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## COUNCIL OF THE CITY OF PHILADELPHIA

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## COMMITTEE OF THE WHOLE - BUDGET

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Room 400, City Hall  
Philadelphia, Pennsylvania  
Tuesday, April 8, 2008  
10:20 a.m.

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## PRESENT:

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COUNCIL PRESIDENT ANNA C. VERNA

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COUNCILWOMAN JANNIE BLACKWELL

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COUNCILMAN DARRELL L. CLARKE

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COUNCILMAN FRANK DiCICCO

14

COUNCILMAN W. WILSON GOODE, JR.

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COUNCILMAN BILL GREEN

16

COUNCILMAN WILLIAM GREENLEE

17

COUNCILMAN CURTIS JONES, JR.

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COUNCILMAN JAMES F. KENNEY

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COUNCILWOMAN DONNA REED MILLER

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COUNCILMAN FRANK RIZZO

21

COUNCILWOMAN MARIAN B. TASCO

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COUNCILMAN BRIAN J. O'NEILL

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BILLS 080022, 080154, 080155, 080156, 080157,  
080160, 080161 and 080168

24

RESOLUTION 080173

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COUNCIL PRESIDENT VERNA: Good morning, everyone. This is a continued public hearing of the Committee of the Whole regarding Bill Nos. 080022, 080154, 080155, 080156, 080157, 080160, 080161, 080168 and Resolution No. 080173.

The first department to testify this morning?

MR. MCPHERSON: Is the First Judicial District.

(Witnesses approached witness table.)

COUNCIL PRESIDENT VERNA: Good morning, Your Honor.

JUDGE JONES: Good morning, Madam President and Councilmembers. How are you this morning?

COUNCIL PRESIDENT VERNA: Fine. Thank you.

MR. LAWRENCE: Good morning, Council President Verna and members of the Committee of the Whole. I'm David Lawrence. I'm the Court Administrator of the First Judicial District. With me

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           today is President Judge Darnell Jones,  
3           President Judge of the Court of Common  
4           Pleas and Chair of the Administrative  
5           Governing Board for the First Judicial  
6           District, and Kevin Cross, Deputy Court  
7           Administrator for Financial Services.  
8           We're here to submit testimony in support  
9           of the District's Fiscal Year 2009  
10          General Fund and Grants Revenue budget  
11          request. In addition, this testimony  
12          will highlight our position reductions,  
13          our need for increases, outstanding  
14          issues and concerns, revenue enhancement,  
15          and partnerships.

16                 The FJD acknowledges and  
17          appreciates the Administration's regard  
18          for the judiciary as exhibited by not  
19          seeking to reduce our General Fund  
20          budget. We also recognize that the  
21          Administration and City Council value the  
22          judiciary as capable, independent  
23          partners in government. With these  
24          pursuits in mind, the District has  
25          implemented initiatives to reduce costs,

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           increase efficiencies and strengthen  
3           partnerships. Unfortunately, the FJD  
4           must seek additional funding for Grant  
5           Revenue shortfalls, operating expense  
6           increases, technology advances and  
7           facilities management, as the savings the  
8           judiciary generates is no longer  
9           sufficient to support these ongoing,  
10          escalating and unavoidable increases in  
11          shortfalls.

12                 We're seeking \$3.0 million to  
13          increase our Juvenile Probation  
14          complement and for increased operating  
15          expenses. To offset this increase, the  
16          FJD details its position reductions as  
17          set forth in Section B of our testimony.

18                 Through the combination of  
19          position reductions and self-funded  
20          initiatives, the FJD has generated a  
21          savings to the General Fund that exceeds  
22          the cost of the budget increase sought in  
23          this request.

24                 Since November 2004, our  
25          General Fund position level declined from

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           2,038 to 1,863 in November 2007, which  
3           represents approximately ten percent of  
4           our workforce. Overall, there is a net  
5           reduction of 800 positions from FY90 to  
6           FY08.

7                     The FJD has used dedicated  
8           revenue for self-funded programs in  
9           Juvenile and Adult Probation, Community  
10          Court and Traffic Court as a means to  
11          adjust to changing conditions and to  
12          offset other shortfalls and cost  
13          increases. These partnerships have been  
14          effective in the Youth Violence Reduction  
15          Program and the Truancy Reduction  
16          Program, yet we are challenged to  
17          continue these partnerships as  
18          uncertainty and delay in reimbursement  
19          continues to exist.

20                    Since July 1994, the FJD's  
21          Class 200, 300 and 400 appropriations  
22          have remained unchanged while operating  
23          costs have increased. In the last six  
24          years, the District experienced a 30  
25          percent increase in its operating

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           expenses. Chart 2 shows examples of  
3           increases in specific Class 200 line  
4           items. These expenses are uncontrollable  
5           and unavoidable. We must provide these  
6           services and have a limited ability to  
7           curtail this increase. Security, drug  
8           testing and contract interpreter expenses  
9           have doubled since FY01, and increases in  
10          mental health evaluations and leases  
11          threaten our ability to self-fund these  
12          expenses. Additionally, while computer  
13          hardware costs have declined, software  
14          licensing and maintenance are sharply  
15          higher.

16                 In our prior year's testimony  
17          before City Council, we noted the Child  
18          Support Program would experience severe  
19          funding problems in FY08 totalling 6.7  
20          million. I am pleased to report to this  
21          Council that largely due to the efforts  
22          of the leadership of Family Court and the  
23          cooperation of state officials, this  
24          deficit has been resolved. However, a  
25          \$2.4 million liability exists from prior

1           4/8/08 - WHOLE - BILL 080022, etc.

2           year's expenses that we are currently  
3           reviewing with the Administration and  
4           we're hopeful it will be resolved  
5           shortly.

6                       In FY08, the Truancy Program  
7           was expanded at the request of the City  
8           and the number of school clusters  
9           increased. In FY07, the program handled  
10          6,700 cases involving truant children.  
11          In FY08, the program has handled 16,423  
12          hearings between September and February.  
13          This program is funded through DHS, and  
14          the FJD would like an assurance of  
15          reimbursement and future funding or a  
16          shift to the FJD budget to sustain the  
17          program. The total program cost is  
18          approximately \$1.5 million for salary and  
19          operating costs and approximately  
20          \$500,000 for fringe benefits.

21                      The Adult and Juvenile  
22          Departments are active participants in  
23          YVRP, which is the Youth Violence  
24          Reduction Program. Approximately 40  
25          probation officers are assigned to the

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           program amounting to \$2 million in salary  
3           and benefits, which is currently  
4           unfunded, leaving the Court with a \$1.2  
5           million mandate.

6                     Included in our base budget is  
7           an increased number of juvenile probation  
8           officers, which is a requirement of the  
9           Juvenile Court Judges' Commission. To  
10          maintain grant funding for 26 probation  
11          officers assigned to specialized units,  
12          the FJD must increase its complement to  
13          210 or an increase of 34 probation  
14          officers. The funding for this increase  
15          is mostly contained in the base budget,  
16          but will require an additional \$500,000  
17          in FY09.

18                    The judiciary recognizes it  
19          loses senior and experienced probation  
20          officers to other social service agencies  
21          due to salary inequities. We will  
22          support any agreement between District  
23          Council 47 and the City to adjust  
24          probation officer salaries upward.

25                    Included in the FY09 budget is



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           \$250,000 for funding probation officers  
3           assigned to the Strategic Anti-Violence  
4           Unit in Adult Probation. Additionally,  
5           the University of Pennsylvania is seeking  
6           to transfer ownership of its statistical  
7           modeling application to the Adult  
8           Probation Department at a cost of  
9           \$250,000. If the City wants to continue  
10          the use of this promising statistical  
11          modeling tool, additional one-time  
12          funding will be needed.

13                 The Court will support any  
14          initiative by Public Property to begin a  
15          long-term, multi-year refurbishment of  
16          the Criminal Justice Center, which is  
17          frequented by two million people a year.

18                 Notwithstanding the FJD budget  
19          request of 117.5 million or the  
20          Administration's proposed budget of 114.5  
21          million is the revenue the FJD generates  
22          to offset its operating expenses. The  
23          District generates 53.4 million in  
24          revenue and reimbursement, and offsets 46  
25          percent to its General Fund budget and 61

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           percent of its total budget. Revenue  
3           increases have resulted from the passage  
4           of a new civil fee bill, and new Traffic  
5           Court rules have generated an additional  
6           \$500,000 in FY07. The judiciary partners  
7           with the City for YVRP and Truancy and  
8           through grant funding provides drug and  
9           DUI Treatment Court and with the  
10          University of Pennsylvania for the SAV-U  
11          Program.

12                       The Philadelphia judiciary  
13          appreciates this opportunity to present  
14          to you some of its accomplishments,  
15          concern and realities it faces and has  
16          overcome. We have demonstrated our  
17          ability to do more with less, thereby  
18          providing honest value on investment, and  
19          we are a cooperative justice partner. We  
20          are also hopeful you will allow the  
21          judiciary to remain a strong and  
22          committed partner by approving our budget  
23          request as outlined.

24                       On behalf of the Philadelphia  
25          judiciary, the Administrative Governing

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           Board and the employees of the First  
3           Judicial District, we respectfully seek  
4           City Council's consideration and approval  
5           of our FY09 General Fund budget request  
6           of \$117,552,000 and Grants Revenue budget  
7           request of \$45,624,000 and seek this  
8           request consistent with past City of  
9           Philadelphia and FJD budget agreements,  
10          which allow retention of any and all  
11          savings generated by the District.

12                       Thank you for your  
13          consideration, and we'll be happy to  
14          entertain any questions that Council  
15          might have.

16                       COUNCIL PRESIDENT VERNA: Thank  
17          you so much.

18                       Can you update us on the status  
19          of the state takeover of the unified  
20          judicial system?

21                       MR. LAWRENCE: To be quite  
22          honest, Madam President, I don't see it  
23          going anywhere. There's no action in the  
24          Legislature that I'm aware of to fund  
25          such an action, and it seems like year

1           4/8/08 - WHOLE - BILL 080022, etc.

2           after year the inquiry is placed and I  
3           have to sit here and say nothing is  
4           really happening in that area.

5                   COUNCIL PRESIDENT VERNA: Since  
6           the early '80s when the Supreme Court  
7           rendered their decision, how many of the  
8           staff members have been transferred from  
9           the court to the state?

10                   MR. LAWRENCE: Thirteen.

11                   COUNCIL PRESIDENT VERNA: I  
12           thought it was more than that.

13                   JUDGE JONES: Madam President,  
14           if I may, I might add that every year  
15           there is a conference known as the PACM  
16           conference. It's president judges and  
17           county commissioners from across the  
18           Commonwealth. Every year in June we meet  
19           at State College -- court administrators.  
20           Excuse me. It is on the agenda every  
21           year. It is the topic of discussion  
22           every year statewide, and all of us  
23           constantly are concerned about this and  
24           want some change, but, unfortunately, it  
25           has not yet been addressed and it does

1 4/8/08 - WHOLE - BILL 080022, etc.

2 not look, as our state court

3 administrator has indicated --

4 COUNCIL PRESIDENT VERNA: It's

5 not very likely.

6 JUDGE JONES: -- not very

7 likely.

8 COUNCIL PRESIDENT VERNA: You

9 state in your testimony that the courts

10 require an additional \$3 million in

11 Fiscal '09. Have you requested this

12 funding from the state?

13 MR. LAWRENCE: No.

14 COUNCIL PRESIDENT VERNA: Are

15 you going to?

16 MR. LAWRENCE: I'm not quite

17 sure to whom I would address that

18 request.

19 COUNCIL PRESIDENT VERNA: Well,

20 it just annoys me that they mandate, but

21 don't pay.

22 MR. LAWRENCE: Well, we're both

23 painfully aware of unfunded mandates.

24 COUNCIL PRESIDENT VERNA: And I

25 think it's time that something be done

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           about it. We just can't continue  
3           traveling the road that we're on.

4                       MR. LAWRENCE: And I don't  
5           disagree with you, Madam President. It's  
6           frustrating for those of us within the  
7           judiciary. It's a little embarrassing to  
8           sit before a body such as this and have  
9           to report the same thing year in and year  
10          out. Unfortunately, those discussions  
11          are held in different venues than this,  
12          and the local court systems generally  
13          aren't involved in those discussions at  
14          all. I don't know whether an  
15          organization such as the County  
16          Commissioners Association has the same  
17          interest that you -- I would think they  
18          would, but I'm not aware of any movement,  
19          as I indicated.

20                      COUNCIL PRESIDENT VERNA: I  
21          know that in our prior year's testimony  
22          we were asked to support a request of \$2  
23          million for the Child Support Program.

24                      MR. LAWRENCE: Yes, ma'am.

25                      COUNCIL PRESIDENT VERNA: That

1 4/8/08 - WHOLE - BILL 080022, etc.

2 has been apparently or you're working to  
3 resolve that?

4 MR. LAWRENCE: What happened  
5 was, it turned out we didn't need the  
6 entire \$6.7 million because we haven't  
7 been hiring people. The state did come  
8 through with \$3.3 million to get us  
9 through this fiscal year. So the City --  
10 we didn't have to ask the City to make  
11 any contribution to cover that shortfall.  
12 There's a current --

13 COUNCIL PRESIDENT VERNA: 2.4?

14 MR. LAWRENCE: Yeah. It's  
15 actually a bill. We owe the City after  
16 we do a reconciliation, and we're  
17 discussing it with the Budget Bureau to  
18 see how we might just come to some  
19 amicable resolution of that issue.

20 COUNCIL PRESIDENT VERNA: I  
21 know that many people were very concerned  
22 about that last year, because it's such  
23 an important program.

24 MR. LAWRENCE: Next year that  
25 funding could be as -- funding gap could

1 4/8/08 - WHOLE - BILL 080022, etc.

2 be as much as \$7 million, but we're  
3 hopeful that the state is going to do  
4 next year what it did this year.

5 COUNCIL PRESIDENT VERNA:

6 Great. Thank you.

7 The Chair recognizes Councilman  
8 Green.

9 COUNCILMAN GREEN: Thank you,  
10 Madam Chair.

11 I hope you will bear with me  
12 for one second while I, just for people  
13 who are not aware of the history that the  
14 President was talking about, I make them  
15 aware of the history of the Supreme Court  
16 decision to which she was referring.

17 In 1987, the Pennsylvania  
18 Supreme Court ruled that Pennsylvania's  
19 statutory scheme for county funding of  
20 the judicial system was in conflict with  
21 the intent expressed in the PA  
22 Constitution, and that the judicial  
23 system be unified. The Court held that  
24 the present statutory funding for the  
25 judicial system is now void as offending



1           4/8/08 - WHOLE - BILL 080022, etc.

2           the constitutional mandate for a unified  
3           system, but stayed its judgement to give  
4           the General Assembly time to enact  
5           appropriate funding legislation.

6                       Over the next nine years, the  
7           General Assembly took no action to enact  
8           funding legislation. In 1996, ruling in  
9           a mandamus action brought by county  
10          commissioners to compel the state to  
11          establish a state funding scheme for the  
12          courts, the PA Supreme Court ordered the  
13          General Assembly to, quote, "enact a  
14          funding scheme for the court system on or  
15          before January 1st, 1998," end quote.  
16          The Court also appointed a Master to make  
17          recommendations about how to implement  
18          the decision.

19                      More than ten years have  
20          elapsed since the state funding deadline  
21          set by the PA Supreme Court and the  
22          General Assembly has yet to comply with  
23          its constitutionally mandated and  
24          court-ordered responsibility to fund the  
25          courts of the Commonwealth, including the

1           4/8/08 - WHOLE - BILL 080022, etc.

2           First Judicial District.

3                       Since January 1st, 1998, the  
4           deadline set by the Pennsylvania Supreme  
5           Court for the state to begin funding the  
6           courts, Philadelphia has spent over \$1.1  
7           billion to fund the First Judicial  
8           District, including over \$115 million in  
9           Fiscal Year '08.

10                      Given the order of the Supreme  
11           Court and the mandamus action that they  
12           have brought against the General  
13           Assembly, I don't understand why you're  
14           sitting here asking us for funding. In  
15           other words, we've all taken an oath to  
16           uphold the laws and the Constitution of  
17           the State of Pennsylvania. This body,  
18           this City is not responsible for funding  
19           you under the rulings of the highest  
20           court in the land. So my question is,  
21           does the First Judicial District see it  
22           as part of its duty to comply with the  
23           orders of the highest court in the  
24           Commonwealth of the State of  
25           Pennsylvania?

1 4/8/08 - WHOLE - BILL 080022, etc.

2 JUDGE JONES: Mr. Councilman,  
3 if I may, first of all, I tried to do my  
4 part in that regard by -- pardon me.  
5 President Judge C. Darnell Jones.

6 I tried to do my part in that  
7 regard by running for Supreme Court last  
8 spring, but was unsuccessful.  
9 Nevertheless, first of all, it is the  
10 responsibility, the onus is placed on the  
11 state Legislature. It was not placed  
12 upon the court system. This court  
13 system, the First Judicial District, as  
14 other court systems around the  
15 Commonwealth, wholly support the Supreme  
16 Court's ruling, but we cannot  
17 individually do anything to enforce it.  
18 It is incumbent upon the Supreme Court if  
19 they want to go further in that endeavor,  
20 not the individual court systems.

21 COUNCILMAN GREEN: If City  
22 Council pursuant to the clear holding  
23 from the Pennsylvania Supreme Court  
24 zeroes out the First Judicial District's  
25 funding in Fiscal Year '09, what would

1           4/8/08 - WHOLE - BILL 080022, etc.

2           the court do?

3                   JUDGE JONES: I think the  
4           question is, what would the citizenry do,  
5           not so much what would the court do.

6                   COUNCILMAN GREEN: I mean,  
7           under the clear ruling of the Supreme  
8           Court, no mandamus can be brought against  
9           us because we're not responsible. There  
10          would have to be a mandamus action  
11          brought against the General Assembly or  
12          the state to compel funding.

13                   (Witness approached witness  
14          table.)

15                   JUDGE JONES: I think you're  
16          correct theoretically and, frankly,  
17          legally, but as I said before, the  
18          problem is would the citizens of  
19          Philadelphia suffer because of that  
20          action, which the Philadelphia Court  
21          system could not do anything about.

22                   COUNCILMAN GREEN: Well, that's  
23          true, but it's not our responsibility  
24          under law. We have great need for that  
25          \$115 million elsewhere. Our

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           infrastructure is crumbling. We have  
3           many priorities that aren't being met.  
4           And so I guess somebody will have to  
5           blink. It will be us or the Legislature.

6                     MR. AGOSTINI: Madam President,  
7           Councilmember, Steve Agostini, Budget  
8           Director.

9                     I believe that the City at one  
10          point in the early '90s actually did zero  
11          out funding for the courts and was left  
12          with a situation where it then had to  
13          come back through an expenditure transfer  
14          process to put that money back.

15                    COUNCILMAN GREEN: That is  
16          prior to the Supreme Court ordering of  
17          the General Assembly in 1998 and prior to  
18          that mandamus decision that I referenced  
19          earlier, but thank you for the history  
20          lesson.

21                    If the First Judicial  
22          District -- so essentially what can we  
23          do?

24                    JUDGE JONES: I don't believe  
25          that's rhetorical, so I will try to

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           answer it. I think what we would want  
3           you to do would be to fund us now and  
4           work with the state Legislature and/or  
5           the court system to address it for the  
6           next fiscal year.

7                   COUNCILMAN GREEN: If we fund  
8           you, what are the chances we're going to  
9           get the Legislature to replace it versus  
10          if we don't fund you, we're creating  
11          essentially a crisis that the state is  
12          going to have to deal with?

13                   JUDGE JONES: I could only  
14          venture to suggest to you,  
15          Mr. Councilman, that you speak with the  
16          county commissioners statewide and do it  
17          collectively as opposed to just  
18          Philadelphia County.

19                   COUNCILMAN GREEN: I have, in  
20          fact, spoken to many county commissioners  
21          across the state, and many of them are  
22          looking into zeroing out the budget for  
23          Fiscal Year '09.

24                   JUDGE JONES: I believe your  
25          chances of success would be much greater

1           4/8/08 - WHOLE - BILL 080022, etc.

2           if you do it as a collective as opposed  
3           to just Philadelphia County alone.

4                   COUNCILMAN GREEN: Okay. So  
5           it's your testimony today that we are not  
6           responsible for funding you?

7                   JUDGE JONES: It is my  
8           testimony today that --

9                   COUNCILMAN GREEN: Under the  
10          law and the Supreme Court's --

11                  JUDGE JONES: The practical  
12          reality is that, yes, you are responsible  
13          for funding the First Judicial District,  
14          as other jurisdictions around the  
15          Commonwealth are being funded by their  
16          local municipalities. However, based  
17          upon the decision that was rendered,  
18          which you alluded to earlier, there is no  
19          question but that decision was imposed by  
20          the Pennsylvania Supreme Court at that  
21          time. But, again, the individual  
22          judicial districts have no ability  
23          whatsoever to do anything about it other  
24          than to, as a practical reality, come  
25          before their municipalities asking for

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           the monies as we're requesting this date.

3                   COUNCILMAN GREEN: Sure, but  
4           there's no legal obligation on the part  
5           of the County and City of Philadelphia to  
6           fund the First Judicial District; is that  
7           correct?

8                   JUDGE JONES: If one reads that  
9           opinion strictly, I agree with you.

10                  COUNCILMAN GREEN: Thank you.  
11          I have no further questions on that  
12          topic.

13                  You mentioned in your testimony  
14          that while computer hardware costs have  
15          declined, software licensing and  
16          maintenance are sharply higher. To what  
17          extent do you work with other  
18          instrumentalities of the County and City  
19          of Philadelphia in terms of centralized  
20          procurement and strategic sourcing of  
21          software licenses?

22                  MR. LAWRENCE: We work fairly  
23          closely with MOIS on these issues. We do  
24          do our own procurement, as you probably  
25          know, as they do their own procurements



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           as well. Our pricing is remarkably  
3           similar or somewhat less, I believe, than  
4           what the City is paying, and most  
5           notably, it's Microsoft. Microsoft is  
6           just hammering everybody. We'll have  
7           increased costs this year of \$600,000  
8           just for Microsoft products.

9                   COUNCILMAN GREEN: Have you  
10          looked at going to a Linux-based system  
11          or other --

12                   MR. LAWRENCE: We talk around  
13          it. We explore it. We haven't taken any  
14          definitive steps in that area, because it  
15          would be a huge change to the  
16          infrastructure and require a plan of  
17          several years, I think, to get there.

18                   COUNCILMAN GREEN: Certainly  
19          you could require everybody who files  
20          briefs with you to file them  
21          electronically in any format you wish.  
22          So that I just suggest that you have the  
23          ability to say, File in a Linux-based Red  
24          Hat software system, and then that's how  
25          they'll file.

1 4/8/08 - WHOLE - BILL 080022, etc.

2 MR. LAWRENCE: That's true.

3 COUNCILMAN GREEN: So I do  
4 think that we should perhaps look at  
5 savings there.

6 Could you talk about the new  
7 electronic filing system that you're  
8 putting in place that sounds like a great  
9 opportunity for cost savings?

10 MR. LAWRENCE: We hope it is,  
11 Councilman. We hope that by the end of  
12 the first half of this year, that we will  
13 institute an electronic filing system for  
14 all actions in the Court of Common Pleas  
15 in the civil arena. This would impact  
16 very heavily on the Prothonotary's  
17 Office, which is currently charged with  
18 the intake of all the pleadings, as well  
19 as our Civil Administration Office, which  
20 handles over 40,000 motions a year.

21 (Bell rung.)

22 MR. LAWRENCE: Basically, it  
23 makes the paper go away and it allows for  
24 access of a document by multiple parties  
25 at the same time. You can view documents

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           24/7. It provides for the electronic  
3           service of documents under certain  
4           conditions, and we think it's just a much  
5           more efficient way to do business rather  
6           than the same way we did business 30  
7           years ago.

8                     The Bar seems very excited  
9           about this. We think it will make their  
10          life easier. It will make our life  
11          easier. But it will also involve an  
12          adjustment. I know me personally, I'd  
13          love to have a piece of paper that  
14          somebody sends me. So the downside  
15          initially, my paper costs are going to go  
16          up, because the judges like to take that  
17          with them and walk around. They're going  
18          to print out a motion. They'll get away  
19          from that over a period of time.

20                    But we're very excited about  
21          it. We've done it solely in-house. We  
22          haven't paid a vendor a dime to do  
23          anything. So I'll take this opportunity  
24          for kudos to our staff, who have been  
25          working diligently on this, and we're

1           4/8/08 - WHOLE - BILL 080022, etc.

2           quite excited about it.

3                   COUNCILMAN GREEN: I agree. It  
4           looks like a great program and I commend  
5           you for it. And also, we're on the same  
6           side. We both want the state Legislature  
7           to do its job, and I'm sorry that they  
8           have put us in the position that we're in  
9           today.

10                   So thank you for all the work  
11           you do for the citizens of the County and  
12           City of Philadelphia.

13                   JUDGE JONES: Thank you.

14                   COUNCILMAN GREEN: And thank  
15           you for your testimony today. I  
16           appreciate it.

17                   JUDGE JONES: Thank you,  
18           Councilman.

19                   COUNCIL PRESIDENT VERNA: The  
20           Chair recognizes Councilwoman Blackwell.

21                   COUNCILWOMAN BLACKWELL: Thank  
22           you, Madam President.

23                   We certainly understand and  
24           have had this debate over what other  
25           branches of government pay. We agree

1           4/8/08 - WHOLE - BILL 080022, etc.

2           with our colleague in that regard, that

3           they're supposed to carry their end.

4           Having said that, this battle ensues.

5                       But we certainly wanted to

6           thank the President Judge for his

7           leadership and his willingness to take on

8           some of these hard issues that we talk to

9           him about all the time dealing with our

10          people, dealing with property sales and

11          predatory lending and many other issues

12          that affect our citizens. And we know

13          that one could get in an ivory tower and

14          look out, but we thank him for keeping

15          his feet on the ground and his head in

16          the clouds up to our Father.

17                       Thank you, Your Honor.

18                       JUDGE JONES: My pleasure.

19          Thank you, Councilwoman.

20                       COUNCIL PRESIDENT Verna: The

21          Chair recognizes Councilman Greenlee.

22                       COUNCILMAN GREENLEE: Thank

23          you, Madam President.

24                       Good morning, everyone.

25                       (Good morning.)

1 4/8/08 - WHOLE - BILL 080022, etc.

2 COUNCILMAN GREENLEE: Just a  
3 quick question. I apologize ahead if  
4 this was already addressed, because I had  
5 to step out for a minute.

6 On this whole funding issue,  
7 where do we compare with the other  
8 cities, counties in the state? I mean,  
9 do others experience some of the same  
10 problem?

11 MR. LAWRENCE: Absolutely.

12 COUNCILMAN GREENLEE: Are they  
13 picking on us?

14 MR. LAWRENCE: No. No. I have  
15 this conversation frequently with my  
16 colleagues across the state, and the one  
17 overriding issue that comes up in our  
18 discussions isn't caseflow management,  
19 it's not what computer program are you  
20 using, it's how are the county  
21 commissioners treating you guys, and it's  
22 a constant source of friction across the  
23 state. And I think there may be a little  
24 natural friction built into the system to  
25 begin with between the two branches of

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           government, which I think is good. It  
3           makes us both more creative, but the  
4           issue of local funding of the court  
5           systems is the common theme through every  
6           court administrator in Pennsylvania.

7                   COUNCILMAN GREENLEE: As I  
8           said, it's not good news we have the  
9           problem, but at least it's good news that  
10          we're not the only one.

11                   MR. LAWRENCE: Not by a long  
12          shot, Councilman.

13                   COUNCILMAN GREENLEE: Thank  
14          you.

15                   Thank you, Madam President.

16                   COUNCIL PRESIDENT VERNA:  
17          You're welcome.

18                   The Chair recognizes  
19          Councilwoman Tasco.

20                   COUNCILWOMAN TASCO: Thank you.

21                   Good morning. I have a couple  
22          of questions, and you know the one  
23          question I'm going to ask you about,  
24          about Council passed a resolution  
25          regarding the current mortgage

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           foreclosure crisis, and in response,  
3           Sheriff John Green instituted a stay of  
4           the April foreclosure sale. In this  
5           regard, can you provide us with your  
6           perspective on this issue and what  
7           actions that you are willing to take to  
8           address it?

9                         JUDGE JONES: Absolutely.  
10          Thank you for the opportunity, and I say  
11          thank you for the opportunity to specific  
12          members of Council who introduced that  
13          resolution and the Council of the Whole  
14          for unanimously passing it.

15                        It is a problem that absolutely  
16          must be addressed by all of the  
17          components of this system, and as  
18          recently, ironically, as yesterday  
19          evening, I received a call from the Wall  
20          Street Journal asking about the proposal  
21          that we're trying to put into place here  
22          in the First Judicial District, because  
23          it is evidently one of a kind nationwide.

24                        Specifically, I have to just go  
25          back historically for a moment, because I



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           know that there were some things that  
3           were stated both in the media and I think  
4           as a result of some of the wording in the  
5           resolution regarding what the prior  
6           President Judge did, specifically Judge  
7           Frederica Massiah-Jackson. I think it  
8           made reference to her having imposed a  
9           formal order staying. I spoke with her  
10          directly, and she informed me that she  
11          did not impose a moratorium as a matter  
12          of law, but rather there was a temporary  
13          stay to allow time to address the issue.

14                 What grew out of that  
15          ultimately was litigation that appeared  
16          before the Honorable Annette Rizzo, who  
17          is my point person in this entire  
18          process. And where we are at this point  
19          in time is, by reason of the resolution  
20          that you entered, courageously and  
21          admirably entered as a part of the City  
22          Council hearing, the court system has  
23          brought together who we identify as the  
24          stakeholders. They would be counsel for  
25          the lenders and counsel for those

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           homeowners, as well as a myriad of  
3           persons who are going to come forth as  
4           pro bono counsel to help in this process.

5                       We are devising a program at  
6           this time whereby we can divert  
7           foreclosure filings into a track system  
8           consistent with the case management  
9           program that currently exists in the  
10          civil division of our court.  
11          Specifically, we would call out, if you  
12          will, those commercial properties that  
13          are up for foreclosure. Those cases go  
14          forward as they would normally go  
15          forward. We are targeting owner-occupied  
16          residential properties for counseling  
17          upon the filing of a foreclosure  
18          petition.

19                      We're going to set up a system  
20          whereby persons will be represented by  
21          counsel if they can afford it. If they  
22          cannot, we're trying to set up a system  
23          whereby counsel pro bono will volunteer  
24          their time to assist those homeowners in  
25          counseling and any legal filings that

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           need to be filed to respond to the  
3           petitions for foreclosure and, during  
4           that time, make available to them any  
5           other venues by reason of the federal  
6           government's now new attention brought to  
7           this situation, as well as anyone on the  
8           state level and private funders as well.

9                     It will not -- and I really  
10          emphasize this -- it will not create a  
11          moratorium on foreclosure. And I say  
12          that because we, as the court system,  
13          have to also take into consideration that  
14          what is fundamental in this process is  
15          homeownership and also what derives from  
16          that, and that's the economy of the City  
17          of Philadelphia.

18                    There are properties which are  
19          owner-occupied from which persons have  
20          just simply walked away, and we cannot  
21          expect the lenders to say we're going to  
22          add on time after time after time a  
23          listing after listing knowing that the  
24          inevitable is going to happen, and that  
25          would be foreclosure. But for those

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           persons that we can identify, we will in  
3           the process of our track program give  
4           them that kind of opportunity to have  
5           counsel and representation without unduly  
6           delaying the process. It's just  
7           diversion of the case temporarily, and as  
8           a result, we temporarily halt the  
9           impending foreclosure to give those  
10          persons an opportunity for modification  
11          of the contract or modification of the  
12          repayment schedule or anything else that  
13          is available to them to allow them to  
14          keep that home. That's first and  
15          foremost.

16                 And in the end, it is important  
17          to note that if those things are not the  
18          solution, that the legal process still  
19          goes to its completion, and that would be  
20          ultimately foreclosure if that has to  
21          happen. We would not be an impediment to  
22          that, because we recognize that as a  
23          matter of law, it is a contract in the  
24          end and so, therefore, we cannot as the  
25          court system be an impediment to that

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           judicial process, but nevertheless, we  
3           are creating an avenue to give all of the  
4           residential property owners an  
5           opportunity to reclaim and save their  
6           houses.

7                   COUNCILWOMAN TASCO: Well,  
8           thank you very much, and we appreciate  
9           that effort to find a resolution to help  
10          out --

11                   COUNCIL PRESIDENT Verna:  
12          Excuse me, Councilwoman. I believe  
13          Councilman Goode has a point of order.

14                   COUNCILMAN GOODE: Point of  
15          information. I'll wait for Councilwoman  
16          Tasco.

17                   COUNCIL PRESIDENT Verna: Oh.

18                   COUNCILWOMAN TASCO: Because it  
19          is a real crisis.

20                   There was a Senate hearing here  
21          in Philadelphia yesterday with Senator  
22          Casey and Senator Dodd to discuss this  
23          issue in terms of what they're doing on  
24          the federal level.

25                   Now, is the --

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   (Bell rung.)

3                   COUNCILWOMAN TASC0: I guess

4           I'll ask the Sheriff what the process

5           will be. If as a homeowner I'm about to

6           lose my house, I get a notice to

7           foreclosure, who do I contact? Do I

8           contact the Sheriff? How will the

9           process work?

10                   JUDGE JONES: The process is

11           going to work, first of all, normally, in

12           that the lenders would have the right to

13           file a petition for foreclosure. Once

14           that's filed -- and we're working on the

15           details as we speak, but once that's

16           filed, the way we plan this working is

17           that those properties, by reason of the

18           lender's paperwork, will be identified as

19           owner-occupied residential properties.

20           Those are the ones which will be diverted

21           into this track program, and immediately

22           upon the filing, they will either have

23           counsel to respond to the petition or we

24           will seek to have counsel appointed for

25           them or to facilitate the obtaining of

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           counsel to answer the petition and to  
3           also make sure that we have available  
4           this pool of counselors to see what they  
5           can do to facilitate retaining that  
6           homeownership.

7                     In the process, it would only  
8           set back the case perhaps no more than a  
9           month in terms of giving the people the  
10          opportunity to develop that relationship  
11          with the counselors and to also allow for  
12          the production of all of the necessary  
13          paperwork that is involved whenever there  
14          is a foreclosure sale, including the  
15          revelation of income, changed  
16          circumstances and things like that of the  
17          homeowner. So that all of those things  
18          can be considered when we sit down at the  
19          table and try to facilitate a resolution  
20          with the lender by what we hope is going  
21          to be a modification of the lending  
22          document itself.

23                    Again, the Sheriff -- and this  
24          is underscored by an opinion that was  
25          issued by the City Solicitor, I think,

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           perhaps a couple years ago, and, that is,  
3           the Sheriff being an arm of the court  
4           system does not have the legal authority  
5           to impose a moratorium. And there is no  
6           formal document before me as the  
7           President Judge seeking that, and even if  
8           there was one, we believe that what we're  
9           coming up with as an alternative is the  
10          much wiser way to pursue this, because if  
11          we don't satisfy the law, all counsel  
12          would need to do would be to step in and  
13          file an action, either in our court or  
14          the federal court, and take it away from  
15          us all together.

16                 So right now that's why we  
17          think it's very important and appreciate  
18          immensely the fact that the lenders'  
19          attorneys came forward. We had a meeting  
20          yesterday afternoon and there must have  
21          been about, oh, I'd say, 30 or 40  
22          representatives at that meeting, half of  
23          whom were from the offices of attorneys  
24          representing the lenders, who have come  
25          forward to say, Yes, we're willing to



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           work with you to try to work this out and  
3           work a solution. It is unprecedented.  
4           And, again, I want to give credit to  
5           Judge Rizzo, Annette Rizzo, for having  
6           brought those people together as a  
7           steering committee a couple of years ago  
8           and maintained that committee.

9                   COUNCILWOMAN TASCO: What was  
10          the reaction of the advocates?

11                   JUDGE JONES: Enthusiasm and  
12          appreciation. So much so that they're  
13          meeting, I believe, either this morning  
14          or tomorrow morning to continue to work  
15          on a schematic for us to get this  
16          implemented. And once it's done -- and  
17          we hope that will be done by the end of  
18          this week. If not, at the latest on  
19          Monday morning, and I will certainly  
20          apprise all of the Councilmembers by  
21          direct contact, as well as issuing a  
22          press release to inform everyone exactly  
23          what we're going to do. But we're  
24          cautiously optimistic that it's going to  
25          work.

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   COUNCILWOMAN TASC0: Let me  
3 just say one more.

4                   One of the areas of concern is  
5 the area where the lenders -- there is an  
6 effort on the part of some of the federal  
7 Congressmen to see if -- and by a number  
8 of people -- that there is a  
9 renegotiation of the deal, because a lot  
10 of the problems associated with  
11 foreclosure is the deal that the  
12 homeowner entered into. So if that  
13 deal -- if there's no room there --  
14 because the guys that come to the table  
15 say, Okay, yeah, we'll agree, knowing  
16 that in a month's time they can still go  
17 on with the foreclosure. We wanted to  
18 use this as leverage to get them to  
19 renegotiate the loan or the deal to make  
20 it more palatable or easier for the  
21 homeowner to pay rather than eventually  
22 end up in the street, we end up with a  
23 vacant property and then all that that  
24 goes with that.

25                   So that is the underlying

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           reason, I think, to ask for a moratorium,  
3           because it shuts down the process. And I  
4           know you can't do it, but this is what we  
5           wanted to do. The end game is to see if  
6           we can in some instances, not all  
7           instances, can you renegotiate the deal,  
8           since some of these -- a number of these  
9           sales and negotiations were just  
10          fraudulent to begin with.

11                   JUDGE JONES: And that was made  
12          patently clear by me, by Judge Rizzo and  
13          by the advocates for those homeowners in  
14          that meeting yesterday, and I'm happy to  
15          say that the counsel representing the  
16          lenders were very, very sensitive to that  
17          and certainly are willing to come to the  
18          table and discuss that by identifying  
19          those mortgages which are amenable to  
20          renegotiation and modification, because  
21          we recognize that not all would be  
22          subject to that, but certainly a lot of  
23          people who were affected need that. They  
24          absolutely need that.

25                   And I really am a firm believer

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           in this process, because I do believe  
3           that it's going to result in the lenders'  
4           counsel and the lenders themselves being  
5           amenable to that modification on these  
6           documents.

7                   COUNCILWOMAN TASCO: My time is  
8           up. I yield to the Councilman. We may  
9           come back. I have some more questions  
10          too when he's finished.

11                   COUNCIL PRESIDENT Verna: The  
12          Chair recognizes Councilman Goode.

13                   COUNCILMAN GOODE: Thank you,  
14          Madam President.

15                   Good morning, President Judge.

16                   JUDGE JONES: Good morning,  
17          Councilman Goode.

18                   COUNCILMAN GOODE: I listened  
19          to everything you just said and actually  
20          heard a lot more than I think I wanted  
21          to. First being that there's going to be  
22          no moratorium; is that correct?

23                   JUDGE JONES: That's correct.  
24          If I might say this in the sense that --

25                   COUNCILMAN GOODE: President

1           4/8/08 - WHOLE - BILL 080022, etc.

2           Judge?

3                   JUDGE JONES: Yes, sir.

4                   COUNCILMAN GOODE: I really  
5           wanted to clarify the record. There's  
6           going to be no moratorium?

7                   JUDGE JONES: There is no  
8           official moratorium in the sense that  
9           there is no permanent stay on the  
10          foreclosure process because --

11                  COUNCILMAN GOODE: I understand  
12          what a moratorium is.

13                  JUDGE JONES: All right.

14                  COUNCILMAN GOODE: There's  
15          going to be no moratorium.

16                  JUDGE JONES: That's correct.

17                  COUNCILMAN GOODE: There's  
18          going to be no moratorium for legal  
19          reasons?

20                  JUDGE JONES: There is no  
21          moratorium for several reasons, the most  
22          important one of which is that there are  
23          a number of properties that don't qualify  
24          or would not be targeted even by  
25          concession of the counsel for the

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           homeowners, as we evidenced in the  
3           meeting yesterday. We simply recognized  
4           that a lot of properties could be in the  
5           situation. However, what we're targeting  
6           here are owner-occupied residential  
7           properties.

8                   COUNCILMAN GOODE: So what  
9           would qualify for a moratorium legally?

10                   JUDGE JONES: I'm sorry?

11                   COUNCILMAN GOODE: What would  
12           qualify for a moratorium legally?

13                   JUDGE JONES: Well, I can't  
14           give an advisory opinion on that. I  
15           would have to have something formally  
16           filed and the evidence would be presented  
17           from all parties concerned, and then  
18           ultimately a resolution or decision would  
19           be made based upon the evidence that  
20           would be submitted in that process.

21                   COUNCILMAN GOODE: So you're  
22           saying that off the top of your head, you  
23           currently don't see any case for a  
24           moratorium?

25                   JUDGE JONES: Based upon what I

1           4/8/08 - WHOLE - BILL 080022, etc.

2           have received to date, I've not had  
3           sufficient evidence that a moratorium  
4           would either be required or legal, quite  
5           frankly, because it would not identify  
6           the targeted group of people that really  
7           need to be addressed here.

8                   COUNCILMAN GOODE: What are the  
9           targeted group of people that need to be  
10          addressed here?

11                  JUDGE JONES: Owner-occupied  
12          residential properties. And if I can  
13          just give you an example that was given  
14          by counsel for the homeowners yesterday.  
15          They --

16                  COUNCILMAN GOODE: Counsel for  
17          the homeowners, which was who?

18                  JUDGE JONES: One of the  
19          counsel from, I think it was, the CLS  
20          organization.

21                  COUNCILMAN GOODE: Okay.

22                  JUDGE JONES: That they  
23          conceded, if you will, that there was an  
24          individual who, I believe, was an  
25          investor who owned approximately 14

1           4/8/08 - WHOLE - BILL 080022, etc.

2           properties, had essentially just walked  
3           away from those properties. That's not a  
4           situation where anyone --

5                     COUNCILMAN GOODE: So that's  
6           one example.

7                     JUDGE JONES: Yes, sir.

8                     COUNCILMAN GOODE: The major  
9           example we're dealing with here is  
10          predatory, subprime loans that were  
11          targeted toward African-Americans and  
12          Latinos, and that is provable,  
13          documentable, and all the data suggests  
14          that it's true nationally, here locally,  
15          and the most recent local data here  
16          suggests that there has been a major  
17          increase in that, the targeting of  
18          African-Americans and Latinos in terms of  
19          predatory, subprime loans.

20                    JUDGE JONES: Surely.

21                    COUNCILMAN GOODE: So that does  
22          not make the case for carving out those  
23          loans for a moratorium?

24                    JUDGE JONES: Well, let me put  
25          it this way: Clearly, that's the



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           targeted group, and the process that we  
3           have, we think, is better than a  
4           moratorium, because if we simply impose a  
5           moratorium, we are putting off the  
6           inevitable. If we have this as a result  
7           of a suit file and they are tracked and  
8           those first persons are identified with  
9           the ability to have help --

10                   COUNCILMAN GOODE: I don't  
11           necessarily disagree with you. I  
12           supported the resolution in Council  
13           calling for a moratorium, but a letter I  
14           sent to the Sheriff actually asked for a  
15           moratorium on those properties that had  
16           predatory, subprime loans.

17                   JUDGE JONES: And --

18                   COUNCILMAN GOODE: So my  
19           question to you is, if we can prove,  
20           which we can, which is that there was a  
21           racial targeting of African-Americans and  
22           Latinos with predatory, subprime loans  
23           and that has created a crisis within  
24           Philadelphia that needs to be addressed,  
25           doesn't that type of targeting create a

1           4/8/08 - WHOLE - BILL 080022, etc.

2           necessity for some sort of moratorium?

3                   JUDGE JONES: I don't want to  
4           be confused or confuse this by words,  
5           because a rose by any other name, as the  
6           saying goes. When we implement a program  
7           for diversion, it is tantamount to  
8           stopping the process. Now, you could  
9           call that a moratorium. We don't want to  
10          use the "moratorium" word because we know  
11          it can get into legal complications. But  
12          if these cases are by reason of your  
13          definition -- and HUD has identified them  
14          as well, and that was discussed in our  
15          meeting yesterday. And a lot of people  
16          in that meeting, both pro and con, at  
17          least acknowledged that that exists and,  
18          therefore, those persons need to be  
19          assisted. Our program will in fact do  
20          that.

21                   COUNCILMAN GOODE: So let me  
22          jump to the next step there. You keep  
23          referring to the term "counselors." In  
24          my mind, you're referring to legal  
25          counselors; is that correct?

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   JUDGE JONES: No. It's not  
3           only legal counselors. It is also  
4           homeowner counseling services. There are  
5           entities that exist that will facilitate  
6           and assist persons who find themselves in  
7           this situation to explore and be made  
8           aware of other avenues for financing,  
9           refinancing and things of that nature.

10                   COUNCILMAN GOODE: Avenues that  
11           can be pursued within the legal time  
12           frame that you're presenting?

13                   JUDGE JONES: Absolutely, and  
14           that was one of the things that we  
15           discussed yesterday.

16                   COUNCILMAN GOODE: And the  
17           legal time frame you're presenting is  
18           what in terms of diversion?

19                   JUDGE JONES: I'd like to say  
20           as long as it takes, quite frankly,  
21           because we are the ones who would control  
22           the case management process.

23                   Everybody knows that if we  
24           don't address the problem effectively,  
25           it's going to mean total oblivion for the

1           4/8/08 - WHOLE - BILL 080022, etc.

2           economic stability of not only the  
3           residents themselves, but, frankly, for  
4           the City of Philadelphia.

5                       (Bell rung.)

6                       COUNCILMAN GOODE: So you have  
7           the ability to create a diversion for  
8           those properties that have predatory,  
9           subprime loans?

10                      JUDGE JONES: Absolutely.

11                      COUNCILMAN GOODE: Okay. Thank  
12           you.

13                      JUDGE JONES: Yes, sir.

14                      COUNCIL PRESIDENT VERNA: The  
15           Chair recognizes Councilwoman Tasco.

16                      COUNCILWOMAN TASCO: Thank you  
17           very much.

18                      I want to go to something else  
19           here, and certainly thank you. I trust  
20           that your efforts will help those people  
21           who are in a dire strait right now. I  
22           will say that a number, particularly in  
23           my district, what we find relative to the  
24           foreclosures is basically refinancing and  
25           the predatory financing deals that were

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           made with the neighbors, particularly in  
3           Mount Airy and West Oak Lane, I'm sure in  
4           other parts of the City, where the  
5           homeowners have been in their homes for a  
6           long time and have equity.

7                       JUDGE JONES: Yes.

8                       COUNCILWOMAN TASC0: And it's  
9           devastating.

10                      I wanted to ask a question  
11           about -- to the gentleman here. On Page  
12           4 of your testimony, you talk about a  
13           Strategic Anti-Violence Unit, SAV-U.  
14           What kind of program is that?

15                      MR. LAWRENCE: This is somewhat  
16           of a variation on a theme. For several  
17           years, both in Juvenile and Adult  
18           Probation, we've had the Youth Violence  
19           Reduction Project, and what that does is,  
20           it targets individuals who are likely  
21           either to kill or to be killed, and  
22           heretofore, it was a purely subjective  
23           assessment by looking at their past  
24           records, their home situation, and we  
25           would be looking at this, making it kind

1           4/8/08 - WHOLE - BILL 080022, etc.

2           of a personally subjective assessment as  
3           to somebody qualified for this or they  
4           did not.

5                       The University of Pennsylvania  
6           School of Criminology has developed a  
7           statistical modeling program, and we have  
8           given them, being the University of  
9           Pennsylvania, like 1.6 million records  
10          going back years and years and years of  
11          probationers, and what they have done is  
12          developed this model that will  
13          empirically show who those people are who  
14          are most likely to be killed or to kill  
15          someone. And we've only just started it.

16                      Our sample data that we're  
17          looking at now would suggest this thing  
18          works, because as we're going through the  
19          process of testing the program and  
20          whatnot, 70 percent of the people who  
21          their program said are going to have  
22          trouble down the road are in jail right  
23          now.

24                      The probation officers would  
25          have very low caseloads, perhaps as low

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           as 15 clients each, which is  
3           extraordinarily low in the world of Adult  
4           Probation. And if we can identify them  
5           and get them the level of supervision and  
6           services that they need, we hope it will  
7           have an impact across the board on  
8           violence in the City.

9                   COUNCILWOMAN TASC0: Now, how  
10          does that work with people who are  
11          entering into the criminal justice  
12          system? Does that program provide the  
13          profile based on --

14                   MR. LAWRENCE: Well, the  
15          profile is based on people who have in  
16          the past entered the system. The goal of  
17          this program is you don't come into the  
18          system. So it won't affect people who  
19          are currently in the system, except that  
20          when they come out of the system, if they  
21          get put into a SAV-U caseload, then to be  
22          one of these very small caseload  
23          populations that the officers would have.

24                   COUNCILWOMAN TASC0: But the  
25          information, the data, from the program

1 4/8/08 - WHOLE - BILL 080022, etc.

2 helps you develop the profile --

3 MR. LAWRENCE: Yes.

4 COUNCILWOMAN TASC0: -- of the  
5 person coming out?

6 MR. LAWRENCE: Yes.

7 COUNCILWOMAN TASC0: And you  
8 would put them into the program that they  
9 meet those --

10 MR. LAWRENCE: Yeah, and the  
11 idea is that they don't come back.

12 COUNCILWOMAN TASC0: Okay. One  
13 other question. I'm trying to get my  
14 questions in so I can be finished.

15 During the course of -- we are  
16 trying to curb some of the takeouts in  
17 the neighborhoods that are nuisances, and  
18 we spent a lot of time -- the Council had  
19 tried its efforts and then it was taken  
20 out of our jurisdiction and given to, I  
21 think, L&I or Zoning Board, whatever.  
22 Anyway, we had a lot of cases that were  
23 appealed to the Court of Common Pleas,  
24 and at the end of the day, they threw  
25 them all out.



1           4/8/08 - WHOLE - BILL 080022, etc.

2                   What can we do, those of us  
3       who -- neighbors who live in  
4       neighborhoods with these takeouts that  
5       are a nuisance and we provide  
6       documentation to the effect that they  
7       really need to be closed or their license  
8       should not be granted? What can we do  
9       with our neighbors to help prevent just  
10      wholesale dismissal of these cases?

11                   JUDGE JONES: Well, first of  
12      all, I'm not familiar with the basis for  
13      the dismissal of a particular action.

14                   (Bell rung.)

15                   JUDGE JONES: But I will say  
16      this to you, Councilwoman, as I say to  
17      people all the time: The good thing  
18      about being a judge in the City of  
19      Philadelphia or the Commonwealth of  
20      Pennsylvania is that we are obliged,  
21      required to live in the City of  
22      Philadelphia. We're required to live in  
23      the jurisdiction in which we sit as  
24      judges. We all have a vested interest.  
25      And I know that you know personally,

1           4/8/08 - WHOLE - BILL 080022, etc.

2           being my Councilwoman that you are and my  
3           wife being as active as she is in the  
4           neighborhood association, that they have  
5           on many occasions tried to do that very  
6           thing, to shut a lot of those places  
7           down. Certainly I've excused myself from  
8           participating in those things.

9                       However, I think that the City  
10          Council has to push L&I to enforce the  
11          regulations and stay on top of them about  
12          this, as well as the Police Department to  
13          stay on top of those people who would  
14          even congregate outside, to make it  
15          difficult for people to be able to  
16          violate those rules and regulations. And  
17          I think that once those records are  
18          established and documented, when people  
19          come to court to do that, any tribunal  
20          would have sufficient evidence before it  
21          to make the kind of decision I think that  
22          would inure to the benefit of the whole  
23          community, and that would be to stop this  
24          kind of behavior, this kind of conduct  
25          and this kind of violation of the rules.

1 4/8/08 - WHOLE - BILL 080022, etc.

2 COUNCILWOMAN TASC0: Well, I  
3 thought we had done that. I guess we  
4 have to try a little harder.

5 Thank you very much.

6 JUDGE JONES: Thank you.

7 COUNCILWOMAN TASC0: I'm done.  
8 I'm sorry.

9 COUNCIL PRESIDENT VERNA: The  
10 Chair recognizes Councilwoman Miller.

11 COUNCILWOMAN MILLER: Thank  
12 you. Thank you, Madam President.

13 Good morning.

14 JUDGE JONES: Good morning.

15 COUNCILWOMAN MILLER: Actually,  
16 I wanted to also know about the SAV-U  
17 Program at University of Penn. You said  
18 this program just got started?

19 MR. LAWRENCE: Yes. It's about  
20 a year old in terms of developing the  
21 statistical model, perhaps a year and a  
22 half old. It's being run through  
23 Professor Larry Sherman at the University  
24 of Pennsylvania and his group, and it's  
25 an exciting use of technology to try and

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           address some of the problems the City  
3           faces.

4                   COUNCILWOMAN MILLER: What age  
5           do they actually start to begin to  
6           profile or look at the young people?

7                   MR. LAWRENCE: I believe  
8           it's -- one of the parameters is the age  
9           at which the client first came in contact  
10          with the justice system, and I think  
11          they're going back to 13 or 14 in looking  
12          at these young people.

13                   COUNCILWOMAN MILLER: So this  
14          program actually -- is this the program  
15          or this will be one of the programs as to  
16          how children get referred to the YVRP  
17          Program?

18                   MR. LAWRENCE: Actually, it  
19          will do the same thing as YVRP, except in  
20          a much smaller caseload. One of our  
21          challenges is to structure our workforce  
22          in such a way that the people who don't  
23          need a lot of supervision, which quite  
24          honestly is most of them, don't get a lot  
25          of supervision and we can redeploy our

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           officers to focus on the people who  
3           really need our services.

4                   COUNCILWOMAN MILLER: Under the  
5           YVRP Program you said that you have a  
6           current 2.0 million in benefits and  
7           salary that is currently unfunded. What  
8           exactly does that mean in terms of the  
9           future of that program?

10                   MR. LAWRENCE: What it means  
11           is -- and I hope this is a very temporary  
12           situation. Federal grants have not yet  
13           been received by the City to support this  
14           program. Until that happens, we're  
15           paying for this out of our General Fund,  
16           and it's going to really start to hurt  
17           pretty soon if those federal monies don't  
18           come through.

19                   COUNCILWOMAN MILLER: When do  
20           they normally come through? Like what  
21           time of year?

22                   MR. LAWRENCE: The federal  
23           fiscal year begins in '07, so we would  
24           have liked to have had it in November or  
25           December. We don't have it yet. And it

1 4/8/08 - WHOLE - BILL 080022, etc.

2 does support other agencies other than  
3 the court.

4 COUNCILWOMAN MILLER: Well, I  
5 hope it's temporary, very temporary,  
6 because I believe that the YVRP Program  
7 is an important component of tackling the  
8 violence issues that we currently have in  
9 the City.

10 MR. LAWRENCE: I couldn't agree  
11 with you more, Councilwoman.

12 COUNCILWOMAN MILLER: And I  
13 have one other question. Does anyone  
14 have any results as it relates to the  
15 Truancy Program or Truancy Court? I know  
16 that Truancy Court has been in place now  
17 for long enough actually that there  
18 should be some outcomes.

19 MR. LAWRENCE: Yeah. The  
20 Truancy Program this year was expanded  
21 substantially. Since September, they've  
22 held over 16,000 hearings. In terms of  
23 results, let me turn to Judge Dougherty.

24 (Witness approached witness  
25 table.)

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   JUDGE DOUGHERTY: Good morning,  
3           Madam President and Councilwoman. For  
4           the record, Kevin Dougherty,  
5           Administrative Judge of Philadelphia's  
6           Family Court.

7                   With the expansion of Truancy,  
8           we've moved from four cluster courts to  
9           eight. A cluster court is a courtroom in  
10          the geographical neighborhoods. We have  
11          one in Northeast, Kensington, William  
12          Penn, West Philadelphia, South  
13          Philadelphia, Overbrook, Germantown and  
14          Gratz.

15                  Currently, we have seen  
16          approximately 16,423 families in Truancy.  
17          We anticipate by the end of June that  
18          25,000 families will have gone through  
19          the court.

20                  We have restructured the  
21          Truancy Program. Historically, the child  
22          would come into a cluster court after  
23          being referred by the Philadelphia School  
24          District and would immediately meet a  
25          court representative. Since that did not

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           seem to work -- that just put the family  
3           on a fast track to dependency, which is  
4           exactly what we're trying to avoid --  
5           we've sat down and worked well with the  
6           Department of Human Services and  
7           Commissioner Evans. We've restructured  
8           it so that the first contact when the  
9           child is referred from the Philadelphia  
10          School District is that they will meet a  
11          DHS representative called a Facilitator,  
12          at which time all the necessary social  
13          history will be acquired so that the  
14          family can be referred for some  
15          community-based services, such that the  
16          need to come into court is not met or  
17          that any issues prohibiting the family  
18          from making sure that child sees the  
19          doors of school are corrected.

20                 The child will then come back,  
21          at which time the child will meet a  
22          Family Court individual called a Master,  
23          who is an attorney, who will increase or  
24          at least add some bite to whatever  
25          services need to be applied and/or



1           4/8/08 - WHOLE - BILL 080022, etc.

2           structure the family needs.

3                       In those few cases in which  
4           there seems to be an overwhelming need  
5           for court intervention or just the male  
6           content of a child, the child will then  
7           come through the doors of 18th and Vine  
8           and we will give the child a last chance  
9           prior to that child becoming a dependent,  
10          which means the court then has the  
11          authority and ability to remove the child  
12          and place the child into a structured  
13          setting.

14                      So it seems that with this  
15          increased expansion, we are serving our  
16          population well. I can share with you  
17          that so far just this academic year,  
18          1,914 cases were discharged as a result  
19          of compliance, and as a result of our  
20          intervention, 2,269 families were  
21          discharged as no longer being truant  
22          based upon the prevention services  
23          received.

24                      So overall, it's doing well.  
25          We're doing the right thing for our kids.

1           4/8/08 - WHOLE - BILL 080022, etc.

2           COUNCILWOMAN MILLER: Great.

3           That's good to hear. I know we have -- I  
4           forgot where it is. We had one in  
5           Germantown, but they had to move to a  
6           different school, so I don't really know  
7           where the one in Germantown is located.

8           JUDGE DOUGHERTY: I'd have to  
9           tell you, off the top of my head, I don't  
10          know, but depending upon the high school,  
11          sometimes with the increase in  
12          population, we need to get a bigger  
13          school.

14          COUNCILWOMAN MILLER: It might  
15          be at Germantown High. It used to be  
16          Pickett Middle, but that school is being  
17          renovated.

18          I just wanted to make sure that  
19          I just wanted to know that the Truancy  
20          Court was actually meeting its goals and  
21          objectives, the mission.

22          JUDGE DOUGHERTY: I think we're  
23          doing better than expected.

24          COUNCILWOMAN MILLER: Great.

25          Okay. Thank you. Thank you, Judge.

1 4/8/08 - WHOLE - BILL 080022, etc.

2 Thank you, Madam President. I  
3 don't have any more.

4 COUNCIL PRESIDENT VERNA:

5 You're welcome.

6 The Chair recognizes Councilman  
7 Jones.

8 COUNCILMAN JONES: Good  
9 morning.

10 JUDGE JONES: Good morning.

11 COUNCILMAN JONES: How are you?

12 JUDGE JONES: Fine, Councilman.

13 COUNCILMAN JONES: First let me  
14 say thank you for opening your office up  
15 to enlighten us as to the sheriff's sale  
16 process and what steps we have to go to  
17 to get a diversion, and a rose by any  
18 other name is a rose as long as at the  
19 end of the day we benefit from it being  
20 there.

21 I want to thank you also for  
22 your work with the legislation on  
23 community courts and demonstration  
24 project that we'd like to do, and I want  
25 to ask you a couple of questions in

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           regard to that, but on to the truancy  
3           piece, there is a direct correlation  
4           between truancy, curfew and some of the  
5           violence that we find not only in our  
6           subways but after hours on our street  
7           corners. And is anybody working with  
8           that data to correlate those kind of  
9           activities?

10                   It seems to me the same kid  
11           that's hookeying school is probably the  
12           same kid that is violating curfew, which  
13           is probably the same youth that often  
14           gets in trouble.

15                   Is there anyone working with  
16           that data to find out and target those  
17           individuals as in need of some type of  
18           intervention?

19                   JUDGE JONES: I would actually  
20           call up Judge Dougherty again if he wants  
21           to respond to that, but I would also say  
22           while he's coming up that one of the  
23           things that Court Administrator Lawrence  
24           alluded to regarding the University of  
25           Pennsylvania program, that entity has the

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           wherewithal to develop that kind of  
3           statistical information and data, and  
4           that's one of the things that they do by  
5           identifying those persons at that early  
6           age.

7                         Judge Dougherty?

8                         JUDGE DOUGHERTY: With regard  
9           to your question, yes, Juvenile Probation  
10          has been restructured where we're now  
11          calling ourselves Community-Based  
12          Probation, in which our probation  
13          officers are working hand in hand with  
14          our Children and Youth Division. Let me  
15          share with you what that means.

16                        In Philadelphia Family Court we  
17          have a delinquent division and we have a  
18          dependent division. Delinquent would be  
19          considered criminal. Dependent is DHS  
20          involved.

21                        Prior to my administration, the  
22          two sides never spoke. There happened to  
23          be an visible wall. We've worked  
24          aggressively to break that wall down,  
25          because when you scratch the back of a

1           4/8/08 - WHOLE - BILL 080022, etc.

2           delinquent child, you're really finding a  
3           dependent child in need of services.

4                       With regard to truancy, truancy  
5           is one factor and it's one of the springs  
6           in the springboard into the adult side.  
7           What we've done through the expansion of  
8           the Truancy Program is to make sure that  
9           we're working with our stakeholder  
10          partners. That's the Philadelphia School  
11          District, Behavioral Health, as well as  
12          the Department of Human Services, the  
13          Philadelphia Recreation Center. In our  
14          probation reorganization, we now have  
15          probation officers going out into the  
16          community, getting into the schools.

17                      Historically, we used to have  
18          School-Based Probation, which meant only  
19          15 high schools permitted our probation  
20          officers to come through the door. We  
21          worked well with former Mayor Street, as  
22          well as former CEO Paul Vallas and  
23          subsequent with the new Administration  
24          and the new leadership in the School  
25          District, in which we are now reaching

1           4/8/08 - WHOLE - BILL 080022, etc.

2           into every school, middle school or high  
3           school, in which a child on probation --  
4           and we have approximately 7,000 kids on  
5           probation.

6                       So what we're doing is, we're  
7           getting into the school areas and we're  
8           finding what the issues are and if we can  
9           resolve those issues through intervention  
10          from DHS. Because let's not forget the  
11          City allocates millions of dollars, as  
12          well as the state, to DHS so that  
13          community-based services are permissible  
14          for our kids. We're now hooking them up,  
15          linking them to these services such that  
16          if we find out the root cause of the  
17          dependent issue or the truant issue, we  
18          really are curtailing that child from  
19          being a delinquent.

20                      We also have to take into  
21          consideration that the truant child who  
22          ultimately enters the delinquent system  
23          can make life-altering decisions, in the  
24          sense that if you're 14 years or older  
25          now and you're a judge delinquent of a

1           4/8/08 - WHOLE - BILL 080022, etc.

2           criminal offense, of a felony, you're a  
3           convicted felon the rest of your life.

4                   Our prisons are so overcrowded  
5           with young Philadelphians that we give  
6           out prior record scores. The most points  
7           you could get are six. For example, a  
8           child who may be riding in a stolen car  
9           when he or she should be in school,  
10          that's one point. The most points you  
11          could get are six.

12                   Without our cooperation with  
13          the DHS and the School District and the  
14          City, what we will be doing is directing  
15          our children to State Road instead of  
16          State College.

17                   So, yes, we are working. We're  
18          working with all the necessary partners  
19          in whatever capacity we can to make sure  
20          that our children are directed and those  
21          families that may be overwhelmed or in  
22          need of additional services which are  
23          causing the truant issues, that their  
24          issues are addressed as well.

25                   Does that answer your question?



1           4/8/08 - WHOLE - BILL 080022, etc.

2           COUNCILMAN JONES: More than  
3           answers it. It gives me encouragement  
4           about the future of crime and punishment,  
5           weed versus seed and kinds of concepts  
6           like that. I believe the truant kid, the  
7           curfew violator are connected to the  
8           juvenile delinquent often, and if we know  
9           that, then we can reverse engineer  
10          solutions that I'm hearing you talk about  
11          that include DHS, that include  
12          intervention, that include, in my  
13          opinion, recreation.

14          JUDGE DOUGHERTY: Absolutely.

15          COUNCILMAN JONES: Because a  
16          lot of times it's just that a kid goes  
17          either way because he has nothing  
18          positive to do. So --

19          JUDGE DOUGHERTY: We're also --  
20          I apologize. We're also concentrating on  
21          educating parents and assisting parents,  
22          because a lot of the times it's not the  
23          child, it's a lack of proper parental  
24          guidance or control. And it may be  
25          because of a single parent is overwhelmed

1           4/8/08 - WHOLE - BILL 080022, etc.

2           and just needs some assistance.

3                       So we're also working on those  
4           programs to reach out to the family as a  
5           whole, but ultimately the decision  
6           becomes when that child comes in, we have  
7           to assume that the majority of our  
8           children are good children who got caught  
9           up in a bad way. However, there are  
10          those bad children who need to be put  
11          away, and we will do that for community  
12          safety and protection, make no mistake  
13          about that, and that's something we don't  
14          apologize for, but we don't want to  
15          incarcerate our kids.

16                      COUNCILMAN JONES: As we look  
17          at what's going on in SEPTA, I'm sure  
18          that there's a segment of our population  
19          that's encouraged by that as well, that  
20          we know the difference between the two  
21          categories, and that's important.

22                      Let me go on to say, I had a  
23          ride-around with the Police Captain,  
24          Captain Singleton, of the 19th Police  
25          District. We went on some corners -- and

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           we're talking about the same client  
3           population, often some of these young,  
4           dangerous and in my community we call  
5           them thunder cats, that stand on these  
6           corners that have certain issues that we  
7           need to attend to. One of the questions  
8           I have is, to what degree do you work  
9           with the Police Department to do sweeps  
10          for parole violators and probation  
11          violators?

12                   JUDGE DOUGHERTY: I can only  
13          speak for Juvenile Court since that is my  
14          jurisdiction. What we've done is, we've  
15          created and partnered. In the 17th  
16          Police District, we've organized what's  
17          called the Juvenile Enforcement Team Unit  
18          of Probation. We're working well with  
19          Captain Bethel of the 17th, fantastic  
20          man, as well as Inspector Johnson. What  
21          we're doing is, we're concentrating on  
22          the high-crime area.

23                   Apparently in South  
24          Philadelphia we have organized gang  
25          activity, we have drug activity and we

1           4/8/08 - WHOLE - BILL 080022, etc.

2           have gun violence. We're sharing  
3           intelligence and we're working  
4           aggressively with the various law  
5           enforcement agencies targeting our  
6           children, those children coming out of  
7           placement. We're calling it "on deck."

8                     For example, if we had to place  
9           a problematic child because we knew he or  
10          she was a habitual drug dealer,  
11          historically the child would be placed by  
12          the juvenile system, ultimately be  
13          discharged, reintegrated into society  
14          without contacting the neighborhood.  
15          We're now reaching out to the various  
16          police departments where the child will  
17          reside to say, Hey, be on guard, Kevin  
18          Dougherty is back in town. And as a  
19          result, I would be so bold as to say that  
20          our mutual cooperation has resulted in a  
21          significant decrease in homicides and  
22          criminal activity, at least in the 17th.  
23          It's a pilot program for which  
24          Commissioner Ramsey has been a willing  
25          and a wonderful participant, and ideally,

1           4/8/08 - WHOLE - BILL 080022, etc.

2           we're hoping that this may be able to  
3           transcend into all of our police  
4           districts.

5                       But from our perspective, we  
6           are working aggressively to make sure  
7           that probation violation will become --  
8           they'll come back into court and have a  
9           graduated sanction. The reality is, if  
10          the kid is out on probation and violates  
11          because he or she has gotten high, that's  
12          really not a basis to take the child and  
13          place the child, because we have  
14          intensive drug treatment programs that  
15          the child needs to attend. And it's the  
16          least resistant, the least restrictive  
17          setting is paramount in Family Court,  
18          because we got to treat our children  
19          differently than our adults.

20                      COUNCILMAN JONES: We agree.

21                      One last question. There was a  
22          recent article about the lack of  
23          collection of fines that were  
24          administered as a result of court action,  
25          and I wanted to know, those numbers are

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           so astronomical, I can only think that we  
3           could use those fine dollars to defray  
4           costs for the courts, but also create  
5           programs for treatment for young people  
6           and adults that might be helpful, whether  
7           it's job training, GED education, drug  
8           counseling, things like that that we  
9           could make mandated in the sentence if we  
10          could just collect those fines, and I  
11          wanted to know what efforts we're  
12          undertaking to collect.

13                   JUDGE DOUGHERTY: I could just,  
14           again, speak about my jurisdiction in  
15           Family Court. What we've done, what I've  
16           imposed was, those individuals that are  
17           on juvenile probation -- you should  
18           understand that our jurisdiction extends  
19           to the age 17. Once you're 18, you could  
20           be arrested as an adult. However, our  
21           jurisdiction is four years or until  
22           you're 21, whichever comes first, which  
23           means if you're 17, I can keep you for  
24           four years. If you're 18, I can keep you  
25           for three.

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   For those individuals who have  
3           acquired a bench warrant by avoiding our  
4           system and then as a result of clean  
5           sweeps, as a result of working with  
6           probation violations, if they come into  
7           our system, they're being housed at our  
8           Youth Study Center, despite the fact that  
9           they may be 19 and 20 years old. Now  
10          they're subject to adult contempt, in  
11          which I can incarcerate a 19-year-old and  
12          place him or her five months and 29 days  
13          on State Road.

14                   In lieu of that incarceration,  
15          unless it's necessary, we're making sure  
16          that restitution is paid within a timely  
17          framework so that the victim is made  
18          whole and we're collecting court costs.  
19          Can I give you the actual number? No,  
20          but I can share with you that people are  
21          more inclined to pay restitution and  
22          court costs than they are to have their  
23          hands cuffed and go up to State Road.

24                   So anecdotally, we are in  
25          Family Court bringing in more money. The

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           amounts I can't give you at this point in  
3           time, because I just don't have that  
4           information with me. I could acquire  
5           that with a phone call.

6                   COUNCILMAN JONES: Thank you.

7                   Madam Chair, thank you.

8                   COUNCILWOMAN TASC0: Thank you  
9           very much.

10                   The Chair recognizes Councilman  
11           Green.

12                   COUNCILMAN GREEN: Thank you,  
13           Madam Chair.

14                   I just want to say it was great  
15           to hear the passion that Judge Dougherty  
16           expressed in terms of the efforts of  
17           Family Court to save our kids. It was  
18           very nice to hear that. It's clear that  
19           it's very important to the court system  
20           to save our children, and I just wanted  
21           to express that.

22                   I just want to follow up on the  
23           sort of last line of questioning, and I  
24           apologize for this, but if you don't have  
25           the information today, could you please



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           provide to the Chair all of the costs of  
3           the court system? In other words, in  
4           lieu of services that MOIS may provide,  
5           space paid for by Public Property and  
6           cleaning contracts paid for by Public  
7           Property, debt service on buildings  
8           occupied by you, rent free space provided  
9           in City buildings, pension costs, the  
10          healthcare costs that are in the Finance  
11          Director's budget rather than in the  
12          court system's budget, Fleet costs, et  
13          cetera.

14                       Do you have any ball park of  
15          what all those add up to?

16                       MR. LAWRENCE: I don't,  
17          Councilman. It's substantial. We can  
18          certainly work with the respective City  
19          departments such as Public Property,  
20          MOIS, Fleet Management and others that  
21          may be out there to try and identify as  
22          best we can what those costs are and  
23          certainly get them to the President's  
24          office.

25                       (Witness approached witness

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           table.)

3                   COUNCILMAN GREEN: When you  
4           submit a budget for 117 million, it's  
5           more like 150 or 200 million in terms of  
6           what it actually costs us to support the  
7           First Judicial District?

8                   MR. LAWRENCE: Recognizing that  
9           most of our costs are payroll costs.

10                  COUNCILMAN GREEN: Right.

11                  MR. LAWRENCE: Our \$117 million  
12           budget does not include fringe benefits,  
13           pension contributions and the like. So  
14           you're correct, it's more than that

15                  COUNCILMAN GREEN: Or rent?

16                  MR. LAWRENCE: Or rent.

17                  MR. AGOSTINI: Councilmember,  
18           we are working up that number now. We  
19           just started working on it this morning.

20                  COUNCILMAN GREEN: Great.

21                  MR. AGOSTINI: Sort of  
22           anticipated you would get there.

23                  COUNCILMAN GREEN: Thank you  
24           very much.

25                  Those are all my questions,

1 4/8/08 - WHOLE - BILL 080022, etc.

2 Madam Chair. Thank you.

3 COUNCILWOMAN TASCO: The Chair  
4 recognizes Councilman Goode.

5 COUNCILMAN GOODE: Thank you,  
6 Madam Chair.

7 A few follow-ups for Judge  
8 Dougherty.

9 Good morning.

10 JUDGE DOUGHERTY: Yes, sir.

11 Thank you.

12 COUNCILMAN GOODE: I was  
13 actually excited by your testimony.  
14 You're one of the few people who actually  
15 came to that table who actually get it.

16 I wanted to check a couple of  
17 figures you gave. You said there's 700  
18 juveniles on probation or 700 juveniles  
19 on probation in the school system? I  
20 wasn't sure what the figure was.

21 JUDGE DOUGHERTY: I'm sorry,  
22 Councilman. I was trying to grab my  
23 files, because I figured you might ask  
24 some questions about probation.

25 COUNCILMAN GOODE: You said

1 4/8/08 - WHOLE - BILL 080022, etc.

2 there were 700 juveniles on probation?

3 JUDGE DOUGHERTY: Seven

4 thousand.

5 COUNCILMAN GOODE: Seven

6 thousand juveniles on probation. And you

7 talked about your work with the previous

8 Administration and beginning to work with

9 this Administration. What was

10 interesting about your testimony was at

11 no point did I hear you mention the Youth

12 Violence Reduction Program, and that

13 wasn't necessarily a bad thing for me,

14 because while I believe it's been an

15 effective tool, I have one pet peeve with

16 it, and the one pet peeve is that I don't

17 think they always, as they say they do,

18 target the most at risk.

19 So I was wondering what

20 separate work you do independently,

21 although you're also collaborating with

22 what used to be Director of Social

23 Services and now the Department of Human

24 Services. How have you been involved at

25 all in targeting which young people are

1 4/8/08 - WHOLE - BILL 080022, etc.

2 most at risk in terms of intervention?

3 JUDGE DOUGHERTY: Let me see if

4 I can answer that question for you. We

5 work well -- Juvenile Probation is at the

6 table of the YVRP. YVRP is the 100 most

7 likely to kill or be killed. It's in

8 selected areas, as you know. We now have

9 the Adolescent Violence Reduction

10 Program. We also are a participant in

11 that.

12 The truth be told is that we

13 are just one of many. In Philadelphia

14 Family Court, Juvenile Probation, which

15 falls under my administration, I have a

16 better control of that. While we work

17 with YVRP and AVR in every step of the

18 way, I believe we're best able to go

19 after the family that's most at risk by

20 integrating my CYD, Children and Youth

21 Division in Family Court, with my

22 Juvenile Justice wing. I think by

23 integrating our programs, developing

24 internal policies, procedures and working

25 with the various stakeholders -- it's a

1           4/8/08 - WHOLE - BILL 080022, etc.

2           case-by-case basis. I don't think we  
3           just can whitewash and say, Hey, because  
4           you live in the 12th and you meet A, B  
5           and C, that you are more at risk than a  
6           child that lives in South Philadelphia.

7                       COUNCILMAN GOODE: You get  
8           exactly where I'm going, and this is the  
9           point I wanted to make. Not just simply  
10          make the point, but do you believe that  
11          YVRP and AVRPP are actually targeting the  
12          most likely to kill or be killed?  
13          Because I don't believe they are. I  
14          believe that, as I think I heard implicit  
15          in your testimony, is that we have a DHS  
16          system with millions of dollars of  
17          resources and services that go toward  
18          some of these young people, and sometimes  
19          they may look at it as layering their  
20          services or in terms of their client base  
21          as opposed to in times at which we really  
22          need to focus on reaching those people  
23          that can save them from simply killing or  
24          being killed. And in order to reach  
25          them, you have to actually identify them.

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   Do you believe that the process  
3           is in place right now? It's just a  
4           direct question. Since you were so great  
5           in your testimony, I'm going to ask the  
6           question outright.

7                   Do you believe we actually have  
8           identified the most likely to kill or be  
9           killed?

10                  JUDGE DOUGHERTY: I think every  
11           system is capable of being improved.

12                  COUNCILMAN GOODE: To what  
13           extent do you believe you can offer more  
14           leadership in terms of identifying who is  
15           most likely to kill or be killed?

16                  JUDGE DOUGHERTY: Well, you  
17           need to take a social history. You have  
18           to look at the child. You have to look  
19           at the family. You have to look at the  
20           family as a whole. It's just not the  
21           singular individual, because a  
22           13-year-old who may be carrying a gun may  
23           be construed as an individual who is most  
24           likely to kill or be killed, yet we may  
25           be finding that that's not really a gun,

1           4/8/08 - WHOLE - BILL 080022, etc.

2           it's a beebie gun, and the reason he's  
3           carrying that beebie gun is because he's  
4           continually beaten up as he's waiting for  
5           the bus to get to school.

6                        So do I believe that that child  
7           necessarily will kill or be killed? No.  
8           I think that child needs some safety. I  
9           think the School District and the courts  
10          have to work together to assure and  
11          ensure that a child receives a free,  
12          appropriate and safe education.

13                       However, if the child has come  
14          through our system and lives in a  
15          designated area and he started out with  
16          status offenses, criminal mischief,  
17          truancy, and he's worked his way up to a  
18          car theft and now he's selling drugs and  
19          carrying a gun, yes, that child is more  
20          at risk than the other kid who is  
21          carrying the beebie gun.

22                       So it's really a case-by-case  
23          basis. How we go about it, we're a big  
24          city. As I said, we're a willing and  
25          eager participant at the YVRP, but we're



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           one of many. In Juvenile Probation,  
3           we're one of one.

4                       So obviously speaking as  
5           Administrative Judge, I believe that I  
6           will work with and continue to work with  
7           YVRP, and it's a worthy cause, worthy of  
8           funding. I think they have great  
9           leadership and great intent and purpose.  
10          Sometimes I disagree or differ in the  
11          approach.

12                      COUNCILMAN GOODE: And so is  
13          there a separate listing that you have  
14          that would help Council or other  
15          stakeholders identify at-risk youth for  
16          different purposes separate from YVRP or  
17          AVRP? Do you have within your data  
18          within the work that you do --

19                      JUDGE DOUGHERTY: I really  
20          can't answer that question, because I  
21          don't know. I'd have to speak with my  
22          Probation to determine what information  
23          we are providing. I don't have absolute  
24          hands-on control of my Juvenile Probation  
25          of YVRP considering the position I'm in

1 4/8/08 - WHOLE - BILL 080022, etc.

2 as AJ, but that's information I could  
3 acquire and share with you.

4 COUNCILMAN GOODE: Okay. Thank  
5 you. I would appreciate it. Thank you.

6 Thank you, Madam Chair.

7 COUNCIL PRESIDENT VERNA:

8 You're welcome.

9 The Chair recognizes Councilman  
10 Jones. Is he in the room?

11 (No response.)

12 COUNCIL PRESIDENT VERNA:

13 Councilwoman Blackwell.

14 COUNCILWOMAN BLACKWELL: Thank  
15 you very much.

16 I would like to thank you and  
17 the courts, as always, and I always cite  
18 a young man in my neighborhood who was  
19 wreaking havoc on his family. His mother  
20 was a drug addict and his father wanted  
21 to compensate with the stepmother, and so  
22 he just terrorized everybody. And you  
23 all stayed with us for over a year to get  
24 that young man placed, and he's doing  
25 well, and we say thank you. And I know I

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           asked this last year, but my question is,  
3           are the schools working with us to make  
4           sure we have -- is it parole or  
5           probation?

6                       JUDGE DOUGHERTY: Probation.  
7           Parole is for people coming out of  
8           custody or jail. We don't consider  
9           sending kids to jail. We place them.

10                      COUNCILWOMAN BLACKWELL: All  
11           right. So do we have them in most of our  
12           schools at risk so that kids don't have  
13           to leave to go to report to their  
14           probation officer? I know that's a big  
15           issue.

16                      JUDGE DOUGHERTY: Yes. As I  
17           shared previously, we've reorganized  
18           Probation. Historically, Juvenile  
19           Probation had 15 schools that  
20           participated in what we called  
21           School-Based Probation. I didn't believe  
22           it worked. Certain schools would permit  
23           our probation officers to come in; other  
24           schools made too many requirements. And  
25           I don't think 15 schools is significant

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           considering the amount of public schools  
3           and the amount of our kids on probation.  
4           So what we've done is, we've met with  
5           City officials and school officials and  
6           we've worked it where every child that's  
7           on probation will have -- I should say  
8           every child on probation that has a  
9           probation officer will have access to  
10          that child's academic, attendance records  
11          and behavioral records in the school.  
12          We've worked that through Paul Vallas.

13                       Myself and my Chief Probation  
14          Officer at one time almost a year ago met  
15          with all of the high school principals,  
16          and we were speaking there and I asked  
17          their support and I've asked their  
18          participation.

19                       Far too often our kids are  
20          being thrown out of Philadelphia public  
21          schools and placed in alternative  
22          schools, and I've never been a big fan of  
23          alternative schools. I believe that  
24          there's necessary services and treatments  
25          that we have and that the School District

1           4/8/08 - WHOLE - BILL 080022, etc.

2           has that we might be able to work with  
3           the child to keep the child in his local  
4           public school getting an education as  
5           well as treatment.

6                       They're working with us. It  
7           seems that this reorganized Probation has  
8           gotten off the grounds in the last, I'd  
9           say, about almost a year now. I think  
10          we're doing well. Again, I don't have  
11          the numbers, statistical data. I can  
12          tell you anecdotally. I see what comes  
13          through my courtroom and I meet monthly  
14          with my judges. I think it's working.  
15          And we are working with the School  
16          District. They had been a willing  
17          participant. I just recently met with  
18          Judge Dumas and Dr. Jones from the School  
19          District to discuss how we can better  
20          assist our kids with an education or what  
21          services can Probation offer. The School  
22          District is working with the child that's  
23          on probation while attending a public  
24          school.

25                       So, yes, they're amenable and

1           4/8/08 - WHOLE - BILL 080022, etc.

2           they're open, and we're always eager to  
3           work with anybody that's willing to work  
4           with us.

5                       COUNCILWOMAN BLACKWELL: Thank  
6           you. We thank you. You and Judge Dumas  
7           both were involved in this case, and so  
8           we thank you both.

9                       JUDGE DOUGHERTY: Our pleasure.

10                      COUNCILWOMAN BLACKWELL: And  
11           certainly worked with Dr. Jones, and we  
12           extend, as Chair of the Council Committee  
13           on Education, extend our hand and  
14           partnership to do whatever we can to help  
15           enhance such a great program.

16                      JUDGE DOUGHERTY: Thank you.

17                      COUNCILWOMAN BLACKWELL: Thank  
18           you, Madam President.

19                      JUDGE DOUGHERTY: May I be  
20           excused?

21                      COUNCIL PRESIDENT VERNA:  
22           You're welcome.

23                      I would just like to ask a  
24           question or two. Your Honor, what is the  
25           present backlog of criminal cases?

1           4/8/08 - WHOLE - BILL 080022, etc.

2           JUDGE JONES: While we're  
3           getting those numbers, we have at this  
4           juncture in the criminal side on  
5           Municipal Court, in 2007, we recorded  
6           56,000 dispositions. In the Common Pleas  
7           Court we recorded 13,741 dispositions.

8           Now, we have the numbers, I  
9           believe, for the pending cases by chart  
10          here, if you just give me a moment.

11          MR. LAWRENCE: Madam President,  
12          we finished 2007 in the Court of Common  
13          Pleas with a total of 13,767 cases. They  
14          were divided up as follows --

15          COUNCIL PRESIDENT VERNA: That  
16          are pending?

17          MR. LAWRENCE: I'm sorry. The  
18          pending inventory is 8,286. I'm sorry.

19          COUNCIL PRESIDENT VERNA: I'm  
20          sorry. I didn't hear you.

21          MR. LAWRENCE: The pending  
22          inventory in the Court of Common Pleas  
23          was 8,286. And they were composed of 356  
24          homicide cases, 4,500 --

25          COUNCIL PRESIDENT VERNA: I'm

1           4/8/08 - WHOLE - BILL 080022, etc.

2           sorry. These are all pending?

3                   MR. LAWRENCE: Yes. This was  
4           our inventory as of January 1st this  
5           year.

6                   COUNCIL PRESIDENT VERNA: Thank  
7           you. Go ahead.

8                   MR. LAWRENCE: Four thousand  
9           five hundred seventy-two major cases and  
10          3,358 what we call list room cases.

11                   We are not quite as current as  
12          I would like to be. Things are taking a  
13          bit longer to dispose of because the  
14          cases are becoming more and more  
15          complicated, more involved. Years ago  
16          most of our inventory was in what I  
17          referred to as the list program, car  
18          thefts, simple drug cases, cases that we  
19          wouldn't consider real serious. Things  
20          have changed and the majority of our  
21          cases now are classified as major cases.  
22          These are multi-defendant cases, serious  
23          charges, jury trials, and it tends to  
24          take a little longer to dispose of these  
25          cases.



1           4/8/08 - WHOLE - BILL 080022, etc.

2                   COUNCIL PRESIDENT VERNA: Thank  
3           you very much.

4                   I would like someone to tell me  
5           what we're doing to alleviate the  
6           overcrowding of detentioners in our  
7           prisons. Are we trying to expedite those  
8           cases so that we don't have the problem  
9           of overcrowding?

10                   JUDGE JONES: Certainly. It's  
11           a multi-faceted approach, Madam  
12           President. We are working currently with  
13           the City Administration, specifically  
14           with Deputy Mayor Everett Gillison, to  
15           address those problems.

16                   We recognize on the criminal  
17           side of the court, both with the  
18           Municipal Court and the Common Pleas  
19           Court, that there are things we can do  
20           systemically to expedite the cases,  
21           perhaps one of the most important of  
22           which is to really strictly enforce the  
23           continuances that are requested by both  
24           the Commonwealth and the defense.

25                   As you know, I'm a faculty

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           member for the National Judicial College.  
3           We teach judges from all over the  
4           country, and in my course of dealings  
5           with them, one of the things that I found  
6           in terms of case management is that the  
7           discovery process in many other  
8           jurisdictions, if not most other  
9           jurisdictions around the country, is  
10          different from the discovery process that  
11          we have here in Philadelphia County.

12                       Specifically, if the police  
13          paperwork is turned over to defense  
14          counsel representing defendants at an  
15          earlier point in the process, we found  
16          that more likely than not given the vast  
17          amount of evidence against an individual,  
18          that case is going to inevitably end up  
19          in a conviction anyway. If we can  
20          expedite that process well forward, turn  
21          over that discovery as early as the  
22          preliminary hearing or immediately  
23          thereafter, those cases can come out of  
24          the system and consistent with, frankly,  
25          the law that's being promulgated at this

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           point in time to remove those individuals  
3           from the county prisons into the state  
4           prisons, that could be done much, much  
5           more efficiently and expeditiously.

6                       Secondly, there is the problem  
7           with counsel. When we talk about this  
8           issue with homeownership and  
9           foreclosures, the same kinds of people  
10          are people who are required to obtain or  
11          pay for counsel by their own funds, and  
12          if they're indigent, then that further  
13          impacts upon the ability of the Defender  
14          Association, the District Attorney's  
15          Office to make sure that counsel -- and  
16          the court system, to make sure that  
17          counsel is in the case. Invariably those  
18          cases, because of the lack of counsel or  
19          because of the lack of paperwork, get  
20          continued.

21                      Unfortunately, there is the  
22          inability -- and I say "unfortunately" in  
23          the generic sense, that people can't pay  
24          bail, but if they can't pay bail, they're  
25          going to be incarcerated and they're

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           waiting trial. So when you add the  
3           numbers of people who are waiting trial,  
4           to me that really exacerbates and skews  
5           the number of people in the system. We  
6           need to address that number primarily  
7           with a variety of venues to do so, and I  
8           think that we can do that, and we're all  
9           working at this point in time toward that  
10          end.

11                   COUNCIL PRESIDENT VERNA: Thank  
12          you very much.

13                   The Chair recognizes  
14          Councilwoman Miller.

15                   COUNCILWOMAN MILLER: Thank  
16          you, Madam President.

17                   Just two very short questions  
18          or comments. I do want to commend the  
19          courts and particularly Kevin. I really  
20          also heard the passion, Judge Dougherty,  
21          in dealing with our youth, because it is  
22          more than just putting them on probation.  
23          We do have to deal with the entire  
24          family.

25                   I saw a young man in my

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           neighborhood that was just recently  
3           arrested for narcotics sales, marijuana.  
4           And he's young, and I saw him right back  
5           out there the other day doing the same  
6           thing. I said, Boy, other than his  
7           mother, who should I tell? Who can I  
8           call? Because we could save him, I  
9           think, you know. I don't know what to  
10          do.

11                   JUDGE DOUGHERTY: We could  
12          speak after the hearings, Councilwoman.

13                   COUNCILWOMAN MILLER: All  
14          right.

15                   And the other thing I just want  
16          to mention, Judge Jones, can we figure  
17          out a way to say to judges that they  
18          should take serious the cases that come  
19          before them that relates to people  
20          getting a violation or a citation for  
21          dumping, for doing illegal dumping?  
22          Because I've heard from several of --  
23          that police unit that sits around and  
24          monitors dump sites, they said when they  
25          catch violators and they go to court, the

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           judges don't really take it serious, I  
3           guess because our crime rate, our numbers  
4           are so high, they're so busy. But the  
5           dumping and the trash is an important  
6           issue in neighborhoods.

7                        So can you send a little memo  
8           out or something out asking them to  
9           please take this serious?

10                      JUDGE JONES: Councilwoman, I  
11           could not agree with you more. It is  
12           also a bane of mine. I despise it. I  
13           despise, frankly, seeing people put  
14           posters on poles up and down the streets  
15           of Philadelphia advertising anything from  
16           collecting cars to music, sales of CDs.  
17           And I just think that, quite frankly, if  
18           there is a unified movement between  
19           Council, L&I, the Police Department, the  
20           courts will respond.

21                      We respond certainly in an  
22           appropriate and fair manner. We  
23           recognize that there are a lot of forces  
24           pulling on the resources that we have in  
25           terms of fines, incarceration and the

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           like, but I think in this venue, that  
3           we're talking about imposing some very,  
4           very stiff financial penalties against  
5           those persons who do that and/or in the  
6           alternative, community service because of  
7           the community courts and the  
8           responsibilities that we have and the  
9           other venues that we have to address  
10          those things.

11                       But I could not agree with you  
12          more. I will certainly pass the word  
13          along.

14                       COUNCILWOMAN MILLER: All  
15          right. Thank you. Because we constantly  
16          ask people to report them, to get their  
17          tag number, or the police catch them. If  
18          nothing happens to them, they'll just  
19          keep doing it, and our neighborhoods just  
20          need to try and work hard on keeping it  
21          clean.

22                       JUDGE JONES: I would suggest  
23          to you that as I made reference earlier  
24          in my district, we have had a number of  
25          commercial drivers of trucks park their

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           commercial vehicle on our residential  
3           streets, and our neighborhood association  
4           decided that we would just simply put  
5           notices on these cars that the  
6           neighborhood association is going to file  
7           a lawsuit against the individual, as well  
8           as the company. Well, we found that they  
9           are moving those vehicles like crazy to  
10          keep them off the streets. But the  
11          neighborhoods and the citizens have to  
12          get together to do that.

13                   COUNCILWOMAN MILLER: That's  
14           true. Okay. Thank you.

15                   Thank you, Madam President. No  
16           more questions.

17                   COUNCIL PRESIDENT VERNA: Thank  
18           you.

19                   The Chair recognizes Councilman  
20           Jones.

21                   COUNCILMAN JONES: My questions  
22           were answered by the previous  
23           questioning. Thank you, Madam President.

24                   COUNCIL PRESIDENT VERNA: Thank  
25           you.



1 4/8/08 - WHOLE - BILL 080022, etc.

2 Are there any other questions  
3 from members of the Committee?

4 JUDGE JONES: Madam President,  
5 can I just go back just very, very  
6 briefly to Councilman Goode's inquiry  
7 regarding the foreclosure issue?

8 COUNCIL PRESIDENT VERNA:  
9 Certainly.

10 JUDGE JONES: I wanted to make  
11 sure that it is clear that we recognize,  
12 both on the judicial side of this as well  
13 as the lenders as well as the advocates  
14 for the homeowners, everybody agrees that  
15 when you take out the subcategory of  
16 predatory lenders and the subprime issues  
17 involved in that, that they are  
18 definitely within the categories that  
19 we're targeting here to set aside, to put  
20 on the special track. And the difference  
21 between what we're trying to do and  
22 what's been done before is, in terms of  
23 the moratorium, it puts off the  
24 inevitable without anything. What we're  
25 trying to do is to make sure that we

1           4/8/08 - WHOLE - BILL 080022, etc.

2           categorize those cases and, during the  
3           interim, provide them with every avenue  
4           possible to keep those homes.

5                     It's really, really something  
6           that we really firmly believe in. As I  
7           said, we even have people from the  
8           churches who are trying to get involved  
9           in this to see if they can even raise  
10          monies to help people or even buy the  
11          properties and then sell them back.

12                    So it is a concerted effort and  
13          it is one that we truly, truly believe in  
14          and are determined to address and address  
15          appropriately.

16                    COUNCIL PRESIDENT VERNA:

17          Again, thank you very much.

18                    JUDGE JONES: Thank you very  
19          much for your time.

20                    COUNCIL PRESIDENT VERNA: Thank  
21          you for the wonderful work you do.

22                    Our next office will be the  
23          Clerk of Quarter Sessions.

24                    (Witnesses approached witness  
25          table.)

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   COUNCIL PRESIDENT VERNA: Good  
3 morning. Please identify yourself for  
4 the record and proceed with your  
5 testimony.

6                   MS. MILLER: Good morning,  
7 Council President Verna and other  
8 distinguished members of the City  
9 Council. My name is Vivian T. Miller and  
10 I am the current elected Clerk of Quarter  
11 Sessions. And I would also like to  
12 welcome all our new Councilmembers.

13                   Please forgive my voice. I  
14 know it's kind of raspy. It's already  
15 raspy, but I have a very bad head cold.

16                   During the past year, the Clerk  
17 of Quarter Sessions has assumed a series  
18 of increasingly complex operations as a  
19 direct --

20                   COUNCIL PRESIDENT VERNA: The  
21 noise level is much too high. We're  
22 still trying to conduct business. Thank  
23 you.

24                   Please proceed.

25                   MS. MILLER: -- as a direct

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           result of the implementation of a new  
3           statewide computer system mandated by the  
4           Administrative Offices of the  
5           Pennsylvania Courts. According to our  
6           Fiscal '09 budget request is the  
7           following: Class 100, \$5,640,078; Class  
8           200, \$38,734; Class 300, \$62,709; and  
9           Class 400, \$39,633. I am also here today  
10          to report on the current workforce  
11          situation within my office.

12                    If I might direct your  
13          attention to the third page of our  
14          PowerPoint -- I hope everyone has the  
15          PowerPoint -- you will note that our  
16          first four proposals directly generate  
17          net revenue or are revenue neutral. I  
18          would like to direct your attention  
19          immediately to the last one, as I  
20          consider this is the one that will  
21          interest you the most. In order to  
22          increase our efficiency, we need  
23          additional staff.

24                    The next slide, Slide 4,  
25          details a request for additional court

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           clerks. Along with the new employees, I  
3           am pleading for significant non-financial  
4           support from your offices. Specifically,  
5           we are in desperate need of a waiver from  
6           Central Personnel in order to establish  
7           two lists, one for court clerks and one  
8           for court service managers. The list for  
9           the court clerks is needed, as it can  
10          take upwards of four months of interviews  
11          and/or processing before a court clerk  
12          trainee can even fill out a W-2 form. As  
13          positions are approved, we need the  
14          ability to act quickly and decisively to  
15          fill them. The court service manager  
16          list is needed to complete a  
17          comprehensive back-up system. There is  
18          no direct cost to the City.

19                 Slide 5 of our PowerPoint  
20                 details the financial resources my office  
21                 is seeking. The largest increase is in  
22                 Class 400 funds and is considered a  
23                 one-time expense to provide computers and  
24                 related equipment for personnel.

25                 During the past year, crime has

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           risen, and it goes without saying as the  
3           crime rate increases and the arrest rate  
4           increases, the number of court cases  
5           increases. Even if the City of  
6           Philadelphia experienced a drastic  
7           decrease in crime over night, there would  
8           still be a need for these employees, as  
9           there are still literally tens of  
10          thousands of active cases in the  
11          pipeline.

12                   In conclusion, I am seeking  
13          your full support and approval of my  
14          budget so that the Clerk of Quarter  
15          Sessions can properly sustain our  
16          operation. Please accept my commitment  
17          that nothing short of my best efforts  
18          will always be given to achieving the  
19          goals of our City. As always, I thank  
20          you for your patience and understanding  
21          in addressing and hearing our most  
22          important concerns.

23                   And I apologize. I forgot to  
24          introduce, on my right is my Second  
25          Deputy, Marc Gaillard, and on my left is

1 4/8/08 - WHOLE - BILL 080022, etc.

2 my Budget Director, Tom Christmann, and,  
3 of course, my First Deputy is sitting  
4 behind me to pick up.

5 Thank you. I apologize.

6 COUNCIL PRESIDENT VERNA: Thank  
7 you, Ms. Miller.

8 Have you presented the Fiscal  
9 2009 budget proposal as outlined in your  
10 PowerPoint presentation to the  
11 Administration?

12 MS. MILLER: Yes.

13 COUNCIL PRESIDENT VERNA: Can  
14 you tell us what was their reaction?

15 MS. MILLER: Well, I'll fine  
16 tune it to the way they directed me to --

17 COUNCIL PRESIDENT VERNA: I  
18 think you have an angel behind your  
19 shoulder.

20 (Witness approached witness  
21 table.)

22 MR. AGOSTINI: Madam President,  
23 the Clerk did indeed present that to us.  
24 We have agreed to have continuing  
25 conversations. I thought it was

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           important for her to get out on the table  
3           what her needs were, and what we said we  
4           would do is sit down and try to figure  
5           out something and work together to get  
6           there.

7                   COUNCIL PRESIDENT VERNA: Thank  
8           you very much.

9                   Ms. Miller, you talked about --  
10          I think the detail shows that you have  
11          ten vacancies?

12                  MS. MILLER: No. We're asking  
13          for ten more. Right now we currently  
14          have 77. We are --

15                  COUNCIL PRESIDENT VERNA:  
16          What's 77?

17                  MS. MILLER: We have 77 clerks  
18          at the present time, although our budget  
19          calls for 83.

20                  COUNCIL PRESIDENT VERNA: I'm  
21          sorry. I'm asking how many vacancies do  
22          you presently have? According to your  
23          detail, at the end of December I believe  
24          you showed ten vacancies. How many  
25          vacancies do you currently have?



1 4/8/08 - WHOLE - BILL 080022, etc.

2 MR. CHRISTMANN: Good  
3 afternoon, Madam President. My name is  
4 Tom Christmann, Budget Officer for the  
5 Clerk of Quarter Sessions.

6 In December we did have ten  
7 vacancies in that category. Presently,  
8 in the entire department we have eight  
9 vacancies, one of which was filled  
10 yesterday. We have --

11 COUNCIL PRESIDENT VERNA: So  
12 that means you have seven vacancies  
13 presently?

14 MR. CHRISTMANN: No. We have  
15 eight vacancies now. We had nine going  
16 into yesterday. We have eight vacancies  
17 presently, five of which are court  
18 clerks, one is a laborer, one is a clerk  
19 typist I and one a payment processing I.

20 COUNCIL PRESIDENT VERNA: Are  
21 there existing lists for the court  
22 clerks?

23 MR. CHRISTMANN: The court  
24 clerk list is taken off of the City's  
25 clerk III list. We get our candidates,

1 4/8/08 - WHOLE - BILL 080022, etc.

2 interviewees, from that particular list.

3 COUNCIL PRESIDENT VERNA: Is  
4 there an existing list presently?

5 MR. CHRISTMANN: Yes, there is.  
6 Yes, there is.

7 COUNCIL PRESIDENT VERNA: And  
8 for laborer I would think that there  
9 certainly is an existing list.

10 MR. CHRISTMANN: That vacancy  
11 just occurred and we just put the request  
12 in the workforce request system as deemed  
13 appropriate. So we're waiting to hear on  
14 that being approved before we can go  
15 forward with interviews.

16 COUNCIL PRESIDENT VERNA: Very  
17 well. Thank you.

18 Are there any questions from  
19 members of the Committee?

20 (No response.)

21 COUNCIL PRESIDENT VERNA: I  
22 assume the Administration will be meeting  
23 with you and trying to work with you to  
24 see how you can best be served. Thank  
25 you.

1 4/8/08 - WHOLE - BILL 080022, etc.

2 MR. CHRISTMANN: Thank you very  
3 much.

4 MR. McPHERSON: The next  
5 department is the Register of Wills.

6 MS. MILLER: Thank you very  
7 much.

8 COUNCIL PRESIDENT VERNA:  
9 You're welcome.

10 (Witnesses approached witness  
11 table.)

12 COUNCIL PRESIDENT VERNA:  
13 Please identify yourself for the record  
14 and proceed with your testimony

15 MR. DONATUCCI: Ronald R.  
16 Donatucci, the Register of Wills and  
17 Clerk of the Orphans' Court for the City  
18 and County of Philadelphia. To my right  
19 is Anthony DeRose, my Finance Officer,  
20 and to my left is my Chief Deputy, Ralph  
21 Wynder.

22 COUNCIL PRESIDENT VERNA:  
23 Please proceed.

24 MR. DONATUCCI: Thank you.

25 Good morning. I submitted a

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           written testimony basically, Council  
3           President. We're basically maintaining  
4           our present staffing level and all we're  
5           asking for and I think our difference of  
6           what the Administration wants to give our  
7           department and what we're asking for is a  
8           the difference of \$96,448, and it's  
9           basically in the area Class 100 and Class  
10          200, approximately 70-some thousand in  
11          Class 100, which we have an aggressive  
12          program scheduled for this summer to  
13          correct our archives and we may have to  
14          relocate a number of our files for some  
15          repairs in our department downstairs due  
16          to a deteriorated condition of our  
17          indexing room and our research area.

18                 We anticipate -- and as we do  
19                 every year, we study our fees and we have  
20                 an analysis being prepared right now that  
21                 we're looking for to raise our fees an  
22                 additional approximately \$175,000, which  
23                 will cover that 96,000 and give another  
24                 additional surplus to the City of  
25                 Philadelphia.

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   I'm glad to announce in our  
3           continuing effort, Council President,  
4           that starting Monday, our office hours  
5           will be now starting at 8 o'clock to  
6           4:00, but we will still be open until  
7           5:00 to process and to help finalize the  
8           day's work. We're doing this as a result  
9           of polling the Bar Association and the  
10          public, that we feel that it's an  
11          opportunity to expand our service,  
12          because a lot of lawyers feel that it's a  
13          more opportune time to come in before the  
14          day starts. So we will be open for  
15          business 8 o'clock, the Register of Wills  
16          and our Marriage License Bureau.

17                  I'm also glad to announce that  
18          our Marriage License Bureau will still be  
19          open on Wednesday evenings. So it's  
20          going to be a long day for some of our  
21          employees -- well, supervisors from 8:00  
22          to 8:00 on Wednesdays. We're the only  
23          office in the five counties that offers  
24          the opening of a Marriage License Bureau  
25          on an evening.

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   I'm glad to say as a result of  
3           our computerization, which this Council  
4           was so helpful to help us, that we are  
5           able now to work in conjunction with a  
6           number of departments to better correct  
7           and make sure our probate clerks are  
8           accessing the data from the Board of  
9           Revision of Taxes, so when people come in  
10          to apply and create an estate, we are  
11          able to determine the true value of some  
12          of the assets.

13                   Also, we're working very  
14          closely with the different investigative  
15          agencies to help alleviate the fraud that  
16          we've been reading about where the  
17          transfer of assets in some of the more  
18          disadvantaged communities, we're able to  
19          track down and give our records, open our  
20          records to different agencies to  
21          immediately retrieve it as a result of  
22          computerization in the office.

23                   I'm glad to say that as of  
24          today if you walk into our office, you'll  
25          be able to get your short certificates,

1           4/8/08 - WHOLE - BILL 080022, etc.

2           or anybody that's familiar with the  
3           practice of law, within 48 hours --  
4           approximately a year ago it was, our  
5           turn-around time was seven days -- as a  
6           result of our computerization.

7                       We also are implementing other  
8           changes that will further improve our  
9           service to the public. As you know, we  
10          are the only office -- I believe one of  
11          the few offices in City government that  
12          we don't have voice mail. We don't  
13          believe in it. My employees answer by  
14          their first name. So I believe the  
15          public is entitled to that.

16                      I'm not condemning voice mail,  
17          but I think it's so frustrating when you  
18          call a department and you get a message  
19          that the mailbox is full. And also I  
20          feel it's important that they identify  
21          themselves when they're dealing with the  
22          public. So if there's any issues, we  
23          address them immediately.

24                      I thank you.

25                      COUNCIL PRESIDENT VERNA: I

1 4/8/08 - WHOLE - BILL 080022, etc.

2 totally agree. Thank you.

3 Have you spoken to the

4 Administration --

5 MR. DONATUCCI: Yes.

6 COUNCIL PRESIDENT VERNA: --

7 regarding -- and what were you told?

8 MR. DONATUCCI: Well, that's

9 their numbers, but I told them I would

10 get creative and try and raise additional

11 fees, and I'm pretty sure if we can

12 implement these fees, I can't see -- as

13 you always said, sometimes you have to

14 spend money to make money.

15 COUNCIL PRESIDENT VERNA: Yes.

16 MR. DONATUCCI: If we keep our

17 present staffing levels -- which I want

18 to point out I've been the Register for

19 over 28 years now. When I came in, we

20 had 78 employees. We're down now to 70,

21 and we're probably doing 30 percent more

22 because of court-mandated programs, which

23 was never under my watch.

24 COUNCIL PRESIDENT VERNA:

25 Right. How many employees do you



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           anticipate hiring with the 96,000  
3           additional dollars?

4                   MR. DONATUCCI: Well, there  
5           will be summer temps. Approximately we  
6           usually hire, I think -- basically to  
7           keep some of our summer temps, it would  
8           be 25 summer temps.

9                   COUNCIL PRESIDENT VERNA: Very  
10          good.

11                   Any questions from members of  
12          the Committee?

13                   (No response.)

14                   COUNCIL PRESIDENT VERNA: Whoa.  
15          I can't believe my ears, eyes.

16                   Thank you.

17                   MR. DONATUCCI: I'll be taking  
18          job requests for the summer.

19                   COUNCIL PRESIDENT VERNA: Thank  
20          you.

21                   MR. DONATUCCI: Thank you very  
22          much.

23                   MR. McPHERSON: The next  
24          department is the Sheriff's Office.

25                   MR. DONATUCCI: College

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           students.

3                   COUNCIL PRESIDENT VERNA:  
4           College students. Okay.

5                   (Witnesses approached witness  
6           table.)

7                   COUNCIL PRESIDENT VERNA: Good  
8           afternoon, Sheriff. Thank you for your  
9           patience. Please identify yourself for  
10          the record and proceed with your  
11          testimony.

12                   SHERIFF GREEN: I'm Sheriff  
13          John Green, and to my left is Tyrone  
14          Bynum, who is our Finance Director. To  
15          my right is Inspector Mark Stipa.

16                   Good afternoon. It is a  
17          pleasure to be here with you this  
18          afternoon to say that the Philadelphia  
19          Sheriff's Office has worked in  
20          conjunction with the Administration and  
21          we have identified our level -- our  
22          funding level that is needed for Fiscal  
23          Year 2009, and that amount is  
24          \$15,271,619. So I come before you  
25          requesting that amount of money.

1 4/8/08 - WHOLE - BILL 080022, etc.

2 COUNCIL PRESIDENT VERNA: I  
3 believe that's your proposed Fiscal 2009  
4 Operating Budget?

5 SHERIFF GREEN: Yes.

6 COUNCIL PRESIDENT VERNA: So I  
7 understand you're saying that is  
8 sufficient to allow you to meet your  
9 mandated requirements?

10 SHERIFF GREEN: That's correct.

11 COUNCIL PRESIDENT VERNA:  
12 That's wonderful. Thank you very much.

13 Any questions?

14 Councilman Jones.

15 COUNCILMAN JONES: My  
16 relationship with the Sheriff goes back  
17 more years than I care to actually  
18 acknowledge on the record when I was a  
19 young man, a young activist involved in  
20 trying to make the community different.  
21 Side by side in some of those protests,  
22 some of those rallies is, on the record,  
23 Sheriff Green, and I want to say that  
24 throughout the whole issue of sheriff's  
25 sale moratoriums with my colleague,

1           4/8/08 - WHOLE - BILL 080022, etc.

2           Marian Tasco, who started to fight the  
3           subprime fight some years ago way before  
4           I got to Council, I want to acknowledge  
5           on the record that Sheriff Green was bold  
6           enough to have one of the only  
7           moratoriums on sheriff's sales when he  
8           realized that the City of Philadelphia  
9           had hit a record point of sheriff's  
10          sales, and his concern, not the court's  
11          concerns, not Council's concerns, but his  
12          concerns as to the process drove him to a  
13          voluntary moratorium. And I want to say  
14          on the record that I thought that that  
15          was bold then.

16                 What you've done now is bold  
17          and provides a lot of leadership and  
18          recognition of the constraints you have  
19          as a manager of a process, as a manager  
20          of a process, that your heart, your head  
21          are in the right place, and that is on  
22          behalf of the people.

23                 I look forward to working with  
24          you and your very capable, competent  
25          staff that always provides us information

1           4/8/08 - WHOLE - BILL 080022, etc.

2           in our office to give us a true  
3           understanding of what is going on.

4                       I also applaud the  
5           Administration for working in conjunction  
6           with you and this Council on not just  
7           temporary solutions, not just  
8           moratoriums, not just diversions, but  
9           seriously looking into the cause of some  
10          of these problems. Ed of your staff has  
11          given me an education on the sheriff's  
12          sale process, which I think was important  
13          as we start to architect the solutions.  
14          The Administration is working very hard  
15          to do its part, along with the courts  
16          with C. Darnell Jones, to look at how we  
17          can prevent this crisis in the future.

18                      It is good that the President  
19          of the United States and one of the  
20          future Presidents of the United States is  
21          interested in this worthwhile issue. The  
22          Senate is interested in it. The  
23          Commonwealth of Pennsylvania is  
24          interested in it. But the most important  
25          thing, while the calvary comes over the

1 4/8/08 - WHOLE - BILL 080022, etc.

2 hill, that this Sheriff decided to do  
3 something about it right now, and I just  
4 wanted to thank you on the record for  
5 that.

6 SHERIFF GREEN: Thank you very  
7 much.

8 COUNCILMAN JONES: Madam  
9 President.

10 COUNCIL PRESIDENT VERNA: Thank  
11 you.

12 The Chair recognizes Councilman  
13 Green.

14 COUNCILMAN GREEN: Thank you,  
15 Madam Chair.

16 I echo Councilman Jones'  
17 comments, and I think all of us on  
18 Council were very pleased by the action  
19 you took with respect to the foreclosure  
20 issue.

21 I also wanted to commend you  
22 for being one step ahead on an issue that  
23 recently I called for hearings on, and,  
24 that is, it's my understanding that your  
25 department has agreed with Women Against

1 4/8/08 - WHOLE - BILL 080022, etc.

2 Abuse to provide Protection from Abuse  
3 service delivery at no charge.

4 SHERIFF GREEN: That's correct.

5 COUNCILMAN GREEN: Well, I want  
6 to commend you for that, and I want to  
7 say I do not think that that's widely  
8 publicized or known by people who are  
9 receiving Protection from Abuse orders,  
10 and I was hopeful that you'd be able to  
11 work with the First Judicial District and  
12 Family Court in order to make sure that  
13 maybe there's some sort of instruction  
14 given that they could come to you as an  
15 option to have that done for free if they  
16 feel that they are in any kind of  
17 jeopardy rather than currently what  
18 they're told to do is to go to the Police  
19 Department, go to a district, sit and  
20 wait until there's an officer free, or  
21 sometimes they call on an emergency basis  
22 to have the police come out and help them  
23 do it. And in terms of tying up  
24 resources of the police, it's not a very  
25 efficient way to do that, and only half

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           of the orders are delivered by police,  
3           the other half by citizens themselves.

4                     Do you have any kind of  
5           statistics on the number that you're  
6           delivering per year or serving per year  
7           out of the 13,000 that are served?

8                     SHERIFF GREEN: I don't have  
9           those numbers with me, but I can provide  
10          them to you.

11                    Just in responding to your  
12          question and concern, a few years ago the  
13          Sheriff's Office entered into an  
14          agreement with Women Against Abuse and  
15          the City of Philadelphia to not only  
16          serve Protection from Abuse orders at no  
17          cost, but we agreed to visit the homes of  
18          people who were identified to have  
19          weapons available to them that could be  
20          used against the complainant or the  
21          plaintiff in the Protection Against Abuse  
22          order. We did that. We were actually  
23          stopped by the courts because of some  
24          legal concerns around confiscating  
25          weapons without having a court order that



1 4/8/08 - WHOLE - BILL 080022, etc.

2 addressed obtaining the weapons.

3 So we worked with Women Against  
4 Abuse, and we look forward to doing even  
5 more. We're in the beginning of a  
6 conversation with the Philadelphia Police  
7 Department to assume some of their  
8 responsibilities so they can put more  
9 people on the street, on the front line  
10 fighting crime. So we will include that  
11 in the discussion.

12 COUNCILMAN GREEN: If you could  
13 provide to the Chair how much it would  
14 cost you in additional manpower if we  
15 were to mandate that people who are  
16 seeking Protection from Abuse orders not  
17 be given the option of delivering it  
18 themselves but required either the courts  
19 or the Sheriff or someone to do that  
20 delivery so we have a sense of what that  
21 would cost.

22 SHERIFF GREEN: Very well.

23 COUNCILMAN GREEN: Thank you  
24 very much, Sheriff.

25 COUNCIL PRESIDENT VERNA: Thank

1 4/8/08 - WHOLE - BILL 080022, etc.

2 you, Sheriff.

3 Are there any other questions

4 from members of the Committee?

5 Councilwoman Tasco.

6 COUNCILWOMAN TASCO: Good

7 morning.

8 SHERIFF GREEN: Good morning --

9 or good afternoon.

10 COUNCILWOMAN TASCO: Thank you

11 so much for working with the Coalition to

12 come to a resolution about whatever we're

13 going to call it, moratorium or the stay.

14 Anyway, the help that we're going to try

15 to provide to homeowners who occupy their

16 homes in terms of the foreclosure. So I

17 want to thank you very much.

18 SHERIFF GREEN: Thank you.

19 COUNCIL PRESIDENT VERNA: The

20 Chair recognizes Councilwoman Miller.

21 COUNCILWOMAN MILLER: Thank

22 you, Madam President.

23 Good afternoon, Sheriff Green.

24 SHERIFF GREEN: Good afternoon.

25 COUNCILWOMAN MILLER: I too

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           just want to thank you for helping out  
3           too with this mortgage foreclosure issue.  
4           You know better than I that this is an  
5           important issue to many, many  
6           Philadelphians, and I just too want to  
7           thank you for your support. Thank you.

8                       SHERIFF GREEN: Thank you.

9                       COUNCIL PRESIDENT VERNA: Thank  
10          you.

11                      Any other questions or comments  
12          from members of the Committee?

13                      (No response.)

14                      SHERIFF GREEN: Madam Chair, if  
15          I may just say one thing, that many times  
16          people, especially people who are elected  
17          and people who are in administrative  
18          positions, are given difficult decisions  
19          to make, and, that is, if you are going  
20          to go out and unilaterally do something  
21          without having the support, input or  
22          interest of other people. I can tell  
23          you, I was never prouder to be an elected  
24          officeholder than the Thursday when City  
25          Council passed the resolution calling on

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           the City of Philadelphia to seek a  
3           moratorium. It was through City  
4           Council's support, City Council's concern  
5           that we were able, we had the  
6           undergirding that was needed to go forth  
7           and postpone the May sale -- or the April  
8           sale and to closely look at succeeding  
9           sales.

10                        So thank you very much to City  
11           Council. Thank you for your fortitude.  
12           Thank you for your assistance, and we  
13           look forward to continuing our work with  
14           you.

15                        Thank you.

16                        COUNCIL PRESIDENT VERNA: And  
17           we thank you. Thank you very much.

18                        This Committee will stand in  
19           recess until 1:15. Thank you.

20                        (Short recess.)

21                        COUNCIL PRESIDENT VERNA: The  
22           Committee of the Whole is now back in  
23           session. We will now hear from the City  
24           Commissioners. Are they here?

25                        Please approach the witness

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           table.

3                       (Witnesses approached witness  
4           table.)

5                       COUNCIL PRESIDENT VERNA: Good  
6           afternoon. Please identify yourself for  
7           the record and proceed with your  
8           testimony.

9                       MR. LEE: I'm Bob Lee. I'm the  
10          Voter Registration Administrator for the  
11          City Commissioners. With me is Fred  
12          Voigt, Deputy City Commissioner for  
13          Chairwoman Tartaglione, and Robin Zerbib,  
14          our Budget Officer.

15                      Good afternoon. I'm Bob Lee.  
16          I'm the Voter Registration Administrator  
17          for the City Commissioners, and I'd like  
18          to thank you for this opportunity to  
19          present our Fiscal Year 2009 Operating  
20          Budget request.

21                      The proposed spending level is  
22          currently \$8,995,597 for FY09. It's  
23          broken down into Class 100, \$5,345,789;  
24          Class 200, \$3,048,011; Class 300,  
25          \$491,764; Class 400, \$64,695; and Class

1           4/8/08 - WHOLE - BILL 080022, etc.

2           500, \$45,338.

3                   We would like to request  
4           additional funds for the department, and  
5           we've tried to lay out specifically where  
6           we need those funds and what they are  
7           for. There's a spreadsheet attached to  
8           the back.

9                   First, in Class 100 we're  
10          looking for an additional \$447,000.  
11          That's to hire ten additional trade  
12          helpers. It's also to fill two  
13          administrative positions in Commissioner  
14          Clark's office and to fill a position in  
15          our Fiscal Budget Office.

16                  The additional trades helpers  
17          are needed. As the years go on and every  
18          time we turn around, the federal  
19          government is increasing the  
20          responsibilities and mandates on the  
21          Commission, and we just don't have  
22          sufficient full-time permanent employees  
23          to handle these large elections.

24                  This year, just to get done on  
25          this statewide system, our employees were

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           working from 7:00 a.m. to 10:00 p.m.  
3           seven days a week, including Saturday and  
4           Sunday. The last day of registration we  
5           got 30,000 applications. We got another  
6           7,000 that came in through postmarks and  
7           another 3,000 from other counties in the  
8           state. We had a total of 40,000  
9           applications to process in eight days,  
10          and our people were required to work 7:00  
11          a.m. to 10:00 p.m.

12                   The six-day cutoff for the  
13          street list, there's about 15,000  
14          applications that didn't get in to get on  
15          the street list. However, fortunately,  
16          we kept pushing and we were able to get  
17          them all in, so that those individuals  
18          will all be in the poll books when they  
19          go to vote. But we just don't have  
20          enough full-time permanent employees that  
21          we put on the statewide voter  
22          registration system.

23                   The state's promise was that  
24          this system would reduce costs as far as  
25          hardware and network and software costs,

1           4/8/08 - WHOLE - BILL 080022, etc.

2           but the problem is that it's drastically  
3           and substantially increased our labor  
4           costs. We have a lot more steps involved  
5           in processing of voter registration  
6           records, and we would ask that we be  
7           given funding for ten additional  
8           full-time employees.

9                       We're also asking for  
10          additional funds in Class 200. We would  
11          like \$1,905,980. That's quite a bit of  
12          money, but the bulk of that money is  
13          something we had asked for in prior  
14          years. Back in 2002, the state  
15          Legislature passed a bill and the  
16          government enacted it that would allow us  
17          to raise the pay that we pay our polling  
18          place officials on Election Day.  
19          Currently, they're paid \$95 for working a  
20          14-hour day. The state law would allow  
21          us to double that amount or increase it  
22          up to \$100 per person per election, and  
23          we are asking for funding to do that. It  
24          would cost 1.7 million to raise their pay  
25          to approximately \$190 or \$195 for the



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           day. That would be probably what someone  
3           would expect to pay in a large  
4           jurisdiction. However, in places like  
5           New York, they pay up to \$300 a day for  
6           some of their poll workers.

7                   COUNCIL PRESIDENT VERNA: And I  
8           think New Jersey pays 200.

9                   MR. LEE: Yes. So as far as a  
10          major jurisdiction, 16th largest county  
11          in the country, our poll workers are far,  
12          far underpaid and haven't had a raise in  
13          quite a while. The state law allows us  
14          to do it, but we need the appropriation  
15          in order to do that.

16                   The other cost involved with  
17          the Class 200 is based upon a lawsuit  
18          from the Justice Department and upon the  
19          advice of the Law Department, we now  
20          distribute a cell phone to every polling  
21          place so that we can provide telephonic  
22          language interpretation services at the  
23          polls for anyone who doesn't speak  
24          English. The cost of putting those cell  
25          phones out at the polling place is

1           4/8/08 - WHOLE - BILL 080022, etc.

2           \$109,400 a year. It was unbudgeted in  
3           our budget. We had to install new  
4           telecommunication lines for the voting  
5           system. The ongoing annual cost is  
6           \$28,000.

7                       Election Day technicians, when  
8           we got the system, we knew we were going  
9           to reduce our outside -- our reliance on  
10          outside technicians in machine set-up and  
11          preparing for election. We have done  
12          that. The City saved money. It was  
13          taken out of our budget years ago when we  
14          got the new machines. However, we've  
15          increased the number of outside  
16          technicians we use on the street.  
17          Basically, we increased it from 50 to 56  
18          to put more personnel on the phones that  
19          handle calls from poll workers on  
20          Election Day. That cost us \$77,220 for  
21          the November election, and we'll need an  
22          increase in funding to help cover those  
23          costs.

24                      There are some other issues  
25          that -- basically, postage. The

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           statewide system, every time you do  
3           something to a voter's record in there,  
4           it generates a new ID card for the voter,  
5           and the reason it does that, because of a  
6           federal requirement that every applicant  
7           be notified of the disposition of an  
8           application. And we're getting a lot of  
9           increased costs as far as other mailings  
10          that are generated out of the SURE  
11          system.

12                        So we're asking for a total of  
13          1.9 million in Class 200, addition to  
14          what's already in the proposed budget.

15                        Class 300 and 400, we're asking  
16          for an additional \$415,000. Basically  
17          it's for equipment, PCs, copiers,  
18          printers. All our large printers had to  
19          be replaced. Copiers, the copier in my  
20          office is seven years old, and, in fact,  
21          when I went to copy this revised  
22          testimony, the first page jammed and then  
23          I walked away from it.

24                        The breakdown of these requests  
25          is on the spreadsheet in the back, and

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           it's probably a little bit easier to  
3           understand what we're asking for.

4                     The bulk of the request and  
5           additional money, though, is to finally  
6           give our poll workers a pay increase and  
7           bring them on board with other major  
8           jurisdictions.

9                     COUNCIL PRESIDENT VERNA: Thank  
10          you, Bob.

11                    Did I understand you to say  
12          that the street lists will be up to date?

13                    MR. LEE: Well, the street  
14          lists are up to date, except that there  
15          were 15,000 applications that we got on  
16          the last day that were not processed by  
17          the time we cut the tape for the street  
18          list. By law, we have to begin  
19          distributing the street list yesterday,  
20          15 days before the election. We normally  
21          give the vendor a tape on Monday morning  
22          of last week. I held him off one day,  
23          which was not unusual, it happens during  
24          holiday -- years when there's a holiday.  
25          But he does need six days to print those

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           street lists. It's almost a million-page  
3           job, and they got to correlate them,  
4           staple them. And even when we get them,  
5           we have to do some correlation work with  
6           them.

7                        So we had to cut the tape no  
8           later than Monday night. When the  
9           employees got done at 10 o'clock Monday  
10          night, I cut the export jobs between  
11          10:00 and 12:00 midnight Monday night so  
12          we would have them Tuesday morning. So  
13          there are 15,000 recent applications that  
14          are not reflected on those street lists.

15                       If it was a duplicate  
16          application, if somebody that was already  
17          registered and everything matched,  
18          they're going to be on the street list.  
19          However, if it was a change of party and  
20          it wasn't processed at that time, they'll  
21          be on the street list in the party that  
22          they were registered of prior to getting  
23          that app. Now, like I said, we had  
24          another cut-off date for export for the  
25          poll books. That was Thursday night last

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           week. And by Thursday night, we had  
3           entered everything. Everything in the  
4           building was in the system. It was  
5           either in there and approved or it was  
6           declined and rejected for missing  
7           information and the voters notified. But  
8           everything was accounted for and  
9           finished. So everybody will be in the  
10          poll books.

11                   The ones that were rejected  
12          because they didn't put their driver's  
13          license number on there and maybe their  
14          date of birth or they just didn't sign  
15          it, they had until last night at 7  
16          o'clock to appeal, and any of those that  
17          came in after I cut these poll book tapes  
18          last Saturday or the weekend, they'll be  
19          on supplemental poll book pages. When  
20          the polling place officials come to pick  
21          up their materials, they're given an  
22          envelope and they're told these are a  
23          supplemental page of eligible voters and  
24          make sure you check both. And the issue  
25          is, if a voter comes and they're in the

1 4/8/08 - WHOLE - BILL 080022, etc.

2 poll book as a republican or democrat or  
3 independent and they think they should be  
4 something other, they should ask to check  
5 that supplemental poll book page, because  
6 the update would be on that page.

7 COUNCIL PRESIDENT VERNA: Whoa.  
8 You have a lot of work to do.

9 Bob, let me ask a question.  
10 Have you discussed this with the  
11 Administration?

12 MR. LEE: I thought -- this  
13 request basically came out of our last  
14 testimony when we were asked if we had  
15 requested money to give them a raise, and  
16 our response was, yes, we had, the first  
17 three years after the bill passed, and it  
18 didn't go anywhere. And I don't know if  
19 it went any further.

20 COUNCIL PRESIDENT VERNA: Is  
21 the Budget Director in the room? Oh,  
22 there he is.

23 (Witness approached witness  
24 table.)

25 COUNCIL PRESIDENT VERNA: Bob,

1           4/8/08 - WHOLE - BILL 080022, etc.

2           you have an angel on your shoulder. He  
3           heard your testimony and I know he's  
4           going to work with you closely.

5                       MR. AGOSTINI: Madam President,  
6           Steve Agostini.

7                       Yes, indeed we will work with  
8           them. I believe we have portions of  
9           this, and I'm trying to check exactly how  
10          much more they have requested, but we're  
11          happy to sit down and discuss this and  
12          work through this with them.

13                      COUNCIL PRESIDENT VERNA:  
14          That's fine. Thank you. And you'll get  
15          back to us before we pass the budget  
16          bill, Steve?

17                      MR. AGOSTINI: Absolutely.

18                      COUNCIL PRESIDENT VERNA: Thank  
19          you.

20                      Councilman Greenlee.

21                      COUNCILMAN GREENLEE: Thank  
22          you, Madam President.

23                      Good afternoon.

24                      MR. LEE: Good afternoon.

25                      COUNCILMAN GREENLEE: Bob, I'm



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           sure I speak for a whole lot of people.  
3           Thank you for all those years. We won't  
4           talk about how many years, but all those  
5           years you've helped us in very many ways.  
6           So we appreciate that very much.

7                       Just a couple questions.  
8           First, just for my own interest, in the  
9           registration and all the new  
10          registrations, was there still a certain  
11          percentage of people that registered  
12          non-partisan? Did that still happen?

13                     MR. LEE: There were people  
14          that were registered non-partisan,  
15          although the new ones coming in was a lot  
16          lower than normal. Although in our  
17          files, we still have about 82,000, 83,000  
18          people who were not eligible to vote for  
19          a candidate in the primary election.  
20          They'll only be able to vote for ballot  
21          questions.

22                     COUNCILMAN GREENLEE: I'm sure  
23          we'll all hear some of those complaints,  
24          people who swear that they should be able  
25          to vote.

1 4/8/08 - WHOLE - BILL 080022, etc.

2 MR. LEE: We're getting them  
3 every day at the office right now.

4 COUNCILMAN GREENLEE: I'm sure.  
5 I'm sure.

6 Just one question on the  
7 machines just so I'm clear. I know we  
8 had that one year where there seemed to  
9 be a lot breakdown. I know it was  
10 something with how bolts were tightened  
11 or whatever. Have there been as the  
12 machines get a little older -- were these  
13 new machines when we got them?

14 MR. LEE: They were brand new,  
15 yes. The contract required the machines  
16 and all parts be totally new.

17 COUNCILMAN GREENLEE: Okay.  
18 Have there been much, except for that one  
19 year, increases in breakdowns?

20 MR. LEE: It's been pretty much  
21 running the same. The most prevalent  
22 part that we replace on Election Day is  
23 the printer, because it's mechanical and  
24 it's inclined to have an issue. We may  
25 replace 20 of them in election, 25.

1           4/8/08 - WHOLE - BILL 080022, etc.

2           Batteries is another issue that we  
3           replace. Although everything is  
4           pre-tested in the weeks before the  
5           election, it's like any other equipment,  
6           it can go at any time.

7                       But, no. The major issue that  
8           we had with the '06 primary was the  
9           printers and it was a set-up issue done  
10          at our warehouse by an employee. And we  
11          did a lot of regression testing and  
12          interviewed every employee at the  
13          warehouse and found the source of the  
14          problem, changed the management at the  
15          warehouse and made sure that that doesn't  
16          occur again.

17                      COUNCILMAN GREENLEE: Just one  
18           last question on the poll workers.  
19           You're recommending they be increased to  
20           what now? What would be the --

21                      MR. LEE: It would increase it  
22           to approximately \$190 or \$195.

23                      COUNCILMAN GREENLEE: Okay.

24                      MR. LEE: Give or take some.  
25           It's possible that you may want to go to

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           180 and add an extra \$5 or \$10 to the  
3           training to encourage them to come to  
4           training, and we'd like to have that  
5           leeway to do that with it. We probably  
6           in a high peak election, we get maybe  
7           5,000 to 6,000 poll workers each election  
8           that attend the training out of the  
9           8,500, but we'd like to get them there  
10          each time.

11                   COUNCILMAN GREENLEE: Right.  
12          I'm sure that would make a lot of people  
13          happy if they could get up to that,  
14          because we all hear a few complaints  
15          about that, I think.

16                   MR. LEE: The more we get them  
17          to touch that machine before the  
18          election, the better off we are election  
19          morning. Most of the problems we have  
20          with machines are operator issues or  
21          voter issues.

22                   COUNCILMAN GREENLEE: I would  
23          guess so. All right. Thank you. Thanks  
24          a lot.

25                   Thank you, Madam Chair.

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   COUNCIL PRESIDENT VERNA: Thank  
3           you.

4                   The Chair recognizes Councilman  
5           Jones.

6                   COUNCILMAN JONES: I just  
7           wanted to also thank the Commissioners'  
8           Office for decades and decades of good,  
9           quality service. The young man next to  
10          you, Fred Voigt, participated in a study  
11          a couple of decades back on the election  
12          process in the City of Philadelphia, and  
13          I had an opportunity to work with him  
14          some six months back then, along with  
15          Congressman Fattah and now Governor  
16          Rendell and a host of other people, Gene  
17          Cleate (ph) who worked on that study, and  
18          it really -- as I look at the changes in  
19          the Commissioners' Office, we had  
20          earmarked some of those changes that  
21          needed to occur way back then and it's  
22          just good to see the consistency over  
23          there with a face like that.

24                   I just wanted to get a sense of  
25          what the new registrations and how they

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           impacted Philadelphia County by way of  
3           the last-minute activity and whether or  
4           not things are on track for everyone for  
5           Election Day.

6                   MR. LEE: Well, they're all in  
7           the system and they're all going to be in  
8           the poll books. Naturally, when you're  
9           having employees work from 7:00 a.m. to  
10          10:00 p.m. and they're on a computer,  
11          there's going to be human errors in them.  
12          We have a crew right now that's going  
13          through auditing all our work, and they  
14          audit it by checking what was entered and  
15          what was keyed, and they'll make any  
16          corrections they find before then.

17                   But we feel pretty good that  
18          for the bulk and the great majority of  
19          all of that work has been in there and  
20          it's in there right and it will be in the  
21          right election district poll book.

22                   COUNCILMAN JONES: My question  
23          also goes to Election Day itself. Are we  
24          taking into account that we may have,  
25          based on the amount of participation,

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           some of the largest turnout ever and are  
3           we prepared with extra machines to avoid  
4           some of the lines that may ensue based on  
5           this level of participation?

6                       I think 70 percent some people  
7           and better are predicting by way of this  
8           primary election, and I wanted to know to  
9           what degree are we preparing for a record  
10          turnout.

11                     MR. LEE: We haven't assigned  
12          any additional machines to polling  
13          places, and the reason, currently every  
14          polling place gets two machines  
15          regardless of the number of registered  
16          voters. State law requires you have to  
17          have 350 registered voters before we  
18          assign the second. Any division with 875  
19          registered voters will have three  
20          machines. There's one division in the  
21          City, I think it gets four, one or two.

22                     These machines are a lot  
23          quicker in voting and they're similar to  
24          the mechanical machines. But the issue  
25          is, if we started assigning additional

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           machines, we wouldn't have enough to put  
3           any out there. And the second issue is,  
4           some of them would not fit in the  
5           existing polling places that we're using.  
6           Some of our polling places, we may have  
7           two or three divisions or four divisions.

8                   COUNCILMAN JONES: My concern  
9           and caution is, not since the Bowser  
10          election -- and I bring that election up  
11          specifically -- has there been such a  
12          contested election. I believe the  
13          democratic primary between Hillary and  
14          Senator Obama is going to be something  
15          this City hasn't seen in quite some time,  
16          and it would behoove you to kind of worry  
17          a little bit about long lines, about  
18          where we can have extra machines, where  
19          we can make sure that mechanical  
20          breakdowns are attended to quickly,  
21          because what everyone is going to say is  
22          that, no matter who wins, there was  
23          something wrong because there was a slant  
24          one way or another towards one candidate  
25          or other, and it always winds up back at



1           4/8/08 - WHOLE - BILL 080022, etc.

2           the City Commissioners' Office.

3                       So if we know that we're going  
4           to have record turnouts, if we know that  
5           the participation levels are going to be  
6           through the roof, what things can we do  
7           to prepare for that?

8                       MR. LEE: Well, this is the  
9           same configuration that we used in the  
10          2004 presidential when Pennsylvania was a  
11          battleground state and it was a hotly  
12          contested election and more than 672,000  
13          Philadelphians voted on our voting  
14          machines, and the system and process, for  
15          the most part, worked well then. Many  
16          divisions there were little or no wait at  
17          all. I went and voted in the middle of  
18          the day and didn't wait at all. I was in  
19          and out of there.

20                      Naturally, in any jurisdiction  
21          if you vote before going to work or you  
22          vote after work, there's going to be a  
23          line and you may wait, and some  
24          jurisdictions are going to have lines,  
25          but for the most part, this configuration

1           4/8/08 - WHOLE - BILL 080022, etc.

2           we have set up for this election is the  
3           same that we had then, and we had 674,000  
4           people cast vote on these machines, and I  
5           don't expect that we're going to go over  
6           that number this year.

7                     COUNCILMAN JONES: What was the  
8           turnout in that election; do you recall?

9                     MR. LEE: Percentage? The  
10          percentage is something that -- it's like  
11          apples and oranges, because it depends on  
12          the number of inactive voters that are in  
13          the file. So if you're taking the voter  
14          turnout percentage of the total file,  
15          you're not getting a true picture. Right  
16          now we have a million and 31 thousand  
17          voters in the file.

18                    COUNCILMAN JONES: I would --  
19          and this is on the record. I would say  
20          to you, whatever that turnout was then,  
21          this one will be larger. That's my  
22          guess.

23                    Fred, remember I said it.

24                    (Bell rung.)

25                    MR. LEE: I'll hold it to

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           674,000. I think if we approach that,  
3           I'd be shocked. I think there's a good  
4           chance we're going to have between a half  
5           a million and 600,000 people vote in the  
6           City. Many of the republicans may not be  
7           there. They don't have a battle.

8                   COUNCILMAN JONES: They changed  
9           registration already.

10                   MR. LEE: Well, there wasn't  
11           very many of them. There wasn't very  
12           many of them. I think since November  
13           we've had probably a total of -- the last  
14           time I checked, it was a report I gave  
15           the Commissioners at the weekly meeting  
16           last week, and it didn't include  
17           everything we processed, but we didn't  
18           have more than 20,000 change of parties.

19                   COUNCILMAN JONES: All right.

20                   MR. VOIGT: It's remarkable how  
21           few there were. We anticipated a much  
22           greater change. We still have 83,000 and  
23           we started with 89 in the last couple  
24           months. And, again, you have to consider  
25           primaries and generals. We've had

1           4/8/08 - WHOLE - BILL 080022, etc.

2           generals that -- I mean, Goode/Rizzo, we  
3           did how many registrations in the last  
4           day?

5                       MR. LEE: The '83 primary,  
6           Goode/Rizzo, we had 60,000 applications  
7           the last day, 300,000 in six months, five  
8           months.

9                       MR. VOIGT: I mean, we're  
10          anticipating --

11                      MR. LEE: And those were  
12          mechanical machines that tended to be a  
13          little bit more troublesome.

14                      So I think we're well prepared  
15          to handle this. The key here is the key  
16          in any system and in any election, poll  
17          workers. Poll workers. Now, the poll  
18          workers got to remember when voters come  
19          to vote this time, they have to select  
20          their party first, then hit the office  
21          control, the machine is ready to go. The  
22          most prevalent call we'll get on Tuesday  
23          morning is, the machine won't let them  
24          vote for candidates because they're only  
25          hitting the office control button. They

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           have to select the party in the primary,  
3           and in November, you only hit the office  
4           control. So from one election to the  
5           other, it changes, and for the first half  
6           hour, that's the bulk of our calls.

7                   COUNCILMAN JONES: Well, I have  
8           confidence that you've anticipated some  
9           of the demand, but, again, I think you  
10          haven't seen what we're getting ready to  
11          face in the last --

12                   MR. VOIGT: One of the big  
13          problems we're going to have is people  
14          going to the wrong polling place and  
15          demanding provisional ballots and all.  
16          They have anticipated -- every meeting  
17          the Commissioners have had in the last  
18          four months where currently the Chair  
19          said, does anybody got anything else that  
20          they think we have to anticipate, is  
21          there anything else we ought to do. And  
22          that was broadly cast, and we're down to  
23          the point where we've anticipated what we  
24          would do for a general election or  
25          general presidential election. That's

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           the level of preparation that's gone into  
3           this.

4                       COUNCILMAN JONES: Thank you.

5                       COUNCIL PRESIDENT VERNA: Thank  
6           you.

7                       Mr. Lee, with the additional  
8           appropriations that you're requesting in  
9           Class 100, they're all civil service  
10          positions; are they not?

11                      MR. LEE: The ten are, yes.  
12          There's also a mention of six HAVA  
13          employees in there. Those are  
14          people that we brought in --

15                      COUNCIL PRESIDENT VERNA: The  
16          six? I'm sorry. I didn't quite --

17                      MR. LEE: Six HAVA, Help  
18          America Vote Act. And we only call them  
19          HAVA employees because that's who is  
20          paying for it. It's grant funds that are  
21          paying. And the grant funds are enough  
22          to pay for them through FY09, but we'll  
23          be wanting to pick those people up next  
24          fiscal year in our regular budget. So  
25          we're asking for ten trades helpers now.

1           4/8/08 - WHOLE - BILL 080022, etc.

2           We're using federal funds as seed money  
3           to keep these six on so that we can bring  
4           them on next fiscal year.

5                   COUNCIL PRESIDENT VERNA: What  
6           title would the hundred employees have?

7                   MR. LEE: Currently, all our  
8           employees are coming in as trades  
9           helpers, voting machine technicians, and  
10          they bring them in, I believe, for six  
11          months as a temporary employee and then  
12          they go from there.

13                  COUNCIL PRESIDENT VERNA: Okay.  
14          And would you have to take them from a  
15          civil service exam?

16                  MR. LEE: (Witness shakes head  
17          in the negative.)

18                  COUNCIL PRESIDENT VERNA: No?  
19          So you take them on as temporaries.  
20          Smart man.

21                  MR. LEE: Not me. Boss.

22                  COUNCIL PRESIDENT VERNA:  
23          Smart.

24                  Okay. The Chair recognizes  
25          Councilman Green.

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   COUNCILMAN GREEN: Thank you,  
3           Madam Chair.

4                   I want to reiterate what many  
5           have said about how effective the  
6           Commissioners have been in running  
7           elections with the limited resources we  
8           provide to you, and how you can motivate  
9           and maintain so many poll workers with  
10          the funds that we're paying them, it's an  
11          amazing feat that you're able to fill  
12          those slots.

13                  I just spoke with the Budget  
14          Director and he said most of the  
15          additional monies that you requested are  
16          not currently in the Administration  
17          budget. So that I hope that you can work  
18          out something so that our poll workers  
19          can be fairly compensated relative to our  
20          peer cities.

21                  I was going to ask a question  
22          just about provisional ballots. Do we  
23          have enough provisional ballots printed  
24          for this election, and, more importantly,  
25          are they appropriately distributed among



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           polling places based on where we've run  
3           out of them before, et cetera? And I  
4           think what Councilman Jones is alluding  
5           to is an extremely high African-American  
6           turnout compared to previous presidential  
7           primaries, which is his specific concern.

8                     MR. LEE: Yeah. We have 60  
9           democratic provisional ballots going to  
10          every voting division in the City.

11                    COUNCILMAN GREEN: Is that  
12          appropriate, though?

13                    MR. LEE: Yeah.

14                    COUNCILMAN GREEN: I mean, are  
15          the demands going to be such in certain  
16          areas that that's not going to be enough  
17          and are there some in reserve? Are  
18          people trained to call when they have  
19          only 15 left?

20                    MR. LEE: We print these  
21          ballots on demand. We print them in our  
22          office. And if need be, we will deliver  
23          additional.

24                    We've never run out of  
25          provisional ballots at a polling place.

1 4/8/08 - WHOLE - BILL 080022, etc.

2 Never.

3 COUNCILMAN GREEN: Okay.

4 MR. LEE: We've had calls in  
5 the '04 presidential from outsiders,  
6 Election Protection and people like that,  
7 said you need provisional ballots. We  
8 ran them off. We went out and delivered  
9 them and we delivered them. The poll  
10 workers said, We still have 20 left. We  
11 don't need anymore.

12 Every case where we've  
13 delivered additional provisional ballots,  
14 they've been returned unused. But we're  
15 printing 60 instead of 45. The key here  
16 is not to get them to vote on a  
17 provisional ballot. The key is to get  
18 them to the right polling place where  
19 their name is in the book and you do it  
20 the old-fashioned way, you vote on the  
21 machine.

22 COUNCILMAN GREEN: Absolutely.

23 MR. LEE: These provisional  
24 ballots could do some franchise voters if  
25 they don't fill out that declaration

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           envelope properly. State law requires  
3           they sign it twice. They have to have  
4           all their information on there in order  
5           for us to validate that they're  
6           qualified.

7                       So the key element is to get  
8           them to the right polling place to vote  
9           on the machine, but we know that that's  
10          not going to be the case in all times.  
11          We've increased it to 60 per division.

12                      COUNCILMAN GREEN: Terrific.

13                      I just have a question that  
14          relates to something that -- the last  
15          filing day of the campaign is often a  
16          burden, and, that is, is there a reason  
17          we have to go to Delaware Avenue to file  
18          finance reports rather than being able to  
19          drop them at the Commissioners' Office in  
20          City Hall, or is that something we can  
21          change?

22                      MR. LEE: You can drop them at  
23          the Commissioners' Office at City Hall as  
24          long as you get there prior to them  
25          closing, and they'll clock them in and

1           4/8/08 - WHOLE - BILL 080022, etc.

2           send them down to us.

3                   COUNCILMAN GREEN: Is that  
4           true? Because that's not -- I guess that  
5           wasn't our understanding.

6                   MR. LEE: Candidates or elected  
7           officials have done it in the past.

8                   COUNCILMAN GREEN: So we can  
9           drop them at City Hall without taking  
10          them to Spring Garden?

11                  MR. LEE: They have a time  
12          clock in any one of their offices. You  
13          can drop them at the County Board of  
14          Elections in Room 142, City Hall, and  
15          we'll take it from there also.

16                  COUNCILMAN GREEN: Okay.  
17          Great.

18                  That's all I have, Madam  
19          President.

20                  Once again, thanks, and it  
21          sounds like you're prepared and I hope  
22          things go well. Thank you very much.

23                  COUNCIL PRESIDENT VERNA: Are  
24          there any other questions or comments  
25          from members of the Committee?

1 4/8/08 - WHOLE - BILL 080022, etc.

2 (No response.)

3 COUNCIL PRESIDENT VERNA:

4 Seeing none, we thank you.

5 MR. LEE: Thank you.

6 COUNCIL PRESIDENT VERNA: And I  
7 would suggest that perhaps on your way  
8 out -- the Budget Director is sitting  
9 there -- maybe you could make an  
10 appointment for a specific time and date.

11 MR. McPHERSON: Our next  
12 department is the City Controller's  
13 Office.

14 (Witnesses approached witness  
15 table.)

16 MR. BUTKOVITZ: Good afternoon,  
17 Madam President, members of Council.

18 COUNCIL PRESIDENT VERNA: Good  
19 afternoon.

20 MR. BUTKOVITZ: I'm joined here  
21 today by Deputy Controllers Harvey Rice,  
22 Al Scaperotto and John Thomas, and with  
23 our Administrative Services Director,  
24 Andrea Rose.

25 We have prepared testimony

1           4/8/08 - WHOLE - BILL 080022, etc.

2           which we've previously submitted. If it  
3           is your pleasure, I could read it or we  
4           could dispense with the reading and --

5                   COUNCIL PRESIDENT VERNA: If  
6           you can simply abbreviate, we'll give the  
7           stenographer a copy of your testimony,  
8           which will be transcribed in full.

9                   MR. BUTKOVITZ: Okay. Well,  
10          first of all, I want to welcome  
11          Councilman Jones and Councilman  
12          Quinones-Sanchez and Councilman Green.  
13          It's been my first official opportunity  
14          to welcome them. And I want to thank  
15          this Council as an institution for the  
16          very strong support we have received in  
17          our budget and in our ability to expand  
18          the performance audits that we have been  
19          performing.

20                 We are requesting that the  
21          Council appropriate to us the amount  
22          submitted in the Mayor's budget proposal,  
23          \$8,254,796, for the 140 budgeted  
24          positions in that allotment.

25                 Last year, the Controller's

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           Office issued 34 reports, which included  
3           19 departmental audits, eight performance  
4           audits and seven entity-wide opinion  
5           audits. Contained in those were 317  
6           recommendations to safeguard City assets,  
7           enhance financial management, strengthen  
8           internal accounting controls and improve  
9           City operations. The direct financial  
10          impact to our City government was a  
11          savings of over \$842 million.

12                    To summarize some of the  
13          reports we've worked on and that we are  
14          particularly proud of is the one that we  
15          did entitled "Barriers Facing Minority,  
16          Women and Disabled-Owned Businesses in  
17          City Procurement and Contracting," a  
18          proposal for a revamping of the MBEC  
19          operation; the report we did on Project  
20          Ocean, Riverview, cell phones, and what I  
21          think was our most important work so far,  
22          the study of the Emergency Medical  
23          Services branch of the Fire Department.  
24          As a matter of fact, our office has  
25          received a national award for the report

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           on EMS. One of the criteria is whether  
3           action is done at the back end of that,  
4           and the very aggressive conduct of  
5           Councilman Krajewski on that issue and  
6           the embrace by Mayor Nutter in committing  
7           himself to an immediate start on the  
8           problem were certainly factors in that.

9                     There are a number of specific  
10          Councilpeople that I would like to thank  
11          for their work on issues that have been  
12          highlighted by our reporting. As I  
13          noted, Councilman Krajewski for her very  
14          strong leadership role on the emergency  
15          medical system. I would also like to  
16          thank Councilman Kenney for his  
17          pioneering work on the 3-1-1 system,  
18          Councilman Rizzo for his work on Project  
19          Ocean, and Councilmen Greenlee, Clarke,  
20          DiCicco and Kelly on the illegal signage  
21          issue.

22                    Our pre-audit unit provided  
23          oversight for over 150 projects totalling  
24          more than \$300 million. Our inspections  
25          resulted in a half a million dollars



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           worth of cost savings to the City in the  
3           form of credits for work not done and  
4           overbillings. The unit also achieved a  
5           100 percent improvement in the processing  
6           of terminal leave payments from eight  
7           weeks to four weeks. The unit also  
8           uncovered errors and overpayments and  
9           duplicated payments, realizing a total  
10          savings to the taxpayers of \$2.3 million.

11                 We are currently in the process  
12          of conducting a number of important  
13          performance audits. These will include a  
14          review of the SEPTA police and security  
15          system, police deployment generally,  
16          recreation and school facilities, a  
17          review of the health center pharmacy and  
18          patient visit operations, and we are  
19          waiting agreement from the Governor's  
20          Office on a scope of an audit for review  
21          of the Parking Authority.

22                         So thank you very, very much.

23                         COUNCIL PRESIDENT VERNA:

24                         You're welcome.

25                         The Chair recognizes Councilman

1 4/8/08 - WHOLE - BILL 080022, etc.

2 Jones.

3 COUNCILMAN JONES: Good

4 afternoon. How are you?

5 MR. BUTKOVITZ: Very well,

6 Councilman.

7 COUNCILMAN JONES: One of the

8 things that I have done in preparation

9 for a lot of the departments' budget

10 hearings is, I have a book, which is, as

11 a rookie, needed. My senior colleagues

12 don't need that. They use their memory

13 and things like that, but I have a book

14 which highlights what the departments

15 said last year, what the departments'

16 testimony is this year, but the third leg

17 of that is usually the City Controller's

18 audit so that I can know somewhere

19 between what they say and what the truth

20 is. So that has been very helpful to me

21 and it has added a different perspective,

22 dimension on most departments.

23 My question comes, how do you

24 pick which departments you're going to

25 actually review as opposed to others, and

1           4/8/08 - WHOLE - BILL 080022, etc.

2           what is that process like?

3                   MR. BUTKOVITZ: It's just a lot  
4           of grassroots input. We read the  
5           newspapers. We're out in the community  
6           all the time. If we get recurrent types  
7           of complaints -- I mean, for example, in  
8           the paramedic services area, there were a  
9           lot of anecdotal complaints that came in  
10          from paramedics for a very long time and  
11          there was some documentation by the Daily  
12          News and other media about the problem.  
13          There was the President Rotan Lee's  
14          tragic death. So that we convened with  
15          the top people in our office, and that  
16          was one of the items that we agreed  
17          because it was so important in terms of  
18          life and safety and because there was  
19          enough corroborating anecdotal evidence  
20          coming in, that we thought it was worth  
21          an investment.

22                   We put in about 3,400 man hours  
23          on that audit. It was one of the largest  
24          investments we've made because of those  
25          criteria.

1           4/8/08 - WHOLE - BILL 080022, etc.

2                       So there are a number of things  
3           that you have to weigh. We have to, on a  
4           continuous basis, be popping up all over  
5           the place unexpectedly, because if any  
6           department had the idea that they were  
7           never going to be scrutinized, that would  
8           become a risk area in itself. But after  
9           that, it's a question of how many dollars  
10          are involved there, if there are  
11          important community complaints about  
12          responsiveness, such as we get a lot of  
13          that on Licenses and Inspections, so  
14          we've been over to look at L&I in a  
15          variety of respects, and at the top of  
16          our list are life and safety issues. So  
17          Fire Department, Police Department are  
18          life and safety issues. Tomorrow we're  
19          releasing an audit on the Health  
20          Department, because we think issues  
21          implicated there are also life and safety  
22          issues.

23                      And then people can make  
24           suggestions to us or tell us about  
25           experiences that they have, and if they

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           make a case, we'll try to vet it in the  
3           office and see if it sounds like the kind  
4           of thing that is substantiated. Because  
5           it's a significant investment, if we're  
6           going to do eight or ten performance  
7           audits a year, when we decide to commit  
8           to a performance audit, you're turning a  
9           battleship around. It's a major -- so  
10          you can't get in and jump out. And Al  
11          Scaperotto's people are very, very  
12          experienced at doing this kind of thing,  
13          so they can kind of game plan it with us  
14          and point out the holes and some of the  
15          pitfalls that we might -- sometimes I  
16          might come in a little enthusiastically  
17          about something and we really have to  
18          bounce it off the people who have a lot  
19          of experience doing this.

20                   COUNCILMAN JONES: I just  
21          wanted to commend you on the level of  
22          effort, thought, intellectual property  
23          that is given to these reports, because I  
24          actually read them.

25                   The other report that I read of

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           yours is your economic forecast for the  
3           area, and wanted to know if in fact some  
4           of those resources -- as we struggle with  
5           moratoriums or sheriff's sales, that  
6           we're trying to develop what is an  
7           economic indicator that would be put into  
8           some body of legislation that would serve  
9           as a trigger that -- for example, if  
10          unemployment went up X percent, if  
11          sheriff's sales spiked Y percent, then  
12          that means that we should look at what  
13          some of the overriding causes are. But  
14          we don't know what those economic  
15          indicators should be. We would like to  
16          use some of your intellectual property to  
17          add to that.

18                 MR. BUTKOVITZ: Well, thank you  
19                 very much for the compliment. On the  
20                 economic forecasting, it's largely a  
21                 compilation or pulling together of our  
22                 office of data that the Federal Reserve  
23                 and other established -- we've really put  
24                 it in one place. So we would be happy to  
25                 talk to you about either how you could

1           4/8/08 - WHOLE - BILL 080022, etc.

2           reconstruct that yourself or how you  
3           could get it at the same time that our  
4           office gets it.

5                       COUNCILMAN JONES: We  
6           appreciate that.

7                       One other request while you're  
8           in a generous mood with your staff and  
9           budget. We are also looking at the  
10          economics of a project called Community  
11          Courts and we're looking at just a  
12          Readers Digest version of that. It costs  
13          \$31,000 to incarcerate someone. We're  
14          looking at alternative sentencing that  
15          might take half of that and put some  
16          combination of a punitive punishment,  
17          whether it's cleaning lots, whether it's  
18          removing graffiti in an orange jumpsuit,  
19          but the other half of the day might be  
20          house arrest with a requirement that they  
21          complete their GED, that they go to job  
22          training, that they -- so that we reduce  
23          the cost of incarceration, but also  
24          mandate some type of preparation so that  
25          they can better themselves and not be in

1           4/8/08 - WHOLE - BILL 080022, etc.

2           the same place this time next year.

3                     The other component of that is  
4           making sure that it saves the citizens  
5           money, that whatever that treatment,  
6           whatever that punishment is, that  
7           economically you wind up at the end of  
8           the day benefiting taxpayers as opposed  
9           to the year of incarceration. And,  
10          finally, that if they don't complete the  
11          pre-described prerequisite treatment,  
12          that that year of incarceration still  
13          looms over their head if they don't  
14          complete the sentencing of the Community  
15          Court.

16                    But we'd like to work with your  
17          office to try to put our arms around the  
18          economic impacts of such an alternate  
19          court system.

20                   MR. BUTKOVITZ: Well, you've  
21          put your finger on one of the major both  
22          social problems in the City and cost  
23          drivers. I mean, both the City and  
24          State's budgets are being very hard  
25          pressed by the rapidly escalating



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           inflationary costs of building and  
3           maintaining prisons, and there is a  
4           substantial question about whether a  
5           large number of people in the prisons are  
6           needlessly there or it's not the most  
7           effective rehabilitative tool.

8                       (Bell rung.)

9                       MR. BUTKOVITZ: The problem we  
10          have is when we evaluate programs that  
11          don't yet exist. If we can find a  
12          comparable program around the country,  
13          that would help a lot. Because the  
14          analysis usually starts with the  
15          historical information about what have  
16          they been spending, what have they been  
17          doing.

18                      Now, if you have a new concept  
19          that's going to replace -- I think we  
20          could probably easily figure out what you  
21          could save on what's being eliminated out  
22          of current practice, but then there would  
23          have to be a good basis for estimating  
24          what the costs are in the new proposed  
25          program.

1           4/8/08 - WHOLE - BILL 080022, etc.

2           COUNCILMAN JONES: We as  
3           legislators tend to come up with these  
4           great ideas, but don't put price tags on  
5           them. We'd like to avoid that and work  
6           with you, the Administration, C. Darnell  
7           Jones in the Judge's Office to do  
8           something that also is a win-win scenario  
9           to the public, the taxpayer and to some  
10          of the people hardest hit with the  
11          recidivism issue.

12          MR. BUTKOVITZ: As I said, if  
13          you have a model, if you've learned that  
14          this has been done in another city or  
15          state, that would help.

16          COUNCILMAN JONES: Yes, it has.  
17          Thank you.

18          Thank you, Madam President.

19          COUNCIL PRESIDENT VERNA:  
20          You're welcome.

21          The Chair recognizes Councilman  
22          Green.

23          COUNCILMAN GREEN: Thank you,  
24          Madam Chair.

25          Based on the questions that I'm

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           going to ask you, some of which you're  
3           familiar with, you're going to think that  
4           Councilman Jones and I prepared his  
5           questions and then my question.

6                     My question is something that  
7           you and I have spoken about on a number  
8           of occasions and, that is, fiscal impact  
9           statements. One of the things my office  
10          is working on is legislation that would  
11          require with any bill introduced by a  
12          Councilperson, that they, prior to final  
13          passage, receive a fiscal impact  
14          statement or the impact of that item on  
15          the budget over the next five years so we  
16          can apply it to the Five-Year Plan so  
17          that we know what it's going to cost the  
18          City in order to perform that function or  
19          change this thing.

20                    I have a two-part question for  
21          you. One, is that something that your  
22          office is capable of providing to us in a  
23          timely fashion? In other words, we're  
24          not going to hold up legislation to allow  
25          it to happen and we often do things as

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           quickly as three or four weeks when  
3           there's a real need for it. And the  
4           second part is, would you have the  
5           resources to help us with that or would  
6           you require additional staffing and  
7           resources to be able to provide us with  
8           fiscal impact statements that tells us  
9           what our legislation is costing us?

10                   MR. BUTKOVITZ: Well, first of  
11           all, I think it is a very thoughtful  
12           proposal. As you well know, the state  
13           Legislature does that on bills that are  
14           reported out of the Appropriations  
15           Committee before there's a final vote.  
16           The questions for us would be, first of  
17           all, we would need to estimate the volume  
18           of the work that would be required,  
19           because this is something that would be  
20           handled by the unit that currently  
21           handles the tax increment financing  
22           fiscal statements and is generally our  
23           think tank. So we probably need at least  
24           another person in that unit to do this.

25                   And the second element of it,

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           what would be happening is that we would,  
3           for these purposes, be functioning as an  
4           arm of the Council, the way that the  
5           staff of the Appropriations Committee  
6           does in the Legislature, and the question  
7           that I have is whether the Administration  
8           will respond quickly to us in that  
9           capacity to the same extent that they  
10          would to the legislative body directly.

11                   There's already -- and I'm  
12          going to talk to the professional staff  
13          in the Legislature to see how they work  
14          that out, but there's a process in  
15          Harrisburg where they know there's a  
16          certain turn-around time. You have  
17          particular Appropriations staff assigned  
18          on a permanent basis to reviewing certain  
19          departments, so they have contact people  
20          over there and they have a way of  
21          collecting that information very quickly.  
22          Now, we don't have a one-to-one  
23          correlation that there's somebody in the  
24          Controller's Department that is  
25          permanently following the Recreation

1           4/8/08 - WHOLE - BILL 080022, etc.

2           Department, so our people would have to  
3           be versatile and would move around. So  
4           we might need some help in assuring that  
5           the departments are going to help us  
6           answer those questions quickly.

7                       But I think it's an exciting  
8           idea. I'm interested in making it work,  
9           and I think it is part of the trend we've  
10          seen here of kind of a 21st century  
11          approach to local government.

12                      COUNCILMAN GREEN: Thank you.  
13          So one additional staff person would  
14          really be a budget request for that?

15                      MR. BUTKOVITZ: Our initial --  
16          the comment from my unit was, they  
17          thought probably one more person, but I  
18          don't know what the volume is of  
19          legislation that you vote on here. I  
20          talked to your staff and they said  
21          obviously it wouldn't involve zoning  
22          legislation and there would be whole  
23          categories of things that the Council  
24          invests a lot of time in that would not  
25          be included in this proposal. So when we

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           can tell is it 3,000 bills a year or is  
3           it 500 bills a year. And I'm assuming  
4           that you would follow the state  
5           legislative example of only requiring  
6           this for legislation that's coming up for  
7           a vote by the full Council, not on every  
8           bill that's introduced.

9                   COUNCILMAN GREEN: Right.

10                   MR. BUTKOVITZ: So I need  
11           more -- we're all numbers driven, so it  
12           depends on what the numbers are. But  
13           it's a great idea.

14                   COUNCILMAN GREEN: Well, thank  
15           you. I look forward to working with you  
16           on that.

17                   Do you happen to know what your  
18           forecasts are for the City's budget? I  
19           mean, for the growth of -- are your  
20           forecasts for the growth of the economy  
21           locally similar to the Administration?  
22           Have you done that comparison?

23                   MR. BUTKOVITZ: Generally, over  
24           time our forecasts tend to be more  
25           optimistic than the Administration's. I

22 MR. BUTKOVITZ: Thank you,  
23 Councilman.

24 COUNCIL PRESIDENT VERA: The  
25 Chair recognizes Councilwoman Blackwell.



1           4/8/08 - WHOLE - BILL 080022, etc.

2                   COUNCILWOMAN BLACKWELL: Thank  
3           you, Madam President.

4                   We wanted to thank the  
5           Controller for his work with the Darfur  
6           Coalition and certainly with the  
7           divestment of our Pension Department.  
8           It's very, very important that -- Angela  
9           Davis said many, many years ago during  
10          her time that if they come for me in the  
11          morning, they'll come for you at night.  
12          And it's very, very important that we  
13          realize that in this world, we have to do  
14          what we can to protect those who are  
15          suffering, and you've done a great job in  
16          that regard.

17                   MR. BUTKOVITZ: Thank you,  
18          Councilwoman.

19                   And as we all know,  
20          Councilwoman Blackwell has been the  
21          leader in this Council on that issue. A  
22          lot of people think that this is  
23          something very far away about people that  
24          we know very little about, as Neville  
25          Chamberlain once said, but it's the only

1           4/8/08 - WHOLE - BILL 080022, etc.

2           genocide going on in the world right now  
3           and it is important for the entire world  
4           as a world citizen to stand up on it.

5                   COUNCILWOMAN BLACKWELL: Thank  
6           you.

7                   COUNCIL PRESIDENT VERNA: The  
8           Chair recognizes Councilman Jones.

9                   COUNCILMAN JONES: Actually,  
10          what I'd like to do is get a cumulation  
11          of your published works sent over to my  
12          office. Sometimes getting them is a  
13          little difficult.

14                   MR. BUTKOVITZ: Sure.

15                   COUNCILMAN JONES: So if we  
16          could have a by department list of them,  
17          that would be helpful.

18                   MR. BUTKOVITZ: Sure.

19                   COUNCILMAN JONES: Thank you,  
20          Madam President.

21                   MR. BUTKOVITZ: Plus, you know,  
22          everything that we do is on our website.

23                   COUNCILMAN JONES: It is?

24                   MR. BUTKOVITZ: Yes, it is.

25                   COUNCIL PRESIDENT VERNA:

1 4/8/08 - WHOLE - BILL 080022, etc.

2 You're welcome.

3 Are there any other questions  
4 or comments of the Controller?

5 (No response.)

6 COUNCIL PRESIDENT VERNA:

7 Seeing none, thank you.

8 MR. BUTKOVITZ: Thank you very  
9 much.

10 MR. MCPHERSON: The next  
11 department is the Board of Revision of  
12 Taxes.

13 (Witnesses approached witness  
14 table.)

15 COUNCIL PRESIDENT VERNA: Good  
16 afternoon. Welcome. Please identify  
17 yourself --

18 MS. MEADE: Good afternoon.

19 COUNCIL PRESIDENT VERNA: --  
20 for the record and proceed with your  
21 testimony. And, Ms. Meade, we do have a  
22 copy of your testimony. So if you would  
23 like to abbreviate it, that would be fine  
24 with us. We will give a copy to the  
25 stenographer, and it will be transcribed

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           in full.

3                   MS. MEADE: Okay. Thank you,  
4           Councilwoman, President Verna. Thank you  
5           so much.

6                   My name is Charlesretta Meade.  
7           I'm Chairman of the Board of Revision of  
8           Taxes. With me today are various Board  
9           members and members of our staff. To my  
10          left is the Vice-Chairman of the Board of  
11          Revision of Taxes, Mr. Harvey Levin.  
12          Coming in now to my right is our  
13          Executive Director, who everyone here  
14          knows, Mr. Enrico Foglia. We also have  
15          Board members with us, including our  
16          Secretary, Mr. Joseph Russo, and we have  
17          Mr. Robert N.C. Nix, who is seated in the  
18          back, and Judge Alan Silberstein, former  
19          President Judge of Municipal Court.  
20          We're honored to have him with us today.  
21          Also we have Mr. James Dintino, who is a  
22          Board member. And Justice Russell Nigro  
23          was not available today, so he is absent,  
24          but we know he's with us in spirit.

25                   COUNCIL PRESIDENT VERNA: Fine.

1 4/8/08 - WHOLE - BILL 080022, etc.

2 And we certainly welcome all of you.

3 Thank you for coming.

4 MS. MEADE: Thank you. You  
5 have our written testimony and the  
6 PowerPoint presentation, and I understand  
7 that you will move that into the record.

8 If I can be allowed to give a  
9 brief synopsis of this testimony, but  
10 included in that will be basically a list  
11 of the accomplishments. We have had a  
12 tremendously daunting year with a number  
13 of projects that were in the works, and  
14 so we'd like to give you an update on  
15 those.

16 COUNCIL PRESIDENT VERNA: Fine.  
17 Please do.

18 MS. MEADE: First is the move.  
19 We moved from 34 South 11th Street in  
20 August to our new location, which is the  
21 historic Curtis Building at 601 Walnut  
22 Street. First, on behalf of the entire  
23 Board and our staff, I'd like to thank  
24 City Council for all the work that you  
25 put in to help us to accomplish a move to

1           4/8/08 - WHOLE - BILL 080022, etc.

2           that location, and also I'd like to thank  
3           personally, on behalf of the Board,  
4           Commissioner Joan Schlotterbeck of Public  
5           Property. They did a tremendous job.

6                     It was so much to move in terms  
7           of files and computers and equipment. We  
8           had to do it over a period of almost a  
9           week, with a broken freight elevator, but  
10          they really rose to a wonderful level in  
11          assisting us. So thank all of you  
12          tremendously.

13                    I'd like you to know that we've  
14          received various comments from the  
15          public. It's a more comfortable space,  
16          of course, for our staff and it's  
17          wonderful for the public. It's allowed  
18          us to expand our Citizen Service Unit.  
19          It's also allowed us to provide a more  
20          accommodating hearing room. We've also  
21          been able to add employees to the Citizen  
22          Service Center to man the phone bank and  
23          also to have an area where we can bring  
24          employees during critical periods where  
25          there's an overflow and that we can

1           4/8/08 - WHOLE - BILL 080022, etc.

2           handle that overflow.

3                       So, again, thank you so much.

4           And many of the attorneys on the  
5           Philadelphia Bar Association and Tax  
6           Board have commented that when they bring  
7           many of their clients to the Board, they  
8           find it's a very professional area, and  
9           they feel that that professional area is  
10          consistent with the professionalism of  
11          our staff that's there. So thank you for  
12          that.

13                      We also had an imaging project  
14          that went along with that move. That  
15          imaging project we do plan to continue.  
16          Basically, the imaging project was to  
17          move to -- to begin to move to a  
18          paperless BRT, and we imaged through a  
19          Macken system our property record card,  
20          which is the official file of record for  
21          all properties within the City of  
22          Philadelphia. We managed to image all of  
23          those prior to the move, and we hope to  
24          continue imaging other documents as we go  
25          forward.

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   The advantage of that imaging  
3           was to solidify that the official record  
4           ensures its permanency with the Board of  
5           Revision of Taxes and with the City of  
6           Philadelphia go paperless and it allowed  
7           us to downsize the amount of space that  
8           we needed for our files.

9                   We instituted also for the  
10          first time an automatic time management  
11          system, which records by way of a swipe  
12          the comings and goings of our employees.  
13          We think that that not only allows for a  
14          more professional staff, but it also  
15          freed certain staff members up from  
16          having to do the handwritten time sheets.  
17          It also allowed for increased  
18          productivity of employees as part of  
19          having that time management system.

20                  That was something that took a  
21          little longer than we thought to  
22          implement, but we were able to get the  
23          union agreements to that and go through  
24          the process. And so that's working and  
25          it seems to be going well now.



1           4/8/08 - WHOLE - BILL 080022, etc.

2                   Our Customer Service Center,  
3           which I alluded to, by virtue of the  
4           move, we've been able to expand. What we  
5           added -- this is the second full year of  
6           operation, and we provided in the  
7           PowerPoint and in the testimony basic  
8           statistics in terms of the walk-ins and  
9           the number of calls that are received,  
10          the number of inquiries that have been  
11          turned around. What we added for the  
12          first time the last half, starting in  
13          September, was an interactive voice  
14          recognition system, and what that IVR  
15          system does is, it allows taxpayers who  
16          don't have access to computers to call,  
17          and without benefit of web, they can  
18          receive the same basic information that  
19          would appear on the website by way of  
20          telephone.

21                   As you all know, one of our big  
22          projects for last year was the 2008  
23          valuation project. We had not had a  
24          citywide reassessment for a number of  
25          years. That was the first one in four

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           years. Part of that valuation project,  
3           it was tremendous because it was going on  
4           at the same time as the move. As a  
5           function of that, we were able to start  
6           playing catch-up, in a sense, with the  
7           changes in the markets, which hadn't been  
8           reflected in our values in over a  
9           four-year period, and we also used that  
10          as an opportunity to try to address the  
11          issue of the equity and uniformity at  
12          that time.

13                 We did make a decision as a  
14          Board to cap those values, and it was  
15          simply because it would be too much at  
16          one time to do for the average taxpayer,  
17          and that's when we proceeded to do that.

18                 The 413,000 notices that were  
19          sent out in that citywide assessment  
20          resulted in appeals to us, but we were  
21          surprised the number of appeals came to  
22          just under 6,000. At this time, it's, I  
23          think, approximately 5,714 appeals that  
24          we received as a result of that. And in  
25          handling those appeals, we believe that

1           4/8/08 - WHOLE - BILL 080022, etc.

2           some of the appeals were handled by  
3           having the Citizen Service Center, where  
4           people could call and get an  
5           understanding of what happened and then  
6           they determine not to appeal.

7                       With this appeal season, we did  
8           try to professionalize as well not only  
9           what the staff does but what the Board  
10          does and to ensure not only a level of  
11          transparency for everyone, because the  
12          hearings are open, but also to ensure  
13          that we're receiving the appropriate  
14          information, so that we made sure to  
15          request for properties over a million  
16          dollars, we asked that all of those  
17          properties provide us with acceptable  
18          appraisal reports, and our resident  
19          appraiser has been very helpful in  
20          reviewing those and assuring that they  
21          meet the level of quality and quantity of  
22          information that's required, so that if  
23          there is a challenge to our value, that  
24          we know that we have the information upon  
25          which we can rely to be fair and

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           impartial to the taxpayer who is  
3           appealing, as well as to the City.

4                       We also started to request  
5           leases and income and expense information  
6           on our mixed-use properties, and this  
7           will help us in terms of making sure that  
8           the value, again, that's assessed is  
9           correct.

10                      We've continued our CAMA  
11           project, and that's our mass appraisal  
12           system that we've come and talked to you  
13           about for so many years. Again, we have  
14           to thank Council and the previous  
15           Administration and the current  
16           Administration for their assistance with  
17           that project. We had projected that that  
18           project would have been completed, as you  
19           well know, by 2007. Unfortunately, it  
20           was not.

21                      We were able to go live with  
22           the project on March 11th of this year.  
23           The going "live" was in a partial manner.  
24           We still are required to use our old VSAM  
25           system as well as the current CAMA

1           4/8/08 - WHOLE - BILL 080022, etc.

2           system, and it's basically parallel use  
3           at this time.

4                       We are going through an  
5           intensive integration period now, which  
6           we hope to be completed by the end of  
7           May, and we project that we will be close  
8           to the timeline that we gave you last  
9           year, and, that is, that after six months  
10          to a year of testing, that last year we  
11          believed that by the late fall of this  
12          year we would be in a position to provide  
13          you with the statistics from that  
14          Realware system. Now we believe that it  
15          will be close to that time, but it may  
16          be, instead of December, between January  
17          and March of 2009.

18                      As part of the CAMA project in  
19          terms of the recognition that the Board  
20          wants to give, we've had a very difficult  
21          time with that project. We'd like to  
22          thank the CEO of MOIS, Mr. Terry Phillis,  
23          who has been very instrumental in  
24          assisting us with that. We found after  
25          last year that there were certain

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           problems that existed with that system.  
3           I contacted Mr. Phillis directly, and he  
4           began to have a hands-on activity with  
5           that. He got us a new statement of work  
6           that assisted in getting a lot of the  
7           things that we needed done done, and he's  
8           continued to provide support and staffing  
9           for that.

10                       Basically, that's the analysis  
11           of our accomplishments and where we are  
12           as a Board. You have the written  
13           testimony. If you have any questions,  
14           I'm ready for them, I hope.

15                       COUNCIL PRESIDENT VERNA: Thank  
16           you very much.

17                       Ms. Meade, I've had so many  
18           distractions while you were testifying, I  
19           do apologize.

20                       You state in your testimony  
21           that the proposed target date for the  
22           operational readiness of the CAMA project  
23           is late March 2008. We are now in April  
24           of 2008. Is your CAMA system now in  
25           operation?

1           4/8/08 - WHOLE - BILL 080022, etc.

2           MS. MEADE: We went live with  
3           the CAMA system on March 11th of 2008.  
4           So we met that target. However, we were  
5           not able to go completely live in the  
6           sense of having the CAMA system as our  
7           system of record.

8           (Pause.)

9           COUNCIL PRESIDENT VERNA: I'm  
10          sorry.

11          MS. MEADE: Not a problem. We  
12          went live on March 11th. Originally the  
13          proposal in going live was that on the  
14          day that we went live, the new Realware  
15          system would become our system of record.  
16          Because of integration problems, we  
17          weren't able to do that, and so what we  
18          have done -- and this is with the  
19          suggestion combined of Colorado Customs,  
20          who is the provider of the Realware  
21          system, and Terry Phillis, who is with  
22          MOIS, and the other people who work for  
23          MOIS, what we're doing is a parallel  
24          track where we're working toward full  
25          integration of the new Realware system,

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           and at the same time we're using that for  
3           training and we're doing the testing and  
4           we're still using our VSAM system as  
5           well. And that hopefully will keep us  
6           close to the track that we anticipated,  
7           which was within one year, and we hope by  
8           December of 2008, we would be using that  
9           system completely. We're thinking now  
10          that it might not be December. It might  
11          extend for a few months after that until  
12          the spring of next year. But we're  
13          hoping that by March 2009 all of the  
14          kinks should be worked out and that would  
15          be our official system of record.

16                 COUNCIL PRESIDENT VERNA: Has  
17                 the current downturn in the real estate  
18                 market been reflected in your database?

19                 MS. MEADE: It's not reflected  
20                 in the database yet, and the reason is  
21                 that -- and a number of our changes  
22                 haven't been reflected in our database,  
23                 and that's because in November, after we  
24                 did last year's certification, we were  
25                 required to go down -- we were not



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           allowed to put any additional information  
3           into the system while they were working  
4           on the integration process and the  
5           conversion process.

6                       When we went live March 11th,  
7           if we would have been able to use that  
8           system exclusively, then we would have  
9           started to begun the process of uploading  
10          data into that system. Because we're  
11          still working on integration, that won't  
12          happen for a while.

13                      And then what we've been doing  
14          and so that we can make sure to get  
15          notices out, to get decisions on appeals  
16          out and to generate the information that  
17          we needed, we're using the parallel  
18          system, the old VSAM system. We have in  
19          hard copy all of the changes that should  
20          be reflected, and then when the time  
21          comes, there will be just a mass input of  
22          that data.

23                      That data probably -- that data  
24          isn't part of the old VSAM system because  
25          it hasn't been converted if it came in

1 4/8/08 - WHOLE - BILL 080022, etc.

2 after November 30th and it's -- so we  
3 have to upload it separately with that.

4 So, unfortunately, our database  
5 is not up to date before 11/30/07. So it  
6 doesn't reflect the most recent changes.

7 COUNCIL PRESIDENT VERNA: Thank  
8 you very much.

9 The Chair recognizes Councilman  
10 Greenlee.

11 COUNCILMAN GREENLEE: Thank  
12 you, Madam President.

13 Good afternoon, Ms. Meade.

14 MS. MEADE: Good afternoon.

15 COUNCILMAN GREENLEE: First I  
16 want to commend you and the Board on your  
17 statement about capping the increases  
18 this past year. I just think that makes  
19 sense. I think obviously some people,  
20 maybe justifiably or not, will be unhappy  
21 when they get any raise, but I think if  
22 it's seen that it's done with some kind  
23 of reason, within some kind of reason, I  
24 think a lot of people will accept it, and  
25 I think that was reflected by the at

1           4/8/08 - WHOLE - BILL 080022, etc.

2           least somewhat less amount of appeals,  
3           correct?

4                       MS. MEADE: Yes, I believe  
5           you're correct.

6                       COUNCILMAN GREENLEE: Just one  
7           question. If my shaky memory serves me,  
8           when you were here last year, you had  
9           stated on the full valuation issue that  
10          you were not going to move on that until  
11          at least there was conversation with  
12          Council and we were sort of all sort of  
13          on the same page. Is that basically the  
14          same position that you have?

15                      MS. MEADE: Yes, that's the  
16          same position, because we have to work  
17          intimately with Council and with the  
18          Revenue Department. One of the things  
19          that has slowed our conversation and one  
20          of the things we promised you was as soon  
21          as we had the numbers from the Realware  
22          system, we would be prepared to have full  
23          discussions. And I think then we had  
24          projected that we would be able to  
25          provide those numbers to you by the fall

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           of 2008. We're thinking now it would be  
3           the winter/spring, as I said, of 2009.

4                     But we're ever willing and  
5           ready to do whatever we can, because this  
6           is something that we can't take on  
7           blindly or in isolation, we have to take  
8           on with the elected officials.

9                     COUNCILMAN GREENLEE: I fully  
10          agree. I know full valuation --

11                    MS. MEADE: And the  
12          Administration. I'm sorry.

13                    COUNCILMAN GREENLEE: Full  
14          valuation is certainly controversial. I  
15          fall on the side that I'm not sure it's  
16          the great answer that some other people  
17          do, but regardless, I think it's great  
18          that you agree that we all have to work  
19          together on that. So thank you. Thank  
20          you very much.

21                    Thank you, Madam President.

22                    COUNCIL PRESIDENT VERNA:  
23          You're welcome.

24                    The Chair recognizes Councilman  
25          DiCicco.

1 4/8/08 - WHOLE - BILL 080022, etc.

2 COUNCILMAN DiCICCO: Thank you,  
3 Madam Chair.

4 And good afternoon. Good  
5 afternoon to the Board.

6 MS. MEADE: Good afternoon.

7 COUNCILMAN DiCICCO: Ms. Meade,  
8 could you just describe as briefly as you  
9 can the role of the BRT and the employees  
10 that work for you. The Board is approved  
11 by the Board of Judges -- or appointed by  
12 the Board of Judges; is that not correct?

13 MS. MEADE: Yes. That's  
14 correct.

15 COUNCILMAN DiCICCO: And then  
16 employees are brought in to the BRT as a  
17 result of a hiring system that goes  
18 through the Board or --

19 MS. MEADE: Through Civil  
20 Service.

21 COUNCILMAN DiCICCO: Pardon me?

22 MS. MEADE: We have Civil  
23 Service employees, as well as we have  
24 school --

25 (Fire alarm went off.)

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   COUNCILMAN DiCICCO: And I  
3           didn't even bring up former Justice  
4           Nigro's name, and from his switchboard in  
5           Arizona, he hit the button.

6                   (Pause.)

7                   MS. MEADE: I was responding to  
8           your question, Councilman DiCicco, about  
9           the staffing. We have approximately 145  
10          employees on an allowance for 145  
11          employees that are City employees. Ten  
12          of those employees are members of the  
13          Board of Revision and the Board of View.  
14          The rest of those employees are Civil  
15          Service employees, and we have to go by  
16          the Civil Service guidelines, which  
17          sometimes confound me, but that's what  
18          the Executive Director has to do in terms  
19          of finding that staff.

20                   And then there are right now 76  
21          employees who are real property  
22          assistants, and they are School Board  
23          employees paid by the School District of  
24          Philadelphia, but on our payroll.

25                   COUNCILMAN DiCICCO: Thank you.

1           4/8/08 - WHOLE - BILL 080022, etc.

2           Explain to us, if you will, the role that  
3           the Board plays compared to the role of  
4           the employees, the assessors, the  
5           evaluators and all those other folks. Is  
6           there discussion that takes place between  
7           the Board and the employees who basically  
8           do the day-to-day work of assessing,  
9           reevaluating, whatever the proper terms  
10          are -- I apologize. I may not have the  
11          right terminology. Are they separate and  
12          distinct? Does an evaluator or an  
13          assessor, is that person guided by what  
14          the Board's decision should be in terms  
15          of what they believe the value of a  
16          property should be assessed at or is that  
17          a separate role? Do you understand my  
18          question?

19                   MS. MEADE: Yes, I understand.  
20           The Board vis-a-vis the staff day-to-day  
21           operations, the Board is to set policy  
22           for the staff. In terms of the values,  
23           the Board sets the policy for the staff.  
24           As the quasi-administrative agency that  
25           hears the appeals, then we do hear the

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           appeals and we're able to make whatever  
3           changes in valuation that we believe are  
4           appropriate on the appeal.

5                       In terms of the day-to-day  
6           operation of the assessors and evaluation  
7           office, that's conducted by Mr. Gene  
8           Davey, and I could have him to give some  
9           further explanation of that, if you'd  
10          like.

11                      COUNCILMAN DiCICCO: No. I'm  
12          more concerned with the policy, if you  
13          will, and whether the Board -- does the  
14          Board charge the employees to go out and  
15          look at a specific property or properties  
16          and to come back with recommendations on  
17          the value or assessment on a particular  
18          property or properties? Does the Board  
19          direct its employees and, again, the  
20          evaluators, assessors or whatever that  
21          term is? And I apologize again. Is that  
22          the function of the Board?

23                      MS. MEADE: That is the  
24          function of the Board when we receive  
25          inquiries, questions from taxpayers,



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           complaints usually from a taxpayer about  
3           their own property or their own  
4           situation. And then on that instance,  
5           then we would provide that information.  
6           And normally I provide it to Mr. Gene  
7           Davey, who is the Director of Assessment,  
8           with the charge, and the only charge is  
9           to investigate and place the proper  
10          assessment, whatever needs to be done to  
11          do that.

12                   COUNCILMAN DiCICCO: Let me be  
13          a little bit more specific. There's no  
14          secret that there was a much-written  
15          about Senator Fumo's house and the fact  
16          that some people felt that the home was  
17          underassessed based on the sale price  
18          that the Senator was asking for. And  
19          there's no secret that the Senator and I  
20          are good friends, so I'm not here  
21          carrying his water. I'm just a little  
22          bit concerned about he being such a  
23          high-profile person and that it seems  
24          that there was a targeting, if you will,  
25          of not only his property but maybe a

1           4/8/08 - WHOLE - BILL 080022, etc.

2           handful of others that was a result of  
3           the publicity that was put forth by the  
4           news media.

5                       My understanding from talking  
6           to folks is that there was somewhere  
7           about a hundred or less than a hundred  
8           other residential properties that the  
9           Board of Revision basically charged their  
10          employees to go out and do a  
11          reassessment. It was kind of like  
12          targeting, if you will, I guess is the  
13          easiest way. Is that an accurate  
14          statement? Because there was such a  
15          concern about the media and the media's  
16          interpretation that this high, powerful  
17          Senator was getting a break over John Doe  
18          or John Citizen and he was being treated  
19          a lot differently than other folks.

20                      So at the end of the day, when  
21          it appeared as though it was just a  
22          target, that the Senator's property was  
23          being a target, the policy was to now go  
24          out and find others that may fall into  
25          this same category, whatever that

1           4/8/08 - WHOLE - BILL 080022, etc.

2           category was, high-end residential real  
3           estate properties that may have been  
4           underassessed, undervalued.

5                       (Bell rung.)

6                       MS. MEADE: And in answer to  
7           the accuracy of your statement, I'm  
8           reticent to say that a Councilperson here  
9           in Council is not accurate, but I can  
10          explain --

11                      COUNCILMAN DiCICCO: Been wrong  
12          before.

13                      MS. MEADE: -- respond to that  
14          question.

15                      COUNCILMAN DiCICCO: I  
16          sponsored Nigro to be judge once. I was  
17          wrong the first time, but the second time  
18          I was right.

19                      MS. MEADE: My response to that  
20          question -- and I may need the assistance  
21          of Mr. Davey for this. That action was  
22          taken on that specific property by virtue  
23          of a Board vote. It came to the  
24          attention of the Board by virtue of a  
25          Board member bringing it to the Board's

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           attention.

3                       What we learned from that  
4           experience and how the other properties  
5           became involved is the question for the  
6           Board before any of the additional  
7           comments came from any of the media was,  
8           how did this happen, how was this  
9           property missed. When we looked at the  
10          2008 valuation project, we realized that  
11          there were certain parameters for that  
12          project that allowed that property and  
13          other properties to be missed.

14                      The parameters for that project  
15          included that there be, for residential  
16          property, five comparable sales, five  
17          comparable sales to ensure that we were  
18          not chasing a specific sale of a  
19          property, but five comparable sales so  
20          that we'd know that the market did  
21          indicate that there needed to be some  
22          changes.

23                      For certain properties that are  
24          unique properties, properties that are  
25          unique in and of themselves or properties

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           that were different -- and that often  
3           times refers to high-end properties,  
4           those properties that did not have five  
5           comparable sales -- then the computer  
6           that we used did not include those as  
7           part of that valuation project. Those  
8           properties -- and one of the terms that  
9           we use in-house, there were properties  
10          that were outliers, a small group, but  
11          they were outliers. They weren't  
12          considered part of that project.

13                 The fact that we had 413,000  
14          properties that we had to handle  
15          inquiries and send out notices and that  
16          fit within that realm, and the fact that  
17          we were moving and the CAMA project was  
18          going on, we did not pick up those  
19          outliers by the time that there was a  
20          public outcry over a problem and by the  
21          time that that hit the Board. The  
22          decision that was made was that it wasn't  
23          just isolating that one property, because  
24          we did not want to be accused of doing  
25          any form of spot assessment or chasing --

1           4/8/08 - WHOLE - BILL 080022, etc.

2           if you remember, the papers originally  
3           were talking in terms of the sales price  
4           the property being sold --

5                       (Loudspeaker on.)

6                       COUNCILMAN DiCICCO: Thank you.

7                       MS. MEADE: That particular  
8           property being sold. And so we cannot,  
9           by virtue of prohibitions from spot  
10          assessment, chase that assessment.

11                      But then there was the  
12          realization and the Board voted not to do  
13          anything for 2008, that we had missed  
14          that. But then the determination was  
15          made what else is out there, because then  
16          there was the recollection that there  
17          were these properties that wouldn't have  
18          the five sales. We didn't have a list of  
19          the properties or know those properties  
20          specifically. It became, go back into  
21          the computer, let's see what properties  
22          fell out because they didn't have five  
23          sales and would fit the criteria because  
24          of that uniqueness and take a look at  
25          those. Actually -- and, again, our

1 4/8/08 - WHOLE - BILL 080022, etc.

2 Director of Assessments can --

3 (Loudspeaker on.)

4 MS. MEADE: -- address the  
5 issue. But more than a hundred  
6 properties, I believe, were looked at.  
7 It was, one, those outliers. Then  
8 because it was known by the Board and  
9 everyone there, any information that came  
10 in about other properties, if it appeared  
11 that they had not been reviewed during  
12 the 2008 valuation project, then it  
13 became, those need to be looked at, too.

14 That assignment was for the  
15 Director of Assessments, because those  
16 are the people, the assessors, who value  
17 the property. He began that, I think,  
18 around November or December, trying to  
19 pick up on all of those properties for  
20 the 2009 valuation period, and that's  
21 what was done.

22 If you want specifics on which  
23 properties and how many -- and I know the  
24 media has contacted us for a list of  
25 those properties as well -- Mr. Davey can

1           4/8/08 - WHOLE - BILL 080022, etc.

2           give you that information. I don't have  
3           it, simply because I leave that to him.

4                   COUNCILMAN DiCICCO: If you  
5           could supply that to the Chair, that  
6           would be helpful.

7                   MS. MEADE: And what  
8           specifically -- would you want the  
9           listing of the properties?

10                  COUNCILMAN DiCICCO: Yeah, the  
11           number of properties that fell into that  
12           category that you described.

13                  MS. MEADE: As outliers, okay.

14                  COUNCILMAN DiCICCO: As we move  
15           and we continue to discuss the potential  
16           or possibility of full value  
17           reassessment, I was with your predecessor  
18           and Gene and a few other folks. I  
19           probably had six community meetings in my  
20           district to talk about full value  
21           reassessment, what it meant, and they  
22           were very informative. Obviously people  
23           were still frightened to death over it,  
24           but they were informative. So I just --  
25           I think that the outsider -- the --



1           4/8/08 - WHOLE - BILL 080022, etc.

2           MS. MEADE: Outliers.

3           COUNCILMAN DiCICCO: Outliers,  
4           I think we could probably pretty much say  
5           that happens on just about every single  
6           block in the City of Philadelphia, or in  
7           most cases. There are similar  
8           situations. I mean, where you will have  
9           a home on a unit block that the homeowner  
10          has invested huge, huge sums of money in  
11          that far exceed the value of the other  
12          homes on that block.

13          So to go after or to look at a  
14          very small number of properties in  
15          comparison to the total number of  
16          properties in the City of Philadelphia, I  
17          think is not the appropriate way to do  
18          things, and I know there was a lot of  
19          pressure from the media, and with all due  
20          respect to the media, they can write a  
21          lot of things about a lot of people a lot  
22          of times, but in the interest of  
23          fairness, people come to you as the Board  
24          as the last line of hope, if you will,  
25          when they are disputing or not

1 4/8/08 - WHOLE - BILL 080022, etc.

2 comfortable with their tax bill.

3 MS. MEADE: Absolutely.

4 COUNCILMAN DiCICCO: And I've  
5 had a wonderful experience over the  
6 years, even before I came to City  
7 Council, standing in front of the Board  
8 on various occasions and talking on  
9 behalf of my constituents about the  
10 uniqueness of their property in  
11 relationship to where they live, and I  
12 didn't believe -- not because it was  
13 politically in my favor to support them  
14 having their tax bill lowered, which  
15 certainly doesn't hurt, but because in  
16 the interest of fairness, when you have  
17 people who make investments in their  
18 homes and neighborhoods that were once  
19 not so desirable somehow being penalized,  
20 if you will --

21 (Loudspeaker on.)

22 COUNCILMAN DiCICCO: Well, the  
23 system does work.

24 So -- I kind of lost my train  
25 of thought. Well, in any event, people

1           4/8/08 - WHOLE - BILL 080022, etc.

2           come there and it has always been the  
3           position of the Board -- and I have not  
4           been in front of the new Board, if you  
5           will, but it's always been that the  
6           Board -- who knows Philadelphia, Board  
7           members are Philadelphians, they know the  
8           City, they know the neighborhoods, and  
9           they can pretty much sympathize or be  
10          sympathetic to the concerns and the  
11          appeals by various homeowners.

12                    I remember in, I think it was,  
13          2003 when there was a massive  
14          reassessment. In my district alone there  
15          were 35,000 properties that had received  
16          notices. Some were as little as \$10 and  
17          others were in \$10,000, \$12,000, almost  
18          \$20,000 range, and we took our case to  
19          the Board, and just about every case that  
20          I'm aware of, people walked away feeling  
21          as though that people listened to them,  
22          understood them and they were very well  
23          pleased with the manner by which they  
24          were treated, in addition to obviously  
25          getting a reevaluation.

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   I can honestly say this -- and  
3           this is not because of my personal  
4           differences with one of your Board  
5           members, who is not here today. Some  
6           people will interpret that what I'm about  
7           to say is just my way of being petty.  
8           But I know of a number of people from my  
9           district, in particular from the Society  
10          Hill district, who came to me and  
11          complained that when the former Justice  
12          was questioning them on their appeal, he  
13          made them feel slighted and insulted.

14                   (Loudspeaker on.)

15                  COUNCILMAN DiCICCO: When they  
16          were arguing about the significant  
17          increase in their real estate tax, his  
18          comments were basically, Well, if you  
19          really only think your house is worth  
20          what you say it is, I'll give you cash  
21          for it tomorrow.

22                   If he were here, I would tell  
23          him to his face. It's just a horrible  
24          message and it sends the wrong message  
25          about not only the City but about the

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           Board of Revision of Taxes, because  
3           everyone gets painted with a broad brush.

4                       So I'm on record as saying that  
5           this is not meant to you or your other  
6           members here directly. I just needed to  
7           get that on the record. And it wasn't an  
8           isolated case. It's been a number of  
9           cases, and with all due respect to the  
10          judge that's sitting here with us today,  
11          the other intimidation comes to when  
12          people refer to him as Justice, and in  
13          his tone they almost feel as though  
14          they're on trial. They're on trial and  
15          they have to plead their innocence or  
16          else they will be found guilty. And that  
17          is not an exaggeration. I see my  
18          colleagues grinning on the other end. It  
19          is a reality that I needed to make  
20          public, and if he were here today, I  
21          would say it in front of him.

22                      It's so contrary to the manner  
23          in which the Board of Revision of Taxes,  
24          at least during the 13 years that I've  
25          been a Councilperson, has treated the

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           citizens of this City. And, again, I  
3           just needed to get that on the record.  
4           And whatever you can do as a Board, I  
5           would ask that you do that going forward,  
6           because it's scary for some people to get  
7           a tax increase. Some people could afford  
8           it and there are others who can't afford  
9           it. And to conduct ourselves in a decent  
10          way in which we understand their concern  
11          and to try to work with them is, I think,  
12          our role. That's the role of all of us  
13          in government.

14                        So I just wanted to say that to  
15          you, and thank you for listening to me.

16                        MS. MEADE: And --

17                        COUNCILMAN DiCICCO: I'm sorry  
18          for the interruptions.

19                        MS. MEADE: If I could just  
20          briefly respond, each individual Board  
21          member will have to respond for their  
22          comments and their approach, but I can  
23          say that it is my responsibility to set  
24          the tone as the Chairman of the Board of  
25          Revision of Taxes when I'm conducting the

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           hearings, and every attempt that I make  
3           is to assure that all participants,  
4           petitioners, no matter their level of  
5           education, no matter their ability -- I  
6           have to deal with regularly people who  
7           are belligerent, as you sometimes do. I  
8           try to set a tone that allows people to  
9           present their case and that they can have  
10          their case heard on their terms and that  
11          they're being treated fairly.

12                   I've also set a tone in our  
13          meetings in which -- at our hearings in  
14          which for the taxpayers who appeared this  
15          year, we bent over backwards to also do  
16          what our current Mayor or Mayor Nutter  
17          calls customer service, and I'm well  
18          aware of that and I wholeheartedly agree  
19          with that. And one of the things that  
20          we've done even at hearings, which aren't  
21          done at most hearings around the City --  
22          and I've chaired the Tax Review Board as  
23          well and sat on other boards -- is that  
24          we've provided information for the  
25          residential homeowners. We had tax

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           freeze forms there. We provided not only  
3           the form, but when we saw people that  
4           seemed to be frail or that seemed to have  
5           difficulty understanding, we tried to  
6           connect them with someone on our staff  
7           who would assist them in filling out the  
8           form. If we saw in an application an  
9           indication that the person might be over  
10          80 years old and then they couldn't  
11          afford it, we asked assessors, who it's  
12          not really their job, but they took it on  
13          seriously, would you call that person to  
14          see if they're eligible for the tax  
15          freeze.

16                 We encourage and welcome the  
17          participation of the Councilpeople and  
18          the staff of Councilpeople, and we've had  
19          Councilman O'Neill's staff members,  
20          Councilman Rizzo's staff members come  
21          over almost to every residential hearing,  
22          the Council President's staff members.  
23          And any opportunity that they have in  
24          which they can intercede in providing us  
25          information on particular constituent



1           4/8/08 - WHOLE - BILL 080022, etc.  
2           service issues that they're dealing with  
3           or the Councilpeople are dealing with, we  
4           also allow them to do that, and sometimes  
5           just to sit to encourage the taxpayer who  
6           is preparing the case to present that  
7           case.

8                       This year we also provided a  
9           list, which we have in Citizen Service,  
10          in our Citizen Service Center, and we  
11          would encourage people to do various  
12          things that have nothing to do with  
13          valuation as far as customer service.  
14          So, for instance, we had the dates for  
15          the rebate program, the number to call  
16          for the state for the rebate program.  
17          Any number of times we've heard citizens  
18          who come to us because they not only  
19          can't afford to pay the tax, but as part  
20          of the testimony you hear that there's a  
21          serious disability with the property and  
22          it's in a state of deterioration and  
23          they're low income, and we've provided  
24          the information and the contact for the  
25          Basic Systems Grant Program. If we have

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           any representative of Council -- and I  
3           know that Councilpeople stick within  
4           their district, but they've been so  
5           accommodating. It becomes, And can you  
6           help this person so that they'd have a  
7           number to get a contact before they  
8           get -- if they have a problem getting to  
9           PHDC or to any agency that runs that  
10          program.

11                   Any information that we have,  
12          we try to provide as a part of a customer  
13          service, but not just because it's our  
14          duty and our responsibility, but because  
15          we are Philadelphians. We love the City,  
16          we serve the City, and we recognize that  
17          this City is its people, and they're  
18          wonderful people. And we recognize very  
19          seriously that we have a City, though,  
20          with 40 percent of the population that is  
21          very low income and below poverty level  
22          and may own property.

23                   So any opportunity that we have  
24          to assist them, we will. And for  
25          citizens who don't have that need but who

1           4/8/08 - WHOLE - BILL 080022, etc.

2           have other needs for information, if we  
3           can assist them in any way, then we do.

4                       And I want you to know that  
5           that is something that my staff knows and  
6           they understand that that's our mandate,  
7           and our mandate is one of public service,  
8           and we take that seriously. And if  
9           there's any evidence that that is not  
10          being done, then I want to know about  
11          that and the Executive Director wants to  
12          know about that, because we expect  
13          people -- they may not always agree. We  
14          may not be able to change the value, but  
15          we plan to always, from every member of  
16          the staff, be pleasant, professional,  
17          provide the service in a timely fashion.  
18          And when we feel that there's difficulty  
19          in understanding what we can do, if we're  
20          trying to stretch, we won't contravene  
21          the law, but we do not hesitate to  
22          contact the Law Department to say, Is  
23          there any way that within the ambit of  
24          this law that we can serve this taxpayer.

25                       So I take your statements very

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           seriously. As I said, each person sits  
3           by virtue of a vote for the Board of  
4           Judges, so we each have to ask  
5           individually. But my tone and my goal  
6           and my promise is that not just customer  
7           service, but treating the people from the  
8           City of Brotherly Love with brotherly  
9           love and sisterly affection is what I  
10          desire to do, what I plan to do and what  
11          I will continue to do as Chairman of the  
12          Board.

13                   COUNCILMAN DiCICCO: Thank you.

14                   COUNCIL PRESIDENT VERNA: Thank  
15          you very much.

16                   The Chair recognizes Councilman  
17          Green.

18                   COUNCILMAN GREEN: Thank you,  
19          Madam Chair.

20                   Of course, we would all agree,  
21          and as I said during the campaign, every  
22          citizen of this City, whether they serve  
23          on the Board of Revision of Taxes or  
24          whether they're a citizen appearing  
25          before them, should be treated with

1           4/8/08 - WHOLE - BILL 080022, etc.

2           dignity and respect.

3                   MS. MEADE: Absolutely.

4                   COUNCILMAN GREEN: Thank you.

5                   I would like to talk a little  
6           bit about the CAMA system. It's up and  
7           running. I have some specific questions.  
8           If you don't have the information with  
9           you, if you could provide it to the Chair  
10          in a timely fashion, I would appreciate  
11          it.

12                   The first is, using the CAMA  
13          system, now that it's up and running,  
14          what is the total value of real estate in  
15          the City of Philadelphia?

16                   MS. MEADE: Now, what I want to  
17          clarify --

18                   COUNCILMAN GREEN: No. What I  
19          want to know is what the system says it's  
20          worth. I know you haven't vetted the  
21          information.

22                   MS. MEADE: No, no, no. What I  
23          want to clarify is, the system is not up  
24          and running. We're at a stage where what  
25          I explained is we're using the parallel

1           4/8/08 - WHOLE - BILL 080022, etc.

2           systems. The system is being tested now.

3           COUNCILMAN GREEN: I

4           understand, but there are property values  
5           in CAMA right now; are there not?

6           MS. MEADE: There are property  
7           values in CAMA.

8           COUNCILMAN GREEN: The computer  
9           automated system --

10          MS. MEADE: That is part of the  
11          conversion on March 11th.

12          COUNCILMAN GREEN: Right. So  
13          it's generated property values based on  
14          the new system.

15          MS. MEADE: It's not generating  
16          property values yet. What it has is the  
17          information that was converted from the  
18          old VSAM system into the CAMA system. So  
19          they're still working on the integration,  
20          the balancing, from the conversion. So,  
21          no, it's not generating values yet.

22          Also, to generate the values  
23          with the CAMA system, the component that  
24          has to be added once we have the  
25          balancing of the data that went from old

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           VSAM to the new CAMA system, once that  
3           balances and that's in correctly, and  
4           also once we've uploaded the data that is  
5           in hard copy now, then our next step is  
6           to do the modeling. And basically with  
7           the CAMA system, how it functions is that  
8           there are statistical analyses that have  
9           to be placed into the CAMA system.

10           COUNCILMAN GREEN: Well, the  
11           models come with the CAMA system. That's  
12           essentially what you purchased, and so --

13           MS. MEADE: It doesn't come --

14           COUNCILMAN GREEN: So you've  
15           got modeling as part of the CAMA system.  
16           What happens, as I understand it, is that  
17           it's going to automatically then generate  
18           assessments based on sale data of like  
19           properties. It will then update every  
20           other property in that GMA or category  
21           automatically.

22           MS. MEADE: But the analysis  
23           for the modeling is not complete in the  
24           CAMA system. We have to do the  
25           statistical analysis for inputting the

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           regression analysis as well, depending  
3           upon the particular type of housing  
4           stock. So that still is a component that  
5           will be done.

6                   COUNCILMAN GREEN: Are we  
7           sticking with the same GMA categories in  
8           CAMA and --

9                   MS. MEADE: The GMA categories  
10          in CAMA, it won't be an exact match in  
11          terms of using the same GMAs. What I can  
12          do is, Gloria Mitchell, our Project  
13          Manager, is here and she could further  
14          explain in terms of the status of that  
15          system. But it's not ready for use yet.  
16          And one of the things we plan to do, to  
17          generate values, and before we can  
18          actually go forward to generate those  
19          values, we plan to bring in modelers to  
20          assist us with the statistical analysis.  
21          And then our staff will prepare  
22          statistical analysis housing stock by  
23          housing stock. We plan to have the RFPs  
24          for the modelers online this month.

25                   COUNCILMAN GREEN: But then



1 4/8/08 - WHOLE - BILL 080022, etc.

2 assessments are going to be automated?

3 MS. MEADE: Yes, and then they  
4 will be automated, yes.

5 COUNCILMAN GREEN: And so when  
6 we have five -- so are you capturing the  
7 sales data that's historical into CAMA?

8 MS. MEADE: Yes.

9 COUNCILMAN GREEN: So that is  
10 already there, other than the stuff  
11 that's been on paper.

12 MS. MEADE: It's been  
13 transferred, yes. It's been transferred,  
14 but the best way that I can explain it,  
15 that information -- we've had three  
16 conversions with CAMA. Originally  
17 thought we'd have one conversion.  
18 There's been difficulty in  
19 balancing that, so we're on the third --

20 COUNCILMAN GREEN: Well, my  
21 questions do relate to that, so maybe if  
22 Gloria can come up.

23 MS. MEADE: Ms. Mitchell.

24 (Witness approached witness  
25 table.)

1 4/8/08 - WHOLE - BILL 080022, etc.

2 MS. MEADE: Could you repeat  
3 your question, please.

4 COUNCILMAN GREEN: Well, I  
5 guess from the beginning, it's my  
6 understanding that CAMA will  
7 automatically generate assessments based  
8 on up-to-the-minute sales data that you  
9 have for like properties, and for each  
10 category or type of like property within  
11 a GMA, we'll then be able to generate new  
12 values; is that correct?

13 MS. MITCHELL: I guess the  
14 correct statement would be --

15 COUNCIL PRESIDENT VERNA: I'm  
16 sorry. You're going to have to identify  
17 yourself for the record.

18 MS. MITCHELL: I'm sorry. My  
19 name is Gloria Mitchell, Project Manager  
20 for the BRT.

21 The correct statement would be  
22 that the new CAMA system has the ability  
23 to perform assessments based on GMAs, or  
24 whatever we're going to label them as.  
25 Because it is a new system, there is a

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           new operational way in which we have to  
3           go about achieving the objective of  
4           whatever value system the City will  
5           choose to exercise, whether it's full  
6           value or whatever value. We have not  
7           reached that point yet.

8                     The technical implementation is  
9           nearly complete, as the Chairman has  
10          shared with you. March 11th we completed  
11          Phase I. We have two more short phases  
12          due very soon. And operationally the  
13          staff is still getting familiarized with  
14          those functions and identifying new  
15          workflows and business rules. All of  
16          that has to come together before we can  
17          actually use the system and start to  
18          create those models based on existing  
19          GMAs or new GMAs.

20                    So there's a lot of technical  
21          and operational work that has to be put  
22          in before we can get to that point.

23                    COUNCILMAN GREEN: Currently,  
24          is the recent historical sales data -- in  
25          addition to transferring over the current

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           property values from, I guess it's, VMS  
3           to CAMA, is the historical sales data or  
4           recent sales data by GMA in CAMA?

5                     MS. MITCHELL: Most of it is.  
6           We're still working on the conversion of  
7           the sales file. Most of the property  
8           records, the accounts for every  
9           individual property owned in the City is  
10          in the new CAMA system.

11                    The sales file itself, there  
12          were a couple of different areas of data  
13          that needed to be converted in  
14          separately. That is one of the last  
15          pieces that goes along with this last  
16          phase of the integration.

17                    COUNCILMAN GREEN: And once  
18          that is in CAMA, then using the automated  
19          processes, without having each property  
20          reviewed by assessors, you will be able  
21          to give us CAMA's total real property  
22          value in the City of Philadelphia; is  
23          that correct?

24                    MS. MITCHELL: In time. Once  
25          the operational -- again, there are

1           4/8/08 - WHOLE - BILL 080022, etc.

2           business processes, workflows that need  
3           to be defined before we get --

4                   COUNCILMAN GREEN: Well, that's  
5           outside -- that is among the people who  
6           work in the BRT, but the computer system  
7           itself is going to be generating values.

8                   MS. MITCHELL: The computer  
9           system itself will have the ability. Any  
10          computer still requires human  
11          intervention, and it's that human  
12          intervention, that process around  
13          achieving that, that will need to be fine  
14          tuned and defined. We haven't created  
15          the models yet.

16                  COUNCILMAN GREEN: I think it's  
17          the human intervention that I am trying  
18          to take out of the process.

19                  MS. MITCHELL: There's no  
20          computer that does anything automatically  
21          for you.

22                  COUNCILMAN GREEN: I understand  
23          we have to get the models correct and  
24          that's what's going to generate values,  
25          but I guess what I'm trying to get to is,

1 4/8/08 - WHOLE - BILL 080022, etc.

2 I think under VMS, the entire property  
3 value in the City of Philadelphia is  
4 something like \$12 or \$13 billion.

5 MS. MEADE: Is that our old  
6 VSAM system?

7 COUNCILMAN GREEN: VSAM, yes.  
8 When you add up assessments based on fair  
9 market value --

10 MS. MITCHELL: Based on the  
11 value?

12 COUNCILMAN GREEN: -- it's like  
13 \$12 or \$13 billion. Is that about right?

14 MS. MITCHELL: The value  
15 against year 2007 balanced. That was one  
16 of our first exercises with the  
17 conversion.

18 MS. MEADE: If you need that  
19 information, Gene Davey, who is the  
20 Director of Assessment, has that  
21 information, if you'd like that.

22 COUNCILMAN GREEN: What I'm  
23 suggesting is that once VSAM is -- I  
24 mean, once CAMA is up and the model is  
25 running and we're comparing recent sales

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           data to property categories by GMA or  
3           whoever you decide to do it, that CAMA is  
4           going to be automatically generating a  
5           real property value in the City of  
6           Philadelphia of something on the order of  
7           a third to 50 percent more than the  
8           property values that are currently in the  
9           system --

10                   MS. MEADE: No. I wouldn't --

11                   COUNCILMAN GREEN: -- for the  
12           total value of real estate in the City of  
13           Philadelphia.

14                   MS. MEADE: No. No. If I  
15           understand your question, then the answer  
16           is no.

17                   COUNCILMAN GREEN: You don't  
18           think so?

19                   MS. MEADE: No, I don't think  
20           so. I'm having difficulty with your  
21           question, with all due respect.

22                   COUNCILMAN GREEN: No. That's  
23           okay. I guess what I'm suggesting is,  
24           we're going to get a far higher total  
25           assessed real property value once we have

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           CAMA in -- I see some people nodding yes  
3           behind you -- and that that will allow us  
4           if we were to go to net -- the basic  
5           purpose of this questioning is to say  
6           when we go to net -- go to full value and  
7           then we go to what is no impact on City  
8           revenue, revenue neutral full value  
9           assessment, that we'll be able to go down  
10          far more than two-thirds in millage or  
11          assessed value, because the real property  
12          values in the entire City across the City  
13          will be far higher than the 13 billion  
14          currently assessed. And there are people  
15          nodding behind you and maybe they ought  
16          to have a chance to speak.

17                   MS. MEADE: I don't know why  
18                   they're nodding, but I can respond to  
19                   that question.

20                   COUNCILMAN GREEN: Well, I'd  
21                   like to know why they're nodding.

22                   MS. MEADE: May I respond to  
23                   the question?

24                   Who is nodding? Are you  
25                   sleepy? What's the problem?



1           4/8/08 - WHOLE - BILL 080022, etc.

2                   MR. DAVEY: Eugene Davey,  
3           Director of Assessments, Board of  
4           Revision of Taxes.

5                   I was nodding in the sense that  
6           our values tend to be conservative. Even  
7           in a soft market or a stabilizing market,  
8           our values are very conservative. I  
9           really wasn't talking about full value.  
10          I was really talking about the fact that  
11          we really should bring our values up  
12          some. I think the road to full value is  
13          first equity, accurate data and equitable  
14          values.

15                  COUNCILMAN GREEN: Absolutely,  
16          but what I'm suggesting is, we do have  
17          very conservative values citywide, and if  
18          we were truly to put in what the fair  
19          value is of every property in the City,  
20          that the total value of real estate in  
21          the City of Philadelphia would be  
22          one-third to 50 percent higher than it  
23          currently is. Do you think that's about  
24          right?

25                  MS. MEADE: What I have to

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           say -- and I'll respond to that  
3           question -- is, one, it seems, now that I  
4           understand, it seems to be a separate  
5           question in that it seems to be a CAMA  
6           question assuming sort of a full value  
7           approach and possibly assuming a  
8           fractional approach. I want to separate  
9           it in terms of the CAMA.

10                   The CAMA, I believe Project  
11           Manager Mitchell has explained that we're  
12           not at the level of business readiness  
13           and the type of modeling and statistical  
14           analysis that is needed. So that the  
15           computer can be used as a tool to  
16           generate values, and then our assessors,  
17           who are the trained professional people  
18           who are responsible for placing the  
19           value, can then review those values and,  
20           where necessary, make adjustments.

21                   Now, in terms of whether there  
22           would be a reflection of full value, as I  
23           said previously to Councilman Greenlee,  
24           we will not hold and entertain a  
25           discussion on full value until we're

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           prepared to produce the numbers so that  
3           we're talking about real, true, accurate  
4           numbers which we can stand behind and so  
5           that we can provide that information to  
6           Council to make an intelligent decision.  
7           Previously we've provided hypotheticals,  
8           and we just learned that that doesn't  
9           work.

10                       On the issue in terms of where  
11           we are and I think in terms of our market  
12           values compared to sales price, I don't  
13           think anyone here can answer that  
14           question now. And why I simply say  
15           that -- and I'm not prohibiting my staff  
16           to speak, but simply because we have  
17           people working on the project now and  
18           they're working on the project and they  
19           haven't told me that they've completed  
20           the project, and I checked as recently as  
21           yesterday before I came. And that  
22           project is to make that determination, to  
23           find out where we are and how much the  
24           2008 valuation project helped in bringing  
25           us to better equity and uniformity, I'll

1           4/8/08 - WHOLE - BILL 080022, etc.

2           use that word, in terms of the  
3           relationship of our market value, the BRT  
4           market value, to the actual sales price.

5                     It's taking longer to do that  
6           simply because that is being done in the  
7           old VSAM system, because the Realware  
8           system is not ready. We're looking at  
9           that issue, because we believe it will be  
10          our next project, and one of the things  
11          that we do plan to do is, if Council  
12          would have us back, is to contact  
13          Councilman Verna when that information is  
14          ready and say to the Council President,  
15          We'd like to provide that information to  
16          you. It wouldn't be the Realware  
17          information. We're hoping that we'd be  
18          able to do that by the beginning of June.

19                    COUNCILMAN GREEN: You're using  
20          different terms I don't understand.  
21          Realware, how does that relate to CAMA?

22                    MS. MEADE: Realware is our  
23          CAMA product. Realware is the CAMA  
24          product. That's the product, the  
25          Realware, the tool that's being used.

1           4/8/08 - WHOLE - BILL 080022, etc.

2           And the CAMA is the computerized mass  
3           appraisal, but we're using Realware to  
4           accomplish computerized mass appraisal.

5                       So that what I would like is to  
6           leave with Council the information that  
7           I've provided, which is that we are doing  
8           that analysis now. We're very concerned  
9           with uniformity. We recognize that our  
10          mandate is one of uniformity.

11                      We're very also concerned with  
12          the equity issue, that all taxpayers are  
13          paying what is fair and equal to their  
14          neighbors. We're doing the analysis now.  
15          Originally we had hoped to do it out of  
16          Realware. We're not able to do it out of  
17          Realware now because Realware is not  
18          ready. We're doing it with our --

19                      COUNCILMAN GREEN: Is  
20          Realware --

21                      MS. MEADE: Wait. We're doing  
22          it with our VSAM system. We hope that  
23          once we have those numbers, we can come  
24          back to you and bring that.

25                      COUNCILMAN GREEN: I

1 4/8/08 - WHOLE - BILL 080022, etc.

2 understand. You're just repeating your  
3 previous testimony, so please let me ask  
4 the next question.

5 MS. MEADE: I'm reading my  
6 previous testimony?

7 COUNCILMAN GREEN: Repeating,  
8 yes.

9 MS. MEADE: Repeating? Oh,  
10 okay.

11 COUNCILMAN GREEN: So is  
12 Realware not ready because it's producing  
13 numbers that you don't like or don't  
14 agree with because of how they compare to  
15 VSAM?

16 MS. MEADE: No, no, no. And do  
17 you know what I would say to you and  
18 anyone who -- and I know this had been  
19 the suggestion before, that why is the  
20 BRT taking so long with this Realware  
21 project, and because that was one of my  
22 concerns when I started as Chair --

23 COUNCILMAN GREEN: That's not  
24 my question.

25 MS. MEADE: No, but I contacted

1           4/8/08 - WHOLE - BILL 080022, etc.

2           Terry Phillis, and MOIS has been working  
3           intimately with us with this project.

4                   COUNCILMAN GREEN: I  
5           understand, but you're answering  
6           questions I'm not asking.

7                   MS. MEADE: Right. But I only  
8           say that to say that the system is not  
9           ready. We went live partially on March  
10          11th. We're running the parallel tracks.  
11          There's still difficulty with the  
12          integration of the data for that system.  
13          There's not a complete conversion yet.  
14          So the system isn't ready. It's not  
15          ready for -- that kind of technical  
16          information, if you want a technical  
17          report, that data has been submitted on  
18          various occasions to MOIS, and they're  
19          working with us, and we can get that kind  
20          of information to you if you need proof  
21          that the system is not ready. It's just  
22          because the system isn't -- because the  
23          data didn't convert in the first load and  
24          the second load, and now with the third  
25          load, it's not all matching, because

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           we've had to continue the process of  
3           integration even though we went live.

4                     It's just not ready. And I'm  
5           frustrated about that. I want you to  
6           understand that. But I'm hopeful as  
7           well. And we're trying to get it right,  
8           and that's the time it's taking.

9                     But if you need more technical  
10          information as to why it's not ready and  
11          what needs to be done, then we can  
12          entertain that, but my Project Manager as  
13          well as MOIS can assist you in  
14          understanding that.

15                    COUNCILMAN GREEN: I guess my  
16          question is partly related to CAMA and  
17          Realware, but it's also sort of a simpler  
18          non-technical question of does the BRT  
19          have an estimate of how undervalued real  
20          estate in the aggregate is in the City of  
21          Philadelphia?

22                    MS. MEADE: And at this moment,  
23          no, sir, and --

24                    COUNCILMAN GREEN: And there's  
25          never been an estimate of that by the



1 4/8/08 - WHOLE - BILL 080022, etc.

2 BRT?

3 MS. MEADE: Well, there was  
4 several years ago if other Council -- I  
5 know Council President will remember, and  
6 Councilman DiCicco referred to it. We  
7 had an analysis done where we realized  
8 that -- we had a target, and that target  
9 created an equalization program, and the  
10 target was we were trying to reach for  
11 residential properties, about 70 percent  
12 of relationship between market value and  
13 sales price. We worked on that project  
14 for several years, from about '99 through  
15 2003, and then that stopped.

16 We believed that the CAMA  
17 system would only take a couple of years.  
18 It's taking longer. And because of the  
19 increase in the marketplace, our values  
20 relationship is much lower. In terms of  
21 where it is, I don't know the answer to  
22 that question. As I said --

23 COUNCILMAN GREEN: Do you  
24 have --

25 MS. MEADE: -- we will know the

1 4/8/08 - WHOLE - BILL 080022, etc.

2 answer to that question.

3 COUNCILMAN GREEN: What was it  
4 at the time?

5 MS. MEADE: We were at 69.1  
6 percent of sales price to market value  
7 for most properties we believe in 2002,  
8 and we did -- that was the basis of our  
9 2003 assessment and valuation project  
10 that I think has resulted in over 200,000  
11 properties being increased. But we  
12 hadn't had one since then.

13 COUNCILMAN GREEN: But then to  
14 70 percent?

15 MS. MEADE: But then -- and the  
16 goal was to have that relationship --

17 COUNCILMAN GREEN: So it is  
18 fair to say that it's roughly a third to  
19 50 percent -- the aggregate value of all  
20 real estate in the City of Philadelphia  
21 is a third to 50 percent lower than it  
22 will be once we get there, once we get to  
23 CAMA/Realware being fully operational?

24 MS. MEADE: No, sir, and I'm  
25 not trying to repeat previous testimony,

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           but I can only say that that analysis is  
3           being done -- there was a substantial  
4           increase in the marketplace from 2003 for  
5           four, five, six and the beginning of  
6           seven that everyone knows about. When  
7           those increases in the marketplace  
8           occurred to value, the BRT did not  
9           capture those increases at that time.  
10          And so now we know it's not at 70  
11          percent, but where it is we're doing the  
12          analysis now, and we've been working on  
13          that for more than a month. And as I  
14          said, I'm anticipating that sometime in  
15          May, definitely by the beginning of June,  
16          but by sometime in May we can present  
17          Council with that data. I just don't  
18          have it now. And my staff is working on  
19          it. That's why I know they don't have it  
20          now.

21                   COUNCILMAN GREEN: All right.  
22           Once CAMA and Realware is fully  
23           implemented, will it have a value for the  
24           aggregate 100 percent value of real  
25           property in the City of Philadelphia?

1           4/8/08 - WHOLE - BILL 080022, etc.

2           MS. MEADE: Once we've achieved  
3 business readiness, it's fully up,  
4 functioning, yes.

5           COUNCILMAN GREEN: And it will  
6 be based on the computer automated data  
7 and not data that comes out of VSAM?

8           MS. MEADE: Yes. Yes, sir.

9           COUNCILMAN GREEN: And that  
10 will happen in May or June?

11          MS. MEADE: No, not of this  
12 year. That won't happen -- earlier, as I  
13 heard Council President Verna just say, I  
14 explained that in terms of our business  
15 readiness and operational readiness, we  
16 still have the 12-month timeline from the  
17 "go live" date. That 12 months has been  
18 protracted simply because we didn't go  
19 live until March. So we anticipate that  
20 sometime by March of next year, March of  
21 2009.

22          When we were here last year, we  
23 believed that would have been December of  
24 2008, because the intent and the  
25 projection was to go live in December

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           2007. But because that was protracted,  
3           it's still a 12-month timeline before we  
4           would be able to have that information.

5                   COUNCILMAN GREEN: Madam  
6           President, I have many more questions. I  
7           think for the sake of time, I'm going to  
8           submit them in writing to them and ask  
9           that you request that they send the  
10          answers back to you, if that's  
11          acceptable.

12                   MS. MEADE: Yeah.

13                   COUNCIL PRESIDENT VERNA: I  
14          would have no problem doing that.

15                   COUNCILMAN GREEN: Thank you,  
16          Madam President.

17                   MS. MEADE: And may I also say  
18          because we depend so much on Council for  
19          the funding of this project and it is a  
20          massive project, we'd be happy to provide  
21          all of the information and any technical  
22          information that you need as well. And I  
23          have thought before this hearing, I had  
24          wondered yesterday, I thought, I wonder  
25          if I should have asked Mr. Phillis if he

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           was -- CEO Phillis to come over and  
3           assist. We thought that it wasn't  
4           needed, but I'm sure that if we need to  
5           have a sit-down-and-meet with Council in  
6           terms of the project, that we could do  
7           that. And he's been very supportive. I  
8           know he would help to explain why there  
9           is just this difficulty in getting the  
10          system up and fully functioning.

11                   COUNCIL PRESIDENT VERNA: All  
12          right. Thank you.

13                   The Chair recognizes Councilman  
14          O'Neill.

15                   COUNCILMAN O'NEILL: Thank you,  
16          Madam President.

17                   Ms. Meade, I, first of all,  
18          want to thank you for the original time  
19          that you and I met privately in your new  
20          headquarters, which weren't quite ready  
21          yet, to say the least, and you were very  
22          open and honest and forthcoming with both  
23          good, bad and other information, and I  
24          really appreciated that. We had quite a  
25          long talk, me giving you several years of

1           4/8/08 - WHOLE - BILL 080022, etc.

2           my background and you giving me several  
3           years of yours, plus where you were at  
4           that time.

5                       I also want to thank you and  
6           the Board for making the decision, which  
7           I know is not an easy one, to put a cap  
8           on the increases, which I think was clear  
9           that the number of appeals was much lower  
10          than anybody expected. And while a lot  
11          of people may not have been happy that  
12          did appeal with the decisions, that's not  
13          for this hearing, as far as I'm  
14          concerned. We can talk about that later,  
15          because that has nothing to do with  
16          budget.

17                      But I have one -- I thought  
18          about this a long time. And Councilman  
19          Green and Councilman Kelly were at a  
20          meeting. The Inquirer held a meeting,  
21          and real estate taxes came up, part of  
22          Inquirer's series of -- Councilman  
23          Greenlee went to many of them in  
24          different districts.

25                      But based on my conversation

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           with you back in August, I guess it was,  
3           and your description of how hard it is at  
4           this point to catch up to 70 percent when  
5           we have so many people that have dropped.  
6           Because of their increased value, they've  
7           dropped. And I understand this is a very  
8           difficult situation, and I really  
9           appreciate you and the Board's  
10          sensitivity to the fact that this City  
11          could implode if we just flicked the  
12          switch and we didn't take care of all the  
13          other parts of it besides just the value  
14          that would occur.

15                 And I have an idea, and I think  
16          it's fairly simple, and usually those  
17          ideas are the best when I get them coming  
18          to me, is keeping this whole thing of  
19          value as simple as possible. So we don't  
20          need any state help, we don't need --  
21          which we'll probably never get. I mean,  
22          my feeling about the state Legislature --  
23          and I'm sure it's no different when the  
24          states are dealing with Congress -- is,  
25          they don't give preventive care. They



1           4/8/08 - WHOLE - BILL 080022, etc.

2           come in when there's a crisis on white  
3           horses and they give help, but there's  
4           already bodies in the street and  
5           everything.

6                       They very well know they could  
7           be giving us caps and other things to put  
8           in, and there's no interest. I mean,  
9           there just isn't any interest up there,  
10          because we don't have a crisis on our  
11          hands. We're telling them there's going  
12          to be a crisis if we do this. We need  
13          help with this. It's not happening.  
14          That's a little bit of a backdrop.

15                      But if we would just as a Board  
16          of Revision of Taxes, as a City, but  
17          particularly it's in your shop, get  
18          everyone in the City to 50 percent,  
19          however long that takes, and obviously  
20          trying to do it as soon as possible with  
21          the least amount of pain. When we get to  
22          50 percent, there's magic in one half,  
23          because everybody understands one half.  
24          Everybody understands two times something  
25          and one half of something.

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   Once you get to 50 percent and  
3       we're pretty solid that everybody is as  
4       close as 50 percent -- I mean, there's no  
5       perfection here, but we get as close as  
6       we can. We don't need the state's help  
7       for you to double the value to a hundred  
8       and Council and the Mayor to decrease the  
9       rate by 50 percent or half. And I  
10      honestly think -- I've gone through this  
11      500 ways to Sunday how we can do this and  
12      all the different things. And I've got  
13      some bills in Council, some of which  
14      passed, but all need state authorization.  
15      I've talked to legislators that I'm very  
16      close to, legislators I'm not close to.  
17      It just kind of goes around. There's  
18      nothing -- there's no crisis. There's no  
19      reward if there's no crisis.

20                   But I think we can do this  
21      ourselves if at the time whenever it's  
22      possible, with the least amount of pain  
23      getting there, to get to 50 percent, we  
24      flick two switches. You go to a hundred,  
25      we go to half. It's done. Everybody is

1           4/8/08 - WHOLE - BILL 080022, etc.

2           at a hundred. Everybody is at half the  
3           rate, and everybody understands it too as  
4           they're getting there.

5                       I would ask you to continue to  
6           do what you've been doing, watching the  
7           hardship and the burdens of getting  
8           there.

9                       Councilman Kenney has remarked  
10          many times over the last several years  
11          that an entire Allegheny City Council --  
12          it's a brand new Council, new executive,  
13          maybe the next Governor, from what I  
14          hear, but this was the previous  
15          executive. They all got thrown out on a  
16          very complicated and disastrous  
17          reassessment system in the whole county.  
18          Their county happens to be almost exactly  
19          the same size as ours, but with many  
20          cities in addition to Pittsburgh.

21                      I just had an experience where  
22          one of the best Mayors in the country,  
23          Bart Peterson in Indianapolis, Indiana,  
24          along with 80 percent of the Mayors in  
25          the State of Indiana, were thrown out of

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           office for something they had absolutely  
3           no control over, and it actually was a  
4           function of an independent body appointed  
5           by the Governor. And it came out of a  
6           court case, but people had double and  
7           tripling of their taxes, similar to what  
8           would happen if we flicked the switch and  
9           went to a hundred percent.

10                   The Mayor could not convince  
11           people, nor could many of the other  
12           Mayors in Indiana, that they had nothing  
13           to do with this. They had been on the  
14           cost base system for years where your  
15           taxes didn't change. New houses who paid  
16           a higher price, you got assessed at  
17           whatever -- so the assessment was based  
18           on what you paid for the house, and it  
19           stayed that way. Other areas have it.  
20           It's actually in some ways fair, some  
21           ways not fair, so I won't go through all  
22           that today.

23                   But there was a lawsuit. The  
24           Supreme Court ruled it unconstitutional.  
25           They just happened to pick this

1           4/8/08 - WHOLE - BILL 080022, etc.

2           particular year where there was actually  
3           very small assessor offices in each  
4           county, because you don't have to have a  
5           big office if everything is cost based.  
6           It never changes.

7                     Well, they got to reassess, and  
8           in 80 percent of the cities because the  
9           reassessment was wild -- I mean, I was  
10          there when the -- I almost missed the  
11          airport last summer because the -- this  
12          was in '07, because there was a rally.  
13          This is the middle of July and people  
14          were marching all over downtown, and they  
15          were doing it on a regular basis. The  
16          anti-tax sentiment was across the board.  
17          It was everybody. And you can go in --  
18          this is all on record.

19                    This man could have been  
20          Governor, maybe still will be, but he's  
21          one of the finest elected officials I've  
22          ever met in my life and a good democrat,  
23          very progressive. This is a guy you want  
24          to be your Mayor in any city, and he's up  
25          at Harvard School of Government now, but

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           class act. He got thrown out. He lost  
3           to somebody that isn't qualified to do  
4           anything. He's just a name on the  
5           ballot, because it was a protest vote.  
6           People said that Mayor Peterson -- Bart,  
7           that was a protest vote on my part. If I  
8           thought you were going to lose, I would  
9           have voted for you, something to that  
10          effect. He's out of office after two  
11          terms.

12                    It is a major problem that's  
13           easier to prevent from happening than to  
14           undo or do after. And I appreciate the  
15           approach the Board is taking and knowing  
16           that it has to be done right. I just  
17           tried to offer you the simplest way of  
18           doing it, knowing you might in that 35 or  
19           40 range generally as opposed to where --  
20           because of all these increases, you were  
21           telling me that it's much lower than  
22           anybody realized.

23                    But if we can get to 50, we can  
24           flick two switches and they both work,  
25           and people understand.

1           4/8/08 - WHOLE - BILL 080022, etc.

2                   That's the extent of my  
3       presentation, and I appreciate what you  
4       all are going through, because it's easy  
5       to be the critic, as we often find out  
6       from others, and I'm just trying to offer  
7       something constructive.

8                   MS. MEADE: Thank you.

9                   COUNCILMAN O'NEILL: Thank you.

10                  COUNCIL PRESIDENT VERNA: Thank  
11       you.

12                  Any other questions or  
13       comments?

14                  The Chair recognizes Councilman  
15       Green.

16                  COUNCILMAN GREEN: Thank you,  
17       Madam Chair.

18                  Just following up on what  
19       Councilman O'Neill was saying, he's  
20       getting to a similar point that I was  
21       trying to get to, which is even if we  
22       went to 50 percent, Councilman O'Neill,  
23       it would increase City's revenues -- if  
24       we actually went to 50 percent of full  
25       value, it would increase the City's

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           revenues by something on the order of, I  
3           would estimate based on what I have  
4           heard, somewhere between 15 and 25 or 30  
5           percent over where they are today. So  
6           getting to 50 percent actually hugely  
7           increases the City's revenues.

8                   COUNCILMAN O'NEILL: But not  
9           if --

10                   COUNCILMAN GREEN: So we would  
11           have to lower -- in order to stay revenue  
12           neutral, we'd actually have to lower the  
13           millage as we're getting to 50 percent,  
14           and that's why I'm trying to get to the  
15           bottom of what is all real property  
16           worth. And I agree with your proposal to  
17           do it incrementally, but --

18                   COUNCILMAN O'NEILL: Well, let  
19           me make it clear. When I talk  
20           incrementally and having some fairness  
21           measures in here, some humane measures in  
22           here, that 15 to 25 percent, if it's done  
23           incrementally, it won't be any more than  
24           revenue went up last year to the City in  
25           a given year from the reassessments.



1           4/8/08 - WHOLE - BILL 080022, etc.

2                   I don't want this -- I know  
3           this is going to take a while. You're  
4           not going to be able to do it -- if you  
5           don't do it like you're a computer and  
6           the taxpayers are a computer, but you do  
7           it you're human and you're dealing with  
8           humans, you're going to have to do it  
9           more slowly than the computers would,  
10          because you have to get it -- you can't  
11          take somebody from 35 to 50 if that's  
12          where they are.

13                   COUNCILMAN GREEN: Right.

14                   COUNCILMAN O'NEILL: But you  
15          have to see your way there and then know  
16          if you get to somebody to 50, you stop.  
17          If somebody is at 45, we're just going to  
18          keep them at 50. If they're at 35, it's  
19          going to take a little longer. But when  
20          we get everybody to 50 -- and I don't  
21          want to judge what that time frame would  
22          be, whether it be two years, five years,  
23          whatever, but everybody understands it.  
24          The state, whoever wants to file suit  
25          against us or whatever, any decent judge

1           4/8/08 - WHOLE - BILL 080022, etc.  
2           that would get the case understands  
3           there's a plan. It's not like we're  
4           wearing blinders and we don't understand  
5           it. There's a plan.

6                        So I think we'd be okay with  
7           that, and the City would get its 15 to 25  
8           percent, but over many years. That's  
9           all.

10                      COUNCILMAN GREEN: I have  
11           nothing further, Madam Chair.

12                      COUNCIL PRESIDENT VERNA: Thank  
13           you.

14                      Any other questions or  
15           comments?

16                      (No response.)

17                      MS. MEADE: May I make one last  
18           comment? We can see that it's going to  
19           be an exciting time for us when we have  
20           our Realware system up and ready, working  
21           with Council hand in hand to set the  
22           values, but I just want to emphasize that  
23           what we recognize, that it's our job to  
24           set the values, and we leave the job to  
25           setting tax rates and the job to actually

1           4/8/08 - WHOLE - BILL 080022, etc.

2           being the tax man to City Council and to  
3           the Revenue Department.

4                       Thank you so much for your  
5           assistance.

6                       COUNCIL PRESIDENT VERNA: Thank  
7           you. And I personally want to thank you  
8           and members of the Board and your staff  
9           for all the courtesies that you have  
10          extended to my office. Thank you so  
11          much.

12                      MS. MEADE: You're welcome.  
13          Thank you.

14                      COUNCIL PRESIDENT VERNA: This  
15          Committee will stand in recess until  
16          tomorrow, Wednesday, April 9th at 10:00  
17          a.m.

18                      Thank you all very much.

19                      (Committee of the Whole  
20          adjourned at 3:40 p.m.)

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CERTIFICATE

I HEREBY CERTIFY that the  
proceedings, evidence and objections are  
contained fully and accurately in the  
stenographic notes taken by me upon the  
foregoing matter on April 8, 2008, and that  
this is a true and correct transcript of same.

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MICHELE L. MURPHY  
RPR-Notary Public

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