,394 votes
TOTAL VOTES CAST	29,969 votes

PROPOSITION NUMBER 14

"THE ISSUANCE OF \$39,105,000 REVENUE
BONDS FOR WATERWORKS SYSTEM EXTENSIONS
AND IMPROVEMENTS"

FOR	12,036 votes
AGAINST	17,951 votes
TOTAL VOTES CAST	29,987 votes

PROPOSITION NUMBER 15

"THE ISSUANCE OF \$32,915,000 REVENUE
BONDS FOR SEWER SYSTEM EXTENSIONS AND
IMPROVEMENTS"

FOR	12,019 votes
AGAINST	17,895 votes
TOTAL VOTES CAST	29,914 votes

PROPOSITION NUMBER 16

"THE ISSUANCE OF \$7,125,000 REVENUE
BONDS FOR AIRPORT IMPROVEMENTS"

FOR	13,276 votes
AGAINST	16,631 votes
TOTAL VOTES CAST	29,907 votes

Mayor McClellan expressed her thanks to the staff, City Clerk's Office and the Judge and Alternate Judge of the Central Counting Station for their fine work in conducting the election.

PROPOSED 1981-82 ANNUAL BUDGET

City Manager Dan Davidson introduced the proposed 1981-82 operating budget by stating that it had been the most difficult budget process with which he had been associated. A total of 14 separate drafts had been required to arrive at the final product, which was a budget of \$118,973,052, with a recommended tax increase of 10¢ per \$100 valuation. The overall tax rate would be 67% per \$100 valuation. The proposed budget would retain the same service level now being used, would have few increases and would maintain adequate reserves. The tax rate was 28¢ lower than it was in 1972-73.

Ms. Lee Thomson, Budget Director, next reviewed details of the proposed budget. She pointed out that certain new CIP facilities would be opened without additional personnel. In some instances, new programs had been recommended to replace existing ones where it was felt that greater efficiency would result. In addition, the Human Services Department's CETA funding was being reduced by \$9 million due to Federal funding cutbacks. 35 positions were not recommended for continued funding under CETA and in addition 15 positions in general human services areas were not recommended for funding.

Ms. Thomson stated that the proposed increase for 1981-82 over last year's amended budget was \$52 million or 11% more. The current General Fund budget, as amended, is \$105.6 million, while the proposed General Fund budget was \$118.9 million, with a 12.6% increase. The proposed Hospital budget was \$50.7 million or a 13.6% increase, while the combined water, wastewater and electric budgets were \$335 million or a 10.5% increase. The total property tax increase represented a 17% increase over last year's tax rate.

Councilmember Mullen asked why there was an overall 11% increase and a 17% increase in the property tax rate.

Ms. Thomson responded that it was because the property tax represented about 26.4% of the revenue for the General Fund, while other major sources of revenue had changed proportionately to the property tax. She then presented the following comparisons between current estimated revenues and proposed 1981-82 budget figures as a percentage of total available funds:

Proposed 1981-82 Budget

Property Tax - 26.4%
 Sales Tax - 18.9%
 Utility Transfer - 22.6%

Estimated Current Revenues

Property Tax - 23.2%
 Sales Tax - 18.9%
 Utility Transfer - 24.7%

Mayor McClellan pointed out that there were some errors in the budget before the Council. Ms. Thompson stated that corrections were being made and that updated versions would be given to the Council.

COUNCILMEMBER GOODMAN ENTERS

Councilmember Goodman entered the Council Chambers at 4:12 p.m.

Analyzing the per capita cost of general government over the past five years, Ms. Thomson said that if the general fund was adjusted for inflation, the per capita cost for general government had remained virtually constant. Compared with the 6 or 7 largest Texas cities, Austin's tax rate was about in the middle. Dallas, Fort Worth and San Antonio were looking at higher proposed tax rates, while El Paso, Lubbock and Corpus Christi were looking at lower rates.

Regarding the proposed fee increases, Ms. Thomson stated that none of the increases resulted from the outcome of last Saturday's bond election.

Responding to Mayor McClellan's question, Ms. Thomson said that 5.6% of the 10.5% proposed increase in water and wastewater revenues resulted from Proposal 7.

In response to Mayor McClellan's question, Mr. R.L. Hancock, Electric Department, stated that the major factor for no recommended electric rate increase was the capacity contract with Houston Lighting and Power and that it would be a major influence in future rate increases.

Councilmember Urdy did not feel that it was fair to blame Proposal 7 for the water and wastewater rate increase.

In response to Councilmember Mullen's question, Mr. Hancock stated that raising the electric rate by 1% would generate \$2 million in revenue.

Councilmember Mullen pointed out that it would take about a 3¢ raise in property taxes to generate \$2 million in revenue. Increasing electric rates by about 50¢ per month would offset a 3¢ increase in taxes.

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1 Council work session 1:00 - 6:00 p.m.	2 Council work session 12:00 - 3:00 p.m.	3 Council Meeting	4 Council work session 1:00 - 6:00 p.m.	
6	7 Holiday	8 Collect and distribute questions on budget	9	10 Transmit Data Update to Council	11	
13 Publish Citizens Guide	14 Transmit Proposed 1981-86 CIP to Council	15 Distribute Budget Facts	16	17 Council Meeting Public Hearing 5:00 p.m. 7:30 p.m.	18 Council work session Public Hearing 12:00 - 3:00 p.m. (Arts) 4:00 - 7:00 (Social Services)	
20	21 Operating Budget Public Hearing 5:00 p.m.	22 Budget work session 1:00 - 6:00 p.m.	23 Council work session 12:00 - 3:00 p.m.	24 Council Meeting to complete budget decisions 1st reading	25 Council work session 9:00 a.m. to completion 2nd reading	3rd read
27	28	29	30			

Ms. Thomson next reviewed the various fees proposed for FY 81-82. Transfers for administrative support amounted to \$3 million while transfers for debt service came to \$2.9 million. The electric transfer excluded fuel and totaled \$27.6 million. The water and wastewater transfer to general government was calculated at \$2.9 million.

The proposed budget recommended 4,472 full time employees for all funds. Of that number, 3,781 employees were proposed for the general fund, an increase of 77 employees. A wage increase of 7.5% was proposed for all current employees and would exclude any new or seasonal and temporary employees. Also included were proposed changes to the health benefits plan and the insurance plan.

In the proposed budget, worker's compensation had been pulled out of departmental budgets and placed in a worker's compensation fund so that the fund could be administered more efficiently and to save the City money. Merit increases were budgeted in each department based on actual annual review date and based on the City-wide average percentage given for merit. Terminal pay was not included in the proposed budget except in cases where there was certainty that the money actually would be spent.

Ms. Thomson stated that the results of the bond election would impact the proposed budget and the City Manager would be communicating with Council in the near future regarding that impact. An ending balance of 5% of departmental appropriations was recommended for the General Fund.

The Council next discussed the proposed CIP and Operating Budget schedule.

Motion

Councilmember Mullen moved that the Council adopt a resolution setting a public hearing on the proposed 1981-82 Annual Budget on September 17, 1981 at 7:30 p.m. and on September 21, 1981 at 5:00 p.m. The motion, seconded by Mayor McClellan, carried by the following vote:

Ayes: Councilmembers Goodman, Mullen, Urdy, Mayor McClellan,
Mayor Pro Tem Trevino, Councilmember Deuser

Noes: None

Absent: Councilmember Duncan

Motion

Councilmember Mullen moved that the Council adopt the following schedule of hearings and work sessions for the proposed 1981-82 Operating Budget and 1981-86 Capital Improvements Program. (See following page for schedule) The motion, seconded by Mayor McClellan, carried by the following Vote:

Ayes: Councilmembers Goodman, Mullen, Urdy, Mayor McClellan,
Mayor Pro Tem Trevino, Councilmember Deuser
Noes: None
Absent: Councilmember Duncan

BUDGET AMENDMENT FOR PROPERTY ACQUISITION

Mayor McClellan introduced the following ordinance:

AN ORDINANCE AMENDING THE 1980-85 CAPITAL IMPROVEMENT PROGRAM BUDGET; APPROPRIATING \$495,000 FROM THE HEALTH CAPITAL IMPROVEMENT PROGRAM FUND AND \$405,000 FROM THE PARKS CAPITAL IMPROVEMENT PROGRAM FUND FOR THE PURPOSE OF FUNDING THE ACQUISITION OF THE REBEKAH BAINES JOHNSON FACILITY AND SURROUNDING PROPERTY; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY.

Mayor Pro Tem Trevino moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance effective immediately. The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmember Mullen, Urdy, Mayor McClellan, Mayor Pro Tem
Trevino, Councilmembers Goodman, Deuser
Noes: None
Absent: Councilmember Duncan

The Mayor announced that the ordinance had been finally passed.

August 31, 1981

CITY OF AUSTIN, TEXAS

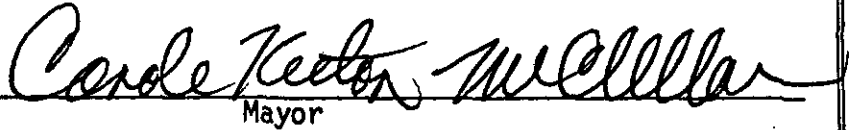
For the record, Finance Director Phil Schepps, stated the financing for the acquisition would be as follows:

\$495,000 from the Health and EMS Bond Fund
\$405,000 from the Parks Bond Fund

ADJOURNMENT

The Council adjourned its meeting at 4:55 p.m.

APPROVED



Mayor

ATTEST:



City Clerk