

City Council Committee of the Whole

May 18, 2020

Five Year Plan Testimony

James Engler

Chief of Staff, Office of Mayor Jim Kenney

Good morning, Council President Clarke and members of City Council. My name is James Engler, Chief of Staff to Mayor Kenney, and I am here to testify in support of the Mayor's Proposed Five-Year Plan, along with all the supporting budget and revenue bills that were proposed on May 1, 2020. This revised FY21-25 Five-Year Plan reflects the sudden, dramatic changes in service demands and economic conditions as a result of the COVID-19 global pandemic. It prioritizes keeping Philadelphians, particularly our most vulnerable residents, safe, healthy, and educated while maintaining fiscal stability. I am joined by Rob Dubow, the City's Finance Director, and Marisa Waxman, the City's Budget Director, members of Mayor Kenney's Cabinet and senior officials of the Managing Director's Office and we are all available to answer your questions.

On March 5th, Mayor Kenney presented the original FY21-25 Five Year Financial and Strategic Plan to City Council. It included expectations for continued economic growth in Philadelphia, with additional revenues available to make investments to tackle Philadelphia's biggest challenges: intergenerational poverty, the need for an improving education system, and violence and public safety crises that threaten lives and disrupt our cherished communities. We'd planned to do that while reducing tax rates and improving our fiscal health by maintaining fund balances and reserves in case of a recession. By the end of March, all but essential city operations and businesses had ceased operations, our schools had closed, and we had shifted our City workforce to preventing the spread of COVID-19 and treating those affected.

The impact on the City's finances has been immediate. We face reduced revenues with immediate impacts on taxes including the Amusement Tax, Hotel Tax, and Wage Tax. The impact on the Wage Tax, our largest revenue stream is compounded. Commuters account for 40% for all Wage Tax collections and the tax is not due when those commuters are required to work from home. There is potential for permanent shifts to required work from home for some, creating a large and lasting negative impact on City finances. To provide relief to Philadelphia taxpayers, we have extended deadlines for property and business taxes. As of today, no federal funds have been approved to offset revenue losses.

We have unplanned expenses. COVID-19 has generated significant new expenses for healthcare to prevent the spread and treat those affected. In addition to labor costs, there are new expenses for testing sites and supplies, quarantine locations and services, surge hospital capacity, medical vehicles, personal protective equipment, disinfectant/cleaning supplies, morgue capacity, and business supports. We expect most of these costs to be reimbursed by the federal government; however, we must devote additional resources to closely track and bill these costs to maximize reimbursement.

We've seen higher costs for essential service delivery and fixed costs. To maintain existing services, the City initially offered a pay incentive to essential staff, which was not sustainable. With staff facing childcare and healthcare needs at home, absenteeism is expected to rise. To maintain core functions, it will require overtime or other added labor costs in some agencies, alongside service level reductions. Market losses will necessitate higher pension payments. Tax deadline delays and lower collections will almost certainly require issuing revenue anticipation notes to maintain cash flow. The estimated revenue losses, federal reimbursements, and expense increases indicate that a revised FY21 budget proposal must include \$649 million of reductions to planned spending, reduced reserves, and new revenue sources compared to the FY21 Budget proposed on March 5th to close the budget gap.

This economic downturn exceeds the worst of the Great Recession of 2008 and has necessitated an immediate and thoughtful response from the Administration to develop a revised budget and five-year plan. We set about revising the Plan by first setting clear priorities:

- We will keep all Philadelphians safe, healthy, and educated while maintaining core municipal services that our residents rely on daily.

This led to a thoughtful, deliberate, and collaborative process of revising the Five Year Plan that was further guided by three core principles:

- Learning from the City's experiences in the Great Recession. One such lesson was that funding cuts for essential services like public safety take years to recover from. Another lesson learned is that Philadelphians care deeply about their neighborhood facilities.
- Ensuring that these decisions were made through a lens of racial equity. The budget limits the impact of service delays or cuts on people of color, who are disproportionately impacted by the virus and already suffering from decades of systemic inequality.
- A commitment to leverage federal, state, and philanthropic resources. We intend to reduce our own spending by partnering with others in order to help fund or deliver services.

With those priorities and principles guiding us, we sought input from department leadership and other stakeholders, and reviewed public input gathered through the Resident Survey, completed late last year. We identified efficiencies and deferrals. For example, leveraging the functionality of certain citywide IT systems in place of standalone software and ability to make some processes entirely digital. In other cases, we have identified activities or spending that won't be occurring temporarily due to COVID-19 (like large special events) or areas where we can wait a year or two to make an investment, like replacement of police and fire radios.

The result is a revised Five Year Financial Plan for Fiscal Years 2021-2025 which, along with the revised Fiscal Year 2021 Operating and Capital budgets, and Fiscal Years 2021- 2026 Capital Program, addresses

the unfortunate economic reality we now face. We are drawing down reserves, trimming City services down to the most essential, imposing layoffs on hundreds of workers, and reducing or eliminating some programs that are simply no longer affordable. This is not what we want for our residents -- but such drastic actions are necessary as we contend with both a pandemic and an economic catastrophe.

The Plan reflects the priorities listed above by guaranteeing the following:

- No police or fire layoffs.
- No reduction in emergency medical services.
- All fire stations will remain open.
- All health centers will remain open.
- All recreation centers will remain open.
- All libraries will remain open.
- PHLpreK and Community Schools will be maintained at current funding levels for FY21 and expand over the Plan.
- Weekly residential trash collection and single-stream recycling will continue, with some adjustments.
- We will prioritize keeping Philadelphians in their homes with support for basic systems repairs, preventing mortgage foreclosure, and support for renters using local and federal funding.

Before considering steps that would reduce services for Philadelphians or increase their financial burdens, the existing budget was evaluated for changes in recent or planned financial decisions, like the size of planned reserves. Changes were identified, including utilizing existing recession reserves, drawing down the Budget Stabilization Reserve, and a lower FY21 Fund Balance. The original FY21-25 Five Year Plan projected a 6% fund balance in FY21, meeting the low-end of the City's internal goal of 6-8%, well short of the Government Finance Officers Association recommended 17%. With the impacts of COVID-19, the FY21 fund balance will be set lower than previously planned at \$87.47 million, just 1.79% of spending. The FY21-25 Five Year Plan now reflects significantly lower fund balances, with only FY25 nearing the City's internal goal of 6%.

Philadelphia faces new, unanticipated, long-term challenges, but also has to take all opportunities to increase equity and opportunity for all Philadelphians. The FY21-25 Five Year Plan was developed to move us forward together through this difficult time. Thank you for the opportunity to testify today, and we look forward to working with all members of Council throughout this Budget process. All of us here representing the Administration are available to answer the questions that you may have.

THE RECOMMENDED FY2021-2026 CAPITAL PROGRAM AND FY2021 CAPITAL BUDGET

Bill Nos. 200285 and 200286

Eleanor Sharpe, AICP Executive Director

Philadelphia City Planning Commission

Testimony Presented Before the

Philadelphia City Council Committee of the Whole

Monday, May 18, 2020

Good morning Council President Clarke and members of City Council. I am Eleanor Sharpe, Executive Director of the City Planning Commission. With me is Marisa Goren Waxman, the City's Budget Director. We are here to present, for your review and consideration, the revised Recommended FY2021-2026 Capital Program and FY2021 Capital Budget, approved by the City Planning Commission at its meeting on April 30, 2020.

The Recommended Program is a six-year plan for investing in the City's physical and technological infrastructure, neighborhood and community facilities, public buildings, and specialized vehicles. The Recommended Budget reflects the spending appropriations for the first year of the six-year Program. As both the Program and Budget are key instruments of planned physical development, the Philadelphia Home Rule Charter directs that their initial preparation and submission to the Mayor be a function of the City Planning Commission.

The City Planning Commission and the Budget Office begin to prepare these recommendations in early fall, working with the Department of Public Property's Capital Projects Division, the Managing Director's Office, and individual departments. This collaborative process produces a Capital Program and Budget that advance the City's comprehensive plan, address capital needs, and align with financial resources and spending capacity. City Council saw the original recommendations from this effort, pre-COVID-19, in the Capital Program and Budget ordinances introduced on March 5th.

The revised ordinances, Bills 200285 and 200286, reflect prudent reductions in the FY2021 Capital Budget. These reductions are not because we wanted to make cuts but because we had to consider and help to manage debt service costs in the Operating Budget while the City contends with the COVID-19 pandemic.

For FY2021, \$128.3 million is now recommended to be funded by new general-obligation bonds issued by the City of Philadelphia. This is lower than the \$170.8 million in general-obligation funds for FY2021

in the previously introduced ordinances and will reduce debt service to be paid out of the Operating Budget.

Despite the recommended reduction in general-obligation bond funding, the City Administration is committed to investing in the City's infrastructure to the greatest extent possible. The revised Recommended FY2021-2026 Capital Program proposes investing \$11.3 billion from all sources over the six-year period, with the level of funding in FY2022 through FY2026, the "out-years" of the Program, remaining as originally proposed. The revised FY2021 Capital Budget ordinance would still authorize \$3.2 billion of investment, including both new funds from the City and its partners and a significant amount of funds carried forward from previous years.

In making revisions to the Capital Budget, the Administration considered a number of factors. City funding for public safety, public health, and prison facilities was largely preserved, as were projects required to prevent deterioration of other City-operated facilities. Preference was given to projects that are already underway or that have had vendors already selected. On the other hand, projects that could continue with existing funds from the City and other sources, or that had unclear capacity for implementation in FY2021, were targeted for reductions.

Of the \$128.3 million in City, general-obligation bond funds proposed for FY2021, approximately \$26 million would be devoted to public safety facilities. Streets, sanitation, and transit assets would receive \$50 million, while \$23 million would be allocated for community facilities and economic development. The City fleet, technology, and building infrastructure that support government operations would be budgeted for \$29 million.

Despite the reductions, we believe that the recommended level of City funding, in combination with funds contributed by our much-appreciated Commonwealth, Federal, and private partners, is adequate to meet the City's Capital needs in the coming year. The Budget Director and I would be happy to address your questions to the extent possible in this virtual format, including calling upon department heads and commissioners who have also joined us.

**MAYOR'S OFFICE
REVISED FISCAL YEAR 2021 BUDGET TESTIMONY
MAY 18, 2020**

The revised FY21 Budget and FY21-25 Plan focuses on providing core services and targeting reductions to areas with the least impact on vulnerable populations and areas where others can fund or deliver services.

DEPARTMENT FUNDING LEVELS

General Fund Financial Summary by Class					
	FY20 Original Appropriations	FY20 Estimated Obligations	FY21 Original Proposed Appropriations	FY21 Revised Proposed Appropriations	\$ Difference Original to Revised Proposed
Class 100 - Employee Compensation	\$5,393,827	\$5,578,480	\$6,022,980	\$5,645,991	(\$377,069)
Class 200 - Purchase of Services	\$684,965	\$684,965	\$759,965	\$646,260	(\$113,705)
Class 300/400 - Materials, Supplies & Equipment	\$34,841	\$34,841	\$41,841	\$41,341	\$0
	\$6,113,633	\$6,298,286	\$6,824,786	\$6,333,592	(\$491,194)

GENERAL FUND FULL-TIME POSITIONS

General Fund Full-Time Positions					
	FY20 Adopted Budget	November 2019 Increment Run	FY21 Original Proposed Budget	FY21 Revised Proposed Budget	Difference Original to Revised Proposed
Full-Time Positions	60	59	68	63	(5)

**MAYOR'S OFFICE
ORIGINAL FISCAL YEAR 2021 BUDGET TESTIMONY**

This testimony has been partially updated to reflect COVID-19, but does not fully reflect the revised proposed FY21 budget or the department's new operational plan. Post COVID-19 responses from the Department are listed in the next section.

INTRODUCTION

Good Morning, President Clarke and Members of City Council. I am James Engler, Chief of Staff to Mayor James Kenney. Joining me today are other members of the Mayor's Office. I am pleased to provide testimony on the Mayor's Office's Fiscal Year 2021 Operating Budget.

DEPARTMENT MISSION & PLANS

Mission: The Mayor is the Chief Executive of the City of Philadelphia and responsible for setting the agenda and priorities for the executive branch of the government. The Office of the Mayor is tasked with ensuring the Mayor's priorities are disseminated to the rest of the Administration for implementation, and clearly communicated to City Council, other governments, and the people of Philadelphia.

Plans for Fiscal Year 2021:

Office of the Chief of Staff / Executive Office

The Office of the Chief of Staff and the Executive Office will provide leadership for the City of Philadelphia's rapid response, reopening and recovery for COVID-19. The Office will also continue to provide leadership to all departments reporting to the Mayor to maintain focus on the Mayor's priorities articulated in the FY21 Budget 5 Year Plan to keep all Philadelphians safe, healthy and educated.

Office of Communications & Digital

The Office of Communications and Digital is leading City of Philadelphia's communications and press response to COVID-19 coordinating across all City agencies, partnering with the press to accurately communicate with residents and businesses including innovating with virtual communication methods and ensuring expanded language access.

The Office will also continue to improve the knowledge and expertise of departmental staff by providing trainings, professional development opportunities, and direct feedback. Additionally, the Office will work to improve cross-departmental coordination and collaboration through regular citywide communications meetings. The Office will continue to evaluate departmental communications needs to ensure that departments are appropriately resourced and will regularly review communications contracts to ensure that the City is spending its contracted dollars efficiently and effectively. Finally, the Office will continue to standardize and improve the quality of digital content and will ensure that departments are taking full advantage of all resources for communicating directly with a wider audience of Philadelphians including learning lessons from COVID-19.

Mayor's Office of Education

The Mayor's Office of Education is charged with setting the Kenney Administration's education vision and agenda aimed at improving the educational outcomes of Philadelphia children, youth and residents.

Mayor's Office

The Office, led by the Mayor's Chief Education Officer, is focused on maintaining strong relationships with the Board of Education for the School District of Philadelphia as it fulfills its mandated mission and works closely with Superintendent Hite and his leadership team and staff at the District. The Office is working with the School District to provide strategic advice and connect with City services and rapid response support during the COVID-19 pandemic.

The Office is also charged with leading the proposed Octavius Catto Scholarship in partnership with the Community College of Philadelphia aimed at transforming student's lives through a "last dollar" funding model complimented by enhanced academic resources and funding to support books, transportation and food. The Octavius Catto Scholarship is expected to serve 4,500 students over the Five-Year Plan.

The Mayor's Office of Education transferred the continued implementation of PHLPreK and Community Schools to the new Office of Children and Families starting January 2020.

Office of Public Engagement

The Office of Public Engagement (OPE) will continue to manage a data-informed, coordinated, quality engagement strategy for all OPE offices and commissions to ensure that public engagement reaches all communities. The Office is mobilized to support and coordinate volunteer efforts necessary to ensure continued essential services while maintaining safe conditions and social distancing during COVID-19.

The Office will continue to communicate via its newsletter sent to over 1,000 contacts monthly and will grow this audience over the next five years. OPE will host annual convenings of the Commissions and facilitate additional opportunities for Commissions to work together and with the Mayor's Office and Administration on key initiatives. The Office will continue to produce impactful and relevant public programming and partner with community organizations and stakeholders to strategically partner and co-produce programming and events that are relevant to community concerns and aligned with Administration priorities and initiatives.

Additionally, the Office will employ more survey methods more consistently to gather feedback from commissions and communities to ensure information provided is relevant and useful and to ascertain if communities are utilizing certain City programs and resources. The Office will continue to engage with members of the Mayor's Volunteer Corps, and, when possible, utilize the corps for projects and activities that support Administration priorities and departmental initiatives.

Office of Policy, Legislation and Intergovernmental Affairs

This Office of Policy, Legislation and Intergovernmental Affairs will continue to work with the Mayor, Cabinet members, and department heads to establish and implement legislative and policy priorities. The Office will lead the coordination on Philadelphia's intergovernmental response to the COVID19 pandemic, including ensuring all Philadelphia elected officials receive timely and accurate information.

The Office will also continue to partner with City Council to better coordinate the legislative process, ensuring that critical issues are given the necessary support to pass effective legislation and implement best practices. The Office will work to ensure that the City maintains productive working relationships with representatives at the local, state, and federal levels to advance the priorities of the Administration and represent the interests of the people of Philadelphia.

Through the work of the policy team, GovLabPHL will continue to develop innovative, data-driven and evidence-based practices to address common municipal challenges. Additional pilot projects will be

rolled out using behavioral economics, service design, and trauma-informed care. In implementing these projects, GovLabPHL will continue to encourage collaboration across departments and academia. GovLabPHL will also work to further disseminate its findings through the creation and publication of toolkits, available within the City and to the public, increased utilization of social media platforms, and the publication of quarterly blogs.

Office of Diversity, Equity and Inclusion

The Office of Diversity, Equity and Inclusion will lead the Administration's Racial Equity initiative as outlined in Executive Order 1-20 signed by Mayor Kenney on January 6, 2020. The Racial Equity initiative will assess where racial disparities are most pervasive and develop strategies to move our city in a direction that better supports communities of color in Philadelphia. This will include all City agencies developing a racial equity plan by the end of 2023.

The Kenney Administration is committed to embedding racial equity as an explicit governing principle—a lens all City departments and agencies will use to assess how their operations, including policies and procedures, impact all Philadelphians, including people of color.

The Office will continue work on the ADA Accessibility Study initiated in FY20. This study includes surveying over 600 city structures for compliance with the ADA. The Office of Diversity and Inclusion (ODI) is on track to complete all four phases of the ADA study by 2024, and will create a transition plan that will guide the City in its efforts to be compliant with Title II of the ADA around policies, procedures, and with City buildings. ODI will continue work to make the City's workforce reflect the diversity of the City by providing resources around recruitment and workforce planning to City departments. The Office will also work to make the City a more inclusive place to work by expanding training to additional employees around bias, LGBTQ+ competency, disability competency, and ADA compliance, and also by giving employees a chance to provide feedback through City Resource Groups which have proven successful and welcome by City staff.

The Office is part of the COVID-19 Recovery Steering Committee will also convene the Diversity Advisory Council to help shape more equitable policies in response to the grave inequities highlighted by COVID-19. The Office will also manage the Mayor's Commission on People with Disabilities and the Mayor's Commission on LGBT Affairs. These outward-facing offices will continue to host community conversations around relevant issues facing their constituencies and will publish and update resource guides for issues that their communities commonly face.

Integrity Office

The Integrity Office will continue its primary focus to serve as an advisor to the Mayor, employees within the Executive Branch, members of Boards and Commissions, vendors and the public about laws, policies, regulations, and Executive Orders related to integrity, transparency and accountability. This will be accomplished through written and oral communications, social media outreach, additional Executive Orders and internal and external trainings. Through its membership in the Council on Governmental Ethics Laws (COGEL), the office will keep up-to-date on best practices in other federal, state and local governmental agencies, with an eye towards possible implementation in Philadelphia. Bi-annual Employee Ethics Surveys will be taken in FY21 and FY23 to gauge employees' knowledge of the City's ethics policies and the resources available to answer questions and report complaints, as well as to assess their overall satisfaction with the City's ethical culture. The Office will continue to monitor, review,

Mayor's Office

investigate, and, if necessary, create or recommend policies and procedures to ensure that operations within the Executive Branch comply with the law and are conducted in an open and transparent manner. Notably, the Office will provide ongoing oversight of the Administration's signature initiatives funded by the beverage tax: Rebuild, PHLpreK and Community Schools; as well as Philadelphia Code Chapter 17-1400 compliance issues. The Office will also provide direction and advice to the new Recovery Office and Steering Committee to ensure all federal and state funds are spent ethically and transparently. Finally, the Office will ensure the Mayor and top Administration officials complete annual ethics refresher trainings and Financial Disclosure Statement filings and will post the Statements on the Records Department website.

Office of City Representative:

The City Representative will work with other City agencies, community organizations and the hospitality and tourism industry to promote events in Philadelphia in new and innovative ways adhering to public health guidance, such as Welcome America being celebrated virtually this year. The City Representative will also be engaged in promoting future branding and positive messaging with the hospitality and tourism industry as Philadelphia recovers and rebounds.

The tables in pages (6 through 15) below were partially update by the Mayor's Office after to the onset of COVID-19 and its impact on City government operations.

BUDGET SUMMARY & OTHER BUDGET DRIVERS

Staff Demographics Summary (as of December 2019)				
	Total	Minority	White	Female
Number of Full-Time Staff	62	41	21	46
Number of Exempt Staff ¹	22	17	5	20
Number of Executive Staff (deputy level and above)	40	24	16	28
Average Salary, Full-Time Staff	\$91,827	\$83,998	\$107,113	\$86,450
Average Salary, Exempt Staff ¹	\$56,609	\$54,357	\$64,264	\$57,892
Average Salary, Executive Staff	\$111,197	\$104,993	\$120,504	\$104,371
Median Salary, Full-Time Staff	\$80,000	\$77,000	\$92,500	\$80,000
Median Salary, Exempt Staff ¹	\$55,750	\$53,045	\$62,500	\$56,575
Median Salary, Executive Staff	\$96,666	\$91,000	\$105,750	\$93,741

Employment Levels (as of December 2019)		
	Budgeted	Filled
Number of Full-Time Positions	62	62
Number of Part-Time Positions	2	2
Number of Exempt Positions	22	22
Number of Executive Positions (deputy level and above)	40	40
Average Salary of All Full-Time Positions	\$91,827	\$91,827
Median Salary of All Full-Time Positions	\$80,000	\$80,000

General Fund Financial Summary by Class						
	FY19 Original Appropriations	FY19 Actual Obligations	FY20 Original Appropriations	FY20 Estimated Obligations	FY21 Proposed Appropriations	Difference: FY21-FY20
Class 100 - Employee Compensation	\$4,817,851	\$4,779,593	\$5,393,827	\$5,578,480	\$5,645,991	\$67,511
Class 200 - Purchase of Services	\$682,465	\$641,167	\$684,965	\$684,965	\$646,260	(\$38,705)
Class 300/400 - Materials, Supplies & Equipment	\$27,841	\$14,978	\$34,841	\$34,841	\$41,341	\$6,500
Class 500 - Contributions	\$0	\$1,500	\$0	\$0	\$0	\$0
	\$5,528,157	\$5,435,738	\$6,113,633	\$6,298,286	\$6,333,592	\$35,306

¹ Since all staff in the Mayor's Office are Exempt, for purposes of this chart, Exempt Staff represent employees who are not counted as Executive Staff.

Mayor's Office

Contracts Summary (Professional Services only)						
	FY17	FY18	FY19	FY20	FY21	FY20 YTD Q1 & Q2)
Total amount of contracts	\$153,666	\$390,000	\$490,000	\$490,000	\$415,000	\$249,500
Total amount to M/W/DSBE	\$53,666	\$275,000	\$375,000	\$375,000	\$300,000	\$187,500
Participation Rate	35%	71%	77%	77%	72%	75%

Total M/W/DSBE Contract Participation Goal (Public Works; Services, Supplies & Equipment; and Professional Services combined)			
	FY19	FY20	FY21
M/W/DSBE Contract Participation Goal	35%	35%	35%

PROPOSED BUDGET OVERVIEW

Proposed Funding Request:

The proposed Fiscal Year 2021 General Fund budget totals \$6,333,592 an increase of \$35,306 over Fiscal Year 2020 estimated obligation levels. This increase is primarily due to the transferring of the City Representative's Office to the Mayor's Office.

The proposed budget includes:

- \$5,645,991 in Class 100, an increase of \$67,511 over FY20. This increase is due to the addition of 3 people from the Office of the City Representative.
- \$646,260 in Class 200, a decrease of \$38,705 which is a result of cuts made to contracts as well as other services.
- \$41,341 in Class 300/400, which is an increase of \$6,500 over FY20. This increase is the result of the transfer of funds from the Office of the City Representative to the Mayor's Office.

STAFFING LEVELS

The department is requesting 63 budgeted positions for FY21, an increase of 3 over FY20.

We reduced staffing levels by eliminating 9 positions from our original FY21 request. The increase of 3 positions is due to the addition of positions from the City Representatives Office.

NEW HIRES

New Hires (from 7/1/2019 to December 2019)						
	Total Number of New Hires	Spanish	Portuguese	Italian	French	Cantonese
Black or African American	3					
Asian	1					1
Hispanic or Latino	4	4	1	1	1	
White	1					
Other	0					
Total	9	4	1	1	1	1

We have hired 4 females since December 2019.

PERFORMANCE, CHALLENGES, AND INITIATIVES

MAYOR, CHIEF OF STAFF, AND EXECUTIVE OFFICE

FY21 Strategic Goals				
<ul style="list-style-type: none"> • Ensure cabinet members and departmental leadership work to inform goal-setting and priorities for the Administration through regular communication and planning with the Mayor and Chief of Staff. • Improve interdepartmental coordination by providing regular opportunities to share information across the Administration at departmental leadership meetings, through individual meetings, and by cascading information down through departments. • Continue to provide meaningful opportunities for all Philadelphians to interact with the Mayor and his Administration. 				
FY21 Performance Measures				
Measure	FY19 Actual	FY120YTD (Q1 + Q2)	FY20 Target	FY21 Target
Average response time to scheduling requests (days) ¹	7.1	9.5	10.0	10.0

¹ The target is set to 10 days, following staffing adjustments in FY19.

POLICY, LEGISLATION AND INTERGOVERNMENTAL AFFAIRS

FY21 Strategic Goals				
<ul style="list-style-type: none"> • Achieve passage of bills and resolutions that advance the joint priorities of the Administration and City Council. • Maintain productive working relationships with City Council partners to achieve positive outcomes for all Philadelphians. • Maintain positive relationships with state and federal partners and work with lobbyists, key stakeholders, and elected officials to protect and advance the interest of Philadelphians at the state and federal level. • Complete existing pilot projects that utilize behavioral insights through GovLabPHL in collaboration with several City agencies and academic partners. • Engage City employees on the practical value of using evidence and data through the PHL Government Book Club, Author Talk events, annual conference, and other employee-centered events. 				
FY21 Performance Measures				
Measure	FY19 Actual	FY120YTD (Q1 + Q2)	FY20 Target	FY21 Target
Administration-wide policy meetings ¹	5	5	6	12
Number of external partnerships ²	25	N/A	25	25

¹ These are monthly meetings to provide policy and research updates, and to encourage cross-departmental collaboration.

² This is an annual measure, and FY20 data will be available at year-end. External partnerships are defined as partnerships with academic institutions, quasi-city agencies, or non-profit organizations that are engaged with the City to design and implement research.

COMMUNICATIONS AND DIGITAL

FY21 Strategic Goals				
<ul style="list-style-type: none"> Strengthen communications and digital training, resources, and coordination for all City department communications and digital staff. Improve citywide digital content on social media channels and in email programs through centralized support, creation, and use of standardized materials and resources. Continue implementing a standardized hiring and orientation program to recruit and onboard high-quality communications professionals into City government and train them for success. 				
FY21 Performance Measures				
Measure	FY19Actual	FY120YTD (Q1 + Q2)	FY20 Target	FY21 Target
Compliance with digital reporting metrics ¹	59.5%	67.4%	80.0%	80.0%
Followers across @PhiladelphiaGov and @PhillyMayor social media platforms	452,989	928,602	10% increase from prior year	10% increase from prior year
Average response time to constituent inquiries (days)	7.9	9.5	10.0	10.0

¹ Compliance is defined as reporting metrics to the digital director by various department social media leads each month. Without this information, the program cannot track other measures (such as overall reach of digital content).

PUBLIC ENGAGEMENT

FY21 Strategic Goals				
<ul style="list-style-type: none"> Increase the number of people engaged in meaningful civic engagement activities and programs; commissions' public meetings, including large-scale summits; community conversations; and other informational meetings. Work strategically with both external and internal partners on affinity activities and programs to ensure a broad and diverse reach. Develop meaningful opportunities for interaction between and among City departments, agencies, and offices with public commission members and create a formalized process to regularly gather commission feedback for City leadership. Map engagement efforts across City departments and provide internal support to maximize impact and reduce duplication. Provide trainings to City departments and community members to encourage collaboration and use of engagement tools and best practices, specifically driving widespread use of engagement data collection technology. 				
FY21 Performance Measures				
Measure	FY19Actual	FY120YTD (Q1 + Q2)	FY20 Target	FY21 Target
Number of participants in attendance at engagement events ¹	1,911	2,099	2,000	3750
Number of engagement events ²	37	58	30	75
Service hours ³	135,649	71,368	148,212	150,000
Civic engagement hours ⁴	1,740	5,257	11,000	11,000

¹ This number is total number of participants who attend all engagement events.

² These events include any meeting, training or event hosted by OPE including OCEVS which engages residents.

³ We expect to hit this target number with the increased hours from the Mayor's Volunteer Corps service projects in the second half of FY20.

⁴ Civic engagement hours are when people participate in a community meeting, register people to vote, attend education sessions offered by OCEVS, or attend planning meetings. These programs run in schools, primarily.

DIVERSITY, EQUITY, AND INCLUSION

FY21 Strategic Goals				
<ul style="list-style-type: none"> • Monitor and forecast the diversity of the exempt workforce to internal and external stakeholders. • Establish the City of Philadelphia as an inclusive, equitable workplace. • Collaborate with OEO in promoting and enhancing the availability of contracting opportunities for Minority, Women, Disabled Owned Businesses Support (MWDBSE) firms and collaborate with the City Treasurer's Office (CTO) in monitoring the lending practices of City depositories. • Provide meaningful opportunities for community members to engage with, and provide feedback to, the Mayor's Commission on LGBT Affairs and the Mayor's Commission for People with Disabilities. • Establish processes and policies to enhance the City's compliance with Title II of the American with Disabilities Act (ADA). 				
FY21 Performance Measures				
Measure	FY19 Actual	FY120YTD (Q1 + Q2)	FY20 Target	FY21 Target
Internal meetings convened by the Mayor's Commission on People with Disabilities	2	5	6	6
Meetings convened by the Commission on LGBT Affairs	3	5	12	12
Department diversity and inclusion trainings held ¹	5	30	24	24
Department workforce review meetings	22	45	71	71

¹ Of the 13 trainings between July and October, 12 were LGBTQ competency trainings and 1 was diversity and bias. There were 17 trainings between October and December and 7 were LGBTQ competency trainings and 10 were diversity and bias trainings.

INTEGRITY OFFICE

FY21 Strategic Goals				
<ul style="list-style-type: none"> • Ensure 100% compliance of the Mayor, departmental, and cabinet leadership with annual ethics training and financial disclosure requirements. • Enhance communications to Executive Branch departments, offices, and agencies about ethics through Integrity Officer program, written materials, social media, etc. • Serve as a trusted resource for the Mayor and Executive Branch employees on ethics-related questions. 				
FY21 Performance Measures				
Measure	FY19 Actual	FY120YTD (Q1 + Q2)	FY20 Target	FY21 Target
Response time to gift-related questions (days) ¹	1,534	N/A	1	1
Number of Trainings ²	N/A	N/A	20	20
Number of employees participating in bi-annual ethics survey ³	1,534	N/A	N/A	2,000

¹ An increase in responsibilities with other issues reduced time available for this.

² This is a new, annual measure for FY20 so prior year data is unavailable.

³ The ethics survey is taken bi-annually. The last survey was taken in FY19 Q2, so this measure is shown as N/A for FY20.

OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable)

While state and federal funding changes will not directly impact the Mayor's Office, we are closely monitoring federal and state responses to the COVID-19 pandemic in particular will work with our lobbyists and other partners to advocate for the needs of the City of Philadelphia.

CONTRACTING EXPERIENCE

M/W/DSBE Participation on Large Professional Services Contracts with For-Profit Vendors											
Top Largest Contracts over \$34,000 for FY2020											
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) [yes / no]	Waiver for Living Wage Compliance? [yes / no]
Holland & Knight	Lobbying Services	\$115,000	4/10/2017	9/1/2019	MBE: Best Effort	0%	\$0	0%	\$0	No	No
					WBE: Best Effort	0%	\$0				
					DSBE: Best Effort	0%	\$0				
Buchanan Ingersoll	Lobbying Services	\$100,000	8/2/2016	7/1/2019	MBE: 20-25%	0%	\$0	100%	\$100,000	No	No
					WBE: 20-25%	100%	\$100,000				
					DSBE: 20-25%	0%	\$0				
Clark Hill	Lobbying Services	\$75,000	4/10/2017	9/1/2019	MBE: Best Effort	0%	\$0	100%	\$75,000	Yes	No
					WBE: Best Effort	100%	\$75,000				
					DSBE: Best Effort	0%	\$0				
Milligan	ADA Study	\$100,000	10/30/2017	3/1/2019	MBE: 15-20%	100%	\$100,000	100%	\$100,000	Yes	No
					WBE: 15-20%	0%	\$0				
					DSBE: 15-20%	0%	\$0				

EMPLOYEE DATA

Staff Demographics (as of December 2019)					
Full-Time Staff			Executive Staff		
	Male	Female		Male	Female
	African-American	African-American		African-American	African-American
<i>Total</i>	12	15	<i>Total</i>	4	8
<i>% of Total</i>	19%	24%	<i>% of Total</i>	10%	20%
<i>Average Salary</i>	\$94,556	\$79,003	<i>Average Salary</i>	\$143,000	\$97,120
<i>Median Salary</i>	\$80,000	\$80,000	<i>Median Salary</i>	\$153,500	\$93,741
	White	White		White	White
<i>Total</i>	7	14	<i>Total</i>	6	10
<i>% of Total</i>	11%	23%	<i>% of Total</i>	15%	25%
<i>Average Salary</i>	\$121,261	\$100,039	<i>Average Salary</i>	\$131,085	\$114,155
<i>Median Salary</i>	\$112,326	\$87,274	<i>Median Salary</i>	\$112,413	\$99,675
	Hispanic	Hispanic		Hispanic	Hispanic
<i>Total</i>	0	7	<i>Total</i>	0	3
<i>% of Total</i>	0%	11%	<i>% of Total</i>	0%	8%
<i>Average Salary</i>	\$0	\$65,241	<i>Average Salary</i>		\$79,167
<i>Median Salary</i>	\$0	\$64,890	<i>Median Salary</i>		\$80,000
	Asian	Asian		Asian	Asian
<i>Total</i>	2	3	<i>Total</i>	1	2
<i>% of Total</i>	3%	5%	<i>% of Total</i>	3%	5%
<i>Average Salary</i>	\$61,675	\$82,333	<i>Average Salary</i>	\$77,000	\$96,000
<i>Median Salary</i>	\$61,675	\$70,000	<i>Median Salary</i>	\$77,000	\$96,000
	Other	Other		Other	Other
<i>Total</i>	1	7	<i>Total</i>	1	5
<i>% of Total</i>	2%	11%	<i>% of Total</i>	3%	13%
<i>Average Salary</i>	\$90,000	\$98,204	<i>Average Salary</i>	\$90,000	\$114,877
<i>Median Salary</i>	\$90,000	\$80,000	<i>Median Salary</i>	\$90,000	\$122,000
	Bilingual	Bilingual		Bilingual	Bilingual
<i>Total</i>	5	12	<i>Total</i>	4	6
<i>% of Total</i>	8%	19%	<i>% of Total</i>	10%	15%
<i>Average Salary</i>	\$89,535	\$79,943	<i>Average Salary</i>	\$100,332	\$103,435
<i>Median Salary</i>	\$90,000	\$67,445	<i>Median Salary</i>	\$101,163	\$93,750
	Male	Female		Male	Female
<i>Total</i>	16	46	<i>Total</i>	12	28
<i>% of Total</i>	26%	74%	<i>% of Total</i>	30%	70%
<i>Average Salary</i>	\$107,286	\$86,450	<i>Average Salary</i>	\$127,126	\$104,371
<i>Median Salary</i>	\$91,250	\$80,000	<i>Median Salary</i>	\$112,413	\$93,741

LANGUAGE ACCESS

- 1. Has your leadership received language access training?**
Yes.
- 2. Do you currently have a language access coordinator?**
Yes. Lyana Cuadrado
- 3. Has your department written a language access plan and is it posted online?**
Yes, it can be found at <https://www.phila.gov/documents/language-access-plans/>
- 4. Explain what your department has done to improve language access services over the past year.**
 - Continue data collection.
 - Ensure new employees receive training.

CLIMATE CHANGE

1. How has climate change affected your department's provision of services?

Mayor Kenney has championed climate change adaptation and mitigation measures, including upholding the goals of the Paris Climate Agreement. Through his leadership and working through the Office of Sustainability and other city departments, the City has procured professional services to support the implementation of energy efficiency, renewable energy, transportation, waste reduction and other projects. Philadelphia was selected as a participant in the Bloomberg American Cities Climate Challenge and the Mayor meets quarterly with the Office of Sustainability and Bloomberg Philanthropies team to assess progress and provide direction and support towards the City's climate goals.

2. How might worsening climate change increase costs and demands for your department?

Climate change projections indicate Philadelphia will become hotter and wetter in the coming decades, and that our most vulnerable residents are most likely to be impacted. The Mayor committed to launching a citywide climate adaptation plan in his inaugural address, and while Covid-19 may change the timeline of the plan, it has also demonstrated the need to have a strong plan in place to protect residents, infrastructure and built assets from the negative impacts of a changing climate. This work will impact every department that will need to mitigate those risks, as well as private stakeholders that may be impacted by land use or zoning changes, which will require support and leadership from the Mayor's Office.

3. How does your department intend to mitigate and adapt to climate change?

In Mayor Kenney's leadership role locally, regionally and nationally he will continue to champion, speak out and take visible actions on climate change on behalf of the residents of Philadelphia. The Mayor will continue to champion actions that reduce Philadelphia's carbon footprint and will provide leadership support to launch the citywide climate adaptation planning process.

REVISED PLANS FOR FISCAL YEAR 2021

1. With the revised budget for FY21, what will your department accomplish in FY21?

The Mayor's Office will continue to ensure that the Mayor's revised priorities are collaboratively developed and disseminated to the rest of the Administration for implementation, and clearly communicated to City Council, other governments, and the residents and businesses of Philadelphia.

In FY21 the Office of the Chief of Staff and the Executive Office will provide leadership for the City of Philadelphia's COVID-19 rapid response, reopening and recovery as safely and swiftly as possible.

The Mayor's Office of Communications and Digital will lead communications and press response to COVID-19 coordinating across all City agencies including the Emergency Operations Center, partnering with the press to accurately communicate with residents and businesses including innovating with virtual communication methods and ensuring expanded language access and outreach into vulnerable communities.

The Mayor's Office of Education will continue to act as the Administration's liaison to the Board of Education for the School District of Philadelphia and ensure the Mayor's priorities are clearly communicated and delivered. In FY21 the Office will lead a major anti-poverty initiative of the Mayor, supporting the Community College of Philadelphia to launch the new Octavius Catto aimed at transforming student's lives, expected to serve 4,500 students over the Five-Year Plan. The Office of Public Engagement (OPE) will continue to manage a data-informed, coordinated, quality engagement strategy for all OPE offices and commissions to ensure that Covid-19 and other public engagement reaches all communities. The Office is mobilized to support and coordinate volunteer efforts, including with the Mayor's Volunteer Corps, necessary to ensure continued essential services while maintaining safe conditions and social distancing during COVID-19. The Office will continue to elevate and promote faith-based initiatives and culturally relevant communications to all religious faiths during and after the crisis.

The Office will continue to communicate via its newsletter sent to over 1,000 contacts monthly and will grow this audience over the next five years, including producing a regular EngagingPHL online communication highlighting key resources, especially for vulnerable communities, during the crisis.

The Office of Policy, Legislation and Intergovernmental Affairs will continue to work with the Mayor, Cabinet members, and department heads to establish and implement legislative and policy priorities. The Office will lead the coordination on Philadelphia's intergovernmental response to the COVID-19 pandemic, including ensuring all Philadelphia elected officials receive timely and accurate information. The Office will also continue to partner with City Council to better coordinate the legislative process, ensuring that critical issues are given the necessary support to pass effective legislation and implement best practices as is appropriate during the crisis. Through the work of the policy team, GovLabPHL will continue to develop innovative, data-driven and evidence-based practices to address common municipal challenges. The policy team

will also support the Recovery Office in tracking Covid-19 federal and state funding and continue to advance a core set of strategic priorities on behalf of the Mayor.

The Office of Diversity, Equity and Inclusion will lead the Administration's Racial Equity initiative as outlined in Executive Order 1-20 signed by Mayor Kenney on January 6, 2020. The Racial Equity initiative will assess where racial disparities are most pervasive and develop strategies to move our city in a direction that better supports communities of color. The Office will continue to work on the ADA Accessibility Study initiated in FY20. The Office will convene the Diversity Advisory Council to help shape more equitable policies in response to the grave inequities highlighted by COVID-19. The Office will manage the Mayor's Commission on People with Disabilities and the Mayor's Commission on LGBT Affairs.

The Integrity Office will continue its primary focus to serve as an advisor to the Mayor, employees within the Executive Branch, members of Boards and Commissions, vendors and the public about laws, policies, regulations, and Executive Orders related to integrity, transparency and accountability. Notably, the Office will provide ongoing oversight of the Administration's signature initiatives funded by the beverage tax: Rebuild, PHLpreK and Community Schools; as well as Philadelphia Code Chapter 17-1400 compliance issues. The Office will also provide direction and advice to the Recovery Office and Steering Committee to ensure all federal and state funds are spent ethically and transparently. Finally, the Office will ensure the Mayor and top Administration officials complete annual ethics refresher trainings and Financial Disclosure Statement filings.

A reduced City Representative's Office has been added to the Mayor's Office Budget. The City Representative will work with City agencies, community organizations, hospitality and tourism industry to determine the future of numerous events adhering to public health guidance.

2. With the revised budget for FY21, what existing programs or services will be reduced or eliminated?

In FY21 revised budget the Office Mayor's new anti-poverty initiative the Octavius Catto Scholarship has been reduced but retains key elements that are proven to improve outcomes for students: basic needs supports, staff supports, and last-dollar tuition. The Octavius Catto Scholarship is more important now than ever as projections for a post-Covid-19 economy indicate greater automation and need for upskilling, requiring more Philadelphians to have post-secondary degrees in order to thrive.

Key changes to the program include:

- **Spring 2021 start:** Instead of starting the Scholarship during the Fall 2020 semester, the Scholarship will begin in the Spring 2021 semester. This reduces costs for the program in FY21 and allows Community College staff and time to adjust the new way of operating during the Fall, while also ensuring that the program can scale up over time.
- **First-time full-time students only:** The revised proposal limits the Scholarship to first-time full-time students. The original proposal had allowed for returning students to obtain last-dollar tuition support during the first year of the Scholarship. Research has shown that students who attend community colleges full-time have higher persistence, transfer, and completion rates.

- **EFC of \$8,000:** Under the revised proposal, the student income cap has been lowered from an Expected Family Contribution (EFC) of \$15,000 to \$8,000. This change allows the Scholarship to continue to reach most (roughly 95%) of the same students while also reducing costs.
 - Family Example 1: Family of 4, 1 child in college; Income = \$64,887; EFC = \$7,080
 - Family Example 2: Family of 3, Single Parent with 2 children in college; Income = \$83,691; EFC = \$7,074
 - Family Example 3: Family of 2, Single Parent with 1 child in college; Income = \$44,000; EFC = \$2,900
- **Staffing and Administrative Costs:** As a function of the delayed start and scaled-back model, staffing and other administrative costs are reduced in FY21, as most positions and other central programmatic costs will not be needed for a full year. The additional Single Stop staff from the original proposal have remained to ensure that ALL CCP students (including returning, part-time) are able to access the benefits they need to persist in their academic programs.
- **Dual Enrollment:** The amount allocated to dual enrollment was originally \$500K. This was reduced to \$350K, which can provide dual enrollment opportunities for about 140 students (vs. 200 in the original budget).
- **Autumn Bridge:** In FY21, CCP will hold an Autumn Bridge program. The original proposal included a Summer Bridge program in its first year (FY21) in addition to each ensuing year. Under the revised proposal, Summer Bridge programs commence beginning in FY22.

Finally, the timetable for the roll-out of the Administration's Racial Equity initiative as outlined in Executive Order 1-20 signed by Mayor Kenney on January 6, 2020 has had to be delayed as a result of COVID-19. The Office of Diversity, Equity and Inclusion in partnership with City departments will reassess and adjust the timeline for agencies to develop their Racial Equity Plans. However, the Office continues to work alongside multiple City agencies and is part of the COVID-19 Recovery Steering Committee providing advice and direction on explicitly embedding racial equity principles.

3. With the revised budget for FY21, what planned, new services or programs will not happen?

The City Representative's Office (three staff) have been added to the Mayor's Office Budget. This addition will result in a significant amount of the programs previously organized by the City Representative's Office being eliminated or reduced as a result of the COVID-19 pandemic. The City Representative is working with other City agencies, community organizations and the hospitality and tourism industry to determine the future of numerous events.

Overall, while the Mayor's Office has had staffing reductions and a significant increase in workload and shift in priorities to focus on COVID-19 relief, reopening, recovery and reimagining a healthier, safer and stronger future for Philadelphia its core mission and services will remain.

REVISED PERFORMANCE MEASURES

The Mayor's Office did not update their performance measures as a part of the revised budget process. Original performance measures listed below.

MAYOR, CHIEF OF STAFF, AND EXECUTIVE OFFICE

FY21 Performance Measures				
Measure	FY19 Actual	FY20YTD (Q1 + Q2)	FY20 Target	FY21 Target
Average response time to scheduling requests (days) ¹	7.1	9.5	10.0	10.0

¹ The target is set to 10 days, following staffing adjustments in FY19.

POLICY, LEGISLATION AND INTERGOVERNMENTAL AFFAIRS

FY21 Performance Measures				
Measure	FY19 Actual	FY20YTD (Q1 + Q2)	FY20 Target	FY21 Target
Administration-wide policy meetings ¹	5	5	6	12
Number of external partnerships ²	25	N/A	25	25

¹ These are monthly meetings to provide policy and research updates, and to encourage cross-departmental collaboration.

² This is an annual measure, and FY20 data will be available at year-end. External partnerships are defined as partnerships with academic institutions, quasi-city agencies, or non-profit organizations that are engaged with the City to design and implement research.

COMMUNICATIONS AND DIGITAL

FY21 Performance Measures				
Measure	FY19Actual	FY20YTD (Q1 + Q2)	FY20 Target	FY21 Target
Compliance with digital reporting metrics ¹	59.5%	67.4%	80.0%	80.0%
Followers across @PhiladelphiaGov and @PhillyMayor social media platforms	452,989	928,602	10% increase from prior year	10% increase from prior year
Average response time to constituent inquiries (days)	7.9	9.5	10.0	10.0

¹ Compliance is defined as reporting metrics to the digital director by various department social media leads each month. Without this information, the program cannot track other measures (such as overall reach of digital content).

PUBLIC ENGAGEMENT

FY21 Performance Measures				
Measure	FY19Actual	FY20YTD (Q1 + Q2)	FY20 Target	FY21 Target
Number of participants in attendance at engagement events ¹	1,911	2,099	2,000	3750
Number of engagement events ²	37	58	30	75
Service hours ³	135,649	71,368	148,212	150,000
Civic engagement hours ⁴	1,740	5,257	11,000	11,000

¹ This number is total number of participants who attend all engagement events.

² These events include any meeting, training or event hosted by OPE including OCEVS which engages residents.

³ We expect to hit this target number with the increased hours from the Mayor's Volunteer Corps service projects in the second half of FY20.

⁴ Civic engagement hours are when people participate in a community meeting, register people to vote, attend education sessions offered by OCEVS, or attend planning meetings. These programs run in schools, primarily.

DIVERSITY, EQUITY, AND INCLUSION

FY21 Performance Measures				
Measure	FY19 Actual	FY20YTD (Q1 + Q2)	FY20 Target	FY21 Target
Internal meetings convened by the Mayor's Commission on People with Disabilities	2	5	6	6
Meetings convened by the Commission on LGBT Affairs	3	5	12	12
Department diversity and inclusion trainings held ¹	5	30	24	24
Department workforce review meetings	22	45	71	71

¹ Of the 13 trainings between July and October, 12 were LGBTQ competency trainings and 1 was diversity and bias. There were 17 trainings between October and December and 7 were LGBTQ competency trainings and 10 were diversity and bias trainings.

INTEGRITY OFFICE

FY21 Performance Measures				
Measure	FY19 Actual	FY20YTD (Q1 + Q2)	FY20 Target	FY21 Target
Response time to gift-related questions (days) ¹	2	N/A	1	1
Number of Trainings ²	N/A	N/A	20	20
Number of employees participating in bi-annual ethics survey ³	1,534	N/A	N/A	2,000

¹ An increase in responsibilities with other issues reduced time available for this.

² This is a new, annual measure for FY20 so prior year data is unavailable.

³ The ethics survey is taken bi-annually. The last survey was taken in FY19 Q2, so this measure is shown as N/A for FY20.

**MAYOR'S OFFICE OF LABOR
REVISED FISCAL YEAR 2021 BUDGET TESTIMONY
MAY 18, 2020**

The revised FY21 Budget and FY21-25 Plan focuses on providing core services and targeting reductions to areas with the least impact on vulnerable populations and areas where others can fund or deliver services.

DEPARTMENT FUNDING LEVELS

General Fund Financial Summary by Class					
	FY20 Original Appropriations	FY20 Estimated Obligations	FY21 Original Proposed Appropriations	FY21 Revised Proposed Appropriations	\$ Difference Original to Revised Proposed
Class 100 - Employee Compensation	\$2,065,091	\$2,121,104	\$2,574,176	\$2,345,467	(\$228,709)
Class 200 - Purchase of Services	\$321,277	\$330,317	\$429,717	\$340,217	(\$89,500)
Class 300/400 - Materials, Supplies & Equipment	\$68,460	\$59,420	\$98,420	\$86,424	(\$11,996)
	\$2,454,828	\$2,510,841	\$3,102,313	\$2,772,104	(\$330,109)

GENERAL FUND FULL-TIME POSITIONS

General Fund Full-Time Positions					
	FY20 Adopted Budget	November 2019 Increment Run	FY21 Original Proposed Budget	FY21 Revised Proposed Budget	Difference Original to Revised Proposed
Full-Time Positions	30	22	38	34	(4)

**MAYOR'S OFFICE OF LABOR
ORIGINAL FISCAL YEAR 2021 BUDGET TESTIMONY**

This testimony was prepared by the Mayor's Office of Labor prior to the onset of COVID-19 and its impact on City government operations. It does not reflect the revised proposed FY21 budget or the department's new operational plan. Post COVID-19 responses from the Department are listed in the next section.

INTRODUCTION

Good Morning, President Clarke and Members of City Council. I am Richard Lazer, Deputy Mayor for Labor. Joining me today are Manny Citron, Chief of Staff, and Monica Marchetti-Brock, Director of Labor Relations. I am pleased to provide testimony on the Mayor's Office of Labor's Fiscal Year 2021 Operating Budget.

DEPARTMENT MISSION & PLANS

Mission: The Mayor's Office of Labor (MOL) builds partnerships between management and the labor organizations representing City 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 worker protection laws.

Plans for Fiscal Year 2021: In FY21 the Mayor's Office of Labor will undergo several significant changes. Most importantly, with the assistance and support of Council we are presenting a Charter Change to the citizens that will establish the Mayor's Office of Labor as a permanent Department of Labor; an official Cabinet-level department within the City's hierarchy.

This represents a pivotal moment in the history of Philadelphia. Our residents have fought long and hard for their rights as employees. They have fought equally hard for a City government they could view as a partner in protecting their interests. They have found that partner in this administration, and with you all as their Councilmembers.

This administration is aligned with Council in thinking that there should not be a threat of the Office of Labor simply going away when Mayor Kenney's term is done. Every day, my staff hear from private sector workers who suffer from workplace abuses such as wage theft, refusal of sick leave, and threats of retaliation. We hear internally from dedicated City employees who may be the victim of harassment and are turning to us for support. We hear from our labor unions about grievances and the technical details of contract rules.

Establishing a Department of Labor through Charter Change will ensure that these issues remain at the forefront of any future administration. It is the natural evolution for the Mayor's Office of Labor and is the culmination of years of work put in by both my staff to build-out our enforcement capacity, and by City Council through the successive worker protection ordinances you have passed.

Mayor's Office of Labor

In terms of specific goals, as part of this transition, we will be adding additional staff to manage EEO processes for the Police Department and add additional staff to our policy and compliance unit, which is responsible for enforcement of Fair Workweek and other ordinances.

The tables in pages (4 through 11) below were prepared by the Mayor's Office of Labor prior to the onset of COVID-19 and its impact on City government operations. They are based on the original FY21 budget proposal.

BUDGET SUMMARY & OTHER BUDGET DRIVERS

Staff Demographics Summary (as of December 2019)				
	Total	Minority	White	Female
Number of Full-Time Staff	22	12	10	14
Number of -Exempt Staff	22	12	10	14
Number of Executive Staff (deputy level and above)	6	1	5	2
Average Salary, Full-Time Staff	\$76,357	\$56,910	\$99,694	\$69,158
Average Salary, Exempt Staff	\$76,357	\$56,910	\$99,694	\$69,158
Average Salary, Executive Staff	\$128,897	\$126,327	\$129,411	\$137,688
Median Salary, Full-Time Staff	\$55,825	\$53,045	\$95,476	\$55,825
Median Salary, Exempt Staff	\$55,825	\$53,045	\$95,476	\$55,825
Median Salary, Executive Staff	\$117,753	\$126,327	\$109,180	\$137,688

Employment Levels (as of December 2019)		
	Budgeted	Filled
Number of Full-Time Positions	30	22
Number of Part-Time Positions	0	0
Number of Exempt Positions	30	22
Number of Executive Positions (deputy level and above)	6	6
Average Salary of All Full-Time Positions	\$69,938	\$76,357
Median Salary of All Full-Time Positions	\$55,000	\$55,825

General Fund Financial Summary by Class						
	FY19 Original Appropriations	FY19 Actual Obligations	FY20 Original Appropriations	FY20 Estimated Obligations	FY21 Proposed Appropriations	Difference: FY21-FY20
Class 100 - Employee Compensation	\$1,562,009	\$1,586,766	\$2,065,091	\$2,121,104	\$2,574,176	\$453,072
Class 200 - Purchase of Services	\$173,277	\$171,473	\$321,277	\$330,317	\$429,717	\$99,400
Class 300/400 - Materials, Supplies & Equipment	\$11,660	\$11,292	\$68,460	\$59,420	\$98,420	\$39,000
	\$1,746,946	\$1,769,531	\$2,454,828	\$2,510,841	\$3,102,313	\$591,472

Contracts Summary (Professional Services only)						
	FY17	FY18	FY19	FY20	FY21	FY20 YTD (Q1 & Q2)
Total amount of contracts	N/A	N/A	N/A	\$34,000	\$34,000	\$12,000
Total amount to M/W/DSBE	N/A	N/A	N/A	\$34,000	\$34,000	\$12,000
Participation Rate	N/A	N/A	N/A	100%	100%	100%

Mayor's Office of Labor

Total M/W/DSBE Contract Participation Goal (Public Works; Services, Supplies & Equipment; and Professional Services combined)			
	FY19	FY20	FY21
M/W/DSBE Contract Participation Goal	N/A	100%	100%

PROPOSED BUDGET OVERVIEW

Proposed Funding Request:

The proposed Fiscal Year 2021 General Fund budget totals \$3,124,241, an increase of \$613,400 over Fiscal Year 2020 estimated obligation levels. This increase is primarily due to increased staffing levels.

The proposed budget includes:

- \$2,606,104 in Class 100, a \$485,000 increase over FY20. This funding will allow MOL to increase staffing levels based on need. In FY21 our Labor Relations unit will assume responsibility for EEO functions in the Police Department. This funding will partially be used to staff those positions. We will also be using the funding to increase staffing in our Policy and Compliance unit to cover increased enforcement responsibilities related to Fair Workweek and the Domestic Workers Bill of rights.
- \$429,717 in Class 200, a \$99,400 increase over FY20. This funding will cover training for new Labor Relations staff, moving services and office build-out for new employees, two interview rooms, telecom jacks, and a private secure door for the labor relations entrance way. This funding will also provide for a pilot community grant program that will allow MOL to contract with community groups to help support our worker protection outreach. There is funding being removed from our budget for the labor contract negotiation fees and the office renovations for the Fairwork Week staff in FY21.
- \$88,420 in Class 300/400, a \$29,000 increase over FY20. This funding will cover material to build eight workstations, a new copy machine for staff located at a non-City owned location, and materials and supplies for new staff. There is funding being removed from our budget for office renovations for the Fair Workweek staff in FY21.

STAFFING LEVELS

The department is requesting 38 budgeted positions for FY21, an increase of eight positions over FY20.

The increase is attributed to five new positions for Labor Relations to manage EEO functions for the Police Department, and three new positions for Labor Policy and Compliance to work on worker protection functions such as Fair Workweek and Domestic Workers Bill of Rights.

NEW HIRES

New Hires (from 7/1/2019 to December 2019)			
	Total Number of New Hires	Spanish	Mandarin Chinese
Asian	2		1
Hispanic or Latino	1	1	
Total	3	1	1

Detail for new hires since December 2019, if applicable: N/A

PERFORMANCE, CHALLENGES, AND INITIATIVES

LABOR RELATIONS

FY21 Strategic Goals				
<ul style="list-style-type: none"> Negotiate successor agreements with the City's municipal bargaining units, whose current agreements are set to expire on June 30, 2020. Assume responsibility for Philadelphia Police Department EEO investigation complaints with a seamless transition. Train ERU staff in conflict resolution and mediation. Create Citywide EEO and workplace violence prevention policies. 				
FY21 Performance Measures				
Measure	FY19 Actual	FY20 YTD (Q1 + Q2)	FY20 Target	FY21 Target
Number of employees trained by the Office of Labor Relations and the Employee Relations Unit ¹	6,044	N/A	Increase from FY19 year-end	7,500

¹ This is an annual measure. The target is to meet or exceed the number of employees trained in FY18 by the Office of Labor Relations and the Employee Relations Unit. Numbers include training conducted within departments.

LABOR POLICY AND COMPLIANCE

FY21 Strategic Goals				
<ul style="list-style-type: none"> Implement a Philadelphia-specific approach to increasing awareness of worker protection ordinances. Expand community engagement and education efforts on how best to ensure compliance with the City's labor laws; improve workplace standards and protections; and increase economic security. Continue oversight of prevailing wage contracts to ensure workers on taxpayer-funded contracts are paid as required under the law. 				
FY21 Performance Measures				
Measure	FY19 Actual	FY20 YTD (Q1 + Q2)	FY20 Target	FY21 Target
Percent of prevailing wage projects with compliance issues	3.4%	3.1%	< 6.0%	< 6.0%
Number of paid sick leave and wage theft complaints submitted and investigated ¹	40	58	40	90
Number of paid sick leave and wage theft inquiries received and responded to ²	246	182	250	300

¹ The number of complaints varies from quarter-to-quarter. The target for this measure is a projected number of complaints.

² Inquiries include members of the public reaching out regarding the appropriate interpretation of applicable law. The target for this measure is a projected number of inquiries.

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 impacts due to changes in such funding streams.

CONTRACTING EXPERIENCE

M/W/DSBE Participation on Large Professional Services Contracts											
Top Five Largest Contracts, FY20											
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) [yes / no]	Waiver for Living Wage Compliance? [yes / no]
Mitchell & Titus	Perform a Compliance Audit in connection with the City's 21st Century Minimum Wage Standard	\$34,000	12/5/2019	6/30/2020	MBE: Best Efforts	100%	\$34,000	100%	\$34,000	yes	no
					WBE: Best Efforts	0%	\$0				
					DSBE: Best Efforts	0%	\$0				

Non-Profit Vendor Demographics: N/A

EMPLOYEE DATA

Staff Demographics (as of December 2019)					
Full-Time Staff			Executive Staff		
	Male	Female		Male	Female
	African-American	African-American		African-American	African-American
<i>Total</i>	4	6	<i>Total</i>	0	1
<i>% of Total</i>	18%	27%	<i>% of Total</i>	0%	17%
<i>Average Salary</i>	\$53,412	\$58,380	<i>Average Salary</i>	N/A	\$126,327
<i>Median Salary</i>	\$53,303	\$45,320	<i>Median Salary</i>	N/A	\$126,327
	White	White		White	White
<i>Total</i>	4	6	<i>Total</i>	4	1
<i>% of Total</i>	18%	27%	<i>% of Total</i>	67%	17%
<i>Average Salary</i>	\$124,502	\$83,156	<i>Average Salary</i>	\$124,502	\$149,050
<i>Median Salary</i>	\$106,991	\$73,153	<i>Median Salary</i>	\$106,991	\$149,050
	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	\$54,000	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	N/A	\$54,000	<i>Median Salary</i>	N/A	N/A
	Asian	Asian		Asian	Asian
<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	\$65,000	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	N/A	\$65,000	<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	2	<i>Total</i>	0	0
<i>% of Total</i>	0%	9%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	N/A	\$59,500	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	N/A	\$59,500	<i>Median Salary</i>	N/A	N/A
	Male	Female		Male	Female
<i>Total</i>	8	14	<i>Total</i>	4	2
<i>% of Total</i>	36%	64%	<i>% of Total</i>	67%	33%
<i>Average Salary</i>	\$88,956	\$69,158	<i>Average Salary</i>	\$124,502	\$137,689
<i>Median Salary</i>	\$76,509	\$55,825	<i>Median Salary</i>	\$106,991	\$137,689

LANGUAGE ACCESS

1. Has your leadership received language access training?

Yes

2. Do you currently have a language access coordinator?

Yes

3. Has your department written a language access plan and is it posted online?

The Mayor's Office of Labor is included under the language access plan for the Mayor's Office. This plan is available here:

<https://www.phila.gov/documents/language-access-plans/>

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

As part of our mission to ensure that Philadelphians have access to their protected rights, the Mayor's Office of Labor has collaborated with the Office of Immigrant Affairs to host several multilingual training and outreach events for workers. These events were to educate workers on their rights covered by worker protection laws in Philadelphia such as Wage Theft Protection, Paid Sick Leave, Fair Workweek, Just Cause for Parking Workers, and the Domestic Workers Bill of Rights.

In total, we have hosted five multilingual events, that were attended by 88 workers.

The events were conducted in the following languages:

- Vietnamese
- Mandarin Chinese
- Indonesian
- Burmese
- Karen

The Mayor's Office of Labor provides translated resources for employers and employees in the most common languages in Philadelphia. We currently have documents available in Haitian Creole, French, Russian, simplified Chinese, Spanish, and Vietnamese, in addition to English.

Lastly, The Mayor's Office of Labor uses the City's telephonic translation services for hotline callers to provide the public with language support for intake and enforcement of labor laws.

CLIMATE CHANGE

1. How has climate change affected your department's provision of services?

Climate change has not impacted our provision of services.

2. How might worsening climate change increase costs and demands for your department?

We are not aware of how climate change may increase costs or demands at this time.

3. How does your department intend to mitigate and adapt to climate change?

At this time the Mayor's Office of Labor does not have a specific mitigation plan for climate change. We will develop one if the need arises.

REVISED PLANS FOR FISCAL YEAR 2021

1. With the revised budget for FY21, what will your department accomplish in FY21?

The Mayor's Office of Labor will:

- Negotiate successor agreements with the City's municipal bargaining units, whose current agreements are set to expire on June 30, 2021.
- Assume responsibility for Philadelphia Police Department EEO investigation complaints with a seamless transition.
- Train ERU staff in conflict resolution and mediation.
- Create Citywide EEO and workplace violence prevention policies.
- Expand community engagement and education efforts on how best to ensure compliance with the City's labor laws; improve workplace standards and protections; and increase economic security.
- Continue oversight of prevailing wage contracts to ensure workers on taxpayer-funded contracts are paid as required under the law.

2. With the revised budget for FY21, what existing programs or services will be reduced or eliminated?

- Labor Relations is reassigning staff internally to be able to handle the transition of investigations from Police to the ERU, however, other programs and initiatives may be delayed due to the lack of staffing.
- Sexual Harassment training is mandated every three years, However, new Investigations will be prioritized over training sessions.
- We may be limited in what additional training sessions we can provide to the city employees.
- Our Labor Standards unit is reassessing the necessity of job-site interviews in light of the continuing public health concerns around COVID-19.

3. With the revised budget for FY21, what planned, new services or programs will not happen?

- MOL will not pilot a community grant program to support worker outreach in FY21.
- We will not renew the Living Wage Compliance Audit contract in FY21.
- Our Compliance unit will not hire two unfilled Compliance Investigator positions in FY21. These positions support enforcement of Fair Workweek, Paid Sick Leave, Wage Theft Prevention, Just Cause for Parking Workers, and the Domestic Workers Bill of Rights.
 - We have internally transferred an existing employee from Labor Standards into the Compliance Unit to help mitigate the loss of positions.

REVISED PERFORMANCE MEASURES

The Mayor's Office of Labor did not update their performance measures as part of the revised budget process. Original performance measures are listed below.

LABOR RELATIONS

FY21 Strategic Goals				
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