RECORDS DEPARTMENT
FISCAL YEAR 2018 BUDGET TESTIMONY

INTRODUCTION

Good Morning, President Clarke and Members of City Council. I am James P. Leonard, Commissioner of the Department of Records. I am pleased to provide testimony on the Department of Records' Fiscal Year 2018 Operating Budget.

DEPARTMENT MISSION & PLANS

Mission: The mission of the Department of Records (DOR) is to provide efficient and effective service to City agencies and the public in the management of City records in the following areas: recording and maintenance of all land title documents in the City of Philadelphia, including the collection of local and state realty transfer taxes and recording fees; management and operation of the City Records Storage Center, which contains the inactive physical business records of all City agencies; copying and form management services for City agencies in the City's Central Duplication facility and photographic services for City agencies by the City's official photographer; and public access to records, including campaign finance filings, financial disclosure forms, public safety reports, land records, City Archives, and City regulation public notices.

Plans for Fiscal Year 2018:

Document Recording: Records will continue to provide a high level of customer service by continuing its goal of recording 100 percent of documents within 24 hours of receipt, and by increasing the percentage of land records recorded electronically from 77 percent to 80 percent. The efficient recording of documents is critical to the collection of City and state revenues and the maintenance of accurate and up-to-date records for the City's land title system, relied upon by the public and City agencies.

Records Management: In Fiscal Year 2018, Records will complete a two-year effort to relocate the Records Storage Center and City Archives to a more modern facility, which is estimated to open in May 2018. A lease for the new space has been signed, and the design, planning and procurement for the move have begun. The new City Archives, which will contain the City's permanent historical and cultural records, will be open to the public and will include programming and exhibition space. The Records Storage Center will contain the City's storage space for inactive business records.

Records, in cooperation with the Office of Innovation and Technology (OIT), is exploring how to better utilize an existing component of the City's current records management software that allows for electronic records management. To date, Records has used the software to manage the storage and retrieval of paper records. Records and OIT have also begun exploring opportunities to convert to electronic records, where departments already store documents electronically, but are still storing the same records in paper form.

Imaging: Records will continue to provide a high level of customer service to City offices through printing, binding, and photographic services. The efficient operation of this program is critical to the operations of City offices that rely on print media.

Public Access to Records: Records, in coordination with OIT, issued a Request for Proposal (RFP) in Fiscal Year 2017 for the development of a new e-Commerce web portal to process traffic accident report requests from the public. This site will replace a portal that is no longer functional. Completion of the portal is targeted for the third quarter of Fiscal Year 2018. This portal will allow for more efficient processing of traffic accident report requests from the public.

In addition, in cooperation with Public Property, Records plans to commence and complete installation of security improvements to the Police Report Unit Room located in City Hall, Room 168. These will include new countertops and protective glass, and will enhance DOR employees' safety.

BUDGET SUMMARY & OTHER BUDGET DRIVERS

Staff Demographics Summary (as of December 2016) *	Total	Minority	White	Female
Number of Full-Time Staff	54 **	37	17	27
Number of Civil Service-Exempt Staff	2	1	1	1
Number of Executive Staff (deputy level and above)	1	0	1	0
Average Salary, Full-Time Staff	$46,630	$42,905	$54,736	$43,227
Average Salary, Civil Service-Exempt Staff	$75,977	$26,953	$125,000	$26,953
Average Salary, Executive Staff	$125,000	$0	$125,000	$0
Median Salary, Full-Time Staff	$40,050	$39,950	$45,165	$38,725
Median Salary, Civil Service-Exempt Staff	$75,977	$26,953	$125,000	$26,953
Median Salary, Executive Staff	$125,000	$0	$125,000	$0

Employment Levels (as of December 2016)	Budgeted	Filled
Number of Full-Time Positions	63	54 **
Number of Part-Time Positions	0	0
Number of Civil-Service Exempt Positions	3	2
Number of Executive Positions (deputy level and above)	2	1
Average Salary of All Full-Time Positions	$46,630	$46,630
Median Salary of All Full-Time Positions	$40,050	$40,050

Please note that, in March 2017, an African-American female was hired as Deputy Commissioner (an exempt and executive position budgeted at a salary of $92,700).

** *Although the increment run as of December 14, 2016 shows staffing levels of 53, a new employee was hired on December 26, 2016, bringing Records' staffing levels to 54 as of December 2016.*

General Fund Financial Summary by Class	FY16 Original Appropriations	FY16 Actual Obligations	FY17 Original Appropriations	FY17 Estimated Obligations	FY18 Proposed Appropriations	Difference: FY18-FY17
Class 100 - Employee Compensation	$3,058,832	$2,943,408	$3,083,221	$3,155,677	$3,194,935	$39,258
Class 200 - Purchase of Services	$1,618,779	$1,595,451	$1,538,779	$1,490,099	$1,538,779	$48,680
Class 300 - Materials and Supplies	$60,502	$93,556	$60,502	$60,502	$60,502	$0
Class 400 - Equipment	$83,256	$49,220	$83,256	$83,256	$83,256	$0
Class 500 - Contributions	$1,456	$1,000	$1,456	$1,456	$1,456	$0
Class 700 - Debt Service	$0	$0	$0	$0	$0	$0
Class 800 - Payment to Other Funds	$0	$0	$0	$0	$0	$0
Class 900 - Advances/Misc. Payments	$0	$0	$0	$0	$0	$0
	$4,822,825	$4,682,635	$4,767,214	$4,790,990	$4,878,928	$87,938

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Professional Services Contracts Summary *						
	FY12	FY13	FY14	FY15	FY16	FY17 YTD (Q1 & Q2)
Total amount of contracts	$642,761	$1,912,942	$2,279,609	$2,367,254	$2,371,569	$666,452
Total amount to M/W/DSBE	$296,386	$517,056	$500,574	$340,840	$458,040	$174,000
Participation Rate	46%	27%	22%	14%	19%	26%

* Records remains committed to contracting with M/W/DSBE firms and ensuring opportunities for participation through strategies such as collaboration with OEO and outreach to related professional networks and affinity groups. Records has several contracts using OIT funds. The OEO participation for these contracts mistakenly was included under OIT's budget not Records' in FY12, thus resulting in inaccurately lower contract amount totals and a high participation percentage of 46 percent. In FY13, this error was corrected and these contracts were moved under Records as indicated by the large increase in contract amounts and Records' participation rate was reported accurately at 27 percent. The decrease in Records' participation rate from 22 percent to 14 percent between FY14 and FY15 was due primarily to the retirement of two WBE vendors.

M/W/DSBE Contract Participation Goal			
	FY16	FY17	FY18
M/W/DSBE Contract Participation Goal	25%	25%	27%

PROPOSED BUDGET OVERVIEW

Proposed Funding Request:

The proposed Fiscal Year 2018 General Fund budget totals $4,878,928, an increase of $87,938 over Fiscal Year 2017 estimated obligation levels. This increase is primarily due to DC33 contractual pay increases and a Fiscal Year 2017 budget reduction being added back for FY18. The funds being added back will be applied to a project relating to the digitization of historical property records.

The proposed budget includes:

- $3,194,935 in Class 100, a $39,258 increase over FY17. This funding will maintain the department's budgeted position level of 63 positions and provide for contractually-required pay raises for employees in DC33.
- $1,538,779 in Class 200, a $48,680 increase over FY17. This funding will allow the department to continue its current level of services including vendor services and maintenance of equipment. The increase is due to funds being added back from a Fiscal Year 2017 budget reduction, as explained above. These restored funds will be applied to a project relating to the digitization of historical property records.
- $60,502 in Class 300, level funding from FY17. This funding will permit the department to purchase the materials and supplies necessary to provide services to the public and other departments and to maintain internal operations.
- $83,256 in Class 400, level funding from FY17. This funding will provide for the replacement of obsolete equipment such as personal computers and printers.
- $1,456 in Class 500, level funding from FY17. This funding will permit the department to continue its support of National History Day Philly, a distinguished national program in which the Records Department has participated for many years. This program is a contest in which students gain first-hand experience conducting historical research and preparing original projects using primary sources.

STAFFING LEVELS

The department is requesting 63 budgeted positions for FY18, level with FY17.

The Department of Records is subject to multiple state and City legal mandates for the handling of land records. The Department's records management services facilitate all City agencies' ability to comply with the Right-to-Know law, discovery associated with litigation, and legal requirements for handling confidential or sensitive data. The staffing level requested above allows the Department to meet these mandates.

NEW HIRES

New Hires (from December 2016 to present)	
	Total Number of New Hires
Black or African American	5
White	2
Total	7

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PERFORMANCE, CHALLENGES, AND INITIATIVES

FY18 Performance Measures: Document Recording				
Measure	FY16 Actual	FY17 YTD (Q1 & Q2)	FY17 Estimate	FY18 Target
Percentage of land records electronically filed (deeds, mortgages, etc.)	75%	77%	77%	80%
Percentage of documents recorded within 24 hours	100%	100%	100%	100%

FY18 Performance Measures: Records Management				
Measure	FY16 Actual	FY17 YTD (Q1 & Q2)	FY17 Estimate	FY18 Target
Number of expired boxes destroyed *	N/A	5,000	8,000	4,000**

This is a new measure for FY17.
*** The backlog being measured was 12,000 boxes. The reduction goal for FY17 was 8,000 boxes, leaving the remainder of 4,000 boxes to be destroyed in FY18.*

FY18 Performance Measures: Imaging				
Measure	FY16 Actual	FY17 YTD (Q1 & Q2)	FY17 Estimate	FY18 Target
Percentage of print jobs turned around in one day	63.9%	65.0%	65.0%	68.0%

FY18 Performance Measures: Public Access to Records				
Measure	FY16 Actual	FY17 YTD (Q1 & Q2)	FY17 Estimate	FY18 Target
Percentage of financial disclosures electronically filed *	91.80%	63.33%	93.00%	95.00%
Percentage of public land requests turned around within one day	100%	100%	100%	100%
Backlog of major customer mail requests for police traffic accident reports **	N/A		25% reduction	eliminate backlog

The bulk of financial disclosure filings in FY17 are expected to be filed in April 2017, given the May 1, 2017 deadline. We will not have the final numbers until later in May.
*** This is a new measure for FY17. DOR has added additional staff to help eliminate backlog.*

FY18 Performance Measures: Department Administration				
Measure	FY16 Actual	FY17 YTD (Q1 & Q2)	FY17 Estimate	FY18 Target
Percentage of contracts conformed within 30 days after contract start date	79%	77%	77%	80%

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OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable)

N/A

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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?
Tyler Technologies	Document Recording system	$1,555,000	12/18/2015	7/1/2016	MBE: 20%-25%	11%	$164,999	11%	$164,999	no	no
					WBE: 20%-25%	0%	$0				
					DSBE: 0%	0%	$0				
Information Services Partner, Inc.	Records Management	$199,700	12/18/2014	7/1/2015	MBE: 12%-15%	0%	$0	0%	$0	no	no
					WBE: 8%-10%	0%	$0				
					DSBE: 0%	0%	$0				
VIR Archival and Preservation Services	Archival Consulting	$84,000	5/7/2014	7/1/2014	MBE: 10%-15%	0%	$0	100%	$84,000	yes	no
					WBE: 10%-15%	100%	$84,000				
					DSBE: 0%	0%	$0				
Azavea, Inc	Archival Refoldering	$60,000	6/8/2015	7/1/2015	MBE: 10%-15%	0%	$0	0%	$0	yes	no
					WBE: 10%-15%	0%	$0				
					DSBE: 0%	0%	$0				
Information Services Partner, Inc.	Records Management	$48,500	12/16/2015	7/1/2016	MBE: 0%	0%	$0	0%	$0	no	no
					WBE: 0%	0%	$0				
					DSBE: 0%	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
Total	12	19	*Total*	0	0
% of Total	22%	35%	*% of Total*	0%	0%
Average Salary	$45,239	$38,709	*Average Salary*	$0	$0
Median Salary	$43,207	$39,450	*Median Salary*	$0	$0
	White	White		White	White
Total	12	5	*Total*	1	0
% of Total	22%	9%	*% of Total*	100%	0%
Average Salary	$53,231	$58,346	*Average Salary*	$125,000	$0
Median Salary	$45,174	$38,333	*Median Salary*	$125,000	$0
	Hispanic	Hispanic		Hispanic	Hispanic
Total	0	2	*Total*	0	0
% of Total	0%	4%	*% of Total*	0%	0%
Average Salary	$0	$29,709	*Average Salary*	$0	$0
Median Salary	$0	$29,709	*Median Salary*	$0	$0
	Asian	Asian		Asian	Asian
Total	2	1	*Total*	0	0
% of Total	4%	2%	*% of Total*	0%	0%
Average Salary	$53,161	$80,520	*Average Salary*	$0	$0
Median Salary	$53,161	$80,520	*Median Salary*	$0	$0
	Other	Other		Other	Other
Total	1	0	*Total*	0	0
% of Total	2%	0%	*% of Total*	0%	0%
Average Salary	$62,891	$0	*Average Salary*	$0	$0
Median Salary	$62,891	$0	*Median Salary*	$0	$0
	Bilingual	Bilingual		Bilingual	Bilingual
Total	1	2	*Total*	0	0
% of Total	2%	4%	*% of Total*	0%	0%
Average Salary	$62,150	$29,709	*Average Salary*	$0	$0
Median Salary	$62,150	$29,709	*Median Salary*	$0	$0
	Male	Female		Male	Female
Total	27	27	*Total*	1	0
% of Total	50%	50%	*% of Total*	100%	0%
Average Salary	$50,032	$43,227	*Average Salary*	$125,000	$0
Median Salary	$44,173	$38,725	*Median Salary*	$125,000	$0

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NUMBER OF BILINGUAL EMPLOYEES

Number of Bilingual Employees		
	Spanish	Malayalam
Document Recording	2	1
Total - All Divisions	2	1
Total - # of Bilingual Employees		3
Total - # of Languages Spoken		2