to double his staff from four to eight in order to comply with regulations. He estimates that his administrative costs are in the 12 to 16 percent range, up from 6 to 8 percent prior to 1989. The added administrative costs result in fewer dollars available for direct program services.

He indicated that auditors from all three levels of government do audits of EES books and procedures. He feels that the excessive regulations are choking the system. To meet the increased regulations, more sophistication is required on the part of independent contractors. Thus, regulations necessitate hiring additional staff who are better trained and more costly.

Allowable administrative costs are approximately 20 percent of the grant: 15 percent for the City and 5 percent for the state. A total of is $11,487,792 tied up in administration to run the City's $70.1 million program.

Using a 7 percent delegate agency cost boost, the amount of money from 1992 program funding, which would otherwise have been used for delivery of services but now is eaten up by additional administrative costs, is $3,468,500. If this is added to state and local administrative allowances, the amount of the $70.1 million program absorbed in administration is over $15.3 million, or 22 percent of the grant.[19] Moreover, according to new legislation effective July, 1993, if the state continues to take its 5 percent, 25 percent of the grants will be expended in administrative costs. The Mayor's Office for Employment and Training

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[19] The amount of each grant that can be used for administration is set by the federal government. Local governments are allowed 15 percent. In certain instances, this amount may be shared with the independent delegate service providers. On a fixed unit cost contract, the administrative costs are accounted for in the grant. The state government withholds approximately 5 percent for administrative costs, and there are other reservations by the state before it reaches the local government -- such as 8 percent for the state higher education system and 6 percent for the state to provide for technical assistance to the service delivery area. Less than 80 percent of the amount provided to the state is passed through to the local government.

estimates that the cost of complying with the new regulations will substantially exceed the 25 percent cap.

Current regulations and monitoring priorities presume that independent providers will try to take advantage of the system. The regulations generated to assure that this unproven assumption does not occur have become excessively burdensome, time consuming and costly. They require tremendous documentation to determine eligibility of recipients for program services. The documentation necessary for contracts with independent delegate providers becomes much more complicated as each level of government adds its regulations to ensure that it does not incur excessive financial liability and that its respective contracting rules and procedures are followed. Therefore, auditors and monitors from three levels of government are layered on top of each other as each performs spot checks on service providers' records.

Loan Programs: Help Wanted

The primary purpose of Chicago's economic development program is to promote the retention and expansion of businesses which have the ability to create jobs for Chicago residents. Through the City's Micro Loan Program, the CD Float Loan Program and Industrial Retention and Expansion Bank Participation Loan Program, the Department of Planning and Development (DPD) assists businesses to locate or expand in Chicago.

These loan programs can be used for the purchase of land and buildings, machinery and equipment, and for new construction and renovation and for working capital. The City's level of participation is determined by a combination of criteria including geographic location, type of business, job creation objectives and need. DPD gives priority to industrial companies located in state-designated enterprise zones and retail or service businesses in the City's targeted commercial corridors.

Through these programs, the City provides between $5,000 and $20,000 for each new job projected to be added within two years of project completion. In order to participate, Chicago banks and businesses must comply with a complex mix of City and federal guidelines and policies. Although job creation is a highly desirable outcome, navigating through the maze of local and federal regulations that govern the loan process is a complex and expensive proposition for the City, commercial lenders, borrowers and developers.

Planning Department officials point to a project recently completed on Chicago's West Side as a particularly good example of the multiple steps needed to secure approval of a City loan. The owner of a steel wire manufacturing company wanted a City loan to purchase the machinery and equipment that came with a factory building he had acquired. The total cost of the project was $925,000, with the owner putting up $625,000 in equity and the City and a private lender splitting the remainder. A delegate agency, the Local Economic and Employment Development Council (LEED) provided technical assistance and an employment link to Cabrini-Green housing project residents. At the end of the two year monitoring period, the project will have created nine new jobs paying from $6.00 to $10.55 per hour in a low income area badly in need of new employment opportunities. At the same time, it will have helped to ensure the continuation of 18 existing jobs at the company.

Despite the fact that the application was well-prepared and the loan process went through without the usual "hitches," federal requirements consumed an estimated 80 hours of City staff time just to reach the point of loan approval. Besides DPD, the Departments of Budget and Management, Environment, Law, Revenue, and Water as well as the Comptroller's Office had to sign off on portions of the application.

Often DPD loans are used for new construction or rehabilitation of existing structures. In the case of the West Side project, however, the public financing was for purchase of equipment inside the company's own building. Nonetheless, the City had to go through a three to four week process of making sure that the project was in compliance with all federal environmental requirements, including federal wetlands regulations and the Open Space Act. Although the owner had put up his own funds to purchase the building itself, the Department of Environment had to get a determination that the old industrial site had no historic preservation potential before approving the loan for purchasing the equipment inside it.

Despite the fact that Davis-Bacon regulations apply only to hiring for new construction or rehabilitation projects, City staff had to secure a determination that the West Side project did not need to comply with these labor regulations. Had the project involved Davis-Bacon requirements, monitoring during the construction phase would have been extensive. For some large projects, staff project an added 25% of their time to process multiple draws and clearances.

Once the project cleared the approval hurdles the City began a two year monitoring process demanded by federal regulation. Code compliance staff estimate that monitoring a typical grant project will require approximately 40-60 additional hours of staff time to assure compliance with overlapping federal regulations and conditions. Participating businesses that fail to meet their anticipated job projections may face substantial penalties if the City determines that they did not make a "good faith effort."

If any portion of the loan project receives funding from the CDBG program, the borrower must meet all HUD standards and national objectives. The most common criteria that apply to these loans include the following:

- Benefit to low and moderate income persons or aid in the prevention or elimination of slums and blight. The "low/mod" requirement provides that 51% of the new jobs must be taken by or made available to low or moderate income persons. If not, the business must be located in a low-to-moderate census tract and serve such persons as its principal customers. This requirement severely limits the City's ability to assist industrial and manufacturing firms with a regional market.
- The criterion of aiding in the prevention of slums and blight is a secondary consideration which has even more complex measurements. These are considered by DPD on a case-by-case basis.
- "Necessary and appropriate determination" requires participating financial institutions to justify the level of participation necessary from public funds. The borrower must also attest to the necessity of City participation in the loan.
- Environmental review compliance requires the City to assess possible federal environmental impacts prior to its use of federal funds. This Environmental Review is conducted by the Department of Environment.
- The Davis-Bacon Act requires that all laborers and mechanics employed in a project be paid prevailing wages based on regional norms.
- Equal employment opportunity requires that businesses which receive loans must comply with the local ordinances and federal statutes which provide that no person shall be discriminated against on the basis of race, color, religion, sex or national origin.

- Anti-lobbying certification demands that no federal funds may be paid to any person for influencing an officer of any agency, member of Congress or employee of Congress in connection with a CDBG funded-loan program.

Currently, federal programs couple stringent application procedures with excessive monitoring after the fact. This duplication of effort results in administrative overkill at every level of government. Federal grant programs could be made more cost effective by streamlining the approval process and putting greater emphasis on monitoring outcomes. City staff, trained in federal regulatory procedures, are able to determine whether applicants meet federal standards. On that basis, they should be able to approve loan applications and start up projects more efficiently. Federal agencies could then audit development programs after completion to determine that all federal goals and objectives have been met. Basing federal grant programs on an assumption of intergovernmental cooperation and a good faith effort on the part of recipients would result in enormous savings for both the private sector and the public sector at every level while outcome-based monitoring procedures would increase overall accountability.

HUD: Housing Hurdles

Chicago's Department of Housing (DOH) responds to the City's crisis in affordable housing by using federal grant dollars to encourage the development of low and moderate income housing by private developers, non-profit agencies and individual property owners. The goal of these U.S. Department of Housing and Urban Development (HUD) programs is to provide "decent, safe, sanitary housing" to all Americans. HUD strives to accomplish this goal through grant programs which set out requirements that must be met to receive federal assistance. While this public-private partnership has created many residential units in Chicago, the cost of additional federal mandates is often unacceptable to property owners and developers who would otherwise be interested in building affordable housing.

Beyond the goal of providing quality low-income housing to communities, federal grant programs serve as vehicles for accomplishing other national goals such as cleaning up the environment, assuring access for the disabled, preserving historical areas and guaranteeing wage levels. These unfunded mandates are sometimes in conflict. Often, they discourage smaller companies and individual property owners from making use of federal assistance programs. Two recent development projects highlight some of the problems that arise when the City uses federal grants to encourage residential development.

In 1991, City housing officials worked through the loan application of a developer who wanted to rehabilitate a 32-unit building located in a transition area near Brighton Park. This much needed development project would have provided low and moderate income apartments for people employed in the area. The process, which absorbed almost 30 hours of DOH staff time spread over an eight week period, included meetings with the developer, review of the application, an appraisal of the property by the lender and a complete construction review of the building specifications and the site itself. Also included in the process were credit checks by the City's Department of Finance and an the environmental review conducted by the Department of Environment.

When the owner discovered how many federal mandates and requirements would apply to the project, he turned down the City's low-interest loan in favor of private financing. The owner determined that private financing would not entail requirements such as the prevailing wage mandate, the extensive reporting called for by the Davis-Bacon Act, historic preservation of the building facade called for by the National Historic Preservation Act, asbestos abatement required by the Asbestos Hazard Emergency Response Act (AHERA), nor the accessibility mandates of the Americans with Disabilities Act. Moreover, accepting federal financing through the City would have limited the owner to low and moderate income rent levels for the new units.

A recent survey of housing developers who work with the DOH on a regular basis indicates that the Davis-Bacon mandate alone can add as much as 25-30 percent to the cost of a project. Historic preservation mandates can double the cost of a housing unit. Other mandates significantly increase total construction costs as well. Taking these factors into consideration, the developer found a private lender willing to participate in the project and it has been completed. Lost, however is the guarantee that the units will be rented to people with low or moderate income.

HUD Thud

Burdensome regulations are a major culprit in the plight of public housing in Chicago. Recent news stories (*Crain's Chicago Business*, October 26, 1992; *Chicago Tribune*, November 2, 1992) confirmed information provided by Chicago Housing Authority (CHA) staff that between 1984 and 1991, while homelessness and housing shortages for poor people increased dramatically city-wide, total residency in public housing in Chicago declined 16 percent. Even more disturbing, vacancy rates in some of the largest public housing developments increased to as high as 45 percent. Some of the largest projects have the highest vacancy rates (see Table III below).

Despite large increases in the number of people needing public housing, federal restrictions prevent CHA from using maintenance funds to build new housing. And there are virtually no federal dollars allocated for new housing construction. Twelve years ago, funding was available for the construction of 10,000 incremental public housing units nationally -- already far from adequate to meet the need. But by 1992, this was down to 1,500 per year <u>for the entire country</u>. Moreover, Housing and Community Development Act regulations require one-for-one replacement before razing high-rise buildings no matter how unsafe they are or how much they may harbor gangs, drugs or other problems. A slight modification of the law this year does permit the use of Section 8 certificates and vouchers to obtain housing for up to 50 percent of the residents of a razed building of 200 or more units; thus, only 100 replacement units in public housing would be required. But construction of 100 units could easily cost up to $10 million.

During the 1980s, practically no federal funds were available for maintenance and modernization. This compounded problems of shoddy construction and inadequate maintenance dating back to the original construction of many of the buildings. Since 1988, when Vincent Lane became CHA chairman, HUD has given the agency almost $400 million. But the backlog of undone repairs required that these dollars be used for major rehab work like tuckpointing and heating systems, leaving practically no money for repairs to apartments.

Now, HUD is pressuring the CHA to repair the boarded-up units. But unless currently occupied units are also repaired, abandoned ones may be merely recycled. HUD remains one of the most difficult federal agencies to work with. Regional officials and those in Washington are often at loggerheads with each other about the application of regulations. CHA officials believe that HUD deliberately underestimates the amount of time required to fulfill administrative mandates such as the Public Housing Management Assessment Program (PHMAP), a planning process required to receive HUD funds. In one case where HUD estimated a few hours to process PHMAP, CHA needed six people working for three weeks to complete the task to HUD specifications.

TABLE III

CHA Population Decreasing: Although the 1980s was a period of increasing homelessness and housing shortages for poor people, the population in Chicago Housing Authority developments dropped 16%, and the vacancy rate rose by 9% from 1984 to 1991.

Development	1991 population	Percent change from 1984	1984 vacancy rate	1991 vacancy rate
Horner	3,057	-52%	8%	45%
Washington Park	4,880	-50	11	33
Rockwell/Lawndale	4,033	-40	8	20
Hilliard	1,089	-32	2	1
ABLA	7,119	-31	4	27
Trumbull	1,431	-30	2	1
Cabrini-Green	6,991*	-20	17	31
Taylor	12,320	-18	15	17
Lathrop	1,893	-16	12	4
Leclaire	1,978	-16	1	2
Madden Park	1,631	-14	1	2
Dearborn	2,045	-14	4	7
Stateway Gardens	4,108	-12	15	9
Ickes	3,669	-10	5	3
Altgeld	6,096	-10	1	5
Wells	5,660	-9	17	28
Wentworth	1,193	-6	4	1
City/State	2,319	-4	0	4
Senior Housing	10,324	+14	3	3
CHA Total	**86,547**	**-16**	**8**	**17**

* As of September 1992 Source: Chicago Tribune 11/2/92

Low Income Housing: Heartbreak Hotel

Another project, currently underway in the Rogers Park area of Chicago, demonstrates how mandates complicate the development process, create delays and increase costs when federal funds are involved. It also illustrates how multiple mandates can be in conflict within a single project.

The $6,000,000 project will turn a boarded-up hotel into 134 low and moderate income rental units. Public funding will come from the federal CDBG program and the Illinois Housing Development Authority. A private lender will supply the remainder of the financing. Just as in the earlier example, all federal mandates and regulations will apply.

Project developers were just ten days from closing with all the necessary documents prepared when they were notified that, despite prior clearance, the Illinois Historic Preservation Agency (IHPA) had determined that the property was located in a "potentially historic area." Although the former hotel was neither in a designated historic district nor listed in the National Register of Historic Places, it would have to meet federal guidelines for protection of historic properties. The developer states that his agency was in "a frantic position of satisfying the new conditions or seeing months of work go down the drain."

IHPA, acting as the agent for the federal government, required the developers to make several changes in the rehab plans. The building's windows demanded the most costly modifications. The construction plans, ruled unacceptable by the IHPA, had called for replacing the old windows with modern energy efficient insulated models. To meet the revised conditions for loan approval, the developers were given the option of either repairing and re-installing the old wooden windows or replacing them with replicas.

After determining that repair of the old windows would increase original cost estimates by 75 percent, developers finally chose the option of replicating the old windows with a model that met IHPA requirements. However, these windows are not insulated. In order to meet energy conservation guidelines, storm windows will have to be installed on the inside of the window mullions, making them awkward to handle and difficult to clean. When the installation is complete, the windows still will be less energy efficient than the ones originally proposed by the architects.

This less-than-desirable solution, plus some special tuckpointing required by the preservation guidelines, adds $1,060 to the cost of each unit. These costs, coupled with extra architectural fees and delays, added a total of $160,000 to the cost of the project. Furthermore, the start of construction was delayed for two months while the developer awaited the necessary written approval from the Secretary of the Interior.

These and the costs of other mandates will be borne by the property owner. The City, on the other hand, will absorb the costs of monitoring the project and assisting the owner and his contractors in meeting all the governmental requirements that accompany federal grants.

Although IHPA has ruled that the hotel is located in a "potentially historic area," privately funded rehab projects in the same neighborhood are not required to comply with the layers of mandates and regulations that apply to federally assisted housing projects. Unfortunately, it is these requirements that keep many individual property owners and start-up companies out of the low and moderate income development programs sponsored by the City's Housing Department. Finding a more efficient, cost-effective way to meet federal goals and encourage housing development would help the City respond to the housing crisis and at the same time foster new job-creating enterprises.

Medicaid: Good Penmanship -- Poor Policy

Unfunded mandates and burdensome federal regulations sometimes take the form of arbitrary administrative directives from federal agencies and their private sector intermediaries. Too often, carrying out these directives deflects scarce staff and dollar resources away the department's mission -- providing services to Chicago residents.

The Department of Health, as a health care service provider, does extensive billing to the major federal health care programs, Medicare and Medicaid. Although Medicare billings go directly to the federal Health Care Finance Administration (HCFA), Medicaid reimbursement is processed by the state of Illinois. Both systems involve massive paperwork and record keeping on the part of the Department of Health.

Medicaid is the needs-based federal program which provides health care to the poor, with expenses and administration shared with states. Because the City's Health Department provides medical services directly to eligible residents through its clinic program, the department receives reimbursement from Medicaid.

In order to collect the reimbursements to which it is entitled, the City of Chicago submits about 120,000 Medicaid bills per year to the Illinois Department of Public Aid, the agency responsible for state reimbursement. Thanks to an obsolete but still operative federal regulation, each and every claim must be hand-signed by the Department's Director of Information and Revenue. Because he cannot personally sign all of these bills, he assigns the task to members of his staff who sign his name so the City can qualify for reimbursement.

Hand-signing these bills entails an estimated 4,000 staff hours per year to separate, sign and repackage the forms. This is the equivalent of more than two full-time staff positions in the department each year. While they are engaged in this useless exercise in penmanship, they are not in any way improving the health of the residents of Chicago, nor are they increasing the accountability of the state's Medicaid program. In addition, the City spends $3,000 on the forms and $1,000 for shipping them. This antiquated billing procedure adds an unfunded $44,000 expense to the City's budget, a cost that could be eliminated.

Medicare: Forms Over Function

In 1991-92, two changes in the City's Medicare program imposed additional costs on the Department of Health without significantly improving the health of the City's residents: a conversion in billing forms and a change in the department's status. Some of the new requirements did provide some additional health oversight by HCFA, but others brought no apparent benefit to the City or the federal government. None of the changes was accompanied by additional funding to assist the department with the cost of compliance. The total financial impact of these administrative directives is estimated to be $18,630.

In early December 1991, the department received notice from Aetna Insurance, the Medicare intermediary which processes City claims, of a change in the billing form used by the City. The new forms required the City to rearrange data collected on the form it previously used. This alone required reprogramming of the department's computer system at a cost to the City of $2,254 in salaries and miscellaneous expenses.

Two additional changes required even more staff time and effort: provider identification and new procedural coding. Aetna informed the department that, despite the fact that Health Department physicians are not separate providers, each one would have to have a Unique Physician Identification Number (UPIN) in order for the City to receive reimbursement. About half of the City's doctors did not already have a UPIN, so those applications had to be processed and sent to Aetna and the new numbers programmed into the computers. Health Department officials estimate the cost of the provider identification requirement to exceed $8,000 in clerical, physician and programmer time.

New procedural coding also added to the costs of changing over to the new forms. No longer could the City enter the standard CPT codes used throughout the health industry including Illinois Medicaid. In 1991, Aetna required the City to switch to "revenue codes" for the company's own internal purposes. This change alone required almost $1000 in programmer time.

Administrative costs for these changes added on another $2,000 and the cost of the new forms was almost $1,400. Due to the time-consuming nature of these administrative procedures, the department was unable to send any bills to Medicare from January 1, 1992 until mid-May. By losing four and a half months of billing, the City also lost that amount of interest on approximately $90,000 per month in revenue for an additional estimated cost of $4,500.

SECTION IV: FINANCIAL COST TO THE CITY OF CHICAGO

A variety of approaches were used to uncover the costs to the City of Chicago for unfunded mandates and burdensome regulations. They included two surveys of all city departments, interviews with city agency representatives and financial data secured from the Office of Budget and Management and the Office of the Comptroller.

While more detailed than other municipal-level studies of this type, the analysis produced figures that should be viewed as an approximation of these costs. It found that:

- **The total cost to the City of Chicago (1991) for unfunded mandates and burdensome regulations was over $223 million.**

- **Labor and non-labor costs at the department level related to unfunded federal and state mandates and regulations was $120 million and unrecoverable costs borne by the City to administer government grants was approximately $27 million.**

- **Costs attributable to aviation overregulation exceeded $12 million.**

- **Regulations emanating from the Tax Reform Act of 1986 which inhibit the City's ability to manage its debt in the most cost effective manner account for a loss of over $60 million to the City.**

- **An assortment of environmental rules contributed to a $95 million in mandated costs. Between 1992 and 1995,**

it is estimated that $319,240,373 will be spent by the City on unfunded environmental mandates.

These results are consistent with findings in other parts of the country. For example, in examining the fiscal consequences of these mandates on its budget, a task force in Columbus, Ohio determined that between 1991 and the year 2000, the financial burden will be $1.6 billion.[20] In addition, the Columbus group noted that:

- The city was responsible for more than 75 new environmental mandates from 1988 - 1991 and that before that period only 40 were in effect;
- Additional mandates are being passed without accompanying funding, despite the fact that their passage places burdens on local government. This means that an increasing percentage of city budgets must be allocated for environmental compliance, leaving fewer funds for traditional governmental services and allowing city leaders far less freedom in budgeting;
- The study estimated that 10.6 percent of the city's 1991 budget, or $62 million, was spent for environmental compliance on the regulations studied. In 1995, the study estimated, this total will rise to $107 million, or 18.3 percent of the city budget. Environmental compliance costs for the years 1996 - 2000 will average $135 million annually, or 23.1 percent of the total budget;
- The federal government has undertaken an aggressive enforcement policy as illustrated by the fact that 1990 accounted for 25 percent of all fines ever levied by the federal Environmental Protection Agency. In one recent enforcement adjudication, the City of San Diego was fined $500,000, made

[20] Richard C. Hicks, "Environmental Legislation and the Costs of Compliance," *Government Finance Review* (April, 1992), p.8.

to pay $2.5 million into a water conservation program and forced to spend $2.5 billion for secondary sewage treatment capacity. [21]

According to a recent Fortune Magazine special report (October 19, 1992), the most authoritative estimate on the aggregate cost of regulation in 1991 is more than a half-trillion dollars -- nearly 10 percent of the nation's gross national product. One component of the overall regulatory burden is overregulation. The report noted that the United States will spend approximately $1.6 trillion on environmental cleanup during the 1990s -- roughly a third more in constant dollars than during the past two decades combined. However, large gains that have occurred thus far have been won at relatively low cost and, in many cases, only marginal improvements are possible at exceedingly high cost.

Again, the purposes underlying development of many mandates and regulations are uncontested in this report. However, alone and in the composite, they can place an extraordinary economic burden on financially strapped local government units. Mayors and local legislative bodies find their discretion severely diminished in balancing competing high priority needs and in setting priorities. Local government units face enormous budgetary problems. In 1991, for example, nearly 40 percent of county governments in jurisdictions with more than 100,000 residents experienced budget deficits.[22]

The financial outlays attributable to unfunded mandates can be staggering at the local level. Between 1980 and 1984, the City of New York faced 47 substantial federal and state mandates.

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[21] Id.

[22] National Association of Counties, County Government Budget Shortfall Report, August, 1991, p.3.

The total cost to the city in meeting those requirements was $711 million in capital expenditures, $6.25 billion in expense-budget dollars and $1.66 billion in lost revenue.[23] In Georgia, the Department of Community Affairs surveyed 10 cities and 14 counties to determine the impact of unfunded mandates and regulations (1992). Unfunded federal mandates accounted for 21.2 percent of total general expenditures, a total of $187 million.[24] Likewise, a survey completed in September, 1991, disclosed that over 50 percent of Suffolk County, New York general fund expenditures were devoted to paying for federal and state mandated programs and that mandate relief plans could save localities tens of millions of dollars.[25]

Nationally, the Congressional Budget Office has estimated that the 1974 Safe Drinking Water Act cost local water departments up to $3 billion a year to implement. In California, the costs of local government mandates from the state that originated at the federal level were conservatively estimated to be $1.3 billion during the 1991-92 fiscal year.[26]

Increasing Federal Requirements:
Less Federal Support

Local governments face inordinate financial pressures due to unfunded mandates and regulations. These losses occur against a backdrop of declining federal dollars to cities. Governments are

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[23] Edward I. Koch, "The Mandate Millstone," The Public Interest 61 (Fall 1980), p.42.

[24] Jim Wooten, "Congress Passing the Buck," The Atlanta Constitution, June 14, 1992.

[25] Roni Rabin, "Islip May Target Federal Mandates; Town Officials Mull Challenge in Court," Newsday, December 20, 1992.

[26] Governor's Office, Office of Planning and Research, Federal Mandates on Local Governments, Report to the League of California Cities and County Supervisors Association of California, May 14, 1991.

still adjusting to these shifts. In Illinois, for example, federal outlays to Chicago area governments peaked in 1981 and fell through the decade; real per capita aid from the federal government to Cook County governments fell 36 percent.[27] While Illinois state government made tentative efforts to help local governments cope, the response was relatively weak and unfocused.[28] A study by the Congressional Research Service ranked Illinois 48th among the states in its effort to substitute own-source revenues for declining federal support from 1980 to 1986.[29]

An enormous decrease in federal outlays to the City of Chicago has occurred and is continuing:

- In 1980, federal dollars accounted for 29% of the City's budget: $605 million out of $2.07 billion in total spending.
- By 1993, federal dollars will account for only 14% of the City's budget: $519 million of $3.8 billion total spending.
- While federal dollars have declined, the City's budget has grown by more than 33%. A significant part of that $1.73 billion increase is due directly to the increased cost of meeting federal mandates.
- Adjusted for inflation, the City is today getting less than half of what it received in 1980.
- For 1993, federal grants are estimated at $519 million. The projected $91 million increase over 1992 is due to large transportation projects.
- Excluding transportation grants, federal support for the City's 1993 programs and services has decreased $77 million from the 1980 level ($438 million in 1980; $360 million for 1993).

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[27]The Regional Partnership, Seeking a New Balance: Paying for Government in Metropolitan Chicago, April, 1991, p. 3.

[28]Id. p.3.

[29]The Regional Partnership, op. cit., 1991.

The following tables illustrate major programs in Chicago which have lost federal funds since 1980 (a total of $194.2 million), and those which have gained funds since 1980 ($94.8 million lost) for a net decline of $99.4 million.

Table I: Highlights of Major Losses
[dollars in millions]

	1980	1993
Community Development Block Grant (for economic development, housing, social services).	128.4	111.0
Revenue Sharing (operating funds; program ended 1986)	71.3	-0-
(for economic development projects to stimulate job creation. Program ended in 1989.)	23.9	-0-
Job Training (CETA in 1980, JTPA in 1993)	125.3	50.8
Community Service Block Grant (social services for low-income Chicagoans)	13.1	6.0

Table II: Highlights of Gains
[dollars in millions]

	1980	1993
Day Care and Heat Start	$34.8	$68.2
Homeless Shelter and Services	-0-	4.4
Older American Act/Services for Seniors	7.8	11.9
Federal Health Programs (major growth in funds for infant mortality and AIDS prevention)	14.7	35.9
Federal Housing Programs (assumes $25 million from HOME Program)	2.2	33.9

In order to estimate the costs of mandate and regulatory compliance in Chicago, the Institute for Metropolitan Affairs developed a survey instrument containing approximately seventy-five mandate and regulatory categories emanating from federal and state government, with the large majority of federal origin. In addition, working with the City's Office of Budget and Management and the Comptroller's Office, a centralized picture was derived of the city effort to comply with various mandates and regulations that transcend individual departments. A special analysis was conducted to determine the costs of environmental mandates imposed on the City of Chicago. Finally, Institute staff met on an individual basis with department heads and deputy commissioners from those departments experiencing the financial impact from unfunded mandates and burdensome regulations. Technical and analytical support was provided by David M. Griffith & Associates, Inc. (see attached Appendix tables).

The Administration of Federal Grants and Projects: <u>Unrecoverable Expenses</u>

Before reviewing the survey results, it is useful to assess unrecoverable expenses associated with the City's involvement with federal programs and state pass-throughs. Grants from federal and state agencies provide the City with approximately $500 million annually. Although the terms of each grant are distinct, each contains rules governing recovery of direct and indirect costs. Many grants limit the City's ability to recover the full amount of its grant or project related expenses, particularly if they are administrative overhead costs. The study team included these expenses as unfunded mandated costs.

These unfunded expenses are most severe for federal programs which are passed through the state to the City as opposed to those which are received by the City directly from federal sources. State pass through grants prohibit charging any portion of the indirect cost rate to a grant. Federal limitations on the recoverability of grant related administrative costs ordinarily set absolute dollar or percentage ceilings. In some cases such as those related to the National Council of Senior Citizens and the Department of Energy, the federal authorities also allow no compensation for indirect costs.

Using audited data from the City's 1991 departmental budgets, the Comprehensive Annual Financial Report (CAFR), the City Wide Cost Allocation Plan and the Indirect Cost Plan, the unrecovered and unrecoverable portion of administrative costs for the ten City departments receiving the largest amount of federally initiated grants were determined. The analysis showed that in 1991 ten City departments (Health, Human Relations, Library, Aging, Economic Development, Housing, Human Services, the Mayor's Office of Employment and Training, Planning and Transportation) expended a total of $31,316,918 for the administration of federal grants and projects but received only $6,276,000 in reimbursements. The unrecovered and, ultimately, unrecoverable administrative costs incurred by these ten departments was $25,040,918.

A more complete analysis of the unrecovered costs associated with the administration of grant programs also must consider the cost of the City's Special Accounting Division. This office employs 89 full time persons, 66 of whom are funded solely by the City at a cost of $2.128 million. They work on matters related to federal grant programs including the distribution of funds, record keeping, accounting and auditing of records, oversight of compliance requirements and writing required grant reports.

The total costs incurred by the City in order to meet the requirements of federal grants are, at least, $27,168,918.

Departmental Analysis

The City agency survey determined that the total cost to the City of higher government mandates was $119,873,475. Of this total, $72,065,420 was attributed to non-labor costs. The additional $47,808,055 was the cost for fully loaded labor costs (direct labor costs: $24,137,641; fringe benefits: $12,719,324; overhead: $6,951,090; and Medicare: $4,000,000). These labor costs represented 1,299,764 hours expended by all City departments for federal and state mandate compliance.

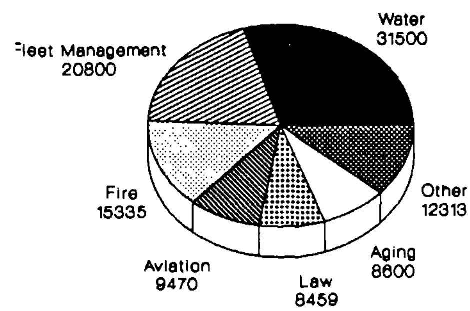
A break out by federal and state imposed mandates is shown in the table below:

	Federal	State	Total
Labor	$23,969,276	$19,838,779	$43,808,055
Non-Labor	$60,212,394	$11,853,001	$72,065,395
Medicare	$4,000,000	---	$4,000,000
Total	$88,181,670	$31,691,780	$119,873,450

Federal Environmental Mandates

Using the number of hours dedicated to servicing a mandate as the barometer of a department's mandated expenses, it can be seen from Chart 1 that federal environmental mandates fall disproportionately on the following six departments in descending order of magnitude: Water, Fleet Management, Fire, Aviation, Law and Aging. Their total commitment to servicing federally mandated environmental programs is 93,564 hours or 88.4% of the City's total of 105,877 hours for these programs. Fourteen departments reported no administrative costs related to federal environmental mandates.

Chart 1: Hourly Burden
Servicing Environmental Mandates



Institute for Metropolitan Affairs

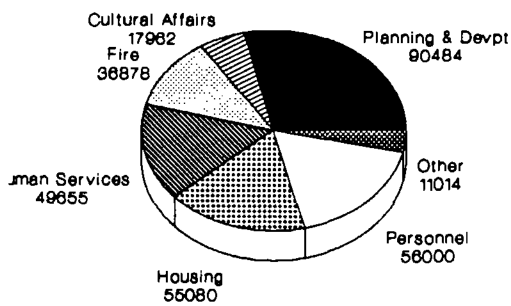
The burden for all federal environmental mandates represents 14.5% of the total of 731,063 hours for all federal mandates. The $52,645,372 non-labor costs of the environmental mandates, however, is 87.4% of the total of $60,212,394 for non-labor costs related to all federal mandates. Thus, federal environmental mandates represent a very large portion of the City's unfunded mandate costs.[30]

[30] The total environmental costs (labor and non-labor) obtained through the department survey were approximately $40 - $45 million less than the $95 million figure centrally derived in conjunction with the City's Department of Environment. The centralized analysis included $8 million per year for five years to retrofit the Northwest Incinerator; $6.5 million per year permitting fees for the Northwest Incinerator; $13.3 million per year for three years to paint the Skyway Bridge. The estimates also should include the $41 million bond issue for blue bag recycling and at least $3 million per year anticipated to begin in 1993 for corrosion control treatment under the Safe Drinking Water Act.

Federally Mandated Community Development Programs

Federal community development programs also cost the City a substantial amount of money. Table 2 shows an hourly total related to these programs of 317,073 and non-labor costs of $1,835,350. This represents 43.4% and 3.04% of the City's total in each category, respectively.

Chart 2: Hourly Burden
Community Development Programs



Institute for Metropolitan Affairs

As noted for environmental programs, federal community development mandates fall unevenly on the City's governmental departments. Chart 2 (above) shows that six departments carry the brunt of these mandates. In descending order of magnitude, they are Planning and Development, Personnel, Housing, the Department of Human Services, Fire and Cultural Affairs. Together, their investment in federally mandated community development programs is 306,059 hours or 96.5% of the total of 317,073 hours for these mandates. Seventeen departments concurrently reported no hourly costs associated with these mandates.

Other Federal Mandates

The potpourri of other federal mandates occupies the remaining 308,311 hours for mandate compliance, or 42.2% of the total. Seven departments in descending order of magnitude are most affected through compliance with these mandates: Personnel, Aging, Police, Law, Planning and Development, Health, and Housing. Together, they spend 279,373 hours servicing this array of mandates. This is 90.7% of the City departmental total of 308,113 hours for these mandates. Additionally, the departmental total non-labor costs for these mandates is $5,731,672 or 9.6% of non-labor costs related to all federally mandated programs.

State Mandates

Mandates emanate from the state as well as federal government and impose additional expenses upon the City. They require 568,701 hours of compliance time and add $11,853,001 of non-labor costs. Like federal mandates, those imposed by the state affect departments differently. The five departments most heavily involved in administering state mandates are in descending order: Streets and Sanitation, Fire, Revenue, Law and Health. Together they represent 496,804 administrative hours or 87% of the City's total for servicing state mandates.

Burdensome and Costly Federal Regulations

Mandated programs are only one category of expenses incurred by the City because of actions of the federal government. A second category is regulations that impose undue financial burdens and loss of efficiency on city government. Although it as almost impossible to develop a comprehensive list of all relevant federal regulations, it is possible to gain an appreciation for the extent of this type of expense. As an example, it is possible to identify opportunity costs of $280 million in lost economic activity because of the slot distribution and high density rules applied by the Federal Aviation Administration to O'Hare Airport (see Section III at pp. 40-42).

Of great long term impact are those regulations emanating from the Tax Reform Act of 1986 which inhibit the cities' ability to manage its debt in the most cost effective manner. The three most severe restrictions regarding municipal debt management are: arbitrage rebate, municipal bond refinancing and industrial development bonds.

1. **Arbitrage Rebate**

Arbitrage is a financial strategy in which a profit is made on an item's price discrepancies when a financial instrument is being bought and sold simultaneously on different markets. Prior to 1986, the City was permitted to invest revenue obtained through the sale of municipal bonds at interest rates greater than the yield being paid to the bonds' holders and to retain these "arbitrage" profits for itself. This profit allowed the City to issue fewer municipal bonds and reduce its own indebtedness.

Section 148 of the 1986 Internal Revenue Code effectively eliminated "arbitrage" income for the City. It states that any differential in the interest earned by the City in excess of the yield being paid on the municipal bonds which are the source of the invested revenue must be rebated to the federal government, thus the term "arbitrage rebate." This rule denies the City a former source of income and is a deterrent to sound debt management.

former source of income and is a deterrent to sound debt management.

In order to prevent cities from using "arbitrage rebate" as an excuse for poor debt management, the tax code also establishes penalties if a city invests its bond revenues for less than the imputed returns that federal authorities believe it should be earning. In extreme cases of mismanagement, federal authorities are permitted to rescind the tax exempt status of the municipal bonds, thus rendering them undesirable. The net results of these rules and penalties is a no-win situation for the city. It cannot reap the benefits of good debt management because of "arbitrage rebate" and can be penalized for not seeking to make a profit it cannot keep.

Computation of the rebate owed by the city must be made five years after a municipal bond is issued or 60 days after it is refinanced. No rebate is required if the bond's proceeds are spent in an acceptable fashion within 6 months after issuance or if the city spends down the funds in an acceptable manner over an established, two year schedule. The process for determining the amount to be rebated in light of all applicable rules is very complex. It requires the equivalent of four full time persons with an average salary of $50,000 ($200,000 total) per year for data collection. Analysis of the data is done by external consultants who charge $3,000 to $25,000 for each bond issue. In 1991, the city spent approximately $100,000 - $150,000 for the assessment of its "arbitrage rebate" obligations.

While $300,000 to $350,000 annually is a substantial cost for administering "arbitrage rebate", it pales in comparison to the size of the rebate itself. In 1991, the City of Chicago rebated $18,398,153 arbitrage profits to the federal government.

2. Municipal Bond Refinancing

An issuer of debt instruments always seeks to obtain a low interest rate in order to reduce its expenses. In those instances when interest rates decline after the issuance of the debt instrument, the issuer seeks to refinance in order to take advantage of the new rates. Prior to 1986, the City had the ability to seek refinancing whenever it was beneficial. Since the imposition of Section 149b of the 1986 tax code, the City has been unable to take full advantage of favorable changes in interest rates to refinance municipal bonds.

The City retains unlimited flexibility to seek refinancing only if the debt it issued is not "callable." Callability is a protection afforded an investor or bond holder. It prohibits the bond issuer from paying off the bond prior to maturity or a fixed date in the life of the bond. It thus locks in the bond's interest until the "call date."

Most municipal bonds are issued for 20 years and are not callable for the first 10 years. If interest rates decline during the initial 10 years of the bond's life, the City would like to be able to "advance" refinance and hold the money in escrow until the "call date." Until 1986 the City was able to do this without constraint. Since 1986, however, the refinancing of municipal debt prior to "callability" has been limited to one refinancing per debt issue. This has hurt the City's ability to reduce the burden of its debt expenses. The estimated loss to the City because it has had to pay higher than desirable interest rates on five municipal bond obligations is approximately $45,000,000 over their remaining life.

3. Industrial Development Bonds

Section 144 of the Tax Reform Act of 1986 diminished the City's ability to issue Industrial Development Bonds (IDB) to aid private developers assisting in the economic growth of the City. Prior to 1986 IDBs were available for commercial as well as manufacturing purposes. After 1986 only the latter purpose remained.

Section 144 also contained a "sunset" provision which required congressional reauthorization of the IDBs in order for them to remain in existence. In 1992 that reauthorization was not forthcoming. Therefore, on June 30, 1992 IDBs no longer were available to the City to assist developers for any purpose. In light of the difficulty of obtaining regular bank financing in our current economic climate, the loss of IDBs at this time is particularly troubling for the City's economic advancement.

In an effort to fill the void left by the elimination of IDBs, the City has used a technique called Tax Increment Financing (TIF). A project assisted by TIF is one in which the City dedicates all future tax income from the project back to the project. The project, therefore, is taken off of the general tax base. At the present time, 6 TIF issues are outstanding. As of December 31, 1991 they had a par value of $29,591,000. The tax on this amount is income that the City cannot use for general revenue purposes.

Summary

The table below summarizes the financial burdens experienced by the City of Chicago because of the unfunded mandates, mandate service requirements and burdensome regulations other than TIF discussed in this section.

Summary of 1991 Unfunded Mandate and Regulation Costs

ANNUAL LOSS ESTIMATE	
CITY LINE AGENCY COSTS	$120,000,000
UNRECOVERABLE ADMINISTRATIVE COSTS	$27,000,000
ARBITRAGE REBATE ADMINISTRATION	$325,000
SUB-TOTAL	$147,325,000
ADDITIONAL ANNUAL LOSS	
AVIATION RESTRICTIONS	$12,650,000
TOTAL ANNUAL LOSS	$159,975,000
NON-ANNUAL LOSS FOR 1991	
ARBITRAGE REBATE	$18,000,000
FEDERAL REFINANCING RESTRICTIONS	$45,000,000
SUB-TOTAL	$63,000,000
GRAND TOTAL	$222,975,000

Excluding TIF related costs and any other figures for which documentation is uncertain or which may overlap with moneys already accounted for, the cost to Chicago of unfunded mandates and burdensome regulations is at least $222,975,000.

APPENDIX I

FINANCIAL ANALYSIS

dmg
DAVID M. GRIFFITH & ASSOCIATES, LTD.
650 Dundee Road, Suite 275 Northbrook, Illinois 60062 Phone (708) 564-9270 FAX (708) 564-9136

October 22, 1992

Dr. Richard M. Krieg
Executive Director
Institute for Metropolitan Affairs
Roosevelt University
430 South Michigan Avenue
Chicago, Illinois 60605

Dear Rich:

The following is the Federal/State mandate cost breakdown:

	Federal	**State**	**Total**
Labor	$23,969,276	$19,838,779	$43,808,055
Non-Labor	60,212,394	11,853,001	72,065,395
Medicare	4,000,000	------	4,000,000
Total	$88,181,670	$31,691,780	$119,873,450

Please note two differences from the sheet we sent you yesterday:

1) The total mandate cost of $115 million we sent yesterday did not include the $4 million Medicare cost. If Medicare is considered a mandate, the annual cost of mandates is $119 million.

2) Despite our best efforts to the contrary, the non-labor costs do not "foot." They are off by $25. We will not investigate the source of this discrepancy unless you consider it vital, because the amount is immaterial.

Please call us at (708) 564-9270 if you have questions.

Yours truly,
DAVID M. GRIFFITH & ASSOCIATES, LTD.

Bruce

Bruce Cowans
Manager

DAVID M. GRIFFITH & ASSOCIATES, LTD.
650 Dundee Road, Suite 275 Northbrook, Illinois 60062 Phone (708) 564-9270 FAX (708) 564-9136

October 21, 1992

Dr. Richard M. Krieg
Executive Director
Institute for Metropolitan Affairs
Roosevelt University
430 South Michigan Avenue
Chicago, Illinois 60605

Dear Rich:

We enclose our summary of mandate costs based on your survey of city departments. The total cost of mandate compliance is approximately $115 million. We also enclose a summary of our methodology.

Please call us at (708) 564-9270 if you have questions. Best of luck.

Yours truly,
DAVID M. GRIFFITH & ASSOCIATES, LTD.

Bruce Cowans
Manager

enclosures

dmq

CITY OF CHICAGO
COST OF FEDERAL AND STATE MANDATES
METHODOLOGY

The estimated cost of mandates is based on a City survey by department of the hours and non-labor costs involved in annual compliance with various listed mandates. The responses were prepared by departments themselves at the request of the Mayor.

A **labor rate** for each department was obtained from the 1992 budget by dividing personal service costs by total hours worked by the department per year, assuming a 2,080 hour work year.

Total direct labor cost is obtained by multiplying total hours times the average hourly rate for the department. Labor costs are estimated at **$24,137,641**.

The **fringe benefit rates** used for each department include compensated absences, but exclude Medicare, which was estimated separately at **$4 million** per year. Fringe rates vary by average hourly rate. The rate is lower for higher salary rates because of certain fixed benefit costs or ceilings on wages applicable to fringe benefits. The rates were obtained from the enclosed fringe benefit chart, using the fringe rate excluding Medicare for the hourly labor rate closest to the department's actual rate. Fringe costs are **$12,719,324**.

The **overhead rates** by department were obtained from the City's 1992 full cost version of the Central Services Cost Allocation Plan. They exclude fringe benefit costs which are described above. They include centrally-budgeted costs that are for the benefit of one or more department. Examples are building use, equipment use, central purchasing and so forth. Please refer to the plan itself for a full discussion of the methodology. Overhead costs are **$6,951,090**.

The **fully-loaded labor cost** for a department is the sum of total direct labor and the applicable fringe benefit and overhead costs for that labor effort.

Non-labor cost estimates were provided by each department. These are estimated at **$72,065,420**.

Total cost is the sum of fully-loaded labor cost, Medicare and non-labor cost.

CITY OF CHICAGO
PROPOSED FRINGE BENEFIT RATES
BASED ON A SINGLE HOSPITALIZATION RATE
MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND
FOR THE PERIOD JANUARY 1, 1992 THROUGH DECEMBER 31, 1992

CITY SALARY AMOUNT	HOURLY RATE	HOSPITAL INSURANCE AMOUNT	UNEMPLOYMENT INSURANCE AMOUNT	VACATION ACCRUAL 7.64%	SICK LEAVE 0.71%	WORK. COMP. AMOUNT 3.30%	HOLIDAY PAY 5.00%	MEDICARE INSURANCE 1.45%	FRINGE WITH MEDICARE	FRINGE WITHOUT MEDICARE	CITY PENSION 14.365%	TOTAL WITH MEDICARE	TOTAL WITHOUT MEDICARE
$12,000	6.593	7,200	56	917	85	396	600	174	9,428	9,254	1,724	92.932%	91.482%
14,000	7.692	7,200	66	1,070	99	462	700	203	9,799	9,596	2,011	84.361%	82.911%
16,000	8.791	7,200	75	1,222	114	528	800	232	10,171	9,939	2,298	77.932%	76.482%
18,000	9.890	7,200	85	1,375	128	594	900	261	10,542	10,281	2,586	72.932%	71.482%
20,000	10.989	7,200	94	1,528	142	659	1,000	290	10,913	10,623	2,873	68.932%	67.482%
22,000	12.088	7,200	103	1,681	156	725	1,100	319	11,285	10,966	3,160	65.660%	64.210%
24,000	13.187	7,200	113	1,834	170	791	1,200	348	11,656	11,308	3,448	62.932%	61.482%
26,000	14.286	7,200	122	1,986	185	857	1,300	377	12,027	11,650	3,735	60.625%	59.175%
28,000	15.385	7,200	132	2,139	199	923	1,400	406	12,399	11,993	4,022	58.647%	57.197%
30,000	16.484	7,200	141	2,292	213	989	1,500	435	12,770	12,335	4,310	56.932%	55.482%
32,000	17.582	7,200	150	2,445	227	1,055	1,600	464	13,142	12,678	4,597	55.432%	53.982%
34,000	18.681	7,200	160	2,598	241	1,121	1,700	493	13,513	13,020	4,884	54.109%	52.659%
36,000	19.780	7,200	169	2,750	256	1,187	1,800	522	13,884	13,362	5,171	52.932%	51.482%
38,000	20.879	7,200	179	2,903	270	1,253	1,900	551	14,256	13,705	5,459	51.880%	50.430%
40,000	21.978	7,200	188	3,056	284	1,319	2,000	580	14,627	14,047	5,746	50.932%	49.482%
42,000	23.077	7,200	197	3,209	298	1,385	2,100	609	14,998	14,389	6,033	50.075%	48.625%
44,000	24.176	7,200	207	3,362	312	1,451	2,200	638	15,370	14,732	6,321	49.296%	47.846%
46,000	25.275	7,200	216	3,514	327	1,517	2,300	667	15,741	15,074	6,608	48.584%	47.134%
48,000	26.374	7,200	226	3,667	341	1,583	2,400	696	16,112	15,416	6,895	47.932%	46.482%
50,000	27.473	7,200	235	3,820	355	1,649	2,500	725	16,484	15,759	7,183	47.332%	45.882%
52,000	28.571	7,200	244	3,973	369	1,715	2,600	754	16,855	16,101	7,470	46.778%	45.328%
54,000	29.670	7,200	254	4,126	383	1,781	2,700	783	17,226	16,443	7,757	46.266%	44.816%
56,000	30.769	7,200	263	4,278	398	1,847	2,800	812	17,598	16,786	8,044	45.789%	44.339%
58,000	31.868	7,200	272	4,431	412	1,913	2,900	841	17,969	17,128	8,332	45.346%	43.896%
60,000	32.967	7,200	282	4,584	426	1,978	3,000	870	18,340	17,470	8,619	44.932%	43.482%
62,000	34.066	7,200	291	4,737	440	2,044	3,100	899	18,712	17,813	8,906	44.545%	43.095%
64,000	35.165	7,200	301	4,890	454	2,110	3,200	928	19,083	18,155	9,194	44.182%	42.732%
66,000	36.264	7,200	310	5,042	469	2,176	3,300	957	19,454	18,497	9,481	43.841%	42.391%
68,000	37.363	7,200	319	5,195	483	2,242	3,400	986	19,826	18,840	9,768	43.520%	42.070%
70,000	38.462	7,200	329	5,348	497	2,308	3,500	1,015	20,197	19,182	10,056	43.218%	41.768%
72,000	39.560	7,200	338	5,501	511	2,374	3,600	1,044	20,568	19,524	10,343	42.932%	41.482%
74,000	40.659	7,200	348	5,654	525	2,440	3,700	1,073	20,940	19,867	10,630	42.662%	41.212%
76,000	41.758	7,200	357	5,806	540	2,506	3,800	1,102	21,311	20,209	10,917	42.406%	40.956%
78,000	42.857	7,200	366	5,959	554	2,572	3,900	1,131	21,682	20,551	11,205	42.163%	40.713%
80,000	43.956	7,200	376	6,112	568	2,638	4,000	1,160	22,054	20,894	11,492	41.932%	40.482%
82,000	45.055	7,200	385	6,265	582	2,704	4,100	1,189	22,425	21,236	11,779	41.713%	40.263%
84,000	46.154	7,200	395	6,418	596	2,770	4,200	1,218	22,797	21,579	12,067	41.504%	40.054%
86,000	47.253	7,200	404	6,570	611	2,836	4,300	1,247	23,168	21,921	12,354	41.304%	39.854%
88,000	48.352	7,200	413	6,723	625	2,902	4,400	1,276	23,539	22,263	12,641	41.114%	39.664%
90,000	49.451	7,200	423	6,876	639	2,968	4,500	1,305	23,911	22,606	12,929	40.932%	39.482%
92,000	50.549	7,200	432	7,029	653	3,034	4,600	1,334	24,282	22,948	13,216	40.758%	39.308%
94,000	51.648	7,200	442	7,182	667	3,100	4,700	1,363	24,653	23,290	13,503	40.592%	39.142%
96,000	52.747	7,200	451	7,334	682	3,166	4,800	1,392	25,025	23,633	13,790	40.432%	38.982%
98,000	53.846	7,200	460	7,487	696	3,232	4,900	1,421	25,396	23,975	14,078	40.279%	38.829%
100,000	54.945	7,200	470	7,640	710	3,297	5,000	1,450	25,767	24,317	14,365	40.132%	38.682%

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	CABLE	DHS	ETHICS	LIBRARY	PERSONNEL	SPECIAL EVENTS	WATER	POLICE BOARD	ANIMAL CONTROL COMMISSION	POLICE
ENVIRONMENTAL										
RESOURCE RECOVERY										
UNDERGROUND TANKS				8			2,000			
RIGHT TO KNOW (SARA)		3								
WATER ACT						12				
CLEAN AIR				40		14				
SOLID WASTE						36				
EXPLOSIVE GAS						12				
INFECTIOUS WASTE									12	
SAFE WATER						12	20,000			
OSHA				10			9,500		12	
ASBESTOS				30						
FEDERAL INSECT				8						
TOXIC SUBSTANCE				8						
LOCAL CONTAMINATION										
OTHER						10				
OTHER						12				
OTHER										
SUBTOTAL ENVIRONMENTAL	**0**	**3**	**0**	**104**	**0**	**108**	**31,500**	**0**	**24**	**0**

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	MIS	MRL	ZONING	REVENUE	MAYOR'S LICENSE	CONSUMER SERVICES	GRAPHICS	HOUSING	FIRE	CULTURAL AFFAIRS
ENVIRONMENTAL										
RESOURCE RECOVERY									300	
UNDERGROUND TANKS	100		150					60	10,910	
RIGHT TO KNOW (SARA)									1,725	
WATER ACT									100	
CLEAN AIR										
SOLID WASTE										
EXPLOSIVE GAS									1,200	
INFECTIOUS WASTE										
SAFE WATER										
OSHA									300	10
ASBESTOS								80	500	
FEDERAL INSECT										
TOXIC SUBSTANCE									200	
LOCAL CONTAMINATION										
OTHER									100	10
OTHER										
OTHER										
SUBTOTAL ENVIRONMENTAL	**100**	**0**	**150**	**0**	**0**	**0**	**0**	**140**	**15,335**	**20**

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	BUILDINGS	SEWERS	INSPECTOR GENERAL	HEALTH	MET	STREETS	FLEET MGMT	PLAN & DEVLOP	AGING	PEOPLE W/ DISABILITIES
ENVIRONMENTAL										
RESOURCE RECOVERY										
UNDERGROUND TANKS	2,812						20,400	177		
RIGHT TO KNOW (SARA)		40		450						
WATER ACT		40								
CLEAN AIR							200			
SOLID WASTE		80								
EXPLOSIVE GAS		624								
INFECTIOUS WASTE										
SAFE WATER		20								
OSHA		2,736		2,900		1,586	100	30		
ASBESTOS	50							75		
FEDERAL INSECT										
TOXIC SUBSTANCE										
LOCAL CONTAMINATION										
OTHER							100	44	8,000	
OTHER										
OTHER										
SUBTOTAL ENVIRONMENTAL	**2,862**	**3,540**	**0**	**3,350**	**0**	**1,586**	**20,800**	**326**	**8,000**	**0**

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	COMMISSION ON HUMAN RELATIONS	LAW	AVIATION	MEDICARE	TOTAL HOURS	NON-LABOR COSTS	TOTAL COST
ENVIRONMENTAL							
RESOURCE RECOVERY		280			580	100	
UNDERGROUND TANKS		330	1,000		37,947	2,479,575	
RIGHT TO KNOW (SARA)					2,218	2,062	
WATER ACT		10			162	50	
CLEAN AIR		15	100		369	945,300	
SOLID WASTE		20			136	50	
EXPLOSIVE GAS					1,836	8,100	
INFECTIOUS WASTE					12	360	
SAFE WATER					20,032	250,000	
OSHA		5			17,189	6,363,170	
ASBESTOS		280	50		1,065	1,505,755	
FEDERAL INSECT		4			12		
TOXIC SUBSTANCE		15			223	100	
LOCAL CONTAMINATION					0		
OTHER		7,200	8,320		23,784	40,910,750	
OTHER					12	150,000	
OTHER		300			300	30,000	
SUBTOTAL ENVIRONMENTAL	**0**	**8,459**	**9,470**		**105,877**	**52,645,372**	

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	CABLE	DHS	ETHICS	LIBRARY	PERSONNEL	SPECIAL EVENTS	WATER	POLICE BOARD	ANIMAL CONTROL COMMISSION	POLICE
COMMUNITY DEVELOPMENT										
CENSUS DATA		10								
PROJECT ELIGIBILITY		2,200								
CLIENT DATA		8,110								
INCOME INFORMATION		12,520								
APPLICATION SUBMISSION		1,784			5,000					
CERTIFICATIONS		119			1,000					
PUBLIC HEARINGS		766		20						
PUBLICIZE FINDINGS										
UNIFORM ADMIN. REQUIRE.		220								
FINANCIAL MGMT		1,920								96
FINANCIAL REPORTS		1,569								
PROCUREMENT COSTS		1,375								
AUDIT COSTS		423								
MONITOR SUB-RECIPIENTS		70								96
EQUIPMENT INVENTORY		242		8						
DELEGATE AGENCY		4,081								
RECORDS MAINTENANCE		7,601		20	50,000					96
REQUIRED REPORTS		5,424								96
UNIFORM RELOCATION										
EMPLOYMENT & CONTRACTING		843		16						
LEAD BASED PAINT				8						
ENVIRONMENTAL REVIEWS										
OTHER		378								
OTHER										
OTHER										
SUBTOTAL COMMUN. DEVELOP	**0**	**49,655**	**0**	**72**	**56,000**	**0**	**0**	**0**	**0**	**384**

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	MIS	MRL	ZONING	REVENUE	MAYOR'S LICENSE	CONSUMER SERVICES	GRAPHICS	HOUSING	FIRE	CULTURAL AFFAIRS
COMMUNITY DEVELOPMENT										
CENSUS DATA	330							14,280	2	350
PROJECT ELIGIBILITY								510	20	300
CLIENT DATA										350
INCOME INFORMATION										330
APPLICATION SUBMISSION									10	180
CERTIFICATIONS									5	85
PUBLIC HEARINGS								12	91	150
PUBLICIZE FINDINGS				10					200	140
UNIFORM ADMIN. REQUIRE.									850	100
FINANCIAL MGMT								5,100	530	560
FINANCIAL REPORTS	100							2,040	175	580
PROCUREMENT COSTS									80	
AUDIT COSTS										
MONITOR SUB-RECIPIENTS								4,080	12,000	3,360
EQUIPMENT INVENTORY								35	150	
DELEGATE AGENCY								2,550	365	177
RECORDS MAINTENANCE				30				1,020	21,250	7,370
REQUIRED REPORTS				20				3,060	1,000	710
UNIFORM RELOCATION								20,400		
EMPLOYMENT & CONTRACTING										50
LEAD BASED PAINT										25
ENVIRONMENTAL REVIEWS									150	25
OTHER								100		2,080
OTHER								1,893		1,040
OTHER										
SUBTOTAL COMMUN. DEVELOP	**430**	**0**	**0**	**60**	**0**	**0**	**0**	**55,080**	**36,878**	**17,962**

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	BUILDINGS	SEWERS	INSPECTOR GENERAL	HEALTH	MET	STREETS	FLEET MGMT	PLAN & DEVLOP	AGING	PEOPLE W/ DISABILITIES
COMMUNITY DEVELOPMENT										
CENSUS DATA				20				2,012		15
PROJECT ELIGIBILITY								8,964		
CLIENT DATA								7,801		1,904
INCOME INFORMATION				10				1,800		
APPLICATION SUBMISSION				10				3,970		
CERTIFICATIONS								2,580		
PUBLIC HEARINGS	4							1,840		15
PUBLICIZE FINDINGS								200		
UNIFORM ADMIN. REQUIRE.										
FINANCIAL MGMT	260							10,285		546
FINANCIAL REPORTS	25							9,224		
PROCUREMENT COSTS								800		
AUDIT COSTS								420		
MONITOR SUB-RECIPIENTS								500		
EQUIPMENT INVENTORY							200	500		
DELEGATE AGENCY				1,820				4,376		40
RECORDS MAINTENANCE	560							17,626		
REQUIRED REPORTS	26			85				12,502		
UNIFORM RELOCATION								510		
EMPLOYMENT & CONTRACTING								150		
LEAD BASED PAINT				40						
ENVIRONMENTAL REVIEWS	1,000							1,380		
OTHER								2,522		455
OTHER								72		
OTHER								450		
SUBTOTAL COMMUN. DEVELOP	**1,875**	**0**	**0**	**1,985**	**0**	**0**	**200**	**90,484**	**0**	**2,975**

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	COMMISSION ON HUMAN RELATIONS	LAW	AVIATION	MEDICARE	TOTAL HOURS	NON-LABOR COSTS
COMMUNITY DEVELOPMENT						
CENSUS DATA	35	20			17,074	136,405
PROJECT ELIGIBILITY		90			12,084	21,510
CLIENT DATA		560			18,725	31,940
INCOME INFORMATION		15			14,675	28,765
APPLICATION SUBMISSION		400			11,354	2,000
CERTIFICATIONS		35			3,824	5,400
PUBLIC HEARINGS	3	20			2,921	7,844
PUBLICIZE FINDINGS					550	6,550
UNIFORM ADMIN. REQUIRE.		105			1,275	5,000
FINANCIAL MGMT					19,297	59,820
FINANCIAL REPORTS	35				13,748	31,650
PROCUREMENT COSTS					2,255	43,000
AUDIT COSTS					843	40,500
MONITOR SUB-RECIPIENTS		25			20,131	9,900
EQUIPMENT INVENTORY		10			1,145	660
DELEGATE AGENCY		250			13,659	166,172
RECORDS MAINTENANCE	200				105,773	211,047
REQUIRED REPORTS	10	5			22,938	78,677
UNIFORM RELOCATION		30			20,940	712,500
EMPLOYMENT & CONTRACTING	10	5			1,074	200,200
LEAD BASED PAINT		30			103	300
ENVIRONMENTAL REVIEWS		10			2,565	1,700
OTHER		50			5,585	3,960
OTHER		480			3,485	27,250
OTHER		600			1,050	2,600
SUBTOTAL COMMUN. DEVELOP	**293**	**2,740**	**0**		**317,073**	**1,835,350**

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES
SUMMARY OF HOURS

MANDATE SERVICE	CABLE	DHS	ETHICS	LIBRARY	PERSONNEL	SPECIAL EVENTS	WATER	POLICE BOARD	ANIMAL CONTROL COMMISSION	POLICE
OTHER MAJOR FEDERAL										
TITLE VI		103								
EQ EMPLOY OPPOR ACT		220	20	2	1,200	24	500		74	
MEDICAID										
DAVIS BACON		10		8						
HANDICAPPED CHILDREN		10								
OMNIBUS BUDGET REC ACT		10		20						
ADA	1,750	2,033	25	240	30,000	148		10		
COMM RIGHT TO KNOW				10						
DRUG FREE		1,287		20	5,250					
CIVIL RIGHTS RESTORATION		10								
SOC SEC ACT		36								
MEDICARE		2								
IRCA/SLIAG			4	20		12				
FAIR LABOR STANDARDS		60	10	10	35,000		500			52,000
OTHER		560		30						
OTHER		10		52						
OTHER										
OTHER										
OTHER										
SUBTOTAL FEDERAL	**1,750**	**4,351**	**59**	**412**	**71,450**	**184**	**1,000**	**10**	**74**	**52,000**

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	MIS	MRL	ZONING	REVENUE	MAYOR'S LICENSE	CONSUMER SERVICES	GRAPHICS	HOUSING	FIRE	CULTURAL AFFAIRS
OTHER MAJOR FEDERAL										
TITLE VI						182				
EQ EMPLOY OPPOR ACT		25		40		182			150	
MEDICAID						91				
DAVIS BACON								4,080		
HANDICAPPED CHILDREN										
OMNIBUS BUDGET REC ACT						107				28
ADA	30	50	1,000	52		182	100	75	310	500
COMM RIGHT TO KNOW									1,515	
DRUG FREE						91		35		10
CIVIL RIGHTS RESTORATION										
SOC SEC ACT	700									
MEDICARE	260					144				
IRCA/SLIAG				7					45	12
FAIR LABOR STANDARDS	4			40		273	5		90	
OTHER								300		100
OTHER								8,160		100
OTHER										
OTHER										
OTHER										
SUBTOTAL FEDERAL	**994**	**75**	**1,000**	**139**	**0**	**1,252**	**105**	**12,650**	**2,110**	**750**

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	BUILDINGS	SEWERS	INSPECTOR GENERAL	HEALTH	MET	STREETS	FLEET MGMT	PLAN & DEVLOP	AGING	PEOPLE W/ DISABILITIES
OTHER MAJOR FEDERAL										
TITLE VI		450								
EQ EMPLOY OPPOR ACT		200		728				10,800		
MEDICAID				4,550				6,000		
DAVIS BACON	100									
HANDICAPPED CHILDREN										
OMNIBUS BUDGET REC ACT										
ADA	738	400		336	25		250	2,142	500	7,735
COMM RIGHT TO KNOW				45						
DRUG FREE		20	1,200	35	25	20		252		
CIVIL RIGHTS RESTORATION										
SOC SEC ACT										
MEDICARE				1,310						
IRCA/SLIAG				24						
FAIR LABOR STANDARDS		72		35		150	250	2,000		
OTHER	400	20		12,340				4,867	7,000	1,274
OTHER				500				383	2,000	546
OTHER									6,000	
OTHER									44,000	
OTHER										
SUBTOTAL FEDERAL	**1,238**	**1,162**	**1,200**	**19,903**	**50**	**170**	**500**	**26,444**	**59,500**	**9,555**

CITY OF CHICAGO DEPARTMENT SURVEY ON MANDATES **SUMMARY OF HOURS** MANDATE SERVICE	COMMISSION ON HUMAN RELATIONS	LAW	AVIATION	MEDICARE	TOTAL HOURS	NON-LABOR COSTS
OTHER MAJOR FEDERAL						
TITLE VI		520			1,255	200
EQ EMPLOY OPPOR ACT	10	4,560	50		18,785	22,417
MEDICAID					10,641	14,100
DAVIS BACON		70			4,268	1,055,570
HANDICAPPED CHILDREN					10	
OMNIBUS BUDGET REC ACT		6			171	1,300
ADA	50	2,300	260		51,241	136,528
COMM RIGHT TO KNOW					1,570	2,222
DRUG FREE		80			8,325	20,740
CIVIL RIGHTS RESTORATION		25,000			25,010	
SOC SEC ACT		50			786	
MEDICARE					1,716	4,002,700
IRCA/SLIAG		10	200		334	290
FAIR LABOR STANDARDS		2,500	30		93,029	34,655
OTHER		900			27,791	115,750
OTHER		150			11,901	82,200
OTHER		50			6,050	9,000
OTHER		75			44,075	234,000
OTHER		1,155			1,155	
SUBTOTAL FEDERAL	**60**	**37,426**	**540**		**308,113**	**5,731,672**

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	CABLE	DHS	ETHICS	LIBRARY	PERSONNEL	SPECIAL EVENTS	WATER	POLICE BOARD	ANIMAL CONTROL COMMISSION	POLICE
ILLINOIS										
ADMIN PRACTICES			20							
PUBLIC POSTING	120	100	5							
ILL DUE PROCESS		157								
ILL TAX STATUTES										
ILL TOXIC SUBSTANCES				12						
LOCAL APPROP PROCEDURES										
LOCAL APPROP/BUDGET ORDIN		999			3,000	140				
PUBLIC LABOR RELATIONS		251	10							
FOI PROVISIONS	175	2,014	125	8	50	5			6	4,120
DEPT OF REVENUE FILINGS						31				
MEDICAID										
AFFIRM ACTION		86	25		250	300			74	
VEHICLE EMISSION STDS		30							17	1,500
EMERGENCY PLANNING		29				60				
FISCAL RESPONS REPORT CARI										
LEASE PURCHASE PROVISIONS						10				
SALES TAX ADMIN REQ										
FIREFIGHTER RETIREMENT										
POLICE RETIREMENT										
OTHER EMPL RETIREMENT		138				5				
HEALTH INSURANCE REQ		10								
WORK RELATED DISABIL REQ		144		8	3,500				18	
DEVELOPMENT PROPERTY										
OTHER		755				150				
OTHER										
OTHER										
SUBTOTAL STATE	**295**	**4,713**	**185**	**28**	**6,800**	**701**	**0**	**0**	**115**	**5,620**

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	MIS	MRL	ZONING	REVENUE	MAYOR'S LICENSE	CONSUMER SERVICES	GRAPHICS	HOUSING	FIRE	CULTURAL AFFAIRS
ILLINOIS										
ADMIN PRACTICES				10		273		15	200	
PUBLIC POSTING	100					91		10		
ILL DUE PROCESS										
ILL TAX STATUTES				500						
ILL TOXIC SUBSTANCES							5			
LOCAL APPROP PROCEDURES										70
LOCAL APPROP/BUDGET ORDIN	200					273				815
PUBLIC LABOR RELATIONS						182				
FOI PROVISIONS		4,080	15	25,360	19	455		2,040	1,297	280
DEPT OF REVENUE FILINGS										
MEDICAID										
AFFIRM ACTION										25
VEHICLE EMISSION STDS									300	
EMERGENCY PLANNING									1,500	
FISCAL RESPONS REPORT CARI										64
LEASE PURCHASE PROVISIONS										
SALES TAX ADMIN REQ				1,000						50
FIREFIGHTER RETIREMENT									300	
POLICE RETIREMENT										
OTHER EMPL RETIREMENT						182				
HEALTH INSURANCE REQ		120				273				
WORK RELATED DISABIL REQ		200				273				
DEVELOPMENT PROPERTY										
OTHER									33,770	704
OTHER									11,034	200
OTHER										10
SUBTOTAL STATE	**300**	**4,400**	**15**	**26,870**	**19**	**2,002**	**5**	**2,065**	**48,401**	**2,218**

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	BUILDINGS	SEWERS	INSPECTOR GENERAL	HEALTH	MET	STREETS	FLEET MGMT	PLAN & DEVLOP	AGING	PEOPLE W/ DISABILITIES
ILLINOIS										
ADMIN PRACTICES			250							
PUBLIC POSTING								192		
ILL DUE PROCESS										
ILL TAX STATUTES										
ILL TOXIC SUBSTANCES		10								
LOCAL APPROP PROCEDURES		1,020								
LOCAL APPROP/BUDGET ORDIN		700								
PUBLIC LABOR RELATIONS		10					500			
FOI PROVISIONS	6,536			1,000	15	208	100	306		
DEPT OF REVENUE FILINGS										
MEDICAID				2,730						
AFFIRM ACTION		24		182						
VEHICLE EMISSION STDS		201					100			
EMERGENCY PLANNING				30						
FISCAL RESPONS REPORT CAR(										
LEASE PURCHASE PROVISIONS										
SALES TAX ADMIN REQ							200			
FIREFIGHTER RETIREMENT										
POLICE RETIREMENT										
OTHER EMPL RETIREMENT										
HEALTH INSURANCE REQ								250		
WORK RELATED DISABIL REQ		720		416		5,200		100		
DEVELOPMENT PROPERTY										
OTHER	150			180		288,480		4,562	2,000	1,729
OTHER	728			19,325		73,440		3,913	8,000	
OTHER						4,080			2,000	
SUBTOTAL STATE	**7,414**	**2,685**	**250**	**23,863**	**15**	**371,408**	**900**	**9,323**	**12,000**	**1,729**

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	COMMISSION ON HUMAN RELATIONS	LAW	AVIATION	MEDICARE	TOTAL HOURS	NON-LABOR COSTS
ILLINOIS						
ADMIN PRACTICES		3,635	50		4,453	13,880
PUBLIC POSTING	200	5			823	5,450
ILL DUE PROCESS		150			307	
ILL TAX STATUTES		325			825	15,000
ILL TOXIC SUBSTANCES					27	
LOCAL APPROP PROCEDURES		30			1,120	600
LOCAL APPROP/BUDGET ORDIN		10	2,400		8,537	70,542
PUBLIC LABOR RELATIONS		12,000	300		13,253	1,475
FOI PROVISIONS	300	850	2,000		51,364	61,828
DEPT OF REVENUE FILINGS		80			111	
MEDICAID					2,730	500
AFFIRM ACTION		85	200		1,251	3,672
VEHICLE EMISSION STDS					2,148	27,250
EMERGENCY PLANNING			50		1,669	6,100
FISCAL RESPONS REPORT CARI					64	400
LEASE PURCHASE PROVISIONS		30			40	
SALES TAX ADMIN REQ		12			1,262	74,270
FIREFIGHTER RETIREMENT		500			800	700
POLICE RETIREMENT		500			500	
OTHER EMPL RETIREMENT		500			825	100
HEALTH INSURANCE REQ					653	200
WORK RELATED DISABIL REQ		100	1,700		12,379	26,280
DEVELOPMENT PROPERTY		450			450	
OTHER		4,500	900		337,880	6,352,825
OTHER		1,800			118,440	4,092,216
OTHER		700			6,790	1,099,713
SUBTOTAL STATE	**500**	**26,262**	**7,600**		**568,701**	**11,853,001**

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	CABLE	DHS	ETHICS	LIBRARY	PERSONNEL	SPECIAL EVENTS	WATER	POLICE BOARD	ANIMAL CONTROL COMMISSION	POLICE
TOTAL HOURS	2,045	58,722	244	616	134,250	993	32,500	10	213	58,004
LABOR RATE	$19.46	$16.51	$17.69	$15.53	$17.27	$17.52	$18.97	$22.93	$13.29	$17.80
TOTAL DIRECT LABOR	39,796	969,500	4,316	9,566	2,318,498	17,397	616,525	229	2,831	1,032,471
FRINGE RATE	51.48%	55.48%	53.98%	57.20%	53.98%	53.98%	52.66%	48.63%	61.48%	53.98%
OVERHEAD RATE	35.00%	13.43%	35.00%	71.86%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
FULLY-LOADED LABOR COST	74,212	1,637,602	8,157	21,913	4,381,543	32,878	1,156,965	421	5,562	1,951,185
NON LABOR COSTS	25,400	158,150	945	0	246,500	0	7,452,000	750	902	7,000
TOTAL COSTS	$99,612	$1,795,752	$9,102	$21,913	$4,628,043	$32,878	$8,608,965	$1,171	$6,464	$1,958,185

CITY TOTAL

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	MIS	MRL	ZONING	REVENUE	MAYOR'S LICENSE	CONSUMER SERVICES	GRAPHICS	HOUSING	FIRE	CULTURAL AFFAIRS
TOTAL HOURS	1,824	4,475	1,165	27,069	19	3,254	110	69,935	102,724	20,950
LABOR RATE	$20.41	$20.10	$15.99	$14.44	$18.44	$15.10	$16.82	$24.97	$20.58	$19.70
TOTAL DIRECT LABOR	37,228	89,948	18,628	390,876	350	49,135	1,850	1,746,277	2,114,060	412,715
FRINGE RATE	50.43%	50.43%	55.48%	59.18%	52.66%	57.20%	55.48%	47.13%	50.43%	51.48%
OVERHEAD RATE	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	4.55%	35.00%	26.68%
FULLY-LOADED LABOR COST	69,032	166,790	35,484	758,984	657	94,437	3,524	2,648,823	3,920,101	735,301
NON LABOR COSTS	95,007	950	0	66,700	24,785	3,750	0	1,315,820	1,581,365	77,050
TOTAL COSTS	$164,039	$167,740	$35,484	$825,684	$25,442	$98,187	$3,524	$3,964,643	$5,501,466	$812,351
CITY TOTAL										

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	BUILDINGS	SEWERS	INSPECTOR GENERAL	HEALTH	MET	STREETS	FLEET MGMT	PLAN & DEVLOP	AGING	PEOPLE W/ DISABILITIES
TOTAL HOURS	13,389	7,387	1,450	49,101	65	373,164	22,400	126,577	79,500	14,259
LABOR RATE	$20.58	$18.70	$17.45	$19.17	$16.04	$18.95	$18.13	$18.28	$14.34	$16.08
TOTAL DIRECT LABOR	275,546	138,137	25,303	941,266	1,043	7,071,458	406,112	2,313,828	1,140,030	229,285
FRINGE RATE	50.43%	52.66%	53.98%	51.48%	55.48%	52.66%	52.66%	52.66%	59.18%	55.48%
OVERHEAD RATE	35.00%	35.00%	35.00%	23.77%	35.00%	35.00%	35.00%	13.15%	22.31%	47.95%
FULLY-LOADED LABOR COST	510,944	259,226	47,817	1,649,588	1,986	13,270,227	762,106	3,836,534	2,068,983	466,438
NON LABOR COSTS	1,058,200	41,110	15,000	188,200	680	51,151,037	1,072,800	2,033,940	385,700	28,739
TOTAL COSTS	$1,569,144	$300,336	$62,817	$1,837,788	$2,666	$64,421,264	$1,834,906	$5,870,474	$2,454,683	$495,177
CITY TOTAL										

CITY OF CHICAGO
DEPARTMENT SURVEY
ON MANDATES

SUMMARY OF HOURS

MANDATE SERVICE	COMMISSION ON HUMAN RELATIONS	LAW	AVIATION	MEDICARE	TOTAL HOURS	NON-LABOR COSTS	TOTAL COST
TOTAL HOURS	853	74,887	17,610		1,299,764	72,065,395	
LABOR RATE	$19.38	$19.08	$15.79			NA	
TOTAL DIRECT LABOR	16,531	1,428,844	278,062				
FRINGE RATE	51.48%	51.48%	57.20%			NA	
OVERHEAD RATE	40.10%	35.00%	35.00%			NA	
FULLY-LOADED LABOR COST	31,671	2,664,537	534,427				
NON LABOR COSTS	2,450	0	1,030,490	4,000,000		72,065,420	
TOTAL COSTS	$34,121	$2,664,537	$1,564,917	$4,000,000			
CITY TOTAL							$115,873,475

NOTES:

1) Overhead rates include carryforward and are computed with cost base of personal services. For departments without specific rate calculations, rate is estimated at 35%
2) Labor rates computed as (department's personal services budget/FTE/2,080 hours)
3) Fringe rates include compensated absences but exclude Medicare, which is shown separately. Calculations based on 1992 bUDGET

CITY OF CHICAGO
SCHEDULE OF INDIRECT COST REIMBURSEMENTS
BASED ON SELECTIVE CITY DEPARTMENTS WITH INDIRECT COST RATE PROPOSALS
PREPARED BY DAVID M. GRIFFITH AND ASSOCIATES, LTD.
FOR THE YEAR ENDING DECEMBER 31, 1991

(A) CITY OF CHICAGO GRANTEE DEPARTMENT	(B) 1991 ALLOCATION OF DEPARTMENTAL INDIRECT COST (TOTAL DEPARTMENTAL ADMINISTRATIVE COST)	(C) PERCENTAGE OF TOTAL ADMINISTRATIVE COSTS APPLICABLE TO DEPARTMENTAL GRANT PROGRAMS	(D) AMOUNT APPLICABLE TO DEPARTMENTAL GRANT PROGRAMS (D = B x C)	(E) ACTUAL 1991 REIMBURSEMENT PER 1991 CAFR	(F) TOTAL GRANT ADMINISTRATIVE COST NOT RECOVERED
HEALTH	14,885,655	47.95%	7,137,068		
HUMAN RELATIONS	1,055,884	40.16%	423,993		
LIBRARY	20,865,917	22.09%	4,608,351		
AGING	3,804,491	100.00%	3,804,491		
ECONOMIC DEVELOPMENT	1,472,957	93.21%	1,372,930		
HOUSING	2,212,871	100.00%	2,212,871		
HUMAN SERVICES	12,151,720	93.93%	11,413,700		
MOET	1,999,217	100.00%	1,999,217		
PLANNING	4,512,149	61.55%	2,777,317		
TRANSPORTATION	4,625,438	50.13%	2,318,919		
	$67,586,299		$38,068,856		
	** LESS DHS REVOLVING FUND		(6,751,938)		
			$31,316,918	6,276,000	25,040,918

COLUMN A: LISTING OF VARIOUS CITY DEPARTMENTS THAT ADMINISTER GRANT PROGRAMS
COLUMN B: 1991 DEPARTMENTAL INDIRECT COSTS ARE FROM "SCHEDULE A" IN EACH DEPARTMENT'S INDIRECT COST RATE PROPOSAL
COLUMN C: THIS PERCENTAGE WAS DEVELOPED FROM "SCHEDULE B" IN EACH DEPARTMENT'S INDIRECT COST RATE PROPOSAL
COLUMN E: THIS TOTAL REPRESENTS THE AUDITED REVNUE REIBMURSEMENT FROM THE 1991 CAFR
COLUMN F: THIS TOTAL REPRESENTS UNRECOVERED CORPORATE COST (DIFFERENCE BETWEEN COLUMN D AND COLUMN E)
** THE $6,751,938 REPRESENTS AN INTERNAL DEPARTMENTAL REVOLVING FUND COST (IN 1993 THIS AMOUNT WILL BE A CORPORATE REIMBURSEMENT COST)

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