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COUNCIL OF THE CITY OF PHILADELPHIA

3

PUBLIC HEARING

4

COMMITTEE ON APPROPRIATIONS

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Room 400, City Hall
Philadelphia, Pennsylvania
Thursday, December 2,
8:57 a.m.

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9 BILL 040872 - An Ordinance authorizing
transfers in appropriations for Fiscal Year
10 2005 within the General Fund from the
Council to the Director of Finance.

11

BILL 040994 - An Ordinance authorizing
12 transfers in appropriations for Fiscal Year
2004 within the General Fund...

13

14 PRESENT:

15 COUNCILWOMAN JOAN KRAJEWSKI, Chair
COUNCILMAN W. WILSON GOODE, JR.
16 COUNCILMAN DARRELL CLARKE
COUNCILMAN FRANK RIZZO
17 COUNCILMAN JUAN RAMOS
COUNCILMAN MICHAEL NUTTER
18 COUNCILWOMAN DONNA REED MILLER
COUNCILMAN JACK KELLY

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I N D E X

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DEBRA KAHN, Secretary of Education...	5

1 12/02/04 - APPROPRIATIONS - BILL 040994

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

5 Will the Clerk please read the title
6 of the bills.

7 THE CLERK: Bill No. 040872, an
8 ordinance authorizing transfers in
9 appropriations for Fiscal Year 2005 within the
10 General Fund from the Council to the Director
11 of Finance.

12 Bill No. 040994, an ordinance
13 authorizing transfers in appropriations for
14 Fiscal Year 2004 within the General Fund from
15 certain or all City offices, departments,
16 boards and commissions to certain or all City
17 offices, departments, boards and commissions.

18 COUNCILWOMAN KRAJEWSKI: Thank you.

19 Is someone from the Administration
20 here to testify?

21 Good morning.

22 MS. REED: Good morning. Dianne
23 Reed, Budget Director. I'm die and read. I'm
24 here to testify on Bill 040994. This is the
25 year-end transfer ordinance for Fiscal '04.

1 12/02/04 - APPROPRIATIONS - BILL 040994

2 And what the ordinance is doing I go to have
3 transfers 11.7 million from Debt Services from
4 various purposes in Operating and other
5 departments including overages from such
6 things as from storms both winter and summer
7 last year. The increase in population at the
8 prisons which resulted in higher overtime
9 costs and larger than expected claims expenses
10 from lawsuits. So we are hoping that the
11 Committee will suspend the Rules and put this
12 on First Reading today.

13 I have with me department heads who
14 have supporting testimony should you have
15 questions.

16 COUNCILWOMAN KRAJEWSKI: Thank you.
17 This is just year-end transfers.

18 Any other questions from members of
19 the Committee?

20 (No response.)

21 COUNCILWOMAN KRAJEWSKI: Thank you.
22 Anyone else here to testify?

23 Now Bill 040872.

24 Before we begin, again, I'd like to
25 recognize Councilman Nutter is here,

1 12/02/04 - APPROPRIATIONS - BILL 040872

2 Councilman Clarke, Councilman Ramos,
3 Councilman Goode, and Councilman Rizzo.

4 MS. KAHN: My name is Debra Kahn.
5 I'm the Secretary of Education for the City.
6 I am here to testify in favor of Bill 040872.
7 Let me start by saying good morning to the
8 Chair, Councilwoman Krajewski, and all the
9 Members of the Committee. The testimony will
10 be read into the record and I am asking also
11 for a suspension of the Rules so that we can
12 expedite the process of adoption of this bill.

13 For the record, let me say what this
14 bill would do is transfer the funds that 4
15 million that have been appropriated for the
16 College Research For Opportunities Program to
17 the Finance Department so that we can expedite
18 payments of the scholarships for the children
19 and colleges who are participated in the
20 program.

21 COUNCILWOMAN KRAJEWSKI: Thank you.
22 Are there any questions from members of the
23 Committee?

24 The Chair recognizes Councilman
25 Ramos.

1 12/02/04 - APPROPRIATIONS - BILL 040872

2 COUNCILMAN RAMOS: Thank you, Madam
3 Secretary. Are you aware of any money awarded
4 to any of the colleges that are now
5 participating with our young people? Have
6 they gotten anyone gotten any of the money
7 yet?

8 MS. KAHN: None of the funds have
9 been paid out yet. Students were notified
10 their applications were approved. None of the
11 funds have been paid.

12 COUNCILMAN RAMOS: So it's very
13 important we get this done soon. This is a
14 fantastic program. We need to expedite this
15 so state colleges that can use the money to be
16 able to provide the education that our young
17 people, particularly our inner City kids, need
18 at this time.

19 MS. KAHN: That's absolutely
20 correct. The participating final exams are
21 around the corner. We need to be clear for
22 their financial records so they can enroll
23 again for the spring term.

24 COUNCILMAN RAMOS: Thank you.

25 COUNCILWOMAN KRAJEWSKI: Councilman

1 12/02/04 - APPROPRIATIONS - BILL 040872

2 Nutter.

3 COUNCILMAN NUTTER: Thank you, Madam
4 Chair.

5 Good morning, Madam Secretary. A
6 couple questions. I know there have been a
7 number of documents floating around. I may
8 not be up to date on them as possible, but I'm
9 looking at a letter dated November 30, 2004,
10 from Mr. Zies to the Chair of the Committee.
11 Maybe there's been another letter or maybe a
12 breakdown where it talks about the number of
13 public school graduates and a listing of the
14 money. It looks like we're at 2699.

15 MS. KAHN: Correct.

16 COUNCILMAN NUTTER: 2, expended so
17 far.

18 MS. KAHN: Correct.

19 COUNCILMAN NUTTER: Is that for the
20 entire school year?

21 MS. KAHN: Yes.

22 COUNCILMAN NUTTER: So for both
23 semesters?

24 MS. KAHN: At this point, the City's
25 commitment or obligation for both semesters.

1 12/02/04 - APPROPRIATIONS - BILL 040872

2 However, I should also point out that amount
3 is likely to grow because there were about 200
4 applicants who deferred their enrollment to
5 the spring.

6 COUNCILMAN NUTTER: Is there a
7 process that the students have to go through
8 on a semester basis in order for us to
9 determine in fact that they are still eligible
10 for the scholarship?

11 MS. KAHN: Yes. We would have to
12 verify again for the spring semester their
13 enrollment status.

14 COUNCILMAN NUTTER: When will you do
15 that?

16 MS. KAHN: As soon as January.

17 COUNCILMAN NUTTER: Okay. When this
18 great program was announced and then there was
19 fairly significant amount of subsequent
20 discussion when this conversation first
21 started, the program was only for public
22 school students; is that correct?

23 MS. KAHN: That's correct. And at
24 City Council's urging we did expand
25 eligibility for that program to include

1 12/02/04 - APPROPRIATIONS - BILL 040872

2 graduates of parochial and private schools.

3 COUNCILMAN NUTTER: Your concern at
4 the time was you would not have funding for
5 non-public school students?

6 MS. KAHN: We had indicated we
7 thought we had funding for the current year
8 but that in subsequent years it was possible
9 that the City's obligation or commitment of \$4
10 million might not be sufficient.

11 COUNCILMAN NUTTER: And this report
12 indicates we're well within that range even
13 including parochial school graduates and other
14 private school graduates?

15 MS. KAHN: For this initial year,
16 that's correct.

17 COUNCILMAN NUTTER: So out of that
18 discussion and debate, notwithstanding what
19 the concern was, the subsequent action by a
20 variety of people the many members of City
21 Council and others resulting in expansion of
22 the program did allow us to cover a number of
23 students who initially would not have been
24 covered; is that correct?

25 MS. KAHN: That is correct.

1 12/02/04 - APPROPRIATIONS - BILL 040872

2 COUNCILMAN NUTTER: The attached
3 list shows the name of the school, the number
4 of students, and what college that number of
5 students are attending.

6 What I would be interested in, if
7 you could provide to the Chair, is a ZIP Code
8 analysis of all the participating students.
9 Could you do that?

10 MS. KAHN: Yes.

11 COUNCILMAN NUTTER: And you could
12 forward that to the Chair?

13 MS. KAHN: Yes, we will.

14 COUNCILMAN NUTTER: The total is \$4
15 million. The anticipated students is 2699 at
16 the moment and there are another 200 students
17 deferred until January?

18 MS. KAHN: Correct.

19 COUNCILMAN NUTTER: What do you
20 suspect that amount to be?

21 MS. KAHN: We would be verify their
22 enrollment could be upwards of over \$300,000.

23 COUNCILMAN NUTTER: So that takes
24 you about \$34 million?

25 MS. KAHN: Correct. That's our

1 12/02/04 - APPROPRIATIONS - BILL 040872

2 estimate.

3 COUNCILMAN NUTTER: What happens to
4 the other million dollars.

5 MS. KAHN: We have committed and in
6 two letters, one dated November 17th and one
7 yesterday, what the Administration would do
8 with any left over funds would be to hold it
9 in reserve for scholarships for future years
10 through the Corps Philly Program.

11 COUNCILMAN NUTTER: Carry over into
12 a subsequent year and be added on to a new \$4
13 million, is that what you're saying.

14 MS. KAHN: That would be the idea,
15 yes.

16 COUNCILMAN NUTTER: So if you spend
17 the 300,000 to cover the deferred students
18 this year and basically \$3 million, your
19 expectation at the moment is that next year
20 there will be \$5 million available from the
21 City?

22 MS. KAHN: That would depend on the
23 outcome of the budget still yet to be
24 submitted. In the Administration's \$4 million
25 is included for each of the following next

1 12/02/04 - APPROPRIATIONS - BILL 040872

2 fiscal years.

3 COUNCILMAN NUTTER: Are you saying
4 budgetary concerns the '04 budget?

5 MS. KAHN: The budget has not been
6 introduced, let alone adopted, but it is in
7 the Five-Year Plan.

8 COUNCILMAN NUTTER: Do you plan to
9 provide any regular updates either to the
10 Chair or to the Council President about the
11 remaining dollars as a part of -- I know there
12 have been recent letters. I don't think I had
13 a chance to see yesterday's version. But is
14 there any process or procedure anticipated
15 that there would be a regular updating of the
16 status of those funds?

17 MS. KAHN: Absolutely. We will
18 provide complete reports at whatever intervals
19 Council will request.

20 COUNCILMAN NUTTER: Are the funds
21 being kept in a segregated account or is it
22 just in the General Fund?

23 MS. KAHN: Well, right now the funds
24 are in the budget, in City Council budget.
25 What we would be doing, and I think we

1 12/02/04 - APPROPRIATIONS - BILL 040872
2 testified to this previously, we had engaged
3 the local non-profit, the Philadelphia
4 Education Fund to administer the program
5 because of their experience in administering
6 scholarship programs. What we would be doing
7 is contracting with them to transfer to send
8 the City dollars that are owed following a
9 invoice and they would then issuing the checks
10 to the respective colleges.

11 COUNCILMAN NUTTER: Last question.
12 It looks like we've got on the list here this
13 attachment. This 431 number of non-public
14 school scholarship award. I guess that's the
15 372 and the 59?

16 MS. KAHN: Correct.

17 COUNCILMAN NUTTER: How many public
18 school students.

19 MS. KAHN: 1,430 graduated from
20 district schools and 116 from charter schools.

21 COUNCILMAN NUTTER: Last question.
22 How many students applied?

23 MS. KAHN: I think we processed
24 roughly 300 applications. A number of those
25 were submitted -- I'm sorry 3,000. And what

1 12/02/04 - APPROPRIATIONS - BILL 040872

2 we found in the course of going through those
3 applications is many numbers of students
4 either didn't complete the process or actually
5 indicated they were attending other colleges.

6 COUNCILMAN NUTTER: Were any
7 students turned down?

8 MS. KAHN: If they did not complete
9 the application process by submitting whatever
10 required documentation then they simply could
11 not be awarded.

12 COUNCILMAN NUTTER: I understand.
13 Did any submit all of the documents needed and
14 for whatever reason not approved?

15 MS. KAHN: As long as they met the
16 eligible criteria, that couldn't happen.

17 COUNCILMAN NUTTER: If you provide
18 that to the Chair, I'd appreciate it.

19 Thank you, Madam Chair.

20 COUNCILWOMAN KRAJEWSKI: Any other
21 questions members of the Committee?

22 (No response.)

23 COUNCILWOMAN KRAJEWSKI: Before I
24 continue I not Councilman Kelly and
25 Councilwoman Miller are here.

1 12/02/04 - APPROPRIATIONS - BILL 040872

2 Therefore, that ends our public
3 hearing.

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COUNCIL OF THE CITY OF PHILADELPHIA

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PUBLIC MEETING

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COMMITTEE ON APPROPRIATIONS

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Thursday, December 2, 2004

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Public meeting conducted by the
Committee on Appropriations, held in Room 400,
City Hall, Philadelphia, Pennsylvania, on the
above date, to consider action on the
following:

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BILLS 040872, 040994.

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PRESENT:

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COUNCILWOMAN JOAN KRAJEWSKI, Chair

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COUNCILMAN W. WILSON GOODE, JR.

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COUNCILMAN DARRELL CLARKE

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COUNCILMAN FRANK RIZZO

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COUNCILMAN JUAN RAMOS

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COUNCILMAN MICHAEL NUTTER

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COUNCILWOMAN DONNA REED MILLER

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COUNCILMAN JACK KELLY

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1 12/02/04 - APPROPRIATIONS - PUBLIC MEETING

2 COUNCILWOMAN KRAJEWSKI: We will go
3 into our public meeting.

4 The Chair recognizes Councilman
5 Nutter on Bill 040994.

6 COUNCILMAN NUTTER: Thank you, Madam
7 Chair. Madam Chair, I move that bill 040994
8 be reported out of this Committee with a
9 favorable recommendation and a further
10 recommendation that the Rules of Council be
11 suspended to permit first reading at our next
12 session.

13 (Duly seconded.)

14 COUNCILWOMAN KRAJEWSKI: All those
15 in favor?

16 (Aye.)

17 COUNCILWOMAN KRAJEWSKI: Opposed?

18 (No response.)

19 COUNCILWOMAN KRAJEWSKI: Bill 040994
20 reported out of this Committee with favorable
21 recommendation with a suspension of the Rules
22 so as to permit first reading at the next
23 Session of Council.

24 The Chair recognize Councilman Ramos
25 for Bill No. 040872.

1 12/02/04 - APPROPRIATIONS - PUBLIC MEETING

2 COUNCILMAN RAMOS: Thank you, Madam
3 Chair. I move Bill No. 040872 reported out of
4 Committee with a favorable recommendation and
5 move that the Rules of Council be suspended so
6 as to permit first reading of Bill 040872 at
7 Council's next scheduled session.

8 (Duly seconded.)

9 COUNCILWOMAN KRAJEWSKI: All those
10 in favor?

11 (Aye.)

12 COUNCILWOMAN KRAJEWSKI: Opposed?

13 (No response.)

14 COUNCILWOMAN KRAJEWSKI: Bill 040872
15 reported out of this Committee with favorable
16 recommendation with a suspension of the Rules
17 so as to permit first reading at the next
18 Session of Council.

19 Thank you all very much. That ends
20 our public hearing on Appropriations. Thank
21 you.

22 (Council adjourned at 9:12 a.m.)

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C E R T I F I C A T I O N .

I HEREBY CERTIFY that the foregoing
proceedings of the Council of the City of
Philadelphia of Thursday, December 2, 2004,
were reported fully and accurately by me, and
that this is a correct transcript of the same.

RE: COMMITTEE ON APPROPRIATIONS

Lisa C. Bradley, RPR