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PORTLAND
City Club
BULLETIN

Mayfair Ballroom • Benson Hotel
Friday . . . 12:10 P. M.

PORTLAND, OREGON - Vol. 40, No. 50 - May 13, 1960

~~Portland~~ ~~Club~~
~~Portland~~ ~~Club~~
~~Portland~~ ~~Club~~

*Printed in this Bulletin for presentation, discussion and action
at this week's meeting, May 13, 1960:*

**REPORT
ON
SCHOOL DISTRICT NO. 1 TAX BASE—PROPOSAL**

The Committee: LAWRENCE COHEN, M.D., JAMES M. GILMAN, JR., WALTER PENDERGRASS,
T. T. TURNER, and GEORGE S. WOODWORTH, *Chairman*.

and

**REPORT
ON
ESTABLISHING NEW CITY TAX BASE
(City Measure No. 52)**

The Committee: DR. CHARLES W. BURSCH, MARLIN R. GOEBEL, CARL R. NEIL,
ROBERT S. SUMMERS, and JOHN R. HAY, *Chairman*.

ELECTED TO MEMBERSHIP

JOHN E. HUISMAN, Attorney. Associate, Hart, Rockwood, Davies, Biggs and Strayer.
Proposed by Frederic F. Janney.

*"To inform its members and the community in public matters and to
arouse in them a realization of the obligations of citizenship."*



**REPORT
ON
SCHOOL DISTRICT NO. 1 TAX BASE—PROPOSAL**

“Local revenue has failed to keep pace with maintenance and operation costs of the District resulting from increases in the number of pupils in the schools and from increases in the cost of personnel, material, equipment and supplies, so that whereas the District tax base for the fiscal year commencing July 1, 1960 amounts to \$20,253,857.78, it will be necessary in order to meet the financial requirements of the District for a normal school program to levy not less than \$23,253,857.78 for said fiscal year and not less than said amount for each ensuing year. Shall the tax base of School District No. 1, Multnomah County, Oregon, be increased from \$20,253,857.78 to \$23,253,857.78?

“() Yes, I vote for the new tax base.

“() No. I vote against the new tax base.”

TO THE BOARD OF GOVERNORS
THE CITY CLUB OF PORTLAND:

Assignment

This Committee was originally requested to make a report concerning a tax base measure and also upon a bond issue proposal which was subsequently withdrawn because there was an apparent lack of proper notice. For this reason your Committee makes no report or recommendation concerning the bond proposal.

Initially it should be noted that the tax base proposal is intended to provide additional operating funds for the School District, as distinguished from funds for the construction of school buildings and acquisition of other physical equipment incident to the operation of the school system. The bond proposal was intended to provide these latter funds.

Preliminary Statement

The Committee did not have the time to examine the budget proposed by the School Board to ascertain to its own satisfaction through an independent analysis whether there were areas in which expenditures could reasonably be reduced. Accordingly, for the purpose of this report, the Committee has assumed that the budget is a proper one, and it is upon this assumption that the recommendations concerning the tax base proposal are premised. The School Board's proposal and information to the public was released April 9, 1960, and your Committee was organized and commenced work within one week thereafter.

Research and Bibliography

Your Committee reviewed City Club studies of special tax levies for 1950, 1951 and 1952; of special serial tax levies for capital expenditures for 1952 through 1961; of proposals to increase the tax base in 1955 and in 1957; and of the special tax levy for capital expenditures in 1958. It also had the Fact Book published by School District No. 1 on March 28, 1960; a School District release dated April 9, 1960; and a release entitled “Information Regarding Proposal to Increase the Tax Base of School District No. 1.” The Committee as a whole interviewed Mr. William W. Wyse, School Board member; George Baldwin, School Clerk; Dr. Amo deBernardis, Assistant Superintendent of Schools. Individual members of the Committee interviewed Mr. Robert Guild, Research and Statistics, Chamber of Commerce; Mr. Robert Hall, former chairman of the Chamber of Commerce Tax Committee; Mr. William Bade, Manager, Oregon Tax Research; Mr. Hobart Mitchell, Chairman of the Tax Committee of the Apartment

House Owners and Managers Association; and Dr. Howard Cherry, School Board member.

Background

The Committee reviewed the fiscal history of the School District for the period 1945 to 1959. During that time funds for capital expenditures, and a portion of the funds for the operating budget were obtained from real property tax levies.

The School District general levy provides approximately 63 per cent of the operating budget. The amount of this levy is the "tax base". The constitution of the State of Oregon permits an annual increase of six per cent in the tax base without special voter approval. No greater increase can be made without prior approval of the voters. Since 1945, the tax base has been increased each year by the authorized six per cent. In addition, the voters have twice approved special increases in the tax base, once in 1955 and again in 1956, so that the tax base, including the authorized six per cent increase for this year, is now \$20,253,858.

Special levies in addition to the general levy were voted to provide funds for maintenance, operating expenses and capital expenditures, in the years from 1948 through 1954. These levies did not increase the tax base.

Also special levies for capital expenditures have been in effect continuously since 1945. There were four such levies, extending for varied periods of time so that, on occasion, they overlapped each other. The initial annual levy for capital expenditures was \$1,000,000 and the maximum annual levy resulting from the overlapping, was \$5,280,000. In 1959 there were two levies in effect: One was a ten year annual levy of \$2,780,000, and the other was a three year annual levy of \$1,650,000, both expiring with fiscal year 1960-61. Thus the total amount of these two levies for 1960-61 will be \$4,430,000. Those levies also do not increase the tax base.

The primary reasons for the requests for additional monies made by the school board have been the increased costs of the operation of the school system, including the continually rising salary structure; the increased student population, resulting from the population surge within the school district; and the increased cost of maintaining, repairing, improving and constructing physical facilities and obtaining other physical equipment for the school system. Each time since 1945 a request for additional funds has been presented by the school board to the voters, it has been approved.

DISCUSSION

The monies for the School District operating budget come principally from local taxes (63 per cent), to which this measure is directed, and state aid (26 per cent). The balance, approximately 11 per cent comes from miscellaneous sources. Of the total budget, approximately 71 per cent goes to teachers' salaries. The balance is spent for books, supplies, administrative expenses, electricity, fuel and similar operating expenses.

The superintendent of schools states that the proposed funds are needed for "nearly 100 additional teachers a year each of the next three years for new classrooms in secondary and elementary schools." In addition approximately 300 new teachers are required each year to replace terminations by resignation, retirement and for other reasons. This means that 400 new teachers must be recruited in each of the next three years. It is apparent to everyone that costs in general are rising. The School District is faced with the continuing increase in the number of pupils it must serve, in addition to the increase in material and personnel cost caused by the inflationary trend.

In 1956, after the last increase in tax base authorized by the voters, the salary structure of the Portland School system was at the third quartile of the School Systems of the forty cities over 200,000 (outside the Deep South) with which Portland is compared. This means that out of those forty cities, Portland was about tenth from the top. In 1959, Portland was at the median; that is, it is about twentieth.

The following table is indicative of Portland's teacher salary standing:

1956	<i>Minimum Salary</i>		<i>Maximum Salary</i>	
	B. A.	M. A.	B. A.	M. A.
3rd quartile	4,000	4,250	6,186	6,594
Median	3,700	3,900	6,000	6,225
Portland	3,700	3,900	6,200	6,600

1959	<i>Minimum Salary</i>		<i>Maximum Salary</i>	
	B. A.	M. A.	B. A.	M. A.
3rd quartile	4,500	4,800	7,200	7,530
Median	4,300	4,600	6,800	7,150
Portland	4,300	4,500	6,600	7,000

Your Committee was informed that in the school years from 1956-7 to 1959-60, there was an average increase in salary in these same forty cities of approximately \$250.00 per year, making the total increase for the three years of \$750.00. In Portland there was an increase of approximately \$400.00 in the same three-year period, for an average increase over the three-year period of \$135.00 per year. The result of the Portland lag in teacher salary increase is that we are in a much less favorable competitive position to obtain quality new teachers than we were in 1956. If we are to maintain the same caliber of teachers coming into our system as we have had in the past, it will be necessary that an adjustment be made to regain our competitive position.

The only arguments against the proposals of which your Committee is advised are those premised upon disagreement with some particular portion of the school budget, and those premised upon the proposition that real property taxes should not be increased for any reason. Some argued that administrative salaries are too high; others that teachers' salaries should be based on a merit system. The Committee does not express an opinion as to whether the salaries are too high or too low. As was stated at the commencement of this report, your Committee has assumed that the budget as presented is a proper one. Your Committee is of the opinion that these objections are not valid reasons for disapproving the proposed budget, and the tax base increase necessitated thereby.

Administrative expense accounts for approximately 2.8 per cent of the total operating budget. It appears to the Committee to be shortsighted indeed to jeopardize the quality and effectiveness of our educational system because of a disagreement with the allocation of 2.8 per cent of the budget; and it should be remembered that the actual disagreement is with but a very small percentage of that 2.8 per cent of the entire operating budget.

With respect to a merit system of teacher salary increase, your Committee unanimously agrees that that proposal is worthy of careful study and consideration. However, your Committee does not feel that the disapproval of the school budget as proposed, and the consequent worsening of the Portland competitive position in obtaining quality teachers for its school system will hasten the adoption of a merit system. To the contrary, a merit system is typically desired by a qualified and industrious employe, and resisted by the employe who is either not industrious or not qualified, or both. It should be apparent that we cannot obtain a high quality teacher by paying a low quality salary.

CONCLUSIONS

1. Because of the lateness of the filing date of the proposal, your Committee could not analyze the operating budget. Consequently it had to accept the reports and recommendations of the School Board on faith, and had no other sources of information. Your Committee does not feel that its faith was misplaced, since it has confidence in the school board and in the school administration. Nevertheless, it feels that the value of this report is weakened by the absence of an independent analysis of the budget.
2. The only way the operating budget can be met is to increase the tax base. The defeat of this measure will jeopardize the effectiveness of the Portland educational system and will substantially impair our ability to attract and hold quality teachers in the system.

RECOMMENDATIONS

Your Committee recommends:

1. That the City Club, through an appropriate committee or committees, conduct comprehensive studies of operating budgets and of the need for maintenance, repair and improvement of existing physical facilities and construction and equipment of new physical facilities in the Portland Public School System.
2. That the City Club go on record as approving the passage of the School District No. 1 Tax Base proposal.

Respectfully submitted,

LAWRENCE COHEN, M.D.

JAMES M. GILMAN, JR.

WALTER PENDERGRASS

T. T. TURNER

GEORGE S. WOODWORTH, *Chairman*

Approved May 4, 1960 by the Research Board for transmittal to the Board of Governors.

Received by the Board of Governors May 6, 1960, and ordered printed and submitted to the membership for discussion and action.

**REPORT
ON
ESTABLISHING NEW CITY TAX BASE
(City Measure No. 52)**

Act amending City Charter so as to increase the City's tax base from \$11,560,000 to \$15,253,600 effective with the fiscal year 1960-61.

Yes No

TO THE BOARD OF GOVERNORS
THE CITY CLUB OF PORTLAND:

ASSIGNMENT

Your Committee was assigned the task of studying and reporting on a proposed ballot measure which would add to the charter of the City of Portland a new section reading as follows:

"Section 7-120: INCREASE OF PROPERTY TAX BASE. For the purpose of computing the property tax levy which may be made by the City of Portland for general expenses of the City for the fiscal year 1960-1961, in accordance with the provisions of Article XI, Section 11 of the Constitution of Oregon, the tax base shall be increased from the present tax base of \$11,560,000 to \$15,253,600, and in subsequent years the tax base for each year shall be computed from the new base hereby established."

The charter amendment was referred to the voters by the City Council after adoption on December 23, 1959, to be voted upon in the May 20, 1960, primary election.

SOURCES OF INFORMATION

Your Committee conducted personal interviews with the following: City Commissioner Ormond R. Bean; Robert Hall, former chairman of the Chamber of Commerce Taxation Committee; Robert H. Hurd, chairman of the Chamber of Commerce sub-committee on Ballot Measure #52; and William H. Hilbruner, Chief of Police, City of Portland. The Committee also studied the following materials: Tax Base Study prepared by the Commissioner of Finance; report of Chamber of Commerce sub-committee on Ballot Measure #52; Majority and Minority Reports of the Junior Chamber of Commerce Committee on Ballot Measure #52; and local periodicals and newspaper editorials and articles on the issue.

The Committee also reviewed the following City Club reports on previous similar measures: Proposed New Tax Base and Special Ten Year Improvement Levy measures published October 29, 1954; the October 24, 1958 Ten Year Capital Improvements Program measure, and a long-range study published May 16, 1958 titled "Planning for Capital Improvements."

BACKGROUND AND SCOPE OF STUDY

Article XI, Section 11 of the Oregon Constitution provides that no political body (here the City) having the power to levy an *ad valorem* tax on property shall so exercise that power as to raise in any one year more revenue than its tax base. The tax base is either (a) the highest levy of the three preceding years' levies plus six percent thereof, or (b) a base established by the vote of the people at a general or primary election. Levies to pay principal and interest on bonds and special levies specifically approved by the voters in excess of the tax base are not within the constitutional limitation and are disregarded in computing the tax base.

The tax levying body is not required to levy the full amount of its tax base each year. However, if the full permissible levy is not made, the base may remain constant or

diminish from year to year if it is determined only by application of the first test, i.e. the highest of the three preceding years' levies. On the other hand, following the adoption of a new base by vote of the people, the base in succeeding years cannot fall below the amount so established (unless another new and lower base were to be voted by the people) and the annual six per cent increment is calculated from the new base, or the highest of the three preceding years' levies, whichever is greater.

If in each successive year the tax levying body takes full advantage of the permissible six per cent increment in its tax base, the compounding effect doubles the base each twelfth year. A base of \$12,000,000 in 1960 can, without voter approval, become one of \$24,000,000 in 1972 and \$48,000,000 in 1984.

Too many people erroneously assume that increases in assessed values, whether by reappraisals of existing values or the addition of new values, results automatically in an increase of available tax dollars. That result might prevail in a state which employed a limitation expressed in terms of millage. Oregon's limitation is in terms of tax dollars raised. Levies within the tax base cannot exceed the dollar amount of the base, whatever the assessed valuation may be, or however it may be adjusted.

It should be kept in mind that the six per cent limitation applies only to *ad valorem* property taxes and only to the levy within the control of the governing body. It has no application to other forms of taxation, other sources of revenue, or to property tax levies for bonded debt service and special property tax levies specifically voted by the people.

That part of the City's 1959-60 budget administered by the Council totaled \$48,645,940. This is broken down as follows:

	<i>Expenditures</i>	<i>Property Tax</i>
General Fund	\$20,890,840	\$11,560,000 (Tax Base)
Special Fund	27,755,100	3,979,453 (Special levies in excess of Base)
Total	\$48,645,940	\$15,539,453
Balance from other sources..		\$33,106,487

Your Committee was appointed to study and report upon the City's need for additional general fund revenues, the adequacy of the proposed tax base increase to meet the need and the fiscal propriety of that method of financing.

ARGUMENTS IN FAVOR OF THE MEASURE

1. The City Council through an orderly study and presentation has substantiated a need for the expenditures and in many critical areas the proposals are conservative.
2. The proposed expenditures have been combined for the voters' consideration as a package, permitting an overview of this major segment of the City's affairs.
3. An increase in the tax base constitutes a unified proposal for meeting the needs discussed.
4. Certain of the proposals contained in the package are critical for Portland's welfare, and voter rejection could mean administrative disaster.
5. Failure of the voters to accept the tax base proposal could lead to a property assessment for major sewer projects, a high-overhead form of financing which might prove to be a significant public expense item in the near future.
6. The City Council has undertaken a moral obligation to hold public hearings when changes are proposed for the schedule of expenditures, but under a tax base financing plan, unexpected conditions can be met with modifications in the plan.

ARGUMENTS AGAINST THE MEASURE

1. Significant numbers of items in the package are weak in terms of the justification proposed by the City Council.
2. The total amount of money which can be made available through full use of the six per cent maximum increment on the new tax base is not accounted for under the City Council proposals.

3. There is evidence that inadequate use has been made by the City Council of the professional and technical advice available from the staff of the City Planning Commission and from professional city planning counsel.
4. Sound public finance procedures would call for support of certain of the proposed expenditures by means of bond issues and serial tax levies rather than through general inclusion under a tax base proposal.

NEED FOR ADDITIONAL REVENUES

The primary question is whether or not the City of Portland is in need of additional funds for capital improvements and operating expenses. A schedule of needed expenditures in excess of the present budget has been prepared by Ormond R. Bean, Commissioner of Finance and approved by the Council. The ten year plan includes the following:

<i>Item</i>	<i>10-year Fund</i>
1. General Fund Debt to other Funds.....	\$ 1,000,000
2. Personal Service Adjustments	3,000,000
3. Replacement of Obsolete Equipment.....	1,000,000
4. Continuation of the Recreational Areas Fund.....	3,750,000
5. Sewer repair and replacement.....	5,000,000
6. Additional Street lighting, plus present levy at expiration of 1965-66.....	7,500,000
7. Various buildings, garages and warehouses.....	2,200,000
8. Auditorium alterations, pools, golf and water facilities.....	2,225,000
9. Levy for traffic and grade separations.....	3,000,000
Miscellaneous unassigned	1,325,000
TOTAL.....	\$30,000,000

A copy of the plan as adopted by the Council is reproduced as Exhibit A. The following is your Committee's analysis of the needs itemized above:

General Fund Debt to Other Funds

The only major debt in this category at the present time is \$450,000 owed to the Water Bureau, which represents the remaining unpaid balance of the cost of \$508,000 for property acquisition north of the City Hall. Other debts are not in evidence, and this allocation is apparently excessive in the amount of \$550,000 over the ten year period, unless new debt is incurred in that amount. In any case, this method does not seem most desirable for such financing.

Personal Service Adjustments

The \$3,000,000 allocated for this purpose apparently will be applied partly to wage increases and partly to salaries for new employees contemplated by the total program. This much would seem reasonable. However, the projection does not clearly reflect the fact that in recent years the entire increment in the existing tax base has been used for wage and salary increases, and your Committee believes that the Council anticipates the continuation of this pattern through the ten year program. Your Committee questions the wisdom of this approach and is of the opinion that the Council should not assume that it will increase wages in such large amounts as to absorb the increase in the present tax base plus the allocation in the projection base increase.

Replacement of Obsolete Equipment

Your Committee found unanimous approval of the allocation of the \$1,000,000 for this purpose.

Continuation of Recreational Areas Fund

This allocation merely projects for another ten years the special serial levy which expires this year, and in the opinion of your Committee, it is justified.

Sewer Repair and Replacement

In past revenue proposals and in the current measure, the figure for this item has been \$5,000,000. The need for substantial revenues for sewer repair and replacement cannot be questioned. Even critics of the proposal recognize that the amount allocated for this purpose may be dangerously conservative.

Additional Street Lighting

The projection calls for additional street lights in the first five years, plus a continuation of the current special lighting levy which will expire in 1965. Your Committee is of the opinion that many areas of the city, primarily residential, require additional lighting, and that the cost for the use of all lights is a permanent commitment which logically should be met by general fund revenues.

Various Buildings, Garages and Warehouses

Your Committee believes that the funds allocated for these projects will improve the quality of city services and in all probability reduce expenses by the elimination of duplicate facilities now being maintained.

Auditorium Alterations, Pools, Golf and Water Facilities

These items represent a continuation of past and present city policy supporting recreational and cultural development. The auditorium alterations are intended to improve its acoustics and decor, so as to increase the revenue from its use. No new pools have been constructed in the past ten years, and new pools in some areas, especially at the Knott Street Community Center, appear worthwhile. Additional golf facilities were promised when the West Hills course was closed to permit the construction of the new zoo, and land for this purpose is now owned by the City. Facilities discussed here, particularly the golf course, can be expected to be largely self-sustaining, once constructed.

Traffic Controls and Grade Separations

Your Committee believes that parking meter revenues and other sources are demonstrably inadequate to correct innumerable traffic hazards throughout the City. We feel that the allocation of \$3,000,000 for this purpose will be used primarily for traffic lights and other relatively inexpensive control devices. We do not believe that sufficient funds have been allocated to complete any major grade separation projects; and to this extent the proposal is deficient.

Miscellaneous Unassigned

Allocated to this category is \$1,325,000 for the ten year period. Your Committee feels that this figure should and probably will be augmented in the amount by which the allocation for repayment of debt and wage adjustments are found to be excessive.

Any unassigned funds which are unexpended could, in the opinion of your Committee, be beneficially allocated to the sewer repair and replacement program and to the traffic and grade separation programs, allocations to which — as explained above — appear insufficient to meet the need.

The Schedule as a Whole

While some estimates may appear excessive and at least two inadequate, we believe that the overall needs scheduled by the Council are sufficiently demonstrable to merit the request for funds which will be available if this measure is approved.

METHOD OF FINANCING

Some outspoken opponents of this measure make an impressive argument that an increase in the tax base should not be sought for the purpose of financing non-recurring expenditures and capital outlays. They believe that such items should be met by special levies or bond issues geared to specific costs and expenditures. They point out that if a base increase is used for such items, the amount of the base increase and annual increments thereto become available for general operation expenses after the specific items have been covered, and can thereafter be expended by the Council as it wishes. Some of the items in the present schedule are of a non-recurring nature and the criticism might be valid if it were directed to those alone.

However, your Committee observes that over two-thirds of the projected expenditures are either purely operational in character or represent quasi-capital expenditures which necessarily recur with sufficient regularity to warrant their payment out of the general fund.

The Package Approach

As a corollary to their arguments, the opponents urge that the voters should have an opportunity to accept or reject each specific expenditure of a capital nature, and that it is improper to include capital outlays with recurring expenditures.

When adopting the measure under consideration, the Council passed a resolution committing itself to make no substantial changes in the projected expenditures without public hearings. In so acting, the Council has made the proposal a "package" program which it is morally, if not legally, obliged to follow.

The pros and cons on "package" programs have been thoroughly discussed in previous City Club reports and the membership has generally approved them in principle. Your Committee believes that taking the bitter with the sweet is probably less objectionable in the form of a tax base increase than in the form of bond issues and special levies. While it is true that the increased revenues are at the disposal of the Council, whose members are not legally bound to follow the projected program they have planned, it is equally significant that the increased revenues may be diverted and adjusted through the joint action of a conscientious Council and an informed and demanding public to fit the real needs as they may develop in the next decade.

CONCLUSIONS

Your Committee concludes that there is a genuine need for most of the scheduled expenditures, and that the proposed base increase will be adequate to meet those needs. Your Committee also concludes that the major portion of the proposed expenditures are of a recurring nature and are properly financed by an increase in the tax base to permit payment out of the general fund.

RECOMMENDATION

Your Committee recommends that the City Club go on record as in favor of Ballot Measure No. 52.

Respectfully submitted,

DR. CHARLES W. BURSCH
MARLIN R. GOEBEL
CARL R. NEIL
ROBERT S. SUMMERS
JOHN R. HAY, *Chairman.*

Approved May 6, 1960, by the Research Board for transmittal to the Board of Governors.

Received by the Board of Governors May 6, 1960, and ordered printed and submitted to the membership for discussion and action.

EXHIBIT A

General Fund Only
Ten Year Program
SUGGESTED ALLOTMENT OF TAX BASE INCREASE OF \$3,000,000
May 20, 1960 Election

ORROND R. BEAN
Commissioner of Finance
December 3, 1959

Cost Per \$100 Paid 1959-60 Taxes (Col. #1)		1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	Totals Ten Years
.24	1	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	Totals Ten Years
	2	General Fund Debt to Other Funds	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$1,000,000
.57	3	Personal Service Adjustments	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	3,000,000
.19	4	Replacement of Obsolete Equipment	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000
.71	5	Recreation Areas Construction of 4/10 Mill	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	3,750,000
1.42	6	Sewer Repair and Replacement	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000	7,500,000
.47	7	Additional Street Lighting and Fixtures Up Present Levy	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	2,500,000
.83	8	Shop Bldg. and Equip. Municipal Garage	Shop \$440,000	Add Municipal Garage \$310,000	Add Steam Heat \$550,000	Fire & Park \$500,000	2 Precinct \$800,000	0	0	0	0	2,200,000
.76	9	Stanton Yard--Precinct Bldg.--Fire & Park Marshouses--Levy In ()	(440,000)	(440,000)	(440,000)	(440,000)	(440,000)	(440,000)	(440,000)	(440,000)	(440,000)	2,200,000
.23	10	Auditorium Alterations Pools--Golf and Water Facilities--Levy In ()	Alter. of Auditorium \$800,000	Auditorium \$400,000	Pool (2) \$250,000	Golf Facilities \$400,000	Pool (1) \$125,000	Water Rec. Facilities \$400,000	Pool (2) \$250,000	Pool (1) \$125,000	Pool (2) \$250,000	2,225,000
.23	9	Levy For Traffic and Grade Separations	122,500	122,500	272,500	322,500	322,500	322,500	322,500	397,500	397,500	3,000,000
.10	10	Levy for Both Above	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500	522,500	5,225,000
.25	11	Miscellaneous Unassigned	132,500	132,500	132,500	132,500	132,500	132,500	132,500	132,500	132,500	1,325,000
\$5.67	12	TOTALS	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	\$30,000,000

TO BE FOLLOWED BY COUNCIL UNLESS CHANGES OF NECESSITY ARE REQUIRED

PROPOSED FOR MEMBERSHIP AND ACCEPTED BY THE BOARD OF GOVERNORS

If no objections are received by the Executive Secretary prior to May 27, 1960, the following applicant will be accepted for membership:

MIL0 E. ORMSETH, Lawyer. Associate, Hart, Rockwood, Davies, Biggs and Strayer. Proposed by Charles H. Habernigg.

1960-1961 SLATE FOR BOARD OF GOVERNORS ANNOUNCED

Rudie Wilhelm, Jr., current treasurer of the City Club, has been nominated for the presidency of the club for the next fiscal year, Gerald W. Scholz, Nominating Committee chairman, announced to the Board of Governors in filing his committee's report early this week.

Officers nominated to serve with Mr. Wilhelm are: Harry W. Burnside, first vice-president (in charge of research activities); Harry Holloway, second vice-president (in charge of membership); Don J. Campbell, Secretary, and William W. Wessinger, treasurer. Nominated for two-year terms as Governors are: Burdette Erickson, Richard H. Sullivan and George S. Woodworth.

In accordance with Article VI, Section 1 of the City Club Constitution, the report of the Nominating Committee must be published at least three weeks prior to the annual meeting. The annual meeting for elections falls this year on June 3, 1960.

Other candidates may be nominated by any three members of the Club, in writing, at least two weeks prior to the annual meeting. Consent of the nominee must be obtained before filing.

Serving with Chairman Scholz on the Nominating Committee were Donald P. Abbott, Harry Burnside, Kenneth Klarquist, and C. E. Rawlinson.

MEMBERSHIP ACTS ON FOUR PRIMARY MEASURES: TWO MORE THIS WEEK

Four of the six measures to be voted on at the May 20th primary elections have been submitted to the City Club membership for discussion and action, and three of these have received unanimous approval of the membership.

On April 29, 1960, the state measure referred by the legislature to increase salaries of state legislators from \$600 to \$2100 per year was presented by the committee's chairman, James Ingwersen, and gained unanimous approval for endorsement of a favorable vote on the measure, with no discussion from the floor. The city measure to increase the sewer user charge up to two-thirds of the customer's water bill was presented by Kenneth Klarquist, committee chairman, and also gained unanimous approval to vote for the measure.

On May 6th, a city measure eliminating city residence restrictions for employes was favorably endorsed by a committee headed by Clarence W. Walls, and won approval of the membership by a unanimous voice vote. The dog control measure, presented by Byron Van Fleet, chairman, aroused much pro and con argument from the floor, but ended with the 55 to 39 vote in support of the committee's recommendation for approval of the measure.

BROWN FELT HAT MISSING AFTER APRIL 29th LUNCHEON

A brown felt hat, with "C.W.W." in the band, a Mathis label, was taken from the clothes rack at the Benson Hotel following the April 29 membership meeting.

The hat belongs to Clarence W. Walls who believes it is a Knox brand. Will anyone finding he has a brown, size 7 $\frac{1}{4}$, felt hat that is so marked please get in touch with City Club offices, CA 8-7231.

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