

**MAYOR'S OFFICE OF LABOR
FISCAL YEAR 2019 BUDGET TESTIMONY**

DEPARTMENT MISSION & PLANS

Mission: The Mayor's Office of Labor (MOL) builds partnerships between management and the labor organizations representing City employees and non-City employees. As the City's main point of contact for the labor community, the Office: handles negotiations between City unions and City management; responds to unfair labor practice charges filed against the City; represents the City in union disputes; manages the City's Employee Relations and Equal Employment Opportunity (EEO) functions; makes sure that employers with City contracts pay prevailing wages; resolves minimum-wage waiver requests; and administers and enforces the City's wage theft and sick leave laws.

Plans for Fiscal Year 2019: Labor Relations: MOLR is tasked with negotiating successor agreements with the four major municipal unions. Negotiations with District Council 47, Local 2187, Local 2186 and Local 810), Local 1971 (Housing) and District Council 33 (for a healthcare reopener), began in FY18, but to date have not reached resolution. Implementation of the successor agreements and arbitration awards that were reached in FY18, will continue into FY19. This includes the Local 159B and Deputy Sheriffs. The Interest Arbitration hearings with Local 22 have concluded and we are awaiting an award from the panel.

In FY18, the Employee Relations and Labor Units increased the number of training opportunities for City managers and supervisors to assist them in their daily interactions in a unionized environment. In FY19, the Labor Relations program will identify current managers and supervisors who have not yet received training as well as newly hired or promoted supervisors so that they can receive labor relations and the various employee relations trainings within their first three months of hire.

Labor Relations will also coordinate with the Law Department's Labor and Employment Unit to hold quarterly case study reviews for the human resources community. These reviews could detail legal wins, losses, or settlements as well as cases held in front of the Labor Board. The goal would be to use real cases as a training tool to help the community with future disciplinary actions, grievances or arbitrations. Reviews would be open to human resource professionals and departmental leaders.

Labor Policy and Compliance: *The Labor Standards Unit:* The Labor Standards Unit will focus on education and outreach to ensure that vendors are properly trained regarding the requirements of paying prevailing wages on City projects. The unit began an education campaign with this goal in mind in FY18 and anticipates that by FY19 major compliance issues, such as cases where restitution is owed to employees on projects, will be reduced. The Labor Standards Unit will also continue its partnership with the Procurement Department to roll out training for vendors regarding the requirements of meeting Workforce Diversity targets on City projects.

Benefits and Compliance Unit: The Benefits and Compliance Unit will reestablish its online compliant submission system to allow all city residents to file complaints electronically. The unit will also begin attending neighborhood events in the City's immigrant communities as part of a strategy to expand knowledge of the paid sick leave and wage theft ordinances and decrease the fear of retaliation among workers.

BUDGET SUMMARY & OTHER BUDGET DRIVERS

Staff Demographics Summary (as of December 2017)				
	Total	Minority	White	Female
Number of Full-Time Staff	22	12	10	13
Number of Exempt Staff	22	12	10	13
Number of Executive Staff (deputy level and above)	5	1	4	2
Average Salary, Full-Time Staff	\$65,291	\$50,354	\$83,214	\$58,981
Average Salary, Exempt Staff	\$65,291	\$50,354	\$83,214	\$58,981
Average Salary, Executive Staff	\$117,900	\$106,000	\$120,875	\$120,500
Median Salary, Full-Time Staff	\$49,250	\$56,638	\$50,250	\$48,000
Median Salary, Exempt Staff	\$49,250	\$56,638	\$50,250	\$48,000
Median Salary, Executive Staff	\$106,000	\$106,000	\$120,500	\$120,500

Employment Levels (as of December 2017)		
	Budgeted	Filled
Number of Full-Time Positions	23	22
Number of Exempt Positions	23	22
Number of Executive Positions (deputy level and above)	5	5
Average Salary of All Full-Time Positions	\$65,756	\$65,291
Median Salary of All Full-Time Positions	\$50,000	\$49,250

General Fund Financial Summary by Class						
	FY17 Original Appropriations	FY17 Actual Obligations	FY18 Original Appropriations	FY18 Estimated Obligations	FY19 Proposed Appropriations	Difference: FY19-FY18
Class 100 - Employee Compensation	\$1,082,792	\$919,175	\$1,588,459	\$1,529,661	\$1,562,009	\$32,348
Class 200 - Purchase of Services	\$5,277	\$8,992	\$17,277	\$17,277	\$17,277	\$0
Class 300/400 - Materials, Supplies & Equipment	\$8,160	\$9,317	\$11,660	\$11,660	\$11,660	\$0
	\$1,096,229	\$937,484	\$1,617,396	\$1,558,598	\$1,590,946	\$32,348

Note: The Office does not have any professional services contracts.

PROPOSED BUDGET OVERVIEW

Proposed Funding Request:

The proposed Fiscal Year 2019 General Fund budget totals \$1,590,946, an increase of \$32,348 over Fiscal Year 2018 estimated obligation levels. In Fiscal Year 2018, our office had a budget cut of \$32,348 in class 100 that will be restored in Fiscal Year 2019.

The proposed budget includes:

- \$1,562,009 in Class 100, a \$32,348 increase over FY18. This funding will be used to cover staff expenses. This increase is due to a prior reduction being restored to our budget.
- \$17,277 in Class 200; no change from FY18 levels.
- \$11,660 in Class 300, no change from FY18 levels.

STAFFING LEVELS

The department is requesting 23 budgeted positions for FY19, level with FY18.

The position of Deputy Mayor for Labor is included within the 23 budgeted positions. It is anticipated that this position will be filled in FY19.

NEW HIRES

New Hires (from 7/1/2017 to December 2017)			
	Total Number of New Hires	English	Haitian Creole
Black or African American	2	2	1
Hispanic or Latino	1	1	0
Total	3	3	1

PERFORMANCE, CHALLENGES, AND INITIATIVES

Labor Relations:

FY19 Strategic Goals				
<ul style="list-style-type: none"> Develop and implement a City-wide “business partner” model where every department would have a dedicated staff person to be a point-of-contact and assist with labor related questions or issues. Work with the Prisons and Philadelphia Juvenile Justice Services Center (PJJSC) to implement alternative work schedules. 				
FY19 Performance Measures				
Measure	FY17 Actual	FY18 YTD (Q1 + Q2)	FY18 Target	FY19 Target
Milestone: Engage with the Office of Human Resources and the Chief Administrative Officer to develop a series of benchmarks for labor relations training ¹	N/A		OLR will do outreach to departments to target managers and supervisors to be trained in FY18	OLR will do outreach to departments to target managers and supervisors to be trained in FY19

¹ This is an annual milestone measure. This is a new measure for FY18, so data is not available for FY17.

Labor Policy and Compliance:

FY19 Strategic Goals				
<ul style="list-style-type: none"> Develop and implement a training program for prevailing wage contractors to help contractors better utilize the City’s electronic monitoring and submission system. Develop and publish regulations for the administration of the City’s Wage Theft ordinance by early FY19. Work with external partners to implement a workforce training program for organized labor employees at the Port Authority. 				
FY19 Performance Measures				
Measure	FY17 Actual	FY18 YTD (Q1 + Q2)	FY18 Target	FY19 Target
Percent of prevailing wage projects with compliance issues ¹	N/A	12.5%	< 10.0%	< 10.0%
Number of paid sick leave and wage theft complaints submitted and investigated ²	N/A	10	15	15
Number of paid sick leave and wage theft inquiries received and responded to ³	N/A	96	150	150

¹ This is a new measure for FY18, so data is not available for FY17. Labor expects that the percentage will decrease during the remainder of the year to meet the target.

² This is a new measure for FY18, so data is not available for FY17. The number of complaints varies from quarter-to-quarter.

³ Inquiries include members of the public reaching out regarding the appropriate interpretation of applicable law.

OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable)

The Mayor's Office of Labor is not funded through Federal or State funding and does not foresee any budgetary impact due to changes in those funding streams.

CONTRACTING EXPERIENCE

Note: The Mayor's Office of Labor does not have any professional services contracts.

EMPLOYEE DATA

Staff Demographics (as of December 2017)					
Full-Time Staff			Executive Staff		
	Male	Female		Male	Female
	African-American	African-American		African-American	African-American
<i>Total</i>	4	7	<i>Total</i>	0	1
<i>% of Total</i>	18%	32%	<i>% of Total</i>	0%	20%
<i>Average Salary</i>	\$46,250	\$52,964	<i>Average Salary</i>	N/A	\$106,000
<i>Median Salary</i>	\$45,000	\$40,000	<i>Median Salary</i>	N/A	\$106,000
	White	White		White	White
<i>Total</i>	5	5	<i>Total</i>	3	1
<i>% of Total</i>	23%	23%	<i>% of Total</i>	60%	20%
<i>Average Salary</i>	\$96,928	\$69,500	<i>Average Salary</i>	\$116,167	\$135,000
<i>Median Salary</i>	\$101,071	\$65,000	<i>Median Salary</i>	\$106,000	\$135,000
	Hispanic	Hispanic		Hispanic	Hispanic
<i>Total</i>	0	1	<i>Total</i>	0	0
<i>% of Total</i>	0%	5%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	N/A	\$48,500	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	N/A	\$48,500	<i>Median Salary</i>	N/A	N/A
	Asian	Asian		Asian	Asian
<i>Total</i>	0	0	<i>Total</i>	0	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	N/A	N/A	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	N/A	N/A	<i>Median Salary</i>	N/A	N/A
	Other	Other		Other	Other
<i>Total</i>	0	0	<i>Total</i>	0	0
<i>% of Total</i>	0%	0%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	N/A	N/A	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	N/A	N/A	<i>Median Salary</i>	N/A	N/A
	Bilingual	Bilingual		Bilingual	Bilingual
<i>Total</i>	0	1	<i>Total</i>	0	0
<i>% of Total</i>	0%	5%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	N/A	\$37,250	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	N/A	\$37,250	<i>Median Salary</i>	N/A	N/A
	Male	Female		Male	Female
<i>Total</i>	9	13	<i>Total</i>	3	2
<i>% of Total</i>	41%	59%	<i>% of Total</i>	60%	40%
<i>Average Salary</i>	\$60,128	\$58,981	<i>Average Salary</i>	\$116,167	\$120,500
<i>Median Salary</i>	\$50,000	\$48,000	<i>Median Salary</i>	\$106,000	\$120,500

LANGUAGE ACCESS

- 1) *Has your leadership received language access training?*

MOL received language access training as a department in December 2017.

- 2) *Do you currently have a language access coordinator?*

The Mayor's Office has Yuan Huang as its language access coordinator.

- 3) *Has your department written a language access plan and is it posted online?*

The Mayor's Office of Labor follows the Mayor's Office Plan. Here is a link to the Mayor's Office language access plan: <https://beta.phila.gov/documents/language-access-plans/>

- 4) *Explain what your department has done to improve language access services over the past year.*

The Benefits and Wage Compliance unit identified a gap in outreach with communities whose members do not speak English as their first language. We have enhanced our outreach plan to work with the Office of Immigrant Affairs to provide training and attend special events directly targeting immigrant populations.