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## COUNCIL OF THE CITY OF PHILADELPHIA

3

## PUBLIC HEARING

4

## COMMITTEE OF THE WHOLE

5

## FY '03 OPERATING BUDGET

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Room 401, City Hall  
Philadelphia, Pennsylvania  
March 11, 2002  
10:00 a.m.

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10 BILL 020001 - An Ordinance adopting the Operating  
11 Budget for Fiscal Year 2003.

12 PRESENT:

13 COUNCIL PRESIDENT ANNA C. VERNA

14 COUNCILWOMAN JANNIE BLACKWELL  
15 COUNCILWOMAN BLONDELL REYNOLDS BROWN  
16 COUNCILMAN DARRELL L. CLARKE  
17 COUNCILMAN DAVID COHEN  
18 COUNCILMAN FRANK J. DI CICCIO  
19 COUNCILMAN WILSON W. GOODE, JR.  
20 COUNCILMAN JAMES F. KENNEY  
21 COUNCILWOMAN JOAN L. KRAJEWSKI  
22 COUNCILMAN W. THACHER LONGSTRETH  
23 COUNCILMAN RICHARD T. MARIANO  
24 COUNCILWOMAN DONNA REED MILLER  
25 COUNCILMAN MICHAEL A. NUTTER  
COUNCILMAN BRIAN J. O'NEILL  
COUNCILMAN ANGEL L. ORTIZ  
COUNCILMAN FRANK RIZZO  
COUNCILWOMAN MARIAN B. TASCO

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|----|------------------------------------------------|------|
| 1  |                                                | 1889 |
| 2  | BILL 020001                                    | PAGE |
|    | FIRST JUDICIAL DISTRICT                        |      |
| 3  | JOSEPH DIPRIMIO, Court Administrator .....     | 1890 |
|    | KEVIN CROSS, Deputy Court Administrator .....  | 1890 |
| 4  | FREDERICA MASSIAH-JACKSON, President Judge ... | 1897 |
|    | SHERIFF'S OFFICE                               |      |
| 5  | JOHN GREEN, Sheriff .....                      | 1945 |
|    | CLERK OF QUARTER SESSIONS                      |      |
| 6  | VIVIAN T. MILLER, Clerk of Quarter Sessions .. | 1957 |
|    | JUDGE MASSIAH-JACKSON, President Judge .....   | 1990 |
| 7  | REGISTER OF WILLS                              |      |
|    | RONALD DONATUCCI, Register of Wills .....      | 1960 |
| 8  | CITY COMMISSIONERS OFFICE                      |      |
|    | MARGARET M. TARTAGLIONE, Chairwoman .....      | 1970 |
| 9  | BOB LEE .....                                  | 1975 |
|    | CITY CONTROLLER                                |      |
| 10 | TONY RADWANSKI, Deputy City Controller .....   | 1992 |
|    | BOARD OF REVISION OF TAXES                     |      |
| 11 | DAVID GLANCEY, Chairman .....                  | 2008 |
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1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           COUNCIL PRESIDENT Verna: Good morning,  
3 everyone. This is a continued public hearing of the  
4 Committee of the Whole regarding Bill No. 020001.

5           Mr. McPherson, who is the first to  
6 testify?

7           MR. MCPHERSON: First Judicial District.

8           COUNCIL PRESIDENT Verna: Good morning.

9           MR. DIPRIMIO: May it please Council,  
10 good morning. My name is Joseph DiPrimio. I'm the  
11 Court Administrator for the First Judicial District  
12 of Pennsylvania. With me today is President Judge  
13 Frederica A. Massiah-Jackson who's been elected by  
14 her peers and who also serves by appointment of the  
15 Supreme Court as the Chair of the Administrative  
16 Governing Board. That is the agency or board, if  
17 you will, that determines policy for the First  
18 Judicial District. Seated to my left is Kevin  
19 Cross. Mr. Cross is the Budget and Finance Deputy  
20 Court Administrator for the District. With the  
21 leave of Council, Mr. Cross will present the  
22 testimony and supporting documents on behalf of our  
23 budgetary request for Fiscal '03.

24           MR. CROSS: Good morning. I'm Kevin  
25 Cross, Deputy Court Administrator for Financial

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       Services for the First Judicial District.

3           The First Judicial District submitted a  
4       budget request of \$114 million. The City's proposed  
5       funding level was about \$110 million or a difference  
6       of \$4 million. That difference is the result of two  
7       1.5 percent Class 100 reductions totaling \$2.5  
8       million and additional monies sought by the First  
9       Judicial District for counsel fees. In the City's  
10      budget request was an additional \$1.5 million for  
11      counsel fees.

12           The First Judicial District will make  
13      every effort to increase its counsel fees to meet  
14      that additional appropriation. It is the \$2.5  
15      million reduction in Class 100 that puts the First  
16      Judicial District in a very negative situation.  
17      That, coupled with increase in First Judicial  
18      District positions for judicial staff and increase  
19      in a transfer of grant funded positions to the  
20      General Fund, is going to cost the First Judicial  
21      District about \$2 million a year. So when we take a  
22      1 percent reduction and then increase our position  
23      levels, we are very negatively impacted.

24           Our position levels currently are low,  
25      and at the end of the last fiscal year, we're

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       probably the lowest in 10 years, maybe even 20  
3       years. We need that flexibility within our budget  
4       so when we have judicial vacancies we can fill those  
5       vacancies when new judges come on. And from July  
6       through November, we had 11 new judges come on the  
7       bench, and that resulted in about 30 additional  
8       positions being brought onto the First Judicial  
9       District.

10               We noted that other City agencies have  
11       also received -- criminal justice partners have  
12       received increases in their budgets as a result of  
13       increases in crime and filings. Those agencies may  
14       be the District Attorney's Office, the prisons, the  
15       police and the Defenders Association. While they're  
16       receiving increases, the First Judicial District is  
17       receiving a net decrease and our case loads are up  
18       also. Our case loads are up 46 percent in Municipal  
19       Court in criminal filings. Our dependency filings  
20       in Family Court are up 31 percent. In Traffic  
21       Court, our disposition rates are up 83 percent, and  
22       the criminal trial divisions are 10 percent and  
23       civil filings, while they remain flat, the inventory  
24       has been reduced so we're reducing the time that our  
25       cases take to a come to trial.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           The First Judicial District has also  
3   expanded its court operations and provide more  
4   specialized court functions. We now have a Commerce  
5   Court and a Community Court. We have a Complex  
6   Litigation Center. We provide Treatment Court and  
7   Drug Court. We have an Eagles Court. We have a  
8   Drag Racing Court, a Vehicle Overweight Court, and a  
9   Boot and Tow Court. So our services have become  
10  more specifically defined as the needs of the people  
11  who bring things to the court have changed. So  
12  we're providing more services as needed.

13           Also, the First Judicial District is  
14  generating much more revenue in the past four years  
15  than it has. Our prothonotary revenue is up about  
16  15 percent since 1996, gone from about 13 million to  
17  15 million. In Traffic Court revenue is up 71  
18  percent from 3.6 million to 6.3 million, and that  
19  doesn't include the impact of the new Live Stop  
20  Program which will start in July or June.

21           The First Judicial District anticipates  
22  turning over about \$600,000 from a State grant for  
23  the senior judge reimbursement. Then there's also  
24  increases in reimbursements from DPW and DHS for  
25  Family Court cases under Title 4A and Act 148. So

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2     the First Judicial District has done everything it  
3     can to increase revenue throughout as a  
4     reimbursement back for its costs.

5           The First Judicial District has been  
6     fortunate to have the Court Improvement Account but  
7     has used that account in a way to facilitate  
8     renovations, increase courtroom technology, and  
9     provide automation and training enhancements. We're  
10    currently working on a jury assembly room which will  
11    reduce foot traffic in the CJC and reduce juror  
12    stress from sending them from one building to  
13    another. It will allow all our civil cases -- the  
14    jurors will be used for our civil cases in City  
15    Hall.

16           In terms of courtroom technology, we're  
17    looking to provide multimedia evidence presentation.  
18    Over the weekend I saw something on TV about a case  
19    in Atlanta, and you look on the defendant's desk and  
20    the attorney's desk and the DA's desk, and they both  
21    have computer monitors on the tables. That's the  
22    kind of technology that courtroom activities need  
23    these days. We need to be able to provide evidence  
24    presentation to jurors, to the judge, and that's the  
25    kind of technology that the attorneys who bring



1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           much, Mr. Cross.

3                       Did the Administration indicate to you  
4           why they were altering the zero growth budget  
5           agreement and reducing your Class 100 requirements  
6           by 1.5?

7                       Further, is it your position that in  
8           order to restore the zero growth agreement, you need  
9           an additional \$2.5 million in Class 100?

10                      MR. CROSS: That's correct. This goes  
11           back to the current fiscal year that we're in. The  
12           Administration asked us to take a 1.5 percent  
13           reduction. We obliged on a one-year basis, and even  
14           in our budget cover letter submission we said that  
15           this should be a one-year reduction because we knew  
16           that we were going to have the reductions, the loss  
17           of grant funds for 35 employees, and we also knew  
18           that we were going to have increases in judicial  
19           staff and this money was going to be needed. So we  
20           wanted a one-year, one-time reduction, and we did  
21           not want this to be extended into Fiscal Year '03.

22                      COUNCIL PRESIDENT VERNA: I see that the  
23           Administration has recommended an additional \$1.5  
24           million for attorney fees. Well, this is short of  
25           the amount of \$3 million. Will you able to phase in

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       the fees increases with this amount?

3                   I recall last year this was a very  
4       sticky point. And actually, if my memory serves me  
5       correctly, you did not get anything at all for the  
6       attorney fees.

7                   JUDGE MASSIAH-JACKSON: That's correct,  
8       Madam President. I'd like to respond to your  
9       question, if I may.

10                  COUNCIL PRESIDENT VERNA: Please.

11                  JUDGE MASSIAH-JACKSON: Because as you  
12       know, last year we were joined at this table by Carl  
13       Primavera, the Then Chancellor of the Bar  
14       Association, and by representatives of the Family  
15       Division, their special committee, as well as their  
16       Criminal Justice Committee. And the Bar Association  
17       joined with First Judicial District last year at  
18       this time requesting the \$3 million additional for  
19       counsel fees. And while we're certainly  
20       appreciative of the Administration's adding 1.5  
21       million and after a great campaign by the FJD, if  
22       you will, we must have adequate funding which is  
23       reasonably necessary for the operation of the court.  
24       And we need the full \$3 million.

25                  The dependent children in Family Court

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       are those children and families who are abused,  
3       neglected, abandoned, truant or ungovernable. And  
4       we find that in Family Court, the counsel fees are a  
5       statutory right. In the Criminal Courts, counsel  
6       fees are a Constitutional right. And in order for  
7       us to fulfill our obligations by statute and  
8       pursuant to the Constitution, we believe that we  
9       must have that \$3 million.

10               Certainly, with the 1.5 million over and  
11       above the 7.6, we can commence a phase-in. But the  
12       advocacy groups that represent the children in the  
13       Family Court as well as the Bar Association itself  
14       recognize that the phase-in is still too little, and  
15       we are actively seeking the full 3 million.

16               Dependency Court has 11,000 open cases  
17       with 2400 new cases each year. A substantial  
18       percentage of those cases remain open longer than  
19       two years.

20               As we sit here today, the First Judicial  
21       District pays attorneys only for two years. They  
22       need to be paid for a longer period of time and at a  
23       higher rate. The advocacy groups have recommended  
24       an hourly rate for those attorneys. And we're not  
25       opposed to that, however, we will not be able to

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       fulfill that request at the \$1.5 million level  
3       that's been proposed by the Administration.

4           The Criminal Justice Section has already  
5       discussed with me the outlines of a plan for what we  
6       call the second chair in capital homicide cases. As  
7       you know, Philadelphia has a tremendously high rate  
8       of defendants where the death penalty is in fact  
9       imposed, a higher rate than any other part of the  
10      State. And we believe that we can work with the  
11      Criminal Justice Section to develop that second  
12      chair which is a second attorney to help with the  
13      sentencing aspect.

14           COUNCIL PRESIDENT VERNA: Can you tell  
15      me how many of your employees will be eligible for  
16      the DROP Program?

17           MR. CROSS: We have that information,  
18      but I don't have it with me. We will provide it for  
19      you at our earliest convenience.

20           MR. DIPRIMIO: It's approximately 20 the  
21      first year, Madam President.

22           COUNCIL PRESIDENT VERNA: And that would  
23      be October of '03?

24           MR. DIPRIMIO: That would be during the  
25      course of Fiscal Year '03, that is correct.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           COUNCIL PRESIDENT VERNA: Mr. Cross, you  
3 mentioned in your testimony about the Drag Racing  
4 Court and Traffic Court. How frequently do we have  
5 the Drag Racing Court?

6           MR. CROSS: I think what happens is when  
7 a number of cases are assigned to that courtroom,  
8 then the judge holds that particular court. So they  
9 will go out and ticket on a weekend or something  
10 like that and then assign them to the courtroom on a  
11 specific day. So it doesn't appear on a regular  
12 basis, but periodically. Maybe once a month.

13          COUNCIL PRESIDENT VERNA: I know that  
14 last year I think they -- I know we have a terrible,  
15 terrible problem with drag racing in the Eastwick  
16 Section around 60th and 63rd Street, and it was my  
17 understanding that the police would actually take  
18 the violators into the 12th District, give them a  
19 ticket with a date specific for the trial.

20          MR. CROSS: That is correct.

21          COUNCIL PRESIDENT VERNA: Now, they  
22 would go to Traffic Court, would they not?

23          MR. DIPRIMIO: Yes, they would.

24          COUNCIL PRESIDENT VERNA: Your office  
25 doesn't have anything to do with Traffic Court?

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2                   MR. DIPRIMIO: Traffic Court is part of  
3 the First Judicial District. Our Administrative  
4 Judge Fred Perry worked in cooperation with the  
5 Police Department in establishing the Drag Racing  
6 Court. As a matter of fact, other states around the  
7 country have solicited input from Judge Perry,  
8 including as far away as Hawaii. They're looking at  
9 the Drag Racing Court as a model program. Madam  
10 President, illustrated is one the reasons why it's  
11 so efficient, is that at the time of the arrest, the  
12 accused drag racer is actually given a subpoena for  
13 court appearance. And that level of personal  
14 service enables the court to assure that the  
15 defendant will appear. And if the defendant fails  
16 to appear under the statute, the judge is allowed to  
17 enter a default order and collect the fine against  
18 the defendant which would include suspension of the  
19 license. So that program has worked very, very  
20 well.

21                   COUNCIL PRESIDENT VERA: I see that  
22 other Members would like to ask, I'm sure, several  
23 questions. I see that our Budget Director is here  
24 and, your Honor, I would like to ask you and your  
25 people to meet with Mr. Dubow and get back to us

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       before we adopt our budget. I'm truly concerned  
3       about your Class 100 requirements and the  
4       Administration's position on the continuance of the  
5       zero growth budget.

6           Mr. Dubow, would you please get together  
7       with the judge and her people regarding this issue?

8           MR. DUBOW: Yes. We've already said  
9       we'll do that.

10          COUNCIL PRESIDENT VERNA: Thank you.

11          The Chair recognizes Councilman Ortiz.

12          COUNCILMAN ORTIZ: Thank you, Madam  
13       President.

14          Good morning. I'm interested more --  
15       and I'll begin with the Trial Division. How many  
16       judges are currently in the Criminal Trial Division  
17       of Common Pleas?

18          JUDGE MASSIAH-JACKSON: Councilman, I  
19       don't know the exact number, but it's approximately  
20       50 judges total on criminal and civil. The Trial  
21       Division is both criminal and civil. It might be a  
22       few more than that because Family Court, about 25 or  
23       26 judges. Orphans Court is three judges. So we  
24       have about 60 maybe.

25          COUNCILMAN ORTIZ: It says in your

1 3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2 testimony that that the cases in Municipal Court  
3 alone has an increase in new criminal case filing  
4 from '96 through 2001 in excess of 49 percent.

5 JUDGE MASSIAH-JACKSON: What page are  
6 you on?

7 COUNCILMAN ORTIZ: Page 3. Do you have  
8 the disposition rate of these cases in Municipal  
9 Court, the percentage of those that have gone on to  
10 trial in Common Pleas?

11 MR. CROSS: While our cases have gone  
12 up, our adjudications have gone up also. So we've  
13 actually been able to keep our inventory relatively  
14 flat. Our ending inventory is slightly higher  
15 because of the number of increases in new cases  
16 received. Our new cases received has gone up from  
17 about 14,600 to over 16,000. And our adjudications  
18 have gone up from 15,300 to 17,400.

19 COUNCILMAN ORTIZ: When you say  
20 adjudication, can you explain that in terms of how  
21 many have been dismissed and how many have been  
22 settled in Municipal Court and how many have gone on  
23 to trial in the Common Pleas Division.

24 JUDGE MASSIAH-JACKSON: We may not have  
25 those exact figures here, but we have those on a

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       computer printout because an adjudication includes  
3       guilties, not guilties, pleas, dismissals because  
4       one side or the other has failed to appear. It can  
5       include a variety of --

6                   COUNCILMAN ORTIZ: Well, I would like to  
7       see, because we hear constantly from community  
8       groups and everywhere else, and I'm sure you've  
9       heard this, we have a revolving judicial door. And  
10      usually it isn't the District Attorney or the lack  
11      of prosecutorial skill that comes into question,  
12      because you don't attend drug marches and drug  
13      vigils and so on. So it is the judge's  
14      decision-making ability that really comes into play.  
15      And it is bad judges, it is soft judges, it is  
16      judges easy on criminals and pro-criminal judges.  
17      And according to some individuals in the political  
18      process, as we know, Philadelphia bounds with judges  
19      who are soft on criminals. So I'd like to get a  
20      clear perspective really of the Municipal Court  
21      criminal case load as it comes in, the adjudication  
22      of that, how many are pled at the Municipal Court  
23      level, how many are totally found guilty at the  
24      municipal level, and then what sentencing if any  
25      occurs, and what percentage are dismissed, and what

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2     percent really goes on to trial at Common Pleas.  
3     And if you have any numbers or any opinion about  
4     that and whether we have dismissed more because  
5     we're making corner drug arrests -- and those really  
6     are not arrested are for jail time, many of them,  
7     because then we would have jails that are  
8     overflowing, which we do. So I'd like to hear from  
9     you, one, let's begin with the municipal level stage  
10    as to the criminal and how many are drug related and  
11    aggravated assault type situation.

12                 JUDGE MASSIAH-JACKSON: We can certainly  
13    get that information for you, Councilman. As you  
14    know, at the Municipal Court level, that court tries  
15    only misdemeanor cases.

16                 COUNCILMAN ORTIZ: Excuse me? I didn't  
17    hear that.

18                 JUDGE MASSIAH-JACKSON: Municipal Court  
19    has full trials only on misdemeanor cases. But the  
20    cases that are held for court to Common Pleas Court  
21    or to a higher level, and we certainly track the  
22    flow of MC cases that go into Common Pleas and we  
23    can get that information.

24                 COUNCILMAN ORTIZ: I would like to see  
25    how that tracking breaks out and how many have been

1 3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2 pled, how many have been totally dismissed out of  
3 the total that are brought.

4 And in terms of your Common Pleas case  
5 load, you said you had -- what do you mean when you  
6 say you had an inventory reduction of 8 percent on  
7 Page 11?

8 MR. CROSS: That would mean that we are  
9 disposing more cases than we're bringing in and that  
10 our total inventory is being reduced by that amount.

11 COUNCILMAN ORTIZ: And you're doing that  
12 despite a claim here, despite a 10 percent increase  
13 in new filings?

14 MR. CROSS: Yes.

15 MR. DIPRIMIO: Councilman, the new  
16 filings, the triage of the case processing is what's  
17 resulting in the reduction of the cases.

18 COUNCILMAN ORTIZ: Explain that, please.

19 MR. DIPRIMIO: From the time of arrest,  
20 a defendant is given a photo ID number by the Police  
21 Department. That becomes that defendant's DNA, if  
22 you will. The case then moves through the system at  
23 the district level, then at police level, at the  
24 Municipal Court level where a number of charges are  
25 preliminarily heard. Some of those charges, as you

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       referenced, are dismissed. I can tell you -- and I  
3       don't have the statistics here. We will provide  
4       them to you and Council. But the largest reason for  
5       the dismissals are for failure to make a prima facie  
6       case. And the second largest reason is dismissal  
7       for lack of prosecution or for lack of appearance of  
8       a Commonwealth witness. Our information is that  
9       there's at least three preliminary hearings occur to  
10      give the Commonwealth the chance to bring in the  
11      witness or the victim before the case is dismissed.  
12      Even after a dismissal, the Commonwealth can  
13      re-arrest if necessary. That is a very frustrating  
14      problem to the court as well. I know it's something  
15      that the media has been making a hay about it.

16                   But as these cases go through Municipal  
17      Court and they are reduced or pled out or  
18      adjudicated, then if a case is held for court, that  
19      means that the case is ready for a trial to Trial  
20      Division level, then the case is assigned a Common  
21      Pleas Court number, and it goes through the next  
22      level, if you will, of adjudication.

23                   COUNCILMAN ORTIZ: You state in the same  
24      page that the judges, the assigned judges  
25      adjudicated in excess of 17,000 felony grade cases.

1 3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2 That is for the Year 2001?

3 JUDGE MASSIAH-JACKSON: Yes, Calendar  
4 Year 2001.

5 COUNCILMAN ORTIZ: Again, I'd like to  
6 see a breakdown of those cases that were  
7 adjudicated.

8 MR. DIPRIMIO: At what level of detail,  
9 Councilman?

10 COUNCILMAN ORTIZ: I'd like to see how  
11 many were pleaded out, how many were found guilty.

12 MR. DIPRIMIO: Same report from Trial  
13 Division as Common Pleas as you want from Municipal  
14 Court?

15 COUNCILMAN ORTIZ: Right. Drugs,  
16 aggravated assault.

17 How many of these 17,000 constituted  
18 jail time?

19 And in terms of drugs, whether the  
20 individuals were found guilty and received jail time  
21 or found guilty and were put out on probation or  
22 given whatever it is, time.

23 JUDGE MASSIAH-JACKSON: Sure. And,  
24 Councilman, you're aware, of course, that many of  
25 the drug cases involve mandatory sentencing?

1 3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2 COUNCILMAN ORTIZ: I understand that.

3 JUDGE MASSIAH-JACKSON: We have all of  
4 that information.

5 COUNCILMAN ORTIZ: That's much better  
6 than before. Let me tell you something, we've been  
7 trying to get that type of information for a long  
8 time.

9 JUDGE MASSIAH-JACKSON: Well, we have an  
10 excellent court administrator who keeps us on top of  
11 all of that detail.

12 COUNCILMAN ORTIZ: Well, the DA kept  
13 saying that they don't have computers so that they  
14 cannot give us that type of breakdown. And I just  
15 want to see if your breakdown conforms to theirs if  
16 they have it.

17 JUDGE MASSIAH-JACKSON: We have it.

18 COUNCILMAN ORTIZ: If they have it,  
19 because they will refer us back to you probably to  
20 see. They seem to have very bad problems keeping  
21 records.

22 And if there are mandatory sentencing,  
23 Madam President, I'd like to see that annotated  
24 somehow.

25 JUDGE MASSIAH-JACKSON: I'm not sure if

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       we can identify the ones that have mandatory, but we  
3       can certainly tell you what the sentence was for  
4       every disposition of every case in Year 2001. I can  
5       do that.

6                   COUNCILMAN ORTIZ: I appreciate that.

7                   On Page 12, what's a "bring down"?

8       "... a decrease in the daily number of cancelled  
9       inmate trial 'bring downs'..."

10                  JUDGE MASSIAH-JACKSON: When the  
11       sheriffs bring the defendants to CJC.

12                  COUNCILMAN ORTIZ: And give me a sense  
13       of what was the experience before. It says, "As a  
14       result --"

15                  JUDGE MASSIAH-JACKSON: It's  
16       anticipated. It hasn't started yet.

17                  COUNCILMAN ORTIZ: So it hasn't happened  
18       yet?

19                  JUDGE MASSIAH-JACKSON: Not yet. And  
20       certainly, we are hoping that the sheriffs will  
21       cooperate with the First Judicial District. I did  
22       see some of them come in. I'm sure they're  
23       listening.

24                  COUNCILMAN ORTIZ: Thank you, Madam  
25       Chair.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2                   COUNCIL PRESIDENT Verna: You're  
3 welcome.

4                   The Chair recognizes Councilwoman  
5 Blackwell.

6                   COUNCILWOMAN BLACKWELL: Thank you,  
7 Madam President. I've been concerned for sometime  
8 and, in fact, I contacted my colleagues with some  
9 background information. Councilman Ortiz asked  
10 about some of it, I believe, even though I was  
11 distracted, with regard to preliminary and  
12 misdemeanor cases being taken out of our  
13 neighborhoods. Madam President, that's a real, real  
14 serious issue because having people come to Center  
15 City to the CJC and many times riding the same  
16 transportation as the accusers, both sides of the  
17 issue, creates problems. And certainly in the last  
18 month or so, we've seen articles in the paper that  
19 talk about problems that are occurring at CJC, and  
20 we believe it is due to this overload because of  
21 preliminary and misdemeanor cases being referred  
22 there. So we have a serious problem.

23                   I understand and have been told  
24 certainly by Judge McCaffery that he believes the  
25 backlog will go down. But my question is, will not

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       the quality of life in neighborhoods also go down?

3       And the point of having it take place in

4       neighborhoods is to increase the quality of life.

5                     Madam President Judge, I'm wondering if  
6       you could ask when Judge McCaffery is back if he  
7       could come to testify, number one, to talk about  
8       this issue with our Committee. And number two,  
9       there was an article in the paper last week by  
10      former AJ Blasi who states that \$17 million was  
11      saved by having these cases in neighborhoods, which  
12      we now run the risk of losing because they're all in  
13      Center City. Having said that, I understand that  
14      the District Attorney has other information. Now,  
15      we will see her next week, and she thinks that  
16      because we have drug cases in one room that that  
17      will help and because hearsay evidence is permitted  
18      that will help. But my contention is that I don't  
19      think that that will solve the problem of us losing  
20      quality of life issues. So I'm wondering, number  
21      one, if you would ask Judge McCaffery to come before  
22      us on an agreed-upon day when we have call-backs.  
23      And number two, if you have any indication -- I've  
24      talked with victim witness officers across the City  
25      who complain about this issue, who talk about

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       seniors who can't come into town, and who talk about  
3       problems. I've also talked to judges, who will  
4       remain anonymous, who have even dismissed cases in  
5       their courtrooms at CJC because they can't wait all  
6       day for people to get in the building. Now, I don't  
7       know if you have received any such information, but  
8       certainly I would appreciate any help you can give  
9       us to have the issue explored on the grounds of here  
10      at our Council Sessions and just anything you can do  
11      to help us in this regard. We really, really take  
12      our responsibility to service our constituents, it's  
13      a real sacred obligation. I'm really, really upset  
14      about this issue of not being able to have people  
15      have court in their neighborhoods. Thanks.

16                 MR. DIPRIMIO: Councilwoman Blackwell,  
17      for the record, I agree with you. The number of 17  
18      million, I remember because I was involved with  
19      Judge Blasi, was a cooperative figure that was  
20      reached with Former Managing Director Joe Martz. He  
21      brought it to Judge Blasi's attention. I was part  
22      of that negotiation, and I can tell you it worked.  
23      I'm sure Judge McCaffery has his reasons for  
24      bringing the cases back to the Criminal Justice  
25      Center, and I suspect he'd be very anxious to tell

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       Council those reasons.

3                   COUNCILWOMAN BLACKWELL: Thank you. And  
4       in all fairness, I spoke with Judge McCaffery as  
5       soon as I learned about this and traced it and found  
6       out it was his decision. And he said he would be  
7       glad to come out to my neighborhood and to talk with  
8       neighborhood groups about it. But basically, his  
9       mind was kind of made up and he said he had already  
10      done it. And certainly, I think he's done a great  
11      job. I read about all that he does with Eagles and  
12      in South Philly with all the quality of life issues  
13      that happen there. But in terms of the area I  
14      represent, this is just -- it's really, really an  
15      issue that will hurt us for some time to come.

16                   JUDGE MASSIAH-JACKSON: Well,  
17      Councilwoman Blackwell and Madam President, this  
18      issue of the hearsay is part of this whole picture  
19      and that will affect some of the questions that  
20      Councilman Ortiz raised earlier. That is, cases  
21      that might normally be thrown out, if you will, at  
22      the Municipal Court level because after several  
23      listings the complaining witness fails to appear for  
24      whatever they choose not to pursue a case, those  
25      cases now with that hearsay rule, if you will, will

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       automatically make those cases held for trial at our  
3       Common Pleas level. And so the cases that you're  
4       talking about at Municipal Court are being held for  
5       trial, they're being pushed up to our Common Pleas  
6       level. And now I'm wearing a hat of President Judge  
7       of Common Pleas Court, and I say that it's going to  
8       have a significant impact. Several thousand cases.

9           MR. DIPRIMIO: Well, the result is that  
10      the new Administrative Judge James Fitzgerald has  
11      determined that he needs to open three more  
12      courtrooms to accommodate the increased case load  
13      that will now be moving over to Court of Common  
14      Pleas. That not only has an impact on the First  
15      Judicial District and its staffing of those rooms,  
16      it's going to have an impact on the Criminal Justice  
17      Center, the District Attorneys. We met with them.  
18      They're going to have to staff the room. And I  
19      understand the Public Defender is going to be  
20      seeking additional appropriations so that they can  
21      hire additional staff to cover those rooms as well.  
22      It's a circular type of thing. But it also harkens  
23      back to what Councilman Ortiz said, and that is, if  
24      these cases are dismissed for want of prosecution at  
25      the preliminary stage, then some groups, for

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       example, the media says that it's a blowout when in  
3       fact it isn't a blowout.

4                   COUNCILMAN ORTIZ:   May I, Madam  
5       President?

6                   And the thing is that when it is done  
7       for lack of prosecution, it is something that the  
8       people don't know, the people in the neighborhood.  
9       So the guy or the woman is out there the next day  
10      and they figure, Well, there goes that judge again;  
11      there goes that court system again.   And it's  
12      because of lack of prosecution.   And I'd like to  
13      find out, really have a real good number on that.

14                   JUDGE MASSIAH-JACKSON:   Those numbers  
15      will get fuzzy starting now in 2002 as cases are  
16      held for trial based on a hearsay rule where no live  
17      witness comes to court or just based --

18                   COUNCILMAN ORTIZ:   And all that will do  
19      is keep that case in the system.

20                   JUDGE MASSIAH-JACKSON:   In the system.  
21      And it need not be in the system.

22                   COUNCILMAN ORTIZ:   But that's a judicial  
23      way for the District Attorney to maintain a high  
24      case load -- well, actually --

25                   JUDGE MASSIAH-JACKSON:   Well, I can't

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       speak for the District Attorney.

3                   COUNCILWOMAN BLACKWELL: In fact, I  
4       contacted the District Attorney who wrote me a  
5       letter saying -- a copy of a letter requesting that  
6       we have another entrance to CJC. Now, that might be  
7       great at some point sometime, but certainly we don't  
8       have an entrance that works at CJC. Any morning you  
9       ride by there, you see people lined up. And as I  
10      said, I've heard judges who just can't wait all day  
11      before people can come before them. This is one  
12      time, Madam President, I wish I were a lawyer  
13      because I'm really at a disadvantage to get into all  
14      the nuances to I really help --

15                   (Inaudible. Speaker not on mike.)

16                   COUNCILWOMAN BLACKWELL: Thank you.  
17      Honestly, I really need your help because it is very  
18      difficulty -- and that was a good point Councilman  
19      Ortiz just made about crime being right back in  
20      neighborhoods the next day. In fact, another court  
21      we have is Night Court that we love in our district.  
22      We had Night Court Friday night. And Night Court is  
23      the most immediate turnaround in neighborhood crime  
24      that I know because, obviously, we don't advertise,  
25      but the community groups, town watch groups, the

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       hard hats were all there. And that Friday, people  
3       are picked up who are suspected of gambling on the  
4       sidewalk, loitering, riding dirt bikes down public  
5       streets. All of these crimes that affect people  
6       every day, we deal with at night court. I mean,  
7       neighborhood court is very, very, very important. I  
8       would appreciate your help if there is some  
9       information that in your legal mind or Councilman  
10      Ortiz and Councilman Cohen, in your legal minds that  
11      we could request to help explain this.

12                 Perhaps, Madam President, we should -- I  
13      did send some testimony to the Police Department  
14      because as Judge Blasi says it saves \$17 million,  
15      the DA said that the equivalent of having crime at  
16      the CJC would be the equivalent of hiring 20 more  
17      officers. Now, I don't know how you -- of course  
18      that would in no way compare. I mean, that would be  
19      maybe \$700,000 or something. But it's really  
20      difficult when you hear one whole set of testimony  
21      and something completely opposing it. But I know  
22      what I see. When we're out there in our  
23      neighborhoods every day, we know when people are  
24      suffering, and we know what this means. So although  
25      I need my colleagues to help legally explain it, I

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       know that having crime in Center City and not in  
3       divisional courts is a severe deterrent to the  
4       quality of life in neighborhoods. And we appreciate  
5       your help.

6                   COUNCILMAN ORTIZ: Madam President, if I  
7       may add to Councilwoman Blackwell's statement. Over  
8       the last three years, two and a half years of  
9       Timoney's reign, there was an increase in arrests  
10      for quality of life crimes. What we don't know, and  
11      in essence we would need some other than legal also  
12      sociological aspect to this to see what really has  
13      been the impact, if any, on the quality of life in  
14      neighborhoods. Because the amount of arrests have  
15      increased exponentially really during the last few  
16      years, and that's what you're seeing in your court  
17      system. And we don't know how that has impacted in  
18      terms of neighborhood life. And we don't know that  
19      because a lot of these cases are getting adjudicated  
20      and removed or just revolved out of the court system  
21      for lack of prosecution, lack evidence, whatever it  
22      is. We don't have a grasp in it. But that's the  
23      biggest complaint that we get by phone calls, by  
24      community meetings, and so on. That is the biggest  
25      complaint we get. And it's something that we have

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       not, over the last few years, been able to really  
3       grab hold of in these hearings.

4                   How has that impacted? Does the number  
5       of arrests equal a bettering of a quality of life in  
6       neighborhoods? And if it does not, then why not?  
7       And is it because these cases are just thrown out of  
8       court, no evidence, the adjudication doesn't place,  
9       lack of prosecutorial effort, whatever it is?

10                   We're never able to get it. And in  
11       terms of complaints and so on, that's the biggest  
12       thing that we have.

13                   Thank you, Madam Chair.

14                   COUNCILWOMAN BLACKWELL: Thank you. And  
15       may I also note, Madam Chair, that as I said  
16       earlier, I've talked with victim witness officers  
17       throughout the City who also note, because they're  
18       on the cutting edge of this issue, however, their  
19       groups are funded by the DA so I don't know how  
20       we -- I can get some information, but I'm not trying  
21       to get people in trouble whose groups are funded,  
22       certainly, by the DA who doesn't agree with this.  
23       But the victim witness officers who see crime and  
24       who deal with victims --

25                   COUNCIL PRESIDENT VERNA: They usually

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       come in to testify. I'm sure they'll be here this  
3       year.

4                   COUNCILWOMAN BLACKWELL: Exactly. But  
5       as I said, they're funded by the DA. But I talked  
6       with all of them before they knew I would make it a  
7       public issue, and they all have documentation to  
8       support what I've said.

9                   COUNCIL PRESIDENT VERA: Thank you.  
10                  The Chair recognizes Councilman Clarke.

11                  COUNCILMAN CLARKE: Thank you, Madam  
12       Chair.

13                  Good morning. First, your Honor, I'd  
14       like to thank you on behalf of my colleague  
15       Councilman DiCicco and I and Councilman Fumo in your  
16       support of the Community Court. We had a great  
17       opening the other day. And I think that that's the  
18       way to go. And I think that can actually address  
19       some of the concerns that Councilman Ortiz and  
20       Councilwoman Blackwell have with respect to the  
21       revolving door situation that we currently have.

22                  Anticipating that this is going to be  
23       successful, I have a couple of questions if you can  
24       answer that; if not, I can get that information a  
25       little later. What was the original cost associated

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       with the physical plant, so to speak, the actual  
3       renovation of the facility? I'd like to get ongoing  
4       operating costs. I believe we will be looking to  
5       expand that in other parts of the City.

6           MR. DIPRIMIO: Good morning, Councilman.  
7       With Councilman's permission, I can provide you with  
8       a detailed report. However, I can just tell you  
9       that preliminarily the funds associated with the  
10      renovations of the physical space at 1401 Arch  
11      Street were provided by way of private and some  
12      public State funds through the Center City District.  
13      Mr. Paul Levy, the head of the District, I'm sure  
14      has the detailed breakdown in terms of those costs.  
15      The ongoing rent, however, is a mechanism and as an  
16      accommodation is being paid by the First Judicial  
17      District, and I don't have the exact amount of that  
18      rental.

19           Mr. Cross indicates it's in the vicinity  
20      \$130,000 a year as a rental.

21           Is it a year?

22           MR. CROSS: A year, yes. That's just  
23      the lease cost, not the operating expenses, the  
24      electricity, the taxes and so forth.

25           COUNCILMAN CLARKE: That's comparable to

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       the going rates in Center City?

3                   MR. DIPRIMIO: Yes. We do have  
4       additional personnel that were hired. And thanks to  
5       Council, those funds have been made available. By  
6       all indication, that program will be a success.

7                   If my opinion means anything, I firmly  
8       believe -- I am in agreement with Councilwoman  
9       Blackwell when she says you bring out the services  
10      to where they're needed because in court  
11      administration you learn very quickly something  
12      called access to justice, and you make justice  
13      accessible right where the people live and not in  
14      some high-rise Center City office building. So to  
15      the extent that we can accommodate your request and  
16      through things like the Community Court and through  
17      things like the Night Court, Drug Treatment Court,  
18      that's what we want to do.

19                  MR. CROSS: If I can add to that. One  
20      of the problems in determining the operating costs,  
21      because Community Court is a multi-functional court  
22      with multi-different agencies, the police, and the  
23      DA's office, the Public Defender, there's treatment  
24      staff and treatment program, because it's  
25      multi-functional, our costs are just a small part

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       but you have to look at every other department to  
3       find out what their costs are and then put them  
4       together collectively. And we'll do that for you.

5                   COUNCILMAN CLARKE: And I'm particularly  
6       interested in the aftermath of whatever treatment  
7       that individual's given in terms of educational  
8       enhancements, drug treatment, and ultimately job  
9       placement. Because I think without having some  
10      reasonable employment opportunities at the end of  
11      day, that person will end up back into the system.

12                  MR. CROSS: Absolutely. And we have two  
13      counselors, a social service counselor and a  
14      treatment counselor that are part of the program  
15      whose intentions are to divert to those to types of  
16      services.

17                  COUNCILMAN CLARKE: One other thing.  
18      The Mayor has announced that Live Stop is coming. I  
19      believe that we will probably get a substantial  
20      response. Either, A, a whole lot of folks vehicles  
21      will be taken; and B, a whole lot of folks who are  
22      concerned about their vehicles being taken will come  
23      down and try and get there house in order as it  
24      relates to traffic tickets. Are we ready for this?

25                  I know Judge Perry has been working on

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       this for sometime and I think he's geared up to  
3       accommodate whatever may come his way in Traffic  
4       Court. But as you know, there's a Court of Common  
5       Pleas process and particularly in the appellate side  
6       of this whole traffic issue. I'm wondering are we  
7       ready for this? Because I anticipate an onslaught  
8       of individuals.

9           MR. DIPRIMIO: Councilman, I truly hope  
10      we're ready for it. There have been a number of  
11      constituents who have contacted me directly or  
12      indirectly with respect to their concerns, and it's  
13      not just the resident that might lose his car. We  
14      have people involved in the ownership of huge  
15      trucks, for example. A major portion of this  
16      program is not handled by the First Judicial  
17      District through our Traffic Court, rather by the  
18      Parking Authority. And on a pilot basis that I  
19      believe is about two years old, it's been very  
20      successful. The cars were either impounded or taken  
21      down to the City's lot. They're towed there,  
22      they're impounded there. And when the owner or  
23      operator of the car has the funds available, they're  
24      able to get their car out, for example. If they can  
25      not, there's a whole process through the Parking

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       Authority for the sale and disposition of those  
3       vehicles. We have our Solicitors looking into it.  
4       We want to make sure that everything comports with  
5       due process of law. We've been very purposeful in  
6       making sure that no rights are violated in this area  
7       because we realize that a vehicle is important to  
8       someone. It's means of a livelihood. And to  
9       deprive somebody of that means of a livelihood is  
10      unfair unless we're complying fully with the  
11      statutes and laws of the Commonwealth.

12                   COUNCILMAN CLARKE: What about the  
13      administrative side? I'm assuming that there will  
14      be substantially more appeals and that will fall  
15      under the jurisdiction of the Court of Common Pleas;  
16      am I correct?

17                   MR. DIPRIMIO: I don't have statistics  
18      on that yet. I know that the sale of the vehicles  
19      is something that --

20                   COUNCILMAN CLARKE: I'm saying, the  
21      actual ticket -- correct me if I'm wrong. I go to  
22      Traffic Court. I receive a penalty, a fine, I lose  
23      in court. The appellate process is the Court of  
24      Common Pleas.

25                   MR. DIPRIMIO: That is a correct. There

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       is an appeal for a hearing before Trial Division in  
3       the Court of Common Pleas, that is correct.

4                   COUNCILMAN CLARKE: And my question is,  
5       I'm assuming that as a result of the influx of  
6       individuals in Traffic Court, we will subsequently  
7       see a substantial increase in the case load  
8       associated with the Court of Common Pleas. And my  
9       question is that I didn't see that indicated in your  
10      testimony that there was going to be an additional  
11      administrative resource put in place to handle that.

12                  JUDGE MASSIAH-JACKSON: Councilman,  
13      we're pretty comfortable that our Trial Division  
14      will be able to handle that. We have court rooms  
15      specially assigned for those types of cases now. Of  
16      course, the expanded Live Stop will start June 1st.  
17      So it will be some period after that where if there  
18      are additional appeals, that's when we'll start  
19      seeing them. But I don't think we'll have a  
20      problem.

21                  COUNCILMAN CLARKE: You really don't?

22                  JUDGE MASSIAH-JACKSON: Not the appeals,  
23      no, I don't.

24                  You know, one of the things you find out  
25      is that people know that they don't have insurance

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       or they know they don't have license. They want to  
3       have a day in court maybe to negotiate to pay a  
4       lesser amount, but they're not saying not guilty.  
5       They're just saying, Let's try and work it out.

6           COUNCILMAN CLARKE: Judge, you should go  
7       to Traffic Court a little more often. A whole lot  
8       of people say they're not guilty.

9           I want to make sure that, you know --

10          JUDGE MASSIAH-JACKSON: I appreciate  
11       that. Our judges are ready to handle this.

12          And probably next year this time, Madam  
13       President, there will be a special paragraph in here  
14       about that.

15          COUNCILMAN CLARKE: More money.

16          JUDGE MASSIAH-JACKSON: But as of today,  
17       we're ready.

18          COUNCILMAN CLARKE: Thanks, your Honor.

19          Thank you, Madam Chair.

20          COUNCIL PRESIDENT VERNA: You're  
21       welcome.

22          Councilman Nutter, you're next.

23          COUNCILMAN NUTTER: Thank you, Madam  
24       Chair.

25          Good morning, your Honor and the other

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       members of the panel. I have a data request. I

3       know that Councilman Ortiz, I think, had asked about

4       some criminal court data. I wanted to ask in the

5       very narrow but important area with regard to any

6       court statistics or data around the issue of the

7       death penalty, what I'd like to understand from

8       court records on a year-by-year basis -- and I know

9       that apparently either you have to be charged with

10      that or there's some filing of a document. I'm not

11      crystal clear. I mean, I know it has a special name

12      that goes with it. But the actual charge or a

13      petition is made and then subsequent to that

14      depending on what's going on with the case, you

15      actually may proceed down that path or that

16      particular charge may be dropped and other charges

17      that have already been filed, the case is pursued

18      along those lines. And then finally the case

19      happens. A verdict is made. The jury may or may

20      not come to that conclusion. But what I'd like to

21      understand is or get some data or a year-by-year

22      basis is kind of the universe, I mean, the total

23      number of applications, I think it is, that are

24      made. And then how many of those actually proceed

25      to trial, which I assume its smaller than the number

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       that are actually applied for. And then the total  
3       number of convictions for the death penalty. And  
4       then any information you may have on the number of  
5       defendants who are given the death penalty or  
6       sentenced to the death penalty on a year-by-year  
7       basis. And would you be able to give any  
8       statistical data for anywhere in a 5- to 10-year  
9       time period through the court records?

10               MR. DIPRIMIO: We'll do our best.

11               JUDGE MASSIAH-JACKSON: We could  
12       probably do it for at five years. I don't know  
13       about beyond that.

14               MR. DIPRIMIO: We'll certainly do our  
15       best.

16               COUNCILMAN NUTTER: And just for my own  
17       education, what is it when the charge is actually  
18       made, but I think they have to --

19               JUDGE MASSIAH-JACKSON: First the  
20       District Attorney certifies first a case as a  
21       capital case. And through the negotiation process,  
22       it's determined whether or not the verdict is guilty  
23       and then whether or not the jury imposes a death  
24       penalty.

25               COUNCILMAN NUTTER: Because there's a

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       separate sentencing phase?

3                   JUDGE MASSIAH-JACKSON: There's a  
4       separate sentencing phase. In fact, that's one of  
5       the areas that we're looking for increased court  
6       appointed counsel to help with that separate  
7       sentencing phase, yes.

8                   COUNCILMAN ORTIZ: If I may. There's a  
9       request for a certification on capital case, right?  
10      And Councilman Nutter has asked for how many cases  
11      have been. And then you say through the process of  
12      the trial there's negotiations back and forth, which  
13      always are. But at the end, if there is no  
14      agreement between defense and the District Attorney,  
15      then that certification goes as asked for at the  
16      beginning of the trial, right?

17                  JUDGE MASSIAH-JACKSON: Well, the  
18      defendant knows he's on trial as a capital matter or  
19      not as a capital matter from the beginning.

20                  COUNCILMAN ORTIZ: So if there's no  
21      agreement between the two, the defense counsel and  
22      the District Attorney, then that stays with the  
23      original request, right?

24                  JUDGE MASSIAH-JACKSON: There's nothing  
25      that's always unanimous or a hundred percent. There

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       might be some point during the trial where the DA  
3       for whatever reason --

4                   COUNCILMAN ORTIZ: Lack of evidence, for  
5       example.

6                   JUDGE MASSIAH-JACKSON: Well, for  
7       whatever reason, there may be a withdrawal of that  
8       certification.

9                   COUNCILMAN ORTIZ: Thank you.

10                  COUNCILMAN NUTTER: Just one last  
11       question in that regard. Do you have a sense when  
12       you might be able to put something like that  
13       together?

14                  MR. DIPRIMIO: I'll work on it today.

15                  COUNCILMAN NUTTER: Great. Thank you  
16       very much. Thank you, your Honor.

17                  MR. MCPHERSON: Councilman Cohen.

18                  COUNCILMAN COHEN: When did the  
19       concentration of the misdemeanor cases or Municipal  
20       Court cases to go to the CJC? When did that begin?

21                  JUDGE MASSIAH-JACKSON: We think it was  
22       around the first week of January.

23                  COUNCILMAN COHEN: And was there any  
24       advance notice?

25                  MR. DIPRIMIO: Not to me.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           JUDGE MASSIAH-JACKSON: At the December  
3 meeting of the Administrative Governing Board, Judge  
4 McCaffery circulated his plan and announced at that  
5 time that the plan was going to go into effect the  
6 first week of January. That's the first I knew of  
7 it.

8           COUNCILMAN COHEN: And is it part of the  
9 authority of the Administrative Judge to make that  
10 decision? Was he empowered to make that decision by  
11 himself or did it have to receive approval from the  
12 Supreme Court or any other body?

13          JUDGE MASSIAH-JACKSON: Well, I'll speak  
14 from my perspective and Mr. DiPrimio can speak from  
15 his perspective. Judge McCaffery was newly  
16 appointed as an administrative judge so perhaps he  
17 was not familiar with the process. In the past  
18 during my experience -- and it's only been a year.  
19 Mr. DiPrimio's been knowledgeable of the  
20 Administrative Governing Board for about five or six  
21 years. But during the past year, in my experience,  
22 for changes of that magnitude, we've discussed them  
23 first. That was not done in this case. I'm not  
24 suggesting that he was not empowered to do that, but  
25 I'm simply suggesting that there was no discussion

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       with the Administrative Governing Board.

3                   COUNCILMAN COHEN: I raise that question  
4       because it seemed so inconsistent with Judge  
5       McCaffery's point of view, say, at the stadium. He  
6       felt it important to conduct hearings right at the  
7       Vet Stadium if there was misconduct there. He was  
8       bringing the court to the area where the problem  
9       existed. So when I first heard of it, I thought it  
10      was just a mistake in report because everything that  
11      Judge McCaffery had done in that direction, to my  
12      knowledge, before was to move the court closer to  
13      the scene of where the problem was. And this moves  
14      in totally the opposite direction. I'm wondering  
15      was there ever any written explanation? Because  
16      I've not seen any. And I'm very pleased to hear  
17      this discussion taking place. What's the \$18  
18      million? Is that supposed to be saved by moving?

19                   COUNCIL PRESIDENT VERNA: \$17 million  
20      savings, supposedly.

21                   MR. DIPRIMIO: Councilman, when the  
22      First Judicial District under Judge Blasi moved the  
23      cases from the CJC out to the divisional courts at  
24      the request of the City Administration, the savings  
25      that the City attributed was in the vicinity of \$17

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       million. And that seemed to be working well.

3                   COUNCILMAN COHEN: When it was moved to  
4       the district.

5                   MR. DIPRIMIO: Yes, the Divisional  
6       Courts, that's what we call them. In fact, Judge  
7       Blasi and I went around and we looked at the courts.  
8       We made sure that they were equipped. Police  
9       stations were equipped with air conditioning and  
10      appropriate facilities, tables and desks and things  
11      of that nature. And it was, based on my  
12      understanding, it was a success for all the reasons  
13      that you and other Councilpeople today have cited.

14                   I was just as surprised for the reasons  
15      you had mentioned because Judge McCaffery -- and I  
16      understand Council wants to speak with the judge,  
17      but the judge has had his Night Court program which  
18      is out in the community and the Eagles Court and now  
19      I think South Street Court or whatever else, and  
20      it's all been successful in those regards. So I'm  
21      sure the judge has his reasons and I'm depending on  
22      him to explain them to Council.

23                   COUNCILMAN COHEN: What generates the  
24      savings?

25                   MR. DIPRIMIO: Well, according the to

1 3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2 City Administration, the savings of 17 million would  
3 have occurred as a result of saving on police  
4 overtime.

5 COUNCILMAN COHEN: It's that heavy?

6 MR. DIPRIMIO: That's what we were told,  
7 yes.

8 COUNCILMAN COHEN: You were told it  
9 would be saved by holding it in the central --

10 MR. DIPRIMIO: Just the opposite. In  
11 other words, the savings occurred when the  
12 preliminary hearings were conducted out in the  
13 divisional courts, out in the police districts.

14 COUNCILMAN COHEN: Where they historical  
15 have been held?

16 MR. DIPRIMIO: Historically they were  
17 held there until the CJC opened back in '95 and '96.  
18 And then Judge Blasi I think in '97 or '98 returned  
19 them back to the divisional courts when the savings  
20 accrued. Those figures came right from Joe Martz.

21 COUNCILMAN COHEN: All right.

22 Thank you, Madam President.

23 COUNCIL PRESIDENT VERNA: You're  
24 welcome.

25 Are there any other questions from the

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       Members of the Committee?

3                   The Chair recognizes Councilwoman Brown.

4                   COUNCILWOMAN BROWN: Good morning. One  
5       question and one statement. And let me know if  
6       there's already been a discussion on this issue  
7       because I can certainly read the transcript.  
8       Recently, the Supreme Court ruled that the  
9       Commonwealth of Pennsylvania is responsible for the  
10      funding of the First Judicial District and a plan,  
11      as I understand it, was put in place to eventually  
12      take over this \$110 million burden. Is there a  
13      plan? Where are we with that plan? Have you  
14      discussed that already?

15                  MR. DIPRIMIO: Good morning,  
16      Councilwoman. We have not discussed that this  
17      morning. But in years past we have discussed that.

18                  COUNCILWOMAN BROWN: So from last year  
19      what progress has taken place?

20                  MR. DIPRIMIO: I am aware of no  
21      progress. I am not privy to those negotiations  
22      between the Supreme Court and the State  
23      Administration, but based on my peripheral vision,  
24      if you will, I don't know of any progress or whether  
25      there's any intention to move forward.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           COUNCILWOMAN BROWN: Who are the  
3 principle parties?

4           MR. DIPRIMIO: Excuse me?

5           COUNCILWOMAN BROWN: Who are the  
6 principle parties at the table that will be  
7 responsible for any kind of discussion or dialog?

8           MR. DIPRIMIO: I can only give you my  
9 opinion. I don't know --

10          COUNCILWOMAN BROWN: Please.

11          MR. DIPRIMIO: Based on my opinion, I  
12 believe it's the Administrative Office of  
13 Pennsylvania Courts and then various entities at the  
14 Commonwealth level, be it the Governor's Office or  
15 the Legislature.

16          COUNCILWOMAN BROWN: So no City  
17 officials, as you know it.

18          MR. DIPRIMIO: Not to my knowledge.

19          COUNCILWOMAN BROWN: Okay, then. That  
20 certainly explains it.

21                 The second is more of a statement. I've  
22 learned in this short while that I've been here that  
23 the collection rate of child support is currently at  
24 26 percent -- only 26 percent of the monies that are  
25 supposed to be directed to children actually get

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       there. And I was informed that there are a number  
3       of issues that impact why we're at such a low  
4       number: The process is cumbersome. A lack of free  
5       representation that is granted by law. Charging of  
6       the fees that are not required by law and the like.

7           So I'd like to put that on the table at  
8       that hour that that is an issue my office is  
9       concerned about to see how we can improve boosting  
10      that rate of the percentage of children that are  
11      supposed to receive support from parents.

12           Do you have any comment or reaction to  
13      that reality as we know it to be today?

14           MR. DIPRIMIO: Let me just say that the  
15      issue of child support enforcement is something that  
16      is near and dear to me. I was Deputy in Family  
17      Court for about five years. And before that, I  
18      served to prosecute those cases when I was in the  
19      District Attorney's Office. I do not sit on the  
20      actual statistics. Or if you're referencing -- and  
21      our testimony has some, but if you're referencing  
22      the collections at the State, one thing that has  
23      occurred in the last two years is that the actual  
24      collection and distribution of those child support  
25      cases no longer rests with the First Judicial

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2     District. It now rests with the Commonwealth of  
3     Pennsylvania through the Pennsylvania Department of  
4     Public Welfare. In fact, the automated system, this  
5     pacing system, that is used and is owned by the  
6     Commonwealth is managed by the Commonwealth and the  
7     Domestic Relations Section has no opportunity to  
8     change it or enhance it. It is a real problem. And  
9     it's a particular problem in the City of  
10    Philadelphia.

11                   COUNCILWOMAN BROWN: When you say  
12    Domestic Relations, you're speaking of Domestic  
13    Relations in the City Philadelphia.

14                   MR. DIPRIMIO: Yes, Councilwoman. They  
15    are part of the First Judicial District.

16                   COUNCILWOMAN BROWN: However, you say  
17    that rests with the Commonwealth Court of  
18    Pennsylvania?

19                   MR. DIPRIMIO: But actual collection and  
20    receipt of the funds and then the paying out of the  
21    funds is no longer done. It's about two years it's  
22    been done with the Commonwealth of Pennsylvania.

23                   COUNCILWOMAN BROWN: That's helpful in  
24    terms of what direction my office needs to pursue.  
25    Thank you very much.

1 3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2 MR. DIPRIMIO: You're very welcome.

3 COUNCILWOMAN BROWN: Thank you, Madam  
4 President.

5 MR. CROSS: The only thing I can add is  
6 that we did collect \$179 million in total collection  
7 last calendar year, and that is part of our  
8 testimony.

9 COUNCILWOMAN BROWN: And how does that  
10 rate with years before? Is that a dramatic  
11 increase? Is that flat?

12 MR. DIPRIMIO: It's a steady increase  
13 from years before. I can remember when the  
14 collections in the City were as low as \$30 million.

15 COUNCILWOMAN BROWN: And what would you  
16 attribute that improvement to?

17 MR. DIPRIMIO: Well, there's been a lot  
18 of changes at the federal and state level in terms  
19 of the mandatory practices. For example, a new hire  
20 reporting. It was so easy to skip and just change  
21 employer and by the time wage attachment caught up  
22 with the obligor, they just changed jobs again. Now  
23 there's legislation I personally lobbied for so that  
24 the employers are required to report to Child  
25 Support Agency when they hire a new person so that

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       the wage attachment can follow that person around.  
3       That's an example. Mandatory garnishment of wages,  
4       mandatory garnishment of bank accounts. There's a  
5       lot of enforcement tools that the Federal Government  
6       has forced upon the State that we're starting to see  
7       the benefits of.

8                   COUNCILWOMAN BROWN: Thank you very  
9       much.

10                   Thank you, Madam Chair.

11                   COUNCIL PRESIDENT VERNA: You're  
12       welcome.

13                   The Chair recognizes Councilman Cohen.

14                   COUNCILMAN COHEN: With respect to the  
15       so-called hearsay rule, in the counties that have  
16       adopted that rule, does that rule go up through the  
17       Common Pleas Court or is it merely for preliminary  
18       hearings?

19                   JUDGE MASSIAH-JACKSON: Councilman  
20       Cohen, I'm not as familiar what happens in the other  
21       counties. But I can say this: In other counties  
22       they have district justices. Here we have a  
23       Municipal Court. The Defender Association is  
24       already looking into this, and I know they have a  
25       specific response to your question because I've

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       talked to them, but I don't have the actual  
3       knowledge to answer your question.

4                   COUNCILMAN COHEN: The reason I raise it  
5       is I don't see any point to the proposal because it  
6       seems to me that as a matter of law if the matter is  
7       moved up to Common Pleas Court, they're going to be  
8       confronted with the hearsay rule. And hearsay, as  
9       far as I know, could never be accepted in the Common  
10      Pleas Court.

11                  JUDGE MASSIAH-JACKSON: Right. At the  
12      Common Pleas level, we would never accept a hearsay  
13      rule. You're absolutely correct.

14                  The problem is, it holds those cases for  
15      trial. So at the Municipal Court level, they expect  
16      several thousand additional cases that will be held  
17      for trial that will be sent to us at Common Pleas  
18      level. Mr. DiPrimio stated earlier that three  
19      additional courtrooms have to be allocated at the  
20      Common Pleas level to hear cases that may eventually  
21      be thrown out because the live witness will not come  
22      into the Common Pleas level.

23                  COUNCILMAN COHEN: That seems to fit the  
24      definition of "made work," work created not for any  
25      constructive purpose, but merely to provide an

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       excuse to either maintain records or maintain  
3       unnecessary employment or whatever you have. Seems  
4       to me to be unfair to the criminal justice system to  
5       have to deal with that kind of an artificial system  
6       where it's clear that if the person involved is a  
7       real criminal, he or she is going to know that the  
8       hearsay rule will not be applicable in Common Pleas.  
9       So we achieve nothing except additional expense.

10               Thank you, Madam President.

11               COUNCIL PRESIDENT Verna: You're  
12       welcome.

13               Are there any other questions from  
14       Members of the Committee?

15               Thank you very much.

16               MR. MCPHERSON: The Sheriff's Office.  
17       (Witness come forward.)

18               COUNCIL PRESIDENT Verna: Good morning.  
19       Please identify yourself for the record and proceed  
20       with your testimony.

21               MR. GREEN: I'm John Green, Sheriff of  
22       the City and County of Philadelphia.

23               Madam President, the Philadelphia  
24       Sheriff's Office concurs with the City of  
25       Philadelphia's Finance Department's recommendation

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       for Fiscal Year 2003 budget request of \$12,245,955  
3       and, therefore, formally request the Council to  
4       approve that amount.

5                   COUNCIL PRESIDENT VERNA: Thank you.

6                   Does anyone else want to testify at the  
7       table?

8                   Mr. Sheriff, I don't have any questions.  
9       However, I do want to certainly thank you for the  
10      security that your office has provided us on Council  
11      Session days. We're most grateful for that  
12      assistance. Thank you.

13                   The Chair recognizes Councilman Ortiz.

14                   COUNCILMAN ORTIZ: Madam Chair, I have a  
15      question for the sheriff.

16                   I think the issue of the sheriff sales  
17      and the information that he does give us in terms of  
18      that is extremely helpful and has helped save a lot  
19      of constituents houses and give them enough time to  
20      be able to get their money together. I want to  
21      thank you personally for everything you've done and  
22      the service you provided.

23                   MR. GREEN: Thank you. I really  
24      appreciate that. The sheriff's sales is a major  
25      part of our operation. And one of the things we try

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       to do is de-mystify that process for people. And to  
3       the extent that we've been helpful, we're grateful  
4       of that. And that sort of comment will carry us  
5       into the next Fiscal Year with even more of a  
6       direction and more of a concern and more of a  
7       commitment to improving the system.

8                   COUNCILMAN ORTIZ: It's also been  
9       helpful in almost trying to deal with the  
10      speculators that are out there, so it has led to  
11      somewhat in different neighborhoods because you can  
12      really identify some people.

13                   Thank you, Madam Chair.

14                   COUNCIL PRESIDENT VERNA: Thank you.

15                   There's just one question I wanted to  
16      ask. If we were to request that a house be put up  
17      for sheriff's sale, how long would that process  
18      take?

19                   MR. GREEN: Well, there are two ways you  
20      can request a property being put up for sheriff's  
21      sale. The quickest way is to go contact the Revenue  
22      Department and find out if the property can be  
23      certified, meaning if there are tax delinquencies.  
24      If you go that route, it would take approximately 90  
25      days to get that accomplished today. Because of the

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       computerization process that our office undertook,  
3       thanks to Council's allocation a couple years ago,  
4       we're now able to expedite the process via the  
5       Internet. As soon the property are certified, we're  
6       able to put them up for sale.

7                   COUNCIL PRESIDENT VERNA: So how long  
8       does it take the Revenue Department to certify?

9                   MR. GREEN: Now, that's another issue.  
10      We can put it up, as I said, 90 days after the  
11      Revenue Department certifies it. Whatever process  
12      the Revenue Department uses, I'm not quite sure of  
13      what's done. And I can just ask the people in my  
14      office. I'll check with the Real Estate Unit. I  
15      can give you a written report on that, if you'd  
16      like.

17                   COUNCIL PRESIDENT VERNA: Thank you very  
18      much. I recall several years back we were waiting  
19      maybe six or seven years for a property to be put up  
20      on sheriff's sale once we made a request. So if  
21      you're saying we can do that in nine months now, I  
22      think that's wonderful.

23                   MR. GREEN: We can put it up within 90  
24      days of certification. And we can do that now. The  
25      problem, as I recall, in the past was, quite

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       frankly, serving the owner. Because it's a judicial  
3       process, you must serve the owner that a judicial  
4       process is about to be undertaken. And we had a  
5       difficult time finding people because they may have  
6       moved to another state. Actually, sometimes people  
7       just move to another part of the City. But today,  
8       we've worked on that process. We have people who  
9       work full time in making sure that we get the  
10      properties ready for sale as soon as possible.

11               COUNCIL PRESIDENT Verna: Wonderful.

12      How many properties would you say are put on  
13      sheriff's sale a year? You don't have to be exact.

14               MR. GREEN: I don't want to chance even  
15      a guess at this don't because, as you know, we now  
16      have three sheriff's sale. In the past we had a tax  
17      delinquent sale, and the tax delinquent sales put up  
18      approximately, I would say, 150 properties a month,  
19      with some of them being stayed. Then we had the  
20      mortgage foreclosure sales, and the mortgage  
21      foreclosure sales may have been approximately 100  
22      properties. These are just rough numbers.

23               We now have mortgage foreclosure sales,  
24      and the mortgage foreclosure sales fluctuate so much  
25      that it is very, very difficult to put a number on

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       the mortgage foreclosure sale. But I can tell you  
3       that we are exposing a record number of properties  
4       for sale. Because we are able to do it now through  
5       the Internet and now through the regular auction  
6       process, we're able to accommodate that without  
7       asking for additional money at this time.

8                   COUNCIL PRESIDENT VERNA: Thank you.

9                   At this time, the Chair recognizes  
10      Councilman Nutter.

11                  COUNCILMAN NUTTER: Thank you, Madam  
12      Chair.

13                  Good morning, Sheriff Green. I know  
14      that you have been thanked and I would thank you as  
15      well for the service that we've received primarily  
16      on Thursdays here up on the fourth floor. What I  
17      wanted to ask was, there is a proposal for a variety  
18      of upgrades and security to City Hall and I think  
19      possibly two other buildings that are often referred  
20      to as the triplex of buildings downtown, City Hall,  
21      One Park Way, and I guess the Municipal Services  
22      Building. With regard to City Hall and the various  
23      upgrades, including some proposed for Council  
24      Chambers and the fourth floor in general, it may  
25      also involve some other floors where members offices

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       are, have there been any meetings or discussions  
3       with you about what an upgraded security presence  
4       may mean in terms of involvement by the Sheriff's  
5       Office and the regularity of that security, whether  
6       it's directly involving in City Council or other  
7       parts of the building?

8                   MR. GREEN: No. We have not been  
9       involved in any discussions relevant to the security  
10      upgrading in City Hall, Municipal Service Building  
11      or any other structure that wouldn't be considered a  
12      county courthouse.

13                  COUNCILMAN NUTTER: So let me make sure  
14      I understand. Notwithstanding the fact that,  
15      again, you have most graciously provided the  
16      sheriffs deputies, I think possibly six to eight  
17      that I can count on at least Thursday morning when  
18      Council officially meets, there have been no  
19      discussions with you about -- I mean, there's been  
20      mention made of, I believe, magnetometers and  
21      probably some of the kind of equipment, for  
22      instance, that's presently over at the Criminal  
23      Justice Center.

24                  MR. GREEN: That's correct.

25                  COUNCILMAN NUTTER: I'm left with the

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       impression that that equipment has to be maintained

3       and is used on a regular basis and so there will be

4       a need for literally personnel to take care of those

5       actions, which is different than what we presently

6       experience which is essentially a once a week

7       participation. I'm left with the impression that

8       this will be a regular and fully staffed operation.

9       Let me just encourage you, and I'm sure certainly

10      that Council President will on behalf of the

11      Council, but let me encourage you to be in touch

12      with at least Mr. Rick Tustin from the Capital

13      Program Office. I think they have general

14      responsibility for this. There maybe other

15      operational people who need to be involved. Mr.

16      Tustin's more on the capital side and doesn't get

17      into, I think, so much operations. But I think you

18      need to be included in that discussion on a

19      going-forward basis. It may have some impact on the

20      potentially on the Sheriff's Office. And I think we

21      need to make sure that we're coordinating our

22      capital activities at the same time that they have

23      operational impact and we shouldn't end up with a

24      great security plan but not have the personnel

25      necessary to carry it out.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           MR. GREEN: I shall do that. As you can  
3 well imagine, since the events of six months ago,  
4 the Sheriff's Office has been called upon to  
5 maintain metal detectors and other devices that are  
6 used in order to scrutinize the contents of people's  
7 pockets and purses. We are one of two agencies that  
8 have people who are certified to do that sort of  
9 thing. And there are people who are certified in  
10 Philadelphia. One would be the United States  
11 Marshal's Office and the Philadelphia Sheriff's  
12 Office. We have people who are certified and  
13 experienced to do that. And we'll be more than  
14 willing to sit down and discuss our role.

15           One of the reason we have reconfigured  
16 our office in a manner to be able to do what we do  
17 with Council every Thursday is in order to  
18 accommodate the request that we had received for our  
19 expertise in handling those devices.

20           COUNCILMAN NUTTER: Thank you.

21           Thank you, Madam Chair.

22           COUNCIL PRESIDENT VERNA: You're  
23 welcome.

24           Chair recognizes Councilman Kenney.

25           COUNCILMAN KENNEY: Thank you, Madam

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2     Chair.

3                     I also want to echo Councilmember  
4     Nutter's comments relative to the security issues on  
5     Thursday. Your people have just been a tremendous  
6     help to us in making us feel a little more safe in  
7     this Chamber, which you can see is extremely  
8     accessible to the general public to us. I'm within  
9     an arm's length of some of the people here at the  
10    rails sometimes, and the fact that your checking and  
11    make sure that weapons aren't entering the Chamber  
12    makes us feel a lot better. But I also want to  
13    thank you for just your public service. Your office  
14    and the people in your office are extremely  
15    responsive to all our needs when we call them. And  
16    I've found you to be high caliber public official  
17    and you've been doing a great job for years. I just  
18    wanted to thank you personally for all the stuff you  
19    do for us. I think you're pretty good guy.

20                    MR. GREEN: Thank you. And the tape is  
21    running.

22                    (Laughter.)

23                    COUNCILMAN KENNEY: Let me tell you  
24    something. You don't hear me say that often in this  
25    building. You're one that I'm proud to have in

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       front of us.

3                   MR. GREEN: Thank you very much.

4                   COUNCIL PRESIDENT VERNA: Are there any  
5       other questions from Members of the Committee?

6                   The Chair recognizes Councilwoman  
7       Blackwell.

8                   COUNCILWOMAN BLACKWELL: Thank you.

9                   Let me thank the Sheriff and his  
10      department for the job they have continued to do.  
11      Certainly, I understand there was an article in the  
12      paper about the safety issue and I, likewise, thank  
13      the sheriff for the job they are doing. I will  
14      admit, I have some other concerns about some of the  
15      clients that we service and how they will gain  
16      access, but we'll deal with those as it evolves, but  
17      we want to say thank you.

18                   MR. GREEN: Thank you.

19                   COUNCIL PRESIDENT VERNA: The Chair  
20      recognizes Councilman DiCicco.

21                   COUNCILMAN DICICCO: Thank you, Madam  
22      President.

23                   I don't want to left out. I feel badly  
24      if I don't say anything nice. You might think I'm  
25      angry at you. I do also want to thank you and echo

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       the comments of my colleagues. A job well done.

3       And thank you for that call last week.

4                   COUNCIL PRESIDENT VERNA: Thank you.

5                   I'm sure Councilman Ortiz and

6       Councilwoman Brown would like to say a word of thank  
7       you.

8                   COUNCILMAN ORTIZ: As Wyatt Earp rides  
9       sunset, he just turns around and waves and he goes  
10      "Hi oh, Silver" -- that's not Wyatt Earp. That's  
11      the Lone Ranger.

12                   (Laughter.)

13                   MR. GREEN: Wyatt Earp was a marshal.

14                   COUNCILMAN ORTIZ: That's right.

15                   COUNCIL PRESIDENT VERNA: Councilwoman  
16      Brown.

17                   COUNCILWOMAN BROWN: Good morning. The  
18      only thing I would add is to commend your office for  
19      embracing technology. Because to the extent that  
20      you embrace that, it certainly aids us in the work  
21      that we have to do in serving constituents. And  
22      you've not shied away or backed away from that but  
23      use that in a way to maximize the professional  
24      service that you deliver. So congratulations to you  
25      and your staff, and continue the good work that

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       you're doing.

3                   MR. GREEN: Thank you very much. We  
4       couldn't have done that, of course, without City  
5       Council allocating the money that was needed to  
6       upgrade our technology. Thank you very much.

7                   COUNCILMAN ORTIZ: We're allocating 10  
8       million more for him, is that it?

9                   (Laughter.)

10                  MR. GREEN: I'm just grateful just to  
11       get out of here with all of these accolades. I  
12       don't need the money.

13                  (Laughter.)

14                  COUNCIL PRESIDENT VERNA: Are there any  
15       other questions from Members of the Committee?

16                  Thank you very much. This has been a  
17       very rare morning.

18                  MR. MCPHERSON: Clerk of Quarter  
19       Session.

20                  (Witnesses come forward.)

21                  MS. MILLER: Good morning, Council  
22       President Anna Verna and Members of City Council.  
23       My name is Vivian T. Miller, and I am the Clerk of  
24       Quarter Sessions and I have with me this morning Tom  
25       Christman, my Budget Analyst; Charles Williams, my

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       First Deputy; and Lopez Jones, my Second Deputy.

3                   I'm going to try to be brief, but I  
4       would first ask that you take care of my budget of  
5       \$4,379,889. And with the permission of the  
6       President, I would like to just read the second  
7       addendum to my budget address.

8                   COUNCIL PRESIDENT VERNA: Yes.

9                   MS. MILLER: Since I prepared my Fiscal  
10      2003 budget message, I am pleased to report to this  
11      body that we have been in negotiations with  
12      Administration through the Budget Bureau about our  
13      very serious concern. As a result of the Budget  
14      Bureau thorough analysis of our requested  
15      justification schedule needs, they have reconsidered  
16      our request for funding and will, by the use of a  
17      transfer ordinance, increase our Fiscal 2003 budget  
18      in the amount of \$195,000. This funding will allow  
19      us to hire an additional two court clerks and to  
20      move forward with the automation project which began  
21      last year at the request of City Council President  
22      Anna Verna. I want to personally thank this  
23      Administration and Council President Anna Verna for  
24      their concerns.

25                   Hopefully, our negotiation with the

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       Administration are not finished. However, this is a  
3       good start in meeting our over all needs.

4                       Thanks again for your time, attention,  
5       and all consideration given on this budget process  
6       and on behalf of the Clerk of Quarter Sessions.

7                       In conclusion, I remain steadfast and  
8       firm in bringing our department into the 21st  
9       Century, but I surely need your unwavering support  
10      and consideration in approving of all areas of  
11      budget requests in order to move forward. Thank you  
12      very much. Respectfully, Vivian T. Miller.

13                      Are there any questions?

14                      COUNCIL PRESIDENT VERNA: Are there any  
15      questions from Members of the Committee?

16                      The Chair recognizes Councilwoman  
17      Blackwell.

18                      COUNCILWOMAN BLACKWELL: Thank you,  
19      Madam President.

20                      We are happy to support the  
21      Commissioner's request. And let me say that she  
22      does a great job. As many of you know, she's also  
23      ward leader in Southwest and we're happy to support  
24      her.

25                      Thank you, Madam President.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           MS. MILLER: Thank you.

3           COUNCIL PRESIDENT Verna: The Chair

4 recognizes Councilman Ortiz.

5           COUNCILMAN ORTIZ: Do you need more

6 money?

7           MS. MILLER: Yes.

8           COUNCILMAN ORTIZ: Could you put that in

9 writing and just send it over to us?

10          MS. MILLER: I most certainly will.

11          COUNCILMAN ORTIZ: We'll try to

12 accommodate that, Vivian.

13          Thank you, Madam Chair.

14          COUNCIL PRESIDENT Verna: You're

15 welcome.

16          The Chair recognizes Councilman DiCicco.

17          COUNCILMAN DICICCO: I just want to say

18 thank you for your service.

19          COUNCIL PRESIDENT Verna: Are there any

20 other questions or comments from Members of the

21 Committee?

22          Thank you all very much.

23          MR. MCPHERSON: Register of Wills.

24          (Witnesses come forward.)

25          COUNCIL PRESIDENT Verna: Good morning.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       Welcome.

3                   MR. DONATUCCI: Good morning, Madam  
4       President and Members of City Council.

5                   In the audience is my Chief Deputy John  
6       Furey; to my left is Ralph Weiner, my First Deputy;  
7       to my right is Anthony Derosé, my Finance Director;  
8       and we have Jim Tangert, my Administrative Services  
9       Officer.

10                  As required by City Council, Madam  
11       President, I submitted a two-page letter  
12       approximately two or three weeks ago basically  
13       outlining our request for our budget, also  
14       highlighting some of the things we have done in the  
15       past year to help the City in its time of fiscal  
16       restraint and its efforts to raise additional  
17       revenue. Our request for next year fiscal year is  
18       \$2,875,292. This is something we sat down with Rob  
19       Dubow and basically the numbers that the  
20       Administration in keeping with our present staffing  
21       levels and present needs for next year.

22                  I'd like to point out some of the  
23       efforts. We did raise additional fees to help the  
24       City Council in the past. Some of these fees that  
25       we're raising is a result of monies that you have

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       given us in the past to help computerize our offices  
3       and also bring additional equipment in which gave us  
4       the ability to raise additional fees.

5                 I believe this year alone will bring in  
6       approximately 10 percent additional revenues over  
7       last year's numbers. If you look at the numbers,  
8       we're basically self-sustaining our office.

9                 While we're self-sustaining, we also go  
10      out in the community and provide services. We're  
11      the only marriage license bureau open on Wednesday  
12      nights in the five counties to provide a service to  
13      the citizens of Philadelphia and the surrounding  
14      counties because we tied in, if you recall, on  
15      Wednesday night we opened it so make it a night in  
16      Philadelphia. It also helps our restaurants where  
17      people come in, they get a marriage license or they  
18      go -- before or after they go to dinner in  
19      Philadelphia. So it's our way of helping to promote  
20      the City of Philadelphia. We also have two  
21      satellite office which we man with no additional  
22      personnel: One in the Northeast part of the City,  
23      and one in North Philadelphia. But we're always in  
24      the process of trying to generate additional fees  
25      and to help do our part of what's required.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           I'd like to mention what's happening in  
3   our office. And Rob Dubow, I want to acknowledge  
4   the help he's trying to give us. More and more the  
5   courts are requiring our office, because I'm also  
6   the Clerk of the Orphans Court, to do additional  
7   duties. In the past year, right after our budget  
8   was passed, we were required by the court system to  
9   implement a program called the Banner Program which  
10   is a national program which gives lawyers and the  
11   public the opportunity to go on-line to check docket  
12   entries. We were not budgeted for this and we're  
13   trying to stay within our budget, but this alone  
14   required a full-time supervisor and approximately  
15   \$80,000 of man hours of dollars to just run this  
16   program. I'm giving this caveat because I don't  
17   know what else the Supreme Court may mandate next  
18   year which will require additional employees or  
19   additional time allocation on our part. I'd like to  
20   emphasize, we're trying to stay within our 70  
21   employees and our budget. But it's getting more and  
22   more difficult when we're getting mandated by the  
23   courts to do additional duties.

24           If you recall, Council President, many  
25   years ago when I first became Register of Wills, we

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       were only getting compensated \$20,000 from the State  
3       of Pennsylvania for collecting inheritance tax. The  
4       State used to have four full-time employees sitting  
5       downstairs in Room 188 across the hall -- I'm 188,  
6       so across the hall like 185 -- where they would  
7       basically process inheritance tax applications.  
8       They closed the operation and they said to our  
9       office, This is now going to be your duty.

10               We lobbied Harrisburg to say, Look, if  
11       you want us to do this job, we would like to have  
12       some type sliding scale because last year we  
13       collected over \$60 million, the County of  
14       Philadelphia, which went into state coffers for  
15       inheritance.

16               And I'm glad to say that now we collect  
17       over 400,000 in commissions. If we could convince  
18       the courts or whatever down the road the more that  
19       we're doing maybe we can get additional monies from  
20       court system to help these new additional duties.

21               I want to thank City Council for all the  
22       help you've given us in the past. And hopefully if  
23       we get our phone lines from Verizon we'll be on-line  
24       with our probating which will in turn generate  
25       additional monies because we'll give the lawyers

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       and the public the opportunity to go on-line and  
3       we'll charge for some of these services. Thank you.

4                   COUNCIL PRESIDENT Verna: You're  
5       welcome. I don't have any questions. However, I do  
6       want to congratulate you on a great job in  
7       increasing revenues and also for improving services.

8                   MR. Donatucci: Thank you. My credit  
9       has to go to my staff. I'm always trying to  
10      encourage them to come up creatively -- and, you  
11      know, we work in conjunction with the Bar  
12      Association. Obviously, we don't want to be the  
13      only county office in the five to charge these fees,  
14      but we're right in line with the other counties and  
15      we're probably a little bit more reasonable because  
16      I believe Philadelphia County is unique in the sense  
17      of we provide more services because of the poor in  
18      Philadelphia.

19                  COUNCIL PRESIDENT Verna: Have you  
20      gotten many complaints from the public regarding  
21      increasing the fees that you initiated August of  
22      2001? And how do the fees compare to the  
23      surrounding counties.

24                  MR. Donatucci: Our fees are either  
25      equal or below the surrounding counties. And these

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       fees are usually based on assets into this state.

3       We try to keep the basic probate fees minimal so

4       that the poor of the area can afford to probate an

5       estate.

6                     Contrary to some of the counties,

7       Council President, we don't require an attorney to

8       probate an estate. I said contrary to the other

9       four counties, we do not really require that you

10      have an attorney to come in to probate an estate.

11      We try to help the public, the lay people in the

12      sense of if it's minor, we try to help them.

13      Sometimes you do need a lawyer, but we assist them

14      any way we can. We make it a user-friendly office.

15                     COUNCIL PRESIDENT VERNA: Thank you.

16                     The Chair recognizes Councilman Nutter.

17                     COUNCILMAN NUTTER: Thank you, Madam

18      Chair.

19                     No question for the Register of Wills.

20      And good morning to the other members of your team.

21      I just really wanted to say thank you for the

22      continued service. We've had a couple, over the

23      past year or so, a couple unusual, if not, somewhat

24      extraordinary situations. Your staff was most

25      accommodating in trying to get a couple situations

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       worked out, and I wanted to thank you for that. I  
3       don't think I know the other gentleman as well as  
4       either yourself or Ralph Weiner who is also ward  
5       leader in the 38th. But I want to extend to all of  
6       you my thanks and especially to Mr. Donatucci and  
7       Mr. Weiner.

8                   COUNCIL PRESIDENT Verna: The Chair  
9       recognizes Councilwoman Blackwell.

10                  COUNCILWOMAN BLACKWELL: I likewise  
11       wanted to say thank you for all that you and your  
12       department does. And likewise, I have to step out  
13       for a few minutes. We see Marge and Bobby Lee back  
14       there. Hats off to you as well. Thank you.

15                  COUNCIL PRESIDENT Verna: Thank you.  
16                  The Chair recognizes Councilman DiCicco.

17                  COUNCILMAN DICICCO: Thank you, Madam  
18       Chair.

19                  You mentioned about \$60 million in  
20       inheritance taxes turn over to the State and you  
21       said there was a time that your office wasn't  
22       compensated but now you are getting some  
23       compensation.

24                  MR. DONATUCCI: Yes. It's gone up every  
25       year.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           COUNCILMAN DICICCO: Is that a formula?

3 Is that by mandate.

4           MR. DONATUCCI: It's a formula that --

5           COUNCILMAN DICICCO: Is that set by the

6 State?

7           MR. DONATUCCI: By the legislators and

8 by the State, yes. It's by Act.

9           COUNCILMAN DICICCO: So is it uniform  
10 across the State, that compensation.

11           MR. DONATUCCI: Yes. We get probably  
12 the largest compensation in the State because of the  
13 volume.

14           COUNCILMAN DICICCO: Because of volume.  
15 But percentage-wise, is it the same?

16           I don't know what the formula for  
17 compensation is.

18           MR. DONATUCCI: I can get you a copy of  
19 it, but we're maxed out.

20           One half of one percent.

21           COUNCILMAN DICICCO: Are the other  
22 counties charging the same compensation.

23           MR. DONATUCCI: It's by State Act.

24           COUNCILMAN DICICCO: So in order for you  
25 to get more compensation, there'd have to a change

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       in the Act change?

3                   MR. DONATUCCI: Exactly. If you look  
4       at -- off the record, I mean, you can't complain  
5       collecting over 400,000.

6                   COUNCILMAN DICICCO: I know, but given  
7       the fact that we are unique and, as you say in your  
8       testimony, we have a lot more poor people in our  
9       county than some of the other counties do, and I  
10      think by comparison we probably should be  
11      compensated more. Now, that may become an argument  
12      to the State Legislature, but --

13                   MR. DONATUCCI: Usually when you're  
14      paying an inheritance tax, the estate has  
15      substantial monies in it. It's not coming from --  
16      and I would like to point out, the inheritance tax  
17      has been lowered in the State of Pennsylvania. It's  
18      now 4 percent and they've eliminated between spouses  
19      and it's only 12 percent between nephews or  
20      whatever, not direct decedents, but collateral. So  
21      I believe eventually years to come I think it's  
22      going to be eliminated. But as long as it's there,  
23      we do have at least four employees doing it full  
24      time.

25                   COUNCILMAN DICICCO: I was just looking

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       to see if there's a way in which we can helpful to  
3       see if we can do anything in Harrisburg to get that  
4       percentage up because of the fact that you're  
5       constituency, the City of Philadelphia constituency  
6       is a lot different than Montgomery and Bucks and  
7       Delaware County.

8                   MR. DONATUCCI: But that's a small part  
9       of our operation, the inheritance tax. A lot of our  
10      time consumption is the probate and estates. And  
11      like I said to you earlier, Rob Dubow and Harry  
12      Wellerstein and everybody over in finance, they're  
13      trying to address this problem because they realize  
14      more and more of our duties are becoming court  
15      related. Now, I don't know if eventually down the  
16      road a consolidation into the court system, but as  
17      we're getting more and more into technology, we're  
18      getting more and more required to go on-line and do  
19      A, B, and C, and our accessibility and it's costing  
20      us a lot of personnel now and, obviously, the  
21      equipment.

22                   COUNCILMAN DICICCO: Thank you. Thank  
23      you again for your office, the service of your  
24      staff. They've always been very helpful.

25                   MR. DONATUCCI: You're welcome.

1 3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2 COUNCILMAN DICICCO: Thank you, Madam  
3 President.

4 COUNCIL PRESIDENT VERNA: You're  
5 welcome.

6 Are there are any other questions from  
7 Members of the Committee.

8 Seeing none, I thank you gentlemen.

9 COUNCIL PRESIDENT VERNA: City  
10 Commissioners will be next.

11 (Witnesses come forward.)

12 COUNCIL PRESIDENT VERNA: Good morning.

13 MS. TARTAGLIONE: Madam President and  
14 Members of City Council, good morning. I am  
15 Margaret M. Tartaglione, Chairwoman of the City  
16 Commissioners Office. I would like to thank you for  
17 this opportunity to present our Fiscal Year 2003  
18 Operating Budget.

19 The City Commissioners' proposed  
20 spending level of \$8,187,093 for FY 2003 is  
21 allocated as follows: Class 100, personal service,  
22 \$4,678,505. Class 200, Purchase of Services,  
23 \$2,594,035. Class 300, materials and supplies  
24 \$580,687. Equipment in 400, \$52,784. Class 800,  
25 payment to productive bank, \$281,082.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2                   This represents an additional \$289,852  
3   in Class 100 over FY 2002 estimated obligations.  
4   The above figures also provide funds for 3 percent  
5   wage increase effective December 15, 2002 in the  
6   amount of \$52,841.

7                   We are excited to announce that the  
8   adoption of the Electric Voting Machine System,  
9   EVMs, approved by the electorate in the 1998 General  
10   Election Ballot will take place City-wide shortly.  
11   The new system will replace our existing mechanical  
12   machines for the use of 2002 Primary Election. This  
13   action will enable faster accurate tabulation of the  
14   vote count, reduce the dependency on outside voting  
15   machine mechanics and result in the anticipation and  
16   initial reduction of Class 200 spending for  
17   mechanics service by at least \$175,000. The vendor,  
18   Danaher Controls, shall provide initial training and  
19   continue support service for the City Commissioners  
20   for the period of approximately two years on the new  
21   implemented system. During 2002 General Election,  
22   the department will hire approximately 50 outside  
23   technicians to assist three days immediate prior to  
24   the election for election day. The dependence  
25   on outside technicians is expected to become lower

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       as the City Commissioners staff become more  
3       proficient and the use of the EVMs. The cost  
4       technicians has not been determined at this time.

5           The City Commissioners had made any  
6       every effort to reduce expenses whenever possible.  
7       We hope to continue carrying out cost savings, but  
8       we are anticipating that major technology steps that  
9       we have taken will require additional funding. We  
10      will be facing higher maintenance fees or replacing  
11      cost to support older office equipment such as  
12      printers, copiers, scanners, fax machine and desk  
13      top computers.

14           Additionally, we are projecting an  
15      increase in the cost of 101 civilian overtime for  
16      providing election seminars to familiarize both the  
17      Election Board members and the public with the  
18      technical advancement of the EVMs. Increased  
19      participation in the election seminar by the  
20      Election Board members will also increase the cost  
21      in Class 200, purchase of services.

22           The department will also be required to  
23      obtain 50 personal computers to replace terminals  
24      for access to the election payroll system and voters  
25      files. Terminals to the currently more widely used

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2   Internet protocol employing PCs with network  
3   interface capability will be necessary. National  
4   Cash Register, NCR, has recommended the City  
5   Commissioners no longer support terminals base  
6   system after December of 2002. We are looking  
7   forward to continue assistance of the Mayor's Office  
8   of international information service to facilitate  
9   these transitions.

10               This department is continued to  
11   institute sweeping changes to the system by which  
12   citizens of Philadelphia can cast their vote. As  
13   expected in most transition periods, we are faced  
14   with some challenges as we make enormous  
15   technological advancements. In order to provide the  
16   option level of service to the citizens of  
17   Philadelphia, we must continue to adopt and  
18   modernize our antiquated system in the face of all  
19   obstacles before us in the priority of this  
20   department to ensure the citizens of Philadelphia  
21   their Constitutional right to vote and to certify  
22   that each voter be counted properly.

23               Once again, thank you for the  
24   opportunity to present our Fiscal 2003 Operating  
25   Budget.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           COUNCIL PRESIDENT Verna: Thank you.

3       Commissioner, I want to thank you and your staff,  
4       particularly Bob Lee for coming to my ward meeting.  
5       He put on a great demonstration for the new voting  
6       machines. And I think at that time we had about 200  
7       people present and he had the patience of Job. And  
8       I personally want to thank you publically. You did  
9       a fantastic job.

10          MR. LEE: Thank you.

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

13          COUNCILMAN DiCicco: Thank you, Madam  
14       Chair.

15          Good morning, Commissioner. In that  
16       same regard, how are we doing with people responding  
17       to come in for instructions? I know in years past  
18       they've been rather lax because they thought they  
19       knew everything about the machines because they had  
20       been working in those polling places for years, only  
21       to find out that they didn't know.

22          Now that we have a new machine, how are  
23       things looking? And is there anything we can do?

24          MR. LEE: The acceptance level of the  
25       machine is very high. We've done 104 demos so far.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       We have a total of 342 scheduled right now most of  
3       April. We still have time for more appointments.  
4       We're doing between -- some days you only three to  
5       four, other days you're doing 10. We're doing five  
6       tomorrow night. We're running all over the City.  
7       We're doing a lot of senior centers, senior meetings  
8       at churches. We go to the churches after mass and  
9       set up there. And the acceptance level by the  
10      voters is very high. And most of the seniors are  
11      taking well to the machine. It's just a matter of  
12      explaining to them you merely push a button instead  
13      of pulling a lever.

14                The classes for the poll workers begin  
15      today. And what we've done is we've changed the  
16      schedule so that rather than just have an open  
17      schedule, we are attempting to get the wards there  
18      at a specific date and time so that the whole board  
19      would be together. We're going to put 12 people on  
20      a machine for a period of an hour, and 3 at a time  
21      they'll set it up, close it down, operate it.  
22      Rather than talk to them, we want them to touch it.  
23      Once you use the machine, it becomes a lot more  
24      simpler.

25                COUNCILMAN DICICCO: Less intimidating,

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       right?

3                   MR. LEE: In addition, as Madam  
4       President said, we're going to every ward in the  
5       City, and a lot of wards are bringing their poll  
6       workers there. We're giving them a full  
7       demonstration there, although they're not getting  
8       the hands-on there. They are getting familiarized  
9       with the machines. And while they have concerns, I  
10      think most of them see the benefits of using this  
11      system.

12                  COUNCIL PRESIDENT Verna: They all  
13      expressed such an interest. I was really very  
14      impressed; I really was.

15                  Councilman, are you finished?

16                  COUNCILMAN DICICCO: Yes. Thank you.

17                  Thank you for all your support,  
18      Commissioner.

19                  COUNCIL PRESIDENT Verna: The Chair  
20      recognizes Councilwoman Brown.

21                  COUNCILWOMAN BROWN: Thank you, Madam  
22      President.

23                  Good morning, Commissioner. The May  
24      election is in front of you even though it's 30 days  
25      away and we will be using the new machines. What

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       contingency plans do you have in place for the rare  
3       unhoped-for possibility that machines may break down  
4       and that kind of thing even with the new machines  
5       and the extensive training that you're doing?

6           You give a lot of discussion of that on  
7       Page 3 of your testimony for General Election, but  
8       what provisions or contingencies do we have in place  
9       for the spring Primary?

10           MR. LEE: We have 12 technicians who are  
11       fully trained on these machines, certified. In  
12       addition to that, as part of the contract the vendor  
13       is bringing in another 35. So there will be 47  
14       technicians on the street on Election Day. In  
15       addition to that we'll have six vans. Each of the  
16       vans will have two machines apiece in the van.

17           This machine is pretty good because if  
18       we have a problem with a machine that we can't  
19       figure out Election Day, we bring in a new machine.  
20       We can take the ballot face off the machine that was  
21       used in the morning, take the cartridge out of that  
22       machine, put it in a new machine. It will pick up  
23       where that machine left off because of the votes  
24       will be in the cartridge. And in addition to that,  
25       the machine that is out of service will maintain the

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       votes in the memory bank of the one that went out.

3       So we're able to do repairs on the street and also

4       swap out and replace the machine.

5                   When we went to Columbus, Ohio, they

6       don't repair the machines on the street Election

7       Day. They just swap in a new one and take it out.

8       So we do have some contingency plans and we have

9       some benefits with this machine.

10                   Additionally, there's only two moving

11       parts on this machine. One is the protective

12       counter, that's through a dial wheel. And I believe

13       the other is the printer itself. You would use a

14       printer morning or at the end of the night. So

15       there's a lot less moving parts that can get jammed

16       or broken or not set right.

17                   COUNCILWOMAN BROWN: Thank you for that

18       explanation.

19                   MS. TARTAGLIONE: And I want to note

20       that if anything happens to the machine and they

21       have to replace it, when you take that cartridge out

22       at the end of the night it will have what time that

23       cartridge was taken out and put in the new machine.

24                   COUNCILWOMAN BROWN: If you have not

25       done so already, could you prepare and submit to the

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       President the listing of when you're visiting the  
3       various wards around the City for those of us who  
4       may be interested in training as well?

5                   MR. LEE: What we do is we print the  
6       list. Every Friday we send an updated of the list  
7       up to the Commissioners and it's sort of two ways,  
8       one's by date and one's by ward. So if you're  
9       interested in which locations we will be in your  
10      ward in the following week, you can contact  
11      Commissioner Tartaglione's office and they can give  
12      you the demos that are schedule for your particular  
13      ward or area.

14                   COUNCILWOMAN BROWN: Thank you. Thank  
15      you very much.

16                   COUNCIL PRESIDENT Verna: The Chair  
17      recognizes Councilman Cohen.

18                   COUNCILMAN COHEN: Thank you.

19                   I wanted to join in the appreciation  
20      expressed by the Council President. Your group made  
21      a tremendous demonstration at the 17 Ward. The  
22      place was overflowing onto the streets. We thought  
23      people would be annoyed. They were not. They were  
24      interested. They listened. I think it was a very  
25      successful demonstration. We want to thank you for

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2     it.

3                     One question now. Is there any plan for  
4     assistance on election day for the voters? If a  
5     voter has some difficulty in feeling comfortable  
6     with the machine, will there be anybody available  
7     to assist? Is there any plan to do that?

8                     MR. LEE: Probably the education of the  
9     voters is going to appear or happen prior to the  
10    election as much as we can possibly do that. Right  
11    now on the City's cable channel on 64 and 63 at 6  
12    and 9 o'clock each night we have a video tape  
13    running, a public service announcement showing them  
14    how to use the machine. We also want to contact the  
15    cable office and ask them to play that before and  
16    after the Council hearings to try to get some more  
17    exposure. Those PSA tapes will be put out wherever  
18    we can get air time from all the media. In addition  
19    to that, there will be articles in the local  
20    community news papers. And Commissioner Tartaglione  
21    has said that we are going to put a full-page ad,  
22    not only in the Inquirer, Daily News and Tribune,  
23    but in every single local community paper in the  
24    City with the instructions that are included in our  
25    brochures. So that ad will appear in the issue the

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       week before the election, or as far as the Inquirer

3       and Daily News, the day before the election. We

4       also have a web page design to put on the City's

5       Website showing them how to use that machine how to

6       vote. We're probably trying to do as much as we can

7       beforehand. Probably the best way or the way

8       they've always to vote on machines is it's going to

9       be committeemen and judges of elections and poll

10      workers assisting them on election day. And the

11      pink sample ballot will be an exact facsimile of the

12      ballot itself, including the green vote button. And

13      we've taken the step of adding extra assistance

14      declarations so that there's at least 150 in each

15      division where if someone wants to take someone in

16      the machine with them because they're unable to

17      enter or operate the machine, they're allowed to

18      declare that need on Election Day, sign that form

19      and take somebody in with them of their choice. I

20      think probably the voters are going to learn best

21      from committeemen as they've always had. People are

22      going work their pink sheets and show them you go up

23      and merely push the button as opposed to pulling a

24      lever. And I think the voters are going to take to

25      this and realize it's a lot easier than the initial

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       fear may be.

3                   COUNCILMAN COHEN: The ability of the  
4       machine to be tilted on behalf of handicapped voters  
5       is an especially desirable feature.

6                   MR. LEE: Yes, the machine lowers for  
7       those in a wheelchairs or those who use wheelchairs  
8       and for people who are not as tall.

9                   COUNCILMAN COHEN: I think you all to be  
10      congratulated for your effort in that regard too.  
11      Thank you.

12                   Thank you, Madam President.

13                   COUNCIL PRESIDENT Verna: You're  
14      welcome.

15                   Mr. Lee, you made mentioned about how  
16      you will be advertising in the local papers the week  
17      before the election. Do you have money in your  
18      budget to do that?

19                   MR. LEE: That's not currently budgeted.  
20      Our normal advertising is, but the full page ads in  
21      all the community papers, that's not currently  
22      budgeted right now.

23                   COUNCIL PRESIDENT Verna: Have you  
24      spoken to the Finance Director?

25                   MR. LEE: No. We made mention to

1 3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2 Mayor's Chief of Staff and Managing Director when we  
3 were at a meeting on a different issue and we'll be  
4 working through, I guess, with all the departments  
5 on that.

6 COUNCIL PRESIDENT VERNA: Very well.

7 Thank you.

8 The Chair recognizes Councilman Nutter.

9 COUNCILMAN NUTTER: Thank you, Madam  
10 Chair. Good morning, Chairwoman Tartaglione and Bob  
11 Lee. It's nice every now and then when we can  
12 actually start something and live to see through the  
13 completion. Doesn't often happen in the government.  
14 But I first just want to thank you, Commissioner  
15 Tartaglione, and all the commissioners who were in  
16 office at the time that this effort started back in  
17 '97 and '98. I know it was yourself. I know  
18 Commissioner Alex Talmadge was the Commissioner at  
19 the time. My memory is a little fuzzy. Was  
20 Commissioner Duda a commissioner at that point?

21 MS. TARTAGLIONE: Yes.

22 COUNCILMAN NUTTER: I know he had come  
23 in somewhere around about --

24 MS. TARTAGLIONE: I thought we tried  
25 this since 1977.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           COUNCILMAN NUTTER: Yes, I know. It has  
3   been a while. Sorry it took so long. But  
4   nevertheless, the Council put forward the necessary  
5   legislation. I want to thank my colleague  
6   Councilman Cohen as Chair of the Law and Government  
7   Committee that had the hearings on this particular  
8   issue and allowed the voters the opportunity to vote  
9   on it, which I think they did overwhelmingly, I  
10   think 70-some-odd percent. And it's long overdue,  
11   but the time has come and I just really want to  
12   express my appreciation. It was a great thing to be  
13   able to work on. And I thank all of my colleagues  
14   for the support they gave to getting this passed.

15           I did want to ask one question with  
16   regard to -- I heard Bob Lee talk about the  
17   switch-out, the machine switch-out event.  
18   Obviously, we have enough machines to be placed at  
19   all of the 1681 polling places and some places have  
20   one, some have two, some have three. How many,  
21   quote/unquote, extra machines do we have?

22           MR. LEE: We have 3526 machines plus 10  
23   demo machines. We expect to use about 3430 on the  
24   street. This election there will be no division  
25   that has only one machine. We will make sure that

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       every division has at least two so that if there's  
3       any kind of confusion or problem, there will be a  
4       second machine there that they can continue voting  
5       on. So for this election we're eliminating our  
6       single machine divisions and putting two machines in  
7       every division. There will be some triples where  
8       the law requires it, which leaves us probably less  
9       than a hundred machines as spares.

10               COUNCILMAN NUTTER: And lastly, in that  
11       regard, in other cities where these machines  
12       function and operate, if they utilize the switch-out  
13       procedure, is there any history in those cities in  
14       terms of the number of machines that have actually  
15       had to have their counters removed and placed in  
16       another machine?

17               MR. LEE: Very few. Once every couple  
18       of elections they do. It's very few. These  
19       machines have been proven to be reliable. The  
20       machine has been used on the street, the machine  
21       itself, since about '83. It's a good solid proven  
22       machine. The software that we're using to do it is  
23       from 1998. All of it's independently tested for FUC  
24       standards and it's all been examined by the State.  
25       It's a very good solid machine. Generally, if

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       there's problems with the machine with the  
3       electronics, it's within the first few months.  
4       These machines each went through extensive testing  
5       in our warehouse. They started delivering them back  
6       in June of '01. And our people have been testing  
7       them at a rate of about 125 to 200 a week is what  
8       the delivery schedule was and we were testing them  
9       all summer through the fall.

10               COUNCILMAN NUTTER: Just for the record,  
11       I think the original proposal was that the machines  
12       were going to be phased in. There was extensive  
13       negotiation time period as well as the building, if  
14       you will, of the machines. The way we have it  
15       situated now, all polling places will have the same  
16       electronic machine on Election Day. No one will  
17       have the old whether old shoe, new show, any other  
18       shoe, or Jamestown or anything else. All of those  
19       machines are out of our system and we're only used  
20       the one electronic machine; is that correct?

21               MR. LEE: That's correct. We're using  
22       this machine City-wide. In fact, the Commissioners  
23       from the onset wanted to go with a full City-wide  
24       implementation and avoid trying to merge a hand  
25       count with an electric count which could be a

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       problem. So it was decided pretty early on to go  
3       with a full City-wide implementation.

4           COUNCILMAN NUTTER: Lastly, let me  
5       follow up where the Council President was. Do you  
6       know when the issue of funds for a full public  
7       education advertising campaign -- I mean, obviously  
8       you need to start as soon as possible. Election Day  
9       is --

10           MR. LEE: May 21st.

11           COUNCILMAN NUTTER: Yes, I know when it  
12       is. What is it, three months a from now, two and a  
13       half months from now?

14           MR. LEE: Yes.

15           COUNCILMAN NUTTER: I'm sure you need to  
16       get going on that. How do we get resolution to  
17       that? What do you think it will cost?

18           MR. LEE: I'm not sure. The ad is ready  
19       to go. It's in my PC, it's ready to go. It's just  
20       a matter of having our people talk to the Inquirer,  
21       Daily News, these local papers and see what these  
22       full page ads are going to run.

23           COUNCILMAN NUTTER: Okay. I certainly  
24       encourage you to be aggressive about it, which I  
25       know you will be. And if there's anything that we

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       can do to support that, I think it is critical that  
3       we have a good public education campaign  
4       notification. I know you're having demonstrations  
5       at a wide variety of places. You'll be coming out  
6       to the 52nd shortly. But I know throughout the City  
7       we need people to know as much as possible about the  
8       machines as well as take advantage of the  
9       opportunity to encourage more people to come out to  
10      vote who may just be intrigued by the new  
11      technology.

12                   MS. TARTAGLIONE: In fact, today they  
13      are putting two demos in the MSB Building in the  
14      basement as people come and pay their taxes and  
15      their water and all, and they will be demonstrating  
16      the machines there today.

17                   COUNCILMAN NUTTER: Very good.  
18                   Thank you, Madam Chair.

19                   COUNCIL PRESIDENT VERNA: You're  
20      welcome.

21                   Are there any other questions from  
22      Members of the Committee?

23                   The Chair recognizes Councilman Cohen.

24                   COUNCILMAN COHEN: I just wanted the  
25      record not to fail to note the great contribution

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       made by Councilman Nutter of this Body in moving the  
3       whole process forward. He initiated the  
4       legislation. He fought hard as Chairman of Law and  
5       Government Committee. He was on top of me all the  
6       time until the hearings got scheduled and actually  
7       got held. I think he was certainly an honorable  
8       commissioner together with the Commissioners in  
9       moving this process forward. And I think the record  
10      ought to note his great contribution.

11                   COUNCIL PRESIDENT Verna: We  
12      congratulate him and you. Thank you.

13                   Any other statements or questions from  
14      Members of the Committee?

15                   Thank you very much.

16                   MS. Tartaglione: I want to remind the  
17      Councilpeople who are ward leaders tomorrow at  
18      5 o'clock is the deadline to file for your committee  
19      people.

20                   COUNCIL PRESIDENT Verna: Thank you.

21                   It's my understanding that Judge Jackson  
22      would like to be recognized again.

23                   COUNCILMAN Nutter: Madam Chair, I think  
24      the record should reflect that this is the first  
25      time that anyone has voluntarily come back during

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       the course of a budget hearing.

3                       (Laughter.)

4                       JUDGE MASSIAH-JACKSON: Thank you, Madam  
5       Chair. I had indicated to our Clerk of Quarter  
6       Sessions, Vivian Miller, that I would sit with her  
7       and her staff as she presents her testimony. But  
8       after the First Judicial District testimony, I was  
9       out in the hallway talking to the attorneys  
10      supporting counsel fees. And when I turned around,  
11      Mrs. Miller was gone. So apparently, I think that  
12      she answered all of your questions very  
13      expeditiously and she went back to her office.

14                      But I'm here just to say that our  
15      courts, every courtroom must have a Clerk of Quarter  
16      Sessions, at least one. And even as we speak, there  
17      are insufficient numbers of Clerks of Quarter  
18      Sessions. There are 64 trial courtrooms in the CJC.  
19      They do not have enough clerks. Some of the  
20      courtrooms really need more than one clerk. And we  
21      will continue to support the Clerk of Quarter  
22      Sessions in their budget request, in their request  
23      to eliminate the hiring freeze that I believe has  
24      been imposed on them. And I know they have clerks  
25      who are in the DROP Program. All of that will

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       affect the operation of our courts because, you  
3       know, judges are not necessarily the most important  
4       person in the courtroom. The Clerks of Quarter  
5       Sessions are important, the sheriffs are important,  
6       and the staff. And we really need those staff  
7       people. So that was our addition to the Clerk of  
8       Quarter Session testimony.

9           COUNCIL PRESIDENT Verna: Mr. Dubow, I  
10       understood the Clerk of Quarter Sessions was  
11       negotiating with you for taking care of her needs.

12           The record will reflect that Mr. Dubow  
13       was asked the question. He nodded his head in the  
14       affirmative.

15           Thank you very much, Judge.

16           JUDGE MASSIAH-JACKSON: Thank you.

17           (Witnesses come forward.)

18           COUNCIL PRESIDENT Verna: Please  
19       identify yourself for the record and proceed with  
20       your testimony.

21           MR. RADWANSKI: I am Deputy City  
22       Controller Tony Radwanski. I am here to present  
23       testimony on behalf of Jonathan Saidel on the  
24       Auditing Department's Fiscal Year 2003. I am joined  
25       by Deputy City Controllers Albert Scaperotto,

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       Anthony McNeil, and Office Administrator Gene  
3       Laumer.

4                   The Mayor's proposed FY 2003 Operating  
5       Budget includes a proposed General Fund  
6       appropriation of \$7,501,595 for the Controllers  
7       Office. We agree with this appropriation and this  
8       year have continued to hold the line and function  
9       within the framework of the Mayor's across the board  
10      1.5 percent Class 100 budget reduction. The entire  
11      amount of the modest increase over our FY 2002  
12      budget is due to the cost of living salary  
13      adjustments negotiated with our City employee  
14      bargaining units. Our staffing level for FY 2003  
15      stands at 131 budgeted positions. I'm very proud to  
16      report that our staff currently includes 45  
17      certified public accountants, an all time high for  
18      the City Controllers Office. We intend to continue  
19      and strengthen our profession training program to  
20      retain and enhance this fine staff.

21                   As future challenges present themselves,  
22      we will find it increasing difficult to live with  
23      our existing appropriation and staffing levels while  
24      also vigorously pursuing the ever-increasing  
25      responsibilities placed upon our office by

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       additional programs and federal and state auditing  
3       mandates. For example, the usual staff turnover  
4       which had enabled us to artificially balance last  
5       year's 100 Class budget was nonexistent this year.  
6       This may partially be due to the effects of the  
7       City's DROP Program. To date, no Civil Service  
8       employees have left the office during the entire  
9       Fiscal 2002 period, so we were unable to achieve any  
10      cost savings through the usual turnover of  
11      positions, occurring when employees leave or retire.

12                 To fully carry out our audit  
13      responsibilities, I hope this Council will consider  
14      future modest enhancements o our funding level. Our  
15      present responsibilities include conducting audits  
16      of 40 City departments, auditing the comprehensive  
17      annual financial report and federal financial  
18      assistance reports of the City and School District  
19      of Philadelphia, as well as conducting performance  
20      audits of the City and School District programs,  
21      state forfeiture audits, and grants audits, bond  
22      consent letters and various other topical audit  
23      requests.

24                 Our Pre-Audit Unit which is headed by  
25      Mr. McNeil, is chronically understaffed. The



1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       the future is work closely with Council in utilizing

3       the expertise of the Controllers Offices in

4       conducting topical audits of special interest to you

5       and your constituents. For example, in the recent

6       past, Members of the Council have requested our

7       office's assistance in investigating the procurement

8       and installation of the new playing turf at Veterans

9       Stadium, City-administered employee health care,

10      prison health care, small business lending in

11      Philadelphia, and most recently the structure of our

12      local taxes, as I'm sure you'll well aware. I am

13      very pleased with the comments we have received from

14      Councilmembers on the audits we have been able to

15      conduct and I am proud that you have come to rely on

16      our office as a source for unbiased intelligent and

17      professional fact finding. Although fulfilling all

18      of these special requests is very important to

19      Controller Saidel and to Philadelphia, conducting

20      them is time consuming, expensive, and often

21      requires the need for outside expertise. One of the

22      controller's goals is to work constructively with

23      Council this year to try to device a method of

24      providing earmarked funding for some of these

25      special audits on a project-by-project basis so that

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       they may be conducted timely and professionally and  
3       be of use to this Council in conducting its public  
4       hearings and its legislative deliberations.

5                   Controller Saidel is extremely proud of  
6       the men and women of his office who always reflect  
7       great credit on our office and on the City. Our  
8       staff is often called upon to make presentation to  
9       other municipal auditors from around the country and  
10      have consistently won competitive national  
11      professional awards for their work.

12                  Controller Saidel has asked me to tell  
13      you that as long as he serves as City Controller he  
14      will continue to fight to maintain his high standard  
15      of professionalism and objectivity.

16                  On behalf of th controller and his  
17      staff, I thank the Members of this Council for your  
18      consideration, constructive thoughts, ideas and kind  
19      words. My colleagues and I will be happy to answer  
20      any questions you may have at this time.

21                  COUNCIL PRESIDENT Verna: Thank you.

22                  Are there any questions from Members of  
23      the Committee?

24                  How many people do you anticipate will  
25      be eligible for the DROP Program?

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           MR. RADWANSKI: Right now about 10  
3 people. However, they are in strategic positions.  
4 For example, there are two people who are in a  
5 supervisor capacity in our Pre-Audit Section, both  
6 of them are in the DROP Program, so we really have  
7 to get our training program started now to assume  
8 those positions in those roles because they're  
9 critical. That's a critical stop in the City's  
10 system of paying vendors. If something should go  
11 wrong in that system, all hell breaks loose,  
12 basically.

13           COUNCIL PRESIDENT Verna: So you're  
14 starting the training program at this point?

15           THE WITNESS: We are starting it this  
16 year, yes. We have two years before these drops  
17 take effect. So we really have two years to get in  
18 gear. That should be sufficient time.

19           COUNCIL PRESIDENT Verna: Because most  
20 of them, I think, start in October of '03.

21           The Chair recognizes Councilwoman Brown.

22           COUNCILWOMAN BROWN: Thank you, Madam  
23 President. Your question has prompted one from me  
24 as a follow-up.

25           You mentioned that you have 10 in

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       supervisory capacity that will be leaving. Is there  
3       another level of management above the supervisory  
4       level?

5                   MR. RADWANSKI: The people above the  
6       people who are leaving I mentioned in Pre-Audit are  
7       the Deputy City Controller and the City Controller.

8                   COUNCILWOMAN BROWN: And you also  
9       mentioned that you have training on-line.

10                  MR. RADWANSKI: We have not yet begun  
11       it. We're going to start it this fiscal year.

12                  COUNCILWOMAN BROWN: Okay. I am always  
13       observant of the makeup, the composition makeup of  
14       all departments, particularly at the upper level.  
15       So my hope is that women are in the pipeline to be  
16       part of the training so that they too can rise to  
17       the ranks of leadership in your department.

18                  MR. RADWANSKI: One of the people of the  
19       two is a woman, and we certainly will give that full  
20       consideration. We'd like that as well.

21                  COUNCILWOMAN BROWN: Very well. Thank  
22       you very much.

23                  MR. RADWANSKI: Thank you, Councilwoman.

24                  COUNCIL PRESIDENT VERNA: Are they Civil  
25       Service positions?

1 3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2 MR. RADWANSKI: Yes, they are.

3 COUNCIL PRESIDENT VERNA: Thank you.

4 The Chair recognizes Councilman Nutter.

5 COUNCILMAN NUTTER: Thank you, Madam

6 Chair.

7 Good afternoon, Mr. Radwanski and the  
8 other members of your team here this morning. Not  
9 so much a question, but I wanted to take a full  
10 opportunity in a more public fashion -- from time to  
11 time the Controllers Office has certainly generated  
12 by its audits and by our Charter requirement the  
13 concern of the various departments that you make  
14 audit as is your responsibility and so you at times  
15 maybe take on a certain persona of these nameless,  
16 faceless people who do audits and make other  
17 people's lives difficult. On the other hand, I had  
18 occasion, and I wanted to thank you publicly, that  
19 in a non-audit capacity there was a particular night  
20 that I was actually somewhat stranded right outside  
21 City Hall, and you stopped as you were coming around  
22 the City Hall circle and asked if I was okay and  
23 then offered your assistance and helped me along the  
24 way. And I wanted to thank you for that. It was a  
25 very kind gesture and I just wanted to tell you

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       thank you.

3                   MR. RADWANSKI: Thank you, Councilman.

4       I would like add that we in the Controllers Office  
5       deeply appreciate the thoughtful approach you take  
6       to the legislative things that we bring to your  
7       attention. We appreciate you as well.

8                   COUNCILMAN NUTTER: Well, thank you.

9                   Thank you, Madam Chair.

10                  COUNCIL PRESIDENT VERNA: Any other  
11       questions or comments from Members of the Committee?

12                  The Chair recognizes Councilman Ortiz.

13                  COUNCILMAN ORTIZ: Thank you, Madam  
14       Chair.

15                  We've been dealing now with the prison  
16       audit for a while. We've been having some  
17       difficulties in achieving that. How far are we into  
18       that?

19                  The prison keeps on, and the  
20       administration, not coming forward with the  
21       information we need. And actually, it's becoming  
22       more and more imperative that the Controller be able  
23       to look at, if we're ever going to get a sense of  
24       how they spent \$28 million.

25                  MR. RADWANSKI: Councilman, that's

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       exactly what we had in mind when I mentioned the

3       fact that we should develop some kind of mechanism

4       where there's consensus in Council to do a

5       particular audit that we can get the money

6       appropriated to do it. For instance, like the

7       prison health care audit is a matter of great

8       concern to us. The City has spent over \$110 million

9       in the last six fiscal years on prison health care.

10      And it a seems apparent from the numbers that we see

11      that we're not getting the bang for the buck that we

12      should. You've been very vocal on leading that

13      issue. But we went out, we got a private firm,

14      solicited a private firm to do the audit because

15      it's not something that we can do in-house. It

16      requires a certain degree of medical expertise. And

17      we got a \$90 thousand price tag. So at that point,

18      we were kind of caught between not doing it and

19      trying to do it to a lesser degree, which in my

20      judgment would not have produced the effective

21      really being able to measure the quality of prison

22      health care. So at that point, we were stuck with

23      what do we do. And that's why we thought of this

24      mechanism. If we can only devise a mechanism where

25      there's a consensus in Council for us to do a

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       certain thing, we have the expertise to be run the  
3       audit effectively and most cost efficiently.

4       However, sometimes in the office we don't have the  
5       medical expertise or other type of specialty  
6       expertise that's needed to do a particular audit.  
7       This is a perfect example of that.

8                   COUNCILMAN ORTIZ: And this is over a  
9       hundred million that we're dealing with and it's  
10      become obvious to your office, it's become obvious  
11      to City Council that we're not really getting the  
12      information and we're not getting the services that  
13      a hundred plus million dollars should be able to be  
14      providing the City. And I think we got the same  
15      problem in terms of information and being able to  
16      develop a policy for this Council.

17                   In Councilman Cohen's health  
18      investigation into the health insurance program that  
19      the City had contracted with, we were never able to  
20      really get all the information that was needed at  
21      that time. And we needed an audit there. I don't  
22      think we got that, right, David?

23                   MR. RADWANSKI: That's still ongoing,  
24      Councilman. That audit is still ongoing. It should  
25      be done very soon, within the next couple of weeks.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           COUNCILMAN ORTIZ: But these are  
3     investigations that have been ongoing now for like  
4     two years. And we -- because of the financial  
5     difficulties and the ability to get information  
6     really has become extremely difficult to get a good  
7     grasp on the factual situation that we're  
8     encountering.

9           MR. RADWANSKI: Well, we would  
10    appreciate your support in trying to get that  
11    through. In the meantime, we'll be happy to work  
12    with you to try to do something that we can do with  
13    our present means. We're very concerned also that  
14    this whole prison health care fiasco or prison  
15    health care system that they have now exposes the  
16    taxpayers to a lot of lawsuits that they would not  
17    necessarily be exposed to if the system were  
18    operating right.

19           COUNCILMAN ORTIZ: A whole series of  
20    lawsuits.

21           MR. RADWANSKI: That's right. So that's  
22    very important because it saves a lot of money for  
23    the taxpayers down the road.

24           COUNCILMAN ORTIZ: Thank you.

25           COUNCIL PRESIDENT Verna: The Chair

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       recognizes Councilman Cohen.

3                   COUNCILMAN COHEN: I raise this question  
4       in a very tentative way, which for me is unusual.  
5       In addition to looking for a mechanism whereby  
6       Council and the Controller could work more closely  
7       together on specific audits, it seems to me that  
8       there's another area of great need for this high  
9       level of participation, and that is this -- I think  
10      your office is outstanding in the studies it  
11      conducts. If you're not the best in the country,  
12      you must be right next to the best, though I think  
13      it would be awfully hard to find any controllers  
14      office, whatever it may be called, that's enclose to  
15      yours in the superlative quality and product  
16      produced when you produce it.

17                   The question I have is that too often it  
18      seems to me that your work is wasted in the ultimate  
19      sense and that you raise issues, some departments  
20      feel kind of free to ignore them and then there  
21      seems to be nowhere for the Controller to go. I  
22      want to express to you that, speaking for myself,  
23      hopefully for a majority of the Members of the  
24      Council though we've never consider it, I think  
25      there ought to also be in your agenda a method of

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2     working together to be able to see that your studies  
3     produce results. They're wonderful in their  
4     analysis. But like the Planning Commission's  
5     recommendations, the can be completely disregarded.  
6     And I think we ought to find a way maybe not to  
7     change the legal impact but to make your  
8     recommendations have a much greater chance of being  
9     accepted because I think they're vital and very  
10    important to the health of the City. So I just  
11    suggest for your consideration, it's not a question  
12    at all, but if you wanted to comment that would be  
13    fine. I would just like to see your work have the  
14    ability to have a lot of clout behind it so that you  
15    have a method whereby -- and if we can help in City  
16    Council, we'd like help see that your  
17    recommendations are carried out.

18                   MR. RADWANSKI: I would just like to  
19    say, Councilman Cohen, I think your point is well  
20    taken. Jonathan Saidel is very good at utilizing  
21    the bully pulpit to get things done. This is very  
22    important because, as you say, we have no legal  
23    means of getting our recommendations enacted. It  
24    depends a lot on the Administration and its  
25    willingness to take what we say and act upon it.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           We have do an audit retrieval system  
3   that does quantify all of our audit findings and  
4   they remain on the books for a few books until we  
5   figure that there's never going to anything done  
6   about it. But we do keep track of it. If you'd  
7   ever like to see it, we'd be more than happy to  
8   share it with you. Any things that you have, any  
9   ideas that you have to help us better put forth our  
10   ideas to the public, which is -- you know, as it is  
11   yours, a lot of times you need the public support to  
12   get anything. We're very happy to get any  
13   suggestions and work with you closely on anything  
14   you might have.

15           COUNCILMAN COHEN: Thank you.

16           MR. MCPHERSON: Councilwoman Brown.

17           COUNCILWOMAN BROWN: Thank you very  
18   much.

19           I cannot resist not asking this  
20   question. Not being an auditor, what does it mean  
21   -- and I ask this tongue in cheek -- when an auditor  
22   uses the expression found on Page 1 of your  
23   testimony "artificially balanced"? Because we know  
24   if an administration official used that it would  
25   send signals, rightfully so, given the role and

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       responsibility of your office. But what does it  
3       mean when an auditor uses the expression  
4       "artificially balanced"?

5                   THE WITNESS: I don't think we meant it  
6       as a term of art, Councilwoman. But what we meant  
7       by that is the fact that in past years we have  
8       balanced our budget through attrition, through  
9       people leaving and the delaying of filling positions  
10      as well as other economies that we're able to  
11      afford. So we'd like to work with Council and the  
12      Budget Office who's been very helpful. I'd like to  
13      thank the Budget Office for working closely with us  
14      to help us make ends meet this year which was really  
15      a nip and tuck operation. But what it means to us  
16      is we have to produce extraordinary means to make  
17      our 100 Class budget meet ends at the end of the  
18      fiscal year. We'd like to be in a position where if  
19      everybody stayed and did their job and nobody left  
20      and everyone's happy, that we make ends meet at the  
21      end of the fiscal year. And we're not in that  
22      position right now.

23                   COUNCILWOMAN BROWN: Very well. Thank  
24      you very much.

25                   COUNCIL PRESIDENT VERA: Thank you very

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       much.

3                   Are there any other questions from  
4       Members of the Committee.

5                   Seeing none, thank you very much.

6                   MR. RADWANSKI: Council President Verna,  
7       thank you, as always. Thank you Members of the  
8       Council.

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

11                  MR. GLANCEY: Good afternoon, Council  
12      President and Members of City Council. My name is  
13      David Glancey. I'm the Chairman of the Board of  
14      Revision of Taxes, and with me at the table this  
15      afternoon are Rick Foglia, the Executive Director of  
16      the Board; and Robert Nix, the Secretary of the  
17      Board. I was about that far away -- and I say that  
18      particularly to Councilman Nutter -- that far away  
19      from simply resting on our written testimony, but it  
20      seem to me there was a pattern in the short time  
21      that I was here questions concerning the DROP  
22      Program, so I think I should probably just say that  
23      initially and if there's any questions that Council  
24      would have, we'd be happy to answer them.

25                  We have roughly 19 members of our staff

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2     who are going to be affected by the DROP Program.  
3     Of that 19, however, approximately 16 are in the  
4     evaluation section of our program. We have  
5     generally, I think similar to the Department of  
6     Revenue, generally a graying staff. And those 16  
7     are going to take advantage of the DROP Program  
8     probably the end of '03 beginning of '04 I guess is  
9     when that will actually hit. And I have spoken to  
10    Mr. Dubow about this particular situation in that  
11    what we need to have are entrance level folks now so  
12    that we can do something when -- have at least some  
13    of the institutional knowledge that some of these  
14    folks have as they leave transfer to some of the  
15    entrance level folks. But that is our situation.  
16    We consider it serious. We've talked to both  
17    personnel and have talked to the Budget Department  
18    about it. Hopefully, we will be able to if not  
19    completely replace everybody, we'll have enough  
20    replacements early on so that we can function  
21    properly.

22                   And with that, I will take any questions  
23    you may have.

24                   COUNCIL PRESIDENT VERNA: Are they Civil  
25    Service positions?

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           MR. GLANCEY: Yes.

3           COUNCIL PRESIDENT VERNA: Do we have an  
4 existing list?

5           MR. GLANCEY: Yes, we do. I don't  
6 believe I have it with me today.

7           COUNCIL PRESIDENT VERNA: I don't need  
8 to see it. I just was wondering if they had to  
9 advertise, given a test, or whether there is an  
10 existing list available.

11          MR. GLANCEY: We have existing list for  
12 certain of those who are going to leave. An  
13 existing list that we are asking personnel to make,  
14 however, is a list of entry level folks. We have  
15 folks that we can promote, but what we need to have  
16 are entry level positions that will take the place  
17 of those who are leaving. We can always promote  
18 internally, and I believe -- there may not be a list  
19 for every position, but for the real important  
20 positions, there is a current list.

21          COUNCIL PRESIDENT VERNA: We all have  
22 copies of your testimony, and I wanted to make  
23 certain that the stenographer did have a copy of it  
24 so that she could include it in her notes.

25          Mr. Glancey, how long has the BRT been

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       using the geographic market areas as the basis for  
3       the Equalization Program.

4                   MR. GLANCEY: I believe we're going into  
5       our third year. Let me just ask my staff. Yes,  
6       this is the third year.

7                   COUNCIL PRESIDENT VERNA: Will this  
8       program reduce the number of assessors?

9                   MR. GLANCEY: No, we don't believe it  
10      will.

11                  COUNCIL PRESIDENT VERNA: What is the  
12      percentage of appeals received following a market  
13      value change?

14                  MR. GLANCEY: This year we received --  
15      I'll talk about this year specifically and then say  
16      generally what we get. This year we received around  
17      5,000 appeals out of 200,000, roughly, noticed that  
18      went out. For the last two years, that has been  
19      somewhat average, 2 1/2, 3 1/2 percent. We have had  
20      years in the past where we've had 10 percent. I  
21      think the reason, even though we sent a greater  
22      amount of notices and have had a fewer amount of  
23      appeals is noted in our testimony on Page 3. We  
24      have improved the communication that we have with  
25      each and every taxpayer who gets noticed. We've

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       improved the communication with each and every  
3       taxpayer who doesn't get noticed. We try to send  
4       out in a water bill, which we have done, FAQs, the  
5       facts about what to do if you get an increase in  
6       your market value and just kind of tells you what  
7       our office is. We have a Website that will answer  
8       those very same questions. And, of course, our  
9       notice has been revamped to give folks more  
10      information about what the value of their home is,  
11      why we think it is that value, and ways that they  
12      can contact us and talk to us and see why we do what  
13      we do. And that, again, can be either through  
14      computer, it can be through e-mail, it can be  
15      through fax. Or it can be a person-to-person  
16      conversation on the telephone.

17                So having said all of that, I think the  
18      reason that we have seen appeals decrease even  
19      though notices increased is that the process is  
20      somewhat more transparent. I mean it can get more  
21      transparent. We hope to always be as transparent as  
22      we can. And that folks are starting to understand  
23      more and more what we do. And I also believe that  
24      we are better at doing what we're supposed to be  
25      doing. We're not there yet. We're not a hundred

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2     percent of where we should be. However, I believe  
3     that our Equalization Program, although it obviously  
4     is going to cause some pain folks because if you  
5     increase the value that means your taxes are going  
6     to go up. But we have to look at it just as what  
7     our job is. Our job is to try and track values as  
8     best we can. Of course, we don't do that in a  
9     vacuum. We attempt to do that while also  
10    understanding the kind of human anguish that that  
11    sometimes causes. But we also know that our driving  
12    force is to try and track values. So if you we do a  
13    bitter job and we communicate to folks what we're  
14    doing, I think we'll see a lower amount of appeals  
15    and the ability to do this on a yearly basis, which  
16    is what really the best practices are.

17               Now, doing it on a yearly basis doesn't  
18    necessarily mean that there is always going to be  
19    humongous increases. If we did it on a yearly  
20    basis, it may very well be that smaller increments  
21    year by year by year would be much more acceptable.  
22    I mean, those are of the kinds of things that we  
23    work on in between assessment periods along with  
24    whatever changes in technology that come along to  
25    help us do what we're supposed to do.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           COUNCIL PRESIDENT Verna: Thank you.

3           The Chair recognizes Councilman Nutter.

4           COUNCILMAN NUTTER: Thank you, Madam  
5 Chair. I'll be brief.

6           Mr. Glancey and Mr. Nix, as Chair and  
7 Secretary of BRT, first I want to thank you for the  
8 continued good working relationship between my  
9 office and my staff and your staff on the very  
10 delicate issues that we often find ourselves trying  
11 to work on. When constituents receive their  
12 assessment bill, the number may not be a number that  
13 they think is appropriate, and your office has been  
14 very kind and quick to try to either get someone  
15 scheduled or get them an explanation. So I want to  
16 thank you for that very sincerely.

17          Mr. Foglia as the Director has also  
18 provided tremendous service to constituents. And  
19 I've had the occasion a number of times to literally  
20 drive Joe Williams crazy, but he continues to take  
21 my calls and I deeply appreciate it.

22          Lastly, I would ask if we could have Mr.  
23 Davey come up and spend about an hour or two  
24 explaining, as he often does, how the Board actually  
25 does its work, how assessments are made.

1 3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2 (Laughter.)

3 COUNCILMAN NUTTER: And, Mr. Glancey,  
4 you were too kind. I think the reason that you're  
5 probably seeing fewer appeals is I believe more  
6 people are being given Mr. Davey's phone number, and  
7 as a result of any of those conversations, people  
8 realize that there is no way in the world that  
9 they're assessment he its going down.

10 (Laughter.)

11 COUNCILMAN NUTTER: And I would say with  
12 my good friend Mr. Dubow in the back that, Mr.  
13 Dubow, you still have a ways to go in terms of being  
14 able to explain something in such a way to meet the  
15 standard that Mr. Davey has attained. If you keep  
16 working on it and one day you, too, will be at that  
17 level.

18 (Laughter.)

19 COUNCILMAN NUTTER: Mr. Davey knows that  
20 I'm only joking with him. I do tremendously  
21 appreciate what he does in a very complicated  
22 system. But the office provides good service, and I  
23 wanted to thank you for it.

24 MR. GLANCEY: Thank you, Councilperson.  
25 I might just add parenthetically that the Gene Davey

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       road show is tomorrow evening at Society Hill Towers  
3       if you care to attend.  
4                   COUNCILMAN NUTTER: I can only imagine  
5       what that will be like.  
6                   (Laughter.)  
7                   MR. GLANCEY: Thank you very much for  
8       your kind words. We really appreciate what you said  
9       thank you.  
10                  COUNCILMAN NUTTER: You're welcome.  
11                  MR. MCPHERSON: COUNCILWOMAN Brown.  
12                  COUNCILWOMAN BROWN: Thank you.  
13                  Good morning, gentlemen. Let me start  
14       off by echoing Councilman Nutter's comments with  
15       regard to the service that your office renders. I  
16       too can speak from personal testimony particularly  
17       as it relates to the assistance you gave us with the  
18       due diligence around the land value tax. And as a  
19       follow-up to those discussions, you shared with me  
20       that you believe your budget would need to be  
21       increased by approximately 7 million. If we were  
22       able to, A, get it passed out of City Council and  
23       signed by the Mayor, and then, B, implement it, can  
24       you speak to that today, share with us how you  
25       arrived at that estimation and what tremendous

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       impact that would have on the City's budget both  
3       positively and negatively?

4                   MR. GLANCEY: Certainly. That number,  
5       as you know, we tried to put together as quickly as  
6       we could when we talked to you in your office. And  
7       also, we had a little more time and we thought we  
8       might be here for some testimony January 30th, but  
9       obviously whatever happened, happened. And we were  
10      not able to present testimony then. We believe that  
11      if a land value tax is implemented, there would be a  
12      need to revalue every parcel of land in the City of  
13      Philadelphia at its highest and best use. And I  
14      think I saw Professor Robert Inman agree with that.  
15      He said if you're going to start a program like  
16      this, you have to do it correctly. You can't simply  
17      take the land allocation that is currently there.

18                   Let me backtrack one quick second. We  
19      don't value land. Our evaluators value the land and  
20      the improvement. Example, you pay \$100,000 for your  
21      property. Basically, that's what the evaluators  
22      value, that's what real property appraisers value.  
23      We have to artificially place an allocation on the  
24      land under that improvement. So when your property  
25      -- I would ask you a question or anybody a question.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       How much did you pay for the land under your  
3       property? Nobody knows what that is really. They  
4       know what they paid for the improvement in its  
5       entirety, and that's what our staff values. So I  
6       think as a rule of thumb, and this is very rough,  
7       our evaluators because the law calls for them to do  
8       it would say if it was a hundred thousand dollars  
9       parcel, the house and the land under it will cost  
10      you \$100,000, we'd put roughly 25 percent or a third  
11      on the land. But nobody's really done a study of  
12      whether that's what the value of that land is  
13      because we don't have to. I mean, it's something  
14      that we wouldn't do. It would waste an awful lot of  
15      time and then obviously have not benefit to what we  
16      do in putting values on property.

17               However, having said that, that's why I  
18      believe we would have to re-value every parcel of  
19      land in it City to try and get an accurate highest  
20      and best use. Highest and best use for a vacate  
21      piece of land in Center City would probably have to  
22      be valued at more than whatever it is today,  
23      obviously. It could be and office use at that  
24      particular location. And I'm just making this up  
25      hypothetically. So one of the problems, as I think

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       as I told you with the land value taxation, was we  
3       now have to look at that and say, Okay, the market  
4       says we shouldn't be building offices. Right now  
5       the market is not -- I mean, that is happening. We  
6       shouldn't be building offices. However, because we  
7       have to put the highest and best use on this  
8       property, highest and best use value on this  
9       property, we would value that land as if it could be  
10      an office development. So what would be as vacant  
11      land, no real high use, say at 15 bucks a square  
12      foot would all of a sudden be 80 or 90 bucks a  
13      square foot, a significant increase.

14                   That's not what your question is and  
15      that's really not the problem. That's something  
16      that we would have to do systemically. But what I  
17      have and I can share this with you and with Council  
18      if you'd like after this hearing, is that we believe  
19      that we would currently have to increase our salary  
20      costs by about 4 million because we would need to  
21      completely reshape our organization. We'd have to  
22      have land value specialists because once you  
23      institute it, you have to maintain it, obviously.

24                   We also think -- and again, these were  
25      very rough figures -- that we would probably have to

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       add about \$650,000 for Class 400 and Class 200 types  
3       of expenditures, you know office and equipment,  
4       furniture, desks, chairs, all that kind of thing  
5       that goes along with adding some staff. We believe  
6       that, again, and I say this to that total of 4  
7       million 6 and the 600,000 comes -- I'm sorry. With  
8       benefits added in. The 4 million 6 would be  
9       salaries. The benefits would be about 6 million 7.  
10      We roughly figured 40 percent plus or minus on the  
11      benies of that. We are conservative. We went over  
12      what I think we would actually have to spend because  
13      I think we have to give you the most conservative  
14      look. The total was roughly \$7 million. I think  
15      that -- you know, it might be high. Maybe it's 5  
16      million. But that's still a lot of money. And then  
17      in the first couple of years you'd probably have to  
18      sustain it at that kind of level. It may drop off,  
19      it may go down as we go further into a program like  
20      that. But one of the things is we don't really  
21      know. Without getting into the merits of the tax  
22      itself, I'm not sure what it would actually cost to  
23      maintain a system.

24                   The other thing, Councilwoman, which I  
25      think is very important is that during the

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       institution of such a program, we would almost have  
3       to have two systems. We'd have to keep our current  
4       system while we are instituting this system,  
5       similar to what we all do with computers today. You  
6       have to keep your current system going before you  
7       can institute the new system. So with this, though,  
8       we're talking about our current budget of 7 million  
9       something, plus an additional, we'll call it 5 to 7,  
10      you know, trying to get these new system oriented.

11                 Again, these figures are the best we  
12      could do at that time. We can try to refine for if  
13      you wish, but I think that they're ballpark  
14      accurate, at least for the first two, three, or four  
15      years if we went to that kind of program.

16                 COUNCILWOMAN BROWN: Well, you've  
17      certainly answered my follow-up question, which is,  
18      would that figure hold for all subsequent years to  
19      follow.

20                 And then lastly, given that level  
21      expenditure, would the benefit outweigh, the benefit  
22      that we're trying to yield from this split rate tax,  
23      would that outweigh the tremendous expenditure that  
24      we're doing on the front end?

25                 MR. GLANCEY: My opinion is it does not.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       But there's lots of opinions about this. Because  
3       you really are getting to the merits of whether a  
4       land value tax is some that is useful. My opinion  
5       is that if the point land value is encourage  
6       development, and that really seems to be what all  
7       the proponents say, that if make land value higher,  
8       the holder of that land will do something with it as  
9       opposed to sit there and speculate. That's in a  
10      nutshell is the point. My opinion is that unless  
11      there is a market demand for development in whatever  
12      that area might be, if also there has to be  
13      favorable interest rates to borrow money in order to  
14      do that development, and there has to be kind of a  
15      City-wide land policy that allows this kind of  
16      development to take place. That, in my estimation,  
17      is much more important than the tax policy. I think  
18      -- and again, to be fair, the proponents of land  
19      value tax say, "Well, this will create the demand."

20                   I haven't seen it. That may be the  
21      case.

22                   What I had suggested initially to the  
23      City Controller was why don't we just get an honest  
24      broker to do some kind of a pilot study in a portion  
25      of our City and see if this can work. Don't use the

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2   land allocation numbers that we currently have  
3   because they're not values. It would seem to me if  
4   we had a econometrics and some appraise that would  
5   volunteer their time -- and maybe the reason we  
6   don't have that is because nobody is volunteering  
7   their time because it would be a pretty expensive  
8   proposition, it seems to me, to take a third or a  
9   quarter of the City, revalue the land up there and  
10   see whether or not by using all kinds of modeling  
11   whether or not it would encourage development at  
12   least according to me.

13               Look, there's been on both side of this  
14   issue I think that there's a lot of emotion. There  
15   are those who think -- the proponents thing that  
16   this is the greatest thing since sliced bread, and  
17   there are those on the side who said that this just  
18   pure hokum. I fall somewhere in the middle. I  
19   honestly believe that if there were to be some sort  
20   of fair study, a study that's not done by either a  
21   proponent or opponent, it would be something  
22   interested to see. But there's one think I would  
23   add -- and I know I'm being windy here about this.  
24   It was in something called the Illinois Real Estate  
25   Letter. A Professor Edwin Mills, is land taxation

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       practical. Professor Mills who teaches at Princeton  
3       and Johns Hopkins and is a renowned urban economist,  
4       is a proponent of the land value tax. He's an  
5       absolute proponent of the land value tax. However,  
6       his conclusion after answer the question, is land  
7       taxation practical, he states, and this is a 1998  
8       study, The theoretical advantages of shifting the  
9       property tax base entirely or predominately to land  
10      alone are great. So he says that theoretically this  
11      is a great thing to do. However, the practical  
12      problems of land taxation make it sufficient  
13      implementation inconceivable.

14                 He doesn't say difficult or hard or we  
15      don't know. He says inconceivable. And that's the  
16      proponent of land value tax.

17                 So I do believe that the practical  
18      problems that we speak about, and when you and I  
19      have talked about it, are such that it would be a  
20      very expensive proposition. And I'm not so sure the  
21      upside is worth it.

22                 Sorry for taking up all that time.

23                 COUNCILWOMAN BROWN: I really appreciate  
24      it, particularly the new information that you've  
25      gotten since the introduction of this bill. And my

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       opinion at this hour simply makes for a hard sell  
3       given the kind of information you've shared. So  
4       thank you for that.

5                   My second and final question speaks to  
6       that your office now has Internet access for  
7       residents who want to look up property records? You  
8       mentioned that there is now Internet access. Is  
9       this up on the Web now.

10                  MR. GLANCEY: Yes. It's an application  
11       that started January 1st.

12                  COUNCILWOMAN BROWN: And I know that Mr.  
13       Goppelt and his hall watch piece also does something  
14       along those lines. What are the differences as you  
15       view them?

16                  MR. GLANCEY: Well, I think ours is more  
17       current. One of the conflicts that we might have  
18       had initially was that Mr. Goppelt did not want to  
19       pay the cost of what we sell our CD for. That was  
20       two months in the making, I guess, that squabble  
21       over a hundred dollars, I might add. That's all it  
22       cost. But our information is more current because  
23       we will update it. And if we update it, that means  
24       that those who have purchased the CD have the CD  
25       they bought. We would love to update monthly.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       We're not there yet. The last update, I believe,  
3       was in November. Yes, November 27th was the last  
4       update that we have on the screen. I might add,  
5       however, though, that we receive from MOIS from  
6       January 18th until February 26th, that site received  
7       327,000 hits. So it was really being utilized  
8       greatly. And we try to do everything we can to  
9       encourage that kind of use.

10               COUNCILWOMAN BROWN: Thank you very,  
11       very much.

12               MR. GLANCEY: You're welcome.

13               COUNCILWOMAN BROWN: Thank you, Madam  
14       President.

15               COUNCIL PRESIDENT VERNA: Thank you.  
16       The Chair recognizes Councilman Goode.

17               COUNCILMAN GOODE: Thank you, Madam  
18       President.

19               Good afternoon, Mr. Glancey. This may  
20       be a more appropriate question for the Revenue  
21       Commissioner but I forgot to ask it while she as the  
22       here. In your testimony, you talk a lot about real  
23       estate tax incentives, abatement programs. Do you  
24       know in terms of Fiscal Year '03, can you give me an  
25       estimated amount of foregoing revenue for all tax

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           incentives on real estate?

3                   MR. GLANCEY: What your real question  
4           is, what is the taxable amount of the abated  
5           assessment if it were taxable. It's roughly 11  
6           million, 7. As you note in the testimony also, it's  
7           right after the appendix, there's two pages that  
8           shows all of our abatements listed in chart. It  
9           also indicates that the taxable amount of those  
10          abated properties is about 5 million 9 or 5 million  
11          6 or something like that. But the abated amount, if  
12          taxable would be 11 million 7.

13                   COUNCILMAN GOODE: Could you tell me  
14          roughly, if you know, what that figure would be  
15          under this Administration since January 2000?

16                   MR. GLANCEY: I'm sorry, I didn't hear  
17          the first part of your question.

18                   COUNCILMAN GOODE: Can you tell me what  
19          the figure would be for the administration from  
20          January 2000 to the end of this fiscal year?

21                   MR. GLANCEY: I would have to see if I  
22          can figure that. It's a running you're asking for?

23                   COUNCILMAN GOODE: Yes, running total  
24          from January 2000 until the end of the fiscal year.

25                   MR. GLANCEY: Okay. So the first six

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       months of this year calendar-wise.

3           COUNCILMAN GOODE: Yes, that's correct.

4       Could you just forward that to the Chair.

5           MR. GLANCEY: Sure. I'm sure we can do

6       that, I just need to double check.

7           Yes, we will forward that to you. Thank

8       you, Councilman.

9           COUNCILMAN GOODE: Thank you.

10          Thank you, Madam President.

11          COUNCIL PRESIDENT Verna: You're

12       welcome.

13          The Chair recognizes Councilman Ortiz.

14          COUNCILMAN ORTIZ: Good afternoon, Mr.

15       Glancey. You know, that thing about empty land, the

16       neighborhood that I now live in, Northern Liberties,

17       has quite a few lots that have no building on it.

18       And the prices on those lots have been skyrocketing

19       in terms of the value of empty land. I say value

20       because real estate individuals are asking a lot of

21       money for them. My wife's cousin went to try to see

22       if they could buy one, and from September to the end

23       of November, the price has always doubled.

24          MR. GLANCEY: The price or the asking

25       price?

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           COUNCILMAN ORTIZ: The asking price. I  
3       said to them, I said, "Why don't you go into see  
4       what the market value is in terms of your shop."

5           And the value that your shop had given  
6       was like the minimus compared to the asking price of  
7       the real estate. Obviously, a demand is there.

8           MR. GLANCEY: One of the major building  
9       blocks would be actual sale. I'm sure there are  
10      some sales like what you just described.

11          COUNCILMAN ORTIZ: In essence I think  
12      it's preventing a lot of sales.

13          MR. GLANCEY: Could be. Evaluators will  
14      look at records to see what folks are asking for  
15      this kind of property. And there can be some  
16      reaction. If you were the seller and you came  
17      before our board on appeal and said, "Wait a minute.  
18      I'm asking a million dollars, but I could ask \$10  
19      million. It doesn't mean anything. What matters is  
20      these three sales that sold for 200,000. And they  
21      would win because under the law that's what we have  
22      to do. We have to just look at the sales. However,  
23      I think there are a couple of ways that our staff is  
24      now, again, using the technology. I think our staff  
25      is better able to see what's out in the market, to

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)  
2       see what asking prices are, and make phone calls  
3       based on that to the brokers and see if, look,  
4       you've got a listing price of a million dollars for  
5       this piece. What are you really going to take? You  
6       know, those kinds of things. All of those are  
7       indications of value. And then to make some  
8       reasoned and professional judgment on that value.

9           COUNCILMAN ORTIZ: Because it turns a  
10      neighborhood that may be getting up and moving, you  
11      price it out of the range of the people who may want  
12      to come in and develop.

13           MR. GLANCEY: Sure. I appreciate what  
14      you're saying. Again, it's one of the things that  
15      our staff has to do. There are things when you've  
16      got 576,000 properties -- and that's not an  
17      excuse -- that fall through the cracks, we've got to  
18      make sure that those cracks are narrower and  
19      narrower and narrower so that when this kind of  
20      information comes to our attention that we can react  
21      to it. But be assured, however, we can't react to  
22      it immediately. We do have to wait a year. If, for  
23      instance, that were to be told to me today that that  
24      property sold for a million, we couldn't change that  
25      value today. We'd have to wait until our next

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           assessment date to change the value.

3                   COUNCILMAN ORTIZ: The guy who I bought  
4           from, there was a couple lots and my wife finally  
5           decided that she wanted that last lot. And from  
6           today to tomorrow it went from 15,000 to 30.

7                   MR. GLANCEY: Well, you know, sometimes  
8           that's how the market works, too. If you have a  
9           real desire somebody's going to jack the price up.

10                  COUNCILMAN ORTIZ: Definitely. That  
11           happened.

12                  What is projected revenue that will be  
13           derived from our taxes for the public education  
14           system in the year coming up?

15                  MR. GLANCEY: I think we're looking at  
16           certainly what we did for '02. Now, these are gross  
17           numbers. I will tell you if everybody paid every  
18           dollar they owed on a given day, these would be the  
19           gross numbers. That may not be everything that's  
20           collected.

21                  COUNCILMAN ORTIZ: How much would go to  
22           the schools?

23                  MR. GLANCEY: Yes, it would go to the  
24           schools. We figure it's roughly \$840 million gross.  
25           City and School District.

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2           COUNCILMAN ORTIZ: And that's an  
3 increase from this year how much?

4           MR. GLANCEY: About 5 percent.

5           COUNCILMAN ORTIZ: In hard dollars. I'm  
6 very bad at percentages.

7           MR. GLANCEY: Let's call it 25, \$30  
8 million. But that is a total. Now, 55 percent of  
9 that is School District money. So 55 percent of 30,  
10 we'll say roughly would be what you're looking at.  
11 So about \$20 million.

12           But, again, we are making that  
13 projection based on what we did this year to what we  
14 will do next year. Just don't hold us specifically  
15 to any given number, we're looking at those figures  
16 and I think that's pretty accurate. That's what we  
17 did this year.

18           COUNCILMAN ORTIZ: \$840 million.

19           MR. GLANCEY: Yes. But, again, gross  
20 numbers. If everybody paid -- there are people who  
21 aren't going to pay taxes and there are obviously --  
22 you know, there are collection problems that Revenue  
23 must have. So if you wanted to look at what was  
24 actually collected, I guess you'd have to ask the  
25 Department of Revenue. But the numbers that would

1           3/11/02 - WHOLE - BILL 02001 ('03 BUDGET)

2       be floating around in my head would be somewhere  
3       around \$800 million total, you know, 810 million  
4       total. And 55 percent of that would be going to the  
5       School District.

6                   COUNCILMAN ORTIZ: Thank you.

7                   MR. GLANCEY: You're welcome.

8                   COUNCIL PRESIDENT VERNA: Thank.

9                   Are there any other questions from  
10       Members of the Committee?.

11                   Seeing none, thank you very much. This  
12       hearing has been very informative. Thank you.

13                   This committee will stand in recess  
14       until Tuesday, March 12th at 9:30. Thank you.

15                   (Council adjourned at 1:00 p.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 March 11, 2002, were reported fully  
and accurately by me, and that this is a correct  
transcript of the same.

RE: COMMITTEE OF THE WHOLE

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Lisa C. Bradley, RPR  
and Notary Public