

**OFFICE OF THE CITY REPRESENTATIVE
FISCAL YEAR 2018 BUDGET TESTIMONY
APRIL 4, 2017**

INTRODUCTION

Good afternoon, President Clarke and Members of City Council. I am Sheila Hess, City Representative. Joining me today are First Deputy City Representative Margaret Hughes and Deputy City Representative Elka Battle-Murillo. I am pleased to provide testimony on the Office of the City Representative's Fiscal Year 2018 Operating Budget.

DEPARTMENT MISSION & PLANS

Mission: The Office of the City Representative (OCR) promotes and markets Philadelphia as a world-class destination for tourists, visitors, and businesses, and works to improve residents' quality of life. The City Representative attends civic, business, and public events on behalf of the Mayor, and liaises with international delegations to promote the City for business and leisure. The Office also produces special events, provides ceremonial documents and gifts of recognition, and honors dignitaries.

Plans for Fiscal Year 2018: The Office of the City Representative (OCR) excels at building strategic partnerships with City departments and non-profits to increase the outcomes and success of our combined work. One example is the strong partnership with Welcome America, Inc. to support the 4th of July festival of events and to produce the iconic July 4th Celebration of Freedom Ceremony. The partnership also includes co-producing the Philly Holiday Festival, new in 2016, and the Philly Holiday Tree-Lighting celebration—all free of charge to the public.

In FY18 the OCR assumes complete responsibility for the ceremonial flag-raisings held at City Hall to celebrate the many immigrant populations of our City, and promote Philadelphia as a welcoming city.

Approximately 40 ceremonial international flag-raisings and receptions are scheduled during FY18 in collaboration with the Office of Immigrant Affairs, which will help position the city as a global destination, a place of choice for new residents, and most importantly, as the first World Heritage City in the U.S.

In the third quarter of FY17, OCR transitioned the Philadelphia Marathon to the Managing Director's Office, which will produce the annual event within a series of City running events. This shift will enable the OCR to fully absorb the new flag-raising calendar as well as produce new events, such as the Philadelphia Commission for Women's State of Women and Girls Summit. An emphasis on reaching more neighborhood residents and immigrants is a key goal for the OCR in the new events under consideration.

Furthering our efforts to impact the city's diverse neighborhoods and communities, the OCR will again partner with Philadelphia Parks and Recreation (PPR) and the Office of Immigrant Affairs to help produce the Philadelphia International Unity Cup as it expands in its second year. The OCR will produce the second annual Festival of Nations to welcome teams and soccer fans to the championship game in November and coordinate on-field activities, acknowledging the teams and their heritages.

In other international efforts, the OCR works closely with the Department of Commerce and Citizen Diplomacy International to host international dignitaries and diplomatic envoys attracted to business opportunities and cultural exchanges with the City of Philadelphia. The City Representative effectively and successfully serves in an ambassadorial role on behalf of the Mayor and the citizens of Philadelphia in

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assuring that traveling dignitaries, heads of state and international business representatives are met with proper protocols and with all due honor and respect. This aligns with the OCR's strategy of promoting and marketing our city, since these international delegations are influential in bringing more visitors to Philadelphia and engaging more directly in business opportunities here.

The Office of the City Representative will continue to identify events that have the potential to boost the local economy and improve economic opportunities for Philadelphians, with an emphasis on promoting Philadelphia's hospitality and tourism industry. The growth of the hospitality and tourism sector enables more job creation – jobs that often start at an entry level that residents without a high school diploma can access and gain family-sustaining wages. The City Representative also serves on five boards whose organizational missions are tied to tourism and hospitality, another vehicle for ensuring that the City supports this growing and robust sector.

At the community level, a strategic goal of the OCR's work is engaging communities in the production of diverse events that may serve as neighborhood marketing tools and promote commercial corridors. These efforts will also help support similar Commerce Department efforts to increase the economic vibrancy of our neighborhood commercial areas.

Related to those efforts, a central role of the City Representative is serving as Mayor Kenney's representative to the community-at-large, carrying the Administration's principles of inclusion, service and collaboration to achieve the highest quality outcomes and experiences for both residents and visitors.

In event production, the OCR will enhance and expand its existing roster including signature annual events such as PAL Day at City Hall in February; St. Patrick's Day Wear Green, Give Green in March; Take Our Daughters and Sons to Work Day in April; the Police and Firefighters Memorial Service; the Mayor's Centenarian Celebration in May; and the Pre-K Move-Up Day in June. The OCR will also continue to grow support for existing OCR internal and external partnerships such as the United Negro College Fund Mayor's Masked Ball in March, the Subaru Cherry Blossom Festival and Philly Celebrates Jazz in April, World Heritage Day with Global Philadelphia in May, and the Hero Thrill Show in September, among many other ongoing events and events in development. All events produced are planned to present a low impact to City services and costs.

Another goal of the OCR this year is to increase its outreach to more diverse audiences and to continue connecting with residents, nonprofit organizations, businesses, City departments and other entities through its longstanding communications program, especially in creating Mayoral ceremonial documents that acknowledge national observances, outstanding public service, and organization accomplishments, as well as provide gifts of recognition that enhance business attraction and serve to promote the city.

The core work of the department will be enhanced this year as a new strategic plan will soon be developed through the assistance of the Office of Performance Management. The OCR expects this process to provide staff with a valuable tool for goals, direction and strategy in ensuring that the department expands its capacity to fulfill the mission of promoting the city and serving our residents and visitors.

We look forward to working with each of you on Council in the year ahead, to find new ways to enhance the positive experiences our residents – and your constituents – have in our City and to grow opportunities for our shared prosperity and fun events! We are honored to hear your thoughts and responses to the OCR's plans for the coming fiscal year.

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BUDGET SUMMARY & OTHER BUDGET DRIVERS

Staff Demographics Summary (as of December 2016)				
	Total	Minority	White	Female
Number of Full-Time Staff	6	2	4	6
Number of Civil Service-Exempt Staff	3	1	2	3
Number of Executive Staff (deputy level and above)	3	1	2	3
Average Salary, Full-Time Staff	\$72,426	\$74,341	\$83,374	\$72,426
Average Salary, Civil Service-Exempt Staff	\$112,219	\$82,800	\$127,328	\$112,219
Average Salary, Executive Staff	\$112,219	\$82,800	\$127,328	\$112,219
Median Salary, Full-Time Staff	\$59,441	\$74,341	\$62,038	\$59,441
Median Salary, Civil Service-Exempt Staff	\$89,657	\$82,800	\$127,328	\$89,657
Median Salary, Executive Staff	\$89,657	\$82,800	\$127,328	\$89,657

Employment Levels (as of December 2016)		
	Budgeted	Filled
Number of Full-Time Positions	8	6
Number of Part-Time Positions	0	0
Number of Civil-Service Exempt Positions	3	3
Number of Executive Positions	3	3
Average Salary of All Full-Time Positions	\$72,426	\$72,426
Median Salary of All Full-Time Positions	\$59,441	\$59,441

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	\$418,201	\$453,196	\$589,381	\$595,176	\$601,690	\$6,514
Class 200 - Purchase of Services	\$561,730	\$561,726	\$481,730	\$356,730	\$561,730	\$205,000
Class 300 - Materials and Supplies	\$48,000	\$47,932	\$48,000	\$48,000	\$48,000	\$0
Class 400 - Equipment	\$6,000	\$5,990	\$6,000	\$6,000	\$6,000	\$0
Class 500 - Contributions	\$0	\$0	\$0	\$0	\$0	\$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
	\$1,033,931	\$1,068,844	\$1,125,111	\$1,005,906	\$1,217,420	\$211,514

Professional Services Contracts Summary						
	FY12	FY13	FY14	FY15	FY16	FY17 YTD (Q1 & Q2)
Total amount of contracts	\$498,000	\$493,904	\$528,130	\$547,958	\$547,958	\$0 **
Total amount to M/W/DSBE *	N/A	N/A	N/A	N/A	N/A	N/A
Participation Rate *	N/A	N/A	N/A	N/A	N/A	N/A

* Contracts go to non-profit organizations.

** Funds to be disbursed in Q4.

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M/W/DSBE Contract Participation Goal			
	FY16	FY17	FY18
M/W/DSBE Contract Participation Goal *	N/A	N/A	N/A

* Contracts go to non-profit organizations.

PROPOSED BUDGET OVERVIEW

Proposed Funding Request:

The proposed Fiscal Year 2018 General Fund budget totals \$1,217,420, an increase of \$211,514 over Fiscal Year 2017 estimated obligation levels. This increase is primarily due to restoring a professional services contract to Historic Philadelphia Inc. to the departmental budget.

The proposed budget includes:

- \$601,690 in Class 100, a \$6,514 increase over FY17. This funding will be used for obligations to DC33 wage increases and 3% increases to exempt civil service salaries.
- \$561,730 in Class 200, a \$205,000 increase over FY17. This funding will be used to restore a professional services contract to Historic Philadelphia Inc., used for promotion and marketing of the city's historic district.
- \$48,000 in Class 300, no change over FY17.
- \$6,000 in Class 400, no change over FY17.

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STAFFING LEVELS

The department is requesting 8 budgeted positions for FY18, no change over FY17.

NEW HIRES

OCR has no new hires.

PERFORMANCE, CHALLENGES, AND INITIATIVES

FY18 Objectives				
<ul style="list-style-type: none"> • Increase number of small-scale events by 15% over FY17 target by the end of FY18. • Increase number of outside partners by 15% over FY17 target (approximately five new partners) by the end of FY18. 				
FY18 Performance Measures				
Measure	FY16 Actual *	FY17 YTD (Q1+Q2)	FY17 Estimate	FY18 Target
Number of special events **	N/A	12	39	45
Number of outside partners ***	N/A	30	39	44
Number of international meetings	N/A	10	25	30
Number of international flag-raising ****	N/A	0	10	21
Number of events at which OCR represents the Mayor	N/A	49	85	95

* FY16 data is not available for these measures.

** A special event is free and usually open to the general public (with some exceptions). Events range from under 50 participants to over 20,000, and are held both indoors and outdoors. Many are produced in partnership with other city departments or private entities, with the purpose of providing free, family-friendly fun for residents and visitors.

*** Outside partners are entities and organizations external to City government.

**** OCR began producing these in January 2017; numbers represent only six months of FY17.

OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable)

N/A

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?
Greater Philadelphia Film Office	promotion of Philadelphia	\$163,592	N/A	7/1/2017	MBE: N/A	0%	\$0	0%	\$0	yes	no
					WBE: N/A	0%	\$0				
					DSBE: N/A	0%	\$0				
Fund for Philadelphia	promotion of Philadelphia	\$115,500	N/A	7/1/2017	MBE: N/A	0%	\$0	0%	\$0	yes	no
					WBE: N/A	0%	\$0				
					DSBE: N/A	0%	\$0				
Fund for Philadelphia	promotion of Philadelphia	\$44,226	N/A	7/1/2017	MBE: N/A	0%	\$0	0%	\$0	yes	no
					WBE: N/A	0%	\$0				
					DSBE: N/A	0%	\$0				

Note: All professional services contracts listed are with non-profits. See Board composition for minority representation.

GPFO: 13 board; 46% male, 54% female, 77% white, 15.3% African American, 7.7% Asian.

Fund for Philadelphia: 10 board; 50% male, 50% female, 70% white, 30% African American.

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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	
<i>Total</i>	0	2	<i>Total</i>	0	1
<i>% of Total</i>	0%	33%	<i>% of Total</i>	0%	33%
<i>Average Salary</i>	\$0	\$74,341	<i>Average Salary</i>	\$0	\$82,800
<i>Median Salary</i>	\$0	\$74,341	<i>Median Salary</i>	\$0	\$82,800
	White			White	
<i>Total</i>	0	4	<i>Total</i>	0	2
<i>% of Total</i>	0%	67%	<i>% of Total</i>	0%	67%
<i>Average Salary</i>	\$0	\$83,374	<i>Average Salary</i>	\$0	\$127,328
<i>Median Salary</i>	\$0	\$62,038	<i>Median Salary</i>	\$0	\$127,328
	Hispanic			Hispanic	
<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>	\$0	\$0	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$0	\$0	<i>Median Salary</i>	\$0	\$0
	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>	\$0	\$0	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$0	\$0	<i>Median Salary</i>	\$0	\$0
	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>	\$0	\$0	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$0	\$0	<i>Median Salary</i>	\$0	\$0
	Bilingual			Bilingual	
<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>	\$0	\$0	<i>Average Salary</i>	\$0	\$0
<i>Median Salary</i>	\$0	\$0	<i>Median Salary</i>	\$0	\$0
	Male			Male	
<i>Total</i>	0	6	<i>Total</i>	0	3
<i>% of Total</i>	0%	100%	<i>% of Total</i>	0%	100%
<i>Average Salary</i>	\$0	\$72,426	<i>Average Salary</i>	\$0	\$112,219
<i>Median Salary</i>	\$0	\$59,441	<i>Median Salary</i>	\$0	\$89,657

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NUMBER OF BILINGUAL EMPLOYEES

OCR does not have any bilingual employees.

The OCR is committed to ensuring that our residents and visitors needing information or services from us can communicate with us regardless of their proficiency in English. To serve their needs, the department will use the translation and interpretation services that the Office of Immigrant Affairs has recommended in the absence of staff with language skills.