

COUNCIL OF THE CITY OF PHILADELPHIA
COMMITTEE ON APPROPRIATIONS

Room 400, City Hall
Philadelphia, Pennsylvania
Wednesday, March 11, 2015
10:25 a.m.

PRESENT:

COUNCILMAN W. WILSON GOODE, JR., CHAIR
COUNCILWOMAN JANNIE BLACKWELL
COUNCILMAN BOBBY HENON
COUNCILMAN ED NEILSON
COUNCILMAN MARK SQUILLA

BILL 150122 - An ordinance authorizing transfers in appropriations for Fiscal Year 2015 from the General Fund, certain or all City offices, departments, boards and commissions, the Grants Revenue Fund, the Director of Finance - Provision for Other Grants to the General Fund, certain or all City offices, departments, boards and commissions.

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COUNCILMAN GOODE: Good morning. This hearing is called to order. This is a public hearing of the Appropriations Committee on Bill No. 150122. My name is W. Wilson Goode, Jr., Chair of the Committee.

I note that a quorum is present. To my left is Councilman Bobby Henon. To my right is Councilwoman Jannie Blackwell, also Councilman Mark Squilla and Councilman Ed Neilson.

The title of Bill No. 150122, authorizing transfers in appropriations for Fiscal Year 2015 from the General Fund to certain or all City offices, departments, boards and commissions, the Grants Revenue Fund, the Director of Finance - Provision for Other Grants to the General Fund, certain or all City offices, departments, boards and commissions.

Ms. Rhynhart.
(Witness approached witness table.)

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2 MS. RHYNHART: Good morning,
3 Chairman Goode, members of the
4 Appropriations Committee. I'm Rebecca
5 Rhynhart, Budget Director. I appear
6 before you today to offer testimony on
7 Bill No. 150122.

8 Bill No. 150122 provides for a
9 transfer within the General Fund in the
10 amount of 22.4 million and a transfer
11 from the Grants Revenue Fund to the
12 General Fund in the amount of 16.3
13 million.

14 This ordinance is needed to
15 transfer appropriations to various City
16 agencies to accommodate the payroll and
17 fringe benefit costs attributable to the
18 IAFF award and to address other areas
19 where funds are being realigned or
20 shortages have occurred. The areas to be
21 addressed by transfer of appropriations
22 into and within the General Fund by this
23 ordinance are the following:

24 21.1 million to the Fire
25 Department to fully fund the costs

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determined by the latest arbitration
award;

6 million to the Office of the
Director of Finance for indemnity
payments and 325,000 for an internal
realignment to fund additional
insurance-related costs;

3.3 million to DHS for
increased placement services;

2.5 million to the Prisons due
to increased overtime;

2.4 million to the Law
Department for appraisal fees and various
contractual obligations;

700,000 to the Revenue
Department, 400 of which is through
internal realignment between classes, to
fund the Earned Income Tax Credit Program
and also to fund increased postage costs;

600,000 to the FJD for the
Office of Court Compliance;

459,000 to the DA for
contractual obligations and additional
funds for Traffic Court;

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2 340,000 to the Streets

3 Department for a special gas tax fund
4 reimbursement in order to be compliant
5 with state audit findings;

6 300,000 to the Managing
7 Director's Office for an internal
8 realignment between classes for the Youth
9 Violence Reduction Program and for the
10 purchase of CLIP vehicles;

11 217,000 to the Department of
12 Parks and Recreation, an internal
13 realignment between classes to fully fund
14 a work order system and supplies and
15 equipment and for the Tennis summer
16 programming;

17 209,000 to the Department of
18 Public Property for flooding repairs at
19 One Parkway;

20 160,000 to the BRT to fund
21 salary costs due to increased volume of
22 appeals and court operating costs.

23 I respectfully request that you
24 report this bill out of Committee with a
25 favorable recommendation, and I further

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2 request that the rules of Council be
3 suspended so as to permit first reading
4 at the next session of Council.

5 I appreciate the opportunity to
6 testify and I'll be happy to answer any
7 questions you may have. I also have
8 representatives from the departments
9 involved with the transfers here to
10 answer questions as well.

11 COUNCILMAN GOODE: Thank you
12 for your testimony.

13 Are there questions from
14 members of the Committee?

15 Councilman Henon.

16 COUNCILMAN HENON: Good
17 morning.

18 MS. RHYNHART: Good morning,
19 Councilman.

20 COUNCILMAN HENON: I just have
21 a few questions. Maybe you could shed a
22 little light on the -- I think the \$2
23 million in the Law Department when it
24 comes to assessors, the BRT appeals and
25 the court costs. Can you just shed a

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2 little more clarity on that.

3 MS. RHYNHART: Sure, and I
4 might ask the Law Department to come up
5 with me as well. But the appraisal costs
6 are above anticipated due to the
7 continuation of the appeals that are
8 going through BRT. So this is something
9 that the Law Department needed additional
10 funds for this year for that purpose.

11 There's also other contractual
12 obligations. There's things that have
13 increased -- I mean, there is an issue
14 with more than one department where a
15 decade ago we used to give an increase to
16 departments sort of for inflation on an
17 annual basis for contractual obligations
18 and we no longer do that. So sometimes
19 departments do have issues with rising
20 costs on the contractual side.

21 COUNCILMAN HENON: And I
22 understand that, and I'll wait for the
23 budget process to get down to the
24 specifics. I certainly support trying to
25 speed along any of the appeals, no matter

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2 where they're at, whether they're in the
3 court system, whether they're in the
4 appeal process or they still needed to be
5 reviewed.

6 Would you have, going into this
7 budget process, a breakdown on how many
8 nunc pro tunc that are remaining, as well
9 as how many appeals, how long they are,
10 how many is in the court, in specific
11 breakdown? I don't need an answer to
12 that right now. If you could provide
13 that for the budget process that's going
14 to be coming, because I think it's going
15 to be a concern. Well, it's going to be
16 questions that I'm going to be asking.
17 I'm sure a lot of other members will be
18 asking the same. Not to put you on the
19 spot, but it's 2 million above and beyond
20 anticipation of the process.

21 MS. SMITH: Shelley Smith, City
22 Solicitor.

23 I just want to make sure I
24 understand specifically. You want the
25 number -- do you want the number of

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2 appeals generally and then how many of
3 them are nunc pro tunc, just sort of an
4 overall --

5 COUNCILMAN HENON: Just to
6 clarify, split them up on how many
7 appeals are pending, how many were heard,
8 how many are still pending, and where
9 they are through the process as we move
10 forward to FY16.

11 MS. SMITH: Okay.

12 MS. RHYNHART: Sure. We'll be
13 happy to provide that.

14 COUNCILMAN HENON: Thank you.

15 COUNCILMAN GOODE: Councilman
16 Squilla.

17 COUNCILMAN SQUILLA: Thank you,
18 Mr. Chairman.

19 Also beside the money on the
20 appeals, is there any money for
21 additional workers or anything like that
22 for upcoming assessments or is that
23 something that's going to be done in the
24 next budget or was this necessary here?

25 MS. RHYNHART: Upcoming

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2 assessments -- this money, just to be
3 clear, is to get appraisals for the
4 appeal process. So that's what this is.

5 In terms of increased
6 assessments, I know that OPA has been
7 staffing up in terms of continuing to do
8 the valuations.

9 COUNCILMAN SQUILLA: So
10 basically this \$2 million is basically
11 just for getting appraisals?

12 MS. RHYNHART: Well, the 2
13 million is covering various things in the
14 Law Department, one of which is the
15 appraisal costs. There's other items
16 that have come in above budget that need
17 to be handled in the Law Department.

18 COUNCILMAN SQUILLA: Because we
19 also have obviously during the OPA
20 process, right, we went through and
21 reassessed every parcel? So we already
22 have that information. So are -- or we
23 don't? That's why we're doing these new
24 appraisals?

25 MS. SMITH: Yes. This money --

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2 431,000, rounding up, is the amount of
3 money needed to pay for appraiser
4 services for the assessment appeals. So
5 for assessments that have been done and
6 have been challenged, part of our process
7 to defend those and have an objective
8 witness to defend our assessment of the
9 property is to hire an appraiser to do
10 that. So that's what that \$431,000 is
11 for, assessments that have already been
12 done that are now being appealed through
13 the process.

14 COUNCILMAN SQUILLA: Okay. All
15 right. Thank you.

16 COUNCILMAN GOODE: Any other
17 questions from this Committee?

18 (No response.)

19 COUNCILMAN GOODE: Seeing none,
20 we will move from our public hearing into
21 a public meeting to consider Bill No.
22 150122.

23 I note that Councilman Squilla
24 has been appointed to the Committee for
25 today.

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2 The Chair recognizes Councilman
3 Henon for a motion on Bill No. 150122.

4 COUNCILMAN HENON: Thank you,
5 Mr. Chairman. I move a motion for Bill
6 No. 150122 be reported out of Committee
7 with a favorable recommendation, with a
8 rules suspension as to be heard at our
9 next Council session.

10 (Duly seconded.)

11 COUNCILMAN GOODE: All in
12 favor?

13 (Aye.)

14 COUNCILMAN GOODE: Those
15 opposed?

16 (No response.)

17 COUNCILMAN GOODE: Bill No.
18 150122 is reported out of this Committee
19 with a favorable recommendation and
20 suspension of the rules to allow first
21 reading at our next Council session.

22 This concludes our public
23 meeting.

24 Thank you very much.

25 (Committee on Appropriations

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concluded at 10:35 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, and that this is a true and
correct transcript of same.

MICHELE L. MURPHY
RPR-Notary Public

(The foregoing certification of this
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direct control and/or supervision of the
certifying reporter.)

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