



094936

**REPORT TO THE SUBCOMMITTEE ON
INTERGOVERNMENTAL RELATIONS
COMMITTEE ON
GOVERNMENT OPERATIONS
UNITED STATES SENATE**

094936

**Case Studies Of Revenue Sharing
In 26 Local Governments**

ENCLOSURE V

✓ Philadelphia, Pennsylvania C. 902

**BY THE COMPTROLLER GENERAL
OF THE UNITED STATES**

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ABBREVIATIONS

EEOC	Equal Employment Opportunity Commission
GAO	General Accounting Office
OEO	Office of Economic Opportunity
ORS	Office of Revenue Sharing

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SUMMARY

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At the request of the Chairman, Subcommittee on Intergovernmental Relations, Senate Committee on Government Operations, GAO conducted case studies on general revenue sharing at 26 selected local governments throughout the country, including Philadelphia, Pennsylvania.

For the period January 1, 1972, through June 30, 1974, Philadelphia was allocated a total of \$119,024,669 in revenue sharing funds or a per capita amount of \$61.04 which was the maximum amount which could be paid to a Pennsylvania municipality under the Revenue Sharing Act. Of the amount allocated, \$106,255,020 was received by June 30, 1974, and \$12,769,649 was received in July 1974. Revenue sharing funds allocated to Philadelphia were equivalent to about 12.3 percent of its own tax collections.

The Chairman's letter listed seven areas on which the Subcommittee wanted information. Following is a brief description of the selected information GAO obtained in each of these areas during the Philadelphia review.

1. The specific operating and capital programs funded, in part or in whole, by general revenue sharing in each jurisdiction.

As of June 30, 1974, Philadelphia had obligated or expended all revenue sharing funds received and the interest earned on the funds, about \$119.1 million. Most of the amount, \$117.1 million, was earmarked to reimburse the general fund for previously incurred payroll expenses.

2. The fiscal condition of each jurisdiction, including its surplus or debt status.

For the 5 most recent fiscal periods, the city generally had a net surplus in its combined operating funds. However, the general fund, the largest operating fund, had a deficit in each of the last 4 fiscal years.

The city's pension fund had an unfunded liability of \$566.1 million as of July 1, 1973. To meet this liability the city will have to make large payments into the pension fund in future years.

Philadelphia's outstanding bonded debt increased in each of the last 5 fiscal years, from \$867.4 million at the end of 1970 to \$1.1 billion at the end of 1974.

3. The impact of revenue sharing on local tax rates and any changes in local tax laws, and an analysis of local tax rates vis-a-vis per capita income.

Philadelphia's total tax collections increased each year during the last 5 fiscal years, from \$353,966,000 in 1970 to \$447,506,000 in 1974. During that period the rates of the net profits and wage and earnings tax were increased while the city government's mill rate for the real estate tax decreased.

We were informed that without revenue sharing a tax rate increase would have been necessary.

Our calculations indicated that the percentage of family income paid to the city, school district, and State government varied as family income increased. A family with a 1973 income of \$7,500 paid 12.6 percent of its income in State and local taxes; a family with an income of \$12,500 paid 12.1 percent; and a family with an income of \$17,500 paid 12.2 percent.

4. The percentage of the total local budget represented by general revenue sharing.

All revenue sharing funds allocated to Philadelphia through June 30, 1974 (including the payment for the quarter ended June 30, 1974, which was received in July 1974), were budgeted for use in fiscal years 1973 and 1974. In 1973, \$67.9 million, or 7.6 percent, of the city's total budget of \$890 million was from revenue sharing funds. In 1974 revenue sharing made up 5.8 percent of Philadelphia's budget.

5. The impact of Federal cutbacks in three or four specific categorical programs and the degree, if any, that revenue sharing has been used to replace those cutbacks.

In addition to revenue sharing the city received \$100.8, \$144.1, and \$108.5 million in Federal aid during fiscal years 1972, 1973, and 1974, respectively. GAO was informed that the city did not plan to fund programs experiencing reductions in Federal aid with either its own funds or revenue sharing funds. However, city officials reported that other Federal funds would be available to offset reductions in some programs.

6. The record of each jurisdiction in complying with the civil rights, Davis-Bacon, and other provisions of the law.

According to the 1970 census, the civilian labor force in the city consisted of 800,326 persons, of whom 41 percent were female and 31.9 percent were blacks and Puerto Ricans. As of June 30, 1974, city agencies had a total of 33,164 employees, of which 21.9 percent were females and 41.9 percent were blacks and other minorities. Certain functions and job categories had either low or high proportions of blacks. The fire protection and police protection functions had 8.6 percent and 21 percent, respectively, black employees; whereas the sanitation and sewage and the hospital and sanatorium functions had 84.9 percent and 74.4 percent, respectively, black employees. Blacks made up 17.9 percent of the professionals and 83.5 percent of those in the service/maintenance job category.

Since December 31, 1971, a total of 68 complaints alleging discrimination in employment because of race, sex, religious belief, and national origin have been filed against city agencies. Because the complaints are on file with the separate commissions having jurisdiction over city agencies, they could include some duplication. Forty-seven had been closed at the time of our review. In many cases, the complaints could not be substantiated. In two civil rights suits, one against the police department and one against the fire department, a Federal district court found that civil service entrance examinations were discriminatory and ordered the city to develop new tests. A suit against the police department alleging sex discrimination was pending.

Philadelphia had not earmarked its revenue sharing to finance construction projects, therefore the Davis-Bacon provision of the law was not applicable. The city charter and its civil service regulations require that each employee be paid according to the rates set forth in the pay plan for the class of position in which he is employed. Therefore, according to the personnel director, the city would have to comply with the prevailing wage provision of the act.

7. Public participation in the local budgetary process, and impact of revenue sharing on that process.

Although Philadelphia's budgeting process provides for public hearings before the city council, GAO did not find extensive participation by individuals or public interest groups in the possible use of revenue sharing funds. Most of those who did appear before the city council believed the funds should be used in the human services programs experiencing cutbacks in Federal categorical funds.

CHAPTER 1

INTRODUCTION

The State and Local Fiscal Assistance Act of 1972 (Public Law 92-512), commonly known as the Revenue Sharing Act, provides for distributing about \$30.2 billion to State and local governments for a 5-year program period beginning January 1, 1972. The funds provided under the act are a new and different kind of aid because the State and local governments are given wide discretion in deciding how to use the funds. Other Federal aid to State and local governments, although substantial, has been primarily categorical aid which generally must be used for defined purposes. The Congress concluded that aid made available under the act should give recipient governments sufficient flexibility to use the funds for their most vital needs.

On July 8, 1974, the Chairman, Subcommittee on Intergovernmental Relations, Senate Committee on Government Operations, requested us to conduct case studies on general revenue sharing at 26 selected local governments throughout the country. The request was part of the Subcommittee's continuing evaluation of the impact of general revenue sharing on State and local governments. The Chairman requested information on

- the specific operating and capital programs funded by general revenue sharing in each jurisdiction;
- the fiscal condition of each jurisdiction;
- the impact of revenue sharing on local tax rates and tax laws, including an analysis of tax burden on residents of each jurisdiction;
- the percentage of the total budget of each jurisdiction represented by general revenue sharing;
- the impact of Federal cutbacks in several categorical programs and the degree, if any, that revenue sharing has been used to replace those cutbacks;
- the record of each jurisdiction in complying with the civil rights, Davis-Bacon, and other provisions of the law; and
- public participation in the local budgetary process and the impact of revenue sharing on that process.

Philadelphia, Pennsylvania, is one of the 26 selected local governments, which include large, medium, and small municipalities and counties and a midwestern township.

BACKGROUND INFORMATION ON THE CITY OF PHILADELPHIA

Philadelphia is located in southeastern Pennsylvania and covers about 130 square miles. With a population of 1,949,996 (according to the 1970 census), it is the fourth largest city in the United States. Its industries include (1) the Port of Philadelphia--the Nation's leading import center and second greatest shipping district, (2) the largest oil-refining center on the east coast, and (3) about 34,000 retail, wholesale, and service establishments. In 1970, the income per household was \$9,802 and the median income was \$7,741.

Philadelphia has a consolidated city-county government headed by an elected mayor and city council. The mayor appoints a managing director who in turn appoints, with the mayor's approval, the commissioners that head each city service department. The mayor is elected for a 4-year term and cannot serve for more than two successive terms. The city council is composed of 17 councilmen elected for 4-year terms. One councilman is elected from each of the city's 10 approximately equally populated districts, and 7 are elected at large. The responsibility for maintaining and operating the public schools of the city rests with a nine-member Board of Education appointed by the mayor.

The city provides such services as police and fire protection, library services, health and recreational facilities, water supply, sewage disposal, construction and maintenance of streets, and rubbish collection. The Southeastern Pennsylvania Transportation Authority, created by the State legislature in 1963, is responsible for the city's transportation system. Public assistance payments are provided by the Commonwealth, and numerous city and private agencies are involved in social services for the poor, aged, and other needy groups. In addition to collecting its own taxes, the city collects the taxes levied by the Board of Education.

REVENUE SHARING ALLOCATION

Revenue sharing funds are allocated according to a formula in the Revenue Sharing Act. The amount available for distribution within a State is divided into two portions--one-third for the State government and two-thirds for all eligible local governments within the State.

The local government share is allocated first to the State's county areas (these are geographic areas, not county governments) using a formula which takes account of each county area's population, general tax effort, and relative income. Each individual county area amount is then allocated to the local governments within the county area.

The act places constraints on allocations to local governments. The per capita amount allocated to any county area or local government unit (other than a county government) cannot be less than 20 percent nor more than 145 percent of the per capita amount available for distribution to local governments throughout the State. The act also limits the allocation of each unit of local government (including county governments) to not more than 50 percent of the sum of the government's adjusted taxes and intergovernmental transfers. Finally, a government cannot receive funds unless its allocation is at least \$200 a year.

To satisfy the minimum and maximum constraints, the Office of Revenue Sharing uses funds made available when local governments exceed the 145 percent maximum to raise the allocations of the State's localities that are below the 20-percent minimum. To the extent these two amounts (amount above 145 percent and amount needed to bring all governments up to 20 percent) are not equal, the amounts allocated to the State's remaining unconstrained governments (including county governments) are proportionally increased or decreased.

Philadelphia was constrained at the 145 percent level in all four entitlement periods (January 1, 1972, through June 30, 1974). Our calculations showed that, if the allocation formula were applied in Pennsylvania without the 20 percent minimum and 145 percent maximum constraints, 50 percent limitation, and \$200 minimum allocation rule, Philadelphia's allocation for the period January 1, 1972, through June 30, 1974, would have been \$185,267,258. However, because these constraints were applied, Philadelphia was allocated \$119,024,669. This includes \$12,769,649 which was received in July 1974.

The following schedule compares per capita revenue sharing payments and revenue sharing as a percentage of adjusted taxes for Philadelphia, and its 1970 population of 1,949,996, and the next two largest cities in Pennsylvania, Pittsburgh and Erie, which had populations of 520,117 and 129,231, respectively.

Revenue sharing funds received for the
period Jan. 1, 1972 through June 30, 1974

	Received (note a)	Per capita	Percent of adjusted taxes (note b)
Philadelphia	\$119,024,669	\$61.04	12.3
Pittsburgh	31,747,119	61.04	16.4
Erie	5,368,385	41.54	23.8

a/Includes payment received in July 1974 for quarter ended June 30, 1974.

b/Fiscal year 1971 and 1972 taxes, as defined by the Bureau of the Census, were used and adjusted to correspond to the 2-1/2-year period covered by the revenue sharing payments.

The 145 percent maximum constraint for the governments in Pennsylvania totaled \$61.02 per capita for the period. The 20 percent minimum constraint was \$8.41. The difference between the \$61.02 maximum constraint and the \$61.04 shown above for Philadelphia and Pittsburgh is due to rounding.

Pittsburgh was also constrained at the 145 percent level for all four entitlement periods. However, the overall effect of constraints on governments in the State increased Pittsburgh's allocation. When Philadelphia and other governments in Pennsylvania were reduced to the 145 percent level, the excess was distributed to unconstrained governments in the State; this excess was sufficient to bring the allocation of certain governments, such as Pittsburgh, up to the 145 percent level.

CHAPTER 2

BUDGETING AND PUBLIC PARTICIPATION

IN THE BUDGETARY PROCESS

During fiscal year 1974 the city had 75 funds. Each fund constitutes a distinct entity having its own resources, assets, liabilities, and balances, which must be used and accounted for in accordance with its creating authorization.

<u>Category of fund</u>	<u>Number of funds</u>
Operating	9
Capital projects	3
Enterprise	5
Working capital	2
Agency and trust	12
Pension	1
Sinking	3
Special	<u>40</u>
	<u>75</u>

Among the city's operating funds, the general fund is used to finance most of the cost of services provided by the city. The general fund derives its revenues from taxes, fees, fines, service charges, and grants from other governments. Following is a brief description of other operating funds.

Water fund--accounts for usage charge revenues and expenditures required to support the provision of water services on a self-sustaining basis.

Sewer fund--accounts for revenues and expenditures related to the financing of sewer service on a self-sustaining basis. Sewer charges are a fixed percentage of water usage charges.

County liquid fuels tax fund and special gasoline tax fund--account for funds received from the Commonwealth of Pennsylvania to be used for highway purposes only.

Pier maintenance fund--accounts for funds received from the rental of certain port facilities. These funds are dedicated to pier maintenance expenses.

Parking facilities fund--accounts for revenues derived from parking meter receipts and towing charges. These revenues are used for operating the parking meters and parking facilities.

Grants revenue fund--accounts for grant funds received from Federal, State, and other governmental units. The funds are used for various purposes depending on the terms of the grant.

Aviation fund--accounts for revenues and expenditures relating to the operations of the city's two airports.

Other city funds are summarized below by major category.

Capital projects fund--accounts for authorizations, resources received, and obligations made relating to projects of a capital nature. Resources consist primarily of the proceeds of bond sales and Federal and State subsidies.

Enterprise funds--account for revenues and expenditures of commercial-like activities of the city. Revenues are derived from charges for goods and services. Obligations cannot exceed revenues received.

Working capital funds--account for revenues and expenditures of the city's procurement department in providing materials and supplies and printing service to other city departments. Revenues are derived from using departments.

Agency and trust funds--account for cash or other assets which come under city control in its capacity as agent or fiduciary for property belonging to others.

Pension fund--accounts for pensions provided to city employees. Revenues are derived from city, Commonwealth, and employee contributions and earnings on accumulated assets.

Sinking funds--account for assets accumulated for the retirement of term bonds.

Special funds--account for Federal, State, and private grants which must be used for specific purposes designated by the donor.

During fiscal year 1974, the school district of Philadelphia had 30 funds in the following categories.

	<u>Number of funds</u>
General	1
Categorical	18
Bond	1
Other	<u>10</u>
	<u>30</u>

The school district's general fund is financed primarily by local taxes and State subsidies. It covers normal operating expenses of the various educational, supportive, and administrative programs of the school district, as well as debt service costs of the capital program.

Other major funds maintained by the school district are:

Categorical funds--account for revenues and expenditures involving Federal, State, and private grants. Revenues are used for various purposes.

Bond fund--accounts for the proceeds of bond sales used to finance the school district's construction program.

Other funds--account for revenue and expenditures relating to food sales, warehouse operations, special accounts, bequests, etc.

RELATIONSHIP OF REVENUE SHARING
TO TOTAL BUDGET

During the 2-year period ended June 30, 1974, the city received revenue sharing payments totaling \$106.3 million, \$22 million of which was an allocation for fiscal year 1972. All revenue sharing allocated for the period January 1, 1972, through June 30, 1974, (including the payment for the quarter ended June 30, 1974, which was received on July 10, 1974) were budgeted in fiscal years 1973 and 1974.

	<u>1972</u>	<u>1973</u>	<u>1974</u>
Combined city operating funds (note a)	\$ 709,643,014	\$ 890,018,492	\$ 874,874,824
School district general fund (note a)	<u>365,000,000</u>	<u>380,603,400</u>	<u>403,371,000</u>
Total (note a)	<u>\$1,074,643,014</u>	<u>\$1,270,621,892</u>	<u>\$1,278,245,824</u>

	<u>1973</u>	<u>1974</u>
Revenue sharing payments received	\$55,510,057	\$50,744,963
Revenue sharing funds budgeted (note b)	67,946,076	51,078,593
Cumulative revenue sharing payments received but not budgeted	-	-
Percentage of city budget represented by revenue sharing	7.63	5.84
Percentage of city and school budgets represented by revenue sharing	5.35	4.00

a/Net of interfund transfers.

b/Budgeted amounts included funds to be received in next fiscal year.

School district budget data is included in the foregoing table to make the budgets comparable with those of governments whose responsibilities include operating the local school system. Although independent school districts do not receive revenue sharing funds directly from the Federal Government, financing public schools is a major responsibility at the local government level and represents a significant part of the local tax burden.

Anticipated revenue sharing funds are budgeted as part of the total general fund but are not applied to specific departments until they are actually received. In fiscal years 1973 and 1974, most of the revenue sharing payments were applied in the public safety area. (The uses of actual revenue sharing funds received are discussed in detail in ch. 3.)

Combined Operating Budget

<u>Department or agency</u>	<u>Fiscal year</u>		
	<u>1973</u>	<u>1974</u>	<u>1975</u>
	(000 omitted)		
City Council	\$ 1,699	\$ 1,748	\$ 1,902
Office of the Mayor	1,363	4,126	3,096
Office of the Managing Director	11,096	14,891	13,287
Police Department	137,735	133,475	132,044
Streets Department	69,506	62,627	65,007
Fire Department	39,978	41,407	43,465
Department of Public Health	84,945	80,447	83,922
Department of Recreation	29,236	26,889	27,214
Department of Public Property	38,634	42,980	46,158
Department of Public Welfare	56,328	56,838	57,674
Department of Licenses and Inspections	9,763	9,186	8,112
Department of Records	1,445	1,423	1,484
Office of the Director of Finance	48,345	68,512	139,872
Department of Collections	115,800	120,635	127,423
Procurement Department	1,565	1,348	1,349
Treasurer's Office	221	246	269
Office of the City Representative	4,869	1,318	1,361
Department of Commerce	24,218	21,956	33,534
Law Department	1,885	1,977	1,998
Free Library of Philadelphia	11,170	10,542	12,374
Personnel Department	1,512	1,870	1,980
Auditing Department	1,479	1,773	1,917
Board of Revision of Taxes	1,930	2,051	2,211
Courts	38,017	40,716	38,264
District Attorney	4,773	5,525	4,918
Sheriff	3,078	3,231	3,886
City Commissioners	4,760	4,228	4,452
Water Department	35,040	37,687	40,777
Model Cities and Philadelphia Anti-Poverty Commission	38,493	37,928	16,113
Various commissions and boards	85,223	60,587	66,665
Total	\$904,106	\$898,167	\$982,728

Note: Budgets include interfund transfers of \$14,086,507 in FY 73, \$23,296,176 in FY 74, and \$12,361,999 in FY 75.

PUBLIC INVOLVEMENT IN BUDGETARY PROCESS

Philadelphia's normal budgetary process includes (1) preparation of operating and capital budgets by the mayor, (2) required public hearings on the budgets before city council, and (3) approval of the budgets by city council.

Operating budget preparation begins about 6 months prior to the beginning of the fiscal year being budgeted when city agencies submit preliminary revenue and expense estimates to the city's office of director of finance. For the next 2 months, the estimates are analyzed and final budget policy and limits are set by the mayor. During the next month, the mayor's budget is introduced to city council; and public hearings, as required by City Charter, are held. Approximately 2 months later, or about 1 month before the beginning of the fiscal year, the final operating budget is passed by city council.

Capital budget preparation begins about 10 months prior to the beginning of the fiscal year being budgeted when all project requests requiring city funds must be submitted to the city's office of director of finance. Budget hearings on these projects are then held by the city planning commission. Project requests not requiring city funds must be submitted to the office of director of finance 5 months prior to the beginning of the fiscal year being budgeted. The city planning commission gives its final approval to projects and submits its recommended capital program to the mayor about 4 months prior to the beginning of the fiscal year. One month later, the mayor submits his capital budget to city council. Public hearings are then held by city council. Approximately 2 months later, or about 1 month before the beginning of the fiscal year, the final capital budget is passed by city council.

Reports on the planned and actual use of revenue sharing funds have been published in local newspapers. However, the city has not taken any unusual steps to publicize the program or issued any special press releases to the media describing the proposed uses of revenue sharing funds.

No mention of Federal revenue sharing funds was made by public witnesses during the fiscal year 1973 appropriation hearings. However, revenue sharing funds, including possible uses, were mentioned by public witnesses during city council appropriation hearings for fiscal years 1974 and 1975.

Specifically, in the fiscal year 1974 hearings, a coalition of over 100 health and social service agencies and projects and a representative for child day care centers testified that the city was putting its revenue sharing moneys into its general fund while at the same time other federally funded human service programs were having their funding cut. They believed that revenue sharing funds should have been used in the human services areas which were being cut.

In the fiscal year 1975 hearings, five witnesses mentioned or referred to revenue sharing funds.

- Two witnesses who stated that none of the revenue sharing was being used for social services or to help the poor and aged. One of these two complained that the funds were being spent without citizen input.
- One witness who stated that the funds should be used for recreation instead of funding the police department.
- One witness who stated that the funds could not be used for funding the school budget.
- One witness who referred to the funds as one of the sources of revenue for the city.

We met with representatives of the following three public interest groups in the city to determine their involvement in city budgetary decisions.

League of Women Voters--The purpose of this organization is to promote the informed and active participation of citizens in government. It researches selected issues and informs the citizens through publications and meetings.

Pennsylvania Economy League--A nonpartisan, nonprofit civic organization which defines and researches problems of government, makes suggestions, and helps public officials find solutions.

North City Congress--This federation of neighborhood groups, businesses, institutions, and individuals from that area of the city heavily populated by minorities and generally known as North Philadelphia is a nonprofit tax-exempt corporation. It serves about 25 local organizations, especially in fiscal matters.

The representative from the League of Women Voters stated that the organization participates in the budget hearings before city council, mainly on the issue of school budgets. The League has not taken a position on how revenue sharing funds should be spent, nor does it receive detailed information on the city's operating budget.

The representative from the Pennsylvania Economy League stated that the group has not frequently testified at the budget hearings held by city council. It has informally advised the city and other municipalities on the possible uses of revenue sharing funds. This group is equally involved in the uses of city revenues from other sources, and although it did not receive more information on revenue sharing funds than on other city funds, it deemed what it received to be adequate.

The representative from the North City Congress stated that the group has not been involved in the city's budgetary process since the passage of the Revenue Sharing Act.

CHAPTER 3

PROGRAMS FUNDED WITH REVENUE SHARING FUNDS

Philadelphia was allocated \$119,024,669 in revenue sharing funds for the period January 1, 1972, through June 30, 1974. Of the amount allocated, \$106,255,020 was received by June 30, 1974, and \$12,769,649 was received in July 1974. As of June 30, 1974, interest earned from investment of the funds totaled \$64,684. The city has expended the entire amount available for use.

As of June 30, 1974, Philadelphia had spent a total of \$119,089,353 in revenue sharing funds--the first eight revenue sharing payments, totaling \$119,024,669, and \$64,684 in interest earned on these funds.

USES OF REVENUE SHARING

The uses of revenue sharing described in this chapter are those reflected by Philadelphia's financial records. As pointed out in earlier reports on the revenue sharing program ("Revenue Sharing: Its Use by and Impact on State Governments," B-146285, Aug. 2, 1973, and "Revenue Sharing: Its Use by and Impact on Local Governments," B-146285, Apr. 25, 1974) fund "uses" reflected by the financial records of a recipient government are accounting designations. Such designations may have little or no relation to the actual impact of revenue sharing on the recipient government.

For example, in its accounting records, a government might designate its revenue sharing funds for use in financing environmental protection activities. The actual impact of revenue sharing on the government, however, might be to reduce the amount of local funds which would otherwise be used for environmental protection, thereby permitting the "freed" local funds to be used to reduce tax rates, to increase expenditures in other program areas, to avoid a tax increase or postpone borrowing, to increase yearend fund balances, and so forth.

Throughout this case study, when we describe the purposes for which revenue sharing funds were used, we are referring to use designations as reflected by city financial records.

Functional uses

As of June 30, 1974, the city had expended the entire amount of \$119,089,353 in revenue sharing and interest earned for operations and maintenance purposes. The schedule on page 14 shows the broad functional uses of revenue sharing funds.

<u>Function</u>	<u>As of June 30, 1974</u>
Public safety	\$ 72,403,328
Environmental protection	20,549,522
Recreation	12,259,684
Libraries	6,140,015
Financial administration	3,998,840
Public transportation	2,470,000
Health	<u>1,267,964</u>
Total	<u>\$119,089,353</u>

Specific uses

Most of the revenue sharing funds were used to reimburse the general fund for previously incurred expenditures for personal services. Specifically, they were applied to selected payroll areas within various departments. The following schedule shows the elements to which \$117 million of the \$119 million in revenue sharing payments were applied as payroll reimbursements.

The remaining \$1,960,618 received by the city was applied in fiscal year 1973 to the department of public property to subsidize commuter rail service provided by two railroads.

City officials planned to use future revenue sharing payments for the same activities as in the past, but greater or lesser amounts may be allocated to specific activities than expended to date.

ACCOUNTING FOR REVENUE SHARING FUNDS

Funds were placed in a separate bank account, where they remained for a few days until certain administrative actions concerning the funds were completed. The funds were then transferred to the city's general fund bank account. The transfer was a reimbursement for expenses that had previously been incurred and paid out of the general fund. After the transfer, a detailed schedule of the charges to revenue sharing funds was prepared. The charging process has built-in safeguards against the improper application of Federal revenue sharing as matching funds to other Federal grants.

<u>Department and element to which applied</u>	<u>Amount</u>	<u>Total</u>
	(000 omitted)	
Police Department:		
Community protection and services	<u>\$46,394</u>	\$ 46,394
Fire Department:		
Fire fighting	<u>24,905</u>	24,905
Department of Streets:		
Street cleaning, refuse collection, and disposal	20,550	
Construction and maintenance	<u>509</u>	21,059
Department of Recreation:		
Provision of recreation services	8,797	
Maintenance of Fairmount Park	2,570	
Art Museum	665	
General support	192	
Museum of Philadelphia History	17	
Camp William Penn.	<u>18</u>	12,259
Free Library:		
City library service	<u>6,140</u>	6,140
Department of Collections:		
Collection of general and special fund revenue	<u>1,888</u>	1,888
Director of Finance:		
Financial planning and analysis	280	
Accounting operations	384	
Data processing operations	<u>671</u>	1,335
Department of Public Health:		
Investigation of deaths	649	
General support	<u>619</u>	1,268
Department of Licenses and Inspections:		
Construction code enforcement	<u>1,105</u>	1,105
Board of Revision of Taxes:		
Tax assessment	711	711
City Treasurer:		
Deposit, investment, and disburse- ment of cash	<u>66</u>	<u>66</u>
Total		<u>\$117,130</u>

AUDITS OF REVENUE SHARING

The controller of the city of Philadelphia has made one audit of revenue sharing funds, and a report was issued on October 15, 1974. According to the report, the audit covered financial and compliance matters for the year ended June 30, 1973, and was made in accordance with generally accepted auditing standards and the "Audit Guide and Standards for Revenue Sharing Recipients" issued by the Office of Revenue Sharing.

The report presents the opinion that the various financial statements present fairly the expenditures, obligations, and status of Philadelphia's revenue sharing funds for the year ended June 30, 1973.

The report states that a study of compliance was made as prescribed in the audit guide and disclosed no noncompliance.

From November 12 through November 21, 1974, auditors from the Office of Revenue Sharing (ORS) reviewed the controls and auditing procedures that were used by the controller of the city of Philadelphia while auditing revenue sharing funds. The objectives of the review were to (1) evaluate the quality of the audit staff, (2) determine if the audit was adequate, and (3) make an audit of revenue sharing funds if that made by the controller was not adequate.

The report stated that the controller's staff was well qualified and that the audit of revenue sharing funds was adequate. As a result, the ORS auditors did not make an indepth financial audit and compliance review of the funds received by the city.

CHAPTER 4

COMPLIANCE PROVISIONS OF THE REVENUE SHARING ACT

The act provides that, among other requirements, each recipient shall

- create a trust fund in which funds received and interest earned will be deposited. Funds will be spent in accordance with laws and procedures applicable to expenditure of the recipient's own revenue;
- use fiscal, accounting, and audit procedures conforming to guidelines established by the Secretary of the Treasury;
- not use funds in ways which discriminate because of race, color, national origin, or sex;
- under certain circumstances, not use funds, either directly or indirectly, to match Federal funds under programs that make Federal aid contingent upon the recipient's contribution;
- observe requirements of the Davis-Bacon Act on certain construction projects in which the costs are paid out of the revenue sharing trust fund;
- under certain circumstances, pay employees who are paid out of the trust fund not less than prevailing rates of pay; and
- periodically report to the Secretary of the Treasury on how it used its revenue sharing funds and how it plans to use future funds. The reports shall also be published in the newspaper, and the recipient shall advise the news media of the publication of such reports.

Further, local governments may spend funds only within a specified list of priority areas.

For purposes of this review, we gathered selected information relating to the nondiscrimination, Davis-Bacon, and prevailing wage provisions.

NONDISCRIMINATION PROVISION

The act provides that no person in the United States shall, on the ground of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of,

or be subjected to discrimination under any program or activity funded, in whole or in part, with general revenue sharing funds.

In Philadelphia the Home Rule Charter provides that "No person shall be appointed or promoted to, or demoted or dismissed from, any position in the civil service, or in any way favored or discriminated against with respect to employment in the civil service because of his race, color, religion, national origin, political opinions or labor union activity lawful for municipal employees." The charter also created the Commission on Human Relations to administer and enforce all statutes and ordinances prohibiting discrimination against persons because of race, color, religion, or national origin. The powers of the commission and the employment, housing, and public accommodations practices considered unlawful are spelled out in chapter 9-1100 of the Philadelphia Code.

The city's personnel director stated that Philadelphia had not adopted an affirmative action plan. We were informed, however, that a plan had been drafted and its approval was expected in the near future.

The nondiscrimination policy of the Commonwealth of Pennsylvania is described in the Pennsylvania Human Relations Act of October 27, 1955, as amended. The act prohibits discriminatory practices in employment, housing, and public accommodations because of race, color, religious creed, ancestry, sex, or national origin. It established in the Governor's office the Pennsylvania Human Relations Commission to administer the provisions of the act.

Both the Philadelphia Commission on Human Relations and the Pennsylvania Human Relations Commission have been granted broad powers to enforce the nondiscrimination ordinances and laws. Each is empowered to hold hearings; compel the attendance of witnesses and the production of documents and other evidence; and if necessary, issue subpoenas requiring the attendance of witnesses and the production of documents. If it is found that an unlawful discriminatory practice exists, an attempt is made to eliminate such practice by conciliation and persuasion. If this approach fails, each Commission is required to issue a written order requiring the violator to cease and desist from such unlawful discriminatory practice and may seek enforcement of its order from the courts. Although the Philadelphia Commission on Human Relations has enforcement power over other employers in the city, it has no enforcement power over city agencies. If conciliation fails, the case may be administratively closed or may be reported to the mayor for further action.

Comparison of local government
work force and civilian labor force

According to the 1970 census, the civilian labor force in the city of Philadelphia consisted of 800,326 persons.

	Male		Female		Total	
	Number	Percent	Number	Percent	Number	Percent
Total	470,838	59.0	329,488	41.0	800,326	100.0
Black	134,369	16.9	114,093	14.2	248,462	31.1
Puerto Rican	4,790	.6	2,060	.2	6,850	.8

Statistical information furnished us by the city's personnel department showed that, as of June 30, 1974, the city government had a total of 33,164 employees.

	Male		Female		Total	
	Num-ber	Per-cent	Num-ber	Per-cent	Num-ber	Per-cent
White	16,117	48.6	3,152	9.5	19,269	58.1
Black	9,572	28.9	4,033	12.2	13,605	41.1
Spanish surname	179	.5	51	.2	230	.7
Asian American	29	.1	9	-	38	.1
American Indian	5	-	2	-	7	-
Other	11	-	4	-	15	-
Total	<u>25,913</u>	<u>78.1</u>	<u>7,251</u>	<u>21.9</u>	<u>33,164</u>	<u>100.0</u>

During the year ended June 30, 1974, the city government hired a total of 2,380 persons. An analysis of the race, color, and sex of these people follows.

	Male		Female		Total	
	Num-ber	Per-cent	Num-ber	Per-cent	Num-ber	Per-cent
White	998	41.9	394	16.6	1,392	58.5
Black	635	26.7	300	12.6	935	39.3
Spanish surname	30	1.3	12	.5	42	1.8
Asian American	5	.2	5	.2	10	.4
American Indian	-	-	-	-	-	-
Other	1	-	-	-	1	-
Total	<u>1,669</u>	<u>70.1</u>	<u>711</u>	<u>29.9</u>	<u>2,380</u>	<u>100.0</u>

A detailed breakdown of the above statistics by function and job category is presented in appendixes I and II. We were unable to prepare a similar analysis of promotions for the year ended June 30, 1974, since the city does not maintain such statistics.

The city government employment statistics showed a significant difference in the percentage of females on its work force (21.9 percent) when compared to the percentage of females in the total civilian labor force (41 percent). Although the percentage of blacks in the city government work force (41.1 percent) was greater than the percentage of blacks in the total civilian labor force (31.1 percent), the data showed certain functions and job categories with either low or high proportions of blacks. For instance, of the 3,024 persons engaged in the fire protection function, 260 (8.6 percent) were black; and of the 9,401 persons in the police protection function, 1,975 (21.0 percent) were black. On the other hand, of the 3,177 persons engaged in the sanitation and sewage function, 2,696 (84.9 percent) were black; and of the 2,206 persons employed in the hospital and sanatorium function, 1,641 (74.4 percent) were black.

In the various job categories, 22.2 percent of the officials/administrators were black, 17.9 percent of the professionals, and 20.4 percent of those employed in protective service. In the paraprofessionals category, 79.2 percent of the employees were black and 83.5 percent of those in the service/maintenance job category were black.

We discussed the above employment statistics with the city's personnel director. His comment was that the statistics showed the "net effect to date of the merit system in the city of Philadelphia."

As discussed later in this chapter, steps are being taken, as a result of court orders, to improve the racial composition of the police and fire departments.

Complaints against the city

Between December 31, 1971, and September 30, 1974, the Philadelphia Commission on Human Relations received 22 complaints of discrimination in employment against city agencies.

	<u>Number</u>
Discrimination in conditions of employment based on:	
Race	7
Sex	1
National origin and sex	<u>2</u>
	<u>10</u>
Termination of employment based on:	
Race	4
Religious beliefs	<u>1</u>
	<u>5</u>
Discrimination in hiring based on:	
Race	3
National origin and race	<u>1</u>
	<u>4</u>
Discrimination in promotional opportunity based on:	
Race	1
Sex	<u>1</u>
	<u>2</u>
Discrimination in promotional opportunity and conditions of employment based on:	
Religious beliefs	<u>1</u>
Total	<u>22</u>

Sixteen of the above cases had been closed at the time of our review. Fourteen were closed because the charges had not been substantiated; one was closed as an administrative action because conciliation was not possible and the Commission had no enforcement power over city agencies; and in the other case adjustment was satisfactory.

During the same period, the Pennsylvania Human Relations Commission received 25 complaints of discrimination in employment against city agencies. These are summarized on the next page.

	<u>Number</u>
Discrimination in hiring based on:	
Race	3
Sex	3
National origin	1
Age	<u>1</u>
	<u>8</u>
Termination of employment based on:	
Race	6
National origin	<u>1</u>
	<u>7</u>
Discrimination in conditions of employment based on:	
Race	2
Sex	2
Race and sex	1
Religious beliefs	<u>1</u>
	<u>6</u>
Discrimination in promotional opportunity based on:	
Race	<u>2</u>
Demotion based on:	
Race	<u>1</u>
Termination of employment and discrimination in conditions of employment based on:	
Race	<u>1</u>
Total	<u><u>25</u></u>

As of September 30, 1974, 15 of the above cases had been closed. In seven cases, the charges were not substantiated; in three cases, the complaints were withdrawn; and in five cases, satisfactory adjustments were obtained.

As of July 31, 1974, the Federal Equal Employment Opportunity Commission (EEOC) listed a total of 21 complaints against Philadelphia agencies regarding discrimination in employment. These are summarized on the next page.

	<u>Number</u>
Discrimination in terms and conditions of employment based on:	
Race	4
National origin	<u>1</u>
	<u>5</u>
Discharge because of:	
Race	2
Sex	1
Religion	<u>2</u>
	<u>5</u>
Discrimination in hiring based on:	
Race	5
Sex	2
National origin	<u>1</u>
	<u>8</u>
Discrimination in promotion, qualification, and testing because of:	
Sex	<u>2</u>
Discrimination in advertising because of:	
Sex	<u>1</u>
Total	<u><u>21</u></u>

As of July 31, 1974, 16 of the above cases had been administratively closed (15 because the complainant failed to proceed or EEOC was unable to contact the complainant and 1 because EEOC did not have jurisdiction over the complaint); 1 had been turned over to the Department of Justice; and 4 were still open.

Civil rights suits

The courts have adjudicated two suits brought against the city's police and fire departments for discrimination in employment. One other suit against the police department is pending before the court.

As a result of a civil suit brought against the Philadelphia police department, the United States District Court for the Eastern District of Pennsylvania, on April 10, 1973,

issued a decree, with the consent and agreement of all parties, ordering the department to make certain changes in its hiring policies and procedures.

The court ordered (1) that the department, until further order of the court, not hire any new members except to fill vacancies; (2) that procedures specified by the court be followed with respect to background investigations of applicants, including reevaluation of backgrounds of previously rejected applicants; and (3) when the new entrance examinations become available (the current examinations had been judged by the court to be discriminatory), all applicants who, since July 1, 1969, have been rejected for employment by reason of failing to pass the entrance examination shall be afforded the opportunity to take the new examination.

The court order also provided that those previously rejected applicants who are hired after reevaluation of their backgrounds pursuant to the procedures specified by the court, shall be treated for pay purposes as if they had been hired on the date when they originally should have been hired. Similar provisions are made for those previously rejected applicants who successfully pass the new entrance examination. The city solicitor informed us that a new entrance exam was being developed and that the city agreed to abide by the court decree.

On July 26, 1974, the United States District Court for the Eastern District of Pennsylvania issued a decision on a motion for a preliminary injunction in a civil action against the Philadelphia fire department. The action had been initiated by the Commonwealth of Pennsylvania and others to obtain relief from alleged discriminatory employment practices by the department.

The court concluded from the evidence presented that the plaintiffs had established a prima facie case of racial discrimination with respect to the hiring practices of the fire department. The court found that the percentage of blacks in the fire department (8 percent) was low when compared to the percentage of blacks in the city population (33.6 percent) and that there was no demonstrable relationship between the written civil service examination and successful performance on the job. Accordingly, the department was enjoined from hiring new uniformed firefighters unless the firemen were hired from the current eligibility list in a ratio of one qualified minority member for every two qualified whites. The injunction is to remain in effect until a valid, job-related examination and racially neutral

selection procedures are developed and implemented. We were informed by the city's personnel director that a new qualifying test is being developed.

A case involving sex discrimination in the police department is pending before the district court. This suit was filed in February 1974, by the Justice Department against the city of Philadelphia and against the police commissioner and other city officials. In the complaint, the Attorney General alleges that the defendants have pursued and continue to pursue employment policies and practices which discriminate against women because of their sex. The charges include failure or refusal to recruit, hire, and promote women on an equal basis with men; use of qualifications and selection standards which have an adverse impact on women; and retaliation against individuals who have opposed the defendants' unlawful employment practices.

Discussion with civic organizations

We discussed the employment practices of the city with representatives of the League of Women Voters, the Pennsylvania Economy League, and the North City Congress.

The representative of the League of Women Voters stated that her group has not made any studies on the subject of discriminatory employment practices by the city. Any complaints about discrimination received by the group are usually referred to the appropriate agency. The representative of the Pennsylvania Economy League stated that the League does not get involved with discrimination problems or complaints. The representative of the North City Congress stated that the organization very rarely gets involved with discrimination complaints against city departments. Mainly, it has intervened in cases involving discrimination in private industry.

Services and capital projects

We did not find any instances where city departments receiving revenue sharing funds were providing services in a manner that obviously had the effect of discriminating against any group of service recipients.

As mentioned previously, the city of Philadelphia did not fund any capital projects with revenue sharing.

DAVIS-BACON PROVISION

The Revenue Sharing Act provides that all laborers and mechanics employed by contractors and subcontractors to work

on any construction project of which 25 percent or more of the cost is paid out of the revenue sharing trust fund will be paid at rates which are not less than wage rates prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended.

The city of Philadelphia did not fund any construction projects through revenue sharing; consequently, the Davis-Bacon provision of the law did not apply.

PREVAILING WAGE PROVISION

The act provides that certain recipient employees whose wages are paid, in whole or in part, out of the revenue sharing trust fund shall be paid at rates which are no lower than the prevailing rates for persons employed in similar occupations by the recipient government. The individuals covered by this provision are those in any category where 25 percent or more of the wages of all employees in the category are paid from the trust fund.

Philadelphia revenue sharing funds were used to reimburse the general fund for expenditures for personal services. Each revenue sharing payment was applied to payroll vouchers for selected elements within the various city departments. No payroll voucher was reimbursed completely with revenue sharing funds; reimbursement varied from 17 to 53 percent.

We discussed the city's compliance with the prevailing wage provision of the law with the personnel director. He stated that the city would have to comply since both the Home Rule Charter and the civil service regulations require a classification plan with a corresponding pay plan for all positions in the civil service. Positions are to be based upon similarity of duties and responsibilities, so that the same qualifications may reasonably be required for all positions in the same class. It is further required that each employee be paid at a rate set forth in the pay plan for the class of position in which he is employed. The personnel director also stated that about 30,000 of the city's employees belong to collective bargaining organizations or unions.

CHAPTER 5

FINANCIAL STATUS

TREND OF FUND BALANCES

The following schedules show the cumulative surplus or deficit ending fund balance for each of the city's and school district's major funds for fiscal years 1970 through 1974.

<u>City funds</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
----- (000 omitted) -----					
Operating funds:					
General (note a)	\$19,789	-\$36,430	-\$18,763	\$-10,991	\$ -8,797
Water	2,189	3,355	9,654	9,896	9,758
Sewer	2,902	3,428	12,243	13,592	12,599
Liquid fuels tax	184	672	933	1,529	970
Special gasoline	-599	-1,207	3,791	2,019	3,063
Pier maintenance	260	279	370	571	690
Parking facilities	595	1,136	1,841	1,120	817
Aviation (note b)	-	-	-	-	274
Enterprise (note c)	202	170	274	173	169
Total	<u>\$25,522</u>	<u>-\$28,597</u>	<u>\$10,343</u>	<u>\$ 17,909</u>	<u>\$ 19,543</u>
Special funds (note c)	\$ 2,276	\$ 4,881	\$ 2,932	\$ 2,352	\$ 1,200
Pension fund (note d)	25,074	39,915	57,384	100,148	138,143

a/Reflects retroactive adjustments based on changes in accounting methods so that comparability with procedures used in fiscal year 1974 could be accomplished.

b/Included in general fund for fiscal year 1970 through fiscal year 1973.

c/Includes only those funds available for expenditure.

d/Includes only the balance available for payment of benefits.

<u>School district funds</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
----- (000 omitted) -----					
General	-\$2,945	-\$5,921	-\$36,187	\$1,482	\$ 27
Categorical	1,018	3,535	5,279	3,287	989
Common trust	562	578	594	639	658

As of July 1, 1972 and 1973, the city's pension fund had unfunded liabilities of \$541.6 and \$566.1 million, respectively. These amounts were determined through actuarial studies made for the city by a firm of certified public accountants. The unfunded liability is the difference between the actual assets of the pension system and the assets it would have had if the actuarial requirements (normal cost) had been met currently each year, and if additional amounts had been deposited to fund the costs of liberalized benefits, unanticipated pay increases, or other unexpected costs. As a result of the above liability, the city will have to make large payments into the pension fund in future years. Each year the pension fund has been receiving an amount equivalent to the total of (1) the actuarial normal cost for the year, (2) a portion of the unfunded liability (as a result of court actions), and (3) 7-percent interest on the remainder of the unfunded liability.

INDEBTEDNESS

The following schedules show that the outstanding debt of the city and the school district has been gradually increasing between fiscal years 1970 and 1974.

	Fiscal year ended June 30				
	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
	(000 omitted)				
City gross outstanding general obligation bonded debt	\$930,406	\$1,027,352	\$1,056,568	\$1,108,671	\$1,057,068
Less sinking fund assets	<u>62,964</u>	<u>64,005</u>	<u>61,583</u>	<u>67,322</u>	<u>71,809</u>
Net city outstanding general obligation debt	<u>867,442</u>	<u>963,347</u>	<u>994,985</u>	<u>1,041,349</u>	<u>985,259</u>
Gross revenue bonds outstanding	-	-	-	-	75,000
Less debt reserve fund assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,790</u>
Net outstanding rev- enue bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,210</u>
Net city outstanding bonded debt	<u>\$867,442</u>	<u>\$ 963,347</u>	<u>\$ 994,985</u>	<u>\$1,041,349</u>	<u>\$1,054,469</u>
School district gross outstanding general obligation debt	\$369,226	\$ 395,593	\$ 410,648	\$ 382,911	\$ 398,804
Less sinking fund assets	<u>293</u>	<u>179</u>	<u>420</u>	<u>717</u>	<u>1,034</u>
Net school district outstanding bonded debt	<u>\$368,933</u>	<u>\$ 395,414</u>	<u>\$ 410,228</u>	<u>\$ 382,914</u>	<u>\$ 397,770</u>

Borrowing procedures

Issuing bonds requires authorization from the city council and, under certain circumstances, ratification by the electors. The Pennsylvania Constitution permits the city to incur debt based on a percentage of the assessed value of taxable realty in the city without voter consent. However, when the percentages are exceeded, voter consent is required by law.

In the past, the city issued only general obligation bonds to finance city debt. Its entire faith, credit, and taxing power were irrevocably pledged for the prompt and full payment of these bonds. A portion of the general obligation debt was declared by the courts to be self-supporting because the proceeds were being used to finance self sustaining facilities, such as airport hangars, harbor piers, and parking garages. However, under the First Class City Revenue Bond Act of 1972, the city was authorized to issue bonds for revenue producing projects, to be repaid solely from project revenues. The first series issued under this act was dated May 1, 1974, and consisted of \$75 million in water and sewer revenue bonds.

The issuance of school district general obligation bonds is authorized by the Board of Education and, under certain circumstances, requires ratification by the electors. Pennsylvania law permits the school district to incur debt based on a percentage of total general fund revenues without voter consent. However, when this percentage is exceeded, consent of the electors is required. There is no limit to the amount that may be borrowed with voter consent.

Prior to 1968, the city's general obligation bonds were rated "A" and considered as upper medium grade obligations by Moody's Investors Service, Inc. Since 1968, Moody's has rated the city's general obligation bonds as Baa-1, a rating given to bonds which Moody's believes possess the strongest investment attributes of the Baa group (medium grade obligations).

Prior to fiscal year 1974, the school district lost its credit rating for a period of time because of financial problems. However, as a result of being able to present a balanced budget, the credit ratings of the school district were restored to Baa (medium grade obligations) by Moody's. The school district issued general obligation bonds on March 1, 1974.

Neither the city nor the school district has had any problems in bond sales during the last 3 years due to voter rejection, incomplete subscription, or high interest rates.

However, the school district did not attempt a bond sale during the period when it had lost its credit rating.

Borrowing restrictions

The city, in incurring tax-supported general obligation debt, is limited by the State constitution to an amount equal to 13.5 percent of the average assessed valuation of taxable realty during the preceding 10 years. In addition, indebtedness cannot be increased by an amount exceeding 3 percent of the average assessed valuation without the consent of the electors at a public election. The city may issue obligations to mature in not more than 50 years and provision for establishment of a sinking fund to be funded in periodic installments is required. Self-supported general obligation debt and revenue debt are both excluded from computations determining the amount of the city's borrowing limitations. As of July 1, 1974, the city had a legal debt margin of \$104,620,808. This was based on a legal debt limit of \$618,689,701 and debt of \$514,068,893 applicable to this limit.

The city issues short term revenue and bond anticipation notes for temporary financing. Revenue anticipation notes must be liquidated by the end of the fiscal year in which issued. They are used to provide funds during the months of July to February to offset an adverse cash flow in the city's general fund. For the first time in its recent history, the city, in fiscal year 1974, issued bond anticipation notes. These were retired at the end of fiscal year 1974 from the proceeds of the sale of water and sewer revenue bonds.

The school district may incur nonelectoral debt in an amount equal to 100 percent of its borrowing base. The borrowing base is equal to one-third of total general fund revenues from all sources (exclusive of debt service revenue) for the 3 years prior to the year of borrowing. There is no limit to the amount that may be borrowed with electoral consent. In addition, the school district finances certain school construction projects through the State Public School Building Authority. Under this financing method, the authority constructs the projects and then enters into lease purchase agreements with the school district. The school district may incur lease rental debt and nonelectoral debt in an amount equal to 150 percent of its borrowing base. After a bond issue of March 1, 1974, the debt limit of 150 percent was \$485,517,000 with an outstanding nonelectoral debt and lease rental debt of \$225,548,000. This left the school district with a borrowing capacity of \$259,969,000.

TAXATION

Major taxes levied

Following is a description of the major taxes levied on residents of the Philadelphia area by the city and the school district.

City Taxes

- Net profits--3-5/16-percent tax levied on the net profits of businesses and professions, other than incorporated businesses, carried on by city residents regardless of the location of the business or profession. The tax also applies to the net profits of businesses carried on in the city by nonresidents of the city.
- Wage--3-5/16-percent tax on salaries and wages of both individuals who work in the city and residents who work outside the city. This tax is withheld by the employer.
- Earnings--3-5/16-percent tax levied on individuals who work in the city and residents who work outside the city, but do not have the wage tax withheld by the employer.
- Mercantile license--3 mill tax on gross receipts of all persons who engage in the city in any trade, business, profession, vocation, or any manufacturing, commercial, service, financial, or utility business or activity.
- Real estate--19.75-mill tax levied annually on the assessed valuation of all real property located in the city. The average assessed value of real property is 46.67 percent of the fair market value of the property.
- Personal property--4-mill tax levied annually on the assessed value of shares of stock, taxable mortgages, promissory notes or bonds, judgments, bonds, notes, or any other form of certificate or evidence of indebtedness issued by any corporation, etc.

Real property transfer--1-percent tax levied on the value of real estate transferred or conveyed within the city. The tax is levied on the seller of the property.

School District Taxes

Real estate--25-mill tax levied annually on the assessed valuation of all real property located in the city. The average assessed value of real property is 46.67 percent of the fair market value of the property.

General business--2-mill tax levied on the gross receipts from business transacted within the city.

Rental occupancy--12.5-mill tax levied on the assessed valuation of real estate used for the purpose of carrying on any business, trade, occupation, profession, vacation, or any other commercial or industrial activity.

Pari-Mutuel--2-percent tax levied on the amount wagered at the city's flat and harness race track.

Unearned income--2-percent tax levied annually on city residents who receive dividend, interest, rental, or other forms of unearned income.

In addition to the above taxes, the city levies a number of relatively minor taxes such as amusement, coin-operated machine, parking lot, bowling alley, and auctioneer. The city's net profits, wage, and earnings taxes are directly levied on nonresidents who work in the city.

During fiscal years 1970 through 1974, the following changes occurred in the major taxes levied by the city and school district.

Changes in City Taxes

Net profits--tax rate was increased from 3 to 3-5/16 percent effective January 1, 1971.

Wage and earnings--tax rates were increased from 3 to 3-5/16 percent effective July 1, 1971.

Real estate--tax rate was decreased from 23.75 to 19.75 mills effective January 1, 1974.

Changes in School District Taxes

Real estate--tax rate was increased from 21 to 25 mills effective January 1, 1974, and to 28 mills effective January 1, 1975.

Corporate net income--tax was eliminated effective July 1, 1972. The tax was formerly levied at a rate of 3 percent on corporate net income.

The following schedules show that the total tax receipts for the city and school district increased between fiscal years 1970 and 1974.

City Taxes

<u>Major taxes</u>	<u>Fiscal year</u>				
	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
	<u>(000 omitted)</u>				
Net profits	\$ 15,322	\$ 15,619	\$ 16,619	\$ 17,084	\$ 17,164
Wage	178,489	189,994	216,060	230,913	258,712
Earnings	18,253	20,480	24,059	26,255	27,540
Mercantile license	23,427	24,640	25,239	26,072	28,207
Real estate	107,179	110,016	111,974	118,641	103,288
Personal property	5,113	5,551	6,073	6,071	5,306
Real property transfer	4,164	4,501	4,830	5,275	4,757
Total major taxes	351,947	370,801	404,854	430,311	444,974
Other taxes (note a)	2,019	2,197	2,479	2,485	2,532
Total city taxes	<u>\$353,966</u>	<u>\$372,998</u>	<u>\$407,333</u>	<u>\$432,796</u>	<u>\$447,506</u>

School District Taxes

<u>Major taxes</u>	<u>Fiscal year</u>				
	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
	<u>(000 omitted)</u>				
Real estate	\$ 95,212	\$ 97,364	\$ 99,164	\$105,102	\$127,880
Corporate net income	16,101	13,770	13,381	1,936	563
General business	12,712	12,185	11,632	11,793	12,483
Rental occupancy	-	11,312	14,008	15,469	15,676
Pari-Mutuel-Harness	2,212	2,252	2,147	2,093	2,192
Pari-Mutuel-Flat	2,218	3,102	3,369	3,181	3,024
Unearned income	3,042	3,048	2,841	3,038	3,159
Total major taxes	131,497	143,033	146,542	142,612	164,977
Other taxes (note b)	-	566	550	647	241
Total school district taxes	<u>\$131,497</u>	<u>\$143,599</u>	<u>\$147,092</u>	<u>\$143,259</u>	<u>\$165,218</u>

a/Includes amusement, coin-operated machine, parking lot, bowling alley, auctioneer, and miscellaneous taxes.

b/Includes payments in lieu of taxes, and the personal property tax.

Taxing limitations

The city has unlimited taxing authority in regard to its tax rates and the base on which taxes will be levied, except that the city cannot impose a tax that the State also imposes. The school district has no authority to tax on its own. The school district levies taxes within the limits and upon the subjects prescribed by either the State legislature or city council.

Family tax burden

In 1972, the city was the sixth highest among the 25 largest cities in the country in combined State and local taxes. We were informed that, without revenue sharing, a tax rate increase for the city government would have been necessary. The following table shows three hypothetical situations used in determining the tax burden on a family of four living in the city in 1973. Under each situation, we assumed that the family consists of a 38-year-old husband, his non-working wife, and two minor children. Their annual income consists only of wages with no investment or interest income and no capital gains. The family has no assets other than their house, personal property, and one car for assumptions A and B, and two cars for assumption C.

	Assumptions		
	<u>A</u>	<u>B</u>	<u>C</u>
Family income	\$ 7,500	\$12,500	\$17,500
House value (new home)	18,750	31,250	43,750
Personal property (furniture)	1,500	2,500	3,500
Market value of autos	1,700	1,800	2,300
Gasoline consumption (gallons)	1,000	1,000	1,500

Following is the tax burden on a family of four living in the city in 1973, based on the above assumptions.

<u>Taxes</u>	<u>Family</u>		
	<u>A</u>	<u>B</u>	<u>C</u>
City:			
Wage	\$234.38	\$ 390.63	\$ 546.88
Real estate	<u>207.83</u>	<u>346.38</u>	<u>484.93</u>
Total	<u>442.21</u>	<u>737.01</u>	<u>1,031.81</u>
School district:			
Real estate	183.76	306.27	428.78
State:			
Income	172.50	287.50	402.50
Sales	66.00	106.00	146.00
Gasoline	<u>80.00</u>	<u>80.00</u>	<u>120.00</u>
Total	<u>318.50</u>	<u>473.50</u>	<u>668.50</u>
Total	<u>\$944.47</u>	<u>\$1,516.78</u>	<u>\$2,129.09</u>
Total as percentage of income	<u>12.6</u>	<u>12.1</u>	<u>12.2</u>

State taxes in the above table are based on the following rates.

Income tax--2.3 percent on taxable income.

Sales tax--6 percent of purchase price on most purchases.

Gasoline tax--8 cents per gallon.

In addition, a city resident might be required to pay:

City taxes

Personal property--(explained on p. 30.)

City amusement--5 percent tax on the established admission price to any theatrical event, concert, sporting event, exhibition, amusement park, bathing pool, etc.

Unearned income--(explained on p. 31.)

State taxes

Cigarette--18 cents per pack.

Liquor purchase--18 percent of liquor purchases.

CHAPTER 6

OTHER FEDERAL AID

FEDERAL AID RECEIVED

The city receives Federal categorical aid in the form of direct categorical grants, grants through the State, and joint Federal and State grants. In fiscal years 1972, 1973, and 1974, the city received \$100.8, \$144.1, and \$108.5 million in Federal aid in addition to its Federal revenue sharing moneys.

The following schedule shows, by major function, the Federal funds which the city received in fiscal years 1972 through 1974.

<u>Function</u>	<u>Fiscal year</u>		
	<u>1972</u>	<u>1973</u>	<u>1974</u>
	(000 omitted)		
Judiciary and law enforcement	\$ 3,980	\$ 8,527	\$ 12,623
Health and welfare	17,193	20,304	23,764
Manpower, training, and economic opportunity	23,678	39,424	23,690
Housing and urban development	33,069	42,519	22,184
Environmental protection	2,722	4,668	1,719
Model cities	13,958	17,272	15,135
Recreation and libraries	800	1,362	820
Transportation and highways	1,385	5,697	6,210
Social services for poor and aged	68	348	438
Miscellaneous	<u>3,956</u>	<u>3,988</u>	<u>1,959</u>
Total	<u>\$100,809</u>	<u>\$144,109</u>	<u>\$108,542</u>

In fiscal years 1972, 1973, and 1974, the school district received \$64.1, \$69.3, and \$78.0 million in Federal aid. Most of this aid came under various titles of the Elementary and Secondary Education Act and title IV of the Social Security Act (Get Set Program).

Estimates by program of Federal funds to be received in fiscal year 1975 were generally not available at either the city or the school district.

REDUCTIONS IN FEDERAL AID
AND IMPACT ON RECIPIENT

As shown above, between fiscal years 1973 and 1974 the city experienced a reduction of about \$36 million in Federal categorical aid. We discussed with city officials the following four programs which accounted for about \$20 million of that reduction. We were informed that the city did not plan to fund programs experiencing reductions in Federal aid with either its own funds or Federal general revenue sharing funds.

<u>Program</u>	Federal aid received by fiscal year			
	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u> (<u>est.</u>)
	(000 omitted)			
Model Cities	\$13,958	\$17,272	\$15,135	a/\$6,180
Office of Economic Opportunity (OEO)	10,286	11,414	6,989	a/7,601
Emergency Employment Act	9,707	23,580	10,933	-
Concentrated Employ- ment	1,907	2,459	2,369	-

a/Remainder of program funds.

Concerning the above programs, we were informed that:

- The Model Cities programs will be continued with community development special revenue sharing funds. The city has proposed that \$12,633,000 be used for Model Cities areawide services.
- It is expected that OEO programs will be continued with funds from the Community Action Program Act. If funds are not received under this act, OEO programs will be phased out.
- The Concentrated Employment and Emergency Employment Act programs are expected to continue in fiscal year 1975 with funds derived from the Comprehensive Employment and Training Act. The amount expected to be received by the city under this act is about \$29,323,000.

CHAPTER 7

SCOPE OF REVIEW

We discussed the revenue sharing program with officials in the city's office of the director of finance, law department, auditing department, personnel department, and Commission on Human Relations and obtained their comments on the implementation and impact of the revenue sharing program in the city. We examined the city's records pertaining to revenue sharing including (1) minutes of city council meetings, (2) operating and capital budgets and financial statements, (3) audit reports, (4) city and State legal requirements, and restrictions regarding taxation, debt, finance, and accounting for funds, (5) accounting ledgers, (6) equal employment opportunity reports, (7) case files on discrimination complaints, (8) civil rights judicial orders against the city, and (9) personnel reports. Our work was limited to gathering selected data relating to areas identified by the Subcommittee Chairman.

We visited the Pennsylvania Human Relations Commission and obtained information on discrimination complaints filed by city residents against city agencies. We also visited the Philadelphia School District and obtained information on budgets, revenues, taxation, indebtedness, and Federal grants for the last 5 fiscal years.

We discussed with three civic organizations--the League of Women Voters, the Pennsylvania Economy League, and the North City Congress--their views on the city's use of revenue sharing funds.

Officials of Philadelphia reviewed our case study, and we considered their comments in finalizing it.

CITY GOVERNMENT WORK FORCE

PHILADELPHIA, PENNSYLVANIA

JUNE 30, 1974

Function/job category (note a)	Male				Female				Total			
	White	Black	Other	Total	White	Black	Other	Total	White	Black	Other	Total
Grand total--all functions:												
Officials/administrators	1,005	233	8	1,246	185	109	-	294	1,190	342	8	1,540
Professionals	2,223	368	17	2,608	737	285	15	1,037	2,960	653	32	3,645
Technicians	1,832	614	38	2,484	201	427	5	633	2,033	1,041	43	3,117
Protective service	8,640	2,141	72	10,853	118	126	-	244	8,758	2,267	72	11,097
Paraprofessionals	151	446	20	617	157	856	14	1,027	308	1,302	34	1,644
Office/clerical	643	302	18	963	1,679	1,754	30	3,463	2,322	2,056	48	4,426
Skilled craft	661	471	5	1,137	1	5	-	6	662	476	5	1,143
Service/maintenance	952	4,997	46	6,005	74	471	2	547	1,036	5,468	48	6,552
Total	16,117	9,572	224	25,913	3,152	4,033	66	7,251	19,269	13,605	290	33,164
Percent	48	29	1	78	10	12	-	22	58	41	1	100
General control:												
Officials/administrators	288	66	-	354	48	33	-	81	336	99	-	435
Professionals	659	133	6	798	159	65	4	228	818	198	10	1,026
Technicians	282	105	5	392	60	20	2	82	342	125	7	474
Protective service	280	64	1	345	63	19	-	82	343	83	1	427
Paraprofessionals	60	18	2	80	23	44	1	68	83	62	3	148
Office/clerical	400	173	5	578	892	577	4	1,473	1,292	750	9	2,051
Skilled craft	31	1	-	32	-	2	-	2	31	3	-	34
Service/maintenance	90	68	2	160	48	33	-	81	138	101	2	241
Total	2,090	628	21	2,739	1,293	793	11	2,097	3,383	1,421	32	4,836
Percent	43	13	1	57	27	16	-	43	70	29	1	100
Police protection:												
Officials/administrators	73	6	1	80	1	-	-	1	74	6	1	81
Professionals	357	26	1	384	4	1	-	5	361	27	1	389
Technicians	629	122	4	755	8	4	-	12	637	126	4	767
Protective service	5,885	1,324	49	7,258	52	80	-	132	5,937	1,404	49	7,390
Paraprofessionals	1	-	-	1	-	-	-	-	1	-	-	1
Office/clerical	98	23	6	127	139	124	2	265	237	147	8	392
Skilled craft	49	60	2	111	-	-	-	-	49	60	2	111
Service/maintenance	55	203	4	262	6	2	-	8	61	205	4	270
Total	7,147	1,764	67	8,978	210	211	2	423	7,357	1,975	69	9,401
Percent	76	19	1	96	2	2	-	4	78	21	1	100
Fire Protection:												
Officials/administrators	77	2	-	79	-	-	-	-	77	2	-	79
Professionals	417	33	-	450	-	-	-	-	417	33	-	450
Technicians	14	2	-	16	1	-	-	1	15	2	-	17
Protective service	2,177	193	7	2,377	-	-	-	-	2,177	193	7	2,377
Office/clerical	26	5	1	32	30	11	1	42	56	16	2	74
Skilled craft	3	2	-	5	-	-	-	-	3	2	-	5
Service/maintenance	10	12	-	22	-	-	-	-	10	12	-	22
Total	2,724	249	8	2,981	31	11	1	43	2,755	260	9	3,024
Percent	90	9	-	99	1	-	-	1	91	9	-	100

Function/job category	Male				Female				Total			
	White	Black	Other	Total	White	Black	Other	Total	White	Black	Other	Total
Hospitals and sanatoriums:												
Officials/administrators	31	10	1	42	30	4	-	34	61	14	1	76
Professionals	46	9	1	56	200	52	3	255	246	61	4	311
Technicians	19	17	-	36	72	280	2	354	91	297	2	390
Protective service	5	19	-	24	-	-	-	-	5	19	-	24
Paraprofessionals	9	180	3	192	10	219	-	229	19	399	3	421
Office/clerical	11	18	-	29	41	282	3	326	52	300	3	355
Skilled craft	34	25	-	59	1	1	-	2	35	26	-	61
Service/maintenance	37	306	2	345	4	219	-	223	41	525	2	568
Total	192	584	7	783	358	1,057	8	1,423	550	1,641	15	2,206
Percent	9	26	-	35	16	48	1	65	25	74	1	100
Facilities and transportation:												
Officials/administrators	127	11	-	138	-	-	-	-	127	11	-	138
Professionals	185	28	1	214	7	4	1	12	192	32	2	226
Technicians	258	102	4	364	9	10	1	20	267	112	5	384
Protective service	11	13	-	24	-	-	-	-	11	13	-	24
Paraprofessionals	3	-	-	3	2	1	1	4	5	1	1	7
Office/clerical	22	19	3	44	118	119	9	246	140	138	12	290
Skilled craft	240	129	2	371	-	-	-	-	240	129	2	371
Service/maintenance	168	564	4	736	2	85	-	87	170	649	4	823
Total	1,014	866	14	1,894	138	219	12	369	1,152	1,085	26	2,263
Percent	45	38	1	84	6	10	-	16	51	48	1	100
Sanitation and sewage:												
Officials/administrators	36	20	1	57	-	-	-	-	36	20	1	57
Professionals	23	5	-	28	1	-	-	1	24	5	-	29
Technicians	39	24	1	64	-	1	-	1	39	25	1	65
Protective service	4	9	1	14	-	-	-	-	4	9	1	14
Paraprofessionals	5	1	-	6	-	-	-	-	5	1	-	6
Office/clerical	16	12	1	29	13	34	1	48	29	46	2	77
Skilled craft	84	117	-	201	-	-	-	-	84	117	-	201
Service/maintenance	229	2,471	25	2,725	1	2	1	3	230	2,473	25	2,728
Total	436	2,659	29	3,124	15	37	1	53	451	2,696	30	3,177
Percent	13	84	1	98	1	1	-	2	14	85	1	100
All other functions:												
Officials/administrators	373	118	5	496	106	72	-	178	479	190	5	674
Professionals	536	134	8	678	366	163	7	536	902	297	15	1,214
Technicians	591	242	24	857	51	112	-	163	642	354	24	1,020
Protective service	278	519	14	811	3	27	-	30	281	546	14	841
Paraprofessionals	73	247	15	335	122	592	12	726	195	839	27	1,061
Office/clerical	70	52	2	124	446	607	10	1,063	516	659	12	1,187
Skilled craft	220	137	1	358	-	2	-	2	220	139	1	360
Service/maintenance	373	1,373	9	1,755	13	130	2	145	386	1,503	11	1,900
Total	2,514	2,822	78	5,414	1,107	1,705	31	2,843	3,621	4,527	109	8,257
Percent	31	34	1	66	13	21	-	34	44	55	1	100

a/The jobs in this appendix were categorized by the city, using Federal Equal Employment Opportunity Commission definitions.

CITY GOVERNMENT NEW HIRES

PHILADELPHIA, PENNSYLVANIA

YEAR ENDED JUNE 30, 1974

Function/job category (note a)	Male				Female				Total			
	White	Black	Other	Total	White	Black	Other	Total	White	Black	Other	Total
Grand total--all functions:												
Officials/administrators	28	10	1	39	2	5	-	7	30	15	1	46
Professionals	227	51	5	283	161	53	7	221	388	104	12	504
Technicians	43	20	2	65	28	23	1	52	71	43	3	117
Protective service	442	120	5	567	13	13	-	26	455	133	5	593
Paraprofessionals	35	38	5	78	20	51	4	75	55	89	9	153
Office/clerical	79	23	1	103	165	126	3	294	244	149	4	397
Skilled craft	38	7	-	45	-	1	-	1	38	8	-	46
Service/maintenance	106	366	17	489	5	28	2	35	111	394	19	524
Total	998	635	36	1,669	394	300	17	711	1,392	935	53	2,380
Percent	42	27	1	70	16	13	1	30	59	39	2	100
General control:												
Officials/administrators	16	6	-	22	2	3	-	5	18	9	-	27
Professionals	122	27	2	151	36	39	1	76	158	66	3	227
Technicians	19	15	1	35	8	3	-	11	27	18	1	46
Protective service	18	7	2	27	4	3	-	7	22	10	2	34
Paraprofessionals	7	2	3	12	4	12	1	17	11	14	4	29
Office/clerical	45	9	1	55	90	49	1	140	135	58	2	195
Skilled craft	1	-	-	1	-	1	-	1	1	1	-	2
Service/maintenance	9	3	-	12	2	1	-	3	11	4	-	15
Total	237	69	9	315	146	111	3	260	383	180	12	575
Percent	41	12	2	55	25	19	1	45	66	31	3	100
Police protection:												
Officials/administrators	1	-	-	1	-	-	-	-	1	-	-	1
Technicians	1	-	-	1	-	-	-	-	1	-	-	1
Protective service	246	61	-	307	9	4	-	13	255	65	-	320
Office/clerical	16	4	-	20	10	1	-	11	26	5	-	31
Skilled craft	7	2	-	9	-	-	-	-	7	2	-	9
Service/maintenance	6	11	1	18	1	-	-	1	7	11	1	19
Total	277	78	1	356	20	5	-	25	297	83	1	381
Percent	73	20	-	93	5	2	-	7	78	22	-	100
Fire protection:												
Professionals	1	1	-	2	-	-	-	-	1	1	-	2
Protective service	161	11	-	172	-	-	-	-	161	11	-	172
Paraprofessionals	5	1	-	6	2	-	-	2	7	1	-	8
Total	167	13	-	180	2	-	-	2	169	13	-	182
Percent	92	7	-	99	1	-	-	1	93	7	-	100

Function/job category	Male				Female				Total			
	White	Black	Other	Total	White	Black	Other	Total	White	Black	Other	Total
Hospitals and sanatoriums:												
Officials/administrators	2	-	1	3	-	-	-	-	2	-	1	3
Professionals	6	1	-	7	46	3	2	51	52	4	2	58
Technicians	3	-	-	3	12	17	1	30	15	17	1	33
Protective service	-	1	-	1	-	-	-	-	-	1	-	1
Paraprofessionals	2	9	-	11	-	11	9	11	2	20	-	22
Office/clerical	-	-	-	-	4	17	-	21	4	17	-	21
Skilled craft	1	-	-	1	-	-	-	-	1	-	-	1
Service/maintenance	1	15	-	16	-	4	-	4	1	19	-	20
Total	15	26	1	42	62	52	3	117	77	78	4	159
Percent	9	16	1	26	39	33	2	74	48	49	3	100
Utilities and transportation:												
Officials/administrators	1	-	-	1	-	-	-	-	1	-	-	1
Professionals	25	7	-	32	3	3	1	7	28	10	1	39
Technicians	15	2	1	18	2	3	-	5	17	5	1	23
Protective service	4	2	-	6	-	-	-	-	4	2	-	6
Paraprofessionals	3	-	-	3	1	1	-	2	4	1	-	5
Office/clerical	10	5	-	15	16	14	-	30	26	19	-	45
Skilled craft	15	1	-	16	-	-	-	-	15	1	-	16
Service/maintenance	27	59	7	93	1	20	2	23	28	79	9	116
Total	100	76	8	184	23	41	3	67	123	117	11	251
Percent	40	30	3	73	9	17	1	27	49	47	4	100
Sanitation and sewage:												
Professionals	4	-	-	4	-	-	-	-	4	-	-	4
Technicians	1	-	-	1	-	-	-	-	1	-	-	1
Office/clerical	1	-	-	1	2	-	-	2	3	-	-	3
Skilled craft	4	2	-	6	-	-	-	-	4	2	-	6
Service/maintenance	29	82	-	111	-	-	-	-	29	82	-	111
Total	39	84	-	123	2	-	-	2	41	84	-	125
Percent	31	67	-	98	2	-	-	2	33	67	-	100
All other functions:												
Officials/administrators	8	4	-	12	-	2	-	2	8	6	-	14
Professionals	69	15	3	87	76	8	3	87	145	23	6	174
Technicians	4	3	-	7	6	-	-	6	10	3	-	13
Protective service	13	38	3	54	-	6	-	6	13	44	3	60
Paraprofessionals	18	26	2	46	13	27	3	43	31	53	5	89
Office/clerical	7	5	-	12	43	45	2	90	50	50	2	102
Skilled craft	10	2	-	12	-	-	-	-	10	2	-	12
Service/maintenance	34	196	9	239	1	3	-	4	35	199	9	243
Total	163	289	17	469	139	91	8	238	302	380	25	707
Percent	23	41	2	66	20	13	1	34	43	54	3	100

a/The jobs in this appendix were categorized by the city, using Federal Equal Employment Opportunity Commission definitions.

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