

**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.

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**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%

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### **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.

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### 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

M/W/DSBE Participation on Large Professional Services Contracts											
Top Five Largest Contracts, FY17											
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				

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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



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**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																