

FY2016 Operating Budget Hearing Before The Committee of The Whole

Testimony of Everett Gillison, Chief of Staff to Mayor Michael Nutter

Office of the Mayor

April 7, 2015

Good morning, Council President Clarke and members of City Council.

I am Everett Gillison, Chief of Staff in the Office of the Mayor. On behalf of Mayor Michael A. Nutter, I am pleased to provide testimony on the proposed Fiscal Year 2016 Operating Budget.

The role of the Mayor's Office is to provide the necessary leadership, direction and support to departments so that they may achieve success in their key areas of focus. The FY2016 budget as proposed provides the necessary funding for the Mayor's Office to accomplish these objectives.

The FY2016 proposed general fund budget is \$5,206,625. The FY2016 General Fund budget as proposed includes \$4,166,124 in Class 100 funds to provide compensation for 46 full time employees and 1 part time employee. This is an increase in 1 full time position from FY2015.

As of December 31, 2014, the Mayor's office employed 48 people full time. 34 of these employees were women and 14 were men. 32 of the people employed full time by our office are minorities.

The requested FY16 budget also includes \$990,336 in Class 200, \$50,165 in Class 300/400 and \$200,000 in Class 500 (scholarships), for a total General Fund budget of \$5,206,625.

The Mayor's Office Scholarship Program, which is funded at \$200,000, allows qualified Philadelphia students to attend classes at area colleges and universities, is being level. I am pleased to report that during FY15, we provided 200 college students with scholarships of \$1,000 to 23 area colleges and universities.

The Mayor's Office is committed to supporting the Administration's goal of 30% minority, woman, and disabled-owned business (M/W/DSBE) participation in City contracting. The M/W/DSBE

participation rate for the contracts paid out of the Mayor's Office was 19% in FY10, 15% in FY11, 26% in FY12, 26% in FY13, and 28% in FY14. For FY2015, the Mayor's Office anticipates spending \$586,000 on contracting. Of this amount, \$287,560 or 49% is anticipated to be paid to a M/W/DSBE firm and project a participation rate of at least 50% in FY15.

You will be hearing testimony from additional departments in the Mayor's Office later today. The Mayor's Office of Community Empowerment and Opportunity (CEO) will give testimony as to how their agency helps to move vulnerable Philadelphians towards self sufficiency. It is critical that Philadelphia's policies, programs and partnerships in the areas of education, health and human services, housing, economic development, workforce development, and criminal justice are well coordinated and embrace common principles designed to create opportunities to advance the poor. The Mayor's Office has increased its focus on ensuring that low-income and poor Philadelphians are served to the best of our capabilities. CEO will continue to play a

role in this critical work. The Office of Housing and Community Development and the Mural Arts will also present their Fiscal Year 2016 Operating Budget requests later today. I want to thank you for your support, and I appreciate this opportunity to provide testimony regarding the Mayor's proposed Fiscal Year 2016 Operating Budget. I will be happy to answer any questions that Council may have regarding my testimony.

Financial Summary by Class - General Fund

	Fiscal 2014 Actual Obligations	Fiscal 2015 Original Appropriations	Fiscal 2015 Estimated Obligations	Fiscal 2016 Proposed Appropriations	Difference FY16-FY15
Class 100 - Employee Compensation	\$3,956,370	\$4,262,809	\$4,262,809	\$4,166,124	(\$96,685)
Class 200 - Purchase of Services	\$733,797	\$1,040,336	\$1,040,336	\$990,336	(\$50,000)
Class 300 - Materials and Supplies	\$22,709	\$47,774	\$47,774	\$47,774	\$0
Class 400 - Equipment	\$173	\$2,391	\$2,391	\$2,391	\$0
Class 500 - Contributions	\$189,205	\$0	\$0	\$0	\$0
Class 700 - Debt Service	\$0	\$0	\$0	\$0	\$0
Class 800 - Payment to Other Funds	\$0	\$0	\$0	\$0	\$0
Class 900 - Advances/Misc. Payments	\$0	\$0	\$0	\$0	\$0
TOTAL	\$4,902,254	\$5,353,310	\$5,353,310	\$5,206,625	(\$146,685)

Staff Demographics (as of December 2014)

	<i>Full-Time Staff</i>		<i>Executive Staff</i>	
	Male	Female	Male	Female
	African-American	African-American	African-American	African-American
<i>Total</i>	7	15	<i>Total</i>	5
<i>% of Total</i>	14.6%	31.3%	<i>% of Total</i>	20.0%
	White	White	White	White
<i>Total</i>	5	11	<i>Total</i>	2
<i>% of Total</i>	10.4%	22.9%	<i>% of Total</i>	8.0%
	Hispanic	Hispanic	Hispanic	Hispanic
<i>Total</i>	1	3	<i>Total</i>	1
<i>% of Total</i>	2.1%	6.3%	<i>% of Total</i>	4.0%
	Asian	Asian	Asian	Asian
<i>Total</i>	0	0	<i>Total</i>	0
<i>% of Total</i>	0.0%	0.0%	<i>% of Total</i>	0.0%
	Other	Other	Other	Other
<i>Total</i>	1	5	<i>Total</i>	0
<i>% of Total</i>	2.1%	10.4%	<i>% of Total</i>	0.0%
	Bi-lingual	Bi-lingual	Bi-lingual	Bi-lingual
<i>Total</i>	1	7	<i>Total</i>	1
<i>% of Total</i>	2.1%	14.6%	<i>% of Total</i>	4.0%
	Male	Female	Male	Female
<i>Total</i>	14	34	<i>Total</i>	8
<i>% of Total</i>	29.2%	70.8%	<i>% of Total</i>	32.0%

Staff Demographics Summary (as of December 2014)

	Total	Minority	White	Female
Full-Time Staff	48	32	16	34
Executive Staff	25	15	10	17
Average Salary - Executive Staff	\$114,076	\$117,558	\$108,852	\$106,444
Median Salary - Executive Staff	\$103,500	\$103,500	\$99,360	\$100,000

Employment Levels (as of December 2014)

	Budgeted	Filled
Full-Time Positions	50	48
Part-Time Positions	1	2
Executive Positions	27	25

CONTRACTING EXPERIENCE

**M/W/DBE Participation on Large Contracts
FY15 Contracts**

Vendor	Service Provided	Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DBE Participation Achieved	\$ Value of M/W/DBE Participation	Total % and \$ Value Participation - All DSBES	Living Wage Compliant?
LOEPER & ASSOCIATES	Lobbying Services	\$66,000	6/6/13	7/1/14	MBE: Best Efforts	0%	\$0		Yes
					WBE: Best Efforts	0%	\$0	0%	Yes
					DSBE: Best Efforts	0%	\$0	\$0	Yes
THE KINSER GROUP	Lobbying Services	\$120,000	6/6/13	7/1/14	MBE: Best Efforts	0%	\$0		Yes
					WBE: Best Efforts	100%	\$120,000	100%	Yes
					DSBE: Best Efforts	0%	\$0	\$120,000	Yes
HOLLAND & KNIGHT	Lobbying Services	\$100,000	6/6/13	7/1/14	MBE: Best Efforts	0%	\$0		Yes
					WBE: Best Efforts	0%	\$0	0%	Yes
					DSBE: Best Efforts	0%	\$0	\$0	Yes
GRAY LOFFLER LLC	Lobbying Services	\$100,000	6/6/13	7/1/14	MBE: Best Efforts	100%	\$100,000		Yes
					WBE: Best Efforts	0%	\$0	100%	Yes
					DSBE: Best Efforts	0%	\$0	\$100,000	Yes
BLAIS & ASSOCIATES	Grant Writing Consultant	\$25,000	4/25/13	7/1/14	MBE: Best Efforts	0%	\$0		Yes
					WBE: Best Efforts	0%	\$0	0%	Yes
					DSBE: Best Efforts	0%	\$0	\$0	Yes
FAIRMOUNT VENTURES	Grant Writing Consultant	\$25,000	4/25/13	7/1/14	MBE: Best Efforts	0%	\$0		Yes
					WBE: Best Efforts	0%	\$0	0%	Yes
					DSBE: Best Efforts	0%	\$0	\$0	Yes
GENEVA WORLDWIDE	Language Access Services	\$21,300	4/3/13	7/1/14	MBE: 10%-15%	0%	\$0		Yes
					WBE: 10%-15%	0%	\$0	0%	Yes
					DSBE:	0%	\$0	\$0	Yes
HEALTH FEDERATION OF PHILADELPHIA	Language Access Services	\$15,000	4/3/13	7/1/14	MBE: 10%-15%	0%	\$0		Yes
					WBE: 10%-15%	0%	\$0	0%	Yes
					DSBE:	0%	\$0	\$0	Yes
LANGUAGE LINE SERVICES	Language Access Services	\$32,400	4/3/13	7/1/14	MBE: 10%-15%	0%	\$0		Yes
					WBE: 10%-15%	0%	\$0	0%	Yes
					DSBE:	0%	\$0	\$0	Yes
LANGUAGE SERVICES ASSOCIATES	Language Access Services	\$52,560	4/3/13	7/1/14	MBE: 10%-15%	100%	\$52,560		Yes
					WBE: 10%-15%	0%	\$0	100%	Yes
					DSBE:	0%	\$0	\$52,560	Yes
NATIONALITIES SERVICES CENTER	Language Access Services	\$13,740	4/3/13	7/1/14	MBE: 10%-15%	0%	\$0		Yes
					WBE: 10%-15%	0%	\$0	0%	Yes
					DSBE:	0%	\$0	\$0	Yes
ROSALES COMMUNICATIONS	Language Access Services	\$15,000	4/3/13	7/1/14	MBE: 10%-15%	100%	\$15,000		Yes
					WBE: 10%-15%	0%	\$0	100%	Yes
					DSBE:	0%	\$0	\$15,000	Yes

Contracts Summary (as of December 2014)

	FY10	FY11	FY12	FY13	FY14	FY15*
Total amount of contracts	\$272,333	\$328,330	\$386,000	\$386,302	\$471,225	\$586,000
Total amount to M/W/DBE	\$51,667	\$48,750	\$100,000	\$100,000	\$131,833	\$287,560
Participation Rate	19%	15%	26%	26%	28%	49%