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

094935

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

ENCLOSURE W

↓ Redding, California p. 27954

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

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ABBREVIATIONS

GAO	General Accounting Office
HUD	Department of Housing and Urban Development

SUMMARY

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 Redding, California.

For the period January 1, 1972, through June 30, 1974, revenue sharing allocations to Redding totaled \$957,247, or a per capita amount of \$57.46. Of the amount allocated, \$851,765 was received by June 30, 1974, and \$105,482 was received in July 1974. Revenue sharing funds allocated to the city were equivalent to about 16.6 percent of its own tax collections.

The Chairman's letter listed seven areas on which the Subcommittee wanted detailed information. Following is a brief description of the selected information GAO obtained on each area during its review of Redding.

1. The specific operating and capital programs funded in part or in whole by general revenue sharing in each jurisdiction. Redding expended or obligated \$293,746 through June 30, 1974, with \$249,090 designated as used for recreation and \$44,656 for public safety. The city's accounting records showed that, within these use designations, \$22,876 was used for operations and maintenance expenses and \$270,870 for capital projects, including fire trucks, park land acquisition, and improvements to existing city parks.

2. The fiscal condition of each jurisdiction, including its surplus or debt status. An analysis of Redding's fund balances at the end of its 1970-74 fiscal years showed an increasing trend in its general and total funds. The general fund increased from \$694,525 as of June 30, 1970, to \$2,999,131 as of June 30, 1974. For the same period, the total city funds increased from \$3,805,944 to \$7,019,394.

The city's general obligation indebtedness decreased from \$4,145,000 as of June 30, 1970, to \$3,735,000 as of June 30, 1974. Total indebtedness decreased slightly during the same period, from \$5,236,825 as of June 30, 1970, to \$5,043,486 as of June 30, 1974. State law limits general obligation debt to 15 percent of the total assessed value of real property. As of June 30, 1974, Redding's general obligation debt was about 8 percent of the total assessed value of the city's real property.

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. The major taxes levied by the city are ad valorem taxes on real property and a sales tax. Although the tax rates have not changed in the past 5 years, revenues have been increasing, from \$2,160,065 in fiscal year 1970 to \$3,027,811 in 1974. City officials said Redding's financial condition is good, with the sales and property taxes and the city-owned electrical, water, and sewer utilities providing substantial revenues. They said that revenue sharing has allowed Redding to finance capital improvements which otherwise would have been delayed.

The percentage of a family's income that was paid to Redding, other local governments--including county, school district, and special district--and to the State government increased as family income increased. The tax burdens for families of four with 1973 incomes of \$7,500, \$12,500, and \$17,500 were 7.1 percent, 8.0 percent, and 9.1 percent, respectively, of their incomes in State and local taxes.

4. The percentage of the total local budget represented by general revenue sharing. In fiscal year 1973 the city did not budget any of the \$435,824 in revenue sharing funds it received that year. In fiscal year 1974 it received another \$415,941 in revenue sharing and budgeted \$293,746, which was equivalent 3.2 percent of its 1974 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 fiscal years 1972, 1973, and 1974 the city received \$379,777, \$171,558, and \$126,603, respectively, in other Federal aid. For fiscal year 1975 the city estimates it will receive about \$3.9 million in other Federal aid, most of it in the form of a \$3.6 million community development grant.

The city is using its own funds to pay the salaries of nine persons hired under the emergency employment program, which was terminated in fiscal year 1974. The city is considering using revenue sharing funds to finance purchases of park land, which in the past could be partially funded with grants under the open space program. Redding has used about \$19,000 of its revenue sharing to help continue the operations of two social and recreational centers which previously had received Office of Economic Opportunity funds through Shasta County.

6. The record of each jurisdiction in complying with the civil rights, Davis-Bacon, and other provisions of the law. No complaints or civil rights suits have been filed against Redding alleging discrimination in its employment or in its delivery of services. The city government full-time work force of 239 includes 14 blacks and 10 persons of other minorities. The most significant difference between the composition of the civilian labor force and the city government work force is the low percentage of females employed by the city (39 percent compared to 13.8 percent). City officials stated that the majority of city positions--police and fire protection, skilled craft, and service/maintenance--are sought mainly by males. They said attempts to hire qualified females and minorities for the higher level positions--officials, professionals, and technicians--have met with limited success.

The city used revenue sharing to help finance five construction projects. It complied with the Davis-Bacon provision of the act.

Because the city did not use revenue sharing to pay salaries of its employees, the prevailing wage provision did not apply.

7. Public participation in the local budgetary process, and the impact of revenue sharing on that process. The normal budgetary process in Redding includes holding public hearings. Prior to the adoption of its fiscal year 1974 budget, the city conducted several special public meetings on uses of revenue sharing. The local news media publicized these special hearings and explained the revenue sharing program. Attendance at the special revenue sharing hearings was much greater than at normal city budget hearings.

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.

Redding, California, is one of the 26 selected local governments, which include large, medium, and small municipalities and counties as well as a midwestern township.

BACKGROUND INFORMATION
ON REDDING

The city of Redding is located in Shasta County, about 135 highway miles south of the Oregon border. Interstate 5, a major north-south freeway, and two east-west State routes have helped establish Redding as a recreational and trade center in northeastern California. Although Redding's 1970 population was 16,659, its trade area serves an estimated 150,000.

The city's major industries are services and retail trade. According to the 1970 census, 34 percent of the area's civilian labor force was employed in services and 22 percent in retail trade. Service industries include repair, medical and health, education, and professional services. In 1972, 861 retail trade businesses recorded sales of \$138,249,000. Other industries in the Redding area include manufacturing, construction, public administration, wholesale trade, finance, insurance, and real estate.

The city's economy is influenced by Shasta County's three major industries--agriculture (including lumbering), tourism, and hydroelectric power. Lumbering is the county's major industry, since most county land is classified as forest. Agricultural products include livestock, livestock products, grain, strawberries, honey, walnuts, apples, and vegetables. Tourism is the second largest industry. The State and national parks attract campers, boaters, and sight-seers. Shasta Dam and 12 other dams in the area provide power and recreational facilities. Potential exists for further development of winter recreation such as skiing, which will increase the tourist business.

The seasonal nature of the agriculture and tourism industries causes wide fluctuation in Redding's employment and business income, especially affecting service stations, restaurants, motels, and resort operations.

Redding is governed by an elected five-member city council; one member is selected to serve as mayor. All council meetings are open to the public. The council appoints a city manager responsible for administering the city government.

City residents receive services from several governmental units and private organizations. The major services include public works, police and fire protection, and parks, and comprise 73 percent of Redding's fiscal year 1975 general government operating budget. Public works functions include construction and maintenance of streets, sidewalks, and storm drains, street lighting and cleaning, and collection and disposal of garbage. In addition, the city operates the electric, water, and sewer utilities.

Shasta County's major services are public assistance, roads, and public protection, which comprise 83 percent of Shasta County's fiscal year 1975 budget. Other services include health and sanitation, libraries, and recreation. Special districts in Redding provide mosquito abatement and 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 into account 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.

Redding's allocation was not raised to the 20 percent minimum constraint or lowered to the 145 percent maximum constraint in any of the first four entitlement periods (January 1, 1972, through June 30, 1974), but constraints applied to other governments in the State resulted in an increase in Redding's allocation. Our calculations showed that, if the allocation formula were applied in California without all the act's constraints, Redding's allocation for the period January 1, 1972, through June 30, 1974, would have been \$947,320. However, because these constraints were applied, Redding's final allocations totaled \$956,940. Initial allocations and payments to Redding for the same period were \$957,247, including \$105,482 received in July 1974. The city's payment for the next period will be reduced by \$307, the difference between the initial and final allocations.

The following schedule compares revenue sharing per capita and revenue sharing as a percentage of adjusted taxes for Redding with San Fernando, a city of 16,571 population, which is close to Redding's 16,659; and with the two largest cities in California, Los Angeles and San Francisco, whose populations are 2,811,801 and 715,674, respectively.

City	Revenue sharing funds received for the period January 1, 1972, through June 30, 1974		
	Received (note a)	Per capita share	As a percent of taxes (note b)
Redding	\$ 957,247	\$57.46	16.6
San Fernando	582,621	35.16	17.4
Los Angeles	85,179,741	30.29	9.7
San Francisco	47,294,983	66.08	8.4

a/Includes payment received in July 1974 for the 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.

In California the 145 percent constraint for local governments for the period covered was \$73.88 per capita. The 20 percent constraint was \$10.18 per capita.

CHAPTER 2

BUDGETING AND PUBLIC PARTICIPATION

IN THE BUDGETARY PROCESS

Redding maintains various types of funds--general, special revenue, debt service, enterprise, general service, trust and agency, and assessment district construction. Following is a description of the major funds.

1. General fund--finances the salaries and operating costs of the various departments and functions of the city government. Its sources of revenue are sales and property taxes, licenses, permits, fines, and charges for such services as garbage collection, street cleaning, and use of the civic auditorium.
2. Special revenue funds include:
 - a. Municipal Airport fund--accounts for the revenues and operating and maintenance expenses of the Redding Municipal Airport.
 - b. Benton Airport fund--accounts for the revenues and operating and maintenance expenses of Benton Airport.
 - c. Special aviation fund--finances improvements to the Municipal and Benton Airports. Revenues are from the general fund and from the State aviation gas tax.
 - d. Gas tax-street improvement fund--finances the maintenance and improvements to streets. Revenues are from the State gasoline tax.
 - e. Water revenue fund--accounts for water revenues to be used for improvements to the water utility system.
 - f. Revenue sharing trust fund--accounts for revenue sharing funds.
 - g. Parking services fund--finances the operations and maintenance of city parking lots and parking meters. Revenues are from parking fees.
 - h. Special street construction fund--finances the upgrading of streets in older areas of the city. Its source of revenue is the general fund.

3. Debt service funds--finance and account for the payment of interest and principal on all long-term debts. Sources of revenue are the general fund and user charges for city-owned utilities.
4. Enterprise funds--account for the revenues and operation costs for the city-owned electric, water, and sewer utilities. Revenues are from user charges.

RELATIONSHIP OF REVENUE SHARING TO TOTAL BUDGET

Revenue sharing funds received by Redding through June 30, 1974, totaled \$851,765. The city did not budget any revenue sharing funds for fiscal year 1973. In 1974 revenue sharing accounted for \$293,746, or 3.2 percent of the city budget and 1.8 percent of the combined city and school budgets. The \$558,019 that had not been budgeted as of June 30, 1974, amounted to 6.1 percent of the city's 1974 budget. The following table shows the relationship of revenue sharing to the city and school budgets.

<u>Redding</u>	<u>Fiscal year</u>		
	<u>1972</u>	<u>1973</u>	<u>1974</u>
City budget	\$ 7,449,063	\$ 7,916,122	\$ 9,165,014
Proportionate share of school district budget	<u>4,332,897</u>	<u>4,598,724</u>	<u>5,122,544</u>
Total	<u>\$11,781,960</u>	<u>12,514,846</u>	<u>14,287,558</u>
Revenue sharing payments received	-	\$435,824	\$415,941
Revenue sharing funds budgeted	-	-	\$293,746
Cumulative revenue sharing payments received but not budgeted	-	\$ 435,824	\$558,019
Percentage of city budget represented by revenue sharing	-	-	3.2
Percentage of city and school district budgets represented by revenue sharing	-	-	2.1

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

The following table shows budgeted expenditures of city departments for fiscal years 1973, 1974, and 1975.

Budgeted Expenditures by Department

Department	Fiscal year				
	1973	1974		1975	
	Department budget	Department budget	Revenue sharing	Department budget	Revenue sharing
General Government:					
City council	\$ 12,210	\$ 12,880	\$ -	\$ 11,620	\$ -
City clerk	46,560	46,680	-	56,260	-
City manager	22,360	22,310	-	25,750	-
City treasurer	18,030	20,550	-	23,720	-
City attorney	30,310	28,112	-	33,720	-
Personnel	38,340	30,680	-	34,869	-
Planning and building regulation	119,510	145,628	-	200,981	-
Finance	59,450	81,210	-	102,925	-
Building maintenance and construction	68,330	86,350	-	81,372	-
Police protection	886,820	941,839	-	1,104,876	-
Fire protection	491,190	679,438	44,656	925,375	150,000
Engineering	228,410	296,019	-	380,123	-
Streets	1,248,675	1,480,493	75,466	1,455,346	-
Waste collection and disposal	467,740	539,420	-	901,951	-
Parks	382,202	580,380	147,395	714,322	205,000
General recreation	83,700	112,277	19,608	131,478	-
Martin Luther King Center	-	18,520	2,763	27,440	10,140
Special Teen Recreation	-	9,000	3,858	1,400	-
All other departments	378,015	423,888	-	783,349	-
Total	4,581,852	5,555,674	293,746	6,996,877	365,140
Airports	186,000	226,528	-	441,650	-
Airport administration	-	-	-	26,827	-
Parking system	48,780	35,010	-	125,189	-
Equipment maintenance	204,870	233,482	-	278,488	-
Electric utility	2,096,390	2,175,020	-	3,556,701	-
Water utility	471,590	590,520	-	610,136	-
Sewer utility	285,670	369,870	-	446,312	-
Community development	-	-	-	160,000	-
Bond interest and redemption	350,970	358,910	-	352,850	-
Total budget	8,226,122	9,545,014	293,746	12,995,030	a/365,140
Interfund charges (note b)	-310,000	-380,000	-	-542,000	-
Net budget	\$7,916,122	\$9,165,014	\$293,746	\$12,453,030	\$365,140

a/An additional \$139,860 was budgeted by the city to be used in programs to be determined later.

b/Covers vehicles purchased from the equipment maintenance fund and charged to each department.

In developing a plan for the best use of revenue sharing funds, city officials considered the longevity of the revenue sharing program. Since revenue sharing funds are regarded by city officials as a return of the resident's Federal income tax, the city's philosophy is to spend the funds for projects which could be identified by the residents. Because the revenue sharing program is scheduled to terminate in 1976, the city does not want to fund recurring programs or construction projects which could not be completed with revenue sharing. Consequently, the city plans to use 80 percent of the revenue sharing funds for such capital purposes as acquiring and improving parks, buying fire trucks, and constructing a police building and a museum and art center.

PUBLIC INVOLVEMENT IN BUDGETARY PROCESS

The budgetary process for the city's fiscal year, which ends June 30, begins the preceding January with the preparation of departmental budgets. After receiving departmental budgets, the city manager prepares the preliminary budget based on anticipated revenues and estimated operating and capital expenditures. Included in this budget are the capital outlays to be financed by the general fund. The city council discusses the proposed budget at sessions open to the public. The annual budget is formally adopted by the city council at a public hearing.

Prior to the adoption of its fiscal year 1974 budget, the city conducted several special public hearings on uses of revenue sharing. Local newspapers and radio stations publicized them and explained the revenue sharing program. At one hearing, widely publicized and held jointly by Shasta County, Redding, and Anderson (a neighboring city), community organizations were invited to attend and make written and oral presentations outlining their requests for revenue sharing moneys. Nineteen proposals were presented, requesting funds for social and recreation programs, communication equipment to facilitate emergency medical care, hospitals, libraries, day care centers, public transportation, the Redding Museum, and special districts. Groups which were to benefit from these proposals included senior citizens, teenagers, low income families, disabled veterans, and retarded persons. After the hearing, the city's revenue sharing committee, composed of two council members, the city manager, and the city attorney, recommended items to be funded with revenue sharing.

Attendance at the special revenue sharing hearings was much greater than at city budget hearings. According to a city official, revenue sharing stimulated greater community interest and public participation than the normal budgetary process. The community groups which presented revenue sharing proposals usually did not appear at normal budget hearings. Members of special interest groups stated that revenue sharing information provided by the city through the news media was much more comprehensive than that for other proposed city expenditures.

A city official told us that there were no special hearings on revenue sharing for fiscal year 1975. The city has been given a \$3.6 million community development grant, and it is anticipated that many of the "people programs" will be approved for funding under this grant.

CHAPTER 3

PROGRAMS FUNDED WITH REVENUE SHARING

Redding was allocated \$957,247 in revenue sharing funds for the period January 1, 1972, through June 30, 1974. Of the amount allocated, \$851,765 was received by June 30, 1974, and \$105,482 was received in July 1974. As of June 30, 1974, interest earned from investment of the funds totaled \$79,650. Following is the status of the funds allocated for the period ended June 30, 1974, and the interest earned thereon.

Expended	\$ 145,240
Obligated	148,506
Unobligated	<u>743,151</u>
Total	<u>\$1,036,897</u>

USES OF REVENUE SHARING

The uses of revenue sharing funds described in this chapter are those reflected by Redding's financial records. As we have 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 of uses. 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

Of the \$293,746 in revenue sharing funds spent or obligated at June 30, 1974, \$249,090, or 85 percent, was for recreational purposes. The remaining 15 percent was allotted to public safety. About 92 percent of the expended and obligated funds were used for capital projects. The following summarizes revenue sharing expenditures and obligations by function.

<u>Function</u>	<u>Expenditures</u>	<u>Obligations</u>	<u>Total</u>
Recreation:			
Operations and maintenance	\$ 18,812	\$ 4,064	\$ 22,876
Capital projects	<u>126,428</u>	<u>99,786</u>	<u>226,214</u>
Total	145,240	103,850	249,090
Public safety:			
Capital projects	<u>-</u>	<u>44,656</u>	<u>44,656</u>
Total	<u>\$145,240</u>	<u>\$148,506</u>	<u>\$293,746</u>

Specific uses

Revenue sharing funds were used for operating social and recreational centers, improving park grounds and tennis courts, acquiring land for parks, and buying fire trucks. The table on the following page shows the services or projects financed by revenue sharing at June 30, 1974.

<u>Function</u>	<u>Operations and maintenance</u>	<u>Capital projects</u>	<u>Total</u>
Recreation:			
Golden Umbrella	\$16,255	\$ -	\$ 16,255
Martin Luther King, Jr., Center	2,763	-	2,763
The Center	3,858	-	3,858
Tennis court lighting	-	3,353	3,353
Turtle Bay Park:			
Roadway, landscaping, and other improve- ments	-	18,102	18,102
Land acquisition-- woods property	-	85,160	85,160
South City Park:			
Automatic irrigation system	-	25,434	25,434
Parking facilities	-	11,523	11,523
Tennis court paving	-	7,176	7,176
Storm drains	-	75,466	75,466
Total	22,876	226,214	249,090
Public safety:			
Fire trucks	-	44,656	44,656
Total	\$22,876	\$270,870	\$293,746

The revenue sharing funds allocated to three social and recreational centers--Golden Umbrella, Martin Luther King, Jr., Center, and The Center--were used for operations. A brief description of these centers follows.

Golden Umbrella, Incorporated--This nonprofit corporation is staffed primarily with volunteers and operates a multiservice program available to all Shasta County residents over age 50. This organization started in 1968 with funds received from the Office of Economic Opportunity through the National Council on Aging. Examples of programs and services offered are: Tele-Care, a program in which about 100 senior citizens are called daily to check on their well-being; a diabetic food buyers' club; a gift shop selling items made by senior citizens; and daily recreational activities.

Martin Luther King, Jr., Memorial Center--This center was built in 1969 with a grant from the Department of Housing and Urban Development. Services include a day care facility

for low-income families; counseling for children and parents of children having disciplinary problems at school; a referral service to other agencies, such as for legal aid and family planning; and recreational programs.

The Center--This center plans and organizes teenage recreational and social activities, such as classes in arts and crafts, athletic programs, music lessons, and group counseling.

Capital improvements were made at two city parks and two tennis court complexes. South City Park improvements consisted of installing an automatic irrigation system, paving and striping new parking areas, constructing a storm drain system in the park, and resurfacing tennis courts. Improvements to Turtle Bay Park consisted of landscaping and constructing a road through the park. At the Mary Street tennis courts, lights were installed. Revenue sharing funds were also being used to purchase additional park land for Turtle Bay Park and two fire tank trucks.

Plans for unobligated funds

For fiscal year 1975, Redding has budgeted \$505,000 in revenue sharing funds to be used as follows: \$150,000 for purchasing a fire aerial truck; \$10,140 for operating the Martin Luther King, Jr., Memorial Center; \$205,000 for acquiring park lands; and \$139,860 for other projects and programs to be determined later in the year.

For fiscal years 1976 to 1978, the city plans to spend about \$900,000 in revenue sharing funds for park improvements, a new police building, and a museum and art center. About \$93,000 is planned for operations and maintenance of the Martin Luther King, Jr., Center.

ACCOUNTING FOR REVENUE SHARING FUNDS

When received, revenue sharing funds are deposited in various bank accounts. A separate trust fund account is used for accounting control over the funds. As funds are obligated by the city council, accounting entries are made to transfer them from the revenue sharing trust fund account to the account of the city department responsible for the expenditure. Disbursement of revenue sharing and other funds requires approval by the finance director and certification by an authorized city employee. Unused revenue sharing funds are invested by the city treasurer in certificates of deposit at several local banks.

AUDITS OF REVENUE SHARING

Financial and compliance audits of Redding's revenue sharing funds were performed by a local certified public accounting firm for the years ended June 30, 1973, and June 30, 1974. Both audit reports stated that the examinations were made in accordance with the "Audit Guide and Standards for Revenue Sharing Recipients" issued by the Office of Revenue Sharing. No exceptions were noted in either year.

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 revenues;
- use fiscal, accounting, and audit procedures which conform 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 which make Federal aid contingent upon the recipient's contribution;
- observe requirements of the Davis-Bacon provision 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.

Redding's employment policy is to hire the best qualified person for any vacancy without regard to age, race, creed, sex, color, national origin, political affiliation, or membership in any organization. The city's employment procedures and practices were reviewed by the State Attorney General's office and found to be nondiscriminatory.

California has created a State Commission on Fair Employment Practices designed to prevent and eliminate discrimination in employment and otherwise against persons because of race, religious creed, color, national origin, ancestry, or sex. The commission consists of seven members appointed by the Governor with the advice and consent of the State Senate.

The commission investigates complaints of discriminatory employment practices. If it finds any discriminatory employment practice, it requires the respondents to cease and desist from such practice and to take action, including hiring, reinstating, or upgrading employees, with or without backpay, or restoration to membership in any respondent labor organization, as, in the judgment of the commission, will effectuate the purpose of the State's Fair Employment Practices Act. The respondent is further required to report the manner of compliance. Final orders or decisions of the commission are subject to judicial review. Whenever the commission believes, on the basis of evidence, that anyone is violating or is about to violate any final order or decision issued by it, the commission may bring an action in superior court against such person to enjoin him from continuing the violation.

Comparison of local government work force and civilian labor force

The civilian labor force statistics for Redding, according to the 1970 census, and the city government work force as of June 30, 1974, are presented below.

	<u>Male</u>		<u>Female</u>		<u>Total</u>	
	<u>Number</u>	<u>Per- cent</u>	<u>Number</u>	<u>Per- cent</u>	<u>Number</u>	<u>Per- cent</u>
Civilian labor force:						
Total	<u>4,178</u>	<u>61.0</u>	<u>2,669</u>	<u>39.0</u>	<u>6,847</u>	<u>100.0</u>
Spanish surname	127	1.9	91	1.3	218	3.2
Black	78	1.1	25	.4	103	1.5
City government work force:						
White	183	76.6	32	13.4	215	90.0
Black	14	5.9	-	-	14	5.9
Spanish surname	2	.8	1	.4	3	1.2
American Indian	<u>7</u>	<u>2.9</u>	<u>-</u>	<u>-</u>	<u>7</u>	<u>2.9</u>
Total	<u>206</u>	<u>86.2</u>	<u>33</u>	<u>13.8</u>	<u>239</u>	<u>100.0</u>

During the year ended June 30, 1974, the city government hired 32 new employees, of whom 87 percent were male and 94 percent were white. During the same period, 35 employees were promoted, of whom 86 percent were male and 83 percent were white. (See apps. I, II, and III.)

The most significant difference between the composition of the city government work force and that of the civilian labor force of Redding is the low percentage of female city employees (13.8 percent compared to 39.0 percent). A city official stated that the majority of city government positions are in police and fire protection, skilled craft, and service/maintenance categories, which are positions mainly applied for by males. Similarly, the low number of females and minorities in the official, professional, and technician positions is attributed to the lack of qualified applicants. The official said attempts to hire qualified females and minorities for the above positions have met with limited success.

Complaints against the city

According to representatives of the State Fair Employment Practice Commission and the U.S. Equal Employment Opportunity Commission, there have not been any complaints of discrimination in employment filed against the city. City officials informed us that there have not been any civil rights suits filed against the city.

Services and capital projects

City revenue sharing funds have been expended on recreational projects and programs located in low- and moderate-income areas. Officials from various local public interest groups and civil rights organizations believed that the city did not discriminate against any group in allocating revenue sharing funds. Some representatives, however, believed revenue sharing funds should have been spent for employment and services to the poor rather than for recreational projects and programs.

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, shall be paid wage rates which are not less than rates prevailing for similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended.

Office of Revenue Sharing regulations implementing this provision require that contracts exceeding \$2,000 shall contain a provision stating the minimum wages to be paid various classes of laborers and mechanics as determined by the Secretary of Labor. Further, the contract shall stipulate that the contractor shall pay wage rates not less than those stated in the specifications, regardless of any contractual relationships alleged to exist between the contractor and such laborers and mechanics. A further contract stipulation is that there may be withheld from the contractor so much of accrued payments as considered necessary by the contracting officer to pay to laborers and employees the difference between wage rates required by the contract and rates actually received.

In Redding, five construction projects were financed 25 percent or more with revenue sharing funds. These projects consisted of improvements to South City Park and Turtle Bay Park and the installation of lighting at a tennis court. We found that the city complied with the Davis-Bacon provision of the act.

City officials stated that the Davis-Bacon provision did not affect the cost of the projects because the contractors for city projects pay union wages to employees. Also, this provision did not influence decisions to finance construction projects with revenue sharing funds.

PREVAILING WAGE PROVISION

The Revenue Sharing 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 public 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.

This provision did not apply in Redding because the city did not use revenue sharing funds to pay salaries of city employees.

CHAPTER 5

FINANCIAL STATUS

TREND OF FUND BALANCES

The following schedule shows the cumulative surplus or deficit ending-fund balances for the city's funds for fiscal years 1970-74. During that period the city's overall financial status steadily improved, with the general fund showing a fourfold increase in its surplus balance.

Fund	Fiscal year				
	1970	1971	1972	1973	1974
General	\$ 694,525	\$ 926,053	\$1,857,485	\$2,430,349	\$2,999,131
Electric utility	2,300,813	2,391,911	2,628,252	2,860,939	3,161,839
Water utility	70,701	86,472	48,320	196,721	67,656
Sewer service	134,662	78,596	153,669	208,410	47,978
Airports (municipal and Benton)	24,717	20,756	123,892	68,413	154,827
Gas tax-street improvement	295,676	366,336	426,910	443,371	308,377
Revenue sharing trust	-	-	-	449,856	786,175
Parking service (note a)	-497,254	-451,284	-794,967	-965,071	-929,709
Special street construction	213,067	213,067	196,205	196,205	196,205
General service	332,448	305,657	18,348	14,206	23,997
All other	236,589	424,476	213,815	196,469	202,918
Total	\$3,805,944	\$4,362,040	\$4,871,929	\$6,099,868	\$7,019,394

a/Deficit balances represent for the most part funds owed to the electric utility fund. The funds were borrowed to finance the construction of parking facilities and are being repaid from parking revenues.

According to a city official, Redding's financial condition is good, with city-owned utilities (electrical, water, and sewer) and property and sales taxes providing substantial revenues. Further, revenue sharing has allowed Redding to finance capital improvements which otherwise would have been delayed. Additional capital improvement projects will be required over the next few years. The city plans to issue bonds to finance the upgrading of the sewer and water systems to meet State requirements. If general obligation bonds are issued for these projects, Redding will be at its indebtedness limit. However, no financial crisis is anticipated if the city's indebtedness increases.

Redding does not maintain a pension fund. City employees are members of the State Public Employees Retirement System. Both the city and its employees contribute to the pension fund in amounts determined by the fund administrators.

INDEBTEDNESS

The total outstanding debt has varied slightly over the past five fiscal periods, ranging from \$5.5 million in 1971 to \$5 million in 1974. The city's general obligation debt has been gradually reduced, but the special assessment district debt increased by about \$400,000 during fiscal year 1971. The following table shows the net outstanding debt at the end of the last five fiscal periods.

	Fiscal year				
	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
General obligations:					
1957 sewer	\$ 460,000	\$ 440,000	\$ 420,000	\$ 400,000	\$ 380,000
1966 sewer	1,945,000	1,900,000	1,855,000	1,810,000	1,760,000
1967 civic auditorium	<u>1,740,000</u>	<u>1,705,000</u>	<u>1,670,000</u>	<u>1,635,000</u>	<u>1,595,000</u>
Total	4,145,000	4,045,000	3,945,000	3,845,000	3,735,000
Revenue:					
1959 water	950,262	966,352	936,956	902,560	868,227
Other:					
1915 act, assessment district (note a)	<u>141,563</u>	<u>537,316</u>	<u>508,820</u>	<u>491,888</u>	<u>440,259</u>
Total	<u>\$5,236,825</u>	<u>\$5,548,668</u>	<u>\$5,390,776</u>	<u>\$5,239,448</u>	<u>\$5,043,486</u>

a/Assessment district bonds issued pursuant to the Improvement Bond Act of 1915 are secured by all of the unpaid assessments in the improvement district. The city is obligated to make bond redemption and interest payments at the time of presentation of matured coupons.

Borrowing procedures

Voter approval in a general election is required before a bond may be issued. Approval by two-thirds of the voters is needed for the issuance of general obligation bonds, and a 51 percent majority is needed for the issuance of revenue bonds. Sewer revenue bonds, however, may be issued without voter approval.

From 1965 to 1972, Redding's general obligation bonds were rated "A" in Moody's Investors Service, Inc., Municipal and Government Manuals, while the water revenue bonds were rated "Baa." ^{1/} No ratings were available for either type of bonds in 1973 and 1974, nor was there a rating for water revenue bonds in 1967.

Borrowing restrictions

California State statutes limit a city's general obligation bond indebtedness to 15 percent of the total assessed value of real property in the city. At the end of fiscal year 1974, Redding's general obligation debt was about 8.2 percent of the total assessed value of real property. According to a city official, there are no restrictions on issuing revenue bonds. Bonds may be issued for any project within the city limits that is neither a manufacturing nor other competitive commercial venture.

TAXATION

Major taxes levied

The city receives much of its revenue from the following seven taxes: sales, real property, transient occupancy, business license, franchise, real property transfer, and parking and business improvement area. In fiscal year 1974 sales (60 percent) and real property (30 percent) accounted for about 90 percent of tax revenues. Following is a brief description of the major taxes:

--Sales taxes imposed by Redding are levied at the rate of 1 percent of taxable retail sales and are collected by the State. Revenues are returned to the city on a monthly basis. The total tax rate in Redding is 6 percent, which includes the State, county, and city sales taxes.

--Real property tax has a base of 25 percent of the fair market value and is levied at a tax rate per \$100 of assessed valuation. Property is reassessed at least every 4 years.

^{1/}An "A" rating signifies a higher medium-grade obligation characterized by adequate security for principal and interest payments. A "Baa" rating signifies a lower medium-grade obligation, neither highly protected nor poorly secured.

--Transient occupancy taxes are levied at 5 percent of hotel, motel, or other room charge for occupancy of less than 30 days.

--Business license taxes are imposed on all businesses operating in the city and vary with the type of business. This tax is kept low to encourage new businesses.

--Franchise taxes are levied on private utilities and the cable television company for the privilege of operating in the city.

There were no changes in any of the tax rates, bases, or methods of assessments in the past 5 fiscal years. The real property tax rate has been \$1.92 per \$100 of assessed value for the past 12 years.

During the past 5 years, total tax revenues received by the city have been increasing. Revenues from major taxes and from the real property taxes levied by the school districts within Redding are shown in the following table.

<u>Major Taxes</u>					
<u>Redding</u>					
<u>Tax</u>	<u>FY 1970</u>	<u>FY 1971</u>	<u>FY 1972</u>	<u>FY 1973</u>	<u>FY 1974</u>
Sales	\$1,100,810	\$1,062,936	\$1,304,440	\$1,563,145	\$1,811,569
Real property	862,250	893,630	915,926	911,810	923,759
Transient occupancy	131,113	148,628	165,084	184,933	191,375
Business license	52,298	53,104	54,602	56,157	59,492
Franchise	9,810	13,653	15,355	17,538	19,988
Property transfer	3,784	3,891	8,721	7,400	7,310
Parking and business improvements area	\$ -	\$ -	\$ 13,183	\$ 12,521	\$ 14,318
Total	<u>\$2,160,065</u>	<u>\$2,175,842</u>	<u>\$2,477,311</u>	<u>\$2,753,504</u>	<u>\$3,027,811</u>

<u>School Districts within Redding</u>					
Real property:					
Total elementary	\$ 509,808	\$ 764,194	\$ 923,304	\$ 868,339	\$ 997,938
Total high school	<u>689,066</u>	<u>818,210</u>	<u>1,012,816</u>	<u>1,021,337</u>	<u>1,159,976</u>
Total school districts	<u>\$1,198,874</u>	<u>\$1,582,404</u>	<u>\$1,936,120</u>	<u>\$1,889,676</u>	<u>\$2,157,914</u>

Taxing limitations

The types of taxes which Redding may levy are governed by State law; however, the city council decides which taxes to impose. All California cities presently have authority to levy certain local taxes, share in certain State-levied taxes, impose user fees or charges, and charge for licenses and permits. With the exception of a building development tax, which according to a city official tends to restrict expansion and growth, Redding levies all taxes and fees allowed by the State.

California's "Property Tax Relief Act of 1972" limits increases in the property tax levy. Without voter approval, the tax levy can increase in the same percentage as the combined percentage increase in the population and the consumer price index. An additional rate may be levied to finance programs mandated by the Federal Government or the courts for which funds are not provided by the Federal or State governments. The city may levy a rate in excess of the limitation to pay for bonded indebtedness and interest and for retirement and pension benefits.

Family tax burden

The following table shows three hypothetical situations used in determining the tax burden on a family of four living in the city in 1973. In each situation, we assumed that the family consists of a husband, wife, and two 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 car(s) as shown below.

<u>Assumptions</u>	<u>Family</u>		
	<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 car	1,700(1 car)	1,800(1 car)	2,300(2 cars)
Annual gasoline consumption (gallons)	1,000 gal.	1,000 gal.	1,500 gal.

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

<u>Tax</u>	<u>Family</u>		
	<u>A</u>	<u>B</u>	<u>C</u>
City:			
Property (note a)	\$ 56.40	\$ 116.40	\$ 176.40
Sales	20.06	28.90	36.89
Motor vehicle	<u>17.00</u>	<u>18.00</u>	<u>23.00</u>
Total	<u>93.46</u>	<u>163.30</u>	<u>236.29</u>
County:			
Property (note a)	65.80	135.80	205.80
Sales	4.72	6.80	8.68
Motor vehicle	<u>17.00</u>	<u>18.00</u>	<u>23.00</u>
Total	<u>87.52</u>	<u>160.60</u>	<u>237.48</u>
Special district:			
Property			
Education	184.48	380.73	576.98
Water	<u>.29</u>	<u>.61</u>	<u>.92</u>
Total	<u>184.77</u>	<u>381.34</u>	<u>577.90</u>
State:			
Sales	93.22	134.30	171.43
Gasoline	70.00	70.00	105.00
Income (note b)	<u>-</u>	<u>93.60</u>	<u>258.30</u>
Total	<u>163.22</u>	<u>297.90</u>	<u>534.73</u>
Total	<u>\$528.97</u>	<u>\$1,003.14</u>	<u>\$1,586.40</u>
Total as a percentage of income	<u>7.1</u>	<u>8.0</u>	<u>9.1</u>

a/For property tax purposes, the median tax code area of the city was chosen. The assessed value of each property was reduced by a \$1,750 homeowner exemption.

b/In 1973 California granted a one-time special tax credit which reduced the income tax for all three families. Without this special tax credit, the income tax for family A would have been \$4; for family B, \$144; and for family C, \$369.

Besides these major taxes, Redding residents paid such taxes as a cigarette tax, which is 10 cents per pack levied by the State (with 30 percent divided between cities and counties), and a real property transfer tax levied at a rate of 55 cents per \$500 of equity value, with tax revenues divided equally between the city and county.

CHAPTER 6

OTHER FEDERAL AID

FEDERAL AID RECEIVED

In fiscal years 1972, 1973, and 1974, the city received \$379,777, \$171,558, and \$126,603, respectively, in Federal aid other than revenue sharing moneys. For fiscal year 1975, the city estimates it will receive about \$3.9 million in other Federal aid, including a \$3.6 million community development grant from the Department of Housing and Urban Development.

The following schedule shows, by Federal agency, the funds received in fiscal years 1972-74 and estimated to be received in fiscal year 1975.

<u>Federal agency</u>	<u>Fiscal year</u>			<u>1975 (est.)</u>
	<u>1972</u>	<u>1973</u>	<u>1974</u>	
Department of Housing and Urban Development	\$208,260	\$ -	\$ 79,464	\$3,600,000
Department of Labor	42,996	110,805	18,877	-
Department of Transportation	78,815	60,753	28,262	298,000
Office of Emergency Preparedness	<u>52,706</u>	<u>-</u>	<u>-</u>	<u>10,200</u>
Total	<u>\$382,777</u>	<u>\$171,558</u>	<u>\$126,603</u>	<u>\$3,908,200</u>

REDUCTIONS IN FEDERAL AID AND IMPACT ON RECIPIENT

Funding under the emergency employment program was terminated by the Department of Labor in fiscal year 1974. The city retained nine persons who had been hired under this program and is paying their salaries with city funds. However, the city is considering using revenue sharing to finance land purchases which might have been partially funded under the open space program. Under this program, the Department of Housing and Urban Development (HUD) contributed 50 percent of the purchase price of land acquired for parks. From 1966 to 1972, the city received grants under this program totaling about \$197,000. No funds have been granted since 1972. Two requests filed by the city, one in 1973 and one in 1974, are currently under consideration by HUD, but city officials told us that these requests were given a low priority by HUD, and they do not expect them to be approved.

The city has used revenue sharing funds to help continue the operations of two social and recreational centers--Golden Umbrella and the Martin Luther King, Jr., Memorial Center-- which previously had been financed primarily with Office of Economic Opportunity funds received through Shasta County. Through June 30, 1974, Redding had contributed \$16,255 of its revenue sharing to the Golden Umbrella and \$2,763 to the Martin Luther King, Jr., Memorial Center.

CHAPTER 7

SCOPE OF REVIEW

Our review was performed in Redding, California, with the assistance of city officials. Additional contact was made with the State's Public Employees Retirement System and Fair Employment Practices Commission. The review included an analysis of city budgets and tax structure, changes in taxes, sources of funds, potential taxes as additional sources, yearend fund balances, and indebtedness.

We obtained the views of city officials as to the impact of revenue sharing on the city's fiscal status and the degree of public participation in the budgetary process, especially in relation to revenue sharing moneys. Compliance with the nondiscrimination, prevailing wage, and Davis-Bacon provisions was also reviewed. The level of Federal aid through grants and program support was reviewed to determine whether total Federal aid was reduced since the inception of revenue sharing. Our work was limited to gathering selected data relating to areas identified by the Subcommittee Chairman.

Officials of Redding reviewed this case study, and we considered their comments in finalizing it.

CITY GOVERNMENT WORK FORCE

REDDING, CALIFORNIA

JUNE 30, 1974

Function/ job category	Male				Female				Total			
	White	Black	Other	Total	White	Black	Other	Total	White	Black	Other	Total
All functions:												
Officials/administrators	20	1	2	23	2	-	-	2	22	1	2	25
Professionals	16	-	-	16	2	-	-	2	18	-	-	18
Technicians	18	-	-	18	2	-	-	2	20	-	-	20
Protective service	50	-	1	51	2	-	-	2	52	-	1	53
Paraprofessionals	1	-	-	1	-	-	-	-	1	-	-	1
Office/clerical	5	-	-	5	24	-	1	25	29	-	1	30
Skilled craft	38	2	4	44	-	-	-	-	38	2	4	44
Service/maintenance	35	11	2	48	-	-	-	-	35	11	2	48
Total	183	14	9	206	32	-	1	33	215	14	10	239
Percent	76	6	4	86	13	-	1	14	90	6	4	100
Financial administration:												
Officials/administrators	2	-	1	3	2	-	-	2	4	-	1	5
Professionals	4	-	-	4	-	-	-	-	4	-	-	4
Technicians	-	-	-	-	2	-	-	2	2	-	-	2
Office/clerical	-	-	-	-	9	-	1	10	9	-	1	10
Total	6	-	1	7	13	-	1	14	19	-	2	21
Percent	28	-	5	33	62	-	5	67	90	-	10	100
Street and highways:												
Officials/administrators	1	-	1	2	-	-	-	-	1	-	1	2
Skilled craft	6	-	1	7	-	-	-	-	6	-	1	7
Service/maintenance	11	-	-	11	-	-	-	-	11	-	-	11
Total	18	-	2	20	-	-	-	-	18	-	2	20
Percent	90	-	10	100	-	-	-	-	90	-	10	100
Police protection:												
Officials/administrators	1	-	-	1	-	-	-	-	1	-	-	1
Professional	3	-	-	3	-	-	-	-	3	-	-	3
Technicians	6	-	-	6	-	-	-	-	6	-	-	6
Protective service	29	-	1	30	2	-	-	2	31	-	1	32
Office/clerical	1	-	-	1	8	-	-	8	9	-	-	9
Total	40	-	1	41	10	-	-	10	50	-	1	51
Percent	78	-	2	80	20	-	-	20	98	-	2	100
Fire protection:												
Officials/administrators	3	-	-	3	-	-	-	-	3	-	-	3
Professionals	4	-	-	4	-	-	-	-	4	-	-	4
Technicians	1	-	-	1	-	-	-	-	1	-	-	1
Protective service	21	-	-	21	-	-	-	-	21	-	-	21
Office/clerical	-	-	-	-	1	-	-	1	1	-	-	1
Skilled craft	2	-	-	2	-	-	-	-	2	-	-	2
Total	31	-	-	31	1	-	-	1	32	-	-	32
Percent	97	-	-	97	3	-	-	3	100	-	-	100
Utilities:												
Officials/administrators	4	-	-	4	-	-	-	-	4	-	-	4
Technicians	1	-	-	1	-	-	-	-	1	-	-	1
Office/clerical	4	-	-	4	-	-	-	-	4	-	-	4
Skilled craft	17	1	2	20	-	-	-	-	17	1	2	20
Service/maintenance	2	-	-	2	-	-	-	-	2	-	-	2
Total	28	1	2	31	-	-	-	-	28	1	2	31
Percent	90	3	7	100	-	-	-	-	90	3	7	100
Sanitation and sewage:												
Officials/administrators	1	1	-	2	-	-	-	-	1	1	-	2
Skilled craft	4	-	-	4	-	-	-	-	4	-	-	4
Service/maintenance	10	11	1	22	-	-	-	-	10	11	1	22
Total	15	12	1	28	-	-	-	-	15	12	1	28
Percent	54	43	3	100	-	-	-	-	54	43	3	100
All other (note a):												
Officials/administrators	8	-	-	8	-	-	-	-	8	-	-	8
Professionals	5	-	-	5	2	-	-	2	7	-	-	7
Technicians	10	-	-	10	-	-	-	-	10	-	-	10
Paraprofessional	1	-	-	1	-	-	-	-	1	-	-	1
Office/clerical	-	-	-	-	6	-	-	6	6	-	-	6
Skilled craft	9	1	1	11	-	-	-	-	9	1	1	11
Service/maintenance	12	-	1	13	-	-	-	-	12	-	1	13
Total	45	1	2	48	8	-	-	8	53	1	2	56
Percent	80	2	4	86	14	-	-	14	94	2	4	100

Includes the following functions: parks and recreation, community development, engineering, general services, and building inspection.

GAO note: The jobs in this appendix were categorized by the city using Federal Equal Employment Opportunity Commission definitions.

BEST DOCUMENT AVAILABLE

CITY GOVERNMENT NEW HIRES
REDDING, CALIFORNIA
YEAR ENDED JUNE 30, 1975

Function/ job category	Male				Female				Total			
	White	Black	Other	Total	White	Black	Other	Total	White	Black	Other	Total
All functions:												
Officials/administrators	2	-	-	2	-	-	-	-	2	-	-	2
Professionals	1	-	-	1	-	-	-	-	1	-	-	1
Technicians	2	-	-	2	-	-	-	-	2	-	-	2
Protective service	8	-	1	9	-	-	-	-	8	-	1	9
Paraprofessionals	-	-	-	-	3	-	1	4	-	-	-	-
Office/clerical	3	-	-	3	-	-	-	-	6	-	1	7
Skilled craft	3	-	-	3	-	-	-	-	3	-	-	3
Service/maintenance	8	-	-	8	-	-	-	-	8	-	-	8
Total	<u>27</u>	-	<u>1</u>	<u>28</u>	<u>3</u>	-	<u>1</u>	<u>4</u>	<u>30</u>	-	<u>2</u>	<u>32</u>
Percent	<u>84</u>	-	<u>3</u>	<u>87</u>	<u>10</u>	-	<u>3</u>	<u>13</u>	<u>94</u>	-	<u>6</u>	<u>100</u>
Financial administration:												
Office/clerical	-	-	-	-	2	-	1	3	2	-	1	3
Total	-	-	-	-	2	-	1	3	2	-	1	3
Percent	-	-	-	-	67	-	33	100	67	-	33	100
Police protection:												
Protective service	1	-	1	2	-	-	-	-	1	-	1	2
Office/clerical	1	-	-	1	-	-	-	-	1	-	-	1
Total	<u>2</u>	-	<u>1</u>	<u>3</u>	-	-	-	-	<u>2</u>	-	<u>1</u>	<u>3</u>
Percent	<u>67</u>	-	<u>33</u>	<u>100</u>	-	-	-	-	<u>67</u>	-	<u>33</u>	<u>100</u>
Fire protection:												
Protective service	7	-	-	7	-	-	-	-	7	-	-	7
Total	<u>7</u>	-	-	<u>7</u>	-	-	-	-	<u>7</u>	-	-	<u>7</u>
Percent	<u>100</u>	-	-	<u>100</u>	-	-	-	-	<u>100</u>	-	-	<u>100</u>
Utilities:												
Officials/administrators	1	-	-	1	-	-	-	-	1	-	-	1
Technicians	1	-	-	1	-	-	-	-	1	-	-	1
Office/clerical	2	-	-	2	-	-	-	-	2	-	-	2
Skilled craft	3	-	-	3	-	-	-	-	3	-	-	3
Total	<u>7</u>	-	-	<u>7</u>	-	-	-	-	<u>7</u>	-	-	<u>7</u>
Percent	<u>100</u>	-	-	<u>100</u>	-	-	-	-	<u>100</u>	-	-	<u>100</u>
Sanitation and sewage:												
Service/maintenance	7	-	-	7	-	-	-	-	7	-	-	7
Total	<u>7</u>	-	-	<u>7</u>	-	-	-	-	<u>7</u>	-	-	<u>7</u>
Percent	<u>100</u>	-	-	<u>100</u>	-	-	-	-	<u>100</u>	-	-	<u>100</u>
All other:												
Officials/administrators	1	-	-	1	-	-	-	-	1	-	-	1
Professionals	1	-	-	1	-	-	-	-	1	-	-	1
Technicians	1	-	-	1	-	-	-	-	1	-	-	1
Office/clerical	-	-	-	-	1	-	-	1	1	-	-	1
Service/maintenance	1	-	-	1	-	-	-	-	1	-	-	1
Total	<u>4</u>	-	-	<u>4</u>	<u>1</u>	-	-	<u>1</u>	<u>5</u>	-	-	<u>5</u>
Percent	<u>80</u>	-	-	<u>80</u>	<u>20</u>	-	-	<u>20</u>	<u>100</u>	-	-	<u>100</u>

GAO note: The jobs in this appendix were categorized by the city using Federal Equal Employment Opportunity Commission definitions.

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<u>Race or ethnic category</u>	<u>Male</u>	<u>Percent</u>	<u>Female</u>	<u>Percent</u>	<u>Total</u>	<u>Percent</u>
White	24	69	5	14	29	83
Black	4	11	-	-	4	11
Spanish surname	1	3	-	-	1	3
American Indian	<u>1</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>3</u>
Total	<u>30</u>	<u>86</u>	<u>5</u>	<u>14</u>	<u>35</u>	<u>100</u>

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