

**DEPARTMENT OF PUBLIC PROPERTY  
FISCAL YEAR 2018 BUDGET TESTIMONY  
APRIL 25, 2017**

**INTRODUCTION**

Good Morning, President Clarke and Members of City Council. I am Bridget Collins-Greenwald, Commissioner. Joining me today is Lori Davey, Deputy Commissioner of Administration, and other key members of the Department of Public Property. I am pleased to provide testimony on Public Property's Fiscal Year 2018 Operating Budget.

**DEPARTMENT MISSION & PLANS**

**Mission:** The Department of Public Property (DPP) is responsible for the professional management of the infrastructure that supports City government operations. This is achieved through the acquisition, disposition, lease, design, construction, renovation, and maintenance of City properties.

**Plans for Fiscal Year 2018:**

- Completion of the Public Safety Facilities Master Plan on behalf of the City's Police and Fire Departments to assist in making strategic decisions about capital investments and operating improvements in public safety facilities. The expected completion of the final plan is in early FY18, in time to incorporate recommendations into the FY19-24 Capital Program and FY19-23 Five Year Plan.
- Implementation of the Integrated Workplace Asset Management System (IWAMS), with a full roll-out to our end users to take place at the end of FY17.
- Implement a lease administration system to automate lease management. This system will provide portfolio benchmarking and dashboards which is something the Department is unable to attain currently.
- Pursue grant/private/public funding for the continued renovations to the City Hall Courtyard and the portals. A complete plan for the renovation of each portal will be available in early FY18.
- Initiate implementation of a space management system in early FY18.
- Begin design for a new 22<sup>nd</sup> Police District.
- Conclude programming of the Fire Administration Building.
- Finalize the move of the Gun Permit function of the Police Department from 990 Spring Garden to 660 E. Erie, a more centralized location for this function.

PUBLIC PROPERTY

**BUDGET SUMMARY & OTHER BUDGET DRIVERS**

| <b>Staff Demographics Summary (as of December 2016)</b> |           |           |           |           |
|---|-----------|-----------|-----------|-----------|
|   | Total     | Minority  | White     | Female    |
| Number of Full-Time Staff                               | 149       | 75        | 74        | 33        |
| Number of Civil Service-Exempt Staff                    | 7         | 3         | 4         | 4         |
| Number of Executive Staff (deputy level and above)      | 5         | 1         | 4         | 3         |
| Average Salary, Full-Time Staff                         | \$52,022  | \$46,715  | \$57,330  | \$58,101  |
| Average Salary, Civil Service-Exempt Staff              | \$107,544 | \$86,786  | \$123,113 | \$102,333 |
| Average Salary, Executive Staff                         | \$121,490 | \$115,000 | \$123,113 | \$123,333 |
| Median Salary, Full-Time Staff                          | \$44,758  | \$43,942  | \$50,301  | \$45,782  |
| Median Salary, Civil Service-Exempt Staff               | \$110,000 | \$93,358  | \$118,725 | \$111,000 |
| Median Salary, Executive Staff                          | \$115,000 | \$115,000 | \$118,725 | \$115,000 |

| <b>Employment Levels (as of December 2016)</b>         |          |          |
|--|----------|----------|
|  | Budgeted | Filled   |
| Number of Full-Time Positions                          | 159      | 149      |
| Number of Part-Time Positions                          | 0        | 0        |
| Number of Civil-Service Exempt Positions               | 7        | 7        |
| Number of Executive Positions (deputy level and above) | 5        | 5        |
| Average Salary of All Full-Time Positions              | \$51,160 | \$52,022 |
| Median Salary of All Full-Time Positions               | \$43,580 | \$44,758 |

| <b>General Fund Financial Summary by Class</b> |                              |                         |                              |                            |                              |                       |
|--|------------------------------|-------------------------|------------------------------|----------------------------|------------------------------|-----------------------|
|  | FY16 Original Appropriations | FY16 Actual Obligations | FY17 Original Appropriations | FY17 Estimated Obligations | FY18 Proposed Appropriations | Difference: FY18-FY17 |
| Class 100 - Employee Compensation              | \$8,400,083                  | \$8,347,891             | \$8,318,847                  | \$8,605,478                | \$8,547,886                  | (\$57,592)            |
| Class 200 - Purchase of Services               | \$154,718,771                | \$155,034,939           | \$159,373,457                | \$159,769,084              | \$154,978,134                | (\$4,790,950)         |
| Class 300 - Materials and Supplies             | \$1,201,947                  | \$1,096,698             | \$1,188,047                  | \$1,188,047                | \$1,188,047                  | \$0                   |
| Class 400 - Equipment                          | \$136,588                    | \$207,422               | \$150,488                    | \$150,488                  | \$150,488                    | \$0                   |
| Class 500 - Contributions                      | \$0                          | \$1,197,257             | \$0                          | \$0                        | \$0                          | \$0                   |
| Class 700 - Debt Service                       | \$0                          | \$0                     | \$0                          | \$0                        | \$0                          | \$0                   |
| Class 800 - Payment to Other Funds             | \$23,367,706                 | \$24,176,888            | \$23,916,920                 | \$23,916,920               | \$27,554,294                 | \$3,637,374           |
| Class 900 - Advances/Misc. Payments            | \$0                          | \$0                     | \$0                          | \$0                        | \$0                          | \$0                   |
|  | <b>\$187,825,095</b>         | <b>\$190,061,095</b>    | <b>\$192,947,759</b>         | <b>\$193,630,017</b>       | <b>\$192,418,849</b>         | <b>(\$1,211,168)</b>  |

| <b>Professional Services Contracts Summary</b> |              |              |              |              |              |                    |
|--|--------------|--------------|--------------|--------------|--------------|--------------------|
|  | FY12         | FY13         | FY14         | FY15         | FY16         | FY17 YTD (Q1 & Q2) |
| Total amount of contracts                      | \$13,694,007 | \$13,073,410 | \$13,560,446 | \$13,999,303 | \$13,695,375 | \$5,679,259        |
| Total amount to M/W/DSBE                       | \$13,694,007 | \$13,073,410 | \$13,560,446 | \$13,999,303 | \$13,695,375 | \$5,679,259        |
| Participation Rate                             | 100%         | 100%         | 100%         | 100%         | 100%         | 100%               |

| <b>M/W/DSBE Contract Participation Goal</b> |      |      |      |
|---|------|------|------|
|   | FY16 | FY17 | FY18 |
| M/W/DSBE Contract Participation Goal        | 65%  | 65%  | 65%  |

## PUBLIC PROPERTY

### **PROPOSED BUDGET OVERVIEW**

#### General Fund

The proposed Fiscal Year 2018 general fund budget totals \$192,418,849, a decrease of \$1,211,168 over Fiscal Year 2017 estimated obligation levels. This decrease is primarily due to the net change in space rental, and the decrease in consumption of utilities.

The proposed budget includes:

- \$8,547,886 in Class 100, a \$57,592 decrease over FY17. The Department is budgeted for 158 positions in FY18.
- \$154,978,134 in Class 200, a \$4,790,950 decrease over FY17. The decrease in Class 200 is largely due to the net change in space rental, and the decrease in consumption of utilities. In addition to the \$82,749,000 for City support of SEPTA, the Class 200 General Fund request includes: \$19,566,102 for space rental; \$24,655,024 for utility charges; and \$28,008,008 for core departmental operations.
- \$1,188,047 in Class 300; no change over FY17.
- \$150,488 in Class 400; no change over FY17.
- \$27,554,294 in Class 800, an increase of \$3,637,374 over FY17. The increase in Class 800 is due to a water rate increase.

#### Water and Aviation Fund

In the Water Fund, we are requesting \$4,256,817 in Class 200, an increase of \$214,184 over FY17.

In the Aviation Fund, we are requesting \$26,900,000, reflecting no change from FY17 estimated obligations.

## PUBLIC PROPERTY

### STAFFING LEVELS

The Department is requesting 158 budgeted positions for FY18, a decrease of \$57,592 over FY17.

The decrease is attributed to the authorized positions being reduced by 1 from 159 to 158. This decrease is due to DPP transferring staff to PPR to allow the Capital Projects of PPR to operate more efficiently. We transferred operating and capital funded staff to PPR resulting in a net loss of one position in our operating budget.

### NEW HIRES

| New Hires (from December 2016 to present) |                           |        |
|---|---------------------------|--------|
|   | Total Number of New Hires | French |
| Black or African American                 | 3                         | 1      |
| Asian                                     | -                         | -      |
| Hispanic or Latino                        | -                         | -      |
| White                                     | 1                         | -      |
| Other                                     | -                         | -      |
| Total                                     | 4                         | 1      |

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**PERFORMANCE, CHALLENGES, AND INITIATIVES**

| FY18 Performance Measures   |             |                    |               |             |
|---|-------------|--------------------|---------------|-------------|
| Measure   | FY16 Actual | FY17 YTD (Q1 & Q2) | FY17 Estimate | FY18 Target |
| Number of substantially completed construction projects *                                       | 72          | 18                 | 40            | 40          |
| Facilities division work order volume   | 13,563      | 7,503              | 13,500        | 13,500      |
| Percent of work orders completed within service level   | 81.9%       | 86.0%              | 85.0%         | 90.0%       |
| Percent of customer service survey respondents who rate DPP's service a 3 out of 5 or higher ** | N/A         |                    |               | 95%         |

\* DPP's Parks and Recreation Team (and its workload) was moved to Philadelphia Parks and Recreation (PPR) on 2/1/17. As a result, DPP is expected to complete fewer projects than originally anticipated. As a result of this change (and the resultant reduction in projects completed within in DPP), Q1 has been adjusted from 21 to 12, and the target for the year has been adjusted from 80 to 40. As a result, numbers for the full FY will reflect DPP's project completions, PPR's projects notwithstanding.

\*\* New measure for FY17. Data only collected once per year.

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**OTHER BUDGETARY IMPACTS**

**Federal and State (Where Applicable)**

DPP does not receive any state or federal grants.

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**CONTRACTING EXPERIENCE**

| <b>M/W/DSBE Participation on Large Professional Services Contracts</b> |  |                           |                |                     |               |                                      |                                    |                                   |  |   |                                     |
|--|--|---------------------------|----------------|---------------------|---------------|--------------------------------------|------------------------------------|-----------------------------------|--|---|-------------------------------------|
| <b>Top Five Largest Contracts, FY17</b>                                |  |                           |                |                     |               |                                      |                                    |                                   |  |   |                                     |
| Vendor Name  | Service Provided   | Dollar Amount of Contract | RFP Issue Date | Contract Start Date | Ranges in RFP | % of M/W/DSBE Participation Achieved | \$ Value of M/W/DSBE Participation | Total % Participation - All DSBES | Total \$ Value Participation - All DSBES | Local Business (principal place of business located within City limits) | Waiver for Living Wage Compliance ? |
| US Facilities, Inc.  | Operations, Maintenance and Support Services for the Triplex | \$14,932,450              | 4/26/2013      | 10/1/2013           | MBE: 20-25%   | 100%                                 | \$14,932,450                       | 100%                              | \$14,932,450                             | yes   | no                                  |
|  |  |                           |                |                     | WBE: 10-15%   | 0%                                   | \$0                                |                                   |  |   |                                     |
|  |  |                           |                |                     | DSBE: 10-15%  | 0%                                   | \$0                                |                                   |  |   |                                     |

PUBLIC PROPERTY

EMPLOYEE DATA

| Staff Demographics (as of December 2016) |                  |                  |                       |                  |                  |
|--|------------------|------------------|-----------------------|------------------|------------------|
| Full-Time Staff                          |                  |                  | Executive Staff       |                  |                  |
|  | Male             | Female           |                       | Male             | Female           |
|  | African-American | African-American |                       | African-American | African-American |
| <i>Total</i>                             | 40               | 15               | <i>Total</i>          | 0                | 1                |
| <i>% of Total</i>                        | 27%              | 10%              | <i>% of Total</i>     | 0%               | 20%              |
| <i>Average Salary</i>                    | \$43,460         | \$46,571         | <i>Average Salary</i> | \$0              | \$115,000        |
| <i>Median Salary</i>                     | \$43,020         | \$45,251         | <i>Median Salary</i>  | \$0              | \$115,000        |
|  | White            | White            |                       | White            | White            |
| <i>Total</i>                             | 64               | 10               | <i>Total</i>          | 2                | 2                |
| <i>% of Total</i>                        | 43%              | 7%               | <i>% of Total</i>     | 40%              | 40%              |
| <i>Average Salary</i>                    | \$53,846         | \$79,624         | <i>Average Salary</i> | \$118,725        | \$127,500        |
| <i>Median Salary</i>                     | \$46,685         | \$87,583         | <i>Median Salary</i>  | \$118,725        | \$127,500        |
|  | Hispanic         | Hispanic         |                       | Hispanic         | Hispanic         |
| <i>Total</i>                             | 9                | 4                | <i>Total</i>          | 0                | 0                |
| <i>% of Total</i>                        | 6%               | 3%               | <i>% of Total</i>     | 0%               | 0%               |
| <i>Average Salary</i>                    | \$55,971         | \$47,942         | <i>Average Salary</i> | \$0              | \$0              |
| <i>Median Salary</i>                     | \$44,357         | \$47,019         | <i>Median Salary</i>  | \$0              | \$0              |
|  | Asian            | Asian            |                       | Asian            | Asian            |
| <i>Total</i>                             | 2                | 1                | <i>Total</i>          | 0                | 0                |
| <i>% of Total</i>                        | 1%               | 1%               | <i>% of Total</i>     | 0%               | 0%               |
| <i>Average Salary</i>                    | \$57,412         | \$81,082         | <i>Average Salary</i> | \$0              | \$0              |
| <i>Median Salary</i>                     | \$57,412         | \$81,082         | <i>Median Salary</i>  | \$0              | \$0              |
|  | Other            | Other            |                       | Other            | Other            |
| <i>Total</i>                             | 1                | 2                | <i>Total</i>          | 0                | 0                |
| <i>% of Total</i>                        | 1%               | 1%               | <i>% of Total</i>     | 0%               | 0%               |
| <i>Average Salary</i>                    | \$36,948         | \$45,787         | <i>Average Salary</i> | \$0              | \$0              |
| <i>Median Salary</i>                     | \$36,948         | \$45,787         | <i>Median Salary</i>  | \$0              | \$0              |
|  | Bilingual        | Bilingual        |                       | Bilingual        | Bilingual        |
| <i>Total</i>                             | 14               | 5                | <i>Total</i>          | 0                | 1                |
| <i>% of Total</i>                        | 9%               | 3%               | <i>% of Total</i>     | 0%               | 20%              |
| <i>Average Salary</i>                    | \$65,536         | \$76,310         | <i>Average Salary</i> | \$0              | \$115,000        |
| <i>Median Salary</i>                     | \$61,483         | \$80,457         | <i>Median Salary</i>  | \$0              | \$115,000        |
|  | Male             | Female           |                       | Male             | Female           |
| <i>Total</i>                             | 116              | 33               | <i>Total</i>          | 2                | 3                |
| <i>% of Total</i>                        | 78%              | 22%              | <i>% of Total</i>     | 40%              | 60%              |
| <i>Average Salary</i>                    | \$50,345         | \$58,101         | <i>Average Salary</i> | \$118,725        | \$123,333        |
| <i>Median Salary</i>                     | \$44,758         | \$45,782         | <i>Median Salary</i>  | \$118,725        | \$115,000        |



PUBLIC PROPERTY

**NUMBER OF BILINGUAL EMPLOYEES**

| Number of Bilingual Employees    |         |         |        |        |         |           |                   |                      |            |          |         |        |            |       |           |          |           |
|----------------------------------|---------|---------|--------|--------|---------|-----------|-------------------|----------------------|------------|----------|---------|--------|------------|-------|-----------|----------|-----------|
|                                  | Italian | Spanish | Arabic | French | Russian | Ukrainian | Spanish-Castilian | Portuguese-Brazilian | Portuguese | Japanese | Swedish | German | Lithuanian | Hindi | Malayalam | Mandarin | Cantonese |
| Facilities Management            | 1       | 3       | 1      | 1      | 1       | 1         | 0                 | 0                    | 0          | 0        | 0       | 0      | 0          | 0     | 0         | 0        | 0         |
| Capital Projects                 | 2       | 3       | 0      | 1      | 1       | 0         | 1                 | 1                    | 1          | 1        | 1       | 1      | 1          | 1     | 1         | 0        | 0         |
| Administration                   | 0       | 0       | 0      | 0      | 0       | 0         | 0                 | 0                    | 0          | 0        | 0       | 0      | 0          | 0     | 0         | 1        | 1         |
| Real Estate                      | 0       | 1       | 0      | 1      | 0       | 0         | 0                 | 0                    | 0          | 0        | 0       | 0      | 0          | 0     | 0         | 0        | 0         |
| Planning                         | 0       | 1       | 0      | 0      | 0       | 0         | 0                 | 0                    | 0          | 0        | 0       | 0      | 0          | 0     | 0         | 0        | 0         |
| Total - All Divisions            | 3       | 8       | 1      | 3      | 2       | 1         | 1                 | 1                    | 1          | 1        | 1       | 1      | 1          | 1     | 1         | 1        | 1         |
| Total - # of Bilingual Employees | 19      |         |        |        |         |           |                   |                      |            |          |         |        |            |       |           |          |           |
| Total - # of Languages Spoken    | 17      |         |        |        |         |           |                   |                      |            |          |         |        |            |       |           |          |           |