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COUNCIL OF THE CITY OF PHILADELPHIA

3

COMMITTEE ON APPROPRIATIONS

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Room 400, City Hall
Philadelphia, Pennsylvania
Thursday, December 4, 2008
8:45 a.m.

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PRESENT:

10 COUNCILWOMAN JOAN L. KRAJEWSKI, CHAIR
COUNCILMAN FRANK DiCICCO
11 COUNCILMAN W. WILSON GOODE, JR.
COUNCILWOMAN MARIA QUINONES-SANCHEZ
12 COUNCILWOMAN DONNA REED MILLER
COUNCILMAN FRANK RIZZO
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14 BILL 080897 - An ordinance authorizing
transfers in appropriations for Fiscal Year
15 2008 within the Aviation Fund...

16 BILL 080898 - An ordinance authorizing
transfers in appropriations for Fiscal Year
17 2008 within the General Fund...

18 BILL 080899 - An ordinance authorizing
transfers in appropriations for Fiscal year
19 2008 within the Water Fund...

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Eleven Penn Center

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COUNCILWOMAN KRAJEWSKI: Good morning. The Committee on Appropriations is now in session.

Will the Clerk please read the title of the bills.

THE CLERK: Bill No. 080897, an ordinance authorizing transfers in appropriations for Fiscal Year 2008 within the Aviation Fund from certain or all City offices, departments, boards and commissions to certain or all City offices, departments, boards and commissions.

Bill No. 080898, an ordinance authorizing transfers in appropriations for Fiscal Year 2008 within the General Fund from certain or all City offices, departments, boards and commissions to certain or all City offices, departments, boards and commissions.

Bill No. 080899, an ordinance authorizing transfers in appropriations for Fiscal Year 2008 within the Water Fund from certain or all City offices,

1 12/4/08 - APPROPRIATIONS - BILL 080897, etc.
2 departments, boards and commissions to
3 certain or all City offices, departments,
4 boards and commissions.

5 COUNCILWOMAN KRAJEWSKI: Thank
6 you.

7 Is someone from the
8 Administration here?

9 (Witness approached the witness
10 table.)

11 MR. AGOSTINI: Good morning,
12 Councilwoman Krajewski --

13 COUNCILWOMAN KRAJEWSKI: Good
14 morning.

15 MR. AGOSTINI: -- members of
16 the Committee. I'm Steve Agostini,
17 Budget Director for the City. I'm here
18 to offer testimony on the bills that were
19 just described, 080898 on the General
20 Fund, 080897 on the Aviation Fund and
21 080899 on the Water Fund.

22 These are end-of-year transfers
23 in order to allow us to clean up our
24 books in order to complete the closing of
25 the financial statements for the end of

1 12/4/08 - APPROPRIATIONS - BILL 080897, etc.

2 the year. I'll go through this quickly
3 and then take any questions that you
4 might have.

5 With respect to the General
6 Fund, there's an exhibit, Exhibit A, that
7 shows 19 transfers. The largest of those
8 are for the Police Department, about 10.7
9 million, to fund increased uniform
10 overtime costs for the crime reduction
11 plan that was implemented earlier this
12 year; approximately \$5 million for the
13 Office of the Director of Finance to fund
14 indemnity payments for legal claims;
15 about 3.7 million for the First Judicial
16 District to fund payroll and other costs;
17 and then the Mayor's Office of
18 Information Services, about 1.7 million,
19 for telecommunication costs, and then,
20 finally, the Law Department, about 1.1
21 million, to fund higher-than-anticipated
22 costs for legal counsel.

23 In the Aviation Fund, we're
24 asking for \$817,000 to cover pension
25 costs associated with employees of the

1 12/4/08 - APPROPRIATIONS - BILL 080897, etc.

2 Fund, and then in the Water Fund, about
3 845,000 for a variety of costs to defray
4 the work of Law Department and the
5 Mayor's Office of Information Services.

6 As I said, that's sort of a
7 highlight. If there are additional
8 questions, I'm happy to answer them, and
9 there are other representatives from the
10 departments here as well.

11 COUNCILWOMAN KRAJEWSKI: A
12 suspension of rules?

13 MR. AGOSTINI: Yes. Thank you
14 very much. Yes, suspension for first
15 reading today. Thank you.

16 COUNCILWOMAN KRAJEWSKI: Thank
17 you.

18 I'd like to recognize
19 Councilman Rizzo, Councilwoman Sanchez --

20 COUNCILMAN RIZZO: Good
21 morning.

22 COUNCILWOMAN KRAJEWSKI: No.
23 Just a minute. You're going a little too
24 fast here, Frank.

25 Councilwoman Sanchez,

1 12/4/08 - APPROPRIATIONS - BILL 080897, etc.

2 Councilwoman Miller and Councilman Goode.

3 Thank you very much. Now we'll
4 recognize you, Councilman.

5 COUNCILMAN RIZZO: Thank you.

6 Could you please, Budget
7 Director, explain the issue with the
8 Aviation Fund. I thought the Aviation
9 Fund was funded by the airline industry
10 at the airport. How does moving City
11 money into the Aviation Fund, how does
12 that transaction work? Maybe I'm just
13 incorrect in my knowledge of how the
14 Aviation Fund works, but I didn't know
15 there was public money in that.

16 MR. AGOSTINI: Councilmember,
17 you are correct. It would be Aviation
18 Fund. I believe that this is to cover
19 pension costs that would go into the
20 pension system, but -- it's just moving
21 money within the Fund.

22 COUNCILMAN RIZZO: Within the
23 Aviation Fund?

24 MR. AGOSTINI: Yes.

25 COUNCILMAN RIZZO: But that's

1 12/4/08 - APPROPRIATIONS - BILL 080897, etc.

2 not what it sounds like.

3 MR. AGOSTINI: I would agree

4 with you, that is not what it sounds

5 like, but that's what it is.

6 COUNCILMAN RIZZO: So why would

7 you transfer money within the Aviation

8 Fund?

9 MR. AGOSTINI: There may be

10 money that's in the wrong classification;

11 for example, in terms of employee

12 benefits.

13 COUNCILMAN RIZZO: Got it.

14 MR. AGOSTINI: And it would

15 either come from a Class 100 or some

16 other place within the Fund.

17 COUNCILMAN RIZZO: Okay. I

18 understand. Thank you. I just wanted to

19 know you're reading their stuff.

20 MR. AGOSTINI: Thank you.

21 COUNCILWOMAN KRAJEWSKI: Are

22 there any other questions from members of

23 the Committee?

24 (No response.)

25 COUNCILWOMAN KRAJEWSKI: Well,

1 12/4/08 - APPROPRIATIONS - BILL 080897, etc.

2 seeing none, we'll go into our public
3 meeting.

4 MR. AGOSTINI: Thank you.

5 COUNCILWOMAN KRAJEWSKI: Thank
6 you very much.

7 That ends our public hearing.

8 We will now go into our public meeting.

9 The Chair recognizes
10 Councilwoman Miller for the purpose of
11 reporting Bill 080897.

12 COUNCILWOMAN MILLER: Thank
13 you. I move that Bill No. 080897 be
14 reported out of this Committee with a
15 favorable recommendation and further move
16 that the rules of Council be suspended so
17 as to permit first reading at our next
18 session.

19 (Duly seconded.)

20 COUNCILWOMAN KRAJEWSKI: All
21 those in favor?

22 (Aye.)

23 COUNCILWOMAN KRAJEWSKI:

24 Opposed?

25 (No response.)

1 12/4/08 - APPROPRIATIONS - BILL 080897, etc.

2 COUNCILWOMAN KRAJEWSKI: Thank
3 you. Therefore, Bill 080897 will be
4 reported out of this Committee with a
5 favorable recommendation, with a
6 suspension of the rules so as to permit
7 first reading at our next session of
8 Council.

9 The Chair recognizes Councilman
10 Goode for Bill 080898.

11 COUNCILMAN GOODE: Thank you,
12 Madam Chair. I move that Bill No. 080898
13 be reported out of Committee with a
14 favorable recommendation, that the rules
15 of Council be suspended so as to permit
16 first reading at our next Council
17 session.

18 (Duly seconded.)

19 COUNCILWOMAN KRAJEWSKI: Thank
20 you.

21 All those in favor?

22 (Aye.)

23 COUNCILWOMAN KRAJEWSKI:

24 Opposed?

25 (No response.)

1 12/4/08 - APPROPRIATIONS - BILL 080897, etc.

2 COUNCILWOMAN KRAJEWSKI:

3 Therefore, Bill 080898 will be reported
4 out of this Committee with a favorable
5 recommendation and the rules of Council
6 be suspended so as to permit first
7 reading at the next session of Council.

8 The Chair recognizes
9 Councilwoman Sanchez for Bill 080899.

10 COUNCILWOMAN SANCHEZ: Thank
11 you, Madam Chair. I move that Bill
12 080899 be moved out of Committee with a
13 favorable recommendation and the rules of
14 Council be suspended to allow first
15 reading at our next public session.

16 (Duly seconded.)

17 COUNCILWOMAN KRAJEWSKI: All
18 those in favor?

19 (Aye.)

20 COUNCILWOMAN KRAJEWSKI: All
21 those opposed?

22 (No response.)

23 COUNCILWOMAN KRAJEWSKI: Thank
24 you. Therefore, Bill 080899 will be
25 reported out of this Committee with a

1 12/4/08 - APPROPRIATIONS - BILL 080897, etc.

2 favorable recommendation and the rules of
3 Council be suspended so as to permit
4 first reading at the next session of
5 Council.

6 Thank you all very much.

7 The Chair recognizes Councilman
8 DiCicco.

9 (Committee on Appropriations
10 adjourned at 8:55 a.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 December 4, 2008, and that
this is a true and correct transcript of same.

MICHELE L. MURPHY
RPR-Notary Public

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